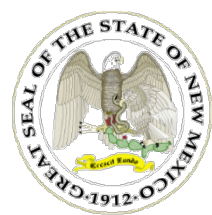


Legislative Health and Human Services  
Governor's Office Health Care Initiatives

November 30, 2023

Gina DeBlassie, Health Policy Advisor – Office of the Governor



# Legislation

- Health Care Authority
- Health Care Affordability Fund
- Health Entity Mergers and Acquisitions
- Hospital Provider Tax



# Health Care Authority (HCA)

- Amend the Health Purchasing Act - Clean up language
  - references for HSD to HCA
  - broaden the pool of public employees for group purchasing
  - better value
- Health Information Sharing – All Payer Claims Database



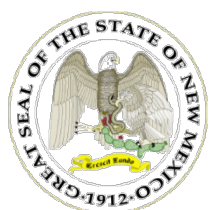
# Health Care Affordability Fund (HCAF)

The purpose of the fund is to:

- (1) reduce health care premiums and cost sharing for New Mexico residents who purchase health care coverage on the New Mexico health insurance exchange;
- (2) reduce premiums for small businesses and their employees purchasing health care coverage in the fully insured small group market;
- (3) provide resources for planning, design and implementation of health care coverage initiatives for uninsured New Mexico residents; and
- (4) provide resources for administration of state health care coverage initiatives for uninsured New Mexico residents.

Amend the statute to reflect fund administration to the Health Care Authority and change the tax revenue distribution to maintain the current distribution of 55% to HCAF and 45% into the General Fund.

- Revenue distribution flips in FY25: 30% to HCAF and 70% to the General Fund
- \$70 million annual impact
- Small business premium relief program – 41,000 consumers
- State funded assistance through beWellnm – 20,000+

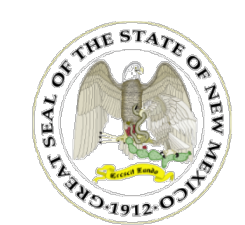


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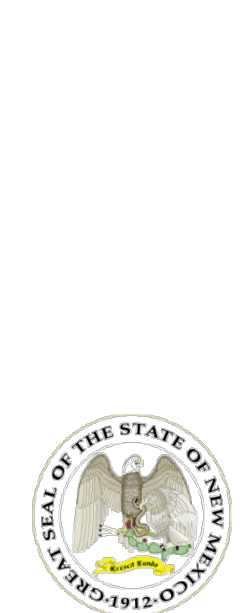
# Health Entity Mergers and Acquisitions

- Recent activity in health entity mergers and acquisitions has demonstrated the state does not have a role or authority for review, oversight, and approval.
- Other states have enacted legislation with authority to review, place conditions and potentially block mergers and acquisitions
- Consideration of cost, access, and equity
- Consumer and asset protection
- Require notice to the state



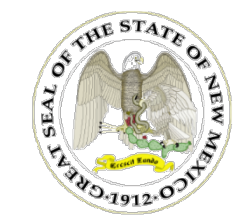
# Hospital Provider Tax

- Leverage Medicaid funding to support hospital workforce and quality
- Recently revised CMS policies increase potential for new federal funding
- Historically, federal law has capped Medicaid Payments to hospitals at Medicare-equivalent rates
- CMS now allows directed payments up to the Average Commercial Rate
- Collaborating with the NM Hospital Association for program design and legislation
- Increase federal funding through hospital provider tax

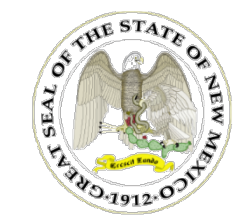


# Budget – Health Priorities

- Increase Medicaid provider rates to 150% of Medicare for Primary Care, Maternal/Child, and Behavioral Health - \$82 million GF
- Increase eligibility for Temporary Assistance for Need Families (TANF) from 85% to 95% federal poverty level - \$22.3 million GF
- Rural Health Care Delivery Fund - \$120 million
- Nursing expansion and recruitment - \$10 million
- Nurse preceptor program - \$2 million
- Health Professional Loan Repayment Program - \$20 million



# QUESTIONS



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