

**New Mexico  
Public Schools Insurance Authority**



**Board of Directors Meeting  
May 2, 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.

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**Meeting ID:: [894 9270 8804](tel:+17193594580)**

**Passcode: [347072](tel:+17193594580)**

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**Thursday, May 02, 2024**

**9:00 a.m.**

### Agenda

**Draft**

1. Call to Order
2. Roll Call

A. Park  
C. Probst

- |     |   |                            |
|-----|---|----------------------------|
| 3.  | Introduction of Guests  | P. Sandoval                |
| 4.  | Citizens to Address the Board <b>(Five-Minute Limit)</b>  | A. Park                    |
| 5.  | Approval of Agenda <b>(Action Item)</b>   | A. Park                    |
| 6.  | Approval of Minutes <b>(Action Item)</b>  | A. Park                    |
|     | A. Approval of March 2024 Minutes   |                            |
|     | B. Approval of April 2024 Minutes   |                            |
| 7.  | Executive Session <b>(Action Item)</b>  | A. Park                    |
|     | A. Discussion of Competitive Sealed Proposals Solicited Pursuant to the Procurement Code Pursuant to §10-15-1 H (6) NMSA 1978                                       | A. Park                    |
|     | 1. RFP# 342-2024-08 Financial and Compliance Audit Services   |                            |
|     | 2. RFP# 342-2024-06 Actuarial Services  |                            |
|     | B. Discussion of Threatened or Pending Litigation Pursuant to §10-15-1 H (7) NMSA 1978  | A. Park                    |
|     | 1. Christensen and Seifert v. Portales Municipal Schools  |                            |
|     | 2. Tony Rubin v. West Las Vegas Schools   |                            |
|     | 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 <b>(Action Item)</b> | A. Park                    |
| 8.  | Administrative Matters  |                            |
|     | A. Council of University Presidents   | M. Saavedra /<br>V. Hawker |
|     | B. Annual Meeting Update  | M. Lugo                    |
|     | C. Staff Update   | P. Sandoval                |
| 9.  | Financial Matters   |                            |
|     | A. Approval of Financial Reports - March 2024 <b>(Action Item)</b>  | P. Gonzales                |
|     | B. Investment Performance Review for the Quarter Ended March 31, 2024   | M. Sampson                 |
|     | C. Retroactive Approval Request to Rebalance Investment Portfolio <b>(Action Item)</b>  | M. Sampson                 |
|     | D. Approval of Contract for Financial and Compliance Audit Services <b>(Action Item)</b>  | P. Gonzales                |
| 10. | Benefits Matters  |                            |
|     | A. COVID/RSV/Flu Claims Statistics for Fiscal Year 2024   | C. Probst                  |
|     | B. Approval of Part-time Resolutions Effective July 1, 2024   | K. Jones                   |
|     | C. Approval of CVS Caremark Drug Savings Review <b>(Action Item)</b>  | D. Lauck / K. Jones        |

- D. Approval of Waiver of Penalty Assessments **(Action Item)** K. Jones
  - 1. Espanola Public Schools Payment Penalty Waiver Request
  - 2. Hozho Academy Payment Penalty Waiver Request
  - 3. J. Paul Taylor Academy Payment Penalty Waiver Request
  - 4. Red River Valley Charter School Payment Penalty Waiver Request
  - 5. Robert F. Kennedy Charter School Payment Waiver Request
- E. IBAC Update K. Jones
- 11. Risk Matters
  - A. Approval for Regional Educational Cooperative IX to Join Risk **(Action Item)** P. Sandoval
  - B. Approval of Student Accident and Sickness Insurance Proposal **(Action Item)** P. Sandoval
  - C. 2024-2025 MOC L027 General and Automobile Liability **(Action Item)** D. Poms
  - D. Approval of Property and Liability Claims Handling Procedures **(Action Item)** R. Cangiolosi
  - E. Approval of Workers Compensation Claims Handling Procedures **(Action Item)** R. Cangiolosi
  - F. Risk Claims Committee Overview P. Sandoval / M. Esquivel
  - G. Claims Settlement Authority Discussion P. Sandoval / M. Esquivel
  - H. 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
  - I. Loss Prevention Update L. Vigil / J. Garcia
  - J. Anonymous Reporting Videos Update J. Garcia / K. McDonald
- 12. General Discussion A. Park
- 13. Next Meeting Date and Location: Thursday, June 6, 2024 A. Park  
 Location: Poms & Associates 201 3rd Street, Suite 1400 Albuquerque, New Mexico 87102, and a virtual option **(Action Item)**
- 14. Adjournment **(Action Item)** A. Park

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

**In Person:**

**Poms & Associates Insurance Brokers  
201 3<sup>rd</sup> 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

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

**Vote carried unanimously.**

**9. C. Request to Issue Request for Proposal for Audit Services (Action Item)**

Mr. Gonzales presented the Request for Proposal (RFP) for Audit Services for FY24-FY27. Under the State Auditor rule, eight years is the maximum number of years a firm can audit NMPSIA, and FY23 was the eighth year with the current firm. Mr. Gonzales requested representation from the Board in evaluating proposals received for this RFP. He advised that Ms. Vicki Chavez did volunteer to be on the RFP committee.

A motion was made to approve the Request to Issue Request for Proposal for Audit Services.

**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. Risk Matters**

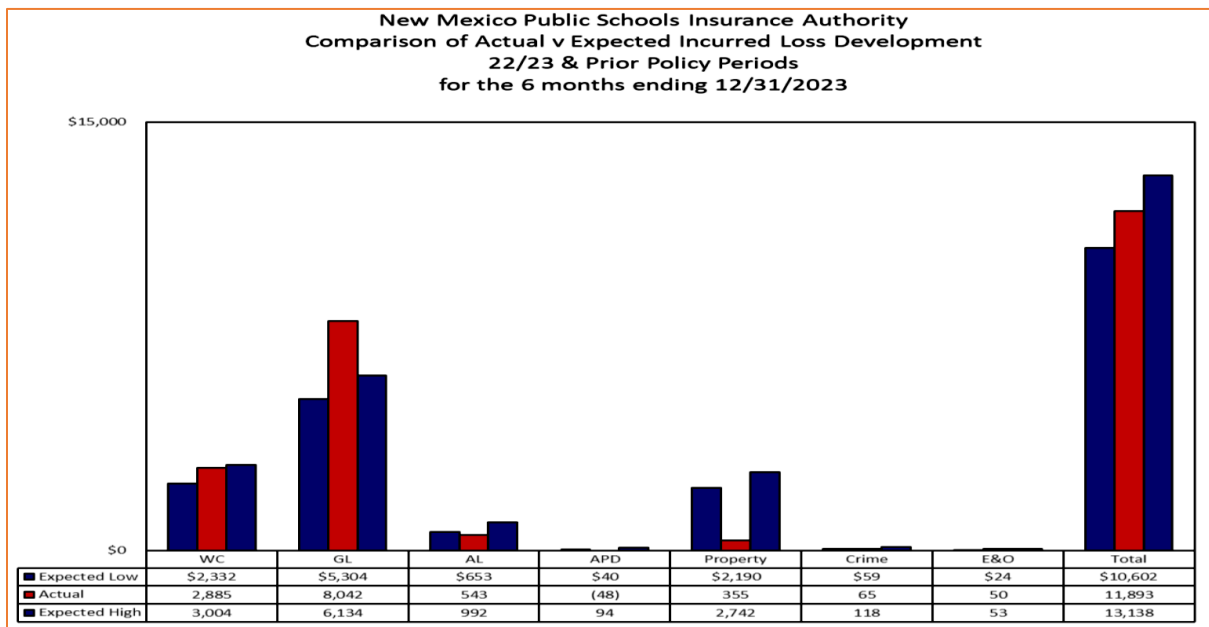
**10. A. Loss Reserve and Funding Analysis as of 12/31/2023 (Action Item)**

Mr. Aaron Hillebrandt and Mr. Matt Meade with Pinnacle Actuarial Resources presented the Loss Reserve and Funding Analysis as of December 31, 2023. Mr. Hillebrandt noted that this information was covered in depth on March 6<sup>th</sup> during the Risk Advisory Committee. The report included in the packet is like what has been presented in the past, with one 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 like 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
<b>Rate Action</b>									
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%
<b>Premium Income</b>									
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
<b>Fund Balance (Projected)</b>	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)
<b>Fund Balance</b>	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)
<b>Fund Balance</b>	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
<b>Fund Balance</b>	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
<b>Fund Balance</b>	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
<b>Fund Balance</b>	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.



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%
<b>Premium Income</b>									
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 to 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	
<b>Rate Action</b>											
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%	
<b>Premium Income</b>											
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
<b>Rate Action*</b>				
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%
<b>Fund Balance</b>				
End of FY2025	-\$19.3 M (1.5 months of claims <b>below Target</b> )	\$2.4 M (0.1 months of claims)	\$2.4 M (0.1 months of claims)	-\$6.4 M (1.2 months of claims <b>below Target</b> )
End of FY2026	-\$44.0 M (2.1 months of claims <b>below Target</b> )	\$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 <b>below Target</b> )	\$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 <b>below Target</b> )	\$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 <b>below Target</b> )	\$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
<b>Rate Action*</b>		
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%
<b>Fund Balance</b>		
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.**

#### **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. D. 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 3<sup>rd</sup> 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**

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Mr. Alfred Park  
Board President

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

**In Person:**

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

**Virtual:**

<https://us02web.zoom.us/j/89870595641?pwd=dURYR0p4OGpNcGg2M2NacjZUbHFCUT09>

**Phone: +1 669 444 9171  
Meeting ID: 898 7059 5641  
Passcode: 111394**

**Thursday, April 4, 2024**

**Draft**

**1. Call to Order**

Mr. Al Park, President, Called the NMPSIA Board Meeting to order at 9:03 a.m. on Thursday, April 4, 2024.

**2. Roll Call**

Ms. Charlette Probst 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
Bethany Jarrell	Virtual (joined @ 9:07)
K.T. Manis	Virtual (joined @ 9:15)
David Martinez, Jr.	Virtual
Sammy Quintana	In-person (left @ 11:00)

**Board Members Absent:**

Pauline Jaramillo



### **NMPSIA Staff Members Present:**

Patrick Sandoval, Executive Director	In-person
Martha Quintana, Deputy Director	In-person
Phillip Gonzales, Chief Financial Officer	In-person
Charlette Probst, HR/Financial Manager	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
Jacqueline Pacheco	BCBSNM	Virtual
Lisa Guevara	BCBSNM	In-person
Samantha Mensay	BCBSNM	Virtual
Steve Vanetsky	CCMSI	Virtual
Jerry Mayo	CCMSI	In-person
Louise Carpenter	CCMSI	Virtual
Rich Cangiolosi	CCMSI	In-person
Courtney Barela	CCMSI	Virtual
Kevin Sovereign	CCMSI	In-person
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
Kathy Payanes	Erisa Administrative Services	In-person
Amy Bonal	Erisa Administrative Services	Virtual
C.S. Hwa	Erisa Administrative Services	Virtual
Martin Esquivel	Esquivel & Howington	In-person
Daniel Estupinan	Legislative Finance Committee	Virtual
Theresa Storey	Northern NM College	Virtual
Dan Foley	Poms & Associates	In-person
Tammy Pargas	Poms & Associates	In-person
David Poms	Poms & Associates	In-person
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
Karen Mestas Harris	Poms & Associates	Virtual

Steve Valdez	Presbyterian	In-person
Benito Gonzales	RAC Committee Member	In-person
Nura Patani	Segal	In-person
Debbie Donaldson	Segal	In-person
Andrea Vargas	The Standard	In-person
Stephanie Anthony	UCCI	In-person
Kristi Salgado	Citizen	Virtual

### 3. Introduction of Guests

Mr. Patrick Sandoval Executive Director of NMPSIA, introduced Dr. Nura Patani and Ms. Deborah Donaldson with Segal; Mr. Rich Cangioli with CCMSI; Ms. Teresa Story with Northern New Mexico College; and Ms. Judy Jones HR Consultant with Region IX Educational Cooperative.

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

There were no citizens to address the Board.

### 5. Approval of Agenda (Action Item)

A motion was made to approve the agenda with no changes.

**Motion:** S. Quintana

**Second:** T. Ruiz

A roll call vote was taken.

Ms. Charlette Probst 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	Absent
Bethany Jarrell	Yes
K.T. Manis	Absent
David Martinez, Jr.	Yes
Sammy Quintana	Yes

**Vote carried unanimously.**

### 6. Approval of March 2024 Minutes (Action Item)

Mr. Martinez, Jr. noted a roll call discrepancy for item 11.B. Mr. Park asked to have the agenda item removed and brought back to the next meeting.

**7. Executive Session (Action Item)**

**7. A. Discussion of Competitive Sealed Proposals Solicited Pursuant to the Procurement Code Pursuant to §10-15-1 H (6) NMSA 1978**

**7. A. 1. Approval of Third-Party Administrator Services**

**7. B. Discussion of Threatened or Pending Litigation Pursuant to §10-15-1 H (7) NMSA 1978**

**7. B. 1. T.R. v. Las Cruces Public Schools / Patrick Howard**

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 and Discussion of Threatened or Pending Litigation Pursuant to §10-15-1 H (7) NMSA 1978 Executive Session began at 9:07 am.

**Motion:** D. Martinez, Jr.

**Second:** T. Ruiz

A roll call vote was taken.

Ms. Charlette Probst 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	Absent
Bethany Jarrell	Yes
K.T. Manis	Absent
David Martinez, Jr.	Yes
Sammy Quintana	Yes

**Vote carried unanimously.**

A motion was made to come out of Executive Session at 11:57 am. Only items listed on the agenda were discussed.

**Motion:** D. Martinez, Jr.

**Second:** C. Parrino

A roll call vote was taken.

Ms. Charlette Probst 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	Absent
Bethany Jarrell	Yes
K.T. Manis	Absent
David Martinez, Jr.	Yes
Sammy Quintana	Yes

**Vote carried unanimously.**

**7. 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)**

**7. A. 1. Approval of Third-Party Administrator Services**

A motion was made to accept Vendor A for RFP 342-2024-03 for Third Party Administrator Services.

**Motion:** D. Martinez, Jr.

**Second:** S. Quintana

A roll call vote was taken.

Ms. Charlette Probst 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	Absent
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes

Sammy Quintana

Yes

**Vote carried unanimously.**

## **8. Administrative Matters**

### **8. A. Annual Meeting Update**

Ms. Maria Lugo, Chief Procurement Officer for NMPSIA, provided the 2024 Annual Meeting update. The meeting is planned for July 24<sup>th</sup> and 25<sup>th</sup>, 2024 at Angel Fire Resort. Ms. Lugo advised that IT concerns are currently being discussed with the assistance of Mr. Kevin McDonald of Poms and Associates. The contract for lodging, meals, and the meeting space is currently under review by NMPSIA staff. Upon execution of the contract, the resort will issue a special code to NMPSIA to utilize when booking the rooms. We are looking at \$15 to \$20 per plate per person for breakfast and \$18 to \$25 per plate per person for lunch. The location for dinner is yet to be determined. Ms. Lugo advised that an update will be provided at the May meeting.

### **8. B. Approval of Facilities Maintenance Contract Amendment (Action Item)**

Mr. Phillip Gonzales, Chief Financial Officer for NMPSIA, presented the Facilities Maintenance Contract Amendment for Tom Medina Enterprises for approval. The proposed amendment decreases the contract to the amount invoiced to date. The reason for the amendment is a restructuring of the vendor's company. This contract will be closed out and a new one will be put in place under the new company name.

A motion was made to approve the Facilities Maintenance Contract Amendment.

**Motion:** T. Ruiz

**Second:** D. Martinez, Jr.

A roll call vote was taken.

Ms. Charlette Probst 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	Absent
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes

Sammy Quintana

Excused

**Vote carried unanimously.**

**8. C. Approval of Facilities Maintenance Replacement Contract (Action Item)**

Mr. Gonzales presented the Facilities Maintenance Replacement Contract for approval. The proposed contract replaces the contract closed out in agenda item 8. C. The reason for the replacement is a restructuring of the vendor’s company. This contract will be issued under the new name, Multi-Trades of NM, LLC and the contract amount will be the remaining amount for the current fiscal year ending June 30, 2024, and the full amounts for Fiscal Years 25, 26, and 27.

A motion was made to approve the Facilities Maintenance Replacement Contract.

**Motion:** T. Ruiz

**Second:** C. Parrino

A roll call vote was taken.

Ms. Charlette Probst 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	Absent
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Excused

**Vote carried unanimously.**

**9. Financial Matters**

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

Mr. Gonzales presented the Statement of Revenues and Expenditures for the period ending February 29, 2024, for the Employee Benefits Fund. Mr. Gonzales reported revenue of \$33,334,172.42 and expenses of \$28,315,288.28, for a gain of \$5,018,884.14 for February. Year-to-date revenue was \$250,405,154.14 and expenses were \$256,882,624.07 resulting in a loss of \$6,477,469.93.

Mr. Gonzales presented the Statement of Revenues and Expenditures for the period ending February 29, 2024, for the Risk Fund. Mr. Gonzales reported revenue of \$9,298,622.22 and expenses of \$8,497,802.80 for a gain of \$800,819.42 for February. Year-to-date revenue was \$71,584,364.56 and expenses were \$67,502,186.76 resulting in a gain of \$4,082,177.80.

Mr. Gonzales presented the Statement of Revenues and Expenditures for the period ending February 29, 2024, for the Program Support Fund. Mr. Gonzales reported revenue of \$136,957.00 and expenses of \$137,282.42, for a loss of \$325.42 for February. Year-to-date revenue was \$1,095,834.02 and expenses were \$1,096,629.80 resulting in a loss of \$795.78.

Mr. Gonzales presented the Balance Sheet for the Agency for the period ending February 29, 2024. Program Support had total assets of \$800,076.98, total liabilities of \$106,209.16, and total fund equity of \$693,867.82. Employee Benefits had total assets of \$51,924,713.54, total liabilities of \$40,820,517.08, and total fund equity of \$11,104,196.46. Risk had total assets of \$143,729,845.65, total liabilities of \$128,292,520.92, and total fund equity of \$15,437,324.73. The total combined assets for the agency were \$196,454,636.17, the total liabilities for the agency were \$169,219,247.16, and the total fund equity for the agency was \$27,235,389.01.

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

**Motion:** C. Parrino

**Second:** T. Ruiz

A roll call vote was taken.

Ms. Charlette Probst 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	Absent
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Excused

**Vote carried unanimously.**

## **10. Benefits Matters**

### **10. A. 2024 PBM Market Check Results**

Dr. Nura Patani with Segal presented the 2024 PBM Market Check Results. As a result of this check, there will be an amendment to the CVS Contract in the following agenda item. Dr. Patani explained that in 2022 NMPSIA engaged a new PBM and began working with CVS. This was a direct result of the RFP jointly conducted with the IBAC agencies and UNM. This contract includes a market check provision that allows NMPSIA to review pharmacy claims data and PBM pricing contracts and compare them to several other PBM pricing contracts negotiated in the past 12 months. This analysis provides benchmark expectations for available pricing improvements that could be obtained through a competitive PBM RFP process of approximately 2.7%. CVS estimates that NMPSIA could realize estimated pricing improvements of up to 2.1% or \$901,000. Dr. Patani confirmed CVS has agreed that the new pricing terms to be effective July 1, 2024 through June 30, 2026.

**10. B. Approval of CVS Contract Amendment (Action Item)**

Ms. Martha Quintana, Deputy Director of NMPSIA, presented the CVS Contract Amendment. The amendment reflects changes to the financial terms following the PBM Market Check results. Staff is requesting approval of CVS Amendment 2 to be effective July 1, 2024 through June 30, 2026.

A motion was made to approve the CVS Contract Amendment as presented.

**Motion:** C. Parrino

**Second:** T. Ruiz

A roll call vote was taken.

Ms. Charlette Probst 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	Absent
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Excused

**Vote carried unanimously.**

**10. C. Request from Region IX Education Cooperative to Join NMPSIA Benefits (Action Item)**



Ms. Quintana presented the request from Region IX Education Cooperative (REC IX) to join NMPSIA benefits. REC IX is requesting an effective date of July 1, 2024. There will be approximately 100 employees with the option to add Medical, Dental, Vision and Basic Life coverages. Region XI has elected a 30-day benefit waiting period for Long Term Disability and a \$50,000 Basic Life benefit as well as Additional Life. REC IX has expressed interest in extending coverage to Domestic Partners and Domestic Partners' children. The enrollment period will be from April 15 through May 15. If approved, NMPSIA and Erisa staff will begin coordinating the onboarding of this new entity. NMPSIA staff is requesting approval to allow REC IX to join NMPSIA benefits.

A motion was made to approve the Request from Region IX Education Cooperative to Join NMPSIA Benefits.

**Motion:** T. Ruiz

**Second:** C. Parrino

A roll call vote was taken.

Ms. Charlette Probst 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	Absent
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Excused

**Vote carried unanimously.**

#### **10. D. COVID Claims Statistics for Fiscal Year 2024**

Ms. Charlette Probst, HR/Benefits Manager for NMPSIA presented the COVID Claims Statistics for July – February of 2024. The report is a result of a request that was made by the Benefits Advisory Committee several months ago. The table is an analysis of COVID-19 claim spending for the current fiscal year from July through February. Numbers fluctuate significantly from month to month, however NMPSIA is carrying most of the costs associated with these claims. Ms. Probst will provide an additional report next month for the Board to compare this data with the costs associated with RSV and Influenza claims and provide another report in September to show the numbers for a full fiscal year.

Month	Claims	Total		
		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

### 10. E. Segal Stewardship Report

Ms. Debbie Donaldson and Dr. Patani with Segal presented the Stewardship Report. The Stewardship Report provides an overview of Segal's value and a review of Segal's accomplishments and upcoming assignments to be done on behalf of NMPSIA. Last year, Segal advised NMPSIA on RFPs, contracting, audits, legislative sessions, SHAPE and RADR analytics, and financial projections. In 2024 specifically, Segal assisted NMPSIA with the CVS Market Check which is anticipated to bring \$1.8 million in savings over two years as well as commenced the Mental Health Parity Audit to ensure compliance. Ms. Donaldson highlighted items coming up in the 2024-2025 year, including Big Bid contract negotiations and plan design changes to address the budgeting and financial challenges. Other upcoming changes and ongoing projects include an NMPSIA Summary Plan Document, cost mitigation and plan design review, as well as changes to clinical programs.

### 10. F. Surgery Plus Implementation Update

Ms. Kaylei Jones, Benefits/Wellness Program Coordinator for NMPSIA, presented the Surgery Plus Implementation Update. Ms. Jones reported that the implementation of the Bundled Surgical Payment benefit is on track for the May 1, 2024 effective date. The NMPSIA team is meeting with the implementation team at Surgery Plus weekly to ensure all tasks are completed promptly. Ms. Jones shared sample communications containing benefits information. Home mailers will be sent in conjunction with a digital version via email. Promotional posters will have an English/Spanish side-by-side for posting throughout school sites.

### 10. G. Wellness Update

Ms. Jones provided the Wellness Update. NMPSIA released a Member Wellness Booklet with Presbyterian last month. This resource was sent to 10,283 households. The booklet was an attempt to provide a summary of information in one convenient location as well as increase engagement for the entire family. A total of eight challenges were held throughout the state for the quarter. A ninth challenge, "Spring into Motion", begins on April 8, 2024, and has 60 registered participants so far. NMPSIA has seen an influx of participation in weight loss and health coaching programs this quarter, with 73 combined registrations in the last few months. The application process for the next twelve-week Wondr program opens on April 15, 2024,

and will commence on May 13, 2024. BCBS lead an initiative to collect feedback from our members regarding the NMPSIA Wellness Program. A total of 1,341 responses were received. The intention is to use this data to tailor the programming for next year including how we communicate and what wellness topics we provide information on based on employees' interests.

## **10. H. IBAC Update**

Ms. Jones presented the IBAC Update. The IBAC met on Wednesday, March 13, 2024. Health Care Authority (HCA) Cabinet Secretary, Kari Armijo, addressed the committee. A transition plan was submitted to LFC on January 2 with SB16 and has since been added to the HCA website. HCA hopes to transform how New Mexico purchases health care, leveraging the purchasing power of Medicaid to improve cost, quality, and outcomes. There is still a resounding number of unknowns regarding how this will be accomplished. Secretary Armijo shared her interest in meeting with the IBAC agencies individually as well as being included in the IBAC meetings moving forward. The Executive Director from Retiree Health Care pointed out that The State of New Mexico would be next on the rotation to chair the committee. Secretary Armijo confirmed HCA is willing to chair following the rotation. The agencies reported participation in the Spring Budget Workshop and provided updates on various vacancies they are working to fill.

## **11. Risk Matters**

### **11. A. Approval of Amendment for Poms & Associates Agreement (Action Item)**

Mr. Sandoval proposed an amendment to the Poms and Associates agreement for an additional position. The position would be for a loss control consultant focused on working with parents, students, and staff on child safety and Title IX compliance. An increase to compensation of \$130,000 for fiscal years 2025-2027 and fiscal year 2024 will be prorated at \$21,667. The total increase for the remaining term of the contract is \$411,667.

Ms. Trish Ruiz added that anything that can be done to protect kids and keep them safe is a good thing. Mr. Park added that this is an investment in prevention.

A motion was made to approve the Amendment for the Poms & Associates Agreement as presented.

**Motion:** T. Ruiz

**Second:** C. Parrino

A roll call vote was taken.

Ms. Charlette Probst 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	Absent
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Excused

**Vote carried unanimously.**

**11. B. Request for Northern New Mexico College to Join Risk (Action Item)**

Mr. Sandoval presented the request for Northern New Mexico College to join the Risk program effective July 1, 2024 and is a welcome addition to the growing number of educational entities that are a part of the Risk program.

A motion was made to approve Northern New Mexico College to Join the Risk program.

**Motion:** T. Crone

**Second:** C. Parrino

A roll call vote was taken.

