REPORT OF EXAMINATION
OF
THE UNINSURED EMPLOYERS’ FUND
as of
June 30, 2019
Albuquerque, New Mexico

BY THE
NEW MEXICO OFFICE OF SUPERINTENDENT OF INSURANCE
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July 8, 2020

Honorable Russell Toal
Superintendent of Insurance
Office of Superintendent of Insurance
State of New Mexico
1120 Paseo De Peralta
Santa Fe, New Mexico

Dear Superintendent:

Per the statutory requirements presented in NM Stat § 52-1-9.1 and NM Stat § 59A-4-5, which requires an examination of a domestic insured or entity overseen by the Office of Superintendent of Insurance be performed not less frequently than five years, and the Order for Examination Docket # 20-00002-COMP-EX, and in accordance with the practices and procedures promulgated by the National Association of Insurance Commissioners' (NAIC's) Market Regulation Handbook, we have conducted an examination as of June 30, 2019, of the business operations and corporate affairs of:

THE UNINSURED EMPLOYERS FUND
2410 Centre Avenue SE
P.O. Box 27198
Albuquerque, NM 87125

(UEF). Such report of examination is herewith respectfully submitted.

The examination was performed on behalf of the Office of Superintendent of Insurance (OSI) by Regulatory Insurance Advisors (RIA), a regulatory consulting firm based in Lincoln, NE, in consultation with the OSI team.

The OSI engaged RIA in September of 2019 to perform the examination services. The examination commenced with a kickoff meeting held September 9, 2019 and was completed in May 20, 2020. The initial examination data request was sent to the UEF on December 23, 2019 which subsequent requests being sent thereafter.

The examination covered the period for July 1, 2017 through June 30, 2019.

Pursuant to NM Stat. § 59A-4-11 (A) this report will be filed for public inspection in the Insurance Department.
SCOPE OF EXAMINATION

This examination was performed as a comprehensive examination focusing on the following areas of operations:

- General Operations;
- Accounts Receivables;
- Payments and Claims;
- TPA Oversight; and,
- IT/Security Monitoring.

SUMMARY OF SIGNIFICANT EXCEPTIONS

Current Examination Exceptions

Throughout the course of the examination, significant material exceptions were identified throughout various areas of review. The absence of supervisory oversight, processes, procedures, and business functions created an environment of inconsistencies, and errors in daily operations and case handling. It was also identified that the UEF did not have a sufficient process in place for tracking and ensuring the accuracy of financial transactions. The assessments received from the Tax and Revenue Department that were reviewed by RIA could not be reconciled. In addition, Reimbursement payments received from uninsured employers were not consistently tracked, and statutory penalties were not consistently assessed or received. It was also identified that the UEF failed to maintain appropriate segregation of duties; it was also identified that in several instances the same UEF staff oversaw, or was involved in invoicing, payment assessment, receipt, and documentation of payments received. An additional significant concern was the absence of oversight of the UEF Third-Party Administrator (TPA). The UEF did not obtain the requisite documentation to confirm that the proper services as outlined in the TPA contract were being performed. Additionally, the UEF did not perform any audits of operations, functions, or billing practices of the TPA.

Moderate and minimal exceptions were noted in various areas of review. Exceptions that were identified as moderate and minimal do not pose significant exposure for the UEF or imminent consumer harm, however, could potentially be problematic in the future. As such, these are indicated on the report with corresponding best practices for business improvements.

Comprehensive details for each exception are contained in the Examination Exceptions section herein.

Prior Examination Exceptions

A previous Financial Examination of the UEF commenced in 2016 for an examination period of July 1, 2012 through June 30, 2015. The Summary of Recommendations presented in the examination report documented concerns with the UEF’s oversight of the TPA. The report stated the following:
"It is recommended that the UEF audit claims records of its independent adjusting company on a regular basis. The examiner would recommend the audits be done at least once a year and more often if the UEF notices any issues or concerns. The TPA has an external audit performed annually. The UEF however should perform its own claims review of the TPA, regarding UEF Claims."

It was noted in the current examination that this concern had not been corrected.

**COMPANY HISTORY**

**General**

The UEF is a statutorily created fund which is administered by the Workers’ Compensation Administration (WCA) as a separate account.

The WCA was created on January 1, 1991 and until June 30, 1994, was administratively attached to the New Mexico Department of Labor (DOL). Effective July 1, 1993, the WCA became a fully independent agency vouchering through the Department of Finance and Administration (DFA).

The Legislature created the WCA and the laws administered by it to provide a workers’ benefit system that assures the quick and efficient delivery of indemnity and medical benefits to injured and disabled workers at a reasonable cost to the employers who are subject to the provisions of the Workers’ Compensation Act (Chapter 52, Article 1, NMSA 1978) and the New Mexico Occupational Disease Disablement Law (Chapter 52, Article 3, NMSA 1978).

The Chief Executive of the WCA is the Director, who is appointed by the Governor of the State of New Mexico. The WCA is a component unit of the Executive Branch.

The executive leadership team is comprised of the following individuals:

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<tr>
<td>Director</td>
<td>Ms. Loretta Lopez</td>
<td>October 25, 2019</td>
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<td>Executive Deputy Director</td>
<td>Ms. Leigh Martinez</td>
<td>December 30, 2019</td>
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<td>Administrator Financial Officer</td>
<td>Ms. Michelle Hueston-Green</td>
<td>September 7, 2019</td>
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<td>General Counsel</td>
<td>Ms. Angelica Anaya-Allen</td>
<td>December 28, 2019</td>
</tr>
<tr>
<td>UEF Administrator</td>
<td>Mr. Mark Plomer</td>
<td>December 9, 2013</td>
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Additionally, the UEF employs two enforcement attorneys and a staff assistant.

**The Uninsured Employers Fund**

The New Mexico Uninsured Employers’ Fund (Hereinafter “UEF”) was created in 2003 under the authority of **NM Stat §52-1-9.1** to protect injured workers whose employers failed to maintain workers’ compensation insurance at the time of the worker’s work-related injury. If a company is uninsured and its employee is injured, the employee may apply to the UEF for benefits.
The UEF pays workers’ compensation medical and indemnity benefits to eligible injured workers, however is considered a payor of last resort under NM Stat §52-1-9.1 (l). Pursuant to the authority outlined in NM Stat §52-1-9.1 (G)(2), and NM R §11.4.12.12 (New Mexico Annotated Code) the UEF may impose a penalty of not less than fifteen percent, nor more than fifty percent of the value of the total award in connection with the claim that shall be paid into the UEF on the injured workers’ behalf. UEF attorneys work to resolve as many cases as possible at the front end of a claim so the employer can be made to pay as much of the claim as possible. This reduces the amount of funds coming out of UEF reserves.

Employers covered by the workers’ compensation law are required to pay a quarterly workers’ compensation assessment, much like a tax. This fee is comprised of $4.30 per employee per calendar quarter, in which the employee’s contribution is $2.00 and the employer’s contribution is $2.30 for each covered employee. The payment is based on the number of employees employed by a business on the last working day of the quarter. Thirty cents per employee of the fee assessed against an employer shall be distributed to the credit of the UEF.

There were 33 UEF claims in FY 2018, three fewer claims than in FY 2017. UEF claims expenses for FY 2018 were $379,610.00, a 23.9 percent increase in claims expenses from FY 2017. The average amount paid per claim in 2018 was $11,503.00, which is approximately 35.1 percent higher than the $8,513.00 in 2017, due in part to the fewer number of claims. Collection penalties from businesses for the year 2018 were $89,390.00, a 28.2 percent decrease from FY 2017, which was anticipated. Collection penalties are on a downward trend. For the past several years, the UEF was collecting from businesses that had long-standing penalties, which allowed for the UEF’s reserve balance to increase.

MANAGEMENT AND CONTROL

Management

Management and Control for the UEF are defined under N.M. Code R §11.4.1.1 through N.M. Code R §11.4.1.8. The UEF is managed statutorily by the WCA and established as a permanent fund pursuant to N.M. Code R §11.4.1.1 Workers’ Compensation Administration. The scope presented in N.M. Code R §11.4.1.2 outlines that this rule applies to all parties in the State of New Mexico that have claims arising from the Workers’ Compensation Act. This rule applies to all employers in the State of New Mexico who are subject to the Workers’ Compensation Act and Occupational Disease and Disablement Law.

Statutory Authority: Chapter 258, Laws of 2003 and NMSA 1978, Section 52-5-4, authorizes the director to adopt reasonable rules and regulations for implementing the purposes of the act.

TERRITORY AND PLAN OF OPERATIONS

The territory and plan of operations are established by New Mexico, which also serves as the territory. Most employers in New Mexico are required by law to have workers’ compensation coverage through a New Mexico approved insurance policy or a New Mexico certified self-
insurance program. The procedures for submitting claims, claims administration, financial responsibility of employers, caps on benefits, penalties collected from uninsured employers and assessments are all statutorily determined. The requirements of the UEF’s operations are detailed in N.M. Code R §§11.4.12.8 through 11.4.12.14, et. al.

