

OFFICE OF SUPERINTENDENT OF INSURANCE
PATIENT'S COMPENSATION FUND ADVISORY BOARD MEETING

October 20, 2023
9:08 a.m.
7471 Pan American West Freeway, Northeast
Albuquerque, New Mexico

BOARD CHAIR: WILLIAM RITCHIE, M.D.

REPORTED BY: SUSAN M. HILTON, RMR, CRR, NM CCR 108
Bean & Associates, Inc.
Professional Court Reporting Service
201 Third Street, Northwest, Suite 1630
Albuquerque, New Mexico 87102

(8330N) SMH

2	<p>1 APPEARANCES</p> <p>2 BOARD CHAIR</p> <p>3 DR. WILLIAM RITCHIE</p> <p>4 2100 Louisiana Boulevard, Northeast, Suite 410</p> <p>5 Albuquerque, New Mexico 87110</p> <p>6 505-681-6780</p> <p>7 ritchiewl@nmortho.com</p> <p>8 BOARD MEMBERS</p> <p>9 TRIAL LAWYER REPRESENTATIVES</p> <p>10 MR. RAY M. VARGAS, II (VIA ZOOM)</p> <p>11 The Vargas Law Firm LLC</p> <p>12 807 Silver Avenue, Southwest</p> <p>13 Albuquerque, New Mexico 87102-3020</p> <p>14 505-242-1670</p> <p>15 ray@vargaslawfirmabq.com</p> <p>16 MS. KATHLEEN J. LOVE (VIA ZOOM)</p> <p>17 McGinn, Montoya, Love & Curry, PC</p> <p>18 201 Broadway, Southeast</p> <p>19 Albuquerque, New Mexico 87110-3424</p> <p>20 505-843-6161</p> <p>21 kathy@mcguinnlaw.com</p> <p>22 HOSPITAL REPRESENTATIVE</p> <p>23 MR. TROY CLARK</p> <p>24 NMHA President & CEO</p> <p>25 505-343-0110 Office</p> <p>505-235-9844</p> <p>tclark@nmhsc.com</p> <p>PATIENT'S OR PATIENT ADVOCATE</p> <p>MS. ELLEN STEVENS (VIA ZOOM)</p> <p>elenarita76@gmail.com</p>	4
3	<p>1 MR. ERZA SPITZER (VIA ZOOM)</p> <p>2 224 14th Street, Northwest</p> <p>3 Albuquerque, New Mexico 87114</p> <p>4 505-463-0660</p> <p>5 erza.spitzer@gmail.com</p> <p>6 erza.spitzer@nmcan.org</p> <p>7 CERTIFIED NURSE PRACTITIONER REPRESENTATIVE</p> <p>8 MR. ALFONSO B. MARTINEZ, JR., MSN, FNP-BC</p> <p>9 Pediatric Hospitalist</p> <p>10 Presbyterian Rust Medical Center</p> <p>11 7105 Hensch Avenue, Northeast</p> <p>12 Albuquerque, New Mexico 87109</p> <p>13 C-505-610-3453</p> <p>14 alfonsomrtz25@gmail.com</p> <p>15 PCF ATTORNEY</p> <p>16 MR. VINCE WARD</p> <p>17 505-270-1609</p> <p>18 vincent@wardlawnm.com</p> <p>19 PHYSICIAN REPRESENTATIVES</p> <p>20 MR. NICK AUTIO, JD</p> <p>21 New Mexico Medical Society</p> <p>22 505-263-8234</p> <p>23 nautio@nmms.org</p> <p>24 OSI ATTORNEY</p> <p>25 MS. ANITA TELLEZ</p> <p>ALSO PRESENT</p> <p>MS. DEBBIE LUERA, Integriion Administrator</p> <p>debbiel@integriiongroup.com</p> <p>MR. ROBERT J. WALLING (VIA ZOOM)</p> <p>Pinnacle Actuarial Resources</p> <p>rwalling@pinnacleactuaries.com</p> <p>MR. DANIEL LINTON (VIA ZOOM)</p> <p>Pinnacle Actuarial Resources</p> <p>dlinton@pinnacleactuaries</p>	5
2	<p>1 INDEX</p> <p>2 REPORTER'S CERTIFICATE 70</p> <p>3 EXHIBITS MARKED</p> <p>4 A NM PCF Report 9</p> <p>5 C Resume of Daniel Linton 48</p> <p>6 B NM PCF Reserves Addendum 54</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	4
3	<p>1 CHAIR RITCHIE: We will call the meeting</p> <p>2 for the Compensation Fund Advisory Board. Let's</p> <p>3 start with a roll call, please. And let's post the</p> <p>4 agenda. Put the agenda up, please.</p> <p>5 MS. LUERA: I will do my very best.</p> <p>6 CHAIR RITCHIE: Okay.</p> <p>7 MS. LUERA: Chairman Ritchie.</p> <p>8 CHAIR RITCHIE: Here.</p> <p>9 MS. LUERA: Vice Chair Love.</p> <p>10 MS. LOVE: Present.</p> <p>11 MS. LUERA: Mr. Clark.</p> <p>12 MR. CLARK: Here.</p> <p>13 MS. LUERA: Mr. Dekleva.</p> <p>14 Mr. Vargas.</p> <p>15 MR. VARGAS: Here.</p> <p>16 MS. LUERA: Mr. Autio.</p> <p>17 MR. AUTIO: Here.</p> <p>18 MS. LUERA: Mr. Spitzer.</p> <p>19 MS. LOVE: Mr. Spitzer has informed me that</p> <p>20 he will be signing on a few minutes late.</p> <p>21 MS. LUERA: Thank you.</p> <p>22 Ms. Stevens.</p> <p>23 MS. STEVENS: Here.</p> <p>24 MS. LUERA: And Mr. Martinez.</p> <p>25 MR. MARTINEZ: Here.</p>	5

6

1 CHAIR RITCHIE: Okay. Do we have
 2 capability of showing the agenda?
 3 MS. LUERA: Oh, yes. Give me one second,
 4 and I'll get that.
 5 CHAIR RITCHIE: Okay. And while we're
 6 doing that, did all the Board members receive their
 7 copy -- the preliminary copy of the report for the
 8 Superintendent? Did anyone not get it?
 9 MR. CLARK: Mr. Chair, this is Troy Clark.
 10 Just to clarify.
 11 CHAIR RITCHIE: Yes.
 12 MR. CLARK: The copy that we are referring
 13 to is that referenced to be the copy sent out by
 14 Mr. Ward this morning for our review --
 15 CHAIR RITCHIE: Thank you.
 16 MR. CLARK: -- to make sure we're using the
 17 same version.
 18 CHAIR RITCHIE: So thank you for
 19 clarification. There was a copy you should have
 20 received this morning right before the meeting from
 21 Mr. Ward.
 22 MS. LUERA: I'm getting close.
 23 CHAIR RITCHIE: We can do without that, if
 24 we need to.
 25 MS. LUERA: Normally, I can go through the

7

1 OSI website, but that's not in the cards yet, so, so
 2 sorry for the delay.
 3 CHAIR RITCHIE: There it is. Is that the
 4 current one or is that the last one?
 5 MS. LUERA: This is for October 20, today.
 6 CHAIR RITCHIE: Okay. Excellent. Thank
 7 you.
 8 So then we have had a roll call. I believe
 9 everyone knows each other. I want to try to speed
 10 through this, so I don't know if we need any
 11 introductions necessarily.
 12 MS. LUERA: Well, we should introduce
 13 Ms. Tellez from OSI.
 14 CHAIR RITCHIE: Yes, except for the people
 15 who are not on the Board. So, please, who is
 16 present. Yes, go ahead.
 17 MS. LUERA: So it looks like just Board
 18 Members on the Zoom call. Here in the room, we have
 19 Anita Tellez. She is an attorney for OSI. She will
 20 be here for the continuation of the surcharge rate
 21 hearing and to enter anything into evidence that is
 22 necessary.
 23 CHAIR RITCHIE: Okay. And any other
 24 official guests?
 25 MS. LUERA: I don't see any.

8

1 Oh, I'm so sorry. Daniel Linton from
 2 Pinnacle Actuarial Resources. He's a colleague of
 3 Rob Walling, and so he's here to answer any questions
 4 on the actuarial study or the addendum that the Board
 5 might have. And it looks like Carrie Robin Brunder
 6 from New Mexico Society is also on the call.
 7 CHAIR RITCHIE: Okay. So we do. So we
 8 have two members, one from the -- an attorney from
 9 the OSI, and then someone representing the actuary,
 10 so excellent.
 11 So next order of business, Approval of the
 12 Agenda. Do I hear a second, or do we need a second
 13 to approve it?
 14 MR. CLARK: I'll make a motion.
 15 MR. AUTIO: I'll make a second.
 16 CHAIR RITCHIE: Hearing no dissension, the
 17 agenda is approved.
 18 Meeting Minutes from Last Meeting, is there
 19 any -- is there a motion to approve these?
 20 MR. AUTIO: So moved.
 21 CHAIR RITCHIE: Second?
 22 MR. CLARK: Second.
 23 CHAIR RITCHIE: Any discussion?
 24 Hearing none, we'll approve the Minutes
 25 from the Last Meeting.

9

1 (Exhibit A marked.)
 2 CHAIR RITCHIE: Item No. 2, "Continuation
 3 of Surcharge Rate Hearing to Consider Additional
 4 Evidence (If Deemed Necessary by the Board.)" We
 5 have had a chance to look over the preliminary
 6 report, and there are comments on that with regards
 7 to other information that we had discussed at our
 8 last meeting. And so we had some questions, I know,
 9 of both the actuary and possibly of the OSI.
 10 And so I will at this time open the floor
 11 to Members of the Board who had the specific comments
 12 or questions either on -- either as entered with the
 13 preliminary report or as brought up at the last
 14 meeting. And so who would like to go first on that?
 15 MR. VARGAS: Mr. Chair, this is Ray Vargas.
 16 You'll note here on the draft report we have
 17 essentially a blank section with regard to
 18 independent outpatient healthcare facilities. And as
 19 I understood it, we were going to get some additional
 20 data and information today on independent outpatient
 21 healthcare facilities. And I was hoping we could
 22 start with that.
 23 CHAIR RITCHIE: Absolutely. I believe -- I
 24 think, that may have been where Mr. Clark was going,
 25 but let's definitely go to that, so we did as noted.

10

1 In the minutes, we did have questions as we really
 2 had very little to go on in the OSI's report or
 3 comments on the actuary study.
 4 So then, please, we would like to hear from
 5 the OSI the recommendations for the independent --
 6 the actuary's report, their recommendations, and the
 7 OSI's response to that for the independent healthcare
 8 entities and their physicians.
 9 MS. TELLEZ: Those are the ones that are
 10 recommended in the actuarial report?
 11 CHAIR RITCHIE: Correct. They were the
 12 ones that were not a hospital, but not independent
 13 physicians, but initially, they were lumped under
 14 independent physicians, and initially -- I'm sorry.
 15 They were lumped under the hospitals as far as rate
 16 setting, and then the most recent Legislature carved
 17 them out as a separate category.
 18 And so any comments on the rate setting for
 19 those entities?
 20 MS. LUERA: Well, I'm just filling in for
 21 Mr. Barringberg today.
 22 CHAIR RITCHIE: Right, I understand.
 23 MS. LUERA: I'm just letting you know that,
 24 and so I was prepared to examine Mr. Linton on the
 25 addendum. If you think my examination of him on the

11

1 addendum, if that would give further information on
 2 that point, I can proceed to do that. I have not
 3 heard from OSI any objection within the actuary
 4 report as to those rates.
 5 CHAIR RITCHIE: Okay. Then let's actually
 6 start with the addendum.
 7 MS. LUERA: So the addendum doesn't
 8 relate --
 9 CHAIR RITCHIE: It doesn't relate?
 10 MS. LUERA: -- to independent outpatient
 11 healthcare facilities. Mr. Linton is prepared to
 12 discuss their methodology and how they came up with
 13 those rates. And the question I posed to him after
 14 the last meeting saying we think we might need like a
 15 per-visit or a per-procedure rate, there were some
 16 questions about tying those facility rates back to
 17 the employed doctors because, as most of us know,
 18 there are no -- it's not always employed doctors
 19 working at those facilities. So I believe Mr. Linton
 20 is prepared to talk about how that was calculated.
 21 CHAIR RITCHIE: Okay.
 22 MR. WARD: And this is Vince Ward. Just as
 23 a point of procedure, I think it's perfectly
 24 acceptable for Board Members to ask the questions to
 25 lead that discussion with the witness.

12

1 MR. CLARK: Mr. Chair, this is Troy Clark.
 2 I was going to ask that. When you say ask the
 3 questions, directly to Pinnacle?
 4 MR. WARD: Yes.
 5 MR. CLARK: So maybe we can just do that.
 6 Mr. Vargas, we are both concerned about the
 7 same issue. Are you okay with us just starting to
 8 ask -- and I don't care if you go first or I can ask
 9 the questions -- but I think what we need is that, as
 10 a Board what we are asking for is for Pinnacle to
 11 help us understand, what did you do in this realm,
 12 and how does it apply to areas that we had concerns
 13 about?
 14 MR. VARGAS: No. I agree completely. And
 15 go ahead, Mr. Clark.
 16 MR. CLARK: Yes. So, Mr. Chair, this is
 17 Mr. Clark. For the record, I would ask a
 18 representative from Pinnacle, I believe his name was
 19 Danny, but I'll just refer to Mr. Pinnacle.
 20 When you prepared the report and calculated
 21 the increased rate for outpatient healthcare
 22 facilities, can you give us a summary of the process
 23 you went through, and how that would apply to --
 24 well, I guess let's just go first -- the process of
 25 the assessing a value to the outpatient healthcare

13

1 facilities?
 2 MR. LINTON: Yes. Good morning.
 3 Absolutely. So when we look at the lost data, there
 4 was nothing to tell us what would be an outpatient
 5 healthcare facility claim. So when we elected, our
 6 assumption was to assume that the exposures for
 7 outpatient healthcare facilities were not unlike the
 8 exposures for the hospitals of the independent docs.
 9 And if you'll give me a second to share my screen, I
 10 can show you to what I'm referring.
 11 So this is an exhibit outlining all of the
 12 rates by class, and so we have the current
 13 independent provider, and as you see, the lumped
 14 together are the hospitals and outpatient healthcare
 15 facility rates here. When we discussed the scope
 16 with Debbie, she indicated, hey, can we have some
 17 additional rates for outpatient healthcare facilities
 18 in the layer 500,000, excess of \$500,000? What we
 19 did we kept is we kept our same approach of previous
 20 analyses where we calculated the indicated rate
 21 change for the independent providers and for the
 22 hospitals, and then --
 23 MR. CLARK: Danny, if you could give us all
 24 a reference to what page number of the report you're
 25 on so we can follow along, that will be helpful.

<p style="text-align: right;">14</p> <p>1 MR. LINTON: Oh, absolutely. So I'm on 2 Page 41 of 91 of the full actuarial report. 3 MR. CLARK: Thank you. Sorry to interrupt. 4 MR. LINTON: No. Thank you. 5 So we calculated Column 3, 4, 5, and 6 in a 6 similar manner to what we had done in previous years. 7 So we on-leveled all the surcharges to 2024 levels, 8 and then trended and developed all of the historical 9 claims to come up with an indicated rate change and 10 then applied that indicated rate change across all of 11 our classes. 12 Because the independent outpatient 13 healthcare facilities are going to have a different 14 layer, so 500 -- excess of \$500,000, we then created 15 new rates with benchmark adjusted factors to account 16 for what the exposure in that layer is by class. 17 So, you know, Debbie had indicated 18 calculating a rate per procedure. That's going to 19 take a more involved approach with OSI because we're 20 going to need to understand the amount of procedures 21 or the number of procedures that are taking place and 22 apply them to these rates. So when I think of number 23 of procedures, I anticipate we'll need to have a 24 proration factor to these rates to make that 25 adjustment to say we're having more or less exposure</p>	<p style="text-align: right;">16</p> <p>1 independent healthcare facility? 2 MR. LINTON: My understanding it would be 3 in addition to. And so this goes back to Debbie's 4 point of the per-procedure charge. So, it states, A 5 Class 1 doc would be charged \$5,145, but then if 6 there's -- 25 percent of their time is spent in the 7 outpatient healthcare facility, they would be 8 assessed 25 percent of this 3,139 as well, in 9 addition to. 10 MR. CLARK: So let's create a new scenario. 11 For a outpatient healthcare facility that does not 12 have any employed providers, an ambulatory surgery 13 center where there are multiple partners who are all 14 in separate practices, would that create a zero 15 surcharge on that outpatient healthcare facility 16 because there's no providers that are employed to 17 assess that based upon, or how does your model 18 account for assessing a surcharge to that type of 19 outpatient healthcare facility? 20 MR. LINTON: That's an interesting 21 question, and I don't quite know the answer to that. 22 Would there ever be exposure to a claim against that 23 outpatient healthcare facility for the actions of 24 those ambulatory services? 25 MR. CLARK: I believe the answer is yes.</p>
<p style="text-align: right;">15</p> <p>1 in these 500 excess \$500,000 layers. But these are 2 calculated as if they're a full annual exposure as of 3 this time. And if we calculate that the number of 4 procedures represents 25 percent of an annual 5 exposure, we would adjust these rates by 25 percent. 6 MR. CLARK: So, Danny, if on Page 41 on the 7 exhibit, if you were to have an outpatient healthcare 8 facility that either directly employed or had a 9 closely-affiliated organization -- you know, maybe 10 two separate legal entities, but the same 11 structure -- and you're assessing a surcharge to that 12 entity, it would be based upon the number of 13 providers in each class and their rate under Column 7 14 for the outpatient healthcare facility's portion; is 15 that correct? 16 MR. LINTON: That is absolutely correct, 17 yes. 18 MR. CLARK: Would you -- would that be a 19 charge for the outpatient healthcare facility in 20 addition to a charge to their professional practice 21 coming from Column 3 where they were practicing in a 22 clinic or in an -- outside of that outpatient 23 healthcare facility, or would the entire charge be 24 moved and no longer be charged separately as 25 independent physician, that they would now be as an</p>	<p style="text-align: right;">17</p> <p>1 And I don't know that this exists, but clearly the 2 potential would exist that you could have a provider 3 who is not covered by the PCF in their professional 4 practice practicing at one of those outpatient 5 healthcare facilities that is part of the patient 6 compensation plan. 7 MR. LINTON: Correct. 8 MR. CLARK: So I think that's why we were 9 getting confused looking and having a hard time 10 understanding how to make a recommendation to assess 11 a facility-based surcharge to an outpatient 12 healthcare facility when it could be owned by its 13 employees, it could be owned by a separate entity and 14 have no employed facilities. And I don't believe we 15 believe the correct answer is to assess a zero charge 16 because there's no employees because there is still 17 risk and exposure there. 18 MR. LINTON: That's a very good question. 19 And I don't know the answer to how to assess that 20 risk unless we go back to the point of per event, per 21 procedure, you know, per whatever service is being 22 rendered, if we can apply that on a pro rata basis; 23 right? So we could say 20 percent of their time has 24 been spent with the outpatient healthcare facility, 25 then they would get 20 percent of the surcharge.</p>

