

**New Mexico
Public Schools Insurance Authority**



**Board of Directors Meeting
December 8, 2022**



New Mexico Public Schools Insurance Authority

Board of Directors Meeting

Board of Directors

Al Park, President, Governor Appointee
Chris Parrino, Vice President, NM Association of School Business Officials
Trish Ruiz, Secretary, Educational Entities at Large
Denise Balderas, Governor Appointee
Tim Crone, American Federation of Teachers NM
Travis Dempsey, NM Superintendents Association
Pauline Jaramillo, NM School Boards Association
Bethany Jarrell, National Education Association - New Mexico
K.T. Manis, Public Education Commission
David Martinez, Jr., National Education Association - New Mexico
Sammy J. Quintana, Governor Appointee

In-Person & Virtual

In-Person:

Poms & Associates
201 3rd Street, Suite 1400
Albuquerque, New Mexico 87102

Virtual:

Please join my meeting from your computer, tablet or smartphone.

<https://meet.goto.com/646914477>

You can also dial in using your phone.

United States: [+1 \(571\) 317-3122](tel:+15713173122)

Access Code: [646-914-477](tel:646914477)

Get the app now and be ready when your first meeting starts: <https://meet.goto.com/install>

Thursday, December 08, 2022

9:00 a.m.

Agenda

Draft

- | | |
|---|-------------|
| 1. Call to Order | A. Park |
| 2. Roll Call | K. Jones |
| 3. Introduction of Guests | P. Sandoval |
| 4. Citizens to Address the Board (Five-Minute Limit) | A. Park |
| 5. Approval of Agenda (Action Item) | A. Park |

- | | | |
|-----|--|----------------------|
| 6. | Approval of November 3, 2022 Minutes (Action Item) | A. Park |
| 7. | Administrative Matters | |
| | A. Staff Update | P. Sandoval |
| | B. Legislative Update | P. Sandoval |
| | C. IBAC Update | C. Archuleta |
| | D. COVID-19 Update | M. Quintana |
| | E. Interagency Pharmaceuticals Purchasing Council (IPPC) Update | M. Quintana |
| 8. | Financial Matters | |
| | A. Financial Reports - August 2022 (Action Item) | M. Quintana |
| | B. Financial Reports - September 2022 (Action Item) | M. Quintana |
| | C. FY2022 Audit Report Update | P. Sandoval |
| | D. Long-Term Funds Investment Policy Discussion | E. Clark / M. Smith |
| | E. Investment Performance Review for the Quarter ended September 30, 2022 (Action Item) | E. Clark / M. Smith |
| | F. Request to Rebalance Investment Portfolio (Action Item) | E. Clark / M. Smith |
| 9. | Benefits Matters | |
| | A. Approval of United Concordia Dental Contract Amendment (Action Item) | M. Quintana |
| | B. Stop Loss Renewal (Action Item) | M. Krumholz |
| | C. BCBS Carrier Audit Update | J. Laguna |
| | D. Delta Dental Annual Report | R. Bolstad |
| | E. Wellness and Well-Being Update | C. Archuleta |
| 10. | Risk Matters | |
| | A. Approval of Amended Property & Liability Claims Procedures for 7/1/2022 to 6/30/2023 (Action Item) | D. Poms |
| | B. TPA Reports | |
| | 1. NMPSIA Workers' Compensation Claims Comparison with Other New Mexico Public Entities | R. Cangiolosi |
| | 2. Property & Liability Monthly Claims Report | S. Vanetsky |
| | 3. Property & Liability Large Losses | S. Vanetsky |
| | 4. Workers' Compensation Monthly Claims Report | J. Mayo |
| | 5. Workers' Compensation Large Losses | J. Mayo |
| | C. Maintaining Cybersecurity Insurance Compliance | G. Banash |
| | D. Loss Prevention Update | L. Vigil / J. Garcia |
| | E. Liability Under Title IX | J. Garcia |

11. General Discussion A. Park
12. Executive Session to Discuss Competitive Sealed Proposals Solicited Pursuant to the Procurement Code Pursuant to §10-15-1 H (6) NMSA 1978 **(Action Item)** A. Park
 - A. RFP#342-2023-02 Benefits Consulting and Actuarial Services A. Park
 - B. Any action on the Discussion of Competitive Sealed Proposals Solicited Pursuant to the Procurement Code Pursuant to §10-15-1 H (6)NMSA 1978 **(Action Item)** A. Park
13. Next Meeting Date and Location: Thursday, February 2, 2023 **(Action Item)** A. Park
Location: Poms & Associates, 201 3rd Street, Suite 1400 and a virtual option
14. Adjournment **(Action Item)** A. Park

**NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES**

**In-Person: Poms & Associates
201 3rd Street, Suite 1400
Albuquerque, NM 87102**

**Virtual: <https://meet.goto.com/606724709>
Dial in +1 (517) 317-3122
Access Code: 606-724-709**

Thursday, November 03, 2022

DRAFT

1. Call to Order

Mr. Al Park, NMPSIA Board President, called the NMPSIA Board Meeting to order at 9:00 a.m. on Thursday, November 3, 2022.

2. Roll Call

Ms. Kaylei Jones called roll.

Board Members Present:

Al Park, President	In-Person
Chris Parrino, Vice President	In-Person
Trish Ruiz, Secretary	Virtual
Denise Balderas	Virtual
Tim Crone	Virtual
Travis Dempsey	Virtual
Pauline Jaramillo	In-Person
Bethany Jarrell	In-Person
K.T. Manis	Virtual
David Martinez, Jr.	Virtual
Sammy Quintana	In-Person

Board Members Absent:

None

NMPSIA Staff Members Present:

Patrick Sandoval, Executive Director	In-Person
Martha Quintana, Deputy Director	In-Person
Cyndi Archuleta, Benefits/Wellness Manager	In-Person
Kaylei Jones, Benefits/Wellness Program Coordinator	In-Person
Claudette Roybal, Risk Program Coordinator	Virtual
Andrew Romero, Chief Procurement Officer	In-Person
Dion Romero, Accountant/Auditor	Virtual
Natasha Ortiz, Financial Specialist	Virtual

Audience Present:

Lisa Guevara	BCBSNM	In-Person
Kathryn Hull	BCBSNM	Virtual
Lisa Sullivan	BCBSNM	Virtual
Christine Sarcione	BCBSNM	In-Person
Steve Vanetsky	CCMSI	In-Person
Jerry Mayo	CCMSI	In-Person
Courtney Barela	CCMSI	Virtual
Louise Carpenter	CCMSI	Virtual
Richard Cangioli	CCMSI	Virtual
Kevin Sovereign	CCMSI	In-Person
Daniel Warner	Cigna	Virtual
Sam Garcia	Davis Vision	In-Person
Steven Moraga	Delta Dental	Virtual
Michelle Poon	Delta Dental	In-Person
Lisa Jennings	Department of Finance	Virtual
Kathy Payanes	Erisa Administrative Services	In-Person
Amy Bonal	Erisa Administrative Services	Virtual
Mike Barrios	Erisa Administrative Services	Virtual
Martin Esquivel	Esquivel & Howington	In-Person
David Poms	Poms & Associates	Virtual
Rika Martinez	Poms & Associates	Virtual
Kevin McDonald	Poms & Associates	In-Person
Tamie Pargas	Poms & Associates	In-Person
Larry Vigil	Poms & Associates	In-Person
Karen Mestas-Harris	Poms & Associates	In-Person
Emily Varner	Presbyterian-The Solutions Group	Virtual
Justin Suirem	Presbyterian Health Plan	In-Person
Melissa Krumholz	Segal	Virtual
Nura Patani	Segal	In-Person
Jennifer Oswald	The Standard	Virtual
Debby Holt	United Concordia	Virtual

3. Introduction of Guests

Mr. Patrick Sandoval, Executive Director NMPSIA, introduced Lisa Guevara with BlueCross BlueShield, Sam Garcia with Davis Vision, Nura Patani with Segal, and Greg Ramirez with CCMSI.

4. Citizens to Address the Board (Five-Minute Limit)

There are no citizens to address the Board.

5. Approval of Agenda (Action Item)

A motion was made to approve the agenda as presented.

MOTION: T. Ruiz

SECONDED: C. Parrino

A roll call vote was taken.

Ms. Kaylei Jones called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes
Denise Baldares	Yes
Tim Crone	Yes
Travis Dempsey	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

6. Approval of October 6, 2022 Minutes (Action Item)

A motion was made to approve the October 6, 2022 Minutes as presented.

MOTION: P. Jaramillo

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Kaylei Jones called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Abstained
Trish Ruiz, Secretary	Yes
Denise Baldares	Yes
Tim Crone	Yes
Travis Dempsey	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

7. Administrative Matters

7. A. Request to Initiate RFP for General Counsel Services (Action Item)

Mr. Sandoval requested to Initiate an RFP for General Counsel Services. Mr. Esquivel currently serves as the Authority’s General Counsel and his contract expires on June 30, 2023.

A motion was made to approve the request to Initiate an RFP for General Counsel Services.

MOTION: P. Jaramillo

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Kaylei Jones called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes
Denise Baldares	Yes
Tim Crone	Yes
Travis Dempsey	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

7. B. Staff Update

Mr. Sandoval reported NMPSIA has completed the second round of interviews for the Financial/HR Manager position and have a strong group of candidates that applied for the position. Staff is looking to complete the hiring process by next week. NMPSIA has also been in discussion with a potential Chief Financial Officer candidate and currently going through the vetting process and hopes to get the hiring paperwork submitted by next week. Mr. Andrew Romero started employment with NMPSIA on October 15, 2022. Mr. Romero will be serving as the Authority’s CPO/Management Analyst. Mr. Romero shared his experience with the Board.

7. C. Legislative Update

Mr. Sandoval provided the Legislative Update. Mr. Sandoval and Ms. Quintana met with Ms. Mariana Padilla from the Governor’s Office and Mr. Gregory Frostad from the Public Education Department on October 17 and Mr. Joseph Simon from the Legislative Finance Committee on October 20 to discuss different cost scenarios if the NMPSIA minimum contribution tiers were to be modified.

7. D. MAPS Travel Reimbursement Update

Mr. Sandoval informed the Board that there was a change to the Department of Finance and Administration Model of Accounting Practices for FY23 on travel reimbursements. Travel documents are now required to be submitted to DFA no later than two weeks after the travel is completed. NMPSIA staff will work closely with all Board members the week after the Board meetings to complete travel.

7. E. COVID-19 Update

Ms. Martha Quintana, Deputy Director NMPSIA, provided the COVID-19 update. Between March of 2020 and July 31, 2022, there were 206,030 claims for a total of \$42,880,688 in COVID claims spent that includes testing, vaccinations, and treatment. For the month of July there were 7,263 claims for a July total of \$1,036,153.

Mr. Park opened up the floor to any questions on the COVID update. Mr. David Martinez Jr. asked for an update on the health orders. Ms. Quintana responded that the most recent update is an extension on the National Order through January 2023. We are waiting to see what transpires over the fall and winter of 2022. NMPSIA is operating business as usual until we hear otherwise.

Mr. Chris Parrino commented that RSV and the flu are a huge deal right now and asked for information on RSV and the flu. Ms. Quintana responded that NMPSIA has not seen any claims as of today and is happy to track that information and report back.

8. Financial Matters

8. A. Financial Reports - July 2022 (Action Item)

Ms. Quintana presented the Statement of Revenues and Expenditures for period ending July 31, 2022 for the Employee Benefits Fund. Ms. Quintana reported revenue of \$28,575,164.54 and expenses of \$27,056,242.73, which resulted in a gain of \$1,518,921.81 for the month of July.

Ms. Quintana presented the Statement of Revenues and Expenditures for period ending July 31, 2022 for the Risk Fund. Ms. Quintana reported revenue of \$8,833,218.95 and expenses of \$5,675,485.84, which resulted in a gain of \$3,157,733.11 for the month of July.

Ms. Quintana presented the Statement of Revenues and Expenditures for period ending July 31, 2022 for the Program Support Fund. Ms. Quintana reported revenue of \$126,723.50 and expenses of \$69,845.56 which resulted in a net revenue of \$56,877.94 for the month of July.

Ms. Quintana presented the Balance Sheet for the Agency for the period ending July 31, 2022. Program Support had total assets of \$962,799.32, total liabilities of \$75,651.40, and total fund equity of \$887,147.92. Employee Benefits had total assets of \$87,270,447.62, total liabilities of \$72,698,691.20, and total fund equity of \$14,571,756.42. Risk had total assets of \$187,447,515.57, total liabilities of \$171,869,621.41, and total fund equity of \$15,577,894.16. Total for the Agency through the month of July, total assets of \$275,680,762.51, total liabilities \$244,643,964.01, for a total fund equity of \$31,036,798.50.

A motion was made to approve the Financial Reports for July 2022 as presented.

MOTION: C. Parrino

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Kaylei Jones called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes
Denise Baldares	Yes
Tim Crone	Yes
Travis Dempsey	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

8. B. Approval of Kubiak Melton & Associates Amendment for Single Audit (Action Item)

Mr. Sandoval presented a contract amendment to the audit contract. An amendment was necessary to include the cost of a Single Audit for the \$15 million in ARPA funds received by NMPSIA. Before completing the amendment staff had to submit a BAR that was approved at the October Board meeting. Due to the Audit due date of November 1, 2022, the amendment has already been signed and staff is asking for retroactive approval. If the amendment would not have been signed before November 1, the audit would not have been able to be submitted and the Authority would have incurred a finding.

A motion was made to approve the Kubiak Melton & Associates Amendment for Single Audit.

MOTION: D. Martinez Jr.

SECONDED: C. Parrino

A roll call vote was taken.

Ms. Kaylei Jones called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes
Denise Baldares	Yes
Tim Crone	Yes
Travis Dempsey	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Yes

K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

8. C. Request to Initiate RFP for Facility Maintenance Services (Action Item)

Mr. Sandoval presented that staff is asking for approval to go out to RFP for Facility Maintenance Service. The current vendor is Tom Medina and his contract expires on June 30, 2023.

A motion was made to Initiate an RFP for Facility Maintenance Services.

MOTION: P. Jaramillo

SECONDED: B. Jarrell

A roll call vote was taken.

Ms. Kaylei Jones called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes
Denise Baldares	Yes
Tim Crone	Yes
Travis Dempsey	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

8. D. Approval of Special Appropriation Requests (Action Item)

Mr. Sandoval presented that staff is requesting approval to submit at least two Special Appropriation requests during the 2023 legislative session. During the 2022 legislative session, NMPSIA received a Special Appropriation request of \$15 million from the American Rescue Plan Act (ARPA) to help pay for COVID costs. NMPSIA signed an agreement with the Department of Finance and Administration and only expenditures from March 3, 2021, forward were permitted. NMPSIA has COVID expenses prior to March 3, 2021, and would like to submit a Special Appropriation to seek reimbursement from the general fund for those expenses and submit a second appropriation for the remaining COVID expenses that exceeded the \$15 million already reimbursed after the date of March 3, 2021. NMPSIA is still in the process of reconciling costs prior to March 3, 2021, and costs not reimbursed for above the \$15 million from March 3, 2021, to current. The ask with both appropriations would be for more than \$23.8 million after staff adds in PBM costs.

A motion was made to approve the submission of two Special Appropriation Requests.

MOTION: T. Ruiz

SECONDED: B. Jarrell

A roll call vote was taken.

Ms. Kaylei Jones called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes
Denise Baldares	Yes
Tim Crone	Yes
Travis Dempsey	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

9. **Risk Matters**

9. **A. Request to Initiate RFP for Capital Asset Valuation Services (Action Item)**

Mr. Sandoval presented that staff is requesting approval to go out to RFP for Capital Asset Valuation Services. The current vendor is Duff and Phelps and the contract expires on June 30, 2023. NMPSIA and APS usually go out to bid together for these services so we will be reaching out to APS in the coming weeks. Although it may be a joint bid we contract individually.

A motion was made to Initiate an RFP for Capital Asset Valuation Services.

MOTION: T. Ruiz

SECONDED: C. Parrino

A roll call vote was taken.

Ms. Kaylei Jones called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes
Denise Baldares	Yes
Tim Crone	Yes
Travis Dempsey	Yes
Pauline Jaramillo	Yes

Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

9. B. TPA Reports

1. Property & Liability Monthly Claims Report

Mr. Steve Vanetsky, CCMSI, reported on the Property & Liability Monthly Claims Report for the month of August 2022. There were 417 open claims, 72 new claims and 60 claims were closed. Reserves were at \$58,729,260.51 and payments were \$39,616,894.43 for a total of \$98,346,154.94.

2. Property & Liability Large Losses

Mr. Steve Vanetsky, CCMSI, reported a possible large loss out of Zuni Public Schools, a report of an inappropriate relationship involving a teacher and a student. It's it currently under investigation. It has been turned over to the Zuni Pueblo Police Department.

3. Workers' Compensation Monthly Claims Report

Mr. Jerry Mayo, CCMSI, provided the Workers' Compensation Monthly Claims Report for Districts as of August 31, 2022. During the month of August there were 898 open claims, 249 new claims, 21 claims were re-opened, and 256 claims were closed. Reserves were at \$13,659,195.34 and payments were \$47,081,584.06 for a total of \$60,740,779.40.

4. Workers' Compensation Large Losses

Mr. Mayo reported two large losses for August 2022. One out of Gallup, a fall off the bleachers, total reserves were approximately \$90,000. Another out of Lovington, a trip and fall, total reserves were approximately \$166,000.

9. C. Loss Prevention Update

Mr. Larry Vigil, Poms & Associates, reported on the Loss Prevention Abatement Report for September 2022. In September there was an 85.07% abatement for non-capital recommendations. There were 68 total recommendations, total capital recommendations were 1, and total non-capital were 67. Corrected non-capital were 57, and corrected capital was 1 for a total of 58. The corrected recommendations percentage for August was 85.29%.

10. Benefits Matters

10. A. Blue Cross Blue Shield Annual Report

Ms. Christine Sarcione and Ms. Lisa Guevara, BCBS, reported on the BCBS Annual Report. Ms. Sarcione reported \$148.4 million in total claim spending for the period July 1, 2021 through June 30, 2022. High-cost claimants decreased in the last year from 222 to 216. Neoplasms were the most costly diagnostic category where paid PMPM (per member, per month) increased by 18.3% between reporting periods. ER utilization came in at 4,557 which is a 10% increase from the previous period and 7% of the ER claimants visited the ER three or more times last year. Mental health PMPM totaled \$11.98 for the period which is 42.7% below the Book of Business. Ms. Guevara reported that there are only two enrollments in the Learn to Live program so there is an opportunity for growth in this area.

10. **B. Davis Vision Annual Report**

Mr. Sam Garcia, Davis Vision, presented their Annual Report. Mr. Garcia reported a total member enrollment of 44,805 and a 41.1% utilization. NMPSIA members' in-network utilization totaled 98% with 96% member satisfaction. Mr. Garcia reported NMPSIA members have saved \$1,119,532 on lens options and upgrades. Davis Vision provides additional value to members including an exclusive frame collection, breakage warrantee protection, Lasik and hearing aid discounts. Davis Vision has also partnered with onsite clinics including Befitting and On Sight noting there have been 75 labs added to the network, nationwide. This increase in the network has improved manufacturing by 2.5 days.

Mr. Sammy Quintana mentioned that his wife called to make an eye appointment and she could not get in until March 2023. Mr. Garcia said that due to COVID there is that back log of appointments and that should fade away soon.

10. **C. Clinic Feasibility Analysis**

Ms. Nura Patani, Segal, presented the Clinic Feasibility Analysis. The purpose of the analysis is to provide information to assist the Committee and Board in making an informed decision as they consider adding clinics. Advantages include reduced costs, improved access, and ease of appointment scheduling. Onsite clinics can help divert claims for primary and preventative care, imaging centers, and reduce ER visits.

NMPSIA must consider and clarify the challenges to address and prioritize each in order to direct decision-making. Ms. Patani noted the ROI analysis would take place after 3 years and she encouraged the Board to look at partnering with the IBAC for shared access opportunities.

Based on Segal's model, NMPSIA could anticipate \$3-4 million in savings in the first year and over time the savings would improve however the claims data would also increase. Ms. Patani recommended the next steps of conducting a formal RFI in order to proceed with vendor selection and eventual implementation adding ongoing monitoring would be necessary. Mr. Al Park talked about NMPSIA going out for an RFI at least once and possibly more than once to get to the RFP. This may take a few years, but there is no rush. Mr. Sammy Quintana said that the key is getting the participation of other municipalities for the success of the clinics. If the larger companies and the community can get involved then we can start to get it going. Ms. Patani said that there are a lot of opportunities to partner up with other entities for the new clinics anticipated.

10. D. Wellness and Well-Being Update

Ms. Cyndi Archuleta, Benefits/Wellness Manager NMPSIA, provided the Board with a Wellness and Well-Being update. Ms. Archuleta noted NMPSIA's biggest challenge consists of disengaged membership. NMPSIA currently offers, partnering with the carriers, live and on-demand webinars, carrier portals, wellness challenges, and mobile applications. Ms. Archuleta noted that the coordinators work to offer benefits available to the entire NMPSIA membership and commended the team for their combined efforts. Ms. Archuleta highlighted the Wellness Ambassador Program as well as a \$700 Grant opportunity which awarded 6 out of 10 applicants funding for "Zen" spaces. Ms. Archuleta noted areas of focus to include surveying the membership to identify pain points, revisit efforts that are not working and refocus the successful items.

Ms. Denise Balderas had a question about the "Zen" spaces. Ms. Balderas liked the idea and asked where are they located. Ms. Quintana responded that there are currently six, 2 in Las Cruces, 1 in Cottonwood Classical, 1 in Las Lunas, 1 in Santa Fe, and 1 in Albuquerque. The Board liked the "Zen" room idea of being able to get some quiet time to escape.

11. General Discussion

Mr. Park opened up the general discussion for the Board. Ms. Bethany Jarrell had the opportunity to attend the Workers Compensation Conference in Las Vegas, Nevada. Mr. Park's goal is to cross-train all Board members. Ms. Jarrell gave her thanks to the Board and to NMPSIA. Noting it was a great conference to attend and a huge learning experience. The conference makes a better Board member for those who attend. Mr. Park suggested that we rotate every three years for the Board members to attend which will be beneficial to the board. Mr. Sandoval reported that he and Ms. Quintana went out to the 8 different regions in New Mexico by splitting them up and gave a high overview of NMPSIA. Ms. Jarrell thanked Mr. Sandoval and Ms. Kaylei Jones for visiting and sharing information about NMPSIA with their members. Mr. Park thanked the NMPSIA staff for all their hard work. Mr. Park thanked POMS for providing the space for the meeting.

**12. Next Meeting Date and Location: Thursday, December 8, 2022 (Action Item)
Location: Poms & Associates, 201 3rd Street, Suite 1400 and a virtual option**

The next meeting date will be on Thursday, December 8, 2022 at 9:00 a.m. located at Poms & Associates to be offered in-person and virtually.

A motion was made to approve the next meeting date and location.

MOTION: B. Jarrell

SECONDED: P. Jaramillo

A roll call vote was taken.

Ms. Kaylei Jones called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes

Denise Baldares	Yes
Tim Crone	Yes
Travis Dempsey	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

13. Adjournment (Action Item)

A motion was made to adjourn the meeting at 10:39 a.m.

MOTION: S. Quintana

SECONDED: B. Jarrell

A roll call vote was taken.

Ms. Kaylei Jones called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes
Denise Baldares	Yes
Tim Crone	Yes
Travis Dempsey	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

APPROVED:

Mr. Alfred Park, President

Date

Public Schools Insurance Authority



Board Meeting

Fiscal Year 2022

August 2022 Financial Reports

December 08, 2022

NM Public Schools Insurance Authority
Statement of Revenues and Expenditures - Employee Benefits Fund
From 8/1/2022 Through 8/31/2022

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
Revenue						
Premiums (Health Insurance Assessments)	26,457,214.90	26,986,751.25	2.00	53,148,189.89	54,142,678.68	1.87
Interest Income (Wells Fargo, LGIP)	3,871.93	38,059.10	882.95	8,056.56	81,275.48	908.81
Investment Income (SIC)	393,299.76	(777,735.01)	(297.75)	562,467.30	598,285.72	6.37
Total Revenue	<u>26,854,386.59</u>	<u>26,247,075.34</u>	(2.26)	<u>53,718,713.75</u>	<u>54,822,239.88</u>	2.05
Expenditures						
Medical Claims Expense	19,594,333.59	23,427,625.47	19.56	41,724,646.02	41,055,085.96	(1.60)
Prescription Claims Expense	3,548,507.64	5,764,981.92	62.46	9,722,284.77	11,288,547.31	16.11
Dental Claims Expense	1,113,228.67	1,298,970.23	16.68	2,370,711.55	2,631,953.48	11.02
Premiums (Life, Vision)	1,042,398.75	1,103,006.92	5.81	2,092,841.37	2,213,592.54	5.77
Claims Administration Fees (Medical, Dental, Rx)	1,515,368.03	1,207,529.70	(20.31)	3,086,367.40	2,302,739.92	(25.39)
Contractual Services (Erisa, Segal, Legal, Etc)	210,801.50	207,804.05	(1.42)	514,810.70	510,876.31	(0.76)
Transfer to Program Support	59,166.00	63,333.00	7.04	118,340.00	126,670.00	7.04
Total Expenditures	<u>27,083,804.18</u>	<u>33,073,251.29</u>	22.11	<u>59,630,001.81</u>	<u>60,129,465.52</u>	0.84
Net Revenue & Expenditures	<u>(229,417.59)</u>	<u>(6,826,175.95)</u>	2,875.44	<u>(5,911,288.06)</u>	<u>(5,307,225.64)</u>	(10.22)

NM Public Schools Insurance Authority
Statement of Revenues and Expenditures - Risk Fund
From 8/1/2022 Through 8/31/2022

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
Revenue						
Premiums (Risk Insurance Assessments)	7,246,967.00	7,737,270.00	6.77	14,493,922.00	15,474,584.00	6.77
Interest Income (Wells Fargo, LGIP)	9,968.62	137,200.55	1,276.32	15,586.81	161,214.77	934.30
Investment Income (SIC)	167,217.51	(603,877.71)	(461.13)	239,641.00	468,043.02	95.31
Miscellaneous Income (Penalties, Subros, Etc)	0.00	1.00	100.00	0.00	1.04	100.00
Total Revenue	7,424,153.13	7,270,593.84	(2.07)	14,749,149.81	16,103,842.83	9.18
Expenditures						
Property - Liability Claims Expense						
Property Claims	226,448.45	2,055,299.60	807.62	416,081.06	2,154,931.54	417.91
Liability Claims	882,617.67	1,669,332.76	89.13	9,737,893.84	6,315,033.73	(35.15)
P-L Provisions for Losses	(2,908,009.69)	(312,618.22)	(89.25)	(8,773,840.31)	1,639,090.14	(118.68)
P-L Excess Recoveries	(4,654,348.07)	71,600.87	(101.54)	(4,832,036.51)	(7,275,187.40)	50.56
P-L Excess Recoveries Distributed to Schools	0.00	3,838,620.19	100.00	0.00	3,838,620.19	100.00
Total Property - Liability Claims Expense	(6,453,291.64)	7,322,235.20	(213.47)	(3,451,901.92)	6,672,488.20	(293.30)
Workers' Compensation Claims Expense	716,077.41	1,875,455.65	161.91	1,190,719.94	2,234,774.78	87.68
Property Excess Coverage Premium	2,374,974.00	2,586,540.00	8.91	4,749,942.00	5,173,088.00	8.91
Liability Excess Coverage Premium	1,622,917.00	1,771,250.00	9.14	3,245,830.00	3,542,500.00	9.14
Workers' Compensation Excess Coverage Premium	38,895.00	39,900.00	2.58	77,785.00	79,809.00	2.60
Student Catastrophic Insurance Premium	18,092.00	18,240.00	0.82	36,189.47	36,488.62	0.83
Equipment Breakdown Insurance Premium	31,280.00	34,196.00	9.32	62,572.60	68,396.62	9.31
Property - Liability Claims Administration Fees	91,147.15	94,196.10	3.35	182,294.30	188,501.47	3.41
Workers' Compensation Claims Administration Fees	100,680.78	104,051.99	3.35	201,361.56	208,224.68	3.41
Contractual Services (Erisa, Poms, CCMSI, Legal, Etc)	278,567.70	285,272.19	2.41	1,520,159.49	1,539,191.64	1.25
Transfer to Program Support	59,158.00	63,340.00	7.07	118,320.00	126,700.00	7.08
Total Expenditures	(1,121,502.60)	14,194,677.13	(1,365.68)	7,933,272.44	19,870,163.01	150.47
Net Revenue & Expenditures	8,545,655.73	(6,924,083.29)	(181.02)	6,815,877.37	(3,766,320.18)	(155.26)

