

**New Mexico
Public Schools Insurance Authority**



**Board of Directors Meeting
April 4, 2024**



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
Vicki Chavez, NM Superintendents Association
Tim Crone, American Federation of Teachers NM
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://us02web.zoom.us/j/89870595641?pwd=dURYR0p4OGpNcGg2M2NacjZUbHFCUT09>

You can also dial in using your phone.

United States: +1 669 444 9171

Meeting ID: 898 7059 5641

Passcode: 111394

One Tap is also available on most mobile devices:

(clicking this link on a cell phone will dial in and enter all meeting information automatically)

[+12532158782,,89870595641#,,,,*111394#](tel:+12532158782,,89870595641#,,,,*111394#)

Thursday, April 04, 2024

9:00 a.m.

Agenda

Draft

- | | |
|---------------------------|-------------|
| 1. Call to Order | A. Park |
| 2. Roll Call | C. Probst |
| 3. Introduction of Guests | P. Sandoval |

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|-----|---|----------------------------|
| 4. | Citizens to Address the Board (Five-Minute Limit) | A. Park |
| 5. | Approval of Agenda (Action Item) | A. Park |
| 6. | Approval of March 2024 Minutes (Action Item) | A. Park |
| 7. | Executive Session (Action Item) | |
| | A. Discussion of Competitive Sealed Proposals Solicited Pursuant to the Procurement Code Pursuant to §10-15-1 H (6) NMSA 1978 | A. Park |
| | 1. Approval of Third-Party Administrator Services | |
| | B. Discussion of Threatened or Pending Litigation Pursuant to §10-15-1 H (7) NMSA 1978 | A. Park |
| | 1. T.R. v. Las Cruces Public Schools / Patrick Howard | |
| | C. 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 |
| 8. | Administrative Matters | |
| | A. Annual Retreat Update | M. Lugo |
| | B. Approval of Facilities Maintenance Contract Amendment (Action Item) | P. Gonzales |
| | C. Approval of Facilities Maintenance Replacement Contract (Action Item) | P. Gonzales |
| 9. | Financial Matters | |
| | A. Approval of Financial Reports - February 2024 (Action Item) | P. Gonzales |
| 10. | Benefits Matters | |
| | A. 2024 PBM Market Check Results | N. Patani |
| | B. Approval of CVS Contract Amendment (Action Item) | M. Quintana |
| | C. Request from Region IX Education Cooperative to Join NMPSIA Benefits (Action Item) | M. Quintana |
| | D. COVID Claims Statistics for Fiscal Year 2024 | C. Probst |
| | E. Segal Stewardship Report | D. Donaldson/
N. Patani |
| | F. Surgery Plus Implementation Update | K. Jones |
| | G. Wellness Update | K. Jones |
| | H. IBAC Update | K. Jones |
| 11. | Risk Matters | |
| | A. Approval of Amendment for Poms & Associates Agreement (Action Item) | J. Garcia/ P.
Sandoval |
| | B. Request for Northern New Mexico College to Join Risk (Action Item) | P. Sandoval |
| | C. TPA Reports | |

- | | |
|---|---------------------|
| 1. Property & Liability Monthly Claims Report | S. Vanetsky |
| 2. Property & Liability Large Losses | S. Vanetsky |
| 3. Workers' Compensation Monthly Claims Report | J. Mayo |
| 4. Workers' Compensation Large Losses | J. Mayo |
| D. Life of a Liability Claim | R. Cangiolosi |
| E. Loss Prevention Update | L. Vigil/ J. Garcia |
| 12. General Discussion | A. Park |
| 13. Next Meeting Date and Location: Thursday, May 2, 2024
Location: Poms & Associates 201 3rd Street, Suite 1400 Albuquerque,
New Mexico 87102, and a virtual option (Action Item) | A. Park |
| 14. Adjournment (Action Item) | A. Park |

**New Mexico Public Schools Insurance Authority
Board of Directors Meeting Minutes**

In Person:

**Poms & Associates Insurance Brokers
201 3rd Street NM, Ste. 1400
Albuquerque, NM 87102**

Virtual:

<https://us02web.zoom.us/j/81386621337?pwd=VzdZmFELORMMUJyWVdKZHgrODhYQT09>

**Phone: +1 669 444 9171
Meeting ID: 813 8662 1337
Passcode: 510465**

Thursday, March 7, 2024

Draft

1. Call to Order

Mr. Al Park, President, Called the NMPSIA Board Meeting to order at 9:01 a.m. on Thursday, March 7, 2024.

2. Roll Call

Ms. Claudette Roybal called roll.

Board Members Present:

Al Park, President	In-Person
Chris Parrino, Vice President	In-Person
Trish Ruiz, Secretary	In-Person
Denise Balderas	Virtual
Vicki Chavez	Virtual
Tim Crone	Virtual (departed 9:34)
Pauline Jaramillo	Virtual
Bethany Jarrell	Virtual (arrived 9:10, departed 11:00)
K.T. Manis	Virtual
David Martinez Jr.	Virtual
Sammy Quintana	In-Person

NMPSIA Staff Members Present:

Patrick Sandoval, Executive Director	In-Person
Martha Quintana, Deputy Director	In-Person
Phillip Gonzales, Chief Finance Officer	In-Person

Maria Lugo, Chief Procurement Officer	In-Person
Marlene Vigil, Financial Specialist	Virtual
Claudette Roybal, Risk Program Coordinator	Virtual
Kaylei Jones, Benefits/Wellness Coordinator	Virtual
Leslie Martinez, Benefits Analyst	Virtual

Audience Present

Marsha Martinez	BAC Committee Member	Virtual
Kelley Riddle	BAC Committee Member	Virtual
Lisa Guevara	BCBSNM	In-Person
Samantha Mensay	BCBSNM	Virtual
Steve Vanetsky	CCMSI	In-Person
Jerry Mayo	CCMSI	In-Person
Louise Carpenter	CCMSI	Virtual
Ryan Bond	Cigna	Virtual
Cathy Fenner	Davis Vision	In-Person
Sam Garcia	Davis Vision	In-Person
Rich Bolstad	Delta Dental	In-Person
Stephanie Garcia	Delta Dental	In-Person
Simon Miller	Dept. of Finance Administration	In-Person
Kathy Payanes	Erisa Administrative Services	In-Person
Amy Bonal	Erisa Administrative Services	Virtual
C.S. Hwa	Erisa Administrative Services	Virtual
Joseph Simon	Legislative Finance Committee	Virtual
Eric Swartz	Myers-Stevens & Toohey	In-Person
Matt Meade	Pinnacle Actuarial Resources	In-Person
Aaron Hillebrandt	Pinnacle Actuarial Resources	In-Person
Tammy Pargas	Poms & Associates	In-Person
David Poms	Poms & Associates	Virtual
Grant Banash	Poms & Associates	In-Person
Julie Garcia	Poms & Associates	In-Person
Larry Vigil	Poms & Associates	In-Person
Rika Martinez	Poms & Associates	Virtual
Kevin McDonald	Poms & Associates	In-Person
Justin Shirey	Presbyterian	In- Person
Steve Valdez	Presbyterian	In-Person
Nura Patani	Segal	Virtual
Debbie Donaldson	Segal	In-Person
Andrea Vargas	The Standard	In-Person
Jennifer Oswald	The Standard	Virtual
Joe Ortiz	TKM, LLC.	Virtual
Stephanie Anthony	UCCI	Virtual

3. Introduction of Guests

Mr. Patrick Sandoval, Executive Director of NMPSIA, introduced Mr. Joe Ortiz with TKM, LLC. formerly Kubiak Melton & Associates; Mr. Aaron Hillebrandt and Mr. Matt Meade with Pinnacle Actuarial; Mr. Eric Swartz with Meyers, Stevens & Toohey; Dr. Nura Patani and Ms. Debbie Donaldson with Segal; and Mr. Steve Valdez with Presbyterian.

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

There were no citizens to address the Board.

5. Approval of Agenda (Action Item)

Mr. Sandoval requested to remove 10. G. Life of a Liability Claim as well as 11. A. Covid Claims Statistics for Fiscal Year 2024 and to move item 10. A. Loss Reserve and Funding Analysis as of 12/31/2023 after item 6. Approval of February 2024 Minutes.

Motion: T. Ruiz

Second: C. Parrino

A roll call vote was taken.

Ms. Claudette Roybal called roll.

Al Park, President	Yes
Chris Parrino, Vice-President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Vicki Chavez	Yes
Tim Crone	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Absent
K.T. Manis	Yes
David Martinez Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

6. Approval of February 2024 Minutes (Action Item)

A motion was made to approve the February 2024 NMPSIA Board Meeting Minutes.

Motion: C. Parrino

Second: T. Ruiz

A roll call vote was taken.

Ms. Claudette Roybal called roll.

Al Park, President	Abstain
Chris Parrino, Vice-President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Vicki Chavez	Yes
Tim Crone	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Absent
K.T. Manis	Yes
David Martinez Jr.	Yes
Sammy Quintana	Yes

Vote carried.

7. Executive Session to Discuss Competitive Sealed Proposals Solicited Pursuant to the Procurement Code Pursuant to §10-15-1 H (6) NMSA 1978 (Action Item)

7. A. RFP #24-021CG Part B IBAC Medical, Dental, Vision Plans and Related Services

A motion was made to enter an Executive Session to discuss Sealed Proposals Solicited Pursuant to the Procurement Code Pursuant to §10-15-1 H (6) NMSA 1978. Executive Session began at 9:33 am.

Motion: D. Martinez, Jr.

Second: T. Ruiz

A roll call vote was taken.

Ms. Claudette Roybal called roll.

Al Park, President	Yes
Chris Parrino, Vice-President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Vicki Chavez	Yes
Tim Crone	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

A motion was made to come out of Executive Session at 9:50 am. Only items listed on the agenda were discussed.

Motion: D. Martinez Jr.

Second: T. Ruiz

A roll call vote was taken.

Ms. Claudette Roybal called roll.

Al Park, President	Yes
Chris Parrino, Vice-President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Vicki Chavez	Yes
Tim Crone	Excused
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

7. 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)

7. A. RFP #24-021CG Part B IBAC Medical, Dental, Vision Plans and Related Services

A motion was made to advance Vendors A & B for Medical under RFP# 24-021CG.

Motion: D. Martinez Jr.

Second: T. Ruiz

A roll call vote was taken.

Ms. Claudette Roybal called roll.

Al Park, President	Yes
Chris Parrino, Vice-President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Vicki Chavez	Yes
Tim Crone	Excused

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

Vote carried unanimously.

8. Administrative Matters

8. A. Legislative Update

Mr. Sandoval discussed the bills that have been signed into law that NMPSIA staff had been monitoring. This includes House Bill 151: Post-secondary Affirmative Consent - requires postsecondary institutes to adopt policies for investigations of alleged assault, domestic and dating violence, harassment, or stalking to reference affirmative consent as the standard. Senate Bill 14: The Health Care Authority - will transfer several functions from the Office of the Superintendent of Insurance, the General Services Department, and the Department of Health into the Health Care Authority. The NMPSIA statute was not affected and the bill will require the Authority to enter joint procurements and contracts with the new Health Care Authority, Retiree Health Care Authority, and Albuquerque Public Schools. Senate Bill 15: The Healthcare Consolidation Oversight Act - creates a review process that allows the Office of the Superintendent of Insurance to determine whether proposed transactions that materially change the control of a healthcare entity could negatively impact the availability, accessibility, affordability, and quality of health care for New Mexicans concerning mergers and acquisitions. Lastly, Mr. Sandoval reviewed Senate Bill 135: Step Therapy Guidelines - this bill eliminates step therapy requirements for medications prescribed for treating certain conditions. A group health plan will be expected to grant an exception to the plan's step therapy protocol based on medical necessity and a clinically valid explanation from the patient's prescribing practitioner.

9. Financial Matters

9. A. Approval of Financial Reports - January 2024 (Action Item)

Mr. Phillip Gonzales Chief Financial Officer for NMPSIA, presented the Statement of Revenues and Expenditures for the period ending January 31, 2024, for the Employee Benefits Fund. Mr. Gonzales reported revenue of \$32,772,684.30 and expenses of \$34,379,146.01, for a loss of \$1,606,461.71 for January. Year-to-date revenue was \$217,070,981.72 and expenses were \$228,567,335.79 resulting in a loss of \$11,496,354.07.

Mr. Gonzales presented the Statement of Revenues and Expenditures for the period ending January 31, 2024, for the Risk Fund. Mr. Gonzales reported revenue of \$8,760,763.81 and

expenses of \$4,612,623.67 for a gain of \$13,373,387.48 for January. Year-to-date revenue was \$62,285,742.34 and expenses were \$59,004,383.96 resulting in a gain of \$3,281,358.38.

Mr. Gonzales presented the Statement of Revenues and Expenditures for the period ending January 31, 2024, for the Program Support Fund. Mr. Gonzales reported revenue of \$137,118.86 and expenses of \$136,704.67, for a gain of \$414.19 for January. Year-to-date revenue was \$958,877.02 and expenses were \$959,347.38 resulting in a loss of \$470.36.

Mr. Gonzales presented the Balance Sheet for the Agency for the period ending January 31, 2024. Program Support had total assets of \$927,385.75, total liabilities of \$233,192.51, and total fund equity of \$694,193.24. Employee Benefits had total assets of \$45,859,839.58, total liabilities of \$39,774,527.26, and total fund equity of \$6,085,312.32. Risk had total assets of \$152,333,451.56., total liabilities of \$137,696,946.25, and total fund equity of \$14,636,505.31. The total combined fund equity for the agency was \$21,416,010.87.

A motion was made to approve the Financial Reports for January 2024 as presented.

Motion: T. Ruiz

Second: S. Quintana

A roll call vote was taken.

Ms. Claudette Roybal called roll.

Al Park, President	Yes
Chris Parrino, Vice-President	Excused
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Vicki Chavez	Yes
Tim Crone	Excused
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

9. B. FY2023 Audit Approval (Action Item)

Mr. Joe Ortiz, TKM, LLC. presented the FY2023 Audit and noted this is required communication. As part of the State audit rule, under the Public Meetings Act, this presentation will be the official communication with all charged with governance of the Board of Directors for the 2023 fiscal year-end audit. The TKM, LLC. team that was part of the audit this year was Daniel Trujillo, the managing partner; Don Whitman served as the technical

manager and worked on the trial balance, getting data imported, and financial statements; Joe Ortiz served as the audit manager and has worked on the NMPSIA audit for five years; Richard Lu was the audit senior and has also been working on the NMPSIA audit for several years. Mr. Ortiz advised that TKM was formerly called Kubiak, Melton & Associates. The company is still comprised of the same group of managing members, except with Mr. Trujillo filling the seat of the managing partner and John Kubiak stepping down to a partner role. Mr. Ortiz stated that it is the responsibility of the auditor to form and express an opinion on the financial statements. TKM did not test 100% of transactions but did a sampling using a risk-based approach based on financial statement fluctuation. The audit firm TKM is required to communicate significant matters related to the audit that could be related to laws and regulations. Examples would be items related to fraud and noncompliance with grants and contracts, as well as a dollar threshold used while auditing the authority. This is TKM's final year of completing the audit for NMPSIA.

NMPSIA Management, Mr. Sandoval, Ms. Quintana, and Mr. Gonzales reviewed the financial statements with the audit team and signed the management representation letter. NMPSIA had no disagreements or misstatements during the audit related to financial accounting, reporting, or auditing matters. No significant issues or difficulties were encountered while performing the audit. There was no consultation with other accountants, and significant accounting estimates included were reserve for losses and loss adjustment expenses, fair value inputs used to measure the fair value of investments and estimated useful lives of capital assets. Financial statement disclosures are neutral, consistent, and clear. The financial statements had an unmodified opinion and there were no findings. The Audit completion report date was October 3, 2023. TKM received the OK to print on December 8, 2023 and received the release letter on January 5, 2024. TKM will be available to assist in the smooth transition to the new vendor. Mr. Ortiz and members of the board expressed their gratitude to the NMPSIA staff.

A motion was made to approve the FY2023 Audit as presented.

Motion: C. Parrino

Second: S. Quintana

A roll call vote was taken.

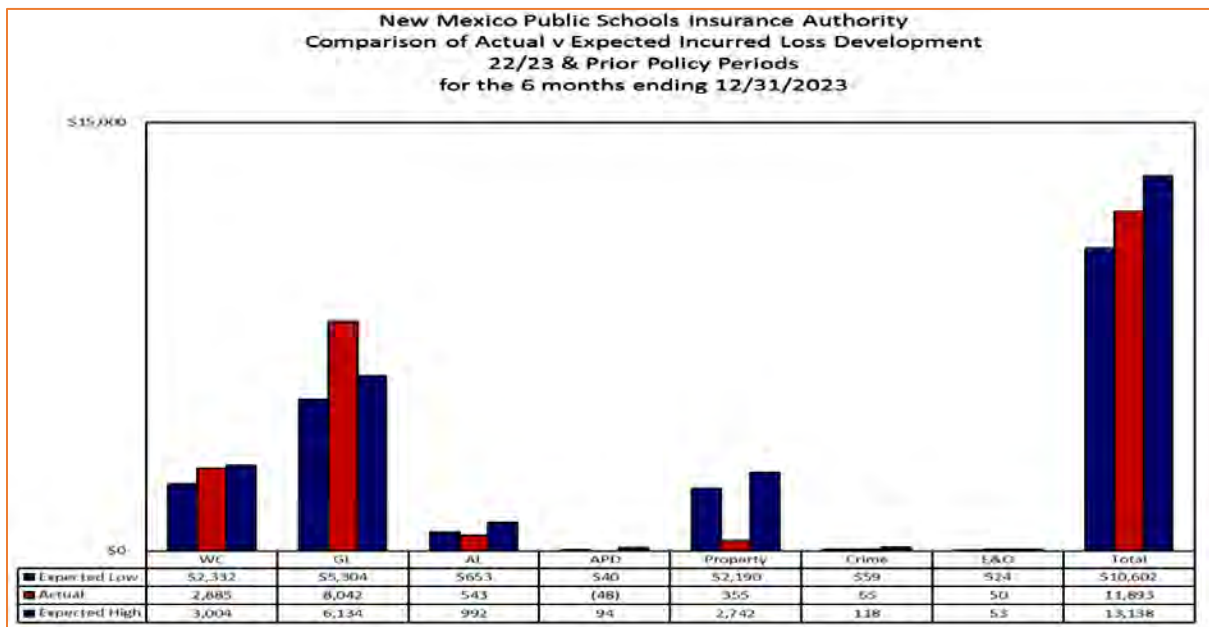
Ms. Claudette Roybal called roll.

Al Park, President	Yes
Chris Parrino, Vice-President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Vicki Chavez	Yes
Tim Crone	Excused
Pauline Jaramillo	Yes
Bethany Jarrell	Yes

technical change for the Property Catastrophic (CAT) claims. The claims are now split out as CAT retention and recently increased to \$10 million per occurrence, reducing the otherwise indicated property CAT funding.

Mr. Meade reviewed the recent loss development, actual versus expected loss. The analysis shows how the assumptions are doing, whether prior assumptions were optimistic or pessimistic, and whether loss emergence is improving or worsening. Mr. Meade reviewed the actual vs expected incurred loss development graphs ending December 31, 2023.

Pinnacle identified four general liability claims that had an increase of at least \$100,000 in the past six months, contributing to the worst expected loss experience. These four claims alone accounted for an increase of over \$3.3 million. There are two Sexual Abuse and Molestation (SAM) claims, one shooting incident, and one discrimination claim that are driving the worse-than-expected experience in this coverage. Three property claims had losses that decreased by over \$100,000. These claims were all weather-related damages from hail, wind, and lightning. They were all heavily reserved, anywhere between \$400,000 and \$1.8 million. The reserve went down to zero for all three claims, representing a nearly \$3 million decrease between these three claims.



Mr. Mead reviewed trends in the Ultimate Loss Selections for the policy periods 2019-20, 2020-21, 2021-22, and 2022-23 showing the stability of projections over time. Policy period 2019-2020 was affected by the COVID-19 pandemic. Projections held steady for a couple of evaluations, then dropped down based on a decrease in claim volume. The policy period 2020-21 was similar to the previous year, with a dip in funding for the reserve analysis portion. Then a steady, gradual drop in the last two evaluation periods. Policy Period 2021-22 was fairly flat and remained in line with the prior projections. For the 2022-23 policy period, the projection was increased in June 2023 but brought back down in December 2023. This was

related to the drop in property claims. Lastly, the 2023-24 policy period was presented, and six months of data were included, resulting in a pretty sizeable dip from the funding study to the reserve analysis, which will be monitored going forward. Mr. Hillebrandt added that this was the first analysis where the CAT increased to \$10 million per occurrence, reflected in the increased retention.

Mr. Hillebrandt reviewed the frequency and severity trends for Workers' Compensation, which includes average claim severity (ultimate dollars per claim) and claim frequency (number of claims per unit of payroll). It was noted that the pandemic year 2020-21 was and continues to be an outlier. In the most recent three years, the average severity has increased due to the retention for workers increasing from \$1 million to \$2.5 million. NMPSIA's fitted trends or ultimate losses continue to be higher than NCCI averages due to conservatism in the ultimate loss selections and the increase in retention. The ultimate loss of dollars per unit to payroll had a downward trend in older years, and when the retention increased, those lost costs increased.

