

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

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

**Virtual: <https://meet.goto.com/489893269>
Dial in +1 (872) 240-3212
Access Code: 489-893-269**

Thursday, February 02, 2023

1. Call to Order

Mr. Al Park, NMPSIA Board President, called the NMPSIA Board Meeting to order at 9:01 a.m. on Thursday, February 2, 2023.

2. Roll Call

Ms. Kaylei Jones called roll.

Board Members Present:

Al Park, President	In-Person (left at 10:10am)
Chris Parrino, Vice President	In-Person (Chair after 10:10am)
Bethany Jarrell	In-Person
Denise Balderas	Virtual
Tim Crone	In-Person
K.T. Manis	Virtual
David Martinez, Jr.	Virtual
Sammy Quintana	In-Person

Board Members Absent:

Trish Ruiz
Travis Dempsey
Pauline Jaramillo

NMPSIA Staff Members Present:

Patrick Sandoval, Executive Director	In-Person
Martha Quintana, Deputy Director	In-Person
Cyndi Archuleta, Benefits/Wellness Manager	In-Person
Kaylei Jones, Benefits/Wellness Program Coordinator	In-Person
Lisa Jennings, Chief Financial Officer	In-Person
Charlette Probst, Finance/HR Manager	In-Person
Andrew Romero, Chief Procurement Officer	Virtual

Dion Romero, Accountant/Auditor
 Natasha Ortiz, Financial Specialist

Virtual
 Virtual

Audience Present:

Lisa Guevara	BCBSNM	Virtual
Samantha Mensay	BCBSNM	Virtual
Steve Vanetsky	CCMSI	In-Person
Vanessa Devine	CCMSI	Virtual
Jerry Mayo	CCMSI	In-Person
Louise Carpenter	CCMSI	Virtual
Richard Cangiolosi	CCMSI	In-Person
Courtney Barela	CCMSI	Virtual
Daniel Warner	CIGNA	Virtual
Lara Clower	CVS	Virtual
Daniel Foster	CVS	Virtual
David Lauck	CVS	Virtual
Sam Garcia	Davis Vision	In-Person
Albert Rhodes	Delta Dental	In-Person
Rich Bolstad	Delta Dental	Virtual
Kathy Payanes	Erisa Administrative Services	In-Person
Emma Reed	Erisa Administrative Services	Virtual
Michelle Alarid	Erisa Administrative Services	Virtual
Mike Barrios	Erisa Administrative Services	Virtual
Amy Bonal	Erisa Administrative Services	Virtual
Martin Esquivel	Esquivel & Howington	Virtual
Sandra Esquivel	Esquivel & Howington	Virtual
Joe Ortiz	Kubiac Melton and Associates	Virtual
Matt Smith	PFM	Virtual
Steve Valdez	Presbyterian	In-Person
Sharon Griffin	Presbyterian	Virtual
David Poms	Poms & Associates	In-Person
Rika Martinez	Poms & Associates	Virtual
Kevin McDonald	Poms & Associates	In-Person
Grant Banash	Poms & Associates	In-Person
Tamie Pargas	Poms & Associates	Virtual
Larry Vigil	Poms & Associates	In-Person
Julie Garcia	Poms & Associates	In-Person
Karen Mestas-Harris	Poms & Associates	In-Person
Erin Brannan	Poms & Associates	In-Person
Dan Foley	Poms & Associates	In-Person
Nura Patani	Segal	In-Person
Melissa Krumholz	Segal	Virtual
Greg Archuleta	The Standard	In-Person
Stephanie Anthony	United Concordia	Virtual

3. Introduction of Guests

Mr. Patrick Sandoval, Executive Director NMPSIA, introduced Mr. Joe Ortiz with Kubiak Melton and Associates, Mr. Matt Smith with PFM Asset Management, Ms. Nura Patani and Ms. Melissa Krumholz with Segal, Mr. David Lauck with CVS, and Ms. Kathy Payanes and Ms. Emma Reed with Erisa Administrative Services.

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

There are no citizens to address the Board.

5. Approval of Agenda (Action Item)

Mr. Park requested to move item 12, Executive Session, to after item 6 - Approval of December 2022 Minutes.

A motion was made to approve the agenda as amended.

MOTION: C. Parrino

SECONDED: B. Jarrell

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

6. Approval of December 8, 2022 Minutes (Action Item)

This item was tabled due to the fact that the minutes were not provide to the Board timely.