EXAMINATION METHODOLOGY

On September 13, 2019, pursuant to NM Stat §52-1-9.1 and the provisions of Chapter 59A, Article 4, NMSA 1978, the New Mexico Office of Superintendent of Insurance (Hereinafter “the OSI”) notified the WCA and the UEF that in accordance with the statutes, the OSI would commence examining the UEF business operations. The examination focused on the following:

- Perform review of the TPA contractor for the UEF to determine that they have:
  - Been reviewed by the WCA UEF to determine that they are performing all their contractual duties adequately.
  - Policies, procedures, and controls in place that will ensure requirements of the contract are being adhered to.
  - Policies, procedures, and controls in place as required in the NAIC Market Conduct Handbook related to their contractual obligations.
  - Paid claim settlement practices that adhere to statute and the NAIC Market Conduct Handbook. For example, in the past it was claimed that some claims were not paid at the $40K limit when warranted due to revenue shortfalls.
  - A current CPA Audit that a review indicates no adverse Exceptions regarding financial controls or other matters that would prevent the statement from materially misrepresenting the financial condition.
  - In place, a security or cyber security plan and that it has been reviewed by a cyber-security expert.
- If it is determined that many of the above items are inadequately performed, a more in-depth review of the TPA may need to be performed and that scope will be discussed at that time.
- Determine if the WCA UEF has performed any claim audits as recommended in the June 30, 2015 examination.
- Review revenue received from the New Mexico Taxation and Revenue Department (TRD) to determine if amounts are reasonable.
- Review the performance of their subrogation program and practices to confirm the UEF has enacted all statutory options to recover the claim amounts paid to their employees as results for injury on the job.
- Review the adequacy and accuracy of their reporting practices.
- Perform a brief review of WCA’s UEF CPA report and work papers to acknowledge Exceptions, and follow-up resolve thereof. Determine any financial control weakness and weakness in the security of data. The WCA and its fund UEF are audited annually by the State Auditor and a review of that report should be adequate for a financial review.
- Obtain copy of most recent actuarial opinion.
Utilizing the applicable New Mexico statutes and regulations as well as guidelines presented in the NAIC Market Regulation Handbook, the examiners developed interrogatories that would provide documentation and insights into the business operations and oversight of the UEF. These interrogatories presented a comprehensive request for all areas of business operations to confirm adequate procedures are in place to ensure business continuity and appropriate consumer protections.

The initial interrogatories were sent to the UEF on December 24, 2019. The on-site examination commenced February 3-6, 2020. Subsequent questions and data requests were submitted to the UEF throughout the course of the examination. Examiners performed a comprehensive review of all information presented to identify best practices and gaps in the processes.

**EXAMINATION EXCEPTIONS**

**Exceptions and Recommendations:**

The examination team requested documentation for the following sections: General Operations, Accounts Receivable and Assessments, Payments and Claims, TPA Oversight, and IT/Security Monitoring and analyzed the documentation presented to identify deficiencies in UEF processes. The deficiencies are characterized as exceptions per statutory definition. These are then categorized as:

- **Significant:** Immediate attention is needed as the exception presents imminent impacts to business operations and continuity or consumer protections;
- **Moderate:** Near-term attention is needed as the exception presents potential impacts to business operations or continuity or consumer protections, however this is not the same level of priority as Significant;
- **Minimal:** Attention is needed, however the exception presents marginal impacts to business operations and continuity or consumer protections. The examiners then presented recommendations that would mitigate or eliminate the identified exceptions.

Exceptions that do not include a body of law are considered general exceptions and compromised business practices pursuant to the NAIC Market Regulation Handbook.

**GENERAL OPERATIONS:**

**Background:**

The review of the General Operations of the Uninsured Employers Fund (UEF) for the examination period July 1, 2017 through June 30, 2019, included details of the categories listed below.

- The Disaster Recovery Plan of the UEF;
- The Continuity Plan for the UEF;
- Personnel Structure of the UEF, and the responsibilities of the personnel;
- Internal Audits of the UEF;
- Claim/case log accuracy and timeliness;
- Process and authority of claim/case logs;
- Claim/case log discrepancies;
- Open claim files for future action or closure;
- Development of UEF processes and procedures, in conjunction with the WCA's review and approval; and,
- Coordination between the UEF and the WCA to reconcile receivables and liabilities.

**Analysis:**
In the review of the above topics, Exceptions were identified through a series of written questions issued to the UEF on April 6, 2020, along with requests for documentation to support the UEF responses. Written responses from the UEF were reviewed in detail. In addition, follow-up conference calls were held with key personnel of the subject areas, and members of the OSI, the WCA and the UEF to request clarification, further details, and additional documentation as needed.

1.) The Disaster Recovery Plan of the UEF.

**EXCEPTION 1: SIGNIFICANT**
The UEF failed to develop, maintain, and implement a valid disaster recovery plan that would allow for restoration of data pertinent to business operations.

    Records of the UEF are in both written and electronic format, with many hard-copy documents stored in an off-site storage unit (shed), prior to being scanned. The tracking method for identifying closed files that are in the storage building is fallible in that it consists of a paper list of files placed inside each box and taped to the outside of each box. The files are added to a digital list by close date + 10 years, however, the contents of files in the boxes are not scanned in their entirety.

    The UEF data is backed up using a tape backup device directly connected to the IBM AIX/INFORMIX server, and the IT team completes a test restore annually. By practicing the restoration annually, it is not possible to determine if the backups are operating appropriately and it would be impossible to recreate the information that was not backed-up.

    Additionally, due to not having a secondary server to test the restore process, the UEF is unable to do a complete restore of its UEF database. Examiners were advised that due to this limitation, the only practice restore the UEF can accomplish restores only one file to the backup tape.

    Documentation shows a lack of security present at the off-site storage unit. Sensitive documentation is stored in the shed with locks only utilized during work hours. Accessibility is fluid and there is not a consistent process overseeing “check out” of the documents contained therein. In addition, the shed does not have preventative measures set up to protect documents in the case or a flood, fire, or other disasters.
Additionally, per responses received from the UEF, electronic data is backed up nightly and sent to an off-site disaster recovery location weekly. A practice restore is performed on an annual basis, which does not allow for rapid re-creation of relevant documents if it were determined that the back-up was not occurring as anticipated.

The lack of processes and procedures and a formal plan surrounding disaster recovery mitigates the capability of the UEF to recover relevant data quickly if it is inadvertently lost or destroyed. This could lead to reconstruction of the facts surrounding UEF cases and exhibits thereof to be significantly compromised, thus creating exposure to consumer harm.

**Recommendations:**

The UEF should develop and implement a comprehensive, written Disaster Recovery Plan that ensures protection of data, and allows data to be re-created upon demand. The UEF should continually monitor the Disaster Recovery Plan to identify deficiencies or additional opportunities to protect data.

Additionally, the UEF should take immediate measures to identify options for scanning all documents presently in hard copy, as well as store those documents in a central location, preferably off-site or cloud based. These actions would allow protections and re-creation of relevant data upon demand.

**UEF Response:**

1. UEF in conjunction with the Information Systems Bureau will develop a formal written Disaster Recovery Plan, based on the Agency plan. Upon appointment of current Director the IT bureau was directed to develop and implement required IT documents, which includes this document as well as a Continuity Plan.

2. After discussion with MIS staff about the protection needed for the fund’s database, a timeline was established to incorporate the UEF database under the protection of the WCA SQL server will be accomplished on or about September 1, 2020.

3. The storage and cataloging of case files will be revised beginning June 9, 2020 when the Clerk of the Court and administrative secretary will outline what exact services are needed to scan and destroy files. The case file list provided April 24, 2020 (exhibit 1) will be updated and an addendum will be prepared. Depending upon when State Archives is accepting documents, the items marked for storage will be moved at that time. Thereafter, on site storage of UEF files will be minimal and a plan for moving documents to the State Archives will added to bureau policy.

**Examiner Comments:**

Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.
2.) The Continuity Plan for the UEF.

EXCEPTION 2: SIGNIFICANT

The UEF failed to develop, maintain, and implement a valid Business Continuity Plan that identifies contingencies for business operations that would ensure that the UEF maintains core functionality under various identified scenarios, including a natural disaster or a global pandemic.

The UEF was unable to present a written Business Continuity Plan upon request. Instead, they provided information on their current case management system. The information presented on the current case management system, did however assist in identifying a deficiency in business continuity. An IT audit performed in February 2020 by Burger, Carroll and Associates acknowledged that the current system is antiquated and should be updated to ensure efficient operations. The report outlined a recommended timeline of implementation contingent on available funding.

Additionally, due to not having a secondary server to test the restore process, the UEF is unable to do a complete restore of its UEF database. Examiners were advised that due to this limitation, the only practice restore the UEF can accomplish restores only one file to the backup tape.

