

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

REGULAR MEETING OF THE BOARD OF DIRECTORS



**July 13 & 14, 2017
9:30 AM / 9:00 AM
Angel Fire Lodge
Rooms A & B – 2nd Floor
10 Miller Lane
Angel Fire, NM 87110**

July 14, 2017

New Mexico Retiree Health Care Authority
Regular Meeting

BOARD OF DIRECTORS

ROLL CALL

July 13 & 14, 2017

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

NMRHCA BOARD OF DIRECTORS

July 2017

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

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

The Honorable Mr. Wayne Johnson
NM Association of Counties
Bernalillo County Commissioner
One Civic Plaza, NW
Albuquerque, NM 87102

Ms. Karen Brown
Deputy County Commissioner
Bernalillo County, District 5
kbrown@bernco.gov
505-468-7212 (office)
505-462-9821 (fax)

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

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

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

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

Ms. Therese Saunders
NEA-NM, Classroom Teachers Assoc., & NM
Federation of Educational Employees
5811 Brahma Dr. NW
Albuquerque, NM 87120
tisaunders3@mac.com
Phone: 505-934-3058

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

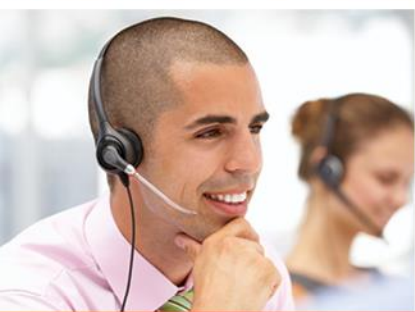
Ms. Leanne Larranaga-Ruffy
Alternate for PERA Executive Director
33 Plaza La Prensa
Santa Fe, NM 87507
PO Box 2123
Santa Fe, NM 87504
Leanne.Larranaga@state.nm.us

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

July 13 & 14, 2017
9:30 AM / 9:00 AM
Angel Fire Lodge
Rooms A & B – 2nd Floor
10 Miller Lane
Angel Fire, NM 87710

AGENDA – July 14th

1. Call to Order	President	Page
2. Roll Call to Ascertain Quorum	Ms. Beatty, Recorder	
3. Pledge of Allegiance	President	
4. Public Forum and Introductions	President	
5. Provider Presentations Continued	Mr. Archuleta, Executive Director	
a. United Concordia		5
b. Delta Dental		11
c. Davis Vision		23
d. The Standard		34
6. CY2018 Plan Year Recommendations (Action Item)	Mr. Archuleta, Executive Director	36
7. Pharmacy Benefit Management RFP (Action Item)	Mr. Kueffer, Director of PDHCR	40
8. Other Business	President	
9. Date & Location of Next Board Meeting	President	
August 24, 2017, 9:30 AM		
Alfredo R. Santistevan Board Rm., Suite 207		
4308 Carlisle Blvd. NE		
Albuquerque, NM 87107		
10. Executive Session	President	
11. Adjourn		



July 14th , 2017

New Mexico Retiree Healthcare

Authority
Stephanie Anthony
Senior Client Manager

Dental Utilization Facts

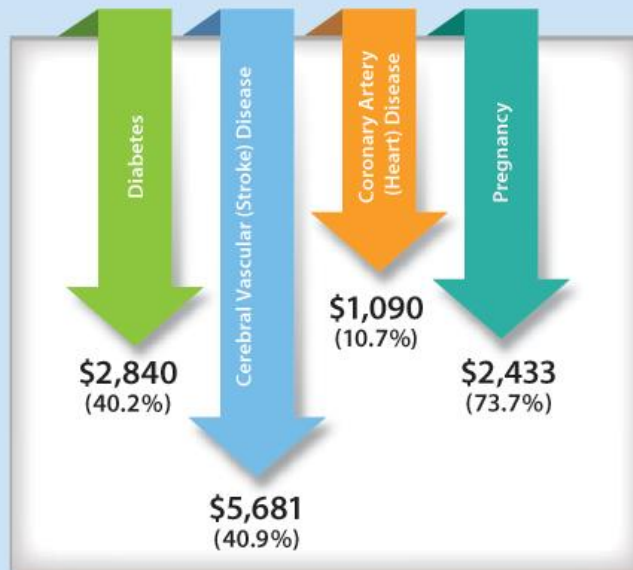
Benefit Category	2014	2015	2016
Diagnostic (0100-0999)	57,026	54,935	53,643
Preventive (1000-1999)	31,444	30,995	31,196
Restorative (2000-2999)	17,097	17,350	17,448
Endodontics Root Canal (3000-3999)	1,342	1,285	1,278
Periodontics (4000-4999)	4,124	3,942	4,260
Partial Dentures/Bridges (5000-5899)	1,332	1,335	1,291
Prosthetic & Implants (5900-6999)	1,953	1,930	1,968
Oral & Maxillofacial Surgery (7000-7999)	4,794	4,556	4,658
General Anesthesia/Emergency Services (9000-9999)	658	656	798
Orthodontia	46	56	68
TOTAL	119,816	117,040	116,608
Average Enrollment	19,523	19,402	19,349⁶

NETWORK ACCESS

County	Number of Providers	Number of Locations
Bernalillo	371	897
Dona Ana	92	530
San Juan	71	149
Santa Fe	56	166
Sandoval	50	185

A 3 Year Study of 1.7 Million People

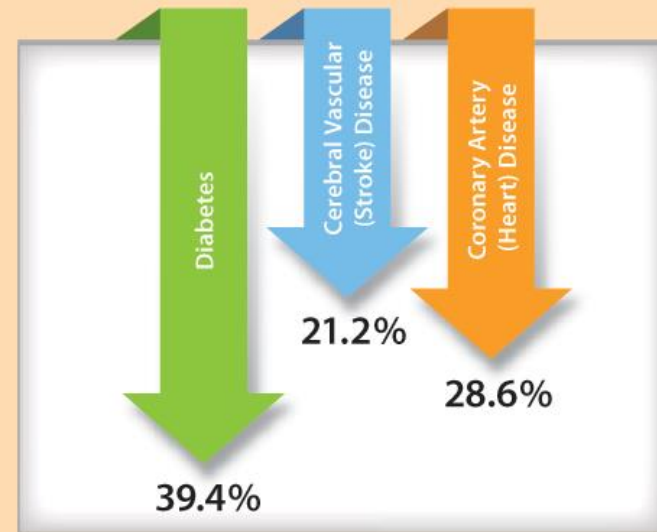
Treating Gum Disease Means Lower Annual Medical Costs



Significant annual cost savings are possible when individuals with certain chronic diseases (diabetes, cerebral vascular disease, or coronary heart disease), or who were pregnant, received dental treatment for their gum disease, after accounting for the effect of diabetes.