12. Executive Session to Discuss Competitive Sealed Proposals Solicited Pursuant to the Procurement Code Pursuant to §10-15-1 H (6) NMSA 1978 (Action Item)

12. A. RFP#342-2023-05 Property and Liability Claims Administrative Services

A motion was made to go into executive session to discuss Competitive Sealed Proposals Solicited Pursuant to the Procurement Code Pursuant to §10-15-1 H (6) NMSA 1978.

MOTION: D. Martinez, Jr.

SECONDED: C. Parrino

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

A motion was made to come out of executive session. No action was taken during the executive session. Only items listed were discussed.

MOTION: D. Martinez, Jr.

SECONDED: B. Jarrell

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

12. B. Any Action on the Discussion of Competitive Sealed Proposals Solicited Pursuant to the Procurement Code Pursuant to §10-15-1 H (6) NMSA 1978 (Action Item)

Mr. Park recommended Vendor A for Property and Liability Claims Administrative Services and to enter into contract negotiations and binding contract.

A motion was made to approve Vendor A for Property and Liability Claims Administrative Services and enter into contract negotiations and binding contract.

MOTION: D. Martinez, Jr.

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

7. Administrative Matters

7. A. Staff Update

Mr. Sandoval provided the staff update. Interviews for the Benefits Analyst were completed on January 10th and 11th. The finalist withdrew from consideration. The position was reposted and will close on February 3. All staff is back in the office effective today, February 2. Mr. Sandoval introduced Ms. Lisa Jennings, the new Chief Financial Officer. Ms. Jennings said a few words in regards to her experience.

7. B. Legislative Update

Mr. Sandoval provided the legislative update. Staff has been reviewing fiscal impact reports. Some bills that have been reported to NMPSIA include HB102 . This bill did pass the House Education Committee with a vote of 10:2. Additional bills under review include HB36, SB51, HB132, HB43, SB82 and SB126. Mr. Cangiolosi and Mr. Poms commented on upcoming bills that may have implications for the NMPSIA Risk Division.

7. C. IBAC Update

Ms. Cyndi Archuleta, Benefits/Wellness Manager NMPSIA, provided the IBAC update. The IBAC met on January 11, 2023 where Dr. Vesta Sandoval and Dan Lanari presented on behalf of Lovelace Health Systems. They shared the history of Lovelace, services available at their six hospitals and multi-specialty medical groups, and provided ranking results from LeapFrog in the areas of quality, service, and safety. Carrier updates were provided from Presbyterian. Presbyterian opened its new tower on January 20. The addition will add rooms and increase capacity to 698 beds. Presbyterian also launched their new wellness platform adding mobile optimization. All carriers are preparing for the 2023 Legislative Session. The next meeting will be held on March 8, 2023. Mr. Quintana asked if the IBAC has had any discussion regarding the clinic implementation. Ms. Archuleta informed the Board that Segal is on the agenda to present more on the clinic implementation today and how facilities can be made more accessible to rural communities.

7. D. COVID-19 Update

Mr. Sandoval provided the COVID-19 update. For the period March 2020 through December 2022 NMPSIA has seen 240,306 claims and \$46,824,013 in claim costs. The Biden Administration will end the public emergency order on May 11, 2023. The NMPSIA plan will no longer be required to pay for COVID tests, plans may limit COVID vaccine coverage to in-network providers and cost-sharing will be in effect for any COVID-related services.

7. E. Annual Meeting

Mr. Parrino recommended the Tamaya, Mr. Sandoval recommended Las Cruces, and Mr. Park recommended Cloudcroft. Ms. Probst confirmed the venue in Cloudcroft is not handicap accessible. Mr. Martinez, Jr. asked when the Annual Meeting would take place. The school year may be extended per legislation. Mr. Park requested that NMPSIA staff bring back information from a variety of venue locations.

7. F. 2023 Financial Disclosures

Mr. Sandoval reminded the Board members to submit their Financial Disclosures. If assistance is required, Ms. Natasha Ortiz and Ms. Charlotte Probst are available.

8. **Financial Matters**

8. **A. Financial Reports - October 2022 (Action Item)**

Ms. Lisa Jennings, Chief Financial Officer NMPSIA, presented the Statement of Revenues and Expenditures for period ending October 31, 2022 for the Employee Benefits Fund. Ms. Jennings reported revenue of \$29,825,230.19 and expenses of \$23,884,094.89, which resulted in a gain of \$5,941,135.30 for the month of October.

