

**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/196362285>
Dial in +1 (408) 650-3123
Access Code: 196-362-285**

Thursday, May 04, 2023

1. Call to Order

Mr. Al Park, NMPSIA Board President, called the NMPSIA Board Meeting to order at 9:04 a.m. on Thursday, May 4, 2023.

2. Roll Call

Ms. Maria Lugo called roll.

Board Members Present:

Al Park, President	In-Person
Trish Ruiz, Secretary	Virtual (arrived 9:07am)
Denise Balderas	Virtual
Tim Crone	In-Person
Pauline Jaramillo	Virtual
David Martinez, Jr.	Virtual
Sammy Quintana	In-Person

Board Members Absent:

Chris Parrino
Travis Dempsey
Bethany Jarrell
K.T. Manis

NMPSIA Staff Members Present:

Patrick Sandoval, Executive Director	In-Person
Martha Quintana, Deputy Director	In-Person
Philip Gonzales, Chief Financial Officer	In-Person
Cyndi Archuleta, Benefits/Wellness Manager	In-Person
Kaylei Jones, Benefits/Wellness Program Coordinator	In-Person
Leslie Garcia, Benefits Analyst	In-Person
Claudette Roybal, Risk Program Coordinator	Virtual
Maria Lugo, Chief Procurement Officer	In-Person

Audience Present:

Lisa Guevara	BCBSNM	In-Person
Lisa Sullivan	BCBSNM	Virtual
Samantha Mensay	BCBSNM	Virtual
Christopher Baker	BCBSNM	Virtual
Steve Vanetsky	CCMSI	In-Person
Vanessa Devine	CCMSI	In-Person
Jerry Mayo	CCMSI	In-Person
Louise Carpenter	CCMSI	In-Person
Richard Cangiolosi	CCMSI	In-Person
Daniel Warner	Cigna	Virtual
David Lauck	CVS	Virtual
Gwendolyn Brant	CVS	Virtual
Cathy Fenner	Davis Vision	In-Person
Albert Rhodes	Delta Dental	In-Person
Rich Bolstad	Delta Dental	In Person
Kathy Payanes	Erisa Administrative Services	In-Person
C. S. Hwa	Erisa Administrative Services	Virtual
Amy Bonal	Erisa Administrative Services	Virtual
Martin Esquivel	Esquivel & Howington	In-Person
Joseph Simon	Legislative Finance Committee	Virtual
Ellen Clark	PFM	Virtual
Steve Valdez	Presbyterian	In-Person
David Poms	Poms & Associates	Virtual
Rika Martinez	Poms & Associates	Virtual
Kevin McDonald	Poms & Associates	In-Person
Tamie Pargas	Poms & Associates	In-Person
Larry Vigil	Poms & Associates	In-Person
Julie Garcia	Poms & Associates	In-Person
Grant Banash	Poms & Associates	In-Person
Karen Mestas-Harris	Poms & Associates	In-Person
Nura Patani	Segal	Virtual
Greg Archuleta	The Standard	In-Person
Stephanie Anthony	United Concordia	In-person
Terry Holtz	United Concordia	In-person

3. Introduction of Guests

Mr. Patrick Sandoval, Executive Director NMPSIA, introduced Ms. Ellen Clark from PFM Asset Management, and Ms. Terry Holtz and Ms. Stephanie Anthony from United Concordia.

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

There are no citizens to address the Board.

5. **Approval of Agenda (Action Item)**

A motion was made to approve the agenda as presented.

MOTION: S. Quintana

SECONDED: T. Crone

A roll call vote was taken.

Ms. Maria Lugo called roll.

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

Vote carried unanimously.

6. **Approval of April 2023 Minutes (Action Item)**

A motion was made to approve the April 6, 2023 Minutes.

MOTION: T. Crone

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Maria Lugo called roll.

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

Vote carried unanimously.

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

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: S. Quintana

A roll call vote was taken.

Ms. Maria Lugo called roll.

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

A roll call vote was taken.

Ms. Maria Lugo called roll.

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

David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

7. **F. 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)**

7. **A. RFP# 342-2023-04 Anonymous Reporting System**

A motion was made to approve the committee's selected vendor A and enter into contract negotiations and bind a contract.

MOTION: D. Martinez, Jr.

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Maria Lugo called roll.

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

Vote carried unanimously.

