

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

In-Person:

**Hotel Encanto de Las Cruces
San Augustin\Tularosa Meeting Room
705 South Telshor Blvd.
Las Cruces, New Mexico 88011**

Virtual: <https://meet.goto.com/235282973>

Dial in +1 (872) 240-3212

Access Code: 235-282-973

Thursday, July 20, 2023

1. Call to Order

Mr. Chris Parrino, NMPSIA Board Vice President, called the NMPSIA Board Meeting to order at 9:00 a.m. on Thursday, July 20, 2023.

2. Roll Call

Ms. Charlette Probst called roll.

Board Members Present:

Chris Parrino, Vice-President	In-Person
Trish Ruiz, Secretary	In-Person
Denise Balderas	Virtual
Vicki Chavez	In-Person
Tim Crone	Virtual
Pauline Jaramillo	In-Person
K.T. Manis	In-Person (departed at 10:50 a.m.)
David Martinez Jr.	Virtual
Sammy Quintana	In-Person

Board Members Absent:

Al Park, President
Bethany Jarrell

NMPSIA Staff Members Present:

Patrick Sandoval, Executive Director	In-Person
Martha Quintana, Deputy Director	In-Person
Phillip Gonzales, Chief Financial Officer	In-Person
Charlette Probst, Financial/HR Manager	In-Person
Maria Lugo, Chief Procurement Officer	In-Person

Dominique Williams, Accountant/Auditor	In-Person
Claudette Roybal, Risk Program Coordinator	In-Person
Cyndi Archuleta, Benefits/Wellness Operations Manager	In-Person
Kaylei Jones, Benefits/Wellness Program Coordinator	In-Person
Leslie Martinez, Benefits Analyst	In-Person

Audience Present:

Lisa Guevara	BCBSNM	In-Person
Maureen Sergel	BCBSNM	Virtual
Samantha Mensay	BCBSNM	Virtual
Kevin Sovereign	CCMSI	In-Person
Steve Vanetsky	CCMSI	In-Person
Jerry Mayo	CCMSI	In-Person
Rich Cangioli	CCMSI	In-Person
Louise Carpenter	CCMSI	In-Person
Vanessa Devine	CCMSI	In-Person
Courtney Barela	CCMSI	In-Person
Daniel Warner	Cigna	In-Person
Lindsay Straus	Cigna	Virtual
David Lauck	CVS	In-Person
Cathy Fenner	Davis Vision	In-Person
Marianna Sandoval	Davis Vision	In-Person
Rich Bolstad	Delta Dental	In-Person
CS Hwa	Erisa Administrative Services	Virtual
Kathy Payanes	Erisa Administrative Services	In-Person
Amy Bonal	Erisa Administrative Services	Virtual
Martin Esquivel	Esquivel & Howington	In-Person
Eric Swartz	Myers-Stevens & Toohey & Co., Inc.	In-Person
David Poms	Poms & Associates	Virtual
Julie Garcia	Poms & Associates	In-Person
Larry Vigil	Poms & Associates	In-Person
Kevin McDonald	Poms & Associates	In-Person
Karen Mestas-Harris	Poms & Associates	In-Person
Rika Martinez	Poms & Associates	Virtual
Steve Valdez	Presbyterian	In-Person
Debbie Donaldson	Segal	In-Person
Danielle Poore	The Standard	In-Person
Stephanie Anthony	United Concordia	In-Person
Debby Holt	United Concordia	In-Person
Terry Holtz	United Concordia	In-Person

3. Introduction of Guests

Mr. Patrick Sandoval, Executive Director NMPSIA, recognized the vendors in attendance. CCMSI, Poms and Associates, Meyers Stevens and Toohey, Cigna, Erisa, Delta Dental, Presbyterian, United Concordia, Segal, Blue Cross Blue Shield, CVS, and The Standard.

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

There were no citizens to address the Board.

5. Approval of Agenda (Action Item)

A motion was made to approve the agenda as presented.

MOTION: T. Ruiz

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

6. Approval of June 8, 2023 Minutes (Action Item)

A motion was made to approve the June 8, 2023 NMPSIA Board Minutes as presented.

MOTION: T. Ruiz

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

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

Vote carried unanimously.

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

A motion was made to enter into Executive Session to discuss Threatened or Pending Litigation pursuant to §10-15-1H(7) NMSA 1978.

MOTION: D. Martinez Jr.

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

A motion was made to come out of Executive Session. No action was taken during the Executive Session. Only items listed on the agenda were discussed.

MOTION: D. Martinez Jr.

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

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

Vote carried unanimously.

8. Administrative Matters

8. A. Staff Update

Mr. Sandoval reported that NMPSIA has hired Ms. Dominique Williams into the Accountant Auditor position on June 10th.

Ms. Dominique Williams stated that she has now been with NMPSIA for 5 weeks. Ms. Williams started with State Government 10 years ago with the Department of Health, previously worked with Mr. Phillip Gonzales at the Scientific Laboratory Division for 4 years, and worked there for 7.5 years total in both the purchasing and physical departments.

Mr. Chris Parrino welcomed Ms. Vicki Chavez who is new to the Board.

