

**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/192738677>
Dial in +1 (646) 749-3122
Access Code: 192-738-677**

Thursday, October 06, 2022

1. Call to Order

Mr. Al Park, NMPSIA Board President, called the NMPSIA Board Meeting to order at 9:00 a.m. on Thursday, October 6, 2022.

2. Roll Call

Ms. Kaylei Jones called roll.

Board Members Present:

Al Park, President	In-Person
Trish Ruiz, Secretary	In-Person
Denise Balderas	Virtual
Travis Dempsey	Virtual
Pauline Jaramillo	In-Person
Bethany Jarrell	In-Person
K.T. Manis	In-Person
David Martinez, Jr.	Virtual
Sammy Quintana	In-Person

Board Members Absent:

Tim Crone
Chris Parrino

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
Claudette Roybal, Risk Program Coordinator	Virtual
Dion Romero, Accountant/Auditor	Virtual
Natasha Ortiz, Financial Specialist	Virtual

Audience Present:

Lisa Guevara	BCBSNM	Virtual
Joe Lopez	CBA	In-Person
Steve Vanetsky	CCMSI	Virtual
Jerry Mayo	CCMSI	Virtual
Courtney Barela	CCMSI	Virtual
Louise Carpenter	CCMSI	Virtual
David Chavez	CES	Virtual
Daniel Warner	Cigna	In-Person
Sam Garcia	Davis Vision	In-Person
Rich Bolstad	Delta Dental	Virtual
Kathy Payanes	Erisa Administrative Services	In-Person
Amy Bonal	Erisa Administrative Services	Virtual
CS Hwa	Erisa Administrative Services	Virtual
Mike Barrios	Erisa Administrative Services	Virtual
Martin Esquivel	Esquivel & Howington	In-Person
David Poms	Poms & Associates	In-Person
Rika Martinez	Poms & Associates	Virtual
Grant Banash	Poms & Associates	Virtual
Kevin McDonald	Poms & Associates	In-Person
Tamie Pargas	Poms & Associates	In-Person
Dan Foley	Poms & Associates	In-Person
Larry Vigil	Poms & Associates	In-Person
Susan Garcia	Poms & Associates	In-Person
Steve Valdez	Presbyterian Health Plan	In-Person
Sharon Griffin	Presbyterian Health Plan	Virtual
Melissa Krumholz	Segal	Virtual
Scott McEachern	Segal	Virtual
Amy Merrick	Segal	Virtual
Jennifer Oswald	The Standard	In-Person
Debby Holt	United Concordia	In-Person
Terry Holtz	United Concordia	In-Person
Stephanie Anthony	United Concordia	In-Person
Ryan Schmid	Vera Whole Health	Virtual

3. Introduction of Guests

Mr. Patrick Sandoval, Executive Director NMPSIA, introduced Amy Merrick, Melissa Krumholz, and Scott McEachern with Segal, Daniel Warner with Cigna, Steve Valdez with Presbyterian, Jennifer Oswald with The Standard, Stephanie Anthony with United Concordia Dental, Philip Frederick with Vera Whole Health and David Chavez with CES, Sam Garcia with Davis Vision and Joe Lopez with CBA. Mr. Sandoval also introduced new board member, Mr. Travis Dempsey representing the New Mexico Superintendents Association.

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

There are no citizens to address the Board.

5. Approval of Agenda (Action Item)

Mr. Sandoval requested to amend the agenda to remove item 8.A Financial Reports - July 2022, move item 9.B. Employee Benefits Fund Actuarial Analysis June 30, 2022 to item 9.A., and move item 9.C. Cigna Annual Report to 9.B.

A motion was made to approve the agenda as amended.

MOTION: T. Ruiz

SECONDED: B. Jarrell

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

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

A motion was made to approve the September 8, 2022 Minutes as presented.

MOTION: T. Ruiz

SECONDED: B. Jarrell

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

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

Vote carried unanimously.

7. Administrative Matters

7. A. Out-of-State Travel Request to Attend 2022 National Comp Conference October 19-21, 2022 – Las Vegas, NV (Action Item)

Mr. Sandoval provided details on the National Comp Conference. Budget allows for three members to attend. The conference will be held in Las Vegas on October 19-21. Registration fees are \$1,600 per person which includes conference sessions network notes and all general sessions. The flights are \$350-\$550. Board members that attended the conference last year attested to the conference being a great opportunity for networking and overall very beneficial.

A motion was made to approve the Out-of-State Travel Request to Attend 2022 National Comp Conference October 19-21,2022 - Las Vegas, NV for three board members to attend the 2022 National Comp Conference.

