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REGULAR MEETING OF THE BOARD OF DIRECTORS



**June 7, 2022
9:00 AM**

**CNM Workforce Training Center, Room 103
5600 Eagle Rock Ave NE, Alb NM 87113
Online: <https://meet.goto.com/184756469>
Telephone: 1-872-240-3311 / Access Code: 184-756-469**

New Mexico Retiree Health Care Authority
Regular Meeting

BOARD OF DIRECTORS

ROLL CALL

June 7, 2022

	Member in Attendance		
Mr. Crandall, President			
Ms. Saunders, Vice President			
Ms. Larranaga-Ruffy, Secretary			
Mr. Scroggins			
Mr. Linton			
Mr. Salazar			
Mr. Eichenberg			
Mr. Widner			
Mr. Bhakta			
Mr. Pyle			

NMRHCA BOARD OF DIRECTORS

June 2022

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

Mr. Rick Scroggins
Alternate for ERB Executive Director
Educational Retirement Board
PO Box 26129
Santa Fe, NM 87502-0129
rick.scroggins@state.nm.us
505-476-6152

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

Mr. Terry Linton
Governor's Appointee
PO Box 25485
Albuquerque, NM 87125
tlinton1951@gmail.com
505-250-4070

Ms. Leanne Larranaga-Ruffy, Secretary
Alternate for PERA Executive Director
Public Employees Retirement Association
33 Plaza La Prensa
Santa Fe, NM 87507
leanne.larranaga@state.nm.us
505-476-9332

Mr. Lance Pyle
NM Association of Counties
Curry County Administration
417 Gidding, Suite 100
Clovis, NM 88101
lpyle@currycounty.org
575-763-3656

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

Mr. Tomas E. Salazar, PhD
NM Assoc. of Educational Retirees
PO Box 66
Las Vegas, NM 87701
salazarte@plateautel.net
505-429-2206

Mr. Sanjay Bhakta
NM Municipal League
100 Marquette Ave, 11th Floor
City/County Building
Albuquerque, NM 87102
sbhakta@cabq.gov

Mr. Jamie Widner
Superintendents' Association of NM
PO Box 227
Melrose, NM 88124
jwidner@yucca.net
575-799-3348

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

June 7, 2022

9:00 AM

CNM Workforce Training Center

5600 Eagle Rock Ave NE, Alb NM 87113

Online: <https://meet.goto.com/184756469>

Telephone: 1-872-240-3311 / Access Code: 184-756-469

AGENDA

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16. Executive Session Mr. Crandall, President
Pursuant to NMSA 1978, Section 10-15-1(H)(6) Contents of Competitive Sealed Proposals Solicited
Pursuant to the Procurement Code
17. Pharmacy Benefit Manager RFP (Action Item) Mr. Kueffer, Executive Director
18. Date & Location of Next Board Meeting Mr. Crandall, President
July 14, 2022 – 9:30AM – Hotel Encanto de Las Cruces Meeting Room
July 15, 2022 – 9:00AM – Hotel Encanto de Las Cruces Meeting Room
19. Adjourn

MINUTES OF THE
NEW MEXICO RETIREE HEALTH CARE AUTHORITY/BOARD OF DIRECTORS

REGULAR MEETING

IN PERSON & VIA TELECONFERENCE

May 6, 2022

1. CALL TO ORDER

A Regular Meeting of the Board of Directors of the New Mexico Retiree Health Care Authority was called to order on this date at 9:00 a.m. at the CNM Workforce Training Center, Room 103, 5600 Eagle Rock Ave., NE, Albuquerque, New Mexico.

2. ROLL CALL TO ASCERTAIN A QUORUM

A quorum was present.

Members Present:

Mr. Doug Crandall, President
Ms. Therese Saunders, Vice President
Ms. LeAnne Larrañaga-Ruffy, Secretary
Mr. Sanjay Bhakta [via teleconference]
The Hon. Tim Eichenberg, NM State Treasurer [via teleconference]
Mr. Terry Linton [via teleconference]
Mr. Lance Pyle [via teleconference]
Dr. Tomas Salazar [via teleconference]
Mr. Rick Scroggins
Mr. Jamie Widner

Members Excused:

Ms. Leane Madrid

Staff Present:

Mr. Neil Kueffer, Executive Director
Mr. Jess Biggs, Director of Communication & Member Engagement
Ms. Sheri Ayanniyi, Chief Financial Officer
Mr. Michael Bebeau, General Counsel
Mr. Trinity Angelino, Network Administrator
Ms. Charmaine Clair, Board Recorder

3. PLEDGE OF ALLEGIANCE

Mr. Linton led the pledge.

4. APPROVAL OF AGENDA

Approved on consensus.

5. APPROVAL OF REGULAR MEETING MINUTES: April 5, 2022

Dr. Salazar moved approval of the April 5, 2022, minutes, as published. Mr. Bhakta seconded the motion, which passed with Mr. Eichenberg in abstention.

6. PUBLIC FORUM AND INTRODUCTIONS

There were no speakers from the floor.

7. COMMITTEE REPORTS

- The Executive Committee met to discuss today's agenda, and the Investment/Finance Committee met to review items on today's agenda. [Mr. Crandall]
- The Wellness Committee and Mr. Kueffer are working diligently on parameters for more concise reporting from carriers and are making very good progress. The committee plans to present to the board at the June regular meeting. [Mr. Linton]

8. EXECUTIVE DIRECTOR'S UPDATES

a) Board Appointment

- The New Mexico School Superintendents Association has appointed Jamie Widner, former superintendent of the Melrose Schools, as the new association's representative on the NMRHCA Board, replacing Loren Cushman.

b) Human Resources

- The NMRHCA is still in the hiring process regarding the Chief Information Officer/IT Director. The position has continuously been posted since January 25, and individuals from the second list of candidates were interviewed on April 25. An offer has been made to a top candidate from that group and he hopes that this process will be completed soon so that the NMRHCA can focus on finding a qualified candidate for the Deputy Director position.

Chairman Crandall asked Mr. Kueffer what the status was on approving his appointment as Executive Director. Mr. Kueffer responded that it has been submitted to HR and Jessica plans to follow up today to ask about the status.

Chairman Crandall said he has pointed out to Mr. Kueffer that the board has selected him as Executive Director, and that he should identify himself as such pending official approval. It also clarifies that he is no longer the Deputy Director, a position the NMRHCA is seeking to fill.

Responding to Dr. Salazar, Mr. Kueffer said the contract term for life insurance manager will terminate in 2023, and IBAC is soliciting quotes for a consultant/project manager to assist the NMRHCA with the RFP process. He added that the IBAC chairmanship is currently held by NMPSIA. Starting in July 2022, it will rotate to the NMRHCA, and he will be chair.

c) Operations

- The NMRHCA continues to progress toward normal operations. The office is seeing an increasing number of walk-ins, although not at pre-pandemic levels. Appointments at this point are not necessary. Mr. Kueffer anticipates seeing more foot traffic as schools close for the summer.

d) 2nd Quarter 2022 Newsletter

Mr. Kueffer said the newsletter included information on the Wise and Well virtual health fair, including the agenda and a QR code along with a registration link. The NMRHCA noted that, within four or five days of publication, registration nearly doubled to 170. The newsletter is having a positive effect in communicating with the membership.

e) Wise and Well Virtual Health Fair

Mr. Kueffer reported that he participated in the event, which went very well. There were 274 registrants, and about 164 retirees participated in the event. All of the vendors did a very good job. There was quite a bit of conversation going on in the chat box among retirees, as well.

Ms. Saunders said she attended the meeting virtually, and was very impressed.

Mr. Eichenberg reported on a discussion he had with his dentist during a recent visit. His dentist told him that, over the last two decades, Delta Dental has not increased their revenue to the dentists, not even taking inflation into account. He said his own costs keep going up from Delta Dental, and wondered why it wasn't going to the provider. He also stated that, although Delta Dental had covered the cost for a chipped tooth repair in the past, coverage was recently denied. He asked Mr. Kueffer to look into this.

f) State of New Mexico, Ex. Rel., Hector Balderas v Johnson and Johnson et al

- As a 60-day stay was granted, no action is necessary by the NMRHCA in response to the April 18 subpoena at this time.

g) Lopez v. NMRHCA, No. S-1-SC-39190

- Unexpectedly, Ms. Lopez’s counsel has filed a motion for a rehearing regarding the New Mexico Supreme Court’s denial on her certiorari review.