Because the UEF has not developed a business continuity plan, core operational functions, issues and concerns, and contingencies have not been identified. This could potentially expose the UEF to significant business interruptions. These business interruptions could prove critical to an injured employee receiving payments for necessary medical treatments.

Recommendations:

The UEF should develop and implement a comprehensive, written Business Continuity Plan that ensures continual operations, and identifies necessary improvements to confirm continual operations. The UEF should continually monitor the Business Continuity Plan to identify deficiencies or additional opportunities to ensure business continuity and core functions operate efficiently and effectively.

Additionally, the UEF should continue to explore options and opportunities to incorporate a new case management system that would provide continual support and access under various circumstances to avoid business interruptions, as funding allows.

UEF Response:

1. UEF in conjunction with Information Systems Bureau will develop a business continuity plan that ensures the UEF is able to continue functioning should a natural disaster or global pandemic occurs. The written plan will be drafted along with the agency's plan to return staff to working back in the office.
2. The agency’s Safety bureau has been tasked with drafting the last phase of the business continuity plan. This phase will contain a plan to safely return staff to the workplace in light of the pandemic or other emergency.

3. Upon the completion of the Safety bureau report, a written plan can be executed and will be done by August 30, 2020.

Examiner Comments:
Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.

3.) Personnel Structure of the UEF, and the responsibilities of the personnel.

EXCEPTION 3: SIGNIFICANT
The UEF failed to identify, develop, and ensure segregation of duties throughout job functions.

In the overall review of processes, it was determined that there was an absence of delineation, segregation, and delegation of duties, identified in processes and job descriptions. It was identified that in several instances the same person oversaw, or was involved in invoicing, payment assessment, and receipt and documentation of payments received.

The absence of segregation of duties lends to a lack of internal oversight and potentially exposes the NM WCA and the UEF to possible misconduct or fraudulent behavior.

Recommendations:
Working closely with the WCA, the UEF should create a process workflow chart to identify a complete and detailed analysis of all responsibilities and duties of the UEF. The workflow chart should also identify areas where segregation of duties requires enhancements.

Following the creation of the workflow chart, duties should be reorganized ensuring segregation and incorporating appropriate checks and balances. Job descriptions should be rewritten to correctly reflect the reorganized duties.

UEF Response:
1. The Fund will refine the flowchart (exhibit 3) in cooperation with Finance to better demonstrate the system for receipt and deposit of funds. Attached are the related and revised flowcharts demonstrating a segregation of duties for managing funds, responsibilities and duties of the staff.

2. Duties of the participants will be reviewed and defined to correctly reflect the reorganized duties; the completion is dependent upon approval by State Personnel and may take 6 months depending on the issues identified.
**Examiner Comments:**
Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.

**EXCEPTION 4: SIGNIFICANT**

**CITATION:** N.M. Code R §14-3-23. [Manuals of procedure; preparation by state agencies; review by state records administrator; publication.]

Each state agency which has an official duty to establish methods and procedures involved in the internal structure and operation of state government, including but not limited to acquiring space, budgeting, accounting, purchasing, contracting, vouchering, printing, appointment and dismissal of employees and record-keeping, shall prepare, within the means provided by current operating budgets, manuals of procedure for the guidance of public officers and employees engaged in such work. Such manual or manuals shall be reviewed and ordered published by the state records administrator and in accordance with uniform standards of style and format promulgated by the state commission of public records.

The UEF failed to develop, maintain, and implement valid detailed processes and procedures throughout all areas of operation that allow for consistent, repeatable processes. This is a violation of Chapter 14: Records, Legal Notices and Oaths Article 3: Public Records in the utilization of a records custodian.

In the overall review of processes, it was determined that the UEF processes lack consistency and detail throughout and are arbitrary in many circumstances.

The lack of formal, detailed, succinct processes and procedures have resulted in inconsistency and errors in the handling of both simple and highly technical operational business duties.

**Recommendations:**
The UEF should work closely with the WCA to begin to prioritize operational functions, and to create and implement consistent, repeatable processes and procedures for all operations. The UEF should continually monitor the processes and procedures to identify deficiencies or additional opportunities for process improvements.

This deliverable should be given immediate attention, not only to meet Standard Operation Procedures as required by the WCA, but to provide more efficient and effective training for current and new staff.

In addition, the developed formal UEF Processes and Procedures Manual (Hereinafter "Manual"), with a goal of having the processes and procedures developed by Q3, 2020.
These processes and procedures should be placed on an electronic drive for the purposes of immediate inclusion of updates as they happen and access by staff of those updates. Once the formal Manual is completed and disseminated to staff, each staff member should be required to affirm in writing that he/she has read and understands all processes and procedures of the UEF, and that they will comply with said processes and procedures.

Additionally, the UEF should immediately implement procedures that ensure compliance with the requirements of NM Stat § 14-3-1 and most specifically, utilize the records custodian for records retention and documentation processes and procedures going forward. The requirements of NM Stat § 14-3 should also be made a part of the formal UEF Manual, in both hard copy and electronic file.

**UEF Response:**

1. The UEF will have the operational process and procedures in place by the end of the third quarter of 2020. Staff training will progress as the new operating procedures are implemented. Staff will read and understand the document and sign affirming understanding of the document and will comply with all processes and procedures documented. The UEF is implanting procedures that will ensure compliance with the NMSA 14-3-23.

2. Training regarding records retention will take place on the first date that the Legal Secretary and UEF Administrator can attend in Santa Fe at State Archives Building. Due to the pandemic, the relevant course is not currently being offered. In the interim, staff from the court clerk’s office is assisting in overseeing issues regarding record retention and documentation processes and procedures. Staff of the clerk of the court, has been properly certified to address such issues.

**Examiner Comments:**

Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.

**EXCEPTION 5: MODERATE**

The UEF failed to maintain a consistent, comprehensive process for creating and maintaining invoices.

A review of the current process indicated that the UEF invoices are scanned into a PDF file, saved as a word document, and rewritten when the next bill cycle occurs, with the recurring amount to be paid. The invoice pdf is stored in the claimant folder on the internal U Drive. The word document is rewritten, auto dates for new invoice entry printed and saved in a PDF file.

The current process is time consuming and has a high potential for billing errors. If an invoice is saved to the incorrect file, or not saved, re-creation of the invoice would
be difficult if not impossible. Additionally, utilizing a manual entry increases the probability that the amounts could be inadvertently entered incorrectly. The use of a software program with accounting functionality would reduce both time and possible billing errors and would accurately memorialize the invoice.

Recommendations:
The UEF should implement internal audit functions to ensure accuracy of the updated invoices and maintenance of the PDF’s. Additionally, the UEF should explore options for mainstreaming and automating the invoicing process and establish a reasonable timeframe for incorporating the identified option. Once an automated system is identified and implemented, the UEF should also continually monitor the transition to ensure the system is performing accurately within desired functionality.

UEF Response:
1. The Fund will purchase and utilize accounting software for tracking moneys disbursed to workers, reimbursement payments received from businesses and an invoicing system.

2. WCA senior management has reviewed this issue and agreed to select the appropriate software. The requirement established is that it be capable of interfacing with existing systems and be a software that our Self Insured Bureau (SIB) can use in performing audits. The SIB currently uses QuickBooks and this is the likely choice to be used. This will be initiated immediately and after any necessary training, it will become part of bureau standard operating procedures.

Examiner Comments:
Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.

ACCOUNTS RECEIVABLE AND ASSESSMENTS:
Background:
The review of the Accounts Receivable and Assessments of the UEF for the examination period July 1, 2017 through June 30, 2019, included details of the categories listed below.

- Receipt and processing of funds into the UEF, including reimbursements and assessments;
- The process for depositing those funds into appropriate accounts;
- The process of reconciling all amounts received at period end;
- The process of maintaining accurate accounting for each payment;
- The process of how Stipulated Agreement amounts are determined;
- The process of negotiating and/or forgiving debt owed to the fund; and,
- The process for timing and ultimate writing off uncollectable debts.
Citation: N.M. Code R §11.4.12.12 PENALTIES COLLECTED FROM UNINSURED EMPLOYERS: If the WCA director or workers' compensation judge determines that an employer was obligated to pay workers' compensation benefits to or on behalf of a worker and has not done so due to its failure to obtain and keep in force a policy of workers' compensation insurance that is valid pursuant to the Workers' Compensation Act, the WCA director or the workers' compensation judge shall impose a penalty against the employer of not less than fifteen percent and not more than fifty percent of the value of the total award in connection with the claim that shall be paid into the uninsured employers' fund. The determination of the appropriate percentage of penalty imposed shall be treated as a statutorily authorized discretionary act by a state agency, for purposes of judicial review. This penalty is separate from, and in addition to, any penalty or remedy sought against an uninsured employer pursuant to NMSA 1978, Sections 52-1-61 or 52-1-62 for failure to have insurance when required to do so. This penalty is intended to protect the health, safety and welfare of the citizens of the state of New Mexico and shall be considered a governmental penalty for purposes of the dischargeability provisions of the federal bankruptcy code.

