

**New Mexico Public Schools Insurance Authority
Board of Directors Virtual Meeting Minutes**
<https://global.gotomeeting.com/join/852695941>

Dial in: + 1 (872) 240-3412
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Thursday, October 7, 2021

1. Call to Order

Mr. Chris Parrino, Vice-President, called the NMPSIA Board Meeting to order at 9:03 a.m. on Thursday, October 7, 2021.

2. Roll Call

Ms. Pamela Vigil, called roll.

Present via virtual meeting/telephonic meeting:

Chris Parrino, Vice-President
Pauline Jaramillo, Secretary
Daniel Benavidez
Bethany Jarrell
Sammy Quintana
K.T. Manis
David Martinez Jr.
Trish Ruiz

Absent:

Alfred Park, President
Denise Balderas
Tim Crone

Staff Members present via virtual meeting/telephonic meeting:

Richard Valerio, Executive Director
Patrick Sandoval, Deputy Director
Martha Quintana, Chief Financial Officer
Melissa Rael, Human Resource/Finance Manager
Katherine Chavez, Benefits/Wellness Operations Manager
Pamela Vigil, Risk Program Coordinator
Dion Romero, Accountant Auditor
Claudette Royal, Chief Procurement Officer

Audience present via virtual/telephonic meeting:

Dave Willden	Coba Health
Don Nickle	Coba Health
Leland Jacobson	Coba Health
Martin Esquivel	Esquivel & Howington
David Poms	Poms & Assoc.
Julie Garcia	Poms & Assoc.
Rika Martinez	Poms & Assoc.
Larry Vigil	Poms & Assoc.
Richard Cangioli	CCMSI
Louise Carpenter	CCMSI
Kevin Sovereign	CCMSI
Steve Vanetsky	CCMSI
Jerry Mayo	CCMSI
Dr. Nura Patani	Segal
Melissa Krumholz	Segal
Marlene Mier	BCBS
Maureen Sergal	BCBS
Lisa Sullivan	BCBS
Christopher Baker	BCBS
Sam Garcia	Davis Vision
JoLou Trujillo-Ottino	Delta Dental
Steve Valdez	Presbyterian
CS Hwa	Erisa
Kathy Payanes	Erisa
Michelle Alarid	Erisa
Mike Barrios	Erisa
Jennifer Oswald	Standard
Jon Molberg	Express Scripts
Debby Holt	United Concordia
Colleen Tagle	Alamogordo Public Schools
Bryan Runyan	K12 Accounting

3. Introduction of Guests

There were no guests.

4. Citizens to Address the Board (five- minute time limit)

There were no citizens to address the Board.

5. Approval of the Agenda (Action Item)

A motion was made to approve the agenda as presented.

MOTION: T. Ruiz

SECONDED: P. Jaramillo

A roll call vote was taken.

Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**
Pauline Jaramillo, Secretary - **Yes**
Bethany Jarrell - **Yes**
Sammy Quintana - **Yes**
K.T. Manis - **Yes**
David Martinez Jr. - **Yes**
Trish Ruiz - **Yes**
Chris Parrino, Vice-President - **Yes**

Vote: Vote carried unanimously.

6. Approval of September 2, 2021, Board Minutes (Action Item)

A motion was made to approve the September 2, 2021, NMPSIA Board Minutes as presented.

MOTION: S. Quintana

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**
Pauline Jaramillo, Secretary - **Yes**
Bethany Jarrell - **Yes**
Sammy Quintana - **Yes**
K.T. Manis - **Yes**
David Martinez Jr. - **Yes**
Trish Ruiz - **Yes**
Chris Parrino, Vice-President - **Yes**

Vote: Vote carried unanimously.

7. Administrative Matters

7. A COVID-19 Update

Mr. Richard Valerio, Executive Director, NMPSIA, reported COVID-19 testing, treatment and vaccination claims through the month of August are now up to \$18.5 million dollars which is right in line with Segal's projection of \$25 million dollars. He explained staff continues to work with the Department of Finance and Administration (DFA) and FEMA in an attempt to recoup funding.

7. B Legislative Update

Mr. Valerio reported there was a LFC hearing on September 23, 2021, which was a follow-up to the hearing in August. He explained there were a lot of questions with respect to premium rate increases and the cost of healthcare that was brought up by Senator Martin Hickey former CEO of NM Health Connections. Senator Hickey stated he would like the LFC to study the consolidation of health care purchasing for benefits and to study the possibility of purchasing fully insured benefits rather than self-insured.

