

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

Virtual Meeting: <https://global.gotomeeting.com/join/701322037>

Dial in: +1(408) 650-3123
Access Code: 701-322-037

Thursday, June 25, 2020

1. Call to Order

Ms. Mary Parr-Sanchez called the NMPSIA Board Meeting to order at 10:30 a.m. on Thursday, June 25, 2020.

2. Roll Call

Ms. Pamela Vigil, called roll.

Present via virtual meeting/telephonic meeting:

Mary Parr-Sanchez, President
Chris Parrino, Vice President
Alfred Park, Secretary
Denise Balderas
Tim Crone
Pauline Jaramillo
Sammy Quintana
David Martinez Jr.
Trish Ruiz
Ricky Williams

Absent:

None

Staff Members Present via virtual/telephonic meeting:

Richard Valerio, Executive Director
Patrick Sandoval, Deputy Director/Chief Financial Officer
Melissa Rael, Human Resource/Finance Manager
Katherine Chavez, Benefits/Wellness Operations Manager
Pamela Vigil, Program Coordinator
Claudette Roybal, Chief Procurement Officer

Andrew Arellano, Financial Specialist

Audience present via virtual/telephonic meeting:

Martin Esquivel	Esquivel & Howington
David Poms	Poms & Assoc.
Julie Garcia	Poms & Assoc.
Larry Vigil	Poms & Assoc.
Tamie Pargas	Poms & Assoc.
Richard Cangiolosi	CCMSI
Kevin Sovereign	CCMSI
Steve Vanetsky	CCMSI
Jerry Mayo	CCMSI
Dr. Nura Patani	Segal
Sam Garcia	Davis Vision
Stephanie Anthony	United Concordia
Heather Leclerc	BCBSNM
Maureen Sergel	BCBSNM
Ingrid Jarud	Presbyterian
Steve Valdez	Presbyterian
Cynthia Grajeda	Presbyterian
Connor Jorgensen	LFC
Joseph Simon	LESC
Kathy Payanes	Erisa
Mike Barrios	Erisa
Lourdes Rael	Erisa
Martha Quintana	Standard
Harris Zeyae	Express Scripts
Brandon Canfield	CIGNA
JoLou Trujillo-Ottino	Delta Dental
Rich Bolstad	Delta Dental
Aaron Hillebrandt	Pinnacle
Matthew Meade	Pinnacle
Connor Jorgenson	LFC

3. Introduction of Guests

Mr. Richard Valerio, Executive Director, NMPSIA introduced Ms. JoLou Trujillo-Ottino and Mr. Rich Bolstad, Delta Dental, Connor Jorgensen LFC, Mr. Aaron Hillebrandt, Pinnacle Actuarial Services, Inc., Mr. Matt Meade, Pinnacle Actuarial Services, Inc, and Brandon Canfield, Cigna Health.

4. Citizens to Address the Board (five- minute time limit)

There were no citizens to address the Board.

5. Approval of the Agenda (Action Item)

A motion was made to approve the agenda as presented.

MOTION: C. Parrino

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Vigil called roll:

Mary Parr-Sanchez - Yes
Chris Parrino, Vice President - Yes
Alfred Park, Secretary – Yes
Denise Balderas - Yes
Tim Crone - Yes
Pauline Jaramillo - Yes
David Martinez Jr. – Yes
Sammy Quintana - Yes
Trish Ruiz – Yes
Ricky Williams - Yes

Vote carried unanimously.

6. Administrative Matters

6. A Dedication of NMPSIA Building in Memory of Ernestine Chavez (Action item)

Mr. Valerio reported that staff would like to recommend the NMPSIA building be dedicated to Ms. Ernestine Chavez. Mr. Valerio stated that Mr. Martin Esquivel researched this and determined that a plaque in Ms. Chavez's name could be placed on the building with all the current Board members listed on that plaque.

Ms. Parr-Sanchez reported that in many ways Ms. Ernestine Chavez was the heart and soul of NMPSIA. She stated this is something that staff and Board wanted to do recognize Ms. Chavez's dedication to NMPSIA.

A motion was made to approve the dedication of NMPSIA Building in memory of Ms. Ernestine Chavez.

