

**New Mexico
Public Schools Insurance Authority**



**Board of Directors Meeting
December 5, 2024**



New Mexico Public Schools Insurance Authority

Board of Directors Meeting

Board of Directors

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

In-Person & Virtual

In-Person:

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

Virtual:

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

<https://nm-gov.zoom.us/j/81227984845>

You can also dial in using your phone.

United States: **1 877 853 5257**

Meeting ID: **812 2798 4845**

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Thursday, December 05, 2024

9:00 a.m.

Agenda

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

- | | | |
|-----|---|------------------------------|
| 6. | Approval of November 7, 2024 Minutes (Action Item) | A. Park |
| 7. | Executive Session to Discuss Threatened or Pending Litigation Pursuant to §10-15-1H(7) NMSA 1978 (Action Item) | A. Park |
| | A. Claim Against Munich Reinsurance | |
| 8. | Administrative Matters | |
| | A. Staff Update | P. Sandoval |
| | B. Annual Retreat Discussion | P. Sandoval |
| 9. | Financial Matters | |
| | A. Approval of Financial Reports - October 2024 (Action Item) | P. Gonzales |
| | B. Update of Review NMPSIA Long-Term Investment Policy Statement | P. Gonzales |
| | C. Investment Performance Review for the Quarter Ended September 30, 2024 | J. Pratt/
P. Cowie |
| 10. | Benefits Matters | |
| | A. Approval Stop Loss Renewal (Action Item) | D. Donaldson/
M. Krumholz |
| | B. NADAC Pricing Information and Background | D. Donaldson/
K. Vyas |
| | C. NADAC Pricing Analysis | D. Donaldson/
K. Vyas |
| | D. SHAPE Report | D. Donaldson/
M. Krumholz |
| | E. Fiscal Year 2026 Projections and Premium Rate Setting Review | D. Donaldson/
M. Krumholz |
| | F. Benefit Plan Design Committee Update | M. Quintana |
| | G. Behavioral Health Claims Demographic Statistics | M. Quintana |
| | 1. Blue Cross Blue Shield Medical | L. Guevara |
| | 2. Presbyterian | S. Valdez |
| | H. Statistics on Dental Providers Accepting New Patients | |
| | 1. Blue Cross Blue Shield Dental | L. Guevara |
| | 2. Delta Dental | K. Witt |
| | 3. United Concordia Dental | S. Anthony |
| | I. Open/ Switch Update | K. Payanes |
| | J. IBAC Update | K. Roybal |
| | K. Wellness Update | K. Jones |

- 11. Risk Matters
 - A. Higher Education Pool (**Action Item**) D. Poms
 - B. Approval of Amendment to Pinnacle Agreement (**Action Item**) P. Sandoval
 - C. TPA Reports
 - 1. Property & Liability Monthly Claims Report S. Vanetsky
 - 2. Property & Liability Large Losses S. Vanetsky
 - 3. Workers' Compensation Monthly Claims Report J. Mayo
 - 4. Workers' Compensation Large Losses J. Mayo
 - D. Workers' Compensation Statistics R. Cangiolosi
 - E. Loss Prevention Update L. Vigil/J. Garcia
- 12. General Discussion A. Park
- 13. Next Meeting Date and Location: Thursday, February 6, 2025
Location: Poms & Associates 201 3rd Street, Suite 1400 and a virtual option (**Action Item**) A. Park
- 14. Adjournment (**Action Item**) A. Park

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

In Person:

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

Virtual:

<https://nm-gov.zoom.us/j/85392574012>

Phone: +1 877 853 5257

Meeting ID: 853 9257 4012

Thursday, November 7, 2024

1. Call to Order

Mr. Chris Parrion, Vice President, called the NMPSIA Board Meeting to order at 9:01 a.m. on Thursday, November 7, 2024.

2. Roll Call

Ms. Claudette Roybal called roll.

Board Members Present:

Al Park, President	Absent
Chris Parrino, Vice President	Virtual
Trish Ruiz, Secretary	Virtual
Denise Balderas	Virtual
Vicki Chavez	Absent
Tim Crone	Virtual arrived at 9:26 am
Pauline Jaramillo	Virtual
Bethany Jarrell	Virtual Departed at 11:27 am
KT 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 Financial Officer	In-Person
Claudette Roybal, Chief Procurement Officer	Virtual
Dominique Williams, Accountant Auditor	Virtual

Audience Present:

Marsha Martinez	Benefits Advisory Committee Member	Virtual
Lisa Sullivan	BCBSNM	Virtual
Lisa Guevarra	BCBSNM	Virtual
Jackie Pacheco	BCBSNM	Virtual
Maureen Sergel	BCBSNM	Virtual
Samantha Mensay	BCBSNM	Virtual
Steve Vanetsky	CCMSI	In-Person
Jerry Mayo	CCMSI	In-Person
Louise Carpenter	CCMSI	Virtual
Rich Cangioli	CCMSI	Virtual
Courtney Barela	CCMSI	Virtual
David Lauck	CVS	Virtual
Sam Garcia	Davis Vision	Virtual
Keith Witt	Delta Dental	In-Person
Carl Cai	Erisa Administrative Services	Virtual
Kathy Payanes	Erisa Administrative Services	In-Person
Marty Esquivel	Esquivel & Howington Law Firm	In-Person
Daniel Estupinan	Legislative Education Study Committee	Virtual
Dan Foley	Poms & Associates	In-Person
Kevin McDonald	Poms & Associates	In-Person
Grant Banash	Poms & Associates	Virtual
Larry Vigil	Poms & Associates	In-Person
Julie Garcia	Poms & Associates	In-Person
Tammy Pargas	Poms & Associates	In-Person
Rika Martinez	Poms & Associates	Virtual
Steve Valdez	Presbyterian	In-Person
Ryan Loughrey	Presbyterian	Virtual
Ashley Hagerty	Presbyterian	Virtual
Debbie Donaldson	Segal	Virtual
Andrew McDonald	Segal	Virtual
Jill Little	Segal	Virtual
Mike McMillan	Southwest Bone and Joint Institute	Virtual
Andrea Vargas	Standard	Virtual
Stephanie Anthony	UCCI	In-Person

3. Introduction of Guests

Mr. Patrick Sandoval, Executive Director with NMPSIA, introduced Ms. Debbie Donaldson and Mr. Andrew McDonald with Segal, Ms. Lisa Guevarra with Blue Cross Blue Shield, Mr. Keith Witt with Delta Dental, Mr. Steve Valdez with Presbyterian and Ms. Stephanie Anthony with United Concordia Dental.

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

Mike McMillian, with Southwest Bone and Joint in Silver City, NM, thanked Mr. Patrick Sandoval for the opportunity to express concerns about the Surgery Plus Program and its impact on orthopedic surgeons throughout New Mexico. He would like to keep an open dialogue to find ways to reduce costs without impacting the healthcare system.

5. Approval of Agenda (Action Item)

Mr. Sandoval recommended that items 7. and 7.A. be removed from the agenda and added to the agenda for the December Board meeting.

A motion was made to approve the agenda as amended.

Motion: T. Ruiz

Second: B. Jarrell

A roll call vote was taken.

Ms. Roybal called roll.

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

Vote carried.

6. Approval of October 3, 2024, Minutes (Action Item)

A motion was made to approve October 3, 2024, minutes as presented.

Motion: T. Ruiz

Second: S. Quintana

A roll call vote was taken.

Ms. Roybal called roll.

Al Park, President	Absent
Chris Parrino, Vice-President	Yes

Trish Ruiz, Secretary	Yes
Denise Balderas	Yes
Vicki Chavez	Absent
Tim Crone	Absent
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried.

7. Executive Session to Discuss Threatened or Pending Litigation Pursuant to §10-15-1H(7) NMSA 1978 (Action Item)

7. A. Claim Against Munich Reinsurance

Removed until the December Board Meeting.

8. Administrative Matters

8. A. Legislative Update

Mr. Sandoval notified the Board that NMPSIA presented to the Legislative Education Study Committee (LESC) in Silver City on October 18th. The presentation was focused on NMPSIA's appropriation request, cost containment efforts, and current expenses. Questions asked by the LESC were about concerns with asthma and COPD high-cost claims by prevalence around New Mexico. Administrative costs of COVID-19 vaccines, legislation that has impacted insurance costs, the number of public-school employees not participating in NMPSIA, and the difference in premium and cost to the plan if they were to participate. Lastly, the Committee asked if there were any remaining balances of COVID funding and if the funds could be transferred to NMPSIA. The committee was informed there were no remaining funds.

Mr. Sandoval and Ms. Martha Quintana also presented to the Legislative Finance Committee (LFC) in Santa Fe, New Mexico, on October 22nd. This presentation was focused on NMPSIA's appropriation request, cost containment efforts, and current expenses. The Committee members asked questions concerning the number of sexual misconduct claims and costs over the last 10 years, current claims and costs after House Bill 128, and if any additional training is being provided. Collaboration with the Health Care Authority cost containment efforts, requested increases in relation to the Health Care Authority, and the number of medical plans offered by NMPSIA. The Authority's consideration of rate-setting policies around sexual abuse and molestation and entities that do not enforce training requirements.

8.B. Rules Update

Ms. Martha Quintana, Deputy Director with NMPSIA, updated the Board on the status of the NMPSIA Rules changes. The proposed changes to the NMPSIA Rules consisted of grammatical improvements and gender-neutral language for compliance purposes; changes to the rules were minimal. The process for the rule change is to work with the New Mexico State Records Center and Archives to post the rules for public comment on the proposed changes. Public comments are for 30 days, beginning October 8th through November 7th at 5 pm. NMPSIA is not anticipating any objections. A hearing will be held for public comment on November 12th at 1 pm at the Tony Anaya Building in Santa Fe, New Mexico, with a virtual option. Three to five Board Members may attend.

Ms. Quintana asked if any Board Members would be willing to attend. Mr. Parrino, Ms. Bethany Jarrel, and Ms. Trish Ruiz volunteered to attend the hearing virtually.

9. Financial Matters

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

Mr. Phillip Gonzales, Chief Financial Officer with NMPSIA, presented the Statement of Revenues and Expenditures for the period ending August 31, 2024, for the Employee Benefits Fund. Mr. Gonzales reported revenue of \$32,533,499.51 and expenses of \$41,239,178.56 for a loss of \$8,705,679.05. Year-to-date revenue was \$65,738,784.66, and expenses were \$75,427,956.56, resulting in a loss of \$9,689,171.90.

Mr. Gonzales presented the Statement of Revenues and Expenditures for the period ending August 31, 2024, for the Risk Fund. Mr. Gonzales reported revenue of \$10,417,866.18 and expenses of \$15,629,853.10 for a loss of \$5,211,986.92. Year-to-date revenue was \$20,789,049.13, and expenses were \$45,432,648.39, resulting in a loss of \$24,643,599.26.

Mr. Gonzales presented the Statement of Revenues and Expenditures for the period ending August 31, 2024, for the Program Support Fund. Mr. Gonzales reported revenue of \$150,403.00 and expenses of \$139,387.68 for a gain of \$11,015.32. Year-to-date revenue was \$287,360.00, and expenses were \$268,365.55, resulting in a gain of \$18,994.45.

Mr. Gonzales presented the Balance Sheet for the Program Support Fund for the period ending August 31, 2024. Total assets were \$888,616.87, total liabilities were \$168,647.12, and total fund equity was \$719,969.75. For the Employee Benefits Fund, total assets were \$41,371,643.15, total liabilities were \$49,632,213.31, and total fund equity was negative \$8,260,570.16. For the Risk Fund, total assets were \$180,328,574.66, total liabilities were \$216,635,665.87, and total fund equity was negative \$36,307,091.21. Overall, the agency had a total of \$222,588,834.68 in assets, \$266,436,526.30 in liabilities, and a negative \$43,847,691.62 in fund equity.

A motion was made for Approval of Financial Reports for August 2024 as presented.

Motion: David Martnez Jr.

Second: T. Ruiz

A roll call vote was taken.

Ms. Roybal called roll.

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

Vote carried.

9. B. Approval of Financial Reports September- 2024 (Action Item)

Mr. Gonzales presented the Statement of Revenues and Expenditures for the period ending September 30, 2024, for the Employee Benefits Fund. Mr. Gonzales reported revenue of \$32,738,723.08 and expenses of \$33,676,221.48 for a loss of \$937,498.40. Year-to-date revenue was \$98,477,507.74, and expenses were \$109,104,178.04, resulting in a loss of \$10,626,670.30.

Mr. Gonzales presented the Statement of Revenues and Expenditures for the period ending September 30, 2024, for the Risk Fund. Mr. Gonzales reported revenue of \$10,387,506.46 and expenses of \$24,947,778.03 for a loss of \$14,560,271.57 Year-to-date revenue was \$31,176,555.59, and expenses were \$70,380,426.42, resulting in a loss of \$39,203,870.83.

Mr. Gonzales presented the Statement of Revenues and Expenditures for the period ending September 30, 2024, for the Program Support Fund. Mr. Gonzales reported revenue of \$150,384.00 and expenses of \$144,328.73 for a gain of \$6,055.27. Year-to-date revenue was \$437,744.00, and expenses were \$412,694.28, resulting in a gain of \$25,049.72.

Mr. Gonzales presented the Balance Sheet for the Program Support Fund for the period ending September 30, 2024. Total assets were \$884,266.43, total liabilities were \$158,241.41 and total fund equity was \$726,025.02. For the Employee Benefits Fund, total assets were \$45,935,781.22, total liabilities were \$55,133,849.78, and total fund

equity was negative \$9,198,068.56. For the Risk Fund, total assets were \$171,816,679.41, total liabilities were \$222,684,042.19, and total fund equity was negative \$50,867,362.78. Overall, the agency had a total of \$218,636,727.06 in assets, \$277,976,133.38 in liabilities, and a negative \$59,339,406.32 in fund equity.

A motion was made for Approval of Financial Reports for September 2024 as presented.

Motion: T. Ruiz

Second: P. Jaramillo

A roll call vote was taken.

Ms. Roybal called roll.

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

Vote carried.

9. C. Approval of Amended Appropriation Request (Action Item)

Mr. Gonzales requested approval for an amended Appropriation Request for Benefits. The original submission was for \$550,800,800.00, but the amount was adjusted down by \$70,797,200.00, making the corrected submission \$480,003,600.00. This was an error when the request was being prepared.

A motion was made for Approval of the Amended Appropriation Request as presented.

Motion: T. Ruiz

Second: S. Quintana

A roll call vote was taken.

Ms. Roybal called roll.

Al Park, President	Absent
Chris Parrino, Vice-President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes

Vicki Chavez	Absent
Tim Crone	Abstain
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried.

9. D. Review of NMPSIA Long-Term Investment Policy Statement

Mr. Gonzales informed the Board that it is time for NMPSIA to conduct the annual review of the Long-Term Investment Policy Statement. Last year, a committee was formed, including the Investment Consultant, NMPSIA staff, and Board and Committee members, to review the policy and recommend changes. It remains recommended that the same process be followed this year. Mr. Gonzales asked if anyone would like to volunteer to participate in this process.

Ms. Trish Ruiz, Ms. Denise Balderas, and Ms. Pauline Jaramillo volunteered to participate. Ms. Balderas asked for the dates of the meetings to be sent out.

9. E. FY24 Audit Update

Mr. Gonzales reported that the fiscal year 2024 audit was turned in to the Office of the State Auditor and the Department of Finance and Administration on October 31, 2024. Mr. Gonzales advised that an exit conference was held on October 30th and was attended by Mr. Parrino representing the IFR and Board, Mr. Farley Venner and Ms. Katelyn Constantin from Hinkle and Landers, Director Sandoval, Deputy Director Quintana and Mr. Gonzales from NMPSIA. Mr. Gonzales advised that NMPSIA anticipates receiving one finding related to the process for reviewing System and Organization Controls reports and related bridge letters received from vendors. Mr. Gonzales advised that the auditors will present the audit to the Board when the report is released.

10. Benefits Matters

10. A. Approval of Amendments to Dental Agreements

10. A. 1. Blue Cross Blue Shield Dental (Action Item)

Ms. Quintana presented the request to amend the Blue Cross Blue Shield Dental Agreement effective July 1, 2024. The amendment requests to replace Exhibit B, "Dental Summary of Benefits," in its entirety for the Low Option Plan.

A motion was made for Approval of the Amended Blue Cross Blue Shield Agreement as presented.

Motion: David Martinez Jr.

Second: S. Quintana

A roll call vote was taken.

Ms. Roybal called roll.

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

Vote carried.

10. A. 2. Delta Dental (Action Item)

Ms. Quintana presented the request to amend the Delta Dental Agreement effective July 1, 2024. The amendment requests to replace Exhibit A, "Summary of Benefits," and Exhibit B, "Summary Plan Description," for the Low Option Plan.

A motion was made for Approval of the Amended Delta Dental Agreement as presented.

Motion: David Martinez Jr.

Second: S. Quintana

A roll call vote was taken.

Ms. Roybal called roll.

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

Vote carried.

10. A. 3. United Concordia Dental (Action Item)

Ms. Quintana presented the request to amend the United Concordia Dental Agreement effective July 1, 2024. The amendment requests to replace Exhibit A, “Summary of Benefits,” and Exhibit B, “Summary of Dental Coverage,” in its entirety for the Low Option Plan.

A motion was made for Approval of the Amended United Concordia Agreement as presented.

Motion: David Martinez Jr.

Second: P. Jaramillo

A roll call vote was taken.

Ms. Roybal called roll.

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

Vote carried.

10. B. SALGBA 2024 Regional Conference Update

Mr. K.T. Manis briefed the Board on his attendance at the State and Local Government Benefits Association (SALGBA) conference held at the end of September in Austin, TX. This was his first time attending the conference. Mr. Manis stated that there was a lot of information about benefits such as mental health, onsite health clinics at schools, and utilizing portables that schools are no longer using, which is a very innovative approach to make health more accessible to teachers, staff, and their families.

10. C. Benefit Plan Design Considerations

Ms. Debbie Donaldson with Segal presented the Benefit Plan Design Considerations. Segal and NMPSIA have been discussing plan design comparisons for 2025 and potential

plan changes for 2026. Segal has compared NMPSIA to other IBAC entities, and NMPSIA's plans fall in line with those of other entities and agencies. Plan designs for 2026 should be balanced with cost, budgets, and other initiatives. Initial ideas show estimated savings for an added "Lifestyle Drug Tier". This has the potential to mitigate costs associated with anti-obesity medications. Other recommendations include eliminating the EPO Plan and transitioning the High Option to an in-network-only, EPO-style, option. Ms. Donaldson shared that the plan could benefit from increasing medical out-of-pocket maximums and pharmacy copays on the Low Option medical plan. Plan changes to offset the trend could include a medical benefits reduction of 6.4% and a rate increase for deductibles, coinsurance, and out-of-pocket maximums. The projected plan changes would be effective January 1, 2026. Segal will bring recommendations to the BAC and Board between November 2024 and March 2025, followed by initial and updated estimates in December 2024. Ms. Quintana recommended forming a committee to review the options presented by Segal. Mr. Parrino, Mr. Martinez, Jr., Ms. Jarrell and Ms. Jaramillo volunteered to be on the committee. Mr. Parrino recommended outreach to Committee members Ms. Marsha Martinez and Ms. Kelley Riddle to participate on this committee.

10. D. Stop Loss Update

Ms. Donaldson reported the Stop Loss Update highlighting the renewal analysis effective January 1, 2025. Key stop loss provisions are an individual specific deductible of \$1,000,000, an aggregate specific deductible is \$500,000, and stop loss covers claims incurred from January 1, 2024 through December 31, 2025. There are currently no lasers, and gene therapy is covered. Ms. Donaldson shared a review of claims since 2017. The loss ratio has been low and averages 23%; over a four-year period, it averages 20%. Renewal offers for 2025 show an increase of about \$710,000. NMPSIA continues to pay more in premiums compared to reimbursements. Ms. Donaldson stated that she has confirmed that the data presented are the final renewal numbers for 2025.

10. E. Annual Carrier Updates

10. E. 1. Blue Cross Blue Shield Medical

Ms. Lisa Guevara reported on the Blue Cross Blue Shield Annual Update. The review was from July 1, 2023, through June 30, 2024. The total paid per member per month (PMPM) increased 7.3%. This increase was attributed to a 26.9% increase in high-cost claimants from the prior period. Inpatient facilities' PMPM trends increased by 14.1%, which was impacted by an 18.2% cost increase. This translates to a total claim spending of \$164 million for the year and a current paid PMPM of \$552 with a planned share of 89.3%. Demographics show an average membership of 24,751. NMPSIA membership increased by 3.7%. Neoplasms, Musculoskeletal, Circulatory, and Health Status are the top four most costly diagnostic categories and account for 43.8% of the total medical costs for the period. Emergency room services continue to increase and are almost 80% over the benchmark. The data does reflect that the benefit is being utilized appropriately.

Virtual visits have increased and are being utilized. Wellness with Wondr Health has also increased to 641 participants.

10. E. 2. Delta Dental

Mr. Keith Witt reported Delta Dental's Annual Update. The review was from July 1, 2023, through June 30, 2024. Delta Dental has great in-network dental provider options, with 91% or 879 of the 965 practicing New Mexico dental providers participating in Delta Dental Networks. Delta Dental provides lower-cost options for the members and grants them access to the PPO and Premier Networks. Claims and Utilization savings amounted to approximately \$1.2 million or 8.2% of submitted charges. The network discount savings were approximately \$4.27 million or 29.1% of submitted charges. The savings increase to 32.9% if duplicate claim submissions are excluded. Mr. Witt reported approximately 30,000 claims were processed, totaling over \$4.8 million, with the average cost per claim being about \$166.00. Paid claim costs have increased in the past two fiscal years due to the increase in enrollment; however, the PMPM has decreased from fiscal year 2023 to fiscal year 2024 by about 5%. Postcards were sent out to members who had not seen a dentist in two years. Community engagement has delivered mouthguards to 13,576 athletes, a savings to families of \$271,384.

10. E. 3. Presbyterian Medical

Mr. Steve Valdez reported the Presbyterian Annual Update. The review was from July 1, 2023, through June 30, 2024. Enrollment overview shows an average member increase of 2.9% compared to the prior period and a 2.6% increase in subscribers. The NMPSIA population is 56.1% female, with an overall average age of 37.1 years. Most members reside in Bernalillo, Sandoval, Santa Fe, and San Juan Counties. The Financial Key Indicators Overview shows a 10.4% increase in claims paid. The NMPSIA PMPM increased from \$396.51 to \$425.65, a 7.4% increase. The high-cost claimants increased from \$53.92 to \$63.99, an 18.7% increase. Inpatient and outpatient breakdowns of costs and utilization of key indicators. Inpatient services saw a 9.6% increase, and outpatient services saw a 14.7% increase. Network analysis shows that 99.5% of members are utilizing in-network services. Mr. Valdez reported that 22.4% of members did not use any services at all. Emergency room analysis PMPM claims increased 9.3% and were 39.1% greater than the benchmark. Emergency room visits increased 4.9%. Telehealth did decrease by 2.4% from the prior period.

10. E. 4. United Concordia Dental

Ms. Stephanie Anthony reported United Concordia's Annual Update. The review was from July 1, 2023, through June 30, 2024. In-network utilization has been consistent over the last three years at about 90% with savings of about \$6 million yearly. Membership has decreased by 9%; however, PMPM cost increased by 4.1%, and employee cost increased by 5%. The average age of employees is 49 years, and the average dependent children age is 15 years. Overall, preventive services increased, with employee preventive

services increasing from 56% to 58% and spouse preventive services increasing from 47% to 48%, which is still below the benchmark of 57%.

10. F. Benefits Analyst Quarterly Statistical Report

Ms. Quintana reported the Quarterly Statistical Report for April 1, 2024, through June 30, 2024. NMPSIA received 149 inquiries, most resolved within one or two days. All inquiries were resolved, and members were satisfied and grateful for promptly receiving assistance. Many calls were from employees who were unable to reach someone or get assistance from their benefits department.

10. G. IBAC Update

Ms. Quintana reported the IBAC update. IBAC convened on October 8, 2024, and began with a presentation that primarily focused on a refresher of best practices and methods for procuring and conducting a Claims Integrity Audit. During the discussion, the IBAC Chair noted that the Health Care Authority (HCA) has already chosen a vendor based on internal recommendations. However, the rest of the IBAC desired a more comprehensive selection process. There is a consensus among the rest of the agencies that issuing an RFP would be the best way to ensure a thorough evaluation of potential vendors and their abilities.

10. H. Wildfire and Flood Emergency Order Update

Ms. Quintana reported that on June 18, 2024, Governor Lujan Grisham issued a Wildfire Emergency Order for Lincoln County and Mescalero Apache Reservation, which required health insurers to refill prescriptions early, cover out-of-network services, waive cost-sharing requirements, and cover replacements of medical supplies and equipment that had to be left behind due to evacuations. The order was to be in place for 120 days or through October 17, 2024.

On October 1, 2024, the order was extended until the expiration of the Governor's emergency order for the Salt and South Fork Fires. NMPSIA has drafted a communication to be sent to members by the end of the week informing them of the extension.

Additionally, on October 21, 2024, Governor Lujan Grisham issued an Emergency Order for flooding emergencies in Chavez County, which requires similar accommodation for those members affected until the emergency order relating to the flooding expires. NMPSIA is working with the administrators to follow the order and instate protocols similar to those utilized for the Wildfire Emergency Order. NMPSIA plans to engage and monitor the extension of these benefits to our affected members using an online form where individuals are vetted for their eligibility to utilize the benefits outlined in the order.

11. Risk Matters

11. A. Request to Initiate RFP for Sexual Misconduct Training Videos (Action Item)

Mr. Sandoval requested approval to release an RFP for the Sexual Misconduct Training Videos. The current contract with Vector Solutions expires on June 30, 2025. Mr. Sandoval also requested volunteers from the RAC or Board to join the RFP Committee. Mr. Quintana, Ms. Balderas, and Ms. Ruiz volunteered to join the RFP Committee.

A motion was made for Approval to initiate an RFP for Sexual Misconduct Training Videos.

Motion: S. Quintana

Second: David Martinez Jr.

A roll call vote was taken.

Ms. Roybal called roll.

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

Vote carried.

11. B. Workers' Compensation Conference Update

Mr. Sammy Quintana, Ms. Trish Ruiz, and Ms. Pauline Jaramillo attended the Workers' Compensation conference in Las Vegas, NV. Mr. Quintana and Ms. Ruiz both had an excellent experience personally and professionally. Mr. Quintana reported that Albuquerque Public Schools (APS) was commended for its Return-to-Work Program. Ms. Ruiz was impressed with Artificial Intelligence (AI) used in risk assessments and evaluations.

11. C. TPA Reports

11. C. 1. Property and Liability Monthly Claims Report

Mr. Steve Vanetsky with CCMSI reported on the September 2024 Property and Liability Monthly Claims Report. Liability had 449 open claims, 50 new claims, and 41 claims were closed. Reserves for September were \$67,612,645.01 and payments were \$27,108,775.22 for a total of \$94,721,420.23. Property had 69 open claims, 4 new claims,

and 8 claims were closed. Reserves for September were \$41,889,567.98 and payments were \$43,890,795.96 for a total of \$85,780,363.94.

11. C. 2. Property and Liability Large Losses

Mr. Vanetsky reported the large property losses for September 2024. An update to last month's property loss reported at Hagerman Municipal Schools, the building inspections consultant and engineers indicated that the extended damage reported by the schools were not caused by the earthquake. The damage appears to show a history of long-term post-construction movement due to soil changes and moisture content. These damages will not be covered by NMPSIA insurance. Mr. Vanetsky reported one other significant property loss at Roswell Independent School District due to the flooding that occurred. Initial inspections show a potential loss of \$5,000,000-\$5,500,000, which has been reported to the excess carrier.

Mr. Vanetsky reported three liability large losses for the month of September 2024. Two of these losses are related to sexual implications. One of which involves a potential statute of limitations, as a former student who is currently 49 years of age has come forward with claims of sexual misconduct. The third loss was related to a volunteer at a track meet who sustained a closed head injury by being struck in the head with a discus.

11. C. 3. Worker's Compensation Monthly Claims Report

Mr. Jerry Mayo with CCMSI reported on the September 2024 Workers' Compensation Monthly Claims Report. There were 1,027 open claims, 35 reopened claims, 277 new claims, and 256 claims were closed. Reserves were \$14,956,256.94 and payments were \$50,007,794.66 for a total of \$64,964,051.60.

11. C. 4. Workers' Compensation Large Losses

Mr. Mayo reported three large losses in September 2024 that exceeded \$50,000. Los Alamos Public Schools reported a trip and fall incident where the individual broke their left hip and required a total hip replacement, total claim cost was \$190,100. Santa Fe Public Schools reported a trip and fall incident where the individual sustained a massive rotator cuff tear, the total claim cost was \$65,000. A charter school reported a trip and fall incident where the individual injured their back and right shoulder receiving a 24% body impairment rating, the total claim cost was \$51,786.05.

11. D. Sexual Abuse Statistics

Ms. Julie Garcia with Poms & Associates spoke about sexual abuse statistics presented during the Risk Advisory Committee (RAC) meeting. During the RAC meeting, she asked for a committee to be formed to review the data on sexual molestation cases for the last twenty years. She categorized different claims in conjunction with Vector Solutions participation and STOPit participation to see if there is some kind of correlation between participation and claims. The committee's purpose would be to review the claims data

and statistics and develop a plan for possible increases to premiums. During the RAC meeting Mr. Sammy Quintana, Ms. Denise Balderas, Ms. Vicki Chavez and Ms. Trish Ruiz have volunteered to be on the committee.

11. E. Loss Prevention Update

Mr. Larry Vigil with Poms & Associates presented the Loss Prevention Abatement report for September 2024. 377 recommendations were followed up on within the month, and 277 were corrected for a 74.66% abatement on non-capital.

Mr. Vigil presented an update on a critical hazard letter issued to Mora Independent School District in April 2024. The photos presented show a building used to store maintenance supplies and various chemicals. This building was in an advanced state of dilapidation. The district has since provided updated photos showing that the dilapidated building has been removed and the chemicals have been removed. Mr. Vigil also notified the RAC that La Academia De Esperanza Charter School is currently residing in a building owned by Las Cruces Public Schools; this building is being condemned by the Las Cruces Public Schools, and La Academia De Esperanza Charter School will be evicted. The Charter will move into a temporary location while they look for a suitable permanent location.

12. General Discussion

Ms. Ruiz wanted to thank Angelique Sedillo and Kevin McDonald for the presentation given at the Higher Education Recruitment Consortium (HERC) meeting.

13. Next Meeting Date and Location: Thursday, December 5, 2024

Location: Poms & Associates, 201 3rd Street, Suite 1400, and a virtual option (Action Item)

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

Motion: T. Ruiz

Second: S. Quintana

Ms. Roybal called roll.

Al Park, President	Absent
Chris Parrino, Vice-President	Absent
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.

14. Adjournment (Action Item)

A motion was made to adjourn at 11:00 a.m.

Motion: T. Ruiz

Second: C. Parrino

Ms. Roybal called roll.

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

Vote carried.