Source: Jeffcoat, M., et. al., Periodontal Therapy Improves Outcomes in Systemic Conditions, Abstract, American Association of Dental Research, March 21, 2014.

Treating Gum Disease Reduces Hospital Admissions




Significant decreases in annual hospitalizations are possible when individuals with certain chronic diseases received dental treatment for their gum disease, after accounting for the effect of diabetes.

Source: Jeffcoat, M., et. al., Periodontal Therapy Improves Outcomes in Systemic Conditions, Abstract, American Association of Dental Research, March 21, 2014.

Smile for Health—Wellness

100%* coverage for periodontal (gum disease) services for eligible members
Who have one of the following conditions:

Do you have any of these health conditions?



Diabetes Heart Disease Lupus Oral Cancer Organ Transplant Rheumatoid Arthritis Stroke

UNITED CONCORDIA® DENTAL

Smile for Health® – Wellness
Important disclosures: UnitedConcordia.com/disclaimers

* Periodontal Maintenance, Root Planing and Scaling, Periodontal Surgery

Smile For Health Wellness Results Through May 2017

Members Registered on My Dental Benefits: 2,333 = 8.6% off Total Membership

- 225 Members Registered for SFHW
- 34 received Periodontal Care
- 134 received Preventive Care

May 2017 UCCI Oral Wellness Consultants conducted 2 Oral Wellness Informational meetings for RHCA members in Albuquerque and Santa Fe

YOUR DENTAL PLAN INCLUDES **SMILE FOR HEALTH®-WELLNESS**

...a program for people with certain chronic medical conditions and gum disease. Sign up today to take advantage of improved dental benefits!



Here's how to sign up:

- Visit UnitedConcordia.com
- Sign in to *My Dental Benefits* (or, create an account)
- Click *My Oral Health*
- Add your medical condition that qualifies you for Smile for Health®-Wellness*

*Chronic medical conditions include: diabetes, heart disease, cerebral vascular disease (stroke), rheumatoid arthritis, lupus, oral cancer and organ transplants.

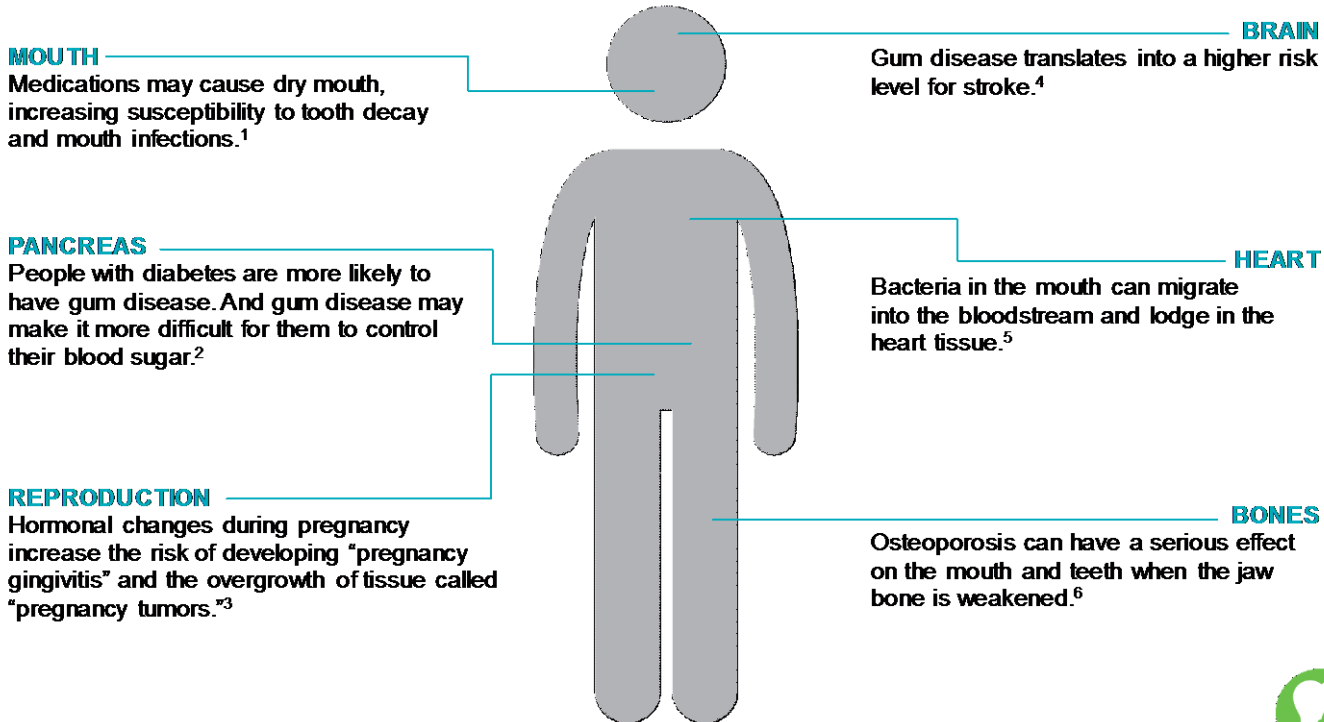
Oral Health & NMRHCA

How Oral Health Effects Your Population

July 14, 2017

MAKING THE LINK: ORAL HEALTH AND OVERALL HEALTH

Dental checkups are not just a way of taking good care of teeth and preventing oral health problems. Maintaining good oral health also can help you take care of your overall health!