8. B. Covid 19 Update

Ms. Martha Quintana, Deputy Director NMPSIA, reported that last month NMPSIA announced they would be covering four (4) over the counter Covid-19 tests with no charge after June 20, 2023. Ms. Quintana stated that testing in a health care facility would be charged according to the location where the test is administered both in and out of network. Vaccines will remain covered at 100% by the health plan and treatment would be charged based on the location of access and whether in or out of network. NMPSIA will continue to monitor claims received from the carriers and expect to see a decrease.

Mr. Chris Parrino requested that NMPSIA also track RSV in the upcoming winter months as the numbers of cases and claims were significant in 2022.

Ms. Quintana reported on the Covid-19 claims numbers, for March 2020 - May 2023 the total number of claims was 248,933 totaling \$48,267,686. The totals for May 2023 were 0 claims and - \$38,736.00. These numbers were skewed due to an error with the Presbyterian data collection where some members were counted more than once resulting in a difference of 731 claims and \$144,739. This error has been corrected and we are now back on track.

8. C. Open Meetings Act Resolution (Action Item)

Mr. Marty Esquivel, Esquivel and Howington, reviewed the Open Meeting Act Resolution. Mr. Esquivel advised that the Open Meetings Act Resolution per statute set the guidelines for all Board Meetings, Special Meetings, and Emergency Meetings. The changes made were correcting spelling and language was added to include "video conferencing" as an attendance method. This is legal as the public can also attend using the video option.

A motion was made to approve the Open Meetings Act Resolution as presented.

MOTION: D. Martinez Jr.

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

8. D. 2023 SALGBA State Roundtable & Regional Conference September 17-19, 2023, Nashville, Tennessee (Action Item)

Mr. Patrick Sandoval stated that NMPSIA staff requests approval for Board members and staff to attend the 2023 SALGBA State Roundtable & Regional Conference September 17-19, 2023, in Nashville, Tennessee. All interested in attending should email Mr. Sandoval with their request. The requests will be discussed with Mr. Al Park prior to approval.

Ms. Trish Ruiz asked what SALGBA stands for and Mr. Sandoval replied it stands for State and Local Government Benefits Association.

A motion was made to approve out of state travel for interested staff and Board members to attend the 2023 SALGBA State Roundtable & Regional Conference September 17-19, 2023, Nashville, Tennessee.

MOTION: T. Ruiz

SECONDED: V. Chavez

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

8. E. 2023 Workers Compensation Conference September 20-22, 2023, Las Vegas Nevada (Action Item)

Mr. Patrick Sandoval stated that NMPSIA staff requests out of state travel approval for Board members and staff to attend the 2023 Workers Compensation Conference on September 20-22, 2023 in Las Vegas, Nevada. All interested in attending should email Mr. Sandoval with their request. The requests will be discussed with Mr. Al Park prior to approval.

A motion was made to approve out of state travel for interested Board members and staff to attend the 2023 Workers Compensation Conference on September 20-22, 2023 in Las Vegas, Nevada.

MOTION: T. Ruiz

SECONDED: P. Jaramillo

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

David Martinez Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

9. Financial Matters

A. Approval of May 2023 Financials (Action Item)

Mr. Phillip Gonzales, Chief Financial Officer NMPSIA, presented the Statement of Revenues and Expenditures for the period ending May 31, 2023, for the Employee Benefits Fund. He reported revenue of \$29,918,042.22 and expenses of \$33,225,475.42, which resulted in a loss of \$4,307,433.20 for the month of May.

Mr. Gonzales presented the Statement of Revenues and Expenditures for the period ending May 31, 2023, for the Risk Fund. He reported revenue of \$7,797,047.38 and expenses of \$4,349,143.56, which resulted in a gain of \$3,447,903.82 for the month of May.

Mr. Gonzales presented the Statement of Revenues and Expenditures for period ending May 31, 2023, for the Program Support Fund. He reported revenue of \$126,673.00 and expenses of \$138,457.40 which resulted in a loss of \$11,784.40 for the month of May.

Mr. Gonzales presented the Balance Sheet for the Agency for the period ending May 31, 2023. Program Support had total assets of \$973,636.01, total liabilities of \$99,793.33, and total fund equity of \$873,842.68. Employee Benefits had total assets of \$50,118,787.24, total liabilities of \$32,209,272.68, and total fund equity of \$17,909,514.56. Risk had total assets of \$109,564,265.96, total liabilities of \$97,623,781.47, and total fund equity of \$11,940,484.49. The total combined fund equity for the agency was \$30,723,841.73.

A motion was made to approve the Financial Reports for May 2023 as presented.

MOTION: T. Ruiz

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

David Martinez Jr. Yes
Sammy Quintana Yes

Vote carried unanimously.

9. B. Fiscal Year 2025 Appropriation Request (Action Item)

Mr. Gonzales reviewed the FY25 Appropriation Request. The request is due September 1, 2023. The NMPSIA request is increased by 13.78% or \$65,361,808 over FY24 Operating Budget, Benefits request increased by 8.91% or \$33,118,137 over FY24 Operating Budget, Risk request increased by 31.86% or \$32,139,909 over FY24 Operating Budget, Program Support request increased by 6.31% or \$103,762 over FY24 Operating Budget. In Summary, the Agency totals are \$474,314,700 for the FY24 Operating budget and \$539,676,508 for the FY25 Appropriation Request with a difference of 13.78%, \$65,361,808.

