

**Critical Differences:  
The Health Security Act and Gov. Richardson's Health Solutions Act**

***As introduced in the 2008 30-Day Legislative Session***

<b>Health Security Act</b>	<b>Governor's Health Solutions Act</b>
<b><i>Shifts role of private insurance to supplemental one</i></b>	<b><i>Continues to rely on private insurance system</i></b>
<b><i>Most residents are automatically covered in Health Security Plan</i></b> (Exceptions: Federal retirees and the military retain their own health plans. Tribes and plans that are self-insured may elect to join.)	<b><i>Every resident is required to purchase private insurance or enroll in a public plan</i></b> Enforcement mechanisms not spelled out.
<b><i>Comprehensive benefits</i></b> At a minimum, those currently received by state employees.	<b><i>No defined benefits</i></b> Health Care Authority will set minimal benefit levels.
<b><i>Freedom of choice of provider even across state lines</i></b>	<b><i>Freedom of choice of plans</i></b> Provider networks maintained.
<b><i>Bulk purchasing of drugs</i></b>	<b><i>No bulk purchasing of drugs</i></b> Bulk purchasing to be considered.
<b><i>Affordable coverage</i></b> Premiums based on income and employer contributions (with caps).	<b><i>Affordable coverage not guaranteed</i></b> Health Care Authority determines individual and family "affordability" guidelines. Premiums still determined by insurance companies.
<b><i>Simplified system for providers, since they are dealing primarily with one plan</i></b>	<b><i>Administrative complexity continues</i></b> Multiple policies, different co-pays and deductibles.
<b><i>The cost: Legislative Finance Committee in charge of a "second opinion" cost analysis</i></b> Many studies, including two in New Mexico, have concluded that self-insuring all or most state residents provides coverage for everyone and reduces health expenditures. The legislation lets legislators and the public look at the numbers to see if the plan is affordable before it goes into effect.	<b><i>The cost: Executive Branch in charge of cost analysis</i></b> Taxpayer dollars must be used to pay for expanded Medicaid coverage and to subsidize private insurance premiums.  No studies thus far have concluded that such an individual mandate approach will cover everyone or reduce health expenditures.
<b><i>Growing public support</i></b> 138 diverse organizations, 29 cities and counties, and thousands of New Mexicans support the Health Security Act.	<b><i>No broad public support</i></b> Endorsements from Albuquerque Chamber of Commerce, insurance companies, NM Primary Care Association (and governor's representatives).
<b><i>"Look before you leap" approach</i></b> After financing is approved by the legislature, the plan still will not go into effect until providers, consumers, and employers have worked out the details. Three-year estimated time frame.	<b><i>Once passed, no turning back</i></b> Investment in public dollars and setting up of an authority, requirements, and deadlines without any opportunity to change our minds. External evaluation not planned until 4 to 7 years after effective date of legislation.