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Health Security Act Introduced in Both Houses of Legislature

“The time has come ... to pass the Health Security Act.”

Santa Fe, NM. In this economic crisis, “the time has come for the legislature to pass the Health Security Act.” That was the clear message that State Sen. Carlos Cisneros and State Reps. Bobby Gonzales and Eleanor Chavez delivered to a packed crowd of supporters from different parts of the state at a Roundhouse news conference yesterday, where all three legislators announced the introduction of SB 281 and HB 339.

The Health Security Act simplifies the current system by setting up a cooperative health plan that automatically covers most New Mexicans in one large risk pool with comprehensive benefits, and – as Cisneros and Gonzales noted – requires a careful three-year implementation period. In the first year, the Legislature conducts a detailed financial analysis of the plan to make certain that it is affordable.

“The analysis could cost \$500,000,” Cisneros said, “but that’s a very small amount by comparison to what it will cost if we don’t take this approach. The Health Security Act is the only plan that will actually save the state money.”

Gonzales cited a “grim picture” of 400,000 New Mexicans without health insurance, health care costs severely impacting the state budget, and rising unemployment, “which means that we can expect increasing numbers of uninsured.”

“We look at the health care budget and we look at the education budget, and we have to decide where to put our money,” Chavez noted. “Do we educate our kids or do we keep them healthy? With the Health Security Act, which saves money, we can do both of these things.”

“We keep ‘piece-mealing’ health security for New Mexico, and that’s not the right thing to do,” Cisneros remarked. “It doesn’t get us to where we need to be, and where we need to be is in a paradigm shift from what we have today, which doesn’t work very well. We have too many people without coverage and too many people paying too much for their coverage. The Health Security Act is the remedy.”

From the provider community, Jane Pitts, MD, an internist and former Cibola County commissioner, Jesse Barnes, MD, representing The Committee of Interns and Residents, and Dale Tinker from New Mexico Association of Pharmacists, spoke out in support of the Health Security Act. Carter Bundy of the American Federation of State, County and Municipal Employees (AFSCME) also made comments.

Pitts, Barnes and Tinker discussed the problems physicians and pharmacists are experiencing as they try to serve patients who are uninsured, struggle with insurance company pre-authorizations for care, face declining levels of reimbursement for providers, and attempt to make sense of hundreds of insurance plans with vastly different benefits for those who have coverage.

“The insurance companies are doing quite well while the patients and the providers do quite poorly,” Pitts said. “The Medicaid Salud programs have actually made incredible amounts of money for the insurance companies. Insurance is not the way out of this crisis. The Health Security Act is.”

“As pharmacists, we’re very concerned about the number of patients who don’t have insurance, and the fact that most of the insurance plans seem to be oriented towards making money or saving money, as opposed to taking care of patients,” Tinker said. “We look forward to the day when we have the Health Security Act, which leads to coverage for everyone in New Mexico.”

“We’re on the front lines of the health crisis in New Mexico from the medical side, and we recognize that this crisis is of such proportions that action is needed now,” Barnes said. “Now is not the time to go step by step with piecemeal solutions or perform more studies. Now is the time for immediate, comprehensive and holistic action to reform our healthcare system.”

Bundy, who was a member of Governor Richardson’s Health Coverage for New Mexicans Committee, cited the two, 2007 Mathematica studies of several health coverage reform plans, which indicated that the Health Security Act was the only comprehensive reform plan that cost less than the current system and every other reform plan, and the only plan that saved the state any money. “We must pass this legislation in

these tough economic times, because not only will the Health Security Act cover the most people, but it is also the most cost-effective,” he said.

More information about the Health Security Act:

The health plan set up by the Health Security Act automatically covers most New Mexicans regardless of their health, economic or employment status; guarantees freedom of choice of doctor and hospital – even across state lines; and shifts the role of insurance companies to provide supplementary coverage, similar to what happened with Medicare.

An independent, non-governmental, geographically representative citizens’ commission administers the health plan. Providers are reimbursed from a dedicated fund. Monies for the fund come from government sources (i.e., Medicare and Medicaid), individual and family premiums based upon income (with caps), and employer contributions (with caps).

The Health Security Act also sets up a careful, three-year process. In the first year, the legislature (with public input) has the responsibility to analyze both the costs and the financing of the health plan. The plan must prove to be affordable before the cooperative commission is established and the estimated two-year development phase can proceed. There is ample opportunity for changes and adjustments before the plan becomes operational.

For more information and detail, visit the website, www.nmhealthsecurity.org .