Mr. Gonzales presented the increases as follows:

- The Benefits Fund: Medical Trend of 6.5%, Prescription Drug Trend of 10.0%, Dental Trend of 4.0%, and Program Support transfer increased by 6.26%.
- The Risk Fund: Contracts increased by 32.07%, Excess Insurance increased by 34.38%, Claims increased by 47.43%, and Program Support transfer increased by 6.37%.
- The Program Support Fund: Personal Services increased by 7.18% and Contractual Services increased by 6.19 %.

Mr. Chris Parrino asked for elaboration on the significant increase for the Risk Fund. Mr. Gonzales stated that the increase is due to the cost of excess insurance a big part of that was the hail and wind premiums. The SIR-related to hail and wind increased from 2.5% to \$10 million and \$25 million in the aggregate. There have been some high-dollar hail claims in recent months. In Eastern NM, Tucumcari area, there was a hail event over \$30 million dollars and another in Springer that we do not have a dollar value on yet.

A motion was made to approve the FY25 Appropriation Request.

MOTION: T. Ruiz

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

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

Vote carried unanimously.

10. Risk Matters

10. A. Approval of Amendment for Workers’ Compensation Third-Party Dedicated Claims Administration Services (Action Item)

Mr. Sandoval presented the amendment to the Workers' Compensation Third-Party Dedicated Claims Administration Services Contract. The amendment is to the compensation. There is no change to the total compensation. The amendment includes a maximum per bill review not to exceed \$400,000, a not to exceed amount of \$300,000 for nurse care management, a not to exceed amount of \$25,000 for Medicare set aside, and a not to exceed the amount of \$25,000 for the ISO, EDI, FROI, and SROI indexes.

A motion was made to approve the Amendment for Workers’ Compensation Third-Party Dedicated Claims Administration Services.

MOTION: T. Ruiz

SECONDED: K. Manis

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

10. B. Approval of Risk Premium Payment Installment Plan (Action Item)

Mr. Sandoval asked for the approval to allow NMPSIA Risk Members to pay their risk premiums in installments over a period of time. The Risk premiums are due by August 1st with the 10 day grace period before incurring late charges. The Board has approved the request for installments every year for at least the last 3 to 4 years. Usually Charter schools request to pay installments that helps them with their cash flow. This year we have had three requests to pay installments.

A motion was made for approval of the Risk Premium Payment Installment Plan.

MOTION: P. Jaramillo

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

10. C. Anonymous Reporting System Update

Ms. Julie Garcia, Poms and Associates, gave an update on Anonymous Reporting. NMPSIA has completed the contract with StopIt and has moved on to launch the program in our districts. StopIt has been doing a great job with the outreach and had 23 schools already enrolled when the contract began. Ms. Garcia added that Las Cruces just signed up and are in the process of implementation and working on getting emails out directly to students. We are currently signed up for quarterly reporting on enrollment and what is being reported in the system, this can be changed to monthly. Ms. Claudette Roybal, Risk Coordinator NMPSIA, added that the Attorney General's Office has also been working with NMPSIA to participate in a press release and getting the information distributed. Mr. Sandoval and herself will be calling districts and charters personally to try to get them to sign up. StopIt has been presenting at some conferences in New Mexico trying to get the word out on the program. Ms. Garcia added that Poms has included an announcement in the newsletter.

Ms. Trish Ruiz asked if the information had been distributed to School Board members. Ms. Garcia stated that flyers could be provided for distribution. Mr. David Martinez Jr. asked if schools that are already using a different reporting system would need to change. Ms. Garcia advised that STOPIT is working to consolidate data with other companies and there is no need to switch if they are happy with what they currently have.

10. D. Stewardship Report - Loss Analysis Workers' Compensation

E. Year-End Claims Comparison

Mr. Rich Cangioli, CCMSI, presented on Loss Analysis for Workers' Compensation and the Year-End Claims Comparison. Workers' Comp Claims were down during COVID and then started creeping back up the last couple of years. We expect about \$8,000,000 and 1,400 claims incurred for the year. The one year that they had the lowest number of claims actually has the highest number of average costs. The average cost went down and is staying pretty steady but will probably go up just a bit within next year. The claim counts by year, the goal is to close as many claims as we get in a year. For the top five Members by total incurred, Julie from Poms will review and go over the loss prevention. Job codes are how employees are getting hurt.

Number one is college employees. Then total claims incurred by age, the group that has the most injuries is 55 to 64 years old. Over age 65 and older don't have a lot of claims. Average of lost time, this shows light duty days and lost days. We like to see light duty days as it means we are getting people back to work. It is sometimes hard to get people back to work because of their job classifications. Next is tenure, usually 3-5 years is the highest. It is usually new employees. Slips, trips, and falls are always the highest category in types of injury along with strains by lifting. Poms works with the schools to address this and provides training. Next is body parts, with multiple body parts at the highest as one injury tends to creep into other body parts.

