

(PLEASE FIND THE AGENDA/TABLE OF CONTENTS ON PAGE 4.)

REGULAR MEETING OF THE BOARD OF DIRECTORS



**July 10, 2020
9:00 AM**

**Teleconference: <https://global.gotomeeting.com/join/884854333>
Telephone: 1-646-749-3122/ Access Code: 884-854-333**

New Mexico Retiree Health Care Authority
Regular Meeting

BOARD OF DIRECTORS

ROLL CALL

July 10, 2020

	Member in Attendance		
Mr. Sullivan, President			
Mr. Montañó, Vice President			
Mr. Crandall, Secretary			
Mr. Propst			
Ms. Goodwin			
Mr. Linton			
Ms. Saunders			
Mr. Eichenberg			
Ms. Larranaga-Ruffy			
Mr. Bhakta			
Ms. Moon			
Ms. Madrid			

NMRHCA BOARD OF DIRECTORS

JULY 2020

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

Mr. Sanjay Bhakta
100 Marquette Ave, 11th Floor
City/County Building
Albuquerque, NM 87102
F: 505-768-3700
sbhakta@cabq.gov

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

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

Mr. Joe Montaña, Vice President
NM Assoc. of Educational Retirees
5304 Hattiesburg NW
Albuquerque, NM 87120
Jmountainman1939@msn.com
505- 897-9518

Ms. Pamela Moon
NM Association of Counties
One Civic Plaza
10th Floor, Suite 10045
Albuquerque, NM 87102
pmoon@bernco.gov
505-468-1407

Mr. Doug Crandall, Secretary
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
F: 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
505-934-3058

Mr. Tom Sullivan, President
Superintendents' Association of NM
800 Kiva Dr. SE
Albuquerque, NM 87123
tsullivan48@gmail.com
505-330-2600

Ms. Leane Madrid
Classified State Employee
2600 Cerrillos Rd.
Santa Fe, NM 87505
Leane.Madrid@state.nm.us
505-629-3365

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
505-476-9332

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

July 9 & 10, 2020

9:00 AM / 9:00 AM

Via Teleconference: <https://global.gotomeeting.com/join/884854333>

Telephone: 646-749-3122 / Access Code: 884-854-333

AGENDA – July 10th

1. Call to Order	Mr. Sullivan, President	Page
2. Roll Call to Ascertain Quorum	Ms. Beatty, Recorder	
3. Agenda	Mr. President	4
4. Provider Introductions & Updates Cont.	Mr. Archuleta, Executive Director	
a. Delta Dental (10 minutes)		5
b. Davis Vision (10 minutes)		15
c. Standard Life (10 minutes)		25
5. Livongo Diabetes Management Program (15 minutes)	Mr. Cole, Livongo	50
6. CY2021 Plan Year Recommendations (Action Item)	Mr. Archuleta, Executive Director	68
7. Healthcare Benefits Administration Budget Adjustment Request (Action Item)	Mr. Archuleta, Executive Director	70
8. Disposal of IT Equipment (Action Item)	Mr. Archuleta, Executive Director	71
9. Election of Board Officers (Action Item)	President	75
10. Committee Assignments (Action Item)	President	75
11. Board Policies and Procedures (Action Item)	President	77
12. Open Meetings Act Resolution (Action Item)	President	84
13. Code of Ethics/Financial Disclosure Form	President	87
14. Other Business	President	
15. Date & Location of Next Board Meeting	President	

August 25, 2020, 9:30 AM

Teleconference: <https://global.gotomeeting.com/join/970112797>

Telephone: 1 (646)749-3112 / Access Code: 970-112-797

16. Executive Session	President
17. Adjourn	

Delta Dental of New Mexico

NMRHCA 2020 Board Presentation/Updates

YOUR LOCAL DENTAL PLAN

Providing Dental
Benefit Plans to
New Mexico Families
since 1971

Our purpose,
Our people,
Our New Mexico.

www.deltadentalnm.com

Delta Dental Difference

- We have been providing New Mexicans dental benefits and insurance since 1971
- We have been an offered insurance to NMRHCA for 12 years (since 2008)
- Honored to be selected the sole carrier for retirees as of 7/1/20
- Local office with 32 current full-time employees
- Adding additional potential 8 employees within the next few months

Provider Network-The Delta Dental Difference

- Better, stronger dental networks in-state & nationwide
 - Delta Dental owns our networks
 - We don't lease our networks to other carriers, keeping quality control
 - We don't contract with leased networks, unknown how often checked or inspected
 - No hidden network access fees
- Local provider relations team visits each office 3 times each year
 - Ensure they meet our rigorous criteria
 - Long-term relationships with dentists improves rate stability & provider stability
 - Patients can continue to see their dentist-key to patient satisfaction
 - Statewide recruitment of dentists

The COVID-19 Crisis

The COVID-19 Crisis

Delta Dental of New Mexico has responded to our customers, dentists and community:



Since March 2020, Delta Dental of New Mexico has committed more than \$6 million to assist local communities and partners through the pandemic.

The COVID-19 Crisis

- To ease the financial burden to you as our valued partner, we applied one month of premium credit equal to the amount paid in April, or a total of \$985,016
- We are not covering PPE charges and members are not responsible for them under any of our contracted providers
- To help New Mexico dentists, we have given a \$1,200 supplies credit through a national dental supply distributor. This is to assist in purchasing additional PPE supplies. This was given to all practicing licensed dentists, not just those contracted with us. This in turn has no effect on NMHRCA or it's members.
- We will continue to monitor provider activity during the next several months as providers are dealing with this crisis and what it means to their business

The COVID-19 Crisis

- Claims for the month of May 2020 vs. May 2019
 - The Basic Plan is down by 70% in claims paid
 - The Comprehensive Plan is down by 64% in claims paid
 - Claims have been increasing since the reopening of the dental offices in May. Members may be hesitant to rush back in for routine care to avoid risk exposure.
 - We expect back to normal activity within the next few months
 - May 2020 – Within 2 weeks of opening after shutdown, Delta Dental NM book of business was at 60% of previous years claims volume
 - June 2020 – Delta Dental NM book of business was at 110% to 125% of previous years claims volume

Delta Dental of New Mexico

- Ongoing partnerships and support of our community:
 - American Heart Association
 - Albuquerque Health Care for the Homeless
 - Central New Mexico Community College
 - Community Dental Health Coordinator Program
 - New Mexico Appleseed - *Statewide program replacing Delta Dental Kidz program*
 - New Mexico State University Dental Hygiene Program
 - Rethink Your Drink
 - School-Based Dental Clinics
 - Special Olympics

What Happens to a Claim?

- 96% of all claims pay without human intervention (ETS, Roosevelt)
- 1% do not pay due to missing claim information or improper claim form
- 3% reviewed by analyst
 - 17% of the 3% reviewed by a consultant (0.5% total claims)

Questions?



Underwritten by HM Life Insurance Company, Pittsburgh, PA.



A lasting relationship with New Mexico Retiree Health Care Authority

July 9, 2020

Our history

Over 100 years of vision expertise

1917

Davis Optical founded

NYC residents start shopping at Davis Optical when we first open our doors as an optical retailer.

1964

Davis Optical becomes Davis Vision

Davis Optical incorporates as Davis Vision - we begin managed care and lab services while expanding beyond NYC.

1981

The Davis Vision Exclusive Collection

We roll out the first generation of the Exclusive Collection of frames throughout various OD and MD offices in order to provide more for our members.

1996

Full integration

With the start of our integrated model, members get even better benefits when we are acquired by Highmark Inc.

2018

Better together

Davis Vision and Superior Vision combine to form Versant Health, an industry leading organization focused on better health through vision care, serving over 33MM members.

2019

Eyewear Dispensing Program

Davis Vision invested tens of millions of dollars into the development and implementation of the eyewear dispensing program to support eye care professionals.

2020

More online retailers

Versant Health adds glasses.com and 1-800 contacts to its in-network online retailer lineup.

Davis Vision

What we offer

Serving nearly 34 million members

- Our first client (1964) is still with us today
- 98% retention rate¹
- Davis Vision features a robust network and retail relationships—our network consists of more than 96,000 points of access and includes 4 of the top 5 national retailers.² We've built this network to match consumer's choice in where they get eye exams: 70% prefer independent eye care professionals while the remaining 30% choose a chain.³
- Enriching member lives with unique plan designs and money-saving options

Some local clients who enjoy our benefits

- New Mexico Public School Insurance Authority
- Albuquerque Public schools
- City of Albuquerque
- Sandia Labs

NMRHCA benefits

In-network benefits	Plan design
Frequency – once every:	Premier
Eye examination inclusive of dilation (when professionally indicated)	12 Months
Spectacle lenses	12 Months
Frame ¹	24 Months
Contact lens evaluation, fitting & follow-up care (in lieu of eyeglasses)	12 Months
Contact lenses (in lieu of eyeglasses)	12 Months
Copayments	
Eye examination	\$10
Spectacle lenses	\$15
Contact lens evaluation, fitting & follow-up care	\$0
Eyeglass benefit - frame	
Frame allowance (retail):	Up to \$100 or Up to \$150 at Visionworks ² Plus a 20% discount on any overage ³
Davis Vision Exclusive Collection ⁴ (in lieu of allowance):	
Fashion / Designer / Premier - member charge (if applicable)	\$0 / \$0 / \$0
Eyeglass benefit - spectacle lenses ⁵	Member charges
Clear plastic single-vision, lined bifocal, trifocal or lenticular lenses (any size or Rx)	Covered
Digital single vision (intermediate)	\$30
Tinting of plastic lenses (solid / gradient)	Covered
Scratch-resistant coating	Covered
Polycarbonate lenses (children ⁶ / adults)	\$0 / \$30
Ultraviolet coating	\$12
Blue light filtering	\$15
Anti-reflective (AR) coating (standard / premium / ultra / ultimate)	\$35 / \$48 / \$60 / \$85
Progressive lenses (standard / premium / ultra / ultimate)	\$50 / \$90 / \$140 / \$175
High-index lenses (1.67 / 1.74)	\$55 / \$120
Polarized lenses	\$75
Plastic photochromic lenses	\$65
Scratch protection plan: single vision / multifocal lenses	\$20 / \$40

One-year
eyeglass
breakage
warranty
included

NMRHCA benefits (cont.)

Contact lens benefit (in lieu of eyeglasses)			
Contact lens: materials allowance		Up to \$110 Plus a 15% discount on any overage ³	
- Evaluation, fitting & follow-up care – standard & specialty lens types		15% Discount ³	
Exclusive Collection contact lenses ⁴ (in lieu of allowance):			
Materials: disposable or planned replacement: up to		4 or 2 boxes	
- Evaluation, fitting & follow-up care		Covered	
Visually required contact lenses (with prior approval)		Covered	
- Materials, evaluation, fitting & follow-up care			
Additional savings			
Retinal imaging – member charge		\$39	
Additional pairs of eyeglasses		30% discount ³	
Out-of-network reimbursement schedule: up to			
Eye examination: \$45	Single vision lenses: \$25	Trifocal lenses: \$55	Elective contact lenses: \$110
Frame: \$35	Bifocal/progressive lenses: \$40 ⁷	Lenticular lenses: \$80	Visually required CL: \$210
No provider in 20 mile radius out-of-network reimbursement schedule: up to			
Eye examination: \$110	Single vision lenses: \$70	Trifocal lenses: \$145	Elective contact lenses: \$110
Frame: \$130	Bifocal/progressive lenses: \$105 ⁷	Lenticular lenses: \$180	Visually required CL: \$1,000
¹ Safety or VDT glasses available in lieu of dress benefit.			
² Enhanced frame allowance is available at all Visionworks locations nationwide.			
³ Additional discounts not applicable at Walmart, Sam's Club, or Costco locations or where limited by law or manufacturer restrictions.			
⁴ Collection is available at most participating independent provider offices. Collection is subject to change. Collection is inclusive of select torics and multifocals.			
⁵ Spectacle lens options may not be available at all locations.			
⁶ Polycarbonate lenses are covered for dependent children, monocular patients, and patients with prescriptions +/- 6.00 diopters or greater.			
⁷ Progressive lens reimbursement is in lieu of the bifocal lens reimbursement.			

*Note: Contacts fitting fee is covered in full for Exclusive Collection only

2019 Plan Highlights



Member Enrollment¹

31,299 Subscribers
12,666 Dependents

¹Average Lives



Benefit Utilization

22,575 Claims
51.3% Utilization



In-Network Provider Utilization

97% In-Network



Member Satisfaction

98% Overall Satisfaction



Frames Paid-in-Full

78.9% Received a
Paid-in-Full Frame



Eye Examinations

13,630 Eye Exams



Added Member Savings

\$1,901,745 Member Savings on
Lens Options & Upgrades



Top Lens Options

1. Polycarbonate Lenses
2. Plastic Photosensitive Lenses
3. Premium Progressive
4. Scratch Coating
5. Premium ARC*

*ARC = Anti-Reflective Coating

Providing value for the NMRHCA



The Exclusive Collection*

Davis Vision offers on-trend frames with retail price tags up to \$195, available exclusively to Davis Vision members for **no copay**.

*Actual savings may vary based upon products purchased



Exclusive breakage warranty protection

Repair or replacement* of your plan covered spectacle lenses and/or Collection frames within one year at **no cost** to the member.

*Limitations apply.



Reliable customer service

Our US-based customer care center is just a quick phone call away and is available 7 days per week. All calls and claims are administered in the U.S..



