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No. 21-001

Benefits Administration Letter

Issued per NMSA § 10-7B-1 et.seq.

Date: June 9, 2021

Subject

Data and Financial Administrative Requirements for 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 requirements:

Administrative Processes

Please refer to Local Public Body (LPB) Benefit Plan Participation Requirements that you joined the State of New Mexico Group Benefit Plan under. Minimum Requirements include the following:

- "Must sign up for and utilize the provided billing system software (Sun Systems). Use billing system to insure that premium payments are timely and accurate, "
- When submitting monthly premium payments, based on the Sun Systems-generated invoice, each LPB
 must submit only two (2) payment checks: one check is for the <u>combined total</u> of all <u>Life</u> coverage
 premiums, and the second check is for the <u>combined total</u> of all <u>other benefits</u> premiums (medical, dental,
 vision, disability)
- Erisa, the State's Group Benefits Plan administrator, periodically conducts audits to ensure accurate data on LPB participants, including their exact benefit coverages. Due to the importance of maintaining current benefit details, LPBs must submit the requested information to Erisa's audit requests within two (2) weeks of receipt

As of Plan Year 2021, several LPBs are not paying as billed. If an LPB needs to make an adjustment, they must contact Erisa to review and reconcile through an audit. This one-pool approach works if all participants follow the required administrative processes. LPBs who choose not to follow the State's Group Benefits Plan policies & regulations risk being discontinued from participation in the SONM Group Benefit Plan.

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

Sincerely,

Mark Tyndall, Director, Risk Management Division

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