NEW MEXICO
GENERAL SERVICES DEPARTMENT

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CABINET SECRETARY

FISCAL YEAR 2024

ANNUAL PERFORMANCE REPORT

GENERAL SERVICES DEPARTMENT

Revised on July 31, 2024

GENERAL SERVICES DEPARTMENT (GSD)

Agency Mission:

GSD's mission is to deliver innovative, responsive, cost-effective and trusted services and solutions to meet the diverse needs of our customers.

GSD is the support agency for state government, and our mission is a simple one: Do our jobs well so other state agencies can focus on their missions. That means meeting the needs of our agency customers, whether it is maintaining a building, providing transportation, assisting with procurement, creating a printing project, delivering multiline insurance coverage, managing employee health benefits, implementing loss prevention and control initiatives, promoting alternative dispute and resolution services, and providing legal defense for the State of New Mexico.

Agency Goals/Objectives:

- Create initiatives and establish programs to support the Governor's commitment to mitigating climate change and adapting to our changing environment.
- Modify and maintain existing state facilities, and our operations, to meet the new needs of state agencies.
- Enhance the safety and security of executive office buildings in Santa Fe.
- Provide a safe and reliable motor pool fleet.
- Ensure that GSD is open and transparent in the work it does so that agency customers and the public can assess our performance.
- Work to keep employee benefits premiums as low as possible while providing a quality medical plan.
- Keep risk premium rates as low as possible while maintaining adequate coverage for incurred and anticipated losses and fund solvency.
- Improve customer service throughout GSD.

Key Strategic Plan Initiatives:

- Continue the effort to transition the Motor Pool fleet to zero-emission and low-emission vehicles.
- GSD's Transportation Services Division (TSD) has re-implemented GPS monitoring of Motor Pool vehicle use to provide accurate data on vehicle use and emissions.
- GSD's State Purchasing Division (SPD), as part of the Buy New Mexico initiative, also will continue to drive as much government contracting business as possible to resident businesses and create an e-shopping platform for contract purchases by state agencies and local public bodies.
- GSD's Facilities Management Division (FMD) will implement the plan to improve security at its buildings in Santa Fe.
- FMD continue to look for new ways to incorporate energy-efficiency measures and renewable energy in state buildings in other communities.
- GSD's Risk Management Division (RMD) will continue efforts to keep health care premiums down for employees and employers participating in the state plan, while addressing the financial challenges of the plan.
- GSD remains committed to being as open and transparent as possible in how it conducts the people's business and will continue posting settlements of liability claims against state agencies and other government entities on the state Sunshine Portal.
- State Printing and Graphic Design Services will expand its online shopping platform for state agencies and nonprofit organizations.

AGENCY PROGRAMS

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PROGRAM 598 – PROGRAM SUPPORT

Program Description, Purpose and Objectives:

Program Support is comprised of the Office of the Secretary (OOS), the Administrative Services Division (ASD), the Technology Systems and Support Bureau (TSSB) and the Human Resources Bureau (HRB).

Mission

The OOS provides leadership, policy direction, establishes procedures, and manages program performance. The mission of the OOS is to instill a culture within GSD where customer service is paramount, ensuring the timely and efficient fulfillment of stakeholder needs.

ASD's mission is to provide and maintain the highest quality administrative support services for the Department and agency customers. Through its bureaus, Accounts Payable/Purchasing and Contracts, Budget Services, and General Ledger/Accounts Receivable, ASD strives to provide accurate and timely financial management for GSD operations.

TSSB provides centralized information technology, consultation and system support services to the agency and all its internal divisions. The Bureau's mission is to provide innovative and customer-oriented information technology solutions through new system design, enhancements to existing systems and automation of current business processes.

The HRB anticipates and meets the human resource needs of GSD, working as strategic partners to provide professional, state-of-the-art HR services that secure and support a distinguished workforce that is motivated, well trained, and prepared to ensure the success of the mission and vision of the Department while maintaining confidentiality of privileged information.

Customers

The Office of the Secretary serves the Department's staff, GSD's agency customers, state and local public employees and their families, state contractors, nonprofit organizations, local public bodies, public schools, policy makers and the public.

ASD and TSSB primarily serve GSD divisions. Other ASD customers include state agencies that use GSD services.

Services

The main function of the OOS is to support GSD staff in its mission of providing high-quality services to Department customers. The OOS also represents GSD before oversight agencies, develops and analyzes legislation, provides strategic planning, monitors and reports program performance, oversees budget development and ensures Department transparency in providing public information.

Other services include:

- Legal services and document review;
- Accounts payable and receivable management;
- Contracts review and approval;
- Centralized electronic billing and collection services;
- Financial report development and analysis;
- Annual financial audit preparation and support;
- Fiscal management and accountability;
- General ledger and fixed asset management;
- Internal audit; and
- Internal policy development, maintenance, and oversight.

Goals and Objectives

- Support of the Governor's initiative to combat climate change;
- Develop a highly trained, motivated and effective workforce;
- Provide quality financial and customer services;
- Support a diverse workforce to meet the needs of the Department;
- Create development programs to help staff and managers accomplish their goals; and
- Ensure the effective and efficient administration of Human Resources policy and programs.

Program Budget (in thousands):

FY23	General Fund	Other State Funds	Inter-Agency Transfers	Other Transfers	TOTAL	FTE
200	$0	$0	$3,696.9	$0	$3,696.9	43.0
300	$0	$0	$563.5	$0	$563.5	
400	$0	$0	$856.8	$0	$856.8	
TOTAL	$0	$0	$5,117.2	$0	$5,117.2	

FY24	General Fund	Other State Funds	Inter-Agency Transfers	Other Transfers	TOTAL	FTE
200	$0	$0	$4,495.3	$0	$4,495.3	43.0
300	$0	$0	$354.5	$0	$354.5	
400	$0	$0	$810.5	$0	$810.5	
TOTAL	$0	$0	$5,660.3	$0	$5,660.3	

Program Performance Measures:

1. Percent of audit findings resolved from the prior fiscal year, excluding findings related to fund solvency. (Annual Measure)

PERFORMANCE MEASURE #1

Percent of audit findings resolved from the prior fiscal year, excluding findings related to fund solvency. (Annual Measure)

Results

FY21	FY22	FY23	FY24	FY24 Target
0%	50%	50%	50%	90%

MEASURE DESCRIPTION:
This measure tracks audit findings resolved, excluding those related to fund solvency. ASD measures this annually and reports audit findings resolved at the fiscal year's end.

DATA SOURCE/METHODOLOGY:
The GSD Administrative Services Division's (ASD) Chief Financial Officer (CFO) uses the final certified (prior year) audit report to identify any audit findings and works with division directors to develop a plan for their resolution. The CFO is ultimately responsible for data collection, analysis, quality, and for reporting data.

The CFO sends resolved findings, along with supporting documentation, to the Cabinet Secretary for review. Once reviewed, the GSD Office of the Secretary prepares the final performance report for the Department of Finance and Administration (DFA) and the Legislative Finance Committee (LFC).

STORY BEHIND THE FY23 DATA:
GSD is responsible for managing diverse assets throughout the state with a significant portfolio of land and buildings under its care and control through its Facilities Management Division (FMD). Over the past several years, GSD has had one recurring audit finding regarding vacant land values. Resolving this finding revealed the need to separate land values from the values of buildings on the land. This resulted in a new finding during the FY17 financial audit. To segregate land and building values, GSD must locate original acquisition documents to determine land values. Since numerous property records do not contain this information, this finding will take a considerable amount of time and effort to resolve.

The FY21 audit identified four findings:

- 2021-001 – (Originally 2013-001) Land Reconciliation and Restatement (repeated and modified)
- 2021-002 – Construction in Progress (repeated and modified)
- 2021-003 – Workers' Compensation Claims Disbursements
- 2021-004 – Prior Period Restatements

Of the four findings, 2021-003 and 2021-004 were resolved in FY23.

IMPROVEMENT ACTION PLAN:
2023-001 Land Reconciliation
GSD discussed a land valuation methodology with DFA-ACFR and external auditors. GSD's CFO will contact accounting staff in other states for assistance with establishing a policy and methodology to estimate historical costs of capital assets. Since budget constraints will prevent the procurement of appraisals for each property, GSD is attempting to hire a Capital Assets Manager who will be responsible for locating historical information related to each property.

2023-002 Construction in Progress
Since the FY23 financial audit, FMD has closed 200 projects in AiM and established a formal project closeout procedure.

2023-003 Deficit Net Position/Deficit SGFIP
Fund 36000 – The fund has a positive cash balance and net position.

Fund 56100 – GSD received a supplemental appropriation of $2.6 million with the hope that the projected cash balance and net position will be positive. The fund transferred to the Health Care Authority on 7/1/2024.
Fund 75200 – GSD requested $197.1 million and received three appropriations totaling $140.6 million. The fund has a positive cash balance and net position. The fund transferred to the Health Care Authority on 7/1/2024.

2023-004 Late Audit Report (Other Matters)
GSD will coordinate with DFA to meet deadlines for Period 12 entries. Moving forward, ACFR will run quarterly queries for vehicle purchases rather than at year-end.

2023-005 IT Controls (Other Matters)
GSD's TSSB remains committed to improving the account workflow process and ensuring that formally documented audits occur more frequently throughout the year. TSSB is mandating hiring managers and supervisors use the helpdesk system as the sole record for account management activities. Use of the system will replace verbal requests, phone calls, and emails for user account requests. In turn, TSSB will document all activities performed on user accounts using helpdesk tickets.

GSD will systematically identify which applications are essential for each position in every division. For each application, they will specify exact permission levels to ensure employees have only the access required to complete their work - and promptly remove access when the position or need changes. TSSB will expand the automated account management systems with increased safeguards to minimize account oversights and unauthorized actions.

2023-006 Procurement Violation (agency identified)
To provide greater oversight of contractual services, GSD's Administrative Services Division will manually maintain a tracking sheet of agency general and professional service contracts and include contract end dates on purchase orders.

PROGRAM 604 – PROCUREMENT SERVICES

Program Description, Purpose and Objectives:

Mission

Through education, innovation, collaboration, and cooperation, SPD strives to be a leader in public procurement. SPD obtains "best value" in acquisitions through compliance with the New Mexico Procurement Code, providing training, outreach to vendors, engaging with executive branch agencies, enriching the Chief Procurement Officer Program and ensuring a fair and open procurement process.

Customers

SPD's customers include state agencies, local public bodies, public schools, and the businesses that supply them with goods and services.

Services

SPD is a one-stop shop for state agencies, local public bodies and public schools seeking guidance and assistance in the procurement of goods and general services.

