

# NEW MEXICO PUBLIC REGULATION COMMISSION

## COMMISSIONERS

DISTRICT 1 JASON MARKS  
DISTRICT 2 PATRICK H. LYONS, CHAIRMAN  
DISTRICT 3 DOUGLAS J. HOWE  
DISTRICT 4 THERESA BECENTI-AGUILAR, VICE-CHAIR  
DISTRICT 5 BEN L. HALL



## PRC CONTACT:

Arthur D. Bishop, PIO  
Office: 505-827-4446  
Cellular: 505-467-9116  
arthur.bishop@state.nm.us

## CHIEF OF STAFF

Johnny L. Montoya

**FOR IMMEDIATE RELEASE**

**October 17, 2012**

**NEWS RELEASE**

## **PRC Insurance Division Sets Essential Benefits Plan Under Affordable Care Act**

SANTA FE, N.M. — The Public Regulation Commission's Insurance Division has reached a major milestone in Affordable Care Act (ACA) compliance with the selection of the Lovelace Classic Preferred Provider Organization small group plan as New Mexico's Essential Health Benefits (EHB) benchmark policy.

For the past two years, the Insurance Division has worked with a special task force appointed by Gov. Susana Martinez to find a minimum standard EHB model that other health plans listed in the state's new insurance exchange must equal or exceed.

State Superintendent of Insurance John G. Franchini said an actuarial analysis of policy options versus cost put the Lovelace plan ahead of offerings from other companies in the state. Eleven other policies were reviewed.

ACA criteria require state EHB plans to include items and services in categories ranging from emergency services to prescription drugs in policies similar to those typically offered by employers. Franchini said the Lovelace plan will be supplemented with coverage for habilitative services and pediatric dental and vision benefits to meet those criteria.

The ACA extends health care coverage to more than 30 million uninsured Americans while expanding certain services through Medicaid. New Mexico's EHB plan will be active by 2014, when ACA mandates will officially require every U.S. citizen to have health insurance, or face a penalty.

By 2014, consumers who already have insurance through Medicare, Medicaid or a private insurer can keep their policies. Those who don't can purchase plans meeting the EHB standard through the state exchange.

New Mexico is one of only 10 states who have analyzed and chosen benchmark EHB plans so far. Non-grandfathered plans in the individual and small group markets both inside and outside the exchange, Medicaid benchmark and basic health programs must cover EHB beginning in 2014 to participate in the exchange.

"A lot of uncertainty remains our state's plan for ACA implementation, but I'm proud that the main task under the control of the PRC's Insurance Division – the designation of an EHB plan – has been successfully completed ahead of schedule," said District 1 Commissioner Jason Marks.

###