

New Mexico 
Medical Insurance Pool
"When no one else will help, we're there"



**LEGISLATIVE HEALTH & HUMAN SERVICES
COMMITTEE**

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NEW MEXICO MEDICAL INSURANCE POOL (NMMIP)

- 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]
 - Benefits reflect, at a minimum, coverage generally available in NM for small group policies

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

NMMIP Board of Directors

Executive Office

Delta Consulting Group

- **General Management of the Pool**
- **Program planning, and coordination**
- **Grievances/Appeals**
- **Board Support**

NMMIP Administrator

Benefit Management

- **Eligibility/Enrollment**
- **Customer Service**
- **Premium Administration**
- **Network Management**
- **Claims processing**
- **Reporting**
- **Coordinates with PBM and Medical Case Management**

NMMIP Attorney

Cuddy and McCarthy

- **General Counsel of the Pool**
- **Contract Review**
- **Appeal Committee Member**

NMMIP Actuary

Leif Associates

- **Develop Pool premium rates**
- **Review & Estimate claims reserves**
- **Budget Forecasts**
- **Statistical Reporting**

FUNDING MECHANISMS ~

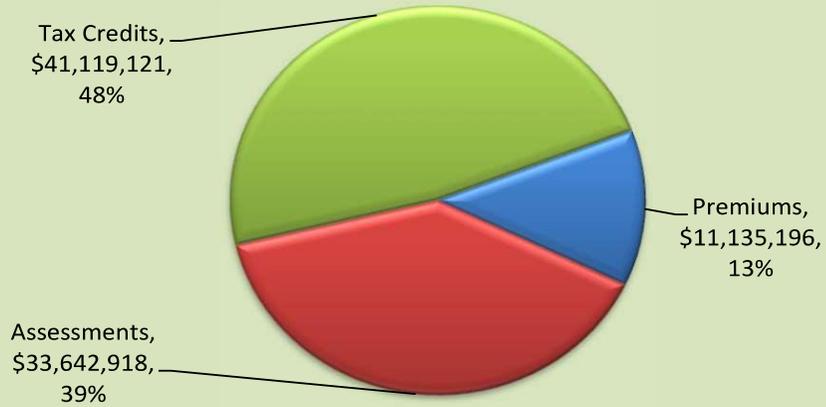
2019 FIGURES

- Premiums ~ 13% **\$11,135,196**
- Health/Life Insurance Carrier Assessments ~ 87% **\$74,762,039**
 - Premium Tax Credit
 - Carriers receive Tax Credit equal to ~ 55% of assessment paid
 - THUS:
 - Carriers funded 39% **\$33,642,918**
 - *360 Carriers are Assessed*
 - *Based on individual, group and Medicaid business (excludes self-insured plans)*
 - State share 48% in revenue reduction **\$41,119,121**
- **NOTE: 2020 Budget \$113,000,000**

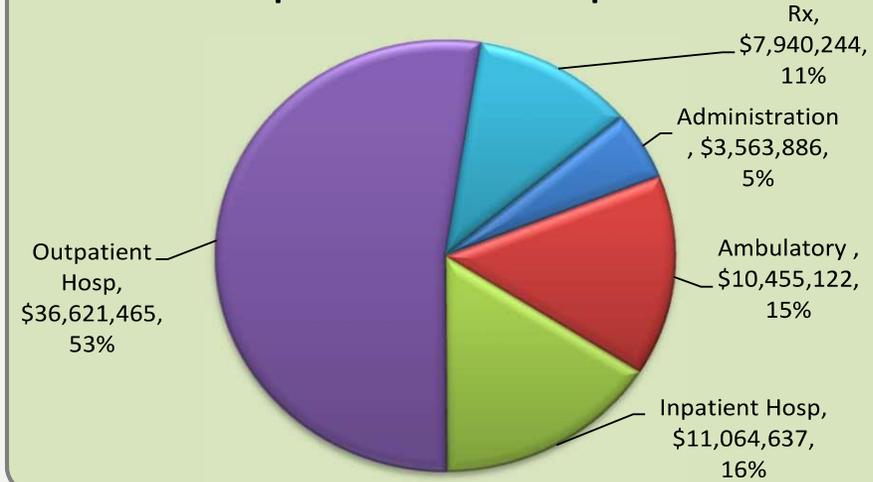
The New Mexico Medical Insurance Pool

2019 Highlights

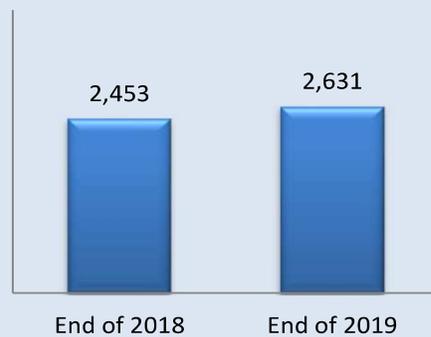
Revenue: 87% From Tax Credits and Assessments



Expenses: 68% To Hospitals



Gain of 178 Members 7% Growth



Medical Trends



Pharmacy Trends



STATUTORY 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

Eligibility exceptions - **closed enrollment, gap coverage, partial Medicare eligibility, maxing out benefits, etc.*

