

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

**Poms & Associates
201 3rd Street NW, Suite 400
Albuquerque, NM 87102**

Thursday, June 27, 2019

1. CALL TO ORDER

Ms. Mary Parr-Sanchez, called the NMPSIA Board Meeting to order at 9:00 a.m. on Thursday, June 27, 2019.

2. ROLL CALL

Ms. Pamela Vigil, called roll.

Present:

Mary Parr-Sanchez, President
Chris Parrino, Vice-President
Alfred Park, Secretary
Pauline Jaramillo (via conference call)
David Martinez Jr.
Trish Ruiz

Absent:

Tim Crone
Dave Willden
Ricky Williams

Staff Members Present:

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

Audience:

Martha Quintana	Erisa	David Poms	Poms & Assoc.
Kathy Payanes	Erisa	Julie Garcia	Poms & Assoc.
Stephanie Anthony	UCCI	Larry Vigil	Poms & Assoc.
Dr. Nura Patani	Segal	Richard Cangioli	CCMSI
Sam Garcia	Davis Vision	Louise Carpenter	CCMSI
Jennifer Oswald	Standard	Jerry Mayo,	CCMSI
Martin Esquivel	Esquivel & Howington	Greg Ramirez	CCMSI
		Henry Narvaez	Narvaez Law

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)

A motion was made to approve the agenda as presented.

MOTION: C. Parrino

SECONDED: D. Martinez Jr.

VOTE: Vote carried unanimously.

6. APPROVAL OF May 2, 2019 MINUTES (Action Item)

A motion was made to approve the minutes as presented.

MOTION: T. Ruiz

SECONDED: D. Martinez Jr.

VOTE: Vote carried.

7. APPROVAL OF JUNE 13, 2019 MINUTES (Action Item)

A motion was made to approve the minutes as presented.

MOTION: C. Parrino

SECONDED: T. Ruiz

VOTE: Vote carried.

8. ADMINITRATIVE MATTERS

8. A Executive Management Compensation (Action Item)

Ms. Parr-Sanchez stated that she would like to have a discussion regarding the Executive Management Compensation. She stated that recently the Governor raised the salaries of New Mexico State Agency Cabinet Secretaries from \$128,000 to \$150,000. Ms. Parr Sanchez indicated that these raises were justified to catch up with executives that have similar positions in other areas, and they are still considerably lower than private sector executive salaries. Ms. Parr-Sanchez stated that she believes NMPSIA's Executive Director is at a level that is consistent with a Department Cabinet Secretary and NMPSIA's Executive Director works around the clock for the agency with much experience. Ms. Parr-Sanchez proposed to the Board that the salary for NMPSIA's Executive Director be raised to a level that the Governor raised the Cabinet Secretaries, which is \$150,000, effective June 29, 2019. Ms. Parr-Sanchez requested input from the Board.

Mr. Parrino asked if this salary increase proposal was for the Deputy Director and the Chief Financial Officer as well.

Ms. Parr-Sanchez stated that she would also like to discuss compensation for the Deputy Director and the Chief Financial Officer, but thought it would be appropriate to discuss individually primarily because of the parity of the Cabinet Secretaries salaries and the amount that they were increased to. She stated that she would also like to discuss an increase for the Deputy Director and the Chief Financial Officer.

Ms. Ruiz asked for the current salary of the Executive Director.

Ms. Parr Sanchez stated that the current salary for Ms. Chavez is \$127,500. She stated that the salary would be raised to \$150,000. She stated that the Governor increased the cabinet secretary salaries from \$128,000 to \$150,000.

Mr. Park stated that historically, Cabinet Secretaries of the Governors office made around \$110,000. He stated that after Governor Lujan Grisham took office, salaries were raised to a standardized amount of \$125,000. It was reported in the media that after some difficulty filling some Cabinet positions the Governor raised the salaries to \$150,000 in order to ensure that NM State Government operates at a high level.

Mr. Parrino asked Mr. Valerio what the process was in order to increase salaries.

Mr. Valerio stated that the NMPSIA Board has final approval.

Mr. Park stated that other options can be discussed if the Board is hesitant to go straight to \$150,000.

Ms. Parr-Sanchez stated that a competitive salary for Executive Management provides stability for the organization, which is important.

