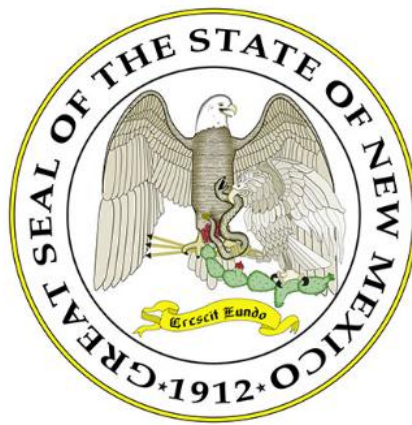


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REGULAR MEETING OF THE BOARD OF DIRECTORS



October 6, 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](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

OCTOBER 6, 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

OCTOBER 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

October 6, 2026 AT 9:30 AM

Meeting to Be Held at CNM Workforce Training Center

5600 Eagle Rock Ave NE, Alb. 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			Pages
1.	Call to Order	Dr. Caruana, President	
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 August 25, 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	Ms. Atencio, Deputy Director	
b.	2026 Open/Switch Enrollment	Ms. Atencio, Deputy Director	11
c.	Life Insurance RFP	Ms. Atencio, Deputy Director	
d.	Humana network with OptumCare	Mr. Kueffer, Executive Director	13
e.	Health Insurance Market and Premium Trends	Mr. Kueffer, Executive Director	19

f.	August 31, 2026, SIC Report	Mr. Kueffer, Executive Director	24
g.	Legislative	Mr. Kueffer, Executive Director	
9.	Davis Vision Presentation	Mr. Garcia, State Director	25
10.	Standard Life Presentation	Ms. Oswald, National Accounts Consultant & Mr. Briggs, Consulting Underwriter, National Accounts	43
11.	Other Business	Dr. Caruana, President	
12.	Date & Time of Next Board Meeting November 3, 2026 at 9:30 AM CNM Workforce Training Center 5600 Eagle Rock Ave NE, Alb. NM 87113	Dr. Caruana, President	
13.	Adjourn		

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

REGULAR MEETING

August 25, 2026

1. CALL TO ORDER

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

2. ROLL CALL TO ASCERTAIN A QUORUM

Members Present:

Dr. Lee Caruana, President
Dr. Tomas Salazar, Vice President
Mr. Lance Pyle, Secretary [virtual]
Dr. Gerry Washburn [virtual]
Ms. Kate Brassington
Ms. Reneé Garcia
Ms. Therese Saunders
Ms. Heather Vigil Clark
Ms. JoLou Trujillo-Ottino [virtual]

Members Excused:

The Hon. Laura Montoya, NM State Treasurer
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. PLEDGE OF ALLEGIANCE & SALUTE TO NEW MEXICO STATE FLAG

4. APPROVAL OF AGENDA

Dr. Salazar moved approval of the agenda, as published. Ms. Garcia seconded the motion, which passed unanimously.

5. APPROVAL OF MEETING MINUTES: July 16 & 17, 2026

Ms. Vigil Clark moved approval of the July 16 and 17 minutes. The motion was seconded by Dr. Salazar and approved unanimously.

6. PUBLIC FORUM AND INTRODUCTIONS

Attendees introduced themselves.

7. COMMITTEE REPORTS

- Ms. Brassington reported that the Finance Comm met August 20 with a quorum and approved the FY27 appropriation request to move to the full Board.
- Dr. Caruana reported that the Executive Committee met on the same day and approved today's agenda. The committee also reviewed a travel request item.

8. STAFF UPDATES

a. Human Resources & Operations

Ms. Atencio reported that staff are gearing up for the open and switch enrollment. The meetings will run from September 30 through October. All staff, including Finance, IT and the Customer Service Unit, will be meeting on September 18 for training. Those offices will be closed at noon on that day. Staff anticipates many questions regarding the term of the Presbyterian Medicare Advantage plan and will get the representatives ready for what transition of care means and how they can assist the NMRHCA members. Staff additionally had refresher training with Standard Insurance.

Ms. Atencio stated that NMRHCA continues its search for an in-house attorney. NMRHCA is running an ad in the State Law Bulletin and doing networking with people, as well as reaching out to contacts, as part of the search.

b. 2026 Open/Switch Enrollment Postcard & Newsletter

Mr. Biggs reviewed this year's schedule and agenda, with the different cities, locations, dates and times when NMRHCA will be in different communities to do the open and switch enrollment.

Mr. Biggs stated that a postcard has been mailed out to all of the members at this point. The next step will be to advertise the process through the August newsletter, which will be going out to mailboxes next week. He reviewed highlights from the newsletter.

c. Updated Solvency Model

Mr. Kueffer reviewed the updated solvency model following the Board's action taken at the annual meeting in July. Deficit spending is now projected to begin in FY36, however, in comparing the updated solvency model with the annual one, the deficit spending has decreased by about \$3 million.

d. Legislative

Mr. Kueffer stated that LFC met in a joint meeting with LHHS the week after NMRHCA held its annual meeting. NMRHCA staff made a presentation during the meeting. He said he stressed the importance of not raising healthcare premiums so high that it creates an adverse effect by pricing out the healthy population and leaving more of the highest-risk users in the system. This is a topic that continues to come up in legislative committee hearings, and it will be important to keep legislators informed.

e. June 30 and July 31, 2026, SIC Report

Ms. Ayanniyi reported that the fund started the month of June with \$2.105 billion. There was \$65 million in contributions to the fund, which ended June with a total market value of \$2.177 billion. At the end of July, total market value was \$2.17 billion. There were no contributions during that month.

9. FY28 APPROPRIATION REQUEST

Mr. Kueffer stated that the proposed request for FY28 was a total of \$442 million, an increase of about \$15 million, or 3.5% from the prior year. He reviewed a breakdown of costs under Healthcare Benefits Administration, and Ms. Ayanniyi reviewed a breakdown of the costs under Program Support.

Following a question from Ms. Vigil Clark about performance measures, Chairman Caruana suggested that another column be added reflecting how long NMRHCA has been tracking individual performance measures. It was agreed that this would be particularly useful for the Wellness Committee.

Ms. Brassington moved to approve the FY28 appropriation request. Ms. Saunders seconded the motion, which passed unanimously.

10. DELTA DENTAL PRESENTATION

Anthony Moya, Strategic Account Manager, and Tina Tomlin, VP, Business Operations, made a presentation.

11. BCBS DENTAL PRESENTATION

Mohammad Abdul-Alim, Account Executive, made a presentation.

12. TRAVEL REQUEST

[Presenter: Linda Atencio]

Ms. Atencio stated that NMRHCA staff has been invited to attend the Public Sector HealthCare Roundtable Annual Conference scheduled on November 4-6, 2026, in Washington, D.C. This highly regarded annual conference provides members and guests a unique opportunity to hear presentations by high level government officials and key experts, including members of 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 healthcare.

Ms. Atencio asked for board approval for two staff members and potentially one Board member to attend the conference on November 4-6, 2026.

Chairman Caruana said he attended the conference three years ago and found it very useful. He would encourage any interested Board members to consider attending. If more than one Board member is interested in attending, this should be brought up for discussion. Mr. Kueffer should be informed as soon as possible about possible attendees.

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

13. EXECUTIVE DIRECTOR REVIEW

Mr. Kueffer stated that these two action items relate to the board discussion at the annual meeting, when the Board evaluated his performance as Executive Director and provided very helpful feedback.

a. Compensation

Mr. Pyle moved to approve an increase in pay of 4.5%. Dr. Salazar seconded the motion, which passed, with Ms. Vigil Clark in abstention.

b. Effective Date

Ms. Garcia moved to approve an effective date of July 4, 2026. Dr. Salazar seconded the motion, which passed, with Ms. Vigil Clark in abstention.

14. OTHER BUSINESS

None.

15. DATE AND TIME OF NEXT BOARD MEETING

October 6, 2026, at 9:30 a.m.
CNM Workforce Training Center
5600 Eagle Rock Avenue, NE, Albuquerque, New Mexico 87113

16. ADJOURN: 11:46 a.m.

Accepted by:

Lee Caruana, President

Presbyterian Medicare Advantage Plans No Longer Available Through NMRHCA

Effective January 1, 2027 — action required during Switch Enrollment



SUMMARY What You Need to Know

- Presbyterian Health Plan (PHP) is ending its Medicare Advantage line of offerings, effective **January 1, 2027**. This includes the Medicare Advantage plan offered through NMRHCA.
- If you are currently on the Presbyterian Medicare Advantage plan, **you must choose a new plan during Switch Enrollment (September 30 – November 13)**.
- If you take no action, you will be automatically moved to UnitedHealthcare Medicare Advantage PPO + Prescription Drug Plan.
- If your current provider is a participating provider in your new plans' network, you only need to provide them with your new plan information or ID card.
- This does **not** affect Presbyterian's non-Medicare plans — those remain available.

ACTION REQUIRED What You Need to Do

During Switch Enrollment (**September 30 – November 13**), select a new plan to take effect January 1, 2027. The following options keep access to Presbyterian providers, though networks and benefits vary by plan — confirm your doctors, facilities, and prescriptions are covered before you choose:

- UnitedHealthcare Medicare Advantage PPO + Prescription Drug Plan (PDP)
- BCBS Medicare Advantage PPO
- BCBS Supplement

IF YOU DO NOTHING If You Don't Select a Plan

Members who take no action will be automatically defaulted to the **UnitedHealthcare Medicare Advantage PPO + PDP** plan, to prevent a gap in coverage, and will remain on this plan through 2027.