Approved:

Mr. Alfred Park, Board President

Public Schools Insurance Authority



Board Meeting

Fiscal Year 2025

October 2024 Financial Reports

December 5, 2024

NM Public Schools Insurance Authority
Statement of Revenues and Expenditures - Employee Benefits Fund - Unposted Transactions Included In Report
From 10/1/2024 Through 10/31/2024

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
Revenue						
Premiums (Health Insurance Assessments)	31,397,055.79	35,492,012.76	13.04	117,743,519.69	132,489,134.40	12.52
Interest Income (Wells Fargo, LGIP)	26,195.07	24,077.98	(8.08)	173,151.74	122,661.16	(29.16)
Investment Income (SIC)	(637,330.67)	(253,419.13)	(60.24)	(1,359,090.51)	1,010,304.89	(174.34)
Miscellaneous Income (Rx Rebates, Penalties, Subros, Etc)	1,152.02	500.00	(56.60)	2,105.41	118,578.90	5,532.10
Total Revenue	30,787,072.21	35,263,171.61	14.54	116,559,686.33	133,740,679.35	14.74
Expenditures						
Medical Claims Expense	27,867,470.47	28,756,143.42	3.19	94,966,576.42	107,879,453.97	13.60
Prescription Claims Expense	4,913,024.88	6,319,967.29	28.64	19,388,919.78	22,913,810.87	18.18
Dental Claims Expense	1,016,640.28	1,328,118.07	30.64	4,644,871.15	5,256,277.70	13.16
Premiums (Life, Vision)	1,311,077.05	1,435,706.74	9.51	5,194,705.78	5,756,308.02	10.81
Claims Administration Fees (Medical, Dental, Rx)	1,229,005.45	1,378,480.35	12.16	4,731,686.33	5,296,740.64	11.94
Contractual Services (Erisa, Segal, Legal, Etc)	232,769.67	262,607.40	12.82	949,681.27	1,263,738.11	33.07
Transfer to Program Support	68,479.00	75,192.00	9.80	274,368.00	294,064.00	7.18
Total Expenditures	36,638,466.80	39,556,215.27	7.96	130,150,808.73	148,660,393.31	14.22
Net Revenue & Expenditures	(5,851,394.59)	(4,293,043.66)	(26.63)	(13,591,122.40)	(14,919,713.96)	9.78

NM Public Schools Insurance Authority
Statement of Revenues and Expenditures - Risk Fund - Unposted Transactions Included In Report
From 10/1/2024 Through 10/31/2024

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
Revenue						
Premiums (Risk Insurance Assessments)	8,354,878.00	9,722,212.68	16.37	33,419,546.80	38,793,748.00	16.08
Interest Income (Wells Fargo, LGIP)	425,294.12	271,386.63	(36.19)	1,317,924.79	1,044,033.31	(20.78)
Investment Income (SIC)	(494,592.51)	(385,626.71)	(22.03)	(1,054,521.00)	946,633.39	(189.77)
Miscellaneous Income (Penalties, Subros, Etc)	0.00	0.00	0.00	1,088.53	113.49	(89.57)
Total Revenue	<u>8,285,579.61</u>	<u>9,607,972.60</u>	<u>15.96</u>	<u>33,684,039.12</u>	<u>40,784,528.19</u>	<u>21.08</u>
Expenditures						
Property - Liability Claims Expense						
Property Claims	226,238.32	2,013,421.05	789.96	3,952,269.89	6,961,759.46	76.15
Liability Claims	1,756,445.88	2,751,921.57	56.68	5,566,488.31	27,082,728.16	386.53
P-L Provisions for Losses	2,489,258.26	(260,813.12)	(110.48)	6,084,200.70	29,132,764.50	378.83
P-L Excess Recoveries	<u>798,760.40</u>	<u>(1,366,122.65)</u>	<u>(271.03)</u>	<u>(947,021.99)</u>	<u>(15,788,129.40)</u>	<u>1,567.13</u>
Total Property - Liability Claims Expense	5,270,702.86	3,138,406.85	(40.46)	14,655,936.91	47,389,122.72	223.34
Workers' Compensation Claims Expense	2,376,125.48	871,821.24	(63.31)	4,776,149.71	3,712,252.75	(22.28)
Property Excess Coverage Premium	3,597,631.00	4,331,269.86	20.39	14,390,524.21	17,177,429.52	19.37
Liability Excess Coverage Premium	2,099,839.00	2,461,263.93	17.21	8,399,361.00	9,808,952.93	16.78
Workers' Compensation Excess Coverage Premium	43,977.00	52,002.00	18.25	176,753.00	208,008.00	17.68
Student Catastrophic Insurance Premium	18,269.00	18,390.00	0.66	73,080.18	77,960.88	6.68
Equipment Breakdown Insurance Premium	38,266.00	41,795.00	9.22	153,067.62	167,186.62	9.22
Property - Liability Claims Administration Fees	94,184.86	98,417.31	4.49	376,739.56	394,434.37	4.70
Workers' Compensation Claims Administration Fees	98,749.05	103,607.63	4.92	399,296.68	420,580.64	5.33
Contractual Services (Erisa, Poms, CCMSI, Legal, Etc)	292,814.23	383,240.23	30.88	2,133,228.14	2,305,840.04	8.09
Transfer to Program Support	<u>68,478.00</u>	<u>75,192.00</u>	<u>9.80</u>	<u>273,476.00</u>	<u>294,064.00</u>	<u>7.53</u>
Total Expenditures	<u>13,999,036.48</u>	<u>11,575,406.05</u>	<u>(17.31)</u>	<u>45,807,613.01</u>	<u>81,955,832.47</u>	<u>78.91</u>
Net Revenue & Expenditures	<u>(5,713,456.87)</u>	<u>(1,967,433.45)</u>	<u>(65.56)</u>	<u>(12,123,573.89)</u>	<u>(41,171,304.28)</u>	<u>239.60</u>

NM Public Schools Insurance Authority
Statement of Revenues and Expenditures - Program Support Fund - Unposted Transactions Included In Report
From 10/1/2024 Through 10/31/2024

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
Revenue						
Transfers from Other Funds (Benefits, Risk)	136,957.00	0.00	(100.00)	547,844.00	437,744.00	(20.10)
Miscellaneous Income	0.12	5.00	4,066.67	0.12	5.00	4,066.67
Total Revenue	136,957.12	5.00	(100.00)	547,844.12	437,749.00	(20.10)
Expenditures						
Contractual Services (Professional, Audit, Legal, Etc)	33,782.91	2,791.04	(91.74)	39,977.12	11,709.14	(70.71)
Other Expenses (Travel, Maint., Supplies, Utilities, Etc.)	13,887.24	21,452.95	54.48	63,464.93	66,704.85	5.11
Per Svc/Ben (Salaries, Fringe Benefits)	120,401.31	118,184.31	(1.84)	466,367.14	476,708.59	2.22
Total Expenditures	168,071.46	142,428.30	(15.26)	569,809.19	555,122.58	(2.58)
Net Revenue & Expenditures	(31,114.34)	(142,423.30)	357.74	(21,965.07)	(117,373.58)	434.36

NM Public Schools Insurance Authority

Balance Sheet

As of 10/31/2024

	Program Support	Employee Benefits	Risk	Total
ASSETS				
Cash (Wells Fargo/State Treasurer)	467,618.58	390,335.43	411,004.23	1,268,958.24
Short-term Investments (LGIP)	0.00	518,892.89	62,329,572.51	62,848,465.40
Long-term Investments (SIC)	0.00	14,909,925.99	22,743,841.04	37,653,767.03
Receivables (LGIP Int., W/C Excess Carrier)	(1,305.83)	22,773.95	19,807,372.88	19,828,841.00
Prepaid Premiums (Risk Excess Coverage)	0.00	0.00	55,237,704.00	55,237,704.00
Other Assets (Deposits, Furniture, Fxtures, Equip., Etc)	244,808.72	15,581,591.00	256,000.00	16,082,399.72
Total ASSETS	711,121.47	31,423,519.26	160,785,494.66	192,920,135.39
LIABILITIES				
Accounts Payable (Admin Fees)	2,493.46	1,567,223.90	1,024,463.64	2,594,181.00
Case Reserves (P/L, W/C)	0.00	0.00	78,196,239.25	78,196,239.25
IBNR (Incurred But Not Reported)	0.00	27,007,138.00	55,415,411.00	82,422,549.00
Claims Payable (Medical, Dental, P/L, W/C)	0.00	17,847,297.74	1,246,617.00	19,093,914.74
Deferred Revenue (Self-Pays, P/L, W/C Premiums)	0.00	55,262.57	77,777,560.00	77,832,822.57
Other (Payroll Taxes, Benefits, Compensated Absences Payable)	125,026.29	0.60	0.00	125,026.89
Total LIABILITIES	127,519.75	46,476,922.81	213,660,290.89	260,264,733.45
FUND EQUITY				
Beginning Fund Equity	700,975.30	(133,689.59)	(11,703,491.95)	(11,136,206.24)
Net Revenue & Expenditures (Year-to-Date)	(117,373.58)	(14,919,713.96)	(41,171,304.28)	(56,208,391.82)
Total FUND EQUITY	583,601.72	(15,053,403.55)	(52,874,796.23)	(67,344,598.06)



New Mexico Public Schools Insurance Authority

December 5, 2024

Meeting Materials

Agenda

1. Executive Summary
2. Economic and Market Update
3. 3Q 2024 Performance Review
 - Benefit Fund
 - Risk Fund

Executive Summary

Current Status

- As of September 30, 2024, the Benefits Fund was valued at \$22.2 million and the Risk Fund was valued at \$23.1 million. During the third quarter, the Benefits Fund returned 6.0% and the Risk Fund returned 6.1%. This brings their YTD returns to 12.5% and 12.2%, respectively.
- All asset classes were within their respective policy ranges at quarter-end.

Recently Completed Actions

- Since the September 5, 2024 Board meeting, we have assisted with the following:
 - Assisted Staff with rebalancing the Benefits Fund and the Risk Fund at the October SIC liquidity window, including a withdrawal for the Benefits Fund.
 - Began the Investment Policy Statement review process with a Board sub-committee.

Next Steps

- At future meetings, we plan to address the following topics:
 - Review Meketa's observations regarding the Investment Policy Statement and discuss any potential changes.
 - Conduct an initial review of the Plan's asset allocation and return expectations and gauge the Board's risk appetite. We will use this feedback to present a detailed review of alternative asset allocation policies.

Economic and Market Update

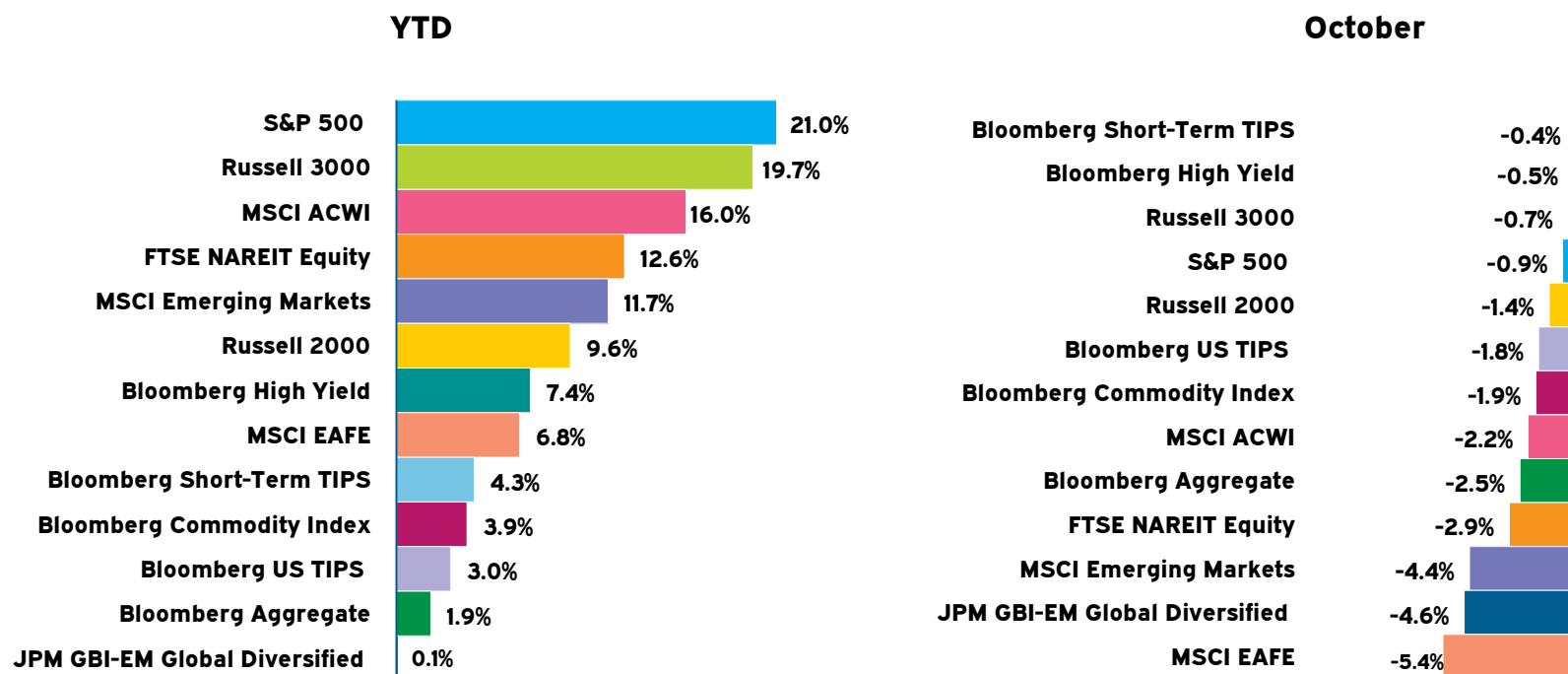
Data as of October 31, 2024

Commentary

October saw markets turn cautious ahead of the looming presidential election with major equity and bond markets declining for the month.

- After month-end, the Federal Reserve cut its policy rate another 0.25% even as unemployment remained low and economic growth was resilient.
- After strong performance in the third quarter, US equities (Russell 3000) fell 0.7% in October.
- Emerging market equities declined 4.4% in October, after rising 8.7% in the third quarter. Despite the decline, they outperformed developed market equities, with the MSCI EAFE index falling 5.4% in October.
- Chinese stocks (MSCI China) sold-off in October, (-5.9%) as investor enthusiasm cooled awaiting more concrete fiscal policy stimulus from policy makers to address the solvency issues for local governments, the real estate sector, and consumers.
- Fixed income markets declined and bond yields rose, as investors considered the policy impacts of a potential second Trump presidency.
- Looking ahead, key factors influencing the global economic outlook include the paths of inflation, labor markets, and monetary policy, China's slowing economy and the impacts of policy stimulus, increased geopolitical tensions, and questions about new policies from the incoming US administration..

Index Returns¹



→ After a strong third quarter, major markets sold-off in October due to uncertainty about the looming US presidential election and continued questions about the path of interest rates.

→ Year-to-date through October, all major asset classes were positive, led by US equities.

¹ Source: Bloomberg. Data is as of October 31, 2024.

Domestic Equity Returns¹

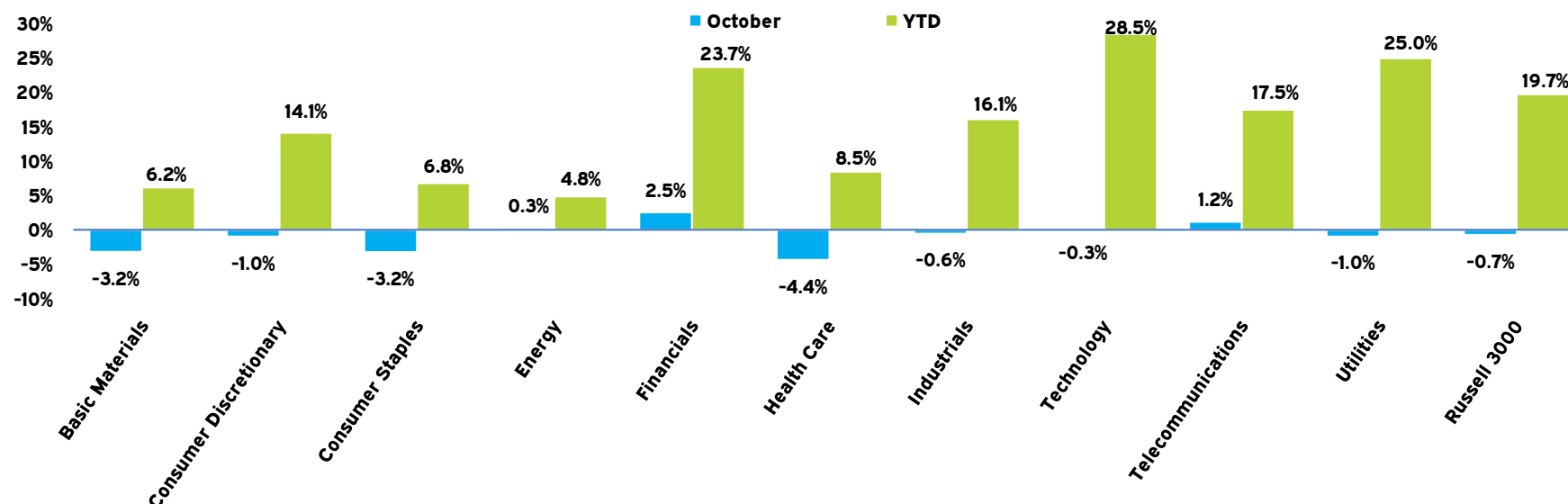
Domestic Equity	October (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	-0.9	21.0	38.0	9.1	15.3	13.0
Russell 3000	-0.7	19.7	37.9	7.6	14.6	12.4
Russell 1000	-0.7	20.3	38.1	8.1	15.0	12.7
Russell 1000 Growth	-0.3	24.1	43.8	8.8	19.0	16.2
Russell 1000 Value	-1.1	15.4	31.0	6.8	10.1	8.9
Russell MidCap	-0.5	14.0	35.4	3.5	10.9	9.8
Russell MidCap Growth	1.7	14.9	38.7	0.6	11.5	11.2
Russell MidCap Value	-1.3	13.6	34.0	5.1	9.9	8.4
Russell 2000	-1.4	9.6	34.1	0.0	8.5	7.9
Russell 2000 Growth	-1.3	11.7	36.5	-2.3	7.9	8.1
Russell 2000 Value	-1.6	7.5	31.8	1.9	8.4	7.3

US Equities: The Russell 3000 fell 0.7% in October, bringing the year-to-date results to +19.7%.

- US stocks fell slightly during October, amid mixed economic signals and, toward the end of month, due to a focus on the looming US presidential election.
- For the month, growth stocks outperformed value stocks across the market cap spectrum, particularly in midcap. In the large cap space, this dynamic was driven mainly by one stock, NVIDIA.
- Large cap stocks (Russell 1000) declined less than small cap stocks (Russell 2000) for the month.

¹ Source: Bloomberg. Data is as of October 31, 2024.

Russell 3000 Sector Returns¹



- All sectors turned negative in October, except Financials and Telecommunications stocks.
- Healthcare stocks led the overall decline among sectors, most notably due to Eli Lilly's decline after reporting disappointing quarterly earnings.
- On a year-to-date basis, Technology continued to lead the way (+28.5%), followed closely by Utilities (+25.0%) largely on growing energy demand for cloud computing data centers. The Fed's rate cuts and generally healthy economy have lifted Financials (+23.7%).

¹ Source: Bloomberg. Data is as of October 31, 2024.

Foreign Equity Returns¹

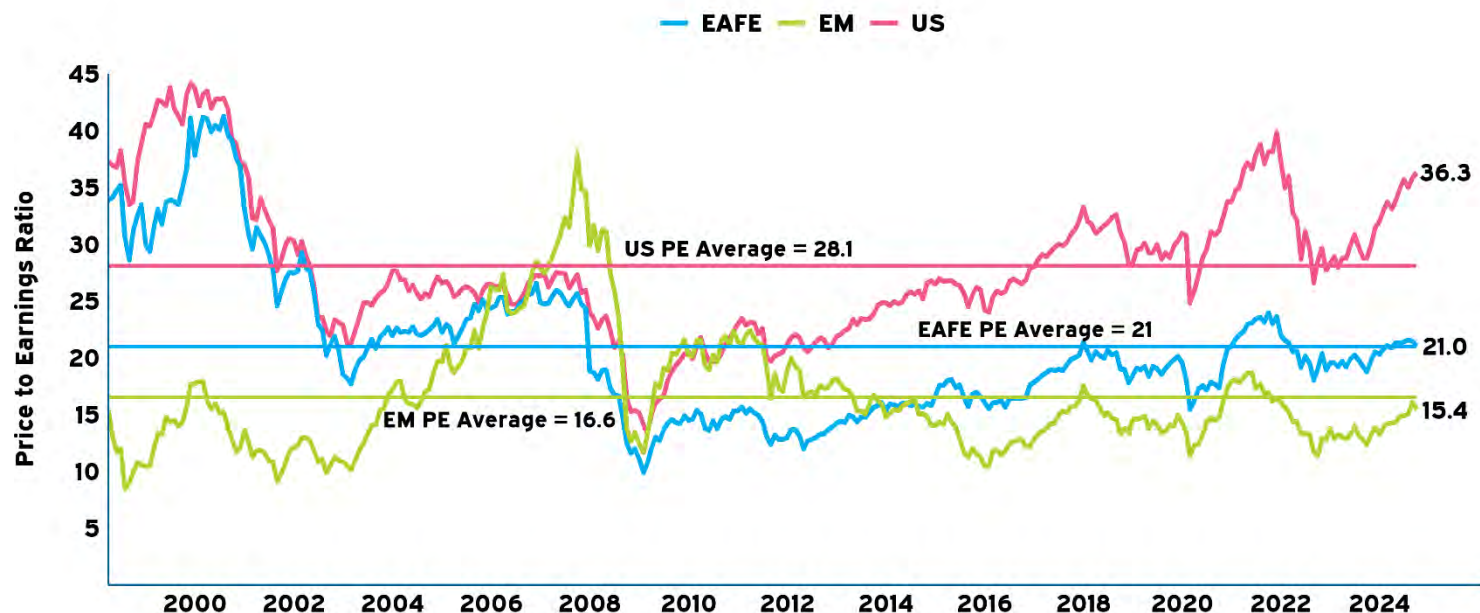
Foreign Equity	October (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	-4.9	8.6	24.3	1.6	5.8	4.8
MSCI EAFE	-5.4	6.8	23.0	2.7	6.2	5.3
MSCI EAFE (Local Currency)	-1.6	10.2	19.7	6.6	8.1	7.2
MSCI EAFE Small Cap	-6.3	4.1	23.0	-3.0	4.1	5.7
MSCI Emerging Markets	-4.4	11.7	25.3	-1.4	3.9	3.4
MSCI Emerging Markets (Local Currency)	-2.9	14.9	25.9	1.6	6.2	6.0
MSCI EM ex. China	-3.9	8.3	27.2	2.1	6.6	4.4
MSCI China	-5.9	21.7	21.8	-8.4	-1.2	2.3

Foreign Equity: Developed international equities (MSCI EAFE) fell 5.4% in October, while emerging market equities (MSCI Emerging Markets) fell 4.4%.

- In October, emerging and developed markets outside the US both suffered from risk-off sentiment ahead of the US election. Additionally, a stronger dollar served as a headwind, particularly for developed markets.
- Developed market equities fell 1.6% in local terms but factoring in the strengthening dollar brought returns to -5.4% for the month (the worst result of the major indexes).
- The rally in Chinese equities cooled as investors reassessed the Chinese government's convictions behind stimulating the sluggish economy.

¹ Source: Bloomberg. Data is as October 31, 2024.

Equity Cyclically Adjusted P/E Ratios¹



- US stocks (36.3) continue to trade well above their long-run PE average of 28.1.
- Non-US developed market valuations fell slightly to their long-term average while emerging market stock valuations also declined but remain close to their long-term average given the strong recent gains.

¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E Source: Bloomberg. Earnings figures represent the **average of monthly "as reported" earnings over the previous ten years**. Data is as of October 2024. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end respectively.

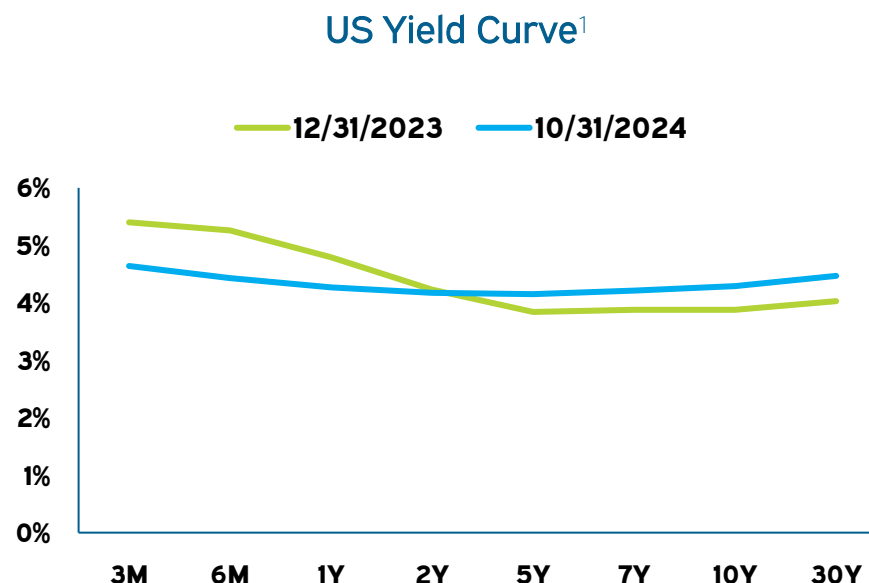
Fixed Income Returns¹

Fixed Income	October (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-2.3	2.5	11.2	-1.8	0.2	1.8	5.0	6.0
Bloomberg Aggregate	-2.5	1.9	10.5	-2.2	-0.2	1.5	4.7	6.2
Bloomberg US TIPS	-1.8	3.0	8.6	-1.5	2.2	2.3	4.4	6.8
Bloomberg Short-term TIPS	-0.4	4.3	6.6	2.2	3.4	2.4	4.3	2.5
Bloomberg US Long Treasury	-5.2	-2.9	15.1	-10.5	-5.1	0.3	4.6	15.1
Bloomberg High Yield	-0.5	7.4	16.5	3.0	4.5	4.9	7.3	3.5
JPM GBI-EM Global Diversified (USD)	-4.6	0.1	8.8	-0.5	0.9	-0.1	--	--

Fixed Income: The Bloomberg Universal index fell 2.3% in October, bringing the year-to-date return to +2.5%.

- Fixed income indexes declined during the month, driven by economic data largely beating expectations and markets anticipating the potential policy impacts if Trump was re-elected.
- The broad US bond market (Bloomberg Aggregate) declined 2.5% over the month, with TIPS, particularly short-term TIPS, declining less.
- High yield bonds experienced smaller declines compared to the broad US bond market, while emerging market debt weakened more meaningfully.

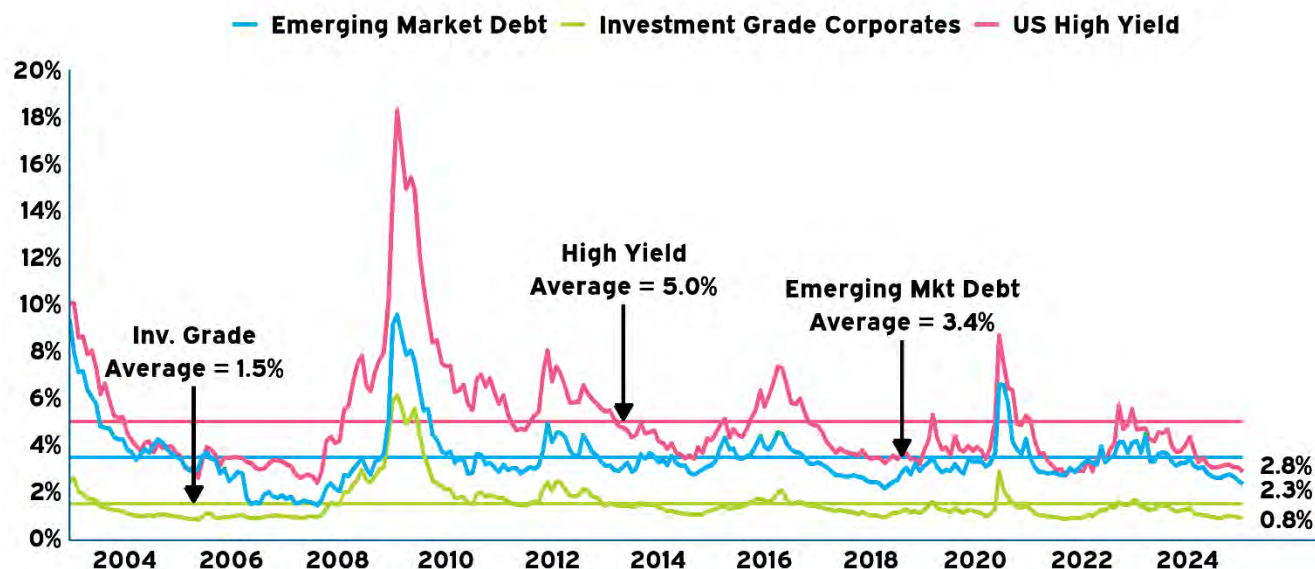
¹ Source: Bloomberg. Data is as of October 31, 2024. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration, respectively. JPM GBI-EM data is from J.P. Morgan. Current yield and duration data is not available.



- After falling in the third quarter, US Treasury yields rose meaningfully in October across the yield curve. Better-than-expected economic data and growing anticipation of a potential second Trump presidency and related policy actions drove yields higher.
- The more policy sensitive two-year Treasury yield increased from 3.64% to 4.17%, while the ten-year Treasury yield rose from 3.78% to 4.29% over the same period.
- The yield curve from two years to ten years is no longer inverted, given policy rate cuts and resilient growth. This trend could continue as the Fed will likely cut short-term interest rates further.

¹ Source: Bloomberg. Data is as of October 31, 2024.

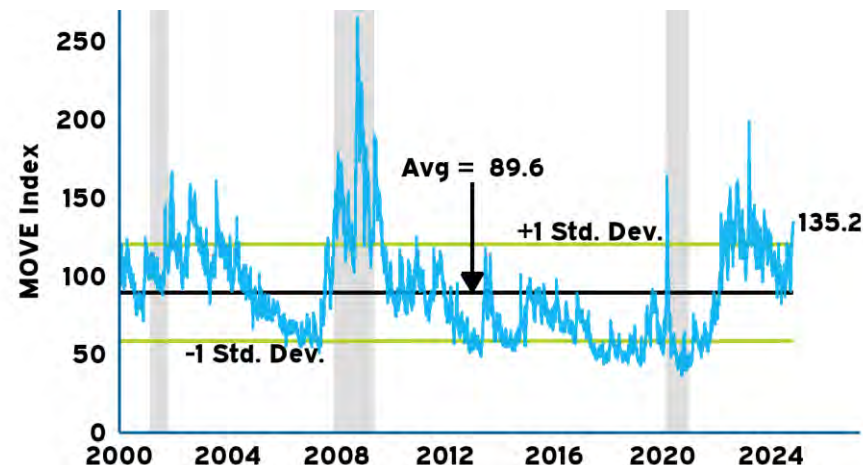
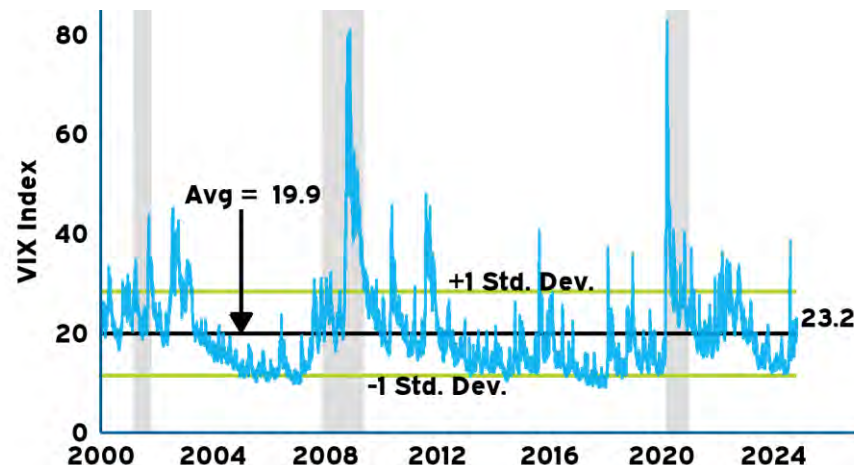
Credit Spreads vs. US Treasury Bonds¹



- Spreads (the yield above a comparable maturity Treasury) resumed their post-pandemic tightening trend with rising Treasury yields narrowing spreads in other fixed income markets.
- All yield spreads remained below their respective long-run averages, particularly high yield.
- Although spreads are relatively tight, yields remain at above-average levels compared to the last two decades, particularly for short-term issues.

¹ Source: Bloomberg. Data is as October 31, 2024. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

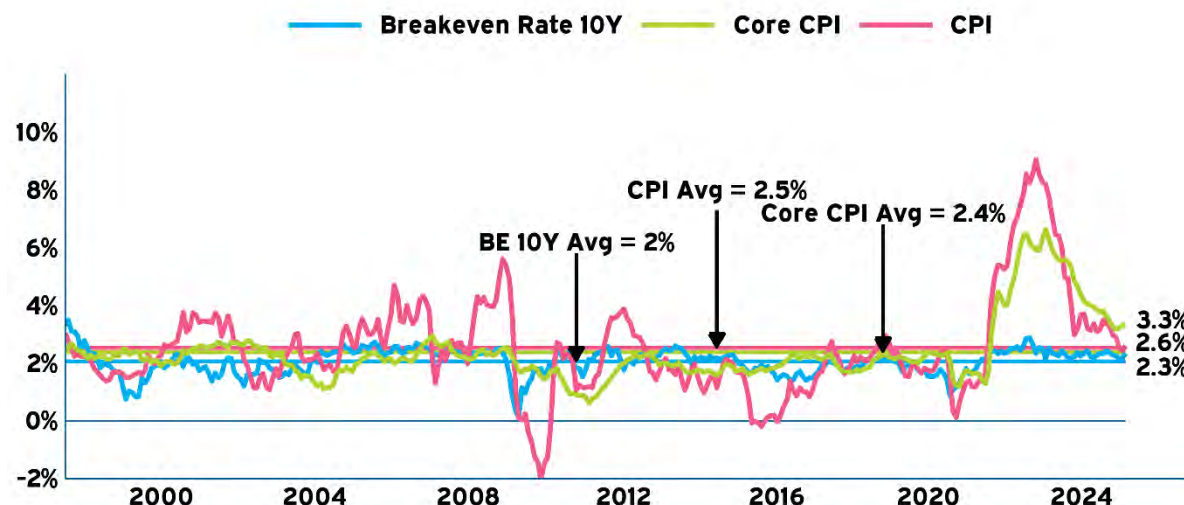
Equity and Fixed Income Volatility¹



- In October volatility, particularly in bonds, increased ahead of the US presidential election.
- Despite the increase, volatility levels (VIX) in the US stock market finished the month slightly above its long-run average. By contrast, volatility in the bond market (MOVE) ended October over one standard deviation above its long-run average as concern increased about the future path of interest rates.

¹ Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of October 2024. The average line indicated is the average of the VIX and MOVE values between January 2000 and October 2024.

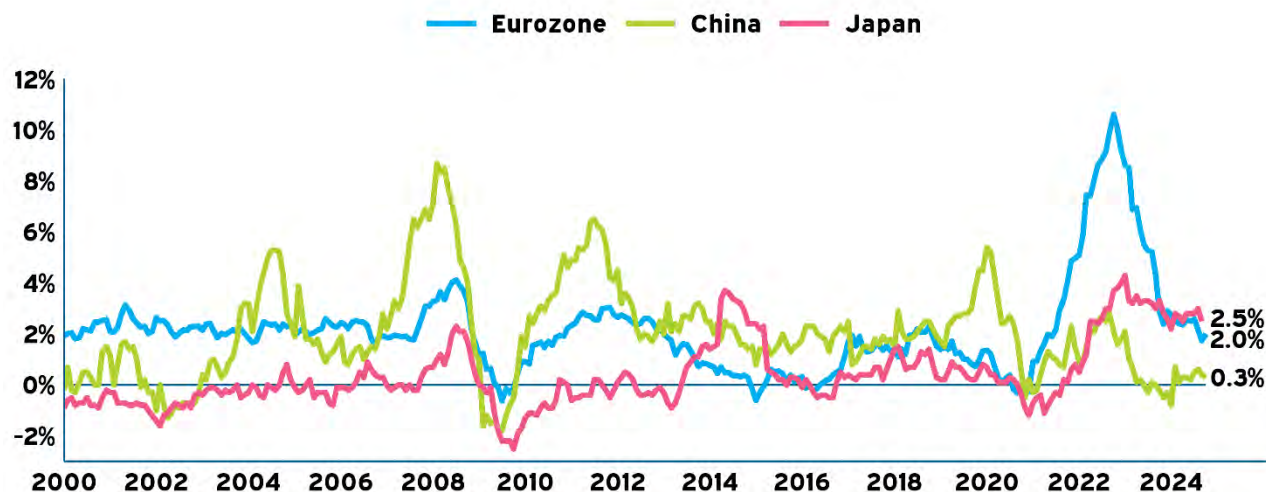
US Ten-Year Breakeven Inflation and CPI¹



- In October, inflation rose 0.2% month-on-month, with shelter accounting for over half of the gain even as energy prices declined.
- Year-over-year inflation increased from 2.4% to 2.6% (matching expectations) largely driven by base year effects. Shelter (+4.9%), transportation (+8.2%), and medical care (+3.8%) contributed to the annual gain while energy prices (-4.9%) fell over the past year.
- Year-over-year core inflation (excluding food and energy) rose 3.3%, also matching expectations.
- Inflation expectations (breakevens) rose in October on the proposed policies of both presidential candidates, and better-than-expected economic data.

