

Round 1: Public Comments on Proposed Standardized Health Plans on beWellnm in 2024

beWellnm Health Benefits Committee
November 14, 2022



General Comments (Pt 1)

- **Debbie Righter**, a local health insurance producer, noted that there is a trend of plans shifting towards more coinsurance. Consumers are frustrated by the lack of co-pay options, even with Turquoise plans. She worries that people may avoid care because of this. She supports standardized plans with only co-pays.
- **Dr. Barbara McAneney**, a health care provider who owns a practice and offers a self-insured plan to her employees, noted that she eliminated co-pays entirely for physician visits and drugs. “I figured, why would I want to put a barrier in front of what I want my employees to do, i.e. see their doctors, take their drugs, and stay healthy enough to come to work? My costs have not gone up, their premiums have not gone up.”

General Comments (Pt 2)

- **The NM Center on Law and Poverty (CLP)**, an advocacy group, said that “A recent survey of New Mexicans by a national, non-partisan research firm found that 56% of New Mexicans ‘have sacrificed medical services in the past two years because of cost.’”
- CLP also said that “Coinsurance is frequently too unpredictable for individuals and families—even when they can reasonably plan out the care they expect to receive in a given year. Copays provide individuals and families with much more transparency and predictability when they shop for coverage and plan for their healthcare.”

Comment 1 on Prescription Drug Out-of-Pocket Design

- Blue Cross Blue Shield of NM:** We urge the OSI to permit issuers to offer a six-tier drug formulary for standardized plans rather than limiting it to four tiers. The use of tiered formularies is a well-established and effective manner of reducing the direct and indirect costs to consumers of prescription drugs. Issuers should have flexibility to develop formulary drug tiers in the manner that they determine is most effective in promoting prescription drug affordability.

Relevant plan design information for the committee's reference

Standardized Plans with SOPA Applied				
Plan	Turquoise 1	Turquoise 2	Turquoise 3	Turquoise 4
FPL	100-150%	150-200%	200-250%	250-300%
Deductible	\$0	\$50	\$750	\$1,500
Max Out of Pocket	\$200	\$1,500	\$2,000	\$3,000
Prescription Medications				
Generics	\$0.00	\$3.00	\$5.00	\$10.00
Preferred Brand Drugs	\$3.00	\$10.00	\$10.00	\$20.00
Non-Preferred Brand Drugs	\$15.00	\$50.00	\$100.00	\$100.00
Specialty Drugs (i.e. high-cost)	\$10.00	\$25.00	\$50.00	\$50.00

Standardized Plans without SOPA	
Gold 80	Silver 70
Benchmarks	
\$3,000	\$4,500
\$4,500	\$8,000
Prescription Medications	
\$20.00	\$35.00
\$30.00	\$50.00
\$100.00	\$250.00
\$50.00	\$100.00

Comment 2 on Prescription Drug Out-of-Pocket Design

- **Molina** suggests the addition of a deductible for non-preferred drugs, where specialty drugs do not have a deductible as we would usually see Specialty and Non-Preferred in the same copay or Specialty higher and both subject to deductible to drive folks to the generic or preferred brand when possible.

Relevant plan design information for the committee's reference

Standardized Plans with SOPA Applied				
Plan	Turquoise 1	Turquoise 2	Turquoise 3	Turquoise 4
FPL	100-150%	150-200%	200-250%	250-300%
Deductible	\$0	\$50	\$750	\$1,500
Max Out of Pocket	\$200	\$1,500	\$2,000	\$3,000
Prescription Medications				
Generics	\$0.00	\$3.00	\$5.00	\$10.00
Preferred Brand Drugs	\$3.00	\$10.00	\$10.00	\$20.00
Non-Preferred Brand Drugs	\$15.00	\$50.00	\$100.00	\$100.00
Specialty Drugs (i.e. high-cost)	\$10.00	\$25.00	\$50.00	\$50.00

Standardized Plans without SOPA	
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\$50.00	\$100.00

Comments on Maximum Out-of-Pocket Amounts

- **Western Sky Community Care:** Does the Committee's research and analysis assure that the Proposed Designs will sufficiently lower costs to achieve target increases in enrollment? For instance, the \$1,500 MOOP for a New Mexican above 150% of the FPL (~\$27,280) remains significant. The MOOP is an important tool for affordability that works in tandem with monthly premium levels.

Comments on Mid co-pay tier

- **Blue Cross Blue Shield of NM:** We want to ensure that physical rehabilitation services (PT/OT/ST) cost-sharing is aligned with state law under HB 81.
 - Note for committee: This law requires the out-of-pocket co-pay/coinsurance for physical rehabilitation services to be no more than what is charged for primary care services. To ensure compliance, these services should be categorized in the same co-pay tier as primary care. This will likely require additional plan design changes to meet AV requirements.

Relevant plan design information for the committee's reference

Standardized Plans with SOPA Applied					Standardized Plans without SOPA	
Plan	Turquoise 1	Turquoise 2	Turquoise 3	Turquoise 4	Gold 80	Silver 70
FPL	100-150%	150-200%	200-250%	250-300%	Benchmarks	
Medical					Medical	
Low Co-Pay Medical Services					Low Co-Pay Medical Services	
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	\$0.00	\$3.00	\$5.00	\$10.00	\$15.00	\$30.00
Mid Co-Pay Medical Services					Mid Co-Pay Medical Services	
Occupational and Physical Therapy	\$3.00	\$10.00	\$20.00	\$30.00	\$50.00	\$70.00

Comments on Higher Co-pay Tier

- **Molina:** Although an ER visit being subject to deductible is something seen in the market, Molina would like to point out that members at a low-income level would find it difficult in an emergency situation to add in a high deductible charge.

Relevant plan design information for the committee's reference

Standardized Plans with SOPA Applied				
Plan	Turquoise 1	Turquoise 2	Turquoise 3	Turquoise 4
FPL	100-150%	150-200%	200-250%	250-300%
Deductible	\$0	\$50	\$750	\$1,500
Mid Co-Pay Medical Services				
Urgent Care Facility	\$3.00	\$10.00	\$20.00	\$30.00
Higher Co-Pay Medical Services				
Emergency Room Services	\$25.00	\$30.00	\$50.00	\$100.00

Standardized Plans without SOPA	
Gold 80	Silver 70
Benchmarks	
\$3,000	\$4,500
Mid Co-Pay Medical Services	
\$50.00	\$70.00
High Co-Pay Medical Services	
\$150.00	\$300.00

Services Highlighted in Blue are Subject to Deductible

Comments on Offering a Bronze Standardized Plan

- **Western Sky Community Care:** Is the Committee considering a standardized plan design for the Bronze level of coverage? This may provide additional affordable coverage options for certain New Mexico consumers. For instance, this may be an appealing option for high income consumers who are price conscious.

Comments on Related OSI Policies

- **Blue Cross Blue Shield of NM:** We request that we be allowed to continue to offer two non-standard Silver-tiered plans in addition to the standardized Silver-tiered plan. This will promote choice and offering for those that do not receive subsidies.

Questions

- Several health insurance issuers asked a series of questions about the overall approach to plan standardization.
 - Note for the Committee: OSI has provided the committee with responses to all questions that did not make specific recommendations or ask specific questions about a component of the standardized plan designs.