



**NEW MEXICO**  
GENERAL SERVICES DEPARTMENT

**20**  
**15** **ANNUAL REPORT**  
RISK MANAGEMENT DIVISION

# **2015 ANNUAL REPORT**

**of the**

**GENERAL SERVICES DEPARTMENT**

**RISK MANAGEMENT DIVISION**

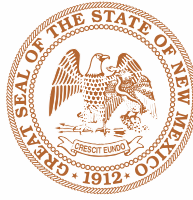
**THE HONORABLE SUSANA MARTÍNEZ, GOVERNOR**

**EDWYNN BURCKLE, CABINET SECRETARY**

**Submitted to:**

**THE NEW MEXICO STATE LEGISLATURE**

**A.J. FORTE, DIRECTOR**



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## State of New Mexico

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#### HONORABLE MEMBERS OF THE NEW MEXICO LEGISLATURE:

This report is submitted to aid and inform the Legislature's performance of its duties.

The Risk Management Division of the General Services Department was created to protect and conserve the state's human and physical resources and financial assets. The Division provides multi-line insurance coverage programs to state agencies and employees, employee health benefits, loss prevention and control initiatives, dispute prevention and resolution services, and legal defense for the State of New Mexico.

The Risk Management Division's programs are comprehensive in scope and are offered to a wide variety of state governmental units, including state agencies, state employees, boards and commissions, schools and universities, participating school districts; and, other local public bodies (LPBs). Covered governmental entities are highly diverse, both in their compositions and challenges.

During Fiscal Year 2015, the Risk Management Division built its leadership and moved forward with the goal of improving the solvency of all its funds. The premium recalculation process enacted in the last fiscal year has been successful and changes made to claims management continue reduce expenses and improve accountability within the agencies served. Notably, in 2015, RMD opened a health clinic, Stay Well Health Center. Located at the Montoya Building in Santa Fe, Stay Well specifically serves state employees and their families who participate in the state's health benefits plan. This clinic is the first of its kind in New Mexico, and indeed one of the first in the country. We expect health outcomes to improve for our covered individuals and costs to be lowered as a result.

I trust you will find the report informative and useful as you formulate programs and policies that govern and benefit the citizens of this great state.

Respectfully submitted,

A handwritten signature in blue ink that reads "A. Forte".

A.J. Forte,  
Director

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## EXECUTIVE SUMMARY

The Risk Management Division (RMD) was established to meet a diverse array of critical needs for public entities in the State of New Mexico, *see* RMD's organic statute, NMSA 1978, §15-7-1 *et seq.*

RMD is responsible for self-insured administration and the procurement of insurance to protect the public liability fund, *see* § 41-4-23, the workers' compensation retention fund, *see* § 15-7-6, and the public property reserve fund, *see* § 13-5-1. RMD administers the State's group benefits self-insurance plan, providing life, vision, health, dental and disability coverage for employees of the state and of participating local public bodies, *see* § 10-7B-1 *et seq.* Section 51-1-15 further charges RMD with administering the State Government Unemployment Compensation Reserve fund and the Local Public Body Unemployment Compensation Reserve Fund.



## RMD OPERATIONAL STRUCTURE

During Fiscal Year 2015, RMD continued to make changes to its operational structure in an effort to improve outcomes and operational efficiency. Management structure has been streamlined and staffing levels are improved. RMD functions are divided among separate units, known as Bureaus. To see RMD's current organizational chart please view Exhibit 1, provided at the end of this report. Following are narratives describing the operations of each individual RMD Bureau.

### ALTERNATIVE DISPUTE RESOLUTION (ADR) BUREAU

The Governmental Dispute Prevention and Resolution Act of 2007, NMSA 1978, § 12-8A-1 *et seq.*, established the Alternative Dispute Resolution (ADR) program within RMD. ADR is a voluntary process, excluding litigation, used to prevent or resolve disputes. ADR encompasses a broad range of problem-solving processes; the most common of which are mediation, facilitation, and arbitration. Statute requires that state agencies provide access to ADR. The ADR Bureau assists state agencies in identifying resources, coordinating services, and developing procedures and forms. The ADR Advisory Council provides guidance for this work through bi-annual meetings and an annual report.

The ADR Bureau's primary goal is to prevent expensive and complicated processes such as litigation through early dispute resolution for agencies served by RMD. The ADR Bureau coordinates no-cost mediation services for agencies and employees through a pool of trained mediators, primarily from within state government, along with community and volunteer service providers. Statistical data, along with state agency reports on their use of ADR processes are incorporated into the ADR Bureau's ongoing statistical analysis and annual report. The Bureau supports mediation participation at the US Equal Employment Opportunity Commission (EEOC), pursuant to the *Regional Universal Agreement to Mediate*. The ADR Bureau continues to make progress with its Electronic Content Management (ECM) system to facilitate online reporting and data analysis for all of these functions.

In Fiscal Year 2015, the ADR Bureau conducted extensive outreach through customer service visits and presentations at various meetings, conferences, and staff events. Additionally, the ADR Bureau provided ADR Coordinator training for 33 agency representatives. The ADR Bureau also presented training in conflict management skills and mediation certification courses. This resulted in 56 new mediators that now serve state employees throughout New Mexico. The ADR Bureau's year culminated with its fifth annual statewide ADR Symposium in Santa Fe. This no-cost training event was RMD's largest and most successful ever, with over 220 participants from throughout the state, representing 56 organizations.

## EMPLOYEE BENEFITS BUREAU (EBB)

Under the Group Benefits Act, RMD is responsible for the administration of a self-insured group benefits plan offered to state employees and participating local public bodies, *see* NMSA 1978, § 10-7B-6. RMD's Employee Benefits Bureau (EBB) provides planning and oversight to the state's benefits plan. With approximately 68,000 individuals enrolled state-wide, the State of New Mexico's plan is one of the largest health insurers in the state.

The group benefits plan offers medical, dental, vision, life, short and long term disability, Flexible Spending Account Program (FSA), Employee Assistance Program (EAP), and COBRA coverage. Erisa, the third party administrator for the state's benefit enrollment program continues to successfully meet the service level requirements by maintaining quality data input for our carriers, monitoring, and reconciling discrepancies with our carriers. In addition, Erisa maintains our employee bureau website with updated enrollment tools and carrier information. The EBB staff worked with our technical support services team to develop and implement a web based enrollment tool. With the new tool, paper waste is minimized and errors due to illegible hand written forms were reduced. EBB has implemented enrollment webinars. This allows EBB to reach more people with enrollment information and reduce travel costs.

EBB Performance Measures for Fiscal Year 2015 continue to look good. The state's group generic prescription drug rate is above our target of 80 percent, at just over 84 percent. Eligible state employees' enrollment in the state health insurance program has improved from last year to 95 percent enrollment, a full five (5) percent over our target.

Catapult Health LLC, the state's Wellness program administrator, has provided 11,689 biometric screenings in FY15. The results of these screenings and onsite preventive checkups are having a positive impact on the health of State employees and their spouses and partners. Reports indicate positive movement related to blood sugar, metabolic syndrome, and cholesterol—all key factors in predicting future cases of diabetes, heart disease and stroke. For example, using de-identified data from 3,412 State employees and family members who have participated in at least two checkups, we see a 29 percent drop in patients' whose glucose (blood sugar) levels indicated pre-diabetes. Results also show improvement in patients' metabolic syndrome. (Metabolic syndrome is a combination of risks that are a good indicator of future health. A person with three or more metabolic syndrome risk factors is twice as likely to develop heart disease and five times as likely to develop diabetes compared to someone with two or fewer risk factors.) During their initial checkups, 32.5 percent of the measured group had metabolic syndrome. That number improved to 30.2 percent in just one year. The number of patients with elevated cholesterol dropped from 15.7 percent down to 12.5 percent; hypertension in patients dropped from 10.8 percent to 9.7 percent.

