

2022 Healthcare Affordability State Policy Scorecard

This Scorecard looks at both policies and related outcomes across four affordability-related areas that were implemented as of Dec. 31, 2021. Lawmakers, regulators, consumer advocates and the public can use the Scorecards to understand how their state performs when it comes to healthcare affordability policies and outcomes relative to other states and identify opportunities to improve.

STATE:

NEW MEXICO

RANK:

26

out of 50 states + DC

POLICY SCORE

15.2

out of 40

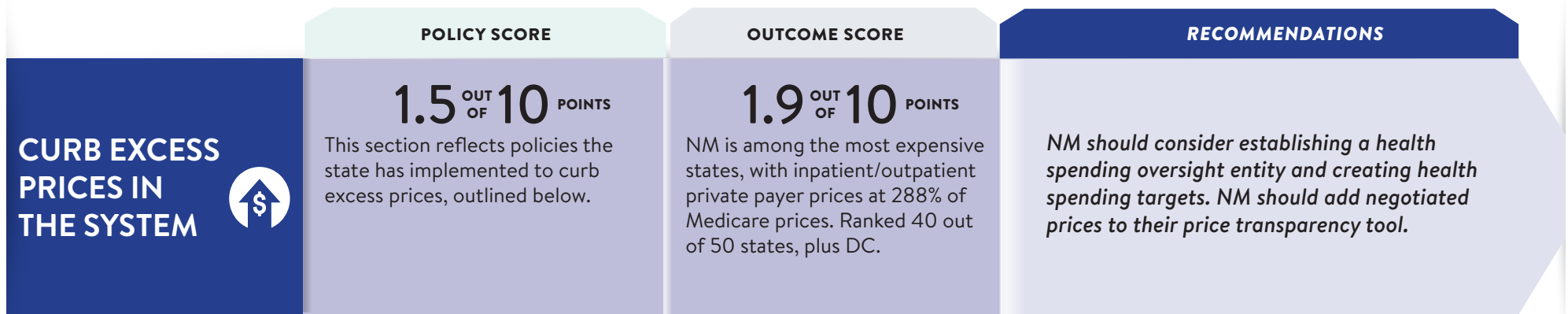
OUTCOME SCORE

15.5

out of 40

TOTAL
30.7 OUT OF 80
POSSIBLE POINTS

Setting the Stage: According to the Healthcare Value Hub's 2021 CHESS survey, 66% of New Mexico adults experienced healthcare affordability burdens. According to the Personal Consumption Expenditure, healthcare spending per person in New Mexico grew 39% between 2013 and 2021, totaling \$7,311 in 2021. Please note some of the outcome measures in this Scorecard include data from 2020, which may have been impacted by the COVID-19 pandemic.



THIS CHECKLIST IDENTIFIES THE POLICIES THAT WERE EVALUATED FOR THIS SECTION.



Create an all-payer or multi-payer claims database to analyze healthcare price inflation, price variation and utilization

In 2019, New Mexico allocated money in their budget for an all-payer claims database (APCD) and outlined administrative duties in early 2021 documented in Code 7.1.31. The database is expected to be operational in late 2023.



Create a permanently convened health spending oversight entity

New Mexico did not have a permanently convened health spending oversight entity as of Dec. 31, 2021.




Create all-payer healthcare spending and quality benchmarks for the state

New Mexico did not have active health spending benchmarks as of Dec. 31, 2021.



Implement free, public-facing healthcare price transparency that reflects negotiated rates and features treatment- and provider-specific prices

New Mexico did not have a tool that met the criteria to receive credit. To receive credit, a state's tool has to be public-facing, searchable by specific procedure and hospital and show the negotiated rate paid by insurance plans/patients (not chargemaster rate). New Mexico's Healthcare Compare website only shows average cost to Medicaid, and only for nine procedures broken out by specific provider.

KEY:  = implemented by state  = not implemented by state  = the state has implemented policies, but could be enhanced

Full report and additional details at www.HealthcareValueHub.org/Affordability-Scorecard/New-Mexico

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POLICY SCORE

0.9 OUT OF **10** POINTS

NM has not yet measured the extent of low-value care being provided. They have not enacted meaningful patient safety reporting. 84% of hospitals have adopted antibiotic stewardship.

OUTCOME SCORE

6.4 OUT OF **10** POINTS

NM was among the states with the least low-value care, with 14% of residents having received at least one low-value care service. Ranked 8 out of 50 states, plus DC.

RECOMMENDATIONS

NM should consider using claims and EHR data to identify unnecessary care and enact a multi-stakeholder effort to reduce it.

REDUCE LOW-VALUE CARE



THIS CHECKLIST IDENTIFIES THE POLICIES THAT WERE EVALUATED FOR THIS SECTION.

✗	Analyze claims and electronic health records data to understand how much is spent on low- and no-value services
	New Mexico did not measure the provision of low-value care as of Dec. 31, 2021.
...	Require validated patient-safety reporting for hospitals
	Central line-associated bloodstream infections (CLABSI) and catheter-associated urinary tract infections (CAUTI) are two common forms of hospital-acquired infections. New Mexico mandates CLABSI reporting alone with no other requirements.
...	Universally implement antibiotic stewardship programs using CDC's 7 Core Elements
	Improper use of antibiotics is another type of low-value care. Antibiotic stewardship is the effort to measure and improve how antibiotics are prescribed by clinicians and used by patients, and states were scored on what share of their hospitals follow the CDC's stewardship program. 84% of New Mexico hospitals have adopted antibiotic stewardship. States with 90% adoption or more get the most credit.