Other services include:

- Administration of the New Mexico Procurement Code;
- Creation of rules and policies to facilitate procurements;
- Value-driven statewide price agreements with vendors for use by state agencies, local public bodies and public schools;
- Outreach to vendors and business organizations to increase awareness of contracting opportunities;
- Procurement training for state employees, vendors and Chief Procurement Officers (CPOs);
- A portal on the SPD website for reporting of agency in-state and out-of-state contracts, as well as a portal for construction contract reporting;
- Courtesy publication of sole source and emergency procurements;
- Procurement determinations related to protests, CPO waivers, and professional and general services scopes of work;
- Procurement data and information on eProNM;
- Sustainable procurement options on statewide price agreements;
- New Mexico resident, tribal and veteran businesses on price agreements; and
- New Mexico Ethics Commission advisory opinions related to procurement.

Goals and Objectives

- Ensure consistency and excellence among SPD buyers;
- Improve reporting on agency spending;
- Create efficient and standardized SPD procurement processes;
- Enhance CPO knowledge and awareness of industry best practices;
- Support direct vendor self-reporting of quarterly sales and administrative fees;
- Develop an online portal to manage Procurement Code training and attendance;
- Transition SPD to a paperless environment;
- Increase involvement with the National Association of State Procurement Officers (NASPO); and
- Implement changes to the Procurement Code to streamline processes and administration.

Program Budget (in thousands):

FY23	General Fund & Other State Funds	Federal Funds	Other Transfers	TOTAL	FTE
200	$2,399.5	$0	$0	$2,399.5	29.0
300	$29.0	$0	$0	$29.0	
400	$190.5	$0	$0	$190.5	
500	$73.9	$0	$0	$73.9	
TOTAL	$2,692.9	$0	$0	$2,692.9	

FY24	General Fund & Other State Funds	Federal Funds	Other Transfers	TOTAL	FTE
200	$2,524.5	$0	$0	$2,524.5	29.0
300	$29.0	$0	$0	$29.0	
400	$213.4	$0	$0	$213.4	
500	$152.4	$0	$0	$152.4	
TOTAL	$2,919.3	$0	$0	$2,919.3	

Program Performance Measures:

1. Percent of executive branch agencies with certified procurement officers (CPOs).
2. Procurements completed within targeted timeframes from assignment to award.
3. Revenue generated through price list purchases.
4. Percent of vendor payments received from sales, as reported as owed by vendors.
5. Average number of days for completion of contract review.
6. Percent of invitations to bid (ITB) awarded within 90 days of SPD buyer assignment.

PERFORMANCE MEASURE #1

Percent of executive branch agencies with certified procurement officers.

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Target
100%	100%	98%	98%	98%	98.7%	98%

MEASURE DESCRIPTION:
This measure tracks the percentage of executive branch agencies with certified chief procurement officers (CPOs).

A chief procurement officer is a staff member within a state agency or local public body's central purchasing office responsible for the control of the procurement of items of tangible personal property, services or construction. Every state agency and local public body, under NMSA §13-1-95.2, is required to have a certified chief procurement officer on staff.

DATA SOURCE/METHODOLOGY:
There are 77 Executive Branch Agencies, and all are required to have a registered CPO listed on SPD's website.

SPD enters data related to each agency employee passing the CPO course into the Procurement Tracker database and post it on their website. The GSD Office of the Secretary reviews the data and reports it to DFA and LFC.

STORY BEHIND THE DATA:
There are 77 executive branch agencies. Of those, 76 have registered CPOs on the SPD's website.

IMPROVEMENT ACTION PLAN:
There is no improvement action plan.

PERFORMANCE MEASURE #2

Procurements completed within targeted timeframes from assignment to award.

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Ave.	FY24 Target
88.5%	87.4%	81.5%	88%	84%	70%	80.8%	80%

MEASURE DESCRIPTION:
This measure tracks procurements completed within targeted timeframes.

DATA SOURCE/METHODOLOGY:
SPD strives to complete amendments, General Services Administration (GSA) agreements, invitations to Bid (ITB), Sole Source and Request for Proposals (RFPs), from buyer assignment to vendor award, in 90 days. SPD's Procurement Tracker database tracks data for this measure, which automatically captures performance data and generates reports related to the measure. Each SPD buyer maintains the source documents. Each bureau chief then verifies the data.

Buyers are responsible for data entry updates. A bureau chief, with oversight from the deputy director, is responsible for generating reports, analysis and quality verification. Division management reviews the procurement reports weekly.

STORY BEHIND THE DATA:
These percentages reflect procurements assigned and completed during the 3rd and 4th quarters. Procurements include amendments, GSAs, sole sources, RFPs, MMCAP and NASPO. The slight drop in 4th quarter completion rates was due to an increase in vacancies within the division.

IMPROVEMENT ACTION PLAN:
There is no improvement action plan.

PERFORMANCE MEASURE #3

Revenue generated through price list purchases. (Annual Measure)

Results (in thousands)

FY22	FY23	FY24 Result	FY24 Target
$3,802.9	$4,641.3	$2,065.5	NA

MEASURE DESCRIPTION:
This measure tracks the amount of revenue SPD generates through price list purchases. SPD reports revenue generated annually at the end of the fiscal year.

SPD procures and manages price list and vendor list contracts on behalf of Executive branch agencies and local public bodies, including the Judiciary and the Legislative branches and counties that commit to participate in the contracts issued by the SPD.

Participating jurisdictions and agencies benefit by obtaining price discounts and other leveraged concessions through volume purchases. In addition, there are the efficiency savings –administrative, procurement and contract management realized by each agency or jurisdiction, rather than having to solicit individual contracts, resulting in multiple contracts for the same commodity or service. Instead, SPD manages processes and all participating jurisdictions and agencies are the beneficiaries of cooperative purchasing.

DATA SOURCE/METHODOLOGY:
SPD receives self-reported sales from vendors via an Excel spreadsheet report template. An SPD staff member then enters this data into a database. The collection of vendor reports occurs 30 days following each quarter and SPD performs matrix reporting on a quarterly basis following data collection.

Vendor total sales reports verify statutory required fee payments through an audit calculation of the required percentage on the price agreements. This process represents the only method SPD has for collecting and reporting quarterly revenues. Since vendors self-report sales, there is no audit process in place to verify the accuracy of the revenues submitted. SPD is researching the use of audited financial statements, gross receipt tax filings or income tax filings to validate revenue generated through price list purchases.

Vendors have 30 days from the end of the quarter to report. As a result, final payment figures will not be available until the end of the following quarter.

STORY BEHIND THE DATA:
Of the 443 total vendors, 40 vendors have reported (9%) in the 4th quarter. SPD collected $16,310 by June 30, 2024. The deadline for vendors to submit reports for this quarter is July 31, 2024. In FY24, SPD collected $2,065.5.

IMPROVEMENT ACTION PLAN:
There is no improvement action plan.

PERFORMANCE MEASURE #4

Percent of vendor payments received from sales, as reported as owed by vendors.

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Target
75%	99%	13%	8%	14%	92%	90%

MEASURE DESCRIPTION:
This measure tracks the percentage of payments received from sales reported by vendors.

DATA SOURCE/METHODOLOGY:
The State Purchasing Division is responsible for collecting fees from vendors that enter into a contract or price agreement (PA) that contain an Administrative Industrial Funding Fee clause in the agreement. During negotiations, the SPD buyer and vendor agree to a clause in the contract/PA that uses a percentage applied to the agreement value instead of a predetermined fee. Vendors self-report their usage each quarter, which forms the basis for the fee.

SPD's financial coordinator sends an email reminder every quarter to all vendors with active agreements containing fees. The vendor has 30 days after the end of each fiscal quarter to report. Specific terms and conditions of the agreements, with fees calculated as a percentage of their quarterly sales, determines the fee structure for each vendor. The vendor completes the New Mexico Usage Report spreadsheet and returns it to SPD. The financial coordinator updates a revenue log database and places the email containing the report into a vendor file.

An SPD staff member collects all vendor payments and submits them to ASD for deposit. Weekly reports verify all deposits match the SHARE system deposit. SPD conducts compliance reviews to ensure vendors have been reporting (even if there are no sales for the period). Vendors are compliant if they have been reporting. Non-compliant vendors will not have their contract renewed.

STORY BEHIND THE DATA:
Of the $2,326.42 in payments reported in the 4th quarter, SPD collected $16,310.11. Please note that following the end of quarter vendors have one month to report and pay. As a result, actual results will be available on July 31, 2024.

Revision: Actual revenue collected by the 3rd quarter was $1,071,793.61.

IMPROVEMENT ACTION PLAN:
There is no improvement action plan.

PERFORMANCE MEASURE #5

Average number of days for completion of contract review.

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Target
5	3.2	5.5	1.49	1.26	0.98	≤5

MEASURE DESCRIPTION:
Tracking completion time for contracts review allows the Contracts Review Bureau (CRB) to assess the efficiency of internal processes. Agencies rely on prompt completion of the contracts review process so that they can procure professional services in a timely manner.

This measure tracks the time needed for CRB to complete its review of agency-submitted professional service contracts that are greater than $5,000.

DATA SOURCE/METHODOLOGY:
The CRB enters all professional service contracts into Procurement Tracker, the State Purchasing Division's contract tracking database. Agencies electronically submit professional service contract drafts to SPD with hard copies to follow. In FY21, CRB reduced delays by rejecting incomplete contract packets rather than holding them while agencies made revisions. Agencies experience faster completion times now that the CRB directs them to the State Budget Division for prior approval.

Procurement Tracker records all activity related to the file, including communications between SPD and agencies, and records the date and time the review has been completed. A CRB supervisor audits the contract activity monthly.

STORY BEHIND THE DATA:
SPD's Contracts Review Bureau processed 507 professional service contracts and 132 amendments within targeted timeframes in the 4th quarter.

IMPROVEMENT ACTION PLAN:
There is no improvement action plan.

PERFORMANCE MEASURE #6

Percent of invitations to bid (ITBs) awarded within 90 days of SPD buyer assignment.

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Target
NA	NA	76%	18%	53%	74%	90%

MEASURE DESCRIPTION:
This measure tracks the percent of invitations to bid (ITBs) awarded within 90 days of SPD buyer assignment. This is a new measure.

DATA SOURCE/METHODOLOGY:
SPD uses its Procurement Tracker database to track and report the data for this measure. Buyers maintain the source documents, which Bureau Chiefs verified.

Buyers are responsible for data entry updates. Bureau Chiefs, with oversight by the Deputy Director, are responsible for generating reports, analysis and quality verification. Division management reviews ITB status reports weekly.

STORY BEHIND THE DATA:
The result reflects ITBs assigned and completed during the 4th quarter.

IMPROVEMENT ACTION PLAN:
There is no improvement action plan.