MOTION: T. Ruiz

SECONDED: S. Quintana

Mr. Quintana stated that when he began working at NMPSIA in 1998, Ms. Chavez was already there. He stated that Ms. Chavez served NMPSIA for approximately 30 years and this would be a good gesture from this Board to recognize Ms. Chavez for her dedication.

A roll call vote was taken.

Ms. Vigil called roll:

Mary Parr-Sanchez - Yes
Chris Parrino, Vice President - Yes
Alfred Park, Secretary – Yes
Denise Balderas - Yes
Tim Crone - Yes
Pauline Jaramillo - Yes
David Martinez Jr. – Yes
Sammy Quintana - Yes
Trish Ruiz – Yes
Ricky Williams – Yes

Vote carried unanimously.

Ms. Parr-Sanchez stated that this will be her last NMPSIA Board meeting and she has resigned her position on the NMPSIA Board. She stated that her duties as NEA-NM President will be taking up all her time with school re-entry and making sure that students and teachers are safe. Ms. Parr-Sanchez stated she has replaced herself on the NMPSIA Board with Ms. Bethany Jarrell. She stated that Ms. Jarrell is a preschool teacher in Alamogordo and the Vice-President of NEA-NM. She stated that it has been her honor to serve on the NMPSIA Board.

Mr. Valerio thanked Ms. Parr-Sanchez for her dedication to the NMPSIA Board and she will be greatly missed.

Mr. Quintana thanked Ms. Parr-Sanchez for her dedication.

Mr. Parrino thanked Ms. Parr-Sanchez to her service.

Ms. Ruiz thanked Ms. Parr-Sanchez for her dedication to the Board. She stated she will be greatly missed.

6. B Legislative Update

Mr. Valerio updated the Board on the Special Legislative Session that just concluded. He reported that the General Fund Appropriation that NMPSIA received for the Risk Fund of \$10 million dollars has been reduced by \$2 million. Mr. Valerio stated that NMPSIA had already received the \$10 million dollars, so NMPSIA will be returning \$2 million dollars back to DFA.

Mr. Valerio reported on HB1. He stated that the language stated that a school district or charter school shall not pay an increase of more than 6% for group health insurance premium increases that take effect in FY21. Mr. Valerio stated that if the Board recalls, the Superintendents Association and LFC asked if NMPSIA would reconsider the premium rate increases and ultimately stayed with the increases to avoid double digit increases next year. Mr. Valerio stated that this language still must go to the Governor, and it is not final. Mr. Valerio stated that this would exclude higher education and other educational entities.

Ms. Parr-Sanchez stated that it was her understanding that changes to NMPSIA's plans and rate of increase is the jurisdiction of this Board. She stated that there is a five-year plan in place that Dr. Nura Patani, Segal, has researched and put together for the coming years. Ms. Parr-Sanchez stated that she is not sure if the Legislature will step in and adjust the difficult decisions that the NMPSIA Board has made.

Mr. Park stated that this is a challenging issue in incredibly challenging times. He stated that NMPSIA has done an admirable job in being fiscally responsible. Mr. Park stated that he understands the Legislatures perspective with the 6%. He stated he would like to have a collaborative and productive conversation with Mr. David Abby and the Legislature.

Mr. Quintana stated that in NMPSIA's enabling statute, the Board is tasked with the job of setting forth the amount of increases that are needed and the Legislature is interfering with that. He stated that NMPSIA is a unique agency that does not request General Fund Appropriations, only expenditure authority is requested to pay claims. He stated that if increases must stay at 6%, how would this effect the membership.

Ms. Parr-Sanchez asked Mr. Conner Jorgensen to provide some information.

Mr. Jorgensen provided some background on the amendment. He stated that there was concern about NMPSIA's authority vs. Legislative authority. He stated there is a good faith attempt to respect NMPSIA's authority in setting rates. Mr. Jorgensen stated that in the amendment we had to reduce the appropriation for compensation in schools significantly, and information has been presented to the NMPSIA Board as to the impact of those reductions on take home pay. He stated the amendment reduced compensation to 1% salary increases for non-supervisory educational employees and the LFC Staff relationship with the NMPSIA staff has been very good in discussing this issue. Mr. Jorgensen stated a lot of the employees are going to take a hit to their take home pay.