97% member satisfaction¹



98% in-network utilization²



96,000+ points of access nationwide³



4 out of the top 5 national retailers⁴



¹ Versant Health Member satisfaction (Nov. 2019) ² Versant Health in-network utilization report (2020)
^{3,4} Versant Health book of business (June 2020)

More value-add features



LASIK discounts with QualSight

Members get cost-effective prices on LASIK procedures, making permanent vision correction more economical.



Hearing aid discounts with Your Hearing Network

Members save up to 40% on brand name hearing aids and have access to a nationwide network of licensed hearing professionals through Your Hearing Network.



User-friendly systems

Mobile-friendly customer portals and our member app with plan details, forms and surveys. Compatible with both Android and iOS systems.

Your Davis Vision team

Strategic relationship and local presence

Davis Vision Albuquerque office: assisting members for over 20 years

Sam Garcia

NM Regional Office Director

Phone: 505-883-1796

Email: sjgarcia@cba-inc.us

Cathy Fenner

Account Manager, NM office

Phone 505-883-1796

Email: cbacathy@aol.com

Marianna Sandoval

Sr. Customer Service Representative,
NM Office

Phone: 505-883-1796

Email: msandoval@cba-inc.us

Robert Young

Director, Client Management

Phone: 512-284-1095

Email: Robert.Young@davisvision.com



DavisVisionTM

from  **VersantHealth[®]**



NM Retiree Health Care Authority

July 2020 Virtual Board Retreat

Life Insurance Coverages



Here Today

Jennifer Oswald

National Accounts Consultant
Portland, Oregon

Martha Quintana

Dedicated Account Specialist
Española, New Mexico



NMRHCA & The Standard: A Brief History

- NMRHCA has been a valued customer since July 1, 2007
- Sample of current services in support of NMRHCA and its insured retirees:
 - ✓ Dedicated On-site Account Specialist (for all IBAC groups)
 - ✓ Established account management and benefits teams with deep experience/expertise serving NMRHCA
 - ✓ Dedicated website and toll-free number for retiree questions and requests
 - ✓ Customized marketing materials
 - ✓ Quarterly experience and plan utilization reporting
 - ✓ Switch enrollment meetings attendance
 - ✓ Plan performance guarantees
- Currently in 4-year rate guarantee period; plans will next renew July 1, 2023

Deep Expertise in Life and Disability Benefits

Life and Disability are our core specialties.

For more than a century, we've helped people protect their families and their futures. By keeping our promises, we've built a national reputation for quality products, personalized service and strong financial performance.

Founded in

1906

in Portland, Oregon

89%

of company revenue
comes from
employee benefits
(Life & Disability)

A Excellent

A.M. Best Company

A+ Strong

Standard & Poor's

A1 Good

Moody's

These ratings are current for Standard Insurance Company as of March, 2020.

COVID-19

The Standard's Response and Business Impact

Claims Impact

- Life and STD/Leaves of Absence

Economic Impact

- Employment outlook
- Interest rate pressure
- Uncertainty

Resources at The Standard

- Formal Business Response Team
- FAQs, legislative information and resource references available at:
<https://www.standard.com/covid-19>
- Customer survey to gain feedback on The Standard's support to customers during the challenges created by COVID-19



Basic Life

- NMRHCA currently pays 25% of the cost; starting 1/1/2021, the retiree will pay 100% of the cost
- Eligible retirees continuously enrolled in any NMRHCA medical plan prior to 1/1/2012, automatically have \$6,000 of Basic Life insurance
- Effective 1/1/2021, the \$6,000 Retiree Basic Life will not be tied to medical plan enrollment; plan is available to currently insured grandfathered retirees only



Additional Life

- There are 10 benefit levels to choose from:

\$2,000	\$4,000	\$6,000	\$8,000	\$10,000
\$15,000	\$20,000	\$40,000	\$46,000	\$60,000

- Newly eligible retirees may purchase up to \$10,000 of coverage without answering any health questions

Dependent Life

Spouse

- Benefit amount is any of 10 options (same as retiree), but cannot exceed 100% of the retiree's Basic & Additional amount combined
- Newly eligible retirees may purchase up to \$10,000 of coverage for their spouse without the spouse having to answer any health questions

Children

- Benefit amount is \$2,500, \$5,000 or \$10,000, but cannot exceed 100% of the retiree's Basic & Additional amount combined
- Covered from live birth through age 25

Life Plan Features

Travel Assist

Designed to help you respond to medical care situations and other emergencies you and your family may experience while traveling 100 miles or more from your home.

Life Services Toolkit

Comprehensive online tools and services can help you create a will, make advance funeral plans and put your finances in order.

After a loss, beneficiaries can consult experts by phone or in person, and obtain other helpful information online for up to 12 months after the date of death.

Repatriation Benefit

Pays expenses related to transporting the remains of the retiree who dies more than 150 miles from their primary residence.

Accelerated Benefit Option

Provides up to 75% of benefit if the retiree is considered terminally ill and meets certain requirements.

Conversion Option

You may be able to continue your life insurance coverage on an individual basis if you meet certain requirements.

Resources for The Standard



**Martha Quintana
(Local Support)**

Call [505.859.4180](tel:505.859.4180)



**Dedicated Line for
Customer Service**

Toll-free [888.609.9763](tel:888.609.9763)

Or [971.321.0957](tel:971.321.0957)



**Website
for Retirees**

[www.standard.com/
mybenefits/
newmexico_rhca](http://www.standard.com/mybenefits/newmexico_rhca)

Life Performance Guarantees

2019/2020 Plan Year

Measure	Target	Q1	Q2	Q3	Q4	YTD
Calls Returned by Dedicated Account Specialist	90% or more of calls received during normal business hours returned within one business day	100%	100%	100%		100%
Claim Payment Accuracy	99% or more of life claim payment dollars are computed and paid correctly	100%	100%	100%		100%
Claim Decision Accuracy	98% or more of life claim decisions are correct	98%	97%	100%		98%
Life Claim Payment Timeliness	Claim payments will be made within an average of 5 business days of receipt of information needed to issue payment	2.3 days	1.9 days	2.3 days		2.2 days



Questions?

Exhibits



Life Insurance for Eligible Retirees of New Mexico Retiree Health Care Authority



New Mexico Retiree Health Care Authority (NMRHCA) knows that no two retirees are alike. We all have different lifestyles, family situations, and benefit needs. With this in mind, NMRHCA offers a variety of life benefits to help retirees and their families achieve financial security.

Life Benefits at a Glance

Basic Life – Closed Class*		Coverage	Who pays the premium?										
Retiree		\$6,000	NMRHCA currently pays 25% of the cost. Starting 1/1/2021 the retiree will pay 100% of the cost. ¹										
*Must remain continuously insured in a medical plan prior to 1/1/2012. Effective 1/1/2021 the Retiree Basic Life will not be tied to medical plan enrollment.													
Additional Life		Coverage	Who pays the premium?										
Retiree		\$10,000 Guarantee Issue (GI)	Retiree pays 100% of the cost.										
		Choice of:											
		<table><tr><td>\$2,000</td><td>\$15,000</td></tr><tr><td>\$4,000</td><td>\$20,000</td></tr><tr><td>\$6,000</td><td>\$40,000</td></tr><tr><td>\$8,000</td><td>\$46,000</td></tr><tr><td>\$10,000</td><td>\$60,000</td></tr></table>	\$2,000	\$15,000	\$4,000	\$20,000	\$6,000	\$40,000	\$8,000	\$46,000	\$10,000	\$60,000	
\$2,000	\$15,000												
\$4,000	\$20,000												
\$6,000	\$40,000												
\$8,000	\$46,000												
\$10,000	\$60,000												
		Amounts above the GI require Evidence of Insurability and approval.											
Dependents Life**		Coverage	Who pays the premium?										
Spouse		\$10,000 Guarantee Issue (GI)	Retiree pays 100% of the cost.										
**Dependents are not allowed more coverage than the retiree													
		Choice of:											
		<table><tr><td>\$2,000</td><td>\$15,000</td></tr><tr><td>\$4,000</td><td>\$20,000</td></tr><tr><td>\$6,000</td><td>\$40,000</td></tr><tr><td>\$8,000</td><td>\$46,000</td></tr><tr><td>\$10,000</td><td>\$60,000</td></tr></table>	\$2,000	\$15,000	\$4,000	\$20,000	\$6,000	\$40,000	\$8,000	\$46,000	\$10,000	\$60,000	
\$2,000	\$15,000												
\$4,000	\$20,000												
\$6,000	\$40,000												
\$8,000	\$46,000												
\$10,000	\$60,000												
		Amounts above the GI require Evidence of Insurability and approval.											
Child(ren)		Choice of: \$2,500; \$5,000; \$10,000 per eligible dependent child (under 26 years of age)	Retiree pays 100% of the cost.										
**Dependents are not allowed more coverage than the retiree													

¹1/1/2018 NMRHCA 75%, Retiree 25%
 1/1/2019 NMRHCA 50%, Retiree 50%
 1/1/2020 NMRHCA 25%, Retiree 75%
 1/1/2021 NMRHCA 0%, Retiree 100%

Other Provisions

Accelerated Benefit	If the retiree becomes terminally ill, they may be eligible to receive up to 75% of combined Basic and Additional Life benefits to a maximum of \$25,000.
Conversion	If insurance ends or reduces, the retiree may be eligible to convert their life insurance to an individual life insurance policy without submitting proof of good health.
Repatriation Benefit	If the retiree dies more than 150 miles from their primary residence, we will pay the expenses incurred to transport their body to a mortuary near their primary place of residence, but not to exceed \$5,000 or 10% of the life insurance benefit, whichever is less.
Travel Assistance	Designed to help the retiree respond to medical care situations and other emergencies the retiree and their family may experience while traveling 100 miles or more from home. Travel Assist provides information, referral, coordination and assistance services, including pre-trip assistance, medical assistance, emergency transportation, travel and technical assistance, legal services and medical supplies.
Life Services Toolkit	Comprehensive online tools and services can help the retiree create a will, make advanced funeral plans and put their finances in order. After a loss, beneficiaries can consult experts by phone or in person and obtain other helpful information online for up to 12 months after the date of death.
Funeral Assignment	This benefit allows the adult beneficiary to assign payment from the Life Insurance proceeds to the funeral home for expenses. The funeral home is paid directly by The Standard and any remaining life insurance benefits are paid to the beneficiary.
Continuation of Benefits for Dependents	If the retiree dies and had Spouse and Child Life enrollment, the Spouse and Child Life will continue for five months without premium payment.

Retiree Assistance Resources

Tools for Eligible
New Mexico Retiree Health
Care Authority Retirees





Welcome To The Standard

The information that follows contains a brief description of the services offered by Standard Insurance Company (The Standard). If you become insured under a group insurance policy from The Standard, you automatically have resources and tools available to support you and your family.

This brochure will provide a brief introduction to the following services:

- Travel Assistance Program
- Life Services Toolkit

If you have questions, contact New Mexico Retiree Health Care Authority or visit us at **[standard.com](https://www.standard.com)**.

Travel Assistance Program

Things can happen on the road. Passports get stolen or lost. Unforeseen events or circumstances derail travel plans. Medical problems surface at the most inconvenient times. Travel Assistance can help you navigate these issues and more at any time of the day or night.

You and your spouse are covered with Travel Assistance¹ — and so are your children to age 26 — with your group insurance from The Standard.

Security That Travels with You

Travel Assistance is available when you travel more than 100 miles from home or internationally for up to 180 days for business or pleasure. It offers aid before and during your trip, including:



Passport, visa, weather and currency exchange information, health hazards advice and inoculation requirements



Emergency ticket, credit card and passport replacement, funds transfer and missing baggage



Help replacing prescription medication or lost corrective lenses and advancing funds for emergency medical payment



Emergency evacuation to the nearest adequate medical facility and medically necessary repatriation to the retiree's home, including repatriation of remains²



Connection to medical care providers, interpreter services, a local attorney, consular office or bail bond services



Return travel companion if travel is disrupted due to emergency transportation services³ or return dependent children if left unattended due to prolonged hospitalization



Logistical arrangements for ground transportation, housing and/or evacuation in the event of a natural disaster, political unrest and social instability

Contact Travel Assistance

866.455.9188

United States, Canada, Puerto Rico,
U.S. Virgin Islands and Bermuda

+1.240.330.1380

Everywhere else

ops@ggg-usa.com

standard.com/travel

***For first time activation, use the following
information: Group ID: D2STD
Activation Code: 181002***

In all cases, the medical professionals, medical facilities or legal counsel suggested by Generali Global Assistance (GGA) to provide services to Participants are not employees or agents of The Standard or GGA, and the final decision to utilize any such medical professional, medical facility, or legal counsel is the Participant's choice alone. The Standard and GGA are not responsible and shall not be liable for any wrongful act or omission of any transportation provider, healthcare professional or legal counsel who is not an employee of The Standard or GGA, as applicable. Generali Global Assistance is the marketing name for GMMI, Inc.

- 1 Travel Assistance is provided by Generali Global Assistance. Generali Global Assistance (GGA) is the marketing name used by GMMI, Inc. for their services, which is not affiliated with The Standard. Travel Assistance is subject to the terms and conditions, including exclusions and limitations of the Travel Assistance Program Description. GGA is solely responsible for providing and administering the included service. Travel Assistance is not an insurance product. This service is only available while insured under The Standard's group policy.
- 2 Must be arranged by Generali Global Assistance. The Combined Single Limit (CSL) for these services is \$1 million. One service or combination of the services may exceed the CSL. The insured is responsible for payment of any expenses that exceed the CSL.
- 3 Not available to Oregon residents.

