

NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY (NMPSIA)

LFC - November 22, 2013

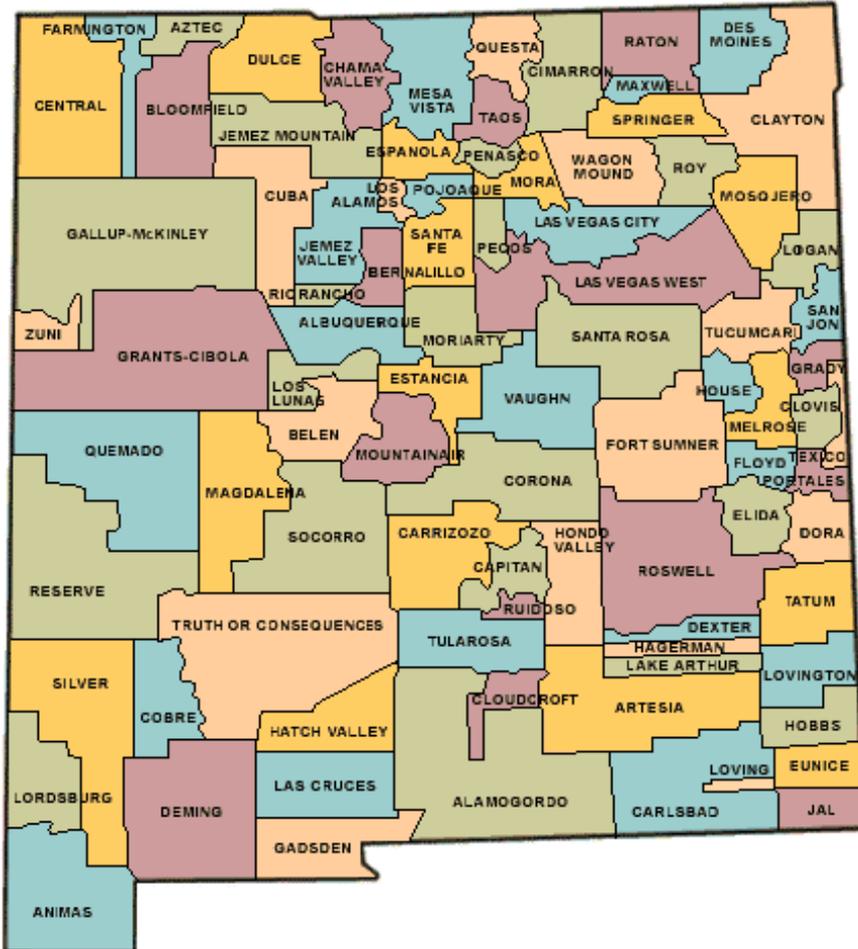
Presented by:

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NMPSIA Today



- Benefits and Risk Programs covering
 - Mandatory: 88 Public School Districts (APS not included in NMPSIA)
 - Mandatory: 95 Charter Schools
 - Optional: 23 Other Educational Entities
- 11 Staff Members

NMPSIA Board Representation

- 2 Classroom Teachers from NEA-NM
- 1 Classroom Teacher from AFT-NM
- 3 Governor Appointees
- 1 NM Superintendents' Association
- 1 NM School Administrators
- 1 Educational Institutions at Large
- 1 NM School Boards Association
- 1 Public Education Commission

Public School Support Insurance Appropriation Requests for FY 15

- For FY 15, NMPSIA is requesting a \$7.73 million be appropriated to Public School Support for the employer's share of increased insurance premiums.
- This is separated into:
 - \$3.84 million for the Risk program; and
 - \$3.89 million for the Employee Benefits program.

Risk Fund Balance

Date	Fund Balance
July 2012	\$19.8 million (audited)
July 2013	\$11.9 million (unaudited)
Percent Change	-39.9%
Fund Balance Committed	<ul style="list-style-type: none">• in FY14 is \$3.8M• in FY15 is \$2.6M

Risk Program Recent History

- 273,000 students
- 44,000 employees
- Insured building property values \$13.4 billion in FY 11, recent appraisal \$15.2 billion
- Additional property premium of \$1.8 million paid in Jan. 2012
- 5,000 buses and other school vehicles
- 42,000 sports participants
- 9,000 volunteers

Risk Program Loss Control

- Employment practices liability training to encourage good employee relations
- Ergonomics Program to reduce repetitive motion injuries
- Premises safety inspections
- OSHA trainings
- Customized Memorandum of Coverage
- Charter school specialist added

NMPSIA Risk Program Updates

- NMAA & NMPSIA partnership to address bullying and hazing issues
- NMPSIA's Risk TPA absorbed responsibility for school bus driver & supervisor training (previously provided by PED)
- Recent addition of certified roof inspector
- Reviewing insurance coverage for bus contractors

Risk Review

- Jemez Elementary School (recent fire damage - \$1.5 million)
- School Districts in Santa Rosa, Luna Comm. College, Melrose, Dora, Lovington (recent hail damage in excess of \$6.4 million)
- Increase in number of charter schools

Benefits Program

Benefit	Employees Covered
Basic Life	38,082
Additional Life	11,302
Long Term Disability	11,896
Medical	23,626
Dental	25,255
Vision	21,095

Benefits Fund Balance

Date	Fund Balance
July 2012	\$23.9 million (audited)
July 2013	\$33.5 million (unaudited)
Percent Change	+40.16%
Fund Balance Committed	<ul style="list-style-type: none">• in FY14 is \$3.0M• in FY15 is \$7.0M

Final Increases October 1, 2014

Blue Cross Medical:	+12.82% (max.*)
Presbyterian Medical:	+12.82% (max.*)

** Reduction possible through use of Fund Balance, Plan Changes and/or reductions in Pharmacy Benefits costs due to RFP.*

UCCI Dental:	No Change
Davis Vision:	No Change
The Standard Life:	No Change
The Standard LTD:	+ 5%

Plan Changes Being Considered

- Health Care Blue Book or similar transparency price comparison tool
- High Deductible Health Plan
- Wellness incentive program
- Open Enrollment January 1
- Specialty dialysis network

In closing . .



- Thank you!
- Questions?
- Comments?