A. Any final compensation order addressing the compensability of the workers' claim shall not be subject to collateral attack.

B. The actual benefits provided to or on behalf of a worker or his dependents shall be presumed valid as the basis for the assessment of a penalty.

C. Billing and medical records in the possession of the UEF or the independent adjusting company shall be considered records of the WCA for purposes of authentication.

D. Telephonic and videoconferencing shall be permitted to the extent permitted by law to facilitate the participation of the parties.

E. The WCA may use any legal process for collecting the penalty, including, but not limited to, reduction of the penalty to judgment in district court, seeking and obtaining writs of garnishment and execution, contempt citations or any other legal process in aid of collection and participating as a party in any bankruptcy action, including filing an involuntary petition in federal bankruptcy court to liquidate personal or business assets for the purpose of enforcing the penalty.

F. For the purposes of these actions, the WCA shall, always act pursuant to the commissions of its personnel as special assistant attorneys general. All proceedings before the WCA director for enforcement of the provisions of this section shall be conducted in accordance with 11 NMAC 4.5.

G. The fund may seek reimbursement of the costs of any legal action instituted in a proceeding to determine or collect a penalty pursuant to this subsection [11.4.12.12 NMAC - Rn, 11.4.12.10 NMAC, 12/23/05; A, 12/31/11]

EXCEPTION 6: SIGNIFICANT
The UEF does not have adequate, consistent processes and procedures in place for tracking reimbursement payments and configuring penalties and interests.

The UEF does not have a process or criteria in place for consistently determining the dollar amount for a reimbursable amount, with penalties and interest included. When asked to provide documentation on the collection process, the response from the
UEF was “the current determination is based upon “years of settling claims at the WCA and the amount needed to resolve the majority of cases.”

Without a formal tracking process in place to track reimbursements and penalties and interest, the UEF may not have accurate information on their receivables. This could potentially result in underpayments, which ultimately could lead to underfunding of the UEF.

**Recommendations:**

As a part of the new formal policies and procedures, a consistent process and procedure should be developed and implemented which outlines criteria for determining the dollar amount for reimbursement, with penalties and interest included.

The UEF should continually monitor the reimbursement processes and procedures to identify deficiencies or additional opportunities for tracking enhancements.

**UEF Response:**

1. The Fund will create an objective system for requesting penalties and interest from the workers’ compensation Dispute Resolution (adjudication) process, as well as reimbursements from uninsured employers.
2. The Fund is developing a flow chart identifying staff responsibilities for identified activities of the fund.

**Examiner Comments:**

Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.

**EXCEPTION 7: SIGNIFICANT**

The UEF failed to incorporate formal procedures for monthly reviews and reconciliations of funds, and critical account transactions received into the UEF.

Examiners requested copies of formal procedures in place relating to monthly reconciliations of funds received into the UEF. UEF personnel noted that no formal procedure exists for the monthly reconciliation of funds received.

Additionally, the examiners requested copies of monthly reconciliations performed on funds received into the UEF. A copy of a Share Journal Detail Report, as well as a Monthly Payment Spreadsheet was provided for review. Examiners could not reconcile the detail report to the monthly payment spreadsheet for the July – December 2019 periods. No additional detail or reconciliation of differences was provided.

During review of the monthly reconciliation process, examiners noted that the UEF Administrator maintains an Excel spreadsheet utilized for recording monthly payments received by the UEF. Examiners were unable to gain a
complete understanding of what the spreadsheet represented due to the presence of colors and codes which were not represented in the spreadsheet key. It was additionally noted through conversations with the UEF Administrator that no other UEF personnel were involved in the preparation or maintenance of the spreadsheet and as such did not understand all it contains.

Without a formal tracking process in place to perform monthly reviews and reconciliation’s the UEF may not have accurate information on their receivables. This could potentially result in underpayments, which ultimately could lead to underfunding of the UEF.

Recommendations:
Examiners recommend developing and implementing a formal process and procedure for the monthly reconciliation of receipt of funds into the UEF. This should include outlining oversight and actions steps taken when a deficiency or inaccuracy is identified. The UEF should continually monitor the process and procedures to identify deficiencies or additional opportunities for process enhancements.

Examiners also recommend performing monthly reconciliations of funds received by the UEF, between Shared Journal Entries Detail Reports and the Monthly Payment (receipts) Spreadsheet and maintaining copies of such reconciliations. Copies of reconciliations should also include signatures of persons responsible for the preparation and subsequent review of these reconciliations.

Examiners recommend incorporating an automated accounting software system for tracking monthly reconciliations. If the UEF continues to utilize the Monthly Payment Excel Spreadsheet, the key should be updated to accurately include definitions of all colors and codes used as identifiers. The UEF should also cross train additional personnel on the use and maintenance of the Spreadsheet.

Additionally, the UEF should incorporate internal auditing processes to identify discrepancies in the reconciliations. This process should be overseen by someone who is not involved in the reconciliation process.

UEF Response:
1. The Finance Bureau enters receipts into SHARE. The responsibility for inputting that data into the UEF Financial Database (or new accounting software) will create a separation of duties.
2. The Fund will utilize accounting software to track reimbursements and generate invoices for payment.

Examiner Comments:
Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections,
however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.

EXCEPTION 8: SIGNIFICANT
The UEF failed to implement a consistent recovery process from employers. Instead, the UEF Administrator and UEF attorneys determine applicable reimbursement amounts through “Strategy and Resolution” meetings. No formal documentation is maintained regarding these meetings.

During the review of the Accounts Receivable balance examiners received a document titled “Accounts Receivable Balance as of March 3, 2020”. The document lists WCA account numbers with “Agreement” balances, amounts paid and amounts due remaining on accounts. Examiners attempted to determine how Agreement amounts are set by requesting copies of any formal procedure in place. UEF personnel provided a copy of their UEF Case Development Procedures & Processes. Further discussion noted that the UEF Administrator holds Strategy and Resolution meetings/discussions with attorneys to come to agreement amounts. No formal documentation for these Strategy and Resolution meetings is maintained, nor are consistent processes followed in determining applicable reimbursement amounts including statutory penalties and interest.

Additionally, during review of reimbursements, the examiners noted several instances on the Monthly Payment worksheet where payments were not being made on a consistent basis. Through discussion with the UEF Administrator it was noted that payment arrangements due to loss of income or seasonal income are frequently negotiated at the discretion of the UEF Administrator. These discretions were made through conversations with the employer but not determined and documented through a formal process. Rather, the UEF Administrator stated he “works with the employer to come up with the best solution.”

Recommendations:
The UEF should create and implement formal processes and procedures of the reconciliation and recovery process to ensure consistent handling and assessment of interest and penalties as outlined in NM Stat §52-1-9.1.

Additionally, the UEF should incorporate internal auditing processes to identify discrepancies in the recovery process. This process should be overseen by someone who is not involved in the initial recovery process.

The UEF should also incorporate formal processes and procedures for maintaining documentation of meetings, including dates, times, participants, discussion topics and highlights of each Strategy and Resolution meeting held.

UEF Response:
The UEF strategies and resolution meetings have been taken out of context. The UEF staff attorney and the UEF administrator meet in conference at a mediation to decide the
best course of action in resolving a claim and undisputed claims. The actual mediation is set by the Dispute Resolution bureau of the WCA, and is attended by a UEF attorney and UEF bureau chief. A recommended resolution is determined by the mediator of the DR bureau. An individual approach to each case is work product and the factors of each case are individual. The UEF does recognize the need to incorporate internal auditing for the purpose of identifying discrepancies.

Examiner Comments:
Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.

EXCEPTION 9: SIGNIFICANT
The UEF failed to incorporate adequate, consistent procedures and controls over collections, including forgiveness of collections.

Documentation presented throughout the course of the examination continued to re-emphasize the lack of appropriate consistencies and controls over the collection process. Multiple settlements lacked comprehensive documentation. Settlement amounts were not consistently applied, and appropriate penalties and interest were rarely captured.

During review of reimbursements, penalties, and fines, examiners noted that penalty and fine amounts are not consistently applied and can be forgiven or waived. Examiners requested copies of formal procedures in place for the determination of penalty and fine amounts and forgiveness. UEF personnel noted that no formal procedures are in place for the assessment of penalties and fines, nor for collection forgiveness. Through further discussion with the UEF Administrator it was noted that each case is decided on an individual basis at his discretion, and little or no documentation is maintained outlining the reasoning behind the determination.

It was noted that penalties and fines are outlined in NMSA Section 52-1-9.1 and include a 15-50% penalty of the total value of the workers’ compensation claim, which can be assessed by a WC judge against any uninsured employer, and a statutory requirement of an additional 8.75 interest rate charge if the amount is not paid. The UEF has not established additional formal procedures for the application of fines and penalty assessments secondary N.M. Code R §11.4.12.13.