The Standard is a marketing name for StanCorp Financial Group, Inc. and subsidiaries. Insurance products are offered by Standard Insurance Company of Portland, Oregon in all states except New York. Product features and availability vary by state and are solely the responsibility of Standard Insurance Company.

Life Services Toolkit

Resources and Tools to Support You and Your Beneficiary

Group Life insurance through New Mexico Retiree Health Care Authority gives you assurance that your family will receive some financial assistance in the event of a death. But coverage under a Group Life policy from The Standard does more than help protect your family from financial hardship after a loss. We have partnered with Morneau Shepell to offer a lineup of additional services that can make a difference now and in the future.

Online tools and services can help you create a will, make advance funeral plans and put your finances in order. After a loss, your beneficiary can consult experts by phone or in person, and obtain other helpful information online.

The Life Services Toolkit is automatically available to those insured under a Group Life insurance policy from The Standard.

Services to Help You Now

Visit the Life Services Toolkit website at **standard.com/mytoolkit** (enter username “assurance”) for information and tools to help you make important life decisions.



Estate Planning Assistance



Financial Planning



Health and Wellness



Identity Theft Prevention



Funeral Arrangements



Online will preparation

If you are a recipient of an Accelerated Benefit,⁴ you may access the services for beneficiaries.

4 An Accelerated Benefit allows a covered individual who becomes terminally ill to receive a portion of the Life insurance proceeds while living, if all other eligibility requirements are met.

Services for Your Beneficiary

Life insurance beneficiaries⁵ can access services for 12 months after the date of death. Recipients of an Accelerated Benefit can access services for 12 months after the date of payment.

These supportive services can help your beneficiary cope after a loss:



Grief Support



Legal Services



Financial Assistance



Support Services



Online Resources

For beneficiary services, visit standard.com/mytoolkit (User name = support) or call the assistance line at 800.378.5742.

5 The Life Services Toolkit is not available to Life insurance beneficiaries who are minors or to non-individual entities such as trusts, estates or charities.

The Life Services Toolkit is provided through an arrangement with Morneau Shepell and is not affiliated with The Standard. Morneau Shepell is solely responsible for providing and administering the included service. This service is not an insurance product.



Standard Insurance Company

For more than 100 years we have been dedicated to our core purpose: to help people achieve financial well-being and peace of mind. We have earned a national reputation for quality products and superior service by always striving to do what is right for our customers.

Headquartered in Portland, Oregon, The Standard is a nationally recognized provider of group Disability, Life, Dental and Vision insurance and Individual Disability insurance. We provide insurance to more than 24,800 groups, covering over 8 million participants nationwide.*

Our first group policy, written in 1951 and still in force today, stands as a testament to our commitment to building long-term relationships.

To learn more about products from The Standard, visit us at **standard.com**.

* As of June 30, 2013, based on internal data developed by Standard Insurance Company.

Standard Insurance Company
1100 SW Sixth Avenue
Portland OR 97204

standard.com

Life Services Toolkit

Resources and Tools to Support You and Your Beneficiary

Meet Life's Challenges



Group Life insurance gives you assurance that your family will receive some financial assistance in the event of a death. But coverage under a group Life policy from Standard Insurance Company (The Standard) does more than help protect your family from financial hardship after a loss. We have partnered with Morneau Shepell to offer a lineup of additional services that can make a difference now and in the future.

Online tools and services can help you create a will, make advance funeral plans and put your finances in order. After a loss, beneficiaries can consult experts by phone or in person, and obtain other helpful information online.

The Life Services Toolkit is automatically available to those insured under a group Life insurance policy from The Standard.

Services to Help You Now

Visit the Life Services Toolkit website at standard.com/mytoolkit and enter user name “assurance” for information and tools to help you make important life decisions.

- **Estate Planning Assistance:** Online tools, found in the Legal Forms section, walk you through the steps to prepare a will and create other documents, such as living wills, powers of attorney and health care agent forms.
- **Financial Planning:** Consult online services to help you manage debt, calculate mortgage and loan payments, and take care of other financial matters with confidence.
- **Health and Wellness:** Timely articles about nutrition, stress management and wellness help employees and their families lead healthy lives.
- **Identity Theft Prevention:** Check the website for ways to thwart identity thieves and resolve issues if identity theft occurs.
- **Funeral Arrangements:** Use the website to calculate funeral costs, find funeral-related services and make decisions about funeral arrangements in advance.



continued on reverse

Standard Insurance Company
1100 SW Sixth Avenue
Portland, OR 97204

standard.com

The Standard is a marketing name for StanCorp Financial Group, Inc. and subsidiaries. Insurance products are offered by Standard Insurance Company of Portland, Oregon in all states except New York. Product features and availability vary by state and are solely the responsibility of Standard Insurance Company.

Life Services Toolkit
SI 17526-645743 (1/18) EE

Services for Your Beneficiary

Life insurance beneficiaries¹ can access services for 12 months after the date of death.

These supportive services can help your beneficiary cope after a loss:

- **Grief Support:** Clinicians with master's degrees are on call to provide confidential grief sessions by phone or in person. Your beneficiaries are eligible for up to six face-to-face sessions and unlimited phone contact.
Our clinicians may offer your beneficiaries additional grief support through books sent to their home, based on each individual's needs. As part of this program, age-appropriate books can be sent for children and teens.
- **Legal Services:** Your beneficiaries can obtain legal assistance from experienced attorneys. They can:
 - Schedule an initial 30-minute office and a telephone consultation with a network attorney. Beneficiaries who wish to retain a participating attorney after the initial consultation receive a 25 percent rate reduction from the attorney's normal hourly or fixed-fee rates.
 - Obtain an estate-planning package that consists of a simple will, a living will, a health care agent form and a durable power of attorney.
- **Financial Assistance:** Your beneficiaries have unlimited phone access to financial counselors who can help with issues such as budgeting strategies, and credit and debt management, including hour-long sessions on topics requiring more in-depth discussion.
- **Support Services:** During an emotional time, your beneficiaries can receive help planning a funeral or memorial service. Work-life advisors can guide them to resources to help manage household repairs and chores; find child care and elder care providers; or organize a move or relocation.
- **Online Resources:** Your beneficiaries can easily access additional services and features on the Life Services Toolkit website for beneficiaries, including online resources to calculate funeral costs, find funeral-related services and make decisions about funeral arrangements.



Beneficiaries can participate in phone consultations or in-person meetings with trained grief counselors.

For beneficiary services, visit standard.com/mytoolkit (user name = support) or call the assistance line at 800.378.5742.

¹ The Life Services Toolkit is not available to Life insurance beneficiaries who are minors or to non-individual entities such as trusts, estates, charities.



The information contained in this presentation is only a brief description of the group life insurance policy sponsored by New Mexico Retiree Health Care Authority (NMRHCA). The controlling provisions will be in the group policy issued by Standard Insurance Company (The Standard). The group policy contains a detailed description of the limitations, reductions in benefits, exclusions and when The Standard and NMRHCA may increase the cost of coverage, amend or cancel the policy. A group certificate of insurance that describes the terms and conditions of the group policy is available for those who become insured according to its terms.

For answers to commonly asked questions, costs, exclusions, limitations and reductions, please review the Certificate of Insurance (https://www.standard.com/eforms/13820_645743.pdf) for more detailed information.

The Standard is a marketing name for StanCorp Financial Group, Inc. and subsidiaries. Insurance products are offered by Standard Insurance Company of 1100 SW Sixth Avenue, Portland, Ore., in all states except New York, where insurance products are offered by The Standard Life Insurance Company of New York of 360 Hamilton Avenue, Suite 210, White Plains, N.Y. Product features and availability vary by state and company, and are solely the responsibility of each subsidiary. Each company is solely responsible for its own financial condition. Standard Insurance Company is licensed to solicit insurance business in all states except New York. The Standard Life Insurance Company of New York is licensed to solicit insurance business in only the state of New York.



for Diabetes

**Empowering People with
Chronic Conditions to Live
Better and Healthier Lives**



The Burden of Diabetes

High prevalence

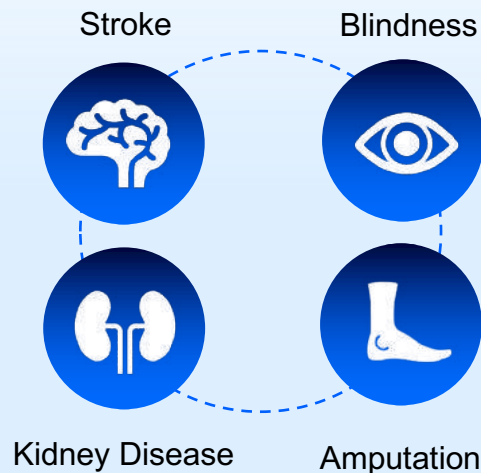
1 in 10 Adults have diabetes



25%

Are undiagnosed¹

Increased risk of complications



Cost of diagnosed diabetes^{2,3,4}

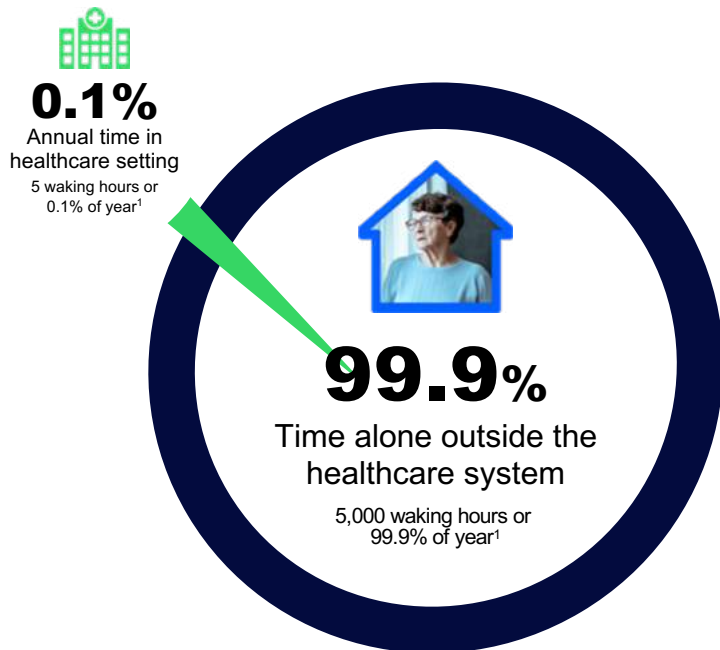


in 2017

1. CDC Diabetes Quick Facts (2019) <https://www.cdc.gov/diabetes/basic/quick-facts.html>, Accessed 9 August 2019
2. ADA Economic Costs of Diabetes in the U.S. in 2007. Diabetes Care. 2008 Mar; 31(3): 596-615. <https://doi.org/10.2337/dc08-0017>
3. ADA Economic Costs of Diabetes in the U.S. in 2012. Diabetes Care. 2013 Apr; 36(4): 1033-1046. <https://doi.org/10.2337/dc12-2625>
4. ADA Economic Costs of Diabetes in the U.S. in 2017. Diabetes Care. 2018 May; 41(5): 917-928. <https://doi.org/10.2337/dc18-0007>

Today's Approach Isn't Working

The traditional acute care model doesn't fit the 24/7/365 needs of people living with chronic conditions. People are growing less patient with a broken system.