Ms. Ruiz stated that she appreciates and recognizes the tremendous job that Ms. Chavez and the NMPSIA staff do, but she is hesitant to approve an increase of \$150,000. She stated that it was just over a year ago that NMPSIA Executive Management received a significant pay increase. Ms. Ruiz stated that the salary increases that the Governor approved are for Cabinet Secretaries and she believes that there is a difference. Ms. Ruiz stated that executive management work is invaluable, but she is not sure about this increase.

Mr. Parrino asked what the Deputy Directors Salary and Chief Financial Salaries are.

Ms. Parr-Sanchez stated that the Deputy Directors salary is at \$108,000 and the Chief Financial Officers salary is at \$92,000.

Mr. Parrino asked if Executive Management would receive raises when other state employees would be receiving one. Ms. Chavez deferred to Mr. Sandoval to clarify this question.

Mr. Sandoval stated that the 4% raise is for both classified and exempt employees effective the first full pay period in July.

Ms. Parr-Sanchez stated that it has been several years since the Executive Director's salary level has been raised. She stated that when Ms. Chavez, Mr. Valerio and Mr. Sandoval were promoted, they were promoted into a salary level that was the same for several years. Ms. Parr-Sanchez stated that we are behind in paying NMPSIA Executive Management salaries that are conducive to other state employees.

Mr. Park asked if it was possible to have a comprehensive review of salaries between now and the next meeting and look at comparable salaries in state government.

Mr. David Martinez Jr. stated that he does agree that Executive Staff deserves an increase in salary, however he was concerned with the increase to insurance premiums that are being passed on to teachers and school employees.

Mr. Parrino stated that a decision should be made now because of the new fiscal year. He recommended the possibility of giving Executive Management a 6% raise.

Mr. Martinez Jr. asked if this type of raise has been budgeted for this Fiscal Year. Mr. Valerio stated that it was not anticipated, so it was not factored in.

Ms. Jaramillo reported that Ms. Chavez is committed and dedicated to NMPSIA. Ms. Jaramillo stated that Mr. Joe Guillen, Executive Director for New Mexico School Boards Association was given a salary increase. She stated that he was at \$129,000, and the increase to \$150,000 and 100% paid health insurance benefits. Ms. Jaramillo stated she thinks that if Ms. Chavez is not given \$150,000, she believes that she deserves more than 6%.

Ms. Parr-Sanchez asked if it was possible to raise the Executive Directors salary to \$150,000, and to provide the Deputy Director and Chief Financial Officer 6% to be re-evaluated next year.

Mr. Martinez Jr. asked if the 6% would be in addition to the 4% raise that will be given to state employees, or would it be a 2% increase.

Mr. Park stated that last year there was a meeting to discuss salaries when Executive Staff was promoted. He stated that he agrees with Ms. Jaramillo and that all of these positions are historically underfunded. He stated his preference would be to look at comparable salaries and come back with a recommendation at the next meeting and make it retroactive to June 29, 2019.

Ms. Parr Sanchez asked if the will of the Board is to form a committee to gather information between now and the next meeting, bring a recommendation back at the next Board Meeting and approve increases retro-active for the Executive Director, Deputy Director and the Chief Financial Officer.

Ms. Ruiz made a motion to form a committee to look at salary schedules for position of Executive Director, Deputy Director and Chief Financial Officer to convene prior to the August Board Meeting, and bring back a recommendation for retroactive approval.

Mr. Narvaez suggested that the motion states that this item would be tabled.

Mr. Park suggested that an appropriate motion would be defer Executive Management Compensation to the next meeting.

Ms. Parr-Sanchez asked if Ms. Ruiz would accept this amendment to her motion. She stated that the motion would be to defer this item until the next meeting.

Ms. Ruiz agreed to accept the amendment to her motion.

MOTION: A. Park

SECONDED: C. Parrino

Ms. Jaramillo asked when the committee would be formed.

Ms. Parr-Sanchez stated that it would be formed after the vote.

VOTE: Vote carried.

Ms. Parr-Sanchez stated that she would like to serve on the committee. She requested additional volunteers.

Ms. Jaramillo volunteered to serve on the committee.

Ms. Ruiz volunteered to serve on the committee.

Mr. Parrino asked when and where the committee would meet.

Ms. Parr-Sanchez stated that it could be conducted via teleconference.

Mr. Parrino volunteered to serve on the committee.

Mr. Martinez Jr. volunteered to serve on the committee.

Mr. Martinez Jr. pointed out that this would be considered a quorum of the Board.

Mr. Parrino stated he would step down from this committee.

8. B Legislation and Upcoming Events

Ms. Chavez reported that NMPSIA has met with the Public Education Department (PED). She said there have been some very effective meetings and thanked Poms & Associates for assistance at these meetings.

