

**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/606724709>
Dial in +1 (517) 317-3122
Access Code: 606-724-709**

Thursday, November 03, 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, November 3, 2022.

2. Roll Call

Ms. Kaylei Jones called roll.

Board Members Present:

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

Board Members Absent:

None

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
Andrew Romero, Chief Procurement Officer	In-Person
Dion Romero, Accountant/Auditor	Virtual
Natasha Ortiz, Financial Specialist	Virtual

Audience Present:

Lisa Guevara	BCBSNM	In-Person
Kathryn Hull	BCBSNM	Virtual
Lisa Sullivan	BCBSNM	Virtual
Christine Sarcione	BCBSNM	In-Person
Steve Vanetsky	CCMSI	In-Person
Jerry Mayo	CCMSI	In-Person
Courtney Barela	CCMSI	Virtual
Louise Carpenter	CCMSI	Virtual
Richard Cangioli	CCMSI	Virtual
Kevin Sovereign	CCMSI	In-Person
Daniel Warner	Cigna	Virtual
Sam Garcia	Davis Vision	In-Person
Steven Moraga	Delta Dental	Virtual
Michelle Poon	Delta Dental	In-Person
Lisa Jennings	Department of Finance	Virtual
Kathy Payanes	Erisa Administrative Services	In-Person
Amy Bonal	Erisa Administrative Services	Virtual
Mike Barrios	Erisa Administrative Services	Virtual
Martin Esquivel	Esquivel & Howington	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
Karen Mestas-Harris	Poms & Associates	In-Person
Emily Varner	Presbyterian-The Solutions Group	Virtual
Justin Suirem	Presbyterian Health Plan	In-Person
Melissa Krumholz	Segal	Virtual
Nura Patani	Segal	In-Person
Jennifer Oswald	The Standard	Virtual
Debby Holt	United Concordia	Virtual

3. Introduction of Guests

Mr. Patrick Sandoval, Executive Director NMPSIA, introduced Lisa Guevara with BlueCross BlueShield, Sam Garcia with Davis Vision, Nura Patani with Segal, and Greg Ramirez with CCMSI.

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: T. Ruiz

SECONDED: C. Parrino

A roll call vote was taken.

Ms. Kaylei Jones called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes
Denise Baldares	Yes
Tim Crone	Yes
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 October 6, 2022 Minutes (Action Item)

A motion was made to approve the October 6, 2022 Minutes 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	Abstained
Trish Ruiz, Secretary	Yes
Denise Baldares	Yes
Tim Crone	Yes
Travis Dempsey	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

7. Administrative Matters

7. A. Request to Initiate RFP for General Counsel Services (Action Item)

Mr. Sandoval requested to Initiate an RFP for General Counsel Services. Mr. Esquivel currently serves as the Authority’s General Counsel and his contract expires on June 30, 2023.

A motion was made to approve the request to Initiate an RFP for General Counsel Services.

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	Yes
Trish Ruiz, Secretary	Yes
Denise Baldares	Yes
Tim Crone	Yes
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 NMPSIA has completed the second round of interviews for the Financial/HR Manager position and have a strong group of candidates that applied for the position. Staff is looking to complete the hiring process by next week. NMPSIA has also been in discussion with a potential Chief Financial Officer candidate and currently going through the vetting process and hopes to get the hiring paperwork submitted by next week. Mr. Andrew Romero started employment with NMPSIA on October 15, 2022. Mr. Romero will be serving as the Authority’s CPO/Management Analyst. Mr. Romero shared his experience with the Board.

7. C. Legislative Update

Mr. Sandoval provided the Legislative Update. Mr. Sandoval and Ms. Quintana met with Ms. Mariana Padilla from the Governor’s Office and Mr. Gregory Frostad from the Public Education Department on October 17 and Mr. Joseph Simon from the Legislative Finance Committee on October 20 to discuss different cost scenarios if the NMPSIA minimum contribution tiers were to be modified.

7. D. MAPS Travel Reimbursement Update

Mr. Sandoval informed the Board that there was a change to the Department of Finance and Administration Model of Accounting Practices for FY23 on travel reimbursements. Travel documents are now required to be submitted to DFA no later than two weeks after the travel is completed. NMPSIA staff will work closely with all Board members the week after the Board meetings to complete travel.