Mr. Valerio reported there was a LESC Hearing on October 5, 2021. He explained it went well and there were many questions regarding sexual molestation claims and how NMPSIA is mitigating the costs. He explained NMPSIA worked on HB128 and was instrumental in getting it passed. Mr. Valerio explained NMPSIA is in the process of working with Vector Solutions to provide trainings to schools.

7. C New Mexico School Boards Association Update

Mr. Valerio reported the New Mexico School Boards Association (NMSBA) has been holding its Fall Regional Training and they have invited NMPSIA to participate and provide an update. He thanked the NMSBA for their partnership.

Ms. Jaramillo thanked NMPSIA staff for partnering with the NMSBA.

8. A Financial Reports for August 2021 (Action Item)

Mr. Patrick Sandoval, Deputy Director, NMPSIA, reviewed the statement of revenues and expenditures for the Employee Benefits Fund for the period 8/1/2021 through 8/31/2021. The Benefits Fund had revenues in the amount of \$26,869,242.46 and expenditures in the amount of \$27,083,804.18 that resulted in a net loss for the month of \$214,651.72.

Mr. Sandoval reviewed the statement of revenues and expenditures for the Risk Fund for the period 8/1/2021 through 8/31/2021. The Risk Fund had revenues in the amount of \$7,424,153.13 and expenditures in the negative amount of \$1,121,502.60 due to a decrease in Property and Liability Provisions for Losses by \$2.9 million and Excess Recoveries in the amount of \$4.6 million that resulted in a net gain of \$8,545,655.73.

Mr. Sandoval reviewed the statement of revenues and expenditures for the Program Support Fund for the period 8/1/2021 through 8/31/2021. The Program Support Fund had revenues in the amount of \$118,324.00 and expenditures in the amount of \$107,756.63 that resulted in a net gain of \$10,597.37.

Mr. Sandoval reviewed the balance sheet for the period 8/1/2021 through 8/31/2021. Program Support had total assets of \$971,999.28, total liabilities of \$229,558.57 and fund equity of \$742,440.71. Employee Benefits had total assets of \$57,299,694.68, ending liabilities of \$28,196,940.84 and fund equity of \$29,102,753.84. Risk had assets of \$170,348,123.62, liabilities of \$160,232,864.57 and a fund equity of \$10,115,259.05. Total

assets for the agency were \$228,619,817.58 and ending liabilities of \$188,659,363.98. Combined fund equity for the agency was \$39,960,453.60.

A motion was made to approve the Financial Reports for August 2021 as presented.

MOTION: D. Benavidez

SECONDED: D. Martinez Jr.

A roll call vote was taken.

Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**
Pauline Jaramillo, Secretary - **Yes**
Bethany Jarrell - **Yes**
Sammy Quintana - **Yes**
K.T. Manis - **Yes**
David Martinez Jr. - **Yes**
Trish Ruiz - **Yes**
Chris Parrino, Vice-President - **Yes**

Vote: Vote carried unanimously.

8. B FY2021 Audit Update

Mr. Sandoval reported on the FY2021 Audit. He explained the entrance conference was held on September 9, 2021, and staff in attendance were Mr. Valerio, Ms. Quintana, Ms. Rael and himself. Ms. Jaramillo was also in attendance representing the Board. Mr. Sandoval reported staff completed the PBC List and documentation for Kubiak Melton & Associates and it was delivered on August 27, 2021 by Ms. Rael. Mr. Sandoval reported the auditors completed the audit remotely, however the dates for on-site were September 6th through September 10th. He stated the exit conference is scheduled for 11:00 a.m. today.

9. Risk Matters

9. A Request to Initiate RFP for Ergonomics Services (Action Item)

Mr. Richard Valerio, Executive Director, NMPSIA, requested approval to issue an RFP for Ergonomics Services. He stated Poms & Associates currently performs this service for NMPSIA. He stated it is the recommendation of the RAC to approve this item.

A motion was made to approve the request to initiate an RFP for Ergonomics Services.

MOTION: T. Ruiz

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**
Pauline Jaramillo, Secretary - **Yes**
Bethany Jarrell - **Yes**
Sammy Quintana - **Yes**
K.T. Manis - **Yes**
David Martinez Jr. - **Yes**
Trish Ruiz - **Yes**
Chris Parrino, Vice-President - **Yes**

Vote: Vote carried unanimously.

9. B Request to Initiate RFP for Workers' Compensation and Property/Liability Claims Audit (Action Item)

Mr. Valerio requested approval to initiate an RFP for Workers' Compensation and Property/Liability Claims Audit. He stated this service is currently performed by Mr. Tim Farley, Farley Management Inc. Mr. Valerio stated it is the recommendation of the RAC to approve this item.