PROGRAM 605 – STATE PRINTING AND GRAPHIC SERVICES

Program Description, Purpose and Objectives:

Mission: To provide all-inclusive printing and digitization services to government agencies and tax-exempt entities, on a cost-recovery basis, that exceeds customers' expectations.

Customers: Executive, legislative and judicial branch agencies, local governments, public schools and higher education institutions, as well as nonprofit organizations in New Mexico.

Services

Services State Printing & Graphic Design Services produces government publications (annual reports, strategic plans and instruction manuals) and provides volume printing (proposed legislation, amendments, committee substitutes and reports).

Other services include:

- Custom business printing and design (letterhead, logos, business cards, agency badges,
- envelopes and other business stationery);
- Creative custom printing and graphic design (promotional items, educational materials,
- banners and large format color printing);
- E-commerce standard graphics/forms and multiple color, multiple copy forms; and
- Security printing using custom stocks.

Goals and Objectives

- Increase revenue for State Printing and Graphic Design Services.
- Expand digital print solutions;
- Utilize technology to increase productivity and efficiency in business operations;
- Provide consistent, timely and fiscally prudent printing and design solutions for the customer base; and
- Deliver quality printing and graphic design products.

Program Budget (in thousands):

FY23	General Fund	Other State Funds	Federal Funds	Other Transfers	TOTAL	FTE
200	$0	$589.4	$0	$0	$589.4	9.0
300	$0	$60.0	$0	$0	$60.0	
400	$0	$1,338.6	$0	$0	$1,338.6	
500	$0	$57.4	$0	$0	$57.4	
TOTAL	$0	$2,045.4	$0	$0	$2,045.4	

FY23	General Fund	Other State Funds	Federal Funds	Other Transfers	TOTAL	FTE
200	$0	$728.6	$0	$0	$728.6	11.0
300	$0	$100.0	$0	$0	$100.0	
400	$0	$1,841.1	$0	$0	$1,841.1	
500	$0	$62.5	$0	$0	$62.5	
TOTAL	$0	$2,732.2	$0	$0	$2,732.2	

Program Performance Measures:

1. Growth in quarterly sales revenue compared with the previous thirty or sixty-day legislative session.
2. Percent of State Printing revenue exceeding expenditures. (Annual)
3. Percent of printing jobs delivered on time.
4. Number of targeted customers utilizing the printing digital storefront. (Annual)

PERFORMANCE MEASURE #1

Growth in quarterly sales revenue compared with the previous thirty or sixty-day legislative session.

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Year-End Result	FY24 Target
2%	29%	38%	38%	-32%	35%	6%	10%

MEASURE DESCRIPTION:
This measure tracks State Printing's sales growth in revenue as compared to the previous fiscal year.

DATA SOURCE/METHODOLOGY:
State Printing collects data for this measure from their monthly revenue report, the monthly expenditure report, the SHARE budget status report, the SHARE revenue status report; DFA's cash balance report and the GSD's AM system (which collects invoicing data).

State Printing compares current revenue to revenue earned in the previous fiscal year based on legislative session. For example, State Printing compares revenue earned during 30-day legislative sessions and revenue earned during 60-day legislative sessions.

STORY BEHIND THE DATA:
State Printing's 4th quarter revenue increased by $243.0 (35%), as compared to the 4th quarter of FY22. For FY24, State Printing's overall sales increased by 6% ($144K).

IMPROVEMENT ACTION PLAN:
There is no improvement action plan.

PERFORMANCE MEASURE #2

Percent of State Printing revenue exceeding expenditures.

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Year-End Result	FY24 Target
21%	7%	-22%	2%	-73%	86%	1%	5%

MEASURE DESCRIPTION:
This measure compares revenue to expenditures to determine State Printing profit and loss for the fiscal year.

DATA SOURCE/METHODOLOGY:
State Printing utilizes monthly revenue reports, state printing monthly expenditure reports, SHARE budget status reports, SHARE revenue status reports, DFA cash balance reports and GSD billing reports to calculate and verify revenue and expenditures.

STORY BEHIND THE DATA:
In the 4th quarter of FY24, State Printing's earned revenue exceeded expenditures. The fiscal year ended with revenue at $783.0 (86%) above expenses. For FY24, total revenue exceeded expenses by $24.0 (1%). The $120.0 purchase of an envelope printer affected State Printing's overall revenue. A private supplier, responsible for providing this service to numerous state agencies, went out of business during the fiscal year. In response, State Printing made the purchase provide this service to the affected agencies.

IMPROVEMENT ACTION PLAN:
There is no improvement action plan.

PERFORMANCE MEASURE #3

Percent of printing jobs delivered on time.

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Target
100%	100%	100%	100%	100%	100%	99%

MEASURE DESCRIPTION:
As an enterprise agency, customer satisfaction with the quality and timeliness of jobs is important to the success of State Printing.

DATA SOURCE/METHODOLOGY:
Data for this measure comes from a database that tracks customer job orders and promised delivery dates. The State Printing Customer Service Manager monitors delivery dates to ensure jobs arrive on time.

The director reviews and analyzes data daily/weekly and reports the results quarterly. State Printing identifies the reason for the missed delivery dates and implements corrective action measures.

STORY BEHIND THE DATA:
State Printing delivered all 779 of their 4th quarter job orders on time, or prior to the promised delivery time.

IMPROVEMENT ACTION PLAN:
There is no improvement plan.

PERFORMANCE MEASURE #4

Number of targeted customers utilizing the printing digital storefront. (Annual Measure)

Results

FY22	FY23	FY24 Result	FY24 Target
0	2	30	NA

MEASURE DESCRIPTION:
This is an explanatory measure and does not have a performance target.

A digital storefront is a website that offers goods and/or services for sale, and which the customer can visit at any time and from anywhere. The digital storefront provides customers with the ability to place orders for their most requested products from the convenience of their offices. This service increases the accuracy of orders and the speed of delivery.

DATA SOURCE/METHODOLOGY:
State Printing uses the EFI Digital StoreFront software. This software provides agencies with a personalized portal featuring their most used products for streamlined order submission. The State Printing Customer Service Manager actively manages the database, ensuring accurate data entry that corresponds to received orders.

STORY BEHIND THE DATA:
The Legislative House and Senate are now on the digital storefront. A new business card template is undergoing testing, empowering all agencies to place orders online through this service. In FY24, 30 agencies tested the digital storefront.

IMPROVEMENT ACTION PLAN:
There is no improvement plan currently.

PROGRAM 606 – RISK MANAGEMENT

Program Description, Purpose and Objectives:

Mission

The New Mexico Legislature created the Risk Management Division (RMD) to protect and conserve the state's human and physical resources and financial assets. RMD provides multiline insurance coverage, employee health benefits, loss prevention and control initiatives, dispute prevention and resolution services, and legal defense for the State of New Mexico.

Customers

Covered entities include state agencies and employees, boards and commissions, and universities. RMD also manages the group health benefits plan for state employees and dependents, as well as the workers and families of participating local public bodies and small businesses.

Administration

RMD is responsible for both the Employee Benefits Program that provides health insurance for participating public entities' employees and their dependents, and the Risk Management Program, a shared risk pool among covered public entities. RMD provides financial protection through a combination of self-insurance and third-party coverage administered through various funds, including the unemployment insurance fund, public property fund, workers' compensation fund and public liability fund, along with loss prevention and control support and claims administration.

Services

RMD provides state entities with liability coverage (general liability, law enforcement, medical malpractice, and civil rights, including employment practices liability). It also provides public property coverage (auto, blanket property, art, specialty equipment/boiler and machinery).

Other services:
- Workers' compensation coverage for state employees;
- Claims administration for workers' compensation, public liability and public property;
- Defense of the state and its public employees in covered lawsuits;
- Loss control training and claims-prevention; and
- Alternative dispute prevention and resolution training.

Goals and Objectives
- Expand information outreach and agency input;
- Standardize internal claims-handling procedures;
- Contain costs to the benefits fund;
- Revise process controls for transactions to ensure financial integrity; and
- Reduce payment of invalid unemployment claims.

Program Budget (in thousands):

FY23	General Fund	Other State Funds	Inter-Agency Transfers	Other Transfers	TOTAL	FTE
200	$0	$0	$5,066.0	$0	$5,066.0	57.0
300	$0	$0	$150.0	$0	$150.0	
400	$0	$0	$389.7	$0	$389.7	
500	$0	$0	$4,395.8	$0	$4,395.8	
TOTAL	$0	$0	$10,001.5	$0	$10,001.5	

FY24	General Fund	Other State Funds	Inter-Agency Transfers	Other Transfers	TOTAL	FTE
200	$0	$0	$5,330.0	$0	$5,330.0	57.0
300	$0	$0	$190.0	$0	$190.0	
400	$0	$0	$449.5	$0	$449.5	
500	$0	$0	$5,018.6	$0	$5,018.6	
TOTAL	$0	$0	$10,988.1	$0	$10,988.1	

Program Performance Measures:

1. Average cost per workers' compensation claim.
2. Amount of excess insurance recoveries for property claims.

PERFORMANCE MEASURE #1

Average cost per workers' compensation claim.

Results

FY21	FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY23 Target
$2,312	$1,698	$701	$772.50	$688.59	$612.72	$645.66	NA

MEASURE DESCRIPTION:
This measure tracks the average cost per workers' compensation claim.

The Risk Management Division (RMD) uses the ClaimsVision database to track all claims paid by the state. For the purposes of this measure, RMD will query workers' compensation claims by quarter and calculate the average dollar amount paid.

DATA SOURCE/METHODOLOGY:
Data associated with workers' compensation claims are stored in ClaimsVision, RMD's Risk Management Information System. Claims adjusters review claims requests and this data into the RMIS system. Each claims adjuster is responsible for maintaining and managing their claim related data. With oversight from the Workers' Compensation Bureau Chief, staff members are responsible for the analysis and quality of claims information. DFA received data related to this measure quarterly.

STORY BEHIND THE DATA:
The 4th quarter average cost per workers' compensation claim is $645.66. The fiscal year average is $679.87.

IMPROVEMENT ACTION PLAN:
There is no improvement action plan.

PERFORMANCE MEASURE #2

Amount of excess insurance recoveries for property claims, in thousands.

Results (in thousands)

FY21	FY22	FY23	FY23 Q1	FY23 Q2	FY23 Q3	FY23 Q4	FY22 Target
$0	$0	$987.2	$0	$0	$0	$28,823	NA

MEASURE DESCRIPTION:
The purpose of this measure is to capture the amount of excess insurance that RMD has recovered from its excess insurance carrier.