Mr. Hillebrandt also reviewed the frequency and severity trends for general liability. Increases in the SAM claim retention from \$1 million to \$2 million and then \$2 million to \$4 million affect the lost cost but are not yet reflecting an increase in the average severity, only in frequency in the most recent years. In the most recent years with the higher SAM claim retention, the lost costs are not in excess but are on the top end of the historical loss cost. For property, the CAT claim retention has increased from \$1.5 million to \$2.5 million and then to \$10 million so it is projected to be more volatile for 2023-24. The lost costs are at the high end but are not far in excess for the projected future years, and that trend reflects the \$10 million per occurrence. As of December 31, 2023, the projected total reserves undiscounted are in the range of \$100 million to \$111 million. Discounted projected investment income is \$95 million up to \$105 million. Undiscounted funding estimates for the 2024-25 policy period

Summary of Results – Nominal Loss Reserves				Summary of Results – Discounted Loss Reserves					
Loss and LAE Reserve Estimates - Nominal Value (Undiscounted) as of 12/31/2023				Loss and LAE Reserve Estimates - Present Value (Discounted) as of 12/31/2023					
	Property & Liability	Workers Compensation	Total		Property & Liability	Workers Compensation	Total		
Claim Reserves	\$31,120,666	\$13,977,321	\$45,097,988	Claim Reserves	\$30,131,799	\$12,675,649	\$42,807,448		
IBNR Reserves	Low	38,552,061	16,729,012	55,281,073	IBNR Reserves	Low	37,007,643	15,230,528	52,238,170
	Central	41,623,625	19,131,512	60,755,137		Central	39,959,517	17,399,842	57,359,359
	High	44,695,190	21,534,012	66,229,202		High	42,911,391	19,569,157	62,480,547
Total Reserves	Low	69,672,727	30,706,333	100,379,060	Total Reserves	Low	67,139,442	27,906,176	95,045,618
	Central	72,744,292	33,108,833	105,853,125		Central	70,091,316	30,075,491	100,166,806
	High	75,815,856	35,511,333	111,327,189		High	73,043,190	32,244,805	105,287,995
Summary of Results – Nominal Prospective Funding				Summary of Results – Discounted Prospective Funding					
Funding Estimate - Nominal Value (Undiscounted) as of 12/31/2023				Funding Estimate - Present Value (Discounted) as of 12/31/2023					
Policy Period	Property & Liability	Workers Compensation	Total	Policy Period	Property & Liability	Workers Compensation	Total		
2024-2025	\$45,466,763	\$15,496,162	\$60,962,925	2024-2025	\$43,000,900	\$14,345,760	\$57,346,659		
2025-2026	50,387,894	16,309,868	66,697,762	2025-2026	47,691,388	15,099,058	62,790,446		
2026-2027	55,934,937	17,166,868	73,101,805	2026-2027	52,980,951	15,892,436	68,873,387		
2027-2028	62,193,385	18,069,503	80,262,887	2027-2028	58,951,600	16,728,061	75,679,661		
2028-2029	69,260,828	19,020,246	88,281,073	2028-2029	65,696,973	17,608,223	83,305,196		

have projected total funding of about \$61 million, with a discounted projected investment income of about \$57.3 million.

The Board members, Mr. Hillebrandt, Mr. Meade, and Mr. David Poms with Poms and Associates discussed detailed reports to be presented at future meetings that will help the Board and the Legislative Finance Committee make informed decisions and ensure everyone involved has all necessary information when it comes time for renewal on the insurance policies due to the excessive dollar amounts related to the SAM cases and CAT claims. Mr. Park suggested the possible formation of a subcommittee.

A motion was made to approve the Loss Reserve and Funding Analysis as of 12/31/2023.

Motion: T. Ruiz

Second: C. Parrino

A roll call vote was taken.

Ms. Claudette Roybal called roll.

Al Park, President	Yes
Chris Parrino, Vice-President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Vicki Chavez	Yes
Tim Crone	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

10. B. FY2025 Risk Premium Rate Setting (Action Item)

Mr. Sandoval presented the FY2025 Risk Premium Rate Setting. Mr. Park added that this is a very important issue and input from the Board members was highly encouraged. In September 2023, Mr. Sandoval informed the board of a projected increase of 31.86% in Risk for FY25. The 5-year projection adopted initially in March of 2023 called for a 9% increase. NMPSIA staff reworked the projection before the legislative session and turned in an estimated 31.86% to Public School Support. Mr. Sandoval added that changes from September of 2023 to February of 2024 affected this projection, including an IBNR increase of \$4 million, a reserve increase of \$12.9 million, and transfers to program support increased by \$95,877, contractual services decreased by \$2 million, projected property and liability

losses decreased by \$39 million, workers' compensation losses increased by \$9 million, excess recoveries increased by \$18.8 million, which contributed to an overall decrease in expenses of \$33.4 million. Mr. Sandoval advised the Board members to keep these figures in mind while reviewing the scenarios to be presented and explained the methodology used to project increases for the next five years and the development of the scenarios.

The methodology included a review of projected expenses and excess recoveries from FY25 – FY29. Contractual services averaged a projected increase of 3.51%, excess insurance increased by an average of 5.54%, claims for property and liability had an average increase of 11.18%, and workers' compensation had an average increase of 5.26%, and transfers to program support increased by 5.28%. Also included in the methodology were projected excess recoveries. Over the five-year period, NMPSIA is projected to recover \$33.4 million. Evaluating FY24 to FY25, contractual services increased by .27%. Excess insurance increased by 7.70%, claims increased by 2.15%, and transfers to program support increased by 6.38%.

Mr. Sandoval reviewed Scenarios A-H, broken down as follows, pages one and two showing a \$5 million fund balance, and pages 3 and 4 with the same scenarios but with a zero-dollar fund balance.

Page 1: Scenarios Making the Most Sense (\$5 million fund balance)

NMPSIA Risk Premium Income									
Primary Scenarios \$5 Million Fund Balance									
		Scenario A	Scenario B	Scenario C	Scenario D	Scenario E	Scenario F	Scenario G	Scenario H
		Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year
Rate Action									
Effective	FY25 7/1/2024	53.85%	9.00%	25.00%	25.00%	30.00%	31.86%	31.86%	31.86%
Effective	FY26 7/1/2025	-5.60%	9.00%	20.00%	25.00%	15.00%	11.00%	10.13%	9.08%
Effective	FY27 7/1/2026	-2.32%	9.00%	6.94%	4.20%	6.66%	7.90%	9.13%	9.08%
Effective	FY28 7/1/2027	18.85%	9.00%	6.94%	4.20%	6.66%	7.90%	8.12%	9.08%
Effective	FY29 7/1/2028	7.27%	106.80%	6.94%	4.20%	6.66%	7.90%	7.12%	9.08%
Premium Income									
Effective	FY25 7/1/2024	\$ 154,247,811	\$ 109,281,842	\$ 125,323,214	\$ 125,323,214	\$ 130,336,142	\$ 132,200,952	\$ 132,200,952	\$ 132,200,952
Effective	FY26 7/1/2025	\$ 145,609,934	\$ 119,117,208	\$ 150,387,857	\$ 156,654,017	\$ 149,886,564	\$ 146,743,056	\$ 145,592,908	\$ 144,204,798
Effective	FY27 7/1/2026	\$ 142,231,784	\$ 129,837,757	\$ 160,824,774	\$ 163,233,486	\$ 159,869,009	\$ 158,335,758	\$ 158,885,541	\$ 157,298,594
Effective	FY28 7/1/2027	\$ 169,042,475	\$ 141,523,155	\$ 171,986,013	\$ 170,089,292	\$ 170,516,285	\$ 170,844,283	\$ 171,787,047	\$ 171,581,306
Effective	FY29 7/1/2028	\$ 181,331,863	\$ 292,669,885	\$ 183,921,842	\$ 177,233,043	\$ 181,872,669	\$ 184,340,981	\$ 184,018,284	\$ 187,160,889
Fund Balance (Projected)	June 30, 2024	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)
FY 2025 Operating Income		18,017,633	(26,948,336)	(10,906,964)	(10,906,964)	(5,894,036)	(4,029,226)	(4,029,226)	(4,029,226)
Fund Balance	June 30, 2025	5,000,231	(39,965,738)	(23,924,366)	(23,924,366)	(18,911,438)	(17,046,628)	(17,046,628)	(17,046,628)
FY 2026 Operating Income		15,088	(26,477,638)	4,793,011	11,059,171	4,291,718	1,148,210	(1,938)	(1,390,048)
Fund Balance	June 30, 2026	5,015,320	(66,443,375)	(19,131,356)	(12,865,195)	(14,619,720)	(15,898,418)	(17,048,566)	(18,436,676)
FY 2027 Operating Income		99,693	(12,294,334)	18,692,683	21,101,395	17,736,918	16,203,667	16,753,450	15,166,503
Fund Balance	June 30, 2027	5,115,012	(78,737,709)	(438,673)	8,236,200	3,117,198	305,249	(295,117)	(3,270,173)
FY 2028 Operating Income		(100,904)	(27,620,224)	2,842,634	945,913	1,372,906	1,700,904	2,643,668	2,437,927
Fund Balance	June 30, 2028	5,014,108	(106,357,933)	2,403,961	9,182,113	4,490,103	2,006,153	2,348,551	(832,246)
FY 2029 Operating Income		221	111,338,243	2,590,200	(4,098,599)	541,027	3,009,339	2,686,642	5,829,247
Fund Balance	June 30, 2029	5,014,329	4,980,309	4,994,161	5,083,514	5,031,131	5,015,492	5,035,193	4,997,001

*NMPSIA reported a 31.86% increase to the legislature for FY25.
 **All scenarios result in a \$5 million fund balance at the end of FY29.
 Scenario A: Projects the rate at a percentage constant to maintain a \$5 million fund balance at the end of every fiscal year.
 Scenario B: FY24 adopted scenario. Projects a 9% increase for FY25 through FY28. FY29 represents an increase to get to a \$5 million fund balance.
 Scenario C: Projects an increase of 25% for FY25, 20% for FY26, and an average of 6.94% for FY27 - FY29.
 Scenario D: Projects an increase of 25% for FY25 and FY26 and an average of 4.2% for FY27 - FY29.
 Scenario E: Projects an increase of 30% for FY25, 15% for FY26, and an average of 6.66% for FY27 - FY29.
 Scenario F: Projects an increase of 31.86% for FY25, 11% for FY26, and an average of 7.9% for FY27 - FY29.
 Scenario G: Projects an increase of 31.86% for FY25, 10.13% for FY26, 9.13% for FY27, 8.12% for FY28, and 7.12% for FY29.
 Scenario H: Projects an increase of 31.86% for FY25 and an average of 9.08% for FY26 - FY29.

Page 2: Alternate Scenarios (\$5 million fund balance)

NMPSIA Risk Premium Income									
Alternate Scenarios \$5 Million Fund Balance									
		Scenario I	Scenario J	Scenario K	Scenario L	Scenario M	Scenario N	Scenario O	Scenario P
		Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year
Rate Action									
Effective	FY25 7/1/2024	39.47%	24.30%	20.00%	18.00%	19.00%	19.00%	15.68%	9.00%
Effective	FY26 7/1/2025	6.70%	11.00%	20.00%	18.00%	16.50%	14.25%	15.68%	35.00%
Effective	FY27 7/1/2026	-2.32%	12.00%	10.22%	18.00%	14.50%	14.24%	15.68%	13.41%
Effective	FY28 7/1/2027	18.53%	13.00%	10.22%	7.96%	12.50%	14.24%	15.68%	6.56%
Effective	FY29 7/1/2028	7.06%	14.00%	10.22%	7.96%	9.50%	14.24%	15.68%	6.56%
Premium Income									
Effective	FY25 7/1/2024	\$ 139,830,629	\$ 124,621,404	\$ 120,310,285	\$ 118,305,114	\$ 119,307,699	\$ 119,307,699	\$ 115,979,115	\$ 109,281,842
Effective	FY26 7/1/2025	\$ 149,199,281	\$ 138,329,758	\$ 144,372,342	\$ 139,600,034	\$ 138,993,470	\$ 136,309,047	\$ 134,164,640	\$ 147,530,487
Effective	FY27 7/1/2026	\$ 145,737,858	\$ 154,929,329	\$ 159,127,196	\$ 164,728,040	\$ 159,147,523	\$ 155,719,455	\$ 155,201,656	\$ 167,314,326
Effective	FY28 7/1/2027	\$ 172,743,083	\$ 175,070,142	\$ 175,389,995	\$ 177,840,392	\$ 179,040,963	\$ 177,893,905	\$ 179,537,275	\$ 178,290,145
Effective	FY29 7/1/2028	\$ 184,938,744	\$ 199,579,962	\$ 193,314,852	\$ 191,996,488	\$ 196,049,855	\$ 203,225,997	\$ 207,688,720	\$ 189,985,979
Fund Balance (Projected)	June 30, 2024	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)
FY 2025 Operating Income		3,600,451	(11,608,774)	(15,919,893)	(17,925,064)	(16,922,479)	(16,922,479)	(20,251,063)	(26,948,336)
Fund Balance	June 30, 2025	(9,416,951)	(24,626,176)	(28,937,295)	(30,942,466)	(29,939,881)	(29,939,881)	(33,268,465)	(39,965,738)
FY 2026 Operating Income		3,604,435	(7,265,088)	(1,222,504)	(5,994,812)	(6,601,376)	(9,285,799)	(11,430,206)	1,935,641
Fund Balance	June 30, 2026	(5,812,516)	(31,891,264)	(30,159,799)	(36,937,278)	(36,541,257)	(39,225,680)	(44,698,671)	(38,030,096)
FY 2027 Operating Income		3,605,767	12,797,238	16,995,105	22,595,949	17,015,432	19,587,364	13,069,565	25,182,235
Fund Balance	June 30, 2027	(2,206,749)	(19,094,026)	(13,164,694)	(14,341,329)	(19,525,825)	(25,638,316)	(31,629,106)	(12,847,862)
FY 2028 Operating Income		3,599,704	5,926,763	6,246,616	8,697,013	9,897,584	8,750,526	10,393,896	9,146,766
Fund Balance	June 30, 2028	1,392,955	(13,167,263)	(6,918,078)	(5,644,315)	(9,628,240)	(16,887,790)	(21,235,210)	(3,701,095)
FY 2029 Operating Income		3,607,102	18,248,320	11,983,210	10,664,846	14,718,213	21,894,355	26,357,078	8,654,337
Fund Balance	June 30, 2029	5,000,057	5,081,057	5,065,133	5,020,531	5,089,973	5,006,566	5,121,868	4,953,241

*NMPSIA reported a 31.86% increase to the legislature for FY25.
 **All scenarios result in a \$5 million fund balance at the end of FY29.
 Scenario I: Projects an increase of 39.47% for FY25, a 6.70% increase for FY26, a 2.32% decrease for FY27, an 18.53% increase for FY28, and a 7.06% increase for FY29.
 Scenario J: Projects an increase of 24.3% for FY25, 11% for FY26, 12% for FY27, 13% for FY28, and 14% for FY29.
 Scenario K: Projects an increase of 20% for FY25 and FY26 and an average of 10.22% for FY27 - FY29.
 Scenario L: Projects an increase of 18% for FY25 - FY27 and an average of 7.96% for FY28-FY29.
 Scenario M: Projects an increase of 19% for FY25, 16.50% for FY26, 14.50% for FY27, 12.50% for FY28, and 9.50% for FY29.
 Scenario N: Projects an increase of 19% for FY25, 14.25% for FY26, and an average of 14.24% for FY27-FY29.
 Scenario O: Projects an average increase of 15.68% for FY25- FY29.
 Scenario P: Projects an increase of 9% for FY25, 35% for FY26, 13.41% for FY27, and an average of 6.56% for FY28-FY29.

Page 3: Same as Page 1 but with a \$0 fund balance

NMPSIA Risk Premium Income									
Primary Scenarios \$0 Fund Balance									
		Scenario A	Scenario B	Scenario C	Scenario D	Scenario E	Scenario F	Scenario G	Scenario H
		Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year
Rate Action									
Effective	FY25 7/1/2024	48.87%	9.00%	25.00%	24.73%	30.00%	31.86%	31.86%	31.86%
Effective	FY26 7/1/2025	-2.45%	9.00%	20.00%	24.73%	14.40%	11.00%	10.27%	8.77%
Effective	FY27 7/1/2026	-2.38%	9.00%	6.44%	4.01%	6.50%	7.39%	7.50%	8.76%
Effective	FY28 7/1/2027	19.00%	9.00%	6.44%	4.00%	6.50%	7.39%	8.50%	8.76%
Effective	FY29 7/1/2028	7.21%	103.29%	6.44%	4.00%	6.50%	7.39%	7.50%	8.76%
Premium Income									
Effective	FY25 7/1/2024	\$ 149,254,935	\$ 109,281,842	\$ 125,323,214	\$ 125,052,516	\$ 130,336,142	\$ 132,200,952	\$ 132,200,952	\$ 132,200,952
Effective	FY26 7/1/2025	\$ 145,598,189	\$ 119,117,208	\$ 150,387,857	\$ 155,978,003	\$ 149,104,547	\$ 146,743,056	\$ 145,777,989	\$ 143,794,975
Effective	FY27 7/1/2026	\$ 142,132,952	\$ 129,837,757	\$ 160,072,834	\$ 162,232,721	\$ 158,796,342	\$ 157,587,368	\$ 156,711,339	\$ 156,391,415
Effective	FY28 7/1/2027	\$ 169,138,213	\$ 141,523,155	\$ 170,381,525	\$ 168,722,029	\$ 169,118,105	\$ 169,233,075	\$ 170,031,802	\$ 170,091,303
Effective	FY29 7/1/2028	\$ 181,333,078	\$ 287,702,422	\$ 181,354,095	\$ 175,470,911	\$ 180,110,781	\$ 181,739,399	\$ 182,784,188	\$ 184,991,301
Fund Balance (Projected)	June 30, 2024	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)
FY 2025 Operating Income		13,024,757	(26,948,336)	(10,906,964)	(11,177,662)	(5,894,036)	(4,029,226)	(4,029,226)	(4,029,226)
Fund Balance	June 30, 2025	7,355	(39,965,738)	(23,924,366)	(24,195,064)	(18,911,438)	(17,046,628)	(17,046,628)	(17,046,628)
FY 2026 Operating Income		3,343	(26,477,638)	4,793,011	10,383,157	3,509,701	1,148,210	183,143	(1,799,871)
Fund Balance	June 30, 2026	10,697	(66,443,375)	(19,131,356)	(13,811,908)	(15,401,737)	(15,898,418)	(16,863,485)	(18,846,499)
FY 2027 Operating Income		861	(12,294,334)	17,940,743	20,100,630	16,664,251	15,455,277	14,579,248	14,259,324
Fund Balance	June 30, 2027	11,558	(78,737,709)	(1,190,612)	6,288,722	1,262,514	(448,141)	(2,284,237)	(4,587,175)
FY 2028 Operating Income		(5,166)	(27,620,224)	1,238,146	(421,350)	(25,274)	89,696	888,423	947,924
Fund Balance	June 30, 2028	6,392	(106,357,933)	47,534	5,867,372	1,237,240	(333,445)	(1,395,814)	(3,639,251)
FY 2029 Operating Income		1,436	106,370,780	22,453	(5,860,731)	(1,220,861)	407,757	1,452,546	3,659,659
Fund Balance	June 30, 2029	7,828	12,847	69,987	6,641	16,379	54,312	56,732	20,408

*NMPSIA reported a 31.86% increase to the legislature for FY25.
 **All scenarios result in a zero fund balance at the end of FY29.
 Scenario A: Projects the rate at a percentage constant to maintain a \$0 fund balance at the end of every fiscal year.
 Scenario B: FY24 adopted scenario. Projects a 9% increase for FY25 through FY28. FY29 represents an increase to get to a \$0 fund balance.
 Scenario C: Projects an increase of 25% for FY25, 20% for FY26, and an average of 6.44% for FY27 - FY29.
 Scenario D: Projects an increase of 24.73% for FY25 and FY26, 4.01% for FY27, and an average of 4% for FY28 - FY29.
 Scenario E: Projects an increase of 30% for FY25, 14.4% for FY26, and an average of 6.50% for FY27 - FY29.
 Scenario F: Projects an increase of 31.86% for FY25, 11% for FY26, and an average of 7.39% for FY27 - FY29.
 Scenario G: Projects an increase of 31.86% for FY25, 10.27% for FY26, 7.5% for FY27, 8.50% for FY28, and 7.50% for FY29.
 Scenario H: Projects an increase of 31.86% for FY25, 8.77% for FY26, and an average of 8.76% for FY27 - FY29.

NMPSIA Risk Premium Income Alternate Scenarios \$0 Fund Balance									
Description		Scenario I	Scenario J	Scenario K	Scenario L	Scenario M	Scenario N	Scenario O	Scenario P
Rate Action		Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year
Effective	FY25 7/1/2024	39.47%	23.51%	19.75%	17.75%	18.24%	18.83%	15.46%	9.00%
Effective	FY26 7/1/2025	6.70%	11.00%	19.75%	17.75%	16.50%	14.00%	15.45%	34.00%
Effective	FY27 7/1/2026	-2.32%	12.00%	10.02%	17.75%	14.50%	14.00%	15.45%	13.42%
Effective	FY28 7/1/2027	17.58%	13.00%	10.02%	7.81%	12.50%	14.00%	15.45%	6.57%
Effective	FY29 7/1/2028	5.82%	14.00%	10.02%	7.81%	9.50%	14.00%	15.45%	6.58%
Premium Income									
Effective	FY25 7/1/2024	\$ 139,830,629	\$ 123,829,361	\$ 120,059,639	\$ 118,054,467	\$ 118,545,734	\$ 119,137,260	\$ 115,758,546	\$ 109,281,842
Effective	FY26 7/1/2025	\$ 149,199,281	\$ 137,450,591	\$ 143,771,417	\$ 139,009,135	\$ 138,105,781	\$ 135,816,476	\$ 133,643,241	\$ 146,437,669
Effective	FY27 7/1/2026	\$ 145,737,858	\$ 153,944,662	\$ 158,177,313	\$ 163,683,257	\$ 158,131,119	\$ 154,830,783	\$ 154,291,122	\$ 166,089,604
Effective	FY28 7/1/2027	\$ 171,358,573	\$ 173,957,468	\$ 174,026,680	\$ 176,466,919	\$ 177,897,509	\$ 176,507,093	\$ 178,129,101	\$ 177,001,691
Effective	FY29 7/1/2028	\$ 181,331,642	\$ 198,311,513	\$ 191,464,154	\$ 190,248,986	\$ 194,797,772	\$ 201,218,086	\$ 205,650,047	\$ 188,648,402
Fund Balance (Projected)	June 30, 2024	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)
FY 2025 Operating Income		3,600,451	(12,400,817)	(16,170,539)	(18,175,711)	(17,684,444)	(17,092,918)	(20,471,632)	(26,948,336)
Fund Balance	June 30, 2025	(9,416,951)	(25,418,219)	(29,187,941)	(31,193,113)	(30,701,846)	(30,110,320)	(33,489,034)	(39,965,738)
FY 2026 Operating Income		3,604,435	(8,144,255)	(1,823,429)	(6,585,711)	(7,489,065)	(9,778,370)	(11,951,605)	842,823
Fund Balance	June 30, 2026	(5,812,516)	(33,562,474)	(31,011,370)	(37,778,823)	(38,190,911)	(39,888,690)	(45,440,638)	(39,122,915)
FY 2027 Operating Income		3,605,767	11,812,571	16,045,222	21,551,166	15,999,028	12,698,692	12,159,031	23,957,513
Fund Balance	June 30, 2027	(2,206,749)	(21,749,904)	(14,966,147)	(16,227,658)	(22,191,883)	(27,189,998)	(33,281,607)	(15,165,402)
FY 2028 Operating Income		2,215,194	4,814,089	4,883,301	7,323,540	8,754,130	7,363,714	8,985,722	7,858,312
Fund Balance	June 30, 2028	8,445	(16,935,815)	(10,082,846)	(8,904,117)	(13,437,754)	(19,826,284)	(24,295,886)	(7,307,090)
FY 2029 Operating Income		0	16,979,871	10,132,512	8,917,344	13,466,130	19,886,444	24,318,405	7,316,760
Fund Balance	June 30, 2029	8,445	44,056	49,666	13,226	28,376	60,159	22,519	9,670

*NMPSIA reported a 31.86% increase to the legislature for FY25.
 **All scenarios result in a 0 fund balance at the end of FY29.
 Scenario I: Projects an increase of 39.47% for FY25, a 6.70% increase for FY26, a 2.32% decrease for FY27, an 17.58% increase for FY28, and a 5.82% increase for FY29.
 Scenario J: Projects an increase of 23.51% for FY25, 11% for FY26, 12% for FY27, 13% for FY28, and 14% for FY29.
 Scenario K: Projects an increase of 19.75% for FY25 and FY26 and an average of 10.02% for FY27 - FY29.
 Scenario L: Projects an increase of 17.75% for FY25 - FY27 and an average of 7.81% for FY28-FY29.
 Scenario M: Projects an increase of 18.24% for FY25, 16.50% for FY26, 14.50% for FY27, 12.50% for FY28, and 9.50% for FY29.
 Scenario N: Projects an increase of 18.83% for FY25 and an average of 14.00% for FY26-FY29
 Scenario O: Projects an increase of 15.46% for FY25 and an average of 15.45% for FY26- FY29.
 Scenario P: Projects an increase of 9% for FY25, 34% for FY26, 13.42% for FY27, 6.57% for FY28, and 6.58% for FY29.