Ms. Charlette Probst 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	Absent
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Excused

**Vote carried unanimously.**

**11. C. TPA Reports**

**11. C. 1. Property & Liability Monthly Claims Report**

Mr. Steve Vanetsky with CCMSI reported on the Property & Liability Monthly Claims Report for February 2024. Liability had 453 open claims, 57 new claims, and 46 claims were closed. Reserves were at \$26,687,853.78 and payments were at \$15,325,972.59 for a total of \$42,013,826.37. Property had 122 open claims, 0 new claims, and 35 claims were closed. Reserves were \$65,753,422.71, and payments were \$14,281,936.97 for a total of \$80,035,359.68.

#### **11. C. 2. Property & Liability Large Losses**

Mr. Vanetsky reported one liability at Tucumcari Public Schools, a vehicle struck a gas line. The gas company was called and repairs were completed and service was restored. A liability claim was reported in Estancia as well. The excess carriers were notified of both claims.

#### **11. C. 3. Workers' Compensation Monthly Claims Report**

Mr. Jerry Mayo, with CCMSI provided the Workers' Compensation Monthly Claims Report for February 2024. For February there were 1,093 open claims, 257 new claims, 66 reopened claims, and 339 claims were closed. Reserves were at \$15,170,189.21, and payments were \$49,886,234.81 for a total of \$65,056,424.02.

#### **11. C. 4. Workers' Compensation Large Losses**

Mr. Mayo reported two losses out of Rio Rancho Public Schools. A fall resulted in a knee replacement which was over \$50,000. The other loss was a motor vehicle accident increasing the indemnity benefits.

#### **11. D. Life of a Liability Claim**

Mr. Rich Cangioli with CCMSI presented the process of a liability claim. The process starts with contacting the claimant, gathering information, and determining liability. The adjuster may conduct a scene investigation and obtain witness statements. They then evaluate the claim, considering various factors such as liability, damages, and potential disputes with Medicare. The adjuster negotiates settlements and obtains approval from clients. The adjuster also manages third-party vendors and communicates with defense attorneys to evaluate claims and costs. He also reviews adjuster accountability to include QSP standards and internal audits conducted randomly and monthly by a supervisor. An annual audit is also conducted by an external auditor.

#### **11. E. Loss Prevention Update**

Mr. Larry Vigil with Poms and Associates presented the Loss Prevention Abatement Report for February 2024. For February there was a 78.72% abatement for non-capital

recommendations. There were 616 recommendations and the total non-capital was 611. The corrected recommendations percentage for February was 79%.

Ms. Julie Garcia with Poms and Associates reported that she continues to work with district reporting data from STOPit and reports from Vector Solutions, on who is completing the training, to claims data. Preliminary findings in the reports received by STOPit show reporting of inappropriate conduct, sexual assault, and sexual molestation that were made out of Clovis and Los Lunas. Clovis has zero claims and must be doing something right. Our next step is to contact the schools to ensure corrective action is being taken or is in process. Another item reported was a request from a NM Senator, via PED, for Poms and Associates to help address a security issue at Gadsen Public Schools in Santa Teresa, NM regarding migrant workers entering the schools. The concern is board patrol entering the schools armed and walking through the schools during a time when school is in session.

**12. General Discussion**

Ms. Vicki Chavez asked when the Student Accident Insurance would be brought back to the Board and advised that she was able to speak with the Superintendents who expressed their support in favor of this coverage with the hopes that it will help reduce costs in the future.

Mr. Parrino thanked Mr. Sandoval and NMPSIA staff for presentations at the Spring Budget Workshop as well as sending out a communication to all participating employers.

Mr. Crone thanked President Balderas from Northern NM College for joining the Risk program.

**13. Next Meeting Date and Location Thursday, May 2, 2024, Location: Poms and Associates 201 3<sup>rd</sup> Street, Suite 1400 Albuquerque, NM 87102, and Virtual option (Action Item)**

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

**Motion:** T. Ruiz

**Second:** C. Parrino

A roll call vote was taken.

Ms. Charlette Probst 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	Absent
Bethany Jarrell	Yes
K.T. Manis	Absent

David Martinez, Jr. Yes  
Sammy Quintana Excused

**Vote carried unanimously.**

**14. Adjournment (Action Item)**

A motion was made to adjourn at 12:10 p.m.

**Motion:** T. Ruiz **Second:** C. Parrino

A roll call vote was taken.

Ms. Charlette Probst 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	Absent
Bethany Jarrell	Yes
K.T. Manis	Absent
David Martinez, Jr.	Yes
Sammy Quintana	Excused

**Vote carried unanimously.**

**Approved:**

X

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Mr. Alfred Park  
Board President

# Public Schools Insurance Authority



**Board Meeting**

**Fiscal Year 2024**

**March 2024 Financial Reports**

**May 2, 2024**



**NM Public Schools Insurance Authority**  
**Statement of Revenues and Expenditures - Employee Benefits Fund**  
**From 3/1/2024 Through 3/31/2024**

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
<b>Revenue</b>						
Premiums (Health Insurance Assessments)	29,120,241.56	32,764,894.94	12.52	254,881,329.41	278,854,762.59	9.41
Interest Income (Wells Fargo, LGIP)	88,012.02	44,501.25	(49.44)	482,599.45	334,571.34	(30.67)
Investment Income (SIC)	455,209.24	429,302.83	(5.69)	1,564,502.32	2,202,218.22	40.76
Miscellaneous Income (Rx Rebates, Penalties, Subros, Etc)	0.00	71,205.16	100.00	0.00	2,323,685.11	100.00
<b>Total Revenue</b>	<b>29,663,462.82</b>	<b>33,309,904.18</b>	<b>12.29</b>	<b>256,928,431.18</b>	<b>283,715,237.26</b>	<b>10.43</b>
<b>Expenditures</b>						
Medical Claims Expense	21,222,179.38	26,013,188.13	22.58	183,628,323.36	215,097,444.50	17.14
Prescription Claims Expense	3,584,430.35	4,735,866.71	32.12	32,528,650.43	40,171,574.51	23.50
Dental Claims Expense	1,492,308.97	1,370,773.60	(8.14)	10,407,723.71	10,786,528.31	3.64
Premiums (Life, Vision)	1,273,850.00	1,439,617.21	13.01	10,531,586.92	12,131,503.95	15.19
Claims Administration Fees (Medical, Dental, Rx)	1,321,394.54	1,372,445.19	3.86	10,668,088.68	11,249,179.28	5.45
Contractual Services (Erisa, Segal, Legal, Etc)	200,883.05	221,038.50	10.03	2,077,587.56	2,051,038.86	(1.28)
Transfer to Program Support	63,333.00	68,479.00	8.13	570,001.00	616,763.00	8.20
<b>Total Expenditures</b>	<b>29,158,379.29</b>	<b>35,221,408.34</b>	<b>20.79</b>	<b>250,411,961.66</b>	<b>292,104,032.41</b>	<b>16.65</b>
<b>Net Revenue &amp; Expenditures</b>	<b>505,083.53</b>	<b>(1,911,504.16)</b>	<b>(478.45)</b>	<b>6,516,469.52</b>	<b>(8,388,795.15)</b>	<b>(228.73)</b>

**NM Public Schools Insurance Authority**  
**Statement of Revenues and Expenditures - Risk Fund**  
**From 3/1/2024 Through 3/31/2024**

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
<b>Revenue</b>						
Premiums (Risk Insurance Assessments)	7,737,270.00	8,354,878.00	7.98	69,635,474.00	75,193,936.80	7.98
Interest Income (Wells Fargo, LGIP)	308,091.63	426,623.58	38.47	1,880,796.91	3,409,907.23	81.30
Investment Income (SIC)	352,766.30	445,873.74	26.39	1,215,108.70	2,210,643.73	81.93
Miscellaneous Income (Penalties, Subros, Etc)	0.00	0.00	0.00	1.04	1,088.53	....566.35
<b>Total Revenue</b>	<u>8,398,127.93</u>	<u>9,227,375.32</u>	<u>9.87</u>	<u>72,731,380.65</u>	<u>80,815,576.29</u>	<u>11.12</u>
<b>Expenditures</b>						
<b>Property - Liability Claims Expense</b>						
Property Claims	849,754.90	22,627.03	(97.34)	8,925,520.94	6,882,846.97	(22.89)
Liability Claims	2,235,113.99	2,131,798.47	(4.62)	15,055,599.74	14,916,950.83	(0.92)
P-L Provisions for Losses	2,156,373.58	(859,374.51)	(139.85)	6,086,770.72	3,278,653.54	(46.13)
P-L Excess Recoveries	(1,608,905.79)	(848,829.96)	(47.24)	(12,443,312.71)	(18,771,135.33)	50.85
P-L Excess Recoveries Distributed to Schools	0.00	0.00	0.00	3,883,645.42	0.00	(100.00)
<b>Total Property - Liability Claims Expense</b>	<u>3,632,336.68</u>	<u>446,221.03</u>	<u>(87.72)</u>	<u>21,508,224.11</u>	<u>6,307,316.01</u>	<u>(70.67)</u>
Workers' Compensation Claims Expense	1,369,059.41	1,211,754.70	(11.49)	8,567,555.41	10,982,354.62	28.19
Property Excess Coverage Premium	2,586,540.00	3,597,631.00	39.09	23,278,868.00	32,378,679.21	39.09
Liability Excess Coverage Premium	1,771,250.00	2,099,839.00	18.55	15,941,250.00	18,899,099.00	18.55
Workers' Compensation Excess Coverage Premium	39,900.00	43,977.00	10.22	359,109.00	396,638.00	10.45
Student Catastrophic Insurance Premium	18,240.00	18,269.00	0.16	164,168.62	164,425.18	0.16
Equipment Breakdown Insurance Premium	34,196.00	38,266.00	11.90	307,768.62	344,397.62	11.90
Property - Liability Claims Administration Fees	94,196.10	94,184.86	(0.01)	847,873.12	847,663.86	(0.02)
Workers' Compensation Claims Administration Fees	104,051.99	98,749.05	(5.10)	936,587.56	893,041.93	(4.65)
Contractual Services (Erisa, Poms, CCMSI, Legal, Etc)	250,918.04	277,406.52	10.56	3,335,183.24	3,667,481.49	9.96
Transfer to Program Support	63,340.00	68,478.00	8.11	570,080.00	615,866.00	8.03
<b>Total Expenditures</b>	<u>9,964,028.22</u>	<u>7,994,776.16</u>	<u>(19.76)</u>	<u>75,816,667.68</u>	<u>75,496,962.92</u>	<u>(0.42)</u>
<b>Net Revenue &amp; Expenditures</b>	<u>(1,565,900.29)</u>	<u>1,232,599.16</u>	<u>(178.72)</u>	<u>(3,085,287.03)</u>	<u>5,318,613.37</u>	<u>(272.39)</u>

**NM Public Schools Insurance Authority**  
**Statement of Revenues and Expenditures - Program Support Fund**  
**From 3/1/2024 Through 3/31/2024**

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
<b>Revenue</b>						
Transfers from Other Funds (Benefits, Risk)	126,673.00	136,957.00	8.12	1,140,081.00	1,232,629.00	8.12
Miscellaneous Income	0.00	0.00	0.00	818.94	162.02	(80.22)
<b>Total Revenue</b>	<b>126,673.00</b>	<b>136,957.00</b>	<b>8.12</b>	<b>1,140,899.94</b>	<b>1,232,791.02</b>	<b>8.05</b>
<b>Expenditures</b>						
Contractual Services (Professional, Audit, Legal, Etc)	2,906.03	152.51	(94.75)	79,055.65	70,545.61	(10.76)
Other Expenses (Travel, Maint., Supplies, Utilities, Etc.)	7,772.77	14,672.29	88.77	108,444.35	127,419.97	17.50
Per Svc/Ben (Salaries, Fringe Benefits)	94,008.97	104,416.57	11.07	780,443.70	1,017,905.59	30.43
<b>Total Expenditures</b>	<b>104,687.77</b>	<b>119,241.37</b>	<b>13.90</b>	<b>967,943.70</b>	<b>1,215,871.17</b>	<b>25.61</b>
<b>Net Revenue &amp; Expenditures</b>	<b>21,985.23</b>	<b>17,715.63</b>	<b>(19.42)</b>	<b>172,956.24</b>	<b>16,919.85</b>	<b>(90.22)</b>

**NM Public Schools Insurance Authority**

**Balance Sheet**  
**As of 3/31/2024**

	<u>Program Support</u>	<u>Employee Benefits</u>	<u>Risk</u>	<u>Total</u>
<b>ASSETS</b>				
Cash (Wells Fargo/State Treasurer)	579,973.94	1,920,270.34	303,016.35	2,803,260.63
Short-term Investments (LGIP)	0.00	22,226.19	91,674,960.02	91,697,186.21
Long-term Investments (SIC)	0.00	20,645,298.92	21,554,657.37	42,199,956.29
Receivables (LGIP Int., W/C Excess Carrier)	(1,172.96)	1,473,487.65	4,753,770.96	6,226,085.65
Prepaid Premiums (Risk Excess Coverage)	0.00	0.00	17,393,946.00	17,393,946.00
Other Assets (Deposits, Furniture, Fxtures, Equip., Etc)	245,361.25	20,422,674.42	256,000.00	20,924,035.67
<b>Total ASSETS</b>	<b>824,162.23</b>	<b>44,483,957.52</b>	<b>135,936,350.70</b>	<b>181,244,470.45</b>
<b>LIABILITIES</b>				
Accounts Payable (Admin Fees)	1,657.42	1,555,692.39	470,340.42	2,027,690.23
Case Reserves (P/L, W/C)	0.00	0.00	45,126,445.48	45,126,445.48
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	10,280,724.74	365,123.50	10,645,848.24
Deferred Revenue (Self-Pays, P/L, W/C Premiums)	0.00	48,873.55	25,064,634.00	25,113,507.55
Other (Payroll Taxes, Benefits, Compensated Absences Payable)	110,921.36	0.60	0.00	110,921.96
<b>Total LIABILITIES</b>	<b>112,578.78</b>	<b>35,291,086.28</b>	<b>119,262,590.40</b>	<b>154,666,255.46</b>
<b>FUND EQUITY</b>				
Beginning Fund Equity	694,663.60	17,581,666.39	11,355,146.93	29,631,476.92
Net Revenue & Expenditures (Year-to-Date)	16,919.85	(8,388,795.15)	5,318,613.37	(3,053,261.93)
<b>Total FUND EQUITY</b>	<b>711,583.45</b>	<b>9,192,871.24</b>	<b>16,673,760.30</b>	<b>26,578,214.99</b>



# New Mexico Public Schools Insurance Authority

## Investment Performance Review For the Quarter Ended March 31, 2024

Client Management Team

PFM Asset Management LLC

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Mallory Sampson, CFP, Managing Director  
Chrystal Thomas, Analyst

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

1735 Market Street  
43rd Floor  
Philadelphia, PA 19103

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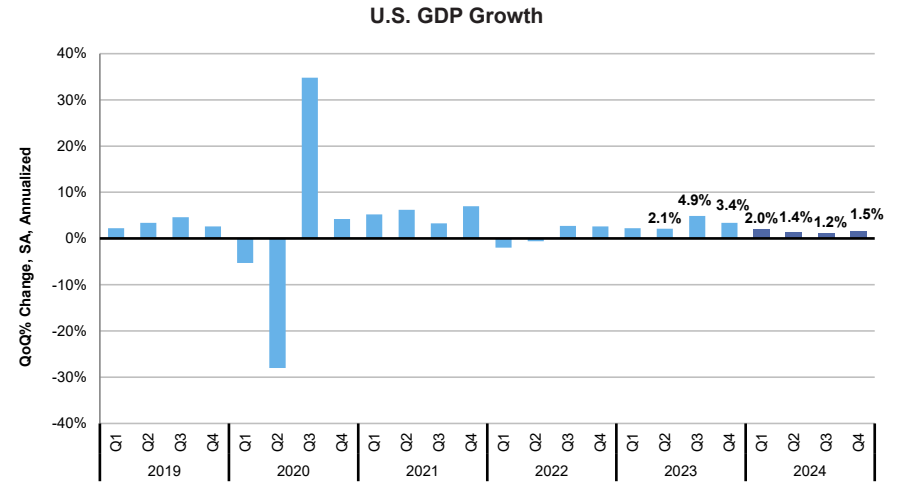
# **Markets and Economy**

	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
<b>DOMESTIC EQUITY</b>							
S&P 500	10.56%	10.56%	29.88%	11.49%	15.05%	14.09%	12.96%
Russell 3000 Index	10.02%	10.02%	29.29%	9.78%	14.34%	13.45%	12.33%
Russell 1000 Value Index	8.99%	8.99%	20.27%	8.11%	10.31%	9.16%	9.01%
Russell 1000 Index	10.30%	10.30%	29.87%	10.45%	14.76%	13.85%	12.68%
Russell 1000 Growth Index	11.41%	11.41%	39.00%	12.50%	18.52%	18.06%	15.98%
Russell Midcap Index	8.60%	8.60%	22.35%	6.07%	11.10%	10.58%	9.95%
Russell 2000 Value Index	2.90%	2.90%	18.75%	2.22%	8.17%	6.55%	6.87%
Russell 2000 Index	5.18%	5.18%	19.71%	-0.10%	8.10%	7.73%	7.58%
Russell 2000 Growth Index	7.58%	7.58%	20.35%	-2.68%	7.38%	8.40%	7.89%
<b>INTERNATIONAL EQUITY</b>							
MSCI EAFE (Net)	5.78%	5.78%	15.32%	4.78%	7.33%	6.70%	4.80%
MSCI AC World Index (Net)	8.20%	8.20%	23.22%	6.96%	10.92%	10.23%	8.66%
MSCI AC World ex USA (Net)	4.69%	4.69%	13.26%	1.94%	5.97%	5.88%	4.25%
MSCI AC World ex USA Small Cap (Net)	2.11%	2.11%	12.80%	0.38%	6.24%	5.74%	4.74%
MSCI EM (Net)	2.37%	2.37%	8.15%	-5.05%	2.22%	3.72%	2.95%
<b>ALTERNATIVES</b>							
FTSE NAREIT Equity REIT Index	-0.20%	-0.20%	10.54%	4.14%	4.15%	5.08%	6.61%
FTSE EPRA/NAREIT Developed Index	-1.05%	-1.05%	8.57%	-0.19%	0.75%	3.08%	4.00%
FTSE Global Core Infrastructure 50/50 Index (Net)	1.55%	1.55%	3.22%	2.91%	3.78%	5.27%	5.60%
Bloomberg Commodity Index Total Return	2.19%	2.19%	-0.56%	9.11%	6.38%	4.26%	-1.56%
<b>FIXED INCOME</b>							
Blmbg. U.S. Aggregate	-0.78%	-0.78%	1.70%	-2.46%	0.36%	1.06%	1.54%
Blmbg. U.S. Government/Credit	-0.72%	-0.72%	1.74%	-2.35%	0.62%	1.27%	1.70%
Blmbg. Intermed. U.S. Government/Credit	-0.15%	-0.15%	2.69%	-1.06%	1.09%	1.43%	1.61%
Blmbg. U.S. Treasury: 1-3 Year	0.28%	0.28%	2.94%	0.01%	1.13%	1.20%	1.06%
ICE BofAML Global High Yield Constrained (USD)	1.47%	1.47%	11.09%	0.43%	3.12%	3.63%	3.52%
Blmbg. Global Aggregate Ex USD	-3.21%	-3.21%	-0.71%	-6.53%	-2.50%	-0.82%	-1.38%
JPM EMBI Global Diversified	2.04%	2.04%	11.28%	-1.39%	0.71%	1.71%	3.05%
<b>CASH EQUIVALENT</b>							
90 Day U.S. Treasury Bill	1.30%	1.30%	5.35%	2.65%	2.06%	1.94%	1.41%

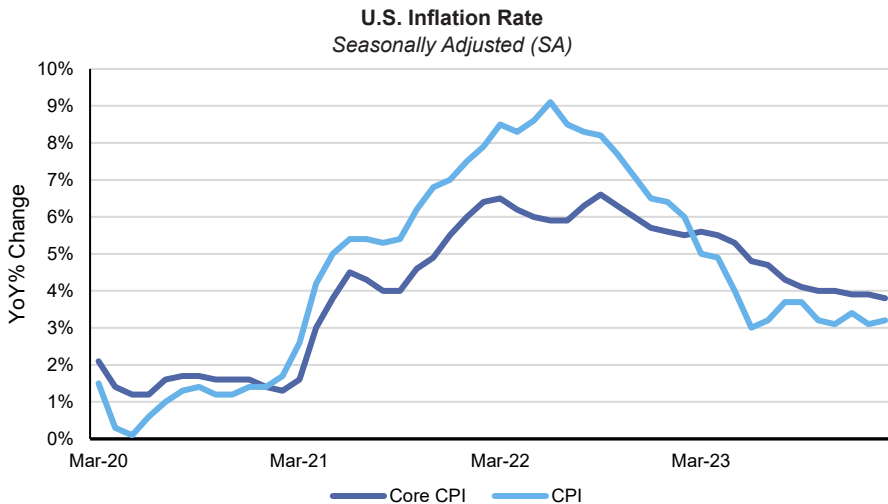
Source: Investment Metrics. Returns are expressed as percentages. Please refer to the last page of this document for important disclosures relating to this material.

**THE ECONOMY**

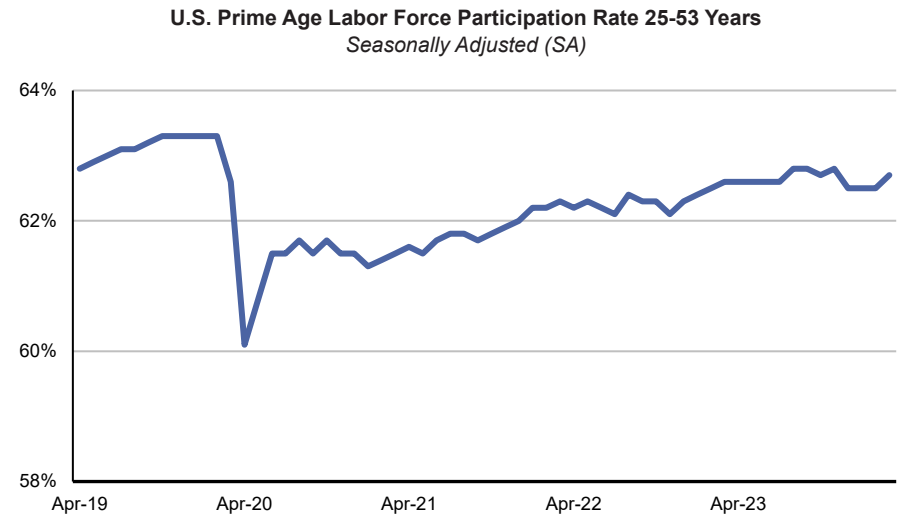
- ▶ In the fourth quarter, U.S. gross domestic product (GDP) grew at an annualized rate of 3.4%, cooling somewhat from the third quarter’s 4.9% growth. This growth was supported by both non-residential business investment and consumer spending. Consumer spending added 2.2% and was the largest contributing sector to GDP growth. The continued strength of the U.S. economy is a sharp contrast to other developed markets such as the euro area which stagnated at 0.1% growth and Japan which expanded just 0.4% during the quarter.
- ▶ The U.S. labor market remains strong. While the unemployment rate ticked up slightly it remains at historical lows, ending the quarter at 3.8%. The labor participation rate rose slightly to 62.7%, while average hourly earnings year-over-year (YoY) growth cooled to 4.1%, which bodes well for easing wage pressures on inflation without a large increase in unemployment.
- ▶ Inflation remains somewhat “sticky” as headline inflation (CPI) grew at a YoY rate of 3.2% in February, down from the 3.4% growth at the end of the fourth quarter, but up slightly from January. Core CPI, which excludes volatile food and energy, eased to a near three year low of 3.8%. Both readings remain well above the Fed target of 2%, likely reinforcing the Federal Reserve’s (Fed) wait and see approach to rate cuts.



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



Source: Bureau of Labor Statistics.



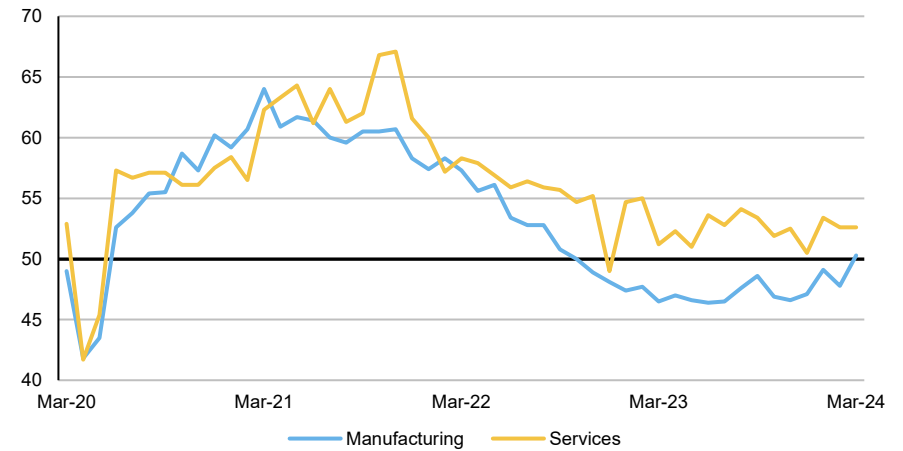
Source: Bureau of Labor Statistics.



