



April 13, 2010

Dear New Mexico Brokers,

We would like to first thank you for your support over the past few years, educating small employers and encouraging them to participate in the State Coverage Insurance (SCI) Program. We currently have more than 54,000 people enrolled in the health coverage program, with over 4500 employees in small employer groups.

However, as you know we instituted two waiting lists late last year-- for all individuals and for new groups. We are still enrolling new employees of existing groups and hope to be able to continue this process as long as funding permits.

Many of you have been inquiring as to when the waiting list, which currently includes more than 13,000 applicants, might accept new enrollment to the program. Unfortunately there is no timeframe for this to occur. The funding for the SCI program, both state and federal dollars, does not meet the need of the program, which is why we instituted the waiting lists.

As you know the U.S. Congress passed, and President Obama signed the Health Care Reform bill last month. New Mexico U.S. Senator Jeff Bingaman, who was instrumental in writing and helping get the legislation passed, made sure New Mexico benefited as much as possible with the new legislation. He explains a few of the opportunities New Mexico will have in a briefing.

Because the average income levels in New Mexico are lower than in many other states, we will benefit considerably from both the new federal tax credits for private insurance and the Medicaid expansion to individuals at or below 133 percent of poverty. I've worked to ensure that the Medicaid expansion does not represent an unfunded mandate by Congress. In New Mexico, the new law requires the federal government to cover 100 percent of the cost of the Medicaid expansion from 2014, 2015, and 2016 and slowly phases down to 90 percent of the cost by 2020. In addition, the definition of newly eligible Medicaid recipients is very broad to encompass as many New Mexicans as possible.

The Human Services Department is carefully reviewing the health care reform to determine how soon some of the funding for health coverage programs might be available, which could make a positive impact on the SCI program.

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We know you all have lots of questions about how Health Care Reform impacts you and small businesses in New Mexico. We have enclosed a brief from Senator Bingaman on this very issue that we think will be helpful for you and your clients.

Again, thank you for your support of the SCI program. We look forward to the hard work ahead of us as Health Care Reform brings a positive change for almost 362,000 New Mexicans who will soon have the health coverage they need and deserve.

Sincerely,

Mari Spaulding-Bynon
Insure New Mexico! Bureau Chief
Human Services Department