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POLICY SCORE

4.2 OUT OF **10** POINTS

NM Medicaid coverage for childless adults extends to 138% of FPL. Only lawfully residing immigrant children/pregnant women can access state coverage options.

OUTCOME SCORE

5.3 OUT OF **10** POINTS

10% of NM residents are uninsured. Ranked 36 out of 50 states, plus DC.





RECOMMENDATIONS

NM should ensure their Healthcare Affordability Fund creates affordable options for undocumented children, pregnant people and adults, and explore additional coverage options for these groups as well as adding affordability criteria to rate review.

EXTEND COVERAGE TO ALL RESIDENTS



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	<p>Expand Medicaid to cover adults up to 138% of the federal poverty level</p> <p>New Mexico has expanded Medicaid.</p>
	<p>Provide high-quality, affordable coverage options for people whose incomes are too high to qualify for Medicaid, e.g., Basic Health Plan, reinsurance or augmented premium subsidies</p> <p>New Mexico did not offer any additional coverage options for residents earning too much to qualify for Medicaid as of Dec. 31, 2021. In 2021, New Mexico passed a law to establish a Health Care Affordability Fund to reduce the cost of healthcare coverage for New Mexico residents and small businesses.</p>
	<p>Provide options for immigrants that don't qualify for the coverage above</p> <p>New Mexico offers Medicaid coverage to lawfully residing immigrant pregnant women and children without a 5-year wait but currently offers no coverage options for undocumented immigrants. Looking Ahead: In 2021, the state passed HB 112 requiring all counties/hospitals in the state to offer indigent care to all migrants, regardless of immigration status, although it does not expand access to health coverage. In 2021, the state also established the Health Care Affordability Fund which will finance a plan for extending healthcare coverage access to people unable to buy plans on the Exchange due to immigration status. The bill requires that the Superintendent of Insurance develop a proposal for expanding coverage, by July 2022, although it is unclear whether the proposal has yet been published publicly.</p>
	<p>Conduct strong rate review of fully insured, private market options</p> <p>New Mexico has effective rate review as classified by CMS but does not incorporate affordability criteria into rate review.</p>

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POLICY SCORE

8.6 OUT OF **10** POINTS

NM has banned or heavily regulated short-term, limited-duration health plans and caps cost-sharing for some high-value services. NM has comprehensive protections against surprise medical bills and No Surprises Act loopholes.

OUTCOME SCORE

1.9 OUT OF **10** POINTS

NM ranked 46 out of 50 states, plus DC on affordability burdens—27% of adults faced an affordability burden: not getting needed care due to cost (8%), delaying care due to cost (8%), changing medication due to cost (11%), problems paying medical bills (13%) or being uninsured due to cost (sample size too small).

RECOMMENDATIONS

NM should consider a suite of measures to ease consumer burdens, such as requiring standard plan design on their exchange.

MAKE OUT-OF-POCKET COSTS AFFORDABLE



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Limit the availability of short-term, limited-duration health plans

New Mexico has heavily regulated short-term, limited duration health plans (STLDs) to the point that no plans are offered. Some people choose STLD health plans for their lower monthly premiums compared to ACA-compliant plans. However, they offer poor coverage, can discriminate against people with pre-existing conditions and pose financial risks for consumers. States received credit depending on how much they limit these plans.



Protect patients from inadvertent surprise out-of-network medical bills

New Mexico has comprehensive protections against surprise medical bills (SMBs), plus additional protections for other facilities and bills not covered by the federal No Surprises Act. ‘Comprehensive’ protections include emergency departments and hospitals, apply to all insurance types, hold consumers harmless/prevent balance billing and adopt adequate payment standard or dispute resolution process. States with only some of these policies have ‘partial’ protections. The federal No Surprises Act prohibits SMBs in most plans effective January 2022. However, it does not cover ground ambulances. States can still implement protections in this area—55% of ground ambulance rides in New Mexico charged to commercial insurance plans had the potential for SMBs (2021). (New Mexico had a small sample size [855] compared to other states, so interpret percentage with caution).



Waive or reduce cost-sharing for high-value services

Beginning 1/1/2021, New Mexico capped co-pays and out-of-pocket expenses for insulin at \$25 for a 30-day supply, establishing the lowest price cap in the country. Establishing legislation also required a study of the cost of prescription drugs for consumers to be completed by 10/1/2020. The state also passed legislation prohibiting cost-sharing for people with insurance who seek behavioral health services until Jan. 1, 2027.



Require insurers in a state-based exchange to offer evidence-based standard plan designs

New Mexico has a state-based exchange but has not implemented standard plan design. Standard plan design makes cost-sharing the same across plans within metal tiers, making it easier for consumers to compare plans. They also help regulators and exchanges negotiate or set rates with insurance carriers, which may translate to lower prices for consumers.

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