A MEMORIAL

REQUESTING THE NEW MEXICO LEGISLATIVE COUNCIL TO CHARGE THE
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE WITH
EXPLORING THE POLICY AND FISCAL IMPLICATIONS OF OFFERING A
MEDICAID BUY-IN PLAN TO NEW MEXICO RESIDENTS TO INCREASE LOW-
COST HEALTH CARE COVERAGE OPTIONS; REQUESTING THE OFFICE OF
SUPERINTENDENT OF INSURANCE, THE HUMAN SERVICES DEPARTMENT
AND OTHER HEALTH-RELATED AGENCIES AND ENTITIES TO PROVIDE
HEALTH PLAN COST AND COVERAGE INFORMATION TO THE LEGISLATIVE
HEALTH AND HUMAN SERVICES COMMITTEE.

WHEREAS, everyone in New Mexico deserves access to
affordable, high-quality health care coverage for the
well-being of families and economic prosperity; and

WHEREAS, New Mexico made tremendous gains in health care
coverage through the federal Patient Protection and
Affordable Care Act, primarily by expanding medicaid coverage
to more than two hundred fifty thousand low-income adults;
and

WHEREAS, more than one hundred eighty thousand New
Mexicans still do not have health insurance; and

WHEREAS, the majority of people who remain uninsured
earn incomes less than two hundred percent of the federal
poverty level and many work in jobs that do not provide
health insurance; and
WHEREAS, according to surveys by the New Mexico health insurance exchange and national research groups, health insurance costs are routinely cited as the number-one reason why New Mexicans remain uninsured; and

WHEREAS, the bronze-level plans offered on the New Mexico health insurance exchange have deductibles of six thousand four hundred dollars ($6,400) or more per year; and

WHEREAS, fifty-three percent of low-income adults who have private health insurance through their employers, the marketplace or individual coverage and whose incomes are below two hundred percent of the federal poverty level have health care costs that the commonwealth fund's health care affordability index deems to be "unaffordable"; and

WHEREAS, New Mexicans who are uninsured or underinsured must often forego needed medical services, have less access to preventive care and behavioral health services and may be forced to wait until medical conditions worsen into expensive and sometimes untreatable emergencies; and

WHEREAS, medical debt is a major obstacle for New Mexicans to gain financial security and build assets. In fiscal year 2015, over eighty million dollars ($80,000,000) in patient debt to hospitals in the state was sent to collection agencies; and

WHEREAS, uncompensated health care costs are shifted to health care providers, health insurance plans and taxpayers,
resulting in higher insurance premiums and health system

costs; and

WHEREAS, uncertainty at the federal level compels states
such as New Mexico to proactively explore innovative
opportunities and solutions to provide greater access to
affordable, high-quality health coverage to its residents;
and

WHEREAS, medicaid is a popular and trusted coverage
source that has served New Mexico well for over fifty years;
and

WHEREAS, medicaid is a cost-effective health coverage
model that provides comprehensive health benefits for lower
costs than private insurance plans; and

WHEREAS, New Mexico can allow state residents who are
currently not eligible for medicaid the option to buy into a
health coverage plan that is administered by medicaid by
applying for a federal innovation waiver; and

WHEREAS, offering a medicaid buy-in health coverage plan
in the state's insurance market increases choices for low-
cost, high-quality health plans that New Mexicans can
purchase using federal tax credits and subsidies that are
available to low-income and middle-income households for
health insurance; and

WHEREAS, the costs to the state of administering a
medicaid buy-in coverage plan are likely to be minimal by
realizing potential savings in health system costs and
maximizing federal financial subsidies available to
individuals to purchase insurance; and

WHEREAS, several states, including Nevada and
Massachusetts, have introduced legislation or initiated
studies to explore the option of offering a medicaid plan for
consumers to buy health coverage; and

WHEREAS, two bills were recently introduced in the
United States congress, including the State Public Option Act
and the Health Care Choice and Affordability Act, that would
permit states to provide medicaid as a buy-in coverage option
for their residents to purchase without the need to apply for
a federal waiver; and

WHEREAS, New Mexico is well-positioned to lead the
country in offering a health coverage plan to buy through
medicaid, with nearly three-fourths of the state's population
already covered by public health coverage programs, including
medicaid, medicare, state employee plans and military
coverage;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
REPRESENTATIVES OF THE STATE OF NEW MEXICO that an
opportunity to potentially lower health care costs and expand
affordable coverage by offering state residents who are not
eligible for medicaid the choice of buying into a health care
coverage plan administered by medicaid be recognized; and
BE IT FURTHER RESOLVED THAT the New Mexico legislative
council be requested to charge the legislative health and
human services committee with exploring the policy and fiscal
implications of offering a medicaid buy-in coverage option to
New Mexico residents by seeking public feedback and
evaluating health plan costs of private insurance compared to
medicaid managed care plans, administrative feasibility, the
impact on health care stakeholders and patients and methods
to ensure health care coverage is expanded to low-income,
uninsured residents; and

BE IT FURTHER RESOLVED that the office of superintendent
of insurance, the human services department and other state
agencies; the New Mexico health insurance exchange; New
Mexico health insurers; and health care providers be
requested to provide health plan cost and coverage
information to the legislative health and human services
committee as needed; and

BE IT FURTHER RESOLVED that copies of this memorial be
transmitted to the governor, the president pro tempore of the
senate, the speaker of the house of representatives, the chair
and vice chair of the legislative health and human services
committee, the superintendent of insurance, the secretary of
human services and the executive director of the New Mexico
health insurance exchange.