### NMHIX Advisory Task Force Meeting
37 Plaza la Prensa, Collaborative Health Room
Santa Fe, NM
**CALL IN:** 1-888-340-0567, Room ID 650, PIN 22116
November 28, 2012
8:30 – 11:00 a.m.

<table>
<thead>
<tr>
<th>Time</th>
<th>Item</th>
<th>Owner</th>
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<tbody>
<tr>
<td>8:30 – 8:35 a.m.</td>
<td>Welcome</td>
<td>HSD</td>
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<tr>
<td>8:35 - 8:45 a.m.</td>
<td>Review of purpose of ATF and the Work Group process; potential change of schedule</td>
<td>HSD, Leavitt Partners</td>
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<tr>
<td>8:45 – 9:00 a.m.</td>
<td>Report on new regulations regarding EHB and Insurance Market Reforms</td>
<td>Leavitt Partners</td>
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<tr>
<td>9:00 – 9:15 a.m.</td>
<td>Action Item: Concerns and suggestions from Legislative Work Group and discussion</td>
<td>HSD</td>
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<tr>
<td>9:15 – 9:50 a.m.</td>
<td>Action Item: Recommendations from Exchange Market Regulation Work Group and discussion</td>
<td>John Franchini, Aaron Ezekiel</td>
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<td>9:50 – 10:00 a.m.</td>
<td>Break</td>
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<tr>
<td>10:00 – 10:15 a.m.</td>
<td>Discussion of Legislative Council Service correspondence with CCIIO</td>
<td>Michael Hely, Staff Attorney, NM Legislative Council Service</td>
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<tr>
<td>10:15 – 10:30 a.m.</td>
<td>Introduction to Program Integration, Employer Participation, and Financial Sustainability Work Groups</td>
<td>HSD &amp; LP</td>
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<tr>
<td>10:30 – 10:50 a.m.</td>
<td>Discussion of Blueprint application</td>
<td>HSD</td>
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<tr>
<td>10:50 – 10:55 a.m.</td>
<td>Q &amp; A</td>
<td>HSD &amp; LP</td>
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<tr>
<td>10:55 – 11:00 a.m.</td>
<td>Closing Remarks</td>
<td>HSD</td>
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<tr>
<td>11:00 a.m.</td>
<td>Adjourn</td>
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Updates & Announcements

• Blueprint Deadline Extended
  – Blueprint sent to the Advisory Task Force and Legislative Work Group for comments

• Work Group Schedule

• New Federal Regulations
Contact Information

Email: exchange.comments@state.nm.us

Mail: Exchange – Comments
Human Services Department
P.O. Box 2348
Santa Fe, NM 87504

Website: www.hsd.state.nm.us
Exchange Advisory Task Force

• Made up of multiple stakeholders

• *Purpose*: Discuss topics regarding the design and development of the Exchange
  – To provide input from a variety of perspectives
  – To work together to determine how the Exchange can be designed to meet the needs of all stakeholders and consumers

• HSD will use these discussions and recommendations to inform decisions on the design and development of the Exchange
Proposed Rules – Released 11.20.12

• Essential Health Benefits
  – State mandated benefits may be included in EHB if enacted before Jan 1, 2012
  – Adult dental or vision may not be included in EHB

• Cost-Sharing Requirements
  – Deductibles: $2,000 Individual; $4,000 Family; exceptions apply
  – Out-of-network providers do not count toward deductibles or out-of-pocket limits

• Actuarial Value Calculations
  – Issuers have a variance of ±2% to reach metal tiers
  – States may submit state-specific data for AV in 2015

• Student Health Plans
  – If specific ACA requirements prohibit institutions of higher education from offering student health plans, those requirements become inapplicable
Proposed Rules – Released 11.20.12

• Health Plan Rating
  – *Family*: premiums are a sum of each member’s premiums (all adults age 21+ and the 3 oldest family members under 21)
  – *Geography*: States may determine rating areas (7 max)
  – *Age*: A rating curve is established. States may choose their own curve with CMS approval.
  – *Small Group*: premiums are the sum of the employees’ premiums
    • Employers may choose how to distribute premiums

