



State of New Mexico

Susana Martinez
Governor

May 15, 2013

The Honorable Kathleen Sebelius
Secretary, U.S. Department of Health and Human Services
200 Independence Avenue SW
Washington, DC 20201

RE: *CFDA No. 93.525 – Cooperative Agreement to Support Establishment of State Operated Health Insurance Exchanges*

Dear Secretary Sebelius:

I am pleased to endorse New Mexico's application for an additional Level One Health Insurance Exchange Establishment Grant and Cooperative Agreement. I hereby designate the New Mexico Human Services Department as the initial applicant entity for this grant.

Project Title: New Mexico Health Insurance Exchange Level One Grant
Applicant Name: New Mexico Human Services Department
Project Director: Sidonie Squier, Secretary
Phone: (505) 627-7750 Email: sidonie.squier@state.nm.us

New Mexico will create a state-based exchange and will work with the Centers for Medicare and Medicaid Services and the Center for Consumer Information and Insurance Oversight to implement the New Mexico Health Insurance Exchange.


Thank you for the opportunity to apply for this grant funding to allow us to move ahead with providing increased choice in health insurance coverage that best meets the needs of individuals and small businesses in New Mexico.

Sincerely,

A handwritten signature in black ink that reads "Susana Martinez".

Susana Martinez
Governor of New Mexico

NEW MEXICO PUBLIC REGULATION COMMISSION

<p>COMMISSIONERS</p> <p>DISTRICT 1 KAREN L. MONTOYA DISTRICT 2 PATRICK H. LYONS DISTRICT 3 VALERIE ESPINOZA, VICE CHAIR DISTRICT 4 THERESA BECENTI-AGUILAR DISTRICT 5 BEN L. HALL, CHAIRMAN</p> <p>CHIEF OF STAFF Johnny L. Montoya</p>		<p>Insurance Division, NMPRC P.O. Box 1269 1120 Paseo de Peralta Santa Fe, NM 87504-1269</p> <p>INSURANCE DIVISION John G. Franchini, Superintendent 505-827-4601</p>
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May 14, 2013

The Honorable Kathleen Sebelius
Secretary, U.S. Department of Health and Human Services
200 Independence Avenue SW
Washington, DC 20201

RE: CFDA No. 93.525 – Cooperative Agreement to Support Establishment of State Operated Health Insurance Exchanges

Dear Secretary Sebelius:

The New Mexico Division of Insurance is pleased to support New Mexico's application for an additional Level One Health Insurance Exchange Establishment Grant and Cooperative Agreement. We are committed to working in partnership with the New Mexico Health Insurance Exchange as that entity is created, and with the other partnering agencies.

We will be actively participating in implementation of a number of Exchange core areas, including certification and regulation of Qualified Health Plans, rate review, and consumer assistance. Additionally, we will be taking a leadership role in ensuring that insurance market reforms required by the Affordable Care Act are enacted in New Mexico.

We look forward to these partnership activities as we work cooperatively to implement the New Mexico Health Insurance Exchange.

Sincerely,


John Franchini
Superintendent of Insurance



May 14, 2013

The Honorable Kathleen Sebelius
Secretary, U.S. Department of Health and Human Services
200 Independence Avenue SW
Washington, DC 20201

RE: CFDA No. 93.525 – Cooperative Agreement to Support Establishment of State Operated Health Insurance Exchanges

Dear Secretary Sebelius:

The New Mexico Human Services Department's Medical Assistance Division is pleased to provide this letter of support and participation for an additional Level One Health Insurance Exchange Establishment Grant and Cooperative Agreement. As the state Medicaid agency, we are committed to working in close partnership with all the participating organizations in development and implementation activities for the New Mexico Health Insurance Exchange. We will continue to collaborate with the Exchange in key areas. In addition, we are working closely with the Exchange to avoid any duplication of effort.

We look forward to these partnership activities as we work cooperatively to develop the New Mexico Health Insurance Exchange.

Sincerely,



Julie Weinberg, Director
Medical Assistance Division

May 14, 2013

The Honorable Kathleen Sebelius
Secretary, U.S. Department of Health and Human Services
200 Independence Avenue SW
Washington, DC 20201

RE: CFDA No. 93.525 – Cooperative Agreement to Support Establishment of State Operated Health Insurance Exchanges

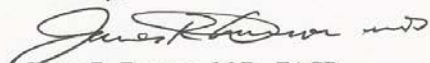
Dear Secretary Sebelius:

As Board chair of the legislatively-created New Mexico Health Insurance Exchange (NMHIX) I am pleased to support New Mexico's application for an additional Level One Health Insurance Exchange Establishment Cooperative Agreement. We will work cooperatively in partnership with your department as well as the New Mexico Division of Insurance and the Human Services Department in the development of the Exchange.

CFDA No. 93.525 has specifications of form and content that all applications must meet. The Board established by the Act has unanimously voted to request funding for a very specific portion of New Mexico's responsibilities to comply with CCIIO requirements for state-based exchanges. The NMHIX Board requests that CCIIO keep in mind the fact that we have met only once at the time of this grant submittal, and that policy decisions regarding many of the specifications of CFDA No. 93.525 have yet to be established.

The NMHIX is rapidly working to put in place requirements to be able to receive transfer of all Level One grant funds and is on a fast track for Exchange implementation. This grant will specifically allow us to implement outreach, education, and enrollment activities in a timely manner. We look forward to implementation of an effective and efficient Exchange that meets the needs of New Mexicans.

Sincerely,


James R. Damron, M.D., FACR



May 14, 2013

The Honorable Kathleen Sebelius
Secretary, U.S. Department of Health and Human Services
200 Independence Avenue SW
Washington, DC 20201

RE: CFDA No. 93.525 – Cooperative Agreement to Support Establishment of State Operated Health Insurance Exchanges

Dear Secretary Sebelius:

I am pleased to submit New Mexico's application for an additional Level One Health Insurance Exchange Establishment Cooperative Agreement. The Applicant entity is the New Mexico Human Services Department.

Project Title: New Mexico Health Insurance Exchange Additional Level One Grant
Applicant Name: New Mexico Human Services Department
Project Director: Sidonie Squier, Secretary
Phone: (505) 827-7750 email:sidonie.squier@state.nm.us

Most Level One grant funding to New Mexico will be transferred to the recently created New Mexico Health Insurance Exchange (NMHIX) upon completion of its organizing activities pursuant to the enabling statute.

While the work to establish the HIX has been undertaken by my department for over two years, we are currently in a transition phase. The new NMHIX Board has met once and will continue the work started by HSD, making policy decisions as needed. This grant application focuses on outreach, education, and marketing activities and reflects the decision made by the Board to apply for an additional Level One Grant Opportunity at its first meeting.

