



NEW MEXICO
GENERAL SERVICES DEPARTMENT

RISK MANAGEMENT DIVISION

2016 ANNUAL REPORT

2016 ANNUAL REPORT

of the

GENERAL SERVICES DEPARTMENT

RISK MANAGEMENT DIVISION

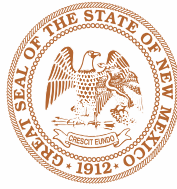
THE HONORABLE SUSANA MARTÍNEZ, GOVERNOR

EDWYNN BURCKLE, CABINET SECRETARY

Submitted to:

THE NEW MEXICO STATE LEGISLATURE

**LARA WHITE DAVIS,
DIRECTOR**



SUSANA MARTINEZ
GOVERNOR

ED BURCKLE
CABINET SECRETARY

LARA WHITE DAVIS
DIRECTOR
RISK MANAGEMENT

State of New Mexico General Services Department

ADMINISTRATIVE SERVICES DIVISION
(505) 827-2000

FACILITIES MANAGEMENT DIVISION
(505) 827-2141

STATE PURCHASING DIVISION
(505) 827-0472

RISK MANAGEMENT DIVISION
(505) 827-0442

STATE PRINTING & GRAPHIC SERVICES BUREAU
(505) 476-1950

TRANSPORTATION SERVICES DIVISION
(505) 827-1958

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 in their compositions and in their challenges.

During Fiscal Year 2016, the Risk Management Division provided superb service 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 continues to reduce expenses and improve accountability within the agencies served. In 2016, RMD opened a health clinic, the Stay Well Health Center, exclusively serving state employees who participate in the state's health benefits plan and their families. Located at the Montoya Building in Santa Fe, this clinic is the first of its kind in New Mexico and one of the first in the country. We expect improved health outcomes for our covered individuals and that lower costs will come 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 "Lara White Davis".

Lara White Davis,
Director

1100 ST. FRANCIS DRIVE RM# 2073, P.O. BOX 6850, SANTA FE, NM 87502 • (505) 827-0442 • FAX (505) 827-2108
WWW.GENERALSERVICES.STATE.NM.US/RISKMANAGEMENT

"THE HEART AND SOUL OF STATE GOVERNMENT"

Table of Contents

EXECUTIVE SUMMARY	iii
RMD OPERATIONAL STRUCTURE.....	1
ALTERNATIVE DISPUTE RESOLUTION (ADR) BUREAU.....	1
EMPLOYEE BENEFITS BUREAU (EBB)	1-3
FINANCE BUREAU.....	3-4
LOSS PREVENTION AND CONTROL BUREAU (LPCB)	4-5
PROPERTY AND CASUALTY BUREAU (PAC)	5-12
PUBLIC PROPERTY INSURED VALUE.....	12
WORKERS' COMPENSATION BUREAU (WCB)	13-14
FINANCIAL ANALYSIS (SOURCES AND USES)	
PUBLIC LIABILITY FUND.....	15
PUBLIC PROPERTY FUND.....	16
WORKERS' COMPENSATION FUND.....	17
STATUTORY CLAIM PAYMENT DISCLOSURE.....	18-20
RMD ORGANIZATIONAL CHART.....	Exhibit 1

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

In an effort to improve outcomes and increase operational efficiency, RMD modernized its operational structure, streamlined management functions, and improved staffing levels during Fiscal Year 2016. Separate units within RMD, known as Bureaus, carry out the division's different functions. To see RMD's current organizational chart please view Exhibit 1 at the end of this report. The following narratives describe the operations of each individual RMD Bureau.

ALTERNATIVE DISPUTE RESOLUTION (ADR) BUREAU

In 2007, the New Mexico Governmental Dispute Prevention and Resolution Act (NMSA 1978, § 12-8A-1 *et seq.*) established the Alternative Dispute Resolution (ADR) program within GSD to prevent expensive and complicated processes, such as litigation, for agencies served by RMD. ADR is a voluntary mechanism used to prevent or resolve disputes, and encompasses a broad range of problem-solving processes, including mediation, facilitation, and arbitration. The ADR Bureau helps state agencies fulfill their statutory responsibility to provide ADR access by identifying resources, developing administrative procedures, creating forms, and coordinating no-cost mediation services. The majority of mediators are trained state employees who serve the state's overall workforce by acting as neutral parties to state agencies. The Bureau tracks program services, agency-reported ADR activity, and the state's participation in US Equal Employment Opportunity Commission (EEOC) mediation. Data demonstrating the "use, cost, and success" of ADR by the state is reported each December as statutorily required.

In Fiscal Year 2016, the ADR Bureau conducted customer service visits and presented at various meetings, conferences, and staff events. The Bureau trained ADR Coordinators in 38 agencies, provided conflict management training, and certified 49 new mediators through a 40-hr course. The ADR Bureau's principal outreach event was its sixth annual statewide ADR Symposium at Santa Fe Community College, a no-cost training event with 165 participants from throughout the state.

EMPLOYEE BENEFITS BUREAU (EBB)

Under the Group Benefits Act, RMD is responsible for administering the 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) coordinates and oversees the state's benefits plan.

With approximately 60,000 individuals enrolled statewide, 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 meet the service level requirements by maintaining quality data input, as well as monitoring and reconciling discrepancies. In addition, Erisa maintains an employee benefits website with updated enrollment tools and carrier information. The EBB staff, working with the technical support services team, has developed and implemented a web based enrollment tool. With the new tool, paper waste is minimized and errors due to illegible hand written forms have been reduced. EBB has also implemented enrollment webinars that allow EBB to reach more people with enrollment information while reducing travel costs.

EBB Performance Measures for Fiscal Year 2016 remain very positive. The state's group generic prescription drug rate is above the target of 82 percent, at just over 87 percent. Currently, eligible state employees' enrollment in the state health insurance program is at 87.8%.

The Stay Well Health Center has been in operation for over a year now and has seen over 2,000 patients. The Center offers comfortable, convenient, and free health care to eligible State and Local Public Body (LPB) employees and their covered dependents (age 2 and up). The focuses of the Health Center are prevention, wellness, and quality service with no cost, no co-pay, and no need to meet a deductible. The Center is fully capable of serving as a primary health provider to for services such as annual checkups, medication refills, and all other primary care needs, making it a convenient alternative to waiting for an appointment in a doctor's office. The Stay Well Health Center also offers walk-in Flu Shot Clinics, with approximately 1200 vaccines administered since its opening.

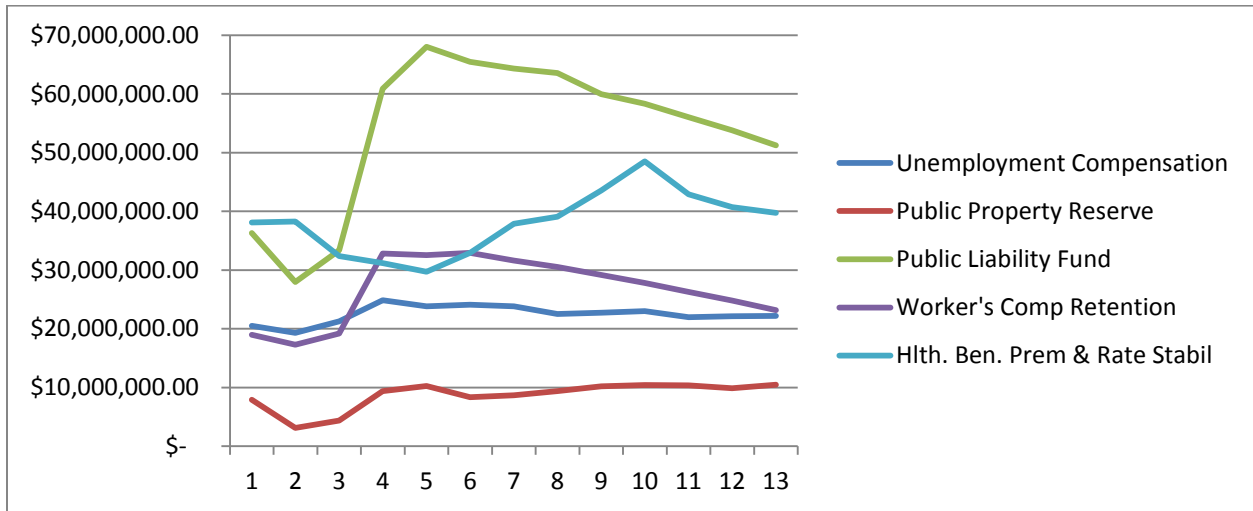


Building on past successes like the Stay Well Health Center, EBB will introduce a more robust wellness program through The Solutions Group starting in January 2017. Among other benefits, employees will have access to six support sessions with licensed providers who offer assistance in addressing life's challenges including workplace issues, depression, marital conflict, stress management, grief counseling, substance abuse, child/elder care, and financial anxiety. The program will provide expanded access to care, more screenings and assessments, integration of available resources, personal health coaching, and onsite engagement by Stay Well Ambassadors. Online access and a mobile app will place the wellness program at its members' fingertips.