<p style="text-align: right;">18</p> <p>1 MR. VARGAS: This is Ray Vargas. 2 MR. LINTON: Excuse me. Mr. Clark, I'm 3 sorry to interrupt. 4 MR. CLARK: No. Go ahead. 5 MR. LINTON: I think we're kind of limiting 6 our view of outpatient healthcare facilities to 7 physicians. And I'll just give you guys an example 8 that I'm dealing with right now. I have a case where 9 (inaudible) physician performed a surgery at an 10 ambulatory surgical center, and both the physician as 11 well as an employed nurse with that facility were 12 negligent. And there are cases where it's a 13 combination of employed -- employees and 14 non-employees in these outpatient healthcare 15 facilities that are creating risk. Is there any way 16 to account for that or deal with that in the 17 surcharges for the facility itself? 18 MR. CLARK: And this is Mr. Clark. I would 19 add to that that I don't know of your example, 20 Mr. Vargas. But if that position, that surgeon was 21 not a participant in the PCF, there would not be a 22 column that we could refer to on the report to even 23 assess a pro rata portion or an adjustment to because 24 they're not a surgeon, whether it's in reality of 25 that situation or hypothetically, wouldn't have a</p>	<p style="text-align: right;">20</p> <p>1 that is a proposal that would sound more consistent 2 with what we would have expected to understand. 3 Mr. Chair, if I could ask a question to 4 Ms. Luera. This past year, we've had outpatient 5 healthcare facilities. How did we assess surcharges 6 in the past? I mean -- and I'm concerned that while 7 Danny is trying to come up with what is a 8 possibility, he's not going to be able to do it on 9 the fly. I don't know if one can be done before we 10 can revert back and make a recommendation. Can we at 11 least explore what's been currently done, or whether 12 we're comfortable with that, or that plus some 13 inflationary measure? 14 I mean, I feel very uncomfortable with what 15 we currently have in Exhibit -- on Page 41 to make 16 anything of that. I think that's not even apples and 17 oranges. We are talking apples and steak, total 18 different food groups here. So could we find out how 19 did we make an assessment in this current calendar 20 year to outpatient healthcare facilities? 21 MS. LUERA: So if the outpatient healthcare 22 facility was part of the hospital, they were included 23 in the hospital rates. And we do have those per 24 visit, per admission, per birth, what have you, we 25 have those rates for hospitals. And so that's how</p>
<p style="text-align: right;">19</p> <p>1 surcharge to gross up or prorate between their 2 practice and the facility. 3 MR. LINTON: Correct. 4 CHAIR RITCHIE: This is the Chair. I mean, 5 it sounds like what we need to -- it's about the fees 6 for the center and not the -- and their employees, 7 and not the physicians. And they are two separate 8 entities. Even if the physicians own the center, 9 either directly or indirectly, it's still a 10 separate -- the center is separately liable for their 11 employees that fall directly under the center, and 12 the physicians generally have their own insurance. 13 MR. LINTON: Then they should still have 14 the ability to be assessed in the same manner that 15 the hospitals are assessed. Because the way I see 16 it, there are three buckets; right? You have 17 hospital surcharges, then you have employee agent 18 surcharges, and then you have independent agent 19 surcharges. Can these outpatient healthcare 20 facilities be assessed in the same manner that the 21 hospital surcharges are? 22 MR. CLARK: Mr. Chair, this is Troy Clark. 23 I would say in structure, but you've got different 24 threshold levels with the 500/500 versus the 250/750, 25 so there's some nuanced differences. But I think</p>	<p style="text-align: right;">21</p> <p>1 the hospital surcharge has always been calculated. 2 And then -- so, generally, there's a line item that's 3 submitted for the hospitals, they fill out what we 4 call a facility rating spreadsheet, and then the rest 5 of the surcharge calculation is based on the employed 6 providers who are eligible for coverage in the PCF. 7 With an independent outpatient healthcare facility, 8 it's generally just like an additional insured, and 9 so they're paying a 10 percent entity surcharge. 10 CHAIR RITCHIE: 10 percent of what? 11 MS. LUERA: 10 percent of -- so the 12 organization that owns the entity. Well, I think 13 what we have always seen is that it's a 10 percent 14 surcharge based on the physicians who are also 15 associated or employed by that entity. We're not 16 really -- right now, those independent facilities are 17 sort of lumped in with the independent physicians. 18 You can add an entity, you can name as many entities 19 as you need, and as long as that 10 percent entity 20 surcharge is paid, then they are a Qualified 21 Healthcare Provider provided they meet all the other 22 requirements under the statute. 23 And so we haven't -- and I think there may 24 be some other independently-owned healthcare 25 facilities who aren't participating in the PCF. So</p>

<p style="text-align: right;">22</p> <p>1 they have other coverage to carry that -- to cover 2 that outpatient healthcare exposure. So I would -- 3 and I hope I'm correct. I may not be 100 percent 4 correct. But I think the independent outpatient 5 healthcare facilities that are covered under the PCF 6 currently are all part of another entity that's also 7 covered, so it is just that 10 percent entity 8 surcharge. There's no per patient visit, per 9 procedure. There's none of those rates contemplated 10 at all right now. But because the limits are going 11 to be different, we have to figure out a way to 12 charge them for the risk that is going to be, you 13 know, covered by the PCF now.</p> <p>14 MR. CLARK: So, Ms. Luera, this is 15 Mr. Clark again. If I understand you correctly, we 16 don't have currently any independent outpatient 17 healthcare facilities that have applied for or are 18 being covered under the PCF that are not closely 19 affiliated with a physician practice who is also a 20 participant in the PCF?</p> <p>21 MS. LUERA: We have a rehab facility, but 22 it's rated as a hospital. So they're paying.</p> <p>23 MR. CLARK: And that would not make them, 24 Ms. Luera, an outpatient healthcare facility?</p> <p>25 MS. LUERA: And that would not make them an</p>	<p style="text-align: right;">24</p> <p>1 the PCF is looking at the professional practice, what 2 class they're in, how many physicians go into the 3 rate, and multiplying "X" number of providers in that 4 class times the rate, and then for the 5 closely-affiliated center where they do the 6 procedures, there's a 10 percent add-on to what the 7 sum total of the practice is?</p> <p>8 MS. LUERA: Correct. So there's a 10 9 percent surcharge for each entity that's named. So 10 we're checking the certificates of insurance when we 11 receive a batch submission from an underlying 12 carrier. So we are checking the Certificate of 13 Insurance. And if there are two entities named on 14 the Certificate of Insurance, what we would expect to 15 see charged is 10 percent of the sum total of all the 16 physicians and -- or I shouldn't just say physicians, 17 but all the eligible providers for each entity. So 18 if we have -- let's say we have a group with 10 19 physicians, and each one of them -- each one of their 20 surcharge is \$10,000. So we have \$100,000 for the 10 21 providers.</p> <p>22 Then for entity No. 1, we would see a 10 23 percent entity surcharge for that entity to be named 24 under the Patient Compensation Fund as a QHP under 25 the Patient Compensation Fund -- sorry, Qualified</p>
<p style="text-align: right;">23</p> <p>1 outpatient healthcare facility, right.</p> <p>2 MR. CLARK: So the example that Mr. Vargas 3 had or that I am bringing up -- because I believe 4 there are some of these in the state, but I didn't 5 know if they're members of the PCF or not -- the 6 independent ambulatory surgery center that's owned by 7 several desperate entities is not in the portfolio of 8 what we have in the PCF today?</p> <p>9 MS. LUERA: Unless it's named. So because 10 all the limits are the same, whether it's based on 11 the type of provider, we don't break that out. So 12 there may be a facility that's covered with another 13 entity, but it has to be tied to physicians. So like 14 an ambulatory surgery center, I don't think we have 15 any of those. But we haven't really done the 16 research because we haven't needed to up until now. 17 I don't think they're in, though. I don't think 18 they're in there.</p> <p>19 MR. CLARK: So let me go back to an example 20 that I believe that we do have, and I'll be a little 21 generic in the terms. We have a gastroenterology 22 center that is covered by the PCF that is closely 23 aligned with a gastroenterology group. If I 24 understand you that when I ask how the current fees 25 or surcharges -- I'm sorry -- are applied to that,</p>	<p style="text-align: right;">25</p> <p>1 Healthcare Provider -- and then if there's a second 2 entity on that Certificate as well, we would expect 3 to see another 10 percent entity surcharge.</p> <p>4 MR. CLARK: So, Ms. Luera, bear with me.</p> <p>5 MS. LUERA: Sure.</p> <p>6 MR. CLARK: I think I need to go through a 7 couple steps here. I'm not questioning you, so --</p> <p>8 MS. LUERA: Sure.</p> <p>9 MR. CLARK: -- don't take this personally, 10 but just to understand where we're at.</p> <p>11 I believe the history of the 10 percent 12 surcharge on the Patient Compensation Fund was to 13 cover if there were either physicians who are all 14 jointly in a practice and covering their legal entity 15 that combined them, or hospitals that have multiple 16 hospitals and are a corporate entity, that that 10 17 percent would apply to the corporate entity for 18 coverage as well; is that correct?</p> <p>19 MS. LUERA: Correct. It's what we call 20 vicarious liability.</p> <p>21 MR. CLARK: So with that, the vicarious 22 liability would not expose the Patient Compensation 23 Fund to additional payout or outflows -- let me say 24 that again. The Patient Compensation Fund would not 25 be exposed to additional occurrences because of the</p>

<p style="text-align: right;">26</p> <p>1 entity, just the number of the entities that may be 2 named in a claim? 3 MS. LUERA: Well, that's all interpreted by 4 the courts. That's the intent, though. 5 MR. CLARK: Okay. Whereas with an 6 independent outpatient healthcare facility, you have 7 the potential of a claim being generated in the 8 practice, but then also a claim being generated on a 9 procedure that happened within the outpatient 10 healthcare facility, which means there could be 11 additional exposure to the PCF fund; is that correct? 12 MS. LUERA: That's correct. And because -- 13 so if it's a non-employed physician, but somebody who 14 is participating in the Patient Compensation Fund, 15 that physician's limit underlying would be that 16 250,000, and then the Patient Compensation Fund layer 17 kicks in, but for the facility, that the Patient 18 Compensation Fund does not begin to participate until 19 the \$500,000 underlying is met. So because there are 20 different limits, there may be additional exposure. 21 MR. CLARK: And so for my question this 22 leads up to, are we using a 10 percent figure that 23 was meant for an umbrella entity arbitrarily to an 24 entity that now could actually create more risk 25 events, which my concern, is there a correlation</p>	<p style="text-align: right;">28</p> <p>1 of 20 percent of the number of procedures that they 2 provide in their main facility. 3 So that's my initial reaction to how to 4 properly charge for that. You can still use these 5 500 excess of 500,000 rates, but they would just be 6 adjusted depending on how many procedures are going 7 in to that facility relative to the average number of 8 procedures in a typical independent provider 9 facility. 10 MR. VARGAS: And this is Ray Vargas. I 11 have a question about that, though, because the risks 12 to me seem different. And I'll use Southwest 13 Gastroenterology and Southwest Endoscopy as an 14 example, and that is, Southwest Gastroenterology is a 15 physician practice, but then when procedures are 16 done, they're done in a separate outpatient 17 healthcare facility, which is the Endoscopy Center. 18 And the risk is different from seeing the 19 patient in the office and examining them and 20 prescribing medicine than it is for doing a 21 colonoscopy and potentially perforating the colon. 22 Is that being taken into account, or are you simply 23 adjusting the physician number by number of 24 procedures and higher limits? 25 MR. LINTON: Well, it's not like I think</p>
<p style="text-align: right;">27</p> <p>1 there? We could be overcharging or undercharging. I 2 understand that we don't have the data. And maybe 3 the question back to Pinnacle is, how do we get 4 something more closely aligned to get a comfort level 5 that says the outpatient care facility is receiving 6 or being assessed surcharges commensurate with the 7 risk they're bringing to the PCF, much like the data 8 we have for independent physicians and for hospitals. 9 Sorry I grabbed the wrong report because it has many, 10 many hundred more pages. So it is pretty intensive 11 that gives us the comfort to say there's a method to 12 getting to these rates. I'm not sure that I feel 13 comfortable that the 10 percent for a corporate legal 14 entity is the right rate to be applying to a 15 additional facility. And I don't know if that's too 16 high or too low. 17 CHAIR RITCHIE: Danny, you look like you 18 have something. 19 MR. LINTON: That's why I was thinking of 20 the pro rata adjustment. So you have a physician 21 group, and they do 1,000 procedures a year, and this 22 other entity that does 200 procedures a year, you 23 would take these rates and multiply them by 20 24 percent because of the number of procedures that they 25 provide in the application of the healthcare facility</p>	<p style="text-align: right;">29</p> <p>1 it's being taken into account because it's being 2 covered at these rates, and that we're just trying to 3 account for additional exposure. But I do understand 4 that you have heightened risk in any outpatient 5 healthcare facility, or is this just examining 6 someone and prescribing meds. But when I look at 7 these rates, I think that risk is already accounted 8 for in these rates. 9 So if we were, for example, just to charge 10 them \$5,450 for a (inaudible) physician, and they 11 charge an additional \$3,139, I think we're 12 double-dipping. So I think most of the risks that 13 you're describing is still in this rate because this 14 rate accounts for all of the claims that we observed 15 just looking through the claims (inaudible) that 16 provides the style of facts. 17 So I just want to be careful that we're not 18 double-counting the amount of risks from this rate to 19 this rate. I don't know how to quantify that. 20 MR. VARGAS: Okay. And then an additional 21 concern that I have is the example that Mr. Clark's 22 used, which is if the physician is not an employee of 23 the Outpatient Healthcare Facility -- and I can 24 envision a case where the plaintiff only sues the 25 facility and did not sue the physician -- how do we</p>

30

1 deal with that particular risk if we're just charging
 2 a 10 percent for the facility?
 3 MR. CLARK: This is Mr. Clark again. I'll
 4 add to that, or if the claim is against an employee
 5 of the facility and not the physician, again, that
 6 would be against the facility only because the
 7 employee is part of that facility. But I think
 8 that's the one that rung out to me as Mr. Vargas
 9 shared his earlier example.
 10 MR. LINTON: That's why I had the thought
 11 of maybe the facilities should be assessed in the
 12 same manner that the hospitals are.
 13 MS. LUERA: I agree, Danny, if I may just
 14 sort of use my experience and what we've seen before.
 15 You know, when the carriers are submitting
 16 this information to Integriion for us to process the
 17 batches and receive the payments, we're going to look
 18 at who the physician is employed by. So if they're
 19 employed by that facility, then they're subject to
 20 the 500,000 excess of 500,000, so we're going to
 21 apply that surcharge. If they're employed -- and
 22 let's use Mr. Vargas' example -- Southwest Gastro
 23 versus Southwest Endoscopy.
 24 So if they're employed by Southwest Gastro,
 25 they are going to pay the independent provider rate.

