



PO Box 27049 • Albuquerque, NM 87125-7049  
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[www.nmmip.org](http://www.nmmip.org)

*"When no one else will help, we're there."*

December 2016

Dear Policyholder:

**This is an important announcement that concerns:**

- **2017 Premium Rates**
- **New Administrator**
- **Centennial Care**
- **Medicare Carve-Out Plan**
- **Policy Changes**
- **Low Income Premium Program**
- **Address/Phone/Email Changes and Updates**
- **Pool Addresses and Contact Information**

Since 1987, the New Mexico Medical Insurance Pool (Pool) has been the state's health insurance "safety net." The Pool has existed to solve many of the concerns that have now been addressed by the Affordable Care Act. Now, you have many more choices for health insurance coverage. In the last two years, the Pool's enrollment has decreased from over 10,500 to less than 3,000 due to individuals obtaining coverage through Centennial Care or the health insurance Marketplace.

### **2017 Premium Rates**

By law, the New Mexico Medical Insurance Pool is required to determine a standard risk rate (SRR) by actuarially calculating the rate that an insurer would charge for a policy (with the same benefits as the Pool) issued to an individual who is "standard risk". Since the passage of the Affordable Care Act, the way premium rates are determined in the market has changed. For 2017, the Pool is also restructuring its rates to match the way rates are structured in the rest of private market.

Changes in the rate structure for this year include the following:

- \* Your Premium will only change on January 1, 2017 to reflect the market increase and will not increase again until January 1, 2018.
- \* Your Premium will be based upon your age on January 1, 2017.
- \* Your Premium will be based upon your geographic location, and whether you use tobacco products. We have included a **Tobacco Affidavit and a stamped, self-addressed envelope** for you to complete and return. **If you do not return the Tobacco Affidavit, you will be billed the Tobacco User premium.**

By law, the Pool can set rates up to 50% higher than the standard rate in the market. In 2016, the Pool rates were, on average, 30% higher than the market. In 2017, the market rates increased by an average of 18%; and the Pool is setting its rates at 10% above the market. But, because of this change, as well as the other changes made to the rate structure, you may or may not experience a rate increase. Please refer to the 2017 rate charts for your exact premium. The new rates can be viewed on the Pool's website at [www.nmmip.org](http://www.nmmip.org) and will be in effect for calendar year 2017.

### **New Administrator – Benefit Management, LLC**

We are pleased to announce that effective January 1, 2017 our new Pool claims administrator is Benefit Management, LLC. Benefit Management was chosen as the new administrator because of their experience in the high risk pool claims arena, administration capabilities, care management programs, and customer service excellence. In the very near future you will receive a Welcome Packet from Benefit Management. The packet will contain important information about the administration of your health insurance. You will also be receiving new identification cards due to the transition.

If your premium is currently automatically withdrawn from your bank account by the current administrator, Blue Cross and Blue Shield (BCBS), or if you would like to have your premium automatically withdrawn from your account, you will need to complete and sign the enclosed ACH Authorization Form and return it in the enclosed stamped, self-addressed envelope as soon as possible. You will receive an invoice until the form is received and your information is set up with the bank. Please pay from the invoice to avoid an unintended termination.

Please continue to contact the current administrator, BCBS to assist you with claims and benefit inquiries until we have completed the transition to BMI.

### **Centennial Care**

If you are an adult between the ages of 19-64 and your annual income is within the income limits, you may qualify for **Centennial Care (Medicaid)**, a free program, with year-round enrollment. As an example, a single person with an annual income in the amount of \$16,248 or less or a family of four with income up to \$33,468 annually may qualify. To check your eligibility and apply for benefits, please visit [www.YES.state.nm.us](http://www.YES.state.nm.us) or call **1-855-637-6574**.

### **Medicare Carve-Out Plan**

The Pool offers a Medicare Carve-Out Plan, for individuals with disabilities who are under age 65 and have Medicare Parts A&B. If you are currently on the Regular Plan, and you are under age 65 and are on Medicare A&B due to a disability, you may submit a Medicare Carve-Out Application for Coverage, along with a copy of your Medicare card. Call Customer Service at **1-844-728-7896** for an application or print an application from the Pool's website at [www.nmmip.org](http://www.nmmip.org).