7. **B. RFP# 342-2023-07 Insurance Broker, Consulting, Administrative Services and Loss Prevention Services**

A motion was made to approve the committee's selected vendor A and enter into contract negotiations and bind a contract.

MOTION: S. Quintana

SECONDED: T. Crone

A roll call vote was taken.

Ms. Maria Lugo called roll.

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

Vote carried unanimously.

7. C. RFP# 342-2023-09 Driving Record Information, Retrieval and Dissemination Services

A motion was made to approve the committee's selected vendor A and enter into contract negotiations and bind a contract.

MOTION: T. Crone

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Maria Lugo called roll.

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

Vote carried unanimously.

7. D. RFP# 342-2023-10 General Legal Counsel Services

A motion was made to approve the committee's selected vendor A and enter into contract negotiations and bind a contract.

MOTION: D. Martinez, Jr.

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Maria Lugo called roll.

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

Vote carried unanimously.

7. **E. RFP# 342-2023-12 Workers' Compensation Third-Party Dedicated Claims Administration Services**

A motion was made to approve the committee's selected vendor A and enter into contract negotiations and bind a contract.

MOTION: S. Quintana

SECONDED: T. Crone

A roll call vote was taken.

Ms. Maria Lugo called roll.

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

Vote carried unanimously.

8. Administrative Matters

8. A. Staff Update

Mr. Sandoval provided the staff update. Mr. Sandoval notified the Board that Mr. Dion Romero will retire on May 31, 2023. The CFO position was filled by Mr. Phillip Gonzales. The CPO position was filled by Ms. Maria Lugo. The Benefits Analyst position was filled by Ms. Leslie Martinez-Garcia. Mr. Gonzales comes to NMPSIA with 20 years of experience in State Government, Ms. Lugo with 5 years in State Government, and Ms. Garcia with 20 years experience in insurance.

8. B. COVID-19 Update

Ms. Martha Quintana, Deputy Director NMPSIA, provided the COVID-19 update. On April 24, 2023 an email was sent to all members enrolled in a medical plan advising the end of the federal Public Health Emergency on May 11, 2023, and the sunseting mandates. NMPSIA advised of extending the zero cost share mandated to June 20, 2023 that includes over-the-counter tests, in-network and out of network testing and treatment. After June 20, vaccinations will be covered in-network as a preventative service, over-the-counter testing will no longer be covered, and testing and treatment will be covered according to where the service was received. This message is on the website. Ms. Quintana reported Covid costs through March were \$47,526,253 for 245,094 claims.

9. Financial Matters

9. A. Approval of March 2023 Financials (Action Item)

Mr. Gonzales, presented the Statement of Revenues and Expenditures for the period ending March 31, 2023 for the Employee Benefits Fund. Mr. Gonzales reported revenue of \$29,663,462.82 and expenses of \$29,158,379.29, which resulted in a net gain of \$505,083.53 for the month of March.

Mr. Gonzales presented the Statement of Revenues and Expenditures for the period ending March 31, 2023 for the Risk Fund. Mr. Gonzales reported revenue of \$8,398,172.93 and expenses of \$9,964,028.22, which resulted in a net loss of \$1,565,900.29 for the month of March.

Mr. Gonzales presented the Statement of Revenues and Expenditures for the period ending March 31, 2023 for the Program Support Fund. Mr. Gonzales reported revenue of \$126,673.00 and expenses of \$104,687.77, which resulted in a net gain of \$21,985.23 for the month of March.

Mr. Gonzales presented the Balance Sheet for the Agency for the period ending March 31, 2023. Program Support had total assets of \$965,102.29, total liabilities of \$92,580.48, and total fund equity of \$872,521.81. Employee Benefits had total assets of \$50,786,911.72, total liabilities of \$29,245,131.57, and total fund equity of \$21,541,780.15. Risk had total assets of \$124,569,152.13, total liabilities of \$113,614,193.77, and total fund equity of \$10,954,958.36. The total fund equity for the Agency through the month of March was \$33,369,260.32.

A motion was made to approve the Financial Reports for March 2023 as presented.

MOTION: S. Quintana

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Maria Lugo called roll.

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

Vote carried unanimously.