A motion was made to approve the request to initiate an RFP for Workers' Compensation and Property/Liability Claims Audit Services.

MOTION: S. Quintana

SECONDED: T. Ruiz

A roll call vote was taken.

Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**
Pauline Jaramillo, Secretary - **Yes**
Bethany Jarrell - **Yes**
Sammy Quintana - **Yes**
K.T. Manis - **Yes**
David Martinez Jr. - **Yes**
Trish Ruiz - **Yes**
Chris Parrino, Vice-President - **Yes**

Vote: Vote carried unanimously.

9. C New Mexico Activities Association Annual Athletic Directors Meeting Update

Mr. Valerio reported on September 27, 202, Mr. Martin Esquivel, General Counsel, NMPSIA, Ms. Julie Garcia, Poms & Associates and himself presented at NMAA Annual Athletic Directors Meeting. He stated this was a mandatory meeting for all athletic directors throughout the state. Mr. Valerio reported the focus was on sexual molestation and inappropriate relationships claims with respect to coaches. He explained the presentation included policies, contract language, trainings, background checks etc. Mr. Valerio stated

another takeaway from the training was that contract coaches are not covered, which surprised the attendees. Additionally, Ms. Garcia spoke about HB128 and the changes that are coming through the statute and the mandatory trainings.

9. D TPA Reports

9. D. 1 State Agency Workers' Compensation Comparison

Mr. Richard Cangiolosi, CCMSI, reported on the State Agency Worker's Compensation Comparison. Mr. Cangiolosi reviewed the average cost per claim comparing other public entities to NMPSIA. He stated NMPSIA has stayed consistent at around \$4,000 per claim and there has been a decrease for the past five years which is a promising trend. Mr. Cangiolosi reviewed the comparison with respect to indemnity claims. He explained NMPSIA is averaging less than \$10,000 per indemnity claim compared to other entities. NMPSIA continues to have strong results with respect to indemnity claims. Finally, Mr. Cangiolosi stated CCMSI will continue to do a good job and keep NMPSIA on the lower end of these charts in comparison with other public entities.

9. D. 2 Property & Liability Monthly Claims Report

Mr. Steve Vanetsky, CCMSI, reported on the Property & Liability Monthly Claims Report. He stated for the month of August 2021 there were 328 open claims, 53 new claims and 44 claims were closed. Mr. Vanetsky reported reserves were at \$41,901,373.06 and payments were \$40,416,864.65 for a total of \$82,318,237.71.

9. D. 3 Property & Liability Large Losses

Mr. Vanetsky reported on an incident at Pojoaque Valley Highschool which has gained some media attention. He stated there were a group of players on the football team that are accused of hazing younger team members. Mr. Vanetsky stated no lawsuits have been filed, however one student has obtained legal counsel and there is a high likelihood of more victims coming forward.

Mr. Vanetsky reported the second claim was a charter school student in Santa Fe that was struck by a motor vehicle traveling at high rate of speed while the student was being picked up at school. Mr. Vanetsky stated there is not a good assessment of the injuries yet, but the student has a lawyer, and a lawsuit is anticipated.

Mr. Vanetsky reported the high school in Alamogordo Public Schools sustained damage to the roof because of high winds. He stated staff is still assessing damage for scope and costs. Mr. Vanetsky stated there is a significant shortage of building materials and excessive cost increase due to impacts related to the pandemic.

Mr. Vanetsky reported on a claim involving a former Pecos High School student athlete on the girls' basketball team that has accused school administrators and coaches of discrimination. He stated a lawsuit has been filed and Mr. Esquivel has been instrumental in opening up dialog with plaintiffs' counsel in an attempt to get it resolved.

9. D. 4 Workers' Compensation Monthly Claims Report

Mr. Jerry Mayo, CCMSI, provided the Workers' Compensation Monthly Claims Report for Districts as of August 31, 2021. He reported during the month of August there were 848 open claims, 215 new claims, 14 claims were re-opened, and 191 claims were closed. Mr. Mayo reported reserves were at \$13,828,959.45 and payments were \$49,591,145.27 for a total of \$63,420,104.72.

Mr. Mayo reported on the Workers' Compensation Monthly Claims Report for Charter Schools as of August 31, 2021. Mr. Mayo reported during the month of August, there were 34 open claims, 7 new claims, and 3 claims were closed. Mr. Mayo reported reserves were at \$589,529.88 and payments were \$1,522,837.45 for a total of \$2,112,403.33.

9. D. 5 Workers' Compensation Large Losses

Mr. Mayo reported there were two claims over \$50,000.00 in the month of August. The first claim involved a right rotator cuff and left ankle injury from Gadsden Independent Schools. The second claim was a fracture of the fibula from Rio Rancho Public Schools.