We appreciate the opportunity to apply for this funding for education, outreach, and marketing activities.

Sincerely,

Sidonie Squier, Secretary
New Mexico Human Services Department

ABSTRACT

Title: New Mexico Additional Level One Health Insurance Exchange Establishment Grant
CFDA #: 93.525 **FON #:** IE-HBE-11-004
Applicant: New Mexico Human Services Department
Address: P.O. Box 2348 Santa Fe, NM 87504 **Congressional Districts Served:** NM 1, 2, 3
Contact: Sidonie Squier, Secretary
Phone: (505) 827-7750 **Fax:** (505)827-6286 **Email:** sidonie.squier@state.nm.us
Website: www.hsd.state.nm.us **Category of Funding:** Level One
Project Dates for Project Completion: July 1, 2013-June 30, 2014

New Mexico is applying for an additional Level One Health Insurance Exchange Establishment Grant to establish the New Mexico Health Insurance Exchange (NMHIX). The applicant organization is the New Mexico Human Services Department.

Of New Mexico's population of two million, Medicaid covers 550,000, Medicare covers 300,000 and 430,000 are uninsured. Of the uninsured, an estimated 175,000 will become eligible for Medicaid and up to 211,433 for NMHIX between 2014 and 2020. It is estimated that as many as 171,557 of the uninsured will enroll in 2014 (89,000 through the expansion of Medicaid, and 82,557 through the NMHIX).

Legislation was enacted in March 2013 to create the New Mexico Health Insurance Exchange as the entity to house the NMHIX. After that entity is fully developed this requested grant funding will be transferred from to the NMHIX. This requested funding provides for comprehensive outreach, education, and marketing activities for the NMHIX.

A total of \$20 million in funding is requested for this additional Level One grant.

**NEW MEXICO HEALTH INSURANCE EXCHANGE LEVEL ONE GRANT
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ACRONYMS

ACA	Patient Protection and Affordable Health Care Act
AHBE	American Health Benefits Exchange
APTC	Advance Premium Tax Credits
CSR	Cost Sharing Reductions
DOH	New Mexico Department of Health
DOI	New Mexico Public Regulation Commission Division of Insurance
DWS	New Mexico Department of Workforce Solutions
FPL	Federal Poverty Limit
GSA	Governmental Services Agreement
HSD	New Mexico Human Services Department
IAD	New Mexico Indian Affairs Department
ILC	Interagency Leadership Committee
IHCIA	Indian Health Care Improvement Act
ISD	Income Support Division
ISD2R	Integrated System Delivery Replacement Project
MAD	New Mexico Medical Assistance Division
MMIS	Medicaid Management Information System
MAGI	Modified Adjusted Gross Income
NAIC	National Association of Insurance Commissioners
NMHIA	New Mexico Health Insurance Alliance
NMHIX	New Mexico Health Insurance Exchange
NMMIP	New Mexico Medical Insurance Pool
OHCR	New Mexico Office of Health Care Reform
OSI	Office of the Superintendent of Insurance
PSC	Professional Services Contract
QHP	Qualified Health Plan
RFP	Request for Proposals
SCI	State Coverage Insurance
SDLC	Software Development Life Cycle
SERFF	System for Electronic Rate and Form Filing
SHOP	Small Business Health Options Plan
SOA	Service Oriented Architecture

PROJECT NARRATIVE

INTRODUCTION

The Affordable Care Act (ACA) allows states to develop Health Insurance Exchanges to help individuals and small businesses purchase health insurance. The New Mexico Health Insurance Exchange (NMHIX) will be high quality, cost-efficient, self-sustaining, and tailored to meet the diverse needs of New Mexicans.

New Mexico faces many challenges in developing and implementing NMHIX, including a high rate (~23%) of uninsured; health workforce shortages, language and cultural barriers, significant poverty, poor educational attainment, and that a majority of its small businesses do not offer health insurance to employees. Of New Mexico's population of two million, Medicaid covers 550,000 individuals, Medicare covers 300,000 and 430,000 are uninsured. Of the uninsured, an estimated 175,000 may become eligible for Medicaid and up to 211,433 for NMHIX between 2014 and 2020. An estimated 171,557 uninsured will enroll in 2014; approximately 89,000 through Medicaid expansion, and 82,557 in the NMHIX.

New Mexico applied for and, on November 29, 2011, received a Level One Health Insurance Exchange Establishment Notice of Award of \$34.3 million to develop the NMHIX. The initial Level One grant was awarded to the New Mexico Human Services Department (HSD) and will be transferred to the new NMHIX as required by statute. New Mexico is in a transition phase as it implements the NMHIX under the new statutory requirements and is therefore in the process of realigning and reconfiguring certain functions, activities, and roles. Additional information on work plans and other aspects of NMHIX development will be provided and updated as the NMHIX Board makes various policy and budget decisions. This grant application focuses on outreach, education, and marketing activities as directed and voted on by the NMHIX Board at its initial meeting April 29 & 30, 2013. Other information on the current status of activities may be found in the previously submitted Blueprint information and publicly-released RFP documents.

The New Mexico Legislature passed SB 221, the "New Mexico Health Insurance Exchange Act," (the "Act") during the 2013 Regular Session, and Governor Martinez signed the Act on March 28, 2013. The Governor has designated HSD as the applicant for this grant. This grant and most remaining funds from the initial Level One grant will be transferred as soon as possible to the NMHIX as it completes its formation as an operating entity. A MOU is being executed between NMHIX and the DOI for the regulatory functions related to Qualified Health Plans. All plans in this proposal assume a State Based Exchange. The NMHIX Board is evaluating Exchange options and will work with CCIIO to partner on the Exchange model and configuration that provides the most favorable outcome to New Mexico.

Through this proposal, New Mexico seeks \$20 million to implement comprehensive outreach, education, and marketing activities.

A. DISCUSSION OF EXISTING EXCHANGE PLANNING AND EXCHANGE ESTABLISHMENT PROGRESS

Key Findings of Background Research - New Mexico conducted in-depth planning and research activities during the initial Level One grant period. HSD worked with consultants to refine the fiscal, actuarial, and population tools to assist in NMHIX planning and development. Significant work was done to modify and clarify assumptions, refine calculations, and develop more detailed projections.

In May 2012, HSD selected, through a competitive RFP process, Leavitt Partners to assist for 12 months with overall development of the NMHIX and assigned them the following tasks:

- Developing a strategic plan and implementation activities to include further stakeholder consultation, health insurance market reforms, and business operations of the exchange
- Assist with the development of rules, regulations, and policy governing the NMHIX
- Assist in preparing reports and materials required by HHS pursuant to the Level One grant award.