CONTINUITY OF CARE If You're in Ongoing Treatment

If you're currently receiving ongoing treatment or have scheduled services, contact your new plan directly to discuss continuity of care and coordinate any necessary authorizations. Presbyterian is also offering transition support for members moving off its Medicare Advantage plan.

Presbyterian transition support: **(505) 923-2000** (TTY 711)

NOT AFFECTED Non-Medicare Presbyterian Plans Are Not Affected

Presbyterian's non-Medicare plan options remain available to NMRHCA members who are not yet Medicare-eligible.

BACKGROUND**Why This Change Is Happening**

This change comes from Presbyterian's broader business decision to exit the Medicare Advantage market. Continuing the plan through NMRHCA for 2027 would have required significant premium increases and reduced benefits — changes that would have made the plan uncompetitive on both cost and the level of member cost-sharing NMRHCA members are accustomed to. With other Medicare options available, continuing the Presbyterian Medicare Advantage plan was no longer viable for 2027.

IMPORTANT NOTICE:

There are changes to your
plan's network.

[LetterRequestDate]

We're here to help.

Call our Customer Care department
at **800-457-4708 (TTY: 711)**,
Monday – Friday, 8 a.m. – 8 p.m.
or visit **Humana.com**

[FirstName Middle Name LastName]
[MemberAddress1]
[MemberAddress2]
[MemberCity], [MemberState] [MemberZip] [MemberZip4]

Dear [MemberFirstName]:

We are writing to let you know that as of **[TermDate]**, the following providers will no longer be part of the Humana Medicare Network.

Provider(s) leaving the Humana network:

[TermProviderName1]	[TermPCP]	[XXX-XXX-XXXX]
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In some cases, it may be necessary for you to continue care with your current provider for a transition period. To minimize disruption to your care during this change, we are providing continuation of care until **[TermDate + 90 days]** at in-network benefits so you can see your current provider(s) during this period, if they agree to do so. You do not need to take any action to receive these benefits.

Below we have included the name(s) of suggested in-network provider(s) accepting new patients.

Suggested in-network provider(s):

[AltProvider1_1] [Specialist1]	[Group Name / Facility] [Address]	[XXX-XXX-XXXX]
[AltProvider1_2] [Specialist1]	[Group Name / Facility] [Address]	[XXX-XXX-XXXX]
[AltProvider1_3] [Specialist1]	[Group Name / Facility] [Address]	[XXX-XXX-XXXX]



For a full list of in-network providers, please visit **Humana.com/Findadoc** or check your copy of the provider directory. If you'd like a directory mailed to you, you can request one at **Humana.com** or call our Customer Care department at **800-457-4708 (TTY: 711)**.

How to change plans – Individual Medicare members

You can change health plans only at certain times during the year. From October 15–December 7, you can join, switch, or drop a Medicare health or drug plan for the following year. In addition, from

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January 1–March 31, anyone enrolled in a Medicare Advantage plan (except an MSA plan) can switch plans or return to Original Medicare (and join a stand-alone Medicare drug plan). Generally, you can't make changes at other times except in certain situations, like if you move out of your plan's service area, want to join a plan in your area with a 5-star quality rating, or qualify for (or lose) Extra Help paying for prescription drug coverage.

If this change in our network impacts you, you can call **1-800-MEDICARE (1-800-633-4227)** to ask for a special enrollment period to change plans and for help finding other coverage. Tell them you got this notice saying your [provider/facility] is leaving our network. This toll-free help line is available 24 hours a day, 7 days a week. **TTY** users should call **1-877-486-2048**.

Humana Group Medicare members

Please check your plan documents to compare your in-network and out-of-network benefits to determine if your out-of-pocket cost will increase. You may be able to use your out-of-network benefits to continue to see [ProviderOrganizationName], if [ProviderOrganizationName] accepts Medicare and agrees to continue seeing you.

Changing plans or canceling coverage for Group Medicare members

As a member of a group plan, you have a special election to change or cancel your Humana plan anytime.

You can use this special election to:

- Go back to Original Medicare
- Choose another Medicare Advantage plan
- Or choose another Medicare prescription drug plan

However, you may not be able to go back to your group's plan and the group may not let you change plans outside their open enrollment period. Please talk to your benefits administrator or our Humana Group Medicare Customer Care team at **866-396-8810** (Monday – Friday, 8 a.m. – 9 p.m., Eastern time) to go over your healthcare choices.

We're here to help

If you have questions about this change in your Medicare Network, please contact us on **Humana.com** or call Humana Customer Care.

Sincerely,
Medicare Customer Care Team

Notice of Non-Discrimination

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- Provides people with disabilities reasonable modifications and free appropriate auxiliary aids and services to communicate effectively with us, such as:

- Qualified sign language interpreters

- Written information in other formats (large print, audio, accessible electronic formats, other formats).

- Provides free language assistance services to people whose primary language is not English, which may include:

- Qualified interpreters

- Information written in other languages.

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You can also file a complaint with the U.S. Department of Health and Human Services, Office for Civil Rights, electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at:

- U.S. Department of Health and Human Services, 200 Independence Avenue, S.W., Room 509F, HHH Building Washington, D.C. 20201. 800-368-1019, 800-537-7697 (TDD).

California members:

You can also file a civil rights complaint with the California Dept. of Health Care Services, Office of Civil rights by calling 916-440-7370 (TTY: 711), emailing Civilrights@dhcs.ca.gov, or by mail at: Deputy Director, Office of Civil Rights, Department of Health Care Services, P.O. Box 997413, MS 0009, Sacramento, CA 95899-7413.

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Complaint forms available at: http://www.dhcs.ca.gov/Pages/Language_Access.aspx. This notice is available at www.humana.com/legal/non-discrimination-disclosure. GHHNDN2025HUM

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Հայերեն [Armenian]: Հասանելի են անվճար լեզվական, աջակցման և այլընտրանքային ձևաչափի ծառայություններ: Զանգահարե՛ք՝ **877-320-1235 (TTY: 711)**:

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Kreyòl Ayisyen [Haitian Creole]: Lang gratis, èd oksilyè, ak lòt fòma sèvis disponib. Rele **877-320-1235 (TTY: 711)**.

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ગુજરાતી [Gujarati]: નિ:શુલ્ક ભાષા, સહાયક સહાય અને વૈકલ્પિક ફોર્મેટ સેવાઓ ઉપલબ્ધ છે. **877-320-1235 (TTY: 711)** પર કોલ કરો.

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हिन्दी [Hindi]: नि:शुल्क भाषा, सहायक मदद और वैकल्पिक प्रारूप सेवाएं उपलब्ध हैं। **877-320-1235 (TTY: 711)** पर कॉल करें।

Hmoob [Hmong]: Muaj kev pab txhais lus, pab kom hnov suab, thiab lwm tus qauv pab cuam. Hu **877-320-1235 (TTY: 711)**.

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ភាសាខ្មែរ [Khmer]: សេវាកម្មផ្នែកភាសា ជំនួយ និង សេវាកម្មជំនាញប្រដាប់ផ្សេងៗសម្រាប់អ្នកប្រើប្រាស់។ ទូរសព្ទទៅលេខ **877-320-1235 (TTY: 711)**។

한국어 [Korean]: 무료 언어, 보조 지원 및 대체 형식 서비스를 이용하실 수 있습니다.
877-320-1235 (TTY: 711)번으로 문의하십시오.

ພາສາລາວ [Lao]: ມີການບໍລິການດ້ານພາສາ, ຊ່ວຍເຫຼືອຊ່ວຍເຫຼືອ ແລະ ຮູບແບບທາງເລືອກອື່ນໄຫວ້ໃຊ້ພຣີ.
ໂທ **877-320-1235 (TTY: 711)**.

Diné [Navajo]: Saad t'áá jiik'eh, t'áadoole'é binahji' bee adahodoonííhígíí diné bich'i' anídahazt'i'í, dóó lahgo át'éego bee hada'dilyaaígíí bee bika'aanída'awo'í dahóló. Kohji' hodíilnih **877-320-1235 (TTY: 711)**.

Polski [Polish]: Dostępne są bezpłatne usługi językowe, pomocnicze i alternatywne formaty. Zadzwoń pod numer **877-320-1235 (TTY: 711)**.

Português [Portuguese]: Estão disponíveis serviços gratuitos de ajuda linguística auxiliar e outros formatos alternativos. Ligue **877-320-1235 (TTY: 711)**.

ਪੰਜਾਬੀ [Punjabi]: ਮੁਫਤ ਭਾਸ਼ਾ, ਸਹਾਇਕ ਸਹਾਇਤਾ, ਅਤੇ ਵਿਕਲਪਿਕ ਫਾਰਮੈਟ ਸੇਵਾਵਾਂ ਉਪਲਬਧ ਹਨ। **877-320-1235 (TTY: 711)** 'ਤੇ ਕਾਲ ਕਰੋ।

Русский [Russian]: Предоставляются бесплатные услуги языковой поддержки, вспомогательные средства и материалы в альтернативных форматах. Звоните по номеру **877-320-1235 (TTY: 711)**.

Español [Spanish]: Los servicios gratuitos de asistencia lingüística, ayuda auxiliar y servicios en otro formato están disponibles. Llame al **877-320-1235 (TTY: 711)**.

Tagalog [Tagalog]: Magagamit ang mga libreng serbisyong pangwika, serbisyo o device na pantulong, at kapalit na format. Tumawag sa **877-320-1235 (TTY: 711)**.

