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REGULAR MEETING
OF THE
BOARD OF DIRECTORS

October 3, 2017
9:30 AM
Alfredo R. Santistevan Board Room
Suite 207
4308 Carlisle Blvd. NE
Albuquerque, NM 87107

New Mexico Retiree Health Care Authority
Regular Meeting

BOARD OF DIRECTORS

ROLL CALL

October 3, 2017

	Member in Attendance		
Mr. Sullivan, President			
Mr. Montaño, Vice President			
Mr. Crandall, Secretary			
Mr. Propst			
Ms. Goodwin			
Mr. Johnson			
Mr. Linton			
Ms. Saunders			
Mr. Eichenberg			
Ms. Larranaga-Ruffy			

NMRHCA BOARD OF DIRECTORS

October 2017

Mr. Wayne Propst
Executive Director
Public Employees Retirement Association
33 Plaza La Prensa
Santa Fe, NM 87507
PO Box 2123
Santa Fe, NM 87504-2123
Wayne.Propst@state.nm.us
W: (505) 476-9301

Ms. Jan Goodwin
Executive Director
Educational Retirement Board
PO Box 26129
Santa Fe, NM 87502-0129
jan.goodwin@state.nm.us
(W) 505-827-8030
(F) 505-827-1855

The Honorable Mr. Wayne Johnson
NM Association of Counties
Bernalillo County Commissioner
One Civic Plaza, NW
Albuquerque, NM 87102
Ms. Mella Tyler
Deputy County Commissioner
Bernalillo County, District 5
mtyler@bernco.gov
505-468-7212 (office)
505-462-9821 (fax)

Mr. Terry Linton
Governor's Appointee
1204 Central Ave. SW
Albuquerque, NM 87102
terry@lintonandassociates.com
505-247-1530

Mr. Joe Montaño, Vice President
NM Assoc. of Educational Retirees
5304 Hattiesburg NW
Albuquerque, NM 87120
Jmountainman1939@msn.com
(H) 897-9518

Mr. Doug Crandall
Retired Public Employees of New Mexico
14492 E. Sweetwater Ave
Scottsdale, AZ 85259
dougcinaz@gmail.com

The Honorable Mr. Tim Eichenberg
NM State Treasurer
2055 South Pacheco Street
Suite 100 & 200
Santa Fe, NM 87505
Tim.Eichenberg@state.nm.us
(W) 505-955-1120
(Fax) 505-955-1195

Ms. Therese Saunders
NEA-NM, Classroom Teachers Assoc., & NM
Federation of Educational Employees
5811 Brahma Dr. NW
Albuquerque, NM 87120
tsaunders3@mac.com
Phone: 505-934-3058

Mr. Tom Sullivan, President
Superintendents' Association of NM
800 Kiva Dr. SE
Albuquerque, NM 87123
tlsullivan48@gmail.com
505-330-2600

Ms. Leanne Larranaga-Ruffy
Alternate for PERA Executive Director
33 Plaza La Prensa
Santa Fe, NM 87507
PO Box 2123
Santa Fe, NM 87504
Leanne.Larranaga@state.nm.us

Regular Meeting of the
NEW MEXICO RETIREE HEALTH CARE AUTHORITY
BOARD OF DIRECTORS

October 3, 2017
9:30 AM
Alfredo R. Santistevan Board Room
2nd Floor, Suite 207
4308 Carlisle Blvd. NE
Albuquerque, NM 87107

AGENDA

1.	Call to Order	Mr. Sullivan, President	Page
2.	Roll Call to Ascertain Quorum	Ms. Beatty, Recorder	
3.	Pledge of Allegiance	Mr. Sullivan, President	
4.	Approval of Agenda	Mr. Sullivan, President	4
5.	Approval of Regular Meeting Minutes August 24, 2017	Mr. Sullivan, President	5
6.	Public Forum and Introductions	Mr. Sullivan, President	
7.	Committee Reports	Mr. Sullivan, President	14
8.	Executive Directors Updates	Mr. Archuleta, Executive Director	
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	b. SHARE FIN 9.2		22
	c. NMCHCV/Heart Failure – the Rising Epidemic		24
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	k. August 31, 2017 SIC Report/Asset Allocation Update		52
9.	NMRHCA Website Update	Mr. Archuleta, Director of Communication	
10.	AARP Benefit Comparison	Mr. Archuleta, Executive Director	54
11.	2018 – 2022 Strategic Plan	Mr. Archuleta, Executive Director	66
12.	Other Business	Mr. Sullivan, President	
13.	Date & Location of Next Board Meeting November 7, 2017, 9:30AM Alfredo R. Santistevan Board Room, Suite 207 4308 Carlisle Blvd. NE Albuquerque, NM 87107	Mr. Sullivan, President	
14.	Executive Session	Mr. Sullivan, President	
15.	Adjourn		

ACTION SUMMARY

RETIREE HEALTH CARE AUTHORITY/REGULAR BOARD MEETING

August 24, 2017

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PUBLIC FORUM & INTRODUCTIONS	Informational	3
COMMITTEE REPORTS	Informational	3
EXECUTIVE DIRECTOR'S UPDATE HR Consolidation/Updates PBM Request for Proposal Legislative Newsletter/Switch Enrollment July 31, 2017 SIC Report	Informational	4
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FY19 APPROPRIATION REQUEST	Approved	7
2018 -2022 STRATEGIC PLAN	Informational	8

MINUTES OF THE

NEW MEXICO RETIREE HEALTH CARE AUTHORITY/BOARD OF DIRECTORS

REGULAR MEETING

August 24, 2017

1. CALL TO ORDER

A Regular Meeting of the Board of Directors of the New Mexico Retiree Health Care Authority was called to order on this date at 9:30 a.m. in the in the Alfredo R. Santistevan Board Room, 4308 Carlisle Boulevard, N.E., Albuquerque, New Mexico.

2. ROLL CALL TO ASCERTAIN QUORUM

A quorum was present.

Members Present:
Mr. Tom Sullivan, President
Mr. Joe Montaño, Vice President (arrived later)
Mr. Doug Crandall, Secretary
Ms. Jan Goodwin
Mr. Wayne Johnson
Mr. Terry Linton
Ms. Leanne Larrañaga-Ruffy
Ms. Therese Saunders (arrived later)

Members Excused:
The Hon. Tim Eichenberg, NM State Treasurer

Staff Present:
Mr. Dave Archuleta, Executive Director
Mr. Neil Kueffer, Director of Product Development & Health Care Reform
Mr. Greg Archuleta, Director of Communication & Member Engagement
Mr. Tomas Rodriguez, IT Manager
Ms. Charmaine Clair for Judith Beatty, Board Recorder

Others Present:
Ms. Julie Bodenski, Humana (on telephone)
[See sign-in sheet.]

3. PLEDGE OF ALLEGIANCE

Mr. Linton led the Pledge.

4. APPROVAL OF AGENDA

Mr. Johnson moved approval of the agenda, as published. Ms. Goodwin seconded the motion, which passed unanimously by voice vote.

5. APPROVAL OF REGULAR MEETING MINUTES: July 13, 2017
APPROVAL OF SPECIAL MEETING MINUTES: July 14, 2017

Mr. Linton moved for approval of the minutes of the July 13 and July 14 meetings, as submitted. The motion was seconded by Mr. Crandall and passed unanimously by voice vote.

[Ms. Saunders and Mr. Montaño arrived at the meeting.]

6. PUBLIC FORUM AND INTRODUCTIONS

There were no speakers from the floor.

7. COMMITTEE REPORTS

Mr. Crandall said he would discuss the Finance Committee meeting under Item 11.

Ms. Goodwin reported the Audit Committee met a week ago and Moss Adams has begun the annual audit.

Mr. Archuleta said he would make the FY19 appropriation request presentation in place of CFO Josefina Roberts, who is busy preparing for the audit.

Mr. Montaño said the Legislative Committee plans to meet soon. He added that he has spoken with Rep. Tomas Salazar, who indicated his willingness to work with the NMRHCA in sponsoring legislation.

Ms. Goodwin stated that the Wellness Committee will meet next week.

Chair Sullivan stated that the Executive Committee met by conference call earlier in the week to help Mr. Archuleta prepare for this meeting.

8. EXECUTIVE DIRECTOR'S UPDATES

a. HR Consolidation/Updates

Mr. Archuleta presented an update on the HR consolidation and other HR matters.

- They have complied with the Governor's executive order to consolidate all of HR resources under the State Personnel Office. The agency's HR representative has accordingly

transferred to SPO pursuant through a service level agreement that the NMRHCA has entered into for up to a year. Overall, SPO has been responding to the NMRHCA's requests and helping process HR transactions.

- The agency is pleased to report that a new Customer Service Representative will start work next week, and an offer has been made to another individual to fill a second Customer Service Representative position in the Albuquerque office. In addition, a vacant position in Santa Fe for Customer Service Representative has been advertised.
- The Deputy Director position should be advertised in about two weeks with the goal of filling it in mid October.

Responding to Chairman Sullivan, Mr. Archuleta said he does not anticipate any problems in holding all 16 switch enrollment meetings planned for October at 13 locations.

b. PBM Request for Proposal

Mr. Archuleta reviewed the schedule involved in procuring Pharmaceutical Benefits Management Services. Selection of finalists is scheduled on November 3 by the Evaluation Committee, with best and final offers and oral presentations and/or product demonstrations taking place on December 5 and 6. The contract will be finalized on January 12, 2018.

Mr. Archuleta said final recommendations would be discussed at the January board meeting. Board participation is encouraged on the Evaluation Committee, but it would mean a substantial investment of time and effort, with a minimum of 40 hours required between September 15 and September 29.

Mr. Archuleta said Health Links, a small firm out of Salt Lake City that focuses solely on PBM RFPs, will provide side-by-side comparisons and aggregate all of the data. The NMRHCA's share for these consulting services is about $23,000. Proposals for these services ranged from $100,000 to $160,000. The IBAC vote to select Health Links was unanimous.

Mr. Archuleta stated that any board member who serves on the Evaluation Committee would probably have to abstain from voting on the final contract award. While there is no law specifically prohibiting a board member from voting, the State Purchasing Office suggested it to avoid any conflict of interest.

c. Legislative

Mr. Archuleta reviewed staff's August 3 presentation before the IPOC on "Strategic Goals, Staff and Salary Structure."

Mr. Archuleta said he spoke with some individuals from Mr. Montaño's group, who said they knew people who could get a better rate through AARP, and a prominent state senator is also concerned. Mr. Archuleta said he followed up with the people at AARP; and while some people might be better served by their rates, most are regional and age-band based. NMRHCA, however, charges the same rate no matter where the participant lives and there are fewer limitations than those under AARP, and also offers group rate vision, dental, and life insurance.

Citing the importance of full disclosure, Mr. Linton asked Mr. Archuleta to put together a comparison so the strengths and weaknesses of the NMRHCA and AARP programs can be clearly delineated.

Chairman Sullivan agreed that such a comparison would be worth the time and effort if it would reassure the senator who was questioning the advantage of going with the NMRHCA's plan versus AARP.

Mr. Crandall asked if the NMRHCA has ever considered age banding and regionalizing. Mr. Archuleta responded that it has not, adding that the Medicare Advantage rates do not consider those factors, either. He said NMRHCA spreads its losses across the entire population, so it would be hard to account for people moving in any one area, especially because there are members living outside of New Mexico. Last year, one of the complaints about the value option was that there was no value option for people outside of New Mexico. Most care out of New Mexico is more expensive than it is in New Mexico, but the NMRHCA doesn't impose any additional charge for that.

d. Newsletter/ Switch Enrollment

Mr. Archuleta discussed the switch enrollment meeting schedule and reviewed the newsletter.

e. July 31, 2017 SIC Report

Mr. Archuleta reported a balance of $574.7 million on July 31.

Mr. Archuleta said the SIC will be eliminating two investment pools that NMRHCA participates in and has made suggestions about where they think the funding should be moved. He added that NEPC is not on contract this year to provide the NMRHCA with an asset allocation review (they did that in 2016), but adviser Allan Martin has indicated that he would be willing to make a recommendation and would join the Finance Committee by telephone when it meets following the SIC's action, which is expected in October.

9. SPECIALTY DRUG COSTS FOLLOW-UP

Mr. Archuleta reported that Harris Zeyaee of Express Scripts has followed up with additional information requested by the board regarding Express Scripts' specialty drug trend figures that looked higher than the peer comparison. An email from Mr. Zayaee was in the board packet for review.

Mr. Zayaee noted concern about the Medicare specialty drug cost per member, per month. A variety of things have been attributed to that, one being drug mix.

In looking at the demographics, age of population, and number of people using specialty medications, Mr. Zayaee said three different categories were addressed: cancer, inflammatory conditions (rheumatoid arthritis), and multiple sclerosis. When comparing that to peers, the peer percent by population for NMRHCA/Medicare exceeds that of the peer group by a small percentage. In looking at the multiple sclerosis comparison, NMRHCA members are using more expensive oral therapies. While per-member per-day costs are more "apples to apples," the overall spend difference is about a dollar. In terms of gross cost, the difference is about three cents per day, not including rebates or aggregate subsidies.

Mr. Zayaee cited Gleevec (generic **imatinib** mesylate) as an example of a generic specialty drug that has been in the news. Gleevec recently lost its patent, and it is one of the medications that is driving the specialty costs. He said the generic and brand name drug are very close in cost. CAR T cell therapy will be the next phase of drugs to be approved in 2017, which will increase oncological costs.

Mr. Linton said he had several questions, but would address them by email. He said the board would have to look at specialty medications and ways of controlling the explosive increase in costs.

Mr. Zayaee noted that Express Scripts works to control costs on the formulary side through negotiations with the manufacturers and discussion with clinical programs to ensure members are using the medications appropriately.

10. 2018 MEDICARE ADVANTAGE RATES

Mr. Archuleta reviewed a chart comparison of Medicare Advantage premiums for 2016/2017 and 2017/2018 among the health plan partners. These rates have been approved by CMS.

Mr. Archuleta noted that the range of increases last year was between 0 and 7 percent on the high end. For 2018, the rates are significantly higher, with the ranges between 6 and 27 percent on the high end. One of the biggest differences between last year and this year is one of the fees associated with the Affordable Care Act, which was waived in 2017.

Mr. Archuleta noted that the changes will be communicated directly to the members about two weeks prior to the beginning of the switch enrollment period, and it would also be conveyed to the members that these inflationary increases are generated by the ACA and are out of the NMRHCA's control.

