National Academy for State Health Policy

Fall Meeting

New Mexico Office of Superintendent of Insurance
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Healthcare Policy Manager
October 2017
State Approaches to Regulatory Structure

QUESTION:

• What can we do at a state level to ensure:
  • Access to coverage?
  • Level the playing field?
  • A healthier risk pool?
## Ensuring Access to Care

### Statewide Major Medical Coverage Offering Requirement:

<table>
<thead>
<tr>
<th>Policy</th>
<th>New Mexico</th>
<th>Other States</th>
</tr>
</thead>
<tbody>
<tr>
<td>Require health insurance carriers offering major medical coverage to have at least one plan that is offered throughout the entire state</td>
<td>No requirement that health insurance carriers offering major medical coverage have at least one plan that is offered throughout the entire state</td>
<td></td>
</tr>
<tr>
<td>Result</td>
<td>One of the very few states with a sizable rural population to have more than one health insurance carrier offering coverage (5 carriers offering individual market plans)</td>
<td>Bare counties in many states. Arm-twisting by insurance commissioners/incentive payments for carriers to remain in rural markets</td>
</tr>
</tbody>
</table>
Ensuring Access to Care

Update Network Adequacy Rules:

• Last updated in 1998 – but still were ahead of their time! Currently causing confusion in enforcement.
• Revisions aimed at increasing transparency in provider access for consumers purchasing health insurance throughout the state.
• Significant stakeholder engagement in revision process from:
  • Consumer representatives
  • Health care providers
  • Health insurance carriers
  • Agents and Brokers
  • Provider Associations
# Draft NA Rules and Provider

<table>
<thead>
<tr>
<th>Standard</th>
<th>Issue addressed</th>
</tr>
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<tbody>
<tr>
<td>Geographic accessibility standards</td>
<td>How far should an insured person have to drive to see an in-network provider for health care?</td>
</tr>
<tr>
<td>Timeliness standards</td>
<td>How long should an insured person have to wait to see an in-network provider for health care?</td>
</tr>
<tr>
<td>Provider inclusion standards</td>
<td>What providers are essential to the network for the community the plan serves?</td>
</tr>
<tr>
<td>Provider Directory Content</td>
<td>What information should be in provider directories to help consumers make health insurance coverage and provider access choices?</td>
</tr>
<tr>
<td>Provider Directory Accuracy Audits</td>
<td>How often should a carrier verify the provider information in provider directories to ensure accuracy?</td>
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</table>
Ensuring Access to Care

Surprise Billing Legislation Introduced in 2017 Regular Session

• House Bill 313 – as introduced
  • Addressed out-of-network emergency care and out-of-network care obtained unknowingly at in-network facilities
  • Held consumers harmless for surprise, out-of-network bills – consumers only pay what they would owe for in-network services
  • Created process for carriers/providers to work out payment of surprise bills
  • Arbitration process for resolution of disputes where provider/carrier can’t work out billing disputes
  • Required carriers to disclose to consumers information about expected out-of-pocket costs for health care services/procedures provided in advance
Ensuring Access to Care

Surprise Billing Legislation Introduced in 2017 Regular Session

- House Bill 313
  - Response:
    - Providers/carriers want standardized reimbursement rates rather than uncertainty of “work it out amongst yourselves”
    - Request to clarify what constitutes a “surprise bill” for PPO members
    - Concerns with automatic assignment of benefits if provider directly bills insurer for out-of-network costs
  - New Proposal:
    - Set reimbursement rates for surprise billing
    - Clarified definition for “surprise bill.”
Ensuring Access to Care

Surprise Billing Legislative Process

- Stakeholder Engagement
  - Convenings with representation from:
    - Health insurance carriers
    - Consumer advocates
    - Health care providers
    - Provider associations
    - Agents and brokers
    - Consumers
    - Policymakers

- Surprise Billing Survey – replicated survey questions from 2015 Consumer’s Union Survey
- Issued bulletin outlining current surprise billing protections
Leveling the Playing Field – Transparency: Provider Directory Tool
Leveling the Playing Field – Transparency: Plan Comparison Tool
Creating a Healthier Risk Pool

New Mexico High Risk Pool:

<table>
<thead>
<tr>
<th>Pre-2014 Enrollment</th>
<th>Current Enrollment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approx. 12,0000</td>
<td>2,400 (sickest of sickest)</td>
</tr>
</tbody>
</table>

Strategies for Market Stability:

• Titrate transition of high risk pool members to individual market
• Leverage assessment on Medicaid MCOs to fund pool members’ care
• Apply best practices in managed care to get population healthier before any potential transition into individual market
• Review Section 1332 options for additional reinsurance/high risk pool creation/stability
Creating a Healthier Risk Pool

Outreach! Outreach! Outreach!

• Let consumers know that:
  • ACA still in effect
  • Financial assistance still available
  • CSRs still available
  • Benefits under qualified health plans versus less robust coverage options
Questions or Comments

- Policy questions or feedback:
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    - Healthcare Policy Manager
    - Paige.Duhamel@state.nm.us
  - Can access additional information about OSI online at:  www.osi.state.nm.us