தமிழ் [Tamil]: இலவச மொழி, துணை உதவி மற்றும் மாற்று வடிவ சேவைகள் உள்ளன. **877-320-1235 (TTY: 711)** ஐ அழைக்கவும்.

తెలుగు [Telugu]: ఉచిత భాష, సహాయక మద్దతు, మరియు ప్రత్యామ్నాయ ఫార్మాట్ సేవలు అందుబాటులో గలవు. **877-320-1235 (TTY: 711)** కి కాల్ చేయండి.

877-320-1235 (TTY: 711) اردو [Urdu]: مفت زبان، معاون امداد، اور متبادل فارمیٹ کی خدمات دستیاب ہیں۔ کال

Tiếng Việt [Vietnamese]: Có sẵn các dịch vụ miễn phí về ngôn ngữ, hỗ trợ bổ sung và định dạng thay thế. Hãy gọi **877-320-1235 (TTY: 711)**.

አማርኛ [Amharic]: ቋንቋ፡ አጋዥ ማዳመጫ እና አማራጭ ቅርፅ ቦታ ለላቸው አገልግሎቶችዎ ይገኛሉ። በ **877-320-1235 (TTY: 711)** ላይ ይደውሉ።

Bàsco [Bassa]: Wuḍu-xwíniín-mú-zà-zà kùà, Hwòdǒ-fańa-nyo, kè nyo-boŭn-po-kà bě bé nyuεε se wíqí p'éé-p'éé dǒ ko. **877-320-1235 (TTY: 711)** dá.

Bekee [Igbo]: Asụsụ n'efu, enyemaka nkwarụ, na ọrụ usoro ndị ọzọ dị. Kpọọ **877-320-1235 (TTY: 711)**.

Òyìnbó [Yoruba]: Àwọn isẹ àtìlẹhìn ìrànlowọ èdè, àtì ọ̀nà kíkà mírán wà lárọ̀wọ̀tó. Pe **877-320-1235 (TTY: 711)**.

नेपाली [Nepali]: भाषासम्बन्धी निःशुल्क, सहायक साधन र वैकल्पिक फार्मेट (ढाँचा/व्यवस्था) सेवाहरू उपलब्ध छन् । **877-320-1235 (TTY: 711)** मा कल गर्नुहोस् ।



Humana exit notices loom for 600,000 Medicare Advantage members

Affected beneficiaries will have to select new coverage or transition to Original Medicare for 2027.

Medicare & Medicaid

By [Eve Bender](#), *Healthcare Reporter* | September 1, 2026 | 11:10 AM

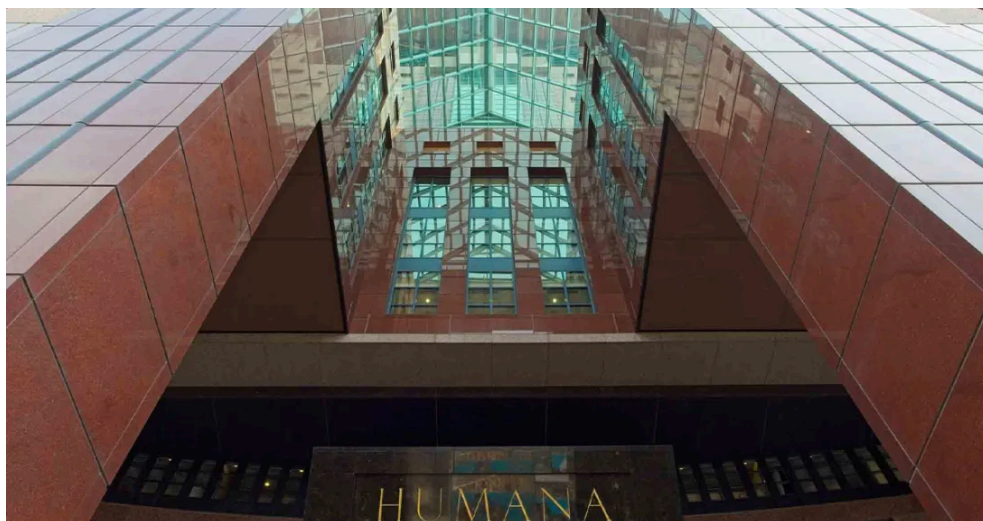


Photo: Peter Blottman Photography/Getty Images

About 600,000 Humana Medicare Advantage members are expected to receive notices next month that their current plans will not be

offered in 2027.

[Federal regulations](#) require nonrenewal notices for most Medicare Advantage contracts ending Dec. 31 to be dated Oct. 2. The notices must explain when coverage will end, the beneficiaries' enrollment options and what will happen if they take no action.

[Humana said during its second-quarter earnings call](#) that targeted plan exits would affect approximately 600,000 members. The insurer has not publicly identified the affected counties or plans.

Humana CFO Celeste Mellet said the company plans to prioritize higher-performing plans, including those with greater participation in value-based care arrangements.

Rather than reducing benefits evenly across its Medicare Advantage portfolio, Humana intends to "remove or cut off the lower tail of profitability and returns" to protect the benefits associated with its higher-value plans, [Mellet said during the July 29 call](#).

Most of the plans being discontinued have ratings of 3.5 stars or lower for the 2027 bonus year, according to Mellet. However, she said the exits should not be viewed primarily as a response to the plans' star ratings.

Humana expects to retain a portion of the affected members by enrolling them in other company plans available in their markets. The insurer retained slightly more than 40% of members affected by its 2025 exits and expects a similar rate this time, Mellet said.

If Humana achieves that rate, about 360,000 affected members would need to select coverage from another insurer or transition to Original Medicare.

WHY THIS MATTERS

The [annual Medicare open enrollment period](#) runs from Oct. 15 through Dec. 7. During that period, beneficiaries can compare their current costs, benefits, prescription drug coverage and provider networks with the plans being offered for 2027, according to the Centers for Medicare & Medicaid Services.

Beneficiaries whose plans are not renewed also receive a special enrollment period running from Dec. 8 through the last day of February, [according to Medicare](#).

[Federal law](#) gives beneficiaries whose Medicare Advantage plan leaves their area a guaranteed-issue right to buy certain Medigap policies if they opt to get Original Medicare.

During that period, insurers cannot deny coverage, charge more based on health status or impose a preexisting-condition exclusion.

For an involuntary plan termination, the guaranteed-issue period begins when the member receives the termination notice and continues until 63 days after the Medicare Advantage coverage ends. State laws may provide additional protections.

The exits are part of Humana's effort to return its Medicare Advantage business to a sustainable pretax margin of at least 3% by 2028. President and CEO Jim Rehtin said the insurer expects its 2027 bids to produce progress toward that target.

Humana nevertheless continues to project individual Medicare Advantage membership growth of approximately 25% in 2026, [according to its second-quarter results](#).

THE LARGER TREND

Humana's planned exits are part of a broader contraction in Medicare Advantage as insurers contend with rising medical costs and pressure to improve margins.

[Providence Health Plan is winding down its insurance operations](#), affecting more than 64,000 Medicare Advantage members. [Presbyterian Health Plan is discontinuing most of its Medicare Advantage plans](#) for 2027 after the products contributed to more than \$59 million in losses in 2025.

UnitedHealthcare also previously announced plans to [exit Medicare Advantage products serving more than 600,000 members](#), citing higher-than-expected medical costs.

Meanwhile, [Medicare Advantage enrollment growth has slowed](#) from annual increases of 7% to 10% between 2017 and 2024 to approximately 3% in 2026.

CMS has finalized an average [2.48% Medicare Advantage payment increase](#) for 2027, representing more than \$13 billion in additional payments to plans.

More stories like this:

New Mexico insurance superintendent approves 24% premium increase on healthcare exchange plans

BY PATRICK LOHMANN - SEPTEMBER 1, 2026 1:23 PM



📷 The New Mexico Office of the Superintendent of Insurance announced Sept. 1, 2026, it had approved an average premium increase of 24% beginning in 2027 for those who purchase healthcare insurance on BeWell, the state's insurance marketplace. (Photo courtesy BeWell)

Citing inflation and rising health care costs, the New Mexico Office of the Superintendent of Insurance on Tuesday announced that it had approved a 24.4% average premium increase on BeWell, the state's health insurance marketplace, established by the 2010 Affordable Care Act.

The increase is higher than the nationwide median increase of 15%, according to a statement from the office, and will take effect Jan. 1. Despite the rise, OSI officials noted that the state's premiums have historically been lower than the national average and that next year's boost will result in monthly healthcare payments that are largely in line with the rest of the nation.

A recent analysis from the New Mexico Legislative Finance Committee confirms that the average premium for the exchange's "benchmark" plan, used to compare premium averages across states, was roughly \$100 a month less than the national average between 2019 and 2022. Since 2023, the state and national averages have become roughly the same and risen in unison from approximately \$450 that year to more than \$600²² in 2026.

“Rising health care costs and inflation are continuing to affect consumers nationwide and New Mexico is no different,” Insurance Superintendent Alice Kane said in a statement Tuesday. “Despite the rate increase, I can assure you that the rates for all the insurance companies are actuarially sound, non-discriminatory, and transparent.”

In addition to inflation and rising costs, the OSI cited the state’s “uniquely comprehensive benefits” and a statewide ban on insurance companies requiring prior approval of behavioral health services a BeWell enrollee receives as additional factors for the increase. Such prohibitions inflate premiums in the short-term, according to the office, but will ultimately lower costs and improve overall health outcomes.