Basic Plan Utilization

How NMRHCA compares to industry peers

REDUCE COSTS WITH PREVENTIVE CARE

Regular preventive care tends to reduce overall costs over time. Below is a comparison of patients who received preventive care *in the year prior to the reporting period* to those who did not. Comparisons are annual cost per patient for January 1 through December 31, 2016



\$242

Total cost per patient with NO regular preventive procedures
These patients were categorized as "acute" in the prior year



\$261

Total cost per patient with regular preventive procedures
These patients were categorized as "preventive" in the prior year



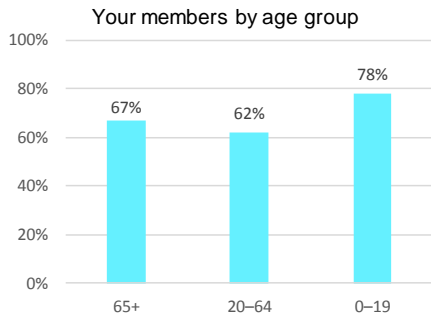
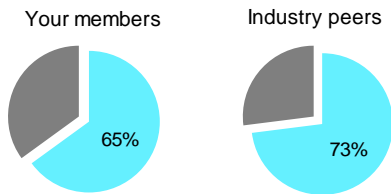
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more**



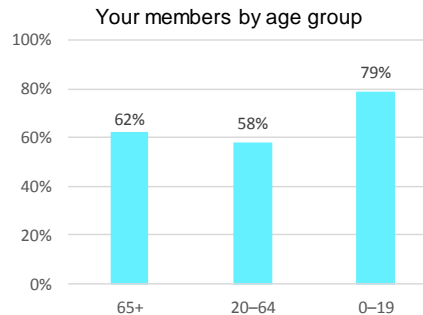
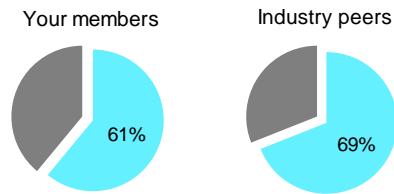
PREVENTIVE CARE PROFILE

Preventive care ensures that oral health and overall health are being monitored and in good standing. The next two pages show your members' use of preventive services as compared to industry peers.

Oral exams



Cleanings



MOUTH MATTERS: Chewing sugar-free gum increases saliva flow in the mouth, which helps wash away new and existing bacteria in the mouth.¹²



Comprehensive Plan Utilization

How NMRHCA compares to industry
peers

REDUCE COSTS WITH PREVENTIVE CARE

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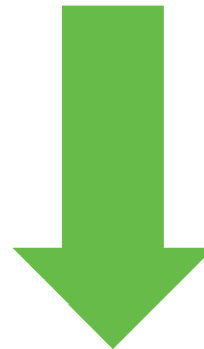
\$462

Total cost per patient with NO regular preventive procedures
These patients were categorized as "acute" in the prior year



\$369

Total cost per patient with regular preventive procedures
These patients were categorized as "preventive" in the prior year



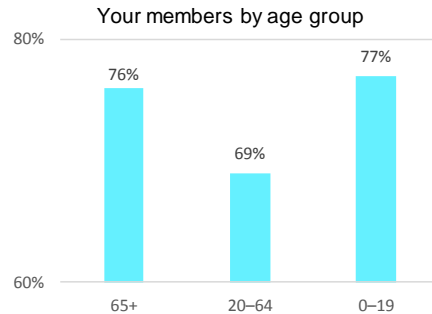
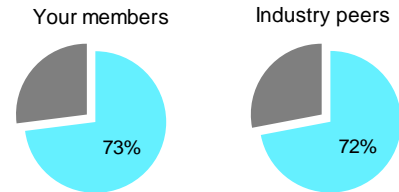
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less**



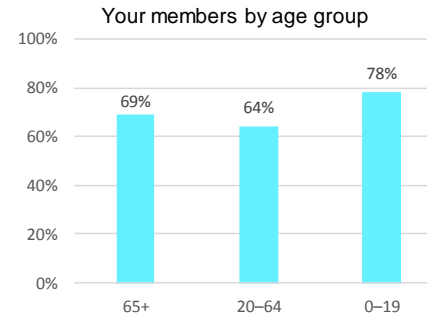
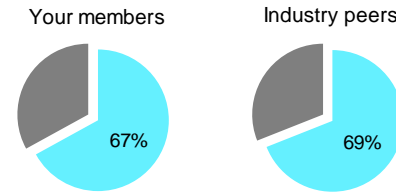
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Oral exams



Cleanings



MOUTH MATTERS: Chewing sugar-free gum increases saliva flow in the mouth, which helps wash away new and existing bacteria in the mouth.¹²



People with gum disease
were twice as likely as others
to die from a heart attack
and three times as likely to
have a stroke. – University of
North Carolina

Oral Health and Chronic Disease's

- Oral Exams and Cleanings can be a first warning sign of larger health issues
 - Early detection could help manage healthcare costs
- Periodontal Cleanings can help manage Diabetes
- Exams can be the first indicator of Osteoporosis

Making the Connection

- Gum Disease can become a new focus.
 - What to do if you have Gum Disease
 - How your dental plan works with Periodontal Disease
 - Promote Oral Exams and dental plan to people with dentures
 - Ask your doctor if medications create dry mouth
- DDNM is willing to participate with other carriers if NMRHCA chooses
 - How would NMRHCA flag or manage data?
 - What sort of promptings would NMRHCA like to see?

Questions?



New Mexico Retiree Health Care Authority

ANNUAL REVIEW | July 12, 2017

Welcome

NMRHCA

Board Members

David Archuleta, Executive Director

DAVIS VISION

Sam Garcia, National Marketing Associate

Cathy Fenner, Account Representative



DAVIS VISION
EYECARE REFRAMEDSM

Your 2017 Highlights



Enrollment

39,037 Lives



Utilization

19,974 Claims, 51%



In-Network Utilization

95% In-Network



Overall Member Satisfaction

98% Satisfaction



Paid-in-full Frame

**78% Received a
Paid-in-full Frame**



Eye Exams

12,140 Eye Exams



Additional Savings

**\$1,131,500
Additional Savings
from Lens Coverage**



Top 5 Lens Options

- 1. Polycarbonate Lenses**
- 2. Premium Progressive Lenses**
- 3. Plastic Photosensitive Lenses**
- 4. Scratch Protection**
- 5. Premium Anti-Reflective Coating**