Ms. Jennings presented the Statement of Revenues and Expenditures for period ending October 31, 2022 for the Risk Fund. Ms. Jennings reported revenue of \$8,661,702.52 and expenses of \$7,578,920.57, which resulted in a gain of \$1,082,781.95 for the month of October.

Ms. Jennings presented the Statement of Revenues and Expenditures for period ending October 31, 2022 for the Program Support Fund. Ms. Jennings reported revenue of \$126,673.00 and expenses of \$131,007.13, which resulted in a net loss of \$4,334.13 for the month of October.

Ms. Jennings presented the Balance Sheet for the Agency for the period ending October 31, 2022. Program Support had total assets of \$1,042,160.13, total liabilities of \$228,197.62, and total fund equity of \$813,962.51. Employee Benefits had total assets of \$48,042,931.84, total liabilities of \$29,555,861.20, and total fund equity of \$18,487,070.64. Risk had total assets of \$156,601,105.40, total liabilities of \$147,778,464.03, and total fund equity of \$8,822,641.37. Total for the Agency through the month of October, total assets of \$205,686,197.37, total liabilities \$177,562,522.85, for a total fund equity of \$28,123,674.52.

A motion was made to approve the Financial Reports for October 2022 as presented.

MOTION: D. Martinez, Jr.

SECONDED: B. Jarrell

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

8. B. Financial Reports - November 2022 (Action Item)

Ms. Jennings presented the Statement of Revenues and Expenditures for period ending November 30, 2022 for the Employee Benefits Fund. Ms. Jennings reported revenue of \$30,222,372.89 and expenses of \$31,480,190.33, which resulted in a loss of \$1,257,817.44 for the month of November.

Ms. Jennings presented the Statement of Revenues and Expenditures for period ending November 30, 2022 for the Risk Fund. Ms. Jennings reported revenue of \$9,034,075.13 and expenses of \$7,948,501.05, which resulted in a gain of \$1,085,575.08 for the month of November.

Ms. Jennings presented the Statement of Revenues and Expenditures for period ending November 30, 2022 for the Program Support Fund. Ms. Jennings reported revenue of \$126,673.00 and expenses of \$95,145.71 which resulted in a gain of \$31,527.29 for the month of November.

Ms. Jennings presented the Balance Sheet for the Agency for the period ending November 30, 2022. Program Support had total assets of \$1,060,389.37 total liabilities of \$214,899.57, and total fund equity of \$845,489.80. Employee Benefits had total assets of \$47,813,938.99, total liabilities of \$30,584,685.79, and total fund equity of \$17,229,253.20. Risk had total assets of \$150,663,964.52, total liabilities of \$140,755,746.07, and total fund equity of \$9,908,215.45. Total for the Agency through the month of November, total assets of \$199,538,292.88, total liabilities \$171,555,334.43, for a total fund equity of \$27,982,958.45.

A motion was made to approve the Financial Reports for November 2022 as presented.

MOTION: S. Quintana

SECONDED: B. Jarrell

A roll call vote was taken.

Ms. Charlette Probst called roll.

Al Park, President	Absent
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Absent
Denise Balderas	Yes
Tim Crone	Yes
Travis Dempsey	Absent
Pauline Jaramillo	Absent
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes

Sammy Quintana Yes

Vote carried unanimously.

8. C. Financial Reports - December 2022 (Action Item)

Ms. Jennings presented the Statement of Revenues and Expenditures for period ending December 31, 2022 for the Employee Benefits Fund. Ms. Jennings reported revenue of \$28,096,387.22 and expenses of \$28,968,473.43, which resulted in a loss of \$872,086.21 for the month of December.

Ms. Jennings presented the Statement of Revenues and Expenditures for period ending December 31, 2022 for the Risk Fund. Ms. Jennings reported revenue of \$7,451,333.87 and expenses of \$6,642,262.67, which resulted in a gain of \$809,071.20 for the month of December.

Ms. Jennings presented the Statement of Revenues and Expenditures for period ending December 31, 2022 for the Program Support Fund. Ms. Jennings reported revenue of \$126,673.00 and expenses of \$148,265.38 which resulted in a net loss of \$21,592.38 for the month of December.

