

# Healthcare Affordability State Policy Scorecard

Polling data repeatedly shows that healthcare affordability is the number one issue that state residents, on both sides of the political aisle, want their policymakers to work on. This scorecard identifies areas where New Mexico is doing well and areas where it can improve.

STATE:





**NEW MEXICO**

RANK:

**16**

out of 42 states + DC

New Mexico has relatively low healthcare spending per person, low recent spending growth and a low percentage of residents who report affordability problems. Sustaining these gains should be a priority for policymakers.

	POLICY SCORE	OUTCOME SCORE	RECOMMENDATIONS
<b>EXTEND COVERAGE TO ALL RESIDENTS</b> 	<b>4 OUT OF 10 POINTS</b> Medicaid coverage for childless adults extends to 138% of FPL. Certain recent immigrants have state coverage options.	<b>6 OUT OF 10 POINTS</b> In 2018, NM was in the bottom third of states in terms of covering the uninsured, ranking 36 out of 50 states, plus DC, for this measure.	Consider options to help families that make too much to qualify for Medicaid, like Basic Health Plan, reinsurance or supplementary premium subsidies. Also consider adding affordability criteria to insurance rate review.
<b>MAKE OUT-OF-POCKET COSTS AFFORDABLE</b> 	<b>5 OUT OF 10 POINTS</b> NM has some protections against skimpy, confusing STLD health plans and comprehensive SMB protections.	<b>8 OUT OF 10 POINTS</b> NM has surpassed many other states in reducing healthcare affordability burdens (although 31% adults are still burdened). NM ranked 8 out of 49 states, plus DC, for this measure.	Consider stronger protections against STLD health plans. Also consider measures that lower the cost of high-value care.
<b>REDUCE LOW-VALUE CARE</b> 	<b>1 OUT OF 10 POINTS</b> NM requires some forms of patient safety reporting. NM is below average for hospital antibiotic stewardship and has not measured the extent of low-value care provided.	<b>9 OUT OF 10 POINTS</b> NM ranks highly in terms of reducing C-sections for low risk mothers (5 out of 50 states, plus DC). NM ranks 11 out of 50 states, plus DC, in terms of per capita antibiotic prescribing.	Curtailing low- and no-value care is a key part of improving affordability. NM should use claims & EHR data to identify unnecessary care & enact a multi-stakeholder effort to reduce it; stop paying for 'never events' and use other methods to reduce medical harm and increase efforts to address antibiotic overprescribing.
<b>CURB EXCESS PRICES IN THE SYSTEM</b> 	<b>1.5 OUT OF 10 POINTS</b> As is common in many states, NM has done little to curb the rise of healthcare prices.	<b>8 OUT OF 10 POINTS</b> NM's private payer price levels are close to the national median, ranking 17 out of 42 states, plus DC, for this measure.	Year-over-year increases in healthcare prices overwhelmingly drive healthcare spending in a state. NM should consider strong price transparency requirements; establishing a health spending oversight entity; and creating health spending targets.

APCD = All-Payer Claims Database FPL = Federal Poverty Level EHR = Electronic Health Records OOP = Out-of-Pocket Costs SMB = Surprise Medical Bill STLD = Short-Term, Limited-Duration

See state notes on page 2.

Full report and additional details at [www.HealthcareValueHub.org/Affordability-Scorecard/New-Mexico](http://www.HealthcareValueHub.org/Affordability-Scorecard/New-Mexico)

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## NEW MEXICO NOTES

### Methodological Notes:

State rank reflects the weighted sum of the policy and outcome scoring components. In this summation, the Extend Coverage to All Residents category received the biggest weight (reflecting its large impact on the uninsured population) and Reduce Low-Value Care received the smallest weight, reflecting its smaller impact on spending. A lower state rank number (i.e. close to 1) reflects a higher overall score and better performance when compared to other states.

For a complete discussion of methodology, please see [healthcarevaluehub.org/affordability-scorecard/methodology](http://healthcarevaluehub.org/affordability-scorecard/methodology).

### The Problem:

New Mexico has surpassed many other states in reducing healthcare affordability burdens, giving the state a rank of 8 out of 49 states, plus DC, for this measure, though 31% adults are still burdened. The most common burden reported was ‘made changes to medical drugs because of cost’ (24% of adults), followed by ‘trouble paying medical bills.’ According to BEA, healthcare spending in New Mexico totalled \$6,448 per person in 2018. Moreover, between 2013 and 2018, healthcare spending per person grew 13.3%.\* While spending per person is comparatively low, New Mexico has much work to do to ensure wise health spending and affordability for residents.



### Extend Coverage to All Residents:

Lawfully residing immigrant children and pregnant women are covered by Medicaid without a 5-year wait.



### Make Out-of-Pocket Costs Affordable:

High-deductible health plans create barriers to care for many families. Between 2011 and 2016, the average deductible associated with employer coverage rose 6.7% per year in New Mexico.\*

LOOKING AHEAD: New Mexico is transitioning from the [healthcare.gov](http://healthcare.gov) platform to a state-based exchange, which could provide additional policy tools to help those that purchase in the small group and individual market.



### Reduce Low-Value Care:

Addressing medical harm to improve patient safety can take many forms. One form is declining payment for services related to “never events,” serious reportable events identified by the National Quality Forum (NQF) that should never occur in a healthcare setting.

Seventy-eight percent of New Mexico hospitals have adopted the CDC’s ‘Core Elements’ of antibiotic stewardship – short of the goal of 100% of hospitals.



### Curb Excess Prices in the System:

New Mexico exhibits private payer price levels that are 229% higher than prices paid by Medicare.

NOTE: The very high healthcare prices seen in Alaska (relative to the national median), means that most other states received a relatively good outcome score for this category.

\* Informational data, not used in state score or ranking. DOI = Department of Insurance BEA = U.S. Bureau of Economic Analysis • Scorecard Updated: Jan. 7, 2020