

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

**Virtual Meeting:** <https://global.gotomeeting.com/join/161287685>

**Dial in: +1 (571) 317-3122  
Access Code: 161-287-685**

**Thursday, May 7, 2020**

**1. CALL TO ORDER**

Ms. Mary Parr-Sanchez called the NMPSIA Board Meeting to order at 9:00 a.m. on Thursday, May 7, 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  
Dave Willden  
Ricky Williams

**Absent:**

**Staff Members Present via virtual/telephonic meeting:**

Richard Valerio, Executive Director  
Patrick Sandoval, 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.
Richard Cangiolosi	CCMSI
Steve Vanetsky	CCMSI
Jerry Mayo	CCMSI
Dr. Nura Patani	Segal
Sam Garcia	Davis Vision
Stephanie Anthony	United Concordia
Ellen Cark	PFM
Heather Leclerc	BCBSNM
Maureen Sergel	BCBSNM
Ingrid Jarud	Presbyterian
Steve Valdez	Presbyterian
Connor Jorgensen	LFC
Joseph Simon	DFA
Kathy Payanes	Erisa
Martha Quintana	Standard
Harris Zeyae	Express Scripts

**3. INTRODUCTION OF GUESTS**

There were no guests.

**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)**

Mr. Richard Valerio, Executive Director, NMPSIA, requested that items 10.B through 10.H be addressed as part of a consent agenda and be voted on at one time.

Mr. Martin Esquivel, NMPSIA General Counsel stated that a motion will be necessary to amend the agenda so that these items can be voted on at one time.

A motion was made to approve the agenda as amended with items 10.B through items 10.H be placed on a consent agenda.

**MOTION:** D. Willden

**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  
Dave Willden – Yes

**Vote carried unanimously.**

**6. APPROVAL OF APRIL 9, 2020 BOARD MINUTES (Action Item)**

A motion was made to approve the April 9, 2020 NMPSIA Board Minutes 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  
Dave Willden – Yes

**Vote carried unanimously.**

## **7. ADMINISTRATIVE MATTERS**

### **7. A COVID-19 Update**

Mr. Valerio provided a COVID-19 update. He stated the stay at home order was extended by the Governor until May 15, 2020. Mr. Valerio stated the NMPSIA office is closed to the public and staff is continuing to telework.

He reported the Governor mandated that insurance companies cover the cost and testing and treatment of COVID-19. NMPSIA, as well as the other IBAC entities, has opted into this. He reported that through the end of April, there have been 25 claims through Presbyterian with one of those resulting in a positive test. Mr. Valerio stated the amount spent through the end of April is \$19,178 for Presbyterian with \$1,357 of that going to testing. Mr. Valerio reported that he is waiting on financial information from Blue Cross Blue Shield (BCBS). He reported 2 members of BCBS have been hospitalized.

Mr. Valerio stated it was brought to his attention that a member has been charged for COVID-19 related issues. He stated he will work with the health plans to ensure that everything is being coded correctly and that members will not be charged for testing.

Mr. Valerio reported another issue that came up at the BAC was behavioral health, especially during this pandemic. He stated NMPSIA will look at the Low Option plans, which currently have a 25% charge of the claim cost. High Option plans have a \$30 deductible. He stated he will be working with Dr. Patani on modeling to see if the Low Option plan can move to a lower copay instead of the 25% charge.

### **7. B Temporary Waiver of Premium Payment Penalties and Interest (Action Item)**

Mr. Valerio stated there were discussions at the BAC and the RAC regarding this item. He stated with COVID-19 and most of the school staff teleworking, there were some concerns that schools may be getting payments in late. He stated the BAC is recommending extending the 10 day grace period by an additional 10 days, for a total of 20 days for the monthly benefit premium payments. He stated the Risk premium payments are due August 1, 2020 with a 10 day grace period, and the RAC is recommending extending that period by an additional ten days, which would make the Risk premium due on August 20, 2020. He stated what is being waived is the pay as billed penalty and the 1.5% interest charge.

Mr. Parrino stated that this temporary waiver would be for May 2020, June 2020 and July 2020. He stated this would be re-evaluated at the August 2020 meeting.

A motion was made to approve the Temporary Waiver of Premium Payment Penalties and Interest for both the Benefits Premium Payments and the Risk Premium Payments.

