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No. 14-003

***Benefits Administration Letter***

Issued per NMSA § 10-7B-1 *et seq.*

Date: October 10, 2014

**Subject**

Data and Financial Administrative Requirements for participating Local Public Bodies (LPBs)

**Purpose**

In order to ensure accurate premium billing and proper crediting of LPB premium payments, this Letter of Administration is issued to provide notice of the following important changes:

**Additional Administrative Processes**

Please refer to Benefits Administration Letter No. 13-002 for the original billing process notification. As of October 27, 2014, the following *additional* administrative processes will go into effect:

- When submitting monthly premium payments, based on SunSystems-generated invoices, each LPB must submit only **two (2)** payment checks: one check is for the combined total of all Life coverage premiums, and the second check is for the combined total of all other benefits premiums (medical, dental, vision, disability)
- Erisa, the State's Group Benefits Plan administrator, periodically conducts audits to ensure accurate data on LPB participants, including exact benefit coverages. Due to the importance of maintaining current benefit details, LPBs must return to Erisa the requested audit information within two (2) weeks of receipt
- Basic Life premiums must be paid 100% by the employer (LPB) with no cost sharing by employees

As of July 1, 2014 (Benefits Administration Letter No. 14-002), all LPB medical premium loads were discontinued and the State began treating all benefits plan participants as one pool. This one pool approach works if all participants follow the required administrative processes. Beginning October 27, 2014, LPBs who fail to comply with the State's Group Benefits Plan's Data and Financial Administrative Requirements will be assessed a 2% medical premium load.

Questions should be directed to Erisa at 505-244-6000 or 1-855-618-1800.

Sincerely,

A.J. Forte, Director, Risk Management Division