Of final note, in the fall of 2014, the EBB issued a Request for Proposal for a first-of-its-kind Wellness Health Center, now known as the Stay Well Health Center, dedicated for sole use by state medical plan benefitted members and family. Stay Well Health Center is managed by licensed nurse practitioners who provide services including annual wellness exams, physical exams for work and school, minor first aid, common illnesses treatment, and vaccinations. These services are provided at a reduced rate when compared to the private sector and are also zero-copay. Some pharmaceutical medications are also dispensed at time of service, saving additional high medication costs to the state and employees.

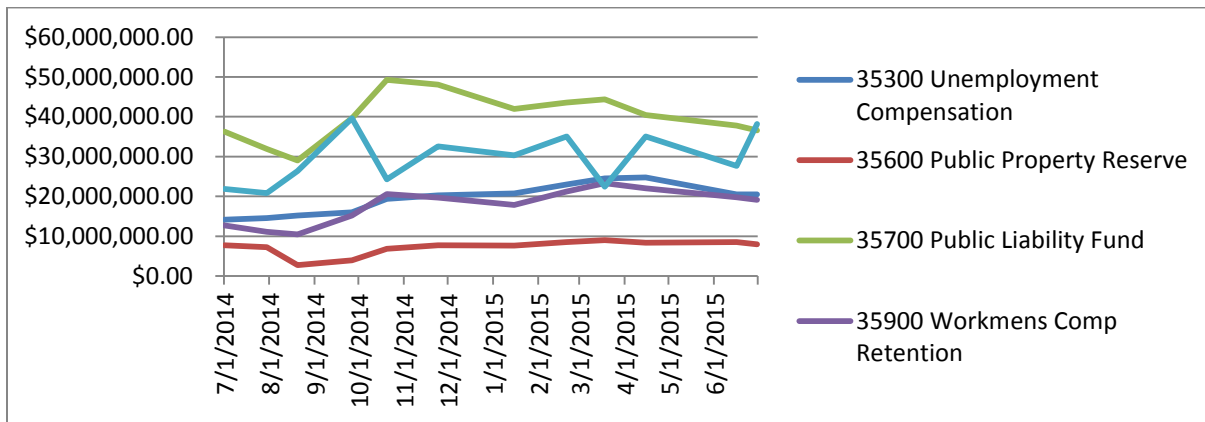
The Cerner Corporation was responsible for Stay Well's construction and manages the center. Cerner has many years of experience managing health centers across the United States. The Stay Well Health Center is conveniently located in the Joseph Montoya Building in Santa Fe. We estimate at least two hundred visits per month; at this rate the state will save an estimated \$2.5 million a year in medical expenses. The Grand Opening was held on October 21, 2015 and was attended by the Governor, Cerner Executives, Cabinet Secretaries, and media.



## FINANCE BUREAU

The Finance Bureau supports all of RMD by centralizing the Division’s financial functions and providing accountability and timely processing of financial transactions and functions. Comprised of a Finance Bureau Chief and four staff members, the Bureau continues to manage: budget preparation; financial reporting; encumbrances; accounts receivable; accounts payable; and contract administration. The Finance Bureau has been involved in the DFA Cash Remediation initiative which allows for proper posting of third party payments in SHARE for accurate 1099 reporting and daily bank reconciliation of payments. The project required that RMD Finance reconcile the RMD claims tracking system to SHARE back to 2006. The new process is scheduled to go live in April of 2016.

The Finance Bureau also serves one of RMD’s key functions, administration and tracking of nine risk funds. Fund solvency has been a concern for quite some time and one of the Division’s main accomplishments in 2015 is fund solvency across all funds. Below is a graph showing cash balance activity for five funds during the 2015 fiscal year.



## LOSS PREVENTION AND CONTROL BUREAU (LPCB)

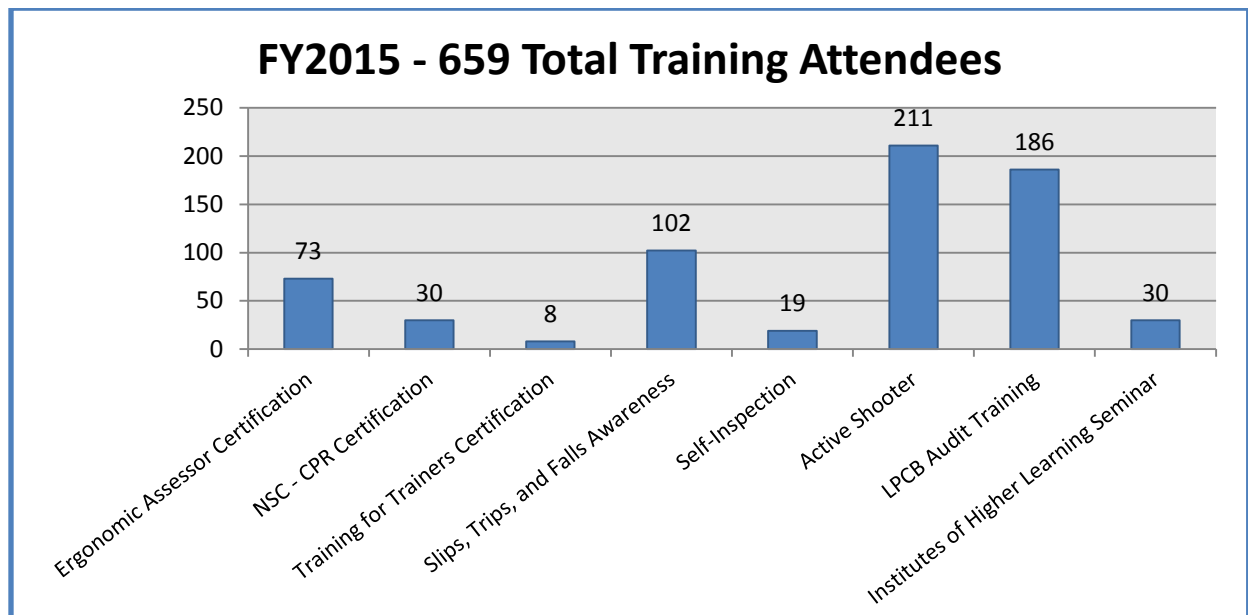
RMD’s Loss Prevention and Control Bureau (LPCB) oversees Risk Management Insured entities’ compliance with NMSA §§ 9-17-5(E), 15-7-3(A)(9) and NMAC 1.6.4, the Loss Prevention and Control Rule. The LPCB provides active leadership to enable state entities to mitigate insured losses by their employees, the general public, and to protect the state’s physical and financial assets. The LPCB assists entities by reducing and controlling risk in the most efficient and cost-effective manners available.

The State of New Mexico operates and insures diverse assets, including state facilities, hospitals, community colleges, universities, libraries, historical artifacts and sites as well as local public body entities such as Soil & Water Conservation Districts, Acequia Associations, and non-profit research parks. The LPCB began full implementation of NMAC 1.6.4, the Loss Prevention and Control Rule, by auditing all state entities in late FY15. To pass the audit, state entities were



required to meet a 70 percent minimum relative to an idealized loss prevention & control program. The average score of all FY15 state entity audits conducted was 76 percent. The LPCB held several audit trainings statewide during early FY15 to prepare all entities for these audits.

