

HEALTH CARE  
A U T H O R I T Y



LEGISLATIVE HEALTH & HUMAN SERVICES COMMITTEE  
HEALTH CARE AFFORDABILITY FUND

JUNE 26, 2025

*INVESTING FOR TOMORROW, DELIVERING TODAY.*



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## MISSION

*We ensure New Mexicans attain their highest level of health by providing whole-person, cost-effective, accessible, and high-quality health care and safety-net services.*

## VISION

*Every New Mexican has access to affordable health care coverage through a coordinated and seamless health care system.*

## GOALS



**IMPROVE** Leverage purchasing power and partnerships to create innovative policies and models of comprehensive health care coverage that improve the health and well-being of New Mexicans and the workforce.



**SUPPORT** Build the best team in state government by supporting employees' continuous growth and wellness.



**ADDRESS** Achieve health equity by addressing poverty, discrimination, and lack of resources, building a New Mexico where everyone thrives.



**PROVIDE** Implement innovative technology and data-driven decision-making to provide unparalleled, convenient access to services and information.

# AGENDA

- Health Care Affordability Fund Successes
- Fund Demonstrates Legislature's Foresight to Respond to Evolving Federal Coverage Landscape
- Federal Reconciliation Bill Will Increase Uninsured Rate and Make Coverage Less Affordable
- Future Program Needs Are Aligned with Revenue Projections



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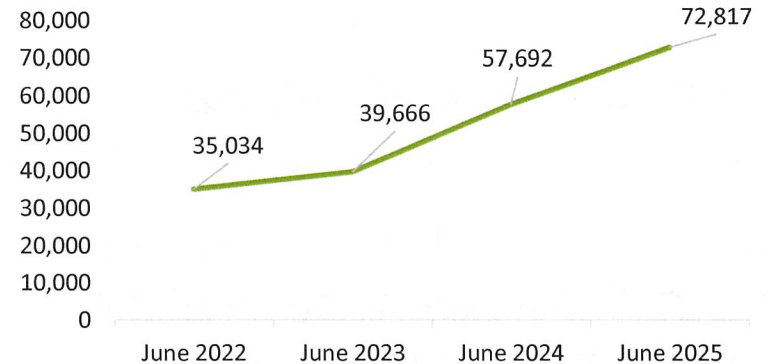
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# HEALTH CARE AFFORDABILITY FUND SUCCESSES

- **72,817 Enrolled in Marketplace:** Marketplace enrollment is up 26% year-over-year and 84% since the Marketplace Affordability Program (MAP) launched in 2023.
- **High Uptake in Marketplace Affordability Program:** 54% (39,239) enrollees benefit from New Mexico’s state-funded premium assistance programs and 71% (51,714) benefit from the state out-of-pocket assistance program.
- **Small Business Initiative saves average \$72.62 per member per month:** Supports coverage for 36,068 New Mexicans.

Source: <https://bewellnm.com/transparency/dashboards/> and HCA Data

BeWell Enrollment



**CURRY COUNTY**  
**A FAMILY OF THREE: HOUSEHOLD**  
**INCOME \$74,000\***

\*reductions are a result of Federal and State assistance programs

**Lowest Cost Turquoise Option**

Monthly Premium: **\$47.53** from \$1,275.45 without assistance

Deductible: **\$1,000** from \$1,650 without assistance

Maximum Out-of-Pocket: **\$3,000** from \$18,900 without assistance

Generic Prescription Medicine: **\$0** from \$0 without assistance

Mental Health: **\$0** for all Turquoise Plans



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# FUND DEMONSTRATES LEGISLATURE’S FORESIGHT TO RESPOND TO EVOLVING FEDERAL COVERAGE LANDSCAPE

*Health Care Affordability Fund demonstrates the kind of adaptive policymaking this Legislature envisioned in 2021, resulting in coverage supports that lead the nation.*

- COVID-19 Pandemic & Enhanced Marketplace Federal Subsidies allowed NM to leverage additional federal dollars:
  - When the COVID-19 pandemic significantly shifted enrollment—increasing Medicaid participation while reducing Marketplace demand—the Fund's flexible design allowed the State to save Fund resources.
  - Passage of enhanced federal subsidies significantly reduced HCAF need for 2023, demonstrating how the Fund's design allows the State to leverage federal investments.
  
- In 2020, 47% of NM’s uninsured (~100,000 people) fell into coverage gaps (e.g. due to immigration status, too much income for Medicaid, too little income for marketplace subsidies, or disqualified due to employer coverage rules).
  - Since the Fund’s establishment, federal actions have closed many of these gaps, reducing state costs. **However, proposed federal changes will substantially increase costs on working families.** HCAF will be critical to protect and respond to coverage changes.