MOTION: T. Ruiz

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

7. B. Staff Update

Mr. Sandoval reported interviews for the Chief Procurement Officer Management Analyst position were held on October 20th and an offer was made and accepted by Mr. Andrew Romero who will begin employment with NMPSIA starting on October 15th. Staff is currently waiting to conduct interviews for the Benefits Analyst position and Financial/HR Manager. Ms. Cyndi Archuleta was hired for the Benefits/Wellness Manager position and started NMPSIA employment on October 1, 2022. Ms. Archuleta was with GSD for 14 years and shared that she has great ideas to take NMPSIA to the next level.

7. C. Legislative Update

Mr. Sandoval attended the Legislative Health and Human Services committee meeting on September 6, 2022, with Mr. Neil Keiffer, Retiree Health Care Authority, and Mr. Randall Cherry State of New Mexico. The IBAC was asked to present on how they purchase health care services.

Staff met with Representatives Lara, Sariñana, and Ellison on September 12 to discuss monthly premiums, changing the NMPSIA tier schedules and shifting more of the cost share to the employer than the member, to make premiums more affordable for the employee.

On September 28th staff met with Joseph Simon from the LFC to discuss the NMPSIA tier schedules and possible scenarios requested by Representatives from the September 12th meeting.

Staff also met with Ms. Marianna Padilla from the governor's office and Mr. Gregory Frostad with PED on September 28. These meetings were held to discuss NMPSIA's employee benefit plans, contribution schedules and the possibility of changing the NMPSIA tier schedules. Mr. Sandoval reported there will be a big emphasis on changing the tier schedules this session.

7. D. RFP Update

Mr. Sandoval reported on three current RFPs (Bundle Payment Arrangement for Surgical Services due Oct 6, Benefits Consulting and Actuarial Services due October 11, and IBAC Group Basic Life and AD&D, Group Voluntary Life and AD&D, and Group Long Term Disability due November 15). Staff is requesting two members from the board to serve on each committee.

After Board discussion, it was determined that Mr. Mannis and Ms. Jarell will serve on the Benefits Consulting and Actuarial Services RFP, Ms. Jaramillo and Ms. Ruiz will serve on the IBAC Group Basic Life and AD&D, Group Voluntary Life and AD&D, and Group Long Term Disability, and Mr. Martinez Jr. and Ms. Balderas will serve on the Bundle Payment Arrangement for Surgical Services RFP.

7. **E. COVID-19 Update**

Health Order is set to end on January 11, 2023, and the National Health Order is set to end on February 8, 2023. NMPSIA has been advised to start notifying members that accommodations will begin expiring as well as to discuss if NMPSIA should decide to continue covering COVID costs. Staff is seeking guidance from Segal to come to a decision before those accommodations expire.

7. **F. IBAC Update**

Ms. Quintana reported that the IBAC met on September 14th. A presentation was provided by Vida Health that offers prediabetes, stress, and hypertension management via virtual access. Express Scripts presented on how they operate as well as services they offer. The IBAC is currently working on the Life and LTD RFP and discussed contracting a benefits consultant for the Medical, Dental, and Vision RFP to help avoid time delays for these procurements.

8. **Financial Matters**

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

This item was removed from the agenda.

8. **B. Budget Adjustment Request - Category Transfer (Action Item)**

Mr. Sandoval presented on the Budget Adjustment Request. Staff is requesting a Category Transfer in the amount of \$8,000 from Personal Services to Contractual Services to cover the cost of a Single Audit. This audit is necessary due to the \$15,000,000 appropriation NMPSIA received from the Legislator via the ARPA funds.

A motion was made to approve the Budget Adjustment Request-Category Transfer.

MOTION: T. Ruiz

SECONDED: P. Jaramillo

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Sammy Quintana Yes

Vote carried unanimously.

8. C. FY2022 Audit Update

Mr. Sandoval informed the committee that an FY 2022 audit entrance conference was held on September 9, 2022. In attendance were representation from Kubiak Melton & Associates and Board President Park, Ms. Quintana, and Mr. Sandoval attended on behalf of NMPSIA.

Mr. Sandoval also explained due to the \$15 million dollar appropriation NMPSIA received from the legislature via the American Rescue Plan Act (ARPA) funds NMPSIA will need a Single Audit. A single audit is required due to receiving ARPA funds that are in excess of \$750,000. The single audit will be reported to the Office of the State Auditor and the Federal Government.

Mr. Sandoval informed the committee that the contract would have to be amended for the additional cost. Prior to amending the contract, a Budget Adjustment Request would be submitted to have sufficient budget.

