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# **REGULAR MEETING OF THE BOARD OF DIRECTORS**



**October 7, 2025**

**9:30 AM**

**CNM Workforce Training Center**

**5600 Eagle Rock Ave NE, Albuquerque, NM 87113**

**Online: <https://meet.goto.com/NMRHCA/boardmeeting>**

**Telephone: 1-224-501-3412 / Access Code: 724-176-285**

New Mexico Retire Health Care Authority

Regular Meeting

**BOARD OF DIRECTORS**

**ROLL CALL**

**October 7, 2025**

	Member in Attendance		
Dr. Lee Caruana, President			
Dr. Tomas Salazar, Vice President			
Lance Pyle, Secretary			
Laura Montoya			
Raquel Alirez			
Dr. Gerry Washburn			
Donna Sandoval			
Therese Saunders			
Alex Castillo-Smith			
Renee Garcia			
Kate Brassington			

# NMRHCA BOARD OF DIRECTORS

October 2025

<p>Dr. Lee Caruana, MD Retired Public Employees of NM <a href="mailto:leecaruana13@gmail.com">leecaruana13@gmail.com</a></p>	<p>Donna Sandoval NM Municipal League 100 Marquette Ave City/County Building Albuquerque, NM 87102 <a href="mailto:donnasandoval@cabq.gov">donnasandoval@cabq.gov</a> 505-768-2975</p>
<p>Dr. Tomas E. Salazar, PhD, Vice President NM Assoc. of Educational Retirees PO Box 66 Las Vegas, NM 87701 <a href="mailto:salazarte@plateautel.net">salazarte@plateautel.net</a> 505-429-2206</p>	<p>Therese Saunders, President NEA-NM, Classroom Teachers Assoc., &amp; NM Federation of Educational Employees 5811 Brahma Dr. NW Albuquerque, NM 87120 <a href="mailto:tisaunders3@mac.com">tisaunders3@mac.com</a> 505-934-3058</p>
<p>Lance Pyle, Secretary NM Association of Counties Curry County Administration 417 Gidding, Suite 100 Clovis, NM 88101 <a href="mailto:lpyle@currycounty.org">lpyle@currycounty.org</a> 575-763-3656</p>	<p>Alex Castillo Smith Deputy Cabinet Secretary NM Health Care Authority PO Box 2348 Santa Fe, NM 87504 <a href="mailto:alex.castillosmith@hca.nm.gov">alex.castillosmith@hca.nm.gov</a> 505-629-8652</p>
<p>The Honorable Ms. Laura M. Montoya NM State Treasurer 2055 South Pacheco Street Suite 100 &amp; 200 Santa Fe, NM 87505 <a href="mailto:laura.montoya@sto.nm.gov">laura.montoya@sto.nm.gov</a> 505-955-1120</p>	<p>Renee Garcia Alternate for ERB Executive Director Educational Retirement Board PO Box 26129 Santa Fe, NM 87502-0129 <a href="mailto:renee.garcia@erb.nm.gov">renee.garcia@erb.nm.gov</a> 505-531-9885</p>
<p>Raquel Alirez Classified State Employee 401 Broadway NE Albuquerque, NM 87102 <a href="mailto:raquel.alirez@dws.nm.gov">raquel.alirez@dws.nm.gov</a> 505-365-3474</p>	<p>Kate Brassington Alternate for PERA Executive Director Public Employees Retirement Association 33 Plaza La Prensa Santa Fe, NM 87507 <a href="mailto:kate.brassington@pera.nm.gov">kate.brassington@pera.nm.gov</a> 505-309-1088</p>
<p>Dr. Gerry Washburn. Ed. D. Superintendents' Association of NM 408 N Canyon Carlsbad, NM 88220 <a href="mailto:gerry.washburn@carlsbadschools.net">gerry.washburn@carlsbadschools.net</a></p>	

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

October 7, 2025  
9:30 AM

CNM Workforce Training Center  
5600 Eagle Rock Ave NE, Alb. NM 87113  
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1. Call to Order	Dr. Caruana, President	
2. Roll Call to Ascertain Quorum	Ms. Beatty, Recorder	
3. Pledge of Allegiance	Dr. Caruana, President	
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6. Public Forum and Introductions	Dr. Caruana, President	
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a. Special Session		24
b. SB51 ESI Progress		
c. Interim Committees		34
9. Updated Solvency and Funded Status	Mr. Kueffer, Executive Director & Ms. Donaldson, FSA, MAAA, Sr. VP, Segal	36
10. Davis Vision Presentation	Mr. Garcia, State Director	40
11. Standard Life Presentation	Ms. Oswald, National Accts Consultant & Mr. Griffith, FSA, MAAA Sr. Dir Actuarial	90
12. Other Business	Dr. Caruana, President	
13. Date & Location of Next Board Meeting November 4, 2025 – 9:30AM CNM Workforce Training Center 5600 Eagle Rock Ave NE, Alb. NM 87113	Dr. Caruana, President	



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

**REGULAR MEETING**

**August 26, 2025**

**1. CALL TO ORDER**

A Regular Meeting of the Board of Directors of the New Mexico Retiree Health Care Authority was called to order on this date at 9:30 a.m. in Room 207, CNM Workforce Training Center, 5600 Eagle Rock Avenue, NE, Albuquerque, New Mexico.

**2. ROLL CALL TO ASCERTAIN A QUORUM**

A quorum was present.

**Members Present:**

Dr. Lee Caruana, President  
Dr. Tomas Salazar, Vice President  
Mr. Lance Pyle, Secretary [virtual]  
Ms. Christine Anaya [Designee of Hon. Laura M. Montoya, NM State Treasurer] [virtual]  
Ms. Raquel Alirez [virtual]  
Ms. Therese Saunders  
Ms. Renee Garcia  
Ms. Kate Brassington  
Mr. Gerry Washburn  
Ms. Alex Castillo Smith [virtual]

**Members Excused:**

Ms. Donna Sandoval

**Staff Present:**

Mr. Neil Kueffer, Executive Director  
Ms. Linda Atencio, Deputy Director  
Ms. Sheri Ayanniyi, Chief Financial Officer  
Mr. Jess Biggs, Communications Director  
Mr. Raymond Long, IT Director  
Mr. Alexander George, Network Administrator  
Ms. Judith Beatty, Recorder

### **3. PLEDGE OF ALLEGIANCE**

Ms. Saunders led the Pledge.

### **4. APPROVAL OF AGENDA**

Ms. Saunders moved approval of the agenda, as published. Mr. Pyle seconded the motion, which passed unanimously.

### **5. APPROVAL OF ANNUAL MEETING MINUTES: JULY 24 & 25, 2025**

Mr. Washburn moved for approval of the annual meeting minutes. Mr. Pyle seconded the motion, which passed unanimously.

### **6. PUBLIC FORUM AND INTRODUCTIONS**

Attendees introduced themselves.

### **7. COMMITTEE REPORTS**

- The Legislative Committee met on August 19. There was no quorum, so they met as a subcommittee. Discussion included the federal landscape and how that affects NMRHCA, the state legislative landscape and how that affects NMRHCA, and the upcoming legislative session. [Dr. Salazar]
- The Finance Committee met on August 22 and reviewed the SIC report along with two action items on today's agenda. [Ms. Brassington]
- The Executive Committee met and approved today's agenda. The committee reviewed today's action items. [Chairman Caruana]

### **8. STAFF UPDATES**

#### **a. Human Resources**

Ms. Atencio stated that the Job Architecture Framework modernization project undertaken by the State Personnel Office has been completed. Previously, the state had 11 salary structures and has now moved to a single market-based salary structure with 20 pay grades. Those are in the board book for review. There were no demotions or promotions as a result of this new structure, and pay grades remain the same. All employees are aligned to a level consistent with the current scope of their positions and responsibilities and job duties are not impacted.

Ms. Atencio reported that the in-house attorney position remains open.

**b. Pharmacy Benefits Manager RFP**

Ms. Atencio reported that NMRHCA has been meeting with Segal, the RFP consultant selected to manage the PBM RFP. The meetings include the other IBAC agencies and UNM, and they are collectively providing Segal with their agency needs and requirements. The RFP is tentatively scheduled for release on September 1 with the contract awards in early February.

**c. 2025 Switch Enrollment Postcard & Update**

Mr. Biggs presented an update, including the switch enrollment meeting schedule. NMRHCA will hold meetings in 13 different cities with 19 different events, which include virtual meetings. NMRHCA will not go to Hobbs this year and instead will go to Carlsbad.

**d. Express Scripts and SB51**

Mr. Kueffer stated that SB51, which passed in 2023, was to take effect on January 1, 2024, and was to pass on some rebates and other discounts that patients would receive. NMRHCA had worked with Express Scripts on an analysis that would go into the umbrella analysis done by LFC. The NMRHCA's initial analysis was projecting \$3+ million, although some of the details have since been refined. NMRHCA has since learned that SB51 never went into effect, and it is now looking at how this happened as well as looking at how much money would be involved if calculated retroactively, which is an extensive process. There is also the question of what effect this has on the solvency analysis presented during the annual meeting. NMRHCA assumes that the amounts, which were based on an early analysis by the three parties reviewing this (NMRHCA, Segal and ESI), could range from \$1 million to \$4 million. The board will be updated once the analysis is completed.

Jon Molberg, health manager with Express Scripts, stated that they had gone through all of the analysis in determining the initial impact, and believed that the solution had been implemented, but it had not. As it turned out, they had the wrong accounting in place at the time that failed to implement this. They rectified that and are now in the process of getting this fixed. They are combing through SB51 to ensure that the solution they are putting in place will be in full compliance with the law and are working with Mr. Kueffer and Segal to put together a 30, 60 and 90 day plan to look at SB51 as well as any bill that has been passed in the last five years to ensure that NMRHCA is in full compliance with any state law that has gone into effect in the interim.

Responding to Chairman Caruana, Mr. Kueffer said he expects SB51 to be implemented after the due diligence process is complete, which could be soon.

**e. Legislative Updates**

Mr. Neil discussed potential direct and indirect impacts that the so-called "beautiful bill" is expected to have on hospitals and providers and ultimately NMRHCA. He commented that it is

difficult to determine the exact impact all of this will have because some information is still coming out.

Mr. Kueffer said he is recommending that the NMRHCA hold off reintroducing its resolution to protect the trust fund in the upcoming short legislative session, as it is expected that the legislature will be focusing on ways to address the effects of the federal legislation. This will work to the NMRHCA's advantage, as it will have time to strategize and garner support from legislators.

**f. July 31, 2025, SIC Report**

Ms. Ayanniyi reported a market value as of July 30 of \$1.8 billion.

**g. Investment Performance Report, June 2025**

Ms. Ayanniyi presented this report. Quarter to date net return was 5.53%, calendar year to date was 6.44% net, and 1-year performance was 10.24% net.

**9. FY27 APPROPRIATION REQUEST (ACTION ITEM)**

Mr. Kueffer reviewed details of the appropriation request, representing a total increase of 3.0 percent.

Ms. Ayanniyi reviewed the program support budget, which requested a \$492,000 increase, which included a \$395,600 increase in the personal services and employee benefits category, a \$67,000 increase in contractual services, and a \$29,400 increase in the other costs category.

Chairman Caruana noted that a motion for approval was moved and seconded by the Finance Committee and asked for a roll call vote of the board.

Mr. Kueffer requested that the board continue for now with its established practice of making a motion and second on committee recommendations followed by a vote. If the board wished to make a change, he would request some lead time in preparing a report.

**Ms. Brassington moved for approval of the FY27 appropriation request. Dr. Salazar seconded the motion, which passed unanimously.**

**10. REBALANCE FOR NEW ASSET ALLOCATION: MEKETA (ACTION ITEM)**

Meketa consultant Jared Pratt stated that approval by the board of the new asset allocation policy targets at the July annual meeting has prompted the need for trades in each investment pool to bring the portfolio in line with the new targets. He presented a table detailing the required trades.

Mr. Pratt stated that the SIC only allows trading activity at the beginning at each month following five days' notice. Typically, several months notification time is required to redeem from private market pools, but the SIC has agreed to waive this requirement at the present time. He recommended that the NMRHCA board grant staff permission to submit the transactions to the SIC for trading on October 1, 2025.

Ms. Brassington stated that the Finance Committee recommended approval of Meketa's recommendations.

**Ms. Brassington moved for approval. Dr. Salazar seconded the motion, which passed unanimously.**

**11. DELTA DENTAL PRESENTATION**

Representatives Keith Witt and Anthony Moya made this presentation.  
[Presentation is in board book.]

**12. BCBS DENTAL PRESENTATION**

Representative Mohammed "Mo" Rahman made this presentation. [Presentation is in board book.]

**13. TRAVEL REQUEST (ACTION ITEM)**

Ms. Atencio stated that NMRHCA staff has been invited to attend the Public Sector HealthCare Roundtable Annual Conference scheduled for November 5-7, 2025, in Washington, D. C. This annual conference provides members and guests a unique opportunity to hear presentations by high level government officials and key experts from Congress and the Administration as well as academic, benefit consultants, plan administrators, advocates and industry leaders. Conference speakers will cover a range of topics, including the impact on the public sector of the 2024 election; Medicare Advantage and what is next for EGWPs; drug pricing, and trends in federal health care policy.

Ms. Atencio requested permission to attend this conference. Ms. Atencio will be attending this conference with Executive Director Kueffer and they are inviting a board member to attend as well. Registration is \$700 per member.

**Mr. Pyle moved for approval. Ms. Saunders seconded the motion, which passed unanimously.**

**14. EXECUTIVE DIRECTOR COMPENSATION (ACTION ITEM)**

Mr. Kueffer stated that there was a question about what the increase would be with his salary being capped out at range 42. The cap would be a 2.941% increase.

Ms. Garcia stated that, after the board retreat, she spoke with David about the issue of constantly bumping up against the pay band and how to deal with that. She learned that the position can be reclassified. Based on a conversation with Jennifer Vigil in the Governor's Office, the process is simple and requires submitting a request that the position be reclassified into the next pay band. She recommended that the board submit this request.

**Ms. Garcia moved to approve the increase in the Executive Director compensation, as discussed at the annual meeting. Dr. Salazar seconded the motion, which passed unanimously.**

**15. OTHER BUSINESS**

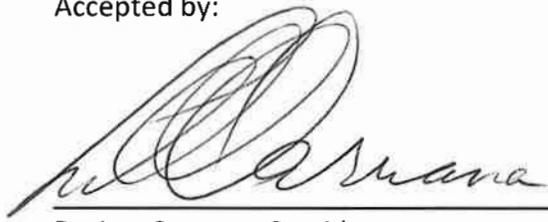
Mr. Kueffer said Presbyterian Health Plan has named Heather Thiltgen as its next president.

**16. DATE AND LOCATION OF NEXT BOARD MEETING**

October 7, 2025 – 9:30 AM  
CNM Workforce Training Center  
5600 Eagle Rock Avenue, NE, Albuquerque, NM. 87113

**21. ADJOURN: 11:35 a.m.**

Accepted by:

  
\_\_\_\_\_  
Dr. Lee Caruana, President

**Issued By:**

**The Interagency Benefits Advisory Committee (IBAC) consists of:**

**State of New Mexico, Health Care Authority (HCA)  
New Mexico Public Schools Insurance Authority (NMPSIA)  
New Mexico Retiree Health Care Authority (NMRHCA)  
Albuquerque Public Schools (APS)  
AND  
The University of New Mexico (UNM)**

**REQUEST FOR PROPOSALS (RFP)**

**Pharmaceutical Benefits Management Services**



**RFP#**

**342-2026-01**

**RFP Release Date: Friday, September 12, 2025**

**Proposal Due Date: Monday, November 3, 2025**

**ELECTRONIC – ONLY PROPOSAL SUBMISSION**

	Dec 31, 2027	Dec 31, 2028	Dec 31, 2029	Dec 31, 2030
NMPSIA <sup>2</sup> , NMRHCA <sup>2</sup> , HCA <sup>2</sup> and UNM <sup>3</sup>	Jul 1, 2026 - Jun 30, 2027	Jul 1, 2027 - Jun 30, 2028	Jul 1, 2028 - Jun 30, 2029	Jul 1, 2029 - Jun 30, 2030

<sup>1</sup>APS' fiscal year begins on July 1st, the plan year and contract year run on a calendar year basis.

<sup>2</sup>NMPSIA, NMRHCA and HCA's plan years run on a calendar year basis while fiscal and contract years begin July 1st.

<sup>3</sup>UNM's fiscal year, plan year and contract year each begin on July 1st.

The RFP will become part of the actual contract document. The signature ready contract must address all the items requested in the Contractual Requirements (Appendix C) to the terms and language in these sections will be a critical factor in bidder evaluation and selection and an authorized binding signature will be required.

**Network & Formulary Disruption:** Both a network disruption based on the zip codes of the utilized retail pharmacies in the claims data file and a formulary disruption analysis are necessary to award a final contract. As instructed in sections Tabs 4C, 5C, 5F, 6C, 7C and 8C of Appendix D – Cost Response Form, your formulary network disruption analyses should be based on the most recent four (4) months of data provided in the claims file. For tabs 4B, 5B, 5E, 6B, 7B and 8B of Appendix D – Cost Response Form, the retail network disruption analysis should be based on the 12 months of data provided in the claims file. The lack of disruption from the current network and formulary will be a major factor affecting the outcome of this proposing process. To be considered, your organization must provide data regarding your network and contracted pharmacies. **The basis of this evaluation will be a broad national retail network of pharmacies and your organization's standard managed formulary with exclusions.**

**Segal Contacts:** Do not contact the IBAC Agencies, UNM, or Segal directly regarding this RFP. Please direct any questions that you have to ProposalTech via the "Ask Question" feature..