Utilization Statistics

Enrolled subscribers up **5.7%**

Covered lives up **5.3%**

Overall Utilization up slightly **2 pts!**

2016

Category	Premier Plan 2016	Premier Plan 2015
Enrolled/Covered Lives	27,289 / 39,037	25,812 / 37,068
In-Network Utilization	95.0%	95.0%
Number of In-Network Claims	19,067	17,688
Number of Out-of-Network Claims	907	908
Total Number of Claims Paid	19,974	18,596
Utilization Factor (% of Members Obtaining Services) (Usage Rate comprised of # of claims divided by # of lives)	51.2%	50.2%
Selection of Plan Frames (Resulting in little or no member out-of-pocket)	78.2%	78.1%
Average Member Savings on lens options	55.0%	54.0%
Percentage of First-Call Resolution	99.0%	99.0%
Overall Member Satisfaction Rating	98.0%	98.0%
Exam-Only Claims	49.0%	48.0%
Material-Only Claims	36.0%	36.0%



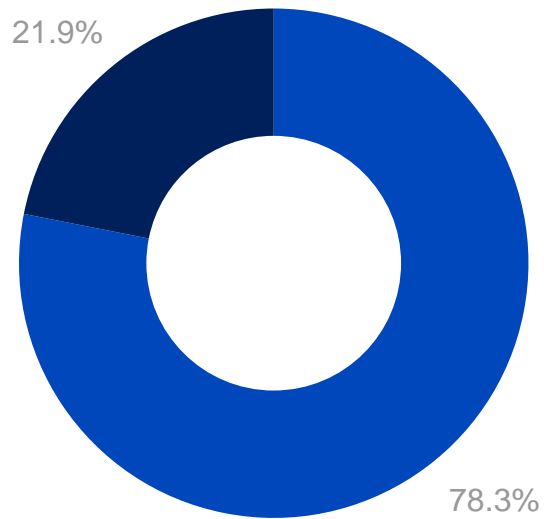
Frames

Plan frames

More retirees in 2016 paid nothing out of pocket for frames compared to 2015!

