New Mexico
Public Schools Insurance Authority

Board of Directors Meeting
September 5, 2024

New Mexico Public Schools Insurance Authority

Board of Directors Meeting

Board of Directors

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

In-Person & Virtual

In-Person:
Poms & Associates
201 3rd Street, Suite 1400
Albuquerque, New Mexico 87102

Virtual:
Please join my meeting from your computer, tablet, or smartphone.
https://us02web.zoom.us/j/81818007486
You can also dial in using your phone.
United States: +1 877 853 5257
Meeting ID: 818 1800 7486

Get the app now and be ready when your first meeting starts: https://www.zoom.us/download

Thursday, September 05, 2024
9:00 a.m.

Agenda

Draft

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

5.	Approval of Agenda **(Action Item)**	A. Park
6.	Approval of July 25, 2024 Minutes **(Action Item)**	A. Park
7.	Approval of August 14, 2024 Minutes **(Action Item)**	A. Park
8.	Administrative Matters	
	A. Staff Update	P. Sandoval
	B. Legislative Update	P. Sandoval
9.	Financial Matters	
	A. Approval of Financial Reports - June 2024 **(Action Item)**	P. Gonzales
	B. Retroactive Approval of FY26 Appropriation Request **(Action Item)**	P. Gonzales
	C. Approval of Special Appropriation Requests **(Action Item)**	P. Gonzales
	D. FY24 Audit Update	P. Gonzales
	E. Investment Performance Review Quarter Ended June 30, 2024	P. Cowie/J. Pratt
	F. Request to Rebalance Investment Portfolio **(Action Item)**	P. Gonzales
10.	Benefits Matters	
	A. Approval of Amendment to BCBS Medical Agreement **(Action Item)**	M. Quintana
	B. Approval of Amendment to BCBS Dental Agreement **(Action Item)**	M. Quintana
	C. Approval of Domestic Partner Resolution for Tularosa Municipal Schools **(Action Item)**	K. Jones
	D. Approval of Employee Benefits Fund Actuarial Analysis June 30, 2024 **(Action Item)**	D. Donaldson
	E. IBAC Update	K. Roybal
11.	Risk Matters	
	A. New Mexico Institute of Mining and Technology Petition to Join Risk Program	P. Sandoval
	B. New Mexico Military Institute Petition to Join Risk Program	P. Sandoval
	C. Approval of Amendment to Anonymous Reporting Systems Agreement **(Action Item)**	P. Sandoval
	D. Risk Fund Actuarial Analysis as of June 30, 2024 **(Action Item)**	A. Hillebrandt/ M. Meade
	E. Workers' Compensation & Property/Liability Claims Audit 2024 **(Action Item)**	T. Farley

F. TPA Reports

1. Property & Liability Monthly Claims Report — S. Vanetsky
2. Property & Liability Large Losses — S. Vanetsky
3. Workers' Compensation Monthly Claims Report — J. Mayo
4. Workers' Compensation Large Losses — J. Mayo

G. Loss Prevention Update — L. Vigil/J. Garcia

12. General Discussion — A. Park
13. Next Meeting Date and Location: Thursday, October 3, 2024 — A. Park
    Location: Poms & Associates 201 3rd Street, Suite 1400 and a virtual option **(Action Item)**
14. Adjournment **(Action Item)** — A. Park

New Mexico Public Schools Insurance Authority
Board of Directors Meeting Minutes

In Person:
Angel Fire Resort
10 Miller Lane, Angel Fire, NM 87710

Virtual:
https://us02web.zoom.us/j/86129572153
Phone: +1 719 359 4580
Meeting ID: 861 2957 2153

Thursday, July 25, 2024

Draft

1. Call to Order

Mr. Chris Parrino, Vice President, called the NMPSIA Board Meeting to order at 9:00 a.m. on Thursday, July 25, 2024.

2. Roll Call

Ms. Marlene Vigil called roll.

Board Members Present:

Al Park, President	Absent
Chris Parrino, Vice President	In Person
Trish Ruiz, Secretary	In Person
Denise Balderas	Absent
Vicki Chavez	Virtual
Tim Crone	In Person
Pauline Jaramillo	In Person
Bethany Jarrell	Absent
KT Manis	Absent
David Martinez, Jr.	In Person
Sammy Quintana	In Person

NMPSIA Staff Members Present:

Patrick Sandoval, Executive Director	In-Person
Martha Quintana, Deputy Director	In-Person
Phillip Gonzales, Chief Financial Officer	In Person
Charlette Probst, Finance/HR Manager	Virtual
Marlene Vigil, Financial Specialist	In Person

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

Audience Present

Lisa Sullivan	BCBSNM	Virtual
Lisa Guevarra	BCBSNM	In-Person
Jackie Pacheco	BCBSNM	Virtual
Steve Vanetsky	CCMSI	In-Person
Jerry Mayo	CCMSI	In-Person
Louise Carpenter	CCMSI	Virtual
Courtney Barela	CCMSI	Virtual
Kevin Sovereign	CCMSI	In-Person
Rich Cangiolosi	CCMSI	In-Person
David Lauck	CVS	Virtual
Sam Garcia	Davis Vision	In-Person
Cathy Fenner	Davis Vision	In-Person
Anthony Moya	Delta Dental	In-Person
Dolores Pina	Delta Dental	In-Person
Chih Shihg Hwa	Erisa Administrative Services	Virtual
Kathy Payanes	Erisa Administrative Services	In-Person
Amy Bonal	Erisa Administrative Services	Virtual
Marty Esquivel	Esquivel Law Firm	In-Person
Daniel Estupinan	LESC	In-Person
Joey Simon	LFC	In-Person
Jared Pratt	Meketa Investment Group	Virtual
Paul Cowie	Meketa Investment Group	Virtual
Marcel Povijua	NNMC	Virtual
Jessica Ortiz	NNMC	Virtual
Marc H. Saavedra	NMCUP	Virtual
Clarence V. Lithgow	NMHED	Virtual
Grant Banash	Poms & Associates	In-Person
Karen Maestas-Harris	Poms & Associates	In-Person
Kevin McDonald	Poms & Associates	In-Person
Tammie Pargas	Poms & Associates	In-Person
Angelique Sedillo	Poms & Associates	In-Person
David Poms	Poms & Associates	In-Person
Julie Garcia	Poms & Associates	Virtual
Larry Vigil	Poms & Associates	In-Person
Doug Looney	Poms & Associates	In-Person
Rika Martinez	Poms & Associates	In-Person

Steve Valdez	Presbyterian	In-Person
Ryan Laughrey	Presbyterian	Virtual
Benito Gonzales	RAC Committee Member	In-Person
Debbie Donaldson	Segal	In-Person
Nura Patani	Segal	In-Person
Dr. Sadhna Paralkar	Segal	Virtual
Mike McMillan	Southwest Bone and Joint Institute	Virtual
Annie Martinez	STOPit	Virtual
Parkhill Mays	STOPit	Virtual
Andrea Vargas	Standard	In-Person
Amy Jones	Surgery Plus	Virtual
Brock Martin	Surgery Plus	Virtual
Stephanie Anthony	UCCI	In-Person

3. Introduction of Guests

Mr. Patrick Sandoval, Executive Director with NMPSIA, introduced Mr. Paul Cowie and Mr. Jared Pratt, with Meketa; Ms. Amy Jones and Mr. Brock Martin, with Surgery Plus; Ms. Debbie Donaldson, Dr. Sadhna Paralkar, and Dr. Nura Patani, with Segal; Mr. Richard Cangiolosi, with CCMSI; Ms. Annie Martinez and Mr. Parkhill Mays, with STOPit; and Mr. Dave Poms, with Poms & Associates.

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

Mr. Mike McMillan, Operations Director at Southwest Bones and Joint in Silver City, New Mexico, expressed concerns about the Surgery Plus program NMPSIA has contracted with. Mr. McMillan shared that he is concerned that the enrollment of Surgery Plus would be detrimental to orthopedic surgeons and hospitals in New Mexico. Joining the program would be a significant reduction in reimbursements to surgeons and hospitals. He reported that last year, the legislature infused $50 million dollars into small hospitals throughout New Mexico to help sustain and keep doors open. Mr. McMillan also expressed that patients would also be traveling to Albuquerque and out of state for orthopedic procedures, thus burdening the patients. He asks that NMPSIA reconsider the agreement with Surgery Plus.

Mr. Parrino stated that NMPSIA has and will continue to address his concerns and work to implement the Surgery Plus program and find the best way to do it for the State of New Mexico.

5. Approval of Agenda (Action Item)

A motion was made to approve the agenda as presented.

Motion: T. Ruiz **Second:** S. Quintana

A roll call vote was taken.

Ms. Marlene Vigil called roll.

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

Vote carried.

6. Approval of June 6, 2024 Minutes (Action Item)

A motion was made to approve the June 6, 2024, minutes as presented.

Motion: T. Ruiz **Second:** T. Crone

Ms. Marlene Vigil called roll.

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

Vote carried.

7. Administrative Matters

7. A. Staff update

Mr. Sandoval updated the Board that Ms. Claudette Roybal was hired as the Chief Procurement Officer (CPO). Staff reclassified the position to fit the job duties performed. Ms. Kaylynn Roybal was hired as the NMPSIA Executive Assistant and promoted to Benefits Coordinator.

Ms. K. Roybal introduced herself to the NMPSIA Board of Directors.

7. B. Open Meetings Act Resolution (Action Item)

Mr. Marty Esquivel, NMPSIA General Counsel, informed the Board that NMPSIA is required to approve an Open Meeting Act Resolution every year. The resolution defines the process of board meetings, special meetings, and notices. A few small formatting changes have been made to the resolution, with no substantive changes.

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

Motion: T. Ruiz **Second:** T. Crone

Ms. Marlene Vigil called roll.

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

Vote carried.

7. C. Approval of August Special Meeting Date and Time (Action Item)

Mr. Sandoval advised that the Board's current rules state that the Board shall hold a meeting in August to elect officers. NMPSIA staff would like to see what dates and times are best for holding the August meeting.

Mr. David Martinez Jr. recommended that the meeting be held later in August after 4:00 p.m. as the beginning of the school year is busy. Board members discussed possible dates. Three dates were recommended, and a survey will be sent out to determine a date and time.

A motion was made for a survey, based on the three days selected, to determine a date and time.

Motion: T. Ruiz **Second:** David Martinez, Jr.

Ms. Marlene Vigil called roll.

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

Vote carried.

7. D. Retroactive Approval of Contract for Medical Carrier Vendor A (Action Item)

Ms. Martha Quintana, Deputy Director with NMPSIA, reviewed the contract as a self-insured product. The fees are based on a per member per month calculation and are guaranteed for the first and second year, with a slight increase for years three and four. Performance guarantees have been modified to enhance measures in the previous contacts.

A motion was made for Retroactive Approval of Contract for Medical Carrier Vendor A

Motion: T. Crone **Second:** T. Ruiz

Ms. Marlene Vigil called roll.

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

David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried.

Mr. Parrino asked for Vendor A to be revealed. Ms. Quintana revealed Vendor A is Presbyterian Health Plan.

7. E. Retroactive Approval of Contract for Medical Carrier Vendor B (Action Item)

Ms. Quintana reviewed the contract as a self-insured product. The fees are based on per member per month calculation. Fess increase as lives decrease. Performance guarantees have been modified to enhance measures in the previous contacts.

A motion was made for Retroactive Approval of Contract for Medical Carrier Vendor B.

Motion: David Martinez, Jr. **Second:** P. Jaramillo

Ms. Marlene Vigil called roll.

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

Vote carried.

Mr. Parrino asked for Vendor B to be revealed. Ms. Quintana revealed vendor B is Blue Cross Blue Shield of New Mexico.

Ms. Quintana advised the Board due to the timing and execution of this agreement, NMPSIA is pending amendments to the performance guarantee measures and will bring them to the Board for approval upon agreement.

7. F. Retroactive Approval of Contract for Dental Carrier Vendor B (Action Item)

Ms. Quintana reviewed the contract as a self-insured product. The fees are based on per member per month calculation. Fees decrease as lives increase. Performance guarantees have been added to support continuity among all dental plans.

A motion was made for Retroactive Approval of Contract for Dental Carrier Vendor B.

Motion: P. Jaramillo **Second:** S. Quintana

Ms. Marlene Vigil called roll.

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

Vote carried.

Mr. Parrino asked for Vendor B to be revealed. Ms. Quintana revealed Vendor B is Blue Cross Blue Shield Dental.

Mr. Parrino commented that it is exciting to have a new dental carrier. Ms. Quintana added that NMPSIA is also excited about the new dental carrier. Coverage will start on January 1, 2025. Members can add or switch carriers during open switch enrollment in October 2024.

7. G. Retroactive Approval of Contract for Dental Carrier Vendor C (Action Item)

Ms. Quintana reviewed the contract as a self-insured product. The fees are per member per month calculation based on enrollment. Fees are guaranteed for the first two years with a slight increase to year three and year four. Performance guarantees have been updated to support additional performance measures.

A motion was made for Retroactive Approval of Contract for Dental Carrier Vendor C.

Motion: S. Quintana **Second:** P. Jaramillo

Ms. Marlene Vigil called roll.

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

Vote carried.

Mr. Parrino asked for Vendor B to be revealed. Ms. Quintana revealed Vendor B is Delta Dental of New Mexico.

Mr. Parrino asked if all Medical and Dental Carrier Contracts are approved. Ms. Quintana stated all contracts have now been approved. For clarification, Cigna's Agreement ended on June 30, 2024 and is no longer an option for medical. Members who had Cigna were given a special switch enrollment to allow members to switch to Presbyterian or Blue Cross Blue Shield. Members who did not respond during the switch enrollment were defaulted to Presbyterian based on the high or low option they had with Cigna. Cigna was gracious enough to provide any deductible and out-of-pocket maximums that were met; this information will be loaded into the system so members do not have to start from with a zero balance in July 2024.

8. Financial Matters

8. A. Approval of Financial Reports - May 2024 (Action Item)

Mr. Phillip Gonzales, Chief Financial Officer with NMPSIA, presented the Statement of Revenues and Expenditures for the period ending May 31, 2024, for the Employee Benefits Fund. Mr. Gonzales reported revenue of $33,553,997.38 and expenses of$32,936,213.58, for a gain of $617,783.80 for May. Year-to-date revenue was $349,627,133.62 and expenses were $361,569,948.62 resulting in a loss of$11,942,815.00.

Mr. Gonzales presented the Statement of Revenues and Expenditures for the period ending May 31, 2024, for the Risk Fund. Mr. Gonzales reported revenue of $9,327,241.01 and expenses of $45,361,128.03, for a loss of $36,013,887.02 for May. Year-to-date revenue was $98,324,402.83, and expenses were $110,320,803.98, resulting in a loss of$11,996,401.15.

Mr. Gonzales presented the Statement of Revenues and Expenditures for the period ending May 31, 2024, for the Program Support Fund. Mr. Gonzales reported revenue of $136,957 and expenses of $131,609.91, for a gain of $5,34.09 for May. Year-to-date revenue was $1,506,705.02, and expenses were $1,475,780.72, resulting in a gain of$30,924.30.

Mr. Gonzales presented the Balance Sheet for the period ending May 31, 2024, for the Program Support Fund. Total assets were $816,693.23, total liabilities were $91,105.33, and a total fund equity of $725,587.90. For the Employee Benefits Fund, total assets were$37,985,059.66, total liabilities were $32,346,208.27, and a total fund equity of$5,638.851.39. For the Risk Fund, total assets were $106,332,771.57, total liabilities were $106,974,025.79 and a total fund equity of negative $641,254.22. Overall, the agency has a total of $145,134,524.46 in assets, $139,411,339.39 in liabilities, and $5,723,185.07 in fund equity.

Mr. Parrino inquired why the cash balance for employee benefits was low and if it had been an issue. Mr. Gonzales replied that NMPSIA has had to draw from long-term investments but is looking forward to the rate increases that will take place in October. Hopefully, these will alleviate cash flow issues.

Mr. Parrino asked if there had been an issue with the Risk Program as well. Mr. Gonzales replied that in July, cash flow was a bit of an issue because excess coverage premium payments were due. Until cash flow for the premium payments start to come in, NMPSIA anticipates it will not be an issue anymore.

A motion was made for Approval of Financial Reports for May 2024.

Motion: T. Ruiz **Second:** S. Quintana

Ms. Marlene Vigil called roll.

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

Vote carried.

8. B. Introduction of Asset Management Consultant - Meketa

Mr. Paul Cowie and Mr. Jared Pratt introduced themselves to the Board and look forward to working with NMPSIA. Mr. Pratt is located in New Mexico and attended New Mexico public schools. Mr. Cowie is based out of the San Diego Office in California. Both are excited to be working as Asset Management Contractors for NMPSIA.

8. C. Audit Update

Mr. Gonzales updated the Board on the audit process. On July 12, 2024, NMPSIA held the entrance conference with the new auditors, Hinkle and Landers. In attendance from Hinkle Landers were Mr. Farley Venner and Ms. Caitlin Constantine, NMPSIA Staff were Mr. Sandoval, Ms. Quintana, Ms. Charlette Probst, and Mr. Gonzales, and attending on behalf of the Board was Mr. Parrino. This is the first year with Hinkle and Landers and NMPSIA staff is in the process of gathering and preparing deliverables for the audit. Fieldwork is scheduled for August and September.

9. Benefits Matters

9. A. Approval of Domestic Partner Resolutions for ENMU-Portales and ENMU-Roswell (Action Item)

Ms. Kaylei Jones, Benefits/Wellness Manager with NMPSIA, advised the Board that the Eastern New Mexico University (ENMU) Governing Board has adopted a resolution to offer health and benefits coverage to domestic partners and their children. ENMU will contribute to the premium for any tier change that is added by adding domestic partners and their children. If approved, NMPSIA staff and Erisa will work with ENMU to implement the coverage effective January 1, 2025.

A motion was made for Approval of Domestic Partner Resolutions for ENMU-Portales and ENMU-Roswell

Motion: David Martinez, Jr. **Second:** T. Ruiz

Ms. Marlene Vigil called roll.

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

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

Vote carried.

9. B. Approval of CVS Amendment for Prudent RX (Action Item)

Ms. Quintana explained the CVS Amendment. The executed agreement from July 1, 2022, includes Point Solution Management services. NMPSIA added an exhibit to the agreement to outline how NMPSIA can add services without having to amend the contract and complete a Vendor Election Form (VEF). The amendment is to Prudent RX Specialty Pharmacy services in the compensation section of the agreement, and the methodology is being updated to continue to generate savings for our members.

A motion was made for Approval of CVS Amendment for Prudent RX.

Motion: P. Jaramillo **Second:** T. Ruiz

Ms. Marlene Vigil called roll.

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

Vote carried.

9. C. Approval of Waiver of Penalty Assessments (Action Item)

Ms. Quintana explained to the Board a request to waive a late penalty from Northern New Mexico College. It was the second late penalty in a rolling 12-month period. NMPSIA had waived a penalty in August 2023.

Mr. Parrino stated that it is customary to allow entities to appeal to get a waiver on a second penalty. Since it was noted that it was due to a new employee, he recommended that NMPSIA approve the request.

A motion was made for Approval of Waiver of Penalty Assessments

Motion: T. Crone **Second:** T. Ruiz

Ms. Marlene Vigil called roll.

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

Vote carried.

9. D. Surgery Plus Update on Statistics and Providers in New Mexico

Ms. Amy Jones with Surgery Plus presented statistics on Surgery Plus providers in New Mexico. Ms. Jones presented key performance indicators for the month of June. Member count is identified as the total opportunity which is 47,214 members. First-time calls were 510 and the number of cases opened were 169 as first-time calls might not turn into open cases. When the benefit is new, members are calling to get information or because members received their ID cards and have questions on how the benefit works. There are no completed procedures. The average time when a member starts the process until they complete the procedure is an average of 60 days due to the medical record transfer process. Open case types in process include nine joint replacements, 12 orthopedic and four spine.

Ms. Jones introduced Mr. Brock Martin to present network updates. Mr. Martin explained that most of the contracting concentration has been in Albuquerque, including ortho pods for orthopedics and joints care. Surgery Plus is also in the Early stages of identifying high-quality spine surgeons in the Albuquerque area and hopes to contract with them by the end of the year. A team is also working on finding providers north of Santa Fe. There is a local hospital in Silver City and an Orthopedic office to provide local access in the southern side of the state, and they are in the active negotiation phase. El Paso was added because many of the groups that will be added will have clinic locations in Las Cruces, further expanding the network on the southern side of the state.

Mr. Parrino asked what reassurance Surgery Plus could provide to prove this program is not hurting the medical network here in New Mexico by having our members go out of state because some of the in-state doctors cannot compete with the reimbursement rate of the providers of Surgery Plus.

Mr. Brock replied that they are working on bringing in more providers within the State of New Mexico.

9. E. OSI Wildfires Emergency Order Update

Ms. Quintana presented the OSI Wildfires Emergency Order Update. Last month, Governor Michelle Lujan Grisham issued an Emergency Order for the wildfires in Lincoln County and the Mescalero Apache Reservation. The Office of the Superintendent of Insurance (OSI) ordered an Emergency Order from June 18, 2024 through October 17, 2024, to provide assistance to affected residents. NMPSIA does not fall under the jurisdiction of the OSI however, did choose to follow this Emergency Order and implemented a plan with the Third-Party Administrator and carriers to follow the order for members requesting assistance. There have been six members requesting assistance, one has been turned away due to a request not being covered by the order for rent and hotel costs. Ms. Quintana added that Region IX was affected and was blocked from accessing their facility. They requested a delayed payment for health benefits and were approved for the delayed payment. Erisa reached out to all self-pay members in the affected areas to offer assistance with delayed payments.

Mr. Parrino commented that he supports NMPSIA, helping that community in this time of need. Ms. Ruiz added that she is glad our governor and legislature are working to support that community.

9. F. 2024 Regional Training Update

Ms. Jones presented the Regional Training Update. NMPSIA benefits staff held Regional Training from June 10, 2024, through June 13, 2024. Three trainings were held in person in Las Cruces, Portales and two events in Santa Fe. Two virtual options were held on June 24, 2024 which attributed to 260 registrations with 218 school staff attended, which is an average of 84%. NMPSIA staff redesigned how the in-person training was run, which was condensed from six to four hours to fit the attendee's busy schedules. Breakout sessions were offered by reducing the number of individuals training on a particular topic to allow more time for discussion and comfortability for them to ask questions. Due to the new layout, feedback was wanted and a survey was sent to the attendees. A survey is typically sent out after the training. This year there was more feedback than in the past three years combined. There were 156 responses that accounted for 72% of attendees taking the survey. Some questions were posed in an attempt to collect feedback related to the structure, including organization, duration, and the comfortability of asking questions. Responses indicated 98% were satisfied with the overall training, 93% were satisfied with the duration and 91% were satisfied with the new layout of the breakout rooms.

9. G. IBAC Update

Ms. Jones presented the IBAC Update. The IBAC met on Wednesday June 12, 2024. Mr. David Lauck and Ms. Arien Dryer with CVS Caremark and Mr. Jake Burton with Express Scripts presented a round table discussion on Bio Similars 101 and how these drugs are transforming the specialty drug landscape. The State of New Mexico reported the move to the Health Care Authority effective 7/1/2024. The Retiree Healthcare Authority reported they are working on contracts, their annual meeting, and wellness fairs. NMPSIA reported wrapping up the end of the fiscal year, preparing for the annual audit, appropriation requests, contracts and annual meeting. Albuquerque Public Schools advised this is their last IBC meeting as the Chair and they will be turning over the position to the Healthcare Authority.

9.H. Wellness Update

Ms. Jones presented the Wellness Update and reviewed the NMPSIA newsletter. The newsletter, which was started in June and will be released quarterly, includes agency updates, employee benefits, wellness, and risk resources. It is sent to employer groups so they can forward it to their staff, but it is also sent out directly to NMPSIA members for whom we have email addresses. The newsletter is also on the website so that members can access it anytime.

9. I. Clinic RFI

Ms. Jones and Ms. K. Roybal presented the Clinic RFI. Last year, at the annual meeting, staff updated the board and committee about this request for information. The RFI was released on February 1, 2024, and the response submission was received on March 27, 2024. The purpose of the RFI was to collect information on planned-owned clinics. The intent of the clinics would be to provide medical, dental, and vision services, including primary and preventive services, mental and behavioral health services, chronic care, and disease management. Mrs. Roybal presented a brief synopsis of the analysis. The synopsis included responses from Medical Services Inc., Marathon Health, Presbyterian Health, ProActive MD, and Vera Whole Health.

9. J. SHAPE Report Presentation through 12/31/2023

Mr. Parrino reported to the board that Dr. Patani revealed that she has accepted a position in the Washington, DC, Segal office.

Ms. Debbie Donaldson, Dr. Sadhna Paralkar, and Dr. Nura Patani with Segal presented on the Healthcare Dashboard for the period of January 2023 through December 2023 compared to January 2022 through December 2022. Medical trends have shown higher-than-expected increases driven by utilization and costs of outpatient surgery, inpatient neoplasms, and maternity cases. Pharmacy trends have also increased significantly, largely due to higher specialty utilization and more use of brand-name drugs for chronic conditions like diabetes. GLP-1 anti-diabetic medication and obesity management utilization have risen, with nearly a

quarter of the membership residing in disadvantaged areas with higher healthcare utilization and prevalence of chronic conditions. Some suggestions mentioned were to track how certain medications are prescribed to make sure they are being used correctly and to check that rebate guarantees and manufacturer coupons are being used. It is encouraged to use generic medicines. It should be considered to set up programs for cancer care to make sure people are accurately diagnosed and getting the best treatment. Also, consider offering programs or support to help people get screened for cancer. Look into adding primary care, urgent care, and/or promoting telehealth services in areas where people have less access to healthcare.

9. K. Updated Rate Setting Projections

Ms. Donaldson reported that there is a projected $15.1 million loss for the fiscal year 2024. Up to May, there has been a $12 million loss and it's projected that there will be an additional $3.1 million loss in June, resulting in a fund balance of $4.3 million. They are waiting for June's claims to rectify the situation. The main reasons for the loss are high-cost claimants, pharmacy costs, and legislative changes that were not anticipated. Historical data from 2018 to 2024 shows trends in revenue compared to pharmacy costs. The challenge is that future years need to make up for the increase in negative medical and pharmacy costs, so all costs need to increase to keep up and catch up. There's a projected 6.4% increase in claim costs, but the premium is only growing at 5.2%, which is the main reason for the decrease in the fund balance and reserves. Dr. Patani mentioned that there has been pressure on NMPSIA since 2018. At the March board meeting in 2018, they approved a two-year buildup of reserves. NMPSIA staff was later asked to revisit rate increases. As a result, a 5-year plan was initiated to cope with the pressure. Before this, rate changes were considered on a yearly basis. There was pressure from the Legislative Finance Committee to increase reserves, but this created strain on schools to cover their share. This led to the decision to set a 5-year reserves goal. Legislation stated that no more than 6% could be collected in one year, but the data shows that 11% is needed. Calculations indicate that 15% needs to be passed on to make the goal feasible. The threshold is around $30 million. Mr. Parrino pointed out that an influx of cash from the legislature is necessary to avoid passing on huge costs to the members. He had a meeting with Mr. Park and others, who seem on board with the goals.

10. Risk Matters

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

Mr. Gonzales informed the Board that staff is requesting approval to allow NMPSIA members to pay their Risk premiums in installments. The premiums are due by August 1st, and there is a 10-day grace period before late payments are incurred. There are currently two requests by NMPSIA members to pay in installments; however, there may be additional requests in the coming weeks.

A motion was made for Approval of Risk Premium Installment Plan.

Motion: S. Quintana **Second:** V. Chavez

Ms. Marlene Vigil called roll.

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

Vote carried.

10. B. Approval of Contract Amendment for property & Liability Workers' Compensation Clams Auditing Services (Action Item)

Mr. Sandoval informed the Board that staff is requesting to amend the contract for Farley Consulting Services LLC. This amendment adds a new section to the scope of work for the Audit of Property & Liability Performance Measures and amends the compensation for FY 2025 and FY 2026 from $27,600 to $35,100.

A motion was made to approve the Contract Amendment for Property & Liability Workers' Compensation Claims Auditing Services as presented.

Motion: David Martinez, Jr. **Second:** T. Crone

Ms. Marlene Vigil called roll.

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

Vote carried.

10. C. Approval of New Mexico Institute of Mining & Technology (Action Item)

Mr. Sandoval informed the Board that the New Mexico Institute of Mining & Technology has not officially petitioned the NMPSIA Board of Directors to join the Risk program. However, it is expected they will join NMPSIA on September 1, 2024. Due to the timing of New Mexico Institute of Mining & Technology Board meetings and NMPSIA Board meetings, staff is requesting the inclusion of New Mexico Institute of Mining & Technology in the Risk program at this Board meeting.

A motion was made to approve the New Mexico Institute of Mining & Technology to Join Risk as presented.

Motion: T. Ruiz **Second:** P. Jaramillo

Ms. Marlene Vigil called roll.

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

Vote carried.

10. D. Retroactive approval of Tail Coverages (Action Item)

Mr. David Poms with Poms & Associates discussed the renegotiation that occurred with State Risk Management Division (RMD) regarding the tail coverage for the four members joining the NMPSIA Risk program from RMD; Central Region Educational Cooperative, Region IX Education Cooperative, Northern New Mexico College and New Mexico Institute of Mining and Technology. The newly agreed upon terms of the tail coverage by date of occurrence will be as follows: a) For **date of occurrence 7/1/2024 and after**, **NMPSIA** is responsible for coverage. b) **If date of occurrence is prior to July 1, 2024**, **RMD** will be responsible for coverage **through June 30, 2026**. c) Coverage responsibility will shift to **NMPSIA** commencing **July 1, 2026 through June 30, 2029**. d) All claims and coverage responsibility **before July 1, 2024**, will shift back to RMD commencing on **July 1, 2029**. NMPSIA President Al Park has

signed the agreement and Mr. Marty Esquivel was present for the negotiations and concurs that this is a wise move for NMPSIA and its Members.

A motion was made to approve the Retroactive Approval of Tail Coverages as presented.

Motion: T. Crone **Second:** S. Quintana

Ms. Marlene Vigil called roll.

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

Vote carried.

10. E. Student Accident and Sickness Insurance Update

Mr. Sandoval informed the Board that he and Mr. Esquivel have submitted a letter to Superintendent Alice Cane, Office of the Superintendent of Insurance (OSI), regarding questions on the 2022 adopted ruling and how it coincides with New Mexico Statute 59-A-23-2, Blanket Health Insurance, which is referenced in the rule. Staff and the General Council anticipate a response from OSI to clarify the rule change. NMPSIA may then proceed with an opinion to the Attorney General. Mr. Marty Esquivel advised that he has reached out to a State Senator and a State Representative, as a request for the Attorney General's opinion must come from an elected official. Mr. Sandoval stated that NMPSIA will be sending out a letter informing Superintendents that NMPSIA will still be covering the Student Catastrophic Coverage and any other coverage may be purchased by the districts.

10. F. Approval of Property and Liability Claims Handling Procedures (Action Item)

Mr. Sandoval informed the Board that the Property and Liability claims handling procedures have been amended to change the reporting standards for the excess insurers. CCMSI previously reported all losses meeting a threshold of $25,000. However, the excess insurers are now requesting that only losses that exceed 50% of the self-insured retention be reported. A contract amendment will be brought to the Committee at the next meeting. Mr. Cangiolosi

added that CCMSI is willing to do whatever is in the best interest of NMPSIA and also satisfy the carriers.

A motion was made to approve the Property and Liability Claims Handling Procedures as presented.

Motion: P. Jaramillo **Second:** T. Ruiz

Ms. Marlene Vigil called roll.

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

Vote carried.

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

Mr. Richard Cangiolosi with CCMSI, reported on the Stewardship Report-Loss Analysis Workers' Compensation. The total Workers' Compensation claims incurred for FY 2024 were 1,469, which has steadily increased each year since FY 2021, and these numbers are expected to continue to increase. The average incurred annual cost is $9,000,000, which is also expected to increase. The average cost per claim is expected to stay consistent at about $5,000. The closing ratios are consistent at 100%.

10. H. Year-End Claims Comparison

Mr. Cangiolosi presented the Managed Care Savings and Fees report. In the past year, 16,150 bills were processed for workers' compensation, and the total charges were $15,677,622.77. Total reduction costs were $9,868,322.12, or 62.95% in savings.

10. I. Year-End Bill Review and Nurse Case Management

Mr. Cangiolosi presented the Year-End Bill review and Nurse Case Management for FY 2024. The total charged to the claims files was $202,815.51; the cap is $300,000; thus, total savings were $97,184.49.

10. J. TPA Reports

10. J. 1. Property and Liability Monthly Claims Report

Mr. Steve Vanetsky with CCMSI, reported on the May 2024 Property and Liability Monthly Claims Report. Liability had 468 open claims, 58 new claims, and 43 claims were closed. Property had 98 open claims, 5 new claims, and 13 claims were closed. Reserves for Property and Liability in the month of May 2024 were, $100,649,884.79 and payments were $40,310,592.45 for a total of $140,960,477.24

Mr. Vanetsky also reported the June 2024 Property & Liability Monthly Claims Report. Liability had 456 open claims, 26 new claims, and 46 claims were closed. Property had 99 open claims, 13 new claims, and 12 claims were closed. Reserves for Property and Liability in the month of June 2024 were, $104,563,032.51 and payments were $47,442,747.50 for a total of $152,005,780.01.

10. J. 2. Property and Liability Large Losses

Mr. Vanetsky reported large losses for Property due to a large hailstorm in the Eastern part of New Mexico, affecting the districts of Portales, Melrose, Floyd, Tatum, Grady, and Eastern NM University. None of these losses fall above the Self-Insured Retention (SIR), and the excess carrier has declassified the event. A severe monsoonal rain caused flooding damage in Grants, Gallup, Las Vegas, Las Vegas City Schools, West Las Vegas schools, and NM Highlands University. These losses are not anticipated to reach 50% of the SIR, estimated damage for the entire occurrence will be two and a half to three million dollars. Eastern NM University Ruidoso campus also reports property damage after the Southfork wildfire and following monsoon, but initial estimates show little to no interior damage. Reported Liability large losses, one claim that was reopened due to a lawsuit, and three additional claims that were reported to the excess carrier with SAM implications.

10. J. 3. Worker's Compensation Monthly Claims Report

Mr. Jerry Mayo, with CCMSI, reported on the May 2024 Workers' Compensation. At the end of May there were 1,081 open claims, 31 reopened claims, 241 new claims, and 238 claims were closed. Reserves were $15,045,423.61, payments were $50,932,332.48. The cumulative total for May was $65,977,756.09.

For June there were 1,037 open claims, 25 reopened claims, 82 new claims, and 151 claims were closed. Reserves were $14,832,854.50, payments were $50,170,576.65. The cumulative total for the month of June was $65,003,431.15.

10. J. 4. Workers' Compensation Large Losses

Mr. Mayo reported two large losses for May, the first in Las Cruces, where a person tripped and fell over an extension cord, causing a fractured left hip and injured left shoulder and knee. The individual needed surgery to repair the left hip, total expenses for medical and indemnity were $208,760. The second claim reported was an individual in Deming who tripped on the bus steps and fell, causing a twisted ankle and back pain. The total medical expenses incurred were $54,000.

For June, there were two large losses reported; the first was in Taos, where an individual tripped over a pothole and injured their right ankle and knee. The total expense was $70,000, and a full and final settlement was issued. The second was with Gallup McKinley County Schools, a trip and fall incident where the right femur was injured and required surgery. The total medical expense was over $68,000.

10. K. STOPit Update

Mr. Parkhill Mays and Annie Martinez presented the past school year and some of the activities within the app. There were 8,038 downloads of the STOPit application. There were a total of 2,162 incidents; of those incidents, 234 were life-threatening, and 607 were crisis line interventions. For the upcoming school year, STOPit plans to have several webinars and coffee chats to host questions and answers about STOPit. Also, a Backpack Series, which provides access to mental health resources for students, educators, staff, and families. Mr. Esquivel asked what the process was for some of the incidents that were reported. Mr. Parkhill explained the process from start to finish for various situations. Mr. Quintana asked if a non-life threatening incident becomes a life-threatening incident and if there is a way to track it. Mr. Parkhill replied yes, the incident can be re-coded.

10. L. STOPit Incident Vetting Services Option

Ms. Martinez presented an option for vetting services. The service would be offered to some of the smaller districts that may have limited resources and staff. It would offer a 24/7 vetting service, streamline the onboarding and launch of STOPit, provide continuous monitoring and resource assistance, and notify districts only when there is an exemption. With this service, the hope is to enroll some of the smaller districts that are hesitant to join.

10. M. Loss Prevention Update

Mr. Larry Vigil, with Poms and Associates, presented the Loss Prevention Abatement Report for June 2024 and a year-end summary. Poms followed up on 320 recommendations, 318 of which were non-capital, 265 were corrected, for an 83% abatement percentage on non-capital recommendations. Year-end summary for the school year, Poms followed up on 3,723 recommendations, 3,667 were non-capital, 2,943 were corrected, for an 80.26% abatement percentage. A critical hazard letter for Mesa Vista school district is currently being followed

up on, regarding the fire suppression system and alarm panels that were nonoperational. The new Superintendent is in the process of getting these items corrected. There has been a collaborative effort by Poms and Associates, Public Facility Managers Association, Public Schools Facilities Authority, Cooperative Educational Services, State Fire Marshall's Office and the Construction Industries Division to get the life safety issues within the schools identified and corrected.

Ms. Julie Garcia, with Poms and Associates, presented a project that the team has been working on to collect data on sexual molestation, misconduct, and assault cases over the past twenty years. A database was created to utilize historical case information to better handle current cases. This database will be used to compare with the data from STOPit Solutions and Vector Solutions in an effort to better understand the time it takes to report and gain the ability to mitigate these cases through education and training.

11. General Discussion

12. Next Meeting Date and Location: Thursday, September 5, 2024
Location: Poms & Associates, 201 3rd Street, Suite 1400, and a virtual option (Action Item)

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

Motion: David Martinez, Jr. **Second:** P. Jaramillo

Ms. Marlene Vigil called roll.

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

Vote carried.

13. Adjournment

A motion was made to approve to adjourn at 12:53 p.m.

Motion: David Martinez, Jr. **Second:** S. Quintana

Ms. Marlene Vigil called roll.

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

Vote carried.

Approved:

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Mr. Alfred Park, Board President

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

Virtual:
https://us02web.zoom.us/j/87624061349
Phone: +1253 215 8782
Meeting ID: 876 2406 1349

Wednesday, August 14, 2024

Draft

1. Call to Order

Mr. Al Park, President, called the NMPSIA Board Meeting to order at 4:01 p.m. on Wednesday, August 14, 2024.

2. Roll Call

Ms. Claudette Roybal called roll.

Board Members Present:

Al Park, President	Virtual
Chris Parrino, Vice President	Virtual
Trish Ruiz, Secretary	Virtual
Denise Balderas	Absent
Vicki Chavez	Virtual (arrived at 4:13 p.m.)
Tim Crone	Virtual
Pauline Jaramillo	Virtual
Bethany Jarrell	Absent
KT Manis	Absent
David Martinez, Jr.	Virtual
Sammy Quintana	Virtual

NMPSIA Staff Members Present:

Patrick Sandoval, Executive Director	Virtual
Martha Quintana, Deputy Director	Virtual
Phillip Gonzales, Chief Financial Officer	Virtual
Miraya Pacheco, Executive Administrative Secretary	Virtual
Claudette Roybal, Chief Procurement Officer	Virtual
Marlene Vigil, Financial Specialist	Virtual
Kaylei Jones, Benefits/Wellness Manager	Virtual
Kaylynn Roybal, Benefits Program Coordinator	Virtual
Leslie Martinez, Benefits Analyst	Virtual

Audience Present

Kathy Payanes	Erisa Administrative Services	Virtual
Amy Bonal	Erisa Administrative Services	Virtual
Marty Esquivel	Esquivel Law Firm	Virtual
Benito Gonzales	RAC Committee Member	Virtual

3. Introduction of Guests

Mr. Patrick Sandoval, Executive Director with NMPSIA, stated there were no guests to introduce.

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

There were no citizens to address the Board.

5. Approval of Agenda (Action Item)

A motion was made to approve the agenda as presented.

Motion: T. Ruiz **Second:** C. Parrino

A roll call vote was taken.

Ms. Claudette Roybal called roll.

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

Vote carried.

6. Administrative Matters

6. A. Election of Officers (Action Item)

Mr. Sandoval stated per rule every August, NMPSIA is to have an election of officers. The process starts with the floor being opened for nominations for President, Vice President, and Secretary one at a time. If there is more than one nomination for each position, a vote would be called for each person nominated if the person nominated accepts.

Mr. Sandoval opened nominations for President.

A motion was made to nominate Mr. Al Park for the position of President. There were no further nominations. Mr. Park accepted the nomination.

Motion: T. Ruiz **Second:** D. Martinez, Jr.

A motion was made to close nominations and elect Mr. Al Park as President.

Motion: S. Quintana **Second:** C. Parrino

Ms. Claudette Roybal called roll.

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

Vote carried.

Mr. Sandoval opened nominations for the position of Vice President.

A motion was made to nominate Mr. Chris Parrino as Vice President. There were no further nominations. Mr. Parrino accepted the nomination.

Motion: T. Ruiz **Second:** A. Park

A motion was made to close the nominations and elect Mr. Parrino as Vice President.

Motion: D. Martinez, Jr. **Second:** T. Ruiz

Ms. Claudette Roybal called roll.

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

Vote carried.

Mr. Sandoval opened nominations for the position of Secretary.

A motion was made to nominate Ms. Trish Ruiz as Secretary. There were no further nominations. Ms. Ruiz accepted the nomination.

Motion: C. Parrino **Second:** D. Martinez, Jr.

A motion was made to close the nominations and elect Ms. Ruiz as Secretary.

Motion: S. Quintana **Second:** C. Parrino

Ms. Claudette Roybal called roll.

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

Vote carried.

6. B. Approval of New Mexico Military Institute to Join Risk Program (Action Item)

Mr. Sandoval briefed the board that the New Mexico Military Institute (NMMI) has not officially petitioned the NMPSIA Board of Directors to join the risk program; however, NMPSIA expects NMMI to join on September 1, 2024. Due to the timing of NMMI Board meetings and NMPSIA meetings, staff is asking to include NMMI in the Risk Program with tail coverage identical to the agreement for New Mexico Institute of Mining and Technology, Northern New Mexico College, Region IX Education Cooperative, and Central Regional Educational Cooperative. Mr. Esquivel and Mr. Park have vetted the agreement.

A motion was made to approve the New Mexico Military Institute to join the Risk Program.

Motion: T. Ruiz **Second:** D. Martinez, Jr.

Ms. Claudette Roybal called roll.

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

Vote carried.

6. C. Approval of Capital Asset Valuation Services Contract (Action Item)

Mr. Sandoval presented the Capital Asset Valuation Services Contract. The contract was invertedly routed for signature prior to Board approval. Staff is asking for retroactive approval of the contract as of July 1, 2024. The contract was reviewed by General Counsel and staff.

A motion was made for Retroactive Approval of the Capital Asset Valuation Service Contract as presented.

Motion: S. Quintana **Second:** T. Crone

Ms. Claudette Roybal called roll.

Al Park, President	Yes

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

Vote carried.

6. D. 2024 Workers' Compensation Conference October 15-17, 2024 Las Vegas, NV (Action Item)

Mr. Sandoval informed the Board of the 2024 Workers' Compensation Conference, which will be held in Las Vegas, Nevada, from October 15 through 17, 2024. If Board members are interested, please email Mr. Sandoval, and it will be discussed with Mr. Park to determine who may attend based on budget availability.

A motion was made for approval of the 2024 Workers' Compensation Conference attendance process as presented.

Motion: T. Ruiz Second: S. Quintana

Ms. Claudette Roybal called roll.

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

Vote carried.

7. General Discussion

Mr. Parrino commented that it's an exciting start to the new school year.

Ms. Vicky Chavez asked if the guidance letter about purchasing additional Student Accident Insurance had been distributed. Mr. Sandoval replied it had been sent out via Erisa Administrative Services, Inc. (EASI) to all Superintendents and Business Managers. Ms. Chaves replied she or others had not received the letter. Mr. Sandoval stated he would work with EASI on the contact list and send the letter from his work email address.

8. Next Meeting Date and Location: Thursday, September 5, 2024
Location: Poms & Associates, 201 3rd Street, Suite 1400, and a virtual option (Action Item)

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

Motion: D. Martinez, Jr. **Second:** T. Ruiz

Ms. Claudette Roybal called roll.

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

Vote carried.

9. Adjournment (Action)

A motion was made to approve to adjourn at 4:23 p.m.

Motion: T. Ruiz **Second:** S. Quintana

Ms. Claudette Roybal called roll.

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

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

Vote carried.

Approved:

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Mr. Alfred Park, Board President

State of New Mexico

Public Schools Insurance Authority (NMPSIA)

Board Meeting

Fiscal Year 2024

June 2024 Financial Reports

September 5, 2024

NM Public Schools Insurance Authority

Statement of Revenues and Expenditures - Employee Benefits Fund

From 6/1/2024 Through 6/30/2024

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
Revenue						
Premiums (Health Insurance Assessments)	29,007,741.46	32,813,893.35	13.12	342,110,535.64	377,377,039.05	10.31
Interest Income (Wells Fargo, LGIP)	75,218.99	27,228.10	(63.80)	744,788.09	465,177.98	(37.54)
Investment Income (SIC)	959,946.75	203,852.37	(78.76)	2,482,895.61	2,471,913.17	(0.44)
Miscellaneous Income (Rx Rebates, Penalties, Subros, Etc)	(0.08)	66,732.17	...,312.50)	15,396.90	2,424,709.41	15,648.04
Transfers from Other Funds	63,145.14	0.00	(100.00)	63,145.14	0.00	(100.00)
Total Revenue	30,106,052.26	33,111,705.99	9.98	345,416,761.38	382,738,839.61	10.80
Expenditures						
Medical Claims Expense	25,482,926.69	24,220,116.53	(4.96)	252,832,362.68	290,399,274.81	14.86
Prescription Claims Expense	834,801.42	4,724,508.92	465.94	43,305,046.85	54,624,152.50	26.14
Dental Claims Expense	1,327,382.80	1,423,038.56	7.21	14,049,433.19	14,714,070.42	4.73
Premiums (Life, Vision)	1,265,937.28	1,432,294.25	13.14	14,342,598.53	16,433,355.45	14.58
Claims Administration Fees (Medical, Dental, Rx)	1,233,101.63	1,334,887.94	8.25	14,841,725.72	15,311,219.15	3.16
Contractual Services (Erisa, Segal, Legal, Etc)	226,417.61	233,626.71	3.18	2,725,339.07	2,702,628.20	(0.83)
Other Expenses	0.00	0.00	0.00	3,899.57	0.00	(100.00)
Transfer to Program Support	63,333.00	68,479.00	8.13	760,000.00	822,200.00	8.18
Total Expenditures	30,433,900.43	33,436,951.91	9.87	342,860,405.61	395,006,900.53	15.21
Net Revenue & Expenditures	(327,848.17)	(325,245.92)	(0.79)	2,556,355.77	(12,268,060.92)	(579.90)

NM Public Schools Insurance Authority

Statement of Revenues and Expenditures - Risk Fund - Unposted Transactions Included In Report

From 6/1/2024 Through 6/30/2024

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
Revenue						
Premiums (Risk Insurance Assessments)	7,737,270.00	8,354,878.00	7.98	92,847,284.00	100,258,570.80	7.98
Interest Income (Wells Fargo, LGIP)	265,607.87	308,427.88	16.12	2,715,840.29	4,449,387.27	63.83
Investment Income (SIC)	744,386.43	190,215.96	(74.45)	1,926,360.43	2,468,878.07	28.16
Miscellaneous Income (Penalties, Subros, Etc)	0.08	2,706.59	...,137.50	1.12	3,795.12	...,750.00
Transfers from Other Funds	63,145.15	0.00	(100.00)	63,145.15	0.00	(100.00)
Total Revenue	8,810,409.53	8,856,228.43	0.52	97,552,630.99	107,180,631.26	9.87
Expenditures						
Property - Liability Claims Expense						
Property Claims	209,488.58	82,869.66	(60.44)	11,320,516.80	9,374,189.01	(17.19)
Liability Claims	542,247.59	(9,010,515.24)	(1,761.70)	23,210,142.18	21,718,517.10	(6.43)
P-L Provisions for Losses	1,938,325.26	11,819,172.78	509.76	6,780,647.00	16,444,208.00	142.52
P-L Excess Recoveries	3,948,801.34	(357,703.07)	(109.06)	(14,061,599.86)	(18,479,534.79)	31.42
P-L Excess Recoveries Distributed to Schools	2,667.92	0.00	(100.00)	3,886,313.34	0.00	(100.00)
Total Property - Liability Claims Expense	6,641,530.69	2,533,824.13	(61.85)	31,136,019.46	29,057,379.32	(6.68)
Workers' Compensation Claims Expense	(2,196,235.00)	(727,846.97)	(66.86)	8,500,608.55	12,147,791.87	42.90
Property Excess Coverage Premium	2,586,540.00	3,597,631.00	39.09	31,038,488.00	43,171,572.21	39.09
Liability Excess Coverage Premium	1,771,250.00	2,099,839.00	18.55	21,255,000.00	25,198,616.00	18.55
Workers' Compensation Excess Coverage Premium	39,900.00	43,977.00	10.22	478,809.00	528,569.00	10.39
Student Catastrophic Insurance Premium	18,240.00	18,269.00	0.16	218,888.62	219,232.18	0.16
Equipment Breakdown Insurance Premium	34,196.00	38,266.00	11.90	410,356.62	459,195.62	11.90
Property - Liability Claims Administration Fees	92,853.91	94,184.82	1.43	1,129,119.23	1,130,218.40	0.10
Workers' Compensation Claims Administration Fees	104,051.99	98,749.05	(5.10)	1,248,743.53	1,189,289.08	(4.76)
Contractual Services (Erisa, Poms, CCMSI, Legal, Etc)	240,079.50	283,966.20	18.28	4,061,596.45	4,546,977.53	11.95
Transfer to Program Support	63,340.00	68,478.00	8.11	760,100.00	821,300.00	8.05
Total Expenditures	9,395,747.09	8,149,337.23	(13.27)	100,237,729.46	118,470,141.21	18.19
Net Revenue & Expenditures	(585,337.56)	706,891.20	(220.77)	(2,685,098.47)	(11,289,509.95)	320.45

NM Public Schools Insurance Authority

Statement of Revenues and Expenditures - Program Support Fund

From 6/1/2024 Through 6/30/2024

	Prior Year Current Period Actual	Current Period Actual	Current Period % Change	Prior Year Actual	Current Year Actual	Current Year % Change
Revenue						
Transfers from Other Funds (Benefits, Risk)	126,673.00	136,957.00	8.12	1,520,100.00	1,643,500.00	8.12
Miscellaneous Income	(353.94)	0.00	(100.00)	465.00	162.02	(65.16)
Total Revenue	126,319.06	136,957.00	8.42	1,520,565.00	1,643,662.02	8.10
Expenditures						
Contractual Services (Professional, Audit, Legal, Etc)	10,280.75	7,771.39	(24.41)	96,006.20	86,555.04	(9.84)
Other Expenses (Travel, Maint., Supplies, Utilities, Etc.)						
Depreciation Expense	6,186.22	0.00	(100.00)	6,186.22	0.00	(100.00)
Other	155,981.57	27,600.71	(82.31)	294,264.89	184,280.94	(37.38)
Total Other Expenses (Travel, Maint., Supplies, Utilities, Etc.)	162,167.79	27,600.71	(82.98)	300,451.11	184,280.94	(38.67)
Per Svc/Ben (Salaries, Fringe Benefits)	127,986.90	100,220.35	(21.69)	1,123,946.96	1,340,537.19	19.27
Total Expenditures	300,435.44	135,592.45	(54.87)	1,520,404.27	1,611,373.17	5.98
Net Revenue & Expenditures	(174,116.38)	1,364.55	(100.78)	160.73	32,288.85	19,988.88

NM Public Schools Insurance Authority

Balance Sheet

As of 6/30/2024

	Program Support	Employee Benefits	Risk	Total
ASSETS				
Cash (Wells Fargo/State Treasurer)	574,356.41	381,612.75	304,616.95	1,260,586.11
Short-term Investments (LGIP)	0.00	302,472.76	67,331,307.66	67,633,780.42
Long-term Investments (SIC)	0.00	20,899,621.10	21,797,077.65	42,696,698.75
Receivables (LGIP Int., W/C Excess Carrier)	(1,242.92)	26,321.52	4,195,502.24	4,220,580.84
Prepaid Premiums (Risk Excess Coverage)	0.00	0.00	0.00	0.00
Other Assets (Deposits, Furniture, Fxtures, Equip., Etc)	250,484.25	20,458,775.00	256,000.00	20,965,259.25
Total ASSETS	823,597.74	42,068,803.13	93,884,504.50	136,776,905.37
LIABILITIES				
Accounts Payable (Admin Fees)	9,029.91	1,519,889.26	469,848.23	1,998,767.40
Case Reserves (P/L, W/C)	0.00	0.00	52,136,583.66	52,136,583.66
IBNR (Incurred But Not Reported)	0.00	23,405,795.00	48,236,047.00	71,641,842.00
Claims Payable (Medical, Dental, P/L, W/C)	0.00	11,725,761.12	467,287.49	12,193,048.61
Deferred Revenue (Self-Pays, P/L, W/C Premiums)	0.00	102,798.21	0.00	102,798.21
Other (Payroll Taxes, Benefits,Compensated Absences Payable)	82,552.68	954.07	1,088.45	84,595.20
Total LIABILITIES	91,582.59	36,755,197.66	101,310,854.83	138,157,635.08
FUND EQUITY				
Beginning Fund Equity	699,726.30	17,581,666.39	11,355,146.93	29,636,539.62
Net Revenue & Expenditures (Year-to-Date)	32,288.85	(12,268,060.92)	(18,781,497.26)	(31,017,269.33)
Total FUND EQUITY	732,015.15	5,313,605.47	(7,426,350.33)	(1,380,729.71)

New Mexico Public Schools Insurance Authority

Appropriation Request

Fiscal Year 2026

July 1, 2025 through June 30, 2026

Public School Insurance Authority

State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

BU	PCode	Department
34200	0000	0000000000

		2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	-------- FY 2026 Agency Request -------- Base	Expansion	Total
REVENUE								
112	Other Transfers	1,643.5	1,643.5	1,791.2	0.0	1,891.2	0.0	1,891.2
130	Other Revenues	467,117.4	489,726.4	508,194.6	0.0	594,535.0	0.0	594,535.0
150	Fund Balance	5,553.8	0.0	29,778.6	0.0	110,947.5	0.0	110,947.5
REVENUE, TRANSFERS		**474,314.7**	**491,369.9**	**539,764.4**	**0**	**707,373.7**	**0.0**	**707,373.7**
REVENUE		**474,314.7**	**491,369.9**	**539,764.4**	**0**	**707,373.7**	**0.0**	**707,373.7**
EXPENSE								
200	Personal Services and Employee Benefits	1,367.8	1,366.4	1,509.9	1,398.3	1,591.2	0.0	1,591.2
300	Contractual services	471,118.1	484,891.9	536,278.0	0.0	703,691.3	0.0	703,691.3
400	Other	185.3	184.8	185.3	0.0	200.0	0.0	200.0
EXPENDITURES		**472,671.2**	**486,443.1**	**537,973.2**	**1,398.34**	**705,482.5**	**0.0**	**705,482.5**
500	Other financing uses	1,643.5	1,506.5	1,791.2	0.0	1,891.2	0.0	1,891.2
OTHER FINANCING USES		**1,643.5**	**1,506.5**	**1,791.2**	**0**	**1,891.2**	**0.0**	**1,891.2**
EXPENSE		**474,314.7**	**487,949.6**	**539,764.4**	**1,398.34**	**707,373.7**	**0.0**	**707,373.7**
FTE POSITIONS								
810	Permanent	12.00	12.00	12.00	12.00	12.00	0.00	12.00
FTEs		**12.00**	**12.00**	**12.00**	**12.00**	**12.00**	**0.00**	**12.00**
FTE POSITIONS		**12.00**	**12.00**	**12.00**	**12.00**	**12.00**	**0.00**	**12.00**

State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

BU	PCode	Department
34200	P630	000000

		2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	FY 2026 Agency Request Base	FY 2026 Agency Request Expansion	FY 2026 Agency Request Total
REVENUE								
130	Other Revenues	367,093.0	382,735.8	394,945.9	0.0	458,937.9	0.0	458,937.9
150	Fund Balance	4,713.6	0.0	10,000.8	0.0	91,862.9	0.0	91,862.9
REVENUE, TRANSFERS		**371,806.6**	**382,735.8**	**404,946.7**	**0.0**	**550,800.8**	**0.0**	**550,800.8**
REVENUE		**371,806.6**	**382,735.8**	**404,946.7**	**0.0**	**550,800.8**	**0.0**	**550,800.8**
EXPENSE								
300	Contractual services	370,984.4	360,816.2	404,051.1	0.0	549,855.2	0.0	549,855.2
EXPENDITURES		**370,984.4**	**360,816.2**	**404,051.1**	**0**	**549,855.2**	**0.0**	**549,855.2**
500	Other financing uses	822.2	753.7	895.6	0.0	945.6	0.0	945.6
OTHER FINANCING USES		**822.2**	**753.7**	**895.6**	**0**	**945.6**	**0.0**	**945.6**
EXPENSE		**371,806.6**	**361,569.9**	**404,946.7**	**0**	**550,800.8**	**0.0**	**550,800.8**

State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

BU	PCode	Department
34200	P631	000000

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	FY 2026 Agency Request Base	FY 2026 Agency Request Expansion	FY 2026 Agency Request Total
REVENUE							
130 Other Revenues	100,024.4	106,990.4	113,248.7	0.0	135,597.1	0.0	135,597.1
150 Fund Balance	840.2	0.0	19,777.8	0.0	19,084.6	0.0	19,084.6
REVENUE, TRANSFERS	**100,864.6**	**106,990.4**	**133,026.5**	**0.0**	**154,681.7**	**0.0**	**154,681.7**
REVENUE	**100,864.6**	**106,990.4**	**133,026.5**	**0.0**	**154,681.7**	**0.0**	**154,681.7**
EXPENSE							
300 Contractual services	100,043.3	123,989.1	132,130.9	0.0	153,736.1	0.0	153,736.1
EXPENDITURES	**100,043.3**	**123,989.1**	**132,130.9**	**0**	**153,736.1**	**0.0**	**153,736.1**
500 Other financing uses	821.3	752.8	895.6	0.0	945.6	0.0	945.6
OTHER FINANCING USES	**821.3**	**752.8**	**895.6**	**0**	**945.6**	**0.0**	**945.6**
EXPENSE	**100,864.6**	**124,741.9**	**133,026.5**	**0**	**154,681.7**	**0.0**	**154,681.7**

State of New Mexico

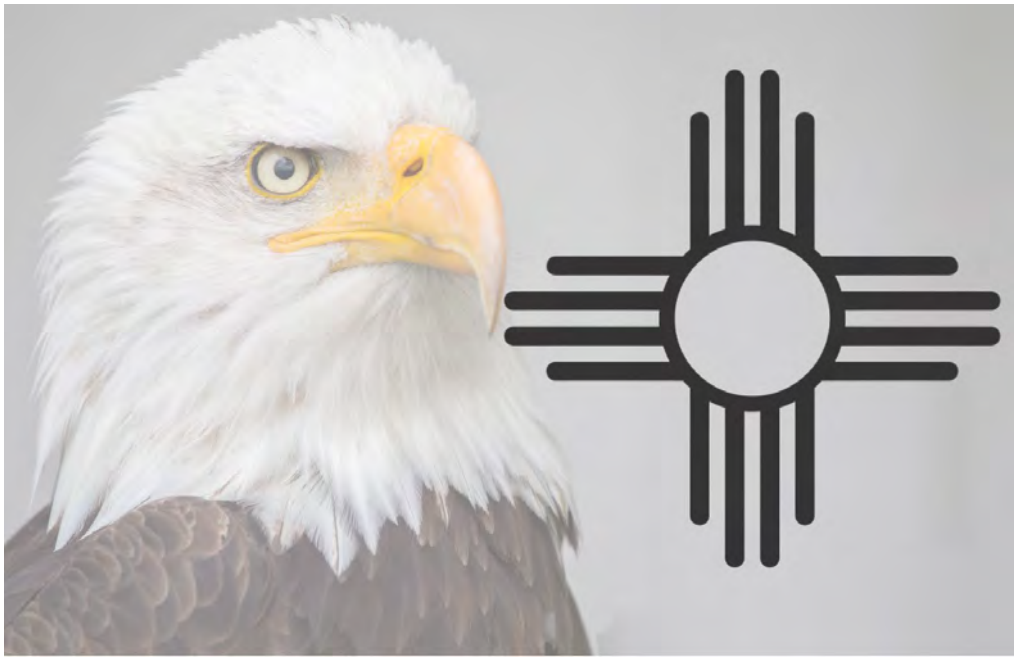
S-8 Financial Summary

(Dollars in Thousands)

BU	PCode	Department
34200	P632	000000

		2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	-------- FY 2026 Agency Request -------- Base	Expansion	Total
REVENUE								
112	Other Transfers	1,643.5	1,643.5	1,791.2	0.0	1,891.2	0.0	1,891.2
130	Other Revenues	0.0	0.2	0.0	0.0	0.0	0.0	0.0
REVENUE, TRANSFERS		**1,643.5**	**1,643.7**	**1,791.2**	**0.0**	**1,891.2**	**0.0**	**1,891.2**
REVENUE		**1,643.5**	**1,643.7**	**1,791.2**	**0.0**	**1,891.2**	**0.0**	**1,891.2**
EXPENSE								
200	Personal Services and Employee Benefits	1,367.8	1,366.4	1,509.9	1,398.3	1,591.2	0.0	1,591.2
300	Contractual services	90.4	86.6	96.0	0.0	100.0	0.0	100.0
400	Other	185.3	184.8	185.3	0.0	200.0	0.0	200.0
EXPENDITURES		**1,643.5**	**1,637.8**	**1,791.2**	**1,398.34**	**1,891.2**	**0.0**	**1,891.2**
EXPENSE		**1,643.5**	**1,637.8**	**1,791.2**	**1,398.34**	**1,891.2**	**0.0**	**1,891.2**
FTE POSITIONS								
810	Permanent	12.00	12.00	12.00	12.00	12.00	0.00	12.00
FTEs		**12.00**	**12.00**	**12.00**	**12.00**	**12.00**	**0.00**	**12.00**
FTE POSITIONS		**12.00**	**12.00**	**12.00**	**12.00**	**12.00**	**0.00**	**12.00**

New Mexico Public Schools Insurance Authority



Special Appropriation Request

Fiscal Year 2026

July 1, 2025 through June 30, 2026

State of New Mexico

SPECIALS, SUPPLEMENTALS AND DEFICIENCIES DFA

(Prepare separate forms for each request)

BU: 34200 **Request Type:** Special (FY 26)

Agency: Public School Insurance Authority

Program:

Analyst: Phillip Gonzales

Phone: 505-469-0269 **Rank:** 1

TOTAL SOURCES MUST EQUAL TOTAL USES

(Dollars in Thousands)

Sources		Uses	
Revenue Account	**Amount**	**Uses Account**	**Amount**
General Fund Transfers	62,900.0	Contractual Services	62,900.0
Total Sources	**62,900.0**	**Total Uses**	**62,900.0**

Full Time Equivalents (FTE)	
Type	**Amount of FTE**
	0.00
Total FTE	**0.00**

Request is related to a recurring expense	**No**
Request is related to a capital request	**No**
Request is related to proposed legislation	**No**

Language requested for inclusion in General Appropriations Act (Please Follow Legislative Bill Drafting Conventions - See Instructions)

For the reimbursement of covid costs and reduction of benefit rate increases.