Mr. Sandoval informed the Board that staff met with the University of Council Presidents and prepared projections for the 31.86% increase. Due to external funding restrictions, the Council advised that they cannot increase tuition fees anymore. The funding for Public School Support had the legislative recommendation adopted for a 9% increase. Based on the projected 31.86% and the 9% included for public school support, the RAC decided on Scenario D with an increase of 25% for FY25, followed by a projected increase of 25% for FY26 and 4.2% increases for FY27 through FY29. This was chosen to give the legislature one year to come up with funding for NMPSIA members. The second year at 25% could change, up or down, based on experience.

Mr. Sandoval opened it up for questions. Mr. David Martinez Jr., Board, IFR, and BAC Member for NMPSIA, inquired if it is possible that the legislature would cap those increases and if NMPSIA had been reimbursed for the funds swept from the reserves. Mr. Sandoval responded that NMPSIA did get the funds back during a special appropriation request. NMPSIA initially received \$10 million, and the legislature recouped \$2 million back for a net of \$8 million. After discussion, Mr. Park asked that Mr. Sandoval run another scenario at 31.86% for FY25 and 15% for FY26 to try to get out of the negative fund balance sooner assuming no assistance from the Legislature.

Mr. Sandoval presented Scenario I.1. While running this scenario staff made sure that there was not a surplus of funds in any of the five years. When running this kind of projection, the

goal is to stay as close to \$5 million at the end of the fifth year as possible. With this new scenario, it would still be 31.86% for FY25, followed by a 17% increase in FY26 and an average of 4.35% increase for FY27 through FY29. This would bring the fund balance by June 30, 2025, to negative \$17 million, FY26 \$8 million, FY27 \$11.3 million, FY28 \$10.6 million, and FY29 \$5 million. Mr. Sandoval added that NMPSIA expects more members to join the Authority which will help to offset expenditures. Mr. Simon from the Legislative Finance Committee (LFC) sees this as an area of priority, and continuing to work on preventative maintenance will also help mitigate spending from the liability fund. Mr. Park stated that as the Board of Directors, the best decision needs to be made to ensure the viability of the fund going forward. The board members chose to select Scenario I.1. Their displeasure with the option was expressed and they added that they will continue actively working on this matter.

NMPSIA Risk Premium Income											Adopted
Primary Scenarios \$5 Million Fund Balance											Scenario
		Scenario A	Scenario B	Scenario C	Scenario D	Scenario E	Scenario F	Scenario G	Scenario H	Scenario I.1	
		Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	Rolling 5-year	
Rate Action											
Effective	FY25 7/1/2024	53.85%	9.00%	25.00%	25.00%	30.00%	31.86%	31.86%	31.86%	31.86%	
Effective	FY26 7/1/2025	-5.60%	9.00%	20.00%	25.00%	15.00%	11.00%	10.13%	9.08%	17.00%	
Effective	FY27 7/1/2026	-2.32%	9.00%	6.94%	4.20%	6.66%	7.90%	9.13%	9.08%	4.35%	
Effective	FY28 7/1/2027	18.85%	9.00%	6.94%	4.20%	6.66%	7.90%	8.12%	9.08%	4.35%	
Effective	FY29 7/1/2028	7.27%	106.80%	6.94%	4.20%	6.66%	7.90%	7.12%	9.08%	4.35%	
Premium Income											
Effective	FY25 7/1/2024	\$ 154,247,811	\$ 109,281,842	\$ 125,323,214	\$ 125,323,214	\$ 130,336,142	\$ 132,200,952	\$ 132,200,952	\$ 132,200,952	\$ 132,200,952	
Effective	FY26 7/1/2025	\$ 145,609,934	\$ 119,117,208	\$ 150,387,857	\$ 156,654,017	\$ 149,886,564	\$ 146,743,056	\$ 145,592,908	\$ 144,204,798	\$ 154,675,114	
Effective	FY27 7/1/2026	\$ 142,231,784	\$ 129,837,757	\$ 160,824,774	\$ 163,233,486	\$ 159,869,009	\$ 158,335,758	\$ 158,885,541	\$ 157,298,594	\$ 161,403,481	
Effective	FY28 7/1/2027	\$ 169,042,475	\$ 141,523,155	\$ 171,986,013	\$ 170,089,292	\$ 170,516,285	\$ 170,844,283	\$ 171,787,047	\$ 171,581,306	\$ 168,424,532	
Effective	FY29 7/1/2028	\$ 181,331,863	\$ 292,669,885	\$ 183,921,842	\$ 177,233,043	\$ 181,872,669	\$ 184,340,981	\$ 184,018,284	\$ 187,160,889	\$ 175,751,000	
Fund Balance (Projected)	June 30, 2024	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	(13,017,402)	
FY 2025 Operating Income		18,017,633	(26,948,336)	(10,906,964)	(10,906,964)	(5,894,036)	(4,029,226)	(4,029,226)	(4,029,226)	(4,029,226)	
Fund Balance	June 30, 2025	5,000,231	(39,965,738)	(23,924,366)	(23,924,366)	(18,911,438)	(17,046,628)	(17,046,628)	(17,046,628)	(17,046,628)	
FY 2026 Operating Income		15,088	(26,477,638)	4,793,011	11,059,171	4,291,718	1,148,210	(1,938)	(1,390,048)	9,080,268	
Fund Balance	June 30, 2026	5,015,320	(66,443,375)	(19,131,356)	(12,865,195)	(14,619,720)	(15,898,418)	(17,048,566)	(18,436,676)	(7,966,361)	
FY 2027 Operating Income		99,693	(12,294,334)	18,692,683	21,101,395	17,736,918	16,203,667	16,753,450	15,166,503	19,271,390	
Fund Balance	June 30, 2027	5,115,012	(78,737,709)	(438,673)	8,236,200	3,117,198	305,249	(295,117)	(3,270,173)	11,305,029	
FY 2028 Operating Income		(100,904)	(27,620,224)	2,842,634	945,913	1,372,906	1,700,904	2,643,668	2,437,927	(718,847)	
Fund Balance	June 30, 2028	5,014,108	(106,357,933)	2,403,961	9,182,113	4,490,103	2,006,153	2,348,551	(832,246)	10,586,183	
FY 2029 Operating Income		221	111,338,243	2,590,200	(4,098,599)	541,027	3,009,339	2,686,642	5,829,247	(5,580,642)	
Fund Balance	June 30, 2029	5,014,329	4,980,309	4,994,161	5,083,514	5,031,131	5,015,492	5,035,193	4,997,001	5,005,540	

A motion was made to approve the FY2025 Risk Premium Rate Setting Scenario I.1.

Motion: T. Ruiz

Second: D. Martinez, Jr.

A roll call vote was taken.

Ms. Claudette Roybal called roll.

Al Park, President	Yes
Chris Parrino, Vice-President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Vicki Chavez	Yes
Tim Crone	Excused

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

Vote carried.

10. C. 2024-2025 MOC L027 General and Automobile Liability (Action Item)

Mr. David Poms with Poms and Associates requested approval of MOC L027 for General and Automobile Liability coverage. This document is the actual insurance policy and provides coverages, exclusions, and conditions, and lists all the members. Over the past three to four years a lot of work has been put into this document. There have been no changes to the MOC language; the only changes were the MOC number and the term dates.

A motion was made to approve the 2024-2025 MOC L027 General and Automobile Liability.

Motion: D. Martinez Jr.

Second: C. Parrino

A roll call vote was taken.

Ms. Claudette Roybal called roll.

Al Park, President	Yes
Chris Parrino, Vice-President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Vicki Chavez	Yes
Tim Crone	Excused
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

10. D. 2024-2025 MOC P027 Property, Automobile Physical Damage, Crime & Cyber Coverage (Action Item)

Mr. Poms presented MOC P027 Property, Automobile Physical Damage, Crime & Cyber Coverage. These liability coverages are also known as first-party coverages. There is one amendment to the MOC in addition to the change of the number to P027 and the term dates.

The amendment is to the cyber liability pool deductibles. Due to the pool deductibles being fairly high, rather than having a school district pay the high pool deductible, the district would have a smaller deductible, and NMPSIA would cover the remaining. The retention schedule was provided and one correction that needs to be made was under Building Values, in the 2nd row where it says \$251 million to \$500 million. The first number would be changed to \$250,000,001. Mr. Poms added that the member list would be updated and presented for the June Board meeting.

A motion was made to approve the 2024-2025 MOC P027 General and Automobile Liability.

Motion: C. Parrino

Second: T. Ruiz

A roll call vote was taken.

Ms. Claudette Roybal called roll.

Al Park, President	Yes
Chris Parrino, Vice-President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Vicki Chavez	Yes
Tim Crone	Excused
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

10. E. Student Accident and Sickness Insurance Proposal (Action Item)

Mr. Eric Swartz of Myers-Stevens and Toohy presented the Blanket Student Accident and Catastrophic Insurance proposal to the Board. Previously students could be covered by a voluntary purchase plan if they did not have insurance so students could participate in school activities and sports. However, the Office of the Superintendent of Insurance (OSI) recently ruled against limited medical plans or limited accident medical plans. This eliminated all student accident programs in the state for any kids who wanted to participate in sports, which leaves them only covered by the current catastrophic event policy, which has a \$25,000 deductible. The attorneys for Chubb-Ace American met with OSI and received approval from OSI to use base or blanket-style programs where everyone is insured.

This program ensures coverage from \$1 to \$25,000, and up to the deductible required by the current catastrophic policy. The proposal would be for all enrolled students of NMPSIA

member districts and charters while on campus, including the hour before and after regularly scheduled classes, attending school-sponsored and directly supervised events, while in school vehicles, and in district-approved and sponsored programs such as school to work and JROTC. This would also include practice, games, and travel associated with interscholastic sports, provided that the travel is direct and without interruption between the school and the site of the sponsored activity. Mr. Vanetsky added that the proposal aims to mitigate liability exposure and related costs to schools resulting from uninsured or underinsured school-related injuries.

Mr. Park advised that this item was discussed in the RAC meeting and a recommendation was made to create a sub-committee to review the proposal in detail. Implementation, Dissemination of information to school districts, and the claim process, as well as data concerning the number of claims, should be assessed. Also, due to this requiring funding, likely from the districts, a deep analysis of the proposed cost savings is required before moving forward.

A motion was made to table the approval of the Student Accident and Sickness Insurance Proposal.

Motion: S. Quintana

Second: T. Ruiz

A roll call vote was taken.

Ms. Claudette Roybal called roll.

Al Park, President	Yes
Chris Parrino, Vice-President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Vicki Chavez	Yes
Tim Crone	Excused
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

10. F. TPA Reports

10. F. 1. Property and Liability Monthly Claims Report

Mr. Steve Vanetsky with CCMSI reported on the Property & Liability Monthly Claims Report for January 2024. Liability had 437 open claims, 35 new claims, and 33 claims were closed. Reserves were at \$26,685,325.45, and payments were at \$13,974,115.52 for a total of \$40,659,440.97. Property had 157 open claims, 15 new claims, and 26 claims were closed. Reserves were \$65,691,030.29, and payments were \$13,998,721.71 for a total of \$79,679,752.00.

10. F. 2 Property and Liability Large Losses

Mr. Vanetsky reported no large losses for this month.

10. F. 3. Workers' Compensation Monthly Claims Report

Mr. Jerry Mayo, with CCMSI provided the Workers' Compensation Monthly Claims Report for January 2024. For January there were 1,109 open claims, 206 new claims, 51 reopened claims, and 315 claims were closed. Reserves were at \$15,308,691.71, and payments were \$49,835,914.38 for a total of \$63,391,438.16.

10. F. 4. Workers' Compensation Large Losses

Mr. Mayo reported two large losses for January from Santa Fe Public Schools. The first claim was an individual on a school field trip who fell off a rock and hit their head. The air ambulance bill was over \$85,000, and CCMSI was able to negotiate the bill to \$55,000. The second claim was an individual who fell and, during the fall, sustained a hip injury, resulting in the need for surgery and rehabilitation.

10. G. Life of a Liability Claim

This item was removed from the agenda.

10. H. Loss Prevention Update

Mr. Larry Vigil with Poms and Associates presented the Loss Prevention Abatement Report for January 2024. For January there was a 73.62% abatement for non-capital recommendations. There were 599 total recommendations, 19 total capital recommendations, and total non-capital were 580. The corrected non-capital was 427, and the capital was 7. The corrected recommendations percentage for January was 72.45%.

Ms. Garcia with Poms and Associates added that January was a slow month with sexual molestation training around the state and noted that a complaint was received regarding an anonymous report that may have been incorrect. There is still some misunderstanding between the schools and the parents about exactly what STOPit does with complaints. Ms. Vicky Chavez, Board Member for NMPSIA, added that the biggest feedback received from the districts is that because STOPit is anonymous, districts have a hard time chasing down

complaints, and most complaints reported are bullying, but because the definition of bullying is very specific, the complaints do not end up being bullying. Ms. Garcia responded that the anonymous reporting systems are utilized mostly to measure the climate and to get a high-level overview of what is going on in the schools. Ms. Garcia noted that work is being done to filter out the use of C-STAG, which is the school threat assessment guidelines. Ms. Garcia suggested having a team at the schools who, by going through the systemic process, could easily identify and resolve some of the complaints, especially the higher-level ones such as molestation and weapons at school.

11. Benefits Matters

11. A. Covid Claims Statistics for Fiscal Year 2024

This item was removed from the agenda.

11. B. Fiscal Year 2025 Projections and Premium Rate Setting (Action Item)

Ms. Debbie Donaldson with Segal presented the Fiscal Year 2025 Projections and Premium Rate Setting, adding that these results are not as positive as was hoped. During the February Board meeting, Dr. Patani presented preliminary FY25-FY29 projections as well as the October 1, 2024, rate-setting projections. The projections being presented were updated as recently as March 7, 2024. All the scenarios were reviewed with a committee that included three NMPSIA Board members and NMPSIA staff, including Mr. Patrick Sandoval, Ms. Martha Quintana, and Mr. Phillip Gonzales. Ms. Donaldson presented a historical look at the fund balance as well as the 2023-24 projected fund balance. In 2021-22, the starting fund balance of \$31.7 million decreased by \$ 16.7 million. In 2022-23, the starting fund balance of \$15 million had an increase of \$2.6 million. In 2023-24, the starting fund balance was \$17.6 million, and the projected decrease is \$15.2 million. There was a loss of \$9.89 million through December 2023.

Historical Look – Rate Increases and Fund Balance

Plan Year	Fund Balance at Start of Plan Year	Blended Increase to "Breakeven"	Actual October 1 Rate Increase	Increase/(Decrease) in Fund Balance
2016 – 2017	\$20.9 million	Not Evaluated/Reported	High Low 8.30% 7.15%	(\$7.1 million)
2017 – 2018	\$13.8 million	Not Evaluated/Reported	High & HMO Low 3.98% 1.82%	\$3.6 million
2018 – 2019	\$17.4 million	Not Evaluated/Reported	High & EPO Low 4.00% -0.70%	\$9.3 million
2019 – 2020	\$26.7 million	2.9%	High & EPO Low 5.90% 3.10%	\$4.9 million
2020 – 2021	\$31.6 million	11.3%	High & EPO Low 6.00% 2.10%	\$0.1 million
2021 – 2022	\$31.7 million	11.9%	High & EPO Low 6.00% 3.60%	(\$16.7 million)
2022 – 2023	\$15.0 million	8.10%	High & EPO Low 6.00% 3.20%	\$2.6 million (unaudited)
2023 – 2024	\$17.6 million (unaudited)	7.55%	Medical/Rx 7.24%	(\$15.2 million) (unaudited)

Ms. Donaldson reviewed the key cost drivers impacting FY24 and FY25. Medical and prescription trends for FY24 are 14.6%, which is more than the 7% projected. There is \$7 million of additional cost associated with GLP-1 drugs due to utilization. Senate Bill 135 projected costs are \$1.4 million for FY24 and \$2.8 million for FY25. Another key factor is the continued migration from High to Low Plan options. The Low Plan option premiums have been low for affordability purposes, but when members move from the High to the Low Plan, NMPSIA captures fewer premiums, resulting in an increased cost of \$2.2 million. A recent pharmacy market check showed additional savings of 2.1% to pharmacy costs which comes out to just shy of \$1 million.


Ms. Donaldson provided the assumptions for projections and the projection scenarios. Segal is assuming a blended trend of 7.7% for medical and pharmacy. Included in projections are the results of the IBAC Big Bid, the PBM Market Check, and legislative changes. All scenarios included a 5% Dental rate increase and a 3% Vision rate increase effective 10/1/2024. The projections were updated before the Board meeting and reflect recent legislative implications. The projection scenarios include four scenarios with no plan design changes and two with plan design changes.

Summary of Projection Scenarios

Illustrative Scenarios - No Plan Design Changes

Description	Scenario A: Increases from 10/1/23 rate-setting projection (final approved scenario from March 2023)	Scenario B: Baseline "Breakeven" increase 10/1/24; Premium increases thereafter per 5- year plan	Scenario B.3: Modified Baseline "Breakeven" increase 10/1/24; Premium increases thereafter per 5- year plan (larger increase - 10/1/2025)	Scenario F.1: 12.00% increase 10/1/24 & 10/1/25; Premium increases thereafter per 5- year plan
Rate Action*				
Eff. 10/1/2024	7.24%	15.25%	15.25%	12.00%
Eff. 10/1/2025	7.24%	8.09%	8.84%	12.00%
Eff. 10/1/2026	7.24%	8.09%	7.43%	7.88%
Eff. 10/1/2027	7.24%	8.09%	7.43%	7.88%
Eff. 10/1/2028	7.24%	5.34%	5.77%	6.23%
Fund Balance				
End of FY2025	-\$19.3 M (1.5 months of claims <i>below Target</i>)	\$2.4 M (0.1 months of claims)	\$2.4 M (0.1 months of claims)	-\$6.4 M (1.2 months of claims <i>below Target</i>)
End of FY2026	-\$44.0 M (2.1 months of claims <i>below Target</i>)	\$11.0 M (0.3 months of claims)	\$13.4 M (0.3 months of claims)	\$1.6 M (0.0 months of claims)
End of FY2027	-\$71.3 M (2.7 months of claims <i>below Target</i>)	\$23.2 M (0.5 months of claims)	\$26.6 M (0.6 months of claims)	\$16.3 M (0.4 months of claims)
End of FY2028	-\$101.4 M (3.2 months of claims <i>below Target</i>)	\$39.4 M (0.9 months of claims)	\$40.7 M (0.9 months of claims)	\$34.3 M (0.7 months of claims)
End of FY2029	-\$134.7 M (3.7 months of claims <i>below Target</i>)	\$49.4 M (1.0 months of claims)	\$49.4 M (1.0 months of claims)	\$49.4 M (1.0 months of claims)

*Medical/Rx rate increase is shown on a blended basis
All scenarios include a 5% Dental rate increase and 3% Vision rate increase effective 10/1/2024



Summary of Projection Scenarios

Illustrative Scenarios - With Plan Design Changes

Description	Scenario G: "Breakeven" increase 10/1/24 with plan changes effective 1/1/25; Premium increases thereafter per 5-year plan	Scenario H: "Breakeven" increase 10/1/24 with larger plan changes effective 1/1/25; Premium increases thereafter per 5-year plan
Rate Action*		
Eff. 10/1/2024	14.39%	11.40%
Eff. 10/1/2025	7.92%	7.29%
Eff. 10/1/2026	7.92%	7.29%
Eff. 10/1/2027	7.92%	7.29%
Eff. 10/1/2028	5.16%	4.51%
Fund Balance		
End of FY2025	\$2.4 M (0.1 months of claims)	\$2.4 M (0.1 months of claims)
End of FY2026	\$12.1 M (0.3 months of claims)	\$15.8 M (0.4 months of claims)
End of FY2027	\$24.6 M (0.6 months of claims)	\$29.4 M (0.7 months of claims)
End of FY2028	\$40.3 M (0.9 months of claims)	\$43.4 M (1.0 months of claims)
End of FY2029	\$48.9 M (1.0 months of claims)	\$47.2 M (1.0 months of claims)

*Medical/Rx rate increase is shown on a blended basis
All scenarios include a 5% Dental rate increase and 3% Vision rate increase effective 10/1/2024

Ms. Donaldson reviewed the cost breakdowns for the members for each scenario, which are broken down by monthly contributions, and advised that for Vision and Dental, the projected premium rates effective 10/1/2024 are with the assumption of the 5% increase for Dental and a 3% increase for Vision. Mr. Parrino and Mr. Martinez, Jr. reviewed the BAC and subcommittee's thoughts on the different scenarios. Scenario G & H were taken out of consideration by the subcommittee because they would be too detrimental to the members. The subcommittee selected option B.3 as the best option because it does not put the fund too far into the negative in the event the legislature caps future increases at 6%. The Board addressed that they are aware these increases are difficult to accept. Mr. Sandoval reminded the Board that NMPSIA went with 7.24% during the legislative session and that 6.5% was built into the public-school support budget, and a high increase may cause a hardship for higher education institutions that cannot increase their tuition rates, especially now with the Opportunity Scholarship. The Board members reviewed several scenarios and noted that while double-digit increases were not needed in the past, double-digit increases are now necessary. Board members worry about the impact the increases will have on higher education members.

