



## Health Security Plan Summary (based on the 2019 Health Security Act)

<p><b>Universal Coverage</b></p>	<p>All New Mexico residents will have guaranteed health care coverage. Most residents will be automatically covered by the New Mexico Health Security Plan.</p> <p>Exceptions:</p> <ul style="list-style-type: none"> <li>• Federal retirees, active and retired military, and TRICARE recipients will retain their plans.</li> <li>• Employers and unions with plans covered under ERISA are allowed to join the Plan.</li> <li>• Tribes, as sovereign nations, may choose to participate in the Plan.</li> </ul> <p>Federal agreements will be sought so that Medicaid and Medicare may be included in the Plan and recipients will not lose any federal rights. Because negotiations around Medicare will be complex, Medicare recipients might not be included in the Plan initially.</p>
<p><b>Health Coverage</b></p>	<p>Everyone covered by the NM Health Security Plan will receive the same comprehensive benefits, regardless of age, income, employment, or health status. Coverage must be at least as comprehensive as the state employees' health plan. Services will include doctor visits, hospital stays, prescriptions, preventive care, lab work, and specialist services.</p> <p>Current Medicaid long-term care coverage will continue, as well as private long-term care insurance. There is a parity requirement for behavioral health care benefits. Recipients of Medicaid behavioral health coverage will not lose any entitled benefits. The Commission that will administer the Health Security Plan must develop a plan to coordinate and improve behavioral health services and to integrate long-term care services into the Plan.</p> <p>NM Health Security Plan members and employers may buy supplemental health coverage on the private insurance market, should they wish to do so.</p>
<p><b>Rural Access</b></p>	<p>For rural and underserved areas, the Commission may authorize higher reimbursements for physicians and other licensed health care providers, and may expand budgets for hospitals and clinics. The Health Resource Certification Program ensures that major capital investments (equipment, buildings, etc.) will be made where they are needed.</p> <p>Cost containment measures will result in savings that can be invested in needed health care services.</p>
<p><b>Public Accountability</b></p>	<p>An independent commission is responsible for administering the New Mexico Health Security Plan. The Commission will have the flexibility of the private sector and be publicly accountable. The 15 voting commissioners will be geographically representative of the state. A special nominating committee will provide the governor with a list of potential qualified nominees. Ten of the 15 commissioners must reflect consumer and business interests; the other 5 will represent provider and health facility interests. Commissioners must be covered under the Plan.</p> <p>Regional councils will be created with local input. These councils make recommendations to the Commission about specific local health care needs. They work with the Commission to ensure that regional health care budgetary concerns are considered.</p> <p>The Commission must submit premium rate changes to be reviewed and approved by the superintendent of insurance.</p> <p>Under the Plan's global budgeting provision, providers and health facilities negotiate fees and operating budgets with the Commission. If agreements cannot be reached, the Plan provides for mediation. Providers and health facilities make their own decisions about budget allocations for services and the health needs of the patient.</p> <p>The Commission must establish appeals and grievance procedures and consumer, provider, and health facility assistance programs. All Commission meetings will be subject to the Open Meetings Act. Its books and decisions will be subject to public input and scrutiny.</p>

<b>Freedom to Choose Providers</b>	New Mexicans covered by the Plan have complete freedom to choose any in-state licensed health care provider, hospital, pharmacist, or clinic. The NM Health Security Plan is also authorized to contract with providers and health facilities across state lines.
<b>Portability</b>	<p><i>If a New Mexican moves out of the state:</i> These individuals can sign up for insurance in the state to which they move, either through their employer, through a state program such as Medicaid, through exchanges, or through the private insurance market. Federal health benefit recipients, including Medicare beneficiaries, will continue to receive coverage, as required by federal law. Employer supplemental health benefit packages will remain in force for retirees who have them.</p> <p><i>If a New Mexican is injured or becomes ill when out of the state:</i> The out-of-state hospital or physician will bill the Plan. The Plan will pay the negotiated rate.</p> <p><i>If a New Mexican needs medical treatment out of the state:</i> The Commission negotiates with out-of-state physicians and hospitals. New Mexicans who live near the state line and normally utilize services offered in an adjacent state can continue to do so. There will be no extra hidden charges.</p> <p><i>Within the state:</i> New Mexicans covered by the Plan who change jobs, move, or become unemployed still receive the same benefits and may remain with the provider of their choice.</p>
<b>Cost Containment and Quality of Care</b>	<p>Costs are controlled through budgetary planning that takes into account technology, an aging population, and other factors. A Quality Improvement Program must be established, with provider input, to ensure best medical practices and patient safety.</p> <p>Hospitals, clinics, private-practice physicians, pharmacists, and other providers negotiate budgets and fees with the Commission. The NM Health Security Plan pays the bills. It may contract with a private company to process claims, as long as the claims are processed in New Mexico.</p> <p>Bulk purchasing of drugs and other medical equipment and supplies also lowers costs.</p> <p>Review of major capital spending for buildings and equipment will ensure that resource allocation is based on the health care needs of different communities.</p> <p>Administration is streamlined because almost everyone is covered by the same health care plan, with one claims form. Savings will result from the elimination of duplicative administrative costs built into the present system of multiple insurance plans and policies. Insurance company monies, formerly used for marketing, commissions, out-of-state investments, and profits, are made available for health care services.</p>
<b>Fair Financing</b>	<p>The NM Health Security Plan will be funded by combining existing public monies (such as funding for Medicaid and, when included in the Plan, Medicare) with employer contributions and individual premiums. If Affordable Care Act federal subsidies and tax credits are available, they will also be included. Only those covered by the Plan pay into the Plan.</p> <p>Premiums will be determined by income (with caps), not by age, gender, occupation, region, or health status. Premiums may be increased only with the final approval of the superintendent of insurance. Employer contributions will be based on payroll and number of employees (with caps).</p> <p>The Plan prohibits additional billing (“balance billing”) by providers and hospitals that have agreements to treat Plan members. There are no copays for preventive care. Copays for other services may be established only after public hearings are held.</p> <p>The NM Health Security Plan requires that the NM superintendent of insurance lower automobile and workers’ compensation premiums, which have large health components.</p> <p>In the year before the Plan is to begin operations, the Commission will undertake a final cost analysis of the Plan.</p>