11. FY 19 APPROPRIATION REQUEST

Mr. Archuleta said the FY18 approved operating budget is just over $323 million. For FY19, the request is for $351 million, an increase of $28 million over last fiscal year, or an increase of 8.7 percent. He asked the board to keep in mind that the agency had experienced a significant reduction this from what it had requested, and he anticipates that, before the year's end, the agency will be bumping up against this.

Mr. Archuleta stated that, under Healthcare Benefits Administration, the request is for $348 million. This includes $345 million that is directly for claim costs, of which about $36 million is the money collected from members for ancillary services that the agency doesn't subsidize.

Mr. Crandall expressed concern about what appeared to be a significant percentage (35 percent) of the members making emergency room visits.

Blue Cross Blue Shield representative Lori Bell said she would provide a breakdown. She agreed with comments that the numbers appear to be inflated because of the way the system captures them.

On that note, Mr. Linton noted that projections were at 200 per thousand, but the number is actually at 344 per thousand. He said he would like more analysis, since if these numbers are correct, then this needs to be addressed. He said he would like to see more aggressive education for members, or a chart that shows the least expensive mode of an emergency room visit.

Mr. Johnson moved to approve the appropriations request, as presented. Ms. Goodwin seconded the motion, which passed by unanimous voice vote.

12. <u>2018-2022 STRATEGIC PLAN</u>

Mr. Archuleta stated that page 77 in the board book shows the original five-year strategic plan adopted by the board in October 2012, along with the list of items that have already been completed. [Asterisked items: consensus carryover items from previous strategic plan.]

Mr. Archuleta reviewed preliminary staff recommendations for the 5-year strategic plan going forward.

1. Apply downward pressure on prescription drug costs for all members (network, contracts, cost sharing)
   - FY19-FY22 Contract
   - Annual market check agreement
   - Network attribution
   - Copays

2. Apply downward pressure on pre-Medicare medical plans (network, contracts, cost-sharing)*
   - Narrower networks
   - Deductibles
   - Copays
   - FY20-FY23 Conracts

3. Reduce pre-Medicare retiree subsidies*
   - Currently 64 percent

4. Reduce pre-Medicare spousal subsidies*
   - Currently 36 percent

5. Evaluate existing and emerging wellness/population health programs for inclusion in either plan coverage or incentive support*
   - Monitor the development and progress of such programs and make recommendations with regard to reimbursements through health plans

6. Develop and implement value-based purchasing initiatives either through existing health plan partners or directly with healthcare delivery systems
   - Incentivize care through most cost-effective solutions
   - Data-driven evaluation of care
   - Patient-centered medical homes

- Accountable care organizations
- Bundled payment arrangements
- Referenced-based reimbursements

7. Evaluate emerging and ongoing demographic trends and make program adjustments commensurate with fiduciary requirements
   - Continue monitoring ongoing trends and identifying potential solutions

8. Wellness Programs*
   - Management of chronic illness
   - Management of acute care episodes
   - Use of third-party prescription data
   - Reduction in the number of preference sensitive surgery
   - Identification of specific polypharmacy patients
   - Efforts to de-prescribe
   - Adherence

9. Increase employee/employer contribution levels (requires legislative action)*

10. Employee and member education and communication
    - Outreach
    - Professional development

13. Other Business

None.

14. DATE & LOCATION OF NEXT BOARD MEETING

October 3, 2017, 9:30 AM
Alfredo R. Santistevan Board Room
4308 Carlisle Blvd. NE
Albuquerque, NM 87107

15. EXECUTIVE SESSION

None.

16. ADJOURN

Its business completed, the board adjourned the meeting at 11:05 a.m.

_____

Tom Sullivan, President

NEW MEXICO
RETIREE
HEALTH CARE
AUTHORITY

Regular Meeting of the
NEW MEXICO RETIREE HEALTH CARE AUTHORITY

Wellness Committee

9:30 AM, August 29, 2017
NMRHCA
4308 Carlisle Blvd. NE, Suite 207
Albuquerque, NM

Participants Passcode: 473289
Phone Number — Toll Free: 1-888-205-5513

AGENDA

Attendees:	Ms. Jan Goodwin, Chair Ms. Therese Saunders Mr. Terry Linton Mr. Joe Montaño
Staff:	Mr. David Archuleta, Executive Director Mr. Neil Kueffer, Director of Product Development and Health Care Reform Mr. Greg Archuleta, Director of Communications and Member Engagement

1. Call to Order	Ms. Goodwin, Chair
2. Roll Call to Ascertain Quorum	Mr. Greg Archuleta, Recorder
3. Approval of Agenda	Ms. Goodwin, Chair
4. Executive Director's Report	Mr. David Archuleta, Executive Director
5. Wellness Plan Comparison Update	Mr. Neil Kueffer, Director of Product Development and Health Care Reform
6. Health Plan Partners Updates	
a) BCBS	Lori Bell, Lisa Hentz, Heather LeClerc, BCBS
b) NMHC	Rory Cobb, NMHC
c) Presbyterian	Ingrid Jorud, PHP
7. Other Business	Ms. Goodwin, Chair
8. Date and Location for the Next Wellness Committee Meeting	
9. Adjourn	

4308 Carlisle blvd. ne suite 104 - Albuquerque, NM 87109-4849 - Toll Free 800.233.2576 - Santa Fe 505.476.7340
Email: customerservice@state.nm.us - Fax 505.884.8611 - www.nmrhca.org

NEW MEXICO
RETIREE
HEALTH CARE
AUTHORITY

Regular Meeting of the
NEW MEXICO RETIREE HEALTH CARE AUTHORITY

Wellness Committee

10:00 AM, September 28, 2017
NMRHCA
4308 Carlisle Blvd. NE, Suite 207
Albuquerque, NM

Participants Passcode: 473289
Phone Number — Toll Free: 1-888-205-5513

AGENDA

Attendees:	Ms. Jan Goodwin, Chair Ms. Therese Saunders Mr. Terry Linton Mr. Joe Montaño
Staff:	Mr. David Archuleta, Executive Director Mr. Neil Kueffer, Director of Product Development and Health Care Reform Mr. Greg Archuleta, Director of Communications and Member Engagement

1. Call to Order	Ms. Goodwin, Chair
2. Roll Call to Ascertain Quorum	Mr. Greg Archuleta, Recorder
3. Approval of Agenda	Ms. Goodwin, Chair
4. Approval of Wellness Committee Minutes, August 29, 2017	Ms. Goodwin, Chair
4. Executive Director's Report a) Follow-up to August 29, 2017 Wellness Meeting	Mr. David Archuleta, Executive Director
5. Website Presentation	Mr. Greg Archuleta, Director of Communication and Member Engagement
6. Wellness Strategic Plan a) Introduction of Consultant Sarita Loehr b) Timeline	Mr. Archuleta, Executive Director and Mr. Kueffer, Director of Product Development and Health Care Reform
7. Other Business	Ms. Goodwin, Chair
8. Date and Location for the Next Wellness Committee Meeting	
9. Adjourn	

4308 Carlisle blvd. ne suite 104 - Albuquerque, NM 87109-4849 - Toll Free 800.233.2576 - Santa Fe 505.476.7340
Email: customerservice@state.nm.us - Fax 505.884.8611 - www.nmrhca.org

NEW MEXICO
RETIREE
HEALTH CARE
AUTHORITY

Regular Meeting of the
NEW MEXICO RETIREE HEALTH CARE AUTHORITY

Executive Committee

1:30 PM, September 28, 2017
NMRHCA
4308 Carlisle Blvd. NE, Suite 207
Albuquerque, NM

Participants Passcode: 473289
Phone Number — Toll Free: 1-888-205-5513

AGENDA

Attendees:	Mr. Tom Sullivan, Chair Mr. Joe Montaño Mr. Doug Crandall
Staff:	Mr. David Archuleta, Executive Director Mr. Greg Archuleta, Director of Communication and Member Engagement

Call to Order	Mr. Sullivan, Chair
Roll Call to Ascertain Quorum	Mr. Greg Archuleta, Recorder
Approval of Agenda	Mr. Sullivan, Chair
Executive Director's Report	Mr. David Archuleta, Executive Director
October 3, 2017 Board Agenda	Mr. Archuleta, Executive Director
Other Business	Mr. Sullivan, Chair
Date and Location for the Next Regular Meeting	
Adjourn	

4308 Carlisle blvd. ne suite 104 - Albuquerque, NM 87109-4849 - Toll Free 800.233.2576 - Santa Fe 505.476.7340
Email: customerservice@state.nm.us - Fax 505.884.8611 - www.nmrhca.org

STATE OF NEW MEXICO
invites applications for the position of:

Deputy Director (RHCA #10101860)

SALARY: $27.95 - $48.63 Hourly
$58,136.00 - $101,150.40 Annually

JOB TYPE: Permanent Position
OPENING DATE: 09/12/17
CLOSING DATE: 09/26/17 11:59 PM
DEPARTMENT: Retiree Health Care Authority
LOCATION: Albuquerque

JOB DESCRIPTION:
NEOGOV is currently working on a system update for applicants who use screen readers. If you are applying with a screen reader and need assistance, please contact Andrea Rivera-Smith @ (505) 695-5606.

IMPORTANT NOTICE:
Attached resumes will not be reviewed or considered. You are required to include your work experience in the Work Experience section of your application. If you have previously included work history on a resume you must transfer your work history into the Work Experience section prior to submitting your application. For more information please visit our website: Employment with the State of New Mexico

Purpose of Position:
The position serves as the Deputy Director for the Retiree Health Care Authority (RHCA) and assists the Executive Director in management of the daily operating activities of the RHCA to include: direct oversight of the Chief Financial Officer (CFO) and Financial Management Bureau, Director of Product Development and Health Care Reform, and two (2) Customer Service Managers and operations located in Santa Fe and Albuquerque. This position assists the Executive Director in implementing the policies, procedures and priorities promulgated by RHCA's Board of Directors and assists in all aspects of managing the organization.

This position is a Pay Band 90.

CLASSIFICATION DESCRIPTION:
General Manager I

MINIMUM QUALIFICATIONS:
A Master's Degree in any field of study from an accredited college or university and eight (8) years of professional level experience with a strategic impact directly related to the purpose of the position defined by the agency at the time of recruitment. Any combination of education from an accredited college or university and/or direct experience in this occupation

totaling fourteen (14) years may substitute for the required education and experience. A hiring agency will designate a portion of the required experience to include management and/or specialized experience. Any required licensure, certification or registration shall be defined at the time of recruitment and will be in addition to the above requirements.

Employment Requirements:
Must possess and maintain a valid Driver's License and complete a Defensive Driving Course Certificate from the State of New Mexico within thirty (30) days of hire.

Statutory Requirements: N/A
If a Statutory Requirement is associated with a position in this Manager Category, it will apply.

SUPPLEMENTAL INFORMATION:
Benefits:
Do you know what Total Compensation is?
http://www.spo.state.nm.us/total-compensation.aspx

Working Conditions:
Work is performed in an office setting with exposure to Visual/Video Display Terminal (VDT) and extensive personal computer and phone usage.Some travel may be required. Occasionally work extra hours, on weekends and holidays.

Conditions of Employment:
Working Conditions for individual positions in this Manager Category Level will vary based on each agency's utilization, essential functions, and the recruitment needs at the time a vacancy is posted. All requirements are subject to possible modification to reasonably accommodate individuals with disabilities.

Default FLSA Status:
Exempt. FLSA status may be determined to be different at the agency level based on the agency's utilization of the position.

Bargaining Unit:
This position is not covered by a collective bargaining agreemeent.

Agency Contact Information:
David Archuleta, (505) 222-6400.

Link to Agency:
http://www.nmrhca.state.nm.us/

Applicant Help/How to Apply:
http://www.spo.state.nm.us/State_Employment.aspx

Facebook

LinkedIn

Santa Fe, NM 87505

justin.najaka@state.nm.us

Deputy Director (RHCA #10101860) Supplemental Questionnaire

* 1. Please indicate the highest level of education you have **completed**. If you have responded that you have an education higher than a high school diploma or GED, you must attach a copy of your official/unofficial transcript(s) that clearly state the type of degree and date awarded/conferred, institution name, applicant name and is in a format that cannot be modified (edited). Your application WILL NOT be considered for further review if you have failed to provide this information.

  ❑ Eighth Grade
  ❑ Tenth Grade
  ❑ High School Diploma or GED
  ❑ Associates Degree or Technical/Vocational Certificate
  ❑ Bachelors
  ❑ Masters
  ❑ Juris Doctorate
  ❑ Ph.D. / PsyD / Ed.D. / M.D. / D.O. / Doctorate

* 2. How many years of experience do you have RELATED to the PURPOSE of this position? Please note that the purpose of this position is an extension of the minimum qualifications. Please review both the purpose of position and minimum qualifications before responding to this question. If you worked a part-time position (less than 40 hours a week) please be aware that your experience for this time period will be pro-rated. Additionally, if you have work experience that overlaps, you will only be credited for a maximum of 40 hours per week for that time period. Please note, that only related work experience will be considered.

  ❑ None
  ❑ 3 months of experience
  ❑ 6 months of experience
  ❑ 1 year of experience
  ❑ 2 years of experience
  ❑ 3 years of experience
  ❑ 4 years of experience
  ❑ 5 years of experience
  ❑ 6 years of experience
  ❑ 7 years of experience
  ❑ 8 years of experience
  ❑ 9 years of experience
  ❑ 10 years of experience
  ❑ 11 years of experience
  ❑ 12 years of experience
  ❑ 13 years of experience
  ❑ 14 years of experience
  ❑ 15 years of experience

* 3. Do you have experience working with self-insured medical and Medicare Advantage Plans?

  ❑ Yes
  ❑ No

* 4. Do you have experience issuing and managing requests for proposals related to medical, pharmacy, dental, vision, life, and consulting service?

  ❑ Yes

❑ No

* 5. Do you have experience working with actuarial concepts related to solvency projections and GASB reporting requirements related to Other Post-employment Benefits?

❑ Yes
❑ No

* 6. Do you have experience managing an organization?

❑ Yes
❑ No

* 7. Do you have any healthcare related experience?

❑ Yes
❑ No

* 8. I understand that I must attach transcripts if I have certified that I have an education higher than a High School Diploma or GED, which include the date and type of degree awarded, institution name, applicant name and is in a format that cannot be modified (edited).
PLEASE NOTE: Attachments are NOT automatically attached to your application. You will need to select which documents to attach to each application. (The last 15 attachments uploaded are available for selection).

I understand that my response to the experience question will be confirmed. I have included my related work experience in the Work Experience Section of my application.

I understand that I must complete the Certificates and Licenses section of my application or attach proof of this license/certificate to my application if this position has a statutory requirement.

I understand that my application will not be further considered if I fail to provide this required information and documentation at the time my application is submitted.