Since the state is self-insured, excess insurance protects the state from exposure when costs related to claims rise. Without excess insurance, the state becomes the sole bearer of the cost when incidents occur and has no protection when costs rise. This measure tracks the amount of money, above the deductible, the state recovers from their insurance carrier when the state pays out sums greater than the deductible for the purpose of expediency.

DATA SOURCE/METHODOLOGY:
Excess insurance is the transfer of risk to an insurance carrier through the issuance of a policy to the insured. Excess insurance can supplement primary insurance on an excess basis or provide coverage above a self-insured retention. Property and Casualty Bureau adjusters enter claims data, including excess insurance recoveries, into the Risk Management Information System (RMIS).

STORY BEHIND THE DATA:
On December 30, 2022, NMSU sustained severe wind damage to a barn located in Corona. The cost of repairs was $531,322.79. RMD paid NMSU $528, 822.79 and reinsurance reimbursed RMD $28,822.79 (our retention is $500K for property losses).

IMPROVEMENT ACTION PLAN:
There is no improvement action plan.

PROGRAM 607 – EMPLOYEE GROUP HEALTH BENEFITS

Program Description, Purpose and Objectives:
The State's Group Benefits Plan (Plan) is self-insured and provides a variety of benefits to eligible employees (and their dependents) of the State and participating Local Public Bodies (LPBs).

Services
The Employee Benefits Program provides medical, pharmacy, dental, vision, life, flexible spending accounts, disability, Employee Assistance Program, and supplemental voluntary benefits coverage for cancer, critical illness, whole life and accident.

Other services include:
- Stay Well Health Center in Santa Fe; and
- Continuation of health benefits coverage in accordance with the Consolidated Omnibus Budget Reconciliation Act (COBRA).

Goals and Objectives
- Development of a strategy to compare health plans and delivery of services to industry standards;
- Collaboration with the Department of Finance and Administration (DFA) and key legislative committees to balance premiums and fund balances to improve fund health;
- Affordable healthcare coverage;
- Improve cost-containment effectiveness of the Stay Well Health Center; and
- Work with the Interagency Pharmaceuticals Purchasing Council in order to understand and drive change in the discussion of how to reduce pharmaceutical costs.

Program Budget (in thousands):

FY23	General Fund	Other State Funds	Inter-Agency Transfers	Other Transfers	TOTAL	FTE
200	$0	$0	$0	$0	$0	0.0
300	$0	$23,282.5	$0	$0	$23,282.5	
400	$0	$398,210.8	$0	$0	$398,210.8	
500	$0	$0	$0	$0	$0	
TOTAL	$0	$421,493.3	$0	$0	$421,493.3	

** Per GSB 84, life insurance is now an internal service fund and is no longer a fiduciary fund.*

FY24	General Fund	Other State Funds	Inter-Agency Transfers	Other Transfers	TOTAL	FTE
200	$0	$0	$0	$0	$0	0.0
300	$0	$30,703.3	$0	$0	$30,703.3	
400	$0	$332,438.9	$0	$0	$332,438.9	
500	$0	$0	$0	$0	$0	
TOTAL	$0	$363,142.2	$0	$0	$363,142.2	

** Per GSB 84, life insurance is now an internal service fund and is no longer a fiduciary fund.*

Program Performance Measures:

1. Percent change in state employee medical premium. (Annual)
2. Percent change in the average per member per month total healthcare cost.
3. Annual loss ratio for the health benefits fund. (Annual)
4. Percent of members with diabetes receiving at least one hemoglobin A1C test in the last 12 months. (Annual)
5. Percent of members with diabetes receiving an annual screening for diabetic nephropathy. (Annual)
6. Projected year-end fund balance of the health benefits fund.
7. Number of members who designate the Stay Well Health Center as their primary care provider.
8. Rate per one thousand members of emergency department use categorized as non-emergent.
9. Number of visits to the Stay Well Health Center.

10. Percent of state group prescriptions filled with generic drugs within 3% of public-entity-peer rate as reported by pharmacy benefit manager.
11. Percent of eligible state employees purchasing state medical insurance. (Annual)
12. Percent of available appointments filled at the Stay Well Health Center.

PERFORMANCE MEASURE #1

Percent change in state employee medical premium. (Annual Measure)

Results

FY21	FY22	FY23	FY24 Result	FY24 Target
0%	0%	0%	10%	≤ 5%

MEASURE DESCRIPTION:
This measure to tracks the change in New Mexico's medical premiums and compare them to industry costs.

DATA SOURCE/METHODOLOGY:
The contracted actuarial consulting firm tracks and provides this data to RMD. Employer surveys distributed by the Henry J Kaiser Family Foundation/Health Research & Educational Trust (Employer Health Benefit Survey), the US Census Bureau and other organizations for the basis of the source documents. The internet is also a good source for current information on premium trends.

STORY BEHIND THE DATA:
The State increased medical premiums by 10% in FY24.

IMPROVEMENT ACTION PLAN:
The Employee Benefits program will transfer to the Health Care Authority in FY25.

PERFORMANCE MEASURE #2

Percent change in the average per-member per-month total healthcare cost.

Results

FY21	FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Target
5.9%	5%	3%	13.2%	7.8%	-12.5%		≤ 5%

MEASURE DESCRIPTION:
This measure tracks the average per-member per-month healthcare costs across fiscal years.

DATA SOURCE/METHODOLOGY:
The EBB collects data from current carriers to draw comparisons across fiscal years. EBB staff is responsible for data collection, analysis, quality, and for reporting the data to the GSD Strategic planning officer.

In consultation with the analysts from DFA and the LFC, the bureau will average the collected data to estimate the quarterly result. Individual carrier results are below.

STORY BEHIND THE DATA:
Blue Cross Blue Shield of New Mexico: 4.2%

- The PMPM 4^{th} quarter cost was $464.11 PMPM: This is a 4.2% increase from the prior quarter ($445.37 PMPM)

Cigna: -15%

- The PMPM 4^{th} quarter cost was $553.

Presbyterian Health Plan: Fourth quarter data for this measure was not submitted.

- PMPM FY24 Q1: $524.33 PMPM (Paid Basis)
- PMPM FY24 Q2: $533.20 PMPM (Paid Basis)*
- PMPM FY24 Q3: $536.26 PMPM (Paid Basis)

Performance was within goal, although total paid PMPM dollars did increase by 4.27%, driven primarily with increases to facility-based utilization (inpatient and outpatient facility charges).

*The Q3 submission included an adjusted Q2 result to $514.28. This new figure needs verification.

IMPROVEMENT ACTION PLAN:
The Employee Benefits program will transfer to the Health Care Authority in FY25.

PERFORMANCE MEASURE #3

Annual loss ratio for the health benefits fund. (Annual Measure)

Results

FY22	FY23	FY24 Result	FY24 Target
NA	0.73	0.89 (89%)	98%

MEASURE DESCRIPTION:
This measure determines the financial health of the health benefits fund.

DATA SOURCE/METHODOLOGY:
The loss ratio is a calculation that takes the total claims reported and divides this amount by the total premiums received.

The RMD finance bureau chief is responsible for data collection, analysis, and quality and for reporting the data quarterly to the Deputy Secretary. The Deputy Secretary audits the data and reports it to DFA and LFC quarterly.

STORY BEHIND THE DATA:
In FY24, the health benefits fund received revenue of $540,724,019.70 (which included a legislative appropriation of $82,345,000) and experienced expenses of $479,958,445.34.

IMPROVEMENT ACTION PLAN:
While reporting loss ratio data, it is important to understand the nature of the loss ratio, and some of the issues that affect its use as a measure. Loss ratio is a calculation that takes the total reported claims and divides this by the total premiums received. GSD is working diligently on a short-term and long-term solution to ensure the health plan design is sufficient to cover claims costs to meet fiscal statutory requirements well into the future. This is measure is reported annually at the end of the fiscal year.

The Employee Benefits program will transfer to the Health Care Authority in FY25.

PERFORMANCE MEASURE #4

Percent of members with diabetes receiving at least one hemoglobin A1C test in the last 12 months. (Annual Measure)

Results

FY21	FY22	FY23	FY24 Result	FY24 Target
NA	86.5%	81%	49%	86%

MEASURE DESCRIPTION:
This is a new measure and tracks the percent of members with diabetes receiving at least one hemoglobin A1C test in the last 12 months.

The A1C test is a common blood test used to diagnose type 1 and type 2 diabetes. The test also helps people with diabetes manage blood sugar. The A1C test has several other names, including glycated hemoglobin, glycosylated hemoglobin, hemoglobin A1C, and HbA1c. An A1C test result reflects the average blood sugar level for the past two to three months. Specifically, the A1C test measures what percentage of hemoglobin proteins in the blood are coated with sugar (glycated). Hemoglobin proteins in red blood cells transport oxygen. The higher the A1C level, the poorer blood sugar is being controlled and the higher the risk of diabetes complications.[1]

DATA SOURCE/METHODOLOGY:
The RMD Employee Benefits Bureau relies on their carriers to provide the data related to this measure. Carriers are required to provide the data monthly and RMD staff will compile and submit the data for annual reporting.

STORY BEHIND THE DATA:
Blue Cross Blue Shield of New Mexico: 19.38% (eye exam), 16.93% (HBA1C8)

Cigna: 84% (51 individuals): This result includes data for a 6-month period.

Presbyterian Health Plan: 46%
Results for January 2024 – March 2024 as of 4/16/2024
Initial results traditionally lag well behind target during initial months, target expected to be achieved by EOY.

Intervention efforts include:

- Targeted intervention of Community Health workers
- Targeted intervention of Disease Management/Care Coordinators
- Diabetes Resource Mailing to members identified as elevated A1C
- Member engagement through Good Measures program (offered through The Solutions Groups Wellness Program)

PHP collects data for this measure statewide by extracting charts from network providers and analyzing claims data. PHP will continue to gather results for this measure through March 2024.

IMPROVEMENT ACTION PLAN:
The Employee Benefits program will transfer to the Health Care Authority in FY25.

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[1] A1C Test Overview. The Mayo Clinic, www.mayoclinic.org/tests-procedures/a1c-test/about/pac-20384643

PERFORMANCE MEASURE #5

Percent of members with diabetes receiving an annual screening for diabetic nephropathy. (Annual Measure)

Results

FY21	FY22	FY23	FY24 Result	FY24 Target
NA	60.8%	52%	Annual Measure	61%

MEASURE DESCRIPTION:
This measure tracks the percentage of members with diabetes receiving an annual screening for diabetic nephropathy. Employee Group Benefits reports this measure at the end of the fiscal year.

