

Board of Education

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Heather Gutierrez Superintendent
Capitan Municipal Schools
519 Smokey Bear Blvd.
Capitan, NM 88316
575-354-8500

www.capitantigers.org

CAPITAN MUNICIPAL SCHOOLS BOARD OF EDUCATION

AGENDA ITEM EXECUTIVE SUMMARY

1. Board Meeting Date: October 19, 2026
2. Item Title: V.B.3 Consideration of and approval of a Resolution Authorizing and Approving New Mexico Public Schools Insurance Authority to Add & Offer Waiver Benefit Coverage(s) to all benefits eligible employees for long term disability.
3. Name of Presenter: H. Gutierrez, Superintendent
4. This item is for: XX Action ___ Consent Agenda ___ Discussion ___ Report/Information
5. Proposed Motion (Action Items Only): I move that we approve the Resolution Authorizing and Approving New Mexico Public Schools Insurance Authority to Add & Offer Waiver Benefit Coverage(s) to all benefits eligible employees for long term disability.
6. Executive Summary: Please see attached.



Patrick Sandoval
Executive Director

Martha Quintana
Deputy Director

NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY

Office of Executive Director

410 Old Taos Highway
Santa Fe, New Mexico 87501
1-800-548-3724 or 505-988-2736
505-983-8670 (fax)

BOARD OF DIRECTORS

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July 31, 2026

HB47- School Employee Insurance Programs

Participation Waiver Revocation Effective July 1, 2027

We are writing to inform you of upcoming changes required under HB47 that will impact current participation waiver practices. Attached is the current NMSA, you can find NMPSIA's governing statute 22-29-10 NMSA on pages 8-9 regarding participation waiver rules and regulations. **This section will be revised in the New Mexico Administrative Code (NMAC) to become compliant with new provisions in HB47 by the July 1, 2027 effective date.**

HB47 will require a rule change to the NMAC to remove existing waiver participation rules related to both formally approved participation waivers and automatic waivers for benefit-related coverages, participation waiver rules for risk-related coverages will remain in place. Effective July 1, 2027, any district or charter school currently operating under an approved waiver or automatic waiver for group health insurance coverage will no longer be permitted to continue using those provisions. All group health insurance coverage existing waivers, formal or automatic, will become null and void as of July 1, 2027, and new waivers will not be granted thereafter.

- If your district or charter school is currently offering a competing line of group health insurance coverage that was independently procured outside of NMPSIA either through a participation waiver or by an unreported competing line of group health insurance coverage, you should begin reviewing your current agreements immediately. Each school district and charter school must ensure that its insurance offerings are identified and brought into compliance with the new requirements established under HB47.
- **We have attached a NMPSIA Waiver Elimination of Coverage & Impact Form to help determine which benefits your school district or charter will need to opt into to be compliant, as well as how many benefits-eligible employees you anticipate will need to be brought into the NMPSIA benefit group for any waived line of group health insurance coverage. Please return this information no later than August 21, 2026.** You may email the signed form to Kaylynn.Roybal@psia.nm.gov. This will allow NMPSIA time to adequately plan for the number of benefits-eligible employees who may need to enroll and help ensure there is no lapse in coverage for your employees.
- Failure to return this form will result in your school district or charter school not participating in any potential special enrollment, meaning your employees may experience a lapse in coverage. They will need to wait until the October 2027 open enrollment with benefits effective January 1, 2028, or may be required to provide evidence of insurability for disability or life coverage.

- **For administrative ease, any districts or charter schools that will need to enroll employees in NMPSIA benefits due to the statutory changes outlined above, are strongly encouraged to utilize the October 2026 Open Enrollment period to enroll employees in NMPSIA benefits with benefits effective January 1, 2027.**
- The special enrollment period will occur in March 2027 for member districts and charters that are unable to utilize the October 2026 open enrollment period and who returned the data request form within the requested time frame, to allow for a July 1, 2027 effective date for affected employees.

There is an additional compliance consideration NMPSIA would like to highlight. In accordance with governing rules, participating school districts and charter schools ***may not*** separately ***offer any competing employee-benefits insurance coverage***. However, schools may offer supplemental or non-competing coverage that is not provided through the Authority.

NMPSIA understands that some of these distinctions may not have been closely evaluated in the past. However, moving forward, all districts and charter schools will be expected to ensure full compliance with NMPSIA rules and regulations. NMPSIA strongly encourages you to assess your current benefit offerings and waiver status to identify any necessary changes well in advance of the October 2026 open enrollment, the special enrollment planned for March 2027, ahead of the 7/1/2027 deadline.

NMPSIA recognizes that you or your leadership may have questions or concerns on behalf of employees. For example, some school districts and/or charter schools may currently utilize benefits such as VSP in place of NMPSIA's Davis vision offering. Historically, situations like this may have fallen under the approved automatic waiver provision if the coverage was 100% employee-paid. While this will no longer be permitted under HB47, NMPSIA wants to assure you that we are actively working to expand and strengthen the benefit options available to our members. As NMPSIA operates within state procurement laws, there may be some timing constraints. However, NMPSIA is committed to evaluating opportunities and making improvements where possible. NMPSIA appreciates your partnership and patience as NMPSIA works through these changes.