Data is disconnected
and out-of-date



People expect a consumer-first
experience like in other industries



Healthcare providers are overwhelmed
and under-resourced



Lack of economic and personal support
for whole-person treatment

Why Livongo is Different



Effortless Data Collection

- ✓ Cellular meter provides realtime feedback for glucose reading
- ✓ Unlimited strips remove barriers for checking
- ✓ Food and activity tracking to understand lifestyle habits



Personalized Health Signals

- ✓ Health challenges drive small changes for big wins
- ✓ Health Nudges™ deliver calls to action when Members are most receptive

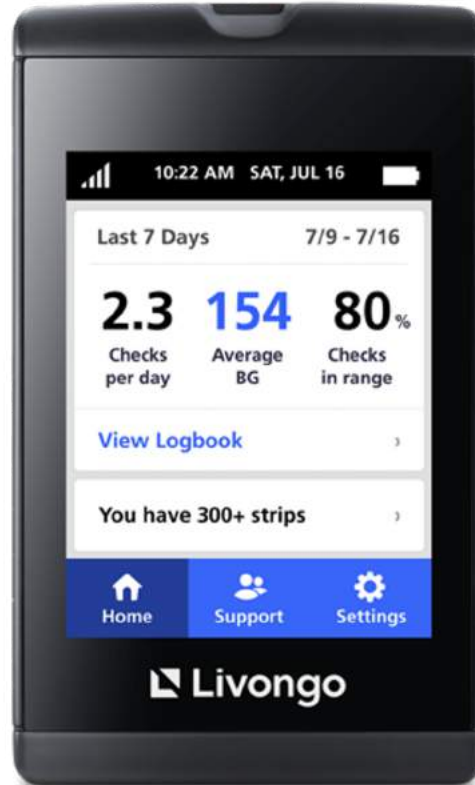


Human-Centered Approach

- ✓ 24/7 remote monitoring with emergency outreach
- ✓ 1:1 live coaching from Livongo Expert Coaches

Livongo Connected Blood Glucose Meter

- Bright and accessible touchscreen
- Seamlessly stores readings in Livongo cloud
- Real-time feedback and analytics
- Cellular connectivity



Only one click to:



contact a coach



Share health report



order strips



contact support

54

Unlimited Strips Remove Barriers to Checking

- **Strips automatically shipped** to Members when supplies run low
- **Meter and Mobile App** allow one-click strip ordering by Members as needed

Type 1
2.7

Type 2
1.5

Average checks per day
over last 120 days

3M

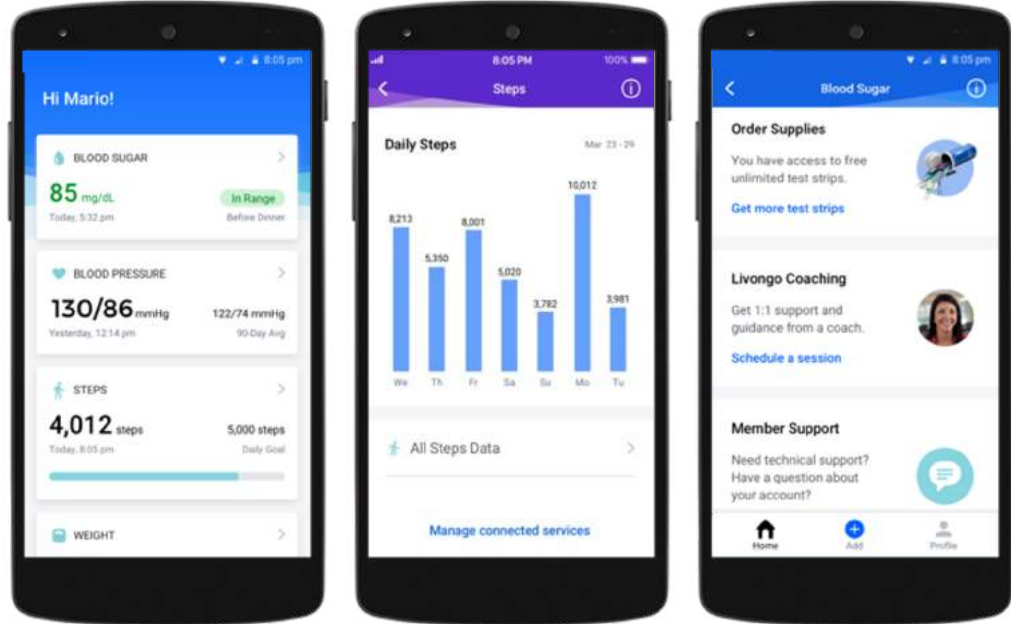
Checks per month

1. Livongo member data on file, March 2019. Average checks per day are for days during which members are performing blood glucose checks.



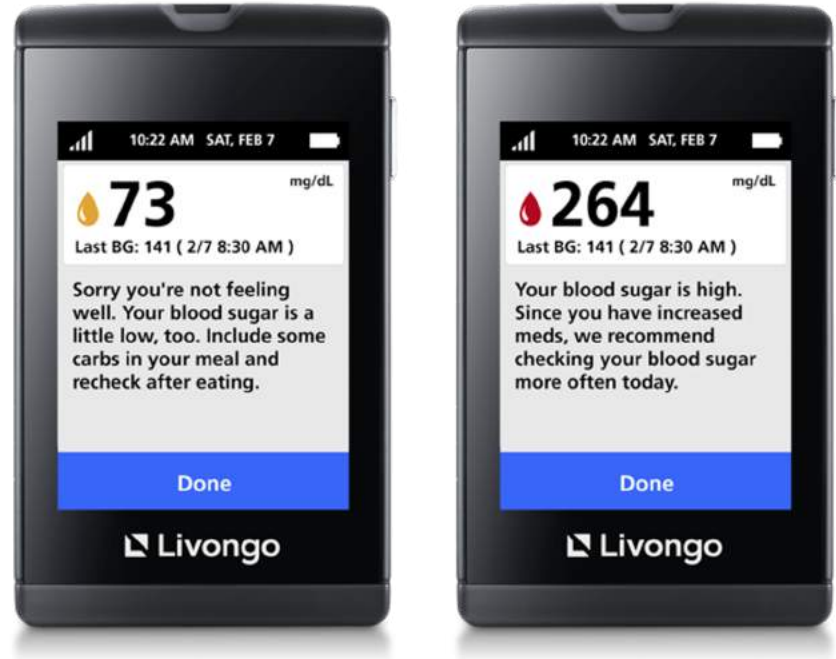
Livongo App: A Unified Multi-Condition Experience

- **One unified app experience** whether Member has one or multiple conditions
- See **glucose patterns and trends** along with activity and other biometric data
- **Easy access** to coaching, supplies, and support



Real-Time Analytics and Feedback for Blood Glucose Checks

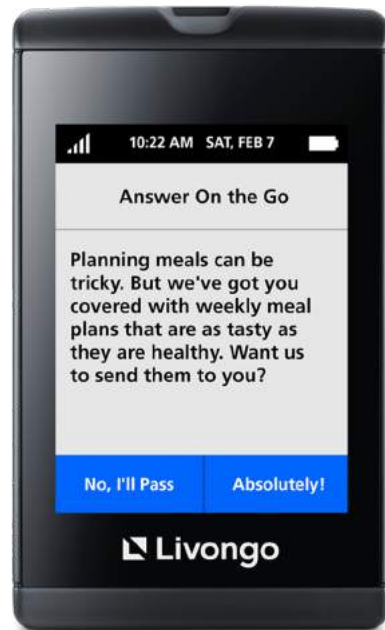
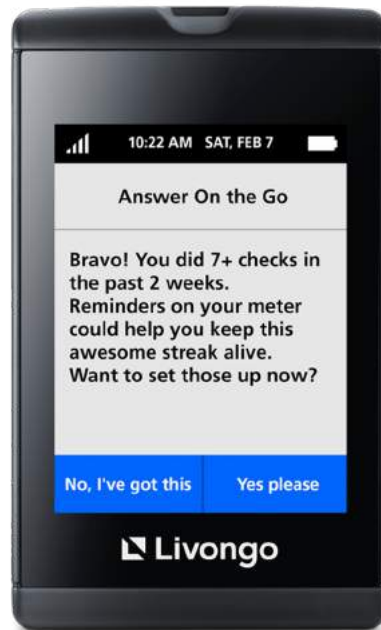
- **Dynamic response** based on glucose level, food intake, timing, and how Member is feeling
- **Helps Members understand** what numbers mean
- **Provides guidance** on how to respond to high or low readings¹



57

Health Nudges™: Engagement Powered by Machine Learning

- **Positive reinforcement:** Encouragement and affirmation to increase engagement
- **Feature referrals:** Intelligently connect members with program features and benefits
- **Digital coaching:** based on patterns and trends

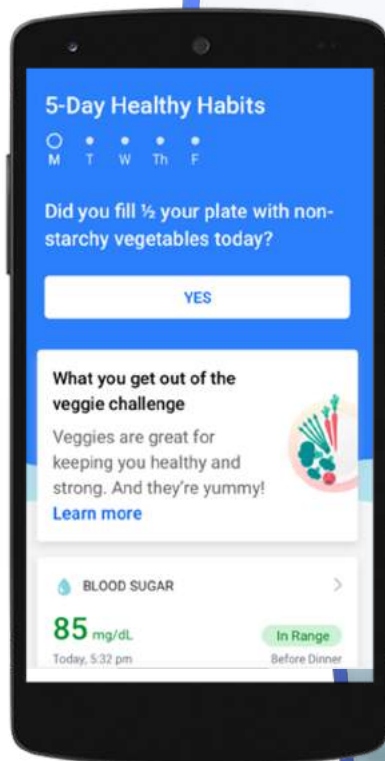


58

5-Day Challenges Drive Small Changes for Big Wins

Self-paced exercises designed to create lasting behavior change

- Short, structured engagement
- Attainable goals
- Accountability via reminders and push notifications
- Daily support and tips



Lifestyle Changes Lead to Positive Outcomes



Fill $\frac{1}{2}$ of your plate with non-starchy vegetables at least once a day.



Swap 1 sugary beverage with 1 glass of water a day.



Practice deep breathing once a day.



Get 7-9 hours of sleep.



Add a 10-minute walk to your routine



Expert Coaches



- **Highly qualified:** certified diabetes educators, following ADCES curriculum and ADA standards of medical practice
- **Personalized support:** glucose control, diet, activity, and lifestyle management
- **Unlimited access:** including live, over-the-phone coaching sessions
- **24/7 support:** Diabetes Response Specialists reach out for acute high or low glucose events



Diabetes Response Specialists

24/7

Remote monitoring for
glucose readings out of
normal range

99.96%

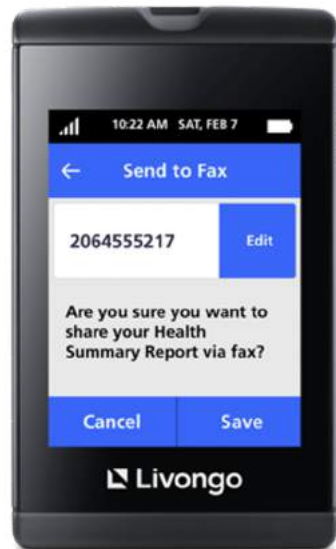
Response rate
within 3 minutes

Follows physician provided recommendations to
stabilize and help Member return to target range



Health Summary Reports

Send reports directly to care team with a few taps



Trends

30 days

	Before	After
Average	186	182
High	198	202
Low	152	170
Standard Deviation	40	8
In Range	12	90

Outreach and History

Date	Time	Issue	IC	Contact
10/10/2017	8:00 PM	Missed meals	35	Yes
09/20/2017	5:40 PM	Missed medication dose	406	Yes
09/18/2017	11:02 AM	Able to access / poor food choices (high weight gain) / stress related	405	Yes
09/01/2017	8:40 AM	Two month abdominal increase of exercise	40	Yes

Standard's preferred outreach threshold:
 170-175 - 170-175 mg/dL and 180-185 mg/dL
 175-177 - 175-177 mg/dL and 185-190 mg/dL
 177-179 - 177-179 mg/dL and 190-200 mg/dL
 179-181 - 179-181 mg/dL and 200-210 mg/dL

Health Profile

Standard	Response
A1C (last 12 months)	Yes
A1C Value	8.2
Smoker	Already Quit
Eye Exam (last 12 months)	Yes
Foot Check (last 12 months)	Yes
Prescription Vaccine	No
Flu Vaccine (last 12 months)	Yes

Joseph Anderson

English, American Indian or Alaskan Native

Generated
1/20/18

52 years old | Male | Type 2 (since 2005) | 175lbs (24.4 BMI) | Insulin

Average Blood Glucose



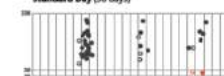
Feeling Tags (at Blood Glucose Check)



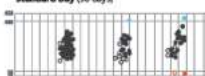
Blood Glucose Highs & Lows



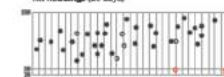
Standard Day (30 days)



Standard Day (90 days)



All Readings (30 days)



All Readings (90 days)



Key: ● After Meals ○ Before Meals / Unlogged / Other ▲ Out of Meter Range (>210) ▼ (<70) High Low

This Summary Report is provided by Livongo Health. For more information, go to www.livongo.com or call 1-888-645-4388

Readings (30 days)

Time	Reading	Before	After
Before Breakfast	Feed Fine		
Before Lunch	Feed Fine		
No Meal	Feed Fine		
Before Dinner	Feed Fine		
Before Breakfast	Feed Fine		
Before Lunch	Feed Fine		
Before Dinner	Feed Fine		
No Meal	Feed Fine		
Before Breakfast	Feed Fine		
Before Lunch	Feed Fine		
After Lunch	Feed Fine		
Before Dinner	Feed Fine		
No Meal	Feed Fine		
Before Breakfast	Feed Fine		
Before Lunch	Feed Fine		
Before Dinner	Feed Fine		
No Meal	Feed Fine		
Before Breakfast	Feed Fine		
Before Lunch	Feed Fine		
After Lunch	Feed Fine		
Before Dinner	Feed Fine		
Before Breakfast	Feed Fine		
Before Lunch	Feed Fine		
After Lunch	Feed Fine		
Before Dinner	Feed Fine		
Before Breakfast	Feed Fine		