FINANCE BUREAU

The Finance Bureau supports all of RMD by centralizing the Division's financial functions, providing accountability, and ensuring timely processing of financial transactions. 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 that allows 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 third party system will go live with cash remediation by June 30, 2017.

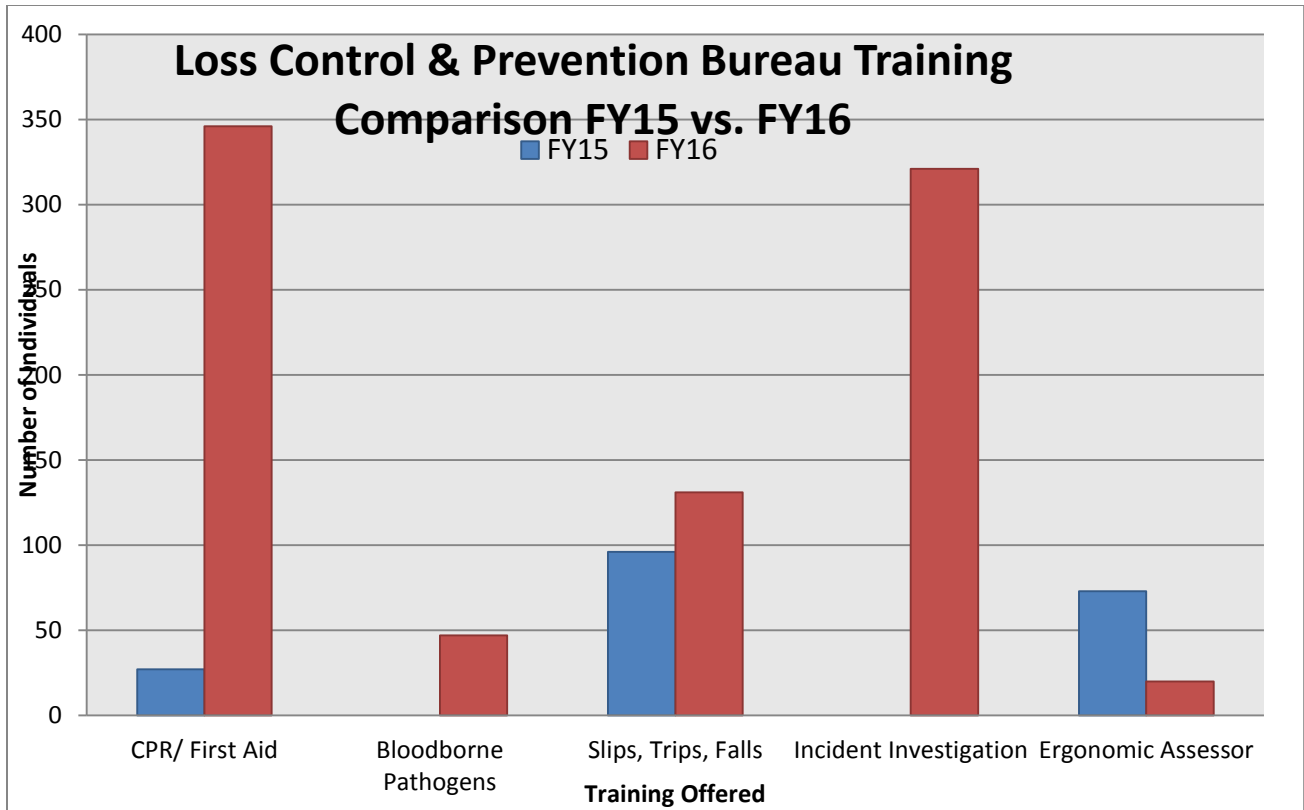
The Finance Bureau also serves one of RMD’s key functions – Administering and tracking nine risk funds. Fund solvency has been an ongoing concern but the Division achieved solvency across all funds in 2016. The graph below shows cash balance activity for five funds during the 2016 fiscal year.



LOSS PREVENTION AND CONTROL BUREAU (LPCB)

The Loss Prevention and Control Bureau (LPCB) oversees Risk Management Insured entities’ compliance with NMSA §§ 9-17-5(E), 15-7-3(A)(9), NMAC 1.6.2 and NMAC 1.6.4, the State Loss Prevention and Control Rule. LPCB fulfills its statutory obligations by providing statewide oversight to insured agencies and entities’ safety and loss control programs. The LPCB helps entities evolve their own loss prevention and control capabilities by providing best practice learning and development services, such as training in understanding organizational risk and guidance in policy development for operational liability exposures.