Justification Quantitative Data (Description)

During the COVID pandemic from March 11, 2020, through June 20, 2023, NMPSIA experienced a significant surge in medical and pharmacy claims, resulting in a total expense of $50,529,514.

NMPSIA has seen medical and prescription claims utilization increase for members due to neoplasms, mental health, and neonatal cases. Drugs covered under the medical plan increased by 19.4% due to oncology treatments. Prescription drug spending increased by 29.7% due to specialty drug utilization, increased utilization of brand-name drugs to treat autoimmune diseases, and specialty GLP-1 diabetic medications such as Mounjaro and Ozempic.

The Authority implemented 10% benefits increase to members as of October 1, 2024. The increase needed was 15.53%; however, the NMPSIA Board of Directors held a special meeting to reduce the benefit rate increase and ask for a special appropriation to help offset revenue and reduce future rate increases.

Request: Provide a brief description of what the request does, how the dollars will be spent and explain why it is a nonrecurring need.

This request is crucial for the financial stability and future planning of the NMPSIA.

NMPSIA is seeking reimbursement for COVID-19 expenditures. During the COVID pandemic, NMPSIA spent $50,500,000. NMPSIA received $15,000,000 in American Rescue Plan Act (ARPA) appropriation during the 2022 Legislative Session via the Coronavirus State Fiscal Recovery Fund; however, to budget these funds, only expenditures from March 3, 2021, forward were permitted. NMPSIA has incurred COVID expenses of $50,529,514 from March 11, 2020, through June 20, 2023.
The appropriation will ensure the Authority recovers unexpected expenses incurred during the COVID-19 pandemic and will also reduce future benefit premium increases to members. In addition to COVID expenses the Authority has seen a significant increase in recent claim experience attributed to neoplasms, mental health, and neonatal cases and obesity.

Request: How the dollars will be spent.

The funds will reimburse the employee benefits fund for costs incurred during the COVID pandemic, help offset increases in medical and prescription claims costs, and reduce members' premium increases.

Request: Explain why request is nonrecurring need.

This request is crucial for the financial stability and future planning of the NMPSIA.

NMPSIA is seeking reimbursement for COVID-19 expenditures. During the COVID pandemic, NMPSIA spent $50,500,000. NMPSIA received $15,000,000 in American Rescue Plan Act (ARPA) appropriation during the 2022 Legislative Session via the Coronavirus State Fiscal Recovery Fund; however, to budget these funds, only expenditures from March 3, 2021, forward were permitted. NMPSIA has incurred COVID expenses of $50,529,514 from March 11, 2020, through June 20, 2023.
The appropriation will ensure the Authority recovers unexpected expenses incurred during the COVID-19 pandemic and will also reduce future benefit premium increases to members. In addition to COVID expenses the Authority has seen a significant increase in recent claim experience attributed to neoplasms, mental health, and neonatal cases and obesity.

Consequences: Provide a brief description of consequences of not funding a performance and accountability task.

Employee benefit insurance premiums will have to be increased to offset COVID costs and increasing medical and prescription claims costs and make up for the 5.53% benefit premium increase that was reduced from 15.53% to 10% starting October 1, 2024.

Performance: How will agency performance be affected.

The employee benefits fund will continue to struggle with monthly cash flow difficulties in paying claims for medical and PBM costs incurred by members and will have to pass on high insurance premium increases.

Performance: How will agency performance will be improved.

NMPSIA member benefit premium increases will be kept as low as possible, which helps members' overall financial situation.

Brief description of problem agency is addressing.

The employee benefits fund absorbed the costs of COVID treatment during the pandemic and elected to reduce a needed premium increase from 15.53% to 10%, reducing the revenue needed to cover expenses and stabilize the Authority’s cash and fund balance.

State of New Mexico

SPECIALS, SUPPLEMENTALS AND DEFICIENCIES DFA

(Prepare separate forms for each request)

BU: 34200 **Request Type:** Special (FY 26)

Agency: Public School Insurance Authority

Program:

Analyst: Phillip Gonzales

Phone: 5054690269 **Rank:** 2

TOTAL SOURCES MUST EQUAL TOTAL USES

(Dollars in Thousands)

Sources		Uses	
Revenue Account	**Amount**	**Uses Account**	**Amount**
General Fund Transfers	120,500.0	Contractual Services	120,500.0
Total Sources	**120,500.0**	**Total Uses**	**120,500.0**

Full Time Equivalents (FTE)	
Type	**Amount of FTE**
	0.00
Total FTE	**0.00**

Request is related to a recurring expense	**No**
Request is related to a capital request	**No**
Request is related to proposed legislation	**No**

Language requested for inclusion in General Appropriations Act (Please Follow Legislative Bill Drafting Conventions - See Instructions)

To minimize premium increases, sexual abuse training and prevention, and offset self-insured retention claims costs.

Justification Quantitative Data (Description)

During FY2022 and 2023, members suffered projected losses of $57.3 million due to hail and wind damage. The losses attributed to FY2022 and 2023 caused the Authority's wind and hail deductible to increase from $2,500,000 to $10,000,000. From FY2015 to FY2024, the Authority has experienced 143 sexual molestation and inappropriate touching claims with a projected cost of $80,618,000, which is expected to increase. The appropriation received would offset premium increases within the Authority's five-year plan.

The Authority implemented a 14.99% risk increase to members as of July 1, 2024. The increase needed was 31.86%; however, the NMPSIA Board of Directors held a special meeting to reduce the risk rate increase and ask for a special appropriation to help offset revenue and reduce future rate increases.

Request: Provide a brief description of what the request does, how the dollars will be spent and explain why it is a nonrecurring need.

This request is crucial for the financial stability and future planning of the NMPSIA.
NMPSIA will continue to develop and research effective measures to reduce sexual abuse in New Mexico educational institutions, offset self-insured retention costs absorbed by the Authority, and reduce future premium increases for Authority members. Under the Authority's five-year plan, the premium increase would be offset over five years.

Request: How the dollars will be spent.

This request is crucial for the financial stability and future planning of the NMPSIA.
NMPSIA will continue to develop and research effective measures to reduce sexual abuse in New Mexico educational institutions, offset self-insured retention costs absorbed by the Authority, and reduce future premium increases for Authority members. Under the Authority's five-year plan, the premium increase would be offset over five years.

Request: Explain why request is nonrecurring need.

The amount received will be incorporated into NMPSIA's five-year plan and used to offset member premium costs in addition to educating and providing members resources to help curb sexual abuse and molestation claims.

Consequences: Provide a brief description of consequences of not funding a performance and accountability task.

NMPSIA will pass on higher premium increases to members to generate sufficient revenue to cover projected costs while continuing to fund costs associated with resources to curb sexual abuse and molestation.

Performance: How will agency performance be affected.

NMPSIA must pass on higher premium increases to members to generate sufficient revenue to cover projected costs.

Performance: How will agency performance will be improved.

The Agency will be able to better protect New Mexico children against sexual abuse and molestation by providing an environment where children can feel safe and can focus on learning instead of having to worry about the possibility of being abused, in addition to reducing claims costs. NMPSIA can offer the same insurance coverage while maintaining the lowest possible increases by incorporating the amount received into the Authority's five-year plan.

Brief description of problem agency is addressing.

During FY2022 and 2023, members suffered projected losses of $57.3 million due to hail and wind damage. The losses attributed to FY2022 and 2023 caused our wind and hail deductible to increase from $2,500,000 to $10,000,000. From FY2015 to FY2024, the Authority has experienced 143 sexual molestation and inappropriate touching claims with a projected cost of $80,618,000, which is expected to increase. The appropriation received would offset premium increases within the Authority's five-year plan.

MEKETA

New Mexico Public School Insurance Authority

September 5, 2024

Meeting Materials

Agenda

1. Overview of Meketa
2. Executive Summary
3. Economic and Market Update
4. 2Q 2024 Performance Review

MEKETA
INVESTMENT GROUP

Meketa Investment Group Overview

Presenters

Paul F. Cowie, III
Managing Principal
Consultant

- 21 years of industry experience
- Joined Meketa in 2005; Shareholder
- Lead consultant for various defined benefit, defined contribution, annuity, and health & welfare funds with public, Taft-Hartley, and corporate plan sponsors
- Chair: Profit Sharing Plan Committee
- Member: Defined Contribution Practice Group
- BA: Bucknell University

Jared Pratt, CFA, CAIA
Senior Vice President
Senior Investment Analyst

- 17 years of industry experience
- Joined Meketa in 2020
- Responsibilities include assisting with the development of asset allocation and investment policies, analyzing manager performance and positioning, and providing oversight of client portfolios
- BBA: University of New Mexico

Meketa Overview

46
Years of Experience

251
Clients

$2 T
In Assets under Advisement

$1.9 T
In Public/Government Fund Assets

Four decades of investment advisory experience

→ Advising Defined Benefit plans, Defined Contribution plans, and Endowment/Foundations

→ Working with Public/Government, Corporates, Healthcare, Endowments/Foundations, Taft-Hartley, and Non-Profits

Over 250 clients*

→ 100 Public Fund clients

→ Over 180 General Consulting clients

→ Over 100 Private Market clients

Staff of 244, including 167 investment professionals

→ 67 consultants and 51 analysts

→ 58 investment operations

→ 69 corporate & business administration

One Line of Business

→ 100% of our revenue comes from our clients

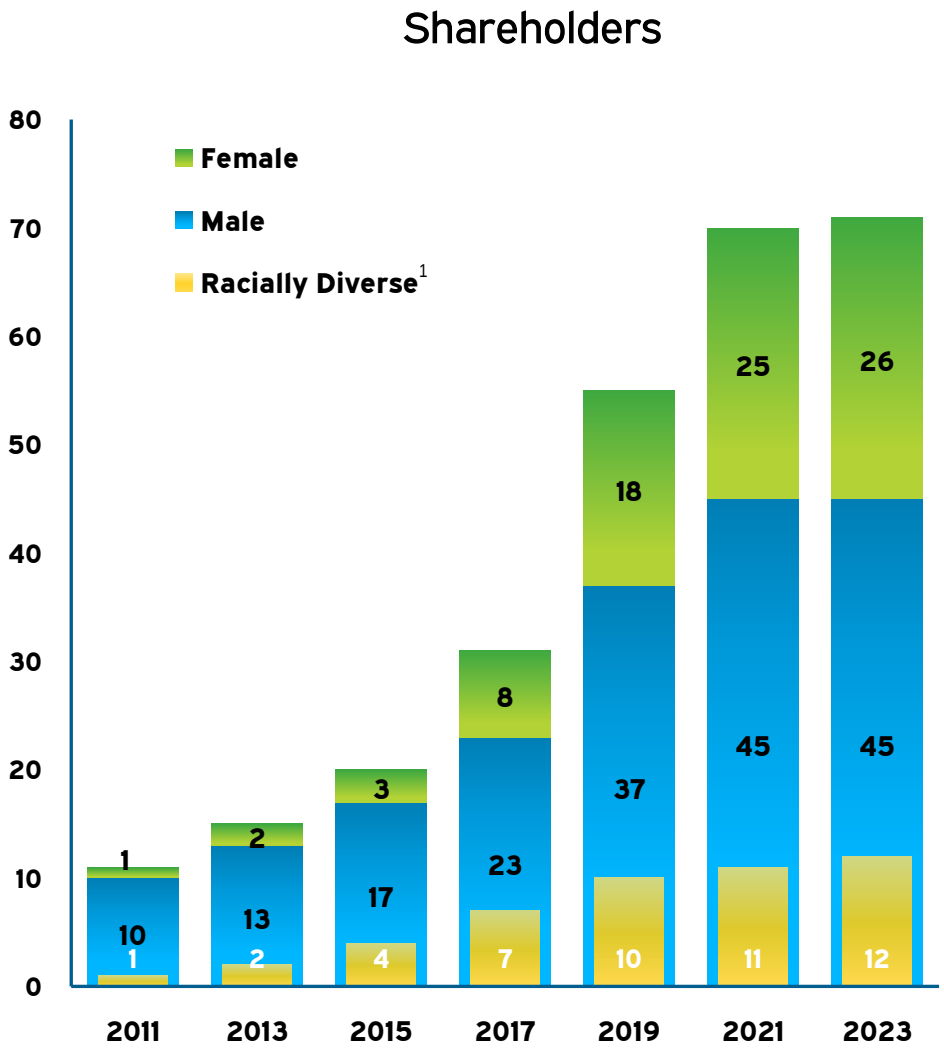
* Overlap may occur as some clients have multiple mandates.
Client and employee counts as of June 30, 2024; assets as of December 31, 2023.

Employee-Owned

We empower individuals to become owners of the firm, with no shareholder owning more than 25%.

Our Co-CEO structure and team orientation across business groups enhances and secures our collaborative culture.

Our collegial atmosphere is exemplified by an open-door policy with approachable management as well as a formal process of continual feedback.



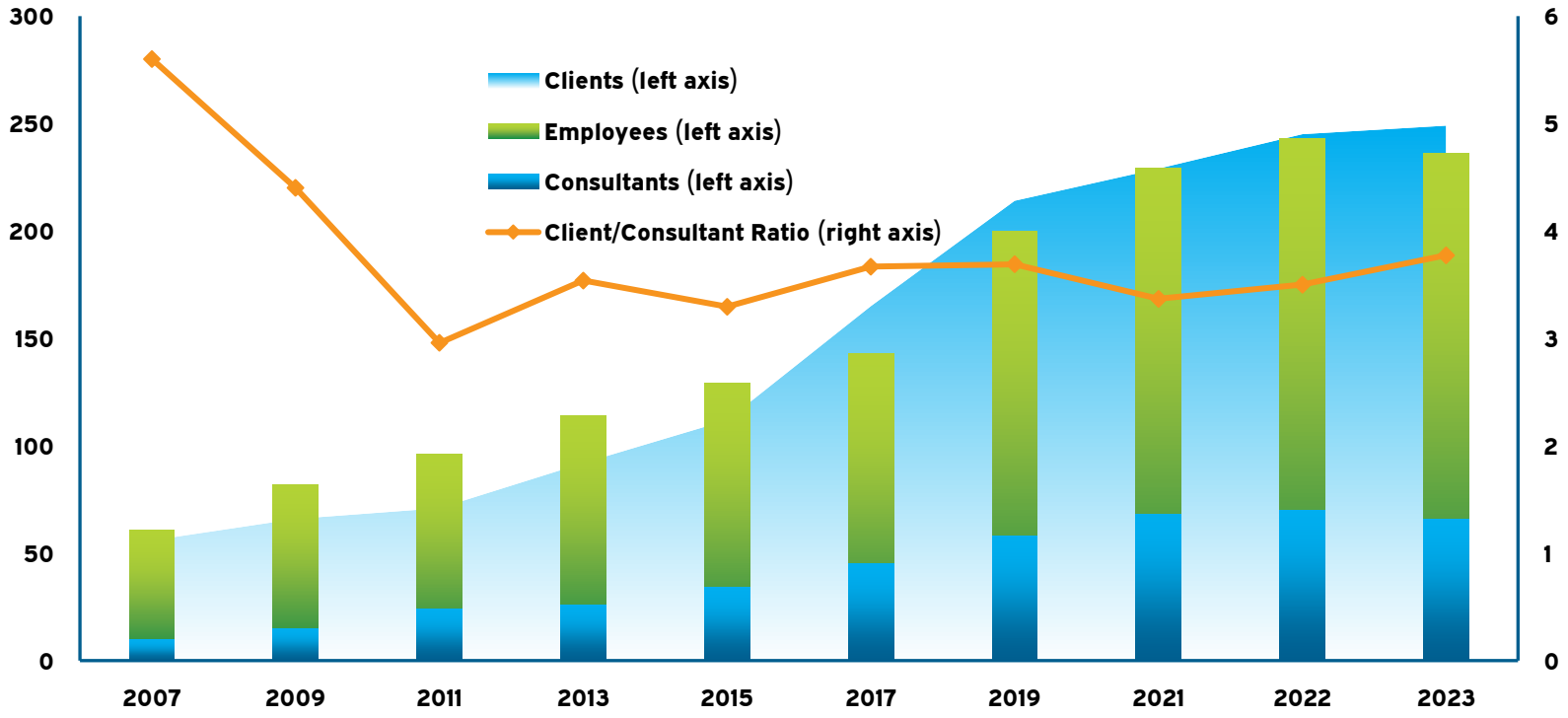
[1] Racially Diverse includes shareholders counted in the male and female categories.

Committed to Client Service

→ We work directly with each client to meet their unique objectives.

→ Low client to consultant ratio means we know our clients and their portfolios well.

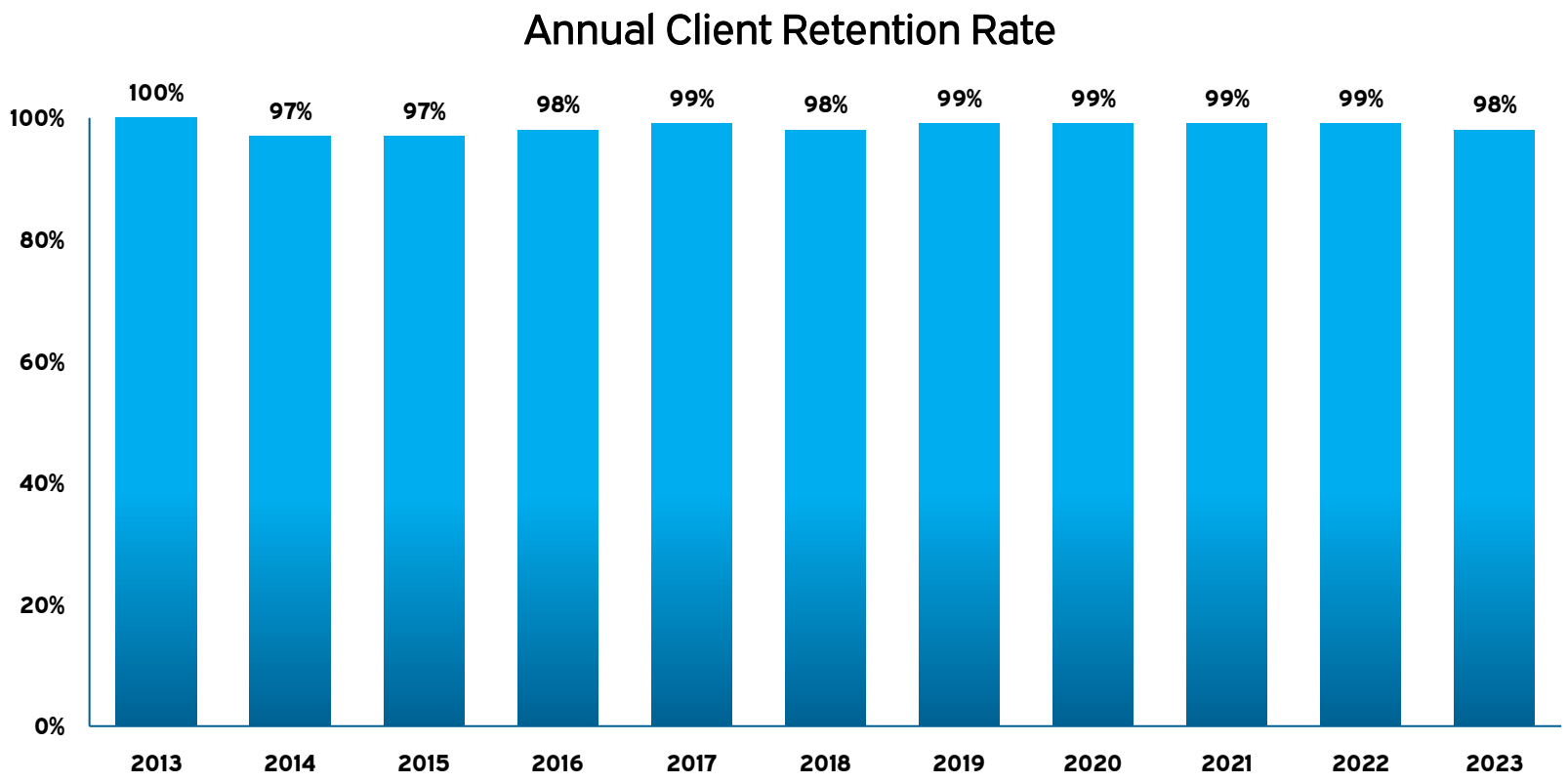
→ Timely and proactive advice has resulted in strong client retention.



Client Satisfaction

→ Consistent and controlled growth has resulted in strong retention.

→ Nearly 100% client retention rate[1] shows we have been able to meet our clients needs.



[1] Average over the previous five years. Client Retention Rate is one minus the number of clients lost divided by the number of clients at prior year end.

We are Staffed to Provide an Intensive Level of Client Service

Proposed Client Consulting Team

Paul Cowie, III
Managing Principal
Consultant

Jared Pratt, CFA, CAIA
Senior Vice President
Senior Investment Analyst

Additional Team Members
Performance Analyst
Client Service Administrator

Governance
Investment Policy Committee
Marketable Securities Oversight Committee
Private Markets Policy Committee

Support Teams*

General Consulting	Public Markets	Private Markets	Capital Markets	Support Services
124 professionals	20 professionals	52 professionals	8 professionals	48 professionals

* General Consulting, Public Markets, Private Markets, and Capital Markets counts include overlap of professionals and includes support staff. Employee counts as of March 31, 2024.

Significant Public/Government Fund Experience

- We were hired by our first public/government fund client in 1998.
- We currently advise on $1.9 trillion for 100 public/government fund clients throughout the nation.
- Representative clients:

Arizona State Retirement System
Austin Fire Fighters Relief & Retirement Fund (TX)
Bloomington Fire Department Relief Association Pension Fund, MN
California Public Employees' Retirement System
California State Teachers' Retirement System
City and County of San Francisco Retiree Health Care Trust Funds (CA)
City of Ann Arbor Employees' Retirement System (MA)
City of Baltimore Employees' Retirement System (MD)
City of Marlborough Contributory Retirement System (MA)
City of Miami Fire Fighters' and Police Officers' Retirement Trust (FL)
City of Newport News (VA)
City of Phoenix Employees' Retirement System (AZ)
City of Quincy Retirement System (MA)
City of San Jose Police and Fire Department (CA)
Connecticut Retirement Plans and Trust Funds
Dallas Police and Fire Pension System (TX)
District of Columbia Retirement Board
East Bay Municipal Utility District (CA)
El Paso Firemen & Policemen's Pension Fund (TX)
Employees' Retirement System of the City of Norfolk
Employees' Retirement System of Texas
Employees' Retirement System of the Government of the U.S. Virgin Islands
Fire and Police Retiree Health Care Fund, San Antonio (TX)
Illinois State Board of Investment
Illinois State Universities Retirement System
Industrial Commission of Arizona
Kansas Public Employees Retirement System
Los Angeles County Employees Retirement Association (CA)
Maine Retirement Savings Board
Maryland State Retirement and Pension System
Massachusetts Housing Finance Agency Employees' Retirement System
Merced County Employees Retirement Association (CA)
Metropolitan Government of Nashville & Davidson County (TN)
Minnesota State Board of Investment
Missouri State Employees Retirement System
Municipal Employees' Retirement System of Louisiana
New Jersey Higher Education Student Assistance Authority
New Mexico Public Employees Retirement Association's Deferred Compensation Plan
New Mexico State Investment Council
New York State Common Retirement Fund
Oakland Police and Fire Retirement System (CA)
Ohio Bureau of Workers' Compensation
Orange County Employees Retirement System (CA)
Oregon Growth Board
Oregon Public Employees' Retirement System
Pension Reserves Investment Management Board (MA)
Plymouth County Retirement Association (MA)
Regional Transportation Authority (IL)
Rhode Island State Investment Commission
San Joaquin County Employees' Association (CA)
San Jose Federated City Employees' Retirement System (CA)
State Board of Administration of Florida
State of Hawaii Employees' Retirement System
State of Wyoming, Wyoming Retirement System
Teachers' Retirement System of Oklahoma
Teachers Retirement System of the State of Illinois
Town of Lexington Contributory Retirement System (MA)
Town of Norwood Retirement System (MA)
Tri-County Metropolitan Transportation District of Oregon
Washington State Investment Board
Worcester Retirement System (MA)

Client counts as of March 2024; assets as of September 30, 2023.

Our Philosophy

Consulting Philosophy

- → Create customized investment solutions to assist your organization in achieving its goals.
- → Build deep and lasting relationships based on trust and open communication.
- → Act with fiduciary integrity.
- → Continually strive to innovate and improve in all we do.

Investment Philosophy

- → Asset allocation is the primary driver of performance.
- → Active and passive managers should be balanced by risk, return, and fees.
- → Risk control is implemented through diversification.
- → Maintain a long-term focus while aware of short-term opportunities.
- → Thoroughly evaluate both established and emerging investment strategies without inherent bias.
- → Be skeptical regarding new investment strategies or fads.
- → Minimize fees and other expenses.

Client Service Philosophy

- → Take an active role in the funds we serve – always fiduciaries.
- → Be proactive in bringing our best ideas to clients.
- → Provide continuing education on investment topics.
- → Clients should only invest in strategies they understand.
- → Provide reports, analysis, and advice that are of the highest quality.
- → Maintain open dialogue and communication with our clients.

Generating and Vetting Research Ideas

→ Ideas come from many different places:

- Internally, academia, clients, and money managers

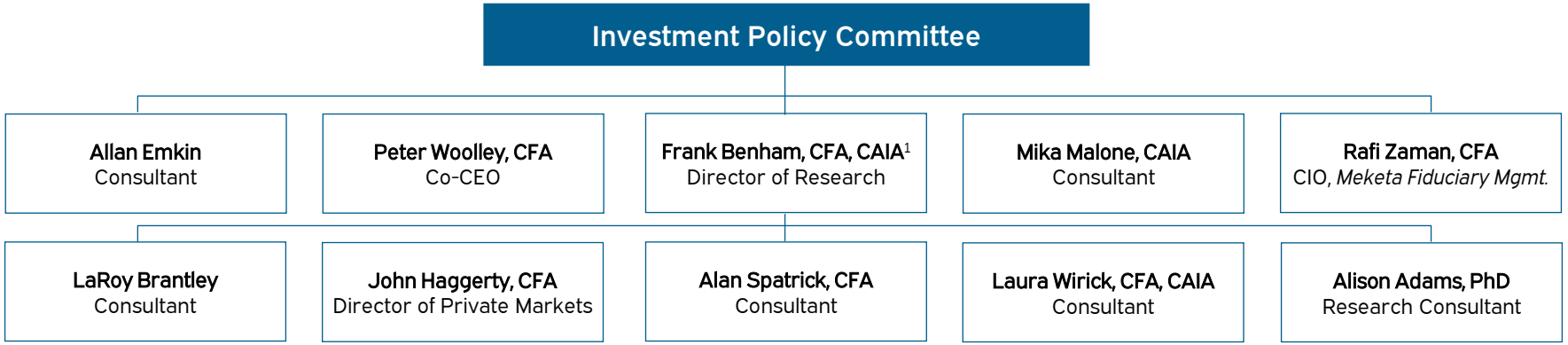
→ We have a team of 8 professionals who focus on Capital Markets Research.

→ We also work with the resources of the broader firm.

- In the past 12 months, more than fifty of our investment professionals have contributed to white papers, research notes, or newsletters.

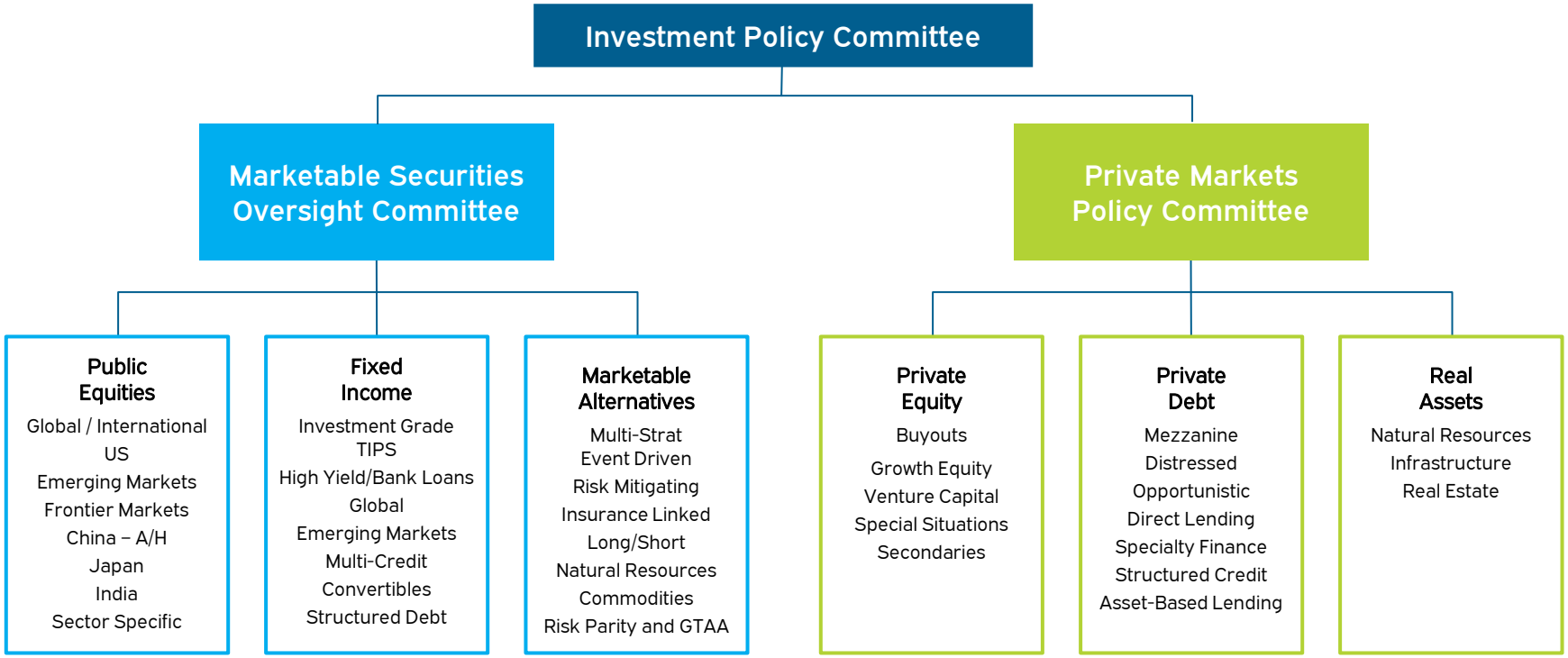
→ We use a committee structure to ensure our research represents the best thinking of the firm.

- This includes our Strategic Asset Allocation / Risk Management Committee, Global Macroeconomic Investment Committee, and our Investment Policy Committee.



[1] Mr. Benham serves as Chair of both the Investment Policy and Strategic Asset Allocation/Risk Management Committees.

Broad Manager Research Coverage



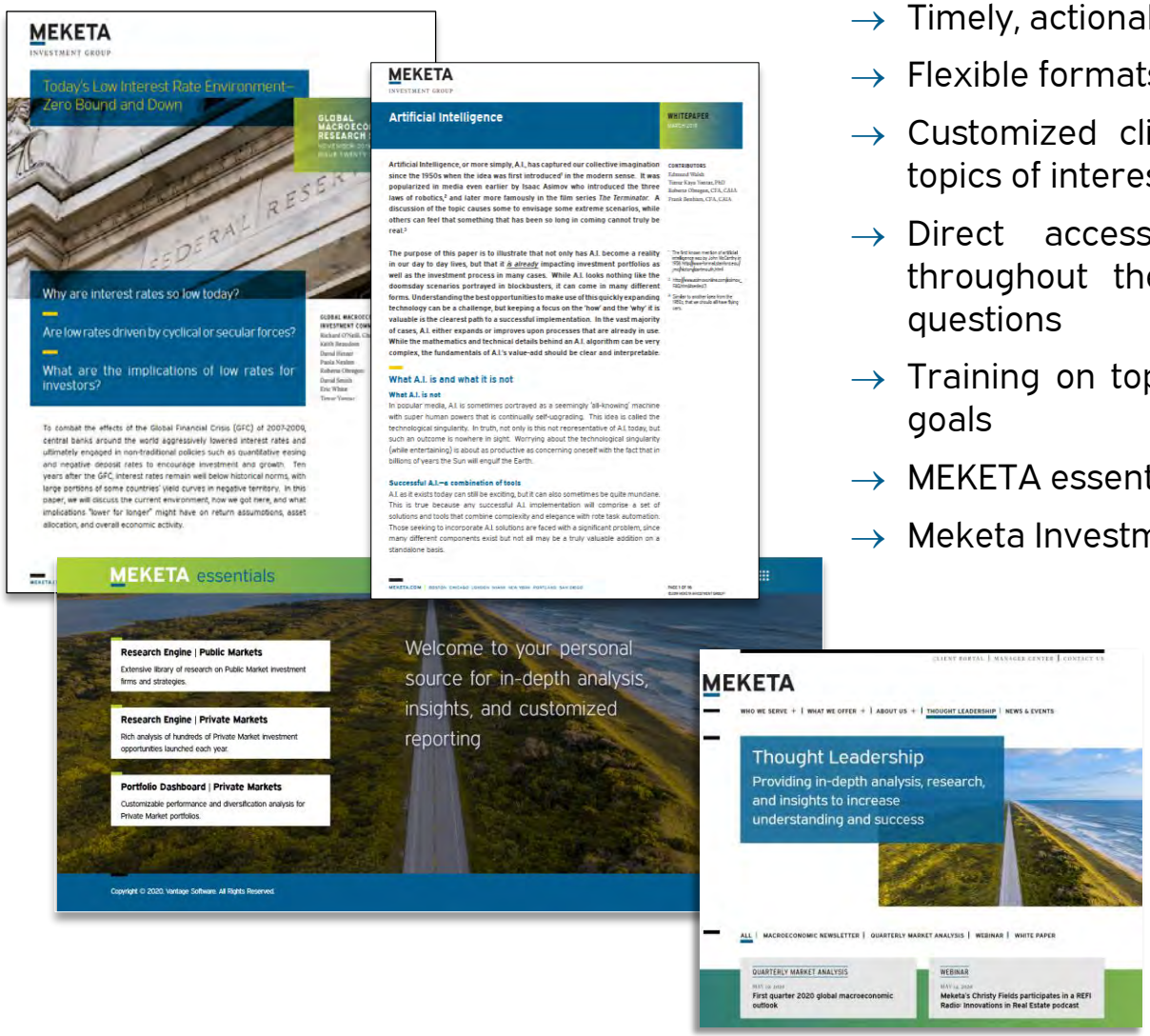
Investment Committee Structure

→ We maintain dedicated resources of more than 50 research professionals across public and private markets asset classes.

→ Our due diligence teams report to the firm's Marketable Securities Oversight and Private Markets Policy Committees.

→ Investment Committee structure draws on the expertise of the firm's senior professionals.

Proactive Communication



- → Timely, actionable research topics
- → Flexible formats and delivery
- → Customized client education materials on the topics of interest to your organization
- → Direct access to subject matter experts throughout the organization to answer your questions
- → Training on topics that impact your investment goals
- → MEKETA essentials (client portal)
- → Meketa Investment Perspectives

Strategic Asset Allocation and Risk Management

Our Strategic Asset Allocation/Risk Management Committee works with our Investment Policy Committee to:

- → Develop firm-wide policy on strategic asset allocation.
- → Develop return, risk, and correlation forecasts for asset classes.
- → Develop and update model portfolios.
- → Oversee publication and update of all white papers.
- → Research and determine appropriate risk management strategies for clients.

The Mosaic Approach

→ The real world risks and objectives faced by investors are complex and often conflicting.

- These cannot be summarized in a single statistic.
- Rather, we use a variety of tools to build a more complete picture.

→ Our staff has access to the best tools used in the industry, and specialized, proprietary tools developed by our internal team.

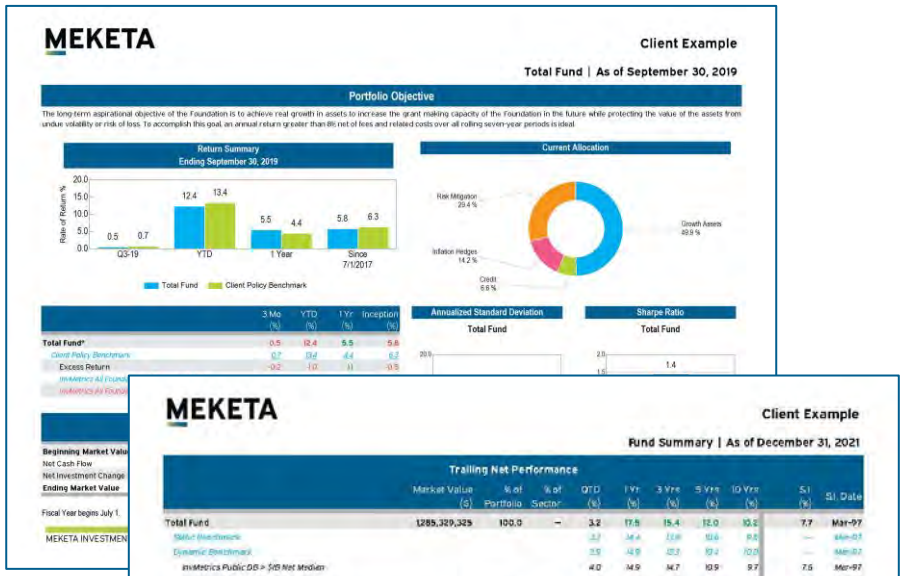
Mean-Variance Optimization	Tracking Error vs. Peers
Risk Budgeting	Historical Scenario Analysis
Alpha Assumptions	Factor Stress Tests
Sequence of Returns Impact	Liquidity Stress Tests
Big Data Simulations	Economic Regime Analysis
High Dimension Optimization	Simulation-Based Optimization

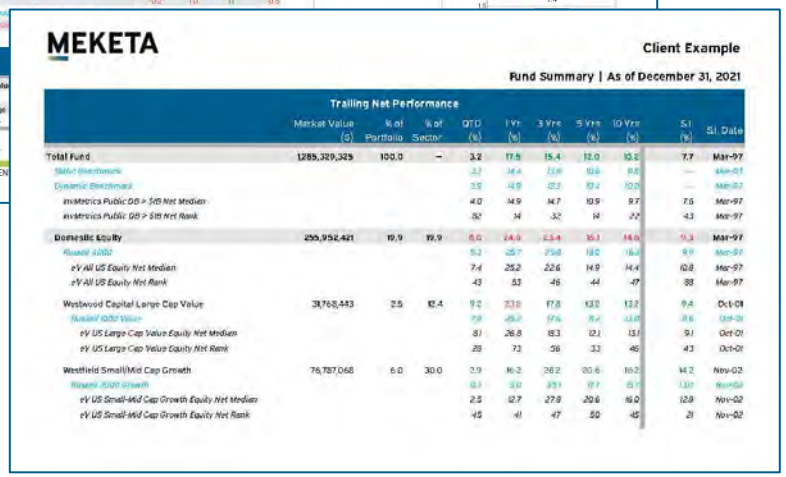
→ This approach provides a better understanding of how the portfolios might behave.

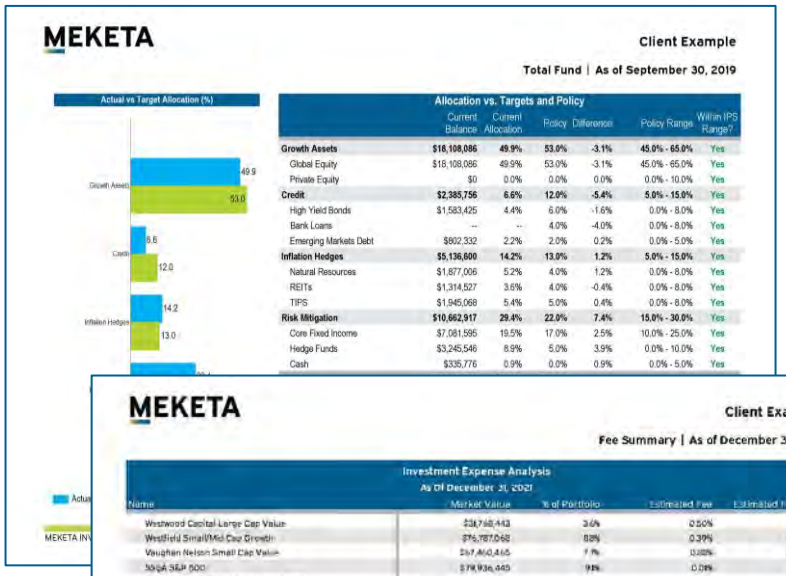
Performance Reporting & Peer Analysis

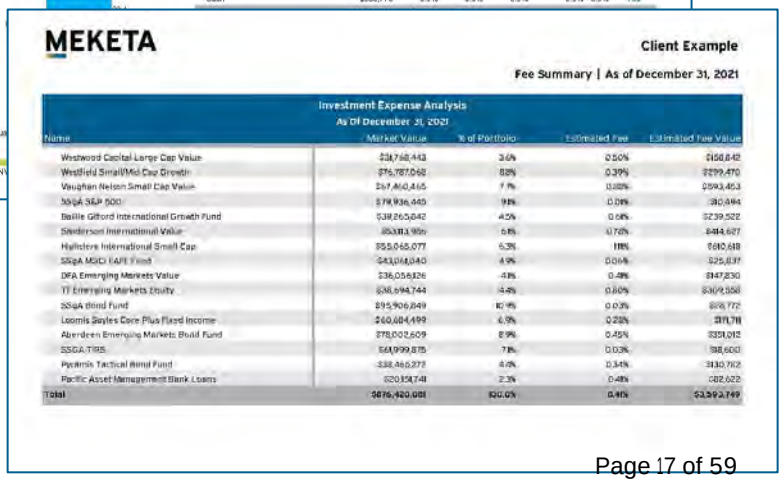
→ Thorough analysis and summary of all key information for each client delivered quarterly, or semi-annually, if client requests.

→ Client reports address Aggregate Fund Performance, Peer Analysis, Asset Allocation, Fund Structure, Individual Manager and Asset Class Performance, and Current Topics.



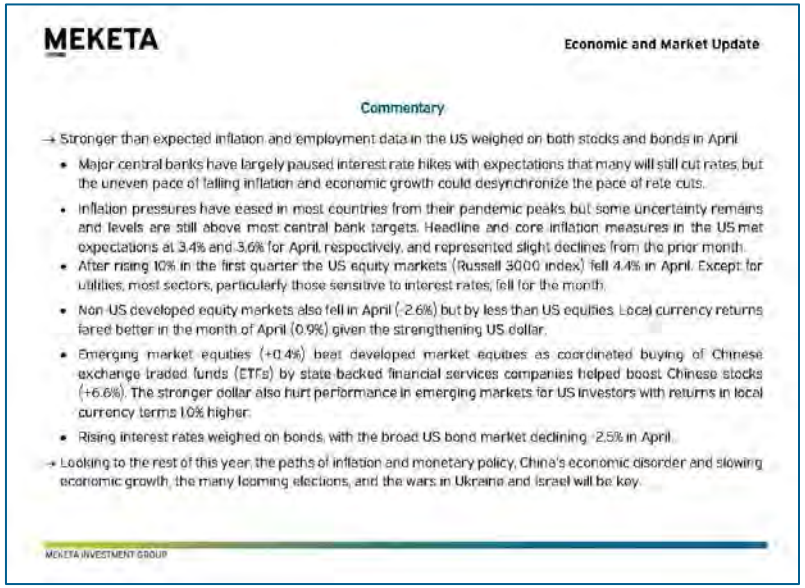






Global Macroeconomic Research and Outlook

- → Produce a monthly economic and market review.
- → Host a quarterly capital markets webinar.
- → Develop the firm's near-term market views.
- → Write research papers on topical economic and market issues.
- → Attend client/prospect meetings to discuss economic topics.
- → Create memos, report pieces, and host webinars related to key issues.
- → Responsible for internal economic/capital markets training.


MEKETA

Economic and Market Update

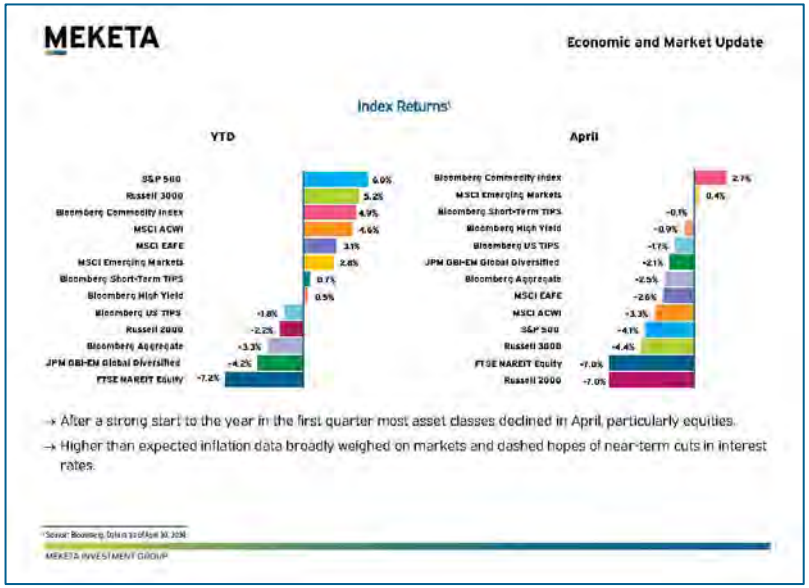
Commentary

→ Stronger than expected inflation and employment data in the US weighed on both stocks and bonds in April.

- Major central banks have largely paused interest rate hikes with expectations that many will still cut rates, but the uneven pace of falling inflation and economic growth could desynchronize the pace of rate cuts.
- Inflation pressures have eased in most countries from their pandemic peaks, but some uncertainty remains and levels are still above most central bank targets. Headline and core inflation measures in the US met expectations at 3.4% and 3.6% for April, respectively, and represented slight declines from the prior month.
- After rising 10% in the first quarter the US equity markets (Russell 3000 index) fell 4.4% in April. Except for utilities, most sectors, particularly those sensitive to interest rates, fell for the month.
- Non-US developed equity markets also fell in April (-2.6%) but by less than US equities. Local currency returns fared better in the month of April (0.9%) given the strengthening US dollar.
- Emerging market equities (+0.4%) beat developed market equities as coordinated buying of Chinese exchange traded funds (ETFs) by state-backed financial services companies helped boost Chinese stocks (+6.6%). The stronger dollar also hurt performance in emerging markets for US investors with returns in local currency terms 1.0% higher.
- Rising interest rates weighed on bonds, with the broad US bond market declining -2.5% in April.

→ Looking to the rest of this year, the paths of inflation and monetary policy, China's economic disorder and slowing economic growth, the many looming elections, and the wars in Ukraine and Israel will be key.

MEKETA INVESTMENT GROUP


MEKETA

Economic and Market Update

Index Returns[1]

YTD

S&P 500	6.0%
Russell 3000	5.2%
Bloomberg Commodity Index	4.9%
MSCI ACWI	4.6%
MSCI EAFE	3.1%
MSCI Emerging Markets	2.8%
Bloomberg Short-Term TIPS	0.7%
Bloomberg High Yield	0.5%
Bloomberg US TIPS	-1.8%
Russell 2000	-2.2%
Bloomberg Aggregate	-3.3%
JPM GBI-EM Global Diversified	-4.2%
FTSE NAREIT Equity	-7.2%

April

Bloomberg Commodity Index	2.7%
MSCI Emerging Markets	0.4%
Bloomberg Short-Term TIPS	-0.1%
Bloomberg High Yield	-0.9%
Bloomberg US TIPS	-1.7%
JPM GBI-EM Global Diversified	-2.1%
Bloomberg Aggregate	-2.5%
MSCI EAFE	-2.6%
MSCI ACWI	-3.3%
S&P 500	-4.1%
Russell 3000	-4.4%
FTSE NAREIT Equity	-7.0%
Russell 2000	-7.0%

→ After a strong start to the year in the first quarter most asset classes declined in April, particularly equities.