Ms. Chavez reported that discussions have also taken place with PED regarding the armed personnel policy.

Ms. Chavez reported that Segal has been working on updating the Summary of Coverage with respect to removing the age limit for autism benefits.

Ms. Chavez reported on the regional educational training meetings, and she indicated the meetings help education school personnel about employee benefits.

8. C FY20 Risk Premium Payment Plan and Interest Waiver Exception (Action Item)

Ms. E. Chavez reported that over the last couple of years some districts have requested installment plans for their risk premium payments. She stated that after reviewing the Rules and R, it is appropriate to bring this request to the Board for approval to allow installment plans. She stated this would allow schools to make their payments in up to three installment payments.

A motion was made to approve the FY20 Risk Premium Payment Plan and Interest Waiver Exception as presented.

MOTION: C. Parrino
VOTE: Vote carried.

SECONDED: T. Ruiz

8. D Employee Benefits Board Policy – Pay as Billed and Pay Timely Penalties (Action Item)

Ms. E. Chavez stated that on September 1, 2002, the NMPSIA Board approved a Penalty Waiver Board Policy that indicates if schools do not pay as billed, then they are assessed a penalty. She reported that over the years Erisa has tracked this very carefully and some schools have received penalties.

Ms. E. Chavez stated that at some point, schools have asked NMPSIA for a penalty waiver for not paying as billed. She stated that the NMPSIA was given Board authority to grant one penalty waiver within a 12-month period if a request came in. If any additional penalty waivers came in, they would be presented to the Board for consideration for approval. Ms. E. Chavez stated that she is asking the Board to consider reconfirming that there is a Penalty Waiver Board Policy that did go into effect September 1, 2002 and to expand the Policy to further allow the NMPSIA Executive Director to grant more than one penalty waiver within a twelve month period if the late payment was due to a bank error.

A motion was made to approve the request as presented.

MOTION: C. Parrino

SECONDED: P. Jaramillo

VOTE: Vote carried.

8. E Request for Out-of-State Travel for Richard Valerio- Blue Cross Blue Shield Annual Major Accounts Council (MAC), Spring 2019 Meeting- May 28-30, Chicago, IL (Action Item)

Ms. E. Chavez stated she is a member of the Blue Cross Blue Shield Annual Major Accounts Council but was unable to attend the meeting in Chicago. She stated she sent Mr. Valerio to represent her at the meeting. Ms. E. Chavez stated that she is requesting a retroactive Board approval for Mr. Valerio's out-of-state travel.

MOTION: P. Jaramillo

SECONDED: A. Park

VOTE: Vote carried.

Ms. E. Chavez stated that she wanted to point out that she and Mr. Valerio have been working hard on to cross-train in both Benefits and Risk, and this is one example of Mr. Valerio becoming more familiar with the benefits program.

8. F Blue Cross Blue Shield Annual Major Accounts Council (MAC) Spring 2019 Meeting Update

Mr. Valerio reported that he attended the Blue Cross Blue Shield Annual Major Accounts Council in Chicago. He stated that BCBS reported on a range of cost saving solutions and a recap of their strong financial performance. He stated that the company received

recognition as the most ethical company, and they are celebrating the 90th year for BCBS of Texas.

8. G Express Scripts 2019 Outcomes Conference Update

Mr. Valerio reported on the Express Scripts 2019 Outcomes Conference along with Ms. Jaramillo and Mr. Parrino. He stated that they presented on a variety of topics including a recent merger with Cigna. Mr. Valerio stated that they also discussed legislation which is currently impacting Medicare.

9. FINANCIAL MATTERS

9. A Financial Reports (Action Item)

Mr. Patrick Sandoval, NMPSIA Chief Financial Officer, reviewed the statement of revenues and expenditures for the Employee Benefits Fund for the period 4/1/2019 through 4/30/2019. The Benefits Fund had revenues in the amount of \$25,561,048.44; expenditures in the amount of \$26,701,876.16; resulting in a loss of \$1,140,827.72.

Mr. Sandoval reviewed the statement of revenues and expenditures for the Risk Fund for the period 4/1/2019 through 4/30/2019. The Risk Fund had revenues in the amount of \$7,055,132.90; expenditures in the amount of \$7,407,078.64; resulting in a loss of \$351,945.74.