10. F. Year-End Review of Bill Review and Nurse Case Management

Mr. Cangioli reported on the Bill Review and Nurse Case Management. The bill review through the whole year, NMPSIA was billed over \$14 million this was for over 13,000 bills. CCMSI was able to reduce by \$9 million for a total reduction of about 64%. The reduction is due to many factors including the State's fee schedule, a preferred provider network with 5-10% discounts, and also negotiations. The total fees are at \$292,000 and our cap is \$500,000. We are lower this year at \$400,000 and are trending well below this cap. For the nurse case management, we spent \$211,000 and had a \$400,000 cap savings of \$188,000 accomplished by utilizing nurse case management sparingly and giving task assignments.

10. G. TPA Reports

1. Property & Liability Monthly Claims Report

Mr. Steve Vanetsky, CCMSI, reported on the Property & Liability Monthly Claims Report for the month of May 2023. Property had 81 open claims, 3 new claims, and 6 claims were closed. Liability had 383 open claims, 58 new claims, and 77 claims were closed. Reserves were at \$56,481,755.62 and payments were \$41,767,216.83 for a total of \$98,428,972.45.

2. Property & Liability Large Losses

Mr. Vanetsky reported large losses. On the property side, one large loss at Gallup McKinley Elementary school had a ruptured fire suppression supply line which was underground causing internal building flooding. Crews were dispatched to pump water out of the building and drying equipment had been staged. This loss will exceed \$50,000 alone and has been reported to the excess carrier. Eastern New Mexico University, the Roswell campus, happened on May 31st, hailstones were observed at an inch to an inch and a half in diameter. It looks to be about 50,000 square feet of built-up roof that will likely need replacement and there is also extensive exterior stucco siding and wall damage, which will probably need to be replaced or at the very least, re-coated. The excess carrier has been notified. He also updated us on the main hail loss that we're experiencing now, in the eastern part of the state which occurred back in May. We're looking at about a \$27 million loss affecting four areas, Grady, Tucumcari, Mesalands Community College, and Logan. The excess carrier has been put on notice. Emergency repairs have commenced at all school locations and at this time does not seem like it will affect the start of the school year. There was a loss reported yesterday in Springer, the adjuster is on-site today, we do not yet know what this hail claim is going to look like yet.

On the liability side, we had a tort claim at a Charter School in Rio Rancho of a student-on-student assault stemming from an incident in October 2021. The claim is being investigated and has been reported to the excess carrier and is outside of the statutory 90 days. Out of Moriarty Edgewood a tort claim for a student-on-student assault that occurred in May of 2022. This is being investigated and has been reported to the excess carrier. Yesterday out of Aztec, three tort claims with allegations of criminal misbehavior of a teacher-on-students. The teacher has been convicted of battery. This is under investigation.

Mr. Vanetsky presented on Property and Liability Claims. The largest drivers for NMPSIA claims are sexual molestation claims and weather-related property claims. Since January 2015 to present there have been 70 SAMS cases reported to CCMSI. Total paid losses are \$29,916,876. The total incurred, which represents paid plus outstanding reserves is \$32,886,058. A total of \$2,969,182 is the amount of open reserves on claims not paid yet. The districts that have the most cases are Santa Fe Public Schools, Hobbs, Rio Rancho, Moriarty/Edgewood, Aztec, Cuba, and Eastern New Mexico University. Since January 2015 to present there have been 63 hail-related weather claims reported with total losses of \$25,092,027. Total incurred represents paid plus outstanding reserves of \$82,984,548 and \$57,902,742 of open reserves on claims not paid, the majority of that is the Lovington hail loss and the Eastern New Mexico University loss.

Mr. Kevin Sovereign, CCMSI, reviewed losses in regard to Inspection of Public Records Act (IPRA) and from 2016 through 2023 there have been seven filed against various Member insured districts. Total paid losses \$145,000, pending claim reserves \$235,000, and attorney fees estimated at \$308,000. IPRA claims pose a problem to the Authority because they are dangerous claims when notified late and generate bad publicity. Attorneys are now using IPRA requests as a discovery vehicle in pre-litigation and litigation. Attorneys will send a request for information that they typically wouldn't receive except in litigation. The IPRA statute in New Mexico is very liberal, requestors are entitled to receive just about everything they ask for.

There are a couple of attorneys that appear to be manufacturing litigation by submitting multiple requests on separate days asking for slightly different information on each request and what they are hoping for is that the ball gets dropped and when that happens they file a lawsuit related to that matter. Every day that passes is an IPRA violation at \$100 per day. IPRA requests can get expensive, because of significant penalties attached to them.

Mr. Parrino asked if we are at risk of not being insured due to claims being out of hand for hail. Mr. Sovereign stated that it will likely become cost prohibitive. We are currently looking at an increase in the self-insured retentions (SIR). NMPSIA's portion of payment on any hail claim has gone up from \$2.5 million to \$10 million. We are hoping that this was our bad hail year based on the historical cycle.

3. Workers' Compensation Monthly Claims Report

Mr. Jerry Mayo, CCMSI, provided the Workers' Compensation Monthly Claims Report for employers as of May, 2023. During the month of May, there were 963 open claims, 260 new claims, 21 claims were re-opened, and 276 claims were closed. Reserves were at \$14,505,719.52 and payments were \$48,333,132.36 for a total of \$62,838,851.88.