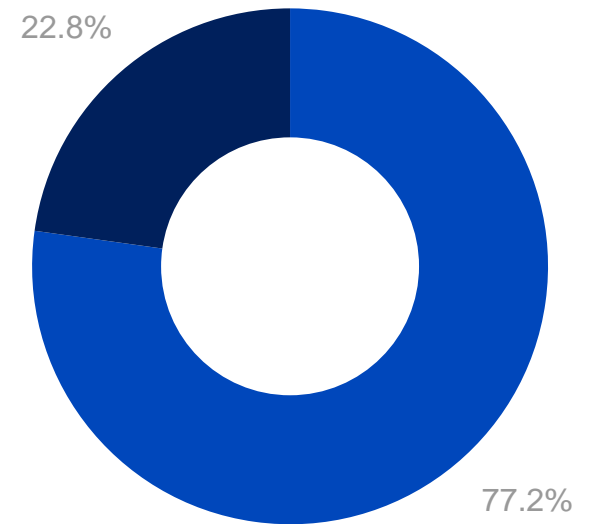
2016

2016



- Plan Frames
- Non-Plan Frames

2015



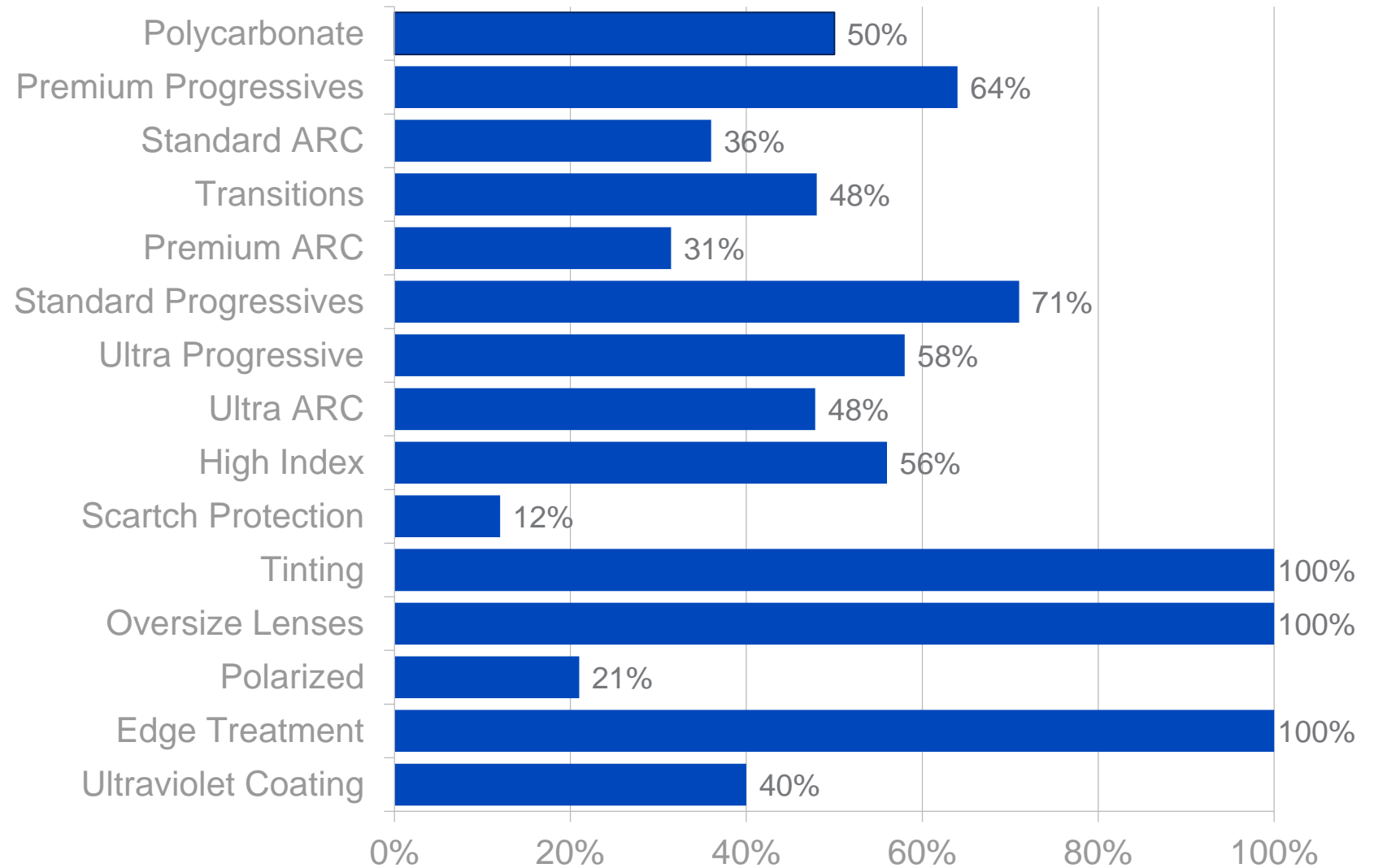
- Plan Frames
- Non-Plan Frames



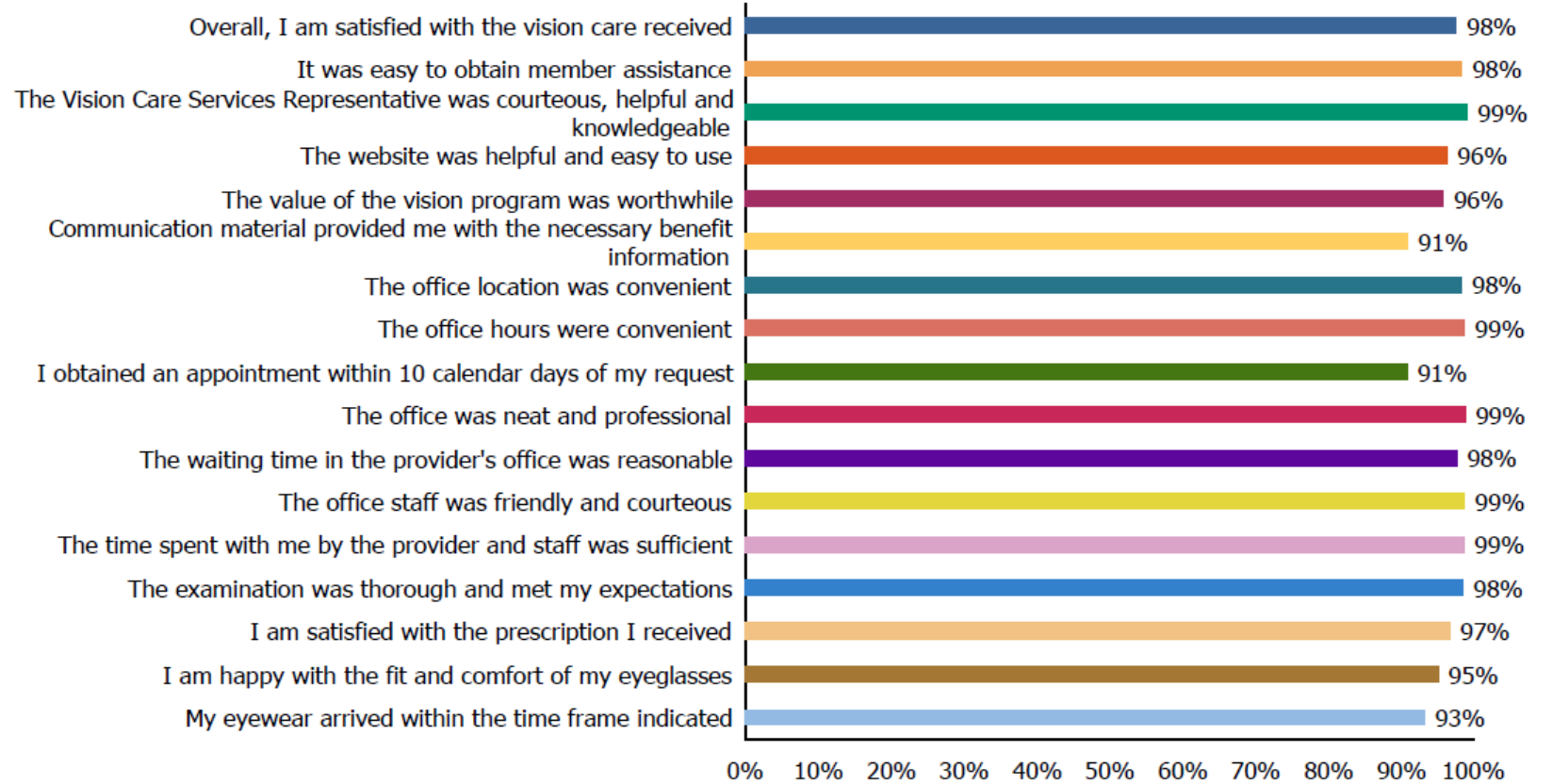
Savings on Lens Upgrades

Members saved
\$1,131,500
Overall average
savings of **55%**

2016



Patient Satisfaction



Member Satisfaction

98% overall satisfaction

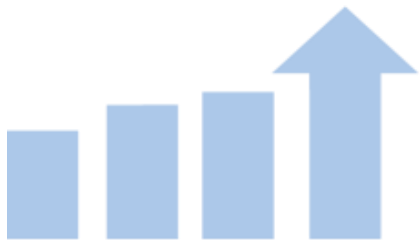
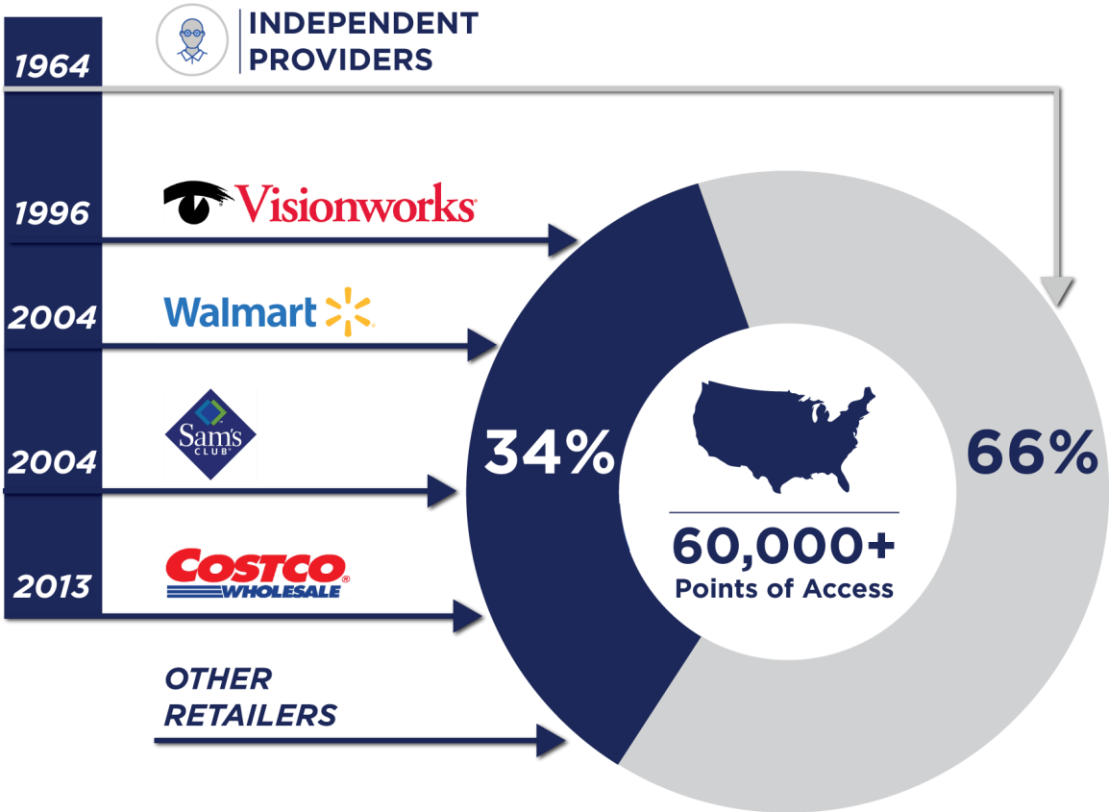
99% satisfaction with provider office