NM Public Schools Insurance Authority
Statement of Revenues and Expenditures - Program Support Fund
From 8/1/2022 Through 8/31/2022

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
Revenue						
Transfers from Other Funds (Benefits, Risk)	118,324.00	126,673.00	7.06	236,660.00	253,370.00	7.06
Miscellaneous Income	0.00	0.00	0.00	0.00	26.50	100.00
Total Revenue	118,324.00	126,673.00	7.06	236,660.00	253,396.50	7.07
Expenditures						
Contractual Services (Professional, Audit, Legal, Etc)	2,692.87	2,692.87	0.00	2,756.37	2,756.37	0.00
Other Expenses (Travel, Maint., Supplies, Utilities, Etc.)	5,305.31	16,809.41	216.84	5,725.60	18,559.76	224.15
Per Svc/Ben (Salaries, Fringe Benefits)	99,758.45	82,464.32	(17.34)	191,766.55	150,496.03	(21.52)
Total Expenditures	107,756.63	101,966.60	(5.37)	200,248.52	171,812.16	(14.20)
Net Revenue & Expenditures	10,567.37	24,706.40	133.80	36,411.48	81,584.34	124.06

NM Public Schools Insurance Authority

Balance Sheet

As of 8/31/2022

	<u>Program Support</u>	<u>Employee Benefits</u>	<u>Risk</u>	<u>Total</u>
ASSETS				
Cash (Wells Fargo/State Treasurer)	750,007.68	2,365,563.21	1,113,880.17	4,229,451.06
Short-term Investments (LGIP)	0.00	9,646,279.56	81,861,604.36	91,507,883.92
Long-term Investments (SIC)	0.00	23,104,289.71	17,924,001.47	41,028,291.18
Receivables (LGIP Int., W/C Excess Carrier)	0.00	101,477.24	27,309,932.83	27,411,410.07
Prepaid Premiums (Risk Excess Coverage)	0.00	0.00	44,501,260.00	44,501,260.00
Other Assets (Deposits, Furniture, Fxtures, Equip., Etc)	249,846.47	3,520,956.40	321,352.20	4,092,155.07
Total ASSETS	999,854.15	38,738,566.12	173,032,031.03	212,770,451.30
LIABILITIES				
Accounts Payable (Admin Fees)	0.00	1,420,788.34	702,408.90	2,123,197.24
Case Reserves (P/L, W/C)	0.00	0.00	35,046,531.79	35,046,531.79
IBNR (Incurred But Not Reported)	0.00	22,533,576.00	49,392,898.00	71,926,474.00
Claims Payable (Medical, Dental, P/L, W/C)	0.00	4,936,884.87	243,567.12	5,180,451.99
Deferred Revenue (Self-Pays, P/L, W/C Premiums)	0.00	129,231.93	77,372,700.00	77,501,931.93
Other (Payroll Taxes, Benefits, Compensated Absences Payable)	218,704.24	0.00	0.00	218,704.24
Total LIABILITIES	218,704.24	29,020,481.14	162,758,105.81	191,997,291.19
FUND EQUITY				
Beginning Fund Equity	699,565.57	15,025,310.62	14,040,245.40	29,765,121.59
Net Revenue & Expenditures (Year-to-Date)	81,584.34	(5,307,225.64)	(3,766,320.18)	(8,991,961.48)
Total FUND EQUITY	781,149.91	9,718,084.98	10,273,925.22	20,773,160.11

Public Schools Insurance Authority



Board Meeting

Fiscal Year 2022

September 2022 Financial Reports

December 08, 2022

NM Public Schools Insurance Authority
Statement of Revenues and Expenditures - Employee Benefits Fund
From 9/1/2022 Through 9/30/2022

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
Revenue						
Premiums (Health Insurance Assessments)	26,226,049.78	26,941,090.19	2.73	79,374,239.67	81,083,768.87	2.15
Interest Income (Wells Fargo, LGIP)	3,368.80	32,235.11	856.87	11,425.36	113,510.59	893.50
Investment Income (SIC)	(721,971.51)	(1,861,773.03)	157.87	(159,504.21)	(1,263,487.31)	692.13
Miscellaneous Income (Rx Rebates, Penalties, Subros, Etc)	1,000.00	0.00	(100.00)	1,000.00	0.00	(100.00)
Total Revenue	25,508,447.07	25,111,552.27	(1.56)	79,227,160.82	79,933,792.15	0.89
Expenditures						
Medical Claims Expense	25,837,978.63	20,330,248.62	(21.32)	67,562,624.65	61,385,334.58	(9.14)
Prescription Claims Expense	2,990,778.17	(1,578,058.01)	(152.76)	12,713,062.94	9,710,489.30	(23.62)
Dental Claims Expense	1,172,339.32	897,799.25	(23.42)	3,543,050.87	3,529,752.73	(0.38)
Premiums (Life, Vision)	1,042,017.13	1,111,958.66	6.71	3,134,858.50	3,325,551.20	6.08
Claims Administration Fees (Medical, Dental, Rx)	1,462,338.53	1,158,440.30	(20.78)	4,548,705.93	3,461,180.22	(23.91)
Contractual Services (Erisa, Segal, Legal, Etc)	204,470.06	299,980.09	46.71	719,280.76	810,856.40	12.73
Transfer to Program Support	59,166.00	63,333.00	7.04	177,506.00	190,003.00	7.04
Total Expenditures	32,769,087.84	22,283,701.91	(32.00)	92,399,089.65	82,413,167.43	(10.81)
Net Revenue & Expenditures	(7,260,640.77)	2,827,850.36	(138.95)	(13,171,928.83)	(2,479,375.28)	(81.18)

NM Public Schools Insurance Authority
Statement of Revenues and Expenditures - Risk Fund
From 9/1/2022 Through 9/30/2022

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
Revenue						
Premiums (Risk Insurance Assessments)	7,246,967.00	7,737,270.00	6.77	21,740,889.00	23,211,854.00	6.77
Interest Income (Wells Fargo, LGIP)	8,709.86	153,961.58	1,667.67	24,296.67	315,176.35	1,197.20
Investment Income (SIC)	(307,133.34)	(1,446,935.16)	371.11	(67,492.34)	(978,892.14)	1,350.38
Miscellaneous Income (Penalties, Subros, Etc)	0.00	0.00	0.00	0.00	1.04	100.00
Total Revenue	6,948,543.52	6,444,296.42	(7.26)	21,697,693.33	22,548,139.25	3.92
Expenditures						
Property - Liability Claims Expense						
Property Claims	710,227.29	1,184,833.55	66.82	1,126,308.35	3,339,765.09	196.52
Liability Claims	1,405,316.59	2,580,178.05	83.60	11,143,210.43	8,895,211.78	(20.17)
P-L Provisions for Losses	(602,668.10)	261,272.45	(143.35)	(9,376,508.41)	1,900,362.59	(120.27)
P-L Excess Recoveries	(621,239.94)	(839,280.00)	35.10	(5,453,276.45)	(8,114,467.40)	48.80
P-L Excess Recoveries Distributed to Schools	0.00	0.00	0.00	0.00	3,838,620.19	100.00
Total Property - Liability Claims Expense	891,635.84	3,187,004.05	257.43	(2,560,266.08)	9,859,492.25	(485.10)
Workers' Compensation Claims Expense	736,675.05	825,376.22	12.04	1,927,394.99	3,060,151.00	58.77
Property Excess Coverage Premium	2,374,974.00	2,586,540.00	8.91	7,124,916.00	7,759,628.00	8.91
Liability Excess Coverage Premium	1,622,917.00	1,771,250.00	9.14	4,868,747.00	5,313,750.00	9.14
Workers' Compensation Excess Coverage Premium	39,100.00	39,900.00	2.05	116,885.00	119,709.00	2.42
Student Catastrophic Insurance Premium	18,092.00	18,240.00	0.82	54,281.47	54,728.62	0.82
Equipment Breakdown Insurance Premium	31,280.00	34,196.00	9.32	93,852.60	102,592.62	9.31
Property - Liability Claims Administration Fees	91,147.15	94,195.05	3.34	273,441.45	282,696.52	3.38
Workers' Compensation Claims Administration Fees	100,680.78	104,050.94	3.35	302,042.34	312,275.62	3.39
Contractual Services (Erisa, Poms, CCMSI, Legal, Etc)	213,303.16	254,269.96	19.21	1,733,462.65	1,793,461.60	3.46
Transfer to Program Support	59,158.00	63,340.00	7.07	177,478.00	190,040.00	7.08
Total Expenditures	6,178,962.98	8,978,362.22	45.31	14,112,235.42	28,848,525.23	104.42
Net Revenue & Expenditures	769,580.54	(2,534,065.80)	(429.28)	7,585,457.91	(6,300,385.98)	(183.06)

NM Public Schools Insurance Authority
Statement of Revenues and Expenditures - Program Support Fund
From 9/1/2022 Through 9/30/2022

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
Revenue						
Transfers from Other Funds (Benefits, Risk)	118,324.00	126,673.00	7.06	354,984.00	380,043.00	7.06
Miscellaneous Income	0.00	0.00	0.00	0.00	26.50	100.00
Total Revenue	<u>118,324.00</u>	<u>126,673.00</u>	<u>7.06</u>	<u>354,984.00</u>	<u>380,069.50</u>	<u>7.07</u>
Expenditures						
Contractual Services (Professional, Audit, Legal, Etc)	28,800.51	2,692.87	(90.65)	31,556.88	5,449.24	(82.73)
Other Expenses (Travel, Maint., Supplies, Utilities, Etc.)	13,661.55	9,463.17	(30.73)	19,387.15	28,022.93	44.54
Per Svc/Ben (Salaries, Fringe Benefits)	104,030.87	77,370.23	(25.63)	295,797.42	227,866.26	(22.97)
Total Expenditures	<u>146,492.93</u>	<u>89,526.27</u>	<u>(38.89)</u>	<u>346,741.45</u>	<u>261,338.43</u>	<u>(24.63)</u>
Net Revenue & Expenditures	<u>(28,168.93)</u>	<u>37,146.73</u>	<u>(231.87)</u>	<u>8,242.55</u>	<u>118,731.07</u>	<u>1,340.47</u>

NM Public Schools Insurance Authority

Balance Sheet

As of 9/30/2022

	<u>Program Support</u>	<u>Employee Benefits</u>	<u>Risk</u>	<u>Total</u>
ASSETS				
Cash (Wells Fargo/State Treasurer)	791,950.97	2,461,708.87	1,733,447.92	4,987,107.76
Short-term Investments (LGIP)	0.00	10,681,189.13	76,857,405.30	87,538,594.43
Long-term Investments (SIC)	0.00	21,242,516.68	16,477,066.31	37,719,582.99
Receivables (LGIP Int., W/C Excess Carrier)	0.00	421,590.51	28,126,676.32	28,548,266.83
Prepaid Premiums (Risk Excess Coverage)	0.00	0.00	40,051,134.00	40,051,134.00
Other Assets (Deposits, Furniture, Fxtures, Equip., Etc)	249,846.47	8,855,862.94	321,352.20	9,427,061.61
Total ASSETS	1,041,797.44	43,662,868.13	163,567,082.05	208,271,747.62
LIABILITIES				
Accounts Payable (Admin Fees)	0.00	1,460,131.89	452,515.95	1,912,647.84
Case Reserves (P/L, W/C)	0.00	0.00	35,422,999.80	35,422,999.80
IBNR (Incurred But Not Reported)	0.00	22,533,576.00	49,392,898.00	71,926,474.00
Claims Payable (Medical, Dental, P/L, W/C)	0.00	7,009,285.70	923,378.88	7,932,664.58
Deferred Revenue (Self-Pays, P/L, W/C Premiums)	0.00	113,939.20	69,635,430.00	69,749,369.20
Other (Payroll Taxes, Benefits, Compensated Absences Payable)	223,500.80	0.00	0.00	223,500.80
Total LIABILITIES	223,500.80	31,116,932.79	155,827,222.63	187,167,656.22
FUND EQUITY				
Beginning Fund Equity	699,565.57	15,025,310.62	14,040,245.40	29,765,121.59
Net Revenue & Expenditures (Year-to-Date)	118,731.07	(2,479,375.28)	(6,300,385.98)	(8,661,030.19)
Total FUND EQUITY	818,296.64	12,545,935.34	7,739,859.42	21,104,091.40

New Mexico Public Schools Insurance Authority

Long-Term Funds Investment Policy Statement

February 23, 2000

Revised June 4, 2015

Revised December 2, 2021

AGENCY OVERVIEW AND HISTORY

New Mexico Public Schools Insurance Authority (NMPSIA) was created in 1986 to provide comprehensive insurance programs for public schools and other educational institutions. The Authority's enabling legislation is in section 22-29-1 through 22-29-12 NMSA 1978. An eleven- (11) member Board of Directors administers the Authority. NMPSIA is a public entity pool that provides coverage for eighty-eight (88) school districts, charter schools, and several other educational institutions. The NMPSIA pool provides its members group medical, dental, vision, life and disability insurance. The pool also provides property and liability, worker's compensation, equipment breakdown, bus errors & omissions, and student catastrophic insurance coverage for its members. NMPSIA assumes responsibility for determining premium levels, defining benefits, selecting service carriers, third party administrators, and consultants and establishing procedures for members to follow.

FUNCTIONS AND GOALS

The goals and objectives of NMPSIA are to provide pool insurance from its carriers to its members at a reasonable premium cost and at substantial savings to taxpayers of the State of New Mexico. The insurance coverages to be provided are in medical group health and general liability risk. NMPSIA provides controls to ensure adequate quality of performance for payment of claims by its carriers and third-party administrators.

PURPOSE

The purpose of this investment policy statement ("Policy Statement") is to document and communicate a clear understanding of the NMPSIA investment objectives, investment guidelines and performance expectations as adopted and approved by the Board of Directors and implemented by the Internal Fiscal Review Committee for the long-term reserves fund ("Long-Term Fund"). The purpose of this Policy Statement is to:

1. Establish an overall philosophy for managing the Long-Term Fund specific enough to identify performance expectations, but sufficiently flexible to allow for changing economic conditions and security markets.
2. Provide risk policies to guide the investments toward long term-rate of return objectives, which will serve as standards for evaluating investment performance.
3. Establish the investment restrictions to be placed upon the investment allocations.
4. Outline procedures for policy and performance review.
5. Comply with fiduciary, prudence, due diligence and legal requirements.

INVESTMENT AUTHORITY

NMPSIA, through its Board of Directors and Internal Fiscal Review Committee, has the ultimate responsibility for creating and implementing the investment policies as stated herein. The Board of Directors delegates authority to the Internal Fiscal Review Committee for the implementation and administration of these policies. NMPSIA acknowledges that the ultimate responsibility for total and relative investment results rests with the Board of Directors and the Internal Fiscal Review Committee.

In implementing this policy statement, NMPSIA believes it may delegate certain functions to:

1. The State Investment Council (SIC), as investment advisor
2. A consultant, to assist with periodic review of:
 - a) the investment policy statement
 - b) the performance of the investment portfolio
 - c) the asset allocation guidelines including recommendations to rebalance the portfolio as referenced in the "Periodic Re-balancing" section.

INVESTMENT GUIDELINES

Investments will be made for the sole interest and exclusive purpose of achieving the targeted returns, within the Investment Policy constraints described herein. The Long-Term Fund must be invested with the care, skill and diligence that a prudent person acting in this capacity would undertake.

The investments as a result of these policies will be implemented to achieve a return, after fees, equal to or greater than the return of the target asset mix, without additional risk as measured by the variability of returns.

OBJECTIVES OF THE LONG-TERM FUND

The objectives of the Long-Term Fund should be pursued as a long-term goal designed to maximize the returns without exposure to undue risk. Whereas it is understood that fluctuating rates of return are characteristic of the securities markets, the priority of the investments is long-term appreciation of the assets and consistency of total portfolio returns. Recognizing that short-term market fluctuations may cause variations in the account performance, the following objectives are expected over a full market cycle, defined as a minimum of 36 to 60 months.

1. The goals of NMPSIA are:
 - a) Moderate growth;
 - b) Stability within the risk parameters defined below.
2. The relative return targets of NMPSIA are:
 - a) Exceed the performance of the Consumer Price Index (CPI) +3%, on average, over a ten-year annualized period *or*
 - b) Exceed the performance of a representative target policy benchmark (listed below), net of fees, on average, over a ten-year annualized period:
 - 42% Russell 3000 Index
 - 23% MSCI All Country World index (ACWI) ex U.S. Index
 - 35% Bloomberg Barclays U.S. Aggregate Index
3. The total return target of NMPSIA is 6.50% per year, on average, net of fees, over a ten-year annualized period.

NMPSIA understands that the relative and total return targets are not guaranteed, and that prior performance is no guarantee of future results.

TARGET ASSET ALLOCATION TABLE

The Internal Fiscal Review Committee believes that to achieve the greatest likelihood of meeting the investment objectives of the Long-Term Fund and the best balance between risk and return for optimal diversification, assets will be invested in accordance with the targets for each asset class as follows to achieve an average total annual rate of return that is equal to or greater than the Long-Term Fund's target rate of return over the long-term, as described above.

Asset Class	Minimum Allocation	Target Allocation	Maximum Allocation	Index
U.S. Equities	27%	42%	57%	Russell 3000
Int'l Equities	84%	23%	38%	MSCI ACWI ex U.S.
Fixed Income	15%	35%	55%	Bloomberg Barclays U. S. Aggregate
Cash Equivalents	0%	0%	20%	90 Day T-Bills

PERIODIC RE-BALANCING

The asset allocation range established by this Policy Statement represents a long-term perspective. As such, rapid unanticipated market shifts or changes in economic conditions may cause the asset mix to fall outside Policy Statement ranges. When allocations breach the specified ranges, the Internal Fiscal Review Committee will rebalance the assets within the specified ranges. The Internal Fiscal Review Committee may also rebalance based on market conditions.

GUIDELINES FOR PORTFOLIO HOLDINGS

The direct investments of the Advisor, i.e., SIC, shall make every effort, to the extent practical, prudent and appropriate, to select investments that have investment objectives and policies that are consistent with this Policy Statement. However, given the nature of the investments, it is recognized that there may be deviations between this Policy Statement and the objectives of these investments.

EQUITY PORTFOLIO

No more than the greater of 5% or weighting in the relevant index (Russell 3000 Index for U.S. issues and MSCI ACWI ex-U.S. for non-U.S. issues) of the total equity portfolio valued at market may be invested in the common equity of any one corporation; ownership of the shares of one company shall not exceed 5% of those outstanding; and not more than 40% of equity valued at market may be held in any one sector, as defined by the Global Industry Classification Standard (GICS).

Domestic Equities: Other than the above constraints, there are no quantitative guidelines as to issues, industry or individual security diversification. However, prudent diversification standards should be developed and maintained by the Manager.

International Equities: The overall non-U.S. equity allocation should include a diverse global mix that is composed of the equity of companies from multiple countries, regions and sectors.

FIXED INCOME PORTFOLIO

Fixed income securities of any one issuer shall not exceed 5% of the total bond portfolio at time of purchase. The 5% limitation does not apply to issues of the U.S. Treasury or other Federal Agencies. The overall rating of the fixed income assets as calculated by the Advisor shall be investment grade, based on the rating of one Nationally Recognized Statistical Rating Organization ("NRSRO").

CASH EQUIVALENTS

Cash equivalents (all fixed income securities maturing in one year or less) may be invested in U.S. Treasury Bills, Certificates of Deposit, Money Market Funds, Diversified Guaranteed Insurance Contracts (GIC's) or other short-term money market instruments.

NMPSIA understands that 5% is a liquidity target and that at any time the amount of the NMPSIA held in cash reserves may be slightly higher or lower than this target given portfolio management considerations.

REPORTING REQUIREMENTS

NMPSIA and the Internal Fiscal Review Committee shall review annually and report to the Board of Directors the appropriateness of this Policy Statement for achieving the Long-Term Fund's stated objectives. It is not expected that this Policy Statement will change frequently. Short-term changes in the financial markets should not require an adjustment in this Policy Statement.

The Internal Fiscal Review Committee shall compare the investment results on a quarterly basis to appropriate peer universe, as well as market indices in both equity and fixed income markets and the target policy benchmark as defined in the "Objectives of the Long-Term Fund" section. The Advisor, i.e., SIC, shall be required to provide quarterly reports and is responsible for keeping the Internal Fiscal Review Committee advised of any material change in investment strategy, managers, and other pertinent information potentially affecting performance of the Long-Term Fund.

The Internal Fiscal Review Committee shall report at least annually the investment performance of the Long-Term Fund to the Board of Directors.

PROHIBITED INVESTMENTS

The following transactions are prohibited:

1. Purchases or sales of commodities and commodity futures contracts.
2. Short sales.
3. Purchases and sales of put or call options.
4. Purchases on margin (borrowing against the securities in the account).

Adoption of Investment Policy Statement

A quorum of the Board of Directors has adopted this Investment Policy Statement and delegates the authority for implementing and utilizing this per the attached resolution.

Any changes and exceptions to this Policy Statement will be made in writing and adopted by the Board of Directors. Once adopted, changes and exceptions will be delivered to each Manager or Advisor, as appropriate.

Approved by the NMPSIA Board of Directors:

DocuSigned by:

7A6C4B245034407...

Board Chair

12/16/2021

Date



New Mexico Public Schools Insurance Authority

Investment Performance Review For the Quarter Ended September 30, 2022

Client Management Team

PFM Asset Management LLC

Paulina Woo, Managing Director
Ellen Clark, Director
Matt Smith, CFA, Senior Managing Consultant
Chrystal Thomas, Analyst

1820 East Ray Road
Chandler, AZ 85225
855-885-9621

1735 Market Street
43rd Floor
Philadelphia, PA 19103

Markets and Economy

	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
DOMESTIC EQUITY							
S&P 500	-4.88%	-23.87%	-15.47%	8.16%	9.24%	11.40%	11.70%
Russell 3000 Index	-4.46%	-24.62%	-17.63%	7.70%	8.62%	10.90%	11.39%
Russell 1000 Value Index	-5.62%	-17.75%	-11.36%	4.36%	5.29%	8.15%	9.17%
Russell 1000 Growth Index	-3.60%	-30.66%	-22.59%	10.67%	12.16%	13.74%	13.70%
Russell Midcap Index	-3.44%	-24.27%	-19.39%	5.19%	6.48%	8.79%	10.30%
Russell 2500 Index	-2.82%	-24.01%	-21.11%	5.36%	5.45%	8.39%	9.58%
Russell 2000 Value Index	-4.61%	-21.12%	-17.69%	4.72%	2.87%	7.42%	7.94%
Russell 2000 Index	-2.19%	-25.10%	-23.50%	4.29%	3.55%	7.51%	8.55%
Russell 2000 Growth Index	0.24%	-29.28%	-29.27%	2.94%	3.60%	7.12%	8.81%
INTERNATIONAL EQUITY							
MSCI EAFE (Net)	-9.36%	-27.09%	-25.13%	-1.83%	-0.84%	2.84%	3.67%
MSCI AC World Index (Net)	-6.82%	-25.63%	-20.66%	3.75%	4.44%	7.42%	7.28%
MSCI AC World ex USA (Net)	-9.91%	-26.50%	-25.17%	-1.52%	-0.81%	3.29%	3.01%
MSCI AC World ex USA Small Cap (Net)	-8.37%	-29.37%	-28.93%	0.38%	-0.56%	3.98%	4.44%
MSCI EM (Net)	-11.57%	-27.16%	-28.11%	-2.07%	-1.81%	3.88%	1.05%
ALTERNATIVES							
FTSE NAREIT Equity REIT Index	-9.94%	-28.13%	-16.41%	-2.05%	2.93%	4.86%	6.26%
FTSE EPRA/NAREIT Developed Index	-11.39%	-29.41%	-22.09%	-5.62%	0.07%	2.40%	3.77%
Bloomberg Commodity Index Total Return	-4.11%	13.57%	11.80%	13.45%	6.96%	4.49%	-2.14%
FIXED INCOME							
Blmbg. U.S. Aggregate	-4.75%	-14.61%	-14.60%	-3.26%	-0.27%	0.54%	0.89%
Blmbg. U.S. Government/Credit	-4.56%	-15.10%	-14.95%	-3.15%	-0.05%	0.78%	1.02%
Blmbg. Intermed. U.S. Government/Credit	-3.06%	-9.63%	-10.14%	-1.64%	0.38%	0.80%	1.00%
Blmbg. U.S. Treasury: 1-3 Year	-1.55%	-4.52%	-5.07%	-0.54%	0.54%	0.55%	0.59%
Blmbg. U.S. Corp: High Yield	-0.65%	-14.74%	-14.14%	-0.45%	1.57%	4.13%	3.94%
Credit Suisse Leveraged Loan index	1.19%	-3.31%	-2.62%	2.12%	3.00%	3.67%	3.70%
ICE BofAML Global High Yield Constrained (USD)	-2.62%	-18.90%	-19.52%	-2.84%	-0.35%	2.85%	2.91%
Blmbg. Global Aggregate Ex USD	-8.85%	-23.88%	-24.77%	-7.78%	-4.03%	-1.69%	-2.39%
JPM EMBI Global Diversified	-4.57%	-23.95%	-24.28%	-7.15%	-2.62%	0.90%	1.08%
CASH EQUIVALENT							
90 Day U.S. Treasury Bill	0.46%	0.61%	0.62%	0.59%	1.15%	0.94%	0.67%

Source: Investment Metrics. Returns are expressed as percentages. Please refer to the last page of this document for important disclosures relating to this material.

THE ECONOMY

▶ Over the third quarter, annual inflation slowed to 8.2% in September, after hitting a high of 9.1% in June. While the overall level of inflation has come down, the core inflation rate, which excludes more volatile food and energy, advanced to a 40-year high in September, underscoring persistent, elevated inflation that’s squeezing households. The core consumer price index was up 6.6% from a year ago, the highest level since 1982. Europe also saw its struggle with record-breaking inflation continue through the quarter, ending with a 10% preliminary annual inflation rate as energy prices rose 40.8% year-over-year.

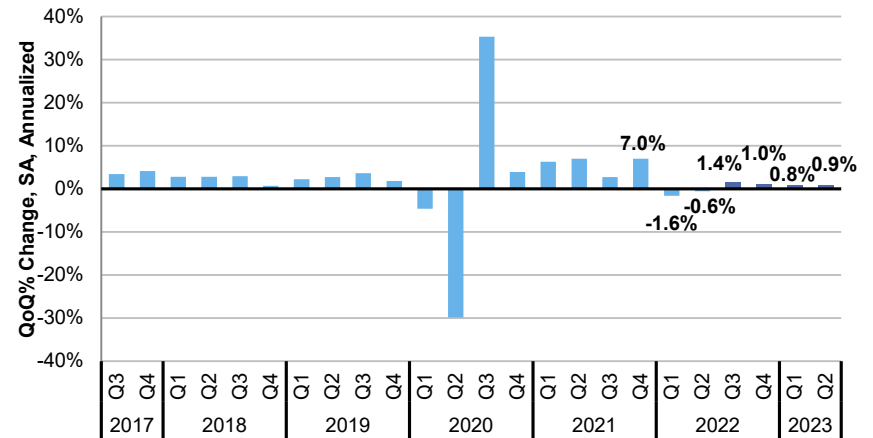
▶ The Federal Reserve (Fed) raised rates a total of 1.5% during the quarter, with expectations for further increases in the coming quarter. The Fed has buckled down on doing what it takes to combat inflation, painting a bleak picture for the path forward of interest rates. While market expectations for the Fed funds rate have risen to an increased likelihood of a 75 basis point (bps) rate hike at the November Federal Open Market Committee (FOMC) meeting and a 75 bps rate hike at the December meeting. The European Central Bank, the Bank of England and various other central banks also continued to raise rates during the quarter as they worked to control inflation in their domestic markets.

▶ U.S. labor markets remained strong during the quarter, ending with an unemployment rate of 3.5% in September after edging up slightly in August. Over the quarter, the U.S. economy added 1,115,000 jobs to non-farm payrolls, 86,000 more than the previous quarter, as employment remains approximately 500,000 higher than its pre-pandemic level. This, along with a low labor-force participation rate and aging demographic trends, continues to keep upward pressure on wages, contributing to the heightened inflation the U.S. faces.

