

INTERAGENCY PHARMACEUTICALS PURCHASING COUNCIL

Thursday, November 10, 2022
New Mexico State Capitol, Room 315
1:00 to 2:30 p.m.

1. CALL TO ORDER

John Garcia, Cabinet Secretary Designate and Director of the Interagency Pharmaceuticals Purchasing Council (Council) called the meeting to order at 1:00 p.m. Roll was taken by Christopher Lee and a quorum was established.

ROLL CALL

MEMBERS PRESENT

- Albuquerque Public Schools (APS), Ann Johnson, Designee (via MS Teams)
- Children, Youth, and Families Department (CYFD), Lisa Fitting, Designee
- Corrections Department, Wenceslaus (Wence) Asonganyi, Health Services Administrator, Designee (via MS Teams)
- General Services Department (GSD), IPPC Director, John Garcia, Cabinet Secretary
- General Services Department (GSD), Risk Management Division, Randall Cherry, Acting Division Director
- New Mexico Counties, Joy Esparsen, Executive Director
- New Mexico Public Schools Insurance Authority (NMPSIA), Patrick Sandoval, Executive Director
- Retiree Health Care Authority (RHCA), Keith Witt, Designee (via MS Teams)
- University of New Mexico (UNM), Joey Evans, Designee (via MS Teams)

ABSENT/EXCUSED

- Human Services Department (HSD), Kari Armijo, Designee

OTHERS IN ATTENDANCE

- James Dickey, Aon
- Nura Patani, Segal Consulting
- Jacqueline Smith, Presbyterian Health Services
- Linda Vigil, General Services Department

2. APPROVAL OF THE AGENDA

Chair Garcia asked for a motion to approve the agenda. Mr. Cherry moved to approve and Ms. Fitting seconded. The Council voted unanimously to approve the agenda.

Action: Agenda approved.

3. APPROVAL OF MINUTES FROM: August 11, 2022

Chair Garcia asked for a motion to approve the minutes from the August 11, 2022 meeting. Mr. Cherry moved to approve and Mr. Evans seconded the motion. The Council voted unanimously to approve the minutes from the August 11, 2022 meeting.

Action: August 11, 2022 meeting minutes approved.

Chair Garcia recognized guests James Dickey from Aon and Nura Patani from Segal Consulting.

Chair Garcia mentioned that he and Mr. Cherry held a first quarter debrief with CVS and was encouraged by the initial cost trends.

The Chair also mentioned that he would like to meet with the IPPC group to discuss future plans for the health benefits fund, identify health benefits best practices and discuss how the IPPC may address rising health care costs. The Chair mentioned that the state has been working regularly with Aon and their benefits providers in an effort to identify strategies to address rising health care and pharmaceutical costs.

4. STATE HEALTH BENEFITS PLAN UPDATE – Moderator, Randall Cherry

Mr. Cherry provided an update on the status of the State's health benefits fund, which is experiencing a deficit of approximately \$54 million. Mr. Cherry mentioned that the majority of the deficit is directly related to COVID-19 expenses. GSD has been meeting with Senator Martin Hickey, consultants and the health benefits carriers, in an effort to identify cost savings. Mr. Cherry has also been reviewing best practices from other states and is considering conducting a study in New Mexico for comparison.

Mr. Cherry stated that these meetings have produced several key principles that will be considered moving forward.

Chair Garcia mentioned that the State will also look to the federal government for support in addressing the fund deficit.

5. MEMBER OPEN FORUM – Moderator, John Garcia

The Chair opened the floor for an open discussion and to allow comments from the other IPPC members. He reiterated his desire to have a meeting with members to discuss ideas, best practices and a identify path forward for the Council.

Council members providing comment are listed below:

Mr. Sandoval stated that NMPSIA has been experiencing savings with CVS and with Prudent RX. NMPSIA is looking to implement NextGen services in January for diabetes and hypertension management. NMPSIA's transition to CVS has been smooth given that CVS incorporates the Walgreens network of pharmacies. Finally, Mr. Sandoval mentioned that he is looking forward to the first quarter rebates from CVS.

Mr. Asonganyi expressed his interest in exploring solutions to address the high cost of medications for New Mexico's inmate population of 5,000 to 6,000 and discussed the opportunity we have to manage their health concerns while they are incarcerated.

Ms. Johnson stated that APS has recently finalized their January 1, 2023 contract with Express Scripts. She mentioned that APS will increase member premiums in 2023, and in future years, in an effort to ensure fund health. Ms. Johnson also suggested the group consider UNM's Project Echo health care management model while exploring best practices.

Mr. Evans discussed UNM's Regents' Policy Manual, which governs university funds and claims management.

Mr. Evans mentioned the UNM Lobo Health initiative, a partnership with the UNM Health System, and their use of a value-based contracting and population health management system.

Mr. Evans stated that FY21 premiums remained flat as a result of the savings experienced through the partnership with the UNM Health System. In FY22, premiums were increased by 3.7% and included plan design enhancements and behavioral health improvements.

6. PUBLIC COMMENT – Moderator, John Garcia

There were no comments from the public.

7. ADJOURN

With all business conducted, the Chair called for a motion to adjourn the meeting. Mr. Cherry made the motion and the motion was seconded by Ms. Esparsen. The Council voted unanimously to adjourn the meeting.

Action: Meeting adjourned at 2:04 p.m.

Next IPPC Meeting: Thursday, February 9, 2023

John Garcia, Chairman

Date