**MOTION:** T. Ruiz

**SECONDED:** R. Williams

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  
Dave Willden – Yes

**Vote carried unanimously.**

#### **7. C Extension for General Legal Counsel Services Agreement (Action Item)**

Mr. Valerio presented the extension for General Legal Counsel Services. He stated there is no change in compensation for this agreement. This extension is for the period July 1, 2020 through June 30, 2023.

A motion was made to approve the extension to the General Legal Counsel Services Agreement as presented.

**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  
Dave Willden – Yes

**Vote carried unanimously.**

## **7. D Extension for Facility Maintenance Services Agreement (Action Item)**

Mr. Valerio presented the extension for the Facility Maintenance Service Agreement for the period July 1, 2020 through June 30, 2023. He stated there is an annual increase in compensation to this contract by 3.5%, which was negotiated during the RFP process. He stated next year's compensation will be \$32,777.43. Mr. Valerio stated staff is recommending approval.

A motion was made to approve the extension to the Facility Maintenance Services Agreement as presented.

**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  
Dave Willden – Yes

**Vote carried unanimously.**

## **8. FINANCIAL MATTERS**

### **8. A Financial Reports for March 2020 (Action Item)**

Mr. Patrick Sandoval, NMPSIA Chief Financial Officer, reviewed the statement of revenues and expenditures for the Employee Benefits Fund for the period 3/1/2020 through 3/31/2020. The Benefits Fund had revenues in the amount of \$24,229,778.66; expenditures in the amount of \$28,907,309.68; resulting in a loss of 4,677,531.02.

Mr. Sandoval reviewed the statement of revenues and expenditures for the Risk Fund for the period 3/1/2020 through 3/31/2020. The Risk Fund had revenues in the amount of \$6,020,555.56; expenditures in the amount of \$6,708,490.58; resulting in a loss of \$687,935.02.

Mr. Sandoval reviewed the statement of revenues and expenditures for the Program Support Fund for the period 3/1/2020 through 3/31/2020. The Program Support Fund had revenues

in the amount of \$110,182; expenditures in the amount of \$84,629.06; resulting in a surplus of \$25,552.94.

Mr. Sandoval reviewed the balance sheet for the period 3/1/2020 through 3/31/2020. Program Support had total assets of \$1,054,498.62, total liabilities of \$189,730.30, and fund equity of \$864,768.32. Employee Benefits had total assets of \$46,157,695.83, ending liabilities of \$33,077,507.26, and fund equity of \$13,080,188.57. Risk had assets of \$98,901,651.87, liabilities of \$103,497,408.61, and a loss of \$4,595,756.74. Total assets for the agency were \$146,113,846.32 and ending liabilities of \$136,764,646.17. Combined fund equity for the agency was \$9,349,200.15.

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

**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  
Dave Willden – Yes

**Vote carried unanimously.**

#### **8. B FY2021 Operating Budget (Action Item)**

Mr. Sandoval reported that the FY21 Operating Budget is equal to HB2, Section 4, Appropriation of \$414,506,100 and Section 8 which provides a 4% increase of \$32,100 for Classified and Exempt Employees compensation package and \$3,300 for pension cost, as well as an increase to Other Financing Uses from Benefits and Risk for \$17,700 each to fund the Personal Services increases for a total of \$414,576,900. He reported the Supplemental Appropriation in Section 6 for \$10,000,000 was also budgeted. Supplemental can only be used in FY20 to cover deficits for the purpose specified for which there are no other funds available. Any unexpected amounts shall revert at the end of FY20.

A motion was made to approve the FY2021 Operating Budget as presented.

**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  
Dave Willden – Yes

**Vote carried unanimously.**

### **8. C Approval of Budget Adjustment Request – Increase (Action Item)**

Mr. Sandoval stated staff would like to request a Budget Adjustment Request for the Benefits Fund. Projections are showing to exceed budget by \$8.8 million dollars due to claims costs. Staff would like to request a Budget Adjustment in the amount of \$12.5 million in case there are any unexpected claims that arise the next couple of months.

A motion was made to approve the Budget Adjustment Request as presented.