Mr. Sandoval advised the Board that staff are implementing measures. Scenarios will be updated at the annual meeting and again in September and October before NMPSIA submits the annual appropriation request.

Ms. Rika Martinez with Poms and Associates commented on the legislative side and added that conversations have been had that a double-digit increase was possibly coming down. While everyone is unhappy, there is a willingness to address this next year and take action.

Ms. Chavez added that, unfortunately, salaries are not increasing enough to balance the increases, and the educators are taking the hit. Mr. Park added that the Board will need additional help from partners, including friends and colleagues along with teachers, teachers' unions, superintendents, and anyone else who is affected by this to go to the legislature and work with the School Boards to let them know the Board must make decisions on issues that there is no real choice about.

A motion was made to approve Fiscal Year 2025 Projections and Premium Rate Setting Scenario B.3.

Motion: C. Parrino

Second: S. Quintana

A roll call vote was taken.

Ms. Claudette Roybal called roll.

Al Park, President	Yes
Chris Parrino, Vice-President	Yes
Trish Ruiz, Secretary	No
Denise Balderas	Yes
Vicki Chavez	No
Tim Crone	Excused
Pauline Jaramillo	Absent
Bethany Jarrell	Absent
K.T. Manis	Yes
David Martinez Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

11. C. Presbyterian Health Services (PHS) Settlement Notification to Members

Mr. Steve Valdez with Presbyterian provided information regarding the PHS settlement notification that was sent to members. The notice was distributed because of a class action lawsuit related to the data security incident PHS experienced in 2019. The case has reached a tentative settlement and members whose information may have been compromised are being notified of how they can participate. The Presbyterian Customer Service Center (PCSC) has received guidance on how to respond to inquiry calls regarding the notification.

11. I. IBAC Update

Ms. Kaylei Jones, Benefits/Wellness Program Coordinator with NMPSIA, presented the IBAC Update. The IBAC met on February 14, 2024. Michelle Stoddard and Sherri Wells presented on behalf of the American Heart Association. They presented statistics, and survivor Liz

Nauman shared her story. Ms. Jones presented an update on the RFI and reminded attendees of the information session to be held on February 15, 2024. James Dicky, Vice President of AON, shared a legislative update. The Standard announced the implementation of the Connected EOI platform with NMPSIA. Davis Vision shared they have added a provider to the network in the southeast portion of the state and lost one provider in Albuquerque. United Concordia provided information on two clinics, a free denture clinic happening in March and a clinic to provide cleanings and x-rays in April. BCBS announced they are waiving the fitness program fee through March 31, 2024, as well as introducing a new cost estimator tool. The New Mexico Retiree Health Care Authority reported that they are wrapping up RFPs and working on their budget. NMPSIA reported navigating the 2024 Legislative Session and configuring premium rates. Albuquerque Public Schools reported on their RFP progress and legislative impacts.

12. General Discussion

Board members inquired about any new information staff had on the annual meeting. Ms. Jones stated that she and Ms. Maria Lugo, CPO for NMPSIA, visited Angel Fire Resort and were able to begin conversations with the event coordinator about logistics. There was one concern with the meeting space due to the room being a little bit narrower than what we are accustomed to, but manageable. The individual at the resort responsible for negotiating the pricing for the event was on emergency leave and anticipated to return in the next couple of weeks. Staff is hopeful of negotiating some of the estimated pricing. The rooms will be booked for July 23- July 25, 2024. The meetings themselves will be on the 24th and 25th. Ms. Lugo hopes to have an update for the April board meeting.

Mr. Park thanked everyone for the hard work leading up to and during today's meeting.

13. Next Meeting Date and Location Thursday, April 4, 2024, Location: Poms and Associates 201 3rd Street, Suite 1400 Albuquerque, NM 87102, and Virtual option (Action Item)

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

Motion: S. Quintana

Second: T. Ruiz

A roll call vote was taken.

Ms. Claudette Roybal called roll.

Al Park, President	Yes
Chris Parrino, Vice-President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Vicki Chavez	Yes
Tim Crone	Excused
Pauline Jaramillo	Absent

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

Vote carried unanimously.

14. Adjournment (Action Item)

A motion was made to adjourn at 1:02 p.m.

Motion: T. Ruiz

Second: S. Quintana

A roll call vote was taken.

Ms. Claudette Roybal called roll.

Al Park, President	Yes
Chris Parrino, Vice-President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Vicki Chavez	Yes
Tim Crone	Excused
Pauline Jaramillo	Absent
Bethany Jarrell	Absent
K.T. Manis	Absent
David Martinez Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

Approved:

X

Mr. Alfred Park
Board President



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

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

- BOARD OF DIRECTORS**
- NM School Boards Association
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 - 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

April 4, 2024

Tom Medina
Owner
Tom Medina Enterprises, Inc.

Re: Amendment 01- Effective March 27, 2024
Professional Services Agreement for Facilities Maintenance
Tom Medina Enterprises, Inc.
Date of Agreement: July 1, 2023
Agreement No: 342-2023-11-1

Dear Mr. Medina:

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 Tom Medina Enterprises, Inc. 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 Facility Maintenance Services ("Agreement") effective July 1, 2023. The Agency and Contractor wish to amend and terminate the Agreement.

The Contractor has closed this business and created a new business with a new EIN & new business name. This will require a new contract.

This Amendment has been signed via DocuSign.

IN WITNESS WHEREOF, the undersigned have duly executed this Amendment as of the date first written above.

**New Mexico Public Schools
Insurance Authority**

Tom Medina Enterprises, Inc.

By:

By:

Alfred Park
Board President

Tom Medina
Owner

2. Compensation.

A. The Authority shall pay the Contractor in full payment for services satisfactorily performed in the amounts outlined below in 2.A.1 including gross receipts tax.

1.

Fiscal Year	Janitorial Amount	Maintenance Amount (Not to exceed)	Total
2024	\$7,882.04	\$7,099.21	\$14,981.25
2025	\$32,619.00	\$10,000.00	\$42,619.00
2026	\$33,761.00	\$10,000.00	\$43,761.00
2027	\$34,942.00	\$10,000.00	\$44,942.00

This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this Agreement shall equal the amount stated herein. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. The Contractor is responsible for notifying the Authority when the services provided under this Agreement reach 80% of the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess of the total compensation amount being provided.

B. The Contractor may purchase supplies and materials not purchased by the Authority to perform duties under the Scope of Work and for Other Maintenance Services. Purchases are to be approved by the Authority Executive Director or Deputy Director. The Contractor may seek reimbursement for purchases by submitting itemized receipts to the Authority.

C. For Other Maintenance Services, the Contractor shall receive compensation as follows:

1. Routine interior/exterior painting if necessary - \$27.08 per hour, including New Mexico Gross Receipts Tax.
2. Minor building repair, electrical, plumbing, and construction, if necessary - \$27.08 per hour, including New Mexico Gross Receipts Tax.
3. Moving furniture if necessary - \$27.08 per hour, including New Mexico Gross Receipts Tax.
4. Snow removal (including ice melt and any materials or equipment including the parking lot and hand shoveling steps and walkways) when necessary - \$270.78 per occurrence, including New Mexico Gross Receipts Tax.
 - A. If snow removal is required for a second time on the same day (including ice melt and any materials or equipment including the parking lot and hand shoveling steps and walkways) \$135.39 per occurrence, including New Mexico Gross Receipts Tax.

Public Schools Insurance Authority



Board Meeting

Fiscal Year 2024

February 2024 Financial Reports

April 4, 2024

NM Public Schools Insurance Authority
Statement of Revenues and Expenditures - Employee Benefits Fund
From 2/1/2024 Through 2/29/2024

	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)	29,079,122.69	32,776,833.20	12.72	225,761,087.85	246,089,867.65	9.00
Interest Income (Wells Fargo, LGIP)	82,731.31	21,743.18	(73.72)	394,587.43	289,891.15	(26.53)
Investment Income (SIC)	(615,864.87)	526,131.10	(185.43)	1,109,293.08	1,772,915.39	59.82
Miscellaneous Income (Rx Rebates, Penalties, Subros, Etc)	0.00	9,464.94	100.00	0.00	2,252,479.95	100.00
Total Revenue	28,545,989.13	33,334,172.42	16.77	227,264,968.36	250,405,154.14	10.18
Expenditures						
Medical Claims Expense	18,908,266.26	21,565,666.90	14.05	162,406,143.98	189,084,256.37	16.43
Prescription Claims Expense	3,576,378.02	2,534,850.40	(29.12)	28,944,220.08	35,435,707.80	22.43
Dental Claims Expense	1,136,429.85	1,095,655.54	(3.59)	8,915,414.74	9,415,754.71	5.61
Premiums (Life, Vision)	1,271,511.03	1,438,100.93	13.10	9,257,736.92	10,691,886.74	15.49
Claims Administration Fees (Medical, Dental, Rx)	1,263,012.22	1,377,940.54	9.10	9,346,694.14	9,876,734.09	5.67
Contractual Services (Erisa, Segal, Legal, Etc)	207,797.80	234,594.97	12.90	1,876,704.51	1,830,000.36	(2.49)
Transfer to Program Support	63,333.00	68,479.00	8.13	506,668.00	548,284.00	8.21
Total Expenditures	26,426,728.18	28,315,288.28	7.15	221,253,582.37	256,882,624.07	16.10
Net Revenue & Expenditures	2,119,260.95	5,018,884.14	136.82	6,011,385.99	(6,477,469.93)	(207.75)

NM Public Schools Insurance Authority
Statement of Revenues and Expenditures - Risk Fund
From 2/1/2024 Through 2/29/2024

	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)	7,737,270.00	8,354,878.00	7.98	61,898,204.00	66,839,058.80	7.98
Interest Income (Wells Fargo, LGIP)	263,267.60	408,967.74	55.34	1,572,705.28	2,979,447.24	89.45
Investment Income (SIC)	(478,866.42)	534,776.48	(211.68)	862,342.40	1,764,769.99	104.65
Miscellaneous Income (Penalties, Subros, Etc)	0.00	0.00	0.00	1.04	1,088.53566.35
Total Revenue	7,521,671.18	9,298,622.22	23.62	64,333,252.72	71,584,364.56	11.27
Expenditures						
Property - Liability Claims Expense						
Property Claims	729,716.71	1,271,355.89	74.23	8,075,766.04	6,860,219.94	(15.05)
Liability Claims	504,017.17	1,407,915.91	179.34	12,820,485.75	12,785,152.36	(0.28)
P-L Provisions for Losses	686,470.78	77,445.76	(88.72)	3,930,397.14	4,138,028.05	5.28
P-L Excess Recoveries	(447,517.56)	(1,655,817.02)	270.00	(10,834,406.92)	(17,922,305.37)	65.42
P-L Excess Recoveries Distributed to Schools	3,630.00	0.00	(100.00)	3,883,645.42	0.00	(100.00)
Total Property - Liability Claims Expense	1,476,317.10	1,100,900.54	(25.43)	17,875,887.43	5,861,094.98	(67.21)
Workers' Compensation Claims Expense	969,358.20	1,005,543.88	3.73	7,198,496.00	9,770,599.92	35.73
Property Excess Coverage Premium	2,586,540.00	3,597,631.00	39.09	20,692,328.00	28,781,048.21	39.09
Liability Excess Coverage Premium	1,771,250.00	2,099,839.00	18.55	14,170,000.00	16,799,260.00	18.56
Workers' Compensation Excess Coverage Premium	39,900.00	43,977.00	10.22	319,209.00	352,661.00	10.48
Student Catastrophic Insurance Premium	18,240.00	18,269.00	0.16	145,928.62	146,156.18	0.16
Equipment Breakdown Insurance Premium	34,196.00	38,266.00	11.90	273,572.62	306,131.62	11.90
Property - Liability Claims Administration Fees	94,196.10	94,184.86	(0.01)	753,677.02	753,479.00	(0.03)
Workers' Compensation Claims Administration Fees	104,051.99	98,749.05	(5.10)	832,535.57	794,292.88	(4.59)
Contractual Services (Erisa, Poms, CCMSI, Legal, Etc)	286,102.39	331,964.47	16.03	3,084,265.20	3,390,074.97	9.92
Transfer to Program Support	63,340.00	68,478.00	8.11	506,740.00	547,388.00	8.02
Total Expenditures	7,443,491.78	8,497,802.80	14.16	65,852,639.46	67,502,186.76	2.50
Net Revenue & Expenditures	78,179.40	800,819.42	924.34	(1,519,386.74)	4,082,177.80	(368.67)

NM Public Schools Insurance Authority
Statement of Revenues and Expenditures - Program Support Fund
From 2/1/2024 Through 2/29/2024

	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)	126,673.00	136,957.00	8.12	1,013,408.00	1,095,672.00	8.12
Miscellaneous Income	792.44	0.00	(100.00)	818.94	162.02	(80.22)
Total Revenue	127,465.44	136,957.00	7.45	1,014,226.94	1,095,834.02	8.05
Expenditures						
Contractual Services (Professional, Audit, Legal, Etc)	7,088.42	16,708.21	135.71	76,149.62	70,393.10	(7.56)
Other Expenses (Travel, Maint., Supplies, Utilities, Etc.)	12,342.18	8,987.62	(27.18)	100,671.58	112,747.68	12.00
Per Svc/Ben (Salaries, Fringe Benefits)	91,226.05	111,586.59	22.32	686,434.73	913,489.02	33.08
Total Expenditures	110,656.65	137,282.42	24.06	863,255.93	1,096,629.80	27.03
Net Revenue & Expenditures	16,808.79	(325.42)	(101.94)	150,971.01	(795.78)	(100.53)

NM Public Schools Insurance Authority

Balance Sheet
As of 2/29/2024

	<u>Program Support</u>	<u>Employee Benefits</u>	<u>Risk</u>	<u>Total</u>
ASSETS				
Cash (Wells Fargo/State Treasurer)	555,888.69	333,103.72	297,505.36	1,186,497.77
Short-term Investments (LGIP)	0.00	2,734,383.50	94,323,404.08	97,057,787.58
Long-term Investments (SIC)	0.00	20,215,996.09	21,108,783.63	41,324,779.72
Receivables (LGIP Int., W/C Excess Carrier)	(1,172.96)	1,452,057.43	4,552,224.58	6,003,109.05
Prepaid Premiums (Risk Excess Coverage)	0.00	0.00	23,191,928.00	23,191,928.00
Other Assets (Deposits, Furniture, Fxtures, Equip., Etc)	<u>245,361.25</u>	<u>27,189,172.80</u>	<u>256,000.00</u>	<u>27,690,534.05</u>
Total ASSETS	<u>800,076.98</u>	<u>51,924,713.54</u>	<u>143,729,845.65</u>	<u>196,454,636.17</u>
LIABILITIES				
Accounts Payable (Admin Fees)	194.43	1,561,185.55	517,878.56	2,079,258.54
Case Reserves (P/L, W/C)	0.00	0.00	45,775,193.89	45,775,193.89
IBNR (Incurred But Not Reported)	0.00	23,405,795.00	48,236,047.00	71,641,842.00
Claims Payable (Medical, Dental, P/L, W/C)	0.00	15,799,159.98	343,889.47	16,143,049.45
Deferred Revenue (Self-Pays, P/L, W/C Premiums)	0.00	54,375.95	33,419,512.00	33,473,887.95
Other (Payroll Taxes, Benefits, Compensated Absences Payable)	<u>106,014.73</u>	<u>0.60</u>	<u>0.00</u>	<u>106,015.33</u>
Total LIABILITIES	<u>106,209.16</u>	<u>40,820,517.08</u>	<u>128,292,520.92</u>	<u>169,219,247.16</u>
FUND EQUITY				
Beginning Fund Equity	694,663.60	17,581,666.39	11,355,146.93	29,631,476.92
Net Revenue & Expenditures (Year-to-Date)	<u>(795.78)</u>	<u>(6,477,469.93)</u>	<u>4,082,177.80</u>	<u>(2,396,087.91)</u>
Total FUND EQUITY	<u>693,867.82</u>	<u>11,104,196.46</u>	<u>15,437,324.73</u>	<u>27,235,389.01</u>



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Memorandum

To: Patrick Sandoval, Executive Director
Martha Quintana, Deputy Director

From: Nura Patani, PhD, ASA, MAAA
Deborah Donaldson, FSA, MAAA

Date: March 5, 2024

Re: New Mexico Public Schools Insurance Authority - 2024 PBM Market Check - CVS

Segal conducted an analysis of the New Mexico Public Schools Insurance Authority's (NMPSIA's) Pharmacy Benefit Manager (PBM) pricing contract. NMPSIA is currently in the third year of a four-year contract with their PBM, CVS Health (CVS). NMPSIA retained Segal to assess the competitiveness of their pricing contract through a PBM market check.

Segal reviewed NMPSIA's pharmacy claims data and PBM pricing contracts and compared to several other PBM pricing contracts that Segal has negotiated on behalf of other clients. These comparative clients represent other large public sector clients who have renegotiated their contract with their PBM in the past 12 months. We reviewed pricing offers from CVS clients as well as clients with other competitive PBMs.

In order to preserve the confidentiality of the comparative client pricing contract rates, we have taken the overall average for each pricing component across each comparative client.

After our initial review of NMPSIA's current pricing contracts we determined that the pricing is less competitive than what the market can currently offer. We solicited a competitive renewal offer from CVS and evaluated that offer as part of this analysis. This memo contains a summary of the NMPSIA current pricing contracts, CVS' market check offer, the market competitive benchmarks, Segal observations, analysis, and recommendations for NMPSIA to consider.

This analysis provides benchmark expectations for available pricing improvements that could be obtained through a competitive PBM RFP process. Any difference between the negotiated pricing terms in the CVS market check renewal offer and the benchmark rates can be attributed to an RFP and bidding process.

Summary

The tables below show the estimated costs to NMPSIA under the current contract terms and CVS' market check offer compared to the average market competitive benchmarks. Segal reviewed NMPSIA pharmacy claims data from the period December 1, 2022 through November 30, 2023 and projected forward to the next Contract Year of July 1, 2024 through June 30,

2025. Based on our review of the current contracts and the updated data, we estimate that NMPSIA could realize pricing improvements as outlined below:

- July 1, 2024 through June 30, 2025 – Estimated pricing improvements of up to roughly 2.1% or \$901k.

NMPSIA could realize more pricing improvements by obtaining a pricing contract similar to the market competitive benchmark in a competitive bid scenario.

Table 1 below shows the July 1, 2024 through June 30, 2025 estimated costs under the NMPSIA current contract, the proposed market check rates offered by CVS Health, and those under the market competitive benchmark, which we consider representative of terms that could be obtained in a new contract under a competitive bid scenario.

Table 1 – Total Cost Comparison – July 1, 2024 through June 30, 2025

NMPSIA	Incumbent	CVS Market Check Offer	Market Benchmark Average
Gross Prescription Drug Spend	██████████	██████████	██████████
(+) Admin Fees	██████████	██████████	██████████
(-) Member Cost Share	██████████	██████████	██████████
(-) Rebates	██████████	██████████	██████████
Total Net Cost	\$42,168,800	\$41,267,300	\$41,012,739
% Difference from Baseline		-2.1%	-2.7%
\$ Difference from Baseline		(\$901,500)	(\$1,156,061)

Observations and Next Steps

As seen in Table 1, the market competitive benchmarks that are comparable to NMPSIA’s design could yield roughly 2.7% savings compared to the 2.1% estimated savings provided by CVS Health over the current contract.

Table 2 below outlines NMPSIA’s current pricing rates, CVS Health’s proposed market check offer and comparable market competitive benchmarks. Cells highlighted in red are pricing metrics in which CVS Health’s proposed market check rates are below or less competitive than the benchmark range. Cells highlighted in green are pricing metrics in which CVS Health’s proposed market check rates are above or more competitive than the benchmark range. Cells highlighted in orange are pricing metrics in which CVS Health’s proposed market check rates are within the benchmark range, but Segal believes there is room for improvement in CVS Health’s proposed market check offer. Cells with no highlighting are competitive within the range of the market benchmarks. Please note that because PBM pricing contracts are analyzed and underwritten in the aggregate, having individual pricing metrics within the range of the benchmark average does not imply that the entire pricing contract is competitive.

We feel that the proposed renewal offer from CVS is a fair market check renewal pricing offer but the biggest room for improvement in NMPSIA’s contract is through improved rebate minimum guarantees compared to the market check benchmarks. We feel that NMPSIA could

obtain more competitive rates through a formal PBM RFP, but that CVS' market check renewal offer is competitive.

As part of this renewal offer, CVS rebalanced AWP discount categories. This rebalancing increased the AWP discount for generic drugs and reduced the AWP discount for brand drugs. Segal has verified that in almost all cases the rebalancing was cost neutral to NMPSIA. There was a 0.3% change to NMPSIA's projected cost in Mail Order as part of the rebalancing, but all other categories provided savings or were cost neutral.

