AGENDA/TABLE OF CONTENTS ON PAGE 4

REGULAR MEETING

OF THE

BOARD OF DIRECTORS

August 25, 2026

9:30 AM

CNM Workforce Training Center

5600 Eagle Rock Ave NE, Albuquerque, NM 87113

Click here to join online at
https://meet.goto.com/NMRHCA/boardmeeting

To join via Telephone call 1-224-501-3412

and use access code 724-176-285

New Mexico Retiree Health Care Authority

Regular Meeting

BOARD OF DIRECTORS

ROLL CALL

AUGUST 25, 2026

Member in Attendance			
Dr. Lee Caruana, President			
Dr. Tomas Salazar, Vice President			
Lance Pyle, Secretary			
NM Treasurer Laura Montoya			
Dr. Gerry Washburn			
Donna Sandoval			
Therese Saunders			
Kate Brassington			
Renee Garcia			
Heather Vigil Clark			
JoLou Trujillo-Ottino			

NMRHCA BOARD OF DIRECTORS

AUGUST 2026

Dr. Lee Caruana, MD, President Retired Public Employees of NM leecaruana13@gmail.com	Donna Sandoval NM Municipal League 100 Marquette Ave City/County Building Albuquerque, NM 87102 donnasandoval@cabq.gov 505-768-2975
Dr. Tomas E. Salazar, PhD, Vice President NM Assoc. of Educational Retirees PO Box 66 Las Vegas, NM 87701 salazarte@plateautel.net 505-429-2206	Therese Saunders NEA-NM, Classroom Teachers Assoc., & NM Federation of Educational Employees 5811 Brahma Dr. NW Albuquerque, NM 87120 tsaunders3@mac.com 505-934-3058
Lance Pyle, Secretary NM Association of Counties Curry County Administration 417 Gidding, Suite 100 Clovis, NM 88101 lpyle@currycountynm.gov 575-763-6016	JoLou Trujillo-Ottino NM Health Care Authority 1474 Rodeo Road Santa Fe, NM 87505 jolou.trujillo-ottino@hca.nm.gov
The Honorable Ms. Laura M. Montoya NM State Treasurer 2055 South Pacheco Street Suite 100 & 200 Santa Fe, NM 87505 laura.montoya@sto.nm.gov 505-955-1120	Renee Garcia Alternate for ERB Executive Director Educational Retirement Board PO Box 26129 Santa Fe, NM 87502-0129 renee.garcia@erb.nm.gov 505-531-9885
Heather Vigil Clark State Personnel Office 2600 Cerillos Road Santa Fe, NM 87505 heather.vigilclark@spo.nm.gov 505-365-3300	Kate Brassington Alternate for PERA Executive Director Public Employees Retirement Association 33 Plaza La Prensa Santa Fe, NM 87507 kate.brassington@pera.nm.gov 505-309-1088
Dr. Gerry Washburn. Ed. D. Superintendents' Association of NM 408 N Canyon Carlsbad, NM 88220 gerry.washburn@carlsbadschools.net	

REGULAR MEETING OF THE NEW MEXICO RETIREE HEALTH CARE AUTHORITY BOARD OF DIRECTORS

AUGUST 25, 2026 – 9:30 AM

Meeting to Be Held at CNM Workforce Training Center

5600 Eagle Rock Ave NE, Albuquerque, NM 87113

Click Here to Join Via Video Conference
To Join Via Telephone call 1-224-501-3412 and use access code 724-176-285

AGENDA

1.		Call to Order	Dr. Caruana, President	PAGE
2.		Roll Call to Ascertain Quorum	Ms. Beatty, Recorder	
3.		Pledge of Allegiance & Salute to New Mexico State Flag	Dr. Caruana, President	
4.		Approval of Agenda	Dr. Caruana, President	4
5.		Approval of Regular Meeting Minutes from July 16 & 17, 2026	Dr. Caruana, President	6
6.		Public Forum and Introductions	Dr. Caruana, President	
7.		Committee Reports	Dr. Caruana, President	
8.		Staff Updates		
	a.	Human Resources & Operations	Ms. Atencio, Deputy Director	
	b.	2026 Open/Switch Enrollment Postcard & Newsletter	Mr. Biggs, Communication Director	21
	c.	Updated Solvency Model	Mr. Kueffer, Executive Director	30
	d.	Legislative	Mr. Kueffer, Executive Director	32
	e.	June 30, and July 31, 2026, SIC Report	Mrs. Ayanniyi, Chief Financial Officer	40

9.	FY27 Appropriation Request (Action Item)	Mr. Kueffer, Executive Director Mrs. Ayanniyi, Chief Financial Officer	42
10.	Delta Dental Presentation	Mr. Moya, Strategic Account Manager Ms. Tomlin, VP Business Operations	48
11.	BCBS Dental Presentation	Mr. Abdul-Alim, National Dental Account Executive	65
12.	Travel Request (Action Item)	Ms. Atencio, Deputy Director	80
13.	Executive Director Review	Dr. Caruana, President	
	a. Compensation (Action Item)		
	b. Effective Date (Action Item)		
14.	Other Business	Dr. Caruana, President	
15.	Date & Time of Next Board Meeting October 6, 2026 @ 9:30 AM CNM Workforce Training Center 5600 Eagle Rock Ave NE, Alb. NM 87113	Dr. Caruana, President	
16.	Adjourn		

MINUTES OF THE ANNUAL MEETING

NEW MEXICO RETIREE HEALTH CARE AUTHORITY / BOARD OF DIRECTORS

ANNUAL MEETING / DAY 1

July 16, 2026

1. CALL TO ORDER

Day 1 of the Annual Meeting of the Board of Directors of the New Mexico Retiree Health Care Authority was called to order on this date at 8:30 a.m. at The Historic Plaza Hotel, 230 Plaza Street, Las Vegas, New Mexico.

2. ROLL CALL TO ASCERTAIN QUORUM

A quorum was present.

Members Present:
Dr. Lee Caruana, President
Dr. Tomas Salazar, Vice President
Mr. Lance Pyle, Secretary
Ms. Christine Anaya, designee of Laura M. Montoya, New Mexico State Treasurer
Dr. Gerry Washburn
Ms. Kate Brassington
Ms. Reneé Garcia
Ms. Donna Sandoval [attending virtually]
Ms. Heather Vigil Clark
Ms. JoLou Trujillo-Ottino

Members Excused:
Ms. Therese Saunders

Staff Present:
Mr. Neil Kueffer, Executive Director
Ms. Linda Atencio, Deputy Director
Mr. Jess Biggs, Communications Director
Ms. Sherry Ayanniyi, Chief Investment Officer
Mr. Raymond Long, IT Director
Mr. Alexander George, Network Administrator
Ms. Judith Beatty, Recorder

3. PLEDGE OF ALLEGIANCE & SALUTE TO NEW MEXICO STATE FLAG

4. APPROVAL OF AGENDA

Mr. Pyle moved to approve the agenda. Dr. Washburn seconded the motion, which passed unanimously.

5. APPROVAL OF REGULAR MEETING MINUTES: JUNE 2, 2026

Dr. Washburn moved to approve the June 2 minutes. Mr. Pyle seconded the motion, which passed, with Chairman Caruana, Ms. Anaya, Ms. Vigil Clark and Ms. Trujillo-Ottino in abstention.

6. INTRODUCTION OF NEW BOARD MEMBERS

Mr. Kueffer introduced new board members JoLou Trujillo-Ottino, presenting the NM Health Care Authority, and Heather Vigil Clark, representing Classified service state employees.

7. PUBLIC FORUM AND INTRODUCTIONS

Mr. Kueffer recognized LFC analyst Allegra Hernandez.

8. ELECTION OF BOARD OFFICERS

Dr. Washburn nominated the current slate of officers. Ms. Garcia seconded the nomination.

Nominations were closed, and the nomination of the current slate of officers was unanimously approved.

a. Board Policies and Procedures: Revision to Language

Mr. Kueffer noted that the Board Policies and Procedures document was brought forward for review at the June meeting and was also discussed by the Executive Committee. Under Board Committees, "Chairperson" has been amended to read "designed Chairperson" to distinguish it from the NMRHCA Chairperson. In addition, the new language makes it clear that the total number of committee members is five, including the designated Chairperson. More than five members would constitute a quorum of the NMRHCA board.

Dr. Salazar moved approval of the entire Board Policies and Procedures document, with the revisions. Mr. Pyle seconded the motion, which passed, with Ms. Anaya, Ms. Vigil Clark and Ms. Trujillo-Ottino in abstention.

b. Committee Assignments

Dr. Salazar moved approval of Board Committees as currently reflected in the document. Dr. Washburn seconded the motion, which passed, with Ms. Anaya in abstention.

c. Code of Ethics

Mr. Kueffer asked board members to complete the Code of Ethics Disclosure Statement today and turn it in to Mr. Biggs.

d. Open Meetings Act Resolution

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

9. COMMITEEE REPORTS

Chairman Caruana said the Executive Committee met yesterday and reviewed the agenda. There were discussions on minor points of order.

Ms. Brassington stated that the Finance Committee met yesterday and reviewed relevant items on the agenda.

10. PROVIDER PRESENTATIONS

a. Blue Cross Blue Shield of New Mexico Pre-Medicare

[Presenter: Ms. Lisa Guevara, Account Executive]

Ms. Guevara made this presentation.

b. Presbyterian Health Plan Pre-Medicare

[Presenters: Phillip Anaya, Account Manager and Jessica Padilla, Manager of Commercial Sales]

Mr. Anaya and Ms. Padilla made this presentation.

11. 2025 CLAIMS AND DEMOGRAPHICS STUDY

[Presenters: Debbie Donaldson, Senior VP, Segal; Mike Madalena. Madalena Consulting]

Ms. Donaldson and Mr. Madalena made this presentation.

12. EXPRESS SCRIPTS – PRESCRIPTION PLANS PRE/POST MEDICARE

[Presenters: Jim Engler, VP, Special Markets Account Management; Angela Perdue, Account Executive; Angela Weimerskirch, Sr. Clinical Account Executive].

Mr. Engler, Ms. Perdue, and Ms. Weimerskirch made a presentation.

13. ACTUARIAL PRESENTATIONS – SEGAL & MADALENA CONSULTING

` [[Presenters: Debbie Donaldson, Senior VP, Segal; Amy Cohen, Senior VP, Segal; Mike Madalena. Madalena Consulting]

a. 2025 Prescribing Patterns

Mr. Madalena made this presentation.

b. Pharmacy Cost Driver Report

Ms. Cohen and Mr. Madalena made this presentation.

RECESS FOR LUNCH: 12:25 – 1:30 p.m.

14. ACTUARIAL PRESENTATIONS – SEGAL

[Presenters: Debbie Donaldson, Senior VP, Segal; Amy Cohen, Senior VP, Segal]

a. Long-Term Cash Flow & Solvency Modeling

Ms. Donaldson reviewed assumptions used in the solvency modeling.

b. Long-Term Solvency Modeling and Legislative Impact

Ms. Donaldson presented slides showing the impact of legislation on solvency projections.

15. REVIEW OF CALENDAR YEAR 2027 PLAN CHANGE OPTIONS

Mr. Kueffer said no additional plan design changes are recommended following recent benefit modifications implemented for CY 2026. Based on renewal information received, Medicare Advantage premium changes range between 0% to about 22.2%. There are a couple of plans (Humana and UnitedHealthcare) NMRHCA will be implementing that involve the decoupling of medical and pharmacy benefits rather than bundling them as before, resulting in a cost savings to the membership. He said staff's objective is to balance affordability while striving to protect the NMRHCA's long-term financial sustainability and trust fund.

Mr. Kueffer reviewed four proposals, Scenarios A-D, stating that staff is recommending Scenario C, which would raise the Pre-Medicare by 5%, the Medicare Supplement Plan rate by 2%, with the deficit spending period beginning in 2035. Scenario C would 1) balance affordability with long-term sustainability; 2) continue the practice of gradual and predictable premium adjustments; 3) minimize member disruption; and 4) position the program to better absorb future medical and pharmacy cost increases.

Mr. Kueffer said NMRHCA would discontinue the highest-cost Medicare Advantage option if an acceptable alternative plan becomes available that can accept default enrollment while providing comparable benefits.

16. BOARD MEMBERS FIDUCIARY RESPONSIBILITIES

[Presenter: Ibrahim Al-Gahmi and Luis Carrasco, Rodey Law Firm]

Mr. Al-Gahmi made this presentation.

17. EXECUTIVE SESSION: 3:40 p.m. – 5:00

a. Executive Director Performance Evaluation, Pursuant to NMSA 1978, Section 10-15-1(H)2 to Discuss Limited Personnel Matters

Dr. Washburn moved that the board enter executive session for the purpose of discussing the Executive Director's performance evaluation, pursuant to section 10-15-1(H)(2) to discuss limited personnel matters. Ms. Garcia seconded the motion, which passed unanimously by roll call vote.

[The Board was in executive session from 3:40 to 5:00 p.m.]

Dr. Washburn moved to come out of Executive Session, stating that the Board discussed the Executive Director's performance evaluation pursuant to NMSA 1978, Section 10-15-1(H)(2) to discuss limited personnel matters. No action was taken by the Board during Executive Session. Ms. Garcia seconded the motion, which passed unanimously by roll call vote.

RECESS: 5:00 p.m.

Accepted by:

Lee Caruana, President

MINUTES OF THE

NEW MEXICO RETIREE HEALTH CARE AUTHORITY/BOARD OF DIRECTORS

ANNUAL MEETING/DAY 2

July 17, 2026

1. CALL TO ORDER

Day 2 of the Annual Meeting of the Board of Directors of the New Mexico Retiree Health Care Authority was called to order on this date at 8:30 a.m. at The Historic Plaza Hotel, 230 Plaza Street, Las Vegas, 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
The Hon. Laura M. Montoya, New Mexico State Treasurer
with Ms. Christine Anaya, designee
Dr. Gerry Washburn
Ms. Kate Brassington
Ms. Reneé Garcia
Ms. Heather Vigil Clark

Members Excused:
Ms. Therese Saunders
Ms. JoLou Trujillo-Ottino
Ms. Donna Sandoval

Staff Present:
Mr. Neil Kueffer, Executive Director
Ms. Linda Atencio, Deputy Director
Mr. Jess Biggs, Communications Director
Ms. Sherry Ayanniyi, Chief Investment Officer
Mr. Raymond Long, IT Director
Mr. Alexander George, Network Administrator
Ms. Judith Beatty, Recorder

3. APPROVAL OF AGENDA

Upon motion by Mr. Pyle, seconded by Dr. Washburn, the agenda was unanimously approved.

4. MONTHLY UPDATE AND ECONOMIC OVERVIEW

[Presenters: Jared Pratt and Paul Cowie, Managing Principals, Meketa]

a. Rebalancing Recommendation (A)

Mr. Kueffer said the rebalancing recommendation being made today will be brought back to the Board in October for a final vote.

Mr. Pratt said Meketa recommends the Board consider rebalancing at the next available NMSIC trading window (July 24, 2026) in order to move assts closer to targets.

Mr. Pratt said Meketa recommends rebalancing where the amount is a half a percent or more away from the target. As of June 30, US Large Cap Index Pool, US SMID Cap Alt Weighted Index Pool and Non-US Large Cap Passive Pool are overweight by $20 million, $10 million and $15 million, respectively. Meketa recommends moving $30 million into US Core Bonds and the remaining $15 million into Real Estate.

Responding to Ms. Brassington, Mr. Pratt said the recommendations are purely tactical and based on policy targets, with no strategizing on where the money could be more advantageously invested.

Mr. Kueffer commented that the NMRHCA hadn't previously had the advantage of having ongoing consultants, so did not do any strategizing on rebalancing decisions.

Mr. Cowie presented an economic and market update.

b. Investments Active and Passive Overview

Mr. Pratt and Mr. Cowie made this presentation.

Mr. Cowie reviewed a chart of Non-US Equity Implementation options the Board might consider. In the Non-US Large Cap Pool, The NMRHCA's current target weight is 41% in Active and 59% in passive, while the SIC's are 75% and 25% respectively. NMRHCA can opt to maintain the status quo, which would be roughly 40% and 60% between active and passive, or it can mirror what the SIC is doing, or it could decide to go all-passive.

Mr. Cowie reviewed a similar analysis for the Non-US SMID Cap Pool, where NMRHCA is currently at 40% for active and 60% for passive, with the SIC at 75% and 25% respectively.

Ms. Brassington asked if NMRHCA has been tracking its target weight performance to the SIC's target weights to date. She commented that NMRHCA should always have an analysis of that. Mr. Cowie responded that they haven't looked at that specifically, but it is certainly worth looking at. He commented that it is a little unusual the way NMRHCA is doing it now because it is not in line with the SIC, but the way NMRHCA arrived at the 40% active, 60% passive mix was that, before the SIC structured their investments, the plan had a passive investment in the developed markets and an active investment in the emerging markets, and the ratio of that was 60% for developed and 40% for emerging. It was an attempt to maintain the status quo, although the way they were sliced and diced changed.

Mr. Cowie suggested the Board consider whether it should continue staying with the status quo versus mirroring what the SIC does. Based on the scenarios that Meketa has prepared, the latter could make a lot of sense if NMRHCA wants to take the view that active might be much more difficult in the large cap non-US. He said 100% passive might make more sense.

In the course of discussion, Mr. Cowie said NMRHCA could also go 100% active. There is a better argument to be made for going 100% passive in large cap and in the small cap, as well, if there's evidence that there is the potential for outperformance even after fees.

Mr. Kueffer said the October agenda would include the active versus passive recommendation as an action item.

Treasurer Montoya moved to approve the recommendation by Meketa for rebalancing. Dr. Washburn seconded the motion, which passed unanimously.

5. PROVIDER PRESENTATIONS (CONT'D)

a. Blue Cross Blue Shield of New Mexico MAPD

[Presenter: Lisa Guevara]

Ms. Guevara made this presentation.

b. Humana MAPD

[Presenter: Julie Bodenski]

Ms. Bodenski made this presentation.

c. UnitedHealthcare MAPD

[Presenters: Joe Larson and Jolene McBride]

Mr. Larson and Ms. McBride made this presentation.\

d. Presbyterian Health Plan MAPD

[Presenters: Brian Brown. Phillip Anaya and Jessica Padilla]

6. STAFF UPDATES

a. Human Resources & Operations

Ms. Atencio reported that NMRHCA is gearing up for the upcoming open and switch enrollment process this year.

b. Benefits Consultant RFP

Ms. Atencio stated that RHCA, in collaboration with the IBAC, issued an RFQ to procure consulting services to provide expertise and project management support for the upcoming Life and Long-Term Disability Insurance RFP, with an anticipated contract effective date of July 1, 2027. The proposals are due August 11. Once the evaluations are processed, staff will ask the Board to approve the contract award.

c. GASB 75 – Employer Allocations

Mr. Kueffer referred to a letter from the Office of the State Auditor confirming that NMRHCA completed its employer allocation and has complied with the audit rules.

d. Legislative

Mr. Kueffer reported that NMRHCA made an in-depth presentation to the Investments and Pensions Oversight Committee on July 1. He reviewed highlights from the presentation, which was followed by some good discussion.

Mr. Kueffer also reported that NMRHCA has had some discussions with its LFC analyst about SB51, regarding the calculation of cost-sharing contributions for prescription drug coverage. The hope is that the language in the bill could be more balanced with respect to what NMRHCA provides for its members and how it manages its costs and benefits. The Health and Human Services Committee could provide a good opportunity for IBAC to speak to this issue, as well.

7. CONSULTANT FOR LIFE INSURANCE (A)

Ms. Atencio reported that the NMRHCA, in conjunction with the IBAC, issued an RFQ on June 18 to procure consulting services to provide expertise and project management support for

the upcoming Life and Long-Term Disability Insurance. RFP with an anticipated contract effective date of July 1, 2027. Submissions were due on July 8. Two responses were received in response to the RFQ: Gallagher and Segal. Following an evaluation by the participating agencies, Segal was determined to have submitted the strongest overall proposal based on its demonstrated understanding of the participating agencies, technical approach, project team, and overall qualifications. Segal also submitted the lowest-cost proposal at $57,000, with NMRHCA's allocated share totaling $9,000.

Ms. Atencio requested approval of the recommendation to select Segal as the Project Management Consulting and authorize NMRHCA to enter into the Intergovernmental Memorandum of Understanding with the participating IBAC agencies for NMRHCA's allocated project cost of $9,000.

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

[Treasurer Montoya had exited the proceedings at this point and this vote, and all remaining votes, were cast by her designee, Ms. Anaya.]

8. <u>LOBBYIST RFP</u> (A)

Mr. Kueffer stated that NMRHCA issued an RFP on May 26 to procure legislative consulting, government relations, and lobbying services. As part of the procurement process, the RFP was advertised on the NMRHCA website and in both the Albuquerque Journal and Santa Fe New Mexican. One proposal was received and evaluated by the Evaluation Committee, which is recommending Robert Romero & Associates for the contract award.

