

A letter from General Services Secretary Ken Ortiz

Fellow public employees:

My duties as secretary of the New Mexico General Services Department include overseeing the administration of health care and other benefits for state employees.

I am writing to let you know that rates for medical, dental, vision, disability and basic life coverage will increase 3 percent for both employees and agency employers on July 1. Health care costs continue to climb in New Mexico and nationwide.

Here's the good news: The increase in your premiums will be more than offset by the 4 percent pay increase for state employees that was approved by the Legislature and Gov. Michelle Lujan Grisham starting in July. The average state worker (who earns about \$50,400 a year) will receive a pay increase of \$2,016 a year.

State agencies will continue to pay most of the costs of health care and other benefits for employees. The employer share ranges from 60% to 80% for health care coverage, depending on a worker's salary. For the average state worker, HMO coverage through our current health care providers for that employee plus spouse will increase about \$5.02 per paycheck, or \$130.52 per year. The increase for HMO family coverage for that employee will be about \$6.58 per paycheck, or \$171.08 annually.

You also may have heard that as part of the PERA solvency plan, most state employees making more than \$25,000 will have to contribute one-half percent more of their pay in retirement contributions. For the average state worker, that will mean about \$252 more in contributions per year.

Even after paying more in health care premiums and in retirement contributions, state employees will still see a substantial boost in their take home pay. Here's the math for the average employee with HMO family coverage: A \$2,016 annual pay hike minus \$171 a year more for health care premiums and \$252 more annually in PERA contributions equals a net increase of \$1,593 before other deductions.

At the General Services Department, we are making every effort to minimize increases in employee costs for health care and other benefits. I am asking you to do the same by staying healthy, which helps to reduce costs for medical care benefits.

Use your free annual preventative medical visit with your primary care doctor and take advantage of the Stay Well Health Center at the Montoya building. The center offers a range of free health care services, including immunizations and lab work, to covered employees and their families.

Other tools offered to covered employees to help improve their health and well-being include:

- Two free annual preventative dental visits.
- Dedicated insurance carrier portals containing information on health and wellness. Go to www.mybenefitsnm.com to access the portals.
- Free annual preventative vision visits.
- The Employee Assistance Program, which offers support with free counseling sessions per issue.

I also encourage you to visit www.mybenefitsnm.com to learn more about the range of preventative benefits offered by our health care providers. The health care premium rates that take effect July 1 will soon be posted there.