4. Workers' Compensation Large Losses

Ms. Vanessa Devine, CCMSI, reported a large loss at Hobbs Municipal Schools from August 2021, injured workers sustained a right shoulder injury that resulted in surgery. After they were released from care and placed at maximum medical improvement, they were given permanent restrictions the school could not accommodate. This resulted in modifier benefits and an increase or the future benefits of \$82,182.21. The second reserve increase was for Roswell Independent Schools with the date of injury march 15, 2023. The injured worker sustained a partial finger amputation that required an air ambulance. The reserves required to be increased by \$72,470.21.

10. H. Loss Prevention Update

Mr. Larry Vigil, Poms and Associates, presented the Loss Prevention Abatement Report for May and June 2023. In May there were 753 total recommendations and 720 non-capital. Corrected non-capital were 491, there was a 68.19% abatement for non-capital recommendations. In June there were 349 total recommendations, and total non-capital were 346. The corrected non-capital was 280, with an 80.92% abatement for non-capital recommendations. For the school year ending June 2023, there was a total of 4,163 recommendations, 3,977 of which were non-capital which is a 76.54% abatement for recommendations that were non-capital that were fixed by school districts. The benchmark is 70% which was exceeded but 76% is still a good number. On the capital corrections, there was 38.59% which is also a good number for us. A total of 571 total loss control assessment reports were provided to districts, charter schools, colleges and universities throughout the last school year.

Ms. Julie Garcia talked about meeting with the Public School Facilities Authority (PSFA) with respect to their data on the roofs. PSFA has data on every roof in the state including the square footage of the roof and the age.

The age of the roof is misleading as the district has to report any repairs or replacements and most districts don't report to PSFA. There is zero data on what type of roof a school has but several that appear to be well past PSFA's 20-year lifespan. In regard to the bullying issues, a restorative justice program has been implemented in Raton which has cut the suspension rate by 99% and significantly increased the graduation rate. Ms. Garcia stated that there will be a presentation on this program at the next board meeting. This restorative justice program is aimed at reducing threats and violence in schools. Ms. Garcia reported that there are 99% of schools now enrolled in Vector Solutions and 99 % of charters are not enrolled. Ms. Garcia will be presenting at the charter schools conference to get the information out and encourage enrollment.

10. I. 2023-2024 Target Misconduct Districts

Ms. Garcia reported on schools with repeated misconduct incidents in the last year. She reviewed 13 schools in total for sexual molestation claims based in inappropriate conduct that is sexual in nature, sexual assault and sexual penetration. Reporting includes schools that had two or more complaints and had above \$50,000 in losses. Those schools were Los Lunas, Santa Fe, Pecos, and Eastern New Mexico University. All 13 schools will all be the subject of an audit. Ms. Garcia continued to report whether or not any of these schools have signed up for Vector Solutions. Santa Fe Public Schools is marked partial because only seven modules were completed. Pecos has been utilizing the in-person training with the last one in October of 2021. Bloomfield has also done trainings in person with the last one in February of 2023. Training was done in person at Central and then Central had all employees also go through Vector. Chama and West Las Vegas have not enrolled anyone.

Ms. Garcia stated that on the list of sexual molestation cases from 2019 through the end of 2023, there are eight coaches on the list. It is unclear whether coaches are being included in the reference checks or training. There will be a big push to get training for coaches. Student-to-student claims are not included in the sexual molestation list as they follow different rules and are not included in Public Education Department (PED) or HB128 language.

Ms. Ruiz commented that there needs to be a plan to enforce compliance. Ms. Garcia stated that PED is not intervening and sexual molestation claims are the number one area of loss. There is a need for Vector to be more aggressive with compliance reminders. Ms. Vicki Chavez added that all school board members should be receiving copies of the Hazard notices.

10. J. School Safety Plan Enforcement

Ms. Garcia stated that PED has asked for assistance in enforcing the school safety plan. Every school district is required to have a plan. PED has a new Safety Director who is sending out notices to schools that they are not in compliance. There are six sections of the plan that have to be responded to by the schools. The Safety Plan Coordinator has asked NMPSIA to consider options to pursue other actions for schools that are behind by two or more years. PED has zero enforcement for schools not in compliance.

PED is asking for NMPSIA to assist in enforcement. Mr. Esquivel suggested starting with a meeting with the PED Secretary and working directly with him on the issue. Ms. Ruiz felt that one to two years is too long to not be in compliance and the issue needs to be addressed. Poms is requesting guidance on how to proceed. Mr. Esquivel stated the first step is going to be meeting with the PED Secretary. Mr. Sammy Quintana was appointed as the Board member to join the meeting.

11. Benefits Matters

11. A. Approval of Domestic Partner Resolution- Alice King Community School (Action Item)

Ms. Cyndi Archuleta, Benefits/Wellness Manager NMPSIA, informed the committee that Alice King Community School’s (AKCS) governing board has adopted a resolution to offer health benefit coverage to Domestic Partners and treat the Domestic Partner as a spouse. AKCS will be contributing to the premium for any tier change that is created by adding the partner and/or partner’s children. Staff is recommending approval of this petition to offer Domestic Partner coverage. If approved, staff will work with AKCS to establish an effective date and enrollment period for their employees.