Individual, 41-years-old, 150% FPL (\$21,870/annual)			
Marketplace PY2024 – Lowest Cost Option			
State	Monthly Premium	Annual Out-of-Pocket Costs	Max % of Income for Covered Services
New Mexico (Bernalillo County)	Turquoise Level 1 Plan; \$0 Monthly Premium	\$0 Deductible; \$100 Maximum Out-of-Pocket	0.5%
California (San Mateo County)	Silver Plan; \$0 Monthly Premium	\$0 Deductible; \$1,150 Maximum Out-of-Pocket	5%
Colorado (Denver County)	Silver Plan; \$0 Monthly Premium	\$0 Deductible; \$1,100 Maximum Out-of-Pocket	5%
Kentucky (Jefferson County)	Silver Plan; \$0 Monthly Premium	\$550 Deductible; \$550 Maximum Out-of-Pocket	3%

# PENDING FEDERAL RECONCILIATION BILL WILL INCREASE UNINSURED RATE & MAKE COVERAGE LESS AFFORDABLE

## ▪ *Impact on New Mexicans*

- Changes in federal cost-sharing reductions mean an average premium increase of \$1,200 per person per year for 50,000+ New Mexicans (72% of marketplace enrollees).
- Elimination of enhanced premium tax credits mean would impact more than 64,000 enrollees who receive these credits, losing an average of \$705 per person per year in assistance.
- Administrative barriers and shorter enrollment windows will reduce coverage access.
- Elimination of premium tax credits for certain legal residents, including refugees and trafficking victims.


## ▪ *Financial Impact on the State*

- Substantial increase in Fund will be needed to maintain current coverage affordability levels; HCA is actively designing FY27 budget request.
- Medicaid could lose funding if HCA implements Coverage Expansion Program with broadest eligibility parameters.

Source: [KFF](#), [CBPP](#), [BeWell](#), Wakely

## BeWell Impacts Under the Federal Reconciliation Bill

Annual premiums increase

 **\$1,900 premium increase per person**

Uninsured rate increases

 **16,100 New Mexicans lose coverage**

**New Mexico's Health Care Affordability Fund Can Protect Coverage Gains**



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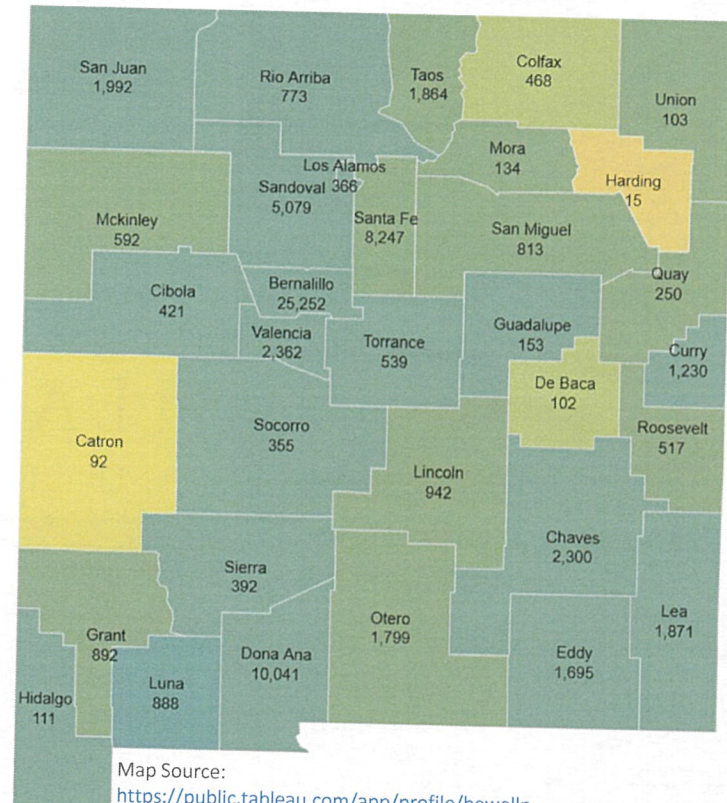
# FUTURE PROGRAM NEEDS ARE ALIGNED WITH REVENUE PROJECTIONS

WITH SIGNIFICANT FUNDING CUTS FOR MEDICAID AND THE MARKETPLACE PROPOSED AT THE FEDERAL LEVEL, THE HCAF IS A CRITICAL TOOL FOR HELPING NEW MEXICANS MAINTAIN COVERAGE AND WILL NEED SIGNIFICANT ONGOING FUNDING.