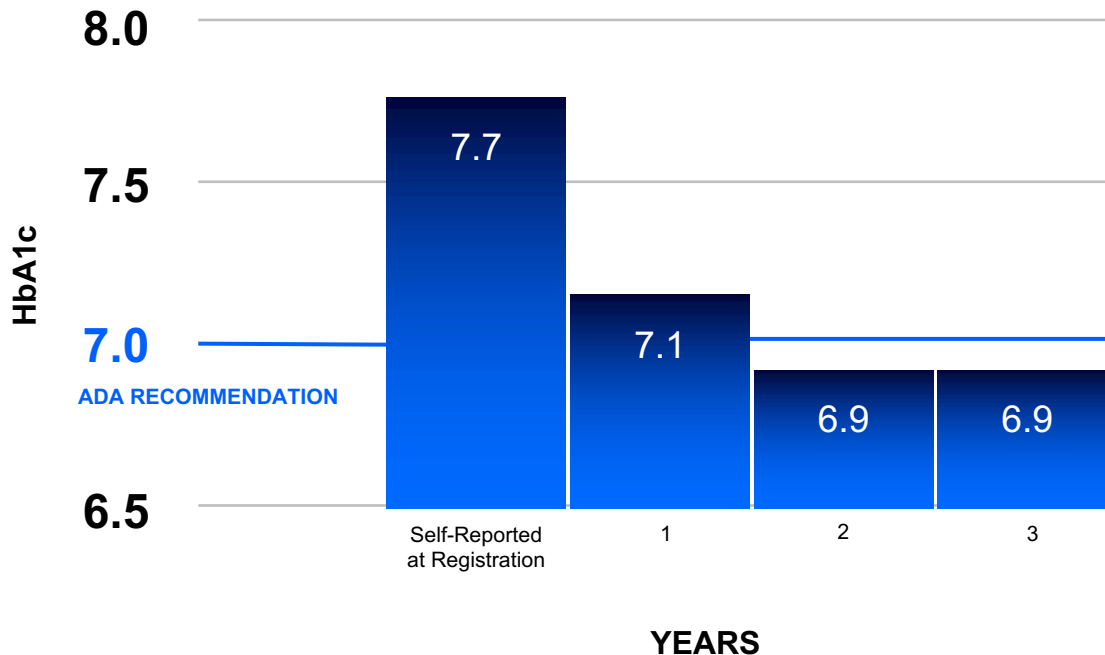
Improved Clinical Outcomes

0.8%

HbA1c reduced within 90 days and sustained for duration of membership

15%

Reduced hypoglycemia



Cost Savings: Livongo Demonstrates Year-1 ROI

3.4x ROI

Average Year-1 Cost Savings²

\$131 PPPM

Average Year-1 Savings²



0.8%

Average HbA1c Reduction²

1. Livongo's approach to calculate ROI was reviewed by Milliman, an independent global leader in actuarial services. The full Milliman report is available on request with the execution of a third party agreement. Milliman validated the methodology but has not validated group-specific ROI calculations. The Milliman work is subject to the terms and conditions of the Consulting Services Agreement between Milliman and Livongo dated 6/18/18.

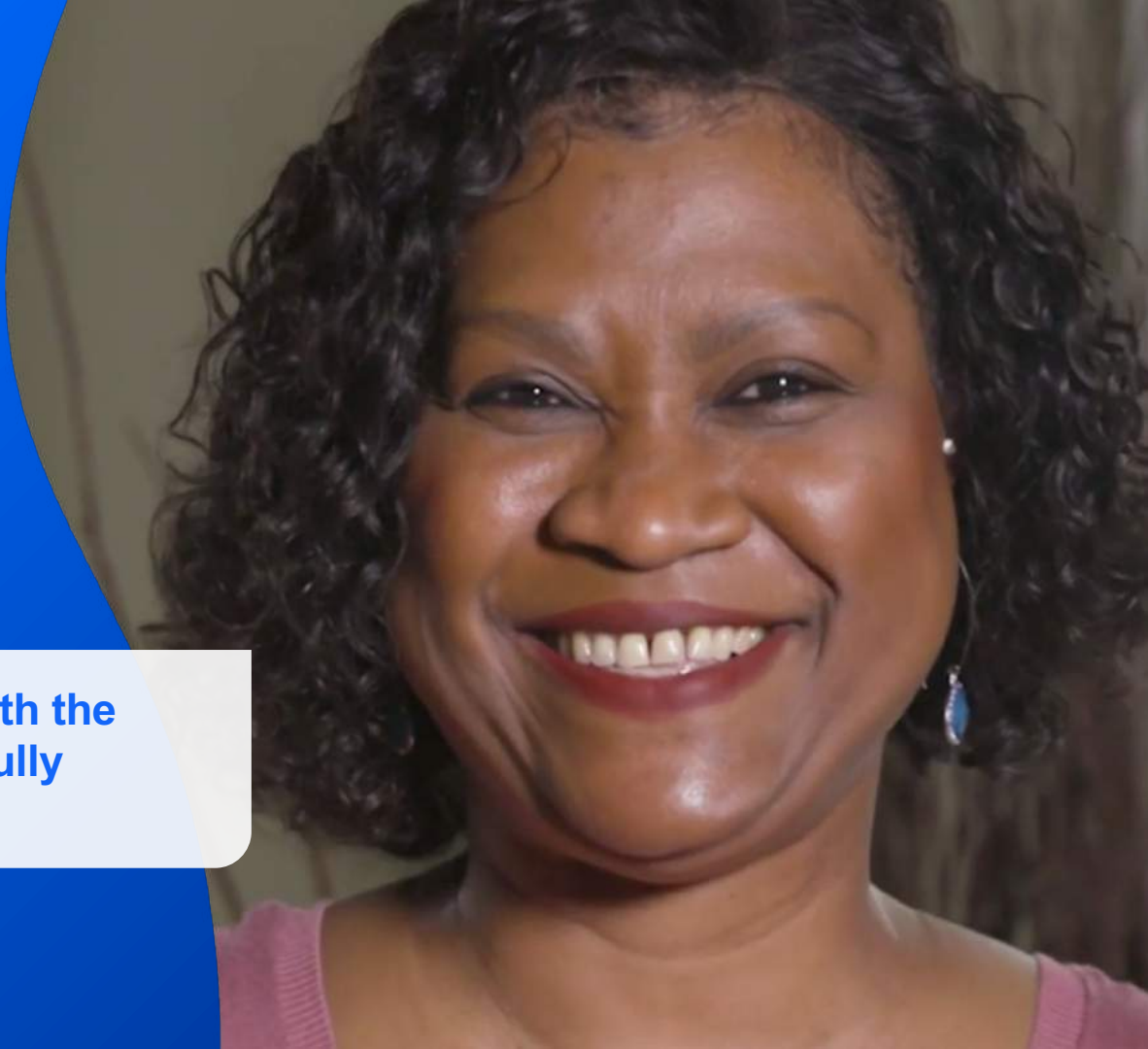
2. For clients based on retrospective analysis of medical and available pharmacy claims. Data on File for Livongo book of business as of April 2019. (DS-XXXX)

Shawn

Mom + Executive Assistant + Cook

"I was in total shock and depressed a lot when I was diagnosed. I didn't know what to do."

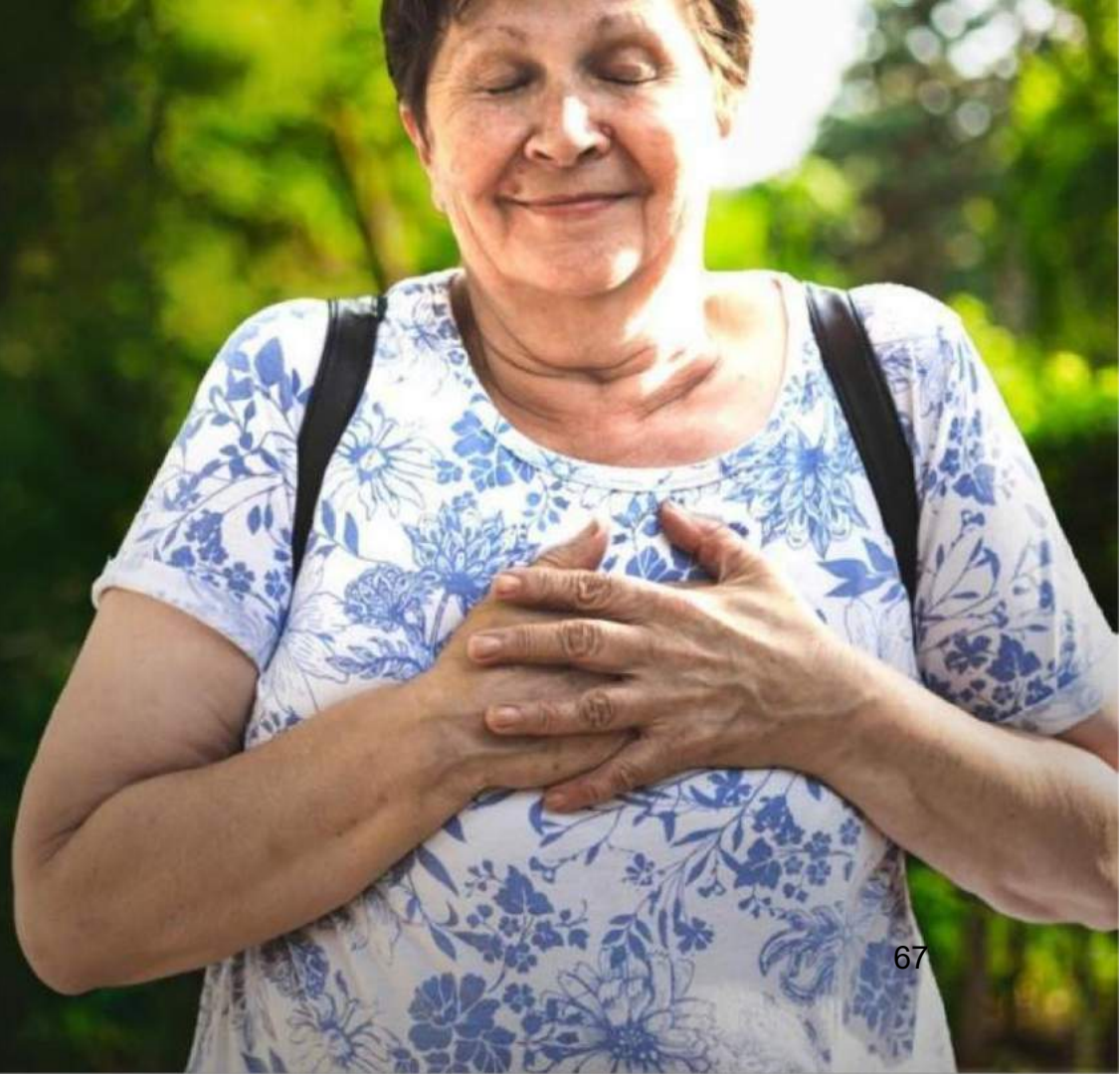
"I now start and end my day with the information I need to successfully approach my diabetes"





powered by technology,
guided by humanity.™

Thank you.





2021 Plan Recommendations

Summary of Proposals

	Baseline	Scenario A	Scenario B	Scenario C
Pre-Medicare Rate Increase	6%	5%	4%	0%
Medicare Supplement Plan Rate Increase	4%	2%	2%	0%
Deficit Spending Period (FY)	2026	2026	2026	2025
Solvency Period	Beyond Projection Period	Beyond Projection Period	Beyond Projection Period	Beyond Projection Period
Projected Fund Balance 7/1/51	\$ 6,123,938,345.00	\$ 5,668,591,833.00	\$ 5,550,949,994.00	\$ 4,742,677,964.00
Loss Ratio	98.0%	100.0%	100.2%	103.0%

- Baseline (Long Term Trend) - 6 & 4% results in slight over charge
- Scenario A - 5 & 2% results in alignment w/projected expenditures
- Scenario B – 4 & 2% results in slight undercharge (0.2%)
- Scenario C – 0 & 0% results in undercharge (3%)
- All scenarios reflect significant improvement compared to current year projections:
 - Deficit spending – 2024
 - Solvency – 2044 (25 years)
 - Projected Fund Balance 7/1/44 – (\$10,340,972)

Budget Adjustment Request (BAR)

Healthcare Benefits Administration

Background

Back in 2017, the Patient Protection and Affordable Care Act (the Act) imposed the Patient-Centered Outcomes Research Institute (PCORI) fee, formerly the comparative effectiveness research fee, on plan sponsors and issuers of individual and group policies. This fee was set to expire after calendar year 2018, payable in July 2019 (FY20), therefore, NMRHCA did not request budget authority to cover the cost of this fee for FY21. However, in March NMRHCA staff became aware that the PCORI fee had been reinstated for calendar year 2019 and is due by July 31, 2020. This fee equals \$2.54 multiplied by the average pre-Medicare membership in 2019 ($\$2.54 \times 14,114 = \$35,849.56$).

FY21 Budget Adjustment Request

Health Care Benefits Administration Program				
(amounts shown in thousands)				
		FY21 Approved Operating	Budget Adjustment Request	Adjusted Total
300	Contractual Services	\$ 355,191.6	\$ (36.0)	\$ 355,155.6
400	Other	\$ -	\$ 36.0	\$ 36.0
500	Other Financing Uses	\$ 3,370.0		\$ 3,370.0
	Total	\$ 358,561.6	\$ -	\$ 358,561.6

Fiscal Implications

The BAR will transfer a nominal amount from the contractual services category to other category to cover the fee for calendar 2019, due July 31, 2020.

Legal Authority

Laws 2020, 2nd Session, Chapter 83, Section 12, Subsection C... "In addition to the specific category transfers authorized in Subsection E of this section and unless a conflicting category transfer is authorized in Subsection E of this section, all agencies, including legislative agencies, may request category transfers among personal services and employee benefits, contractual services and other."

Other Substantive Issues

The PCORI fee will become a recurring expense to NMRHCA through FY30 and sufficient budgeted authority will be requested as part of the annual appropriation process to meet this obligation in the future.

Disposal of Information Technology Equipment – Action Item

Background: According to New Mexico Statute 13-6-1. Disposition of obsolete, worn-out or unusable tangible personal property. Upon approval by the Board the Directors, the New Mexico Retiree Health Care Authority (NMRHCA) will dispose of obsolete, worn out and unusable tangible property. NMRHCA staff has reviewed the attached list of items proposed for disposal with the Finance Committee. The applicable sections of statute are italicized below.