Diabetic nephropathy is a serious kidney-related complication of type 1 diabetes and type 2 diabetes. Diabetic kidney disease is another term used for this condition. About 25% of people with diabetes eventually develop kidney disease. Diabetic nephropathy affects the kidneys' ability to remove waste products and extra fluid from the body. The condition slowly damages the kidneys' delicate filtering system. Early treatment may prevent or slow the disease's progress and reduce the chance of complications.[2]

DATA SOURCE/METHODOLOGY:
The RMD Employee Benefits Bureau will rely on their carriers to provide the data related to this measure. Carriers are required to provide the data monthly, and RMD staff will compile and submit the date for quarterly reporting.

STORY BEHIND THE DATA:
Blue Cross Blue Shield of New Mexico: FY24 data for this measure was not submitted.

Cigna: 0%

Presbyterian Health Plan: 37%
Initial results traditionally lag well behind target during initial months, target expected to be achieved by EOY.

IMPROVEMENT ACTION PLAN:
The Employee Benefits program will transfer to the Health Care Authority in FY25.

[2] Overview of Diabetic Nephropathy. The Mayo Clinic, https://www.mayoclinic.org/diseases-conditions/diabetic-nephropathy/symptoms-causes/syc-20354556

PERFORMANCE MEASURE #6

Projected year-end fund balance of the health benefits fund.

Results

FY21	FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Target
NA	NA	($65,105.0)	($61,157.3)	($126,636.8)	($124,191.1)	($124,191.1)	NA

MEASURE DESCRIPTION:
This measure tracks the projected year-end fund balance of the health benefits fund and monitors the health of the fund. This is an explanatory measure and does not have a performance target.

DATA SOURCE/METHODOLOGY:
The RMD Finance Officer calculates the results of this measure using SHARE actual financial reports and projects per a five-year average.

STORY BEHIND THE DATA:
The projected data for this measure does not factor in an industry inflation impact to the fund and does not include the industry best practice to maintain 1 to 1.5 months of claims in cash balance. While the Plan's fund balance has fluctuated over the years and has experienced deficit balances, it has not suffered a deficit of the current magnitude. Not surprisingly, the bulk of the current deficit is directly attributable to the unanticipated costs associated with the COVID-19 pandemic. The fund has already suffered from gradual inflation in medical and pharmaceutical expenditures. The additional costs associated with COVID-19 have exacerbated these already substantial expenses with COVID costs of over $50 million.

The fund is not obtaining enough revenue to cover expenses. There is currently a positive loss ratio due to the appropriation of $140,606.0 during 2024 Legislative Session. This result is subject to change due to the FY24 year-end closing.

IMPROVEMENT ACTION PLAN:
The Employee Benefits program will transfer to the Health Care Authority in FY25.

PERFORMANCE MEASURE #7

Number of members who designate the Stay Well Health Center as their primary care provider.

Results (year-to-date)

FY21	FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Result	FY24 Target
535	486	1,628	1,773	1,889	2,032			NA

MEASURE DESCRIPTION:
This measure captures the number of members, and their dependents, who designate the Stay Well Health Center (SWHC) as their primary care provider. This is an explanatory measure and does not have a performance target.

Research suggests that patients who have a primary care provider benefit from better management of chronic diseases, experience lower overall healthcare costs and have a higher level of satisfaction with their care. The Employee Benefits Bureau this data, and other information, to identify the number of members who have selected a primary provider. Marketing and outreach efforts reinforce the importance of selecting a primary care provider.

DATA SOURCE/METHODOLOGY:
The RMD Employee Benefits Bureau (EBB) relies on data supplied by the SWHC for this measure. The SWHC provides the EBB with data monthly for analysis and reporting. The EBB bureau chief provides reports for submission to DFA and the LFC quarterly.

STORY BEHIND THE DATA:
Fourth quarter data for this measure was not submitted.

IMPROVEMENT ACTION PLAN:
The Employee Benefits program will transfer to the Health Care Authority in FY25.

PERFORMANCE MEASURE #8

Rate per one thousand members of emergency department use categorized as non-emergent.

Results

FY21	FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Target
21.8	22.6	24.7	13.8	14.2	16.0	18%	NA

MEASURE DESCRIPTION:
This measure tracks the number of non-emergent visits made to the emergency room by members (and their dependents) to determine if these visits are outside of national norms and thus increase costs to the fund. This is an explanatory measure and does not have a performance target.

"Under the prudent layperson standard, insured patients are protected and provided appropriate insurance coverage for emergency department (ED) care when they feel they are having a medical emergency. However, many insurers and policymakers still question the necessity of some emergency department visits.

Despite the ongoing debate about the definitions of 'non-urgent,' 'inappropriate,' or 'unnecessary' ED visits, these encounters are often cited as a cause of rising health care costs in the United States. Overall, health care expenditures have increased from 7.9% of GDP in 1975 to 17.8% of GDP in 2015. Data from the Agency for Healthcare Research and Quality (AHRQ) suggests that emergency care accounts for around 4% of the total health care expenditure in the United States. The CDC defines a non-urgent visit as a medical condition requiring treatment within 2–24 hrs. Emergent requires care in less than 15 minutes, urgent requires care within 15–60 minutes, and semi urgent requires care within 1–2 hours.

In 2015, the CDC discovered that out of 136.9 million ED visits that year, only 5.5% were non-urgent. Furthermore, the number of patients presenting to the ED for non-urgent complaints significantly declined during the previous decade, from 13% in 2003 to 5.5% in 2015."[3]

DATA SOURCE/METHODOLOGY:
RMD's health care providers, who also provide benchmark and quarterly results based on New Mexico's commercial population, provide data for this measure. The NYU Center for Health and Public Service Research and the United Hospital Fund of New York developed an ED use-profiling algorithm to identify non-emergent emergency department use.

STORY BEHIND THE DATA:
Blue Cross Blue Shield of New Mexico: 12.7 per 1,000; There was an increase in impatient services in the 4th quarter.

Cigna: 23 per 1,000; the Cigna norm is 31 per 1,000.

Presbyterian Health Plan: Fourth quarter data for this measure was not submitted.
PHP Analytics Organization uses the NYU Emergency Room Algorithm to assign Emergent status to an ER claim. A detailed explanation is found here . The term 'non-emergent' includes a probability scale across four different categories: Emergent, Non-Emergent, Preventable, and Non-Preventable. Each claim is scored between 0-1, and there can be crossover between categories. The result presented represents the total number of claims with a "Non-Emergent" score greater than one.

Comments from Aon: The state's actual visits per thousand being lower than the carriers' benchmark is good news, as it means state members are less likely to visit the ER for non-emergency services than an "average" employer group with that carrier. What it suggests is that non-emergent ER visits are not a significant driver of healthcare costs for the state as compared to the carriers' other employers.

[3] Gettel, Cameron, MD, et al. EMRA Emergency Medicine Advocacy Handbook. 5th edition, Chapter 6, Emergency Medicine Residents' Association (EMRA). https://www.emra.org/books/advocacy-handbook/non-emergent-visits/.

PERFORMANCE MEASURE #9

Number of visits to the Stay Well Health Center.

Results

FY21	FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Result	FY23 Target
6,248	4,540	7,375	1,666	2,124	2,071			NA

MEASURE DESCRIPTION:
This measure is used to track members (and their dependents) who visit the Stay Well Health Center (SWHC). This measure is valid in tracking member use of the SWHC and assesses its effectiveness in meeting the needs of benefit members.

DATA SOURCE/METHODOLOGY:
The SWHC provides data for this measure quarterly, as required by their contract. Member (or dependent) scheduled and unscheduled visits form the basis for the results. An example of additional data that is captured, not for the purposes of this measure, include the nature of the visit, medications administered, original or return/follow-up visit, and date and time of visit.

STORY BEHIND THE DATA:
Fourth quarter data for this measure was not submitted.

IMPROVEMENT ACTION PLAN:
The Employee Benefits program will transfer to the Health Care Authority in FY25.

PERFORMANCE MEASURE #10

Percent of state group prescriptions filled with generic drugs within 3% of public-entity-peer rate as reported by Pharmacy Benefits Manager.

Results

FY21	FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Target
86.5%	87%	83.6%		82.3%	88.6%	87.7%	85%

MEASURE DESCRIPTION:
Generic drugs are less expensive than brand name drugs, while reportedly offering the same health benefit. As a result, health insurance plans are increasingly encouraging the use of generic drugs when they are available to reduce healthcare costs. This measure tracks the percent of state group prescriptions filled with generic drugs within 3% of public-entity-peer rate.

DATA SOURCE/METHODOLOGY:
CVS provides the data for this measure quarterly based on claims from retail and mail orders.

STORY BEHIND THE DATA:
The generic dispensing rate for the 4^{th} quarter was 87.7%. The peer rate was 86.1%.

IMPROVEMENT ACTION PLAN:
The Employee Benefits program will transfer to the Health Care Authority in FY25.

PERFORMANCE MEASURE #11

Percent of eligible state employees purchasing state medical insurance. (Annual Measure)

Results

FY21	FY22	FY23	FY24 Result	FY24 Target
81%	80.2%	78.5%	Annual Measure	NA

MEASURE DESCRIPTION:
This measure identifies the percent of eligible state employees purchasing state health insurance. This is an explanatory measure and does not have a performance target. The Employee Benefits Bureau reports this measure at the end of the fiscal year.

DATA SOURCE/METHODOLOGY:
There are two sources used to track this measure: SHARE queries for the number of eligible employees waiving coverage, and SHARE benefit census reports, which provides the number of employees enrolled in benefit plans. Medical coverage enrollment forms the basis for this measure.

STORY BEHIND THE DATA:
FY24 data for this measure was not submitted.

IMPROVEMENT ACTION PLAN:
The Employee Benefits program will transfer to the Health Care Authority in FY25.

PERFORMANCE MEASURE #12

Percent of available appointments filled at the Stay Well Health Center.

Results

FY21	FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Result	FY24 Target
50%	81%	22%	75%	74%	72%			NA

MEASURE DESCRIPTION:
Comparing the number of available appointments to the number of filled appointments demonstrates the demand for, and use of, the Stay Well Health Center (SWHC) services, and may uncover the number of scheduled appointments missed through no-show or cancellation, which is an issue nationally.

This measure tracks member use of the SWHC by comparing the number of daily available appointments to the number of fulfilled appointments (or patient visits). RMD also uses this measure to track the number of cancelled appointments.

DATA SOURCE/METHODOLOGY:
The data for this measure will come directly from the SWHC. SWHC staff compares the number of available appointments each day to the number filled. The SWHC captures this data using their member-tracking database and provides this data to RMD Health Benefits for reporting.

STORY BEHIND THE DATA:
Fourth quarter data for this measure was not submitted.

IMPROVEMENT ACTION PLAN:
The Employee Benefits program will transfer to the Health Care Authority in FY25.