Mr. Kueffer commented that this is the first time that NMRHCA has taken the approach of issuing an RFP as opposed to an RFQ. The hope was that the RFP would generate some interest and that other lobbyists might come forward to offer their services.

Mr. Kueffer also noted that NMRHCA conducted a finalist presentation with Mr. Romero to ask him additional questions and discuss strategic planning.

Mr. Kueffer noted that this is a four-year contract, with the right to renew every year, and includes a termination clause in the event NMRHCA is not satisfied with Mr. Romero's services. He stated that a four-year contract will allow for some long-term planning with Mr. Romero and would allow sufficient time to gear up for the following year's legislative session.

Mr. Kueffer stated that funding for this contract is included in NMRHCA's approved operating budget, and compensation will be provided on an as-needed basis in accordance with the negotiated contract and available appropriations.

Mr. Pyle noted that this is on an as-needed basis. He asked how Mr. Kueffer would manage the contract and how would the work be assigned.

Mr. Kueffer responded that he plans to bring staff together with Mr. Romero to discuss long-term planning and strategizing, including goals and timelines. Mr. Romero would be paid for his time doing strategic planning and keeping NMRHCA apprised. He added that there are several legislative bills potentially affecting NMRHCA that are moving through the pipeline. Mr. Romero would be researching those bills as they move through the committee process.

Responding to Mr. Pyle, Mr. Kueffer said there is a cap on the contract and any extension of that would require board approval. He stated that Mr. Romero's hourly rate is a bit more than his current rate of $100 per hour but is still reasonable in light of the scope of work and what is typically paid in this profession.

Chairman Caruana said it will be important for the lobbyist and the Legislative Committee to communicate as easily and effectively as possible in order to facilitate the committee's ability to make the best decisions.

Chairman Caruana asked Mr. Kueffer to let the Board know if he wishes input each time Mr. Romero's contract comes up for a one-year renewal. He would also like to receive input from the Legislative Committee.

Dr. Salazar moved approval to award the contract to Robert Romero & Associates. Dr. Washburn seconded the motion, which passed unanimously.

9. <u>CY2026 PLAN YEAR RECOMMENDATIONS</u> (A)

Mr. Kueffer stated that staff is recommending Scenario C, with premium increases of 5% and 2% for Pre-Medicare and Medicare Supplement, respectively. Last year, NMRHCA took action on the pharmacy side with plan design changes and no premium increases.

Mr. Kueffer commented that, while 5% is a large increase for the retirees, it is very reasonable and balanced recommendation in light of current medical trends.

Dr. Washburn said he understands the rationale for the 5%/2% but noted that Scenario D significantly narrows the solvency gap. For the sake of discussion, he asked if there is a benefit to being more aggressive by going with 8% as opposed to going with 5%.

Mr. Kueffer responded that NMRHCA always has the option of being more aggressive with premium increases, but the question is how aggressive it wants to be. Some states operate on a pay-as-you-go system, but New Mexico's system is different because it has other revenue streams to help stabilize the program during difficult times. NMRHCA could raise the premiums high enough to keep up with current trends, which would be a tough decision, but it could look at what it is putting into its investments and try to mitigate some of that cost. At the recent IPOC

meeting, there was a conversation about pensions, and a number of people cited COLA impacts. He commented that NMRHCA needs to be cognizant of what people are receiving in COLAs and how they will be affected.

Mr. Kueffer also stated that raising premiums too high could cause some individuals to stop participating because of the cost, creating an adverse selection situation where the only retirees in the plan are the high users. This raises the expanses borne by the plan and can result in even higher premium increases because it has lost some of its healthy population.

Chairman Caruana stated that Treasurer Montoya has asked him to convey to the Board that she would favor a modified Scenario C, which would be a 4% premium increase for the pre-Medicare plan and a 2% increase for the Medicare supplement.

Ms. Anaya added that Treasurer Montoya indicated that she did not know whether this new combination of percentages would change staff's rationale for Scenario C. If it did not, Treasurer Montoya thought the slightly lower percentage would be helpful to the members who are on fixed incomes, especially in light of federal changes and proposed legislation.

Ms. Donaldson noted Meketa's projections that NMRHCA's fund balance will be just shy of $2.1 billion, which is $100 million more than what Segal included in the Scenarios, so that is something to consider. In looking at the 5%/2% versus the 4%/2% and the liabilities in total, 64% of NMRHCA's total cost is associated with the Medicare retirees, which includes pharmacy prior to rebates, EGWP subsidies and so forth. In looking at claims in general, 60% is with Medicare retirees and 40% with non-Medicare retirees.

Ms. Donaldson said the modified percentages of 4%/2% would appear to reduce solvency by one year, from 2035 to 2034, with revenue exceeding expenses by about $5 million in 2034

Mr. Kueffer added that suppressing the percentage by 1% this year means NMRHCA would be continuously falling off trend and this could mean a bigger increase next year.

Chairman Caruana suggested that staff develop more "tweaked" scenarios for the 2027 annual meeting. Mr. Kueffer stated that it would be important for Board members to suggest any such scenarios at the June meeting so Segal would not find itself having to do any last-minute calculations.

Mr. Pyle stated that the group he represents is seeing an increase of more than 15% in medical insurance premiums. For those people, it is not just about solvency but also future increases. If NMRHCA can avoid doing increases while improving solvency in the future, he thought that would be important to consider.

Ms. Vigil Clark said she thought Scenario B, with a 4%/3% combination, was close to what Treasurer Montoya suggested. She said she would be comfortable with either staff's recommendation or Scenario B.

Dr. Salazar said his heart was with Treasurer Montoya's preference, but his responsibility to the Board centers around the matter of balance and the solvency of the program.

Chairman Caruana stated that staff's recommendation is to approve Scenario C and to discontinue the highest cost Medicare Advantage Option if an acceptable alternative plan is available that can receive default enrollment while maintaining comparable member access and benefits.

Dr. Washburn moved staff's recommendation. Ms. Garcia seconded.

Dr. Salazar recommended that staff's recommendation be divided into two parts.

Dr. Washburn amended his motion to approve staff's recommendation for Scenario C. Ms. Garcia seconded the motion, which passed, with Mr. Pyle voting no and Ms. Anaya abstaining.

Mr. Kueffer stated that staff has been working with Presbyterian and the other health plan partners to see if there is a comparable program that will give members the same access to the providers and doctors and would be in the members' best interest. The hope is that this would result in a lower cost and lower co-pays, but the vendors will have to evaluate this themselves and determine if they want to take on the membership. Staff's hope is to find an alternative, but if it cannot, it will continue to work with Presbyterian for one more year.

Responding to Dr. Salazar, Mr. Kueffer said the preliminary renewal rate provided by Presbyterian would be $290, or about $90 more than what members are currently paying.

Mr. Pyle moved approval of staff's recommendation to discontinue the highest cost Medicare Advantage Option if an acceptable alternative plan is available that can receive default enrollment while maintaining comparable member access and benefits. Dr. Washburn seconded the motion, which passed unanimously.

10. <u>OTHER BUSINESS</u>

None.

11. <u>DATE & LOCATION OF NEXT BOARD MEETING</u>

TENTATIVE: August 25, 2026, 9:30 a.m.
CNM Workforce Training Center
5600 Eagle Rock Ave, NE
Albuquerque, NM. 87113

12. <u>ADJOURN:</u> 1:15 p.m.

Accepted by:

Lee Caruana, President

MEETING AGENDA — SAME AT ALL LOCATIONS

TIME	SESSION	DETAILS
9:30–10:10 AM	NMRHCA	Welcome, agency updates, 2027 plan change summary
10:10–10:55 AM	Medicare Advantage	Humana 10:10 • UHC 10:25 • BCBS 10:40
10:55–11:25 AM	Medicare Supplement	BCBS 10:55 • ESI 11:10
11:25–12:05 PM	Voluntary Plans	Standard 11:25 • Davis 11:35 • Delta 11:45 • BCBS 11:55
12:05–12:35 PM	Non-Medicare Plans	PHP 12:05 • BCBS 12:20 • ESI 12:35

WELLNESS SERVICES ON-SITE

- Vaccinations (flu, COVID & other, subject to serum availability at each location at the time of the event)
- Biometric screenings
- Chair Massages (most locations)
- Grip Strength
- Brain Games
- Healthy Plate

LOCATIONS AND DATES

DATE	LOCATION	VENUE	ADDRESS
Sept 30 9:30 AM	Espanola	Northern NM College Event Ctr, AD 101/102	921 Paseo de Oñate, Española, NM 87532
Oct 1 9:30 AM	Farmington	San Juan College, Henderson Fine Arts Bldg, Rm 9008	4601 College Blvd, Farmington, NM 87402
Oct 2 9:30 AM	Gallup	UNM–Gallup, Student Services & Tech Ctr	705 Gurley Ave, Gallup, NM 87301
Oct 6 9:30 AM	Raton	Raton Convention Center	901 S. 3rd St., Raton, NM 87740
Oct 7 9:30 AM	Las Vegas	NM Highlands Univ. Student Center	800 National Ave., Las Vegas, NM 87701
Oct 8 & 9 9:30 AM	Santa Fe	Santa Fe Community College – Jemez Rm	6401 Richards Ave., Santa Fe, NM 87508
Oct 12 & 13 9:30 AM	Las Cruces	NMSU Corbett Ctr Student Union, Lvl 3, Rm 318	International Mall, Las Cruces, NM 88003
Oct 14 9:30 AM	Silver City	WNMU – Besse-Forward Global Resource Ctr	12th & Kentucky, Silver City, NM 88061
Oct 19 9:30 AM	Rio Rancho / N. Abq	CNM Workforce Training Center	5600 Eagle Rock Ave NE, Abq, NM 87113

DATE	LOCATION	VENUE	ADDRESS
Oct 21 9:30 AM	Carlsbad	Carlsbad Schools Eddy Training Ctr	700 West Stevens St., Carlsbad, NM 88220
Oct 22 9:30 AM	Roswell	NM Military Inst., Jack Daniels Ldrshp Ctr	101 West College Blvd, Roswell, NM 88201
Oct 23 9:30 AM	Clovis	Clovis Community College, Town Hall Aud.	417 Schepps Blvd, Clovis, NM 88101
Oct 29 & 30 9:30 AM	Albuquerque	CNM Main Campus, Smith Brasher Hall	717 University Blvd. SE, Abq, NM 87106
VIRTUAL SESSIONS			
Oct 5 & 28 9:30–11:30 AM	Registration required — nmrhca.org/switch-open-enrollment or scan QR code		
Oct 16 1:30–3:30 PM	Registration required — nmrhca.org/switch-open-enrollment or scan QR code		

The annual NM Retiree Health Care Authority Switch & Open Enrollment meeting schedule is now available (see reverse side), offered both in-person and virtually.

Join us for presentations on 2027 plan options, premiums, and benefit changes to help you determine the coverage that best meets your needs. Enrollment packets will be mailed in mid to late September and will include a summary of your current coverage, your 2027 options, and a detailed meeting schedule.

The deadline to make changes is **November 13, 2026.** Forms must be postmarked or delivered to our office by this date. **If you're satisfied with your current coverage, no action is required.**

Visit nmrhca.org/switch-open-enrollment for the latest schedule and enrollment information.

2026 MEETING SCHEDULE FOR SWITCH & OPEN ENROLLMENT

Espanola
Sept 30, 2026 @ 9:30 AM
Northern NM College

Farmington
Oct 1, 2026 @ 9:30 AM
San Juan College

Gallup
Oct 2, 2026 @ 9:30 AM
UNM Gallup

Raton
Oct 6, 2026 @ 9:30 AM
Raton Convention Center

Las Vegas
Oct 7, 2026 @ 9:30 AM
Highlands University

Santa Fe
Oct 8 & 9, 2026 @ 9:30 AM
Santa Fe Comm. College

Las Cruces
Oct 12 & 13, 2026 @ 9:30 AM
NMSU

Silver City
Oct 14, 2026 @ 9:30 AM
Western NM University

Rio Rancho/North Albuquerque
Oct 19, 2026 @ 9:30 AM
CNM Workforce Training Center

Carlsbad
Oct 21, 2026 @ 9:30 AM
CSD Eddy Training Center

Roswell
Oct 22, 2026 @ 9:30 AM
NM Military Institute

Clovis
Oct 23, 2026 @ 9:30 AM
Clovis Comm. College

Albuquerque
Oct 29 & 30, 2026 @ 9:30 AM
CNM Main Campus

Virtual
Oct 5 & 28, 2026 @ 9:30 AM
Oct 16, 2026 @ 1:30 PM

BENEFITS MESSENGER

THE NMRHCA Newsletter

EXECUTIVE DIRECTOR'S MESSAGE

Health care continues to evolve, and sometimes those changes mean taking a fresh look at the coverage that works best for you. As we prepare for 2027, this year's Open & Switch Enrollment is an important opportunity to review your benefits and consider the options available to you.

One significant change is that the Presbyterian Medicare Advantage plan will no longer be offered through NMRHCA effective January 1, 2027. However, this does not mean the end of access to Presbyterian doctors and facilities. Other NMRHCA plans provide access to the Presbyterian provider network, including the UnitedHealthcare Medicare Advantage PPO, Blue Cross Blue Shield Medicare Advantage PPO, and Blue Cross Blue Shield Medicare Supplement plan, however, members should confirm participation with their specific providers.

Members currently enrolled in the Presbyterian plan who do not make another election will automatically transition to the UnitedHealthcare Medicare Advantage PPO. I encourage affected members—and all NMRHCA members—to take this opportunity to compare plans and consider premiums, benefits, provider access, prescriptions, and out-of-pocket costs before deciding for 2027.

This newsletter provides information about 2027 plan changes and premiums, along with our statewide schedule of in-person and virtual enrollment meetings. Our staff and benefit plan representatives will be available to answer questions and help you better understand your choices.

Thank you for allowing NMRHCA to continue serving you.

Neil Kueffer, Executive Director

NMRHCA ANNUAL BOARD MEETING

NMRHCA's Board of Directors held its annual meeting July 16–17 at the Historic Plaza Hotel in Las Vegas, NM. This meeting establishes the agency's direction for the coming fiscal year.

Board Officers: No leadership changes. Dr. Lee Caruana continues as President, Dr. Tomas Salazar as Vice-President, and Mr. Lance Pyle as Secretary. Recently vacant seats were filled by Ms. Heather Vigil Clark of the NM State Personnel Office, and Ms. JoLou Trujillo-Ottino of the NM Health Care Authority. The full board of directors can be found by CLICKING HERE or going to https://www.nmrhca.org/administration/board-of-directors/.

Plan and Rate Decisions: Medical and prescription carriers reported 2025 & 2026 outcomes and 2027 developments. Actuarial consultants presented solvency modeling that, along with rising medical spend trends, shaped the Board's decisions on plan and rate changes — balanced against minimizing impact on retirees. See "Plan Changes for 2027" for details.

Investment Strategies: Investment consultants provided an update on the trust fund portfolio and presented rebalancing recommendations to maintain alignment with the Board-approved asset allocation. The Board also received information on active and passive investment management approaches for review and potential future discussion. As of May 30, 2026, the trust fund balance was approximately $2.1 billion.

UHC AND HUMANA MEDICARE ADVANTAGE PLAN CHANGES

UnitedHealthcare Medicare Advantage PPO and Humana Medicare Advantage PPO members will see a change to how their medical and prescription drug coverage is structured in 2027. Effective January 1, 2027, the UnitedHealthcare and Humana Medicare Advantage PPO plans will include a Medicare Advantage medical plan and a standalone Group Medicare Part D Plan (PDP) for prescription drug coverage, remaining with the same carrier and their respective pharmacy benefit managers as today. The medical and prescription drug plans will continue to be offered together as a packaged NMRHCA Medicare plan option when making your plan selection. This change helps manage plan costs, allowing UnitedHealthcare premiums to remain unchanged for 2027 while Humana members will see a premium reduction. Medical benefits, member cost-sharing and network access will not change as a result of the new structure. For most members, there will be little noticeable difference in how they use their coverage. Humana members will continue to use a single ID card for both medical and prescription drug coverage. UnitedHealthcare members will receive two ID cards, one for medical coverage and one for prescription drug coverage. All affected members will receive an individual letter with additional details before the change takes effect.

PRESBYTERIAN MEDICARE ADVANTAGE NOT OFFERED IN 2027

Members may have heard about Presbyterian Health Plan’s previously announced business decision regarding its Medicare Advantage offerings and wondered what that would mean for their NMRHCA coverage. We now know that the Presbyterian Medicare Advantage plan will no longer be offered through NMRHCA effective January 1, 2027.

As a result of Presbyterian’s broader business decision, continuing the plan through NMRHCA for 2027 would have required significant changes to premiums and plan design. These changes would have resulted in a plan that was no longer competitive in either premium or the level of member cost-sharing that NMRHCA members have been accustomed to when accessing care. With other Medicare options available to members, continuing the Presbyterian Medicare Advantage plan was no longer a viable option for 2027.

NMRHCA members will be able to select from these Medicare options during Switch Enrollment that offer access to Presbyterian providers:

- United HealthCare Medicare Advantage PPO
- BCBS Medicare Advantage PPO
- BCBS Supplement

While these plans provide access to Presbyterian providers, provider networks and plan benefits may differ. Members should confirm that their specific doctors, facilities and prescriptions are covered before selecting a plan.

Members who take no action will be defaulted to UnitedHealthcare. During Switch Enrollment, you will be able to compare plans, including provider networks, to determine which plan best meets your needs.

Members currently receiving ongoing treatment or scheduled services should contact their new plan to discuss continuity-of-care and coordinate any necessary authorizations. Presbyterian will also provide transition support for members moving from its Medicare Advantage plan. Call Presbyterian for support at (505) 923-2000 (TTY 711).

Non-Medicare options from PHP are still available to members who are not Medicare eligible.

OPEN & SWITCH ENROLLMENT 2026 FOR 2027 PLAN YEAR

Open Enrollment If you're not currently enrolled: 2027 is an Open Enrollment year for medical coverage (occurs every odd year). If you, your spouse/domestic partner, or a qualifying dependent are eligible but not enrolled, you can enroll October 1, 2026 – January 30, 2027, with coverage most starting January 1, 2027.

Switch Enrollment If you're currently enrolled: Switch Enrollment runs from October 1 to November 13, 2026. Watch for your Switch Packet in the mail in late September. Your Switch Form will show the benefits you currently have and what they are costing you, along with the options you can "switch" to and what the price difference is. To change plans, **your form must be returned, postmarked by November 13, 2026**; changes take effect January 1, 2027. **If your current plan will continue to be offered in 2027 and you want to keep it, no action is required. Members currently enrolled in Presbyterian Medicare Advantage who take no action will automatically default to the UnitedHealthcare Medicare Advantage PPO effective January 1, 2027**

Dental & Vision: Open to members enrolling for the first time, or re-enrolling after four consecutive years after canceling dental/vision coverage.

Meetings: NMRHCA holds in-person and virtual meetings throughout October statewide, where staff and plan providers walk through your options. In-person attendees can also access wellness screenings such as flu shots, blood pressure checks, and more.

See the Switch Enrollment Meeting Schedule on the next page, at nmrhca.org/switch-open-enrollment, or in your Switch Packet.

NMRHCA PLAN CHANGES FOR 2027

The following table summarizes the plan and rate changes for 2027. Contact NMRHCA for more details or attend one of the Open & Switch Enrollment Meetings listed in the schedule in this newsletter or go to our Open and Switch Enrollment Web page at www.nmrhca.org/switch-open-enrollment .