**WHAT WE'RE WATCHING**

- ▶ The Federal Open Market Committee (FOMC) continued to hold rates steady in the first quarter at 5.50% as Fed officials need “greater confidence” that inflation is slowing sustainably to 2%. Looking forward, while the committee revised both their projections for growth and inflation slightly higher, three rate cuts are still expected for 2024. Globally, most major central banks also held rates steady, with the European Central Bank (ECB) and the Bank of England (BOE) both pausing despite increasing pressure from poor economic growth. The Central Bank of Japan bucked this trend, raising its key interest rate for the first time in 17 years in March.
- ▶ The U.S. saw manufacturing conditions improve during the quarter as U.S. ISM Manufacturing Index turned expansionary with a reading of 50.3 in March, the first non-contractionary result in over a year, as demand increased. The service sector continued to expand through the quarter, though at a slowing pace with a March reading of 51.4.
- ▶ The Michigan Consumer Sentiment survey ended the quarter at 79.4, the highest reading since July 2021 as consumer assessments of both current conditions and the economic outlook brightened. This positive outlook suggests continued strength in consumer spending though at what rate is to be determined. The personal savings rate fell in February to 3.6% while consumer debt and delinquency rates steadily increased in the fourth quarter, though overall delinquency rates remain lower than pre-COVID rates.

**U.S. ISM Manufacturing & Services PMI**



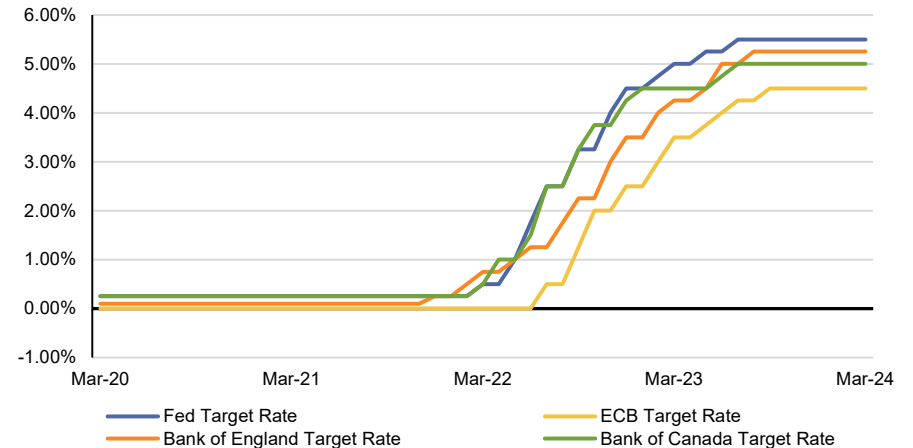
Source: Bloomberg.

**University of Michigan Consumer Sentiment**



Source: Bloomberg.

**Global Central Bank Rates**



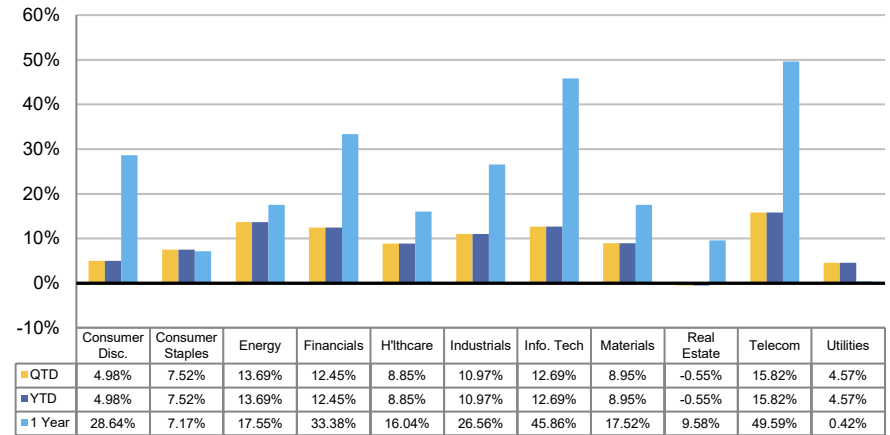
Source: Bloomberg.

**DOMESTIC EQUITY**

- ▶ The S&P 500 Index (S&P) posted a 10.56% return for the first quarter of 2024. As of March 31, 2024, the trailing 1-year return for the index was 29.88%.
- ▶ The market capitalization-weighted S&P 500 continued its outperformance over the equal-weighted S&P 500 Index, though the difference was not as wide as we saw in 2023. During the quarter, there were periods of broadening in performance outside of the Magnificent Seven names, but they started to see cracks as Apple and Tesla posted negative returns. Additionally, mid-caps outperformed large-caps in February and March but finished the quarter behind large-caps.
- ▶ Within S&P 500, the only GICS sector to post a negative return for the quarter was Real Estate (-0.55%). The next worst performers were Utilities (4.57%), Consumer Discretionary (4.98%) and Healthcare (8.85%). The sectors that led performance over the quarter were Communication Services (15.82%), Energy (13.69%) and Information Technology (12.69%).
- ▶ Small-caps, as represented by the Russell 2000 Index, returned 5.2% during the quarter and underperformed mid- and large-caps. The Russell Midcap and Russell 1000 indices returned 8.60% and 10.30%, respectively.
- ▶ According to FactSet Earnings Insight (as of March 28, 2024), the expected YoY earnings growth rate for the S&P for the first quarter of 2024 is 3.6%, a slight decline from the December 31, 2023 estimate. For calendar year 2024, analysts are calling for YoY earnings growth of 11.0%.
- ▶ As of the end of the quarter, the forward S&P 500 P/E ratio was 23.3, above its 5-year average of 22.2. By comparison the forward S&P 500 P/E ratio was 20.3 in March 2023.

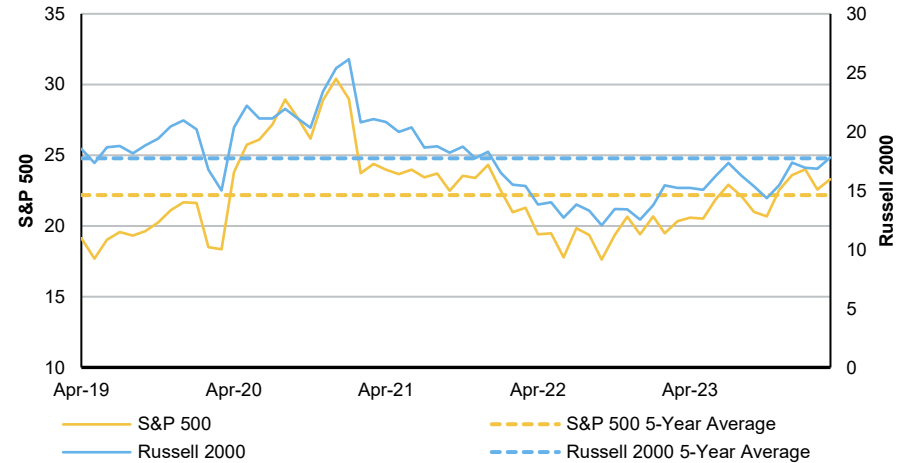
**S&P 500 Index Performance by Sector**

Periods Ended March 31, 2024



Source: Bloomberg.

**P/E Ratios of Major Stock Indices\***



Source: Bloomberg.

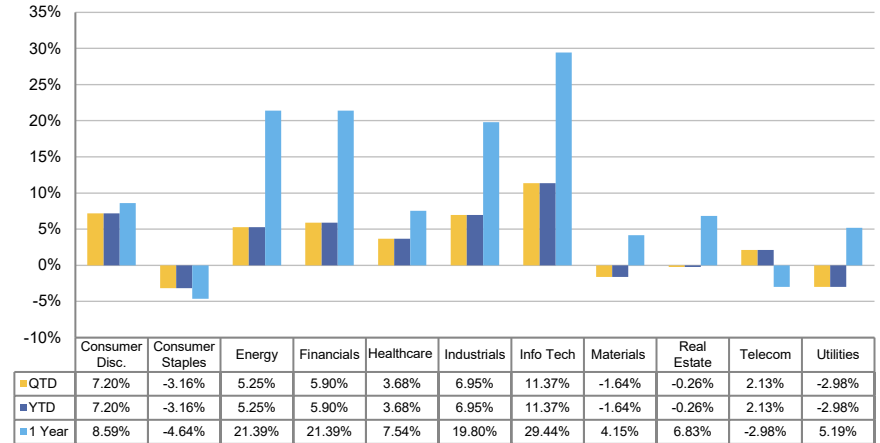
\*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

**NON-U.S. EQUITY**

- ▶ Markets outside of the United States, as measured by the MSCI ACWI ex-U.S. Index, underperformed their U.S. counterparts, returning 4.69% for the quarter.
- ▶ Seven of the 11 sectors posted strong positive returns for the quarter, with Information Technology (11.37%) leading the way, followed by Consumer Discretionary (7.20%) and Industrials (6.95%). Consumer Staples (-3.16%) was the worst performer followed by Utilities (-2.98%) and Materials (-1.64%) for the quarter.
- ▶ Developed ex-U.S. Markets, as represented by the MSCI EAFE Index, outperformed emerging markets (EM), represented by the MSCI Emerging Market Index, returning 5.78% versus 2.37% for the quarter.
- ▶ MSCI Japan (11.01%) outperformed the MSCI EAFE Index. Japanese equities rose as better corporate governance practices, strong corporate earnings, and the Bank of Japan accommodative policy stance reinforced positive investor sentiment. Switzerland (-1.24%) was the worst performer of the five largest-weighted countries in the index. The country's strong currency dampened exports, resulting in a drag on many large Swiss firms' earnings.
- ▶ Within EM, MSCI Taiwan outperformed the index, soaring 12.50% during the quarter. TSMC and other semiconductor names within the country fared well, bolstered by strong demand for artificial intelligence-enabling processors. Conversely, MSCI China (-0.63%) lagged the index. Despite the rebound in February and the Chinese government's willingness to unleash more stimulus in the economy, investor sentiment remains negative and challenges in the property sector persist.
- ▶ Value stocks underperformed growth stocks for the quarter as represented by the broad benchmark. MSCI AC World ex-USA Value returned 3.40% while MSCI AC World ex-USA Growth returned 5.91%.
- ▶ Small-caps, as represented by MSCI ACWI ex-U.S. Small Cap Index, underperformed within the international equity markets, returning 2.11% for the quarter.
- ▶ Non-US equities valuations have moved closer to their long-term average across international equity markets. As of March 31, 2024, MSCI EAFE's forward P/E stood at 15.61 versus a five-year average of 15.96. MSCI EM ended the year with a forward P/E ratio of 12.63, slightly lower than its five-year average of 13.26.

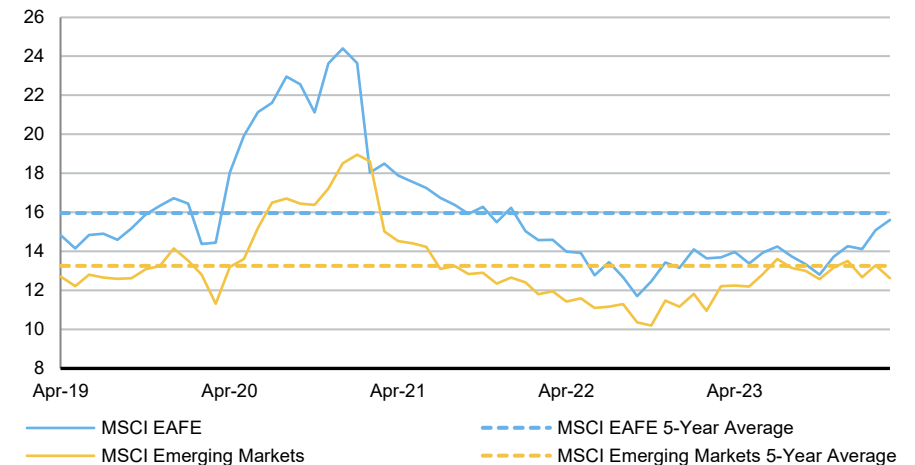
**MSCI ACWI ex-U.S. Sectors**

Periods Ended March 31, 2024



Source: Bloomberg.

**P/E Ratios of MSCI Equity Indices\***



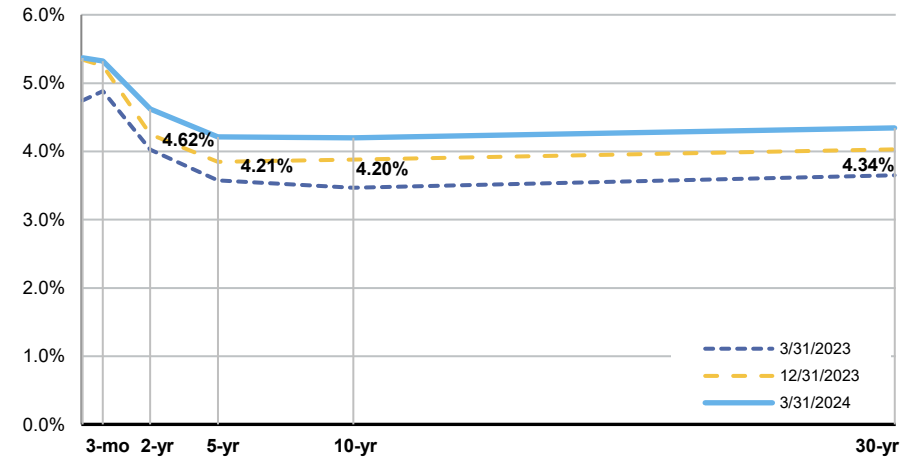
Source: Bloomberg.

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

**FIXED INCOME**

- ▶ The U.S. bond market represented by the Bloomberg U.S. Aggregate (Aggregate) Index was down -0.78% in the quarter. The trailing one-year period return is 1.69%.
- ▶ The Bloomberg U.S. Treasury Index closed the quarter with a loss of -96%. During the period, the FOMC maintained interest rate levels and continued to signal fewer cuts for 2024 than the market anticipated on the back of some stickier inflationary data. All rates beyond one year rose with the largest increases in intermediate maturities. The curve remains inverted as the Fed Funds rate remains targeted at 5.5%. The 10-year rose to 4.2%, while the 2-year ended at 4.6%.
- ▶ Corporate credit had positive relative results for the quarter on the rising rates. The investment-grade (IG) Bloomberg U.S. Corporate (IG Corp) Index lost 0.40% while high yield bonds, as represented by the Bloomberg U.S. Corporate High Yield (HY) Index, gained 1.47%, continuing strong performance from 2023. Spreads declined across all quality buckets with the lowest quality high yield performing best.
- ▶ The fixed-rate mortgage market, as measured by the Bloomberg U.S. Mortgage-Backed Securities (MBS) Index, lost 1.04%, on rates rising with much of the market being in lower coupons with higher duration. On the commercial side, the Bloomberg U.S. Agency CMBS Index was relatively better, down 0.29%.
- ▶ EM USD sovereign bonds, as represented by the JP Morgan EMBI Global Diversified index, gained 2.04% supported by strong returns in select high yield rated countries.

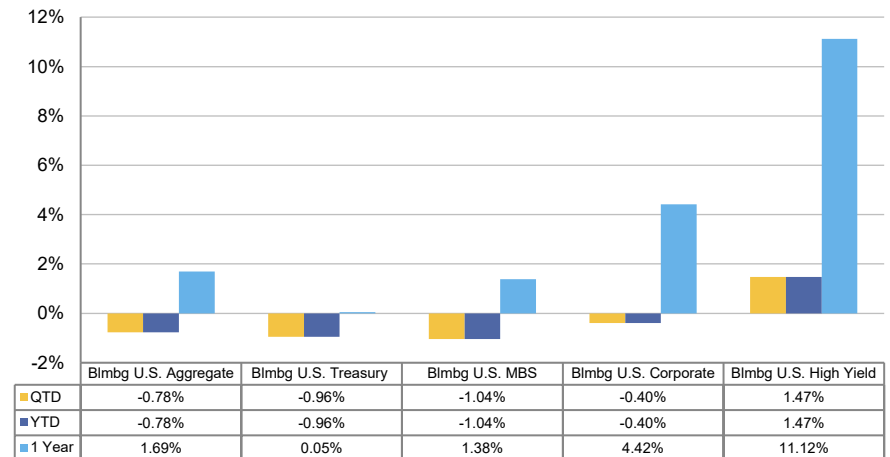
**U.S. Treasury Yield Curve**



Source: Bloomberg.

**Returns for Fixed-Income Segments**

Periods Ended March 31, 2024



Source: Bloomberg.

**ALTERNATIVES**

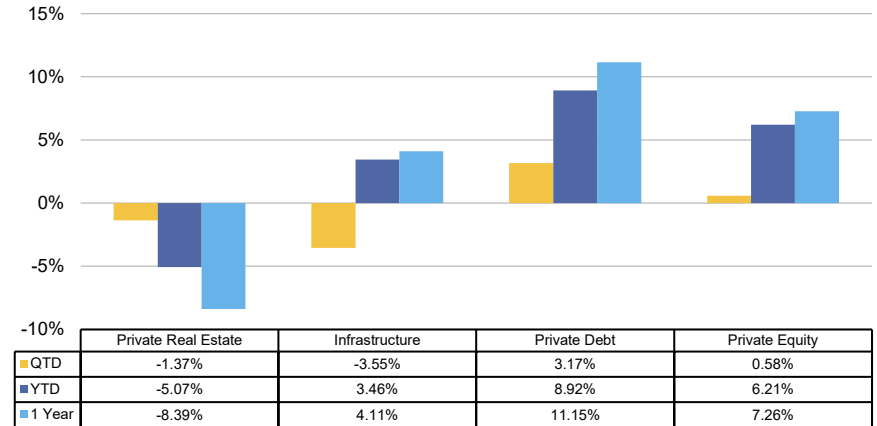
▶ Public REITs, as measured by the FTSE NAREIT Equity REITs Index, returned -0.20% in the first quarter of 2024, compared to a 16.22% return in the prior quarter while private real estate, as measured by the NCREIF Property Index, fell -3.02% in the fourth quarter of 2023, resulting in a -7.90% return over the twelve-month period ended December 2023. This was the fifth consecutive quarter of negative returns for the index. Weak performance has been driven by property value declines across sectors.

▶ Listed infrastructure, as measured by the FTSE Global Core Infrastructure 50/50 Index, gained 1.75% in the first quarter of 2024, compared to a 11.11% increase in the prior quarter with mixed performance across the major sectors. In 2023, private infrastructure funds raised \$65.36 billion, a sharp decline from the \$110.91 billion raised in the prior year. The asset class has received attention from investors in recent years due to expectations of stable returns in uncertain market environments, inflation hedging potential, and secular demand tailwinds such as decarbonization and digitization. According to PitchBook, private infrastructure funds posted a return of -3.55% in Q3 2023. The asset class has generated an annualized return of 8.45% for the five years ended Q3 2023.

▶ In 2023, private debt funds raised \$190.93 billion but experienced a sharp slowdown in fundraising during the second half of the year. The asset class has performed well relative to public fixed income over the long-term and may see more opportunities emerge as tightening lending standards continue to push banks out of the private lending space. According to Cliffwater Direct Lending Index, U.S. middle market loans, a proxy for private debt, posted a return of 2.95% in Q4 2023. The asset class has also generated an annualized return of 9.09% for the five years ended Q4 2023.

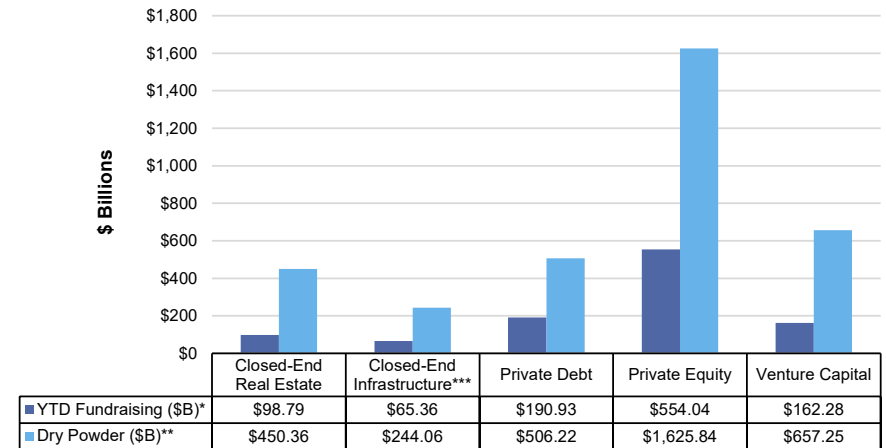
▶ In 2023, private equity funds raised \$554.04 billion, with a majority of the total raised in the second half of the year as inflation eased and monetary tightening flattened. Recent private equity performance has weakened due to increasing leverage costs, slow deal flow and macroeconomic uncertainty. However, longer term performance relative to public equities remains strong. According to Cambridge Associates, U.S. private equity posted a return of 0.58% in Q3 2023. The asset class has generated an annualized return of 16.98% for the five years ended Q3 2023.

**Returns for Private Capital Assets**



Source: NCREIF, PitchBook, Cliffwater, Cambridge Associates.  
As of September 30, 2023, the most recent period for which all index data is available.

**Private Capital Fundraising & Dry Powder**



Sources: Pitchbook.

\* Total capital raised in 2023 as of December 31, 2023 - most recent period for which ALL fundraising data is available.

\*\* Cumulative dry powder as of June 30, 2023, unless specified otherwise.

\*\*\* Closed-End Infrastructure dry powder as of March 31, 2023.

**Benefits Fund - Performance Review**

## Asset Allocation &amp; Performance

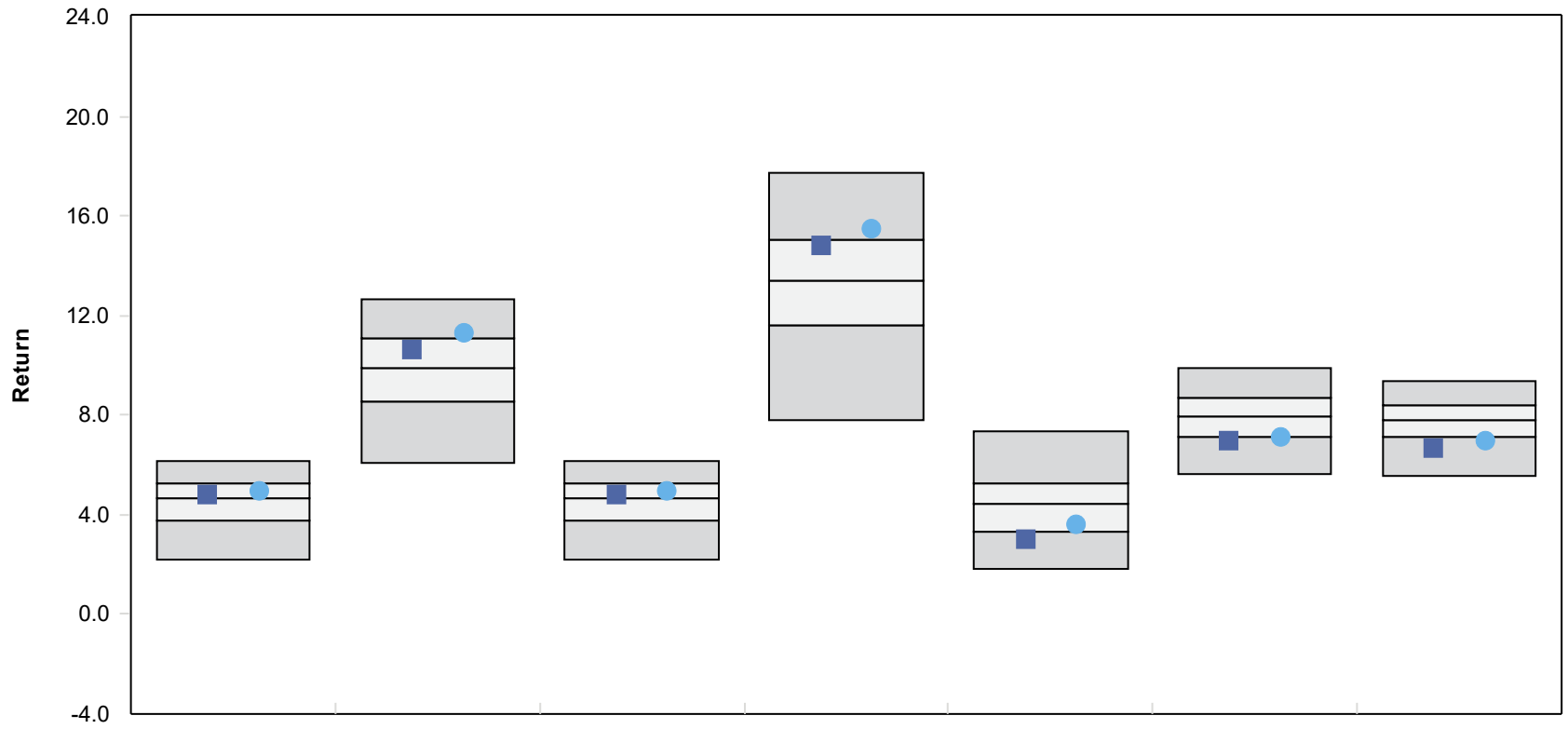
	Allocation		Performance(%)								
	Market Value (\$)	%	1 Quarter	Fiscal YTD	Year To Date	1 Year	3 Years	5 Years	7 Years	Since Inception	Inception Date
<b>Total Fund</b>	<b>20,645,299</b>	<b>100.00</b>	<b>4.84</b>	<b>10.66</b>	<b>4.84</b>	<b>14.81</b>	<b>3.02</b>	<b>6.98</b>	<b>6.71</b>	<b>6.21</b>	<b>07/01/2014</b>
<i>Blended Benchmark</i>			4.96	11.31	4.96	15.51	3.61	7.11	6.95	6.26	07/01/2014
<b>Domestic Equity</b>	<b>7,050,849</b>	<b>34.15</b>									
Large Cap Index	5,694,314	27.58	9.60	17.68	9.60	27.72	9.81	13.67	12.93	11.89	07/01/2014
<i>Russell 1000 Index</i>			10.30	19.61	10.30	29.87	10.45	14.76	13.85	12.45	07/01/2014
SMID Cap Alternative	1,356,535	6.57	3.18	11.40	3.18	15.59	N/A	N/A	N/A	7.05	02/01/2023
<i>Russell 2500 Index</i>			6.92	15.40	6.92	21.43	2.97	9.90	9.45	12.00	02/01/2023
<b>International Equity</b>	<b>3,846,218</b>	<b>18.63</b>									
Non US Developed- Active	2,792,902	13.53	4.48	8.71	4.48	11.89	N/A	N/A	N/A	9.57	02/01/2023
<i>MSCI AC World ex USA (Net)</i>			4.69	10.56	4.69	13.26	1.94	5.97	5.88	10.16	02/01/2023
Non US Emerging	1,053,316	5.10	2.81	7.94	2.81	12.29	-4.93	3.21	4.11	5.46	12/01/2016
<i>MSCI Emerging Markets Index</i>			2.44	7.48	2.44	8.59	-4.68	2.61	4.11	5.51	12/01/2016
<b>Fixed Income</b>	<b>9,748,232</b>	<b>47.22</b>									
Credit Plus Pool	9,748,232	47.22	0.75	4.85	0.75	4.50	-0.85	1.87	2.47	2.66	07/01/2014
<i>Blmbg. U.S. Aggregate</i>			-0.78	2.56	-0.78	1.70	-2.46	0.36	1.06	1.37	07/01/2014

Returns are net of fees.

