

July 17, 2012

The Honorable Susana Martinez
State Capitol
490 Old Santa Fe Trail, Rm. 400
Santa Fe, NM 87501

Dear Governor Martinez:

We, the undersigned organizations—representing many thousands of New Mexicans—urge you to implement the Medicaid Expansion for low-income adults under the federal Affordable Care Act. We believe it is the right thing to do for New Mexicans and is a win-win for New Mexico. Here are just some of the benefits:

- ✓ **Expanding Access to Health Care.** Medicaid Expansion will provide health coverage for about 150,000 New Mexicans, most of whom are “working poor” adults—they have jobs but no health insurance. When they get any health care, it’s likely to be in the emergency room at great expense. Medicaid coverage will mean these individuals can get check-ups and preventive services, follow-up care for accidents or illnesses, and management of chronic diseases. This is a golden opportunity to reduce New Mexico’s high rate of uninsured and bring us up from the bottom of the national rankings on health coverage. Far beyond statistics, this is literally a matter of life and death for people who otherwise can’t afford insurance or routine health care.
- ✓ **A Real Bargain for the State.** The federal government will pay the entire cost of the expansion for the first three years. The federal share then will gradually phase down to 90% for 2020 and thereafter. The most the state will ever pay is just ten cents on the dollar. Even that minimal portion of the cost will be more than covered by revenues to the state from existing health care taxes generated by the Medicaid Expansion. Additionally, the expansion will save the state \$40 to \$60 million annually because we’ll no longer have to fund the State Coverage Insurance program for this population.
- ✓ **New Mexicans Will Get the Benefits of Our Own Tax Dollars.** Many other states will choose to expand Medicaid and the costs will be paid mostly by federal dollars. If New Mexico does not expand Medicaid, we will still be paying federal taxes to support other states’ programs without getting the benefits of health care coverage for New Mexicans.
- ✓ **Fairness.** The federal law was written assuming that low-income people would get coverage through Medicaid. They are not eligible for subsidies to buy private insurance. If New Mexico refuses to expand Medicaid, poor families—including parents and people working for low wages—won’t have the means to afford it. It would be unconscionable if the poorest and most vulnerable among us were left without help.
- ✓ **Economic Stimulus and Jobs.** Federal Medicaid funds for the expansion will inject billions into New Mexico’s economy starting in 2014. The economic activity generated by these new federal dollars will create tens of thousands of new jobs in our state, especially in rural areas, and increase revenues to state coffers.

- ✓ **Reduce Uncompensated Care.** New Mexico hospitals and other health care providers furnish an estimated \$335 million in uncompensated care every year. When people have health coverage like Medicaid, doctors, hospitals, and other health care providers can count on getting paid for their services. That's not only good for the providers, but it also reduces the burden on local governments to help cover these costs through their County Indigent Funds, which are paid for by taxpayers.
- ✓ **Lower Health Insurance Premiums.** Uncompensated care also raises insurance premiums for everyone as hospitals and other providers try to recover those costs. A typical New Mexico family with private insurance pays an estimated \$2,300 extra each year to cover uncompensated care. Because we have the second highest percentage of uninsured residents in the country, this cost-shifting to insurance premiums is particularly high in New Mexico—and it will continue if we leave people uninsured rather than covering them through the expansion of Medicaid. Businesses that pay for health insurance for their employees will be big losers if the state does not expand Medicaid coverage.
- ✓ **Health Care for Veterans.** Half of all uninsured veterans will be eligible for health care coverage under the Affordable Care Act. A refusal to expand Medicaid to low-income adults will leave many of these veterans without access to health care coverage.

For all these reasons we urge you to protect *all* New Mexicans by implementing the Medicaid Expansion and bringing the federal funds to cover our poorest citizens. We welcome the opportunity to meet with you and/or members of your staff should you have any questions or would like to discuss this further. Please don't hesitate to call Veronica Garcia, Executive Director, New Mexico Voices for Children, at 505-244-9505, ext. 14. Thank you for your consideration.

Sincerely,

AARP – New Mexico
 Albuquerque Health Care for the Homeless
 American Federation of State, County, and Municipal Employees
 The Arc of New Mexico
 Bernalillo County Off-Reservation Native American Health Commission
 Church Women United
 Committee of Interns and Residents/SEIU Healthcare
 Communications Workers of America – Local 7076
 Comunidades en Accion y de Fe (CAFÉ)
 Democratic Women of Sandoval County
 The Disability Coalition
 Disability Rights New Mexico
 Encuentro
 Enlace Comunitario
 Equality New Mexico Foundation
 Health Action New Mexico
 Gray Panthers

Interfaith Worker Justice – New Mexico
La Vida Felicidad, Inc.
League of Women Voters of New Mexico
Lutheran Advocacy Ministry – New Mexico
Mandy Pino Center
National Union of Hospital and Health Care Employees – District 1199, New Mexico
National Association of Social Workers – New Mexico
Native Health Initiative
Network of Health Professionals for a National Health Program
New Mexico Academy of Family Physicians
New Mexico Alliance for Retired Americans
New Mexico Alliance for School-Based Health Care
New Mexico Center on Law and Poverty
New Mexico Coalition to End Homelessness
New Mexico Community Health Workers Association
New Mexico Conference of Catholic Bishops
New Mexico Conference of Churches
New Mexico Pediatric Society
New Mexico Primary Care Association
New Mexico Religious Coalition for Reproductive Choice
New Mexico Voices for Children
New Mexico Women’s Agenda
Pecos Valley Medical Center
Pegasus Legal Services for Children
Policy Connections
Prosperity Works
Senior Citizens Law Office
Southwest Creations Collaborative
Southwest Women’s Law Center
St. Joseph Community Health
State of Women’s Health – New Mexico
Strong Families New Mexico
VIDA in Healthcare
Young Children’s Health Center
Young Women United

CC: Cabinet Secretary Catherine Torres
Cabinet Secretary Sidonie Squier
Members, New Mexico Legislature
David Abbey, Director, Legislative Finance Committee
Keith Gardner, Governor’s Chief of Staff