



State of New Mexico

Michelle Lujan Grisham
Governor

November 1, 2023

The Honorable George K. Muñoz
Chair
Legislative Finance Committee
New Mexico Legislature

The Honorable Gerald Ortiz y Pino
Chair
Legislative Health & Human Services Committee
New Mexico Legislature

Dear Chairman Muñoz and Chairman Ortiz y Pino:

In accordance with and as required by Senate Bill 16 from the 2023 Legislative Session, I am pleased to submit the enclosed Transition Plan for the New Mexico Health Care Authority (HCA).

The establishment of the HCA is a significant moment for the State of New Mexico that demonstrates my commitment to prioritizing the health and well-being of every New Mexican by creating a single agency that will be responsible for health care purchasing, policy, and regulation. The HCA will transform the way New Mexico purchases health care benefits for New Mexicans, leveraging the purchasing power of the Medicaid program to improve the cost-effectiveness, quality of care, and health outcomes for over 180,000 public employees and retirees. The merging of executive units to form the HCA provides the opportunity to leverage expertise, optimize data analytics, and drive accountability to achieve improvements in New Mexico's health care system.

Effective July 1, 2024, the HCA will be a new executive department that has formally and successfully merged the Human Services Department (HSD), the Employee Benefits Bureau from the General Services Department (GSD), and the Division of Health Improvement and Developmental Disabilities Supports Division from the Department of Health (DOH). The establishment of the HCA is not merely a name change for HSD, but a demonstration of my commitment to building a healthier New Mexico by ensuring:

- Transparency and clarity about New Mexico's health system performance;
- Oversight and accountability to measure and improve quality of care and health outcomes;
- Cost-effectiveness and a proactive approach for managing state health care funds;
- Customer service through a no-wrong-door approach to health care and safety-net programs; and
- A unified vision and strategy for health care services, coverage, and benefit delivery to New Mexicans.

The HCA will continue to address many of the underlying issues that influence health outcomes in our state, such as expanding access to care in rural communities, building a robust behavioral health system, and providing income and child support programs that address poverty and food insecurity.

My administration looks forward to its continued partnership with the Legislature to advance the mission, vision, and goals of the New Mexico Health Care Authority, and to build a healthier future for all New Mexicans.

Sincerely,



Michelle Lujan Grisham
Governor

cc:

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