	CARRIER	PLAN	PLAN CHANGE	PREMIUM CHANGE		
				PERCENT CHANGE	AMOUNT OF MONTHLY CHANGE*	2027 MONTHLY PREMIUM*
PRE-MEDICARE PLANS						
PRE-MEDICARE PLANS	Presbyterian & Blue Cross Blue Shield	Value Plan	No Medical or Rx changes	5% increase	$13.78 Retiree $26.15 Spouse $13.62 Child	$289.38 Retiree $549.21 Spouse $285.93 Child
PRE-MEDICARE PLANS		Premier Plan		5% increase	$17.64 Retiree $33.48 Spouse $17.46 Child	$370.45 Retiree $703.12 Spouse $366.66 Child
MEDICARE PLANS						
MEDICARE PLANS	Blue Cross Blue Shield	Supplement	No Medical changes. Rx change $2400 annual out-of-pocket max per IRA**.	2% increase	$4.91 Retiree $7.37 Spouse $9.82 Child	$250.52 Retiree $375.79 Spouse $501.05 Child
MEDICARE PLANS		Medicare Advantage HMO	No medical changes. Rx change $2400 annual out-of-pocket max per IRA**.	0% increase	$0.00 Retiree $0.00 Spouse $0.00 Child	$0.00 Retiree $0.00 Spouse $0.00 Child
MEDICARE PLANS		Medicare Advantage PPO	No medical changes. Rx change $2400 annual out-of-pocket max per IRA**.	22.2% increase	$5.00 Retiree $7.50 Spouse $10.00 Child	$27.50 Retiree $41.25 Spouse $55.00 Child
MEDICARE PLANS	United HealthCare	Medicare Advatage + PDP	No medical changes. Rx change $2400 annual out-of-pocket max per IRA**.	0% increase	$0.00 Retiree $ 0.00 Spouse $0.00 Child	$99.95 Retiree $149.92 Spouse $199.90 Child
MEDICARE PLANS	Humana	Medicare Advatage + PDP	No medical changes. Rx change $2400 annual out-of-pocket max per IRA**.	29.2% decrease	$-18.78 Retiree $ -28.17 Spouse $-37.56 Child	$45.53 Retiree $68.30 Spouse $91.06 Child
MEDICARE PLANS	Presbyterian	Medicare Advantage HMO-POS	Presbyterian Medicare Advantage plan will no longer be offered through NMRHCA effective January 1, 2027. Members who take no action to select another plan will be defaulted to UnitedHealthcare Medicare Advantage PPO as of 1/1/2027.			
VOLUNTARY BENEFITS						
VOLUNTARY BENEFITS	Delta Dental	Basic	No change	0% increase	$0 Single $0 2-Party $0 Family	$24.04 Single $45.68 2-Party $68.51 Family
VOLUNTARY BENEFITS		Comprehensive	No change	4.5% increase	$1.97 Single $3.74 2-Party $5.61 Family	$45.67 Single $86.79 2-Party $130.18 Family
VOLUNTARY BENEFITS	Blue Cross Blue Shield Dental	Basic	No change	0% increase	$0 Single $0 2-Party $0 Family	$19.98 Single $37.95 2-Party $56.93 Family
VOLUNTARY BENEFITS		Comprehensive	No change	0% increase	$0 Single $0 2-Party $0 Family	$38.46 Single $73.07 2-Party $109.56 Family
VOLUNTARY BENEFITS	Davis Vision	Vision Plan	No change	0% increase	$0 Single $0 2-Party $0 Family	$4.91 Single $9.24 2-Party $13.61 Family
VOLUNTARY BENEFITS	The Standard Life	Multiple Levels of Coverage Available	No change			

* Amounts listed are based on retiree preiums who are receiving maximum subsidy.

**Inflation Reduction Act

OPEN & SWITCH ENROLLMENT 2026 MEETING SCHEDULE

ESPANOLA: *September 30, 2026 @ 9:30 AM*
Northern NM College
Event Center & AD 101/102
921 Paseo de Oñate
Española, NM 87532

SILVER CITY: *October 14, 2026 @ 9:30 AM*
WNMU – Silver City
Besse-Forward Global Resource Center
Corner of 12th and Kentucky
Silver City, NM 88061

FARMINGTON: *October 1, 2026 @ 9:30 AM*
San Juan College
Henderson Fine Arts Building Room 9008
4601 College Blvd
Farmington, NM 87402

RIO RANCHO/NORTH ALBUQUERQUE: *October 19, 2026 @ 9:30 AM*
CNM Workforce Training Center
5600 Eagle Rock Ave NE,
Albuquerque, NM 87113

GALLUP: *October 2, 2026 @ 9:30 AM*
UNM - Gallup
Student Services & Tech Center
705 Gurley Ave
Gallup, NM 87301

CARLSBAD: *October 21, 2026 @ 9:30 AM*
Carlsbad Schools Eddy Training Center
700 West Stevens St
Carlsbad, NM 88220

RATON: *October 6, 2026 @ 9:30 AM*
Raton Convention Center
901 S. 3rd St.
Raton, NM 87740

ROSWELL: *October 22, 2026 @ 9:30 AM*
NM Military Institute
Jack Daniels Leadership Center
101 West College Blvd
Roswell, NM 88201

LAS VEGAS: *October 7, 2026 @ 9:30 AM*
New Mexico Highlands Univ. Student Center
800 National Ave.
Las Vegas, NM 87701

CLOVIS: *October 23, 2026 @ 9:30 AM*
Clovis Community College
Town Hall Auditorium
417 Schepps Blvd
Clovis, NM 88101

SANTA FE: *October 8 & 9, 2026 @ 9:30 AM*
Santa Fe Community College - Jemez Room
6401 Richards Ave.
Santa Fe, NM 87508

ALBUQUERQUE: *October 29 & 30, 2026 @ 9:30 AM*
CNM Main Campus Smith Brasher Hall
717 University Blvd., SE
Albuquerque, NM 87106

LAS CRUCES: *October 12 & 13, 2026 @ 9:30 AM*
NMSU Corbett Center Student Union,
Ballroom Level 3
International Mall, Las Cruces, NM 88003

VIRTUAL: *October 5 & 28, 2026 @ 9:30 AM*
October 16, 2026 @ 1:30 PM
Registration required:
www.nmrhca.org/switch-open-enrollment

PRESORT STD

US POSTAGE PAID

ABQ., NM

PERMIT #1645

Carrier Contact Information

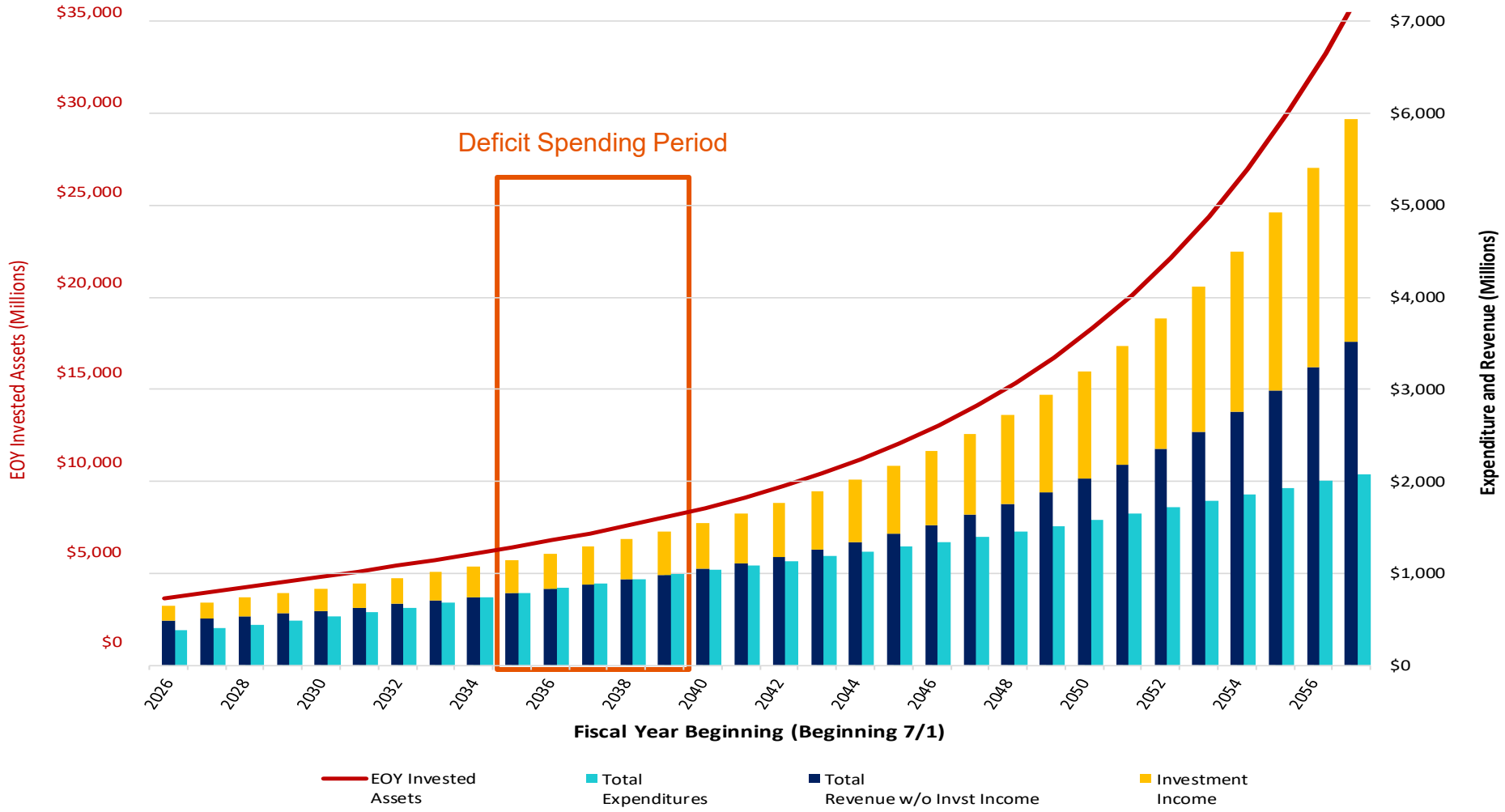
Blue Cross Blue Shield (BCBS) www.bcbsnm.com/nmrhca	800-788-1792	Presbyterian Health Plan www.phs.org	888-275-7737
BCBS Medicare Advantage www.bcbsnm.com/nmrhca	800-618-6156	Presbyterian Medicare Advantage www.phs.org	800-797-5343
Express Scripts Medicare www.express-scripts.com	800-551-1866	Humana Medicare Advantage https://ourhumana.com/nmrhca	866-396-8810
Express Scripts Non-Medicare www.express-scripts.com	800-501-0987	UnitedHealthcare Medicare Advantage www.uhcretiree.com/nmrhca	866-622-8014
Davis Vision www.davisvision.com	800-999-5431	Delta Dental www.deltadentalnm.com	877-395-9420
Blue Cross Blue Shield Dental www.bcbsnm.com/nmrhca	877-723-5697	Standard Insurance www.standard.com/mybenefits/newmexico_rhca	888-609-9763

NMRHCA Contact Information

Albuquerque Office:	6300 Jefferson St. NE, Suite 150 Albuquerque, NM 87109-3392	Santa Fe Office:	33 Plaza La Prensa Santa Fe, NM 87507
Telephone: Fax:	800-233-2576 505-884-8611	Hours:	Monday-Friday 8:00AM – 5:00PM
Website:	www.nmrhca.org	Email:	customerservice@rhca.nm.gov
Facebook:	www.facebook.com/nmrhca		

2026 Solvency Scenario – Board Approved

5% Non-Medicare retiree and spouse, 5% Non-Medicare dependent, 2% Med Supp Rate Increases



Segal

New Mexico Retiree Health Care Authority Long-Tem Solvency Modeling

Projected Year of Insolvency: Exceeds Projection Period

Scenario: Board Approved - Using the starting balance as of June 30, 2026

Description: NonMedicare Medical: 8.5% trend until CY2029, decreasing 0.25% each year until a 4.5% ultimate trend; Medicare Medical : 7% trend until CY2029, decreasing 0.25% each year until a 4.5% ultimate trend; NonMedicare Rx: 18% trend through CY2029, decreasing 1.0% through 2035, decreasing 0.25% each year until 4.5% ultimate trend; Medicare Rx: 11% trend through CY2029, decreasing 0.25% each year until 4.5% ultimate trend; No Annual Plan Changes; Annual Non-Medicare Rate Increases of 5% in CY2027, and 5% thereafter, Medicare Rate Increase of 2% in CY2027, and 2% thereafter; Rate of return of 7.25%; Payroll growth of 2.75% for Public Safety and 1.72% for Other Occupations in FY2026 and 2.75% beginning FY2027 overall; 12% Pension Tax Revenue; Includes financial impact from 2026 approved legislation.

		REVENUE									EXPENDITURES						
Fiscal Year Beginning	BOY Invested Assets	Employer Contribution	Employee Contribution	Retiree Medical	Retiree Ancillary	Tax Revenue	Medicare PDP & Manufacturers Discount	Miscellaneous	Total Revenue w/o Invst Income	Investment Income	Medical/Rx	Ancillary Premiums	ASO & HC Reform Fees	Program Support	Total Expenditures	Rev. - Exp. Excluding Inv. Income	EOY Invested Assets
7/1/2026	$2,176,751,684	$138,025,921	$69,012,960	$133,119,346	$40,229,040	$65,009,436	$39,215,330	$117,050	$484,729,082	$161,452,228	$324,233,242	$40,229,040	$15,428,007	$4,487,600	$384,377,889	$100,351,193	$2,438,555,105
7/1/2027	$2,438,555,105	$141,821,634	$70,910,817	$137,714,113	$41,740,108	$72,810,568	$40,674,103	$115,276	$505,786,619	$180,332,896	$346,125,398	$41,740,108	$15,730,960	$4,599,790	$408,196,257	$97,590,363	$2,716,478,363
7/1/2028	$2,716,478,363	$145,721,729	$72,860,864	$143,423,941	$43,639,557	$81,547,837	$45,686,161	$114,279	$532,994,368	$200,196,341	$378,856,324	$43,639,557	$16,082,735	$4,714,785	$443,293,400	$89,700,968	$3,006,375,673
7/1/2029	$3,006,375,673	$149,729,076	$74,864,538	$149,253,683	$45,830,949	$91,333,577	$51,227,794	$113,126	$562,352,744	$220,826,190	$416,245,209	$45,830,949	$16,438,301	$4,832,654	$483,347,115	$79,005,629	$3,306,207,492
7/1/2030	$3,306,207,492	$153,846,626	$76,923,313	$155,486,473	$48,115,130	$102,293,606	$57,114,972	$113,818	$593,893,938	$242,092,117	$457,981,151	$48,115,130	$16,855,947	$4,953,471	$527,905,699	$65,988,239	$3,614,287,848
7/1/2031	$3,614,287,848	$158,077,408	$79,038,704	$161,912,828	$50,464,391	$114,568,839	$63,385,248	$114,391	$627,561,810	$263,911,325	$503,002,971	$50,464,391	$17,280,422	$5,077,307	$575,825,092	$51,736,718	$3,929,935,891
7/1/2032	$3,929,935,891	$162,424,537	$81,212,268	$168,521,809	$52,868,119	$128,317,100	$70,001,235	$115,519	$663,460,587	$286,228,518	$551,592,313	$52,868,119	$17,708,569	$5,204,240	$627,373,241	$36,087,345	$4,252,251,755
7/1/2033	$4,252,251,755	$166,891,211	$83,445,606	$175,104,000	$55,355,941	$143,715,152	$77,055,809	$116,077	$701,683,796	$309,039,660	$602,146,151	$55,355,941	$18,118,865	$5,334,346	$680,955,303	$20,728,493	$4,582,019,908
7/1/2034	$4,582,019,908	$171,480,720	$85,740,360	$181,259,148	$57,873,854	$160,960,970	$84,595,025	$115,446	$742,025,522	$332,482,715	$652,315,688	$57,873,854	$18,471,137	$5,467,705	$734,128,383	$7,897,139	$4,922,399,761
7/1/2035	$4,922,399,761	$176,196,439	$88,098,220	$186,954,960	$60,459,103	$180,276,286	$92,653,690	$113,915	$784,752,613	$356,832,892	$701,053,669	$60,459,103	$18,768,983	$5,604,397	$785,886,152	($1,133,539)	$5,278,099,113
7/1/2036	$5,278,099,113	$181,041,842	$90,520,921	$192,246,769	$63,087,802	$201,909,441	$101,175,510	$111,813	$830,094,097	$382,438,379	$748,414,263	$63,087,802	$19,021,494	$5,744,507	$836,268,066	($6,173,970)	$5,654,363,523
7/1/2037	$5,654,363,523	$186,020,492	$93,010,246	$197,392,766	$65,756,568	$226,138,574	$110,017,892	$109,881	$878,446,418	$409,647,710	$795,649,673	$65,756,568	$19,252,617	$5,888,120	$886,546,978	($8,100,560)	$6,055,910,673
7/1/2038	$6,055,910,673	$191,136,056	$95,568,028	$202,527,532	$68,512,316	$253,275,203	$119,194,602	$108,009	$930,321,745	$438,797,282	$843,368,672	$68,512,316	$19,474,174	$6,035,323	$937,390,485	($7,068,739)	$6,487,639,216
7/1/2039	$6,487,639,216	$196,392,297	$98,196,149	$207,376,030	$71,348,981	$283,668,227	$128,797,003	$105,567	$985,884,254	$470,333,259	$889,251,987	$71,348,981	$19,664,917	$6,186,206	$986,452,091	($567,837)	$6,957,404,638
7/1/2040	$6,957,404,638	$201,793,085	$100,896,543	$212,185,953	$74,262,875	$317,708,414	$138,675,250	$103,428	$1,045,625,549	$504,779,832	$935,024,684	$74,262,875	$19,845,514	$6,340,861	$1,035,473,935	$10,151,614	$7,472,336,084
7/1/2041	$7,472,336,084	$207,342,395	$103,671,198	$217,044,646	$77,322,276	$355,833,424	$148,900,098	$101,290	$1,110,215,327	$542,653,856	$981,279,111	$77,322,276	$20,025,193	$6,499,383	$1,085,125,963	$25,089,364	$8,040,079,303
7/1/2042	$8,040,079,303	$213,044,311	$106,522,156	$221,916,579	$80,539,775	$398,533,435	$159,527,375	$99,066	$1,180,182,696	$584,549,322	$1,027,439,683	$80,539,775	$20,201,443	$6,661,867	$1,134,842,768	$45,339,928	$8,669,968,553
7/1/2043	$8,669,968,553	$218,903,030	$109,451,515	$226,993,197	$83,977,553	$446,357,447	$170,586,159	$97,013	$1,256,365,913	$631,127,556	$1,074,691,425	$83,977,553	$20,390,285	$6,828,414	$1,185,887,678	$70,478,236	$9,371,574,345
7/1/2044	$9,371,574,345	$224,922,863	$112,461,432	$231,988,315	$87,604,991	$499,920,340	$182,118,812	$94,607	$1,339,111,360	$683,142,001	$1,121,787,279	$87,604,991	$20,572,082	$6,999,124	$1,236,963,476	$102,147,884	$10,156,864,229
7/1/2045	$10,156,864,229	$231,108,242	$115,554,121	$237,054,669	$91,468,868	$559,910,781	$194,095,619	$92,237	$1,429,284,538	$741,468,881	$1,169,299,004	$91,468,868	$20,757,056	$7,174,103	$1,288,699,030	$140,585,508	$11,038,918,618
7/1/2046	$11,038,918,618	$237,463,718	$118,731,859	$242,221,642	$95,541,077	$627,100,075	$206,406,256	$89,892	$1,527,554,518	$807,055,694	$1,217,946,364	$95,541,077	$20,945,509	$7,353,455	$1,341,786,405	$185,768,114	$12,031,742,426
7/1/2047	$12,031,742,426	$243,993,971	$121,996,985	$247,598,505	$99,863,340	$702,352,084	$219,006,895	$87,693	$1,634,899,474	$880,945,754	$1,267,887,875	$99,863,340	$21,143,982	$7,537,292	$1,396,432,489	$238,466,984	$13,151,155,164
7/1/2048	$13,151,155,164	$250,703,805	$125,351,902	$253,233,197	$104,526,562	$786,634,334	$232,052,028	$85,506	$1,752,587,334	$964,341,023	$1,318,774,915	$104,526,562	$21,359,486	$7,725,724	$1,452,386,687	$300,200,647	$14,415,696,834
7/1/2049	$14,415,696,834	$257,598,160	$128,799,080	$259,627,676	$109,514,242	$881,030,454	$245,269,823	$84,011	$1,881,923,446	$1,058,526,388	$1,373,539,315	$109,514,242	$21,616,746	$7,918,867	$1,512,589,170	$369,334,276	$15,843,557,498
7/1/2050	$15,843,557,498	$264,682,109	$132,341,054	$266,684,034	$114,922,744	$986,754,109	$258,822,990	$82,675	$2,024,289,714	$1,164,895,336	$1,431,410,165	$114,922,744	$21,911,223	$8,116,839	$1,576,360,971	$447,928,743	$17,456,381,577
7/1/2051	$17,456,381,577	$271,960,867	$135,980,433	$274,681,774	$120,699,530	$1,105,164,602	$272,433,571	$81,982	$2,181,002,759	$1,285,012,260	$1,493,881,549	$120,699,530	$22,251,009	$8,319,760	$1,645,151,848	$535,850,912	$19,277,244,748
7/1/2052	$19,277,244,748	$279,439,791	$139,719,895	$282,632,019	$126,919,201	$1,237,784,354	$286,554,654	$80,548	$2,353,130,462	$1,420,792,370	$1,555,313,979	$126,919,201	$22,586,751	$8,527,754	$1,713,347,685	$639,782,777	$21,337,819,895
7/1/2053	$21,337,819,895	$287,124,385	$143,562,192	$290,918,970	$133,499,462	$1,386,318,476	$300,758,539	$79,370	$2,542,261,395	$1,574,526,152	$1,617,525,175	$133,499,462	$22,931,397	$8,740,947	$1,782,696,982	$759,564,413	$23,671,910,461
7/1/2054	$23,671,910,461	$295,020,306	$147,510,153	$299,663,644	$140,640,164	$1,552,676,693	$315,263,828	$78,094	$2,750,852,881	$1,748,728,497	$1,680,990,270	$140,640,164	$23,297,764	$8,959,471	$1,853,887,669	$896,965,213	$26,317,604,171
7/1/2055	$26,317,604,171	$303,133,364	$151,566,682	$308,706,670	$148,196,314	$1,738,997,896	$330,012,050	$76,838	$2,980,689,815	$1,946,236,922	$1,745,548,404	$148,196,314	$23,675,576	$9,183,458	$1,926,603,752	$1,054,086,063	$29,317,927,157
7/1/2056	$29,317,927,157	$311,469,531	$155,734,766	$318,013,504	$156,192,079	$1,947,677,644	$345,449,742	$75,603	$3,234,612,870	$2,170,218,687	$1,812,699,242	$156,192,079	$24,061,116	$9,413,044	$2,002,365,481	$1,232,247,388	$32,720,393,232
7/1/2057	$32,720,393,232	$320,034,944	$160,017,472	$327,590,050	$164,653,034	$2,181,398,961	$361,609,114	$74,388	$3,515,377,963	$2,424,214,889	$1,882,514,985	$164,653,034	$24,454,547	$9,648,370	$2,081,270,937	$1,434,107,026	$36,578,715,147