9. Benefits Matters

9. A. Express Scripts, Inc. Pharmacy Benefits Audit (Action Item)

Ms. Amy Merrick, Segal, reported on the Express Scripts, Inc. Pharmacy Benefits Audit for the period July 1, 2018 through June 30, 2020. Segal found a total of slightly more than \$4.5 million in discrepancies. Ms. Merrick attributed some discrepancies to contract language changes. Segal is recommending that NMPSIA follow up with ESI for reimbursement. Mr. Sandoval included that staff is meeting with ESI and Mr. Esquivel to attempt an internal resolution. Mr. Sandoval noted similar situations have occurred in Risk and with the help of Mr. Esquivel, NMPISA has seen favorable outcomes. Mr. Esquivel commented that he has met with Segal and Mr. Sandoval and wishes to review the email correspondence and contract to attempt to reach an agreement with ESI before pursuing further action.

A motion was made to approve the Express Scripts, Inc. Pharmacy Benefits Audit as presented.

MOTION: T. Ruiz

SECONDED: K.T. Manis

A roll call vote was taken.

Ms. Kaylei Jones called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Absent
Trish Ruiz, Secretary	Yes
Denise Baldares	Yes
Tim Crone	Absent
Travis Dempsey	Yes

Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

9. B. Employee Benefits Fund Actuarial Analysis June 30, 2022 (Action Item)

Ms. Melissa Krumholz, Segal, presented the Employee Benefits Fund Actuarial Analysis for June 30, 2022. Segal completed the evaluation of Health Reserves for NMPSIA's self-funded program. Ms. Krumholz provided an explanation of remaining IBNR reserves, total liability and known runout as of June 30, 2022. The IBNR decreased by \$390,648 for a total of \$22,533,576. A follow-up study was performed to determine adequacy of reserve estimates that were attributed to the increase in COVID claims as well as a few large claims pending payout.

A motion was made to approve the Employee Benefits Fund Actuarial Analysis as presented.

MOTION: T. Ruiz

SECONDED: B. Jarrell

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

9. C. Cigna Annual Report

Mr. Daniel Warner, Cigna, presented their Annual Report. For the period, 7/1/2021 to 6/30/2022, NMPSIA had an average of 127 employees and 238 members. To date there are 382 members. Mr. Warner detailed plan spend, claim summaries, COVID-19 demographics and spend, and engagement. Mr. Park inquired on the second high cost claimant as being unusually costly. Mr. Warner offered to provide further detail of the claim. Mr. Warner described the correlation between medical and behavioral health and health outcomes. He provided an overview of preventative care initiatives noting annual visits and wellness visits among NMPSIA membership are below the norm. Mr. Warner reported that NMPSIA members utilize the virtual care benefits in note-worthy numbers. Mr. Park asked for details on how Cigna plans to increase membership. Cigna is implementing direct marketing campaigns and public advertising but noted the challenge with people who are comfortable with their current carriers.

9. D. Presbyterian Annual Report

Mr. Steve Valdez, Presbyterian, presented their Annual Report. Presbyterian currently has 20,363 NMPSIA members. Mr. Valdez listed the top five counties for Presbyterian membership: Bernalillo County, Santa Fe County, Sandoval County, San Juan County, and Dona Ana County. He reported a 14.4% increase in claims from FY21 to FY22. Mr. Park asked if this data was a good representation being that the comparison year was in the middle of COVID. Mr. Valdez validated that remark. There were 19,185 claims for \$50,000 and under, 184 claims for \$50,001- \$100,000, 84 claims for \$100,001- \$250,000, 19 claims for \$250,001- \$500,000, and 4 claims over

9. E. Standard Annual Report

Ms. Jennifer Oswald, The Standard, presented the annual report for 7/2021 to 6/2022. For Life coverages, a total premium of \$6,169,000 was collected and incurred \$8,841,371 in claims which brought the incurred loss ratio to 143%. For the period July 2017 to June 2022 the average claim amount was \$44,274 and there were 123 Accelerated Benefit Claims. Ms. Oswald reported the Long-Term Disability (LTD) plan is running more favorably than the Life plan and The Standard does not have any concerns with this program. LTD had a loss ratio of 60%. The Standard has met all performance guarantees for Life and LTD with the exception of Financial Accuracy. The Standard paid the \$5,000 penalty due to NMPSIA.