31

1 If they're employed by Southwest Endoscopy, then we
 2 would charge the 500 X of 500 rate, which is a little
 3 lower because it's based on the attachment point of
 4 the PCF.
 5 But we still -- the part that I still
 6 question -- and I agree 100 percent with you,
 7 Danny -- when you said I think the facilities need to
 8 be -- you know, for the entity that is the ambulatory
 9 surgery center or other type of Outpatient Healthcare
 10 Facility, we need to calculate their exposure on like
 11 a per visitor or a per procedure or, you know,
 12 whatever it is that they're doing, that needs to be
 13 sort of the underwriting or the rating mechanism for
 14 those independent outpatient healthcare facilities.
 15 MR. AUTIO: Mr. Chair, this is Nick Autio.
 16 I mean, that approach seems to make a good amount of
 17 sense. I mean, once again, hitting on the Southwest
 18 Endoscopy versus Southwest Gastro. If you've got all
 19 of the -- everyone is employed by Southwest Gastro,
 20 they're assessed a surcharge and independent
 21 provider, but they're acting as agents and performing
 22 colonoscopies in the endoscopy center. That 10
 23 percent surcharge, you know, probably it doesn't seem
 24 like that would necessarily be sufficient. We don't
 25 know. So that other approach of actually doing this

32

1 on a procedure base like you do the hospitals would
 2 hopefully more accurately capture the actual risk
 3 that's posed and avoid double-dipping at the same
 4 time. We obviously want to avoid that and not
 5 overcharge, but we need to capture the actual risk
 6 that exists. And it seems like that would be the
 7 best way to do that.
 8 Debbie, is that something that you would
 9 have the ability to do moving forward if that were a
 10 recommendation?
 11 MR. CLARK: Mr. Chair, that might be an
 12 appropriate and possibly the most appropriate method
 13 until such time as we have the data to see whether
 14 that -- I mean, Mr. Autio is correct. 10 percent may
 15 be too much if it's only covering the claims against
 16 the facility or the facility is the one being named
 17 by itself or its employees versus the surgeon. And
 18 if all the surgeons are or physicians are already
 19 covered, and the claim is against them, 10 percent
 20 may be too much. It also may be too little. I think
 21 this is the more appropriate route to go until
 22 sufficient time carries on that we would have the
 23 data to look to see the balance between how those
 24 claims are arising.
 25 MS. LUERA: Also, selfishly speaking, it

33

1 would be a lot easier for us to process that, and I
 2 think for the underlying carriers as well because
 3 they're not having to look at each physician and try
 4 to quantify what percent of their time are they with
 5 the group and what percent of the time are they with
 6 the independent outpatient healthcare facility. It
 7 would just be, I think, a much cleaner approach as
 8 well.
 9 MR. AUTIO: And, Mr. Chair, this is Nick
 10 Autio. I feel like heading down that road could lead
 11 to a lot of problems trying to basically speculate as
 12 to how much time they will be spending in an NAFC. I
 13 mean, it seems like that could be very difficult.
 14 And if, in the unfortunate event, litigation arises,
 15 that could also lead to some problems if they've
 16 underestimated. You know, it just seems like it
 17 would be very difficult to go down that route
 18 personally.
 19 CHAIR RITCHIE: I think we have found our
 20 way to the most logical, and I can give a good
 21 example. In our surgery center, or in general, to my
 22 knowledge, in surgery centers, surgery centers don't
 23 employ physicians. Physicians own surgery centers or
 24 work in surgery centers they don't own. But surgery
 25 centers don't employ physicians. And so, you know,

34

1 working at it from that angle is probably not
 2 appropriate.

3 So I think the discussion has worked that
 4 out well. And so it's figuring out what the exposure
 5 is for the surgery center itself and their employees,
 6 which are nurses and techs and things like that, and
 7 the physicians are separate. And whether they're
 8 surgeons, whether they're endoscopists, they will
 9 have different ratings. They won't be in Category 1,
 10 a pediatrician. They don't go to surgery centers. I
 11 mean, so it's a very much more limited category.

12 In, for instance, surgery centers owned by
 13 multiple entities like ours, it would be a nightmare
 14 if we chose to try to be represented under the fund
 15 because I don't know how you would figure that 10
 16 percent surcharge on what entity, which of the three
 17 entities that owns it. And so I think that that
 18 surcharge truly is, as Mr. Clark said, for the
 19 administrative part for the practice which -- with
 20 much lower exposure of different -- whether it's the
 21 administration or techs that work there or whatever,
 22 but it doesn't represent liability of physicians.
 23 And that's why it's a flat low 10 percent. Does that
 24 make sense to everyone?

25 MR. MARTINEZ: This is Mr. Martinez.

35

1 Because with that, I think you have to also consider
 2 some of these outpatient healthcare facilities are
 3 going to have higher risks than other ones. You
 4 know, you're going to end up be doing more riskier
 5 procedures in some places than others. You know, if
 6 you have like a bone/splint clinic versus doing
 7 endoscopies, you know, the risk in a bone splinting
 8 clinic is very low versus doing colonoscopies. So
 9 having that ability to kind of vet that out and put
 10 them in proper perspective is going to be very
 11 important.

12 CHAIR RITCHIE: The one caveat -- and this
 13 has been brought up because we have been speaking of
 14 more procedural things like endoscopy, maybe
 15 orthopedics, things like that -- is if you speak of
 16 coverage like at a dialysis center. In a dialysis
 17 center, I can envision maybe does employ a physician
 18 to be the direct medical director or something like
 19 that.

20 And so I think we need information, we need
 21 exposure information data before we can really opine
 22 on that, to be honest, because I don't know how we
 23 said otherwise. I don't know that. Maybe Pinnacle
 24 has experience there or something, but I don't know
 25 if any of those are even represented under our PCF at

36

1 this point.

2 MS. LUERA: Sure. We have to look at the
 3 definition of what qualifies as an independent
 4 outpatient healthcare facility. That's a lot of
 5 words. And so one of the things that I spoke with
 6 OSI's actuary about was, you know, maybe we can sort
 7 of -- this is the first year. So let's set
 8 surcharges that we believe are reasonable and cover
 9 the rest, and then we're not going to know what types
 10 of facilities are going to apply for this coverage
 11 until they're actually, you know, applying for
 12 admittance to the fund.

13 So maybe at the end of next year, as we
 14 start to prepare for the actuarial study that's
 15 coming next year, we will have some data. We
 16 probably won't have good data for a couple years. I
 17 mean, I don't think we're going to have lost data,
 18 but we'll, at least, have a better understanding of
 19 the types of facilities that are going to be
 20 classified into this independent outpatient
 21 healthcare facility structure.

22 CHAIR RITCHIE: Okay. So for purposes of
 23 our report to the Superintendent, I'll put this out
 24 to the subcommittee who wrote this or who came up
 25 with the first draft, how do we want to change it?

37

1 Do we need to add anything to this? How will it
 2 change our wording?

3 MR. CLARK: Mr. Chair, this is Troy Clark.
 4 I believe currently, it's a blank.

5 CHAIR RITCHIE: I know. That's the
 6 problem.

7 MR. CLARK: So we need to change something.

8 CHAIR RITCHIE: What do we add to it? What
 9 do we put in there? So we're going to find this
 10 Section 29, is that correct, or Paragraph 29?

11 MR. CLARK: Mr. Chair, I don't know if the
 12 Board needs to have some discussion. Obviously, we
 13 don't have the data like we do from the other two
 14 categories.

15 CHAIR RITCHIE: Right.

16 MR. CLARK: I think from my perspective
 17 what's been described by Danny from Pinnacle, and
 18 furthermore, by Ms. Luera's comment that currently,
 19 we don't have any participants in the PCF that don't
 20 have a physician or are closely tied to a physician
 21 group, the risk is probably much less.

22 Danny has reiterated that if they looked at
 23 the different classes of physicians that are
 24 included, i.e., would take on the -- adjust for the
 25 risk that Mr. Martinez was suggesting. So if it was

<p style="text-align: right;">38</p> <p>1 an endoscopy center versus a splinting clinic versus 2 a procedure room, a fusion center, it should be 3 matched to the risk level that's out there gives me 4 more comfort to continue with the 10 percent, but I 5 can't tell you that I'm totally comfortable. 6 I think part of our recommendation that I 7 feel more comfortable is what we've discussed about 8 for how we track this for future years. I still 9 don't know that I can represent that there's a number 10 that I'm comfortable with. I would be interested to 11 hear from other Board Members what your consensus is, 12 if you gained more comfort, and we recommend 13 continuing on with the 10 percent add-on due to lack 14 of any additional information to go another 15 direction, I don't know. 16 MR. VARGAS: This is Ray Vargas. I have a 17 similar concern. I think given the lack of any data, 18 there's not a whole lot we can do right now other 19 than the 10 percent. But I think we can say going 20 forward, you know, we need to start tracking it on a 21 proved procedure basis like with the hospitals and 22 examine whether, in subsequent years, we need to 23 assess rates based upon that specific data. 24 MS. LOVE: This is Kathy Love. I agree 25 with all of that, and I also wonder, I don't know of</p>	<p style="text-align: right;">40</p> <p>1 the hospitals. I mean, we wanted to gather as much 2 good data as we can to assess the risk they pose, and 3 we should treat outpatient the same way in my book to 4 make sure we're having actual accurate assessments in 5 terms of surcharges. 6 I agree at this point, it seems difficult 7 to really nail this down. And if we do recommend the 8 10 percent approach with the intention of gathering 9 better data for future years, maybe we get numbers 10 and the 10 percent is working. But if it's not, you 11 know, then we'll have that data to change the 12 assessment approach and really dial it in as much as 13 we can. 14 MR. CLARK: Mr. Chair, one -- 15 CHAIR RITCHIE: Yes. 16 MR. CLARK: -- more comment, I think. If 17 we were to go down that approach as I process this, 18 all the work that's been done on the hospitals and 19 independent physicians shows a need for an increase. 20 Inherently, if you have a 10 percent add-on, that 21 would take on that additional increase that's already 22 based upon physician experience. 23 So that gives me a little more comfort that 24 it doesn't need to be something greater from an 25 arbitrary standpoint lacking data that some of that</p>
<p style="text-align: right;">39</p> <p>1 anything that prevents the OSI for requesting past 2 data on outpatient healthcare facilities even for 3 time periods when they were not participating in the 4 fund. Certainly, a private insurance company would 5 do that. So I don't know why we couldn't come up 6 with whatever additional data it is that the 7 actuaries would find helpful in terms of coming up 8 with what the risk is and requesting that at this 9 (inaudible). 10 MR. CLARK: Mr. Chair, I might even add -- 11 and this is Troy Clark again -- I might add that our 12 actuaries, I would assume, have access to data from 13 other states so a much broader area to identify the 14 ratio of occurrences to claims. I don't know that 15 their -- other states' legal structures are like our 16 PCF with the base layers and amounts and the range of 17 coverage, but I would hope that we can include in our 18 recommendation at least a suggestion to look to other 19 states' experience of events to -- volumes within a 20 facility as a leading indicator of what a potential 21 claim ratio could be until we have sufficient data 22 within our own state. Well, actually, not within our 23 own state, within our own PCF applicant pool. 24 MR. AUTIO: This is Nick Autio. It doesn't 25 seem a whole lot different than what we've done with</p>	<p style="text-align: right;">41</p> <p>1 additional exposure that has been identified from the 2 actuarial work that is based upon data already 3 includes that. So you would be adding on upon 4 something that already has an add-on and not 5 double-dipping. 6 MR. MARTINEZ: And this is Mr. Martinez. I 7 think, also, reaching out to those other states with 8 patient compensation plans and seeing how they handle 9 it, and having a -- kind of a deeper analysis of 10 those other funds, and how they are parsing these 11 things out would also be very helpful. 12 CHAIR RITCHIE: That's certainly a 13 recommendation to Integrion. 14 Are there any other comments on this 15 subject? I think we had a great discussion on it. 16 And I mean, it's just like we've been working on 17 these last three years. We're always needing new 18 data. This is still a fresh process, so to speak, 19 and so we're still gathering data. 20 Any comment from Danny from Pinnacle? 21 MR. LINTON: No. I think that's a 22 reasonable approach. And you know, even the 10 23 percent, it does take into account the additional 24 rate increase, so there is additional funding going 25 into the PCF. We do work with other PCFs. We work</p>

42

1 with Wisconsin. We work with the Virginia Birth
 2 Fund. We work for the Birth Fund. I haven't seen
 3 them tracking differently from an actuarial
 4 perspective, but it's worthwhile reaching out to
 5 other PCFs and seeing what -- if they are doing
 6 something different.

7 But to my own knowledge, that hasn't come
 8 across my desk. But right now, I think it's prudent
 9 to continue with the 10 percent, but to begin
 10 tracking data to Debbie's point to say, okay, what
 11 facilities are going to begin to participate and what
 12 type of exposure are we going to get into the PCF
 13 with this new approach.

14 MR. VARGAS: I would like to make a motion
 15 that a recommendation for this year be that we
 16 continue with the 10 percent facility surcharge, but
 17 also direct the PCF to start accumulating data to the
 18 extent these facilities are entering based on our
 19 per-procedure basis, like maybe to the hospital, so
 20 that we have an alternative basis to assess
 21 surcharges in the future.

22 MR. CLARK: This is Mr. Clark. I would
 23 second that motion.

24 CHAIR RITCHIE: We have certainly had a lot
 25 of discussion on that. There's not any last second

43

1 discussion? Is there any dissenters to that?
 2 Excellent. So moved, and that then we need
 3 to make sure we include it to the final report.

4 MR. CLARK: Mr. Chair --
 5 CHAIR RITCHIE: Yes.

6 MR. CLARK: -- if I could just ask
 7 Mr. Vargas, since you made the motion, are you
 8 comfortable that you've got the language you need to
 9 add that into the section of the report?

10 MR. VARGAS: I believe so. I'll give it my
 11 best try, and then I'll rely on you and the other
 12 members of the subcommittee to do a check on me.

13 MR. WARD: This is Vince Ward, Board
 14 Counsel. Are we then planning on having that
 15 additional board meeting for the final report that's
 16 currently scheduled for next week?

17 MR. CLARK: I think we have to at least --
 18 even if it was a quick dial-in or everybody say
 19 you've had a chance to -- assuming that the report
 20 will be modified based on today's discussion on this
 21 and further discussion, and then send out -- I think
 22 that's why we put that on the agenda so that
 23 everybody could say, yes, I'm okay, and be done, oh
 24 and it could be that quick.

25 CHAIR RITCHIE: I believe that's what we

44

1 did last year, as I recall. We got a final report
 2 sent out to everyone, and then we met to fulfill our
 3 State obligations to make it legal, so yes.

4 Let's go back to the agenda. Let's see
 5 where we are at here. So that's the independent
 6 entities, the independent outpatient centers.

7 Let's go back to -- I don't believe that
 8 the OSI had any more questions necessarily of
 9 Pinnacle or Danny, as I understand it. You don't
 10 have any other --

11 MS. LUERA: We -- oh, sorry.
 12 CHAIR RITCHIE: Go ahead.

13 MS. LUERA: So Mr. Linton prepared the
 14 addendum based on the request at the last board
 15 meeting.

16 CHAIR RITCHIE: Right.
 17 MS. LUERA: So I think it makes sense for
 18 Ms. Tellez to enter that into evidence and have
 19 Mr. Linton walk through how he calculated --

20 CHAIR RITCHIE: Excellent.
 21 MS. LUERA: -- and what he did.
 22 CHAIR RITCHIE: Okay. So let's go to that
 23 then. I keep losing the agenda.
 24 MS. LUERA: I have lost the agenda. I'm
 25 sorry.

45

1 CHAIR RITCHIE: Danny, if you will, just
 2 walk us through real quick the addendum. And I'm
 3 sorry. You can certainly question about it.

4 MS. TELLEZ: Sure. I was going to actually
 5 just do a little bit of foundation testimony for
 6 Mr. Linton to start off with.

7 CHAIR RITCHIE: Okay.
 8 MS. TELLEZ: He jumped in, and I just
 9 didn't have a chance. I think maybe now it's
 10 appropriate to do that.

11 CHAIR RITCHIE: Thank you.
 12 MS. TELLEZ: Mr. Linton, would you please
 13 spell your first and last name for the record?
 14 MR. LINTON: Yes. My name is Danny Linton.
 15 D-a-n-n-y, L-i-n-t-o-n.

16 MS. TELLEZ: And could we pull up his CV?
 17 MS. LUERA: I'm working on it. You wanted
 18 his CV?
 19 MS. TELLEZ: His CV, yes.
 20 MS. LUERA: Danny, do you have your CV
 21 handy that you could pull up?
 22 MR. LINTON: I do.
 23 MS. LUERA: That would be wonderful. We're
 24 having a little bit of technical difficulties here,
 25 and it's all on me.

46

1 MR. LINTON: What would you like me to do?
 2 MS. TELLEZ: I'll just ask you a couple
 3 questions, Danny.
 4 Does the CV accurately show your education
 5 and experience?
 6 MR. LINTON: Yes, it does.
 7 MS. TELLEZ: Okay. And could you please
 8 describe for the board what you do for a living?
 9 **A. Yes. So I'm a property and casualty**
 10 **consulting actuary. I've been in the profession for**
 11 **18 years working with all forms of alternative risk**
 12 **transfers, casualty insurance companies,**
 13 **self-insureds, government entities and pools, and**
 14 **government insurance programs of the New Mexico PCF.**
 15 **Specific to this assignment, I have**
 16 **experience with the Wisconsin PCF, the Florida and**
 17 **Virginia Birth Related Neurological Injury**
 18 **Compensation Fund, and the New York Medical Indemnity**
 19 **Fund. So I do have experience with government**
 20 **insurance programs similar to the New Mexico CSF.**
 21 MS. TELLEZ: Okay. And can you describe
 22 what a consulting actuary does?
 23 MR. LINTON: Sure. So we advise clients on
 24 quantifying the impasse risk. So we have some very
 25 simple assignments where we will quantify load layers

47

1 of risk for workers' compensation, general liability,
 2 auto liability. And we also work with more complex
 3 programs, most specifically the medical professional
 4 liability, quantify the amount of risk retained by
 5 our clients. And if I do them on a corporate courses
 6 of acts to whether it is to take on more risk, deploy
 7 capital, and other elements of risk retention.
 8 MS. TELLEZ: And can you tell us about your
 9 educational background relevant to your testimony
 10 today?
 11 MR. LINTON: Yes. So I got an
 12 undergraduate degree, a bachelor's of science degree,
 13 at the University of Notre Dame in mathematics. I
 14 also got a master's of education degree in education
 15 also from Notre Dame, which I got my passion for
 16 educating and consulting.
 17 I am a fellow of the Academy of the
 18 Actuarial Society. So I have passed nine rigorous
 19 examinations over the course of seven to 10 years to
 20 maintain those credentials, and I am also a member of
 21 the American Academy of Actuaries.
 22 MS. TELLEZ: Thank you.
 23 At this time, I would just like to move
 24 Mr. Linton's CV into evidence as the next exhibit. I
 25 don't know if we're at Exhibit C.

