

**ANALYSIS OF REFORM OPTIONS FOR  
EXTENDING HEALTH CARE COVERAGE IN NEW MEXICO:**

# **Stakeholder Impacts: Providers and Consumers**

**Deborah Chollet, Ph.D.**

**Health Care Coverage for New Mexicans Committee  
May 16, 2007**

**MATHEMATICA**  
**Policy Research, Inc.**

**DRAFT**

# Overview

---

- **Estimated cost impacts on payers**
- **Estimated impact on providers**
  - **Levels of payment**
  - **Sources of payment**
- **Estimated cost impacts on consumers**
  - **Per capita out-of-pocket cost**
  - **Cost of vision/dental coverage**
  - **Changes by current source of coverage, income and location**

# Estimated Impacts on Payers: Sources of Funds 2007

	State			
	Federal	Total (including Medicaid/ SCHIP)	New Program	Private
Current Case	27.0%	10.5%	--	62.5%
Health Security Act	32.9%	51.5%	41.4%	15.6%
NM Health Choices v1	37.8%	49.3%	37.0%	12.9%
NM Health Choices v2	36.8%	43.4%	19.8%	0.0%
Health Coverage Plan	28.0%	10.3%	--	61.8%

# Medicaid and Other Private and Public Sources of Funds 2007 (Percent of total expenditure)

	Federal Medicaid	Other federal	State Medicaid	Other state	Private 3 <sup>rd</sup> party
Current Case	19.5%	7.5%	7.4%	3.1%	44.2%
Health Security Act	26.3%	6.6%	10.1%	41.4%	0.2%
NM Health Choices v1	32.0%	5.8%	12.3%	37.0%	0.0%
NM Health Choices v2	31.0%	5.8%	11.9%	31.5%	7.4%
Health Coverage Plan	21.8%	6.2%	8.1%	2.1%	46.1%

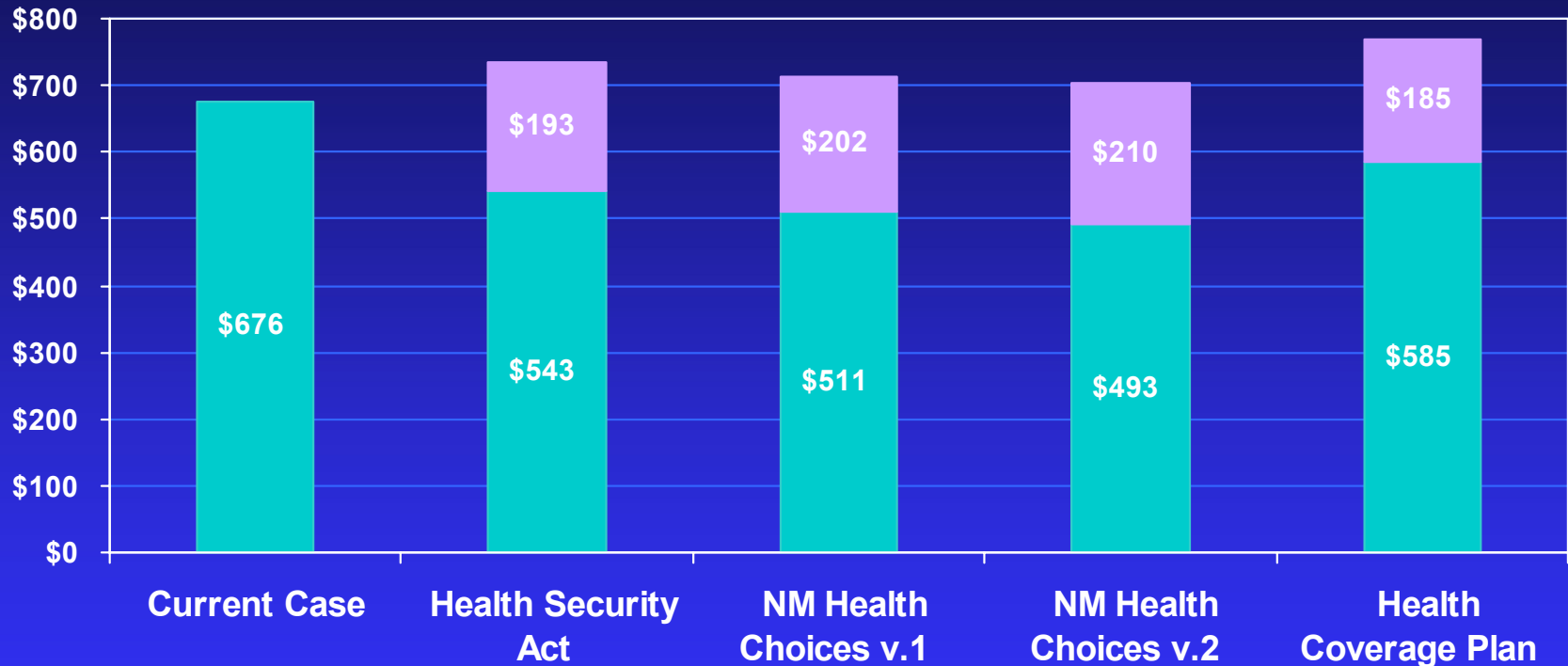
# Estimated Out-of-pocket Cost 2007

---

	Total expenditures per person	OOB cost per person	OOB cost as a percent of total expenditures
Current case	\$3,638	\$676	18.6%
Health Security Act	\$3,531	\$544	15.4%
NM Health Choices v1	\$3,968	\$511	12.9%
NM Health Choices v2	\$3,977	\$493	12.4%
Health Coverage Plan	\$3,738	\$585	15.6%

---

# Estimated Out-of-pocket Cost Per Capita Cost With and Without Vision/Dental Coverage 2007



■ Additional OOP with no vision/dental coverage

■ OOP with vision/dental coverage

# **New Mexicans With Highest Out-of-Pocket Cost At Baseline and in Reform Models**

---

- **Private insurance at baseline reflects high demand for and access to services:**
  - **Individuals with family income above 300% FPL**
  - **Individuals living in MSA locations**

# **New Mexicans With Largest Reduction In Out-of-pocket Cost Under Reform Models**

---

- **Predominantly uninsured individuals at baseline**
- **Individuals with family income below poverty**
- **Individuals living in non-MSA locations**

# Estimated Reduction In Out-of-pocket Cost For People With Selected Characteristics