The LPCB staff provides training in topics such as: ergonomic assessments, CPR/First Aid/AED, Blood-borne Pathogens, Training for Trainers, General Office Safety, Safety Inspections, and other non-OSHA training (“Slips, Trips and Falls” prevention and Incident and Accident Investigation). The LPCB also partners with the Workers’ Compensation (WC) and Property and Casualty (PAC) Bureaus to provide Workers Compensation 101 and PAC 101 trainings as well as education for agencies on the RMD premium rate-development processes. All trainings are important to improve agency accountability and to build understanding about how agencies’ proactive efforts in loss prevention and control can have an impact on the loss experience used in calculating annual risk rates for insurance coverage.



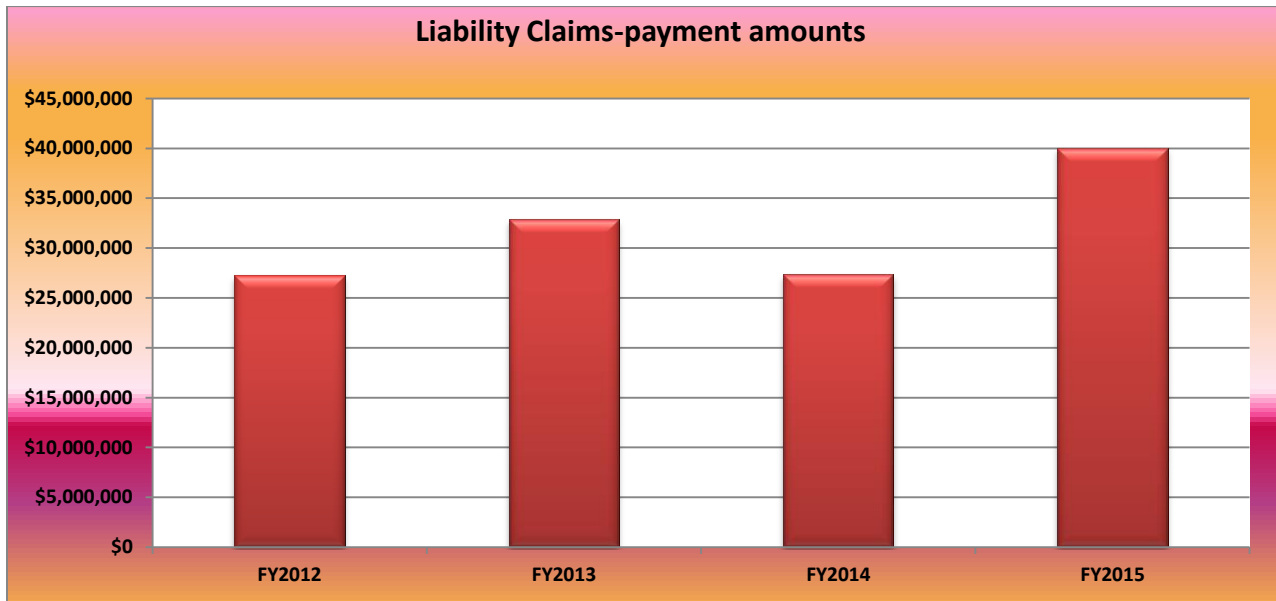
LPCB staff has completed a number of trainings to provide additional informative subjects that assist entities with FREE Training and Development options:

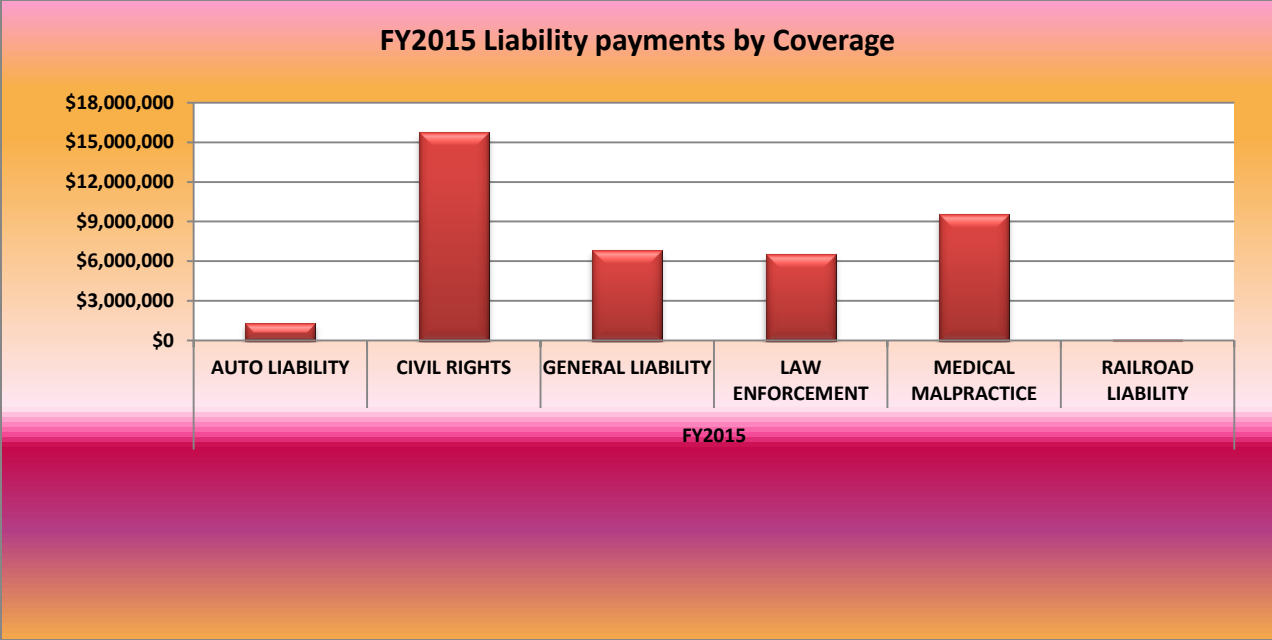
- Principles of Occupational Safety and Health (POSH)
- Safety Training Methods (STM)
- Back School of Atlanta – Ergonomic Assessor Certification
- Occupational Safety and Health Administration (OSHA) 30 Hour – General Industry
- Occupational Safety and Health Administration (OSHA) 10 Hour – General Industry
- Alternative Dispute Mediation Certification 40 Hour
- CPR, First Aid, AED and Blood Borne Pathogen Instructor Certification
- Project Management
- Training for Trainers Certification
- Americans with Disabilities Act (ADA) Training
- Microsoft Office 2016 Certification (Excel, Word, Access, Outlook, and Project)