• Guaranteed Coverage
  – If a carrier denies enrollment to an employer or individual due to financial or network capacity limits then it is penalized
  – Carriers may not otherwise deny coverage during open enrollment periods to those living or working in the service area

• Risk Pools
  – Individual and small group markets must have only one risk pool each.
    States may merge the two markets if desired.
  – States may be able to continue high risk pools beyond 2014
Legislative Work Group Update
## Legislative Work Group Committee Members

<table>
<thead>
<tr>
<th>Name</th>
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<tbody>
<tr>
<td>Senator DeDe Feldman</td>
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<tr>
<td>Senator Carroll Leavell</td>
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<td>Senator George Munoz</td>
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<tr>
<td>Senator Sue Beffort</td>
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<td>Senator Linda Lopez</td>
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<td>Senator Gerry Ortiz y Pino</td>
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<td>Representative Mimi Stewart</td>
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<td>Representative Jim Hall</td>
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<td>Representative Tom Taylor</td>
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<td>Representative Bill O’Neill</td>
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<td>Representative Conrad James</td>
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Health Insurance Alliance

- Legislation should be prepared as a “placeholder,” for planning, in case additional authority is required for the Alliance
- Consumer representation on Board is recommended
- Legislative participation on the Board is encouraged
- Define conflict of interest in law to comport with PPACA

Stakeholders

- Continue and formalize advisory and stakeholder groups
- Share documents like the Blueprint submission with stakeholders to encourage comments and suggestions
Legislative Work Group
Suggestions

Other

– Statutory definition of “small business” should include single-employee businesses

– A presentation should be made to the entire Legislature regarding the exchange and the true purpose of PPACA (in the manner of the Q&A prepared for the Legislative Work Group)

– Account for federal grant funds
Legislative Work Group
Discussion & Questions
Exchange Market Regulation
Work Group
Update
## Exchange Market Regulation

### Work Group Members

<table>
<thead>
<tr>
<th>Name</th>
<th>Represented Group</th>
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<tbody>
<tr>
<td>Alex Valdez, Christus St. Vincent Hospital</td>
<td>Hospitals</td>
</tr>
<tr>
<td>J.R. Damron, M.D.</td>
<td>Providers (Nurse/Physician)</td>
</tr>
<tr>
<td>Gabriel Parra, Presbyterian Health Services</td>
<td>Insurance Companies</td>
</tr>
<tr>
<td>Carol Luna-Anderson, The Life Link</td>
<td>Employers</td>
</tr>
<tr>
<td>Thom Turbett, Independent Insurance Agents of New Mexico</td>
<td>Agents &amp; Brokers</td>
</tr>
<tr>
<td>Jane Wishner, Attorney and Consultant</td>
<td>Underserved Populations</td>
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<tr>
<td>John Franchini, Superintendent</td>
<td>State Government Agencies</td>
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<tr>
<td>Aaron Ezekiel, Administrative Law Judge</td>
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<td>New Mexico Division of Insurance</td>
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<td>Larry Curley, Navajo Nation Department of Health</td>
<td>Tribal</td>
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<tr>
<td>Jim Copeland, Alta Mira</td>
<td>Consumers at Large</td>
</tr>
<tr>
<td>Liz Stefanics, Health Care Consultant and RWJF Fellow</td>
<td>Consumers at Large</td>
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Exchange Market Regulation
Work Group Recommendations

• The DOI should remain a key regulator
  – To extent practical, HIX regulatory duties should be “subcontracted” to DOI
  – The certification of QHP status should be delegated to DOI

• The HIA and DOI should conduct actuarial, policy, and economic analyses on opening the SHOP exchange, at the outset, to groups of 100+ employees (*there was a split vote on this proposed recommendation)

• There should also be continuing examination of other key issues, e.g., requiring statewide plans

• A deadline should be established for plan submission, though late submissions should be conditionally accepted (i.e., review and acceptance may not be completed in time for initial open enrollment period)
Exchange Market Regulation
Work Group Concerns