Enrollment projections refined by Leavitt Partners indicates the following projected take-up for the NMHIX for both the individual and SHOP markets:

Projected Enrollment of Coverage Groups for NMHIX 2014-2020

	2014	2015	2016	2017	2018	2019	2020
Individual	73,876	102,605	128,637	153,389	173,855	172,779	177,574
SHOP	8,681	16,147	20,296	28,751	33,890	33,896	33,859

2. Legal Authority and Governance

Governance and Exchange Structure--The Exchange will be operated by the New Mexico Health Insurance Exchange (NMHIX). The NMHIX was created by the New Mexico Legislature in 2013 as a quasi-governmental nonprofit entity to: “Provide qualified individuals and qualified employees with increased access to health insurance in the state and shall be governed by a board of directors constituted pursuant to the provisions of the New Mexico Health Insurance Exchange Act.” The legal authority for establishment of the Exchange is provided in the Act, which is included as Appendix 1. The NMHIX is governed by a 13-member board of directors that was appointed in April 2013; the members have outstanding qualifications and will comply with state and federal conflict of interest requirements.

Composition of the Governing Body and Selection Process-- By statute, the NMHIX Board has 13 voting directors:

- The Superintendent of Insurance or his designee.
- Six directors appointed by the Governor (including the secretary of HSD, a health insurance issuer, and a consumer advocate);
- Six directors appointed by appointed by the Legislatures (with three appointed by the president pro tempore of the senate including one health care provider, and three appointed by the speaker of the house of representatives including one health insurance issuer. One of the directors appointed by the president pro tempore and one of the directors appointed by the speaker shall be from a list of at least two candidates provided by the minority leader of the senate and the minority leader of the house of representatives.)

Coordination with HSD—The Act requires HSD and the NMHIX to coordinate and to provide for contracting with the NMHIX for federal funding received for an Exchange. The statute also requires HSD to coordinate with the NMHIX to share information and facilitate transitions in enrollment between the Exchange and Medicaid.

DOI –The Act charges the Superintendent of Insurance with promulgating rules necessary to implement and carry out the NMHIX, including rules to establish the criteria for certification of Qualified Health Plans (“QHPs”) offered on the exchange. Initial guidelines for QHPs were promulgated in April 2013.

Coordination with Native Americans—The Act requires designation of a Native American liaison to assist the Board in developing and ensuring implementation of communication and collaboration between the NMHIX and Native Americans in the state. The NMHIX is in the process of appointing the Native American Liaison. The Native American liaison will serve as the contact person between the NMHIX and the New Mexico Indian nations, tribes, and pueblos and will ensure that training is provided to the staff of the NMHIX to ensure cultural competency, understanding of Indian health laws, and other Native American issues. The Act also allows establishment of a Native American Service Center to ensure that the NMHIX is accessible to all Native Americans, complies with the provisions of the Indian Health Care Improvement Act and Indian-specific provisions of the ACA, and facilitates meaningful, ongoing consultation with Native Americans.

3. Stakeholder Consultation

The Human Services Department has held public stakeholder meetings since December 2010. With Establishment Planning Grant funding, the state contracted with 13 entities to provide information for development of NMHIX. In August 2011, New Mexico established a comprehensive, ongoing process for stakeholder input for NMHIX. HSD has maintained a website with NMHIX information for the public and stakeholders at <http://www.hsd.state.nm.us/nhcr/nhcr1ao.htm>. In addition, HSD completed qualitative research and in-depth interviews with state agencies and stakeholders to maximize coordination and integration with entities that will directly interface with the NMHIX.

In June 2012, HSD established the NMHIX Exchange Advisory Task (ATF), composed of 14 members, and NMHIX Advisory Work Groups, composed of 12-18 members. The ATF and its eight Work Groups were asked to respond to pertinent questions and to advise NMHIX decisions. The Task Force and Work Groups represented a variety of perspectives, including consumers, tribal representatives, large and small employers, self-employed people, health care providers, hospitals, insurance carriers, brokers, government leaders and agencies, underserved populations, and other community representatives. These members acted in an advisory role to inform and provide recommendations in the following areas:

- Essential Health Benefits
- Outreach, Education, Adoption, and Enrollment
- Employer Participation
- Exchange Market Regulation
- Native Americans
- Program Integration
- Financial Sustainability
- Legislative

The ATF and Work Groups were launched in June 2012, and operated through April 2013. Public attendance was encouraged at every meeting, dial-in phone numbers were provided, and press releases were submitted to newspapers of general circulation and posted on the HSD website to encourage participation. An email box, exchange.comments@state.nm.us, was created to allow public comments and acknowledge requests for information through email.

The NMHIX law requires establishment of the following advisory groups: Native American, NMHIA/NMMIP transitioning, and stakeholders and those advisory groups are being formed.

Tribal Consultation--New Mexico's State Tribal Consultation statute, SB 196 (signed into law in 2009), requires state agencies to consult, communicate and collaborate with the 22 Tribes in New Mexico as a government-to-government positive collaboration on various issues. Governor Martinez hosted the annual summit in September of 2011 with Native American leaders. At the summit, HSD received input from Native American stakeholders on topics including Medicaid Modernization, Health Care Reform, Health Insurance Exchange and Health Disparities. HSD hosted two other Native American Stakeholder gathering and held two formal Tribal Consultations. NMHIX will continue to hold Tribal Consultations.

4. Long Term Operational Costs

The Act provides that the Board may “*generate funding, including charging assessments or fees, to support its operations....solely for the administrative costs of the exchange...*” NMHIX will continue to develop and refine financial modeling and actuarial analyses. NMHIX has established a Finance Committee which is refining budget and actuarial analyses and developing a sustainability plan.

5. Program Integration

Program Integration --The NMHIX will continue to work with all stakeholders to address any remaining issues that could have an impact on the development and implementation of the NMHIX.

The Act requires establishment of an advisory committee comprised of members insured through the New Mexico Medical Insurance Pool (NMMIP) and the New Mexico Health Insurance Alliance (NMHIA) to ensure smooth transition of the NMMIP and the NMHIA into the NMHIX. The NMHIX is in the process of appointing this advisory committee.

Memoranda of Understanding—The Act requires transfer of the Exchange grant funds from HSD to the NMHIX. The Act, at Section 9, requires HSD and MAD to cooperate with the NMHIX, and a MOU will specify responsibilities to meet the requirement of this Section 9. A MOU will also provide for DOI regulatory functions for the NMHIX. There will be no duplicative uses of funds.