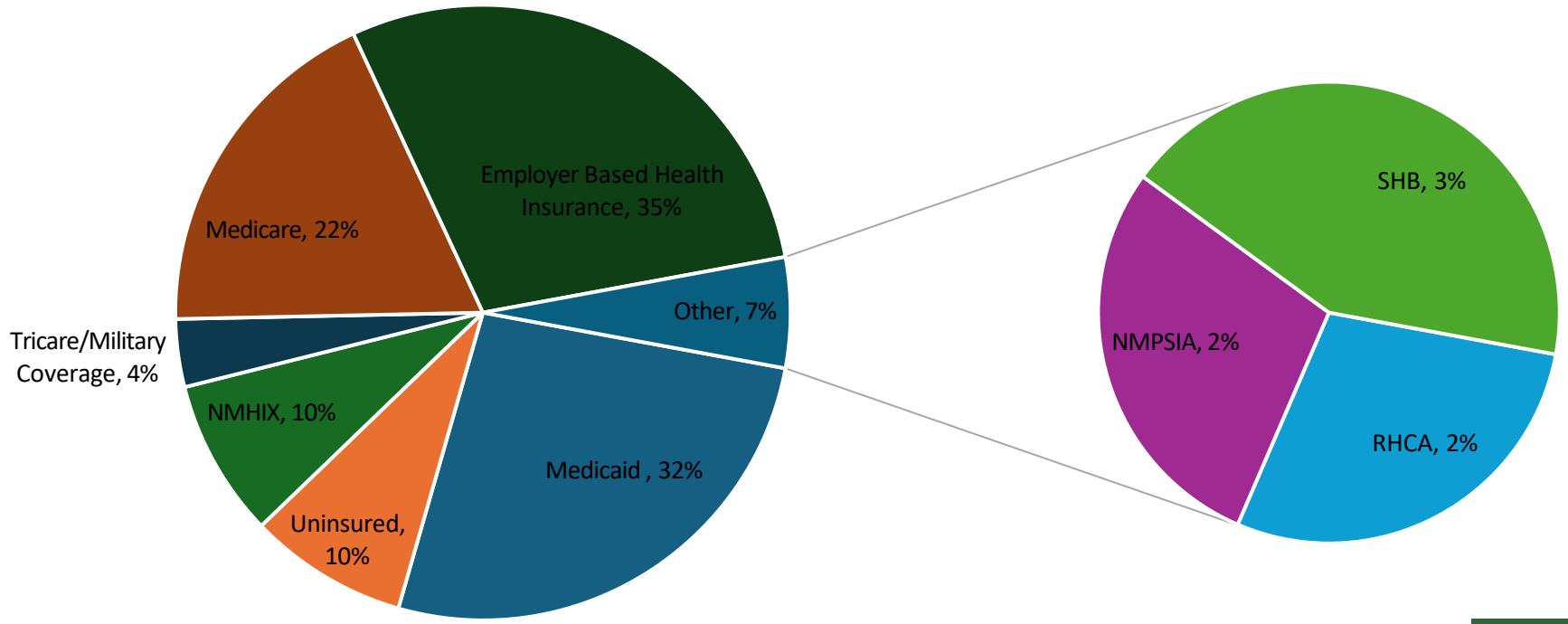
Assumptions with Fiscal Year Basis:	FY2027	FY2028	FY2029	FY2030	FY2031+
Public Safety, et al Annual Payroll Growth	2.75%	2.75%	2.75%	2.75%	2.75%
Other Occupations Annual Payroll Growth	1.72%	2.75%	2.75%	2.75%	2.75%
Public Safety, et al Employer Rate	2.50%	2.50%	2.50%	2.50%	2.50%
Public Safety, et al Employee Rate	1.25%	1.25%	1.25%	1.25%	1.25%
Other Occupations Employer Rate	2.00%	2.00%	2.00%	2.00%	2.00%
Other Occupations Employee Rate	1.00%	1.00%	1.00%	1.00%	1.00%
Annual Investment Return	7.25%	7.25%	7.25%	7.25%	7.25%
Annual Growth in Retirees under age 65	-2.62%	-1.52%	-0.86%	-1.01%	varies
Annual Growth in Retirees age 65+	1.55%	1.24%	0.99%	0.92%	varies
Non-Medicare Prescription Drug Rebate Trend	34.86%	18.51%	18.00%	18.00%	varies
Medicare Prescription Drug Rebate Trend	-0.10%	2.23%	11.00%	11.00%	varies

Assumptions with Calendar Year Basis:	CY2027	CY2028	CY2029	CY2030	CY2031+
Non-Medicare Medical Claims Trend	8.50%	8.50%	8.50%	8.25%	8.0% to 4.5%
Non-Medicare Prescription Drug Claims Trend	18.00%	18.00%	18.00%	17.00%	16.0% to 4.5%
Medicare Medical Claims Trend	7.00%	7.00%	7.00%	6.75%	6.5% to 4.5%
Medicare Prescription Drug Claims Trend	11.00%	11.00%	11.00%	10.75%	10.50% to 4.5%
EGWP Subsidies as a Percentage of Claims[1]	36.00%	36.00%	36.00%	36.00%	36.00%
Humana Medicare Advantage Premium Increase	-29.20%	6.00%	6.00%	6.00%	6.00%
BCBS Medicare Advantage Premium Increase	22.22%	6.00%	6.00%	6.00%	6.00%
Presbyterian Medicare Advantage Premium Increase	0.21%				
United Healthcare Medicare Advantage Premium Increase	0.00%	6.00%	6.00%	6.00%	6.00%

Member Rate-Share for Self-funded Plans effective 1/1:	CY2027	CY2028	CY2029	CY2030	CY2031+
Non-Medicare Retiree Rate Share (20+ years of service)	36.00%	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%	64.00%
Medicare Retiree Rate Share (20+ years of service)	50.00%	50.00%	50.00%	50.00%	50.00%
Medicare Spouse Rate Share (20+ years of service)	75.00%	75.00%	75.00%	75.00%	75.00%
Premium Rates for Self-funded Plans effective 1/1:	**CY2027**	**CY2028**	**CY2029**	**CY2030**	**CY2031+**
Non-Medicare Retiree % Increase	5.00%	5.00%	5.00%	5.00%	5% to 5%
Non-Medicare Spouse % Increase	5.00%	5.00%	5.00%	5.00%	5% to 5%
Non-Medicare Child % Increase	5.00%	5.00%	5.00%	5.00%	5% to 5%
Medicare Supplement % Increase	2.00%	2.00%	2.00%	2.00%	2% to 2%

Self-funded Plan Benefit Modifications effective 1/1:	CY2027	CY2028	CY2029	CY2030	CY2031+
Non-Medicare Premier	0.00%	0.00%	0.00%	0.00%	0% to 0%
Non-Medicare Value	0.00%	0.00%	0.00%	0.00%	0% to 0%
Non-Medicare Prescription Drug	0.00%	0.00%	0.00%	0.00%	0% to 0%
Medicare Supplement	0.00%	0.00%	0.00%	0.00%	0% to 0%
Medicare Prescription Drug	0.00%	0.00%	0.00%	0.00%	0% to 0%

Interagency Benefit Advisory Committee



State

Interagency Benefit Advisory Committee

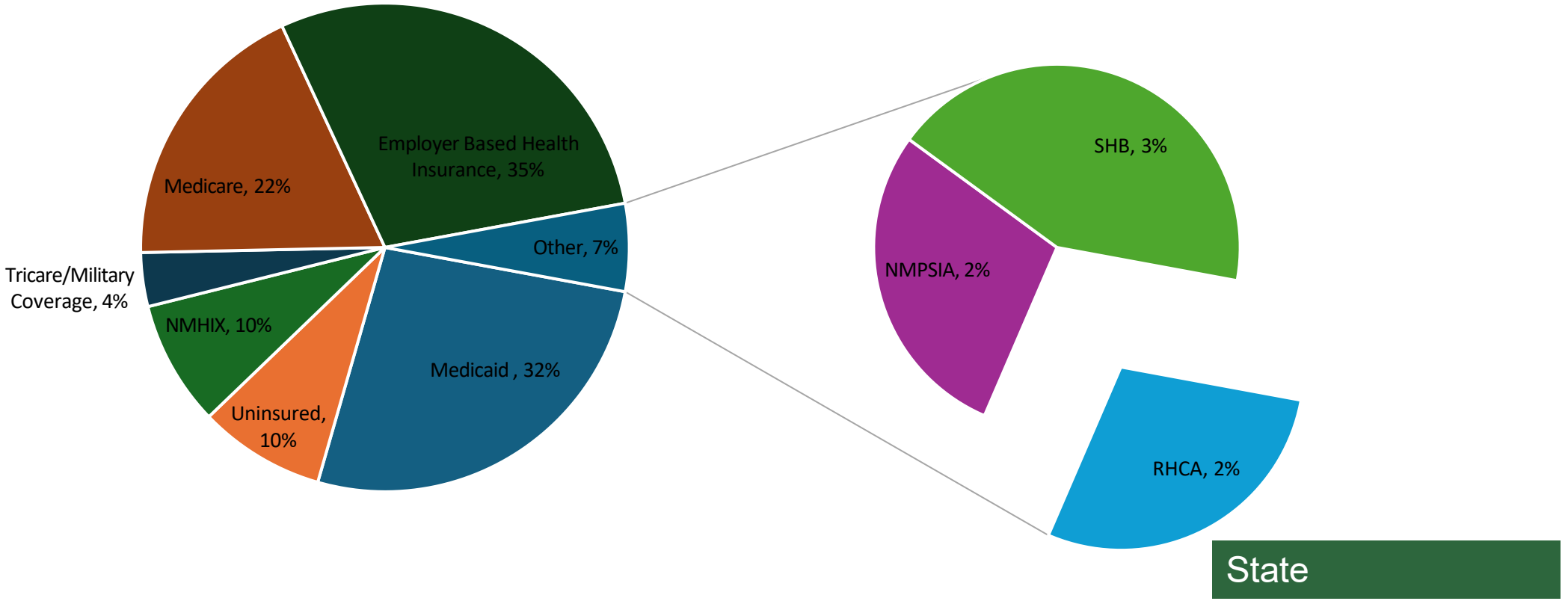
- Created by the Purchasing Act, the Interagency Benefit Advisory Committee (IBAC) is comprised of four state entities:
  - Retiree Health Care Authority
  - State Health Benefits (Health Care Authority)
  - New Mexico Public Schools Insurance Authority
  - Albuquerque Public Schools

- These four entities are responsible for providing healthcare benefits for public employees in New Mexico

- Previous LFC reports found the state has not maximized purchasing power for health benefits nor taken advantage of comprehensive quality improvement initiatives that would better contain costs.
  - Each IBAC is self-insured and has different plan designs and cost structures

State

Retiree Health Care Authority



Retiree Health Care Authority

- The authority is responsible for providing subsidized access to health insurance products for retired civil servants

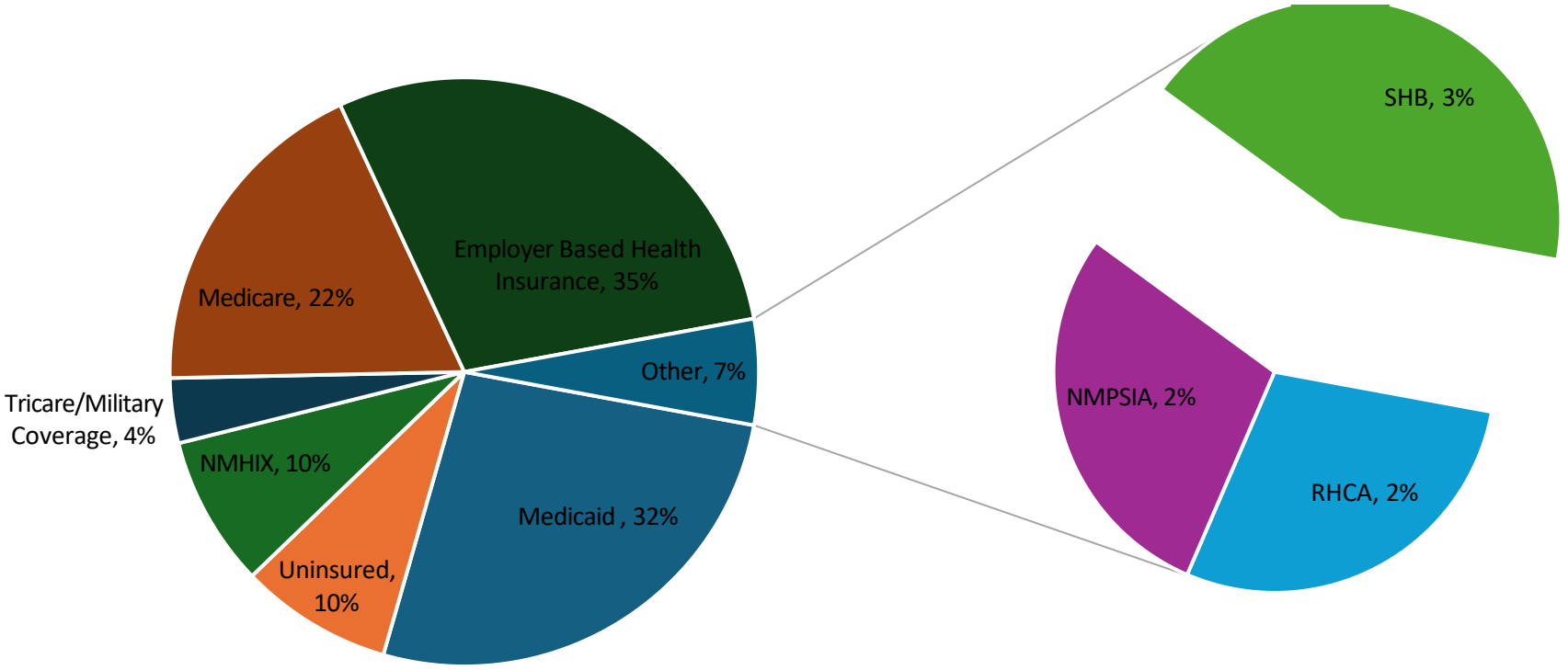
- Under current practice, the authority's plan more heavily subsidizes the younger, working-age population versus the older, Medicare-eligible population

- Because RHCA provides the largest subsidies for workers who are not yet Medicare-eligible, this benefit provides an incentive for workers to leave state service early because they will receive a more generous subsidy than they will under the Medicare subsidy program

- The authority has worked in past years to maximize cost containment strategies

State

State Health Benefits



State

State Health Benefits

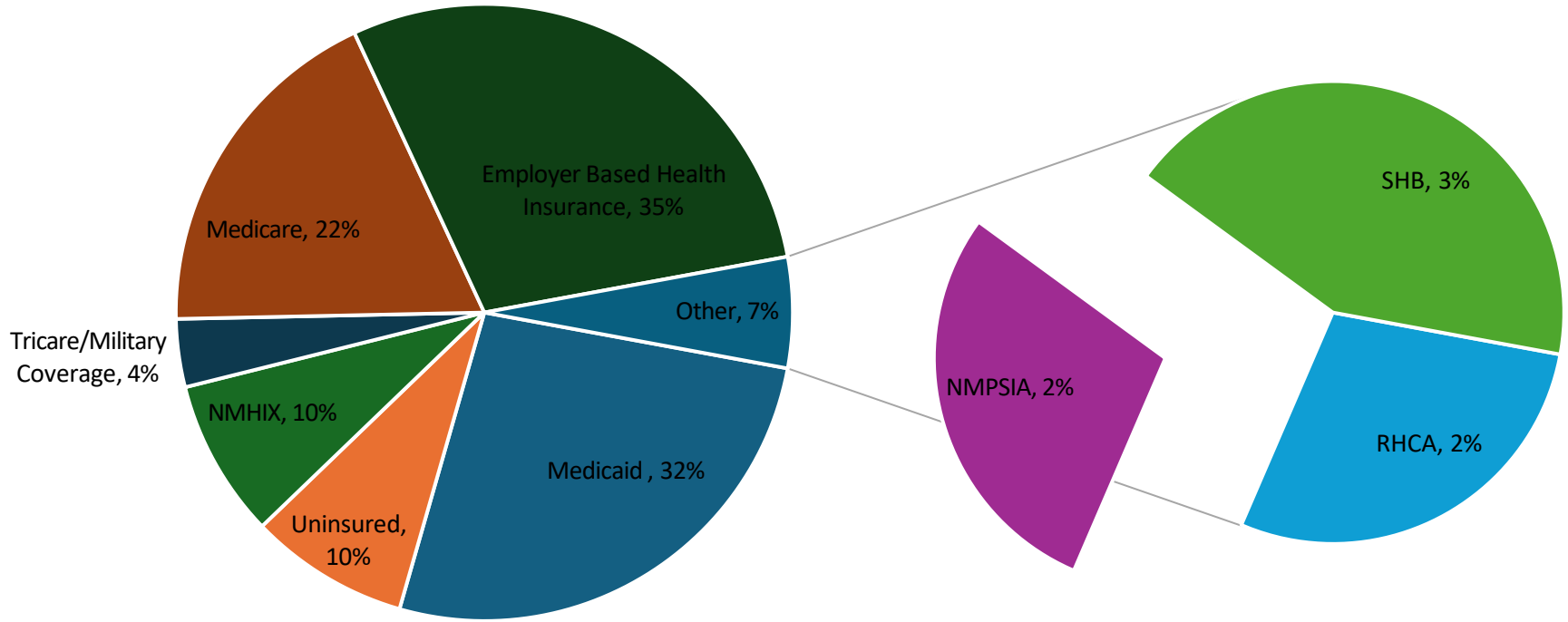
- State Health Benefits were transferred from the General Services Department to the Health Care Authority in FY25 and cover most state employees and local public bodies

- HCA has worked to stabilize the program, with it having a projected surplus for the first time in years
  - 20 percent premium rate increase
  - $37.5 million in hospital reference-based pricing savings
  - $10.4 million from an improved contract with the state's pharmacy benefit manager that no longer includes spread pricing
  - Taxpayers fund 80 percent of premiums for most employees

- During this year's open enrollment, following a state employee health benefits redesign, state employees consistently enrolled in higher cost plans than did local public body employees
  - The state's most expensive health plan costs 77 percent more than the high deductible plan, the state takes on most of this added cost, limiting the incentive to opt for the lower cost premiums

State

New Mexico Public Schools Insurance Authority (47,720)



State

New Mexico Public Schools Insurance Authority

- NMPSIA provides health benefits and risk insurance to 88 of the 89 school districts—the exception is the Albuquerque Public Schools—and all charter schools statewide

- The Benefits Program is self-insured and funded though employer and employee premiums

- NMPSIA pays the full cost of health benefits claims through the provider networks of private insurance carriers, which receive a set administrative fee

- HB47 calls for LESC, LFC, NMPSIA, PED, and HCA to conduct a comprehensive study and produce a final report regarding the impact of combining NMPSIA with State Health Benefits

- HB47 also requires the state to cover 80 percent of the cost of health insurance premiums for public school employees and their dependents in the next fiscal year

State

New Mexico Retiree Health Care Authority (CP)
Change in Market Value
For the Month of Jun 2026
(Report as of July 17, 2026)