The OSI further notes that 92% of the state’s roughly 80,000 BeWell enrollees qualify for state or federal subsidies, based on their incomes. Those subsidies can significantly shield enrollees from the premium costs, according to a recent [Legislative Finance Committee](#) report.

For example, the LFC found that more than 25,000 BeWell enrollees whose incomes sit between 100% and 200% of the federal poverty level paid premiums of between \$10 and \$67 per month, thanks to federal and state subsidies, despite their pre-subsidy premiums averaging roughly \$845.

New Mexico stands out as the [only state in the nation](#) with increasing enrollment this year on its exchange. That’s because the state Legislature [opted](#) to fully replace federal tax credits that expired at the end of 2025. No other state went as far to pay for the expiring subsidies, according to the LFC.

However, the LFC report noted that the Health Care Affordability Fund, which the Legislature expanded in 2025 to pay for the expiring tax credits, [could become insolvent](#) without reductions in the state subsidies.

In the statement Tuesday, the superintendent’s office predicted that the state subsidies will “continue to play a significant role in safeguarding the affordability of health insurance” when rates increase next year.

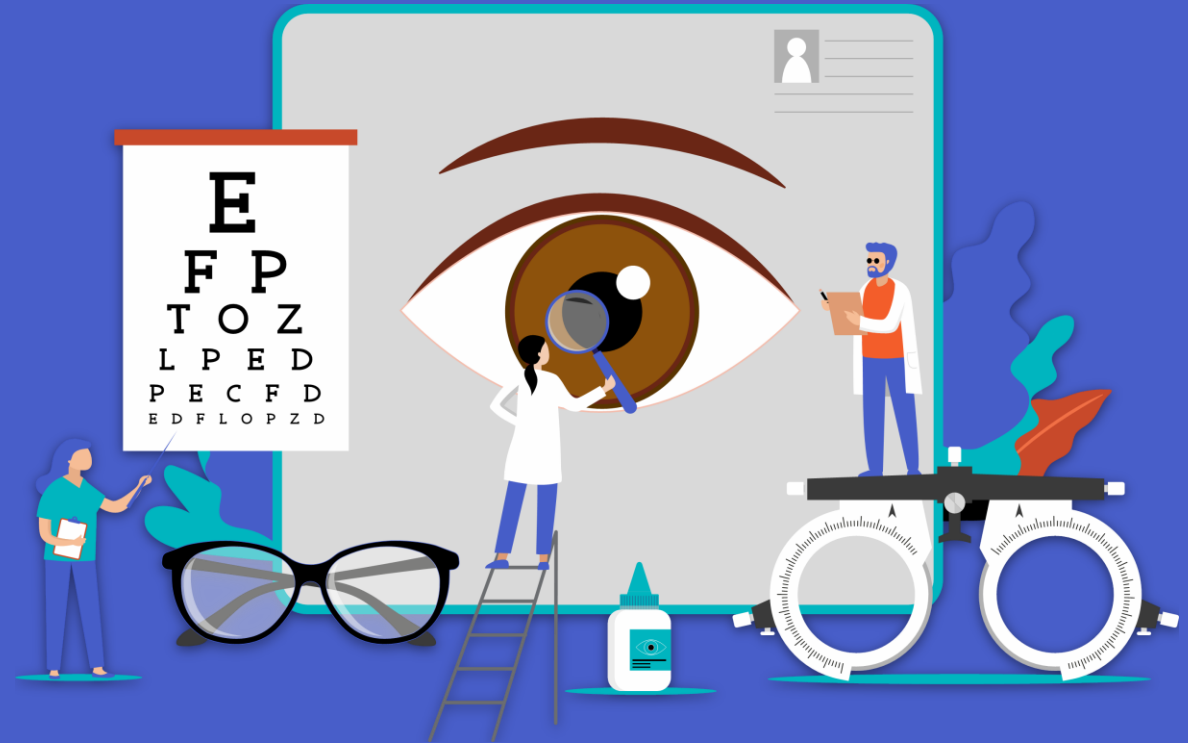
New Mexico Retiree Health Care Authority (CP)
Change in Market Value
For the Month of Aug 2026
(Report as of September 16, 2026)

Investment Name	Prior Ending Market Value	Contributions	Distributions	Fees	Income	Gains - Realized	Gains - Unrealized	Gains - Realized & Unrealized	Market Value
Core Bonds Pool	400,746,234.62	30,000,000.00	-	-	1,104,597.75	-	586,698.30	586,698.30	432,437,530.67
Credit Plus Pool	100,974,898.68	-	-	-	427,290.50	-	185,867.41	185,867.41	101,588,056.59
NM Retiree Health Care Authority Cash Account	-	(45,000,000.00)	45,000,000.00	-	-	-	-	-	-
Non-US Large Cap Active Pool	118,771,364.76	-	-	-	227,628.52	-	2,542,306.85	2,542,306.85	121,541,300.13
Non-US Large Cap Passive Pool	166,273,964.72	-	(15,000,000.00)	-	259,800.66	-	3,623,223.84	3,623,223.84	155,156,989.22
Non-US SMID Cap Active Pool	27,817,316.46	-	-	-	55,648.55	-	1,276,150.79	1,276,150.79	29,149,115.80
Non-US SMID Cap Passive Pool	42,513,086.91	-	-	-	81,082.81	-	2,367,577.83	2,367,577.83	44,961,747.55
Private Debt Market Pool	255,407,611.12	-	-	-	1,001,842.66	16,549.74	(872,796.90)	(856,247.16)	255,553,206.62
Private Equity Pool	237,775,155.00	-	-	-	107,177.83	471,725.31	(386,140.29)	85,585.02	237,967,917.85
Real Estate Pool	201,265,270.23	15,000,000.00	-	-	290,909.11	323,581.63	(408,708.54)	(85,126.91)	216,471,052.43
Real Return Pool	111,703,484.07	-	-	-	170,235.02	78,921.03	190,516.02	269,437.05	112,143,156.14
US Large Cap Index Pool	432,780,525.76	-	(20,000,000.00)	-	423,299.50	-	11,213,454.64	11,213,454.64	424,417,279.90
US SMID Cap Alternative Weighted Index Pool	74,946,423.71	-	(10,000,000.00)	-	85,358.66	-	(473,347.51)	(473,347.51)	64,558,434.86
Sub - Total New Mexico Retiree Health Care Authority (CP)	2,170,975,336.04	-	-	-	4,234,871.57	890,777.71	19,844,802.44	20,735,580.15	2,195,945,787.76
Total New Mexico Retiree Health Care Authority (CP)	2,170,975,336.04	-	-	-	4,234,871.57	890,777.71	19,844,802.44	20,735,580.15	2,195,945,787.76

New Mexico Retiree Health Care Authority

2025-26 Annual Report

October 06, 2025



Agenda

- Welcome & Introductions
- What's New at Davis Vision
- Annual Performance Highlights
 - Financial Review
 - Member Utilization
 - Performance Guarantees
- Network
- Trends and Insights
- Closing Remarks



What's new at Davis Vision?



Looking Ahead: Vision Benefit Innovations in Development

Smart Eyewear Support

- Evaluating a separate enhanced frame allowance for smart eyewear
- Allowance would be available in lieu of the standard frame benefit
- Designed to help offset the higher cost of emerging smart eyewear technologies
- Currently in prioritization and development discussions

Myopia Management Expansion

- Exploring coverage for Stellest® lenses as part of a comprehensive myopia management strategy
- Proposed as an additional covered lens enhancement option
- Intended to support early intervention and long-term vision health for children

Expanded On-Site Vision Clinics

- Current on-site clinic solution available through OnSight Eyes
- Finalizing an agreement with Luxottica to expand on-site clinic offerings through:
 - Target Optical
 - LensCrafters
- Multiple delivery models will provide greater flexibility for employer groups

Expected Timing

- Targeting availability during 2027
- On-site clinic enhancements may become available sooner as agreements are finalized



Financial Review



Your 2025-2026 Plan Year highlights

Member Enrollment¹

35,098 Subscribers (up 0.8%)

47,485 Live (up 0.1%)

¹Average Lives based on a snapshot in time (all populations)

Benefit Utilization

22,486 Claims (down 2.5%)

47.3% Utilization (up 1.5%)

In-network provider utilization

99% in – network*

Member Satisfaction

98% Satisfaction



Frames Paid-in-Full

57.9% Received a paid-in-full
frame (56.6% – 2024-25)

Eye Examinations

12,383 Eye Claims
(12,941 – 2024-25)

Member Savings

\$2,407,566 Additional Savings on Lens
Options & Upgrades

Popular Lens Options

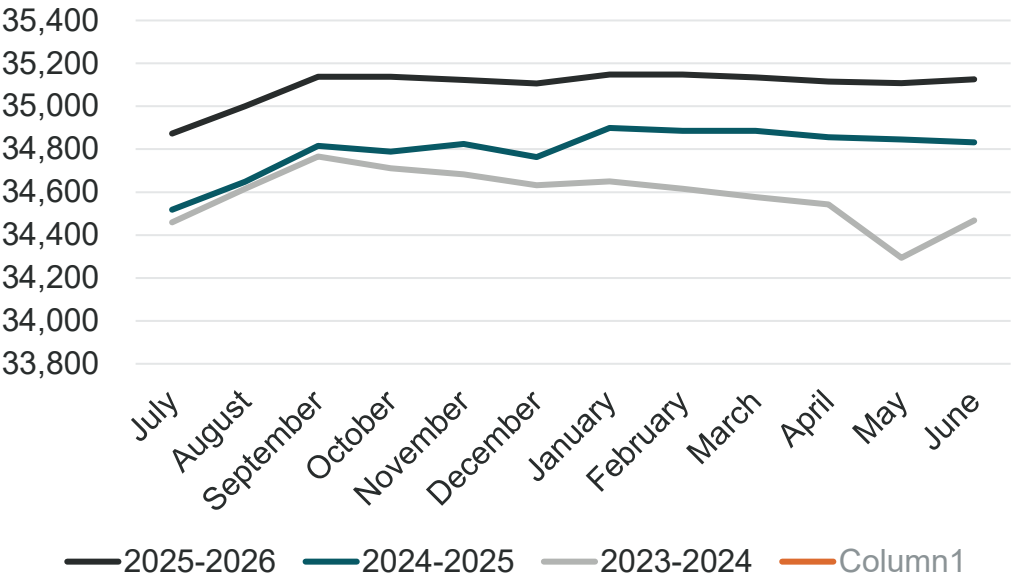
- Polycarbonate
- Transitions
- Standard Progressives**
- Standard ARC**
- Premium ARC**

59% off
retail !

