

Recommendations on Standardized Health Plan Requirements for the 2024 Plan Year

Adopted by the beWellnm Health Benefits Committee on December 8, 2022

During the 2020 legislative session, the New Mexico State Legislature passed [HB 100](#) to give the beWellnm Board of Directors the authority to establish Standardized Health Plans. Typically, Standardized Health Plans are plans that all insurers in a market are required to offer that have the same out-of-pocket costs for covered benefits. By offering standardized out-of-pocket costs, the consumer shopping experience can be simplified and streamlined, giving people a way to compare offerings from each health insurance issuer “apples-to-apples” without having to compare each benefit individually. Standardized Health Plans can be designed to improve cost predictability and encourage use of certain high-value health services, like primary care, by lowering out-of-pocket costs for those services.

In accordance with 59A-23F-9, the beWellnm Board of Directors established the Health Benefits Committee in 2020. The Committee began meeting in late 2020, culminating in the establishment of proposed plan designs. The Committee adopted 8 key plan features to guide decision making around plan design. To the greatest extent possible, the Standardized Health Plans should:

- 1) Create the opportunity for apples-to-apples plan comparisons for consumers.
- 2) Improve cost predictability by only using co-pays (fixed dollar amounts) instead of coinsurance (a percentage of the service cost).
- 3) Categorize co-pay levels by lower, medium, and higher amounts, with high value services like primary care and generic medications having the lowest out-of-pocket costs.
- 4) Minimize deductibles and out-of-pocket maximum limits.
- 5) Minimize the number of services subject to a deductible.
- 6) Ensure reasonable costs for hospital/ER visits so that rural residents who have limited access to primary care and urgent care services in their area aren't priced out of care. Primary care and urgent care should have out-of-pocket costs that are lower than the hospital/ER services to encourage use of those services whenever possible.
- 7) Lower out-of-pocket costs for specialty medications, which are typically used to treat complex, chronic conditions like cancer, multiple sclerosis, and rheumatoid arthritis.
- 8) Focus on income-based out-of-pocket designs as part of the state's new out-of-pocket assistance programs.

The Committee solicited public input on proposed plan designs and, with actuarial and technical assistance from Wakely Consulting, produced modifications to the proposed plan design based on the input provided to the Committee. The Committee would like to sincerely thank the individuals and organizations that took the time to provide input on the Committee's proposal.

Today, (December 8, 2022), the beWellnm Health Benefits Committee voted to recommend that the Board of Directors adopt out-of-pocket designs for Standardized Health Plans to be offered during the 2024 Plan Year. Upon the adoption of this recommendation, copies of this document will be transmitted to each member of the Board of Directors via email on December 8, 2022. **Attachment A** shows the proposed requirements for the 2024 Plan Year.

Additional information about the Committee's work can be found at <https://www.bewellnm.com/about-us/board-committees/health-benefits-committee/>.

Public Comments

According to the beWellnm Plan of Operation, “Before finalizing each year’s standardized health plans the Board shall provide for notice of and public comment on the proposed standardized health plans. Public comment should be conducted for no fewer than 30 days, unless a shorter timeframe is necessary given exceptional circumstances. The Health Benefits Plan Committee shall respond in writing to all comments received during the public comment period.” To ensure compliance with this requirement and to give the Committee sufficient time to respond to comments, a Notice of Public Comment should be published by beWellnm on the organization’s website and in local newspapers no later than December 12, 2022.

Members of the public are encouraged to submit written comments to the Board of Directors by 5 PM on January 13, 2023.

- 1) Comments may be submitted by email with the subject line “Public Comments: 2024 Standardized Health Plans” to lpacheco@nmhix.com.
- 2) Comments submitted by mail should be addressed to:

beWellnm
7601 Jefferson St. NE Suite 120
Albuquerque, NM 87107
ATTN: beWellnm Health Benefits Committee

Please note that all comments will be made public and posted at <https://www.bewellnm.com/about-us/board-committees/health-benefits-committee/>. The Committee must respond in writing to all public comments before the January 27 meeting of the beWellnm Board of Directors.

Director Wishner made the motion to adopt the recommendations on the attached language for Standardized Health Plan requirements. Director Sapon seconded the motion.

Chair Russell Toal – A*
Vice Chair Nandini Kuehn – Y
Director Anne Sapon – Y
Director David Shaw – A
Director Jane Wishner – Y

* Chair Russell Toal was present for most of the meeting and indicated his support for the recommendations.

PASSED, APPROVED, AND ADOPTED on December 8, 2022

NEW MEXICO HEALTH INSURANCE EXCHANGE HEALTH BENEFITS COMMITTEE

Approved by:



Russell Toal
Chair of the Health Benefits Committee