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Commentary:

Governor's Health Care Benefits Act: The Wrong Path for New Mexico

ANNOUNCER INTRO: Governor Richardson is introducing three health care reform bills in the special legislative session that starts on Friday. Comments from Jane Blume with the Health Security for New Mexicans Campaign:

JANE: The Governor has scaled down his health care reform proposals, but the package does not seriously address rising health care costs, the affordability of insurance, or other critical issues. The third and most lengthy bill, the Health Care Benefits Administration Act, locks in the solution to health care reform that our governor wants for New Mexico: continuing to rely on private insurance to solve the crisis in healthcare coverage.

The Health Care Benefits Act doesn't give one single new person access to affordable health insurance... doesn't set up any cost control mechanisms... and doesn't deal with the rising prices of prescription drugs.

Buried in its details are proposals that keep us going in a wrong direction: handing off important problems to yet another "commission" and to even more studies.

For example: By July 1, 2009, the board is asked to "recommend guidelines" for mandated health coverage that include how to make health coverage affordable, what types of subsidies are needed, and what type of coverage should be required.

In addition, the legislation lists 16 items for which the board must provide reports by July 1, 2011 "or as soon thereafter as possible." One of the 16 issues particularly stands out: whether or not to set up a statewide insurance clearinghouse to help individuals find coverage and insurers to offer coverage.

The "clearinghouse" the Act envisions, along with the mandate, appear strikingly similar to the Massachusetts "Connector," which is already running into problems. Currently, the Massachusetts plan, which mandates that everyone must purchase a basic insurance package or be enrolled in a public

program, is way over budget. The state admits that 20% of the uninsured will not be able to afford health insurance, and the state clearly can't afford to subsidize their premiums.

The problems faced by Massachusetts clearly demonstrate that the approach outlined in the Health Care Benefits Administration Act will continue to rely more and more on public dollars to keep the broken private insurance system afloat.

How else can we insure – under the current system - the 400,000+ New Mexicans who still don't have coverage, unless we put everyone on some type of public program or subsidize the purchase of private insurance with taxpayer dollars? We can't. Only the Health Security Act can take us in a new direction and resolve this dilemma.

Unfortunately, the Governor continues to ignore the results of previous studies – including one that he commissioned with Mathematica Policy Research – which show that the Health Security Act is the right path to follow.

Unlike the Governor's approach, the Health Security Act shifts the role of private insurance to a supplemental role, as with Medicare.

By creating a co-op with a large risk pool, the Health Security Act reduces health care costs, saves money, results in everyone being covered, reduces paperwork for physicians and hospitals, and gives plan members freedom of choice of doctor and comprehensive services.

Isn't it time to stop spinning our wheels, to stop trying to fix a broken insurance system, and to stop turning our backs on the right answer? Isn't it time to pass the Health Security Act?

ANNOUNCER OUTRO: Jane Blume is the owner of Desert Sky Communications and a volunteer with the Health Security for New Mexicans Campaign.