A motion was made to approve the Domestic Partner Resolution- Alice King Community School.

MOTION: S. Quintana

SECONDED: V. Chavez

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

11. B. Retroactive Approval of Part-Time Resolutions- Effective July 1, 2023 (Action Item)

Ms. Archuleta presented the Part-Time Resolutions. Thirty-five resolutions were approved at the June Meeting. At that time, NMPSIA was awaiting resolutions from Bernalillo Public Schools, Horizon Academy West, and Roswell Independent School District.

La Tierra Montessori School of the Arts and Sciences was thought to be closing; however, they have submitted a Part-Time Resolution for consideration as well. Ms. Archuleta reiterated the Standard offering provides insurance to eligible part-time employees who are under contract and work less than 20 hours per week, but not less than 15 hours per week, and the employer pays their share of the insurance premium. These resolutions are approved annually as schools evaluate their budgets each year to confirm they can continue to offer this access to benefits. Staff is recommending approval of the four additional Part-Time Resolutions received to date for the 2023/2024 school year. These resolutions will require retroactive approval to be effective July 1, 2023.

A motion was made to approve Part-Time Resolutions- Effective July 1, 2023.

MOTION: P. Jaramillo

SECONDED: V. Chavez

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

11. C. Approval of New Charter School: Explore Academy- Rio Rancho (Action Item)

Ms. Quintana informed the Board that NMPSIA was advised in March that Explore Academy- Rio Rancho was finalizing the process to become a New Mexico Charter School. In June, PED advised of the approval with the effective date of July 1, 2023. Staff is recommending retroactive approval to add Explore Academy- Rio Rancho as the 101 NMPSIA participating Charter school. Ms. Quintana confirmed that NMPSIA covers Explore Academy- Las Cruces, Explore Academy Albuquerque, and now Explore Academy- Rio Rancho.

A motion was made to approve the New Charter School: Explore Academy- Rio Rancho.

MOTION: S. Quintana

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

11. D. Approval of Segal Amendment For Mental Health Parity Audit (Action Item)

Ms. Quintana presented the Amendment of the Segal Agreement to expand the Scope of Work to include the Mental Health Parity Audit. The work will include a comprehensive compliance review of all the requirements of the Act. Under the Biden Administration, plans like NMPSIA's had the opportunity to opt out of mental health parity. NMPSIA has opted out of the requirements for years and this will be the last year NMPSIA able to opt-out. Segal will investigate the requirements and advise of a plan to meet any compliance measures NMPSIA will have to implement moving forward. Staff will also be working with General Counsel to ensure compliance with the NMPSIA Plan design. The compensation for this amendment shall not exceed \$870,500 including gross receipts tax. Staff is recommending approval of the Segal amendment.

A motion was made to approve Segal Amendment For Mental Health Parity Audit.

MOTION: V. Chavez

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

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

Vote carried unanimously.

11. E. Possible Benefits Changes From 2023 Legislative Session

Ms. Kaylei Jones, Benefits/Wellness Coordinator NMPSIA, presented the possible benefits changes from the 2023 Legislative Session. The NMPSIA benefits team has been in communication with the carriers to ensure compliance and seamless incorporation of new laws. NMPSIA has identified nine bills, now laws, that will directly impact the administration of the NMPSIA plan design. One bill to note is SB51 pertaining to cost sharing contributions for prescriptions. This bill has been identified as the most costly to the NMPSIA benefits plan with an estimated cost to FY24 of \$2.1 million as well as for FY25. Staff is working with CVS to get a better understanding of the impact of this bill.

CVS responded to three particular bills. With regard to HB 53, "CVS Caremark paper claims, networks, and prior authorization team will review the requirements of the bill. If updates to the process are required, teams will meet internally to determine any action needed to become compliant. Any future action determined will be communicated to NMPSIA through the Account Team." With regard to SB132, "If it is determined that plan changes are required to be in compliance with this mandate, CVS Caremark Client Benefit and Clinical teams will consult with NMPSIA and obtain sign-off on intent." Ms. Jones added that prior to signing off, NMPSIA would ask General Counsel to review. Lastly, with regard to SB 273, "The CVS Caremark Medical Affairs team will review the requirements detailed in the mandate. If updates are needed in the current criteria related to Step Therapy exception processing, the updates will be made and presented to the Pharmacy & Therapeutics Committee for approval."

BCBS is in the early stages of evaluation and implementation of the bills passed by the legislature. For those bills that require changes to or expansions of benefits and plan designs, claims adjudication and materials will be updated as applicable. BCBS is still evaluating SB273 Mental Health Coverage for its impact to the NMPSIA. Additionally, we are preparing to implement SB232 to ensure that BCBSNM remains within the statutory requirements. Cigna confirmed adjudication to comply with the law, and that document language would be updated as needed. HB53 will not require an update to document language. Presbyterian stated that provider communications will be distributed either via newsletter or email blast. Claims will continue to be adjudicated in the same manner in which they're processed today. Any IBAC materials will need to be adjusted to align with any provisions not previously accepted by these groups. Lastly, Presbyterian has created a Teams Project Board with all legislative bills' applicability and status.