PROGRAM 608 – FACILITIES MANAGEMENT

Program Description, Purpose and Objectives:

Mission: To ensure that the citizens of New Mexico and state agencies served by the Facility Management Division (FMD) receive comprehensive facility management services and support by providing value-added lifecycle asset management, exceptional design and construction services, energy-efficient conservation management, and operations and maintenance services of state-owned assets. These comprehensive facility management services support asset sustainability, energy efficiency and capital improvement of the state-owned facilities throughout New Mexico.

FMD is responsible for asset management of more than 6.8 million square feet of space in over 800 buildings statewide with an estimated replacement value of nearly $1.5 billion. The division also leases 2.47 million square feet of privately owned space on behalf of state agencies throughout New Mexico.

Additionally, within in the city of Santa Fe's State Capitol Complex, FMD provides full-service maintenance management services for five state government campuses. In doing so, FMD provides clean, safe and well-maintained energy-efficient work environments for our employees and customers, which enhances the delivery of services provided by state agencies in Santa Fe and their respective statewide mission.

Capital Projects – Services

- *MASTER PLANNING* – FMD meets with state agencies to provide guidance on the preparation and approval of annual Infrastructure Capital Improvement Plan requests and master planning;

- *ARCHITECTURAL & ENGINEERING* – FMD architects and engineers assist in the development of capital outlay requests, participate in design reviews, deliver detailed evaluations of project drawings and specifications, conduct facility condition assessments and develop priorities for repairs and renovations; and

- PROJECT MANAGEMENT – FMD manages construction, renovations, major repairs and upgrades, including furnishings and equipment. Management functions include all aspects of a capital project from initial planning through all design phases, construction, and warranty.

Capital Projects Goals and Objectives

FMD is preparing a long-range strategic space master plan for state government. That works includes identifying existing and projected state agency employment and occupant space requirements.

Other goals and objectives:

- Facility condition assessments of 20% of building inventory and associated assets;
- Enhanced technology to improve efficiencies, reporting, scheduling and transparency of capital projects;
- Implementation of GSD/FMD energy and security studies;
- Refinement of the statewide prioritization criteria matrix for capital projects;
- Consistent training of project management and project administrators by implementing new PlanGrid software to help manage projects more efficiently;
- Accurate existing construction quotes and estimates for future projects;
- Communication of clear project delivery expectations;
- A creative thinking and solution-oriented environment within FMD;
- Development of a program to evaluate architectural and engineering firms and contractors providing services to FMD; and
- Work with agencies to identify future Energy Service Company (ESCO) projects.

Asset Management – Services

FMD maintains information on facility locations, capital equipment and materials, operational status, deficiencies, and costs associated with space utilization within state- owned buildings and leased facilities. Additionally, The Asset Management Bureau maintains all available deeds, surveys and plat maps for land holdings statewide. FMD customer agencies use this information to achieve optimal utilization of state-owned and leased assets. FMD also uses the information to control and value the assets.

- *LEASING MANAGEMENT* – Assists state agencies procure leased facilities in a timely manner. The leasing staff also works with state agencies to acquire leased facilities with optimum functionality, employee safety, health and general comfort. In addition, staff assists the Real Property Management Bureau in moving state agencies out of leased facilities and into state-owned properties when suitable facilities become available or are acquired; and

- *REAL PROPERTY MANAGEMENT* – Facilitates leasing documents and tenant agreements between FMD and government agencies or private tenants in state-owned property. Real Property staff regulates both the occupancy of real property under its jurisdiction, and the requirements for the continuation of that use and occupancy. They are also responsible for acquiring, donating and or selling real estate, building modifications, collecting records for archiving, managing vendor applications, filing location agreements, water rights data collection and maintaining records for real property and building inventory.

Asset management – Goals and Objectives

FMD negotiates leased space costs for the best possible price based on market conditions, achieving value for both agencies and taxpayers. It also works to reduce the amount of leased space through agency consolidation and agency relocation to state-owned properties.

Other goals and objectives:

- Maintain management data for statewide assets;
- Development of an online tool for agencies to report fluctuations/vacancies/reductions in staff in real time;
- Perform an asset management Gap Analysis to assess the condition of the program and to refine milestones;
- Coordinate and integrate information as appropriate from on-going GSD/FMD energy and security studies;
- Maintain an accurate land and building inventory;
- Assess space utilization for state facilities and provide guidance in the utilization of space assigned to customer agencies;
- Identify opportunities for consolidation, renovations, reassignment, demolition, and strategic additions or acquisitions;
- Compare existing use of state space standards;
- Identify future service needs considering state agency strategic plans, demographic trends and other pertinent data;
- Identify opportunities for consolidation, disposition or acquisition of properties to facilitate access to services, promote economies of scale, achieve cost-effective operations and make the most efficient use of space in accordance with the state space standards and best practices; and
- Determine a prototype for strategic space plans for other areas of the state.

Operations and Maintenance (O&M) – Services

- *Custodial Services* – Providing daily custodial services to 1.71 million square feet of state- owned buildings in Santa Fe and the Pine Tree campus in Albuquerque, including restroom cleaning, trash pick-up, dusting, mopping, carpet care, glass cleaning, and other related functions, as well as periodic cleaning services, customer requested services and emergency or special event cleaning;

- *Facilities Operations* – Providing campus operations, work control center and safety and security operations to ensure that building and life safety systems are operating as designed and providing maximum usefulness in the most cost-effective manner;

- *Maintenance Services* – Providing building repair and replacement, preventive maintenance, rapid response, small project, and grounds and landscape services; and

- *Utilities Management* – Providing management of electricity, natural gas, water, sewer, refuse and recycling for buildings under FMD care.

O&M Goals and Objectives

FMD ensures the buildings it manages and operates are clean, secure and comfortable for state workers. It also works to increase the operating efficiency of buildings, reducing their utility costs and decreasing state government's carbon footprint.

Other goals and objectives:

- Incorporate a predictive maintenance program for facilities;
- Operate more efficiently by utilizing and integrating technology, staff and training;

- Provide optimal customer service and effective communication with state agencies occupying Santa Fe and Albuquerque buildings under FMD jurisdiction;
- Achieve 95% staffing levels to respond to COVID-19 cleaning requirements;
- Track maintenance and associated costs;
- Research and apply industry standard best business and operational practices;
- Efficiently manage operational costs;
- Conduct facility inspections to prevent unplanned events;
- Maintain a customer satisfaction level of 90% or higher for completed work;
- Perform at a level 3 building cleanliness standard;
- Sustain the health of FMD-owned facilities and safeguard the public and customer agency occupants;
- Maintain the facility operations management program (AiM);
- Ensure the timely completion of maintenance work orders;
- Continue security evaluations of all Santa Fe buildings; and
- Create a decontamination and cleaning protocol to adapt to a COVID-19 environment.

Program Budget (in thousands):

FY23	General Fund	Other State Funds	Federal Funds	Other Transfers	TOTAL	FTE
200	$10,091.8	$0	$0	$0	$10,091.8	149.0
300	$285.6	$0	$0	$0	$285.6	
400	$6,793.5	$0	$0	$0	$6,793.5	
500	$200.0	$0	$0	$0	$200.0	
TOTAL	$17,370.9	$0	$0	$0	$17,370.9	

FY24	General Fund	Other State Funds	Federal Funds	Other Transfers	TOTAL	FTE
200	$11,388.9	$0	$0	$0	$11,388.9	148.0
300	$286.6	$0	$0	$0	$286.6	
400	$7,875.2	$0	$0	$0	$7,875.2	
500	$0.0	$0	$0	$0	$0.0	
TOTAL	$19,550.7	$0	$0	$0	$19,550.7	

Program Performance Measures:

1. Percent of scheduled preventive maintenance (PM) requirements completed on time.
2. Percent of new office space leases achieving adopted space standards.
3. Difference between state funding awarded and expended on completed capital projects.
4. Number of facility condition assessments conducted on an annual basis.
5. Amount (in dollars) of utility savings as a result of green energy initiatives.
6. Percent of capital projects completed on schedule.

PERFORMANCE MEASURE #1

Percent of scheduled preventive maintenance (PM) requirements completed on time.

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Target
59.2%	70%	59.2%	67.7%	81.7%*	60%	90%

MEASURE DESCRIPTION:
This measure tracks the percentage of scheduled preventive maintenance (PM) requirements completed on time.

DATA SOURCE/METHODOLOGY:
The Facilities Management Division (FMD) uses the AiM Preventive Maintenance module to create and track PM work orders in the AiM system.

The FMD performance manager collects data relating to completed preventive maintenance work orders from AiM. The maintenance supervisor is ultimately responsible for data entry, collection, analysis and quality. The performance manager is responsible for reporting the data to the GSD Office of the Secretary, who then reports to DFA and LFC.

Timely completion of PM work orders is a vital component of an effective PM program. This data relates to maintaining and extending the useful life of equipment and the reduction of costly repairs.

FMD uses the AssetWorks AiM Preventive Maintenance module to track preventive maintenance work and schedules. This software helps FMD reduce expenditures for maintenance/repair/operations, improve asset availability, reduce equipment downtime and reduce facility maintenance costs.

STORY BEHIND THE DATA:
The dip in the 4th quarter completion rate was due staff shortages in the Operations and Maintenance Bureau (O&M). On average, FMD completed 67% of preventive maintenance in FY24.

*Revised

IMPROVEMENT ACTION PLAN:

PERFORMANCE MEASURE #2

Percent of new office space leases achieving adopted space standards.

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Target
100%	100%	100%	100%	100%	100%	91%

MEASURE DESCRIPTION:
This measure tracks the percentage of new office space leases in compliance with established space standards per employee.

The Building Owners and Managers Association (BOMA) and the American National Standards Institute (ANSI) introduced new measuring standards to include a variance percentage to account for types of spaces previously unaccounted for within leasable square footages, such as collaborative and hotspot workstations, galleries, multi-use spaces and other technical space requirements. The new measuring standards account for sensible trends in the workspace not previously accounted for and provide some flexibility to the tenant agencies to customize space to meet their technical requirements. Since the 215 usable square feet (USF) per full-time equivalent (FTE) is a targeted goal based on the new BOMA measuring standards, FMD provides a 7 percent variance to the 215 USF/per FTE target to account for the above-mentioned space considerations. The 215 USF/per FTE is not an official space standard that is static, it is a target requirement aimed at aiding the agency in obtaining a generally accepted BOMA measuring standard.

DATA SOURCE/METHODOLOGY:
There were 17 leases granted in the 4th quarter:

- Six leases met the 215 USF space standard.

- Six leases exceeded the 215 USF space standard but were approved by FMD.
  An agency must request a space waivers when a leased space exceeds the state's square footage standard. In many cases, FMD waives the state's space standard to accommodate an agency's operational needs. For instance, HSD Income Support Field offices and Motor Vehicle Division offices often require space waivers due to large lobby areas and specialized spaces like interview rooms, essential for efficient operations. FMD has authorization to grant space standard waivers per NMAC 1.5.21.22.