2016

Your Network



PARTNERING SINCE:

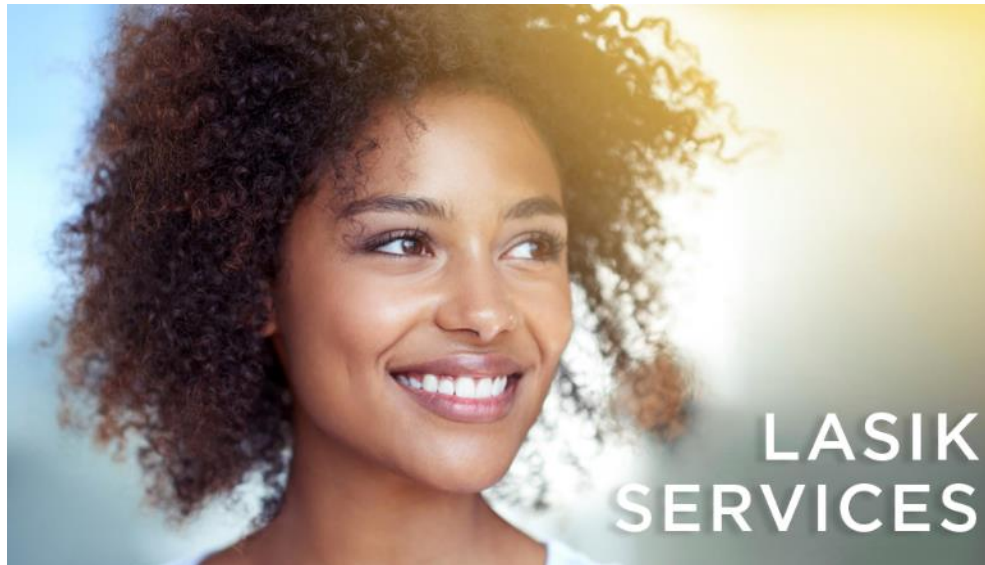


9%
Network Growth
Year-Over-Year

95% In-Network
Utilization

Based on NMRHCA specific utilization.

No more glasses. No more contacts.



As a Davis Vision client, you receive the lowest prices on LASIK procedures guaranteed, making permanent vision correction a more affordable solution than ever.

- Free LASIK Consultation
- 900+ locations nationwide
- Under \$1,000/eye for Conventional LASIK
(usually \$1,677/eye)

1 (855) 502-2020 | lasik.qualsight.com

Hear the world clearly.