Ms. Parr-Sanchez stated that she has been an educator for 30 years, and the rest of the Board has many years of experience and are acutely aware of the increases. She stated that as a Board, a 5-year plan was adopted to get the fund balance where it needs to be, and it was not easy to do that. She stated that at the end of the day she would rather educators have insurance especially during this pandemic.

Mr. Park stated these are difficult times for everyone and the decisions are difficult to make. He stated going forward this is an opportunity for everyone to be on the same page and a meeting would be beneficial to continue to work in a collaborative fashion.

Mr. Park asked Mr. Jorgensen if he would be interested in setting up a meeting.

Mr. Jorgensen said he would be happy to assist.

Mr. Valerio stated that Dr. Patani is working on projections for next year, so that would be a good avenue to have a meeting to also discuss rates for next year if we stick with the 6% this year.

Mr. Valerio stated he will put this as an action item in August.

7. FINANCIAL MATTERS

7. A Certification of Capital Assets (Action Item)

Mr. Patrick Sandoval, Deputy Director/Chief Financial Officer, NMPSIA presented the Capital Asset Certification for FY20. He stated there is no change to the Capital Asset inventory from FY19 to FY20. He stated that inventory was completed by Ms. Melissa Rael, Financial and Human Resource Manager and himself and again there is no change from FY19 to FY20.

A motion was made to approve the Certification of Capital Assets.

MOTION: D. Martinez Jr.

SECONDED: C. Parrino

A roll call vote was taken.

Ms. Vigil called roll:

Mary Parr-Sanchez - Yes
Chris Parrino, Vice President - Yes
Alfred Park, Secretary – Yes
Denise Balderas - Yes
Tim Crone - Yes
Pauline Jaramillo - Yes
David Martinez Jr. – Yes
Sammy Quintana - Yes
Trish Ruiz – Yes
Ricky Williams – Yes

Vote carried unanimously.

8. Benefits Matters

8. A Approval of RFP 20-014MG IBAC Benefits: Medical, Dental and Vision Agreement Awards (Action Item)

- 1. Medical Agreement 20-014MG-PSIA01**
- 2. Medical Agreement 20-014MG-PSIA02**
- 3. Medical Agreement 20-014MG-PSIA03**
- 4. Vision Agreement 20-014MG-PSIA04**
- 5. Dental Agreement 20-014MG-PSIA05**
- 6. Dental Agreement 20-014MG-PSIA06**

Mr. Valerio stated that staff is finally in the contracting phase for this RFP. He stated that if the Board recalls, pursuant to the Health Purchasing Act, the IBAC went out to bid for

Medical, Dental and Vision. Mr. Valerio stated that scoring has been completed and the committee is bringing forward a recommendation. He stated there are three medical carrier contracts, one vision carrier contract and two dental carrier contracts. Mr. Valerio stated all the contracts are reviewed and approved by NMPSIA General Counsel. Mr. Valerio outlined the compensation for each contract and stated the drafts were available in the Board packet for review. Mr. Valerio stated if the Board has specific questions, he would be happy to answer.

Mr. Martinez Jr. asked if any COVID-19 fees that are not covered by insurance mentioned in these contracts.

Mr. Valerio stated that as of now NMPSIA will cover charges so members will not be affected.

A motion was made to approve the RFP 20-014MG IBAC Benefits: Medical, Dental and Vision Agreement Awards and grant the Executive Director Authority to modify provisional language as needed.

MOTION: C. Parrino

SECONDED: D. Martinez Jr.

A roll call vote was taken.

Ms. Vigil called roll:

Mary Parr-Sanchez - Yes
Chris Parrino, Vice President - Yes
Alfred Park, Secretary – Yes
Denise Balderas - Yes
Tim Crone - Yes
Pauline Jaramillo - Yes
David Martinez Jr. – Yes
Sammy Quintana - Yes
Trish Ruiz – Yes
Ricky Williams – Yes

Vote carried unanimously.

Mr. Valerio announced that Presbyterian Health Plan has been awarded a medical agreement.

Mr. Steve Valdez, Presbyterian, thanked the Board and Staff.

Mr. Valerio announced that Blue Cross Blue Shield of NM has been awarded a medical agreement.