**Acknowledgement of Receipt/Intent to Bid:** The completed Intent to Bid form should be submitted directly to the Procurement Manager, via email, at [psia.procurement@state.nm.us](mailto:psia.procurement@state.nm.us), by 3:00 PM MST/MDT on Friday, September 19, 2025. The Intent to Bid form will be posted to ProposalTech. An Intent to Bid form does not bind participants to submit a proposal.

**Non-Disclosure Agreement (NDA):** Bidders are required to complete the client-specific NDA attached to this RFP. Signed NDAs are to be sent directly to the Procurement Manager, via email at [psia.procurement@state.nm.us](mailto:psia.procurement@state.nm.us).

Upon receipt of a signed NDA, Segal, the consulting firm working with the Agencies on this RFP will release the secure data via secure workspaces. No data will be issued without a signed NDA.

**Bidder questions:** Any questions regarding this proposal should be submitted directly via ProposalTech using the "Ask Question" feature. Questions from any potential Bidder will be answered. Questions asked via telephone will not be accepted.

**Submission of proposals:** Proposals are to be submitted electronically via the ProposalTech system by **3:00 PM MST/MDT, Monday, November 3, 2025.**

All decisions and evaluations will be determined from the proposals submitted electronically via the ProposalTech system.

## 2.2 SEQUENCE OF EVENTS

Below is a timetable of major events during this RFP process:

Action/Event	Responsible Party	Target Date**
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Issue RFP	NMPSIA on behalf of the IBAC/UNM	Friday, September 12, 2025
Acknowledgement of Receipt Form/Intent to Bid	Potential Offerors	Friday, September 19, 2025 at 3:00 PM MST/MDT
Deadline to Submit Written Questions	Potential Offerors	Friday, September 26, 2025 at 3:00 PM MST/MDT
Response to Written Questions	Procurement Manager	Friday, October 10, 2025
Organizational Reference Questionnaire	Organizational References	Friday, October 24, 2025 at 3:00 PM MST/MDT
Submission of Proposal	Potential Offerors	Monday, November 3, 2025 at 3:00 PM MST/MDT
Proposal Evaluation	Evaluation Committee	Monday, December 15, 2025
Selection of Finalist	Evaluation Committee	Monday, December 22, 2025
Oral Presentations	Finalist Offerors	Monday, January 5, 2026
Best and Final Offers	Finalist Offerors	Monday, January 12, 2026
Finalize Contractual Agreements	Agency/Finalist Offerors	TBD
Contract Awards	Agency/Finalist Offerors	Monday, February 2, 2026
Protest Deadline	NMPSIA on behalf of the IBAC/UNM	+15 days after Contract Award date

\*\*Note timeline may be subject to change

To avoid elimination from the RFP process, all proposals must be returned in the format and dates outlined in this Proposal Instructions section.

## 2.3 SUBMISSION OF ACKNOWLEDGEMENT OF RECEIPT FORM/INTENT TO BID

Please submit your Acknowledgement of Receipt Form/Intent to Bid to the Procurement Manager, via email, at [psia.procurement@state.nm.us](mailto:psia.procurement@state.nm.us) by **Friday, September 19, 2025, 3:00 PM MST/MDT**. **Claims data will not be released until a signed NDA is received.**

## 2.4 EXPLANATION OF EVENTS

This section of the RFP contains the schedule of events, the descriptions of each event, and the conditions governing this procurement.

The following paragraphs describe the activities listed in the Sequence of Events shown in Section 2.2., above.

**Instructions for downloading a redacted proposal:** Click on the **Standard** selection under the **Reports / Print** heading in the left-hand side menu. On the following screen check the box for an **External Report**. Under the filtered report options select **Flagged** and check the box under the **Exclude Marked** column for **Confidential**. Once those selections have been made click **Generate Report** and attach the redacted proposal with your submission.

**B. Cost Proposals - One (1) ELECTRONIC upload of the proposal containing ONLY the Cost Proposal. The ELECTRONIC proposal submission must be fully uploaded by the submission deadline in Section 2.2. It is the Offeror's responsibility to ensure all documents are completely uploaded and submitted electronically via ProposalTech by the deadline set forth in this RFP.**

Please ensure that you, as the Offeror, allow adequate time for large uploads and to fully complete your submittal by the deadline. A submission that is not both: (1) fully complete; and (2) received, will be deemed late. Further, a submission that is not fully complete and received by the deadline because the response was captured, blocked, filtered, quarantined or otherwise prevented from reaching the proper destination server by any anti-virus or other security software will be deemed late. In accordance with statute and rule, **NO LATE OFFER CAN BE ACCEPTED**. Any proposal that does not adhere to the requirements of this Section and Section 3. Proposal Content and Organization may be deemed non-responsive and rejected on that basis.

**Proposals in response to this RFP must be submitted through ProposalTech ONLY: ([www.proposaltech.com](http://www.proposaltech.com)).**

The IBAC agencies and UNM reserve the right to ask Vendors follow-up questions through ProposalTech in consultation with the committee and the procurement manager as may be necessary to fully evaluate bidder capabilities.

### **3.3 PROPOSAL FORMAT**

#### **3.3.1 Technical Proposal Format**

DO NOT INCLUDE ANY COST INFORMATION IN THE TECHNICAL PROPOSAL. Discounts, dispensing fees, and rebate information asked for in the financial questionnaire may be listed but will be evaluated on a pass/fail basis where applicable.

#### **3.3.2 Cost Proposal Format**

Completed Cost Response Form (APPENDIX D). Cost proposals MUST be submitted separately from the technical proposal. Any proposals that contain cost information in the technical will be DISQUALIFIED.

## **4 RFP SPECIFICATIONS**

### **4.1 DETAILED SCOPE OF WORK**

The IBAC Agencies and UNM are seeking pharmaceutical benefit management services to include:

- development and maintenance of a cost-effective formulary of prescription drugs to maintain and improve the health of participating members,
- negotiation of advantageous contracts with pharmacies/providers and drug manufacturers for purchase, provision and delivery of drugs on the formulary to participating IBAC agencies and UNM members,
- clinical evaluation and analysis of the effectiveness of new prescription drugs approved by the FDA,

- consultation with the IBAC agencies and UNM about market changes within the prescription drug industry and how those changes impact costs,
- provision and maintenance of systems for processing and paying prescription claims — with systems that provide the IBAC agencies and UNM with accurate, consistent, timely and comprehensive reports,
- exceptional customer service to IBAC agencies and UNM members and their health care providers in day-to-day questions and also in the areas of clinical information about the proper use and effectiveness of prescribed drugs and cost-effective alternatives,
- a partnership with the selected PBM to identify, recommend and implement cost savings opportunities while ensuring the members obtain healthy outcomes in a cost-effective manner,
- a PBM partner that will coordinate and maintain vigorous clinical and utilization management strategies,
- management of specialty drugs, medical/pharmacy optimization, patient education, adherence support, and cost containment strategies,
- advanced technology platforms that support tele-pharmacy, electronic prescriptions, mobile app member access, and integration with existing health benefit systems,
- full financial transparency, including pass-through pricing options, disclosure of rebate arrangements, and audit-ready reporting,
- enhanced member services, including multilingual support, personalized engagement tools, and proactive outreach for adherence and cost-effective alternatives,
- incorporation of NADAC (National Average Drug Acquisition Cost) benchmarks into pricing and reimbursement strategies to ensure fair and transparent pharmacy payments,
- ongoing legislative monitoring and support, including timely updates on federal and state policy changes impacting pharmacy benefits, drug pricing, transparency, and access — with strategic consultation on compliance and advocacy opportunities,

commitment to rural and independent pharmacy inclusion, ensuring network adequacy and equitable access for members in underserved areas, while supporting community-based providers through fair contracting and reimbursement practices.

## 4.2 TECHNICAL SPECIFICATIONS

### 4.2.1 Organizational Experience

Offeror **must**:

Provide a brief description of relevant corporate experience with state government. The narrative must thoroughly describe how the Offeror has supplied expertise for similar contracts and must include the extent of their experience, expertise and knowledge as a provider of pharmacy benefit management services. All pharmacy benefit management services provided to private sector will also be considered.

### 4.2.2 Organizational References

Offeror must provide a list of three references as outlined in APPENDIX F. The purpose of these references is to document Offeror's experience relevant to the Scope of Work provided in this RFP in an effort to evaluate Offeror's ability to provide services under similar contracts.

Offeror is required to submit APPENDIX F, Organizational Reference Questionnaire (“Questionnaire”), to the business references it lists. **The business references must submit the Questionnaire directly to the procurement manager via email per section 1.4. The business references must not return the completed Questionnaire to the Offeror.** It is the Offeror's responsibility to ensure the completed forms are submitted on or before the date indicated in the RFP for inclusion in the evaluation process.

Organizational References that are not received or are not complete, may adversely affect the Offeror's score in the evaluation process. Offerors are encouraged to specifically request that their Organizational References provide detailed comments.

## 4.3 BUSINESS SPECIFICATIONS

### 4.3.1 Financial Stability

and UNM's claims data for any purpose outside of this RFP. Specifically, the bidder will not de-identify any of the IBAC Agencies or UNM's claims data or aggregate claims data (whether de-identified) with data received from the bidder's other clients, customers, or data sources without the IBAC Agencies or UNM's consent.

*Single, Radio group.*

1: Agree,

2: Disagree, explain: [ 200 words ]

**5.9 Confidentiality:** Segal requests this document be kept in strictest confidence, and it is only under adherence to this request that we are delivering this document to the prospective bidders. This document may be shared only within your organization for purposes of preparing your proposal response. As such, this document may not be copied or reproduced without Segal's and each IBAC Agencies and UNM's prior written consent for other purposes and will not be disclosed to third parties to whom the IBAC Agencies and UNM have not previously consented. The IBAC Agencies, UNM and Segal will keep all responses strictly confidential and will only use them for further evaluation of the stated project.

*Single, Radio group.*

1: Agree,

2: Disagree, explain: [ 200 words ]

**5.10 Exceptions:** Any exceptions to terms, conditions, or other requirements in any part of these specifications must be clearly and fully documented in the appropriate section of the proposal. Otherwise, it will be considered that all items offered are in strict compliance with the specifications.

*Single, Radio group.*

1: Agree,

2: Disagree, explain: [ 200 words ]

**5.11 Contract Terms and Conditions:** The IBAC Agencies and UNM reserve the right to negotiate provisions in addition to those contained in this RFP with the successful bidder. The contents of this RFP, as revised and/or supplemented, and the successful bidder's proposal will be incorporated into and become part of the contract.

*Single, Radio group.*

1: Agree,

2: Disagree, explain: [ 200 words ]

## 6 EVALUATION

### 6.1 EVALUATION POINT SUMMARY

The following is a summary of evaluation factors with point values assigned to each. These weighted factors will be used in the evaluation of individual potential Offeror proposals by sub-category.

Table 1: Evaluation Point Summary

#### Evaluation Criteria

Evaluation Factors	Possible Points
<b>4. RFP Specifications</b>	
4.2.1 Organizational Experience	16
4.2.2 Organizational References	9
4.3.1. Financial Stability	Pass/Fail

4.3.2 Campaign Contribution Disclosure Form	Pass/Fail
4.3.3 Letter of Transmittal	Pass/Fail
<b>5. Mandatory Requirements</b>	Pass/Fail
<b>7. Financial Questionnaire</b>	
7.1 Term/ Termination	10
7.2 Financial Requirements	45
7.3 Financial Definitions	40
7.4 Financial Assumptions	20
7.5 Administrative Fees	20
7.6 NADAC	20
7.7 Specialty Pharmacy	20
7.8 Allowances	10
7.9 Pricing Summary and Projections	10
7.10 Copay Assistance Program	10
<b><i>Subtotal Financial Questionnaire</i></b>	<b>205</b>
<b>8. Technical Questionnaire</b>	
8.1 Formulary Management	25
8.2 Clinical Programs	20
8.3 Retail Network Management	15
8.4 EGWP- New Mexico Retiree Health Care Authority (NMRHCA)	20
8.5 Audit Rights	15
8.6 Implementation	15
8.7 Member Service and Account Management	20
8.8 Legal Responsibilities	10
8.9 Performance Guarantees	10
8.10 Federal No Surprises Act and Final Transparency Rule Support	5
8.11 Cyber Security Requirements	15
<b><i>Subtotal Technical Questionnaire</i></b>	<b>170</b>
<b>Appendix G Service Approach Narrative</b>	
Appendix G Service Approach Narrative	100
<b>Total RFP Specifications +Questionnaires + Service Approach Points</b>	<b>500</b>
<b>Cost Response Form</b>	<b>500</b>
Oral Presentations (if Applicable)	<b>200</b>
<b>Total points with Cost Response and Oral Presentation</b>	<b>1,200</b>
<b>New Mexico Resident Business Preference / Native American Resident Preference</b>	<b>96</b>
<b>New Mexico/Native American Resident Veteran Preference</b>	<b>120</b>
<b>Total</b>	<b>1,320</b>

# New Mexico Retiree Health Care Authority (CP)

## Change in Market Value

From Jul 2025 To Jul 2025

(Report as of September 18, 2025)

Investment Name	Prior Ending Market Value	Contributions	Distributions	Fees	Income	Gains - Realized	Gains - Unrealized	Gains - Realized & Unrealized	Market Value
Core Bonds Pool	365,830,358.49	-	-	-	962,716.94	265,415.75	(1,948,662.39)	(1,683,246.64)	365,109,828.79
NM Retiree Health Care Authority Cash Account	-	(403,676,079.64)	403,676,079.64	-	-	-	-	-	-
Non-US Developed Markets Index Pool	255,219,943.38	-	(254,547,654.05)	-	1,811.06	48,429,721.46	(48,430,658.62)	(937.16)	673,163.23
Non-US Emerging Markets Active Pool	149,340,072.83	-	(149,128,425.59)	-	21,645.25	21,908,501.58	(21,940,270.75)	(31,769.17)	201,523.32
Non-US Large Cap Active Pool	-	134,332,978.52	-	-	151,495.61	4,724,563.76	(6,140,667.71)	(1,416,103.95)	133,068,370.18
Non-US Large Cap Passive Pool	-	187,472,327.38	-	-	175,521.97	(120,974.75)	(718,319.43)	(839,294.18)	186,808,555.17
Non-US SMID Cap Active Pool	-	32,361,207.62	-	-	47,901.91	71,080.09	(336,376.70)	(265,296.61)	32,143,812.92
Non-US SMID Cap Passive Pool	-	49,509,566.12	-	-	82,054.69	621,459.94	(714,023.93)	(92,563.99)	49,499,056.82
Private Debt Market Pool	258,064,715.64	-	-	-	537,627.16	245,183.43	(468,355.54)	(223,172.11)	258,379,170.69
Private Equity Pool	230,822,844.15	-	-	-	87,503.06	1,369,266.78	(1,891,795.01)	(522,528.23)	230,387,818.98
Real Estate Pool	148,137,894.64	-	-	-	318,131.95	171,236.19	(735,070.49)	(563,834.30)	147,892,192.29
Real Return Pool	89,600,492.89	-	-	-	149,085.61	90,038.35	(264,970.04)	(174,931.69)	89,574,646.81
US Large Cap Index Pool	272,897,813.60	-	-	-	207,127.73	55,895.23	5,803,101.25	5,858,996.48	278,963,937.81
US SMID Cap Alternative Weighted Index Pool	34,792,219.26	-	-	-	26,605.98	156,559.93	140,613.60	297,173.53	35,115,998.77
Sub - Total New Mexico Retiree Health Care	1,804,706,354.88	-	-	-	2,769,228.92	77,987,947.74	(77,645,455.76)	342,491.98	1,807,818,075.78
<b>Total New Mexico Retiree Health Care A</b>	<b>1,804,706,354.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,769,228.92</b>	<b>77,987,947.74</b>	<b>(77,645,455.76)</b>	<b>342,491.98</b>	<b>1,807,818,075.78</b>

# New Mexico Retiree Health Care Authority (CP)

## Change in Market Value

For the Month of Aug 2025

(Report as of September 17, 2025)

Investment Name	Prior Ending Market Value	Contributions	Distributions	Fees	Income	Gains - Realized	Gains - Unrealized	Gains - Realized & Unrealized	Market Value
Core Bonds Pool	365,109,828.79	-	-	-	919,067.12	352,224.78	2,836,825.32	3,189,050.10	369,217,946.01
NM Retiree Health Care Authority Cash Account	-	-	-	-	-	-	-	-	-
Non-US Developed Markets Index Pool	673,163.23	-	-	-	30,292.31	257.75	2,836.31	3,094.06	706,549.60
Non-US Emerging Markets Active Pool	201,523.32	-	-	-	93,962.26	26,669.05	(40,883.75)	(14,214.70)	281,270.88
Non-US Large Cap Active Pool	133,068,370.18	-	-	-	262,081.77	110,188.36	3,967,638.18	4,077,826.54	137,408,278.49
Non-US Large Cap Passive Pool	186,808,555.17	-	-	-	257,156.47	33,187.82	5,939,180.15	5,972,367.97	193,038,079.61
Non-US SMID Cap Active Pool	32,143,812.92	-	-	-	51,922.39	(8,510.87)	1,362,622.85	1,354,111.98	33,549,847.29
Non-US SMID Cap Passive Pool	49,499,056.82	-	-	-	83,214.75	863,821.07	1,249,579.74	2,113,400.81	51,695,672.38
Private Debt Market Pool	258,379,170.69	-	-	-	1,306,369.48	(41,360.13)	(824,246.18)	(865,606.31)	258,819,933.86
Private Equity Pool	230,387,818.98	-	-	-	89,851.15	1,467,152.07	(867,006.12)	600,145.95	231,077,816.08
Real Estate Pool	147,892,192.29	-	-	-	178,565.49	19,828.28	74,427.73	94,256.01	148,165,013.79
Real Return Pool	89,574,646.81	-	-	-	159,783.75	149,316.97	(217,094.07)	(67,777.10)	89,666,653.46
US Large Cap Index Pool	278,963,937.81	-	-	-	333,427.26	(248,385.63)	5,783,743.24	5,535,357.61	284,832,722.68
US SMID Cap Alternative Weighted Index Pool	35,115,998.77	-	-	-	59,751.01	(20,773.69)	2,438,971.00	2,418,197.31	37,593,947.09
Sub - Total New Mexico Retiree Health Care	1,807,818,075.78	-	-	-	3,825,445.21	2,703,615.83	21,706,594.40	24,410,210.23	1,836,053,731.22
<b>Total New Mexico Retiree Health Care</b>	<b>1,807,818,075.78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,825,445.21</b>	<b>2,703,615.83</b>	<b>21,706,594.40</b>	<b>24,410,210.23</b>	<b>1,836,053,731.22</b>



**MICHELLE LUJAN GRISHAM**  
GOVERNOR

State of New Mexico  
**STATE INVESTMENT COUNCIL**

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**ROBERT "VINCE" SMITH, CFA**  
DEPUTY STATE INVESTMENT OFFICER  
CHIEF INVESTMENT OFFICER

For Immediate Release  
September 26, 2025

Contact: Charles Wollmann  
(505) 231 3334

## State Investment Council CIO to Step Down to Focus on Cancer Fight

*Chief Investment Officer Robert "Vince" Smith led NMSIC Investments for 15 years, guiding massive and rapid growth of NM Permanent Funds*

SANTA FE – Deputy State Investment Officer and CIO Vince Smith disclosed to staff and colleagues Thursday that he will retire from his role as Chief Investment Officer to focus 100% on his health, following a cancer diagnosis earlier this month. Smith indicated he is starting treatments and felt it prudent not to try and divide his time, given the critical nature of his role.