Ms. Jennings presented the Balance Sheet for the Agency for the period ending December 31, 2022. Program Support had total assets of \$1,043,716.14, total liabilities of \$219,818.72, and total fund equity of \$823,897.42. Employee Benefits had total assets of \$46,018,773.13, total liabilities of \$29,661,606.14, and total fund equity of \$16,357,166.99. Risk had total assets of \$143,782,561.64, total liabilities of \$133,065,274.99, and total fund equity of \$10,717,286.65. Total for the Agency through the month of December, total assets of \$190,845,050.91 total liabilities \$162,946,699.85, for a total fund equity of \$27,898,351.06.

A motion was made to approve the Financial Reports for December 2022 as presented.

MOTION: S. Quintana

SECONDED: B. Jarrell

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

8. D. FY 2022 Audit (Action Item)

Mr. Joe Ortiz, Kubiak Melton and Associates, presented the FY 2022 Audit. The auditors conducted an audit in accordance with auditing standards generally accepted in the United States. In the opinion of the auditors, the financial statements in question present fairly in all material aspects. The financial position of the business-type activities of NMPSIA as of June 30, 2022, the respective changes in financial position, the respective budgetary comparisons, and cash flows (where applicable) ended in accordance with accounting principles generally accepted in the U.S.

A motion was made to approve the FY 2022 Audit as presented.

MOTION: D. Martinez, Jr.

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

8. **E. Investment Performance Review for the Quarter ended December 31, 2022**

Mr. Matt Smith, PFM, presented the investment performance review. Overall the 4th quarter investment performance was driven by data with a lower likelihood of a recession in 2023. The labor market remains strong. Interest rates have shown the ability to plateau or even have the potential to come down. Stock and bond markets have done well over the last 4 months. Benefit's fund, quarter 1 performance was up 7.51% (benchmark performance is 7.03%) due to high performance in international equity. Total fund was down 16.6% in 2022. Total fund as of Jan. 1, 2022 was \$27,408,146, net flows were \$28,076 and market value as of Dec. 31, 2022 was \$22,836,828. The benefits fund ranks in the top 10 percentile when compared to NMPSIA's peers. For the risk fund, performance was very similar. Total fund as of Jan. 1, 2022 was \$11,687,778, net flows were \$8.9M and market value as of Dec. 31, 2022 was \$17,715,175. Mr. Parrino asked if PFM had any inclinations based on this data. Mr. Smith responded that they are optimistic. The lows of unemployment have softened but are hopeful the trend seen in the last 4 months will prove to be favorable.

9. **Benefit Matters**

9. **A. Temporary Waiver of Premium Payment Penalties (Action Item)**

Mr. Sandoval reported that in April of 2020, the Board granted a 10-day additional grace period for late premium payments to be collected without penalty. Since April of 2020, only two entities have paid after the 20-day total grace period. After discussion with the Benefits Advisory Committee, staff is recommending to end the Temporary Waiver of Premium Payment Penalties and revert to the Board policy effective May 11, 2023 to coincide with the end of the Federal Public Health Emergency Order.

A motion was made to end the Temporary Waiver of Premium Payment Penalties and revert to the Board policy effective May 11, 2023 to coincide with the end of the Federal Public Health Emergency Order.

MOTION: S. Quintana

SECONDED: B. Jarrell

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

9. B. Benefits Consulting and Actuarial Services Contract (Action Item)

Mr. Sandoval presented the Benefits Consulting and Actuarial Services Contract. At the December meeting, staff requested to enter into and bind a contract with Vendor A. Staff is requesting retroactive approval of the contract. The vendor can be announced after the Board grants approval.

A motion was made to approve the Benefits Consulting and Actuarial Services Contract.

MOTION: B. Jarrell

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

Mr. Parrino announced that Segal was selected to provide Benefits Consulting and Actuarial Services.

9. C. RSV and Flu Statistics

Ms. Nura Patani, Segal, presented the RSV and Flu Statistics. Data includes information from August-March of FY19 through FY23. Flu counts tend to spike during November through February. Most recent data shows nearly identical similarities to pre-pandemic counts (FY19-FY20). FY23 RSV data is drastically higher than prior years. Higher cases are consistent across carriers with the majority of claims being made by employees and dependent children (only a single case from a dependent spouse in any given month).