7. E. COVID-19 Update

Ms. Martha Quintana, Deputy Director NMPSIA, provided the COVID-19 update. Between March of 2020 and July 31, 2022, there were 206,030 claims for a total of \$42,880,688 in COVID claims spent that includes testing, vaccinations, and treatment. For the month of July there were 7,263 claims for a July total of \$1,036,153.

Mr. Park opened up the floor to any questions on the COVID update. Mr. David Martinez Jr. asked for an update on the health orders. Ms. Quintana responded that the most recent update is an extension on the National Order through January 2023. We are waiting to see what transpires over the fall and winter of 2022. NMPSIA is operating business as usual until we hear otherwise.

Mr. Chris Parrino commented that RSV and the flu are a huge deal right now and asked for information on RSV and the flu. Ms. Quintana responded that NMPSIA has not seen any claims as of today and is happy to track that information and report back.

8. Financial Matters

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

Ms. Quintana presented the Statement of Revenues and Expenditures for period ending July 31, 2022 for the Employee Benefits Fund. Ms. Quintana reported revenue of \$28,575,164.54 and expenses of \$27,056,242.73, which resulted in a gain of \$1,518,921.81 for the month of July.

Ms. Quintana presented the Statement of Revenues and Expenditures for period ending July 31, 2022 for the Risk Fund. Ms. Quintana reported revenue of \$8,833,218.95 and expenses of \$5,675,485.84, which resulted in a gain of \$3,157,733.11 for the month of July.

Ms. Quintana presented the Statement of Revenues and Expenditures for period ending July 31, 2022 for the Program Support Fund. Ms. Quintana reported revenue of \$126,723.50 and expenses of \$69,845.56 which resulted in a net revenue of \$56,877.94 for the month of July.

Ms. Quintana presented the Balance Sheet for the Agency for the period ending July 31, 2022. Program Support had total assets of \$962,799.32, total liabilities of \$75,651.40, and total fund equity of \$887,147.92. Employee Benefits had total assets of \$87,270,447.62, total liabilities of \$72,698,691.20, and total fund equity of \$14,571,756.42. Risk had total assets of \$187,447,515.57, total liabilities of \$171,869,621.41, and total fund equity of \$15,577,894.16. Total for the Agency through the month of July, total assets of \$275,680,762.51, total liabilities \$244,643,964.01, for a total fund equity of \$31,036,798.50.

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

MOTION: C. Parrino

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

8. B. Approval of Kubiak Melton & Associates Amendment for Single Audit (Action Item)

Mr. Sandoval presented a contract amendment to the audit contract. An amendment was necessary to include the cost of a Single Audit for the \$15 million in ARPA funds received by NMPSIA. Before completing the amendment staff had to submit a BAR that was approved at the October Board meeting. Due to the Audit due date of November 1, 2022, the amendment has already been signed and staff is asking for retroactive approval. If the amendment would not have been signed before November 1, the audit would not have been able to be submitted and the Authority would have incurred a finding.

A motion was made to approve the Kubiak Melton & Associates Amendment for Single Audit.

MOTION: D. Martinez Jr.

SECONDED: C. Parrino

A roll call vote was taken.

Ms. Kaylei Jones called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes
Denise Baldares	Yes
Tim Crone	Yes
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. Request to Initiate RFP for Facility Maintenance Services (Action Item)

Mr. Sandoval presented that staff is asking for approval to go out to RFP for Facility Maintenance Service. The current vendor is Tom Medina and his contract expires on June 30, 2023.

A motion was made to Initiate an RFP for Facility Maintenance Services.

MOTION: P. Jaramillo

SECONDED: B. Jarrell

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

8. D. Approval of Special Appropriation Requests (Action Item)

Mr. Sandoval presented that staff is requesting approval to submit at least two Special Appropriation requests during the 2023 legislative session. During the 2022 legislative session, NMPSIA received a Special Appropriation request of \$15 million from the American Rescue Plan Act (ARPA) to help pay for COVID costs. NMPSIA signed an agreement with the Department of Finance and Administration and only expenditures from March 3, 2021, forward were permitted. NMPSIA has COVID expenses prior to March 3, 2021, and would like to submit a Special Appropriation to seek reimbursement from the general fund for those expenses and submit a second appropriation for the remaining COVID expenses that exceeded the \$15 million already reimbursed after the date of March 3, 2021. NMPSIA is still in the process of reconciling costs prior to March 3, 2021, and costs not reimbursed for above the \$15 million from March 3, 2021, to current. The ask with both appropriations would be for more than \$23.8 million after staff adds in PBM costs.