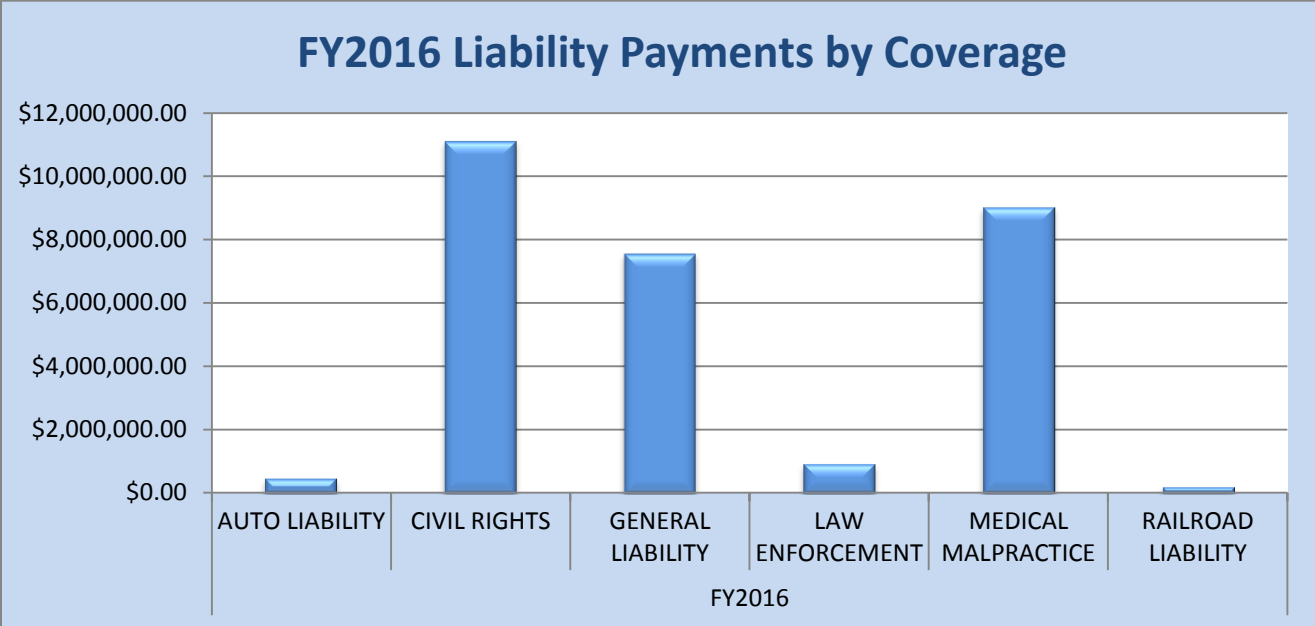
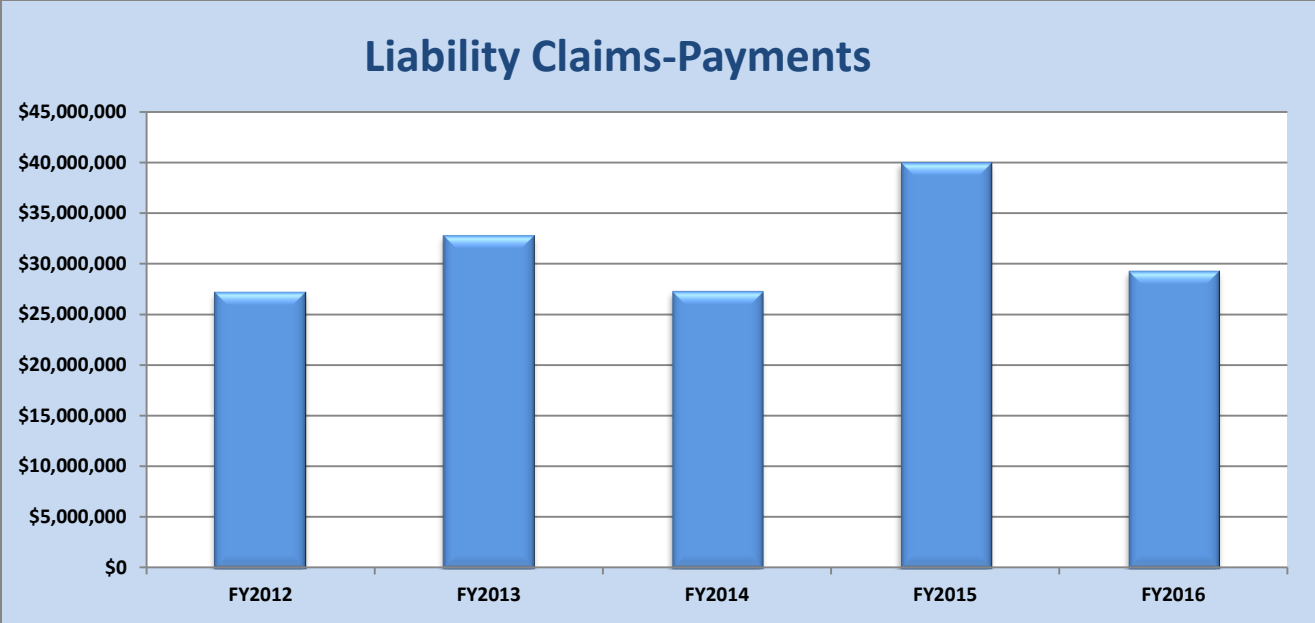
The State of New Mexico operates and insures diverse assets, including state facilities, hospitals, community colleges, universities, libraries, historical artifacts and sites as well as local public body entities such as Soil & Water Conservation Districts, Acequia Associations, and non-profit research parks. The scope of LPCB consulting and services include an annual audit review of existing operating systems, loss analysis reports that impact premium assessments, customized training solutions, and strategies for managing unemployment claims. The implementation of a variety of mitigation strategies decreases workplace injuries associated with owned/leased property and operations, reduces the risk of financial consequences, and increases long-term community wellbeing.



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 and suits arising from agency operations, including all of the state’s tort and civil rights litigation. These cases can be factually and legally complex and correspondingly can be expensive to defend.

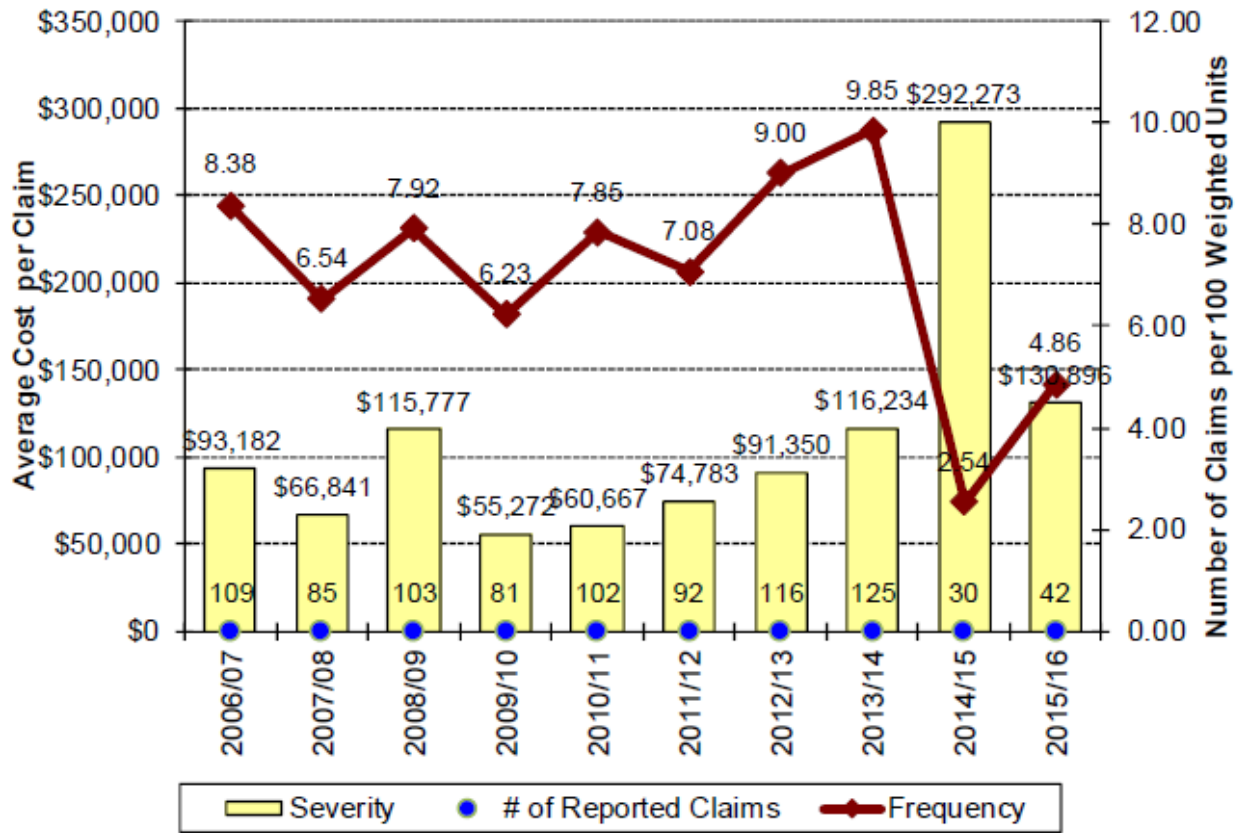
The Bureau opened a total of 1,327 new claims in Fiscal Year 2016, and closed 1,314 claims in that same period. The PAC Bureau contracts with outside investigators, adjusters and attorneys as necessary to timely and efficiently administer its claim count.