▶ Due to the monetary tightening by the Fed, mortgage rates saw a dramatic rise during the quarter, cooling the hot housing market. U.S. mortgage rates advanced to a fresh 16-year high of 6.81%, extending a rapid ascent in borrowing costs that are seen as dealing a bigger blow to the housing market. As rates rose, sales declined, with August marking the seventh straight month of declines in home sales. At 4.8 million, it is the lowest reading since May 2020.

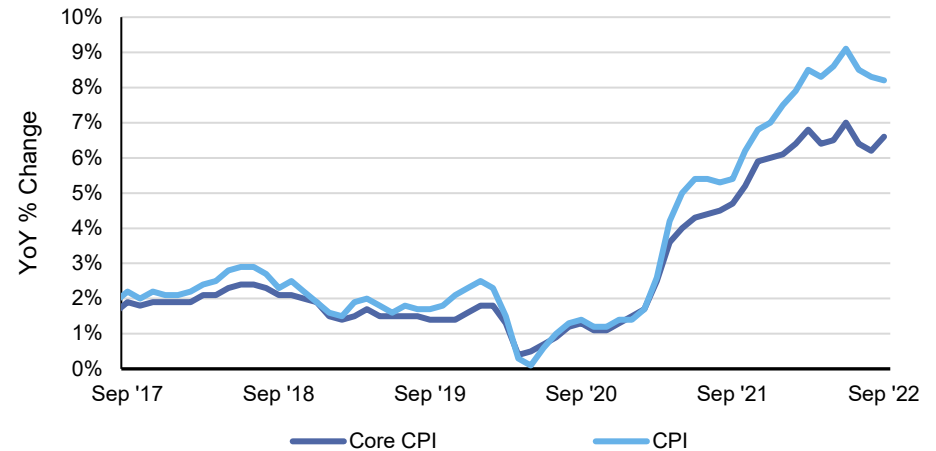
U.S. Real GDP Growth

Seasonally Adjusted (SA)



Source: Bloomberg. Light blue bars indicate actual numbers; dark blue bars indicate forecasted estimates.

U.S. Inflation Rate



Source: Bureau of Labor Statistics.

WHAT WE'RE WATCHING

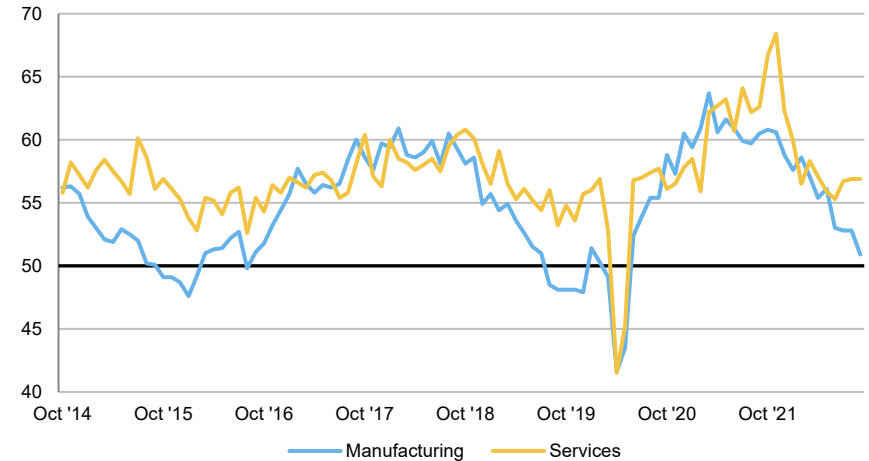
▶ While the U.S. and other major economies continue to raise rates to control inflation while balancing the risk of recession domestically, concerns grow about the possibility of a recession globally. The UN Conference on Trade and Development is calling for a reverse course on raising rates, stating that it is leading the world into a global recession and prolonged stagnation. Fed Chair Jerome Powell stated, "We are very aware of what's going on in other economies around the world, and what that means for us, and vice versa," but did not indicate any plans to reverse the policy.

▶ The IMF downwardly revised their outlook for 2023 global economic growth, predicting a greater slowdown than previously expected. The IMF revised the world GDP growth down 20 bps from its July estimate to 2.7%. The report found that more than a third of the global economy will see two consecutive quarters of negative growth. Major roadblocks to growth like the Russian invasion of Ukraine, China's economic slowdown, and the cost-of-living crisis in many countries, are not expected to resolve soon.

▶ As the Fed works to control inflation, the consumer sentiment index increased to a five-month high, rising to 58.6 and showing improvement from June's 50 reading, but still significantly below last September's 72.8. The low consumer sentiment across the income distribution has been consistent for the past six months, underscoring the shared concerns about inflation pressures. Retail sales figures also suggest there may be more gloomy outlooks despite sentiment readings, as September's consumer spending was flat as prices moved sharply higher.

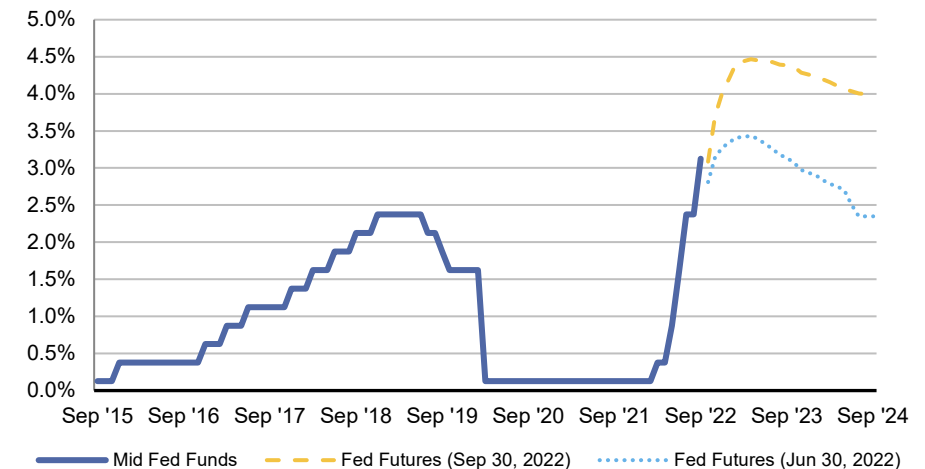
▶ The continued energy disruptions and high prices that have added fuel to the fire of inflation show no signs of slowing. The relief some consumers feel after gas fell from a record \$5.02 per gallon may be short-lived. Prices are expected to rise as the OPEC and its allies agreed to slash output by two million barrels a day, a move likely to push up already-high global energy prices and help oil-exporting Russia pay for its war in Ukraine. The U.S. Energy Information Administration also projected U.S. consumers would be paying up to 28% more to heat their homes this winter, on top of even higher increases last year where consumers felt a bigger pinch with fuels such as heating oil jumping more than 50%.

ISM Manufacturing & Services PMI



Source: Bloomberg.

Federal Funds Target Rate



Source: Bloomberg.

DOMESTIC EQUITY

- ▶ The S&P 500 Index (S&P) posted a negative return of -4.88% for the quarter as markets continued to digest hawkish sentiment from the Fed and their commitment to raise rates and bring inflation down.
- ▶ During a quarter where consumers saw the price of oil decrease and Congress passed the Inflation Reduction Act, the U.S. Consumer Confidence Index saw increases for two consecutive months in August and September, after being at its lowest level in over a year in July.
- ▶ Within S&P, nine of 11 sectors ended with negative returns for the quarter. Communication Services (-12.71%), Real Estate (-11.03%) and Materials (-7.13%) were the worst-performing sectors. The two sectors that ended positively for the quarter were Consumer Discretionary (4.36%) and Energy (2.16%). Year-to-date (YTD), Energy (34.49%) is the only positive performing sector, with Communication Services (-39.04%), Information Technology (-31.44%) and Consumer Discretionary (-29.89%) being the largest detractors.

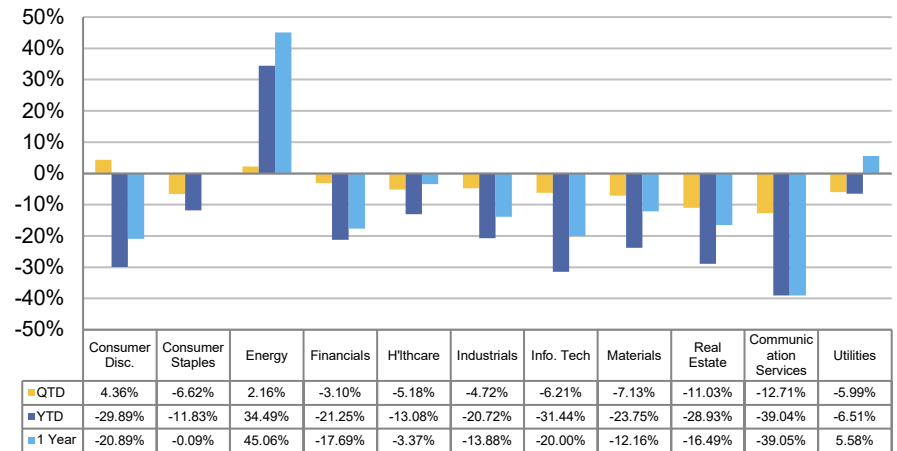
▶ Value stocks, as represented by the Russell 1000 Value Index, returned -5.62%, underperforming growth stocks, as represented by the Russell 1000 Growth Index, which returned -3.60%. Over the trailing 12 months, the value index has outperformed the growth index by 1123 bps (-11.36% vs. -22.59%).

▶ Small-caps, as represented by the S&P 600 Index, returned -5.21% during the quarter, underperforming mid- and large-caps while the Russell 2000, returned -2.19% during the quarter, outperforming mid- and large-caps. The Russell Midcap and Russell 1000 indices returned -3.44% and -4.61%, respectively.

▶ According to FactSet Earnings Insight, the expected earnings growth rate for the S&P for the quarter is 2.9%. If 2.9% is the actual growth rate for the quarter, it will mark the lowest earnings growth rate reported by the index since the third quarter of 2020 (-5.7%). Additionally, according to FactSet Earnings Insight, the Energy sector is expected to be the largest contributor to earnings growth for the S&P for the third quarter. If this sector were excluded, the index would be expected to report a decline in earnings of 3.4% rather than a growth in earnings of 2.9%.

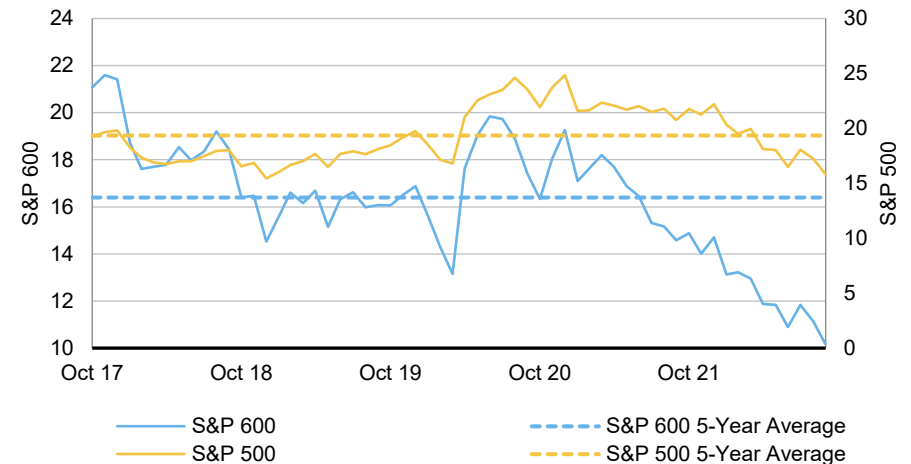
S&P 500 Index Performance by Sector

Periods Ended September 30, 2022



Source: Bloomberg.

P/E Ratios of Major Stock Indices*



Source: Bloomberg.

*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

NON-U.S. EQUITY

► Equity markets outside of the United States, as measured by the MSCI ACWI ex-U.S. Index, underperformed their U.S. counterparts, returning -9.91% for the quarter. All 11 sectors posted negative returns for the quarter. Energy was the best-performing sector returning -6.31%, followed by Consumer Staples (-6.40%) and Materials (-7.86%), while Communication Services was the worst-performing sector returning -16.47%. The strong dollar remains a headwind to international equity returns this quarter due to the negative impact of currency translation. Rising inflation and slowing growth weighed heavily on the market returns.

► Emerging markets (EM), as represented by MSCI Emerging Market Index, underperformed Developed ex-U.S. Markets, represented by the MSCI EAFE Index, returning -11.57% versus -9.36% for the quarter.

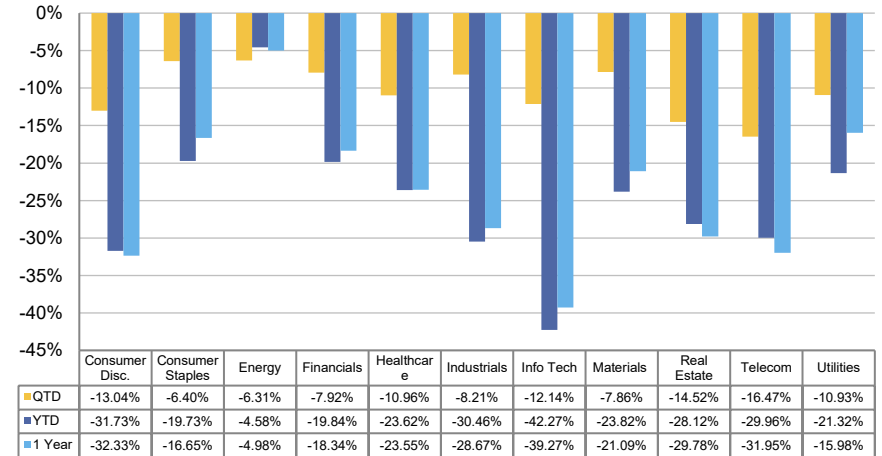
► MSCI Europe (-10.11%) underperformed the MSCI EAFE Index, as the Russian gas supply disruption exacerbated price pressures and hindered the European Central Bank’s efforts to combat inflation. MSCI Japan, on the other hand, fared better than the MSCI EAFE Index, returning -7.52%. Within EM, EM Latin America (+3.72%) was the top-performing region, benefitting from Brazil’s strong return of +8.68% as the country nears the end of its tightening cycle and demand for commodities stays elevated. EM Asia and EM Europe dragged the index down with quarterly returns of -13.87% and -12.09%, respectively.

► Value stocks underperformed growth stocks for the quarter, as represented by the broad benchmark, a reversal of the trend observed during the first half of the year. MSCI AC World ex-USA Value returned -10.44%, while MSCI AC World ex-USA Growth returned -9.37%. Within EM, value continued to outperform growth returning -10.77% versus -12.09%.

► Small-caps, as represented by MSCI ACWI ex-U.S. Small Cap Index, outperformed within the international equity markets, returning -8.37%.

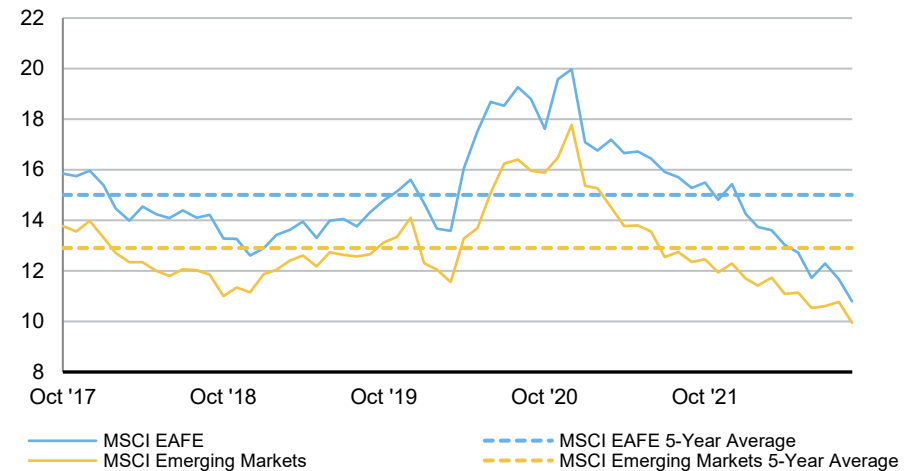
MSCI ACWI ex-U.S. Sectors

Periods Ended September 30, 2022



Source: Bloomberg.

P/E Ratios of MSCI Equity Indices*



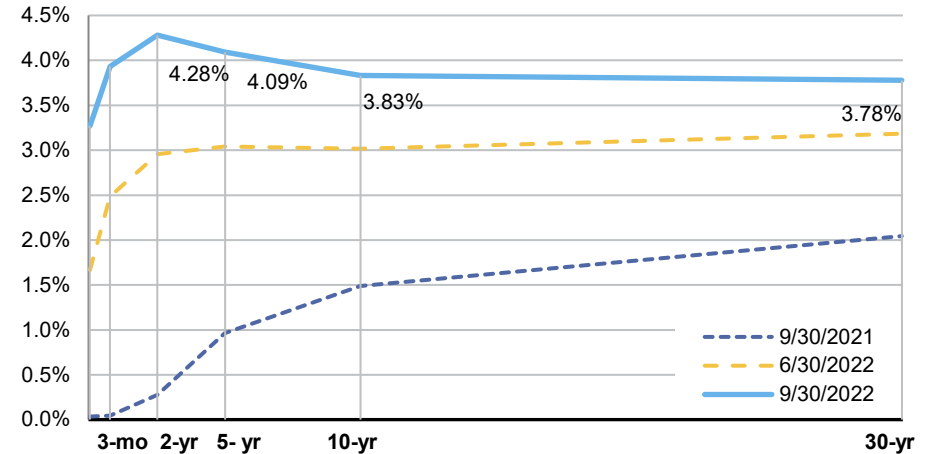
Source: Bloomberg.

*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

FIXED INCOME

- ▶ The U.S. bond market, represented by the Bloomberg U.S. Aggregate (Aggregate) Index, continued its sharply negative streak in the third quarter, this time with a 4.75% loss. YTD the Aggregate has lost 14.61% through September.
- ▶ The treasury market sold off again as the Fed took another hawkish tone at the Jackson Hole summit. The front end of the curve continued to rise on Fed hikes. The back end also rose, especially in late September. Yields on the 2- and 5-year treasuries rose over 100 bps each. Further out the curve, the 10-year briefly touched a 4.00% mark before falling back to 3.83%. Meanwhile, the 30-year increased, settling with a 3.79% yield, with an inverted slope versus the 2- and 10-year tenors. The Bloomberg U.S. Treasury Index lost 4.35% in total return for the quarter.
- ▶ Corporate credit was mixed as the investment-grade (IG) Bloomberg U.S. Corporate Index lost 5.06%, while high yield bonds, as represented by the Bloomberg U.S. Corporate High Yield (HY) Index, had a much more mild loss at just -0.65% as credit spreads tightened in the BB and B-rated quality. Floating rate leverage loans gained 1.19% as measured by the Credit Suisse Leveraged Loan Index.
- ▶ The fixed-rate mortgage market, as measured by the Bloomberg U.S. Mortgage-Backed Securities (MBS) Index, had another weak quarter, down 5.35%. On the commercial side, the Bloomberg U.S. Agency CMBS Index fell 4.64%.
- ▶ EM USD sovereign bonds, as represented by the JP Morgan EMBI Global Diversified Index, lost 4.57% as inflation and COVID-19 continue to disturb markets. During the quarter, Asian markets sold off the most, down 5.98%, while Africa and Middle East sub-indices performed best.

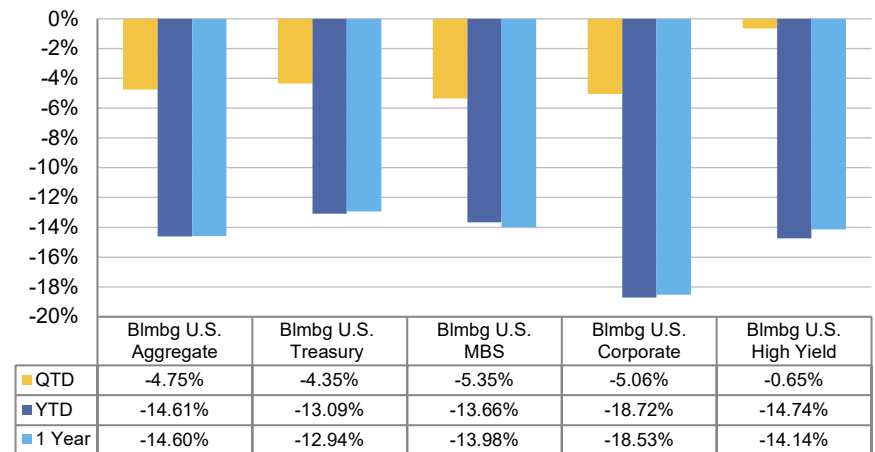
U.S. Treasury Yield Curve



Source: Bloomberg.

Returns for Fixed-Income Segments

Periods Ended September 30, 2022



Source: Bloomberg. "Blmbg BC" is Bloomberg Barclays.

ALTERNATIVES

▶ REITs, as measured by the FTSE NAREIT Equity REITs Index, returned -9.94% in the third quarter of 2022, compared to -17.00% in the prior quarter. All major sectors posted negative returns during the third quarter. The poor returns resulted from increasing odds of recession and rapidly rising interest rates. The best performers were the Self-Storage and Lodging/Resorts sectors, which posted returns of -1.71% and -4.09%, respectively. The Data Centers sector returned -16.77% and was the worst performer during the quarter.

▶ Private real estate, as measured by the NCREIF Property Index, gained 3.23% in the second quarter of 2022, resulting in a 21.50% return over the twelve-month period ended June 2022. Industrial properties continued to be the top-performing sector, with a total return of 5.86% in the second quarter, comprised of 0.78% in income return and 5.08% in appreciation return. Office properties were the worst performers, although the sector still posted a positive total return of 0.58%, comprised of 1.08% in income return and -0.50% in appreciation return.

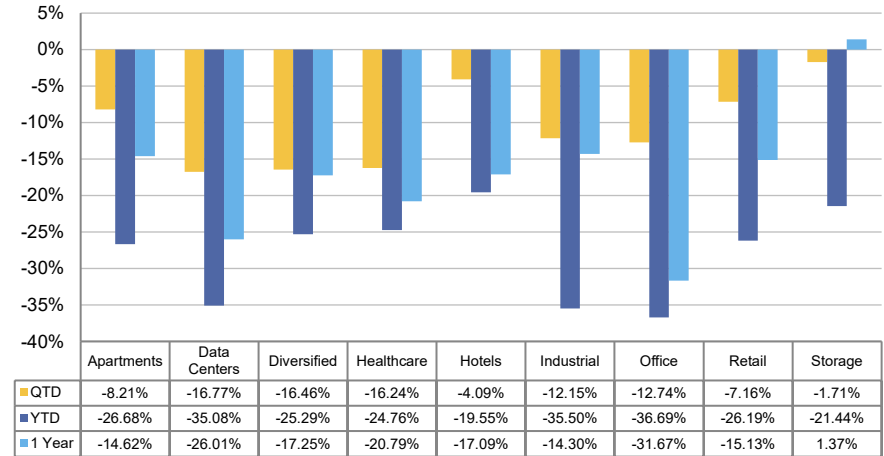
▶ Hedge fund returns were mixed in the third quarter of 2022, with the HFRI Fund Weighted Composite Index returning -0.58%. During the same period, the HFRI Macro (Total) Index, which benefited from recent market volatility, gained 2.21%. The HFRI Equity Hedge (Total) Index and the HFRI Fund of Funds Index returned -2.34% and 0.73%, respectively.

▶ In the second quarter of 2022, private capital fundraising was led by private equity funds, which closed on \$137.25 billion, followed by \$54.62 billion raised by private debt funds, \$47.96 billion raised by real assets funds, and \$29.35 billion raised by private real estate funds. Global private equity dry powder, which accounts for the bulk of private capital dry powder, remains high at \$1.24 trillion as of June 2022. According to Cambridge Associates, U.S. private equity generated a return of 22.65% for the 5 years ended Q1 2022. According to Cliffwater Direct Lending Index, U.S. middle market loans, a proxy for private debt, generated a return of 8.32% for the 5 years ended Q2 2022.

▶ Commodity futures, represented by the Bloomberg Commodity Total Return Index, fell 4.11% in the third quarter of 2022. The U.S. Dollar Index (DXY) gained 7.10% over the same period and reached multi-year highs. Gold spot price finished the quarter at \$1,660.61 per ounce, an 8.12% decline over that period. The West Texas Intermediate (WTI) Crude Oil spot price fell 24.84% from \$105.76 to \$79.49 per barrel during the third quarter as fears of a global economic downturn outweighed supply concerns.

FTSE NAREIT Sectors

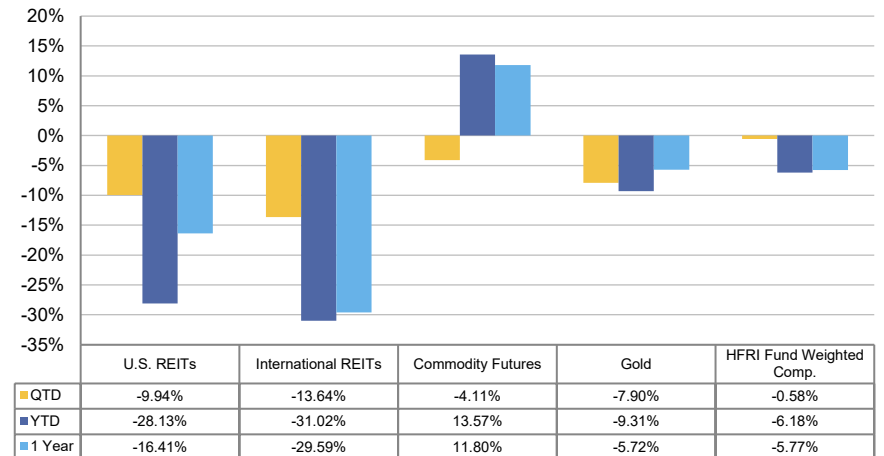
Periods Ended September 30, 2022



Source: Bloomberg.

Returns for Alternative Assets

Periods Ended September 30, 2022



Sources: Bloomberg and Hedge Fund Research, Inc.