** ARC = Anti-Reflective Coating

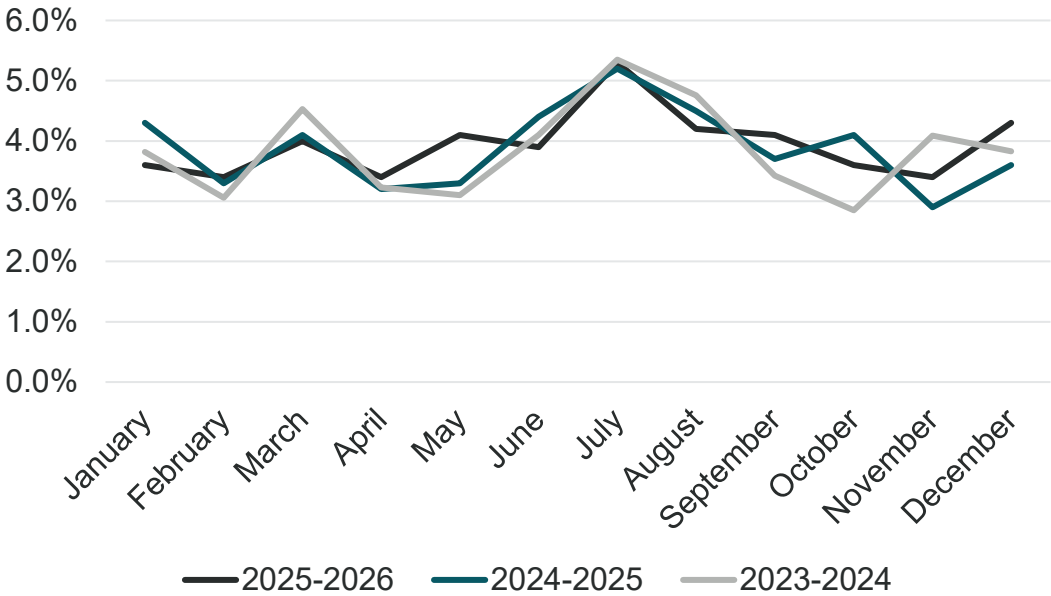
Three-Year Trend

Enrollment Subscribers



2025-2026: 35,098
2024-2025: 34,795
2023-2024: 34,600

Utilization



2025-2026: 47.3%
2024-2025: 46.6%
2023-2024: 46.1%

Source: NMRHCA Client Review Report July 2025-June 2026

Performance Guarantees



2025 Performance Guarantees

PERFORMANCE SERVICE AREA	DESCRIPTION PERFORMANCE GUARANTEE	PERFORMANCE MEASUREMENT FREQUENCY	AMOUNT AT RISK	JAN - MAR 2025 Results	APRIL - JUNE 2025 Results	JULY - SEPT 2025 Results	OCT - DEC 2025 Results	2025 Year- End Results
1. Account Team Performance Appraisal	Authority's satisfaction with Account Management will be a minimum average score of 3.0 (out of 5) and will be measured by the Authority. Score is calculated using an average of all measurable needs outlined and agreed upon by the Contractor and Authority. Score of 1=unacceptable; 2=needs improvement; 3=meets expectations; 4=exceeds expectations; 5=Excellent. Corrective action plan required to address needed improvement if score is an unacceptable or needs improvement level.	Performance measurement guarantee reported annually and settled annually.	Penalty is \$5,000 quarterly period for score below 3; up to \$15,000 maximum per year.	Annual	Annual	Annual	Annual	TBD, pending receipt
2. Attendance at Agreed-Upon Meetings	Attendance at BAC, Board and NMPED/NMASBO Spring Budget Workshop meetings during the contract period. May also include, New Hire, New Group, Open/Switch Enrollment and Annual Regional Trainings as needed.	Performance measurement guarantee is reported quarterly and settled quarterly.	0.50%	Met	Met	Met	Met	Met
3. Claims Processing Turnaround Time (All Claims)	97% of clean claims paid within five (5) business days. Calculation is Claim paid date minus Claim received date.	Performance measurement guarantee is reported quarterly and settled quarterly.	0.50%	98%	99%	100%	100%	99.1%
4. Claims Processing Accuracy	99% of paid Claims processed accurately in accordance with the provisions of the Vision benefit coverage administered by Contractor. Calculation is number of claims coded accurately in administrative system divided by the number of claims processed. Nonfinancial accuracy is a measure of claims processing errors involving assigning the correct codes to represent, for example, the patient, provider, and services on a claim.	Performance measurement guarantee is reported quarterly and settled quarterly.	0.50%	100%	100%	100%	100%	100.0%