Investment Name	Prior Ending Market Value	Contributions	Distributions	Fees	Income	Gains - Realized	Gains - Unrealized	Gains - Realized & Unrealized	Market Value
Core Bonds Pool	391,664,988.16	13,000,000.00	-	(108,548.82)	1,800,679.99	370,741.63	(829,931.19)	(459,189.56)	405,897,929.77
Credit Plus Pool	98,203,988.13	3,250,000.00	-	(55,741.93)	463,922.02	172,233.25	(325,294.43)	(153,061.18)	101,709,107.04
NM Retiree Health Care Authority Cash Account	-	-	-	-	-	-	-	-	-
Non-US Large Cap Active Pool	114,657,721.43	3,250,000.00	-	(85,670.95)	234,697.05	2,551,076.80	(3,854,820.61)	(1,303,743.81)	116,753,003.72
Non-US Large Cap Passive Pool	162,161,866.86	4,550,000.00	-	(10,855.67)	266,578.67	(41,187.65)	(1,173,120.69)	(1,214,308.34)	165,753,281.52
Non-US SMID Cap Active Pool	28,612,060.53	650,000.00	-	(30,937.50)	81,906.27	568,306.16	(1,683,893.45)	(1,115,587.29)	28,197,442.01
Non-US SMID Cap Passive Pool	43,312,269.38	1,300,000.00	-	(5,988.65)	108,675.52	(1,206.40)	(1,801,363.25)	(1,802,569.65)	42,912,386.60
Private Debt Market Pool	244,003,988.01	7,800,000.00	-	-	382,247.10	(5,124.33)	2,965,862.28	2,960,737.95	255,146,973.06
Private Equity Pool	230,540,937.76	7,150,000.00	-	-	109,283.81	962,586.81	(1,157,874.01)	(195,287.20)	237,604,934.37
Real Estate Pool	193,807,385.66	6,500,000.00	-	-	659,414.98	413,942.10	(247,421.75)	166,520.35	201,133,320.99
Real Return Pool	104,402,823.73	3,250,000.00	-	(19,210.22)	192,931.92	87,187.79	3,036,167.46	3,123,355.25	110,949,900.68
US Large Cap Index Pool	424,194,359.38	12,350,000.00	-	(9,253.79)	504,412.50	1,934,536.18	(4,685,106.79)	(2,750,570.61)	434,288,947.48
US SMID Cap Alternative Weighted Index Pool	69,268,120.81	1,950,000.00	-	(5,543.65)	125,830.60	1,125,879.22	3,940,169.79	5,066,049.01	76,404,456.77
Sub - Total New Mexico Retiree Health Care Authority (CP)	2,104,830,509.84	65,000,000.00	-	(331,751.18)	4,930,580.43	8,138,971.56	(5,816,626.64)	2,322,344.92	2,176,751,684.01
Total New Mexico Retiree Health Care Authority (CP)	**2,104,830,509.84**	**65,000,000.00**	**-**	**(331,751.18)**	**4,930,580.43**	**8,138,971.56**	**(5,816,626.64)**	**2,322,344.92**	**2,176,751,684.01**

New Mexico Retiree Health Care Authority (CP)
Change in Market Value
For the Month of Jul 2026
(Report as of August 17, 2026)

Investment Name	Prior Ending Market Value	Contributions	Distributions	Fees	Income	Gains - Realized	Gains - Unrealized	Gains - Realized & Unrealized	Market Value
Core Bonds Pool	405,897,929.77	-	-	-	1,243,108.58	325,619.34	(6,720,423.07)	(6,394,803.73)	400,746,234.62
Credit Plus Pool	101,709,107.04	-	-	-	458,781.28	46,857.56	(1,239,847.20)	(1,192,989.64)	100,974,898.68
NM Retiree Health Care Authority Cash Account	-	-	-	-	-	-	-	-	-
Non-US Large Cap Active Pool	116,753,003.72	-	-	-	132,765.55	905,199.67	980,395.82	1,885,595.49	118,771,364.76
Non-US Large Cap Passive Pool	165,753,281.52	-	-	-	197,160.84	42,012.33	281,510.03	323,522.36	166,273,964.72
Non-US SMID Cap Active Pool	28,197,442.01	-	-	-	36,843.34	319,882.13	(736,851.02)	(416,968.89)	27,817,316.46
Non-US SMID Cap Passive Pool	42,912,386.60	-	-	-	55,994.69	6,022.89	(461,317.27)	(455,294.38)	42,513,086.91
Private Debt Market Pool	255,146,973.06	-	-	-	630,161.70	72,908.40	(442,432.04)	(369,523.64)	255,407,611.12
Private Equity Pool	237,604,934.37	-	-	-	60,978.54	741,916.41	(632,674.32)	109,242.09	237,775,155.00
Real Estate Pool	201,133,320.99	-	-	-	566,160.42	179,902.01	(614,113.19)	(434,211.18)	201,265,270.23
Real Return Pool	110,949,900.68	-	-	-	266,868.35	2,778,942.63	(2,292,227.59)	486,715.04	111,703,484.07
US Large Cap Index Pool	434,288,947.48	-	-	-	284,538.86	19,623.75	(1,812,584.33)	(1,792,960.58)	432,780,525.76
US SMID Cap Alternative Weighted Index Pool	76,404,456.77	-	-	-	65,864.03	1,094,019.98	(2,617,917.07)	(1,523,897.09)	74,946,423.71
Sub - Total New Mexico Retiree Health Care Authority (CP)	2,176,751,684.01	-	-	-	3,999,226.18	6,532,907.10	(16,308,481.25)	(9,775,574.15)	2,170,975,336.04
Total New Mexico Retiree Health Care Authority (CP)	**2,176,751,684.01**	**-**	**-**	**-**	**3,999,226.18**	**6,532,907.10**	**(16,308,481.25)**	**(9,775,574.15)**	**2,170,975,336.04**

NEW MEXICO
RETIREE
HEALTH CARE
AUTHORITY

FY28 Appropriation Request

Presented to the Board of Directors

August 25, 2026

FY28 Appropriation Request - Action Item*

Background

Statute requires NMRHCA to submit its FY28 Appropriation Request to the State Budget Division and the Legislative Finance Committee by September 1, 2026. This report details actual expenditures for July 1, 2025, through June 30, 2026 (FY26), the approved operating budget for July 1, 2026, through June 30, 2027 (FY27), and the proposed budget increases for July 1, 2027, through June 30, 2028 (FY28).

Summary

This chart summarizes NMRHCA's FY27 budget and proposed FY28 request:

		FY27 Operating	FY28 Request	Increase	Percent
Healthcare Benefits Administration					
Contractual Services		$ 418,236.7	$ 432,087.1	$13,850.4	3.3%
Other		$ 45.0	$ 45.0	$ -	0.0%
Other Financing Uses		$ 4,682.1	$ 5,254.4	$ 572.3	12.2%
Total		$ 422,963.8	$ 437,386.5	$14,422.7	3.4%
Program Support					
PS&EB		$ 3,268.5	$ 3,732.5	$ 464.0	14.2%
Contractual Services		$ 763.2	$ 871.5	$ 108.3	14.2%
Other		$ 650.4	$ 650.4	$ -	0.0%
Total		$ 4,682.1	$ 5,254.4	$ 572.3	12.2%
Agency Total					
PS&EB		$ 3,268.5	$ 3,732.5	$ 464.0	14.2%
Contractual Services		$ 418,999.9	$ 432,958.6	$13,958.7	3.3%
Other		$ 695.4	$ 695.4	$ -	0.0%
Other Financing Uses		$ 4,682.1	$ 5,254.4	$ 572.3	12.2%
Total		**$ 427,645.9**	**$ 442,640.9**	**$14,995.0**	**3.5%**

Healthcare Benefits Administration

The FY28 request for Healthcare Benefits Administration is $477.2 million. The additional $54.3 million represents a 12.8% increase over the FY27 operating budget. Revenue assumptions are shown in the following table and described below:

	Health Benefit Fund - Revenue Detail							
		FY26 OPBUD	FY26 ACTUALS	FY27 OPBUD	FY28 INC/DEC	FY28 REQUEST	% CHANGE	
	REVENUE:							
1	Employer/Employee Contributions	$ 141,175.6	$ 216,597.4	$ 148,476.5	$ -	$ 148,476.5	0.0%	1
2	Retiree Contributions	$ 172,901.4	$ 182,515.3	$ 168,801.5	$ 6,312.1	$ 175,113.6	3.7%	2
3	Taxation and Revenue Suspense Fund	$ 58,032.9	$ 58,044.1	$ 64,996.8	$ 7,799.6	$ 72,796.4	12.0%	3
4	Other Miscellaneous Revenue	$ 38,959.4	$ 64,714.2	$ 40,000.0	$ -	$ 40,000.0	0.0%	4
5	Interest Income	$ 100.0	$ 1,920.2	$ 689.0	$ 311.0	$ 1,000.0	45.1%	5
6	**TOTAL REVENUE:**	**$ 411,169.3**	**$ 523,791.2**	**$ 422,963.8**	**$ 14,422.7**	**$ 437,386.5**	**3.4%**	6

- Line 1 – Employee and Employer Contributions. We know that we are going to collect more than budgeted from this source, but we are required to balance revenues and expenditures. Amounts collected over the approved operating budget amount are transferred to the long-term trust fund.

- Line 2 – Retiree Contributions fluctuate depending upon participation by plan i.e., Medicare Supplement $245.61 per month v. Medicare Advantage Plan $0 per month, and migration to lower or higher costing plans i.e., Premier vs. Value Plan.
    - Premium increases on the self-insured plans of 5% for pre-Medicare retiree, spouse, and dependent children are effective half of FY28 (July 1, 2027 – December 31, 2027), with the likelihood of additional increases effective January 1, 2028 - June 30, 2028.
    - Medicare Advantage Rates varied from being held flat to various increases for calendar year 2027 depending on the plan impacting premiums. This is likely to occur again in the second half of FY28.
    - Continued membership growth in Voluntary Programs (dental, vision and life insurance) does not have a financial impact to the agency but does have a budgetary impact.
- Line 3 – Taxation and Revenue Suspense Fund amounts are prescribed by statute.
- Line 4 – Other Miscellaneous Revenue consists of Medicare Part D subsidies, prescription drug rebates, performance penalties, and subrogation. This amount fluctuates annually.
- Line 5 – Interest Income accounts for a nominal amount and varies dependent upon short-term interest rates earned on cash held by the State Treasure in overnight accounts.

Assumptions about expenditures are shown in the table below and described below:

	Health Benefit Fund Expenditure Summary							
		FY26	FY26	FY27	FY28	FY28	%	
	Contractual Services	**OPBUD**	**ACTUALS**	**OPBUD**	**INC/DEC**	**REQUEST**	**CHANGE**	
1	Prescriptions	$ 137,000.0	$ 133,658.1	$ 143,300.0	$ 14,000.0	$ 157,300.0	9.8%	1
2	Medical - Supplement/Self- Insured	$ 190,126.7	$ 154,128.8	$ 190,126.7	$ (4,000.0)	$ 186,126.7	-2.1%	2
3	Medicare Advantage	$ 34,360.0	$ 33,262.9	$ 39,660.0	$ 1,200.4	$ 40,860.4	3.0%	3
4	Voluntary Coverages	$ 45,150.0	$ 42,676.9	$ 45,150.0	$ 2,650.0	$ 47,800.0	5.9%	4
5	**Total Contractual Services**	$ 406,636.7	$ 363,726.7	$ 418,236.7	$ 13,850.4	$ 432,087.1	**3.3%**	5
	Other							
6	PCORI Fee	$ 45.0	$ 38.6	$ 45.0	$ -	$ 45.0	0.0%	6
7	**Total Other**	$ 45.0	$ 38.6	$ 45.0	$ -	$ 45.0	**0.0%**	7
	Other Financing Uses							
8	Program Support	$ 4,487.6	$ 4,093.4	$ 4,682.1	$ 572.3	$ 5,254.4	12.2%	8
9	**Total Other Financing Uses**	$ 4,487.6	$ 4,093.4	$ 4,682.1	$ 572.3	$ 5,254.4	12.2%	9
10	**Total Expenditures**	**$ 411,169.3**	**$ 367,858.7**	**$ 422,963.8**	**$ 14,422.7**	**$ 437,386.5**	**3.4%**	10

- Line 1 - Expenditures related to the self-insured prescription drug plan for pre-Medicare and Medicare Supplement benefits are expected to continue grow based on trends due to cost growth from specialty drugs and GLP-1s. However, a shrinking pre-Medicare population, migration of Medicare Supplement plan participants to the Medicare Advantage Plans will offset some of that growth.
- Line 2 - Expenditures for self-insured medical plans are also expected to continue to grow, based on medical trends as seen in FY26. Like the growth shown on line 1, a shrinking pre-Medicare population and the migration of Medicare Supplement plan participants to the Medicare Advantage Plans will offset a portion of that growth.
- Line 3 - Expenditures related to Medicare Advantage (MA) Plans are expected to continue growing at a higher percentage of overall costs as members migrate from the Medicare Supplement to lower costing monthly plans. While participation is expected to increase, rates are expected to continue to grow for the various plans in FY28. With the discontinuation of the Presbyterian Medicare Advantage Prescription Drug Plan any members moving to a lower costing option would provide some offsetting cost reduction.

- Line 4 - Expenditures related to voluntary coverages (dental, vision and life) are expected to grow at a rate in line with increased participation but some offset to cost may occur with migration to the lower costing dental plan.
- Patient Centered Outcomes Research Institute Fee (PCORI) costs are determined by multiplying the average pre-Medicare membership for calendar year 2027 by a rate yet to be determined.
- Lastly, the request will include an amount sufficient to support the operating activities of the agency as reflected in the "Other Financing Uses" category (lines 8 and 9).

Program Support

The chart below summarizes, by category, expenditures related to the operating activities. The request includes a $572.3 thousand increase. This includes a $464 thousand increase in the personal services and employee benefits category, $108.3 thousand increase in the contractual services category and a flat budget in the other costs category.

Program Support Expenditure Summary

	Uses		FY26 OPBUD	FY26 ACTUALS	FY27 OPBUD	FY28 INC/DEC	FY28 REQUEST	PERCENT CHANGE	
1	200	Personal Services/ Employee Benefits	3,114.1	2,877.2	3,268.5	464.0	3,732.5	14.2%	1
2	300	Contractual Services	748.3	679.5	763.2	108.3	871.5	14.2%	2
3	400	Other Costs	625.2	536.7	650.4	0.0	650.4	0.0%	3
4		**TOTAL**	**4,487.6**	**4,093.4**	**4,682.1**	**572.3**	**5,254.4**	**12.2%**	4

Summary of Revenues

	Sources		FY26 OPBUD	FY26 ACTUALS	FY27 OPBUD	FY28 INC/DEC	FY28 REQUEST	PERCENT CHANGE	
5	112	Other Transfers	4,487.6	4,093.4	4,682.1	572.3	5,254.4	12.2%	5
6		Total	4,487.6	4,093.4	4,682.1	572.3	5,254.4	12.2%	6
7		**FTE**	**28.0**	**28.0**	**28.0**	**4.0**	**32.0**	**100.0%**	7

Changes in projected expenditures are shown in the table below and described thereafter.

Expenditure Detail (Personal Services and Employee Benefits)

			FY26 OPBUD	FY26 ACTUALS	FY27 OPBUD	FY28 INC/DEC	FY28 REQUEST	PERCENT CHANGE	
1	520100	Exempt Positions	527.4	460.7	551.8	12.1	563.9	2.2%	1
2	520200	Term Positions				-	-	0.0%	2
3	520300	Classified Perm. Positions	1,685.9	1,542.1	1,733.1	256.5	1,989.6	14.8%	3
4	520700	Overtime & Other Premium Pay	-	12.0	-	15.0	15.0	0.0%	4
5	520800	Annual & Comp Paid	-	1.0	-	-	-	0.0%	5
6	521100	Group Insurance Premium	251.6	284.1	311.4	58.9	370.3	18.9%	6
7	521200	Retirement Contributions	427.9	382.8	439.3	55.0	494.3	12.5%	7
8	521300	FICA	169.2	147.6	174.7	23.8	198.5	13.6%	8
9	521400	Workers Comp	0.3	0.3	0.3	-	0.3	0.0%	9
10	521410	GSD Work Comp Ins	1.7	1.7	1.4	-	1.4	0.0%	10
11	521500	Unemployment Comp	-	-	0.6	33.8	34.4	5633.3%	11
12	521600	Employee Liability Insurance	5.1	5.1	10.2	3.6	13.8	35.3%	12
13	521700	Retiree Healthcare	45.0	39.8	45.7	5.3	51.0	11.6%	13
14	523000	COVID Related Admin Leave	-	-	-	-	-	0.0%	14
15		**TOTAL**	**3,114.1**	**2,877.2**	**3,268.5**	**464.0**	**3,732.5**	**14.2%**	15

Expenditure Detail (Contractual Services)

			FY26 OPBUD	FY26 ACTUALS	FY27 OPBUD	FY28 INC/DEC	FY28 REQUEST	PERCENT CHANGE	
16	535200	Professional Services	437.6	454.3	451.2	88.3	539.5	19.6%	16
17	535300	Other Services	25.5	10.0	24.0	-	24.0	0.0%	17
18	535309	Other Services InterA	30.3	31.6	33.0	2.0	35.0	6.1%	18
19	535400	Audit Services	129.9	78.6	110.0	13.0	123.0	11.8%	19
20	535500	Attorney Services	25.0	36.5	35.0	5.0	40.0	14.3%	20
21	535600	Information Technology Services	100.0	68.5	110.0	-	110.0	0.0%	21
22		**TOTAL**	**748.3**	**679.5**	**763.2**	**108.3**	**871.5**	**14.2%**	22

		Expenditure Detail (Other)							
			FY26	FY26	FY27	FY28	FY28	PERCENT	
			OPBUD	ACTUALS	OPBUD	INC/DEC	REQUEST	CHANGE	
23	542100	Employee In-State Mileage & Fares	2.5	1.3	2.5	-	2.5	0.0%	23
24	542200	Employee In-State Meals & Lodging	6.0	4.2	6.0	-	6.0	0.0%	24
25	542300	Board & Commission - In-State Meals & Lodging	5.5	5.4	5.5	-	5.5	0.0%	25
26	542310	Board & Commission - In-State Mileage & Fares	6.0	6.1	6.5	-	6.5	0.0%	26
27	542500	Transportation-Fuel & Oil	2.2	0.7	2.2	(0.5)	1.7	-22.7%	27
28	542600	Transportation - Parts & Supplies	0.6	1.1	0.6	0.5	1.1	83.3%	28
29	542700	Transporation Insurance	0.2	-	0.2	(0.2)	-	-100.0%	29
30	542800	State Transportation Pool Charges	8.1	7.9	9.2	-	9.2	0.0%	30
31	543200	Maintenance - Furniture, Fixtures & Equipment	6.0	-	6.0	-	6.0	0.0%	31
32	543300	Maintenance - Building & Structure	6.0	-	6.0	(6.0)	-	-100.0%	32
33	543400	Maintenance - Property Insurance	0.1	-	0.1	(0.1)	-	-100.0%	33
34	543830	IT HW/SW Agreements	24.0	26.8	30.0	3.0	33.0	10.0%	34
35	544000	Supply Inventory IT	20.0	14.5	20.0	(2.0)	18.0	-10.0%	35
36	544100	Supplies - Office Supplies	13.0	6.1	11.0	(1.0)	10.0	-9.1%	36
37	544200	Supplies - Medical, Lab, Personal	-	0.5	-	-	-	0.0%	
38	544900	Supplies - Inventory Exempt	5.0	2.5	6.5	-	6.5	0.0%	37
39	545600	Reporting & Recording	0.2	-	0.2	-	0.2	0.0%	38
40	545609	Report/Record Inter St Agency	-	-	-	-	-	0.0%	39
41	545700	DoIT ISD Services	21.5	18.5	23.7	4.5	28.2	19.0%	40
42	545710	DoIT HCM Assessment Fees	9.8	9.8	10.5	(0.3)	10.2	-2.9%	41
43	545900	Printing & Photo. Services	70.0	68.7	71.5	-	71.5	0.0%	42
44	546100	Postage & Mail Services	90.0	85.0	90.0	-	90.0	0.0%	43
45	546400	Rent of Land & Buildings	134.7	134.5	140.5	4.5	145.0	3.2%	44
46	546409	Rent Expense - Interagency	19.9	19.9	20.5	0.7	21.2	3.4%	45
47	546500	Rent of Equipment	37.1	33.0	37.0	-	37.0	0.0%	46
48	546600	Communications	6.0	3.4	6.0	-	6.0	0.0%	47
49	546610	DOIT Communications	58.5	66.3	74.4	(3.1)	71.3	-4.2%	48
50	546700	Subscriptions & Dues	7.0	3.6	6.0	-	6.0	0.0%	49
51	546709	Subscription & Due Interagency	0.2	0.1	0.2	-	0.2	0.0%	50
52	546800	Employee Training & Edu.	9.0	5.8	9.0	-	9.0	0.0%	51
53	546801	Board Member Training	5.5	-	5.5	-	5.5	0.0%	52
54	546900	Advertising	1.8	0.4	1.8	-	1.8	0.0%	53
55	547900	Miscellaneous Expense	2.3	1.5	2.3	-	2.3	0.0%	54
56	547999	Request to Pay Prior Year	-	-	-	-	-	0.0%	55
57	548300	Information Technology Equipment	27.5	-	20.0	-	20.0	0.0%	56
58	549600	Employee Out-Of-State Mileage & Fares	6.0	3.3	6.0	-	6.0	0.0%	57
59	549700	Employee Out-Of-State Meals & Lodging	6.5	5.8	6.5	-	6.5	0.0%	58
60	549800	B&C-Out-Of-State Mileage & Fares	3.5	-	3.5	-	3.5	0.0%	59
61	549900	B&C- Out-Of-State Meals & Lodging	3.0	-	3.0	-	3.0	0.0%	60
62		**TOTAL**	**625.2**	**536.7**	**650.4**	**0.0**	**650.4**	**0.0%**	61

Personal Services and Employee Benefits. The request under personal services and employee benefits includes a $464 thousand, or 14.2%, increase compared to the FY27 approved operating budget.