Returns are expressed as percentages.

Plan Sponsor Peer Group Analysis

All Public Plans-Total Fund



	1 Quarter	Fiscal YTD	Year To Date	1 Year	3 Years	5 Years	7 Years
■ Total Fund	4.84 (43)	10.66 (32)	4.84 (43)	14.81 (28)	3.02 (82)	6.98 (79)	6.71 (87)
● Blended Benchmark	4.96 (37)	11.31 (21)	4.96 (37)	15.51 (20)	3.61 (71)	7.11 (75)	6.95 (80)
5th Percentile	6.15	12.63	6.15	17.71	7.33	9.87	9.38
1st Quartile	5.27	11.05	5.27	15.03	5.27	8.72	8.41
Median	4.68	9.89	4.68	13.36	4.42	7.96	7.79
3rd Quartile	3.78	8.56	3.78	11.57	3.32	7.09	7.12
95th Percentile	2.19	6.11	2.19	7.82	1.85	5.65	5.54
Population	297	249	297	243	226	220	209

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



## Account Reconciliation

QTR				
	Market Value As of 01/01/2024	Net Flows	Return On Investment	Market Value As of 03/31/2024
Total Fund	23,192,735	(3,506,718)	959,282	20,645,299
Large Cap Index	8,185,521	(3,182,665)	691,458	5,694,314
SMID Cap Alternative	2,007,973	(682,609)	31,171	1,356,535
Non US Developed- Active	3,808,471	(1,158,321)	142,752	2,792,902
Non US Emerging	1,487,380	(455,294)	21,230	1,053,316
Credit Plus Pool	7,703,391	1,972,170	72,671	9,748,232

July 1, 2023 To March 31, 2024				
	Market Value As of 07/01/2023	Net Flows	Return On Investment	Market Value As of 03/31/2024
Total Fund	24,957,469	(6,514,388)	2,202,218	20,645,299
Large Cap Index	8,551,896	(4,132,853)	1,275,272	5,694,314
SMID Cap Alternative	2,225,435	(1,032,799)	163,899	1,356,535
Non US Developed- Active	4,317,091	(1,811,886)	287,697	2,792,902
Non US Emerging	1,416,641	(455,648)	92,324	1,053,316
Credit Plus Pool	8,446,407	918,798	383,027	9,748,232

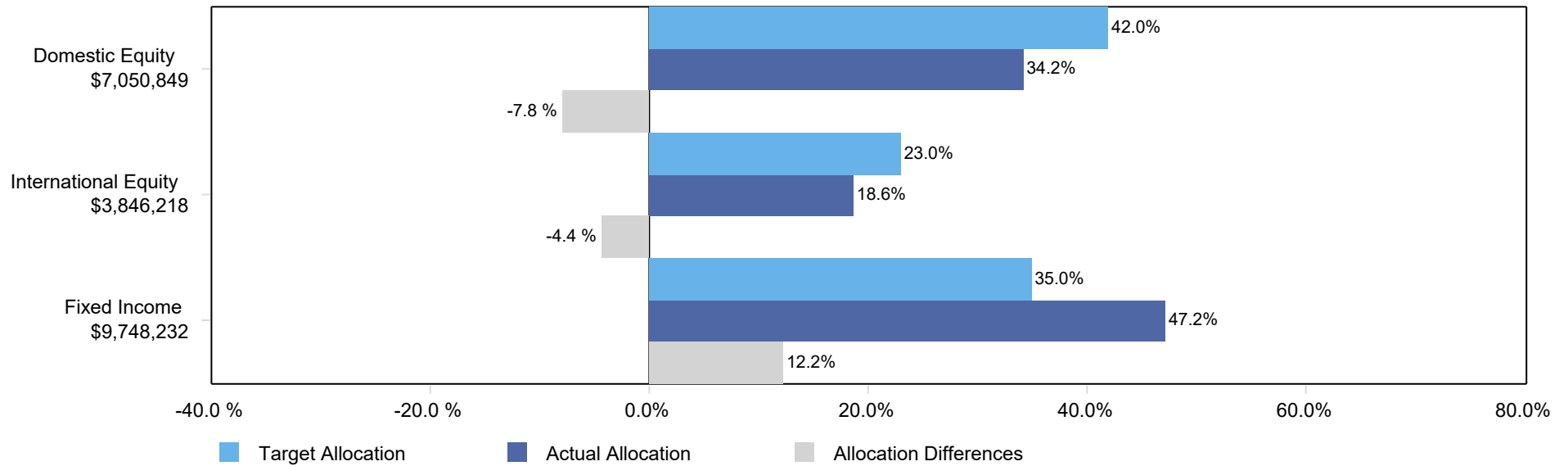
## Account Reconciliation

YTD				
	Market Value As of 01/01/2024	Net Flows	Return On Investment	Market Value As of 03/31/2024
Total Fund	23,192,735	(3,506,718)	959,282	20,645,299
Large Cap Index	8,185,521	(3,182,665)	691,458	5,694,314
SMID Cap Alternative	2,007,973	(682,609)	31,171	1,356,535
Non US Developed- Active	3,808,471	(1,158,321)	142,752	2,792,902
Non US Emerging	1,487,380	(455,294)	21,230	1,053,316
Credit Plus Pool	7,703,391	1,972,170	72,671	9,748,232

1 Year				
	Market Value As of 04/01/2023	Net Flows	Return On Investment	Market Value As of 03/31/2024
Total Fund	24,055,998	(6,531,310)	3,120,612	20,645,299
Large Cap Index	7,971,604	(4,233,225)	1,955,935	5,694,314
SMID Cap Alternative	2,048,357	(933,225)	241,403	1,356,535
Non US Developed- Active	4,631,760	(2,270,987)	432,129	2,792,902
Non US Emerging	929,234	(6,255)	130,337	1,053,316
Credit Plus Pool	8,475,043	912,382	360,807	9,748,232

Asset Allocation Compliance - Total Fund

	Asset Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Differences (%)
<b>Total Fund</b>	<b>100.0</b>	<b>100.0</b>	<b>N/A</b>	<b>N/A</b>	<b>0.0</b>
Domestic Equity	34.2	42.0	27.0	57.0	-7.8
International Equity	18.6	23.0	8.0	38.0	-4.4
Fixed Income	47.2	35.0	15.0	55.0	12.2



## Historical Hybrid Composition - Blended Benchmark

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

**Risk Fund - Performance Review**

## Asset Allocation &amp; Performance

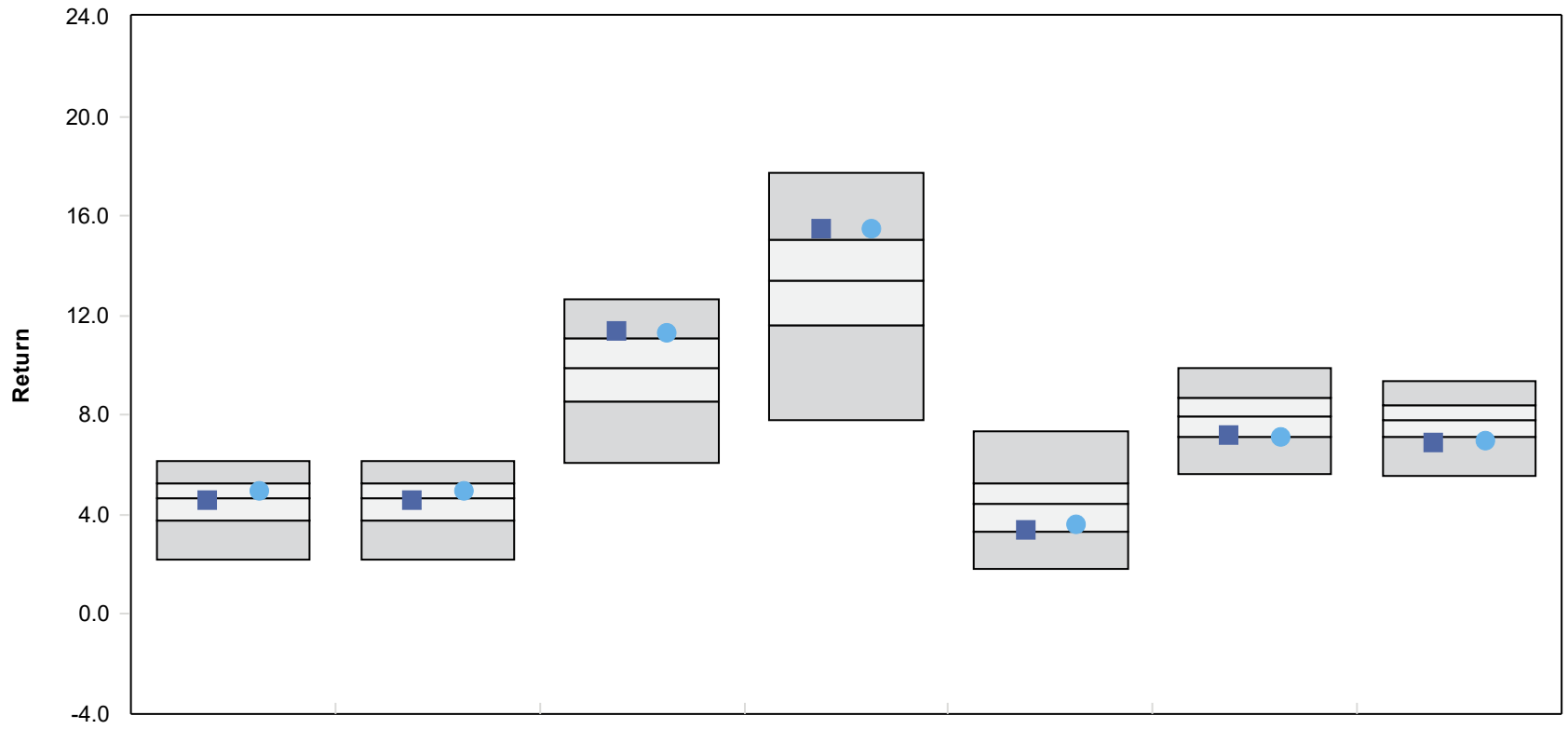
	Allocation		Performance(%)							
	Market Value (\$)	%	1 Quarter	Fiscal YTD	Year To Date	1 Year	3 Years	5 Years	Since Inception	Inception Date
<b>Total Fund</b>	<b>21,554,657</b>	<b>100.00</b>	<b>4.56</b>	<b>11.35</b>	<b>4.56</b>	<b>15.51</b>	<b>3.40</b>	<b>7.22</b>	<b>6.35</b>	<b>07/01/2014</b>
<i>Blended Benchmark</i>			4.96	11.31	4.96	15.51	3.61	7.11	6.26	07/01/2014
<b>Domestic Equity</b>	<b>7,279,310</b>	<b>33.77</b>								
Large Cap Index	5,336,151	24.76	9.63	18.91	9.63	29.05	11.23	14.54	12.35	07/01/2014
<i>Russell 1000 Index</i>			10.30	19.61	10.30	29.87	10.45	14.76	12.45	07/01/2014
SMID Cap Alternative	1,943,160	9.02	2.34	12.00	2.34	16.22	N/A	N/A	7.55	02/01/2023
<i>Russell 2500 Index</i>			6.92	15.40	6.92	21.43	2.97	9.90	12.00	02/01/2023
<b>International Equity</b>	<b>4,045,362</b>	<b>18.77</b>								
Non US Developed- Active	2,707,888	12.56	4.40	9.75	4.40	12.98	N/A	N/A	10.49	02/01/2023
<i>MSCI AC World ex USA (Net)</i>			4.69	10.56	4.69	13.26	1.94	5.97	10.16	02/01/2023
Non US Emerging	1,337,474	6.21	2.03	7.66	2.03	11.76	-6.24	2.39	3.88	11/01/2016
<i>MSCI Emerging Markets Index</i>			2.44	7.48	2.44	8.59	-4.68	2.61	4.78	11/01/2016
<b>Fixed Income</b>	<b>10,229,985</b>	<b>47.46</b>								
Credit Plus Pool	10,229,985	47.46	0.76	5.39	0.76	5.04	-1.11	1.70	2.59	07/01/2014
<i>Blmbg. U.S. Aggregate</i>			-0.78	2.56	-0.78	1.70	-2.46	0.36	1.37	07/01/2014

Returns are net of fees.

Returns are expressed as percentages.

Plan Sponsor Peer Group Analysis

All Public Plans-Total Fund



	1 Quarter	Year To Date	Fiscal YTD	1 Year	3 Years	5 Years	7 Years
■ Total Fund	4.56 (53)	4.56 (53)	11.35 (21)	15.51 (20)	3.40 (73)	7.22 (74)	6.91 (81)
● Blended Benchmark	4.96 (37)	4.96 (37)	11.31 (21)	15.51 (20)	3.61 (71)	7.11 (75)	6.95 (80)
5th Percentile	6.15	6.15	12.63	17.71	7.33	9.87	9.38
1st Quartile	5.27	5.27	11.05	15.03	5.27	8.72	8.41
Median	4.68	4.68	9.89	13.36	4.42	7.96	7.79
3rd Quartile	3.78	3.78	8.56	11.57	3.32	7.09	7.12
95th Percentile	2.19	2.19	6.11	7.82	1.85	5.65	5.54
Population	297	297	249	243	226	220	209

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

## Account Reconciliation

QTR				
	Market Value As of 01/01/2024	Net Flows	Return On Investment	Market Value As of 03/31/2024
Total Fund	20,615,512	(7,020)	946,165	21,554,657
Large Cap Index	7,178,246	(2,500,158)	658,063	5,336,151
SMID Cap Alternative	1,898,666	(157)	44,651	1,943,160
Non US Developed- Active	3,370,750	(803,338)	140,476	2,707,888
Non US Emerging	1,310,889	(373)	26,958	1,337,474
Credit Plus Pool	6,856,962	3,297,005	76,018	10,229,985

YTD				
	Market Value As of 01/01/2024	Net Flows	Return On Investment	Market Value As of 03/31/2024
Total Fund	20,615,512	(7,020)	946,165	21,554,657
Large Cap Index	7,178,246	(2,500,158)	658,063	5,336,151
SMID Cap Alternative	1,898,666	(157)	44,651	1,943,160
Non US Developed- Active	3,370,750	(803,338)	140,476	2,707,888
Non US Emerging	1,310,889	(373)	26,958	1,337,474
Credit Plus Pool	6,856,962	3,297,005	76,018	10,229,985



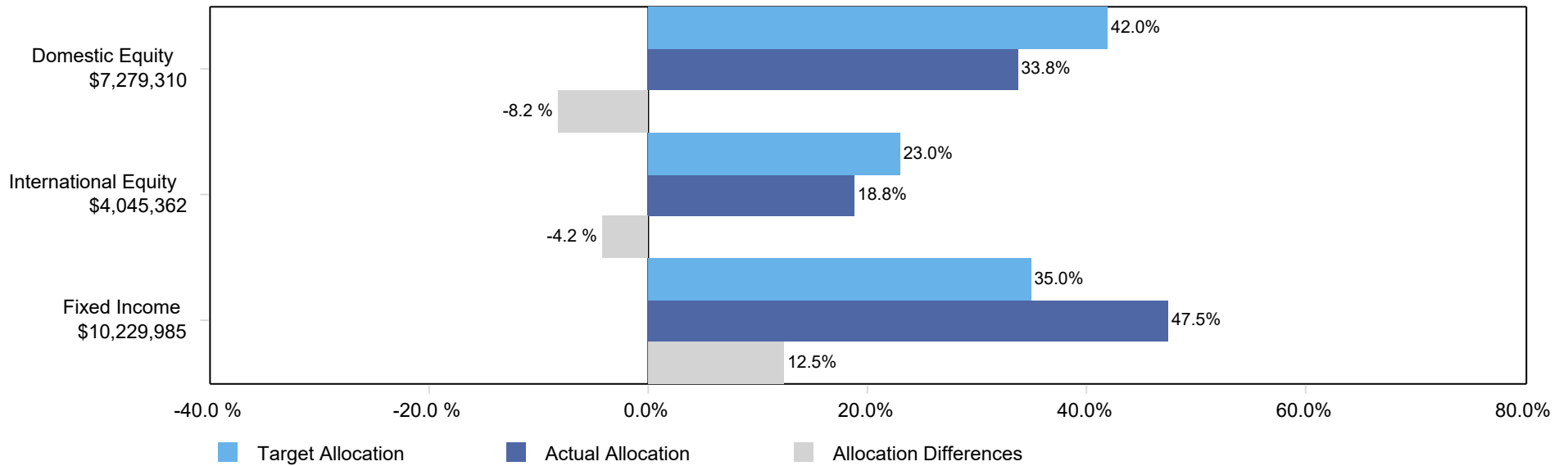
## Account Reconciliation

July 1, 2023 To March 31, 2024				
	Market Value As of 07/01/2023	Net Flows	Return On Investment	Market Value As of 03/31/2024
Total Fund	19,357,958	(13,945)	2,210,644	21,554,657
Large Cap Index	6,618,140	(2,500,323)	1,218,333	5,336,151
SMID Cap Alternative	1,735,007	(336)	208,488	1,943,160
Non US Developed- Active	3,349,228	(956,641)	315,301	2,707,888
Non US Emerging	1,100,167	149,352	87,955	1,337,474
Credit Plus Pool	6,555,415	3,294,003	380,566	10,229,985

1 Year				
	Market Value As of 04/01/2023	Net Flows	Return On Investment	Market Value As of 03/31/2024
Total Fund	18,659,821	(27,059)	2,921,895	21,554,657
Large Cap Index	6,171,631	(2,580,611)	1,745,130	5,336,151
SMID Cap Alternative	1,594,820	79,332	269,008	1,943,160
Non US Developed- Active	3,568,991	(1,288,677)	427,574	2,707,888
Non US Emerging	746,738	473,873	116,862	1,337,474
Credit Plus Pool	6,577,640	3,289,024	363,321	10,229,985

Asset Allocation Compliance - Total Fund

	Asset Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Differences (%)
<b>Total Fund</b>	<b>100.0</b>	<b>100.0</b>	<b>N/A</b>	<b>N/A</b>	<b>0.0</b>
Domestic Equity	33.8	42.0	27.0	57.0	-8.2
International Equity	18.8	23.0	8.0	38.0	-4.2
Fixed Income	47.5	35.0	15.0	55.0	12.5



## Historical Hybrid Composition - Blended Benchmark

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

## IMPORTANT DISCLOSURES

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New Mexico Public Schools Insurance Authority  
(NMPSIA)

# RSV, Flu and Covid Result for FY24 thru February 2024

May 2, 2024 / Debbie Donaldson, FSA, MAAA

# RSV, Flu and Covid Claims Results for FY24 thru February 2024\*\*

RSV - All Plans Medical*				
FY2024 Paid thru February 2024				
Month Paid	Claim Counts	Plan Paid	Member Paid	Total Paid
July, 2023	30	\$3,057	\$563	\$3,620
August, 2023	28	\$42,027	\$5,165	\$47,192
September, 2023	8	\$141	\$55	\$196
October, 2023	16	\$1,206	\$704	\$1,910
November, 2023	115	\$24,901	\$1,523	\$26,425
December, 2023	330	\$62,487	\$11,803	\$74,289
January, 2024	286	\$64,785	\$11,746	\$76,531
February, 2024	283	\$36,123	\$7,999	\$44,123
<b>Paid FYTD24</b>	<b>1,096</b>	<b>\$234,727</b>	<b>\$39,558</b>	<b>\$274,285</b>

Flu - All Plans Medical*				
FY2024 Paid thru February 2024				
Month Paid	Claim Counts	Plan Paid	Member Paid	Total Paid
July, 2023	133	\$8,526	\$1,097	\$9,623
August, 2023	112	\$24,935	\$3,161	\$28,096
September, 2023	137	\$5,660	\$967	\$6,627
October, 2023	171	\$14,318	\$2,724	\$17,042
November, 2023	232	\$20,588	\$3,090	\$23,678
December, 2023	856	\$64,103	\$11,481	\$75,585
January, 2024	1,997	\$234,552	\$46,441	\$280,993
February, 2024	1,918	\$221,228	\$43,913	\$265,141
<b>Paid FYTD24</b>	<b>5,556</b>	<b>\$593,911</b>	<b>\$112,874</b>	<b>\$706,784</b>

Covid Total**				
Month	Claims	Plan Paid	Member Paid	Total Costs*
July, 2023	755	\$121,756	\$11,847	\$133,603
August, 2023	1,056	\$267,649	\$19,642	\$287,291
September, 2023	1,938	\$284,377	\$21,652	\$306,030
October, 2023	3,600	\$548,948	\$36,814	\$585,762
November, 2023	3,453	\$510,771	\$34,026	\$544,798
December, 2023	2,821	\$559,579	\$37,997	\$597,576
January, 2024	3,598	\$616,933	\$59,623	\$676,555
February, 2024	2,782	\$474,407	\$43,477	\$517,884
<b>Paid FYTD24</b>	<b>20,003</b>	<b>\$3,384,420</b>	<b>\$265,078</b>	<b>\$3,649,498</b>

Covid, RSV & Flu - All Plans*				
FY2024 Paid thru February 2024				
Month Paid	Claim Counts	Plan Paid	Member Paid	Total Paid
July, 2023	918	\$133,340	\$13,507	\$146,846
August, 2023	1,196	\$334,611	\$27,967	\$362,578
September, 2023	2,083	\$290,178	\$22,674	\$312,852
October, 2023	3,787	\$564,471	\$40,242	\$604,713
November, 2023	3,800	\$556,261	\$38,640	\$594,900
December, 2023	4,007	\$686,169	\$61,281	\$747,450
January, 2024	5,881	\$916,269	\$117,811	\$1,034,080
February, 2024	4,983	\$731,759	\$95,389	\$827,148
<b>Paid FYTD24</b>	<b>26,655</b>	<b>\$4,213,058</b>	<b>\$417,510</b>	<b>\$4,630,568</b>

\*Results for Flu and RSV are on a paid basis to align with Covid results presented by NMPSIA in the April 2024 Board Meeting. Medical is based upon ICD codes through 4 diagnoses based upon Segal defined codes for each illness and reflects any claim / procedure where the criteria were met. Note that Presbyterian data may be overstated due to data issue which is in current resolution. RSV and flu results represent medical data only.

\*\*Covid results presented by NMPSIA in the April 2024 Board Meeting. Segal was not involved in this analysis.

# Flu Claims Results for FY24 thru February 2024

Flu - BCBS NM Plan Medical* FY2024 Paid thru February 2024				
Month Paid	Claim Counts	Plan Paid	Member Paid	Total Paid
July, 2023	77	\$3,593	\$421	\$4,014
August, 2023	96	\$5,846	\$173	\$6,019
September, 2023	108	\$3,960	\$634	\$4,594
October, 2023	75	\$2,701	\$1,408	\$4,109
November, 2023	165	\$18,109	\$2,142	\$20,251
December, 2023	610	\$45,465	\$6,986	\$52,451
January, 2024	1,136	\$117,496	\$19,028	\$136,523
February, 2024	1,309	\$137,591	\$23,053	\$160,644
<b>Paid FYTD24</b>	<b>3,576</b>	<b>\$334,760</b>	<b>\$53,845</b>	<b>\$388,605</b>

Flu - Presbyterian Plan Medical* FY2024 Paid thru February 2024				
Month Paid	Claim Counts	Plan Paid	Member Paid	Total Paid
July, 2023	56	\$4,933	\$676	\$5,609
August, 2023	16	\$19,089	\$2,988	\$22,077
September, 2023	29	\$1,701	\$333	\$2,033
October, 2023	95	\$11,558	\$1,316	\$12,874
November, 2023	64	\$2,397	\$949	\$3,345
December, 2023	246	\$18,638	\$4,496	\$23,133
January, 2024	846	\$116,142	\$27,213	\$143,355
February, 2024	572	\$76,032	\$19,807	\$95,839
<b>Paid FYTD24</b>	<b>1,924</b>	<b>\$250,490</b>	<b>\$57,777</b>	<b>\$308,266</b>

Flu - Cigna Plan Medical* FY2024 Paid thru February 2024				
Month Paid	Claim Counts	Plan Paid	Member Paid	Total Paid
July-Dec, 2023	4	\$141	\$0	\$141
January, 2024	15	\$914	\$200	\$1,114
February, 2024	37	\$7,606	\$1,053	\$8,659
<b>Paid FYTD24</b>	<b>56</b>	<b>\$8,661</b>	<b>\$1,253</b>	<b>\$9,914</b>

\*Results for Flu and RSV are on a paid basis to align with Covid results presented by NMPSIA in the April 2024 Board Meeting. Medical is based upon ICD codes through 4 diagnoses based upon Segal defined codes for each illness and reflects any claim / procedure where the criteria were met. Note that Presbyterian data may be overstated due to data issue which is in current resolution. RSV and flu results represent medical data only.