A motion was made to approve the submission of two Special Appropriation Requests.

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	Yes
Trish Ruiz, Secretary	Yes
Denise Baldares	Yes
Tim Crone	Yes
Travis Dempsey	Yes
Pauline Jaramillo	Yes
Bethany Jarrell	Yes
K.T. Manis	Yes
David Martinez, Jr.	Yes
Sammy Quintana	Yes

Vote carried unanimously.

9. **Risk Matters**

9. **A. Request to Initiate RFP for Capital Asset Valuation Services (Action Item)**

Mr. Sandoval presented that staff is requesting approval to go out to RFP for Capital Asset Valuation Services. The current vendor is Duff and Phelps and the contract expires on June 30, 2023. NMPSIA and APS usually go out to bid together for these services so we will be reaching out to APS in the coming weeks. Although it may be a joint bid we contract individually.

A motion was made to Initiate an RFP for Capital Asset Valuation Services.

MOTION: T. Ruiz

SECONDED: C. Parrino

A roll call vote was taken.

Ms. Kaylei Jones called roll.

Al Park, President	Yes
Chris Parrino, Vice President	Yes
Trish Ruiz, Secretary	Yes
Denise Baldares	Yes
Tim Crone	Yes
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. TPA Reports

1. Property & Liability Monthly Claims Report

Mr. Steve Vanetsky, CCMSI, reported on the Property & Liability Monthly Claims Report for the month of August 2022. There were 417 open claims, 72 new claims and 60 claims were closed. Reserves were at \$58,729,260.51 and payments were \$39,616,894.43 for a total of \$98,346,154.94.

2. Property & Liability Large Losses

Mr. Steve Vanetsky, CCMSI, reported a possible large loss out of Zuni Public Schools, a report of an inappropriate relationship involving a teacher and a student. It's it currently under investigation. It has been turned over to the Zuni Pueblo Police Department.

3. Workers' Compensation Monthly Claims Report

Mr. Jerry Mayo, CCMSI, provided the Workers' Compensation Monthly Claims Report for Districts as of August 31, 2022. During the month of August there were 898 open claims, 249 new claims, 21 claims were re-opened, and 256 claims were closed. Reserves were at \$13,659,195.34 and payments were \$47,081,584.06 for a total of \$60,740,779.40.

4. Workers' Compensation Large Losses

Mr. Mayo reported two large losses for August 2022. One out of Gallup, a fall off the bleachers, total reserves were approximately \$90,000. Another out of Lovington, a trip and fall, total reserves were approximately \$166,000.

9. C. Loss Prevention Update

Mr. Larry Vigil, Poms & Associates, reported on the Loss Prevention Abatement Report for September 2022. In September there was an 85.07% abatement for non-capital recommendations. There were 68 total recommendations, total capital recommendations were 1, and total non-capital were 67. Corrected non-capital were 57, and corrected capital was 1 for a total of 58. The corrected recommendations percentage for August was 85.29%.

10. Benefits Matters

10. A. Blue Cross Blue Shield Annual Report

Ms. Christine Sarcione and Ms. Lisa Guevara, BCBS, reported on the BCBS Annual Report. Ms. Sarcione reported \$148.4 million in total claim spending for the period July 1, 2021 through June 30, 2022. High-cost claimants decreased in the last year from 222 to 216. Neoplasms were the most costly diagnostic category where paid PMPM (per member, per month) increased by 18.3% between reporting periods. ER utilization came in at 4,557 which is a 10% increase from the previous period and 7% of the ER claimants visited the ER three or more times last year. Mental health PMPM totaled \$11.98 for the period which is 42.7% below the Book of Business. Ms. Guevara reported that there are only two enrollments in the Learn to Live program so there is an opportunity for growth in this area.

10. **B. Davis Vision Annual Report**

Mr. Sam Garcia, Davis Vision, presented their Annual Report. Mr. Garcia reported a total member enrollment of 44,805 and a 41.1% utilization. NMPSIA members' in-network utilization totaled 98% with 96% member satisfaction. Mr. Garcia reported NMPSIA members have saved \$1,119,532 on lens options and upgrades. Davis Vision provides additional value to members including an exclusive frame collection, breakage warrantee protection, Lasik and hearing aid discounts. Davis Vision has also partnered with onsite clinics including Befitting and On Sight noting there have been 75 labs added to the network, nationwide. This increase in the network has improved manufacturing by 2.5 days.

