

A letter from General Services Secretary Ken Ortiz

Fellow public employees:

My duties as Secretary of the General Services Department include overseeing the administration of health care and other benefits for employees of the state and participating local governments.

As you may have heard, the rates for medical, dental, vision, basic life and disability coverage, along with administration fees, will increase 5% for both employees and employers on July 1.

Government 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%, depending upon a worker's salary.

I am writing to tell you what the benefit rate increases will mean for your paychecks and to lay out the reasons why such a rate increase occurs. The new rates can be found at www.mybenefitsnm.com.

For the average state worker (who earns about \$46,000 a year), the rate for health care coverage through an HMO for that employee plus spouse will increase \$5.31 per paycheck, or \$138.06 per year. The increase per paycheck for family coverage for that employee will be \$6.97, or \$181.22 annually.

There is some good news: The increase in employee benefit rates will be more than offset by a pay increase effective July 1.

The Legislature and Gov. Michelle Lujan Grisham have approved a pay hike of at least 4% for all state workers. Employees earning less than \$25,000 a year will get an additional 1% boost in pay.

For the average state worker, a 4% pay increase will mean an additional \$1,840 in earnings per year.

There are several factors that can cause increases in employee and employer benefit rates. Here are the major ones:

- Increased rates charged by insurers.
- High-dollar medical claims by participating employees.
- A deficit in the group benefits fund, which is financed primarily by employee and employer contributions.
- Costs of compliance with the federal Affordable Care Act.
- New health care services mandated by state law.

I pledge the department will do what it can to minimize further 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 three 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. Finally, come to the Health & Wellness Fair on Tuesday June 11 from 11 a.m. to 2 p.m. at the Montoya building.

Representatives of our health care providers will be at the fair, in addition to exercise and wellness professionals, nutritionists, therapists and others. There also will be free mammograms (by appointment at 888.233.6121) and free blood pressure and cholesterol checks, as well as a blood-drive van.

We'll also be giving away prizes at the fair, along with free samples and other exciting goodies. My staff and I will also be at the fair if you have questions regarding the increases in benefit rates. Hope to see you there.