Mr. Sandoval reviewed the statement of revenues and expenditures for the Program Support Fund for the period 4/1/2019 through 4/30/2019. The Program Support Fund had revenues in the amount of \$109,800; expenditures in the amount of \$94,256.19; resulting in a net gain of \$15,543.81.

Mr. Sandoval reviewed the balance sheet for the period 4/1/2019 through 4/30/2019. Program Support had total assets of \$935,054.62, total liabilities of \$76,394.14, and fund equity of \$858,660.48. Employee Benefits had total assets of \$54,429,628.70, ending liabilities of \$30,020,907.52, and fund equity of \$24,408,721. Risk had assets of \$92,378,424.43, liabilities of \$88,374,228.02, and fund equity of \$4,004,196.41. Total assets for the agency were \$147,743,107.75 and ending liabilities of \$118,471,529.68. Combined fund equity for the agency was \$29,271,578.07.

A motion was made to approve the April 2019 Financial Reports.

MOTION: T. Ruiz

SECONDED: D. Martinez Jr.

VOTE: Vote carried unanimously.

10. RISK MATTERS

10. A Request to Approve Amendment to Increase Poms & Associates Insurance Broker, Consulting, Administrative and Loss Prevention Services Contract Cap from \$2,500,174 to \$2,660,174 – Effective July 1, 2019-June 30, 2020 (Action Item)

Mr. Valerio presented an amendment to increase the Poms & Associates Insurance, Broker, Consulting, Administrative and Loss Prevention services Contract Cap from \$2,500,174.00 to \$2,660,174.00. He stated that in May 2019, the Authority's Risk Advisory Committee asked the Contractor to submit a proposal to hire an additional employee to assist the current Civil Rights Specialist. The objective is to provide face to face training to all staff in New Mexico for using the ID, a Predator Program, Boundaries Policy, and other recommendations from the United States Department of Education as well as recommendations from the PED Task Force on Ethical Misconduct by School Employees. In addition, Legislative services will be provided.

Mr. Valerio stated that it is the recommendation of the Risk Advisory Committee to approve the Amendment as presented.

A motion was made to approve the Amendment to Increase Poms & Associates Insurance Broker, Consulting, Administrative and Loss Prevention Services Contract Cap from \$2,500,174.00 to \$2,660,174, effective July 1, 2019 to June 30, 2020.

MOTION: C. Parrino

SECONDED: T. Ruiz

VOTE: Vote carried unanimously.

10. B Request to Approve Agreement for New Mexico Highlands University to Join the NMPSIA Risk Program- Effective July 1, 2019 (Action Item)

Ms. E. Chavez reported that New Mexico Highlands University reached out to Poms & Associates to discuss enrolling in the NMPSIA Risk Program. She stated that New Mexico Highlands University has agreed to enroll effective July 1, 2019. Ms. E. Chavez stated that there is a draft agreement for review.

Mr. Poms reported that New Mexico Highlands University has been very excited to join the Risk Program for about a year now.

A motion was made to approve the Agreement for New Mexico Highlands University to Join the NMPSIA Risk Program Effective July 1, 2019.

MOTION: C. Parrino

SECONDED: D. Martinez Jr.

VOTE: Vote carried unanimously.

10. C Request to Approve Agreement for New Mexico School for the Blind and Visually Impaired to Join the NMPSIA Risk Program for Automobile Liability and Automobile Physical Damage for Transportation Services for the Early Childhood Program in Albuquerque- Effective July 1, 2019 (Action Item)

Ms. E. Chavez reported that since the last BAC Meeting, the New Mexico School for the Blind and Visually Impaired (NMSBVI) advised NMPSIA that they would be entering into a contract for School Bus Transportation Services for the Early Childhood Programs (ECP in Albuquerque) to transport students to and from home to school, within the greater Albuquerque and surrounding areas. As required, and within minimum acceptable coverage limits, NMSBVI will be required to purchase and maintain insurance that will protect it from claims that may arise as a result of this service. Ms. E. Chavez stated that NMSBVI currently has all property and casualty coverages through NM State Risk Management and is unable to secure coverage for third parties through this plan. She stated that NMSBVI is requesting Auto Liability and Auto Physical Damage coverages through NMPSIA. She stated that all other lines will continue to be through NM State Risk Management. Ms. E. Chavez stated that a copy of the NMSBVI Board of Regents Meeting Minutes and a draft copy of the agreement are presented for review.

Ms. Patricia Beecher, Acting Superintendent, NMSVI introduced herself to the Board and provided some details with respect to the request.