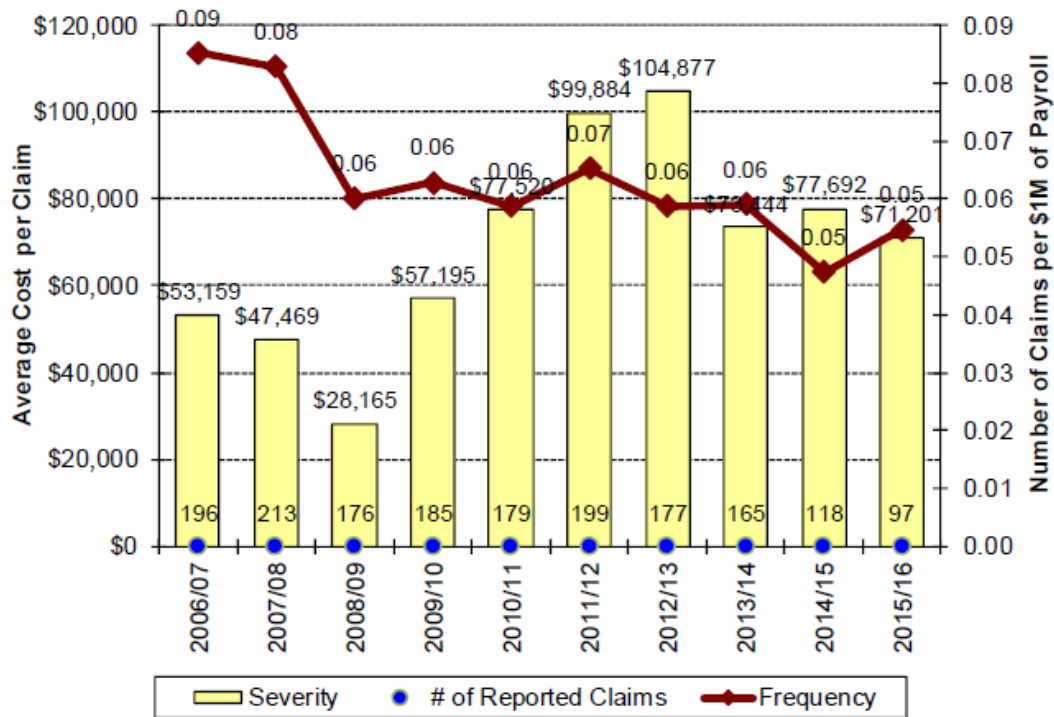
The following graphs represent statistics for the individual areas of liability:

- Medical Malpractice
- Civil Rights
- Auto Liability
- General Liability
- Law Enforcement

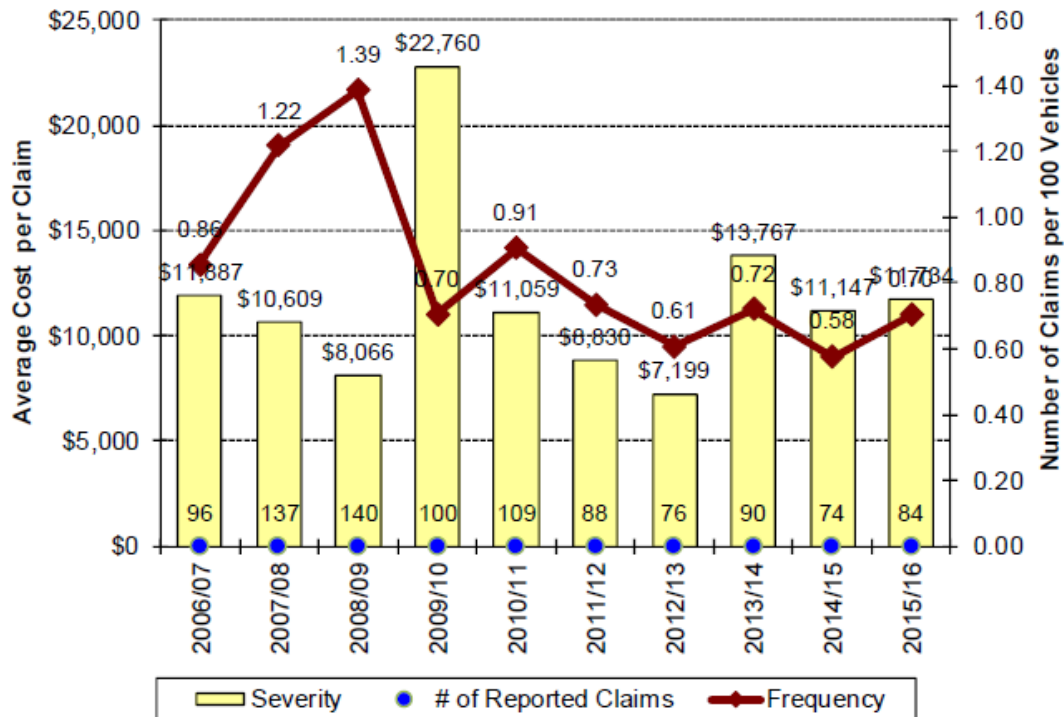
Frequency and Severity (Medical Professional)



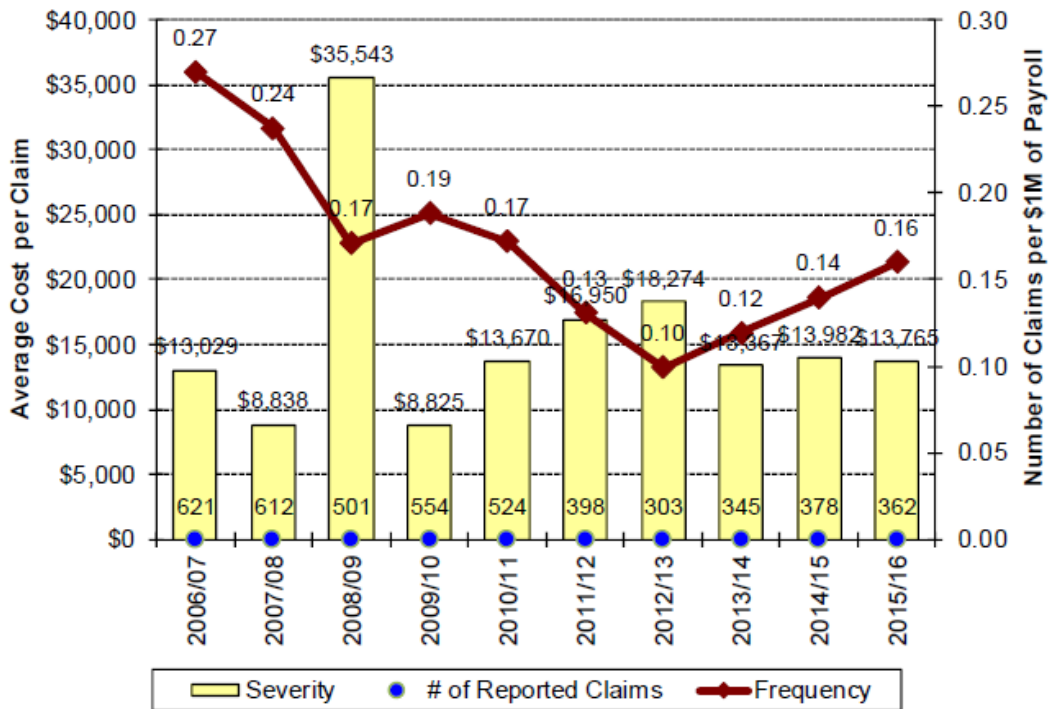
Frequency and Severity (Civil Rights)