→ Higher than expected inflation data broadly weighed on markets and dashed hopes of near-term cuts in interest rates.

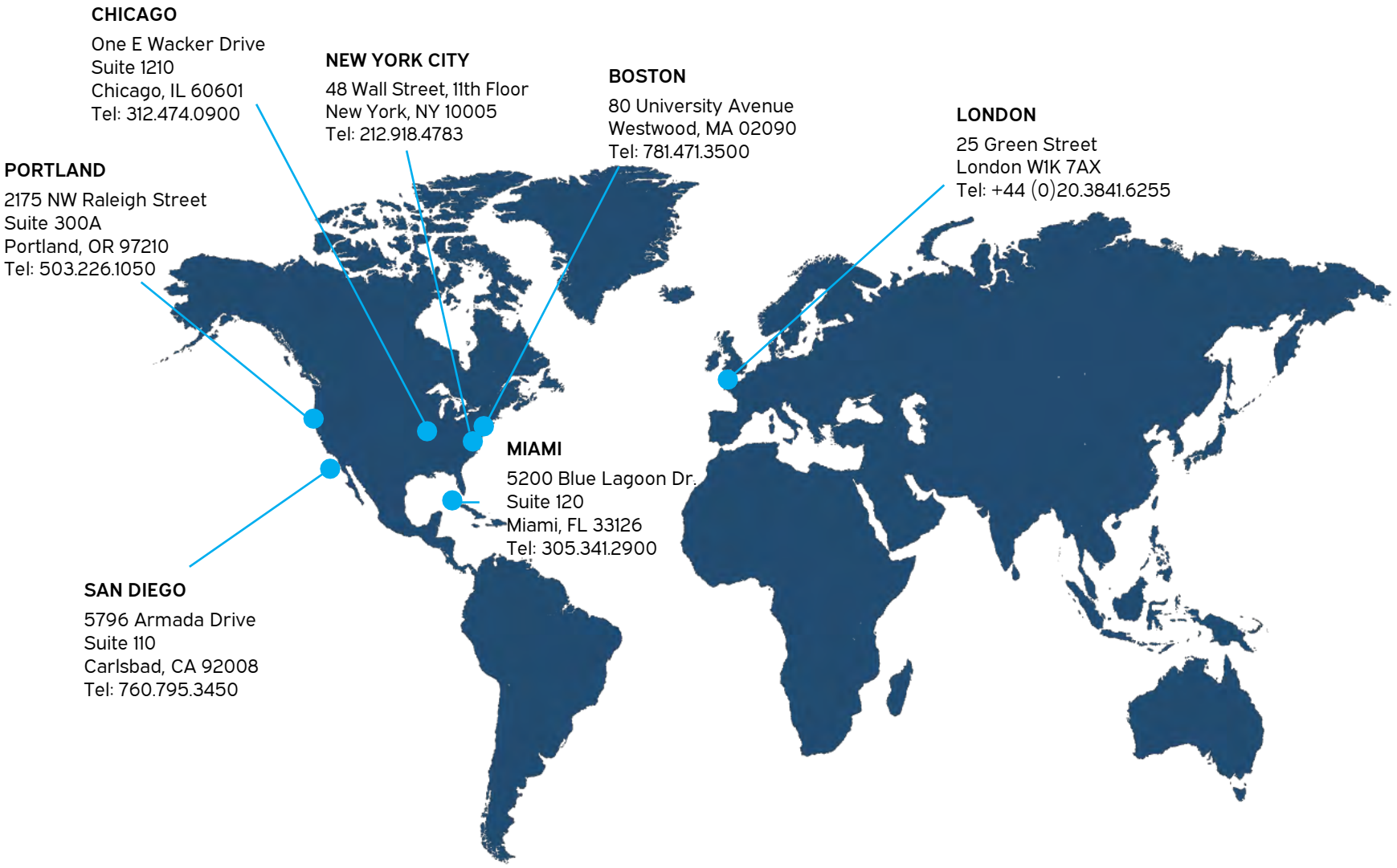
[1] Source: Bloomberg. Data is as of April 30, 2024.

MEKETA INVESTMENT GROUP

Competitive Advantages

- → Experienced, stable consulting firm
- → Proactive, customized, team approach
- → Fiduciary responsibility
- → Deep resources
- → High consultant to client ratio
- → Full-service consultant
- → Objective, independent advice
- → Research Focused – Industry Thought Leaders
- → Significant Public/Government Fund experience
- → Customized investment solutions and programs
- → Strong investment results

Contact Information



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Meketa merged with Pension Consulting Alliance (PCA) on March 15, 2019. Data presented in this presentation may include information related to PCA prior to the merger with Meketa. This information could include years of tenure with the firm, client inception dates, and services offered, among other items.

Executive Summary

Current Status

→ As of June 30, 2024, the Benefits Fund was valued at $20.9 million and the Risk Fund was valued at $21.8 million. During the second quarter, the Benefits Fund returned 1.2% and the Risk Fund returned 1.1%. This brings their YTD returns to 6.1% and 5.7%, respectively.

→ All asset classes were within their respective policy ranges at quarter-end.

Recently Completed Actions

→ We began working closely with staff members in July to start gathering necessary documentation. To date, we have assisted with the following:

- Complete transfer of all historical performance data since June 2014.
- Provided a brief introduction at the Annual Board of Directors Meeting.

Next Steps

→ At future meetings, we plan to address the following topics:

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

Economic and Market Update

Data as of July 31, 2024

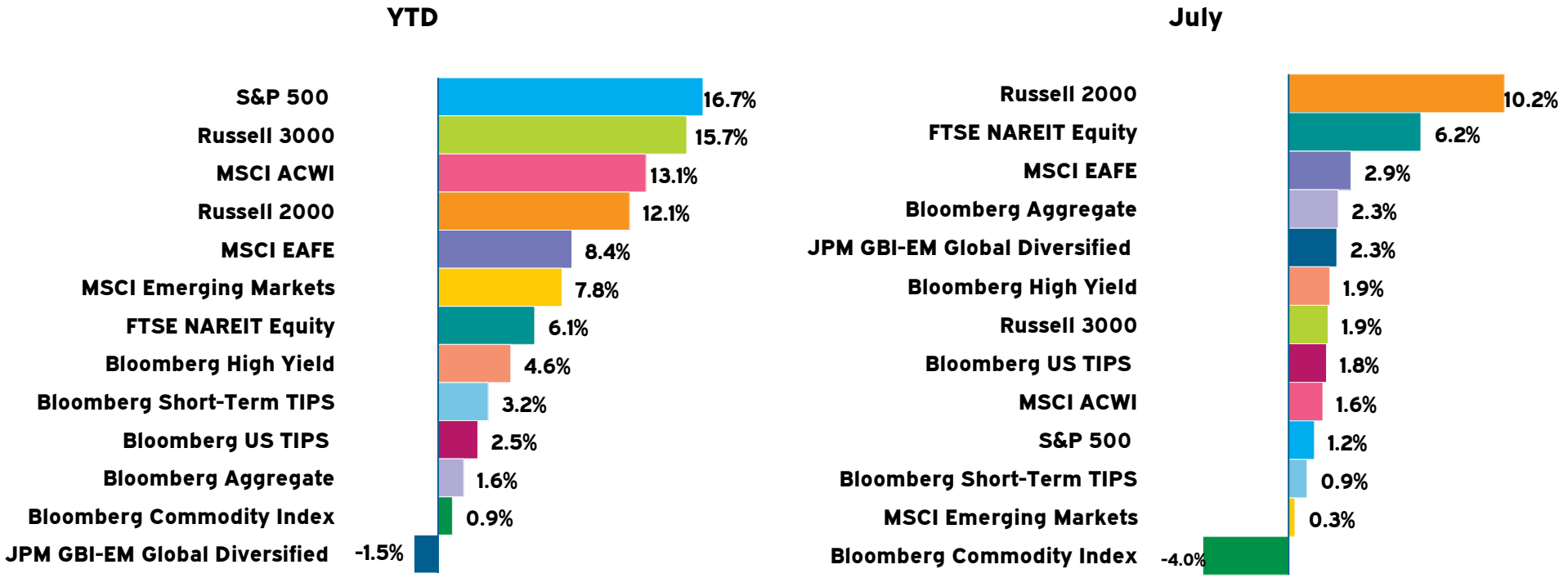
Commentary

→ Hints from the Fed that it would lower interest rates given continued declines in inflation drove markets higher. Notably there was a rotation in the US equity market away from mega cap tech stocks particularly toward small cap stocks.

- Central bank policy divergence continued with the Bank of Japan hiking rates while the Bank of England and the People's Bank of China cut policy rates following the European Central Bank; while inflation continues to moderate, it remains above target in most countries while slowing growth has fanned recession concerns.
- In July, the broad market (Russell 3000: +1.9%) significantly trailed small cap stocks (Russell 2000: +10.2%) as smaller companies particularly benefited from increased expectations for a "soft landing" of the US economy.
- Non-US developed equity markets rallied in July (+2.9%) outperforming the broad US market. A weakening US dollar was a key driver of results.
- Emerging market equities were up slightly in July (+0.3%) as Chinese stocks declined (-1.6%).
- Fixed income markets posted positive returns in July on expectations for policy rate cuts this fall as inflation pressures recede.

→ Looking to the rest of this year, the paths of inflation and monetary policy, China's economic disorder and slowing economic growth, the yen-carry trade, and the many looming elections will be key factors.

Index Returns[1]



→ In July, improving inflation and dovish comments from the Fed helped most asset classes post positive returns. There was a notable shift within equity markets toward value and small cap stocks and away from the mega-cap tech stocks that have been recently driving markets higher.

→ Just over mid-way through 2024, US stocks have significantly outperformed other asset classes on a year-to-date basis.

[1] Source: Bloomberg. Data is as of July 31, 2024.

Domestic Equity Returns[1]

Domestic Equity	July (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	1.2	16.7	22.1	9.6	15.0	13.1
Russell 3000	1.9	15.7	21.1	8.1	14.2	12.6
Russell 1000	1.5	15.9	21.5	8.5	14.6	12.8
Russell 1000 Growth	-1.7	18.6	26.9	9.4	18.4	16.3
Russell 1000 Value	5.1	12.1	14.8	7.0	9.9	9.0
Russell MidCap	4.7	9.9	13.7	3.7	10.2	9.9
Russell MidCap Growth	0.6	6.6	12.3	-0.2	9.5	10.9
Russell MidCap Value	6.0	10.9	13.8	5.5	9.6	8.5
Russell 2000	10.2	12.1	14.3	1.9	8.9	8.7
Russell 2000 Growth	8.2	13.0	12.8	-1.1	7.6	8.9
Russell 2000 Value	12.2	11.2	15.7	4.6	9.5	8.1

US Equities: The Russell 3000 rose 1.9% in July, bringing the year-to-date results to 15.7%.

→ US stocks gained in July, as softening inflation data increased expectations for interest rate cuts this year.

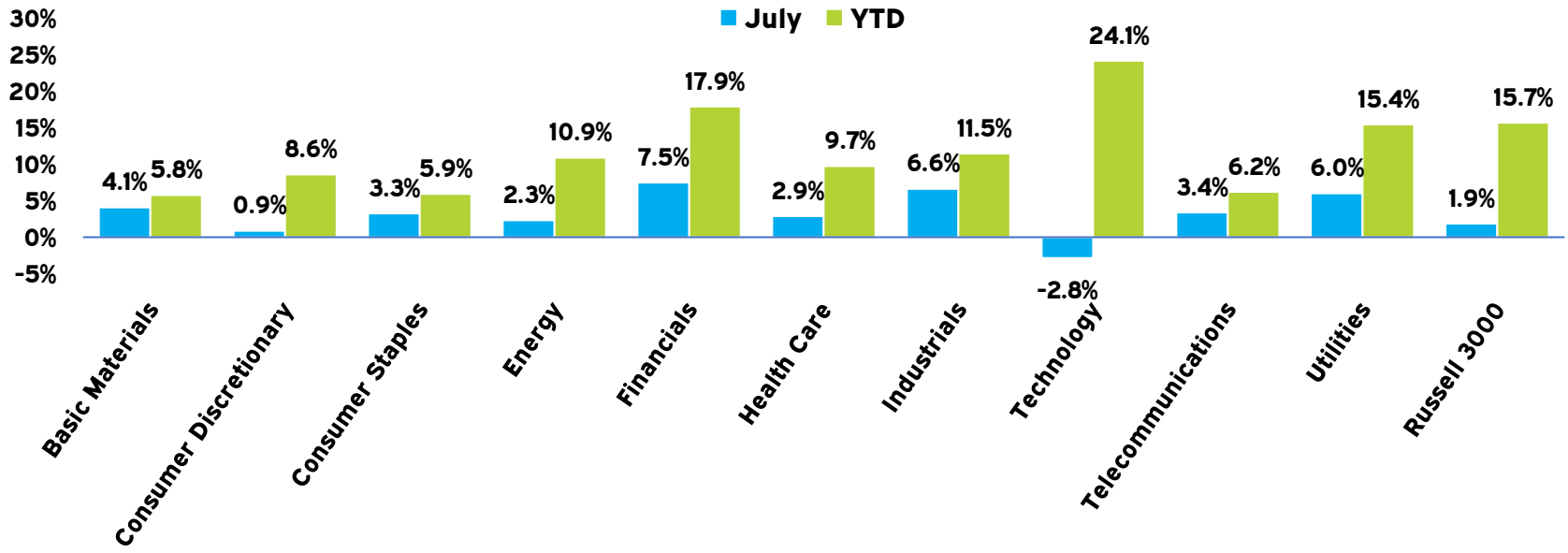
→ Notably there was a sharp rotation in the market during the month, from the technology sector toward small cap and value stocks.

→ Small cap stocks particularly benefited from their domestic focus and hopes for a "soft landing" of the economy and on expectations of lower interest rates.

→ Value stocks outperformed growth stocks across the market cap spectrum for the month, driven in part by banks. Growth stocks like pharmaceutical and software companies, also contributed to this dynamic.

[1] Source: Bloomberg. Data is as of July 31, 2024.

Russell 3000 Sector Returns[1]



→ In July, all sectors saw a positive performance except the technology sector which fell in the month.

→ On the prospect of lower interest rates financials (+7.5%), industrials (+6.6%), and utilities (+6.0%) were top performers in July.

→ Technology (-2.8%) and consumer discretionary (+0.9%) sectors trailed. Concerns over whether the run-up in artificial intelligence related technology stocks will be matched by earnings weighed on that sector.

→ All sectors have positive returns for the year-to-date period. Technology stocks (+24.1%) continue to lead the broader market, followed by financials (+17.9%).

[1] Source: Bloomberg. Data is as of July 31, 2024.

Foreign Equity Returns[1]

Foreign Equity	July (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	2.3	8.1	9.7	1.8	6.3	4.2
MSCI EAFE	2.9	8.4	11.2	3.6	7.4	4.8
MSCI EAFE (Local Currency)	0.8	11.9	14.1	8.2	9.0	7.5
MSCI EAFE Small Cap	5.7	6.2	9.1	-2.1	5.5	5.1
MSCI Emerging Markets	0.3	7.8	6.3	-2.7	3.4	2.6
MSCI Emerging Markets (Local Currency)	0.6	11.7	10.4	0.7	5.9	5.6
MSCI EM ex. China	0.8	9.3	14.5	2.5	7.2	4.0
MSCI China	-1.3	3.4	-12.4	-13.8	-4.4	0.5

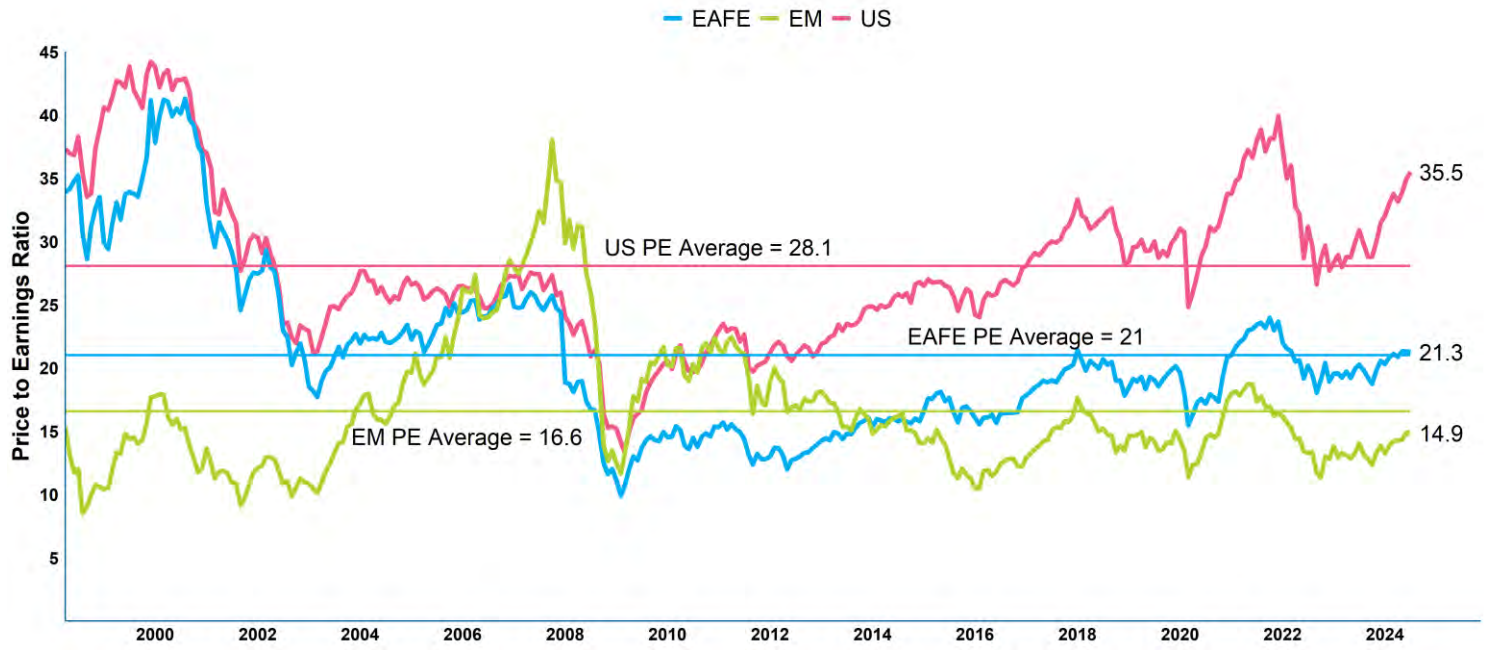
Foreign Equity: Developed international equities (MSCI EAFE) rose 2.9% in July, while emerging market equities (MSCI Emerging Markets) gained just 0.3%.

→ Developed market equities saw strong returns in July outpacing US shares. Most of the gains for US investors came from a weakening US dollar. Results were also driven in part by strong performance in the UK, due to promising PMIs and rising business confidence. Eurozone stocks rose only slightly for the month while Japan's TOPIX was volatile, reaching a record high only to experience a sharp correction.

→ Emerging markets saw marginal positive returns but lagged most developed peers. China continued to see negative performance, as the real estate crisis showed no signs of abating. South Korea and Taiwan also experienced negative returns as technology stocks sold off globally. India saw strong performance following a very positive jobs report. The country grew to 80% of China's index weight as of month-end.

[1] Source: Bloomberg. Data is as of July 31, 2024.

Equity Cyclically Adjusted P/E Ratios[1]



→ The market rally in July lifted price-to-earnings ratios in the US (35.5) further above its 21st century average (28.1).

→ Non-US developed market valuations have increased to slightly above their long-term average while emerging market stocks remain well below their long-term average price-to-earnings ratio.

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

Fixed Income Returns[1]

Fixed Income	July (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	2.3	2.0	5.7	-2.3	0.5	1.9	4.9	6.0
Bloomberg Aggregate	2.3	1.6	5.1	-2.6	0.2	1.6	4.6	6.2
Bloomberg US TIPS	1.8	2.5	4.4	-1.6	2.4	2.1	4.3	6.9
Bloomberg Short-term TIPS	0.9	3.2	5.8	2.0	3.3	2.1	4.5	2.6
Bloomberg High Yield	1.9	4.6	11.1	2.2	4.2	4.6	7.6	3.6
JPM GBI-EM Global Diversified (USD)	2.3	-1.5	0.1	-2.4	-1.0	-0.5	--	--

Fixed Income: The Bloomberg Universal index rose +2.3% in July, lifting the year-to-date return into positive territory (+2.0%).

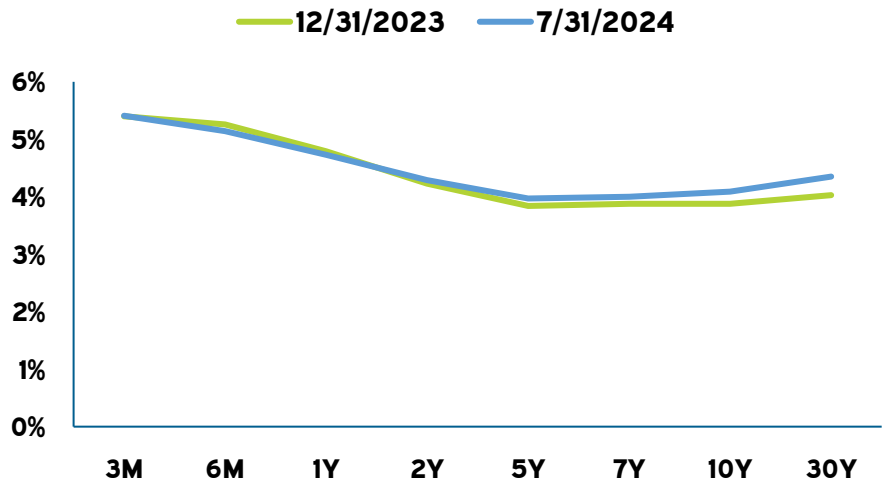
→ Fixed income indexes rose in July, driven by market participants' expectations for a shift towards more accommodative monetary policy in the coming months largely due to easing inflationary pressures.

→ The broad US bond market (Bloomberg Aggregate) rose 2.3% over the month, with the broad TIPS market gaining 1.8%. The less interest rate sensitive short-term TIPS index increased 0.9%.

→ High yield bonds (+1.9%) and emerging market bonds (+2.3%) also rose, as risk appetite remains strong.

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

US Yield Curve[1]



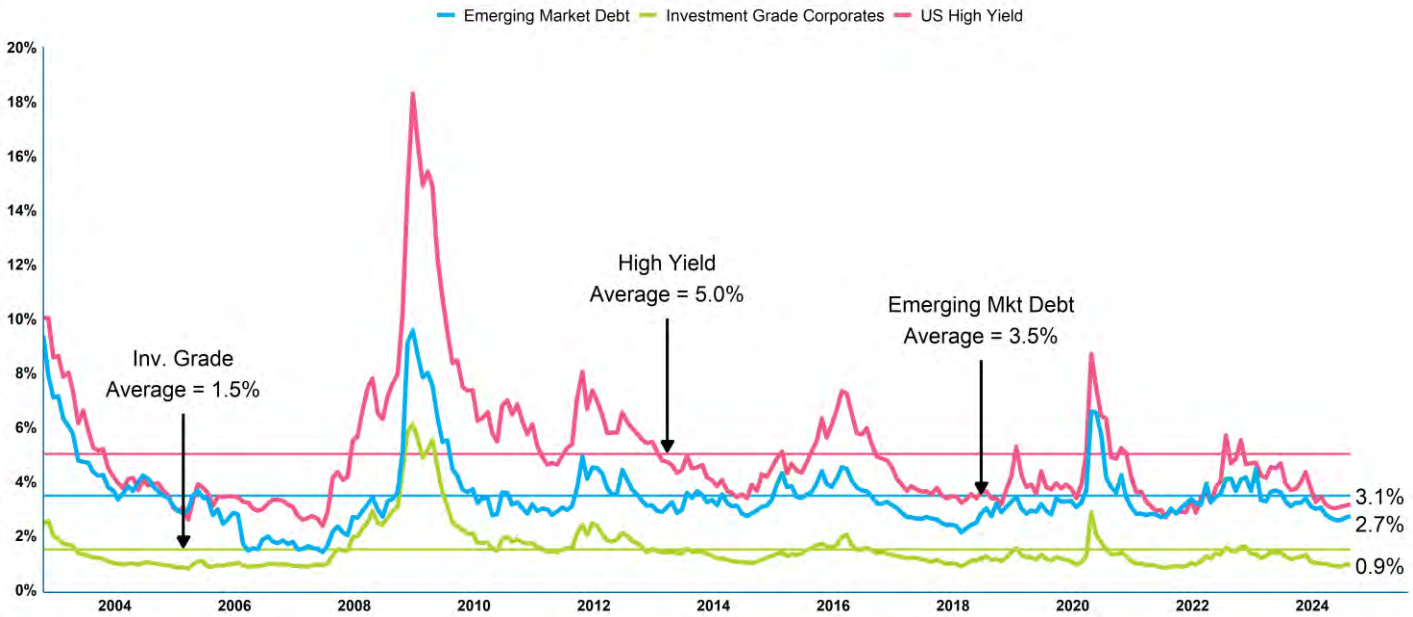
→ After rates significantly increased over the first six months of the year, they dramatically fell in July on weaker economic data and expectations for rate cuts.

→ The more policy sensitive 2-year Treasury yield declined by a material 50 basis points and finished the month at 4.26%. The 10-year Treasury also saw a notable decline, dropping by 37 basis points to end the month at 4.03%.

→ The yield curve remained inverted at month-end, with the spread between the 2-year and 10-year Treasury at roughly -22 basis points.

[1] Source: Bloomberg. Data is as of July 31, 2024.

Credit Spreads vs. US Treasury Bonds[1]



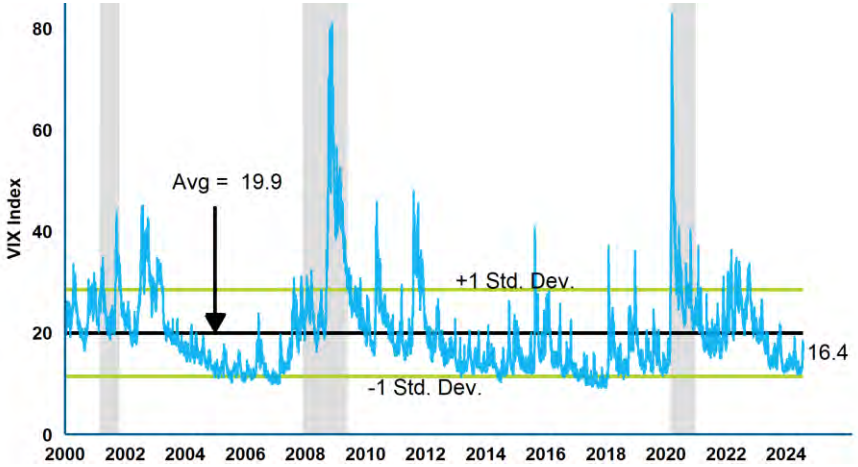
→ Investor demand for risk exposure in credit markets remained strong in July despite signs of weakness in the economic outlook. The prospect of lower rates was supportive for corporate bonds.

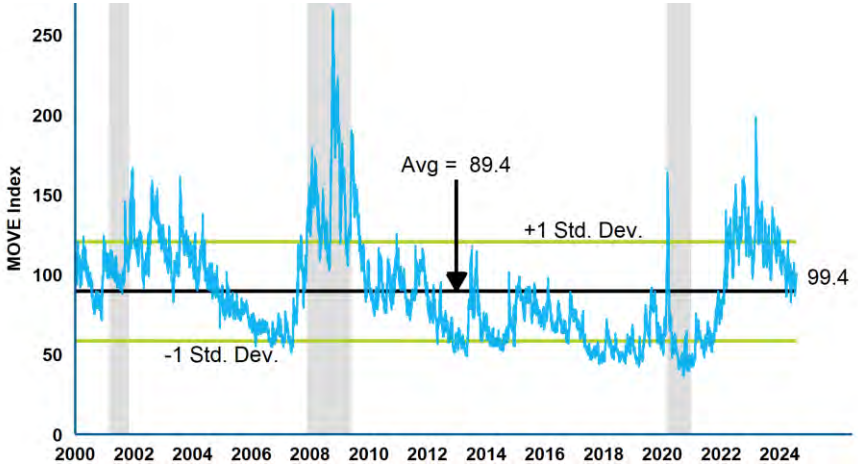
→ Spreads (the yield above a comparable maturity Treasury) stayed relatively steady over the month, near post-pandemic lows. All spreads remained below their respective long-run averages, particularly high yield.

→ Although spreads are relatively tight, yields remain at above-average levels compared to the last two decades, particularly for short-term issues.

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

Equity and Fixed Income Volatility[1]



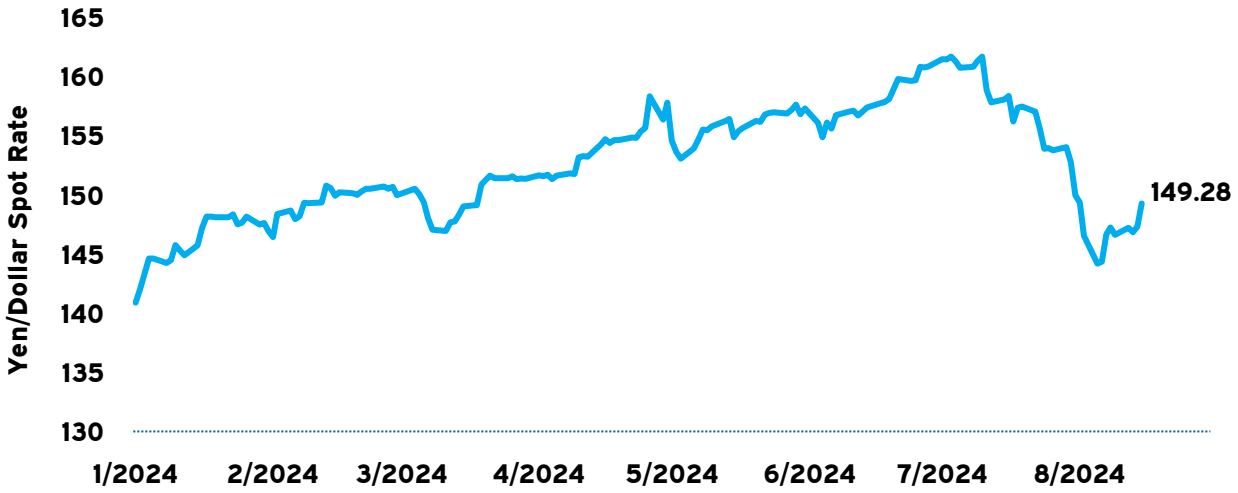


→ Despite a small increase over the month, equity market volatility remains subdued as inflation tracks lower and the economy remains resilient.

→ Uncertainty in the bond markets rose as markets repriced interest rate cuts for the rest of 2024 and volatility in bonds (MOVE) rose slightly in July and remains above its long-run average.

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

Recent Market Volatility: US Dollar versus Japanese Yen[1]



→ Given relatively lower interest rates in Japan many have entered into the so-called "yen carry trade" borrowing cheaply in Japan and investing in other areas with perceived higher returns.

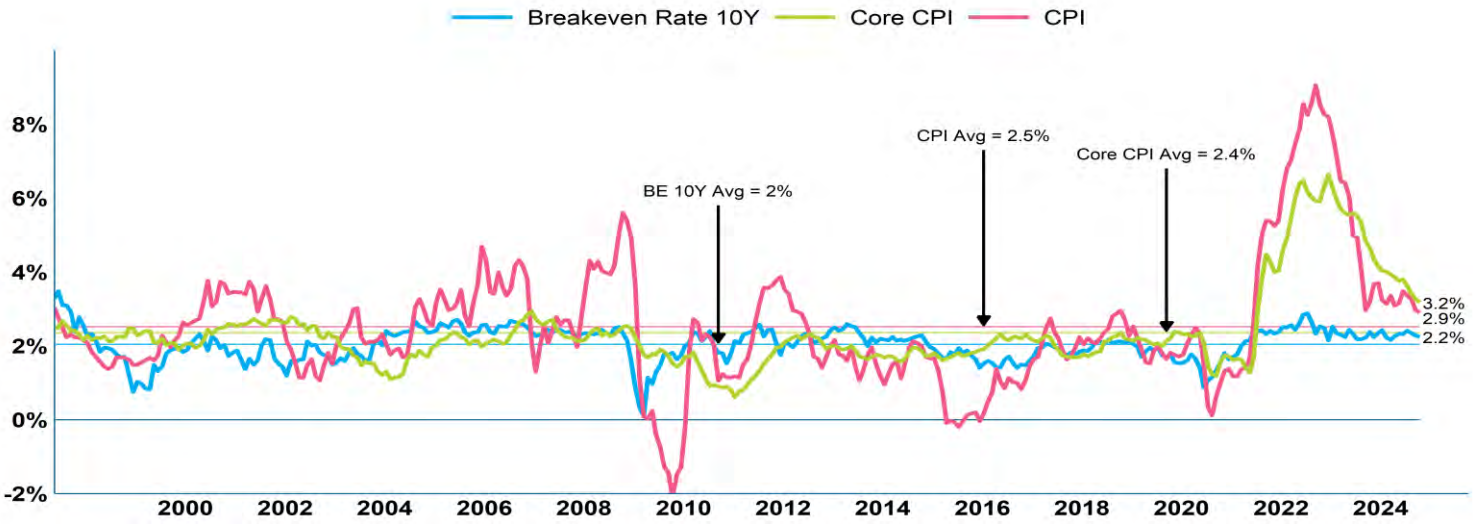
→ This has traditionally involved taking the borrowed proceeds and investing them in Treasuries, but recently has expanded to investing in the US stock market particularly the technology sector.

→ When the Bank of Japan signaled, it would continue to increase interest rates with expectations growing for the Fed to cut rates, many unwound this trade contributing to the significant market volatility (in addition to the unemployment miss) after month-end.

→ Since then, the yen has stabilized and slightly weakened but questions remain about the path ahead for the Japanese currency.

[1] Source: Bloomberg. Data as of August 15, 2024.

US Ten-Year Breakeven Inflation and CPI[1]



→ Year-over-year headline inflation continued to fall in July (3.0% to 2.9%), coming in again below expectations.

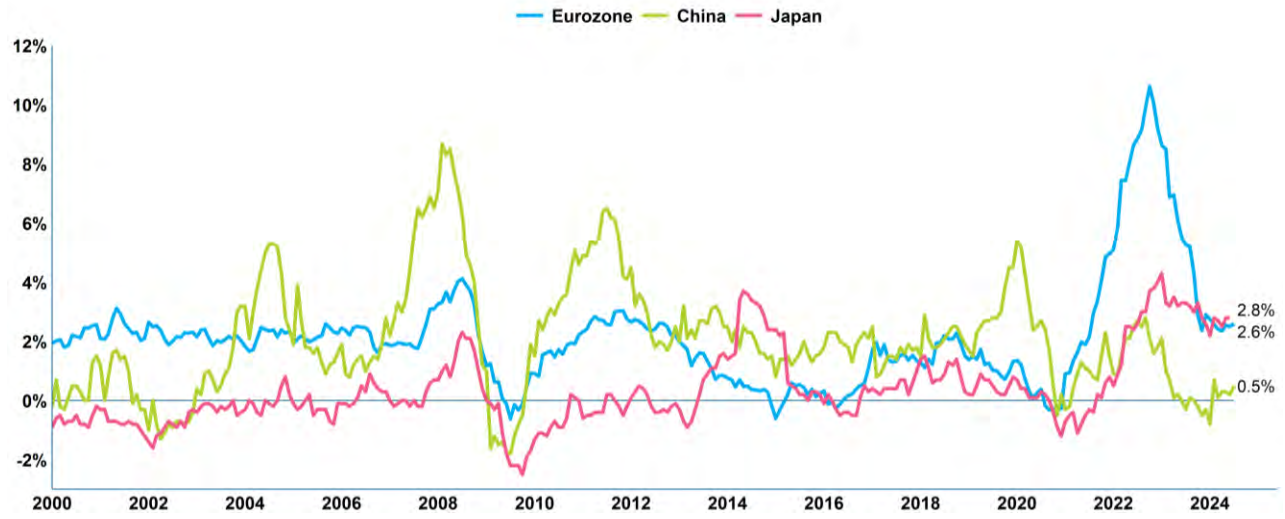
→ Month-over-month inflation increased 0.2% after declining 0.1% in June, with shelter costs accounting for ninety percent of the increase. Energy prices were flat for the month while food prices rose 0.2%.

→ Core inflation (excluding food and energy) also declined in July (3.3% to 3.2%) and came in at consensus expectations. Price increases for shelter and motor vehicle insurance accounted for most of the monthly rise while prices in used cars, airline fares, and medical care fell.

→ Inflation expectations (breakevens) have been relatively stable over the last several years. They remain below current inflation levels.

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

Global Inflation (CPI Trailing Twelve Months)[1]



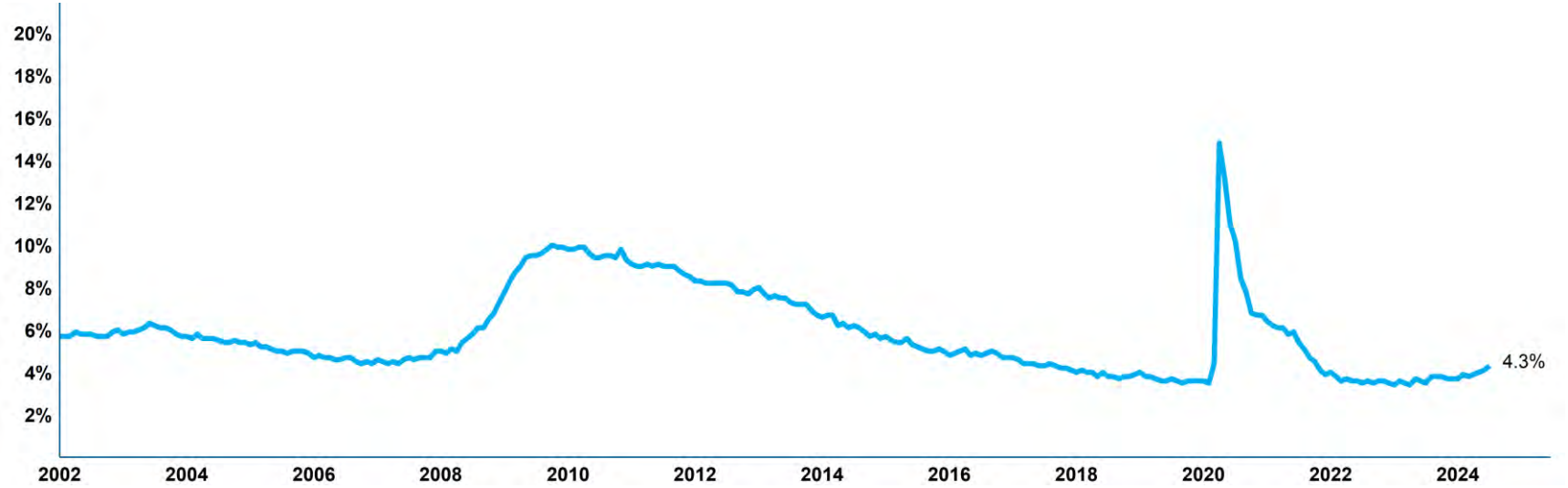
→ In the eurozone, inflation increased unexpectedly in July, from 2.5% to 2.6%, when expectations were for it to decline to 2.4%. An increase in energy costs was the main driver of higher prices.

→ Inflation in Japan remained steady at 2.8% in June. It is still near levels not seen in a decade creating a delicate balancing act for the Bank of Japan to keep prices under control while not creating significant strength in the yen.

→ China appears to have emerged from deflationary pressures, but inflation levels remain well below other major economies due to slowing economic growth. Annual inflation levels have been positive for the last six readings signaling some modest improvement in domestic demand. The July year-over-year number came in at 0.5%, above the prior reading of 0.2%.

[1] Source: Bloomberg. Data is as of July 31, 2024, except Japan which is as of June 30, 2024.

US Unemployment[1]



→ The unemployment rate increase caught markets by surprise rising from 4.1% to 4.3%, when expectations were for it to remain at 4.1%.

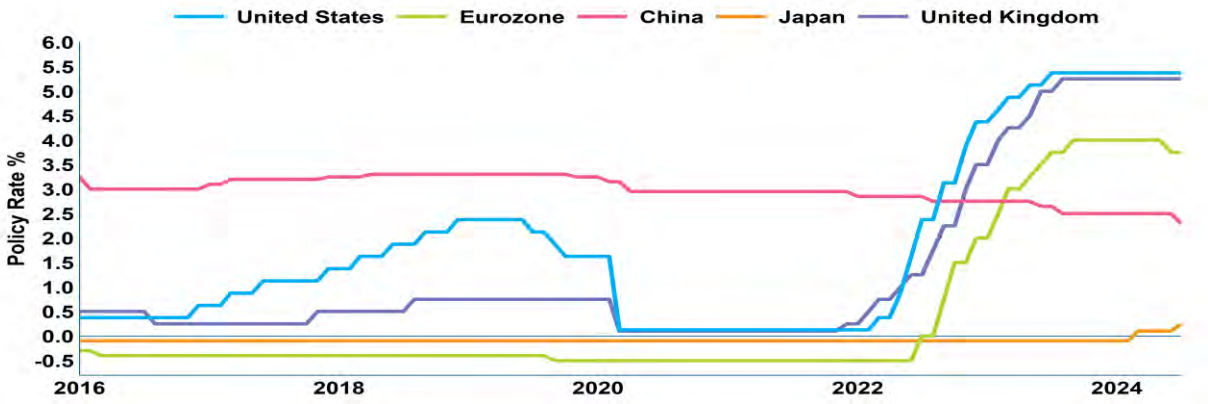
→ The increase in the unemployment rate has not been driven by layoffs but by some returning to the job market and higher immigration.

→ There were downward revisions to job gains in May and June, and the economy added just 114,000 jobs (below expectations of 175,000) in July. Construction, warehouse, and healthcare sectors added jobs while technology lost jobs.

→ The change in average hourly earnings from a year prior remains strong though (around 3.6%), and initial jobless claims subdued.

[1] Source: FRED. Data is as July 31, 2024.

Policy Rates[1]



→ In the US, interest rates have remained at current levels (5.25%-5.50%) for a year now. The most recent "dot plot" (the Fed's expectation on the path of rates) from early July showed a median expectation of roughly one rate cut this year. However, market participants are now pricing in between three and four cuts in 2024 given the improving inflation data and signs of economic weakness.

→ The Bank of England (BoE) followed the European Central Bank (ECB) making its first rate cut in July. Like the ECB, the BoE warned about the uncertain path of inflation pressures in the economy.

→ Inflation in Japan remained elevated, prompting Bank of Japan (BoJ) officials to raise the policy rate 0.15% to 0.25% after decades at near-zero rates.

→ China's central bank surprised markets with another round of interest rate cuts while at the same time naming and shaming banks for purchasing government bonds and driving bond yields lower.

[1] Source: Bloomberg. Data is as of July 31, 2024. United States rate is the mid-point of the Federal Funds Target Rate range. Eurozone rate is the ECB Deposit Facility Announcement Rate. Japan rate is the Bank of Japan Unsecured Overnight Call Rate Expected. China rate is the China Central Bank 1-Year Medium Term Interest Rate. UK rate is the UK Bank of England Official Bank Rate.

US Dollar vs. Broad Currencies[1]

→ The US dollar weakened slightly in July on the prospect of rate cuts from the Fed later this year.

→ Looking ahead, the track of policy rates across major central banks will be key for the path of the US dollar from here. If the US economy slows more than expected and the Fed relatedly lowers rates at a faster pace, we could see the dollar weaken.

[1] Source: Bloomberg. Data as of July 31, 2024.

Summary

Key Trends:

→ According to the International Monetary Fund's (IMF) July report, global growth this year is expected to match the 2023 estimate at around 3.2% with most major economies predicted to avoid a recession.

→ Key economic data in the US has largely weakened and come in below expectations, causing markets to expect between three and four rate cuts this year. Uncertainty remains though regarding the timing and pace of interest rate cuts in the coming year.

→ We have started to see some divergences in monetary policy. Some central banks, such as the European Central Bank and the Bank of England have started to cut interest rates and others, like the Bank of Japan, have increased interest rates, while the Fed remains on hold. This disparity will likely influence capital flows and currencies.

→ US consumers could feel pressure as certain components of inflation (e.g., shelter) remain high, borrowing costs are elevated, and the job market may weaken further.

→ A focus for US equities going forward will be whether earnings can remain resilient if growth slows. Also, the future paths of the large technology companies that have driven market gains will be important.

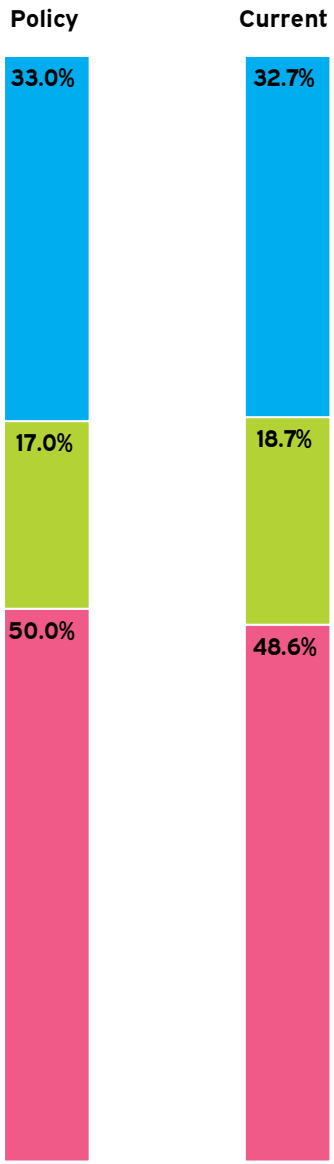
→ Equity valuations remain lower in emerging and developed markets, but risks remain, including China's economic uncertainty and ongoing weakness in the real estate sector. Japan's recent tightening of monetary policy along with changes in corporate governance in the country could influence relative results.

2Q 2024 Performance Review

Benefits Fund

New Mexico Public Schools Insurance Authority-Benefits Fund

Asset Allocation Compliance | As of June 30, 2024



	Current Balance ($)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
Domestic Equity	6,832,663	32.7	33.0	-0.3	27.0 - 57.0	Yes
International Equity	3,912,633	18.7	17.0	1.7	8.0 - 38.0	Yes
Fixed Income	10,154,325	48.6	50.0	-1.4	15.0 - 55.0	Yes
Total Fund	**20,899,621**	**100.0**	**100.0**	**0.0**		

Asset Allocation & Performance | As of June 30, 2024

	Market Value $	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	**20,899,621**	**100.0**	**1.2**	**6.1**	**12.0**	**1.7**	**6.5**	**6.2**	**6.3**	**Jun-14**
Benefits Fund - Blended Benchmark			*1.8*	*7.1*	*13.2*	*2.3*	*6.6*	*6.2*	*6.3*	
Equity	**10,745,296**	**51.4**	**1.9**	**9.1**	**16.0**	**3.8**	**9.9**	**8.5**	**8.7**	**Jun-14**
Domestic Equity	**6,832,663**	**32.7**	**2.1**	**10.9**	**19.1**	**5.6**	**12.1**	**10.6**	**10.8**	**Jun-14**
Russell 3000 Index			*3.2*	*13.6*	*23.1*	*8.1*	*14.1*	*12.1*	*12.3*	
US Large Cap Index Pool	5,518,511	26.4	3.4	13.4	21.7	8.1	13.5	12.0	12.1	Jun-14
Russell 1000 Index			*3.6*	*14.2*	*23.9*	*8.7*	*14.6*	*12.5*	*12.6*	
US SMID Cap Alternative Weighted Index Pool	1,314,152	6.3	-3.1	-0.1	7.9	--	--	--	9.6	Jan-23
S&P SmallCap 600 Index			*-3.1*	*-0.7*	*8.7*	*-0.3*	*8.1*	*8.2*	*9.9*	
International Equity	**3,912,633**	**18.7**	**1.7**	**5.8**	**10.3**	**0.3**	**5.8**	**3.9**	**4.1**	**Jun-14**
MSCI AC World ex USA (Net)			*1.0*	*5.7*	*11.6*	*0.5*	*5.5*	*3.8*	*4.0*	
Non-US Developed Markets Active Pool	2,810,219	13.4	0.6	5.2	9.4	--	--	--	13.3	Jan-23
MSCI AC World ex USA (Net)			*1.0*	*5.7*	*11.6*	*0.5*	*5.5*	*3.8*	*14.3*	
Non-US Emerging Markets Index Pool	1,102,414	5.3	4.7	7.6	12.9	-5.0	4.0	--	5.2	Nov-16
MSCI Emerging Markets Index			*5.1*	*7.7*	*13.0*	*-4.7*	*3.5*	*3.2*	*5.3*	
Fixed Income	**10,154,325**	**48.6**	**0.5**	**1.3**	**5.4**	**-1.6**	**1.3**	**2.6**	**2.6**	**Jun-14**
Blmbg. U.S. Aggregate Index			*0.1*	*-0.7*	*2.6*	*-3.0*	*-0.2*	*1.3*	*1.3*	
Credit Plus Pool	10,154,325	48.6	0.5	1.3	5.4	-1.6	1.3	2.6	2.6	Jun-14
Blmbg. U.S. Aggregate Index			*0.1*	*-0.7*	*2.6*	*-3.0*	*-0.2*	*1.3*	*1.3*	

Calendar Year Performance	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Total Fund	**15.4**	**-16.7**	**11.2**	**12.9**	**20.0**	**-5.7**	**14.8**	**8.1**	**-0.3**
Benefits Fund - Blended Benchmark	*14.8*	*-15.6*	*9.7*	*13.7*	*19.1*	*-4.4*	*14.0*	*6.8*	*0.1*
Equity	**19.2**	**-18.0**	**18.8**	**15.0**	**27.6**	**-9.7**	**21.8**	**9.7**	**-0.5**
Domestic Equity	**22.2**	**-19.0**	**23.5**	**17.0**	**30.8**	**-7.1**	**19.2**	**14.5**	**0.7**
US Large Cap Index Pool	24.9	-18.9	26.1	17.7	30.4	-4.9	21.6	13.0	1.0
Russell 1000 Index	*26.5*	*-19.1*	*26.5*	*21.0*	*31.4*	*-4.8*	*21.7*	*12.1*	*0.9*
US SMID Cap Alternative Weighted Index Pool	14.9	--	--	--	--	--	--	--	--
S&P SmallCap 600 Index	*16.1*	*-16.1*	*26.8*	*11.3*	*22.8*	*-8.5*	*13.2*	*26.6*	*-2.0*
International Equity	**13.7**	**-16.3**	**10.2**	**11.0**	**21.5**	**-14.5**	**27.6**	**0.2**	**-1.7**
Non-US Developed Markets Active Pool	14.7	--	--	--	--	--	--	--	--
MSCI AC World ex USA (Net)	*15.6*	*-16.0*	*7.8*	*10.7*	*21.5*	*-14.2*	*27.2*	*4.5*	*-5.7*
Non-US Emerging Markets Index Pool	10.6	-21.1	1.2	18.9	17.2	-15.0	36.7	--	--
MSCI Emerging Markets Index	*10.3*	*-19.7*	*-2.2*	*18.7*	*18.9*	*-14.2*	*37.8*	*11.6*	*-14.6*
Fixed Income	**7.9**	**-13.2**	**-0.1**	**9.3**	**10.5**	**0.1**	**6.0**	**6.2**	**-0.6**
Credit Plus Pool	7.9	-13.2	-0.1	9.3	10.5	0.1	6.0	6.2	-0.6
Blmbg. U.S. Aggregate Index	*5.5*	*-13.0*	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*	*0.5*

Financial Reconciliation | 1 Quarter Ending June 30, 2024

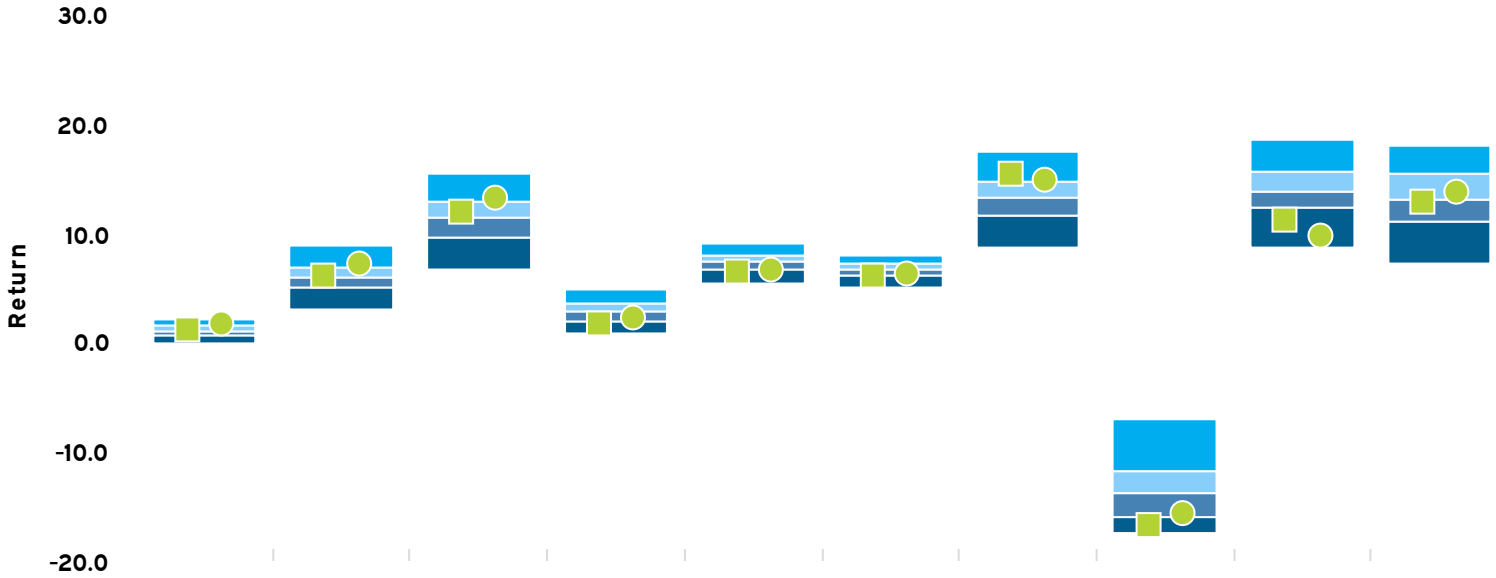
	Beginning Market Value	Contributions	Distributions	Net Investment Change	Ending Market Value	Net Contributions
US Large Cap Index Pool	5,694,314	-	-350,000	155,553	5,518,511	-350,000
US SMID Cap Alternative Weighted Index Pool	1,356,535	-	-	-48,324	1,314,152	-
Non-US Developed Markets Active Pool	2,792,902	-	-	-10,904	2,810,219	-
Non-US Emerging Markets Index Pool	1,053,316	-	-	39,320	1,102,414	-
Credit Plus Pool	9,748,232	350,000	-	-79,038	10,154,325	350,000
Total	**20,645,299**	**350,000**	**-350,000**	**56,606**	**20,899,621**	**-**