Mr. Bebeau stated that it is unlikely that the motion for a rehearing will be granted.

h) March 31, 2022, SIC Report

- The fund has reached a new high as of March 31, 2022, of \$1.165 billion. This is partly due to a \$30 million contribution made to the fund by the NMRHCA, 22.6 percent growth during the month, and income of \$2.4 million.

9. FY22 Q3 BUDGET REVIEW

Mr. Kueffer presented this report.

10. FY23 OPERATING BUDGET

Chairman Crandall pointed out that, at the last NMRHCA meeting, the Finance Committee was given the authority to approve the FY23 operating budget because the deadline was prior to today’s meeting.

Mr. Kueffer reviewed highlights from the budget report.

11. PRELIMINARY PLAN DISCUSSIONS

Mr. Kueffer presented an overview of Pre-Medicare/Medicare Supplement Plan rates. An increase to retiree premiums based on projected medical trend for self-insured plans will be available for review at the June meeting. NMRHCA’s long-term solvency projections include annual rate increases of 8 percent and 6 percent, and changes to the rate increase in any given year are based on overall loss ratios.

Mr. Kueffer said the Pre-Medicare/Medicare Plan Design has had no changes since 2019. Possible changes this year include increases in copays, which would help alleviate premium increases.

Dr. Salazar stated that he serves on the board at the pleasure of the NMAER and that Mr. Kueffer and the former Executive Director spent a day with them at a recent meeting. About 15 people were in attendance. He commented that Mr. Kueffer did a very good job of presenting a summary of what the NMRHCA is about.

Mr. Kueffer stated that the NMRHCA is offering Hinge Health as a pilot program. It was approved for one year, but at this point the program is in the very early stages and there is not enough data to thoroughly vet the program. Based on early reports and positive feedback, he will be recommending extending the program for another year.

Mr. Kueffer said staff is evaluating possible savings by defaulting members from Presbyterian Health Plan's Medicare Advantage Plans to UnitedHealthcare's Medicare Advantage Plans. Members would have the option to re-enroll in Presbyterian's MA plans or elect to stay on UHC's MA Plans. The program is entering its third year of contract, and if no action is taken, an RFP will be released during FY24 allowing for competition and review of all MA plans effective FY25.

12. OTHER BUSINESS

None.

13. EXECUTIVE SESSION

None.

14. DATE AND LOCATION OF NEXT BOARD MEETING:

June 7, 2022 – 9:00 AM
CNM Workforce Training Center
5600 Eagle Rock Avenue, NE, Albuquerque NM 87113

15. ADJOURN: 9:55 a.m.

Accepted by:

Doug Crandall, President



Natural Disaster Relief Resources

Click here to learn about resources available to those in need



The US government has recently mandated people with a health plan can receive free COVID-19 at-home over-the-counter testing kits. Learn more about your options.



NATURAL DISASTER RELIEF RESOURCES

Everyone needs help in times of natural disaster. Knowing about and having access to organizations that are offering help can make all the difference. Several resources that are available can be found below.

Click + to see more details.

- TELEDOC: Free Telehealth Visits +
- NM DEPT OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT +
- HERMIT'S PEAK FIRE INFO AND RESOURCES +
- HUMANA MEMBERS IMPACTED BY NATURAL DISASTER +
- BLUE CROSS BLUE SHIELD MEMBERS IMPACTED BY NATURAL DISASTER +

BEFORE THE NEW MEXICO SUPERINTENDENT OF INSURANCE

IN THE MATTER OF AN) EMERGENCY ORDER TO PROTECT) ACCESS TO INSURANCE AND THE) STABILITY OF INSURANCE) MARKETS IN FIRE EMERGENCIES)	Docket No. 2022-0041
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EMERGENCY ORDER

THIS MATTER having come before the New Mexico Superintendent of Insurance (“the Superintendent”) upon executive orders issued by the Honorable Michelle Lujan Grisham, Governor of the State of New Mexico, addressing fire emergencies in various parts of the State of New Mexico under the Constitution and laws of New Mexico, including the All Hazard Emergency Management Act, NMSA 1978, Sections 12-1-1 through 12-10-10 (1959, as amended through 2007);

THE SUPERINTENDENT FINDS AND CONCLUDES:

1. The Superintendent has jurisdiction over this matter pursuant to the New Mexico Insurance Code, NMSA 1978, Sections 59A-1-1 et seq. and specifically NMSA 1978, Section 59A-2-8(A)(11) and (B) (2021);
2. The Governor of the State of New Mexico, the Honorable Michelle Lujan Grisham, has declared in Executive Order 2022-017, issued April 22, 2022, an emergency in San Miguel County, New Mexico due to the Hermit’s Peak Fire and as of the date of this Emergency Order has not renewed, modified, or rescinded Executive Order 2022-017;
3. The Governor of the State of New Mexico, the Honorable Michelle Lujan Grisham, has declared in Executive Order 2022-018, issued April 22, 2022, an emergency in Valencia County, New Mexico due to the Big Hole Fire and as of the date of this Emergency Order has not renewed, modified, or rescinded Executive Order 2022-018;

4. The Governor of the State of New Mexico, the Honorable Michelle Lujan Grisham, has declared in Executive Order 2022-019, issued April 22, 2022, an emergency in Colfax County, New Mexico due to the Cooks Peak Fire and as of the date of this Emergency Order has not renewed, modified, or rescinded Executive Order 2022-019;

5. The Governor of the State of New Mexico, the Honorable Michelle Lujan Grisham, has declared in Executive Order 2022-020, issued April 22, 2022, an emergency in Lincoln County, New Mexico due to the Lincoln County Fire Event and as of the date of this Emergency Order has not renewed, modified, or rescinded Executive Order 2022-020;

6. The Governor of the State of New Mexico, the Honorable Michelle Lujan Grisham, has declared in Executive Order 2022-021, issued April 23, 2022, an emergency in Mora County, New Mexico due to the Cooks and Calf Fires and as of the date of this Emergency Order has not renewed, modified, or rescinded Executive Order 2022-021;

7. The Governor of the State of New Mexico, the Honorable Michelle Lujan Grisham, has declared in Executive Order 2022-025, issued May 3, 2022, an emergency in Sandoval County, New Mexico due to the Cerro Pelado Fire Event and as of the date of this Emergency Order has not renewed, modified, or rescinded Executive Order 2022-025;

8. Upon an order by the Governor based upon the invocation of a state of emergency under the All Hazard Emergency Management Act, the Superintendent, pursuant to NMSA 1978, Section 59A-2-8(A)(11), may “take those actions necessary to ensure access to insurance and the stability of insurance markets during the emergency[,]” including issuing emergency orders to address any or all of the following:

- (a) grace periods for payment of insurance premiums and performance of other duties by insureds;
- (b) refund of premiums;
- (c) waiver of cost sharing or deductibles;

- (d) temporary postponement of cancellations and nonrenewals;
- (e) reporting requirements for claims; and
- (f) suspension of compliance with a statute, rule or contract, if strict compliance would prevent, hinder or delay necessary action in response to the emergency;

9. Each of the Governor's executive orders details the damage to the counties involved in the wildfires, the destruction of homes and other structures, the impact to local infrastructure, the undue human and animal suffering, the threats to the health, safety, and welfare of citizens, the threats to the economic function of those counties, and in several counties, the evacuation of residents from their homes;

10. The Superintendent finds that the social and economic dislocation of residents, along with widespread and catastrophic property damage, caused by the fires that are the subject of the Governor's executive orders, threaten access to insurance and the stability of insurance markets during the emergency;

11. The Superintendent further finds that residents who have left their homes and temporarily relocated to other areas may have lost access to health care providers, their prescription medications, and other necessary health services;

12. The Superintendent additionally finds that residents who have left their homes and temporarily relocated to other areas may have lost access to records and documents that would assist them in filing claims for destroyed or damaged property; and

13. The Superintendent finds that it is necessary to issue this Emergency Order to protect access to insurance and the stability of insurance markets during the emergencies declared in the Governor's executive orders.

IT IS THEREFORE ORDERED that:

A. With respect to policy holders whose residence is in the fire impacted counties identified in this order, insurers who write health insurance policies in New Mexico shall:

1. Provide a grace period of 90 days for payment of insurance premiums and offer policy holders a payment plan of no less than six (6) months if unable to pay the delinquency after the 90-day grace period;

2. Waive cost sharing and deductibles for 120 days;

3. Postpone cancellations and non-renewals for no less than 120 days;

4. Waive early-refill time limits on active prescriptions for 60 days;

5. Permit one eyeglass or contact lens replacement and one hearing aid replacement during the pendency of this Order, waiving frequency limitations;

6. Permit one replacement for dentures or other prosthodontic devices during the pendency of this Order, waiving frequency limits;

7. Permit replacement of covered disposable medical supplies and durable medical equipment (DME) during the pendency of this Order, waiving frequency limits; and

8. Waive additional fees, charges, referrals and prior authorization requirements for use of out-of-network providers for medically necessary services, whether emergent or not.