PREMIUM RATES

- Based on AGE, DEDUCTIBLE, REGION, SMOKER
- For 2020, rates set at 110% 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
 - May 2020 rates reduced to 100% SRR for balance of year
- Low-Income Premium Program
 - Discounted premiums for those < 400% FPL

FULL PREMIUM EXAMPLES 2020

BERNALILLO CO. NON-SMOKER

Age	500 Deductible	1000 Deductible	2000 Deductible	5000 Deductible
0-20	\$412	\$355	\$283	\$109
25	\$427	\$368	\$293	\$196
35	\$519	\$448	\$357	\$239
45	\$613	\$529	\$421	\$283
55	\$947	\$817	\$651	\$436
64	\$1,275	\$1,099	\$876	\$587

May 2020 – Premiums reduced approx. 13% less than above rates

LOW-INCOME PREMIUM PROGRAM

QUALIFYING INCOME GUIDELINES - 2020

Household Size	0-199% of Poverty	200-299% of Poverty	300-399% of Poverty
	75% Premium Reduction	50% Premium Reduction	25% Premium Reduction
1	\$24,855	\$37,345	\$49,835
2	\$33,651	\$50,561	\$67,471
3	\$42,447	\$63,777	\$85,107
4	\$51,243	\$76,993	\$102,743
5	\$60,038	\$90,208	\$120,378

Income is Total Income reported on previous year's Federal Tax Return*

* May Appeal for consideration of current income.

NMMIP BENEFIT DESIGN

- **By statute, must offer what is generally available in small group market. Thus, coverage is comprehensive and ACA compliant.**
- The Benefit Plans are as follows:
 - \$500 Deductible/\$5,000 Max OOP – 80/20 Coinsurance
 - \$1,000 Deductible/\$5,000 Max OOP – 80/20 Coinsurance
 - \$2,000 Deductible/\$6,000 Max OOP – 70/30 Coinsurance
 - \$5,000 Deductible/\$7,350 Max OOP- 60/40 Coinsurance
- Effective 1/1/2018, NMMIP changed to an EPO plan. Previously NMMIP functioned much like a PPO, the current plan design functions like an HMO with copays for many services and some out of state coverage but no out of network coverage unless urgent or emergent care. Members that are balanced billed for out of network can appeal to to negotiate the balance bill.

The New Mexico Medical Insurance Pool

2019 Claims by Major Diagnostic Category

Diagnosis Category	Avg Months Enrolled	Number of Members	Percent of Members	Total Claims Paid	Medical	Rx	% of Total Claims	% of Medical Claims	% of Rx Claims	% Drugs of Total per Category	Total Claims Paid PMPM
Kidney and Urinary Tract Disease	10.8	437	13.4%	\$28,856,356	\$27,865,395	\$990,961	36.5%	42.9%	7.0%	3.4%	\$6,118
Cancer	9.4	256	7.9%	\$19,687,379	\$17,873,597	\$1,813,781	24.9%	27.5%	12.7%	9.2%	\$8,145
HIV/AIDS Related	9.9	212	6.5%	\$6,317,803	\$996,498	\$5,321,305	8.0%	1.5%	37.3%	84.2%	\$3,010
Heart Related	9.5	207	6.4%	\$5,682,718	\$4,762,247	\$920,471	7.2%	7.3%	6.5%	16.2%	\$2,880
Metabolic Disorders	10.5	59	1.8%	\$3,488,837	\$2,598,448	\$890,389	4.4%	4.0%	6.2%	25.5%	\$5,655
Other	7.9	799	24.5%	\$2,981,309	\$2,643,972	\$337,336	3.8%	4.1%	2.4%	11.3%	\$473
Neurological	10.2	203	6.2%	\$2,848,872	\$2,354,912	\$493,960	3.6%	3.6%	3.5%	17.3%	\$1,376
Arthritis and Joint Disorders	9.9	164	5.0%	\$2,658,347	\$1,655,765	\$1,002,582	3.4%	2.6%	7.0%	37.7%	\$1,635
Diabetes	9.4	202	6.2%	\$2,619,512	\$1,947,118	\$672,394	3.3%	3.0%	4.7%	25.7%	\$1,382
Spinal/Brain	10.4	127	3.9%	\$1,385,949	\$1,231,396	\$154,553	1.8%	1.9%	1.1%	11.2%	\$1,052
Coagulation Defects	12.0	6	0.2%	\$1,302,688	\$43,542	\$1,259,146	1.6%	0.1%	8.8%	96.7%	\$18,093
Mental Disorders	10.1	136	4.2%	\$1,211,742	\$908,977	\$302,765	1.5%	1.4%	2.1%	25.0%	\$882
Hepatitis C	10.3	3	0.1%	\$112,216	\$14,161	\$98,055	0.1%	0.0%	0.7%	87.4%	\$3,620
No Claims Submitted	4.8	447	13.7%	\$0	\$0	\$0	0.0%	0.0%	0.0%	0.0%	\$0
TOTALS	8.8	3,258	100.0%	\$79,153,727	\$64,896,030	\$14,257,697	100.0%	100.0%	100.0%		\$2,760
% of Total Claims					82%	18%					

NOTE:

Total of 3,258 unique members enrolled at some time during 2019. Claims based on incurred date of service, paid through 12/31/2019.

