



New Mexico Retiree Health Care Authority (NMRHCA)

NMSA 2-81-11

Public Finance—Retiree Health Care Funds

Establishing Subsidy Levels on the Basis of Years of Age and Creditable Service

[Rule change adopted 11/2018, rule implementation delay approved 6/2/2020, effective date July 31, 2021]

2.81.11.8—NMRHCA CONTRIBUTION OF A PERCENTAGE OF A SUBSIDY TO MONTHLY PREMIUMS OF ELIGIBLE RETIREES [as amended 7/31/2021]

Maximum subsidy is 50% of the insurance costs

Increase Number of Years Required to Receive the Maximum Subsidy

2.81.11.8 A. (2)

Members of NMRHCA before July 31, 2021 (Retirement date of July 1, 2021 or earlier)

Years of credited service	Percentage of subsidy
5	6.25
6	12.50
7	18.75
8	25.00
9	31.25
10	37.50
11	43.75
12	50.00
13	56.25
14	62.50
15	68.75
16	75.00
17	81.25
18	87.50
19	93.75
20	100.00

Example 1: Retiree with 20-years of credited service - NMRHCA provides 100% of the subsidy; 50% of the cost.

Example 2: Retiree with 8-years of credited service - NMRHCA provides 25% of the subsidy or 12.5% of the cost.

2.81.11.8 B. (2)

Members of NMRHCA on or after July 31, 2021 (Retirement date after July 1, 2021)

Years of credited service	Percentage of subsidy
5	4.76
6	9.52
7	14.29
8	19.05
9	23.81
10	28.57
11	33.33
12	38.10
13	42.86
14	47.62
15	52.38
16	57.14
17	61.90
18	66.67
19	71.43
20	76.19
21	80.95
22	85.71
23	90.48
24	95.24
25	100.00

Example 1: Retiree with 25-years of credited service - NMRHCA provides 100% of the subsidy; 50% of the cost.

Example 2: Retiree with 12-years of credited service - NMRHCA provides 38.10% of the subsidy or 19.05% of the cost.

NMRHCA

2.81.11.10—AGE REQUIREMENT FOR SUBSIDIES [Added eff 7/31/2021]

***Minimum Age Requirement* Note: Retirement is effective the first of the month.**