B. Insurers who write health insurance policies in New Mexico shall extend medical providers' reporting requirements for claims submissions and for additional information relating to claims for at least 120 days;

C. With respect to policy holders whose residence or business is in the fire impacted counties identified in this order, insurers who write property or homeowners policies in New Mexico shall:

1. Provide a grace period of 90 days for payment of insurance premiums and offer policy holders a payment plan of no less than six (6) months if unable to pay the delinquency after the 90-day grace period;

2. Waive deductibles for 120 days;

3. Postpone cancellations and non-renewals for no less than 120 days;

4. Waive deductibles for Additional Living Expenses (ALE) for any homeowners displaced and requiring ALE, and provide ALE for up to 12 months or until such time as the displaced homeowner establishes a new residence, whichever occurs first;

5. Extend reporting requirements for claims submissions or requests for additional information relating to claims for at least 120 days;

6. Allow insureds to request a duplicate copy of their policy at no additional costs; and

7. Suspend late payment, reinstatement or insufficient funds fees along with any other fee, penalty, or interest charge resulting from the insured's temporary inability to submit premium payments;

D. With respect to policy holders whose residence or business is in the fire impacted counties identified in this order, that insurers who write automobile policies in New Mexico shall:

1. Provide a grace period of 90 days for payment of insurance premiums, and that policy holders be offered a payment plan of no less than six (6) months if unable to pay the delinquency after the 90-day grace period;

2. Waive deductibles for 120 days;

3. Postpone cancellations and non-renewals for no less than 120 days;

4. Extend reporting requirements for claims submissions or requests for additional information relating to claims for at least 120 days;

5. Extend reporting requirements for claims submissions or requests for additional information relating to claims for at least 120 days;

6. Allow insureds to request a duplicate copy of their policy at no additional costs; and

7. Suspend late payment, reinstatement or insufficient funds fees along with any other fee, penalty, or interest charge resulting from the insured's temporary inability to submit premium payments;

E. Insurers impacted by this order are directed to make every reasonable effort to assist policy holders by informing them of the provisions of this order. Insurers are expected to document their outreach efforts to those who suffered property damage, injuries, and other losses as a result of the catastrophic fires;

F. This Emergency Order shall take effect for San Miguel County, New Mexico immediately and shall remain in effect until Executive Order 2022-017 is rescinded by the Governor or until September 30, 2022, whichever occurs first;

G. This Emergency Order shall take effect for Valencia County, New Mexico immediately and shall remain in effect until Executive Order 2022-018 is rescinded by the Governor or until September 30, 2022, whichever occurs first;

H. This Emergency Order shall take effect for Colfax County, New Mexico immediately and shall remain in effect until Executive Order 2022-019 is rescinded by the Governor or until September 30, 2022, whichever occurs first;

I. This Emergency Order shall take effect for Lincoln County, New Mexico immediately and shall remain in effect until Executive Order 2022-020 is rescinded by the Governor or until September 30, 2022, whichever occurs first;

J. This Emergency Order shall take effect for Mora County, New Mexico immediately and shall remain in effect until Executive Order 2022-021 is rescinded by the Governor or until September 30, 2022, whichever occurs first;

K. This Emergency Order shall take effect for Sandoval County, New Mexico immediately and shall remain in effect until Executive Order 2022-025 is rescinded by the Governor or until September 30, 2022, whichever occurs first;

L. Copies of this Order shall be sent to all persons listed as service recipients on OSI's eDocket;

M. This Order shall be uploaded on the OSI Newsletter and sent out as a large volume correspondence to all Insurers licensed in New Mexico on the State Based System; and

N. This docket shall remain open until further written order of the Superintendent.

ISSUED under the seal of the New Mexico Office of Superintendent of Insurance at Santa Fe, New Mexico, this 11th day of May, 2022.



HON. RUSSELL TOAL
Superintendent of Insurance

Additional Resources:

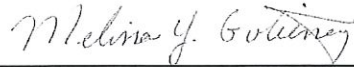
<https://www.governor.state.nm.us/about-the-governor/executive-orders/>

<https://www.nmdhsem.org/2022-wildfires/>

<https://www.osi.state.nm.us/>

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 11th day of May 2022, I filed the *Emergency Order* through the OSI's e-filing system, which caused the parties to be served by electronic means, as more fully reflected on the eService recipients list for this case.



MELISSA Y. GUTIERREZ, Law Clerk
Office of Legal Counsel
Office of Superintendent of Insurance



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IN THE SUPREME COURT OF THE STATE OF NEW MEXICO

May 11, 2022

NO. S-1-SC-39190

VICTORIA LOPEZ,

Appellant-Petitioner,

v.

**NEW MEXICO RETIREE
HEALTHCARE AUTHORITY,**

Appellee-Respondent.

ORDER

WHEREAS, this matter came on for consideration by the Court upon motion for rehearing following denial of petition for writ of certiorari, and the Court having considered the motion and being sufficiently advised, Chief Justice C. Shannon Bacon, Justice Michael E. Vigil, Justice David K. Thomson, Justice Julie J. Vargas, and Justice Briana H. Zamora concurring;

NOW, THEREFORE, IT IS ORDERED that the motion for rehearing is DENIED.

IT IS SO ORDERED.




WITNESS, the Honorable C. Shannon Bacon, Chief Justice of the Supreme Court of the State of New Mexico, and the seal of said Court this 11th day of May, 2022.

Elizabeth A. Garcia, Clerk of Court
Supreme Court of New Mexico

By  _____

Acting Deputy Clerk

I CERTIFY AND ATTEST:
A true copy was served on all parties
or their counsel of record on date filed.
William R. Zell
Deputy Clerk of the Supreme Court
of the State of New Mexico


Mark Reynolds

IN THE COURT OF APPEALS OF THE STATE OF NEW MEXICO

VICTORIA LOPEZ,

Appellant-Petitioner,

v.

**No. A-1-CA-39121
Santa Fe County
D-101-CV-2019-02546**

**NEW MEXICO RETIREE
HEALTHCARE AUTHORITY,**


Appellee-Respondent.

MANDATE TO DISTRICT COURT CLERK

Applicable items are indicated by an "X" below.

1. X Attached is a true and correct copy of the original decision/order entered in the above-entitled cause.
2. X This decision being now final, the cause is remanded to you for any further proceedings consistent with said decision/order.
3. _____ Writ of Certiorari having been issued by the New Mexico Supreme Court and their decision being final, this cause is remanded to you for any further proceedings consistent with said Supreme Court decision attached hereto.
4. _____ Cost Bill is assessed as follows:

By direction of and in the name of the Chief Judge of the Court of Appeals, this 2nd day of June, 2022.



MARK REYNOLDS
Chief Clerk of the Court of Appeals

cc: Counsel w/out attachments

New Mexico Retiree Health Care Authority (CP)

Change in Market Value

For the Month of Apr 2022

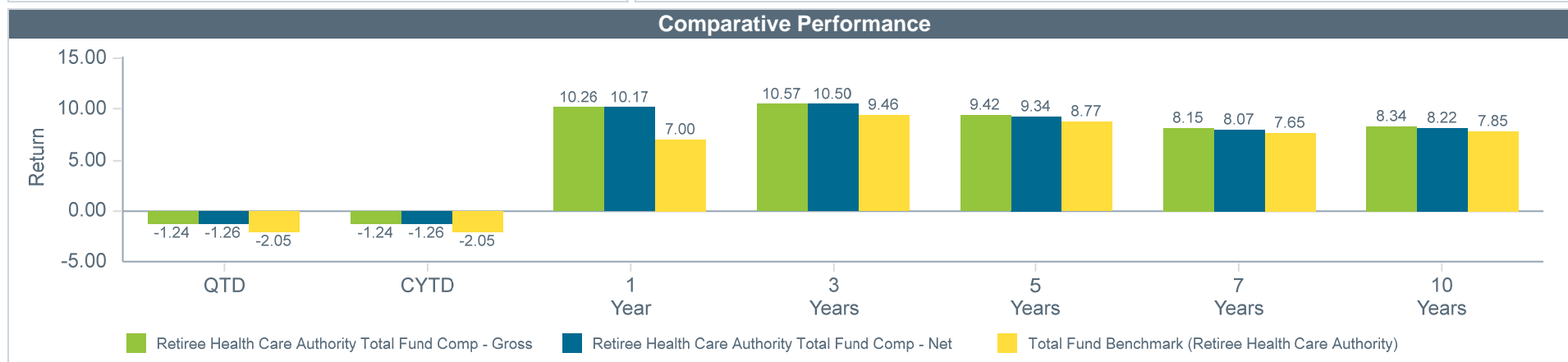
(Report as of May 17, 2022)

