

RISK MANAGEMENT ADVISORY BOARD

June 24, 2021
Via Go to Meeting

<https://global.gotomeeting.com/join/934293789>

1. CALL TO ORDER

The meeting of the Risk Management Advisory Board called to order at 1:03 pm by Tami Coleman, Vice Chair. The meeting was held via Go to Meeting due to the current COVID-19 restrictions.

ROLL CALL

Roll call indicated the presence of a quorum as follows:

Members Present:

Tami Coleman, CFO of Albuquerque Public Schools
Debbie Romero, Cabinet Secretary Department of Finance and Administration
Raul Burciaga, Legislative Council Service
Teresa Ann Costantinidis, CFO of UNM
Malaquias (JR) Rael, Office of the Attorney General
C. Quinn Lopez, Attorney

Members Excused:

Russell Toal, Superintendent of Insurance
Michael Byrd, Insurance Agent
Anita Schwing, CFO of NM Health Insurance Exchange

Others Present:

Mark Tyndall, Risk Management Division Director
Randall Cherry, General Counsel and Deputy Director of Risk Management Division
Duffy Rodriguez, Acting Cabinet Secretary of General Services
Brandon Fryar, Presbyterian Health Plan
Jordan Erp, Presbyterian Health Plan

2. APPROVAL OF THE AGENDA

MOTION: Ms. Constantinidis moved to approve the agenda with a second from Mr. Lopez, which passed by unanimous voice vote.

3. APPROVAL OF MINUTES FROM APRIL 29, 2021

MOTION: Mr. Rael moved to approve the minutes with a second from Ms. Constantinidis, which passed by unanimous voice vote.

4. RMD INITIATIVES WITH PRESBYTERIAN HEALTH PLAN

Mr. Fryar stated the State of NM IBAC is a proud partner with the IBAC. They are working on new things for convenience and lower cost. They are looking at some home based care and some others. It has been their pleasure to work on getting vaccines to support the communities.

Mr. Erp explained they wanted to show a snap shot of the partnership with the state. They want to drive additional value for the members.

Mr. Erp explained they have worked on value based payments and are working with providers. They are trying to be the best stewards of the State and members

Mr. Erp discussed the site of service and the areas they are making an impact of service. They are trying to understand what are the dollars left on the table that may be more costly for the same service.

Mr. Erp discussed the laboratories and costs for tests. They are trying to see where they can get the testing done for the best cost for imaging and infusion. Surgical centers and mail order for prescription drugs area also types of services.

Mr. Erp discussed the estimates of sites of service and the savings for the members. They welcome thoughts on how to work with them. The cost estimator tool will help patients find what they need. They will help navigate patients to the lowest cost options for services.

Mr. Erp discussed the value based payments, it is a way to work with providers to improve quality and outcomes. There is another concept value based insurance design is when they design the benefits of the plan. The programs can range from the across the board.

Mr. Erp discussed the State of NM's trending performance which went up significantly for A1C Testing for diabetics, BP Control services and nephropathy. They are moving towards comprehensive care. They are discussing on how to get better results.

Mr. Erp discussed the program for asthma medications, antidepressants, A1C and kidney health evaluations. They want to make sure that the medications are all measured correctly. Their estimates are about 13% measured.

Mr. Erp discussed the Community Health Workers (CHW) that are closing the gaps with those who are engaged with before or after the healthcare system. They are complimentary to care coordinators. They help with the management of care. The CHW program showed an increased with those they reached. They'd like to help patients with transportation and retirement planning.

Mr. Erp discussed the increase in the community outreach. They have interacted more during COVID they integrated more this year they gave more outreach.

The board and Mr. Tydall thanked Presbyterian for attending and presenting today. This is a big step in evolving in risk. They are trying to align incentives. They are please with this first step.

5. FY 21 (ENDING), FY22 (BEGINNING) AND FY23 (BUDGETING)

Mr. Tyndall stated he has been here in this position a year now. He has been impressed with the staff of Risk Management Division (RMD) for their work during the pandemic. They have all successfully kept up with the workload and are teleworking and rotating in.

Mr. Tyndall explained the Risk Management Information System (RMIS) went live and perhaps they can have a report next meeting. It has been hardest for the Worker's Comp Bureau as they have a lot of data entry and volume.

Mr. Tyndall discuss the re-insurance process. They have found it difficult. Thankfully there hasn't been anything catastrophic. The settlements have been high, it could be due to time influenced by the pandemic.

Mr. Tyndall reported the sixty-day legislative session which was a different atmosphere this year. They also entered into new medical, dental, and vision plan contracts. The eye vendor has changed to EyeMed and there has been cost savings.

Mr. Tyndall explained the change to Well Being Solutions for the EAP provider which they were able to raise the amount of free visits. They removed any cost sharing for telemedicine services during the pandemic. If in the future it is preferred they may revisit it and possibly add a small co-pay.