¹ Source: FRED. Data is as of October 2024. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

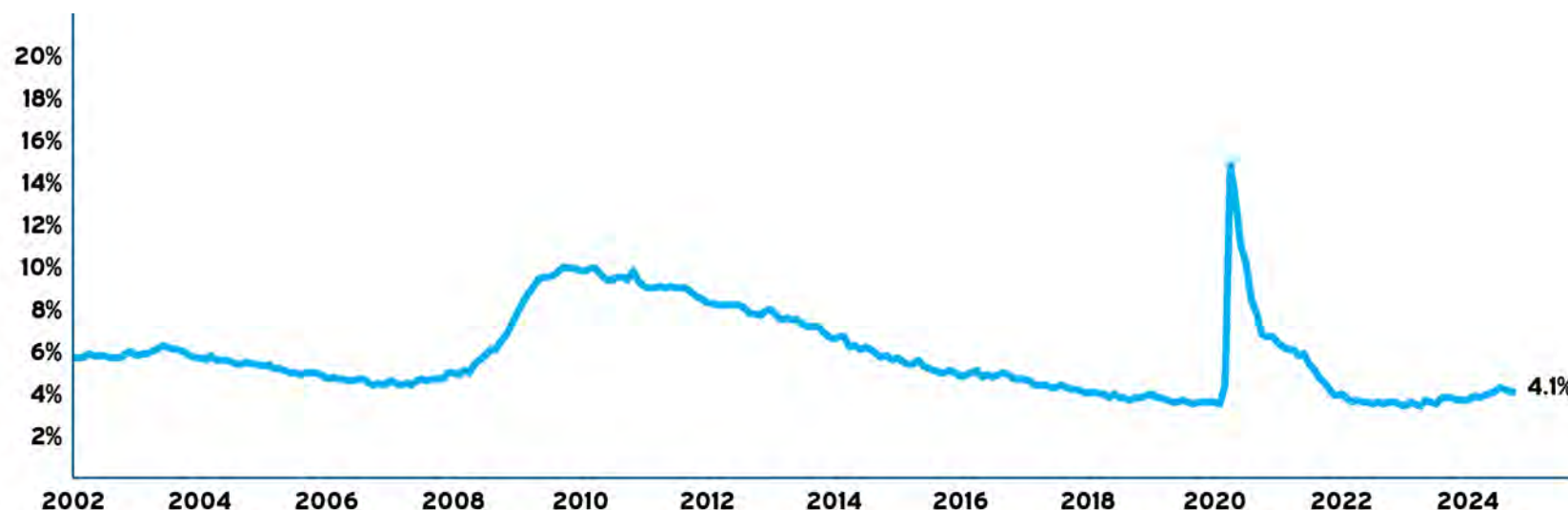
Global Inflation (CPI Trailing Twelve Months)¹



- In the eurozone, inflation rose from 1.7% to 2.0% in October (a level below the US). The increase was driven by the significant fall in energy prices from last year no longer being included in the calculation.
- Inflation in Japan, recently fell (3.0% to 2.5%) due in part to a slowing in the increase of gas and electricity prices. Despite the decline, inflation levels remain elevated from a historical perspective in Japan, supporting the case for additional interest rate increases by the Bank of Japan.
- Inflation in China, came in at 0.3% in October, slightly below expectations of 0.4%. China continues to fight deflationary pressures despite recent stimulus measures.

¹ Source: Bloomberg. Data is as October 31, 2024, except Japan which is as of September 30, 2024.

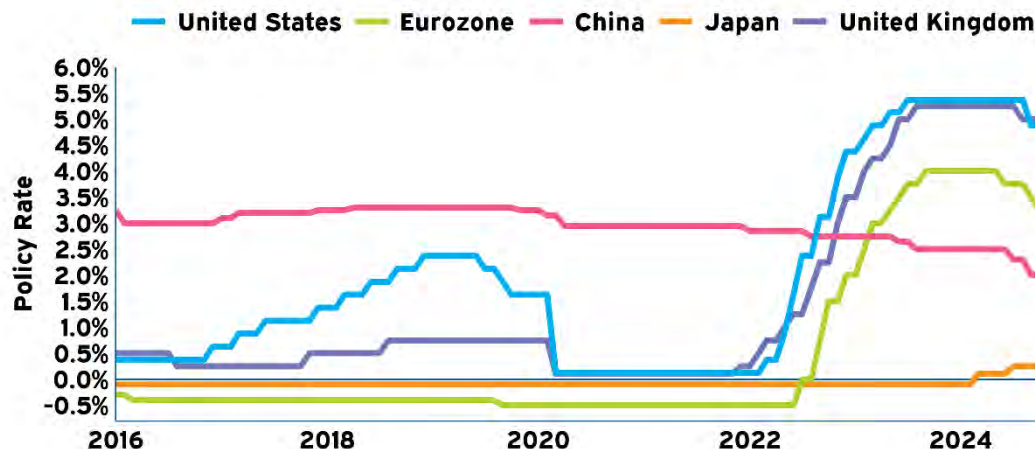
US Unemployment¹



- The unemployment rate stayed steady at 4.1% in October, while the number of people without jobs remained around the 7.0 million level.
- The health care (+52K) and government (+40K) sectors added the most jobs in October while jobs declined in temporary services (-49K) and manufacturing (-46K).
- Initial claims for unemployment remain relatively low and year-over-year wage gains strong (+4.0%).

¹ Source: FRED and BLS. Data is as of October 31, 2024.

Policy Rates¹



- In the US, the Fed reduced interest rates after month-end by 0.25% to a range of 4.5% to 4.75% in a move largely expected by investors.
- The Bank of England made a similar 0.25% interest rate cut in November, while the European Central Bank made the same rate cut in October.
- After exiting negative interest rates in 2024 and making several rate increases, rate cutting by other major central banks are complicating prospects for further policy rate hikes in Japan.
- China announced a broad-based unexpected stimulus package that included lower interest rates, a reduction in bank reserve requirements, expanding local government borrowing facilities, and liquidity for stock investors.

¹ Source: Bloomberg. Data is as of October 2024. United States rate is the mid-point of the Federal Funds Target Rate range. Eurozone rate is the ECB Deposit Facility Announcement Rate. Japan rate is the Bank of Japan Unsecured Overnight Call Rate Expected. China rate is the China Central Bank 1-Year Medium Term Interest Rate. UK rate is the UK Bank of England Official Bank Rate.

US Dollar vs. Broad Currencies¹



- In October, the US dollar rallied, a trend that continued strongly in November.
- A rise in interest rates driven by potential inflationary impacts of proposed higher tariffs, lower taxes, and immigration policies from candidate, and now president-elect Trump, drove the dollar's gains.
- Looking ahead, the track of policy rates across major central banks and the policies implemented by the incoming administration in the US will be key for the path of the US dollar from here.

¹ Source: Bloomberg. Data as of October 31, 2024.

Summary

Key Trends:

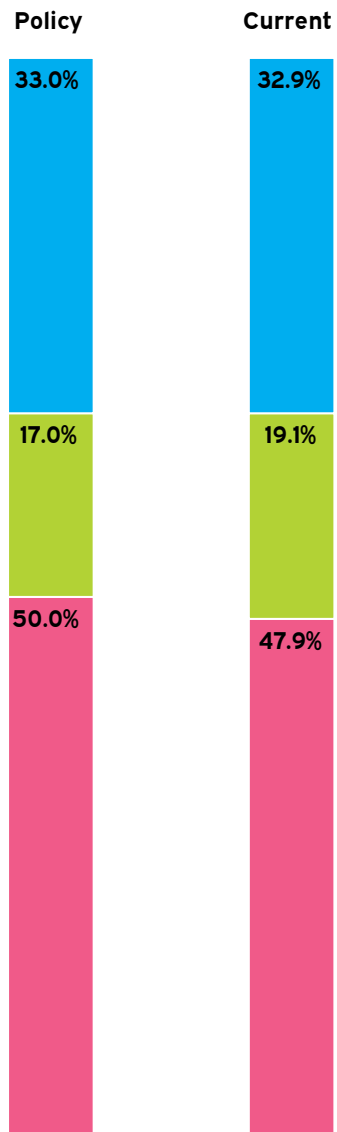
- According to the International Monetary Fund's (IMF) October report, global growth in 2025 is expected to be similar to 2024 at around 3.2% with most major economies predicted to avoid a recession.
- Many questions remain about what policies will be implemented by the new administration in the US. Although deregulation and tax cuts could support growth, these policies, along with higher tariffs and restrictive immigration, could fan inflation. This will likely lead to additional uncertainty regarding the timing and pace of interest rate cuts in the coming year.
- US consumers could feel pressure as certain components of inflation (e.g., shelter) remain high, borrowing costs stay elevated, and the job market may weaken further.
- A focus for US equities going forward will be whether earnings can remain resilient if growth slows. Also, the future paths of the large technology companies that have driven market gains will be important.
- We have started to see divergences in monetary policy. Some central banks, such as the Fed, European Central Bank, and the Bank of England, have started to cut interest rates and others, like the Bank of Japan, have increased interest rates. This disparity will likely influence capital flows and currencies.
- China appears to have shifted focus to more policy support for the economy/asset prices with a new suite of fiscal and financial policy stimulus measures. Thus far these efforts have not increased weak consumer spending or helped the lingering trouble in the real estate sector. It is still not clear what the long-term impact of these policies will be on the economy and if policy makers will remain committed to these efforts.

3Q 2024 Performance Review

Benefits Fund

New Mexico Public Schools Insurance Authority-Benefits Fund

Asset Allocation Compliance | As of September 30, 2024



Allocation vs. Targets						
	Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
Domestic Equity	7,301,062	32.9	33.0	-0.1	18.0 - 48.0	Yes
International Equity	4,241,600	19.1	17.0	2.1	2.0 - 32.0	Yes
Fixed Income	10,620,683	47.9	50.0	-2.1	35.0 - 65.0	Yes
Total Fund	22,163,345	100.0	100.0	0.0		

Asset Allocation & Performance | As of September 30, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	22,163,345	100.0	6.0	12.5	22.3	3.9	7.5	6.9	6.8	Jun-14
<i>Benefits Fund - Blended Benchmark</i>			<i>6.0</i>	<i>11.4</i>	<i>22.2</i>	<i>4.2</i>	<i>7.4</i>	<i>6.8</i>	<i>6.7</i>	
Equity	11,542,662	52.1	7.4	17.3	29.2	6.7	11.4	9.5	9.3	Jun-14
Domestic Equity	7,301,062	32.9	6.9	18.6	32.0	8.3	13.2	11.5	11.3	Jun-14
<i>Russell 3000 Index</i>			<i>6.2</i>	<i>20.6</i>	<i>35.2</i>	<i>10.3</i>	<i>15.3</i>	<i>12.8</i>	<i>12.6</i>	
US Large Cap Index Pool	5,853,828	26.4	6.1	20.4	33.5	10.2	14.6	12.6	12.4	Jun-14
<i>Russell 1000 Index</i>			<i>6.1</i>	<i>21.2</i>	<i>35.7</i>	<i>10.8</i>	<i>15.6</i>	<i>13.1</i>	<i>13.0</i>	
US SMID Cap Alternative Weighted Index Pool	1,447,235	6.5	10.1	10.0	25.0	--	--	--	14.3	Jan-23
<i>S&P SmallCap 600 Index</i>			<i>10.1</i>	<i>9.3</i>	<i>25.9</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>14.6</i>	
International Equity	4,241,600	19.1	8.4	14.7	23.9	3.7	7.9	5.3	4.8	Jun-14
<i>MSCI AC World ex USA (Net)</i>			<i>8.1</i>	<i>14.2</i>	<i>25.4</i>	<i>4.1</i>	<i>7.6</i>	<i>5.2</i>	<i>4.7</i>	
Non-US Developed Markets Active Pool	3,056,875	13.8	8.8	14.4	23.4	--	--	--	16.8	Jan-23
<i>MSCI EAFE IMI</i>			<i>7.8</i>	<i>13.2</i>	<i>25.2</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>18.1</i>	
Non-US Emerging Markets Index Pool	1,184,724	5.3	7.5	15.6	25.4	0.0	6.5	--	6.0	Nov-16
<i>MSCI Emerging Markets Index</i>			<i>8.9</i>	<i>17.2</i>	<i>26.5</i>	<i>0.8</i>	<i>6.1</i>	<i>--</i>	<i>6.3</i>	
Fixed Income	10,620,683	47.9	4.6	5.9	12.1	-0.2	1.8	3.1	3.0	Jun-14
<i>Blmbg. U.S. Universal Index</i>			<i>5.2</i>	<i>4.9</i>	<i>12.1</i>	<i>-1.1</i>	<i>0.7</i>	<i>2.2</i>	<i>2.1</i>	
Credit Plus Pool	10,620,683	47.9	4.6	5.9	12.1	-0.2	1.8	3.1	3.0	Jun-14
<i>Blmbg. U.S. Universal Index</i>			<i>5.2</i>	<i>4.9</i>	<i>12.1</i>	<i>-1.1</i>	<i>0.7</i>	<i>2.2</i>	<i>2.1</i>	

	Calendar Year Performance								
	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Total Fund	15.4	-16.7	11.2	12.9	20.0	-5.7	14.8	8.1	-0.3
<i>Benefits Fund - Blended Benchmark</i>	<i>16.2</i>	<i>-16.0</i>	<i>10.0</i>	<i>13.7</i>	<i>19.1</i>	<i>-4.4</i>	<i>14.0</i>	<i>6.8</i>	<i>0.1</i>
Equity	19.2	-18.0	18.8	15.0	27.6	-9.7	21.8	9.7	-0.5
Domestic Equity	22.2	-19.0	23.5	17.0	30.8	-7.1	19.2	14.5	0.7
<i>Russell 3000 Index</i>	<i>26.0</i>	<i>-19.2</i>	<i>25.7</i>	<i>20.9</i>	<i>31.0</i>	<i>-5.2</i>	<i>21.1</i>	<i>12.7</i>	<i>0.5</i>
US Large Cap Index Pool	24.9	-18.9	26.1	17.7	30.4	-4.9	21.6	13.0	1.0
<i>Russell 1000 Index</i>	<i>26.5</i>	<i>-19.1</i>	<i>26.5</i>	<i>21.0</i>	<i>31.4</i>	<i>-4.8</i>	<i>21.7</i>	<i>12.1</i>	<i>0.9</i>
US SMID Cap Alternative Weighted Index Pool	14.9	--	--	--	--	--	--	--	--
<i>S&P SmallCap 600 Index</i>	<i>16.1</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
International Equity	13.7	-16.3	10.2	11.0	21.5	-14.5	27.6	0.2	-1.7
<i>MSCI AC World ex USA (Net)</i>	<i>15.6</i>	<i>-16.0</i>	<i>7.8</i>	<i>10.7</i>	<i>21.5</i>	<i>-14.2</i>	<i>27.2</i>	<i>4.5</i>	<i>-5.7</i>
Non-US Developed Markets Active Pool	14.7	--	--	--	--	--	--	--	--
<i>MSCI EAFE IMI</i>	<i>18.1</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
Non-US Emerging Markets Index Pool	10.6	-21.1	1.2	18.9	17.2	-15.0	36.7	--	--
<i>MSCI Emerging Markets Index</i>	<i>10.3</i>	<i>-19.7</i>	<i>-2.2</i>	<i>18.7</i>	<i>18.9</i>	<i>-14.2</i>	<i>37.8</i>	<i>--</i>	<i>--</i>
Fixed Income	7.9	-13.2	-0.1	9.3	10.5	0.1	6.0	6.2	-0.6
<i>Blmbg. U.S. Universal Index</i>	<i>6.2</i>	<i>-13.0</i>	<i>-1.1</i>	<i>7.6</i>	<i>9.3</i>	<i>-0.3</i>	<i>4.1</i>	<i>3.9</i>	<i>0.4</i>
Credit Plus Pool	7.9	-13.2	-0.1	9.3	10.5	0.1	6.0	6.2	-0.6
<i>Blmbg. U.S. Universal Index</i>	<i>6.2</i>	<i>-13.0</i>	<i>-1.1</i>	<i>7.6</i>	<i>9.3</i>	<i>-0.3</i>	<i>4.1</i>	<i>3.9</i>	<i>0.4</i>

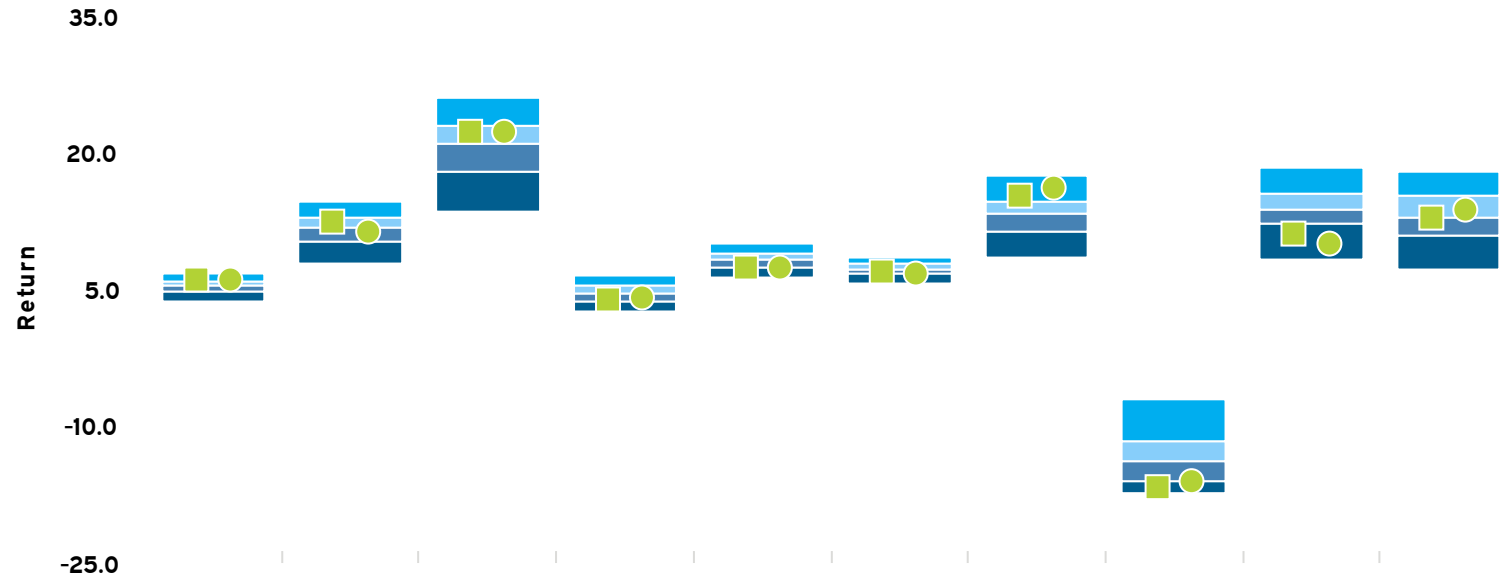
Financial Reconciliation | 1 Quarter Ending September 30, 2024

	Beginning Market Value(\$)	Contributions(\$)	Distributions(\$)	Net Investment Change(\$)	Ending Market Value(\$)	Net Contributions
US Large Cap Index Pool	5,518,511	-	-	316,281	5,853,828	-
US SMID Cap Alternative Weighted Index Pool	1,314,152	-	-	126,677	1,447,235	-
Non-US Developed Markets Active Pool	2,810,219	-	-	226,740	3,056,875	-
Non-US Emerging Markets Index Pool	1,102,414	-	-	82,137	1,184,724	-
Credit Plus Pool	10,154,325	-	-	318,404	10,620,683	-
Total	20,899,621	-	-	1,070,240	22,163,345	-

Benchmark History		
From Date	To Date	Benchmark
Total Fund		
02/01/2024	Present	33.0% Russell 3000 Index, 17.0% MSCI AC World ex USA (Net), 50.0% Blmbg. U.S. Aggregate Index
12/01/2021	02/01/2024	42.0% Russell 3000 Index, 23.0% MSCI AC World ex USA (Net), 35.0% Blmbg. U.S. Aggregate Index
07/01/2015	12/01/2021	36.0% Russell 3000 Index, 19.0% MSCI AC World ex USA (Net), 45.0% Blmbg. U.S. Aggregate Index

Annual Investment Expense Analysis				
	Fee Schedule	Market Value (\$)	Expense Ratio (%)	Estimated Expense (\$)
Total Fund		22,163,345	0.16	34,993
Equity		11,542,662	0.13	14,813
Domestic Equity		7,301,062	0.02	1,164
US Large Cap Index Pool	0.01 % of Assets	5,853,828	0.01	585
US SMID Cap Alternative Weighted Index Pool	0.04 % of Assets	1,447,235	0.04	579
International Equity		4,241,600	0.32	13,649
Non-US Developed Markets Active Pool	0.40 % of Assets	3,056,875	0.40	12,228
Non-US Emerging Markets Index Pool	0.12 % of Assets	1,184,724	0.12	1,422
Fixed Income		10,620,683	0.19	20,179
Credit Plus Pool	0.19 % of Assets	10,620,683	0.19	20,179

Peer Group Analysis All Public Plans-Total Fund

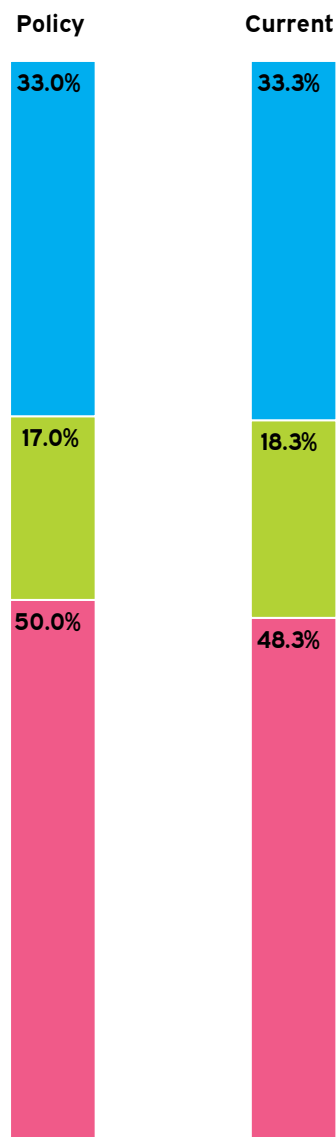


	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2023	2022	2021	2020
■ Total Fund	6.0 (20)	12.5 (34)	22.3 (33)	3.9 (70)	7.5 (77)	6.9 (65)	15.4 (16)	-16.7 (85)	11.2 (85)	12.9 (51)
● Benefits Fund - Blended Benchmark	6.0 (21)	11.4 (58)	22.2 (34)	4.2 (61)	7.4 (80)	6.8 (71)	16.2 (10)	-16.0 (77)	10.0 (92)	13.7 (42)
5th Percentile	6.7	14.6	26.1	6.5	10.0	8.6	17.5	-7.0	18.5	17.9
1st Quartile	5.9	12.9	23.0	5.4	8.9	7.8	14.7	-11.7	15.5	15.3
Median	5.4	11.8	21.0	4.5	8.3	7.3	13.3	-13.8	13.8	13.0
3rd Quartile	4.7	10.2	18.0	3.7	7.5	6.7	11.4	-15.9	12.2	11.0
95th Percentile	3.7	7.8	13.4	2.5	6.2	5.6	8.4	-17.4	8.3	7.2
Population	738	728	723	699	683	576	1,133	1,159	1,217	1,263

Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

Risk Fund

Asset Allocation Compliance | As of September 30, 2024



Allocation vs. Targets						
	Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
Domestic Equity	7,705,560	33.3	33.0	0.3	18.0 - 48.0	Yes
International Equity	4,243,425	18.3	17.0	1.3	2.0 - 32.0	Yes
Fixed Income	11,180,482	48.3	50.0	-1.7	35.0 - 65.0	Yes
Total Fund	23,129,468	100.0	100.0	0.0		

Asset Allocation & Performance | As of September 30, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	23,129,468	100.0	6.1	12.2	23.0	4.3	7.7	7.1	6.9	Jun-14
<i>Risk Fund - Blended Benchmark</i>			<i>6.0</i>	<i>11.4</i>	<i>22.2</i>	<i>4.2</i>	<i>7.4</i>	<i>6.8</i>	<i>6.7</i>	
Equity	11,948,986	51.7	7.6	16.8	30.1	7.5	11.9	9.8	9.5	Jun-14
Domestic Equity	7,705,560	33.3	7.1	17.9	32.8	9.3	13.8	11.9	11.7	Jun-14
<i>Russell 3000 Index</i>			<i>6.2</i>	<i>20.6</i>	<i>35.2</i>	<i>10.3</i>	<i>15.3</i>	<i>12.8</i>	<i>12.6</i>	
US Large Cap Index Pool	5,632,478	24.4	6.1	20.5	34.9	11.6	15.4	13.0	12.9	Jun-14
<i>Russell 1000 Index</i>			<i>6.1</i>	<i>21.2</i>	<i>35.7</i>	<i>10.8</i>	<i>15.6</i>	<i>13.1</i>	<i>13.0</i>	
US SMID Cap Alternative Weighted Index Pool	2,073,082	9.0	10.1	9.2	25.7	--	--	--	14.7	Jan-23
<i>S&P SmallCap 600 Index</i>			<i>10.1</i>	<i>9.3</i>	<i>25.9</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>14.6</i>	
International Equity	4,243,425	18.3	8.4	14.6	24.9	4.0	8.1	5.3	4.9	Jun-14
<i>MSCI AC World ex USA (Net)</i>			<i>8.1</i>	<i>14.2</i>	<i>25.4</i>	<i>4.1</i>	<i>7.6</i>	<i>5.2</i>	<i>4.7</i>	
Non-US Developed Markets Active Pool	2,963,827	12.8	8.8	14.3	24.6	--	--	--	17.5	Jan-23
<i>MSCI EAFE IMI</i>			<i>7.8</i>	<i>13.2</i>	<i>25.2</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>18.1</i>	
Non-US Emerging Markets Index Pool	1,279,599	5.5	7.5	14.8	25.1	-1.3	5.7	--	5.2	Nov-16
<i>MSCI Emerging Markets Index</i>			<i>8.9</i>	<i>17.2</i>	<i>26.5</i>	<i>0.8</i>	<i>6.1</i>	<i>--</i>	<i>6.3</i>	
Fixed Income	11,180,482	48.3	4.6	5.9	12.7	-0.5	1.6	3.0	3.0	Jun-14
<i>Blmbg. U.S. Universal Index</i>			<i>5.2</i>	<i>4.9</i>	<i>12.1</i>	<i>-1.1</i>	<i>0.7</i>	<i>2.2</i>	<i>2.1</i>	
Credit Plus Pool	11,180,482	48.3	4.6	5.9	12.7	-0.5	1.6	3.0	3.0	Jun-14
<i>Blmbg. U.S. Universal Index</i>			<i>5.2</i>	<i>4.9</i>	<i>12.1</i>	<i>-1.1</i>	<i>0.7</i>	<i>2.2</i>	<i>2.1</i>	

	Calendar Year Performance								
	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Total Fund	16.4	-16.3	11.2	12.9	20.0	-5.4	14.7	8.1	-0.3
<i>Risk Fund - Blended Benchmark</i>	<i>16.2</i>	<i>-16.0</i>	<i>10.0</i>	<i>13.7</i>	<i>19.1</i>	<i>-4.4</i>	<i>14.0</i>	<i>6.8</i>	<i>0.1</i>
Equity	20.4	-16.7	18.8	15.0	27.5	-9.2	21.5	9.7	-0.5
Domestic Equity	23.5	-17.0	23.5	17.0	30.8	-6.2	19.0	14.5	0.7
<i>Russell 3000 Index</i>	<i>26.0</i>	<i>-19.2</i>	<i>25.7</i>	<i>20.9</i>	<i>31.0</i>	<i>-5.2</i>	<i>21.1</i>	<i>12.7</i>	<i>0.5</i>
US Large Cap Index Pool	26.1	-16.6	26.1	17.7	30.4	-4.4	21.3	13.0	1.0
<i>Russell 1000 Index</i>	<i>26.5</i>	<i>-19.1</i>	<i>26.5</i>	<i>21.0</i>	<i>31.4</i>	<i>-4.8</i>	<i>21.7</i>	<i>12.1</i>	<i>0.9</i>
US SMID Cap Alternative Weighted Index Pool	16.5	--	--	--	--	--	--	--	--
<i>S&P SmallCap 600 Index</i>	<i>16.1</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
International Equity	14.8	-16.2	10.2	11.0	21.3	-14.6	27.1	0.2	-1.7
<i>MSCI AC World ex USA (Net)</i>	<i>15.6</i>	<i>-16.0</i>	<i>7.8</i>	<i>10.7</i>	<i>21.5</i>	<i>-14.2</i>	<i>27.2</i>	<i>4.5</i>	<i>-5.7</i>
Non-US Developed Markets Active Pool	16.0	--	--	--	--	--	--	--	--
<i>MSCI AC World ex USA (Net)</i>	<i>15.6</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
Non-US Emerging Markets Index Pool	11.2	-24.1	1.2	19.1	16.1	-15.3	35.5	--	--
<i>MSCI Emerging Markets Index</i>	<i>10.3</i>	<i>-19.7</i>	<i>-2.2</i>	<i>18.7</i>	<i>18.9</i>	<i>-14.2</i>	<i>37.8</i>	<i>--</i>	<i>--</i>
Fixed Income	8.5	-14.3	-0.1	9.3	10.5	0.1	6.1	6.2	-0.6
<i>Blmbg. U.S. Universal Index</i>	<i>6.2</i>	<i>-13.0</i>	<i>-1.1</i>	<i>7.6</i>	<i>9.3</i>	<i>-0.3</i>	<i>4.1</i>	<i>3.9</i>	<i>0.4</i>
Credit Plus Pool	8.5	-14.3	-0.1	9.3	10.5	0.1	6.1	6.2	-0.6
<i>Blmbg. U.S. Universal Index</i>	<i>6.2</i>	<i>-13.0</i>	<i>-1.1</i>	<i>7.6</i>	<i>9.3</i>	<i>-0.3</i>	<i>4.1</i>	<i>3.9</i>	<i>0.4</i>

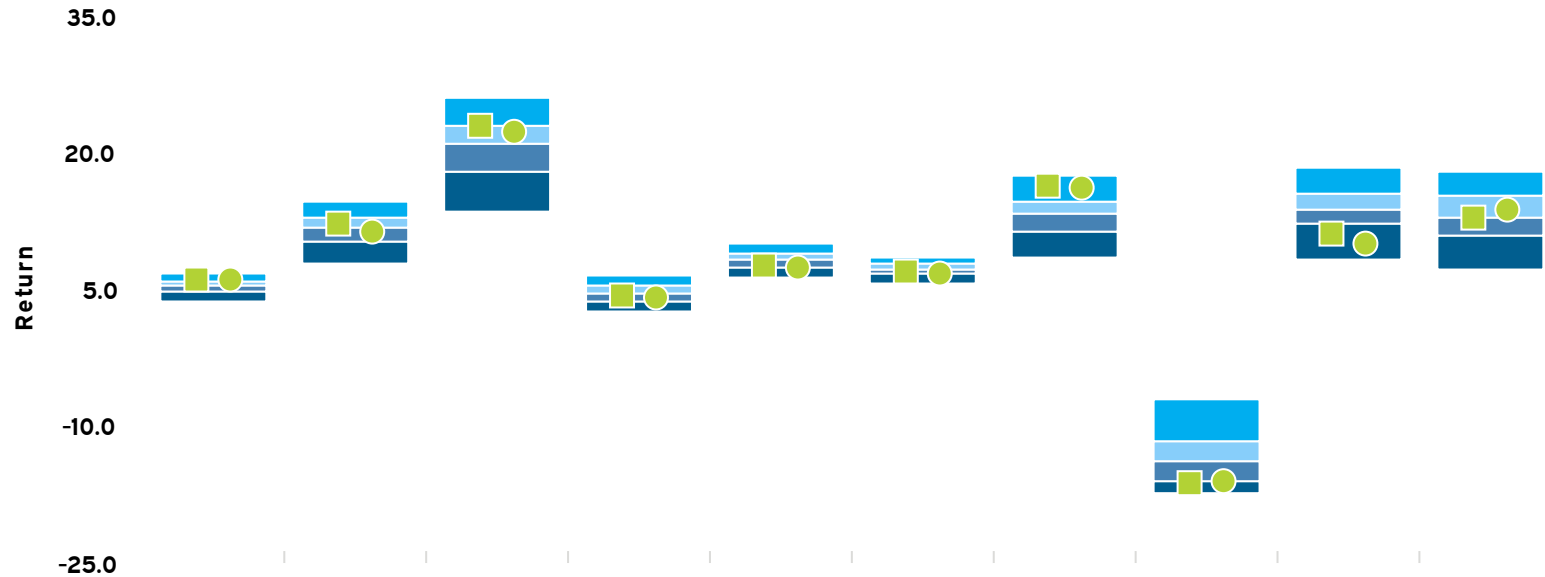
Financial Reconciliation | 1 Quarter Ending September 30, 2024

	Beginning Market Value(\$)	Contributions(\$)	Distributions(\$)	Net Investment Change(\$)	Ending Market Value(\$)	Net Contributions
US Large Cap Index Pool	5,309,841	-	-	304,322	5,632,478	-
US SMID Cap Alternative Weighted Index Pool	1,882,449	-	-	181,458	2,073,082	-
Non-US Developed Markets Active Pool	2,724,679	-	-	219,839	2,963,827	-
Non-US Emerging Markets Index Pool	1,190,697	-	-	88,715	1,279,599	-
Credit Plus Pool	10,689,543	-	-	335,187	11,180,482	-
Total	21,797,208	-	-	1,129,519	23,129,468	-

Benchmark History		
From Date	To Date	Benchmark
Total Fund		
02/01/2024	Present	33.0% Russell 3000 Index, 17.0% MSCI AC World ex USA (Net), 50.0% Blmbg. U.S. Aggregate Index
12/01/2021	02/01/2024	42.0% Russell 3000 Index, 23.0% MSCI AC World ex USA (Net), 35.0% Blmbg. U.S. Aggregate Index
07/01/2015	12/01/2021	36.0% Russell 3000 Index, 19.0% MSCI AC World ex USA (Net), 45.0% Blmbg. U.S. Aggregate Index

Annual Investment Expense Analysis				
	Fee Schedule	Market Value (\$)	Expense Ratio (%)	Estimated Expense (\$)
Total Fund		23,129,468	0.16	36,026
Equity		11,948,986	0.12	14,783
Domestic Equity		7,705,560	0.02	1,392
US Large Cap Index Pool	0.01 % of Assets	5,632,478	0.01	563
US SMID Cap Alternative Weighted Index Pool	0.04 % of Assets	2,073,082	0.04	829
International Equity		4,243,425	0.32	13,391
Non-US Developed Markets Active Pool	0.40 % of Assets	2,963,827	0.40	11,855
Non-US Emerging Markets Index Pool	0.12 % of Assets	1,279,599	0.12	1,536
Fixed Income		11,180,482	0.19	21,243
Credit Plus Pool	0.19 % of Assets	11,180,482	0.19	21,243

Peer Group Analysis All Public Plans-Total Fund



	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2023	2022	2021	2020
■ Total Fund	6.1 (16)	12.2 (41)	23.0 (25)	4.3 (58)	7.7 (70)	7.1 (60)	16.4 (9)	-16.3 (81)	11.2 (85)	12.9 (52)
● Risk Fund - Blended Benchmark	6.0 (21)	11.4 (58)	22.2 (34)	4.2 (61)	7.4 (80)	6.8 (71)	16.2 (10)	-16.0 (77)	10.0 (92)	13.7 (42)
5th Percentile	6.7	14.6	26.1	6.5	10.0	8.6	17.5	-7.0	18.5	17.9
1st Quartile	5.9	12.9	23.0	5.4	8.9	7.8	14.7	-11.7	15.5	15.3
Median	5.4	11.8	21.0	4.5	8.3	7.3	13.3	-13.8	13.8	13.0
3rd Quartile	4.7	10.2	18.0	3.7	7.5	6.7	11.4	-15.9	12.2	11.0
95th Percentile	3.7	7.8	13.4	2.5	6.2	5.6	8.4	-17.4	8.3	7.2
Population	738	728	723	699	683	576	1,133	1,159	1,217	1,263

Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

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New Mexico Public Schools Insurance Authority

Stop-Loss Insurance

Renewal analysis for coverage effective January 1, 2025

December 4-5, 2024 BAC/Board Meeting

| Summary of Results

Key Stop Loss Provisions

- Individual Specific Deductible or Limit (ISL) of \$1,000,000
- Aggregating Specific Deductible or Limit (ASL) of \$500,000
- Covers Medical + Rx claims incurred in 24 months, paid in 12 months
 - Claims incurred between January 1, 2024 and December 31, 2025 (24 months)
 - Claims paid between January 1, 2025 and December 31, 2025 (12 months)
- No Lasers
- Gene Therapy Covered

Review of Historical Claims Experience

		Contract Period							
		UGU			Matrix/AccuRisk/Ryan Specialty				
		1/1/2017 - 12/31/2017	1/1/2018 - 12/31/2018	1/1/2019 - 12/31/2019	1/1/2020 - 12/31/2020	1/1/2021 - 12/31/2021	1/1/2022 - 12/31/2022	1/1/2023 – 12/31/2023	1/1/2024 – 9/30/2024 ⁽¹⁾
Individual Specific Deductible		\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Aggregating Specific Deductible		\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
a	Number of Months	12	12	12	12	12	12	12	9
b	Number of Employees	22,692	21,119	20,703	21,716	21,356	21,146	21,500	22,684
c	PEPM Premium Rate	\$3.77	\$4.21	\$4.66	\$5.15	\$6.12	\$7.34	\$8.86	\$9.95
d = a x b x c	Premium Paid	\$1,026,586	\$1,066,923	\$1,157,712	\$1,342,069	\$1,568,415	\$1,862,510	\$2,285,883	\$2,031,362
e	Actual Claims Reimbursement	\$679,517	\$0	\$884,161	\$1,216,123	\$82,752	\$880,748	\$329,552	\$236,864
f = 70% x d	Target Claims ⁽²⁾	\$718,610	\$746,846	\$810,398	\$939,449	\$0	\$0	\$0	\$0
g = f - e	Excess Premium ^(2,3)	\$39,093	\$746,846	\$0	\$0	\$0	\$0	\$0	\$0
h = 50% x g	Experience Refund ⁽²⁾	\$19,547	\$373,423	\$0	\$0	\$0	\$0	\$0	\$0
i = (e + h) / d	Loss Ratio	68%	35%	76%	91%	5%	47%	14%	13% YTD

(1) Estimated claims reimbursement (based on data through September 2024)

(2) Experience refund provision removed from policy effective 1/1/2021

(3) If Actual Claims Reimbursement exceeds Target Claims, there is no Excess Premium

2025 Renewal Offer Details

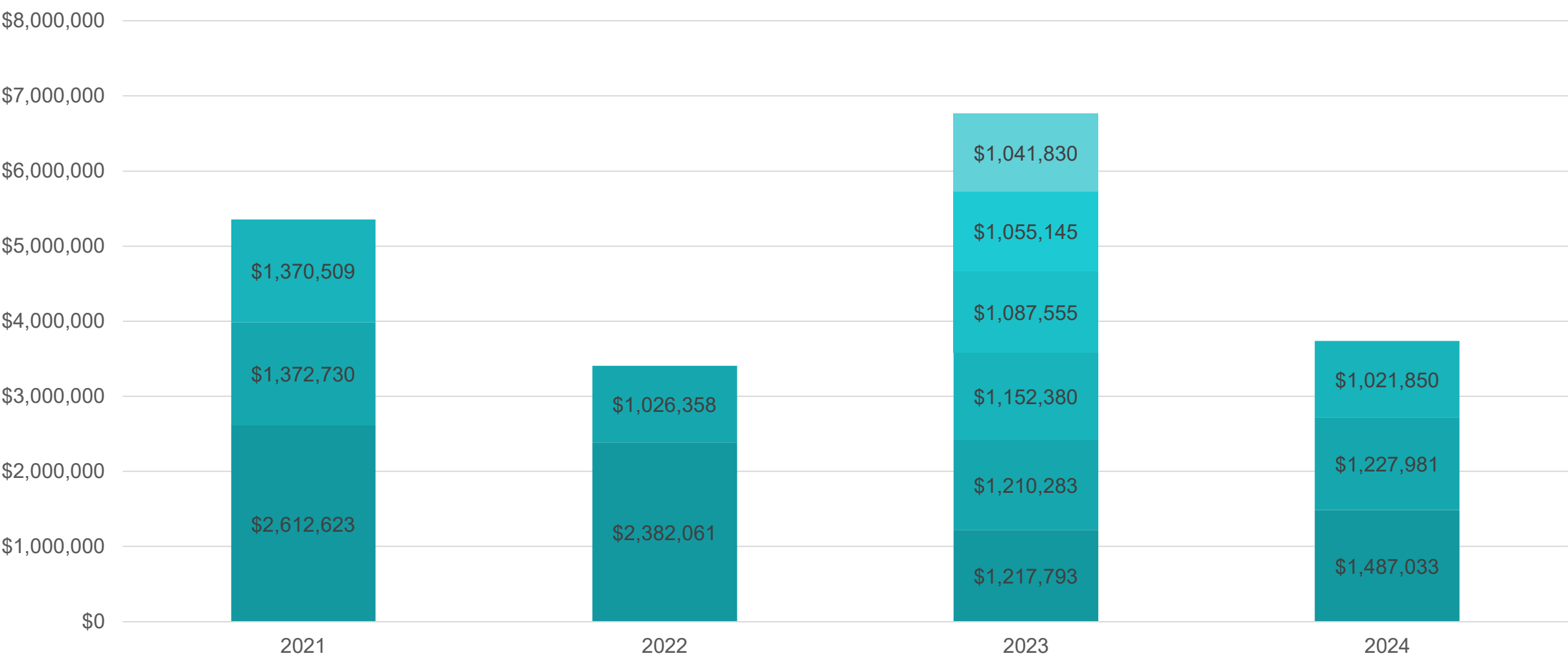
Specific Stop-Loss Insurance	Current	Renewal	Alternative Design 1	Revised Alternative Design 1	Alternative Design 2
Individual Specific Deductible	\$1,000,000	\$1,000,000	\$2,000,000	\$2,000,000	\$3,000,000
Aggregating Specific Deductible	\$500,000	\$500,000	\$0	\$0	\$0
Contract Basis (Incurred/Paid)	24/12	24/12	24/12	24/12	24/12
Covered Benefits	Med/Rx	Med/Rx	Med/Rx	Med/Rx	Med/Rx
Specific Composite Premium Rate (PEPM)	\$9.95	\$12.58	\$4.67	\$3.98	\$1.95
Total Annual Premium ⁽¹⁾	\$2,687,575	\$3,397,959	\$1,261,404	\$1,075,030	\$526,711
\$ Difference from Current		\$710,384	-\$1,426,170	-\$1,612,545	-\$2,160,864
% Difference from Current		26.4%	-53.1%	-60.0%	-80.4%
Estimated Additional Liability					
Avg. Number of Claimants Over ISL Deductible ⁽²⁾		7.00	0.67	0.67	0.33
Estimated Potential Liability from Increased Deductible		\$0	\$1,874,241	\$1,874,241	\$2,535,598
Annual Premium + Estimated Additional Liability Adjustment		\$3,397,959	\$3,135,645	\$2,949,271	\$3,062,309
Rate Guarantee		12 months	12 months	12 months	12 months

(1) Based on 22,509 Employees

(2) Based on a 3-year average of historical data from 2021-2023 (Trended at 7.8% to 2025)

| Renewal Detail

Large Claims (>\$1,000,000) History



Analysis of Results

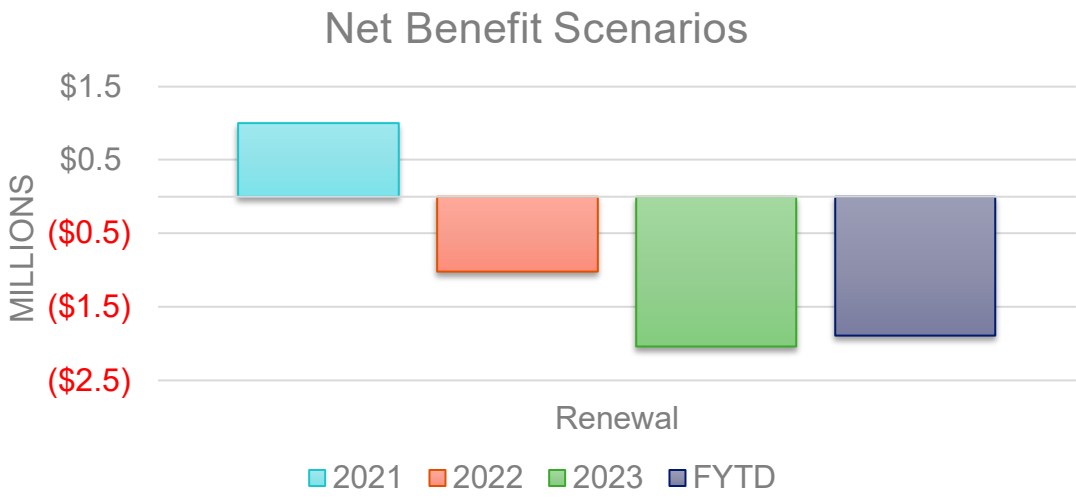
\$1M Individual Deductible

\$500k Aggregating Deductible

Based on the most recent three years of experience, NMPSIA has paid more in Stop Loss premiums than it has received in reimbursements

	PEPM	Total Premium
Current Design	\$12.58	\$3,397,959

	2021	2022	2023	Average	FYTD ⁽¹⁾
Claims Above Attachment ⁽²⁾ :	7	8	6	7	6
1) Total Dollars for Impacted Claims ⁽²⁾ :	\$11,895,112	\$10,878,390	\$7,861,481	\$10,211,661	\$7,153,051
2) Total Individual Deductible:	\$7,000,000	\$8,000,000	\$6,000,000	\$7,000,000	\$6,000,000
3) <u>Total Aggregate Deductible:</u>	<u>\$500,000</u>	<u>\$500,000</u>	<u>\$500,000</u>	<u>\$500,000</u>	<u>\$500,000</u>
4) Total Dollars Above Deductibles (1)-(2)-(3):	\$4,395,112	\$2,378,390	\$1,361,481	\$2,711,661	\$653,051
Total Net Benefit Renewal Option ((4) - Prem):	\$997,153	(\$1,019,569)	(\$2,036,477)	(\$686,298)	(\$1,895,418)
Estimated Potential NMPSIA Liability	\$0	\$0	\$0	\$0	\$0
Premium + Additional Liability	\$3,397,959	\$3,397,959	\$3,397,959	\$3,397,959	\$3,397,959



(1) Fiscal Year-To-Date (Data through September 2024)
 (2) Claimants cost were trended to 2025 at 7.8% (blended Medical/Rx)

Analysis of Results

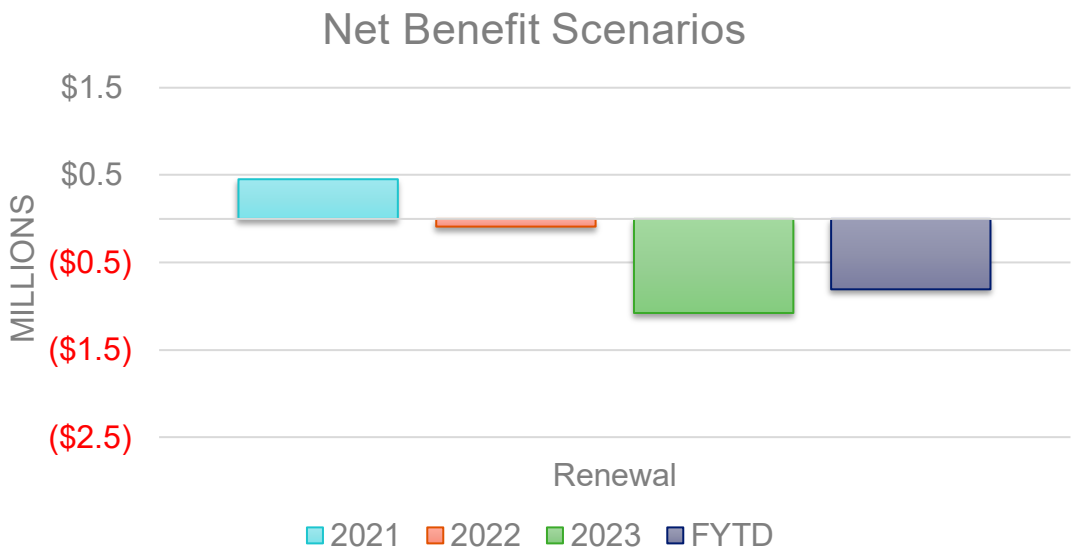
\$2M Individual Deductible

(Alternative Design 1 – Revised Rate)

- Based on historical three years under this scenario:
- NMPSIA continues to pay more in premiums compared to reimbursements
 - Additional projected savings compared to current scenario is \$449,000

	PEPM	Total Premium
Alternative Design 1	\$3.98	\$1,075,030

	2021	2022	2023	Average	FYTD ⁽¹⁾
Claims Above Attachment ⁽²⁾ :	1	1	0	0.67	0
1) Total Dollars for Impacted Claims ⁽²⁾ :	\$3,528,189	\$2,984,071	\$0	\$2,170,753	\$0
2) <u>Total Deductible:</u>	<u>\$2,000,000</u>	<u>\$2,000,000</u>	<u>\$0</u>	<u>\$1,333,333</u>	<u>\$0</u>
3) Total Dollars Above Attachment (1)-(2):	\$1,528,189	\$984,071	\$0	\$837,420	\$0
Total Net Benefit Renewal Option ((3) - Prem):	\$453,159	(\$90,958)	(\$1,075,030)	(\$237,610)	(\$806,272)
Estimated Potential Add'l NMPSIA Liability	\$2,866,923	\$1,394,318	\$1,361,481	\$1,874,241	\$653,051
Premium + Additional Liability	\$3,941,953	\$2,469,348	\$2,436,511	\$2,949,271	\$1,728,081



(1) Fiscal Year-To-Date (Data through September 2024)
 (2) Claimants cost were trended to 2025 at 7.8% (blended Medical/Rx)

Analysis of Results

\$3M Individual Deductible

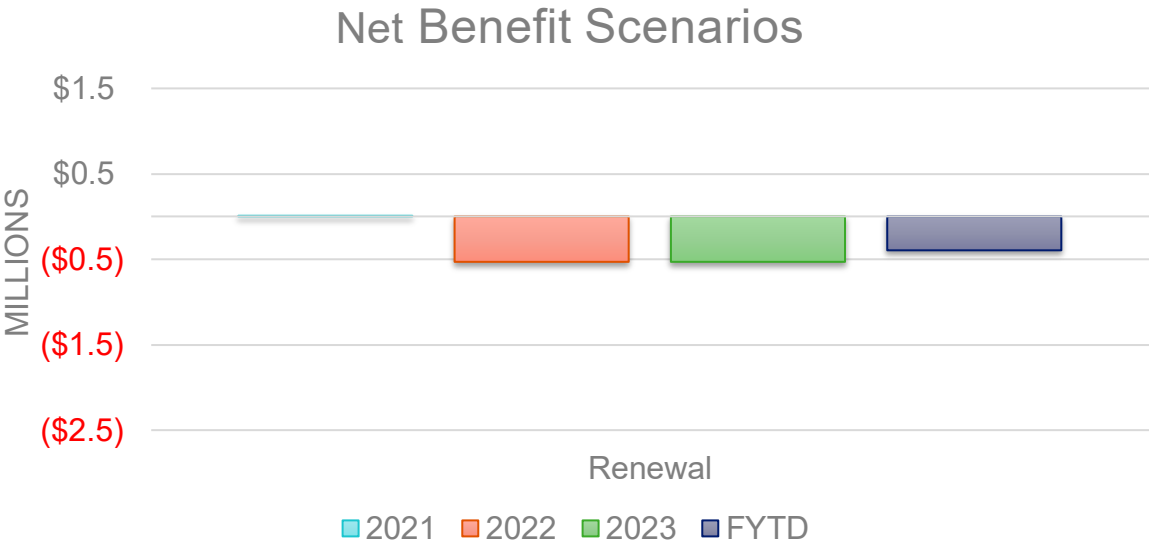
(Alternative Design 2)

- Based on historical three years under this scenario:
- NMPSIA continues to pay more in premiums compared to reimbursements
 - Additional savings compared to current scenario is \$335,000

	PEPM	Total Premium
Alternative Design 2	\$1.95	\$526,711

	2021	2022	2023	Average	FYTD ⁽¹⁾
Claims Above Attachment ⁽²⁾ :	1	0	0	0.33	0
1) Total Dollars for Impacted Claims ⁽²⁾ :	\$3,528,189	\$0	\$0	\$1,176,063	\$0
2) <u>Total Deductible:</u>	<u>\$3,000,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,000,000</u>	<u>\$0</u>
3) Total Dollars Above Attachment (1)-(2):	\$528,189	\$0	\$0	\$176,063	\$0
Total Net Benefit Renewal Option ((3) - Prem):	\$1,478	(\$526,711)	(\$526,711)	(\$350,648)	(\$395,033)
Estimated Potential Add'l NMPSIA Liability	\$3,866,923	\$2,378,390	\$1,361,481	\$2,535,598	\$653,051
Premium + Additional Liability	\$528,189	\$2,905,100	\$1,888,192	\$3,062,309	\$1,179,762

(1) Fiscal Year-To-Date (Data through September 2024)
 (2) Claimants cost were trended to 2025 at 7.8% (blended Medical/Rx)



| Stop-Loss Background

Stop-Loss Analysis

Analysis Methodology:

- For each stop-loss option, Segal evaluated the Total Net Benefit to NMPSIA under various hypothetical claims experience scenarios:
 - Premium PEPM reflects proposed rates for the stop-loss option
 - Client experience from 2021, 2022, 2023, and current 2024, trended to 2025 (data through September 2024) to represent possible large claimant experience scenarios

Key Considerations

- Large Claimant experience is highly volatile, and may vary significantly year-to-year

Leveraged Trend Illustration

Terms: \$1,700,000 Individual Claimant 2024
 \$1,000,000 Individual Stop Loss Level
 \$500,000 Aggregating Specific Deductible

	2024	2025	
Total Individual Claim	\$1,700,000	\$1,785,000	+ 5%
Individual Stop Loss	\$1,000,000	\$1,000,000	
<u>Aggregating Specific</u>	<u>\$500,000</u>	<u>\$500,000</u>	
Reimbursement	\$200,000	\$285,000	+ 43%

- This type of leveraging occurs with any type of fixed co-payments or fixed deductibles.
- Employers can mitigate leveraged trend by increasing the Individual or Aggregating Specific Deductible
 - Employer would take on additional claims risk

Large claim experience is highly volatile, and may vary significantly year-to-year

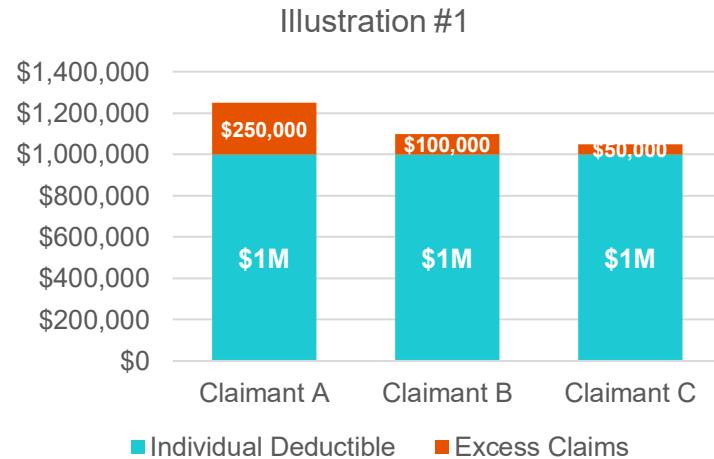
Aggregating Specific Stop Loss Examples

\$1,000,000 ISL, \$500,000 ASL

- **Illustration #1:**

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

- The total excess claims are

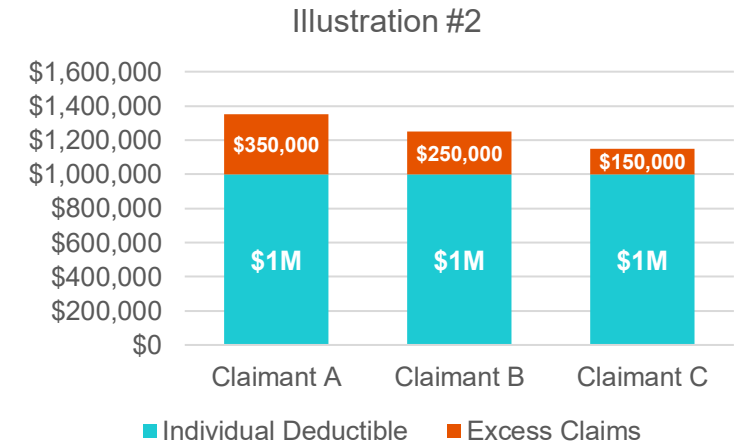
$$\begin{array}{r} \$250,000 \\ \$100,000 \\ + \$50,000 \\ \hline \$400,000 \end{array}$$


- \$400,000 is less than the \$500,000
NO Stop Loss Reimbursements

- **Illustration #2:**

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

- The total excess claims are

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


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

\$250,000 in Stop Loss Reimbursements

Thank You

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New Mexico Public Schools Insurance Authority

Pharmacy Benefit Management – Pricing Overview

December 2024 BAC/Board Meetings

Kautook Vyas, PharmD, Pharmacy Benefits Consultant / Debbie Donaldson, FSA, MAAA, Senior Vice President

| Agenda

PBM Pricing Methodologies Overview

- PBM Pricing Summary
- PBM Pricing Methodology

Projected NADAC Pricing

PBM Pricing Summary

Traditional Pricing

“Spread pricing”

- The PBM invoices the plan sponsor based on contracted discounts, but these may differ from what the PBM reimburses pharmacies due to varying agreements.
- The difference (Spread) is retained by the PBM. This usually results in a lower to no administration fee to the Plan Sponsor.

Pass-Through Pricing

“Transparent Pricing”

- The PBM invoices the plan sponsor an amount that equals its reimbursement to the dispensing pharmacy.
- Due to the transparent pricing model eliminates spread as a source of PBM revenue, PBMs often charge an administrative fee for each prescription processed.

NADAC Pricing

“Average Acquisition Cost”

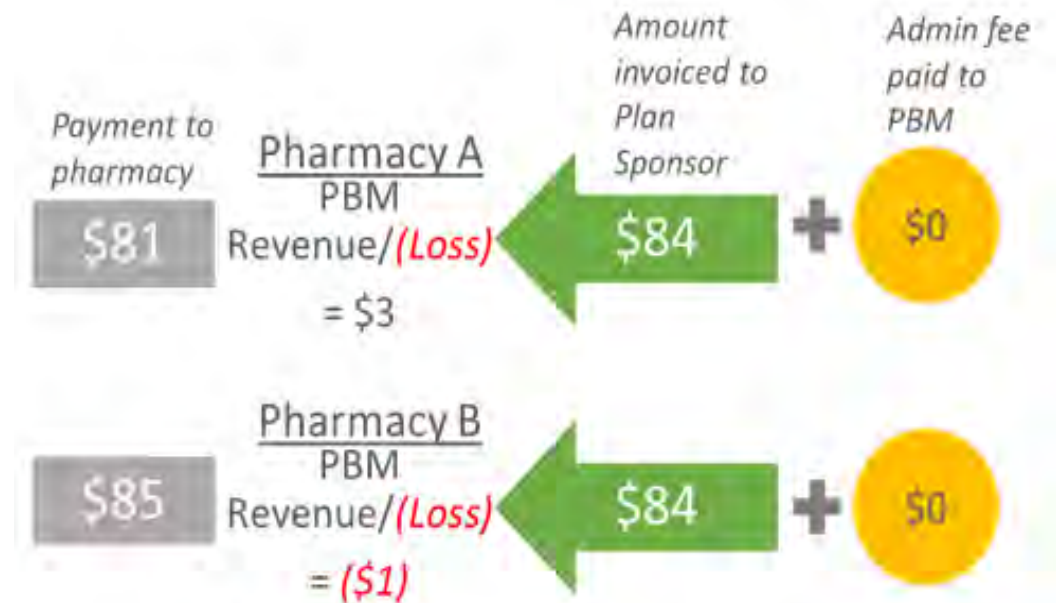
- The PBM invoices the plan sponsor and reimburses the pharmacy based on a National Average Drug Acquisition Cost (NADAC) that is published by CMS.
- Typically comes with higher dispensing/administration fees and does not follow typical guarantees.

There are Pros/Cons to each methodology. The pricing methodology chosen by plan sponsors is dictated by the plan's future goals and governance principles.

PBM Pricing Methodologies

Traditional Pricing

- Pros
 - Simple contracting and typically little to no administration fee.
 - Greater incentive for the PBM to negotiate aggressively with network pharmacies
- Cons
 - Lack of transparency on the true amounts paid to the network pharmacies.
 - May cause network pharmacies, particularly independents, to leave the network.
 - While the admin fee starts at \$0, it may increase as additional services are added on.



Under this **Traditional** arrangement, the PBM has created \$2 of revenue by invoicing the Plan Sponsor an amount **different from** the amount reimbursed to the pharmacy. In other words the PBM has created \$2 of "spread."

PBM Pricing Methodologies

Pass-Through Pricing

- Pros
 - Easy to understand and explain.
 - Provides clarity to pharmacies, particularly independents, that the Plan Sponsor is paying the PBM what the PBM reimbursed the pharmacies.
- Cons
 - Usually a higher administration fee
 - The PBM has a lesser incentive to keep pressure on network pharmacies on lowest drug costs.
 - There is still an overall discount guarantee that needs to be met so the incentive for the PBM is not fully lost.



Under this **Pass-Through** arrangement, the PBM has created \$2 of revenue by charging an administrative fee to the Plan Sponsor. This model eliminates spread as a source of revenue by reimbursing the pharmacy an amount **equal** to what is invoiced to the Plan Sponsor.

PBM Pricing Methodologies

NADAC Pricing

- Pros

- Reflects average acquisition costs, promoting fair pharmacy reimbursement.
- Reduces pricing variability across pharmacies and has greater buy-in from independent pharmacies.

- Cons

- Due to lag time, prices may not reflect real-time market changes as it requires ongoing updates.
- Limited pharmacies report a limited number of drugs (no specialty) into NADAC and therefore broad application becomes difficult.
- Traditional PBM guarantees are not present making future cost predictions difficult to estimate.

AWP

- Discounts of AWP
- Dispensing Fee
- Admin Fee

Drug Cost

- Dispensing Fee
- Admin Fee
- Typically, no guarantees
- Less flexibility on clinical programs

NADAC

Plan sponsors may end up about net neutral with either model.

| Projected NADAC Pricing

Projected Pricing under NADAC

	Gross Cost	Dispensing Fee	Administrative Fee	Total Cost	Cost/(Savings)
Current Pricing	\$60,316,000	\$57,000	\$0	\$60,373,000	
NADAC Estimated Pricing	\$55,765,000	\$4,801,000	\$2,331,000	\$62,897,000	\$2,524,000

Assumptions used to develop NADAC Pricing

- Dispensing Fee of \$10.30
- Administrative fee per Rx of \$5.00

Pricing Methodology

- Utilized claims paid data from August 1, 2023 through July 31, 2024.
- Re-priced claims and compared current to NADAC pricing.
- Given NADAC only applies to retail pharmacies, Mail order and PBM-owned pharmacies were priced under current pricing.
- For retail drugs where NADAC pricing was not provided, prevailing reimbursement rates were defaulted; assumed AWP discounts would continue for those not subject to NADAC.



Thank You



**New Mexico Public School
Insurance Authority**

Healthcare Dashboard

Reporting Periods (Incurred):
Current Period: July 2023 – June 2024
Prior Period: July 2022 – June 2023

December 2024

| Agenda

- 1. Dashboard Summary**
2. Spotlight – Behavioral Health
3. Appendices

Key Findings

Key Findings

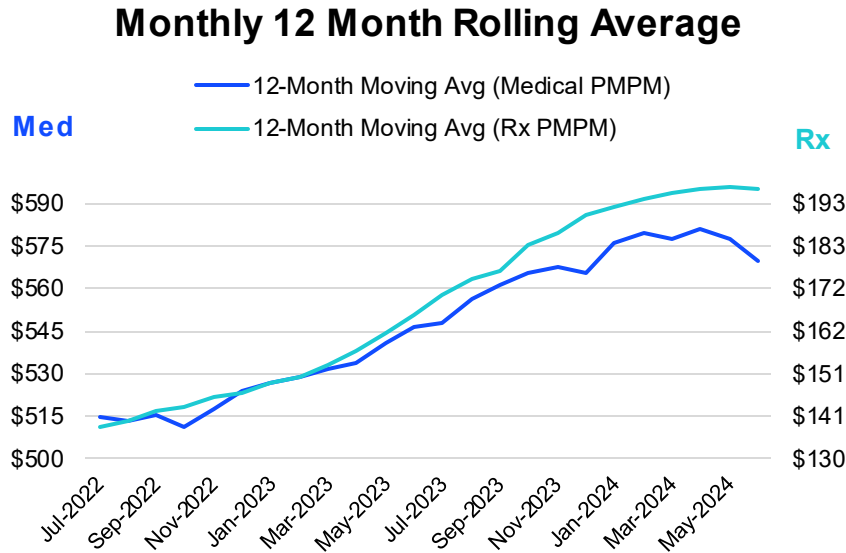
- Over the past year, total medical per member per month (PMPM) allowed costs rose 7.0%, which is in line with industry trends. Trend is higher than it was at this time last year (report through June 2023), when it was 6.0%.
 - Trend was driven by relatively higher spend on inpatient hospital claims and drugs dispensed under the medical benefit. Mental health conditions were a significant source of inpatient costs in the past year. Drugs under medical tends to be a volatile category highly susceptible to increases in utilization, which occurred this year for several cancer drugs.
- Pharmacy trends continue to outpace Segal's trend rate, though this is common to many plans in Segal's book of business. However, though drug trend was high at 18.7%, it is lower than it was in June 2023 (19.5%). The Plan's high trend can be attributed to increased utilization of high-cost prescription drugs, especially those that treat autoimmune conditions, diabetes (e.g., GLP-1s Ozempic, Mounjaro), and obesity (e.g., GLP-1s Wegovy, Zepbound).
 - The plan's spend on GLP-1s dramatically increased this year, especially for anti-obesity medications (AOM). The number of prescriptions for AOM GLP-1s more than tripled, as did the Plan's total and PMPM spend on these drugs.
- When compared to Segal's benchmarks, the Plan's healthcare utilization rates tend to favor lower-cost sites of care: the Plan had above-norm office visits and below-norm inpatient hospital utilization. ER utilization increased in the current period, however, and ER utilization is above-norm; most visits were for common complaints (e.g., chest pain, dizziness).
- The Plan's compliance with clinical quality standards improved across the board in the current period, with compliance rates increasing for nearly all measures. While most measures are still below SHAPE's norm, this will change as the Plan continues to encourage proactive chronic condition management. There is still room for improvement on diabetes management, especially given the high prevalence of diabetes in the Plan; and on cervical cancer screening.

Suggestions

- GLP-1 utilization should continue to be monitored, especially on the AOM side, to ensure that utilization is clinically appropriate. GLP-1s are being studied for many other indications beyond diabetes and weight loss (e.g., Wegovy was recently approved to prevent heart disease in obese non-diabetics). As indications are expanded, the Plan should work with CVS to ensure that GLP-1 utilization management requirements are in line with clinical standards.
- The Plan should work with its vendors to continue to boost compliance with key clinical quality metrics, especially for preventive care. NMPSIA and its health plan administrators should continue initiatives to reach at-risk chronic condition members and mitigate barriers to primary and/or specialty care. Cancer screening, especially for cervical cancer, should be a focus area. In general, cancer screening guidelines should be the subject of regular communication to members, as these recommendations on screening age and frequency are periodically updated.

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1. Principal Financial Trends—Plan Paid



2. Claims Summary

Place of Service	CURRENT PERIOD			PRIOR PERIOD			% Change in PMPM
	Total Allowed Amount	Total Allowed PMPM	% of Total	Total Allowed Amount	Total Allowed PMPM	% of Total	
Outpatient Hospital	\$113,237,896	\$202.61	26.4%	\$105,483,072	\$196.25	28.1%	3.2%
Inpatient Hospital	\$70,690,562	\$126.48	16.5%	\$61,502,549	\$114.42	16.4%	10.5%
Professional	\$57,612,750	\$103.09	13.5%	\$52,570,140	\$97.80	14.0%	5.4%
Emergency Room	\$33,905,485	\$60.67	7.9%	\$32,528,269	\$60.52	8.7%	0.2%
Urgent Care	\$1,608,013	\$2.88	0.4%	\$1,501,949	\$2.79	0.4%	3.0%
Drugs On Medical	\$33,905,485	\$60.65	7.9%	\$26,521,610	\$49.34	7.1%	22.9%
All Others ¹	\$7,471,518	\$13.37	1.7%	\$6,088,407	\$11.33	1.6%	18.0%
Total Medical Allowed	\$318,422,228	\$569.75	74.4%	\$286,195,996	\$532.46	76.3%	7.0%
Paid By Plan	\$282,937,067	\$506.25	66.1%	\$252,678,159	\$470.10	67.4%	7.7%
Paid By Member	\$35,485,161	\$63.49	8.3%	\$33,517,837	\$62.36	8.9%	1.8%
Total Rx Allowed²	\$109,715,655	\$196.31	25.6%	\$88,859,343	\$165.32	23.7%	18.7%
Paid By Plan	\$95,018,835	\$170.02	22.2%	\$75,003,576	\$139.54	20.0%	21.8%
Paid By Member	\$14,696,820	\$26.30	3.4%	\$13,855,767	\$25.78	3.7%	2.0%
Total Allowed	\$428,137,884	\$766.06	100.0%	\$375,055,340	\$697.78	100.0%	9.8%

Observations

- **In the current period, medical allowed PMPM costs rose by 7.0%, from \$532.46 to \$569.75.** This increase is in line with Segal's benchmark trend rate of 6-8%. Inpatient hospital and drugs under the medical benefit saw noticeably higher trend, at 10.5% and 22.9%, respectively. The bulk of the cost increase was absorbed by the Plan; member cost PMPM only rose by 1.8%.
 - In the current period, the increase in inpatient costs was driven by more admissions for sepsis and mental health conditions. There were also several high-cost (> \$1.0M) hospital stays for cancer, sepsis, and C-section birth.
 - The trend for drugs under medical tends to be high; however, this is a volatile category, as these drugs are typically used to treat rare conditions like cancer that affect a small and variable group. In the current period, the Plan spent much more on the oncology drugs Keytruda (+\$3.4M) and Darzalex (+\$1.4M).
- **Meanwhile, prescription drug allowed PMPM costs rose by 18.7% in the current period, from \$165.32 to \$196.31.** This increase is well above Segal's benchmark rate of 10-14%. However, it is moderating compared to recent reports and in line with what many other plans are experiencing due to increased utilization for high-cost prescription drugs, especially GLP-1s (diabetes/obesity).