Investment Name	Prior Ending Market Value	Contributions	Distributions	Fees	Income	Gains - Realized & Unrealized	Market Value
Core Bonds Pool	190,634,185.67	-	-	-	435,060.98	(7,927,431.26)	183,141,815.39
Credit & Structured Finance	162,321,752.98	-	-	-	136,763.65	420,374.12	162,878,890.75
NM Retiree Health Care Authority Cash Account	-	-	-	-	-	-	-
Non-US Developed Markets Index Pool	150,693,460.61	-	-	-	458,956.61	(10,125,433.44)	141,026,983.78
Non-US Emerging Markets Active Pool	98,325,953.77	-	-	-	100,305.88	(8,328,810.65)	90,097,449.00
Private Equity Pool	175,262,791.26	-	-	-	44,897.40	(1,048,328.67)	174,259,359.99
Real Estate Pool	119,499,050.92	-	-	-	229,088.38	154,754.13	119,882,893.43
Real Return Pool	50,300,569.64	-	-	-	133,075.05	(81,370.51)	50,352,274.18
US Large Cap Index Pool	192,916,885.61	-	-	-	153,089.32	(17,302,747.84)	175,767,227.09
US SMID Cap Alternative Weighted Index Pool	25,494,357.89	-	-	-	17,559.69	(2,000,471.45)	23,511,446.13
Sub - Total New Mexico Retiree Health Care	1,165,449,008.35	-	-	-	1,708,796.96	(46,239,465.57)	1,120,918,339.74
Total New Mexico Retiree Health Care	1,165,449,008.35	-	-	-	1,708,796.96	(46,239,465.57)	1,120,918,339.74

Retiree Health Care Authority



Overview	Asset Allocation vs. Target Allocation				
The New Mexico Retiree Health Care Authority (NMRHCA) was established in 1990 to provide health care coverage to retirees of state agencies and eligible participating public entities. Approximately 300 public entities including cities, counties, universities and charter schools participate in NMRHCA. The agency provides medical plans for both non Medicare and Medicare eligible retirees and their dependents as well as dental, vision and life insurance. The Authority currently provides coverage to approximately 58,000 retirees and their dependents.	Market Value (\$)	Allocation (%)	Target (%)	Difference (%)	
	Large Cap US Equity Index	192,916,886	16.55	14.00	2.55
	Small/Mid Cap US Equity Index	25,494,358	2.19	2.00	0.19
	Non-US Developed Markets Index	150,693,463	12.93	14.00	-1.07
	Non-US Emerging Markets Active	98,325,951	8.44	10.00	-1.56
	US Core Bonds	190,634,171	16.36	20.00	-3.64
	Credit & Structured Finance	162,321,750	13.93	15.00	-1.07
	Private Equity	175,262,790	15.04	10.00	5.04
	Real Estate	119,499,054	10.25	10.00	0.25
	Real Return	50,300,568	4.32	5.00	-0.68
	Total Fund	1,165,448,992	100.00	100.00	0.00



Comparative Performance

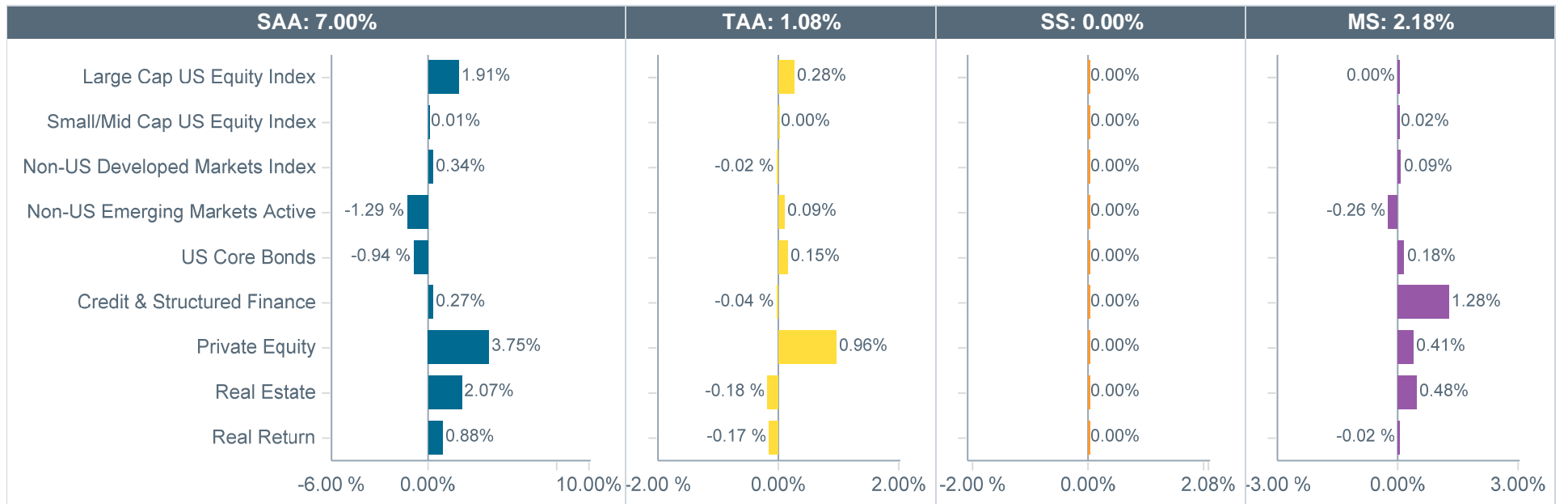
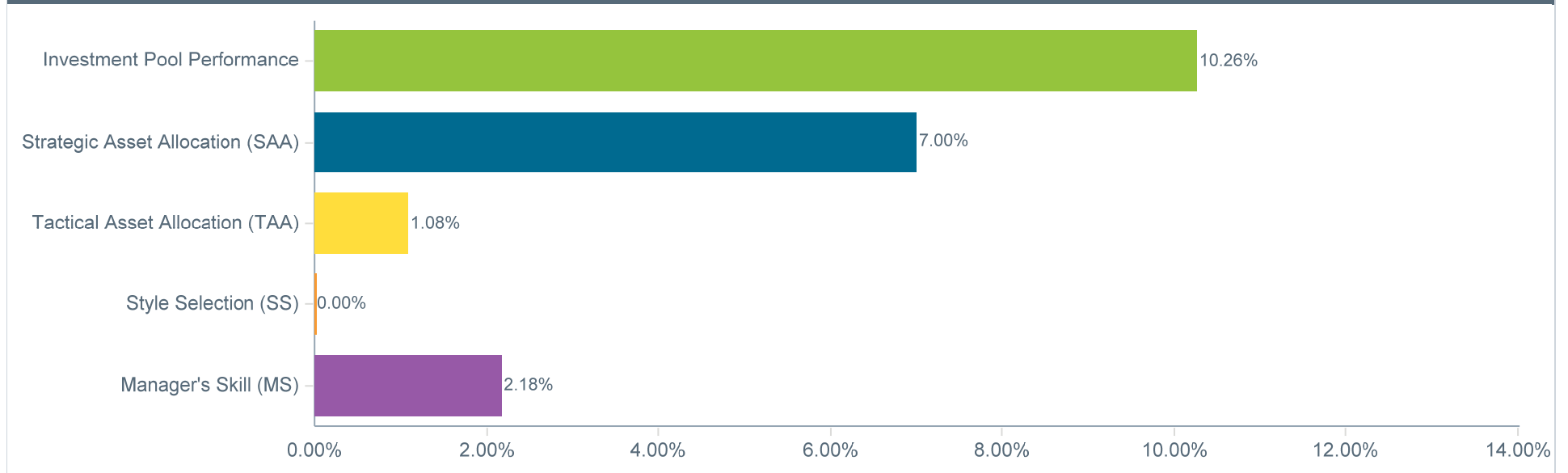
	QTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2021	2020	2019
Retiree Health Care Authority Total Fund Comp - Gross	-1.24	-1.24	10.26	10.57	9.42	8.15	8.34	15.61	9.88	13.27
Total Fund Benchmark (Retiree Health Care Authority)	-2.05	-2.05	7.00	9.46	8.77	7.65	7.85	12.64	10.20	14.34
Difference	0.81	0.81	3.26	1.11	0.65	0.50	0.49	2.97	-0.32	-1.07
Retiree Health Care Authority Total Fund Comp - Net	-1.26	-1.26	10.17	10.50	9.34	8.07	8.22	15.51	9.83	13.21
Total Fund Benchmark (Retiree Health Care Authority)	-2.05	-2.05	7.00	9.46	8.77	7.65	7.85	12.64	10.20	14.34
Difference	0.79	0.79	3.17	1.04	0.57	0.42	0.37	2.87	-0.37	-1.13

Schedule of Investable Assets

Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
CYTD	1,149,233,513	30,000,000	-13,784,521	1,165,448,992	-1.26

Allocations shown may not sum up to 100% exactly due to rounding. Performance shown is net of fees, except where noted otherwise. Performance includes receipt of additional units of the US Large Cap Index Pool effective July 1, 2020.