A motion was made to approve the Agreement for New Mexico School for the Blind and Visually impaired to join the NMPSIA Risk Program for Automobile Liability and Automobile Physical Damage for Transportation Services for the Early Childhood Program in Albuquerque Effective July 1, 2019.

MOTION: C. Parrino

SECONDED: D. Martinez Jr.

VOTE: Vote carried unanimously.

10. D TPA Reports

10. D. 1 Property & Liability Monthly Claims Report

Mr. Valerio referred to that the Property & Liability Claims Report. He stated that this report was presented in detail at the last RAC Meeting. Mr. Valerio reported that for the month of April 2019 there were 422 open claims, 81 new claims and 96 closed claims. Mr. Valerio reported that reserves were \$42,311,762.99, payments were \$26,431,943.36 for a total of \$68,743,706.35

10. D .2 Property & Liability Large Losses

Mr. Valerio reported that there was one sexual molestation claim. He stated increases to the reserve may be needed. He also reported that there was water damage at Lake Arthur Schools and Hail Damage at Hagerman Schools.

10. D. 3 Workers' Compensation Monthly Claims Report

Mr. Valerio reported on the Workers Compensation Monthly Claims Report. He stated that this report was presented in detail at the last RAC Meeting. Mr. Valerio reported that for the month of April there were 1035 open claims, 16 claims were re-opened, 218 new claims and 248 claims were closed. Mr. Valerio reported that reserves were at \$16,297,417.10, payments were \$54,759,852.71 for a total of \$71,057,269.81. Mr. Valerio reported that for Charter Schools there were 37 open claims, 15 new claims, 11 closed claims, and reserves were at \$641,041.53, payments were \$ 1,327,743.52 for a total of \$1,968,785.05.

10. D. 4 Workers' Compensation Large Losses

Mr. Valerio reported that there were 2 claims that reserves increased over \$50,000.

10. D. 5 Predictive Modeling

Mr. Valerio reported that this item was presented in detail at the last RAC Meeting. He stated that CCMSI presentation outlined how Artificial Intelligence (AI) and big data are transforming insurance decisions & processes. He stated that CCMSI has embraced AI as a valuable tool to enhance the information and the drivers that adjusters, supervisors and clients use to obtain better outcomes and financial results. Providing the claims team with key information early in a claim's life and (daily thereafter), allows adjusters the ability to be more pro-active in their claims handling.

10. E Loss Prevention Update

Mr. Larry Vigil, Poms & Associates, reported that they were invited to the Pojoaque Schools last month to perform a loss control audit. He explained that during the audit, they came upon a situation involving an old building in the middle school. He stated that part of the building is collapsing and leaking water. Mr. Vigil stated that a critical hazard letter was issued. He stated that since then, all operations have been discontinued in that building and the utilities have been shut off. He explained that the school is going through the RFP process to procure a company to perform the repairs.

Mr. Vigil reported on a situation involving a potential gas leak at the Central Consolidated School District. He stated that all employees were sent home after a smell of gas was detected. Mr. Vigil stated that after inspection it turned out that it was a result of pilot light that had gone off. The pilot was reignited and the gas smell was eliminated. Mr. Vigil stated that days later the Navajo Nation OSHA department called that they had been contacted by a former employee. After the Navajo Nation OSHA came out to inspect, they issued \$185,000. worth of citations to the school. He stated that Poms & Associates reviewed the citations and it appears that they will be able to dispute most of those citations.

10. F Sandy Hook Promise Update and Approval of Mandatory Participation (Action Item)

Ms. Garcia reported that Poms & Associates had asked the RAC to please make this program mandatory after low participation numbers were recorded. She stated that after discussion, the RAC agreed to make it mandatory July of 2020.

Ms. Parr-Sanchez stated that this program is free, however it does require manpower within the district. She stated that when talking to districts and the Governor's office, this issue needs to be stated. Ms. Parr-Sanchez stated that some space will need to be created for administrators to make sure that they can respond to these types of situations.

Ms. Ruiz stated that the RAC absolutely want to this program to ensure that schools have a safe culture. She stated that she had an issue with making it mandatory at the start of this school year this August. She thought we need time for school districts to figure out the logistics.

After a lengthy discussion, Ms. Parr-Sanchez stated that there is a Delegate Counsel Meeting on October 26. She stated that this would be a good opportunity to discuss the Sandy Hook Program and provide a detailed presentation to educate attendees.

Ms. Garcia stated she would be available to attend this meeting.