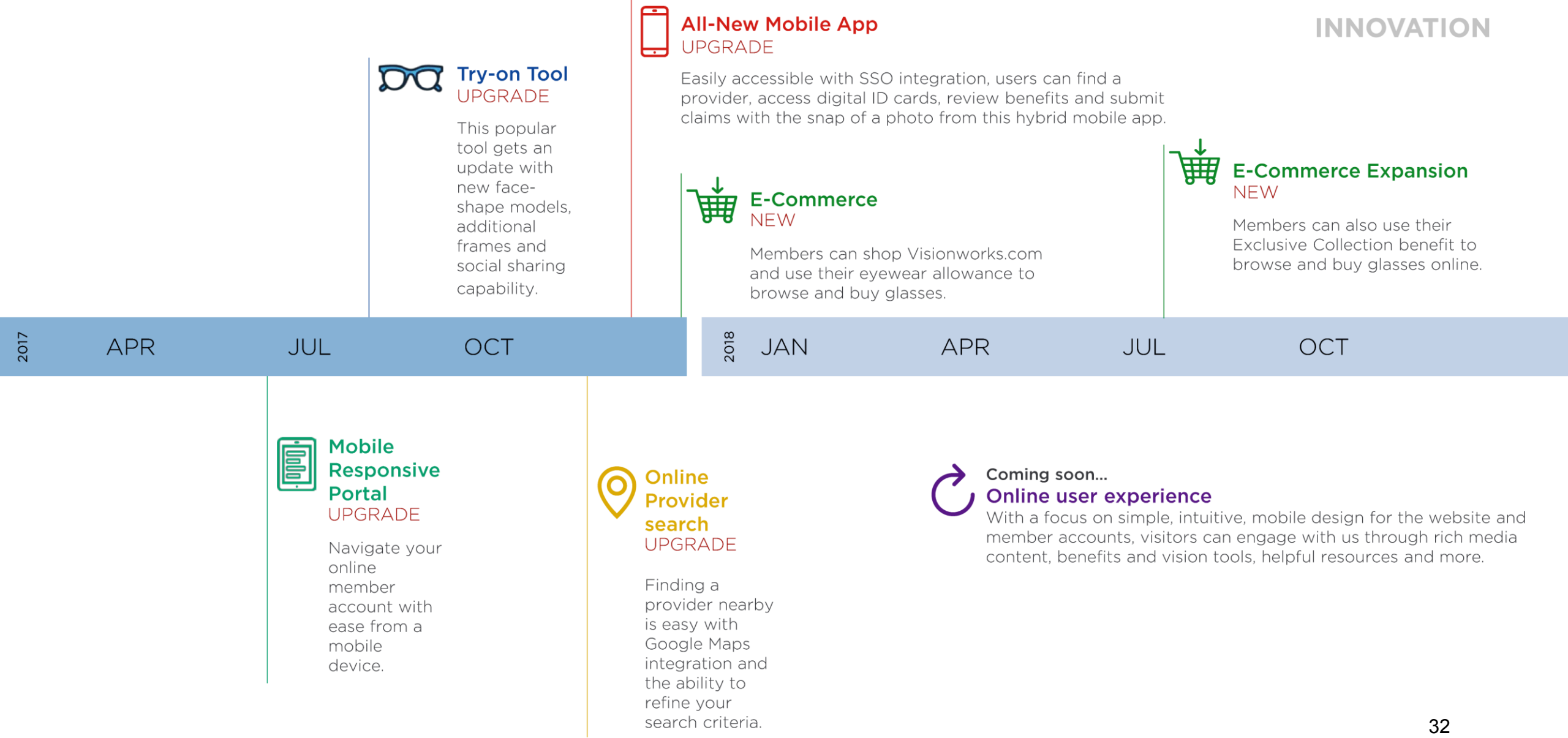


Hearing the world clearly is important, so we partner with EPIC Hearing Healthcare to provide you with quality, affordable hearing care. You have access to the largest network of audiologists and ENTs in the country and save up to 60% off retail prices on brand name hearing aids.

- Free Hearing Consultation
- 3-year extended warranty & 1-year supply of batteries
- \$495 for Basic hearing aid technology
(usually \$1,400-\$1,600)

1 (844) 246-0544 | epichearing.com/davisvision

OUR TECHNOLOGY PLAN TIMELINE



A man with glasses and a beard, wearing a suit jacket over a light blue shirt, is smiling while talking on a mobile phone. He is sitting at a desk with a laptop in front of him. The background shows an office environment with a window looking out onto a city at night, and a bulletin board with various papers and charts on the wall to the right.

Wrap-Up

- Q&A
- Next Steps

Thank You!

Sam Garcia

National Marketing Associate

Davis Vision

Phone: (505) 883-1796

sgarcia@cba-inc.us

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 *Remained continuously insured in a medical plan prior to 1/1/2012	\$6,000	NMRHCA currently pays 100% of the cost. Starting 1/1/2018 a graded schedule of premium payment over time will result in the retiree paying 100% of the cost. ¹										
Additional Life	Coverage	Who pays the premium?										
Retiree	\$10,000 Guarantee Issue (GI) Choice of: <table border="1"> <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> Amounts above the GI require Evidence of Insurability and approval.	\$2,000	\$15,000	\$4,000	\$20,000	\$6,000	\$40,000	\$8,000	\$46,000	\$10,000	\$60,000	Retiree pays 100% of the cost.
\$2,000	\$15,000											
\$4,000	\$20,000											
\$6,000	\$40,000											
\$8,000	\$46,000											
\$10,000	\$60,000											
Dependents Life**	Coverage	Who pays the premium?										
Spouse **Dependents are not allowed more coverage than the retiree	\$10,000 Guarantee Issue (GI) Choice of: <table border="1"> <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> Amounts above the GI require Evidence of Insurability and approval.	\$2,000	\$15,000	\$4,000	\$20,000	\$6,000	\$40,000	\$8,000	\$46,000	\$10,000	\$60,000	Retiree pays 100% of the cost.
\$2,000	\$15,000											
\$4,000	\$20,000											
\$6,000	\$40,000											
\$8,000	\$46,000											
\$10,000	\$60,000											
Child(ren) **Dependents are not allowed more coverage than the retiree	Choice of: \$2,500; \$5,000; \$10,000 per eligible dependent child (under 26 years of age)	Retiree pays 100% of the cost.										

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.

This information is only a brief description of the group life insurance policy sponsored by NMRHCA. The controlling provisions will be in the group policy issued by 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 more complete details of coverage, contact 888.609.9763 ext. 0954 or access https://www.standard.com/mybenefits/newmexico_rhca/.

2018 Plan Recommendations (Action Item)

Baseline Scenario: Projected Solvency 2035 (18 years) - Deficit Spending 2020 (\$9.1 million)

1. Premium Increase:

a. Pre-Medicare – 8%

Retiree	2017	2018	Difference	Annual
Premier	\$223.56	\$241.44	\$17.88	\$214.56
Value	\$174.63	\$188.60	\$13.97	\$167.64

b. Supplement – 6%

Retiree	2017	2018	Difference	Annual
	\$188.64	\$199.96	\$11.32	\$135.84

2. Expansion of Value Option Resources – Addition of BlueAdvantage (BAV) Network

3. Prescription Drug Changes – Voluntary Smart90 (Pre-Medicare/Supplement)

Long-Term Medications

- a. 3-month supply for less than cost of three 1-month supplies
- b. Express Scripts pharmacy or preferred retail pharmacy
- c. Members will receive communication directly from Express Scripts

4. Default Medicare Eligible Retirees to appropriate Medicare Advantage Plan

- a. All members still have option of selecting plans
- b. Presbyterian Pre-Medicare Member default – UnitedHealthcare Plan I
 - a. 2017 Rate – \$94.69
 - b. No Donut Hole
 - c. Annual out-of-pocket Limit - \$2,500
- c. BCBS Pre-Medicare Member default – Humana Plan I
 - a. 2017 Rate - \$82.77
 - b. No Donut Hole
 - c. Annual out-of-pocket limit - \$4,000

Scenario A: Projected Solvency 2035 (18 years) – Deficit Spending 2020 (\$9.3 million)

1. Premium Increase:

a. Pre-Medicare – 8%

Retiree	2017	2018	Difference	Annual
Premier	\$223.56	\$241.44	\$17.88	\$214.56
Value	\$174.63	\$188.60	\$13.97	\$167.64

b. Supplement – 5%

Retiree	2017	2018	Difference	Annual
	\$188.64	\$198.07	\$9.43	\$113.16

2. Expansion of Value Option Resources – Addition of BlueAdvantage (BAV) Network
3. Prescription Drug Changes – Voluntary Smart90 (Pre-Medicare/Supplement)

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 - b. No Donut Hole
 - c. Annual out-of-pocket limit - \$4,000