6. Business Operations of the Exchange

Outreach and Education--Comprehensive outreach and education efforts are being developed to assure the success of the NMHIX, including coordination of efforts among state agencies, community organizations, insurance carriers, and providers. The Outreach, Education, Adoption, Enrollment ATF Work Group made recommendations to the ATF and defined core strategies and target audiences, including primary and secondary audiences, which are:

- Educated health care consumers who are enrollees in QHPs;
- Individuals and entities with experience in facilitating enrollment in health coverage;
- Advocates for enrolling hard to reach populations, which include individuals with mental health or substance abuse disorders;
- Small businesses and self-employed individuals;
- State Medicaid and CHIP agencies;
- Federally-recognized Tribes, as defined in the Federally Recognized Indian Tribe List Act of 1994;
- Public health experts;
- Health care providers;
- Large employers;
- Health insurance issuers; and
- Agents and brokers.

The NMHIX may use a variety of methods to reach and engage these populations, and guide them to the NMHIX website or a Navigator or Assister where they can learn more about their options and enroll, including: materials development, earned media, paid media (advertising), social media, stakeholder engagement, partnerships and grassroots engagement and state employee communications.

Proposed general public marketing channels (in English and Spanish) include, but are not limited to: print, radio, TV, social media/Facebook, web, health fairs, billboards & other health events; coordination and engagement with Chambers of Commerce, nonprofit organizations, federally-qualified health centers, rural clinics, hospitals, schools, churches, shopping malls, and Medicaid offices; and coordination and engagement with statewide distribution services such as through the New Mexico Taxation and Revenue Department, Division of Motor Vehicles, and gas and electric companies.

Native American marketing channels will include, but are not limited to: print, radio, TV, social media/Facebook, web, health fairs, other events; educational website hotlinks for Native Americans; face to face meeting opportunities; coordination and engagement of Chapter Houses, senior centers, health fairs and Pow Wows; marketing through Native American Radio: Singing wire and Native American calling and Public Service Announcements; marketing and educational efforts through social and alumni organizations through newsletters; and advertising on buses and bus stops.

The Outreach, Education, Adoption, Enrollment ATF Work Group recommended the initial campaign include the following public relations and advertising messages to:

Individuals & the General Public: benefits of having coverage; increased access, increased choice; who can participate, how it will work; Advance Premium Tax Credits (APTC) & Cost Sharing Reductions (CSR); navigator & agent/broker assistance; and premium calculator.

Small employers: increased access, increased choice; who can participate, how it will work; Small Business Tax Credits; and comparison tools

Native Americans (members of federally recognized Tribes)--increased access on a monthly basis; increased choice of providers and facilities; and strengthen IHS services and access

Navigators, Agents and Brokers: how NMHIX can help get their clients covered; who can participate, how it will work; and how they are compensated.

NMHIX will contract for qualified vendor services to create culturally and linguistically appropriate outreach and education materials. NMHIX will procure the services of a qualified telephonic translation service to comply with this provision.

Navigators/Assisters--NMHIX will work with the DOI to establish a program through which eligible public or private entities or individuals will be certified to serve as Navigators/ Assisters. The Navigator/Assister program will have a set of standards developed by the NMHIX and DOI to prevent and mitigate conflicting interests to ensure that participating entities and individuals have reliable integrity, in accordance with federal regulations.

The training standards required of all entities and individuals participating in the Navigator/Assister program will ensure expertise in: the needs of underserved and vulnerable populations; eligibility and enrollment rules and procedures within NMHIX; the range of QHP options and insurance affordability programs; and the privacy and security standards set forth in 45 CFR 155.260 and as may otherwise be adopted by NMHIX. The ATF Outreach, Education, Adoption and Enrollment Work Group recommended that Navigator/Assister training program include the following components:

- Abbreviated Presumptive Eligibility/Medicaid On-site Application Assistance (PE/MOSAA) Medicaid training: Medicaid Overview (What is Medicaid); Non-financial eligibility factors (Residency, other insurance policies, SSN, pregnancy); Determination of the household size; Financial Eligibility; and Universal Application Assistance. The NMHIX Board will reach out to HSD to coordinate on training.
- Cultural training: New Mexico Department of Health On line Training and New Mexico Indian Affairs Department: Classroom Training.
- NMHIX Training: Eligibility & Enrollment; Qualified Health Plans; APTC and CSR; Premium Calculator; Native American Eligibility; Privacy and Security (HIPAA, Personal Identification Information); and Registration with NMHIX.
- Insurance Market training: Commercial Market Insurance Basics; NMHIX Insurance basics for individuals and small employer groups; and Income changes and impact on APTC and CSR.

NMHIX may mandate the following duties for all entities or individuals acting as a Navigators/Assisters:

- Maintain expertise in eligibility, enrollment, and program specifications and conduct public education activities to raise awareness about NMHIX;
- Provide information and services in a fair, accurate and impartial manner, including the acknowledgement of other health programs;
- Facilitate selection of QHPs;
- Provide referrals to any applicable office of health insurance consumer assistance or health insurance ombudsman established under section 2793 of the Public Health Service Act, or any other appropriate state agency or agencies, for any enrollee with a grievance, complaint, or question regarding their health plan, coverage, or a determination under such plan or coverage; and
- Provide information in a manner that is culturally and linguistically appropriate to the needs of the population being service by NMHIX, including individuals with limited English proficiency, and ensure accessibility and usability of Navigator/Assister tools and functions for individuals with disabilities in accordance with the Americans with Disabilities Act and section 504 of the Rehabilitation Act.

NMHIX will select a community and consumer-focused non-profit group and at least one of the following categories to serve as Navigators/Assisters: Trade, industry, and professional associations; Commercial organizations, ranching and farming organizations, with New Mexico-specific industries under consideration; chambers of commerce; unions; resource partners of the Small Business Administration; and other eligible public or private entities or individuals, including without limitation, Indian Health Services, Indian tribes, tribal organizations, urban Indian organizations, and State or local human service agencies.

Initial and ongoing Navigator/Assister regulatory oversight will include background checks; training completion documentation; initial licensing and recertification; cultural training; NMHIX training; and complaint reporting. The Consumer/Navigator umbrella organization will be subject to the oversight of NMHIX. Any consumer/Navigator organizations contracted with NMHIX would be charged with field oversight over Navigators/Assisters under their supervision.