## PROPERTY AND CASUALTY BUREAU (PAC)

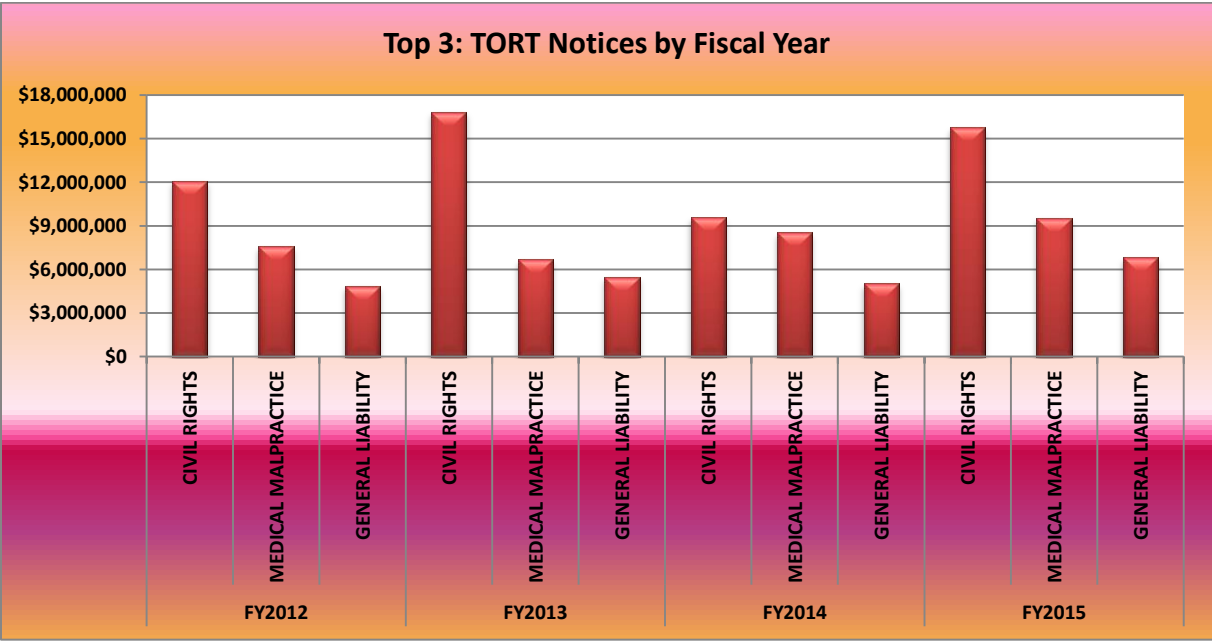
The Property and Casualty (PAC) Bureau fulfills RMD’s statutory obligation to “compromise, adjust, settle and pay” claims filed against the State of New Mexico and its insured entities, *see* NMSA 1978, § 15-7-2. The PAC Bureau strives to provide thorough and efficient claims administration of Tort Claim and civil rights exposures faced by the State’s insured agencies. The PAC Bureau investigates and adjusts claims in an effort to quickly and cost effectively evaluate exposures and identify claims for early resolution or defense in order to protect the solvency of the Public Liability Fund. The Public liability Fund is exposed to a wide variety of claims arising from agency operators. These suits include all of the state’s tort litigation and civil rights suits. These suits can be factually and legally complex and correspondingly can be expensive to defend.

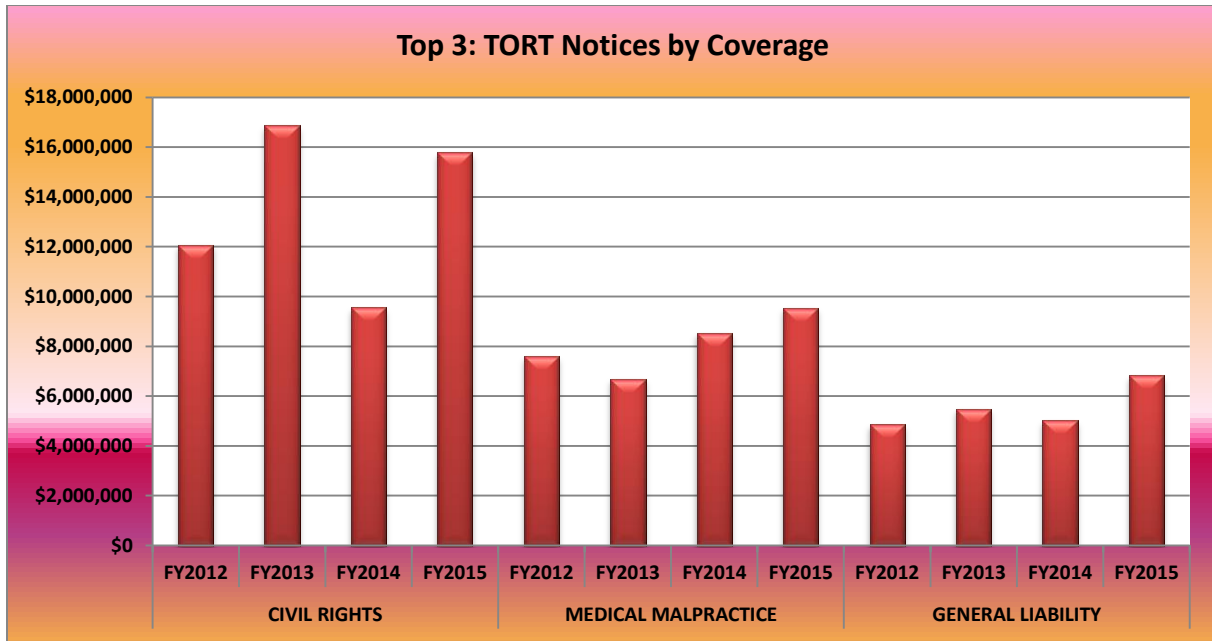
The Bureau opened a total of 1,292 new claims in Fiscal Year 2015, and closed 1,341 claims in that same period. To timely and efficiently administer its claim count, the PAC Bureau contracts with outside investigators, adjusters and attorneys as necessary.



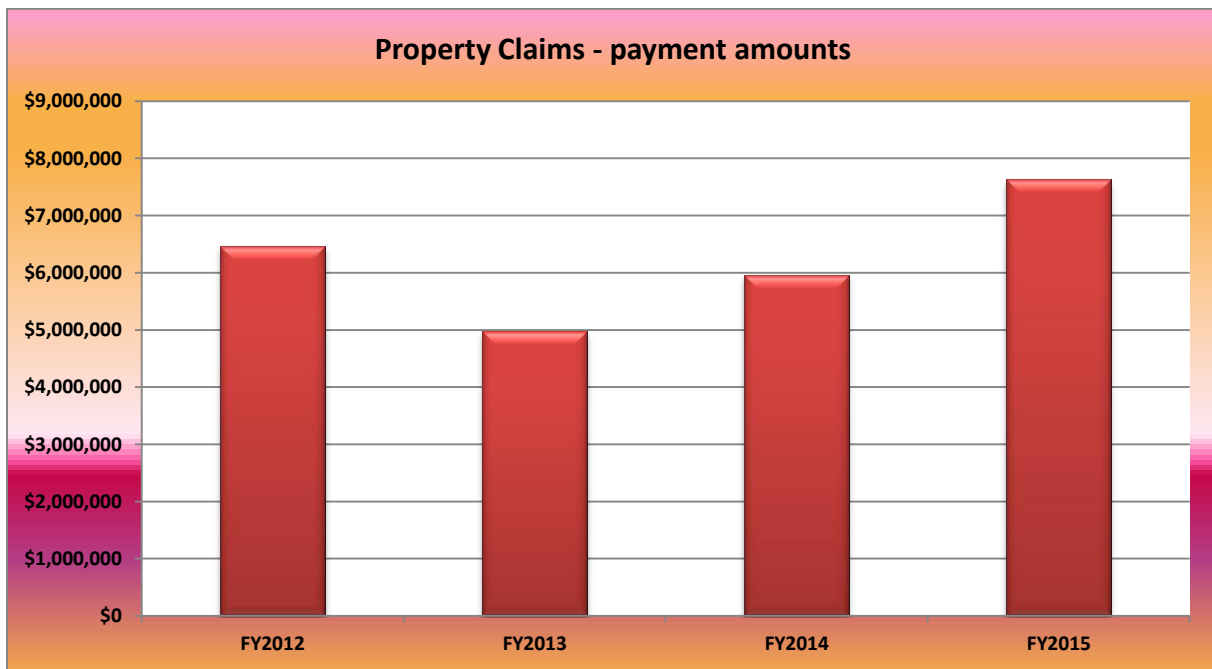


The three largest types of exposures covered by the Tort Claims Act are: civil rights (including employment claims), general liability and medical malpractice. The total amounts paid to resolve claims within each of those three claim types are represented in the historical graph depicting annual total payments among the top categories of tort exposures.