48

1 CHAIR RITCHIE: That's accepted.
 2 MS. TELLEZ: Okay.
 3 (Exhibit C marked.)
 4 MS. LUERA: Mr. Linton, would you mind
 5 pulling up the addendum that you created for us and
 6 sent to me yesterday?
 7 MR. LINTON: Of course.
 8 MS. LUERA: Thank you so much.
 9 MR. LINTON: So this addendum consists of
 10 two pages, one showing what we just were looking at
 11 indicating the current rates, and also what the load
 12 for the deficit surcharge percentage of the current
 13 surcharge. I'm referring to Column 11a here. This
 14 is the focus of the addendum, what is the additional
 15 load so that the hospitals can pay down their portion
 16 of the deficit by the end of 2026, which is my
 17 understanding of when the hospitals will no longer be
 18 participating in the PCF.
 19 MS. TELLEZ: What was your role in the
 20 preparation of the addendum, Mr. Linton?
 21 MR. LINTON: I had an active role in the
 22 preparation of the addendum. The change to the
 23 addendum from the actuarial report, the actuarial
 24 report considered two different options for the \$32.5
 25 million that was allocated by the New Mexico

49

1 Legislature. In our report, we considered two
 2 scenarios. One was a 75 percent, 25 percent split;
 3 75 percent going to the independent doctors, and 25
 4 percent going to the hospitals, and we also showed a
 5 50/50 split.
 6 More recently, Debbie had sent some
 7 information regarding an updated split, which was
 8 going to be a 62 percent allocation of that \$32.5
 9 million to the independent physicians, and 38 percent
 10 to the hospitals. And that split was derived based
 11 on the distribution of physicians between the two
 12 entities.
 13 So the top of the page shows that about --
 14 of the doctors participating in the PCF, 62 percent
 15 are independent, and 38 percent are employed by the
 16 physicians. So this was an equitable approach to
 17 allocating the \$32.5 million capital infusion
 18 approved by the New Mexico Legislature.
 19 MS. TELLEZ: And so you did say that this
 20 split will take into account the need to eradicate
 21 the hospitals' share of the deficit given the fact --
 22 MR. LINTON: Right. So --
 23 MS. TELLEZ: -- they were departing from
 24 the PCF in the future?
 25 MR. LINTON: Yes.

50

1 MS. TELLEZ: Okay.

2 MR. LINTON: So the 62/38 split, what that

3 does is it takes 62 percent of the 32 and a half

4 million and applied to bring down the independent

5 physicians' portion of the deficit, and 38 percent of

6 that 32.5 million goes to the hospitals. And based

7 on that allocation, we're recommending that for the

8 hospitals, there's an additional load of 46.0 percent

9 built into their surcharge. And that estimate is

10 designed to pay down the hospitals' portion of their

11 deficit by the end of 2026.

12 MS. TELLEZ: Okay. Could you -- I don't

13 know if you have already answered this, but why is it

14 46 percent?

15 MR. LINTON: It's 46 percent because we've

16 amortized paying out the deficit over a three-year

17 period, so from 2024, 2025, and 2026. And to bring

18 down the deficit to zero, our model says that 46

19 percent for 2024 would get to that level getting the

20 deficit down to zero by the end of 2026.

21 MS. TELLEZ: Okay. Is there any reason to

22 believe this load is excessive, inadequate, or

23 unfairly discriminatory in your opinion?

24 MR. LINTON: Not at this time. It is based

25 on the current rating structure, which is also a

51

1 reasonable set of rates. We don't believe that this

2 is -- these rates are inadequate, this load is

3 excessive, or it's unfairly penalizing the hospitals.

4 MS. TELLEZ: Okay. So is it possible that

5 the load should be higher than 46 percent?

6 MR. LINTON: You know, that's a very good

7 question. So this load assumes that there's not any

8 favorable or adverse development on all claims that

9 have been incurred by the PCF. So if there's

10 additional adverse development on the claims that we

11 have included in our analysis, and for that provision

12 for IBNR incurred, but not reported, it's likely that

13 this load could be increased next year. But it's

14 also likely that if the hospitals had paid for the

15 claim development over the next 12 months, that this

16 load wouldn't decrease. But this load is meant to

17 reflect an expected value, so accounting for those

18 adverse and favorable outcomes.

19 MS. TELLEZ: I see. Those are all the

20 questions I have.

21 Any questions from the board?

22 MS. LOVE: This is Kathy Love. I have a

23 question for you. You said that this is based on the

24 deficit being amortized over three years, and it's

25 based on your current recommended surcharge increase.

52

1 But if the surcharge levels aren't raised to the

2 recommended rate, then the deficit will continue to

3 grow, and so this will actually not cover the

4 deficit; is that true?

5 MR. LINTON: That's a very good question.

6 So if the rates are not increased to the recommended

7 level, it's likely that our follow-up study for next

8 year will have a higher than 46 percent load to cash

9 up for that portion that was not accounted for in

10 this study if those rates are increased to our

11 recommended level, that's correct.

12 MR. CLARK: Mr. Chair, this is Troy Clark.

13 CHAIR RITCHIE: Yes.

14 MR. CLARK: I guess to make sure we have

15 both sides of that equation, on the other side of

16 that, if the outflows of the fund or the experience

17 improves, the 46 percent next year would actually be

18 a lower number we would be overcollecting from this.

19 So there's the potential of it going both directions;

20 is that correct?

21 MR. LINTON: That is absolutely correct.

22 So if there's favorable claim development next year,

23 effectively what you would see is you've

24 overcollected in this first year in 2024. And so for

25 2025 and 2026, that load will be much lower because

53

1 more than enough funds were collected for that 2024

2 year, absolutely.

3 CHAIR RITCHIE: And let me ask, and so

4 if -- because there's also the opportunity for

5 investment income into the fund, that if this also

6 was greater than the expected amount -- I think

7 you've been using 3.5 percent as an expected value

8 there -- if that was greater than that, it would also

9 help decrease the deficit more than anticipated here,

10 or if it was less than that, then it would add to

11 requiring more surcharges in the future; correct?

12 MR. LINTON: You make a very good point.

13 So we do account for invested income when calculating

14 this load, and certainly our investment assumptions

15 are three and a half percent. But given the rising

16 interest rate environment, there is a possibility

17 that investment income could exceed our expectations,

18 and that would have an impact on the load going

19 forward.

20 CHAIR RITCHIE: Are there any other

21 questions based on the addendum? Anything further?

22 MS. TELLEZ: Nothing further.

23 CHAIR RITCHIE: Okay. Thank you very much,

24 Mr. Linton, for that addendum. I believe you

25 answered all our questions.

<p style="text-align: right;">54</p> <p>1 MS. TELLEZ: I'm sorry. Did we move that 2 into evidence? 3 CHAIR RITCHIE: Yes, you did move it into 4 evidence. 5 MS. TELLEZ: Okay. That was the CV, but 6 not the addendum. 7 CHAIR RITCHIE: But not the addendum? 8 MS. TELLEZ: Yes. I would also like to 9 enter the addendum into evidence as the next exhibit. 10 Thank you. 11 CHAIR RITCHIE: Thank you. 12 After that discussion, any further 13 discussion or objection to that? Then that's so 14 moved. 15 (Exhibit B marked.) 16 CHAIR RITCHIE: So thank you very much, 17 Mr. Linton. As I was saying, I appreciate the hard 18 work. 19 MR. LINTON: Thank you. I'm happy to be a 20 part of this. 21 CHAIR RITCHIE: And so I believe then we 22 need to go back to the body of what's been presented 23 to discuss anything more that needs to be discussed 24 in these comments, et cetera, before a final draft is 25 established by the subcommittee. And then we will</p>	<p style="text-align: right;">56</p> <p>1 Legislature provided funds with no reference to any 2 form of allocation. So it's my recommendation that 3 it should read, "Should the Superintendent who would 4 make that allocation of the funds that she received." 5 CHAIR RITCHIE: I believe that accurately 6 represents the current, although certainly the 7 Legislature could earmark them differently if there 8 are further infusions in the future. 9 MR. CLARK: Mr. Chair, that's correct if 10 there were in the future. But I believe line item 11 or -- right, No. 24 is specifically relating to the 12 32 and a half million which was granted and funded in 13 the past legislative sessions, and that's already 14 been done. Therefore, it's in the hands of the 15 Superintendent to determine the allocation of that 32 16 and a half million. 17 CHAIR RITCHIE: Does anyone understand that 18 differently or have another comment? I think 19 everyone agrees with that, that that's a simple 20 change or clarification. 21 Did you have another comment on here? 22 MR. CLARK: I believe the only other 23 comment I had on the draft -- we made it to Item No. 24 30. I'm sorry. After Item No. 30, it would be 25 Subsection A of the actual recommendation, which I</p>
<p style="text-align: right;">55</p> <p>1 probably have to meet very briefly to approve that 2 draft to make this official. And that board meeting 3 is already set up. 4 So there are comments on here from 5 Mr. Dekleva, who is not present, Mr. Clark, 6 Mr. Vargas. 7 Mr. Clark, do you want to go first? Do you 8 have any on your comments so far, and have we really 9 reached all those? 10 MR. CLARK: Thank you, Mr. Chair. This is 11 Mr. Clark for the record. 12 On Item No. 24, I believe it's Page 4 of 13 the report, the paragraph starts, "Should the New 14 Mexico Legislature allocate the 32 and a half million 15 dollar infusion 50/50 to the hospitals," this is 16 reiterating, I guess, the facts that come out of the 17 report earlier. We just had a discussion about the 18 addendum of how it will be allocated. But I don't 19 believe the New Mexico Legislature is who would 20 allocate it, that that authority sits with the 21 Superintendent, and that's the recommendation that we 22 made. 23 So my comment was, I believe this should 24 read, "Should the Superintendent allocate," not 25 "Should the New Mexico Legislature." The New Mexico</p>	<p style="text-align: right;">57</p> <p>1 think is a point of discussion from this group, I 2 believe. My recollection is we had multiple 3 discussions about not the first part of the paragraph 4 where we say that the PCF charges for independent 5 providers should be increased by 14.4 percent, and 6 how we get there be it the 18.9 less the batch claim. 7 I don't think that's under discussion. 8 I think what was under discussion amongst 9 this Board last time we met was the additional 10 language saying that we recommend that the 11 Superintendent take into consideration. I think we 12 settled on both sides of the tension; both that 13 higher rates may cause additional departures from the 14 fund, but also that undercharging or underassessing 15 of a surcharge may cause further underfunding. But 16 those were the two tensions that were out there. 17 There were discussions along the way about 18 a specific number and only the first part. I thought 19 we came to an agreement at the end in the meeting, 20 and I think the minutes reflect that the agreement 21 was to include both sides of the tension without a 22 specific number. That number historically being 23 presented was 10 percent. 24 MR. MARTINEZ: This is Mr. Martinez. I 25 agree.</p>

58

1 MR. AUTIO: Sorry, Kathy, or whoever that
 2 was.
 3 MS. LOVE: Go ahead.
 4 MR. AUTIO: This is Nick Autio. I think,
 5 you know, I added some of this language. I know
 6 Mr. Vargas has an issue, I believe, with the last
 7 sentence, which really, you know, what I think needs
 8 to be made clear -- and I'm happy to discuss and work
 9 out the language -- but I do think we need to make it
 10 clear that we are not -- for the Superintendent's
 11 purposes that we are not offering a recommendation
 12 that we levy a deficit surcharge on the independent
 13 providers. I don't want to leave that blank.
 14 I think because we are advising the
 15 Superintendent on the surcharges, we need to include
 16 that, and I think it's helpful in our role as
 17 advisors to provide her with a basis for that. That
 18 evidence specifically came out through Dr. Adams that
 19 can be seen at Page 6 and Page 9 of the first
 20 transcript which includes a reference she actually
 21 read former Superintendent Cole's prior order on this
 22 issue into the record. I'm happy to discuss that,
 23 and we can revise it, as needed, to satisfy everyone.
 24 MR. VARGAS: This is Ray Vargas. I guess
 25 my concern with adding that, and particularly the

59

1 last phrase, is that the purpose of this was to lay
 2 out the competing tensions, and I think that last
 3 phrase leaves out the competing tension of risking
 4 failure of the fund and leaving patients without
 5 compensation when they've been injured. So if we're
 6 going to put that last one in, I think we need to be
 7 consistent and put the competing tension of risking
 8 the fund's stability and ability to be there to
 9 answer for claims on behalf of patients.
 10 MR. AUTIO: This is Nick Autio.
 11 Mr. Vargas, I don't disagree that the agreement was
 12 to highlight that tension. We can, you know, try and
 13 you know, put in some language there, or we could
 14 simply -- you know, if the Board thinks it would be
 15 appropriate, we could simply clarify that a deficit
 16 surcharge is not being assessed against
 17 independent -- or we are not recommending an
 18 excessive surcharge be assessed against independent
 19 providers and leave it at that. I'm happy to work on
 20 that language with you, though, Mr. Vargas.
 21 MR. VARGAS: I think that would satisfy the
 22 concern if we just put a period after the words
 23 "independent providers" and leave out the phrase
 24 because of the additional surcharge.
 25 MR. AUTIO: Yeah, that's -- I mean, I

60

1 wouldn't object to that. You know, I think that the
 2 tension is captured in the sentence before that which
 3 tracks the agreement we had. So I think if we put
 4 that period after "independent providers," it could
 5 revise this issue -- or resolve this issue.
 6 MR. CLARK: Mr. Chair, this is Mr. Clark.
 7 Can I make a suggestion that I think is consistent
 8 with what we all intend, and if we're going to do
 9 that, that we make it say something to the effect of
 10 a deficit surcharge is not recommended to be assessed
 11 against independent providers this year? I don't
 12 think any of us have made any discussion that we
 13 don't think it ever ought to be. I think our
 14 discussion is around this year. So I would propose
 15 that maybe we add those two words before we put the
 16 period after the word "provider."
 17 MR. VARGAS: This is Ray Vargas. I think
 18 that's appropriate.
 19 MR. AUTIO: No objection.
 20 CHAIR RITCHIE: I don't hear any objection
 21 to that.
 22 Ms. Love, did you have a comment?
 23 MS. LOVE: It's all been captured. Thank
 24 you.
 25 CHAIR RITCHIE: Great.

61

1 Mr. Clark.
 2 MR. CLARK: Mr. Chair, that's the end of my
 3 comments.
 4 CHAIR RITCHIE: Okay.
 5 Mr. Vargas, did you have something
 6 additional?
 7 MR. VARGAS: Not at this time. I just --
 8 well, basically, all I would add is that, obviously,
 9 we would need to have a recommendation for "d," which
 10 we agreed to by motion today, so I will work on that
 11 and circulate it over the weekend so that everyone
 12 has it well in advance of the next meeting.
 13 And let me take a look at my notes and make
 14 sure we don't need to add. We might need to ask
 15 something in the numbered paragraphs based upon the
 16 addendum information that was provided to us today.
 17 And so if everyone is agreeable to that, I will
 18 attempt to do that as well.
 19 MR. CLARK: Mr. Chair, this is Mr. Clark.
 20 I'm in agreement with that and might suggest again
 21 where I made comment earlier before either as part of
 22 No. 24 or as a 24 and a half, 24a, the concept that
 23 should be -- because, ultimately, the Superintendent
 24 will make this allocation and the decision on it.
 25 But given that we have got the presentation of the

62

1 addendum that we as a board are referring on
 2 recommending, that may be the appropriate place
 3 either within that paragraph or a new paragraph to
 4 make reference to that addendum.
 5 MR. VARGAS: This is Ray Vargas. I agree.
 6 CHAIR RITCHIE: Okay. So I believe that's
 7 everyone that put in comments out of the committee.
 8 Then does anyone from the Board have any
 9 comments on this initial draft? Any other comments
 10 from anyone on this draft, because that's what we're
 11 here for is pushing this draft forward until we get a
 12 final draft?
 13 MR. MARTINEZ: Mr. Chair, this is
 14 Mr. Martinez. I know you were talking offline just
 15 before the meeting had started about probably like a
 16 comment in either including that in with this draft
 17 or with our report to the Legislature. Do we want to
 18 formally talk about that?
 19 CHAIR RITCHIE: We're going to have to have
 20 another meeting to finalize that report to the
 21 Legislature. That's what we did last year.
 22 MR. MARTINEZ: Great.
 23 CHAIR RITCHIE: We typically have it after
 24 the Superintendent's final decision because that,
 25 obviously, is part of that draft.

63

1 MR. MARTINEZ: I'm sorry. This is Mr.
 2 Martinez again. Do you want to make any of those
 3 comments to be included in our recommendations to the
 4 supervisor -- or Superintendent? Sorry.
 5 CHAIR RITCHIE: I don't think -- I think
 6 that our advising of the supervisor -- now you got me
 7 doing that.
 8 MR. MARTINEZ: That's my fault.
 9 CHAIR RITCHIE: I think our charge in
 10 advising the Superintendent of Insurance really is
 11 addressing what we have addressed so far. And
 12 perhaps the only additional I think we covered
 13 somewhat is that if there is more opportunity for
 14 more investment, because that was brought up by the
 15 actuary even, that that may be a way to help mitigate
 16 some of these future increases or to try to mitigate
 17 the deficit.
 18 I think that that's in the record,
 19 although, you know, the committee can discuss whether
 20 we want to put anything in there or not. But it's
 21 certainly in the record already. I think that other
 22 comments or other advising or, you know, further
 23 discussion might be in what we present to the
 24 Legislature.
 25 MR. MARTINEZ: Okay. Thank you.