NMHIX will exercise authority over Navigators/Assisters to ensure compliance with the program and to prohibit Navigators/Assisters from: being a health insurance issuer or a subsidiary thereof; or being an association that includes members of, or lobbies on behalf of, the insurance industry; or receiving any consideration directly or indirectly from any health insurance issuer in connection with the enrollment of any individuals or employees in a QHP or a non-QHP. Navigators/Assisters will be required to execute conflict of interest statements that will include compliance with HIPAA and PII rules, and any other requirements determined to be appropriate. Navigator/Assister compensation guidelines will assure compliance with ACA requirements. Payments will be consistent across markets and products. Accountability standards will be tied to payments, such that organization entities will be accountable to NMHIX, and Navigators/Assisters will be accountable to their organizational entity.

NMHIX is developing an RFP directed to consumer and nonprofit organizations to develop NMHIX Navigator/Assister programs. Navigator/Assister programs are being designed to eliminate barriers in accessing the application process by providing in person assistance in community-based locations frequented by target populations at times that are convenient to working families, including evenings and weekends. Federal funds will support the development of training programs for the Navigators and for implementation of the Assister program.

When the NMHIX is fully operational, agents and brokers will assist individuals, employers and qualified employees in the comparison and selection of QHPs. NMHIX will determine how best to use these agents and brokers to help consumers access coverage through NMHIX. The ATF Outreach and Education Work Group has recommended that agents and brokers act as the primary assistance resource for small employers who wish to purchase plans in the SHOP NMHIX.

Agents and brokers, including web brokers, who wish to sell NMHIX products will be required to meet licensing requirements and take additional training on NMHIX protocols. Agents and brokers will register with NMHIX as required by rule, receive training on QHP options and other publicly subsidized insurance programs, and comply with NMHIX privacy and security standards. NMHIX will coordinate with DOI to create training and licensure requirements that are ACA-compliant.

Agents and Brokers--Agents and brokers will receive compensation from carriers for enrollment in NMHIX, in accordance with the brokers' contracts with the carriers. The enrollment system will accept a Broker ID and transmit that data to the carrier so that the Broker can receive the commission. As in the current small group market, brokers will continue to serve as the primary sales force for small group insurance in New Mexico.

Financial Management

New Mexico has administrative policies and statutory and regulatory provisions to ensure appropriate financial management of grant funds. Grant funds are administered following comprehensive written procedures approved by the Department of Finance and Administration to document all major aspects of the financial management system. This includes quality assurance and oversight to make sure the system disburses, tracks, and accounts for grant disbursements.

The NMHIX is developing detailed financial management and oversight procedures for strong internal monitoring for all NMHIX operations and expenditures and to ensure proper use and oversight of federal funds. As indicated in the Blueprint, NMHIX intends to institute procedures and policies in compliance with the financial integrity provisions of ACA 1313, including compliance with Government Accounting Standards Board and OMB Circular A-123, "Management's Responsibility for Internal Control."

Establishment Reviews by CCIIO

CCIIO performed an establishment review in October 2012. New Mexico received conditional approval for its State Based Exchange in January 2013.

7. IT Gap Analysis and Exchange IT Systems

IT Gap analysis was provided in the initial Level One grant.

IT Reviews with CCIIO

New Mexico has had ongoing IT discussions and meetings with CCIIO.

8. Reuse, Sharing, and Collaboration

As outlined in agreements with HHS, all Exchange systems and system components financed with federal funds are non-proprietary, utilize open architecture standards, and permit re-use by other states and jurisdictions. New Mexico will inform and assist other states through various means, including HHS Learning Collaboratives and User Groups. Beyond reuse and sharing of IT, New Mexico is committed to leverage existing infrastructure and re-purpose business functions and processes to maximize resources and is working with other states to determine how aspects of their systems can be replicated in New Mexico.

9. Organizational Structure

The NMHIX is currently developing the organizational structure. Please see Appendix 1 for the NMHIX statutory requirements. Key leadership is shown in the following section:

Sidonie Squier, Cabinet Secretary, New Mexico Human Services Department--Governor Susana Martinez nominated Sidonie Squier to serve as her Cabinet Secretary of the Human Services Department on December 23, 2010. Squier served as the director of the Office of Family Assistance at the U.S. Department of Health and Human Services from June 2005 through January 2009, where she oversaw the provision of help to needy families through the Temporary Assistance for Needy Families Program (TANF).

She has worked at both the state and Federal levels on various social assistance programs and areas, including TANF, Medicaid, nutrition and domestic violence. Secretary Squier has also served as an associate commissioner in the Office of Family Services with the Texas Health and Human Services Commission, as well as the director of economic self-sufficiency and welfare reform administrator in the Florida Department of Children and Families.

She is a graduate of California State University, Long Beach, with B.A. and M.A. degrees in Communications. The Human Services Department administers and oversees several federal and state programs including; the enforcement of child support payments, the administration of substance abuse and mental health programs, and the provision of food, financial assistance and health care to those who qualify.

John G. Franchini, Superintendent of Insurance—Mr. Franchini is a native New Mexican and graduate of Creighton University, with 35 years' experience in the insurance industry. He joined Consolidated Agency, his father's independent insurance agency, purchased it ten years later and expanded it to four locations employing 82 people and servicing nearly 15,000 customers. He served on the New Mexico Workers' Compensation Assigned Risk Pool Board of Governors, the Patient Compensation Administration Board of Directors, and was elected president of the Independent Insurance Agents of New Mexico. In 1998, Poe & Brown, a national insurance broker, purchased the business. He was named vice president. His responsibilities included new business production, development of specialized insurance programs, and agency acquisitions. He joined New Mexico Mutual in 2002 and later named Vice President of Government and Industry Affairs. He is a member of the Leadership New Mexico Class of 2007, former board member of the Rocky Mountain Insurance Information Association, and past president of the NM Insurance Association.

James R. Damron, M.D., FACR, NMHIX Board Chair - Dr. Damron is an attending radiologist at UNM, Health Science Center, School of Medicine and teaches in the specialty of Clinical Mammography, overseeing radiology residents and providing lectures to medical students on state and federal health policy issues. Prior to UNM, he was President of Santa Fe Radiology, P.C., providing diagnostic radiology imaging services in Santa Fe for 30 years before he retired.

Dr. Damron received his Medical Degree from Indiana University School of Medicine, his radiology training at the University of Kentucky Medical Center and did a Nuclear Medicine Fellowship at the University of New Mexico. He is Board Certified by the American Board of Radiology and the American Board of Nuclear Medicine. He is a Fellow in the American College of Radiology. Dr. Damron has been associated with numerous state and national professional organizations and boards and is the author of several peer-reviewed articles. He has received several national awards, such as the Capitol Dome award and the Physician's Award for Outstanding Service from ACS, the 2006 Physician of the Year award from the National Republican Congressional Committee and the NRCC 2007 Congressional Order of Merit. He also serves on the NM Coalition for Literacy Board, the St. Vincent Hospital Foundation Board and has served on other numerous community boards, state committees and task forces. Dr. Damron was the Republican Nominee for Governor in 2006 and a candidate for Lt. Governor in 2010.