**MOTION:** P. Jaramillo

**SECONDED:** R. Williams

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  
Dave Willden – Yes

**Vote carried unanimously.**



## **8. D Investment Performance Review for the Quarter Ended March 31, 2020 & Investment Update (Action Item)**

Ms. Ellen Clark, PFM provided a brief presentation of the Investment Performance Review for the quarter ended March 31, 2020 & Investment Update. She reported that the investment markets have been very volatile with the onset of COVID-19 and the stay at home orders throughout the world. Ms. Clark reported we are in a recession as a result of the decline in the markets. She reviewed a timeline of events since the end of December. Ms. Clark reported on the Domestic Equity, Non-U.S. Equity, Fixed Income and Alternatives. Ms. Clark reported that economists expect a significant and immediate downturn in the U.S. Economy due to the uncertainty regarding the continued spread and duration of COVID—19. Ms. Clark stated that looking longer term, we are still in the black and based on PFM's Capital Markets Assumption, with a 5.5% or 6.5% return on the U.S. Stock Market is what we expect going forward in five years. She reviewed the Benefits Plan Performance and the Risk Plan Performance in detail.

A motion was made to approve the Performance Review for the Quarter Ended March 31, 2020 & Investment Update as presented.

**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  
Dave Willden – Yes

**Vote carried unanimously.**

## **8. E Rebalancing of Long-Term Investments (Action Item)**

Ms. Clark reviewed the recommended asset allocation targets. She stated PFM is recommending that NMPSIA rebalance the Benefits and Risk Fund to strategic targets. She reported as of 3/31/2020 the portfolios were a little bit over fixed income because of the dramatic rise in the stock market in April. She stated we are close to targets but may need to do some investment within Domestic Equity and International Equity to bring the portfolios

back into line. Ms. Clark stated that PFM is recommending a rebalance for the Benefits Fund and the Risk Fund managed by the State Investment Council.

A motion was made to approve the Rebalancing of Long-Term Investments.

**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  
Dave Willden – Yes

**Vote carried unanimously.**

## **9. BENEFITS MATTERS**

### **9. A Reconsideration of FY21 Benefit Premium Rate Increases (Action Item)**

Mr. Valerio reported last week he had a conversation with the Superintendents Association and the Coalition of Educational Leaders. He stated Mr. Williams and Mr. Willden were also on the call. Mr. Valerio stated the topic of discussion was the looming special session that will be in June. He stated there was discussion that the 4% salary increases for teachers may be reduced or taken away all together due to the projected budget shortfall in the state. Mr. Valerio stated they have asked the NMPSIA Board to possibly reconsider reducing the premium rate increases that were passed on in March 2020. Mr. Valerio stated the increases were a 7.9% blended premium increase, which is 8.7% to the High Option Plans and 2.1% to the Low Option Plans. Mr. Valerio stated that during the discussion, one of the arguments was that there should be savings in the funds with the decrease in elective procedures.

Mr. Willden stated he thinks that we would be wise to hold off on making any changes until we know what will happen in the Special Legislative Session in June.

Mr. Williams stated that he wanted to recognize the fact that Mr. Valerio did a really good job in explaining the increases.

Dr. Patani provided a brief updated presentation and review of the October 1, 2020 rate setting. She reported there has been some decline in the claims volume as a result of delayed elective procedures. She stated that staff does anticipate that they will start to increase as the state opens. Dr. Patani reviewed projections for the remainder of this Fiscal Year. She stated based on the updated projection, a \$13.1 million-dollar overall loss is projected. Through the end of March there has already been \$13.6 million dollar loss. She stated we are anticipating there is going to be some of that during the remainder of the year, but there is a pre-paid claim adjustment that will be made due to the requirements of the auditors for pre-booking of claims, which makes the net impact of those a positive one for NMPSIA. For the end of FY20 the projected fund balance is approximately \$13.5 million dollars, which represents about a half a month of claims. Dr. Patani stated that projected fund balance that was reported in March, was \$10.8 million dollars which can be attributed to the delayed procedures. Dr. Patani stated this means the starting point going forward is slightly better. Dr. Patani reviewed the scenarios that were presented in March as well as the scenario that was adopted. The scenario that was adopted includes a blended 7.9%. Dr. Patani stated back in March we anticipated that the level increase in future years would be 8.7%, but the improvements that we are projecting result in that coming down to 8.3% in future years in order to get to the target fund balance of one month of claims. Dr. Patani stated that Segal had been asked to look at an additional scenario that held the rate increase to 6% and keeping the low option at no more than a 2.1%, which would result in a blended increase of 5.5%. This would result in a lower fund balance at the end of Fiscal Year 2025. In order to avoid dropping to a negative fund balance level in Fiscal Year 2022, we are projecting that an 11.1% increase would be required. In future years to get back up to that target fund balance level we would be looking at an 8.5% increase.