11.E Loss Prevention Update

Ms. Garcia reported Vector Solutions is the group that is providing the online training for all schools. She stated Vector Solutions offers Grooming Parts 1 and 2 directed at elementary school, middle school and high school teachers, Onsite Isolation Parts 1 and 2, Onsite Behavior Boundaries part 1 and 2, Offsite Boundaries Parts 1 and 2, Off Hour Boundaries Parts 1 and 2, Electronic and Social Media Boundaries, Gift Boundaries and Student to Student Boundaries. She explained all these trainings are micro learning sessions approximately seven minutes long. Ms. Garcia stated notices to enroll were sent out to schools announcing the online training. She reported 35 people signed up and 1 charter school was totally enrolled. Ms. Garcia stated staff will go out again with a big push and send out more notices to schools.

10. Benefits Matters

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

Ms. Martha Quintana, Chief Financial Officer, NMPSIA, reported last year on April 2020 through this month, the Board granted an additional ten-day grace period for the benefits premium which would allow employers 20 days to make those premium payments during the pandemic. She reviewed the numbers of schools that have made late payments. Ms. Quintana noted that it was the recommendation of the BAC to approve the additional 10-day grace period.

After discussion, the Board agreed to extend the waiver of premium payments until February 28, 2022.

A motion was made to extend the Temporary Waiver of Premium Payment Penalties until February 28, 2022.

MOTION: P. Jaramillo

SECONDED: B. Jarrell

A roll call vote was taken.

Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**
Pauline Jaramillo, Secretary - **Yes**
Bethany Jarrell - **Yes**
Sammy Quintana - **Yes**
K.T. Manis - **Yes**
David Martinez Jr. - **Yes**
Trish Ruiz - **Yes**
Chris Parrino, Vice-President - **Yes**

Vote: Vote carried unanimously.

10. B School Contractor Access to Online Benefits System (Action Item)

Mr. Valerio stated this discussion was initiated at the July Annual Meeting. He stated a lot of school districts in rural areas have had a difficult time recruiting or retaining employees. Mr. Valerio explained there has been some contracts that have been made with districts and various accounting firms to help perform human resource functions for these school districts. He stated a request was made by Alamogordo Public Schools to allow their contractors access to NMPSIA's Online Benefits System which has never been done before. Mr. Valerio stated the Board decided to move forward and allow the contractors assist the school districts but the concern at the time was potential liability. He explained Ms. Quintana and Mr. Esquivel worked very hard on creating an agreement for this type of service and noted that it will take Erisa one to two months for the coding to make the changes to the system.

After review and discussion, the Board agreed to approve the Memorandum of Understanding (MOU) to allow School Contractor Access to the Online Benefits System.

Ms. Colleen Tagle , Alamogordo Public Schools, thanked NMPSIA Staff for working with them to incorporate layers of protection for everyone.

Mr. Bryan Runyan, K12 Accounting, thanked the NMPSIA Board for all of the hard work on this.

A motion was made to approve the request as presented.

MOTION: B. Jarrell

SECONDED: D. Benavidez

A roll call vote was taken.

Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**
Pauline Jaramillo, Secretary - **Yes**
Bethany Jarrell - **Yes**
Sammy Quintana - **Yes**
K.T. Manis - **Yes**
David Martinez Jr. - **Yes**
Trish Ruiz - **Yes**
Chris Parrino, Vice-President – **Yes**

Vote: Vote carried unanimously.

10. C Mosaic Academy Petition for Domestic Partner Coverage (Action Item)

Mr. Valerio presented a petition from Mosaic Academy to offer domestic partner coverage through their district. He stated this is a standard request and it was the recommendation of the BAC to approve the request.

A motion was made to approve the Mosaic Academy Petition for Domestic Partner Coverage as presented

MOTION: D. Martinez Jr.

SECONDED: S. Quintana

A roll call vote was taken.

Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**
Pauline Jaramillo, Secretary - **Yes**
Bethany Jarrell - **Yes**
Sammy Quintana - **Yes**
K.T. Manis - **Yes**
David Martinez Jr. - **Yes**
Trish Ruiz - **Yes**
Chris Parrino, Vice-President – **Yes**

Vote: Vote carried unanimously.

10. D New Mexico Tech Agreement (Action Item)

Mr. Valerio explained last month there was a request from New Mexico Tech to offer Life and Disability Coverage through The Standard and that was approved. This agreement will add additional lines of coverage. He explained it was the recommendation of the BAC to approve this agreement. Staff is also requesting authority to make changes to meet legal sufficiency.