Changes are described as follows:

- Line 1 – Salaries for 4 exempt employees including: executive director, deputy director, general counsel and director of communications and member engagement is expected to increase by 2.2%.
- Line 3 – Salaries for classified employees are the main driver of 14.8% for the increases in costs associated with a request for 4 new positions: Administrative Operations/Manager, Associate IT (Data Base Administer), Sr. Public Assistance Representative (Customer Service Representative), and Sr. Actuary Position.
- Line 6 – Group Insurance Premium made on behalf of employees electing coverage from lines 1 and 3.

- Line 7 – Contributions made to the Public Employees Retirement Association based on salaries reflected on lines 1 and 3.
- Line 8 – FICA contributions based on salaries reflected in lines 1 and 3.
- Line 10 – Reflects GSD/RMD rate schedule.
- Line 12 - Reflects GSD/RMD rate schedule.
- Line 12 – Contributions made to the Retiree Health Care Authority based on salaries reflected on lines 1 and 3.
- Overall, the request includes full funding for all 28 authorized FTE and 4 requested FTE positions.

Contractual Services. The request in the contractual services category includes sufficient funding for the following services:

- Line 16 – Actuarial and benefits consulting services related to annual solvency projections and GASB reporting requirements; asset allocation and investment consulting; and consulting services for the assistance in the development, release, and cost analysis of RFP; and Lobbyist for legislative work.
- Line 17 – Board reporting and recording services and document destruction services.
- Line 18 – Transfers to PERA for MOU to provide HR services.
- Line 19 – Annual financial audit services and internal audit consulting services regarding process and internal control improvements to include documentation of processes and procedures.
- Line 20 – Legal services for outside counsel that may arise.
- Line 21 – Information technology services resulting from ongoing programming support related to the CareView system, web portal, webhosting, and document scanning system.

Other Costs. The request includes sufficient funds to support projected operating expenses of the agency in FY28, including rent for 2 offices locations, renting of copying and printing equipment, printing, postage, employee and board members training, office supplies, and IT charges.

Performance Measures

The table below provides a list of performance measures approved by DFA and LFC, FY26 reported performance, FY27 targeted performance and FY28 requested targets.

	Healthcare Benefits Administration		FY26 Actuals	FY27 Target	FY28 Request
1	Outcome	Emergency room visits per one thousand members	571	<200	<200
2	Outcome	Hospital inpatient admissions per one thousand members	117	<100	<100
3	Outcome	Hospital inpatient readmissions per one thousand members	5	<15%	<15%
4	Outcome	Number of nonemergent emergency department encounters per one thousand members	71	<20.8%	<20.8%
5	Outcome	Number of years of projected balanced spending	9	6	6
6	Output	Percent change in per-member per-year annual health claims cost	-0.2%	<8.75%	<8.75%
7	Output	Minimum number of years of positive fund balance	30	30	30
8	Quality	Percent of members with diabetes receiving an annual screening for diabetic nephropathy	19.1%	>85%	>85%
9	Quality	Percent of members with diabetes receiving at least one hemoglobin A1C test in the last 12 months	47.5%	>80%	>80%
10	Explanatory	Annual loss ratio for the health benefits fund	110%	<100%	<100%
11	Explanatory	Year-end fund balance of the health benefits fund, in thousands	$2,176,752	Baseline	Baseline
	Program Support		**FY25 Actuals**	**FY26 Target**	**FY27 Request**
12	Outcome	Percent of deposits made within 24 hours	100	100	100
13	Outcome	Percent of payments made within 30 days	100	98	98

Requested Action

NMRHCA staff respectfully requests approval from the Board of Directors for the FY28 appropriation request as detailed above and as presented to the Finance and Investment Committee.

NEW MEXICO RETIREE HEALTH CARE AUTHORITY

2025 Annual Board Review

August 25, 2026

DELTA DENTAL® of New Mexico

deltadentalnm.com

Delta Dental solves member challenges

With the best networks, Delta Dental offers the most options.

- With 90% of practicing dentists in New Mexico partnered with Delta Dental, your members have more in-network access.
- Our local providers team personally visits every dental office each year.
- Our Teledentistry offering ensures 24/7 access to a licensed dentist.

High-quality benefits and Delta Dental Savings add up.

- Many NMRHCA members have complex and higher-cost dental needs, including crowns, implants, prosthodontics, and periodontal treatment.
- Exclusive Delta Dental Savings, coupled with 97.5% in-network utilization from members, saves money.

Personalized Customer Service and access to assistance.

- As the only oral health provider headquartered in New Mexico, our local customer service, account managers and provider relations teams are only a call away.

Success snapshot

Subscriber reach, utilization and member value

39,243
Subscribers
82.4% Comprehensive Plan

$20.33M
Total claims
$43.18 per subscriber per month

>$21M
Network savings
48.7% of submitted claims

UTILIZATION

97.5% **In-network utilization**

In-network mix

87.1% New Mexico **10.4% out of state**

2.5% out-of-network

TYPES OF CARE

How care was distributed

45.9% Diagnostic & preventive

25.8% Basic services

28.3% Major services

The Delta Difference **Network Savings Discount lowered RHCA member costs by more than $21M.**

Delta Dental's unmatched networks

922

Dentists providing care in New Mexico [1]

833

Of those are in-network Delta Dental of New Mexico

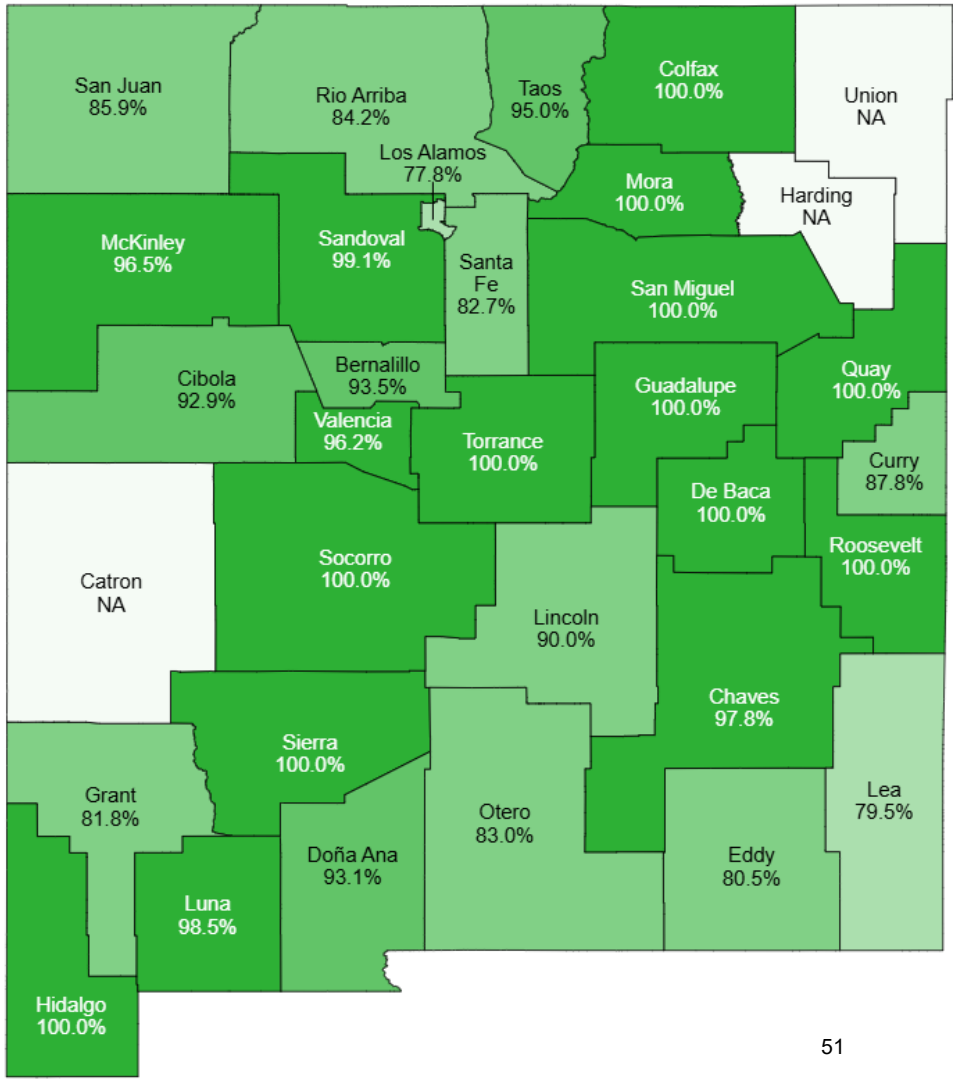
That Means

90%

of dentists in New Mexico are in-network with Delta Dental of New Mexico.

According to the American Dental Association, there were 997 dentists working in dentistry in New Mexico[2]

In-Network National Delta Dental Dentists	**~152,147**



DELTA DENTAL® of New Mexico

1. Based on dentists who have submitted dental claims in New Mexico as of June 2026.
2. 2024 American Dental Association of Health Policy Institute analysis of the ADA Masterfile.

No ghost networks with Delta Dental

There are 922 practicing dentists in New Mexico:

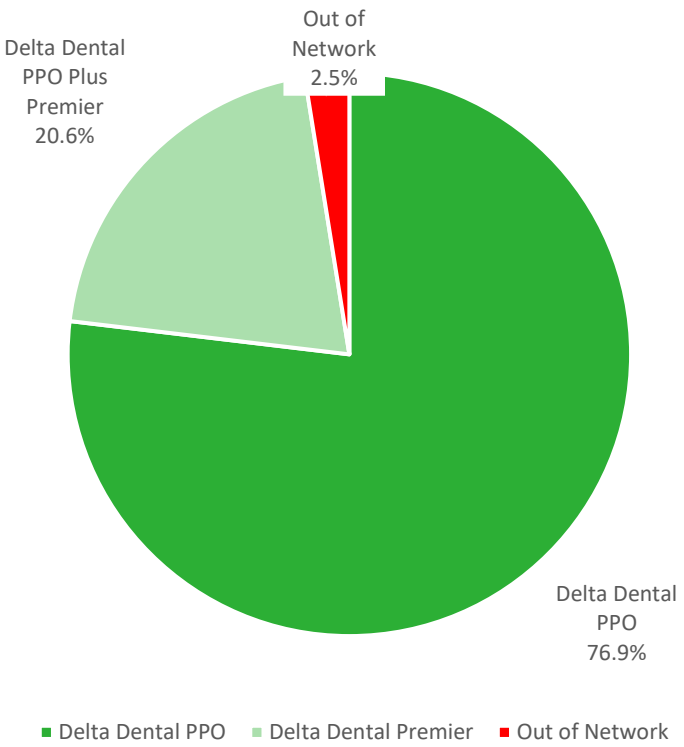
- Delta Dental Counts Dentists
  - Not offices (often providers practice in multiple counties/offices)
  - Not stacked networks
  - Not contracted areas

It's important to use that members find authentic results when searching for a provider. When they search and see a dentist on deltadentalnm.com, they can rest assured that provider actually exists, the office is where we list it as located, and they are contracted with Delta Dental of New Mexico.

Network utilization - 2023-2025

Network	Location	2023 Combined	2024 Combined	2025 Combined	2023	2024	2025
In-Network:	NM	$18,184,195	$17,836,897	$17,707,091	87.7%	86.7%	87.1%
	Out-of-State	$2,049,826	$2,162,676	$2,110,428	9.9%	10.5%	10.4%
	Total	**$20,234,021**	**$19,999,573**	**$19,817,519**	**97.6%**	**97.3%**	**97.5%**
Out-of-Network:	NM	$299,272	$360,650	$314,262	1.4%	1.8%	1.5%
	Out-of-State	$206,824	$202,995	$201,763	1.0%	1.0%	1.0%
	Total	**$506,097**	**$563,646**	**$516,025**	**2.4%**	**2.7%**	**2.5%**
Total:	NM	$18,483,467	$18,197,547	$18,021,353	89.1%	88.5%	88.6%
	Out-of-State	$2,256,650	$2,365,671	$2,312,191	10.9%	11.5%	11.4%
	Total	**$20,740,117**	**$20,563,218**	**$20,333,545**	100.0%	100.0%	100.0%

Services over the years



In 2025, **97.5%** of paid claims were paid to Delta Dental in-network providers.

	2023		2024		2025	
Category	Paid Claims	Percent	Paid Claims	Percent	Paid Claims	Percent
Exams and Cleanings	$6,755,159	32.6%	$6,662,896	32.4%	$6,551,116	32.2%
X-rays	$2,657,916	12.8%	$2,702,643	13.1%	$2,773,863	13.6%
Sealants	$3,864	0.0%	$2,005	0.0%	$5,430	0.0%
Diagnostic & Preventive Total	**$9,416,940**	**45.4%**	**$9,367,544**	**45.6%**	**$9,330,409**	**45.9%**
Fillings	$2,031,983	9.8%	$1,952,790	9.5%	$1,930,947	9.5%
Root Canals	$1,109,512	5.3%	$1,027,779	5.0%	$959,810	4.7%
Gum Disease	$585,419	2.8%	$598,655	2.9%	$644,619	3.2%
Gum Disease Cleaning	$778,297	3.8%	$819,892	4.0%	$854,292	4.2%
Extractions	$705,255	3.4%	$699,037	3.4%	$712,270	3.5%
Oral Surgery (non-extractions)	$36,155	0.2%	$33,854	0.2%	$35,251	0.2%
Other Services	$95,734	0.5%	$103,521	0.5%	$112,117	0.6%
Basic Total	**$5,342,357**	**25.8%**	**$5,235,528**	**25.5%**	**$5,249,306**	**25.8%**
Crowns	$3,310,348	16.0%	$3,259,768	15.9%	$3,261,964	16.0%
Dentures	$517,054	2.5%	$458,924	2.2%	$442,150	2.2%
Bridges	$545,483	2.6%	$605,074	2.9%	$573,591	2.8%
Implants	$1,418,766	6.8%	$1,456,083	7.1%	$1,301,177	6.4%
Denture Repair	$94,897	0.5%	$83,864	0.4%	$91,083	0.4%
Major Total	**$5,886,548**	**28.4%**	**$5,863,713**	**28.5%**	**$5,669,965**	**27.9%**
Braces	$94,273	0.5%	$96,433	0.5%	$83,864	0.4%
Totals	**$20,740,117**	**100.0%**	**$20,563,218**	**100.0%**	**$20,333,545**	**100.0%**

DELTA DENTAL® of New Mexico

Member Maximum Used by Plan – 3 years

Basic Plan			
Cost Bracket	**2023**	**2024**	**2025**
Max $1,500	0.43%	0.40%	0.40%
$1350.01 to $1500	0.24%	0.25%	0.31%
$1200.01 to $1350	0.34%	0.41%	0.47%
$1050.01 to $1200	0.62%	0.51%	0.44%
$900.01 to $1050	0.84%	0.70%	0.66%
$750.01 to $900	1.11%	1.21%	1.24%
$600.01 to $750	2.11%	1.86%	2.13%
$450.01 to $600	3.99%	4.68%	4.71%
$300.01 to $450	15.27%	15.29%	16.51%
$150.01 to $300	28.86%	28.73%	28.25%
$0.01 to $150	12.39%	12.80%	11.34%
$0 to $0	33.81%	33.15%	33.54%
Totals	**100.00%**	**100.00%**	**100.00%**

Comprehensive Plan			
Cost Bracket	**2023**	**2024**	**2025**
Max $1,500	6.27%	6.21%	6.26%
$1350.01 to $1500	1.75%	1.62%	1.60%
$1200.01 to $1350	1.89%	1.88%	1.77%
$1050.01 to $1200	2.17%	2.14%	2.09%
$900.01 to $1050	2.69%	2.57%	2.73%
$750.01 to $900	3.73%	3.72%	3.75%
$600.01 to $750	4.29%	4.24%	4.21%
$450.01 to $600	5.21%	5.25%	5.32%
$300.01 to $450	14.80%	14.80%	13.09%
$150.01 to $300	24.28%	23.93%	24.32%
$0.01 to $150	9.52%	10.20%	11.19%
$0 to $0	23.41%	23.44%	23.69%
Totals	**100.00%**	**100.00%**	**100.00%**

* The $0 row does not represent usage – it shows what percentage of members received services that didn't go against their maximum benefit.

NMRHCA Dental Action Report

- 57% of Members are Healthy or Moderate
- 24% of Members in No Visit Category

Service Excellence: 2025 Performance Summary

Our Center of Excellence of experienced people, disciplined processes, thoughtful technology and a local commitment treats every member like a friend, family member or neighbor.

- **Thoughtful Technology** – We take a **staggered, intentional approach to technology adoption**, implementing automation and digital capabilities where they improve accuracy, access and efficiency while preserving the human expertise that differentiates our service.
- **Local Service With Personal Accountability** – Our teams are **here in New Mexico, serving New Mexicans**. We don't view members, providers and groups as transactions—we serve them the way we would want our **friends, families and neighbors** to be treated.
- **People + Process + Technology** – The combination of **experienced local talent, disciplined processes, measurable quality and thoughtful technology adoption** produces sustained performance that doesn't simply meet contractual guarantees - it consistently exceeds them.

Claims/Customer Service Performance Guarantees

Performance Guarantee	Metric	Q1	Q2	Q3	Q4
First contact resolution	*90%*	100.0%	99.74%	99.53%	99.58%
Intake calls	*:30 seconds*	:25 seconds	:10 seconds	:13 seconds	:06 seconds
Call abandonment rate	*<5%*	2.41%	1.34%	0.78%	0.27%
Claims processing accuracy	*98%*	99.3%	99.3%	99.3%	100.0%
Claims financial accuracy	*99%*	100.0%	99.1%	99.6%	100.0%
Claim payment accuracy	*98%*	99.3%	99.3%	100.0%	100.0%
Claims processing time	*95% (10 business days or less)*	99.8%	99.9%	99.8%	99.6%
ID card processing	*99%*	100%	100%	100%	100%
ID card accuracy	*100%*	100%	100%	100%	100%
Eligibility processing	*98%*	100%	100%	100%	100%

Q1	Q2
99.74%	99.74%
:06 seconds	:13 seconds
0.56%	1.19%
100.0%	100.0%
100.0%	100.0%
100.0%	100.0%
99.47%	99.33%
100%	100%
100%	100%
100%	100%

- **World-Class Resolution** – **99.5%–100% of inquiries resolved on the first contact**, dramatically exceeding the 80%+ world-class benchmark.
- **Access to a Real Person** – Average speed to answer improved from **25 seconds in Q1 to just 6 seconds in Q4.** Abandonment fell from **2.41% to 0.27%.**
- **Speed Without Sacrificing Quality** – **99.6% - 99.9% of claims processed within 10 business days** while maintaining exceptional accuracy.
- **Experienced People** – A **tenured, knowledgeable workforce** brings institutional knowledge, and expertise technology cannot replicate. Customers benefit from people who understand our plans, our providers and the communities we serve.

Thank you for your time.

We look forward to serving you.

DELTA DENTAL®

Delta Dental of New Mexico
deltadentalnm.com

Smile. We've got this.

The Delta Difference – NMRHCA

2025 FINANCIAL VALUE OF DDNM PARTNERSHIP

	Amounts	As a % of All Unique Claims
Submitted Charges in CY2025	**$70,094,404**	
Total Unique Submitted Charges 2025	**$64,347,439**	**100.0%**
Less: Claims Denied Due to Utilization Management	**$10,346,304**	**16.1%**
Medical Necessity & Appropriateness	*$5,166,430*	
Administrative Guidelines/Standards of Care	*$5,179,873*	
Subtotal: Gross or Unique /Submitted Claims Payable	**$54,001,136**	**83.9%**
Less: Network Savings/Discount	**$21,012,921**	**32.7%**
Participating Provider Negotiations	*$19,400,734*	
Out of Network Fee Management	*$1,612,188*	
Equals: Total Payments for Oral Health Services	**$32,988,214**	**51.3%**
Discount %		**48.8%**

Distribution: Total Payments for Oral Health Services		
NMHCA Combined Plan Cost for Services	**$20,333,545**	**31.6%**
Member Out-of-Pocket Cost	**$12,654,670**	**19.7%**
Coinsurance / Deductible	*$10,429,974*	
Annual Maximum Used	*$2,224,696*	

CY2025 Delta Difference Results

- Processing: The DDNM utilization and medical standards/policy “savings” amounted to approximately $10.35M or 16.1% of submitted charges.
- Contractual Allowances: The FY2025 “Network Discount” savings was approximately $21.01M or 32.7% of submitted charges.
- Overall Savings: Resulting in an overall Discount from submitted charges of 52.9%.