Performance Attribution



Performance shown is gross of fees. Calculation is based on monthly periodicity. See Glossary for additional information regarding the Total Fund Attribution - IDP calculation.



New Mexico Retiree Health Care Authority (RHCA)

Overview of Segal Activities

Your Segal team and our ongoing and upcoming activities for the RHCA

June 2022

Key Members of Your Segal Team



Nura Patani
PhD, ASA, MAAA

VP & Consulting Actuary
West Region Health
Practice Leader



Melissa Krumholz
FSA, MAAA

Senior Health Consultant &
Actuary



Amy Cohen
ASA, MAAA

Vice President & Actuary



Mike Madalena

Madalena Consulting

Additional Resources

Health Analytics Team
Andrew McDonald
Senior Actuarial Analyst

OPEB Valuation Team
Mary Kirby, FSA, FCA, MAAA
SVP & Consulting Actuary

OPEB Valuation Team
James Cassidy
Senior Actuarial Associate

Data Warehouse Team
Gerard Ruppert
Data Warehouse Architect

Health Analytics Team
Andrew Chung, ASA, MAAA
Senior Health Actuary

OPEB Valuation Team
Vivian Caruso
Senior Actuarial Associate

Pharmacy Benefits
Scott McEachern, FSA, MAAA
Vice President & Actuary

Data Warehouse Team
Jonathan Gruber
Health Economist

Primary Annual Services

Long Term Solvency Report
30-year projection on a fiscal year basis includes multiple scenarios and sensitivity analysis

Claims & Demographics Study
Analysis of recent historical experience



Calendar Year Target Rates
Negotiated/estimated renewal premium for fully-insured benefits. For self-funded benefits, we project claims and administrative expenses

IBNR
Estimate of liability for Incurred but Not Reported (IBNR) claims

OPEB Valuation
Annual valuation of Other Post-Employment Benefits (OPEB) liabilities under GASB 74/75

Primary Annual Services

What insight does this provide?

Long Term Solvency Report

Provides a consistent measure of “financial health” by determining the fiscal year that trust fund assets are projected to be depleted and no longer available to fund future benefits

Calendar Year Target Rates

Target rates serve as the basis for Retiree Contributions

IBNR

Standard accounting requirement to recognize liability for claims that are working their way through the “pipeline”

Claims & Demographics Study

Improve understanding of “population health”, RHCA benefit structure and dynamics, and how they relate to the retention of affordable benefit options

OPEB Valuation

Required accounting and financial reporting under uniform standards for measuring liabilities, expenses, and deferred inflow/outflow of resources

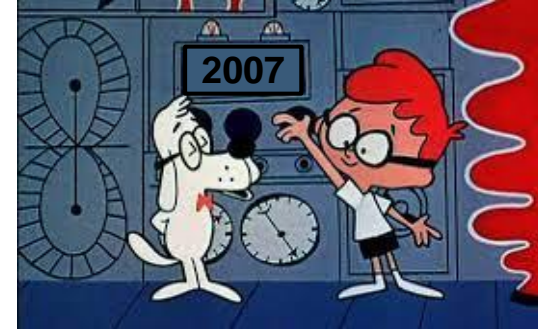
Looking Ahead to the RHCA Annual Meeting

- Long-Term Solvency Modeling
 - Baseline scenario
 - Alternate contribution increase scenarios
 - Alternate benefit design scenarios
- Claims and Demographics Study
 - Utilization overview
 - Changes in risk profile by plan



Review of Long-Term Trend Assumptions

Historical assumption development



Pre-2008

Trend assumptions for January 2007 Long-Term Solvency Report

- Medical Trend: 11% in 2007 grading down 1% per year to ultimate trend of 5%.
- Medicare Part D Trend: 9% in 2007 grading down 1% per year to ultimate trend of 3%.

October 2007 Long-Term Solvency Discussion from HB 728 Study Committee

- Contemplated that annual trend maybe higher than 5% ultimate rate and modeled alternative annual trend rate of 8%.
 - Consistent with median result of 15 year average of Employer Health Insurance Premiums from 1988-2007 as reported by the Kaiser Foundation.
 - Ultimate 8% trend assumption was used as an alternative for discussion purposes in September 2007 solvency projections.

Beginning with October 2008 Solvency Report

- Baseline assumptions used 8% trend assumption for non-Medicare and Medicare medical and Rx trend.
- Assumption applied for all years of solvency projection with no grading down to ultimate trend.

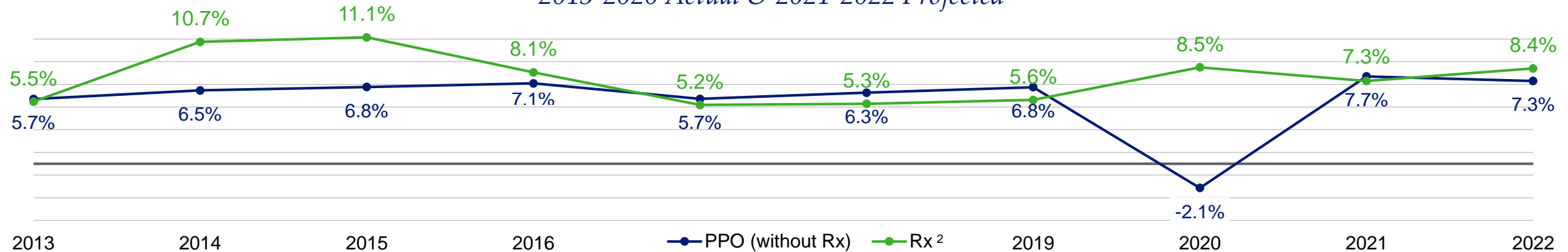
Review of Long-Term Trend Assumptions

Considerations for future solvency projections

Key Considerations

- Unpredictability of long-term health care trends over next 30 years.
- Economic modeling suggests that an 8% constant trend rate is untenable for the long term as it eats up steadily increasing percentages of the GDP and the belief that society will ultimately require change to that model.
- Trends in recent years have been somewhat more favorable than those during 1988-2007, which were used to develop the original assumption.
- Use of a more conservative ultimate trend assumption for the basis of making long-term decisions supports the intent to establish a viable solvency period utilizing the income streams available to RHCA in statute.

Ten-Year Summary of Selected Medical and Outpatient Rx Trends
 2013-2020 Actual & 2021-2022 Projected



Source: 2022 Segal Health Plan Cost Trend Survey

¹ Prescription drug trend is combined for retail and mail order delivery channels.