64

1 CHAIR RITCHIE: Any further comments? So
 2 we have pretty much gone through 2, 3, 4. The
 3 committee is coming up with the final
 4 recommendations.
 5 Regarding the actuarial analysis, I think
 6 we have heard a lot that we have given to Mr. Linton
 7 and to Integrion about further data we want that we
 8 feel like we really need to do a better job of this
 9 in the future and become more accurate. Are there
 10 any comments on other ways that we can make it more
 11 accurate in the future or easier to accomplish what
 12 we are set up to do?
 13 MR. AUTIO: Mr. Chair, I would appreciate
 14 it if the actuary next year could devote some time to
 15 looking at, you know, what we could do with
 16 investment income, if the funds were invested,
 17 whether that's looking at different percentages,
 18 different amounts invested, and analyzing what would
 19 be an appropriate amount to invest, and looking at
 20 some of the returns we could get on that, and then
 21 also looking at the impact that could have on
 22 surcharges. I think that would be helpful for us and
 23 the Superintendent.
 24 CHAIR RITCHIE: I would add to that the
 25 experience from other states because we did hear some

65

1 testimony how it's being done in other states and the
 2 investment income, et cetera, from other states and
 3 the impact. So that is the record, but I would like
 4 to see that more formally done. I agree.
 5 MR. CLARK: Mr. Chair.
 6 CHAIR RITCHIE: Yes.
 7 MR. CLARK: This is Troy Clark. Just to
 8 get it in all one place, we had significant
 9 discussion. But the collapse, I think, in the
 10 Board's discussion about more focused efforts on the
 11 outpatient healthcare facility and pulling that data
 12 both from other states and from our own participants
 13 in the fund.
 14 CHAIR RITCHIE: Does anyone else have any
 15 more comments, feedback regarding the actuarial
 16 analysis?
 17 MR. AUTIO: Mr. Chair, if they could put it
 18 in English next time, it would be helpful.
 19 MR. CLARK: And larger font.
 20 CHAIR RITCHIE: Mr. Linton.
 21 MR. LINTON: This is Danny. So in regard
 22 to the investment income, we do provide sensitivity
 23 analysis to what impact the returns would have on the
 24 PCF in terms of commenting how much, how much to
 25 invest, or how much capital to deploy, that's part of

66

1 the Board's decision. But we can provide guidance to
 2 the sensitivity to returns on the study, which we do
 3 include in the report. I just want to make sure that
 4 we're on the same page of what is expected from us
 5 and what we can provide to the PCF.
 6 CHAIR RITCHIE: And I think, yeah, if you
 7 have more information like you say you have
 8 experience from other states and other funds, if you
 9 have data on, you know, how much of their fund they
 10 have invested, what percentage they have invested,
 11 the impact it has on the fund, I think that that's
 12 part of what we're looking for.
 13 MR. LINTON: Okay. So it sounds like you
 14 want more benchmarking against what other funds are
 15 doing?
 16 CHAIR RITCHIE: I'm sorry. What was that?
 17 Go ahead.
 18 MR. LINTON: Just to confirm, it sounds
 19 like you're looking for more benchmarks and what the
 20 other funds are doing?
 21 CHAIR RITCHIE: Correct. And if they have
 22 an investment policy or, you know, how they handle
 23 that, and what their benchmarks are, precisely.
 24 MR. LINTON: All right.
 25 CHAIR RITCHIE: Okay. Any other comments?

67

1 MR. CLARK: Mr. Chair, I think one final
 2 comment from me, and I would hope the Board would
 3 concur with this, but a big thanks to Mr. Vargas for
 4 taking the time to be the main drafter on this
 5 recommendation that's already been done ahead of
 6 time. Somebody has to step up and be the initial
 7 shot at it, and he's done a great job.
 8 MR. MARTINEZ: I very much concur.
 9 CHAIR RITCHIE: Yes. I think that's
 10 unanimous, Mr. Vargas. Thank you.
 11 MR. VARGAS: Thank you-all.
 12 MR. CLARK: For several years in a row now.
 13 CHAIR RITCHIE: Exactly. This is not the
 14 first year.
 15 Mr. Ward.
 16 MR. WARD: Are we done with taking evidence
 17 with respect to the next hearing?
 18 CHAIR RITCHIE: Yes.
 19 MR. WARD: Meeting?
 20 CHAIR RITCHIE: Hearing no objection to
 21 that, yes, we are done with that.
 22 MR. WARD: There won't be on the agenda a
 23 line item for taking any additional evidence?
 24 CHAIR RITCHIE: Correct, for the next
 25 agenda, yes. For the next board meeting, I don't

68

1 believe anybody needs more evidence. It is strictly
 2 to discuss and confirm or vote on the submission to
 3 the Superintendent.
 4 MR. WARD: Great.
 5 CHAIR RITCHIE: That's the only item on the
 6 next agenda.
 7 MR. CLARK: Mr. Chair, just to reiterate
 8 that. I think Mr. Vargas has our input of what
 9 changes to make?
 10 CHAIR RITCHIE: Right.
 11 MR. CLARK: The next meeting's agenda is
 12 simply to confirm that how he put those into English
 13 in larger font is consistent with what we directed
 14 him to do so today?
 15 CHAIR RITCHIE: Correct. And the other
 16 agenda item would be setting the date for the meeting
 17 after that to compose the report to the Legislature.
 18 MR. WARD: We'll have a next meeting date
 19 agenda item?
 20 CHAIR RITCHIE: Correct.
 21 I want to thank everyone's participation in
 22 that, not just Mr. Vargas, but Mr. Vargas deserves
 23 special mention for, you know, appearing at this even
 24 virtually, everyone's hard work on it. We are done a
 25 little bit earlier than I anticipated, which is

69

1 always awesome. I'm sorry you have to put up with a
 2 surgeon chair that's always pushing things to go
 3 faster, and we will all meet again.
 4 The date and time, please, Debbie?
 5 MS. LUERA: October 26 at 1:00; is that
 6 right?
 7 CHAIR RITCHIE: Yes. So the next meeting
 8 is October 26 at 1:00 p.m. for everyone to hear it
 9 again. Obviously, e-mails will be sent out.
 10 So then we will adjourn the meeting. Thank
 11 you, everyone.
 12 (The meeting adjourned at 10:36 a.m.)
 13
 14
 15
 16
 17
 18
 19
 20
 21
 22
 23
 24
 25

1 STATE OF NEW MEXICO)
) ss
2 COUNTY OF BERNALILLO)
3

4 REPORTER'S CERTIFICATE

5 I, Susan M. Hilton, New Mexico Certified
6 Shorthand Reporter, DO HEREBY CERTIFY that I did
7 report in stenographic shorthand the testimony set
8 forth herein, and the foregoing is a true and correct
9 transcription of the proceeding had upon the taking
10 of this hearing.

11 I FURTHER CERTIFY that I am neither employed by
12 nor related to any of the parties or attorneys in
13 this case, and that I have no interest whatsoever in
14 the final disposition of this case in any court.

15 _____
16 Susan M. Hilton
17 BEAN & ASSOCIATES, INC.
18 NM Certified Court Reporter #108
License expires: 12/31/23

19
20
21
22
23
24 (8330N) SMH
Date taken: October 20, 2023
25 Proofread by: LR

1 RECEIPT

2 JOB NUMBER: 8330N SMH October 20, 2023
3 CLIENT: OFFICE OF SUPERINTENDENT OF INSURANCE
4 PATIENT'S COMPENSATION FUND ADVISORY BOARD MEETING

5 *****

6 ATTORNEY: MS. DEBBIE LUERAS
7 DOCUMENT: Transcript / Exhibits / Disks / Other ____
8 DATE DELIVERED: _____ DEL'D BY: _____
9 REC'D BY: _____ TIME: _____

10 *****

11 ATTORNEY: ATTY2
12 DOCUMENT: Transcript / Exhibits / Disks / Other ____
13 DATE DELIVERED: _____ DEL'D BY: _____
14 REC'D BY: _____ TIME: _____

15 *****

16 ATTORNEY: ATTY3
17 DOCUMENT: Transcript / Exhibits / Disks / Other ____
18 DATE DELIVERED: _____ DEL'D BY: _____
19 REC'D BY: _____ TIME: _____

20 *****


21 ATTORNEY: ATTY4
22 DOCUMENT: Transcript / Exhibits / Disks / Other ____
23 DATE DELIVERED: _____ DEL'D BY: _____
24 REC'D BY: _____ TIME: _____

1 STATE OF NEW MEXICO)
2) ss
3 COUNTY OF BERNALILLO)

4 REPORTER'S CERTIFICATE

5 I, Susan M. Hilton, New Mexico Certified
6 Shorthand Reporter, DO HEREBY CERTIFY that I did
7 report in stenographic shorthand the testimony set
8 forth herein, and the foregoing is a true and correct
9 transcription of the proceeding had upon the taking
10 of this hearing.

11 I FURTHER CERTIFY that I am neither employed by
12 nor related to any of the parties or attorneys in
13 this case, and that I have no interest whatsoever in
14 the final disposition of this case in any court.

15
16 

17 Susan M. Hilton
18 BEAN & ASSOCIATES, INC.
19 NM Certified Court Reporter #108
20 License expires: 12/31/23

21
22
23
24 (8330N) SMH
25 Date taken: October 20, 2023
Proofread by: LR

SANTA FE OFFICE
119 East Marcy, Suite 110
Santa Fe, NM 87501
(505) 989-4949
FAX (505) 843-9492

BEAN
ASSOCIATES, Inc.
A
PROFESSIONAL COURT
REPORTING SERVICE

MAIN OFFICE
201 Third NW, Suite 1630
Albuquerque, NM 87102
(505) 843-9494
FAX (505) 843-9492
1-800-669-9492
e-mail: info@litsupport.com

A

<p>a.m 1:7 69:12 ability 19:14 32:9 35:9 59:8 able 20:8 absolutely 9:23 13:3 14:1 15:16 52:21 53:2 Academy 47:17,21 acceptable 11:24 accepted 48:1 access 39:12 accomplish 64:11 account 14:15 16:18 18:16 28:22 29:1,3 41:23 49:20 53:13 accounted 29:7 52:9 accounting 51:17 accounts 29:14 accumulating 42:17 accurate 40:4 64:9,11 accurately 32:2 46:4 56:5 acting 31:21 actions 16:23 active 48:21 acts 47:6 actual 32:2,5 40:4 56:25 actuarial 3:22,24 8:2,4 10:10 14:2 36:14 41:2 42:3 47:18 48:23,23 64:5 65:15 actuaries 39:7,12 47:21 actuary 8:9 9:9 10:3 11:3 36:6 46:10,22 63:15 64:14 actuary's 10:6 Adams 58:18 add 18:19 21:18 30:4 37:1,8 39:10,11 43:9 53:10 60:15 61:8 61:14 64:24 add-on 24:6 38:13 40:20 41:4 added 58:5 addendum 4:6 8:4 10:25 11:1,6,7 44:14 45:2 48:5,9,14,20,22,23 53:21,24 54:6,7,9 55:18 61:16 62:1,4 adding 41:3 58:25 addition 15:20 16:3,9 additional 9:3,19 13:17 21:8 25:23,25 26:11,20 27:15 29:3 29:11,20 38:14 39:6 40:21 41:1 41:23,24 43:15 48:14 50:8 51:10 57:9,13 59:24 61:6 63:12 67:23</p>	<p>addressed 63:11 addressing 63:11 adjourn 69:10 adjourned 69:12 adjust 15:5 37:24 adjusted 14:15 28:6 adjusting 28:23 adjustment 14:25 18:23 27:20 administration 34:21 administrative 34:19 Administrator 3:20 admission 20:24 admittance 36:12 advance 61:12 adverse 51:8,10,18 advise 46:23 advising 58:14 63:6,10,22 advisors 58:17 Advisory 1:2 5:2 71:4 ADVOCATE 2:20 affiliated 22:19 agenda 5:4,4 6:2 8:12,17 43:22 44:4,23,24 67:22,25 68:6,11,16 68:19 agent 19:17,18 agents 31:21 agree 12:14 30:13 31:6 38:24 40:6 57:25 62:5 65:4 agreeable 61:17 agreed 61:10 agreement 57:19,20 59:11 60:3 61:20 agrees 56:19 ahead 7:16 12:15 18:4 44:12 58:3 66:17 67:5 Albuquerque 1:8,21 2:4,9,13 3:2 3:8 ALFONSO 3:6 alfonsomrtzn25@gmail.com 3:9 aligned 23:23 27:4 allocate 55:14,20,24 allocated 48:25 55:18 allocating 49:17 allocation 49:8 50:7 56:2,4,15 61:24 alternative 42:20 46:11 ambulatory 16:12,24 18:10 23:6 23:14 31:8 American 1:8 47:21</p>	<p>amortized 50:16 51:24 amount 14:20 29:18 31:16 47:4 53:6 64:19 amounts 39:16 64:18 analyses 13:20 analysis 41:9 51:11 64:5 65:16 65:23 analyzing 64:18 angle 34:1 Anita 3:18 7:19 annual 15:2,4 answer 8:3 16:21,25 17:15,19 59:9 answered 50:13 53:25 anticipate 14:23 anticipated 53:9 68:25 anybody 68:1 appearing 68:23 apples 20:16,17 applicant 39:23 application 27:25 applied 14:10 22:17 23:25 50:4 apply 12:12,23 14:22 17:22 25:17 30:21 36:10 applying 27:14 36:11 appreciate 54:17 64:13 approach 13:19 14:19 31:16,25 33:7 40:8,12,17 41:22 42:13 49:16 appropriate 32:12,12,21 34:2 45:10 59:15 60:18 62:2 64:19 Approval 8:11 approve 8:13,19,24 55:1 approved 8:17 49:18 arbitrarily 26:23 arbitrary 40:25 area 39:13 areas 12:12 arises 33:14 arising 32:24 asking 12:10 assess 16:17 17:10,15,19 18:23 20:5 38:23 40:2 42:20 assessed 16:8 19:14,15,20 27:6 30:11 31:20 59:16,18 60:10 assessing 12:25 15:11 16:18 assessment 20:19 40:12 assessments 40:4 assignment 46:15</p>
---	---	---

assignments 46:25
associated 21:15
Associates 1:19 70:17
assume 13:6 39:12
assumes 51:7
assuming 43:19
assumption 13:6
assumptions 53:14
attachment 31:3
attempt 61:18
attorney 3:10,17 7:19 8:8 71:6
 71:11,16,21
attorneys 70:12
ATTY2 71:11
ATTY3 71:16
ATTY4 71:21
authority 55:20
Autio 3:14 5:16,17 8:15,20 31:15
 31:15 32:14 33:9,10 39:24,24
 58:1,4,4 59:10,10,25 60:19
 64:13 65:17
auto 47:2
Avenue 2:9 3:7
average 28:7
avoid 32:3,4
awesome 69:1

B

B 3:6 4:6 54:15
bachelor's 47:12
back 11:16 16:3 17:20 20:10
 23:19 27:3 44:4,7 54:22
background 47:9
balance 32:23
Barringberg 10:21
base 32:1 39:16
based 15:12 16:17 21:5,14 23:10
 31:3 38:23 40:22 41:2 42:18
 43:20 44:14 49:10 50:6,24
 51:23,25 53:21 61:15
basically 33:11 61:8
basis 17:22 38:21 42:19,20 58:17
batch 24:11 57:6
batches 30:17
Bean 1:19 70:17
bear 25:4
behalf 59:9
believe 7:8 9:23 11:19 12:18
 16:25 17:14,15 23:3,20 25:11

36:8 37:4 43:10,25 44:7 50:22
 51:1 53:24 54:21 55:12,19,23
 56:5,10,22 57:2 58:6 62:6 68:1
benchmark 14:15
benchmarking 66:14
benchmarks 66:19,23
BERNALILLO 70:2
best 5:5 32:7 43:11
better 36:18 40:9 64:8
big 67:3
birth 20:24 42:1,2 46:17
bit 45:5,24 68:25
blank 9:17 37:4 58:13
board 1:2,13 2:2,6 5:2 6:6 7:15
 7:17 8:4 9:4,11 11:24 12:10
 37:12 38:11 43:13,15 44:14
 46:8 51:21 55:2 57:9 59:14
 62:1,8 67:2,25 71:4
Board's 65:10 66:1
body 54:22
bone 35:7
bone/splint 35:6
book 40:3
Boulevard 2:3
break 23:11
briefly 55:1
bring 50:4,17
bringing 23:3 27:7
broader 39:13
Broadway 2:13
brought 9:13 35:13 63:14
Brunder 8:5
buckets 19:16
built 50:9
business 8:11