Ms. Maureen Sergel, BCBSNM, thanked the Board and Staff.

Mr. Valerio announced that Cigna Health Care has been awarded a medical agreement.

Mr. Brandon Canfield, Cigna Health Care, thanked the Board and Staff.

Mr. Valerio announced that Davis Vision has been awarded the vision agreement.

Mr. Sam Garcia, Davis Vision, thanked the Board and Staff.

Mr. Valerio announced that United Concordia has been awarded a dental agreement.

Ms. Stephanie Anthony, United Concordia, thanked the Board and Staff.

Mr. Valerio announced that Delta Dental has been awarded a dental agreement.

Ms. JoLou Trujillo-Ottino, Delta Dental, thanked the Board and Staff.

7.B 2020-2021 Part-Time Employee Resolutions (Action Item)

Mr. Valerio presented the following 2020-2021 Part-Time Employee Resolutions for review and approval.

- | | |
|---|----------|
| • Bernalillo Public Schools | Standard |
| • Central Consolidated Schools | Standard |
| • Fort Sumner Municipal Schools | Standard |
| • Hondo Valley Public Schools | Standard |
| • Horizon Academy West Charter School | Standard |
| • NM Association of School Business Officials | Standard |
| • Las Cruces Public Schools | 0.5 FTE |

A motion was made to approve the 2020-2021 Part-Time Employee Resolutions as presented.

MOTION: P. Jaramillo

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Vigil called roll:

Mary Parr-Sanchez - Yes
Chris Parrino, Vice President - Yes
Alfred Park, Secretary – Yes
Denise Balderas - Yes
Tim Crone - Yes
Pauline Jaramillo - Yes
David Martinez Jr. – Yes
Sammy Quintana - Yes
Trish Ruiz – Yes
Ricky Williams – Yes

Vote carried unanimously.

7. C Special Enrollment for Medical Coverages (Action Item)

Mr. Valerio stated that Open Enrollment is typically held in Mid- October through Mid-November. He stated there has been discussion with LFC about the Board possibly allowing a special enrollment on July 1, 2020, for medical coverages for members that may want to switch from a High Option Plan to a Low Option plan to save some money on premium. He stated the Low Option plan may not be the best option for members that utilize the plan often because of the higher deductibles.

A motion was made to approve the Special Enrollment for Medical Coverages.

MOTION: C. Parrino

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Vigil called roll:

Mary Parr-Sanchez - Yes
Chris Parrino, Vice President - Yes
Alfred Park, Secretary – Yes
Denise Balderas - Yes
Tim Crone- Yes
Pauline Jaramillo - Yes
David Martinez Jr. – Yes
Sammy Quintana - Yes
Trish Ruiz – Yes
Ricky Williams – Yes

Vote carried unanimously.

9. Risk Matters

9.A Amendment to Inter-Governmental Services Agreement with Cooperative Educational Services (CES) (Action Item)

Mr. Valerio presented an amendment to the Inter-Governmental Services Agreement with Cooperative Educational Services. He stated this is support services to provide IDEA services to school districts. He stated that CES has come to NMPSIA to ask for an increase from \$230,000 to \$300,000 to cover costs through the end of the fiscal year.

A motion was made to approve the amendment as presented.

MOTION: R. Williams

SECONDED: C. Parrino

A roll call vote was taken.

Ms. Vigil called roll:

- Mary Parr-Sanchez - Yes
- Chris Parrino, Vice President - Yes
- Alfred Park, Secretary – Yes
- Denise Balderas - Yes
- Tim Crone - Yes
- Pauline Jaramillo - Yes
- David Martinez Jr. – Yes
- Sammy Quintana - Yes
- Trish Ruiz – Yes
- Ricky Williams – Yes

Vote carried unanimously.

9. B Approval of Inter-Governmental Services Agreement with Cooperative Educational Services (CES) (Action Item)

Mr. Valerio presented the FY22 Inter-Governmental Services Agreement with Cooperative Educational Services. He stated that the compensation would be \$300,000.00.

A motion was made to approve the FY21 Inter-Governmental Services Agreement with Cooperative Educational Services.

MOTION: C. Parrino

SECONDED: P. Jaramillo

A roll call vote was taken.