13-6-1. Disposition of obsolete, worn-out or unusable tangible personal property.

A. The governing authority of each state agency, local public body, school district and state educational institution may dispose of any item of tangible personal property belonging to that authority and delete the item from its public inventory upon a specific finding by the authority that the item of property is:

(1) of a current resale value of five thousand dollars (\$5,000) or less; and

(2) worn out, unusable or obsolete to the extent that the item is no longer economical or safe for continued use by the body.

B. The governing authority shall, as a prerequisite to the disposition of any items of tangible personal property:

(1) designate a committee of at least three officials of the governing authority to approve and oversee the disposition; and

(2) give notification at least thirty days prior to its action making the deletion by sending a copy of its official finding and the proposed disposition of the property to the state auditor and the appropriate approval authority designated in Section 13-6-2 NMSA 1978, duly sworn and subscribed under oath by each member of the authority approving the action.

C. A copy of the official finding and proposed disposition of the property sought to be disposed of shall be made a permanent part of the official minutes of the governing authority and maintained as a public record subject to the Inspection of Public Records Act [Chapter 14, Article 2 NMSA 1978].

D. The governing authority shall dispose of the tangible personal property by negotiated sale to any governmental unit of an Indian nation, tribe or pueblo in New Mexico or by negotiated sale or donation to other state agencies, local public bodies, school districts, state educational institutions or municipalities or through the central purchasing office of the governing authority by means of competitive sealed bid or public auction or, if a state agency, through the surplus property bureau of the transportation services division of the general services department.

E. A state agency shall give the surplus property bureau of the transportation services division of the general services department the right of first refusal when disposing of obsolete, worn-out or unusable tangible personal property of the state agency.

F. If the governing authority is unable to dispose of the tangible personal property pursuant to Subsection D or E of this section, the governing authority may sell or, if the

property has no value, donate the property to any organization described in Section 501(c)(3) of the Internal Revenue Code of 1986.

G. If the governing authority is unable to dispose of the tangible personal property pursuant to Subsection D, E or F of this section, it may order that the property be destroyed or otherwise permanently disposed of in accordance with applicable laws.

H. If the governing authority determines that the tangible personal property is hazardous or contains hazardous materials and may not be used safely under any circumstances, the property shall be destroyed and disposed of pursuant to Subsection G of this section.

I. No tangible personal property shall be donated to an employee or relative of an employee of a state agency, local public body, school district or state educational institution; provided that nothing in this subsection precludes an employee from participating and bidding for public property at a public auction.

J. This section shall not apply to any property acquired by a museum through abandonment procedures pursuant to the Abandoned Cultural Properties Act [18-10-1 to 18-10-5 NMSA 1978].

K. Notwithstanding the provisions of Subsection A of this section, the department of transportation may sell through public auction or dispose of surplus tangible personal property used to manage, maintain or build roads that exceeds five thousand dollars (\$5,000) in value. Proceeds from sales shall be credited to the state road fund. The department of transportation shall notify the department of finance and administration regarding the disposition of all property.

L. If the secretary of public safety finds that the K-9 dog presents no threat to public safety, the K-9 dog shall be released from public ownership as provided in this subsection. The K-9 dog shall first be offered to its trainer or handler free of charge. If the trainer or handler does not want to accept ownership of the K-9 dog, then the K-9 dog shall be offered to an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 free of charge. If both of the above fail, the K-9 dog shall only be sold to a qualified individual found capable of providing a good home to the animal.

History: 1953 Comp., § 6-1-7.1, enacted by Laws 1961, ch. 100, § 1; 1979, ch. 195, § 2; 1984, ch. 47, § 1; 1987, ch. 15, § 1; 1989, ch. 211, § 6; 1995, ch. 181, § 1; 1998, ch. 16, § 1; 2001, ch. 317, § 1; 2007, ch. 57, § 4; 2012, ch. 10, § 1; 2013, ch. 9, § 1.

The General Services Department (GSD), Surplus Property Bureau has been offered the right of first refusal. Given the obsolete nature of the items proposed for donation, GSD is unlikely to accept assets listed. Therefore, please see the attached list of items that will be removed from our fixed assets inventory and list of inventory. The hard drives and data have already been removed and destroyed by our Information Technology Director.

Action Item Request: NMRHCA staff respectfully requests permission to dispose of the attached list of items including workstations, printers, monitors and servers.

Servers	Serial #
Dell PowerEdge 2850	FOSSP71
Dell PowerEdge 1750	6BKK631
Dell PowerEdge 1750	5BKK631
HP Proliant ML350G6	USE020N2T7
HP Proliant DL585G7	MXQ307005P
HP Proliant ML330 G6	MX212000MT
HP Proliant DL385 G7	USE103N2VG
Dell PowerEdge 2600	CSPFR21

Printers	Serial #
HP 2035N	CNB9R67146
HP 2035N	CNB9R67152
HP 2035N	CNB9R67155
HP2035	CNB9R67145
HP 1320	CNHC61Y216
HP 1320	CNFC56J1B1
HP 2035N	CNB9S45181
HP 2035N	CNB9S45185
HP 2035N	CNB3F10669
HP 1320	CNHC5DL05K
HP 1320	CNHC61Y220
HP2015DN	CNBJY10589
HP Color LJ 3600n	CNLBB1255
HP 2035N	CNB9S45182
HP 2035N	CNB9S45183
HP2035	CNB9G45020
HP2035	CNB9J02217
HP2035	CNB9X62030
HP 2015DN	CNBJY10583
HP Color LJ 2600N	CNGC6491RN
HP 2035N	CNB9S45180
HP 1320	CNHC6155QY
HP2035N	CNB9S45184
HP2420D	CNGKC07139

Laptop	Serial #
EliteBook 8560p WX788AV	4CZ1260CB2
EliteBook 8560p WX788AV	4CZ1250S25
EliteBook 8560p WX788AV	4CZ1260CB1
Sony Vaio Laptop VPCF113FX	27514838
Elitebook 8460w HP 8460w	CNU2092F91
Sony Vaio VPC-Z11MGX/X	3103830
GateWay W322	N6264-010-36556
Dell Precision 5540 hfp5x33	0x3gfa07
Samsung	CZNC93GB4002O6V
EliteBook 8460	CNU2092F91
GateWay m465-e	36542608

Scanners	Serial #
HP Scan Jet n8460	CN8C2A0177
HP Scan Jet 5590	CNBKSA16S

Computer	Serial #
HP Compaq	MXL020204VQ
Apple PowerMac	A1117
Sony Vaio PC	54125789-00011589
HP Z200	2UA1221CYX
HP Z200	2UA1160RYC

Tape Drive	Serial
HP LVLDC-0501	MXA00520H1
DELL POWERVAULT	CN-ONGR69-78000-55R-AOVU-AC

Switch	Serial
NETGEAR	1RB8033B00179
NETGEAR	1CU38C3J0011E
CISCO Catalyst 3560	CAT1009R20Q
CISCO Catalyst 3560	CAT1009R20H

Storage Array	Serial #
INTRENDA	IB-31001810B0018602

Monitor	Serial #
HP L1945	CNN82501Y3
HP L2045	CNT943V230
DELL E171FPB	CN-05W540-46633-37K-OJQL
DELL 200FP	TW-09E249-46635-35M-OAKL
VS12575	RBJ104700171

FY21 Board Elections/Committee Assignments

Background

Article 7C Section_10-7C-6. Board created; membership; authority.

A. There is created the "board of the retiree health care authority". The board shall be composed of not more than twelve members.

B. The board shall include:

- (1) one member who is not employed by or on behalf of or contracting with an employer participating in or eligible to participate in the Retiree Health Care Act and who shall be appointed by the governor to serve at the pleasure of the governor;
- (2) the educational retirement director or the educational retirement director's designee;
- (3) one member to be selected by the public school superintendents' association of New Mexico;
- (4) one member who is a teacher who is certified and teaching in elementary or secondary education to be selected by a committee composed of one person designated by the New Mexico association of classroom teachers, one person designated by the national education association of New Mexico and one person designated by the New Mexico federation of teachers;
- (5) one member who is an eligible retiree of a public school and who is selected by the New Mexico association of retired educators;
- (6) the executive secretary of the public employees retirement association or the executive secretary's designee;
- (7) one member who is an eligible retiree receiving a benefit from the public employees retirement association and who is selected by the retired public employees of New Mexico;
- (8) one member who is an elected official or employee of a municipality participating in the Retiree Health Care Act and who is selected by the New Mexico municipal league;
- (9) the state treasurer or the state treasurer's designee; and
- (10) one member who is a classified state employee selected by the personnel board.

C. The board, in accordance with the provisions of Paragraph (3) of Subsection D of [Section 10-7C-9](#) NMSA 1978, shall include, if they qualify:

- (1) one member who is an eligible retiree of an institution of higher education participating in the Retiree Health Care Act and who is selected by the New Mexico association of retired educators; and
- (2) one member who is an elected official or employee of a county participating in the Retiree Health Care Act and who is selected by the New Mexico association of counties.

D. Every member of the board shall serve at the pleasure of the party that selected that member.

E. The members of the board shall begin serving their positions on the board on the effective date of the Retiree Health Care Act or upon their selection, whichever occurs last, unless that member's corresponding position on the board has been eliminated pursuant to Subsection D of [Section 10-7C-9](#) NMSA 1978.

F. The board shall elect from its membership a president, vice president and secretary.

G. The board may appoint such officers and advisory committees as it deems necessary. The board may enter into contracts or arrangements with consultants, professional persons or firms as may be necessary to carry out the provisions of the Retiree Health Care Act.

H. The members of the board and its advisory committees shall receive per diem and mileage as provided in the Per Diem and Mileage Act [\[10-8-1 NMSA 1978\]](#) but shall receive no other compensation, perquisite or allowance.

History: Laws 1990, ch. 6, § 6; 1993, ch. 362, § 2; 2003, ch. 382, § 1.

Action Item

In compliance with section F, NMRHCA's board elections typically occur in July of each year for the ensuing 12-month period. In addition, committee assignments are designated for the same time period with a full list of current committee assignments is provided below.

Current Committee Assignments

Executive

~~Mr. Sullivan, Chair~~

~~Mr. Montañño~~

Mr. Crandall

Finance & Investment

Mr. Crandall, Chair

~~Mr. Sullivan~~

Ms. Goodwin

Ms. Larrañaga-Ruffy

Mr. Linton

Legislative

~~Mr. Montañño, Chair~~

Mr. Linton

Ms. Saunders

Ms. Goodwin

Audit

Ms. Goodwin, Chair

~~Mr. Sullivan~~

~~Mr. Montañño~~

Mr. Linton

Ms. Moon

Wellness

Ms. Goodwin, Chair

~~Mr. Montañño~~

Ms. Saunders

Mr. Linton

2020 BOARD POLICIES AND PROCEDURES MISSION STATEMENT

The New Mexico Retiree Health Care Authority ("NMRHCA" or "Authority") is committed to offering an affordable, comprehensive health care program for present and future eligible retirees and their dependents.

ADMINISTRATION

The Authority is governed by a Board of Directors ("Board"), which is composed of not more than 12 members (the "Board Members" or individually a "Board Member"). The Board is authorized to take all actions reasonably necessary to implement the Retiree Health Care Act (the "Act"). Currently, the Authority maintains two offices and a full time staff of 26 employees. The Authority offers comprehensive medical, dental, vision and life insurance to more than 64,000 retired public employees. NMRHCA receives revenue from premiums paid by retirees, contributions from active employees and their employers, and funding and revenue from other various sources. The Board and Authority administer the Authority's Trust Fund ("Fund"), which is invested and managed by the New Mexico State Investment Council, as required by the Act.

Currently, the Authority has approximately 300 participating public entities including all State agencies, public and charter schools, many counties and cities, as well as several universities.

ANNUAL REVIEW OF BOARD POLICIES AND PROCEDURES

The Board will review its Policies and Procedures annually. Proposed changes will first be solicited by NMRHCA staff from the Board's Executive Committee. Once approved by the Executive Committee, the initial revised Policies and Procedures will be presented to the full Board at its next regularly scheduled meeting. The Board will review the changes and make final recommendations to the Executive Committee, which will meet to revise the Policies and Procedures in accordance with those recommendations, and then present the Board with the Policies and Procedures for final action at the next regularly scheduled Board meeting.

OFFICERS, TERM OF OFFICE, DUTIES

Term of Office

Terms of office for the president and chairperson (the "Chairperson"), the vice president and vice-chairperson (the "Vice-Chairperson"), and the secretary (the "Secretary") will be from the date elected until a successor is sworn in, unless the office is vacated, in which case, the next lower officer shall automatically assume the duties of the higher officer.

Procedure for Electing Officers

The Board will elect a slate of officers annually to serve for the ensuing twelve-month period.

The three officers will comprise the Board's Executive Committee.

In the event of a vacancy in the office of Chairperson, the Vice-Chairperson will succeed the Chairperson. In the event of a vacancy in the office of the Vice-Chairperson, the Secretary will succeed the Vice-Chairperson. In the event of a vacancy in the office of Secretary, an election will be held at the next Board meeting. Nominations will be taken from the floor. The individual receiving the highest vote count will be elected to the office of Secretary.

Duties of the Chairperson

The duty of the Chairperson is, primarily, to ensure the integrity of the Board's processes and oversee the conduct of the Board at Board and committee meetings.