9. B. Approval of Budget Adjustment Request for Risk Fund (Action Item)

Mr. Sandoval reported that staff is requesting authority to complete a Budget Adjustment Request (BAR) for the Risk Fund. Currently, the Risk Fund is showing a deficit of \$20 million when comparing projected expenditures to the FY23 Operating Budget. There are two Sexual Assault & Molestation claim payouts projected in April and May in the amount of \$6.7 million. In the FY23 Appropriation Request the agency requested \$96.3 million and the budget received was \$86.5 million, a difference of \$9.8 million. Staff would like to monitor claims for another two weeks before submitting the BAR to ensure a justifiable amount is requested. The BAR deadline is May 19, 2023.

A motion was made to approve a Budget Adjustment Request and provide staff authority to submit an amount that is necessary to cover expenses for the remainder of the fiscal year.

MOTION: T. Ruiz

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Maria Lugo called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Absent
Trish Ruiz, Secretary	Yes

Denise Balderas	Yes
Tim Crone	Yes
Travis Dempsey	Absent
Pauline Jaramillo	Yes
Bethany Jarrell	Absent
K.T. Manis	Absent
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

9. C. FY24 Operating Budget (Action Item)

Mr. Gonzales reported that HB2 appropriated \$474,189,900 to the Authority which includes 1 additional FTE, an Executive Secretary/Admin Assistant for FY 2024. Section 8 allocated \$62,400 for a 6% compensation increase for FY 2024. The amount allocated is split equally between Benefits and Risk, and increases the amount budgeted. The total amount budgeted for FY 2024 after adding the compensation allocation is \$474,314,700. Section 13 allows for budget increases for claims that is the same language as the current fiscal year.

A motion was made to approve the FY24 Operating Budget as presented.

MOTION: T. Crone

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Maria Lugo called roll.

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

Vote carried unanimously.

9. **D. Approval of Contract for Independent Public Accountant for FY23 Audit (Action Item)**

Mr. Sandoval reported that he reached out to Mr. Trujillo to verify the rate. Mr. Trujillo informed him that Kubiak was increasing their client rates for FY23 Audits due to increased labor costs and general economic environment conditions and inflation. For Fiscal Years 2016-2022 the blended hourly rate paid was \$115 per hour and did not change. Due to the current economic conditions, Kubiak has asked to increase their blended hourly rate to \$125 per hour. The 2018 State Audit Rule Training indicated the average hourly fee for audits like NMPSIA was approximately \$125 an hour. This was over 5 years ago. Last year alone, the inflation in the US was 6.5%. Audit budgets for state agencies change by 3 to 4 percent every year for budgeting purposes and our rate has been consistent for the last 6 years. The Audit quote is still the best obtainable price due to a blended rate of \$125 per hour from the 2018 audit training and Kubiak having familiarity with the agency. Staff is asking for approval of the FY23 Audit Contract with a blended increase of \$125 per hour for a total of \$41,750 excluding gross receipts tax.

A motion was made to approve the Contract for Independent Public Accountant for the FY23 Audit.

MOTION: D. Martinez, Jr.

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Maria Lugo called roll.

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

Vote carried unanimously.

9. **E. Investment Performance Review for the Quarter Ended March 31, 2023**

Ms. Ellen Clark, PFMAM, reported that markets have been more positive in 2023 than 2022. Small-caps, as represented by the Russell 2000 Index, returned 2.74% during the quarter, lagging behind mid- and large-caps. The Russell Midcap and Russell 1000 indices returned 4.06% and 7.46%, respectively. The Russell 2000 index had a return 2.74 for the quarter.

In March, volatility increased following the collapse of Silicon Valley Bank and Signature Bank. Before the collapses, as of March 8, the year-to-date for the S&P 400 (6.6%) and S&P 600 (6.6%) were outpacing the S&P 500 (4.3%). As investors became more risk-averse they moved to larger companies, hence the S&P 500 (7.5%) finished the quarter ahead of the S&P 400 (3.8%) and S&P 600 (2.5%). Markets outside of the United States, as measured by the MSCI ACWI ex-U.S. Index, slightly underperformed their U.S. counterparts, returning 6.87% for the quarter, despite starting the year on a stronger footing. The trailing 1-year return for non-U.S. equity was -5.07%, which outperformed domestic markets. The U.S. bond market represented by the Bloomberg U.S. Aggregate (Aggregate) Index had a strong first quarter, up 2.96%.