C

C 2:1 4:5 47:25 48:3
C-505-610-3453 3:8
calculate 15:3 31:10
calculated 11:20 12:20 13:20
 14:5 15:2 21:1 44:19
calculating 14:18 53:13
calculation 21:5
calendar 20:19
call 5:1,3 7:8,18 8:6 21:4 25:19
capability 6:2
capital 47:7 49:17 65:25
capture 32:2,5

captured 60:2,23
cards 7:1
care 12:8 27:5
careful 29:17
Carrie 8:5
carrier 24:12
carriers 30:15 33:2
carries 32:22
carry 22:1
carved 10:16
case 18:8 29:24 70:13,14
cases 18:12
cash 52:8
casualty 46:9,12
categories 37:14
category 10:17 34:9,11
cause 57:13,15
caveat 35:12
CCR 1:19
center 3:7 16:13 18:10 19:6,8,10
 19:11 23:6,14,22 24:5 28:17
 31:9,22 33:21 34:5 35:16,17
 38:1,2
centers 33:22,22,23,24,25 34:10
 34:12 44:6
CEO 2:17
certainly 39:4 41:12 42:24 45:3
 53:14 56:6 63:21
Certificate 4:2 24:12,14 25:2
 70:4
certificates 24:10
Certified 3:5 70:5,18
CERTIFY 70:6,11
cetera 54:24 65:2
chair 1:13 2:2 5:1,6,8,9 6:1,5,9
 6:11,15,18,23 7:3,6,14,23 8:7
 8:16,21,23 9:2,15,23 10:11,22
 11:5,9,21 12:1,16 19:4,4,22
 20:3 21:10 27:17 31:15 32:11
 33:9,19 35:12 36:22 37:3,5,8,11
 37:15 39:10 40:14,15 41:12
 42:24 43:4,5,25 44:12,16,20,22
 45:1,7,11 48:1 52:12,13 53:3,20
 53:23 54:3,7,11,16,21 55:10
 56:5,9,17 60:6,20,25 61:2,4,19
 62:6,13,19,23 63:5,9 64:1,13,24
 65:5,6,14,17,20 66:6,16,21,25
 67:1,9,13,18,20,24 68:5,7,10,15
 68:20 69:2,7

Chairman 5:7
chance 9:5 43:19 45:9
change 13:21 14:9,10 36:25 37:2
 37:7 40:11 48:22 56:20
changes 68:9
charge 15:19,20,23 16:4 17:15
 22:12 28:4 29:9,11 31:2 63:9
charged 15:24 16:5 24:15
charges 57:4
charging 30:1
check 43:12
checking 24:10,12
chose 34:14
circulate 61:11
claim 13:5 16:22 26:2,7,8 30:4
 32:19 39:21 51:15 52:22 57:6
claims 14:9 29:14,15 32:15,24
 39:14 51:8,10 59:9
clarification 6:19 56:20
clarify 6:10 59:15
Clark 2:17 5:11,12 6:9,9,12,16
 8:14,22 9:24 12:1,1,5,15,16,17
 13:23 14:3 15:6,18 16:10,25
 17:8 18:2,4,18,18 19:22,22
 22:14,15,23 23:2,19 25:4,6,9,21
 26:5,21 30:3,3 32:11 34:18 37:3
 37:3,7,11,16 39:10,11 40:14,16
 42:22,22 43:4,6,17 52:12,12,14
 55:5,7,10,11 56:9,22 60:6,6
 61:1,2,19,19 65:5,7,7,19 67:1
 67:12 68:7,11
Clark's 29:21
class 13:12 14:16 15:13 16:5 24:2
 24:4
classes 14:11 37:23
classified 36:20
cleaner 33:7
clear 58:8,10
clearly 17:1
CLIENT 71:3
clients 46:23 47:5
clinic 15:22 35:6,8 38:1
close 6:22
closely 22:18 23:22 27:4 37:20
closely-affiliated 15:9 24:5
Cole's 58:21
collapse 65:9
colleague 8:2
collected 53:1

colon 28:21
colonoscopies 31:22 35:8
colonoscopy 28:21
column 14:5 15:13,21 18:22
 48:13
combination 18:13
combined 25:15
come 14:9 20:7 39:5 42:7 55:16
comfort 27:4,11 38:4,12 40:23
comfortable 20:12 27:13 38:5,7
 38:10 43:8
coming 15:21 36:15 39:7 64:3
commensurate 27:6
comment 37:18 40:16 41:20
 55:23 56:18,21,23 60:22 61:21
 62:16 67:2
commenting 65:24
comments 9:6,11 10:3,18 41:14
 54:24 55:4,8 61:3 62:7,9,9 63:3
 63:22 64:1,10 65:15 66:25
committee 62:7 63:19 64:3
companies 46:12
company 39:4
compensation 1:2 5:2 17:6 24:24
 24:25 25:12,22,24 26:14,16,18
 41:8 46:18 47:1 59:5 71:4
competing 59:2,3,7
completely 12:14
complex 47:2
compose 68:17
concept 61:22
concern 26:25 29:21 38:17 58:25
 59:22
concerned 12:6 20:6
concerns 12:12
concur 67:3,8
confirm 66:18 68:2,12
confused 17:9
consensus 38:11
consider 9:3 35:1
consideration 57:11
considered 48:24 49:1
consistent 20:1 59:7 60:7 68:13
consists 48:9
consulting 46:10,22 47:16
contemplated 22:9
continuation 7:20 9:2
continue 38:4 42:9,16 52:2
continuing 38:13

copy 6:7,7,12,13,19
corporate 25:16,17 27:13 47:5
correct 10:11 15:15,16 17:7,15
 19:3 22:3,4 24:8 25:18,19 26:11
 26:12 32:14 37:10 52:11,20,21
 53:11 56:9 66:21 67:24 68:15
 68:20 70:8
correctly 22:15
correlation 26:25
Counsel 43:14
COUNTY 70:2
couple 25:7 36:16 46:2
course 47:19 48:7
courses 47:5
court 1:20 70:14,18
courts 26:4
cover 22:1 25:13 36:8 52:3
coverage 21:6 22:1 25:18 35:16
 36:10 39:17
covered 17:3 22:5,7,13,18 23:12
 23:22 29:2 32:19 63:12
covering 25:14 32:15
create 16:10,14 26:24
created 14:14 48:5
creating 18:15
credentials 47:20
CRR 1:19
CSF 46:20
current 7:4 13:12 20:19 23:24
 48:11,12 50:25 51:25 56:6
currently 20:11,15 22:6,16 37:4
 37:18 43:16
Curry 2:12
CV 45:16,18,19,20 46:4 47:24
 54:5

D

d 4:1 61:9
D-a-n-n-y 45:15
Dame 47:13,15
Daniel 3:24 4:5 8:1
Danny 12:19 13:23 15:6 20:7
 27:17 30:13 31:7 37:17,22
 41:20 44:9 45:1,14,20 46:3
 65:21
data 9:20 13:3 27:2,7 32:13,23
 35:21 36:15,16,17 37:13 38:17
 38:23 39:2,6,12,21 40:2,9,11,25
 41:2,18,19 42:10,17 64:7 65:11

66:9
date 68:16,18 69:4 70:24 71:8,13
 71:18,23
deal 18:16 30:1
dealing 18:8
Debbie 3:20 13:16 14:17 32:8
 49:6 69:4 71:6
Debbie's 16:3 42:10
debbiel@integriongroup.com
 3:20
decision 61:24 62:24 66:1
decrease 51:16 53:9
Deemed 9:4
deeper 41:9
deficit 48:12,16 49:21 50:5,11,16
 50:18,20 51:24 52:2,4 53:9
 58:12 59:15 60:10 63:17
definitely 9:25
definition 36:3
degree 47:12,12,14
Dekleva 5:13 55:5
DEL'D 71:8,13,18,23
delay 7:2
DELIVERED 71:8,13,18,23
departing 49:23
departures 57:13
depending 28:6
deploy 47:6 65:25
derived 49:10
describe 46:8,21
described 37:17
describing 29:13
deserves 68:22
designed 50:10
desk 42:8
desperate 23:7
determine 56:15
developed 14:8
development 51:8,10,15 52:22
devote 64:14
dial 40:12
dial-in 43:18
dialysis 35:16,16
differences 19:25
different 14:13 19:23 20:18
 22:11 26:20 28:12,18 34:9,20
 37:23 39:25 42:6 48:24 64:17
 64:18
differently 42:3 56:7,18

difficult 33:13,17 40:6
difficulties 45:24
direct 35:18 42:17
directed 68:13
direction 38:15
directions 52:19
directly 12:3 15:8 19:9,11
director 35:18
disagree 59:11
discriminatory 50:23
discuss 11:12 54:23 58:8,22
 63:19 68:2
discussed 9:7 13:15 38:7 54:23
discussion 8:23 11:25 34:3 37:12
 41:15 42:25 43:1,20,21 54:12
 54:13 55:17 57:1,7,8 60:12,14
 63:23 65:9,10
discussions 57:3,17
Disks 71:7,12,17,22
disposition 70:14
dissension 8:16
dissenters 43:1
distribution 49:11
dlinton@pinnacleactuaries 3:25
doc 16:5
docs 13:8
doctors 11:17,18 49:3,14
DOCUMENT 71:7,12,17,22
doing 6:6 28:20 31:12,25 35:4,6
 35:8 42:5 63:7 66:15,20
dollar 55:15
double-counting 29:18
double-dipping 29:12 32:3 41:5
Dr 2:3 58:18
draft 9:16 36:25 54:24 55:2
 56:23 62:9,10,11,12,16,25
drafter 67:4
due 38:13

E

E 2:1,1 4:1
e-mails 69:9
earlier 30:9 55:17 61:21 68:25
earmark 56:7
easier 33:1 64:11
educating 47:16
education 46:4 47:14,14
educational 47:9
effect 60:9

effectively 52:23
efforts 65:10
either 9:12,12 15:8 19:9 25:13
 61:21 62:3,16
elected 13:5
elements 47:7
elenarita76@gmail.com 2:21
eligible 21:6 24:17
ELLEN 2:21
employ 33:23,25 35:17
employed 11:17,18 15:8 16:12,16
 17:14 18:11,13 21:5,15 30:18
 30:19,21,24 31:1,19 49:15
 70:11
employee 19:17 29:22 30:4,7
employees 17:13,16 18:13 19:6
 19:11 32:17 34:5
endoscopies 35:7
endoscopists 34:8
endoscopy 28:13,17 30:23 31:1
 31:18,22 35:14 38:1
English 65:18 68:12
enter 7:21 44:18 54:9
entered 9:12
entering 42:18
entire 15:23
entities 10:8,19 15:10 19:8 21:18
 23:7 24:13 26:1 34:13,17 44:6
 46:13 49:12
entity 15:12 17:13 21:9,12,15,18
 21:19 22:6,7 23:13 24:9,17,22
 24:23,23 25:2,3,14,16,17 26:1
 26:23,24 27:14,22 31:8 34:16
environment 53:16
envision 29:24 35:17
equation 52:15
equitable 49:16
eradicate 49:20
ERZA 3:1
erza.spitzer@gmail.com 3:3
erza.spitzer@nmcan.org 3:3
essentially 9:17
established 54:25
estimate 50:9
et 54:24 65:2
event 17:20 33:14
events 26:25 39:19
everybody 43:18,23
everyone's 68:21,24

evidence 7:21 9:4 44:18 47:24
54:2,4,9 58:18 67:16,23 68:1
Exactly 67:13
examination 10:25
examinations 47:19
examine 10:24 38:22
examining 28:19 29:5
example 18:7,19 23:2,19 28:14
29:9,21 30:9,22 33:21

exceed 53:17
excellent 7:6 8:10 43:2 44:20
excess 13:18 14:14 15:1 28:5
30:20
excessive 50:22 51:3 59:18
Excuse 18:2
exhibit 9:1 13:11 15:7 20:15
47:24,25 48:3 54:9,15
Exhibits 4:3 71:7,12,17,22
exist 17:2
exists 17:1 32:6
expect 24:14 25:2
expectations 53:17
expected 20:2 51:17 53:6,7 66:4
experience 30:14 35:24 39:19
40:22 46:5,16,19 52:16 64:25
66:8
expires 70:18
explore 20:11
expose 25:22
exposed 25:25
exposure 14:16,25 15:2,5 16:22
17:17 22:2 26:11,20 29:3 31:10
34:4,20 35:21 41:1 42:12
exposures 13:6,8
extent 42:18

F

facilities 9:18,21 11:11,19 12:22
13:1,7,17 14:13 17:5,14 18:6,15
19:20 20:5,20 21:16,25 22:5,17
30:11 31:7,14 35:2 36:10,19
39:2 42:11,18
facility 11:16 13:5,15 15:8,19,23
16:1,7,11,15,19,23 17:12,24
18:11,17 19:2 20:22 21:4,7
22:21,24 23:1,12 26:6,10,17
27:5,15,25 28:2,7,9,17 29:5,23
29:25 30:2,5,6,7,19 31:10 32:16
32:16 33:6 36:4,21 39:20 42:16

65:11
facility's 15:14
facility-based 17:11
fact 49:21
factor 14:24
factors 14:15
facts 29:16 55:16
failure 59:4
fall 19:11
far 10:15 55:8 63:11
faster 69:3
fault 63:8
favorable 51:8,18 52:22
feedback 65:15
feel 20:14 27:12 33:10 38:7 64:8
fees 19:5 23:24
fellow 47:17
figure 22:11 26:22 34:15
figuring 34:4
fill 21:3
filling 10:20
final 43:3,15 44:1 54:24 62:12,24
64:3 67:1 70:14
finalize 62:20
find 20:18 37:9 39:7
Firm 2:8
first 9:14 12:8,24 36:7,25 45:13
52:24 55:7 57:3,18 58:19 67:14
flat 34:23
floor 9:10
Florida 46:16
fly 20:9
FNP-BC 3:6
focus 48:14
focused 65:10
follow 13:25
follow-up 52:7
font 65:19 68:13
food 20:18
foregoing 70:8
form 56:2
formally 62:18 65:4
former 58:21
forms 46:11
forth 70:8
forward 32:9 38:20 53:19 62:11
found 33:19
foundation 45:5
Freeway 1:8

fresh 41:18
fulfill 44:2
full 14:2 15:2
fund 1:2 5:2 24:24,25 25:12,23
25:24 26:11,14,16,18 34:14
36:12 39:4 42:2,2 46:18,19
52:16 53:5 57:14 59:4 65:13
66:9,11 71:4
fund's 59:8
funded 56:12
funding 41:24
funds 41:10 53:1 56:1,4 64:16
66:8,14,20
further 11:1 43:21 53:21,22
54:12 56:8 57:15 63:22 64:1,7
70:11
furthermore 37:18
fusion 38:2
future 38:8 40:9 42:21 49:24
53:11 56:8,10 63:16 64:9,11

G

gained 38:12
Gastro 30:22,24 31:18,19
gastroenterology 23:21,23 28:13
28:14
gather 40:1
gathering 40:8 41:19
general 33:21 47:1
generally 19:12 21:2,8
generated 26:7,8
generic 23:21
getting 6:22 17:9 27:12 50:19
give 6:3 11:1 12:22 13:9,23 18:7
33:20 43:10
given 38:17 49:21 53:15 61:25
64:6
gives 27:11 38:3 40:23
go 6:25 7:16 9:14,25 10:2 12:8,15
12:24 17:20 18:4 23:19 24:2
25:6 32:21 33:17 34:10 38:14
40:17 44:4,7,12,22 54:22 55:7
58:3 66:17 69:2
goes 16:3 50:6
going 9:19,24 12:2 14:13,18,20
20:8 22:10,12 28:6 30:17,20,25
35:3,4,10 36:9,10,17,19 37:9
38:19 41:24 42:11,12 45:4 49:3
49:4,8 52:19 53:18 59:6 60:8

62:19
good 13:2 17:18 31:16 33:20
 36:16 40:2 51:6 52:5 53:12
government 46:13,14,19
grabbed 27:9
granted 56:12
great 41:15 60:25 62:22 67:7
 68:4
greater 40:24 53:6,8
gross 19:1
group 23:23 24:18 27:21 33:5
 37:21 57:1
groups 20:18
grow 52:3
guess 12:24 52:14 55:16 58:24
guests 7:24
guidance 66:1
guys 18:7

H

half 50:3 53:15 55:14 56:12,16
 61:22
handle 41:8 66:22
hands 56:14
handy 45:21
happened 26:9
happy 54:19 58:8,22 59:19
hard 17:9 54:17 68:24
heading 33:10
healthcare 9:18,21 10:7 11:11
 12:21,25 13:5,7,14,17 14:13
 15:7,14,19,23 16:1,7,11,15,19
 16:23 17:5,12,24 18:6,14 19:19
 20:5,20,21 21:7,21,24 22:2,5,17
 22:24 23:1 25:1 26:6,10 27:25
 28:17 29:5,23 31:9,14 33:6 35:2
 36:4,21 39:2 65:11
hear 8:12 10:4 38:11 60:20 64:25
 69:8
heard 11:3 64:6
hearing 7:21 8:16,24 9:3 67:17
 67:20 70:10
heightened 29:4
help 12:11 53:9 63:15
helpful 13:25 39:7 41:11 58:16
 64:22 65:18
Hensch 3:7
hey 13:16
high 27:16

higher 28:24 35:3 51:5 52:8
 57:13
highlight 59:12
Hilton 1:19 70:5,17
historical 14:8
historically 57:22
history 25:11
hitting 31:17
honest 35:22
hope 22:3 39:17 67:2
hopefully 32:2
hoping 9:21
hospital 2:16 10:12 19:17,21
 20:22,23 21:1 22:22 42:19
Hospitalist 3:6
hospitals 10:15 13:8,14,22 19:15
 20:25 21:3 25:15,16 27:8 30:12
 32:1 38:21 40:1,18 48:15,17
 49:4,10 50:6,8 51:3,14 55:15
hospitals' 49:21 50:10
hundred 27:10
hypothetically 18:25