- In 2024, the Legislature revised the HCAF funding formula effective FY26, allowing HCAF programs to provide coverage to more people with greater certainty about future funding.
- **Preliminary FY27 Cost Projections: \$225,400.0.**
  - Marketplace Affordability Program: \$119,300.0.
  - Small Business Initiative: \$50,000.0.
  - Uninsured Program: \$46,000.0.
  - State Employee Health Benefits: \$10,100.0.
- **Projected FY27 Revenue: \$222,400.0.**

*Note: All projections are preliminary and assume end of enhanced PTCs and Silver Loading. Non-Marketplace modeling based on FY26. Updated projections will be delivered to the committee in the coming weeks.*

**NM BeWell Enrollment by County, June 2025**  
72,650 total enrollees

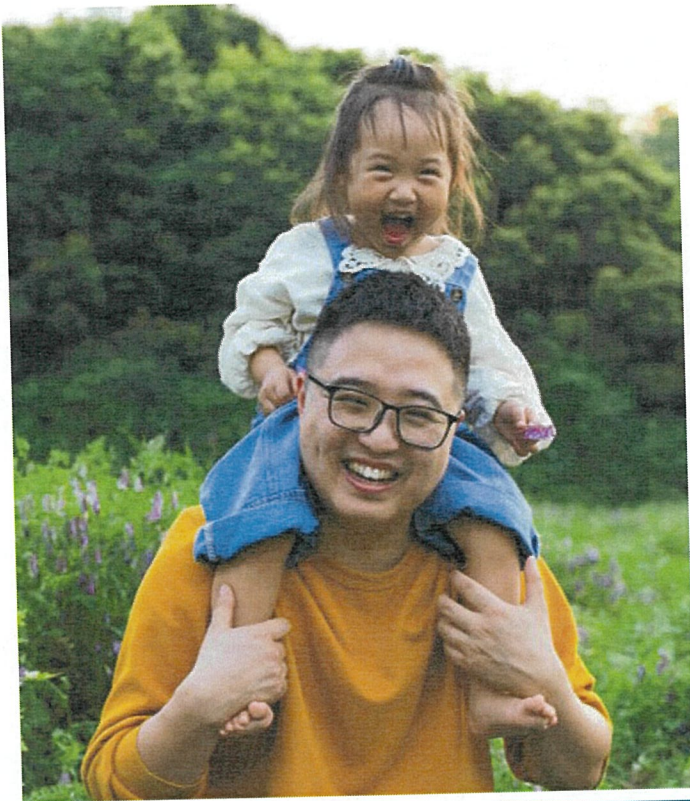


Map Source:  
<https://public.tableau.com/app/profile/bewell/nm/viz/NewMexicoEnrollmentDashboards/EnrollmentSummary>

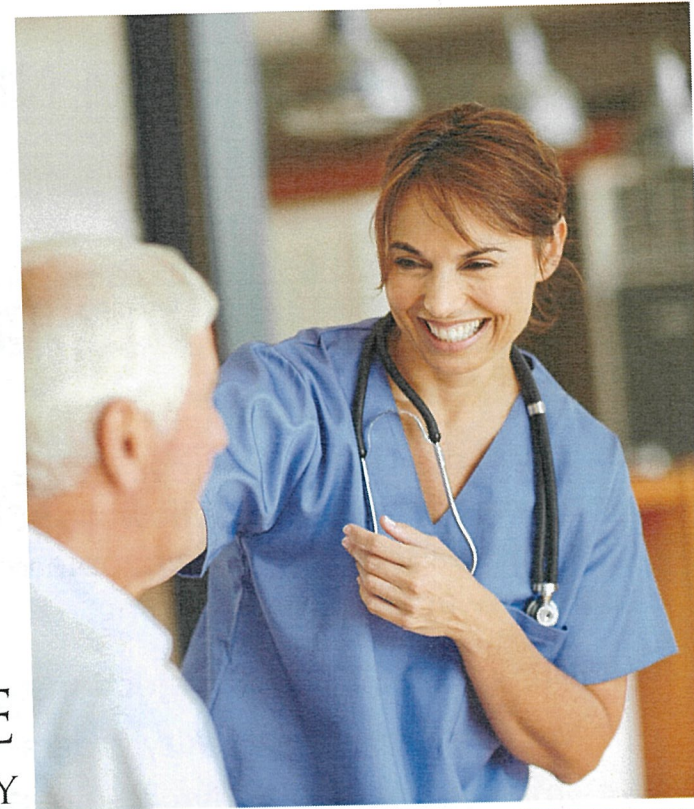


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THANK YOU & QUESTIONS

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