After discussion, a motion was made to make the Sandy Hook Promise Program mandatory effective August 2020.

MOTION: D. Martinez Jr.

SECONDED: P. Jaramillo

VOTE: Vote carried unanimously.

11. BENEFITS MATTERS

11. A Request to approve Amendment to Increase Blue Cross Blue Shield of New Mexico Contract Cap from \$142,180,000 to \$146, 180,000 – Effective July 1, 2018 – June 30, 2019 (Action Item)

Ms. E. Chavez reported that an amendment to increase the Blue Cross Blue Shield of New Mexico Contract cap from \$142,180,000 to \$146,180,000 effective July 1, 2018 to June 30, 2019. She stated that this is the time of year NMPSIA reviews contracts to determine if contract caps need to be changed in order to stay within expenditure authority.

Ms. Parr-Sanchez stated that the Benefits Advisory Committee recommends approval.

A motion was made to approve the request to approve the contract amendment to increase Blue Cross Blue Shield of New Mexico's contract cap from \$142,180,000 to \$146,180,000 – Effective July 1, 2018 – June 30, 2019

MOTION: T. Ruiz

SECONDED: C. Parrino

VOTE: Vote carried unanimously.

11. B Request to Approve Amendment to Increase Express Scripts Contract Cap from \$35,000,000 to \$37,000,000 – Effective July 1, 2018- June 30, 2019 (Action Item)

Ms. E. Chavez reported that this is an amendment to increase the contract cap from \$35,000,000 to \$37,000,000 – Effective July 1, 2018- June 30, 2019 to fund anticipated remaining claims for FY19.

A motion was made to approve the request to increase the contract cap from \$35,000,000 to \$37,000,000 – Effective July 1, 2018- June 30, 2019.

MOTION: C. Parrino

SECONDED: D. Martinez Jr.

VOTE: Vote carried unanimously.

11. C Request to Approve Amendment to Increase Saveon Contract Cap from \$750,000 to \$1,500,000 – Effective July 1, 2018 – June 30, 2019 (Action Item)

Ms. E. Chavez requested approval of an amendment to increase the Saveon contract cap from \$750,000 to \$1,500,000, effective July 1, 2018 to June 30, 2019.

A motion was made to approve the Amendment to Increase the Saveon Contract Cap from \$750,000 to \$1,500,000 Effective July 1, 2018 to June 30, 2019.

MOTION: C. Parrino

SECONDED: D. Martinez Jr.

VOTE: Vote carried unanimously.

11. D Request to Enter into Memorandum of Understanding with Albuquerque Public Schools to Participate in IBAC Contract for Project Manager for Medical, Dental and Vision RFP – Effective July 2019 (Action Item)

Mr. Valerio requested approval to enter into a Memorandum of Understanding (MOU) with Albuquerque Public Schools to participate in the IBAC Contract for Project Manager for Medical, Dental, and Vision RFP effective July 2019. He stated that there is a draft MOU in the Board book for review, and the final MOU will be brought to the Board for ratification later. Mr. Valerio reported that the IBAC is currently in the RFP process for project manager and vendors have been selected for interviews on Friday, June 28, 2019. He stated that once a vendor is selected, the IBAC will enter into contract negotiations and APS will be the entity initiating the contract.

A motion was made to approve the request as presented.

MOTION: C. Parrino

SECONDED: T. Ruiz

VOTE: Vote carried unanimously.

11. E Request to Approve 2019-2020 School Year Part-time Employee Resolution (Action Item)

Ms. E. Chavez requested approval for the following 2019-2020 School Year part-time employee resolutions:

- Albuquerque Charter Academy Standard
- Albuquerque School of Excellence Standard
- Central Consolidated School District Standard
- Deming Public Schools Non-Standard
- Espanola Public Schools Standard
- Hondo Valley Public Schools Standard
- Jemez Valley Public Schools Standard
- Lake Arthur Municipal Public Schools Standard
- Las Cruces Public Schools Non-Standard
- Los Alamos Public Schools Non-Standard
- Raton Public Schools Standard
- Roswell Independent School District Non-Standard

A motion was made to approve the 2019-2020 School Year Part-time Employee Resolutions as presented.

MOTION: C. Parrino

SECONDED: P. Jaramillo

VOTE: Vote carried unanimously.

11. F Bernalillo Public Schools Request to Increase Basic Life Coverage from \$25,000 to \$50,000 – Effective July 1, 2019 (Action Item)

Ms. E. Chavez presented a request from Bernalillo Public Schools to increase Basic Life Coverage from \$25,000 to \$50,000 effective July 1, 2019.