9. **D. Mapping of Clinic for Albuquerque, NM**

Ms. Patani provided a clinic feasibility analysis to include a clinic location in the Albuquerque area in addition to Farmington, Las Cruces and Roswell. This added location increased the percentage of NMPSIA population within a 1 hour drive to a clinic from 29% to 55%. This increase would reflect in the estimated savings as well. Ms. Patani estimates an increase in savings of just under \$2.1M with the added Albuquerque clinic. Mr. Crone pointed out that the clinic locations are few and far between. Ms. Patani noted that the initial clinics were placed based on where the majority of the membership is located. Mr. Crone also noted there is a large Native population in Northern New Mexico and asked if Ms. Patani thought if some of those members may have alternative access to IHS rather than utilizing the clinics. Ms. Patani spoke to the fact that Segal would need to gather additional demographic information. Mr. Quintana asked if the state has the resources to staff the clinics. Ms. Patani shares the concern. She noted that there is an option to ask clinic providers to submit responses to an RFI on how they intend to navigate that challenge. Mr. Parrino asked Ms. Patani to put together a presentation on the next steps for proceeding with an RFI.

9. **E. Approval of Stop Loss Contract-Retroactive (Action Item)**

Mr. Sandoval reminded the Board that Segal presented the Stop Loss Renewal Contract at the December meeting and requested retroactive approval.

A motion was made to retroactively approve the Stop Loss Contract.

MOTION: B. Jarrell

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

9. **F. FY2024 Projections and Premium Rate Setting Review**

Ms. Patani presented the preliminary rate setting for FY24. Historical trends show that PMPM increased 4.1% and membership has decreased 2.1% over the last 13 years. Assumptions for the projection include claims experience from December 2021-November 2022, approximately 7.0% blended medical and prescription trend and 4.0% dental trend. Revenues are based on enrollment as of January 5, 2023 and projections do not account for any anticipated COVID relief funds. The fund balance calculation assumes June 30 prepaid claims to be approximately \$5.5M with nearly a \$1M prepaid adjustment due to \$6.5M in prepaid claims as of November 30, 2022. Segal projects a \$1.7M total gain over FY23 and a fund balance of approximately \$16.8M as of June 30, 2023. In order to have premium revenue to support 1 month of claims by FY2028, Ms. Patani presented 3 different scenarios. One included a 6% increase to the High and EPO options and a 1.82% increase to the Low option (Baseline), 7.2% increase (scenario A) and a 7.24% increase (scenario B). Mr. Sandoval added that NMPSIA requested 2 special appropriations that are not included in this projection.

9. **G. SHAPE Report**

Ms. Patani presented the SHAPE Report. Of the key findings Ms. Patani noted that medical trends are lower than expected. This is mostly driven by lower inpatient severity and a higher utilization of lower-cost benefits. PMPM increases were mostly driven by the utilization of ER visits and outpatient lab work. Pharmacy trends are high but still consistent with expectations. These trends are driven by the high cost of treatment for autoimmune conditions and cancers. Experience for members with chronic conditions worsened due to large claimant activity (i.e. COVID, cancers and circulatory conditions). The percentage of members with diabetes is higher than last year and Segal benchmarks. A1c medication utilization has decreased. Care compliance for COPD and preventative cancer screenings are both below the benchmark.

9. **H. CVS Update**

Mr. David Lauck, CVS, presented the CVS Update. The total gross cost came in at \$36.5M (\$30.4M with rebates) for July through December. Net cost for the period, with rebates, is \$106.55 PMPM. NMPSIA membership is at an 81.3% generic dispensing rate which is slightly below the benchmark. Mr. Lauck shared the most costly categories and drugs. Antidiabetic medications are the most costly drug category (\$9M) followed by anti-inflammatory (\$5M) and Antineoplastics (\$2.8M). 8 out of 10 non-specialty drugs are classified as antidiabetic. NMPSIA has seen almost \$1.8M in savings through the Prudent Rx program. There are currently 476 NMPSIA members utilizing CVS Specialty. This program helps ensure compliance and support in the treatment of several diagnoses. Lastly, Mr. Lauck provided an implementation update on the Transform Diabetes Care (TDC) program where he covered the timeline for the launch of the new program. NMPSIA members previously supported by the Livongo program (approximately 980 individuals) are being transitioned for a seamless go-live date of February 1, 2023.