❑ I understand

* Required Question

Chief Financial Officers,

As was previously announced, SHARE 9.2 Financials will be available on October 12th, 2017. To help ensure a smooth transition, the following SHARE 8.8 accounting processing deadlines have been established. Please read this notification closely to understand the deadlines and help your agency prepare for the conversion:

- **Shutdown**: SHARE Financials will be unavailable beginning 5PM on Friday, October 6th. This blackout period will continue through 8AM on Thursday, October 12th.
- **DFA Processing Activities**
    - **Purchase Orders** – All Purchase Orders must be in approved status by October 6th. POs requiring FCD approval must be submitted to FCD by the close of business on Tuesday, October 3rd.
    - **Vouchers** – Submissions of vouchered payments and all supporting documents must be received by FCD by the close of business on Tuesday, October 3rd. Vouchers submitted by that deadline shall be processed by October 6th. Vouchers with errors will be returned and, if corrected and resubmitted by the close of business on Thursday, October 5th, shall also be processed prior to the shutdown.
    - **Journal Entries** – Journals must be received by the CAFR Unit prior to the close of business on Tuesday, October 3rd. Journals with errors will be returned and, if corrected and resubmitted by the close of business on Thursday, October 5th, shall also be processed. Agencies shall delete all pending (unprocessed) Journals from the system prior to the close of business on October 6th. These Journal Entries will need to be reentered once the system comes back online.
    - **Note:** Transactions that are not approved in 8.8 prior to October 6th will need to be reapproved once 9.2 is available. Supporting documentation will need to be attached electronically per the new attachment functionality in 9.2 for these transactions.
- **Batch Schedules, Cash Remediation II Agencies, and Bank File Loads and Exports**
    - Batch processing schedules for CRPII feeds will be placed on hold after 4PM Friday, October 6th and resume on Thursday, October 12th.
    - The SFTP server that gathers CRPII system files will be available to receive files during the upgrade. Agencies may continue to submit files during the upgrade, but file names must be unique; otherwise, you could overwrite unprocessed files.
    - Pending files shall be processed when 9.2 goes live on Thursday, October 12th.
- **Other**
    - **Cash Application using AR Direct Journals or Applied Payments** – While there should not be any impact other than systems availability, please ensure all payments within an actioned deposit are fully applied. That is, do not partially work a deposit: either work it fully or defer it.
    - **Requisitions** – Workflow will be applied to requisitions with 9.2. Agencies should review their requisitions and action any item in pending status prior to the close of business on October 6th.

Please familiarize yourself and your Financials staff with these deadlines. It will take cooperation from everyone to make the transition to FIN 9.2 successful. FCD reserves the right to extend these deadlines, if workload allows. However, plan your work around these deadlines and expect no extensions.

Thank you for your support and hard work. If you have questions, please contact me or the SHARE Upgrade Team at share.upgrade@state.nm.us.

Regards,

Ron Spilman
State Controller

FIN 9.2 Go-Live Checklist

This checklist includes tasks you and your organization should complete to use SHARE FIN 9.2. Please reach out to the SHARE Upgrade Team at SHARE.Upgrade@state.nm.us if you have questions about these tasks.

CFO Action Items

Action Item	Details	Due Date
❑ **Complete the user access request by the deadline**	All user access spreadsheets are due to the SHARE Upgrade Team by September 22nd.	September 22nd
❑ **Confirm users are using compatible browsers**	SHARE 9.2 is compatible with Internet Explorer version 11, Google Chrome and Mozilla Firefox.	September 22nd
❑ **Confirm your agency will be represented at SMARTnet**	Your SMARTnet team has received invitations for the September 27th meeting. Confirm your agency's participation with your team.	September 27th
❑ **Understand your agency's document retention policy**	Know how long you need to keep paper documentation at your agency and communicate to your agency users.	September 29th
❑ **Review the Approval Toolkit (available September 25th)**	The Approval Toolkit includes everything you need to prepare for approvals in FIN 9.2: process flows, checklists, attachment guides and FAQs.	September 29th
❑ **Complete transactions in FIN 8.8 by October 3rd**	All Financials transactions need to be submitted by October 3rd and approved by October 6th.	October 3rd
❑ **Write down favorite pages from FIN 8.8**	Favorited pages will not carry forward, so users should write down their favorite pages if they want to add them again in FIN 9.2.	October 6th
❑ **Identify agency experts to address issues before contacting the Help Desk**	DoIT and DFA need help from agency experts to address common questions and issues at the agency level before submitting Help Desk tickets.	October 6th and ongoing
❑ **Confirm agency scanning capability**	Agencies will need access to a scanner with at least 300 dpi that can produce legible PDF copies for attachments in FIN 9.2.	October 12th
❑ **Verify email addresses are correct for notifications**	Daily emails containing pending approvals will be sent to the email addresses listed in SHARE HCM; Work with your agency's HR staff to verify that email addresses are correct.	October 12th
❑ **Complete training and encourage users to complete training**	Training information is found on the FIN Training page in the SHARE Collaboration Center.	October 12th
❑ **Verify Reports To fields are correct in HCM**	Work with your agency's HR staff to pull a report of Reports To fields, and make sure the supervisors listed are the correct Level 1 approvers.	October 12th and ongoing
❑ **Use the Troubleshooting Guide (available October 12th) to address issues**	Users can take many steps to address their own questions and issues before submitting Help Desk tickets; these steps are outlined in the Troubleshooting Guide.	October 12th and ongoing

Heart Failure - the Rising Epidemic

Save the Date

New Mexico Coalition for Healthcare Value
is holding its next Education Summit on

Heart Failure - the Rising Epidemic

on
Tuesday, November 28, 2017

You do not want to miss this timely, free event!

Stay tuned for more information
Registration opens: September 18, 2017

New Mexico Coalition for Healthcare Value

Thousands of Presbyterian patients to lose Lovelace services

By Steve Sinovic / Journal Staff Writer

Wednesday, September 13th, 2017 at 3:46pm

Lovelace Medical Group is terminating its contract with Presbyterian Health Plan. Shown here is Lovelace's newly opened Independence Square. (PHOTO COURTESY OF LOVELACE)

ALBUQUERQUE, N.M. — Lovelace Medical Group/Southwest Medical Associates said it will terminate its contract with Presbyterian Health Plan on Jan. 1, which could limit health care choices for about 7,400 customers.

A letter dated Sept. 5 said Lovelace Medical Group/Southwest Medical Associates providers will no longer accept Presbyterian insurance, but it did not spell out a reason. The change does not affect any appointments that are scheduled before Jan. 1.

In its letter, Lovelace suggested patients choose a health insurance plan that Lovelace does accept, including Blue Cross and Blue Shield of New Mexico, New Mexico Health Connections, Molina Healthcare New Mexico, Retiree Health Care Authority, TriCare or United HealthCare Community Plan.

Lovelace refused comment Wednesday on the reasons for its decision.

A Presbyterian spokeswoman said Presbyterian Health Plan never had a contract with Lovelace Medical Group, but rather an "evergreen contract" with Southwest Medical Associates, a multi-specialty medical practice that the Lovelace parent company, the for-profit Ardent Health Services, acquired in 2012.

"We were recently notified by Southwest Medical Associates, an organization affiliated with Lovelace Medical Group, on their decision to no longer participate as a provider in our network, effective Dec. 31, 2017," said Brandon Fryar, Presbyterian Health Plan president in a statement. "We are working collaboratively with

community (medical) providers as well as Presbyterian Medical Group to ensure the 7,400 members impacted by Lovelace's decision continue to have access to quality care."

Those with questions can contact Presbyterian at 505-923-8100.

Presbyterian is the state's largest locally owned health plan, providing coverage to 466,000 members in New Mexico. The for-profit subsidiary of Presbyterian Healthcare Services has members in commercial, Medicare and managed Medicaid plans.

Back-and-forth between hospitals and insurance companies over reimbursement rates is fairly routine. They periodically re-up their contracts with each other, spelling out what the insurance companies will pay for literally thousands of procedures, from clipping in-grown toenails to brain surgery.

Hospitals typically ask for adjustments to their payment rates from affiliated insurers to pay for rising medical supply, pharmaceutical and other operating costs.

Contact the writer.

Pro Football

Chief under fire after labeling Steelers' Tomlin with slur

Chicago officers photographed taking a knee, face reprimand

Cowboys kneel, then pull past Arizona 28-17 behind Prescott

South Carolina restaurant bans NFL games until protests end

Trump begins the morning by slamming the NFL

MORE HOME

PRESBYTERIAN
Health Plan, Inc.

P.O. Box 27489, Albuquerque, NM 87125-7489
www.phs.org

Topic: Important news about your healthcare provider.

As a valued member of Presbyterian Health Plan, Inc., we want to let you know that effective December 31, 2017, (PROVIDER NAME) , (TITLE) at Southwest Medical Associates will no longer be your healthcare provider. This change means you will need to choose a new specialist. We know that losing a trusted healthcare provider can be hard, and that finding a new one can be even harder. Presbyterian is standing by to help you with this change.

We will call you by October 13, 2017 to help you choose a new provider. If you want to talk with us sooner, you can reach us at the contact information below.

Your options for care are listed below. Please call the Presbyterian Customer Service Center with any questions.

- Sometimes providers move to a practice that is still in your network. That means you may still be able to see (PROVIDER NAME) , (TITLE) at her new location. Call or stop by the Presbyterian Customer Service Center to see if (PROVIDER NAME) , (TITLE) is still in your network.
- **You may be able to get care from (PROVIDER NAME) , (TITLE) for at least 30 days if:**
  - You have a health issue that cannot be treated by another specialist in your network.
  - You are in your second or third trimester (more than three months) of pregnancy.
- **You can choose a new provider at any time by calling us or looking online at www.phs.org/directory.** We understand the importance of finding a provider who meets your needs and that you feel comfortable with. The Presbyterian Customer Service Center is here to help.

What steps do I need to take now?

- Call the Presbyterian Customer Service Center with any questions about:
  - Whether your provider moved to group in your network.
  - Finding a new provider.
  - How to get copies of your health records.

Presbyterian Customer Service Center is here to help!

Call: Monday - Friday, 7am-6pm, (505) 923-5678; Toll-free: 1-800-356-2219; TTY: 711
Walk-in: Monday – Friday, 8 a.m. – 5 p.m. at the Rev. Hugh Cooper Admin Center, 9521 San Mateo Blvd. N.E., Albuquerque, NM 87113. Visit our online provider list at www.phs.org/directory.

MPC121649

Insurance rate hike sets record for New Mexico exchange

By Steve Sinovic / Journal Staff Writer

Thursday, September 21st, 2017 at 3:19pm

Superintendent of Insurance John Franchini

ALBUQUERQUE, N.M. — It looks like Obamacare premiums for New Mexico policyholders will spike by double digits in 2018.

Regulators have approved the largest health insurance premium increase in the four-year history of New Mexico's subsidized exchange, state Insurance Superintendent John Franchini said. Average premium increases for 2018 will range from 36 percent to 41 percent for mid-level insurance coverage, according to an analysis by his office.

The state's top insurance regulator said the rate increases in 2018 are heavily influenced by uncertainty about whether the federal government will block or discontinue payments to insurers. President Donald Trump has repeatedly threatened to halt these reimbursements to insurance companies in his drive to dismantle the Affordable Care Act, as Obamacare is formally known.

About 55,000 New Mexico residents sign up each year for insurance through the state's exchange, known as beWellnm.

Back in the marketplace for 2018 are Molina Healthcare, Blue Cross Blue Shield of New Mexico, Christus Health Plan, and New Mexico Health Connections — the same as this year. Between them, the providers are offering 216 individual plans in the new enrollment year. This year, there were 179 individual plans on offer.

About 60 percent of people who buy insurance through the New Mexico exchange qualify for subsidies that reduce costs. "I feel sorry for the other 40 percent though," Franchini said. "Forty percent have to pay the full brunt of the rate increases."

The full range of premium increases runs from 17 percent to just over 49 percent.

"Instability: that's the main reason for the increases. We're trying to give carriers some sort of certainty,"said Franchini, whose office told the insurers to assume Cost Saving Reduction payments would not continue. Insurance companies receive the payments to defray the cost of premiums for clients who qualify for subisidies.

Raising premiums gives insurers more confidence to participate in the market by protecting them from major financial losses, said Franchini. At the same time, if the Trump administration continues to make the CSR reimbursements (or if Congress steps in to appropriate the necessary funds), these insurers could potentially reap a windfall, financed largely by federal taxpayers who pick up the tab for the cost-sharing program.

If the CSRs do come through, could the rate hikes be rolled back? "I cannot guarantee that will happen in New Mexico," Franchini said, adding that insurance and medical companies "don't do well" with revising contracts once they're signed.

"The continued volatility and chaos in health insurance market creates an extraordinarily challenging business environment for health insurers," said Dr. Martin Hickey, CEO New Mexico Health Connections, whose company has the second-largest number of enrollees on the exchange — about 35 percent. Molina is the market leader with about 37 percent.

"Health plans are doing the best they can to navigate in the current climate," Hickey said. "As a result of the United States House of Representatives v. Price lawsuit, the administration has the ability to revoke the cost-sharing reduction payments at any time, which wreaks havoc for health plans trying to manage risk."

Franchini said rates are rising because not enough people are buying insurance through New Mexico's federally subsidized marketplace.

Material from the Associated Press was used in this report.

Contact the writer.

Pro Football

Paralyzed ex-player Marc Buoniconti assists ailing father

The Latest: NFL sponsor backs national anthem, free speech

President Trump 'proud of NASCAR' for protest-free race

Hunt with another big play as unbeaten Chiefs keep rolling

Sproles out with torn ACL and broken wrist

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SANTA FE NEW MEXICAN

http://www.santafenewmexican.com/news/health_and_science/health-connections-insurance-provider-for-thousands-of-new-mexicans-to/article_74feff8a-ff8b-5ad2-9a13-c3d80586a6f2.html

Health Connections, insurance provider for thousands of New Mexicans, to announce big change

By Bruce Krasnow | The New Mexican Sep 26, 2017 Updated Sep 27, 2017

After posting steep financial losses for the past two years, New Mexico's only nonprofit health insurance cooperative is poised to announce a major change that it says will be positive for co-op members.

New Mexico Health Connections has planned an announcement Wednesday. Co-op spokeswoman Lydia Ashanin said there would be no comment before then because of a nondisclosure agreement.

Ashanin said, however, that Health Connections will remain part of the state insurance market. "It's all very, very good news, and it's all very exciting," she said.