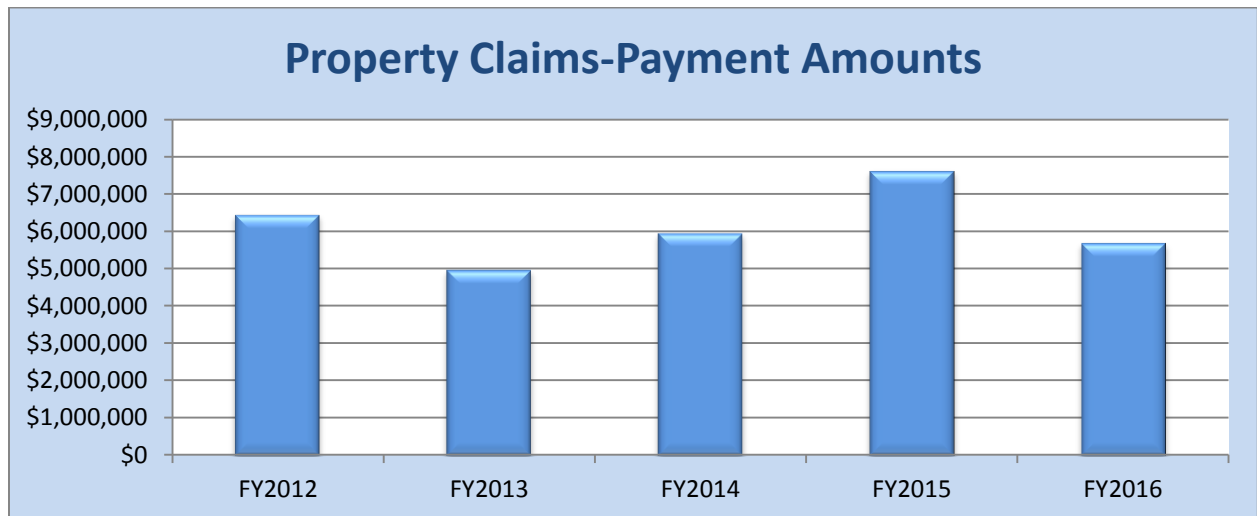
Frequency and Severity (Automobile Liability)



Frequency and Severity (General Liability)



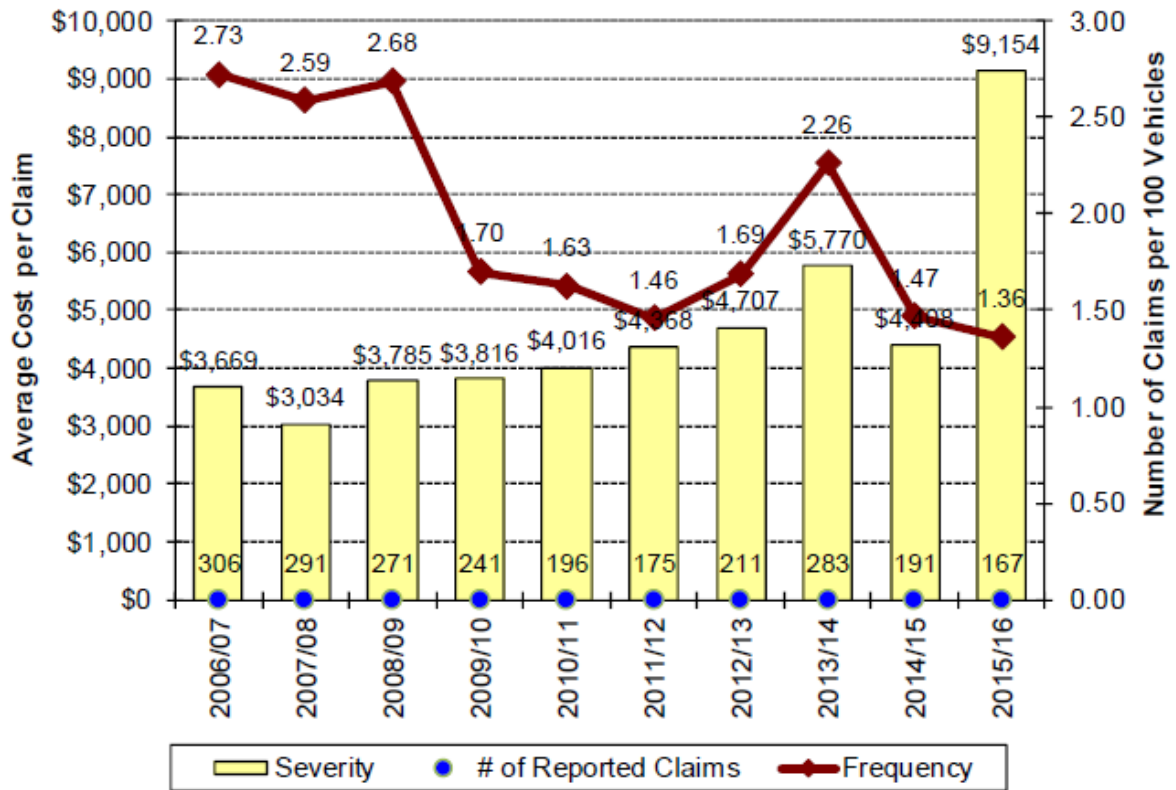
The PAC Bureau is also responsible for administering claims against the Public Property Reserve Fund, which protects “public buildings of state agencies against loss or damage by fire, windstorm, hail, smoke, explosion, riot or civil commotion” as required by § 13-5-1. Section 13-1-5(B) requires that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



The following graphs represent statistics for the individual areas of property:

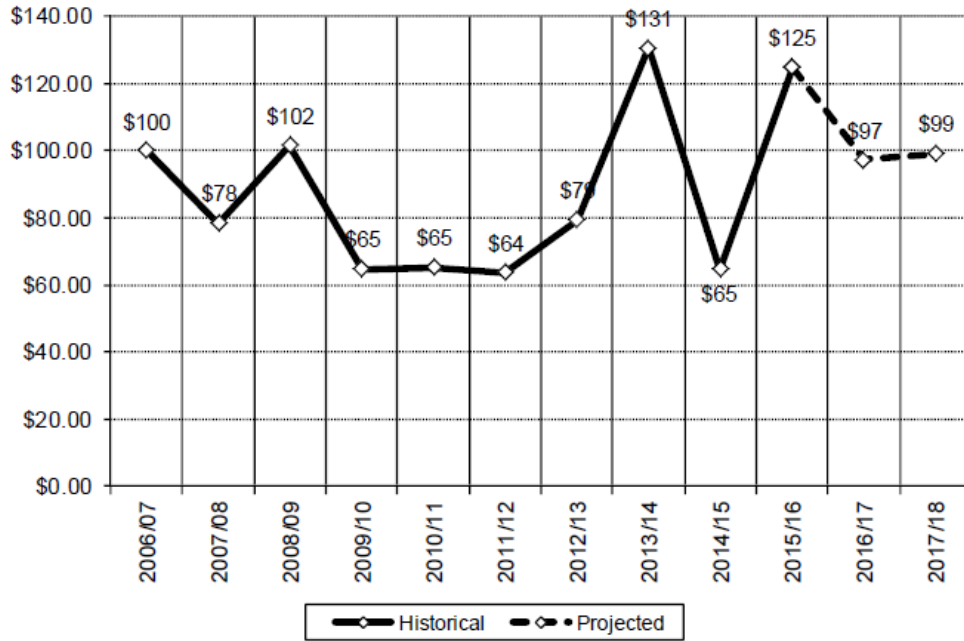
- Automobile Physical Damage
- Other Property