The PAC Bureau is also responsible for administering claims against the Public Property Reserve Fund, which protects “public buildings of state agencies against loss or damage by fire, windstorm, hail, smoke, explosion, riot or civil commotion” as required by § 13-5-1. Section 13-1-5(B) requires that RMD cover certain claims for agency losses of personal property.





## PUBLIC PROPERTY INSURED VALUE

In FY 2015, RMD secured a state-wide appraisal across the inventory of all public buildings insured by the Division, in satisfaction of NMSA 1978 § 13-5-1(D) and to obtain an estimated total replacement value of the buildings, and total insured value of the buildings. The 3,736 page report is available for inspection at RMD by appointment. The updated appraisal data will assist RMD in the goal of achieving fund solvency by improving the precision of premium rates and continuing to secure reinsurance at an advantageous rate.

The appraisal for each building details information on 4,676 distinct buildings throughout the State. The total estimated replacement cost for all the buildings in the inventory is \$8,435,603. The appraisal for each building includes: the exact location; whether the building is categorized as a *historic* building; the year built; total square footage; estimated contents value; a summary of fire protection systems; and information about whether the building's electrical system has been updated. Summary spreadsheets attached to the report list the estimated costs to replace each building and its contents, and the replacement cost less exclusions. The report breaks down and summarizes the number of buildings per agency, and the number of public buildings per county. Arrangements to review the public building inventory appraisal summary can be made by contacting the Director.

## WORKERS' COMPENSATION BUREAU (WCB)

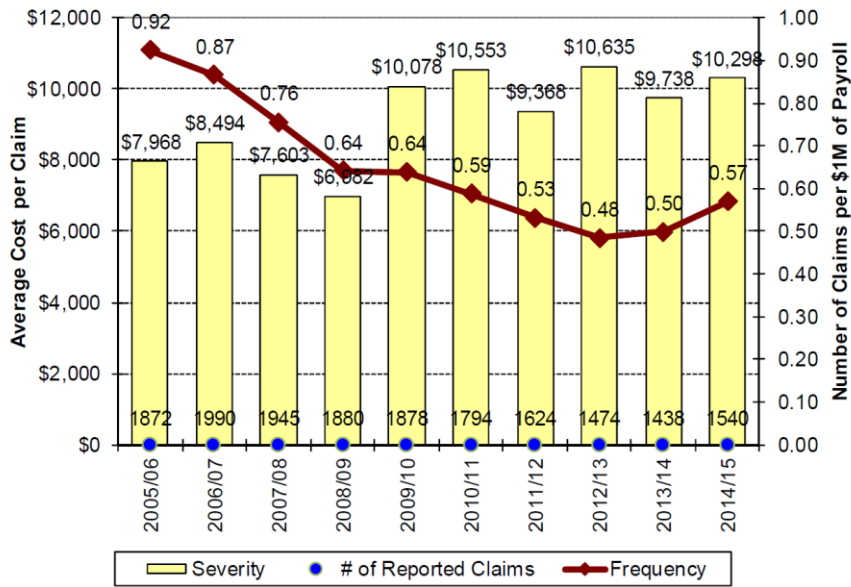
The Workers' Compensation Bureau (WCB) fulfills RMD's statutory obligation to administer the workers' compensation retention fund and effect prompt, fair payment of workers' compensation claims brought by state employees and employees of covered educational entities in accordance with the Workers' Compensation Act, *see* NMSA 1978 §§ 51-1-1 *et seq.*, 15-7-6, and 52-1-3. WCB provides thorough and efficient claims administration of workers' compensation claims. WCB contracts with outside case managers, investigators, and attorneys to meet the Workers' Compensation Act's statutory obligations while also protecting the solvency of the workers' compensation retention fund.

A total of 1,941 new claims were filed in Fiscal Year 2015, and 1,870 claims were closed in that same period. Overall the frequency and severity of claims has remained flat for FY15. We anticipate the frequency and severity to remain at current levels moving into 2016. In FY15, WCB digitized all open claim files is now completely paperless. The filing of the First Report of Injury will be automated during FY16 and will reduce user error and increase the efficiency of the overall claim handling process within WCB. These continued process improvements are significant in mitigating the expense associated with maintaining the records over the course of the sixty year records retention schedule.

WCB is in the process of soliciting bids through a Request for Proposal for a Pharmacy Benefit Manager Program. This effort will decrease the costs of pharmacy payments by an estimated \$600,000.00 and will facilitate the appropriate distribution of prescription medications to injured workers. The Bureau continues to emphasize the “Early Return to Work” program for injured workers in addition to other cost saving efforts. These efforts translate into premium reductions and costs savings for the insured entities and ultimately the taxpayers.

## Frequency and Severity (Workers’ Compensation)

**Graph III-3B**  
Frequency and Severity  
(Workers Compensation)



Note: Frequency amounts are from Exhibit WC-8, Section I, column (7).  
Severity amounts are based on the projected claim counts in Exhibit WC-8 and the projected ultimate losses in Exhibit WC-9.

# FINANCIAL ANALYSIS: SOURCES and USES: Sources and Uses of Public Liability Fund

**PUBLIC LIABILITY**  
**FUND: 357**

SOURCES	
Revenues	
Insurance Assessments <sup>2</sup>	
Interest	
Misc.	
AR	
Total Revenues	
USES	
Category	
400 Prior Year A/P	
400 Prior Year	
300 Contracts Payable	
Total	
300	
400	
500	
Total	
Total Expenditures	
Adj. (AP)	

Actual FY2014 End Cash Bal:	Actual FY2015 <sup>1</sup> Beg Cash Bal:	Projected FY2016 Beg Cash Bal:
\$39,771.8	\$36,257.9	\$34,684.3
<b>TOTAL Actual FY2014</b>	<b>TOTAL Actual FY2015</b>	<b>TOTAL PROJ FY2016</b>
\$33,490.8	\$47,241.1	\$49,183.6
\$29.2	\$31.9	\$50.0
\$94.7	\$661.0	\$100.0
\$0.0	\$9.6	\$0.0
\$33,614.6	\$47,943.6	\$49,333.6
<b>TOTAL Actual FY2014</b>	<b>TOTAL Actual FY2015</b>	<b>TOTAL PROJ FY2016</b>
\$1,903.9	\$1,543.7	\$500.0
\$44.5	\$366.2	\$50.0
(\$1,635.9)	(\$533.0)	(\$100.0)
\$312.5	\$1,377.0	\$550.0
\$14,837.6	\$14,500.0	\$16,334.6
\$17,975.6	\$29,511.0	\$35,010.8
\$4,006.6	\$4,136.3	\$2,384.2
\$36,819.8	\$48,147.3	\$53,729.6
\$37,132.3	\$49,524.3	\$54,279.6
(\$3.8)	(\$7.1)	(\$2.0)
<b>End Cash Bal:</b>	<b>End Cash Bal:</b>	<b>End Cash Bal:</b>
<b>\$ 36,257.9</b>	<b>\$ 34,684.3</b>	<b>\$ 29,740.3</b>