Additional guidance and updated rules will be shared as they become available. In the meantime, if you have questions, please contact Kaylynn.Roybal@psia.nm.gov.

Thank you for your attention to this important matter and for your ongoing commitment to compliance.

Instructions: A Resolution must be submitted to the Authority for approval by the Authority Board of Directors for elected changes, enrollment period, and effective date. The Authority will advise the Petitioner of the approval of the Resolution by the Authority Board of Directors.

RESOLUTION ADOPTED BY

Capitan Municipal Schools

(NMPSIA Participating School/Charter Name)

RESOLUTION NO. 2026-2027-001

GOVERNING BODY GIVING NOTICE TO
THE NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY TO
ADD & OFFER WAIVER BENEFIT COVERAGE(S)
TO ALL BENEFITS ELIGIBLE EMPLOYEES

The Governing Body of Capitan Municipal Schools (Petitioner)
having affirmatively voted in a meeting noticed and conducted pursuant to the Open Meetings Act petitions the New Mexico Public Schools Insurance Authority (Authority) as follows:

Whereas, the Petitioner participates in the employee benefits administered by the Authority; and

The Petitioner will **offer** all benefits eligible employees the elected benefit(s) coverage, as such lines of coverage are provided by the Authority to its employees; and

(Choose applicable ***Waiver Coverage**)

☐ Dental ☐ Vision ☒ Long-Term Disability (☒ 30-Day ☐ 60-Day ☐ 90-Day) ☐ Additional Term Life

The Petitioner understands that to **offer** benefits eligible employees coverage pursuant to the Statute of the Authority, there must be an affirmative choice to **offer** the coverage and notice of such choice to the Authority; and

The Petitioner understands that in **offering these elected benefits**, as provided by the Authority Statute, it will contribute the required employer contribution toward the employee's insurance premium, for any dental, vision, or long-term disability plan elected, for such coverage; and

The Petitioner understands that in order for an employee to elect to participate in these added benefits the employer will **offer** an **Open Enrollment period**:

☒ **October 2026 for an effective date of January 1, 2027**

Now, THEREFORE, the members of the Governing Body of the Petitioner affirmatively choose to **offer Waiver** benefit coverage to benefits eligible employees as such benefits are provided by the Authority and hereby notifies the Authority of that choice with the elections made above.

PASSED, APPROVED, AND ADOPTED BY: Board of Education, Capitan Municipal Schools on this
19th day of October, 2026.

Members of the Governing Body of the Petitioner:

President

Member

Member

Member

Member

Member

Member

Member

Member

***Waiver Coverage refers to any line of benefit coverage not previously elected through NMPSIA.**

NMPSIA Waiver Elimination Coverage & Impact Form

Entity Name: Capitan Municipal Schools

Group ID: 0040

Contact Name: Jamie Shepperd

Contact Email: jamie.shepperd@capitantigers.org

Contact Phone: 575-354-8514

Section 1: Coverage Election (Select all that apply)

*Please indicate which coverage your entity will opt into as part of waiver elimination.
(Medical and Basic life are mandatory coverages.)*

- ☐ Dental
- ☐ Vision
- ☒ Long Term Disability (LTD)
- ☐ Additional Life Insurance (ALF)

Section 2: LTD Election

If Long Term Disability (LTD) is selected above, choose one waiting period:

- ☒ 30-Day Waiting Period
- ☐ 60-Day Waiting Period
- ☐ 90-Day Waiting Period

Section 3: Employee Impact by Coverage

Provide the approximate number of employees who will be newly enrolled or impacted under each coverage.

Dental: _____ Vision: _____

LTD: 25 ALF: _____

Section 4: Training & Support Needs

To support your transition, please indicate your training preferences.

Would your entity like NMPSIA training support?

Training Needed: ☐ Yes ☒ No

If yes, please complete this survey to set up a training,

<https://www.surveymonkey.com/r/J3VTFDN>

You may select both types of training listed below if necessary.

☐ Benefits Overview

☐ MyBenefits Online Portal

Preferred Training Format: ☐ Virtual ☐ In-Person

Estimated Attendees: _____

Section 5: Enrollment Planning

Select the enrollment period you plan to utilize for your employees:

☒ October 2026 Open/Switch Enrollment (Benefits effective 1/1/2026)

☐ March 2027 Special Open Enrollment (Benefits effective 7/1/2027)

If you selected both enrollment periods, please explain why this would be necessary:

Section 6: Additional Comments

Acknowledgement

I certify that the information provided is accurate and will be used for planning and implementation purposes related to the waiver elimination.

Name: Jamie Shepperd

Signature: _____

Date: August 18, 2026