

We Can Get to Universal Coverage Through Incremental Changes

Like "shoveling sand against the tide," incremental changes over the past decade resulted in increased uninsured (about 5 million). Recent years have witnessed annual double-digit health insurance inflation. Even with Children's Health Insurance Program (CHIP), the number of uninsured children remains at about nine million. Costly, complex proposals include a mix of refundable tax credits, federal subsidies, medical savings accounts, vouchers, employer-defined contributions, supplemental insurance, etc. **Complexity raises administrative costs and enlarges cracks in the system, through which the working poor too often fall, with only corporate profits insured. Proposals to leave high-risk people in Medicare, while placing the healthy and wealthy under private sector insurance, are a huge gift to the insurance industry, and further institutionalize multi-tiered health care.**

You can't cross a chasm in small step.

The New Mexico Legislature continues to try to pass incremental changes to our health care. This has never been successful yet and as the cartoon indicates probably will lead to disastrous results.



www.nmhealthsecurity.org

www.whatifyouknew-nm.com

Terryactivist@aol.com (505) 899-6275

Printed December 2008

The New Mexico Health Security Act

- This legislation has evolved over many years – becoming stronger with **input** from organizations and various interests around the state.
- It is a **New Mexico solution to our health care crisis.**

The Health Security Act:

- **Does not require new taxes.**
 - The Health Security Plan is paid for by combining **existing public dollars** spent on health care (Medicaid, Medicare) **with premiums based on income and employer contributions (with caps).**
 - Counties decide how their indigent funds could be used under this system.
- **Maintains the private delivery system.**
- **Creates an independent non-governmental commission** to administer the Health Security Plan. This Commission is **geographically representative** and **publicly accountable.**
- **Sets up our own New Mexico health insurance plan** that is based on the old-fashioned concept of insurance, where approximately **1.6 million** young, old, healthy and the not-so-healthy New Mexicans **share the risk*.**
- **Exclusions:** military personnel, and federal retirees maintain their own plans. Tribes and plans covered under ERISA have the option to join.
- **Requires a go-slow approach** to develop and implement the Health Security Plan.
 - Year 1: **analysis of the cost-with public input.** If the financial costs are too much and not approved by the Legislature, the Health Security Plan **will not go into effect.**
 - Years 2 & 3: If the numbers look good, it is estimated that working out the details of the Health Security Plan **with public input** from around the state will take **two more years** with the ability to extend the time to proceed or to put on the brakes should this phase prove to be not workable.

The Plan Guarantees:

- Health care coverage for all New Mexicans, **regardless of age, income, employment, or health status.**
- Freedom of **choice of doctor** and hospital within the state and across state lines.
- Comprehensive benefits, **no less than those offered to state employees.**
- **Protection for retirees** so they will not lose what they already have.

* According to numerous state studies, including one completed for New Mexico, pooling state residents will result in a reduction of health expenditures of billions of dollars. This includes the Mathematica Study just released in June of 2007.

Printed December 2008