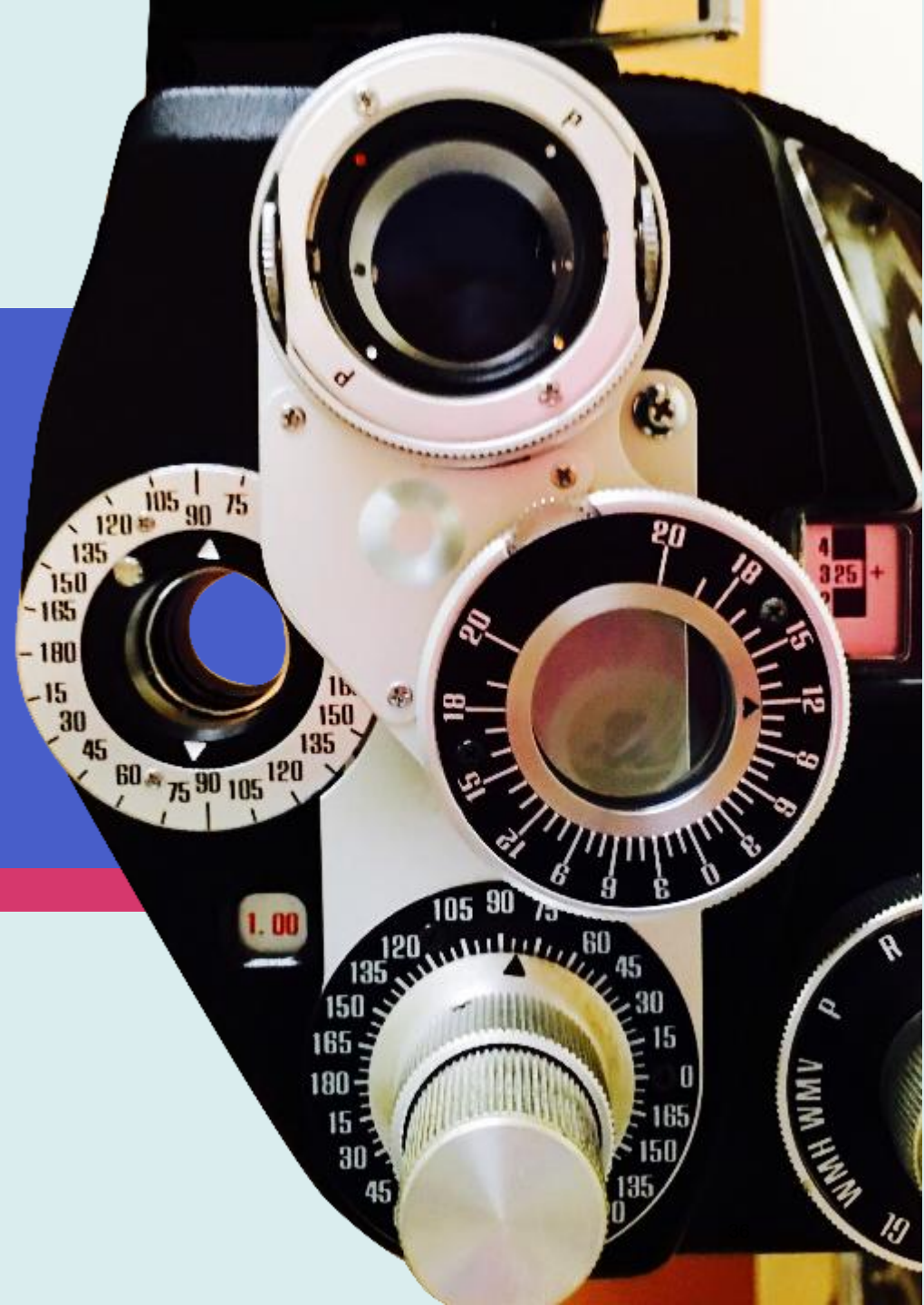
2025 Performance Guarantees Continued

PERFORMANCE SERVICE AREA	DESCRIPTION PERFORMANCE GUARANTEE	PERFORMANCE MEASUREMENT FREQUENCY	AMOUNT AT RISK	JAN - MAR 2025 Results	APRIL - JUNE 2025 Results	JULY - SEPT 2025 Results	OCT - DEC 2025 Results	2025 Year- End Results
5. Claims Financial Accuracy	99% of dollars paid accurately and in accordance with provisions of Vision benefit coverage by Contractor. Calculation is sum of total claim payment dollars that were determined accurately divided by the sum of total claims payments. Financial accuracy is a measure of claims processing errors involving payment amount.	Performance measurement guarantee is reported quarterly and settled quarterly.	0.50%	100%	100%	100%	100%	100.0%
6. Claims Payment Accuracy	99% of Claims paid accurately in accordance with provisions of Vision benefit coverage administered by the Contractor. The calculation is sum of total claim payment dollars that were determined accurately divided by the sum of total claims payments. Financial accuracy is a measure of claims processing errors involving payment amounts.	Performance measurement guarantee is reported quarterly and settled quarterly.	0.50%	100%	100.0%	100%	100%	100.0%
7. Abandoned Calls	Less than 2.5% of calls are not answered because the caller hangs up before a Customer Service Representative becomes available. Measurement is an aggregate Contractor's book of business and not client specific.	Performance measurement guarantee is reported quarterly and settled quarterly.	0.50%	1%	0.3%	0.5%	0.0%	0.5%
8. Intake Calls	90% of calls answered in 30 seconds or less by a live specialist (with knowledge of Authority's account). The amount of time measured is that which elapses between the time the caller exits the IVR to the time answered by a representative (live voice answer). Measurement is an aggregate across book of business and not client specific.	Performance measurement guarantee is reported quarterly and settled quarterly.	0.50%	:12	:26	:25	:04	:17
9. First Call Resolution	90% of member calls resolved on the first call. Measurement is an aggregate across book of business and not client specific.	Performance measurement guarantee is reported quarterly and settled quarterly.	0.50%	100%	100.00%	99%	100%	99.7%
10. Complaints/Appeals/Grievance Decision	Decision on 99% of all complaints and/or grievances within 30 days.	Performance measurement guarantee is reported quarterly and settled quarterly.	0.50%	100%	100.00%	100%	100%	100.0%

2025 Performance Guarantees Continued

PERFORMANCE SERVICE AREA	DESCRIPTION PERFORMANCE GUARANTEE	PERFORMANCE MEASUREMENT FREQUENCY	AMOUNT AT RISK	JAN - MAR 2025 Results	APRIL - JUNE 2025 Results	JULY - SEPT 2025 Results	OCT - DEC 2025 Results	2025 Year- End Results
11. Provider Relations Complaints/Appeals/Grievance Acknowledgment	99% of all written complaints will be acknowledged in writing within three (3) business days of mail/fax receipt by the Quality Assurance Department. Measured on Book of Business basis.	Performance measurement guarantee is reported quarterly and settled quarterly.	0.50%	100%	100.00%	100%	100%	100.0%
12. Member Survey Results	95% member satisfaction. Calculation derived from Contractor's standard Member Satisfaction Survey.	Performance measurement guarantee is reported annually and settled annually.	0.50%	Annual	Annual	Annual	Annual	97.0%
13. Timeliness of Reports	Standard Monthly/ Quarterly/ Annual Reports will be delivered within 30 days of the end of the reporting period for monthly reporting and within 45 days for quarterly reporting.	Performance measurement guarantee is reported annually and settled annually.	\$1,500 per late or materially incorrect report	Met	Met	Met	Met	Met
14. Timeliness of Ad Hoc Reports	Ad hoc reports will be delivered within mutually agreed upon timelines and at mutually agreed upon additional cost.	Performance measurement guarantee is reported annually and settled annually.	\$1,500 per late or materially incorrect report	Met	Met	Met	Met	Met
15. Provider Retention	Less than or equal to 5% turnover of the provider network on a quarterly basis. Measured by the percent of all Voluntary Provider Terminations* since the beginning of the year. (Measurement is an aggregate in New Mexico and not client specific.)	Performance measurement guarantee is reported annually and settled annually.	0.50%	Annual	Annual	Annual	Annual	2.6%
16. ID Card Processing	99% of ID cards mailed within 10 business days after receipt of clean eligibility record by the Contractor. Client-specific measurement.	Performance measurement guarantee is reported annually and settled annually.	0.50%	100%	100.00%	100%	100%	100.0%
17. ID Card Accuracy	100% of ID cards contain the correct contact and benefit information. Measurement is based on accurate enrollment file. Any errors in the file reflected in the ID cards does not count against the guarantee.	Performance measurement guarantee is reported annually and settled annually.	0.50%	100%	100.00%	100%	100%	100.0%
18. Eligibility Processing	98% of enrollment files processed within an average of 2 business days from receipt of complete and accurate electronic information. Calculation is Date enrollment processed minus Date enrollment received.	Performance measurement guarantee is reported annually and settled annually.	0.50%	100%	100.00%	100%	100%	100.0%

NETWORK ACCESS



Network Access: Over 255 Statewide Providers

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

Network Access Standards

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

Network Strength

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

Administration Simplification

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

New Mexico Network Footprint

371 Unique providers
licenses statewide.

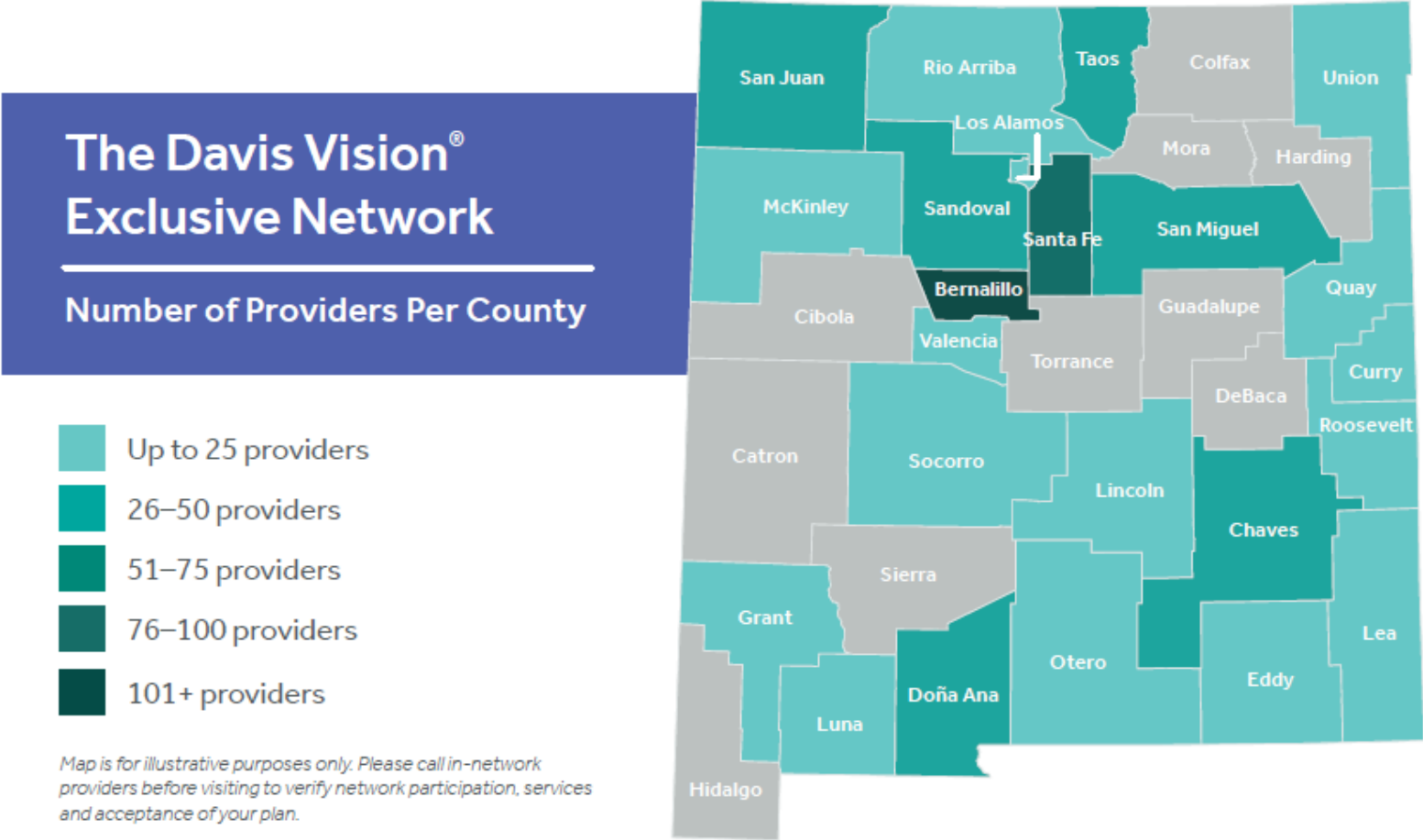
-260 Licensed OD's
-111 Licensed MD's

255 Unique Davis Vision
Exam providers (479
locations)

-188 OD's (72%)
- 29 MD's (26%)

Network Map

Provider Access points by County



Trends and Insights



Vision Industry Trends 2026

Key forces shaping the future of vision care

Growing Demand for Medical Eye Care

- Aging populations and increasing prevalence of chronic conditions such as diabetes, glaucoma, and macular degeneration are driving demand for comprehensive eye health services.