The future of Health Connections is critical in the state because it is a major insurance provider on the healthcare.gov exchange created by the Affordable Care Act, also known as "Obamacare." The co-op also has expanded to serve public employee groups and retirees.

State Superintendent of Insurance John Franchini said his office would have to approve any merger or partnership deal involving Health Connections but that such a deal would be the best path forward for the co-op and its customers.

"Health Connections is working diligently in making sure they are here into the future," Franchini said. When asked if a merger was in the works, he said, "I hope so."

In its financial filings with the state insurance office, Health Connections reported losses of $18 million in 2016 and $23 million in 2015.

Health Connections is one of 23 health insurance co-ops nationwide created with federal grant money as a result of the Affordable Care Act. The grant money was targeted for markets like New Mexico where insurers were unwilling to provide coverage in many poorer and rural areas.

Many co-ops in other states have financially collapsed.

But Health Connections this year was the second-largest New Mexico provider on healthcare.gov, covering more than 12,000 members, or 22 percent of the exchange market.

Three other insurance companies also offer health plans through the exchange, giving residents of all 33 New Mexico counties a choice of plans and services.

Health Connections has been successful in using stronger case management and preventative care to reduce its costs, especially with regards to hospital admissions, the co-op has said. But that approach has led to a clash with the U.S. Department of Health and Human Services.

The department says that under its so-called risk corridor formula, Health Connections needs to pay millions of dollars to help offset the costs that other insurance companies incur by covering higher-risk people.

The formula "brutally penalizes" innovators, said Nancy Long, a Santa Fe attorney representing Health Connections in a lawsuit that challenges the formula.

"New Mexico Health argues its premiums are lower than average not because its enrollees are healthier, but because of its innovative practices that punish it. ... That fact makes a mockery of the law whose very purpose was to create innovation and make health-care affordable," she wrote last year in preparation for the litigation.

The Office of the Superintendent of Insurance has granted Health Connections an extension in filing its financial data for 2017.

Franchini said the extension was granted at the request of Health Connections, which said it was in settlement talks with the federal government over the formula payment. The lawsuit is pending in U.S. District Court in Albuquerque.

Franchini said that without the risk corridor payment, Health Connections would be operating with a $66 million surplus. He said his regulators have been discussing a way for Health Connections to move forward and remain in the insurance market despite the uncertainty created by Congress and the White House over health care.

New Mexico exchange rates are expected to increase significantly in 2018. For Health Connections, the typical monthly premium for a 40-year-old nonsmoker in a silver-level plan will rise from $275 to $376 before any federal subsidies are included.

Contact Bruce Krasnow at brucek@sfnemexican.com.

Investments & Pensions Oversight Committee

Representative Tomas E. Salazar, Chair
Senator George K. Munoz, Vice Chair

NEW MEXICO
RETIREE
HEALTH CARE
AUTHORITY

Sustainability and Solvency
September 7, 2017

Tom Sullivan, Board President

Joe Montano, Vice President

Doug Crandall, Secretary

David Archuleta, Executive Director

Solvency Study

- Performed Annually
- Assists the Board of Directors and agency management in developing strategic direction
- Analysis of future cash inflows and outflows
- Not a guarantee of future results
- Subject to following variables:
  - Changes in the regulatory environment
  - Local market pressure
  - Changes in demographic makeup
  - Overall inflation rates
  - Claim volatility
- Changes in size of membership are projected, however, health status of future members is not known

Solvency

Revenue Components

- Beginning of Year Invested Assets (Trust Fund Balance)
- Employer Contributions (2 percent / 2.5 percent enhanced plans)
- Employee Contributions (1 percent / 1.25 percent enhanced plans)
- Retiree Medical (ranges by years of service and pre-Medicare/Medicare)
- Retiree Ancillary (100% paid by retiree)
- Taxation and Suspense Fund Revenue (FY16 levels through June 30, 2019)
- Medicare PDP & Manufacture Discounts (direct subsidies, coverage gap, LIS)
- Miscellaneous (performance penalties, subrogation recoveries, buy-in revenue)
- Investment Income

Expenditure Components

- Medical and Prescription Costs (self-insured, fully-insured)
- Basic Life (phased out by January 2021)
- Ancillary Premiums (100% paid by retiree)
- ASO and ACA Fees (admin fees, PCORI Fee, Reinsurance Fee, Health Insurer Fee)
- Program Support (agency operations)

New Mexico Retiree Health Care Authority

July 2017 Long-Term Solvency Modeling

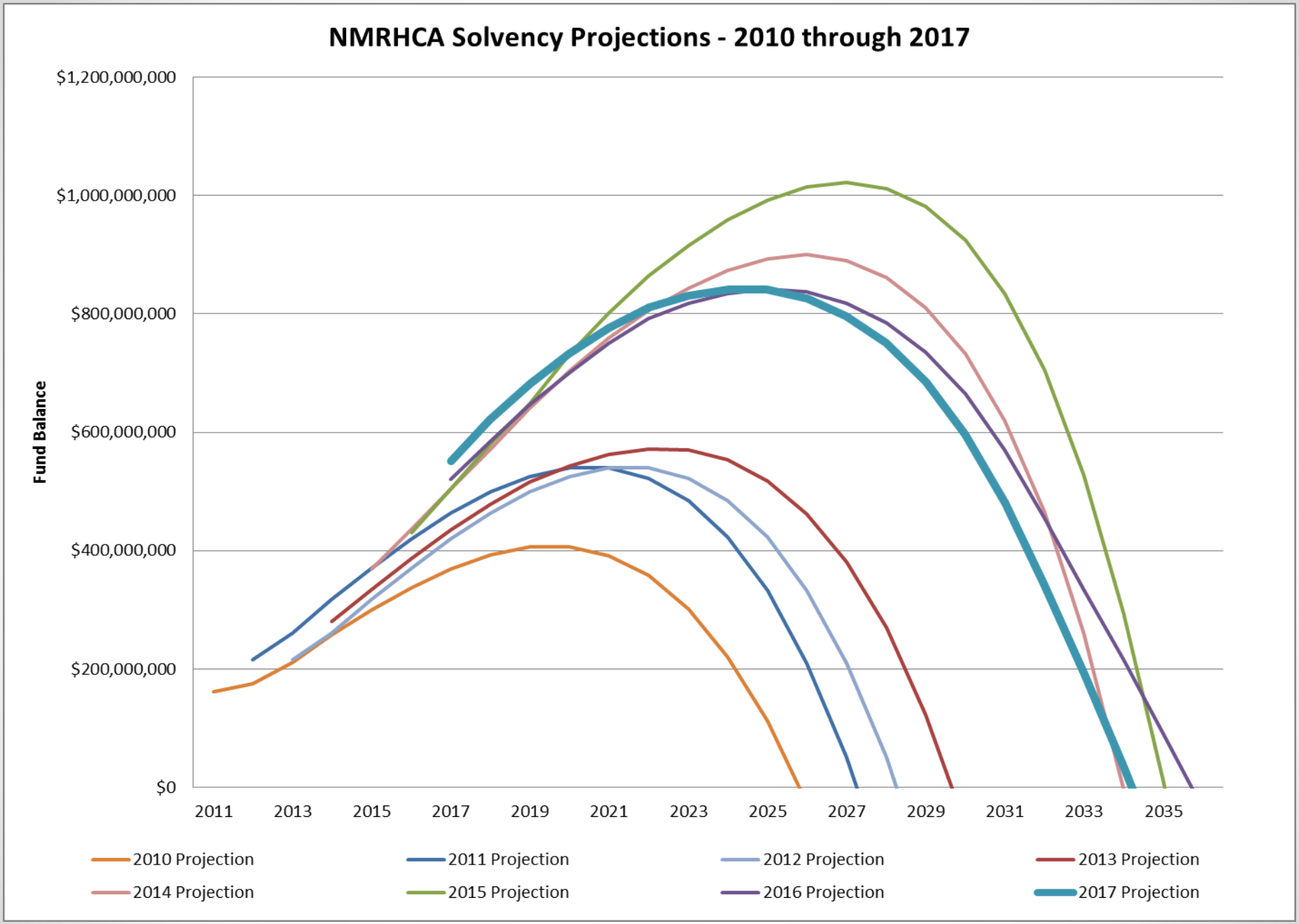
Sensitivity to Specific Assumption Changes within Baseline Scenario

Scenario Summary

	Baseline Scenario	Low Trend: -1%	High Trend: +1%	Low Payroll Growth: -0.5%	Increase Non-Medicare Retiree Rate Share: +4%	Increase Non-Medicare Spouse Rate Share: +9%
Changing Cells:						
Annual Payroll Growth - Starting CY2021	3.50%	3.50%	3.50%	3.00%	3.50%	3.50%
Annual Investment Return	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%
Non-Medicare Medical Claims Trend	8.00%	7.00%	9.00%	8.00%	8.00%	8.00%
Medicare Medical ClaimsTrend	8.00%	7.00%	9.00%	8.00%	8.00%	8.00%
Non-Medicare Retiree Rate Share	36.00%	36.00%	36.00%	36.00%	40.00%	36.00%
Non-Medicare Spouse Rate Share	64.00%	64.00%	64.00%	64.00%	64.00%	73.00%
Non-Medicare Rate Increase - CY2018 to CY2022	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Medicare Supplement Rate Increase - CY2018 to CY2031	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Result Cells:						
Assets as of July 1, 2034	$32,360,816	$727,788,083	($488,617,997)	($91,381,433)	$201,138,893	$159,722,894
Projected Year of Fiscal Insolvency	2035	2042	2032	2034	2036	2036

Scenario Summary

	Baseline Scenario	High Short-term Non-Medicare Rate Increase: +1%	Low Short-term Non-Medicare Rate Increase -1%	High Short-term Medicare Supplement Rate Change: +1%	Low Short-Term Medicare Supplement Rate Change: -1%	Low Investment Return: -1%	Low Investment Return: -2%
Changing Cells:							
Annual Payroll Growth - Starting CY2021	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Annual Investment Return	7.25%	7.25%	7.25%	7.25%	7.25%	6.25%	5.25%
Non-Medicare Medical Claims Trend	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Medicare Medical ClaimsTrend	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Non-Medicare Retiree Rate Share	36.00%	36.00%	36.00%	36.00%	36.00%	36.00%	36.00%
Non-Medicare Spouse Rate Share	64.00%	64.00%	64.00%	64.00%	64.00%	64.00%	64.00%
Non-Medicare Rate Increase - CY2018 to CY2022	8.00%	9.00%	7.00%	8.00%	8.00%	8.00%	8.00%
Medicare Supplement Rate Increase - CY2018 to CY2031	6.00%	6.00%	6.00%	7.00%	5.00%	6.00%	6.00%
Result Cells:							
Assets as of July 1, 2034	$32,360,816	$147,716,651	($77,809,612)	$67,596,454	($2,803,265)	($153,417,847)	($299,763,818)
Projected Year of Fiscal Insolvency	2035	2035	2034	2035	2034	2034	2033


NMRHCA Solvency Projections - 2010 through 2017
$1,200,000,000
$1,000,000,000
$800,000,000
$600,000,000
$400,000,000
$200,000,000
$0
Fund Balance
2011
2013
2015
2017
2019
2021
2023
2025
2027
2029
2031
2033
2035
2010 Projection
2011 Projection
2012 Projection
2013 Projection
2014 Projection
2015 Projection
2016 Projection
2017 Projection

GASB Overview

GASB 43/45

- Effective fiscal years 2006/2007
- Applicable to State and Local Governments
- Considers post-retirement benefits a form of deferred compensation
- Measures accumulated value of other post-employment benefits (OPEB) over participants active working lifetimes
- Calculations based on the benefits provided at time of evaluation
- Accrual-basis accounting required
- Calculation includes demographic information, turnover, mortality, disability, retirement, health care trends, and other actuarial assumptions
- Compares existing assets available to support future expenditures
- Does not account for future revenues

NMRHCA GASB History

	2016	2014	2012	2010	2008	2006
Actuarial Accrued Liability	$ 4,277,042,499	$ 3,740,369,299	$ 3,915,114,104	$ 3,523,664,871	$ 3,116,915,900	$ 4,264,180,967
Actuarial Value of Assets	$ 471,978,347	$ 377,087,017	$ 227,487,895	$ 176,922,935	$ 170,626,271	$ 154,538,668
Unfunded Actuarial Accrued Liability	$ 3,805,064,152	$ 3,363,280,282	$ 3,687,626,209	$ 3,346,741,936	$ 2,946,289,629	$ 4,109,642,299
Funded Ratio	11.04%	10.08%	5.81%	5.02%	5.47%	3.62%
Covered Payroll	$ 4,271,183,612	$ 3,941,587,760	$ 3,876,220,608	$ 4,001,802,240	$ 4,020,508,902	$ 4,073,731,873
Total Participants	159,642	155,098	146,590	146,166	130,381	140,292

Major changes include:

- Refined data reporting methodology by PERA/ERB 2006/2008
- Changes to pre-Medicare subsidy-levels 2006/2008
- 5 percent discount rate on investments used given funding levels
- Over $226 million contributed to trust fund since 2010 (excluding investment returns)

GASB Reporting Requirement Updates

GASB 74: Financial Reporting for Postemployment Benefits Other Than Pension Plans

- Replaces the requirements of GASB Statement 43
- Discount rates based on AAA Municipal Bond Yields
- New standard for financial reporting for OPEB benefit plans
- Effective for fiscal years beginning after June 15, 2016 (FY2017)
- Likely to result in increase to liability calculation
- Applies to NMRHCA

GASB 75: Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions

- Supersedes the requirements of GASB Statement 45
- Deals w/individual employer reporting
- Effective for fiscal years beginning after June 15, 2017 (FY2018)
- Applies to employer groups (state, municipalities, counties)
- Net liabilities will be reported as part of the employer's balance sheet

Similar methodology to GASB pension statements 67 and 68

Sustainability

Strategic Plan (2018 – 2022)

- Apply downward pressure on prescription drug costs for all members (network, contracts, cost-sharing)
- Apply downward pressure on pre-Medicare medical plans (network, contracts, cost-sharing)
- Reduce pre-Medicare retiree subsidies
- Reduce pre-Medicare spousal subsidies
- Evaluate existing and emerging wellness/population health programs for inclusion in either plan coverage or incentive support
- Develop and implement value-based purchasing initiatives either through existing health plan partners or directly with health care delivery systems
- Evaluate emerging and ongoing demographic trends and make program adjustments commensurate with fiduciary responsibilities
- Provide members with information necessary to better manager their individual health care
- Increase employee/employer contribution levels (requires legislative action)

Sustainability Continued

Examples Cost Containment Strategies

- PBM contract negotiations
- Smart90 Program for prescription services
- Increase maximum copay levels
- Encourage members to shop around for their health care needs
- Develop networks that discount services for attribution
- Incentivize healthy behaviors and disease management programs
  - Management of chronic Illness
  - Management of acute care episodes
  - Integrating prescription data at part of members care management
  - Reduction in preference sensitive surgeries

Challenges

- Future changes to revenues received from Tax Suspense Fund
- Prescription drug costs
- Limited growth in public payroll
- Volatility in the health insurance market
- The President's and Congress's disposition toward Medicare is unclear at the federal level
- Competition w/other state priorities

Contact Information

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LFC Newsletter

A publication of the **Legislative Finance Committee**
Representative Patricia Lundstrom, Chairwoman
Senator John Arthur Smith, Vice Chairman
David Abbey, Director

Volume 18 Issue 3 September 2017

From the Chairwoman

Growing Economy

Drought is an annoyance if you live in the city, but it can be catastrophic if you're one of the 25,000 farm-owners in New Mexico. While homeowners in Albuquerque might have to give up lawns when water resources are stretched thin, too little water can cut deeply into the livelihoods of the mostly family-owned farms in New Mexico.

