

1 SENATE JOINT MEMORIAL 9

2 **49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010**

3 INTRODUCED BY

4 Dede Feldman

5
6
7
8
9
10 A JOINT MEMORIAL

11 REQUESTING NEW MEXICO'S PUBLIC AND QUASI-PUBLIC HEALTH CARE
12 COVERAGE ENTITIES TO CONSOLIDATE CERTAIN ADMINISTRATIVE
13 FUNCTIONS AND ACHIEVE COST SAVINGS.

14
15 WHEREAS, the general services department, the retiree
16 health care authority, the public school insurance authority
17 and the Albuquerque public schools belong to an interagency
18 benefits advisory committee, which cooperates to issue a common
19 request for proposals for health care benefits for their
20 respective entities; and

21 WHEREAS, the New Mexico health insurance alliance is a
22 nonprofit health care entity made up of health insurance
23 companies, nonprofit health care plans, health maintenance
24 organizations and self-insurers organized to offer health
25 insurance to small employers in the state; and

.180461.2

underscored material = new
[bracketed material] = delete

underscoring material = new
[bracketed material] = delete

1 WHEREAS, the human services department administers its
2 state coverage insurance program as a medical assistance
3 program to provide health insurance to low-income adults; and

4 WHEREAS, the human services department also administers
5 the premium assistance for kids program and the premium
6 assistance for maternity program, which pay a portion of the
7 premiums for private comprehensive health insurance for
8 eligible children and pregnant women, respectively; and

9 WHEREAS, the New Mexico medical insurance pool is a
10 program that provides access to health insurance coverage to
11 individuals who have been denied health insurance elsewhere
12 because they are considered to be too high risk for other
13 insurance products; and

14 WHEREAS, these public and quasi-public health care
15 coverage entities provide comprehensive health coverage for
16 approximately two hundred fifty thousand individuals, or
17 approximately thirteen percent of New Mexico's residents; and

18 WHEREAS, in response to a request by the New Mexico
19 legislature in Senate Joint Memorial 1 in 2009, representatives
20 from these public and quasi-public health care coverage
21 entities met to identify areas of common interest and
22 opportunities for consolidation; and

23 WHEREAS, these representatives presented a series of
24 recommendations pursuant to Senate Joint Memorial 1 to the
25 interim legislative health and human services committee in

.180461.2

underscoring material = new
[bracketed material] = delete

1 November 2009, including that those entities:

2 A. create an all-payer claims database;

3 B. use one third-party administrator or an
4 administrative-services-only contract;

5 C. implement an electronic common enrollment
6 process, which would enhance speed and efficiency and use joint
7 referral processes and procedures;

8 D. determine a common data reporting year and a
9 common plan year;

10 E. link their web sites to facilitate information-
11 sharing;

12 F. conduct joint outreach and marketing efforts;

13 G. enter into a common contract for actuarial
14 services to perform a cost-benefit analysis of further
15 consolidation of these entities' health care procurement,
16 purchasing and administration;

17 H. enter into a common contract for actuarial
18 services for their plans;

19 I. implement joint broker certification for the New
20 Mexico health insurance alliance, state coverage insurance and
21 New Mexico medical insurance pool programs, with the insurance
22 division of the public regulation commission awarding
23 continuing education units to brokers; and

24 J. move toward common benefit plan design;

25 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE

.180461.2

underscored material = new
[bracketed material] = delete

1 STATE OF NEW MEXICO that representatives of New Mexico's public
2 and quasi-public health care coverage entities be requested to
3 continue to meet and develop a common plan to:

4 A. implement an all-payer claims database;

5 B. use one third-party administrator or
6 administrative-services-only contract for all of these entities
7 combined;

8 C. implement an electronic common enrollment
9 process to enhance speed and efficiency and use joint referral
10 processes and procedures;

11 D. determine among the entities a common data
12 reporting year and a common plan year;

13 E. link their web sites to facilitate information-
14 sharing;

15 F. conduct joint outreach and marketing efforts;

16 G. enter into a common contract for actuarial
17 services to perform a cost-benefit analysis of further
18 consolidation of these entities' health care procurement,
19 purchasing and administration; and

20 H. enter into a common contract for actuarial
21 services for their plans; and

22 BE IT FURTHER RESOLVED that the New Mexico health
23 insurance alliance, state coverage insurance program and New
24 Mexico medical insurance pool be requested to implement joint
25 broker certification; and

.180461.2

underscoring material = new
[bracketed material] = delete

1 BE IT FURTHER RESOLVED that the insurance division of the
2 public regulation commission be requested to award continuing
3 education units to brokers for the New Mexico health insurance
4 alliance, state coverage insurance and New Mexico medical
5 insurance pool programs; and

6 BE IT FURTHER RESOLVED that the public and quasi-public
7 health care coverage entities be requested to move toward a
8 common benefit plan design; and

9 BE IT FURTHER RESOLVED that representatives from these
10 public and quasi-public health care coverage entities be
11 requested to report the details of and implementation strategy
12 for the common plan that they have developed pursuant to the
13 requests made in this memorial before the legislative health
14 and human services committee and the legislative finance
15 committee by December 1, 2010; and

16 BE IT FURTHER RESOLVED that copies of this memorial be
17 transmitted to the secretary of general services; the secretary
18 of human services; the superintendent of insurance; the
19 executive director of the New Mexico medical insurance pool;
20 the executive director of the retiree health care authority;
21 the executive director of the public school insurance
22 authority; and the superintendent of Albuquerque public
23 schools.