9. I. Erisa Open Switch Enrollment Stats

Mr. Kathy Payanes, Erisa Administrative Services, provided the Open/Switch Enrollment Stats. The 2022 NMPSIA Open/ Switch enrollment period commenced on October 1 and ended on November 18 with an effective date of January 1, 2023. NMPSIA and Erisa staff conducted six Open/Switch presentations across New Mexico. As of December 31, 2022 BlueCross BlueShield total enrollment is 265 employees and 505 employees and dependents, Presbyterian total enrollment is 315 employees and 578 employees and dependents, Cigna total enrollment is 17 employees and 36 employees and dependents, United Concordia Dental total enrollment is 171 employees and 383 employees and dependents, Delta Dental 480 employees and 949 employees and dependents, and Vision total enrollment is 587 employees and 1,195 employees and dependents. The Open/Switch enrollment reflected a net gain of 13 members for BlueCross BlueShield, a net gain of 8 members for Cigna, a net loss of 21 members for Presbyterian, a net gain of 298 for Delta Dental, and a net loss of 298 members for United Concordia.

9. J. Annual Statistical Package

Ms. Payanes presented the Annual Stat Package. First was a statement of NMPSIA Medical Eligibility. Enrollments have continued to decline over the last 5 years however there has been an increase in enrollment as of October 2022. The next statement includes number of lives, eligible, and the total month premium collected over the last 5 years. Ms. Payanes also presented a report which included demographic information such as average age, family size, salary and carrier allocation. Shown in a graph, the allocation of medical premium was presented. BlueCross BlueShield allocates the highest percentage of premium and medical allocates the largest percentage of premium when compared with all other lines of coverage (91.92%).

9. K. Erisa Mobile App Stats

Ms. Emma Reed, Erisa Web Developer, presented the mobile app update. The NMPSIA Mobile App has not gained much traction and there is not enough data to plot on a graph however the mobile app development team has set up a server to report on user actions such as number of page views and users who sign into the app. Ms. Reed shared efforts to market the app. These include mass email communications, adding a link to the home page of the website, and an informational landing page on the website. Incentives for app users has been a topic of discussion. Improvements include modernized login, aesthetic updates, and push notifications.

10. Risk Matters

10. A. TPA Reports

1. Property & Liability Monthly Claims Report

Mr. Steve Vanetsky, CCMSI, reported on the Property & Liability Monthly Claims Report for the month of October 2022. Property, there were 68 open claims, 2 new claims, and 11 claims were closed. Liability, there were 362 open claims, 80 new claims, and 65 claims were closed. Total payments and reserves were \$97,556,156.51. For November Property, there were 67 open claims, 10 new claims, and 14 claims were closed. Liability, there were 376 open claims, 52 new claims, and 45 claims were closed. Total payments and reserves were \$99,420,263.62. For December Property, there were 67 open claims, 5 new claims, and 5 claims were closed. Liability, there were 363 open claims, 27 new claims, and 42 claims were closed. Total payments and reserves were \$93,735,918.50.

2. Property & Liability Large Losses

Mr. Vanetsky reported large losses. One was out of Central Consolidated Schools, a kitchen fire in a teacher housing. Also, at Central Consolidated Schools, a frozen overhead fire suppression line that burst and caused flooding to the administration building. In Clovis High School an electrical short in the welding shop caused an interior fire. In Cimmaron an overhead water line ruptured due to extreme temperatures. Dexter Elementary School overhead water line ruptured resulting in flooding of a portable classroom. At Gallup a claim that was thought to be due to wind damage was later attributed to structure age. On the liability side a student suffered leg injuries when a hydraulic lift in auto shop class fell on the student. A bus accident in Portales, one student was taken to a hospital via air ambulance with a head injury. A claim from Santa Fe Community College, a tort claim regarding inappropriate contact. A loss out of Las Cruces, a pedestrian student was struck by a vehicle and sustained fatal injuries. An investigation into a teacher from Gadsden Independent Schools for inappropriate contact with students was discovered when a former student posted about the incident on social media that was picked up by KRQE news. As a caution a claim was opened.

3. Workers' Compensation Monthly Claims Report

Mr. Jerry Mayo, CCMSI, provided the Workers' Compensation Monthly Claims Report for Districts as of October 31, 2022. During the month of October, there were 988 open claims, 266 new claims, 25 claims were re-opened, and 249 claims were closed. Reserves were at \$13,796,432.07 and payments were \$47,541,316.10 for a total of \$61,337,748.17. During the month of November, there were 977 open claims, 193 new claims, 31 claims were re-opened, and 235 claims were closed. Reserves were at \$13,979,544.16 and payments were \$47,682,054.64 for a total of \$61,661,598.80. During the month of December, there were 961 open claims, 154 new claims, 31 claims were re-opened, and 201 were closed. Reserves were at \$13,912,141.54 and payments were \$48,018,990.62 for a total of \$61,931,132.16.