Fortunately, New Mexico in August was completely free of drought or unusually dry conditions for the first time since the federal Drought Monitor began measurements 18 years ago. Of course, that was last month and this is New Mexico.

Still, that's good news for farmers in southern New Mexico. Just a few years ago, when the Rio Grande ran dry before it made it to the pecan orchards and chile fields around Las Cruces and Hatch, farmers had to seriously consider what crops could be left to die.

When the Legislative Finance Committee meets in Truth or Consequences in September, it will be close to the heart of the southern New Mexico agriculture community – the Elephant Butte Reservoir.

Built between 1911 and 1916, the reservoir continues to be critical to southern New Mexico agriculture. As the measuring point for New Mexico deliveries of Rio Grande water to Texas, it is just as important to New Mexico water management. The water level in the reservoir, designed to hold 2 million acre-feet of water, is at just 13 percent of its capacity but is holding twice as much water as it did last year.

New Mexico and Texas have mostly cooperated over the management of the reservoir, but Texas is currently suing New Mexico over the closely related issue of groundwater use in southern New Mexico, an increasing habit as water in the Rio Grande is depleted. The lawsuit is expected to last years and possibly decades, partly because of the complicated task of determining the degree to which groundwater pumping affects Rio Grande flows.

New Mexico has struggled to manage its water resources for most of its history. Much of the struggle has been driven by a lack of information about the resource itself and ownership of the resource, whether those owners live within state boundaries or across the state line.

We can't change the weather but we can get better about managing our water.

The world-famous chile farmers in Hatch, the national leaders in pecan production in Doña Ana County, the 33,000 New Mexicans who work in agriculture and food processing, and every New Mexican who benefits from the $10.6 billion industry are counting on it.

Representative Patricia Lundstrom
Chairwoman

Abuse Case Growth Outpaces Efforts To Boost System

An abused or neglected New Mexico child is twice as likely as others in the nation to experience additional maltreatment, a sign the New Mexico child protection system is straining under a caseload outpacing increased spending, LFC analysis indicates.

The Protective Services Program of the Children, Youth and Families Department, the subject of a committee hearing scheduled for 9:30 a.m. September 27, failed all but one of its eight performance measures for the last quarter of FY17, missing benchmarks for maltreatment while in foster care, monitoring of foster children, length of foster care, reunification with parents, and staff turnover, in addition to the benchmark for repeat maltreatment.

Further, the nonprofit research organization Child Trends reports the state receives more than 82 abuse or neglect referrals per 1,000 children, 54 percent higher than the national average of 53.2, and has a victimization rate of 17.5 per 1,000 children, almost double the national rate of nine.

While state agencies generally saw budget cuts between FY14 and FY18, Protective Services received a 21.2 percent increase and 76 new full-time positions, mostly investigators and adoption placement workers.

However, program turnover remains a problem; the department reports 30 percent of workers left in FY15 and FY16 and 25 percent in FY17.

"While significant additional resources have been provided to the agency, increasingly low economic and social indicators are hindering efforts by the agency to reduce stress on the child welfare system," the LFC report says.

High child welfare worker turnover on the national level is atrributed to staff burnout and secondary trauma.

The report notes reducing child maltreatment and foster placements by 10 percent could save the state tens of millions of dollars in the short run and save more in the long run by reducing the child's and family's need for future social services.

Insurance Group Falls Short of Promise

An agency created 20 years ago to reduce healthcare costs by combining the purchase power of 150,000 public employees and retirees has left rate agreements to the insurance companies, resulting in high provider rates that drive insurance costs up, an LFC evaluation concludes.

Health Notes: IBAC Cost and Utilization, presented to the committee in August and posted online, finds the agencies in the Interagency Benefit Advisory Council – Albuquerque Public Schools, General Services Department for all state agencies, Public Schools Insurance Authority for all public schools except Albuquerque's, and the Retiree Health Care Authority – are paying healthcare provider rates higher than Medicare, and much higher than Medicaid.

The purchasing group, second only to Medicaid in terms of state dollars spent on health care, has primarily contained costs by shifting the burden to the employees and retirees and the agencies through higher premiums, deductibles, and copayments.

Premiums for the cheapest individual plans offered by IBAC agencies, although comparable with national benchmarks, have risen 25 percent to 50 percent over the past five years, staff reports.

In addition, comparisons with Medicare indicate IBAC agencies pay more for hospital-based services even though their members are generally younger and healthier.

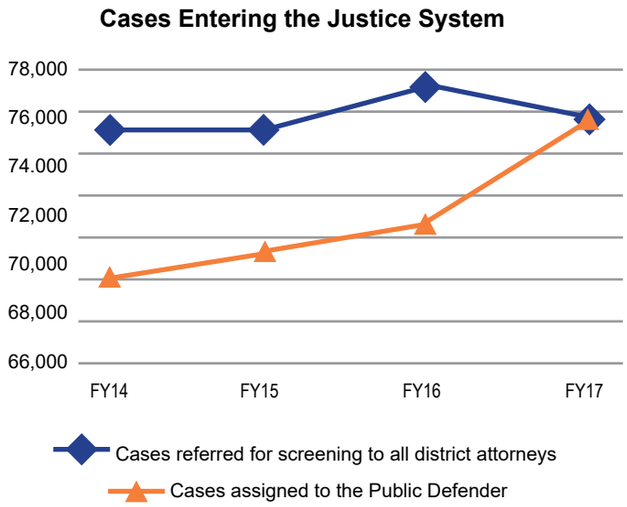
The Program Evaluation Unit reports IBAC agencies generated significant savings through a contract with a common pharmacy benefits manager, "their one venture into truly consolidated purchasing."

The report concludes IBAC might be able to save money for its agencies through the redesign of its contracts with the insurance companies to bring greater transparency to rate agreements but needs true consolidation of the agencies into a single buyer, a conclusion LFC staff have reached in evaluations going back to 2010.

Public Defender Caseload Surpasses Courts', DAs'

The number of cases assigned to the Law Offices of the Public Defender grew almost 9 percent between FY14 and FY17, while cases referred for screening to district attorneys throughout the state stayed mostly flat and total caseload for the district courts dropped.

Total cases in the district courts declined from about 400,000 in FY14 to 350,000 in FY17, driven largely by a drop in the 2nd judicial district. Caseloads are the primary driver of workloads in the justice system.



LFC Newsletter
Volume 18 Issue 3

Published monthly in the interim by the Legislative Finance Committee.
Staff Editor - Travis Dulany Writer, Editor - Helen Gaussoin

Questions, comments: 505-986-4550
www.nmlegis.gov/lfc

Please contact Adreena Lujan at adreena.lujan@nmlegis.gov if you would prefer to receive this newsletter electronically.

On the Table

Rail Accident Prevention Could Cost $50M

The Rail Runner operator estimates a federally required accident prevention system will cost $50 million. The Federal Railroad Administration already has denied a request from the Rio Metro Transit District for an exemption from the requirement and Rio Metro is unlikely to qualify for an exclusion for rails that run six or fewer round trips a day. The Rail Runner operates 11 round-trip trains a day. Under federal law, railroads must install a positive train control system, which automatically stops a train and is designed to prevent train-to-train collisions and high-speed derailments.

Prison Population Less Than Projected

The state prison population of 7,260 in July – 6,525 men and 735 women – is 4.1 percent below Sentencing Commission projections and down 1.6 percent from July 2016.

More School Districts Get Internet

An additional 111,158 students in 21 school districts have upgraded to the minimum recommended Internet bandwidth connection since 2015, the nonprofit Education SuperHighway reports. A total of 179,383 students in 82 school districts now have access to at least the 100 kilobytes-per-second minimum. More than 127,000 students in seven school districts still don't have access to even the very slow minimum. The nonprofit reports New Mexico ranks in the top 20 states for the share of schools connected, 92 percent, but in the bottom 20 for maximizing bandwidth for the budget.

Low Enrollment Closes Reserve School

The Public Education Department recently notified Glenwood Elementary School that its enrollment has dropped to low to continue as a separate school. State law requires schools have at least eight students to stay open. Glenwood has fallen short of the threshold for the last two years.

Childcare Assistance Program Grows

Enrollment in the childcare assistance program rose to 20,183 children in August, a 16 percent increase from a year ago.

Transitions

A second member of the Gaming Control Board, Paulette Becker, has resigned, leaving the five member board with three members. The board is now missing its public member and the member who must be a certified public accountant.

Justin Chamblin will become the new director of the Public Schools Facilities Authority starting November 1. Chamblin received his master's degree in architecture from the University of New Mexico and has extensive construction and architecture experience.

Legislative Finance Committee
325 Don Gaspar Street Ste101
Santa Fe NM 87501

New Mexico Retiree Health Care Authority

2017 Switch Enrollment Meeting Schedule

October 2 & 31, 2017 Santa Fe Community College Jemez Room 6401 Richards Ave. Santa Fe, NM 87508 **9:30 a.m. – 10:30 a.m.** Medicare Medical/RX **10:45 a.m. – 11:45 a.m.** Voluntary Coverage **Noon – 1:00 p.m.** Non-Medicare Medical/RX	**October 3, 2017** WNMU – Silver City Besse-Forward Global Resource Center Corner of 12th and Kentucky Silver City, NM 88061 **1:00 p.m. – 2:00 p.m.** Medicare Medical/RX **2:15 p.m. – 3:15 p.m.** Voluntary Coverage **3:30 p.m. – 4:30 p.m.** Non-Medicare Medical/RX	**October 4 & 5, 2017** NM Farm & Ranch Heritage Museum 4100 Dripping Springs Rd. Las Cruces, NM 88011 **9:30 a.m. – 10:30 a.m.** Medicare Medical/RX **10:45 a.m. – 11:45 a.m.** Voluntary Coverage **Noon – 1:00 p.m.** Non-Medicare Medical/RX	**October 12, 2017** Clovis Civic Center 801 Schepps Blvd Clovis, NM 88101 **9:30 a.m. – 10:30 a.m.** Medicare Medical/RX **10:45 a.m. – 11:45 a.m.** Voluntary Coverage **Noon – 1:00 p.m.** Non-Medicare Medical/RX
October 13, 2017 New Mexico Highlands Univ. Student Center 800 National Ave. Las Vegas, NM 87701 **9:30 a.m. – 10:30 a.m.** Medicare Medical/RX **10:45 a.m. – 11:45 a.m.** Voluntary Coverage **Noon – 1:00 p.m.** Non-Medicare Medical/RX	**October 16 & 30, 2017** UNM Continuing Ed. Auditorium 1634 University Blvd., NE Albuquerque, NM 87131 **9:30 a.m. – 10:30 a.m.** Medicare Medical/RX **10:45 a.m. – 11:45 a.m.** Voluntary Coverage **Noon – 1:00 p.m.** Non-Medicare Medical/RX	**October 17, 2017** Roswell Convention & Civic Center 912 N. Main St. Roswell, NM 88202 **9:30 a.m. – 10:30 a.m.** Medicare Medical/RX **10:45 a.m. – 11:45 a.m.** Voluntary Coverage **Noon – 1:00 p.m.** Non-Medicare Medical/RX	**October 18, 2017** NM Junior College Training and Outreach Facility 5317 North Lovington Hwy Hobbs, NM 88240 **9:30 a.m. – 10:30 a.m.** Medicare Medical/RX **10:45 a.m. – 11:45 a.m.** Voluntary Coverage **Noon – 1:00 p.m.** Non-Medicare Medical/RX
October 24, 2017 Farmington Civic Center 200 W. Arrington St. Farmington, NM 87401 **10:30 a.m. – 11:30 a.m.** Medicare Medical/RX **11:45 a.m. – 12:45 p.m.** Voluntary Coverage **1:00 p.m. – 2:00 p.m.** Non-Medicare Medical/RX	**October 25, 2017** Red Rock State Park Dining & Conference Room Gallup, NM 87311 **9:30 a.m. – 10:30 a.m.** Medicare Medical/RX **10:45 a.m. – 11:45 a.m.** Voluntary Coverage **Noon – 1:00 p.m.** Non-Medicare Medical/RX	**October 26, 2017** Santa Ana Star Center 3001 Civic Center Cir NE Rio Rancho, NM 87144 **9:30 a.m. – 10:30 a.m.** Medicare Medical/RX **10:45 a.m. – 11:45 a.m.** Voluntary Coverage **Noon – 1:00 p.m.** Non-Medicare Medical/RX	**November 1, 2017** Northern NM College Nick L. Salazar Center for Performing Arts 921 Paseo de Onate Española, NM 87532 **9:30 a.m. – 10:30 a.m.** Medicare Medical/RX **10:45 a.m. – 11:45 a.m.** Voluntary Coverage **Noon – 1:00 p.m.** Non-Medicare Medical/RX
November 2, 2017 Raton Convention Center 901 S. 3rd St Raton, NM 87740 **9:30 a.m. – 10:30 a.m.** Medicare Medical/RX **10:45 a.m. – 11:45 a.m.** Voluntary Coverage **Noon – 1:00 p.m.** Non-Medicare Medical/RX	**Wellness Screenings Now Featured At All Switch Enrollment Meetings** In an effort to help all of us stay healthier, the following may be offered to all attendees at no cost at all meeting locations: ▪ **Flu Shots** (*subject to serum availability*) ▪ **Pneumococcal vaccine** – protects against pneumococcal diseases that cause infections in the lungs, blood, brain, and ear (*for all adults over 65 years old*) ▪ **Blood Pressure Check** ▪ **Waist Circumference** ▪ **Fecal Occult Blood Test (FOBT)** – A simple non-invasive test that can be completed in your own home. The test detects tiny amount of blood, often released from colorectal cancer. This test to check for blood in the stool for ages 50-57. ▪ **Visiderm** – The screening is for viewing of skin to look for areas of sun damage and to educate on the importance of taking protective measures such as the use of sunscreen. (*The Visiderm screening will be available only at select locations*) ▪ **Quit for Life** – This program is brought to you by the American Cancer Society® and Alere Wellbeing, and is the nation's leading tobacco cessation program.		