# RSV Claims Results for FY24 thru February 2024

RSV - BCBS NM Plan Medical* FY2024 Paid thru February 2024				
Month Paid	Claim Counts	Plan Paid	Member Paid	Total Paid
July, 2023	18	\$790	\$503	\$1,293
August, 2023	3	\$0	\$25	\$25
September, 2023	7	\$141	\$55	\$196
October, 2023	5	\$162	\$63	\$225
November, 2023	99	\$20,194	\$969	\$21,163
December, 2023	200	\$23,625	\$4,833	\$28,458
January, 2024	177	\$33,395	\$5,546	\$38,941
February, 2024	201	\$15,303	\$2,159	\$17,462
<b>Paid FYTD24</b>	<b>710</b>	<b>\$93,610</b>	<b>\$14,153</b>	<b>\$107,763</b>

RSV - Presbyterian Plan Medical* FY2024 Paid thru February 2024				
Month Paid	Claim Counts	Plan Paid	Member Paid	Total Paid
July, 2023	12	\$2,267	\$60	\$2,327
August, 2023	25	\$42,027	\$5,140	\$47,167
September, 2023	-	\$0	\$0	\$0
October, 2023	11	\$1,044	\$641	\$1,685
November, 2023	14	\$4,708	\$450	\$5,158
December, 2023	129	\$38,810	\$6,944	\$45,754
January, 2024	107	\$31,227	\$6,150	\$37,377
February, 2024	76	\$20,442	\$5,790	\$26,232
<b>Paid FYTD24</b>	<b>374</b>	<b>\$140,524</b>	<b>\$25,176</b>	<b>\$165,700</b>

RSV - Cigna Plan Medical* FY2024 Paid thru February 2024				
Month Paid	Claim Counts	Plan Paid	Member Paid	Total Paid
<b>Paid FYTD24</b>	<b>12</b>	<b>\$593</b>	<b>\$229</b>	<b>\$822</b>

\*Results for Flu and RSV are on a paid basis to align with Covid results presented by NMPSIA in the April 2024 Board Meeting. Medical is based upon ICD codes through 4 diagnoses based upon Segal defined codes for each illness and reflects any claim / procedure where the criteria were met. Note that Presbyterian data may be overstated due to data issue which is in current resolution. RSV and flu results represent medical data only.



# Helping deliver prescription drug savings and medication optimization through proactive provider outreach

Drug savings solutions help improve plan member health and reduce your spend

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Presenter name

Presenter title

Date

 **CVS**Health<sup>®</sup>



# Using data to deliver prescription drug savings and optimize medications

**Designed to eliminate unnecessary medication**

without disruption to your members



**Leverages data to identify members who might be at risk for drug-induced conditions**

or have opportunities for more cost-effective therapy using evidence-based prescribing criteria



**Delivers timely, voluntary recommendations to prescribers**

to improve clinical outcomes and reduce drug spend



A TRUSTED SOLUTION:

**1,000**

clients currently using Drug Savings with their programs

**40M**

covered lives

# Reaching out to prescribers before the next refill

to optimize medications without member disruption

## Proprietary algorithm

assesses claims within 72 hours, most within 24 hours



## Actionable recommendations

sent directly to prescribers

---

**When accepted,** we track medication changes and you realize the savings, if applicable

**When no changes are made,** medications continue to be dispensed as written

**No member disruption** at point of sale



## Continuous refinement

and addition of cost-saving edits, including specialty drugs



# Delivering prescription savings

through focused, evidence-based interventions

## 700+ interventions

targeted at removing unnecessary duplicate therapy, including in specialty drugs

Effective results through:



Clinically informed interventions



Timely outreach to prescribers



Reporting that demonstrates value

### Member medications are optimized with potential cost savings for you and your members

**Increase in annual drug spend savings**

Up to

# 1.4%

Savings on drug spend

**Guaranteed return on investment\***

# 3:1

Designed to result in better member outcomes and cost savings

\*2:1 guaranteed minimum ROI (return on investment) during year one.

## Drug savings

# Ongoing clinical reviews help identify opportunities for interventions

## Finding savings opportunities

with an extra focus on costly specialty drugs

## Intervention categories:

### Age-related

identifies medication therapy that may not be appropriate for certain age groups (e.g. elderly or >16)

### Appropriate therapy

suggests therapeutic alternatives that have been shown to be just as effective but cost less than the prescribed medication

### Condition management

identifies members who are receiving a medication that may intensify an existing condition

### Dose optimization

simplifies some medications to once daily dosing or combines multiple medications into one tablet

### Drug interaction

identifies members who are receiving 2+ drugs that could interact with each other

### Duration of therapy

identifies medications that are prescribed for patients outside of the clinically recommended therapy duration

### Gastrointestinal therapy

identifies members receiving GI therapy for duplicate therapy, duration of therapy, members receiving higher than recommended doses, and members receiving therapy that may be less cost-effective

### Specialty program

identifies specialty drug-drug interactions, cases where specialty drugs may exacerbate an existing medical condition, specialty therapeutic duplication and specialty brand-to-generic interventions

### Therapy duplication management

identifies members who are on multiple medications in the same therapeutic class

# Condition Management

Antipsychotic use in Alzheimer's Disease

**Claims review reveals possibility that medication may intensify an existing disease state**

Cost for 30-day supplies:



Original prescription  
**memantine 10mg and  
olanzapine 10mg**

**\$160**  
cost to plan

**\$480**  
for 3 fills



Recommendation  
**Discontinued olanzapine**

**\$103**  
cost to plan for memantine

**\$309**  
for 3 fills of memantine



**\$171**  
**total savings**  
in second quarter  
per member

Illustrative example.

# Duration of Therapy

**Evaluate the concurrent use of CNS agents in combination with gabapentinoids.**

*Use of these agents together may lead to adverse effects.*

Cost for 30-day supplies:



Original prescription  
**Lorazepam 1mg and  
Gabapentin 600mg**

**\$9.59**  
cost to plan

**\$28.77**  
for 3 fills



Recommendation  
**Lorazepam and  
Gabapentin were  
discontinued**

**\$0**  
cost to plan



**\$28.77**  
**total savings**  
in second quarter  
per member

Illustrative example.

# Therapeutic Duplication

Concurrent use of two NSAIDs

**Claims review reveals possible duplication of medications in the same therapeutic class**

Cost for 30-day supplies:



Original prescription  
**meloxicam 15mg and  
diclofenac sodium 25mg**

**\$41**  
cost to plan

**\$123**  
for 3 fills



Recommendation  
**Discontinued diclofenac  
sodium**

**\$5**  
cost to plan

**\$15**  
For 3 fills



**\$108**  
**total savings**  
in second quarter  
per member



**Help improve appropriate drug utilization and drive prescription savings**



**\$1.89**

**PMPM savings**  
on average

**1.29%**

**Rate of savings**  
on average

**6:1 ROI**

**\$3.9M**

**Total savings**  
in 2022

**300+ interventions**

targeted at removing unnecessary duplicate therapy, including in specialty drugs

**Clinical guidelines**

reviewed and updated quarterly

**Retrospective interventions sent to prescriber**

with supporting clinical rationale —  
**no member disruption at point-of-sale**

**Quarterly reporting** shows activity and savings

New Mexico Public Schools Insurance Authority  
Penalty Assessments for Monthly School Bills Paid Late or Not Paid As Billed Rolling 12 Month Look Back

SCHOOL ID	SCHOOL NAME	BILLED PERIOD	BILLED AMOUNT	1.50% or \$500 minimum	PREVIOUS MONTH'S PENALTY	DOUBLE PREVIOUS PENALTY	MIN PENALTY ASSESSMENT		COMMENT	Not Paid As Billed Penalty Amounts Pending NMPSIA Board Approval
SCHOOL ID	SCHOOL NAME	BILL PERIOD	BILLED AMOUNT	1.50%	PREVIOUS MONTH'S PENALTY	1.5% ON PREVIOUS PENALTY	PENALTY ASSESSMENT TOTAL	DAYS LATE	COMMENT	Late Penalty Amounts Pending NMPSIA Board Approval
55	ESPANOLA PUBLIC SCHOOLS	Jan-24	322,837.70	4,842.57			4,842.57		2nd penalty, not eligible for a waiver. Penalty waived for December late payment.	4,842.57
55	ESPANOLA PUBLIC SCHOOLS	Jan-24	322,837.70	4,842.57			4,842.57	1	2nd penalty, not eligible for a waiver. Penalty waived for December late payment.	4,842.57
441	HOZHO ACADEMY	Nov-23	68,609.62	1,029.14			1,029.14		2nd penalty, not eligible for a waiver. Penalty waived for October late payment.	1,029.14
441	HOZHO ACADEMY	Nov-23	68,609.62	1,029.14			1,029.14	1	2nd penalty, not eligible for a waiver. Penalty waived for October late payment.	1,029.14
441	HOZHO ACADEMY	Dec-23	66,566.72	998.50			998.50		3rd penalty, not eligible for a waiver. Penalty waived for October late payment.	998.50
410	J. PAUL TAYLOR ACADEMY	Mar-24	25,031.88	375.48			500.00		2nd penalty, not eligible for a waiver. Penalty waived for June Not Paid As Billed penalty.	500.00
410	J. PAUL TAYLOR ACADEMY	Mar-24	25,031.88	375.48			375.48	1	2nd penalty, not eligible for a waiver. Penalty waived for June Not Paid As Billed penalty.	375.48
320	RED RIVER VALLEY CHARTER SCHOOL	Apr-24	12,579.80	188.70			500.00		2nd penalty, not eligible for a waiver. Penalty waived for September late payment.	500.00
320	RED RIVER VALLEY CHARTER SCHOOL	Apr-24	12,579.80	188.70			188.70	2	2nd penalty, not eligible for a waiver. Penalty waived for September late payment.	188.70
319	ROBERT F. KENNEDY CHARTER SCHOOL	Jan-24	34,352.10	\$515.28			515.28		2nd penalty, not eligible for a waiver. Penalty waived for June late payment.	515.28
Total Late Penalties										\$6,435.89
Total Not Paid As Billed Penalties										\$8,385.49
Grand Total Penalties										14,821.38

**SUPERINTENDENT**

Ms. Holly M. Martinez  
[Holly.Martinez@k12espanola.org](mailto:Holly.Martinez@k12espanola.org)  
Website: [www.k12espanola.org](http://www.k12espanola.org)  
405 Hunter Street  
Española, New Mexico 87532  
505-753-2254 – 367-3303



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Katrina Martinez, Member  
Brandon Bustos, Member

April 22, 2024

NMPSIA Board of Directors  
Patrick Sandoval, Executive Director  
410 Old Taos Highway  
Santa Fe, New Mexico 87501

Re: Waiver of Benefits Premium Payment Penalties

We are respectfully requesting that the NMPSIA Board consider a waiver of the penalties assessed to date in the amount of \$9,685.14 for Espanola Public Schools. These penalties were a result of our payment being late and not paid as billed on a timely basis, as originally planned, due to staff changes/new hires who were becoming familiar with their job duties, roles and responsibilities.

Please consider this as a formal request to have this considered by the NMPSIA Board at their next meeting.

Respectfully,

A handwritten signature in black ink, appearing to read 'Holly M. Martinez'.

Ms. Holly M. Martinez  
Superintendent  
405 Hunter Street  
Española, New Mexico 87532  
505-753-2254 – 367-3303



April 19, 2024

NMPSIA Board of Directors  
Patrick Sandoval, Executive Director  
410 Old Taos Highway  
Santa Fe, New Mexico 87501

Re: Waiver of Benefits Premium Payment Penalties

We are respectfully requesting that the NMPSIA Board consider a waiver of the penalties assessed to date in the amount of \$3,056.78 for Hozho Academy. These penalties were a result of our payment being late and not paid as billed due to the delay of funding from the Public Education Department.

Please consider this as a formal request to have this considered by the NMPSIA Board at their next meeting.

Respectfully,

Juliane Hillock  
Principal



# J. PAUL TAYLOR ACADEMY

*Recapturing the Joy of Learning - Recapturar la Alegria de Aprender*



NMPSIA Office of Executive Director

04/09/2024

Martha Quintana

410 Old Taos Highway

Santa Fe, New Mexico 87501

Re: waiver of penalty assessed on April billing

Dear Director Quintana,

We are respectfully requesting that the NMPSIA board consider a waiver of the fees assessed on the April 2024 billing for J. Paul Taylor Academy. This was a result of a failed attempt to coordinate the ACH and supporting documentation to execute the payment according to the necessary timeline. As assessed, this penalty causes a misdirection of funds that we have budgeted for current student programs. Please consider this as a formal request to have this considered by the NMPSIA board in their next meeting.

Respectfully,

Eric Ahner

Executive Director



# Red River Valley Charter School



P.O Box 742 - Red River, NM 87558 • 575.754.6117 • [administration@redrivervalleycs.com](mailto:administration@redrivervalleycs.com)

NMPSIA Board of Directors  
Patrick Sandoval, Executive Director  
410 Old Taos Highway  
Santa Fe, New Mexico 87501

Re: Waiver of Benefits Premium Payment Penalties

We are respectfully requesting that the NMPSIA Board consider a waiver of the penalties that will be assessed on our May 2024 Benefits billing statement, that will not be eligible for a waiver of penalties by NMPSIA directors, in the amount of \$688.70 for Red River Valley Charter School. These penalties were a result of our payment being late and not paid as billed due to the circumstance that the payment was drafted in Nusenda, but the approval failed to go through at the bank level. The Red River Valley Charter School business manager confirmed a glitch in the ACH process and reissued the payment for approval.

Please consider this as a formal request to have this considered by the NMPSIA Board at their next meeting.

Respectfully,

Kimberly Ritterhouse  
School Director  
575-754-6117-130



4300 Blake Road SW  
Albuquerque, NM 87121  
505-243-1118  
Fax: 505-242-7444

April 26, 2024

NMPSIA Board of Directors  
Patrick Sandoval, Executive Director  
410 Old Taos Highway  
Santa Fe, New Mexico 87501

Re: Waiver of Benefits Premium Payment Penalties

We are respectfully requesting that the NMPSIA Board consider a waiver of the penalties assessed to date in the amount of \$500.00 for Robert F. Kennedy Charter School. These penalties were a result of our payment posted prior to the 1<sup>st</sup> day of the month.

Please consider this as a formal request to have this considered by the NMPSIA Board at their next meeting.

Respectfully,

Irene Sanchez  
Director of Finance and H.R. Compliance  
(505) 243-1118 Ext. 61315  
[isanchez@rfkcharter.net](mailto:isanchez@rfkcharter.net)



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(575) 257-2368 - WWW.REC9NM.ORG

April 16, 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 Region 9 Education Cooperative (REC9) would like to petition the New Mexico Public School Insurance Authority to participate in the risk program. Effective July 1, 2024, REC9 will be a member of the NMPSIA Benefits pool, and believes that joining the NMPSIA Liability/Risk pool is in the best interest of REC9 from a coverage perspective as well as a cost perspective.

Please consider this a formal request for REC9 to join the NMPSIA Liability/Risk related pool, effective July 1, 2024.

Thank you for your consideration of this important matter.

Respectfully,

  
Bryan Dooley (Apr 16, 2024 14:14 MDT)

Bryan Dooley, Executive Director



**NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY**

**GENERAL AND AUTOMOBILE LIABILITY**

**MEMORANDUM OF COVERAGE – MOCL027**

**July 1, 2024 to July 1, 2025**

ISSUED BY: New Mexico Public Schools Insurance Authority  
410 Old Taos Highway  
Santa Fe, New Mexico 87501

**DECLARATION:**

Pursuant to NMSA 1978, §22-29-1 TO 22-29-11 and New Mexico Administrative Code, Title 6, Chapter 50, Parts 1 through 18, this Memorandum of Coverage (“Memorandum”) is issued by the New Mexico Public Schools Insurance Authority (“Authority”) to its public school districts, other educational entities and charter schools (“Members”) from which the Authority has timely received the applicable premium for its risk-related coverages as listed in Schedule A attached hereto.

**Term of Memorandum of Coverage:**

This Memorandum of Coverage is effective from July 1, 2024 at 12:01 A.M. to July 1, 2025 at 12:01 A.M. Mountain Standard Time.

**Territory:**

Coverage under this Memorandum applies worldwide, but coverage does not extend to claims brought in courts outside Puerto Rico, the United States of America, its territories, possessions and Canada.

*New Mexico Public Schools Insurance Authority*

By: \_\_\_\_\_  
*Board of Directors, President*                      *Date*

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## SECTION I – COVERAGES

Within the Limit of Liability defined in Section V:

“We” will pay “ **Ultimate Net Loss**” on “Your” behalf:

- A. imposed by the Tort Claims Act, [NMSA 1978 §41-4-1 through 41-4-30].
- B. arising under and subject to the substantive law of any jurisdiction other than New Mexico, including other states, territories, possessions, and the United States of America, and is not limited as provided in the Tort Claims Act [NMSA 1978 §41-4-1 through 41-4-30].
- C. imposed by the Whistle Blower Protection Act [NMSA 1978 §10-16C-1 through 10-16C-6] subject to limits of liability for “**Back Pay**”, “**Front Pay**”, and multipliers
- D. loss of “**Back Pay**,” subject to a deductible as set forth in Section VI-Liability Deductible Schedule and also subject to limits of liability as set forth below in Section V Limit of Liability.
- E. loss of “**Front Pay**,” subject to a deductible as set forth in Section VI-Liability Deductible Schedule and also subject to limits of liability as set forth below in Section V Limit of Liability.
- F. for “**Personal Injury**” or “**Bodily Injury**” or “**Property Damage**” caused by an “**Occurrence**” and resulting from the ownership, maintenance or use of any “**Automobile**” which “You” own or hired or borrowed or used. While any “**Automobile**” is away from the state where it is licensed, “We” will provide the Limits of Liability stated herein applicable to Coverage B or the minimum amounts and types of other coverages as required of out-of-state vehicles by the jurisdiction where any “Automobile” is being used, whichever is greater.
- G. of others for “**Personal Injury**” or “**Bodily Injury**” or “**Property Damage.**”
- H. as a result of a “**Wrongful Act.**”

- I. of others assumed or retained, but only under an **“Insured Contract.”**
- J. of an **“Additional Insured”**, but only under an **“Insured Contract.”**
- K. any award for punitive or exemplary damages awarded against **“You”** under the substantive law of a jurisdiction other than New Mexico including but not limited to other states, territories and possessions and the U.S.A., if **“You”** were acting within the scope of your duty.
- L. any award for interest on judgments against **“You”**
- M. any award for any violation of any rights, privileges or immunities secured by the constitution and laws of the United States or the constitution and laws of New Mexico when alleged to have been committed by **“You”** while acting within the scope of **“Your”** duties.
- N. arising under the New Mexico Inspection of Public Records Act [NMSA 1978 §14-2-1 through 14-2-12].
- O. arising under the New Mexico Fraud Against Taxpayers Act [NMSA 1978 §§ 44-9-1 through 44-4-19 and arising under the Federal False Claims Act [31 U.S.C. § 3729].
- P. subject to all other policy limitations and exclusions, any coverage for claims arising from or having any connection to Covid 19, including injury or death as a consequence of Covid 19, will be limited to suits brought under the New Mexico Tort Claims Act and subject to limits provided in Section 41-4-19 therein or as amended.
- Q. arising out of the New Mexico Civil Rights Act [Chapter 119, Section 1 to 14, Law 2021.] effective July 1, 2021

as a result of any one **“Occurrence”** for **“Personal Injury”** or **“Property Damage”** or **“Bodily Injury”** or **“Wrongful Act”** during the term of this Memorandum of Coverage subject to the Limits of Liability in this MOC.

“We” are under no obligation to “You” unless “You” have paid the applicable premium when due. Sections VI and VII describe stand-alone coverages and nothing in Sections I through V of this Memorandum of Coverage (except for the definitions of “You,” “Your,” “We” or “Us” in Section III) shall affect the intent or interpretation of these stand-alone coverages.

## **SECTION II – EXCLUSIONS**

“We” shall not be required to perform any of the obligations specified in any of the sections of this Memorandum as respects the exclusions. The coverage does not apply:

1. To any claim, or suit seeking relief or redress in any forum other than for monetary damages, or for any costs, fees, or expenses which “You” shall be obligated to pay as a result of any adverse judgment for restitution, injunction, an accounting, or declaratory relief. However, “We” will defend “You” for claims or suits in which a covered claim for monetary “Damages” is present as long as the covered claim for “Damages” remains.
2. To any obligation for which “You” may be held liable under any workers’ compensation, disability benefits, unemployment compensation or any similar law, plan or agreement.
3. To “Bodily Injury,” or “Personal Injury”, sickness, disease or resulting death of “You” or “Your” employee arising out of or related to the course of employment by “You” or “Your” “Employee,” or to the spouse, child, parent, brother or sister of “You” or “Your” “Employee” as a consequence thereof or to any obligation to share or contribute to “Damages” with (or to repay) someone else because of such “Bodily Injury”, sickness, disease or resulting death; except liability assumed by “You” under an “Insured Contract.”
4. To “Property Damage” to (1) property owned by “You” or in the “Your” care, custody, or control; and (2) property rented to or leased to “You” where “You” have assumed liability under an “Insured Contract” for damage to or destruction of such property.
5. To loss or damage or any liability arising out of or in connection with the principles of eminent domain, condemnation or inverse condemnation, by whatever name called, regardless of whether such claims are made

directly against **“You”** or by virtue of any contract entered into by or on **“Your”** behalf.

6. With respect to **“Pollutants”** (including hazardous properties of nuclear material), to any loss, cost, or expense arising out of any:
  - A. request, demand or order that **“You”** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **“Pollutants”**; or
  - B. claim, suit or proceeding arising out of any governmental or quasi-governmental direction or request that **“You”** test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of **“Pollutants”**; or
  - C. monitoring, clean up, removal, containment, treatment, detoxification, neutralization or any other response to or assessment of the effects of **“Pollutants”** which **“You”** do voluntarily.

With respect to Asbestos:

The coverage afforded by the Memorandum does not apply to any cost, fine or penalty related to asbestos or for any expense or claim or suit seeking removal, replacement or cleanup of asbestos or asbestos related products including any of the above that **“You”** do voluntarily.

7. To any refund of taxes, fees or assessments or failure to collect and/or assess taxes, fees or assessments.
8. To any liability **“You”** incur arising, in whole or in part, out of **“Your”** obtaining remuneration or financial gain to which **“You”** are not legally entitled.
9. To any claim arising from **“Your”** activities performed for or on behalf of another private or public employer.
10. To any liability for failure to procure or maintain adequate types or amounts of insurance or bonds.
11. To all administrative costs **“You”** incur in hiring, firing, directing the work or dismissing any **“Employee”** including any claim arising out of the procedures set forth in NMSA 1978, §§22-10-1 through 27 [the School Personnel Act] or other comparable statute, rule or regulation. However, this exclusion does not apply to **“Our”** obligation to defend, adjust, settle

and pay any lawsuit claims or judgments for damages for **“Wrongful Act”** or **“Personal Injury”** or **“Property Damage.”**

12. As respects **“Uninsured, Underinsured, or Unknown Motor Vehicle”** coverage:
  - A. To any person who does not qualify as an insured under this memorandum while occupying or struck by any **“Motor Vehicle.”**
  - B. To **“You”** in settling a **“Bodily Injury”** claim without **“Our”** consent.;
  - C. To any person who pays a charge or fee to occupy a covered **“Motor Vehicle,”** when such vehicle is being used for a purpose which is not a function of the school district, other educational entity or charter school;
  - D. To any person’s use of a **“Motor Vehicle”** without having reasonable belief that the person is entitled to do so; and
  - E. To any of **“Your” “Employees,” “Your”** school bus **“Contractors”** or employees of **“Your”** school bus **“Contractors”** injured in the course of employment who are eligible for workers’ compensation benefits as a result of the injury. If **“You”** and **“Your”** school bus **“Contractor”** have not bargained for or paid separate full **“Uninsured, Underinsured Motorist, or Unknown Motor Vehicle”** premium for each vehicle under this Memorandum of Coverage.
  - F. Anti-Stacking. This Memorandum of Coverage does not include coverage for Stacking or **“Uninsured, Underinsured Motorist, or Unknown Motor Vehicle”** claims.
13. To automobile liability coverage or **“Uninsured, Underinsured or Unknown Motor Vehicle”** coverage of bus **“Contractor’s”** owned and operated buses when such buses are not operated for **“Your”** benefit.
14. To loss or damage or any liability arising out of or in connection with an Individuals with Disabilities Education Act, 20 USC Chapter 33 and §504 of the Rehabilitation Act of 1973 (IDEA) claim or any action in Federal District Court subsequent to an IDEA proceeding covered under Section VII of this MOC unless you have properly and timely appealed any adverse administrative decision.
15. To any counterclaim or third party claim in any lawsuit initiated by **“You,”** whether arising out of the facts in the lawsuit initiated by **“You”** or facts stated in the counterclaim or third party claim.

16. To loss or damage or any liability for which “**You**” are obligated to pay damages by reason of “**Your**” assumption of liability in a contract or agreement. This exclusion does not apply to an “**Insured Contract**,” during the term of the “**Insured Contract**”.
17. To any claim, other than an automobile liability or automobile physical damage claim, against employees or contractors of contract bus operators.
18. To any cyber-attacks including breaches of protected information, vicarious liability for data entrusted to a third-party vendor, unencrypted data, bodily or property damages arising out of loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data. Furthermore, loss of, damage to, or loss of use of “**Your**” property, bodily injury, personal injury or property damage, and any loss or claim directly or indirectly caused by or arising out of:
  - (1) Loss, theft, loss of use of, corruption, or inability to access or manipulate tangible or intangible electronic data or paper data, whether owned by “**You**” or others and including but not limited to any handheld or portable device with user-generated content;
  - (2) Loss, theft, breach, publication, unauthorized access, disclosure or use, collection or disposal of any person’s or organization’s tangible or intangible electronic data or paper data including but not limited to private, confidential or personal identifying information, medical, financial, employment, health and educational information which triggers any local, state or federal privacy regulations, as well as patents, trade secrets, processing methods or customer lists;
  - (3) Any claim for return or reimbursement of any sums or monetary value of any electronic fund transfers or transactions which is lost or diminished during the transfer;
  - (4) Any threat or series of threats to commit an intentional act against a computer network or system for purposes of demanding money or other tangible or intangible value from “**You**”;
  - (5) Cyberterrorism or any intrusive or disruptive activities against any computer system or network, or the explicit threat to use such activities with the intention to cause harm, by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s), committed for political, religious or ideological purposes including the intention to



influence any government and/or to put the public in fear for such purposes.