Duties of the Vice-Chairperson

The duty of the Vice-Chairperson is to act as temporary Chairperson in the absence of the Chairperson.

Duties of the Secretary

The duty of the Secretary is to act as temporary Chairperson in the absence of the Chairperson and Vice-Chairperson.

BOARD COMMITTEES

The Board has the following standing committees:

- 1 The Executive Committee, consisting of the officers of the Board.
- 2 The Audit Committee, consisting of four Board Members, including the Chairperson.
- 3 The Finance and Investment Committee consisting of five Board Members, including the Chairperson.
- 4 The Legislative Committee consisting of five Board Members, including the Chairperson
- 5 The Wellness Committee consisting of five Board Members.

The Chairperson is responsible for establishing membership in each standing committees. Additionally, the Chairperson has authority to establish, from time-to-time, other committees for specific purposes and will appoint the membership of those committees. All committee members are entitled to per diem and mileage, as authorized under 2.81.1.21, NMAC.

CODE OF CONDUCT

Board Members are expected to adhere to the highest ethical standards and, at all times, comply with their fiduciary responsibilities. Board Members will avoid any conflict of interest or perceived conflict of interest and may not have a direct financial or direct personal interest in any company or business that has a contractual obligation with the NMRHCA.

Board Members, as fiduciaries, should discharge their duties solely in the interest of the Authority and be governed by all applicable State and Federal laws, rules and regulations.

Each year at its annual meeting, Board Members will complete a financial disclosure form as set out in 2.81.3.8, NMAC.

Board Members will adhere to all requirements set forth in 2.81.3, NMAC, which establishes a Code of Ethics for Board Members.

BOARD TRAVEL

Board Members must submit to the Chairperson any request to participate in an event requiring travel where that travel is paid for by the Authority.

Speakers: Any Board Member that accepts a request to be a speaker at a conference or seminar requiring travel will notify the Chairperson of the request and their intention to participate in their capacity as a member of the Authority.

Payment for Travel: All travel paid for by the Authority is subject to 2.81.1.21, NMAC, the New Mexico Per Diem and Mileage Act, NMSA 1978, 10-8-1 and current New Mexico Department of Finance and Administration rules and regulations.

PROCEDURES FOR CONDUCT OF NMRHCA BOARD MEETINGS

In general, the Board will follow a modified version of Robert's Rules of Order, Revised ("RRO"). In addition, the Board will adhere to the Open Meetings Act and all other applicable provisions of State laws and the Board's rules and regulations.

A quorum of the Board must be present in order to convene and conduct any official meeting. A quorum is a majority of Board Members. Once a quorum is present, action may be taken by majority vote of participating Board Members. Although physical attendance by Board Members is encouraged, Board Members may attend meetings by video conference or telephone, provided that each Board Member participating by video conference or telephone can be identified when speaking, all participants are able to hear each other at the same time, and members of the public attending the meeting are able to hear any Board Members who speak during the meeting.

Regular Meetings

The date, time, and place of the regular Board meeting will be established by Board action and be announced to the public pursuant to the requirements of the Open Meetings Act (Section 1015-1 et seq. NMSA 1978).

The Board will meet at least once a year.

Special or Emergency Meetings

A special meeting of the Board is a meeting other than a regular or emergency meeting and may be called by the Chairperson, Vice-Chairperson or any three (3) Board Members for the specific purposes specified in the call.

An emergency meeting of the Board is a meeting other than a regular or special meeting and may be called by the Chairperson, Vice-Chairperson, or any two (2) Board Members to consider a sudden or unexpected set of circumstances affecting the NMRHCA which require the immediate attention of the Board.

Public Notice

The New Mexico Open Meeting Act, Section 10-15-1, NMSA 1978, provides that any meeting of a quorum of the members of a public body held for the purpose of formulating public policy discussing public business, or taking action within the authority of the Board, or at which the discussion or adoption of any proposed resolution, rule, regulation, or formal action occurs will be held only after reasonable notice to the public. In accordance with the Open Meetings Act, the Board will establish, at least annually, what constitutes reasonable notice of its meetings.

Agenda

The Chairperson, in consultation with the Executive Committee and the Executive Director, will prepare an agenda for each regular meeting of the Board. The Executive Director will ensure timely dissemination of the agenda to the Board and public.

Any Board Member may request of the Chairperson to have an item placed on, or removed from, the agenda.

Open and Closed Meetings

In addition to requiring public notice of Board meetings, the Open Meetings Act requires all Board meetings to be open to the public at all times unless an exception found in the Open Meetings Act permits a closed meeting.

Minutes

Pursuant to the Open Meetings Act, written minutes will be kept of all public Board meetings, as well as committee meetings, and all minutes shall be open to public inspection. Draft minutes will be approved, amended or disapproved at the next meeting where a quorum is present. Draft minutes may be inspected by members of the public after completion in final draft form but will not become official until approved by the Board.

Board Meeting Attendance

Board Members will ensure strict compliance with 2.81.1.11, NMAC which governs Board meeting attendance.

EXECUTIVE DIRECTOR

General Provisions

The Executive Director will comply with the Code of Ethics established for the Authority (2.81.3, NMAC) and may not have a direct financial or direct personal interest in any company or business that has a contractual obligation with the NMRHCA.

The Executive Director will ensure that all employees of the Authority are aware of their rights and responsibilities and ensure at a minimum:

- 1 Confidentiality of retiree and dependent enrollment and medical and fiscal records.
- 2 No conflict of interest or appearance thereof with respect to participation on boards, corporations, or public or private organizations. No conflict of interest or appearance thereof with respect to professional, occupations, or business licenses.
- 3 Adherence to a pertinent professional code of ethics and standard of professional conduct as prescribed by the Board.
- 4 No solicitation of gifts, favors, or other items of value from persons with whom the NMRHCA transacts business or companies with whom the NMRHCA may contract.
- 5 No acceptance of unsolicited items of value that are of such character as to manifest, or appear to manifest, influence upon an employee in carrying out his/her responsibilities to the NMRHCA.

Responsibilities of the Executive Director

The Executive Director is responsible for organizational performance and exercises authority over the day-to-day operations of the Authority. The Executive Director is responsible for the management of all staff and the Board delegates authority for staff management to the Executive Director.

In general, all personnel decisions made by the Executive Director are final. However, the Authority may utilize an appeals process that allows for personnel decisions to be reviewed by the Board.

Employment of the Executive Director

Employment of the Executive Director will be by the Board. The terms of employment for the Executive Director will be subject to applicable policies as they pertain to exempt employees and conditions outlined by the Board.

The Board believes that the selection of an Executive Director is one of the most important tasks performed by the Board. To that end, the Board will carefully consider the following:

- Specifying what the Board expects the Executive Director to do;
- Specifying the education and experience the Board considers essential to performing the work of Executive Director;
- Developing and implementing a recruitment strategy for the position; and
- Applying screening processes, interviewing qualified candidates, and selecting the candidate deemed to be most qualified for the position.

Executive Director Evaluations

The Executive Committee of the Board is responsible for evaluating the Executive Director and will utilize mechanisms to provide periodic feedback on Executive Director performance and on the overall performance of the agency.

The Board endorses the use of an evaluation instrument as a tool in planning, goal setting, establishing shared understandings, providing feedback, and making other decisions. For this reason, the Board may implement a written evaluation form with the Executive Director, whether or not one is required by other controlling agencies such as the Department of Finance and Administration.

Sound personnel practices provide that evaluation instruments are most effective when done at least annually, when the raters and individual establish shared understandings at the beginning of the evaluation period concerning expectations and performance criteria, and when feedback is provided on an ongoing basis.

Executive Director Leave

The Executive Director will notify the Chairperson for approval when annual leave is to be taken. The notice will be given as far in advance as possible.

APPEAL OF BENEFIT DETERMINATIONS

The Board will not consider appeals of medical, dental or visions benefit determinations made by contracted carriers or staff of the Authority. As such, it is the policy of the Board that beneficiaries wishing to appeal benefit determinations made by contracted carriers or staff should make their appeal to the Office of the Superintendent of Insurance.

The Executive Director will report to the board the outcome of any appeals determined by the Office of the Superintendent of Insurance.

NEW MEXICO RETIREE HEALTH CARE AUTHORITY
RESOLUTION NO. 2021-1

WHEREAS the Board of Directors of the New Mexico Retiree Health Care Authority (NMRHCA) met at its annual meeting at 9:00 a.m. on July 9 and 10, 2020.

WHEREAS, Section 10-15-1(B) of the Open Meeting Acts (NMSA 1978, Section 10-15-1 to 4) states that, except as may be otherwise provided in the Constitution of the State of New Mexico or in the provisions of the Open Meetings Act, all meetings of a quorum of members of any board, commission, administrative adjudicatory body or other policy-making body of any state agency, any agency or authority of any county, municipality, district or any political subdivision, held for the purpose of formulating public policy, including the development of personnel policy, rules, regulations or ordinances, discussing public business or for the purpose of taking any action within the authority of or the delegated authority of such body, are declared to be public meetings open to the public at all times; and

WHEREAS, any meeting subject to the Open Meetings Act at which the discussion or adoption of any proposed resolution, rule, regulation or formal action occurs shall be held only after reasonable notice to the public; and

WHEREAS, Section 10-15-1(D) of the Open Meetings Act requires the NMRHCA Board to determine at least annually in a public meeting what constitutes reasonable notice of its public meetings;

NOW, THEREFORE, BE IT RESOLVED by the NMRHCA that the following is determined to constitute reasonable notice to the public of its meetings:

1. Location and Time of Meetings: Unless otherwise specified by the NMRHCA Board, regular meetings will be held on the first Tuesday of every month. All regular meetings may be held at a location in Albuquerque, Santa Fe, or via teleconference and telephone beginning at 9:30 a.m. or as indicated in the meeting notice.
2. Meeting Notice and Agenda: A meeting notice shall be prepared by the NMRHCA for each board meeting. Each meeting notice shall include either the agenda of the meeting or information on how the public may obtain a copy of the agenda of the meeting. Each meeting agenda shall consist of a list of specific items of business to be discussed or transacted at the meeting. Except for emergency matters, the NMRHCA shall take action only on items appearing on the agenda.

Except in the case of an emergency meeting, the agenda will be available to the public at least seventy-two (72) hours prior to the meeting from the Executive Director, whose office is located at 6300 Jefferson Street NE NE, Suite 105, Albuquerque, NM 87109 or by email at david.archuleta@state.nm.us. In the case of an emergency meeting, the agenda shall be made available to the public as soon as is reasonably possible.

3. Regular Meetings: Notice of regular meetings will be made at least ten (10) days in advance of the meeting date.
4. Special Meetings: A special meeting of the board is a meeting other than a regular or emergency meeting and may be called by the president, vice-president or any three (3) board members at least seventy-two (72) hours prior to the meeting date for the specific purposes specified in the call.
5. Emergency Meetings: An emergency meeting of the board is a meeting other than a regular or special meeting and may be called by the president, vice-president, or any two (2) board members only under unforeseen circumstances which demand immediate action to protect the health, safety and property of citizens or to protect the NMRHCA from substantial financial loss. Within ten (10) days of taking action on an emergency matter, the NMRHCA shall report to the New Mexico Attorney General's office the action taken and the circumstances creating the emergency; provided that the requirement to report to the attorney general is waived upon the declaration of a state or national emergency.
6. Notification Process:
 - A. Regular Meetings: For the purposes of regular meetings described in paragraph 1 of this resolution, notice requirements are met if notice of the date, time, place and agenda (or information on how the public may obtain a copy of the agenda) is posted on NMRHCA's website and posted in the office(s) of the NMRHCA not less than ten (10) calendar days before the time the regular meeting is to commence. Within the same time frame, a copy of the notice must be mailed to broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation that have made a written request for notice of public meetings.
 - B. Special and Emergency Meetings: For the purpose of special meetings and emergency meetings described in paragraphs 4 and 5 of this resolution, notice requirements are met by posting notice of the date, time, place and agenda in the offices of the NMRHCA. Additionally, if practicable, notice of the date, time, place and agenda (or information on how the public may obtain a copy of the agenda) may be placed on NMRHCA's website. Within the same time frame, telephonic notice will be provided to broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation that have made a written request for notice of public meetings.
7. Accommodation of Individuals with Disabilities: In addition to the information specified above, all notices shall include the following language:

"If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service, contact the NMRHCA at 1-800-233-2576, at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the NMRHCA at 1-800-233-2576 if a summary or other type of accessible format is needed."

8. Closed Meetings: The NMRHCA Board may close a meeting to the public only if the subject matter of such discussion or action is exempted from the open meeting requirement under Section 10-15-1(H) of the Open Meetings Act or by the New Mexico Constitution.

A. If any meeting is closed during an open meeting, such closure shall be approved by a majority vote of a quorum of the NMRHCA Board taken during the open meeting. The authority for the closure and the subjects to be discussed shall be stated with reasonable specificity in the motion for closure and the vote on closure of each individual member shall be recorded in the minutes. Only those subjects specified in the motion may be discussed in a closed meeting.

B. If the decision to hold a closed meeting is made when the NMRHCA Board is not in an open meeting, the closed meeting shall not be held until public notice, appropriate under the circumstances, stating the specific provision of law authorizing the closed meeting and the subjects to be discussed with reasonable specificity is given to the members and to the general public.