I

i.e 37:24
IBNR 51:12
identified 41:1
identify 39:13
II 2:8
impact 53:18 64:21 65:3,23
 66:11
impassive 46:24
important 35:11
improves 52:17
inadequate 50:22 51:2
inaudible 18:9 29:10,15 39:9
include 39:17 43:3 57:21 58:15
 66:3
included 20:22 37:24 51:11 63:3
includes 41:3 58:20
including 62:16
income 53:5,13,17 64:16 65:2,22
increase 40:19,21 41:24 51:25
increased 12:21 51:13 52:6,10
 57:5
increases 63:16
incurred 51:9,12
Indemnity 46:18
independent 9:18,20 10:5,7,12
 10:14 11:10 13:8,13,21 14:12
 15:25 16:1 19:18 21:7,16,17
 22:4,16 23:6 26:6 27:8 28:8
 30:25 31:14,20 33:6 36:3,20
 40:19 44:5,6 49:3,9,15 50:4
 57:4 58:12 59:17,18,23 60:4,11
independently-owned 21:24
indicated 13:16,20 14:9,10,17
indicating 48:11
indicator 39:20
indirectly 19:9
inflationary 20:13
information 9:7,20 11:1 30:16
 35:20,21 38:14 49:7 61:16 66:7
informed 5:19
infusion 49:17 55:15
infusions 56:8
Inherently 40:20
initial 28:3 62:9 67:6
initially 10:13,14
injured 59:5
Injury 46:17
input 68:8
instance 34:12
insurance 1:1 19:12 24:10,13,14
 39:4 46:12,14,20 63:10 71:3
insured 21:8
Integriion 3:20 30:16 41:13 64:7
intend 60:8
intensive 27:10
intent 26:4
intention 40:8
interest 53:16 70:13
interested 38:10
interesting 16:20
interpreted 26:3
interrupt 14:3 18:3
introduce 7:12
introductions 7:11
invest 64:19 65:25
invested 53:13 64:16,18 66:10,10
investment 53:5,14,17 63:14
 64:16 65:2,22 66:22
involved 14:19
issue 12:7 58:6,22 60:5,5
item 9:2 21:2 55:12 56:10,23,24
 67:23 68:5,16,19

J

J 2:12 3:22
JD 3:14
job 64:8 67:7 71:2
jointly 25:14
JR 3:6
jumped 45:8

K

KATHLEEN 2:12
Kathy 38:24 51:22 58:1
kathy@mcguinnlaw.com 2:14
keep 44:23
kept 13:19,19
kicks 26:17
kind 18:5 35:9 41:9
know 7:10 9:8 10:23 11:17 14:17
 15:9 16:21 17:1,19,21 18:19
 20:9 22:13 23:5 27:15 29:19
 30:15 31:8,11,23,25 33:16,25
 34:15 35:4,5,7,22,23,24 36:6,9
 36:11 37:5,11 38:9,15,20,25
 39:5,14 40:11 41:22 47:25
 50:13 51:6 58:5,5,7 59:12,13,14
 60:1 62:14 63:19,22 64:15 66:9
 66:22 68:23
knowledge 33:22 42:7
knows 7:9

L

L-i-n-t-o-n 45:15
lack 38:13,17
lacking 40:25
language 43:8 57:10 58:5,9 59:13
 59:20
larger 65:19 68:13
late 5:20
Law 2:8
LAWYER 2:7
lay 59:1
layer 13:18 14:14,16 26:16
layers 15:1 39:16 46:25
lead 11:25 33:10,15
leading 39:20
leads 26:22
leave 58:13 59:19,23
leaves 59:3
leaving 59:4
legal 15:10 25:14 27:13 39:15
 44:3

legislative 56:13
Legislature 10:16 49:1,18 55:14
 55:19,25 56:1,7 62:17,21 63:24
 68:17
let's 5:2,3 9:25 11:5 12:24 16:10
 24:18 30:22 36:7 44:4,4,7,22
letting 10:23
level 27:4 38:3 50:19 52:7,11
levels 14:7 19:24 52:1
levy 58:12
liability 25:20,22 34:22 47:1,2,4
liable 19:10
License 70:18
limit 26:15
limited 34:11
limiting 18:5
limits 22:10 23:10 26:20 28:24
line 21:2 56:10 67:23
Linton 3:24 4:5 8:1 10:24 11:11
 11:19 13:2 14:1,4 15:16 16:2,20
 17:7,18 18:2,5 19:3,13 27:19
 28:25 30:10 41:21 44:13,19
 45:6,12,14,14,22 46:1,6,23
 47:11 48:4,7,9,20,21 49:22,25
 50:2,15,24 51:6 52:5,21 53:12
 53:24 54:17,19 64:6 65:20,21
 66:13,18,24
Linton's 47:24
litigation 33:14
little 10:2 23:20 31:2 32:20 40:23
 45:5,24 68:25
living 46:8
LLC 2:8
load 46:25 48:11,15 50:8,22 51:2
 51:5,7,13,16,16 52:8,25 53:14
 53:18
logical 33:20
long 21:19
longer 15:24 48:17
look 9:5 13:3 27:17 29:6 30:17
 32:23 33:3 36:2 39:18 61:13
looked 37:22
looking 17:9 24:1 29:15 48:10
 64:15,17,19,21 66:12,19
looks 7:17 8:5
losing 44:23
lost 13:3 36:17 44:24
lot 33:1,11 36:4 38:18 39:25
 42:24 64:6

Louisiana 2:3
Love 2:12,12 5:9,10,19 38:24,24
 51:22,22 58:3 60:22,23
low 27:16 34:23 35:8
lower 31:3 34:20 52:18,25
LR 70:25
Luera 3:20 5:5,7,9,11,13,16,18
 5:21,24 6:3,22,25 7:5,12,17,25
 10:20,23 11:7,10 20:4,21 21:11
 22:14,21,24,25 23:9 24:8 25:4,5
 25:8,19 26:3,12 30:13 32:25
 36:2 44:11,13,17,21,24 45:17
 45:20,23 48:4,8 69:5
Luera's 37:18
LUERAS 71:6
lumped 10:13,15 13:13 21:17

M

M 1:19 2:8 70:5,17
M.D 1:13
main 28:2 67:4
maintain 47:20
manner 14:6 19:14,20 30:12
marked 4:3 9:1 48:3 54:15
Martinez 3:6 5:24,25 34:25,25
 37:25 41:6,6 57:24,24 62:13,14
 62:22 63:1,2,8,25 67:8
master's 47:14
matched 38:3
mathematics 47:13
McGinn 2:12
mean 19:4 20:6,14 31:16,17
 32:14 33:13 34:11 36:17 40:1
 41:16 59:25
means 26:10
meant 26:23 51:16
measure 20:13
mechanism 31:13
medical 3:7,14 35:18 46:18 47:3
medicine 28:20
meds 29:6
meet 21:21 55:1 69:3
meeting 1:2 5:1 6:20 8:18,18,25
 9:8,14 11:14 43:15 44:15 55:2
 57:19 61:12 62:15,20 67:19,25
 68:16,18 69:7,10,12 71:4
meeting's 68:11
member 47:20
members 2:6 6:6 7:18 8:8 9:11

11:24 23:5 38:11 43:12
mention 68:23
met 26:19 44:2 57:9
method 27:11 32:12
methodology 11:12
Mexico 1:8,21 2:4,9,13 3:2,8,14
 8:6 46:14,20 48:25 49:18 55:14
 55:19,25,25 70:1,5
million 48:25 49:9,17 50:4,6
 55:14 56:12,16
mind 48:4
minutes 5:20 8:18,24 10:1 57:20
mitigate 63:15,16
model 16:17 50:18
modified 43:20
months 51:15
Montoya 2:12
morning 6:14,20 13:2
motion 8:14,19 42:14,23 43:7
 61:10
move 47:23 54:1,3
moved 8:20 15:24 43:2 54:14
moving 32:9
MSN 3:6
multiple 16:13 25:15 34:13 57:2
multiply 27:23
multiplying 24:3

N

N 2:1 4:1
NAFC 33:12
nail 40:7
name 12:18 21:18 45:13,14
named 23:9 24:9,13,23 26:2
 32:16
nautio@nmms.org 3:15
necessarily 7:11 31:24 44:8
necessary 7:22 9:4
need 6:24 7:10 8:12 11:14 12:9
 14:20,23 19:5 21:19 25:6 31:7
 31:10 32:5 35:20,20 37:1,7
 38:20,22 40:19,24 43:2,8 49:20
 54:22 58:9,15 59:6 61:9,14,14
 64:8
needed 23:16 58:23
needing 41:17
needs 31:12 37:12 54:23 58:7
 68:1
negligent 18:12

neither 70:11
Neurological 46:17
new 1:8,21 2:4,9,13 3:2,8,14 8:6
 14:15 16:10 41:17 42:13 46:14
 46:18,20 48:25 49:18 55:13,19
 55:25,25 62:3 70:1,5
Nick 3:14 31:15 33:9 39:24 58:4
 59:10
nightmare 34:13
nine 47:18
NM 1:19 4:4,6 70:18
NMHA 2:17
non-employed 26:13
non-employees 18:14
Normally 6:25
Northeast 1:8 2:3 3:7
Northwest 1:20 3:1
note 9:16
noted 9:25
notes 61:13
Notre 47:13,15
nuanced 19:25
number 13:24 14:21,22 15:3,12
 24:3 26:1 27:24 28:1,7,23,23
 38:9 52:18 57:18,22,22 71:2
numbered 61:15
numbers 40:9
nurse 3:5 18:11
nurses 34:6

O

object 60:1
objection 11:3 54:13 60:19,20
 67:20
obligations 44:3
observed 29:14
obviously 32:4 37:12 61:8 62:25
 69:9
occurrences 25:25 39:14
October 1:7 7:5 69:5,8 70:24
 71:2
offering 58:11
office 1:1 2:18 28:19 71:3
official 7:24 55:2
offline 62:14
oh 6:3 8:1 14:1 43:23 44:11
okay 5:6 6:1,5 7:6,23 8:7 11:5,21
 12:7 26:5 29:20 36:22 42:10
 43:23 44:22 45:7 46:7,21 48:2

50:1,12,21 51:4 53:23 54:5 61:4
 62:6 63:25 66:13,25
on-leveled 14:7
once 31:17
ones 10:9,12 35:3
open 9:10
opine 35:21
opinion 50:23
opportunity 53:4 63:13
options 48:24
oranges 20:17
order 8:11 58:21
organization 15:9 21:12
orthopedics 35:15
OSI 3:17 7:1,13,19 8:9 9:9 10:5
 11:3 14:19 39:1 44:8
OSI's 10:2,7 36:6
ought 60:13
outcomes 51:18
outflows 25:23 52:16
outlining 13:11
outpatient 9:18,20 11:10 12:21
 12:25 13:4,7,14,17 14:12 15:7
 15:14,19,22 16:7,11,15,19,23
 17:4,11,24 18:6,14 19:19 20:4
 20:20,21 21:7 22:2,4,16,24 23:1
 26:6,9 27:5 28:16 29:4,23 31:9
 31:14 33:6 35:2 36:4,20 39:2
 40:3 44:6 65:11
outside 15:22
overcharge 32:5
overcharging 27:1
overcollected 52:24
overcollecting 52:18
owned 17:12,13 23:6 34:12
owns 21:12 34:17

P

P 2:1,1
p.m 69:8
page 13:24 14:2 15:6 20:15 49:13
 55:12 58:19,19 66:4
pages 27:10 48:10
paid 21:20 51:14
Pan 1:8
paragraph 37:10 55:13 57:3 62:3
 62:3
paragraphs 61:15
parsing 41:10

part 17:5 20:22 22:6 30:7 31:5
 34:19 38:6 54:20 57:3,18 61:21
 62:25 65:25 66:12
participant 18:21 22:20
participants 37:19 65:12
participate 26:18 42:11
participating 21:25 26:14 39:3
 48:18 49:14
participation 68:21
particular 30:1
particularly 58:25
parties 70:12
partners 16:13
passed 47:18
passion 47:15
patient 2:20 17:5 22:8 24:24,25
 25:12,22,24 26:14,16,17 28:19
 41:8
PATIENT'S 1:2 2:20 71:4
patients 59:4,9
pay 30:25 48:15 50:10
paying 21:9 22:22 50:16
payments 30:17
payout 25:23
PC 2:12
PCF 3:10 4:4,6 17:3 18:21 21:6
 21:25 22:5,13,18,20 23:5,8,22
 24:1 26:11 27:7 31:4 35:25
 37:19 39:16,23 41:25 42:12,17
 46:14,16 48:18 49:14,24 51:9
 57:4 65:24 66:5
PCFs 41:25 42:5
Pediatric 3:6
pediatrician 34:10
penalizing 51:3
people 7:14
per-procedure 11:15 16:4 42:19
per-visit 11:15
percent 15:4,5 16:6,8 17:23,25
 21:9,10,11,13,19 22:3,7 24:6,9
 24:15,23 25:3,11,17 26:22
 27:13,24 28:1 30:2 31:6,23
 32:14,19 33:4,5 34:16,23 38:4
 38:13,19 40:8,10,20 41:23 42:9
 42:16 49:2,2,3,4,8,9,14,15 50:3
 50:5,8,14,15,19 51:5 52:8,17
 53:7,15 57:5,23
percentage 48:12 66:10
percentages 64:17

perfectly 11:23
perforating 28:21
performed 18:9
performing 31:21
period 50:17 59:22 60:4,16
periods 39:3
personally 25:9 33:18
perspective 35:10 37:16 42:4
phrase 59:1,3,23
PHYSICIAN 3:13
physician 15:25 18:9,10 22:19
 26:13 27:20 28:15,23 29:10,22
 29:25 30:5,18 33:3 35:17 37:20
 37:20 40:22
physician's 26:15
physicians 10:8,13,14 18:7 19:7
 19:8,12 21:14,17 23:13 24:2,16
 24:16,19 25:13 27:8 32:18
 33:23,23,25 34:7,22 37:23
 40:19 49:9,11,16
physicians' 50:5
Pinnacle 3:22,24 8:2 12:3,10,18
 12:19 27:3 35:23 37:17 41:20
 44:9
place 14:21 62:2 65:8
places 35:5
plaintiff 29:24
plan 17:6
planning 43:14
plans 41:8
please 5:3,4 7:15 10:4 45:12 46:7
 69:4
plus 20:12
point 11:2,23 16:4 17:20 31:3
 36:1 40:6 42:10 53:12 57:1
policy 66:22
pool 39:23
pools 46:13
portfolio 23:7
portion 15:14 18:23 48:15 50:5
 50:10 52:9
pose 40:2
posed 11:13 32:3
position 18:20
possibility 20:8 53:16
possible 51:4
possibly 9:9 32:12
post 5:3
potential 17:2 26:7 39:20 52:19

potentially 28:21
practice 15:20 17:4 19:2 22:19
 24:1,7 25:14 26:8 28:15 34:19
practices 16:14
practicing 15:21 17:4
PRACTITIONER 3:5
precisely 66:23
preliminary 6:7 9:5,13
preparation 48:20,22
prepare 36:14
prepared 10:24 11:11,20 12:20
 44:13
Presbyterian 3:7
prescribing 28:20 29:6
present 3:19 5:10 7:16 55:5
 63:23
presentation 61:25
presented 54:22 57:23
President 2:17
pretty 27:10 64:2
prevents 39:1
previous 13:19 14:6
prior 58:21
private 39:4
pro 17:22 18:23 27:20
probably 31:23 34:1 36:16 37:21
 55:1 62:15
problem 37:6
problems 33:11,15
procedural 35:14
procedure 11:23 14:18 17:21
 22:9 26:9 31:11 32:1 38:2,21
procedures 14:20,21,23 15:4
 24:6 27:21,22,24 28:1,6,8,15,24
 35:5
proceed 11:2
proceeding 70:9
process 12:22,24 30:16 33:1
 40:17 41:18
profession 46:10
professional 1:20 15:20 17:3
 24:1 47:3
programs 46:14,20 47:3
Proofread 70:25
proper 35:10
properly 28:4
property 46:9
proposal 20:1
propose 60:14

prorate 19:1
proration 14:24
proved 38:21
provide 27:25 28:2 58:17 65:22
 66:1,5
provided 21:21 56:1 61:16
provider 13:13 17:2 21:21 23:11
 25:1 28:8 30:25 31:21 60:16
providers 13:21 15:13 16:12,16
 21:6 24:3,17,21 57:5 58:13
 59:19,23 60:4,11
provides 29:16
provision 51:11
prudent 42:8
pull 45:16,21
pulling 48:5 65:11
purpose 59:1
purposes 36:22 58:11
pushing 62:11 69:2
put 5:4 35:9 36:23 37:9 43:22
 59:6,7,13,22 60:3,15 62:7 63:20
 65:17 68:12 69:1

Q

QHP 24:24
Qualified 21:20 24:25
qualifies 36:3
quantify 29:19 33:4 46:25 47:4
quantifying 46:24
question 11:13 16:21 17:18 20:3
 26:21 27:3 28:11 31:6 45:3
 51:7,23 52:5
questioning 25:7
questions 8:3 9:8,12 10:1 11:16
 11:24 12:3,9 44:8 46:3 51:20,21
 53:21,25
quick 43:18,24 45:2
quite 16:21