Table 2 – Comparison to Current – July 1, 2024 through June 30, 2025

	Current Contract 7/1/2024 - 6/30/2025	CVS Health Market Check Offer 7/1/2024 - 6/30/2025	Benchmark Range
Retail 30			
Brand Discount	██████	██████	██████
Generic Discount	██████	██████	██████
Dispensing Fee	██████	██████	██████
Retail 90			
Brand Discount	██████	██████	██████
Generic Discount	██████	██████	██████
Dispensing Fee	██████	██████	██████
Mail Order			
Brand Discount	██████	██████	██████
Generic Discount	██████	██████	██████
Dispensing Fee	██████	██████	██████
Specialty Retail			
Brand Discount	██████	██████	██████
Generic Discount	██████	██████	██████
Dispensing Fee	██████	██████	██████
Specialty Mail Order			
Brand Discount	██████	██████	██████
Generic Discount	██████	██████	██████
Dispensing Fee	██████	██████	██████
Limited Distribution Drugs			
Brand Discount	██████	██████	██████
Generic Discount	██████	██████	██████
Dispensing Fee	██████	██████	██████
Rebates (per Brand)			
Retail 30	██████	██████	██████
Retail 90	██████	██████	██████
Mail Order	██████	██████	██████
Specialty Retail	██████	██████	██████
Specialty Mail Order	██████	██████	██████
Limited Distribution Drugs	██████	██████	██████

While some AWP discount guarantees in the CVS market check offer are not as competitive to the benchmark rates, the overall pricing is competitive since we view PBM contracts in aggregate and the total value provided pricing improvements to NMPSIA.

Based on our review of the improved financial guarantees and the timing of this market check relative to the upcoming contract year anniversary, we would recommend that NMPSIA accept the CVS market check proposal. If NMPSIA agrees with this analysis and recommendation to accept the renewal, NMPSIA will need to provide CVS an email confirmation that the pricing is acceptable by March 8, 2024. After this, CVS will provide NMPSIA with a signature ready Amendment that memorializes all of these pricing improvements.

Segal can review the draft amendment and ensure no other changes were added by CVS.

We look forward to discussing these results with you at your convenience. Please feel free to reach out at any time with any questions or concerns you may have.

cc: Kaylei Jones, NMPSIA



**NEW MEXICO PUBLIC SCHOOLS
INSURANCE AUTHORITY**
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- Public Education Commission
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- NM National Education Association
- American Federation of Teachers N.M.
- Governor Appointees
- Educational Institutions at Large

April 4, 2024

Cheryl Byron
Vice President, Employer
CVS Caremark

Re: Amendment 2 – Effective July 1, 2024 to June 30, 2026
Professional Services Agreement for Pharmacy Benefits Manager
CVS Caremark
Date of Agreement: July 1, 2022
Agreement No. 342-2021-03

Dear Ms. Byron:

This Amendment No. 2 (“Amendment”), effective July 1, 2024, amends the Pharmacy Benefit Services Agreement between CaremarkPCS Health, L.L.C., a Delaware limited liability company, (“CVS Caremark”) and New Mexico Public Schools Insurance Authority (“Client”), dated July 1, 2022 (the “Agreement”).

The parties agree to amend the Agreement as set forth herein.

1. The pricing grid in Section 1 (Mail, Retail, Rebates and Specialty) of Exhibit A (Financial Terms) of the Agreement is hereby amended by deleting such table in its entirety and inserting the following in its place:

RETAIL NON SPECIALTY	Traditional
NETWORK	National Network
BRAND DRUGS	07/01/2024 – 06/30/2025: AWP – [REDACTED] 07/01/2025 – 06/30/2026: AWP – [REDACTED]
GENERIC DRUGS	Generic Effective Rate 07/01/2024 – 06/30/2025: AWP – [REDACTED] 07/01/2025 – 06/30/2026: AWP – [REDACTED] (MAC & Non-MAC Combined)
DISPENSING FEE	Brand & Generic 07/01/2024 – 06/30/2025: [REDACTED] per Claim 07/01/2025 – 06/30/2026: [REDACTED] per Claim

EXTENDED DAY SUPPLY (EDS) – 90	
BRAND DRUGS	07/01/2024 – 06/30/2025: AWP – [REDACTED] 07/01/2025 – 06/30/2026: AWP – [REDACTED]
GENERIC DRUGS	Generic Effective Rate 07/01/2024 – 06/30/2025: AWP – [REDACTED] 07/01/2025 – 06/30/2026: AWP – [REDACTED] (MAC & Non-MAC Combined)
DISPENSING FEE	Brand & Generic 07/01/2024 – 06/30/2026: [REDACTED] per Claim

MAIL	
BRAND DRUGS	07/01/2024 – 06/30/2025: AWP – [REDACTED] 07/01/2025 – 06/30/2026: AWP – [REDACTED]
GENERIC DRUGS	Generic Effective Rate 07/01/2024 – 06/30/2025: AWP – [REDACTED] 07/01/2025 – 06/30/2026: AWP – [REDACTED] (MAC & Non-Mac Combined)
DISPENSING FEE	Brand & Generic [REDACTED] per Claim

SPECIALTY MEDICATIONS	EXCLUSIVE
SPECIALTY DRUGS AT CVS/CAREMARK SPECIALTY, INCLUDING SPECIALTY CONNECT	See Specialty Fee Schedule
SPECIALTY DRUGS AT RETAIL	BRAND DRUGS 07/01/2024 – 06/30/2026: AWP – [REDACTED] GENERIC EFFECTIVE RATE 07/01/2024 – 06/30/2026: AWP – [REDACTED] (MAC & Non-MAC Combined) LIMITED DISTRIBUTION DRUGS (With & Without Access) 07/01/2024 – 06/30/2026: AWP – [REDACTED] Brand & Generic Dispensing Fee 07/01/2024 – 06/30/2026: [REDACTED] per Claim
OVERALL EFFECTIVE DISCOUNT (OED)	07/01/2024 – 06/30/2025: AWP – [REDACTED] 07/01/2025 – 06/30/2026: AWP – [REDACTED]

ADMINISTRATIVE FEES	
ELECTRONIC CLAIM ADMINISTRATION FEE	████ per Claim
MANUAL CLAIM ADMINISTRATION FEE	████ per Claim

REBATES – CVS Caremark Advanced Control Specialty Formulary	
MAIL	07/01/2024 – 06/30/2025: █████ per Brand Drug Claim 07/01/2025 – 06/30/2026: █████ per Brand Drug Claim
RETAIL 30	07/01/2024 – 06/30/2025: █████ per Brand Drug Claim 07/01/2025 – 06/30/2026: █████ per Brand Drug Claim
RETAIL 90	07/01/2024 – 06/30/2025: █████ per Brand Drug Claim 07/01/2025 – 06/30/2026: █████ per Brand Drug Claim
SPECIALTY	07/01/2024 – 06/30/2025: █████ per Brand Drug Claim 07/01/2025 – 06/30/2026: █████ per Brand Drug Claim

2. Section 1.a.(ii) of Exhibit A (Financial Terms) of the Agreement is hereby amended by deleting such section in its entirety and replacing with the following:

(ii) Pricing and rebate guarantees apply to all paid Claims with the exception of the following standard exclusions: 340B Claims, Compound drug Claims, Paper or Member submitted Claims, Coordination of Benefits (COB) or secondary payor Claims, Vaccine (including for COVID) and vaccine administration Claims, other COVID testing-related Claims, and Claims paid at Government Required Amounts.

3. Attachment 1 to Exhibit A (Specialty Fee Schedule) of the Agreement is hereby amended by deleting such attachment in its entirety and replacing it with the attached Attachment 1 to Exhibit A.

4. The terms and conditions of the Agreement remain in effect except as otherwise stated herein. With respect to the subject matter hereof, this Amendment constitutes the entire agreement between the parties, superseding all similar terms in any prior understandings, agreements, contracts or arrangements between the parties, whether oral or written.

5. All capitalized terms used in this Amendment and not otherwise defined shall have the meanings set forth in the Agreement. In the event that any provision of this Amendment conflicts with any of the provisions set forth in the Agreement, the provisions of this Amendment shall govern and control.

6. If any provision of this Amendment is held to be void or unenforceable, the remaining provisions are considered to be severable and their enforceability is not affected or impaired in any way by reason of such law or holding.

7. It is agreed that the above captioned Agreement and any duly authorized and executed amendments thereto are hereby extended for the term through June 30, 2026.

8. This Amendment has been signed via DocuSign.

IN WITNESS WHEREOF, the undersigned have duly executed this Amendment as of the date first written above.

**New Mexico Public Schools
Insurance Authority**

CAREMARKPCS HEALTH, L.L.C.

By:

By:

Alfred Park
Board President

Cheryl Byron
Vice President

**Attachment 1 to Exhibit A
Specialty Fee Schedule**

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Acromegaly	LANREOTIDE ACETATE INJ				
Acromegaly	OCTREOTIDE				
Acromegaly	SANDOSTATIN				
Acromegaly	SOMATULINE				
Acromegaly	SOMAVERT				
Allergic Asthma	CINQAIR				
Allergic Asthma	DUPIXENT ASTHMA				
Allergic Asthma	FASENRA				
Allergic Asthma	NUCALA				
Allergic Asthma	TEZSPIRE				
Allergic Asthma	XOLAIR				
Alpha-1 Antitrypsin Deficiency	ARALAST NP				**
Alpha-1 Antitrypsin Deficiency	GLASSIA				***
Alpha-1 Antitrypsin Deficiency	ZEMAIRA				***
Amyloidosis	AMVUTTRA				
Amyloidosis	ONPATTRO				
Amyloidosis	VYNDAMAX				
Amyloidosis	VYNDAQEL				
Anemia	ARANESP				
Anemia	ENJAYMO				
Anemia	EPOGEN				
Anemia	PROCRIIT				
Anemia	REBLOZYL				
Anemia	RETACRIT				
Atopic Dermatitis	ADBRY				
Atopic Dermatitis	CIBINQO				
Atopic Dermatitis	DUPIXENT_ATOPIC DERMATITIS				
Bone Disorders - Other	SOHONOS				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Bone Disorders – Other	VOXZOGO				
Cardiac Disorders	CAMZYOS				
Cardiac Disorders	DOFETILIDE				
Cardiac Disorders	TIKOSYN				
Coagulation Disorders	CEPROTIN				
Cryopyrin Associated Periodic Syndromes	ARCALYST				
Cryopyrin Associated Periodic Syndromes	ILARIS				
Cystic Fibrosis	BETHKIS				
Cystic Fibrosis	BRONCHITOL				
Cystic Fibrosis	CAYSTON				
Cystic Fibrosis	KITABIS PAK				
Cystic Fibrosis	PULMOZYME				
Cystic Fibrosis	TOBI				
Cystic Fibrosis	TOBI PODHALER				
Cystic Fibrosis	TOBRAMYCIN				
Dupuytren's Contracture	XIAFLEX				
Electrolyte Disorders	DICHLORPHENAMIDE				
Electrolyte Disorders	SAMSCA				
Electrolyte Disorders	TOLVAPTAN				
Endocrine Disorders	CORTROPHIN				
Enzyme Deficiency Disorders - Other	BETAINE ANHYDROUS				
Enzyme Deficiency Disorders - Other	NITISINONE				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Gastrointestinal	GATTEX				
Gastrointestinal	OCALIVA				
Gastrointestinal	SOLESTA				
Gout	KRYSTEXXA				
Growth Hormone	EGRIFTA				
Growth Hormone	GENOTROPIN				
Growth Hormone	HUMATROPE				
Growth Hormone	INCRELEX				
Growth Hormone	NGENLA				
Growth Hormone	NORDITROPIN				
Growth Hormone	NUTROPIN				
Growth Hormone	OMNITROPE				
Growth Hormone	SAIZEN				
Growth Hormone	SEROSTIM				
Growth Hormone	SKYTROFA				
Growth Hormone	SOGROYA				
Growth Hormone	ZOMACTON				
Growth Hormone	ZORBTIVE				
Hematopoietics	MOZOBIL				
Hematopoietics	PLERIXAFOR				
Hemophilia	ADVATE				
Hemophilia	ADYNOVATE				
Hemophilia	AFSTYLA				
Hemophilia	ALPHANATE				
Hemophilia	ALPHANINE SD				
Hemophilia	ALPROLIX				
Hemophilia	ALTUVIIIIO				
Hemophilia	BENEFIX				
Hemophilia	COAGADEX				
Hemophilia	CORIFACT				
Hemophilia	ELOCTATE				
Hemophilia	ESPEROCT				
Hemophilia	FEIBA				
Hemophilia	FIBRYGA				
Hemophilia	HEMLIBRA				
Hemophilia	HEMOFIL M				
Hemophilia	HUMATE-P				
Hemophilia	IDELVION				
Hemophilia	IXINITY				

SPECIALTY FEE SCHEDULE: New Mexico PSIA					Exclusive
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Hemophilia	JIVI				
Hemophilia	KOATE				
Hemophilia	KOGENATE				
Hemophilia	KOVALTRY				
Hemophilia	MONONINE				
Hemophilia	NOVOEIGHT				
Hemophilia	NOVOSEVEN RT				
Hemophilia	NUWIQ				
Hemophilia	OBIZUR				
Hemophilia	PROFILNINE SD				
Hemophilia	REBINYN				
Hemophilia	RECOMBINATE				
Hemophilia	RIASTAP				
Hemophilia	RIXUBIS				
Hemophilia	SEVENFACT				
Hemophilia	STIMATE				
Hemophilia	TRETTEN				
Hemophilia	VONVENDI				
Hemophilia	WILATE				
Hemophilia	XYNTHA				
Hepatitis C	EPCLUSA				
Hepatitis C	HARVONI				
Hepatitis C	LEDIPASVIR/SOFOSBUVIR				
Hepatitis C	MAVYRET				
Hepatitis C	PEGASYS				
Hepatitis C	RIBAVIRIN				
Hepatitis C	SOFOSBUVIR/VELPATASVIR				
Hepatitis C	SOVALDI				
Hepatitis C	VIEKIRA PAK				
Hepatitis C	VOSEVI				
Hepatitis C	ZEPATIER				
Hereditary Angioedema	BERINERT				
Hereditary Angioedema	CINRYZE				
Hereditary Angioedema	FIRAZYR				
Hereditary Angioedema	HAEGARDA				
Hereditary	ICATIBANT ACETATE				

SPECIALTY FEE SCHEDULE: New Mexico PSIA					Exclusive
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Angioedema					
Hereditary Angioedema	KALBITOR				
Hereditary Angioedema	RUCONEST				
Hereditary Angioedema	TAKHZYRO				
Hormonal Therapies	AVEED				
Hormonal Therapies	ELIGARD				
Hormonal Therapies	FENSOLVI				
Hormonal Therapies	FIRMAGON				
Hormonal Therapies	LEUPROLIDE ACETATE				
Hormonal Therapies	LEUPROLIDE ACETATE BRAND				
Hormonal Therapies	LUPANETA PACK				
Hormonal Therapies	LUPRON DEPOT				
Hormonal Therapies	NATPARA				
Hormonal Therapies	SUPPRELIN				
Hormonal Therapies	TRELSTAR				
Hormonal Therapies	VANTAS				
Hormonal Therapies	ZOLADEX				
I.V.I.G.	ASCENIV				
I.V.I.G.	BIVIGAM				
I.V.I.G.	CUTAQUIG				
I.V.I.G.	CUVITRU				
I.V.I.G.	CYTOGAM				
I.V.I.G.	FLEBOGAMMA				
I.V.I.G.	GAMASTAN S/D				
I.V.I.G.	GAMMAGARD				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
I.V.I.G.	GAMMAGARD LIQUID				
I.V.I.G.	GAMMAKED				
I.V.I.G.	GAMMAPLEX				
I.V.I.G.	GAMUNEX				
I.V.I.G.	HEPAGAM B				
I.V.I.G.	HIZENTRA				
I.V.I.G.	HYPERHEP B				
I.V.I.G.	HYPERRHO S/D				
I.V.I.G.	HYQVIA				
I.V.I.G.	MICRHOGAM				
I.V.I.G.	NABI-HB				
I.V.I.G.	OCTAGAM				
I.V.I.G.	PANZYGA				
I.V.I.G.	PRIVIGEN				
I.V.I.G.	RHOGAM				
I.V.I.G.	RHOPHYLAC				
I.V.I.G.	VARIZIG				
I.V.I.G.	WINRHO				
I.V.I.G.	XEMBIFY				
Infectious Disease	ACTIMMUNE				
Infectious Disease	ALFERON N				
Infertility	CETRORELIX ACETATE				
Infertility	CETROTIDE				
Infertility	CHORIONIC GONADOTROPIN				
Infertility	FOLLISTIM AQ				
Infertility	FYREMADEL				
Infertility	GANIRELIX ACETATE				
Infertility	GANIRELIX ACETATE BRAND				
Infertility	GONAL-F				
Infertility	MENOPUR				
Infertility	NOVAREL				
Infertility	OVIDREL				
Infertility	PREGNYL				
Inflammatory	CIMZIA				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Bowel Disease					
Inflammatory Bowel Disease	CIMZIA POW				
Inflammatory Bowel Disease	ENTYVIO				
Inflammatory Bowel Disease	ENTYVIO SC				
Inflammatory Bowel Disease	OMVOH				
Inflammatory Bowel Disease	RENFLEXIS				
Inflammatory Bowel Disease	VELSIPITY				
Iron Overload	DEFERASIROX				
Iron Overload	DEFERIPRONE				
Iron Overload	DEFEROXAMINE				
Iron Overload	DESFERAL				
Iron Overload	EXJADE				
Iron Overload	JADENU				
Lysosomal Storage Diseases	ALDURAZYME				***
Lysosomal Storage Diseases	CERDELGA				
Lysosomal Storage Diseases	CEREZYME				***
Lysosomal Storage Diseases	CYSTAGON				
Lysosomal Storage Diseases	ELAPRASE				***
Lysosomal Storage Diseases	ELELYSO				***
Lysosomal Storage Diseases	FABRAZYME				***
Lysosomal Storage Diseases	KANUMA				***
Lysosomal Storage Diseases	LUMIZYME				***
Lysosomal Storage Diseases	MIGLUSTAT				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Lysosomal Storage Diseases	NAGLAZYME				***
Lysosomal Storage Diseases	NEXVIAZYME				
Lysosomal Storage Diseases	OPFOLDA				
Lysosomal Storage Diseases	POMBILITI				
Lysosomal Storage Diseases	VIMIZIM				***
Lysosomal Storage Diseases	VPRIV				***
Lysosomal Storage Diseases	XENPOZYME				***
Mental Health Conditions	ZULRESSO				*
Mental Health Conditions	ZURZUVAE				
Movement Disorders	APOKYN				
Movement Disorders	APOMORPHINE HYDROCHLORIDE INJ				
Movement Disorders	AUSTEDO				
Movement Disorders	DROXIDOPA				
Movement Disorders	DUOPA				
Movement Disorders	INGREZZA				
Movement Disorders	KYNMOBI				
Movement Disorders	NORTHERA				
Movement Disorders	NUPLAZID				
Movement Disorders	RADICAVA ORS				
Movement Disorders	RELYVRIO				
Movement Disorders	TETRABENAZINE				
Movement Disorders	XENAZINE				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Disorders					
Multiple Sclerosis	AMPYRA				
Multiple Sclerosis	AUBAGIO				
Multiple Sclerosis	AVONEX				
Multiple Sclerosis	BAFIERTAM				
Multiple Sclerosis	BETASERON				
Multiple Sclerosis	BRIUMVI				
Multiple Sclerosis	COPAXONE 20				
Multiple Sclerosis	COPAXONE 40				
Multiple Sclerosis	DALFAMPRIDINE				
Multiple Sclerosis	DIMETHYL FUMARATE				
Multiple Sclerosis	EXTAVIA				
Multiple Sclerosis	FINGOLIMOD				
Multiple Sclerosis	GILENYA				
Multiple Sclerosis	GLATIRAMER ACETATE 20				
Multiple Sclerosis	GLATIRAMER ACETATE 40				
Multiple Sclerosis	GLATOPA 20				
Multiple Sclerosis	GLATOPA 40				
Multiple Sclerosis	KESIMPTA				
Multiple Sclerosis	LEMTRADA				
Multiple Sclerosis	MAVENCLAD				
Multiple Sclerosis	MAYZENT				
Multiple Sclerosis	MITOXANTRONE				
Multiple Sclerosis	OCREVUS				
Multiple Sclerosis	PLEGRIDY				
Multiple Sclerosis	PONVORY				
Multiple Sclerosis	REBIF				
Multiple Sclerosis	TECFIDERA				
Multiple Sclerosis	TERIFLUNOMIDE				
Multiple Sclerosis	TYSABRI				
Multiple Sclerosis	VUMERITY				
Multiple Sclerosis	ZEPOSIA				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Neurological Disorders	ADUHELM				
Neuromuscular	RYSTIGGO				
Neuromuscular	VYVGART				
Neuromuscular	VYVGART HYTRULO				
Neutropenia	FULPHILA				
Neutropenia	FYLNETRA				
Neutropenia	GRANIX				
Neutropenia	LEUKINE				
Neutropenia	NEULASTA				
Neutropenia	NEUPOGEN				
Neutropenia	NIVESTYM				
Neutropenia	NYVEPRIA				
Neutropenia	RELEUKO				
Neutropenia	ROLVEDON				
Neutropenia	STIMUFEND				
Neutropenia	UDENYCA				
Neutropenia	ZARXIO				
Neutropenia	ZIEXTENZO				
Ocular Disorders	SUSVIMO				
Oncology - Injectable	ABRAXANE				
Oncology - Injectable	ADCETRIS				
Oncology - Injectable	ALYMSYS				
Oncology - Injectable	AVASTIN				
Oncology - Injectable	AZACITIDINE				
Oncology - Injectable	BELEODAQ				
Oncology - Injectable	BELRAPZO				
Oncology - Injectable	BENDAMUSTINE HYDROCHLORID				
Oncology - Injectable	BENDAMUSTINE HYDROCHLORIDE INJ				
Oncology - Injectable	BENDEKA				
Oncology - Injectable	BESPONSA				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Oncology - Injectable	BLINCYTO				***
Oncology - Injectable	BORTEZOMIB				
Oncology - Injectable	BORTEZOMIB FOR INJ				
Oncology - Injectable	BORTEZOMIB FOR INJ BRAND				
Oncology - Injectable	COLUMVI				
Oncology - Injectable	CYRAMZA				
Oncology - Injectable	DACOGEN				
Oncology - Injectable	DARZALEX				
Oncology - Injectable	DECITABINE				
Oncology - Injectable	EMPLICITI				
Oncology - Injectable	ENHERTU				
Oncology - Injectable	ERBITUX				
Oncology - Injectable	ERWINAZE				
Oncology - Injectable	EVOMELA				
Oncology - Injectable	FOLOTYN				
Oncology - Injectable	GAZYVA				
Oncology - Injectable	HALAVEN				
Oncology - Injectable	HERCEPTIN				
Oncology - Injectable	HERCEPTIN HYLECTA				
Oncology - Injectable	HERZUMA				
Oncology - Injectable	IMFINZI				
Oncology - Injectable	IMJUDO				
Oncology -	INTRON A				