Thank You



2023 Preliminary Plan Discussion

1. Pre-Medicare/Medicare Supplement Plan Rates

An increase to retiree premiums in accordance with projected medical trend for all self-insured plans, based upon loss ratios calculated in May, will be available for the scheduled meeting in June. NMRHCA's long-term solvency projections include an annual 8% and 6% respective rate increases as part of its baseline assumptions to keep pace with rising medical costs. Changes to this rate of increase in any given year are based on an evaluation of NMRHCA's overall loss ratio (how closely NMRHCA rates match actual costs). Any plan design changes made to the cost-sharing provisions (deductibles, out-of-pocket maximums, etc.) may reduce necessary premium increases. Applying this assumption to members who meet the eligibility requirements to receive a full subsidy for the self-insured plan rates for 2023 would have the following impact:

Subsidized

Pre-Medicare									
Incremental Change									
Plan	2022 Rate	1 - Percent	2 - Percent	3 - Percent	4 - Percent	5 - Percent	6 - Percent	7 - Percent	8 - Percent
Value									
Retiree	\$ 242.58	\$ 245.01	\$ 247.43	\$ 249.86	\$ 252.28	\$ 254.71	\$ 257.13	\$ 259.56	\$ 261.99
Spouse/DP	\$ 460.39	\$ 464.99	\$ 469.60	\$ 474.20	\$ 478.81	\$ 483.41	\$ 488.01	\$ 492.62	\$ 497.22
Child	\$ 235.06	\$ 237.41	\$ 239.76	\$ 242.11	\$ 244.46	\$ 246.81	\$ 249.16	\$ 251.51	\$ 253.86
Premier									
Retiree	\$ 310.54	\$ 313.65	\$ 316.75	\$ 319.86	\$ 322.96	\$ 326.07	\$ 329.17	\$ 332.28	\$ 335.38
Spouse/DP	\$ 589.41	\$ 595.30	\$ 601.20	\$ 607.09	\$ 612.99	\$ 618.88	\$ 624.77	\$ 630.67	\$ 636.56
Child	\$ 301.43	\$ 304.44	\$ 307.46	\$ 310.47	\$ 313.49	\$ 316.50	\$ 319.52	\$ 322.53	\$ 325.54
Monthly Change									
Value									
Retiree		\$ 2.43	\$ 4.85	\$ 7.28	\$ 9.70	\$ 12.13	\$ 14.55	\$ 16.98	\$ 19.41
Spouse/DP		\$ 4.60	\$ 9.21	\$ 13.81	\$ 18.42	\$ 23.02	\$ 27.62	\$ 32.23	\$ 36.83
Child		\$ 2.35	\$ 4.70	\$ 7.05	\$ 9.40	\$ 11.75	\$ 14.10	\$ 16.45	\$ 18.80
Premier									
Retiree		\$ 3.11	\$ 6.21	\$ 9.32	\$ 12.42	\$ 15.53	\$ 18.63	\$ 21.74	\$ 24.84
Spouse/DP		\$ 5.89	\$ 11.79	\$ 17.68	\$ 23.58	\$ 29.47	\$ 35.36	\$ 41.26	\$ 47.15
Child		\$ 3.01	\$ 6.03	\$ 9.04	\$ 12.06	\$ 15.07	\$ 18.09	\$ 21.10	\$ 24.11
Annual Change									
Value									
Retiree		\$ 29.11	\$ 58.22	\$ 87.33	\$ 116.44	\$ 145.55	\$ 174.66	\$ 203.77	\$ 232.88
Spouse/DP		\$ 55.25	\$ 110.49	\$ 165.74	\$ 220.99	\$ 276.23	\$ 331.48	\$ 386.73	\$ 441.97
Child		\$ 28.21	\$ 56.41	\$ 84.62	\$ 112.83	\$ 141.04	\$ 169.24	\$ 197.45	\$ 225.66
Premier									
Retiree		\$ 37.26	\$ 74.53	\$ 111.79	\$ 149.06	\$ 186.32	\$ 223.59	\$ 260.85	\$ 298.12
Spouse/DP		\$ 70.73	\$ 141.46	\$ 212.19	\$ 282.92	\$ 353.65	\$ 424.38	\$ 495.10	\$ 565.83
Child		\$ 36.17	\$ 72.34	\$ 108.51	\$ 144.69	\$ 180.86	\$ 217.03	\$ 253.20	\$ 289.37

Applying the same increases to members who joined after the 2021 Rule change took affect and who are under the age of 55 (no subsidy is provided until 55th birthday) impact would be as follows:

Non-Subsidized

Pre-Medicare									
Incremental Change									
Plan	2021 Rate	1 - Percent	2 - Percent	3 - Percent	4 - Percent	5 - Percent	6 - Percent	7 - Percent	8 - Percent
Value									
Retiree	\$ 673.83	\$ 680.57	\$ 687.31	\$ 694.04	\$ 700.78	\$ 707.52	\$ 714.26	\$ 721.00	\$ 727.74
Spouse/DP	\$ 719.36	\$ 726.55	\$ 733.75	\$ 740.94	\$ 748.13	\$ 755.33	\$ 762.52	\$ 769.72	\$ 776.91
Child	\$ 235.06	\$ 237.41	\$ 239.76	\$ 242.11	\$ 244.46	\$ 246.81	\$ 249.16	\$ 251.51	\$ 253.86
Premier									
Retiree	\$ 862.62	\$ 871.25	\$ 879.87	\$ 888.50	\$ 897.12	\$ 905.75	\$ 914.38	\$ 923.00	\$ 931.63
Spouse/DP	\$ 920.96	\$ 930.17	\$ 939.38	\$ 948.59	\$ 957.80	\$ 967.01	\$ 976.22	\$ 985.43	\$ 994.64
Child	\$ 301.43	\$ 304.44	\$ 307.46	\$ 310.47	\$ 313.49	\$ 316.50	\$ 319.52	\$ 322.53	\$ 325.54
Monthly Change									
Value									
Retiree		\$ 6.74	\$ 13.48	\$ 20.21	\$ 26.95	\$ 33.69	\$ 40.43	\$ 47.17	\$ 53.91
Spouse/DP		\$ 7.19	\$ 14.39	\$ 21.58	\$ 28.77	\$ 35.97	\$ 43.16	\$ 50.36	\$ 57.55
Child		\$ 2.35	\$ 4.70	\$ 7.05	\$ 9.40	\$ 11.75	\$ 14.10	\$ 16.45	\$ 18.80
Premier									
Retiree		\$ 8.63	\$ 17.25	\$ 25.88	\$ 34.50	\$ 43.13	\$ 51.76	\$ 60.38	\$ 69.01
Spouse/DP		\$ 9.21	\$ 18.42	\$ 27.63	\$ 36.84	\$ 46.05	\$ 55.26	\$ 64.47	\$ 73.68
Child		\$ 3.01	\$ 6.03	\$ 9.04	\$ 12.06	\$ 15.07	\$ 18.09	\$ 21.10	\$ 24.11
Annual Change									
Value									
Retiree		\$ 80.86	\$ 161.72	\$ 242.58	\$ 323.44	\$ 404.30	\$ 485.16	\$ 566.02	\$ 646.88
Spouse/DP		\$ 86.32	\$ 172.65	\$ 258.97	\$ 345.29	\$ 431.62	\$ 517.94	\$ 604.26	\$ 690.59
Child		\$ 28.21	\$ 56.41	\$ 84.62	\$ 112.83	\$ 141.04	\$ 169.24	\$ 197.45	\$ 225.66
Premier									
Retiree		\$ 103.51	\$ 207.03	\$ 310.54	\$ 414.06	\$ 517.57	\$ 621.09	\$ 724.60	\$ 828.12
Spouse/DP		\$ 110.52	\$ 221.03	\$ 331.55	\$ 442.06	\$ 552.58	\$ 663.09	\$ 773.61	\$ 884.12
Child		\$ 36.17	\$ 72.34	\$ 108.51	\$ 144.69	\$ 180.86	\$ 217.03	\$ 253.20	\$ 289.37

Subsidized

Medicare									
Incremental Change									
Plan	2021 Rate	1 - Percent	2 - Percent	3 - Percent	4 - Percent	5 - Percent	6 - Percent	7 - Percent	8 - Percent
Supplement									
Retiree	\$ 236.08	\$ 238.44	\$ 240.80	\$ 243.16	\$ 245.52	\$ 247.88	\$ 250.24	\$ 252.61	\$ 254.97
Spouse/DP	\$ 354.12	\$ 357.66	\$ 361.20	\$ 364.74	\$ 368.28	\$ 371.83	\$ 375.37	\$ 378.91	\$ 382.45
Child	\$ 472.16	\$ 476.88	\$ 481.60	\$ 486.32	\$ 491.05	\$ 495.77	\$ 500.49	\$ 505.21	\$ 509.93
Monthly Change									
Value									
Retiree		\$ 2.36	\$ 4.72	\$ 7.08	\$ 9.44	\$ 11.80	\$ 14.16	\$ 16.53	\$ 18.89
Spouse/DP		\$ 3.54	\$ 7.08	\$ 10.62	\$ 14.16	\$ 17.71	\$ 21.25	\$ 24.79	\$ 28.33
Child		\$ 4.72	\$ 9.44	\$ 14.16	\$ 18.89	\$ 23.61	\$ 28.33	\$ 33.05	\$ 37.77
Annual Change									
Value									
Retiree		\$ 28.33	\$ 56.66	\$ 84.99	\$ 113.32	\$ 141.65	\$ 169.98	\$ 198.31	\$ 226.64
Spouse/DP		\$ 42.49	\$ 84.99	\$ 127.48	\$ 169.98	\$ 212.47	\$ 254.97	\$ 297.46	\$ 339.96
Child		\$ 56.66	\$ 113.32	\$ 169.98	\$ 226.64	\$ 283.30	\$ 339.96	\$ 396.61	\$ 453.27