The trailing one-year period remained negative with a loss of -4.78%. Inflation cooled this quarter as energy prices fell and food prices held flat. Wage growth also slowed, with gains of 4.2% year-over-year at quarter end, compared to nearly 6% one year ago, which are all possible signs of easing inflationary pressures. The headline consumer price index (CPI) gained 5.0% compared to a year earlier in March. While still above the Federal Reserve's (Fed) target of 2%, the quarter ended with the ninth-straight month of easing price growth on an annual basis. The domestic labor market continued to show strength, with the unemployment rate ending at a flat 3.5%. The Benefits Fund ended the quarter at \$24,055,998, a bit below the benchmark at 5.34%. The Risk Fund ended the quarter at \$18,659,821 an increase of 5.33%.

9. **F. Rebalancing of Long Term Investments (Action Item)**

Ms. Clark reported that inflation has continued to moderate over the last several months and the PFMAM Multi-Asset Class Investment Committee ("Committee") believes this trend will continue. While the Federal Reserve is expected to announce additional rate hike(s) to bring down inflation, the Committee believes we are nearing the end of this rate hike cycle. Within the U.S., economic data has been mixed with a slowdown in manufacturing activity and corporate earnings contrasted by strong labor markets and continued services spending. The economy has been showing signs of slowdown and the Committee expects the economic slowdown to continue, even as the probability of an economic recession has declined. The recent pivot away from COVID-zero policy and economic reopening in China has added to global economic momentum at a time when Europe has skirted recession due to a milder winter and falling energy prices.

Mid-caps and small-caps, as denoted by S&P MidCap 400 Index and S&P SmallCap 600 Index, have been trading at attractive valuations relative to large-caps, as denoted by S&P 500 Index, over the last few years. Currently, the earnings expectations across mid-and small-cap stocks have held up better than that of large-caps. This, combined with the attractive relative valuations, has led the Committee to recommend overweighting this exposure relative to the broad market. Within international equity, the Committee supports increasing exposure to emerging markets to take advantage of the economic reopening in China that is expected to lead a resurgence in consumption of goods and services. This resurgence is expected to benefit several countries across emerging and developed markets, especially the ones that have significant exports to China. Both the Benefits and Risk funds are currently underweight emerging markets due to our previous concerns around China's economic growth trajectory. However, with the reopening underway, the Committee recommends removing this underweight and bringing emerging market exposure in line with the benchmark.

As a result, PFMAM recommends rebalancing the portfolios to reflect a slight overweight of the U.S. Mid/Small Cap Index pool as well as the target weight to the Non-U.S. Emerging Markets Index pool. Based on 3/31/23 allocations, this would require a decrease in exposure to the U.S. Large Cap Index pool and the Non-U.S. Developed Markets Active pool, balanced by an equal increase in the allocations to the U.S. Mid/Small Cap Index pool as well as the Non-U.S. Emerging Markets Index pool.

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

MOTION: S. Quintana

SECONDED: T. Crone

A roll call vote was taken.

Ms. Maria Lugo called roll.

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

Vote carried unanimously.

10. **Benefits Matters**

10. **A. United Concordia Updates**

Ms. Stephanie Anthony and Ms. Terry Holtz presented the United Concordia Update. Ms. Holtz shared two new features. The first was a partnership with Teledentix which is a web-based service that facilitates virtual dental consultations. This new feature will bring the ability to triage for emergency situations. Members will be able to obtain prescriptions for antibiotics or non-opioid pain medications and will navigate care away from more costly options such as urgent care or the emergency room. Ms. Anthony shared information about a new cost estimator tool so members can be better prepared for expected expenses at the time of service. Ms. Anthony proceeded with a brief demo of the tool.

10. B. Approval of Presbyterian Contract Amendment (Action Item)

Ms. Quintana presented the Presbyterian Contract Amendment. Staff is requesting approval to make the three following changes:

1. The original language in Section 3 stated that gross receipts tax (GRT) would not be applicable to all claims whereas the amendment would allow GRT to be applicable to certain claims. Presbyterian would be required to inform NMPSIA, with 90 days notice, if any new GRT will be imposed.

2. Pursuant to Exhibit C, Neo Natal Case Management would be removed from the Administrative Fees as there are no additional costs to be passed onto NMPSIA.

3. Remove the reference to "2020-2021" in the title of this Exhibit. A paragraph was added to Exhibit F to indicate when this Exhibit may be subject to amendment.

A motion was made to approve the Presbyterian Contract Ammendment as presented.