State Investment Officer Jon Clark thanked Smith for his many years of service and wished Smith and his family the very best in his recovery. "Vince's leadership has always been understated, but he has never backed down from a battle," said Clark. "The Council and staff are all pulling for his speedy recovery."

Smith, whose career as an institutional investor of public funds spans nearly four decades, joined the New Mexico State Investment Council in 2010 following a national search, where he was selected from more than 100 other candidates. In his role he has expertly led the investment management and rapid growth of the state's \$66 billion sovereign wealth fund overseen by the 11-member New Mexico State Investment Council.

During his tenure, Smith has diligently managed and mentored an investment staff of fourteen professionals, led in the development of investment policy, portfolio asset allocation, and long-term investment strategy, while providing direction for portfolio construction and manager selection and monitoring.

Smith is among the country's most experienced and long-serving public fund investment officers, with a career that started in the 1987, from where he gained investment experience across four state-level public funds in Montana, Texas, Kansas, and New Mexico. Smith has provided investment leadership and fund management to both pension and sovereign wealth investment programs. In the latter two states, he served as chief investment officer (CIO).

When Smith first arrived in New Mexico, the state's permanent funds and endowments were valued at about \$14 billion, delivering \$712 million in funding to schools and beneficiaries annually. Spurred by record oil and gas inflows and strong investment returns, those funds today are valued at more than four-times that amount, while now distributing \$2.6 billion every year. The Fund's impact accounts for 78% of NM early childhood programs and 28% of public K-12 education funding, the equivalent of \$3000 in average tax savings for the typical New Mexico household.

Smith's investment teams expertly implement a top-down investment process, driven by macroeconomic analysis, long term strategy, and strategic asset allocation. Smith has worked closely with the State Investment Officer (SIO) and the [State Investment Council](#), led by Governor Michelle Lujan Grisham, Land Commissioner Stephanie Garcia Richard and Treasurer Laura Montoya.

SIO Clark indicated details on a search for a permanent successor will come at a later time. Smith will continue to consult with investment staff prior to his effective retirement date of December 31<sup>st</sup>.



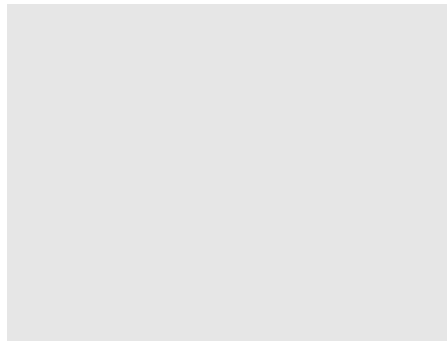
[https://www.santafenewmexican.com/news/local\\_news/new-mexico-health-insurance-premiums-set-to-spike-in-2026-due-to-heavy-2024-usage/article\\_4f515217-547f-46ed-bo89-1de84ae07fa1.html](https://www.santafenewmexican.com/news/local_news/new-mexico-health-insurance-premiums-set-to-spike-in-2026-due-to-heavy-2024-usage/article_4f515217-547f-46ed-bo89-1de84ae07fa1.html)

## New Mexico health insurance premiums set to spike in 2026 due to heavy 2024 usage, rising cost

★ Follow Margaret O'Hara

By Margaret O'Hara mohara@sfnewmexican.com

Sep 23, 2025



Alice Kane

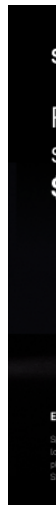
Prepare for some pain in the pocketbook: Individual and small group health insurance premiums in New Mexico are set to increase substantially in 2026.

Individual plans — sold on and off the state health insurance marketplace as part of the Affordable Care Act — will see an average rate increase of nearly 36% in 2026, the New Mexico Office of the Superintendent of Insurance announced in August.

Premium rates for small group health insurance — which are available to small employers with fewer than 50 employees — are rising, too, the office announced Monday. The average increase across all small group health insurance plans is nearly 17% for 2026.

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The office is waiting for analysis to determine what impact individual consumers should expect in terms of changes in out-of-pocket premium costs. Combined, those two types of insurance plans cover more than 110,000 New Mexico residents.

The primary factor driving the increase in insurance costs: People used more medical services and prescription drugs in 2024, the year upon which 2026 rates are based, said Viara Ianakieva, Life and Health Division director at the Office of the Superintendent of Insurance.

“Utilization among the members is higher,” Ianakieva said.

The rising insurance premiums come as many New Mexicans struggle to afford basic essentials, including health care costs. In 2023, nearly half of New Mexico households lived in poverty or otherwise struggle to afford basics like housing, health care, food and transportation, according to a report released earlier this month by the United Ways of New Mexico.

Gov. Michelle Lujan Grisham has asked lawmakers to address the affordability of health insurance premiums during an upcoming special legislative session, set to begin Oct. 1. The request takes on particular relevance as upcoming federal policy changes could result in as many as 254,000 New Mexicans on Medicaid being subject to additional paperwork to remain enrolled and 88,000 New Mexicans losing Medicaid coverage altogether.

More than 75,000 New Mexico residents purchase health insurance through the individual market's Affordable Care Act plans, which are available through Presbyterian Health Plan, United Healthcare of New Mexico, Molina Health Care of New Mexico and BlueCross BlueShield of New Mexico.

Premiums range widely based on the insured person's selected plan, location, age and tobacco use. For a 30-year-old in Santa Fe, for example, 2026 premiums for the individual market's Affordable Care Act plans range from about \$460 to \$730 per month.

However, Ianakieva stressed those figures represent the total cost of benefits but not what individuals are likely to pay out of pocket, since state and federal subsidies significantly reduce premium costs.

"Those premiums are much higher than what the average person would have to pay in the individual market," Ianakieva said. "And then in the small group market, there is also additional relief through the health care affordability initiatives that are in our state."

Federal and state premium assistance will continue to reduce the burden of insurance costs on individual market consumers. More than half of customers who purchase their insurance through BeWell, the New Mexico health insurance marketplace, pay less than \$10 a month for coverage after subsidies.

While federal premium tax credits — which make Affordable Care Act coverage more affordable for millions of enrollees across the U.S. — may expire at the end of this year, state money from the Health Care Affordability Fund will cover the loss of the credits for households living below 400% of the federal poverty level, according to the Office of the Superintendent of Insurance.

Small group plans, meanwhile, will be available through Blue Cross Blue Shield of New Mexico, Presbyterian Health Plan, Presbyterian Insurance Co., UnitedHealthcare of New Mexico and UnitedHealthcare Insurance Co. in 2026.

The reasons behind the increase is the same for individual and small group insurance, state Superintendent of Insurance Alice Kane said. In both cases, the rising costs are the result of higher-than-expected 2024 claims, increased use of medical services and increased drug costs.

"State insurance regulators across the country are grappling with rising health insurance costs," Kane said in a news release. "The OSI team rigorously reviewed rate requests to ensure they were fare and actuarially justified."

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*Margaret O'Hara reports on issues affecting healthy communities in New Mexico. Her work is funded by a grant from Anchorum Health Foundation. Anchorum will not have any role in editorial decisions. The New Mexican and its Public Service Journalism Fund retain full editorial control. Philanthropically funded stories by The New Mexican are made available to all readers without a paywall.*



STATE OF NEW MEXICO EXECUTIVE OFFICE SANTA FE, NEW MEXICO

# Proclamation

***WHEREAS**, President Trump recently signed into law a budget bill that will significantly cut federal funding to many vital programs;*

***WHEREAS**, health care service providers in rural parts of New Mexico are disproportionately impacted by the federal funding cuts, straining their already stretched ability to provide health care and behavioral health services to those communities;*

***WHEREAS**, federal funding cuts will lead to the expiration of certain federal tax credits which will result in increased health care premium costs for many working families in New Mexico;*

***WHEREAS**, federal funding cuts to programs like the Supplemental Nutrition Assistance Program, public broadcasting, and Medicaid will prevent New Mexicans from obtaining needed resources such as health care and aging services, decrease public awareness of important events, impact funding for education and infrastructure, and contribute to food insecurity;*

***WHEREAS**, the Secretary of the United States Department of Health and Human Services and the public health agencies under his control promulgate vaccine recommendations that jeopardize the lives of New Mexicans;*

***WHEREAS**, the Western New Mexico University Board of Regents resigned just before the beginning of the last legislative session, leaving the Legislature with insufficient time to confirm all of their replacements;*

***WHEREAS**, courts in New Mexico, particularly those in our largest cities, are inundated with requests to determine the competency and behavioral health needs of parties;*

***WHEREAS**, New Mexico has recently experienced an unprecedented amount of natural disasters, which have required emergency appropriations that have depleted the Appropriation Contingency Fund;*

***WHEREAS**, the New Mexico Regulation and Licensing Department requires supplemental funding to ensure it can continue to properly regulate businesses and professionals across the State;*

***WHEREAS**, New Mexico may enter into an interstate medical licensing compact during the next legislative session in order to increase access to healthcare professionals, which will require advanced planning and preparation; and*

***WHEREAS**, it is necessary for the New Mexico State Legislature to convene at the State Capitol Building to address these pressing issues.*

***NOW THEREFORE**, I, Michelle Lujan Grisham, Governor of the State of New Mexico, by virtue of the authority vested in me by Article IV, Section 6 of the New Mexico Constitution, do hereby issue this proclamation and call the Fifty-Seventh Legislature of the State of New Mexico into a Special Session at twelve o'clock p.m. on Wednesday October 1, 2025, at the State Capitol Building in Santa Fe. In accordance with Article IV, Section 6, this Special Session is called for the purpose of considering and enacting legislation concerning the following objects and no others: (1) amending the Rural Health Care Delivery Fund to allow for grants to health care providers and facilities in high-needs geographic health professional shortage areas and stabilize the provision of existing health care services; (2) adjusting*

eligibility requirements for participating in the New Mexico health insurance exchange; (3) requiring rules for the immunization of children attending schools to be based on the recommendations of the New Mexico Department of Health, allowing the Department of Health to set vaccination standards for adults, and requiring vaccines purchased pursuant to the statewide vaccine purchasing program to be recommended by the Department of Health; (4) appropriating funds in response to recent federal budget cuts; (5) confirming regents to the Western New Mexico University Board of Regents; (6) amending competency laws to allow metropolitan courts to determine competency; (7) appropriating funds to the Administrative Office of the Courts for a competency pilot program and behavioral health support for parties in legal proceedings; (8) transferring funds into the Appropriation Contingency Fund; (9) appropriating funds to supplement the New Mexico Regulation and Licensing Department's budget; (10) appropriating funds to study and prepare for the implementation of any interstate medical licensing compact; and (11) appropriating funds for the expenses of the Fifty-Seventh Legislature, First Special Session, 2025.

Attest:

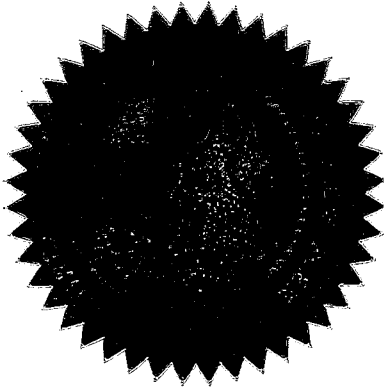
*Maggie Toulouse Oliver*

Maggie Toulouse Oliver  
Secretary of State

Done at the Executive Office this  
30<sup>th</sup> day of September 2025.

Witness my hand and the Great Seal  
of the State of New Mexico.

*Michelle Lujan Grisham*  
Michelle Lujan Grisham  
Governor



[https://www.abqjournal.com/news/article\\_9fc48f2c-063d-471c-946a-dfd2bfda57e0.html](https://www.abqjournal.com/news/article_9fc48f2c-063d-471c-946a-dfd2bfda57e0.html)

FEATURED

## Lawmakers approve \$17 million plan to shield New Mexicans from health insurance hikes

Natalie Robbins / Journal Staff Writer

Oct 2, 2025

1 of 2



Sen. Jay Block, R-Rio Rancho, left, and Sen. Carrie Hamblen, D-Las Cruces, talk on the Senate floor before the start of the session at the Roundhouse in Santa Fe on Thursday. Hamblen co-sponsored a bill to bolster the Health Care Affordability

In a special session this week, the state Legislature passed a bill intended to alleviate some of the sticker shock New Mexicans may face when they see the increases to the cost of their marketplace health insurance plans next year.

House Bill 2, which passed Thursday with bipartisan support, will cover the gap left by Biden-era tax credits that made Affordable Care Act premiums more affordable for households with incomes over 400% of the federal poverty level. The tax credits will expire at the end of the year unless Congress opts to renew them.

After the bill is signed by Gov. Michelle Lujan Grisham, it will go into effect immediately, before New Mexicans receive their health insurance renewal notices on Nov. 1, said House Majority Leader Reena Szczepanski, D-Santa Fe, the bill's co-sponsor.

“I think families are really nervous about the rising cost of premiums for health insurance,” Szczepanski said in an interview. “I’m really proud that we were able to act.”

When the tax credits expire at the end of the year, New Mexicans will be saddled with some of the highest ACA rate increases in the country, according to a Journal analysis of marketplace data compiled by health policy nonprofit Kaiser Family Foundation. Premiums will increase by an average of 35.7%, per the state Office of the Superintendent of Insurance.

Without the subsidies, an Albuquerque couple nearing retirement age with a combined annual income of \$84,600 would see a 311% increase in their monthly ACA premiums, according to marketplace data. The couple would spend \$2,462 a month — or 35% of their total income — on their marketplace coverage. With the subsidies guaranteed by HB2, their monthly health insurance cost will be around \$600, per BeWell.

The BeWell marketplace is where New Mexicans who do not qualify for Medicaid or Medicare and do not have coverage through their jobs can buy health insurance via the ACA, commonly known as Obamacare.

Unlike Medicaid, which is for low-income Americans, the ACA serves mostly middle-class households. About half of the adults with health insurance through the ACA marketplace are small business owners or employees, or are self-employed, according to KFF.

Around 75,000 New Mexicans buy health insurance through the BeWell marketplace, according to state officials, and about 6,500 people are receiving federal premium assistance that is set to expire at the end of the year, Szczepanski said.



“We’re going to see some people being forced to drop insurance coverage due to the high cost,” she said. “I think we put a serious dent in that with this bill.”

Democrats and Republicans in Congress remain at odds over whether to let the ACA tax credits expire. The issue has become a sticking point in the federal government shutdown, which is ongoing as of Thursday.

New Mexico, Szczepanski said, is one of the only states planning to cover the cost of the lost credits.

The subsidies will cost the state \$17 million from the Health Care Affordability Fund for one fiscal year, but Albuquerque Democrat Sen. Antoinette Sedillo Lopez told legislators the aid would pay for itself if it meant New Mexicans got to keep their health insurance.

“While this does have some cost to the state for the future, it also has some savings,” Sedillo Lopez said. “When people forego health insurance and have to wait until they have to go to the emergency room to deal with catastrophe, it’s actually more expensive.”

