



The New Mexico Health Security Act

Today, we pay for a segmented system of hundreds of insurance plans that create a costly and complex administrative system. The Health Security Plan is based on the old-fashioned concept of insurance, where the young, the old, the healthy, and the not so healthy are all in one large insurance pool. The risk is shared, while administrative costs are reduced. Doesn't this make sense for a state with a small population?

The Health Security Act will enable New Mexico to set up its own health plan. It is a **New Mexico** solution with years of input from diverse New Mexicans.

The Health Security Act:

- **Shifts private insurance** to a supplemental role, as Medicare did when it was established.
- Sets up **our own** health plan—the Health Security Plan—that covers most New Mexicans.
 - + *Exclusions:* Active-duty and retired military, along with federal retirees, will maintain their own plans. Tribes and health plans covered under ERISA will have the option to join the Plan. *All other New Mexicans will be covered under the Plan.*
- Creates an **independent, non-governmental commission** to administer the Plan. This citizens' commission is geographically representative and publicly accountable.
- Maintains the **private** health care delivery system.
- Does **not** require new taxes.
 - + The Plan is paid for by combining *existing* public dollars spent on health care (Medicaid, Medicare) with premiums based on income and employer contributions (both are capped).
 - + If federal premium subsidies and tax credits continue, these will also be included.

After Passage of the Act, a Carefully Considered Approach:

- ✓ **Year 1:** The “Year of Financing,” when the Legislative Finance Committee, with public input, determines whether the Plan is financially feasible. A financial report must be approved by the legislature and the governor before the next phase can begin.
- ✓ **Years 2–3:** If the numbers look good, **only then** is the commission set up. During this phase, the details of the Plan are developed, with public input, and the state applies for any needed waivers so the Plan can begin operations and receive all available federal tax credits and subsidies.

The Plan Guarantees:

- Health care coverage for all eligible New Mexicans (see exclusions above), **regardless of age, income, employment, or health status.**
- Freedom of **choice** of health care provider and hospital, even across state lines.
- Comprehensive **services**, no less than those currently offered to state employees.
- **Protections for retirees** so they will not lose what they already have.

According to numerous independent studies, including two conducted for New Mexico, covering all or most state residents under one health risk pool will reduce health expenditures by hundreds of millions of dollars. The Health Security Plan is the only New Mexico proposal that would alleviate the financial stress on our state budget as well as on families and businesses.

Now that Congress is in the process of repealing the Affordable Care Act, it is more important than ever for New Mexico to enact this well-vetted, homegrown plan.

The Health Security for New Mexicans Campaign is a statewide, nonpartisan coalition of over 145 organizations and numerous individual supporters.

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