Mr. Tyndall discussed for FY22 there will be some changes. Secretary Ortiz will be retiring at the end of this month, Duffy Rodriguez will be the acting Secretary and has been equally supportive. There are some RFP's in the works for the Stay Well Health Center, the third party administrator and the pharmaceutical benefit manager as well. The RMD is part of the Interagency Pharmaceutical Purchasing Council (IPPC) and they look at the market and payers for pharmaceuticals.

Mr. Tyndall stated the reinsurance/excess coverage rates are still increasing, they are working with Marsh on negotiations. They are working on the health plan partners for program changes to change health care costs.

Mr. Tyndall stated they are waiting for the start of the Civil Rights Act that was passed this session. They talked briefly about it, they won't know how case law will be associated yet. This year is a 30 day legislative session. There may be a small piece of legislation they may want to bring forward for Board discussion. They will also need to work on their next budget.

Ms. Constantinidis asked of cybersecurity is also part of the RMD portfolio. Mr. Tyndall explained some entities can have a cybersecurity policy placed, that is not part of the general portfolio. A number of entities have asked for it and are provided.

Ms. Constantinidis how do they think about it as a state? Mr. Tyndall stated several agencies have it, but it is not part of the blanket policy. Not all policies have the same degree of cybersecurity. Marsh gave them an initial standard questionnaire. They will work on getting more information on it.

Ms. Constantinidis stated when the time comes, she would like to be part of that conversation. Mr. Tyndall explained they will work with DoIT and DFA.

Mr. Lopez asked if DoIT does connotation testing or social engineering testing across the board or per agency. Mr. Tyndall cannot answer for DoIT, but GSD has a series of evaluations. Perhaps he can invite the Secretary of DoIT to an upcoming meeting.

6. RMD BUREAU UPDATES

Mr. Tyndall updated the board on each of RMD's Divisions.

Alternative Dispute Resolution (ADR):

Mr. Tyndall explained that ADR has done a great job and recreate the model of how they handle mediations. They were always done face to face. Every claim they settle averages \$34,000 if even half of the requests turn out positive it keeps the cost down.

Property and Casualty (PAC):

Mr. Tyndall stated that they added all cases into the new system. They are in the process of closing of some cases as well. They are short some adjusters at this time.

Workers Comp Bureau (WCB):

Mr. Tyndall explained they have the highest volume of transaction entering into the RMIS. There are still looking at the bill review process.

Legal Bureau:

Mr. Tyndall reported that they are still working on getting caught up and entering the cases. They have contracts with several outside legal firms and are entering settlements and case information.

Employee Benefits Bureau (EBB):

Mr. Tyndall explained they are going to get a data warehouse going soon with claims data. They get reports from the providers. The audit for the health providers is up as well, Blue Cross/Blue Shield is next up. They are working on an audit with Express Scripts. There is not a final report yet. Well Being Solutions is working on a return to work tool. There has been some guidance from the State Personnel Office. They are establishing protocols to open to the public.

The benefits website is being redesigned, there is going to be some streamlining. They will start the open enrollment soon.

Loss Control Bureau (LCB):

Mr. Tyndall explained they have been busy with renewals and training. They participate in the NM Edge Curriculum. The Higher Education Leadership Forum was a success. They've lost some institutions over the years they want to make sure those risks are being addressed.

An exposure survey is conducted every year and that becomes part of developing the premium. The excess coverage renewal was not as high as last year. The rates for the next fiscal is already set.

They provide over sixty lines of coverage to entities. Mr. Tyndall showed a graph with the premium differential for FY21-FY22.

7. RMD FINANCIAL UPDATE

Mr. Tyndall discussed the funds related to RMD. The losses account for premiums. They need to make sure the fund balances are efficient to be able to ride out a couple of bad years. They get a report that shows revenues and expenses and a special appropriations. Even with that, they are projected to end the fiscal year with a negative balance. The unemployment issue has had some help from the Federal Government. They may have enough to credit. There is a considerable delay in billing the entities, so they need make sure the account can absorb it.

Mr. Tyndall discussed the Benefit Fund and explained the projections they are using the averages of the trends. There will not be a rate increase this year. They have submitted data to recover some funding for COVID testing and vaccinations. They are in line for Federal money.

Mr. Tyndall discussed the cost mitigations to make sure they pay providers or hospitals with the most efficient contracts. One proposal is to have a tiered network. Mr. Tyndall discussed the idea of positive enrollment.

Ms. Romero asked who they are in line with for the benefits and why are they paying for vaccines.

Mr. Tyndall explained they are paying for administrative fees. In certain places they are collecting a fee. Through Express Scripts they have paid up to \$16,000 for state employees. They are in line for Federal funding but he is not sure who they are behind to receive it.

Ms. Romero asked that he resend the information to her, she stated they will place it on the list.

Mr. Tyndall looks forward to them meeting in public again.

8. BOARD DISCUSSION ITEMS

None.

9. PUBLIC COMMENTS

There were not any public comments.

10. NEXT MEETING POSSIBLY AUGUST 26, 2021

11. ADJOURN

With all business concluded Ms. Constantinidis moved to adjourn at 2:36 p.m. with a second from Mr. Rael.

Signed and approved:

Russell Toal, Chair