The bill received support from both sides of the aisle. It passed in the House with a vote of 49-13 and in the Senate with a vote of 34-3.

Some Senate Republicans expressed concern about an increase in state spending under the bill, and advocated for the legislation to include an income cap for the subsidies rather than a sliding scale.

The votes against the measure in the Senate included Senate Minority Leader William Sharer, R-Farmington, who said the legislation didn't offer any permanent solutions to New Mexico's health care crisis.

"I'm not convinced that this is the right path, not because I lack compassion," Sharer said.



Lujan Grisham called the special session of the Legislature, which started Wednesday and ended Thursday, to address some of the repercussions of the cuts from the Trump administration's "One Big Beautiful Bill" on an emergency basis.

After the House adjourned Thursday evening, House Speaker Javier Martínez, D-Albuquerque, told reporters that lawmakers intended to continue exploring more permanent solutions in the upcoming January session.

"These are temporary fixes," Martínez said.

HB 1	GENERAL APPROPRIATIONS	Nathan P. Small Meredith A. Dixon Sarah Silva George K. Muñoz	[1] HAFC-HAFC [2] DP - PASSED/H (43-24)- SFC-SFC- DP [3] PASSED/S (25-13)	2025 1st Special
*HB 2	HEALTH CARE COVERAGE CHANGES	Reena Szczepanski Charlotte Little Marian Matthews Carrie Hamblen Heather Berghmans	[1] HHHC-HHHC [2] DP - PASSED/H (49-13) [3] SHPAC-SHPAC [4] DP - PASSED/S (34-3)	2025 1st Special
*SB 1	HEALTH CARE GRANTS & STABILIZATION	Elizabeth "Liz" Stefanics Pat Woods Elizabeth "Liz" Thomson Anita Gonzales	[1] SFC-SFC- DP/a [2] PASSED/S (39-0)- HHHC-HHHC- DP [3] PASSED/H (64-3)	2025 1st Special
*SB 2	CRIMINAL COMPETENCY	Katy M. Duhigg Christine Chandler Michelle Paulene Abeyta Pamelya Herndon	[1] SJC-SJC- DP [2] PASSED/S (37-0)- HJC-HJC- DP [4] PASSED/H (65-3)	2025 1st Special
SB 3	IMMUNIZATION RULES & RECOMMENDATIONS	Linda M. López Cindy Nava Dayan Hochman-Vigil Joy Garratt Linda Serrato	[1] SHPAC-SHPAC- DP [2] PASSED/S (26-13)- HHHC-HHHC- DP [3] PASSED/H (43-26)	2025 1st Special

SB 4	CHILD BEST INTERESTS STANDARD	Crystal Brantley David M. Gallegos Anthony L. Thornton Joshua A. Sanchez Nicole Tobiassen	[1] SCC-SCC	2025 1st Special
SB 5	CYFD SECRETARY NOMINATING COMMISSION	Nicole Tobiassen Anthony L. Thornton Jay C. Block Candy Spence Ezzell Joshua A. Sanchez	[1] SCC-SCC	2025 1st Special
*SB 6	EXPOSURE OF CHILDREN TO DRUGS	Nicole Tobiassen Jay C. Block Candy Spence Ezzell Joshua A. Sanchez Crystal Brantley	[1] SCC-SCC	2025 1st Special
SB 7	CHILD DELINQUENCY CHANGES	David M. Gallegos Joshua A. Sanchez Nicole Tobiassen Crystal Brantley	[1] SCC-SCC	2025 1st Special

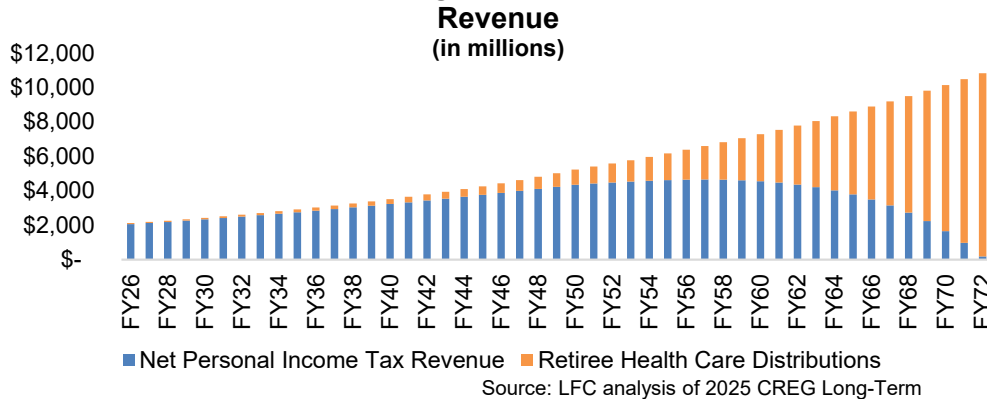
SB 8	MEDICAL MALPRACTICE CHANGES	Anthony L. Thornton Jay C. Block Joshua A. Sanchez Crystal Brantley David M. Gallegos	[1] SCC-SCC	2025 1st Special
SB 9	INTERSTATE MEDICAL LICENSURE	Nicole Tobiassen Anthony L. Thornton Jay C. Block Candy Spence Ezzell Joshua A. Sanchez	[1] SCC-SCC	2025 1st Special

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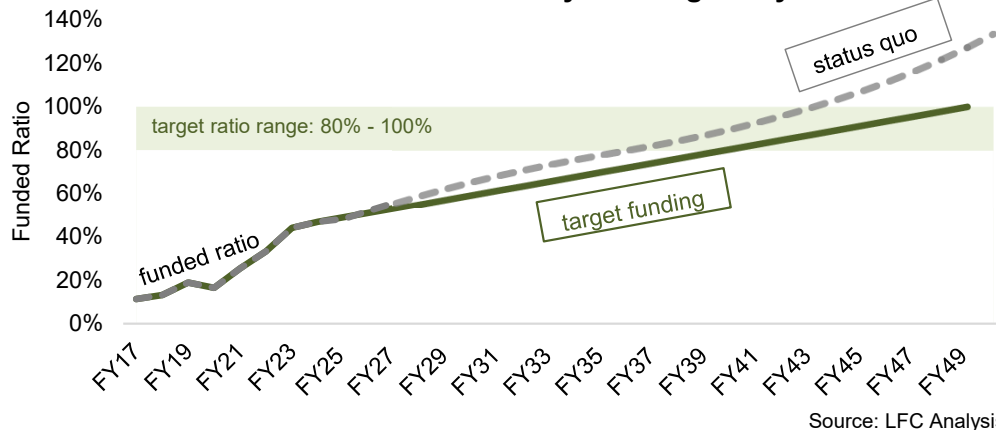
# Identified in the process is the erosion of personal income tax by retiree healthcare distributions.

**Retiree Healthcare Obligations vs. Personal Income Tax**



- RHC will receive \$65 million in general fund support in FY26 outside the appropriations process.
- The fund will likely reach a 100% funded ratio by FY37.
- The compounding growth rate of distributions (12%) outpace general fund growth and eventually surpass PIT collections.

**Retiree Healthcare Authority Funding Analysis**



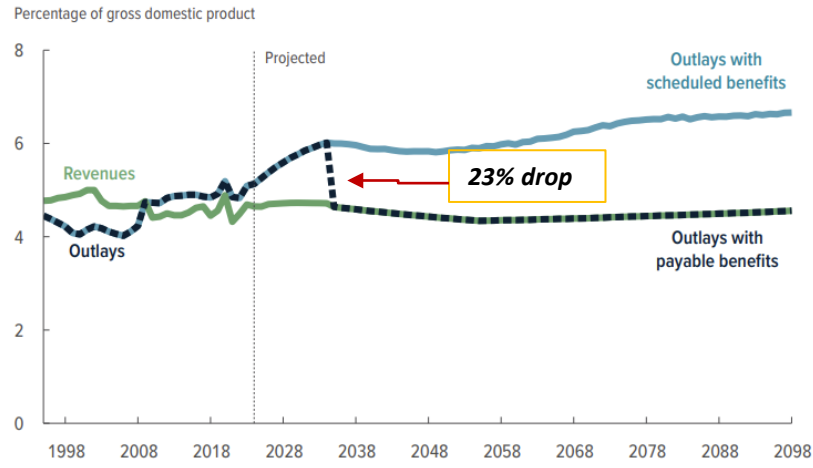
Note: the analysis of the RHCA funded ratio is estimated by LFC using RHCA financial statements. RHCA has not provided a long-term actuarial analysis to LFC staff. Conducting long-term actuarial analysis are best practice among defined benefit plans to ensure appropriate funding levels.



**FY26 General Fund Support of Select Programs**

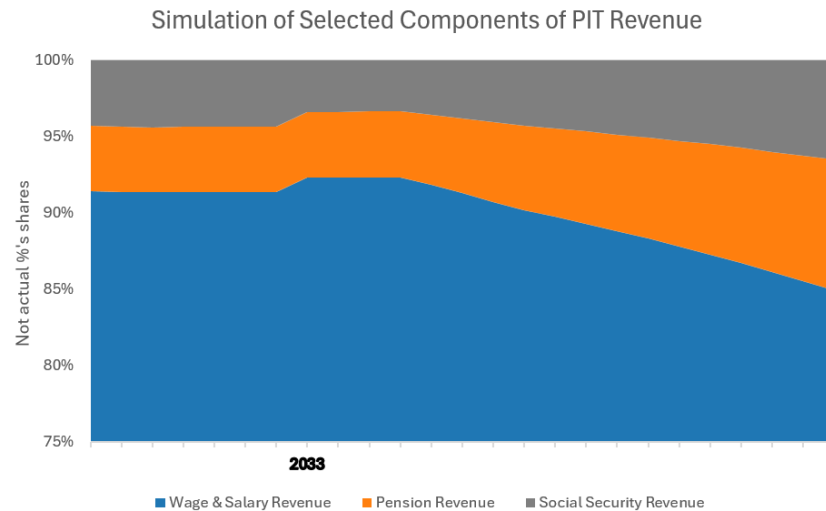
Agency	FY26 General Fund (thousands)
Eastern New Mexico University	\$69,700
Administrative Office of the Courts	\$59,200
<b><u>Retiree Healthcare Authority</u></b>	<b><u>\$58,000</u></b>
Bernalillo County District Attorney (2 <sup>nd</sup> DA)	\$35,800
Department of Environment	\$33,300
Economic Development Department	\$27,990

# New Mexico's Demographic Shift – Associated Risks



Source: Congressional Budget Office, August 2024

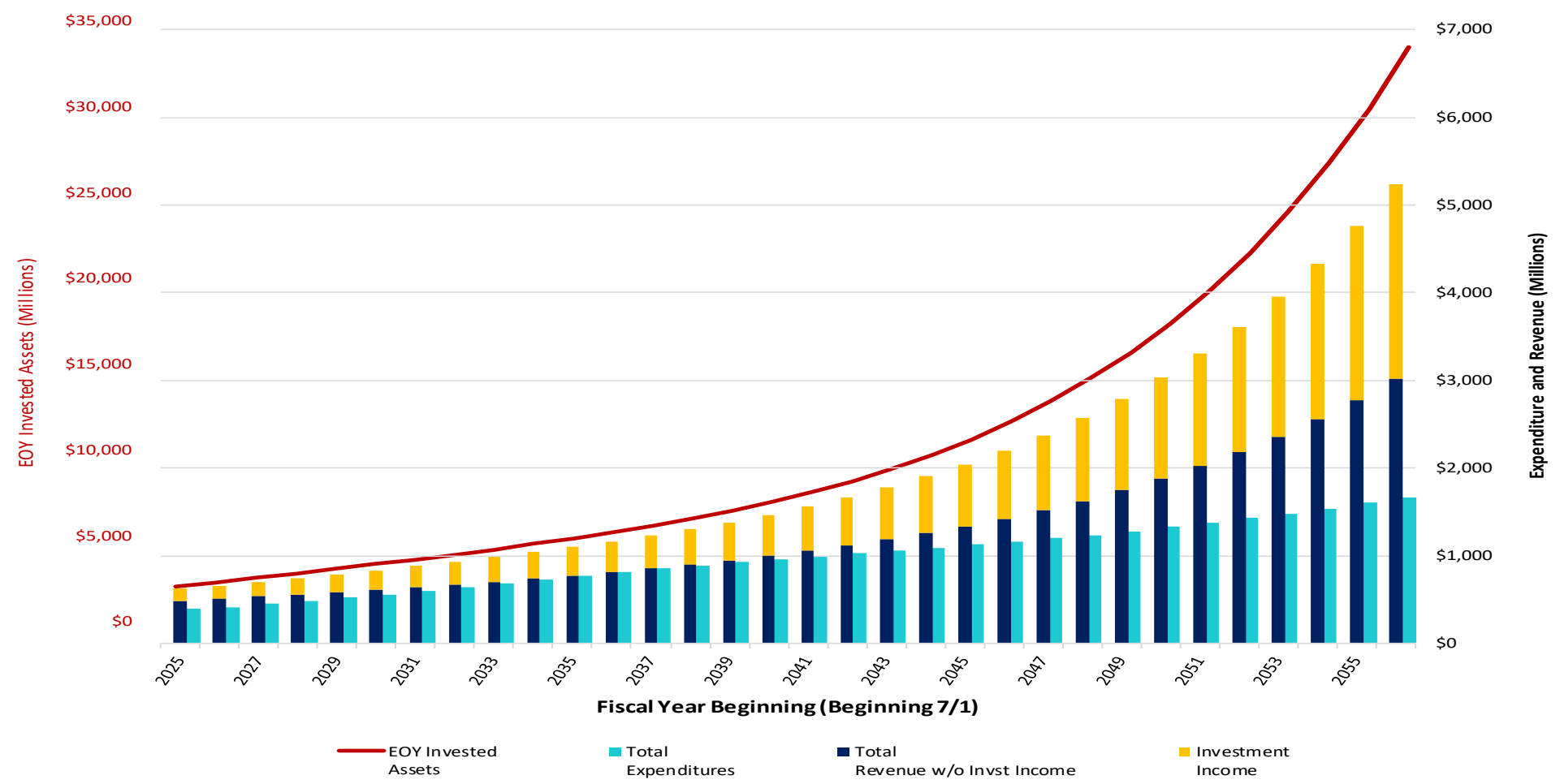
- The Congressional Budget Office forecasts that the Social Security Trust Fund balance will be exhausted in 2033, assuming current benefits are continued
- To maintain payable benefits within annual revenues, Social Security benefits on average would need to drop 23%
- While Social Security is a small percentage of New Mexico's Personal Income Tax (PIT) tax base and revenue, this places continued downward pressure on future PIT revenue along with:
  - Declining state employment level and PIT revenue from wages & salaries
  - Increasing demand on income supports for retirees
  - The Retire Health Care distribution continues to grow at 12% per year shifting revenue away from the General Fund, almost \$1 billion by FY2050
- The uncertainty of any federal approach to shore up the Social Security Trust Fund will have secondary impacts in the economy
- A change to Social Security benefits is not included in the long-term CREG forecast but presents a risk



Source: Tax & Rev 2025 Simulation and Analysis

# 2025 Solvency Scenario – Board Approved Rate Action with SB51 Impact

*2% Non-Medicare retiree and spouse, 3% Non-Medicare dependent, 0% Med Supp Rate Increases\*, CY2026 Non-Medicare Rx Copay Changes and EGWP Plan Changes*



\* No annual Medicare Supplement rate increases throughout the projection period.



# New Mexico Retiree Health Care Authority Long-Term Solvency Modeling


Projected Year of Insolvency: Exceeds Projection Period

Scenario: Approved Board Meeting Scenario with SB51 - Using the starting balance as of June 30, 2025

Description: 8% trend for Non-Medicare medical until CY2028 and then decreasing at 0.25% each year until a 4.5% ultimate trend; 6% trend for Medicare medical until CY2033 and then decreasing at 0.25% each year until a 4.5% ultimate trend; 14% trend for Non-Medicare Rx through CY2026, then decreasing at 1.0% through 2032 and then decreasing by 0.25% each year until a 4.5% ultimate trend; 11% trend for Medicare Rx through CY2026 decreasing at 0.5% through 2031 and then decreasing by 0.25% each year until a 4.5% ultimate trend; CY2026 Rx Non-Medicare Copay Changes, and No Annual Non-Medicare Plan Changes thereafter; CY2026 EGWP plan changes, and No Annual Medicare Supplement & EGWP plan changes thereafter; Annual Non-Medicare Rate Increases of 2% for Retiree and Spouse and 3% dependents in CY2026, and 0% thereafter, Medicare Rate Increase of 0% throughout. Assumed rate of return of 7.25%; Payroll growth assumption of 4.00% for Public Safety and 3.48% for Other Occupations in FY2026 and 2.75% beginning FY2027 overall; 12% Pension Tax Revenue. Includes financial impact from 2025 approved legislation and SB51 impact for CY2024-CY2025.