DEADLINE FOR CHANGES MUST BE POSTMARKED NO LATER THAN NOVEMBER 9, 2017

NEW MEXICO
RETIREE
HEALTH CARE
AUTHORITY

The New Mexico Retiree Health Care Authority fosters quality of life and peace of mind by responsibly administering affordable, secure health care benefits for public retirees and their families.

2018 SWITCH ENROLLMENT IMPORTANT INFORMATION

The annual New Mexico Retiree Health Care Authority Switch Enrollment Schedule now is available (see reverse side). For specific information regarding rate changes effective Jan. 1, 2018, please attend a meeting to determine the best health care plan option for you in the coming year. Also, Switch Enrollment Packets will be mailed out mid-September and will include a summary of your existing coverages and your options for 2018. **Please read this information carefully.**

4308 CARLISLE BLVD. NE, SUITE 104, ALBUQUERQUE, NM 87107 / 33 PLAZA LA PRENSA, SANTA FE, NM 87507 / 800-233-2576

HEALTH CARE PLAN SWITCH ENROLLMENT

Flu shots and screenings once again will be offered at meeting locations. Our staff will be visiting key locations throughout the state to offer personal assistance. You may also contact a customer service representative: M-F, 8am-5pm at 800-233-2576 or visit www.nmrhca.org.

FALL 2017 NMRHCA SCHEDULE

Santa Fe:
Oct. 2 & 31
9:30 a.m. Santa Fe Community College

Silver City: Oct. 3
1 p.m. WNMU

Las Cruces: Oct. 4 & 5
9:30 a.m. Farm & Ranch Museum

Clovis: Oct. 12
9:30 a.m. Civic Center

Las Vegas: Oct. 13
9:30 a.m. NMHU Student Center

Albuquerque: Oct. 16 & 30
9:30 a.m. UNM Continuing Education Auditorium

Roswell: Oct. 17
9:30 a.m. Convention & Civic Center

Hobbs: Oct. 18
9:30 a.m. NM Junior College

Farmington: Oct. 24
10:30 a.m. Civic Center

Gallup: Oct. 25
9:30 a.m. Red Rock State Park

Rio Rancho: Oct. 26
9:30 a.m. Santa Ana Star Center

Española: Nov. 1
9:30 a.m. Northern NM College

Raton: Nov. 2
9:30 a.m. Convention Center

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4308 CARLISLE BLVD. NE SUITE 104 - ALBUQUERQUE, NM 87107-4849 - TOLL FREE 800.233.2576 - SANTA FE 505.476.7340
EMAIL: CUSTOMERSERVICE@STATE.NM.US - FAX 505.884.8611 - WWW.NMRHCA.ORG

Personalized Switch Enrollment Form

Complete and return postmarked by November 9, 2017 for changes

ALEXANDER HAMILTON
414 W 141ST ST
NEW YORK NY 10031

ID #: 1029

Your CURRENT coverage(s) and monthly premium contribution rates:

Name	*Type of Coverage*	*Effective*	*Term*	*Billing Rate*
ELIZA HAMILTON	BCBS Premier	12/1/2016		$223.56
ALEXANDER HAMILTON	BCBS Premier	12/1/2016		$223.56
ALEXANDER HAMILTON	United Concordia Comprehensive - Family	12/1/2016		$97.65
ALEXANDER HAMILTON	Standard Additional Life 10,000 (Age 45-49)	12/1/2016		$3.14
ELIZA HAMILTON	Standard Additional Life 10,000 (Age 55-59)	12/1/2016		$7.61
ALEXANDER HAMILTON	Davis Vision - Family	12/1/2016		$13.23
PHILIP HAMILTON	BCBS Premier	1/1/2017		$217.00
		Total Current Monthly Bill:		**$785.75**

Your FUTURE coverage(s) effective JANUARY 1, 2018, if you don't make any changes:

Name	*Type of Coverage*	*Effective*	*Term*	*Billing Rate*
ALEXANDER HAMILTON	BCBS Premier	12/1/2016		$241.44
ELIZA HAMILTON	BCBS Premier	12/1/2016		$241.44
ALEXANDER HAMILTON	United Concordia Comprehensive - Family	12/1/2016		$97.65
ALEXANDER HAMILTON	Standard Additional Life 10,000 (Age 50-54)*	12/1/2016		$4.79
ELIZA HAMILTON	Standard Additional Life 10,000 (Age 55-59)	12/1/2016		$7.61
ALEXANDER HAMILTON	Davis Vision - Family	12/1/2016		$13.23
PHILIP HAMILTON	BCBS Premier	1/1/2017		$234.36
		Total FUTURE Monthly Bill if you decide not to change anything:		**$840.52**

*You will be moved to the next age bracket for your life insurance policy beginning January 1, 2018. The bracket is determined based on your age as of January 1.

If you wish to make a change, your OTHER OPTIONS for coverage(s) are:

To make a change, please read the Important Notes in your notification, then check the appropriate boxes and sign this form. If you will become eligible for Medicare in January 2018, you will receive a separate enrollment packet that will outline the Medicare plan options available to you.

	Name	Type of Coverage	Billing Rate
☐	ALEXANDER HAMILTON	BCBS Value Plan	$188.60
☐	ALEXANDER HAMILTON	NM Health Connections Value Plan	$188.60
☐	ALEXANDER HAMILTON	Presbyterian Premier	$241.44
☐	ALEXANDER HAMILTON	Presbyterian Value Plan	$188.60
☐	ELIZA HAMILTON	BCBS Value Plan	$188.60
☐	ELIZA HAMILTON	NM Health Connections Value Plan	$188.60
☐	ELIZA HAMILTON	Presbyterian Premier	$241.44
☐	ELIZA HAMILTON	Presbyterian Value Plan	$188.60
☐	PHILIP HAMILTON	BCBS Value Plan	$182.75
☐	PHILIP HAMILTON	NM Health Connections Value Plan	$182.75
☐	PHILIP HAMILTON	Presbyterian Premier	$234.36

Control #: 4403

☐ PHILIP HAMILTON Presbyterian Value Plan $182.75

	Single	Two-Party	Family
[ ] Delta Dental Basic Dental Plan	$18.51	$34.72	$58.15
[ ] Delta Dental Comprehensive Dental Plan	$41.32	$78.52	$126.75
[ ] United Concordia Basic Dental Plan	$16.80	$31.91	$47.87
[ ] United Concordia Comprehensive Dental Plan	$34.28	$65.12	$97.65
[ ] Davis Vision Plan	$4.76	$8.98	$13.23

If you wish to cancel coverages:

[ ] Cancel Dental Plan for all members
[ ] Cancel Vision Plan for all members
[ ] Cancel Supplemental Life Insurance Plan: [ ] Retiree [ ] Dependent(s) [ ] Spouse
[ ] Cancel All Medical Plans (Leave other coverages alone)
[ ] Cancel All Plans (Includes Medical, Dental, Vision, and Life Insurance)

Signature _____ Date _____

Spouse Signature _____ Date _____

Complete and send original to NMRHCA postmarked by November 9, 2017.
Make a copy for your records.
Please return this form in the return envelope that was included with your switch enrollment notification.
DEADLINE for CHANGES must be postmarked no later than November 9, 2017.

Cut Along Fold and Return →

IMPORTANT SWITCH ENROLLMENT NOTIFICATION

THIS IS NOT A BILL

September 2017 **ID #:** 1029

The New Mexico Retiree Health Care Authority's switch enrollment period is taking place now through November 9, 2017. As a NMRHCA member, this is your opportunity to switch from one medical plan to another, switch or add a dental plan, and add vision coverage (please see notes No. 3 and No. 4 at the end of this letter).

Your switch request must be postmarked by November 9, 2017:

If the future benefits shown below are acceptable to you, then you are required to take NO ACTION. If you DO wish to make changes to your current coverages listed below, please complete the enclosed personalized switch enrollment form to select from the options available to you.

For your convenience, we have included a Summary of Benefits of our medical plans. For additional information, please visit our website at www.nmrhca.org or call us at 800-233-2576.

Remember, changes to life insurance can be made at any time during the year (Please see note No. 6 below in this letter).

This confirmation letter is intended to provide you with the most current information contained in our files. IT IS NOT AN IMPLIED CONTRACT. If any of the information is incorrect, please contact our office immediately at 800-233-2576. We look forward to serving you.

Sincerely,

New Mexico Retiree Health Care Authority

IMPORTANT NOTES:

(1) Effective date of change is January 1, 2018. If applicable, changes to your premium contribution will occur automatically in your December deduction.

(2) If you and your dependent(s) are newly enrolling in a Presbyterian Medicare Advantage Plan, you will need to complete a Presbyterian application for yourself and your dependent(s) and include the application(s) as well as a copy of your Medicare ID card with this form. Please call the NMRHCA at 800-233-2576 to obtain the form.

(3) If a retiree enrolls a spouse or dependent(s) under a medical plan, they must have the same level of coverage unless the retiree, spouse or dependent is Medicare eligible.

(4) If you enroll in a dental or vision plan, you will be enrolled automatically in the same level of coverage (single, two-party or family) as your medical plan.

(5) If you cancel or have cancelled dental or vision coverage in the past, you must wait four years before you can enroll again during the subsequent switch enrollment period.

(6) If you wish to apply for supplemental or dependent life insurance, please call our office for the necessary forms. Underwriting guidelines may apply.

(7) Plan changes effective January 1, 2018, are noted in the enclosed plan summaries.

(8) If you make changes, be sure to sign and date your personalized switch enrollment form. Changes cannot be applied until the form is signed.

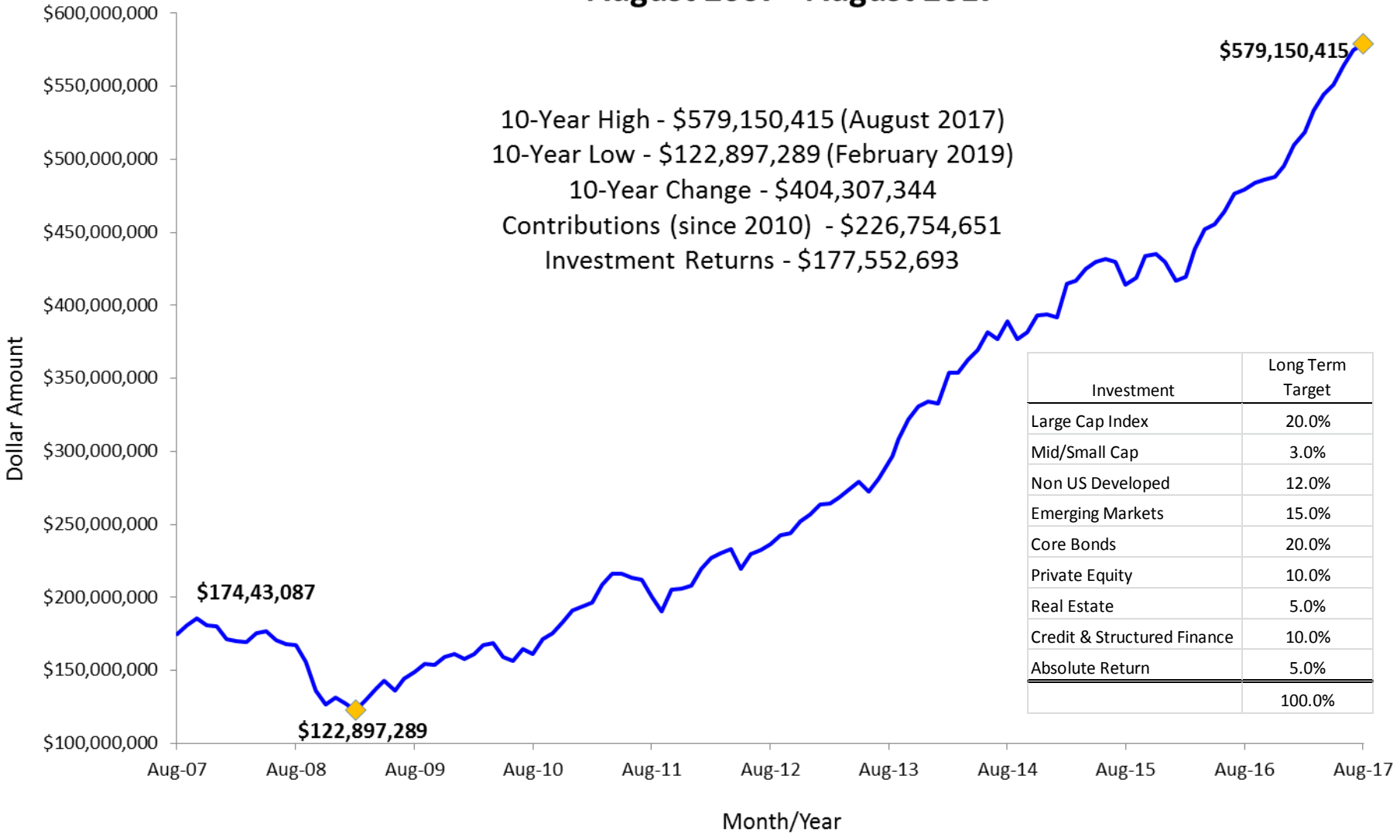
← Cut Along Fold and Return

Control #: 4403

NEW MEXICO RETIREE HEALTH CARE AUTHORITY
CHANGE IN NET ASSET VALUE
FOR THE MONTH ENDED
August 31, 2017

	Core Plus Bonds	Large Cap Index	Non US Dev Index	Non US Emg Index	Small Mid Cap	Credit and Structure	Absolute Return	Private Equity	Real Estate	Total
Market Value 7/31/2017	$108,380,139.43	$122,445,044.50	$66,737,437.40	$87,602,045.09	$16,390,658.26	$56,261,304.07	$26,317,091.45	$59,574,208.00	$31,083,316.72	$574,791,244.92
CONTRIBUTIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WITHDRAWALS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FEES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INCOME EARNED	294,309.85	291,318.65	170,365.34	192,129.10	16,521.07	7,842.13	224.62	20,134.41	100,871.13	1,093,716.30
CAPITAL APPR/DEPR	963,573.38	(13,424.91)	(104,223.18)	1,788,914.63	(201,017.70)	621,769.42	282,454.64	47,561.57	(120,154.04)	3,265,453.81
Market Value 8/31/2017	$109,638,022.66	$122,722,938.24	$66,803,579.56	$89,583,088.82	$16,206,161.63	$56,890,915.62	$26,599,770.71	$59,641,903.98	$31,064,033.81	$579,150,415.03

NMRHCA Trust Fund Balance History
August 2007 - August 2017



Investment	Long Term Target
Large Cap Index	20.0%
Mid/Small Cap	3.0%
Non US Developed	12.0%
Emerging Markets	15.0%
Core Bonds	20.0%
Private Equity	10.0%
Real Estate	5.0%
Credit & Structured Finance	10.0%
Absolute Return	5.0%
	100.0%

Plans & Rates

Overview of Available Plans

Benefit Chart of Medicare Supplement Plans Sold on or After June 1, 2010

This chart shows the benefits included in each of the standard Medicare supplement plans. Every company must make Plan "A" available. Some plans may not be available in your state. Medicare Supplement Plans A, B, C, F, G, K, L, N are currently being offered by UnitedHealthcare Insurance Company.