MOTION: T. Crone

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Maria Lugo called roll.

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

Vote carried unanimously.

10. C. Wellness Update

Ms. Cyndi Archuleta, Benefits/Wellness Manager NMPSIA, provided the Wellness Update. Ms. Archuleta reported 83 participants, 81 mobile app users, 275 cumulative pounds lost, and 3,306 "behavior tools" were used during the September 2022 WondrHealth Campaign. These participants are now in the next phase of the program, WonderUP. So far, the February 2023 Campaign has received 396 participants and the April 2023 Campaign has received 190 participants.

Ms. Archuleta also provided an update on the CVS Transform Diabetes Care Program, TDC. To date, 3,231 members have been identified as eligible and 3,091 of those members were identified to have gaps in care. Members identified with gaps in care will be contacted via email, home mailer and phone calls. The TDC Health Optimizer app is an enhanced digital suite to support members with nutrition, lifestyle, and weight management. The app includes an extensive, and culturally diverse recipe library, a restaurant finder feature, and interactive meal planner capability. With artificial intelligence driven functionality, the app also offers real-time personalized nutrition guidance.

The 2023 Annual Benefits Trainings will be in-person and taking place on July 10 in Farmington, July 12 in Las Vegas, July 13 in Roswell, July 14 in Rio Rancho (this training will be recorded to be posted on the NMPSIA website), and July 18 in Las Cruces. Presenters include NMPSIA, Erisa, CCMSI, Wellness Team and Poms & Associates. The areas of focus will include Struggles with Enrollment, Workers' Compensation, "Why Wellness", Benefits "Smart Consumer", Online Enrollment and Ergonomics Assessment. The target audience for the trainings includes School Benefits, Payroll, Leave of Absence, Risk, and Workers' Compensation staff. A letter was sent to NMPSIA participating superintendents encouraging their support in allowing their staff to attend a training course near them.

Lastly, Ms. Archuleta provided an update on the Wellness Ambassador Program. Recruitment for the 2023-24 Wellness Ambassador Program is underway NMPSIA has received 12 applications to date.

11. Risk Matters

11. A. Approval of Contract for Property and Liability Claims Administration Services (Action Item)

Mr. Sandoval reported that staff is bringing the contract for Property and Liability Claims Administration Services to be approved by the Board. A contract has been negotiated with vendor A and reviewed by staff, Mr. Esquivel, and Mr. Poms. The vendor can be disclosed after the contract is approved by the board.

A motion was made to approve the contract for Property and Liability Claims Administration Services.

MOTION: T. Ruiz

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Maria Lugo called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Absent
Trish Ruiz, Secretary	Yes
Denise Balderas	Yes

Tim Crone	Yes
Travis Dempsey	Absent
Pauline Jaramillo	Yes
Bethany Jarrell	Absent
K.T. Manis	Absent
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

Mr. Park announced that vendor A is CCMSI and congratulated Mr. Cangiolosi, Regional Vice President of CCMSI and thanked him for all the years of service to NMPSIA.

11. B. TPA Reports

1. Property & Liability Monthly Claims Report

Mr. Steve Vanetsky, CCMSI, reported on the Property & Liability Monthly Claims Report for the month of March 2023. Property had 83 open claims, 13 new claims, and 5 claims were closed. Liability had 395 open claims, 56 new claims, and 58 claims were closed. Reserves were at \$62,187,138.75 and payments were \$34,634,827.89 for a total of \$96,821,966.64.

2. Property & Liability Large Losses

Mr. Vanetsky reported large losses. On the property side, one large loss at Highlands University citing potential smoke and soot in the HVAC system stemming from last years Calf Canyon, and Hermits Peak wildfires. There are two areas of concern, the library and the science and technology building. An Industrial Hygienist is obtaining samples to determine the scope of work that will be required for remediation efforts. This loss is expected to exceed the \$50,000 reporting threshold. The excess carriers are on notice. Mr. Vanetsky updated on the loss out of Las Cruces, Sonoma Elementary hail damage, the engineer cannot pinpoint the date of loss, there have been several hail events that have passed through the Las Cruces area. The loss is expected to be around \$1.8 million.