SPECIALTY FEE SCHEDULE: New Mexico PSIA					Exclusive
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Injectable					
Oncology - Injectable	ISTODAX				
Oncology - Injectable	IXEMPRA				
Oncology - Injectable	JEMPERLI				
Oncology - Injectable	JEVTANA				
Oncology - Injectable	KADCYLA				
Oncology - Injectable	KANJINTI				
Oncology - Injectable	KEYTRUDA				
Oncology - Injectable	KHAPZORY				
Oncology - Injectable	KYPROLIS				
Oncology - Injectable	LEVOLEUCOVORIN CALCIUM				
Oncology - Injectable	LOQTORZI				
Oncology - Injectable	LUMOXITI				
Oncology - Injectable	LUNSUMIO				
Oncology - Injectable	MARGENZA				
Oncology - Injectable	MVASI				
Oncology - Injectable	MYLOTARG				
Oncology - Injectable	OGIVRI				
Oncology - Injectable	ONIVYDE				
Oncology - Injectable	ONTRUZANT				
Oncology - Injectable	OPDIVO				
Oncology - Injectable	OPDUALAG				
Oncology - Injectable	PACLITAXEL PROTEIN- BOUND				

SPECIALTY FEE SCHEDULE: New Mexico PSIA					Exclusive
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Oncology - Injectable	PACLITAXEL PROTEIN- BOUND BRAND				
Oncology - Injectable	PADCEV				
Oncology - Injectable	PERJETA				
Oncology - Injectable	PHESGO				
Oncology - Injectable	POLIVY				
Oncology - Injectable	PORTRAZZA				
Oncology - Injectable	POTELIGEO				
Oncology - Injectable	PRALATREXATE				
Oncology - Injectable	PROLEUKIN				
Oncology - Injectable	RIABNI				
Oncology - Injectable	RITUXAN				
Oncology - Injectable	RITUXAN HYCELA				
Oncology - Injectable	ROMIDEPSIN				
Oncology - Injectable	ROMIDEPSIN BRAND				
Oncology - Injectable	RUXIENCE				
Oncology - Injectable	RYBREVANT				
Oncology - Injectable	RYLAZE				
Oncology - Injectable	SARCLISA				
Oncology - Injectable	SYLVANT				
Oncology - Injectable	TECENTRIQ				
Oncology - Injectable	TEMODAR (INJECTABLE)				
Oncology - Injectable	TEMSIROLIMUS				
Oncology -	TEPADINA				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Injectable					
Oncology - Injectable	THYROGEN				
Oncology - Injectable	TIVDAK				
Oncology - Injectable	TORISEL				
Oncology - Injectable	TRAZIMERA				
Oncology - Injectable	TREANDA				
Oncology - Injectable	TRUXIMA				
Oncology - Injectable	VALRUBICIN				
Oncology - Injectable	VALSTAR				
Oncology - Injectable	VECTIBIX				
Oncology - Injectable	VEGZELMA				
Oncology - Injectable	VELCADE				
Oncology - Injectable	VIDAZA				
Oncology - Injectable	VIVIMUSTA				
Oncology - Injectable	VYXEOS				
Oncology - Injectable	XGEVA				
Oncology - Injectable	YERVOY				
Oncology - Injectable	YONDELIS				
Oncology - Injectable	ZALTRAP				
Oncology - Injectable	ZEPZELCA				
Oncology - Injectable	ZIRABEV				
Oncology - Injectable	ZOLEDRONIC ACID ONC				
Oncology - Injectable	ZOLEDRONIC ACID ONC BRAND				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Oncology - Injectable	ZYNYZ				
Oncology - Oral	ABIRATERONE ACETATE				
Oncology - Oral	AFINITOR				
Oncology - Oral	ALECENSA				
Oncology - Oral	AUGTYRO				
Oncology - Oral	BALVERSA				
Oncology - Oral	BEXAROTENE CAP				
Oncology - Oral	BEXAROTENE GEL				
Oncology - Oral	BOSULIF				
Oncology - Oral	BRAFTOVI				
Oncology - Oral	CABOMETYX				
Oncology - Oral	CAPECITABINE				
Oncology - Oral	COMETRIQ				
Oncology - Oral	COPIKTRA				
Oncology - Oral	COTELLIC				
Oncology - Oral	DAURISMO				
Oncology - Oral	ERIVEDGE				
Oncology - Oral	ERLEADA				
Oncology - Oral	ERLOTINIB HYDROCHLORIDE				
Oncology - Oral	EVEROLIMUS ONC				
Oncology - Oral	FARYDAK				
Oncology - Oral	GAVRETO				
Oncology - Oral	GEFITINIB				
Oncology - Oral	GLEEVEC				
Oncology - Oral	GLEOSTINE				
Oncology - Oral	HYCAMTIN				
Oncology - Oral	IBRANCE				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Oncology - Oral	IDHIFA				
Oncology - Oral	IMATINIB MESYLATE				
Oncology - Oral	INLYTA				
Oncology - Oral	INQOVI				
Oncology - Oral	INREBIC				
Oncology - Oral	IRESSA				
Oncology - Oral	JAKAFI				
Oncology - Oral	JAYPIRCA				
Oncology - Oral	KISQALI				
Oncology - Oral	LAPATINIB DITOSYLATE				
Oncology - Oral	LENALIDOMIDE				
Oncology - Oral	LENVIMA				
Oncology - Oral	LONSURF				
Oncology - Oral	LORBRENA				
Oncology - Oral	LUMAKRAS				
Oncology - Oral	LYNPARZA				
Oncology - Oral	MEKINIST				
Oncology - Oral	MEKTOVI				
Oncology - Oral	NERLYNX				
Oncology - Oral	NEXAVAR				
Oncology - Oral	NINLARO				
Oncology - Oral	NUBEQA				
Oncology - Oral	ODOMZO				
Oncology - Oral	ONUREG				
Oncology - Oral	PAZOPANIB HYDROCHLORIDE				
Oncology - Oral	PIQRAY				
Oncology - Oral	POMALYST				
Oncology - Oral	PURIXAN				
Oncology - Oral	RETEVMO				
Oncology - Oral	REVLIMID				
Oncology - Oral	ROZLYTREK				
Oncology - Oral	RUBRACA				
Oncology - Oral	RYDAPT				
Oncology - Oral	SCEMBLIX				
Oncology - Oral	SORAFENIB TOSYLATE				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Oncology - Oral	SPRYCEL				
Oncology - Oral	STIVARGA				
Oncology - Oral	SUNITINIB MALATE				
Oncology - Oral	SUTENT				
Oncology - Oral	TABRECTA				
Oncology - Oral	TAFINLAR				
Oncology - Oral	TAGRISSE				
Oncology - Oral	TALZENNA				
Oncology - Oral	TARCEVA				
Oncology - Oral	TARGRETIN				
Oncology - Oral	TASIGNA				
Oncology - Oral	TEMODAR (ORAL)				
Oncology - Oral	TEMOZOLOMIDE				
Oncology - Oral	THALOMID				
Oncology - Oral	TRUSELTIQ				
Oncology - Oral	TYKERB				
Oncology - Oral	VERZENIO				
Oncology - Oral	VITRAKVI				
Oncology - Oral	VIZIMPRO				
Oncology - Oral	VOTRIENT				
Oncology - Oral	XALKORI				
Oncology - Oral	XELODA				
Oncology - Oral	XOSPATA				
Oncology - Oral	XTANDI				
Oncology - Oral	YONSA				
Oncology - Oral	ZEJULA				
Oncology - Oral	ZELBORAF				
Oncology - Oral	ZOLINZA				
Oncology - Oral	ZYDELIG				
Oncology - Oral	ZYKADIA				
Oncology - Oral	ZYTIGA				
Osteoporosis	EVENTY				
Osteoporosis	FORTEO				
Osteoporosis	PROLIA				
Osteoporosis	RECLAST				
Osteoporosis	TERIPARATIDE				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Osteoporosis	TERIPARATIDE INJECTION				
Osteoporosis	TYMLOS				
Osteoporosis	ZOLEDRONIC ACID OST				
Paroxysmal Nocturnal Hemoglobinuria	SOLIRIS				
Paroxysmal Nocturnal Hemoglobinuria	ULTOMIRIS				
Phenylketonuria	KUVAN				
Phenylketonuria	PALYNZIQ				
Phenylketonuria	SAPROPTERIN DIHYDROCHLORIDE				
Pre-Term Birth	HYDROXYPROGESTERONE CAPRO				
Pre-Term Birth	MAKENA				
Psoriasis	BIMZELX				
Psoriasis	COSENTYX				
Psoriasis	ILUMYA				
Psoriasis	OTEZLA				
Psoriasis	SILIQ				
Psoriasis	SKYRIZI				
Psoriasis	SOTYKTU				
Psoriasis	STELARA				
Psoriasis	STELARA (SOLN)				
Psoriasis	STELARA IV				
Psoriasis	TALTZ				
Psoriasis	TREMFYA				
Pulmonary Arterial Hypertension	ADCIRCA				
Pulmonary Arterial Hypertension	ADEMPAS				
Pulmonary Arterial Hypertension	ALYQ				
Pulmonary	AMBRISANTAN				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Arterial Hypertension					
Pulmonary Arterial Hypertension	BOSENTAN				
Pulmonary Arterial Hypertension	EPOPROSTENOL				*
Pulmonary Arterial Hypertension	FLOLAN				*
Pulmonary Arterial Hypertension	LETAIRIS				
Pulmonary Arterial Hypertension	LIQREV				
Pulmonary Arterial Hypertension	OPSUMIT				
Pulmonary Arterial Hypertension	ORENTRAM				
Pulmonary Arterial Hypertension	REMODULIN				*
Pulmonary Arterial Hypertension	REVATIO				
Pulmonary Arterial Hypertension	SILDENAFIL CITRATE				
Pulmonary Arterial Hypertension	TADALAFIL				
Pulmonary Arterial Hypertension	TADLIQ				
Pulmonary Arterial Hypertension	TRACLEER				
Pulmonary Arterial Hypertension	TREPROSTINIL SODIUM				*
Pulmonary	TYVASO				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Arterial Hypertension					
Pulmonary Arterial Hypertension	UPTRAVI				
Pulmonary Arterial Hypertension	VELETRI				*
Pulmonary Arterial Hypertension	VENTAVIS				**
Pulmonary Disorders	ESBRIET				
Pulmonary Disorders	OFEV				
Pulmonary Disorders	PIRFENIDONE				
RSV	SYNAGIS				
Rare Disorders	CRYSVITA				
Rare Disorders	DOJOLVI				
Rare Disorders	ENSPRYNG				
Rare Disorders	LITFULO				
Rare Disorders	VIJOICE				
Rare Disorders	ZOKINVY				
Renal Disease	CINACALCET HCL				
Renal Disease	FILSPARI				
Renal Disease	PARSABIV				
Renal Disease	SENSIPAR				
Renal Disease	TIOPRONIN				
Retinal Disorders	BEOVU				
Retinal Disorders	BYOOVIZ				
Retinal Disorders	CIMERLI				
Retinal Disorders	EYLEA				
Retinal Disorders	ILUVIEN				
Retinal Disorders	LUCENTIS				
Retinal Disorders	OZURDEX				
Retinal Disorders	RETISERT				
Retinal Disorders	VABYSMO				
Retinal Disorders	VISUDYNE				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Rheumatoid Arthritis	ABRILADA				
Rheumatoid Arthritis	ABRILADA NS				
Rheumatoid Arthritis	ACTEMRA				
Rheumatoid Arthritis	ADALIMUMAB-AACF				
Rheumatoid Arthritis	ADALIMUMAB-ADAZ				
Rheumatoid Arthritis	ADALIMUMAB-ADBIM				
Rheumatoid Arthritis	ADALIMUMAB-FKJP				
Rheumatoid Arthritis	AMJEVITA				
Rheumatoid Arthritis	AMJEVITA NS				
Rheumatoid Arthritis	AVSOLA				
Rheumatoid Arthritis	CYLTEZO				
Rheumatoid Arthritis	ENBREL				
Rheumatoid Arthritis	HADLIMA				
Rheumatoid Arthritis	HULIO				
Rheumatoid Arthritis	HUMIRA				
Rheumatoid Arthritis	HYRIMOZ				
Rheumatoid Arthritis	HYRIMOZ CORDAVIS				
Rheumatoid Arthritis	IDACIO				
Rheumatoid Arthritis	INFLECTRA				
Rheumatoid Arthritis	INFLIXIMAB				
Rheumatoid Arthritis	KEVZARA				
Rheumatoid Arthritis	OLUMIANT				
Rheumatoid	ORENCIA				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Arthritis					
Rheumatoid Arthritis	OTREXUP				
Rheumatoid Arthritis	RASUVO				
Rheumatoid Arthritis	REDITREX				
Rheumatoid Arthritis	REMICADE				
Rheumatoid Arthritis	RINVOQ				
Rheumatoid Arthritis	SIMPONI				
Rheumatoid Arthritis	XELJANZ				
Rheumatoid Arthritis	YUFLYMA				
Rheumatoid Arthritis	YUSIMRY				
Seizure Disorders	EPIDIOLEX				
Seizure Disorders	HP ACTHAR GEL				
Seizure Disorders	SABRIL				
Seizure Disorders	VIGABATRIN				
Sickle Cell Disease	ADAKVEO				***
Sickle Cell Disease	ENDARI				
Sickle Cell Disease	OXBRYTA				
Sleep Disorder	LUMRYZ				
Sleep Disorder	TASIMELTEON				
Sleep Disorder	WAKIX				
Systemic Lupus Erythematosus	BENLYSTA				
Systemic Lupus Erythematosus	SAPHNELO				
Thrombocytopenia	ADZYNMA				
Thrombocytopenia	DOPTELET				
Thrombocytopenia	MULPLETA				

SPECIALTY FEE SCHEDULE: New Mexico PSIA				Exclusive	
DRUG THERAPY	DRUG NAME	AWP Discount			NOTES
		Year 1	Year 2	Year 3	
Thrombocytopenia	NPLATE				
Thrombocytopenia	PROMACTA				
Urea Cycle Disorders	BUPHENYL				
Urea Cycle Disorders	CARGLUMIC ACID				
Urea Cycle Disorders	OLPRUVA				
Urea Cycle Disorders	RAVICTI				
Urea Cycle Disorders	SODIUM PHENYLBUTYRATE				
Wilson's Disease	CLOVIQUE				
Wilson's Disease	CUPRIMINE				
Wilson's Disease	DEPEN TITRA				
Wilson's Disease	PENICILLAMINE				
Wilson's Disease	SYPRINE				
Wilson's Disease	TRIENTINE HCL				
Brand Default Rate					
Generic Default Rate					
Overall Effective Discount (OED)					

NOTES

The Overall Effective Discount (“OED”) offer is conditioned on CVS Caremark being the exclusive provider of Specialty Services and Client implementing and maintaining a generics first plan design for specialty. The Exclusive Specialty network option may not be available to Plan Participants in certain states. If Exclusive Specialty is no longer available in certain states, then Client must select an alternate Specialty Pharmacy network option made available by CVS Caremark. CVS Caremark may equitably adjust the financial terms in this Agreement to account for the impact of any such network change. The rates quoted herein apply to specialty products dispensed from CVS Specialty mail pharmacies, including through the Specialty Connect process. CVS Caremark may amend the individual Specialty Drug discounts to manage the financial

guarantee. The financial guarantee is measured and reconciled annually across all Specialty Drugs dispensed by CVS Caremark Specialty pharmacy, including through the Specialty Connect process, with the exception of the following exclusions (in addition to the discount and dispensing fee exclusions). Note: New to market and existing Biosimilars are included in the discount guarantees.

- New to Market Brand Drugs
- New to Market Generic Drugs
- New to Market Limited and Exclusive Distribution Drugs

For the items noted here, the following quoted rates shall apply.

- New to Market Brand Drugs will be priced at: AWP - [REDACTED]
- New to Market Generic Drugs will be priced at: AWP - [REDACTED]
- New to Market Limited and exclusive distribution drugs will be priced at: AWP - [REDACTED]

The exclusive specialty offer includes the provision by CVS Caremark of nurse-based rare condition care management services for Engaged Members (defined below) with the following rare conditions pursuant to the AccordantCare Specialty program established by CVS Caremark, as may be amended by CVS Caremark from time to time: Crohn's Disease, Cystic Fibrosis, Gauchers Disease, Hemophilia, Lupus, Multiple Sclerosis, Rheumatoid Arthritis, Ulcerative Colitis, and Hereditary Angioedema (the "AccordantCare Specialty Program"). Pursuant to the AccordantCare Specialty Program, Client acknowledges that CVS Caremark will utilize those Specialty Drug Claims that are filled by CVS Caremark Specialty mail, including Specialty Connect, to identify and outreach to Members that CVS Caremark determines are likely to have one of the above listed rare conditions (each an "Eligible Member"), and CVS Caremark may communicate with medical and other healthcare providers and any health plans providing benefits to Engaged Members. Client acknowledges that the AccordantCare Specialty Program is intended solely to provide education of, and support to, Engaged Members in the diagnosis and treatment provided by their health care providers. "Engaged Member" means an Eligible Member who elects to receive and receives AccordantCare Specialty Program services.

MAC: Certain dosage forms and strengths may not be included on the MAC list and shall be priced at the specialty default rate.

PER DIEMS & NURSING:

* Remodulin, Veletri, Flolan, Epoprostenol, Treprostinil Sodium & Zulresso for Injection: [REDACTED] per day.

** Ventavis: Client acknowledges and agrees an I-Neb is necessary for the administration of Ventavis. For each I-Neb provided to Member, upon the initiation of therapy or in the event a replacement I-Neb is necessary, Client shall reimburse CVS Caremark [REDACTED] for each I-Neb.

*** Unless otherwise stated above: [REDACTED] per dose

Nursing Charges: ██████ per visit up to █ hours, ██████ for each hour thereafter. Alternatively, CVS Caremark can refer any medically necessary nursing services to the Client's contracted nursing agency, in which case nursing services will be billed separately by those agencies.

In further consideration of the fees and charges to be paid to CVS Caremark under the Agreement, CVS Caremark will bill any applicable nursing and equipment charges and per diems to the member's medical benefit. In the event it is not possible to bill such nursing and equipment charges and per diems to the member's medical benefit or it is determined there is no coverage, CVS Caremark shall bill Client directly for any nursing and equipment charges and per diem associated with specialty drugs.

Routine ancillary supplies (e.g., syringes, alcohol swabs, cotton balls) are included in the specialty drug prices set forth in this Specialty Fee Schedule, unless otherwise indicated in this Specialty Fee Schedule as being charged separately as part of an equipment fee or per diem.

SPECIALTY GUIDELINE MANAGEMENT:

Included at No-charge.

PRICING EFFECTIVE DATE:

Pricing will be effective upon CVS Caremark's acceptance of the contract or amendment that has been signed by the Client.

NON-SPECIALTY CLAIMS:

Non-Specialty Claims dispensed by a CVS Specialty Pharmacy will price as a Retail Non-Specialty Claim.

PRODUCT SHORTAGE:

In the event of an industry-wide product shortage, CVS Caremark reserves the right to adjust pricing upon notice to the Client.

COVID Claims Statistics for Fiscal Year 2024

Cigna				
Month	Claims	Plan Cost	Member Cost	Total Cost
July	349	\$ 52,708.82	\$ 5,844.45	\$ 58,553.27
August	356	\$ 53,832.17	\$ 5,759.44	\$ 59,591.61
September	362	\$ 54,680.14	\$ 5,830.66	\$ 60,510.80
October	369	\$ 54,848.17	\$ 6,241.81	\$ 61,089.98
November	379	\$ 56,758.58	\$ 6,445.81	\$ 63,204.39
December	391	\$ 60,173.30	\$ 7,070.81	\$ 67,244.11
January	402	\$ 63,160.49	\$ 7,399.57	\$ 70,560.06
February	417	\$ 65,598.20	\$ 7,848.47	\$ 73,446.67

Presbyterian				
Month	Claims	Plan Cost	Member Cost	Total Cost
July	253	\$ 48,391.13	\$ 5,626.21	\$ 54,017.34
August	247	\$ 126,853.43	\$ 12,201.55	\$ 139,054.98
September	385	\$ 53,790.87	\$ 14,406.50	\$ 68,197.37
October	478	\$ 89,751.70	\$ 26,164.17	\$ 115,915.87
November	569	\$ 75,395.84	\$ 24,462.78	\$ 99,858.62
December	612	\$ 101,472.60	\$ 25,521.07	\$ 126,993.67
January	1310	\$ 262,083.69	\$ 47,834.96	\$ 309,918.65
February	708	\$ 126,603.00	\$ 26,742.63	\$ 153,345.63

BCBS				
Month	Claims	Plan Cost	Member Cost	Total Cost
July	98	\$ 18,479.23	\$ 376.56	\$ 18,855.79
August	399	\$ 84,803.57	\$ 1,680.85	\$ 86,484.42
September	579	\$ 92,329.11	\$ 1,415.27	\$ 93,744.38
October	708	\$ 121,756.89	\$ 4,407.82	\$ 126,164.71
November	1099	\$ 182,458.93	\$ 3,117.85	\$ 185,576.78
December	1221	\$ 314,356.88	\$ 5,405.32	\$ 319,762.20
January	1602	\$ 251,878.46	\$ 4,388.32	\$ 256,266.78
February	1578	\$ 270,936.69	\$ 8,885.55	\$ 279,822.24

CVS				
Month	Claims	Plan Cost	Member Cost	Total Cost
July	55	\$ 2,177.00	\$ -	\$ 2,177.00
August	54	\$ 2,160.00	\$ -	\$ 2,160.00
September	612	\$ 83,576.63	\$ -	\$ 83,576.63
October	2045	\$ 282,591.07	\$ -	\$ 282,591.07
November	1406	\$ 196,158.46	\$ -	\$ 196,158.46
December	597	\$ 83,575.99	\$ -	\$ 83,575.99
January	284	\$ 39,809.96	\$ -	\$ 39,809.96
February	79	\$ 11,268.78	\$ -	\$ 11,268.78

Total				
Month	Claims	Plan Cost	Member Cost	Total Cost
July	755	\$ 121,756.18	\$ 11,847.22	\$ 133,603.40
August	1056	\$ 267,649.17	\$ 19,641.84	\$ 287,291.01
September	1938	\$ 284,376.75	\$ 21,652.43	\$ 306,029.18
October	3600	\$ 548,947.83	\$ 36,813.80	\$ 585,761.63
November	3453	\$ 510,771.81	\$ 34,026.44	\$ 544,798.25
December	2821	\$ 559,578.77	\$ 37,997.20	\$ 597,575.97
January	3598	\$ 616,932.60	\$ 59,622.85	\$ 676,555.45
February	2782	\$ 474,406.67	\$ 43,476.65	\$ 517,883.32



New Mexico Public Schools Insurance Authority (NMPSIA)

Stewardship Report

Reviewing Our Partnership and Planning for the Future

March 31, 2024 / Debbie Donaldson, FSA, MAAA; Nura Patani, PhD, ASA, MAAA

Why Stewardship?