DELTA DENTAL® of New Mexico

Dental Action Report (DAR)

- **Healthy & Moderate**
  - **55%** on Basic Plan
  - **57%** on the Comprehensive Plan
    - Less in Healthy, more in Moderate
- **Serious**
  - **13%** on Basic Plan
  - **20%** on the Comprehensive Plan
- **No Visit:**
  - **32%** on Basic Plan in No Visit is an opportunity

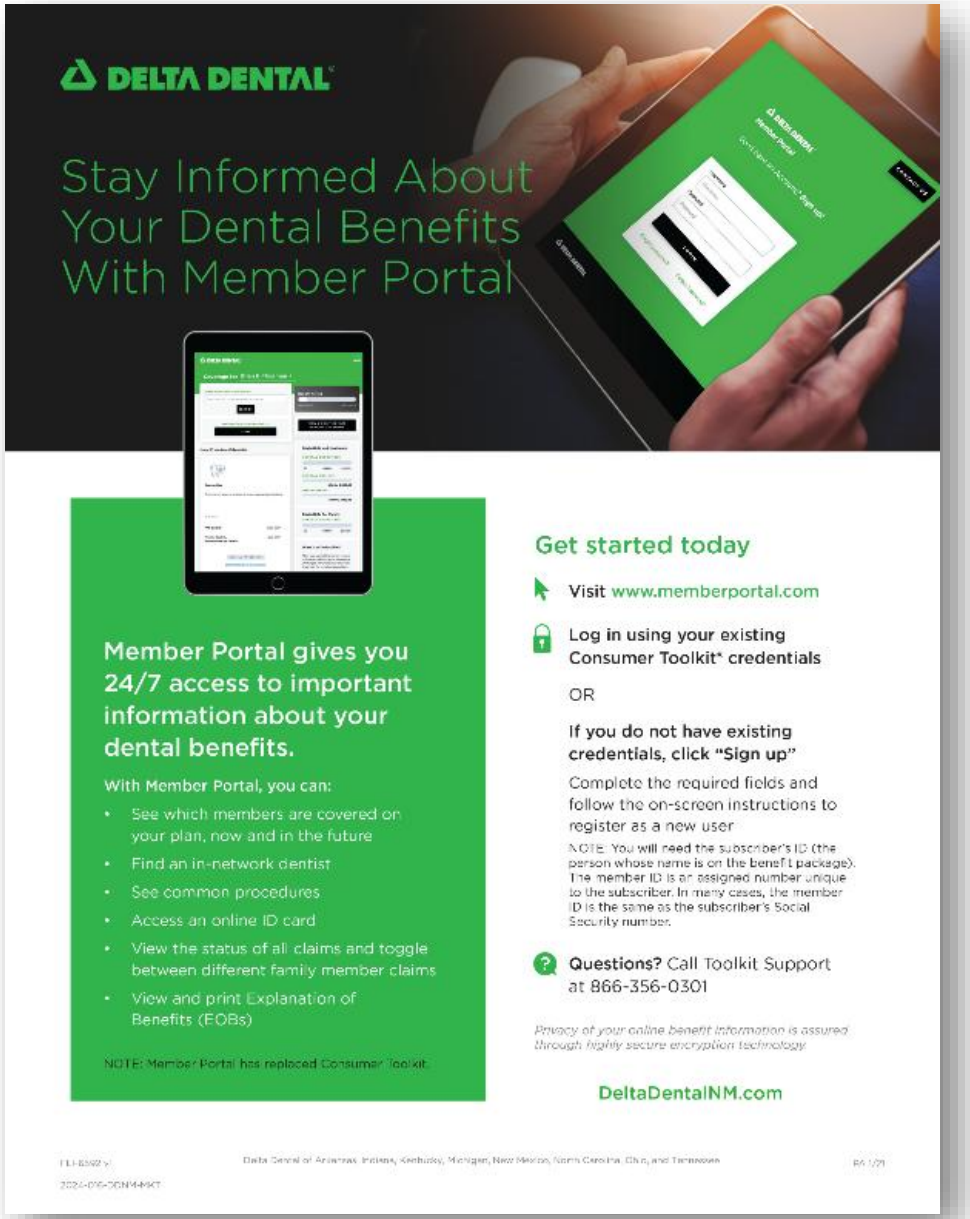
DELTA DENTAL® of New Mexico

Your Member Portal

The Delta Dental Online Member Portal provides easy access to the following:

- Find a Dentist Online
- View & Print ID Card
- View Claims & Pre-Treatment Estimates
- View Benefits
- Educational Materials, Reminders, Tips, & More!

Learn more at www.MemberPortal.com



Your Mobile App

Delta Dental Mobile App features

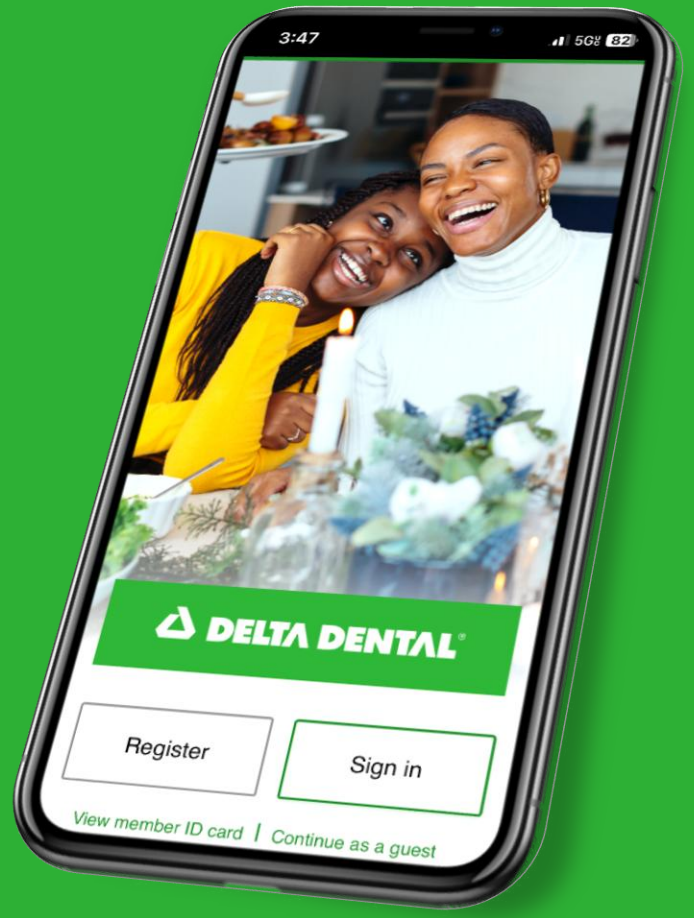
Sign in to access the full range of tools and resources

Mobile ID card
No need for a paper card. View and share your ID card from your phone, and easily save it to your device for quick access, including Apple Passbook and Google Wallet.

Find a dentist
It's easy to find a dentist near you. Search and compare dental offices to find one that suits your needs. Save your family's preferred dentists to your account for easy access.

Dental Care Cost Estimator
Find out what to expect with our Dental Care Cost Estimator. Our easy to use tool provides estimated cost ranges on common dental care needs for dentists in your area, now with the option to select your dentist for tailored cost estimates.

Save your preferred dentist for quick access
Save your favorite dentists using the Delta Dental Mobile App for quick access to contact information making it easy to schedule your routine cleaning.



Download on the App Store

GET IT ON Google Play

DELTA DENTAL of New Mexico

Your Teledentistry Benefit

Emergencies happen at the most inconvenient times, like when you're traveling and don't have access to your regular dentist. With your Delta Dental of New Mexico coverage, you and your family can rest assured that you have protection for dental emergencies. Access to Delta Dental Virtual Visits is a covered benefit in most of our dental plans.

- **24/7** Access to Licensed Providers
- Emergency or Urgent Evaluations
- **Improves Rural Access**
- Access to Prescription Medication if needed
- Facilitates Scheduling & Planning of Appointments
- Promotes Utilization & Oral Health
- Referrals to in-person Delta Dental Providers for **Lowest Out-of-Pocket Costs**

Learn more at www.DeltaDentalNM.com/Virtual-Visits.com

DELTA DENTAL® of New Mexico

BlueCross BlueShield of New Mexico

New Mexico Retiree Health Care Authority

BlueCare Dental℠

UTILIZATION REVIEW

August 25, 2026

DATA PARAMETERS (unless otherwise indicated)

Current Reporting Period: Claims processed and paid from Jan. 1, 2025, through Dec 31, 2025.

Benchmark data is based on the BCBSNM Dental Book of Business.

Dental Plan **OVERVIEW**

Know **YOUR NUMBERS**

$33.41 PMPM
(vs. $23.12 BoB)

$868,419
Total Claim Spend

83.6% Unique Members with Claims
(vs. 52.6% BoB)

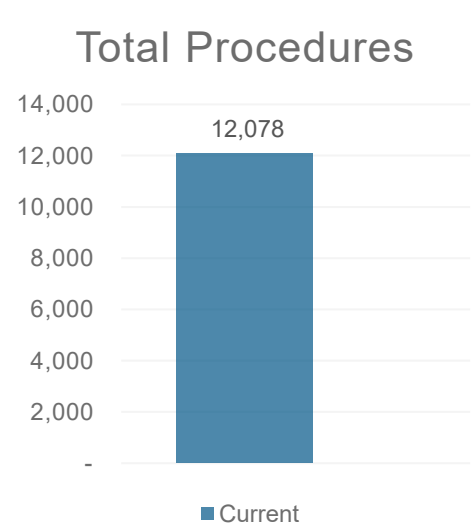
Network **PERFORMANCE**

84.9%
In-Network Utilization
(vs. 79.1% BoB)

40.7%
Average Discount
(vs. 41.1% BoB)

34.6%
Net Effective Discount
(vs. 32.5% BoB)

Dental **PROCEDURES**



Top 3 Procedures (by paid claim dollars)

1.	**Prophylaxis** – Adult:	**$176,551**
2.	**Crown** – Porcelain/Ceramic:	**$100,811**
3.	**Periodic Evaluation** – Established Patient:	**$71,558**

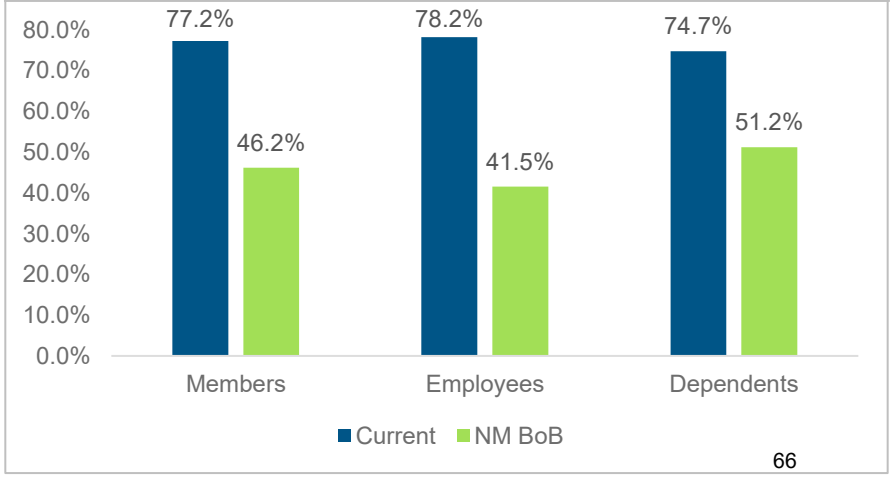
Top 3 Procedures (by count)

1.	**Prophylaxis** – Adult:	**2,543**
2.	**Periodic Evaluation** – Established Patient:	**1,939**
3.	**Intraoral-Periapical –** First Image:	**1,234**

Dental Claim Dollar **UTILIZATION**

Service Category	Paid Claims	Procedures	NMRHCA PMPM	BCBSNM BoB PMPM
Diagnostic and Preventive	$435,892	9,229	$ 16.77	$11.56
Basic Restorative	$83,800	859	$ 3.22	$2.67
Major Restorative	$125,859	582	$ 4.84	$2.40
Endodontics	$46,530	95	$ 1.79	$1.19
Periodontics	$54,544	632	$ 2.10	$1.09
Prosthodontics	$82,694	292	$ 3.18	$1.03
Oral Surgery	$31,867	307	$ 1.23	$1.56
Orthodontics	$1,914	8	$ 0.07	$1.35
Miscellaneous	$5,320	74	$ 0.20	$0.26
TOTAL	**$868,419**	**12,078**	**$ 33.41**	**$23.12**

Preventive **CLEANING/EXAM**



66

Dental **CLAIM SAVINGS**

OVERALL SAVINGS

NMRHCA	Current	% of Billed
Billed	$2,942,601	
PPO Savings U&C Fee/MAC	$826,461	28.1%
Other Savings *	$572,125	19.4%
Coordination of Benefits	$7,082	0.2%
Eligibility	$13,051	0.4%
Coinsurance	$370,403	12.6%
Deductible	$42,750	1.5%
Not Covered	$242,310	8.2%
Plan Paid	$868,419	29.5%
Savings	$2,074,182	
Savings %	70.5%	

** Other Savings include Utilization Management, Professional Review, Alternate Benefit, Plan Max*

IN-NETWORK SAVINGS

NMRHCA	Current	% of Billed
Billed	$2,442,358	
PPO Savings	$807,599	33.1%
Other Savings *	$396,652	16.2%
Coordination of Benefits	$6,340	0.3%
Eligibility	$321	0.0%
Coinsurance	$250,757	10.3%
Deductible	$36,400	1.5%
Not Covered	$185,232	7.6%
Plan Paid	$759,057	31.1%
Savings	$1,683,301	
Savings %	68.9%	

** Other Savings include Utilization Management, Professional Review, Alternate Benefit, Plan Max*

OVERALL APPROVED CLAIMS

	Current
Billed	$2,279,720
Allowed	$1,473,108
Procedure Count	12,078

IN-NETWORK APPROVED CLAIMS

	Current
Billed	$1,935,174
Allowed	$1,146,801
Procedure Count	10,673
Network Discount	40.7%

OUT-OF-NETWORK BALANCE BILL SUMMARY

	Current
Total Dollars Balance Billed	$18,862
Procedure Count	1,405
Average Balance Bill Per Procedure	$13.42

Top Three Issues Affecting NMRHCA Members

New Mexico Retiree Health Care Association

- **Federal tariffs:** Tariffs levied in 2025 (ranging from 7.5% to 25%) resulted in an increase in overhead costs for dental materials, equipment and miscellaneous fees. [1]
- **Labor Shortages/Wages:** Post-Covid dental hygienist shortages have resulted in a 16% wage increase for dental staff. This has in part contributed to the increase in cost of care for dental services. [1]
- **Provider Shortages:** According to the New Mexico Office of Oral Health (OOH), “The median number of dentist to population is 1 to 3,297 compared to the federal standard of 1 to 1,050”. [2]

BlueCare Dental tackles these challenges for New Mexico members by:

a) engaging in aggressive contract negotiations with dental providers, ensuring the best possible discounts for its members, as evidenced by the robust Average Discount of 40.7% members received in 2025

b) growing the **BlueCare Dental** network year over year while contracting with 80% of participating Dental Providers in New Mexico, increasing the access its members have to the best care in the industry.

New Mexico related dental industry news:

- Indian Health Service, the federal agency that provides health care to Native Americans will no longer treat tooth decay with dental fillings containing mercury. [3]

[1] - https://getreach.co/geo/dental-economics-in-2025-how-rising-supply-costs-and-stagnant-insurance-reimbursements-are-squeezing-practices-after-tariffs/

[2] - https://www.nmhealth.org/about/phd/pchb/ooh/

[3] - https://www.usnews.com/news/best-states/new-mexico/articles/2026-02-15/indian-health-service-to-phase-out-use-of-dental-fillings-containing-mercury-by-2027

Top **25 PROCEDURES** – Paid: January 1, to December 31, 2025

	Code	Description	Paid	Count
1	1110	PROPHYLAXIS - ADULT	$176,551	2,543
2	2740	CROWN - PORCELAIN/CERAMIC	$100,811	280
3	120	PERIODIC ORAL EVALUATION - ESTABLISHED PATIENT	$71,558	1,939
4	274	BITEWINGS - FOUR RADIOGRAPHIC IMAGES	$51,764	1,137
5	4910	PERIODONTAL MAINTENANCE	$29,587	393
6	140	LIMITED ORAL EVALUATION - PROBLEM FOCUSED	$27,340	520
7	3330	ENDODONTIC THERAPY, MOLAR TOOTH (EXCLUDING FINAL RESTORATIONS)	$26,068	45
8	220	INTRAORAL - PERIAPICAL FIRST RADIOGRAPHIC IMAGE	$25,301	1,234
9	210	INTRAORAL - COMPREHENSIVE SERIES OF RADIOGRAPHIC IMAGES	$21,692	236
10	330	PANORAMIC RADIOGRAPHIC IMAGE	$21,107	236
11	150	COMPREHENSIVE ORAL EVALUATION - NEW OR ESTABLISHED PATIENT	$19,758	363
12	2391	RESIN-BASED COMPOSITE - ONE SURFACE, POSTERIOR	$19,337	233
13	6010	SURGICAL PLACEMENT OF IMPLANT BODY: ENDOSTEAL IMPLANT	$18,875	38
14	2392	RESIN-BASED COMPOSITE - TWO SURFACES, POSTERIOR	$18,636	166
15	2950	CORE BUILDUP, INCLUDING ANY PINS WHEN REQUIRED	$15,545	214
16	7210	EXTRACTION, ERUPTED TOOTH REQUIRING REMOVAL OF BONE AND/OR SECTIONING OF TOOTH, AND INCLUDING ELEVATION OF MUCOPERIOSTEAL FLAP IF INDICATED	$14,620	125
17	4341	PERIODONTAL SCALING AND ROOT PLANING - FOUR OR MORE TEETH PER QUADRANT	$13,293	105
18	230	INTRAORAL - PERIAPICAL EACH ADDITIONAL RADIOGRAPHIC IMAGE	$12,539	834
19	6740	RETAINER CROWN - PORCELAIN/CERAMIC	$10,714	49
20	2393	RESIN-BASED COMPOSITE - THREE SURFACES, POSTERIOR	$10,460	77
21	2330	RESIN-BASED COMPOSITE - ONE SURFACE, ANTERIOR	$9,522	134
22	3320	ENDODONTIC THERAPY, PREMOLAR TOOTH (EXCLUDING FINAL RESTORATIONS)	$9,303	21
23	7140	EXTRACTION, ERUPTED TOOTH OR EXPOSED ROOT (ELEVATION AND/OR FORCEPS REMOVAL)	$8,983	119
24	2331	RESIN-BASED COMPOSITE - TWO SURFACES, ANTERIOR	$8,659	95
25	2332	RESIN-BASED COMPOSITE - THREE SURFACES, ANTERIOR	$7,399	71
	Percentage of Total		**86.3%**	**92.8%**

69

BlueCross BlueShield of New Mexico

BlueCare Dental PPO℠

New Mexico Network

Unique Providers by County

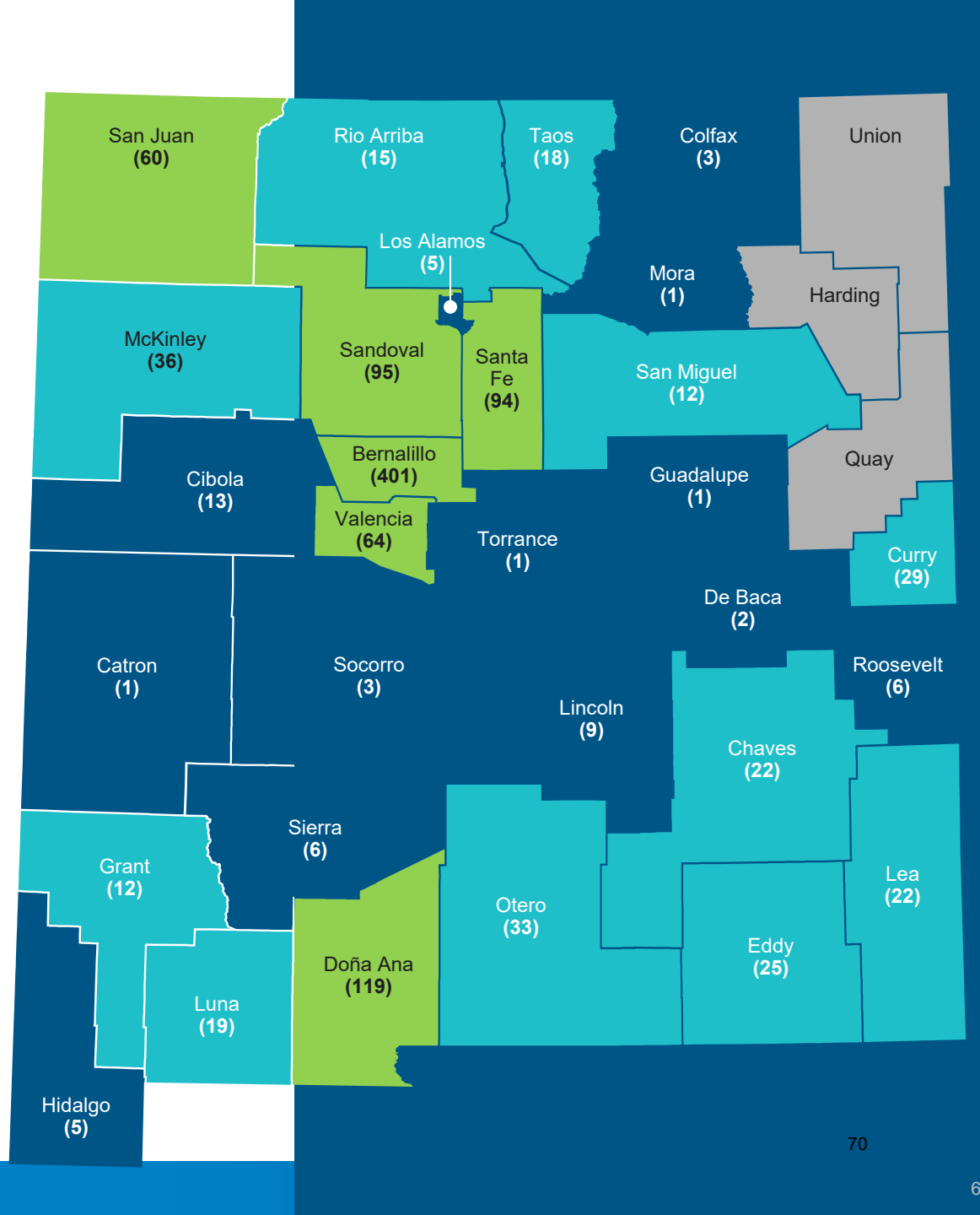
1-10 Unique Providers

11-50 Unique Providers

50+ Unique Providers

BlueCare Dental contracts with **80%** of participating providers in the state of New Mexico

Total Unique Providers: 1,140



Source: Network360® Analytics Suite (July 2026).