Benefits Fund - Performance Review

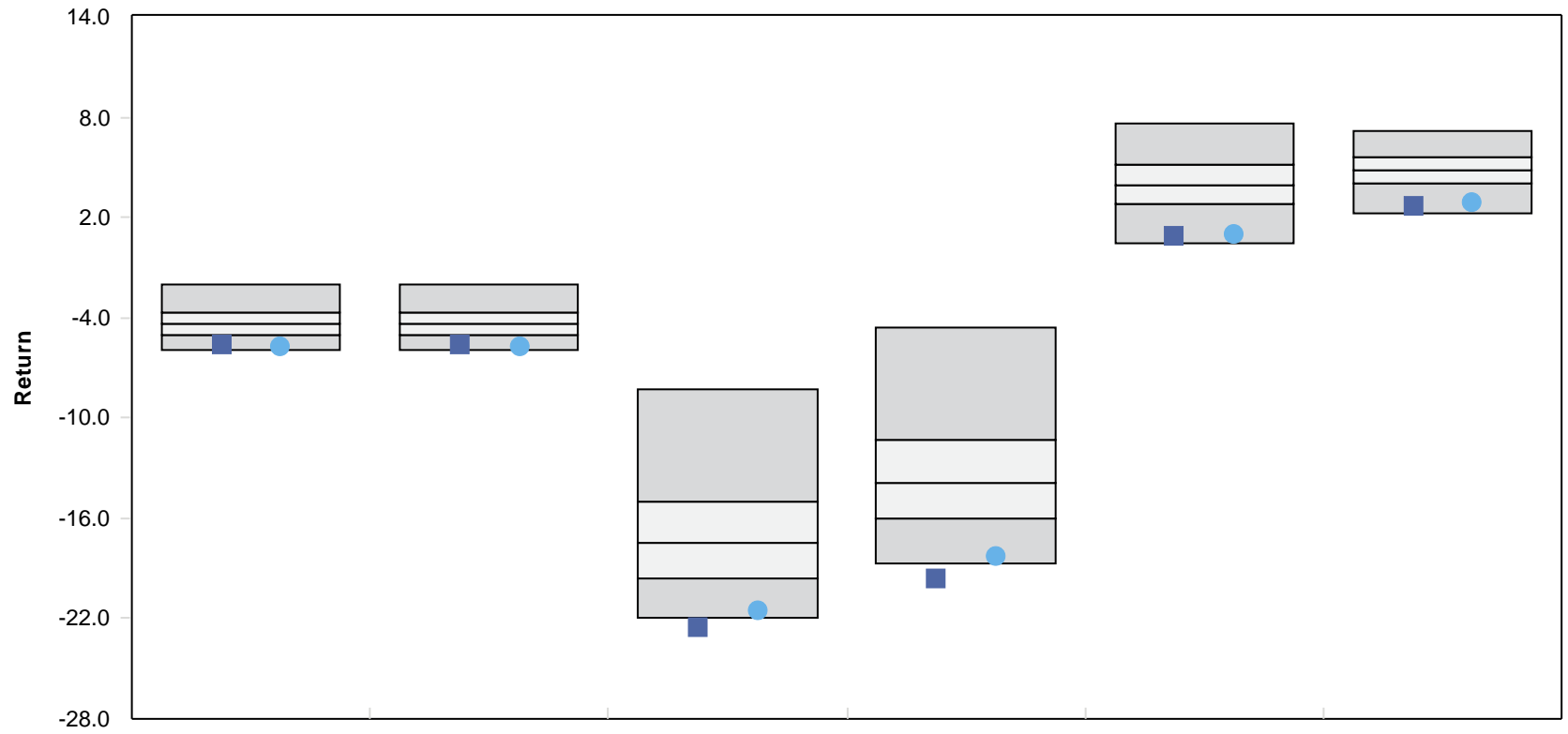
Asset Allocation & Performance

	Allocation		Performance(%)								
	Market Value (\$)	%	1 Quarter	Fiscal YTD	Year To Date	1 Year	3 Years	5 Years	7 Years	Since Inception	Inception Date
Total Fund	21,242,517	100.00	-5.61	-5.61	-22.50	-19.57	0.91	2.67	5.04	4.02	07/01/2014
<i>Blended Benchmark</i>			<i>-5.76</i>	<i>-5.76</i>	<i>-21.54</i>	<i>-18.30</i>	<i>1.01</i>	<i>2.93</i>	<i>4.88</i>	<i>4.02</i>	<i>07/01/2014</i>
Domestic Equity											
Large Cap Index	7,241,281	34.09	-4.62	-4.62	-24.41	-17.01	6.93	8.18	10.68	9.00	07/01/2014
<i>Russell 1000 Index</i>			<i>-4.61</i>	<i>-4.61</i>	<i>-24.59</i>	<i>-17.22</i>	<i>7.95</i>	<i>9.00</i>	<i>11.15</i>	<i>9.39</i>	<i>07/01/2014</i>
Small Mid Cap	2,423,151	11.41	-2.44	-2.44	-25.35	-23.54	3.38	3.38	N/A	8.26	02/01/2016
<i>Russell 2500 Index</i>			<i>-2.82</i>	<i>-2.82</i>	<i>-24.01</i>	<i>-21.11</i>	<i>5.36</i>	<i>5.45</i>	<i>8.39</i>	<i>9.66</i>	<i>02/01/2016</i>
International Equity											
Non US Developed	3,886,269	18.29	-9.31	-9.31	-26.30	-24.22	-0.68	-0.04	3.68	1.22	07/01/2014
<i>MSCI AC World ex USA (Net)</i>			<i>-9.91</i>	<i>-9.91</i>	<i>-26.50</i>	<i>-25.17</i>	<i>-1.52</i>	<i>-0.81</i>	<i>3.29</i>	<i>0.52</i>	<i>07/01/2014</i>
Non US Emerging	1,280,577	6.03	-12.26	-12.26	-28.30	-28.91	-0.84	-1.57	N/A	2.87	12/01/2016
<i>MSCI Emerging Markets Index</i>			<i>-11.42</i>	<i>-11.42</i>	<i>-26.89</i>	<i>-27.80</i>	<i>-1.71</i>	<i>-1.44</i>	<i>4.26</i>	<i>3.10</i>	<i>12/01/2016</i>
Fixed Income											
Core Plus Bonds	6,411,239	30.18	-4.11	-4.11	-15.17	-15.02	-2.28	0.65	2.04	1.83	07/01/2014
<i>Blmbg. U.S. Aggregate</i>			<i>-4.75</i>	<i>-4.75</i>	<i>-14.61</i>	<i>-14.60</i>	<i>-3.26</i>	<i>-0.27</i>	<i>0.54</i>	<i>0.83</i>	<i>07/01/2014</i>

Returns are net of fees.
Returns are expressed as percentages.

Plan Sponsor Peer Group Analysis

All Public Plans-Total Fund



	1 Quarter	Fiscal YTD	Year To Date	1 Year	3 Years	5 Years
■ Total Fund	-5.61 (90)	-5.61 (90)	-22.50 (98)	-19.57 (98)	0.91 (94)	2.67 (94)
● Blended Benchmark	-5.76 (94)	-5.76 (94)	-21.54 (94)	-18.30 (93)	1.01 (94)	2.93 (92)
5th Percentile	-2.06	-2.06	-8.33	-4.55	7.57	7.19
1st Quartile	-3.73	-3.73	-15.05	-11.30	5.12	5.58
Median	-4.35	-4.35	-17.48	-13.93	3.92	4.78
3rd Quartile	-5.01	-5.01	-19.57	-16.07	2.83	4.05
95th Percentile	-5.90	-5.90	-21.96	-18.71	0.44	2.26
Population	482	482	470	466	450	433

Parentheses contain percentile rankings.
 Calculation based on monthly periodicity.
 Returns are net of fees and are expressed as percentages.

Financial Reconciliation

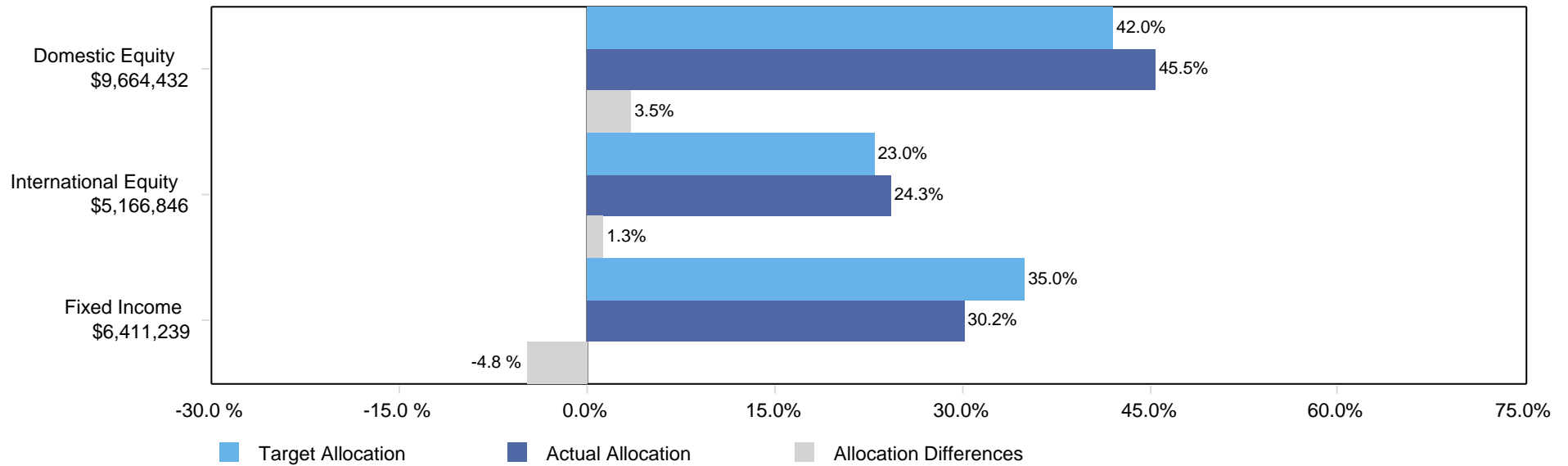
	Market Value As of 07/01/2022	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund	22,506,004	-	(1,263,487)	21,242,517
Large Cap Index	7,591,629	-	(350,348)	7,241,281
Small Mid Cap	2,483,823	-	(60,671)	2,423,151
Non US Developed	4,285,193	-	(398,925)	3,886,269
Non US Emerging	1,459,493	-	(178,916)	1,280,577
Core Plus Bonds	6,685,867	-	(274,627)	6,411,239

	Market Value As of 07/01/2022	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund	22,506,004	-	(1,263,487)	21,242,517
Large Cap Index	7,591,629	-	(350,348)	7,241,281
Small Mid Cap	2,483,823	-	(60,671)	2,423,151
Non US Developed	4,285,193	-	(398,925)	3,886,269
Non US Emerging	1,459,493	-	(178,916)	1,280,577
Core Plus Bonds	6,685,867	-	(274,627)	6,411,239

	Market Value As of 01/01/2022	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund	27,408,146	(21,775)	(6,143,854)	21,242,517
Large Cap Index	9,027,394	524,313	(2,310,426)	7,241,281
Small Mid Cap	2,407,656	766,511	(751,016)	2,423,151
Non US Developed	4,669,807	573,535	(1,357,073)	3,886,269
Non US Emerging	1,130,027	598,734	(448,184)	1,280,577
Core Plus Bonds	10,173,261	(2,484,867)	(1,277,154)	6,411,239

Asset Allocation Compliance - Total Fund

	Asset Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Differences (%)
Total Fund	100.0	100.0	N/A	N/A	0.0
Domestic Equity	45.5	42.0	27.0	57.0	3.5
International Equity	24.3	23.0	8.0	38.0	1.3
Fixed Income	30.2	35.0	15.0	55.0	-4.8



Historical Hybrid Composition - Blended Benchmark

Allocation Mandate	Weight (%)
Jul-2014	
Russell 1000 Growth Index	20.0
Russell 1000 Value Index	20.0
Russell 2500 Index	10.0
MSCI EAFE (net)	10.0
Blmbg. Intermed. U.S. Government/Credit	35.0
90 Day U.S. Treasury Bill	5.0
Jul-2015	
Russell 3000 Index	36.0
MSCI AC World ex USA (Net)	19.0
Blmbg. U.S. Aggregate	45.0
Dec-2021	
Russell 3000 Index	42.0
MSCI AC World ex USA (Net)	23.0
Blmbg. U.S. Aggregate	35.0

Risk Fund - Performance Review

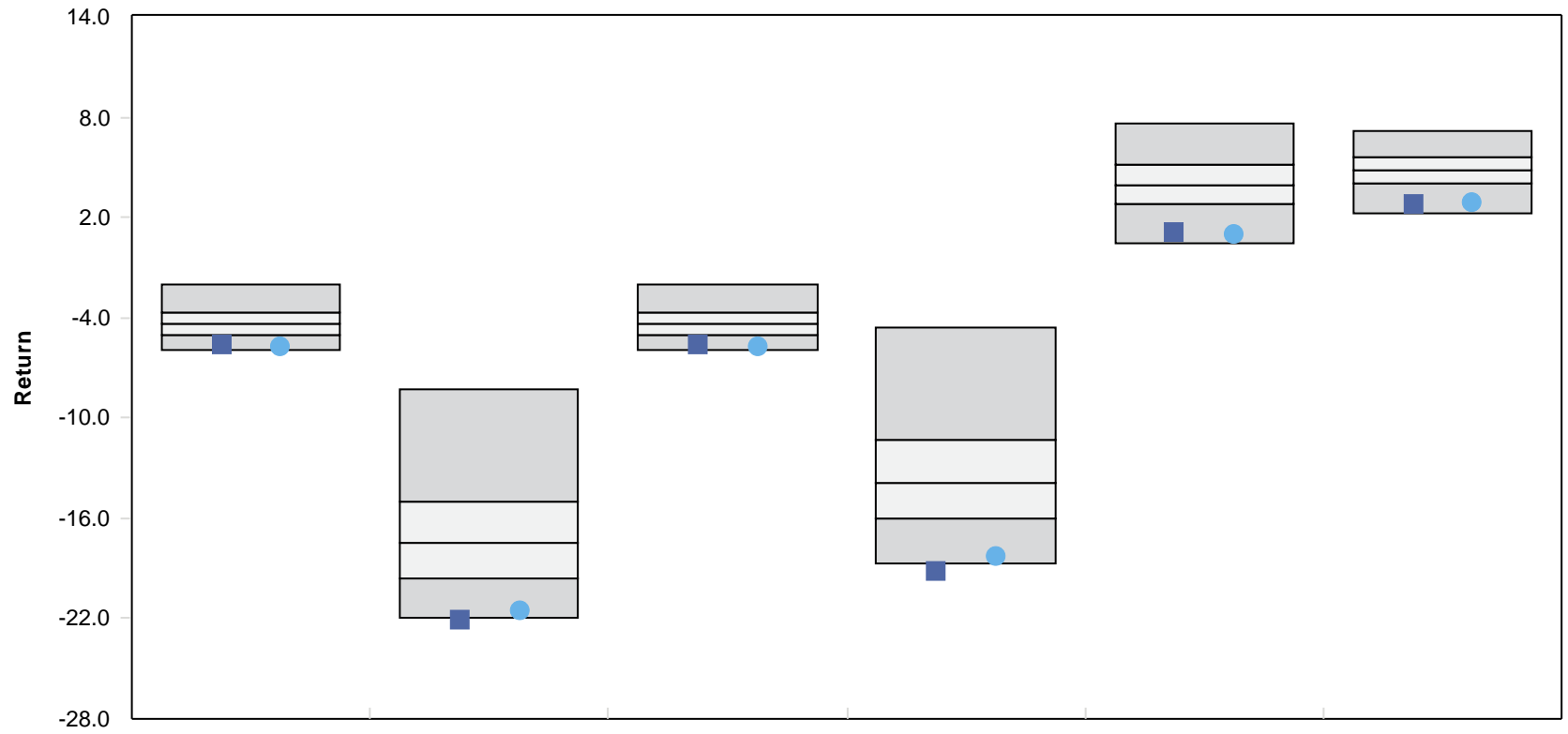
Asset Allocation & Performance

	Allocation		Performance(%)							
	Market Value (\$)	%	1 Quarter	Fiscal YTD	Year To Date	1 Year	3 Years	5 Years	Since Inception	Inception Date
Total Fund	16,477,066	100.00	-5.61	-5.61	-22.12	-19.18	1.07	2.85	4.10	07/01/2014
Blended Benchmark			-5.76	-5.76	-21.54	-18.30	1.01	2.93	4.02	07/01/2014
Domestic Equity										
Large Cap Index	5,661,255	34.36	-4.62	-4.62	-22.23	-14.62	7.95	8.91	9.40	07/01/2014
Russell 1000 Index			-4.61	-4.61	-24.59	-17.22	7.95	9.00	9.39	07/01/2014
Small Mid Cap	1,906,437	11.57	-2.44	-2.44	-24.97	-23.15	3.56	4.07	8.36	02/01/2016
Russell 2500 Index			-2.82	-2.82	-24.01	-21.11	5.36	5.45	9.66	02/01/2016
International Equity										
Non US Developed	2,996,862	18.19	-9.31	-9.31	-25.52	-23.42	-0.32	0.16	1.34	07/01/2014
MSCI AC World ex USA (Net)			-9.91	-9.91	-26.50	-25.17	-1.52	-0.81	0.52	07/01/2014
Non US Emerging	994,673	6.04	-12.26	-12.26	-31.02	-31.60	-2.07	-2.62	1.02	11/01/2016
MSCI Emerging Markets Index			-11.42	-11.42	-26.89	-27.80	-1.71	-1.44	2.24	11/01/2016
Fixed Income										
Core Plus Bonds	4,917,838	29.85	-4.11	-4.11	-16.31	-16.16	-2.72	0.38	1.67	07/01/2014
Blmbg. U.S. Aggregate			-4.75	-4.75	-14.61	-14.60	-3.26	-0.27	0.83	07/01/2014

Returns are net of fees.
Returns are expressed as percentages.

Plan Sponsor Peer Group Analysis

All Public Plans-Total Fund



	1 Quarter	Year To Date	Fiscal YTD	1 Year	3 Years	5 Years
■ Total Fund	-5.61 (90)	-22.12 (97)	-5.61 (90)	-19.18 (97)	1.07 (94)	2.85 (93)
● Blended Benchmark	-5.76 (94)	-21.54 (94)	-5.76 (94)	-18.30 (93)	1.01 (94)	2.93 (92)
5th Percentile	-2.06	-8.33	-2.06	-4.55	7.57	7.19
1st Quartile	-3.73	-15.05	-3.73	-11.30	5.12	5.58
Median	-4.35	-17.48	-4.35	-13.93	3.92	4.78
3rd Quartile	-5.01	-19.57	-5.01	-16.07	2.83	4.05
95th Percentile	-5.90	-21.96	-5.90	-18.71	0.44	2.26
Population	482	470	482	466	450	433

Parentheses contain percentile rankings.
 Calculation based on monthly periodicity.
 Returns are net of fees and are expressed as percentages.

Financial Reconciliation

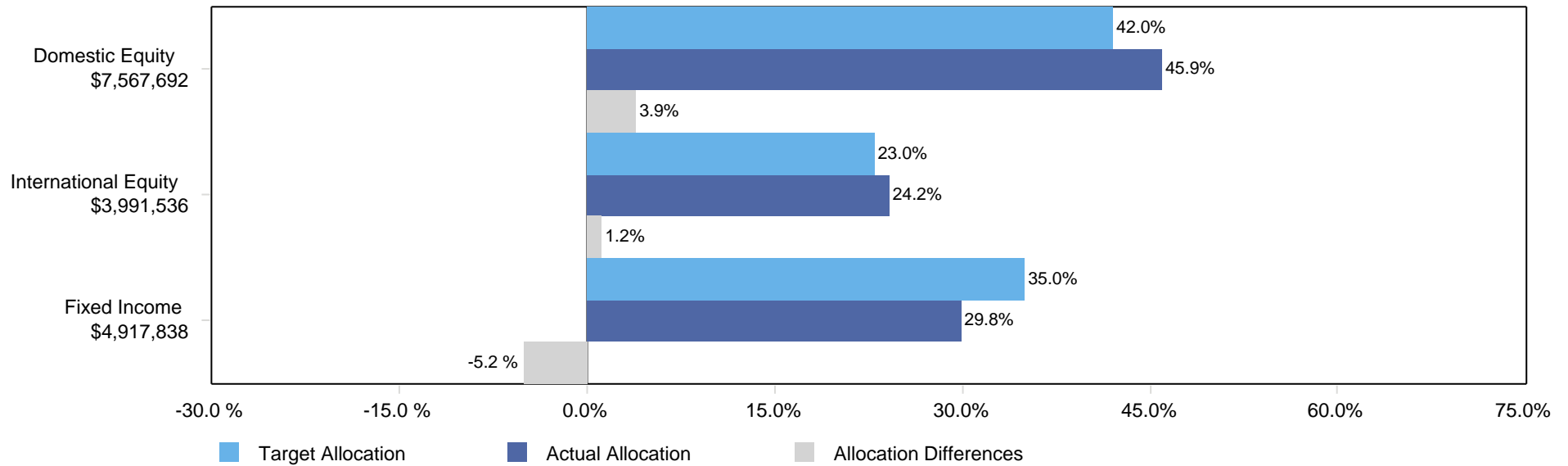
	Market Value As of 07/01/2022	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund	17,455,958	-	(978,892)	16,477,066
Large Cap Index	5,935,158	-	(273,903)	5,661,255
Small Mid Cap	1,954,171	-	(47,734)	1,906,437
Non US Developed	3,304,490	-	(307,627)	2,996,862
Non US Emerging	1,133,644	-	(138,971)	994,673
Core Plus Bonds	5,128,495	-	(210,657)	4,917,838

	Market Value As of 01/01/2022	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund	11,687,778	8,985,690	(4,196,402)	16,477,066
Large Cap Index	3,854,692	3,349,536	(1,542,973)	5,661,255
Small Mid Cap	1,034,002	1,394,202	(521,767)	1,906,437
Non US Developed	1,946,700	1,999,032	(948,870)	2,996,862
Non US Emerging	476,012	849,136	(330,475)	994,673
Core Plus Bonds	4,376,373	1,393,784	(852,318)	4,917,838

	Market Value As of 07/01/2022	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund	17,455,958	-	(978,892)	16,477,066
Large Cap Index	5,935,158	-	(273,903)	5,661,255
Small Mid Cap	1,954,171	-	(47,734)	1,906,437
Non US Developed	3,304,490	-	(307,627)	2,996,862
Non US Emerging	1,133,644	-	(138,971)	994,673
Core Plus Bonds	5,128,495	-	(210,657)	4,917,838

Asset Allocation Compliance - Total Fund

	Asset Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Differences (%)
Total Fund	100.0	100.0	N/A	N/A	0.0
Domestic Equity	45.9	42.0	27.0	57.0	3.9
International Equity	24.2	23.0	8.0	38.0	1.2
Fixed Income	29.8	35.0	15.0	55.0	-5.2



Historical Hybrid Composition - Blended Benchmark

Allocation Mandate	Weight (%)
Jul-2014	
Russell 1000 Growth Index	20.0
Russell 1000 Value Index	20.0
Russell 2500 Index	10.0
MSCI EAFE (net)	10.0
Blmbg. Intermed. U.S. Government/Credit	35.0
90 Day U.S. Treasury Bill	5.0
Jul-2015	
Russell 3000 Index	36.0
MSCI AC World ex USA (Net)	19.0
Blmbg. U.S. Aggregate	45.0
Dec-2021	
Russell 3000 Index	42.0
MSCI AC World ex USA (Net)	23.0
Blmbg. U.S. Aggregate	35.0

IMPORTANT DISCLOSURES

This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation, as it was prepared without regard to any specific objectives or financial circumstances.

Investment advisory services are provided by PFM Asset Management LLC ("PFMAM"), an investment adviser registered with the U.S. Securities and Exchange Commission and a subsidiary of U.S. Bancorp Asset Management, Inc. ("USBAM"). USBAM is a subsidiary of U.S. Bank National Association ("U.S. Bank"). U.S. Bank is a separate entity and subsidiary of U.S. Bancorp. U.S. Bank is not responsible for and does not guarantee the products, services or performance of PFMAM. The information contained is not an offer to purchase or sell any securities. Additional applicable regulatory information is available upon request.

PFMAM professionals have exercised reasonable professional care in the preparation of this performance report. Information in this report is obtained from sources external to PFMAM and is generally believed to be reliable and available to the public; however, we cannot guarantee its accuracy, completeness or suitability. We rely on the client's custodian for security holdings and market values. Transaction dates reported by the custodian may differ from money manager statements. While efforts are made to ensure the data contained herein is accurate and complete, we disclaim all responsibility for any errors that may occur. References to particular issuers are for illustrative purposes only and are not intended to be recommendations or advice regarding such issuers. Fixed income manager and index characteristics are gathered from external sources. When average credit quality is not available, it is estimated by taking the market value weights of individual credit tiers on the portion of the strategy rated by a NRSRO.

It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

The views expressed within this material constitute the perspective and judgment of PFMAM at the time of distribution and are subject to change. Any forecast, projection, or prediction of the market, the economy, economic trends, and equity or fixed-income markets are based upon certain assumptions and current opinion as of the date of issue and are also subject to change. Some, but not all assumptions are noted in the report. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Opinions and data presented are not necessarily indicative of future events or expected performance.

For more information regarding PFMAM's services or entities, please visit www.pfmam.com.

© 2022 PFM Asset Management LLC. Further distribution is not permitted without prior written consent.

Memorandum

To: Martha Quintana, Executive Director
Board of Directors
New Mexico Public Schools Insurance Authority

From: Ellen Clark
Matt Smith, CFA
PFM Asset Management LLC

RE: Benefits Fund and Risk Fund – IPS Review and Recommended Rebalancing

Recommended Changes Due to Investment Policy Statement Review

PFMAM reviewed the Investment Policy Statement signed 12/2/2021 as part of our annual review process. In conjunction with this review, PFMAM met with the NM SIC Director of Client Relations to remain abreast of SIC operations and investment offerings. As a result of this due diligence, PFMAM does not believe the Small/Mid Cap US Equity Active fund will outperform the index fund on a net of fee basis moving forward. Alternatively, PFMAM believes the active manager for the Non-US Developed Active fund has demonstrated an ability to add value on a net of fee basis. Therefore, PFMAM recommends, for both the Benefits and Risk accounts, replacing the Small/Mid Cap U.S. Equity **Active** fund with the Small/Mid Cap U.S. Equity **Index** fund and replacing the Non-U.S. Developed **Index** with the Non-U.S. Developed **Active** Fund.

PFMAM recommends no changes to the NMPSIA Investment Policy Statement.

Recommended Rebalancing due to Economic Conditions

The Federal Reserve (Fed) and other major central banks (ECB, BoE, and others) have aggressively raised rates in 2022 to deal with unacceptably high inflation. As a result, economic growth has moderated, and capital markets have suffered significant drawdowns. While the U.S. economy grew modestly in the third quarter, it was largely due to exports and government spending despite stalled private sector activity. Various indicators, such as LEI (Leading Economic Index) and the yield curve, are suggesting the probability of a recession continues to increase. Further, we are beginning to see signs of financial instability. While we expect the Fed to continue to raise rates for the remainder of 2022, we expect central banks, including the Fed, to slow and eventually stop raising rates. This would reflect a more balanced tone from central banks which should provide some support to equity markets.

As a result, PFMAM recommends rebalancing the portfolios to their target weights. Based on 10/31/22 allocations, this would require a decrease in exposure to domestic equities (large cap as well as



small/mid cap) and international equities (emerging markets), balanced by an increase in the fixed income allocation. The shift in allocation reflects PFMAM's view that it is prudent to align with strategic targets during highly uncertain market environments with longer-term upside.

Upon receiving November 30 balances for the Benefits and Risk accounts, PFMAM will provide NMPSIA with a completed rebalance memo, including specific cash flow directives reflecting all the aforementioned changes, to be sent to the SIC no later than 12/23/22.



**NEW MEXICO PUBLIC SCHOOLS
INSURANCE AUTHORITY**
Office of Executive Director

BOARD OF DIRECTORS

410 Old Taos Highway
Santa Fe, New Mexico 87501
1-800-548-3724 or 505-988-2736
505-983-8670 (fax)

- NM School Boards Association
- NM Superintendents Association
- Public Education Commission
- NM School Administrators
- NM National Education Association
- American Federation of Teachers N.M.
- Governor Appointees
- Educational Institutions at Large

Patrick Sandoval
Executive Director

Martha Quintana
Deputy Director

December 8, 2022

Stephanie Anthony
Client Director
United Concordia Companies, Inc.
4401 Deer Path Road
Harrisburg, PA 17110

RE: Amendment - Effective January 1, 2022, to June 30, 2024
Professional Services Agreement for Dental Coverage,
United Concordia Companies, Inc.
Agreement No. 20-014MG-PSIA05

Dear Ms. Anthony:

This letter shall constitute an Amendment to the above-captioned Agreement between the New Mexico Public Schools Insurance Authority, hereinafter referred to as the "Agency," and United Concordia Companies, Inc., hereinafter referred to as the "Contractor" and is effective as of the dates shown herein.

The Agency and Contractor entered into a Professional Services Agreement for Dental Coverage ("Agreement") effective June 30, 2020. The Agency and Contractor wish to amend their Agreement with the amendments set out herein.

1. Pursuant to Exhibit B of the Agreement, "ADMINISTRATIVE SERVICE FEES", the administrative fee payable to the Contractor under the Agreement for the period of January 1, 2022, through December 31, 2022, shall be \$1.25 PMPM. For the period of January 1, 2023, through December 31, 2023, shall be \$1.45 PMPM.
2. This Amendment has been signed this 8th day of December 2022, and shall be in effect from January 1, 2022, through June 30, 2024.

**New Mexico Public Schools
Insurance Authority**

By:

Alfred A. Park
Board President

United Concordia Companies, Inc.

