

# 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:***

- 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.
- Creates an **independent non-governmental commission** to administer the Health Security Plan. This Commission is **geographically representative** and **publicly accountable**.
- **Maintains the private delivery system.**
- **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.
- **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.