4. Workers' Compensation Large Losses

Mr. Mayo reported large losses at Eastern New Mexico University, a trip and fall resulting in a torn rotator cuff, with a final settlement which increased the reserves by a little over \$52,000. In Gallup, a worker moving a 55 gallon trash barrel had surgery on the right shoulder, with medical increases of \$56,000. Rio Rancho Public Schools, a 76 year old worker tripped and fractured right femur with surgery indemnity increase by a little over \$101,000. At Central Consolidated Schools two large losses; one person tripped over water bottles and had a tear of the left knee, with medical increased to \$61,000 and the second was a person that slipped and fell on water from a broken water pipe resulting in a torn rotator cuff on the right shoulder, with medical indemnity increased by \$62,000.

5. Workers Compensation Year-End Bill Review

Mr. Cangiolosi presented on Savings and Fee Summary. Every year CCMSI goes through the bill review process and Preferred Provider Discounts. Several years ago, CCMSI had a consultant build a review process to review the overall processes and make recommendations. At the time CCMSI was averaging about 52% savings per year. The consultant recommended that they could hit 56%. Last year CCMSI was able to save 60% total savings. Total charges were billed at \$12 million, 60% represents \$7.3 million dollars in savings. CCMSI implemented the consultant's recommendations and go through the preferred provider networks bi-annually and annually to re-arrange them and get better discounts.

10. B. Loss Prevention Committee Recommendations (Action Item)

Ms. Julie Garcia, POMS, presented the Loss Prevention Committee Recommendations. Recommendations include a National Database. There have been discussions held with Senator Lujan regarding a National Database. Issues include the fact that NASDTEC is dependent upon NMPED to provide information. Ms. Garcia also recommends NMPSIA review alternative Databases such as Offender Watch which is a database that cross-references sex offender data pulled directly from participating law enforcement. Additional training directed at children was also recommended. Ms. Garcia recommends working with the Attorney General's office to present a list of specific asks. Ms. Garcia recommends an anonymous reporting system. NMPSIA is in the process of running an RFP for an anonymous reporting system Poms and Associates will begin to audit schools for HB128 compliance as well as other regulatory HR and business office functions. Poms and Associates continue to work with Vector Solutions on which Districts have completed training.

On school violence, the recommendation is to improve interior and perimeter fencing, improved communications, secondary perimeter doors, visitor management systems, and interior and exterior door locks.

A motion was made to approve the Loss Prevention Committee Recommendations.

MOTION: S. Quintana

SECONDED: D. Martinez, Jr.

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

10. C. Loss Prevention Update

Mr. Larry Vigil, Poms and Associates, presented the Loss Prevention Abatement Report for November of 2022 and December of 2022. In November there were 30 total recommendations with 56.67% that were corrected. In December there were 195 total recommendations with 64.62% that were corrected. Year-to-date, 1,032 total recommendations with 75.29% that have been corrected which is above the benchmark of 70%. Ms. Quintana asked if Mr. Vigil follows up with the capital recommendations. Mr. Vigil responded that sometimes the capital improvements take more time hence the reason why the non-capital receive the majority of follow-ups.

11. General Discussion

Mr. Sandoval wished Ms. Quintana a happy Birthday. There were no other items to be discussed at this time.

**13. Next Meeting Date and Location: Thursday, February 2, 2023 (Action Item)
Location: Poms & Associates, 201 3rd Street, Suite 1400 and a virtual option**

The next meeting date will be on Thursday, March 2, 2023 at 9:00 a.m. located at Poms & Associates to be offered in-person and virtually.

No motion was made to approve the next meeting date and location.

MOTION: S. Quintana

SECONDED: B. Jarrell

A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

14. Adjournment (Action Item)

A motion was made to adjourn the meeting at 12:42p.m.

MOTION: S. Quintana

SECONDED: B. Jarrell

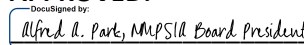
A roll call vote was taken.

Ms. Charlette Probst called roll.

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

Vote carried unanimously.

APPROVED:

DocuSigned by:

 Alfred A. Park, MUPSLA Board President
7ASC4B245034487

 Mr. Alfred Park, President

3/13/2023

Date