In no event will this agreement cover any breach notification, credit, identity and health monitoring and restoration costs; public relations costs, compliance audits, data requests, legal fees, and any local, state, federal or industry or professional organization's investigation, enforcement, remediation or monitoring costs and any fines, penalties, claims, proceedings or suits arising directly or indirectly from (1-5) above.

19. To any loss or damage caused directly or indirectly by a "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. Act of Terrorism means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States.
20. If "You" are an "Employee," or any person under the definition of "You" to any monetary damages or to any costs, fees, or expenses which "You" shall be obligated to pay, following final adjudication, as a result of an adverse judgment against "You" in a civil or criminal case arising from any criminal sexual offense prohibited by law involving an adult or child, regardless of a child's enrollment status.
21. To any defense, loss or damage under the New Mexico Inspection of Public Records Act where "We" were not informed in writing by the members Records Custodian within 30 days of a denial for records or in the event "You" did not timely respond in writing to the request under the timeframes set forth in the New Mexico Inspection of Public Records Act.

### **SECTION III – DEFINITIONS**

This Memorandum is subject to the following definitions:

1. "Additional Insured" means a party who is added as an insured when required by written contract under an "Insured Contract" for "Bodily Injury" or "Personal Injury" or "Property Damage" caused by (1) "Your" acts or omissions; or (2) the acts or omissions of those acting on "Your" behalf, however coverage granted or afforded to such an "Additional Insured" will not be broader than that which "You" are required by the written contract within the Limits of Liability in Section V;
2. "Automobile," "Vehicle" or "Motor Vehicle" means any land vehicle, machine, forklifts, tractor, trailer or semi-trailer propelled or

drawn by mechanical power for travel on or off public roads including any machinery or equipment permanently attached thereto.

3. **“Back Pay”** means the wages or salary and benefits that an employee would have been paid during the period between resignation from employment or termination from employment up to the time in which a claim has settled or is adjudicated.
4. **“Bodily Injury”** means any physical injury (or death) to any person, and any mental injury, emotional distress, shock, sickness, disease, disability, loss of service, "Sexual Molestation or Sexual Abuse" associated with or arising from that physical injury.
5. **“Claim”** means:
  - a. any written demand received by **“You”** alleging liability or responsibility on **“Your”** part for monetary damages or nonmonetary relief;
  - b. a lawsuit or other civil proceeding commenced by the service of a complaint or similar proceeding;
  - c. a criminal indictment commenced by the return of an indictment;
  - d. an arbitration proceeding in which **“Damages”** are claimed, and to which such proceeding the **“Member”** must submit, or does submit with **“Our”** prior written consent; or any other alternative dispute resolution proceeding in which **“Damages”** are claimed, and to which such proceeding **“You”** submit with **“Our”** consent.
  - e. A **“Claim”** does not include a circumstance that has been reported under a prior **“Memorandum of Coverage”**.
6. **“Contractor”** means a person or business entity which undertakes to do specific work for **“You”** using his own means and methods without submitting himself to **“Your”** control except as to the result of the work. **“Contractor”** does not include any persons who are on **“Your”** payroll subject to payroll withholding.
7. **“Crisis Event”** means an actual or threatened event or related series of events that has a harmful effect on a NMPSIA member’s staff, students, or reputation, including acts of an armed person or persons at a member’s location or during an activity organized by the member.
8. **“Crisis Management Services”** means the services of a team of qualified professionals providing public relations, media management, site security, and crisis counseling in response to a **Crisis Event**.
9. **“Damages”** means money **“You”** are legally obligated to pay as compensation for injury, death, pain and suffering, emotional distress, medical expenses, loss of income, necessary care and loss of services resulting from **“Personal Injury.” or “Bodily Injury” or “Wrongful Acts”**

or "Property Damage". "Damages" also means money "You" are legally obligated to pay as compensation for damage to property or loss of use of property other than property owned by "You". Damages includes prejudgment interest, post judgment interest, punitive and exemplary damages, "Defense Costs", and the cost of Crisis Management Services following a Crisis Event. However, "Damages" does not mean money "You" are obligated to pay as compensation for any costs, fees, or expenses for "Your" individual "Employee" or any person under the definition of "You" as a defendant in a civil or criminal case arising from any criminal "Sexual Molestation" or "Sexual Abuse" offense prohibited by law.

Regardless of the source of "Your" obligation, "Damages" shall not include the cost to "You" of providing educational and educationally related services, including but not limited to, clinical, diagnostic, or testing services or the cost to "You" of providing medical evaluations, independent educational services, education or special education services "You" are legally obligated to provide "Your" students, whether mainstream or special education.

10. "Defense Costs" means reasonable fees charged by a lawyer, or a lawyer's representative, designated by us or by you with our prior written consent, and all other reasonable fees, costs and expenses, if authorized by "Us", attributable to the adjustment, settlement, investigation, defense, litigation or appeal of claims and suits covered by this Memorandum. Other salaries paid to "Your" employees, "Your" office expenses and expenses paid to "Your" service company for handling claims are specifically excluded.
11. "Employee" means any person who is on "Your" payroll subject to pay roll withholding and whose conduct is within the course and scope of employment. "Employee" includes the "Employee's" estate, heirs, personal representatives or executors.
12. "Executive Director" means the person appointed to be in charge of the staff of the Authority.
13. "FATA Claim" means any claim arising under the New Mexico Fraud Against Taxpayers Act [NMSA 1978 §§ 44-9-1 through 44-4-19] and/or arising under the Federal False Claims Act [31 U.S.C. § 3729].
14. "Front Pay" means future wages or salary and benefits equal to the estimated lost earnings that would have been paid had not the employee resigned or been terminated and the time when the employee can assume a new position, where such a claim has settled or is adjudicated.

15. **“Insured Contract”** means:
- A. a contract between **“You”** and the owner or landlord of real property for use within the scope of **“Your”** duties; or
  - B. a contract between **“You”** and a railroad operator concerning railroad tracks, spurs or sidetracks or pedestrian or vehicle crossing; or
  - C. a contract for rental or lease of a **“Motor Vehicle”**, equipment, aircraft or watercraft for use by **“You”** while acting within the scope of **“Your”** duties; or
  - D. an easement or license agreement for **“Your”** use in the scope of **“Your”** duties; or
  - E. an elevator maintenance agreement for an elevator used by **“You”** in the scope of **“Your”** duties; or
  - F. a contract between **“You”** and a private user of **“Your”** **“School Facilities”** where the person or persons providing services, such as therapy or treatment are properly licensed and are providing services to students.
  - G. A contract between **“You”** and an Independent Bus Contractor for school related activities.
  - H. That portion of a contract between **“You”** and a health care provider requiring **“You”** to assume the providers liability for negligent acts of **“Your”** student interns currently enrolled in **“Your”** health care instructional programs.
  - I. A contract where **“You”** are leasing or renting a property for **“Your”** operations for **“Bodily Injury”** or **“Personal Injury”** or **“Property Damage”** caused by (1) **“Your”** acts or omissions; or (2) the acts or omissions of those acting on **“Your”** behalf.
  - J. A contract where **“You”** are leasing or renting equipment for use on **“Your”** property for **“Bodily Injury”** or **“Personal Injury”** or **“Property Damage”** caused by (1) **“Your”** acts or omissions; or (2) the acts or omissions of those acting on **“Your”** behalf.
16. **“IPRA Claim”** means any claim under the New Mexico Inspection of Public Records Act [NMSA 1978 §14-2-1 through 14-2-12.

17. **“Occurrence”**

- A. Includes continuous or repeated exposures to substantially the same general harmful conditions, or events and all such exposures to substantially the same general condition shall be considered as arising from one **“Occurrence.”**
- B. All claims by any one or more claimants arising from substantially the same or similar acts, omissions, incidents or courses of conduct, shall be considered one **“Occurrence,”** regardless of the number of alleged perpetrators. All claims during the coverage term this Memorandum applies by one or more claimants against an alleged perpetrator or perpetrators or insureds shall be considered one **“Occurrence”** regardless of the number of acts, omissions, incidents or courses of conduct by the alleged perpetrator.
- C. All claims with respect to **“Sexual Harassment”** or **“Sexual Molestation or “Sexual Abuse”** shall mean all claims including **“Bodily Injury”** or **“Personal Injury”** arising from all acts committed by the same perpetrator, or two or more perpetrators acting in concert, without regard to the number of victims or incidents. The **“Occurrence”** shall be deemed to have occurred on the date of the initial incident or act.

18. **“Personal Injury”** means: an injury arising out of false arrest; false imprisonment; wrongful entry or eviction or interference with the right of occupancy; wrongful detention; malicious prosecution; humiliation; publication or utterance of a libel or slander or other defamatory or derogatory material, or an utterance in violation of an individual’s right to privacy; abuse of process; erroneous service of civil papers; discrimination or violation of civil rights;

19. **“Pollutants”** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, mold and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

20. **“Property Damage”** means physical injury to or destruction of tangible property including all resulting loss of use of that property

21. **“School Facilities”** means that part of a school district, charter school community college or university campuses or other educational entity in which instruction is offered by one or more teachers and is discernible as a building or group of buildings.

22. **“Sexual Harassment”** means actual or alleged unwelcome or offensive verbal or physical conduct of a sexual nature.

23. **"Sexual Molestation or Sexual Abuse"** means bodily injury resulting from any illegal, sexual, or wrongful conduct.
24. **"Ultimate Net Loss"** means the total sum which **"You"** become obligated to pay by reason of liability claims, either through adjudication or compromise, after making proper deduction for all recoveries and salvages, and shall also include **"Defense Costs."** Fees, charges and expenses for Third Party Claims Administrators are excluded from the **"Ultimate Net Loss."**
25. An **"Uninsured, Underinsured or Unknown Motor Vehicle"** means a **"Motor Vehicle"** of any type:
- A. for which no bond or liability insurance policy or Memorandum applies at the time of an accident, or
  - B. for which an insuring or bonding company denies coverage or is or becomes insolvent, or
  - C. for which there is a bond or liability insurance policy or Memorandum at the time of an accident but the amount paid under the bond or policy or Memorandum is not enough to pay for the full amount **"You"** and **"Your"** passengers are legally entitled to recover.
  - D. which is a hit-and-run **"Vehicle"** and hits **"You"** or an **"Automobile"** occupied by **"You"** or that hits a covered **"Automobile"** and neither the driver nor the owner can be identified.
26. **"We"**, **"Us"** or **"Our"** means the New Mexico Public Schools Insurance Authority.
27. **"Wrongful Act"** means any actual or alleged: error, act, omission, misstatement or misleading statement, neglect, negligence or breach of duty by "You" including refusal to employ, termination of employment, wrongful demotion, wrongful failure to promote, hostile work environment, wrongful discipline, defamation, humiliation, false arrest, false imprisonment, coercion, libel, slander, retaliation, invasion of privacy, failure to grant tenure, "Sexual Harassment" or discrimination. This includes coverage pertaining to errors or omissions for the administration of **"Employee"** pension and benefit plans.
28. **"You"** or **"Your"** means a school district, other educational entity, charter school or **"Employee"** as more fully defined in §41-4-3 NMSA 1978.
- "You"** includes educational entities as enumerated in Article 12, Section 11 of the constitution of New Mexico and other state

diploma, degree-granting and certificate-granting post-secondary educational institutions, regional education cooperatives and nonprofit organizations dedicated to the improvement of public education and whose membership is composed exclusively of public-school employees, public schools or school districts.

“**You**” includes Students participating in Career Technical Education (CTE) courses and activities, including nurses training or similar allied health courses.

“**You**” includes uncompensated Volunteers performing services on “**Your**” behalf and under “**Your**” express direction and authority.

“**You**” includes past, present and future employees and governing boards and governing councils including directors, regents, and trustees

“**You**” includes student teachers, teaching assistants, and students while serving in a supervised internship program or work study program in satisfaction of course requirements.

“**You**” also includes a bus “**Contractor,**” but only as relates to motor vehicle liability “**You**” have agreed to cover under Sections 41-4-5 and 41-4-23B(7), NMSA 1978 from whom or on behalf of whom “**We**” have received the applicable premium.

#### **SECTION IV – CONDITIONS**

1. **Contribution Payment:**

The annual premium shall be due and payable upon inception of coverage and renewal thereafter. The amount of the annual premium will be based on rates in effect at the inception of the Memorandum and on each subsequent anniversary. “**We**” shall not be required to perform any obligations under the Memorandum if all premiums are not paid in accordance with terms outlined in “**Our**” rules as set forth in New Mexico Administrative Code, Title 6, Chapter 50, Parts 1 through 18.

2. **Inspection and Audit:**

“**We**” shall be permitted but not obligated to inspect “**Your**” property and operations at any time. Neither our right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of “**You**” or others, to determine or warrant that such property or operations are safe. “**You**” shall maintain records of such information as is necessary for premium computation.

3. **“Your” Duties in the Event of an Accident, Claim or Suit:**

- A. In the event of an Accident reasonably likely to be covered by this Memorandum, **“You”** shall provide **“Us”** with written notice containing particulars sufficient to identify any injured persons and also all reasonably obtainable information with respect to the time, place and circumstances of the Accident, **“Your”** contact information and the names and contact information of all available witnesses as soon as practicable.
- B. If a claim is made or suit is brought against **“You”** for **“Wrongful Act”**, **“You”** shall promptly forward to **“Us”** within 45 days every demand, notice of a **“Claim”** or circumstances which may give rise to a **“Claim”**, summons or other process received by **“You”** or **“Your”** representatives.
- C. **“You”** or **“Your”** authorized representative shall cooperate with **“Us”** and upon our request, assist in making settlements, conducting our defense and investigation of the suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to **“You”** because of all **“Damages”** with respect to which coverage is afforded under this Memorandum. **“You”** also shall answer requests for discovery, attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of the witnesses. **“You”** or **“Your”** authorized representative shall not, except at **“Your”** own cost, and without any right or recourse or reimbursement under this Memorandum, voluntarily undertake investigation, retain defense counsel, make any payment, or incur any expense, admit any liability, settle any claim, or assume any obligation on a claim or suit.
- D. Should **“You”** fail to timely report a claim or fail to act with reasonable diligence with respect to **“Your”** duty to cooperate fully with adjusters, investigators or attorneys assigned by **“Us”** to a claim or notice of claim against **“You,”** **“We”** reserve the right to determine that we will not be liable for any settlement, defense costs, Assumed Obligation, or Stipulated judgement to which **“We”** have not been timely notified.

E. All claims should be reported to:

Cannon Cochran Management Services Inc.  
5700 Pasadena Avenue, NE Suite 102  
Albuquerque New Mexico, 87113  
505-837-8750

Or



New Mexico Public Schools Insurance Authority  
410 Old Taos Highway  
Santa Fe, New Mexico 87501  
505-988-2736  
<https://nmpsia.com>

4. Defense and Settlement:

“**We**” shall have the right and duty to defend any claim or suit against “**You**” seeking “**Damages**” on account of claims or suits covered under this Memorandum, but:

- A. “**We**” may investigate and settle any claim or suit at “**Our**” discretion;
- B. upon reasonable notice to “**You**,” “**Our**” right and duty to defend is terminated when the applicable limits of liability are exhausted in the payment of legal fees, “**Defense Costs**,” charges, expenses, judgments or settlements under this Memorandum;
- C. such defense shall be provided even if the allegations of the claim or suit are groundless, false or fraudulent;

5. Special Cases: Damages and Defense Costs – Limitation of Liability

The liability of an “**Employee**” or any person included within the definition of “**You**” who enters a plea agreement or is convicted for any sexual molestation, sexual or physical assault, or any transmission of child pornography under New Mexico or federal criminal statutes shall be limited. In the event of a felony plea or conviction, NMPSIA will only provide the individual “**Employee**” or any person included within the definition of “**You**” with up to but not exceeding \$1,000,000 of liability coverage for compensatory and punitive damages, including defense costs in deference to the Constitution of New Mexico, which precludes taxpayers’ monies for private purposes. As stated, the individual “**Employee**” or any person included within the definition of “**You**” will be responsible for all damages and attorney fees beyond that amount in the event of a plea or conviction.

6. Our Right to Appoint and Designate Defense Counsel

“**We**” shall have the right to appoint and designate counsel to represent “**You**.”

7. Cross Suits:

In the event that “**You**” allege a claim for “**Damages**” against another insured under this Memorandum, “**We**” will provide coverage, subject to the limits of liability, conditions, and exclusions of this Memorandum, in the same manner as if separate Memorandums had been issued to “**You**” and the other insured. “**We**” agree to waive all rights of subrogation against all or any of “**You**” in such a case.

8. Bankruptcy and Insolvency:

“**We**” shall not be relieved of the payment of any claims under this Memorandum because of “**Your**” bankruptcy or insolvency.

9. Other Coverage:

- A. Notwithstanding the terms and conditions of any other insurance clause or clauses in any policy or policies, where coverage is available to “**You**,” the coverage afforded under this Memorandum is intended to be and shall be excess coverage. Under no circumstances shall the coverage afforded by this Memorandum be considered pro rata, concurring or coexistent.
- B. If any other coverage is available to “**You**,” whether such coverage is called excess over, contingent basis or pro rata with other valid and collectible coverage or not, the coverage afforded under this Memorandum shall not apply until such other coverage has been exhausted. This clause does not apply with respect to excess coverage purchased specifically to be in excess of this Memorandum.

10. Subrogation:

In the event of any payment under this Memorandum, “**We**” shall be subrogated and otherwise entitled to all rights of recovery against any person or organization. “**You**” shall execute and deliver all instruments and papers and do whatever else is necessary to transfer and secure such rights. “**You**” shall do nothing after loss to prejudice such rights. “**You**” may waive any right of recovery “**We**” may have against the person or organizations because of payments “**We**” make for injury or damage arising out of “**Your**” ongoing operations of “**Your**” work done under contract with that person or organization and included in the products-completed operations hazards, but this condition only applies to the extent that subrogation is waived prior to the loss under a written contract with the person or organization. In case any reimbursement is obtained or recovery is made by “**You**” or by “**Us**” on account of any loss covered by this Memorandum, the net amount of such reimbursement or recovery, after deducting the actual cost of obtaining or making the same off the top of

any recovery, (a reasonable and necessary attorneys' fee may be deducted) shall be applied in the following order:

- A. First, to the amount of loss which exceeds the applicable limit of liability;
- B. Second, to reduce our loss until **"We"** are fully reimbursed;
- C. Third, to reduce **"Your"** loss because of the application of any deductible.

11. Assignment:

Assignment of an interest under this Memorandum shall not bind **"Us"** unless **"We"** give our written consent. If, however, **"You"** shall die, such coverage as is afforded by this Memorandum shall apply:

- A. to **"Your"** legal representative, acting as **"You,"** but only while acting within the scope of his duties as such; and
- B. with respect to **"Your"** property to the person having proper temporary custody thereof, but only until the appointment and qualification of the legal representative.

12. Termination:

This Memorandum and coverage may be terminated by **"You"** or by **"Us"** according to the terms of New Mexico Administrative Code, Title 6, Chapter 50, Parts 1 through 18.

13. Statutory Provisions:

Terms of this Memorandum which are in conflict with the statutes of the State of New Mexico are amended to conform to such statutes.

14. Administrative Appeal:

If **"You"** make a claim for coverage and **"We"** do not agree that the claim is a covered claim under the Memorandum or **"We"** decide to apply the Memorandum to **"Your"** claim in a manner **"You"** disagree with, then, upon written demand of either, the matter or matters upon which we do not agree shall be adjudicated pursuant to Title 6, Chapter 50, Part 16 of the New Mexico Administrative Code (Administrative Appeal of Authority Coverage Determinations).

15. If **"We"** have expended funds to settle claims against **"You"** and it is later determined that there is no coverage under this Memorandum for one or

more of those claims, “We” reserve the right to seek reimbursement for those funds.

16. Fraudulent Claims:

If “You” shall make or cause to be made any claim knowing the claim to be false or fraudulent in any material manner, this coverage shall become void and all “Your” rights hereunder shall be forfeited.

17. Changes:

Notice to any of “Our” agents or knowledge possessed by any of “Our” agents or by any other person shall not affect a waiver or a change in any part of this coverage or prevent “Us” from asserting any rights under the terms of this coverage, nor shall the terms of this coverage be waived or changed, except by endorsement issued to form a part of this coverage.

18. Action Against “Us”:

Not until “We” determine the amount of the “Ultimate Net loss” shall any administrative appeal with regards to a coverage disagreement be made.

**SECTION V – LIMIT OF LIABILITY**

Refer to separate self-insured limits applicable to Section VI and VII

Coverage Parts	Limit	Terms
State Tort Claims Act Limits Section 41-4-19 or as amended	\$200,000	<b>Property Damage</b> per property address
	\$300,000	Medical Expenses
	\$400,000	<b>Bodily Injury, Personal Injury</b> Per Person <b>Per Occurrence</b>
	\$750,000	
New Mexico Civil Rights Act Section [Chapter 119, Section 1 to 14, Law 2021.] effective July 1, 2021	\$2,000,000 Per Claimant, inclusive of the claimants’ costs of action and reasonable attorney fees	“Personal Injury”, “Bodily Injury”, Property Damage” and, “Wrongful Acts”

Coverage Parts	Limit	Terms
<b>Back Pay</b> including multipliers under any statute including the New Mexico Whistleblower Protection Act	\$500,000	Per Occurrence. Member Deductible Applies.  See Section VI Member Deductible Schedule
<b>Front Pay</b> including multipliers under any statute including the New Mexico Whistleblower Protection Act	\$500,000	Per Occurrence. Member Deductible Applies.  See Section VI Member Deductible Schedule
Out of State and Federal Coverage	\$35,000,000  except with regard to auto liability which will be limited to the caps in the New Mexico Tort Claims Act Limits Section 41-4-1 et seq as amended	Per <b>Occurrence</b> , Annual Aggregate for Personal Injury, Bodily Injury, Property Damage and Wrongful Act
<b>Insured Contract</b> with an Independent Bus Contractor for school related activities.	\$35,000,000	Per Occurrence, for Bodily Injury, Personal Injury and Property Damage
Sexual Molestation or Sexual Abuse	\$35,000,000	Per Occurrence,
Sexual Molestation or Sexual Abuse for Individual Civil and Criminal Defendants	\$1,000,000  including defense costs in deference to the Constitution of New Mexico.	Pool Annual Aggregate  Per Occurrence, for Compensatory and Punitive Damages  See Section IV - Conditions

Coverage Parts	Limit	Terms
Any claims under the New Mexico Fraud Against Taxpayers Act [NMSA 1978 §§ 44-9-1 through 44-4-19 or any claims under the Federal False Claims Act [31 U.S.C. § 3729].	\$1,000,000	Per Occurrence
Any claims under the New Mexico Inspection of Public Records Act [NMSA 1978 §14-2-1 through 14-2-12, subject to Notice Provisions under Section II.	\$500,000	Per Occurrence

**SECTION VI – LIABILITY DEDUCTIBLE SCHEDULE**

NMPSIA’s Self-Insured Retention for Liability

Coverage	Member Deductible	Terms
Deductible applies to State Tort Claims Act Limits Section 41-4-19 or as amended, New Mexico Civil Rights Act, Out of State, Federal and Sovereign Nations Coverage, and Sexual Molestation or Sexual Abuse	\$0	\$200,000 <b>Property Damage</b> per property address  \$300,000 Medical Expenses  \$400,000 <b>Bodily Injury, Personal Injury</b> Per Person  \$750,000 <b>Per Occurrence</b>

<b>Coverage</b>	<b>Member Deductible</b>	<b>Terms</b>
<b>Back Pay Deductible</b>	\$ 2,500	0 to 25
Each Member is assigned a deductible based on your Full Time Employee (FTE) Count	\$ 5,000 \$ 30,000 \$ 50,000	026 to 250 251 to 500 501 and Up
<b>Front Pay Deductible</b>	\$ 2,500	0 to 25
Each Member is assigned a deductible based on your Full Time Employee (FTE) Count	\$ 5,000 \$ 30,000 \$ 50,000	026 to 250 251 to 500 501 and Up

## **SECTION VII – LIMITED CRIMINAL DEFENSE COVERAGE**

(This coverage is self-insured.)

1. Reimbursement Only With Respect to Coverages B and C:

With regard to coverages B and C, this is reimbursement coverage only. No liability for payment of a claim shall occur unless “**You**” present to “**Us**” proof of loss and “**Your**” exoneration or dismissal of all charges.

2. Covered Events:

- A. Reasonable attorney fees and costs incurred by “**You**” in defending a “**Criminal Proceeding**” arising out of acts authorized by the formal student corporal punishment policy of “**Your**” employer.
- B. Reasonable attorney fees and costs incurred by “**You**” in defending a “**Criminal Proceeding**” alleging “**Sexual Abuse**” or “**Molestation**” of a student if “**You**” are fully exonerated by a court or if all charges are dismissed with prejudice or, if without prejudice, then all of the requirements of Section 6 (E) are met.
- C. Reasonable attorney fees and costs incurred by “**You**” in defending a “**Criminal Proceeding**” alleging “**Assault**” or “**Battery**” if “**You**” are fully exonerated by a court or, if all charges are dismissed with prejudice or, if without prejudice, then all of the requirements of Section 6 (E) are met.

3. Limitation of Liability (maximum amounts of coverage):

“We” shall not be obligated to pay attorney fees in excess of \$100 per hour, plus reasonable court costs incurred by “Your” defense, including costs of experts subject to the following maximum amounts:

A. **“Corporal Punishment”**

\$5,000 when all charges are misdemeanors, or  
\$15,000 when one or more felony charges are brought;

for each and all **“Criminal Proceedings”** brought against **“You”** arising from the occurrence.