**Frequency and Severity
(Automobile Physical Damage)**

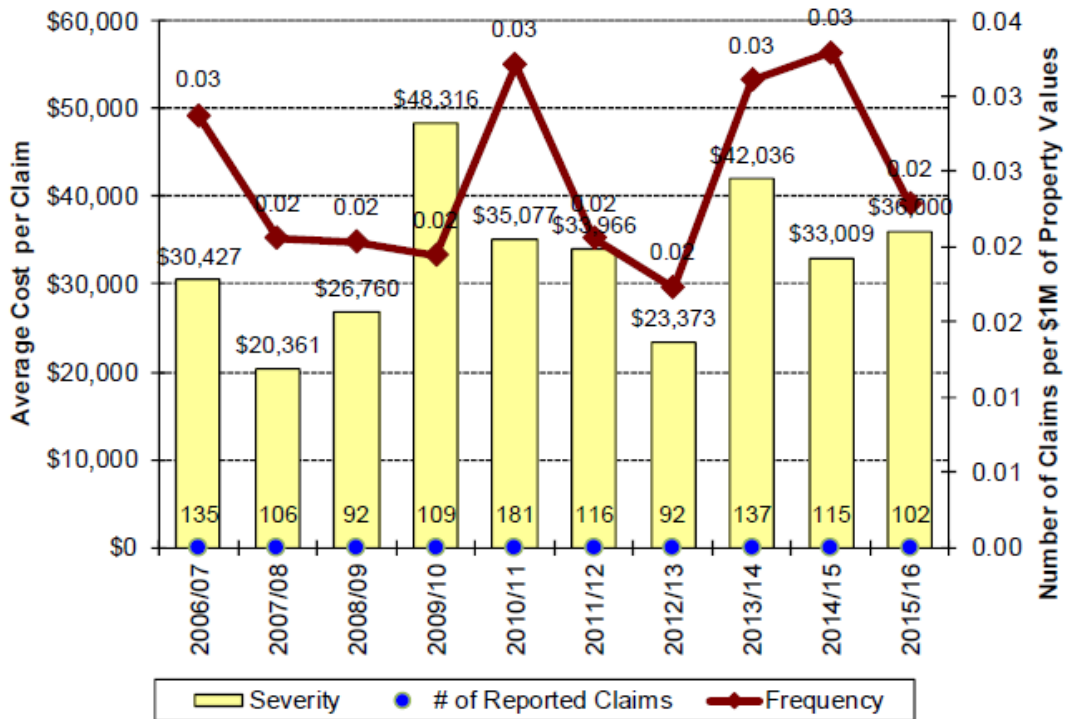


There was an increase in costs due to large scale weather events for cars, i.e. hail damage.

**Loss Rate per Vehicle
(Automobile Physical Damage)**



**Frequency and Severity
(Other Property)**



**Loss Rate per \$100 of Property Value
(Other Property)**



PUBLIC PROPERTY INSURED VALUE

In FY 2015, RMD secured a statewide 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 advantageous rates.

The appraisal details information on each of the 4,676 distinct buildings throughout the State. The total estimated replacement cost for all the buildings in the inventory is just below \$8.5 billion. 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.

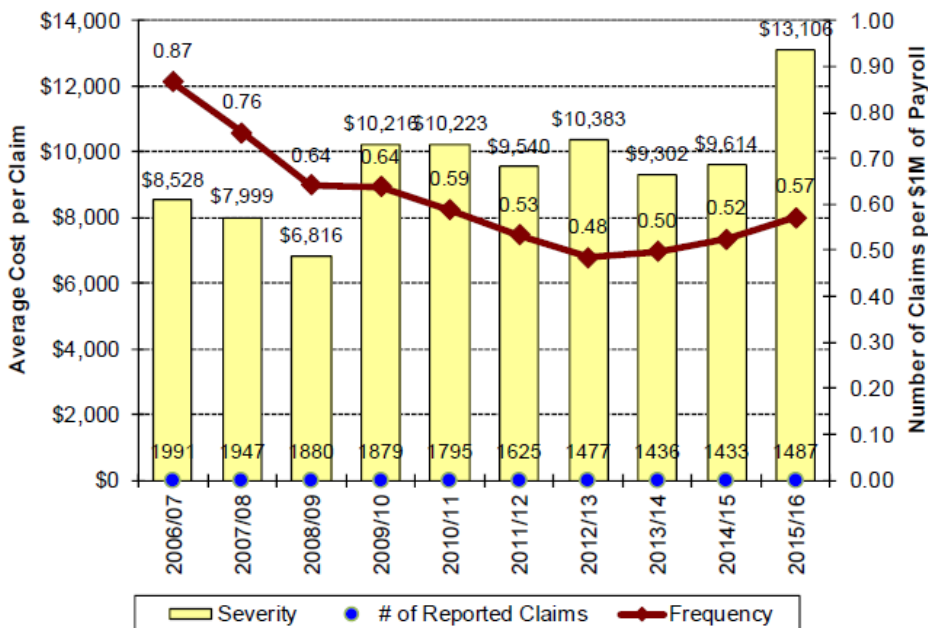
WORKERS' COMPENSATION BUREAU (WCB)

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 1,982 new claims were filed in FY16, and 2,122 claims were closed in that same period. Overall, the frequency of claims has remained flat for FY16 but the severity of claims has increased due to rises in medical billing and in the costs of medical services.

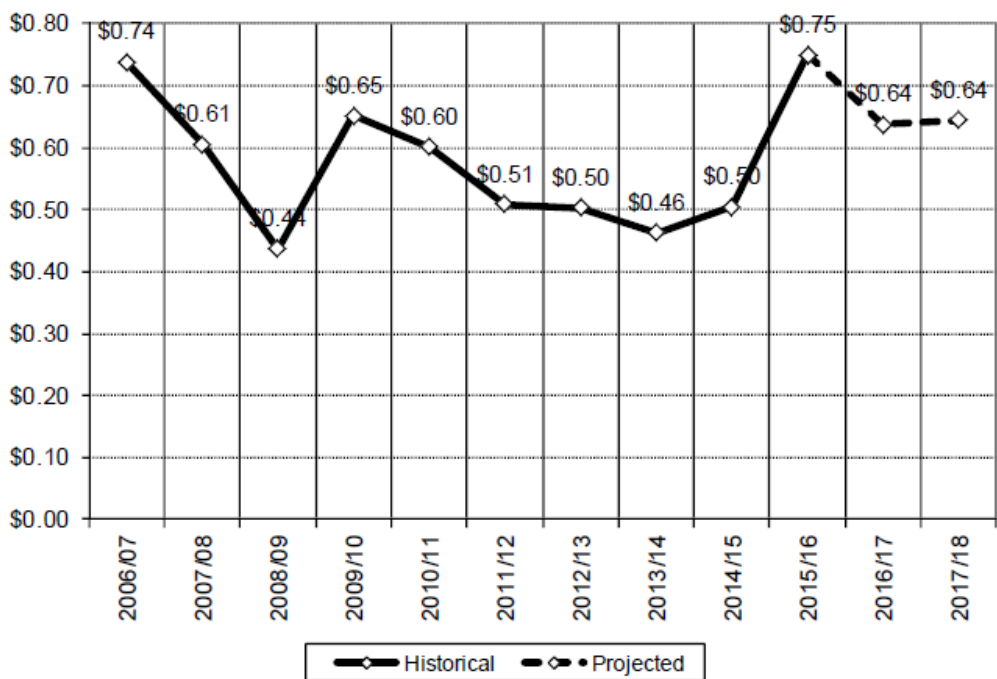
WCB continues to solicit bids through a Request for Proposal for a Pharmacy Benefit Manager Program. This effort will decrease the costs of pharmacy payments by an estimated \$600,000.00 and will facilitate the appropriate distribution of prescription medications to injured workers. In addition to other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

**Frequency and Severity
(Workers Compensation)**



There was a jump in severity of claims based on an increase in prescription drugs, which pushes up healthcare costs. No significant increase in the number of claims.

**Loss Rate per \$100 of Payroll
(Workers Compensation)**



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

PUBLIC LIABILITY

FUND: 357

	Actual FY2015 End Cash Bal:	Actual FY2016 ¹ Beg Cash Bal:	Projected FY2017 Beg Cash Bal:
	\$36,257.9	\$36,291.1	\$51,208.6
SOURCES	TOTAL Actual FY2015	TOTAL Actual FY2016	TOTAL PROJ FY2017
Revenues			
Insurance Assessments ²	\$48,338.3 ²	\$51,821.0 ²	\$48,931.3
Interest	\$34.5	\$84.6	\$50.0
Misc.	(\$544.9)	\$88.1	\$2,000.0
AR	\$2.0	\$2.7	\$3.0
Total Revenues	\$47,829.9	\$51,996.4	\$50,981.3
USES	TOTAL Actual FY2015	TOTAL Actual FY2016	TOTAL PROJ FY2017
Category			
400 Prior Year A/P	\$640.0	\$1,067.9	\$500.0
400 Prior Year	\$366.2	\$64.2	\$250.0
Total	\$1,006.2	\$1,132.2	\$750.0
300	\$13,524.7 ³	\$11,824.9 ³	\$15,000.0
400	\$29,129.5 ⁴	\$21,987.4 ⁴	\$34,321.5
500	\$4,136.3	\$2,134.4	\$1,706.5
Total	\$46,790.5	\$35,946.7	\$51,028.0
Total Expenditures	\$47,796.7	\$37,078.9	\$51,778.0
Adj (AP)			\$0.0
	End Cash Bal: \$ 36,291.1	End Cash Bal: \$ 51,208.6	End Cash Bal: \$ 50,411.9