5. Medicare Supplement Cost Sharing:

- **Introduce \$250 copay for inpatient stay (1 per year)**

Scenario B: Projected Solvency 2035 (18 years) – Deficit Spending 2020 (\$8.4 million)

1. Premium Increase:

- a. Pre-Medicare – 8%

Retiree	2017	2018	Difference	Annual
Premier	\$223.56	\$241.44	\$17.88	\$214.56
Value	\$174.63	\$188.60	\$13.97	\$167.64

- b. Supplement – 5%**

Retiree	2017	2018	Difference	Annual
	\$188.64	\$198.07	\$9.43	\$113.16

2. Expansion of Value Option Resources – Addition of BlueAdvantage (BAV) Network
3. Prescription Drug Changes – Voluntary Smart90 (Pre-Medicare/Supplement)

Long-Term Medications

- a. 3-month supply for less than cost of three 1-month supplies
- b. Express Scripts pharmacy or preferred retail pharmacy
- c. Members will receive communication directly from Express Scripts

4. Default Medicare Eligible Retirees to appropriate Medicare Advantage Plan

- a. All members still have option of selecting plans

- b. Presbyterian Pre-Medicare Member default – UnitedHealthcare Plan I
 - a. 2017 Rate – \$94.69
 - b. No Donut Hole
 - c. Annual out-of-pocket Limit - \$2,500
- c. BCBS Pre-Medicare Member default – Humana Plan I
 - a. 2017 Rate - \$82.77
 - b. No Donut Hole
 - c. Annual out-of-pocket limit - \$4,000

5. Medicare Supplement Cost Sharing:

- **Introduce \$250 copay for inpatient stay (1 per year)**

6. Medicare Supplement Cost Sharing:

- **Increase annual Part B cost sharing by \$50**

2017 Market Comparison of Commercially Available Plans (Pre-Medicare)

New Mexico Health Care Exchange Plans	Retiree Premium	Spouse Premium	Ret + Spouse Premium	Plan Type	Plan Level	Deductible	Out-of- Pocket Max	First Dollar Coverage: Y/N
Blue Cross Blue Shield - Age: 60 - Albuquerque	\$767	\$767	\$1,534	HMO	Gold	\$2,000	\$3,150	N
NM Health Connections - Age: 60 - Albuquerque	\$693	\$693	\$1,387	HMO	Gold	\$1,000	\$7,150	Y
Blue Cross Blue Shield - Age: 60 - Albuquerque	\$633	\$633	\$1,266	HMO	Silver	\$4,000	\$6,100	N
NM Health Connections - Age: 60 - Albuquerque	\$548	\$548	\$1,096	HMO	Silver	\$4,000	\$7,150	Y
Blue Cross Blue Shield - Age: 60 - Albuquerque	\$539	\$539	\$1,077	HMO	Bronze	\$7,000	\$7,150	N
NM Health Connections - Age: 60 - Albuquerque	\$452	\$452	\$904	HMO	Bronze	\$7,000	\$7,150	N
Blue Cross Blue Shield - Age: 60 - Santa Fe	\$900	\$900	\$1,800	HMO	Gold	\$2,000	\$3,150	N
NM Health Connections - Age: 60 - Santa Fe	\$779	\$779	\$1,557	HMO	Gold	\$1,000	\$7,150	Y
Blue Cross Blue Shield - Age: 60 - Santa Fe	\$752	\$752	\$1,505	HMO	Silver	\$4,000	\$6,100	N
NM Health Connections - Age: 60 - Santa Fe	\$616	\$616	\$1,231	HMO	Silver	\$4,000	\$7,150	Y
Blue Cross Blue Shield - Age: 60 - Santa Fe	\$647	\$647	\$1,295	HMO	Bronze	\$7,000	\$7,150	N
NM Health Connections - Age: 60 - Santa Fe	\$507	\$507	\$1,015	HMO	Bronze	\$7,000	\$7,150	N
Blue Cross Blue Shield - Age: 60 - Las Cruces	\$987	\$987	\$1,975	HMO	Gold	\$2,000	\$3,150	N
NM Health Connections - Age: 60 - Las Cruces	\$759	\$759	\$1,517	HMO	Gold	\$1,000	\$7,150	Y
Blue Cross Blue Shield - Age: 60 - Las Cruces	\$828	\$828	\$1,657	HMO	Silver	\$4,000	\$6,100	N
NM Health Connections - Age: 60 - Las Cruces	\$600	\$600	\$1,200	HMO	Silver	\$4,000	\$7,150	Y
Blue Cross Blue Shield - Age: 60 - Las Cruces	\$715	\$715	\$1,430	HMO	Bronze	\$7,000	\$7,150	N
NM Health Connections - Age: 60 - Las Cruces	\$494	\$494	\$989	HMO	Bronze	\$7,000	\$7,150	N

Pharmacy Benefits Manager RFP – Action Item

Background: Consistent with the requirements contained in the Health Care Purchasing Act, the Mexico Retiree Health Care Authority (NMRHCA) in cooperation with the other members of the interagency benefits advisory committee including: Albuquerque Public Schools, New Mexico Public School Insurance Authority and the State of New Mexico are proposing to issue a request for proposals (RFP) for pharmacy benefit management services scheduled for release in early to mid-August 2017.

NMRHCA staff is currently working with the other IBAC members and benefits consultant HealthLinx to finalize the scope of work (draft below), sequence of events, deadlines, and evaluation criteria.

Scope of Work:

This procurement is to secure PBM services to become effective July 1, 2018 (January 1, 2019 for APS). The PBM services include processing and paying prescription claims, developing and maintaining a formulary, contracting with pharmacies/providers and rebates with drug manufacturers, as well as the normal customer service functions of any customer service functions. This procurement will result in a single source award (e.g. NMRHCA may choose Vendor A, APS may choose Vendor B, etc., or all IBAC agencies may select one Vendor).

A number of factors will be considered in the selection process. The primary factors include pricing, pharmacy network access, formulary disruption, contractual compliance, reporting capabilities, financial stability, performance guarantees, references, ability to integrate successfully with existing health benefit administration, and customer service.

Proposed Timeline:

The RFP is scheduled for release early to mid-August with preliminary staff recommendations scheduled at the regular board meeting in January.

Action Item: NMRHCA staff respectfully requests approval to issue an RFP for pharmacy benefit management services in cooperation with other members of the IBAC.