Ms. Parr-Sanchez stated that the 11.1% increase really caught the attention of the BAC. She stated the consensus of the BAC was to not lower the percentage increase at this time.

There was discussion about the impact of COVID-19.

Mr. Valerio stated that one of the upcoming items is an amendment to the Segal contract which would allow them to research the effects of COVID-19 and provide information.

Mr. Williams asked if the Board could table this item pending the outcome of the Special Legislative Session.

Mr. Valerio stated that the Board could wait, and we could bring back an updated projection in line with whatever increases are passed. He stated that anything that goes lower, we would still be potentially getting into a negative fund balance.

Ms. Ruiz stated the Board supported the increase prior to COVID-19. She went on to state everyone is economically impacted. Ms. Ruiz stated she cannot in good conscience support the increase. She stated she understand the budget constraints and the possibility of an 11% increase next year. Ms. Ruiz stated she represents school employees that have spouses that have been laid off from oil and gas jobs and are relying on their small income. Ms. Ruiz stated she thinks that it is great to come back to the table.

Dave Willden stated that right now everyone is set to get a 4% raise. He stated if that changes, then that would be the time to take a look at this again. Mr. Willden stated he feels the best move is to wait for the outcome of the Special Session.

Ms. Parr-Sanchez stated the BAC has recommended we move forward.

Mr. Parrino made a motion that NMPSIA maintain the rate that was previously approved in March.

**MOTION:** C. Parrino

**SECONDED:** D. Martinez Jr.

Dave Willden asked if we can still come back and discuss depending on what happens at the Special Session.

Mr. Esquivel stated the only concern he has would be the contractual relationship with the providers and the time frame. He stated we could revisit this based on the outcome and funding levels.

Mr. Valerio stated the rate increases will not go into effect until October, however if it is needed, a special meeting could be called.

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 – No  
Ricky Williams - No  
Dave Willden – Yes

**Vote carried.**

### **9. B Approval of Pulmonary and Stepin Remote Monitoring Programs (Action Item)**

Mr. Valerio reported that a few months ago, Harris Zeyae, Express Scripts, provided a detailed overview of the Pulmonary and Stepin Remote Monitoring Programs. Mr. Zayae provided a detailed presentation in the BAC meeting of the cost benefit analysis of these programs. Mr. Valerio reported that Express Scripts targeted 555 members that would benefit from the Pulmonary Program with a 5.5% estimated participation level of 31 members, there would be an estimated health care savings cost of \$61,020. He stated the annual fee for the

Pulmonary Program are \$30,510, so there would still be a small savings of \$30,510. The savings are enough to cover the cost of the program fees. Mr. Valerio reported Express Scripts has targeted 1,730 potential members with a 5% participation level of 87 members in the Stepin Program. He stated the cost of the Stepin Program is \$72,660 and program fees are \$51,900. Mr. Valerio stated we would have a savings of \$20,760. He stated it is the recommendation of the BAC to approve the Pulmonary and Stepin Remote Monitoring Programs.

A motion was made to approve the Pulmonary and Stepin Remote Monitoring Programs.

**MOTION:** C. Parrino

**SECONDED:** S. Quintana

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  
Dave Willden – Yes

**Vote carried unanimously.**

**9. C Extension of Group Basic Life and AD&D, Group Voluntary Life and AD&D and Group Long Term Disability Coverage Agreement (Action Item)**

Mr. Valerio presented the Extension of Group Basic Life and AD&D, Group Voluntary Life and AD&D and Group Long Term Disability Coverage Agreement for review and approval. He stated there are no changes to compensation. This extension is for the period July 1, 2020 through June 30, 2023.

A motion was made to approve the extension of Group Basic Life and AD&D, Group Voluntary Life and AD&D and Group Long Term Disability Coverage Agreement as presented.

**MOTION:** D. Willden

**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  
Dave Willden – Yes

**9. D Extension of Pharmaceutical Benefits Management Services Agreement (Action Item)**

Mr. Valerio presented the extension of the Pharmaceutical Benefits Management Services Agreement for review and approval. He stated there are no changes to the compensation. This extension is for the period July 1, 2020 through June 30, 2022.

A motion was made to approve the extension of the Pharmaceutical Benefits Management Services Agreement.