¹ "All Others" includes Ancillary type services such as Home, Ambulance, and DME.

² Throughout the report, all pharmacy costs include rebates.

BCBSNM, Presbyterian, Cigna

3. Key Healthcare Performance Metrics

Category	Current Period	Prior Period	Change	Norm ¹	Comparison to Norm
Avg Membership Per Month ²	46,574	44,792	4.0%	n/a	n/a
Office Visits Per 1,000	5,016	4,818	4.1%	4,222	18.8%
Preventive Office Visits Per 1,000	709	702	0.9%	n/a	n/a
Admissions Per 1,000	42	43	-2.9%	45	-7.1%
Inpatient Days Per 1,000	190	190	-0.1%	230	-17.4%
Average Inpatient Day Cost	\$7,585	\$7,516	0.9%	\$6,702	13.2%
Average Cost Per Admission	\$34,594	\$33,320	3.8%	\$34,398	0.6%
ER Visits Per 1,000	242	207	16.8%	194	24.5%
Rx Scripts Per 1,000	10,604	11,093	-4.4%	14,452	-26.6%

Observations

- The Plan's average monthly membership rose 4.0% in the current period to 46,574 members.
- Office visits per 1,000 increased by 4.1% and are above SHAPE's norm. This encouraging trend was driven by a 21% increase in office visits for behavioral health.
- Inpatient hospital utilization fell slightly, though average costs were up in the current period. More members were admitted for sepsis and behavioral health (including substance use). Fewer were admitted for obstetric care, births, and infection.
- ER utilization rose substantially in the current period. Although most visits were for common complaints, the Plan's ER utilization rate is higher than SHAPE's norm. The Plan should continue to monitor ER trends.

¹ SHAPE public sector norms, 2022 data.

² Based on average medical membership.

³ Members with co-morbidities and their corresponding claims are combined in each applicable category.

⁴ Reflects the ratio of PMPY costs of members with the chronic condition to the total enrolled population.

4. Major Conditions—Prevalence and Cost (with Conditions)

Chronic Condition ³	Current Period							% Change	
	Members	% of Total	Norm ¹	Medical Claims	% of Total	PMPY	PMPY Comparison ⁴	Prevalence	PMPY
1. Diabetes	4,903	10.5%	8.3%	\$64,275,465	20.2%	\$13,109	190%	0.6%	-2.3%
2. CAD	1,107	2.4%	2.8%	\$34,250,794	10.8%	\$30,940	450%	0.0%	-3.5%
3. Asthma	4,482	9.6%	7.6%	\$46,368,620	14.6%	\$10,346	150%	-0.2%	13.9%
4. COPD	274	0.6%	0.6%	\$8,258,636	2.6%	\$30,141	440%	0.0%	-4.1%
5. Hypertension	10,345	22.2%	22.6%	\$132,855,629	41.7%	\$12,842	190%	0.5%	0.5%
6. Mental Health	10,362	22.2%	35.8%	\$91,604,726	28.8%	\$8,840	130%	0.3%	4.6%
7. SUD	944	2.0%	2.8%	\$11,510,988	3.6%	\$12,194	180%	0.1%	-8.2%
8. CHF	161	0.3%	0.5%	\$10,651,963	3.3%	\$66,161	970%	0.0%	29.3%
Totals (unique)	21,150	45.4%		\$209,791,485	65.9%	\$9,919	150%	0.7%	4.8%

Observations

- In the current period, 45.4% of members in the Plan were diagnosed with one or more of the above chronic conditions. In total, these members accounted for about two thirds (65.9%) of all medical claims. These claims totals are for all diagnoses and treatments, not just those related to a chronic condition.
- Diabetes prevalence in the Plan is 10.5%, which exceeds SHAPE's norm of 8.3%. Diabetes prevalence increased 0.6% points in the current period, though it should be noted that SHAPE's norm increased 0.5% during the same period.
- Diabetes PMPY costs are nearly double (190%) those of the average member. However, this disparity has shrunk since last year, when diabetic members cost 207% the average member.
- Consistent with prior reports, mental health and SUD prevalence are both below norm, but their prevalence within the Plan continues to increase. Given the renewed legislation to continue full coverage, behavioral health is covered in detail in the spotlight.

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5. Clinical Quality Performance

		COMPLIANCE RATES			
Chronic Condition	Clinical Quality Metrics	Population	Current Period	Prior Period	Norm ¹
Diabetes	· At least 1 hemoglobin A1C tests in last 12 months	4,903	82.9%	80.8%	78.0%
	· Annual screening for diabetic nephropathy	4,903	55.8%	54.4%	60.7%
	· Annual screening for diabetic retinopathy	4,903	20.8%	17.7%	32.8%
CAD	· Patients currently taking an ACE-Inhibitor or ARB Drug	1,107	44.5%	43.8%	37.9%
	· Patients currently taking a statin	1,107	65.1%	61.6%	68.2%
Hyperlipidemia	· Total cholesterol testing in last 12 months	11,758	73.5%	70.5%	70.2%
COPD	· Spirometry testing in last 12 months	274	23.7%	21.3%	27.2%
Asthma	· Patients with inhaled corticosteroids or leukotriene inhibitors in the last 12 months	4,482	76.5%	72.4%	77.1%
Preventive Screening	· Cervical cancer	21,956	23.0%	23.7%	52.3%
	· Breast cancer	13,715	42.5%	40.9%	62.7%
	· Colorectal cancer	15,379	37.7%	35.2%	45.9%
	· Prostate cancer	6,622	41.4%	40.9%	42.7%

Observations

- Compliance rates increased in the current period for all but one of the clinical quality measures listed above. Cervical cancer screening rates fell, but the decrease was modest (-0.7%).
- Compliance rates for all three diabetes measures rose during the current period by 1.5-3%, which is an encouraging result. The Plan should continue to encourage proactive disease management as there is still room for improvement on kidney and vision testing.
- Of the twelve compliance measures reported, only three were above SHAPE's norm. Preventive cancer screenings may be a particularly effective focus area for the Plan.
 - Cervical cancer screening rates are nearly 30% below SHAPE's norm. In the current period, only 23.0% of eligible members were screened. Given that cervical cancer can often be prevented through a combination of HPV vaccination and regular screening, the Plan should strongly encourage preventive screenings, which should be available at no cost to members
 - Compliance rates for the other three screenable cancers (breast, colorectal, and prostate) all increased in the current period.

¹ SHAPE public sector norms, 2022 data.

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6. Summary of Prescription Drug Expenses

Category	Non-Specialty		Specialty		Total		
	Current Period	Change	Current Period	Change	Current Period	Prior Period	Change
Total Cost ¹	\$64,673,403	31.2%	\$45,042,252	13.9%	\$109,715,655	\$88,859,343	23.5%
% of Total Costs	58.9%	6.2%	41.1%	-7.8%			
Total Scripts	483,906	-0.9%	9,954	16.8%	493,860	496,881	-0.6%
% of Total Scripts ²	98.0%	-0.3%	2.0%	17.5%			
Days' Supply Per Member	450	3.1%	9	16.2%	459	444	3.3%
Average Cost PMPM	\$115.72	26.1%	\$80.59	9.5%	\$196.31	\$165.32	18.7%
Average Cost Per Rx	\$133.65	32.4%	\$4,525.04	-2.5%	\$222.16	\$178.83	24.2%
Number of Scripts PMPM	0.87	-4.7%	0.02	12.3%	0.88	0.92	-4.4%
Generic Dispensing Rate	82.7%	-1.2%	38.2%	4.5%	81.8%	82.9%	-1.3%
Member Cost %	7.9%	0.3%	21.4%	-15.5%	13.4%	15.6%	-14.1%

Observations

- During the current period, total Rx costs rose by 23.5%. The cost increase was much more pronounced for non-specialty medications, whose costs rose by 31.2%, compared to 13.9% for specialty medications. Cost drivers differ between specialty and non-specialty medications.
 - On the non-specialty side, costs increased most significantly for GLP-1 drugs that treat obesity and diabetes, as well as diabetic supplies like continuous glucose monitors and insulin pumps. In the current period compared to the prior period, the Plan spent \$3.88M more on Ozempic, \$3.68M more on Wegovy, and \$2.79M more on Mounjaro. The cost increase was driven mainly by increased utilization for these drugs. Consider utilization and plan design modification to mitigate future cost increases.
 - For specialty drugs, costs rose primarily for autoimmune medications like Skyrizi (+\$1.05M), Enbrel (+\$987K), and Rinvoq (+\$899K).
- In the current period, the generic dispensing rate fell to 81.8%, which is slightly below that of most SHAPE plans, which tend to fall in the 85-88% range.
- Though drug costs increased across the board, members' share of costs declined by 2.2% points. Member costs also fell for specialty drugs but were mostly stable for non-specialty drugs.

¹ All costs reported on this slide are prior to rebates but do reflect the impact of manufacturer coupon program (Prudent Rx).

² Both 30-day and 90-day dispensed drugs are counted as one (1) script.

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7. Prescription Drug Cost Management Analysis

Rank	Top 10 Indications	Prev Rank/ Movement		Current Period				Prior Period				% Change		
				Total Scripts ¹	Total Cost ²	Generic Fill Rate	PMPM	Total Scripts ¹	Total Cost ²	Generic Fill Rate	PMPM	Total Scripts ¹	Total Cost ²	PMPM
1	Diabetes	1	0	40,424	\$26,278,688	36.0%	\$47.02	36,293	\$20,301,578	44.3%	\$37.77	11.4%	29.4%	24.5%
2	Autoimmune Disease	2	0	3,960	\$18,726,760	18.7%	\$33.51	3,525	\$16,184,014	23.7%	\$30.11	12.3%	15.7%	11.3%
3	Oncology	3	0	2,997	\$9,589,212	73.5%	\$17.16	2,896	\$7,845,670	76.2%	\$14.60	3.5%	22.2%	17.5%
4	Psoriasis	4	0	972	\$8,104,484	6.5%	\$14.50	659	\$5,989,605	8.0%	\$11.14	47.5%	35.3%	30.1%
5	Obesity Management	14	9	4,108	\$5,521,603	2.5%	\$9.88	1,194	\$1,446,978	9.3%	\$2.69	244.1%	281.6%	267.0%
6	Asthma/COPD	5	-1	22,106	\$3,301,626	81.3%	\$5.91	22,865	\$3,280,788	77.8%	\$6.10	-3.3%	0.6%	-3.2%
7	Diabetic Supplies/Monitoring	9	2	7,959	\$2,978,077	0.0%	\$5.33	7,008	\$2,218,754	0.0%	\$4.13	13.6%	34.2%	29.1%
8	Rare Disorders	8	0	557	\$2,829,530	75.6%	\$5.06	507	\$2,267,500	73.2%	\$4.22	9.9%	24.8%	20.0%
9	Skin Disorders	10	1	10,115	\$2,596,645	91.5%	\$4.65	9,225	\$1,878,790	93.8%	\$3.50	9.6%	38.2%	32.9%
10	Viral Infections/HIV AIDS	7	-3	855	\$2,534,799	31.3%	\$4.54	814	\$2,312,983	26.2%	\$4.30	5.0%	9.6%	5.4%
Total Top 10:				94,053	\$82,461,424	48.5%	\$147.55	84,986	\$63,726,660	54.5%	\$118.56	10.7%	29.4%	24.4%

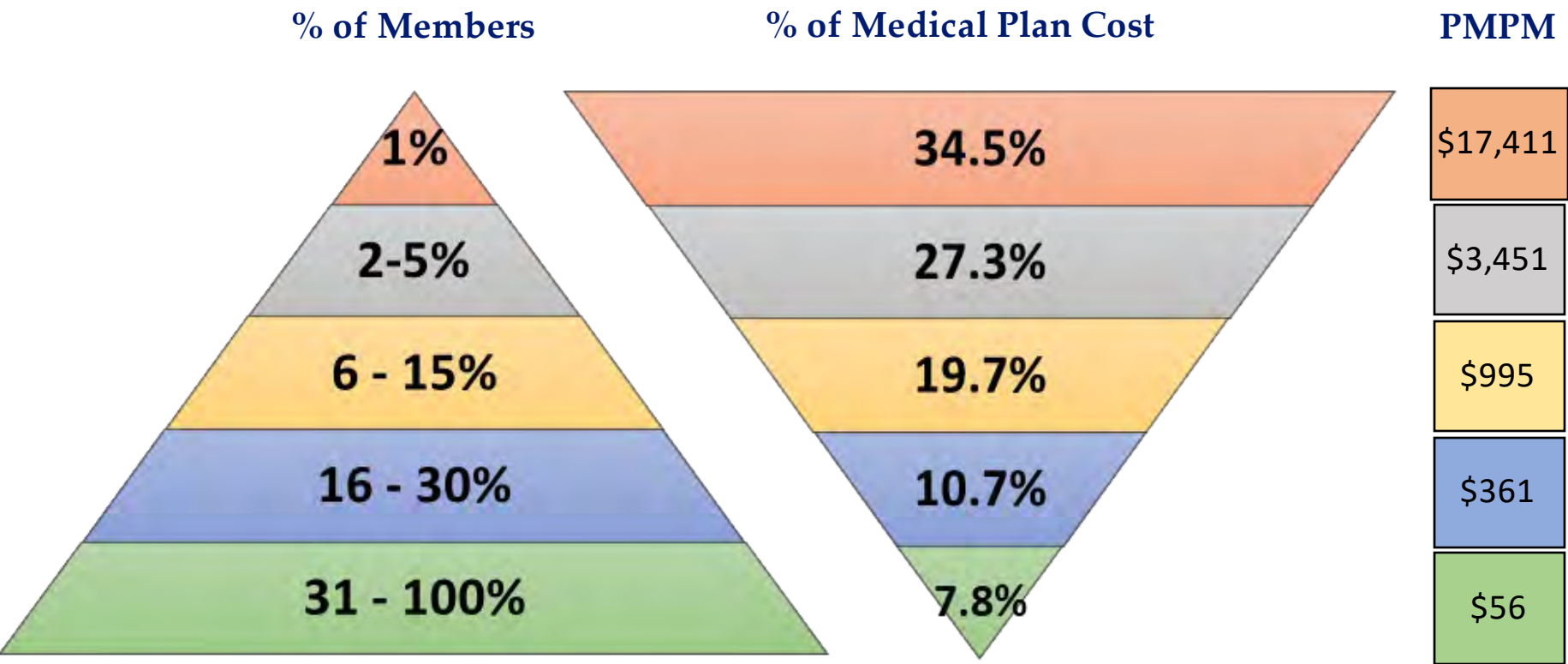
Observations

- The above table displays the top ten disease indications that contributed most to pharmacy costs in the current period. Combined Rx PMPM costs were \$147.55, or over three-quarters (75.2%) of total pharmacy PMPM.
- The top four disease indications are unchanged from the prior period. Diabetes tops the list, accounting for \$47.02 PMPM, followed by autoimmune disease (\$33.51 PMPM), oncology (\$17.16 PMPM), and psoriasis (\$14.50 PMPM).
- Obesity management rose nine places to enter the top ten list for the first time, due to significantly higher costs for anti-obesity GLP-1 drugs like Wegovy and Zepbound. Total scripts, total cost, and PMPM for obesity management drugs all more than tripled between the prior and current periods. Given the strong popularity of GLP-1s, their large potential user pool, high list price, and expanding list of indications, the Plan should expect obesity management to be an important cost driver for the foreseeable future.
 - The Plan may wish to periodically revisit its prior authorization procedures and statistics with CVS to ensure that only eligible members are taking anti-obesity GLP-1s, as off-label use in non-obese patients can increase both Rx cost and clinical risk.

¹ Both 30-day and 90-day dispensed drugs are counted as one (1) script.

² Total cost does not account for rebates.

Distribution of Plan Paid Claims



Observations

- The pyramid above shows how medical plan paid claims for NMPSIA are distributed across the enrolled population. Only current year medical costs are reflected. Reporting paid amounts in this way shows that a small percentage of members generate the vast majority of medical costs.
- The top 1% of members (by plan paid dollars) account for over a third (34.5%) of all medical plan costs in the current period. Medical PMPM costs for this group are \$17,111. The top 5% of members account for over 61% of all costs.
- The bottom 70% of claimants only generate 7.8% of total costs. Medical PMPM costs for this lowest group are only \$56.

| Agenda

1. Dashboard Summary
- 2. Spotlight – Behavioral Health**
3. Appendices

Methodology

Study Period

- Year-over-year cost and utilization trends were modeled based on data from the past five years (July 2019 – June 2024). The study is divided into the following periods:
 - Prior Year 4 (PY4): July 2019 – June 2020
 - Prior Year 3 (PY3): July 2020 – June 2021
 - Prior Year 2 (PY2): July 2021 – June 2022
 - Prior Year 1 (PY1): July 2022 – June 2023
 - Current Year (CY): July 2023 – June 2024

Other

- The study was done on an incurred basis using data incurred between July 2019 and June 2024 and paid between July 2019 and September 2024.
- Note that effective January 1, 2022 (during PY2), New Mexico legislation (SB317) required plans to cover behavioral health at 100%.
- The analysis excludes Medicare retirees.

Introduction

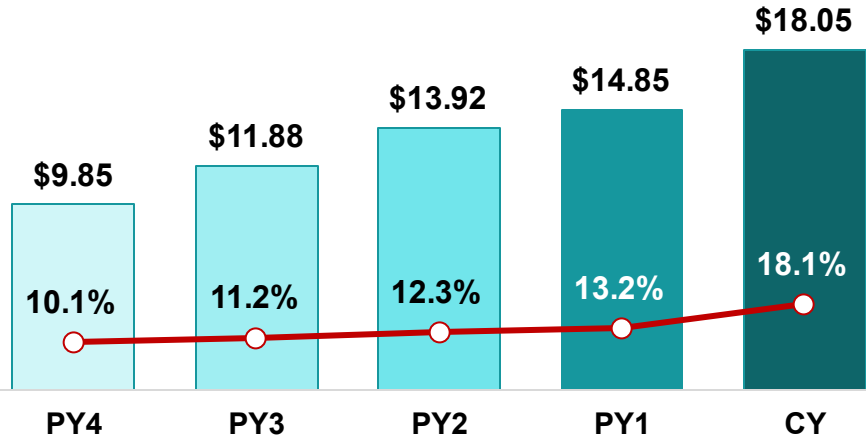
- The behavioral health landscape has changed dramatically since prior to the pandemic. We have prepared this spotlight on NMPSIA's behavioral health experience to help understand the conditions affecting members, to monitor network trends in the post-pandemic environment, to evaluate the quality of care that members are receiving following a behavioral health episode, and to identify potentially modifiable risk factors.
 - The prevalence of members with mental health conditions increased significantly from 10.1% in PY4 to 18.1% in CY.
 - Follow-up care after emergency department visits for mental illness is linked to fewer repeat visits; however, NMPSIA experience has consistently performed below the HEDIS benchmark.
 - Over 25% of members with one of the major physical chronic conditions (i.e., asthma, CAD, CHF, COPD, diabetes, hypertension) also have a mental health diagnosis. These comorbid members have significantly higher average costs than their counterparts without a comorbidity.
 - Telehealth remains a popular avenue of care for members seeking mental health treatment. Telehealth can improve access and reduce stigma associated with mental health treatment. Network utilization is very high in this category, and telehealth is a treatment setting that could be targeted for even higher utilization. Aside from the ease of access, one of the biggest advantages of telehealth is that it greatly reduces the amount of time it takes patients to find a provider with whom they are compatible. Using office settings, this process can take many months due to scheduling challenges, but telehealth expedites that process dramatically.

Behavioral Health

Cost and Prevalence

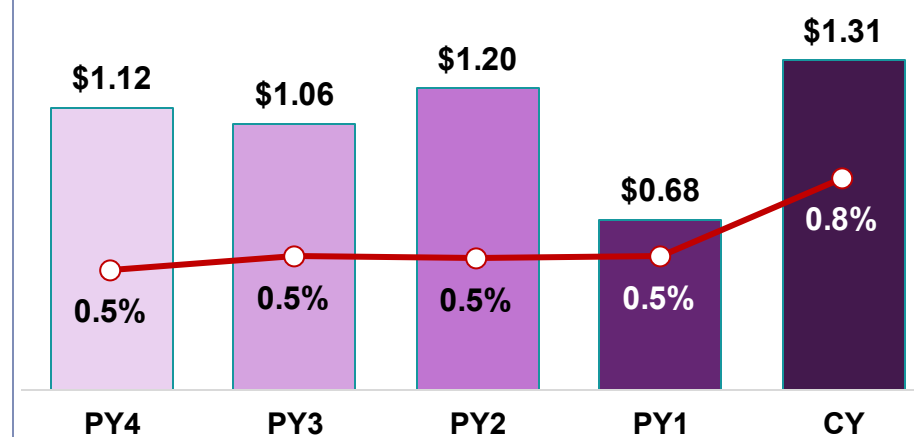
Mental Health

Medical Allowed PMPM — % of Members



Substance Use Disorder

Medical Allowed PMPM — % of Members



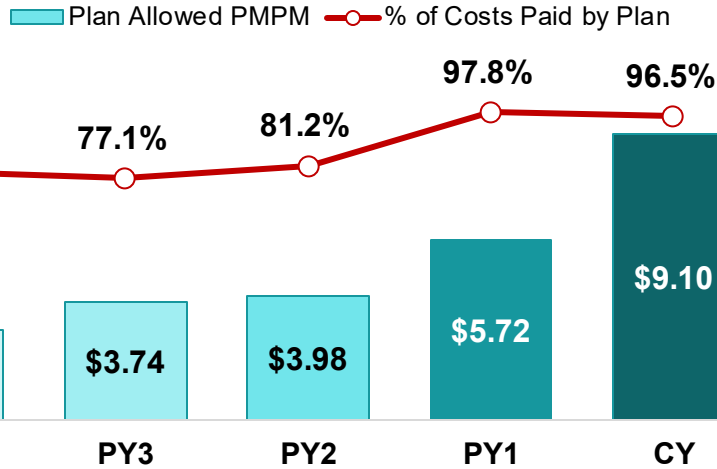
Observations

- The percent of members being treated for a mental health condition rose significantly following the onset of the pandemic, from 10.1% in PY4 to 18.1% in CY.
- Along with prevalence, costs to treat mental health nearly doubled over the experience period. The medical allowed per member per month (PMPM) was \$9.85 in PY4 and reached a high of \$18.05 in CY.
- Treatment costs for substance use disorder has been more volatile over the experience period, with no clear trends, although prevalence increased in CY compared to prior years.
- The medical costs to treat substance use disorder have been fairly consistent, except for PY1.

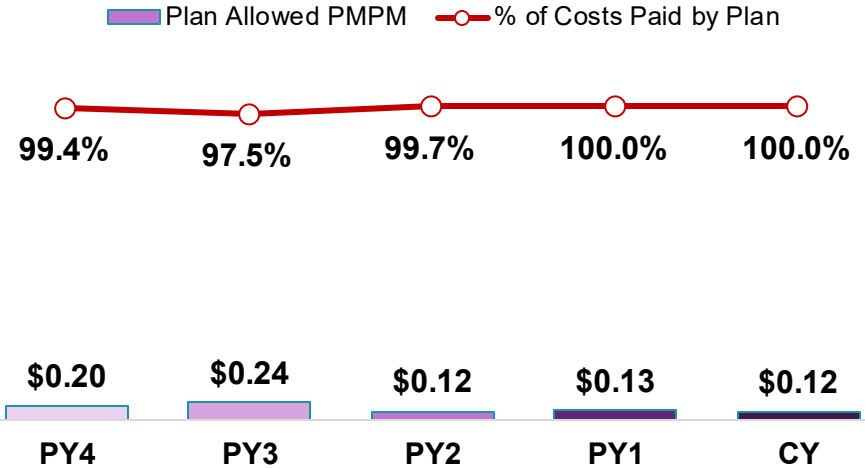
Behavioral Health

Plan Share of Total Allowed Costs

Mental Health



Substance Use Disorder

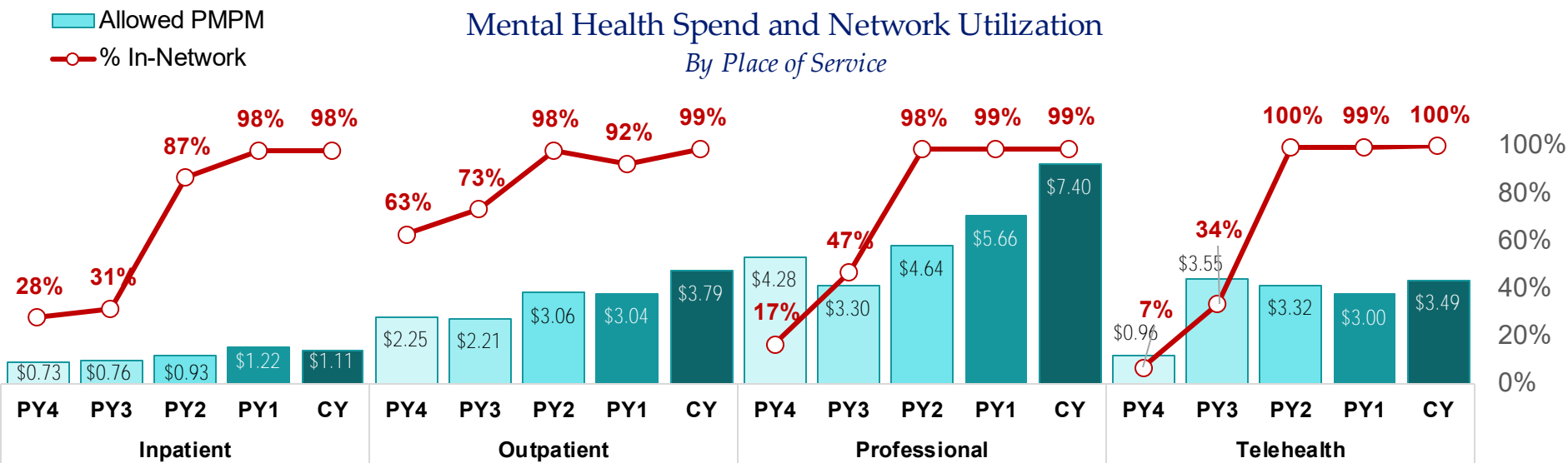


Observations

- The charts above display how the Plan's share of behavioral health costs – as well as the Plan's PMPM costs – have changed over time.
- In PY4, 78.8% of mental health charges were paid by the Plan. In PY1, the Plan's share of mental health costs began significantly increasing. By CY, 96.5% of mental health costs were paid by the Plan, which represents a nearly 18% increase. In-network utilization was very strong in PY1 and CY (see slide 12).
 - Member cost share is not depicted above, though it did sharply decline. In PY4, members' cost share for mental health treatment was 21.2%. In CY, it was 3.5%.
- The Plan's PMPM spend on mental health treatments also dramatically increased over the past five years, rising from \$2.87 in PY4 to \$9.10 in CY.
- The recent trend is much steadier for substance use treatment. The Plan has consistently paid nearly all charges for the past five years, and PMPM costs for both the Plan and members are very low.
- These increases in plan cost share and PMPM are directly attributable to SB317 (effective January 1, 2022, in the middle of PY2), which eliminated member cost-sharing for all behavioral health services.

Behavioral Health

Mental Health by Network and Place of Service



Observations

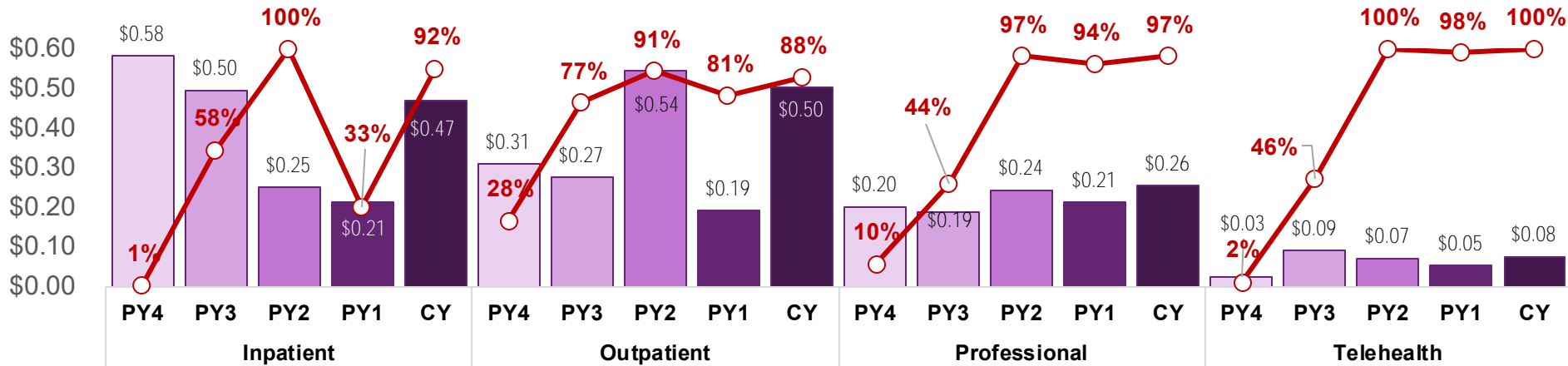
- High trend for mental health treatment is not necessarily a concern. It depends on the types of treatment driving trend. Generally, it can be a good sign to see higher trend in areas of upstream prevention, such as the professional and telehealth settings. However, high trends in higher severity treatment settings, such as inpatient and outpatient, can be cause for concern.
- Professional costs experienced the highest trend in CY, with a 30.7% increase in PMPM from the previous year. Network utilization in this setting is very strong at 99% of allowed charges. Increases in this setting are not as concerning as in the hospital settings, because regular visits to a therapist decrease the likelihood of a mental health event that requires hospitalization.
- Approximately 32% of low-acuity/preventive mental health charges (i.e., professional and telehealth) took place in the telehealth setting in CY.
- Network utilization for all settings was very high in CY. In-network participation rates likely rose after the elimination of in-network member cost-sharing as part of SB317.

Behavioral Health

Substance Use Disorder by Network and Place of Service

Allowed PMPM
% In-Network

Substance Use Disorder Spend and Network Utilization
By Place of Service



Observations

- Unlike mental health treatment, telehealth has not been a popular avenue of care for substance use disorder, with only about 2% of allowed charges going through telehealth in CY. This is consistent with experience of other clients in Segal's SHAPE database.
- All four treatment settings had significant increases in utilization and cost in CY. The majority of spend is from inpatient and outpatient treatment; the PMPM for these settings doubled in CY. However, network utilization improved in both of those settings to 88-92%.
- Network utilization is at least 88% in all treatment settings in CY.

Behavioral Health

Prevalence By Conditions

Mental Health Condition Prevalence

% of Members w/ Condition

Condition	PY4	PY3	PY2	PY1	CY	Change PY4-CY
Sleep wake disorders	4.3%	4.6%	4.8%	5.2%	8.3%	+3.9%
Trauma- and stressor-related disorders	2.1%	2.3%	2.6%	2.7%	4.5%	+2.4%
Anxiety and fear-related disorders	2.0%	2.4%	2.6%	2.7%	4.4%	+2.5%
Depressive disorders	1.8%	1.9%	2.3%	2.4%	3.6%	+1.9%
Neurodevelopmental disorders	0.7%	0.7%	0.7%	0.9%	2.1%	+1.5%
Other encounters and counseling	0.4%	0.7%	0.8%	0.9%	1.1%	+0.6%
Bipolar and related disorders	0.3%	0.3%	0.3%	0.3%	0.7%	+0.3%
Obsessive-compulsive disorders	0.1%	0.1%	0.1%	0.1%	0.2%	+0.1%

Substance Use Disorder Condition Prevalence

% of Members w/ Condition

Condition	PY4	PY3	PY2	PY1	CY	Change PY4-CY
Alcohol-related disorders	0.2%	0.2%	0.2%	0.2%	0.4%	+0.2%
Mental and substance use disorders in remission	0.1%	0.1%	0.1%	0.1%	0.2%	+0.1%
Tobacco-related disorders	0.1%	0.1%	0.1%	0.1%	0.1%	+0.1%
Opioid-related disorders	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%

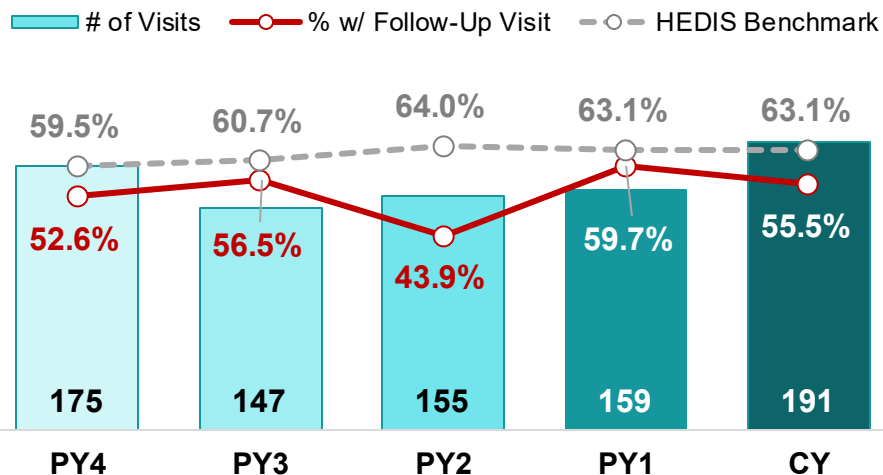
Observations

- The chart above shows prevalence trends for common conditions for both mental health and substance use disorder.
- Prevalence for all the top mental health and substance use disorder conditions (except opioid-related disorders) have increased from PY4 to CY, with the most pronounced increases in prevalence occurring between PY1 and CY.
- Sleep wake disorders were the most common behavioral health conditions in CY, including sleep apnea, narcolepsy, and insomnia. They were also the conditions with the largest increase in prevalence during CY. In CY, 8.3% of members were treated for sleep wake disorders, reflecting a 3.9% increase from PY4.
- Anxiety, stress and depressive disorders still comprise the majority of mental health conditions (12.5% in CY).
- Alcohol-related disorder is the most common substance use disorder condition. In CY, 0.4% of members were treated for alcohol use disorder, reflecting a 0.2% increase in prevalence since PY4.