Ms. Chavez indicated Erisa Administrative Services, Inc., would work with the school district to identify any employees on an extended leave of absence. She indicated the increase in coverage for such employees would not increase until the first of the month following the day such employees return to actively at work status.

A motion was made to approve the Bernalillo Public Schools Request to Increase Basic Life Coverage from \$25,000 to \$50,000 – Effective July 1, 2019.

MOTION: P. Jaramillo

SECONDED: C. Parrino

VOTE: Vote carried unanimously.

11. G Los Alamos Public Schools' Request to Add NMPSIA Dental and Vision Coverage Effective September 1, 2019 (Action Item)

Ms. E. Chavez presented a request from Los Alamos Public Schools to add NMPSIA Dental and Vision coverage effective September 1, 2019.

A motion was made to approve Los Alamos Public Schools' Request to Add NMPSIA Dental and Vision Coverage Effective September 1, 2019.

MOTION: P. Jaramillo
VOTE: Vote carried unanimously.

SECONDED: C. Parrino

11. H Elida Municipal Schools Request to Add NMPSIA Dental and Vision Coverage Effective September 1, 2019 (Action Item)

Ms. E. Chavez presented a request from Elida Municipal Schools to add NMPSIA Dental and Vision coverage effective September 1, 2019.

A motion was made to approve Elida Municipal Schools Request to Add NMPSIA Dental and Vision Coverage Effective September 1, 2019.

MOTION: T. Ruiz
VOTE: Vote carried unanimously.

SECONDED: D. Martinez Jr.

11. I Presbyterian Network Update

Ms. E. Chavez provided an update on the provider health contract issue, which was brought to the attention of the Board a few months prior. She stated that Presbyterian has been in negotiations with Eastern Hospital in Roswell, Memorial Hospital in Las Cruces, Carlsbad Medical Center and Lea Regional in Hobbs with respect to the reimbursement rate for Medicaid Contracts. She stated that this issue has been resolved in a manner that does not affect the IBAC.

Ms. E. Chavez also reported on a new Presbyterian owned 24/7 Urgent Care/Emergency room facility located at San Pedro and Paseo in Albuquerque. She stated that this is the first of four locations to open in the next year. She further stated members enrolled under BCBSNM could utilize these locations as in-network.

11. J Wellness and Benefits Update

Ms. E. Chavez reported on the NMPSIA Wellness and Well-Being Program. She stated that a new hire orientation was held in Bernalillo on June 21, 2019 and another one will be held on July 26, 2019. Ms. E. Chavez reported that Regional Trainings will be held July 15 – July 19. Ms. E. Chavez also reported that the BCBSNM Naturally Slim Program continues to be a great program for NMPSIA members.

11. K IBAC Update

Ms. E. Chavez reported that she and Mr. Valerio were not able to attend the most recent IBAC meeting. She stated that Ms. K. Chavez represented NMPSIA at the meeting.

12. Executive Session to Discuss Threatened or Pending Litigation Pursuant to §10-15-1H(7) NMSA 1978 and RFPs and Contracts Pursuant to §10-15-1H(6) NMSA 1978

A motion was made to go into Executive Session pursuant to 10-15-1H (7) NMSA 1978 and 10-15-1H (6).

MOTION: P. Jaramillo
VOTE: Vote carried unanimously.

SECONDED: T. Ruiz

Ms. Vigil called roll to enter Executive Session at 10:57 a.m.

Mary Parr-Sanchez, President – Yes
Chris Parrino, Vice President- Yes
Alfred Park, Secretary – Yes
Pauline Jaramillo - Yes
David Martinez Jr. – Yes
Trish Ruiz - Yes

A motion was made to come out of Executive Session at 12:22 p.m. Ms. Parr-Sanchez stated that no action was taken in Executive Session.

MOTION: A. Park
VOTE: Vote carried unanimously.

SECONDED: P. Jaramillo

Ms. Vigil called roll:

Mary Parr-Sanchez, President – Yes
Chris Parrino, Vice President- Yes
Alfred Park, Secretary – Yes
Pauline Jaramillo - Yes
David Martinez Jr. – Yes
Trish Ruiz - Yes

13. Request to Approve Life and Long Term Disability Contract – Effective July 1, 2019 (Action Item)

Ms. E. Chavez stated that an RFP was issued in March for Life and Long Term Disability. She stated that the evaluation committee was comprised of representatives from NMPSIA, RHCA, APS and RMD. A draft contract was provided for review. She stated that it is the recommendation of NMPSIA and the Evaluation Committee to select Standard Insurance Company, and approve the Life and Long Term Disability Contract Effective July 1, 2019.