**MOTION:** P. Jaramillo

**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  
Dave Willden – Yes

**9. E Amendment to Benefits Consulting and Actuarial Services Agreement (Action Item)**

Mr. Valerio presented the amendment to the Benefits Consulting and Actuarial Services Agreement with Segal. his amendment is adding to the scope of work so that Segal can

provide COVID-19 cost impact modeling and analysis. The cost of these services is \$12,000, increasing the compensation from \$285,000 to \$297,000.

A motion was made to approve the amendment to the Benefits Consulting and Actuarial Services Agreement as presented.

**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  
Dave Willden – Yes

#### **9. F Presbyterian Health Plan Operational Performance Guarantees – COVID-19 Pandemic (Action Item)**

Mr. Valerio reported that Presbyterian has requested the NMPSIA Board consider temporarily waiving performance guarantees related to enrollment and member service performance for the first quarter of 2020 through the remainder of the stay at home order. Mr. Valerio stated that Presbyterian has not failed to meet any of these performance guarantees to date. The BAC discussed being that Presbyterian has not had any performance guarantees not being met yet, to hold off on approving this request. If anything comes up during this time, then Presbyterian can come back to the Board and explain why they were not met, and the Board can review it and make a decision at that point.

A motion was made to approve the recommendation of the BAC.

**MOTION:** C. Parrino

**SECONDED:** S. Quintana

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  
Dave Willden – Yes

#### **9. G Tucumcari Dental Provider Network (Action Item)**

Mr. Valerio reported there was an issue in Tucumcari with the one provider contracted with United Concordia. The provider resigned from the United Concordia network effective April 14, 2020. This is resulting in any claims for members that see this provider being paid as out of network with a higher cost. He explained the next closest provider is approximately 45 to 50 miles away and there are currently 230 employees enrolled. Mr. Valerio stated that staff is working to contract with another dental carrier who is contracted with the provider but it will not go into effect until January 1, 2021. Mr. Valerio requested that members be held harmless and claims would be paid to this provider temporarily as in network. He stated it is the recommendation of the BAC to pay these claims as in network until the new contract with the new provider is in place.

A motion was made to approve the request as presented.

**MOTION:** S. Quintana

**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  
Dave Willden – Yes

#### **9. H 2020-2021 Part-Time Employee Resolutions (Action Item)**

Mr. Valerio stated that the part-time resolutions outlined in the monthly packet are about half of the resolutions that require approval for the upcoming year. He stated the rest of the



resolutions will be brought back next month. Mr. Valerio reported it is the recommendation of the BAC to approve the Part-time Employee resolutions as presented.

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

**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  
Dave Willden – Yes

## **9. I Wellness Update**

Ms. Katherine Chavez, Benefits and Wellness Operations Manager, NMPSIA reported that this month is mental health and self-care month. She stated this month we created wellness and awareness campaigns offering mindfulness stress programs to accommodate member's needs. She reported that the behavioral health options are posted on the NMPSIA website as well as on the COVID-19 banner.

## **10. RISK MATTERS**

### **10. A. 1. Property & Liability Monthly Claims Report**

Mr. Steve Vanetsky, CCMSI, reported on the Property & Liability Monthly Claims Report. He stated that for the month of March 2020 there were 393 open claims, 59 new claims and 60 claims were closed. Mr. Vanetsky reported that reserves were at \$43,051,570.17, payments were \$30,297,867.57 for a total of \$73,349,437.74.

### **10. A. 2. Property & Liability Large Losses**

There were no large losses to report.

### **10. A. 3. Workers' Compensation Monthly Claims Report**

Mr. Jerry Mayo, CCMSI, provided the Workers' Compensation Monthly Claims Report for Districts as of March 31, 2020. He reported that during the month of March there were 1032 open claims, 24 claims were re-opened, 126 new claims, and 233 claims were closed. Mr. Mayo reported that reserves were at \$15,336,386.15; payments were \$52,278,142.52; for a total of \$67,614,528.67. Mr. Mayo reported on the Workers' Compensation Monthly Claims Report for Charter Schools as of March 31, 2020. Mr. Mayo reported that during the month of March, there were 33 open claims, 2 new claims, and 11 claims were closed, and 1 claim was re-opened. Mr. Mayo reported that reserves were at \$708,739.78; payments were \$1,416,500.31; for a total of \$2,125,240.09.