In our discussion today, we want to:

- Better understand and review your challenges, needs, goals as well as review the plan for the upcoming year
- Acknowledge what we have accomplished together
- Receive your feedback to continuously enhance the value we deliver to NMPSIA
- Share current market trends and forecasts to stimulate discussion



Contents

Our Relationship and History Together	4
2024 Planning	9



Our Relationship and History Together

Our Relationship and History

- This last year encompassed a busy administrative and RFP year:
 - RFP's: Bundled payment for surgical services and Stop Loss
 - EDH/Surgery+ contracting support
 - Supplemental clinical feasibility scenario (including potential location in ABQ)
 - Audits: CVS, BCBSNM Medical claims
 - Legislative support
 - Financial projections and SHAPE analytics
- Partnership since 2003
- We provide support to NMPSIA staff, Board and coordinate with vendors, as appropriate

Looking back:
What we accomplished

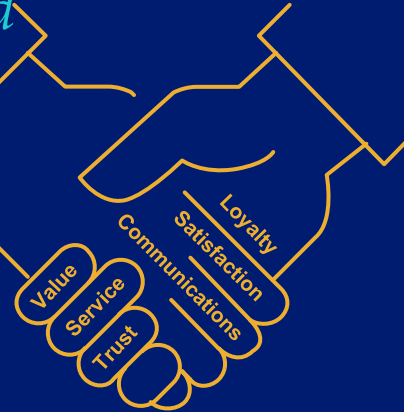
Segal team expansion

PBM market check

Compliance

Administrative support

Ad Hoc analysis (vaccine/booster, RSV/flu, dental claim, vendor program reviews)



Highlights We've Accomplished Together



2019 – 2020 Value Created

- Compiled Benefits Benchmark report, comparing NMPSIA's benefits with other educational entities in neighboring states
- Customized COVID-19 modelling
- Introduced RADAR report for NMPSIA staff
- Negotiated sop loss renewal, saving almost \$100k annually
- Evaluated potential impact of expanding eligibility to low hour part-time employees
- Evaluated benefit change considerations

2021 Value Created

- Prepared compliance plan to address requirements of No Surprises Act and Transparency in Coverage Final Rule
- Conducted comprehensive benefit plan analysis and developed cost neutral benefit change recommendations
- Analyzed impact of Central New Mexico Community College departure
- Preliminary support for federal funds to reimburse for COVID-19 expenses

2022 Value Created

- Conducted audit of NMPSIA's PBM, identifying over \$4.5M underperformance/shortfall
- Completed network analysis / repricing to evaluate potential recalibration of medical plan premiums
- Enhanced support during IBAC/UNM PBM RFP; supported CVS contracting and implementation
- Conducted clinic feasibility analysis
- Ongoing support for federal funds for COVID-19 expenses (\$15M)

2023 Value Created

- Stop loss RFP, contracted bid \$930k lower than alternative
- Bundled Payment Provider for Surgical Services RFP and contract support
- BCBSNM medical claims audit
- Coordination/analysis on PBM change to Cost Saver Program
- Conducted CVS market check, anticipated \$1.8M savings over two years
- Completed IBAC Big Bid RFP
- Commenced Mental Health Parity Audit.
- Commenced CVS Implementation Audit

What's Happening at NMPSIA?

2024/2025 changes

- Creation of Health Care Authority (HCA)
 - 2023 SB16 and 2024 SB14 impacts
- IBAC Big Bid contract negotiations for 7/1/24-6/30/28
- NMPSIA staff changes
- Plan design and other changes to address budgeting/financial challenges

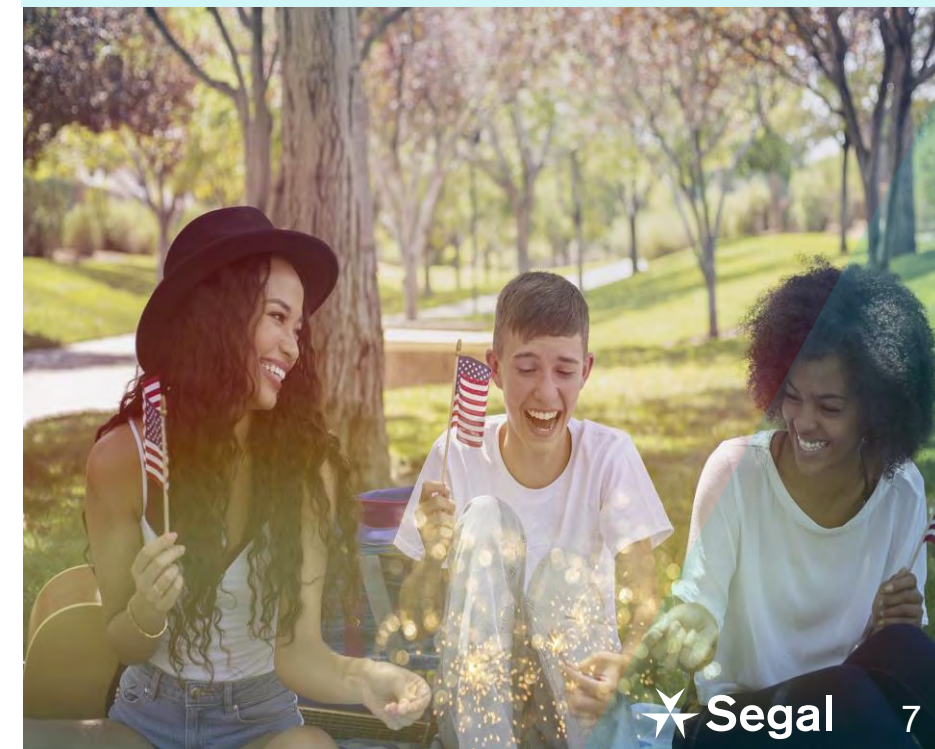
Looking ahead:
Longer-term changes



Health Care Authority – consolidated contracting, coordination

Financial pressures from passed legislation; expenditure appropriations lower than projected budget

Trend mitigation to manage higher pharmacy costs associated with weight loss drugs and GLP-1 usage



NMPSIA's Segal Team



Client Relationship Managers

Debbie Donaldson, FSA, MAAA

Senior Vice President

Nura Patani, PhD, ASA, MAAA

*Senior Vice President & Consulting Actuary
Health Practice Leader – West Region*



**Clinical Lead
Staci Rossi**

Senior Clinical Consultant



**Health Actuary/SHAPE
Consultant**

Melissa Krumholz, FSA, MAAA
Vice President & Health Actuary



Pharmacy Lead

Scott McEachern, FSA, MAAA
*Pharmacy Benefit Consultant &
Actuary*



Compliance Lead

Amy Dunn, JD
*Vice President & Compliance
Consultant*



Health Actuary

Andrew McDonald, ASA, MAAA
Actuary

Additional subject matter experts



Benefit Audit Services (BAS)

Cristina De Leon
Senior Vice President



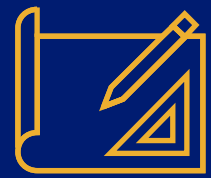
Public Sector West Regional Director

Richard Ward, FSA, FCA, MAAA
Senior Vice President



Communications Lead

Andrew Kaplan
*Vice President
Public Sector Communications Consultant*



2024/2025 Planning

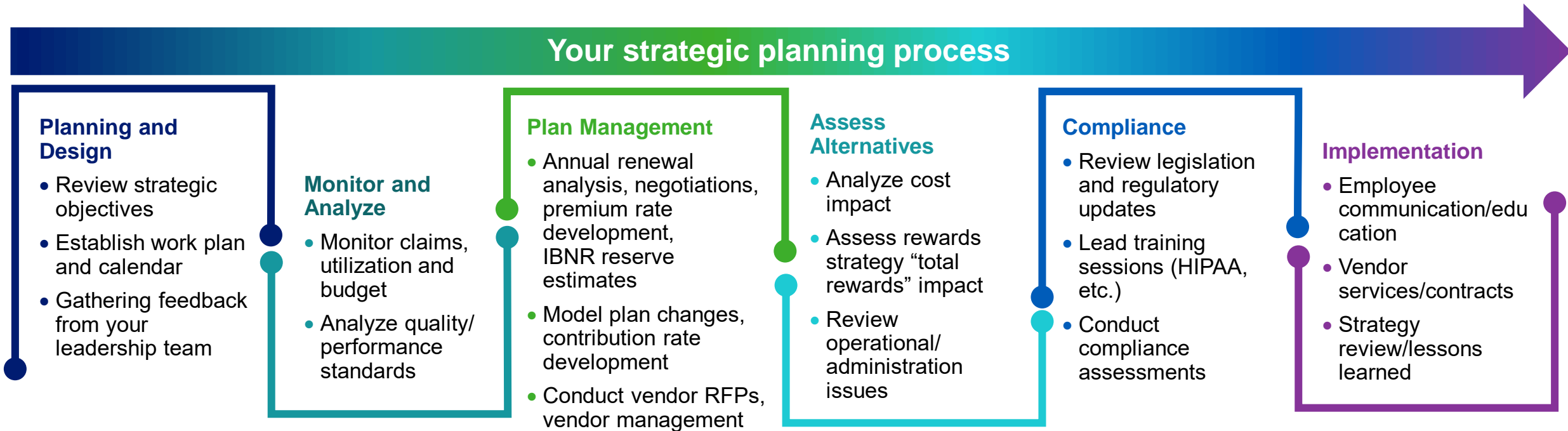
NMPSIA Considerations



Meeting Your Health and Welfare Benefit Needs

Annual Plan Management

- Your specific needs will be met through Segal's **tailored and strategic approach** to health and welfare benefit plan management.
- Acting as an extension of your benefits team, we will lead you through every aspect of plan management, from strategy development and design to compliance and implementation.



Our goal is to control cost, promote health and comply with regulatory requirements.

From the Parking Lot and Ongoing Projects



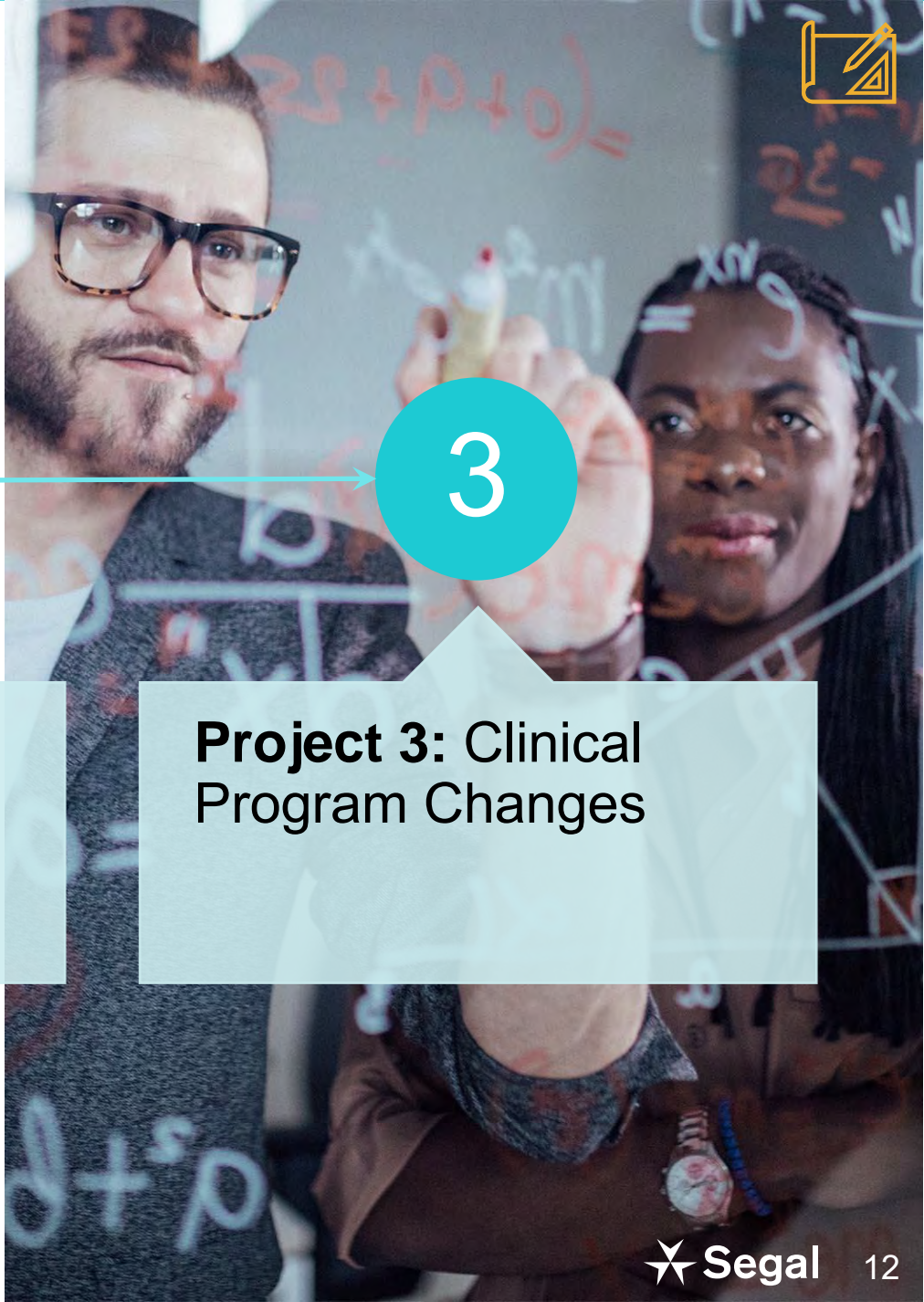
Project 1: Summary Plan Document



Project 2: Cost Mitigation/Plan Design Review



Project 3: Clinical Program Changes



New Mexico Public Schools Insurance Authority 2024 Project Plan

Date	Activity Type	Description	Comments
January			
January 1	Compliance Deadline	Price comparison tool must be available on public website.	Requirement of final Transparency in Coverage rule
January 2	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
January 2	Legislative Session	Legislation may be pre-filed	
January 3	Meeting/Call	Wellness and Clinical Programs	
<i>January 9</i>	<i>NMPSIA/IBAC</i>	<i>Big Bid Part B Evaluation Meeting #1</i>	Technical and preliminary cost scores to identify finalists
January 9	Meeting/Call	NMPSIA/Cigna check-in	
<i>January 10</i>	<i>NMPSIA/IBAC</i>	<i>Big Bid Part A Finalist Interviews</i>	All day, in-person at APS Berna Facio facility
January 16	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
January 16	Legislative Session	Opening day (noon)	
<i>January 23-24</i>	<i>NMPSIA/IBAC</i>	<i>Big Bid Part B Finalist Interviews</i>	Virtual (start/end time TBD)
<i>January 29</i>	<i>NMPSIA/IBAC</i>	<i>Big Bid Part A Evaluation Meeting #2</i>	Update scores to include finalist interview and BAFO scores; determine tentative awardees
January 30	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
January 31	Deliverable	Quarterly projection update for Budget Status Report¹	Paid data through November 2023
January 31	Deliverable	Preliminary FY25 Rate-Setting Projection²	
January 31	Legislative Session	Deadline for Introduction	
February			
February 7-8	BAC/Board Meeting	February BAC/Board Meeting	1. Preliminary FY25 Rate-Setting Projections
February 12³	Deliverable	Quarterly RADR update	
February 13	Meeting/Call	NMPSIA/Cigna check-in	
February 13	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
<i>February 14</i>	<i>NMPSIA/IBAC</i>	<i>IBAC Meeting</i>	
February 15	Legislative Session	Session ends (noon)	

Date	Activity Type	Description	Comments
<i>February 20</i>	<i>NMPSIA/IBAC</i>	<i>Big Bid Part B Evaluation Meeting #2</i>	Update scores to include finalist interview and BAFO scores; determine tentative awardees
February 27	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
February 28	Compliance Deadline	Form 1095-C & Form 1094-C must be filed with IRS	If filing paper forms
March			
March 1	Compliance Deadline	Form 1095-C & Form 1094-C must be sent to employees	
March 6	Legislative Session	Legislation not acted upon by governor is pocket vetoed	
March 6-7	BAC/Board Meeting	March BAC/Board Meeting	1. Updated FY25 Rate-Setting Projection and Scenarios
March 12	Meeting/Call	NMPSIA/Cigna check-in	
March 12	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
<i>March 13</i>	<i>NMPSIA/IBAC</i>	<i>IBAC Meeting</i>	
<i>March 20-22</i>	<i>NMPSIA/IBAC</i>	<i>NMASBO Spring Budget Workshop</i>	
March 26	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
March 31	Deliverable	Stewardship Report	
March 31	Deliverable	Mental Health Parity QTL/NQTL Review Results	
April			
April 1	Compliance Deadline	Form 1095-C & Form 1094-C must be filed with IRS	If filing electronically
April 3-4	BAC/Board Meeting	April BAC/Board Meeting	1. Stewardship Report
April 9	Meeting/Call	NMPSIA/Cigna check-in	
April 9	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
<i>April 10</i>	<i>NMPSIA/IBAC</i>	<i>IBAC Meeting</i>	
April 23	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
April 29	Deliverable	Quarterly projection update for Budget Status Report¹	Paid data through February 2024
April 30	Deliverable	Updated compliance notices for Program Guide	
May			
May 1-2	BAC/Board Meeting	May BAC/Board Meeting	1.
May 7	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
<i>May 8</i>	<i>NMPSIA/IBAC</i>	<i>IBAC Meeting</i>	
May 13³	Deliverable	Quarterly RADR update	

Date	Activity Type	Description	Comments
May 14	Meeting/Call	NMPSIA/Cigna check-in	
May 15	Legislative Session	Effective date of legislation not a general appropriation bill or a bill carrying an emergency clause or other specified date	
May 21	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
May 30	Deliverable	Imputed income calculations	
June			
June 3	Compliance Deadline	Prescription Drug Data Collection (RxDC) reporting due to CMS	Data for 2022 must be reported no later than June 3, 2023
June 4	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
June 5-6	BAC/Board Meeting	June BAC/Board Meeting	1.
June 11	Meeting/Call	NMPSIA/Cigna check-in	
<i>June 12</i>	<i>NMPSIA/IBAC</i>	<i>IBAC Meeting</i>	
June 18	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
July			
July 1³	Deliverable	SHAPE Dashboard Report	Calendar year data report for internal use by NMPSIA staff
July 2	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
<i>July 10</i>	<i>NMPSIA/IBAC</i>	<i>IBAC Meeting</i>	
July 16	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
(July 17-18 or 24-25)	BAC/Board Meeting	Annual Meeting	1. Projection for FY26 Appropriation Request
July 29	Deliverable	Quarterly projection update for Budget Status Report¹	Paid data through May 2024
July 29	Deliverable	Projection for FY25 Appropriation Request⁴	
July 30	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
July 31	Compliance Deadline	Patient Centered Outcomes Research Institute (PCORI) Fee Due	Due July 31, 2024 for the plan year ending September 30, 2023
August			
August 7-8	BAC/Board Meeting	August BAC/Board Meeting	1.
August 12³	Deliverable	Quarterly RADR update	
August 13	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
<i>August 14</i>	<i>NMPSIA/IBAC</i>	<i>IBAC Meeting</i>	

Date	Activity Type	Description	Comments
August 15	Deliverable	FY26 Performance Measure Information	Target deadline based on historical timing
August 27	Meeting/Call	Segal/NMPSIA bi-weekly check in	
August 30	Deliverable	Annual IBNR Certification⁵	As of June 30
August 30	Deliverable	SBC Updates for upcoming year	
August 29	Compliance Deadline	CMS Portal entry for Medicare Part D creditable coverage	Due no later than 60 days from the beginning of a plan year (contract year, renewal year)
September			
September 4-5	BAC/Board Meeting	September BAC/Board Meeting	1. Actuarial Analysis as of June 30 (IBNR)
September 6	Deliverable	CVS Post-Implementation Audit Report	Date subject to change based on PBM response time and accuracy of data and information received.
September 10	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
<i>September 11</i>	<i>NMPSIA/IBAC</i>	<i>IBAC Meeting</i>	
September 24	Meeting/Call	Segal/NMPSIA bi-weekly check in	
September 30	Deliverable	Annual Audit Information	Target deadline based on historical timing
October			
October 2-3	BAC/Board Meeting	October BAC/Board Meeting	1. CVS Post-Implementation Audit Report
October 8	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
<i>October 11</i>	<i>NMPSIA/IBAC</i>	<i>IBAC Meeting</i>	
October 14	Compliance Deadline	Medicare Part D creditable coverage notice due to Medicare Part D-eligible individuals	Creditable coverage notice is included in NMPSIA Program Guide
Mid-October	Compliance Deadline	Summary of Benefits and Coverage (SBC) to participants and beneficiaries	Due annually with open enrollment materials or, if no open enrollment, 30 days prior to start of plan year
<i>Mid-October</i>	<i>NMPSIA/IBAC</i>	<i>Open/Switch Enrollment begins</i>	
October 22	Meeting/Call	Segal/NMPSIA bi-weekly check in	
October 28	Deliverable	Quarterly projection for Budget Status Report¹	Paid data through August 2024
November			
November 5	Meeting/Call	Segal/NMPSIA bi-weekly check in	Need to reschedule: Segal offices closed for Election Day
November 6-7	BAC/Board Meeting	November BAC/Board Meeting	1. 2025 Stop loss renewal (preliminary)
November 11³	Deliverable	Quarterly RADR update	

Other key dates/information:

Date	Activity Type	Description	Comments
<i>November 13</i>	<i>NMPSIA/IBAC</i>	<i>IBAC Meeting</i>	
<i>Mid-November</i>	<i>NMPSIA/IBAC</i>	<i>Open/Switch Enrollment ends</i>	
November 19	Meeting/Call	Segal/NMPSIA bi-weekly check-in	
November 26³	Deliverable	SHAPE Dashboard Report	Fiscal year data
December			
December 3	Meeting/Call	Segal/NMPSIA bi-weekly check in	
December 4-5	BAC/Board Meeting	December BAC/Board Meeting	<ol style="list-style-type: none"> SHAPE Report (July 2023 to June 2024 data) 2025 Stop loss renewal (final)
<i>December 11</i>	<i>NMPSIA/IBAC</i>	<i>IBAC Meeting</i>	
December 17	Meeting/Call	Segal/NMPSIA bi-weekly check in	
December 31	Compliance Deadline	Gag clause prohibition attestation on CMS HIOS website	

- Medical claims audit of Presbyterian is anticipated in 2024. The schedule for the 2024 audit is in development and will be added to the project plan once available.
- CVS audit commenced in 2023 and will be completed in 2024. Key dates have been included on this calendar. Please review to the specific audit calendar for other details.
- Review of clinical, wellness programs has commenced with first meeting on January 3rd. Additional dates will be added as needed.
- A Summary Plan Description (SPD) development project will be kicked off in 2024. Additional details are in development.