- Two leases were exempt for special use purposes.
  FMD defines "special use" as "a facility other than an office building, warehouse, storage space, which is unique, distinctly difference and provides for needs beyond those previously listed." In this case, the leased premises classified as "special use" are:
    - DOH (Los Lunas Community Programs), which are residential homes for adjudicated individuals unable to care for themselves.
    - DOIT main communication hub, which houses large IT equipment.

- Three leases were exempt from the space standard since the total USF was less than 2,000 square feet.
  Note: Per NMAC 1.5.21.12 (C), an agency is not required to seek competitive sealed proposals when a lease is less than 2,000 usable square feet.

In addition to the 17 leases listed above, FMD processed 15 amendments to existing leases.

IMPROVEMENT ACTION PLAN:

PERFORMANCE MEASURE #3

Difference between state funding awarded and expended on completed capital projects.
(Annual Measure)

Results

FY22	FY23	FY24 Result	FY24 Target
92%	99.6%	98.7%	NA

MEASURE DESCRIPTION:
This measure reports on the difference between state funding awarded and expended on completed capital projects. This is an explanatory measure and does not have a performance target.

DATA SOURCE/METHODOLOGY:
FMD uses SHARE and the Capital Projects module in AiM to track the status of appropriations and expenditures for all capital projects. The FMD project managers (PMs) and Business Operations Bureau (BOB) manage the financial status of projects in an effort to ensure timely funding of projects and payment of expenditures (payment applications). The PMs and BOB staff regularly review project, AiM and SHARE reports to ensure data is accurate.

Capital Projects and BOB are responsible for data collection, accuracy and analysis of the data. The FMD Performance Administrator is responsible for reporting the data quarterly to the GSD Office of the Secretary (OOS). The OOS audits the data and reports it to DFA and the LFC.

PMs and BOB staff are responsible for ensuring the appropriate amount of funding is entered into AiM and that pay applications are received and processed timely to ensure the accuracy of the funding status. The PM and BOB Bureau Chief identify additional funding sources, if needed, to complete a project.

The use of additional funds to complete a project is not an indication of mismanagement. Management scrutinizes budget revisions before approving funding increases.

Project cost increases are typically a function of unforeseen issues (project or site), agency scope changes (which result in change orders), discrepancies in project cost estimates versus actual quoted construction costs or labor and material increases. Forecasted costs, which form the basis for capital appropriations, typically occur several months (and up to a year) before an appropriation and before the project design receives an official quote for construction. As a result, numerous projects may require funding adjustments in order to complete them.

Finally, most legislative capital outlay consists of funding for statewide projects and does not always contain language pertaining to a specific project. The reason for this is to allow for flexibility when using the funding for emergencies or changes in customer agency priorities. Very few legislative capital outlay appropriations are project specific.

STORY BEHIND THE DATA:
The Legislature appropriated $73,979,220 to FMD for various projects, which expire at the end of FY24. Of this amount, FMD expended $73,003,042. FMD completed several projects under budget, resulting in a remaining balance of $976,178.

<u>Note</u>: This number is preliminary and may increase due to additional expenditures or accruals occurring prior to fiscal year close. The official number will not be available until the first quarter of FY25.

IMPROVEMENT ACTION PLAN:

PERFORMANCE MEASURE #4

Number of facility condition assessments conducted on an annual basis. (Annual Measure)

Results

FY22	FY23	FY24 Result	FY24 Target
22	0	0	25

MEASURE DESCRIPTION:
This measure will be used to track the number of FMD-owned and occupied buildings with a Facility Condition Assessments (FCI) of 60 or greater. FMD reports this data at the end of the fiscal year.

DATA SOURCE/METHODOLOGY:
The FCA provides a benchmark to compare the relative condition of owned facilities and supports asset management initiatives. This assessment compares the cost of maintaining a facility to the replacement cost.

FMD needs to conduct annual FCA assessments of 20% of their facilities. This data identifies the buildings most in need of repair or replacement and helps prioritize scarce capital outlay resources.

Tracking the FCA is a practice widely used as a method for assessing the condition of facilities. FMD will only track owned and occupied buildings (as opposed to vacant facilities) as they present an immediate impact to agencies, their employees and customers.

STORY BEHIND THE DATA:
The New Mexico Legislature did not appropriate funds to perform facility condition assessments in FY24.

IMPROVEMENT ACTION PLAN:

PERFORMANCE MEASURE #5

Amount (in dollars) of utility savings as a result of green energy initiatives.

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Result	FY 24 Target
$84.954	($38,191)	$58,835	$126,088	$98,638	$92,638	$376,199	NA

MEASURE DESCRIPTION:
The measure tracks utility savings resulting from green energy initiatives. This is an explanatory measure and does not have a performance target.

DATA SOURCE/METHODOLOGY:
Data for this measure will be tracked using utility bills from gas and electric meters and energy reports provided by the FMD ESCO contractor responsible for the building upgrades and SHARE financial reports.

STORY BEHIND THE DATA:
This reported performance measure is based on the energy usage benchmark established as part of the Investment Grade Audit, which was conducted in 2018, which is the foundation for the Energy Performance Savings Contracts (EPSC) projects – AKA "Green Initiative Projects" or "ESCO Projects."

Current green energy initiatives resulted in energy savings of 1,950,957 2,081,665 kWh for Q4. Energy savings resulted in avoided greenhouse gas emissions of 1,363 metric tons for Q4.

There is a discrepancy in data correlation between cost and energy savings due to PNM billing cycles and meter readings. FMD will address discrepancies with the data as facilities associated with the Energy Performance Savings Contract (EPSC) projects begin measurement and verification efforts. This will include data cleansing efforts to ensure cost and energy savings correlate. During the measurements and verification (M&V) process, FMD will adjust performance measure results as needed.

This metric only includes buildings in the Santa Fe ESCO portfolio. FMD replaced the Department of Workforce Solutions as the responsible party for the Tiwa Building, which is currently in the M&V phase of the project. Future metrics will include this building.

IMPROVEMENT ACTION PLAN:
To accurately track cost savings relative to full facility occupancy before green energy initiatives began, future reports will adjust this metric to compare costs and energy savings to the base year of 2016. Additionally, the metric must consider the impact of commissioning, occupying, and operating new facilities over the next three years.

PERFORMANCE MEASURE #6

Percent of capital projects completed on schedule.

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Ave.	FY24 Target
92.8%	87.3%	91.6%	88.6%	96.2%	100%	94.1%	90%

MEASURE DESCRIPTION:
This measure captures the percentage of Facilities Management Division Capital Projects completed on schedule.

DATA SOURCE/METHODOLOGY:
FMD collects data for this measure from the KPI-Capital Project Cost Report (AiM/Business Objects). The FMD Capital Projects Bureau enters data into AiM. The FMD management analyst generates the Capital Project Cost Report.

In FY21, FMD revised the methodology used to capture results for this measure. The current reporting criteria capture capital projects where the status is “11-Month Warranty,” “Financial Closeout” or Closed.”

STORY BEHIND THE DATA:
FMD completed all 10 projects on schedule in the 4th quarter.

IMPROVEMENT ACTION PLAN:

PROGRAM 609 – TRANSPORTATION SERVICES

Program Description, Purpose and Objectives:
Mission: To help our customers get to their destination on time and cost effectively with safe, dependable transportation and to recycle useable surplus property in the most efficient manner possible.

Customers: Public employees who drive passenger vehicles owned by the State; individuals flying in State-owned planes; State and local governments, public schools, small businesses and non-profit organizations that acquire goods or services through the State Agency for Surplus Property.

Services
The Transportation Services Division provides both short-term and long-term passenger vehicle leases, as well as air transportation for state entities. It uses a vehicle global positioning system to monitor fleet efficiencies and greenhouse gas emissions.

Other services:
- Vehicle acquisition and disposal;
- Defensive driving training courses;
- State driver license checks;
- Ground transportation;
- Acquisition and redistribution of federal and state surplus personal property;
- State Surplus Property Storefront and online auction operations; and
- State agency moving services.

Goals and Objectives
- Develop an effective vehicle replacement program;
- Identify an optimum size for agency fleet vehicles;
- Increase the number of low-emission vehicles within the state fleet;
- Continue aviation services for the New Mexico School for the Blind and Visually Impaired and other state agencies;
- Identify creative strategies to increase sales for the State Agency for Surplus Property;
- Expand defensive driving training courses;
- Develop cost-effective alternatives for the transportation of state employees;
- Reduce State Central Fleet Authority (SCFA) operational costs; and
- Develop and implement a ride-share program.

Program Budget (in thousands):

FY23	General & Other State Funds	Federal Funds	Other Transfers	TOTAL	FTE
200	$2,448.6	$0	$0	$2,448.6	33.0
300	$202.8	$0	$0	$202.8	
400	$6,929.7	$0	$0	$6,929.7	
500	$390.1	$0	$0	$390.1	
TOTAL	$9,971.2	$0	$0	$9,971.2	

FY24	General Fund & Other State Funds	Federal Funds	Other Transfers	TOTAL	FTE
200	$2,559.3	$0	$0	$2,559.3	32.0
300	$202.0	$0	$0	$202.0	
400	$8,295.8	$0	$0	$8,295.8	
500	$426.8	$0	$0	$426.8	
TOTAL	$11,483.9	$0	$0	$11,483.9	

Program Performance Measures:
1. Average vehicle operation costs per mile, as compared to the industry average.
2. Percent of leased vehicles used daily or 750 miles per month.

PERFORMANCE MEASURE #1

Average vehicle operation costs per mile, as compared to the industry average. (Annual Measure)

Results

FY22	FY22	FY24 Result	FY 24 Target
$0.64	$0.52	$0.68	≤$0.59

MEASURE DESCRIPTION:
This measure tracks the operation costs per mile as compared to industry averages. TSD reports this measure at the end of the fiscal year.

DATA SOURCE/METHODOLOGY:
The Transportation Services Division (TSD) uses the Asset Works Fleet Focus third-party vehicle software applications and national industry standards for vehicle operating costs to track and calculate the average cost per mile for its fleet. TSD's total vehicle operation costs include mileage, fuel use, maintenance, and repair costs. TSD then compares costs to national industry data.

The Motor Pool bureau chief is responsible for data collection, analysis and ensuring the quality/accuracy of the information. TSD validates usage and check the condition of the vehicles through annual vehicle inspections. The Office of the Secretary forwards the performance results to DFA and LFC after it is reviewer.