Benchmark History

From Date	To Date	Benchmark
Total Fund		
02/01/2024	Present	50.0% Russell 3000 Index, 17.0% MSCI AC World ex USA (Net), 33.0% Blmbg. U.S. Aggregate Index
12/01/2021	02/01/2024	35.0% Russell 3000 Index, 23.0% MSCI AC World ex USA (Net), 42.0% Blmbg. U.S. Aggregate Index
07/01/2015	12/01/2021	36.0% Russell 3000 Index, 19.0% MSCI AC World ex USA (Net), 45.0% Blmbg. U.S. Aggregate Index
01/01/1979	07/01/2015	20.0% Russell 1000 Growth Index, 20.0% Russell 1000 Value Index, 10.0% Russell 2500 Index, 10.0% MSCI EAFE (Net), 35.0% Blmbg. Intermed. U.S. Government/Credit, 5.0% 90 Day U.S. Treasury Bill

Annual Investment Expense Analysis				
	Fee Schedule	Market Value	Expense Ratio (%)	Estimated Expense
Total Fund		**20,899,621**	**0.16**	**32,935**
Equity		**10,745,296**	**0.13**	**13,641**
Domestic Equity		**6,832,663**	**0.02**	**1,078**
US Large Cap Index Pool	0.01 % of Assets	5,518,511	0.01	552
US SMID Cap Alternative Weighted Index Pool	0.04 % of Assets	1,314,152	0.04	526
International Equity		**3,912,633**	**0.32**	**12,564**
Non-US Developed Markets Active Pool	0.40 % of Assets	2,810,219	0.40	11,241
Non-US Emerging Markets Index Pool	0.12 % of Assets	1,102,414	0.12	1,323
Fixed Income		**10,154,325**	**0.19**	**19,293**
Credit Plus Pool	0.19 % of Assets	10,154,325	0.19	19,293

Peer Group Analysis All Public Plans-Total Fund



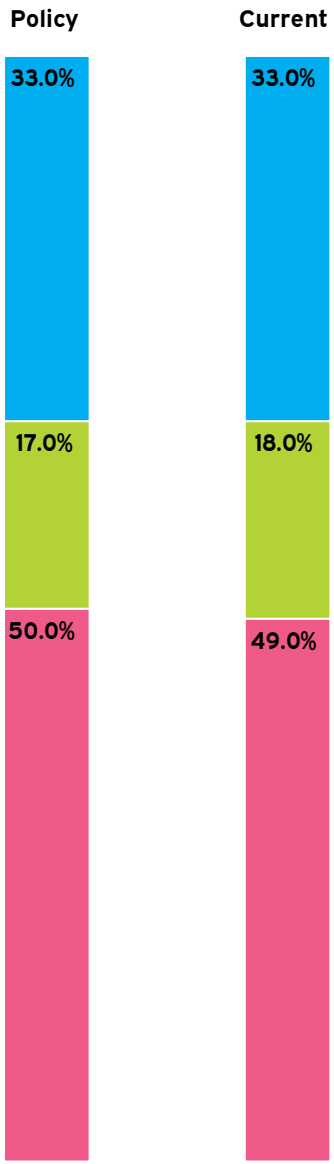
	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2023	2022	2021	2020
Total Fund	1.2 (40)	6.1 (46)	12.0 (37)	1.7 (81)	6.5 (78)	6.2 (70)	15.4 (17)	-16.7 (85)	11.2 (86)	12.9 (51)
Benefits Fund - Blended Benchmark	1.8 (11)	7.1 (20)	13.2 (19)	2.3 (63)	6.6 (76)	6.2 (68)	14.8 (23)	-15.6 (71)	9.7 (93)	13.7 (42)
5th Percentile	2.1	8.7	15.4	4.8	9.0	7.9	17.4	-7.0	18.5	17.9
1st Quartile	1.4	6.9	12.8	3.6	7.9	7.1	14.7	-11.8	15.6	15.4
Median	1.0	6.0	11.3	2.8	7.3	6.6	13.3	-13.9	13.8	13.0
3rd Quartile	0.6	5.0	9.6	1.9	6.6	6.1	11.5	-15.9	12.3	11.0
95th Percentile	-0.1	3.0	6.6	0.7	5.4	5.1	8.7	-17.5	8.6	7.2
Population	654	652	648	622	600	499	1,096	1,122	1,179	1,225

Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

Risk Fund

New Mexico Public Schools Insurance Authority-Risk Fund

Asset Allocation Compliance | As of June 30, 2024



	Current Balance ($)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
Domestic Equity	7,192,290	33.0	33.0	0.0	27.0 - 57.0	Yes
International Equity	3,915,375	18.0	17.0	1.0	8.0 - 38.0	Yes
Fixed Income	10,689,543	49.0	50.0	-1.0	15.0 - 55.0	Yes
Total Fund	**21,797,208**	**100.0**	**100.0**	**0.0**		

Asset Allocation & Performance | As of June 30, 2024

	Market Value $	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	**21,797,208**	**100.0**	**1.1**	**5.7**	**12.6**	**2.0**	**6.7**	**6.3**	**6.4**	**Jun-14**
Risk Fund - Blended Benchmark			*1.8*	*7.1*	*13.2*	*2.3*	*6.6*	*6.2*	*6.3*	
Equity	**11,107,665**	**51.0**	**1.7**	**8.5**	**16.6**	**4.5**	**10.4**	**8.8**	**9.0**	**Jun-14**
Domestic Equity	**7,192,290**	**33.0**	**1.6**	**9.9**	**19.4**	**6.5**	**12.7**	**11.0**	**11.2**	**Jun-14**
Russell 3000 Index			*3.2*	*13.6*	*23.1*	*8.1*	*14.1*	*12.1*	*12.3*	
US Large Cap Index Pool	5,309,841	24.4	3.4	13.4	23.0	9.5	14.4	12.4	12.5	Jun-14
Russell 1000 Index			*3.6*	*14.2*	*23.9*	*8.7*	*14.6*	*12.5*	*12.6*	
US SMID Cap Alternative Weighted Index Pool	1,882,449	8.6	-3.1	-0.9	8.5	--	--	--	10.1	Jan-23
S&P SmallCap 600 Index			*-3.1*	*-0.7*	*8.7*	*-0.3*	*8.1*	*8.2*	*9.9*	
International Equity	**3,915,375**	**18.0**	**1.8**	**5.6**	**11.1**	**0.6**	**6.0**	**4.0**	**4.1**	**Jun-14**
MSCI AC World ex USA (Net)			*1.0*	*5.7*	*11.6*	*0.5*	*5.5*	*3.8*	*4.0*	
Non-US Developed Markets Active Pool	2,724,679	12.5	0.6	5.1	10.5	--	--	--	14.1	Jan-23
MSCI AC World ex USA (Net)			*1.0*	*5.7*	*11.6*	*0.5*	*5.5*	*3.8*	*14.3*	
Non-US Emerging Markets Index Pool	1,190,697	5.5	4.5	6.6	12.5	-6.3	3.2	--	4.3	Nov-16
MSCI Emerging Markets Index			*5.1*	*7.7*	*13.0*	*-4.7*	*3.5*	*3.2*	*5.3*	
Fixed Income	**10,689,543**	**49.0**	**0.5**	**1.3**	**5.9**	**-1.8**	**1.2**	**2.6**	**2.6**	**Jun-14**
Blmbg. U.S. Aggregate Index			*0.1*	*-0.7*	*2.6*	*-3.0*	*-0.2*	*1.3*	*1.3*	
Credit Plus Pool	10,689,543	49.0	0.5	1.3	5.9	-1.8	1.2	2.6	2.6	Jun-14
Blmbg. U.S. Aggregate Index			*0.1*	*-0.7*	*2.6*	*-3.0*	*-0.2*	*1.3*	*1.3*	

Calendar Year Performance	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)
Total Fund	**16.4**	**-16.3**	**11.2**	**12.9**	**20.0**	**-5.4**	**14.7**	**8.1**	**-0.3**
Risk Fund - Blended Benchmark	*14.8*	*-15.6*	*9.7*	*13.7*	*19.1*	*-4.4*	*14.0*	*6.8*	*0.1*
Equity	**20.4**	**-16.7**	**18.8**	**15.0**	**27.5**	**-9.2**	**21.5**	**9.7**	**-0.5**
Domestic Equity	**23.5**	**-17.0**	**23.5**	**17.0**	**30.8**	**-6.2**	**19.0**	**14.5**	**0.7**
US Large Cap Index Pool	26.1	-16.6	26.1	17.7	30.4	-4.4	21.3	13.0	1.0
Russell 1000 Index	*26.5*	*-19.1*	*26.5*	*21.0*	*31.4*	*-4.8*	*21.7*	*12.1*	*0.9*
US SMID Cap Alternative Weighted Index Pool	16.5	--	--	--	--	--	--	--	--
S&P SmallCap 600 Index	*16.1*	*-16.1*	*26.8*	*11.3*	*22.8*	*-8.5*	*13.2*	*26.6*	*-2.0*
International Equity	**14.8**	**-16.2**	**10.2**	**11.0**	**21.3**	**-14.6**	**27.1**	**0.2**	**-1.7**
Non-US Developed Markets Active Pool	16.0	--	--	--	--	--	--	--	--
MSCI AC World ex USA (Net)	*15.6*	*-16.0*	*7.8*	*10.7*	*21.5*	*-14.2*	*27.2*	*4.5*	*-5.7*
Non-US Emerging Markets Index Pool	11.2	-24.1	1.2	19.1	16.1	-15.3	35.5	--	--
MSCI Emerging Markets Index	*10.3*	*-19.7*	*-2.2*	*18.7*	*18.9*	*-14.2*	*37.8*	*11.6*	*-14.6*
Fixed Income	**8.5**	**-14.3**	**-0.1**	**9.3**	**10.5**	**0.1**	**6.1**	**6.2**	**-0.6**
Credit Plus Pool	8.5	-14.3	-0.1	9.3	10.5	0.1	6.1	6.2	-0.6
Blmbg. U.S. Aggregate Index	*5.5*	*-13.0*	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*	*0.5*

Financial Reconciliation | 1 Quarter Ending June 30, 2024

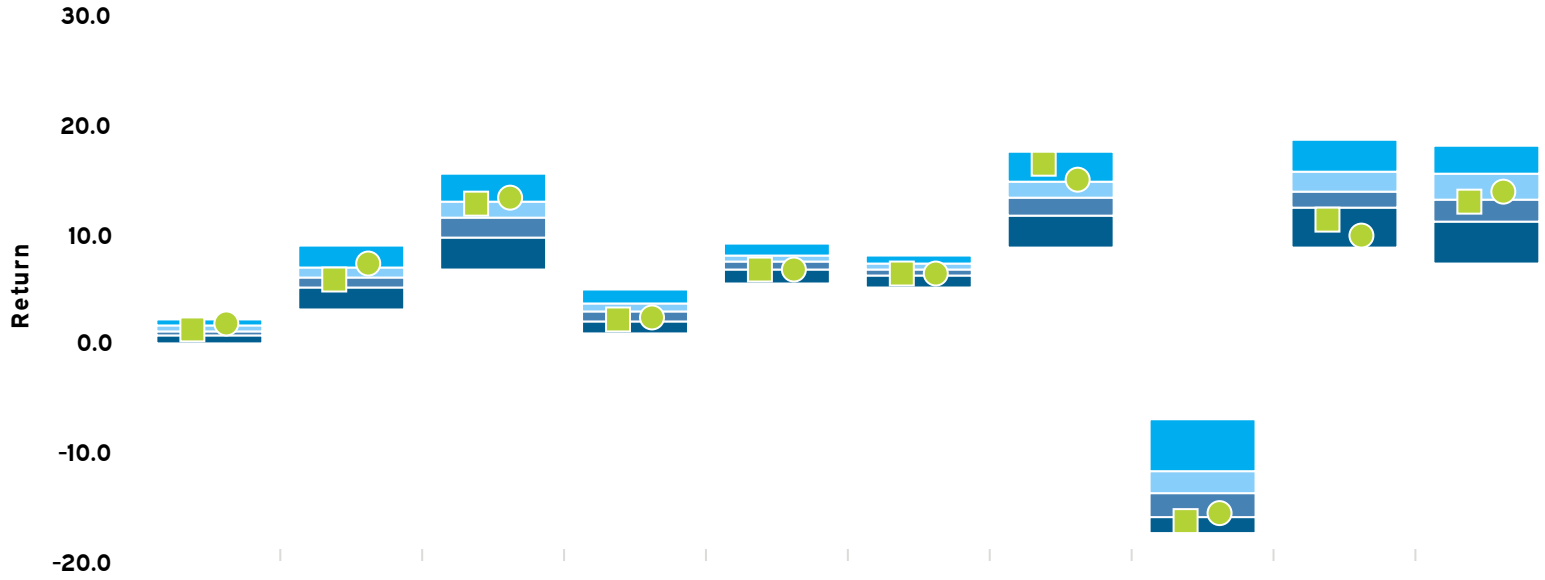
	Beginning Market Value	Contributions	Distributions	Net Investment Change	Ending Market Value	Net Contributions
US Large Cap Index Pool	5,336,151	-	-200,000	155,863	5,309,841	-200,000
US SMID Cap Alternative Weighted Index Pool	1,943,160	-	-	-69,221	1,882,449	-
Non-US Developed Markets Active Pool	2,707,888	-	-	-10,572	2,724,679	-
Non-US Emerging Markets Index Pool	1,337,474	-	-200,000	42,662	1,190,697	-200,000
Credit Plus Pool	10,229,985	400,000	-	-79,141	10,689,543	400,000
Total	**21,554,657**	**400,000**	**-400,000**	**39,590**	**21,797,208**	**-**

Benchmark History

From Date	To Date	Benchmark
Total Fund		
02/01/2024	Present	50.0% Russell 3000 Index, 17.0% MSCI AC World ex USA (Net), 33.0% Blmbg. U.S. Aggregate Index
12/01/2021	02/01/2024	35.0% Russell 3000 Index, 23.0% MSCI AC World ex USA (Net), 42.0% Blmbg. U.S. Aggregate Index
07/01/2015	12/01/2021	36.0% Russell 3000 Index, 19.0% MSCI AC World ex USA (Net), 45.0% Blmbg. U.S. Aggregate Index
01/01/1979	07/01/2015	20.0% Russell 1000 Growth Index, 20.0% Russell 1000 Value Index, 10.0% Russell 2500 Index, 10.0% MSCI EAFE (Net), 35.0% Blmbg. Intermed. U.S. Government/Credit, 5.0% 90 Day U.S. Treasury Bill

Annual Investment Expense Analysis				
	Fee Schedule	Market Value	Expense Ratio (%)	Estimated Expense
Total Fund		**21,797,208**	0.16	33,922
Equity		**11,107,665**	0.12	13,612
Domestic Equity		**7,192,290**	0.02	1,284
US Large Cap Index Pool	0.01 % of Assets	5,309,841	0.01	531
US SMID Cap Alternative Weighted Index Pool	0.04 % of Assets	1,882,449	0.04	753
International Equity		**3,915,375**	**0.31**	**12,328**
Non-US Developed Markets Active Pool	0.40 % of Assets	2,724,679	0.40	10,899
Non-US Emerging Markets Index Pool	0.12 % of Assets	1,190,697	0.12	1,429
Fixed Income		**10,689,543**	**0.19**	**20,310**
Credit Plus Pool	0.19 % of Assets	10,689,543	0.19	20,310

Peer Group Analysis All Public Plans-Total Fund



	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2023	2022	2021	2020
Total Fund	1.1 (46)	5.7 (56)	12.6 (28)	2.0 (71)	6.7 (72)	6.3 (65)	16.4 (9)	-16.3 (80)	11.2 (86)	12.9 (52)
Risk Fund - Blended Benchmark	1.8 (11)	7.1 (20)	13.2 (19)	2.3 (63)	6.6 (76)	6.2 (68)	14.8 (23)	-15.6 (71)	9.7 (93)	13.7 (42)
5th Percentile	2.1	8.7	15.4	4.8	9.0	7.9	17.4	-7.0	18.5	17.9
1st Quartile	1.4	6.9	12.8	3.6	7.9	7.1	14.7	-11.8	15.6	15.4
Median	1.0	6.0	11.3	2.8	7.3	6.6	13.3	-13.9	13.8	13.0
3rd Quartile	0.6	5.0	9.6	1.9	6.6	6.1	11.5	-15.9	12.3	11.0
95th Percentile	-0.1	3.0	6.6	0.7	5.4	5.1	8.7	-17.5	8.6	7.2
Population	654	652	648	622	600	499	1,096	1,122	1,179	1,225

Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY
Office of Executive Director

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Santa Fe, New Mexico 87501
1-800-548-3724 or 505-988-2736
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Patrick Sandoval
Executive Director

Martha Quintana
Deputy Director

September 5, 2024

Marlene Baca
Vice President of Sales
Blue Cross Blue Shield of New Mexico
5701 Balloon Fiesta Pkwy NE
Albuquerque, NM 87113

Re: Amendment 1 – Effective July 1, 2024 to June 30, 2028
Professional Services Agreement for Health Care Services
Blue Cross Blue Shield of New Mexico
Date of Agreement: July 1, 2024
Agreement No. 24-021-CG-PSIA-06

Dear Ms. Baca:

This letter shall constitute an Amendment to the above-captioned Agreement between the New Mexico Public Schools Insurance Authority, hereinafter referred to the as the "Authority," and Blue Cross Blue Shield, referred to as the "Contractor" and is effective as of the dates show herein.

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

1. Section 1. Scope of Work, Subsection II. Wellness Program, to read as follows: The contractor shall provide to the Authority the wellness services described in Exhibit F, which is hereby incorporated into and made a part of this Agreement.

2. Replace in its entirety Exhibit C Performance Guarantees as attached and as follows: updated Performance Guarantees for Case Management Outreach,

Disease Management Program Enrollment, Commitments Approach: In-Patient Hospital Costs, and Commitments Approach: Physician Fees.

3. Exhibit F New Mexico Public Schools Insurance Authority Fee Schedule is replaced in its entirety as attached and as follows:

   Exhibit F: New Mexico Public Schools Insurance Authority Fee Schedule

   Attachment 1 – IBAC Best and Final Offer (IBAC Fee Schedule)

   Attachment 2 – NMPSIA Wellness Services

   Attachment 3 - Fee Schedule and Financial Terms

4. Replace Attachment 1 Disclosure Statement of Exhibit G: Information Regarding the Medicare as Secondary Payer Statute updated for Blue Cross Blue Shield of New Mexico identifying language.

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

New Mexico Public Schools Insurance Authority	**Blue Cross Blue Shield of New Mexico**
By:	By:
Alfred Park Board President	Marlene Baca Vice President of Sales

PERFORMANCE GUARANTEES EXHIBIT C			
PERFORMANCE SERVICE AREA	**DEFINITION PERFORMANCE GUARANTEE**	**PERFORMANCE MEASUREMENT FREQUENCY**	**PERCENTAGE OF THE CORE ADMINISTRATIVE FEE AT RISK**
ACCOUNT MANAGEMENT			
Account Team Performance Appraisal	Authority's satisfaction with Account Management will be a minimum average score of 3.0 (out of 5) and will be measured by the Authority. Score is calculated using an average of all measurable needs outlined and agreed upon by the Contractor and Authority. Score of 1=unacceptable; 2=needs improvement, 3=meets expectations; 4=exceeds expectations; 5=Excellent. Corrective action plan required to address needed improvement if score is an unacceptable level. Performance will be measured but not limited to the following areas: 1. Provides effective support in preparing for, and conducting, open enrollment events/sessions. 2. Provides client with timely notification of issues impacting members. 3. Responds to issues & questions in a timely, comprehensive manner. 4. Develops, follows through on action plans; effective coordination to resolve open issues. 5. Is accessible and attends scheduled meetings 6. Delivers agreed upon reports and communication of program results in a timely manner.	Measured semi-annually by Account Management Survey sent via e-mail no later than 45 days following the end of the semi-annual period.	Penalty is $5,000 per Agency/semi-annual period, for score below 3. Total penalty per year: $10,000. Corrective action plan required to address needed improvement if score is at an acceptable level.

Attendance at Agreed-Upon Meetings	Attendance at BAC, Board and NMPED/NMASBO Spring Budget Workshop meetings during the contract period. May also include, New Hire, New Group, Open/Switch Enrollment and Annual Regional Trainings as needed during the contract period and implementation phase.	Performance measurement guarantees are reported quarterly and settled annually.	**1.00%**
CLAIMS			
Claims Processing Turnaround Time (All Claims)	93% of claims processed in 14 calendar days. means the period beginning on the date the Contractor or Host Blue Plan receives a Claim for processing through the date the Claim passes all system edits and benefits are approved or denied by the Contractor. The performance guarantee is measured as a percent of all Claims processed within 14 calendar days. Method of Measurement: The number of Claims processed in 14 calendar days divided by the total number of claims. Measurement is based on group-specific Claims.	Performance measurement guarantees are reported quarterly and settled annually.	**2.00%**

Claims Processing Accuracy	95% of paid Claims processed accurately in accordance with the provisions of the Medical benefit coverage administered by the Contractor. Claim Processing Accuracy refers to Claims without processing errors such as: 1) Coding- incorrect claim data entry. 2) Failure to adhere to the Authority's health care benefit program design. 3) Failure to adhere to the administrative procedures. 4) System generated errors, benefit programming errors, calculation errors. 5) Excluding: a) Any administrative inaccuracies that do not impact claims disposition or customer reporting. b) Errors entered by providers of service. c) Benefits provided to an ineligible claimant due to the Authority's failure to provide timely and accurate eligibility information to the Contractor. Method of measurement: The accuracy rate is determined from a statistically valid random stratified sample audit of all Claims processed during the settlement period. A Claim Processing Accuracy percentage is calculated for each stratum by dividing the number of accurately processed Claims by the number of Claims selected in the stratum. Each accuracy percentage is then weighted according to the total claim population. The Claim Processing Accuracy rate is determined by summing the weighted accuracy from each stratum. Measurement is based on an audit of group-specific Claims.	Performance measurement guarantees are reported quarterly and settled annually.	**2.00%**
Claims Financial Accuracy	99% of dollars paid accurately and in accordance with provisions of Medical benefit coverage by the Contractor. Method of measurement: The accuracy rate is determined from a statistically valid random ratio stratified sample audit of all Dollars paid during the Settlement Period. Calculated as the total audited paid dollars minus the absolute value of overpayments and underpayments, divided by the total audited paid dollars. Measurement is based on an audit of group-specific Claims.	Performance measurement guarantees are reported quarterly and settled annually.	**2.00%**

Claims Payment Accuracy	98% of Claims paid accurately in accordance with provisions of Medical benefit coverage administered by the Contractor. Method of measurement: The accuracy rate is determined from a statistically valid random stratified sample audit of all Claims processed during the settlement period. A Claim Payment Accuracy percentage is calculated for each stratum by dividing the number of accurately paid Claims by the number of Claims selected in the stratum. Each accuracy percentage is then weighted according to the total claim population. The Claim Payment Accuracy rate is determined by summing the weighted accuracy from each stratum. Measurement is based on an audit of group-specific Claims.	Performance measurement guarantees are reported quarterly and settled annually.	**1% at risk for 96% - 97.9%** **2% at risk for <= 95.9%**
CUSTOMER SERVICE			
Abandoned Calls	Less than 2.5% of calls defined as calls, calculated over the complete business day, that reach the facility and are placed in a queue, but are not answered because the caller hangs up before a Customer Advocate becomes available. Any calls abandoned or terminated by the caller prior to 30 seconds will not be counted as Abandoned Calls. Standard is measured using member calls on a group-specific basis.	Performance measurement guarantees are reported quarterly and settled annually.	**2.00%**

Intake Calls	90% of calls answered in 30 seconds or less Average Speed of Answer of Telephone Calls, calculated over the complete business day, defined as the time a caller spends on hold until a customer advocate becomes available. Method of measurement: The average speed of answer will be calculated by dividing the total length of time for all calls, measured from the time a call is queued by the automated telephone system for the next available customer advocate until the time the caller is connected with a customer advocate, by the total number of calls connected with a customer advocate during the Settlement Period. The Average Speed to Answer is provided by telephone reports that compute the average number of seconds that Callers spend on hold waiting for their Call to be answered. Standard is measured using member calls on an group-specific basis.	Performance measurement guarantees are reported quarterly and settled annually.	**2.00%**
First Call Resolution	90% First Contact Resolution defined as the percent of calls resolved on the same date as the date of the caller's initial contact. Standard is measured using participant calls on a group-specific basis.	Performance measurement guarantees are reported quarterly and settled annually.	**2.00%**
Complaints/Appeals/ Grievance Decision	BCBSNM agrees to complete appeals filed by NMPSIA members within 30 days, 100% of the time. Appeals are a result of an adverse benefit determination issued by BCBSNM. A member of NMPSIA may file an appeal for any adverse benefit determination issued.	Performance measurement guarantees are reported quarterly and settled annually.	**1.00%**
Provider Relations Complaints/Appeals/ Grievance Acknowledgment	BCBSNM agrees to acknowledge provider grievances within 5 business days, when the provider files their grievance according to the published process as outlined in the provider manual.	Performance measurement guarantees are reported quarterly and settled annually.	**1.00%**
Member Survey Results	85% Customer Satisfaction defined as the percent of the enrolled members who respond to the Commercial Member Satisfaction Survey (CTP 2.0), rating the overall performance of their health plan as Excellent, Very Good, or Good.	Performance measurement guarantees are reported annually and settled annually.	**2.00%**

	Standard is measured on a group-specific basis.		
REPORTS			
Timeliness of Reports	Standard Monthly/ Quarterly/ Annual Reports will be delivered or available online within 30 days of the end of the reporting period for monthly reporting and within 45 days for quarterly reporting. Method of measurement: Receipt of monthly, quarterly, and annual reports either delivered to the Authority, or the reports are available online for the Authority's retrieval of the data by the agreed-upon time. Reports that are revised as the result of additional external information being received by the Contractor will be considered correct reports.	Performance measurement guarantees are reported quarterly and settled annually.	**$1,000 per late or incorrect report**
Timeliness of Ad Hoc Reports	Any Ad Hoc report or request that can be provided by the Sales and Marketing Team - No later than EOD on 2nd business day from original received date. Any existing report (already built or readily available) or request requiring a team other than Sales and Account Management to complete. - No later than EOD on 5th business day from original received date. Any custom report (not already built or readily available) requiring a team other than Sales and Account Management to complete. - No later than EOD on 10th business day from original received date *Depending on level of complexity, resource availability, etc. the turnaround time may be longer. We will communicate with the client to ensure expectations are clear.	Performance measurement guarantees are reported quarterly and settled annually.	**$1,000 per late or incorrect report**

Legislative Benefit Analysis	Initial analysis of proposed health insurance benefits and administration related bills germane to NMPSIA will be provided within one (1) business day of passage in its first committee. Final analysis of enacted health insurance benefits and administration-related legislation impacting NM will be provided within five (5) business days of enactment. Government orders related to health insurance benefits and administration impacting NM will be provided within 48 hours of the order. Timelines for specific requests by LFC to NMPSIA to determine the general fiscal impact of a bill will be addressed individually.	Performance measurement guarantees are reported annually and settled annually.	**$500 per quarter.**
CLINICAL PROGRAMMING			
Quarterly Progress Reports	Our Blue Insight Utilization reporting & WellBeing Management Reporting will be provided and presented by the Authority's designated Clinical Account Consultant and designated Client Consultant during the Authority's semi-annual and annual plan reviews. This reporting includes comprehensive plan performance, disease management, lifestyle and health metrics and holistic health management information. In addition, the Authority's dedicated Clinical Community Coordinator will continue to provide a weekly deep-dive into the Authority's high cost claimants exceeding $100,000 in total spend. Results will be used to foster discussion regarding initiatives and areas where the Authority and BCBSNM can align best in an effort to improve engagement to include at a minimum, trend and baseline data, measurable objectives, your strategies and interventions to meet objectives and a timeline for implementation. Report will be provided on a quarterly basis. Reports can be provided at other frequencies as requested by each entity.	Performance measurement guarantees are reported quarterly and settled annually.	**5.00%**

HEDIS Reports	**HEDIS Reports -** BCBSNM will report on the provided list of HEDIS measures to each agency to include their own specific data. NOTE: These results provided to each agency will differ than the overall Commercial rates that BCBSNM reports to NCQA. This reporting will first be provided in June 2026 for measure (calendar) year 2025. Subsequent reports will continue to be provided six months after the end of the prior measure (calendar) year. Report results will be used to foster discussion regarding initiatives and areas where the IBAC entities and BCBSNM can best align in an effort to improve scores. **Cancer Screening**: Cervical Cancer Screening (CCS), Breast Cancer Screening (BCS), Colorectal Cancer Screening (COL); **Respiratory Condition(s)**: Use of Spirometry Testing in the Assessment and Diagnosis of COPD (SPR), Pharmacotherapy Management of COPD Exacerbation (PCE), Asthma Medication Ratio (AMR); **Cardiovascular Condition(s)**: Controlling High Blood Pressure (CBP), Persistence of Beta-Blocker Treatment After a Heart Attack (PBH), Statin Therapy for Patients With Cardiovascular Disease (SPC), Cardiac Rehabilitation (CRE); **Comprehensive Diabetes**: Blood Pressure Control for Patients With Diabetes (BPD), Eye Exam for Patients With Diabetes (EED), Hemoglobin A1c Control for Patients With Diabetes (HBD), Kidney Health Evaluation for Patients With Diabetes (KED), Statin Therapy for Patients With Diabetes (SPD); **Other Categories**: Childhood Immunization Status (CIS), Immunizations for Adolescents (IMA), Prenatal and Postpartum Care (PPC), Follow-Up After Hospitalization for Mental Illness (FUH), Initiation and Engagement of Alcohol and Other Drug Abuse or Dependence Treatment (IET).	Performance measurement guarantees are reported quarterly and settled annually.	**5.00%**

Utilization Reporting	Our Blue Insight Utilization reporting & WellBeing Management Reporting will be provided and presented by the IBAC's designated Clinical Account Consultant and designated Client Consultant during the Authority's semi-annual and annual plan reviews. This reporting includes comprehensive plan performance and holistic health management information. In addition, the IBAC's dedicated Clinical Community Coordinator will continue to provide a weekly deep-dive into each entity's high cost claimants exceeding $100,000 in total spend. Results will be used to foster discussion regarding initiatives and areas where the IBAC entities and BCBSNM can align best in an effort to improve engagement. Reports can be provided at other frequencies as requested by each entity.	Performance measurement guarantees are reported quarterly and settled annually.	**5.00%**
Diabetes Test Results	Diabetes Test Results - BCBSNM will report on the diabetes test result percentage for A1c levels for each individual IBAC agency in June 2026 as a baseline, for measure (calendar) year 2025. We will agree to show an improvement of 1% YOY beginning with the established baseline provided in the June 2026 for measure (calendar) year 2025. Year 1: Baseline. Year 2 through 4: Meet or exceed the national 90th percentile quality benchmark, or show improvement of 5.00% or better from the prior year in the diabetes test result percentage for A1c levels less than or equal to 8.0.	Performance measurement guarantees are reported quarterly and settled annually.	Year 1: Report Only Year 2: 2% Year 3: 3% Year 4: 5%

Burden of Disease Reporting	Our Blue Insight Utilization reporting & WellBeing Management Reporting will be provided and presented by the IBAC's designated Clinical Account Consultant and designated Client Consultant during the Authority's semi-annual and annual plan reviews. This reporting includes comprehensive plan performance and holistic health management information. In addition, the IBAC's dedicated Clinical Community Coordinator will continue to provide a weekly deep-dive into each entity's high cost claimants exceeding $100,000 in total spend. Results will be used to foster discussion regarding initiatives and areas where the IBAC entities and BCBSNM can align best in an effort to improve engagement. Reports can be provided at other frequencies as requested by each entity. Provide a final report annually within 90 days after the end of the reporting period.	Performance measurement guarantees are reported quarterly and settled annually.	**5%**
Case Management Outreach	95.0% Outreach Rate is defined as the number of members identified as candidates for Clinical Program Participation that received one or more contact attempts to the subscriber's household. Measurement: Total number of identified Clinical Program Participation candidates that received one or more contact attempts over the number of total Clinical Program Participation candidates with complete contact information. Members without complete contact information will be removed from the measurement of Outreach Rate. The Contractor shall agree to provide data related to successful engagement in a Case Management program based on the Outreach Rate.	Performance measurement guarantees are reported quarterly.	**$0 (Account Management performance monitoring only)**

Case Management Satisfaction	At least 85% of members who complete satisfaction survey indicate they are satisfied or highly satisfied with the overall service they received from the case management programs. In addition, provide a report on the other 15% of unsatisfied participants. Minimum of 30 respondents per entity required for PG to be applicable	Performance measurement guarantees are reported quarterly and settled annually.	**5.00%**
Disease Management Program Enrollment	40.0% Clinical Program Participation Rate defined as bi-directional communication with the member, the member's designee or their provider to inform, educate, and facilitate high-quality, cost-effective outcomes. Measurement: Total identified Clinical Program Participation candidates with bi-directional communication over total identified Clinical Program Participation candidates with complete contact information. Members without complete contact information will not be included in the measurement of Clinical Program Participation Rate. The Contractor shall agree to provide data related to successful enrollment in a Disease Management program based on the Clinical Program Participation Rate.	Performance measurement guarantees are reported quarterly.	**$0 (Account Management performance monitoring only)**
NETWORK			
Number of Total In-Network Providers	Agree to maintain a minimum range of within 5% participating medical total unique providers specified in the provided Provider Network Reports Counts for the duration of the contract.	Performance measurement guarantees are reported quarterly and settled annually.	**1%**

Notice of Significant Network Terminations	Notice of significant network terminations is defined as a loss of (a) any provider in a specific specialty where another provider in-network of equal services is not available within 15 miles in an urban market, 25 miles in a suburban market, and 45 miles in a rural market; (b) loss of a hospital in an area where another provider of equal service is not available within 10 miles in an urban market, 20 miles in a suburban market, and 45 miles in a rural market; (c) loss of a Center of Excellence; and (d) any other changes to the network that impair or deny adequate access. Notification of significant network terminations must be communicated by the latter of (1) 60 business days in advance of the stated date of termination, or (2) within three business days of notification of termination by the provider to the Contractor.	Performance measurement guarantees are reported quarterly and settled annually.	**2.00%**
Network Discount Savings	Network Discount Savings is defined as the percentage of total eligible provider billed charges saved due to Network Provider discounts. Method of measurement: Total Eligible/Covered Claims less total Allowed Claims equals the overall Provider Network Discount Savings. The Provider Savings divided by the Eligible/Covered Claims equals the Overall Network Discount of 53%. Settlement will exclude all claims the Authority authorizes to be paid on an exception basis (Medicare claims, claims with Coordination of Benefits, Prescription Drug claims, Specialty Rx and claims not covered/processed by the Contractor.	Performance measurement guarantees are reported annually and settled annually.	**5% at risk for 51% - 52.9%** **7.5% at risk for 49% - 50.9%** **10% at risk for <= 48.9%**
ID CARDS			

ID Card Processing	Defined as the percentage of ID cards mailed within 10 business days from receipt of complete and accurate electronic information. 100% of ID cards mailed within 10 business days after receipt of a clean eligibility record by the Contractor. Client-specific measurement.	Performance measurement guarantees are reported quarterly and settled annually.	**2.00%**
ID Card Accuracy	Defined as the percentage of ID cards containing the correct benefit information. 100% of ID cards contain the correct contact and benefit information. The accuracy rate is determined from a statistically valid random sample audit of all ID cards processed during the settlement period. Calculated by dividing the number of accurately processed ID cards by the number of ID cards selected in the sample. Measurement is based on accurate enrollment file. Any errors in the file reflected in the ID cards does not count against the guarantee.	Performance measurement guarantees are reported quarterly and settled annually.	**2.00%**
ELIGIBILITY			
Eligibility Processing	98% of processing updates are made within an average of 3 business days from receipt of complete and accurate electronic information. Calculation is Date enrollment processed minus Date enrollment received. Data file specifications: The Contractor has 3 working days to correct the Contractor's eligibility discrepancies. Electronic file set up follows industry standard 834 file format with file being delivered timely to Contractor; Contractor will provide standard discrepancy reports by secure mail transfer protocol (SMTP) to the Authority or the Authority's third party administrator; any electronic eligibility files delivered to contractor after 11:00AM (MST) will be deemed as received on the following business day; and the file processing and calculation of this performance Guarantee metric will be based on the following business day being calculated as the first business day.	Performance measurement guarantees are reported quarterly and settled annually.	**2.00%**

Manual Eligibility Processing	98% of the Contractor's valid manual changes will be processed within 2 business days of receipt from the Authority or the Authority's third-party administrator.	Measured semi-annually by Account Management Survey sent via e-mail no later than 45 days following the end of the semi-annual period.	**$0 (Account Management performance monitoring only)**
COMMITMENTS APPROACH			
*Inpatient Hospital Costs: Commitments Approach	BlueCross BlueShield of New Mexico's (BCBSNM's) response to the IBAC "Big Bid" RFP provided the following "commitments" for the utilization weighted average inpatient facility medical/surgical and mental health costs per 1.0 DRG (i.e., excluding transplants, SNF/LTAC, NICU, and cesarian section or vaginal delivery) for contracted/ fiscal year 7/1/24-6/30/25: • Lovelace Hospitals (in aggregate) = $14,500 • University of New Mexico Hospital = $11,500 • Memorial Hospital in Las Cruces = $17,000 Starting in contract year 7/1/24, the Contractor will determine the base 1.0 DRG amount based in aggregate: • Lovelace Hospitals (in aggregate) • University of New Mexico Hospital • Memorial Hospital in Las Cruces The Authority and the Contractor reserve the right to negotiate and amend this Performance Guarantee based on the outcome of the base 1.0 DRG amount established after year one.	Performance measurement guarantee will be reported and settled within 120 days after the end of each fiscal year. The Contractor will provide adequate detail to support confirmation and validation by the Authority and/or their consultant.	**$0 (Account Management performance monitoring only)**
*Physician Fees: Commitments Approach	As provided by the Contractor. The committed fees are based on a percentage of Medicare. **Geographic Area** **Percentage of Medicare**	Performance measurement guarantee will be reported and settled within 120 days	**$0 (Account Management performance monitoring only)**

	Albuquerque** 129% Northern New Mexico (excl. Albuquerque) 122% Southwest New Mexico 108% Southeast New Mexico 110% Out of state Providers 170% Starting in contract year 7/1/24, the Contractor will determine the base amount in aggregate: **Geographic Area** Northern New Mexico (excl. Albuquerque) Southwest New Mexico Southeast New Mexico Out of state Providers The physician fees as a percentage of Medicare are based upon the fiscal year 2024 Physician Fee Schedule as established by CMS. The resulting physician fees for a geographic area should represent the utilization weighted average amount. The determination of the physician fees as a percentage of Medicare as well as defining geographic areas follows all exclusions and other criteria as outlined by the Contractor in the RFP#24-021CG response. The Contractor will provide adequate detail to support confirmation and validation by the Authority and/or their consultant. The Authority and the Contractor reserve the right to negotiate and amend this Performance Guarantee based on the outcome of the base amount in aggregate for the geographic areas specified after year one.	after the end of each fiscal year. The Contractor will provide adequate detail to support confirmation and validation by the Authority and/or their consultant.	
*The Contractor shall report progress semi-annually on the status of an implementation strategy.			

BlueCross BlueShield of New Mexico

Exhibit F
New Mexico Public Schools Insurance Authority
Fee Schedule

7/1/2024 – 6/30/2025

Based on IBAC enrollment 50,000 but less than 100,000

(IBAC Agencies include APS, NMPSIA and NMRHCA)

Administration Fee
$17.86 pmpm

Medical Rx rebate
($ 0.98) pmpm

WellBeing Management Empower+
$ 4.79 pmpm

Credit WellBeing Management
($ 1.94 pmpm)

Benefit Value Advisor
$ 1.35 pmpm

Virtual Visits w/BH
$ 0.34 pmpm

Total PMPM
$21.42 pmpm

Proposed Credits for Empower+ package:

- For 7/2024, BCBSNM will fund the program cost differential between the current WellBeing Management Enable program and Empower+ which is a credit of $**1.94 PMPM. Credit will be calculated using Members enrolled in the WBM Program.**
- For 7/2025, BCBSNM will fund 50% of the program cost differential between the current WellBeing Management Enable program and Empower+ which is a credit of $0.97 PMPM. Credit will be calculated using Members enrolled in the WBM Program.

- For 7/2026, BCBSNM will fund 25% of the program cost differential between the current WellBeing Management Enable program and Empower+ which is a credit of $0.48 PMPM. Credit will be calculated using Members enrolled in the WBM Program.

- Advanced Payment Review (APR) is 25% of the net recovery.

- Subrogation is 15% of the net recovery.

- In the RFP we provided a $30,000 annual credit the Authority can use to fund communications, mailings, wellness programs. The $30,000 will be renewed each year during the 4-year contract and any funds left may be rolled over to the following contract year through the end of the contract June 30, 2028. Funds can used as follows.

    • BCBSNM can track the usage during the 4-year term as the Authority develops ways to use these funds. BCBSNM would require an invoice for tracking purposes and validation.

BlueCross BlueShield of New Mexico

Attachment 1
IBAC Best and Final Offer

IBAC

ASO Projection
for the period
July 1, 2024 - June 30, 2028
&
January 1, 2025 - December 31, 2028

Base Administration Fees & Buy-Up Products

	7/1/2024 & 1/1/2025		7/1/2025 & 1/1/2026		7/1/2026 & 1/1/2027		7/1/2027 & 1/1/2028	
Administration Fees:	Active EEs & Pre-Medicare Retirees (PMPM)	NMRHCA Medicare Retirees (PMPM)	Active EEs & Pre-Medicare Retirees (PMPM)	NMRHCA Medicare Retirees (PMPM)	Active EEs & Pre-Medicare Retirees (PMPM)	NMRHCA Medicare Retirees (PMPM)	Active EEs & Pre-Medicare Retirees (PMPM)	NMRHCA Medicare Retirees (PMPM)
Less than 20,000	$20.07	$23.49	$20.07	$23.49	$20.47	$23.96	$20.88	$24.44
20,001 - 50,000	$18.93	$22.16	$18.93	$22.16	$19.31	$22.61	$19.70	$23.06
50,000 - 100,000	$17.86	$20.91	$17.86	$20.91	$17.86	$20.91	$17.86	$20.91
100,001+	$17.41	$20.39	$17.41	$20.39	$17.41	$20.39	$17.41	$20.39
Medical Rebates:	** Please see below.		TBD - Will be reset annually.		TBD - Will be reset annually.		TBD - Will be reset annually.	
Buy-Ups Products:	Active EEs & Pre-Medicare Retirees (PMPM)	NMRHCA Medicare Retirees (PMPM)	Active EEs & Pre-Medicare Retirees (PMPM)	NMRHCA Medicare Retirees (PMPM)	Active EEs & Pre-Medicare Retirees (PMPM)	NMRHCA Medicare Retirees (PMPM)	Active EEs & Pre-Medicare Retirees (PMPM)	NMRHCA Medicare Retirees (PMPM)
WBM Empower+	$4.79	$4.79	$4.79	$4.79	$4.79	$4.79	$4.79	$4.79
Genetic/Molecular Testing & Radiation Therapy Bundle	$0.40	$0.40	$0.40	$0.40	$0.40	$0.40	$0.40	$0.40
Joint/Spine & Pain Management Bundle	$0.99	$0.99	$0.99	$0.99	$0.99	$0.99	$0.99	$0.99
Benefit Value Advisor	$1.35	$1.35	$1.35	$1.35	$1.35	$1.35	$1.35	$1.35
Virtual Visits w/BH	$0.34	$0.34	$0.34	$0.34	$0.34	$0.34	$0.34	$0.34
Virtual Visits w/o BH	$0.24	$0.24	$0.24	$0.24	$0.24	$0.24	$0.24	$0.24

Medical Rebates **	7/1/2024 & 1/1/2025 (PMPM)
Albuquerque Public Schools:	($0.69)
NM Public School Insurance Authority:	($0.98)
NM Retiree Health Care Authority:	($1.69)

**Administration Fee does not include Advanced Payment Review (APR) services charged at 25% of claims savings. Subrogation will remain at 15%.*

*** Each client will receive a settlement to total to 85% of the Rebates collected by Claim Administrator on drugs covered under the medical benefit.*

Proposed Credits:

For 7/2024 (1/2025 APS), BCBSNM will fund the program cost differential between the current WellBeing Management Enable program and Empower+ which is a credit of $1.94 PMPM. Credit will be calculated using Members enrolled in the WBM Program.
For 7/2025 (1/2026 APS), BCBSNM will fund 50% of the program cost differential between the current WellBeing Management Enable program and Empower+ which is a credit of $0.97 PMPM. Credit will be calculated using Members enrolled in the WBM Program.
For 7/2026 (1/2027 APS), BCBSNM will fund 25% of the program cost differential between the current WellBeing Management Enable program and Empower+ which is a credit of $0.48 PMPM. Credit will be calculated using Members enrolled in the WBM Program.

For 7/2024 (1/2025 APS), BCBSNM will fund the proposed UM bundles Genetic/Molecular Testing & Radiation Therapy and Joint/Spine & Pain Management which are buy-ups to the Empower+ program. Provided credit will be $1.39 PMPM. Credit will be calculated using Members enrolled in the UM bundles.
For 7/2025 (1/2026 APS), BCBSNM will fund 50% of the proposed UM bundles Genetic/Molecular Testing & Radiation Therapy and Joint/Spine & Pain Management which are buy-ups to the Empower+ program. Provided credit will be $0.70 PMPM. Credit will be calculated using Members enrolled in the UM bundles.
For 7/2026 (1/2027 APS), BCBSNM will fund 25% of the proposed UM bundles Genetic/Molecular Testing & Radiation Therapy and Joint/Spine & Pain Management which are buy-ups to the Empower+ program. Provided credit will be $0.35 PMPM.Credit will be calculated using Members enrolled in the UM bundles.

BCBSNM is offering a wellness credit valued at $360,000. Each Agency will receive an annual credit of $30,000 for each of the 4 years. The annual credit will be available on the first day of their renewal effective date and any remaining balance will rollover annually but will expire after the 4 year contract.

BlueCross BlueShield of New Mexico

Attachment 2
New Mexico Public Schools Insurance Authority
Wellness Services

Health Risk Assessments
Biometric Screenings
Biometric Screenings Aggregated Reporting
Health Coaching
On-line Tobacco Cessation Program
Well onTarget Wellness Platform
Blue Points Rewards Program

Available Point Solutions

Musculoskeletal (MSK) including digital/virtual

- Hinge Health

Diabetes and hypertension management or metabolic syndrome

- Teladoc Health
- Omada
- Wondr Health

Weight loss and fitness/physical activity including reduced cost gym memberships

- Fitness Program

Behavioral health including virtual solutions, with access to virtual therapy counseling services

- Learn to Live
- MDLIVE

Additional, value-added wellness services

We will continue to offer a dedicated wellness coordinator and designated wellness consultant. This partnership has provided the flexibility to create innovative programs that are customized to support the overall mission and objectives of the Authority.

Attachment 3
Fee Schedule And Financial Terms

SECTION 1: FEE SCHEDULE

Service charges and other service specifications applicable to the Agreement are set forth above. They are to apply for the period(s) of time indicated therein and shall continue in full force and effect until the earlier of: i) the end of the Fee Schedule Period.; ii) the date a Fee Schedule is amended or replaced in its entirety by the execution of a subsequent Professional Services Contract #24-021-CG-PSIA-06; or iii) the date the Agreement is terminated.

Inter-Plan Arrangement Fees:

1.1 **BlueCard® Program/Network Access Fees* (as applicable):** Additional information is available upon request; included in the Claim Charge, if applicable.

1.2 **Negotiated Arrangement/Custom Fees (as applicable):** Additional information is available upon request; included in the medical Administrative Charge(s) noted in Professional Services Contract #24-021-CG-PSIA-06 and in any Termination Administrative Charge(s) noted in Professional Services Contract #24-021-CG-PSIA-06 calculated on the basis of such medical Administrative Charge(s).

1.3 **For Non-Participating Healthcare Providers Outside Claim Administrator's Service Area/processing fees (as applicable):** Additional information is available upon request; included in the medical Administrative Charge(s) noted in Professional Services Contract #24-021-CG-PSIA-06 and in any Termination Administrative Charge(s) noted in Professional Services Contract #24-021-CG-PSIA-06 calculated on the basis of such medical Administrative Charge(s).

**If applicable, such fees may not exceed the lesser of the applicable annual percentage of the discount (dependent upon group size) permitted under the BlueCard Program or two thousand dollars ($2,000) per Claim.*

SECTION 2: EXHIBIT DEFINITIONS

Other definitions applicable to this Exhibit are contained in Section 7 DEFINITIONS of the Agreement.

2.1 **"Authority Payment"** means the amount owed or payable to Claim Administrator by the Authority for a given Authority Payment Period in accordance with Section 5 of this Exhibit which is the sum of Claim Payments made plus applicable service charges incurred during that Authority Payment Period.

2.2 **"Authority Payment Method"** means the method elected in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06 by which the Authority Payments will be made.

2.3 **"Authority Payment Period"** means the time period indicated in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06.

2.4 **"Medicare Secondary Payer ("MSP")"** means those provisions of the Social Security Act set forth in 42 U.S.C. §1395 y (b), and the implementing regulations set forth in 42 C.F.R. Part 411, as amended, which regulate the manner in which certain Employers may offer group health care coverage to Medicare–eligible employees, their spouses and, in some cases, dependent children.

2.5 **"Run–Off Claim"** means a Claim incurred prior to the termination of the Agreement that is submitted for payment during the Run–Off Period.

2.6 **"Run–Off Period"** means the time period immediately following termination of the Agreement, indicated in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06, during which Claim Administrator will accept Run-Off Claims submitted for payment.

2.7 **"Termination Administrative Charge"** means the consideration indicated in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06 that is required by Claim Administrator upon termination of the Agreement, or the termination of Covered Employees but not the Agreement, including any services that may be performed by Claim Administrator during the Run–Off Period indicated on Professional Services Contract #24-021-CG-PSIA-06.

SECTION 3: COMPENSATION TO CLAIM ADMINISTRATOR

3.1 ***Intent of Service Charges.*** The Authority will pay service charges to Claim Administrator in accordance with the Fee Schedule specifications of **Professional Services Contract #24-021-CG-PSIA-06**, if applicable, as compensation for the processing of Claims and administrative and other services provided to the Authority.

3.2 ***Determining Service Charges.*** The service charges, which are for the Fee Schedule Period indicated in the Fee Schedule specifications of **Professional Services Contract #24-021-CG-PSIA-06**, if applicable, have been determined in accordance with Claim Administrator's current regulatory status and the Authority's existing benefit program.

3.3 ***Changing Service Charges.*** Such service charges shall be subject to change by Claim Administrator as follows:

- **a.** At the end of the Fee Schedule Period indicated in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06, provided that sixty (60) days' prior written notice is given by Claim Administrator;
- **b.** On the effective date of any changes or benefit variances in the Plan, its administration by the Authority, or the level of benefit valuation which would increase Claim Administrator's cost of administration;
- **c.** On any date changes imposed by governmental entities increase expenses incurred by Claim Administrator, provided that such increases shall be limited to an amount sufficient to recover such increase in expenses;
- **d.** On any date that the actual number of Covered Employees (in total, by product or by benefit plan), the single/family mix, or the Medicare/Non-Medicare mix varies +/- ten percent (10%) from Claim Administrator's projections;
- **e.** The information upon which Claim Administrator's projections were based (e.g., benefit levels, census/demographics, producer/broker fees) becomes outdated or inaccurate; or
- **f.** On any date an affiliate, subsidiary, or other business entity is added or dropped by the Authority.

3.4 ***Service Charges upon Termination.*** In the event the Agreement is terminated in accordance with the "Term and Termination" provisions of the Agreement, the Authority will Timely pay Claim Administrator the Termination Administrative Charge indicated in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06. Termination Administrative Charges assume the continuation of the Plan benefit program(s) and the administrative services in effect prior to termination. Should such Plan benefit program(s) and/or administrative services change, or in the event the average Plan enrollment during the three (3) months immediately preceding termination varies by ten percent (10%) or more from the enrollment used to determine the service charges in effect at the time of termination, Claim Administrator reserves the right to adjust the fees for service charges (including, but not limited to, access fees) to be used to compute the Termination Administrative Charge. In the event of a partial termination of Covered Employees by the Authority, the Authority will pay the Termination Administrative Charge

as specified in Professional Services Contract #24-021-CG-PSIA-06 for such terminated Covered Employees.

3.5 ***Additional Service Charges.*** In addition to the amounts due and payable each month in accordance with the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06, Claim Administrator may charge the Authority for:

a. Any applicable Supplemental Charge(s); and/or

b. Reasonable fees for the reproduction or return of Claim records requested by the Authority, a governmental agency or pursuant to a court order; and/or

c. Any other fees that may be assessed by third parties for services rendered to the Authority, a portion of which may be retained by Claim Administrator as compensation for Claim Administrator's support of such services; and/or

d. Any other fees for services mutually agreed upon by the Parties in writing.

3.6 ***Effect of Plan Enrollment.*** Administrative Charges will be paid based upon information Claim Administrator receives regarding current Plan enrollment as of the first day of each month. Appropriate adjustments will be made for enrollment variances or corrections.

3.7 ***Timely Payment.*** Performance of all duties and obligations of Claim Administrator under the Agreement are contingent upon the Timely payment of any amount owed Claim Administrator by the Authority.

SECTION 4: CLAIM PAYMENTS

4.1 ***Claim Administrator's Payment.*** Upon receipt of a Claim, Claim Administrator will make a Claim Payment provided that all payments due Claim Administrator under the terms of the Agreement are paid when due.

4.2 ***Authority's Liability.*** Any reasonable determination by Claim Administrator in adjudicating a Claim under the Agreement that a Covered Person is entitled to a Claim Payment is conclusive evidence of the liability of the Authority to Claim Administrator for such Claim Payment pursuant to Section 6 below titled "Claim Settlements." Further, if a Covered Person is an Inpatient at the time his or her coverage under the Plan terminates, the Plan shall provide benefits for Covered Services which are provided by and regularly charged for by a Hospital or other facility Provider until the Covered Person is discharged ("Extended Benefits"). The Authority shall be liable to Claim Administrator for all Claim Payments, and the applicable service charges for such Extended Benefits.

4.3 ***Covered Person's Certain Liability.*** Under certain circumstances, if Claim Administrator pays the health care Provider amounts that are the responsibility of the Covered Person under this Agreement, Claim Administrator may collect such amounts from the Covered Person.

4.4 ***Cessation of Claim Payments.*** If the Authority has failed to pay when due any amount owed Claim Administrator, Claim Administrator shall be under no obligation to make any further Claim Payments until such default is cured.

SECTION 5: THE AUTHORITY PAYMENT

5.1 ***Intent.*** In consideration of Claim Administrator's obligations as set forth in the Agreement and at the end of each Authority Payment Period, the Authority shall pay to Claim Administrator or shall provide access for Claim Administrator to obtain, the Authority Payment amount due for that Authority Payment Period**.**

5.2 ***Confirmation or Notification of Amount Due and Payment Due Date.*** The Authority shall confirm with Claim Administrator or Claim Administrator shall notify the Authority's financial division, of the Authority Payment for each Authority Payment Period and when such payment is due. Confirmation or notification shall be in accordance with the Authority

Payment Method elected in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06 and the following:

a. ***If the Authority Payment Method is by Check,*** Claim Administrator shall issue the Authority a settlement statement which will include Claim Administrator's mailing address for check remittance and the date payment is due.

b. ***If the Authority Payment Method is other than Check,*** the Authority shall confirm on-line the amount due by accessing Claim Administrator's "Blue Access for the Employers"; or Claim Administrator shall advise the Authority by email or facsimile (at an email address or facsimile number to be furnished by the Authority prior to the effective date of the Agreement) or by such other method mutually agreed to by the Parties, of the amount due. The Authority Payment must be made or obtained within forty-eight (48) hours of confirmation by the Authority or the Authority's notification by Claim Administrator. If any day on which an Authority payment is due is a holiday, such payment will be made or obtained on the next business day.