FY16 BUDGET	FY16 Actual	BALANCE
\$0.0	\$1,067.9	(\$1,067.9)
\$0.0	\$64.2	(\$64.2)
\$16,584.4	\$11,824.9	\$4,759.5
\$27,934.2	\$21,987.4	\$5,946.8
\$2,134.4	\$2,134.4	\$0.0
\$46,653.0	\$37,078.9	\$9,574.1

Projected fund health: PUBLIC LIABILITY

Fund Indicator: R

Projected YREND Fund Ratios			
FY15	FY16	FY17	Item
\$36,291.1	\$51,208.6	\$50,411.9	Projected Assets
\$108,233.8	\$101,285.6	\$103,741.1	Outstanding Liabilities ⁵
34%	51%	49%	Projected Fund Health

NOTES

1. Per SHARE GL Detail by Fund report dated 7-14-2016.
2. FY15 BILLING \$46,594.8 Collection Rate 104% = \$48,338.4
 FY16 BILLING \$49,116.8 Collection Rate 106% = \$51,821.3
 FY17 BILLING \$48,931.3 Collection Rate 100% = \$48,931.3
3. 300 category expenditure for professional services, primarily for Legal, Investigator, Excess Insurance and System Maintenance expenses
4. AON RPT Projected Losses Paid TABLE III-4 Column (2), Column (2) FY15= Actuals, FY16 = Actuals, FY17 = \$34,321.5 - Assumes "worst case" scenario
5. FY15, FY16 and FY17 per AON RPRT, GL-12/13, LE-12/13, CR-12/13, AL-12/13, MM-12/13, Column 9;
 FY15 = \$108,223.8k actuarial calculation of outstanding liabilities.
 FY16= \$101,285.6k actuarial calculation of outstanding liabilities.
 FY17 = \$103,741.1k actuarial calculation of outstanding liabilities

Sources and Uses of Public Property Fund

**PUBLIC PROPERTY
FUND: 356**

	Actual FY2015 Beg Cash Bal:	Actual FY2016 ¹ End Cash Bal:	Projected FY2017 End Cash Bal:
	\$7,698.6	\$7,891.4	\$9,853.6
SOURCES	TOTAL Actual FY2015	TOTAL Proj FY2016	TOTAL PROJ FY2017
Revenues			
Insurance Assessments	\$10,876.9	\$10,005.3 ²	\$10,916.0
Interest	\$5.7	\$17.0	\$5.5
Misc.	\$992.7	\$1,755.0	\$500.0
AR	\$0.6	\$0.5	
Total Revenues	\$11,875.9	\$11,777.9	\$11,421.5
USES	TOTAL Actual FY2015	TOTAL Actual FY2016	TOTAL PROJ FY2017
Category			
PY Vouchers Payable	\$36.6	\$211.5	\$50.0
300	\$4,675.2	\$4,719.0 ³	\$5,369.9
400	\$6,448.5	\$4,809.7	\$5,692.0 ⁴
400 Prior Year	\$0.6	\$75.5	\$250.0
500	\$522.1	\$0.0	\$0.0
Total Expenditures	\$11,683.0	\$9,815.7	\$11,361.9
Adj.			(\$0.1)
	End Cash Bal: \$7,891.4	End Cash Bal: \$9,853.6	End Cash Bal: \$9,913.3

BUDGET FY16	ACTUAL FY16	BALANCE
\$0	\$211.5	(\$211.5)
\$4,954.9	\$4,719.0	\$235.9
\$6,003.0	\$4,809.7	\$1,193.3
	\$75.5	(\$75.5)
\$0.0	\$0.0	\$0.0
\$10,957.9	\$9,815.7	\$1,142.2

NOTES

- Per SHARE GL Detail by Fund report dated 7-14-16.
- | | | | | |
|--------------|------------|-----------------|--------|------------|
| FY15 BILLING | \$10,418.1 | Collection Rate | 104% = | \$10,876.9 |
| FY16 BILLING | \$10,366.7 | Collection Rate | 97% = | \$10,005.3 |
| FY17 BILLING | \$10,916.0 | Collection Rate | 100% = | \$10,916.0 |
- 300 category expenditure for professional services, primarily for Excess Insurance and System Maintenance expenses
- AON TABLE III-4, p 10 FY15= Actual; FY16 = Actual; FY17 = \$5,692.0 - Assumes "worst case" scenario
- FY15, FY16 and FY17 per AON RPRT, PD-12, PD 13, OP12, OP-13, Column 9;
 - FY15 = \$2,879.0k actuarial calculation of outstanding liabilities.
 - FY16= \$2,670.4k actuarial calculation of outstanding liabilities.
 - FY17 = \$2,848.5k actuarial calculation of outstanding liabilities

Projected fund health: PUBLIC PROPERTY
Fund Indicator: **Y**

Projected YREND Fund Ratios			
FY15	FY16	FY17	Item
\$7,891.4	\$9,853.6	\$9,913.3	Projected Assets
\$2,879.0	\$2,670.4	\$2,848.5	Outstanding Liabilities ⁵
274%	369%	348%	Projected Fund Health

Sources and Uses of Workers' Compensation Fund

WORKERS COMPENSATION

FUND: 359

	Actual FY2015 Beg Cash Bal:	Actual FY2016 ¹ End Cash Bal:	Projected FY2017 End Cash Bal:
	\$12,740.1	\$18,970.6	\$23,148.2
SOURCES	TOTAL Actual FY2015	TOTAL Actual FY2016	TOTAL PROJ FY2017
Revenues			
Insurance Assessments	\$24,830.2	\$22,859.2 ²	\$22,512.8
Interest	\$15.7	\$42.3	\$15.0
Misc.	\$200.2	\$272.1	\$272.1
Accounts Receivable	(\$1.4)	\$1.4	\$2.0
Total Revenues	\$25,044.7	\$23,175.0	\$22,801.9
USES	TOTAL Actual FY2015	TOTAL Actual FY2016	TOTAL PROJ FY2017
Category			
Prior Year AP	\$0.0	209.8	200.0
400 Prior Year Payment	\$108.3	61.7	100.0
Contracts Payable	(\$48.1)	(\$4.2)	\$50.0
Total Prior Year	\$60.2	267.3	350.0
300 ²	\$1,131.5	\$1,093.5 ³	\$2,761.80
400 ³	\$15,596.6	\$15,502.2 ⁴	\$15,767.6
500	\$2,026.0	\$2,134.4	\$1,706.5
Total Current Year	\$18,754.0	\$18,730.1	\$20,235.9
Total Expenditures	\$18,814.3	18,997.4	20,585.9
Other Liabilities	\$ 0.05	\$0.1	
	End Cash Bal:	End Cash Bal:	End Cash Bal:
	\$18,970.6	\$23,148.2	\$25,364.2

BUDGET FY16	Actual FY16	REQUIRED BAR
	209.8	(\$209.8)
	61.7	(\$61.7)
	(\$4.2)	\$4.2
\$2,761.8	\$1,093.5	\$1,668.3
\$18,028.3	\$15,502.2	\$2,526.1
\$2,134.4	\$2,134.4	\$0.0
\$22,924.5	\$18,997.4	\$3,927.1

Projected fund health: Workers' Compensation

Fund Indicator: **G**

Projected YREND Fund Ratios			
FY15	FY16	FY17	Item
\$18,970.6	\$23,148.2	\$25,364.2	Projected Assets
\$57,761.2	\$56,263.2	\$58,061.6	Outstanding Liabilities ⁵
33%	41%	44%	Projected Fund Health

NOTES

- Per SHARE GL Detail by Fund report dated 7-14-16
- | | | | | |
|--------------|------------|-----------------|----------|-------------|
| FY15 BILLING | \$24,713.1 | Collection Rate | 100.5% = | \$24,830.24 |
| FY16 BILLING | \$22,833.8 | Collection Rate | 100% = | \$22,859.17 |
| FY17 BILLING | \$22,740.2 | Collection Rate | 99% = | \$22,512.80 |
- 300 category expenditure for professional services, primarily for Legal, Investigator, Excess Insurance and System Maintenance expenses
- AON TABLE III-4, p 9 Columns (2) and (3) FY15=Actuals, FY16=Actuals, FY17=\$15,767.6- Assumes "worst case" scenario
- FY15, FY16 and FY17 per AON RPRT Exhibit WC-12 and WC-13 Column 9
 - FY15 = \$57,761.2k actuarial calculation of outstanding liabilities
 - FY16 = \$56,263.2k actuarial calculation of outstanding liabilities
 - FY17 = \$58,061.6k actuarial calculation of outstanding liabilities

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, 2016 per NMSA § 15-7-9.

