

**TITLE 6            PRIMARY AND SECONDARY EDUCATION**  
**CHAPTER 50    INSURANCE**  
**PART 3            PROCUREMENT OF COVERAGE FOR RISK-RELATED EXPOSURES, EMPLOYEE-**  
**BENEFITS AND DUE PROCESS REIMBURSEMENT**

**6.50.3.1            ISSUING AGENCY:** New Mexico Public School Insurance Authority.

[6.50.3.1 NMAC - Rp, 6 NMAC 50.3.1, 09/01/2014]

[The address of the New Mexico Public School Insurance Authority is 410 Old Taos Highway, Santa Fe, New Mexico 87501.]

**6.50.3.2            SCOPE:** This part applies to all school districts, charter schools, other educational entities, eligible employees, eligible retired employees, eligible dependents, eligible participating entity governing body members, and persons or entities authorized to participate in the authority's employee benefits, risk-related and due process reimbursement coverages.

[6.50.3.2 NMAC - Rp, 6 NMAC 50.3.2, 09/01/2014]

**6.50.3.3            STATUTORY AUTHORITY:** Subsection D of Section 22-29-7 NMSA 1978, directs the authority to promulgate necessary rules, regulations and procedures for the implementation of the New Mexico Public School Insurance Authority Act, Section 22-29-1 et seq. NMSA 1978.

[6.50.3.3 NMAC - Rp, 6 NMAC 50.3.3, 09/01/2014]

**6.50.3.4            DURATION:** Permanent.

[6.50.3.4 NMAC - Rp, 6 NMAC 3.4, 09/01/2014]

**6.50.3.5            EFFECTIVE DATE:** September 1, 2014 unless a later date is cited at the end of a section.

[6.50.3.5 NMAC - Rp, 6 NMAC 50.3.5, 09/01/2014]

**6.50.3.6            OBJECTIVE:** The objective of this part is to delineate the powers of the authority to procure insurance or to self-insure risk-related exposures and to provide for employee-benefit programs and due process reimbursement coverage and the general methods by which these coverages will be offered.

[6.50.3.7 NMAC - Rp, 6 NMAC 50.3.6, 09/01/2014]

**6.50.3.7            DEFINITIONS:** [RESERVED]

**6.50.3.8            AUTHORIZATION TO PROCURE INSURANCE OR TO SELF-INSURE RISK-RELATED, EMPLOYEE BENEFIT AND DUE PROCESS REIMBURSEMENT COVERAGES:** The authority is authorized to provide for risk-related exposures, employee benefit programs and due process reimbursement coverage in the following ways.

**A.** Obtain basic, excess, reinsurance or retrospectively rated insurance policies for any combination of risk-related or employee-benefit coverages on behalf of all persons or entities authorized to participate in the authority's coverages in compliance with the Procurement Code, Section 13-1-1 et seq. NMSA 1978, the Health Care purchasing Act, Section 13-7-1 NMSA 1978, and the competitive sealed proposal process of Section 13-1-28 NMSA 1978.

**B.** Self-insure all or any part of risk-related, employee benefit and due process reimbursement coverages offered to persons or entities authorized to participate in the authority's coverages.

**C.** Establish pooling and participation arrangements to provide risk-related or employee-benefit coverages on behalf of all persons or entities authorized to participate in the authority's coverages.

**D.** Establish reasonable self-insured retention or self-insured liability levels.

**E.** Establish reasonable deductibles, stop loss, out of pocket, co-pays or other cost containment mechanisms.

**F.** Modify any basic, excess, reinsurance or retrospectively rated insurance policies, pooling or participation agreements or other insurance coverage.

**G.** Add or delete one or more risks, one or more perils, one or more benefits or one or more lines in any self- insurance, insurance contract, pooling or participation agreement.

[6.50.3.8 NMAC - Rp, 6 NMAC 50.3.8, 09/01/2014]

**6.50.3.9 AUTHORIZATION TO OFFER RISK RELATED COVERAGES:** The authority is authorized to offer risk-related coverages to all school districts, charter schools, and other educational entities. The authority may offer risk-related coverages to individual other educational entities by special agreement.  
[6.50.3.9 NMAC - Rp, 6 NMAC 50.3.9, 09/01/2014; A, 12/10/2024]

**6.50.3.10 AUTHORIZATION TO OFFER EMPLOYEE-BENEFIT COVERAGES:**

**A.** The authority is authorized to offer employee-benefit coverages to all school districts, charter schools, other educational entities, eligible employees, eligible retired employees, eligible dependents and persons or entities authorized to participate in the authority's coverage.

**B.** The authority is authorized to offer mandatory benefit coverages as follows: Basic non-contributory life insurance and medical benefit plans whether insured or self-insured.

**C.** The authority is authorized to offer optional benefit coverages as follows: dental, vision, disability, or additional life and such other line or lines of coverage as the board may determine from time to time.

[6.50.3.10 NMAC - Rp, 6 NMAC 50.3.10, 09/01/2014]

**6.50.3.11 AUTHORIZATION TO OFFER DUE PROCESS REIMBURSEMENT COVERAGE:**

**A.** The authority is authorized to include due process reimbursement coverage in its self-insured retention risk pool pursuant to Section 22-29-12 NMSA 1978, as amended and supplemented.

**B.** The board shall determine at the beginning of each year the amount available in the fund for reimbursements. The provisions for distribution of the fund amount shall be set forth in the general liability memorandum of coverage including the process for submitting claims and the method of distribution.

[6.50.3.11 NMAC - N, 09/01/2014]

**HISTORY of 6.50.3 NMAC:**

**Pre-NMAC History:** The material in this part was derived from that previously filed with the State Records Center and Archives under:

NMPSIA Rule 86-201, Procurement of and Self-Insurance of Employee Benefit Coverages, filed 10/31/1986;

NMPSIA Rule 86-100, Procurement of and Self-Insurance of Related Coverages, filed 10/31/1986;

NMPSIA Rule 93-6, Procurement of or Self-Insurance of Risk Related and Employee-Benefits Coverages, filed 33/22/1993.

**History of Repealed Material:**

6 NMAC 50.3, Procurement of or Self-Insurance of Risk-Related and Employee Benefits Coverages, filed 10/1/1997 - Repealed effective 09/01/2014.