Basic Benefits:

- **Hospitalization:** Part A co-insurance plus coverage for 365 additional days after Medicare benefits end.
- **Medical Expenses:** Part B co-insurance (generally 20% of Medicare-approved expenses) or co-payments for hospital outpatient services. Plans K, L, and N require insureds to pay a portion of Part B coinsurance or co-payments.
- **Blood:** First 3 pints of blood each year.
- **Hospice:** Part A coinsurance

Plan A	Plan B	Plan C	Plan D	Plan F*	Plan G	Plan K	Plan L	Plan M	Plan N
Basic, including 100% Part B co-insurance	Basic, including 100% Part B co-insurance	Basic, including 100% Part B co-insurance	Basic, including 100% Part B co-insurance	Basic, including 100% Part B co-insurance	Basic, including 100% Part B co-insurance	Hospitalization and preventive care paid at 100%; other basic benefits paid at 50%	Hospitalization and preventive care paid at 100%; other basic benefits paid at 75%	Basic, including 100% Part B coinsurance	Basic, including 100% Part B coinsurance, except up to $20 co-payment for office visit, and up to $50 copayment for ER
		Skilled nursing facility co-insurance	Skilled nursing facility co-insurance	Skilled nursing facility co-insurance	Skilled nursing facility co-insurance	50% Skilled nursing facility coinsurance	75% Skilled nursing facility coinsurance	Skilled nursing facility coinsurance	Skilled nursing facility coinsurance
	Part A deductible	Part A deductible	Part A deductible	Part A deductible	Part A deductible	50% Part A deductible	75% Part A deductible	50% Part A deductible	Part A deductible
		Part B deductible		Part B deductible					
				Part B excess (100%)	Part B excess (100%)				
		Foreign travel emergency	Foreign travel emergency	Foreign travel emergency	Foreign travel emergency			Foreign travel emergency	Foreign travel emergency
						Out-of-pocket limit $5120; paid at 100% after limit reached	Out-of-pocket limit $2560; paid at 100% after limit reached		

***Plan F also has an option called a high deductible Plan F. This option is not currently offered by UnitedHealthcare Insurance Company. This high deductible plan pays the same benefits as Plan F after you have paid a calendar year $2200 deductible. Benefits from high deductible Plan F will not begin until out-of-pocket expenses exceed $2200. Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the policy. These expenses include the Medicare deductibles for Part A and Part B, but do not include the plan's separate foreign travel emergency deductible.**

Your Plans and Rates

AARP® Medicare Supplement Insurance Plans insured by UnitedHealthcare Insurance Company

1 Review plan

Look over the Overview of Available Plans in this booklet to find the plans that include the benefits you need. You'll find all of the AARP Medicare Supplement Plans listed here.

For more detailed plan information, please see the *Outlines of Coverage* included in this booklet.

2 Find your rate

The rate you will pay is based on several factors including: the plan you select, your age at the time your coverage will begin and the amount of time since you've enrolled in Medicare Part B.

Applicants Age 65 and older

- First – determine what your age will be as of the date you expect your coverage to begin and be sure to know your Part B effective date.
- Then – go to the rate pages in this booklet to find your rate Group. There are descriptions for each Group to help guide you.
- Use the following chart to help you figure out which rate Group on that rate page applies to you:

If the time period between your coverage start date and your 65th birthday, or your Medicare Part B effective date if later, is:	
Number of years:	You are in:
Less than 10	Group 1
10 or more	Group 2

There are separate rate pages for **(Non-Tobacco User or Tobacco User)** depending on whether or not you use tobacco products. You are eligible for the **Non-Tobacco User** rates if you have not used tobacco products within the past 12 months.

If you are in Group 1 and under age 77, you may be eligible for the Standard rates with Enrollment Discount. You can find information about the Enrollment Discount on the next page. Your answers to the medical questions on the application will also affect your rate as described on the rate page.

3 Enroll

Once you've chosen a plan and found your rate, simply fill out the application and any additional required forms included in this booklet and mail them in using the postage-paid reply envelope included in your kit. See the *Enrollment Checklist* in this booklet for the list of items to complete and send in.

Enrollment Discount

Who is eligible?

You may be eligible for the enrollment discount if your age on your insurance plan effective date is:

- 65 to 74 and you do not have any of the medical conditions listed on the application.
- 75 to 76 and your plan effective date is within 10 years of your Medicare Part B effective date AND you do not have any of the medical conditions listed on the application.

Note: Medical questions do not apply to you if you are within 6 months of your Medicare Part B effective date or you meet a guaranteed issue situation.

How it works

The Enrollment Discount is applied to the current Standard Rate. The Standard Rate usually changes each year. The discount you receive in your first year of coverage depends on your age on your plan effective date. The discount percentage decreases 3% each year on the anniversary date of your plan until the discount runs out. Please note that as the discount decreases on the anniversary date of your coverage, the amount you pay for your monthly premium will increase. For example, when the discount drops from 36% to 33%, the premium you pay each month will increase. This increase may happen at a time other than the Plan's annual rate change. Please keep this in mind when budgeting for your health insurance expenses.

Example #1: MEET JANE*...

- Jane's Plan Effective Date is: June 1st
- Jane's Age When Her Plan Becomes Effective: 66 years and 4 months
- Time since Jane enrolled in Medicare Part B: 1 year
- Jane does not have any of the medical conditions listed on the application
- **Jane is eligible for the enrollment discount**

Jane's discount will begin at age 66

- Starting discount will be 33%
- Discount will change to 30% beginning on Jane's anniversary date (June 1st of the next year)

Example #2: MEET JOE*...

- Joe's Plan Effective Date is: June 1st
- Joe's Age When His Plan Becomes Effective: 70
- Time since Joe enrolled in Medicare Part B: 3 years
- Joe does not have any of the medical conditions listed on the application
- **Joe is eligible for the enrollment discount**

Joe's discount will begin at age 70

- Starting discount will be 21%
- Discount will change to 18% beginning on Joe's anniversary date (June 1st of the next year)

	Age on Plan Effective Date	Starting Discount
	65	36%
JANE	**66**	**33%**
	67	30%
	68	27%
	69	24%
JOE	**70**	**21%**
	71	18%
	72	15%
	73	12%
	74	9%
	75	6%
	76	3%
	77	0%

***The people and situations shown above are fictitious and for illustration purposes only.**

AARP endorses the AARP Medicare Supplement Insurance Plans, insured by UnitedHealthcare Insurance Company. UnitedHealthcare Insurance Company pays royalty fees to AARP for the use of its intellectual property. These fees are used for the general purposes of AARP. AARP and its affiliates are not insurers.

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You must be an AARP member to enroll in an AARP Medicare Supplement Insurance Plan.

AARP does not employ or endorse agents, brokers or producers.

Insured by UnitedHealthcare Insurance Company, Horsham, PA. Policy Form No. GRP 79171 GPS-1 (G-36000-4). In some states, plans may be available to persons under age 65 who are eligible for Medicare by reason of disability or End-Stage Renal Disease.

Not connected with or endorsed by the U.S. Government or the federal Medicare program.

This is a solicitation of insurance. A licensed agent/producer may contact you.

See the enclosed materials for complete information, including benefits, costs, eligibility requirements, exclusions and limitations.

Cover Page - Rates
Non-Tobacco Monthly Plan Rates for New Mexico
AARP® Medicare Supplement Insurance Plans
insured by UnitedHealthcare Insurance Company

Group 1	Applies to individuals whose plan effective date will be within ten years following their 65th birthday or Medicare Part B effective date, if later.							
Age[1]	Plan A	Plan B	Plan C	Plan F	Plan G	Plan K	Plan L	Plan N
	Standard Rates with Enrollment Discount[2] for individuals ages 65-76 whose acceptance is guaranteed or who do not have any of the medical conditions on the application[3].							
65	$63.36	$106.08	$126.24	$126.88	$107.04	$42.24	$71.36	$87.04
66	$66.33	$111.05	$132.15	$132.82	$112.05	$44.22	$74.70	$91.12
67	$69.30	$116.02	$138.07	$138.77	$117.07	$46.20	$78.05	$95.20
68	$72.27	$120.99	$143.99	$144.72	$122.09	$48.18	$81.39	$99.28
69	$75.24	$125.97	$149.91	$150.67	$127.11	$50.16	$84.74	$103.36
70	$78.21	$130.94	$155.82	$156.61	$132.12	$52.14	$88.08	$107.44
71	$81.18	$135.91	$161.74	$162.56	$137.14	$54.12	$91.43	$111.52
72	$84.15	$140.88	$167.66	$168.51	$142.16	$56.10	$94.77	$115.60
73	$87.12	$145.86	$173.58	$174.46	$147.18	$58.08	$98.12	$119.68
74	$90.09	$150.83	$179.49	$180.40	$152.19	$60.06	$101.46	$123.76
75	$93.06	$155.80	$185.41	$186.35	$157.21	$62.04	$104.81	$127.84
76	$96.03	$160.77	$191.33	$192.30	$162.23	$64.02	$108.15	$131.92
	Standard Rates for ages 77 and older whose acceptance is guaranteed or who do not have any of the medical conditions on the application[3].							
77+	$99.00	$165.75	$197.25	$198.25	$167.25	$66.00	$111.50	$136.00
	Level 2 Rates for individuals ages 65 and older whose acceptance is not guaranteed and who have one or more of the medical conditions on the application[3].							
65+	$148.50	$248.62	$295.87	$297.37	$284.32	$99.00	$167.25	$204.00

Group 2	Applies to individuals whose plan effective date will be ten or more years following their 65th birthday or Medicare Part B effective date, if later.							
Age[1]	Plan A	Plan B	Plan C	Plan F	Plan G	Plan K	Plan L	Plan N
	Level 1 Rates for individuals ages 75 and older whose acceptance is guaranteed or who do not have any of the medical conditions on the application[3].							
75+	$108.90	$182.32	$216.97	$218.07	$183.97	$72.60	$122.65	$149.60
	Level 2 Rates for individuals ages 75 and older whose acceptance is not guaranteed and who have one or more of the medical conditions on the application[3].							
75+	$148.50	$248.62	$295.87	$297.37	$284.32	$99.00	$167.25	$204.00

The rates above are for plan effective dates from July - December 2017 and may change.

Cover Page - Rates

Tobacco Monthly Plan Rates for New Mexico

AARP® Medicare Supplement Insurance Plans insured by UnitedHealthcare Insurance Company

Group 1	Applies to individuals whose plan effective date will be within ten years following their 65th birthday or Medicare Part B effective date, if later.							
Age[1]	Plan A	Plan B	Plan C	Plan F	Plan G	Plan K	Plan L	Plan N
	Standard Rates with Enrollment Discount[2] for individuals ages 65-76 whose acceptance is guaranteed or who do not have any of the medical conditions on the application[3].							
65	$69.69	$116.68	$138.86	$139.56	$117.74	$46.46	$78.49	$95.74
66	$72.96	$122.15	$145.36	$146.10	$123.25	$48.64	$82.17	$100.23
67	$76.23	$127.62	$151.87	$152.64	$128.77	$50.82	$85.85	$104.72
68	$79.49	$133.09	$158.38	$159.19	$134.29	$52.99	$89.53	$109.20
69	$82.76	$138.56	$164.89	$165.73	$139.81	$55.17	$93.21	$113.69
70	$86.03	$144.03	$171.40	$172.27	$145.33	$57.35	$96.89	$118.18
71	$89.29	$149.50	$177.91	$178.81	$150.85	$59.53	$100.57	$122.67
72	$92.56	$154.97	$184.42	$185.35	$156.37	$61.71	$104.25	$127.16
73	$95.83	$160.44	$190.93	$191.90	$161.89	$63.88	$107.93	$131.64
74	$99.09	$165.91	$197.44	$198.44	$167.41	$66.06	$111.61	$136.13
75	$102.36	$171.38	$203.95	$204.98	$172.93	$68.24	$115.29	$140.62
76	$105.63	$176.85	$210.46	$211.52	$178.45	$70.42	$118.97	$145.11
	Standard Rates for ages 77 and older whose acceptance is guaranteed or who do not have any of the medical conditions on the application[3].							
77+	$108.90	$182.32	$216.97	$218.07	$183.97	$72.60	$122.65	$149.60
	Level 2 Rates for individuals ages 65 and older whose acceptance is not guaranteed and who have one or more of the medical conditions on the application[3].							
65+	$163.35	$273.48	$325.45	$327.10	$312.74	$108.90	$183.97	$224.40

Group 2	Applies to individuals whose plan effective date will be ten or more years following their 65th birthday or Medicare Part B effective date, if later.							
Age[1]	Plan A	Plan B	Plan C	Plan F	Plan G	Plan K	Plan L	Plan N
	Level 1 Rates for individuals ages 75 and older whose acceptance is guaranteed or who do not have any of the medical conditions on the application[3].							
75+	$119.79	$200.55	$238.66	$239.87	$202.36	$79.86	$134.91	$164.56
	Level 2 Rates for individuals ages 75 and older whose acceptance is not guaranteed and who have one or more of the medical conditions on the application[3].							
75+	$163.35	$273.48	$325.45	$327.10	$312.74	$108.90	$183.97	$224.40

The rates above are for plan effective dates from July - December 2017 and may change.