5.3 ***Late Payments.*** Late payments are subject to the penalties outlined in Section 7.3 of this Exhibit.

SECTION 6: CLAIM SETTLEMENTS

6.1 ***Determining What The Authority Owes.*** A Claim settlement shall be determined for each Claim Settlement Period indicated in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06. The Claim settlement shall reflect the sum of the following:

a. Claim Payments paid by Claim Administrator in the particular Claim Settlement Period.

b. Claim Payments paid by Claim Administrator in prior Claim Settlement Periods that have not been included in a prior Claim settlement.

c. The Administrative Charges and credits, Surcharges, and other applicable service charges as indicated in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06 of the Agreement and any applicable Supplemental Charge(s).

The sum of a., b., and c. above shall be referred to as the "Claim Settlement Total."

6.2 ***The Authority Underpayment.*** If, within the Claim Settlement Period, the Claim Settlement Total exceeds the Authority Payments, the Authority will pay the difference to Claim Administrator. The Claim settlement will be determined within ninety (90) days from the last day of the Claim Settlement Period. Claim Administrator will notify the Authority in writing of the results of the Claim settlement. Any sums due Claim Administrator will be paid Timely by the Authority.

6.3 ***The Authority Overpayment.*** If, within the Claim Settlement Period, the Authority Payments exceed the Claim Settlement Total, Claim Administrator may, at its option, pay such difference to the Authority, apply the difference against amounts then owed Claim Administrator by the Authority or authorize a reduction equal to such difference from the next Claim Settlement Total due Claim Administrator from the Authority.

SECTION 7: LATE PAYMENTS AND REMEDIES

7.1 ***When The Authority Fails to Pay.*** If the Authority fails to pay when due any amount required to be paid to Claim Administrator under the Agreement, and such default is not cured within ten (10) days of the due date, a Reminder Notice will be sent to the Authority via email. If payment is not received within ten (10) days of the date the Reminder Notice is sent, Claim Administrator reserves the right to consider the Authority delinquent. If

defaults are not cured following notice via email to the Authority, Claim Administrator may, at its option:

a. Suspend Claim Payments; or

b. Terminate the Agreement as of the effective date specified in such notice.

7.2 ***When Claim Administrator Fails to Timely Notify.*** Pursuant to Section 6.5 "Severability; Enforcement; Force Majeure; Survival" of the Agreement, Claim Administrator's failure to provide the Authority with Timely notice of any amount due hereunder shall not be considered a waiver of payment of any amount which may otherwise be due hereunder from the Authority.

7.3 ***Late Charge.*** If the Authority fails to make any payment required by the Agreement on a Timely basis, Claim Administrator, at its option, may assess a daily charge for the late remittance from the due date of any amount(s) payable to Claim Administrator by the Authority. This daily charge shall be an amount equal to the amount resulting from multiplying the amount due times the lesser of:

a. The rate of .0329% per day which equates to an amount of twelve percent (12%) per annum; or

b. The maximum rate permitted by state law.

7.4 ***Insolvency.*** In addition, if the Authority becomes insolvent, however evidenced, or is in default of its obligation to make any Authority Payment as provided hereunder, or if any other default hereunder has occurred and is continuing, then any indebtedness of Claim Administrator to the Authority (including any and all contractual obligations of Claim Administrator to the Authority) may be offset and/or recouped and applied toward the payment of the Authority's obligations hereunder, whether or not such obligations, or any part thereof, shall then be due the Authority.

SECTION 8: FINANCIAL OBLIGATIONS UPON AGREEMENT TERMINATION

8.1 ***Run–Off Claims.*** The Authority hereby acknowledges that on the date of termination of the Agreement in accordance with the provisions of either Section 7 of this Exhibit, or on the date which the Authority terminates a part of the population of Covered Employees, there may be an undetermined but substantial number of Claims for services rendered or furnished prior to that date which have not been submitted to Claim Administrator for reimbursement and also an undetermined but substantial number of Claims submitted for reimbursement which have not been paid by Claim Administrator ("Run–Off Claims"). The Authority shall be responsible for the reimbursement of all Run–Off Claims, whether or not such Claims have been submitted, or whether or not Claim Payments for such Claims have been made by Claim Administrator, as of the date of termination or termination of Covered Employees but not the Agreement, including, but not limited to, Claim Payments made in accordance with MSP laws, and for the payment of the Termination Administrative Charge and any other applicable service charges indicated in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06 and any applicable Supplemental Charge(s) pursuant to the processing of such Claims after the Agreement's termination date or date of termination of Covered Employees but not the Agreement.

8.2 ***Corresponding The Authority Payments.*** In consideration of Claim Administrator's continuing to make Claim Payments in accordance with Section 4 of this Exhibit for Run–Off Claims, the Authority shall continue to make Authority Payments for all such Claims paid by Claim Administrator up to the final settlement outlined below.

8.3 ***Final Settlement.*** A final settlement shall be made within ninety (90) days after the last day of the Run–Off Period. This final settlement shall compare the Authority Payments against the Claim Settlement Totals for all Run–Off Claims paid up to the date of the final settlement. The difference shall be paid or applied as set forth in Section 6 of this Exhibit. However, if the Authority Payments exceed the Claim Settlement Totals for all Run–Off Claims paid up to the final settlement, Claim Administrator shall pay such difference to the Authority after applying the difference against amounts, if any, then owed to Claim

Administrator by the Authority. After the final settlement, Claim Administrator shall be released from any further liability for Claim Payments and Claim adjustments under this Agreement, and as of the date the Authority shall assume full liability and responsibility for all further administration of Claim Payments. Further, after the final settlement, any refunds resulting from Claim adjustments or recoveries for Overpayments, including, but not limited to, subrogation or litigation activities, regardless of when such adjustments or recoveries occurred shall be retained by Claim Administrator and the Authority shall have no liability for any charges associated with any adjustments.

8.4 ***Uncashed Funds.*** As of the date of termination of the Agreement and during the Run-Off Period, any outstanding funds that are or become "stale" (over 365 days old), less any amount(s) owed by payees to Claim Administrator from such funds, will be escheated by Claim Administrator on the Authority's behalf to the state of payee's last known address in accordance with Claim Administrator's established procedures and/or the applicable state's unclaimed property law.

Exhibit G
Attachment 1
Disclosure Statement

INFORMATION REGARDING THE MEDICARE AS SECONDARY PAYER STATUTE

BlueCross BlueShield of New Mexico
Experience. Wellness. Everywhere.℠

Employers, group health plans (GHPs), and entities that sponsor or contribute to GHPs, as well as insurers, have certain obligations under the Medicare Secondary Payer (MSP) provisions of the Social Security Act, commonly known as the "MSP statute"[1]. The MSP provisions of the Social Security Act are similar to the coordination of benefits clauses in GHPs. As an employer[2] or administrator of a GHP, you need to know the requirements of the statute to remain in compliance and to avoid potentially costly penalties and litigation. To assist in this endeavor, Health Care Service Corporation (HCSC) provides this basic information regarding operation of the MSP statute and the enrollment and membership information system that is used to obtain necessary data to detect instances in which the MSP statute applies and to ensure the proper processing of claims consistent with the law.

THE MSP LAW

A Coordination of Benefits Approach

During the first 15 years of the Medicare program, Medicare was the primary payer of all services provided to Medicare beneficiaries, with the sole exception of services covered under a workers compensation policy or program. As a result, where a Medicare beneficiary had dual health care coverage, Medicare paid first, and the employer, GHP, or insurer paid all or a portion of the remainder of the bill for the health care item or service at issue, depending on the terms of the relevant plan or contract. In an effort to save scarce Medicare resources, Congress enacted a series of amendments to the Social Security Act, beginning in 1981, which made employers and GHPs, as well as their insurers, responsible in certain instances for making primary payment in connection with medical items or services provided to specified Medicare beneficiaries with dual health care coverage.

The MSP statute is essentially a coordination of benefits statute. It does not dictate the benefits an employer or GHP must offer, but instead simply requires instances that a GHP make primary payment where dual coverage exists for a particular health care item or service. Employers are constrained in the benefits they can offer employees and other individuals covered under the plan, however, in one important respect: the statute specifically prohibits employers and GHPs from differentiating between benefits offered to certain Medicare beneficiaries and their counterparts not enrolled in Medicare. The anti-discrimination provisions of the statute are explained more fully below.

Scope of the Statute

The statutory requirements and rules for MSP coverage vary depending on the basis for Medicare and GHP coverage, as well as certain other factors, including the size of the employers sponsoring the GHP. In general, Medicare pays secondary to the following:

1. GHPs that cover individuals with end-stage renal disease (ESRD) during the first 30 months of Medicare eligibility or entitlement. This is the case regardless of the number of employees employed by the employer or whether the individual has "current employment status".

2. In the case of individuals age 65 or over, GHPs of employers that employ 20 or more employees if that individual or the individual's spouse (of any age) has "current employment status". If the GHP is a multi-employer or multiple employer plan, which has at least one participating employer that employs 20 or more employees, the MSP rules apply even with respect to employers of fewer than 20 employees (unless the plan elects the small employer exception under the statute).

3. In the case of disabled individuals under age 65, GHPs of employers that employ 100 or more employees, if the individual or a member of the individual's family has "current employment status". If the GHP is a multi-employer or multiple employer plan, which has at least one participating employer that employs 100 or more employees, the MSP rules apply even with respect to employers of fewer than 100 employees. (There is no small employer exception under the statute.)

1 The MSP provisions are set forth at 42 U.S.C. §1395y(b), as amended. The regulations the Center for Medicare and Medicaid Services (CMS) has issued regulations implementing the statute which are located at 42 C.F.R. §411.20-.37, 411.100-.130, 411.160-.175 and 411.200-.206. It is important that you and your counsel review the statute and regulations periodically to ensure compliance with your statutory obligations. This document is provided for information purposes and is not offered or intended as legal advice.

2 In the document, the term "employer" includes a plan sponsor or entity that contributes to a GHP.

The rules for calculating the size of the employer are complicated, and vary depending on numerous factors. In determining whether the size threshold has been met in any given case, the statute and regulations must be consulted.

As noted, application of the statute depends not only on the size of the employer but also, in certain cases, on whether the coverage provided under the GHP is based on "current employment status". Thus, the MSP provisions apply to the aged only if the age 65 or over Medicare beneficiary or the beneficiary's spouse has "current employment status" and to the disabled only if the disabled Medicare beneficiary, or a member of his family, has "current employment status" with the employer. (By contrast, the MSP provisions relating to individuals who have ESRD apply regardless of whether the beneficiary has GHP coverage as a result of "current employment status" and regardless of the number of employees which an employer employs.) Under the regulations issued by the Centers for Medicare and Medicaid Services (formerly known as the Health Care Financing Administration or HCFA), an individual has "current employment status" if the individual: (1) is "actively working" as an employee, [is] the employer…or [is] associated with the employer in a business relationship;" (2) is "not actively working" but is "receiving disability benefits from an employer for up to 6 months;" or (3) is "not actively working" but "retains employment rights in the industry" and other specific requirements are met. For additional information, we again direct your attention to the statute and regulations.

The Non-Discrimination Provisions: Age and Disability

The MSP statute prohibits GHPs from "taking into account" that an individual covered by virtue of "current employment status" is entitled to receive Medicare benefits as a result of age or disability. The statute expressly requires GHPs to furnish to aged employees and spouses the same benefits, under the same conditions, that they furnish to employees and spouses under age 65. Thus, GHPs may not offer coverage that is secondary to Medicare under a provision that "carves out" Medicare coverage (commonly known as a "carve-out" policy) or which supplements the available Medicare coverage (commonly known as "Medicare supplemental" or "Medigap" policies), to individuals covered by the provisions of the MSP statute relating to the working aged and the disabled. By contrast, "Medigap" and secondary health care coverage may appropriately be offered to retirees in this context because the GHP coverage is not based on "current employment status", and thus the MSP provisions do not apply.

End Stage Renal Disease (ESRD)

The MSP statute also prohibits a GHP from taking into account that an individual is entitled to Medicare benefits as a result of ESRD during a coordination period specified in the statute. This coordination period begins with the first month the individual becomes eligible for or entitled to Medicare based on ESRD and ends 30 months later. During this period, the GHP must pay primary for all covered health care items or services, while Medicare serves as the secondary payer. **GHPs are prohibited from offering secondary (i.e., "carve-out") and "Medigap" coverage in this context.** After the coordination period has expired, however, the GHP is free to offer "carve-out" and "Medigap" coverage to ESRD Medicare beneficiaries, but may not otherwise differentiate between the benefits provided to these individuals and all others on the basis of the existence of ESRD, the need for renal dialysis, or in any other manner.

Special rules apply regarding retired individuals and members of their families who receive Medicare benefits on the basis of age or disability immediately before the onset of ESRD. Where immediately prior to contracting the disease, the GHP was lawfully providing only "Medigap" coverage, or was otherwise a secondary payer for that individual due to a "carve-out" provision, the GHP may continue to offer such coverage and is not required to pay primary during the 30 month coordination period. By contrast, where a GHP was providing primary benefits immediately before the onset of the disease, the GHP is responsible to continue providing primary benefits for that individual for 30 more months. This is because a change from primary to secondary or supplemental coverage would improperly "take into account" Medicare eligibility based on ESRD.

Employer Obligations

It is your obligation to ensure that beneficiaries who are covered by the MSP statute are not improperly enrolled in "carve-out" or "Medigap" coverage under your Plan. If an individual is improperly enrolled in a supplemental or secondary policy or contract when the individual should be enrolled in a plan that makes the GHP the primary payer, it is Medicare's position that Medicare pays secondary and the plan is required to pay primary regardless of contrary language contained in the plan or contract. Individuals may choose to purchase and pay for "Medigap" insurance on their own, but neither the employer nor the GHP may sponsor, contribute to, or finance such coverage.

Prohibition of Financial Or Other Incentives Not To Enroll in a GHP

An employee or spouse of an employee is free to refuse the health plan offered by an employer or GHP, in which case Medicare will be the primary payer. It is unlawful, however, for an employer (or any one else for that matter) to offer any financial or other incentive for a Medicare beneficiary not to enroll, or to terminate enrollment, in a GHP which would be primary to Medicare if the individual enrolled in the GHP. This is so even if the incentive is offered universally to all individuals who are eligible for coverage under the GHP. Any entity violating this prohibition is subject to a civil monetary penalty under the MSP statute of up to $5,000 for each violation. **Where an employee or spouse of an employee chooses to reject the employer-sponsored health plan, the employer and GHP are prohibited from offering or sponsoring that individual's health coverage or contributing to the premium for that coverage.**

Other Consequences of Non-compliance

Non-compliance with the statute can result in serious consequences. Thus, a significant excise tax in the amount of 25 percent of the employer's or employee organization's GHP expenses for the relevant year may be assessed under the Internal Revenue Code against a private employer or employee organization contributing to a "non-conforming" group health plan. Under CMS Regulations, a non-conforming group health plan is a plan that: (1) improperly takes into account that an individual is entitled to Medicare; (2) fails to provide the same benefits under the same conditions to employees (and spouses) age 65 or over, as it provides to younger employees and spouses; (3) improperly differentiates between individuals with ESRD and others; or (4) fails to provide required information, fails to pay correctly, or fails to refund to CMS conditional Medicare payments mistakenly made by the agency. It is Medicare's position that, in addition to the possible imposition of an excise tax, failure to reimburse CMS for mistaken primary payments may result in ultimate liability double the amount at issue. The law also establishes a private right of individuals to collect double damages from any GHP that fails to make primary payments in accordance with the MSP provisions.

THE INFORMATION SYSTEM

Information Gathering

In an effort to facilitate the processing of claims consistent with the requirements of the MSP statute and to assist this organization and its accounts in meeting their statutory obligations, we (HCSC) have been and continue to participate in a data exchange enrollment and membership system that was developed to electronically exchange health insurance benefit entitlement information related to the MSP statute. The system is aimed at obtaining, in a timely and current fashion, information necessary for us to identify dual coverage situations which fall within the MSP statute and to determine whether primary or secondary payment should be made for a particular claim. Section 111 of the Medicare, Medicaid and SCHIP Expansion Act of 2007 (MMSEA) (P.L. 110-173), added new mandatory reporting requirements for GHP arrangements, liability insurance (including self-insurance), no-fault insurance and workers' compensation. Responsible Reporting Entities (RREs) are now **required** by Mandate S111 from CMS to report information necessary for us to identify dual coverage situations which fall within the MSP statute. The MSP Statute requires that HCSC as Plan Administrator and/or Health Insurer act as the RRE. The sharing of data through this system helps us and our customers to meet the statutory obligations by identifying instances in which an individual participating in your GHP is or may be improperly enrolled in a program providing secondary or supplemental coverage.

CMS has, in the past, reported that it has made hundreds of millions of dollars in mistaken Medicare payments annually as a result of paying primary when under the MSP statute only secondary payment was required. Historically, many of these mistaken payments resulted from the fact that providers often filed claims which failed to identify sources of health care coverage other than Medicare and CMS lacked information in its own files regarding the existence of duplicate coverage for Medicare beneficiaries. **The information void was greatest with regard to the spouses of working-aged individuals covered by the statute and the greatest number of undetected dual coverage cases accordingly occurred in this context.**

To help remedy this problem, and as a RRE, we are continuing to provide basic information to CMS about individuals enrolled in GHPs who are also covered by Medicare so that

CMS can supplement its files to better detect dual coverage situations. The information we require from you and provide to CMS is relatively discrete and includes the following:

Information on Employers

- Employer Identification Number (EIN)

Information on Medicare Beneficiaries

- Beneficiary Name
- Date of Birth
- Gender
- Social Security Number
- Health Insurance Claim Number (e.g., Medicare Number)
- Relationship to Policyholder (e.g., policyholder, spouse of policyholder, child of policyholder, other)
- Reason for Medicare Entitlement (e.g., beneficiary insured under Medicare due to age, disability, or ESRD)
- Medicare Effective Date
- Medicare Termination Date

Information on Certificate Holder/Policyholder and Covered Dependents

- Policyholder Name
- Social Security Number
- Individual Policy Number of Policyholder
- Current Employment/Retirement/COBRA/State Continuation Status
- Coverage Effective Date
- Coverage Termination Date
- Group Plan Number
- Benefits Provided (e.g., Hospital only, medical benefits only, drug with major medical, etc.)
- Coverage (e.g., self, family, self/spouse, etc.)

Our goal is to obtain the identified information with as little inconvenience and burden to you and your employees as possible. We will gather this information through application forms and group-size questionnaires with detailed instructions on how to complete each form.

The Need for Your Active Participation

Our ability to make accurate primary/secondary determinations involving individuals enrolled in your GHP and thus to assist CMS in processing MSP claims properly in the first instance, depends entirely on the breadth and accuracy of our files concerning individuals covered by your GHP. We depend on you to provide us with this information. Accordingly, it is important that you respond promptly and accurately to our requests for information.

Moreover, to ensure the continuing accuracy of our files, it is your responsibility to notify us promptly of any changes in the size of your work force or the status of your employees that might affect the order of payment under the MSP statute, such as information regarding working-aged persons who retire (and thus for whom Medicare makes primary payment) *and changes in the size of your work force that place you in, or take you out of, the scope of the MSP statute.* **If we do not receive such information from you, we will assume that all relevant factors remain unchanged and will process claims accordingly.** We will be using the information you provide us to update our files, and will also forward this information to CMS on a quarterly basis so that CMS can revise its file to reflect relevant changes in primary/secondary status.

Amendments to the MSP Statute and Regulations

The MSP statute and regulations are frequently amended. As a result, it is important that you and your counsel continue to monitor changes in the law and assess the impact of such changes on your company. While we can assist you in meeting your statutory obligations by providing general information about the statute and gathering information that will detect potential problems in enrollment, it is ultimately your responsibility to ensure your company's compliance with the MSP statute.

NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY
Office of Executive Director

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

Patrick Sandoval
Executive Director

Martha Quintana
Deputy Director

September 5, 2024

Marlene Baca
Vice President of Sales
Blue Cross Blue Shield of New Mexico
5701 Balloon Fiesta Pkwy NE
Albuquerque, NM 87113

Re: Amendment 1 – Effective July 1, 2024 to June 30, 2028
Professional Services Agreement for Dental Services
Blue Cross Blue Shield of New Mexico
Date of Agreement: July 1, 2024
Agreement No. 24-021CG-PSIA-03

Dear Ms. Baca:

This letter shall constitute an Amendment to the above-captioned Agreement between the New Mexico Public Schools Insurance Authority, hereinafter referred to the as the "Authority," and Blue Cross Blue Shield, referred to as the "Contractor" and is effective as of the dates shown herein.

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

1. Replace in its entirety Exhibit E Performance Guarantees as attached and as follows: updated Performance Guarantees for Number of Total In-Network Providers.

2. Exhibit F New Mexico Public Schools Insurance Authority Fee Schedule is replaced in its entirety as attached and as follows:

Exhibit F: New Mexico Public Schools Insurance Authority Fee Schedule

Attachment 1 – IBAC Best and Final Offer (IBAC Fee Schedule)

Attachment 2 – Fee Schedule and Financial Terms

3. Replace Attachment 1 Disclosure Statement of Exhibit G: Information Regarding the Medicare as Secondary Payer Statute updated for Blue Cross Blue Shield of New Mexico identifying language.

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

New Mexico Public Schools Insurance Authority	**Blue Cross Blue Shield of New Mexico**
By:	By:
Alfred Park Board President	Marlene Baca Vice President of Sales

PERFORMANCE GUARANTEES EXHIBIT E			
PERFORMANCE SERVICE AREA	**DEFINITION PERFORMANCE GUARANTEE**	**PERFORMANCE MEASUREMENT FREQUENCY**	**PERCENTAGE OF THE CORE ADMINISTRATIVE FEE AT RISK**
IMPLEMENTATION			
Implementation Plan and Timeline	The Contractor will present the Implementation Plan to the Authority. The Implementation plan will be developed by the Contractor, and approved by the Authority, and will contain specified tasks to be completed by the Authority and/or the Contractor and a timeframe for completion of each task. The implementation plan will also contain measurement periods/deadlines specific to each task. 90.0% of all tasks will be completed by the dates specified in the implementation plan agreed to by the parties.	Implementation Performance Assessment Report will be provided after the first quarter.	**1%**
Implementation Team	Implementation team will be assigned and introduced at least 3 months in advance of effective date. Unless agreed between the Contractor and the Authority, implementation team members will not change, and they will be responsible for the accurate installation of all	Implementation Performance Assessment Report will be provided after the first quarter.	**1%**

PERFORMANCE GUARANTEES EXHIBIT E			
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	administrative, clinical and financial parameters for the proposed program(s).		
Promotion and Attendance at Key Events	The Contractor will agree to attend key events for the promotion and orientations around dental plan services.	Implementation Performance Assessment Report will be provided after the first quarter.	**1%**
Operational Readiness Review	Offeror will provide at least 60 days prior to the go-live date proof of steps taken to test and ensure the operational readiness for all services required in the Agreement (e.g., claim system set-up and tested, toll free line, website, all IT processes and features, including but not limited to: the website, mobile apps, digital tools, online provider directories, and a functional call center with back-up systems).	Implementation Performance Assessment Report will be provided after the first quarter.	**1%**
ACCOUNT MANAGEMENT			

PERFORMANCE GUARANTEES EXHIBIT E			
PERFORMANCE SERVICE AREA	**DEFINITION PERFORMANCE GUARANTEE**	**PERFORMANCE MEASUREMENT FREQUENCY**	**PERCENTAGE OF THE CORE ADMINISTRATIVE FEE AT RISK**
Account Team Performance Appraisal	Authority's satisfaction with Account Management will be a minimum average score of 3.0 (out of 5) and will be measured by the Authority. Score is calculated using an average of all measurable needs outlined and agreed upon by the Contractor and Authority. Score of 1=unacceptable; 2=needs improvement, 3=meets expectations; 4=exceeds expectations; 5=Excellent. Corrective action plan required to address needed improvement if score is an unacceptable level. Performance will be measured but not limited to the following areas: 1. Provides effective support in preparing for, and conducting, open enrollment events/sessions. 2. Provides client with timely notification of issues impacting members. 3. Responds to issues & questions in a timely, comprehensive manner.	Measured semi-annually by Account Management Survey sent via e-mail no later than 45 days following the end of the semi-annual period.	**2%**

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	4. Develops, follows through on action plans; effective coordination to resolve open issues. 5. Is accessible and attends scheduled meetings 6. Delivers agreed upon reports and communication of program results in a timely manner.		
Attendance at Agreed-Upon Meetings	Attendance at BAC, Board and NMPED/NMASBO Spring Budget Workshop meetings during the contract period. May also include, New Hire, New Group, Open/Switch Enrollment and Annual Regional Trainings as needed or when requested at meetings scheduled during the contract period and implementation phase.	Performance measurement guarantees are reported quarterly and settled quarterly.	**1%**
CLAIMS			
Claims Processing Turnaround Time (All Claims)	95% of claims turnaround within 10 calendar days. Turnaround time is defined as the number of days it takes to process a claim, beginning with the date the claim is received to the check/EOB date on participant filed claims or to	Performance measurement guarantees are reported quarterly	**2%**

PERFORMANCE GUARANTEES EXHIBIT E			
PERFORMANCE SERVICE AREA	**DEFINITION PERFORMANCE GUARANTEE**	**PERFORMANCE MEASUREMENT FREQUENCY**	**PERCENTAGE OF THE CORE ADMINISTRATIVE FEE AT RISK**
	the date the claim passes all edits on provider filed claims. The standard is measured as a percent of process-ready claims finalized within 10 calendar days.	and settled quarterly.	
Claims Processing Accuracy	98% of paid Claims processed accurately in accordance with the provisions of the Dental benefit coverage administered by the Contractor. The Contractor defines processing accuracy as the percentage of claims processed and paid accurately, including direct errors only. A direct error results in an incorrect payment. Procedural accuracy is measured by the volume of claims paid accurately divided by the total volume sampled.	Performance measurement guarantees are reported quarterly and settled quarterly.	**2%**
Claims Financial Accuracy	99% of dollars paid accurately and in accordance with provisions of Dental benefit coverage by Contractor. The Contractor defines financial accuracy as the percentage of dollars paid accurately. Financial accuracy is measured by the dollar amount of claims paid accurately divided by the total dollars paid. The Contractor considers each underpayment and overpayment and error; the Contractor does not offset one by the other.	Performance measurement guarantees are reported quarterly and settled quarterly.	**2%**

PERFORMANCE GUARANTEES EXHIBIT E			
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Claims Payment Accuracy	98% of Claims paid accurately in accordance with provisions of Dental benefit coverage administered by the Contractor. The Contractor defines payment accuracy as the percentage of claims processed accurately, including all errors, both direct and indirect. Payment accuracy is measured by the volume of the claims processed accurately (including all errors direct and indirect) divided by the total volume sampled.	Performance measurement guarantees are reported quarterly and settled quarterly.	**2%**
CUSTOMER SERVICE			
Abandoned Calls	Less than 2.5% of calls are defined as calls, calculated over the complete workday, that reach the facility and are placed in a queue, but are not answered because the caller hangs up before a service representative becomes available. Any calls abandoned or terminated by the caller prior to the Average Speed to Answer number of seconds standard will not be counted as Abandoned Calls. Standard is measured using participant calls on an Authority specific basis.	Performance measurement guarantees are reported quarterly and settled quarterly.	**2%**

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Intake Calls	Average Speed to Answer of 30 seconds or less calculated over the complete workday, is defined as the time a caller spends on hold until a service representative becomes available. Standard is measured by determining the average number of seconds the caller spends waiting for a service representative. Standard is measured using participant calls on an Authority specific basis.	Performance measurement guarantees are reported quarterly and settled quarterly.	**2%**
First Call Resolution	90% of combined telephone inquiries will be resolved the day received. This is measured using both Member and Provider inquiries. The standard is measured as a percent resolved on an Authority specific basis.	Performance measurement guarantees are reported quarterly and settled quarterly.	**2%**
Complaints/Appeals/Grievance Decision	Decision on 95% of all complaints and/or grievances within 30 days.	Performance measurement guarantees are reported quarterly and settled quarterly.	**1%**
Provider Relations Complaints/Appeals/Grievance Acknowledgment	100% of all written complaints will be acknowledged in writing within 5 business days when the provider files their grievance	Performance measurement guarantees are	**2%**

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	according to the published process as outlined in the provider manual.	reported quarterly and settled quarterly.	
Member Survey Results	90% Member Satisfaction as measured by Post Call Survey. Results will be comprised of completed surveys on group specific member calls with a statistically valid sample size of a minimum of 10% of participants opting to take the survey.	Performance measurement guarantees are reported quarterly and settled quarterly.	**1%**
REPORTS			
Timeliness of Reports	Standard Monthly/ Quarterly/ Annual Reports will be delivered or available online within 30 days of the end of the reporting period for monthly reporting and within 45 days for quarterly reporting.	Performance measurement guarantees are reported quarterly and settled annually.	**$1,000 per late or incorrect report**
Timeliness of Ad Hoc Reports	Any Ad Hoc report or request that can be provided by the Sales and Marketing Team - No	Performance measurement guarantees are reported quarterly	**$1,000 per late or incorrect report**

PERFORMANCE GUARANTEES EXHIBIT E			
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	later than EOD on 2nd business day from original received date Any existing report (already built or readily available) or request requiring a team other than Sales and Account Management to complete. - No later than EOD on 5th business day from original received date. Any custom report (not already built or readily available) requiring a team other than Sales and Account Management to complete. - No later than EOD on 10th business day from original received date *Depending on level of complexity, resource availability, etc. the turnaround time may be longer. We will communicate with the Authority to ensure expectations are clear."	and settled annually.	
NETWORK			

PERFORMANCE GUARANTEES EXHIBIT E			
PERFORMANCE SERVICE AREA	**DEFINITION PERFORMANCE GUARANTEE**	**PERFORMANCE MEASUREMENT FREQUENCY**	**PERCENTAGE OF THE CORE ADMINISTRATIVE FEE AT RISK**
Provider Recruitment	BCBSNM will contact all non-contracted dentists utilized by your employees, by 01/2025. BCBSNM will add, at minimum, 70 dental access points from the disruption by 01/2026. This milestone will be broken down by: • $12,500 at risk to add, at minimum, 35 dental access points from the disruption by 01/2025. • $12,500 at risk to add, at minimum, 35 dental access points from the disruption by 01/2026.	Performance measurement guarantees are reported annually and settled annually.	**$25,000**
Number of Total In-Network Providers	If **voluntary** provider turnover in the State of New Mexico is greater than five (5) percent in any given contract year, the Authority retains the right to review the recruitment guarantee. Revisions are subject to mutual agreement between the Authority and the Contractor.		
Network Discounts	29.5% Network Discount Savings is defined as the percentage of total eligible provider billed charges saved due to Network Provider discounts.	Performance measurement guarantees are reported quarterly and settled quarterly.	**6%**

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ID CARDS			
ID Card Processing	**ID Card Turnaround Time** is defined as the percentage of ID cards mailed within 10 business days from receipt of complete and accurate electronic information. 100% of ID Cards to be issued within 10 business days of receipt of the eligibility information. Measurement is based on Employer-specific Claims.	Performance measurement guarantees are reported quarterly and settled quarterly.	**1%**
ID Card Accuracy	100% of ID cards contain the correct contact and benefit information. **ID Card Accuracy** is defined as the percentage of ID Cards containing the correct benefit information. Method of measurement: The accuracy rate is determined from a statistically valid random sample audit of all ID Cards processed during the settlement period. Calculated by dividing the	Performance measurement guarantees are reported quarterly and settled quarterly.	**1%**

PERFORMANCE GUARANTEES EXHIBIT E			
PERFORMANCE SERVICE AREA	**DEFINITION PERFORMANCE GUARANTEE**	**PERFORMANCE MEASUREMENT FREQUENCY**	**PERCENTAGE OF THE CORE ADMINISTRATIVE FEE AT RISK**
	number of accurately processed ID Cards by the number of ID Cards selected in the sample. Measurement is based on an audit of Authority-specific ID Cards. Measurement is based on accurate enrollment file. Any errors in the file reflected in the ID cards does not count against the guarantee.		
ELIGIBILITY			
Eligibility Processing	98% of processing updates are made within an average of 3 business days from receipt of complete and accurate electronic information. Calculation is Date enrollment processed minus Date enrollment received. Data file specifications: The Contractor has 3 working days to correct the Contractor's eligibility discrepancies. Electronic file set up follows industry standard 834 file format with file being delivered timely to Contractor; Contractor will provide standard discrepancy reports by secure mail transfer protocol (SMTP) to the Authority or the Authority's third party administrator; any electronic eligibility files	Performance measurement guarantees are reported quarterly and settled annually.	**1%**

PERFORMANCE GUARANTEES EXHIBIT E			
PERFORMANCE SERVICE AREA	**DEFINITION PERFORMANCE GUARANTEE**	**PERFORMANCE MEASUREMENT FREQUENCY**	**PERCENTAGE OF THE CORE ADMINISTRATIVE FEE AT RISK**
	delivered to contractor after 11:00AM (MST) will be deemed as received on the following business day; and the file processing and calculation of this performance Guarantee metric will be based on the following business day being calculated as the first business day.		
Manual Eligibility Processing	Manual changes will be processed within one (1) business day of receipt from the Authority or the Authority's third-party administrator.	Measured semi-annually by Account Management Survey sent via e-mail no later than 45 days following the end of the semi-annual period.	**$0 (Account Management performance monitoring only)**

BlueCross BlueShield of New Mexico

Exhibit F
New Mexico Public Schools Insurance Authority

7/1/2024 – 12/31/2024
assumes no enrollment

1/1/2025 – 06/30/2025
BCBSNM agrees to lock in by June 30th of each year, the enrollment to approve rates if the tier level by membership changes for an effective date of January 1 annually.

Based on IBAC enrollment less than 20,000
(IBAC Agencies include APS, NMPSIA and NMRHCA)

Administration Fee
$ 0.85 pmpm

Based on IBAC enrollment 20,000 but less than 100,000
(IBAC Agencies include APS, NMPSIA and NMRHCA)

Administration Fee
$ 0.81 pmpm

- One-time $3.50 per member credit for selecting dental coverage. The credit will be based off the Dental Membership and will be applied to the Dental administration invoice.

- One-time $1.62 per member credit for selecting both medical and dental. The credit will be based off the Dental Membership and will be applied to the Medical administration invoice.

BlueCross BlueShield of New Mexico

Attachment 1
IBAC Best and Final Offer

RFP#24-021CG_M
Offeror Name
Proposed Pricing Exhibits - Dental - Best and Final (BAFO)
Self-Insured Plans: Current Plan Designs

Quote the IBAC in its entirety, to include the three IBAC agencies. Quotes must be based on the current funding method for each agency.

1) Provide self-insured quotes for APS, NMPSIA, & NMRHCA. Assume the current plan design.
- Provide CORE administrative service fees on a Per Member Per Month (PMPM) or a Per Employee Per Month (PEPM) basis. PMPM or PEPM rates MUST include ALL service components outlined in the prior exhibit. ***Self-insured quotes involving NMRHCA are required to be on a PMPM basis and PEPM quotes will not be accepted.*** *You must agree that all fees are on an incurred basis and no further charges will be incurred to pay timely filed claims submitted for up to 12 months following the date of termination.*

2) Plan Design. In a separate worksheet, please point out all benefit variations from current and/or proposed.
Provide Plan Descriptions for each proposed plan.

3) Fee/Rate Guarantees. Fees/rates must be guaranteed for a minimum of two years. Fees/rates for Years 1 & 2 must be the same (i.e., there cannot be a rate increase in Year 2).
- Maximum fee/rate increase caps must be provided for Years 3 & 4.

Do not alter the worksheet in any way (e.g., change order, insert columns or rows). Failure to comply may result in elimination of your proposal from consideration.

Verify method of Core administrative service fees quoted:	PMPM

	QUOTES REFLECT THE IMPACT TO FEES/RATES, IF ANY, BY INCREASED ENROLLMENT BRACKETS.		
FUNDING	Self-insured, Contributory & Voluntary[1,2]		
IBAC AGENCY(IES)	APS, NMPSIA, & NMRHCA		
SET-UP FEE YEAR 1 (1x fee)	$0.00		
Confirm that you do NOT charge a 1-time implementation/set-up fee			
RATES / PREMIUMS BY ENROLLMENT BRACKETS (ENROLLMENT #S ASSUME ENTIRE IBAC POPULATION)	PMPM or PEPM Fee (includes all components outlined in prior exhibit)		
Less than 20,000 Members	**YEARS 1 & 2**	**YEAR 3**	**YEAR 4**
PMPM Fee	$0.85	$0.85	$0.85
20,000 but less than 50,000 Members			
PMPM Fee	$0.81	$0.81	$0.81
50,000 but less than 100,000 Members			
PMPM Fee	$0.81	$0.81	$0.81
100,000+ Members			
PMPM Fee	$0.79	$0.79	$0.79

[1]Voluntary would only apply to NMRHCA
[2]This would be a change from NMRHCA's current funding structure and assumes that 100% of current members move to a self-funded arrangemen

1)	**INTEGRATION WITH DM VENDOR**	
	Cost for electronic data interface with the IBAC's Disease Management vendor(s).	
	Self-insured plans	
2)	**MULTIPLE LINES OF COVERAGE**	If you are selected as the vendor for the dental plans as well as medical and/or vision, what if any, impact will this have on your:
	Self-insured fees?	BCBSNM will agree to offer a one time $3.50 Per Member credit for any IBAC Agency that elects Dental coverage with BCBSNM. The credit wil
	Vendor Name	

Authorized Signer's Name & Title	
Authorized Signature	

Comments
BCBSNM will agree to offer a one time $3.50 Per Member credit for any IBAC Agency that elects Dental coverage with BCBSNM. The credit will be based off the Dental Membership and will be applied to their Dental bill. BCBSNM will agree to offer a one time $1.62 Per Member credit for any IBAC Agency that elects both Medical and Dental coverage with BCBSNM. The credit will be based off the Dental Membership and will be applied to their Medical bill.

Attachment 2
Fee Schedule And Financial Terms

SECTION 1: FEE SCHEDULE

Service charges and other service specifications applicable to the Agreement are set forth above. They are to apply for the period(s) of time indicated therein and shall continue in full force and effect until the earlier of: i) the end of the Fee Schedule Period.; ii) the date a Fee Schedule is amended or replaced in its entirety by the execution of a subsequent Professional Services Contract #24-021-CG-PSIA-06; or iii) the date the Agreement is terminated.

Inter-Plan Arrangement Fees:

1.1 **BlueCard® Program/Network Access Fees* (as applicable):** Additional information is available upon request; included in the Claim Charge, if applicable.

1.2 **Negotiated Arrangement/Custom Fees (as applicable):** Additional information is available upon request; included in the medical Administrative Charge(s) noted in Professional Services Contract #24-021-CG-PSIA-06 and in any Termination Administrative Charge(s) noted in Professional Services Contract #24-021-CG-PSIA-06 calculated on the basis of such medical Administrative Charge(s).

1.3 **For Non-Participating Healthcare Providers Outside Claim Administrator's Service Area/processing fees (as applicable):** Additional information is available upon request; included in the medical Administrative Charge(s) noted in Professional Services Contract #24-021-CG-PSIA-06 and in any Termination Administrative Charge(s) noted in Professional Services Contract #24-021-CG-PSIA-06 calculated on the basis of such medical Administrative Charge(s).

**If applicable, such fees may not exceed the lesser of the applicable annual percentage of the discount (dependent upon group size) permitted under the BlueCard Program or two thousand dollars ($2,000) per Claim.*

SECTION 2: EXHIBIT DEFINITIONS

Other definitions applicable to this Exhibit are contained in Section 7 DEFINITIONS of the Agreement.

2.1 **"Authority Payment"** means the amount owed or payable to Claim Administrator by the Authority for a given Authority Payment Period in accordance with Section 5 of this Exhibit which is the sum of Claim Payments made plus applicable service charges incurred during that Authority Payment Period.

2.2 **"Authority Payment Method"** means the method elected in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06 by which the Authority Payments will be made.

2.3 **"Authority Payment Period"** means the time period indicated in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06.

2.4 **"Medicare Secondary Payer ("MSP")"** means those provisions of the Social Security Act set forth in 42 U.S.C. §1395 y (b), and the implementing regulations set forth in 42 C.F.R. Part 411, as amended, which regulate the manner in which certain Employers may offer group health care coverage to Medicare–eligible employees, their spouses and, in some cases, dependent children.

2.5 **"Run–Off Claim"** means a Claim incurred prior to the termination of the Agreement that is submitted for payment during the Run–Off Period.

2.6 **"Run–Off Period"** means the time period immediately following termination of the Agreement, indicated in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06, during which Claim Administrator will accept Run-Off Claims submitted for payment.

2.7 **"Termination Administrative Charge"** means the consideration indicated in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06 that is required by Claim Administrator upon termination of the Agreement, or the termination of Covered Employees but not the Agreement, including any services that may be performed by Claim Administrator during the Run–Off Period indicated on Professional Services Contract #24-021-CG-PSIA-06.

SECTION 3: COMPENSATION TO CLAIM ADMINISTRATOR

3.1 ***Intent of Service Charges.*** The Authority will pay service charges to Claim Administrator in accordance with the Fee Schedule specifications of **Professional Services Contract #24-021-CG-PSIA-06**, if applicable, as compensation for the processing of Claims and administrative and other services provided to the Authority.

3.2 ***Determining Service Charges.*** The service charges, which are for the Fee Schedule Period indicated in the Fee Schedule specifications of **Professional Services Contract #24-021-CG-PSIA-06**, if applicable, have been determined in accordance with Claim Administrator's current regulatory status and the Authority's existing benefit program.

3.3 ***Changing Service Charges.*** Such service charges shall be subject to change by Claim Administrator as follows:

- **a.** At the end of the Fee Schedule Period indicated in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06, provided that sixty (60) days' prior written notice is given by Claim Administrator;
- **b.** On the effective date of any changes or benefit variances in the Plan, its administration by the Authority, or the level of benefit valuation which would increase Claim Administrator's cost of administration;
- **c.** On any date changes imposed by governmental entities increase expenses incurred by Claim Administrator, provided that such increases shall be limited to an amount sufficient to recover such increase in expenses;
- **d.** On any date that the actual number of Covered Employees (in total, by product or by benefit plan), the single/family mix, or the Medicare/Non-Medicare mix varies +/- ten percent (10%) from Claim Administrator's projections;
- **e.** The information upon which Claim Administrator's projections were based (e.g., benefit levels, census/demographics, producer/broker fees) becomes outdated or inaccurate; or
- **f.** On any date an affiliate, subsidiary, or other business entity is added or dropped by the Authority.

3.4 ***Service Charges upon Termination.*** In the event the Agreement is terminated in accordance with the "Term and Termination" provisions of the Agreement, the Authority will Timely pay Claim Administrator the Termination Administrative Charge indicated in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06. Termination Administrative Charges assume the continuation of the Plan benefit program(s) and the administrative services in effect prior to termination. Should such Plan benefit program(s) and/or administrative services change, or in the event the average Plan enrollment during the three (3) months immediately preceding termination varies by ten percent (10%) or more from the enrollment used to determine the service charges in effect at the time of termination, Claim Administrator reserves the right to adjust the fees for service charges (including, but not limited to, access fees) to be used to compute the Termination Administrative Charge. In the event of a partial termination of Covered Employees by the Authority, the Authority will pay the Termination Administrative Charge

as specified in Professional Services Contract #24-021-CG-PSIA-06 for such terminated Covered Employees.

3.5 ***Additional Service Charges.*** In addition to the amounts due and payable each month in accordance with the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06, Claim Administrator may charge the Authority for:

a. Any applicable Supplemental Charge(s); and/or

b. Reasonable fees for the reproduction or return of Claim records requested by the Authority, a governmental agency or pursuant to a court order; and/or

c. Any other fees that may be assessed by third parties for services rendered to the Authority, a portion of which may be retained by Claim Administrator as compensation for Claim Administrator's support of such services; and/or

d. Any other fees for services mutually agreed upon by the Parties in writing.

3.6 ***Effect of Plan Enrollment.*** Administrative Charges will be paid based upon information Claim Administrator receives regarding current Plan enrollment as of the first day of each month. Appropriate adjustments will be made for enrollment variances or corrections.

3.7 ***Timely Payment.*** Performance of all duties and obligations of Claim Administrator under the Agreement are contingent upon the Timely payment of any amount owed Claim Administrator by the Authority.

SECTION 4: CLAIM PAYMENTS

4.1 ***Claim Administrator's Payment.*** Upon receipt of a Claim, Claim Administrator will make a Claim Payment provided that all payments due Claim Administrator under the terms of the Agreement are paid when due.

4.2 ***Authority's Liability.*** Any reasonable determination by Claim Administrator in adjudicating a Claim under the Agreement that a Covered Person is entitled to a Claim Payment is conclusive evidence of the liability of the Authority to Claim Administrator for such Claim Payment pursuant to Section 6 below titled "Claim Settlements." Further, if a Covered Person is an Inpatient at the time his or her coverage under the Plan terminates, the Plan shall provide benefits for Covered Services which are provided by and regularly charged for by a Hospital or other facility Provider until the Covered Person is discharged ("Extended Benefits"). The Authority shall be liable to Claim Administrator for all Claim Payments, and the applicable service charges for such Extended Benefits.

4.3 ***Covered Person's Certain Liability.*** Under certain circumstances, if Claim Administrator pays the health care Provider amounts that are the responsibility of the Covered Person under this Agreement, Claim Administrator may collect such amounts from the Covered Person.

4.4 ***Cessation of Claim Payments.*** If the Authority has failed to pay when due any amount owed Claim Administrator, Claim Administrator shall be under no obligation to make any further Claim Payments until such default is cured.

SECTION 5: THE AUTHORITY PAYMENT

5.1 ***Intent.*** In consideration of Claim Administrator's obligations as set forth in the Agreement and at the end of each Authority Payment Period, the Authority shall pay to Claim Administrator or shall provide access for Claim Administrator to obtain, the Authority Payment amount due for that Authority Payment Period**.**

5.2 ***Confirmation or Notification of Amount Due and Payment Due Date.*** The Authority shall confirm with Claim Administrator or Claim Administrator shall notify the Authority's financial division, of the Authority Payment for each Authority Payment Period and when such payment is due. Confirmation or notification shall be in accordance with the Authority

Payment Method elected in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06 and the following:

a. ***If the Authority Payment Method is by Check,*** Claim Administrator shall issue the Authority a settlement statement which will include Claim Administrator's mailing address for check remittance and the date payment is due.

b. ***If the Authority Payment Method is other than Check,*** the Authority shall confirm on-line the amount due by accessing Claim Administrator's "Blue Access for the Employers"; or Claim Administrator shall advise the Authority by email or facsimile (at an email address or facsimile number to be furnished by the Authority prior to the effective date of the Agreement) or by such other method mutually agreed to by the Parties, of the amount due. The Authority Payment must be made or obtained within forty-eight (48) hours of confirmation by the Authority or the Authority's notification by Claim Administrator. If any day on which an Authority payment is due is a holiday, such payment will be made or obtained on the next business day.

5.3 ***Late Payments.*** Late payments are subject to the penalties outlined in Section 7.3 of this Exhibit.

SECTION 6: CLAIM SETTLEMENTS

6.1 ***Determining What The Authority Owes.*** A Claim settlement shall be determined for each Claim Settlement Period indicated in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06. The Claim settlement shall reflect the sum of the following:

a. Claim Payments paid by Claim Administrator in the particular Claim Settlement Period.

b. Claim Payments paid by Claim Administrator in prior Claim Settlement Periods that have not been included in a prior Claim settlement.

c. The Administrative Charges and credits, Surcharges, and other applicable service charges as indicated in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06 of the Agreement and any applicable Supplemental Charge(s).

The sum of a., b., and c. above shall be referred to as the "Claim Settlement Total."

6.2 ***The Authority Underpayment.*** If, within the Claim Settlement Period, the Claim Settlement Total exceeds the Authority Payments, the Authority will pay the difference to Claim Administrator. The Claim settlement will be determined within ninety (90) days from the last day of the Claim Settlement Period. Claim Administrator will notify the Authority in writing of the results of the Claim settlement. Any sums due Claim Administrator will be paid Timely by the Authority.

6.3 ***The Authority Overpayment.*** If, within the Claim Settlement Period, the Authority Payments exceed the Claim Settlement Total, Claim Administrator may, at its option, pay such difference to the Authority, apply the difference against amounts then owed Claim Administrator by the Authority or authorize a reduction equal to such difference from the next Claim Settlement Total due Claim Administrator from the Authority.

SECTION 7: LATE PAYMENTS AND REMEDIES

7.1 ***When The Authority Fails to Pay.*** If the Authority fails to pay when due any amount required to be paid to Claim Administrator under the Agreement, and such default is not cured within ten (10) days of the due date, a Reminder Notice will be sent to the Authority via email. If payment is not received within ten (10) days of the date the Reminder Notice is sent, Claim Administrator reserves the right to consider the Authority delinquent. If

defaults are not cured following notice via email to the Authority, Claim Administrator may, at its option:

a. Suspend Claim Payments; or

b. Terminate the Agreement as of the effective date specified in such notice.

7.2 ***When Claim Administrator Fails to Timely Notify.*** Pursuant to Section 6.5 "Severability; Enforcement; Force Majeure; Survival" of the Agreement, Claim Administrator's failure to provide the Authority with Timely notice of any amount due hereunder shall not be considered a waiver of payment of any amount which may otherwise be due hereunder from the Authority.

7.3 ***Late Charge.*** If the Authority fails to make any payment required by the Agreement on a Timely basis, Claim Administrator, at its option, may assess a daily charge for the late remittance from the due date of any amount(s) payable to Claim Administrator by the Authority. This daily charge shall be an amount equal to the amount resulting from multiplying the amount due times the lesser of:

a. The rate of .0329% per day which equates to an amount of twelve percent (12%) per annum; or

b. The maximum rate permitted by state law.

7.4 ***Insolvency.*** In addition, if the Authority becomes insolvent, however evidenced, or is in default of its obligation to make any Authority Payment as provided hereunder, or if any other default hereunder has occurred and is continuing, then any indebtedness of Claim Administrator to the Authority (including any and all contractual obligations of Claim Administrator to the Authority) may be offset and/or recouped and applied toward the payment of the Authority's obligations hereunder, whether or not such obligations, or any part thereof, shall then be due the Authority.

SECTION 8: FINANCIAL OBLIGATIONS UPON AGREEMENT TERMINATION

8.1 ***Run–Off Claims.*** The Authority hereby acknowledges that on the date of termination of the Agreement in accordance with the provisions of either Section 7 of this Exhibit, or on the date which the Authority terminates a part of the population of Covered Employees, there may be an undetermined but substantial number of Claims for services rendered or furnished prior to that date which have not been submitted to Claim Administrator for reimbursement and also an undetermined but substantial number of Claims submitted for reimbursement which have not been paid by Claim Administrator ("Run–Off Claims"). The Authority shall be responsible for the reimbursement of all Run–Off Claims, whether or not such Claims have been submitted, or whether or not Claim Payments for such Claims have been made by Claim Administrator, as of the date of termination or termination of Covered Employees but not the Agreement, including, but not limited to, Claim Payments made in accordance with MSP laws, and for the payment of the Termination Administrative Charge and any other applicable service charges indicated in the Fee Schedule specifications of Professional Services Contract #24-021-CG-PSIA-06 and any applicable Supplemental Charge(s) pursuant to the processing of such Claims after the Agreement's termination date or date of termination of Covered Employees but not the Agreement.

8.2 ***Corresponding The Authority Payments.*** In consideration of Claim Administrator's continuing to make Claim Payments in accordance with Section 4 of this Exhibit for Run–Off Claims, the Authority shall continue to make Authority Payments for all such Claims paid by Claim Administrator up to the final settlement outlined below.

8.3 ***Final Settlement.*** A final settlement shall be made within ninety (90) days after the last day of the Run–Off Period. This final settlement shall compare the Authority Payments against the Claim Settlement Totals for all Run–Off Claims paid up to the date of the final settlement. The difference shall be paid or applied as set forth in Section 6 of this Exhibit. However, if the Authority Payments exceed the Claim Settlement Totals for all Run–Off Claims paid up to the final settlement, Claim Administrator shall pay such difference to the Authority after applying the difference against amounts, if any, then owed to Claim

Administrator by the Authority. After the final settlement, Claim Administrator shall be released from any further liability for Claim Payments and Claim adjustments under this Agreement, and as of the date the Authority shall assume full liability and responsibility for all further administration of Claim Payments. Further, after the final settlement, any refunds resulting from Claim adjustments or recoveries for Overpayments, including, but not limited to, subrogation or litigation activities, regardless of when such adjustments or recoveries occurred shall be retained by Claim Administrator and the Authority shall have no liability for any charges associated with any adjustments.

8.4 ***Uncashed Funds.*** As of the date of termination of the Agreement and during the Run-Off Period, any outstanding funds that are or become "stale" (over 365 days old), less any amount(s) owed by payees to Claim Administrator from such funds, will be escheated by Claim Administrator on the Authority's behalf to the state of payee's last known address in accordance with Claim Administrator's established procedures and/or the applicable state's unclaimed property law.

Exhibit G
Attachment 1
Disclosure Statement

INFORMATION REGARDING THE MEDICARE AS SECONDARY PAYER STATUTE

BlueCross BlueShield of New Mexico
Experience. Wellness. Everywhere.℠

Employers, group health plans (GHPs), and entities that sponsor or contribute to GHPs, as well as insurers, have certain obligations under the Medicare Secondary Payer (MSP) provisions of the Social Security Act, commonly known as the "MSP statute"[1]. The MSP provisions of the Social Security Act are similar to the coordination of benefits clauses in GHPs. As an employer[2] or administrator of a GHP, you need to know the requirements of the statute to remain in compliance and to avoid potentially costly penalties and litigation. To assist in this endeavor, Health Care Service Corporation (HCSC) provides this basic information regarding operation of the MSP statute and the enrollment and membership information system that is used to obtain necessary data to detect instances in which the MSP statute applies and to ensure the proper processing of claims consistent with the law.

THE MSP LAW

A Coordination of Benefits Approach

During the first 15 years of the Medicare program, Medicare was the primary payer of all services provided to Medicare beneficiaries, with the sole exception of services covered under a workers compensation policy or program. As a result, where a Medicare beneficiary had dual health care coverage, Medicare paid first, and the employer, GHP, or insurer paid all or a portion of the remainder of the bill for the health care item or service at issue, depending on the terms of the relevant plan or contract. In an effort to save scarce Medicare resources, Congress enacted a series of amendments to the Social Security Act, beginning in 1981, which made employers and GHPs, as well as their insurers, responsible in certain instances for making primary payment in connection with medical items or services provided to specified Medicare beneficiaries with dual health care coverage.

The MSP statute is essentially a coordination of benefits statute. It does not dictate the benefits an employer or GHP must offer, but instead simply requires instances that a GHP make primary payment where dual coverage exists for a particular health care item or service. Employers are constrained in the benefits they can offer employees and other individuals covered under the plan, however, in one important respect: the statute specifically prohibits employers and GHPs from differentiating between benefits offered to certain Medicare beneficiaries and their counterparts not enrolled in Medicare. The anti-discrimination provisions of the statute are explained more fully below.