B. **“Sexual Abuse” or “Molestation”**

\$30,000 for each and all **“Criminal Proceedings”** brought against **“You”** arising from the occurrence.

C. **“Assault” or “Battery”**

\$5,000 when all charges are misdemeanors, or  
\$15,000 when one or more felony charges are brought;

for each and all **“Criminal Proceedings”** brought against **“You”** arising from the occurrence.

4. Determination of Coverage:

The determination of whether a **“Criminal Proceeding”** which alleges **“Corporal Punishment,” “Sexual Abuse,” “Molestation,” “Assault” or “Battery”** arises from an occurrence in the course and scope of **“Your”** employment or arises out of **“Your”** educational employment activities shall in the first instance be based on **“Your”** response or the response of **“Your”** attorney, to the allegations made against **“You”**. If evidence obtained as a result of investigation, litigation or otherwise demonstrates that **“Your”** responses with regard to scope of employment are not credible, **“We”** may at any time thereafter determine that the incidents did not occur in the course and scope of **“Your”** employment. In the event **“We”** determine that **“Your”** initial claim that such was within the course and scope of **“Your”** employment was false, **“We”** shall be entitled to reimbursement of the attorneys fees, costs and other expenses incurred by **“Us”** in investigating the question of whether the incidents occurred in the course and scope of **“Your”** employment and any attorneys fees or costs paid by **“Us”** in **“Your”** defense.



5. Definitions:

A. **“Assault” or “Battery”:**

Means **“You”** are charged with any of the following offenses:

- 1) Assault, §30-3-1, NMSA 1978;
- 2) Aggravated Assault, §30-3-2, NMSA 1978;
- 3) Assault with the Intent to Commit a Violent Felony, §30-3-3, NMSA 1978;
- 4) Battery, §30-3-4, NMSA 1978;
- 5) Aggravated Battery, §30-3-5, NMSA 1978;
- 6) Abandonment or abuse of a child, §30-6-1, NMSA 1978.

B. **“Sexual Abuse” or “Molestation”:**

Means **“You”** are charged with any of the following offenses:

- 1) Contributing to Delinquency of a Minor, §30-6-3, NMSA 1978;
- 2) Criminal Sexual Penetration, §30-9-11, NMSA 1978;
- 3) Criminal Sexual Contact, §30-9-12, NMSA 1978;
- 4) Criminal Sexual Contact of a Minor, §30-9-13, NMSA 1978;
- 5) Sexual Exploitation of Children, §30-6A-3, NMSA 1978.

C. **“Corporal Punishment”:**

Means **“You”** are charged with any of the following offenses:

- 1) Battery as defined in §30-3-4, NMSA 1978;
- 2) Aggravated Battery as defined in §30-3-5(B) where you were acting as authorized by the formal corporal punishment policy of your employer.

**D. “Criminal Proceeding”:**

Means the prosecution of “**You**” commenced by the filing, in a Municipal Court or State of New Mexico, Magistrate, Metropolitan or District Court, of any information, complaint, or indictment, alleging that “**You**” had committed one or more crimes within the Coverages. Any such prosecution shall be considered a single criminal proceeding, notwithstanding the fact that the prosecution may involve multiple incidents, multiple counts or charges, and/or multiple trial and/or appellate proceedings. A subsequent or different prosecution based on the same incidents, acts, or events that provided the basis for the original prosecution shall not constitute a separate criminal proceeding.

6. Restrictions:

- A. Method of Payment: “**Corporal Punishment**” defense shall be on a “pay-on-behalf of” basis; “**Sexual Abuse,**” “**Sexual Molestation**” and “**Assault and Battery**” defense shall be on reimbursement basis upon exoneration.
- B. No coverage is provided for fees or costs incurred prior to at least one of the following events: (1) a target notice is sent to “**You**”; (2) a criminal complaint is filed against “**You**”; or (3) “**You**” are arrested.
- C. If, after investigation, the claim is determined not to fall within “**Your**” scope of employment or the terms of coverage, “**We**” shall be entitled to reimbursement of payments made previously.
- D. Notice of occurrence which may give rise to a claim must be given to “**Us**” as soon as practicable.
- E. In the event “**You**” rely for reimbursement on the charges being dismissed against “**You**” without prejudice, a copy of a notice of dismissal or no true bill must be provided to “**Us**” in order to receive reimbursement and:
  - 1) all of the offenses charged in the complaint, indictment or information are dismissed with prejudice or if dismissed without prejudice are not again filed within the statute of limitations: or
  - 2) there is a hung jury on the rest of the charges or a combination of an acquittal on a charge or charges and a hung jury on the rest of the charges and the right to retry “**You**” is not preserved: or

3) “You” received a target notice and the grand jury to which the case was presented issued a no true bill.

7. Method of Payment of Coverage A Claims:

With regard to Coverage A, if “We” determine from our investigation that the acts were done in the course and scope of “Your” employment and were authorized by “Your” employer’s corporal punishment policy, “We” will assume the reasonable cost of “Your” defense and pay as such costs accrue within the limits above, subject to further investigation.

8. Action Against “Us”:

No action shall lie against “Us” and no claim with regard to a coverage issue shall be made with respect to defense costs for a “**Criminal Proceeding,**” unless as a condition precedent thereto, “You” have fully complied with all the terms of this coverage, nor until the amount of the obligation to pay by “Us” shall have been finally determined either by final verdict or judgment after actual trial or by written agreement between “You” and “Us.”.

9. Multiple Counts or Charges Under Coverages B and C:

For purposes of these coverages, a series of alleged continuous actions by “You” shall constitute a single occurrence and the limitation of liability herein shall apply to criminal proceedings arising out of a series of alleged continuous actions by “You”.

10. Cancellation:

There has been no additional premium charged by “Us” for this limited criminal defense coverage and therefore, no consideration for this coverage has been paid by “You” or “Your” employer and therefore this coverage may be cancelled by “Us” by mailing to “Your” employer at the addresses shown in our records, written notice stating when, not less than sixty (60) days thereafter, such cancellation shall be effective. On receipt of such notice “Your” employer shall provide similar mailed or delivered notice to “You” and such notice shall be provided no less than fifteen (15) days after receipt of notice of cancellation from “Us” by “Your” employer.

The mailing of notice shall be sufficient proof of notice. The date and time stated in the notice shall become the end of the period of coverage.

11. This Coverage is Excess:

This coverage is excess over any other applicable collectible coverage “**You**” may have.

**SECTION VIII – LIMITED IDEA COVERAGE**

(This coverage is self-insured)

1. Covered Events:

- A. Reasonable attorney’s fees and costs incurred by “**You**” in defending an Individuals with Disabilities Education Act, 20 U.S.C. Chapter 33 (IDEA) and §504 of the Rehabilitation Act of 1973 complaint arising out of rights asserted pursuant to IDEA or Section 504.
- B. Reasonable due process hearing officer’s fees and costs incurred by “**You**” in processing a proceeding alleging violation of rights pursuant to IDEA.
- C. Reasonable IDEA attorney’s fees and costs which “**You**” agree to pay or are ordered to pay in an IDEA proceeding or in a Federal District Court action arising out of or in connection with an IDEA proceeding.
- D. A and C above in the administrative appeal process plus reasonable costs incurred by “**You**” therein.

2. With regard to coverages A, B, C, and D, this is reimbursement coverage only. There shall be no liability for payment of a claim unless “**You**” present to “**Us**” proof of loss and good faith efforts by “**You**” to:

- A. Negotiate an individual education plan and reasonable accommodations with the parent, custodian or guardian of the student; and
- B. Follow the negotiated plan and provide the reasonable accommodations; and
- C. If good-faith efforts to negotiate a plan fail, engage in good-faith mediation; and
- D. If a plan is negotiated or mediation results in settlement, comply in good faith with the plan or settlement<sup>3</sup>. Limitation of Liability:

“**Our**” obligation shall not exceed \$100 per hour for hearing officer or attorney time and \$40 per hour for necessary travel plus reasonable costs.

A claim for reimbursement shall be presented in a format which separates out the following:

Coverage A) Defending an IDEA claim:

Coverage B) Due Process Hearing:

Coverage C) Complainant's Attorney:

Coverage D) Administrative Appeal Costs:

3. Determination of Coverage/Definition of Proceedings:

The determination of whether a complaint alleges an IDEA claim shall in the first instance be based on allegations of the claim. This is a reimbursement policy and the final decision with respect to coverage shall be made after the claim is processed to a final conclusion. IDEA Proceeding means a written appeal by a parent or guardian of one or more of **"Your"** students which is within the definition of Section VII 1.A of this MOC and is processed to a point where there is a final, binding and non-appealable IDEA determination or settlement entered.

4. Claim Submission/Notice of Claim:

A claim by **"You"** may be filed with **"Us"** after a final, binding, non-appealable IDEA determination or settlement is entered. **"You"** shall submit the information in support of the claim as may be required by **"Us"** in a format as may be required by **"Us."** The information requested will be for the purpose of allowing **"Us"** to make a determination with respect to reimbursement and the levels of reimbursement.

The information submitted by **"You"** in support of the claim shall not contain any personally identifiable information which includes but is not limited to:

- A. The student's name; or
- B. The name of the student's parent or other family member; or
- C. The address of the student or student's family; or
- D. A personal identifier, such as the student's social security number or student number; or
- E. A list of personal characteristics that would make the student's identity easily traceable; or
- F. Other information that would make the student's identity easily traceable.

Where the information required to be submitted to **"Us"** in its raw form contains such references, **"You"** have a duty under 34 CFR Part 99 to edit

or blot out such personally identifiable information prior to copying and submission to “**Us.**”

5. Due Process Reimbursement:

“**We**” will include due process reimbursement in “**Our**” self-insured retention risk pool. Each year, the legislature shall authorize the board to collect the due process reimbursement premium from “**You**” to cover the cost of due process reimbursement. To the extent “**We**” are authorized to collect the premium from “**You,**” “**We**” will do so based on claims experience and other criteria determined by the board.

Prior to the beginning of each fiscal year, “**We**” shall determine the amount of money available in the fund for special education due process reimbursements. The process by which “**Your**” claims for reimbursement must be made by the end of the fiscal year is established in this Memorandum.

6. Reimbursement Method:

The method for distributing money available for claims payment is on a pro rata basis if the available money is not sufficient to cover all claims. Prior to the end of June, 2009 and prior to the end of June of each year thereafter, “**We**” will determine, based on the premiums collected by “**Us,**” the amount of money available in our self-insured retention risk pool for due process reimbursement. “**Our**” total obligation to all our members for all IDEA due process reimbursements of allowable fees and costs during the term of this Memorandum will be established by “**Us**” prior to the beginning of the term of the successor Memorandum. “**We**” will then, on or before June 30, distribute the money “**We**” determine available on a pro rata basis (for example, if “**Your**” approved claim is 10% of the total of all approved claims for the year, then “**You**” will receive 10% of the total money available that year) in reimbursement for all the eligible claims received by “**Us**” from “**You**” during the term of this MOC. “**We**” will have no further obligation for IDEA reimbursements to “**You**” for IDEA fees or costs incurred by “**You**” that year. In no event shall the reimbursement to “**You**” exceed one hundred thousand dollars (\$100,000) per year for each IDEA proceeding and “**You**” are not entitled to reimbursement beyond the amount determined as “**Your**” pro rata share merely because it was incurred by “**You.**”

# NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY

## GENERAL AND AUTOMOBILE LIABILITY COVERAGES

The schedule of covered “Members” is as follows including any other Educational Entities or Charter Schools added during the Term of this Memorandum of Coverage not named in Schedule A:

### SCHEDULE A

1. 21st Century Charter School dba 21st Century Public Academy
2. ABQ Charter Academy
3. ABQ Collegiate Charter School
4. Academy for Technology and the Classics
5. ACE Leadership High School
6. ACES Technical Charter School
7. Alamogordo Public Schools
8. Albuquerque Bilingual Academy
9. Albuquerque Institute of Math and Science (AIMS@UNM)
10. Albuquerque School of Excellence
11. Albuquerque Talent Development Academy
12. Aldo Leopold Charter School
13. Alice King Community School
14. Alma D’ Arte Charter High School
15. Altura Preparatory Academy
16. Amy Biehl Charter School
17. Anansi Charter School
18. Animas Charter School
19. Artesia Public Schools
20. Aztec Municipal Schools
21. Belen Consolidated Schools
22. Bernalillo Public Schools
23. Bloomfield School District
24. Capitan Municipal Schools
25. Carlsbad Municipal Schools
26. Carrizozo Municipal Schools
27. Central Consolidated School District #22
28. Central Region Educational Cooperative # 5
29. Cesar Chavez Community School
30. Chama Valley Independent Schools
31. Christine Duncan Heritage Academy
32. Cien Aguas International School
33. Cimarron Municipal Schools
34. Clayton Municipal Schools

35. Cloudcroft Municipal School
36. Clovis Municipal Schools
37. Cobre Consolidated Schools
38. Cooperative Educational Services
39. Coral Community Charter School
40. Corona Public Schools
41. Corrales International Charter School
42. Cottonwood Valley Charter School
43. Cottonwood Classical Preparatory School
44. Cuba Independent Schools
45. DATA Charter School (Digital Arts & Technology Academy)
46. Deming Cesar Chavez High School
47. Deming Public Schools
48. Des Moines Municipal Schools
49. Dexter Consolidated Schools
50. Dora Consolidated Schools
51. Dream Dine' Charter School
52. Dulce Independent Schools
53. DZIL DIT L'OOI School of Empowerment, Action & Perseverance (DEAP)
54. East Mountain Charter School
55. Eastern New Mexico University
56. Eastern New Mexico University - Roswell
57. El Camino Real Academy
58. Elida Municipal Schools
59. Espanola Municipal Schools
60. Estancia Municipal Schools
61. Estancia Valley Classical Academy
62. Eunice Public Schools
63. Explore Academy
64. Explore Academy – Las Cruces
65. Explore Academy – Rio Rancho
66. Farmington Municipal Schools
67. Floyd Municipal Schools
68. Fort Sumner Municipal Schools
69. Gadsden Independent Schools
70. Gallup-McKinley County Public Schools
71. Gilbert L. Sena Charter High School DBA: CEPI #2
72. Gordon Bernell Charter School
73. Grady Municipal Schools
74. Grants Cibola County Schools
75. Hagerman Municipal Schools
76. Hatch Valley Municipal Schools
77. Health Leadership High School
78. Hobbs Municipal Schools
79. Hondo Valley Public Schools
80. Horizon Academy West



81. Hozho Academy
82. House Municipal Schools
83. J. Paul Taylor Academy
84. Jal Public Schools
85. Jefferson Montessori Academy
86. Jemez Mountain Public Schools
87. Jemez Valley Public Schools
88. La Academia de Esperanza
89. La Academia de Idiomas Y Cultura  
    dba La Academia Dolores Huerta Middle School
90. La Tierra Montessori School of the Arts & Science
91. Lake Arthur Municipal Schools
92. Las Cruces Public Schools
93. Las Montañas Charter High School
94. Las Vegas City Public Schools
95. Logan Municipal Schools
96. Lordsburg Municipal Schools
97. Los Alamos Public Schools
98. Los Lunas Public Schools
99. Los Puentes Charter School
100. Loving Municipal Schools
101. Lovington Municipal Schools
102. Luna Community College
103. Magdalena Municipal Schools
104. Mark Armijo Academy
105. Maxwell Municipal Schools
106. McCurdy Charter School
107. Media Arts Collaborative Charter School
108. Melrose Municipal Schools
109. Mesa Vista Consolidated Schools
110. Mesalands Community College
111. Middle College High School
112. Mission Achievement and Success Charter School
113. Monte Del Sol Charter School
114. Montessori of the Rio Grande
115. Mora Independent Schools
116. Moreno Valley Charter High School
117. Moriarty Municipal Schools
118. Mosaic Academy
119. Mosquero Municipal Schools
120. Mountain Mahogany Community School
121. Mountainair Public Schools
122. National Education Association New Mexico (NEA-NM)

123. Native American Community Academy
124. New Mexico Activities Association
125. New Mexico Association of School Business Officials
126. New Mexico Coalition for Educational Leaders
127. New Mexico Connections Academy
128. New Mexico Highlands University
129. New Mexico International School
130. New Mexico Institute of Mining & Technology
131. New Mexico Public Schools Insurance Authority
132. New Mexico School for the Arts
133. New Mexico School for the Arts – Art Institute
134. New Mexico School for the Blind and Visually Impaired
135. New Mexico School for the Deaf
136. North Valley Academy
137. Northern New Mexico College
138. Pecos Connections Academy
139. Pecos Independent Schools
140. Penasco Independent Schools
141. Pojoaque Valley Public Schools
142. Portales Municipal Schools
143. Public Academy for Performing Arts
144. Quemado Independent Schools
145. Questa Independent Schools
146. Raices del Saber Xinachtli Community School Charter
147. Raton Public Schools
148. Red River Valley Charter
149. Regional Education Cooperative # 2
150. Regional Education Cooperative #6
151. Regional Education Cooperative # 7
152. Regional Education Cooperative #8
153. Region IX Education Cooperative #9
154. Reserve Independent Schools
155. Rio Gallinas Charter School
156. Rio Grande Academy of Fine Arts
157. Rio Rancho Public Schools
158. Robert F. Kennedy Charter School
159. Roots and Wings Community School
160. Roswell Independent Schools
161. Roy Municipal Schools
162. Ruidoso Municipal Schools
163. San Diego Riverside Charter School
164. San Jon Municipal Schools
165. Sandoval Academy of Bilingual Education
166. Santa Fe Community College
167. Santa Fe Public Schools
168. Santa Rosa Consolidated Schools

169. School of Dreams Academy (SODA)
170. Sidney Gutierrez Middle Schools
171. Siembra Leadership High School
172. Silver Consolidated Schools
173. Six Directions Indigenous School
174. Socorro Consolidated Schools
175. Solare Collegiate Charter School
176. South Valley Academy
177. South Valley Preparatory School
178. Southwest Aeronautics, Mathematics and Science Academy
179. Southwest Preparatory Learning Center
180. Southwest Secondary Learning Center
181. Springer Municipal Schools
182. Taos Academy
183. Taos Charter School
184. Taos Integrated School of the Arts
185. Taos International School
186. Taos Municipal Schools
187. Tatum Municipal Schools
188. Technology Leadership High School
189. Texico Municipal Schools
190. The Albuquerque Sign Language Academy
191. The ASK Academy
192. The Great Academy
193. The International School at Mesa Del Sol
194. The MASTERS Program
195. The Montessori Elementary Schools
196. The New America School, Las Cruces
197. The New America School, New Mexico (Albuquerque)
198. THRIVE Community School
199. Tierra Adentro Charter School
200. Tierra Encantada Charter High School
201. Truth or Consequences Municipal Schools
202. Tucumcari Public Schools
203. Tularosa Municipal Schools
204. Turquoise Trail Charter School
205. Vaughn Municipal Schools
206. Vista Grande High School
207. Voz Collegiate Preparatory Charter School
208. Wagon Mound Public School
209. Walatowa High Charter School
210. West Las Vegas Public Schools
211. Western New Mexico University
212. William W. & Josephine Dorn Charter School
213. Zuni Public Schools

**ENDORSEMENT NO. 1**

**SPECIFIED MEMBERS - LIMITED PARTICIPATION COVERAGE**  
**ENDORSEMENT**

Pursuant to NMSA 1978, §22-29-1 et seq. and New Mexico Administrative Code, Title 6, Chapter 50, Parts 1-18, this Memorandum of Coverage (“**Memorandum**”) is an agreement by the New Mexico Public School Insurance Authority (the “**Authority**”) and its “**Members,**” as listed in Schedule A attached hereto, to provide or obtain insurance protection for all covered losses subject to the limits and other terms and conditions of this “**Memorandum**” and any endorsements attached.

This endorsement modifies insurance of this “**Memorandum**” provided under:

**SECTION I – COVERAGES**

SCHEDULE A: MEMBERS (As listed)

**135. New Mexico School for the Blind and Visually Impaired**

Schedule		
Coverage	Covered	Not Covered
General Liability		X
Automobile Liability	X	

It is hereby understood and agreed that the insurance under this “**Memorandum**” shall only apply to the “**Member**” as listed in Schedule A and coverage as designated and described in the Schedule of this endorsement.

1. For purposes of this endorsement, SECTION III - DEFINITIONS, Item 2., is amended with the following:

The word “**Automobile**”, “**Vehicle**” or “**Motor Vehicle**” means a land motor vehicle of a commercial type used solely for the bus transportation of passengers including any machinery or equipment permanently attached thereto. An “**Automobile**” “**Vehicle**” or “**Motor Vehicle**” does not include any land vehicle, machine, forklifts, tractor, trailer or semi-trailer propelled or drawn by mechanical power for travel on or off public roads.

All other terms, conditions, provisions, and exclusions of this “**Memorandum**” remain the same.

# **NMPSIA/CCMSI – Property & Liability Claims Procedures:**

**2024 – 2025**

## **I. Purpose:**

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

## **II. NMPSIA's Claims Philosophy:**

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

## **III. CCMSI's Responsibilities: (Liability = (L)/Property = (P)):**

1. **(L&P) Handling:** CCMSI agrees to administer this self-insurance program in full compliance with all laws, rules and regulations governing the administration of self-insurance, NMPSIA/CCMSI Claims Procedures and NMPSIA's Rules and Regulations.
2. **(L&P) Handling:** The day-to-day claims management of the program is provided by the Albuquerque branch of CCMSI. The complete supervision, administration, management and handling of all claims, including loss adjustments, subrogation, investigations and settlements falling within the Authority's self-insured retention, and the coordination of claims and settlements with the excess carrier(s), is CCMSI's responsibility. CCMSI will also comply with the "New Mexico Public Schools Insurance Authority Litigation Management Guidelines." This document sets forth procedures for retaining counsel and delineates the expectations of the Authority with respect to litigated cases.
3. **(L & P) Caseloads:** The maximum caseloads per adjuster is as follows:
  - General Liability & Property: 150 claims
  - Property ONLY: no more than 100 claims

CCMSI must notify NMPSIA & Broker of any caseloads above the maximum caseloads within 10 days and provide a timeline for when CCMSI will get back to the maximum caseloads listed above.

In the event there are instances with multiple claims because of a single occurrence or major weather-related claims, CCMSI may exceed the maximum caseloads by 10%.

4. **(L&P) Handling:** CCMSI is to adjust, settle or resist claims or losses, but settlements of any claim and payment of any allocated loss expense shall be subject to the following limitations:
  - CCMSI may approve settlement of any claim, or payment of any allocated loss expense, not exceeding \$ 100,000 for which the Authority is self-insured. When the claimant is an insured, CCMSI is required to discuss the claim directly with the claimant or its representative. It will not be the practice of CCMSI to allow the District to communicate coverage, payment or settlement to these claimants.
  - The Executive Director and as delegated to the Deputy Director, may approve the settlement of any claim, or payment of any allocated loss expense.
  - All coverage representations that are made verbally to a claimant or its representative will be followed up in writing.
  
5. **(L&P) Reporting:** Maintain a claim file for each reported claim and provide complete documentation that is consistent with CCMSI's corporate standards. NMPSIA requires that within thirty (30) working days of any loss in excess of \$25,000 for each claim, CCMSI will provide a recommended Plan of Action (POA) defining the insured's (Member) and NMPSIA's responsibilities to conclude the loss. A complete captioned report will be in each file for bodily injury claims reserved more than \$100,000 bodily injury or property damage claims open over one year are to be referred to a CCMSI supervisor and a follow-up report will be given to the Executive Director or designee 10 days after reserve is approved and every 60 days thereafter. These reports will be typed or in electronic form and include the following information:
  - a. Date
  - b. Claim number
  - c. Date of loss
  - d. NMPSIA member
  - e. Claimant
  - f. Date assigned
  - g. Facts of accident or occurrence
  - h. Suggested reserves (utilizing CCMSI 's Standard Reserve worksheet)
  - i. Assessment of liability
  - j. Review of damages
  - k. Address coverage questions
  - l. identify further course of action
  - m. state next diary date
  - n. Identify counsel, if litigated
  
6. **(L&P) Handling:** The Unit Supervisor will review all claims with an initial reserve of (\$5,000) or more within seven (7) working days of receipt of the claim and every ninety (90) days thereafter. The review will not include property damage only or windshield claims. The Unit Supervisor will be examining the file for prompt claimant contact; witness statements, when appropriate; thorough reserve calculation documentation and an accurate initial reserve. Any comments that the Unit Supervisor makes during the review will be placed in the file notes.

7. **(L&P) Handling:** Adjusters must use reserve calculation worksheets on all reserve changes in excess of \$25,000. The adjuster's rationale for initial reserves must be thoroughly documented in the file notes. When actual dollar amounts are not available, percentage of liability should be quantified with a range. NMPSIA and Broker must receive notice of reserve changes over \$25,000 with a Plan of Action (POA) every 30 days. The POA must provide detailed reserve comments that identify and support any change.
  
8. **(L&P) Handling:** It is required that contact with an injured claimant must be made within 48 hours of receipt of claim. Only extreme exceptions will be accepted. If it occurs, it will be identified in the file.
  - **Personal Injury claims:** Telephone contact is the acceptable method of contact, but personal contact is preferred on serious cases where practicable.
  - **Property Damage claims:** Telephone contact is preferred but contact by mail is also acceptable. Contact letters should be mailed within 24 hours of receipt of claim. Personal or phone contact will be made if a claimant is hospitalized or a serious injury is assumed. Phone contact in all other bodily injury cases and property damage cases involving damages over \$1,000 or where CCMSI knows the vehicle is not drive able. CCMSI agrees to use recorded statements, including but not limited to, negative statements that might rule out injury. Claimant's recorded statements will be taken in bodily injury cases involving disabling injuries and where conflicting stories are given. In these cases, both the insured and claimant statements will be taken. It is understood the necessity of statements needs to be reviewed on an individual basis. However, if CCMSI does not take a recorded statement, the file will be documented with the adjuster's rationale.
  - **(L & P):** Witness statements will be taken (including negative statements) by the adjuster, whenever witnesses have been identified. Statements should be taken from all identified witnesses on claims of questionable liability and/or claims involving coverage issues. With a few exceptions, the statement should be taken by the adjuster, not NMPSIA's defense attorney.