By:

Stephanie Anthony
Client Director



New Mexico Public Schools Insurance Authority

Stop-Loss Insurance

Renewal Analysis for Coverage Effective January 1, 2023

December 7, 2022 / Melissa A. Krumholz, FSA, MAAA
Vice President & Health Actuary

Key Stop Loss Provisions

- Individual Specific Deductible of \$1 million
- Aggregating Specific Deductible of \$500,000
- Covers Medical + Rx claims incurred in 24 months, paid in 12 months
 - Claims incurred between January 1, 2022 and December 31, 2023 (24 months)
 - Claims paid between January 1, 2023 and December 31, 2023 (12 months)
- Lasers
 - Removes the existing laser at \$1,200,000
 - Renewal includes three conditional lasers based on use of certain drugs (Benefix or Roctavian)
 - \$3.7 million on one and \$3.5 million on two individuals
 - The three individuals are currently not members of NMPSIA as of September 2022

Review of Historical Claims Experience

		Contract Period					
		UGU			Matrix		
		1/1/2017 - 12/31/2017	1/1/2018 - 12/31/2018	1/1/2019 - 12/31/2019	1/1/2020 - 12/31/2020	1/1/2021 - 12/31/2021	1/1/2022 - 10/31/2022
a	Number of Months	12	12	12	12	12	10
b	Number of Employees	22,692	21,119	20,703	21,665	21,449	21,104
c	PEPM Premium Rate	\$3.77	\$4.21	\$4.66	\$5.13	\$6.12	\$7.34
d = a x b x c	Premium Paid	\$1,026,586	\$1,066,923	\$1,157,712	\$1,333,697	\$1,575,215	\$1,549,034
e = 70% x d	Target Claims ⁽¹⁾	\$718,610	\$746,846	\$810,398	\$933,588	N/A	N/A
f	Actual Claims Refund ⁽²⁾	\$679,517	\$0	\$884,161	\$1,298,875	\$82,752	\$768,252
g = e - f	Excess Premium	\$39,093	\$746,846	(\$73,763)	(\$365,287)	N/A	N/A
h = 50% x g	Experience Refund ⁽¹⁾	\$19,547	\$373,423	\$0	\$0	N/A	N/A
i = (f + h) / d	Loss Ratio	68%	35%	76%	97%	5%	50%

(1) Experience Refund removed on the CY2021 policy

(2) Estimated claims refund (Data through October 2022)

2023 Renewal Offer Details

	2022 Policy Year – Current	2023 Policy Year - Renewal ^(3,4)
Plan Design		
Individual Specific Deductible	\$1,000,000	\$1,000,000
Aggregating Deductible	\$500,000	\$500,000
Maximum Reimbursement	Unlimited	Unlimited
Covered Benefits	Med/Rx	Med/Rx
Contract Basis (incurred/paid)	24/12	24/12
Rates		
Specific Composite Rate (PEPM)	\$7.34	\$8.86
Total Annual Premium⁽¹⁾	\$1,835,323	\$2,215,390
\$ Difference from Current		\$380,067
% Difference from Current		20.71%
Maximum Liability		
Aggregating Specific Deductible	\$500,000	\$500,000
Annual Premium Plus Aggregating Specific Liability	\$2,335,323	\$2,715,390
% Difference from Current		16.27%
Additional Liability from Lasers ⁽²⁾	\$200,000	\$0
Max Liability + Liability for Laser	\$2,535,323	\$2,715,390
Rate Guarantee		12 months

(1) Based on 20,837 Employees

(2) A \$1.2 Million laser was applicable for the 2022 policy year (current) and removed for 2023 policy year (renewal).

(3) The 2023 renewal includes three conditional lasers of \$3.7 million and \$3.5 million (two) based on the use of either Benefix or Roctavian drugs.

(4) 2023 renewal rates are firm until 12/15/2022.

| Appendix

Leveraged Trend Illustration

Terms: \$1,700,000 Individual Claimant 2022
\$1,000,000 Individual Stop Loss Level
\$500,000 Aggregating Specific Deductible

	2022	2023	
Total Individual Claim	\$1,700,000	\$1,785,000	+ 5%
Individual Stop Loss	\$1,000,000	\$1,000,000	
<u>Aggregating Specific</u>	<u>\$500,000</u>	<u>\$500,000</u>	
Reimbursement	\$200,000	\$285,000	+ 43%

- Even though the individual claim increased by 5% in 2023, from \$1,700,000 to \$1,785,000, the reimbursement increased by 43%, from \$200,000 to \$285,000.
- This type of leveraging occurs with any type of fixed co-payments or fixed deductibles.

Employers can mitigate leveraged trend by increasing the Individual Stop Loss level or Aggregating Specific Deductible by marketplace trend. However, the Employer would take on additional claims risk as a result.

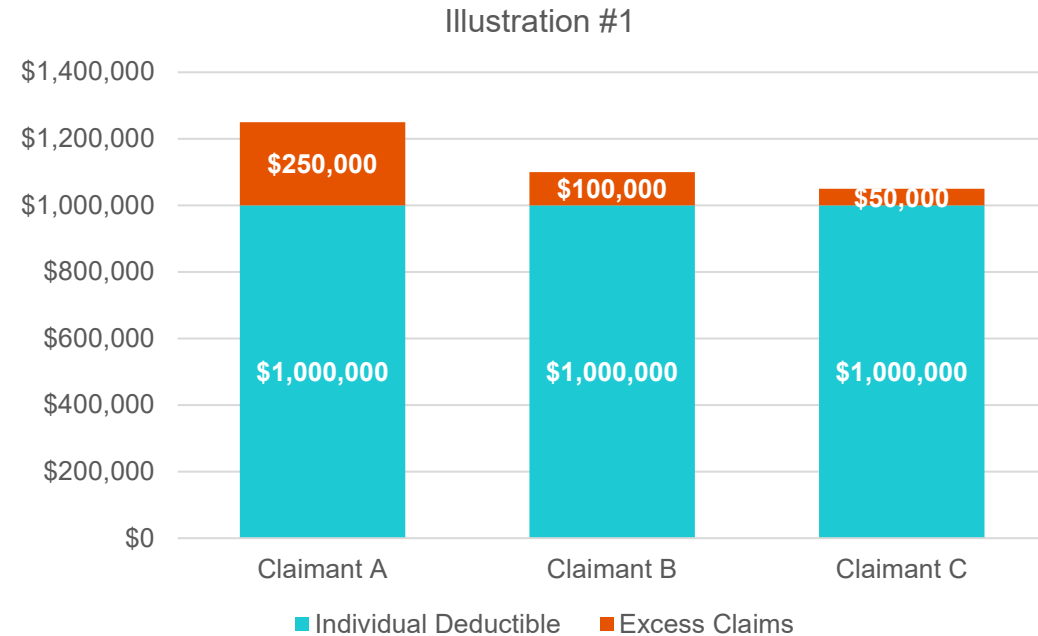
Aggregating Specific Stop Loss Examples

- **Illustration #1:** Three claimants whose total claims exceed the Individual Deductible:

- Claimant A: \$1,250,000
- Claimant B: \$1,100,000
- Claimant C: \$1,050,000

- The total excess claims are

	\$250,000
	\$100,000
+	\$ 50,000
<hr/>	
	\$400,000



- Since \$400,000 is less than the \$500,000 Aggregating Specific Deductible, there are **NO Stop Loss Reimbursements**.

Aggregating Specific Stop Loss Examples (cont'd)

- **Illustration #2:** Three claimants whose total claims exceed the Individual Deductible:

- Claimant A: \$1,350,000
- Claimant B: \$1,250,000
- Claimant C: \$1,150,000

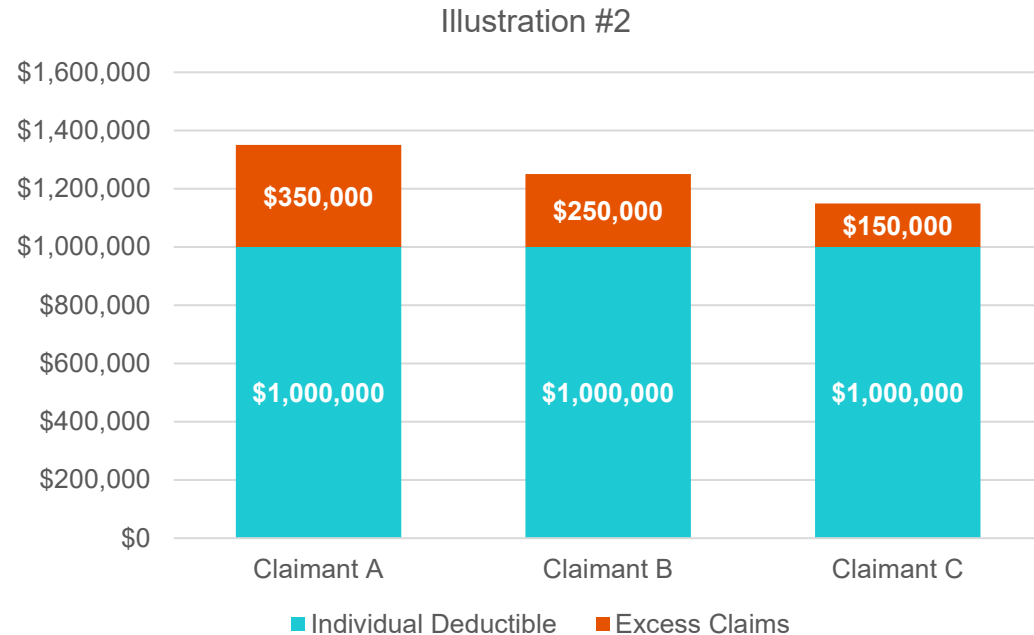
- The total excess claims are

$$\begin{array}{r} \$350,000 \\ \$250,000 \\ + \$150,000 \\ \hline \$750,000 \end{array}$$

- Since \$750,000 is greater than the \$500,000 Aggregating Specific Deductible, there are

$$\begin{array}{r} \$750,000 \\ - \$500,000 \\ \hline \end{array}$$

\$250,000 in Stop Loss Reimbursements.



**NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY (NMPSIA)
 BLUECROSS BLUESHIELD NEW MEXICO (BCBSNM)
 DECEMBER 6, 2022**

Tasks associated with the January 1st through December 31st, 2021, medical claims review processed by BCBSNM are outlined below. The timeline reflects both the projected and the actual completion dates for each task. Monthly updates will reflect actual dates to demonstrate the progress made.

Segal had additional follow-up questions to the responses received from BCBSNM which were sent on December 6, 2022.

Task	Responsible Party	Proposed Date	Actual Date
Data Collection			
Data request sent to BCBSNM	Segal	-	April 8 th
Audit Agreement is fully executed	Segal & BCBSNM	April 22 nd	June 23 rd
Segal receives questionnaire responses	BCBSNM	July 8 th	July 8 th
Electronic claims file provided to Segal	BCBSNM	July 21 st	June 23 rd
In-House Preparations			
Data file validation for selection purposes	Segal	July 8 th	July 1 st
Clarification of questionnaire responses	Segal & BCBSNM	Prior to Remote Review	
Selections presented to BCBSNM	Segal	July 29 th	July 20 th
Claims documentation retrieval begins	BCBSNM	4 – 6 weeks	
Remote or Onsite Claims Review			
Auditor conducts remote or onsite review	Segal	October 31 st – November 4 th	
Questions reviewed with BCBSNM	Segal	Daily	
Segal receives outstanding responses	BCBSNM	November 28 th	Pending
Report of Findings			
Draft report to BCBSNM for review	Segal	December 22 nd	
Segal receives formal response	BCBSNM	January 5, 2023	
Draft report to NMPSIA	Segal	January 19, 2023	
Segal receives NMPSIA's approval	NMPSIA	February 2, 2023	
Final report delivery to NMPSIA	Segal	3 – 4 days	

Please direct any questions to Jennifer Laguna jlague@segalco.com at (602) 329-5836 or Cristina De Leon (cdeleon@segalco.com) at (312) 984-8535.



New Mexico Public Schools Insurance Authority

Board Review - Fiscal Year End 7/1/21-6/30/22

Delta Dental of New Mexico
December 2022



Agenda

- Provider Network – The Delta Dental Difference
- Combined Plan Demographics and Financials
- Combined Plan Distributions
- Combined Plan Cleanings and Exams
- 2022 Delta Dental Point-of-Service Network Enhancement
- DDNM's Community Outreach
- Questions

Provider Network - The Delta Dental Difference

- **Better, stronger dental networks in-state & nationwide**
 - Delta Dental owns our networks
 - We don't lease our networks to other carriers, keeping quality control
 - We don't contract with leased networks, as unknown how often checked or inspected
 - No hidden network access fees
- **Local provider relations team perform quarterly audits each year**
 - Ensure they meet our rigorous criteria & confirm address, contacts & still practicing within the state
 - Long-term relationships with dentists improves network retention & stability
 - Patients can continue to see their dentist-key to patient satisfaction
 - Statewide recruitment of dentists and visits will increase during the 2023 year

Demographics & Financials - NMPSIA Low & High Option Plans

MONTH	SUBSCRIBERS	MEMBERS	NUMBER OF CLAIMS	PAID CLAIMS
7/31/2021	1,682	3,609	626	\$114,210
8/31/2021	1,782	3,800	565	\$94,806
9/30/2021	2,565	5,207	708	\$113,681
10/31/2021	3,060	6,116	661	\$111,023
11/30/2021	3,203	6,326	756	\$128,540
12/31/2021	3,324	6,548	967	\$156,388
1/31/2022	4,318	8,734	1,107	\$189,801
2/28/2022	4,417	8,906	1,046	\$186,943
3/31/2022	4,497	9,044	1,502	\$257,633
4/30/2022	4,585	9,212	1,210	\$213,447
5/31/2022	4,637	9,297	1,057	\$177,452
6/30/2022	4,665	9,322	1,758	\$300,246
Totals	277% subscriber increase		11,963	\$2,044,169

Treatments by Network - NMPSIA Low & High Option Plans

PPONew Mexico Claims July 1, 2021 to December 31, 2021				
Category	% of Total	Category Total	In-Network	Out-of-Network
Exams and Cleanings	30%	\$218,128	\$198,161	\$19,967
X-rays	12%	\$88,051	\$80,499	\$7,552
Fillings	12%	\$85,348	\$80,718	\$4,629
Braces	11%	\$76,893	\$72,682	\$4,211
Crowns	10%	\$73,949	\$66,621	\$7,329
All Other Services	25%	\$176,280	\$168,164	\$8,116
Total	100%	\$718,648	\$666,845	\$51,803

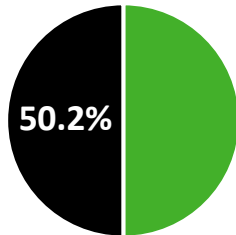
92.8%

Delta Dental PPO Point of Service Claims January 1, 2022 to June 30, 2022				
Category	% of Total	Category Total	In-Network	Out-of-Network
Exams and Cleanings	30%	\$395,690	\$389,179	\$6,512
X-rays	13%	\$171,187	\$167,764	\$3,423
Fillings	12%	\$162,118	\$159,473	\$2,645
Crowns	12%	\$154,960	\$151,332	\$3,628
Braces	11%	\$139,332	\$133,667	\$5,665
All Other Services	23%	\$302,234	\$297,063	\$5,171
Total	100%	\$1,325,521	\$1,298,479	\$27,043

98%

Wellness Report - NMPSIA Low & High Option Plans

Category	Subscribers	Percent of Subscribers	Dependents	Percent of Dependents
Both Exam and Cleaning	1,944	41%	1,953	42%
Exam Only	241	5%	172	4%
Cleaning Only	197	4%	130	3%
Neither Exam or Cleaning	2,314	49%	2,420	52%
Total	4,696	100%	4,675	100%



50.2% of members in Delta Dental's book of business had no cleanings in 2021

Payment Example - Delta Dental PPO Point-of-Service (active)

Example:

In the chart below, the submitted charge for a covered service was **\$1,000**. Note that the out-of-pocket costs vary based on the participation status of the dentist.

Result:

In this example, choosing a Delta Dental PPO dentist saves **\$425.50** more out-of-pocket versus choosing the non-participating dentist.

	Submitted amount	Maximum allowed fee	Percentage paid by Delta Dental	Amount Delta Dental pays	Amount patient pays
Delta Dental PPO	\$1,000	\$610	50%	\$305	\$305
Delta Dental Premier	\$1,000	\$840	50%	\$420	\$420
Non-participating	\$1,000	\$770	35%	\$269.50	\$730.50

The payment example above is for illustration purposes only. Fees and reimbursements can vary by location and dentist. It does, however, represent how the payment is determined.

Network Utilization - NMPSIA – Low and High Option Plans

PPONew Mexico July 1, 2021 - December 31, 2021		
Network	Paid Claims	%
In-Network	\$666,845	92.79%
Out-of-Network	\$51,803	7.21%
Totals	\$718,648	100.00%

Above reflects previous benefits with Premier being paid at out-of-network benefit levels

Delta Dental PPO Point of Service January 1, 2022 - June 30, 2022		
Network	Paid Claims	%
In-Network	\$1,298,479	97.96%
Out-of-Network	\$27,043	2.04%
Totals	\$1,325,521	100.00%

Above reflects both PPO and Premier being paid at in-network benefit levels

As of 1/2022, network access has been made easier for your members by utilizing our Point-of-Service for Delta Dental PPO and Premier as both being in-network. This eliminates any confusion for members to allow them to receive in-network benefits provided that the provider is contracted with Delta Dental (both in-State and out-of-State) and greater access.

Plan Savings - NMPSIA – Low and High Option Plans

Delta Dental Difference	
January 1, 2021 through June 30, 2022	
Total Submitted Charges	\$7,461,091
Invalid Claims and All Other Savings	<u>(\$1,052,754)</u>
Total Charges less Invalid Claims & All Other Savings	\$6,408,338
Fees not Allowed Due to Processing Policies	(\$45,387)
Fee Reduction (Member Dentists)	(\$1,824,437)
Savings from Dental Consultant Review	(\$71,802)
Fee Reduction (Non-member Dentists)	<u>(\$100,916)</u>
Total Savings from submitted fees	<u>(\$2,042,543)</u>
Total percentage saved from submitted fees	31.9%

Delta Dental of NM – Community Engagement

When we say that everyone deserves a healthy smile, we mean it! As a not-for-profit dental service organization, we've made it our mission to improve lives by promoting oral & overall health across New Mexico.



Maintaining Oral Health Essential to Overall Health

Nearly 9 in 10 U.S. adults agree maintaining oral health essential to overall health

- **Dental health a priority in 2022**

Nearly all adults in the United States will be prioritizing their dental care in 2022, with an overwhelming number of adults (94%) planning to visit the dentist this year.

- **The pandemic's influence**

About 3 in 4 (74%) adults in the United States credit the pandemic with making them even more aware of their health. In fact, almost 9 in 10 (86%) adults would agree that throughout the pandemic, maintaining their oral health is essential to protecting their overall health.

- **Top common dental concerns on the rise**

Despite their good oral health practices, according to this year's survey, more adults faced dental issues compared to findings from last year. Cavities (86%) topped the list, up 6%. The majority of adults also had to overcome pain or toothache (74%) and teeth sensitivity (67%). These dental issues increased 7% and 6%, respectively.

The 2022 Delta Dental Oral Health and Wellness Survey was conducted between January 19 and January 28, 2022, among a nationally representative sample of 1,000+ U.S. residents ages 18+, with a margin of error of +/- 3%.

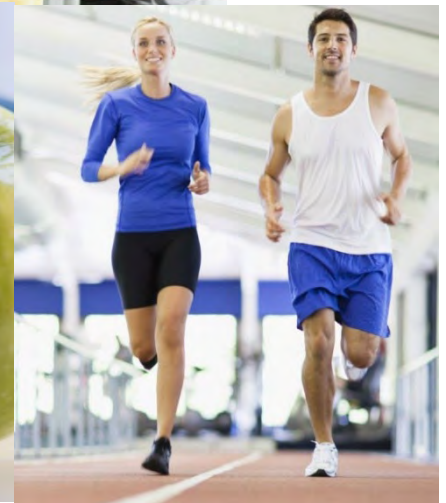
Questions?



New Mexico
Public Schools
Insurance
Authority



NMPSIA
Wellness



NMPSIA WELLNESS UPDATE

DECEMBER 7-8, 2022

WELLNESS AGENDA

1. Zen Room Updates
2. Membership Engagement in Wellness Initiatives
3. Ambassador Representation

ZEN ROOM BEFORE AND AFTER

Cottonwood Classical Preparatory School

Wellness Team and Sunshine Committee collaborated to implement the "Take Your Work Break" Initiative.
Goal - to encourage staff to make the most of their breaks while at work.

This initiative will positively impact employee morale and job satisfaction. It will give a space for staff to rest and practice mindfulness in order to decrease stress and may increase productivity.

-Jennifer Dennison – Wellness Ambassador

Before



- | |
|---|
| Kcelarec C Shped Snack Side Table |
| Asurion 2 Year Personal Care Protection Plan |
| Hitrends Surge Protector Power Strip |
| 2 pack Giant Coloring Posters |
| Japanese Zen Garden for Desk |
| HoMedics Indoor 3-Tier Tabletop Fountain |
| DOQAUS Bluetooth Headphones |
| Educational Insights Calming Light Filters 4 pack |
| Anescra White Noise Sound Machine |
| Aromacare Essential Oil Diffuser |
| Snailaz Massage Seat Cushion |
| Color Changing Rope Lights |

After



ZEN ROOM BEFORE AND AFTER

Las Cruces Public Schools – Loma Heights Elementary

Teacher Zen Den- A calm space for teachers to take a moment to relax during their lunch break. This space will help regulate teachers during stressful moments to better serve students.

The counselor and social worker will be available to join the staff member in the Zen Den or be in there alone. There will be the Calm App music playing and essential oils to provide a safe calming environment to release their strong feelings.

Karrie Kilgore– Wellness Ambassador

Before



LUCKNOCK 3-Tiers Side Table
Homedics Sound Sleep White Noise machine
Ksipze 100ft Led Strip Lights
Bedside Lamp with USB Port
Ultimate Aromatherapy Diffuser & Essential Oil Set
Diraysid Navy Blue Blackout Curtians
Ultimate Sack 6000 Bean Bag Chair
Luxe Weavers Daphnes Navy 9x12 Boho Rug

After



ZEN ROOM BEFORE AND AFTER

Explore Academy Charter School- ABQ Campus

Implement a wellness space in the staff lounge/workroom. Staff make frequent use of this space before and after school and throughout the day. We are having to share classroom spaces, so teachers often go to the lounge when their classroom is in use. A wellness space in the school is a priority for providing teachers and staff more opportunities to relax and recenter themselves at school.

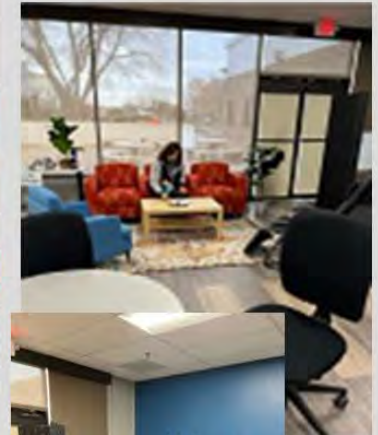
Juliana Lujan – Wellness Ambassador

Before



Room Divider 6FT Wall Divider
Pvillez Accent Chair
Yaheetech Bar Stools Set of 4
Rugshop Vintage Distressed Bohemian Area Rug
Ferrgoal Artificial Fiddle Leaf Fig Plant
Artificial Monstera Plant
Bold Chalk Markers
Full on Zen Mini Zen Garden for Desk
Prosource Fit Puzzel Exercise Mat
Artificial Succulents
Krylon Chalkboard Paint
HoMedics Zen Relaxation Tabletop Fountain

After



ZEN ROOM BEFORE AND AFTER

Los Lunas –Valencia Elementary School

I want to transform our staff lounge to be a Zen place to go and where I can offer the workshops!

Half our staff is new this year (me included) and we are all struggling through the year.

-Rhonda Hudson – Wellness Ambassador

Before



PRODUCT AND DESCRIPTION

Coffee Sign Coffee & Tea Bar Sign
Command Indoor Mini Light Clips
Artificial Potted Plants 3 Pack (3)
Perfect Samplers Coffee, Tea, Cider Single Serve K Cup (2)
Bose Soundlink Flex Bluetooth Potable Speaker
70 in Round Tablecloth (6)
BNYD Clear Plastic Tablecloth Protector (6)
Globe String Lights (3)
Craft Kitchen Coffee Bar 2 Tier Organizer (5)
Keurig K-Supreme Plus Coffee Maker

After



EMPLOYEE ENGAGEMENT IN WELLNESS INITIATIVES- 2022

- Wellness Incentive Programs* offered to employees enrolled in medical coverages (21,286)

MEDICAL CARRIER	EVENT *available regardless of selected medical carrier	# of Events	Participation
BCBS	"Health Education" Presentations	8	.5%
	"Mindset Mondays"	3	.1%
	"Wellness Wednesday" Workshop	3	.09%
CIGNA	Life Connected Seminar Series	6	N/A
PRESBYTERIAN	Cooking Shows	11	.4%
	"Walktober"	1	2.2%
	Wellness Webinars	11	.8%
	"Life on Mindfulness"	14	2.9%

ADULT MEMBER* ENGAGEMENT- CARRIER SPECIFIC

BCBS- 16,466

Cigna- 274

Presbyterian- 13,753

WELLNESS PLATFORMS	
CARRIER	MEMBERS
BCBS	1.2%
CIGNA	9.5%
PRESBYTERIAN	42.6%

MOBILE APP UTILIZATION	
CARRIER	MEMBERS
BCBS	1.1%
CIGNA	5.1%
PRESBYTERIAN	Coming in 2023!

HEALTH ASSESSMENTS	
CARRIER	MEMBERS
BCBS	.3%
CIGNA	4.7%
PRESBYTERIAN	2.3%

* Does not include enrolled, adult dependent children

2022 WELLNESS AMBASSADORS- PARTICIPATION BY SCHOOL

District Name	Ambassador Count
ABQ Charter Academy	1
Central Consolidated School District	3
Cottonwood Classical Preparatory School	1
ENMU - Portales	2
ENMU - Roswell	1
Explore Academy	1
Gallup McKinley County Schools	1
Las Cruces Public Schools	14
Los Lunas Schools	2
Pecos Connections Academy	1
Rio Rancho Public Schools	9
Santa Fe Public Schools	1
Truth or Consequences Municipal Schools	1
Western New Mexico University	2
Zuni Public Schools	2
Grand Total	42

Thank you!



NMPSIA/CCMSI - PROPERTY & LIABILITY CLAIM PROCEDURES 2022/23

I. PURPOSE

The purpose of these claim procedures is to provide uniform claims management procedures between Cannon Cochran Management Services, Inc. (CCMSI) and NMPSIA (Authority). These procedures are not in any application intended to replace CCMSI's corporate product standards.

II. NMPSIA'S CLAIMS PHILOSOPHY

It is the claims philosophy of the Authority to provide prompt, fair, sound and equitable claims management practices in accordance with this Agreement's terms and conditions. It is recognized, however, that claims may present bona fide issues and conflicting positions with respect to rights and obligations under this Agreement. The Authority and its members believe that where bona fide differences of opinion exist, resolution by compromise is appropriate where such is deemed by the Authority to be in the best interests of Authority and its members in general. The Authority shall have the sole discretion to pay claims subject to the Authority's Self-Insured Retention level.

III. CCMSI'S RESPONSIBILITIES: (LIABILITY= (L) /PROPERTY= (P))

1. **(L & P) Handling:** CCMSI agrees to administer this self-insurance program in full compliance with all laws, rules and regulations governing the administration of self--insurance, NMPSIA/CCMSI Claims Procedures and NMPSIA's Rules and Regulations.
2. **(L & P) Handling:** The day-to-day claims management of the program is provided by the Albuquerque branch of CCMSI. The complete supervision, administration, management and handling of all claims, including loss adjustments, subrogation, investigations and settlements falling within the Authority's self-insured retention, and the coordination of claims and settlements with the excess carrier(s), is CCMSI's responsibility. CCMSI will also comply with the "New Mexico Public Schools Insurance Authority Litigation Management Guidelines." This document sets forth procedures for retaining counsel and delineates the expectations of the Authority with respect to litigated cases.

3. **(L & P) Handling:** CCMSI is to adjust, settle or resist claims or losses, but settlements of any claim and payment of any allocated loss expense shall be subject to the following limitations:

- a. CCMSI may approve settlement of any claim, or payment of any allocated loss expense, not exceeding \$25,000 for which the Authority is self-insured. When the claimant is an insured, CCMSI is required to discuss the claim directly with the claimant or its representative. It will not be the practice of CCMSI to allow the District to communicate coverage, payment or settlement to these claimants.
- b. The Executive Director and as delegated to the Deputy Director, may approve the settlement of any claim, or payment of any allocated loss expense.
- c. All coverage representations that are made verbally to a claimant or its representative will be followed up in writing.

