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HOUSE JOINT MEMORIAL 2

42ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SPECIAL SESSION  
1996

INTRODUCED BY  
EDWARD C. SANDOVAL

A JOINT MEMORIAL  
REQUESTING THE NEW MEXICO LEGISLATIVE COUNCIL TO ESTABLISH A  
MANAGED CARE OVERSIGHT COMMITTEE TO STUDY AND REVIEW ISSUES  
RELATED TO MANAGED CARE IN NEW MEXICO.

WHEREAS, managed care is a system of financing and  
delivering health care, including behavioral health,  
developmental disabilities and long-term care, using a network  
of selected health care and service providers; and

WHEREAS, there is an indication but insufficient data to  
prove that managed care will reduce health or behavioral health  
or other service and program costs; and

WHEREAS, there is considerable enthusiasm but little data  
to prove that managed care can produce improved health care  
outcomes, particularly in the areas of behavioral health,

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1 developmental disabilities and long-term care services; and

2 WHEREAS, certain state departments have embarked on plans  
3 for contracting with managed care organizations for delivering  
4 health care services; and

5 WHEREAS, more than one in five New Mexicans depend on  
6 medicaid for the financing of their health care services; and

7 WHEREAS, much of the funding provided by the state for  
8 children's health care services has been shifted to the medicaid  
9 program, thereby impacting a number of community-based programs  
10 that will be governed by managed care; and

11 WHEREAS, most New Mexicans who depend on medicaid for their  
12 health care are the poor, elderly, adults and children with  
13 disabilities, pregnant women, adults and children with severe  
14 chronic health conditions and income-eligible adults and  
15 children with a need for mental health, substance abuse,  
16 developmental disability and long-term care, and are considered  
17 vulnerable populations with few alternative resources if a  
18 managed care organization will not provide them with appropriate  
19 and necessary health care and supportive services; and

20 WHEREAS, those New Mexicans who are provided with private  
21 health insurance through their employer or other means are  
22 increasingly being moved into managed care plans; and

23 WHEREAS, managed care, if monitored well and if required to  
24 meet certain financial, quality assurance, delivery and outcome  
25 standards, may have the capability of providing coordinated,

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1 quality and cost-effective care to most New Mexicans; and

2 WHEREAS, the state has recently spent considerable  
3 financial and human resources to create and support a community-  
4 based system of primary health care delivery that is beginning  
5 to provide appropriate and cost-effective care to New Mexicans  
6 in many communities throughout the state; and

7 WHEREAS, the state has collected little data about the  
8 cost-effectiveness of managed care, the quality of care  
9 delivered through a managed care plan, the outcomes of care  
10 delivered through managed care or the impact of managed care on  
11 the state's system of primary care providers, other community-  
12 based programs or the public education system;

13 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE  
14 STATE OF NEW MEXICO that the New Mexico legislative council be  
15 requested to establish a legislative managed care oversight  
16 committee to:

17 A. determine if managed care is a cost-effective,  
18 quality-driven system of health care delivery;

19 B. determine if a managed care system for the  
20 delivery of health care is appropriate for New Mexico;

21 C. determine the costs of establishing managed care  
22 systems in New Mexico; and

23 D. oversee the development and refinement of  
24 licensing, quality assurance, contracting and financial capacity  
25 standards for managed care organizations operating in the state;

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1 and

2 BE IT FURTHER RESOLVED that a copy of this memorial be sent  
3 to each member of the New Mexico legislative council.

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**State of New Mexico  
House of Representatives**

**FORTY- SECOND LEGISLATURE  
FIRST SPECIAL SESSION, 1996**

**March 21, 1996**

Mr. Speaker:

Your RULES AND ORDER OF BUSINESS COMMITTEE, to whom has been referred

HOUSE JOINT MEMORIAL 2

has had it under consideration and finds same to be NOT GERMANE in accordance with constitutional provisions.

Respectfully submitted,

---

Barbara A. Perea Casey,

Chairwoman

Adopted \_\_\_\_\_

Not Adopted \_\_\_\_\_

(Chief Clerk)

(Chief Clerk)

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Date \_\_\_\_\_

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4 The roll call vote was 7 For 4 Against

5 Yes: 7

6 No: Lujan, Pederson, Picraux, SM Williams

7 Excused: Nicely, Olguin, JG Taylor, Wallach

8 Absent: None

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