Fiscal Year Beginning	BOY Invested Assets	REVENUE								EXPENDITURES					Rev. - Exp. Excluding Inv. Income	EOY Invested Assets					
		Employer Contribution	Employee Contribution	Retiree Medical	Retiree Ancillary	Tax Revenue	Medicare PDP & Manufacturers Discount	Miscellaneous	Total Revenue w/o Invest Income	Investment Income	Medical/Rx	Ancillary Premiums	ASO & HC Reform Fees	Program Support			Total Expenditures				
7/1/2025	\$1,804,706,355	\$132,564,620	\$66,282,310	\$134,886,383	\$37,818,511	\$58,044,139	\$55,778,503	\$82,173	\$485,456,638	\$134,173,757	\$339,757,365	\$37,818,511	\$11,823,240	\$4,125,200	\$393,524,316	\$91,932,322	\$2,030,812,435				
7/1/2026	\$2,030,812,435	\$136,210,147	\$68,105,074	\$137,587,799	\$38,676,699	\$65,009,436	\$65,176,084	\$80,021	\$510,845,259	\$150,650,733	\$361,669,153	\$38,676,699	\$12,013,656	\$4,228,330	\$416,587,838	\$94,257,421	\$2,275,720,589				
7/1/2027	\$2,275,720,589	\$139,955,926	\$69,977,963	\$139,250,491	\$40,111,941	\$72,810,568	\$70,994,405	\$78,808	\$533,180,103	\$168,087,824	\$391,065,755	\$40,111,941	\$12,204,044	\$4,334,038	\$447,715,778	\$85,464,325	\$2,529,272,738				
7/1/2028	\$2,529,272,738	\$143,804,714	\$71,902,357	\$141,173,970	\$41,916,855	\$81,547,837	\$77,002,217	\$78,127	\$557,426,077	\$186,061,316	\$424,455,156	\$41,916,855	\$12,431,184	\$4,442,389	\$483,245,584	\$74,180,493	\$2,789,514,547				
7/1/2029	\$2,789,514,547	\$147,759,344	\$73,879,672	\$143,047,354	\$43,997,906	\$91,333,577	\$83,271,870	\$77,339	\$583,367,062	\$204,529,213	\$459,004,232	\$43,997,906	\$12,655,370	\$4,553,449	\$520,210,957	\$63,156,105	\$3,057,199,866				
7/1/2030	\$3,057,199,866	\$151,822,726	\$75,911,363	\$145,038,838	\$46,166,402	\$102,293,606	\$89,562,871	\$77,812	\$610,873,617	\$223,489,511	\$496,237,601	\$46,166,402	\$12,974,164	\$4,667,285	\$560,045,452	\$50,828,165	\$3,331,517,542				
7/1/2031	\$3,331,517,542	\$155,997,851	\$77,998,925	\$146,970,534	\$48,395,737	\$114,568,839	\$95,931,188	\$78,204	\$639,941,277	\$242,931,003	\$534,956,520	\$48,395,737	\$13,295,215	\$4,783,967	\$601,431,439	\$38,509,838	\$3,612,958,384				
7/1/2032	\$3,612,958,384	\$160,287,792	\$80,143,896	\$148,799,715	\$50,675,750	\$128,317,100	\$102,378,960	\$78,795	\$670,682,186	\$262,879,981	\$575,542,407	\$50,675,750	\$13,615,700	\$4,903,566	\$644,737,423	\$25,944,764	\$3,901,783,128				
7/1/2033	\$3,901,783,128	\$164,695,706	\$82,347,853	\$150,386,746	\$53,034,859	\$143,715,152	\$109,040,610	\$79,357	\$703,300,281	\$283,400,518	\$616,937,413	\$53,034,859	\$13,922,778	\$5,026,156	\$688,921,205	\$14,379,077	\$4,199,562,723				
7/1/2034	\$4,199,562,723	\$169,224,838	\$84,612,419	\$151,448,776	\$55,421,344	\$160,960,970	\$115,964,536	\$78,925	\$737,711,808	\$304,683,383	\$657,015,696	\$55,421,344	\$14,189,573	\$5,151,810	\$731,778,422	\$5,933,386	\$4,510,179,491				
7/1/2035	\$4,510,179,491	\$173,878,521	\$86,939,260	\$151,977,822	\$57,870,925	\$180,276,286	\$123,176,033	\$77,878	\$774,196,726	\$327,043,834	\$695,086,416	\$57,870,925	\$14,418,891	\$5,280,605	\$772,656,837	\$1,539,889	\$4,838,763,215				
7/1/2036	\$4,838,763,215	\$178,660,180	\$89,330,090	\$152,039,939	\$60,360,772	\$201,909,441	\$130,584,697	\$76,441	\$812,961,560	\$350,860,988	\$731,174,650	\$60,360,772	\$14,616,129	\$5,412,620	\$811,564,171	\$1,397,389	\$5,191,021,592				
7/1/2037	\$5,191,021,592	\$183,573,335	\$91,786,668	\$151,791,667	\$62,887,702	\$226,138,574	\$138,004,554	\$75,120	\$854,257,618	\$376,521,775	\$766,261,437	\$62,887,702	\$14,796,138	\$5,547,935	\$849,493,212	\$4,764,406	\$5,572,307,774				
7/1/2038	\$5,572,307,774	\$188,621,602	\$94,310,801	\$151,334,695	\$65,496,622	\$253,275,203	\$145,460,007	\$73,841	\$898,572,770	\$404,417,593	\$800,689,886	\$65,496,622	\$14,967,779	\$5,686,634	\$886,840,921	\$11,731,849	\$5,988,457,216				
7/1/2039	\$5,988,457,216	\$193,808,696	\$96,904,348	\$150,552,180	\$68,181,743	\$283,668,227	\$153,064,788	\$72,171	\$946,252,153	\$435,043,907	\$832,826,976	\$68,181,743	\$15,117,851	\$5,828,800	\$921,955,368	\$24,296,784	\$6,447,797,907				
7/1/2040	\$6,447,797,907	\$199,138,435	\$99,569,217	\$149,600,869	\$70,939,553	\$317,708,414	\$160,645,263	\$70,709	\$997,672,460	\$468,967,300	\$864,066,009	\$70,939,553	\$15,259,221	\$5,974,520	\$956,239,303	\$41,433,157	\$6,958,198,365				
7/1/2041	\$6,958,198,365	\$204,614,742	\$102,307,371	\$148,598,207	\$73,835,272	\$355,833,424	\$168,293,275	\$69,247	\$1,053,551,537	\$506,761,467	\$894,962,980	\$73,835,272	\$15,399,443	\$6,123,883	\$990,321,577	\$63,229,960	\$7,528,189,792				
7/1/2042	\$7,528,189,792	\$210,241,647	\$105,120,824	\$147,555,003	\$76,880,871	\$398,533,435	\$176,078,280	\$67,727	\$1,114,477,786	\$549,072,677	\$925,329,352	\$76,880,871	\$15,537,706	\$6,276,980	\$1,024,024,909	\$90,452,877	\$8,167,715,346				
7/1/2043	\$8,167,715,346	\$216,023,293	\$108,011,646	\$146,571,843	\$80,135,636	\$446,357,447	\$184,035,402	\$66,323	\$1,181,201,590	\$596,599,037	\$956,472,722	\$80,135,636	\$15,685,539	\$6,433,904	\$1,058,727,802	\$122,473,788	\$8,886,788,172				
7/1/2044	\$8,886,788,172	\$221,963,933	\$110,981,967	\$145,537,172	\$83,570,255	\$499,920,340	\$192,212,474	\$64,678	\$1,254,250,819	\$650,128,798	\$987,244,703	\$83,570,255	\$15,829,920	\$6,594,752	\$1,093,239,630	\$161,011,189	\$9,697,928,159				
7/1/2045	\$9,697,928,159	\$228,067,941	\$114,033,971	\$144,528,223	\$87,229,274	\$559,910,781	\$200,582,933	\$63,058	\$1,334,416,181	\$710,583,083	\$1,018,013,811	\$87,229,274	\$15,977,863	\$6,759,621	\$1,127,980,568	\$206,435,614	\$10,614,946,855				
7/1/2046	\$10,614,946,855	\$234,339,810	\$117,169,905	\$143,546,699	\$91,085,800	\$627,100,075	\$209,043,116	\$61,455	\$1,422,346,860	\$778,982,104	\$1,048,935,733	\$91,085,800	\$16,128,931	\$6,928,611	\$1,163,079,076	\$259,267,784	\$11,653,196,744				
7/1/2047	\$11,653,196,744	\$240,784,154	\$120,392,077	\$142,637,326	\$95,179,541	\$702,352,084	\$217,647,400	\$59,952	\$1,519,052,533	\$856,451,098	\$1,080,639,832	\$95,179,541	\$16,287,643	\$7,101,826	\$1,199,208,841	\$319,843,692	\$12,829,491,534				
7/1/2048	\$12,829,491,534	\$247,405,719	\$123,702,859	\$141,853,948	\$99,597,024	\$786,634,334	\$226,826,836	\$58,456	\$1,626,079,176	\$944,233,162	\$1,113,914,240	\$99,597,024	\$16,460,255	\$7,279,372	\$1,237,250,891	\$388,828,285	\$14,162,552,981				
7/1/2049	\$14,162,552,981	\$254,209,376	\$127,104,688	\$141,316,344	\$104,322,388	\$881,030,454	\$236,376,470	\$57,435	\$1,744,417,155	\$1,043,646,942	\$1,150,816,688	\$104,322,388	\$16,662,216	\$7,461,356	\$1,279,262,649	\$465,154,506	\$15,671,354,429				
7/1/2050	\$15,671,354,429	\$261,200,134	\$130,600,067	\$141,014,850	\$109,447,293	\$986,754,109	\$246,520,516	\$56,521	\$1,875,593,489	\$1,156,130,329	\$1,191,064,832	\$109,447,293	\$16,891,863	\$7,647,890	\$1,325,051,878	\$550,541,611	\$17,378,026,369				
7/1/2051	\$17,378,026,369	\$268,383,138	\$134,191,569	\$140,971,462	\$114,921,546	\$1,105,164,602	\$257,065,894	\$56,047	\$2,020,754,257	\$1,283,292,900	\$1,235,709,611	\$114,921,546	\$17,153,307	\$7,839,087	\$1,375,623,550	\$645,130,706	\$19,306,449,975				
7/1/2052	\$19,306,449,975	\$275,763,674	\$137,881,837	\$140,977,095	\$120,816,044	\$1,237,784,354	\$268,514,607	\$55,067	\$2,181,792,678	\$1,427,059,989	\$1,281,253,711	\$120,816,044	\$17,415,697	\$8,035,065	\$1,427,520,517	\$754,272,161	\$21,487,782,125				
7/1/2053	\$21,487,782,125	\$283,347,175	\$141,673,587	\$141,080,273	\$127,052,320	\$1,386,318,476	\$280,544,974	\$54,261	\$2,360,071,067	\$1,589,696,733	\$1,328,958,449	\$127,052,320	\$17,685,618	\$8,235,941	\$1,481,932,328	\$878,138,739	\$23,955,617,597				
7/1/2054	\$23,955,617,597	\$291,139,222	\$145,569,611	\$141,369,047	\$133,820,451	\$1,552,676,693	\$293,448,948	\$53,389	\$2,558,077,362	\$1,773,695,614	\$1,379,542,521	\$133,820,451	\$17,973,566	\$8,441,840	\$1,539,778,378	\$1,018,298,984	\$26,747,612,195				
7/1/2055	\$26,747,612,195	\$299,145,551	\$149,572,775	\$141,705,493	\$140,982,317	\$1,738,997,896	\$307,071,830	\$52,531	\$2,777,528,394	\$1,981,872,891	\$1,432,491,011	\$140,982,317	\$18,270,954	\$8,652,886	\$1,600,397,168	\$1,177,131,225	\$29,906,616,311				
7/1/2056	\$29,906,616,311	\$307,372,053	\$153,686,027	\$142,035,404	\$148,560,820	\$1,947,677,644	\$321,326,937	\$51,686	\$3,020,710,571	\$2,217,425,964	\$1,487,567,373	\$148,560,820	\$18,574,382	\$8,869,208	\$1,663,571,783	\$1,357,138,788	\$33,481,181,064				
Assumptions with Fiscal Year Basis:		FY2026					FY2027					FY2028					FY2029				
Public Safety, et al Annual Payroll Growth		4.00%					2.75%					2.75%					2.75%				
Other Occupations Annual Payroll Growth		3.48%					2.75%					2.75%					2.75%				
Public Safety, et al Employer Rate		2.50%					2.50%					2.50%					2.50%				
Public Safety, et al Employee Rate		1.25%					1.25%					1.25%					1.25%				
Other Occupations Employer Rate		2.00%					2.00%					2.00%					2.00%				
Other Occupations Employee Rate		1.00%					1.00%					1.00%					1.00%				
Annual Investment Return		7.25%					7.25%					7.25%					7.25%				
Annual Growth in Retirees under age 65		-3.51%					-2.62%					-1.52%					-0.86%				
Annual Growth in Retirees age 65+		1.86%					1.55%					1.24%					0.99%				
Non-Medicare Prescription Drug Rebate Trend		19.85%					14.64%					13.00%					12.00%				
Medicare Prescription Drug Rebate Trend		5.52%					-1.41%					10.50%					10.00%				
Member Rate-Share for Self-funded Plans effective 1/1:		CY2026					CY2027					CY2028					CY2029				
Non-Medicare Retiree Rate Share (20+ years of service)		36.00%					36.00%					36.00%					36.00%				
Non-Medicare Spouse Rate Share (20+ years of service)		64.00%					64.00%					64.00%					64.00%				
Medicare Retiree Rate Share (20+ years of service)		50.00%					50.00%					50.00%					50.00%				
Medicare Spouse Rate Share (20+ years of service)		75.00%					75.00%					75.00%					75.00%				
Premium Rates for Self-funded Plans effective 1/1:		CY2026					CY2027					CY2028					CY2029				
Non-Medicare Retiree % Increase		2.00%					0.00%					0.00%					0.00%				
Non-Medicare Spouse % Increase		2.00%					0.00%					0.00%					0.00%				
Non-Medicare Child % Increase		3.00%					0.00%					0.00%					0.00%				
Medicare Supplement % Increase		0.00%					0.00%					0.00%					0.00%				
Self-funded Plan Benefit Modifications effective 1/1:		CY2026					CY2027					CY2028					CY2029				
Non-Medicare Premier		0.00%					0.00%					0.00%					0.00%				
Non-Medicare Value		0.00%					0.00%					0.00%					0.00%				
Non-Medicare Prescription Drug		-2.00%					0.00%					0.00%					0.00%				
Medicare Supplement		0.00%					0.00%					0.00%					0.00%				
Medicare Prescription Drug		-3.64%					0.00%					0.00%					0.00%				

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Segal



New Mexico Retiree Health Care Authority

# OPEB Fully Funded Timeline Scenarios

October 7, 2025

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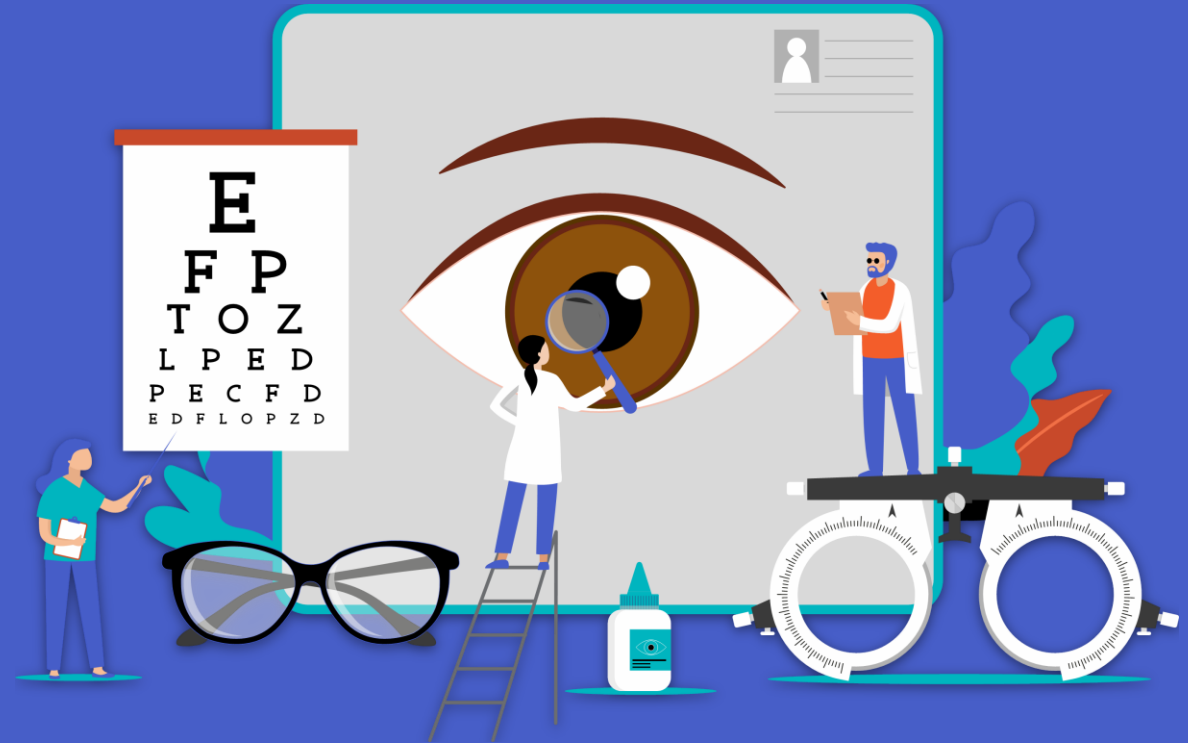
# OPEB Fully Funded Timeline Scenarios

Scenario	(1)	(2)
<b>Assumptions</b>		
Tax revenue growth	12%	12%
Investment rate of return	7.00%	7.25%
Retiree premium increases for self-insured plans	0.00%	0.00%
<b>Amortization Period as of June 30, 2025</b>		
<b>Amortization period</b>	<b>29 years</b>	<b>28 years</b>
Year plan reaches 100% funded ratio	6/30/2054	6/30/2053
Investment stress test	+2 years	+2 years

- Results are based upon June 30, 2025 GASB74 valuation, except for premium trend assumption.
  - Scenarios assume 0% premium increases starting in 2027 which aligns with the solvency model.
- Investment return stress test assumes 1% less over the next 20 years (i.e., 6% and 6.25%).
- Funded ratio of 100% (OPEB fully funded) represents assets equal to liabilities for past service.