4. **(L & P) Reporting:** Maintain a claim file for each reported claim and provide complete documentation that is consistent with CCMSI's corporate standards. A complete captioned report will be in each file for bodily injury claims reserved more than \$100,000 bodily injury or property damage claims open over one year are to be referred to a CCMSI supervisor and a follow-up report will be given to the Executive Director or designee 10 days after reserve is approved and every 60 days thereafter. These reports will be typed or in electronic form and include the following information:

- a. Date
- b. Claim number
- c. Date of loss
- d. NMPSIA member
- e. Claimant
- f. Date assigned
- g. Facts of accident or occurrence
- h. Suggested reserves (utilizing CCMSI 's Standard Reserve worksheet)
- i. Assessment of liability
- j. Review of damages
- k. Address coverage questions
- l. Identify further course of action
- m. State next diary date
- n. Identify counsel, if litigated

5. **(L & P) Handling:** The Unit Supervisor will review all claims with an initial reserve of (\$5,000) or more within seven working days of receipt of the claim. The review will not include property damage only or windshield claims. The Unit Supervisor will be examining the file for prompt claimant contact; witness statements, when appropriate; thorough reserve calculation documentation and an accurate initial reserve. Any comments that the Unit Supervisor makes during the review will be placed in the file notes.

6. **(L & P) Handling:** Adjusters must use reserve calculation worksheets on all reserve changes in excess of \$25,000. The adjuster's rationale for initial reserves must be thoroughly documented in the file notes. When actual dollar amounts are not available, percentage of liability should be quantified with a range.

7. **(L & P) Handling:** The Unit Supervisor will provide reviews on files every ninety days reserved in excess of \$5,000. This review will not include property damage only or windshield claims. Any comments that the Unit Supervisor makes during the review, will be placed in the file.

8. **(L & P) Handling:** It is required that contact with an injured claimant must be made within 48 hours of receipt of claim . Only extreme exceptions will be accepted. If it occurs, it will be identified in the file.
 - a. Personal Injury claims: Telephone contact is the acceptable method of contact, but personal contact is preferred on serious cases where practicable.

 - b. Property Damage claims: Telephone contact is preferred but contact by mail is also acceptable. Contact letters should be mailed within 24 hours of receipt of claim. Personal or phone contact will be made if a claimant is hospitalized or a serious injury is assumed. Phone contact in all other bodily injury cases and property damage cases involving damages over \$1,000 or where CCMSI knows the vehicle is not drive able. CCMSI agrees to use recorded statements, including but not limited to, negative statements that might rule out injury. Claimant's recorded statements will be taken in bodily injury cases involving disabling injuries and where conflicting stories are given. In these cases, both the insured and claimant statements will be taken. It is understood the necessity of statements needs to be reviewed on an individual basis. However, if CCMSI does not take a recorded statement, the file will be documented with the adjuster's rationale.

- c. (L & P) Witness statements will be taken (including negative statements) by the adjuster, whenever witnesses have been identified. Statements should be taken from all identified witnesses on claims of questionable liability and/or claims involving coverage issues. With a few exceptions, the statement should be taken by the adjuster, not NMPSIA's defense attorney.

It would be appropriate to discuss key or uncommon issues with NMPSIA's defense attorney prior to a statement, to ensure relevant issues are addressed in the interview. The possible exceptions to CCMSI taking witness statements are in cases where the witness statement is taken during a School Board executive session, when a witness is deemed to be a hostile witness, an EEOC claim or a minor. Their statements should not be part of the file. In each case, written documentation will be made in the file in a timely manner by the adjuster, justifying his/her reasoning.

9. (L & P) Investigation: Coordinate investigation on litigated claims with attorneys representing the Authority or its members and with the representatives and attorneys of the excess insurance carriers. Whenever the use of defense counsel is necessary, CCMSI will recommend an attorney to the Executive Director, or his designee. CCMSI will assign the matter to the approved attorney using CCMSI's Litigation Plan form and cover letter. CCMSI's corporate litigation standards will be utilized.
10. (L & P) Reporting: For stand - alone insurance policies (as listed) procured separate by the Authority not in accordance to or purposed for either an excess or reinsurance basis to the Memorandum of Coverage as set forth by the Authority, the responsibility of claim reporting communication for such policy (ies) shall be shared in conjunction with the involved agency, Poms and Associates, as follows:
 - a. Governmental Crime Insurance - Losses that fall within the policy deductible CCMSI will manage and electronically carbon copy (cc) Poms and Associates-Risk Services on all ongoing reported **incidents** and **claims** correspondence received by Members reported first and directly to CCMSI. Procedurally, reporting both qualified Knowledge of Occurrence and/or **incidents** and actual **claims** to the carrier(s) will be the sole responsibility of Poms and Associates-Risk Services for **claims** and **incidents** by Members reported first and directly to Poms and Associates-Risk Services. Risk Services will also provide to carriers the completed "Proof of Loss" and NMPSIA "Loss Property Report" forms (signed) by the Member(s) for processing. Risk Services will electronically carbon copy (cc) CCMSI and provide CCMSI with Member contact(s) information on all initial reporting correspondence to the carrier(s) to ensure proper record and documentation of files.

- b. **Equipment Breakdown Insurance**-CCMSI will forward all reported claims by Members directly to Poms and Associates-Risk Services for processing. Procedurally, reporting claims to the carrier (s) will be the sole responsibility of Risk Services. Risk Services will electronically (cc) CCMSI and provide Member contact(s) information on all initial reporting correspondence to the carrier(s) to ensure proper record and documentation of files.
- c. **Cyber Liability and Data Privacy Insurance** – CCMSI will forward all incidents reported by Members directly to Poms and Associates – Risk Services immediately for processing. Procedurally, reporting claims to the carrier (s) will be the sole responsibility of Risk Services. Risk Services will electronically (cc) CCMSI and provide Member contact(s) information on all initial reporting correspondence to the carrier(s) to ensure proper record and documentation of files.
- d. **Deadly Weapon Protection Insurance** – CCMSI will forward all incidents reported by Members directly to Poms and Associates – Risk Services immediately for processing, but in no case more than twenty – four (24) hours after CCMSI becomes aware of a deadly weapon event. Procedurally, reporting claims to the carrier(s) will be the sole responsibility of Risk Services. Risk Services will electronically (cc) CCMSI and provide Member contact(s) information on all initial reporting correspondence to the carrier(s) to ensure proper record and documentation of files.
- e. **Other - Student Accident & Sickness Insurance** - CCMSI and Poms and Associates-Risk Services (depending on which entity an accident is initially reported to by Member) will forward all reporting student accident **incidents** and/or **claims** to Myers -Stevens (Co-Broker) for handling. It is the sole responsibility of Myers-Stevens to manage medically related student accident and sickness claims. Myers-Stevens will not and does not manage liability nor property claims for the Authority nor its Members.
- f. **Property insurance**- CCMSI shall report all first party/property claims which may exceed \$50,000 to the carrier immediately upon notice from the Member and the CCMSI adjuster will coordinate with the carrier on necessary actions for adjustment of the claim and report progress to the carrier as it directs.

11. **(L & P) Reporting** from CCMSI to the Reinsurance Carrier(s) will be in writing and compliance is mandatory. Copies of any reporting agreement between CCMSI and the Reinsurance Carrier(s) will be provided to the Authority. Status reports on files reported to the Reinsurance Carriers will be sent quarterly. The Reinsurance Carrier(s) and the Authority require CCMSI to report any loss where reserves are increased by \$250,000 as well as reporting of claims within the following list of conditions and serious injuries:
- a. Spinal Cord injury, paraplegic or quadriplegia;
 - b. Amputations;
 - c. Brain damage
 - d. Vision impairment;
 - e. Hearing impairment;
 - f. Burns - involving over 10% of body with third degree or 30% of body with second degree;
 - g. Multiple fractures - involving more than one member or nonunion;
 - h. Fracture of both heel bones (fractured bilateral OS Calcis)
 - i. Nerve damage causing paralysis and loss of sensation in arm and hand (brachial plexus nerve damage);
 - j. Massive internal injuries affecting body organs;
 - k. Injury to nerves at base of spinal canal (Cauda Equina) or any other back injury;
 - l. Injury resulting in incontinence of bowel and/or bladder;
 - m. Fatalities;
 - n. "Sexual Abuse"; claims alleging any sort of sexual abuse will be reported immediately.
 - o. The naming of NMPSIA, the TPA, the excess carrier(s), reinsurer(s) or any reinsurance intermediary;
 - p. Punitive Damages, bad faith or extra contractual liabilities against NMPSIA, the TPA or the excess carrier(s), reinsurer(s) or any reinsurance intermediary;
 - q. Coverage questions including those arising from tenders of defense and indemnity from parties claiming additional insured rights under a Policy;
 - r. Pollution exposure;
 - s. Class action;
 - t. Uninsured motorists and underinsured motorist claims;
 - u. Allegations of continuous exposure causing bodily injury or property damage;
 - v. Harassment (whether sexual or otherwise actionable);
 - w. Employment practices liability;
 - x. Asbestos;
 - y. Silica;
 - z. Welding rods;
 - aa. Toxic waste
 - bb. Reflex Sympathetic Dystrophy;

- cc. Any other type of claim or set of circumstances that the carrier(s) or reinsurer(s) direct
- dd. All claims reserved at or above 50% of the Authority's self-insured retention;
- ee. All matters going to trial

(L & P) Broker Reporting: Reporting to Poms and Associates is also required for all claims alleging "Sexual Abuse" or where reserves increase exceed \$250,000.

12. Coverage Determination

Coverage determination(s) will be made by the adjusters within the Albuquerque CCMSI/NMPSIA Dedicated unit. If an adjuster has difficulty in determining coverage, they will take the following steps: 1) request an opinion within the CCMSI organization. If this does not result in a clear resolution to the question of coverage, then 2) request a review from NMPSIA's general counsel, who may review the details with Poms & Associates. CCMSI will adequately describe the problem, provide details as to whether this type of situation has ever occurred in the past {to the best of their knowledge}, and if it has, describe what has the practice been. 3) If no agreement is reached between CCMSI and NMPSIA's general counsel, then the general counsel shall have the discretion, in consultation with the NMPSIA executive director, to proceed as appropriate..

If a claim is a reportable claim to the Reinsurance Carrier(s), then correspondence will be forwarded to them with a copy sent to CCMSI's claims supervisor. An answer by the Reinsurance Carrier(s) can either be communicated directly to the Albuquerque branch or to CCMSI's claims supervisor.

(L & P) Handling: NMPSIA believes it is of mutual benefit to both the Authority and the member to reserve rights on several issues and promptly communicate those reservations to its member in writing and with sufficient detail. It is not the intention to create an adversarial relationship between the Authority and the member. In most claim situations, all CCMSI has at the inception of the claim are various unsubstantiated allegations and, at best, a few confirmed facts. In reserving rights, the Authority is merely telling the member of its concerns that the claim may, in whole or in part, not be covered under the policy pending further investigation. A reservation of rights letter, while obviously protective of the interests of the Authority, is also beneficial to the insured. It alerts the insured to the fact that some of the elements of the claim may not be covered, thereby allowing the insured to take necessary steps to protect its potentially uninsured interests. Further, if the Authority and the insured are to have any disputes over coverage or other issues, such matters can be addressed early on and resolved in an amicable manner. On any claim for which there is no clear consensus of coverage following review within the CCMSI organization (step #1 of item 12), CCMSI shall issue a reservation of rights letter as appropriate and then proceed to step #2 of item 12. Where there is no defense obligation, and the Authority or its' excess carrier has confirmed lack of coverage, CCMSI will send written notice of denial of coverage. This will be issued within 24 hours of the decision.

If CCMSI determines, upon notice of a claim, to assume the defense, but a question of coverage exists, then CCMSI will recommend that the Authority issue a reservation of rights letter. CCMSI will recommend specific reasons for potential non-coverage, which will not be considered by the Authority to be a legal opinion or other practice of law. CCMSI will either forward the letter to be signed by the Executive Director or the Deputy Director or mail it directly. Regardless, CCMSI is responsible that the letter is delivered. If the Authority mails the reservation of rights, then copies will be sent to both CCMSI and the Reinsurance Carrier.

The Authority's reservation of rights will help protect the retention. It is CCMSI's responsibility to notify the Reinsurance Carrier if a potential coverage issue exists. The Reinsurance Carrier, will at their option, issue their own reservation of rights letter.

It is the Authority's request that CCMSI recommend specific reasons for potential non-coverage on all plausible coverage issues.

Once a reservation of rights has been issued, CCMSI will investigate the claim. Once all the facts are known to CCMSI, then a defense determination will be made in agreement with the Authority.

(P) Handling: There will be contact, or attempted contact, with the insured, (preferably with the Superintendent or President) within 24 hours. Verbal instructions will be provided to minimize any further damage to persons and property. In addition, a brief description of what coverage is available and what possible exclusions may apply, will be communicated.

13. **(L & P) Handling:** For a loss involving damage to property in excess of \$2,500, an inspection will be made within 48 hours, or file notes will show an agreed time to inspect. CCMSI personnel are required to inspect all locations that are presumed to have damage in excess of \$100,000.

[Even where damage is presumed to be below \$100,000, circumstances may warrant a CCMSI adjuster to physically inspect the loss. For instance: a Superintendent may never have experienced a property loss and may require assistance; or the type of loss may be complicated, i.e. a fire loss destroyed not only personal property, but also: real property, fine arts, EDP equipment and media, vehicles, accounts receivables, etc. The adjuster must exercise good judgment and, if circumstances suggest, personally inspect the loss site.]

14. **(P) Handling:** NMPSIA requires that within ten (10) working days of any loss more than \$25,000, a full written explanation or in person discussion be given of :

a) insured's duties under the policy, b) copies and, if necessary, an explanation of the applicable coverage and any exclusions, c) state the member's deductible, d) define when a Statement of Loss is due to CCMSI, and e) provide a recommended plan of action defining the insured's and CCMSI's responsibilities to conclude the loss.

15. **(L & P) Handling:** A reserve will be established within 30 days of the loss. Gross over reserving is not acceptable.
16. **(P) Handling:** If the cause of a fire is suspicious or questionable, either a fire report will be obtained, or the adjuster 's notes will show that a conversation took place with fire officials. Any other pertinent information will be recorded.
17. **(L & P) Subrogation:** Subrogation, if any, is pursued vigorously. In either case, the file will be noted.
18. **(L & P) Handling:** If a loss is \$10,000 or more, diagrams and photos illustrating the loss are required, vehicles, accounts receivables, etc. The adjuster must exercise good judgment and, if circumstances suggest, personally inspect the loss site.
19. **(P) Handling:** NMPSIA requires that within ten (10) working days of any loss more than \$25,000, a full written explanation or in person discussion be given of :
 - a) insured's duties under the policy, b) copies and, if necessary, an explanation of the applicable coverage and any exclusions, c) state the member's deductible, d) define when a Statement of Loss is due to CCMSI, and e) provide a recommended plan of action defining the insured's and CCMSI's responsibilities to conclude the loss.
20. **(L & P) Handling:** A reserve will be established within 30 days of the loss. Gross over reserving is not acceptable.
21. **(P) Handling:** If the cause of a fire is suspicious or questionable, either a fire report will be obtained, or the adjuster 's notes will show that a conversation took place with fire officials. Any other pertinent information will be recorded.
22. **(L & P) Subrogation:** Subrogation, if any, is pursued vigorously. In either case, the file will be noted.
23. **(L & P) Handling:** If a loss is \$10,000 or more, diagrams and photos illustrating the loss are required.
24. **(L & P) Handling:** Salvage is to be properly considered in the adjustment. The

adjuster will document how salvage was handled in the loss adjustment or explain that the damaged property has no remaining value.

25. **(L & P) Indexing:** NMPSIA only requires indexing of Bodily Injury (BI) claims no others as it is not cost effective or beneficial to the program.

26. **(L & P) Communications:** NMPSIA recognizes that there are members who have never experienced a property and liability claim. Therefore, CCMSI is required to communicate effectively with this type of member.

This may require a personal visit, more frequent phone calls, additional written materials, etc. Communication and service is NMPSIA's claim goal.

27. **(P) Handling:** NMPSIA requires that within ten (10) working days of any loss more than \$25,000, a full written explanation or in person discussion be given of :

a) insured's duties under the policy, b) copies and, if necessary, an explanation of the applicable coverage and any exclusions, c) state the member's deductible, d) define when a Statement of Loss is due to CCMSI, and e) provide a recommended plan of action defining the insured's and CCMSI's responsibilities to conclude the loss.

28. **(L & P) Handling:** A reserve will be established within 30 days of the loss. Gross over reserving is not acceptable.

29. **(P) Handling:** If the cause of a fire is suspicious or questionable, either a fire report will be obtained, or the adjuster 's notes will show that a conversation took place with fire officials. Any other pertinent information will be recorded.

30. **(L & P) Subrogation:** Subrogation, if any, is pursued vigorously. In either case, the file will be noted.

31. **(L & P) Handling:** If a loss is \$10,000 or more, diagrams and photos illustrating the loss are required

32. **(L & P) Handling:** Salvage is to be properly considered in the adjustment. The adjuster will document how salvage was handled in the loss adjustment or explain that the damaged property has no remaining value.

33. **(L & P) Indexing:** NMPSIA only requires indexing of Bodily Injury (BI) claims no others as it is not cost effective or beneficial to the program.

34. **(L & P) Communications:** NMPSIA recognizes that there are members who have never experienced a property and liability claim. Therefore, CCMSI is required to communicate effectively with this type of member.

This may require a personal visit, more frequent phone calls, additional written materials, etc. Communication and service is NMPSIA's claim goal.

35. **(P) Handling:** NMPSIA requires that within ten (10) working days of any loss more than \$25,000, a full written explanation or in person discussion be given of :

a) insured's duties under the policy, b) copies and, if necessary, an explanation of the applicable coverage and any exclusions, c) state the member's deductible, d) define when a Statement of Loss is due to CCMSI, and e) provide a recommended plan of action defining the insured's and CCMSI's responsibilities to conclude the loss.

36. **(L & P) Handling:** A reserve will be established within 30 days of the loss. Gross over reserving is not acceptable.

37. **(P) Handling:** If the cause of a fire is suspicious or questionable, either a fire report will be obtained, or the adjuster 's notes will show that a conversation took place with fire officials. Any other pertinent information will be recorded.

38. **(L & P) Subrogation:** Subrogation, if any, is pursued vigorously. In either case, the file will be noted.

39. **(L & P) Handling:** If a loss is \$10,000 or more, diagrams and photos illustrating the loss are required.

40. **(L & P) Handling:** Salvage is to be properly considered in the adjustment. The adjuster will document how salvage was handled in the loss adjustment or explain that the damaged property has no remaining value.

41. **(L & P) Indexing:** NMPSIA only requires indexing of Bodily Injury (BI) claims no others as it is not cost effective or beneficial to the program.

42. **(L & P) Communications:** NMPSIA recognizes that there are members who have never experienced a property and liability claim. Therefore, CCMSI is required to communicate effectively with this type of member.

This may require a personal visit, more frequent phone calls, additional written materials, etc. Communication and service is NMPSIA's claim goal.

43. **(L & P) Handling:** A reserve will be established within 30 days of the loss. Gross over reserving is not acceptable.

44. **(P) Handling:** If the cause of a fire is suspicious or questionable, either a fire report will be obtained, or the adjuster 's notes will show that a conversation took place with fire officials. Any other pertinent information will be recorded.

45. **(L & P) Subrogation:** Subrogation, if any, is pursued vigorously. In either case, the file will be noted.

46. **(L & P) Handling:** If a loss is \$10,000 or more, diagrams and photos illustrating the loss are required.
47. **(P) Handling:** NMPSIA requires that within ten (10) working days of any loss more than \$25,000, a full written explanation or in person discussion be given of: a) insured's duties under the policy, b) copies and, if necessary, an explanation of the applicable coverage and any exclusions, c) state the member's deductible, d) define when a Statement of Loss is due to CCMSI, and e) provide a recommended plan of action defining the insured's and CCMSI's responsibilities to conclude the loss.
48. **(L & P) Handling:** A reserve will be established within 30 days of the loss. Gross over reserving is not acceptable.
49. **(P) Handling:** If the cause of a fire is suspicious or questionable, either a fire report will be obtained, or the adjuster 's notes will show that a conversation took place with fire officials. Any other pertinent information will be recorded.
50. **(L & P) Subrogation:** Subrogation, if any, is pursued vigorously. In either case, the file will be noted.
51. **(L & P) Handling:** If a loss is \$10,000 or more, diagrams and photos illustrating the loss are required.
52. **(L & P) Handling:** Salvage is to be properly considered in the adjustment. The adjuster will document how salvage was handled in the loss adjustment or explain that the damaged property has no remaining value.
53. **(L & P) Indexing:** NMPSIA only requires indexing of Bodily Injury (BI) claims no others as it is not cost effective or beneficial to the program.
54. **(L & P) Communications:** NMPSIA recognizes that there are members who have never experienced a property and liability claim. Therefore, CCMSI is required to communicate effectively with this type of member.

This may require a personal visit, more frequent phone calls, additional written materials, etc. Communication and service is NMPSIA's claim goal.

55. **EEOC, HRD, OCR discrimination and DOL complaints** - This is a self-insured coverage provided by NMPSIA for their Members. The purpose of this coverage is to aid Members in filing responses to various administrative charges of discrimination filed with state and federal enforcement agencies.

Under the procedure, NMPSIA provides assistance in evaluating the complaint and drafting a response. In addition, \$600.00 per complaint is made available for a legal review of the response, prior to forwarding to the appropriate state or federal agency.

Options available to the Member:

- 1) The Member may elect to handle the response to the complaint without assistance from NMPSIA;
 - a) *the response may be compiled by the Member's employees and filed directly with the appropriate agency, or*
 - b) *the response may be compiled by, or with the assistance of the Member's legal counsel (at the Member's expense).*

Regardless if 1.a) or 1.b) are chosen, the Member needs to provide NMPSIA with a copy of the complaint.

- 2) The Member may request that NMPSIA aid evaluate the circumstances and assist in drafting the response to the involved agency, at no expense to the Member. In most cases, assistance will be provided by Julie Garcia- Civil Rights Specialist, Poms & Associates. If CCMSI receives requests directly from the Member, CCMSI will copy request and provide it to Julie Garcia. If Julie Garcia receives the request directly from the Member, Julie Garcia will copy request and provide it to CCMSI.
- 3) At the Member's request, an attorney will be assigned by NMPSIA to provide a response or to review a drafted response, for a total fee not to exceed \$600.00.

56. I.D.E.A. Policy- CCMSI Best Practices will not apply to this coverage this is mainly a data entry/ reimbursement process. This is a self-insured coverage provided by NMPSIA for their Members. This policy was effective September 1, 1997 and provides coverage for claims for due process hearings that began on or after September 1, 1997. The purpose of this program is to provide a reimbursement facility to assist Member's to offset "reasonable" costs when involved in an IDEA/Section 504 due-process hearing. CCMSI will coordinate with the Member and receive proper documentation to properly reimburse the Member as outlined in the Ltd. IDEA Coverage document. In addition, CCMSI will determine "reasonableness" of costs. CCMSI will review records and billings submitted by the Member to determine if the charges being made are usual and customary for the type of work being performed.

IDEA/Section 504 claims will be submitted to CCMSI after all decisions are final and all charges have been received. The Member will include a copy of the purchase order or proof of payment along with proof of good faith efforts to negotiate an IEP or to mediate along with the finding of the hearing officer. Hearing officers are instructed to avoid the use of the student's and/or parents/guardian's names; therefore, CCMSI will make every effort to instruct the Member to delete the name of the parent/guardian or student in all correspondence to CCMSI.

IV. NMPSIA'S RESPONSIBILITIES

1. Establish and maintain a fund or funds to pay self-insured losses.
2. Respond to CCMSI's requests in a timely manner.
3. Maintain supervision and oversee that claim adjustment, subrogation, Investigation and settlements follow the Authority/CCMSI contract and the Authority's Rules and Regulations and NMPSIA/CCMSI Claims Procedures.
4. Attempt to resolve any disputes or potential disputes between any member/insured and NMPSIA/CCMSI.
5. Coordinate the activities with an outside auditing firm who will perform claims and actuarial audits. The purpose will be to provide the Authority with verification of CCMSI's compliance with these Claims Procedures or CCMSI's Service Instructions and verify reserve adequacies.
6. NMPSIA reserves the right to make final coverage decisions within the retention.
7. Executive Director, or his designee, will instruct CCMSI which attorney to employ.

NMPSIA/CCMSI

WORKERS' COMPENSATION CLAIM PROCEDURES

2022/2023

I. PURPOSE

The purpose of this agreement is to provide uniform claims management procedures between Cannon Cochran Management Services, Inc. (CCMSI) and NMPSIA (Authority or NMPSIA). These procedures are not intended to replace CCMSI's corporate product standards.

II. NMPSIA'S CLAIMS PHILOSOPHY

It is the philosophy of the Authority and its contracted third-party administrator, to proactively manage and administrate workers' compensation claims to contain costs. It is recognized, however, that claims may present bona fide issues and conflicting positions with respect to rights and obligations under the Agreement. The Authority and its members believe that where bona fide differences of opinion exist, resolution by compromise is appropriate where this is deemed by the Authority to be in the best interest of the Authority and its members in general. The Authority will have the sole discretion to pay benefits on any such claim, subject to the Authority's Self-Insured Retention level.

III. CCMSI's RESPONSIBILITIES

1. CCMSI agrees to administer this self-insurance program in full compliance with all laws, rules, and regulations governing the administration of self-insurance

2. The Albuquerque branch of CCMSI provides the day-to-day claims management of the program. The complete supervision, administration, management, and handling of all claims, including: indexing new medical-only and indemnity claims, loss adjustments, subrogation, investigations and settlements falling within NMPSIA's self-insured retention, and the coordination of claims and settlements with the excess carrier(s), is CCMSI's responsibility.

3. CCMSI is to adjust, settle, or resist claims or losses, but settlements of any claim and payment of any allocated loss expense will be subject to the following limits:
 - a. CCMSI may approve settlement of any claim, or payment of any allocated loss expense, not exceeding \$25,000 for which the Authority is self-insured. However, it is mandatory to notify and involve the NMPSIA member(s) for claims in excess of \$10,000.
 - b. The Executive Director and as delegated to the Deputy Director, may approve the settlement of any claim, or payment of any allocated loss expense.
 - c. NMPSIA requires that within thirty (30) working days of any loss in excess of

\$250,000, a full written report will be sent to the Executive Director, or as delegated to the Deputy Director, providing a full written explanation of the claim. Supplemental reports to NMPSIA every sixty (60) days. The need for continued reporting is at the discretion of the Executive Director. Included in the report will be, at minimum, the following information:

(1) Brief summary of the claim, (2) CCMSI's opinion of NMPSIA's obligation under workers' compensation law, (3) state any applicable exclusions, if any, from the excess insurance policy, (4) state applicable self-insured retention, (5) statement on how CCMSI intends to control this claim using a managed care approach, (6) provide recommended plan of action defining the Member's responsibilities, and (7) will CCMSI establish a transitional early return-to-work program for the injured employee.

4. Maintain a claim file for each reported claim and provide complete documentation that is consistent with CCMSI's corporate standards. There should be a claim summary documented in each lost time claims that is reserved in excess of \$25,000. (Recognizing the volume of these cases, it will be left to the Executive Director or Deputy Director and CCMSI, to communicate significant claim s.) Lost time claims open more than one year will be referred to CCMSI's claims supervisor for review. The claim summary reports will be typed and include the following minimum information:
 - a. Date
 - b. Claim number
 - c. Date of loss
 - d. NMPSIA member
 - e. Claimant
 - f. Date assigned
 - g. Facts of accident or occurrence
 - h. Current reserve Assessment of compensability
 - i. Review of diagnosis and indemnity exposure
 - j. Address excess coverage questions (if any)
 - k. Identify a further course of action
 - l. State next diary date;
 - m. Identify the council, if litigated

5. When a statement is taken from the employee on lost time cases, the statement should include but not be limited to the following:
 - a. A description of the accident
 - b. Nature of the injury
 - c. Witnesses' names, addresses, etc.
 - d. The name of the treating physician
 - e. Previous injuries, noting the body location and whether treatment was resolved; and
 - f. The employee's impression of the injury and projected return to work date.

Cases involving back injuries, injuries to short-term employees, hernia claims, occupational disease or cumulative trauma, subrogation cases, reimbursement or catastrophic losses, cases involving prior claims where similar injuries occurred, un-witnessed accidents and stress claims, should have written or recorded statements, however CCMSI is allowed to use discretion. If written statements are not obtained, then they will document the file with the justification.