<u>Claim #</u>	<u>Payee</u>	<u>Indemnity Payment</u>
1401470-000	OFELIA MILANES & STEVE AGUILAR, her attorney	\$27,500.00
1401419-000	ERIC N ORTIZ, ESQ. LLC	\$226,125.00
1401419-000	KENDRA KOIVU	\$573,875.00
1401355-000	PORFIRIO GRANADOS &	\$27,000.00
1401303-000	ALBERT CRUZ & HINKLE LAW OFFICE, PC	\$14,000.00
1401289-000	BOWLES LAW FIRM TRUST ACCOUNT	\$25,000.00
1401227-002	FABER & BRAND, LLC	\$3,733.20
1401178-000	DISCOVERY HEALTH PARTNERS	\$1,051.46
1401031-000	HINKLE LAW OFFICE, PC & DEBORAH HAGEN	\$25,000.00
1400886-000	Poindexter Law LLC and Joey Gonzales	\$32,000.00
1400737-000	MUCCI LAW FIRM FOR VINCENZO AND	\$160,000.00
1400717-000	LAW OFFICE OF JAMES H. WOOD P.C.	\$18,000.00
1400655-000	MARC BAILEY AND FRANCES CARPENTER,	\$45,000.00
1400539-000	FELIX HERRERA	\$1,588.77
1400510-000	JANET D. MOONEY	\$5,000.00
1400463-002	NAN AND GORDON LUTES, AND THE POFAHL	\$20,000.00
1400416-000	GORDON FRETTEM & HIS ATTORNEY	\$50,000.00
1400286-000	METROPOLITAN PROPERTY & CASUALTY	\$2,500.00
1400286-000	RIOS LAW FIRM & SYLVIA JACQUES	\$13,000.00
1400205-000	MURRAY LAW FIRM	\$90,000.00
1301259-000	GARCIA IVES NOWARA LLC	\$61,500.00
1301257-000	LAW OFFICE OF FRANCES CROCKETT, LLC	\$10,000.00
1301245-000	MARINA MAESTAS & THE LAW FIRM OF DAVID C CHAVEZ	\$20,000.00
1301243-000	ANGELO JACQUES and his attorney DANIEL YOHALEM	\$122,500.00
1301239-000	LAW OFFICE OF PHILIP B DAVIS	\$15,000.00
1301238-000	ELIAS LAW, PC and CATHERINE BARELA	\$40,000.00
1301231-000	KENNEDY TRUST / Kennedy Kennedy & Ives, LLC	\$130,000.00
1301210-000	COBERLY & MARTINEZ, LLLP	\$20,000.00
1301170-000	VANESSA GARCIA, MALISA GARCIA &	\$550,000.00
1301155-000	CHICAL HAYSTACK, INC & ATTY. TIBO	\$17,500.00
1301152-000	MARLENA ADDISON AND ROBYNN SENA DIXON	\$250,000.00

<u>Claim #</u>	<u>Payee</u>	<u>Indemnity Payment</u>
1300919-000	VICTOR MARQUEZ & HIS ATTORNEY	\$60,000.00
1300861-000	LINDSAY O'BRIEN QUARRIE	\$5,000.00
1300774-000	THE LAW OFFICE OF RICHARD SANDOVAL, LLC	\$600,000.00
1300742-000	THE GILPIN LAW FIRM &	\$40,000.00
1300731-000	MATILDA MADRID & RIOS LAW FIRM	\$15,000.00
1300247-000	REVO/SMITH LAW FIRM LLC	\$20,000.00
1201323-000	EKEOHA, GERALD	\$50,000.00
1201319-000	BRENDA MARES	\$40,000.00
1201319-000	PHILLIP B DAVIS	\$47,500.00
1201318-000	JOHN SHEPHERD as PR & CARTER VALLE LAW FIRM	\$387,000.00
1201311-000	DANIEL ADAMS & MARTINEZ, HART & THOMPSON P.C.	\$4,500.00
1201307-000	Michael Childers, as PR of the Estate of Neal P.	\$500,000.00
1201306-000	BARNETT LAW FIRM PA	\$37,572.08
1201306-000	PACIFIC LIFE & ANNUITY SERVICES, INC.	\$29,927.92
1201296-000	LAW OFFICE OF FRANCES CROCKETT, LLC TRUST ACCOUNT	\$2,000.00
1201130-000	REVO/SMITH LAW FIRM LLC TRUST ACCOUNT	\$429,682.00
1201130-000	REVO/SMITH LAW FIRM LLC TRUST ACCOUNT	\$120,318.00
1201009-000	WILL FERGUSON & ASSOCIATES & BERNADETTE	\$24,000.00
1200960-000	MARGUARETE GRAY and FERGUSON & ASSOCIATES, her attorney	\$350,000.00
1200951-000	PABLO JACQUEZ and ELIAS LAW PC	\$10,000.00
1200947-000	ELIAS LAW FIRM, PC and MEGHAN SOMMERVILLE	\$125,000.00
1200551-000	ROSALBA NAJERA as Personal Rep. & MORRIS LAW FIRM, her attorne	\$200,000.00
1200551-000	THE FINE LAW FIRM TRUST ACCOUNT	\$50,000.00
1200551-000	ROCIO NAJERA and THE FINE LAW FIRM	\$250,000.00
1200393-000	JUSUS CARRANZA AND HIS ATTORNEY	\$145,000.00
1200388-000	ALEX VELARDE AND HIS ATTY WILLIAM IVRY	\$15,000.00
1200327-000	ANDREA LA CRUZ-CRAWFORD	\$37,500.00
1200170-000	EGOLF, FERLIC & DAY fbo Cindy Corriz	\$395,000.00
1200135-000	FINE LAW FIRM AND ADOLPHE-LOUIS	\$50,000.00
1101394-000	ISMAEL & MELANIE MIRANDA & DAMON RICHARDS,	\$110,000.00
1101257-000	Lawrence Jaramillo and the	\$22,500.00
1101254-000	VALERIE SHADRICK & ELIAS BARELA, her attorney	\$40,000.00
1100883-000	MARVIN SOUTHWARD, GUARDIAN FOR	\$100,000.00
1100311-000	JANIS WEAVER, indiv. & JONES, SNEAD, WERTHEIM & CLIFFORD,PA	\$75,000.00

<u>Claim #</u>	<u>Payee</u>	<u>Indemnity Payment</u>
1001315-000	J. ROBERT BEAUVAIS	\$43,500.00
1000178-000	ROBERT MASTERS & Whitener Law Firm, PA	\$47,500.00
0800376-001	LAW OFFICES OF JOHN R. WESTERMAN	\$225,000.00
0500739-000	MONICA LUJAN and MAESTAS & SUGGETT, P.C., her attorneys	\$300,000.00

Exhibit 1. RMD Organizational Chart

