

NEW MEXICO MEDICAL INSURANCE POOL

Legislative Health and Human Services
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Presented By:
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Executive Director

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THE “POOL”

- Legislatively created in 1987 as non-profit entity whose Purpose is:
 - “...to provide access to health insurance coverage to all residents of New Mexico who are denied adequate health insurance and are considered uninsurable.”
 - Medical Insurance Pool Act [59A-54-1 NMSA 1978]
- *Quasi-Governmental Entity*
 - *Covered by Tort Claims Act*
 - *Follows Procurement Code*

GOVERNANCE and ADMINISTRATION

- Board of Directors (11 members)
 - Superintendent of Insurance (Chair), Insurance Reps (4), Physician, Statewide Health Planner, Consumers (2) and Community Members (2)
- Administration *By Contract per Procurement Process:*
 - Executive Office ~ Delta Consulting Group
 - Executive Director ~ Deborah Armstrong
 - Plan and Network Administrator ~ Benefit Management

FUNDING MECHANISMS

- Premiums ~ 14%
- Health/Life Insurance Carrier Assessments ~ 86%
 - Premium Tax Credit
 - Carriers receive Tax Credit equal to approx 55% of assessment paid
 - THUS:
 - Carriers fund approx 38% (*pass on to private market*)
 - *360 Carriers are Assessed*
 - *Based in individual, group and Medicaid business (excludes self-insured plans)*
 - State funds approx 47% via reduced revenue

Administration Costs less than 5% of total costs

TEN-YEAR GROWTH HISTORY

YEAR	End-of-Year Membership	Losses Assessed
2007	4,734	\$30,768,870
2008	6,155	\$49,018,813
2009	7,764	\$69,346,923
2010	8,429	\$84,712,662
2011	8,442	\$94,043,650
2012	8,507	\$101,966,786
2013	8,680	\$119,922,371
2014	5,033	\$99,108,661
2015	3,040	\$62,580,000
2016	2,773	\$73,774,713
2017 Projected	2,394	\$69,543,846

DEMOGRAPHICS & STATISTICS

- Current Enrollment: 2,490 (*April 2017*)
 - Low-Income Premium Program: 1,467
- Average Age: 49 Median Age: 55
- Average Length of Enrollment: 66 months

- Medical Loss Ratio: 662%
- PMPM Cost \$2,406

ELIGIBILITY REQUIREMENTS

- Resident; and
- Rejection for Individual Comprehensive Coverage; or
- Have a Policy with Limitation/Rider/Waiver; or
- Pay Premiums Above “Qualifying Rate” (125% SRR); or
- HIPAA Eligible
 - Had 18 months of previous coverage, last of which was Group, with no gap > 95 Days

****Ineligible** if eligible for Group Ins, Medicaid, Medicare

PREMIUM RATES

- Based on AGE, DEDUCTIBLE, REGION, SMOKER
- Currently set at 105% of “Standard Risk Rate” (SRR)
 - SRR determined through actuarial assessment of top 5 selling individual policies on private market
 - By law, cannot be more than 150% SRR
- Low-Income Premium Program
 - Discounted premiums for those < 400% FPL

2017 PREMIUM EXAMPLES

Bernalillo Co. Non-Smoker

Age	500 Deductible	1000 Deductible	2000 Deductible	5000 Deductible
0-20	\$237	\$204	\$163	\$109
25	\$375	\$323	\$257	\$172
35	\$456	\$393	\$313	\$210
45	\$539	\$465	\$370	\$248
55	\$833	\$717	\$572	\$383
64	\$1,120	\$965	\$769	\$515

LOW-INCOME PREMIUM PROGRAM

Qualifying Income Guidelines

Household Size	0-199% of Poverty	200-299% of Poverty	300-399% of Poverty
	75% Premium Reduction	50% Premium Reduction	25% Premium Reduction
1	\$23,641	\$35,521	\$47,401
2	\$31,880	\$47,900	\$63,920
3	\$40,118	\$60,278	\$80,438
4	\$48,357	\$72,657	\$96,957
5	\$56,596	\$85,036	\$113,476

MEDICARE CARVE-OUT PLAN

- For Individuals under age 65 who have Medicare due to disabling condition
- Medicare Supplemental Plan
- \$500 deductible
- Same Benefits as Standard Plan
- *NMMIP is ONLY Option for this population*
 - *Current enrollment: 808 (April 2017)*

Current Efforts

- Consider plan and/or network redesign
- Implement Medicare Part D program
- Implement Care Management strategies
- Take care to not overburden private market

Questions & Answers

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