Scope of the Statute

The statutory requirements and rules for MSP coverage vary depending on the basis for Medicare and GHP coverage, as well as certain other factors, including the size of the employers sponsoring the GHP. In general, Medicare pays secondary to the following:

1. GHPs that cover individuals with end-stage renal disease (ESRD) during the first 30 months of Medicare eligibility or entitlement. This is the case regardless of the number of employees employed by the employer or whether the individual has "current employment status".

2. In the case of individuals age 65 or over, GHPs of employers that employ 20 or more employees if that individual or the individual's spouse (of any age) has "current employment status". If the GHP is a multi-employer or multiple employer plan, which has at least one participating employer that employs 20 or more employees, the MSP rules apply even with respect to employers of fewer than 20 employees (unless the plan elects the small employer exception under the statute).

3. In the case of disabled individuals under age 65, GHPs of employers that employ 100 or more employees, if the individual or a member of the individual's family has "current employment status". If the GHP is a multi-employer or multiple employer plan, which has at least one participating employer that employs 100 or more employees, the MSP rules apply even with respect to employers of fewer than 100 employees. (There is no small employer exception under the statute.)

1 The MSP provisions are set forth at 42 U.S.C. §1395y(b), as amended. The regulations the Center for Medicare and Medicaid Services (CMS) has issued regulations implementing the statute which are located at 42 C.F.R. §411.20-.37, 411.100-.130, 411.160-.175 and 411.200-.206. It is important that you and your counsel review the statute and regulations periodically to ensure compliance with your statutory obligations. This document is provided for information purposes and is not offered or intended as legal advice.

2 In the document, the term "employer" includes a plan sponsor or entity that contributes to a GHP.

The rules for calculating the size of the employer are complicated, and vary depending on numerous factors. In determining whether the size threshold has been met in any given case, the statute and regulations must be consulted.

As noted, application of the statute depends not only on the size of the employer but also, in certain cases, on whether the coverage provided under the GHP is based on "current employment status". Thus, the MSP provisions apply to the aged only if the age 65 or over Medicare beneficiary or the beneficiary's spouse has "current employment status" and to the disabled only if the disabled Medicare beneficiary, or a member of his family, has "current employment status" with the employer. (By contrast, the MSP provisions relating to individuals who have ESRD apply regardless of whether the beneficiary has GHP coverage as a result of "current employment status" and regardless of the number of employees which an employer employs.) Under the regulations issued by the Centers for Medicare and Medicaid Services (formerly known as the Health Care Financing Administration or HCFA), an individual has "current employment status" if the individual: (1) is "actively working" as an employee, [is] the employer…or [is] associated with the employer in a business relationship;" (2) is "not actively working" but is "receiving disability benefits from an employer for up to 6 months;" or (3) is "not actively working" but "retains employment rights in the industry" and other specific requirements are met. For additional information, we again direct your attention to the statute and regulations.

The Non-Discrimination Provisions: Age and Disability

The MSP statute prohibits GHPs from "taking into account" that an individual covered by virtue of "current employment status" is entitled to receive Medicare benefits as a result of age or disability. The statute expressly requires GHPs to furnish to aged employees and spouses the same benefits, under the same conditions, that they furnish to employees and spouses under age 65. Thus, GHPs may not offer coverage that is secondary to Medicare under a provision that "carves out" Medicare coverage (commonly known as a "carve-out" policy) or which supplements the available Medicare coverage (commonly known as "Medicare supplemental" or "Medigap" policies), to individuals covered by the provisions of the MSP statute relating to the working aged and the disabled. By contrast, "Medigap" and secondary health care coverage may appropriately be offered to retirees in this context because the GHP coverage is not based on "current employment status", and thus the MSP provisions do not apply.

End Stage Renal Disease (ESRD)

The MSP statute also prohibits a GHP from taking into account that an individual is entitled to Medicare benefits as a result of ESRD during a coordination period specified in the statute. This coordination period begins with the first month the individual becomes eligible for or entitled to Medicare based on ESRD and ends 30 months later. During this period, the GHP must pay primary for all covered health care items or services, while Medicare serves as the secondary payer. **GHPs are prohibited from offering secondary (i.e., "carve-out") and "Medigap" coverage in this context.** After the coordination period has expired, however, the GHP is free to offer "carve-out" and "Medigap" coverage to ESRD Medicare beneficiaries, but may not otherwise differentiate between the benefits provided to these individuals and all others on the basis of the existence of ESRD, the need for renal dialysis, or in any other manner.

Special rules apply regarding retired individuals and members of their families who receive Medicare benefits on the basis of age or disability immediately before the onset of ESRD. Where immediately prior to contracting the disease, the GHP was lawfully providing only "Medigap" coverage, or was otherwise a secondary payer for that individual due to a "carve-out" provision, the GHP may continue to offer such coverage and is not required to pay primary during the 30 month coordination period. By contrast, where a GHP was providing primary benefits immediately before the onset of the disease, the GHP is responsible to continue providing primary benefits for that individual for 30 more months. This is because a change from primary to secondary or supplemental coverage would improperly "take into account" Medicare eligibility based on ESRD.

Employer Obligations

It is your obligation to ensure that beneficiaries who are covered by the MSP statute are not improperly enrolled in "carve-out" or "Medigap" coverage under your Plan. If an individual is improperly enrolled in a supplemental or secondary policy or contract when the individual should be enrolled in a plan that makes the GHP the primary payer, it is Medicare's position that Medicare pays secondary and the plan is required to pay primary regardless of contrary language contained in the plan or contract. Individuals may choose to purchase and pay for "Medigap" insurance on their own, but neither the employer nor the GHP may sponsor, contribute to, or finance such coverage.

Prohibition of Financial Or Other Incentives Not To Enroll in a GHP

An employee or spouse of an employee is free to refuse the health plan offered by an employer or GHP, in which case Medicare will be the primary payer. It is unlawful, however, for an employer (or any one else for that matter) to offer any financial or other incentive for a Medicare beneficiary not to enroll, or to terminate enrollment, in a GHP which would be primary to Medicare if the individual enrolled in the GHP. This is so even if the incentive is offered universally to all individuals who are eligible for coverage under the GHP. Any entity violating this prohibition is subject to a civil monetary penalty under the MSP statute of up to $5,000 for each violation. **Where an employee or spouse of an employee chooses to reject the employer-sponsored health plan, the employer and GHP are prohibited from offering or sponsoring that individual's health coverage or contributing to the premium for that coverage.**

Other Consequences of Non-compliance

Non-compliance with the statute can result in serious consequences. Thus, a significant excise tax in the amount of 25 percent of the employer's or employee organization's GHP expenses for the relevant year may be assessed under the Internal Revenue Code against a private employer or employee organization contributing to a "non-conforming" group health plan. Under CMS Regulations, a non-conforming group health plan is a plan that: (1) improperly takes into account that an individual is entitled to Medicare; (2) fails to provide the same benefits under the same conditions to employees (and spouses) age 65 or over, as it provides to younger employees and spouses; (3) improperly differentiates between individuals with ESRD and others; or (4) fails to provide required information, fails to pay correctly, or fails to refund to CMS conditional Medicare payments mistakenly made by the agency. It is Medicare's position that, in addition to the possible imposition of an excise tax, failure to reimburse CMS for mistaken primary payments may result in ultimate liability double the amount at issue. The law also establishes a private right of individuals to collect double damages from any GHP that fails to make primary payments in accordance with the MSP provisions.

THE INFORMATION SYSTEM

Information Gathering

In an effort to facilitate the processing of claims consistent with the requirements of the MSP statute and to assist this organization and its accounts in meeting their statutory obligations, we (HCSC) have been and continue to participate in a data exchange enrollment and membership system that was developed to electronically exchange health insurance benefit entitlement information related to the MSP statute. The system is aimed at obtaining, in a timely and current fashion, information necessary for us to identify dual coverage situations which fall within the MSP statute and to determine whether primary or secondary payment should be made for a particular claim. Section 111 of the Medicare, Medicaid and SCHIP Expansion Act of 2007 (MMSEA) (P.L. 110-173), added new mandatory reporting requirements for GHP arrangements, liability insurance (including self-insurance), no-fault insurance and workers' compensation. Responsible Reporting Entities (RREs) are now **required** by Mandate S111 from CMS to report information necessary for us to identify dual coverage situations which fall within the MSP statute. The MSP Statute requires that HCSC as Plan Administrator and/or Health Insurer act as the RRE. The sharing of data through this system helps us and our customers to meet the statutory obligations by identifying instances in which an individual participating in your GHP is or may be improperly enrolled in a program providing secondary or supplemental coverage.

CMS has, in the past, reported that it has made hundreds of millions of dollars in mistaken Medicare payments annually as a result of paying primary when under the MSP statute only secondary payment was required. Historically, many of these mistaken payments resulted from the fact that providers often filed claims which failed to identify sources of health care coverage other than Medicare and CMS lacked information in its own files regarding the existence of duplicate coverage for Medicare beneficiaries. **The information void was greatest with regard to the spouses of working-aged individuals covered by the statute and the greatest number of undetected dual coverage cases accordingly occurred in this context.**

To help remedy this problem, and as a RRE, we are continuing to provide basic information to CMS about individuals enrolled in GHPs who are also covered by Medicare so that

CMS can supplement its files to better detect dual coverage situations. The information we require from you and provide to CMS is relatively discrete and includes the following:

Information on Employers

- Employer Identification Number (EIN)

Information on Medicare Beneficiaries

- Beneficiary Name
- Date of Birth
- Gender
- Social Security Number
- Health Insurance Claim Number (e.g., Medicare Number)
- Relationship to Policyholder (e.g., policyholder, spouse of policyholder, child of policyholder, other)
- Reason for Medicare Entitlement (e.g., beneficiary insured under Medicare due to age, disability, or ESRD)
- Medicare Effective Date
- Medicare Termination Date

Information on Certificate Holder/Policyholder and Covered Dependents

- Policyholder Name
- Social Security Number
- Individual Policy Number of Policyholder
- Current Employment/Retirement/COBRA/State Continuation Status
- Coverage Effective Date
- Coverage Termination Date
- Group Plan Number
- Benefits Provided (e.g., Hospital only, medical benefits only, drug with major medical, etc.)
- Coverage (e.g., self, family, self/spouse, etc.)

Our goal is to obtain the identified information with as little inconvenience and burden to you and your employees as possible. We will gather this information through application forms and group-size questionnaires with detailed instructions on how to complete each form.

The Need for Your Active Participation

Our ability to make accurate primary/secondary determinations involving individuals enrolled in your GHP and thus to assist CMS in processing MSP claims properly in the first instance, depends entirely on the breadth and accuracy of our files concerning individuals covered by your GHP. We depend on you to provide us with this information. Accordingly, it is important that you respond promptly and accurately to our requests for information.

Moreover, to ensure the continuing accuracy of our files, it is your responsibility to notify us promptly of any changes in the size of your work force or the status of your employees that might affect the order of payment under the MSP statute, such as information regarding working-aged persons who retire (and thus for whom Medicare makes primary payment) *and changes in the size of your work force that place you in, or take you out of, the scope of the MSP statute.* **If we do not receive such information from you, we will assume that all relevant factors remain unchanged and will process claims accordingly.** We will be using the information you provide us to update our files, and will also forward this information to CMS on a quarterly basis so that CMS can revise its file to reflect relevant changes in primary/secondary status.

Amendments to the MSP Statute and Regulations

The MSP statute and regulations are frequently amended. As a result, it is important that you and your counsel continue to monitor changes in the law and assess the impact of such changes on your company. While we can assist you in meeting your statutory obligations by providing general information about the statute and gathering information that will detect potential problems in enrollment, it is ultimately your responsibility to ensure your company's compliance with the MSP statute.

PETITION ADOPTED BY

Tularosa Municipal Schools

(NMPSIA Participating Employer Name)

GOVERNING BODY GIVING NOTICE OF INTENT TO
(OFFER) ***~~(WITHDRAW)~~***
DEPENDENT BENEFIT COVERAGES TO
DOMESTIC PARTNERS and/or PARTNER'S CHILD(REN)

The Governing Body of Tularosa Municipal Schools (Petitioner) having affirmatively voted in a meeting noticed and conducted pursuant to the Open Meetings Act petitions the New Mexico Public Schools Insurance Authority (Authority) as follows:

The Petitioner will ***(offer)*** ***~~(withdraw)~~*** employee domestic partner benefits, as such lines of coverage are provided by the Authority to its employees; and

The Petitioner will ***(offer)*** ***~~(withdraw)~~*** insurance eligibility to domestic partners and will (offer) ~~(withdraw)~~ the employer's share of the insurance premiums for domestic partners; and

The Petitioner understands that to ***(offer)*** ***~~(withdraw)~~*** such employee domestic partner benefits pursuant to the rules of the Authority, there must be an affirmative choice to ***(offer)*** ***~~(withdraw)~~*** that coverage and notice of such choice to the Authority; and

The Petitioner understands that in ***(offering)*** employee domestic partner benefits, as provided by the Authority rule, it ***(may)*** ***or*** ***~~(may not)~~*** choose to pay an employer contribution toward the employee's insurance premium for such coverage; and

The Petitioner understands that in order for an employee to be eligible to participate in employee domestic partner benefits, an Affidavit of Domestic Partnership must be provided in the form attached to this Petition as well as any further documentation required locally in support of the affidavit of domestic partnership;

THEREFORE, the members of the Governing Body of the Petitioner affirmatively choose to ***(offer)*** ***~~(withdraw)~~*** employee benefits to domestic partners as such benefits are provided by the Authority and hereby notifies the Authority of that choice. Petitioner hereby ***(offers)*** ***(withdraws)*** authorization of payment of employer contribution ***(equal to that made for married employee benefits) or (0%)*** of each employee's insurance premium for domestic partner benefits and such payment is conditioned on submission of an Affidavit in proper form establishing a domestic partnership and providing the information in support of the Affidavit. Petitioner request that the domestic partner coverage becomes effective ~~8/14/2024~~ 9/1/2024 (8/20/24)

Instructions:

This Petition must be submitted to the Authority for approval by the Authority Board of Directors for it to be effective. The enrollment period and effective date of Domestic Partner coverage shall be mutually agreed upon by the Petitioner and the Authority and set forth in the notice from the Authority indicating the approval and effective date for the domestic partner coverage.

Dependent Domestic Partners and/or Partner's child(ren) cannot be enrolled until an official approval has been made and sent to the Petitioner. Domestic partner coverage may be effective as soon as the first of the month following the Authority's Board Approval. Please indicate your requested effective date that allows for adequate notification and enrollment for benefits eligible employees.

Members of the Governing Body of the Petitioner:

Signed this 19th **day of** August 2024.

President	Member	Member
Member	Member	Member
Member	Member	Member

Deborah Donaldson, FSA, MAAA
Senior Vice President
M 303.882.5521
Ddonaldson@segalco.com

500 Marquette Ave NW
Suite 1200
Albuquerque, NM 87102
segalco.com

August 29, 2024

Patrick Sandoval
Executive Director
New Mexico Public Schools Insurance Authority
410 Old Taos Highway
Santa Fe, NM 87501

Re: Estimate of Health IBNR as of June 30, 2024

Dear Patrick:

Segal has completed its evaluation of Health Reserves for the New Mexico Public Schools Insurance Authority's (NMPSIA's) self-funded program. The reserve is calculated to estimate the outstanding liability for covered services received prior to July 1, 2024, and paid after June 30, 2024. Our estimate of incurred but not reported (IBNR) claims includes unreported claims, reported but unprocessed claims, and claims processed but unpaid by your administrator.

Our estimate does not include any amounts for accounts payable due to claims paid by the administrator prior to July 1, 2024, that had been recorded as paid on or before June 30, 2024, on the lag report produced by the claims administrator. Furthermore, since your financial statements split out actual amounts known to be paid after June 30, 2023, for services that were incurred prior to July 1, 2024, (e.g., recorded as claims payable) from the unknown amounts, those known amounts should be subtracted from the estimated liability we have provided so that the total amount of known and unknown liability remains equal to our total IBNR reserve estimate. The total liability, known runout booked, and remaining IBNR are shown numerically in the enclosed Exhibit I. Total liability for Blue Cross Blue Shield (BCBSNM) Medical, Presbyterian Medical, Cigna Medical, Pharmacy, Delta Dental, and United Concordia Dental are shown graphically in Exhibits III, IV, V, VI, VII, and VIII. A description of our standard calculation methodology, which was employed for our Medical and Dental estimates, is also enclosed.

Our Medical estimates rely upon claims paid through June 30, 2024, as furnished by BCBSNM, Presbyterian Healthcare Services (PHS), and Cigna (Paid claims reported by BCBSNM included Blue Card and any other network access fees associated with accessing participating providers out of state). Our Pharmacy and Dental estimate rely upon claims paid through June 30, 2024, as furnished by CVS Caremark, Delta Dental, and United Concordia Dental. We did not audit this data and our review was limited to determining that it appears to be reasonable and acceptable for the projection of outstanding liabilities under the plan. We certify to the best of our knowledge, the data, methods, and assumptions used to develop the estimated liability for IBNR claims are reasonable and are calculated in accordance with generally accepted and consistently applied actuarial principles.

Although our conclusions are based on assumptions and methods that are reasonable for this purpose, actual experience can vary from our estimate, and this difference may be material.

This estimate is intended to measure NMPSIA's liability for unpaid claims as of June 30, 2024, and it should not be relied upon for any other purpose.

Our internal proprietary modeling software generates claim lag factors and resulting reserve estimates. Out Health Technical Services unit, comprised of actuaries and programmers, is responsible for the initial development and maintenance of these models. The client team programs the assumptions and the calculation methods, validates the model, and reviews the results under my supervision. We are not aware of any material inconsistencies among the assumptions used in the model and the combination of assumptions used in the model does not produce unreasonable results in the aggregate.

A follow-up study was performed to determine the adequacy of the reserve estimates as of June 30, 2023. The results of this study are shown in Exhibit II.

This document has been prepared for the exclusive use and benefit of New Mexico Public Schools Insurance Authority, based upon information provided by you and your other service providers or otherwise made available to Segal at the time this document was created. Segal makes no representation or warranty as to the accuracy of any forward-looking statements and does not guarantee any particular outcome or result. Except as may be required by law, this document should not be shared, copied or quoted, in whole or in part, without the consent of Segal. This document does not constitute legal, tax or investment advice or create or imply a fiduciary relationship. You are encouraged to discuss any issues raised with your legal, tax and other advisors before taking, or refraining from taking, any action.

I am a Fellow of the Society of Actuaries, and a Member of the American Academy of Actuaries. I meet the Qualification Standards for Actuaries Issuing Statements of Opinion in the United States promulgated by the American Academy of Actuaries and am qualified to render an opinion with regard to loss reserves, actuarial liabilities, and related items.

Sincerely,

Deborah Donaldson FSA, MAAA
Senior Vice President

Segal

EXHIBIT I

NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY

Coverage	% of Prior 12 Months Paid Claims[4]	As of June 30, 2024 Total IBNR Reserve	As of June 30, 2024 Known Runout Booked	As of June 30, 2024 Remaining IBNR	As of June 30, 2023[5] Total IBNR Reserve	As of June 30, 2023[5] Known Runout Booked	As of June 30, 2023[5] Remaining IBNR	Net Adjustment to Fund Balance
BCBSNM Medical[1]	10.5%	$17,967,000	$7,190,487	$10,776,513	$13,831,000	$3,397,195	$10,433,805	$342,709
Presbyterian Medical	12.0%	$13,538,000	$27,869	$13,510,131	$12,784,000	$2,219,171	$10,564,829	$2,945,302
Cigna Medical	12.7%	$502,000	$197,223	$304,777	$290,000	$151,555	$138,445	$166,332
Prescription Drug	4.4%	$4,190,000	$3,956,096	$233,904	$2,014,000	$1,683,288	$330,712	($96,807)
Delta Dental	4.0%	$195,000	$129,711	$65,289	$172,000	$105,007	$66,993	($1,704)
United Concordia Dental	5.0%	$497,000	$224,477	$272,523	$605,000	$218,989	$386,011	($113,488)
Total IBNR*	**9.3%**	**$36,889,000**	**$11,725,862**	**$25,163,138**	**$29,696,000**	**$7,775,205**	**$21,920,795**	**$3,242,343**
Administration[2]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Margin[3] (5% of Total IBNR)	N/A	$1,844,000	N/A	N/A	$1,485,000	N/A	N/A	N/A
Total IBNR with Administration and Margin*	**N/A**	**$38,733,000**	**$11,725,862**	**$27,007,138**	**$31,181,000**	**$7,775,205**	**$23,405,795**	**$3,601,343**

*Figures may not add exactly due to rounding
(1) BCBSNM Medical Reserve estimate includes Blue Card access fees.
(2) Administration reserve allows for claims adjustment expenses associated with paying IBNR claims in the event of plan termination.
(3) 5% margin applied to Medical, Prescription Drug, and Dental IBNRs.
(4) Percentages displayed reflect unrounded IBNR estimate as a percentage of claims paid during the twelve months ending June 30, 2024, as provided in claim lag reports.
(5) IBNR Reserve estimate as of June 30, 2023, as reported by Segal on August 31, 2023.

EXHIBIT II
NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY
RUNOUT ANALYSIS STUDY

The follow-up study showed that the reserve estimates as of June 30, 2023, was not adequate. The following table shows the results of the study.

Reserve Component	*6/30/23 Reserve Estimate[1]*	*Actual Run-out as of 6/30/24*	*Remaining Reserve Estimate as of 6/30/24*	*Restated Reserve Requirement*	*Excess Reserve*	*Margin*
BCBSNM Medical	$13,831,000	$16,960,564	$291,436	$17,252,000	($3,421,000)	-19.8%
Presbyterian Medical	$12,784,000	$12,299,071	$268,929	$12,568,000	$216,000	1.7%
Cigna Medical	$290,000	$844,499	$6,501	$851,000	($561,000)	-65.9%
Prescription Drug	$2,014,000	$1,899,182	$3,818	$1,903,000	$111,000	5.8%
Delta Dental	$172,000	$127,030	$970	$128,000	$44,000	34.4%
United Concordia Dental	$605,000	$571,879	$3,121	$575,000	$30,000	5.2%
Total Reserves*	**$29,696,000**	**$32,702,223**	**$574,777**	**$33,277,000**	**($3,581,000)**	**-10.8%**

*Figures may not add exactly due to rounding

(1) IBNR Reserve estimate as of June 30, 2023, as reported by Segal on August 31, 2023.

This table shows that the overall reserve levels set for medical, prescription drug, and dental claims were less than the actual run out. In combination, the reserve estimates excluding margin was 10.8% less than the actual liability. BCBSNM's excess runout was driven by significant large claimant activity and longer processing times. Cigna's excess runout is driven by a large claimant.

EXHIBIT III
BCBSNM MEDICAL

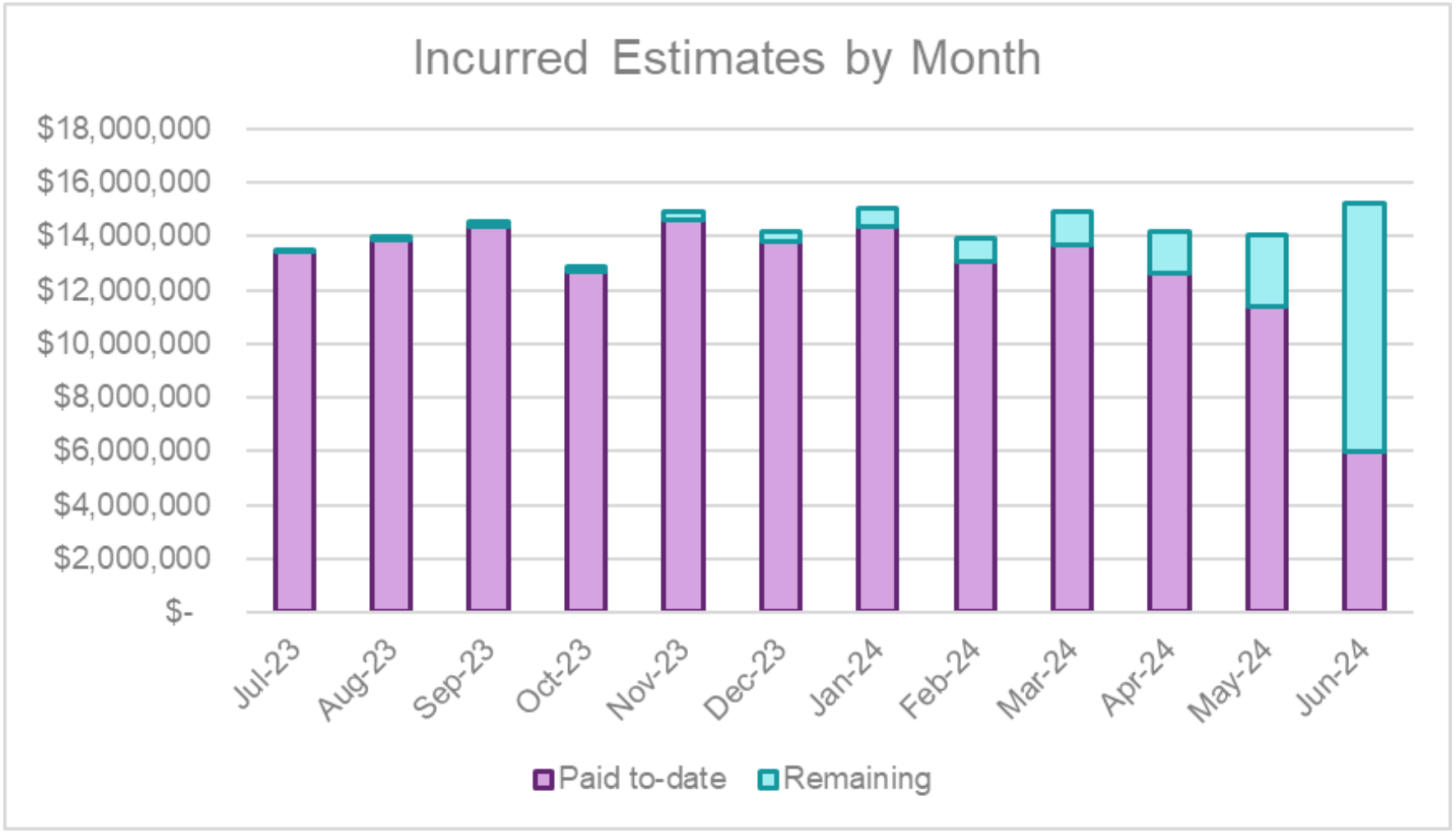


EXHIBIT IV
PRESBYTERIAN MEDICAL

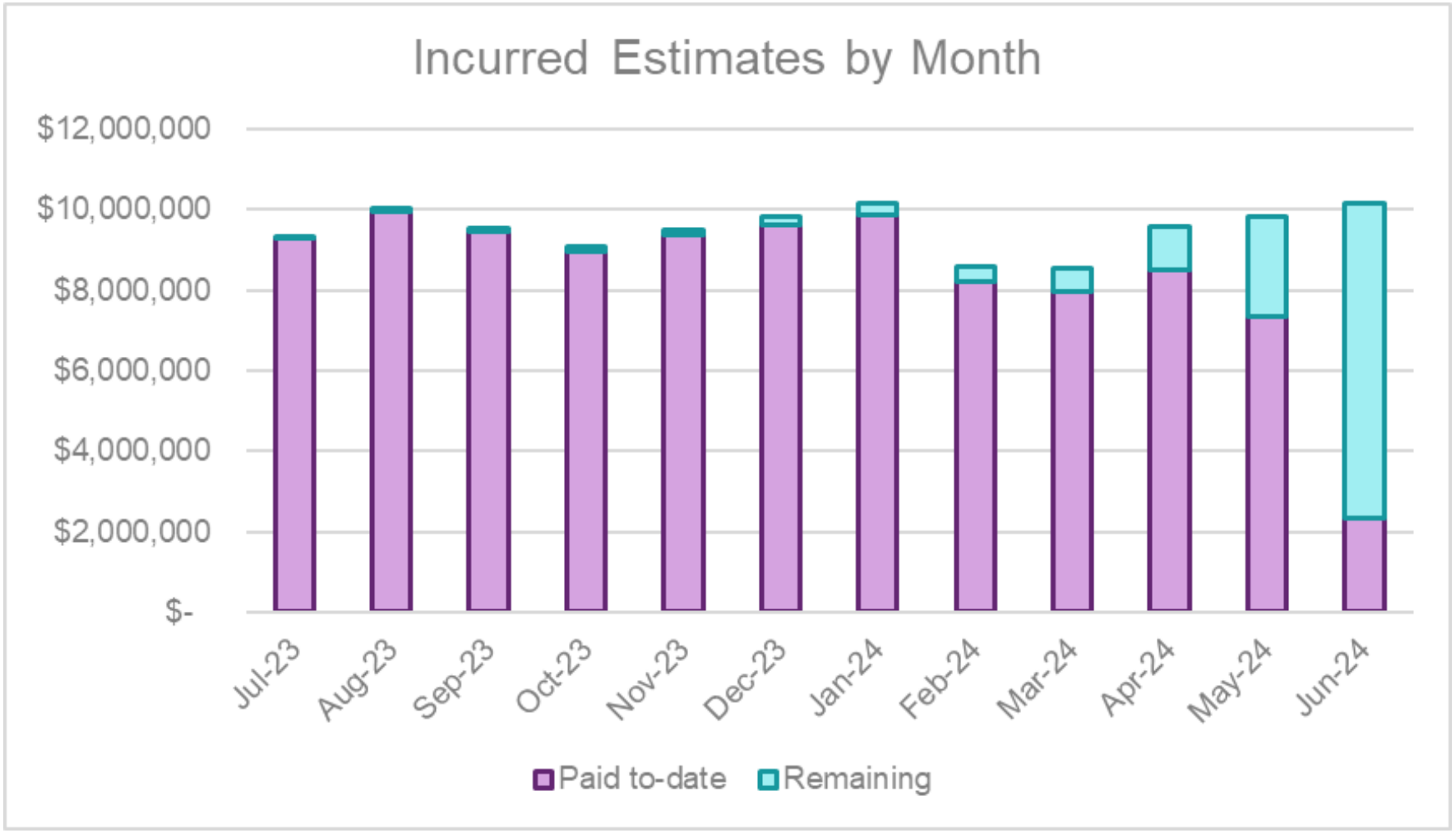


EXHIBIT V
CIGNA MEDICAL

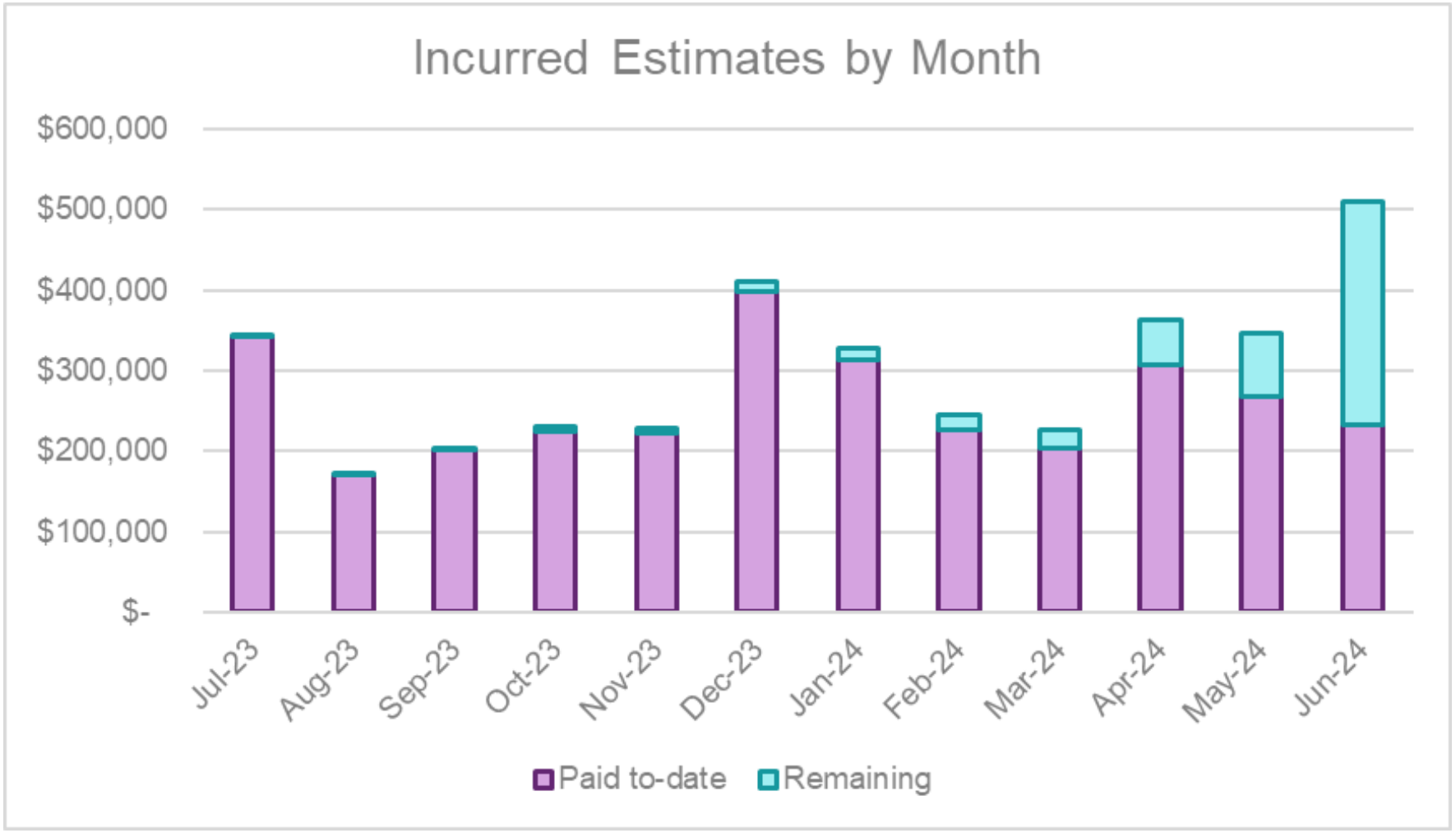


EXHIBIT VI
PRESCRIPTION DRUGS

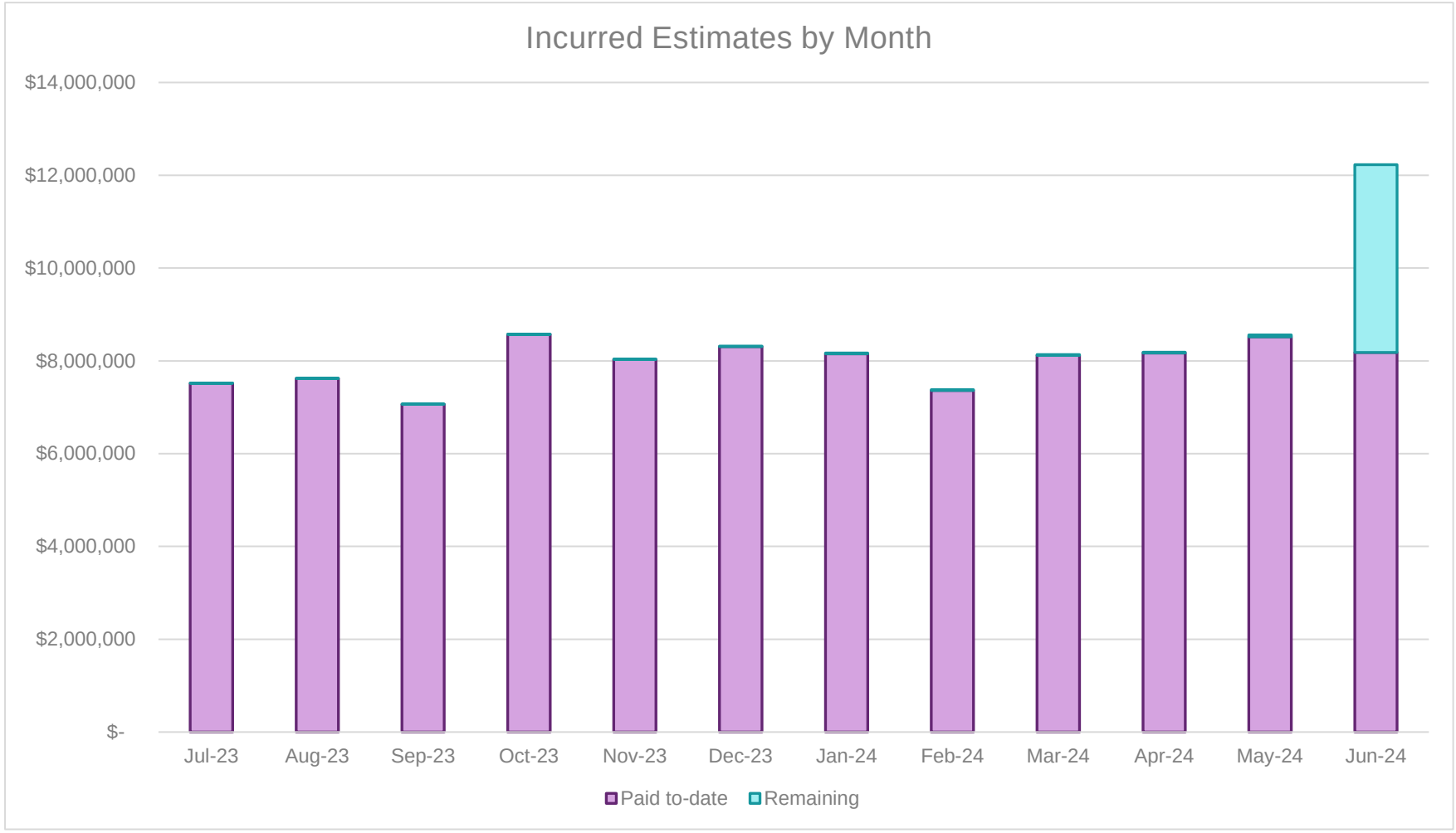


EXHIBIT VII
DELTA DENTAL

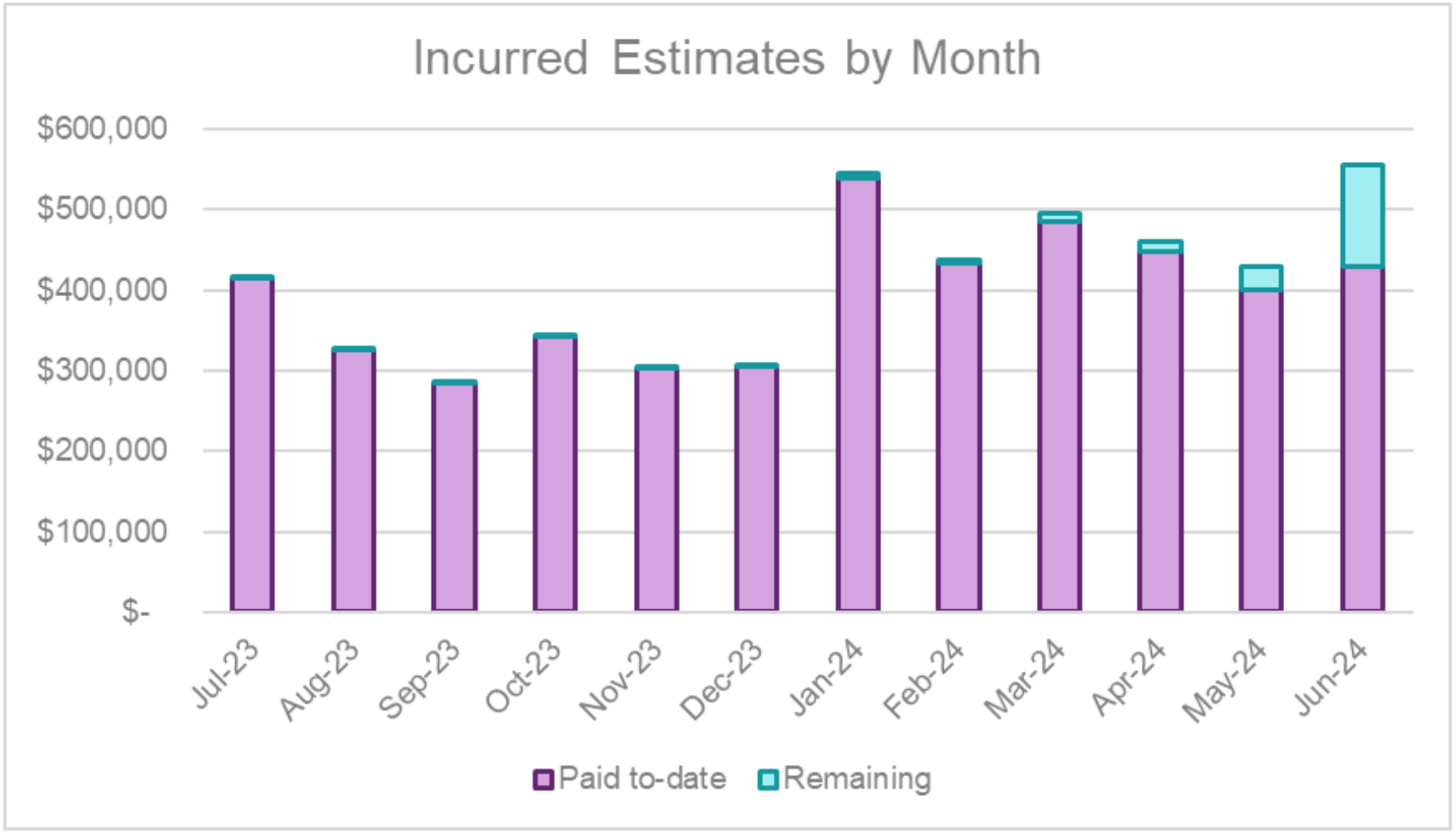
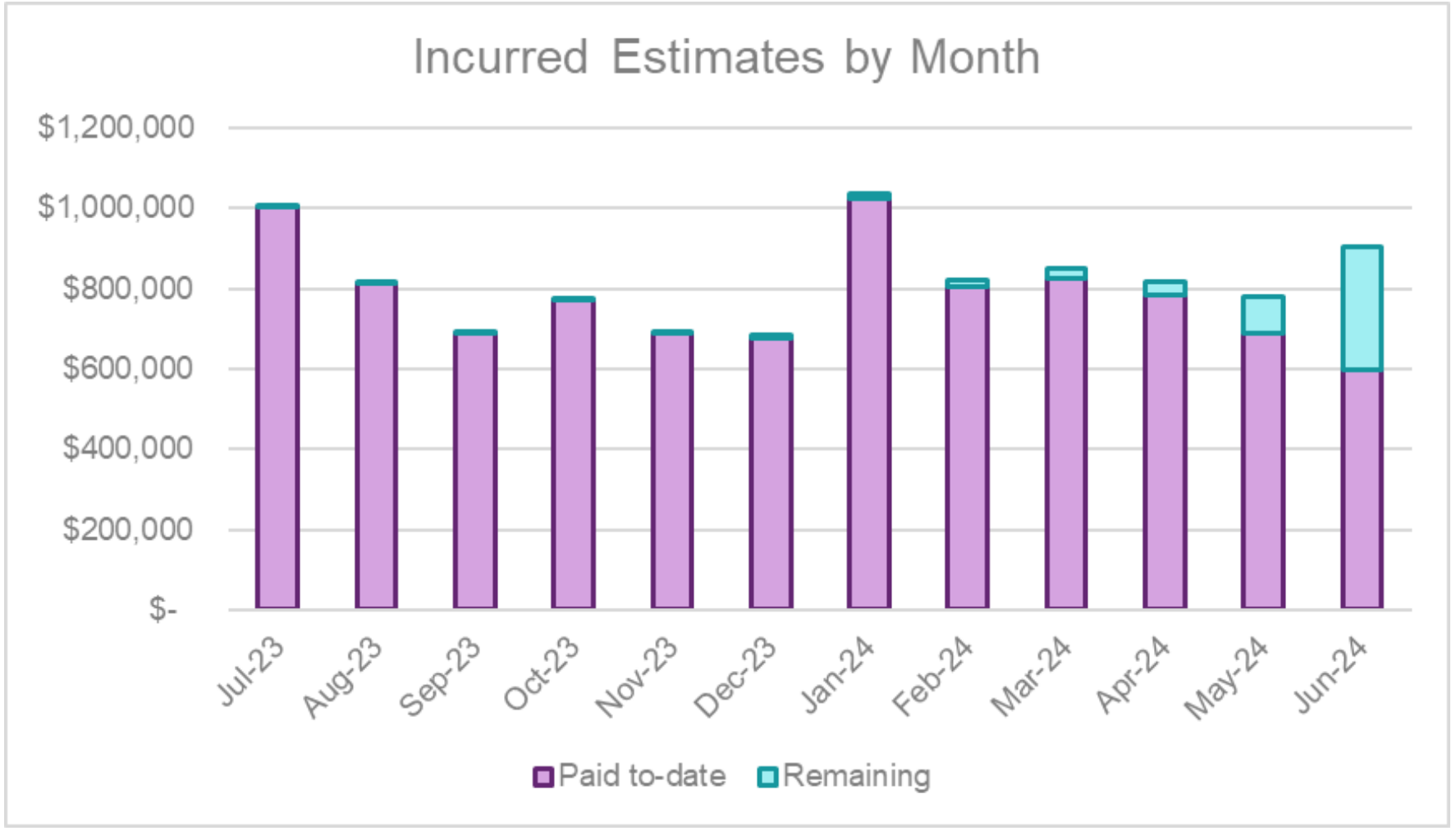


EXHIBIT VIII
UNITED CONCORDIA DENTAL



THE SEGAL IBNR RESERVE MODEL

Segal calculates IBNR reserves from prior histories of claim payments by blending completion factors from the Reserve Factor Development Method, with incurred claims developed by the Projection Method.

The Reserve Factor Development Method assumes that the historical runoff patterns remain stable over time. To the extent Segal possesses knowledge of administrative and other issues that may affect the accuracy of this assumption; the Model allows modification of the Completion Factors in accordance with actuarial judgment of the impact of such environmental factors on future runoff patterns. Such environmental factors include changes in claims payment cycles or electronic claim submission rates, plan design, changes in insurance carriers, large dollar shock claims, emerging claim trends and other factors.

The Segal IBNR model utilizes detailed monthly claims data that shows the amount of monthly claim dollars paid in each month of the reserve determination period relative to the month services were incurred. We project total Incurred Claims by month and then subtract known Paid Claim runoff by incurred month to calculate the completion factors for the estimated IBNR reserves. This method results in highly accurate estimates of IBNR reserves in large stable environments.

Calculation Scheme

Segal blends two very different calculation methods to project monthly incurred claims:

1. *Claims Lag Estimate* - The first method estimates incurred claims by projecting the monthly payments for each future paid month for each incurred month. The method used is to estimate, from the claims data, the ratio of claims paid through each duration to claims paid through the prior duration. For example, for the duration 5 ratio, the result would be the assumed ratio of claims paid through duration 5 divided by claims paid through duration 4. We multiply the relevant average of these durational ratios by the actual claims paid to date in each incurred month to forecast the claims paid in the next month. We accumulate the claims estimated in this manner as the basis to estimate the next successive month's paid claims, etc.

2. *Claims Projection Estimate* - The Claim Lag Estimate method is not very accurate for the most recent incurred months, when very little or no actual claims have been paid to date. Therefore, we use a projection method instead. In this calculation, the incurred claims estimates for prior months that result from the Claims Lag Estimate for the designated period are projected based on trend calculated from the midpoint of the designated period to each incurred month to be estimated using the Claims Projection method. We perform this calculation on a per enrollment basis. We typically recommend the use of the claim projection method for 3 months on medical claims. The number of months used in the projection may be increased or decreased depending on the availability of actual runoff data, the typical lag pattern of the type of benefit being projected (e.g., medical, dental, vision, etc.), and an analysis of the statistical deviation of the underlying lag patterns.

NEW MEXICO TECH
SCIENCE • ENGINEERING • RESEARCH UNIVERSITY

Office of the President

August 29, 2024

Patrick Sandoval, Executive Director
New Mexico Public School Insurance Authority
410 Old Taos Highway
Santa Fe, New Mexico 87501
VIA EMAIL

Dear Mr. Sandoval,
This letter is to inform you that New Mexico Institute of Mining and Technology would like to petition the New Mexico Public School Insurance Authority to participate in the risk program. Effective September 1, 2024, NMIMT will be a member of the NMPSIA Benefits pool, and believes that joining the NMPSIA Liability/Risk pool is in the best interest of NMIMT from a coverage perspective as well as a cost perspective.

Please consider this a formal request for NMIMT to join the NMPSIA Liability/Risk related pool, effective September 1, 2024.

Thank you for your consideration of this important matter.

Respectfully,

Mahyar Amouzegar

Dr. Mahyar Amouzegar
President

801 Leroy Place
Socorro NM 87801
575-835-5600
president@nmt.edu

NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY
Office of Executive Director

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

Patrick Sandoval
Executive Director

Martha Quintana
Deputy Director

September 5, 2024

Mr. Parkhill Mays
Chief Executive Officer
Inspirit Group, LLC dba STOPit Solutions
101 Crawfords Corner Rd. Suite 4116
Holmdel, NJ 07733

Re: Amendment 1 – Effective September 5, 2024 to June 30, 2027
Professional Services Agreement for Anonymous Reporting System
Date of Agreement: July 1, 2023
Agreement No. 342-2023-09

Dear Mr. Mays:

This letter shall constitute an Amendment to the above-captioned Agreement between the New Mexico Public Schools Insurance Authority, hereinafter referred to as the "Authority," and Inspirit Group, LLC dba STOPit Solutions, referred to as the "Contractor" and is effective as of the dates shown herein.

The Authority and Contractor entered into a Professional Services Agreement for an Anonymous Reporting System ("Agreement") effective July 1, 2023. The Authority and Contractor wish to amend their Agreement with the amendments set out herein.

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

W. 24-Hour Vetting Service

1. The Contractor will create accounts for the district and collect emergency contacts for escalations.

2. Detailed incident reports will be delivered daily via email, highlighting incident types for immediate identification.

3. The Contractor will provide full-time vetting - 24/7/365, ensuring every report is promptly received and responded to via the Messenger feature and 24/7/365 monitoring and management of incidents for immediate escalation of life-threatening reports.

4. The Contractor will provide monthly progress reports for each member who elects the 24-hour Vetting Service.

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

Fiscal Year	Annual Fee	Custom-curated Student, Staff, and/or Risk Management Content Package	24-Hour Vetting Service District/Charter Less Than 1,000 Students	24-Hour Vetting Service District/Charter Greater Than 1,000 Students	Total Not to Exceed
July 1, 2024 - June 30, 2024	$135,000.00	$15,000.00 - $30,000.00	$30,000.00	.50 per student Not to Exceed $30,000.00	$225,000.00
July 1, 2025 - June 30, 2026	$137,500.00	$15,000.00 - $30,000.00	$30,000.00	.50 per student Not to Exceed $30,000.00	$227,500.00
July 1, 2026 - June 30, 2027	$140,000.00	$15,000.00 - $30,000.00	$30,000.00	.50 per student Not to Exceed $30,000.00	$230,000.00

a. The annual fee amount consists of:
   i. Anonymous Reporting
   ii. Incident Management
   iii. 24/7/365 Incident Monitoring Services
   iv. Out of Hours or 24/7/365 Full Tip Vetting
   v. Training included in the SEL content package
   vi. 24-Hour Vetting Service

   1. The annual fee shall be paid quarterly upon acceptance of the invoice by the Authority.

b. A custom-curated Student, Staff, and /or Risk Management Content Package may be added on at any point during the contract term.

   1. If added, the custom-curated, Staff, and/or Risk Management Content Package will be paid in a single payment upon acceptance of the deliverable by the Authority.

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

New Mexico Public Schools Insurance Authority	**Inspirit Group, LLC dba STOPit Solutions**
By:	By:
Alfred Park Board President	Parkhill Mays Chief Executive Officer

PINNACLE
ACTUARIAL RESOURCES

Actuarial Presentation to NMPSIA

September 4-5, 2024

Aaron N. Hillebrandt, FCAS, MAAA

Matt P. Meade, ACAS, MAAA

Outline of Presentation

- Actual vs. Expected Loss Development 12/31/2023-6/30/2024
  - Drivers of Adverse Development
- Ultimate Loss Trends
- Frequency / Severity / Loss Cost Trends
  - Workers Compensation
  - General Liability
  - Property
- Summary of Results of 6/30/2024 analysis

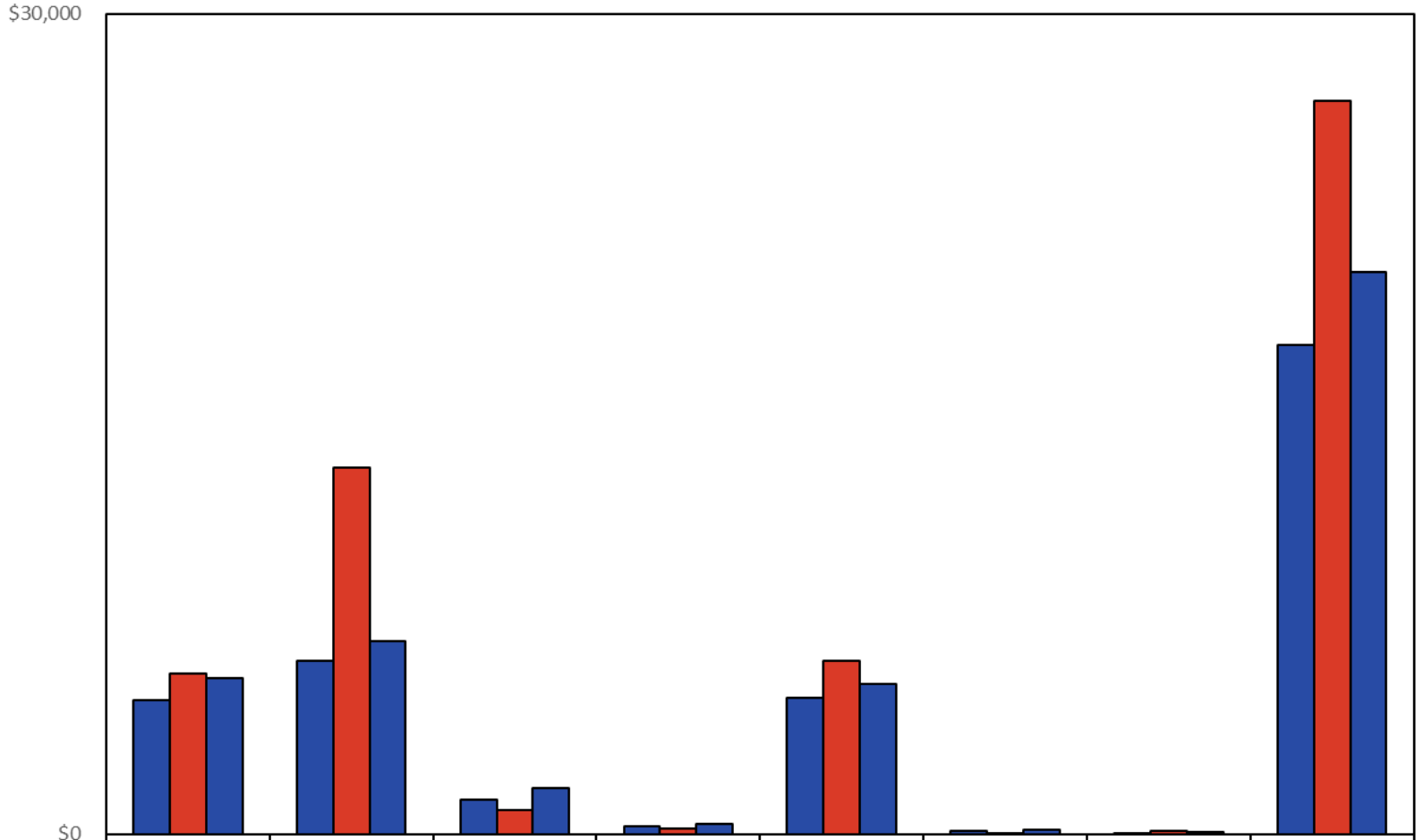
Actual vs. Expected Loss Development

- Based on assumptions in prior analysis, how much incurred loss development did we expect to see between analyses?
  - Low and high estimates

- How much did we actually see?