FY15 BUDGET	FY15 ACTUAL	BALANCE
\$0.0	\$1,543.7	(\$1,543.7)
\$0.0	\$366.2	(\$366.2)
\$0.0	(\$533.0)	(\$533.0)
\$17,672.8	\$14,500.0	\$3,172.8
\$29,906.7	\$29,511.0	\$395.7
\$4,136.3	\$4,136.3	\$0.0
\$51,715.8	\$49,524.2	\$1,125.6

FY14	FY15	FY16	Item
\$36,257.9	\$34,684.3	\$29,740.3	Projected Assets
\$107,067.5	\$108,233.8	\$111,331.0	Outstanding Liabilities <sup>5</sup>
34%	32%	27%	Projected Fund Health

Projected fund health: **PUBLIC LIABILITY**  
 Fund Indicator: **R**

Projected YR END Fund Ratios			
FY14	FY15	FY16	Item
\$36,257.9	\$34,684.3	\$29,740.3	Projected Assets
\$107,067.5	\$108,233.8	\$111,331.0	Outstanding Liabilities <sup>5</sup>
34%	32%	27%	Projected Fund Health

**NOTES**

- Per SHARE GL Detail by Fund report dated 6-9-15
- FY14 BILLING \$31,690.0 Collection Rate 106% = \$33,490.0  
 FY15 BILLING \$44,525.1 Collection Rate 106% = \$47,241.1  
 FY16 BILLING \$49,183.6 Collection Rate 100% = \$49,183.6
- 300 category expenditure for professional services, primarily for Legal, Investigator, Excess Insurance and System Maintenance expenses
- AON RPT Projected Losses Paid TABLE III-4 Column (2), Column (2) FY14= Actuals, FY15 = Actuals, FY16 = \$35,010.8 - Assumes "worst case" scenario
- FY14, FY15 and FY16 per AON RPRT, GL-12/13, LE-12/13, CR-12/13, AL-12/13, MM-12/13, Column 9;  
 FY14 = \$107,067.5k actuarial calculation of outstanding liabilities.  
 FY15 = \$112,361.5k actuarial calculation of outstanding liabilities.  
 FY16 = \$111,331.0k actuarial calculation of outstanding liabilities

## Sources and Uses of Public Property Fund

### PUBLIC PROPERTY

FUND: 356

	Actual FY2014 Beg Cash Bal:	Actual FY2015 <sup>1</sup> End Cash Bal:	Projected FY2016 End Cash Bal:
<b>SOURCES</b>			
Revenues			
Insurance Assessments	\$11,049.3	\$10,041.5	\$10,041.5
Interest	\$5.3	\$5.7	\$5.5
Misc.	\$631.0	\$992.7	\$500.0
AR	\$0.5		
Total Revenues	<b>\$11,686.0</b>	<b>\$11,838.5</b>	<b>\$10,547.0</b>
<b>USES</b>			
Category			
PY Vouchers Payable	(\$13.3)	\$36.7	\$50.0
State dated warrants	\$0.0	\$0.2	
300	\$4,636.7	\$4,660.0	\$4,954.9
400	\$5,853.5	\$6,426.1	\$5,626.5
400 Prior Year	\$5.7	\$0.0	\$0.0
500	\$515.0	\$522.1	\$0.0
Total Expenditures	<b>\$10,997.5</b>	<b>\$11,645.1</b>	<b>\$10,631.4</b>
Adj.		(\$0.2)	(\$0.5)
End Cash Bal:	<b>\$7,698.6</b>	<b>\$7,892.2</b>	<b>\$7,808.4</b>

BUDGET FY15 *	ACTUAL FY15	BALANCE
		\$0.0
\$4,974.9	\$36.9	(\$36.9)
\$7,585.1	\$4,660.0	\$314.9
	\$6,426.1	\$1,159.0
\$522.1	\$0.0	\$0.0
\$13,082.1	\$11,645.1	\$1,437.0

### NOTES

- Per SHARE GL Detail by Fund report dated 6-9-15.
- FY14 BILLING \$10,557.7 Collection Rate 105% = \$11,049.3  
FY15 BILLING \$10,418.1 Collection Rate 104% = \$10,840.1  
FY16 BILLING \$10,352.1 Collection Rate 97% = \$10,041.5
- 300 category expenditure for professional services, primarily for Excess Insurance and System Maintenance expenses
- AON TABLE III-4, p 9 FY14= Actual; FY15 = Actual; FY16 = \$5,626.5 - Assumes "worst case" scenario
- FY14 , FY15 and FY16 per AON RPRT; PD-12, PD 13, OP12, OP-13, Column 9;  
FY14 = \$2,705.6k actuarial calculation of outstanding liabilities.  
FY15= \$2,879.0k actuarial calculation of outstanding liabilities.  
FY16 = \$3,041.4k actuarial calculation of outstanding liabilities

### Projected fund health: PUBLIC PROPERTY

Fund Indicator: **Y**

Projected YREND Fund Ratios		
FY14	FY15	FY16
\$7,698.6	\$7,892.2	\$7,808.4
\$2,705.6	\$2,879.0	\$3,041.4
285%	274%	257%
		Projected Fund Health



# Sources and Uses of Workers' Compensation Fund

WORKERS COMPENSATION  
FUND: 359

	Actual FY2014	Actual FY2015 <sup>1</sup>	Projected FY2016
<b>SOURCES</b>			
Revenues			
Insurance Assessments	\$16,836.8	\$25,454.5	\$22,148.8
Interest	\$11.7	\$14.3	\$15.0
Misc.	\$244.4	\$183.0	\$183.0
Receipt held in suspense	\$0.0	\$18.4	
Total Revenues	<b>\$17,092.9</b>	<b>\$25,670.2</b>	<b>\$22,346.8</b>
<b>USES</b>			
Category			
Prior Year AP	\$57.2	209.3	200.0
400 Prior Year Payment	\$17.4	108.3	100.0
Contracts Payable	<b>(\$209.3)</b>	<b>(\$224.2)</b>	<b>(\$200.0)</b>
Total Prior Year	<b>(\$134.7)</b>	93.4	100.0
300 <sup>2</sup>	\$1,188.1	\$1,200.0	\$2,761.80
400 <sup>3</sup>	\$15,179.8	\$15,746.6	\$16,757.5
500	\$1,080.0	\$2,026.0	\$2,134.4
Total Current Year	\$17,447.9	\$18,972.6	\$21,653.7
Total Expenditures	<b>17,313.2</b>	<b>19,066.0</b>	<b>21,753.7</b>
Other Liabilities	0.3	<b>(\$0.5)</b>	<b>(\$0.5)</b>
<b>End Cash Bal:</b>	<b>\$12,740.1</b>	<b>\$19,343.8</b>	<b>\$19,936.4</b>

Projected YREND Fund Ratios	
FY14	FY15
\$12,740.1	\$19,343.8
\$59,699.1	\$57,761.2
21%	33%
	33%
	Projected Fund Health
	Projected Assets
	Outstanding Liabilities <sup>5</sup>
	Projected Fund Health