### **10. A. 4. Workers' Compensation Large Losses**

There were no large losses to report.

### **10. B Extension for Student Athletic and Vocational Accident Insurance Agreement (Action Item)**

### **10. C Extension for Property & Liability and Workers' Compensation Third Party Administrator Services Agreement (Action Item)**

### **10. D Extension for Insurance Broker, Consulting, Administrative Services and Loss Prevention Services Agreement (Action Item)**

### **10. E Extension for Ergonomic Services Agreement (Action Item)**

### **10. F Extension for Capital Asset Valuation Services Agreement (Action Item)**

### **10. G Extension for Driving Record Information Services Agreement (Action Item)**

### **10. H Extension for Property Liability and Workers' Compensation Claims Auditing Services Agreement (Action Item)**

Mr. Valerio reviewed items 10.B through 10.H in detail.

Mr. Valerio stated that there is no change in compensation for the Student Athletic and Vocational Accident Insurance Agreement. This extension is for the period July 1, 2020 through June 30, 2021.

Mr. Valerio stated there will be an annual increase for the Property & Liability and Workers' Compensation Third Party Administrator Services Agreement in the amount of 3.5%, excluding Gross Receipts Tax. This extension is for the period July 1, 2020 through June 30, 2023.

Mr. Valerio stated there will be annual increases for the Insurance Broker, Consulting, Administrative Services and Loss Prevention Services Agreement in as follows:

Insurance Brokerage and Consulting and Administration Services:

July 1, 2020 - June 30, 2021 - \$739,938

July 1, 2021 - June 30, 2022 - \$754,186

July 1, 2022- June 30, 2023- \$769,270

Loss Prevention Services:

July 1, 2020 – June 30, 2021 - \$1,988,532  
July 1, 2021- June 30, 2022 - \$2,043,388  
July 1, 2022 – June 30, 2023 - \$ 2,099,890

Mr. Valerio reported that there are no changes in compensation for the Ergonomic Services Agreement. This extension is for the period July 1, 2020 through June 30, 2022.

Mr. Valerio reported that there are no changes in compensation for the Capital Asset Valuation Services Agreement. This extension is for the period July 1, 2020 through June 30, 2023.

Mr. Valerio reported that there are no changes in compensation for the Driving Record Information Services Agreement. This extension is for the period July 1, 2020 through June 30, 2023.

Mr. Valerio reported that there are no changes in compensation for the Property Liability and Workers' Compensation Claims Auditing Services Agreement. This extension is for the period July 1, 2020 through June 30, 2022.

A motion was made to approve items 10.B through 10.H and placed on a consent agenda.

**MOTION:** D. Willden

**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  
Dave Willden – Yes

**Vote carried unanimously.**

**10. I Approval of 2020/2021 Property & Liability Claims Procedures (Action Item)**

Mr. Valerio provided the 2020/2021 Property & Liability Claims Procedures for review. He reviewed changes in detail.

A motion was made to approve the 2020/2021 Property & Liability Claims Procedures as presented.

**MOTION:** D. Willden

**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  
Dave Willden – Yes

**10. J Approval of 2020/2021 Workers' Compensation Claim Procedures (Action Item)**

Mr. Valerio presented the 2020/2021 Workers' Compensation Claims Procedures for review. He reviewed all changes in detail.

A motion was made to approve the 2020/2021 Workers' Compensation Claims Procedures as presented.

**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  
Dave Willden – Yes

**10. K Loss Prevention Update**

Ms. Julie Garcia, Poms & Associates, provided a brief loss prevention update. She reported on HB 129 that set out the requirement to come up with regulations for armed school security personnel. She stated a draft was written and Poms & Associates provided some comments on the draft. The final draft included suggested language for excluding someone for violence against a household member.

Ms. Garcia also reported that Poms & Associates did an extensive review on workers that were using protective equipment. Poms & Associates took the lead and ordered masks for cafeteria workers and any other staff involved with the public.

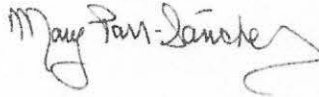
**11. NEXT MEETING DATE AND LOCATION**

Meeting Date and Location Scheduled for 9:00 a.m., Thursday, June 4, 2020. Location to be determined due to COVID-19.

**13. ADJOURNMENT**

The NMPSIA Board Meeting was adjourned at 10:56 a.m.

APPROVED:



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Mary Parr-Sanchez, President