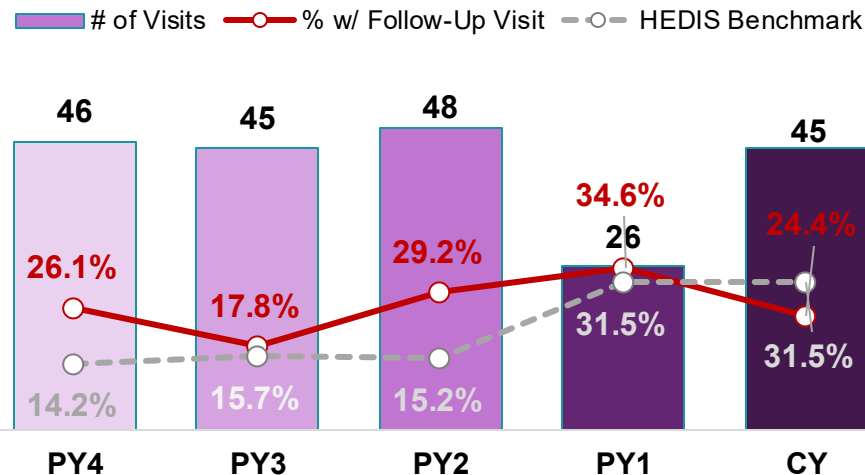
Behavioral Health

Emergency Room Follow-Up Visits

Mental Health



Substance Use Disorder



Observations

- According to the Healthcare Effectiveness Data and Information Set (HEDIS), research suggests that follow-up care for people with mental illness is linked to fewer repeat emergency room visits, improved physical and mental function, and increased compliance with follow-up instruction.¹ According to HEDIS, adults and children aged six and older should receive an outpatient follow-up visit within 30 days of a behavioral health – related ED visit.
- HEDIS provides quality benchmarks each year for both mental health and substance use disorder follow-up visits. However, the benchmark for 2023 was not available at the time of this report and thus we are showing the 2022 benchmark for both PY1 and CY.
- NMPSIA performed well against the substance use benchmark in PY1 and fairly well for mental health but fell a little short for both in the CY.

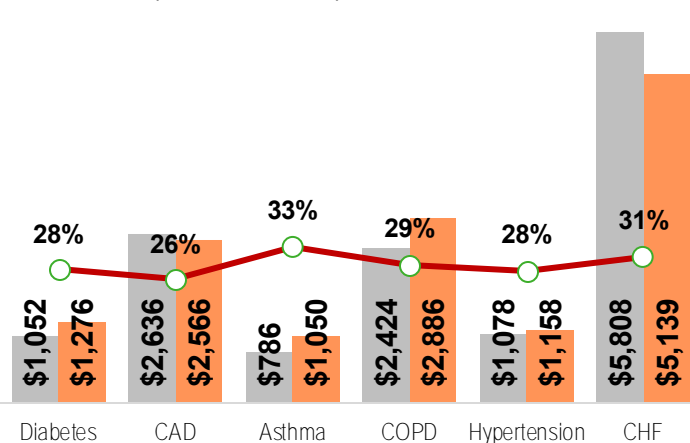
¹ Follow-Up after Emergency Department visit for Mental Illness - NCQA. (2023, February 3). NCQA. <https://www.ncqa.org/hedis/measures/follow-up-after-emergency-department-visit-for-mental-illness/>

Behavioral Health

Mental Health Comorbidity

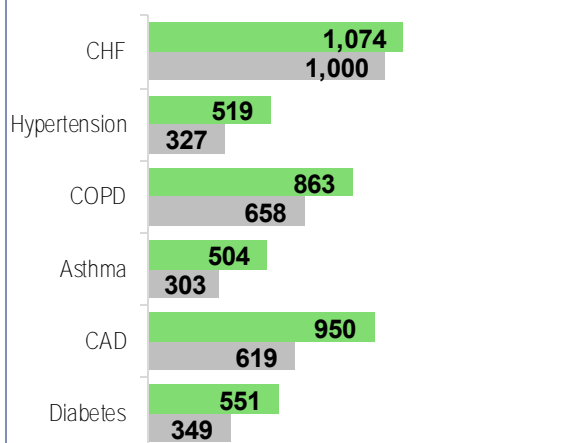
Medical PMPM

■ w/o MH ■ w/ MH ● MH Prevalence



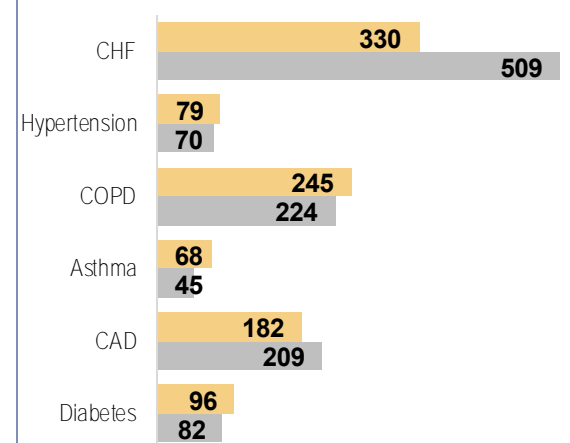
ER Visits per 1,000

■ w/ MH ■ w/o MH



Admissions per 1,000

■ w/ MH ■ w/o MH



Observations

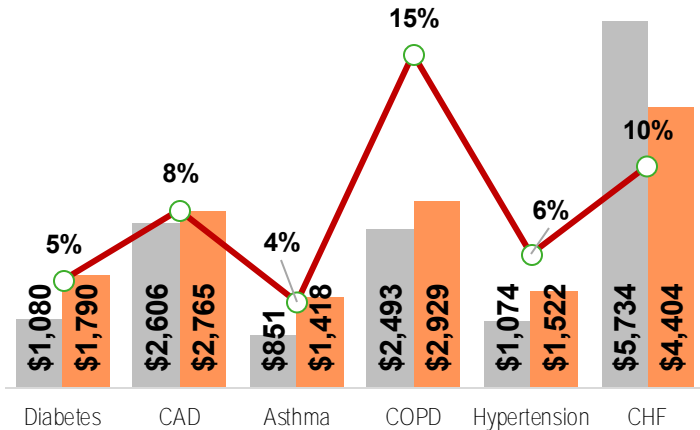
- Mental health conditions are very common comorbidities to physical chronic conditions. The presence of a mental health comorbidity may increase the likelihood of developing a physical chronic condition, and vice versa. When mental health is present as a comorbidity, it is common to see lower adherence rates to recommended care and worse outcomes.
 - All the major chronic conditions listed had at least a quarter of members who also had a mental health condition in CY.
- Members with a mental health comorbidity in CY have up to 20% higher medical costs, driven by more emergency room visits and more hospital admissions. The exceptions are CAD and CHF. CAD costs are comparable across both groups, and CHF costs can be very volatile due to low prevalence.
- As demonstrated on this page, it's important when developing disease management strategies to focus not only on the physical chronic conditions present, but also the mental health conditions present to achieve the greatest chance for success at improving population health.

Behavioral Health

Substance Use Disorder Comorbidity

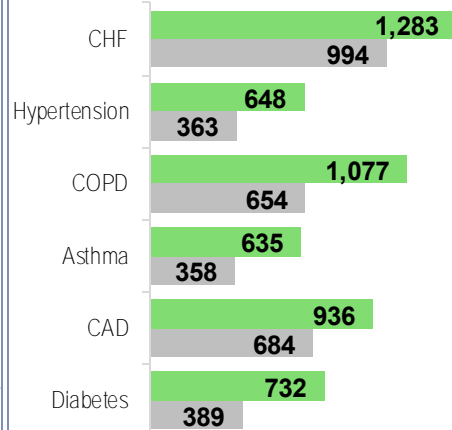
Medical PMPM

■ w/o SUD ■ w/ SUD ● SUD Prevalence



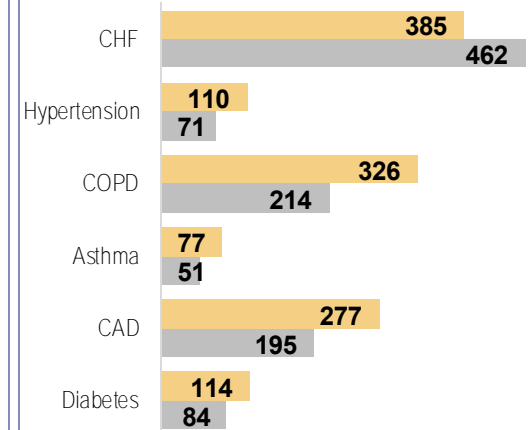
ER Visits per 1,000

■ w/ SUD ■ w/o SUD



Admissions per 1,000

■ w/ SUD ■ w/o SUD



Observations

- Substance use disorders (SUD) may also exacerbate existing chronic diseases or trigger new ones, and people living with a chronic disease may be at greater risk of developing a substance use disorder. People living with SUD may struggle to manage other health conditions, and drug and alcohol misuse can significantly impact physical health.
- As with mental health, members with both SUD and a chronic health condition have higher medical costs than chronically ill members without SUD. For instance, diabetic members with SUD cost 66% more PMPM than diabetics without SUD. The one exception to this trend is CHF, which is likely due to the very small group size.
- Members with comorbid SUD and other physical chronic conditions visit the ER and are admitted to the hospital at much higher rates. These disparities may be due to the difficulties of disease management as well as the inherent risks of substance use.

Summary and Next Steps

- The mental health of members suffered significantly during the pandemic. However, this was a national trend and not unique to NMPSIA.
- Although the prevalence of mental health conditions has increased, part of the reason for the increase is improved infrastructure to support mental health, which has led to increased access to care. In addition, favorable benefits further contribute to additional utilization and cost.
 - The place of service with the highest trend during the experience period is the professional setting, with a 30.6% increase in cost. This is a favorable result, as this setting is low-cost and is effective at preventing visits in the hospital settings.
- Mental health networks have improved broadly during the pandemic. Network utilization for this group has increased to 92% or higher in all treatment settings in CY.
- An ER visit for a mental health condition should include a follow-up office visit within 30 days to develop a post-care action plan. NMPSIA has historically underperformed the HEDIS benchmark for mental health conditions and overperformed it for substance use disorders. These outcomes should be closely monitored to ensure that members are able to make progress toward recovery following a behavioral health episode.
- Mental health and SUD are common comorbidities to physical chronic conditions that tend to reduce adherence to recommended care and increase costs for both the plan and members. It is recommended to review chronic condition management programs and how they manage mental health disorders when present alongside physical chronic conditions. The most effective programs take a holistic view of health and integrate the mental and physical components of population health.
- It is imperative for members to be aware of the resources available to them when facing a mental health or substance use disorder. Information on benefits available and care navigation should be readily accessible on the benefits website with periodic communications so members can act promptly and avoid confusion when an issue arises.

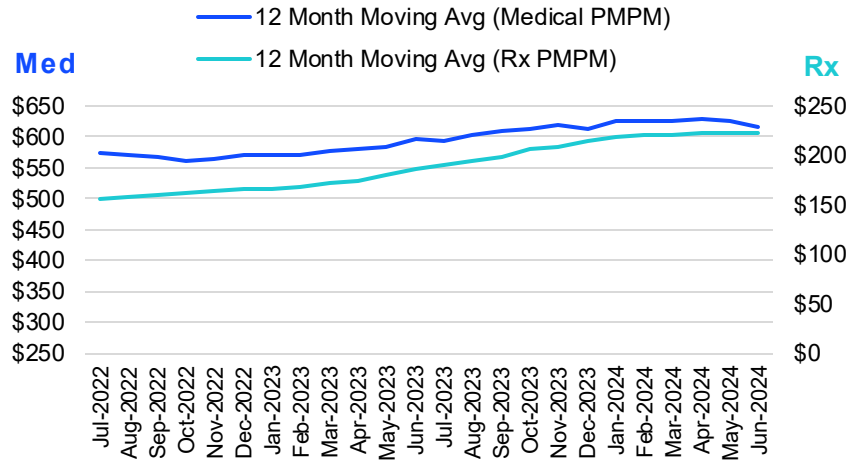
| Agenda

1. Dashboard Summary
2. Spotlight – Behavioral Health
- 3. Appendices**

BCBS of New Mexico Plans

1. Principal Financial Trends—Claims Cost

Monthly 12 Month Rolling Average



2. Claims Summary

Place of Service	CURRENT PERIOD			PRIOR PERIOD			% Change in PMPM
	Total Allowed Amount	Total Allowed PMPM	% of Total	Total Allowed Amount	Total Allowed PMPM	% of Total	
Outpatient Hospital	\$67,927,244	\$225.18	26.8%	\$63,140,794	\$217.73	28.4%	3.4%
Inpatient Hospital	\$39,280,329	\$130.21	15.5%	\$33,143,301	\$114.29	14.9%	13.9%
Professional	\$32,745,172	\$108.55	12.9%	\$30,574,458	\$105.43	13.7%	3.0%
Emergency Room	\$18,617,441	\$61.72	7.4%	\$18,075,562	\$62.33	8.1%	-1.0%
Urgent Care	\$156,411	\$0.52	0.1%	\$171,041	\$0.59	0.1%	-12.1%
Drugs On Medical	\$22,544,538	\$74.73	8.9%	\$19,730,009	\$68.04	8.9%	9.8%
All Others ¹	\$4,837,735	\$16.04	1.9%	\$3,814,081	\$13.15	1.7%	21.9%
Total Medical	\$186,108,871	\$616.95	73.5%	\$168,649,247	\$581.56	75.8%	6.1%
Paid By Plan	\$166,315,196	\$551.33	65.7%	\$149,534,613	\$515.65	67.2%	6.9%
Paid By Member	\$19,793,675	\$65.62	7.8%	\$19,114,635	\$65.91	8.6%	-0.5%
Total Rx	\$67,080,210	\$222.37	26.5%	\$53,749,709	\$185.35	24.2%	20.0%
Paid By Plan	\$58,105,564	\$192.62	22.9%	\$45,403,495	\$156.57	20.4%	23.0%
Paid By Member	\$8,974,647	\$29.75	3.5%	\$8,346,214	\$28.78	3.8%	3.4%
Total Allowed	\$253,189,081	\$839.32	100.0%	\$222,398,956	\$766.91	100.0%	9.4%

3. Key Healthcare Performance Metrics

Category	Current Period	Prior Period	Change	Norm ²	Comparison to Norm
Avg. Membership Per Month ²	25,138	24,166	4.0%	n/a	n/a
Office Visits Per 1,000	5,312	5,277	0.6%	4,265	24.5%
Preventive Office Visits Per 1,000	779	764	2.0%	n/a	n/a
Inpatient Admissions Per 1,000	45	47	-3.9%	46	-1.3%
Inpatient Days Per 1,000	211	199	5.8%	236	-10.6%
Average Inpatient Day Cost	\$7,046	\$7,099	-0.7%	\$6,663	5.8%
Average Cost Per Admission	\$33,047	\$30,257	9.2%	\$34,503	-4.2%
ER Visits Per 1,000	255	222	14.9%	196	30.4%
Rx Scripts Per 1,000	11,816	12,400	-4.7%	14,548	-18.8%

4. Major Conditions—Prevalence and Cost (with Conditions)

Chronic Condition ⁴	Current Period							% Change	
	Members	% of Total	Norm ²	Medical Claims	% of Total	PMPY	PMPY Comparison ⁵	Prev.	PMPY
1. Diabetes	2,907	11.6%	8.6%	\$39,701,692	21.3%	\$13,657	180%	0.7%	-1.0%
2. CAD	754	3.0%	3.0%	\$24,190,241	13.0%	\$32,083	430%	0.1%	-0.1%
3. Asthma	2,652	10.5%	7.6%	\$27,034,692	14.5%	\$10,194	140%	-0.3%	7.6%
4. COPD	177	0.7%	0.7%	\$6,307,989	3.4%	\$35,638	480%	0.0%	9.1%
5. Hypertension	6,278	25.0%	23.2%	\$84,005,749	45.1%	\$13,381	180%	0.6%	1.4%
6. Mental Health	2,352	9.4%	35.6%	\$23,472,464	12.6%	\$9,980	130%	-0.6%	-10.0%
7. SUD ⁶	127	0.5%	2.8%	\$1,493,768	0.8%	\$11,762	160%	0.0%	-17.7%
8. CHF	101	0.4%	0.5%	\$7,966,623	4.3%	\$78,877	1,070%	0.0%	63.2%
Totals (unique)	9,943	39.6%		\$110,144,687	59.2%	\$11,078	150%	0.2%	-0.2%

¹ "All Others" includes Ancillary type services such as Home, Ambulance, and DME.

² SHAPE public sector norms, 2022 data.

³ Based on average medical membership.

⁴ Members with co-morbidities and their corresponding claims are combined in each applicable category.

⁵ Reflects the ratio of PMPY costs of members with the chronic condition to the total enrolled population.

⁶ Substance Use Disorder (SUD) excludes tobacco use disorder.

BCBS of New Mexico Plans

5. Clinical Quality Performance

		COMPLIANCE RATES				COMPLIANT INDIVIDUALS				NON-COMPLIANT INDIVIDUALS			
Chronic Condition	Clinical Quality Metrics	Population	Current Period	Prior Period	Norm ¹	Individuals	ER Visits Per 1,000	Admits Per 1,000	Risk Score	Individuals	ER Visits Per 1,000	Admits Per 1,000	Risk Score
Diabetes	· At least 1 hemoglobin A1C tests in last 12 months	2,907	83.5%	80.9%	78.2%	2,428	359	104	2.25	479	263	63	1.31
	· Annual screening for diabetic nephropathy	2,907	55.9%	54.1%	60.9%	1,625	490	130	2.51	1,282	156	55	1.57
	· Annual screening for diabetic retinopathy	2,907	19.2%	17.9%	33.1%	559	392	104	2.54	2,348	331	95	1.99
CAD	· Patients currently taking an ACE-Inhibitor or ARB Drug	754	46.7%	45.2%	38.2%	352	722	259	3.11	402	570	179	2.59
	· Patients currently taking a statin	754	65.8%	62.6%	68.6%	496	661	242	3.02	258	601	167	2.46
Hyperlipidemia	· Total cholesterol testing in last 12 months	6,979	74.6%	71.7%	70.3%	5,207	280	72	1.88	1,772	260	56	1.42
COPD	· Spirometry testing in last 12 months	177	26.0%	23.4%	27.3%	46	1,043	261	3.51	131	649	221	2.68
Asthma	· Patients with inhaled corticosteroids or leukotriene inhibitors in the last 12 months	2,652	76.2%	72.2%	77.1%	2,022	337	66	1.71	630	254	32	1.45
Preventive Screening	· Cervical cancer	11,846	24.1%	24.7%	52.1%	2,857	229	55	1.59	8,989	215	44	1.16
	· Breast cancer	7,416	42.0%	42.8%	63.0%	3,117	214	32	1.69	4,299	211	37	1.25
	· Colorectal cancer	8,712	37.2%	34.7%	45.9%	3,242	300	74	1.96	5,470	185	36	1.22
	· Prostate cancer	3,772	44.7%	44.5%	42.8%	1,686	238	71	1.73	2,086	204	58	1.13

6. Summary of Prescription Drug Expenses

Category	Non-Specialty		Specialty		Total		
	Current Period	Change	Current Period	Change	Current Period	Prior Period	Change
Total Cost	\$39,187,613	28.9%	\$27,892,597	19.5%	\$67,080,210	\$53,749,709	24.8%
% of Total Costs	58.4%	3.3%	41.6%	-4.3%			
Total Scripts ²	290,681	-1.3%	6,349	21.7%	297,030	299,664	-0.9%
% of Total Scripts	97.9%	-0.4%	2.1%	22.8%			
Days Supply per Member	500	2.5%	11	19.2%	510	496	2.8%
Avg Cost PMPM	\$129.91	23.9%	\$92.46	14.8%	\$222.37	\$185.35	20.0%
Avg Cost Per Rx	\$134.81	30.6%	\$4,393.23	-1.8%	\$225.84	\$179.37	25.9%
Number of Scripts PMPM	0.96	-5.1%	0.02	17.0%	0.98	1.03	-4.7%
Generic Dispensing Rate	82.6%	-1.6%	39.9%	3.8%	81.7%	83.1%	-1.7%
Member Cost %	7.8%	-1.3%	21.2%	-16.7%	13.4%	15.5%	-13.8%

¹ SHAPE public sector norms, 2022 data.

² Both 30-day and 90-day dispensed drugs are counted as one (1) script.

BCBS of New Mexico Plans

7. Prescription Drug Cost Management Analysis

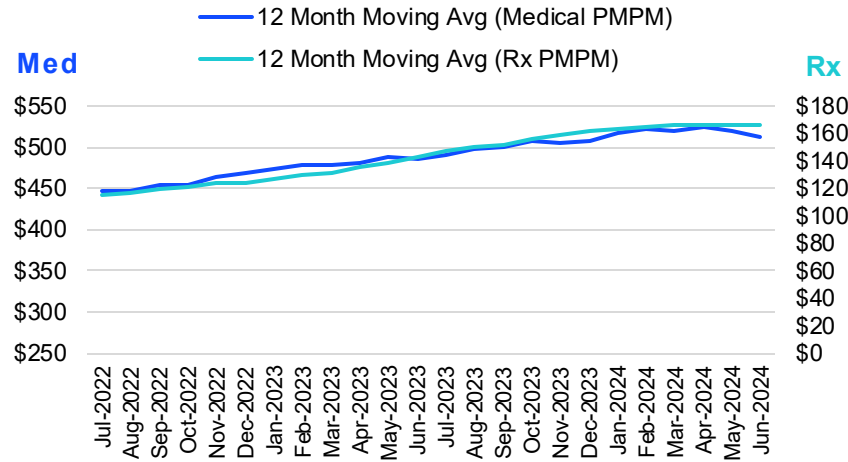
				Current Period				Prior Period				% Change		
Rank	Top 10 Indications	Prev Rank/ Movement		Total Scripts ¹	Total Cost	Generic Fill Rate	PMPM	Total Scripts ¹	Total Cost	Generic Fill Rate	PMPM	Total Scripts ¹	Total Cost	PMPM
1	Diabetes	1	0	24,422	\$16,321,350	35.2%	\$54.11	22,213	\$12,689,347	43.1%	\$43.76	9.9%	28.6%	23.6%
2	Autoimmune Disease	2	0	2,208	\$10,687,430	20.6%	\$35.43	2,026	\$9,148,437	25.9%	\$31.55	9.0%	16.8%	12.3%
3	Oncology	3	0	1,954	\$6,514,358	74.1%	\$21.60	1,818	\$5,052,113	77.6%	\$17.42	7.5%	28.9%	24.0%
4	Psoriasis	4	0	734	\$5,827,057	5.0%	\$19.32	456	\$3,837,411	7.0%	\$13.23	61.0%	51.8%	46.0%
5	Obesity Management	14	9	2,572	\$3,452,014	1.8%	\$11.44	682	\$836,312	6.6%	\$2.88	277.1%	312.8%	296.8%
6	Asthma/COPD	5	-1	13,298	\$2,140,470	80.5%	\$7.10	13,904	\$2,066,759	77.7%	\$7.13	-4.4%	3.6%	-0.4%
7	Diabetic Supplies/Monitoring	8	1	4,617	\$1,704,342	0.0%	\$5.65	4,165	\$1,300,742	0.0%	\$4.49	10.9%	31.0%	26.0%
8	Viral Infections/HIV AIDS	7	-1	528	\$1,531,469	31.8%	\$5.08	501	\$1,366,550	27.5%	\$4.71	5.4%	12.1%	7.7%
9	Skin Disorders	9	0	5,579	\$1,526,433	91.0%	\$5.06	5,305	\$1,202,891	93.3%	\$4.15	5.2%	26.9%	22.0%
10	Cystic Fibrosis	11	1	101	\$1,396,504	0.0%	\$4.63	61	\$1,051,719	0.0%	\$3.63	65.6%	32.8%	27.6%
	Total Top 10:			56,013	\$51,101,427	47.3%	\$169.40	51,131	\$38,552,282	53.8%	\$132.94	9.5%	32.6%	27.4%

¹ Both 30-day and 90-day dispensed drugs are counted as one (1) script.

Presbyterian Plans

1. Principal Financial Trends—Claims Cost

Monthly 12 Month Rolling Average



2. Claims Summary

Place of Service	CURRENT PERIOD			PRIOR PERIOD			% Change in PMPM
	Total Allowed Amount	Total Allowed PMPM	% of Total	Total Allowed Amount	Total Allowed PMPM	% of Total	
Outpatient Hospital	\$43,925,442	\$175.53	25.8%	\$41,317,907	\$170.36	27.7%	3.0%
Inpatient Hospital	\$30,370,298	\$121.36	17.9%	\$27,161,198	\$111.99	18.2%	8.4%
Professional	\$24,200,660	\$96.71	14.2%	\$21,542,822	\$88.82	14.4%	8.9%
Emergency Room	\$14,894,789	\$59.52	8.8%	\$14,235,969	\$58.70	9.5%	1.4%
Urgent Care	\$1,410,199	\$5.64	0.8%	\$1,302,769	\$5.37	0.9%	4.9%
Drugs On Medical	\$11,106,247	\$44.38	6.5%	\$6,779,897	\$27.95	4.5%	58.8%
All Others ¹	\$2,571,272	\$10.27	1.5%	\$2,250,714	\$9.28	1.5%	10.7%
Total Medical	\$128,478,908	\$513.40	75.6%	\$114,591,277	\$472.47	76.8%	8.7%
Paid By Plan	\$113,386,161	\$453.09	66.7%	\$100,616,565	\$414.85	67.5%	9.2%
Paid By Member	\$14,305,327	\$57.16	8.4%	\$12,731,764	\$52.49	8.5%	8.9%
Total Rx	\$41,460,007	\$165.68	24.4%	\$34,561,251	\$142.50	23.2%	16.3%
Paid By Plan	\$35,905,035	\$143.48	21.1%	\$29,116,963	\$120.05	19.5%	19.5%
Paid By Member	\$5,554,972	\$22.20	3.3%	\$5,444,288	\$22.45	3.7%	-1.1%
Total Allowed	\$169,938,915	\$679.08	100.0%	\$149,152,528	\$614.97	100.0%	10.4%

3. Key Healthcare Performance Metrics

Category	Current Period	Prior Period	Change	Norm ²	Comparison to Norm
Avg. Membership Per Month ²	20,854	20,211	3.2%	n/a	n/a
Office Visits Per 1,000	4,693	4,288	9.4%	4,174	12.4%
Preventive Office Visits Per 1,000	617	625	-1.2%	n/a	n/a
Inpatient Admissions Per 1,000	38	39	-1.1%	44	-12.9%
Inpatient Days Per 1,000	166	181	0.0%	223	-25.4%
Average Inpatient Day Cost	\$8,433	\$7,965	5.9%	\$6,746	25.0%
Average Cost Per Admission	\$36,708	\$37,396	0.0%	\$34,291	7.0%
ER Visits Per 1,000	225	188	19.8%	193	16.8%
Rx Scripts Per 1,000	9,175	9,561	-4.0%	14,347	-36.1%

4. Major Conditions—Prevalence and Cost (with Conditions)

	Current Period							% Change	
Chronic Condition ⁴	Members	% of Total	Norm ²	Medical Claims	% of Total	PMPY	PMPY Comparison ⁵	Prev.	PMPY
1. Diabetes	1,951	9.4%	8.1%	\$23,877,139	18.6%	\$12,238	200%	0.5%	-5.4%
2. CAD	346	1.7%	2.6%	\$9,946,014	7.7%	\$28,746	470%	0.0%	-10.7%
3. Asthma	1,788	8.6%	7.6%	\$19,034,260	14.8%	\$10,646	170%	-0.1%	25.4%
4. COPD	96	0.5%	0.6%	\$1,946,383	1.5%	\$20,275	330%	0.0%	-30.1%
5. Hypertension	3,968	19.0%	21.9%	\$47,668,518	37.1%	\$12,013	190%	0.3%	-0.1%
6. Mental Health	7,896	37.9%	35.9%	\$66,942,511	52.1%	\$8,478	140%	1.6%	11.4%
7. SUD ⁶	811	3.9%	2.7%	\$9,986,775	7.8%	\$12,314	200%	0.3%	-0.8%
8. CHF	57	0.3%	0.4%	\$2,641,406	2.1%	\$46,340	750%	0.0%	-17.1%
Totals (unique)	10,984	52.7%		\$97,740,035	76.1%	\$8,898	140%	1.4%	12.0%

¹ "All Others" includes Ancillary type services such as Home, Ambulance, and DME.

² SHAPE public sector norms, 2022 data.

³ Based on average medical membership.

⁴ Members with co-morbidities and their corresponding claims are combined in each applicable category.

⁵ Reflects the ratio of PMPY costs of members with the chronic condition to the total enrolled population.

⁶ Substance Use Disorder (SUD) excludes tobacco use disorder.

Presbyterian Plans

5. Clinical Quality Performance

Chronic Condition	Clinical Quality Metrics	COMPLIANCE RATES				COMPLIANT INDIVIDUALS				NON-COMPLIANT INDIVIDUALS			
		Population	Current Period	Prior Period	Norm ¹	Individuals	ER Visits Per 1,000	Admits Per 1,000	Risk Score	Individuals	ER Visits Per 1,000	Admits Per 1,000	Risk Score
Diabetes	· At least 1 hemoglobin A1C tests in last 12 months	1,951	82.7%	81.2%	77.9%	1,613	505	64	2.23	338	331	47	1.46
	· Annual screening for diabetic nephropathy	1,951	55.9%	55.0%	60.5%	1,091	625	63	2.45	860	285	58	1.65
	· Annual screening for diabetic retinopathy	1,951	23.3%	17.5%	32.4%	454	498	53	2.42	1,497	468	63	2.00
CAD	· Patients currently taking an ACE-Inhibitor or ARB Drug	346	40.5%	40.8%	37.7%	140	793	171	2.62	206	830	155	2.78
	· Patients currently taking a statin	346	64.2%	59.5%	67.6%	222	739	194	2.76	124	952	105	2.64
Hyperlipidemia	· Total cholesterol testing in last 12 months	4,677	72.3%	68.9%	70.0%	3,382	386	34	1.85	1,295	356	53	1.44
COPD	· Spirometry testing in last 12 months	96	19.8%	17.4%	27.2%	19	526	263	2.73	77	649	208	2.27
Asthma	· Patients with inhaled corticosteroids or leukotriene inhibitors in the last 12 months	1,788	76.8%	72.4%	77.0%	1,373	437	43	1.76	415	422	46	1.63
Preventive Screening	· Cervical cancer	9,826	21.8%	22.7%	52.6%	2,144	373	45	1.75	7,682	297	32	1.23
	· Breast cancer	6,136	43.4%	39.1%	62.4%	2,660	369	28	1.75	3,476	281	24	1.21
	· Colorectal cancer	6,492	38.5%	36.2%	45.9%	2,502	378	53	1.84	3,990	249	22	1.19
	· Prostate cancer	2,775	37.1%	36.6%	42.5%	1,030	310	36	1.69	1,745	245	41	1.08

6. Summary of Prescription Drug Expenses

Category	Non-Specialty		Specialty		Total		
	Current Period	Change	Current Period	Change	Current Period	Prior Period	Change
Total Cost	\$24,819,769	34.1%	\$16,640,238	3.7%	\$41,460,007	\$34,561,251	20.0%
% of Total Costs	59.9%	11.8%	40.1%	-13.6%			
Total Scripts ²	187,841	-1.1%	3,489	7.0%	191,330	193,251	-1.0%
% of Total Scripts	98.2%	-0.1%	1.8%	8.0%			
Days Supply per Member	391	4.0%	7	10.3%	398	383	4.1%
Avg Cost PMPM	\$99.18	30.0%	\$66.49	0.5%	\$165.68	\$142.50	16.3%
Avg Cost Per Rx	\$132.13	35.6%	\$4,769.34	-3.1%	\$216.69	\$178.84	21.2%
Number of Scripts PMPM	0.75	-4.2%	0.01	3.7%	0.76	0.80	-4.0%
Generic Dispensing Rate	82.9%	-0.6%	35.1%	5.4%	82.1%	82.6%	-0.6%
Member Cost %	7.9%	2.9%	21.5%	-13.9%	13.4%	15.8%	-14.9%

¹ SHAPE public sector norms, 2022 data.

² Both 30-day and 90-day dispensed drugs are counted as one (1) script.

Presbyterian Plans

7. Prescription Drug Cost Management Analysis

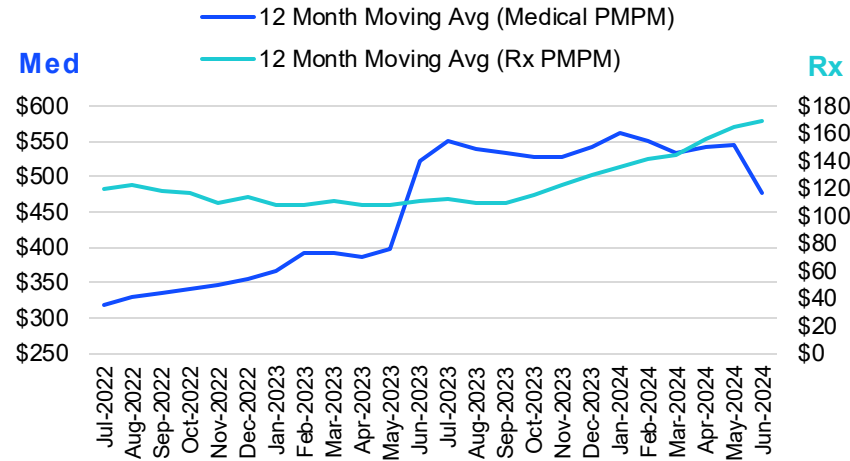
Rank	Top 10 Indications	Prev Rank/ Movement		Current Period				Prior Period				% Change		
				Total Scripts ¹	Total Cost	Generic Fill Rate	PMPM	Total Scripts ¹	Total Cost	Generic Fill Rate	PMPM	Total Scripts ¹	Total Cost	PMPM
1	Diabetes	1	0	15,661	\$9,700,337	37.7%	\$38.76	13,849	\$7,460,229	46.4%	\$30.76	13.1%	30.0%	26.0%
2	Autoimmune Disease	2	0	1,687	\$7,833,061	16.0%	\$31.30	1,467	\$6,890,571	20.3%	\$28.41	15.0%	13.7%	10.2%
3	Oncology	3	0	1,010	\$2,816,784	73.4%	\$11.26	1,066	\$2,793,391	73.5%	\$11.52	-5.3%	0.8%	-2.3%
4	Psoriasis	4	0	235	\$2,263,765	10.6%	\$9.05	202	\$2,152,093	9.9%	\$8.87	16.3%	5.2%	1.9%
5	Rare Disorders	5	0	199	\$2,203,907	58.3%	\$8.81	206	\$1,811,024	55.3%	\$7.47	-3.4%	21.7%	17.9%
6	Obesity Management	13	7	1,497	\$2,020,075	3.6%	\$8.07	509	\$605,653	12.8%	\$2.50	194.1%	233.5%	223.3%
7	Diabetic Supplies/Monitoring	10	3	3,241	\$1,242,916	0.0%	\$4.97	2,768	\$892,689	0.0%	\$3.68	17.1%	39.2%	34.9%
8	Vaccines/Immunizing Agents	9	1	7,722	\$1,205,710	0.0%	\$4.82	9,272	\$932,654	0.0%	\$3.85	-16.7%	29.3%	25.3%
9	Asthma/COPD	7	-2	8,497	\$1,117,454	82.8%	\$4.47	8,759	\$1,192,772	77.8%	\$4.92	-3.0%	-6.3%	-9.2%
10	Skin Disorders	12	2	4,433	\$1,055,991	92.1%	\$4.22	3,796	\$666,409	94.4%	\$2.75	16.8%	58.5%	53.6%
	Total Top 10:			44,182	\$31,460,000	41.2%	\$125.71	41,894	\$25,397,486	43.2%	\$104.72	5.5%	23.9%	20.1%

¹ Both 30-day and 90-day dispensed drugs are counted as one (1) script.