**Projected fund health: Workers' Compensation**  
Fund Indicator: **G**

- NOTES**
- Per SHARE GL Detail by Fund report dated 6-9-15
  - FY14 BILLING \$16,660.7 Collection Rate 101% = \$16,836.80  
FY15 BILLING \$24,713.1 Collection Rate 103% = \$25,454.49  
FY16 BILLING \$22,833.8 Collection Rate 97% = \$22,148.79
  - 300 category expenditure for professional services, primarily for Legal, Investigator, Excess Insurance and System Maintenance expenses
  - AON TABLE III-4, p Columns (2) and (3) FY14=Actuals, FY15=Actuals, FY16=\$16,757.5- Assumes "worst case" scenario
  - FY14, FY15 and FY16 per AON RPRT Exhibit WC-12 and WC-13 Column 9  
FY14 = \$59,699.1k actuarial calculation of outstanding liabilities  
FY15 = \$57,761.2k actuarial calculation of outstanding liabilities  
FY16 = \$60,903.7k actuarial calculation of outstanding liabilities

BUDGET FY15	ACTUAL FY15	REQUIRED BAR
	209.3	(\$209.3)
	108.3	(\$108.3)
	<b>(\$224.2)</b>	<b>\$224.2</b>
\$2,466.8	\$1,200.0	\$1,266.8
\$18,371.6	\$15,746.6	\$2,625.0
\$2,026.0	\$2,026.0	\$0.0
\$22,864.4	\$19,066.0	\$3,798.4

## STATUTORY CLAIM PAYMENT DISCLOSURE

Per NMSA § 15-7-3 (C), the following table represents all indemnity payments over \$1,000 issued from the Public Liability Fund which may be disclosed as of December 15, 2015 per NMSA § 15-7-9.

<u>Claim #</u>	<u>Payee</u>	<u>Indemnity Payment</u>
1301088-000	KIMBERLY VAUGHN AND DUHIGG, CRONIN SPRING & BERLIN	\$375,000.00
1300979-000	JULIA JUAREZ AND THE RIOS LAW FIRM	\$20,000.00
1301000-000	DEBI AND CRAIG SMITH & PARNALL LAW FIRM LLC	\$825,000.00
1300991-000	MICHELLE & TIM HALL	\$7,087.00
1300996-000	JOHN JOHNSON	\$2,500.00
1300801-000	DANIEL & JESSICA SANCHEZ & HARMONSON LAW FIRM, PC	\$40,000.00
1300756-000	JESSICA CHAVEZ AND HER ATTORNEY, STEVEN M CHAVEZ	\$87,500.00
1300756-000	PACIFIC LIFE & ANNUITY SERVICES, INC. ON BEHALF OF JESSICA CHAVEZ	\$275,000.00
1300756-000	PACIFIC LIFE & ANNUITY SERVICES, INC. ON BEHALF OF STEVEN M. CHAVEZ	\$225,000.00
1301198-000	THE FINE LAW FIRM	\$40,000.00
1301186-000	JARAMILLO TOUCHET IOLTA TRUST ACCOUNT	\$45,000.00
1301125-000	JOSHUA HOBSON AND HIS ATTORNEYS KEN WAGNER LAW, P.A.	\$25,000.00
1301087-000	GREGORY W. CHASE, P.C. TRUST ACCOUNT	\$750,000.00
1301027-000	ADAM KING	\$300,000.00
1300315-001	NATIONWIDE MUTUAL INSURANCE COMPANY	\$16,782.70
1300315-001	LAW OFFICE OF LUCERO & HOWARD AND VALERIE ALEJANDREAZ	\$18,000.00
1300399-000	BHG STRUCTURED SETTLEMENTS, INC.	\$100,000.00
1300399-000	ADRIAN PARRA & MCGRAW & STRICKLAND, LLC	\$275,000.00
1300320-000	HUSTON, BRITTANY	\$40,000.00
1300458-000	MESCALL LAW FIRM P.C. TRUST ACCOUNT	\$4,000.00

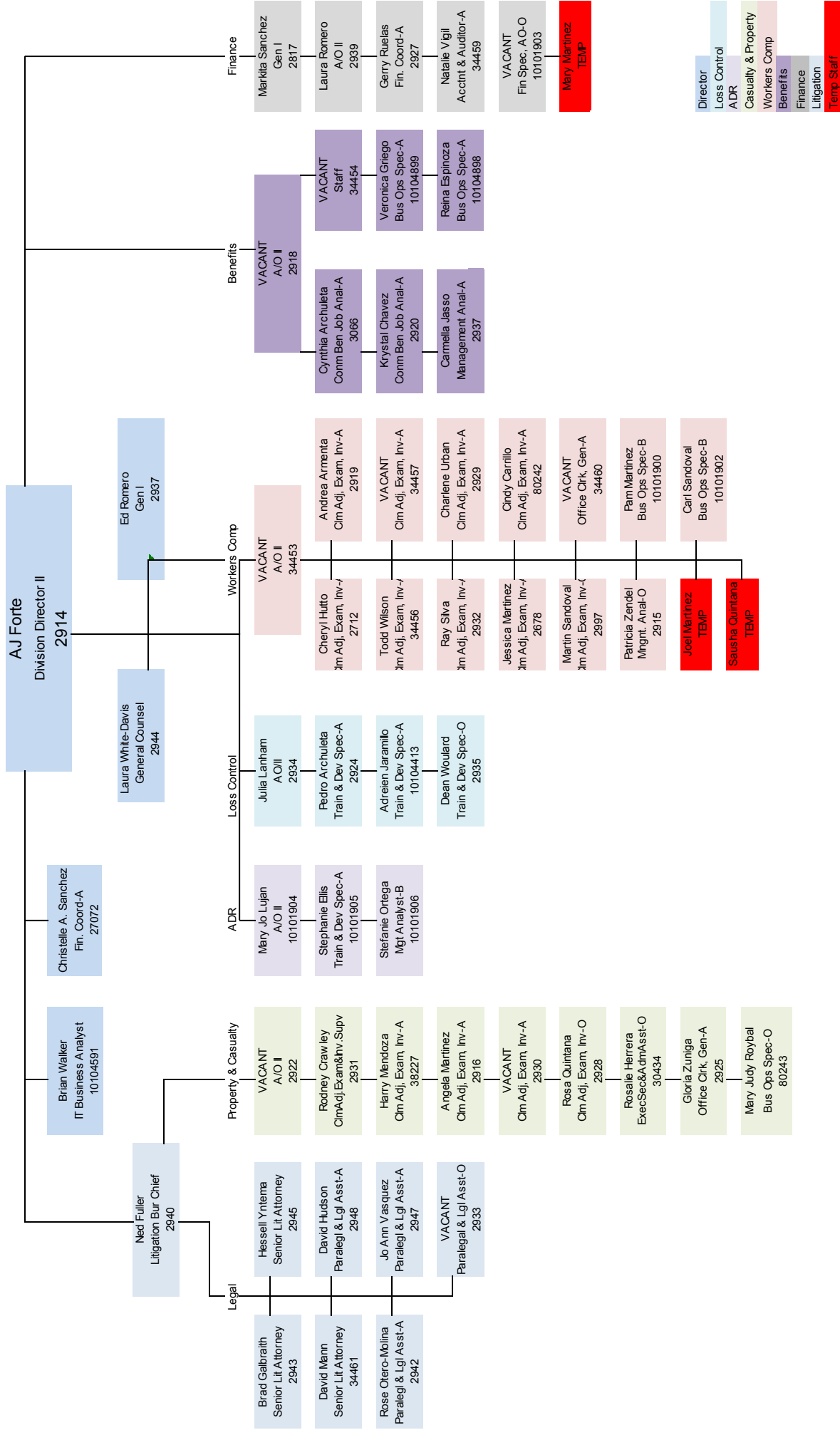
<b><u>Claim #</u></b>	<b><u>Payee</u></b>	<b><u>Indemnity Payment</u></b>
1300211-000	HDR ENGINEERING INC.	\$1,404.88
1300637-000	MIRANDA, SANTIAGO AND HIS ATTORNEY MOLLIE MCGRAW	\$46,500.00
1201201-000	METLIFE TOWER RESOURCES GROUP, INC.	\$10,225.90
1201201-000	PARNALL LAW FIRM	\$9,774.10
1201062-000	REVO/SMITH LAW FIRM TRUST ACCOUNT	\$60,000.00
1201060-000	BRANDEE CAOBA, DEVON LUDLOW & JARED M. BARLIANT & ASSOCIATES, P.C	\$65,000.00
1201312-000	PRUDENTIAL ASSIGNED SETTLEMENT SERVICES CORPORATION	\$90,000.00
1201312-000	PERSONAL REPRESENTATIVE IVAN CORDOVA & ATTORNEY MICHAEL GRIEGO	\$60,000.00
1200983-000	ELVIRA DESACHY-GODOY AND HER ATTORNEY, CORBIN HILDERBRANT	\$20,000.00
1200379-001	MICHAEL SHOWENS, PERSONAL REP. & SCOTT ATCKINSON LAW FIRM	\$42,085.34
1200434-000	LORI BAUER APODACA, ATTORNEY AT LAW SETTLEMENT	\$2,000.00
1200258-000	DOLORES WALKER, RICHARD WALKER, AND THE FINE LAW FIRM	\$200,000.00
1200119-000	THE TRUST ACCOUNT OF NANCY L. SIMMONS	\$15,000.00
1200091-000	KENNETH BORREGO	\$5,000.00
1101278-000	DENISE GOMEZ FOR THE USE AND BENEFIT OF ALYSSA GOMEZ AND HER ATTORNEY BRIGTTE LOTZE	\$150,000.00
1101278-000	DENISE GOMEZ & HER ATTY BRIGITTE LOTZE	\$315,000.00
1101278-000	LETISHA GOMEZ AND HER ATTY BRIGITTE LOTZE	\$150,000.00
1100977-000	EVANGELINE FELTER & HER ATTORNEY-GEORGE H. PEREZ	\$8,467.67
1100977-000	EVANGLINE FELTER	\$1,000.00
1100908-001	TIMOTHY & PATRICIA CHAMBERS INDIVIDUALLY & ADMINISTRATORS	\$260,000.00
1100793-000	WOODRUFF, ALAN AND HIS ATTORNEYS KEEFE & ASSOCITATES, LLC	\$12,432.10
1100808-000	BRIAN & AIMEE PILEGRENE & THE CARTER	\$42,500.00
1100808-001	BRIAN & AIMEE PILEGRENE & THE CARTER	\$42,500.00
1100642-000	DWAYNE FIGG & FINE LAW FIRM	\$50,000.00