6. Either the NM State Director or the Claims Supervisor will review lost time claims within 10 days from receipt of notice of a claim. The Claims Supervisor will again review these files 30 to 90 days of the initial receipt of the claim and on a discretionary basis after that point. In addition, the Claims Supervisor will, at his or her discretion, provide a 90-day review on all claims with questionable compensability, catastrophic losses, unusual claims, or claims with potential but not clear subrogation. On a discretionary basis, The Claims Supervisor at 90-day intervals will review Medical Only files with the goal of ensuring prompt closure and appropriate management. Any comments made during the review, will be placed in the computer narrative notes.
7. Except for Incident Only files, 24 to 48 hour written or verbal claimant contact is required on Medical Only and Lost Time files beginning from the date the employer notifies CCMSI. Weekends and Holidays do not count. The Authority will accept only extreme exceptions to this provision. If it occurs, CCMSI will identify it in the file. Telephone calls are returned within 24 hours. CCMSI will answer all correspondence requiring a response within 10 days.

The adjuster on all lost time cases will contact the member. This contact should confirm the accident and any additional facts about the accident that the client may have. Written or Verbal contact should be completed within the first 24 to 48 hours upon receipt of the notice of claim. Weekends and Holidays do not count.

8. If the claim needs to be assigned to a defense attorney, the claims adjuster will assign the case to the defense firm but must first document the issues in dispute and outline the actions to be taken by the defense attorney. It is CCMSI's responsibility to coordinate and negotiate all litigated claims to control legal expenses. If they need any further investigation, the claims adjuster will coordinate that investigation, not the attorney. Defense assignment will be made by phone and confirmed in writing. CCMSI will use their litigation corporate standards.

9. CCMSI is responsible for notifying the excess carrier(s) on a II potential specific losses within 30 days after identification as excess reportable. Any agreements between CCMSI and the excess carrier(s) will be provided to NMPSIA. NMPSIA's requirements are the following:

- a. all claims, awards, verdicts, actions, suits, proceedings or judgments reserved at or above 50% of NMPSIA self-insured retention;
- b. Fatalities;
- c. Paraplegics and quadriplegics;
- d. Serious burns, defined as 2nd or 3rd degree burns involving 25% or more of the body;
- e. Brain Injury;
- f. Spinal cord Injury
- g. Amputation of a major extremity, and
- h. Any Occurrence which results in a serious injury of two or more Employees.

Coverage determination will be requested by the Albuquerque CCMSI office to the excess carrier(s) through CCMSI' s Claims Supervisor, in writing. An answer by the excess carrier(s) will, in turn, be given to the Claims Supervisor in the Albuquerque branch. NMPSIA, CCMSI and/or the excess carrier(s), has the discretion to involve the Broker and/or Consultant (Poms & Associates) in any coverage or claim issues.

The TPA should be responsible for fines, penalties, and the cost of the claim if they fail to timely report the claim to the Excess Carrier and the claim is denied by the Excess Carrier.

It is understood if the TPA is prejudiced by the Member's failure to provide notice of a claim in accordance with the requirements set forth above and/or as otherwise provided by the Law of New Mexico, the Excess Carrier may elect to deny coverage for the Loss arising from such claims.

10. Contact with the treating physician should be made in accordance with applicable law. The adjuster or nurse should request information on the description of the accident, suggested treatment, and prognosis. These activities can only be performed by CCMSI with the appropriate medical release. If the appropriate medical release cannot be obtained, these activities may be legally prohibited. All documentation will be retained in the file. When chart notes are insufficient, the adjuster will request narrative documentation from the treating physician. They should request narrative documentation when there is a major change in the medical status.

11. Lost-time claimants should be contacted at least every three weeks and no longer than four weeks during the total duration of the temporary disability. While disability continues, it is the adjuster's/nurse's responsibility to maintain contact with the employee and send NMPSIA a report of the status of the claimant, when projected return to work dates fluctuate or when requested by NMPSIA.

If the adjuster/nurse has not established contact with the claimant during the last 30-day period, they should consider additional efforts to locate the claimant. These efforts may include enlisting the aid of school district personnel in case they have any additional information or suggestions, scheduling a doctor's appointment for the claimant, notifying a doctor's appointment for the claimant, notifying the claimant in writing of the appointment, requesting the claimant contact CCMSI's office while at the doctor's appointment or having the nurse consultant attend the appointment or assign a private investigator to the case.

In addition, there is the following Nurse Case Management Protocols (Telephonic/Field) which will be followed:

Approval from the adjuster and/or established client guidelines will determine when case management will be utilized. The following are the referral criteria for Field or Telephonic Medical Case Management:

- Catastrophic injuries (head, spinal cord, burns, amputations, crush injuries, etc.)
- Unusual diseases or disorders i.e. Lyme, Complex Regional Pain Syndrome (CRPS), respiratory disorders, etc.
- Non-union fractures
- Back/neck surgery/fusion, repeat spinal surgeries
- Rotator cuff/anterior cruciate ligament (ACL)/ meniscus surgeries
- Pre-existing conditions affecting healing and treatment, i.e. diabetes, fibromyalgia, migraines, etc.
- Inability to secure appropriate treatment/disability plan from provider, i.e. their primary care physician (PCP) or Indian Health Services (IHS)
- Multiple medical providers, frequent changes in providers
- Elderly injured/ill worker, pregnant injured worker
- Noncompliant injured worker, provider, or supervisor ...inability to resolve telephonically...transfer to onsite
- Working light duty with no progression to regular duty expected in near future
- Potential lost time of 60-90 days or more
- Case in telephonic case management (TCM) for over 30-60 days...onsite visit is warranted
- Aggravation of pre-existing condition
- Re-injury shortly after return to work
- Objective medical findings do not support disability
- Other handicaps to employment (communication barriers)
- History of multiple work injuries/illnesses
- Conflict of medical status/work status between physician and injured worker
- Medical diagnosis does not corroborate with cause of injury
- Musculoskeletal disorders (MSD) that result in lost time and/or do not resolve
- Social and/or behavioral issues

12. The stated reserve philosophy of NM PSIA is: All claims should be reserved on a projected total cost exposure basis. They will review reserves whenever:
 - a. They receive medical information that would suggest that the current pending reserve is inadequate for the exposure;
 - b. When the prognosis or the claimant's return to work date has changed;
 - c. The claimant obtains legal representation;
 - d. They anticipate settlement; or
 - e. Whenever they receive any other information that would suggest that the current pending reserves are inadequate.

All reserve changes will be performed according to the above stated philosophy.

13. CCMSI will pay all hospitals, doctor and drug bills promptly and by 30 days from the date of the receipt, if they are unquestioned. It will review all medical bill, hospital bill or treatment bill for appropriateness.

14. CCMSI will obtain periodic medical reports on the status of the claimants' injury, according to the prior previously stated policy. The adjuster may consider petitioning for an Independent Medical Exam whenever:

- a. a significant change in the medical condition has occurred that would suggest that surgical intervention, or other invasive procedure is anticipated; or
- b. conservative treatment has continued greater than eight weeks without any indication of the resolution of the injury; or
- c. when the treating physician has released the claimant to return to work and the claimant has chosen a second physician who places the claimant on a no work status; or
- d. the treating physician refuses to provide additional or appropriate medical information.

15. CCMSI must recognize potential Right of Recovery and must timely notify the worker of NMPSIA's rights. If the adjuster is unable to obtain reimbursement or needs legal assistance, they will consider turning the matter over to an attorney for legal recommendations or management.

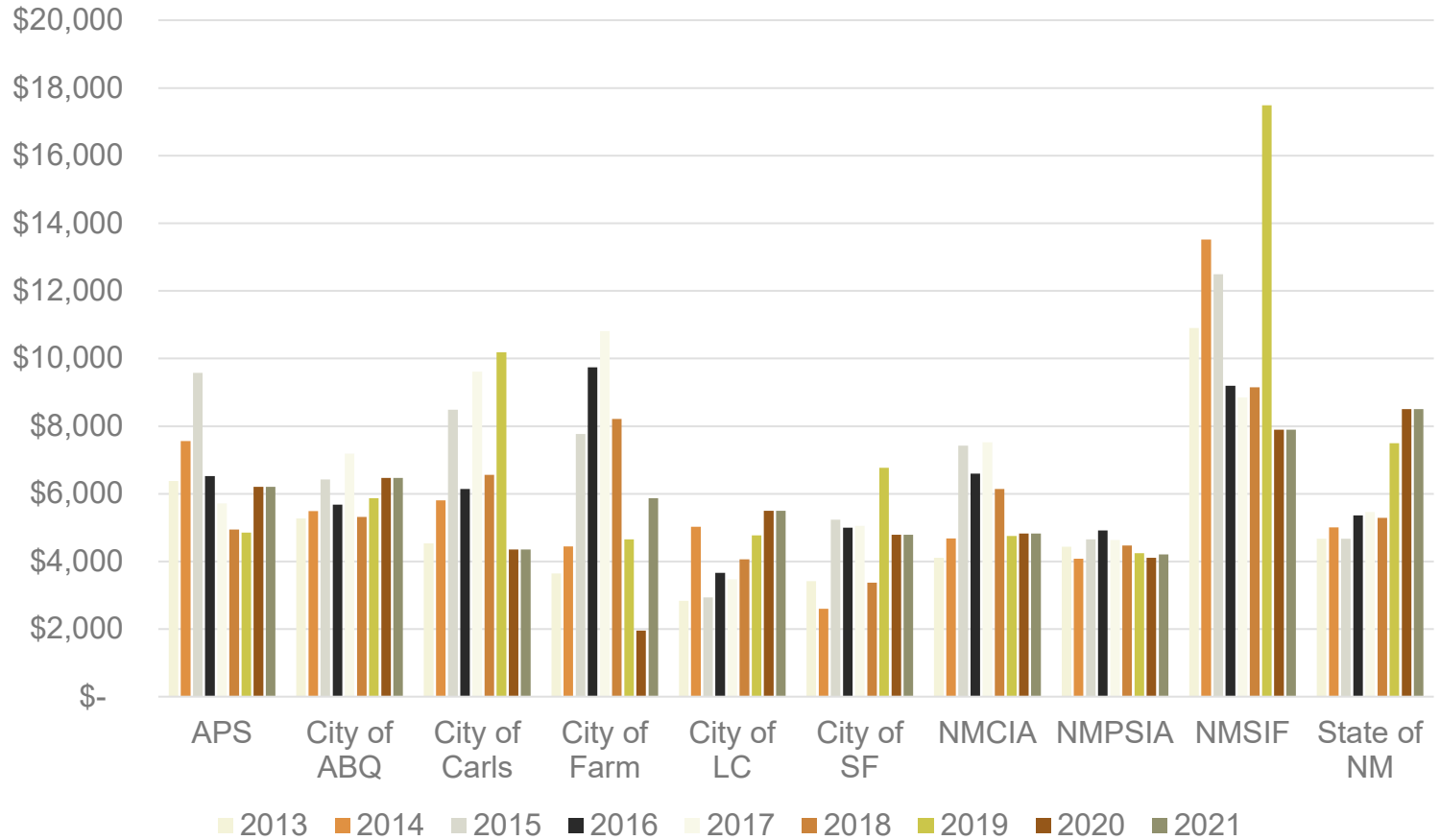
16. It is imperative that documentation at the injury site, witnesses, or other pertinent information is documented (recordings are preferred) for future reference. Particularly in situations where the occurrences are questionable or where there are compensability questions, documentation should include recorded interviews of the claimant and any witnesses of the injury.

IV. NMPSIA'S RESPONSIBILITIES

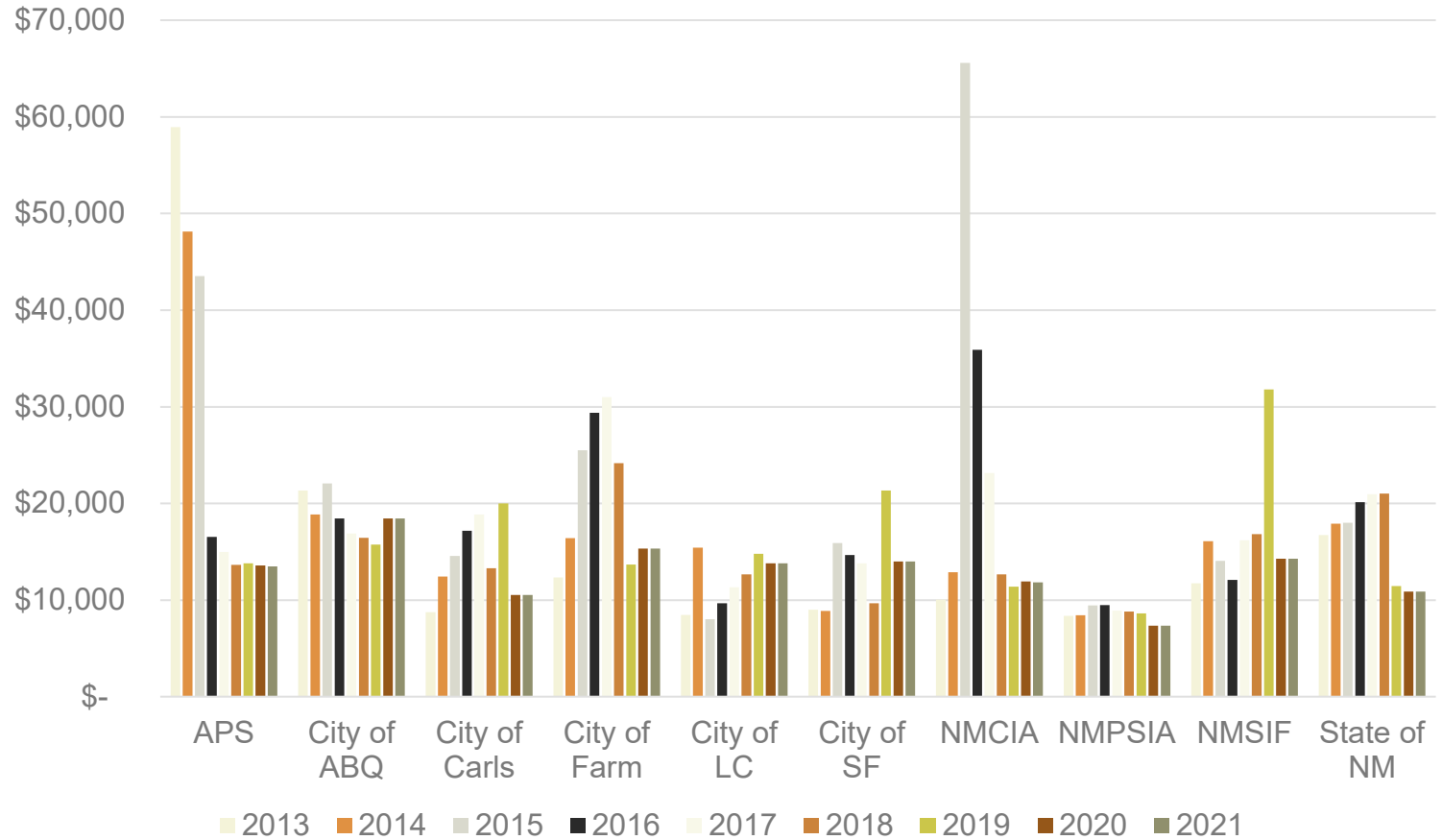
1. Establish and maintain a fund or funds to pay self-insured losses.
2. Respond to CCMSI's requests.
3. Maintain supervision and oversee that claim adjustment, subrogation, investigation, and settlements meet the NMPSIA/CCMSI contract and NMPSIA's Rules and Regulations.
4. Attempt to resolve any disputes or potential disputes between any member/insured and NMPSIA/CCMSI.
5. At NMPSIA's discretion, coordinate activities with an outside auditing firm, that will perform claims and actuarial audits. The purpose will be to provide NMPSIA with verification of CCMSI's compliance with these claims procedures and establish reserve adequacies.

State of New Mexico Comparison

Average Cost per Claim



State of New Mexico Comparison Average Cost per Indemnity Claim





NMPSIA BOARD REPORT SUMMARY - LIABILITY AND PROPERTY
09-30-2022

ALL YEARS TOTAL OPEN CLAIMS FOR LIABILITY AS OF SEPTEMBER 30, 2022							ALL YEARS TOTAL OPEN CLAIMS FOR PROPERTY AS OF SEPTEMBER 30, 2022						GRAND TOTALS	
SCHOOL DISTRICT	NUMBER OF OPEN CLAIMS	NUMBER OF NEW CLAIMS	NUMBER OF CLOSED CLAIMS	RESERVE	PAYMENT	TOTAL	NUMBER OF OPEN CLAIMS	NUMBER OF NEW CLAIMS	NUMBER OF CLOSED CLAIMS	RESERVE	PAYMENT	TOTAL	TOTAL OPEN CLAIMS	GRAND TOTAL
SUBTOTAL - DISTRICTS	317	34	39	\$23,123,278.31	\$12,864,942.38	\$35,988,220.69	70	5	6	\$36,750,477.51	\$20,578,528.38	\$57,329,005.89	387	\$93,317,226.58
SUBTOTAL - CHARTER SCHOOLS	30	4	0	\$430,362.83	\$7,337,911.11	\$7,768,273.94	5	0	0	\$108,557.28	\$61,870.66	\$170,427.94	35	\$7,938,701.88
GRAND TOTAL	347	38	39	\$23,553,641.14	\$20,202,853.49	\$43,756,494.63	75	5	6	\$36,859,034.79	\$20,640,399.04	\$57,499,433.83	422	\$101,255,928.46

CHANGE FROM PRIOR MONTH SCHOOL DISTRICT	CURRENT CHANGES LIABILITY CLAIMS FROM PRIOR MONTH						CURRENT CHANGES PROPERTY CLAIMS FROM PRIOR MONTH						CURRENT CHANGES	
	OPEN CLAIMS	NEW CLAIMS	CLOSED CLAIMS	RESERVE	PAYMENT	TOTAL	OPEN CLAIMS	NEW CLAIMS	CLOSED CLAIMS	RESERVE	PAYMENT	TOTAL	OPEN CLAIMS	GRAND TOTAL
SUBTOTAL - DISTRICTS	1	(13)	2	\$2,121,493.81	\$924,593.26	\$3,046,087.07	0	(12)	(13)	(\$935,971.54)	\$2,240,682.21	\$1,304,710.67	1	\$4,350,797.74
SUBTOTAL - CHARTER SCHOOLS	4	0	(4)	\$396,629.93	(\$1,988,054.15)	(\$1,591,424.22)	0	(4)	0	\$101,263.22	\$49,136.78	\$150,400.00	4	(\$1,441,024.22)
GRAND TOTAL	5	(13)	(2)	\$2,518,123.74	(\$1,063,460.89)	\$1,454,662.85	0	(16)	(13)	(\$834,708.32)	\$2,289,818.99	\$1,455,110.67	5	\$2,909,773.52

HISTORY	MONTH TOTAL						MONTH TOTAL CHANGES FROM PRIOR MONTH TOTAL					
Monthly Totals	Open Claims	New Claims	Closed Claims	RESERVE	PAYMENTS	TOTAL	Open Claims	New Claims	Closed Claims	RESERVE	PAYMENTS	TOTAL
September - 2022	422	43	45	\$60,412,675.93	\$40,843,252.53	\$101,255,928.46	5	(29)	(15)	\$1,683,415.42	\$1,226,358.10	\$2,909,773.52
August - 2022	417	72	60	\$58,729,260.51	\$39,616,894.43	\$98,346,154.94	15	54	31	\$970,635.92	\$2,352,124.71	\$3,322,760.63
July - 2022	402	18	29	\$57,758,624.59	\$37,264,769.72	\$95,023,394.31	(6)	(39)	(11)	\$20,243,939.17	\$4,938,782.62	\$25,182,721.79
June - 2022	408	57	40	\$37,514,685.42	\$32,325,987.10	\$69,840,672.52	27	2	(33)	(\$813,665.77)	\$1,639,986.34	\$826,320.57
May - 2022	381	55	73	\$38,328,351.19	\$30,686,000.76	\$69,014,351.95	(16)	11	40	(\$5,203,062.14)	\$3,030,181.71	(\$2,172,880.43)
April - 2022	397	44	33	\$43,531,413.33	\$27,655,819.05	\$71,187,232.38	21	(25)	(7)	\$342,327.71	\$1,366,532.28	\$1,708,859.99
March - 2022	376	69	40	\$43,189,085.62	\$26,289,286.77	\$69,478,372.39	34	22	6	\$1,481,802.34	\$1,290,433.83	\$2,772,236.17
February - 2022	342	47	34	\$41,707,283.28	\$24,998,852.94	\$66,706,136.22	15	8	0	\$2,051,510.59	(\$272,536.59)	\$1,778,974.00
January - 2022	327	39	34	\$39,655,772.69	\$25,271,389.53	\$64,927,162.22	7	4	(17)	(\$2,780,159.39)	(\$279,539.15)	(\$3,059,698.54)
December - 2021	320	35	51	\$42,435,932.08	\$25,550,928.68	\$67,986,860.76	(14)	(12)	13	\$733,971.22	(\$846,129.80)	(\$112,158.58)
November - 2021	334	47	38	\$41,701,960.86	\$26,397,058.48	\$68,099,019.34	16	13	(12)	\$428,298.90	(\$140,259.94)	\$288,038.96
October - 2021	318	34	50	\$41,273,661.96	\$26,537,318.42	\$67,810,980.38	(11)	(17)	(1)	\$387,615.58	\$1,047,331.60	\$1,434,947.18
September - 2021	329	51	51	\$40,886,046.38	\$25,489,986.82	\$66,376,033.20	1	(2)	7	(\$1,015,326.68)	(\$14,926,877.83)	(\$15,942,204.51)
August - 2021	328	53	44	\$41,901,373.06	\$40,416,864.65	\$82,318,237.71	13	26	23	(\$6,602,301.51)	\$8,714,729.10	\$2,112,427.59
July - 2021	315	27	21	\$48,503,674.57	\$31,702,135.55	\$80,205,810.12	10	(6)	(14)	(\$9,463,560.36)	\$917,883.95	(\$8,545,676.41)
June - 2021	305	33	35	\$57,967,234.93	\$30,784,251.60	\$88,751,486.53	(1)	6	3	(\$7,958,945.25)	\$7,182,105.43	(\$776,839.82)
May - 2021	306	27	32	\$65,926,180.18	\$23,602,146.17	\$89,528,326.35	(1)	(17)	(12)	(\$3,911,820.87)	\$2,197,081.64	(\$1,714,739.23)
April - 2021	307	44	44	\$69,838,001.05	\$21,405,064.53	\$91,243,065.58	(4)	(11)	(20)	\$664,221.97	\$850,627.02	\$1,514,848.99
March - 2021	311	55	64	\$69,173,779.08	\$20,554,437.51	\$89,728,216.59	5	23	29	\$1,736,847.96	(\$1,879,101.28)	(\$142,253.32)
February - 2021	306	32	35	\$67,436,931.12	\$22,433,538.79	\$89,870,469.91	0	6	5	\$1,663,112.17	\$860,697.63	\$2,523,809.80
January - 2021	306	26	30	\$65,773,818.95	\$21,572,841.16	\$87,346,660.11	3	3	(7)	\$3,370,469.11	\$580,052.17	\$3,950,521.28
December - 2020	303	23	37	\$62,403,349.84	\$20,992,788.99	\$83,396,138.83	(10)	(8)	(6)	(\$581,271.80)	\$177,982.64	(\$403,289.16)
November - 2020	313	31	43	\$62,984,621.64	\$20,814,806.35	\$83,799,427.99	(11)	(1)	(2)	(\$367,874.33)	(\$1,858,671.89)	(\$2,226,546.22)
October - 2020	324	32	45	\$63,352,495.97	\$22,673,478.24	\$86,025,974.21	(8)	(11)	1	(\$1,061,841.28)	\$338,457.26	(\$723,384.02)
September - 2020	332	43	44	\$64,414,337.25	\$22,335,020.98	\$86,749,358.23	5	(3)	(6)	\$4,366,893.14	(\$3,456,682.77)	\$910,210.37
August - 2020	327	46	50	\$60,047,444.11	\$25,791,703.75	\$85,839,147.86	(2)	12	(13)	\$2,049,364.59	\$207,038.63	\$2,256,403.22
July - 2020	329	34	63	\$57,998,079.52	\$25,584,665.12	\$83,582,744.64	(13)	6	10	\$623,995.55	(\$503,018.35)	\$120,977.20



NMPSIA BOARD REPORT

ALL YEARS TOTAL														
OPEN CLAIMS FOR WORKERS' COMPENSATION AS OF SEPTEMBER 30, 2022														
SCHOOL DISTRICT	OPEN		RE-OPENED		NEW		CLOSED		RESERVE		PAYMENT		TOTAL	
HISTORY	Chg	Ct	Chg	Ct	Chg	Ct	Chg	Ct	Change	Current	Change	Current	Change	Current
SEPTEMBER-2022	+48	946	+8	29	+31	280	+5	261	+\$113,539	\$13,772,734.44	(\$36,008)	\$47,045,575.78	+\$77,531	\$ 60,818,310.22
AUGUST-2022	+14	898	+7	21	+191	249	+123	256	+\$245,756	\$13,659,195.34	(\$176,954)	\$47,081,584.06	+\$68,802	\$ 60,740,779.40
HISTORY	OPEN		RE-OPENED		NEW		CLOSED		RESERVE		PAYMENT		TOTAL	
HISTORY	Chg	Ct	Chg	Ct	Chg	Ct	Chg	Ct	Change	Current	Change	Current	Change	Current
SEPTEMBER-2022	+48	946	+8	29	+31	280	+5	261	+\$113,539	\$13,772,734.44	(\$36,008)	\$47,045,575.78	+\$77,531	\$ 60,818,310.22
AUGUST-2022	+14	898	+7	21	+191	249	+123	256	+\$245,756	\$13,659,195.34	(\$176,954)	\$47,081,584.06	+\$68,802	\$ 60,740,779.40
JULY-2022	(61)	884	(18)	14	(35)	58	(7)	133	(\$548,564)	\$13,413,439.70	(\$1,038,108)	\$47,258,537.68	(\$1,586,672)	\$ 60,671,977.38
JUNE-2022	(15)	945	+10	32	(114)	93	(59)	140	(\$344,886)	\$13,962,003.26	+\$54,290	\$48,296,645.97	(\$290,596)	\$ 62,258,649.23
MAY-2022	+30	960	(1)	22	+29	207	+18	199	(\$24,133)	\$14,306,889.60	+\$353,763	\$48,242,355.49	+\$329,630	\$ 62,549,245.09
APRIL-2022	+20	930	+1	23	(47)	178	(24)	181	(\$354,710)	\$14,331,022.70	+\$398,883	\$47,888,592.21	+\$44,173	\$ 62,219,614.91
MARCH-2022	+42	910	+7	22	+59	225	+26	205	+\$27,833	\$14,685,732.34	(\$404,683)	\$47,489,709.58	(\$376,850)	\$ 62,175,441.92
FEBRUARY-2022	+1	868	+2	15	+65	166	+9	179	+\$168,625	\$14,657,898.88	(\$178,556)	\$47,894,392.95	(\$9,932)	\$ 62,552,291.83
JANUARY-2022	+0	867	+0	13	+0	101	+0	170	+\$204,865	\$14,489,274.20	(\$236,518)	\$48,072,949.17	(\$31,653)	\$ 62,562,223.37
DECEMBER-2021	(56)	867	(9)	13	(67)	101	(54)	170	(\$73,386)	\$14,284,409.04	(\$316,376)	\$48,309,467.44	(\$389,761)	\$ 62,593,876.48
NOVEMBER-2021	(34)	923	(17)	22	(34)	168	+35	224	(\$299,608)	\$14,357,794.86	(\$450,346)	\$48,625,842.94	(\$749,954)	\$ 62,983,637.80
OCTOBER-2021	+52	957	+23	39	(40)	202	(12)	189	+\$756,885	\$14,657,403.06	(\$111,683)	\$49,076,188.93	+\$645,202	\$ 63,733,591.99
SEPTEMBER-2021	+57	905	+2	16	+27	242	+10	201	+\$71,559	\$13,900,518.15	(\$403,273)	\$49,187,872.17	(\$331,714)	\$ 63,088,390.32
AUGUST-2021	+38	848	+1	14	+154	215	+91	191	(\$27,930)	\$13,828,959.45	(\$136,432)	\$49,591,145.27	(\$164,361)	\$ 63,420,104.72
JULY-2021	(26)	810	(5)	13	(20)	61	(10)	100	(\$179,232)	\$13,856,889.02	+\$301,019	\$49,727,577.14	+\$121,788	\$ 63,584,466.16
JUNE-2021	(11)	836	(3)	18	(67)	81	(26)	110	(\$8,065)	\$14,036,120.59	(\$289,351)	\$49,426,557.96	(\$297,416)	\$ 63,462,678.55
MAY-2021	+33	847	+13	21	(40)	148	(1)	136	(\$372,986)	\$14,044,185.65	(\$262,097)	\$49,715,908.54	(\$635,083)	\$ 63,760,094.19
APRIL-2021	+59	814	(4)	8	+63	188	+38	137	(\$26,222)	\$14,417,171.69	+\$34,571	\$49,978,005.34	+\$8,349	\$ 64,395,177.03
MARCH-2021	+38	755	+6	12	+29	125	(5)	99	+\$322,358	\$14,443,393.30	+\$53,478	\$49,943,434.55	+\$375,835	\$ 64,386,827.85
FEBRUARY-2021	(2)	717	(8)	6	+39	96	+19	104	(\$347,549)	\$14,121,035.63	(\$98,645)	\$49,889,956.94	(\$446,193)	\$ 64,010,992.57
JANUARY-2021	(14)	719	+5	14	+8	57	(28)	85	(\$21,541)	\$14,468,584.16	+\$284,394	\$49,988,601.75	+\$262,853	\$ 64,457,185.91
DECEMBER-2020	(55)	733	(2)	9	(19)	49	(5)	113	(\$140,827)	\$14,490,125.38	(\$815,625)	\$49,704,207.32	(\$956,451)	\$ 64,194,332.70
NOVEMBER-2020	(39)	788	(1)	11	(34)	68	+10	118	+\$256,577	\$14,630,952.20	(\$497,463)	\$50,519,831.99	(\$240,886)	\$ 65,150,784.19
OCTOBER-2020	+6	827	+4	12	(7)	102	+12	108	(\$179,532)	\$14,374,375.16	+\$29,412	\$51,017,294.97	(\$150,120)	\$ 65,391,670.13
SEPTEMBER-2020	+21	821	+2	8	+33	109	+6	96	(\$223,317)	\$14,553,906.93	+\$19,544	\$50,987,883.44	(\$203,773)	\$ 65,541,790.37
AUGUST-2020	(8)	800	(3)	6	+45	76	+20	90	+\$6,035	\$14,777,223.97	(\$203,860)	\$50,968,339.27	(\$197,825)	\$ 65,745,563.24
JULY-2020	(28)	808	+0	9	(9)	31	(31)	70	(\$192,135)	\$14,771,188.76	+\$115,265	\$51,172,199.03	(\$76,870)	\$ 65,943,387.79
JUNE-2020	(52)	836	(2)	9	(3)	40	+0	101	(\$65,519)	\$14,963,323.51	+\$171,712	\$51,056,933.96	+\$106,193	\$ 66,020,257.47
MAY-2020	(47)	888	(3)	11	+5	43	(48)	101	+\$80,413	\$15,028,842.93	(\$685,831)	\$50,885,221.68	(\$605,418)	\$ 65,914,064.61
APRIL-2020	(97)	935	(10)	14	(88)	38	(84)	149	(\$387,956)	\$14,948,429.98	(\$707,090)	\$51,571,052.40	(\$1,095,046)	\$ 66,519,482.38
MARCH-2020	(83)	1,032	(5)	24	(132)	126	+23	233	(\$465,833)	\$15,336,386.15	(\$111,414)	\$52,278,142.52	(\$577,247)	\$ 67,614,528.67
FEBRUARY-2020	+77	1,115	(7)	29	+27	258	(49)	210	+\$374,372	\$15,802,218.71	+\$274,161	\$52,389,556.80	+\$648,533	\$ 68,191,775.51
JANUARY-2020	+8	1,038	+14	36	+31	231	+7	259	+\$313,853	\$15,427,846.88	(\$838,082)	\$52,115,395.98	(\$524,229)	\$ 67,543,242.86