# **New Mexico Retiree Health Care Authority 2024-2025 Annual Review**

October 7, 2025



# Agenda

- Introductions & Agenda Review
- What's New
- Financial Review
- Performance Guarantees
- Network Update
- Network Access and Member Value Adds
- Provider Field Engagement
- Industry Challenges and Solutions
- Closing Remarks
- Appendix: Wellness Update





# What's new?



# NMRHCA Updates

## What is new/ upcoming for NMRHCA?

- How can we help?

## New at Davis Vision:

- Davisvisioncontacts.com has been retired. There are now more choices than ever for ordering contact lenses and eyeglasses online. Visit our Shop Online page to explore a variety of options and find the perfect fit for your vision and style today!
- Davis Vision Exclusive Collection enhancements: A new range of metal and acetate frames manufactured from 100% recycled and bio-based materials
- Launch of the new digital cost estimator provides transparency and helps employees understand their options in order to make informed purchase decisions
- Added Lenscrafters, Target Optical, For Eyes, and Pearle Vision retail locations to the Davis Vision network and expanding online offerings to include access to TargetOptical.com and Warby Parker



# Financial Review





# Your 2024-2025 Plan Year Highlights

## Member Enrollment<sup>1</sup>

34,795 Subscribers

47,350 Lives

<sup>1</sup>Average Lives based on a snapshot in time (all populations)

## Benefit Utilization

23,040 Claims

46.6% Utilization

## In-network provider utilization

98% in – network\*

## Member Satisfaction

99% Satisfaction



## Frames Paid-in-Full

56.6% Received a paid-in-full  
frame less \$25 OOP

(52.6% – 2023-24)

## Eye Examinations

12,941 Eye Claims

(13,168 – 2023-24)

## Member Savings

\$2,345,028 Additional Savings on Lens  
Options & Upgrades

## Popular Lens Options

- Polycarbonate
- Transitions
- Standard Progressives
- Standard ARC\*\*
- Premium ARC\*\*

59% off  
retail !

\*\* ARC = Anti-Reflective Coating

# Partnership Highlights

Working together to deliver a shared mission

- Dedicated local support with regional office based in Albuquerque, NM
- Robust network, with 98% overall network access
- Lenscrafters, Target, Visionworks, Costco, Walmart, & Sam's are true in-network locations, with over 168,000 access points to serve all membership
- In-network online retailers, Glasses.com, 1-800Contacts, TargetOptical.com, Visionworks & Warby Parker
- Processed over 23,000 claims
- 48.6% overall utilization
- 99% member satisfaction and 99% first-call resolution
- Provide quarterly experience and financial reporting
- Free vision screenings and eyewear for children who lack adequate access to vision care
- Attended 31 in person events in 2024-2025

# Performance Guarantees



# 2024 Performance Guarantees

Performance Service Area	Standard	Definition	Penalty	JAN – MAR 2024	APRIL – JUNE	JULY – SEPT	OCT – DEC 2024	2024 Year- End
<b>Vision Claims Processing</b>								
Claims processing accuracy- Contractor shall accurately process a designated % of the total claims processed.	98%	The percentage of audited IBAC claims processed accurately. Calculated as the total number of audited claims processed with error, divided by the total number of audited claims. Definition of "error" includes any type of error that has an effect on the member or provider, e.g. incorrect explanations of benefits or payments. Each type of error is counted as one full error and no more than one error can be assigned to one claim.	0.5% of quarterly premium	99.95%	99.91%	99.77%	100.00%	<b>99.91%</b>
Financial payment accuracy- Contractor shall correctly pay a designated % of the total claims dollars paid.	99%	The percentage of audited IBAC claims dollars paid accurately. Calculated as total audited paid dollars minus the absolute value of over- and underpayments, divided by total audited paid dollars.	0.5% of quarterly premium	99.94%	99.94%	99.83%	100.00%	<b>99.93%</b>
Turnaround time (TAT)	95% of all claims processed to ready to pay status within 5 working days.	The percentage of claims processed within a specified number of calendar days. TAT is measured from the date the claim is received by Contractor to the date it is processed (i.e., paid, denied, or pending for external information).	0.5% of quarterly premium	99.90%	99.76%	99.33%	98.70%	<b>99.42%</b>
<b>Customer Service</b>								
Telephone response time	Average speed of answer within 30 seconds or less	The amount of time that elapses between the time a call is received into the phone system to the time answered by a representative (live voice answer).	0.5% of quarterly premium	:10	:03	:03	:06	<b>:06</b>
Abandonment rate	Not to exceed 5%	Percentage of calls that are unanswered calls (i.e., caller hangs up).	0.5% of quarterly premium	0.28%	0.00%	0.00%	0.16%	<b>0.11%</b>
First Call Resolution	90%	The percentage of member calls resolved on the first call.	0.5% of quarterly premium	99.32%	99.16%	99.49%	99.53%	<b>99.38%</b>

# 2024 Performance Guarantees Continued

Performance Service Area	Standard	Definition	Penalty	JAN - MAR 2024	APRIL - JUNE	JULY - SEPT	OCT - DEC 2024	2024 Year-End
<b>Vision Network</b>								
Notice of Significant Network Terminations	Reporting of network Changes	The report will include the number of providers initially, the number of providers terminated, the number of new providers and the currently total number of providers.	0.5% of quarterly premium	Met	Met	Met	Met	Met
<b>Account Management</b>								
Account Team Performance Appraisal	Overall performance is a composite score of 3 or better	IBAC may evaluate Contractor's designated Account Management team, according to Performance Evaluation included in Appendix B. Scale is as follows: Score Description 4 Exceeds Expectations 3 Meets Expectations 2 Needs Improvement 1 Unacceptable	\$5000 per Agency/semi-annual period for score below 3; up to \$10,000 maximum per year per agency. Corrective action plan required to address needed improvement if score is at an unacceptable level.	N/A		N/A		Met
Timely and accurate report delivery	IBAC would identify reports that are to be supplied, monthly, quarterly, and annually. incorrect Detailed claims & eligibility data used for data warehousing should be supplied quarterly. Should require a monthly report of all claims affected by retroactive terminations or eligibility changes.	IBAC receipt	\$200 per late of incorrect report	Met	Met	Met	Met	Met

# Network Update

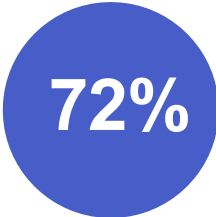
# Provider Network

NMRHCA members enjoy one of the most expansive networks in the industry, with no steerage based on ownership interests

NMRHCA Provider Utilization: Three Year Average	
Independent Providers (with Collection)	46.8%
Eye Associates of NM (with Collection)	22.4%
Walmart/Sam's Club	9.6%
Costco	7.0%
Other Retailer	7.0%
Independent Providers (w/o Collection)	3.8%
Visionworks (with Enhanced Benefit)	2.4%
Out-of-Network	1.0%
Total	100%



**In-Network Utilization**



**Visit locations with enhanced benefit offerings**

- Exclusive Collection frames
- Visionworks enhancements

Source: NMRHCA Provider Report July 2024-June 2025



# Our Network is Built to Support Members

We Make it Easy to Use In-Network Benefits



Choice

## National and Regional Retailers



## Online Retailers

1800 contacts<sup>®</sup>

GLASSES.COM

 Visionworks

 OPTICAL

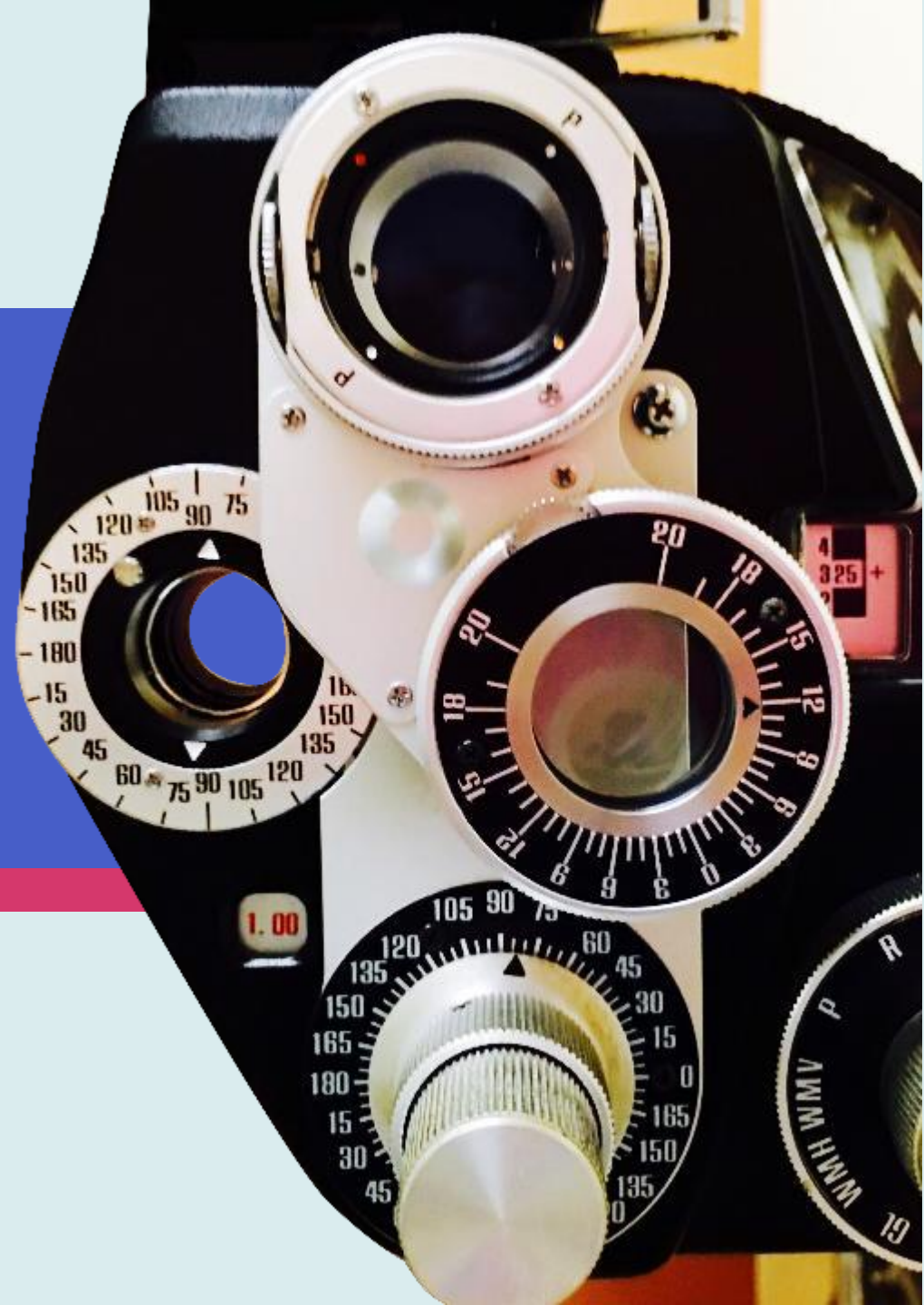
WARBY  
PARKER

## Onsite Clinics





# NETWORK ACCESS AND MEMBER VALUE ADDS



# Network Access: Over 291 Statewide Providers

NMRHCA members have access to a robust and seasoned network that includes both independents and larger retailers for convenient access on weekends and after-hours

## Network Access Standards

- Established statewide network
- Strong access against state access requirements
- Expanding network as needed to meet changing landscape

## Network Strength

- Integrated network of independent optometrists and ophthalmologists
- National and regional retail optical brands

## Administration Simplification


- Integrated lab manufacturing and flexible contracting options
- Seamless provider portal experience for member eligibility, eyewear orders and claims adjudication

## New Mexico Network

**291 Unique  
Providers  
Statewide**

**234 Unique Locations  
Statewide**

# Investing in Our Network

- 168K+ access points
- Most balanced network – 57% independent, 43% major retailers, and widest selection of online options
- No exclusions or reduced benefits
- New additions in recent years:
  - LensCrafters
  - Pearle Vision
  - Target Optical
  - Warby Parker 

Network Component	Versant Health	Competitor 1	Competitor 2
Total Access Points	168k	119k	119k
Provider Mix	57% independent 43% retail	77% independent 23% retail	76% independent 24% retail
Top U.S. Retailers	<ul style="list-style-type: none"> <li>✓ LensCrafters</li> <li>✓ Pearle Vision</li> <li>✓ Target Optical</li> <li>✓ Visionworks</li> <li>✓ Walmart</li> <li>✓ Sam's Club</li> <li>✓ Costco Optical</li> <li>✓ Warby Parker</li> </ul>	<ul style="list-style-type: none"> <li>✓ LensCrafters</li> <li>✓ Pearle Vision</li> <li>✓ Target Optical</li> <li>✓ Walmart *</li> <li>✓ Sam's Club *</li> </ul> <p><b>*limited availability</b></p>	<ul style="list-style-type: none"> <li>✓ Visionworks</li> <li>✓ Pearle Vision</li> <li>✓ Walmart *</li> <li>✓ Sam's Club *</li> <li>✓ Costco Optical *</li> </ul> <p><b>* reduced frame allowance</b></p>
Online Providers	<ul style="list-style-type: none"> <li>✓ Warby Parker</li> <li>✓ Glasses.com</li> <li>✓ 1800 Contacts</li> <li>✓ Befitting.com</li> <li>✓ LensCrafters.com</li> <li>✓ TargetOptical.com</li> <li>✓ ContactsDirect.com</li> </ul>	<ul style="list-style-type: none"> <li>✓ Glasses.com</li> <li>✓ ContactsDirect</li> <li>✓ LensCrafters.com</li> <li>✓ TargetOptical.com</li> <li>✓ Ray-Ban</li> </ul>	<ul style="list-style-type: none"> <li>✓ Eyeconic</li> </ul>

# Provider Field Engagement



# Provider Field Engagement – State Level

Meeting the Providers where they want to be met

*Field Engagement (Mission = Provide a face-to-face customer service support channel for providers attending state, regional, national conferences)*

*Versant Health Goal = Engage providers in all key markets at a state, regional, national & direct provider level*

## State Associations/Engagement

New Mexico Optometric Association (NMOA)

- Exhibited at NMOA Annual Convention – 4/2025
- Dr. Mamie Chan (NMOA Past President; GWCO Past President; AOA Dept Chair; NMOA Active Member) - Member of the Versant Health Optometric Advisory Council (OAC)
- Regular VIP provider, in-practice visits; Examples include:
  - Eye Associates of NM (Albuquerque, NM); additionally, monthly VIP customer service support calls
  - HERO Vision (Albuquerque, NM); additionally, biweekly VIP customer service support calls
  - Mountain View Eye Care (Silver City, NM); biweekly, monthly VIP customer service support calls

# Provider Field Engagement – Regional Level

Meeting the Providers where they want to be met

## Regional Associations

- Greater Western Council of Optometry
  - Scheduled to attend GWCO Annual Convention – 10/2025
  - Regional association representing: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming
- Southeastern Council of Optometry (SECO)
  - Exhibited at SECO Annual Convention – 2/2025
  - Regional association representing: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Virginia, and West Virginia
- East West Conference
  - Scheduled to attend East West Annual Conference – 11/2025
  - Regional association representing: Ohio, Michigan, Pennsylvania, Indiana, Kentucky, West Virginia



# Industry Challenges and Solutions



# Industry Challenges

## Things to Know

### ➤ Challenges

- Doctor shortages: 25% of Counties in the US have no providers
- Provider workforce projected to shrink by 12% while demand will increase by 24%
- Rural areas will be hit hardest, creating longer waits and overloaded schedules