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

9. **(L&P) Investigation:** Coordinate investigation on litigated claims with attorneys representing the Authority or its members and with the representatives and attorneys of the excess insurance carriers. Whenever the use of defense counsel is necessary, CCMSI will recommend an attorney to the Executive Director, or his designee. CCMSI will assign the matter to the approved attorney using CCMSI's Litigation Plan form and cover letter. CCMSI's corporate litigation standards will be utilized.
  
10. **(L&P) Reporting:** For stand - alone insurance policies (as listed) procured separate by the Authority not in accordance to or purposed for either an excess or reinsurance basis to the Memorandum of Coverage as set forth by the Authority, the responsibility of claim

reporting communication for such policy (ies) shall be shared in conjunction with the involved agency, Poms and Associates, as follows:

- a. **Governmental Crime Insurance** - Losses that fall within the policy deductible CCMSI will manage and electronically carbon copy (cc) Poms and Associates-Risk Services on all ongoing reported **incidents** and **claims** correspondence received by Members reported first and directly to CCMSI. Procedurally, reporting both qualified Knowledge of Occurrence and/or **incidents** and actual **claims** to the carrier(s) will be the sole responsibility of Poms and Associates-Risk Services for **claims** and **incidents** by Members reported first and directly to Poms and Associates-Risk Services. Risk Services will also provide to carriers the completed "Proof of Loss" and NMPSIA "Loss Property Report" forms (signed) by the Member(s) for processing. Risk Services will electronically carbon copy (cc) CCMSI and provide CCMSI with Member contact(s) information on all initial reporting correspondence to the carrier(s) to ensure proper record and documentation of files.
- b. **Equipment Breakdown Insurance** - CCMSI will forward all reported claims by Members directly to Poms and Associates-Risk Services for processing. Procedurally, reporting claims to the carrier (s) will be the sole responsibility of Risk Services. Risk Services will electronically (cc) CCMSI and provide Member contact(s) information on all initial reporting correspondence to the carrier(s) to ensure proper record and documentation of files.
- c. **Cyber Liability and Data Privacy Insurance** – CCMSI will forward all incidents reported by Members directly to Poms and Associates – Risk Services immediately for processing. Procedurally, reporting claims to the carrier (s) will be the sole responsibility of Risk Services. Risk Services will electronically (cc) CCMSI and provide Member contact(s) information on all initial reporting correspondence to the carrier(s) to ensure proper record and documentation of files.
- d. **Deadly Weapon Protection Insurance** – CCMSI will forward all incidents reported by Members directly to Poms and Associates – Risk Services immediately for processing, but in no case more than twenty – four (24) hours after CCMSI becomes aware of a deadly weapon event. Procedurally, reporting claims to the carrier(s) will be the sole responsibility of Risk Services. Risk Services will electronically (cc) CCMSI and provide Member contact(s) information on all initial reporting correspondence to the carrier(s) to ensure proper record and documentation of files.
- e. **Other - Student Accident & Sickness Insurance** - CCMSI and Poms and Associates-Risk Services (depending on which entity an accident is initially reported to by Member) will forward all reporting student accident **incidents** and/or **claims** to Myers -Stevens (Co-Broker) for handling. It is the sole responsibility of Myers-Stevens to manage medically related student accident and sickness claims. Myers-Stevens will not and does not manage liability nor property claims for the Authority nor its Members.
- f. **Property Insurance** - CCMSI shall report all first party/property claims which may exceed \$25,000 to the Carrier immediately upon notice from the Member, and the CCMSI adjuster will coordinate with the Carrier on necessary actions for adjustment of the claim and report progress to the carrier as it directs.



11. **(L&P) Reporting** from CCMSI to the Reinsurance Carrier(s) will be in writing and compliance is mandatory. Copies of any reporting agreement between CCMSI and the Reinsurance Carrier(s) will be provided to the Authority. Status reports on files reported to the Reinsurance Carriers will be sent quarterly. Any reserve increase must be communicated to the Carrier within ten (10) working days. The Reinsurance Carrier(s) and the Authority require CCMSI to report any loss where reserves are increased by \$250,000 as well as reporting of claims within the following list of conditions and serious injuries:

- a. Spinal Cord injury, paraplegic or quadriplegia;
- b. Amputations;
- c. Brain damage
- d. Vision impairment;
- e. Hearing impairment;
- f. Burns - involving over 10% of body with third degree or 30% of body with second degree;
- g. Multiple fractures - involving more than one member or nonunion;
- h. Fracture of both heel bones (fractured bilateral OS Calcis)
- i. Nerve damage causing paralysis and loss of sensation in arm and hand (brachial plexus nerve damage);
- j. Massive internal injuries affecting body organs;
- k. Injury to nerves at base of spinal canal (Cauda Equina) or any other back injury;
  - a. Injury resulting in incontinence of bowel and/or bladder;
- m. Fatalities;
- n. "Sexual Abuse"; claims alleging any sort of sexual abuse will be reported immediately.
- o. The naming of NMPSIA, the TPA, the excess carrier(s), reinsurer(s) or any reinsurance intermediary;
- p. Punitive Damages, bad faith or extra contractual liabilities against NMPSIA, the TPA or the excess carrier(s), reinsurer(s) or any reinsurance intermediary;
- q. Coverage questions including those arising from tenders of defense and indemnity from parties claiming additional insured rights under a Policy;
- r. Pollution exposure;
- s. Class action;
- t. Uninsured motorists and underinsured motorist claims;
- u. Allegations of continuous exposure causing bodily injury or property damage;
- v. Harassment (whether sexual or otherwise actionable);
- w. Employment practices liability;
- x. Asbestos;
- y. Silica;
- z. Welding rods;
- aa. Toxic waste
- bb. Reflex Sympathetic Dystrophy;
- cc. Any other type of claim or set of circumstances that the carrier(s) or reinsurer(s) direct
- dd. All claims reserved at or above 50% of the Authority's self-insured retention;
- ee. All matters going to trial

12. **(L&P) Broker Reporting:** Reporting to Poms and Associates is also required for all claims alleging "Sexual Abuse" or where reserves increase exceed \$25,000.

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

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

**(L & P) Handling:** NMPSIA believes it is of mutual benefit to both the Authority and the member to reserve rights on several issues and promptly communicate those reservations to its member in writing and with sufficient detail. It is not the intention to create an adversarial relationship between the Authority and the member. In most claim situations, all CCMSI has at the inception of the claim are various unsubstantiated allegations and, at best, a few confirmed facts. In reserving rights, the Authority is merely telling the member of its concerns that the claim may, in whole or in part, not be covered under the policy pending further investigation. A reservation of rights letter, while obviously protective of the interests of the Authority, is also beneficial to the insured. It alerts the insured to the fact that some of the elements of the claim may not be covered, thereby allowing the insured to take necessary steps to protect its potentially uninsured interests. Further, if the Authority and the insured are to have any disputes over coverage or other issues, such matters can be addressed early on and resolved in an amicable manner.

On any claim for which there is no clear consensus of coverage following review within the CCMSI organization (step #1 of item 13), CCMSI shall issue a reservation of rights letter and then proceed to step #2 of item 13. Where there is no defense obligation, and the Authority or its' excess carrier has confirmed lack of coverage, CCMSI will send written notice of denial of coverage. This will be issued within 24 hours of the decision.

If CCMSI determines, upon notice of a claim, to assume the defense, but a question of coverage exists, then CCMSI will draft a reservation of rights letter which states the specific reasons for potential non- coverage. That draft will not be considered by the Authority to be a legal opinion or other practice of law. CCMSI will be responsible to make certain that the draft letter is delivered to the Authority. The final version of any ROR letter will be issued by the Authority, signed by the Executive Director or the Deputy Director and mailed by the Authority with copies to both CCMSI and the Reinsurance Carrier.

A Reservation of Rights letter will be issued on any claim involving sexual molestation of any individual by an employee of the Member or other individual working under the direction of the Member which takes place after July 1<sup>st</sup>, 2021.

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

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

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

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

- 14. (L&P) Handling:** For a loss involving damage to property in excess of \$25,000, an inspection will be made within 48 hours, or file notes will show an agreed time to inspect. CCMSI personnel are required to inspect all locations that are presumed to have damage in excess of \$25,000.

[Even where damage is presumed to be below \$25,000, circumstances may warrant a CCMSI adjuster to physically inspect the loss. For instance: a Superintendent may never have experienced a property loss and may require assistance; or the type of loss may be complicated, i.e. a fire loss destroyed not only personal property, but also: real property, fine arts, EDP equipment and media, vehicles, accounts receivables, etc. The adjuster must exercise good judgment and, if circumstances suggest, personally inspect the loss site.]

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

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

- 16. (L & P) Handling:** A reserve will be established within 30 days of the loss. Gross over reserving is not acceptable. NMPSIA and Broker must receive notice of reserve changes over \$25,000 with a Plan of Action (POA) every 30 days. The POA must provide detailed reserve comments that identify and support any change.

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

18. **(L & P) Subrogation:** Subrogation, if any, is pursued vigorously. In either case, the file will be noted.
19. **(L & P) Handling:** If a loss is \$10,000 or more, diagrams and photos illustrating the loss, vehicles, accounts receivables, etc., are required. The adjuster must exercise good judgment and, if circumstances suggest, personally inspect the loss site.
20. **(L & P) Handling:** Salvage is to be properly considered in the adjustment. The adjuster will document how salvage was handled in the loss adjustment or explain that the damaged property has no remaining value.
21. **(L & P) Indexing:** NMPSIA only requires indexing of Bodily Injury (BI) claims. No other claims should be indexed as it is not cost effective or beneficial to the program.
22. **(L & P) Communications:** NMPSIA recognizes that there are members who have never experienced a property and liability claim. Therefore, CCMSI is required to communicate effectively with this type of member.

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

23. **(L & P) Quarterly Meetings:** Quarterly meetings with NMPSIA designated personnel, Broker, and/or General Counsel to discuss the status of open claims and review Plans of Action (POA), for any new claims over \$100,000 or claims with a reserve change of more than \$50,000.

If for any reason NMPSIA cannot meet or needs to change the date of the quarterly meetings exceeding 92 days from the last meeting, CCMSI will not be liable for a performance measure penalty.

24. **(L & P) Service Instructions:** CCMSI shall prepare and maintain comprehensive Account Service Instructions designed to establish measurable, specific, written standards of performance for the Servicing of NMPSIA's claims.
25. **(L & P) Claims Coding:** CCMSI shall complete proper coding and cause of claims.
26. **(L & P) NMPSIA's Evaluation of Performance Guarantees:** NMPSIA, or its agent, will evaluate CCMSI's performance under the Contract on not less than an annual basis. Such evaluation will include assessing CCMSI's compliance with all Contract terms and conditions, and performance standards.
27. **EEOC, HRD, OCR discrimination and DOL Complaints:** This is a self-insured coverage provided by NMPSIA for their Members. The purpose of this coverage is to aid Members in filing responses to various administrative charges of discrimination filed with state and federal enforcement agencies.

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

Options available to the Member:

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

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

2. The Member may request that NMPSIA aid evaluate the circumstances and assist in drafting the response to the involved agency, at no expense to the Member. In most cases, assistance will be provided by Julie Garcia- Civil Rights Specialist, Poms & Associates. If CCMSI receives requests directly from the Member, CCMSI will copy request and provide it to Julie Garcia. If Julie Garcia receives the request directly from the Member, Julie Garcia will copy request and provide it to CCMSI.

3. At the Member's request, an attorney will be assigned by NMPSIA to provide a response or to review a drafted response, for a total fee not to exceed \$600.00.

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

IDEA/Section 504 claims will be submitted to CCMSI after all decisions are final and all charges have been received. The Member will include a copy of the purchase order or proof of payment along with proof of good faith efforts to negotiate an IEP or to mediate along with the finding of the hearing officer.

Hearing officers are instructed to avoid the use of the student's and/or parents/guardian's names; therefore, CCMSI will make every effort to instruct the Member to delete the name of the parent/guardian or student in all correspondence to CCMSI.

#### **IV. NMPSIA's Responsibilities:**

1. Establish and maintain a fund or funds to pay self-insured losses.
2. Respond to CCMSI's requests in a timely manner.

3. Maintain supervision and oversee that claim adjustment, subrogation, Investigation and settlements follow the Authority/CCMSI contract and the Authority's Rules and Regulations and NMPSIA/CCMSI Claims Procedures.

4. Attempt to resolve any disputes or potential disputes between any member/insured and NMPSIA/CCMSI.

5. Coordinate the activities with an outside auditing firm who will perform claims and actuarial audits. The purpose will be to provide the Authority with verification of CCMSI's compliance with these Claims Procedures or CCMSI's Service Instructions and verify reserve adequacies.

6. NMPSIA reserves the right to make final coverage decisions within the retention.

7. Executive Director, or his designee, will instruct CCMSI which attorney to employ.

# **NMPSIA/CCMSI**

## **WORKERS' COMPENSATION CLAIM PROCEDURES**

### **2024/2025**

#### **I. PURPOSE**

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

#### **II. NMPSIA'S CLAIMS PHILOSOPHY**

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

#### **III. CCMSI's RESPONSIBILITIES**

1. CCMSI agrees to administer this self-insurance program in full compliance with all laws, rules, and regulations governing the administration of self -insurance
  
2. The Albuquerque branch of CCM SI provides the day-to-day claims management of the program. The complete supervision, administration, management, and handling of all claims, including: indexing new medical-only and indemnity claims, loss adjustments, subrogation, investigations and settlements falling within NMPSIA's self-insured retention, and the coordination of claims and settlements with the excess carrier(s), is CCMSI's responsibility.

3. CCMSI is to adjust, settle, or resist claims or losses, but settlements of any claim and payment of any allocated loss expense will be subject to the following limits:
  - a. CCMSI may approve settlement of any claim, or payment of any allocated loss expense, not exceeding \$25,000 for which the Authority is self-insured. However, it is mandatory to notify and involve the NMPSIA member(s) for claims in excess of \$10,000.
  - b. The Executive Director and as delegated to the Deputy Director, may approve the settlement of any claim, or payment of any allocated loss expense.
  - c. NMPSIA requires that within thirty (30) working days of any loss in excess of \$250,000, a full written report will be sent to the Executive Director, or as delegated to the Deputy Director, providing a full written explanation of the claim. Supplemental reports to NMPSIA every sixty (60) days. The need for continued reporting is at the discretion of the Executive Director. Included in the report will be, at minimum, the following information:
    - (1) Brief summary of the claim, (2) CCMSI's opinion of NM PSIA's obligation under workers' compensation law, (3) state any applicable exclusions, if any, from the excess insurance policy, (4) state applicable self-insured retention, (5) statement on how CCMSI intends to control this claim using a managed care approach, (6) provide recommended plan of action defining the Member's responsibilities, and*
    - (7) will CCMSI establish a transitional early return-to-work program for the injured employee.*



4. Maintain a claim file for each reported claim and provide complete documentation that is consistent with CCMSI's corporate standards. There should be a claim summary documented in each lost time claims that is reserved in excess of \$25,000. (Recognizing the volume of these cases, it will be left to the Executive Director or Deputy Director and CCMSI, to communicate significant claim s.) Lost time claims open more than one year will be referred to CCMSI's claims supervisor for review. The claim summary reports will be typed and include the following minimum information:
  - a. Date
  - b. Claim number
  - c. Date of loss
  - d. NMPSIA member
  - e. Claimant
  - f. Date assigned
  - g. Facts of accident or occurrence
  - h. Current reserve Assessment of compensability
  - i. Review of diagnosis and indemnity exposure
  - j. Address excess coverage questions (if any)
  - k. Identify a further course of action
  - l. State next diary date;
  - m. Identify the council, if litigated
  
5. When a statement is taken from the employee on lost time cases, the statement should include but not be limited to the following:
  - a. A description of the accident
  - b. Nature of the injury
  - c. Witnesses' names, addresses, etc.
  - d. The name of the treating physician
  - e. Previous injuries, noting the body location and whether treatment was resolved; and
  - f. The employee's impression of the injury and projected return to work date.

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

6. Either the NM State Director or the Claims Supervisor will review lost time claims within 10 days from receipt of notice of a claim. The Claims Supervisor will again review these files 30 to 90 days of the initial receipt of the claim and on a discretionary basis after that point. In addition, the Claims Supervisor will, at his or her discretion, provide a 90-day review on all claims with questionable compensability, catastrophic losses, unusual claims, or claims with potential but not clear subrogation. On a discretionary basis, The Claims Supervisor at 90-day intervals will review Medical Only files with the goal of ensuring prompt closure and appropriate management. Any comments made during the review, will be placed in the computer narrative notes.
7. Except for Incident Only files, 24 to 48 hour written or verbal claimant contact is required on Medical Only and Lost Time files beginning from the date the employer notifies CCMSI. Weekends and Holidays do not count. The Authority will accept only extreme exceptions to this provision. If it occurs, CCMSI will identify it in the file. Telephone calls are returned within 24 hours. CCMSI will answer all correspondence requiring a response within 10 days. The adjuster on all lost time cases will contact the member. This contact should confirm the accident and any additional facts about the accident that the client may have. Written or Verbal contact should be completed within the first 24 to 48 hours upon receipt of the notice of claim. Weekends and Holidays do not count.
8. If the claim needs to be assigned to a defense attorney, the claims adjuster will document the issues in dispute and outline the actions to be taken by the defense attorney and then obtain approval from the NMPSIA Executive or Deputy Director before assigning the case to a defense firm. It is CCMSI's responsibility to coordinate and negotiate all litigated claims to control legal expenses. If they need any further investigation, the claims adjuster will coordinate that investigation, not the attorney. Defense assignment will be made by phone and confirmed in writing. CCMSI will use their litigation corporate standards.

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

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

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

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

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

10. Contact with the treating physician should be made in accordance with applicable law. The adjuster or nurse should request information on the description of the accident, suggested treatment, and prognosis. These activities can only be performed by CCMSI with the appropriate medical release. If the appropriate medical release cannot be obtained, these activities may be legally prohibited. All documentation will be retained in the file. When chart notes are insufficient, the adjuster will request narrative documentation from the treating physician. They should request narrative documentation when there is a major change in the medical status.
  
11. Lost-time claimants should be contacted at least every three weeks and no longer than four weeks during the total duration of the temporary disability. While disability continues, it is the adjuster's/nurse's responsibility to maintain contact with the employee and send NMPSIA a report of the status of the claimant, when projected return to work dates fluctuate or when requested by NMPSIA.

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

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

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

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

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

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

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

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

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

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

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

#### **IV. NMPSIA'S RESPONSIBILITIES**

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

**New Mexico Public Schools Insurance Authority**

<b>Risk Claims Committee</b>	<b>Board Approval: 5/2/24</b>
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**Purpose**

The purpose of the Risk Claims Committee (“RCC” or “Committee”) is to assist in the assessment of value and suggested resolution of claims under NMPSIA’s Property, Liability and Worker’s Compensation claims programs provided under the applicable Memorandum of Coverage. The responsibilities of the RCC include providing claims handling strategies, evaluations, and settlement authority, particularly for the matters involving significant claims and/or decisions to proceed to trial. The Committee is also responsible for reviewing, recommending, and promulgating any changes, additions, or deletions to the Memorandum of Coverage, and to monitor such claims trends concerning each line of coverage exposure.

**Membership**

The Risk Claims Committee is an advisory committee only. Members are required to be active NMPSIA Staff, NMPSIA General Counsel, Board Members, Risk Advisory Committee members, Insurance Broker, Third Party Administrator who all have experience and/or professional qualifications in a specific area of claims/risk management, educational law, school operations and/or administration. Membership on the Committee is subject to recommendation by the Board President.

The Risk Claims Committee shall have a Chair and Co-Chair. The Chair shall be assigned by the Board President and be a member in good standing of either the Board, the Risk Advisory Committee, or NMPSIA Staff. The Chair will appoint a Co-Chair. Upon the Chair’s vacancy, the Board President shall assign another Chair.

**Committee members as of May 4, 2024**

- NMPSIA – Executive Director Patrick Sandoval, Chief Financial Officer Phillip Gonzales, Risk Program Coordinator Claudette Roybal
- NMPSIA General Counsel - Martin Esquivel
- Board Representation – Al Park, Sammy Quintana, Trish Ruiz, Vicki Chavez
- CCMSI – Rich Cangiolosi, Kevin Sovereign, Steve Vanetsky
- Poms & Associates – Dave Poms, Julie Garcia
- Panel Attorneys – Dependent on selected cases or claims



### Responsibilities of Chair and Committee Members

The Chair shall be responsible for working with NMPSIA staff and NMPSIA General Counsel to prepare meeting agendas, conduct meetings, and make reports to the Board in Executive Session about pending litigation. The Co-Chair shall assume these duties in the absence of the Chair.

All members of the Committee shall be responsible for seeing that the purposes of the Committee are carried out and that all adopted policies and guidelines are followed.

### Meeting Schedule and Conduct of Business

A minimum of four meetings shall be scheduled each year, and additional meetings may be added on an as-needed basis. Meetings may be canceled if there is no business to conduct.

### Authority

The Risk Claims Committee may make recommendations on settling or contesting claims on behalf of the membership, propose reserve changes and taking a case to trial, in consultation with NMPSIA's General Counsel and the TPA, after input from defense counsel.

The Third-Party Administrator's staff who will be either the managing adjuster assigned to the claim, the claim Supervisor, the Claim Manager, or the Regional VP, shall have a \$100,000 authority to resolve claims.

NMPSIA Executive Director or Deputy Director shall have authority up to the Self-Insured Retention (SIR) applicable to that claim. The Executive Director may seek guidance from NMPSIA General Counsel, the TPA, and/or the Broker.

Any claim that may require settlement authority above the SIR shall receive authorization after consultation with the Board President or the Chair of the Risk Claims Committee. It is encouraged that the Board President or the Chair of the Risk Claims Committee consult with the Board, if time allows. There could be circumstances in which NMPSIA is engaged in a real-time mediation and settlement conference and immediate approval is necessary to settle the claim. If that is the case, then NMPSIA or its General Counsel will contact the Board President or Chair of the RCC, and if they are not available, will contact the Co-Chair of the RCC.

It is also encouraged to advise Excess Carriers to gain their opinion on settlement amounts.

All decisions on taking claims to trial must be approved by the Board.



**NMPSIA BOARD REPORT SUMMARY - LIABILITY AND PROPERTY**  
03-31-2024

ALL YEARS TOTAL OPEN CLAIMS FOR LIABILITY AS OF MARCH 31, 2024							ALL YEARS TOTAL OPEN CLAIMS FOR PROPERTY AS OF MARCH 31, 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	OPEN CLAIMS	GRAND TOTAL
SUBTOTAL - DISTRICTS	424	30	28	\$26,069,310.49	\$14,021,671.31	\$40,090,981.80	101	13	28	\$64,721,066.42	\$15,413,959.38	\$80,135,025.80	525	\$120,226,007.60
SUBTOTAL - CHARTER SCHOOLS	31	2	5	\$1,137,449.03	\$346,478.15	\$1,483,927.18	6	1	1	\$27,974.30	\$74,875.70	\$102,850.00	37	\$1,586,777.18
GRAND TOTAL	455	32	33	\$27,206,759.52	\$14,368,149.46	\$41,574,908.98	107	14	29	\$64,749,040.72	\$15,488,835.08	\$80,237,875.80	562	\$121,812,784.78

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	5	(25)	(15)	\$511,126.38	(\$993,001.36)	(\$481,874.98)	(15)	13	(5)	(\$1,021,031.99)	\$1,206,898.11	\$185,866.12	(10)	(\$296,008.86)
SUBTOTAL - CHARTER SCHOOLS	(3)	0	2	\$7,779.36	\$35,178.23	\$42,957.59	0	1	(1)	\$16,650.00	\$0.00	\$16,650.00	(3)	\$59,607.59
GRAND TOTAL	2	(25)	(13)	\$518,905.74	(\$957,823.13)	(\$438,917.39)	(15)	14	(6)	(\$1,004,381.99)	\$1,206,898.11	\$202,516.12	(13)	(\$236,401.27)

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
March - 2024	562	46	62	\$91,955,800.24	\$29,856,984.54	\$121,812,784.78	(13)	(11)	(19)	(\$485,476.25)	\$249,074.98	(\$236,401.27)
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	\$1,708,864.99
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 March 31, 2024

SCHOOL DISTRICT	OPEN		RE-OPENED		NEW		CLOSED		RESERVE		PAYMENT		TOTAL	
HISTORY	Chg	Ct	Chg	Ct	Chg	Ct	Chg	Ct	Change	Current	Change	Current	Change	Current
MARCH-2024	(31)	1,062	(35)	31	(99)	158	(119)	220	+214,907	\$15,385,095.75	+607,686	\$50,493,920.81	+822,593	\$65,879,016.56
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

HISTORY	OPEN		RE-OPENED		NEW		CLOSED		RESERVE		PAYMENT		TOTAL	
HISTORY	Chg	Ct	Chg	Ct	Chg	Ct	Chg	Ct	Change	Current	Change	Current	Change	Current
MARCH-2024	31	1062	(35)	31	(99)	158	(119)	220	+\$214,907	\$15,385,095.75	+\$607,686	\$50,493,920.81	+\$822,593	\$65,879,016.56
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

NMPSIA Monthly Loss Prevention Abatement Report

March 2024	Total Rec	Total Capital	Total Non-Capital	Corrected Capital	Corrected Non-Capital	Total Corrected
March 2024	271	3	268	1	185	186
<b>Total % Corrected</b>	<b>68.63%</b>	<b>= Total Corrected/Total Recommendations</b>				
<b>% Corrected Capital</b>	<b>33.33%</b>	<b>= Corrected Capital/Total Capital</b>				
<b>% Corrected Non-Capital</b>	<b>69.03%</b>	<b>= Corrected Non-Capital/Total Non-Capital</b>				