NMPSIA BOARD REPORT

ALL YEARS TOTAL														
OPEN CLAIMS FOR WORKERS' COMPENSATION AS OF September 30, 2022														
CHARTER SCHOOL HISTORY	OPEN		RE-OPENED		NEW		CLOSED		RESERVE		PAYMENT		TOTAL	
	Chg	Ct	Chg	Ct	Chg	Ct	Chg	Ct	Change	Current	Change	Current	Change	Current
SEPTEMBER-2022	+2	47	+2	2	+1	10	+2	10	(\$31,777)	\$ 777,620.22	+\$48,599	\$ 1,909,138.41	+\$16,822	\$2,686,758.63
AUGUST-2022	+1	45	(1)	0	+3	9	(2)	8	+\$13,656	\$ 809,397.01	(\$105,737)	\$ 1,860,539.91	(\$92,081)	\$2,669,936.92
CHARTER SCHOOL HISTORY	Chg	Ct	Chg	Ct	Chg	Ct	Chg	Ct	Change	Current	Change	Current	Change	Current
SEPTEMBER-2022	+2	47	+1	1	+1	10	+2	10	(\$31,777)	\$ 777,620.22	+\$48,599	\$ 1,909,138.41	+\$16,822	\$2,686,758.63
AUGUST-2022	+1	45	(1)	0	+3	9	(2)	8	+\$13,656	\$ 809,397.01	(\$105,737)	\$ 1,860,539.91	(\$92,081)	\$2,669,936.92
JULY-2022	(3)	44	+0	1	+4	6	+3	10	+\$6,248	\$ 795,741.44	+\$9,746	\$ 1,966,276.84	+\$15,995	\$2,762,018.28
JUNE-2022	(4)	47	+1	1	(9)	2	(7)	7	(\$43,681)	\$ 789,493.43	+\$29,740	\$ 1,956,530.34	(\$13,941)	\$2,746,023.77
MAY-2022	(3)	51	+0	0	+1	11	+10	14	(\$29,616)	\$ 833,174.56	+\$44,892	\$ 1,926,790.51	+\$15,277	\$2,759,965.07
APRIL-2022	+6	54	(2)	0	(6)	10	(5)	4	(\$68,886)	\$ 862,790.36	+\$168,297	\$ 1,881,898.08	+\$99,410	\$2,744,688.44
MARCH-2022	+9	48	+2	2	+11	16	(1)	9	+\$657	\$ 931,676.51	+\$105,793	\$ 1,713,601.47	+\$106,449	\$2,645,277.98
FEBRUARY-2022	(5)	39	(1)	0	+0	5	+6	10	(\$10,262)	\$ 931,019.99	+\$9,860	\$ 1,607,808.58	(\$402)	\$2,538,828.57
JANUARY-2022	+2	44	+0	1	+1	5	(2)	4	(\$57,788)	\$ 941,281.61	+\$15,719	\$ 1,597,948.81	(\$42,069)	\$2,539,230.42
DECEMBER-2021	(1)	42	+1	1	(5)	4	(1)	6	+\$372,644	\$ 999,069.99	+\$11,921	\$ 1,582,229.46	+\$384,565	\$2,581,299.45
NOVEMBER-2021	+2	43	(1)	0	(1)	9	(1)	7	+\$78,324	\$ 626,426.25	(\$25,354)	\$ 1,570,308.41	+\$52,971	\$2,196,734.66
OCTOBER-2021	+3	41	+1	1	+3	10	+5	8	(\$27,115)	\$ 548,101.87	+\$28,569	\$ 1,595,662.06	+\$1,454	\$2,143,763.93
SEPTEMBER-2021	+4	38	+0	0	+0	7	+0	3	(\$14,313)	\$ 575,216.83	+\$44,220	\$ 1,567,093.53	+\$29,907	\$2,142,310.36
AUGUST-2021	+4	34	+0	0	+5	7	+1	3	(\$37,112)	\$ 589,529.88	+\$93,512	\$ 1,522,873.45	+\$56,401	\$2,112,403.33
JULY-2021	+0	30	(2)	0	(1)	2	+0	2	+\$137	\$ 626,641.48	+\$54,157	\$ 1,429,361.01	+\$54,294	\$2,056,002.49
JUNE-2021	+3	30	+1	2	+1	3	+1	2	+\$25,924	\$ 626,504.44	(\$241,619)	\$ 1,375,203.90	(\$215,694)	\$2,001,708.34
MAY-2021	+2	27	+1	1	(8)	2	(7)	1	(\$236,571)	\$ 600,580.03	+\$270,654	\$ 1,616,822.49	+\$34,082	\$2,217,402.52
APRIL-2021	+2	25	(1)	0	+9	10	+6	8	+\$5,731	\$ 837,151.09	(\$21,219)	\$ 1,346,168.99	(\$15,488)	\$2,183,320.08
MARCH-2021	+0	23	+1	1	+0	1	(1)	2	(\$21,294)	\$ 831,419.61	(\$28,199)	\$ 1,367,388.38	(\$49,493)	\$2,198,807.99
FEBRUARY-2021	(2)	23	(1)	0	+1	1	+1	3	(\$50,003)	\$ 852,714.04	+\$33,083	\$ 1,395,586.97	(\$16,921)	\$2,248,301.01
JANUARY-2021	(1)	25	+1	1	(3)	0	(3)	2	(\$12,366)	\$ 902,717.50	+\$21,800	\$ 1,362,504.31	+\$9,434	\$2,265,221.81
DECEMBER-2020	(2)	26	+0	0	+2	3	+1	5	(\$7,508)	\$ 915,083.31	(\$8,604)	\$ 1,340,704.56	(\$16,112)	\$2,255,787.87
NOVEMBER-2020	(3)	28	(1)	0	(2)	1	+2	4	+\$94,090	\$ 922,591.45	(\$87,448)	\$ 1,349,308.47	+\$6,642	\$2,271,899.92
OCTOBER-2020	+1	31	+0	1	(2)	3	(3)	2	+\$229,281	\$ 828,501.88	+\$129,497	\$ 1,436,756.04	+\$358,779	\$2,265,257.92
SEPTEMBER-2020	+1	30	+0	1	+4	5	+1	5	+\$15,865	\$ 599,220.63	+\$27,958	\$ 1,307,258.66	+\$43,823	\$1,906,479.29
AUGUST-2020	(2)	29	+1	1	+1	1	+1	4	(\$30,160)	\$ 583,356.09	+\$3,290	\$ 1,279,300.32	(\$26,870)	\$1,862,656.41
JULY-2020	(1)	31	(1)	0	(2)	0	+0	3	+\$14,082	\$ 613,515.68	+\$9,819	\$ 1,276,010.55	+\$23,901	\$1,889,526.23
JUNE-2020	+0	32	+0	1	+2	2	+2	3	(\$29,687)	\$ 599,433.75	+\$22,997	\$ 1,266,191.06	(\$6,690)	\$1,865,624.81
MAY-2020	+0	32	(1)	1	(3)	0	(5)	1	+\$6,075	\$ 629,120.81	+\$12,838	\$ 1,243,194.00	+\$18,913	\$1,872,314.81
APRIL-2020	(1)	32	+1	2	+1	3	(5)	6	(\$85,694)	\$ 623,046.15	(\$186,145)	\$ 1,230,355.78	(\$271,838)	\$1,853,401.93
MARCH-2020	(8)	33	+1	1	(42)	2	(3)	11	+\$14,058	\$ 708,739.78	+\$27,195	\$ 1,416,500.31	+\$41,253	\$2,125,240.09
FEBRUARY-2020	(3)	41	(1)	0	+36	44	+2	14	(\$19,515)	\$ 694,681.78	(\$63,159)	\$ 1,389,305.39	(\$82,674)	\$2,083,987.17
JANUARY-2020	(3)	44	+1	1	(4)	8	+3	12	(\$22,137)	\$ 714,196.30	+\$56,658	\$ 1,452,464.65	+\$34,520	\$2,166,660.95



NMPSIA BOARD REPORT

CHARTER SCHOOL	OPEN		RE-OPENED		NEW		CLOSED		RESERVE		PAYMENT		TOTAL	
	Chg	Ct	Chg	Ct	Chg	Ct	Chg	Ct	Change	Current	Change	Current	Change	Current
HISTORY														
DECEMBER-2019	+3	47	+0	0	+6	12	+2	9	+\$50,234	\$ 736,333.53	(\$35,706)	\$ 1,395,807.01	+\$14,529	\$2,132,140.54
NOVEMBER-2019	(1)	44	(1)	0	+0	6	+6	7	+\$22,629	\$ 686,099.03	+\$14,570	\$ 1,431,512.52	+\$37,199	\$2,117,611.55
OCTOBER-2019	+6	45	+1	1	(2)	6	(2)	1	+\$31,307	\$ 663,470.24	+\$58,119	\$ 1,416,942.55	+\$89,426	\$2,080,412.79
SEPTEMBER-2019	+5	39	+0	0	(1)	8	(4)	3	+\$648	\$ 632,163.61	+\$36,075	\$ 1,358,823.54	+\$36,723	\$1,990,987.15
AUGUST-2019	+2	34	+0	0	+7	9	(3)	7	+\$32,658	\$ 631,515.38	+\$2,210	\$ 1,322,748.77	+\$34,868	\$1,954,264.15
JULY-2019	(8)	32	(1)	0	(5)	2	+7	10	(\$33,371)	\$ 598,857.04	+\$27,469	\$ 1,320,538.86	(\$5,902)	\$1,919,395.90
JUNE-2019	+5	40	+1	1	+0	7	(6)	3	+\$29,766	\$ 632,227.95	+\$27,004	\$ 1,293,069.73	+\$56,769	\$1,925,297.68
MAY-2019	(2)	35	+0	0	(8)	7	(2)	9	(\$38,579)	\$ 602,462.05	(\$61,677)	\$ 1,266,066.22	(\$100,257)	\$1,868,528.27
APRIL-2019	+4	37	+0	0	+10	15	+1	11	+\$21,968	\$ 641,041.53	+\$40,993	\$ 1,327,743.52	+\$62,960	\$1,968,785.05
MARCH-2019	(5)	33	(1)	0	(2)	5	(3)	10	+\$53,031	\$ 619,074.01	+\$59,597	\$ 1,286,750.64	+\$112,627	\$1,905,824.65
FEBRUARY-2019	(5)	38	(1)	1	(5)	7	+6	13	(\$14,476)	\$ 566,043.20	(\$7,626)	\$ 1,227,154.12	(\$22,103)	\$1,793,197.32
JANUARY-2019	+7	43	+2	2	+4	12	+1	7	+\$136,377	\$ 580,519.64	+\$49,531	\$ 1,234,780.39	+\$185,908	\$1,815,300.03
DECEMBER-2018	+2	36	(1)	0	+0	8	+2	6	+\$2,223	\$ 444,142.40	+\$12,113	\$ 1,185,249.29	+\$14,336	\$1,629,391.69
NOVEMBER-2018	+5	34	+1	1	+0	8	(5)	4	+\$20,795	\$ 441,919.06	(\$75,405)	\$ 1,173,136.63	(\$54,610)	\$1,615,055.69
OCTOBER-2018	(1)	29	(1)	0	+3	8	(4)	9	(\$199,644)	\$ 421,123.81	(\$595,114)	\$ 1,248,541.85	(\$794,759)	\$1,669,665.66
SEPTEMBER-2018	(7)	30	+1	1	+1	5	+9	13	(\$47,161)	\$ 620,768.27	(\$348,318)	\$ 1,843,656.00	(\$395,479)	\$2,464,424.27
AUGUST-2018	+0	37	(2)	0	+2	4	(1)	4	(\$14,956)	\$ 667,929.43	+\$20,299	\$ 2,191,974.17	+\$5,343	\$2,859,903.60
JULY-2018	(1)	37	+1	2	(1)	2	+0	5	(\$82,762)	\$ 682,884.97	+\$47,916	\$ 2,171,675.56	(\$34,846)	\$2,854,560.53
JUNE-2018	(1)	38	+0	1	(5)	3	(6)	5	(\$28,877)	\$ 765,646.65	+\$2,258	\$ 2,123,759.88	(\$26,619)	\$2,889,406.53
MAY-2018	(2)	39	+1	1	+2	8	+4	11	(\$29,350)	\$ 794,523.34	+\$14,441	\$ 2,121,502.35	(\$14,909)	\$2,916,025.69
APRIL-2018	(1)	41	(1)	0	(2)	6	+3	7	(\$57,490)	\$ 823,873.36	+\$58,035	\$ 2,107,061.41	+\$545	\$2,930,934.77
MARCH-2018	+5	42	+1	1	(1)	8	(4)	4	+\$1,823	\$ 881,363.30	+\$27,999	\$ 2,049,026.34	+\$29,821	\$2,930,389.64
FEBRUARY-2018	+1	37	+0	0	+4	9	(5)	8	(\$25,212)	\$ 879,540.75	+\$28,584	\$ 2,021,027.55	+\$3,372	\$2,900,568.30
JANUARY-2018	(8)	36	(1)	0	+3	5	+7	13	+\$171	\$ 904,752.45	+\$513	\$ 1,992,443.78	+\$684	\$2,897,196.23
DECEMBER-2017	(3)	44	(1)	1	(6)	2	+1	6	(\$54,986)	\$ 904,581.65	+\$44,846	\$ 1,991,930.87	(\$10,140)	\$2,896,512.52
NOVEMBER-2017	+5	47	+2	2	(2)	8	(2)	5	+\$32,546	\$ 959,567.81	+\$5,028	\$ 1,947,084.53	+\$37,574	\$2,906,652.34
OCTOBER-2017	+3	42	(1)	0	+2	10	(2)	7	(\$3,271)	\$ 927,021.92	(\$3,590)	\$ 1,942,056.52	(\$6,861)	\$2,869,078.44
SEPTEMBER-2017	+0	39	+0	1	+2	8	+3	9	+\$24,251	\$ 930,293.12	+\$9,894	\$ 1,945,646.56	+\$34,145	\$2,875,939.68
AUGUST-2017	+1	39	+1	1	+4	6	+1	6	+\$34,856	\$ 906,041.97	+\$70,402	\$ 1,935,752.31	+\$105,258	\$2,841,794.28
JULY-2017	(3)	38	(1)	0	(2)	2	(3)	5	(\$13,174)	\$ 871,185.97	+\$18,058	\$ 1,865,350.39	+\$4,884	\$2,736,536.36
JUNE-2017	(3)	41	(2)	1	(4)	4	(2)	8	+\$23,659	\$ 884,360.46	+\$16,969	\$ 1,847,292.03	+\$40,628	\$2,731,652.49
MAY-2017	+1	44	+2	3	+0	8	+2	10	+\$19,011	\$ 860,701.38	+\$16,566	\$ 1,830,322.66	+\$35,577	\$2,691,024.04
APRIL-2017	+1	43	+1	1	(4)	8	(1)	8	(\$17,232)	\$ 841,690.83	+\$26,549	\$ 1,813,756.33	+\$9,318	\$2,655,447.16
MARCH-2017	+3	42	(1)	0	+7	12	+2	9	+\$55,220	\$ 858,922.55	+\$23,907	\$ 1,787,207.05	+\$79,127	\$2,646,129.60
FEBRUARY-2017	(1)	39	+1	1	(2)	5	(2)	7	+\$10,584	\$ 803,702.30	+\$23,471	\$ 1,763,300.09	+\$34,055	\$2,567,002.39
JANUARY-2017	(2)	40	+0	0	+1	7	+0	9	+\$7,769	\$ 793,118.75	+\$17,495	\$ 1,739,828.92	+\$25,264	\$2,532,947.67

Maintaining Cybersecurity Insurance Compliance

Educational Services Data Breaches 2021

Incidents	1241
Data Disclosure	282
Top Patterns	<ul style="list-style-type: none">• System Intrusion• Miscellaneous Errors• Basic Web Application Attacks
Threat Actors	75% External / 25% Internal
Motives	95% Financial / 5% Espionage
Data Compromised	63% Personal / 41% Credential
Top Protective Controls	<ul style="list-style-type: none">• Security Awareness and Skills Training• Access Control Management• Secure Configuration of Enterprise Assets and Software

Vulnerability Exploitations are Increasing

Attack Vectors	2019	2020	2021
Vulnerability Exploitation	37%	32%	54%
Compromised Accounts	13%	33%	18%
Malicious Emails	30%	24%	14%

Kaspersky: The Nature of Cybersecurity Incidents 2022

Why are proper Cybersecurity Controls Important?

- 91% of phishing attacks target credentials.
- Threat actors can come from all around the world.



Based on Geographic IP Locations

Their Mission - Penetrate your systems, applications and take all the data

Their Resolve - Collect a ransom

Controls

The implementation of minimum control requirements set forth by insurance companies so organizations can avoid the possibility of becoming an uninsured risk

1. Multi-Factor Authentication (MFA)

- a. Remote Access – access to network and access to email
- b. Privileged/Administration Users
- c. Mission Critical Systems (i.e., control systems for utility, railway/aircraft operations)

99.9% of account compromise attacks can be blocked by MFA

94% of ransomware victims investigated did not use MFA

Controls

2. End-Point Detection and Response (EDR) including EPP

3. Back Up Security

3·2·1 Rule: Three copies of back ups, in two different locations, one offline

4. Patching Cadence

Refers to how often your organization reviews its systems, networks and applications for updates that remediate security vulnerabilities

5. End of Life software segregated from the Network

6. Incident Response Plan

Active document that can be understood and practically executed

7. Training (Employee Phishing training and Testing)

Claims Reporting



New Mexico
Public Schools
Insurance Authority

CYBER LIABILITY CLAIMS REPORTING

July 1, 2022 to July 1, 2023

Carrier:	Beazley Breach Response
Policy Number:	FN2205500
Policy Dates:	July 1, 2022/23
Broker:	Poms & Associates/Alliant Insurance Services

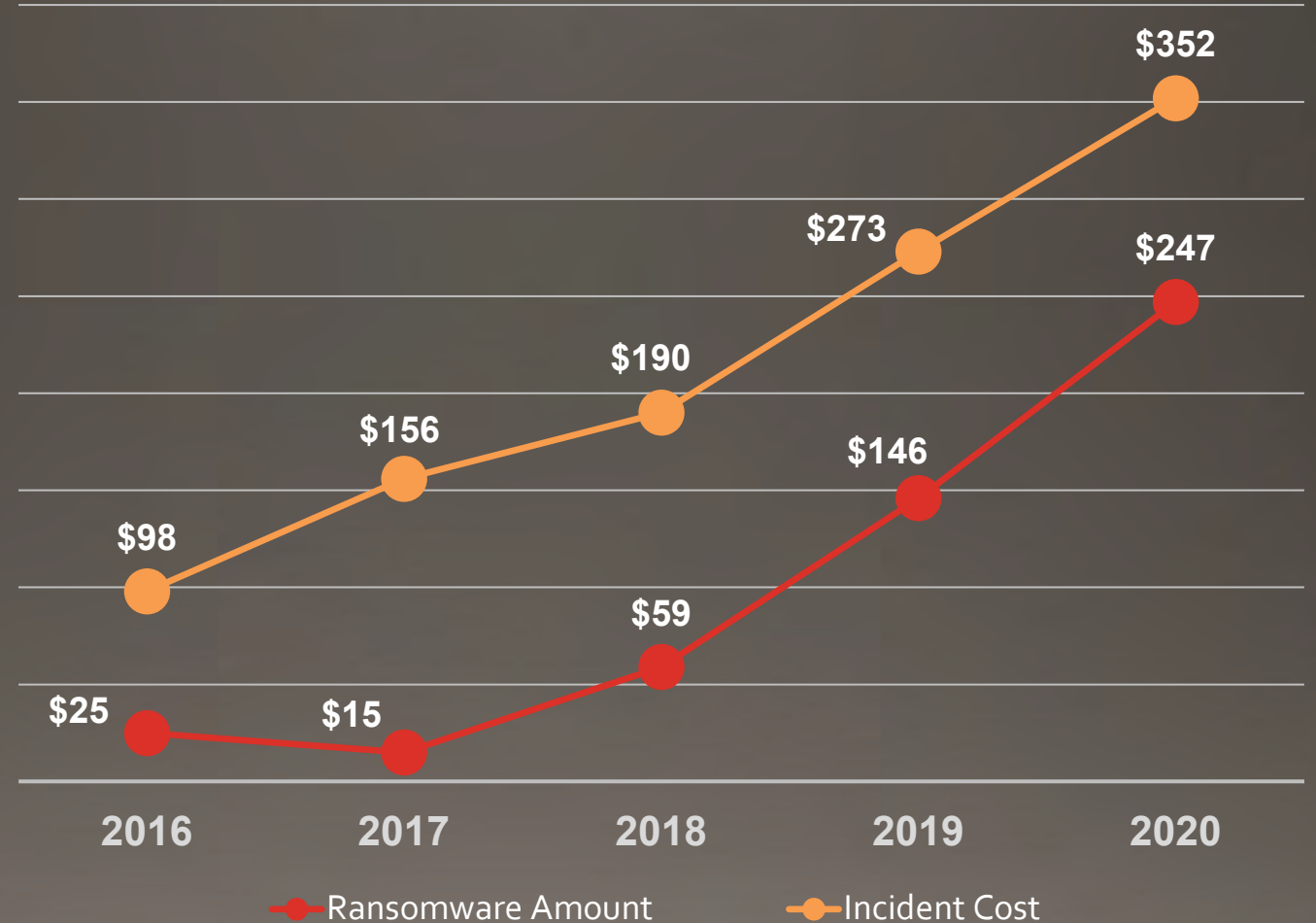
Beazley Provided Services

- Privacy Counsel / Legal Counsel
- Computer Forensics
- Notification & Call Center
- Credit Monitoring
- Public Relations
- Crisis Management



Ransom Amount vs. Incident Cost

(expressed in 000)






No-Cost Staff Training Options

Online Self Paced Training

- Available to all NMPSIA members
- Training Topics
 - Cybersecurity Overview 15 minutes 12.04% completion
 - End-User Best Practices 30 minutes 0.57% completion
 - Security Awareness Essentials 30 minutes 0.52% completion
 - Social Engineering 30 minutes 0.13% completion



A Free eLearning Series: Safety & Compliance Training for K-12 Schools

Poms & Associates is pleased to offer complimentary access to the Vector Training safety and compliance training management system to NMPSIA Members.

Trusted by thousands of K-12 administrators, Vector Training delivers high-quality, expert-authored courses on important safety, compliance, and prevention topics. You will also be able to assign, track, and manage training for your users in your organization's customized Vector Training System.

Available Training Courses for NMPSIA Members


- Bloodborne Pathogen Exposure Prevention
- Cybersecurity Overview
- Cybersecurity Awareness for Employees: End-User Best Practices
- Cybersecurity Awareness for Employees: Security Awareness Essentials
- Cybersecurity Awareness for Employees: Social Engineering
- Diversity Awareness: Staff-to-Staff
- Diversity Awareness: Staff-to-Student
- FERPA: Confidentiality of Records
- Hoaxing
- HIPAA Overview
- Playground Maintenance & Inspection
- Playground Supervision
- Sexual Harassment: Staff-to-Staff
- Student Drug & Alcohol Abuse

Automated Features Make Administration Easy

- Set up personalized training plans in minutes for groups of staff, new hires, or individuals.
- Keep everyone on track with email notifications and reminders of assignments.
- Track course completions in real-time.
- Receive compliance reports directly in your inbox.

HOW DO I SIGN UP?

Contact the Vector Solutions Implementation Team at implementation.edu@vectorsolutions.com and mention you are a NMPSIA member to get started!



No-Cost Staff Training Options



Small Group In Person Training

- Available to all NMPSIA members
- Limited to 30 participants per training session
- Training focuses on Phishing, Social Engineering, Ransomware as well as other common hacking techniques
- This training takes 1 hour to complete



NMPED Services



- Bi-Monthly Vulnerability Scans
 - Externally-facing Assets
 - Data Shared with NMSIA
- Remediation Guidance
- Authenticated Vulnerability Scans
- Penetration Testing
 - Network Perimeter
 - Web Application
- Attack Surface Management

NMPSIA Loss Prevention Annual Abatement Report

October 2022	Total Rec	Total Capital	Total Non-Capital	Corrected Capital	Corrected Non-Capital	Total Corrected
October 2022	64	6	58	2	42	44
Total % Corrected	68.75%	= Total Corrected/Total Recommendations				
% Corrected Capital	33.33%	= Corrected Capital/Total Capital				
% Corrected Non-Capital	72.41%	= Corrected Non-Capital/Total Non-Capital				

Mt. Taylor Elementary School
November 17, 2022



Mt. Taylor Elementary School
November 17, 2022



**Mt. Taylor Elementary School
November 17, 2022**





Mt. Taylor Elementary School
November 17, 2022