Ms. Vigil called roll:

- Mary Parr-Sanchez - Yes
- Chris Parrino, Vice President - Yes
- Alfred Park, Secretary – Yes
- Denise Balderas - Yes
- Tim Crone - Yes
- Pauline Jaramillo - Yes
- David Martinez Jr. – Yes
- Sammy Quintana - Yes
- Trish Ruiz – Yes
- Ricky Williams – Yes

Vote carried unanimously

9. C Approval of RFP 342-2020-01 Risk Actuarial Services Agreement Award (Action Item)

Mr. Valerio reported NMPSIA went out to bid for Risk Actuarial Services. He reported that Mr. Sandoval, Ms. Rael, and himself were on the evaluation committee. Mr. Valerio reported there were two submissions for the RFP. Mr. Valerio stated the contract draft is available in the packet for review and approval.

A motion was made to approve the RFP 342-2020-01 Risk Actuarial Services Agreement Award.

MOTION: C. Parrino

SECONDED: P. Jaramillo

A roll call vote was taken.

Ms. Vigil called roll:

Mary Parr-Sanchez - Yes
Chris Parrino, Vice President - Yes
Alfred Park, Secretary – Yes
Denise Balderas - Yes
Tim Crone - Yes
Pauline Jaramillo - Yes
David Martinez Jr. – Yes
Sammy Quintana - Yes
Trish Ruiz – Yes
Ricky Williams – Yes

Vote carried unanimously

Mr. Valerio announced that the selected vendor was Pinnacle Actuarial Resources, Inc.

Mr. Aaron Hillebrandt, Pinnacle Actuarial Resources, Inc. thanked the Board and Staff for the opportunity to continue the partnership with NMPSIA.

9. D Request by PED for Support of Guidance for Schools Re-opening (Action Item)

Ms. Julie Garcia, Poms & Associates, stated she received a request from PED with respect to the re-entry guidelines for schools. She stated a question that was asked to NMPSIA was if staff would intercede if a school or schools did not follow the guidelines. Ms. Garcia stated that Mr. Valerio, Mr. Esquivel and Poms & Associates met yesterday and the recommendation is that NMPSIA write a letter to schools stating that NMPSIA is in full agreement with the re-entry guidelines and will follow the loss prevention rules and any further penalty for not following the guidelines will be determined on a case by case basis.

Mr. Valerio reported that there was a lot of discussion with respect to possibly denying coverages or premium penalties for schools that do not follow the guidelines. However, at this point there is not enough information to determine an amount.

He stated that the recommendation would be to wait until August or September to see which schools are not following the guidance.

Ms. Parr-Sanchez reported that she was a member of the task force for this issue. She reported the group looked at best practice guidelines and came up with what we felt would be the best-case scenario and that came out in the recommendations which were made public a few weeks back.

After discussion, a motion was made to approve the Request by PED for Support of Guidance for Schools Re-opening and continue further discussion as NMPSIA receives further information.

MOTION: T. Ruiz

SECONDED: C. Parrino

A roll call vote was taken.

Ms. Vigil called roll:

Mary Parr-Sanchez - Yes
Chris Parrino, Vice President - Yes
Alfred Park, Secretary – Yes
Denise Balderas - Yes
Tim Crone- Yes
Pauline Jaramillo - Yes
David Martinez Jr. – Yes
Sammy Quintana - Yes
Trish Ruiz – Yes
Ricky Williams – Yes

Vote carried unanimously

11. Next Meeting Date and Location

Ms. Parr-Sanchez reported the next meeting date and location is scheduled for August 6, 2020 at the Inn of The Mountain Gods in Ruidoso, NM. She stated this will be an in-person meeting with the option to attend virtually for those that are not comfortable meeting in person.

Mr. Valerio stated Ms. Vigil has been working with Inn of The Mountain Gods, and they have reassured us that the hotel will be following sanitizing and social distancing protocols.

Mr. Park stated according to all the news reports, COVID-19 spread is on the rise. He asked if staff proceeds with this and things change in the next two or three weeks will we lose money. He stated we should stay on the cautious side.

After discussion, the Board decided to hold the August meetings virtually due to COVID-19.

13. Adjournment

The NMP5IA Special Board Meeting was adjourned at 12:08 p.m.

APPROVED

 8/20/2020