Mr. Sammy Quintana mentioned that his wife called to make an eye appointment and she could not get in until March 2023. Mr. Garcia said that due to COVID there is that back log of appointments and that should fade away soon.

10. **C. Clinic Feasibility Analysis**

Ms. Nura Patani, Segal, presented the Clinic Feasibility Analysis. The purpose of the analysis is to provide information to assist the Committee and Board in making an informed decision as they consider adding clinics. Advantages include reduced costs, improved access, and ease of appointment scheduling. Onsite clinics can help divert claims for primary and preventative care, imaging centers, and reduce ER visits.

NMPSIA must consider and clarify the challenges to address and prioritize each in order to direct decision-making. Ms. Patani noted the ROI analysis would take place after 3 years and she encouraged the Board to look at partnering with the IBAC for shared access opportunities.

Based on Segal's model, NMPSIA could anticipate \$3-4 million in savings in the first year and over time the savings would improve however the claims data would also increase. Ms. Patani recommended the next steps of conducting a formal RFI in order to proceed with vendor selection and eventual implementation adding ongoing monitoring would be necessary. Mr. Al Park talked about NMPSIA going out for an RFI at least once and possibly more than once to get to the RFP. This may take a few years, but there is no rush. Mr. Sammy Quintana said that the key is getting the participation of other municipalities for the success of the clinics. If the larger companies and the community can get involved then we can start to get it going. Ms. Patani said that there are a lot of opportunities to partner up with other entities for the new clinics anticipated.

10. D. Wellness and Well-Being Update

Ms. Cyndi Archuleta, Benefits/Wellness Manager NMPSIA, provided the Board with a Wellness and Well-Being update. Ms. Archuleta noted NMPSIA's biggest challenge consists of disengaged membership. NMPSIA currently offers, partnering with the carriers, live and on-demand webinars, carrier portals, wellness challenges, and mobile applications. Ms. Archuleta noted that the coordinators work to offer benefits available to the entire NMPSIA membership and commended the team for their combined efforts. Ms. Archuleta highlighted the Wellness Ambassador Program as well as a \$700 Grant opportunity which awarded 6 out of 10 applicants funding for "Zen" spaces. Ms. Archuleta noted areas of focus to include surveying the membership to identify pain points, revisit efforts that are not working and refocus the successful items.

Ms. Denise Balderas had a question about the "Zen" spaces. Ms. Balderas liked the idea and asked where are they located. Ms. Quintana responded that there are currently six, 2 in Las Cruces, 1 in Cottonwood Classical, 1 in Las Lunas, 1 in Santa Fe, and 1 in Albuquerque. The Board liked the "Zen" room idea of being able to get some quiet time to escape.

11. General Discussion

Mr. Park opened up the general discussion for the Board. Ms. Bethany Jarrell had the opportunity to attend the Workers Compensation Conference in Las Vegas, Nevada. Mr. Park's goal is to cross-train all Board members. Ms. Jarrell gave her thanks to the Board and to NMPSIA. Noting it was a great conference to attend and a huge learning experience. The conference makes a better Board member for those who attend. Mr. Park suggested that we rotate every three years for the Board members to attend which will be beneficial to the board. Mr. Sandoval reported that he and Ms. Quintana went out to the 8 different regions in New Mexico by splitting them up and gave a high overview of NMPSIA. Ms. Jarrell thanked Mr. Sandoval and Ms. Kaylei Jones for visiting and sharing information about NMPSIA with their members. Mr. Park thanked the NMPSIA staff for all their hard work. Mr. Park thanked POMS for providing the space for the meeting.

**12. Next Meeting Date and Location: Thursday, December 8, 2022 (Action Item)
Location: Poms & Associates, 201 3rd Street, Suite 1400 and a virtual option**

The next meeting date will be on Thursday, December 8, 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.

MOTION: B. Jarrell

SECONDED: P. Jaramillo

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Denise Baldares	Yes
Tim Crone	Yes
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 10:39 a.m.

MOTION: S. Quintana

SECONDED: B. Jarrell

A roll call vote was taken.

Ms. Kaylei Jones called roll.

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

Vote carried unanimously.

APPROVED:

DocuSigned by:

7ASC4B245034897...
 Mr. Alfred Park, President

12/23/2022

Date