<b><u>Claim #</u></b>	<b><u>Payee</u></b>	<b><u>Indemnity Payment</u></b>
1100510-000	STEPHEN WALKER AND HIS ATTORNEY DENNIS MURPHY	\$15,000.00
1200640-000	VANESSA GARCIA AND THE LAW OFFICE OF BRIAN K BRANCH	\$12,500.00
1100499-000	THOMAS YOUNGBLOOD INDIV & AS PR OF ESTATE OF DOROTHY YOUNGBLOOD & CROWLLET & MCDOWELL PA	\$775,000.00
1100062-000	HARRISON, WILLIAM G. & FRANKLIN D AZAR & ASSOC. C/O LAW OFFICES OF PAUL GRAND	\$10,000.00
1001465-000	PACIFIC LIFE & ANNUITY SERVICES, INC.	\$64,061.87
1001465-000	MATTHEW P. ROMERO AND HIS ATTORNEYS BENCONI & LACOUR LAW, P.C.	\$285,938.13
0900989-000	CURTIS & LUCERO AS ATTORNEYS FOR THE ESTATE OF THE KRANSHULERS	\$550,000.00
0901415-000	WHITTCO, INC.	\$60,685.40
0900149-000	MICHAEL T. VENTO	\$10,000.00
1001352-000	VALDEZ & WHITE LAW FIRM, LLC	\$250,000.00
1001452-000	SERRA & GARRITY PC & PATRICIA FORDYCE-MONTANARI	\$125,000.00
1400860-000	RICHARD CAMPBELL AND HIS ATTORNEYS, METTLER LAW OFFICE, PC	\$15,000.00
1101501-000	NOBLE & VRAPI, P.A.	\$250,000.00
1100908-000	TIMOTHY & PATRICIA CHAMBERS INDIVIDUALLY & ADMINISTRATORS OF ESTATE TAYLOR CHAMBERS PATRICK CHAMBERS KYLE CHAMBERS & JAMES HOLMES ESQ.	\$390,000.00
1100744-000	THE COYTE LAW FIRM TRUST ACCOUNT	\$750,000.00
1101090-000	PATRICIA VIGIL, AND HER ATTORNEYS, THE HEMPHILL FIRM AND THE LAW OFFICES OF GEORGE GERAN	\$400,000.00
1101490-000	HENRY TRUJILLO AND HIS ATTORNEY NARCISO GARCIA, JR.	\$310,000.00
1101390-000	ZAIDAN, ZAHRAA AND HER ATTORNEYS AHMAD, ZAVITSANOS, ANAIKOS, ALAVI & MENSING PC	\$60,000.00
1201232-000	KAREN BATES C/O WIGGINS, WILLIAMS & WIGGINS	\$30,000.00
1201232-000	GILPIN LAW FIRM C/O WIGGINS, WILLIAMS & WIGGINS	\$10,000.00
1200211-000	JONES, SNEAD, WERTHEIM, & CLIFFORD, P.A.	\$57,500.00



<b><u>Claim #</u></b>	<b><u>Payee</u></b>	<b><u>Indemnity Payment</u></b>
1201280-000	WARREN F. FROST, P.C. TRUST ACCOUNT	\$66,500.00
1200550-000	LINDSEY LAW FIRM, L.L.C.	\$24,000.00
1201285-000	CRYSTAL ORTIZ & GORENCE & OLIVEROS, P.C.	\$225,000.00
1200581-000	VALERIE ROMERO AND E. JUSTIN PENNINGTON, HER ATTORNEY SETTLEMENT	\$50,000.00
1201291-001	SUMMER BRODRICK & SHANNON KENNEDY , HER ATTORNEY KENNEDY LAW FIRM	\$300,000.00
1201114-000	AMOS HARJO	\$45,538.42
1201114-000	ROTHSTEIN, DONATELLI, HUGHES, DAHLSTROM, SCHOENBURG & FRYE	\$29,461.58
1201223-000	PRISCILLA BENAVIDES AND MICHAEL E MOZES HER ATTORNEY	\$100,000.00

# Exhibit 1. RMD Organizational Chart



- Director
- Loss Control
- ADR
- Casualty & Property
- Workers Comp
- Benefits
- Finance
- Litigation
- Temp Staff

