| 1 | SENATE JOINT MEMORIAL 49 |
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| 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 NEW MEXICO OFFICE OF HEALTH CARE REFORM |
| 12 | PROVIDE A FULL REPORT ON EXPENDITURES MADE AND STUDY RESULTS |
| 13 | PURSUANT TO THE ONE-MILLION-DOLLAR (\$1,000,000) FEDERAL HEALTH |
| 14 | INSURANCE 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

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

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

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

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

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

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

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

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

WHEREAS, the legislature has not received a report from the New Mexico office of health care reform that provides answers to the subjects of inquiry set forth in the health insurance exchange planning grant proposal; and

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

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

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<u>underscored material = new</u> [bracketed material] = delete NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO that the New Mexico office of health care reform be requested to provide a report that includes detailed answers to the subjects of inquiry set forth in the health insurance exchange planning grant proposal, as well as an answer to how the federal health insurance exchange planning grant funds were expended; and

BE IT FURTHER RESOLVED that the New Mexico office of health care reform be requested to report on study results and expenditures made pursuant to the federal health insurance exchange planning grant before the legislative finance committee, the interim legislative revenue stabilization and tax policy committee and the interim legislative health and human services committee at their first meetings after the 2012 regular legislative session; and

BE IT FURTHER RESOLVED that copies of the report on study results and expenditures made pursuant to the federal health insurance exchange planning grant be transmitted to the governor, the legislative council service, the legislative finance committee, the secretary of human services, the secretary of health and the superintendent of insurance; and

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

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