Without adequate, consistent procedures and controls, the UEF has created an arbitrary collection process which perpetuates disparities in collections from employer to employer. This could result in underpayments and underfunding for the UEF which will ultimately resulted in limited reserves for funding for injured employees whose employers failed to obtain requisite workers’ compensation.
Recommendations:
The UEF must develop and implement formal processes and procedures for the collection of receivables from employers to ensure uniformity in the handling of collections. This should also take into consideration collection of interest and penalties. Additionally, any negotiated settlement or collection forgiveness should be documented by the UEF and signed off by the General Counsel of the WCA.

UEF Response:
1. The Fund will develop and implement standard operating procedures for collection of receivables, negotiation of settlements, and forgiveness of amounts due, including penalties and interest, consistent with the audit recommendation.

Examiner Comments:
Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.

EXCEPTION 10: SIGNIFICANT
The UEF did not adequately monitor and pursue collection of delinquent accounts.
In multiple instances, it was documented that payment plans for reimbursements from uninsured employers were established allowing for repayment at designated intervals (i.e., monthly, quarterly or annually), however the payment logs identified that oftentimes payments were not made in the agreed upon increments, and the pursuit of delinquent accounts was not consistently applied.

For example, in Claim #17789F593455, on January 16, 2020, the UEF advised the examiners that this claim was in the reimbursement phase and the employer was paying on time. However, the claim file contains a stipulated order reflecting the employer paid an initial down payment in addition to three more payments dated November 13, 2018; December 15, 2018 and February 14, 2019. The file did not contain information as to why there was not a payment received in January 2019. Additionally, there were no file notes outlining when additional payments would be expected, and the measures being taken to obtain the delinquent payments.

Without adequate, consistent procedures and controls for collection of delinquent accounts, the UEF has created an arbitrary collection process which perpetuates disparities in collections from employer to employer. This could result in underpayments and underfunding for the UEF which will ultimately resulted in limited reserves for funding for injured employees whose employers failed to obtain requisite workers' compensation.
**Recommendations:**

The UEF must create a consistent, repeatable process for collection of delinquent accounts. This should include timeframes of pursuing delinquent accounts and actions to be taken when an account becomes delinquent.

All delinquent accounts should be reported to the CFO and the General Counsel of the WCA for monitoring.

**UEF Response:**

1. The Fund will develop a standard operating procedure for collections and documentation consistent with the audit recommendations.
2. The procedure will include the process for filing a judgment with the state district court to utilize collection processes permitted by the court, including writs of garnishment and execution.
3. The procedure will include filing tax liens with the N.M. Taxation and Revenue Department.

**Examiner Comments:**

Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.

**PAYMENTS AND CLAIMS:**

**Background:**

The review of the Payments and Claims of the UEF for the examination period July 1, 2017 through June 30, 2019, included details of the categories listed below

- The monthly CCMSI (TPA) reports;
- Overview of CCMSI’s payments;
- Documentation presented in the CCMSI processing portal;
- UEF case notes;
- UEF processes and procedures surrounding claims/case payments; and,
- Claim files and payment of medical and indemnity benefits.

Data requests specific to Payments and Claims were sent to the fund on March 16, 2020 and April 17, 2020.

**Citation: N.M. Code R § 11.4.12.9 CLAIMS ADMINISTRATION:**

A. The WCA may contract with a an independent adjusting company for the adjusting of those claims that are determined to be eligible for payment by the fund, purchase a loss portfolio transfer covering some or all of the liabilities of the fund, or may purchase a policy of commercial insurance to cover the liabilities of the fund upon a finding by the director that such purchases are in the best interests of the workers eligible to receive benefits from the fund and the entities paying assessment to support the fund.
(1) The fund, in conjunction with the independent adjusting company, if any, shall pay, or oppose, claims on their merits, and shall be treated for purposes of mediation and adjudication of disputes as a party with all rights and responsibilities applicable under law.

(2) With approval of the director, the independent adjusting company may engage outside counsel for representation when necessary.

(3) The fund or the independent adjusting company may solicit information concerning the average weekly wage of the claimant from the employer. Provision of such information to the fund or the independent adjusting company shall not constitute an admission that the claimant was an employee. In the event that the employer does not respond to the request for wage information, the employer will be informed, in writing, at the last known address of the employer, or by any means authorized by the director or his designee, that wages are in dispute and that the employee's evidence concerning wages shall be used to calculate average weekly wage. In the event that the employer does not respond within a reasonable time from the date the letter described in this paragraph, an affidavit from the worker concerning the wages earned while employed by the uninsured employer shall be deemed sufficient evidence upon which to pay benefits. Any suspected fraudulent reporting of wages by any party shall be reported to the enforcement bureau for investigation.

(4) In the event of a dispute concerning the wage basis for benefits, the fund and the independent adjusting company are authorized to pay indemnity benefits, under reservation of rights, to the worker based upon available wage information.

B. With respect to any complaint filed with the WCA arising from a dispute about the provision of any benefit due on any claim eligible for payment by the fund, the fund and the employer at the time of injury or last injurious exposure shall be named as parties.

C. The independent adjusting company shall regularly report to the WCA on expenditures made to and on behalf of workers from the fund.

(1) The independent adjusting company shall file the first report of injury or illness (E1.2) with the WCA within 10 days of the eligibility determination and provide a copy of the E1.2 to the worker.

(2) The independent adjusting company shall file all payment reports required by law.

(3) The independent adjusting company shall maintain records sufficient to allow the WCA director or his designee to audit the administration of claims and shall provide those records upon request to the WCA. The independent adjusting company shall be subject to audit by the WCA or its contractor with respect to the administration of claims against the fund.

(4) The independent adjusting company shall actively support the WCA in its efforts to provide information to the public concerning the fund and to prosecute penalty collection proceedings against an uninsured employer pursuant to this rule.

D. The fund shall have the right to subrogation that would otherwise be available to the payer.

(1) The independent adjusting company may pursue subrogation rights on behalf of, and at the direction of, the fund.

(2) The independent adjusting company shall be entitled to retain reimbursement for reasonable legal fees and expenses plus 10% of the sum recovered in subrogation net of legal fees and expenses. The remainder of the subrogation recovery shall be paid to the fund.
E. The fund shall be liable only for those benefits that are due under the Workers’ Compensation Act or Occupational Disease Disablement Law.

(1) The fund shall be entitled to the protections of the exclusive remedy provisions of the Workers’ Compensation Act or Occupational Disease Disablement Law to the same extent it would if it were the insured employer of any worker who is eligible for benefits against the fund.

(2) The fund shall not be subject to claims for payments of a judgment obtained in a third-party lawsuit, nor for payment of a judgment obtained in a tort action against an uninsured employer.

F. Duplicate recovery of workers’ compensation benefits is strictly prohibited.

(1) The fund shall immediately cease payments to or on behalf of any worker who is receiving workers’ compensation payments from another source for the same injury and arising out of the same accident.

(2) The fund shall have the right of first reimbursement for workers’ compensation benefit payments made that duplicate any payments received by the injured worker from another source and may offset subsequent payments, institute collection proceedings, request criminal investigation or seek any other lawful remedy to recover duplicate payments of workers’ compensation benefits.

G. Payments under the fund shall not constitute payments by the employer for purposes of the exclusive remedy provisions of the act. The fund shall be entitled to assert all defenses and subrogation rights that would be available to an insured employer.

[11.4.12.9 NMAC - N, 10/15/03; A, 11/15/04; A, 12/31/11]

EXCEPTION 11: SIGNIFICANT
The UEF does not maintain complete claim files which allow for recreation of a claim from inception to final disposition.

Examiners reviewed ten randomly selected claim files (approximately 15%) of the cases received during the examination period to confirm cases were processed accurately and timely. The examiners noted that the documentation in the files does not allow the file to be reconstructed. Additionally, because the files consistently lacked documentation, the examiners were unable to determine if payments were processed correctly.

One specific area that was identified as inconsistent for documentary purposes was the inclusion of the First Report of Injury (FRoI) or E1.2, which is a manifesto that documents when a claim is submitted to an employer or insurer. The E1.2 is transmitted digitally to the WCA by the insurer, however, in the claim review portion of the project, E1.2’s were not found in all claim files, thus not allowing for the determination of the actual claim notification date. Pursuant to 11.4.12.9 (C)(1) The independent adjusting company shall file the first report of injury or illness (E1.2) with the WCA within 10 days of the eligibility determination and provide a copy of the E1.2 to the worker.
Without comprehensive documentation included in the case files, examiners were unable to determine the accuracy and appropriateness of benefit considerations. Additionally, examiners were unable to determine if the cap on benefits outlined in N.M. § 11.4.12.11 (B) were exceeded. N.M §11.4.12.11 (B) The liability of the state, the uninsured employers’ fund and the state treasurer, with respect to payment of any compensation benefits, expenses, fees or disbursements properly chargeable against the UEF, is limited to the assets in the UEF, and they are not otherwise liable for any payment. In no case shall the liability of the UEF for payment of indemnity benefits to any worker injured in a job-related accident exceed forty thousand dollars ($40,000.00) per job related injury or exceed forty thousand dollars ($40,000.00) for payment of medical benefits per job related injury. If indemnity benefits do not amount to forty thousand dollars ($40,000.00), any unused portion can be applied to payment of medical expenses, over and above the forty thousand ($40,000.00) limit for medical benefits.