R

R 2:1
raised 52:1
range 39:16
rata 17:22 18:23 27:20
rate 7:20 9:3 10:15,18 11:15
 12:21 13:20 14:9,10,18 15:13
 24:3,4 27:14 29:13,14,18,19
 30:25 31:2 41:24 52:2 53:16
rated 22:22

rates 11:4,13,16 13:12,15,17
 14:15,22,24 15:5 20:23,25 22:9
 27:12,23 28:5 29:2,7,8 38:23
 48:11 51:1,2 52:6,10 57:13
rating 21:4 31:13 50:25
ratings 34:9
ratio 39:14,21
Ray 2:8 9:15 18:1 28:10 38:16
 58:24 60:17 62:5
ray@vargaslawfirmabq.com
 2:10
reached 55:9
reaching 41:7 42:4
reaction 28:3
read 55:24 56:3 58:21
real 45:2
reality 18:24
really 10:1 21:16 23:15 35:21
 40:7,12 55:8 58:7 63:10 64:8
realm 12:11
reason 50:21
reasonable 36:8 41:22 51:1
REC'D 71:9,14,19,24
recall 44:1
RECEIPT 71:1
receive 6:6 24:11 30:17
received 6:20 56:4
receiving 27:5
recollection 57:2
recommend 38:12 40:7 57:10
recommendation 17:10 20:10
 32:10 38:6 39:18 41:13 42:15
 55:21 56:2,25 58:11 61:9 67:5
recommendations 10:5,6 63:3
 64:4
recommended 10:10 51:25 52:2
 52:6,11 60:10
recommending 50:7 59:17 62:2
record 12:17 45:13 55:11 58:22
 63:18,21 65:3
refer 12:19 18:22
reference 13:24 56:1 58:20 62:4
referenced 6:13
referring 6:12 13:10 48:13 62:1
reflect 51:17 57:20
regard 9:17 65:21
regarding 49:7 64:5 65:15
regards 9:6
rehab 22:21

reiterate 68:7
reiterated 37:22
reiterating 55:16
relate 11:8,9
related 46:17 70:12
relating 56:11
relative 28:7
relevant 47:9
rely 43:11
rendered 17:22
report 4:4 6:7 9:6,13,16 10:2,6
 10:10 11:4 12:20 13:24 14:2
 18:22 27:9 36:23 43:3,9,15,19
 44:1 48:23,24 49:1 55:13,17
 62:17,20 66:3 68:17 70:7
reported 1:19 51:12
Reporter 70:6,18
REPORTER'S 4:2 70:4
Reporting 1:20
represent 34:22 38:9
representative 2:16 3:5 12:18
REPRESENTATIVES 2:7 3:13
represented 34:14 35:25
representing 8:9
represents 15:4 56:6
request 44:14
requesting 39:1,8
requirements 21:22
requiring 53:11
research 23:16
Reserves 4:6
resolve 60:5
Resources 3:22,24 8:2
respect 67:17
response 10:7
rest 21:4 36:9
Resume 4:5
retained 47:4
retention 47:7
returns 64:20 65:23 66:2
revert 20:10
review 6:14
revise 58:23 60:5
right 6:20 10:22 17:23 18:8
 19:16 21:16 22:10 23:1 27:14
 37:15 38:18 42:8 44:16 49:22
 56:11 66:24 68:10 69:6
rigorous 47:18
rising 53:15

risk 17:17,20 18:15 22:12 26:24
 27:7 28:18 29:4,7 30:1 32:2,5
 35:7 37:21,25 38:3 39:8 40:2
 46:11,24 47:1,4,6,7
riskier 35:4
risking 59:3,7
risks 28:11 29:12,18 35:3
Ritchie 1:13 2:3 5:1,6,7,8 6:1,5
 6:11,15,18,23 7:3,6,14,23 8:7
 8:16,21,23 9:2,23 10:11,22 11:5
 11:9,21 19:4 21:10 27:17 33:19
 35:12 36:22 37:5,8,15 40:15
 41:12 42:24 43:5,25 44:12,16
 44:20,22 45:1,7,11 48:1 52:13
 53:3,20,23 54:3,7,11,16,21 56:5
 56:17 60:20,25 61:4 62:6,19,23
 63:5,9 64:1,24 65:6,14,20 66:6
 66:16,21,25 67:9,13,18,20,24
 68:5,10,15,20 69:7
ritchiewl@nmortho.com 2:5
RMR 1:19
road 33:10
Rob 8:3
ROBERT 3:22
Robin 8:5
role 48:19,21 58:16
roll 5:3 7:8
room 7:18 38:2
route 32:21 33:17
row 67:12
rung 30:8
Rust 3:7
rwalling@pinnacleactuaries.c...
 3:23

S

S 2:1
satisfy 58:23 59:21
saying 11:14 54:17 57:10
says 27:5 50:18
scenario 16:10
scenarios 49:2
scheduled 43:16
science 47:12
scope 13:15
screen 13:9
second 6:3 8:12,12,15,21,22 13:9
 25:1 42:23,25
section 9:17 37:10 43:9

see 7:25 13:13 19:15 24:15,22
 25:3 32:13,23 44:4 51:19 52:23
 65:4
seeing 28:18 41:8 42:5
seen 21:13 30:14 42:2 58:19
self-insureds 46:13
selfishly 32:25
send 43:21
sense 31:17 34:24 44:17
sensitivity 65:22 66:2
sent 6:13 44:2 48:6 49:6 69:9
sentence 58:7 60:2
separate 10:17 15:10 16:14
 17:13 19:7,10 28:16 34:7
separately 15:24 19:10
service 1:20 17:21
services 16:24
sessions 56:13
set 36:7 51:1 55:3 64:12 70:7
setting 10:16,18 68:16
settled 57:12
seven 47:19
share 13:9 49:21
shared 30:9
shorthand 70:6,7
shot 67:7
show 13:10 46:4
showed 49:4
showing 6:2 48:10
shows 40:19 49:13
side 52:15
sides 52:15 57:12,21
significant 65:8
signing 5:20
Silver 2:9
similar 14:6 38:17 46:20
simple 46:25 56:19
simply 28:22 59:14,15 68:12
sits 55:20
situation 18:25
SMH 1:25 70:24 71:2
Society 3:14 8:6 47:18
somebody 26:13 67:6
somewhat 63:13
sorry 7:2 8:1 10:14 14:3 18:3
 23:25 24:25 27:9 44:11,25 45:3
 54:1 56:24 58:1 63:1,4 66:16
 69:1
sort 21:17 30:14 31:13 36:6

sound 20:1
sounds 19:5 66:13,18
Southeast 2:13
Southwest 2:9 28:12,13,14 30:22
 30:23,24 31:1,17,18,19
speak 35:15 41:18
speaking 32:25 35:13
special 68:23
specific 9:11 38:23 46:15 57:18
 57:22
specifically 47:3 56:11 58:18
speculate 33:11
speed 7:9
spell 45:13
spending 33:12
spent 16:6 17:24
Spitzer 3:1 5:18,19
splinting 35:7 38:1
split 49:2,5,7,10,20 50:2
spoke 36:5
spreadsheet 21:4
ss 70:1
stability 59:8
standpoint 40:25
start 5:3 9:22 11:6 36:14 38:20
 42:17 45:6
started 62:15
starting 12:7
starts 55:13
state 23:4 39:22,23 44:3 70:1
states 16:4 39:13 41:7 64:25 65:1
 65:2,12 66:8
states' 39:15,19
statute 21:22
steak 20:17
stenographic 70:7
step 67:6
steps 25:7
Stevens 2:21 5:22,23
Street 1:20 3:1
strictly 68:1
structure 15:11 19:23 36:21
 50:25
structures 39:15
study 8:4 10:3 36:14 52:7,10
 66:2
style 29:16
subcommittee 36:24 43:12 54:25
subject 30:19 41:15

submission 24:11 68:2
submitted 21:3
submitting 30:15
Subsection 56:25
subsequent 38:22
sue 29:25
sues 29:24
sufficient 31:24 32:22 39:21
suggest 61:20
suggesting 37:25
suggestion 39:18 60:7
Suite 1:20 2:3
sum 24:7,15
summary 12:22
Superintendent 1:1 6:8 36:23
 55:21,24 56:3,15 57:11 58:15
 58:21 61:23 63:4,10 64:23 68:3
 71:3
Superintendent's 58:10 62:24
supervisor 63:4,6
surcharge 7:20 9:3 15:11 16:15
 16:18 17:11,25 19:1 21:1,5,9,14
 21:20 22:8 24:9,20,23 25:3,12
 30:21 31:20,23 34:16,18 42:16
 48:12,13 50:9 51:25 52:1 57:15
 58:12 59:16,18,24 60:10
surcharges 14:7 18:17 19:17,18
 19:19,21 20:5 23:25 27:6 36:8
 40:5 42:21 53:11 58:15 64:22
sure 6:16 25:5,8 27:12 36:2 40:4
 43:3 45:4 46:23 52:14 61:14
 66:3
surgeon 18:20,24 32:17 69:2
surgeons 32:18 34:8
surgery 16:12 18:9 23:6,14 31:9
 33:21,22,22,23,24,24 34:5,10
 34:12
surgical 18:10
Susan 1:19 70:5,17

T

take 14:19 25:9 27:23 37:24
 40:21 41:23 47:6 49:20 57:11
 61:13
taken 28:22 29:1 70:24
takes 50:3
talk 11:20 62:18
talking 20:17 62:14
tclark@nmhsc.com 2:19

technical 45:24
techs 34:6,21
tell 13:4 38:5 47:8
Tellez 3:18 7:13,19 10:9 44:18
 45:4,8,12,16,19 46:2,7,21 47:8
 47:22 48:2,19 49:19,23 50:1,12
 50:21 51:4,19 53:22 54:1,5,8
tension 57:12,21 59:3,7,12 60:2
tensions 57:16 59:2
terms 23:21 39:7 40:5 65:24
testimony 45:5 47:9 65:1 70:7
thank 5:21 6:15,18 7:6 14:3,4
 45:11 47:22 48:8 53:23 54:10
 54:11,16,19 55:10 60:23 63:25
 67:10,11 68:21 69:10
thanks 67:3
things 34:6 35:14,15 36:5 41:11
 69:2
think 9:24 10:25 11:14,23 12:9
 14:22 17:8 18:5 19:25 20:16
 21:12,23 22:4 23:14,17,17 25:6
 28:25 29:7,11,12 30:7 31:7
 32:20 33:2,7,19 34:3,17 35:1,20
 36:17 37:16 38:6,17,19 40:16
 41:7,15,21 42:8 43:17,21 44:17
 45:9 53:6 56:18 57:1,7,8,11,20
 58:4,7,9,14,16 59:2,6,21 60:1,3
 60:7,12,13,13,17 63:5,5,9,12,18
 63:21 64:5,22 65:9 66:6,11 67:1
 67:9 68:8
thinking 27:19
thinks 59:14
Third 1:20
thought 30:10 57:18
three 19:16 34:16 41:17 51:24
 53:15
three-year 50:16
threshold 19:24
tied 23:13 37:20
time 9:10 15:3 16:6 17:9,23 32:4
 32:13,22 33:4,5,12 39:3 47:23
 50:24 57:9 61:7 64:14 65:18
 67:4,6 69:4 71:9,14,19,24
times 24:4
today 7:5 9:20 10:21 23:8 47:10
 61:10,16 68:14
today's 43:20
top 49:13
total 20:17 24:7,15

totally 38:5
track 38:8
tracking 38:20 42:3,10
tracks 60:3
transcript 58:20 71:7,12,17,22
transcription 70:9
transfers 46:12
treat 40:3
trended 14:8
TRIAL 2:7
Troy 2:17 6:9 12:1 19:22 37:3
 39:11 52:12 65:7
true 52:4 70:8
truly 34:18
try 7:9 33:3 34:14 43:11 59:12
 63:16
trying 20:7 29:2 33:11
two 8:8 15:10 19:7 24:13 37:13
 48:10,24 49:1,11 57:16 60:15
tying 11:16
type 16:18 23:11 31:9 42:12
types 36:9,19
typical 28:8
typically 62:23

U

ultimately 61:23
umbrella 26:23
unanimous 67:10
uncomfortable 20:14
underassessing 57:14
undercharging 27:1 57:14
underestimated 33:16
underfunding 57:15
undergraduate 47:12
underlying 24:11 26:15,19 33:2
understand 10:22 12:11 14:20
 20:2 22:15 23:24 25:10 27:2
 29:3 44:9 56:17
understanding 16:2 17:10 36:18
 48:17
understood 9:19
underwriting 31:13
unfairly 50:23 51:3
unfortunate 33:14
University 47:13
updated 49:7
use 28:4,12 30:14,22

V

value 12:25 51:17 53:7
Vargas 2:8,8 5:14,15 9:15,15
 12:6,14 18:1,1,20 23:2 28:10,10
 29:20 30:8 38:16,16 42:14 43:7
 43:10 55:6 58:6,24,24 59:11,20
 59:21 60:17,17 61:5,7 62:5,5
 67:3,10,11 68:8,22,22
Vargas' 30:22
version 6:17
versus 19:24 30:23 31:18 32:17
 35:6,8 38:1,1
vet 35:9
vicarious 25:20,21
Vice 5:9
view 18:6
Vince 3:11 11:22 43:13
vincent@wardlawnm.com 3:12
Virginia 42:1 46:17
virtually 68:24
visit 20:24 22:8
visitor 31:11
volumes 39:19
vote 68:2

W

walk 44:19 45:2
Walling 3:22 8:3
want 7:9 29:17 32:4 36:25 55:7
 58:13 62:17 63:2,20 64:7 66:3
 66:14 68:21
wanted 40:1 45:17
Ward 3:11 6:14,21 11:22,22 12:4
 43:13,13 67:15,16,19,22 68:4
 68:18
way 18:15 19:15 22:11 32:7
 33:20 40:3 57:17 63:15
ways 64:10
we'll 8:24 14:23 36:18 40:11
 68:18
we're 6:5,16 14:19,25 18:5 20:12
 21:15 24:10 25:10 29:2,11,17
 30:1,17,20 36:9,17 37:9 40:4
 41:17,19 45:23 47:25 50:7 59:5
 60:8 62:10,19 66:4,12
we've 20:4 30:14 38:7 39:25
 41:16 50:15
website 7:1
week 43:16

weekend 61:11
went 12:23
West 1:8
whatsoever 70:13
WILLIAM 1:13 2:3
Wisconsin 42:1 46:16
witness 11:25
wonder 38:25
wonderful 45:23
word 60:16
wording 37:2
words 36:5 59:22 60:15
work 33:24 34:21 40:18 41:2,25
 41:25 42:1,2 47:2 54:18 58:8
 59:19 61:10 68:24
worked 34:3
workers' 47:1
working 11:19 34:1 40:10 41:16
 45:17 46:11
worthwhile 42:4
wouldn't 18:25 51:16 60:1
wrong 27:9
wrote 36:24

X

X 4:1 24:3 31:2

Y

yeah 59:25 66:6
year 20:4,20 27:21,22 36:7,13,15
 42:15 44:1 51:13 52:8,17,22,24
 53:2 60:11,14 62:21 64:14
 67:14
years 14:6 36:16 38:8,22 40:9
 41:17 46:11 47:19 51:24 67:12
yesterday 48:6
York 46:18
you-all 67:11

Z

zero 16:14 17:15 50:18,20
Zoom 2:8,12,21 3:1,22,24 7:18

0**1**

1 16:5 24:22 34:9
1,000 27:21
1:00 69:5,8
10 21:9,10,11,13,19 22:7 24:6,8

24:15,18,20,22 25:3,11,16
 26:22 27:13 30:2 31:22 32:14
 32:19 34:15,23 38:4,13,19 40:8
 40:10,20 41:22 42:9,16 47:19
 57:23
10,000 24:20
10:36 69:12
100 22:3 31:6
100,000 24:20
108 1:19 70:18
11a 48:13
12 51:15
12/31/23 70:18
14.4 57:5
14th 3:1
1630 1:20
18 46:11
18.9 57:6

2

2 9:2 64:2
20 1:7 7:5 17:23,25 27:23 28:1
 70:24 71:2
200 27:22
201 1:20 2:13
2023 1:7 70:24 71:2
2024 14:7 50:17,19 52:24 53:1
2025 50:17 52:25
2026 48:16 50:11,17,20 52:25
2100 2:3
224 3:1
24 55:12 56:11 61:22,22
24a 61:22
25 15:4,5 16:6,8 49:2,3
250,000 26:16
250/750 19:24
26 69:5,8
29 37:10,10

3

3 14:5 15:21 64:2
3,139 16:8 29:11
3.5 53:7
30 56:24,24
32 50:3 55:14 56:12,15
32.5 48:24 49:8,17 50:6
38 49:9,15 50:5

4

4 14:5 55:12 64:2
 41 14:2 15:6 20:15
 410 2:3
 46 50:14,15,18 51:5 52:8,17
 46.0 50:8
 48 4:5

5

5 14:5
 5,145 16:5
 5,450 29:10
 50/50 49:5 55:15
 500 14:14 15:1 28:5 31:2,2
 500,000 13:18,18 14:14 15:1
 26:19 28:5 30:20,20
 500/500 19:24
 505-235-9844 2:18
 505-242-1670 2:10
 505-263-8234 3:15
 505-270-1609 3:11
 505-343-0110 2:18
 505-463-0660 3:2
 505-681-6780 2:4
 505-843-6161 2:14
 54 4:6

6

6 14:5 58:19
 62 49:8,14 50:3
 62/38 50:2

7

7 15:13
 70 4:2
 7105 3:7
 7471 1:8
 75 49:2,3

8

807 2:9
 8330N 1:25 70:24 71:2
 87102 1:21
 87102-3020 2:9
 87109 3:8
 87110 2:4
 87110-3424 2:13
 87114 3:2

9

9 4:4 58:19

9:08 1:7
 91 14:2