9. F. United Concordia Dental Annual Report

Ms. Stephanie Anthony, Ms. Debby Holt, and Ms. Terry Holts attended as representatives for United Concordia Dental (UCD). Ms. Holts shared that UCD has made improvements to its member and provider portals, implemented a live chat feature, and simplified the Explanation of Benefits (EOBs). Ms. Holts emphasized the importance of providing a holistic approach to member health. UCD currently has over 3,000 providers in the state and recruited 48 new providers. Ms. Anthony reported a 13.2% decrease in membership in the last year.

Overall customer satisfaction scored 93%. UCD met and exceeded all Performance Guarantees. Ms. Ruiz requested that an in-network provider be recruited to the Hobbs area. Ms. Anthony clarified that the chart shown is specific to the newly added providers and that there are several providers in Hobbs, NM. Likewise, Mr. Quintana asked about how UCD assists the Spanish-speaking population. Ms. Anthony acknowledged UCD offers all pamphlets and flyers in Spanish as well as Spanish-speaking customer service representatives.

9. G. Vera Whole Health Presentation

Mr. David Chavez, CES, began the presentation with information on the utilization of Vera Whole Health by CES. Mr. Ryan Schmid, founder of Vera Whole Health, spoke on the Primary Care Models as well as their Care Delivery and Health Navigation Models. Vera provides virtual and in-person primary care, health coaches, care management, diabetes education and pharmacists. Mr. Schmid admits the member participation drives the success of the model however they have historically seen 90% provider engagement and 60% overall engagement. Mr. Quintana asked what experience Vera has with working with educational entities and their experience with a state as large as New Mexico considering its small population. Mr. Schmid attested to partnering with a number of educational entities and trusts such as Anchorage School District and the Unified Flagstaff School District with great success. He reiterated that Vera Whole Health would work with NMPSIA to strategically place care centers throughout the state.

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 July 2022. There were 402 open claims, 18 new claims, and 29 claims were closed. Reserves were at \$57,758,624.59 and payments were \$37,264,769.72 for a total of \$95,023,394.31. The increase in reserves was due to the Lovington hail loss claim.

2. Property & Liability Large Losses

Mr. Vanetsky reported large losses for July. Las Cruces Public Schools - a football player lost his life. Central Consolidated Schools, two impaired students were assaulted by an instructor. Taos Municipal Schools - a cross-country student was attacked by an assailant. Roswell Independent Schools - a bus rolled over with student injuries. CCMSI has reported to excess carriers.

3. Workers' Compensation Monthly Claims Report

Mr. Jerry Mayo, CCMSI, provided the Workers' Compensation Monthly Claims Report for Districts as of July 31, 2022. During the month of July, there were 884 open claims, 58 new claims, 14 claims were reopened, and 133 claims were closed. Reserves were at \$13,413,439.70 and payments were \$47,258,537.68 for a total of \$60,671,977.38.

Mr. Mayo reported on the Workers' Compensation Monthly Claims Report for Charter Schools as of July 31, 2022. During the month of July, there were 44 open claims, 6 new claims, 1 re-opened claim, and 10 claims were closed. Reserves were at \$795,741.44 and payments were \$1,966,276.84 for a total of \$2,762,018.28.

4. Workers' Compensation Large Losses

Mr. Mayo reported there were no losses that met or exceeded \$50,000 for July.

10. B. Loss Prevention Update

Mr. Larry Vigil, Poms & Associates, reported on the activities conducted in the last month. CES regional meetings discussing the loss prevention program, New Mexico School Board Association Regional Meetings, and the NMASBO Fall Conference. Upcoming events include NMASBO Boot Camp, CES Facility Manager's Workshop, and the New Mexico School Board Association Annual Convention.

For the August Abatement report, there were 361 total recommendations and 327 were corrected resulting in a 93.7% abatement for non-capital recommendations. Inspectors identified five playgrounds at Las Cruces Public Schools that were elevated to the critical hazard level due to the equipment being too high for the surface level material. Arrangements have been made to remove the specified equipment.

11. General Discussion

Mr. Park noted his appreciation seeing more people in person attending the monthly meetings and felt the hybrid option will continue to be available for those who may still have concerns.

**12. Next Meeting Date and Location: Thursday, November 3, 2022 (Action Item)
Location: Poms & Associates, 201 3rd Street, Suite 1400 and a virtual option**

The next meeting date will be on Thursday, November 3, 2022 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 as presented.

MOTION: P. Jaramillo

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

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

Vote carried unanimously.

13. Adjournment (Action Item)

A motion was made to Adjourn the meeting at 11:15 a.m.

MOTION: T. Ruiz

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

DocuSigned by:

APPROVED:

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Mr. Alfred Park, President

11/7/2022

Date