Cigna Plans

1. Principal Financial Trends—Claims Cost

Monthly 12 Month Rolling Average



2. Claims Summary

Place of Service	CURRENT PERIOD			PRIOR PERIOD			% Change in PMPM
	Total Allowed Amount	Total Allowed PMPM	% of Total	Total Allowed Amount	Total Allowed PMPM	% of Total	
Outpatient Hospital	\$1,317,261	\$188.83	29.2%	\$986,879	\$198.73	32.6%	-5.0%
Inpatient Hospital	\$659,227	\$94.50	14.6%	\$793,836	\$159.85	26.2%	-40.9%
Professional	\$620,608	\$88.96	13.8%	\$423,177	\$85.21	14.0%	4.4%
Emergency Room	\$393,254	\$56.37	8.7%	\$213,880	\$43.07	7.1%	30.9%
Urgent Care	\$39,576	\$5.67	0.9%	\$26,040	\$5.24	0.9%	8.2%
Drugs On Medical	\$244,274	\$35.02	5.4%	\$9,509	\$1.91	0.3%	1728.6%
All Others ¹	\$59,956	\$8.59	1.3%	\$23,236	\$4.68	0.8%	83.7%
Total Medical	\$3,334,156	\$477.95	73.9%	\$2,476,557	\$498.70	81.9%	-4.2%
Paid By Plan	\$2,811,839	\$403.07	62.4%	\$2,105,325	\$423.95	69.6%	-4.9%
Paid By Member	\$522,318	\$74.87	11.6%	\$371,232	\$74.75	12.3%	0.2%
Total Rx	\$1,175,201	\$168.46	26.1%	\$548,171	\$110.38	18.1%	52.6%
Paid By Plan	\$1,008,074	\$144.51	22.4%	\$483,070	\$97.28	16.0%	48.6%
Paid By Member	\$167,128	\$23.96	3.7%	\$65,101	\$13.11	2.2%	82.8%
Total Allowed	\$4,509,358	\$646.41	100.0%	\$3,024,728	\$609.09	100.0%	6.1%

3. Key Healthcare Performance Metrics

Category	Current Period	Prior Period	Change	Norm ²	Comparison to Norm
Avg. Membership Per Month ²	581	414	40.5%	n/a	n/a
Office Visits Per 1,000	3,511	3,538	-0.8%	4,046	-13.2%
Preventive Office Visits Per 1,000	831	735	13.1%	n/a	n/a
Inpatient Admissions Per 1,000	36	46	-21.3%	45	-19.7%
Inpatient Days Per 1,000	217	263	-17.7%	219	-1.0%
Average Inpatient Day Cost	\$4,964	\$8,308	-40.3%	\$6,927	-28.3%
Average Cost Per Admission	\$29,785	\$47,664	-37.5%	\$33,727	-11.7%
ER Visits Per 1,000	253	244	3.6%	192	31.8%
Rx Scripts Per 1,000	9,421	9,526	-1.1%	14,027	-32.8%

4. Major Conditions—Prevalence and Cost (with Conditions)

	Current Period							% Change	
Chronic Condition ⁴	Members	% of Total	Norm ²	Medical Claims	% of Total	PMPY	PMPY Comparison ⁵	Prev.	PMPY
1. Diabetes	45	7.7%	7.5%	\$696,635	20.9%	\$15,481	270%	0.7%	70.6%
2. CAD	<10	<Norm	2.3%	\$150,000	<5.0%	>\$10,000	>250%	0.0%	-8.3%
3. Asthma	42	7.2%	7.3%	\$299,668	9.0%	\$7,135	120%	1.2%	-25.2%
4. COPD	<10	<Norm	0.5%	\$150,000	<5.0%	<\$5,000	<100%	0.2%	n/a
5. Hypertension	99	17.0%	20.2%	\$1,181,362	35.4%	\$11,933	210%	1.3%	-34.1%
6. Mental Health	114	19.6%	35.5%	\$1,189,751	35.7%	\$10,436	180%	-2.6%	43.1%
7. SUD ⁶	<10	<Norm	2.7%	\$150,000	<5.0%	>\$5,000	<100%	-0.2%	-95.6%
8. CHF	<10	>Norm	0.4%	\$150,000	<5.0%	>\$10,000	>250%	0.3%	-71.5%
Totals (unique)	223	38.4%		\$1,906,763	57.2%	\$8,551	150%	-1.3%	-20.6%

¹ "All Others" includes Ancillary type services such as Home, Ambulance, and DME.

² SHAPE public sector norms, 2022 data.

³ Based on average medical membership.

⁴ Members with co-morbidities and their corresponding claims are combined in each applicable category.

⁵ Reflects the ratio of PMPY costs of members with the chronic condition to the total enrolled population.

⁶ Substance Use Disorder (SUD) excludes tobacco use disorder.

Cigna Plans

5. Clinical Quality Performance

		COMPLIANCE RATES				COMPLIANT INDIVIDUALS				NON-COMPLIANT INDIVIDUALS			
Chronic Condition	Clinical Quality Metrics	Population	Current Period	Prior Period	Norm ¹	Individuals	ER Visits Per 1,000	Admits Per 1,000	Risk Score	Individuals	ER Visits Per 1,000	Admits Per 1,000	Risk Score
Diabetes	· At least 1 hemoglobin A1C tests in last 12 months	45	55.6%	51.7%	77.7%	25	800	520	3.53	20	350	100	1.92
	· Annual screening for diabetic nephropathy	45	44.4%	44.8%	60.4%	20	950	700	3.54	25	320	40	2.23
	· Annual screening for diabetic retinopathy	45	17.8%	10.3%	32.2%	8	1,125	1,625	4.99	37	486	54	2.34
CAD	· Patients currently taking an ACE-Inhibitor or ARB Drug	<10	<Norm	40.0%	37.6%	<10	1,000	1,000	2.10	<10	333	0	2.46
	· Patients currently taking a statin	<10	<Norm	60.0%	67.7%	<10	333	333	3.65	<10	500	0	1.47
Hyperlipidemia	· Total cholesterol testing in last 12 months	102	54.9%	53.7%	70.0%	56	429	232	2.07	46	457	22	2.02
COPD	· Spirometry testing in last 12 months	<10	0.0%	#N/A	27.2%	0	n/a	n/a	n/a	<10	0	0	2.04
Asthma	· Patients with inhaled corticosteroids or leukotriene inhibitors in the last 12 months	42	83.3%	92.0%	77.0%	35	400	29	2.01	7	286	0	1.52
Preventive Screening	· Cervical cancer	284	19.7%	16.5%	52.5%	56	161	54	1.59	228	202	22	1.21
	· Breast cancer	163	33.1%	19.2%	62.5%	54	111	37	1.80	109	257	18	1.37
	· Colorectal cancer	175	28.0%	18.5%	45.8%	49	388	265	2.53	126	190	24	1.27
	· Prostate cancer	75	33.3%	19.6%	42.8%	25	480	440	2.14	50	140	40	1.12

6. Summary of Prescription Drug Expenses

Category	Non-Specialty		Specialty		Total		
	Current Period	Change	Current Period	Change	Current Period	Prior Period	Change
Total Cost	\$665,785	65.0%	\$509,417	251.9%	\$1,175,201	\$548,171	114.4%
% of Total Costs	56.7%	-23.0%	43.3%	64.2%			
Total Scripts ²	5,361	37.6%	116	157.8%	5,477	3,942	38.9%
% of Total Scripts	97.9%	-1.0%	2.1%	85.5%			
Days Supply per Member	389	0.9%	9	54.7%	397	391	1.7%
Avg Cost PMPM	\$95.44	17.5%	\$73.02	150.5%	\$168.46	\$110.38	52.6%
Avg Cost Per Rx	\$124.19	20.0%	\$4,391.52	36.5%	\$214.57	\$139.06	54.3%
Number of Scripts PMPM	0.77	-2.1%	0.02	83.5%	0.79	0.79	-1.1%
Generic Dispensing Rate	81.6%	-0.5%	37.9%	-28.9%	80.7%	81.7%	-1.2%
Member Cost %	6.8%	1.1%	23.9%	-8.7%	14.2%	11.9%	19.7%

¹ SHAPE public sector norms, 2022 data.

² Both 30-day and 90-day dispensed drugs are counted as one (1) script.

Cigna Plans

7. Prescription Drug Cost Management Analysis

				Current Period				Prior Period				% Change		
Rank	Top 10 Indications	Prev Rank/ Movement		Total Scripts ¹	Total Cost	Generic Fill Rate	PMPM	Total Scripts ¹	Total Cost	Generic Fill Rate	PMPM	Total Scripts ¹	Total Cost	PMPM
1	Oncology	53	52	<50	\$258,070	42.4%	\$36.99	<50	\$166	100.0%	\$0.03	175.0%	155626.6%	110757.0%
2	Diabetes	1	-1	341	\$257,001	22.3%	\$36.84	231	\$152,002	26.8%	\$30.61	47.6%	69.1%	20.4%
3	Autoimmune Disease	2	-1	65	\$206,270	27.7%	\$29.57	<50	\$145,005	34.4%	\$29.20	>100.0%	42.2%	1.3%
4	Vaccines/Immunizing Agents	10	6	234	\$53,670	0.0%	\$7.69	161	\$9,813	0.0%	\$1.98	45.3%	446.9%	289.3%
5	Obesity Management	22	17	<50	\$49,513	7.7%	\$7.10	<50	\$5,014	33.3%	\$1.01	1200.0%	887.6%	603.0%
6	Asthma/COPD	5	-1	311	\$43,701	77.8%	\$6.26	202	\$21,257	79.2%	\$4.28	54.0%	105.6%	46.3%
7	Blood Disorders	3	-4	<50	\$31,079	3.2%	\$4.46	<50	\$25,721	7.1%	\$5.18	10.7%	20.8%	-14.0%
8	Diabetic Supplies/Monitoring	4	-4	101	\$30,819	0.0%	\$4.42	75	\$25,323	0.0%	\$5.10	34.7%	21.7%	-13.4%
9	Digestive Aids	6	-3	<50	\$29,073	0.0%	\$4.17	<50	\$16,680	0.0%	\$3.36	0.0%	74.3%	24.1%
10	ADHD/Narcolepsy	9	-1	139	\$27,461	74.1%	\$3.94	56	\$10,250	66.1%	\$2.06	148.2%	167.9%	90.7%
	Total Top 10:			1,302	\$986,657	35.1%	\$141.44	808	\$411,231	35.3%	\$82.81	61.1%	139.9%	70.8%

¹ Both 30-day and 90-day dispensed drugs are counted as one (1) script.

A Word About Privacy

- Data presented has been “de-identified,” which means it does not contain names or SSNs, etc.
- Specific medical conditions are identified.
- If the plan administrator knows the identities of individuals with a specific condition, that information is considered PHI.
- PHI is subject to the HIPAA Privacy Rule’s protections, which means it must be kept confidential and cannot be used for any reason other than health plan administration (e.g., using it for employment purposes, or by other benefit plans, is prohibited).



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New Mexico Public Schools Insurance Authority

FY26-FY30 Projection

Claims Data through September 30, 2024

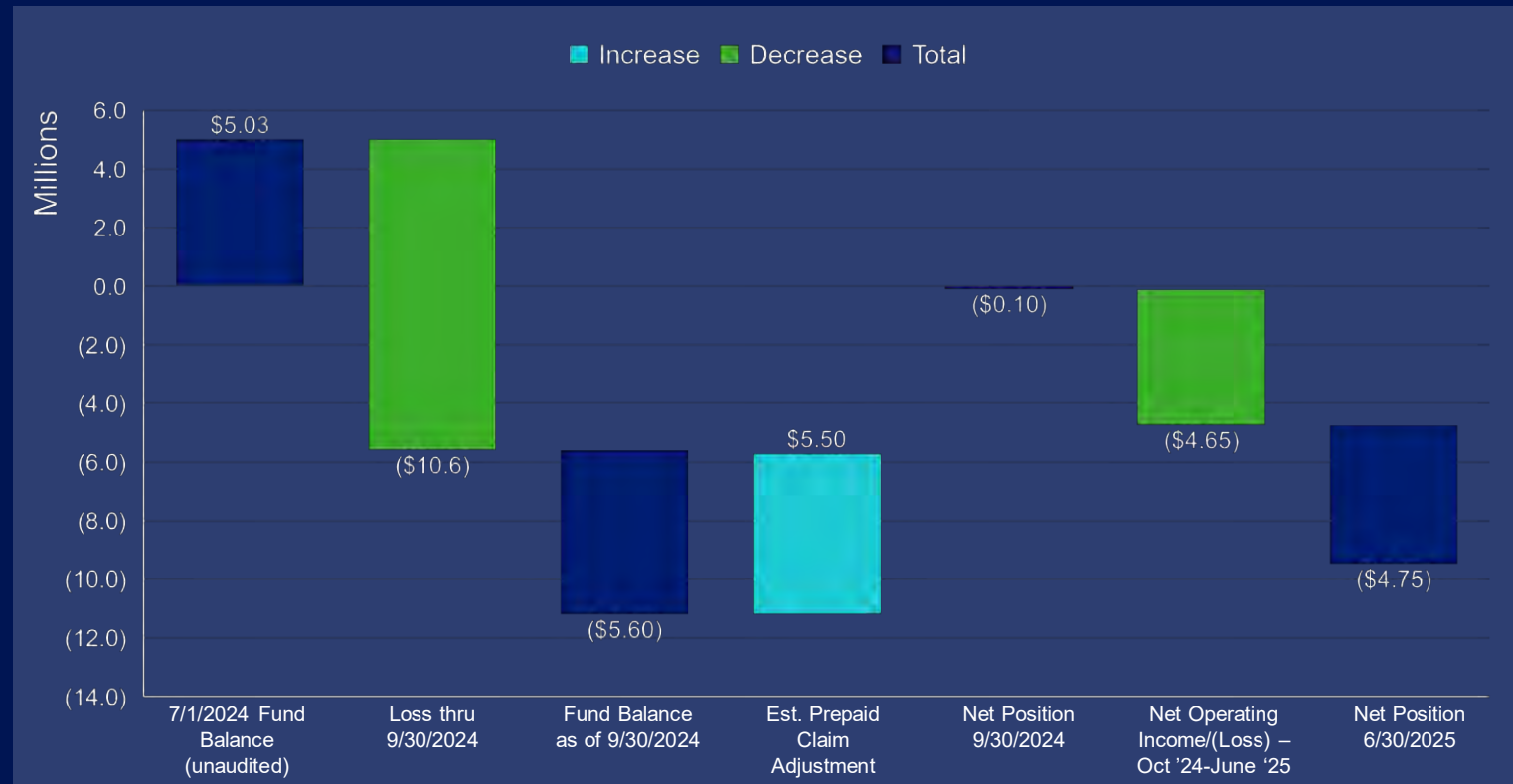
December 2024 BAC/Board Meetings

FY2025 Experience and Projection

\$15.3M

Projected loss
during FY2025

Projected fund balance of
-\$4.8M is -0.1 months of claims



Key Drivers

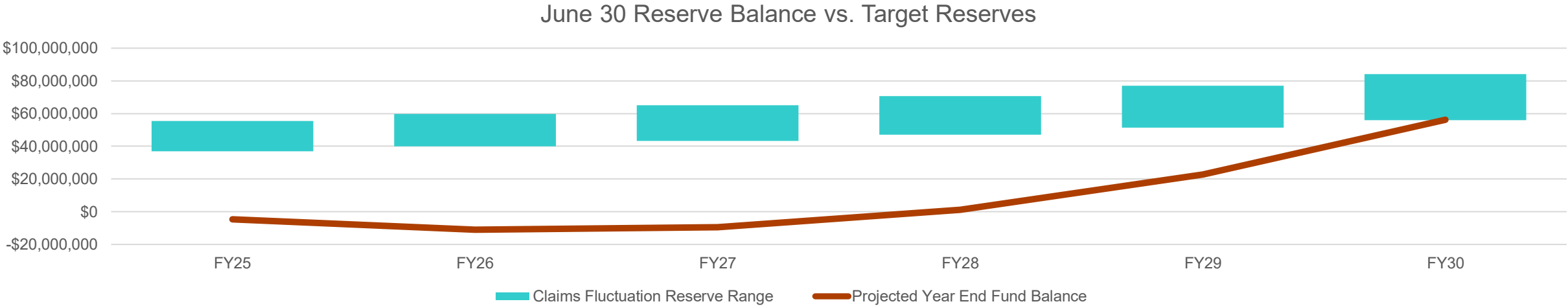
- Recent Rx claims experience outpacing expectations
- Medical high-cost claimants
- Continued migration from High Option plans to Low Option plans
- Impact of mandated legislative changes to plan benefits

FY25-FY30 Projection Scenarios – Summary

Projection Summary *Baseline*

	Percentage Increase effective 10/1/20**			Projected Year End Fund Balance	Target Fund Balance Floor ⁽²⁾	Target Fund Balance Ceiling ⁽³⁾
	Breakeven	Contribution to Contingency Reserve	Total Rate Increase ⁽¹⁾			
FY25	n/a	n/a	n/a	-\$4,747,066	\$37,014,662	\$55,521,992
FY26	12.35%	-2.16%	10.19%	-\$11,143,098	\$39,838,030	\$59,757,045
FY27	9.71%	0.48%	10.19%	-\$9,578,943	\$43,323,410	\$64,985,115
FY28	7.19%	3.00%	10.19%	\$1,207,064	\$47,167,083	\$70,750,625
FY29	4.79%	5.40%	10.19%	\$22,599,912	\$51,398,313	\$77,097,470
FY30	2.52%	7.67%	10.19%	\$56,081,560	\$56,060,183	\$84,090,274

- (1) Medical/Rx rate increase is shown on a blended basis with the FY26-FY30
- (2) Floor is one month of projected incurred claims.
- (3) Ceiling is one and a half months of projected incurred claims, based on Segal recommendation in April 2018.



Summary of Projection Scenarios

Description		Baseline:	Scenario A: FY26 “Breakeven”	Scenario B:	Scenario C:	Scenario D:
Rate Action*						
Eff. 10/1/2025		10.19%	13.95%	9.97%	9.69%	9.47%
Eff. 10/1/2026		10.19%	8.41%	9.97%	9.69%	9.47%
Eff. 10/1/2027		10.19%	8.41%	9.97%	9.69%	9.47%
Eff. 10/1/2028		10.19%	8.41%	9.97%	9.69%	9.47%
Eff. 10/1/2029		10.19%	8.41%	9.97%	9.69%	9.47%
Fund Balance						
End of FY2025	Revenue	\$319,319,767	\$319,319,767	\$319,319,767	\$319,319,767	\$319,319,767
	Fund Balance	-\$4,747,066	-\$4,747,066	-\$4,747,066	-\$4,747,066	-\$4,747,066
	Month of Claims	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
End of FY2026	Revenue	\$455,957,998	\$467,101,096	\$455,321,760	\$454,469,043	\$453,823,798
	Appropriation Funds	\$0	\$0	\$15,000,000	\$35,000,000	\$50,000,000
	Fund Balance	-\$11,143,098	\$0	\$3,220,664	\$22,367,947	\$36,722,702
	Month of Claims	(0.3)	0.0	0.1	0.6	0.9
End of FY2027	Revenue	\$499,540,034	\$509,526,218	\$497,927,197	\$495,769,884	\$494,140,726
	Fund Balance	-\$9,578,943	\$11,550,338	\$3,171,982	\$20,161,952	\$32,887,549
	Month of Claims	(0.2)	0.3	0.1	0.5	0.8
End of FY2028	Revenue	\$547,539,942	\$550,029,721	\$544,760,066	\$541,049,919	\$538,254,310
	Fund Balance	\$1,207,064	\$24,826,124	\$11,178,113	\$24,457,936	\$34,387,924
	Month of Claims	0.0	0.5	0.2	0.5	0.7
End of FY2029	Revenue	\$600,407,304	\$593,921,035	\$596,241,476	\$590,694,055	\$586,523,519
	Fund Balance	\$22,599,912	\$39,732,702	\$28,405,133	\$36,137,535	\$41,896,987
	Month of Claims	0.4	0.8	0.6	0.7	0.8
End of FY2030	Revenue	\$658,637,497	\$641,484,588	\$652,834,523	\$645,124,471	\$639,341,299
	Fund Balance	\$56,081,560	\$56,061,441	\$56,083,806	\$56,106,156	\$56,082,436
	Month of Claims	1.0	1.0	1.0	1.0	1.0

| Assumptions

Assumptions for Projections

- Claims Experience: October 2023 – September 2024
- Revenues based on enrollment as of October 17, 2024
- FY2025 through FY2030 Trend:
 - 7.0% Medical
 - 14.0% Rx
 - 4.0% Dental

} Approximately 8.75% blended Medical/Rx trend
- Prepaid claim adjustment of \$5,500,000 as of 9/30/24 is estimated per historical NMPSIA discussions
- Baseline projection assumes no changes to current plan design and does not assume any material migration between plans from the experience period to the projection periods
- Projections include:
 - Impact of 2023 and 2024 legislative requirements effective 1/1/2024 and 1/1/25 and beyond
 - Results from the IBAC “Big Bid” RFP for Medical, Dental and Vision benefits
 - For Dental, assume a 5% migration from UCD into both BCBSNM and Delta Dental as of January 1, 2025

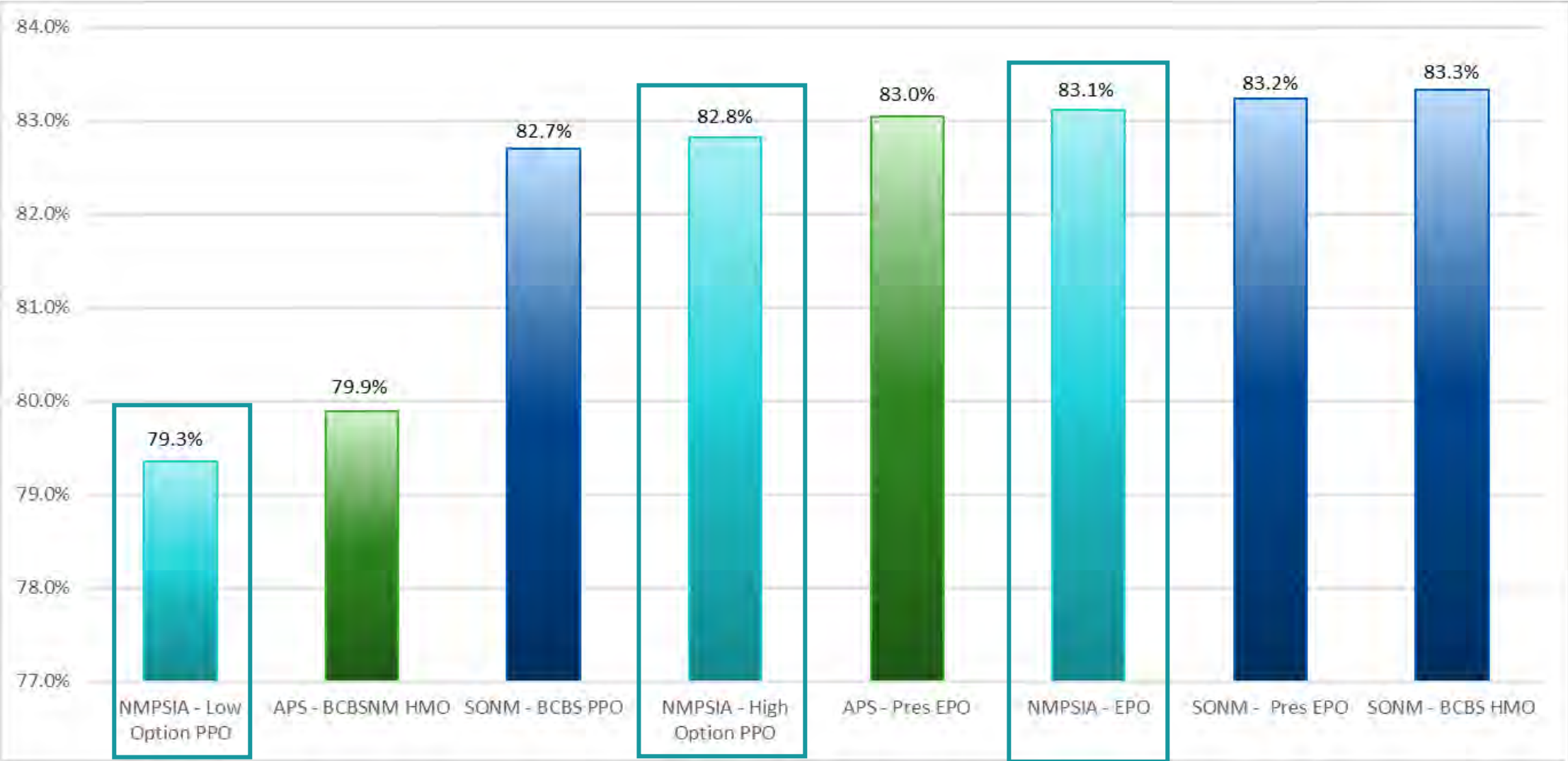


New Mexico Public Schools Insurance Authority

Plan Design Considerations

December 2024 BAC/Board Meetings

Benefit Design Relative Value Comparison*



*Relative value is based upon Optum Pricing model and Segal's input. Actuarial Values could vary slightly by model and user. For comparison to PPO plans, HMO and EPO relative values have been decreased by 3% to account for no out-of-network coverage.

Plan Design Recommendations– Projected Impact

Assume all changes effective 1/1/26

Current Plan RV's: High Plan = 82.8%, EPO (OON adj) = 83.1%, Low Plan = 79.3%

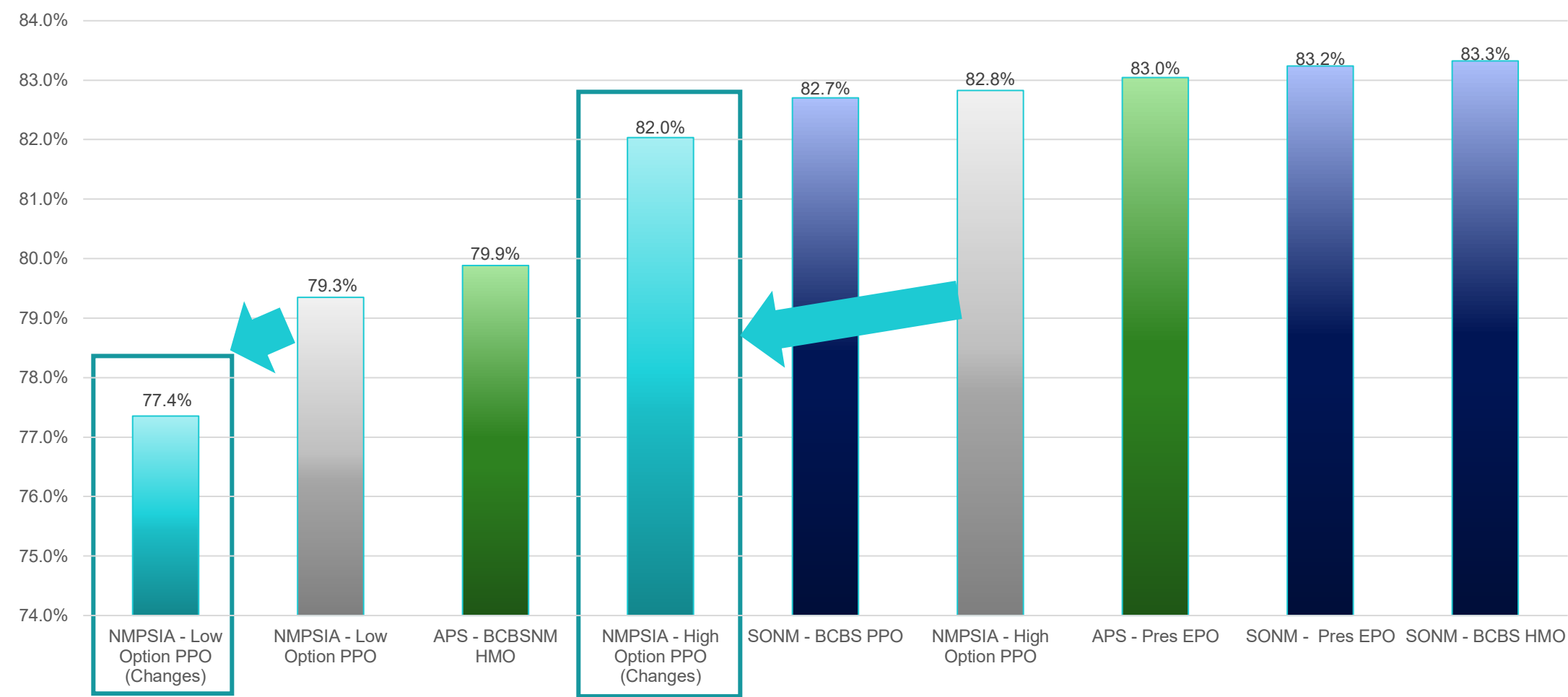
Plan Changes	RV Change	FY2026	FY27
Move Emergency Room Visits to \$550 from \$450 (High and Low Option)	-0.2% High; -0.1% Low	(\$491,000)	(\$1,051,000)
Eliminate EPO Plan (assume 77% High/ 23% Low Option Migration)*	-0.3% High; -4.5% Low	(\$18,000)	(\$38,000)
Low Option PPO: increase in-network out-of-pocket maximum to \$5,500/\$11,000 (Employee/Family)	-1.8%	(\$574,000)	(\$1,228,000)
Add a Lifestyle Drug Tier (weight loss and ED drugs) – no utilization reduction	-0.2%	(\$553,000)	(\$1,261,000)
20% utilization reduction	-0.5%	(\$1,063,000)	(\$2,425,000)
30% utilization reduction	-0.7%	(\$1,595,000)	(\$3,637,000)
Increase retail preferred to maximum \$75; 2x retail for mail	-0.7%	(\$1,723,000)	(\$3,929,000)
Update Rx tier for Low Option Retail - Generics: \$15; Preferred Brand: 30% with \$45-\$112; Non-Preferred Brand: 70%; Specialty- Generic: \$55; Preferred Brand: \$120; Non-preferred Brand: \$170; Mail order = 90 day retail	-0.6%	(\$304,000)	(\$693,000)
Total Projected Savings	-1.18% High; -2.78% Low	(\$3,306,000)	(7,382,000)

Notes: RV = Relative Value
 Projected impacts based on total plan paid
 These values are not all additive and combination could result in a lower savings impact
 *An additional savings of \$66k and \$142K in FY26 and FY27, respectively, is projected associated with increased contributions with moving to other plan options.

Updated Drug Tiers

	Current Plan	Suggested High Option	Suggested Low Option	Lifestyle Drug Tier (High and Low Options)
Out-of-Pocket Maximum (Employee/ Family)	\$3,000/\$6,000			N/A
Generic (30/31-90 day) Copay	\$10/\$22		\$15/\$35	\$10/\$22 in High Plan; \$15/\$35 Low Plan
Preferred Brand Drugs (30; 31-90 day)	30% Coins with Min \$30 and Max \$60; \$60		30% Coins with Min \$45 and Max \$112; \$112	30% Coins. with Min \$30 and Max \$150; \$300
Non-preferred brand drugs	70% Coins.			
Specialty (30-day)	Generic: \$55			
	Preferred: \$80 Non-Preferred: \$130		Preferred: \$120; Non-Preferred: \$170	N/A
Mail Order Generic (90-day)	\$22 Copay		\$35	
Mail Order Preferred Brand Drugs (90-day)	\$60 Copay		\$112	\$300
Mail Order Non-Preferred Brand Drugs	70% Coins.			

Benefit Design Relative Value Comparison with Plan Design Changes



*Relative value is based upon Optum Pricing model and Segal's input. Actuarial Values could vary slightly by model and user. For comparison purposes to PPO plans, HMO and EPO relative values have been adjusted down by 3% to account for no out of network coverage.

Other Plan Design Considerations

Plan Changes	RV Change	FY2026	FY27
Offer High Option Only*	+5.1% to Low Option	\$1,775,000	\$3,799,000
Convert High Option to a(n) HMO/EPO; Keep Low Option PPO	-3.3% to High Option	(\$6,448,000)	(\$13,800,000)
Convert Low Option to a(n) HMO/EPO; Keep High Option PPO	-3.2% to Low Option	(\$1,060,000)	(\$2,269,0000)
Plan H (see Appendix)	-3.7% High; -5.0% Low; -5.0% EPO	(\$8,973,000)	(\$19,203,000)
Alternative Plan H1 (see next slides)	-2.98% High; -4.45% Low	(\$5,288,000)	(\$11,315,000)

Notes: RV = Relative Value

Projected impacts based on total plan paid

These values are not all additive and combination could result in a lower savings impact

*After reflecting member contributions, plan costs are offset by additional member contributions resulting in \$308k and \$684k in savings for FY26 and FY27, respectively.

These member contributions reflect Affordability.