Recommendations:

The UEF should develop and implement processes and procedures to ensure all documents are maintained in the file from inception of the case to final disposition. This should include the EI documentation, any documentation from the Third-Party Administrator, and any information regarding receivables allowing payments to be reconciled to the invoices in the files or provide documentation on discrepancies. The UEF should also ensure all documents are maintained in the file detailing ongoing status of the case and case resolution.

The case file documentation should be securely maintained and easily obtained or recreated by authorized personnel. The UEF should also ensure all documents are maintained in the file detailing ongoing status of the case and case resolution.

The UEF should also incorporate internal auditing procedures which review the case files for accuracy and completeness. This auditing should be performed by an individual that is not affiliated with the case.

UEF Response:

1. The Fund will develop a standard format for its files, specifying what documents are to be included in the file, and instituting a review process to ensure that files are maintained in compliance with the standard format, as well as identifying which staff member is responsible for ensuring the completion of each file.

Examiner Comments:

Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.
TPA OVERSIGHT

Background:
The review of Third-Party Administrators (Hereinafter “TPA’S”) contracted with the UEF for the examination period July 1, 2017 through June 30, 2019, included details of the categories listed below. The TPA for the UEF during the scope of examination was Cannon Cochran Management Services, Inc., (Hereinafter “CCMSI”).

- The Disaster Recovery Plan of CCMSI regarding business performed on behalf of the UEF;
- The Business Continuity Plan of CCMSI regarding business performed on behalf of the UEF;
- The contracts or written agreements with CCMSI operating on behalf of the UEF;
- Audits performed on CCMSI during the examination period;
- Case logs presented by CCMSI to UEF for accuracy and timeliness reviews;
- Efficiency and qualifications of CCMSI in performing reviews;
- Discrepancies found in case logs of CCMSI;
- Verification that CCMSI have the appropriate expertise to review claims payments;
- Monthly reconciliation reports provided by the CCMSI; and,
- Requests for Proposal (RFP) for the services performed by CCMSI.

Analysis:
These Exceptions were identified through a series of written interrogatory questions issued to the UEF on March 6 and April 3, 2020, along with requests for documentation to support the UEF responses. Written responses and follow-ups of those responses were reviewed in detail. In addition, follow-up conference calls were held with key personnel of the subject areas, and members of the OSI, WCA and the UEF to request clarification, further detail, and additional documentation as needed.

1.) Audits performed on the CCMSI during the examination period.

EXCEPTION 12: SIGNIFICANT

The UEF failed to establish an audit schedule of their TPA’s and to perform ongoing audits on their TPA’s for the business operations performed on behalf of the UEF.

During the examination period, the UEF utilized CCMSI to process claims, negotiate payment amounts, and provide updated case information. Throughout the course of the examination, the examiners requested information related to audits performed on the contractual obligations of CCMSI to confirm that they CCMSI was performing appropriately. Additionally, documentation was requested for audits performed on the invoices of CCMSI by the UEF to confirm billing practices were commiserate with the functions performed and the results thereof. The UEF stated they have quarterly calls with CCMSI, but do not have formal audit protocols as “they do not have the knowledge base on what to review or examine in a formal audit process.” As such, a schedule for conducting ongoing audits has not been established either.
The lack of ongoing audits performed by the UEF of the TPA did not allow the UEF to determine that the TPA was meeting all contractual obligations or meeting the requirements of N.M. § 11.4.12.9 Claims Administration, Subsection C.

Citation: 11.4.12.9 CLAIMS ADMINISTRATION:
C. The independent adjusting company shall regularly report to the WCA on expenditures made to and on behalf of workers from the fund.
   (1) The independent adjusting company shall file the first report of injury or illness (E1.2) with the WCA within 10 days of the eligibility determination and provide a copy of the E1.2 to the worker.
   (2) The independent adjusting company shall file all payment reports required by law.
   (3) The independent adjusting company shall maintain records sufficient to allow the WCA director or his designee to audit the administration of claims and shall provide those records upon request to the WCA. The independent adjusting company shall be subject to audit by the WCA or its contractor with respect to the administration of claims against the fund.
   (4) The independent adjusting company shall actively support the WCA in its efforts to provide information to the public concerning the fund and to prosecute penalty collection proceedings against an uninsured employer pursuant to this rule.

Recommendations:
The UEF should develop and implement policies and procedures for the oversight of all TPA's operating on behalf of the UEF. These policies and procedures should incorporate an exhaustive list of all contractual obligations and timeframes for each obligation. The policies and procedures should also identify the frequency of audits. The frequency should be determined based on core functions and consumer protections. Additionally, the policies and procedures should incorporate a review of all invoices with the CFO to ensure that the work billed is commiserate with the work performed. Identified discrepancies should be documented and brought to the attention of CCMSI.

Comprehensive documentation must be maintained for each audit performed, and corrective actions should be incorporated for issues identified. Material issues should be brought to the attention of the General Council and CCMSI to protect the UEF in the event of a potential breach of contract.

The UEF should also incorporate "performance reviews" of the TPA's for consideration when the contract comes up for renewal or rebidding.

*Examiners Note: This recommendation was also presented in the previous audit report presented to the UEF in 2015. The current examination confirmed that the UEF did not incorporate the recommendation and did not proceed with performing audits of TPA's.
**UEF Response:**

1. The WCA Self-Insurance Bureau will audit the TPA annually, beginning August 1, 2020, for compliance with the UEF Contract and agreed upon procedures, the Workers’ Compensation Act, and NMAC 11.4.12.9 Claims Administration, identifying corrective action as necessary, and referring any material findings to the Office of General Counsel.

2. The UEF will develop a process for quarterly review of CCMSI’s performance.

3. The UEF will incorporate a performance review for CCMSI for consideration in contract renewal.

4. We respectfully ask that Exception 14 be included in the Subsequent Events notation of the OSI examination report. This audit will begin no later than August 1, 2020 and is expected to be completed by October 30, 2020. The planned scope of work and basic audit procedures are attached.

**Examiner Comments:**

Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.

2. **Discrepancies in information presented from CCMSI.**

**EXCEPTION 13: SIGNIFICANT**

The UEF failed to implement procedures and corrective actions for discrepancies in information and documentation presented by CCMSI.

Throughout the course of the examination, the UEF Administrator maintained that there had been no deficiencies nor errors identified on the work of CCMSI. However, during a phone interview with the UEF staff on May 7, 2020, the UEF Administrator stated that CCMSI had previously identified and alerted the UEF on self-identified billing errors.

Additionally, UEF meeting notes from August 2, 2018 stated that the CCMSI and Finance reporting of claims paid does not always “match up”.

The lack of procedures and corrective actions for identifying discrepancies in information and documentation presented by the TPA limited the UEF’s ability to determine if the TPA was operating appropriately and according to the contractual obligations. Additionally, without identifying discrepancies, the UEF is not providing comprehensive oversight of the benefit administration process and may inadvertently overlook discrepancies in payments and billing.

**Recommendations:**

The UEF should develop and implement processes and procedures to conduct reviews of CCMSI and future TPA case logs to validate that there are no discrepancies in a case file. Any discrepancies identified should be thoroughly documented and brought to the attention of CCMSI for correction. Material
discrepancies should also be tracked to determine if significant performance issues exist.

**UEF Response:**
1. The UEF will create and implement procedures for periodic review of TPC payment requests, case records, logs, and other reports for discrepancies. Material discrepancies will be tracked to determine if significant performance issues exist.
2. The UEF will create and implement procedures and processes to ensure that discrepancies are corrected and documented.
3. Any discrepancies identified will be thoroughly documented and brought to the attention to TPA for corrections.

**Examiner Comments:**
Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.

3.) The Disaster Recovery Plan of CCMSI

**EXCEPTION 14: SIGNIFICANT**
The UEF failed to obtain and review the CCMSI Data Center Recovery Plan (DCRP)/Disaster Recovery plan to confirm the protections of UEF data and the CCMSI Business Continuity plan to ensure contingencies were identified and established for business operations performed by CCMSI on behalf of the UEF in the event of potential business disruptions.

A. **Data Center Recovery Plan:** The UEF did not request, nor did CCMSI provide any DCRP. Additionally, updates or substantive notifications of data recovery were not provided to the UEF. Without access to this information, UEF has not been able to ensure that there are appropriate disaster recovery plans in place to protect relevant UEF data. Additionally, without this information or substantive updates, the UEF has an unintended exposure in the loss of critical data and may have limited recourse as the UEF relies upon CCMSI for the recovery of documents.