11. F. Review Premium Payment Penalty Waiver Policy

Ms. Quintana reported that the Benefits Advisory Committee (BAC) reviewed the Premium Payment Penalty Waiver Policy information provided. NMPSIA Rule 6.50.8.9 includes language for Employee Benefits premium payments that are due in full within 10 days after billing and premiums are due no later than the 10th of the month for which coverage is intended. NMPSIA Rule 6.50.8.12 describes the procedure for handling disputed billings. A “Pay as Billed” procedure was implemented by the Board in January of 2002 that required schools to pay as billed. In June 2002, after feedback from Members, the Board agreed to allow the Members to “Pay as Corrected” if the Member contacted the TPA and confirmed any errors on the bill prior to payment of the bill. In August 2002 the Board adopted a penalty provision to apply to schools not paying “as billed” or “as corrected” to be effective September 1, 2002.

Administration for waiver of a penalty includes allowing NMPSIA to waive one penalty in a rolling 12 month period and any subsequent penalties within a rolling 12 month period would require Board approval for a second waiver of penalty. During the COVID pandemic penalties were suspended from April 2020 to May 2023. In the month of June, three participating employers paid late, and two schools did not pay as billed. At the BAC, Ms. Quintana suggested that a committee be formed to review the existing policy for premium payments and the pay-as-billed penalty provisions. Mr. Parrino stated the committee for the record included Ms. Jaramillo, Mr. Manis, Ms. Riddle, Ms. Archuleta, and Ms. Quintana.

11. G. COVID-19 Vaccine/Immunization and Booster Utilization Analysis

Ms. Debbie Donaldson, Segal, started her report with the three questions the Board had requested to be answered regarding member utilization of vaccines/immunizations that are covered at 100% under the preventive services benefit, member utilization of the COVID-19 booster and any direct financial impact NMPSIA may realize if cost sharing was imposed on preventative services. Ms. Donaldson reviewed the Affordable Care Act (ACA) preventative services mandate that NMPSIA and other sponsors of non-grandfathered plans are required to continue covering “A” and “B” preventative services recommended by the United States Preventative Services Task Force with no cost sharing and the Braidwood Management Inc. v Becerra litigation that challenged the legality of the ACA preventative services mandate. A comparison of 2021 and 2022 vaccination utilization showed a drop in 2022. As for COVID-19 booster utilization via the health plans, when comparing 2021 to 2022 there was a drop in booster utilization of a little over 50%. If NMPSIA were to begin imposing cost-sharing for these services, it is estimated that the plan costs would be reduced by approximately \$225,000 to \$305,000 annually (less than \$1 PMPM). In general, the benefits of covering preventative services outweighs the small savings that may result from lifting that coverage.

11. H. Clinic Feasibility Request for Information

Ms. Jones presented the Clinic Feasibility RFI draft. NMPSIA is soliciting a request for information related to clinic management. The purpose of the RFI is to solicit information to establish the feasibility, practicality, and potential for cost-saving outcomes of On-Site and/or virtual Medical Clinics.

The intent of the clinic would be to provide medical-related services, including providing low-to-no-cost primary care to NMPSIA's benefit-eligible members and their dependents participating in medical coverage through the NMPSIA Group Plan.

NMPSIA wants to issue the RFI on August 25, 2023. The RFI will be posted on nmpsia.com, and the Authority will also solicit advertisements in various local and national publications. NMPSIA will hold an Information Session on August 23, 2023, from 2:00 p.m.- 3:00 p.m. to answer any preliminary questions about the RFI or to clarify what the Authority is trying to achieve. Respondents can submit questions, in writing via email, about the RFI to further clarify any of the Authority's intentions regarding the RFI's contents. Questions will be received through 11:59 p.m. on August 25, 2023. NMPSIA will work to provide a response to submitted questions no later than 5:00 p.m. on August 31st, 2023. Answers to questions will be posted on the NMPSIA website under NMPSIA Procurements. Respondents must submit comments via email to Ms. Jones and reference "Viability of Medical Clinic RFI" in the title. Submissions are due at 11:59 p.m. on September 30th.

NMPSIA is working to bulk up the appendix section to include more statistical information. Ms. Jones added that NMPSIA has received data from Erisa; however, it will need to be manipulated internally to obtain valuable demographic related to the NMPSIA population by county and zip code. At the time of having a more complete RFI, NMPSIA will send it to Segal and NMPSIA's General Counsel for review. NMPSIA has had conversations with Retiree Health Care Authority and is willing to share the results of this RFI.

11. I. Delta Dental Update

Mr. Rich Bolstad provided the Delta Dental Update and introduction of key staff. Delta was incorporated on May 6, 1971 in New Mexico. They serve over 400,000 members and are comprised of 43 New Mexico employees. Delta Dental is contracted with more than 152,000 Premier providers and 113,000 PPO providers nationwide. Effective in October 2023, Delta will be launching a no-cost Tele-Dentistry benefit. The benefit will offer access to prescription medication and increase rural access. For the plan, these benefits will help mitigate serious oral health issues. In January 2024, Delta will roll out Health Analytics which will track key metrics & utilization by particular focus areas. The mouthguard program is now expanding from wrestling to also include football programs; 7,950 mouthguards have been shipped to 120 different NM high school programs. Mr. Bolstad updated the committee on SB17 that introduces new requirements for prior authorization, provider network leasing, and method of payment. This bill was signed into law and is effective January 1, 2024. Delta proactively worked with Senator Wirth and other stakeholders to amend SB17.