Potential Plan Changes – Alternative H1

	Medical Plan Design – High Option			
	Current		Proposed	
	IN	OON	IN	OON
Deductible	\$750 person, \$1,500 family	\$1,500 person, \$3,000 family	\$825 person, \$1,650 family	\$3,000 person, \$6,000 family
Coinsurance	20%	40%	25%	50%
Medical Out-of-Pocket Maximum	\$4,100 person, \$8,200 family	\$9,500 person, \$19,000 family	\$4,500 person, \$9,000 family	\$10,000 person, \$20,000 family
Office Visits - Primary Care	\$25 copay (deductible waived)	40% coinsurance after deductible	\$30 copay (deductible waived)	50% coinsurance after deductible
Office Visits - Specialist	\$50 copay (deductible waived)	40% coinsurance after deductible	\$55 copay (deductible waived)	50% coinsurance after deductible
Office Visits - Urgent Care	\$50 copay (deductible waived)	40% coinsurance after deductible	\$55 copay (deductible waived)	50% coinsurance after deductible
Emergency Room	\$450 copay (deductible waived)		\$550 copay (deductible waived)	
Inpatient Hospital Stay	20% coinsurance after deductible	40% coinsurance after deductible	25% coinsurance after deductible	50% coinsurance after deductible
Outpatient Surgery	20% coinsurance after deductible	40% coinsurance after deductible	25% coinsurance after deductible	50% coinsurance after deductible
Ambulance / Emergency Air Transport	\$50 copay/trip (deductible waived)		\$55 copay/trip (deductible waived)	

Potential Plan Changes – Alternative H1

	Medical Plan Design – Low Option			
	Current		Proposed	
	IN	OON	IN	OON
Deductible	\$2,000/person, \$4,000/family	\$4,000/person, \$8,000/family	\$2,200/person, \$4,400/family	\$6,000/person, \$12,000/family
Coinsurance	25%	50%	30%	60%
Medical Out-of-Pocket Maximum	\$4,100/person, \$8,200/family	\$9,500/person, \$19,000/family	\$5,500/person, \$11,000/family	\$10,000/person, \$20,000/family
Office Visits - Primary Care	\$30 copay (deductible waived)	50% coinsurance after deductible	\$35 copay (deductible waived)	60% coinsurance after deductible
Office Visits - Specialist	\$60 copay (deductible waived)	50% coinsurance after deductible	\$70 copay (deductible waived)	60% coinsurance after deductible
Office Visits - Urgent Care	\$60 copay (deductible waived)	50% coinsurance after deductible	\$70 copay (deductible waived)	60% coinsurance after deductible
Emergency Room	\$450 copay after deductible		\$550 copay after deductible	
Inpatient Hospital Stay	25% coinsurance after deductible	50% coinsurance after deductible	30% coinsurance after deductible	60% coinsurance after deductible
Outpatient Surgery	25% coinsurance after deductible	50% coinsurance after deductible	30% coinsurance after deductible	60% coinsurance after deductible
Ambulance / Emergency Air Transport	25% coinsurance after deductible		30% coinsurance after deductible	

| Appendix

Potential Plan Changes – All Plans

Scenario H:

	Medical Plan Design			
	Current		Proposed	
	High Option		High Option	
	IN	OON	IN	OON
Deductible	\$750/person \$1,500/family	\$1,500/person, \$3,000/family	\$1,800/person, \$3,600/family	\$3,000/person, \$6,000/family
Coinsurance	20%	40%	30%	50%
Medical Out-of-Pocket Maximum	\$4,100/person \$8,200/family	\$9,500/person, \$19,000/family	\$4,500/person, \$9,000/family	\$10,000/person, \$20,000/family
Office Visits - Primary Care	\$25 copay (deductible waived)	40% coinsurance after deductible	\$25 copay (deductible waived)	50% coinsurance after deductible
Office Visits - Specialist	\$50 copay (deductible waived)	40% coinsurance after deductible	\$50 copay (deductible waived)	50% coinsurance after deductible
Office Visits - Urgent Care	\$50 copay (deductible waived)	40% coinsurance after deductible	\$50 copay (deductible waived)	50% coinsurance after deductible
Emergency Room	\$450 copay (deductible waived)		\$450 copay (deductible waived)	
Inpatient Hospital Stay	20% coinsurance after deductible	40% coinsurance after deductible	30% coinsurance after deductible	50% coinsurance after deductible
Outpatient Surgery	20% coinsurance after deductible	40% coinsurance after deductible	30% coinsurance after deductible	50% coinsurance after deductible
Ambulance / Emergency Air Transport	\$50 copay/trip (deductible waived)		\$50 copay/trip (deductible waived)	

Potential Plan Changes – All Plans

Scenario H:

	Medical Plan Design			
	Current		Proposed	
	Low Option		Low Option	
	IN	OON	IN	OON
Deductible	\$2,000/person, \$4,000/family	\$4,000/person, \$8,000/family	\$3,000/person, \$6,000/family	\$6,000/person, \$12,000/family
Coinsurance	25%	50%	35%	50%
Medical Out-of-Pocket Maximum	\$4,100/person, \$8,200/family	\$9,500/person, \$19,000/family	\$6,100/person, \$12,200/family	\$12,200/person, \$24,400/family
Office Visits - Primary Care	\$30 copay (deductible waived)	50% coinsurance after deductible	\$30 copay (deductible waived)	50% coinsurance after deductible
Office Visits - Specialist	\$60 copay (deductible waived)	50% coinsurance after deductible	\$60 copay (deductible waived)	50% coinsurance after deductible
Office Visits - Urgent Care	\$60 copay (deductible waived)	50% coinsurance after deductible	\$60 copay (deductible waived)	50% coinsurance after deductible
Emergency Room	\$450 copay after deductible		\$450 copay after deductible	
Inpatient Hospital Stay	25% coinsurance after deductible	50% coinsurance after deductible	35% coinsurance after deductible	50% coinsurance after deductible
Outpatient Surgery	25% coinsurance after deductible	50% coinsurance after deductible	35% coinsurance after deductible	50% coinsurance after deductible
Ambulance / Emergency Air Transport	25% coinsurance after deductible		35% coinsurance after deductible	

Potential Plan Changes – All Plans

Scenario H:

	Medical Plan Design	
	Current	Proposed
	EPO Option	EPO Option
	IN	IN
Deductible	\$500/person, \$1,000/family	\$1,000/person, \$2,000/family
Coinsurance	20%	30%
Medical Out-of-Pocket Maximum	\$3,250/person, \$6,500/family	\$5,250/person, \$10,500/family
Office Visits - Primary Care	\$25 copay (deductible waived)	\$25 copay (deductible waived)
Office Visits - Specialist	\$35 copay (deductible waived)	\$35 copay (deductible waived)
Office Visits - Urgent Care	\$45 copay (deductible waived)	\$45 copay (deductible waived)
Emergency Room	\$150 copay plus 20% coinsurance after deductible	\$150 copay plus 30% coinsurance after deductible
Inpatient Hospital Stay	\$500 copay per admission plus 20% coinsurance after deductible	\$500 copay per admission plus 30% coinsurance after deductible
Outpatient Surgery	\$150 copay plus 20% coinsurance after deductible	\$150 copay plus 30% coinsurance after deductible
Ambulance / Emergency Air Transport	\$25 copay/trip (deductible waived)	\$25 copay/trip (deductible waived)

Lifestyle Drug List

Treatment Group	Brand Names	Generic Version
Weight Loss	Saxenda	
	Wegovy	
	Zepbound	
	Didrex	Benzphetamine
	Tenuate	Diethylpropion
	Xenical, Alli	Orlistat
	Qsymia, QSIVA	Phentermine
	Bontril	Phendimetrazine
	Contrave	Naltrexone – bupropion
	Lomaira / Adipex	Phentermine
Sexual Dysfunction		
	Viagra / Revatio	Sildenafil
	Cialis / Adcirca / Chewtadzy	Tadalafil
	Edex / Caverject / Prostin / Muse	Alprostadil
	Levitra / Staxyn	Vardenafil
	Stendra	Avanafil



BlueCross BlueShield
of New Mexico



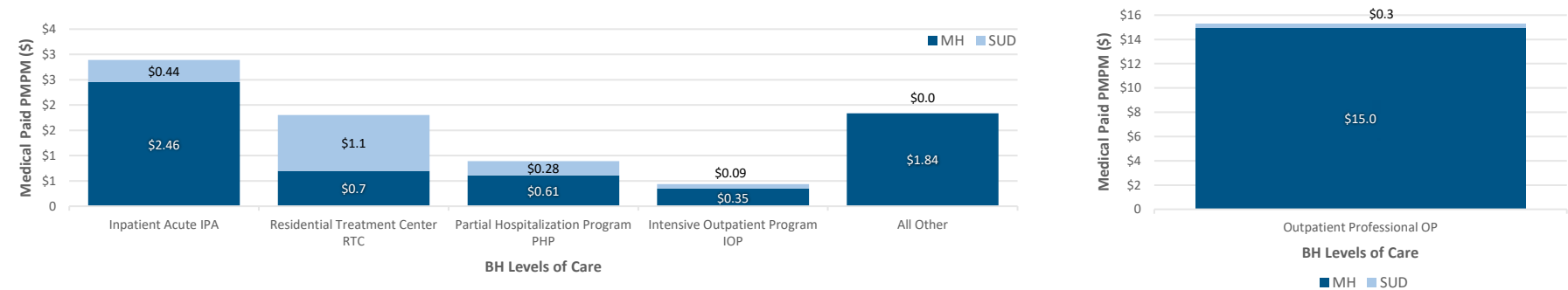
New Mexico Public Schools Insurance Authority

FY2024 Behavioral Health Demographics

December 2024

Behavioral Health Diagnoses and Levels of Care (7/1/23 – 6/30/24)

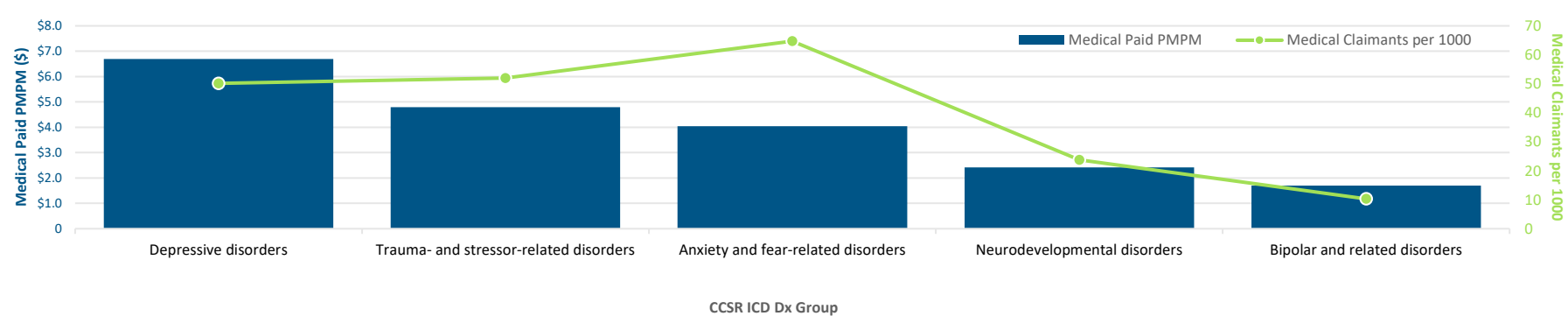
Mental Health (MH) vs Substance Use Disorders (SUD) Levels of Care Paid PMPM



Behavioral Health Levels of Care: Aggregate Metrics

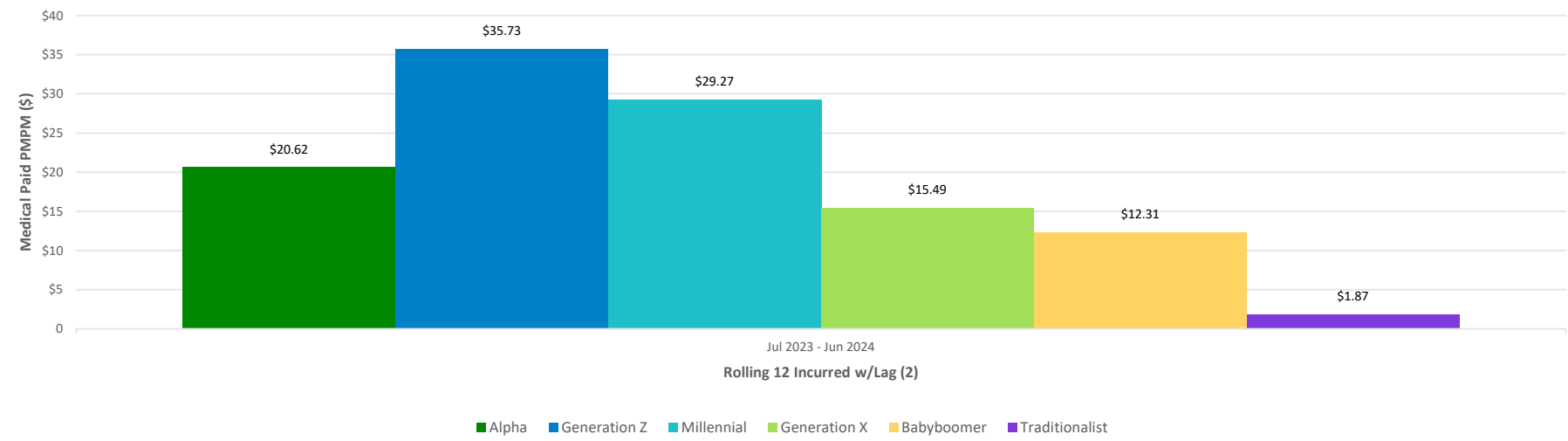
BH Summary Level of Care	Paid	Total Paid PMPM	Claimants	BH Average Length of Stay	BH Hours per Claimant	BH Visits per Claimant
ABA - Applied Behavior Analysis	\$420,356.04	\$1.30	23	N/A	286.2	N/A
PST - Psychological Testing	\$63,129.25	\$0.19	334		2.4	
ECT - Electroconvulsive Therapy	\$45,592.96	\$0.14	2		N/A	43.0
OP - Outpatient Professional	\$4,967,427.58	\$15.33	4,197			10.7
TMS - Transcranial Magnetic Stimulation	\$34,742.52	\$0.11	7			28.3
IPA - Inpatient Acute	\$942,363.00	\$2.91	81	8.9	N/A	N/A
RTC - Residential Treatment Center	\$558,309.64	\$1.72	24	16.5		
PHP - Partial Hospitalization Program	\$282,759.64	\$0.87	29	14.1		
IOP - Intensive Outpatient Program	\$128,744.84	\$0.40	28	17.3		
PER - Psychiatric Emergency Room	\$18,303.71	\$0.06	8	0.0		
Total: All	\$7,461,729.18	\$23.02	4,274	0.1	1.7	10.5

Behavioral Health Diagnoses Paid PMPM & Claimants per 1000



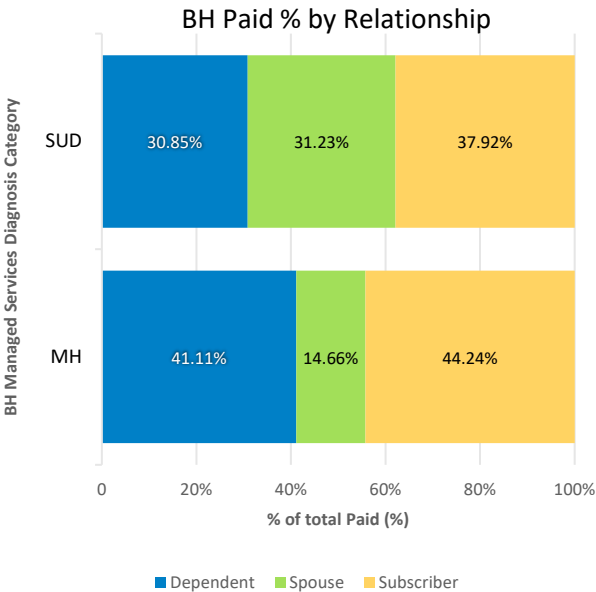
Behavioral Health Demographic Detail (7/1/23 – 6/30/24)

Paid PMPM by Generation



Age/Gender Claimant Count

Age/Gender Band	BH Claimants
Female <1-19	430
Female 20-29	518
Female 30-39	493
Female 40-49	530
Female 50-59	552
Female 60-64	163
Female 65+	77
Male <1-19	338
Male 20-29	231
Male 30-39	223
Male 40-49	194
Male 50-59	201
Male 60-64	80
Male 65+	49
Grand Total	4079



Top 10 Cities by Claimant Count

Member City	BH Claimants
LAS CRUCES	652
ALBUQUERQUE	302
SANTA FE	249
HOBBS	210
PORTALES	200
ROSWELL	188
CLOVIS	150
RIO RANCHO	133
FARMINGTON	120
CARLSBAD	119
SILVER CITY	113
EL PASO	105
GALLUP	93
LOVINGTON	75
SOCORRO	75



NMPSIA Behavioral Health Review FY24

DECEMBER 4TH & 5TH, 2024



Behavioral Health Demographics

Member Gender	Member Age Band	Claimants	Claims	Paid	Total Paid PMPM
Female					
	0 - 17	267	3,128	\$722,236.27	\$31.95
	18 - 44	979	12,003	\$1,919,776.64	\$33.62
	45 - 59	461	5,591	\$853,164.42	\$19.12
	60 - 69	90	1,000	\$143,811.19	\$10.67
	70 - 79	8	121	\$12,564.06	\$12.35
	80+	2	17	\$1,361.16	\$9.94
Total: Female		1,758	21,857	\$3,652,913.74	\$26.29
Male					
	0 - 17	240	2,308	\$476,618.94	\$19.22
	18 - 44	417	4,783	\$834,141.97	\$20.14
	45 - 59	193	1,981	\$335,073.90	\$11.29
	60 - 69	56	527	\$68,489.95	\$6.11
	70 - 79	3	6	\$1,927.87	\$1.25
	80+	2	5	\$141.10	\$0.77
Total: Male		890	9,609	\$1,716,393.73	\$15.77
Total: All		2,648	31,466	\$5,369,307.47	\$21.67



Behavioral Health by Service Category and Gender

Member Gender	Service Category	Member Age Band	Claimants	Claims	Paid	Total Paid PMPM
Female						
	Facility Inpatient					
		0 - 17	7	8	\$49,599.60	\$2.19
		18 - 44	15	42	\$145,918.48	\$2.56
		45 - 59	6	10	\$64,967.46	\$1.46
		80+	1	1	\$899.28	\$6.56
	Total: Facility Inpatient		29	61	\$261,384.82	\$1.88
	Facility Outpatient					
		0 - 17	6	127	\$65,859.24	\$2.91
		18 - 44	10	118	\$206,705.53	\$3.62
		45 - 59	7	97	\$32,511.48	\$0.73
	Total: Facility Outpatient		23	342	\$305,076.25	\$2.20
	Professional					
		0 - 17	267	2,993	\$606,777.43	\$26.85
		18 - 44	977	11,843	\$1,567,152.63	\$27.44
		45 - 59	459	5,484	\$755,685.48	\$16.94
		60 - 69	90	1,000	\$143,811.19	\$10.67
		70 - 79	8	121	\$12,564.06	\$12.35
		80+	1	16	\$461.88	\$3.37
	Total: Professional		1,753	21,454	\$3,086,452.67	\$22.21
	Total: Female		1,758	21,857	\$3,652,913.74	\$26.29



Behavioral Health by Service Category and Gender

Member Gender	HCG Service Category	HCG Service Category	HCG Service Category	Claimants	Claims	Paid
Female						
	Facility Inpatient					
		Alcohol and Drug Abuse		4	8	\$95,348.48
		Maternity Non-Delivery		1	1	\$4,432.32
		Medical		2	2	\$8,729.12
		Psychiatric				
			Hospital	21	23	\$138,074.90
			Residential	1	27	\$14,800.00
		Total: Psychiatric		22	50	\$152,874.90
	Total: Facility Inpatient			29	61	\$261,384.82
	Facility Outpatient					
		Alcohol & Drug Abuse		7	57	\$123,499.02
		Other		1	26	\$769.24
		Psychiatric		16	259	\$180,807.99
	Total: Facility Outpatient			23	342	\$305,076.25
	Professional					
		Benefits Other		2	8	\$1,640.00
		ER Visits and Observation Care		4	4	\$431.75
		Inpatient Visits		30	144	\$19,190.22
		Miscellaneous Medical		137	456	\$49,278.40
		Office/Home Visits		338	1,036	\$96,590.92
		Outpatient Alcohol & Drug Abuse		20	125	\$17,001.99
		Outpatient Psychiatric		1,593	20,000	\$2,899,845.83
		Pathology/Lab - Inpatient & Outpatient		2	2	\$17.64
		Pathology/Lab - Office		16	19	\$551.48
		Preventive Other		14	17	\$1,904.44
	Total: Professional			1,753	21,454	\$3,086,452.67
Total: Female				1,758	21,857	\$3,652,913.74



Behavioral Health by Service Category and Gender

Member Gender	Service Category	Member Age Band	Claimants	Claims	Paid	Total Paid PMPM
Male						
	Facility Inpatient					
		0 - 17	7	7	\$36,155.84	\$1.46
		18 - 44	16	84	\$221,113.50	\$5.34
		45 - 59	4	15	\$32,312.08	\$1.09
	Total: Facility Inpatient		27	106	\$289,581.42	\$2.66
	Facility Outpatient					
		0 - 17	4	42	\$2,248.24	\$0.09
		18 - 44	8	57	\$27,822.74	\$0.67
		45 - 59	3	31	\$23,444.16	\$0.79
		70 - 79	1	3	\$1,572.14	\$1.02
	Total: Facility Outpatient		16	133	\$55,087.28	\$0.51
	Professional					
		0 - 17	239	2,259	\$438,214.86	\$17.67
		18 - 44	416	4,642	\$585,205.73	\$14.13
		45 - 59	193	1,935	\$279,317.66	\$9.41
		60 - 69	56	527	\$68,489.95	\$6.11
		70 - 79	2	3	\$355.73	\$0.23
		80+	2	5	\$141.10	\$0.77
	Total: Professional		887	9,370	\$1,371,725.03	\$12.60
Total: Male			890	9,609	\$1,716,393.73	\$15.77



Behavioral Health by Service Category and Gender

Member Gender	HCG Service Category	HCG Service Category	HCG Service Category	Claimants	Claims	Paid
Male						
	Facility Inpatient					
		Alcohol and Drug Abuse		8	21	\$61,366.14
		Psychiatric		20	85	\$228,215.28
	Total: Facility Inpatient			27	106	\$289,581.42
	Facility Outpatient					
		Alcohol & Drug Abuse		3	13	\$8,391.70
		Other		4	39	\$1,678.16
		Psychiatric		10	82	\$45,017.42
	Total: Facility Outpatient			16	133	\$55,087.28
	Professional					
		Benefits Other		1	19	\$3,505.00
		ER Visits and Observation Care		6	7	\$916.65
		Inpatient Visits		23	126	\$15,587.80
		Miscellaneous Medical		87	264	\$27,918.08
		Office Administered Drugs		3	11	\$286.60
		Office/Home Visits		197	615	\$62,666.74
		Outpatient Alcohol & Drug Abuse		40	195	\$21,378.35
		Outpatient Psychiatric				
			Missing	757	8,333	\$1,237,760.35
		Total: Outpatient Psychiatric		757	8,333	\$1,237,760.35
		Pathology/Lab - Office		13	20	\$811.25
		Preventive Other		11	11	\$894.21
	Total: Professional			887	9,370	\$1,371,725.03
Total: Male				890	9,609	\$1,716,393.73



Top 10 Behavioral Health Counties by claimants

Member County	Claimants	Claims	Paid
Bernalillo	561	7,667	\$1,250,729.71
Santa Fe	388	5,549	\$1,099,200.97
Sandoval	373	4,907	\$768,909.77
Dona Ana	230	2,441	\$362,079.33
San Juan	191	1,592	\$215,313.39
Valencia	183	2,058	\$639,252.50
Socorro	93	1,209	\$154,285.92
San Miguel	74	856	\$120,771.65
Chavez	70	468	\$63,724.35
Otero	64	575	\$80,958.12

Questions

NMPSIA CURRENT MEMBERS (HIGHER ED)
Luna Community College Mesalands Community College Santa Fe Community College Western New Mexico University Eastern New Mexico University New Mexico Highlands University Northern New Mexico College Eastern New Mexico University-Roswell Campus New Mexico Institute of Mining & Technology New Mexico Military Institute New Mexico School for the Deaf

RMD MEMBERS (HIGHER ED)
San Juan College NM School for the Blind and Visually Impaired Southeast New Mexico College New Mexico State University



Patrick Sandoval
Executive Director

Martha Quintana
Deputy Director

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

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

BOARD OF DIRECTORS

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

December 5, 2024

Pinnacle Actuarial Resources, Inc.
Aaron N. Hillebrandt
Principal and Consulting Actuary
3109 Cornelius Drive
Bloomington, IL 61704

Re: Amendment 1 – Effective December 5, 2024 to June 30, 2028
Professional Services Agreement for Actuarial Services
Pinnacle Actuarial Services, Inc.
Date of Agreement: July 1, 2024
Agreement No. 342-2025-02

Dear Mr. Hillebrandt:

This letter shall constitute an Amendment to the above-captioned Agreement between the New Mexico Public Schools Insurance Authority, hereinafter referred to as the “Authority,” and Pinnacle Actuarial Resources Inc., referred to as the “Contractor” and is effective as of the dates shown herein.

The Authority and Contractor entered into a Professional Services Agreement for Actuarial Services, (“Agreement”) effective July 1, 2024. The Authority and Contractor wish to amend their Agreement with the amendments set out herein.

1. Section 1. (Scope of Work) is hereby amended to add the following:

- C.11. The estimates described in Section 1.C.1-10 will be provided with segmentation as needed between Higher Educational Members, former RMD members, and all other Authority Members to correctly reflect the structure of NMPSIA’s actual pool structure in place as of the evaluation date of the analysis.
- D. 3. The estimates described in Section 1.D.1-2 will be provided with segmentation as needed between Higher Educational Members, former RMD members, and all other Authority Members to correctly reflect the structure of NMPSIA’s actual pool structure in place as of the evaluation date of the analysis.

G. Higher Education Pool Analysis (one-time special study during FY 2025 only)

1. Complete loss stratification exhibits for Higher Educational Members and all other Authority Members to select a breakpoint between the frequency layer, where two groups are independent, and the severity layer, where the groups are pooled together.
2. Perform a funding and loss reserve analysis for Higher Educational Members separately from all other Authority Members. Former RMD members will also be split out due to the lack of case reserves. The loss reserve analysis will reflect a what-if scenario, if the proposed pool structure had been in place for many years.

2. Section 2.A.1 (Compensation) is hereby amended to the following:

Fiscal Year	Amount	SAO/RAC	Total
2025	\$186,968	\$2,000	\$188,968
2026	\$115,328	\$2,000	\$117,968
2027	\$118,797	\$2,000	\$120,797
2028	\$122,351	\$2,000	\$124,351

The total amount payable to the Contractor under this Agreement, including gross receipts tax and expenses, shall not exceed the total amount stated in Section 2.A.1. This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this Agreement shall equal the amount stated herein.

The Contractor shall only invoice for actual hours spent on the addition of Section 1. C11, D.3, G.1, and G.2 and not exceed the Amount in Section 2.A.1.

The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. The Contractor is responsible for notifying the Authority when the services provided under this Agreement reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess of the total compensation amount being provided.

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

**New Mexico Public Schools
Insurance Authority**

Pinnacle Actuarial Resources, Inc.

By:

By:

Alfred Park
Board President

Aaron N. Hillebrandt
Principal and Consulting Actuary

**NMPSIA BOARD REPORT SUMMARY - LIABILITY AND PROPERTY**

10-31-2024

ALL YEARS TOTAL OPEN CLAIMS FOR LIABILITY AS OF OCTOBER 31, 2024							ALL YEARS TOTAL OPEN CLAIMS FOR PROPERTY AS OF OCTOBER 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	416	33	49	\$66,197,664.58	\$28,151,715.14	\$94,349,379.72	57	8	13	\$38,678,330.41	\$45,232,713.12	\$83,911,043.53	473	\$178,260,423.25
SUBTOTAL - CHARTER SCHOOLS	42	9	2	\$1,857,500.79	\$406,832.18	\$2,264,332.97	7	1	1	\$103,986.97	\$94,497.73	\$198,484.70	49	\$2,462,817.67
GRAND TOTAL	458	42	51	\$68,055,165.37	\$28,558,547.32	\$96,613,712.69	64	9	14	\$38,782,317.38	\$45,327,210.85	\$84,109,528.23	522	\$180,723,240.92

CHANGE FROM PRIOR MONTH	CURRENT CHANGES LIABILITY CLAIMS FROM PRIOR MONTH						CURRENT CHANGES PROPERTY CLAIMS FROM PRIOR MONTH						CURRENT CHANGES	
SCHOOL DISTRICT	OPEN CLAIMS	NEW CLAIMS	CLOSED CLAIMS	RESERVE	PAYMENT	TOTAL	OPEN CLAIMS	NEW CLAIMS	CLOSED CLAIMS	RESERVE	PAYMENT	TOTAL	OPEN CLAIMS	GRAND TOTAL
SUBTOTAL - DISTRICTS	1	(12)	13	\$112,820.89	\$1,407,857.28	\$1,520,678.17	(5)	5	8	(\$3,106,860.51)	\$1,428,970.80	(\$1,677,889.71)	(4)	(\$157,211.54)
SUBTOTAL - CHARTER SCHOOLS	8	4	(3)	\$329,699.47	\$41,914.82	\$371,614.29	0	0	(2)	(\$390.09)	\$7,444.09	\$7,054.00	8	\$378,668.29
GRAND TOTAL	9	(8)	10	\$442,520.36	\$1,449,772.10	\$1,892,292.46	(5)	5	6	(\$3,107,250.60)	\$1,436,414.89	(\$1,670,835.71)	4	\$221,456.75

HISTORY	MONTH TOTAL						MONTH TOTAL CHANGES FROM PRIOR MONTH TOTAL					
Monthly Totals	Open Claims	New Claims	Closed Claims	RESERVE	PAYMENTS	TOTAL	Open Claims	New Claims	Closed Claims	RESERVE	PAYMENTS	TOTAL
October - 2024	522	51	65	\$106,837,482.75	\$73,885,758.17	\$180,723,240.92	4	(3)	16	(\$2,664,730.24)	\$2,886,186.99	\$221,456.75
September - 2024	518	54	49	\$109,502,212.99	\$70,999,571.18	\$180,501,784.17	9	9	(12)	\$1,045,219.27	\$12,548,572.58	\$13,593,791.85
August - 2024	509	45	61	\$108,456,993.72	\$58,450,998.60	\$166,907,992.32	(9)	2	(21)	(\$2,621,326.38)	\$8,138,317.07	\$5,516,990.69
July - 2024	518	43	82	\$111,078,320.10	\$50,312,681.53	\$161,391,001.63	(37)	4	24	\$6,515,287.59	\$2,869,934.03	\$9,385,221.62
June - 2024	555	39	58	\$104,563,032.51	\$47,442,747.50	\$152,005,780.01	(11)	(24)	2	\$3,913,147.72	\$7,132,155.05	\$11,045,302.77
May - 2024	566	63	56	\$100,649,884.79	\$40,310,592.45	\$140,960,477.24	15	7	(15)	\$44,644,561.24	\$3,820,664.74	\$48,465,225.98
April - 2024	551	56	71	\$56,005,323.55	\$36,489,927.71	\$92,495,251.26	(11)	10	9	(\$35,950,476.69)	\$6,632,943.17	(\$29,317,533.52)
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	\$1,708,859.99
March - 2022	376	69	40	\$43,189,085.62	\$26,289,286.77	\$69,478,372.39	34	22	6	\$1,481,802.34	\$1,290,433.83	\$2,772,236.17
February - 2022	342	47	34	\$41,707,283.28	\$24,998,852.94	\$66,706,136.22	15	8	0	\$2,051,510.59	(\$272,536.59)	\$1,778,974.00
January - 2022	327	39	34	\$39,655,772.69	\$25,271,389.53	\$64,927,162.22	7	4	(17)	(\$2,780,159.39)	(\$279,539.15)	(\$3,059,698.54)
December - 2021	320	35	51	\$42,435,932.08	\$25,550,928.68	\$67,986,860.76	(14)	(12)	13	\$733,971.22	(\$846,129.80)	(\$112,158.58)
November - 2021	334	47	38	\$41,701,960.86	\$26,397,058.48	\$68,099,019.34	16	13	(12)	\$428,298.90	(\$140,259.94)	\$288,038.96



NMPSIA BOARD REPORT

ALL YEARS TOTAL

OPEN CLAIMS FOR WORKERS' COMPENSATION AS OF October 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
OCTOBER-2024	+46	1,073	+17	52	+25	302	+52	308	(156,281)	\$ 14,799,976.15	+58,859	\$ 50,066,654.12	(97,421)	\$ 64,866,630.27
SEPTEMBER-2024	+56	1,027	+23	35	(320)	277	(317)	256	+\$561,082	\$ 14,956,256.94	(\$260,431)	\$ 50,007,794.66	+\$300,651	\$ 64,964,051.60
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
OCTOBER-2024	+46	1,073	+17	52	+25	302	+52	308	(156,281)	\$ 14,799,976.15	+58,859	\$ 50,066,654.12	(97,421)	\$ 64,866,630.27
SEPTEMBER-2024	+56	1,027	+23	35	(320)	277	(317)	256	+\$561,082	\$ 14,956,256.94	(\$260,431)	\$ 50,007,794.66	+\$300,651	\$ 64,964,051.60
AUGUST-2024	15	971	(9)	+12	233	320	128	317	+\$126,239	\$ 14,395,174.56	(\$222,026)	\$ 50,268,225.75	(\$95,787)	\$ 64,663,400.31
JULY-2024	(81)	956	(4)	+21	5	87	38	189	(\$563,919)	\$ 14,268,935.78	+\$319,675	\$ 50,490,251.70	(\$244,244)	\$ 64,759,187.48
JUNE-2024	(44)	1,037	(6)	+25	(159)	82	(87)	151	(\$212,569)	\$ 14,832,854.50	(\$761,756)	\$ 50,170,576.65	(\$974,325)	\$ 65,003,431.15
MAY-2024	34	1,081	(27)	+31	8	241	(68)	238	(\$31,133)	\$ 15,045,423.61	+\$864,631	\$ 50,932,332.48	+\$833,498	\$ 65,977,756.09
APRIL-2024	(15)	1,047	+27	58	+75	233	+86	306	(\$308,539)	\$ 15,076,556.59	(\$426,219)	\$ 50,067,701.36	(\$734,759)	\$ 65,144,257.95
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	(\$88,183)	\$ 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	+\$599,426	\$ 14,873,597.81	+\$589,987	\$ 49,707,253.61	+\$1,189,413	\$ 64,580,851.42
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



1/30/2024

Savings and Fee Summary

Monday, December 2,

8:22 AM

Client: Total:Total

Metric	Amount	Percentage
Bill Count	4,614	
Service Count	14,813	
Work Units	0	
Additional Charge	\$0.00	
Total Charges	\$6,028,902.92	
Dup Red	\$424,872.66	
BR Reg Red	\$3,507,879.05	
PPO Red	\$227,349.06	
OSR Red	\$7,137.77	
All Other Red	\$101,806.22	
Total Red	\$4,269,044.76	70.81%
Red Less Dups	\$3,844,172.10	68.60%
OCR Fee	\$0.00	
eBill Fee	\$0.00	
BR Fee	\$35,088.00	
IPFS Fee	\$0.00	
UR Fee	\$10,612.71	
UR Advisor Fee	\$0.00	
Nurse Fee	\$0.00	
Neg Fee	\$7,942.97	
AP Fee	\$0.00	
PPO Fee	\$63,714.10	
OSR Fee	\$1,998.64	
SR Fee	\$0.00	
Custom A Fee	\$0.00	
Custom B Fee	\$0.00	
All Other Fee	\$0.00	
Total Fee	\$119,356.42	
Net Savings	\$3,724,815.68	66.47%
ROI	36\:	

Include Non-Claim Payments	No
Cause	All
Special Analysis 4	All
Special Analysis 5	All
Show Grouping Option	Summary only
Prev Ctl	All

Notes & Disclaimers

* All reports that are run through the current date
show data as of midnight the previous day

Nurse Case Management
2024 -2025
through November 2025

Report Total:		
	# of Transactions	Claim Total
Grand Total for All Classes:	127	\$115,169.76
Class: EXPENSE		
Subclass: MED CASE MNGMNT		
Totals for Subclass: MED CASE MNGMNT	# of Transactions: 127	\$115,169.76
Totals for Class: EXPENSE	# of Transactions: 127	\$115,169.76

NMPSIA Monthly Loss Prevention Abatement Report

October 2024	Total Rec	Total Capital	Total Non-Capital	Corrected Capital	Corrected Non-Capital	Total Corrected
October 2024	157	2	155	2	134	136
Total % Corrected	86.62%	= Total Corrected/Total Recommendations				
% Corrected Capital	100.00%	= Corrected Capital/Total Capital				
% Corrected Non-Capital	86.45%	= Corrected Non-Capital/Total Non-Capital				