

1 SENATE JOINT MEMORIAL 10

2 **50TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2012**

3 INTRODUCED BY

4 Linda M. Lopez

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10 A JOINT MEMORIAL

11 REQUESTING THAT THE MARTINEZ ADMINISTRATION PROVIDE A FULL
12 REPORT ON EXPENDITURES MADE AND STUDY RESULTS PURSUANT TO THE
13 ONE-MILLION-DOLLAR (\$1,000,000) FEDERAL HEALTH INSURANCE
14 EXCHANGE PLANNING GRANT.

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16 WHEREAS, on March 23, 2010, the federal Patient Protection
17 and Affordable Care Act of 2010, also known as the Affordable
18 Care Act, was signed into law; and

19 WHEREAS, the Affordable Care Act requires each state to
20 set up a health insurance exchange by 2014 and to demonstrate
21 readiness to implement the health insurance exchange by January
22 1, 2013; and

23 WHEREAS, if a state cannot demonstrate readiness to
24 implement a health insurance exchange by January 1, 2013, the
25 Affordable Care Act states that the federal government will

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1 establish an exchange for the state; and

2 WHEREAS, in the fall of 2010, the human services
3 department applied for a planning and establishment grant from
4 the United States department of health and human services; and

5 WHEREAS, the United States department of health and human
6 services awarded New Mexico a one-million-dollar (\$1,000,000)
7 grant for the purpose of planning for the establishment of a
8 state health insurance exchange; and

9 WHEREAS, one of the purposes of this federal health
10 insurance exchange planning grant was to enable the human
11 services department to hire the expertise to collect and
12 analyze data to provide critical cost, financial and other
13 information about the establishment of an exchange in the
14 state; and

15 WHEREAS, in its health insurance exchange planning grant
16 proposal, the human services department informs the United
17 States department of health and human services that it intends
18 to evaluate whether there is "sufficient population within New
19 Mexico to provide the [e]xchange with the market power,
20 economies of scale, stability and protection against adverse
21 selection needed to sustain the entity and keep rates
22 reasonable within the [e]xchange over time"; and

23 WHEREAS, the health insurance exchange planning grant
24 proposal states that the state will seek to ascertain the
25 "numbers and types of individuals who will remain uninsured";

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1 and

2 WHEREAS, the health insurance exchange planning grant
3 proposal sets forth the goal of determining the likely cost of
4 providing "health care services to the uninsured individuals to
5 determine the extent, if any, that implementation of an
6 [e]xchange will lower the number of the uninsured and allow
7 cost shifts from current levels incurred by public and private
8 entities to provide health care services to the uninsured"; and

9 WHEREAS, the health insurance exchange planning grant
10 proposal also states that the state will consider the
11 administrative costs that are likely to be imposed on insurers
12 "in the form of user fees, premium assessments, or other
13 means"; and

14 WHEREAS, the one-year, one-million-dollar (\$1,000,000)
15 grant was received over one year ago; and

16 WHEREAS, the legislature has not received a report from
17 the administration of Governor Susana Martinez that provides
18 answers to the subjects of inquiry set forth in the health
19 insurance exchange planning grant proposal; and

20 WHEREAS, this information is critical to both the
21 executive and the legislative branches in planning for the best
22 type of exchange for New Mexico; and

23 WHEREAS, the executive and the legislative branches must
24 have this critical information if any required legislation is
25 to be passed;

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1 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE
2 STATE OF NEW MEXICO that the administration of Governor Susana
3 Martinez be requested to provide a report that includes
4 detailed answers to the subjects of inquiry set forth in the
5 health insurance exchange planning grant proposal, as well as
6 an answer to how the federal health insurance exchange planning
7 grant funds were expended; and

8 BE IT FURTHER RESOLVED that the administration of Governor
9 Susana Martinez be requested to report on study results and
10 expenditures made pursuant to the federal health insurance
11 exchange planning grant before the legislative finance
12 committee, the interim legislative revenue stabilization and
13 tax policy committee and the interim legislative health and
14 human services committee at their first meetings after the 2012
15 regular legislative session; and

16 BE IT FURTHER RESOLVED that copies of the report on study
17 results and expenditures made pursuant to the federal health
18 insurance exchange planning grant be transmitted to the
19 governor, the legislative council service, the legislative
20 finance committee, the director of the New Mexico office of
21 health care reform, the secretary of human services, the
22 secretary of health and the superintendent of insurance; and

23 BE IT FURTHER RESOLVED that copies of this memorial be
24 transmitted to the governor, the secretary of human services
25 and the director of the New Mexico office of health care

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