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10. Program Integrity

Progress on Financial Integrity Mechanisms to Prevent Fraud, Waste, and Abuse and Provide Oversight of Cooperative Agreement Funds

New Mexico is developing administrative policies and statutory and regulatory provisions to ensure appropriate financial management of the cooperative agreement based on provisions in the Act. NMHIX will adhere to HHS financial monitoring activities for the additional Level One cooperative agreement, and is developing the financial management structure to comply with requirements.

11. Progress in Implementing Other ACA Requirements

Health Insurance Market Reforms--The Department of Health and Human Services (HHS) determined that New Mexico has an effective rate review program in August, 2011. Governor Martinez has stated that New Mexico will participate in a Medicaid expansion program.

12. SHOP

Summary of State’s Small Group Market

New Mexico’s current small group market has approximately 60,500 covered lives with \$277 million in earned premiums. Market shares are as follows¹:

Carrier	Members (2011)	Market Share	Earned Premium (2011)	Market Share
Blue Cross Blue Shield of NM	19,566	32.4%	\$100,722,000	36.4%
Lovelace Health Plan	16,355	27.1%	\$68,451,360	24.7%
Presbyterian Health Plan	17,821	29.5%	\$74,432,580	26.9%
United Health Care	6,693	11.1%	\$33,202,618	12.0%
Total	60,435	100%	\$276,858,558	100%

Research/Reports on Small Group Market Issues/SHOP Operations and Stakeholder Consultation on SHOP--An Employer Participation work group held extensive meetings to work on various SHOP issues and provide recommendations. Issues reviewed included participation requirements, definition of “small business”, adverse selection issues, defined contribution, premium aggregation, and plan selection. The Employer Participation Work Group made a number of recommendations to the NMHIX, which the Board is taking under advisement.

b. PROPOSAL TO MEET PROGRAM REQUIREMENTS

1. Current Exchange Pathway

New Mexico will establish a State-Based Exchange and the NMHIX will be the Exchange entity, pursuant to the Act. New Mexico is completing the planning and designing phases and is actively developing the NMHIX.

On December 14, 2012 New Mexico submitted its Blueprint application to HHS to operate a State-Based Exchange and the Blueprint was conditionally approved on December 31, 2012. All plans in this proposal assume a State Based Exchange. The NMHIX Board is evaluating all available Exchange options and will work with CCIIO to partner on the Exchange model and configuration that provides the most favorable outcome to New Mexico.

New Mexico is in a transition phase as it implements the NMHIX under the new statutory requirements and is therefore in the process of realigning and reconfiguring certain functions, activities, and roles. Additional information on work plans and other aspects of NMHIX development will be provided and updated as the NMHIX Board makes various policy and budget decisions.

¹ Data from NMHIA contracted actuary.

This grant application focuses on outreach, education, and marketing activities as directed and voted on by the NMHIX Board at its initial meeting April 29 & 30, 2013. Other information on the current status of activities may be found in the previously submitted Blueprint information and publicly-released RFP documents.

The NMHIX has established the following committees to continue the Exchange development on a fast track: Information Technology, Marketing, Finance, and Operations. These committees are meeting once or twice a week to ensure that activities can be implemented on schedule. The NMHIX Board will meet at least once a month. The NMHIX is in the process of establishing various advisory committees for stakeholder input and transitioning processes for the NMHIA and the NMMIP. It is anticipated that the NMHIX will have necessary configurations in place to receive Exchange grant funds from HSD no later than July 1, 2013.

2. State's Strategy To Complete the Exchange Activities

The Act which created the NMHIX gives it the authority to operate the Exchange and SHOP. Advisory groups will provide input to the NMHIX throughout the development and implementation of the NMHIX to ensure stakeholder engagement and support. A comprehensive outreach and education plan is being developed that will ensure culturally and linguistically appropriate materials and will ensure access to information and enrollment for individuals with disabilities. A Navigator/Assister program with associated training requirements and broker roles is being developed. (See additional information in the following section.) The NMHIX will work to meet all requirements to ensure adequate oversight, monitoring, and reporting. Funding for Exchange grants will be transferred from HSD to the NMHIX as soon as the NMHIX is configured to receive the funds.

Navigator/Assister Outreach, Education, and Enrollment Program

New Mexico plans an aggressive program to ensure that all New Mexicans can enroll in coverage programs. This will include a comprehensive outreach and education plan that will reach all areas of the state and all populations.

NMHIX will contract with two entities to develop Navigator/Assister programs and implement comprehensive outreach, education, and enrollment strategies. NMHIX plans to issue RFPs and execute contracts for the Navigator/Assister programs and the outreach, education, and marketing activities. It is anticipated that training programs will be implemented in August 2013 and Navigators/Assisters will begin enrollment in October 2013. Substantial resources will be necessary for this program based on New Mexico's geographical and cultural challenges. The Navigator/Assister entities chosen through the RFP process will then subcontract with community-based organizations and others to provide the In Person Assistance activities throughout the state.

The model is based on the following assumptions: an average of two hours to complete an application with associated support; 25 percent time to be allocated to outreach and 75 percent to enrollment; average cost per enrollment of \$50, and 15 percent management/oversight costs for the two entities to ensure effective and efficient program implementation. These assumptions are based on reviews of systems in other states with adjustments to reflect New Mexico's rural and cultural challenges.

Targeted Native American assistance programs will also be developed to serve New Mexico's Native American population. About 10 percent of New Mexico's population is Native American population, totaling approximately 200,000 people in 22 tribes. More than one-third of the nation's Navajo population resides in the state and there are 19 pueblos located in seven counties throughout the state. Many Native Americans have never had health insurance, live in remote rural areas with limited or no access to technology, and significant education and outreach will be necessary to ensure access to information and resources for NMHIX enrollment. The Native American services will provide outreach, education, and support services to ensure all Native Americans understand their options for coverage and how to enroll. The NMHIX is in the process of developing the Native American services and will work in partnership with the Native American Liaison and the Native American work group.

The NMHIX will contract for overall development of the comprehensive outreach and education program, development of training programs for Navigators and Assisters, and to manage the development of the Navigator/Assister system. This will include the following activities: development of training modules and manuals; creation of performance evaluation plan, metrics, and business processes for the system; management of RFPs for the system; design, development, and support for a recruitment strategy; and support for administration of system.