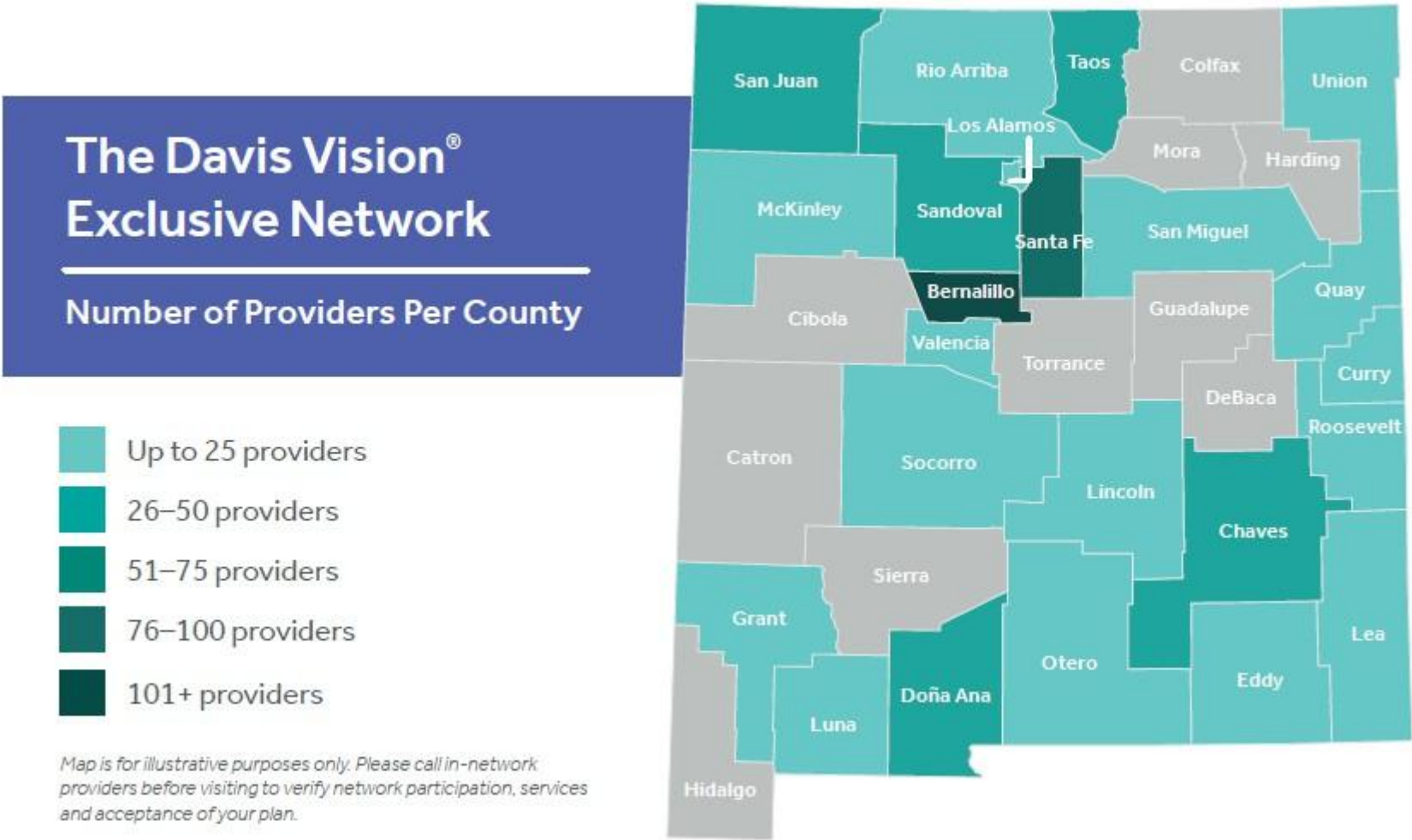
### ➤ Solutions

- Team based Collaboration, with Optometrists and Ophthalmologists working together more closely to triage patients effectively and avoid unnecessary referrals.
- Optometrists are taking on more medical responsibilities including minor surgical procedures.
- Telemedicine providers are partnering with tech companies to offer remote testing and home monitoring for conditions like glaucoma and macular degeneration. These tools can act as “physician extenders” freeing up in-office appointments.



# Network Map

## Provider Access Points by County



# Professional Fees

Regions by State	
Regions	Examination Fee (includes dilation of the pupils)
<b>Region I:</b> Delaware, Illinois, Louisiana, Massachusetts, New Jersey, New York, Ohio, Pennsylvania, Puerto Rico, Rhode Island, Texas	\$45.00
<b>Region II:</b> Colorado, Indiana, Iowa, Kentucky, Maryland, Michigan, Minnesota, Missouri, Montana, North Carolina, Oregon, Tennessee, Virginia, Wisconsin	\$50.00
<b>Region III:</b> Alabama, Arizona, Arkansas, Connecticut, Washington D.C., Florida, Georgia, Idaho, Kansas, Mississippi, Nebraska, North Dakota, Oklahoma, South Carolina, South Dakota, Utah, Washington, Wyoming	\$60.00
<b>Region IV:</b> Alaska, California, Hawaii, New Mexico	\$73.00
<b>Region V:</b> Maine, Nevada, New Hampshire, Vermont, West Virginia	\$70.00

# Trends and Insights



# Vision Industry Trends

Many factors are impacting the growth of the Vision industry

An increased awareness of the importance of regular eye care and the role it plays in one's overall health<sup>1</sup>

America is getting older and with that comes vision problem<sup>2</sup>

An increase in remote work and screen use overall<sup>3</sup>

Children's vision correction is skyrocketing<sup>4</sup>

The E-Commerce segment continues to grow<sup>4</sup>



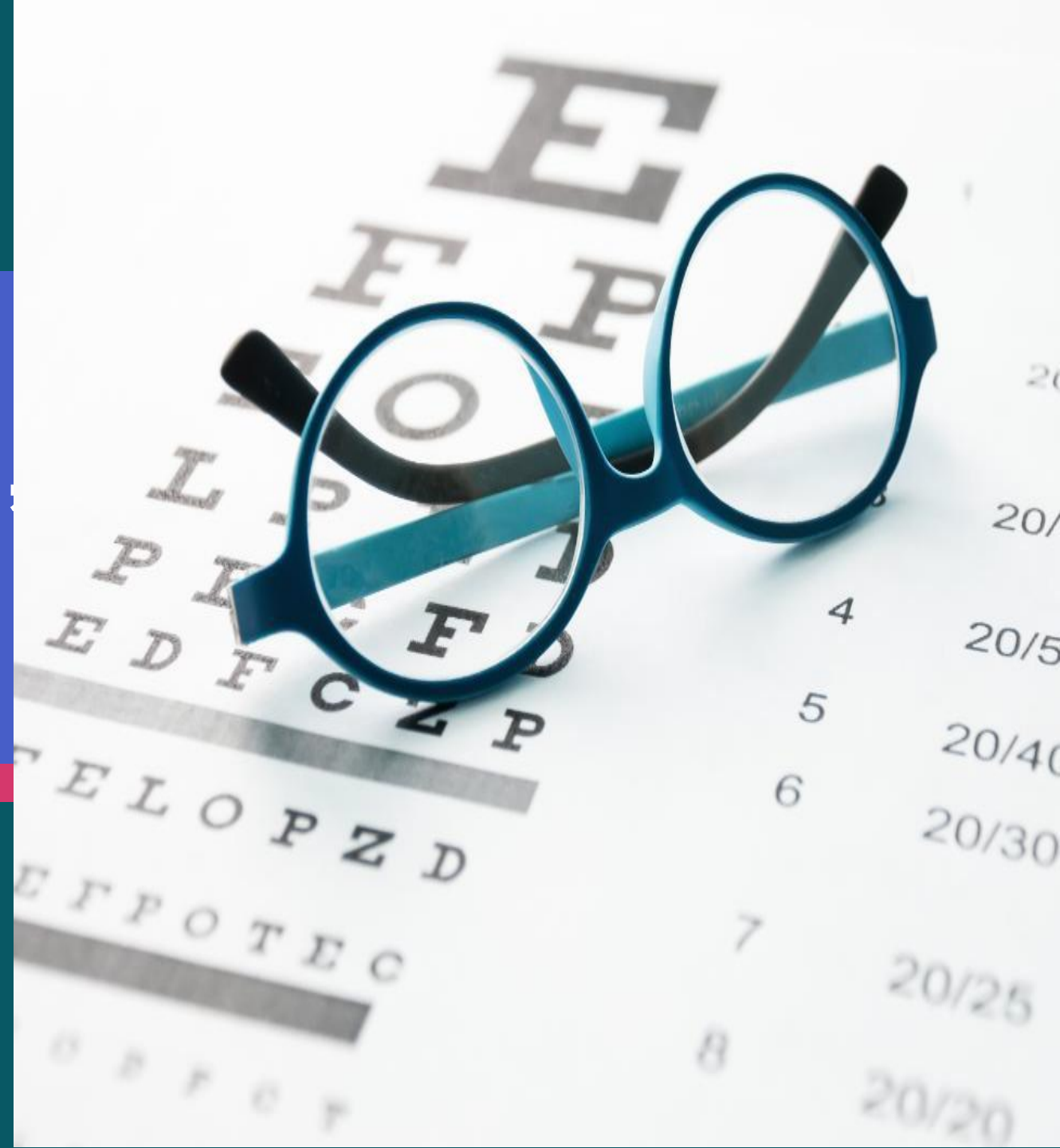
<sup>1</sup>Vision Insurance Market To Reach A New High Value by 2030 (linkedin.com) – Industry Research Company, July 2023, accessed October 2023.

<sup>2</sup>CDC Vision Health Initiatives, Nov 2022, accessed October 2023.

<sup>3</sup>XP Health – State of Vision Health 2023, conducted by The Harris Poll, accessed October 2023.

<sup>4</sup>Eyewear Market To Reach \$323.77Bn By 2030 | CAGR 8.5% (grandviewresearch.com) – June 2023, accessed October 2023.

# Closing, Questions & Wrap-Up

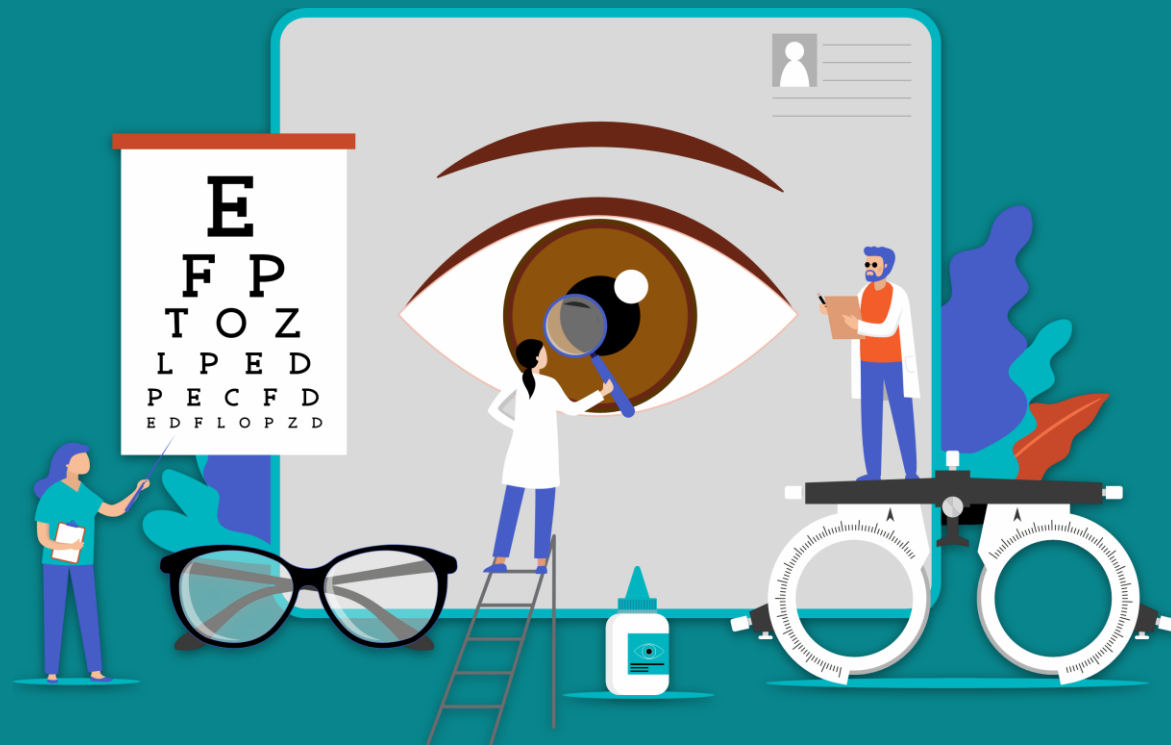




# Appendix ,



# Wellness Update



# The Connection Between Vision & Your Health







# A Window Into Your Health

A vision provider can tell a lot about the health of your body by looking at your eyes, including some signs of serious health issues.

**Many people first learn they have serious health conditions through a vision care exam.**

Source: <https://www.aao.org/eye-health/tips-prevention/surprising-health-conditions-eye-exam-detects>

During a **comprehensive eye exam**, your vision provider can observe and evaluate the health of the blood vessels in your retina, which can help predict your risk of developing certain diseases.

Some conditions, like diabetes and high blood pressure, may cause changes in the appearance of the blood vessels in your eyes.



Source: <https://www.aaopt.org/eye-health/tips-prevention/surprising-health-conditions-eye-exam-detects>

In addition to physical difficulties, like higher **risk of falls**, loss of vision can also lead to increased feelings of **anxiety, isolation, and depression.**

In a recent study by the Centers for Disease Control and Prevention (CDC), 1 in 4 adults with vision loss reported anxiety or depression.



Sources: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7721280/>  
<https://www.cdc.gov/visionhealth/resources/features/vision-loss-mental-health.html>

Younger adults with vision loss have almost **five times the risk** of serious anxiety or depression compared to adults 65 and older.



Source: <https://www.ncbi.nlm.nih.gov/books/NBK402367/>

# How Your Age Can Affect Your Vision Health





# Children

Many children with vision impairments are misdiagnosed with learning disabilities, preventing them from receiving proper care and negatively affecting their long-term academic performance.

This is even more common for children in low-to-moderate income families that lack access to eye care.

Correcting vision issues early is important for children's overall health and academic success.

Source: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8548846/>



# Adults

Clear vision is critical to complete daily tasks such as driving a car, maintaining a stable job, and caring for a family.

Additionally, visual impairments have a long-term financial impact.

The average annual salary for visually impaired adults is nearly \$10,000 less than those with unimpaired vision.

Source: <https://ophthalmology.pitt.edu/vision-impairment/economic-impact-vision-impairment>





**How many American adults are at risk for serious vision loss?**

**A** 10 million

**B** 57 million

**C** 93 million

**D** 211 million



**How many American adults are at risk for serious vision loss?**

**A**

10 million

**B**

57 million

**C**

93 million

**D**

211 million





# Seniors

Seniors are at risk for age-related health concerns, and impaired vision can make it even more difficult to address health issues.

Older adults are at an especially high risk of visual impairment—**by age 80, more than half of all Americans either have cataracts or have had cataract surgery.**

Vision care exams can detect many health issues such as diabetes, heart disease and hypertension—all of which may affect older adults at greater rates.

Source: <https://ophthalmology.pitt.edu/vision-impairment/economic-impact-vision-impairment>

# Common Eye Conditions



**Cataracts** are the most common cause of vision loss for individuals over age 40. It's also the primary cause of blindness in the world.

A cataract is clouding of the (normally) clear natural lens of your eye commonly due to age. Diseases, such as diabetes, can accelerate the formation of a cataract due to uncontrolled blood sugar levels.



Source: <https://www.ncbi.nlm.nih.gov/books/NBK402367/>

# These Factors Can Increase Your Risk of Cataracts

- Increasing age
- Diabetes
- Excessive exposure to sunlight
- Smoking
- Obesity
- High blood pressure
- Previous eye injury or inflammation
- Previous eye surgery
- Prolonged use of corticosteroid medications
- Drinking excessive amounts of alcohol

Source: <https://www.mayoclinic.org/diseases-conditions/cataracts/symptoms-causes/syc-20353790>



**Glaucoma** typically occurs when there is too much pressure inside the eye, which causes damage to the optic nerve at the back of the eyeball, leading to permanent vision loss.

Glaucoma is one of the leading causes of blindness for individuals over the age of 60.

Source: <https://www.mayoclinic.org/diseases-conditions/glaucoma/symptoms-causes/syc-20372839>



# These Factors Can Increase Your Risk of Glaucoma

- High internal eye pressure, also known as intraocular pressure
- Over age 55
- Black, Asian, or Hispanic
- Family history of glaucoma
- Prolonged use of corticosteroid medications, especially eye drops

Source: <https://www.mayoclinic.org/diseases-conditions/glaucoma/symptoms-causes/syc-20372839>

# Glaucoma Risk Factors (continued)

- Certain medical conditions, such as diabetes, migraines, high blood pressure, and sickle cell anemia
- Corneas that are thin in the center
- Extreme nearsightedness or farsightedness
- Eye injury or certain types of eye surgery
- Narrow drainage angles

Source: <https://www.mayoclinic.org/diseases-conditions/glaucoma/symptoms-causes/syc-20372839>

**Age-related Macular Degeneration (AMD)** is caused by the degeneration of the macula, which is the area of the retina responsible for central vision.

AMD is the leading cause of vision loss for individuals over the age of 50.



Source: <https://www.aao.org/healthy-eyes/eye-and-vision-conditions/macular-degeneration>

# These Factors Can Increase Your Risk of AMD

- Over age 55
- Family history of AMD
- Caucasian descent
- History of smoking



<https://www.mayoclinic.org/diseases-conditions/wet-macular-degeneration/symptoms-causes/syc-20351107>



**Diabetic Retinopathy** is the leading cause of vision impairment and blindness among working-age adults in the U.S.

It occurs when diabetes affects the blood vessels in the retina, causing them to leak and distort vision.

