

Q: What is the New Mexico Health Care Authority (HCA) and why is it being formed?

A: The establishment of the HCA is a significant moment for the state of New Mexico that demonstrates our commitment to prioritizing the health and well-being of every New Mexican. This new state government agency represents a strategic consolidation of efforts to optimize safety-net services, health care purchasing, policy, and regulation under one umbrella.

Effective July 1, 2024, the HCA will operate as a new state government agency, integrating resources and mandates from key entities, including the Human Services Department (HSD), the Employee Benefits Bureau from the General Services Department (GSD), the Health Care Affordability Fund team from the Office of Superintendent of Insurance (OSI), and the Division of Health Improvement and Developmental Disabilities Supports Division from the Department of Health (NMHealth).

Q: What changes can we expect on July 1st with the introduction of the HCA and how will this consolidation affect services?

A: On July 1st, the HCA will officially form by merging various divisions from New Mexico's health and safety-net services sectors, including the Human Services Department (HSD), the State Employee Health Benefits team, formerly known as the Employee Benefits Bureau, Health Care Affordability Fund team, and the Division of Health Improvement and Developmental Disabilities Supports Division.

This structural change will be marked by updated administrative rules, contracts, and a new brand identity featuring the HCA name on building signs, letterhead, and other materials. The HCA Vision is to ensure that every New Mexican has access to health care coverage and access to safety-net services through a coordinated and seamless system.

Please know that HSD customers will not experience any change in their benefits because of this change. All essential services provided by HSD, including Medicaid, SNAP, TANF, LIHEAP, and child support, will continue without interruption.

The creation of the HCA is not merely a name change, but a demonstration of our commitment to building a healthier New Mexico by ensuring:

- Transparency and clarity in New Mexico's health system performance
- Oversight and accountability to enhance quality of care and health outcomes
- Cost-effectiveness and proactive management of state health care funds
- Customer service through a no-wrong door approach to health care and safety-net services
- Unified vision and strategy for health care service delivery and coverage

Furthermore, the HCA will continue to address many of the underlying issues that influence health outcomes in our state, such as expanding access to care in rural communities, building a robust behavioral health system, and providing income and child support programs that address poverty and food insecurity.

This consolidation is designed to lead to better health outcomes and more efficient service delivery across New Mexico by enabling more strategic health care purchasing and negotiations.

Q: How will the HCA affect the average person in New Mexico?

A: The HCA will positively impact the lives of over 1.09 million New Mexicans, which is 52% of the state's population. By consolidating health care purchasing, policy, regulation, and essential safety-net services into a single agency, the HCA aims to make health care and safety-net services more accessible for everyone.

The formation of the HCA benefits our customers by improving transparency and clarity in the performance of the health care system. It enhances oversight and accountability, ensuring that customers receive strong support through a no-wrong-door approach to accessing services such as Medicaid, SNAP, child support, health care coverage support, and assistance for people with disabilities. Additionally, the HCA will have oversight of the safety of many healthcare facilities across New Mexico.

Q: Specifically, how will the HCA address rural health care and combat poverty and food insecurity?

A: The HCA is dedicated to improving rural health care by increasing [reimbursement rates](#) for rural health care providers, implementing the [Rural Health Care Delivery Fund](#), and supporting the establishment of new rural primary care residency programs. These measures, among others, aim to attract and retain more health care professionals in underserved areas. Additionally, the HCA will provide support for rural clinics and hospitals to enhance their capacity and services.

The HCA will oversee programs like the Rural Health Care Delivery Fund, which supports Medicaid providers in rural areas. This includes funding for a variety of critical health care services and the expansion of healthcare workforce education. By 2025, the HCA also plans to double the number of accredited residency programs, supporting both primary care and specialty care in rural settings.

To combat poverty and food insecurity, the HCA will continue to administer vital programs such as SNAP (Supplemental Nutrition Assistance Program), TANF (Temporary Assistance for Needy Families), utility assistance, and child support services. By integrating these

programs, the HCA ensures that individuals and families in rural communities receive comprehensive support to meet their basic needs and improve their overall well-being. This holistic approach addresses both immediate needs and long-term health outcomes for rural residents.

Q: Is it true that the HCA is considering how to expand Medicaid coverage for more New Mexicans? If so, how?

A: Yes, the HCA is exploring ways to expand state-administered health coverage for low-income New Mexicans who are not currently covered under Medicaid. As mandated by [2023 HB400](#), the HCA will conduct a feasibility study to assess the potential for expanding coverage. This study, which is due to the legislature in October 2024, will evaluate various options and strategies to broaden health care access.

Q: Will all functions of the HSD fall under the HCA?

A: Yes, all services and benefits currently managed by HSD will transition under the HCA.

Q: How will health care purchasing, policy, and regulation for state, county, and local employees be handled?

A: The HCA will have oversight of state employee and local public body health plans, centralizing health care purchasing and policymaking for more consistent and efficient healthcare procurement. [2024 Senate Bill 14](#) calls on the Interagency Benefits Advisory Committee (IBAC) agencies to engage in joint contracting, which includes school, city, and county employees. This joint contracting will enable the HCA to negotiate better terms with providers and insurance carriers, tailor benefit plans to specific needs, and ensure that health care services meet quality and affordability standards.

Q: What does the term 'authority' mean in the context of the Health Care Authority (HCA) of New Mexico?

A: The term "authority" refers not to control over individual health decisions, but to the HCA's enhanced capability to administer health care policies, purchasing, and regulations. The "authority" signifies a centralized umbrella to manage and optimize health care resources across the state more effectively.

The HCA will leverage the combined purchasing power of the state's Medicaid program and other health services to negotiate better terms with health care providers and suppliers. This enhanced negotiating power is expected to result in more cost-effective services, improved quality of care, and better health outcomes for New Mexicans.

Q: What are the benefits of having stronger negotiation and purchasing power under the HCA?

A: Stronger negotiation and purchasing power allow the HCA to secure health care coverage, services, and products at better rates, which can lead to lower costs for the public. Additionally, this power supports the ability to standardize care protocols and increase service offerings, ensuring that all New Mexicans have access to comprehensive and high-quality health care.

Q: What should I do to prepare for the HCA transition?

A: To prepare for the HCA transition, stay informed by following our updates on social media and other communications. This will help you understand what is changing and what remains the same. Importantly, **you don't need to take any action to keep your current benefits**. The transition will be seamless, and your existing benefits will continue without interruption.

Q: Where can I find more information or get updates about the transition?

A: Updates and a countdown to the HCA transition will be shared through our social media channels on Facebook, Instagram, X, and LinkedIn. Additionally, you can visit <https://www.hsd.state.nm.us/health-care-authority/> or email any questions, concerns, or feedback to hcatransition@hsd.nm.gov.