

## NEW MEXICO HUMAN SERVICES DEPARTMENT P.O. Box 2348 Santa Fe, New Mexico 87504-2348

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## Mathematica Chosen as Vendor to Analyze Health Care Models that will Close the Uninsured Gap in New Mexico

Preliminary Findings Due to Health Coverage for New Mexicans Committee by Spring 2007

Santa Fe, New Mexico, December 19, 2006 – An agreement has been reached on behalf of the Health Coverage for New Mexicans Committee (Committee), between the state and Mathematica Policy Research, Inc. (Mathematica), to conduct an extensive quantitative and comparative analysis of three health coverage models to help close the uninsured gap in New Mexico. "Governor Bill Richardson charged the Committee with finding a health care model that would get every New Mexico citizen the health care coverage they deserve," said Secretary Pamela Hyde, Human Services Department. "This contract gets us one step closer to making that a reality."

Mathematica was selected the successful bidder from three finalists. Mathematica, Lewin Group, and Health Management Associates were asked to submit best and final offers after careful evaluation of the original proposals and oral presentations before the Committee last month.

Mathematica was chosen due to its experience and expertise in financial, actuarial and health policy reform studies, including the experience and expertise of its subcontractors. Mathematica is based in Washington, D.C. and will be using the University of New Mexico's Bureau of Business and Economic Research, Institute of Public Law and Institute of Public Health, and two other subcontractors to conduct this study. The total contract cost to be paid by the state is \$310,782.

Mathematica will be working on a short timeframe to analyze the costs of the three different approaches to closing the uninsured gap in New Mexico. A preliminary report and presentation are due in April 2007, with the final report and presentation due in June 2007.

The analysis will consider the costs of the models to employers, the state, individuals and health care companies compared to taking no action with the current system. The three models chosen take different approaches to providing a comprehensive approach to provide health insurance or coverage for all New Mexicans. The models are:

- 1. The Health Security Act, which is a single plan administered by a commission appointed by the Governor,
- 2. The New Mexico Health Choices Plan, which is a market-based universal coverage plan that would utilize vouchers provided to individuals, and
- 3. The New Mexico Health Coverage Plan, which is also a market-based plan that would preserve roles for both the current public and private health care system in the state, and includes a requirement that everyone have insurance with a clear role for employers.

The 23-member Committee and four advisors appointed by the Governor and the Legislative leadership selected these models from several presented to them.

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