Expanding Access Through Technology

- Tele-optometry, remote monitoring, portable diagnostic equipment, and virtual follow-up care are helping extend access to patients, particularly in rural and underserved communities.

AI-Powered Eye Care

- Artificial intelligence is increasingly being used to support earlier disease detection, imaging analysis, workflow efficiency, and personalized patient care.

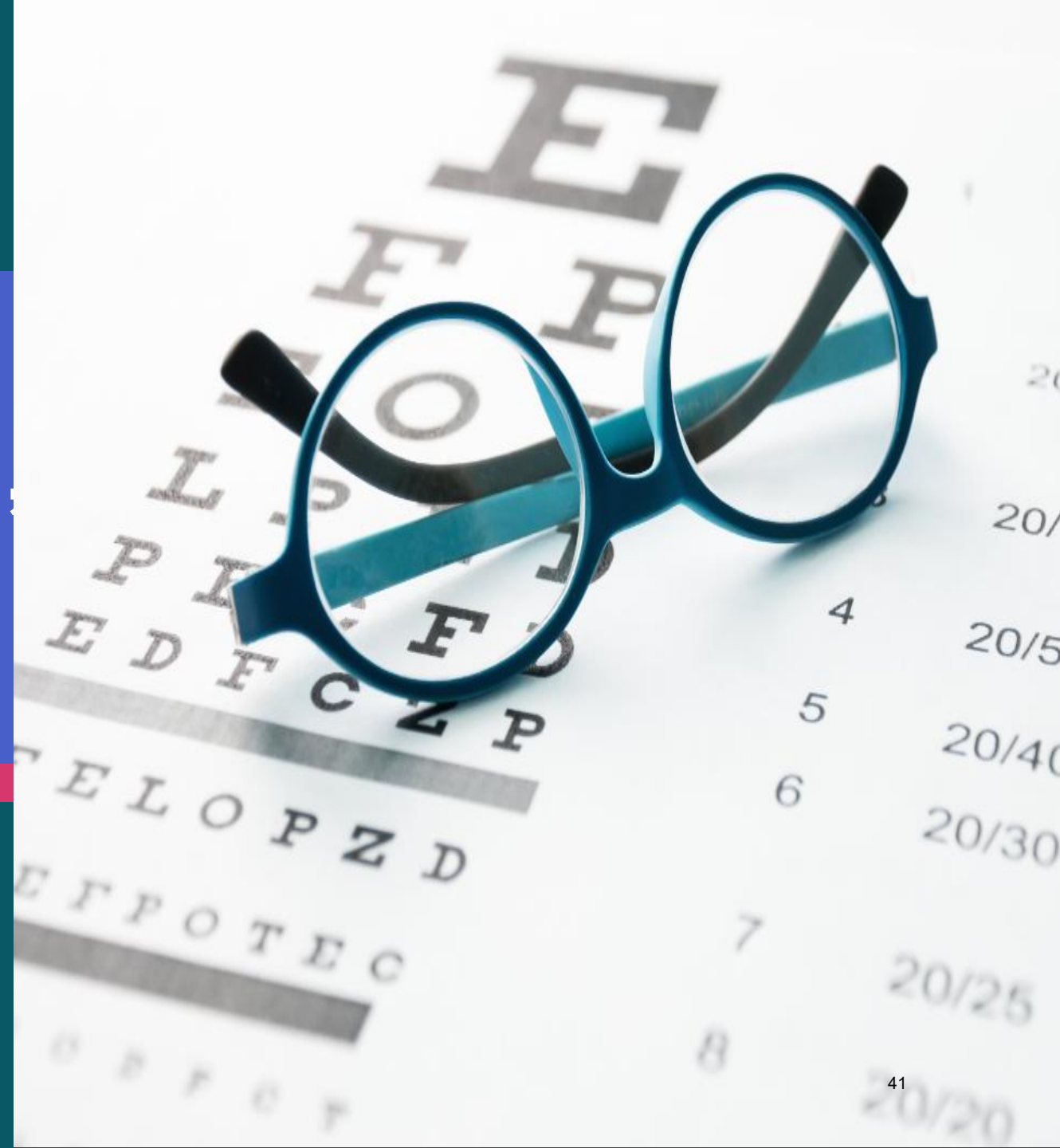
Increased Focus on Childhood Myopia Management

- Eye care providers are placing greater emphasis on early intervention and myopia control as childhood nearsightedness continues to rise globally.

Workforce and Access Challenges

- Demand for eye care continues to outpace provider growth, increasing the importance of collaborative care models and technology-enabled solutions.

Closing, Questions & Wrap-Up





VersantHealth[®]

SEE EVERYTHING.

BE ANYTHING.[™]

New Mexico Retiree Health Care Authority

Jennifer Oswald
Nathan Briggs (dialing in)

Board Presentation
October 6, 2026





Our Shared Partnership

NMRHCA + THE STANDARD • PARTNERS SINCE JULY 1, 2007

4,058

Life benefit claims decided*

\$59.5M

Life benefits paid for members and dependents*

2.5

Business days to pay a life benefit claim*

100%

Life benefit claims paid accurately*

Every

Performance metric met or exceeded*

MEMBER SUPPORT

- Dedicated Albuquerque employee: Andrea Vargas
- Customized life benefits trainings
- Employer portal custom claims submission training and support
- Event sponsorships
- The Standard Actuarial & Executive support as needed
- Enrollment meetings, wellness fairs, and board meeting attendance

*Over current contract period: 7/1/2023 – 9/22/2026



Life Insurance Services offered to NMRHCA

- Basic Life
- Additional Life
- Dependent Life
- Repatriation Benefit
- Accelerated Benefit Option
- Travel Assist Benefit
- Life Services Tool Kit
- Conversion Option
- Employer Portal
- Evidence of Insurability Services



Top Three Issues Affecting NMRHCA Members

1. **Circulatory Conditions¹:** Represent 37% of NMRHCA life claims.
2. **Post-COVID Mortality:** Continued post-COVID mortality improvement.
3. **Age Concentration of Claims:** Most claims occur at ages 70+; focus wellness outreach on circulatory, cancer and mental health.



¹ Atherosclerosis, Aneurysm, Angina Pectoris, Arteriosclerosis, CVA (Stroke), Coronary Disease, Embolism, Endocarditis, Heart Disease, Hypertension, Migraine Headaches, Myocarditis, Phlebitis, Thrombosis, Transient Ischemic Attack (TIA)

Post-COVID Mortality Trends for Retirees

- **Continued Mortality Improvement:** Mortality rates for retirees aged 65+ have generally declined since the peak of the COVID-19 pandemic.
- **Pandemic Impact:** The pandemic temporarily reversed decades of mortality improvement, but emerging population data through mid-2025 suggests a return towards pre-pandemic trends.
- **Declining Morbidity:** Morbidity—particularly incidence of acute disability and chronic disease onset—has declined for many retirees, supporting enhanced life expectancy but increasing the period of life requiring potential healthcare services.
- **Chronic Health Conditions:** Cardiovascular, metabolic, and cognitive decline remain leading contributors to morbidity. Improvements in preventive care, medication, and health awareness have slowed progression but not eradicated risk.



References

Society of Actuaries. *RPEC 2025 Mortality Improvement Update*. SOA Report.
SOA Mortality & Longevity Research. SOA Resource.
Leinav, O. *Elderly Health and Longevity in the US: Evidence and Implications*. Stanford University, PDF Report.

Drivers of Future Changes in Mortality

Lifestyle and Behavior

- Diet, exercise, and physical activity: Impacts cardiovascular health, obesity rates, and metabolic diseases.
- Substance use: Smoking, alcohol, and drugs continue to drive excess mortality in some populations.
- Behavioral interventions: Increased health awareness and preventive measures can shift mortality downward over decades.

Population Aging Trends

GLP-1 Drugs

- GLP-1s have the potential to meaningfully improve mortality over the next two decades, but the actuarial impact will depend on uptake, adherence, and the specific population.

AI in healthcare

- Reduced mortality rates through improved prevention & longer lives that increase liabilities.

Medical advances

- New drugs, advanced vaccines, surgical techniques, early cancer detection.

A scenic photograph of several hot air balloons floating in a clear blue sky above a range of mountains. The balloons have various patterns and colors, including black with orange and red stripes, red and white stripes, a rainbow checkerboard, yellow with red and black patterns, and solid blue and red. The title text is overlaid on the left side of the image.

NMRHCA Cost & Utilization Trends

Total Life Plan Experience – Cash Basis

	JUL 1, 2025 – JUN 30, 2026	JUL 1, 2007 – JUN 30, 2026
Earned Premium	\$13,864,793	\$205,191,245
Paid Claims	12,394,740	191,573,259
Change in Active Claim Reserves	68,033	138,533
Change in IBNR Reserves	(3,107)	2,076,503
Total Incurred Claims	\$12,459,666	\$193,788,296
Premium Taxes	0	0
Commissions	0	0
Other Expenses & Risk Charges	1,282,526	18,000,454
Total Expenses and Risk Charges	\$1,282,526	\$18,000,054
Balance	\$122,601	(\$6,597,504)

Key Takeaways

- 90% incurred loss ratio for 2025/26 for all plans.
- 94% 2024/25 and 100% 2023/24 incurred loss ratios reported for prior years.
- Cash basis experience reports claims based on date paid, regardless of date claim is incurred; for life insurance cash and incurred basis are very similar.
- For renewals, The Standard will strive to establish rates that support the plans going forward rather than trying to recoup past periods' losses.

