

## Exchanges, Participation Rates and Market Share New Mexico Projections

<p><b>New Mexico projected population (2019)</b> Source: Bureau of Business and Economic Research</p>	<p>2,501,000</p>
<p><b>Current and projected Medicaid recipients</b> (556,328 +155,000) Source 1: HSD and Exchange Planning Grant Proposal Source 2: Level 1 Exchange Establishment Grant projects 175,000</p>	<p>711,328</p>
<p><b>Projected Medicare population (2019)</b> Projection based on US. Census Bureau Interim State Population Projections, 2005</p>	<p>420,000</p>
<p><b>Projected population "recipients of subsidies and premium credits" through exchange (2019)</b> <b>Source 1:</b> Exchange Planning Grant Proposal</p>	<p>120,000</p>
<p><b>Projected population "eligible" to purchase through exchange (2019)</b> <b>Source 2:</b> Level 1 Exchange Establishment Grant Proposal</p>	<p>250,000</p>
<p><b>Projected number of insured by 2019</b> (2,501,000 x .94) Source: Exchange Planning grant estimates 94% insured by 2019*</p>	<p>2,350,940</p>
<p><b>Total number of projected Medicare and Medicaid recipients by 2019</b> (Assuming Source 1 Medicaid projections)</p>	<p>1,131,328</p>
<p><b>Total number of insured excluding projected Medicaid and Medicare by 2019</b> (2,350,940 - 1,131,328) Assuming Source 1 Medicaid projections</p>	<p>1,219,612</p>

\*The Planning grant projected insured numbers assume that by 2019 some of the currently uninsured will purchase insurance through the private market and others will become eligible for Medicare. Thus, not all the uninsured would purchase through the exchange. The Massachusetts experience supports this assumption.

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## 2019 Projections of Exchange Participation Rates

### Exchange Planning Grant proposal estimates

$\frac{120,000}{2,501,000} = 4.8\%$  of *total population* will purchase through exchange

$\frac{120,000}{2,350,940} = 5.1\%$  of *insured population* will purchase through exchange

$\frac{120,000}{1,219,612} = 9.84\%$  of *insured population (excluding Medicaid and Medicare)* will purchase through exchange\*

### Level 1 Establishment Grant proposal estimates

$\frac{250,000}{2,501,000} = 10\%$  of *total population* will purchase through exchange

$\frac{250,000}{2,350,940} = 10.6\%$  of *insured population* will purchase through exchange

$\frac{250,000}{1,199,612^*} = 20.8\%$  of *insured population (excluding Medicaid and Medicare)* will purchase through exchange\*

\*The different baseline number is due to a greater projected number of new Medicaid recipients. (175,000 according to Level 1; 155,000 according to the Planning grant.) In addition, according to the Level 1 grant 430,000 New Mexicans are uninsured. Assuming their maximum Medicaid and Exchange projection numbers only 5,000 New Mexicans would remain uninsured. (175,000+250,000 = 425,000). These numbers clearly need to be clarified.

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### **2014 Exchange Market Share Projections**

Source: State of NM Level 1 Establishment Grant, p 6

Total Population	2,340,000
Uninsured Population	350,000
Insured Population	1,990,000
Medicaid	700,000
Medicare	315,000
#Insured minus Medicare and Medicaid	975,000
Estimated Exchange Participation Rate 35,000 in SHOP (business exchange) 20,000 in individual exchange	55,000

**2.76% of the insured population will purchase insurance through the exchange (55,000/1,990,000).**

**5.64% of the insured population excluding Medicaid and Medicare participants will purchase insurance through the exchange (55,000/975,000).\***

\* Alain Enthoven, "father" of managed competition states that for an exchange to be viable it must cover 20% of the insured excluding those covered by Medicare and Medicaid. Source: David Riemer and Alain Enthoven, *New York Times* op-ed, June 25, 2009.