• Provider network adequacy, especially in rural and underserved urban areas

• Outreach to providers and consumers — emphasis should be on maximizing access to services, not just insurance coverage

• Behavioral health and substance abuse treatment provider shortages
Market Regulation Work Group
Discussion & Questions
Break
Legislative Council Service
Correspondence with CCIIO
Introduction:
Program Integration Work Group
# Program Integration Work Group Members

<table>
<thead>
<tr>
<th>Name</th>
<th>Represented Group</th>
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<tbody>
<tr>
<td>Paul Herzog</td>
<td>Hospitals</td>
</tr>
<tr>
<td>Babette Saenz, D.O.M.</td>
<td>Providers</td>
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<tr>
<td>David Canzone, D.O.M.</td>
<td>Providers</td>
</tr>
<tr>
<td>Steve DeSaulniers</td>
<td>Insurance Carriers</td>
</tr>
<tr>
<td>Carolyn Laarkamp</td>
<td>Small Businesses &amp; Self-Employed Individuals</td>
</tr>
<tr>
<td>Randy E. Hobbs</td>
<td>Agents &amp; Brokers</td>
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<tr>
<td>Debbie Armstrong</td>
<td>Underserved Populations</td>
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<tr>
<td>Kari Armijo</td>
<td>State Government Agencies</td>
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<tr>
<td>Maria C. Clark</td>
<td>Tribes</td>
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<tr>
<td>Janis Gonzales</td>
<td>Consumers at Large</td>
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<tr>
<td>Robert Horowitz</td>
<td>Consumers at Large</td>
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</tbody>
</table>
Program Integration Work Group
Questions

1. Which method of Medicaid eligibility determination should New Mexico use? Should the state maintain its current eligibility verification process or should that process be administered by the exchange?

2. Should the state consider coordinating other public programs with the exchange?

3. Should “express lane” processes be utilized or expanded? Should “no wrong door” policies be implemented?

4. What can be done to mitigate “churn” among the Medical Assistance, CHIP, and subsidy eligible populations?
Introduction:
Financial Sustainability Work Group
# Financial Sustainability Work Group Members

<table>
<thead>
<tr>
<th>Name</th>
<th>Represented Group</th>
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<tbody>
<tr>
<td>Sharon Finarelli</td>
<td>Hospitals</td>
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<tr>
<td>Babette Saenz, D.O.</td>
<td>Providers</td>
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<tr>
<td>David Roddy</td>
<td>Providers</td>
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<tr>
<td>Mark Padilla</td>
<td>Insurance Carriers</td>
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<tr>
<td>Matthew Maes</td>
<td>Insurance Carriers</td>
</tr>
<tr>
<td>Lisa Shin, Optometrist</td>
<td>Small Businesses &amp; Self-Employed Individuals</td>
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<tr>
<td>Devon Day</td>
<td>Agents &amp; Brokers</td>
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<tr>
<td>Susan Loubet</td>
<td>Underserved Populations</td>
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<tr>
<td>Andy Vallejos</td>
<td>State Government Agencies</td>
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<tr>
<td>Shelly Chimoni</td>
<td>Tribes</td>
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<tr>
<td>Joyce Powers, NP</td>
<td>Consumers at Large</td>
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<tr>
<td>Karen Lucero</td>
<td>Consumers at Large</td>
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</tbody>
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Financial Sustainability Work Group

Questions

1. Should assessments be imposed? If so, against whom (e.g., consumers, insurance carriers, providers, employers, etc.)?

2. Should assessments be fixed amounts or percentages? Should they evolve from one type to the other as the exchange grows and threshold scales are met?