Plan Benefit Tables: Plan F

Medicare Part A: Hospital Services per Benefit Period[1]

Service		Medicare Pays	Plan F Pays	You Pay
Hospitalization[1] Semiprivate room and board, general nursing and miscellaneous services and supplies.	First 60 days	All but $1,316	$1,316 (Part A deductible)	$0
	Days 61–90	All but $329 per day	$329 per day	$0
	Days 91 and later while using 60 lifetime reserve days	All but $658 per day	$658 per day	$0
	After lifetime reserve days are used, an additional 365 days	$0	100% of Medicare eligible expenses	$0[2]
	Beyond the additional 365 days	$0	$0	All costs
Skilled Nursing Facility Care[1] You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital.	First 20 days	All approved amounts	$0	$0
	Days 21–100	All but $164.50 per day	Up to $164.50 per day	$0
	Days 101 and later	$0	$0	All costs
Blood	First 3 pints	$0	3 pints	$0
	Additional amounts	100%	$0	$0
Hospice Care Available as long as you meet Medicare's requirements, your doctor certifies you are terminally ill and you elect to receive these services.		All but very limited co-payment/ co-insurance for outpatient drugs and inpatient respite care	Medicare co-payment/ co-insurance	$0

Continued on next page ▶

Notes

1 A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

2 NOTICE: When your Medicare Part A hospital benefits are exhausted, the insurer stands in place of Medicare and will pay whatever amount Medicare would have paid for up to an additional 365 days as provided in the policy's "Core Benefits." During this time, the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

Plan Benefit Tables: Plan F (continued)

Medicare Part B: Medical Services per Calendar Year				
Service		**Medicare Pays**	**Plan F Pays**	**You Pay**
Medical Expenses INCLUDES TREATMENT IN OR OUT OF THE HOSPITAL, AND OUTPATIENT HOSPITAL TREATMENT, such as: physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment.	First $183 of Medicare-approved amounts[3]	$0	$183 (Part B deductible)	$0
	Remainder of Medicare-approved amounts	Generally 80%	Generally 20%	$0
Part B Excess Charges Above Medicare-approved amounts		$0	100%	$0
Blood	First 3 pints	$0	All costs	$0
	Next $183 of Medicare-approved amounts[3]	$0	$183 (Part B deductible)	$0
	Remainder of Medicare-approved amounts	80%	20%	$0
Clinical Laboratory Services	Tests for diagnostic services	100%	$0	$0

Parts A and B				
Service		**Medicare Pays**	**Plan F Pays**	**You Pay**
Home Health Care Medicare-approved services	Medically necessary skilled care services and medical supplies	100%	$0	$0
Durable medical equipment Medicare-approved services	First $183 of Medicare-approved amounts[3]	$0	$183 (Part B deductible)	$0
	Remainder of Medicare-approved amounts	80%	20%	$0

Other Benefits not covered by Medicare				
Service		**Medicare Pays**	**Plan F Pays**	**You Pay**
Foreign Travel NOT COVERED BY MEDICARE— Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA.	First $250 each calendar year	$0	$0	$250
	Remainder of charges	$0	80% to a lifetime maximum benefit of $50,000	20% and amounts over the $50,000 lifetime maximum

Notes

3 Once you have been billed $183 of Medicare-approved amounts for covered services, your Part B deductible will have been met for the calendar year.

Medicare.gov | Medicare Plan Finder

The Official U.S. Government Site for Medicare

Medicare.gov

The Official U.S. Government Site for Medicare

Your Plan Results

Medicare.gov

The Official U.S. Government Site for Medicare

Zip Code: 87505
Current Coverage: Original Medicare, Medigap
Current Subsidy: No Extra Help [?]
Drug List ID: 6849361760
Password Date: 09/29/2017

Important Coverage Information

Your plan results are organized by plan type and are initially sorted by lowest estimated cost. To view more plans, select View 20 or View All. Select any plan name for details. Compare up to 3 plans by using the checkboxes and selecting Compare Plans. The costs displayed are estimates; your actual costs may vary.

Symbols

N Nationwide Coverage

Your Current Plan(s)

Original Medicare (H0001-001-0)

Includes Part A (Hospital Insurance) and/or Part B (Medical Insurance) - Excludes Part D Drug Coverage

Estimated Annual Drug Costs: [?]	Monthly Premium: [?]	Deductibles: [?] and Drug Copay [?] / Coinsurance: [?]	Health Benefits: [?]	Drug Coverage [?], Drug Restrictions [?]	Estimated Annual Health and Drug Costs: [?]	Overall Star Rating: [?]
Retail Cost as of Today: $428	Standard Part B: $109	Part B Deductible: $183	Doctor Choice: Any Willing Doctor Out of Pocket Spending Limit: Not Applicable N	N/A	$5,130	Not Available

Prescription Drug Plans

23 plans were found in **87505** based on your search criteria. View 10 View 20 View All

Sort Results By

Blue Cross MedicareRx Value (PDP) (S5715-003-0)

Organization: HISC - Blue Cross Blue Shield of IL, NM, OK, TX

Estimated Annual Drug Costs: [?]	Monthly Premium: [?]	Deductibles: [?] and Drug Copay [?] / Coinsurance: [?]	Drug Coverage [?], Drug Restrictions [?] and Other Programs:	Overall Star Rating: [?]	
Retail Pharmacy Status: Standard Cost-Sharing Cost as of Today: $263 **Mail Order** Cost as of Today: $259	$67.70	Annual Drug Deductible: $400 Drug Copay/ Coinsurance: $0 - $95, 25%	All Your Drugs on Formulary :Yes Drug Restrictions: No Lower Your Drug Costs MTM Program : Yes	4 out of 5 stars	Enroll

Cigna-HealthSpring Rx Secure-Extra (PDP) (S5617-271-0)

Organization: Cigna-HealthSpring Rx

Estimated Annual Drug Costs: [?]	Monthly Premium: [?]	Deductibles: [?] and Drug Copay [?] / Coinsurance: [?]	Drug Coverage [?], Drug Restrictions [?] and Other Programs:	Overall Star Rating: [?]	

Retail Pharmacy Status: Standard Cost-Sharing Cost as of Today: $309 **Mail Order** Cost as of Today: $264	$29.40	Annual Drug Deductible: $50 Drug Copay/ Coinsurance: $5 - $42, 32% - 50%	All Your Drugs on Formulary :**Yes** Drug Restrictions: **Yes** **Lower Your Drug Costs** **MTM Program : Yes** N	3 out of 5 stars	**Enroll**

Symphonix Value Rx (PDP) (S0522-043-0)

Organization: UnitedHealthcare

Estimated Annual Drug Costs: [?]	**Monthly Premium: [?]**	**Deductibles: [?] and Drug Copay [?] / Coinsurance: [?]**	**Drug Coverage [?] , Drug Restrictions [?] and Other Programs:**	**Overall Star Rating: [?]**	
Retail Pharmacy Status: Standard Cost-Sharing Cost as of Today: $317 **Mail Order** Cost as of Today: $296	$17.20	Annual Drug Deductible: $400 Drug Copay/ Coinsurance: $1 - $24, 25% - 35%	All Your Drugs on Formulary :**Yes** Drug Restrictions: **Yes** **Lower Your Drug Costs** **MTM Program : Yes** N	2.5 out of 5 stars	**Enroll**

Blue Cross MedicareRx Basic (PDP) (S5715-013-0)

Organization: HISC - Blue Cross Blue Shield of IL, NM, OK, TX

Estimated Annual Drug Costs: [?]	**Monthly Premium: [?]**	**Deductibles: [?] and Drug Copay [?] / Coinsurance: [?]**	**Drug Coverage [?] , Drug Restrictions [?] and Other Programs:**	**Overall Star Rating: [?]**	
Retail Pharmacy Status: Standard Cost-Sharing Cost as of Today: $326 **Mail Order** Cost as of Today: $293	$20.00	Annual Drug Deductible: $400 Drug Copay/ Coinsurance: $0 - $2, 13% - 42%	All Your Drugs on Formulary :**Yes** Drug Restrictions: **No** **Lower Your Drug Costs** **MTM Program : Yes**	4 out of 5 stars	**Enroll**

AARP MedicareRx Saver Plus (PDP) (S5921-371-0)

Organization: UnitedHealthcare

Estimated Annual Drug Costs: [?]	**Monthly Premium: [?]**	**Deductibles: [?] and Drug Copay [?] / Coinsurance: [?]**	**Drug Coverage [?] , Drug Restrictions [?] and Other Programs:**	**Overall Star Rating: [?]**	
Retail Pharmacy Status: Standard Cost-Sharing Cost as of Today: $332 **Mail Order** Cost as of Today: $311	$22.20	Annual Drug Deductible: $400 Drug Copay/ Coinsurance: $1 - $24, 25% - 30%	All Your Drugs on Formulary :**Yes** Drug Restrictions: **Yes** **Lower Your Drug Costs** **MTM Program : Yes** N	3 out of 5 stars	**Enroll**

AARP MedicareRx Preferred (PDP) (S5820-025-0)

Organization: UnitedHealthcare

Estimated Annual Drug Costs: [?]	**Monthly Premium: [?]**	**Deductibles: [?] and Drug Copay [?] / Coinsurance: [?]**	**Drug Coverage [?] , Drug Restrictions [?] and Other Programs:**	**Overall Star Rating: [?]**	
Retail Pharmacy Status: Standard Cost-Sharing Cost as of Today: $342 **Mail Order** Cost as of Today: $273	$61.00	Annual Drug Deductible: $0 Drug Copay/ Coinsurance: $5 - $35, 33% - 40%	All Your Drugs on Formulary :**Yes** Drug Restrictions: **Yes** **Lower Your Drug Costs** **MTM Program : Yes** N	3.5 out of 5 stars	**Enroll**

WellCare Classic (PDP) (S4802-090-0)

Organization: WellCare

Estimated Annual Drug Costs: [?]	Monthly Premium: [?]	Deductibles: [?] and Drug Copay [?] / Coinsurance: [?]	Drug Coverage [?], Drug Restrictions [?] and Other Programs:	Overall Star Rating: [?]	
Retail Pharmacy Status: Standard Cost-Sharing Cost as of Today: $359 **Mail Order** Cost as of Today: $358	$20.40	Annual Drug Deductible: $400 Drug Copay/ Coinsurance: $0 - $42, 25% - 48%	All Your Drugs on Formulary :**No** Drug Restrictions: **No** **Lower Your Drug Costs** **MTM Program : Yes** N	2.5 out of 5 stars	**Enroll**

Magellan Rx Medicare Basic (PDP) (S4607-021-0)

Organization: Magellan Rx Medicare

Estimated Annual Drug Costs: [?]	Monthly Premium: [?]	Deductibles: [?] and Drug Copay [?] / Coinsurance: [?]	Drug Coverage [?], Drug Restrictions [?] and Other Programs:	Overall Star Rating: [?]	
Retail Pharmacy Status: Preferred Cost-Sharing Cost as of Today: $361 **Mail Order** Cost as of Today: $329	$34.60	Annual Drug Deductible: $400 Drug Copay/ Coinsurance: $1 - $47, 25% - 50%	All Your Drugs on Formulary :**Yes** Drug Restrictions: **No** **Lower Your Drug Costs** **MTM Program : Yes**	Plan too new to be measured	**Enroll**

Cigna-HealthSpring Rx Secure (PDP) (S5617-128-0)

Organization: Cigna-HealthSpring Rx

Estimated Annual Drug Costs: [?]	Monthly Premium: [?]	Deductibles: [?] and Drug Copay [?] / Coinsurance: [?]	Drug Coverage [?], Drug Restrictions [?] and Other Programs:	Overall Star Rating: [?]	
Retail Pharmacy Status: Standard Cost-Sharing Cost as of Today: $365 **Mail Order** Cost as of Today: $339	$20.20	Annual Drug Deductible: $400 Drug Copay/ Coinsurance: $4 - $40, 25% - 43%	All Your Drugs on Formulary :**Yes** Drug Restrictions: **Yes** **Lower Your Drug Costs** **MTM Program : Yes** N	3 out of 5 stars	**Enroll**

SilverScript Choice (PDP) (S5601-052-0)

Organization: SilverScript

Estimated Annual Drug Costs: [?]	Monthly Premium: [?]	Deductibles: [?] and Drug Copay [?] / Coinsurance: [?]	Drug Coverage [?], Drug Restrictions [?] and Other Programs:	Overall Star Rating: [?]	
Retail Pharmacy Status: Standard Cost-Sharing Cost as of Today: $366 **Mail Order** Cost as of Today: $363	$19.50	Annual Drug Deductible: $0 Drug Copay/ Coinsurance: $3 - $47, 33% - 50%	All Your Drugs on Formulary :**No** Drug Restrictions: **No** **Lower Your Drug Costs** **MTM Program : Yes** N	4 out of 5 stars	**Enroll**

Notes:
Your costs may be different depending on your Part B premium, any Part D penalty that may apply, and whether you qualify for Extra Help from Medicare paying your drug costs.

Medicare.gov
The Official U.S. Government Site for Medicare

A federal government website managed and paid for by the U.S. Centers for Medicare &
Medicaid Services. 7500 Security Boulevard, Baltimore, MD 21244

Medicare.gov
The Official U.S. Government Site for Medicare

Staff Recommendations for
NMRHCA 5-Year Strategic Plan
2018 – 2022

1. Apply downward pressure on prescription drug costs for all members (network, contracts, cost-sharing)*
    - FY19 – FY22 Contract
    - Annual market check agreement
    - Network attribution
    - Copays

2. Apply downward pressure on pre-Medicare medical plans (network, contracts, cost-sharing)*
    - Narrower networks
    - Deductibles
    - Copays
    - FY20 – FY23 Contracts

3. Reduce pre-Medicare retiree subsidies*
    - Currently 64 percent

4. Reduce pre-Medicare spousal subsidies*
    - Currently 36 percent

5. Evaluate existing and emerging wellness/population health programs for inclusion in either plan coverage or incentive support*
    - Monitor the development and progress of such programs and make recommendations with regard to reimbursements through health plans

6. Develop and implement value-based purchasing initiatives either through existing health plan partners or directly with health care delivery systems
    - Incentivize care through most cost effective solutions
    - Data-driven evaluation of care
    - Patient-centered medical homes
    - Accountable-care organizations
    - Bundled-payment arrangements
    - Referenced-based reimbursements

7. Evaluate emerging and ongoing demographic trends and make program adjustments commensurate with fiduciary requirements
    - Continue monitoring ongoing trends and identifying potential solutions

8. Wellness Programs*
    - Management of chronic illness
    - Management of acute care episodes
    - Use of third-party prescription data
    - Reduction in the number of preference sensitive surgery
    - Identification of specific polypharmacy patients
    - Efforts to de-prescribe
    - Adherence

9. Increase employee/employer contribution levels (requires legislative action)*

10. Employee and member education and communication
    - Outreach
    - Professional development

*Concensus carryover items from previous strategic plan