11. J. Continuation of Primary Care Provider Statistics - Rural New Mexico

1. BlueCross Blue Shield (BCBS)

Ms. Lisa Guevara presented the Primary Care Provider (PCP) statistics for rural New Mexico.

Between January 2023 and May 2023, BCBS saw an increase of 179 PPO providers and an increase of 107 Blue Preferred network providers. Across both networks, BCBS has seen a decrease in provider locations. Ms. Guevara noted that BCBS offers grant opportunities to bring the infrastructure to rural areas for telehealth medicine. BCBS is encouraging the use of technology and reminded the Board of Babylon Health and MDLive, two options of telemedicine. Ms. Guevara shared that there was a soft launch effective July 1. Ms. Guevara shared provider data by county. All counties do have at least four providers accepting new patients.

2. Cigna

Ms. Jones presented for Mr. Daniel Warner from Cigna. Ms. Jones presented the PCP statistics for rural New Mexico. Cigna currently has close to 4,000 PCP access points with 93% accepting new patients. Cigna reported they have close to 3,000 PCP access points specifically in the rural areas with 95% of those accepting new patients. For members looking for behavioral health care, Cigna will do a provider search on the member's behalf to determine if the provider is taking new patients and determine if the member would be able to get an appointment timely. It was emphasized that if an individual is reaching out requesting help with a behavioral disorder or substance abuse problem it is imperative that they are provided care within 5-7 days. Members would simply need to call Cigna to receive that service. Related to virtual care, Cigna partners with MDLive and Ginger.

3. Presbyterian

PCPs in New Mexico accepting new patients. The majority of providers in rural areas have an open panel with the exception of Harding, NM. Presbyterian is working to recruit providers primarily outside of the central 5-county delivery system and those areas with long patient wait times for appointments. Presbyterian is focusing provider recruitment on the border areas of the state.

11. K. 2023 NMPSIA Regional Training Update

Ms. Archuleta provided the Regional Training Update. The Benefits staff along with the partnership of Erisa, Poms and Associates, CCMSI and the medical carrier wellness representatives completed the trainings that were held in five centralized locations throughout New Mexico: Farmington, Las Vegas, Roswell, Rio Rancho, and Las Cruces. Just under 200 representatives were in attendance. The event in Rio Rancho was recorded. The recording will be posted to the NMPSIA website so that the training can be revisited and used as a resource for

11. L. IBAC Update

Ms. Archuleta provided the IBAC update. The IBAC met on June 14, 2023. A presentation was delivered by Data Insights Actions (DIA). DIA provides companies with Claims Payment Integrity Audits.

DIA uses artificial intelligence, machine learning, deep learning, and deep data analytics to extract actionable insights from data to help clients make decisions and take action to achieve their goals which increase revenues, reduce cost and improve the performance of their portfolio companies. In addition to this presentation, our carriers provided updates to enhance their programs. The IBAC entities are working on the RFP for medical, dental and vision services.

12. General Discussion

Ms. Archuleta reported that the claims integrity audits were requested by the legislative committee and NMPSIA has seen, in addition to the DIA presentation, other presentations from other vendors. NMPSIA is doing its due diligence to review current contracts with General Counsel on the anti-donation clause to allow large hospital systems. NMPSIA will be running this RFP and having preliminary discussion with the New Mexico Retiree Health Care Authority.

Mr. Sandoval noted that according to our Rules an annual election of Board officers needs to take place at a meeting in August. He requested a preliminary date and time for a Special Board meeting for the annual election of officers and a review of any other time-sensitive items. The Board suggested August 30th at 4 p.m. as a virtual meeting. Mr. Sandoval thanked all the carriers for attending and thanked Kevin McDonald for handling all the audio/visual services. Mr. Sandoval thanked Ms. Kaylei Jones and Ms. Claudette Roybal for facilitating all the arrangements for the annual meetings.

**13. Next Meeting Date and Location: Thursday, September 7, 2023 (Action Item)
Location: To Be Determined and a Virtual Option**

The next meeting will be held on September 7, 2023, location to be determined. There will be a remote option available.

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

MOTION: T. Ruiz

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Charlette Probst called roll.

Al Park, President	Absent
Chris Parrino, Vice-President	Yes
Trish Ruiz, Secretary	Yes
Denise Balderas	No
Vicki Chavez	Yes
Tim Crone	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Absent

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

Vote carried unanimously.

14. Adjournment (Action Item)

A motion was made to adjourn the meeting at 12:07 p.m.

MOTION: T. Ruiz

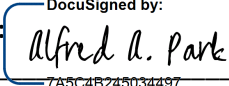
SECONDED: S. Quintana

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

APPROVED:  DocuSigned by:
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Mr. Alfred Park, President

9/12/2023

Date