2. Pre-Medicare/Medicare Plan Design

Pre-Medicare Options:

- Increase emergency room copay
 - Premier Plan \$125 to \$250, Value Plan \$175 to \$350
- Increase urgent care facility copay to match specialist copay
 - Premier Plan \$35 to \$45, Value Plan \$40 to \$55
- Increase BCBS tier 1 annual out of pocket limit from \$3,000 to \$3,750

Medicare Supplement Options:

- Introduce \$250 copay for inpatient stay (1 per year)
- Introduce \$100 copay for outpatient surgery
- Increase annual Part B cost sharing by \$50
- Set Annual Out of Pocket Limit for plan at \$500

Pharmacy Benefits

- No recommended copay changes

3. Pre-Medicare Plan Design – Hinge Health (BCBS) Pilot Program

Currently, through BCBS a 12-week digital care program is available for managing chronic musculoskeletal pain, particularly chronic knee, and back pain. The program pairs members with a sensor and anytime access to a physical therapist. The goal is to increase the use of physical therapy and reduce the number of procedures performed each year. Based on BCBS's pre-Medicare population, estimated number of participants in the program, minus the cost of the program, savings in 2022 were estimated to be approximately \$1.8 million. The program is still in the early stages and not enough data has been received to properly evaluate the efficacy of the program. Participation and a couple testimonies have led to a good start and therefore a recommendation will come forth to continue the program for another year. This would allow more time to collect data and allow the Wellness Committee along with staff to evaluate the program.

4. Medicare Advantage Positive Enrollment

NMRHCA staff is evaluating possible savings by defaulting members from Presbyterian Health Plan’s Medicare Advantage Plans to UnitedHealthcare’s Medicare Advantage Plans. Members would have the option to re-enroll into Presbyterian’s MA plans or elect to stay on UHC’s MA plans.

Consideration: Program is entering its third year of contract and if no action is taken RFP will be released during FY24 allowing for competition and review of all Medicare Advantage Plans effective FY25.

Pros: The UHC network would provide greater access to providers in New Mexico and nationwide. It is a PPO plan that provides matching in-network and out-of-network plans. By taking this action, if a quarter of the membership stayed on the UnitedHealthcare’s MA Plans there would be savings to members and NMRHCA based on current premiums as demonstrated in the below table:

Presbyterian Medicare Advantage							
	Retiree Enrollment #s	Member Premium	RHCA Premium	Spouse/DP Enrollment #s	Member Premium	RHCA Premium	
Plan 1	5,706	\$ 62.15	\$ 62.15	1,596	\$ 93.22	\$ 31.08	
Plan 2	1,197	\$ 48.40	\$ 48.40	341	\$ 72.60	\$ 24.20	
UnitedHealthcare Medicare Advantage Assumptions							
	Retiree 25% Enrollment	Member Savings	RHCA Savings	Spouse/DP 25% Enrollment	Member Savings	RHCA Savings	
Plan 1	1,427	\$ 24.65	\$ 24.65	399	\$ 36.97	\$ 12.33	
Plan 2	299	\$ 35.90	\$ 35.90	85	\$ 53.85	\$ 17.95	
Estimated Savings							
	Plan 1 Savings	\$ 35,163.23	\$ 35,163.23		\$ 14,751.03	\$ 4,919.67	
	Plan 2 Savings	\$ 10,743.08	\$ 10,743.08		\$ 4,590.71	\$ 1,530.24	
	Total Monthly Savings	\$ 45,906.30	\$ 45,906.30		\$ 19,341.74	\$ 6,449.91	
	Total Annual Savings	\$ 550,875.60	\$ 550,875.60		\$ 232,100.91	\$ 77,398.89	
	Combined Annual Savings	\$	1,101,751.20		\$	309,499.80	

Cons: Potential member dissatisfaction for having to re-enroll back into PHP MA, members not taking action to re-enroll when wishing to stay with PHP MA plan or dissatisfaction with plan design specifically the lower tiers for prescription drugs requiring additional out-of-pocket dollars from members.



New Integrated Value Based Care Medicare Advantage Offering

JUNE 7, 2022

Reinstatement for account current – Village of Pecos (Action Item)

Background:

The Village had not made the employer contributions required by NMSA 1978, § 10-7C-15 (A) since December 2020. NMRHCA staff made multiple informal and formal attempts to help the Village comply with its legal obligations throughout calendar year 2021 but did not receive a sufficient response.

Pursuant to NMSA 1978, § 10-7C-7(C), the Board “may take all actions reasonably necessary to implement” the Retiree Health Care Act. Accordingly, NMRHCA staff recommended that the Board suspend the Village’s participation in the New Mexico Retiree Health Care Act under its statutory power. The suspension was approved at the January 4, 2022, Board of Directors regular meeting to prevent current employees from receiving service credit. This action was to stay in place until the Village resolved the delinquency but would not affect any Village retirees currently receiving a subsidy.

At this time NMRHCA staff has received all required payments due. NMRHCA staff recommends the reinstatement of the Villages of Pecos’s (“Village”) participation in the New Mexico Retiree Health Care Act. This action would be made effective immediately, upon the Board of Directors approval.

Requested Action:

NMRHCA staff requests to reinstate the Village of Pecos’s participation immediately into the New Mexico Retiree Health Care Act for bringing their account current with all required payments.

FY23 New Contract - Investment Advisory Services (Small Purchase)
Program Support - Action Item*

Background

NMRHCA last performed a biennial asset allocation review in FY21. Approaching FY23 NMRHCA staff solicited qualified quotes for services to perform the scope of work as described below.

Scope of Work

The Contractor shall perform the following work:

- A. Asset and Liability Study. Contractor will review and assess the Procuring Agency's current asset allocation, make recommendations associated with the asset classes available through State Investment Council investment pools; as well as other investment channels which would be to the maximum benefit of the Procuring Agency (the "Study").
- B. Asset Allocation Policy. Contractor will develop an asset allocation recommendation based on asset classes currently available through current State statute and an amended Joint Powers Agreement. This will involve analyzing current and historical market trends in the asset classes offered by the SIC. It will also include a comparison of Procuring Agency investment strategy vs. a limited number of other post-employment benefit ("OPEB") plans. Part of the asset allocation process will be the determination of the optimal rebalancing range. The recommended asset allocation should include a medium term projected rate of return (10 years) and a long-term projected equilibrium rate of return (20+ years).
- C. Setting Investment Policies and Guidelines. Contractor will review and make recommendations on Procuring Agency's statement of investment policy which will reflect not only the results of the asset and liability projection, but will also incorporate a qualitative assessment of the fund's risk tolerance. Contractor will provide a written and oral report on its findings to the Procuring Agency's Board of Directors.
- D. 6 Month Follow-Up. Contractor will provide a follow-up report updating the expected return and risk of the recommended asset allocation at a time to be determined, but expected to be at a 6-month timeframe (the "6 Month Follow-up").
- E. Warranties and Acknowledgements. Contractor agrees and warrants the following:
 - 1. That it is registered as an investment advisor under the Investment Advisers Act of 1940 and that it shall maintain such registration at all times during the term of the Agreement.
 - 2. That it will be a fiduciary of the Procuring Agency and will not delegate its fiduciary responsibilities assumed under the Agreement.

3. That it has completed, obtained, and performed all registrations, filings, approvals, authorizations, consents, or examinations required by any applicable regulatory body or governmental authority, including the State, for acts contemplated under the contract.

Proposals Received

Wilshire

Wilshire confirmed ability to provide the requested services described in the scope of work.

Cost: \$35,000

Meketa Investment Group

Meketa confirmed ability to provide the requested services described in the scope of work.

Cost: \$47,500

NEPC, LLC

NEPC confirmed ability to provide the requested services described in the scope of work.

Cost: \$50,000

FY23 Approved Operating Budget		\$674,900		
		Proposed		
		Contract	Contract	
	Vendor	Amount	Term	Type
1	Segal	\$345,000	July 1, 2019 - June 30, 2023	Term/Comp
2	Judith Beatty	\$7,000	July 1, 2022 - June 30, 2023	New/Small
3	Moss Adams	\$70,390	July 1, 2020 - June 30, 2023	Term/Comp
4	Rodey	\$40,000	July 1, 2022 - June 30, 2023	New/Small
5	RESPEC	\$55,017	July 1, 2022 - June 30, 2023	Price Agreement
6	PERA MOU - HR Services	\$16,037	July 1, 2022 - June 30, 2023	MOU
7	Work Quest	\$4,500	July 1, 2022 - June 30, 2023	New/Small
8	Wilshire	\$35,000	July 1, 2022 - June 30, 2023	New/Small
Total		\$572,944		
Unencumbered Balance		\$101,956	Available for mid/end-year adjustments	

Staff Recommendation

NMRHCA staff recommends the selection of Wilshire Consulting to perform the Scope of Work described above based on their submitted quote for providing the requested services and their experience working with NMRHCA per the previous two biennial asset allocation reviews done in FY19 and FY21.