- Gives us an idea whether prior assumptions were too optimistic/pessimistic, and/or whether loss emergence is improving/worsening

New Mexico Public Schools Insurance Authority
Comparison of Actual v Expected Incurred Loss Development
23/24 & Prior Policy Periods
for the 6 months ending 6/30/2024



	WC	GL	AL	APD	Property	Crime	E&O	Total
Expected Low	$4,914	$6,315	$1,250	$287	$4,977	$100	$33	$17,875
Actual	5,859	13,407	891	214	6,329	6	100	26,807
Expected High	5,719	7,054	1,696	363	5,483	165	78	20,560

PINNACLE
ACTUARIAL RESOURCES

Claims with Large Adverse Development – General Liability

GL	as of 12/31/2023			as of 6/30/2024			Development 12/31/2023 - 6/30/2024		
Claim Number	Total Paid	Total Case	Total Incurred	Total Paid	Total Case	Total Incurred	Total Paid	Total Case	Total Incurred
1	0	5,000	5,000	0	2,000,000	2,000,000	0	1,995,000	1,995,000
2	31,461	120,539	152,000	91,752	1,908,248	2,000,000	60,291	1,787,709	1,848,000
3	116,597	308,403	425,000	231,692	1,768,308	2,000,000	115,095	1,459,905	1,575,000
4	127,127	203,385	330,511	300,363	637,028	937,391	173,237	433,643	606,880
5	252,805	156,695	409,500	501,806	457,694	959,500	249,001	300,999	550,000

GL			
Claim Number	Year	Description	Cause
1	2021/22	Sexual misconduct; coach & student.	IMPROPER TOUCHING
2	2021/22	CLMT was allegedly abducted and assaulted.	IMPROPER TOUCHING
3	2021/22	Apparent sex abuse by female teacher, male student	IMPROPER TOUCHING
4	2016/17	Alleges teacher on student sexual molestation.	IMPROPER TOUCHING
5	2022/23	IPRA request; potential phys. contact.	IMPROPER TOUCHING

Note: Claim numbers are placeholders and do not reflect actual NMPSIA claim numbers

PINNACLE ACTUARIAL RESOURCES

Claims with Large Adverse Development – Property

Property	as of 12/31/2023			as of 6/30/2024			Development 12/31/2023 - 6/30/2024		
Claim Number	Total Paid	Total Case	Total Incurred	Total Paid	Total Case	Total Incurred	Total Paid	Total Case	Total Incurred
1	0	0	0	0	2,025,000	2,025,000	0	2,025,000	2,025,000
2	0	100,000	100,000	85,835	881,165	967,000	85,835	781,165	867,000
3	46,847	742,653	789,500	772,633	742,653	1,515,286	725,786	0	725,786
4	7,665	152,535	160,200	241,884	195,027	436,911	234,219	42,492	276,711

Property

Claim Number	Year	Description	Cause
1	2023/24	Hail damage to various buildings.	HAIL DAMAGE
2	2023/24	Hail damage.	HAIL DAMAGE
3	2021/22	Hail damage.	HAIL DAMAGE
4	2023/24	Hail damage.	HAIL DAMAGE

Note: Claim numbers are placeholders and do not reflect actual NMPSIA claim numbers

PINNACLE ACTUARIAL RESOURCES

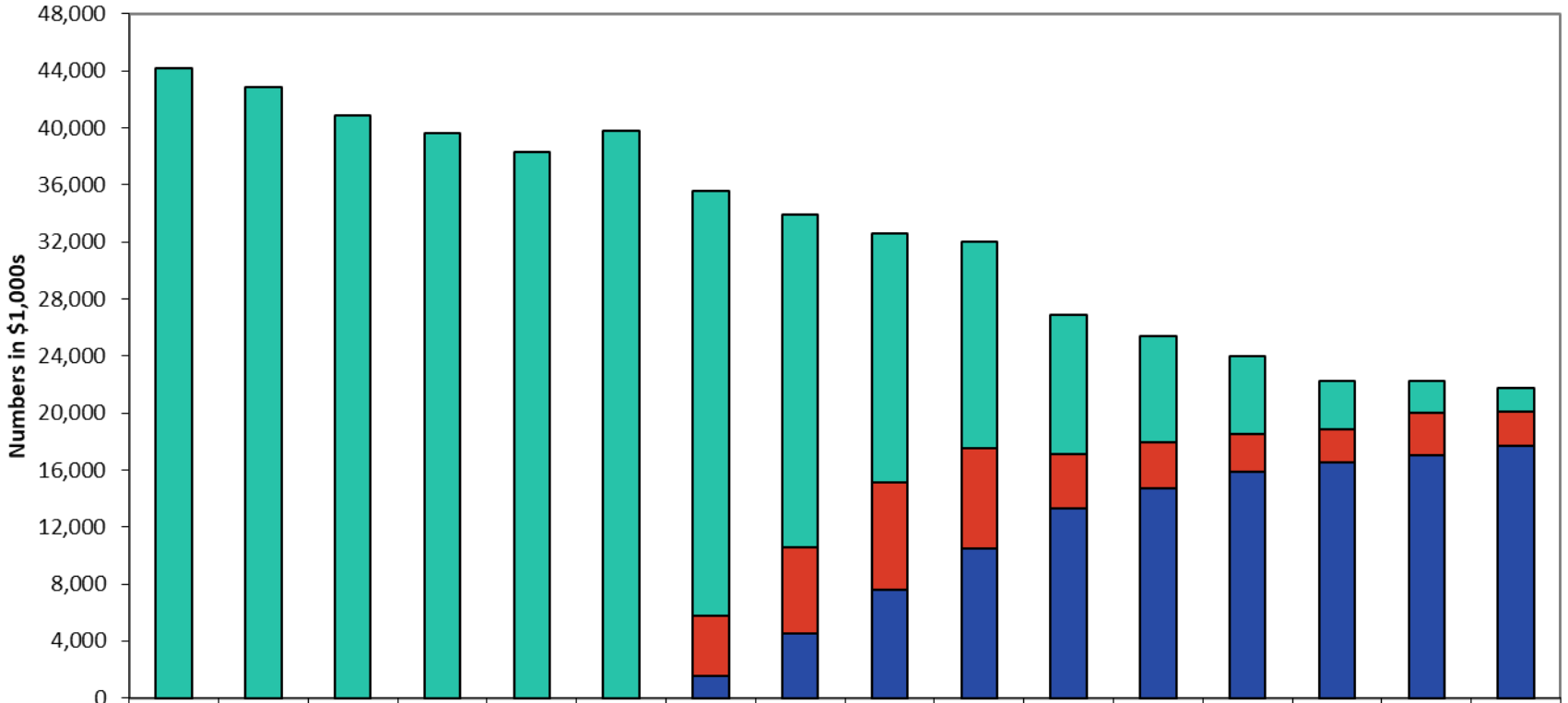
Ultimate Loss Trends

- Shows stability of ultimate loss projections for a given year, over successive evaluation dates as we learn more about the losses in the year

- All Coverages Combined

Ultimate Loss Trends – 2019-2020

New Mexico Public Schools Insurance Authority - Components of Ultimate Losses
2019-20 Policy Period



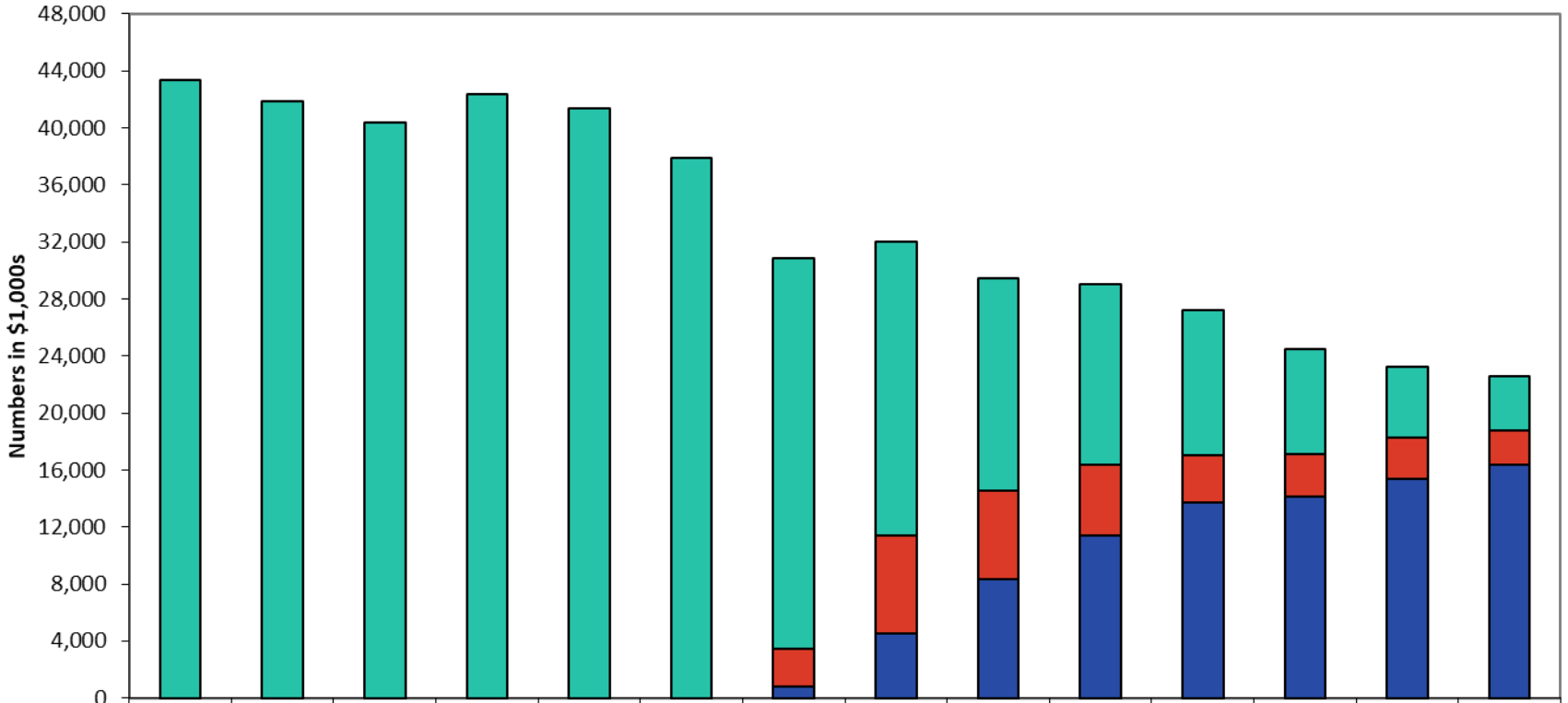
	at 12/16	at 6/17	at 12/17	at 6/18	at 12/18	at 6/19	at 12/19	at 6/20	at 12/20	at 6/21	at 12/21	at 6/22	at 12/22	at 6/23	at 12/23	at 6/24
IBNR	44,216	42,835	40,875	39,673	38,283	39,828	29,850	23,318	17,493	14,501	9,803	7,438	5,530	3,335	2,289	1,680
Case							4,191	6,051	7,503	7,037	3,777	3,218	2,657	2,365	2,989	2,357
Paid							1,555	4,542	7,596	10,457	13,340	14,738	15,831	16,519	16,987	17,720

Evaluation Date

PINNACLE
ACTUARIAL RESOURCES

Ultimate Loss Trends – 2020-2021

New Mexico Public Schools Insurance Authority - Components of Ultimate Losses
2020-21 Policy Period



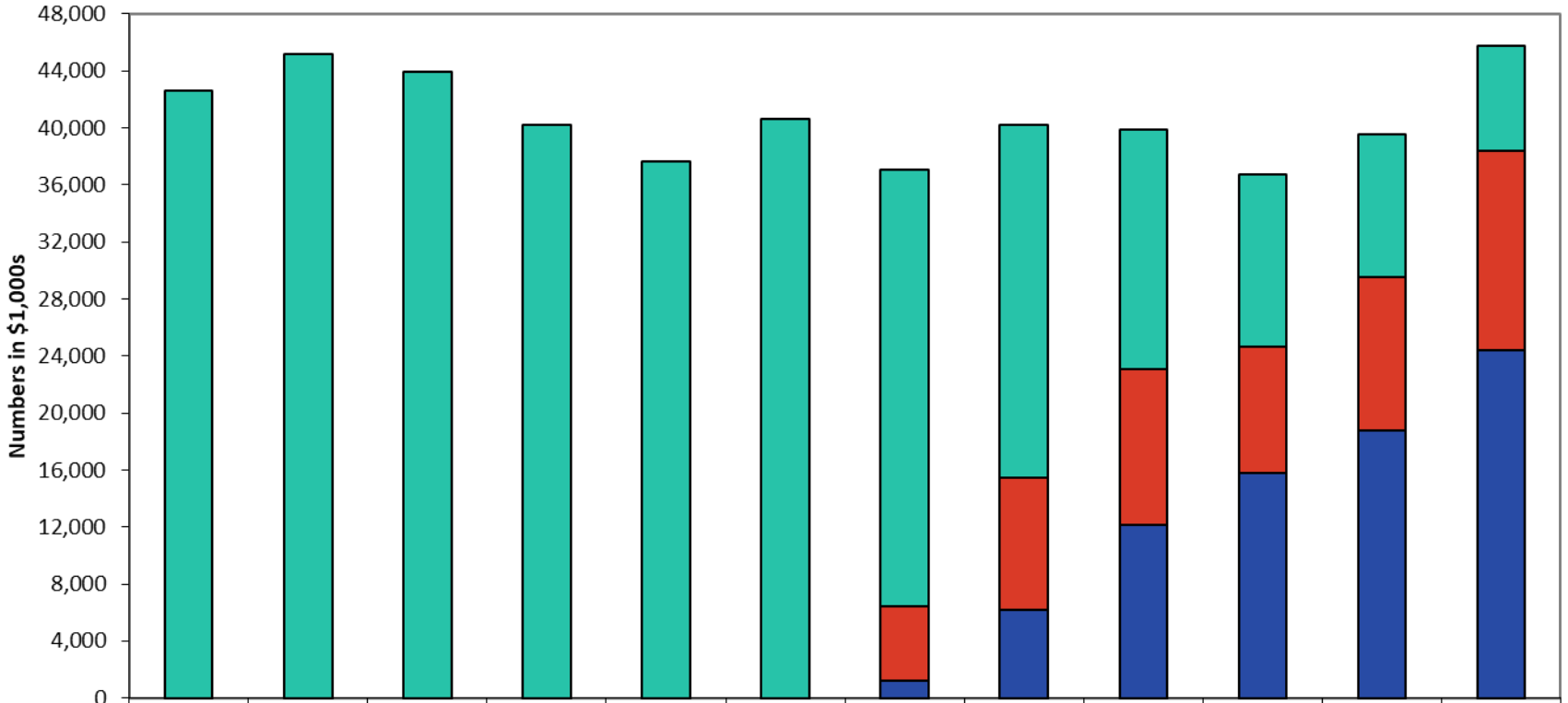
	at 12/17	at 6/18	at 12/18	at 6/19	at 12/19	at 6/20	at 12/20	at 6/21	at 12/21	at 6/22	at 12/22	at 6/23	at 12/23	at 6/24
IBNR	43,386	41,868	40,390	42,382	41,386	37,884	27,407	20,561	14,964	12,629	10,178	7,421	4,989	3,835
Case							2,680	6,931	6,182	4,962	3,299	2,993	2,887	2,392
Paid							776	4,503	8,326	11,429	13,697	14,090	15,388	16,333

Evaluation Date

PINNACLE
ACTUARIAL RESOURCES

Ultimate Loss Trends – 2021-2022

New Mexico Public Schools Insurance Authority - Components of Ultimate Losses
2021-22 Policy Period



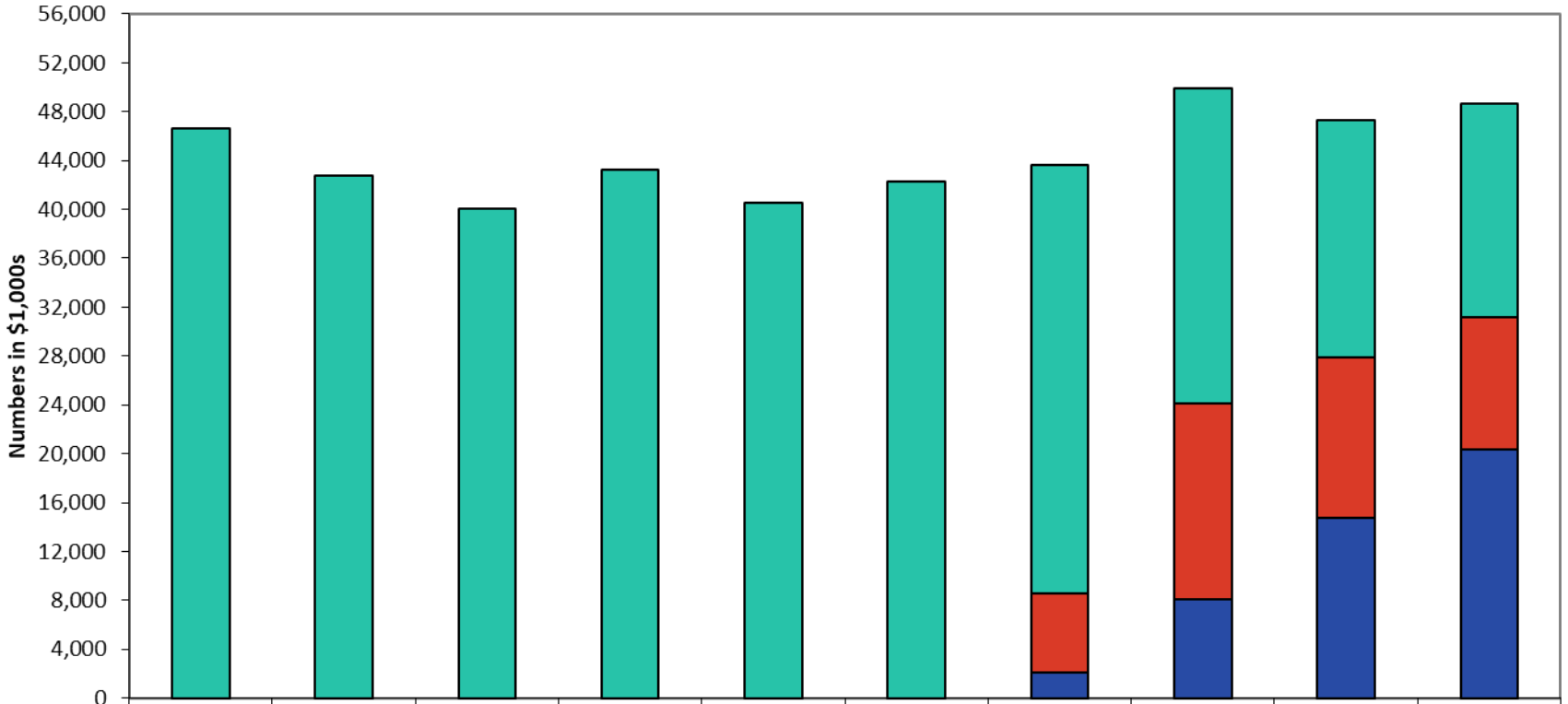
	at 12/18	at 6/19	at 12/19	at 6/20	at 12/20	at 6/21	at 12/21	at 6/22	at 12/22	at 6/23	at 12/23	at 6/24
IBNR	42,642	45,145	43,909	40,229	37,659	40,599	30,618	24,758	16,803	12,052	10,008	7,345
Case							5,194	9,226	10,915	8,891	10,784	14,044
Paid							1,250	6,210	12,151	15,789	18,787	24,382

PINNACLE
ACTUARIAL RESOURCES

Evaluation Date

Ultimate Loss Trends – 2022-2023

New Mexico Public Schools Insurance Authority - Components of Ultimate Losses
2022-23 Policy Period



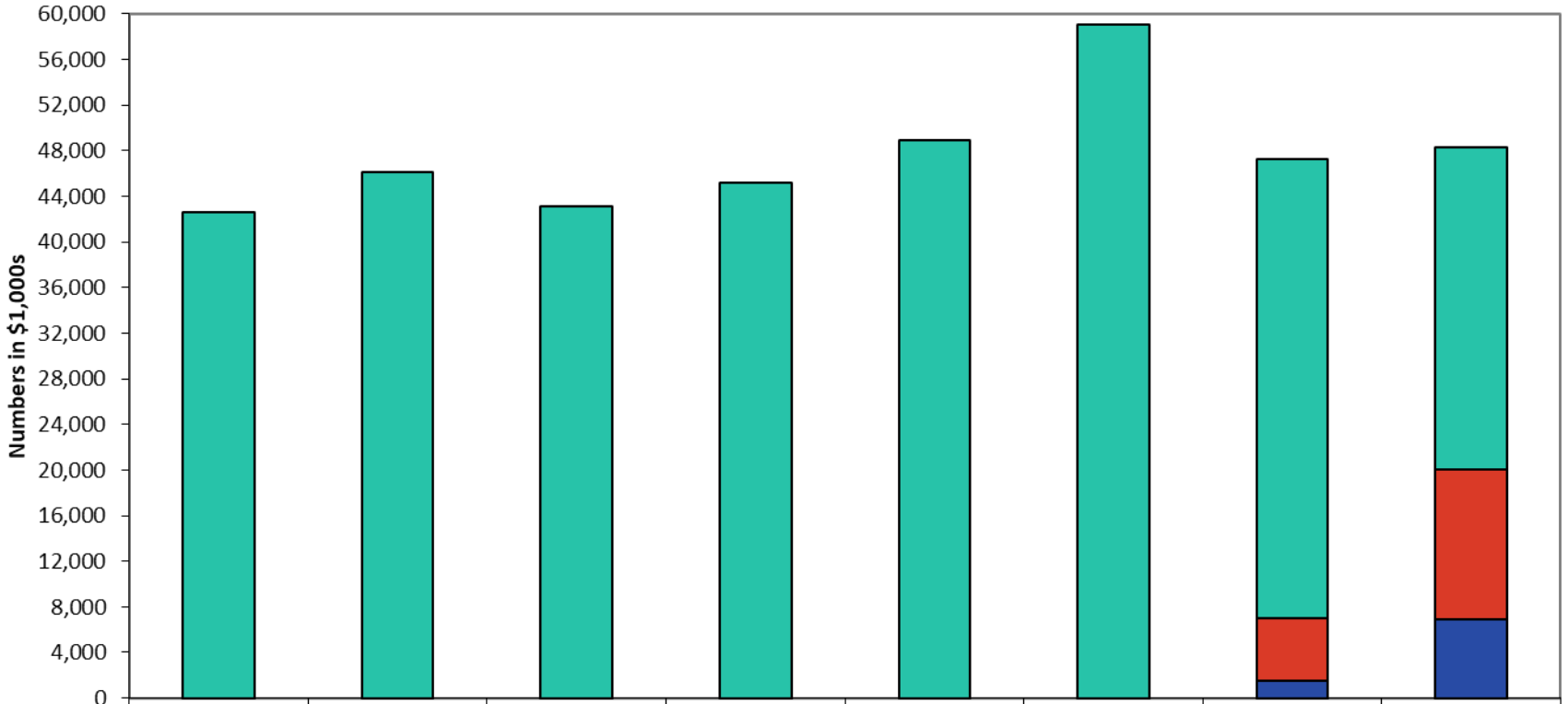
	at 12/19	at 6/20	at 12/20	at 6/21	at 12/21	at 6/22	at 12/22	at 6/23	at 12/23	at 6/24
IBNR	46,644	42,772	40,021	43,265	40,503	42,298	35,116	25,735	19,404	17,447
Case							6,502	16,067	13,181	10,832
Paid							2,042	8,075	14,702	20,336

Evaluation Date

PINNACLE
ACTUARIAL RESOURCES

Ultimate Loss Trends – 2023-2024

New Mexico Public Schools Insurance Authority - Components of Ultimate Losses
2023-24 Policy Period



	at 12/20	at 6/21	at 12/21	at 6/22	at 12/22	at 6/23	at 12/23	at 6/24
IBNR	42,576	46,158	43,135	45,184	48,890	59,024	40,221	28,241
Case							5,566	13,150
Paid							1,483	6,871

Evaluation Date

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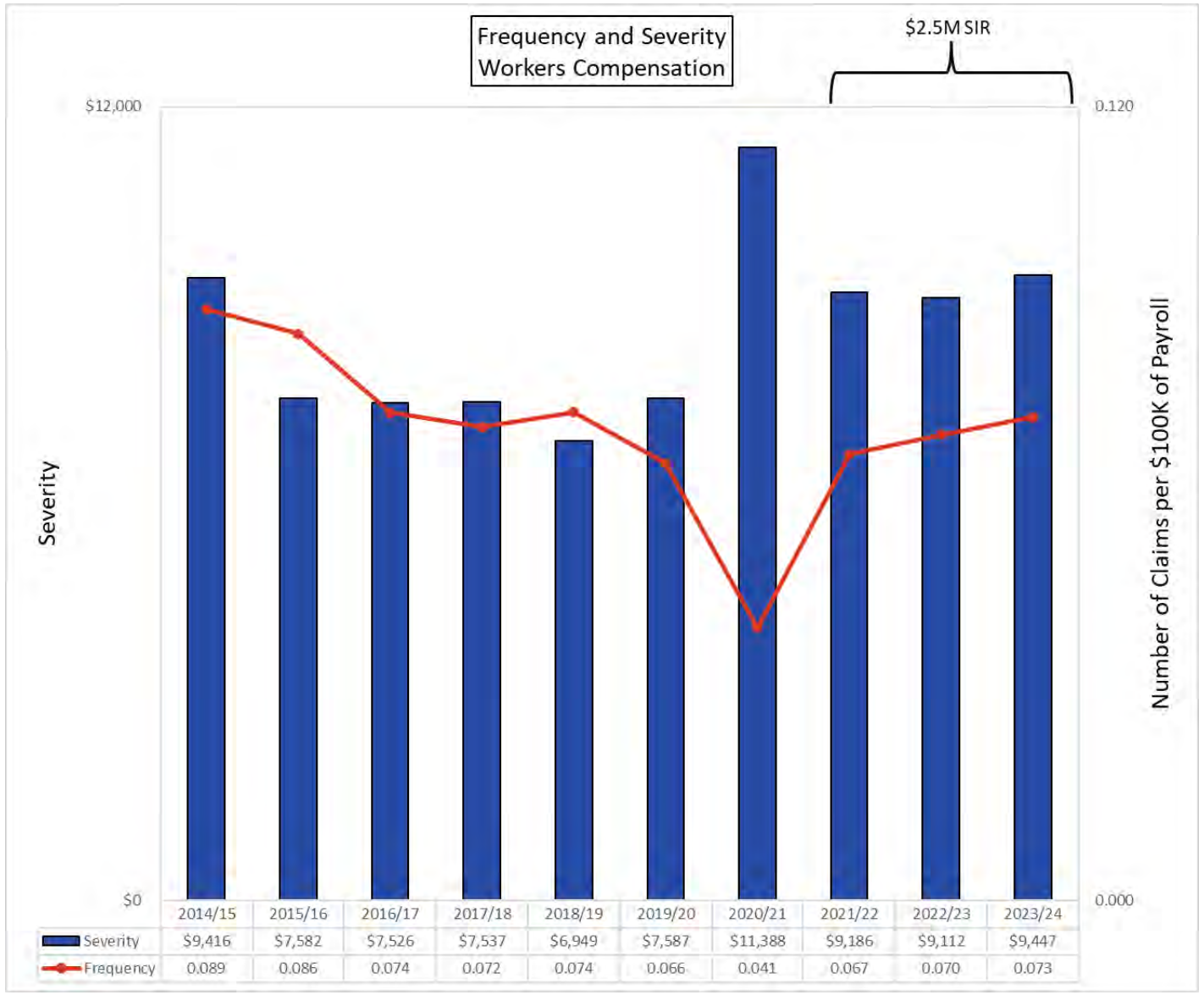
ACTUARIAL RESOURCES

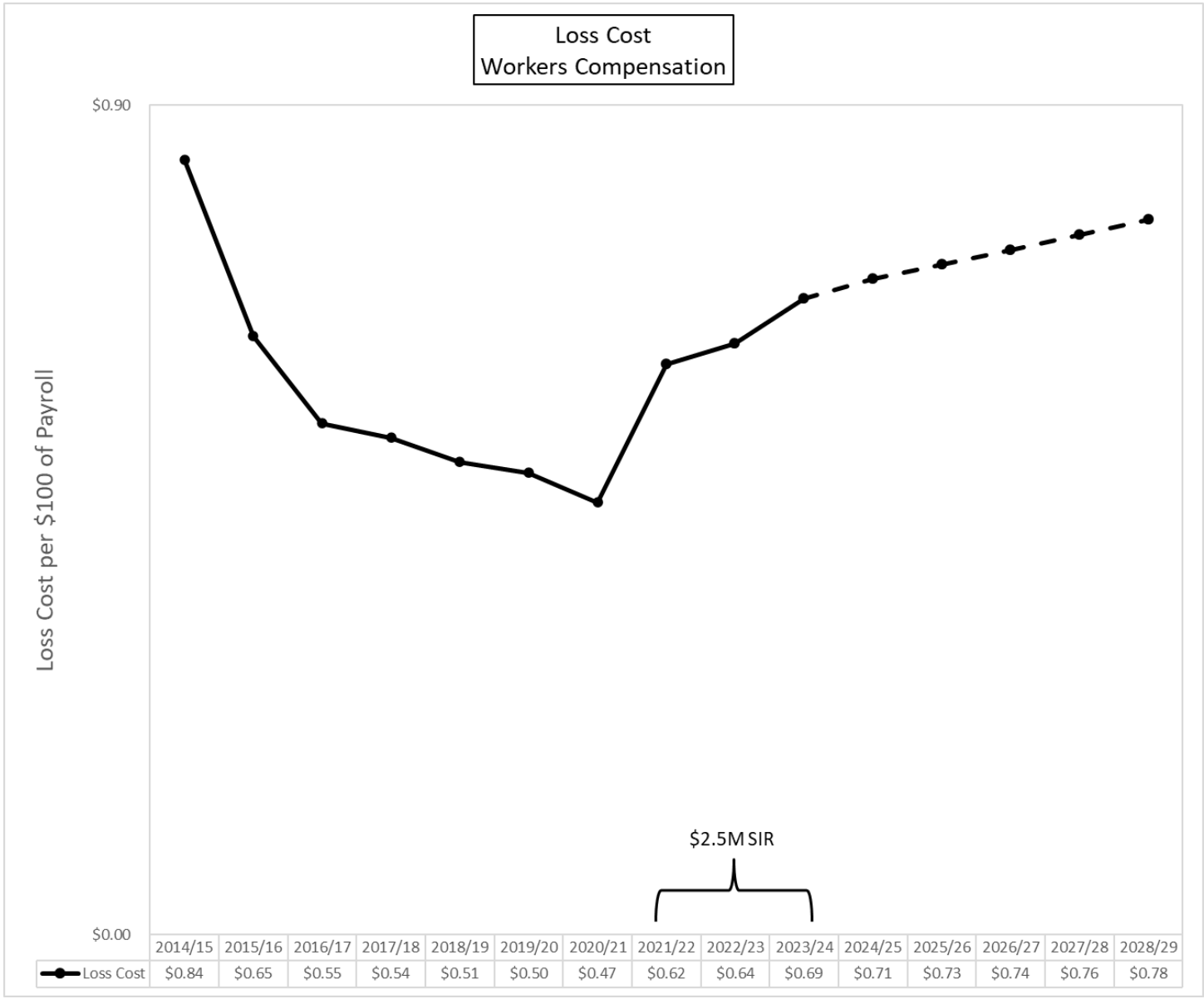
Frequency & Severity Trends – Workers Compensation



- NMPSIA loss cost trend:
  - 8-year: +3.5%
  - 5-year: +10.0%
- NCCI New Mexico loss cost trend:
  - 8-year -4.5%
  - 5-year -2.3%

PINNACLE ACTUARIAL RESOURCES

Loss Cost Trends – Workers Compensation



	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Loss Cost	$0.84	$0.65	$0.55	$0.54	$0.51	$0.50	$0.47	$0.62	$0.64	$0.69	$0.71	$0.73	$0.74	$0.76	$0.78

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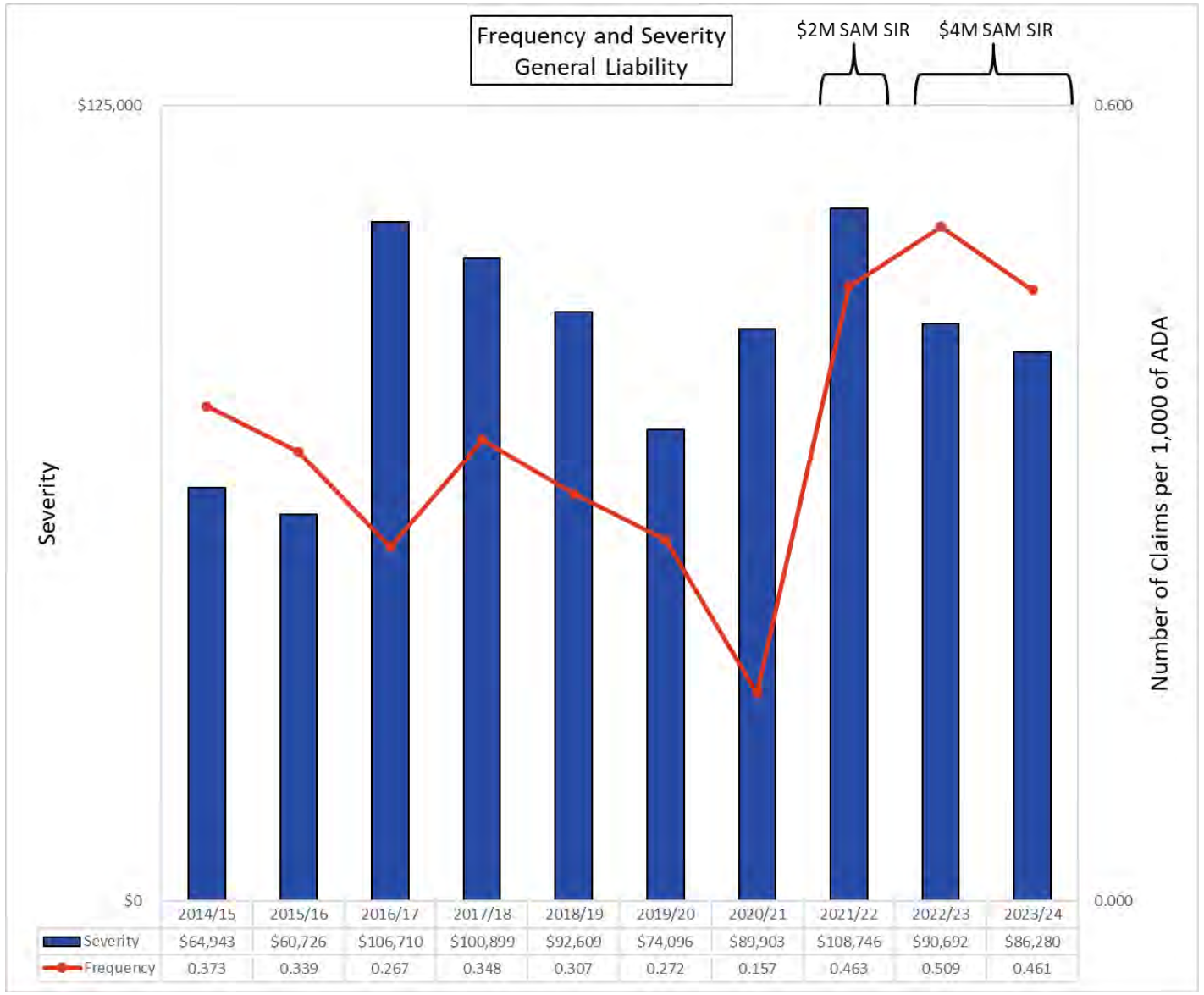
Frequency & Severity Trends – General Liability



	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Severity	$64,943	$60,726	$106,710	$100,899	$92,609	$74,096	$89,903	$108,746	$90,692	$86,280
Frequency	0.373	0.339	0.267	0.348	0.307	0.272	0.157	0.463	0.509	0.461

- NMPSIA loss cost trend:
  - 8-year: +6.2%
  - 5-year: +28.9%

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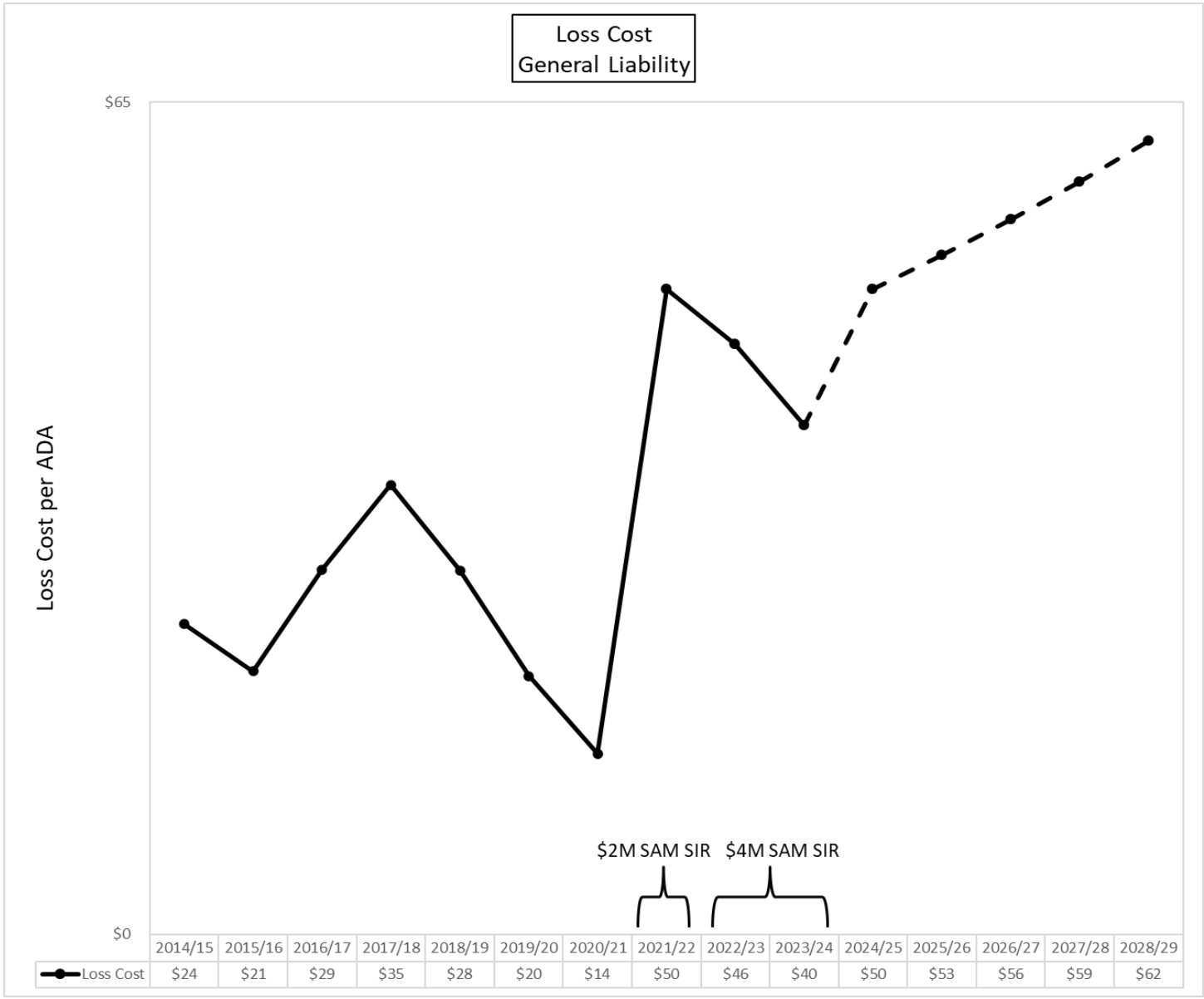
Loss Cost Trends – General Liability



	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Loss Cost	$24	$21	$29	$35	$28	$20	$14	$50	$46	$40	$50	$53	$56	$59	$62

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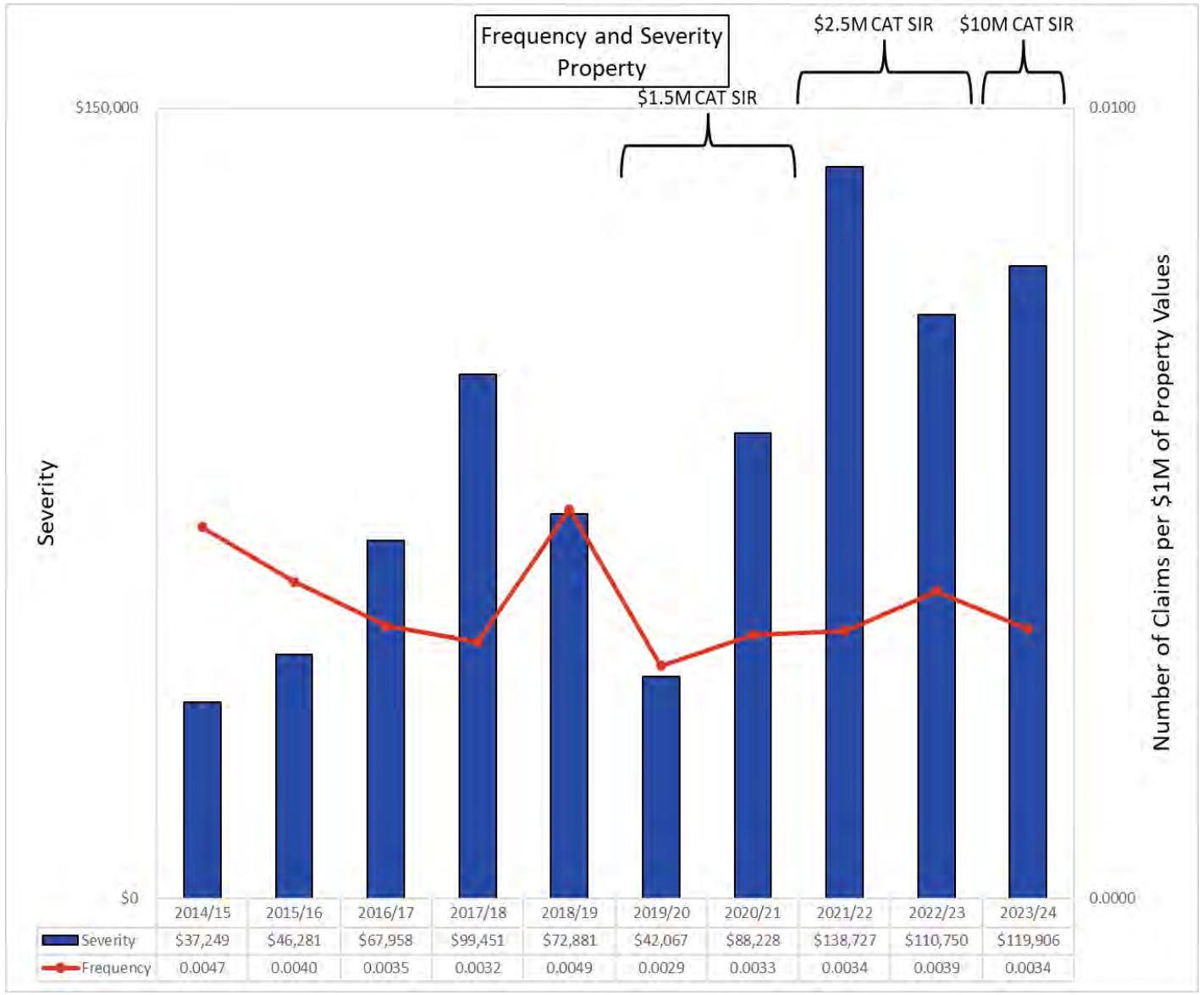
Frequency & Severity Trends – Property



- NMPSIA loss cost trend:
  - 8-year: +8.7%
  - 5-year: +31.9%

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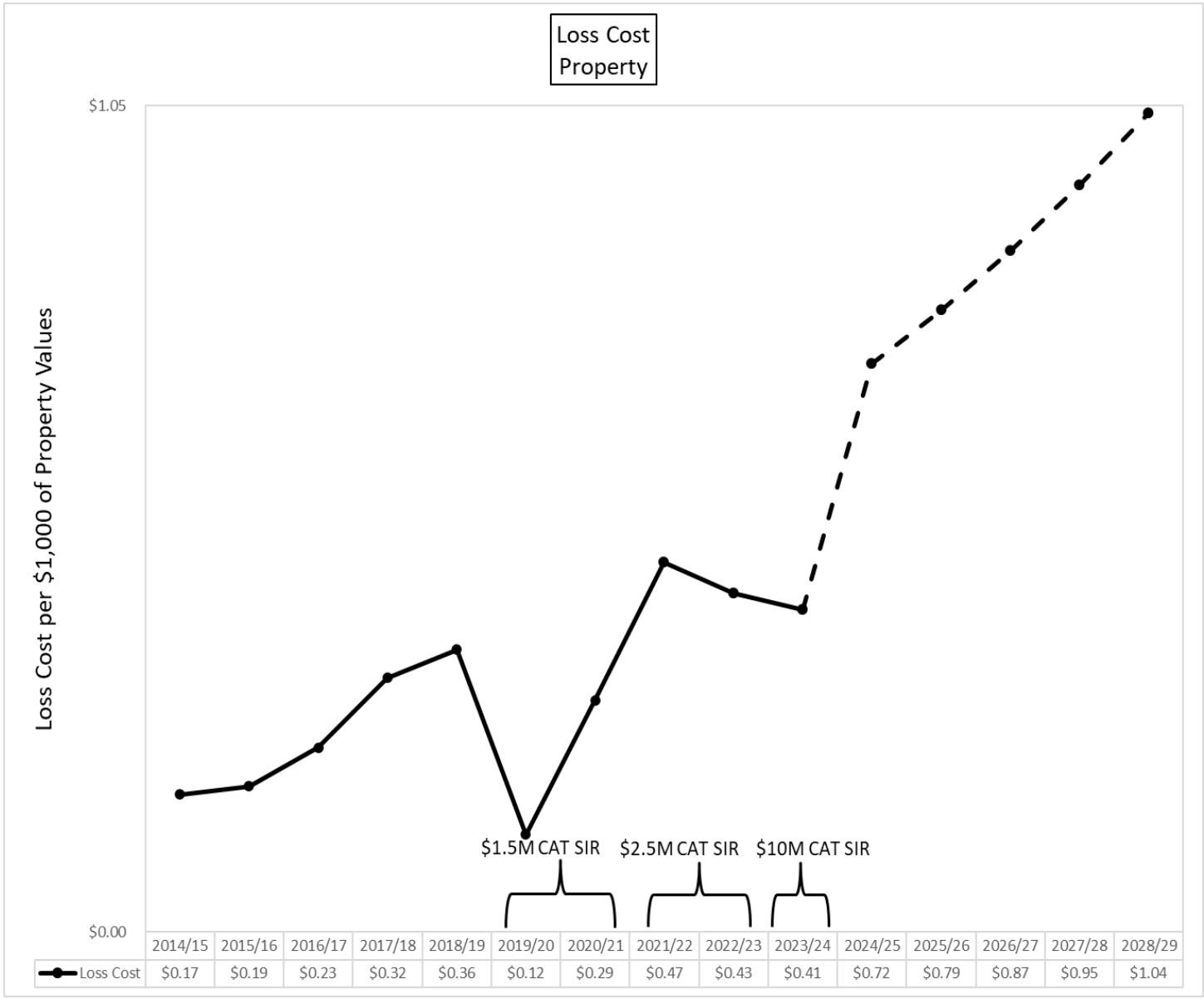
Loss Cost Trends – Property



	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Loss Cost	$0.17	$0.19	$0.23	$0.32	$0.36	$0.12	$0.29	$0.47	$0.43	$0.41	$0.72	$0.79	$0.87	$0.95	$1.04

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Summary of Results – Nominal Loss Reserves

Loss and LAE Reserve Estimates - Nominal Value (Undiscounted) as of 6/30/2024				
		Property & Liability	Workers Compensation	Total
Claim Reserves		$37,861,319	$13,720,208	$51,581,527
IBNR Reserves	Low	42,847,975	15,609,662	58,457,637
	Central	46,711,011	18,262,162	64,973,173
	High	50,574,047	20,914,662	71,488,710
Total Reserves	Low	80,709,294	29,329,870	110,039,164
	Central	84,572,330	31,982,370	116,554,701
	High	88,435,367	34,634,870	123,070,237

Summary of Results – Discounted Loss Reserves

Loss and LAE Reserve Estimates - Present Value (Discounted) as of 6/30/2024				
		Property & Liability	Workers Compensation	Total
Claim Reserves		$36,637,868	$12,554,424	$49,192,292
IBNR Reserves	Low	41,194,163	14,221,248	55,415,411
	Central	44,912,229	16,619,517	61,531,746
	High	48,630,295	19,017,785	67,648,081
Total Reserves	Low	77,832,031	26,775,672	104,607,703
	Central	81,550,097	29,173,941	110,724,038
	High	85,268,163	31,572,209	116,840,373

Summary of Results – Nominal Prospective Funding

Funding Estimate - Nominal Value (Undiscounted) as of 6/30/2024			
Policy Period	Property & Liability	Workers Compensation	Total
2024-2025	$51,564,486	$15,338,188	$66,902,674
2025-2026	58,247,818	16,300,333	74,548,151
2026-2027	66,012,015	17,323,403	83,335,417
2027-2028	75,049,018	18,411,300	93,460,318
2028-2029	85,586,585	19,568,183	105,154,767

Summary of Results – Discounted Prospective Funding

Funding Estimate - Present Value (Discounted) as of 6/30/2024			
Policy Period	Property & Liability	Workers Compensation	Total
2024-2025	$49,203,109	$14,357,632	$63,560,741
2025-2026	55,636,820	15,258,268	70,895,087
2026-2027	63,115,548	16,215,933	79,331,482
2027-2028	71,825,284	17,234,283	89,059,567
2028-2029	81,986,764	18,317,207	100,303,971

Thank You for Your Attention

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NEW MEXICO TECH
SCIENCE • ENGINEERING • RESEARCH UNIVERSITY

Office of the President

August 29, 2024

Patrick Sandoval, Executive Director
New Mexico Public School Insurance Authority
410 Old Taos Highway
Santa Fe, New Mexico 87501
VIA EMAIL

Dear Mr. Sandoval,
This letter is to inform you that New Mexico Institute of Mining and Technology would like to petition the New Mexico Public School Insurance Authority to participate in the risk program. Effective September 1, 2024, NMIMT will be a member of the NMPSIA Benefits pool, and believes that joining the NMPSIA Liability/Risk pool is in the best interest of NMIMT from a coverage perspective as well as a cost perspective.

Please consider this a formal request for NMIMT to join the NMPSIA Liability/Risk related pool, effective September 1, 2024.

Thank you for your consideration of this important matter.

Respectfully,

Mahyar Amouzegar

Dr. Mahyar Amouzegar
President

801 Leroy Place
Socorro NM 87801
575-835-5600
president@nmt.edu

Workers' Compensation and Property/Liability Claims Audit – 2024

for

New Mexico Public Schools Insurance Authority

New Mexico Public Schools Insurance Authority

August 22, 2024

FCS FARLEY CONSULTING SERVICES, LLC
14041 N. Running Brook Lane, Marana, AZ 85658
Phone: 760.533.3439 ~ farleyconsulting2000@gmail.com
An Independent Claims Management Consulting Firm

August 22, 2024

New Mexico Public Schools Insurance Authority
410 Old Taos Highway
Santa Fe, NM 87501

Attn: Patrick Sandoval
Executive Director

by email: *claudette.roybal@state.nm.us*
patrick.sandoval@state.nm.us
dpoms@pomsassoc.com

Workers' Compensation and Property/Liability Claims Audit – 2024

This report summarizes the results of an independent audit of workers' compensation and property/liability claims for the New Mexico Public Schools Insurance Authority (NMPSIA). Farley Consulting Services (FCS) reviewed 100 workers' compensation claims and 100 property/liability claims via remote access to the claims administration information system of Cannon Cochran Management Services, Inc. (CCMSI) in Albuquerque. The audit includes:

1. The evaluation of 100 workers' compensation claims:
   - 65 open indemnity (lost time) claims
   - 35 closed indemnity claims
2. The evaluation of 100 property/liability claims:
   - 70 open claims
   - 30 closed claims
3. Interviews and discussions with the following CCMSI personnel:
   - Ms. Courtney Barela, NMPSIA Account Manager
   - Ms. Kimberly Trimble, Workers' Compensation Supervisor
   - Ms. Vanessa Devine, Workers' Compensation Supervisor
   - Mr. Steve Vanetsky, Property-Liability Claims Manager
   - Mr. Rich Cangiolosi, Western Regional Vice President

4. Separate exit discussions of audit findings with Ms. Trimble, Ms. Devine and Ms. Barela for workers' compensation and Mr. Vanetsky and Mr. Cangiolosi for property/liability.

5. Consideration of follow up rebuttals to audit findings presented by both units.

6. Consideration of specific claims handling requirements set forth in the following documents:

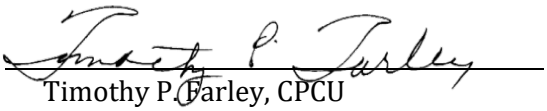
   - NMPSIA/CCMSI – Property and Liability Claims Procedures, 2022/2023
   - NMPSIA/CCMSI – Workers' Compensation Claims Procedures, 2023/2024
   - CCMSI's own internal claims administration policy pertaining to case reserve establishment/maintenance and nurse case management assignment criteria

7. This year's project also includes the assessment of compliance with specific performance measures that could generate a fiscal penalty to CCMSI. A worksheet was completed for the 35 claims that met these performance measures to determine compliance. The worksheets are separately bound and available to NMPSIA management. A summary of the results of these evaluations appears in the final chapter of this report (page 26).

FCS appreciates the opportunity to complete this important project for NMPSIA.

Respectfully submitted,

FARLEY CONSULTING SERVICES

by 

Timothy P. Farley, CPCU
President

Contents

Exhibits

Appendix

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I. Executive Summary

The audit of 100 workers' compensation claims for NMPSIA concludes that CCMSI continues to be in general compliance with accepted standards of claims administration for all lines of coverage. Deficiencies exist in the key area of diary maintenance. This is discussed in greater detail in the applicable section of this report.

The audit of 100 property/liability claims indicates that CCMSI is competently administering NMPSIA claims. Notable deficiencies exist in the area of case reserve accuracy. This is discussed in the section of the report devoted to property/liability case reserves.

All conclusions are based on the observations of specific claims administration performance generated from the audit.

An exhibit comparing CCMSI performance over the past three audit cycles is provided for each program (see Exhibit 1 on page 6 and Exhibit 5 on page 16.)

A. Workers' Compensation

1. CCMSI staff has changed considerably since the 2023 audit. Only 1 examiner remains from last year's staffing. All examiners are dedicated to NMPSIA and have caseloads that comply with the recommended maximum of 150 indemnity/50 medical only claims (lost time examiners) or 200 claims (medical only/PPD payout examiners). This combined caseload arrangement was considered when evaluating staffing adequacy. Exhibit 2 on page 7 displays the staffing organizational structure for workers' compensation claims and each examiner's caseload.