A motion was made to approve the Life and Long Term Disability Contract – Effective July 1, 2019.

MOTION: C. Parrino
VOTE: Vote carried unanimously.

SECONDED: D. Martinez Jr.

14. Request to Approve Life and Disability Premium Rates – Effective October 1, 2019 (Action Item)

Ms. E. Chavez presented the life and disability premium rates for approval. She stated that the rates between The Standard and NMPSIA would become effective October 1, 2019, but that she is recommending the increased rates passed on the participating entities and employees become effective October 1, 2020.

A motion was made to Approve Life and Disability Premium Rates – Effective October 1, 2020.

MOTION: C. Parrino

SECONDED: T. Ruiz

VOTE: Vote carried unanimously.

15. Selection of Vendor and Approval of Contract for Student Athletic and Vocational Accident Insurance – Effective July 1, 2019 (Action Item)

Mr. Valerio reported that he and Mr. Sandoval served on the evaluation committee for this RFP. One response to this RFP was received from Myers Stevens & Toohey. Mr. Valerio stated that a draft contract is available in the Board book for review.

A motion was made to award Myers Stevens & Toohey the Contract for Student Athletic and Vocational Accident Insurance – Effective July 1, 2019.

MOTION: T. Ruiz

SECONDED: D. Martinez Jr.

VOTE: Vote carried unanimously.

16. Selection of Vendor and Approval of Contract for Capital Asset Valuation Services- Effective July 1, 2019 (Action Item)

Mr. Valerio reported that he and Mr. Sandoval served on the evaluation committee for this RFP. One response to this RFP was received from Duff & Phelps. Mr. Valerio stated that a draft contract is available in the Board book for review.

A motion was made to award Duff & Phelps the Contract for Capital Asset Valuation Services- Effective July 1, 2019.

MOTION: T. Ruiz

SECONDED: C. Parrino

VOTE: Vote carried unanimously.

17. Selection of Vendor and Approval of Contract for Driving Record Information, Retrieval and Dissemination Services– Effective July 1, 2019 (Action Item)

Mr. Valerio reported that he and Mr. Sandoval served on the evaluation committee for this RFP. He stated that two responses were received, and one offeror was disqualified for failing to agree to the mandatory indemnification language. Mr. Valerio stated that a draft contract is available in the Board book for review and approval.

A motion was made to award Embark Safety the Contract for Driving Record Information, Retrieval and Dissemination Services– Effective July 1, 2019.

MOTION: T. Ruiz

SECONDED: D. Martinez Jr.

VOTE: Vote carried unanimously.

18. Selection of Vendor and Approval of Contact for General Legal Counsel Services (Action Item)

Ms. E. Chavez presented a draft contract for the general counsel recommendation. She stated that the Evaluation Committee consisted of Mr. Valerio, Mr. Park, Ms. Parr Sanchez and herself. She stated that 3 finalists were interviewed. Ms. E. Chavez stated that the recommendation is to award the Contract for General Legal Counsel Services to Esquivel and Howington, LLC, effective July 1, 2019.

A motion was made to award Esquivel and Howington the Contact for General Legal Counsel Services Effective July 1, 2019.

MOTION: C. Parrino

SECONDED: A. Park

VOTE: Vote carried unanimously.

Mr. Narvaez thanked the NMPSIA Board. He stated that he would cooperate and ensure that there is a seamless transition.

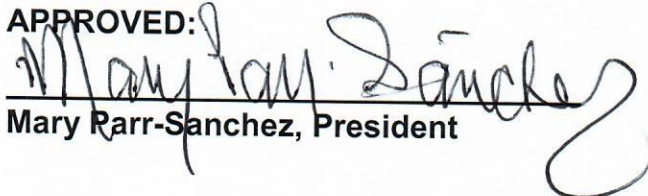
19. NEXT MEETING DATE AND LOCATION

Next Meeting Date and Location Scheduled for 9:00 a.m., Wednesday, August 8, 2019 at The Blake at Taos Ski Valley, 116 Sutton Place, Taos Ski Valley, NM 87525.

13. ADJOURNMENT

The NMPSIA Board Meeting was adjourned at 12:34 p.m.

APPROVED:


Mary Parr-Sanchez, President