C. Following completion of any closed meetings, the minutes of the open meeting that was closed, or the minutes of the next open meeting if the closed meeting was separately scheduled, shall state whether the matters discussed in the closed meeting were limited only to those specified in the motion or notice for closure.

D. Except as provided in Section 10-15-1(H) of the Open Meetings Act, any action taken as a result of discussions in a closed meeting shall be made by vote of the NMRHCA in an open public meeting.

9. Annual Meeting of NMRHCA Board: Pursuant to NMAC 2.81.1.12, the Board shall hold an annual meeting at such time as the Board determines.

Passed by the NMRHCA Board this 10th day of July 2020.

Board President

David Archuleta, Executive Director

This rule was filed as 2 NMAC 81.3.

TITLE 2 PUBLIC FINANCE
CHAPTER 81 RETIREE HEALTH CARE FUNDS
PART 3 CODE OF ETHICS

2.81.3.1 ISSUING AGENCY: NM Retiree Health Care Authority ("NMRHCA").
 [6/15/98; Recompiled 10/01/01]

2.81.3.2 SCOPE: This rule applies to all board members, employees, actuaries, consultants, attorneys and members of ad. hoc. or standing committees of the NMRHCA.
 [6/15/98; Recompiled 10/01/01]

2.81.3.3 STATUTORY AUTHORITY: This rule is promulgated pursuant to the New Mexico Retiree Health Care Act (the "Act"), Sections 10-7C-1 et seq. NMSA 1978.
 [6/15/98; Recompiled 10/01/01]

2.81.3.4 DURATION: Permanent.
 [6/15/98; Recompiled 10/01/01]

2.81.3.5 EFFECTIVE DATE: June 15, 1998 [unless a later date is cited at the end of a section].
 [6/15/98; Recompiled 10/01/01]

2.81.3.6 OBJECTIVE:

A. The objective of this rule is to establish procedures governing a code of ethics that must be adhered to by those persons covered and provide penalties for failure to comply. The proper operation of a democratic government requires that public representatives and those attorneys, consultants, agents and employees on who they rely for advice and opinions be independent, impartial, and responsible to the people.

B. NMRHCA decisions and policy should be made through proper channels of the NMRHCA structure and public office, employment or contracts should not be used for personal gain. A conflict of interest exists when a public representative's, public employee's or public contractor's private or personal interests conflict with his/her public duties or when a public representative, public employee, agent, consultant or attorney for the public entity uses insider knowledge, official position, power or influence to further his/her private interests.

C. When a sound code of ethics is promulgated and enforced, the public has confidence in the integrity of its government. The objective of the code of ethics rule is to advance openness in government by requiring disclosure of private interests that may affect public acts, to set standards of ethical conduct, to minimize pressures on public representatives and to establish a process for reviewing and settling alleged violations.
 [6/15/98; Recompiled 10/01/01]

2.81.3.7 DEFINITIONS: As used in the code of ethics rule:

A. "business" means a corporation, partnership, sole proprietorship, firm, organization, or individual carrying on a business or owning real property other than a personal residence;

B. "insider information" or "confidential information" means information which is confidential under law or practice or which is not generally available outside the circle of those who regularly serve the NMRHCA as a board member, public representative, official, employee, agent, consultant or attorney;

C. "financial interest" means:

(1) an interest of ten percent or more in a business or an interest exceeding ten thousand dollars (\$10,000.00) in a business; for a board member, official, employee, agent, consultant attorney or other public representative this means an interest held by the individual or his or her spouse, siblings, parents, or children;

(2) an ownership interest held by the individual or his/her spouse, siblings, parents or children in business;
 or

(3) any employment or prospective employment (for which negotiations have already begun) of the individual or his/her spouse, siblings, parents or children;

D. "public representative" means a person serving the NMRHCA as board member, official, employee, agent, consultant or attorney or as a member of an ad.hoc. or standing NMRHCA advisory committee;

E. "controlling interest" means an interest which is greater than twenty percent;

F. "official act" means an official decision, recommendation, approval, disapproval or other action which involves the use of discretionary authority, except the term does not mean an act of the legislative or an act of general applicability.
[6/15/98; Recompiled 10/01/01]

2.81.3.8 PUBLIC REPRESENTATIVE/REGISTRATION/DISCLOSURE:

A. Upon becoming a public representative, the public representative shall provide registration information to the NMRHCA office as listed below. This information shall be updated at the end of every fiscal year and shall be available to the public at all times:

- (1) name;
- (2) address and telephone number;
- (3) professional, occupational or business licenses;
- (4) membership on boards of directors of corporations, public or private associations or organizations; and
- (5) the nature, but not the extent or amount, of any financial interests and controlling interests as defined in the code of ethics rule within one month of becoming a public representative.

B. A public representative who has a financial interest which may be affected by an official act of the NMRHCA, ad. hoc. or advisory committee shall declare such interest prior to discussion, voting, advising or taking any other action and that declaration shall be entered in the official minutes of the NMRHCA. A public representative shall abstain from voting, advising or taking any other action including discussion on that issue if the decision, in the public representative's opinion, may affect his/her financial interest in a manner different from its effect on the general public.
[6/15/98; Recompiled 10/01/01]

2.81.3.9 PROHIBITIONS/PRIVATE BENEFITS OR GIFTS/PERSONAL REPRESENTATION/ USE OF NMRHCA SERVICES/ACQUIRING FINANCIAL INTEREST:

A. No public representative nor a member of his/her family shall request or receive and accept a gift or loan for his/her personal use or for another, if:

- (1) it tends to influence the public representative in the discharge of his/her official acts; or
- (2) the public representative, within two years, has been involved in any official act directly affecting the donor or lender or knows that he/she will be involved in any official act directly affecting the donor or lender.

B. No public representative shall request or receive a gift or loan for personal use or for the use of others from any person or business involved in a business transaction with the NMRHCA with the following exceptions:

- (1) an occasional nonpecuniary gift of insignificant value;
- (2) an award publicly presented in recognition of public service;
- (3) a commercially reasonable loan made in the ordinary course of business by an institution authorized by the laws of the state to engage in the business of making loans; or
- (4) a political campaign contribution, provided that such gift or loan is properly reported and actually used in a political campaign.

C. No public representative shall personally represent private interests before the board of the NMRHCA or any ad. hoc. or standing committee, which the public representative is a member, or directly or indirectly receive compensation for that representation.

D. No public representative shall personally represent private interests before the NMRHCA board, ad. hoc., standing committees or directly or indirectly receive compensation for that representation.

E. No public representative shall use or disclose insider information for his or others private purposes.

F. No public representative shall use NMRHCA services, personnel or equipment for personal benefit, convenience or profit, except when such use is generally available to the public and when in accordance with policies of the NMRHCA board.

G. No public representative shall acquire or negotiate to acquire a financial interest at a time when the official believes or has reason to believe that it will be substantially or directly affected by his official acts.

H. No public representative shall enter into a contract or transaction with the NMRHCA or its public representatives, unless the contract or transaction is made public by filing notice with the NMRHCA board.

I. A public representative shall disqualify himself from participating in any official act directly affecting a business in which he has a financial interest.

J. No public representative shall use confidential information acquired by virtue of his employment, office or status for his or another's private gain.

K. The NMRHCA shall not enter into any contract with an employee of the state or with a business in which the employee has a controlling interest, involving services or property of a value in excess of one thousand dollars (\$1,000), when the employee has disclosed his controlling interest unless the contract is made after public notice and competitive bidding; provided that this section does not apply to a contract of official employment with the NMRHCA.

L. The NMRHCA shall not enter into a contract with, nor take any action favorable affecting, any person or business which is:

(1) represented personally in the matter by a person who has been an employee of the state within the preceding year if the value of the contract or action is in excess of one thousand dollars (\$1,000) and the contract is a direct result of an official act by the employee; or

(2) assisted in the transaction by a former employee of the state whose official act, while in state employment, directly resulted in the NMRHCA's making that contract or taking that action.

M. The NMRHCA shall not enter into any contract of purchase with a legislator or with a business in which such legislator has controlling interest, involving services or property in excess of one thousand dollars (\$1,000) where the legislator has disclosed his controlling interest, unless the contract is made after public notice and competitive bidding. As used in Section 9.13 [now Subsection M of 2.81.3.9 NMAC], contract shall not mean a "lease."
[6/15/98; Recompiled 10/01/01]

2.81.3.10 ENFORCEMENT/COMPLAINT/HEARING OFFICER/PENALTY FOR VIOLATION/FRIVOLOUS COMPLAINTS:

A. Any contract approval, sale or purchase entered into or official action taken by a public official in violation of this rule may be voided by action of the NMRHCA board.

B. Any person may make a sworn, written complaint to the NMRHCA board of a violation by a public official of any provisions of the code of ethics rule. Such complaint shall be filed with the NMRHCA executive director or if it is a complaint against him, with a member of the NMRHCA board, who shall maintain the confidentiality thereof and instruct the complainant of the confidentiality provisions of the code of ethics rule, and shall refer said complaint to the NMRHCA board at its next regularly scheduled meeting in executive session. The complaint shall state the specific provision of the code of ethics rule which has allegedly been violated and the facts which the plaintiff believes support the complaint.

C. Within fifteen days of receiving the complaint, the NMRHCA board in executive session shall appoint a hearing officer to review the complaint for probable cause. Within fifteen days of undertaking the inquiry to determine probable cause, the hearing officer shall report his findings to the NMRHCA board. Upon find of probable cause, within 30 days, the hearing officer shall conduct an open hearing in accordance with due process of law. Fifteen days notice in advance of the hearing shall be provided to the person subject to the complaint. Within a time specified by the NMRHCA board, the hearing officer shall report his findings and recommendations to the NMRHCA board for appropriate action based on those findings and recommendations.

D. If the complaint is found to be frivolous, the NMRHCA board may assess the complainant the costs of the hearing officer's fees.

E. Except for the hearing, the proceedings shall be kept confidential by all parties concerned, unless the accused public official requests that the process be open at any stage. Persons complained against shall have the opportunity to submit documents to the hearing officer for his review in determining probable cause.

F. Any violation of the law shall be referred to the appropriate law enforcement agency for prosecution.
[6/15/98; Recompiled 10/01/01]

2.81.3.11 CODE OF ETHICS HEARING OFFICER/APPOINTMENT/QUALIFICATIONS/DUTIES:

A. A hearing officer shall be appointed by the NMRHCA board for each complaint. The hearing officer may be an authority board member, agent or employee of the NMRHCA or another person. The complainant and the person complained against have the right to one disqualification of a designated hearing officer.

B. The hearing officer shall:

(1) receive written complaints regarding violations of the code of ethics rule, notify the person complained against of the charge, and reject complaints not supported by probable cause; in the event the hearing officer rejects a complaint as lacking in probable cause, he shall provide a written statement of reasons for his rejection to the NMRHCA board and the complainant;

(2) conduct hearings of all complaints received; and

(3) report the findings of the hearings and make recommendations on resolving the complaint to the NMRHCA board.

C. The decision of the board shall be final and not subject to appeal.
[6/15/98; Recompiled 10/01/01]

2.81.3.12 VIOLATION: It is a violation of this rule for any public official knowingly, willfully or intentionally to conceal or fails to disclose any financial interest called for by the code or violate any of the provisions hereof.
[6/15/98; Recompiled 10/01/01]

2.81.3.13 PENALTIES: Upon recommendation of the hearing officer the NMRHCA board may:

- A. issue a public reprimand to the public official;
- B. remove or suspend from his office, employment or contract the public official; and
- C. refer complaints against public officials to the appropriate law enforcement agency for investigation

and prosecution.

[6/15/98; Recompiled 10/01/01]

HISTORY OF 2.81.3 NMAC:

Pre-NMAC History: The material in this part was derived from that previously filed with the State Records Center and Archives under:

RHCA Rule 90-3, Code of Ethics, 7/10/90.

History of Repealed Material: [RESERVED]

New Mexico Retiree Health Care Authority

Code of Ethics Disclosure Statement

Pursuant to Retiree Health Care Authority Rule Title 2, Chapter 81, Part 3, within one month of becoming a board member, employee, actuary, consultant, attorney, or member of ad hoc or standing committee, and at the end of every fiscal year thereafter, you are required to furnish the following information:

1. Name: _____

2. Address: _____

Home Phone: _____ Work Phone: _____

3. Professional, occupational, or business licenses, if any:

Type of License	License No.

Continue on separate sheet if necessary

4. Identify each corporation, and public or private association and organization, on the board of which you are a member:

Name of Organization	Address of Organization	Position or Office in Organization

Continue on separate sheet if necessary

5. The NMRHCA Code of Ethics defines the terms used in this form as follows:

"Business" means: a corporation, partnership, sole proprietorship, firm, organization, or individual carrying on a business or owning real property other than a personal residence.

“Financial Interest” means:

- (a) *An interest of ten percent (10%) or more in a Business or an interest exceeding ten thousand dollars (\$10,000) in a Business; or*
- (b) *An ownership interest in a business; or*
- (c) *Any employment or prospective employment (for which negotiations have already begun) with a Business,*

on the part of a board member, official, employee, agent, consultant, or attorney, or by the spouse, siblings, parents, or minor children of such individual.

Identify each Business in which you have a Financial Interest as those terms are defined in the NMRHCA Code of Ethics.

Name of Business	Address of Business	Nature of Business

Continue on separate sheet if necessary

SIGNATURE: _____

PRINT NAME: _____

DATE: _____