Check your risk at: [Diabetes-Related Retinopathy Risk Test](https://www.mayoclinic.org/diseases-conditions/diabetic-retinopathy/symptoms-causes/syc-20371611)

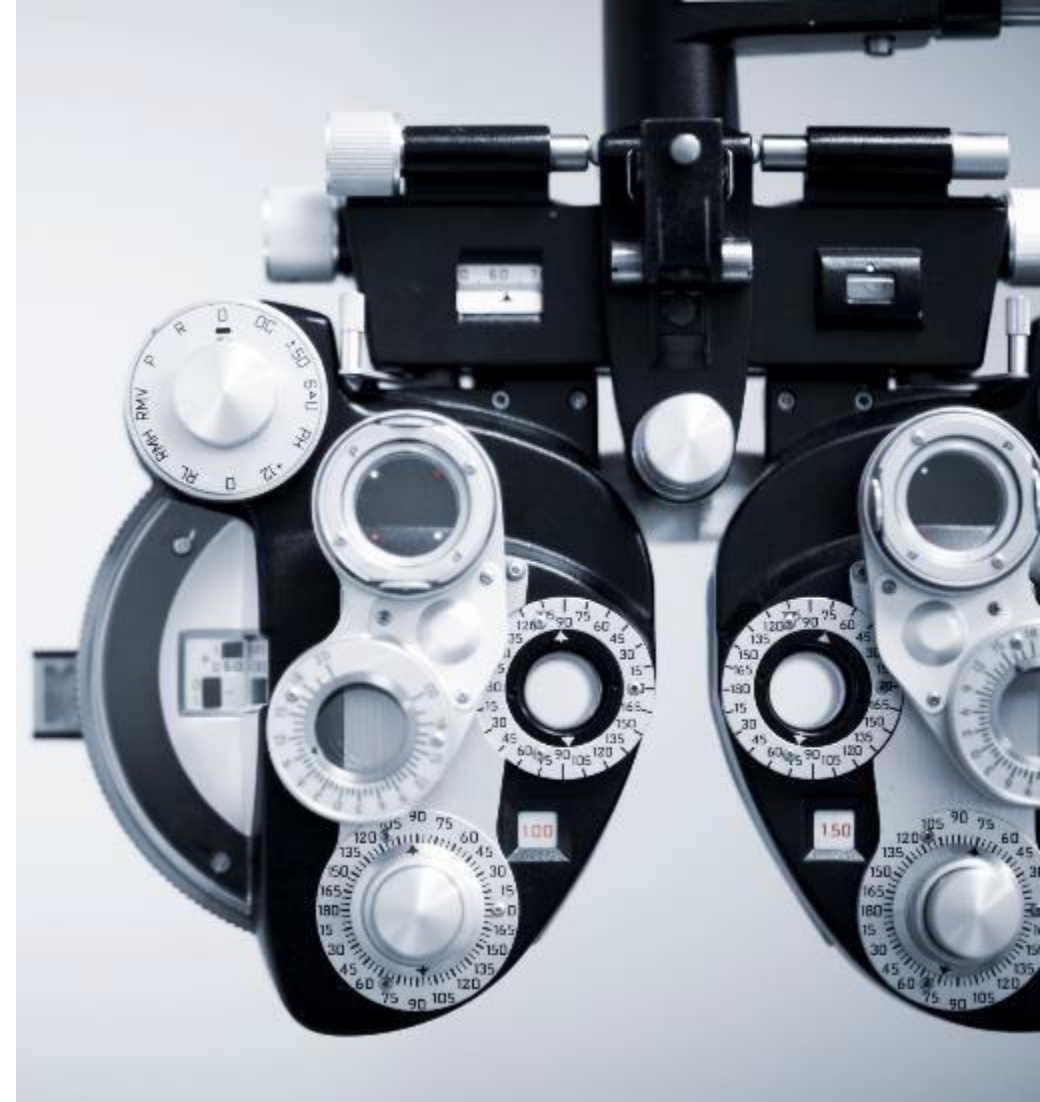
Source: <https://www.mayoclinic.org/diseases-conditions/diabetic-retinopathy/symptoms-causes/syc-20371611>

# These Factors Can Increase Your Risk of Diabetic Retinopathy

- Having diabetes for a long time
- Poor control of your blood sugar level
- High blood pressure
- High cholesterol
- Pregnancy
- Tobacco use
- Black, Hispanic, or Native American

*The good news is that there are a lot of advancements in medicine that are helping members get control of their blood sugar levels and bring down their blood pressure and cholesterol. Medications like GLPs....*

<https://www.mayoclinic.org/diseases-conditions/diabetic-retinopathy/symptoms-causes/syc-20371611>





**VersantHealth<sup>®</sup>**

**SEE EVERYTHING.**

**BE ANYTHING.<sup>™</sup>**



# New Mexico Retiree Health Care Authority

Jennifer Oswald

Sam Griffith, FSA, MAAA

NMRHCA Board Presentation  
October 7, 2025







# Trusted Experts in Our Field

**For 118 years, we've helped people protect their financial well-being and families.**

We keep our promises and have a reputation for personalized service and quality products.

## 1906

**Founded in the Pacific Northwest,**  
we now span the country and  
U.S. territories.

## 87%

**of our Employee Benefits total revenue  
is from Life and Disability premiums.**

## A (Excellent)

A.M. Best Company

## A+ (Strong)

Standard & Poor's

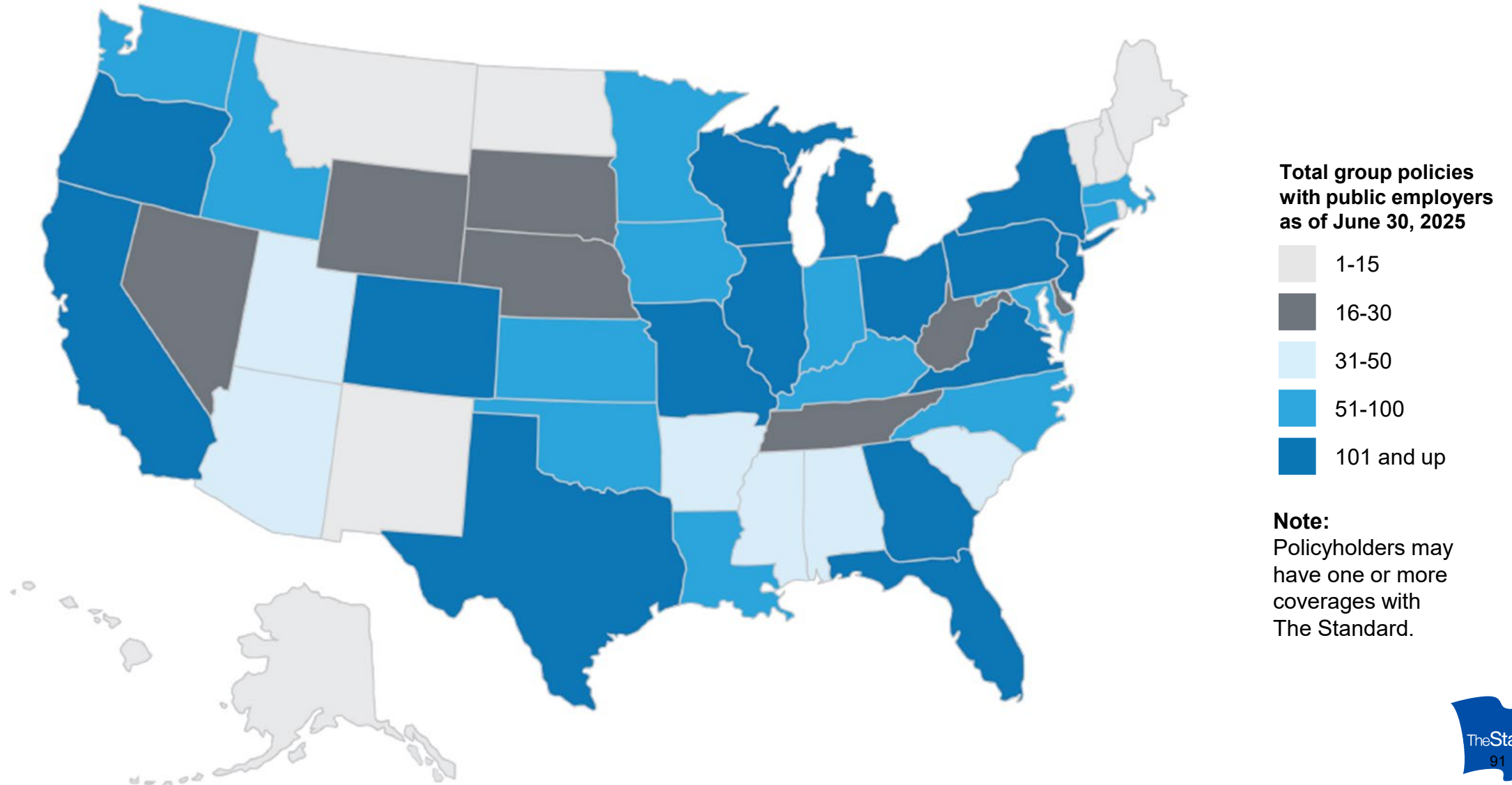
## A1 (Good)

Moody's

## 24,000

This is the **approximate number of  
groups we insure across the United  
States**, in communities we live and  
work in.

# National Landscape of Insured Public Groups



# **Post-COVID Mortality Trends**

## **Drivers of Changes in Mortality**

# Post-COVID Mortality Trends

## Post-COVID Mortality By Age

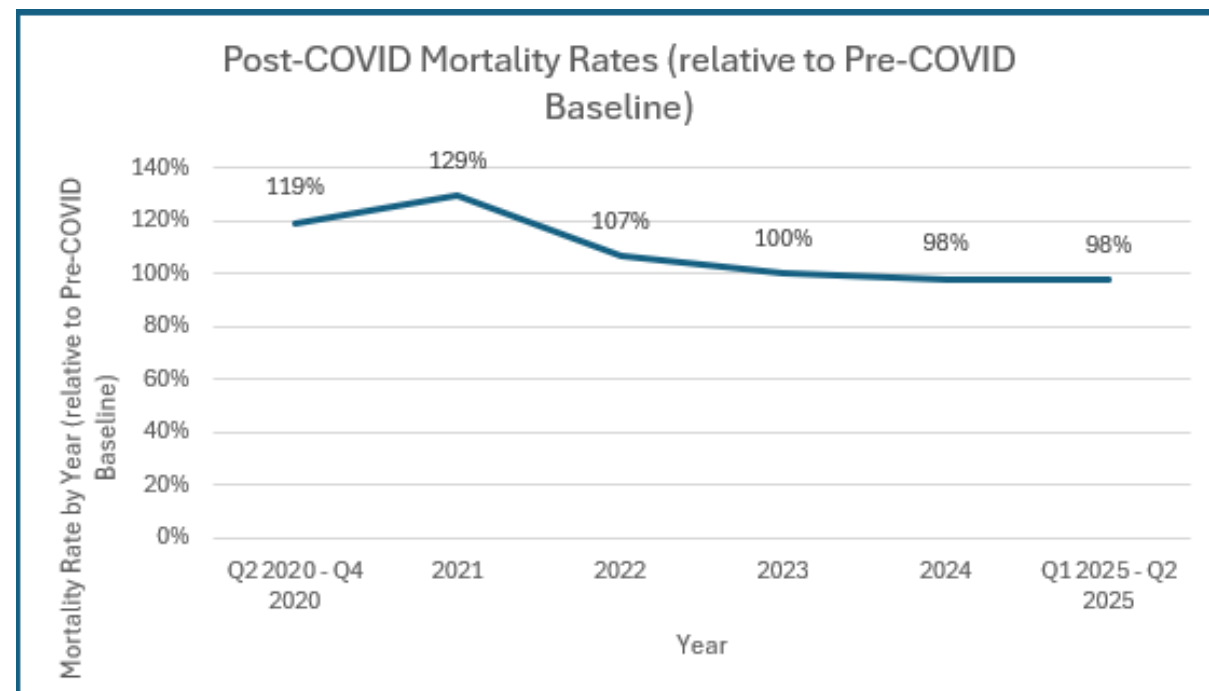
- <44: Worse (by ~10-15%) than Pre-COVID baseline.
- 45-64: Similar to Pre-COVID baseline.
- 64+: Slightly better (by ~5%) than Pre-COVID baseline.

## By Cause of Death

- Improvement in some of the most common causes (Cancer, Cardiovascular)
- Deterioration in accidental mortality

## Key Takeaway

Group Life mortality rates have generally returned to Pre-COVID (2017-2019), but we are seeing some interesting changes within various pockets of the population.



Source: Society of Actuaries COVID-19 Group Life Mortality Survey – June 2025

# Drivers of Future Changes in Mortality

## Headwinds

- Obesity/Increased Stress/Diet
- Lots of unknown regarding federal funding for medical research
- Aging workforce

## Tailwinds

- GLP-1 Drugs
  - Reduced obesity, cardiovascular deaths, kidney disease, diabetes, taming inflammation
  - Some potential adverse impacts (intestinal obstruction/gastroparesis, thyroid cancer, pancreatitis)
- AI in healthcare
- Medical advances (Gene Therapies, Advanced Vaccines, Metabolic Health Solution, Early Cancer Detection)

# NMRHCA Life Claims & Diagnoses

NEW MEXICO RETIREE HEALTH CARE AUTHORITY  
Life Claim Events Count by Diagnosis

As of: 9/28/2025  
Policy Plan Year Period: 1/1/2021 through 12/31/2025

Life Approved Claim Count by Diagnosis

Primary Diagnostic Category	Claims
Accidents and Violence	2%
Blood Diseases	1%
Cancer	19%
Circulatory	36%
Digestive	4%
Endocrine / Metabolic / Immunity	5%
Genitourinary	5%
III-Defined Conditions	2%
Infectious / Parasitic	3%
Mental	12%
Musculoskeletal / Connective	0%
Nervous	3%
Respiratory	10%
Transplant	0%
<b>Total Approved:</b>	<b>100%</b>

Life Approved Claim Count by Diagnosis by Reporting Period

Primary Diagnostic Category	2021	2022	2023	2024	2025
Accidents and Violence	2%	3%	1%	2%	2%
Blood Diseases	0%	1%	0%	1%	1%
Cancer	20%	17%	18%	20%	21%
Circulatory	32%	35%	39%	35%	39%
Digestive	4%	3%	3%	4%	4%
Endocrine / Metabolic / Immunity	4%	4%	5%	6%	4%
Genitourinary	5%	4%	4%	4%	4%
III-Defined Conditions	2%	2%	2%	2%	2%
Infectious / Parasitic	3%	4%	3%	3%	3%
Mental	9%	12%	12%	14%	13%
Musculoskeletal / Connective	0%	0%	0%	1%	1%
Nervous	2%	3%	3%	2%	2%
Respiratory	16%	12%	8%	5%	5%
Transplant	0%	0%	0%		
<b>Total Approved:</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Waiver claims excluded

Policies displayed: 645743 Report ID: 306



# 2024/25 Performance Guarantee Results

# 2024/2025 Life Performance Guarantees

Measure	Target	Q1	Q2	Q3	Q4	YTD
Calls Returned by Dedicated Account Specialist	90% or higher within one business day	97%	90%	98%	99%	<b>96%</b>
Claim Payment Accuracy	99% or higher	100%	100%	100%	100%	<b>100%</b>
Claim Decision Accuracy	98% or more	100%	100%	100%	100%	<b>100%</b>
Life Claim Payment Timeliness	5 business days or less	2.6 days	2.5 days	2.5 days	2.3 days	<b>2.4 days</b>

## Key Takeaways

- Standard Insurance met or exceeded all PG metrics for the 2024/2025 plan year-to-date
- Performance against the claim payment timeliness benchmark is particularly strong

# NMRHCA Life Value Add Features

# Life Value Add Features

## Travel Assist

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

## Life Services Toolkit

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

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

## Repatriation Benefit

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

## Accelerated Benefit Option

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

## Conversion Option

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

[Explore Travel Assist & Life Services Toolkit](#)

[Request Life Conversion Materials](#)

# Appendix – Life Plan Designs



# Basic Life

- Recognized as “Standard Grandfathered Basic Life 6,000” by NMRHCA
- This is a term policy and has no cash value
- \$6,000 of Basic Life insurance for eligible retirees that retired prior to 1/1/2012
- The retiree will pay 100% of the cost\* based on age
- Basic Life coverage will not be tied to medical plan enrollment

\*See the NMRHCA RETIREE/SPOUSE SUPPLEMENTAL LIFE Monthly Premium rate schedule for \$6,000 benefit



# Additional Life

- This is a term policy and has no cash value
- There are 10 benefit levels to choose from:

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

- Newly eligible retirees may purchase up to \$10,000 of coverage without answering any health questions (Evidence of Insurability or EOI approval) by enrolling timely during the initial enrollment period (31 days)
- Retirees pay 100% of the cost for this coverage



# Dependent Life

## Spouse

- Benefit amount is any of 10 options (same as retiree) but cannot exceed 100% of the retiree's Basic & Additional amount combined
- Newly eligible retirees may purchase up to \$10,000 of coverage for their spouse without the spouse having to answer any health questions (Evidence of Insurability or EOI approval) by enrolling timely during the initial enrollment period (31 days)

## Children

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





The Standard is a marketing name for StanCorp Financial Group, Inc. and subsidiaries. Insurance products are offered by Standard Insurance Company of 1100 SW Sixth Avenue, Portland, Oregon, in all states except New York, where insurance products are offered by The Standard Life Insurance Company of New York of 445 Hamilton Avenue, 11th Floor, White Plains, New York. Product features and availability vary by state and company and are solely the responsibility of each subsidiary. Each company is solely responsible for its own financial condition. Standard Insurance Company is licensed to solicit insurance business in all states except New York. The Standard Life Insurance Company of New York is licensed to solicit insurance business in only the state of New York.