3. State's Strategy to Address Early Benchmarks in Section I.4

Please see the New Mexico Blueprint document for information on early benchmarks. The NMHIX has received correspondence from CCIIO regarding this issue.

4. Proposed Solution for Exchange IT Systems

Please see the New Mexico Blueprint document for information on Exchange IT systems.

5. IT Seven Standards and Conditions

Please see the New Mexico Blueprint document for information on Exchange IT systems.

6. Organizational Structure

The NMHIX organizational structure is being developed. The Act requires HSD to transfer Level One grant funds to the NMHIX and provide for coordination with Medicaid. HSD will designate the NMHIX as the grantee of record as soon as the NMHIX has its legal framework fully implemented. The NMHIX and DOI will execute a MOU to provide for QHP regulatory activities. The Act, at Section 9, requires HSD and MAD to cooperate with the NMHIX, and a MOU will specify responsibilities to meet the requirement of this Section 9.

7. Coordination with the Federal Government on Exchange Activities

NMHIX will coordinate with the federal government on all NMHIX development and implementation issues.

8. Strategies for Reuse, Sharing, Collaboration for NM Exchange Activities with the Federal Exchange and Other States

As outlined in agreements with HHS, all Exchange systems and system components financed with federal funds are non-proprietary, utilize open architecture standards, and permit re-use by other states and jurisdictions. New Mexico will inform and assist other states through various means, including HHS Learning Collaboratives and User Groups. Beyond reuse and sharing of IT, New Mexico is committed to leverage existing infrastructure and re-purpose business functions and processes to maximize resources. The NMHIX is working with other states to determine how aspects of their systems can be replicated in New Mexico.

9. Strategies to Ensure Financial Integrity Mechanisms to Prevent Fraud, Waste, and Abuse and Provide Oversight of Cooperative Agreement Funds and the Exchange

New Mexico has administrative policies and statutory and regulatory provisions to ensure appropriate financial management of grant funds. Grant funds are administered following comprehensive written procedures approved by the Department of Finance and Administration to document all major aspects of the financial management system. This includes quality assurance and oversight to make sure the system disburses, tracks, and accounts for grant disbursements.

New Mexico will ensure NMHIX program operations and management integrity, and that federal cooperative agreement dollars are expended as budgeted in its cooperative agreements and contracts.

10. Challenges That May Affect Progress in Work Plan

Although New Mexico has resolved a number of issues with the enactment of the NMHIX legislation, unanticipated scheduling delays could potentially impact implementation of the NMHIX.

11. SHOP

Market Challenges—Over 85 percent of New Mexico’s small businesses have fewer than 50 employees and many have never purchased health insurance. This will be a market challenge as the NMHIX is implemented. The rural nature of New Mexico will also play a large role in how outreach and education efforts are conducted.

Strategic SHOP Plan--NMHIX will be developing SHOP plans over the coming months. Six major insurers in New Mexico have applied to be QHPs, including six for individual plans and five for SHOP. The NMHIX also anticipates there will be at least three stand-alone dental plans.

B. WORKPLAN

Note: All plans in this proposal assume a State Based Exchange. The NMHIX Board is evaluating all available Exchange options and will work with CCIIO to partner on the Exchange model and configuration that provides the most favorable outcome to New Mexico.

New Mexico is in a transition phase as it implements the NMHIX under the new statutory requirements and is therefore in the process of realigning and reconfiguring certain functions, activities, and roles.

Additional information on work plans and other aspects of NMHIX development will be provided to CCIIO as the NMHIX Board makes various policy and budget decisions. This grant application focuses on outreach, education, and marketing activities as directed and voted on by the NMHIX Board at its initial meeting April 29 & 30, 2013. Other information on the Exchange status may be found in the Blueprint information or publicly-released RFP documents.

Core Area	CY 2013	CY 2014	CY 2015
<i>Legal Authority and Governance</i>	Q1: The Act was enacted. Q2: The NMHIX Board members were appointed.	Q1-Q4: The NMHIX will continue implementation activities.	Q1-Q4: The NMHIX will continue implementation activities.
<i>Consumer and Stakeholder Engagement and Support</i>	Q1-Q4: Develop NMHIX advisory work group to continue work of the ATF. Provide stakeholder meeting minutes to HHS. Q1-Q4: Continue to implement and document Tribal consultation and input on ongoing design and operation of the NMHIX. Provide meeting minutes to HHS. Q3-Q4: Development and implementation of comprehensive outreach and education plan. Design and implementation of Native American outreach and education activities. Q3: Contract for Navigator and Assister organizations.	Q1-Q4: Continue stakeholder advisory work group input on NMHIX implementation. Provide stakeholder meeting minutes to HHS. Q1-Q4: Continue to implement and document Tribal consultation and input on ongoing design and operation of the NMHIX. Provide meeting minutes to HHS.	Q1-Q4: Continue stakeholder advisory work group input on NMHIX implementation. Provide stakeholder meeting minutes to HHS. Q1-Q4: Continue to implement and document Tribal consultation and input on ongoing design and operation of the NMHIX. Provide meeting minutes to HHS. Q1-Q4: Continued implementation of comprehensive outreach and education plan and Native American education and outreach activities. Refine message based on response and feedback from consumers.

Core Area	CY 2013	CY 2014	CY 2015
Consumer and Stakeholder Engagement and Support (cont.)	Q3-Q4: Implement Navigator and Assister training programs. Q3-Q4: Ongoing Navigator and Assister implementation.	Continued implementation of comprehensive outreach and education plan and Native American education and outreach activities. Refine message based on response and feedback from consumers. Q1-Q4: Ongoing Navigator implementation.	

F. BUDGET AND BUDGET NARRATIVE

New Mexico requests \$20 million in federal funding for an additional Level One Establishment cooperative agreement for the period July 1, 2013 through June 30, 2014. The initial grant funding would go to HSD and then transferred to NMHIX as soon its legal configuration is complete.

New Mexico received \$34.3 million for an initial Level One grant in November 2011 and the project period for that grant was later extended through November 2013. The initial Level One grant was awarded to HSD and approximately \$2.6 million was spent on project staffing, the Leavitt Partners consulting contract, and ATF activities. The Act requires HSD to transfer most of the Exchange grant funds to the NMHIX.