Program Support FY23 Memorandum of Understanding – Action Item*

NMRHCA staff is preparing for the upcoming procurement for life insurance services for the period beginning July 1, 2023, ending June 30, 2027. This procurement will include a collaborative effort on behalf of the Interagency Benefits Advisory Committee (IBAC) consisting of the State of New Mexico, General Services department Risk Management Division (SoNM), New Mexico Public Schools Insurance Authority (NMPSIA), Albuquerque Public Schools (APS) and the New Mexico Retiree Health Care Authority. The Memorandum of Understanding (MOU) will allow NMRHCA to pay for its portion of the costs associated with the development, evaluation and financial scoring of the proposals received from prospective life insurance vendors.

The approval of the requested action is consistent with the results of the Request for Quotation issued in early May for Project Manager to Handle Request for Proposals (RFP) for Life and Long-Term Disability Insurance Pursuant to 1.4.1.52 Small Purchasing for Professional Services related to the upcoming life insurance procurement process.

Program Support FY23 Contracts

The proposed contracted administered through Program Support are as follows:

FY23 Approved Operating Budget		\$674,900		
		Proposed		
		Contract	Contract	
Vendor		Amount	Term	Type
1	Segal	\$345,000	July 1, 2019 - June 30, 2023	Term/Comp
2	Judith Beatty	\$7,000	July 1, 2022 - June 30, 2023	New/Small
3	Moss Adams	\$70,390	July 1, 2020 - June 30, 2023	Term/Comp
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6	PERA MOU - HR Services	\$16,037	July 1, 2022 - June 30, 2023	MOU
7	Work Quest	\$4,500	July 1, 2022 - June 30, 2023	New/Small
8	Wilshire (Contingent on approved)	\$35,000	July 1, 2022 - June 30, 2023	New/Small
9	NMPSIA MOU - Life Insurance Consultant	\$8,500	July 1, 2022 - June 30, 2023	MOU
Total		\$581,444		
Unencumbered Balance		\$93,456	Available for mid/end-year adjustments	

Conclusion: NMRHCA staff respectfully requests approval to enter a Memorandum of Understanding with the New Mexico Public Schools Insurance Authority to pay for NMRHCA’s portion of an agreement to provide project manager /consulting services related to the upcoming procurement for life insurance during fall of 2022.

The Interagency Benefits Advisory Committee (IBAC) Consisting of:

Albuquerque Public Schools (APS)
New Mexico Public Schools Insurance Authority (NMPSIA)
New Mexico Retiree Health Care Authority (NMRHCA)
State of New Mexico, Risk Management Division (SONM)

**REQUEST FOR QUOTATION FOR PROJECT MANAGER TO HANDLE
REQUEST FOR PROPOSALS (RFP) FOR LIFE AND LONG-TERM
DISABILITY INSURANCE PURSUANT TO 1.4.1.52 NMAC SMALL
PURCHASES OF PROFESSIONAL SERVICES**

May 4, 2022



Notice is hereby given today, on May 4, 2022, that qualified persons or firms are invited to submit quotes to the IBAC, attention Claudette Roybal, Procurement Manager, NMPSIA.procurement@state.nm.us for RFP Project Manager for Life and Long-Term Disability Insurance. The deadline to submit a quotation is set for 3:00 p.m. Mountain Time on May 18, 2022.

PROJECT MANAGER FOR LIFE AND DISABILITY RFP

1. Collaborate and work with IBAC to develop an IBAC-specific Request for Proposals (RFP) for Life and Long-Term Disability Insurance based on the input and direction from IBAC agencies to include each line of coverage available from each agency, while adhering to state-mandated purchasing guidelines. Life and Long-Term Disability Insurance contracts will begin on July 1, 2023 for SONM, NMRHCA and NMPSIA; the APS contract will begin on January 1, 2024.
2. Collect all the experience and enrollment information needed for the RFP from each IBAC agency and/or the existing life and LTD carriers (*this is generally time-consuming, and the Project Manager needs to ensure the data is reviewed for reasonableness and consistency*).
3. Outline desired services requested by each IBAC agency (*they will differ by agency*). SONM and NMRCHA offer life insurance only, NMPSIA and APS offer both life insurance and long-term disability insurance.
4. Provide a timeline, methodology, and strategy as to how the management of the Life and Disability Insurance RFP will be accomplished and evaluated by the IBAC.
5. Assist with RFP specifications, preparations, and review of vendor proposals and advise, as requested, with negotiations and implementation guidance.
6. Assist with providing responses to written questions from Offerors.
7. As requested, participate in the preparation and presentation of any necessary and/or requested reports, cost projections, and side-by-side comparison of responses.
8. Assist with establishing and calculating the evaluation point summary, cost ranking, and total awarded points to include a best and final analysis.
9. Provide a proposed evaluation report to the IBAC and collaborate with the IBAC agencies as required to finalize the report.
10. Ensure the cost analysis shows each agency solo, as well as the entire IBAC jointly for life insurance coverage. For Long Term Disability (LTD), the cost analysis needs to show each agency participating in LTD solo as well as jointly for the IBAC agencies participating in LTD. (*In the past, there were differences in the quoted rates depending on how many lines of coverage were awarded to*

the vendors and which IBAC agencies agreed to award their business to that vendor. This required the project manager to evaluate the impact of the various combinations.)

11. Ensure there is clear knowledge that life insurance coverage is a combination of employer-paid and employee-paid coverage across multiple lines (Basic Life, Basic Accidental Death and Dismemberment (AD&D), Additional Life, Additional AD&D, Dependent Life, Retiree Life, etc.) with some flat rates and some age-based rates which makes the pricing for scoring purposes.
12. As requested by IBAC agencies, provide guidance to the selection committee to make an informed decision after completion of finalist interviews, including best and final offers (BAFO), if a BAFO is required.
13. Only Quotations of \$60,000 and under will be considered for this Request for Quote.

Note: Your quote needs to outline the total cost for services for the IBAC. However, also provide a breakdown of cost per IBAC agency. Cost analysis for life and LTD insurance will be required for NMPSIA and APS, so the cost for these two agencies may be more than the cost for NMRHCA and SONM. NMRHCA only require cost analysis for life insurance.

2022 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.

DRAFT

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 [now 2.81.3 NMAC]:

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 [now 2.81.3 NMAC] 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 [now 2.81.3 NMAC]. 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 [now 2.81.3 NMAC], 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 [now 2.81.3 NMAC] 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 [now 2.81.3 NMAC], 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 [sic] 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: _____

FY23 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.

Summary

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 FY21 committee assignments provided below.

Executive

Mr. Crandall, President
Ms. Saunders, Vice President
Ms. Larrañaga-Ruffy, Secretary

Finance & Investment

Mr. Crandall, Chair
Ms. Larrañaga-Ruffy
Mr. Scroggins
Mr. Linton

Legislative

Mr. Salazar, Chair
Ms. Larrañaga-Ruffy
Mr. Scroggins
Mr. Pyle
Mr. Widner

Audit

Ms. Bhakta, Chair
Mr. Linton
Mr. Salazar
Mr. Widner
~~Ms. Madrid~~

Wellness

Mr. Linton, Chair
Ms. Saunders
Mr. Scroggins
Mr. Widner
~~Ms. Madrid~~

NEW MEXICO RETIREE HEALTH CARE AUTHORITY
RESOLUTION NO. 2023-1

WHEREAS the Board of Directors of the New Mexico Retiree Health Care Authority (NMRHCA) met at its annual meeting at 9:30 a.m. on July 14 and 15, 2022.

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 9:00 a.m. or as indicated in the meeting notice. Committee meetings will be held at the call of the chair.
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. Committee Meetings: Notice of committee meetings will be made at least ten (10) days in advance of the meeting date.

7. 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.

C. Committee Meetings: For the purposes of committee meetings described in paragraph 6 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.

8. 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."

9. 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.

10. 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 14th day of July 2022.

Board President

Neil Kueffer, Executive Director

DRAFT