Life Incidence & Average Claim Size

Basic Life (Plan 1)

Metric	7/1/2023 to 6/30/2024	7/1/2024 to 6/30/2025	7/1/2025 to 6/30/2026	7/1/2026 to 8/31/2026	Total
Life Years	18,215	17,228	16,223	2,780	54,446
Claim Count	837	739	702	120	2,398
Incidence (claims/1,000 life years)	46	43	43	43	44
Average Claim Size	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000

Additional Life (Plan 2)

Metric	7/1/2023 to 6/30/2024	7/1/2024 to 6/30/2025	7/1/2025 to 6/30/2026	7/1/2026 to 8/31/2026	Total
Life Years	20,265	20,068	19,850	3,293	63,476
Claim Count	500	472	467	82	1,521
Incidence (claims/1,000 life years)	25	24	24	25	24
Average Claim Size	\$14,295	\$14,792	\$14,753	\$17,266	\$14,750

Key Takeaways

- Plan 1 Life's insured population has been shrinking as expected; this is a closed class of retirees (retired before 1/2012).
- Plan 2 Life insured lives have been stable.
- Average claim size very stable across plans.
- Variation in incidence and average claim size sits in a very narrow range for both plans.
- Plan 1 claims incidence is higher than Plan 2 due to the higher age of the population in the Plan 1 closed group.
- NMRHCA is a unique large group with all retirees; retirees will have incidence levels much higher than groups of active employees.
- For active employees we expect 1-2 life claims per 1,000 lives per year.

Life Claims Count & Paid Amounts by Age Band

7/1/2023 – 8/31/2026 Period Reported

Basic Life (Plan 1)

Age Band	Claims	Paid Amount
50 to 60 yrs	12	\$186,000
60 to 70 yrs	155	\$450,000
70 to 80 yrs	643	\$2,510,000
80+ yrs	1,588	\$6,390,773
Grand Total	2,398	\$16,290,084

Additional Life (Plan 2)

Age Band	Claims	Paid Amount
30 to 40 yrs	1	\$20,000
40 to 50 yrs	3	\$30,000
50 to 60 yrs	22	\$612,000
60 to 70 yrs	162	\$3,466,000
70 to 80 yrs	474	\$7,840,306
80+ yrs	859	\$10,466,455
Grand Total	1,521	\$28,927,261



Life Approved Claim Count by Diagnosis

Primary Diagnostic Category	Claims
Accidents and Violence	2%
Blood Diseases	1%
Circulatory	37%
Digestive	3%
Endocrine / Metabolic / Immunity	5%
Genitourinary	5%
Ill-Defined Conditions	2%
Infectious / Parasitic	3%
Mental Disorders	14%
Musculoskeletal / Connective	1%
Neoplasms	19%
Nervous	3%
Respiratory	6%
Transplant	0%
Total Approved:	100%

Life Approved Claim Count by Diagnosis by Reporting Period

Primary Diagnostic Category	2023	2024	2025	2026
Accidents and Violence	1%	2%	4%	2%
Blood Diseases	0%	1%	1%	1%
Circulatory	39%	35%	37%	39%
Digestive	3%	4%	3%	3%
Endocrine / Metabolic / Immunity	5%	6%	4%	3%
Genitourinary	4%	4%	4%	7%
Ill-Defined Conditions	2%	2%	1%	2%
Infectious / Parasitic	3%	3%	3%	3%
Mental Disorders	12%	14%	14%	15%
Musculoskeletal / Connective	0%	1%	1%	1%
Neoplasms	18%	20%	22%	17%
Nervous	3%	2%	2%	3%
Respiratory	8%	5%	5%	5%
Transplant	0%			
Total Approved:	100%	100%	100%	100%

Waiver claims excluded

Policies displayed: 645743
Report ID: 306

Key Takeaways

- Circulatory conditions are the leading diagnosis at 37% of approved claims.
- Mental Disorders (~14%) and Neoplasms (~19%) round out a top three that is over half of all claims.
- Remaining categories sit in the low single digits, with no emerging leader.
- The mix is stable — Circulatory leads in every reporting period.
- Typical of a retiree population; cardiovascular, mental health and cancer should lead wellness outreach priorities.

Member Value Add Services

Life Value Add Features

Travel Assist

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

Life Services Toolkit

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

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

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

Repatriation Benefit

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

Accelerated Benefit Option

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

Conversion Option

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

[Request Life Conversion](#)

“Because Nice Matters” Program

We go above and beyond to demonstrate that we care.

- This outreach program gives frontline employees the discretion to do something kind to brighten the day of a claimant who is experiencing particularly tough circumstances
- We partner with gift basket company Harry and David to provide gift packages and branded Hallmark greeting cards to let claimants know we empathize with what they are going through and our thoughts are with them



The “Because Nice Matters” program empowers our Life teams to connect on a human level with claimants who are facing hard times.

Questions



Appendix

Basic Life Plan Experience – Cash Basis

	JUL 1, 2025 – JUN 30, 2026	JUL 1, 2007 – JUN 30, 2026
Earned Premium	\$3,218,158	\$72,744,045
Paid Claims	4,670,573	97,448,422
Change in Active Claim Reserves	7,200	43,200
Change in IBNR Reserves	(28,067)	587,196
Total Incurred Claims	\$4,649,707	\$98,078,818
Premium Taxes	0	0
Commissions	0	0
Other Expenses & Risk Charges	324,592	6,692,281
Total Expenses and Risk Charges	\$324,592	\$6,692,281
Balance	(\$1,756,140)	(\$32,027,054)

2025-26 Incurred Loss Ratio
Basic Life

144%

Prior years
2023-24 **165%**
2024-25 **146%**

Additional Life Plan Experience – Cash Basis

	JUL 1, 2025 – JUN 30, 2026	JUL 1, 2007 – JUN 30, 2026
Earned Premium	\$9,311,946	\$114,008,889
Paid Claims	6,889,667	76,406,637
Change in Active Claim Reserves	65,333	95,333
Change in IBNR Reserves	25,125	1,303,684
Total Incurred Claims	\$6,980,125	\$77,805,655
Premium Taxes	0	0
Commissions	0	0
Other Expenses & Risk Charges	839,853	9,651,265
Total Expenses and Risk Charges	\$839,853	\$9,651,265
Balance	\$1,491,969	\$26,551,969

2025-26 Incurred Loss Ratio

Additional Life

75%

Prior years

2023-24 **79%**

2024-25 **77%**

Dependent Life Plan Experience – Cash Basis

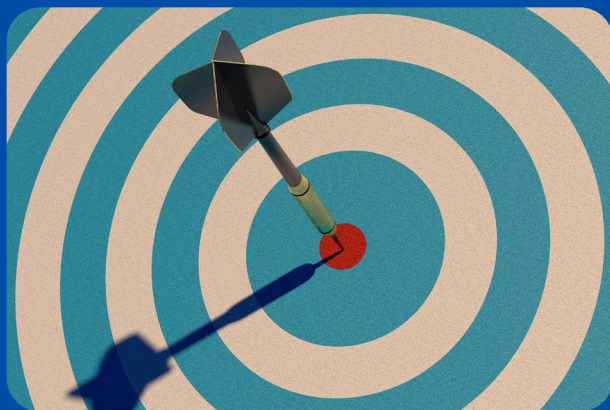
	JUL 1, 2025 – JUN 30, 2026	JUL 1, 2007 – JUN 30, 2026
Earned Premium	\$1,334,689	\$17,933,876
Paid Claims	834,500	16,667,000
Change in Active Claim Reserves	(4,500)	0
Change in IBNR Reserves	(166)	185,623
Total Incurred Claims	\$829,834	\$16,852,623
Premium Taxes	0	0
Commissions	0	0
Other Expenses & Risk Charges	118,082	1,575,301
Total Expenses and Risk Charges	\$118,082	\$1,575,301
Balance	\$386,773	(\$494,049)

2025-26 Incurred Loss Ratio
Dependent Life

62%

Prior years
2023-24 **70%**
2024-25 **86%**

LIFE



2025/26 Plan Year

ALL MET

Across every measure

PERFORMANCE GUARANTEES

Life Performance Guarantee Results

Measure	Target	Q1	Q2	Q3	Q4	YTD
Calls Returned by Dedicated Account Specialist	90% or higher within one business day	93.3%	94.5%	94.4%	93.9%	94%
Claim Payment Accuracy	99% or higher	100%	100%	100%	100%	100%
Claim Decision Accuracy	98% or more	100%	100%	100%	100%	100%
Life Claim Payment Timeliness	5 business days or less	2.0 days	2.4 days	2.4 days	3.0 days	2.5 days



Basic & Additional Life

BASIC LIFE

- \$6,000 term coverage; no cash value
- For eligible retirees who retired before Jan. 1, 2012
- Retiree pays 100% of the cost*
- Coverage is not tied to medical plan enrollment
- NMRHCA name: "Standard Grandfathered Basic Life 6,000"

ADDITIONAL LIFE

- Term coverage; no cash value
- 10 benefit levels: \$2k, \$4k, \$6k, \$8k, \$10k, \$15k, \$20k, \$40k, \$46k, and \$60k
- New retirees may elect up to \$10,000 without health questions or EOI approval when enrolled within 31 days
- Retiree pays 100% of the cost

*See the NMRHCA RETIREE/SPOUSE SUPPLEMENTAL LIFE monthly premium rate schedule for the \$6,000 benefit.

Dependent Life

Spouse

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

Children

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





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