¹ Performance guarantee applies to delivery of Quarterly Financial Projection Update: due within five (5) business days after NMPSIA and its vendors have provided clean and complete data for the projection.

² Performance guarantee applies to delivery of Annual Rate-Setting Projection: due at a date mutually agreed upon by NMPSIA and Segal.

³ The target delivery date for RADR and SHAPE reports are tentative and subject to change based upon the timing and quality of data received by the data warehouse.

⁴ Performance guarantee applies to delivery of Annual Projection for Appropriation Request: due at a date mutually agreed upon by NMPSIA and Segal.

⁵ Performance guarantee applies to delivery of Actuarial Report of Incurred But Not Reported Claims: due no later than sixty (60) calendar days following the last day of each fiscal year, and contingent on Segal receiving clean and complete data no later than forty-five (45) calendar days following the last day of each fiscal year.

Thank You



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

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

BOARD OF DIRECTORS

- 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

April 4, 2024

Mr. David Poms
President
Poms & Associates

Re: Amendment 1 – Effective May 1, 2024, to June 30, 2027
Professional Services Agreement for Insurance Broker, Consulting,
Administrative Services, and Loss Prevention Services
Date of Agreement: July 1, 2023
Agreement No. 342-2023-07

Dear Mr. Poms:

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 Poms & Associates 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 Insurance Broker, Consulting, Administrative Services, and Loss Prevention Services ("Agreement") effective July 1, 2023. The Agency and Contractor wish to amend their Agreement with the amendments set out herein.

1. Pursuant to Section 1.D.2 (Scope of Work), is hereby amended to replace the paragraph with the below in its entirety.
2. The contractor will provide seventeen (17) equivalent loss-prevention individuals. Three and a half (3.5) specializing in Civil Rights loss prevention/Employment Practices Liability, seven and a half (7.5) specialists experienced in general workers' compensation, property, and liability loss prevention, three (3) safety and security, one (1) electronic training specialist and one (1) Code Specialist, and one (1) media specialist. Proven working relationships with the Public Schools Facility Authority, Association of School Business Officers, and Public Facility Managers Association including but not limited to providing certification modules.

2. Pursuant to Section 1.D.4 (Scope of Work), is hereby amended to add the following sections:

A. Provide an unlimited number of seminars, conferences, and/or meetings with members, individually or collectively.

1. Travel to client facilities to provide on-site consultation. Problem-solve client compliance challenges, with clients; including but not limited to the determination of the problem; solution development; solution implementation, and other services requiring professional judgment.
2. Assist clients in the development and implementation of various regulatory programs related to Title IX, and SAMS requirements.

B. The individual will need to possess the knowledge to perform the following:

8. Monitor compliance and conduct audits of district and charter operations with Title IX Compliance.

a. Provide guidance to School districts and Charter schools on Title IX process including the assignment of a coordinator, providing Supportive Measures, and when to conduct an investigation and hearing.

9. Assist School districts and Charter schools with obtaining a list of qualified investigators.

10. Provide training on Title IX documentation.

11. Develop and provide training for a student population on Title IX, inappropriate sexual conduct – including sexual abuse and molestation, Sexting, Sex trafficking, and reporting conduct by other students or staff. Train students on available reporting mechanisms.

3. Pursuant to Section 2.2 (Compensation) is hereby amended to the following: Compensation will increase by the below schedule for the addition to the scope of work.

2. Loss Prevention Fees

<u>Fiscal Year</u>	<u>Amount</u>
2024	\$2,305,029.00
2025	\$2,481,863.00
2026	\$2,522,419.00
2027	\$2,625,091.00

IN WITNESS WHEREOF, the undersigned have duly executed this Amendment as of the date first written above.

**New Mexico Public Schools
Insurance Authority**

Poms & Associates

By:

By:

Alfred Park
Board President

David Poms
President

Chief Financial Officer

NORTHERN New Mexico College



March 11, 2024

Patrick Sandoval, Executive Director
New Mexico Public School Insurance Authority
410 Old Taos Highway
Santa Fe, New Mexico 87501

VIA EMAIL

Re: Risk Insurance

Dear Mr. Sandoval,

This letter is to inform you that Northern New Mexico College (NNMC) would like to petition the New Mexico Public Schools Insurance Authority (NMPSIA) to participate in its risk program. NNMC is currently a member of the NMPSIA Benefits pool, and believes that joining the NMPSIA Liability/Risk pool is in the best interest of the College from a coverage perspective as well as a cost perspective.

Please consider this a formal request for NNMC to join the NMPSIA Liability/Risk related pool, effective July 1, 2024.

Thank you for your consideration of this important matter.

Respectfully,

Theresa Storey
Chief Financial Officer



NMPSIA BOARD REPORT SUMMARY - LIABILITY AND PROPERTY
02-29-2024

ALL YEARS TOTAL OPEN CLAIMS FOR LIABILITY AS OF FEBRUARY 29, 2024							ALL YEARS TOTAL OPEN CLAIMS FOR PROPERTY AS OF FEBRUARY 29, 2024						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	419	55	43	\$25,558,184.11	\$15,014,672.67	\$40,572,856.78	116	0	33	\$65,742,098.41	\$14,207,061.27	\$79,949,159.68	535	\$120,522,016.46
SUBTOTAL - CHARTER SCHOOLS	34	2	3	\$1,129,669.67	\$311,299.92	\$1,440,969.59	6	0	2	\$11,324.30	\$74,875.70	\$86,200.00	40	\$1,527,169.59
GRAND TOTAL	453	57	46	\$26,687,853.78	\$15,325,972.59	\$42,013,826.37	122	0	35	\$65,753,422.71	\$14,281,936.97	\$80,035,359.68	575	\$122,049,186.05

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	17	28	12	(\$258,968.83)	\$1,106,547.76	\$847,578.93	(33)	(9)	9	\$62,393.42	\$293,215.26	\$355,608.68	(16)	\$1,203,187.61
SUBTOTAL - CHARTER SCHOOLS	(1)	(6)	1	\$261,497.16	\$245,309.31	\$506,806.47	(2)	(6)	0	(\$1.00)	\$0.00	(\$1.00)	(3)	\$506,805.47
GRAND TOTAL	16	22	13	\$2,528.33	\$1,351,857.07	\$1,354,385.40	(35)	(15)	9	\$62,392.42	\$293,215.26	\$355,607.68	(19)	\$1,709,993.08

HISTORY Monthly Totals	MONTH TOTAL						MONTH TOTAL CHANGES FROM PRIOR MONTH TOTAL					
	Open Claims	New Claims	Closed Claims	RESERVE	PAYMENTS	TOTAL	Open Claims	New Claims	Closed Claims	RESERVE	PAYMENTS	TOTAL
February - 2024	575	57	81	\$92,441,276.49	\$29,607,909.56	\$122,049,186.05	(19)	7	22	\$64,920.75	\$1,645,072.33	\$1,709,993.08
January - 2024	594	50	59	\$92,376,355.74	\$27,962,837.23	\$120,339,192.97	(7)	(5)	7	\$1,011,307.34	(\$596,633.73)	\$414,673.61
December - 2023	601	55	52	\$91,365,048.40	\$28,559,470.96	\$119,924,519.36	7	(32)	15	(\$2,102,495.40)	\$251,548.52	(\$1,850,946.88)
November - 2023	594	87	37	\$93,467,543.80	\$28,307,922.44	\$121,775,466.24	54	8	(19)	(\$243,734.87)	(\$4,043,113.87)	(\$4,286,848.74)
October - 2023	540	79	56	\$93,711,278.67	\$32,351,036.31	\$126,062,314.98	29	27	18	\$1,996,129.56	(\$2,946,017.50)	(\$949,887.94)
September - 2023	511	52	38	\$91,715,149.11	\$35,297,053.81	\$127,012,202.92	19	(3)	(26)	(\$1,266,805.79)	\$2,767,421.22	\$1,500,615.43
August - 2023	492	55	64	\$92,981,954.90	\$32,529,632.59	\$125,511,587.49	(5)	(31)	(3)	\$4,695,525.49	(\$7,037,658.70)	(\$2,342,133.21)
July - 2023	497	86	67	\$88,286,429.41	\$39,567,291.29	\$127,853,720.70	24	38	20	\$3,192,782.91	\$1,079,304.89	\$4,272,087.80
June - 2023	473	48	47	\$85,093,646.50	\$38,487,986.40	\$123,581,632.90	9	(13)	(36)	\$28,611,890.88	(\$3,279,230.43)	\$25,332,660.45
May - 2023	464	61	83	\$56,481,755.62	\$41,767,216.83	\$98,248,972.45	(15)	7	24	(\$2,940,892.57)	\$2,132,509.33	(\$808,383.24)
April - 2023	479	54	59	\$59,422,648.19	\$39,634,707.50	\$99,057,355.69	1	(15)	(4)	(\$2,764,490.56)	\$4,999,879.61	\$2,235,389.05
March - 2023	478	69	63	\$62,187,138.75	\$34,634,827.89	\$96,821,966.64	11	18	24	\$1,287.92	\$1,139,897.50	\$1,141,185.42
February - 2023	467	51	39	\$62,185,850.83	\$33,494,930.39	\$95,680,781.22	19	(10)	(8)	\$571,024.43	\$1,187,977.05	\$1,759,001.48
January - 2023	448	61	47	\$61,614,826.40	\$32,306,953.34	\$93,921,779.74	18	29	0	\$361,499.20	(\$175,637.96)	\$185,861.24
December - 2022	430	32	47	\$61,253,327.20	\$32,482,591.30	\$93,735,918.50	(13)	(30)	(12)	(\$1,886,367.25)	(\$3,797,977.87)	(\$5,684,345.12)
November - 2022	443	62	59	\$63,139,694.45	\$36,280,569.17	\$99,420,263.62	13	(20)	(17)	\$2,289,852.48	(\$425,745.37)	\$1,864,107.11
October - 2022	430	82	76	\$60,849,841.97	\$36,706,314.54	\$97,556,156.51	8	39	31	\$437,166.04	(\$4,136,937.99)	(\$3,699,771.95)
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)



NMPSIA BOARD REPORT

ALL YEARS TOTAL														
OPEN CLAIMS FOR WORKERS' COMPENSATION AS OF February 29,2024														
SCHOOL DISTRICT	OPEN		RE-OPENED		NEW		CLOSED		RESERVE		PAYMENT		TOTAL	
	Chg	Ct	Chg	Ct	Chg	Ct	Chg	Ct	Change	Current	Change	Current	Change	Current
HISTORY	(16)	1,093	+15	66	(17)	257	+24	339	(\$138,503)	\$15,170,189.21	+\$50,320	\$49,886,234.81	(\$88,182)	\$ 65,056,424.02
FEBRUARY-2024	(16)	1,093	+15	66	(17)	257	+24	339	(\$138,503)	\$15,170,189.21	+\$50,320	\$49,886,234.81	(\$88,182)	\$ 65,056,424.02
JANUARY-2024	+40	1,109	+41	51	(1)	274	+67	315	+\$1,034,520	\$15,308,691.71	+\$718,648	\$49,835,914.38	+\$1,753,168	\$ 65,144,606.09
HISTORY	OPEN		RE-OPENED		NEW		CLOSED		RESERVE		PAYMENT		TOTAL	
	Chg	Ct	Chg	Ct	Chg	Ct	Chg	Ct	Change	Current	Change	Current	Change	Current
FEBRUARY-2024	(16)	1,093	+15	66	(17)	257	+24	339	(\$138,503)	\$15,170,189.21	+\$50,320	\$49,886,234.81	(\$88,182)	\$ 65,056,424.02
JANUARY-2024	+40	1,109	+41	51	(1)	274	+67	315	+\$1,034,520	\$15,308,691.71	+\$718,648	\$49,835,914.38	+\$1,753,168	\$ 65,144,606.09
DECEMBER-2023	(30)	1,069	(44)	10	(28)	207	+7	248	+\$107,813	\$14,274,171.37	(\$138,909)	\$49,117,266.79	(\$31,095)	\$ 63,391,438.16
NOVEMBER-2023	+48	1,099	(14)	27	(49)	235	(10)	241	+\$107,813	\$14,274,171.37	(\$138,909)	\$49,117,266.79	(\$31,095)	\$ 63,391,438.16
OCTOBER-2023	+74	1,051	+6	41	(7)	284	+28	251	+\$44,721	\$14,166,358.01	+\$559,806	\$49,256,175.64	+\$604,527	\$ 63,422,533.65
SEPTEMBER-2023	+103	977	+16	35	(17)	291	(65)	223	+\$126,044	\$14,121,637.30	+\$294,077	\$48,696,369.34	+\$420,121	\$ 62,818,006.64
AUGUST-2023	+39	874	+1	19	+245	308	+127	288	+\$132,605	\$13,995,593.65	+\$431,710	\$48,402,292.11	+\$564,315	\$ 62,397,885.76
JULY-2023	(80)	835	(21)	18	(26)	63	(15)	161	(\$262,929)	\$13,862,988.41	(\$143,520)	\$47,970,582.09	(\$406,449)	\$ 61,833,570.50
JUNE-2023	(48)	915	+18	39	(171)	89	(100)	176	(\$379,803)	\$14,125,916.93	(\$219,030)	\$48,114,102.48	(\$598,832)	\$ 62,240,019.41
MAY-2023	+5	963	(3)	21	+12	260	+32	276	+\$68,789	\$14,505,719.52	+\$573,316	\$48,333,132.36	+\$642,104	\$ 62,838,851.88
APRIL-2023	+28	958	(2)	24	+42	248	(20)	244	+\$208,786	\$14,436,930.86	(\$167,817)	\$47,759,816.67	+\$40,969	\$ 62,196,747.53
MARCH-2023	(32)	930	+0	26	(98)	206	(44)	264	+\$324,401	\$14,228,144.59	+\$65,950	\$47,927,633.81	+\$390,351	\$ 62,155,778.40
FEBRUARY-2023	+22	962	+4	26	+92	304	+53	308	+\$152,151	\$13,903,743.67	(\$6,557)	\$47,861,683.74	+\$145,594	\$ 61,765,427.41
JANUARY-2023	(21)	940	(9)	22	+58	212	+54	255	(\$160,549)	\$13,751,592.21	(\$150,749)	\$47,868,241.18	(\$311,299)	\$ 61,619,833.39
DECEMBER-2022	(16)	961	+0	31	(39)	154	(34)	201	(\$67,403)	\$13,912,141.54	+\$336,936	\$48,018,990.62	+\$269,533	\$ 61,931,132.16
NOVEMBER-2022	(11)	977	+6	31	(73)	193	(14)	235	+\$183,112	\$13,979,544.16	+\$140,739	\$47,682,054.64	+\$323,851	\$ 61,661,598.80
OCTOBER-2022	+42	988	(4)	25	(14)	266	(12)	249	+\$23,698	\$13,796,432.07	+\$495,740	\$47,541,316.10	+\$519,438	\$ 61,337,748.17
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	+2	868	+0	15	+13	166	+10	179	+\$168,625	\$14,657,898.88	(\$178,556)	\$47,894,392.95	(\$9,932)	\$ 62,552,291.83
JANUARY-2022	(1)	866	+2	15	+52	153	(1)	169	+\$204,865	\$14,489,274.20	(\$236,518)	\$48,072,949.17	(\$31,653)	\$ 62,562,223.37



Claim Management Process—“The Life of a Claim” **Liability**

INITIAL INTAKE (within 24 hours)

- 2 Point Contact
 - Client Input at Initial Contact
 - Claimant / Attorney Contact
 - Gather Intel
- Fact Development-(Narrow Issues)
- Develop Investigation Plan

INVESTIGATION -Preliminary (10 Days)

- Risk Transfer / Tender Targets?
- Scene Investigation
- Statements
 - Witnesses / Employees
- Index
- Preliminary Reserve
 - Various Factors
- Client Briefing and Input

BASIC INITIAL INVESTIGATION (30 Days)

- Realistic Liability Determination-Stated
- Action Plan-Additional Work
- Resolution Strategy
 - Consider Factors
 - Deny-Hard or Soft
 - Settle



Posture for Defense
Additional Work Based on Resolution Strategy

RESOLVE BY SETTLEMENT?

- Obtain Damages Information
 - Medicals
 - General Damages?
 - LOE?
 - Hedonic Damages?
 - Other supporting documentation
- Identify any Liens
 - Medicare
 - Other Lienholders
- Evaluate
 - Client Input
- Obtain Authority
- Negotiate Settlement
 - Verify / Satisfy Liens
- Obtain Closing Documents
 - Release
 - Dismissal?
 - Court Approval?
 - Guardian Ad Litem needed?

SUBROGATION

- Considerations
 - Business Relationships
 - Contractual Basis?
 - Viable Target-Insurance? Assets?
 - Equitable?
 - Realistic Assessment of Success



Amount Involved
Substantiated, Documented?
Comparative Fault
Comprehensive Initial Demand
With Supporting Documentation
30 day Follow-up
Client Consultation Following Response
Follow-Up

Escalation
Litigation?

SUPERVISOR / ADJUSTER ACCOUNTABILITY

Client QSP Standards
Internal Audits
Random, Monthly (By Supervisor)
Annual Audit by CCMSI group
Carrier Audits
Supervisor Diary Reviews

LITIGATION MANAGEMENT

Characteristics
Proactive
Collaborative
Clearly Articulated Goal
Posture to Settle
Advance to ADR
Posture for Trial

Selection of Counsel

Client's Ultimate Decision
Established Counsel List?
Carrier List?



Mega Firm vs. Small /Medium firm?

Strong Initial Evaluation a must.

Defenses Available
Gross Value Range
Present Value Range
Likelihood of Defense Verdict
Offer? Range
Early ADR?
Summary Trial?
Tenders / Contractual Issues

Reporting

Six Month Report
 Synopsis
 Present Status
 Damages
 Current Settlement Value
 Evaluation
 Defense Strengths / Weaknesses
 Tenders
 Action Plan
Status Reports
 Quarterly
 Effect of Recent Discovery / Motions

Cost Management

Phased Budgeting
 Discovery
 Law and Motion
 Trial
 Expert Costs



Appropriate Costs by Phase
Timekeeping Requirements
Date
Timekeeper
Activity
Hourly Rate
Cost Per Entry
Restrictions (Short List)
Block Billing
Supervision / Conference Charges
Research
Law and Motion Pre-Approval
Problem Files
"Hobson's Choice" Files
"Defense" Files

ACTION PLANS

Required On All Files
Specifics-Long Term and Short Term
Resolution Goal Restated
Acknowledge Direction Internal /External

DIARY / ESCALATION

Time Critical Events
Drastically Shortened
Closely Monitored for Completion
Two Strikes
Re-Assignment

RESERVING

Client Input
Within Client Standards
Probable Outcome / Needs



Realistic
Placeholders as Flags
Rationale Required for Initial and Changes

SETTLEMENT STRATEGIES

Cost-Benefit Analysis First
Client and Claimant Expectations
Fact Based Compromise
 Active vs. Passive Fault
Legal Considerations
 Comparative vs. Contributory Standards
Attorney vs. Claimant Driven?
Appropriate use of ADR

MANAGEMENT OF THIRD PARTY VENDORS

Right Vendors for Tasks
Clear Instructions Essential
 Task Specific
 Task Limitations?
 Dollar Limitations?
Ongoing Communication
Verify Charges for Work Performed

NMPSIA Monthly Loss Prevention Abatement Report

February 2024	Total Rec	Total Capital	Total Non-Capital	Corrected Capital	Corrected Non-Capital	Total Corrected
February 2024	616	5	611	2	481	483
Total % Corrected	78.41%	= Total Corrected/Total Recommendations				
% Corrected Capital	40.00%	= Corrected Capital/Total Capital				
% Corrected Non-Capital	78.72%	= Corrected Non-Capital/Total Non-Capital				