

AFFORDABLE CARE ACT HEALTH INSURANCE EXCHANGES

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Health Insurance in NM

(approximate numbers)

Total NM population	2,000,000	
Private (mostly employer-based, some individual)	500,000	25%
Medicare (elderly and disabled)	300,000	15%
Medicaid (low-income children, nursing homes, disabled, & very poor parents)	550,000	28%
Other public (public employees insurance, Indian Health Service)	160,000	9%
Military (Tricare & CHAMPUS)	50,000	3%
Uninsured (mostly low-income adults <age 65, esp. childless adults)	420,000	20%

Affordable Care Act and the Uninsured starting January 1, 2014

- Half of the uninsured planned for Medicaid
 - Low-income adults up to 138% FPL
 - Supreme Court held states have option to implement this or not
 - Gov. Martinez hasn't decided

Other half to get private insurance on Exchange

- For individuals and small employers
- Tax credits available for individual premiums if income <400% FPL
- Out of Pocket Expense Limits

Health Insurance Exchanges

- A marketplace for medical insurance
- Web-based, similar to Travelocity, but there will be physical locations too, and call-in center
- Intended to be consumer-friendly for comparison shopping among plans
- Will include price calculator, including determining tax credits

Health Insurance Exchanges

- Each state to have an exchange
- Gov. Martinez has declared intention to have a New Mexico state-based exchange
- HSD submitted “Blueprint Application” on December 14, as required by the feds
- Information at:
www.hsd.state.nm.us/nhcr/nhcrlao.htm

“No Wrong Door”

- Completely changes culture: each person is assumed to be qualified for coverage
- Exchange’s job is to figure out what coverage the person is eligible for, not to reject people
- People qualified for Medicaid get referred to HSD, but if all their information is transferred electronically—they shouldn’t have to start over

- Only “Qualified Health Plans” offered; plans must cover “essential health benefits”
- Ten categories of benefits:

Ambulatory patient services

Prescription drugs

Emergency services

Rehabilitative and habilitative services and devices

Hospitalization

Laboratory services

Maternity and newborn care

Preventive and wellness services, including chronic condition mgmt

Mental health and substance use

Pediatric services, oral and vision

Navigator Program

- ACA requires establishment of a “navigator program”
 - Provide outreach, education, and enrollment services
 - Advise whether people are eligible for Medicaid and send their information electronically to HSD
 - Cultural and linguistic competence required
 - Should build on existing networks: e.g., promotoras and FQHC’s

Status in New Mexico

- Martinez Administration has chosen NM Health Insurance Alliance to run Exchange
 - A quasi-public entity established by Legislature in 1994 to sell health insurance to individuals
 - Issue: must NM Legislature bless this decision, and may Legislature specify details?
- Issue: shall Exchange be “active purchaser” like Mass. (negotiating with plans) or open to all qualified plans, like Utah?

- Critical to have effective Navigator program
 - State-wide reach
 - Knowledge of and connections with local communities
 - Cultural and linguistic competence
 - Adequate numbers of navigators
 - Adequate training in Medicaid, private insurance and ACA provisions