The NMHIX is now working on a financing plan for NMHIX operations and activities based on the new law and project developments. The NMHIX plans to submit additional grant applications for NMHIX operations and activities until the required sustainability is achieved. The following chart shows the requested expenditures for this proposed grant by Exchange Activity Area:

Exchange Activity Area	TOTAL
Consumer and Stakeholder Engagement and Support	\$13,524,768
Eligibility and Enrollment	\$ 6,475,232
Total	\$20,000,000

The following chart shows the planned expenditures from the proposed Additional Level One grant:

	7/1/13-6/30/14
<i>SUBAWARD/GRANT TRANSFER TO NMHIX</i>	SECOND LEVEL ONE GRANT
CONTRACTUAL SERVICES	
MARKETING MATERIALS AND ACTIVITIES	\$ 6,350,000
OUTREACH AND EDUCATION, STAKEHOLDER SUPPORT, TRIBAL CONSULTATIONS	\$ 7,174,768
IN PERSON ASSISTANCE	\$ 6,475,232
TOTAL CONTRACTUAL COSTS	\$ 20,000,000
TOTAL-NMHIX	\$ 20,000,000
TOTAL	\$ 20,000,000

Detailed budget information for the NMHIX is shown in the following sections. Supplies and travel costs are variable and other costs are fixed.

NMHIX Budget Items

Contracts

Total: \$20,000,000

Exchange Establishment Cooperative Agreement: \$20,000,000

Other Funding: \$ -0-

Required Information for Hiring Consultants

Duration of the Consultation: July 1, 2013-June 30, 2014

Expected Rate of Compensation: Bid contracts either with a competitive hourly rate or through a fixed price contract. Required detail will be provided for each contract.

Method of Accountability: Base payment on specific contract deliverables and timelines.

Comprehensive Outreach and Education Plan, Stakeholder Support, Native American Outreach and Education Activities, and Marketing and Media

Nature of Services to Be Rendered: Development and implementation of a comprehensive outreach and education plan with multifaceted strategies to maximize enrollment throughout the state to all populations. It will include overall plan development and management (\$1,100,000). The NMHIX will contract for overall development of the comprehensive outreach and education program, development of training programs for Navigators and Assisters, and to manage the development of the Navigator/Assister system. This will include the following activities: development of training modules and manuals; creation of performance evaluation plan, metrics, and business processes for the system; management of RFPs for the system; design, development, and support for a recruitment strategy; and support for administration of system. Also included is funding for extensive local events and activities including partnerships with nonprofit organizations, counties, schools/universities, faith communities, providers, , business organizations, and other community-based organizations, tribal consultations, targeted tribal outreach and education, stakeholder education and outreach, and other education and outreach activities (\$6,074,768), purchased media including radio, TV, billboards, etc. (\$4,500,000), and marketing materials and activities (\$1,850,000). It will include comprehensive outreach to all Native American communities, including targeted messaging, print, radio, TV, social media/Facebook, web, health fairs, other events; educational website hotlinks for Native Americans; face to face meeting opportunities; coordination and engagement of Chapter Houses, senior centers, health fairs and Pow Wows; marketing through Native American Radio: Singing wire and Native American calling and Public Service Announcements; marketing and educational efforts through social and alumni organizations through newsletters; and advertising on buses and bus stops. A total of \$13,524,768 is requested for planning, implementation, and management of the comprehensive outreach, education, marketing, and stakeholder support plan.

Relevance of Service to the Project: Maximize enrollment and take-up of NMHIX.

Duration of the Consultation: July 1, 2013-June 30, 2014

Expected Rate of Compensation: Contracts through a competitive bid process. Required detail will be provided for each contract.

Method of Accountability: Base payment on specific contract deliverables and timelines.

In Person Assistance Plan

Nature of Services to Be Rendered: Develop and implement the Navigator/Assister plan including designation of two entities to manage and implement the Navigator/Assister system, coordinating with brokers/agents, and developing the Navigator and Assister curriculum, training, cross training and certification processes. A total of \$6,475,232 is requested for start-up activities in 2013 to recruit and train staff, develop training curricula, hire central management staff, and contract with the two Navigator/Assister entities to implement the system. The Navigator/Assister entities would then subcontract with community-based organizations and others to provide the In Person Assistance activities throughout the state. The requested amount includes development of the training programs (\$400,000), training costs such as background checks and other certification costs (\$141,448), and the Navigator/Assister system costs to ensure adequate coverage of In Person Assistance throughout the state (\$5,933,784).

Navigator/Assister costs are based on the following assumptions: an average of two hours to complete an application with associated support; 25 percent time to be allocated to outreach and 75 percent to enrollment; average cost per enrollment of \$50, and 15 percent management/oversight costs for the two entities to ensure effective and efficient program implementation.

Relevance of Service to the Project: Maximize NMHIX uptake rate. An effective Navigator/Assister system is critical to successful NMHIX establishment.

Duration of the Consultation: July 1, 2013-June 30, 2014

Expected Rate of Compensation: Contracts through a competitive bid process. Required detail will be provided for each contract.

Method of Accountability: Base payment on specific contract deliverables and timelines.

G. ADDITIONAL LETTERS OF AGREEMENT Letters of agreement and participation are included from the Governor, the Superintendent of DOI, HSD/Medicaid agency, and the NMHIX.

H. DESCRIPTION OF KEY PERSONNEL

The NMHIX is in the process of identifying key personnel and developing and organizational structure. Key leadership is outlined in Attachment 1.

ATTACHMENT 1

BIO SKETCHES OF KEY PERSONNEL

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Dr. Damron received his Medical Degree from Indiana University School of Medicine, his radiology training at the University of Kentucky Medical Center and did a Nuclear Medicine Fellowship at the University of New Mexico. He is Board Certified by the American Board of Radiology and the American Board of Nuclear Medicine. He is a Fellow in the American College of Radiology. Dr. Damron has been associated with numerous state and national professional organizations and boards and is the author of several peer-reviewed articles. He has received several national awards, such as the Capitol Dome award and the Physician's Award for Outstanding Service from ACS, the 2006 Physician of the Year award from the National Republican Congressional Committee and the NRCC 2007 Congressional Order of Merit. He also serves on the NM Coalition for Literacy Board, the St. Vincent Hospital Foundation Board and has served on other numerous community boards, state committees and task forces. Dr. Damron was the Republican Nominee for Governor in 2006 and a candidate for Lt. Governor in 2010.

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ATTACHMENT 2

COST ALLOCATION

New Mexico will develop a plan to allocate costs to reflect the planned configuration of the NMHIX. Following the completion of procurement activities and additional analysis of projections and associated costs, the cost allocation methodology will be developed and modified as appropriate. New Mexico will evaluate all options for cost allocation methodology. The NMHIX will review cost allocation plan methodologies used in states with similar demographics and systems. NMHIX will work with CCIIO and CMS to ensure that the cost allocation plan conforms with all requirements.

Appendix 1

SB 221, the Health Insurance Exchange Act