By not obtaining and reviewing the CCMSI Data Center Recovery Plan, the UEF presents a potential exposure if CCMSI is not protective data appropriately. The lack knowledge of processes and procedures and a formal plan surrounding disaster recovery for the TPA may mitigates the capability of the UEF to recover relevant data quickly if it is inadvertently lost or destroyed. This could lead to reconstruction of the facts surrounding UEF cases and exhibits thereof to be significantly compromised, thus creating exposure to consumer harm.
**Recommendations:**

The UEF should require that CCMSI provide updates of the DCRP annually and whenever substantive updates occur. Additionally, an officer of CCMSI should certify that all changes were presented to the UEF.

The UEF and the General Council should review the DCRP annually or upon presentation of substantive updates and document any concerns or exposure that is identified. These concerns should be presented to CCMSI for response. The documentation of concerns and responses should be maintained in a CCMSI Disaster Recovery Plan folder on the U Drive.

The UEF should incorporate confirming the receipt of the DCRP annually and upon substantive updates from CCMSI, and any other TPA’s operating on behalf of the UEF into the TPA Contracts and subsequent audit plans.

**UEF Response:**

1. The UEF has made a written request to CCMSI to certify that the current plan has been provided, to provide an updated copy of its Disaster Recovery Plan annually, and a copy of any updates or revisions within 30 days of the effective date of such change. The UEF made this request on May 29, 2020 and received written confirmation on June 1, 2020, on the Plan as well as a bridge letter through May 31, 2020.

**B. Business Continuity Plan:** The UEF did not request, nor did CCMSI provide any Business Continuity plan. Additionally, updates or substantive notifications of business continuity were not provided to the UEF. Without access to this information, UEF has not been able to ensure that there are appropriate business continuity plans in place to protect UEF business operations performed by CCMSI. Additionally, without this information or substantive updates, the UEF has an unintended exposure in the event of unforeseen business interruptions and may have limited recourse as the UEF relies upon CCMSI for core business functions.

Because the UEF has not obtained or reviewed a business continuity plan, from CCMSI, core operational functions, issues and concerns, and contingencies have not been identified. This could potentially expose the UEF to significant business interruptions. These business interruptions could prove critical to an injured employee receiving payments for necessary medical treatments.

**Recommendations:**

The UEF should require that CCMSI provide updates of the Business Continuity plan annually and whenever substantive updates occur. Additionally, an officer of CCMSI should certify that all changes were presented to the UEF.

The UEF and the General Council should review the Business Continuity plan annually and upon presentation of substantive updates and document any concerns or exposure that is identified. These concerns should be presented to CCMSI for response. The
documentation of concerns and responses should be maintained in a CCMSI Business Continuity plan folder on the U Drive (or the appropriate drive that would allow the appropriate UEF and WCA access to the information).

The UEF should incorporate confirming the receipt of the Business Continuity plan annually and upon substantive updates from CCMSI, and any other TPA’s operating on behalf of the UEF into the TPA Contracts and subsequent audit plans.

**UEF Response:**

The UEF received a copy of the current CCMSI Business Continuity Plan on March 17, 2020 and has also received copies of the CCMSI Business Continuity Plans for the exam period (FY 18 and 19).

1. The UEF has made a written request to CCMSI to certify that the current plan has been provided, and requested that they provide an updated copy of its Business Plan annually, as well as a copy of any updates or revisions within 30 days of the effective date of such change. The UEF made this request on May 29, 2020 and received written confirmation on June 1, 2020, on the Plan as well as a bridge letter through May 31, 2020.

2. Going forward General Counsel will review the business continuity plan annually of CCMSI and any other TPA operating on behalf of the UEF and participate in documentation of issues that arise or concerns that are identified.

3. We respectfully ask that OSI consider eliminating Exceptions 16 and 17, as both have been resolved, and steps have been taken to ensure that the deficiencies will be avoided in the future. Barring the elimination of the exceptions, we ask that the resolutions described above be noted in the Subsequent Events section of the examination report.

**Examiner Comments:**

Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. Additionally, ongoing oversight and monitoring will be necessary by the UEF team to identify potential exposures and concerns. Prior to incorporating this ongoing monitoring, the issues cannot be considered resolved. As such, the recommendation stands as written.

**EXCEPTION 15: MODERATE**

The UEF failed to retain documentation confirming that the personnel of CCMSI have expertise to review and analyze medical records, make a benefit determination, and negotiate benefits on behalf of the UEF.

The general contract for the services performed by CCMSI requires that the personnel had the appropriate background and training to perform the duties outlined in the contract. This includes reviewing and analyzing medical records, making determinations on the appropriateness of benefits, and negotiating benefits based on the Usual and Customary claims allowances. The
UEF Administrator stated that they verify that personnel of CCMSI have expertise to review claims at the beginning of the contract, however, no further verification is performed, and the UEF does not maintain documentation of such verification.

Recommendations:
The UEF should obtain resumes and certifications on all personnel from CCMSI and future TPA’s performing functions on behalf of the UEF. This documentation should be reviewed to ensure the appropriate experience and expertise is presented.

Additionally, the documentation should be retained by the UEF for a determine timeframe and should be updated with any change of the personnel.

UEF Response:
We respectfully request that OSI consider eliminating the Exception, as it has been resolved, and steps have been taken to ensure that the deficiency will be avoided in the future. Future contract negotiations will require the annual update and verification of licensure and resumes for all personnel. Barring the elimination of the exception, we ask that the resolution described above be noted in the Subsequent Events section of the examination report.

Examiner Comments:
Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. Additionally, ongoing oversight and monitoring will be necessary by the UEF team to identify potential exposures and concerns. Prior to incorporating this ongoing monitoring, the issues cannot be considered resolved. As such, the recommendation stands as written.

IT/SECURITY MONITORING
Background:
The review of IT/Security monitoring performed by the UEF during the examination period July 1, 2017 through June 30, 2019, included details of the categories listed below.
Examiners reviewed the following regarding IT/Security Monitoring:
  - Storage and dissemination of sensitive data,
  - Security access to computer systems, and
  - IT infrastructure.

To obtain information, the examiners sent one initial data interrogatory, and two follow-up interrogatories. After reviewing the presented information, a teleconference was held with the examiners, the OSI and the UEF to discuss any outstanding questions and areas of clarification.
EXCEPTION 16: SIGNIFICANT
The UEF failed to create and implement adequate oversight of the transfer of sensitive or protected data, including social security numbers, wage information and medical records.

Interrogatories presented to the UEF requested processes and procedures in place to ensure the encryption of sensitive information, including social security numbers and other personal identifying factors, wage information and medical records. The UEF responded that medical records are emailed to CCMSI using the Microsoft Outlook system established by the NM Division of Information Technology. From this response, it was determined that sensitive personal employee data is being shared regularly with the TPA with the UEF relying on the Microsoft Outlook email system to protect the data that is emailed back and forth from the TPA. During the examination period, no additional encryption measures were implemented.

The Examiners subsequently learned the WCA has implemented Mimecast, an encryption factor, however, it was not in operation during the timeframe of the scope of the examination. The UEF Administrator was unaware this encryption factor had been implemented, or the timeframe that it had been incorporated.

Recommendations:
The UEF must ensure that encryption methods are in place for the transfer of sensitive information. The UEF must also ensure that the most current version of the encryption software is being utilized. Additionally, the UEF must work with the IT division of the WCA to create testing requirements that would allow for identification of instances where sensitive data may have been sent through encrypted measures, or identifying potential data breaches of sensitive data. Two factor authentications should be considered where available and appropriate.

UEF Response:
1. The Fund has obtained direction from the Department of Information Technology (DoIT) and will be implementing a dual encryption process for electronic transfer of sensitive or protected data.
2. IT will deploy email encryption through Mimecast. Beginning June 9, 2020 on each of the UEF employees’ computers.
3. UEF Staff will be provided instructions and in-person training as needed to send encrypted/secure email once the Mimecast plug-in is installed.
4. We respectfully request that our response to Exception 19 be included in the Subsequent Events notation of the OSI examination report. It is expected that full implementation of the encryption process will be complete by June 30, 2020.

Examiner Comments:
Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections,
however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.

EXCEPTION 17: MODERATE
The UEF failed to implement adequate processes and procedures for IT Security training for the UEF employees during the examination period.
Interrogatories were sent requesting information and documentation on any IT security trainings that had occurred during the scope of the examination. The interrogatories revealed computer security training was implemented in October 2019. As of that date, the staff completed a 45-minute class on the KnowBe4 website and Kevin Mitnick Security Awareness Training. Examiners noted there was no security training during the examination period.

Without adequate ongoing IT Security training, the UEF exposes itself to potential hacks and cybersecurity breaches of the sensitive data maintained on the UEF databases.

Recommendations:
The UEF should develop and implement Security Awareness Training processes and procedures to ensure employees have the necessary training and knowledge to maintain the security of data. Training should occur at a minimum of annually, with additional training required as needs are identified.