Member Experience

New Mexico Retiree Health Care Association

Dedicated U.S.-based, DENTAL-ONLY Service Centers

Wellness Integration
411 Member outreaches so far in 2026

99.6%
Member inquiry resolution

82%
Auto-adjudicated claims

99.4%
Of all claims processed within 14 days

13 seconds
Average speed to answer

0%
Call Abandonment

100%
Claim processing accuracy

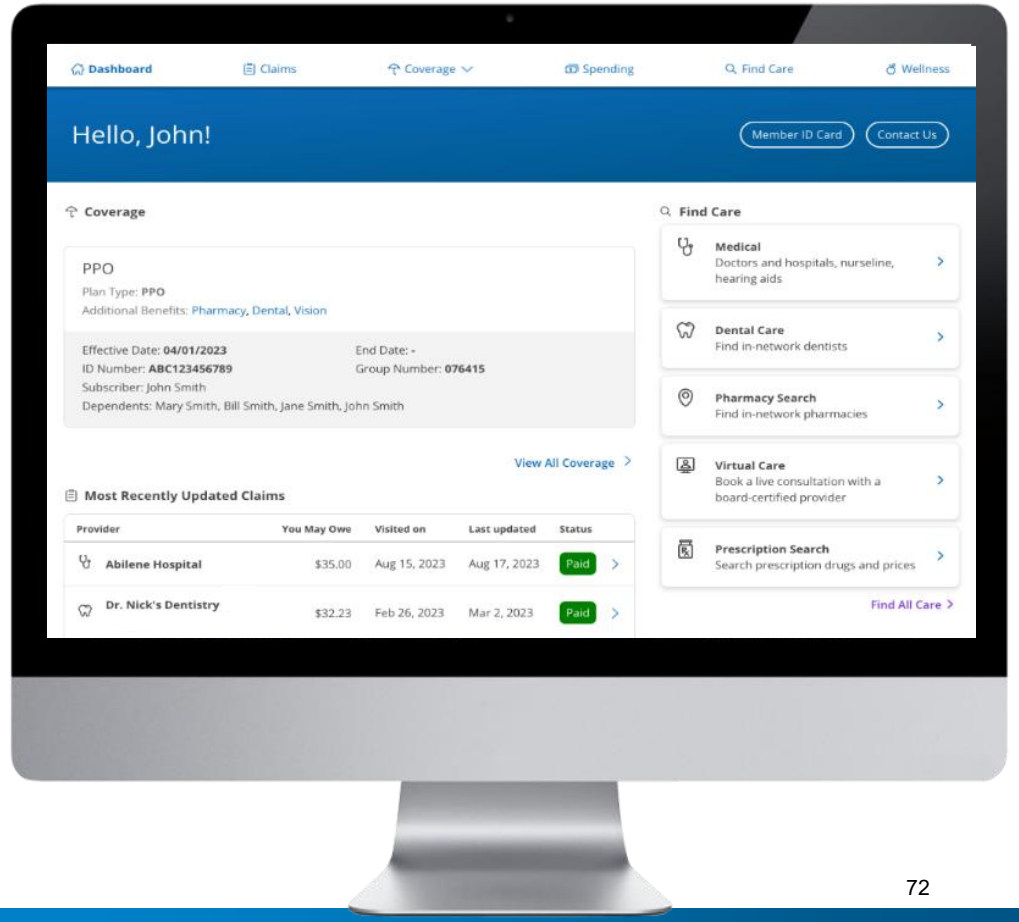
2025 Data

Member Tools and Resources **HELP** at Their Fingertips

BlueCross BlueShield of New Mexico

From Blue Access for Members℠, your secure member portal, they can:

- Get copies of your ID card
- See claims and Explanation of Benefits
- Access spending summaries
- Search for a provider through Provider Finder®
- Schedule a virtual visit 24/7 with Teledentistry.com
- Engage in better overall health and wellness



Screen images are for illustrative purposes only.

BlueCare Dental℠
PLAN APPENDIX

TOP 25 In-Network Dental Providers: Paid January 1, to December 31, 2025

	Provider	Address	Tax ID	Paid	# of Procedures	Members Seen	% of Total Paid
1	ALLEN HILTON DDS	2525 E 30TH ST FARMINGTON NM 87401	208735417	$56,387	610	98	6.5%
2	CHARLES SCHUMACHER DDS	2525 E 30TH ST FARMINGTON NM 87401	208735417	$22,612	312	54	2.6%
3	CLARISSA BURGESS DDS	2525 E 30TH ST FARMINGTON NM 87401	208735417	$21,225	220	36	2.4%
4	RYAN E JENSEN DDS	402 KIVA CT SANTA FE NM 87505	270411251	$10,146	167	26	1.2%
5	SCOTT L ELLEDGE DDS	402 KIVA CT SANTA FE NM 87505	270411251	$10,097	140	20	1.2%
6	JACOB COLLINS DDS	2525 E 30TH ST FARMINGTON NM 87401	208735417	$9,652	76	20	1.1%
7	MARCUS R MINER DDS	3045 E UNIVERSITY AVE STE C LAS CRUCES NM 88011	850474804	$8,866	29	9	1.0%
8	KAY L YOUNGGREN DDS	2520 W HERMOSA DR ARTESIA NM 88210	263372871	$6,809	104	18	0.8%
9	MICHAEL HAIGHT DDS	10409 MONTGOMERY PKWY NE STE 201 ALBUQUERQUE NM 87111	933312256	$6,710	88	11	0.8%
10	ANNA R GONZALES DDS	824 N MAIN ST ROSWELL NM 88201	824625137	$6,620	51	11	0.8%
11	JUSTIN C PORTER DDS	1340 E 32ND ST SILVER CITY NM 88061	202263474	$6,469	62	9	0.7%
12	CHRISTOPHER J THOMAS DDS	2980 N MAIN ST LAS CRUCES NM 88001	203503180	$6,109	65	18	0.7%
13	JOHN D DAVIS DDS	3610 CALLE CUERVO NW STE A ALBUQUERQUE NM 87114	850430039	$6,005	62	11	0.7%
14	BRIAN GIBSON DMD	708 E 20TH ST FARMINGTON NM 87401	450705453	$5,953	121	21	0.7%
15	EZLEN R TRUJILLO DDS	2050 BOTULPH RD STE C SANTA FE NM 87505	850476869	$5,919	63	9	0.7%
16	DIANA M BACA DDS	5900 CUBERO DR NE STE C ALBUQUERQUE NM 87109	850402782	$5,729	75	12	0.7%
17	JAMES R COLE DDS	2401 E 30TH ST BLDG 1 FARMINGTON NM 87401	142002530	$5,677	99	12	0.7%
18	DOMINIC L MARKETTO DDS	2980 N MAIN ST LAS CRUCES NM 88001	203503180	$5,506	89	20	0.6%
19	PHILIP C HANEY DDS	203 E MESCALERO RD ROSWELL NM 88201	262020953	$5,493	59	12	0.6%
20	AARON D RASMUSSEN DDS	800 E 30TH ST BLDG 3 FARMINGTON NM 87401	454302428	$5,479	79	11	0.6%
21	JORDAN S ARNELL DDS	800 E 30TH ST BLDG 3 FARMINGTON NM 87401	454302428	$5,155	87	13	0.6%
22	JARED WALLIS DDS	4171 NORTHRISE DR LAS CRUCES NM 88011	832486814	$5,019	87	20	0.6%
23	PAULA T NGO DMD	3875 CERRILLOS RD SANTA FE NM 87507	830808084	$4,976	57	8	0.6%
24	PATRICK RUFO DDS	5131 MAIN ST STE 101 SANTA FE NM 87507	383991174	$4,900	125	10	0.6%
25	ROBERT ALBISTON DDS	610 CUBA AVE ALAMOGORDO NM 88310	874137168	$4,413	49	7	0.5%
	Percentage of Total						**27.9%**

74

TOP 25 Out of Network Dental Providers: Paid January 1, to December 31, 2025

	Provider	Address	Tax ID	Paid	# of Procedures	Members Seen	% of Total Paid
1	CHRISTOPHER D MORGAN DMD	2201 BROTHERS RD SANTA FE NM 87505	272219902	$3,795	29	8	0.4%
2	DAVID L CUNDICK DDS	2990 E PINON FRONTAGE RD STE 102 FARMINGTON NM 87402	465325540	$2,957	16	5	0.3%
3	JAXON HOOPES DDS	2990 E PINON FRONTAGE RD STE 104 FARMINGTON NM 87402	272426587	$2,938	50	14	0.3%
4	MARIO SAMANIEGO, DDS	1022 9TH ST ALAMOGORDO NM 88310	850367387	$2,709	26	5	0.3%
5	MICHAEL SANCHEZ DDS	12611 MONTGOMERY BLVD NE STE A-1 ALBUQUERQUE NM 87111	320465281	$2,519	19	4	0.3%
6	BRYAN KALISH DDS	3045 E UNIVERSITY AVE STE A LAS CRUCES NM 88011	474266001	$2,298	19	5	0.3%
7	CAMERON B HERRING DDS	3315 64TH ST STE D LUBBOCK TX 79413	844133065	$2,174	33	3	0.3%
8	HAIWEN ZHANG DDS	409 ST MICHAELS DR STE C SANTA FE NM 87505	921027329	$2,080	15	3	0.2%
9	JOHN C STEFFENSEN DDS	6010 82ND ST STE 300 LUBBOCK TX 79424	272044520	$1,614	8	2	0.2%
10	LAURA M COMEAU DDS	2100 CALLE DE LA VUELTA UNIT E105 SANTA FE NM 87505	273151179	$1,561	11	3	0.2%
11	CHRISTOPHER A BUTTNER DDS	6800 MONTGOMERY BLVD NE STE O ALBUQUERQUE NM 87109	262810477	$1,549	10	2	0.2%
12	CODY SLADE DDS	3218 N GRIMES ST HOBBS NM 88240	871625413	$1,474	28	4	0.2%
13	MARC APPELBAUM DDS	2019 GALISTEO ST BLDG 0 STE 1 SANTA FE NM 87505	743056809	$1,429	15	2	0.2%
14	JEFFERY HOLLAND DDS	2535 HARRISON AVE EUREKA CA 95501	834462966	$1,406	15	2	0.2%
15	CASETIN W LYBBERT DDS	127 EL PASO RD RUIDOSO NM 88345	874267824	$1,392	2	1	0.2%
16	MICHAEL H GALLEGOS, DDS	490B W ZIA RD STE 2 SANTA FE NM 87505	201688195	$1,384	20	3	0.2%
17	BRIAN LU DDS	200 SUDDERTH DR STE C RUIDOSO NM 88345	881115874	$1,366	8	2	0.2%
18	BRIAN J NAZERI DDS	162 HOSPITAL DR RATON NM 87740	800523385	$1,363	27	6	0.2%
19	HALEY RITCHEY DDS	2100 CALLE DE LA VUELTA STE D105 SANTA FE NM 87505	205980338	$1,341	12	4	0.2%
20	JOSEPH EVERETT DDS	6123 79TH ST STE 100 LUBBOCK TX 79424	472438329	$1,260	8	3	0.1%
21	FAITH A CORTEZ DDS	1022 9TH ST ALAMOGORDO NM 88310	850367387	$1,224	16	2	0.1%
22	BRUNA F DE GOUVEIA DDS	612 N CANYON ST CARLSBAD NM 88220	331824764	$1,171	24	9	0.1%
23	JOHNATHON MENDOZA DDS	612 N CANYON ST CARLSBAD NM 88220	331824764	$1,160	13	4	0.1%
24	GALEN DETRIK HARTENBERGER DDS	2 CALLE MEDICO STE 3 SANTA FE NM 87505	823033352	$1,148	7	2	0.1%
25	DOUGLAS D PARKS DDS	501 S MAIN AVE AZTEC NM 87410	200535676	$1,134	10	2	0.1%
	Percentage of Total				75		**5.1%**

Dental **PLAN OVERVIEW**

NMRHCA PLAN FEATURES	PPO PLAN				COMMENTS
	BASIC		COMPREHENSIVE		
Calendar Year Maximum	**IN-NETWORK** $1,500	**OUT of NETWORK** $1,500	**IN-NETWORK** $1,500	**OUT of NETWORK** $1,000	
Deductible	$50 Individual $150 Family		$50 Individual $150 Family		BCBSNM and Dental Industry $50 Individual $150 Family Aggregate
Dependent Age Limit	26		26		In-line with BCBSNM and Dental Industry
Diagnostic/Preventive, Miscellaneous Services	100% No Deductible	25% No Deductible	100% No Deductible	75% No Deductible	BCBSNM and Dental Industry 100% No Deductible
Basic Services Restorative, Endodontic, Periodontic, Oral Surgery, Denture Repair and Adjustments	80% After Deductible	25% After Deductible	80% After Deductible	55% After Deductible	BCBSNM and Dental Industry 80% After Deductible
Major Services Crowns, Inlays, Onlays, Repair and Recementation of Crowns, Inlays, Onlays	Not Covered		50% After Deductible	35% After Deductible	BCBSNM and Dental Industry 50% After Deductible
Prosthodontic Services Bridges, Dentures	Not Covered		50% After Deductible	35% After Deductible	BCBSNM and Dental Industry 50% After Deductible
Implant Services	Not Covered		50% After Deductible	35% After Deductible	More plans adding coverage, with benefits charged against the annual maximum.
Orthodontia	Not Covered		50%	50%	
- LTM Benefit	N/A		$1,000	$500	BCBSNM and Dental Industry $1,500
- Children/Adult	N/A		Dependent Children under age 26 Employee & Spouse are covered		BCBSNM Book and Dental Industry Dependent Children to age 26

76

BlueCare Dental℠ Enhanced Benefit

For at-risk and high-risk members with diabetes, heart disease or who are pregnant

After standard benefits are exhausted, members are eligible for one of the following additional benefits:

- **Routine cleaning (total of 4 per calendar year)**

Available to all members! No enrollment or sign up required!

BlueCare Dental PPO℠ Network

ADVANTAGE TO MEMBERS:

SAVINGS

- PPO dentists offer discounts of 35% to 50% for BlueCare Dental members. You won't be billed for costs exceeding the allowable amount (except coinsurances and deductibles).

CONVENIENCE

- You have access to one of the largest dental PPO networks in the country.

QUALITY

- You can take comfort knowing that our professional credentials are verified for every PPO dentist.

PPO Savings Example:	PPO Dentist Crown (D2740)	Non-PPO Dentist Crown (D2740)
Billed Charge	$1420.00	$1420.00
Allowable Amount	$796.00	$1420.00
Dental Plan pays 50%	$398.00	$710.00
Member's Responsibility	**$398.00**	**$710.00**

The dollar amount shown is for illustrative purposes only. Check your benefit booklet for deductible, coinsurance and dollar maximums that apply.

Virtual Dental Visits 24/7

BlueCross BlueShield of New Mexico

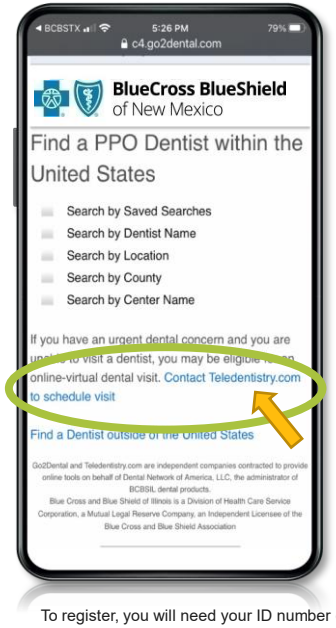
Virtual dental visits powered by **Teledentistry.com** are included as part of our **BlueCare Dental℠** PPO network

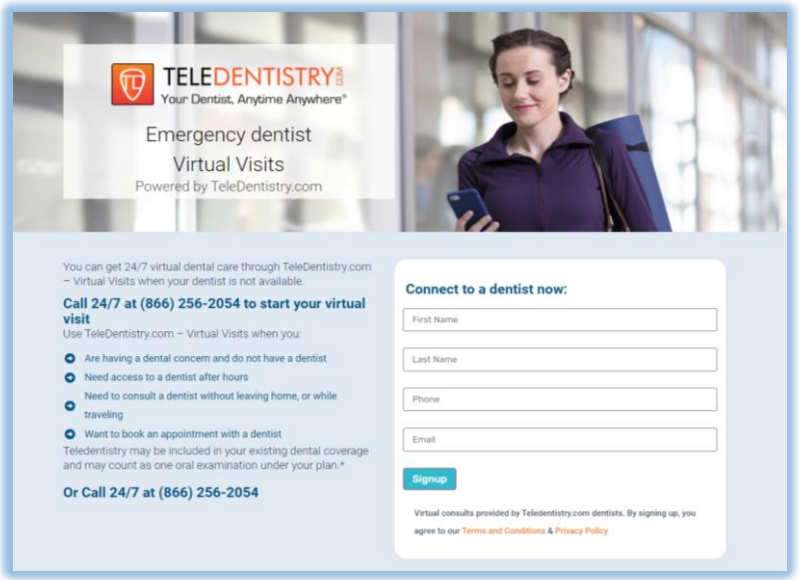
Did you know?

Many people suffering from dental pain end up in an emergency room because they don't know what else to do, when they have a concern and can't get to their regular dentist. Virtual visits give you an option to have your urgent issue evaluated in 10-15 minutes.*

Website or Mobile App

- Click on the link on Provider Finder BlueCare Dental℠ PPO search page
- Complete the registration form





To register, you will need your ID number on the back your ID card OR you can call Customer Service. Images are for illustrative purposes only.

What can a virtual dentist do for you?

- Provide access to a dentist 24/7 when your regular dentist is not an option, like after hours or when traveling.
- Consult via video conference without leaving your home, workplace or while traveling.
- Address tooth pain due to things like cavities, gum disease or impacted wisdom teeth.
- Prescribe medications** as necessary to offer relief of pain or discomfort.

Telephone

Call **1-866-256-2054** to schedule a virtual visit

* Average times from Teledentistry.com **No opioids or narcotics

Out-of-state Travel Request - Action Item*

Background:
As a member, NMRHCA staff has been invited to attend the Public Sector HealthCare Roundtable Annual Conference scheduled for November 4 – 6, 2026, in Washington, D.C. The Roundtable's highly regarded annual conference provides members and guests a unique opportunity to hear presentations by high level government officials and key experts, including representatives from Congress and the Administration, academics, benefit consultants, plan administrators, advocates and industry leaders in an intimate dialogue-oriented setting.

The conference brings together leaders from across the country to examine the most pressing challenges and emerging opportunities in public sector health care. Speakers provide timely insights on economic trends, health policy, Medicare Advantage, behavioral health, drug cost management, and innovations in health care administration.

The Roundtable also provides a valuable opportunity for public purchasers of all sizes and program types to collaborate and openly discuss individual program challenges in a peer-focused setting. These discussions allow NMRHCA to engage with other states, public sector agencies, and retiree health plans to exchange industry knowledge and share important updates, enhancements, and approaches to plan administration.

For more information and the full agenda, please visit the Roundtable's website:
https://www.healthcareroundtable.us

Requested Action Item:
NMRHCA staff respectfully requests Board approval for two staff members and one Board member to attend the Public Sector HealthCare Roundtable Annual Conference in Washington, D.C., November 4–6, 2026.