3. What other creative ways may be used to fund operating costs?

4. Are there means of financing available that could be used in the early stages before the exchange achieves economies of scale?
Introduction:
Employer Participation Work Group
### Employer Participation Work Group Members

<table>
<thead>
<tr>
<th>Name</th>
<th>Represented Group</th>
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</thead>
<tbody>
<tr>
<td>Jeffrey Dye</td>
<td>Hospitals</td>
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<tr>
<td>Linda Wylie, CNP</td>
<td>Providers</td>
</tr>
<tr>
<td>Mike Wallace</td>
<td>Insurance Carriers</td>
</tr>
<tr>
<td>Laurie Monfiletto</td>
<td>Large Employers</td>
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<tr>
<td>Sonny Espinoza</td>
<td>Agents &amp; Brokers</td>
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<tr>
<td>Julianna Koob</td>
<td>Underserved Populations</td>
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<td>Wade Jackson</td>
<td>State Government Agencies</td>
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<td>Anthony Yepa</td>
<td>Tribes</td>
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<tr>
<td>Kirsten Galvan</td>
<td>Small Employers</td>
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<tr>
<td>Nancy Sanchez</td>
<td>Consumers at Large</td>
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<tr>
<td>Don Blackburn</td>
<td>Consumers at Large</td>
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Employer Participation Work Group Questions

1. Should there be participation requirements for employer groups in the exchange?

2. What services can an exchange offer that would be of most value to small businesses?

3. Would implementing a defined contribution market attract employers who currently do not offer insurance? If so, is there sufficient demand to achieve the critical mass necessary for plan portability?

4. Is there value in premium aggregation for small employers in the state?
Upcoming Meetings
### Task Force & Work Group
#### Dec. Meeting Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Time</th>
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<tbody>
<tr>
<td>Nov 30</td>
<td>Albuquerque Area Indian Health Service 5300 Homestead Rd NE Albuquerque</td>
<td>1pm – Native American Work Group</td>
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<tr>
<td>Dec 4</td>
<td>ISD Training Room Pollon Plaza 2009 S Pacheco Santa Fe</td>
<td>9am – Program Integration Work Group</td>
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<td></td>
<td>OoS Conference Room Pollon Plaza 2009 S Pacheco Santa Fe</td>
<td>11am - Native American Work Group</td>
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<tr>
<td>Dec 11</td>
<td>ISD Training Room Pollon Plaza 2009 S Pacheco Santa Fe</td>
<td>11am – Employer Participation Work Grp</td>
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# Task Force & Work Group

## Jan. Meeting Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Time</th>
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<tbody>
<tr>
<td>Jan 8</td>
<td>ISD Training Room Pollon Plaza</td>
<td>9am – Native American Work Group</td>
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<tr>
<td></td>
<td>2009 S Pacheco Santa Fe</td>
<td>11am – Program Integration Work Group</td>
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<tr>
<td>Jan 15</td>
<td>South Conference Room ARC Plaza</td>
<td>11am – Employer Participation Work Grp</td>
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<td>2025 S Pacheco Santa Fe</td>
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<tr>
<td>Jan 23</td>
<td>Collaborative Health Room 37 Plaza</td>
<td>1pm – Advisory Task Force Meeting</td>
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<td></td>
<td>Plaza La Prensa Santa Fe</td>
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<tr>
<td>Jan 29</td>
<td>South Conference Room ARC Plaza</td>
<td>11am – Employer Participation Work Grp</td>
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<td></td>
<td>2025 S Pacheco Dr Santa Fe</td>
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Blueprint Discussion & Comments
1.2e Given that the majority of the voting members are employers, you may want to consider the level of knowledge needed. The activity outlines very detailed knowledge about the inner-workings of healthcare administration. You may want to consider bolstering this knowledge with current and future board members who may not be involved in the day to day administration.

2.3 Navigators should be hired and trained in the summer of 2013, so they can begin enrolling families & individuals on October 1, 2013. It should also be acknowledged that the state plans to seek adequate funding to provide for a strong outreach program in the 2014 fiscal year.
2.7 How will the agents and brokers interact with small business? How does this ensure that small businesses will get the best insurance for their business? There seems to be a need for some controls or role definition to ensure the agents and brokers look at all the offerings . . . that will be hard if they still get commission from the carriers they support.

8.1 With the larger scope of work, do the identified documents show the plan of how to address the new business strategy? I see there is an assessment; does the assessment also lay out a plan?
Q & A
New Mexico Health Insurance Exchange Advisory Task Force

November 28, 2012