### **Policy Changes – (Does not apply to those on the Medicare Carveout Plan)**

The Pool offers four deductible plans: \$500, \$1000, \$2000, \$5,000. All plans have been modified to reflect in and out of Network Benefits. You may want to verify with your providers that they are within the Cigna Network to be able to access your best benefit unless you are in the Medicare Carveout Plan. Then you will just want seek care from provider that is contracted with Medicare.

If you stay within the Cigna Network, you and/or your providers will be reimbursed at 80% after deductible. If you see a provider that is outside of the Cigna Network, you and/or your provider will only be reimbursed at 70% after deductible and you may be responsible for other charges that are billed over reasonable and customary amounts. Cigna has a very robust network of providers but please visit [www.Cigna.com](http://www.Cigna.com) to verify that your providers are in the network.

If you want to reduce your monthly premium rate, you may want to consider increasing your deductible plan. This will lower your monthly premium, but it will increase your “out of pocket” amount. The pharmacy benefit remains the same. In addition, the Policies now have “In” and “Out” of network benefits. You will receive additional information regarding this within a couple of weeks.

Policyholders can change from a **lower to a higher** deductible plan at any time upon written notice to the Administrator. The effective date of the change will be on the first of the month following receipt of the written request.

Changes from a **higher to a lower** deductible plan are allowed only one time per year, for a January 1 effective date. Written requests to lower your deductible must be received by December 31, 2016, to be effective January 1, 2017.

**Low Income Premium Program**

The Pool has a Low Income Premium Program (LIPP), which, if you qualify, provides discounts to your monthly premium. There are three levels of premium reduction, based on household size and annual household income. See the chart below for income ranges and reductions.

The LIPP will return to an **Annual Recertification** process for everyone that will occur July 1st, therefore recertification on your birth month will be discontinued effective January 1, 2017.

If you do not currently participate in the LIPP, please refer to the chart. If you think that you may qualify, call Customer Service at **1-844-728-7896** for a Low Income Premium Program Supplemental Application, or print one from the Pool website, at [www.nmmip.org](http://www.nmmip.org). **A complete copy of your most recent signed and dated Federal Form 1040, 1040EZ or 1040A must be attached.** Your income must be at or below the amount stated for the discount indicated. The income amount used is Total Income (before adjustments and credits) from line 4 of 1040EZ, line 15 of Form 1040A, or line 22 of Form 1040.. This application may be submitted at anytime during the year. If, by law, you are *not* required to file income tax, the Affidavit Section must be completed, signed, and notarized. If you qualify, the effective date of any reduction will be the first of the month following receipt of the application.

**NOTE: If your premium is being paid by a third party who is *not* a family member, you are *not* eligible to participate in the LIPP.**

Household Size	0-199% of 2016 HHS 75% Premium Reduction	200-299% of 2016 HHS 50% Premium Reduction	300-399% of 2016 HHS 25% Premium Reduction
1	\$23,641	\$35,521	\$47,401
2	\$31,880	\$47,900	\$63,920

3	\$40,118	\$60,278	\$80,438
4	\$48,357	\$72,657	\$96,957
5	\$56,596	\$85,036	\$113,476
6	\$64,834	\$97,414	\$129,994
7	\$73,093	\$109,823	\$146,553
8	\$81,371	\$122,261	\$163,151
9	\$89,650	\$134,700	\$179,750

**Address/Phone/Email Changes and Updates**

We gladly except any address change you may have, but by statutory regulation, the Pool is for New Mexico residents only. Therefore, we must have a physical address on file within New Mexico even if you cannot receive mail at that address.

**Pool Addresses and Contact Information**

Due to the transition to Benefit Management, some of the contact information and addresses have changed. Please refer to the information provided below for guidance.

**Payments:** (This address will not change.)  
 New Mexico Medical Insurance Pool  
 P.O. Box 27745  
 Albuquerque, NM 87125-7745

**Correspondence:**

**2016 Correspondence:**  
 New Mexico Medical Insurance Pool  
 P.O. Box 27049  
 Albuquerque, NM 87125

**2017 Correspondence**  
 New Mexico Medical Insurance Pool  
 P.O. Box 1090  
 Great Bend, KS 67526

**Customer Service:**

**2016 Business or Claims**  
 1-800-432-0750

**2017 Business or Claims**  
 1-844-728-7896

**Fax Number:** 505-816-5671

620-793-1199

The Pool’s Board of Directors is pleased to have the opportunity to serve you.

Sincerely,



Deborah Armstrong  
 Executive Director  
 New Mexico Medical Insurance Pool (Pool)