2. Case reserves are generally accurate. Three claims require reserve adjustment. Those claims are listed and discussed in Exhibit 3 on page 9.

3. The audit identified no miscalculation of temporary disability or permanent disability benefit rates. FCS re-rated the permanent disability on 6 claims. Those calculations reconcile with CCMSI's calculation.

4. Investigation is thorough on all claims reviewed. No investigation deficiencies are identified.

   Two of the claims reviewed involve claim cost reimbursement/recovery (subrogation) issues. CCMSI appropriately pursued the responsible party on both claims.

5. Twenty-three of the claims reviewed involve some element of litigation. The audit identified no litigation management deficiencies. Status reports from defense counsel are timely. Hourly legal billing rates comply with the industry average. Defense costs on all claims comply with the $22,500 plus expenses maximum legal costs per New Mexico law.

6. NMPSIA utilizes Comp MC to apply medical fee schedule savings pursuant to New Mexico's fee structure. Medical bill review is conducted by Comp MC. Fee schedule net savings for the period 7/1/23-6/30/24 is $9,498,362 or 60.6% of the original amount on the 16,150 bills submitted during this period. This is roughly equal performance when compared to the same 1-year period analyzed for last year's report.

   The claims reviewed confirm that CCMSI is aggressively attempting to advise the involved NMPSIA member of light duty return-to-work possibilities. Responses from the involved NMPSIA member are timely and exhibit an awareness of the cost-mitigating potential of an aggressive return-to-work program. This has been a consistent finding in past audits.

   Nurse case management services are properly utilized. These services are billed at $85 per hour. This is similar to billing rates for other New Mexico entities FCS is familiar with.

7. All material viewed to conduct this audit was observed via remote access to CCMSI's iCE claims management information system. That system is efficient.

   One claim lacks a clear explanation/calculation of the outstanding medical reserve. That claim is listed and discussed in Section A.8 on page 12.

8. CCMSI is not maintaining a consistently timely diary on the claims reviewed. Five claims exhibit deficiencies. Those claims are discussed in Exhibit 4 on page 13.

9. As set forth in the Claims Procedures document, CCMSI is required to issue a report to the NMPSIA executive director within 30 days on any claim with incurred costs of $250,000 or more. Sixteen of the claims reviewed comply with this requirement. All 16 claims were reported to the executive director timely.

10. Supervisory input is compliant on all of the claims reviewed. There are no supervisory deficiencies.

11. Fourteen of the claims reviewed qualify for reporting to excess insurers in addition to the NMPSIA executive director. All qualifying claims were reported timely.

B. Property/Liability

1. Claims handling personnel have changed slightly since the last audit was completed in August 2023. CCMSI is adequately staffed to handle NMPSIA claims. The organizational chart in Exhibit 6 on page 17 lists the current caseload (as of 7/31/24) of all staff on the NMPSIA account. Caseloads for all of the staff comply with the recommended maximum caseload of 180 (total of all CCMSI clients).

2. CCMSI is not consistently establishing and maintaining accurate case reserves on the claims reviewed. Four claims may require reserve adjustment. Those claims are discussed in Exhibit 7 on page 18.

3. The audit identified no deviation from assigned settlement authority levels. Settlements on the claims reviewed are reasonable and incorporate a thorough assessment of the degree of liability attributable to the member as well as available defenses. Still, 4 claims exhibit unusually high expert/engineering expense costs in relation to the actual loss

payment to the member. This was first identified in last year's audit. The claims in question are discussed in Exhibit 8 on page 20.

4. CCMSI is thoroughly investigating NMPSIA claims. No investigation deficiencies are identified. This has been a consistent finding in all past NMPSIA audit projects.

   Five claims warranted the pursuit of parties responsible for injuries/damages sustained by NMPSIA members. CCMSI identified the reimbursement potential on all 5 claims and took appropriate action.

5. Fifty-three of the claims reviewed involve some element of litigation. The audit concludes that CCMSI is performing effective litigation management. All referrals are timely. No litigation management deficiencies are identified.

   No excessive billing rates are identified on the litigated claims reviewed.

6. CCMSI is maintaining active diary. One claim exhibits deficiencies. That claim is discussed in Exhibit 9 on page 22.

7. Fifty-three claims reviewed qualified for reporting to the NMPSIA executive director, including 35 that were also reportable to excess insurance providers. CCMSI is consistently complying with excess reporting requirements. No deficiencies pertaining to timely initial reporting were observed.

8. All claims were reviewed via access to the CCMSI iCE claims management information system. That system is efficient. Two claims exhibit deficiencies. Those claims are discussed on page 23.

9. Supervisory activity is appropriate. Instructive direction is consistently documented.

This year's project also includes the assessment of compliance with specific performance measures that could generate a fiscal penalty to CCMSI. A worksheet was completed for the 35 claims that met these performance measures to determine compliance. The worksheets are separately bound and available to NMPSIA management. A summary of the results of these evaluations appears in the final chapter of this report (Chapter III) beginning on page 25. Thirteen claims lack an indication of compliance in the notescreen feature of the information system. The primary deficiency is the failure to notify/include NMPSIA's broker (Poms & Associates) of case reserve increases. CCMSI provided examples of monthly Reserve Change Reports that provide the required notifications to all involved parties including Poms. These reports were not observable in the information system capabilities available to FCS for this audit. The 13 claims in question are listed and discussed in Exhibit 10 on page26.

FCS recommends that CCMSI augment its notification efforts by including Poms in any plans of action or diary inputs documented to the information system.

These and other elements of this study are discussed in more detail in the remainder of this report.

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II. Audit Results

A. Workers' Compensation

1. Background

Currently, NMPSIA has 213 members with 45,465 employees. Retention levels for the workers' compensation program have varied over the years. Claims are administered by CCMSI in Albuquerque.

At the time of this review, the NMPSIA open indemnity case count was 705. This is a moderate increase from the indemnity count during the 2023 audit (644).

The list of claims to be audited was selected solely by FCS from an open loss report provided electronically by CCMSI. FCS was instructed by NMPSIA to attempt to select a representative sample that includes claims handled by all assigned technical staff at CCMSI.

FCS was given remote access to CCMSI's iCE claims management information system. The audit was conducted via this remote access during the period 7/16/24-7/26/24. An exit discussion of audit findings was conducted with NMPSIA staff via teleconference on 7/29/24. CCMSI provided its rebuttal/responses on 8/1/24. Those responses were considered when preparing this report.

Exhibit 1 provides a comparison of CCMSI performance in key areas of analysis over the past 3 audit cycles.

2. Staffing/Caseloads

Exhibit 2 is an organizational chart of personnel at CCMSI involved with NMPSIA workers' compensation claims. Each individual's caseload is in parentheses below the name.

The recommended maximum caseload for workers' compensation examiners handling indemnity claims only is 175. However, CCMSI maintains a case assignment policy whereby all technicians handle medical only claims in addition to indemnity claims. Accordingly, FCS amends its caseload maximum recommendation to 150 indemnity claims and 50 medical only claims.

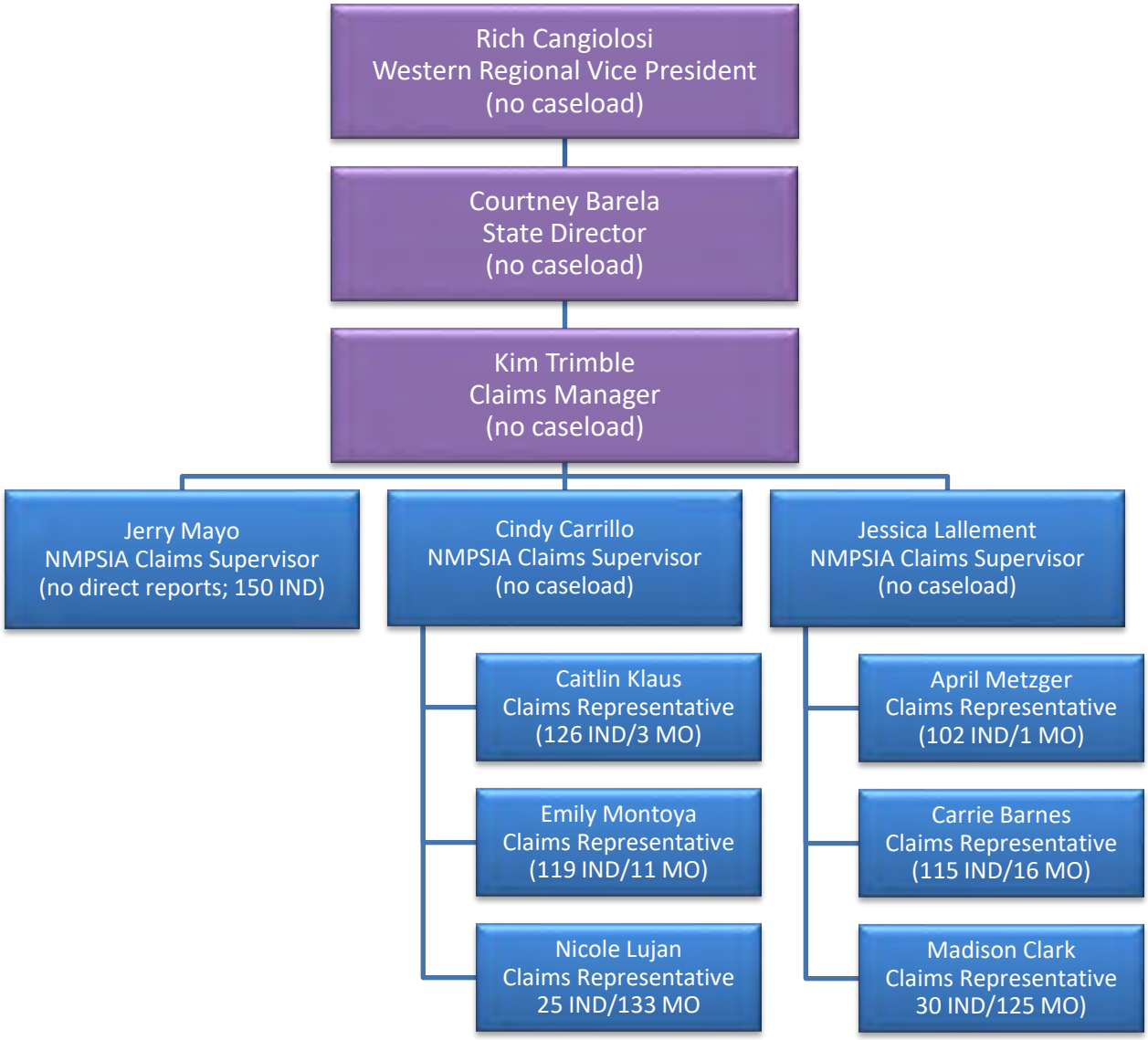
CCMSI staff has changed considerably since the 2023 audit. Only 1 examiner remains from last year's staffing. All examiners are dedicated to NMPSIA and have caseloads that comply with the recommended maximum of 150 indemnity/50 medical only claims (lost time examiners) or 200 claims (medical only/PPD payout examiners). This combined caseload arrangement was considered when evaluating staffing adequacy. Exhibit 2 on page 7 displays the staffing organizational structure for workers' compensation claims and each examiner's caseload.

Exhibit 1 – NMPSIA Claim Administration Performance History

Category Evaluated	Percent of Claims in Compliance		
	2024	2023	2022
Staffing adequacy	100	100	100
Case reserve accuracy	95	85*	100
Payment/benefit distribution accuracy	100	100	100
Litigation management	100	100	100
Reporting to NMPSIA	100	98	97
Diary maintenance	90	98	98
Documentation/information system clarity	97	99	94
Medical management effectiveness	100	100	100
Supervision	100	100	100
Excess reporting	100	100	99

*Requires attention

Exhibit 2 – Organizational Chart, NMPSIA Workers' Compensation



3. Accuracy of Case Reserves

Reserves established on NMPSIA claims are based on:

- Information contained in the Employer's First Report of Injury, including anticipated duration of disability to determine whether the disability period will meet or exceed New Mexico's 7-day waiting period.
- Employee's wage information
- Anticipated medical costs
- Anticipated temporary disability (TD) benefits
- Anticipated vocational rehabilitation (VR) benefits
- Anticipated permanent disability (PD) benefits
- Injury history information obtained through The Index System, a nationwide database subscribed to by CCMSI
- Effectiveness and utilization of a light-duty/return-to-work program
- Life expectancy and average annual medical costs for future medical claims
- Anticipated legal expense
- Other related injuries (apportionment)

Three claims require adjustment. Exhibit 3 lists and discusses those claims.

4. Payments/Settlements

The audit identified no miscalculated temporary disability (TD) or permanent disability (PD) rates. FCS rated the permanent disability on 6 of the claims reviewed. Those calculations reconcile with the rate calculated by CCMSI on all 6 claims.

Exhibit 3 – NMPSIA Case Reserves Analysis

Claim No.	Current Reserve	Recommended Reserve	Discussion
03H01H151106 (Las Cruces Valley View Elementary)	$5,145 (medical)	$15,000 (medical)	Medical treatment remains active. There is no discussion (rationale) for the current reserve in recent claim activity notes.
22H01K211762 (Artesia HS)	$507 (medical)	$7,500 (medical)	Recent claim activity notes confirm the employee will be authorized for at least 12 additional physical therapy treatments.
24H01K991192 (Hermosa Elementary)	$3,495 (temporary disability) $0 (permanent disability)	$0 (temporary disability) $7,500 (permanent disability)	Recent claim activity notes confirm the employee returned to work in May 2024, but that permanent disability (PD) is possible. Some precautionary PD reserve is warranted.

*Reserve recommendations are based on the review of claims for similar educational pooling entities.

5. Quality of Investigation

Proper investigation for NMPSIA workers' compensation claims includes:

- Making prompt contact with the injured employee and witnesses (48 hours from CCMSI's receipt of loss notice).
- Verifying that the injury is work related.
- Periodic evaluation of procured treatment to confirm its relation to the injury.
- Consideration of conducting surveillance activity on possible fraudulent claims.
- Securing injury history through use of The Index System.
- Canvassing for possible witnesses to the industrial accident.
- Obtaining recorded or written statements regarding the incident from injured employees or witnesses when possible.
- Follow-up contact with medical providers to gain a clear understanding of the severity of the injury and the anticipated duration of disability.
- Obtaining police accident reports when the industrial injury is the result of a traffic accident.
- Obtaining updated wage information to accurately calculate benefits.
- Identifying claims with rehabilitation potential and effectively monitoring rehabilitation progress.
- Identifying employees who are subject to Medicare Set Aside (MMSEA) processing.
- Timely assignment of field investigation to independent contractors when necessary.
- Identification and pursuit of other parties responsible for the injury.

CCMSI is thoroughly investigating NMPSIA claims. No investigation deficiencies are observed. This has been a consistent finding in past audits.

Subrogation

New Mexico employers have reimbursement rights (i.e., the provider/employer can only recover when the employee has received some settlement in tort from the party responsible for his/her work-related injury) rather than subrogation rights (i.e., the right to pursue the responsible party directly).

Two of the claims reviewed qualified for subrogation/reimbursement pursuit. Both claims exhibit aggressive pursuit of the responsible party by CCMSI via communication of the reimbursement rights directed to the employee.

6. Litigation Management

For this category, the audit evaluates:

- Confirmation that cases are referred to defense counsel timely.
- Whether the claims handling representative simply delegates all responsibility to the attorney once it is referred or continues to closely monitor all defense activity.
- A comparison of the average hourly billing rate charged by defense counsel with billing rates of other New Mexico entities.

Twenty-three (23%) of the claims reviewed involve some element of litigation. Referrals and status updates from defense counsel are timely on those claims requiring the retention of counsel.

CCMSI is effectively managing litigation, and NMPSIA continues to receive competent legal defense on its workers' compensation claims. No litigation management deficiencies are identified.

7. Cost Containment

Effective cost containment on workers' compensation claims includes:

- An aggressive and effective light-duty/return-to-work program.
- Confirmation that medical bills are reviewed to confirm that rendered treatment is applicable to the claimed injury and that bills comply with New Mexico's fee schedule.
- Mitigation of claims costs through effective medical case management (nurse case management).
- Consistent utilization of an effective Preferred Provider Organization (PPO) arrangement.

Bill Review/Fee Schedule Compliance

Medical bill review is conducted by Comp MC. Fee schedule net savings for the period 7/1/23-6/30/24 is $9,498,362 or 60.6% of the original amount on the 13,343 bills submitted during this period. This is roughly equal performance when compared to the same 1-year period analyzed for last year's report.

The table below provides the calculations for this performance.

Fee Schedule Savings – Comp MC (7/1/23-6/30/24)

A	Number of bills processed	16,150
B	Original amount billed	$15,677,623
C	Amount paid	$5,809,301
D	Gross savings (B) – (C)	$9,868,322
E	Cost saving fees	$369,960
F	Net savings (D) – (E)	$9,498,362 or 60.6% 0f% of the original amount billed (B)

Return to Work

CCMSI is aggressively attempting to advise the involved NMPSIA member of light duty return to work possibilities. The NMPSIA member is responsive in all cases reviewed with light duty factors. This has been a consistent finding in past audits.

Nurse Case Management

FCS concludes that nurse case managers are properly utilized. This was a conclusion in last year's audit as well. Case management assignments observed this year seem reasonable based on the potential exposure of the claim.

The hourly billing rate of $85 per hour is similar to the average hourly rate for other comparable entities.

8. Claim Data Organization and Documentation Clarity

All material observed for this audit was obtained via remote access to the CCMSI iCE claims information system.

The iCE system is efficient. **Claim number 23H01K680144** lacks any mention of the settlement agreement associated with this claim. The employee was deemed MMI (maximum medical improvement) in November 2023. Recent supervisory notes also instruct the examiner to document the settlement figures.

9. Diary/Case Closure

CCMSI is not consistently adhering to industry standards for diary review. Five claims exhibit deficiencies. Those claims are discussed in Exhibit 4 on page 13.

10. Claim Status Reports to NMPSIA

As set forth in the Claims Procedures document, CCMSI is required to issue a report to the NMPSIA executive director within 30 days on any claim with incurred costs of $250,000 or more. Follow-up reports are required every 60 days or at the discretion of the executive director. CCMSI is complying with this requirement on all 16 qualifying claims.

11. Supervision

Supervisory instructional notes are consistent and proactive. No deficiencies are observed.

12. Excess Reporting

Fourteen of the claims reviewed qualify for reporting to excess insurers in addition to the NMPSIA executive director. All qualifying claims were reported timely.

Exhibit 4 – NMPSIA Diary Maintenance Analysis

Claim Number	Discussion
22H01K413929 (Las Cruces Public Schools)	The employee was assigned a 0% permanent disability rating in January 2024. There seems to be no reason that the claim was left open until FCS reviewed it in July 2024.
24H01K984270 (Central Elementary)	Notes dated 3/6/24 indicate the employee was deemed MMI with no impairment rating. It is unclear why the claim is still open with outstanding case reserves.
21H01J857284-closed claim (Camino Real Academy)	The information system lists this claim as closed on 12/18/23, yet notes from March 2024 indicated ongoing physical therapy treatments are authorized.
23H01K550696 - closed claim (Soms Academy)	The information system lists this claim as closed on 8/29/23, yet claim activity notes in November 2023 refer to additional authorized injections.
21H01J868177 - closed claim (Rio Rancho Public Schools)	The information system lists this claim as closed on 12/27/23, yet claim activity notes in early 2024 indicate ongoing medical activity.

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B. Property/Liability

Exhibit 5 provides a comparison of CCMSI performance in key areas of analysis over the past 3 audit cycles.

1. Background

This evaluation provides NMPSIA with an assessment of procedural performance of CCMSI, providing recommendations for improvement, if warranted. The claims chosen for review were selected by FCS from a loss experience report sent to FCS by CCMSI.

The audit was conducted remotely via access to the CCMSI information system during the period 7/24/24-8/4/24. An exit discussion of audit findings was conducted with CCMSI on 8/13/24. CCMSI's response was provided on 8/15/24 and was considered when preparing this report.

2. Staffing/Caseloads

Exhibit 6 provides an organizational chart of personnel at CCMSI involved with NMPSIA property/ liability claims. FCS recommends a maximum open caseload of 180. This recommended maximum assumes that the adjustor is assigned a sample of litigated claims (maximum of 75) as part of his/her total caseload.

Caseloads appear in parentheses below the person's name. The first number is the total caseload (all CCMSI clients), and the second number is the NMPSIA only caseload. The exhibit confirms that all staff are maintaining acceptable caseloads.

There has been little change to the technical adjusting staff since the 2023 audit project.

CCMSI is adequately staffed to administer NMPSIA property and liability claims.

3. Case Reserves

NMPSIA property/casualty case reserves should be primarily based on:

- Anticipated extent of damages/injuries sustained.
- Degree of liability attributable to the NMPSIA member based on a consideration of New Mexico tort law.
- Existence of additional tortfeasors (responsible parties who may share in the application of liability).
- Application of statutory defenses or immunities available to the NMPSIA member.
- History of settlement trends in the loss venue.
- Anticipated legal costs.

CCMSI is establishing accurate case reserves on the claims reviewed. Still, 4 claims may require adjustment. Those claims are discussed in Exhibit 7 on page 18.

Exhibit 5 – NMPSIA Claims Administration Performance History

Category Evaluated	Percent of Claims in Compliance		
	2024	2023	2022
Staffing adequacy	100	100	100
Case reserve accuracy	95	95	90
Investigation	100	100	99
Litigation management	100	100	99
Reporting to NMPSIA	100	99	98
Diary maintenance	99	99	96
Documentation/information system clarity	99	100	98
Supervision	100	100	100
Excess reporting	100	99	85

Exhibit 6 – Organizational Chart, NMPSIA Property/Liability Claims Handling

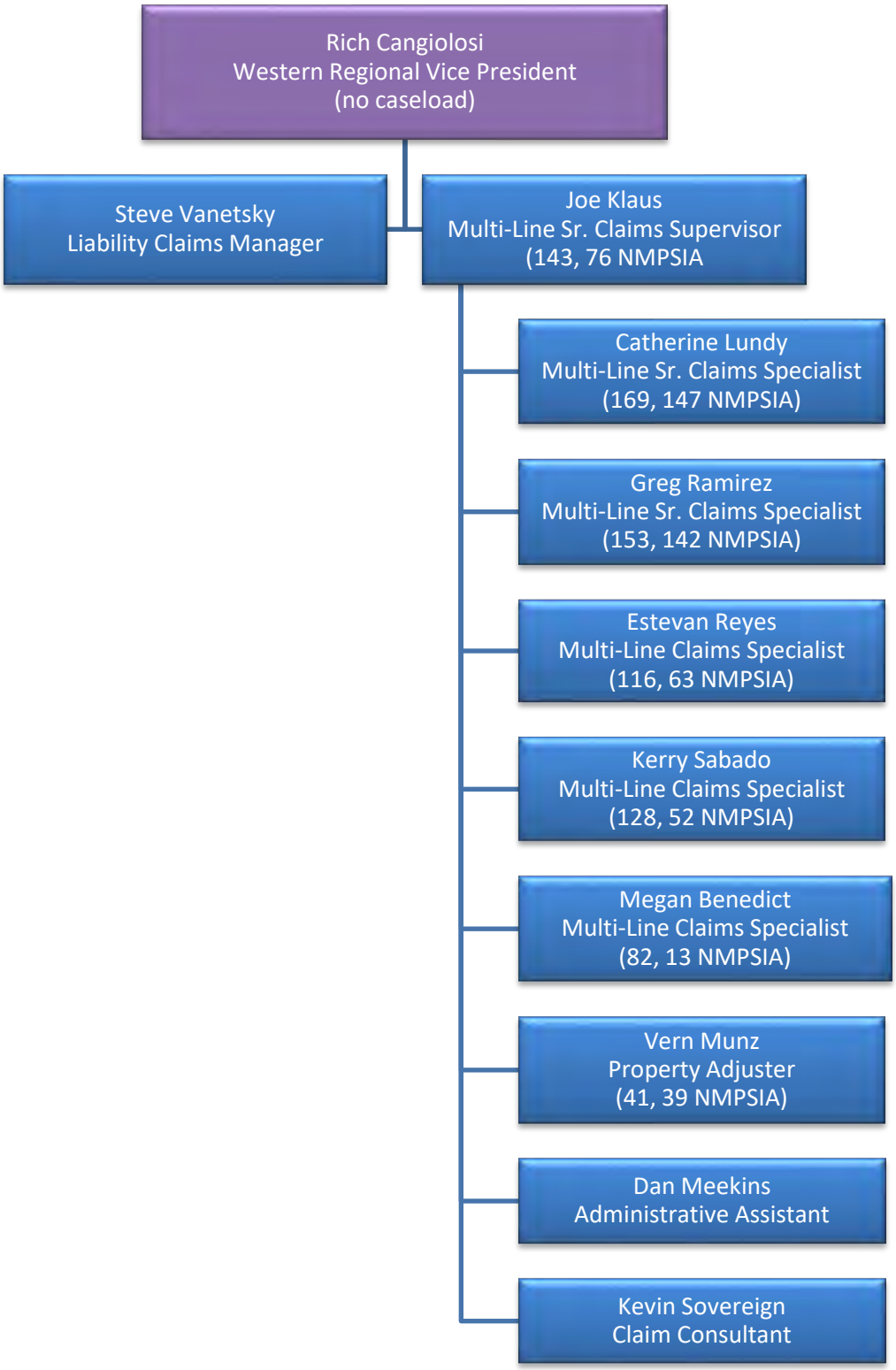

Exhibit 7 – NMPSIA GL/Property Case Reserve Analysis

Claim Number	Current Outstanding Reserve	Recommended Reserve	Discussion
23H01K602765 (Rio Rancho PS)	$15,000 (loss)	$500,000 (loss)	A retained expert calculates the loss at $663,000. This seems a bit excessive, but clearly a significant reserve increase is warranted.
22H01K432154 (Las Cruces PS)	$4,821 (legal expense)	$190,000 (legal expense)	Defense counsel submitted a litigation budget of $190,000 in early July. In its response, CCMSI indicated the claim is not yet being actively litigated. Case reserves should be precautionary not reactionary.
17H01J235570 (Las Cruces PS)	$5,350,000 (loss)	$0 (loss)	Claim activity notes indicate this claim was settled. The financial screen shows the payment of $11,650,000. The remaining outstanding reserve can be eliminated.
18H1J082308 (Truth or Consequences PS)	$0 (expense) $0 (loss)	Unclear for both categories	A supervisory note dated 8/2/24 indicates additional settlement and expense payments may be owed. It is unclear why there are no outstanding case reserves in either category.

4. Payments/Settlements

The audit concurs with all settlement stances and resolutions made by NMPSIA or its legal representative. CCMSI claims exhibit detailed assessments of property damage estimates, bodily injury medical billings, and causation evidence (e.g., police reports, statements of involved individuals/ witnesses, and index inquiry results). This has been a consistent finding in all past audits.

Last year's audit report identified an unusually high cost for assistance in the assessment and repair of a hail damage loss. The expert's fee was based on a percentage of the ultimate loss payment. This is highly unusual.

This issue persists this year. Four claims exhibit noticeably high expense costs in relation to the loss costs paid to the member. Exhibit 8 lists and discusses those claims.

5. Quality of Investigation

Proper investigation for NMPSIA's property/liability claims includes:

- Making prompt contact with the injured claimant and witnesses (48 hours from CCMSI's receipt of loss notice).
- Securing injury history through use of The Index System.
- Canvassing for possible witnesses to the accident.
- Obtaining recorded or written statements regarding the incident from member employees or witnesses when possible.
- Obtaining police accident reports.
- Obtaining photographs of accident scenes and instruments that may have caused the injury or property damage.
- Aggressive pursuit of additional responsible parties to offset NMPSIA's contribution to any damage/injury awards.
- Application of any hold harmless/indemnification language contained in the various contracts that NMPSIA members may enter into with subcontractors.
- Timely assignment of field investigation to independent contractors when necessary.
- Identification and aggressive pursuit of individuals or entities causing damage or injury to NMPSIA (subrogation).

CCMSI is thoroughly investigating NMPSIA claims. No deficiencies are identified.

Reimbursement/Recovery (Subrogation)

Five claims had subrogation/reimbursement issues. CCMSI recognized the potential and pursued appropriate reimbursement on all 5 claims.

Exhibit 8 – NMPSIA Expense Cost Analysis

Claim Number	Loss Cost	Expense Cost	Discussion
23H01K688353 (Clovis Municipal Schools)	$7,900,000 ($7,500,000 still outstanding)	$389,000 ($261,000 outstanding)	The member sustained significant hail damage.
18H01F700098 (Jemez Valley PS)	$1,125,000	$191,000	The member sustained hail damage.
22H01K265075 (Lovington PS)	$5,000,000 ($15,000,00 outstanding)	$795,000 (980,000 outstanding)	The member sustained hail damage.
20H01J345592 (Luna Community College)	$243,000 ($4,000,000 outstanding)	$330,000 ($137,000 outstanding)	The member sustained hail damage.

6. Litigation Management

Evaluation of this claims handling function attempts to:

- Confirm that cases are referred to defense counsel timely.
- Evaluate whether responsibilities are simply delegated to the attorney once a file is referred or whether CCMSI continues to closely monitor all defense activity.
- Confirm that inquiries from counsel are responded to promptly.
- Evaluate the reasonableness of hourly billing rates charged by defense counsel and compares those rates to other clients FCS is familiar with in New Mexico.

Fifty-three of the claims reviewed involve some element of litigation. The claims reflect thorough litigation management. Status updates from counsel are timely for all litigated claims. No litigation management deficiencies are observed.

7. Diary Maintenance

Some adjusting activity should be implemented and documented every 30 days on unresolved claims. In those instances where the claimant is unresponsive or where the claim has been denied, an extended diary is warranted. No "active" claim should go without activity for longer than 6 months. Exhibit 9 lists and discusses the one claim that exhibit deficiencies.

8. Reporting to NMPSIA and Excess Insurers/Reinsurers

CCMSI is required to generate a report to the NMPSIA executive director within 10 working days for the following claims:

- All bodily injury claims with incurred costs of $50,000 or more
- All property damage (NMPSIA member) claims of $50,000 or more

Follow-up reports must be provided every 60 days. The need for follow-up reporting is at the discretion of the executive director. David Poms, NMPSIA's insurance broker, must be copied on all reports.

Fifty-three claims qualified as reportable to the executive director and Mr. Poms. Thirty-three of these claims were also reportable to the excess insurer. CCMSI is complying with the initial reporting of qualifying claims in all instances. No deficiencies are identified.

Exhibit 9 – NMPSIA Diary Maintenance Analysis

Claim Number	Discussion
18H01J279177 - closed claim (Las Cruces PS)	This claim is designated as closed on 3/1/23. Financial information and claim activity notes indicate a final attorney bill was received subsequent to that closure but not paid until 7/26/24. In its response, CCMSI indicated any subsequent legal expenses are being processed off a related claim. That was not clearly indicated in the claim activity notes for this claim.

9. Information System Organization and Documentation Clarity

All material viewed to conduct this audit was obtained via access to the CCMSI claims management information system. That system exhibits consistently organized and chronologically accurate material. The following claims exhibit deficiencies.

- 23H01K834899 (Hobbs Municipal Schools) – This claim pertains to a civil rights issue regarding overcrowding on school buses. The loss reserve is coded as "property damage." This is an error.
- 18H01J082308 (T or C Municipal) – The financial screen of the information system shows more than $1,000,000 paid for loss and more than $78,000 paid for expense on this hail damage claim. The transaction component of the information system displays no payment information (e.g., amount paid and date of payment).

10. Supervision

Supervisory review activity is consistently seen in the iCE claims information system's activity notes. No deficiencies are identified.

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III. NMPSIA Performance Measures Compliance Assessment

This year's project includes the assessment of compliance with specific performance measures that could generate a fiscal penalty to CCMSI. A worksheet was completed for the 35 claims that met these performance measures to determine compliance. All 35 worksheets are separately bound and available to NMPSIA management. A summary of the results of these evaluations appears in Exhibit 10. Thirteen claims exhibit non-compliance in one or more of the listed performance measures categories. The primary error identified is the failure to notify/include NMPSIA's broker (Poms & Associates) of case reserve increases.

CCMSI provided examples of monthly Reserve Change Reports that provide the required notifications to all involved parties, including Poms. These reports were not observable in the information system capabilities available to FCS for this audit. The 13 claims in question are listed and discussed in Exhibit 10 on page 26.

FCS recommends that CCMSI augment its notification efforts by including Poms in any plans of action or diary inputs documented to the information system.

Exhibit 10 – NMPSIA Performance Measures Compliance Assessment

Claim Number	Worksheet Number in Addendum	Loss	Discussion
17H01F059945 (Mosquero Municipal Schools)	4	Inappropriate touching student on student	A reserve increase of $265,000 on 1/24/24 was not communicated to the broker via plans of action or emails in the information system.
22H01K582189 (Chama Valley Independent)	13	Teacher abuse	A loss reserve increase of $90,000 on 10/18/23 was not communicated to the broker in plans of action or emails in the information system.
24H01M056999 (Los Alamos PS)	16	Slip and fall - student	The initial loss reserve of $50,000 established on 3/4/24 was not communicated to the broker.
23H01K688353 (Clovis Municipal Schools)	22	Hail damage	The initial loss reserves of more than $15,000,00 were established on 6/2/23. An increase of $200,000 on 4/19/24 was not communicated to the broker within 30 days.
22H01K561592 (Las Vegas PS)	23	Sexual abuse	A settlement plan of action and associated reserve increase of significantly more than $25,000 on 4/30/24 was not communicated to the broker within 30 days.
20H01J345592 (Luna Community College)	31	Hail damage	A reserve increase of $100,000 on 10/18/23 was not communicated to the broker within 30 days.
23H01K689418 (Mesalands Community College)	35	Hail damage	A reserve increase of $100,000 on 2/20/24 was not communicated to the broker within 30 days.
23H01K885004 (New Mexico Highlands Univ.)	39	Hail damage	A reserve increase of $767,000 on 3/4/24 was not communicated to the broker within 30 days.
08H01E760420 (Santa Fe Community College)	41	E&O retirement issue	A reserve increase/establishment of $201,000 in May 2024 was not communicated to the broker within 30 days.
21H01J859092 (Pecos Independent Schools)	43	Hail damage	A loss reserve increase of $726,000 on 5/29/24 does not appear to have been communicated to either the broker or the excess carrier via plans of action or emails documented to the information system.
22H01K304055 (Espanola Municipal Schools)	46	Sexual abuse of student	Multiple loss reserve increases of significantly more than $25,000 in February and April 2024 were not communicated to the broker within 30 days nor the excess carrier with 10 days.
21H01K852619 (Alamogordo PS)	57	Retaliation	This claim appears to be settled, but a loss reserve increase of $625,000 on 8/1/23 was not communicated to the broker within 30 days.
22H01K298744 (Pojoaque Valley PS)	69	Motor vehicle accident	A BI reserve increase of $100,000 on 7/6/23 was not communicated to the broker within 30 days. It is noted that an additional increase of $400,000 on 7/30/24 had not been reported to the excess carrier as of 8/7/24.

Appendix

Audit List

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Open Workers' Compensation Claims

Claim #
1. 00H01H144172
2. 02H01H149824
3. 03H01H151106
4. 04H01H590192
5. 04H01H746954
6. 05H01T276063
7. 05H01T299878
8. 06H01T542949
9. 07H01T962687
10. 10H01B322806
11. 10H01B368217
12. 11H01B776362
13. 14H01E149734
14. 15H01E728727

Claim #
15. 15H01G307984
16. 16H01G544349
17. 16H01G895272
18. 16H01G898324
19. 18H01F773571
20. 18H01F808935
21. 21H01J539138
22. 21H01J552832
23. 22H01K211762
24. 22H01K219320
25. 22H01K327033
26. 22H01K393184
27. 22H01K411880
28. 22H01K413929

Claim #
29. 22H01K455280
30. 23H01K568387
31. 23H01K576271
32. 23H01K620073
33. 23H01K664469
34. 23H01K675694
35. 23H01K680144
36. 23H01K702251
37. 23H01K950793
38. 23H01K956770
39. 23H01M018895
40. 23H01M150859
41. 24H01K984270
42. 24H01K991192

Claim #
43. 24H01K997712
44. 24H01K998154
45. 24H01M023975
46. 24H01M032248
47. 24H01M032565
48. 24H01M032589
49. 24H01M051020
50. 24H01M101413
51. 24H01M130780
52. 24H01M132619
53. 24H01M135529
54. 24H01M138070
55. 24H01M147080
56. 24H01M157054

Claim #
57. 89H01H158894
58. 91H01H164564
59. 93H01H168011
60. 95H01H173844
61. 95H01H174837
62. 96H01H176472
63. 96H01H177158
64. 97H01H177725
65. 99H01H184215

Closed Workers' Compensation Claims

Claim #
1. 10H01B374427
2. 13H01E172979
3. 14H01E403852
4. 15H01E696149
5. 18H01F522481
6. 18H01F733194
7. 21H01J857284
8. 21H01J868177
9. 21H01J964206

Claim #
10. 22H01K038854
11. 22H01K278930
12. 22H01K396681
13. 22H01K507434
14. 22H01K518539
15. 22H01K537327
16. 22H01K813828
17. 23H01K545753
18. 23H01K550696

Claim #
19. 23H01K579583
20. 23H01K604093
21. 23H01K618317
22. 23H01K633942
23. 23H01K640668
24. 23H01K672748
25. 23H01K798498
26. 23H01K807639
27. 23H01K845167

Claim #
28. 23H01K873692
29. 23H01K883237
30. 23H01K948950
31. 23H01M175665
32. 24H01M010870
33. 24H01M023486
34. 24H01M038568
35. 24H01M067688

Open Property/Liability Claims Files

Claim #
1. 08H01E760420
2. 17H01F152053
3. 17H01F559945
4. 17H01F561899
5. 17H01F904891
6. 17H01J235570
7. 17H01J559811
8. 17H01K391347
9. 18H01F700093
10. 18H01F701441
11. 18H01J082308
12. 18H01J229721
13. 19H01F921302
14. 19H01F983356

Claim #
15. 19H01J075638
16. 19H01J230200
17. 20H01J345592
18. 21H01J532210
19. 21H01J859092
20. 21H01J920694
21. 21H01J959907
22. 21H01J977899
23. 21H01K317730
24. 21H01K852619
25. 22H01K250663
26. 22H01K265075
27. 22H01K284170
28. 22H01K298744

Claim #
29. 22H01K304055
30. 22H01K432154
31. 22H01K491578
32. 22H01K561592
33. 22H01K582189
34. 22H01K582256
35. 22H01K596432
36. 22H01K602765
37. 22H01K681252
38. 22H01K805065
39. 22H01K916138
40. 23H01K589024
41. 23H01K688353
42. 23H01K689418

Claim #
43. 23H01K808674
44. 23H01K816803
45. 23H01K834899
46. 23H01K860719
47. 23H01K869261
48. 23H01K885004
49. 23H01M050422
50. 23H01M158171
51. 24H01K985667
52. 24H01M038037
53. 24H01M056999
54. 24H01M081050
55. 24H01M107775
56. 24H01M122107

Claim #
57. 24H01M129484
58. 24H01M138548
59. 24H01M144343
60. 24H01M146925
61. 24H01M150083
62. 24H01M157741
63. 24H01M160750
64. 24H01M166016
65. 24H01M166025
66. 24H01M171571
67. 24H01M180859
68. 24H01M182016
69. 24H01M182453
70. 97H01K907205

Closed Property/Liability Claims

Claim #
1. 16H01J612328
2. 17H01J250598
3. 18H01J235558
4. 18H01J279177
5. 18H01J459786
6. 19H01F978800
7. 19H01J056562
8. 19H01J071854

Claim #
9. 19H01J149544
10. 19H01J207079
11. 19H01J396690
12. 19H01J561454
13. 19H01J855544
14. 20H01J252455
15. 20H01J344500
16. 21H01J849014

Claim #
17. 21H01J909100
18. 21H01J944929
19. 21H01J987713
20. 21H01K870537
21. 22H01K310799
22. 22H01K310855
23. 22H01K422339
24. 22H01K457585

Claim #
25. 22H01K540861
26. 22H01K553670
27. 22H01K565314
28. 23H01K590710
29. 23H01K828984
30. 23H01M055426

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NMPSIA BOARD REPORT SUMMARY - LIABILITY AND PROPERTY

07-31-2024

ALL YEARS TOTAL OPEN CLAIMS FOR LIABILITY AS OF JULY 31, 2024							ALL YEARS TOTAL OPEN CLAIMS FOR PROPERTY AS OF JULY 31, 2024						GRAND TOTALS	
SCHOOL DISTRICT	NUMBER OF OPEN CLAIMS	NUMBER OF NEW CLAIMS	NUMBER OF CLOSED CLAIMS	RESERVE	PAYMENT	TOTAL	NUMBER OF OPEN CLAIMS	NUMBER OF NEW CLAIMS	NUMBER OF CLOSED CLAIMS	RESERVE	PAYMENT	TOTAL	TOTAL OPEN CLAIMS	GRAND TOTAL
SUBTOTAL - DISTRICTS	397	24	44	$60,016,550.58	$14,385,011.79	$74,401,562.37	74	11	29	$49,273,105.53	$35,590,677.45	$84,863,782.98	471	$159,265,345.35
SUBTOTAL - CHARTER SCHOOLS	39	3	4	$1,638,317.63	$249,938.65	$1,888,256.28	8	5	5	$150,346.36	$87,053.64	$237,400.00	47	$2,125,656.28
GRAND TOTAL	436	27	48	$61,654,868.21	$14,634,950.44	$76,289,818.65	82	16	34	$49,423,451.89	$35,677,731.09	$85,101,182.98	518	$161,391,001.63

CHANGE FROM PRIOR MONTH	CURRENT CHANGES LIABILITY CLAIMS FROM PRIOR MONTH						CURRENT CHANGES PROPERTY CLAIMS FROM PRIOR MONTH						CURRENT CHANGES	
SCHOOL DISTRICT	OPEN CLAIMS	NEW CLAIMS	CLOSED CLAIMS	RESERVE	PAYMENT	TOTAL	OPEN CLAIMS	NEW CLAIMS	CLOSED CLAIMS	RESERVE	PAYMENT	TOTAL	OPEN CLAIMS	GRAND TOTAL
SUBTOTAL - DISTRICTS	(19)	1	0	$8,585,637.95	($1,441,571.22)	$7,144,066.73	(17)	(2)	17	($2,587,364.98)	$4,243,113.10	$1,655,748.12	(36)	$8,799,814.85
SUBTOTAL - CHARTER SCHOOLS	(1)	0	2	$397,560.12	$117,471.43	$515,031.55	0	5	5	$119,454.50	($49,079.28)	$70,375.22	(1)	$585,406.77
GRAND TOTAL	(20)	1	2	$8,983,198.07	($1,324,099.79)	$7,659,098.28	(17)	3	22	($2,467,910.48)	$4,194,033.82	$1,726,123.34	(37)	$9,385,221.62

HISTORY	MONTH TOTAL						MONTH TOTAL CHANGES FROM PRIOR MONTH TOTAL					
Monthly Totals	Open Claims	New Claims	Closed Claims	RESERVE	PAYMENTS	TOTAL	Open Claims	New Claims	Closed Claims	RESERVE	PAYMENTS	TOTAL
July - 2024	518	43	82	$111,078,320.10	$50,312,681.53	$161,391,001.63	(37)	4	24	$6,515,287.59	$2,869,934.03	$9,385,221.62
June - 2024	555	39	58	$104,563,032.51	$47,442,747.50	$152,005,780.01	(11)	(24)	2	$3,913,147.72	$7,132,155.05	$11,045,302.77
May - 2024	566	63	56	$100,649,884.79	$40,310,592.45	$140,960,477.24	15	7	(15)	$44,644,561.24	$3,820,664.74	$48,465,225.98
April - 2024	551	56	71	$56,005,323.55	$36,489,927.71	$92,495,251.26	(11)	10	9	($35,950,476.69)	$6,632,943.17	($29,317,533.52)
March - 2024	562	46	62	$91,955,800.24	$29,856,984.54	$121,812,784.78	(13)	(11)	(19)	($485,476.25)	$249,074.98	($236,401.27)
February - 2024	575	57	81	$92,441,276.49	$29,607,909.56	$122,049,186.05	(19)	7	22	$64,920.75	$1,645,072.33	$1,709,993.08
January - 2024	594	50	59	$92,376,355.74	$27,962,837.23	$120,339,192.97	(7)	(5)	7	$1,011,307.34	($596,633.73)	$414,673.61
December - 2023	601	55	52	$91,365,048.40	$28,559,470.96	$119,924,519.36	7	(32)	15	($2,102,495.40)	$251,548.52	($1,850,946.88)
November - 2023	594	87	37	$93,467,543.80	$28,307,922.44	$121,775,466.24	54	8	(19)	($243,734.87)	($4,043,113.87)	($4,286,848.74)
October - 2023	540	79	56	$93,711,278.67	$32,351,036.31	$126,062,314.98	29	27	18	$1,996,129.56	($2,946,017.50)	($949,887.94)
September - 2023	511	52	38	$91,715,149.11	$35,297,053.81	$127,012,202.92	19	(3)	(26)	($1,266,805.79)	$2,767,421.22	$1,500,615.43
August - 2023	492	55	64	$92,981,954.90	$32,529,632.59	$125,511,587.49	(5)	(31)	(3)	$4,695,525.49	($7,037,658.70)	($2,342,133.21)
July - 2023	497	86	67	$88,286,429.41	$39,567,291.29	$127,853,720.70	24	38	20	$3,192,782.91	$1,079,304.89	$4,272,087.80
June - 2023	473	48	47	$85,093,646.50	$38,487,986.40	$123,581,632.90	9	(13)	(36)	$28,611,890.88	($3,279,230.43)	$25,332,660.45
May - 2023	464	61	83	$56,481,755.62	$41,767,216.83	$98,248,972.45	(15)	7	24	($2,940,892.57)	$2,132,509.33	($808,383.24)
April - 2023	479	54	59	$59,422,648.19	$39,634,707.50	$99,057,355.69	1	(15)	(4)	($2,764,490.56)	$4,999,879.61	$2,235,389.05
March - 2023	478	69	63	$62,187,138.75	$34,634,827.89	$96,821,966.64	11	18	24	$1,287.92	$1,139,897.50	$1,141,185.42
February - 2023	467	51	39	$62,185,850.83	$33,494,930.39	$95,680,781.22	19	(10)	(8)	$571,024.43	$1,187,977.05	$1,759,001.48
January - 2023	448	61	47	$61,614,826.40	$32,306,953.34	$93,921,779.74	18	29	0	$361,499.20	($175,637.96)	$185,861.24
December - 2022	430	32	47	$61,253,327.20	$32,482,591.30	$93,735,918.50	(13)	(30)	(12)	($1,886,367.25)	($3,797,977.87)	($5,684,345.12)
November - 2022	443	62	59	$63,139,694.45	$36,280,569.17	$99,420,263.62	13	(20)	(17)	$2,289,852.48	($425,745.37)	$1,864,107.11
October - 2022	430	82	76	$60,849,841.97	$36,706,314.54	$97,556,156.51	8	39	31	$437,166.04	($4,136,937.99)	($3,699,771.95)
September - 2022	422	43	45	$60,412,675.93	$40,843,252.53	$101,255,928.46	5	(29)	(15)	$1,683,415.42	$1,226,358.10	$2,909,773.52
August - 2022	417	72	60	$58,729,260.51	$39,616,894.43	$98,346,154.94	15	54	31	$970,635.92	$2,352,124.71	$3,322,760.63
July - 2022	402	18	29	$57,758,624.59	$37,264,769.72	$95,023,394.31	(6)	(39)	(11)	$20,243,939.17	$4,938,782.62	$25,182,721.79
June - 2022	408	57	40	$37,514,685.42	$32,325,987.10	$69,840,672.52	27	2	(33)	($813,665.77)	$1,639,986.34	$826,320.57
May - 2022	381	55	73	$38,328,351.19	$30,686,000.76	$69,014,351.95	(16)	11	40	($5,203,062.14)	$3,030,181.71	($2,172,880.43)
April - 2022	397	44	33	$43,531,413.33	$27,655,819.05	$71,187,232.38	21	(25)	(7)	$342,327.71	$1,366,532.28	$1,708,859.99
March - 2022	376	69	40	$43,189,085.62	$26,289,286.77	$69,478,372.39	34	22	6	$1,481,802.34	$1,290,433.83	$2,772,236.17
February - 2022	342	47	34	$41,707,283.28	$24,998,852.94	$66,706,136.22	15	8	0	$2,051,510.59	($272,536.59)	$1,778,974.00
January - 2022	327	39	34	$39,655,772.69	$25,271,389.53	$64,927,162.22	7	4	(17)	($2,780,159.39)	($279,539.15)	($3,059,698.54)
December - 2021	320	35	51	$42,435,932.08	$25,550,928.68	$67,986,860.76	(14)	(12)	13	$733,971.22	($846,129.80)	($112,158.58)

ALL YEARS TOTAL OPEN CLAIMS FOR WORKERS' COMPENSATION AS OF July 31, 2024														
SCHOOL DISTRICT	OPEN		RE-OPENED		NEW		CLOSED		RESERVE		PAYMENT		TOTAL	
HISTORY	Chg	Ct	Chg	Ct	Chg	Ct	Chg	Ct	Change	Current	Change	Current	Change	Current
JULY-2024	(81)	956	(4)	21	+5	87	+38	189	(563,919)	$14,268,935.78	+319,675	$50,490,251.70	(244,244)	$ 64,759,187.48
JUNE-2024	(44)	1,037	(6)	25	(159)	82	(87)	151	(212,569)	$14,832,854.50	(761,756)	$50,170,576.65	(974,325)	$ 65,003,431.15

	OPEN		RE-OPENED		NEW		CLOSED		RESERVE		PAYMENT		TOTAL	
HISTORY	Chg	Ct	Chg	Ct	Chg	Ct	Chg	Ct	Change	Current	Change	Current	Change	Current
JULY-2024	(81)	956	(4)	21	(82)	87	(151)	189	($563,919)	$ 14,268,935.78	+$319,675	$ 50,490,251.70	($244,244)	$ 64,759,187.48
JUNE-2024	(44)	1,037	(6)	+25	(159)	82	(87)	151	($212,569)	$ 14,832,854.50	($761,756)	$ 50,170,576.65	($974,325)	$ 65,003,431.15
MAY-2024	34	1,081	(27)	+31	8	241	(68)	238	($31,133)	$ 15,045,423.61	+$864,631	$ 50,932,332.48	+$833,498	$ 65,977,756.09
APRIL-2024	(15)	1,047	+27	58	+75	233	+86	306	($308,539)	$ 15,076,556.59	($426,219)	$ 50,067,701.36	($734,759)	$ 65,144,257.95
MARCH-2024	+31	1,062	(35)	31	(99)	158	(119)	220	+$214,907	$ 15,385,095.75	+$607,686	$ 50,493,920.81	+$822,593	$ 65,879,016.56
FEBRUARY-2024	(16)	1,093	+15	66	(17)	257	+24	339	($138,503)	$15,170,189.21	+$50,320	$49,886,234.81	($88,183)	$ 65,056,424.02
JANUARY-2024	+40	1,109	+41	51	(1)	274	+67	315	+$1,034,520	$15,308,691.71	+$718,648	$49,835,914.38	+$1,753,168	$ 65,144,606.09
DECEMBER-2023	(30)	1,069	(44)	10	(28)	207	+7	248	+$599,426	$14,873,597.81	+$589,987	$49,707,253.61	+$1,189,413	$ 64,580,851.42
NOVEMBER-2023	+48	1,099	(14)	27	(49)	235	(10)	241	+$107,813	$14,274,171.37	($138,909)	$49,117,266.79	($31,095)	$ 63,391,438.16
OCTOBER-2023	+74	1,051	+6	41	(7)	284	+28	251	+$44,721	$14,166,358.01	+$559,806	$49,256,175.64	+$604,527	$ 63,422,533.65
SEPTEMBER-2023	+103	977	+16	35	(17)	291	(65)	223	+$126,044	$14,121,637.30	+$294,077	$48,696,369.34	+$420,121	$ 62,818,006.64
AUGUST-2023	+39	874	+1	19	+245	308	+127	288	+$132,605	$13,995,593.65	+$431,710	$48,402,292.11	+$564,315	$ 62,397,885.76
JULY-2023	(80)	835	(21)	18	(26)	63	(15)	161	($262,929)	$13,862,988.41	($143,520)	$47,970,582.09	($406,449)	$ 61,833,570.50
JUNE-2023	(48)	915	+18	39	(171)	89	(100)	176	($379,803)	$14,125,916.93	($219,030)	$48,114,102.48	($598,832)	$ 62,240,019.41
MAY-2023	+5	963	(3)	21	+12	260	+32	276	+$68,789	$14,505,719.52	+$573,316	$48,333,132.36	+$642,104	$ 62,838,851.88
APRIL-2023	+28	958	(2)	24	+42	248	(20)	244	+$208,786	$14,436,930.86	($167,817)	$47,759,816.67	+$40,969	$ 62,196,747.53
MARCH-2023	(32)	930	+0	26	(98)	206	(44)	264	+$324,401	$14,228,144.59	+$65,950	$47,927,633.81	+$390,351	$ 62,155,778.40
FEBRUARY-2023	+22	962	+4	26	+92	304	+53	308	+$152,151	$13,903,743.67	($6,557)	$47,861,683.74	+$145,594	$ 61,765,427.41
JANUARY-2023	(21)	940	(9)	22	+58	212	+54	255	($160,549)	$13,751,592.21	($150,749)	$47,868,241.18	($311,299)	$ 61,619,833.39
DECEMBER-2022	(16)	961	+0	31	(39)	154	(34)	201	($67,403)	$13,912,141.54	+$336,936	$48,018,990.62	+$269,533	$ 61,931,132.16
NOVEMBER-2022	(11)	977	+6	31	(73)	193	(14)	235	+$183,112	$13,979,544.16	+$140,739	$47,682,054.64	+$323,851	$ 61,661,598.80
OCTOBER-2022	+42	988	(4)	25	(14)	266	(12)	249	+$23,698	$13,796,432.07	+$495,740	$47,541,316.10	+$519,438	$ 61,337,748.17
SEPTEMBER-2022	+48	946	+8	29	+31	280	+5	261	+$113,539	$13,772,734.44	($36,008)	$47,045,575.78	+$77,531	$ 60,818,310.22
AUGUST-2022	+14	898	+7	21	+191	249	+123	256	+$245,756	$13,659,195.34	($176,954)	$47,081,584.06	+$68,802	$ 60,740,779.40
JULY-2022	(61)	884	(18)	14	(35)	58	(7)	133	($548,564)	$13,413,439.70	($1,038,108)	$47,258,537.68	($1,586,672)	$ 60,671,977.38
JUNE-2022	(15)	945	+10	32	(114)	93	(59)	140	($344,886)	$13,962,003.26	+$54,290	$48,296,645.97	($290,596)	$ 62,258,649.23
MAY-2022	+30	960	(1)	22	+29	207	+18	199	($24,133)	$14,306,889.60	+$353,763	$48,242,355.49	+$329,630	$ 62,549,245.09
APRIL-2022	+20	930	+1	23	(47)	178	(24)	181	($354,710)	$14,331,022.70	+$398,883	$47,888,592.21	+$44,173	$ 62,219,614.91
MARCH-2022	+42	910	+7	22	+59	225	+26	205	+$27,833	$14,685,732.34	($404,683)	$47,489,709.58	($376,850)	$ 62,175,441.92