Tracking vehicle costs per mile is an industry standard practice. TSD calculates this figure based on a medium-size passenger sedan accumulating 15,000 miles per year. TSD tracks the same variables used by the industry to calculate the cost per mile; miles traveled, average miles per year, maintenance and repair costs, fuel costs and overhead costs. This measure only includes TSD's passenger vehicles.

STORY BEHIND THE DATA:
In FY24, TSD's average operation cost per mile is $0.68. The calculation includes maintenance and repair costs, fuel costs, overhead, and ownership (fixed costs). Although this result misses the annual target, it is less than the industry average operation cost per mile of $0.81, according to AAA.

IMPROVEMENT ACTION PLAN:
There is no improvement action plan.

PERFORMANCE MEASURE #2

Percent of leased vehicles used daily or 750 miles per month.

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Target
40%	54.3%	71%	67.4%	82%	98%	70%

MEASURE DESCRIPTION:
This measure identifies the percent of leased vehicles that travel 750 miles per month or vehicles used daily.

DATA SOURCE/METHODOLOGY:
The GSD Transportation Services Division (TSD) uses GPD data and Asset Works' Fleet Focus software to track vehicle usage.
TSD validates mileage information, as well as examines the condition of each vehicle, annually during vehicle inspections. DFA and LFC receive vehicle use data quarterly.

This measure tracks when, and how often, state agencies use vehicles assigned to them. This directly supports the division's mission of ensuring maximum vehicle utilization and removing underutilized vehicles from the leased vehicle pool. If a vehicle does not meet the 750 mile per day use threshold, the agency is encouraged to return the vehicle to TSD and use the Quick Ride (short-term lease) program.

STORY BEHIND THE DATA:
In the 4th quarter, 98% of leased vehicles were used daily (1,002), accumulated at least 750 miles per month (940), or both (1,942).

IMPROVEMENT ACTION PLAN:
There is no improvement action plan.

PROGRAM 799 – RISK MANAGEMENT RESERVE FUNDS

Program Description, Purpose and Objectives:
The Risk Management Division is responsible for the Risk Management Reserve Funds, a shared risk pool among covered public entities that provides financial protection through a combination of self-insurance and third party coverage administered through various funds, including the unemployment compensation fund, public property reserve fund, workers' compensation retention fund, and public liability fund.

Program Budget (in thousands):

FY23	General Fund	Other State Funds	Federal Funds	Other Transfers	TOTAL	FTE
200	$0	$0	$0	$0	$0	0.0
300	$0	$25,539.2	$0	$0	$25,539.2	
400	$0	$67,160.0	$0	$0	$67,160.0	
500	$0	$10,001.5	$0	$0	$10,001.5	
TOTAL	$0	$102,700.7	$0	$0	$102,700.7	

FY24	General Fund	Other State Funds	Federal Funds	Other Transfers	TOTAL	FTE
200	$0	$0	$0	$0	$0	0.0
300	$0	$29,500.0	$0	$0	$29,500.0	
400	$0	$63,536.8	$0	$0	$63,536.8	
500	$0	$10,988.1	$0	$0	$10,988.1	
TOTAL	$0	$104,024.9	$0	$0	$104,024.9	

Program Performance Measures:

1. Projected financial position of the public property fund.
2. Projected loss ratio for the public property fund.
3. Projected financial position of the public liability fund.
4. Projected loss ratio for the public liability fund.
5. Projected financial position of the workers' compensation fund.
6. Projected loss ratio for the workers' compensation fund.

PERFORMANCE MEASURE #1

Projected financial position of the public property fund (Fund 356).

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Target
443%	215%	184%	220%	251%	275%	NA

MEASURE DESCRIPTION:
This measure tracks the soundness of the public property fund. This is an explanatory measure and does not have a performance target.

DATA SOURCE/METHODOLOGY:
The Risk Management Division uses actuarial reports, cash balance reports from SHARE and projected loss figures attributable to the fund to identify the financial position of each fund. To determine the financial position, RMD divides the cash balance of the fund by the actuarial projected loss attributable to the fund. This method determines if cash on hand will be sufficient to meet incurred and anticipated claim payment obligations of the fund.

The RMD Finance Bureau is responsible for data collection, analysis, and quality and for reporting the data quarterly to the strategic planning officer. The strategic planning officer audits the data and reports it to DFA and LFC quarterly.

STORY BEHIND THE DATA:
In the 4th quarter of FY24, projected assets ($16,409.6) exceed outstanding liabilities ($5,970.2). This data is based on an actuarial calculation of outstanding liabilities and assumes a worst-case scenario.

The fund continues to pay high property premiums, yet has not experienced any catastrophic losses.

IMPROVEMENT ACTION PLAN:
RMD is working with our actuaries on setting reserve claims in RMIS.

PERFORMANCE MEASURE #2

Annual loss ratio for the public property fund (Fund 356).

Results

FY 22	FY 23	FY 24 Q1	FY 24 Q2	FY 24 Q3	FY 24 Q4	FY 24 Target
1.5	1.23	1.07	1.30	1.30	1.08	1.0

MEASURE DESCRIPTION:
This measure tracks the projected loss ratio of the public property fund.

DATA SOURCE/METHODOLOGY:
The Risk Management Division uses actuarial reports, cash balance reports from SHARE and projected loss figures attributable to the fund to identify the financial position of each fund.

The loss ratio is the amount of payouts divided by premiums received by the fund in a given period. A loss ratio over one (1) means the program paid out more than it received in premium payments, while a ratio less than 1 means the program collected more than it paid.

The RMD Finance Bureau is responsible for data collection, analysis, and quality. DFA and LFC receive this data quarterly.

STORY BEHIND THE DATA:
In the 4th quarter of FY24, RMD collected $15,143.6 in revenue and experienced $16,409.6 in actual expenditures yielding a loss ratio of 1.08 (or 108%).

IMPROVEMENT ACTION PLAN:
RMD is working with the actuary to discuss options on how to deal with the increases in the property market while maintaining fund solvency.

PERFORMANCE MEASURE #3

Projected financial position of the public liability fund (Fund 357).

Results

FY22	FY23	FY24 Q1	FY 24 Q2	FY 24 Q3	FY 24 Q4	FY 24 Target
66%	42%	33%	7%	8%	16%	NA

MEASURE DESCRIPTION:
This measure tracks the soundness of the public liability fund. This is an explanatory measure and does not have a performance target.

DATA SOURCE/METHODOLOGY:
The Risk Management Division uses actuarial reports, cash balance reports from SHARE and projected loss figures attributable to the fund to identify the financial position of each fund.

To determine the financial position, RMD divides the cash balance of the fund by the actuarial projected loss attributable to the fund. This method determines if cash on hand is sufficient to meet incurred and anticipated claim payment obligations of the fund.

The RMD Finance Bureau is responsible for data collection, analysis, and quality. DFA and LFC receive this data quarterly.

STORY BEHIND THE DATA:
In the 4th quarter of FY24, outstanding liabilities ($134,951.3) for the public liability fund exceeded projected assets ($21,397.6). The result reflects an actuarial calculation of outstanding liabilities, assuming a worst-case scenario.

The fund continues to struggle with high civil rights claims due to recent legislative changes to the Civil Rights Act.

IMPROVEMENT ACTION PLAN:

PERFORMANCE MEASURE #4

Annual loss ratio for the public liability fund (Fund 357).

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Target
1.02	1.23	1.25	1.25	1.25	1.43	1.0

MEASURE DESCRIPTION:
This measure tracks the soundness of the public liability fund.

DATA SOURCE/METHODOLOGY:
The Risk Management Division uses actuarial reports, cash balance reports from SHARE and projected loss figures attributable to the fund to identify the financial position of each fund.

The loss ratio is the amount of payouts divided by premiums received by the fund in a given period. A loss ratio over 1 means the program paid out more than it received in premium payments, while a ratio less than 1 means the program received more than it paid.

The RMD Finance Bureau is responsible for data collection, analysis, and quality and for reporting the data quarterly to the strategic planning officer. The strategic planning officer reviews the data and reports it to DFA and LFC quarterly.

STORY BEHIND THE DATA:
In the 4th quarter of FY24, RMD collected $51,027.4 in revenue and experienced $72,821.1 in actual expenditures yielding a loss ratio of 1.43 (or 143%).

IMPROVEMENT ACTION PLAN:

PERFORMANCE MEASURE #5

Projected financial position of the workers' compensation fund (Fund 359).

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Target
66%	56%	63%	60%	61%	63%	NA

MEASURE DESCRIPTION:
This measure tracks the soundness of the workers' compensation fund. This is an explanatory measure and does not have a performance target.

DATA SOURCE/METHODOLOGY:
The Risk Management Division uses actuarial reports, cash balance reports from SHARE and projected loss figures attributable to the fund to identify the financial position of each fund.

To determine the financial position, RMD divides the cash balance of the fund by the actuarial projected loss attributable to the fund. This method determines if cash on hand is sufficient to meet incurred and anticipated claim payment obligations of the fund.

The RMD Finance Bureau is responsible for data collection, analysis, and quality and for reporting the data quarterly to Deputy Secretary. The Deputy Secretary audits the data and reports it to DFA and LFC quarterly.

STORY BEHIND THE DATA:
Outstanding liabilities ($76,050.6) for the workers' compensation fund exceeded projected assets ($48,026.5) in the 4th quarter, which allows for coverage of 63% of the outstanding liabilities. The result reflects an actuarial calculation of outstanding liabilities, assuming a worst-case scenario, is the basis for this data.

The Worker's Compensation fund is performing above the target of 50%.

IMPROVEMENT ACTION PLAN:

PERFORMANCE MEASURE #6

Annual loss ratio for the workers' compensation fund (Fund 359).

Results

FY22	FY23	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY24 Target
.91	.87	.94	.94	.94	.70	1.0

MEASURE DESCRIPTION:
This measure tracks the annual loss ratio for the workers' compensation fund.

DATA SOURCE/METHODOLOGY:
The Risk Management Division uses actuarial reports, cash balance reports from SHARE and projected loss figures attributable to the fund to identify the financial position of each fund.

The loss ratio is the amount of payouts divided by premiums received by the fund in a given period. A loss ratio over 1 means the program paid out more than it received in premium payments, while a ratio less than 1 means the program received more than it paid.

The RMD Finance Bureau is responsible for data collection, analysis, and quality and for reporting the data quarterly to the Office of the Secretary. DFA and LFC receive data for this measure quarterly.

STORY BEHIND THE DATA:
In the 4th quarter of FY24, the workers' compensation fund collected actual revenue of $26,384.7 while experiencing $18,421.3 in 4th quarter expenses resulting in a loss ratio of .70 (or 70%).

IMPROVEMENT ACTION PLAN:
There is no improvement action plan at this time.