A motion was made to approve the New Mexico Tech Agreement and to allow staff to make changes to meet legal sufficiency.

MOTION: P. Jaramillo

SECONDED: D. Benavidez

A roll call vote was taken.

Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**
Pauline Jaramillo, Secretary - **Yes**
Bethany Jarrell - **Yes**
Sammy Quintana - **Yes**
K.T. Manis - **Yes**
David Martinez Jr. - **Yes**
Trish Ruiz - **Yes**
Chris Parrino, Vice-President – **Yes**

Vote: Vote carried unanimously.

10. E Request to Initiate RFP for Surgical Care Services (Action Item)

Mr. Valerio requested approval to initiate an RFP for Surgical Care Services similar to what was presented by COBA Health last month. He stated staff became aware there may be other companies able to provide the same services.

Mr. Valerio stated it is the recommendation of the BAC to approve the request as presented.

A motion was made to Initiate an RFP for Surgical Care Services as presented.

MOTION: P. Jaramillo

SECONDED: D. Benavidez

A roll call vote was taken.

Ms. Pamela Vigil, called roll.

Daniel Benavidez - **Yes**
Pauline Jaramillo, Secretary - **Yes**
Bethany Jarrell - **Yes**
Sammy Quintana - **Yes**
K.T. Manis - **Yes**
David Martinez Jr. - **Yes**
Trish Ruiz - **Yes**
Chris Parrino, Vice-President – **Yes**

Vote: Vote carried unanimously.

10. F Open/Switch Enrollment Update

Mr. Valerio reported Open/Switch Enrollment started on October 1, 2021, through November 12, 2021. He stated this is the time for members to add, delete or change coverages if they would like to do so. Mr. Valerio stated there are some virtual presentations scheduled to take place and the next one is scheduled for October 13th, 20th, and November 10th. Additionally, the Program Guide is available to access on the NMPSIA Website. Staff has also been working with NM State Printing to get copies out to members.

10. G Interagency Benefits Advisory Committee Update

Mr. Valerio reported the IBAC is continuing to work jointly on the RFP for Pharmaceutical Benefits Management. He stated staff is hoping to get it released within a few weeks. Mr. Valerio asked if any Board Members want to serve on the evaluation committee to let him know.

10. H United Concordia Update

Ms. Debby Holt, United Concordia, provided some highlights of the presentation that was provided in detail to the BAC. She mentioned that United Concordia continues to provide back to school kits that include PPE and participate in the Mission of Mercy campaign that offers free dental care. Ms. Holt reported that they have implemented several system enhancements to expand their customer experience.

Ms. Stephanie Anthony, reported on their performance guarantees meeting or exceeding performance measures.

10. I Wellness Update

Ms. Katherine Chavez, Benefits and Wellness Operations Manager, NMPSIA provided the wellness update for the month of October. She provided highlights of the Livongo, Wellness Ambassador, Back to Basics, resources for behavior health, Cooking Demos and Maintaining a Healthy Lifestyle programs that support NMPSIA members.

11. General Discussion

Mr. Parrino asked if there was anything the Board would like to discuss.

Mr. Parrino extended his appreciation for all the work NMPSIA does and he thanked Presbyterian for the positive experience during his wife's labor and delivery.

Ms. Jaramillo thanked Mr. Valerio for representing NMPSIA and for all his hard work.

12. Next Meeting Date and Location

After discussion, the Board agreed to hold the November Board, IFR and Committee Meetings in-person with a virtual option.

The RAC will be held at Poms & Associates, 201 3rd St. NW #1400, Albuquerque, NM 87102 on November 3, 2021.

The BAC will be held at CES, 10601 Research Rd. SE, Albuquerque, NM 87123 on November 3, 2021.

The IFR and Board will be held at CES, 10601 Research Rd. SE, Albuquerque, NM 87123 on November 4, 2021.

13. Adjournment (Action Item)

A motion was made to adjourn the meeting at 10:37 a.m.

MOTION: P. Jaramillo

SECONDED: S. Quintana


A roll call vote was taken.

Ms. Pamela Vigil, called roll.

- Daniel Benavidez - **Yes**
- Tim Crone – **Yes**
- Pauline Jaramillo, Secretary - **Yes**
- Bethany Jarrell - **Yes**
- Sammy Quintana - **Yes**
- K.T. Manis - **Yes**
- David Martinez Jr. - **Yes**
- Trish Ruiz - **Yes**
- Chris Parrino, Vice-President - **Yes**
- Alfred Park, President – **Yes**

Vote: Vote carried unanimously.

APPROVED:



Mr. Chris Parrino, Vice-President