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**For Immediate Release**

## **New Mexico Receives \$1 Million Grant to Plan Implementation of a Health Insurance Exchange(s)**

### **Health Insurance Exchanges Are Instrumental in National Health Care Reform**

*Santa Fe* – Today the U.S. Health and Human Services Department announced New Mexico is one of 48 States and the District of Columbia who will receive a \$1 million grant for the planning of building a Health Insurance Exchange(s), which is an instrumental part of the federal Patient Protection and Affordable Care Act.

“Health Insurance Exchanges will be the “go to place” for individuals and small businesses to access affordable health coverage,” said Katie Falls, Human Services Department Secretary, and chair of the NM Health Care Reform Leadership Team. “This grant will allow New Mexico to act quickly on the important work that must be done in research and planning in order to determine how New Mexico’s Exchange or Exchanges will be operated and governed.”

The Health Insurance Exchange(s) must be up and running by 2014. However, states that have determined to plan their own Exchanges are required to prove to the federal government they are prepared for the 2014 deadline by 2013. Health Insurance Exchanges will create:

- **Lower Costs:** Exchanges will increase competition among private insurance plans through greater comparative shopping and more informed consumers. They will also provide small businesses the same purchasing power in Exchanges as large businesses.
- **One-Stop Shopping:** Exchanges will make purchasing health insurance easier by providing eligible consumers and businesses with tools to compare benefits, pricing, and quality, to help make the best choice for themselves, their families, or their employees.
- **Greater Benefits and Protections:** Exchanges will create a health insurance marketplace that will allow employers and consumers to choose from plans offering high quality benefits. Individuals and families purchasing health insurance through Exchanges may also qualify for tax credits and reduced cost-sharing depending on their income.

The NM Health Care Reform Leadership Team applied for the \$1 million grant and plans to use the funding in the following ways.

- Fund a financial modeling tool and report that will analyze several factors: where current uninsured people will access health care coverage; how many will be coming into the Medicaid program and cost to the state; how many will enter the individual or group markets; impacts to small businesses, and; develop a state cost analysis.
- Study and analyze details of implementing the Exchange(s).
- Provide follow-up research and analyses, as suggested by the direction and inquiries made by the Legislature and the Governor.
- Consider the various options for the state for Exchange(s) including a Regional Exchange.
- Plan the coordination of eligibility and enrollment systems across Medicaid, the Children's Health Insurance Program (CHIP), and the Exchange(s).

***About the NM Health Care Reform Leadership Team***

Human Services Department Secretary Katie Falls has been appointed the chair of the Leadership Team. Other members include the Secretaries of; the Department of Health, Department of Workforce Solutions, Taxation and Revenue, Information Technology, Children, Youth and Families, Aging and Long Term Services, Indian Affairs, the Superintendent of the Public Regulation Commission, Division of Insurance, the Behavioral Health Collaborative CEO, and a representative from the Governor's office.

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