

## New Mexico Health Insurance Exchange Work Group Minutes

<b>Work Group</b>	Legislative	<b>Date</b>	10/02/2012
<b>Facilitator</b>	Milton Sanchez	<b>Time</b>	9:00 a.m. MT
<b>Location</b>	Conference Call/ In-Person	<b>Scribe</b>	Cicero Group

**Agenda Item**

**Discussion Item**

**Conclusion**

**Action Item**

Attendees			
No.	Name	No.	Name
1.	Milton Sanchez	10.	Senator Feldman
2.	Jonni Pool ( <i>Human Services Department</i> )	11.	Senator Beffort
3.	Kathryn Toone ( <i>Leavitt Partners</i> )	12.	Representative O'Neill
4.	Senator Lopez	13.	Representative Taylor
5.	Senator Ortiz y Pino	14.	Representatives Hall

### Agenda Item 1: Introduction

**Name: Milton Sanchez**

DISCUSSION ITEM 1 Work Group Introduction

It was stated that the purpose of the meeting is to examine and discuss legislative requirements for the New Mexico Health Insurance Exchange, and establish Work Group recommendations to submit to the Task Force Committee.

DISCUSSION ITEM 2 Exchange Introduction

Milton Sanchez presented the Work Group with an overview of basic Exchange concepts. It was stated that the Exchange is currently envisioned as a free-market, consumer-driven, state-operated entity. Furthermore, the Exchange will allow consumers to search, compare, and purchase health insurance in an easy and simple manner.

In addition to outlining the concept of an Exchange, the Work Group was presented with an overview of Essential Health Benefits (EHB). The criteria for Essential Health Benefits has been defined as those matching coverage with one of the following options:

- Basic plan offered by three largest carriers in the state, which in New Mexico are Blue Cross Blue Shield, Presbyterian, Lovelace, and United Health Care
- Basic plan offered under largest HMO in the state
- Basic plan offered by the Federal Employee Health Plan

It was stated that the Exchange Advisory Task Force delivered its final recommendation last week, and determined that the State Employee Presbyterian plan would be the standard for New Mexico. Subsequently, discrepancies were found in the plan that prevents it from being in compliance with

the federally-mandated EHB criteria, and adjustments will be forthcoming.

**Agenda Item 2: Regulatory Questions (\*Note auditory quality prevents detailed notes of participant comments)**

Name: Milton Sanchez

DISCUSSION ITEM 1

Overview of Assigned Topic Questions

Milton Sanchez presented the Work Group with the questions assigned by the Task Force. The following questions (in bold) are the assigned questions, followed by the group's general comments.

**Should carriers be required to participate in both the individual and small group markets?**

It was stated that the initial focus should be on plan rollout to establish the SHOP Exchange - as data suggests 75% of the uninsured currently have some connection with an employer. In a later dialogue, the Work Group discussed coverage within the SHOP Exchange, and determined that further discussion is needed before a recommendation could be made.

**Should carriers participating in the exchange be required to offer plans at more than the two levels of coverage required by federal law (i.e., Silver and Gold)?**

The Work Group discussed caps on premiums and out-of-pocket expenses for those at or below the Federal Poverty Level (FPL). Tax credits and the non-profit status of small businesses were clarified – it was stated that non-profit plan providers receive the tax credit in the form of a reduction in income and Medicare withholdings.

**Should health plans inside the exchange be subject to enhanced regulation on rate review or reporting requirements?**

The Work Group discussed various aspects of rate and care review, reporting guidelines, certification, and re-certification standards for of Qualified Health Plans (QHPs). The importance of transparency, efficiency, and thorough reporting of healthcare outcomes were discussed.

**What criteria, such as relative quality and price of benefits, should be used to rate plans available through the exchange?**

The Work Group discussed the enrollment process, particularly regarding the Navigator program and its intended role.

**Senator Feldman asked if the Advisory Task Force would want input from the Legislative Work Group's about governance and legal authorization for operation of the Exchange.**

The Legislative Work Group was encouraged to offer the Advisory Task Force guidance on topics other than those outlined in the Legislative Primer wherever group members felt it appropriate and necessary. It was iterated that the primer is to be used as only as a guideline, and group members were encourage to offer assistance in other areas as well.

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**Representative Hall asked about how Exchange functions and requirements would be prioritized due to the complexities of establishing and standing up a large IT system and meeting federal guidelines.**

Milton Sanchez said that a presentation could be given at the next Legislative Work Group meeting to address these issues. This will be an ongoing topic.

**Agenda Item 3: Other Considerations (\*Note auditory quality prevents detailed notes of participant comments)**

**Name: Milton Sanchez**

DISCUSSION ITEM 1	Where should regulatory authority reside?
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It was stated that the Exchange would operate in compliance with federal mandate, and in partial partnership with federal medical assistance plans already in place (Medicare, Medicaid, etc.). Three options for structuring the Exchange were outlined:

- State-based Exchange
- Exchange partnership between state and federal
- Federal Exchange

The desire of New Mexico is the first option, a state-based Exchange.

**Agenda Item 4: Other Considerations (\*Note auditory quality prevents detailed notes of participant comments)**

**Name: Milton Sanchez**

DISCUSSION ITEM 1	Upcoming Schedule of Work Group Meetings
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Members of the Work Group are to take the above discussion items under advisement and attend subsequent meetings, scheduled for October 16 and October 30, and November 13, 2012. All meetings will begin at 9:00 a.m. Initial findings of this Work Group are to be submitted to the Exchange Advisory Committee on October 24<sup>th</sup> and a final report is to be submitted on November 28<sup>th</sup>.