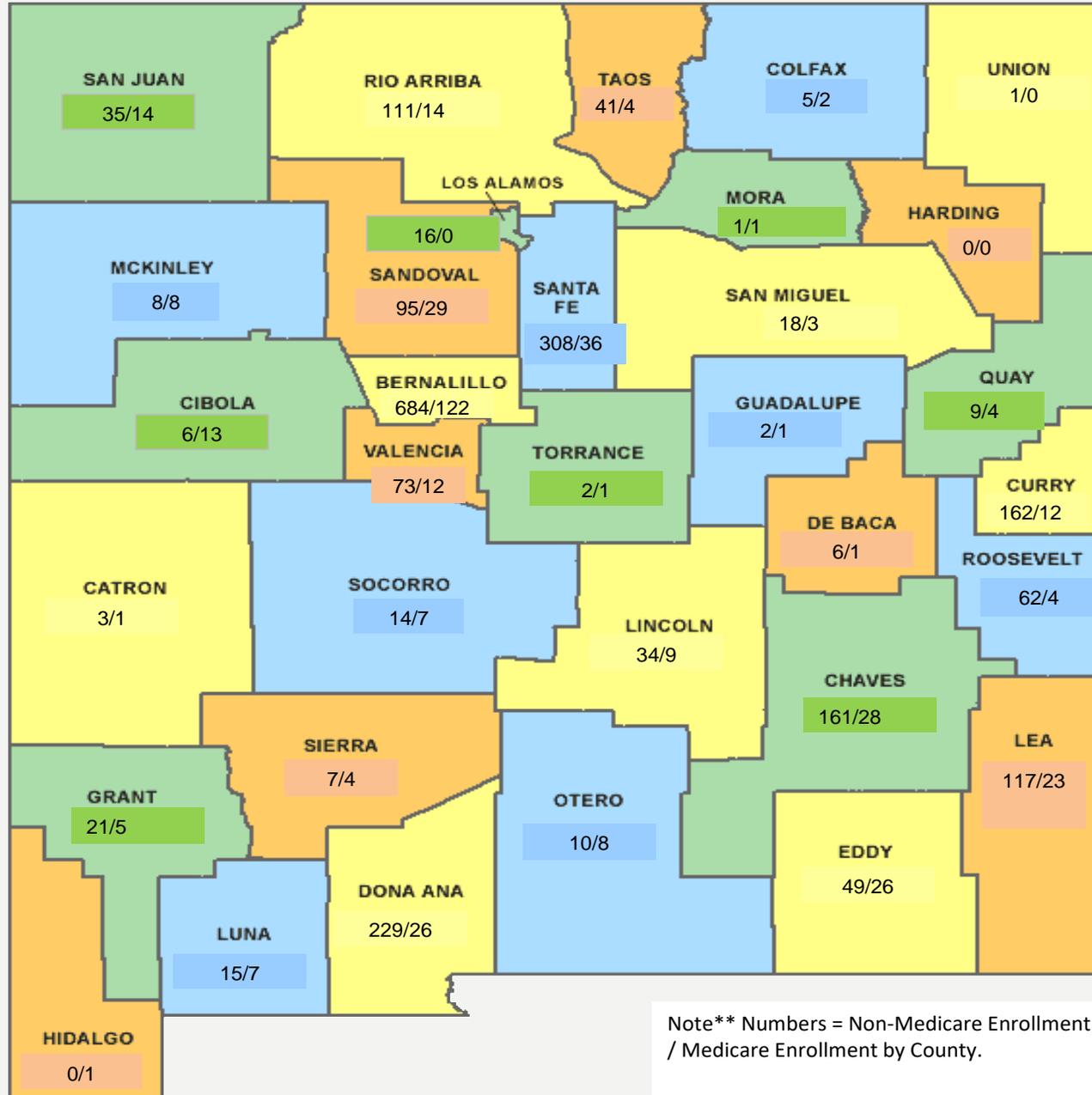
Does not include IBNR

Members are assigned to a mutually exclusive diagnostic category based on the category which had the most paid dollars

MEDICARE CARVE OUT PLAN

- Individuals under the age of 65 and on Medicare due to a disability can apply for the Medicare Carve Out Plan through NMMIP
- Medicare A and B are primary, the Medicare Carve Out plan is a secondary plan. The NMMIP Carve-Out Plan is designed to “coordinate” benefits with Medicare and usually pays benefits only after Medicare has paid its portion of your covered health care services.
- The Medicare Carve Out plan has a \$500 Deductible/\$3000 Max OOP
- Medicare Carve Out members must enroll in a Part D plan and pay the monthly premium. NMMIP will then pay all out-of-pocket costs for medications on the Part D formulary.

Enrollment by County July-20



Note** Numbers = Non-Medicare Enrollment / Medicare Enrollment by County.

CONTACT INFORMATION

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