UEF Response:
1. IT implemented KnowBe4 training in fall of 2019. It is mandatory for agency users to complete periodic IT security awareness training. All agency users will participate in quarterly training as of June 1, 2020. Most recently, employees have been directed to complete, "Your Role 2020: Internet Security and You, and Security Moment Series": Ransomware no later than July 1, 2020.

2. We respectfully request that OSI consider eliminating the Exception, as Agency procedures are in place now that were not during the audit period. Barring the elimination of the exception, we ask that the resolution described above be noted in the Subsequent Events section of the examination report.

Examiner Comments:
Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.

EXCEPTION 18: SIGNIFICANT
The UEF failed to implement protocols and testing to identify unauthorized systems access, as well as inappropriate electronic actions occurring.
Interrogatories requested information and supporting documentation regarding the steps that the UEF takes to monitor IT security. The request included obtaining access journals, and tests performed to identify inappropriate access, as well as
identification of exposures through malicious e-mails such as Spam, or Phishing schemes. The UEF responded to the interrogatory that there are no employee access journals created by IT. Additionally, information provided indicated that testing were not performed during the examination period to identify if an employee had opened an inappropriate or destructive message or website.

Without protocols and adequate testing of system access, the UEF will not be able to detect unauthorized access to the databases and servers, which exposes itself to potential hacks and cybersecurity breeches of the sensitive data maintained on the UEF databases.

Recommendations:
The UEF should work with the IT Department from the WCA to create and implement processes and procedures incorporating an access journal into the oversight process. The access journal should track computer activity on its systems for each user and detect unauthorized or inappropriate access. Testing and monitoring should be ongoing, and training should be incorporated when issues of concerns are identified. Additional processes and procedures should be updated to remain current as new threats are identified.

UEF Response:
SQL Database:
Access to the UEF application/Database will be controlled by permission roles assigned within the login tables of the UEF database. Without a login access to the data will not be possible. The UEF application itself will use SQL server user account to access, retrieve and modify data. All database access will be controlled by the program. Unauthorized access is not allowed without a login and password to the application. SQL server will allow us to track access to the UEF database by the SQL Server account used by the program. This will give us an account of when and how often the UEF database has been accessed by date and time. Tracking of actual modifications to data will require significant coding changes to the UEF application itself as well as the database tables. This will be incorporated into the next project plan for an upgrade to the UEF application and will be submitted to the WCA IT Governance committee.

Active Directory Shared Files:
The process that we have in place to grant access to the UEF Data is implemented and configured within the agency’s Active Directory policies. The UEF data shared folder resource is housed on the agency’s SANS system and is mapped from the SANS to the “PROTEUS2” server. This server is utilized by the agency for accessing data only by the agency staff. The servers are in a locked data center and have restricted access. The process of mapping a drive from the SANS to the file server is a process that can only be executed by properly authorized staff within the Information Technology bureau and is limited to only domain administrators. At this time the only domain administrators are 3 staff members that are required to provide permissions as needed to users within the agency. When the new Windows 2016 server was implemented in November 2019, as part of a 2016 Active Directory infrastructure upgrade project, the folder structure was configured with a more secure method of implementing shared folders at the root level of the hard drive. Each share drive is configured with a naming convention that provides a
distinct and unique identification and is appended with a "$" and within the Microsoft SMB/CIFS environment adds additional security by hiding the folder from being displayed if being browsed.

The UEF data shared folder is assigned permissions for staff within the UEF bureau and is established by adding a user to a specific active directory group. The following two groups have permissions assigned based on the requirements for the staff members:

UEF
This group is assigned Read, Write, Modify and Delete permissions. This level of permission is assigned to the staff within the UEF Bureau only.

UEF_RW
This group is assigned Read and Write permissions. This level of permission is assigned to the staff of the General Counsel because they have an interest in the UEF Bureau and oversee its functions.

Examiner Comments:
Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.

EXCEPTION 19: MODERATE
The UEF failed to create and develop processes and procedures for destruction of records and related data.

Through the interrogatory process, the UEF was asked to present its data retention processes and procedures. The processes and procedures presented documented that data destruction was scheduled anywhere from 3-10 years, depending on the information. Interrogatories revealed the UEF is not destroying records consistently, nor are they scanning aged records that have reached retention level. As a result, closed case files have been retained beyond the retention age.

Recommendations:
The UEF should update and implement the processes and procedures for record retentions. Identifying factors should be added to data to allow quick identification of record dates to determine appropriate timeframes for destruction. The UEF should also identify methods for destruction, such as a shredding service and incorporate timeframes to utilize such services.

UEF Response:
The Fund does not dispute that it did not adhere to a document destruction schedule. The State Records Center at some point (perhaps due to construction on their part) stopped taking records. This is not a process that can be completed without the State Records involvement.

1. The Clerk of the Court, as the Agency liaison to the State Records Center will ensure that the records scheduled for destruction are moved to the State Records Center for
destruction as soon as the State Records Center is accepting such records. Due to the coronavirus shut-down, the State Records Center has not been accepting records. Clerk of the Court has contacted State Archives and requested status on the ability to transfer said documents.

2. The Clerk of the Court and the UEF administrative assistant has begun reviewing the records for destruction so that the transport to the State Records Center can occur as soon as the Center begins accepting documents.

3. UEF staff will undergo certification training on the management of bureau paper files with State archives when the training is again made available.

Examiner Comments:
Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.

EXCEPTION 20: SIGNIFICANT
The UEF failed to develop and implement a valid imaging plan for its records.
The UEF advised that they have not prepared or submitted a document imaging plan to the NM State Records Center and Archive for approval or retention of its records.

Recommendations:
The UEF must create and implement a valid imaging plan which also identifies and tracks the contents of each box added to the storage unit. This plan must be submitted pursuant to the NM Public Records Act (Chapter 14, Article 3 NMSA 1978) and updated when appropriate. Examiners also recommend the UEF explore options or the implementing a plan for document imaging to ensure the UEF is complying with retention laws. In addition, a detailed list of the contents of the box should be maintained.

UEF Response:
1. The UEF with the assistance of the Clerk of the Court and IT will develop an image plan for State Records approval.
2. The UEF is currently working on having its current files scanned and saved on its U drive. The development of an imaging plan will be developed in conjunction with the input from IT and Clerk of the Court by December 2020.

Examiner Comments:
Subsequent to the completion of the examination, UEF personnel provided additional information, which the Examiners reviewed in detail. The additional information demonstrates the commitment from leadership to incorporate identified corrections, however, does not provide information that amends the concern identified during the timeframe of the exam. As such, the recommendation stands as written.
SUBSEQUENT EVENTS

Leadership
As noted above, the majority of leadership at the WCA were new to their positions within the last six months. Being new to these positions, they acknowledge that deficiencies existed in the prior procedures and controls and have devoted incorporating processes and procedures to correct the deficiencies as their top priority. The initiatives that are being considered and implemented to correct the deficiencies are identified throughout the report in the “UEF Response” sections of the report.

Management and Control
Due to the volume of Exceptions and recommendations, it will be necessary for the UEF to develop and implement comprehensive policies and procedures for each area of business operations. Due to limited resources, this could potentially be a strain on the UEF. As such, it is the suggestion of the examiners that the OSI, or a representative thereof provide ongoing support and oversight to the UEF while they work on implementing the recommendations. This continual support and oversight should be considered for 12-24 months depending on the progress of the UEF.

SUMMARY OF RECOMMENDATIONS
The examination identified multiple material gaps in operations of the UEF. As such, examiners recommend that processes and procedures are developed for each exception identified. Examiners also recommend that the UEF implement internal auditing protocols to confirm that the processes and procedures are achieving the desired effect and that business operations are compliant with applicable statutory requirements. Additionally, the UEF must ensure that appropriate consumer protections are in place by enhanced contingency plans. The UEF should also implement external auditing protocols of TPA’s to ensure that services are being performed within the contractual obligations, and to identify deficiencies and opportunities for improvements. The UEF should also implement comprehensive tracking and reconciliation process for all financial transactions. They should also obtain monthly reports from Tax and Revenue to allow a resolution for confirming assessments received.

The examination team performing the review of the information presented included the following individuals:

Mark Jordan, Administrator Examiner
Leatrice Geckler, Compliance Division
Dawn Terrell, Financial Examiner
Maria Soto, Financial Technician/Analyst
Holly Blanchard, Examiner-in-Charge
Cheryl Cole-Ulm, Senior Examiner
Cara Phillips, Senior Examiner
Sheri Kenney, Senior Examiner

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CONCLUSION

Throughout the course of the examination, The UEF continually displayed professionalism and a willingness to consider improvements in their current processes. The courtesy, assistance, and cooperation extended by the UEF and the employees of the Office of Superintendent of Insurance during the examination is hereby recognized with great appreciation.

Respectfully submitted,

Holly Blanchard, FLMI, AIE, CIE, MCM, CCP, ACP, INS

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