On the liability side, in Bloomfield, criminal sexual misconduct. Bloomfield Police Department was notified by the district following an anonymous notification by CYFD. No formal claim has been advanced yet, the excess carriers have been notified. A lawsuit out of Santa Fe Community Collage, wrongful death, this was a motor vehicle accident involving a motorcyclist. A claim out of Eastern New Mexico University, the volunteer trainer and husband of the women's basketball team, a suit has been filed. Mr. Vanetsky also reported on four new staff members that have started with CCMSI.

3. Workers' Compensation Monthly Claims Report

Mr. Jerry Mayo, CCMSI, provided the Workers' Compensation Monthly Claims Report for Districts as of March 31, 2023. During the month of March, there were 930 open claims, 206 new claims, 26 claims were re-opened, and 264 claims were closed. Reserves were at \$14,228,144.59 and payments were \$47,927,633,81 for a total of \$62,155,778.40.

4. Workers' Compensation Large Losses

Mr. Mayo reported a large loss at Alamogordo Public Schools, an employee was unloading groceries and felt a popping in her shoulder full thickness rotator cuff tear. We maxed medical improvement, so we increased reserves for permanent partial disability and medical which was just over \$73,000 for that reserve increase. Clovis Schools a person fell and injured her left shoulder, shattered the humeral head. The reserved were temporary total disability, permanent partial disability and of course medical, the total increase was \$133,000. Cuba Independent Schools a worker was monitoring the children on the bus while standing, the bus hit a bump causing the worker to fall on her right leg. She had knee surgery, so a temporary total disability, permanent, partial disability, and medical were increased to over \$88,000. In Edgewood a worker was pulling carpet had back pain, didn't lose time from work, but once maximum medical improvement was reached, the district was no longer able to accommodate the restrictions. So, that's a 52% permanent partial disability, there is a dispute, entering legal fees as well as expenses, that was increased to a little over \$78,000.

11. C. Loss Prevention Update

Mr. Larry Vigil, Poms and Associates, presented the Loss Prevention Abatement Report for March 2023. In March there was a 72.05% abatement for non-capital recommendations. There were 830 total recommendations, total capital recommendations were 41, and total non-capital were 780. Corrected non-capital were 562, and corrected capital were 21 for a total of 583 corrected. The corrected recommendations percentage for March was 70.24%. Mr. Vigil also reported an imminent hazard in Las Cruces, they had LED strip lights rigged into a florescent light fixture. The classroom was closed and a contractor came and removed the strip lights within 24 hours of the room being closed.

Ms. Julie Garcia, wanted to share a video that was on CBS news. The news did an investigation on students, the investigation found that by the time students graduate high school, more than five million students had experienced sexual misconduct ranging from harassment to assault. Some schools with allegations for teacher sexual abuse are made to go away quietly, without any record. It's called passing the trash. When these teachers move on the school would write recommendation letters. On average on teacher passes through three different school districts before they are stopped. One teacher was able to abuse 73 children. Julie pointed out that in one school district between 1999 and 2022 they had 25 abusers. There is language in the Education Every Student Succeeds Act about passing the trash and mandating every state to have language, and only 23 of the states actually go the language in policy. Ms. Garcia will provide the video to NMPSIA staff for distribution to the Board members.

12. General Discussion

Mr. Crone reported that a line item veto took out the word "average" in the raise language which meant Northern NM Collage was not able to negotiate salaries for staff. A bill passed to remove the cap on the employer benefit premium contribution that was funded and allowed the negotiation to allow 100% employer benefit premium contribution for the lowest paid staff.

Ms. Kaylei Jones, Benefits/Wellness Program Coordinator NMPSIA, reminded Board members to book their rooms for the annual meeting.

**13. Next Meeting Date and Location: Thursday, June 8, 2023 (Action Item)
Location: Poms & Associates, 201 3rd Street, Suite 1400 and a virtual option**

The next meeting date will be on Thursday, June 8, 2023 at 9:00 a.m. located at Poms & Associates to be offered in-person and virtually.

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

MOTION: S. Quintana

SECONDED: T. Crone

A roll call vote was taken.

Ms. Maria Lugo called roll.

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

Vote carried unanimously.

14. Adjournment (Action Item)

A motion was made to adjourn the meeting at 11:06 am.

MOTION: S. Quintana

SECONDED: T. Crone

A roll call vote was taken.

Ms. Maria Lugo called roll.

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

Vote carried unanimously.

APPROVED:

DocuSigned by:
Alfred A. Park, NMPSIA Board President
7A5C8B245034497

Mr. Alfred Park, President

6/12/2023

Date