

**STATE OF NEVADA
PUBLIC EMPLOYEES' BENEFITS PROGRAM
BOARD MEETING**

Telephonic Open Meeting
Carson City and Las Vegas, NV

ACTION MINUTES (Subject to Board Approval)

July 23, 2020

MEMBERS PRESENT

VIA TELECONFERENCE:

Ms. Laura Freed, Board Chair
Ms. Linda Fox, Vice Chair
Ms. Jet Mitchell, Member
Mr. Don Bailey, Member
Mr. Tom Verducci, Member
Mr. David Smith, Member
Ms. Jennifer Krupp, Member
Dr. Marsha Urban, Member

FOR THE BOARD:

Ms. Brandee Mooneyhan, Deputy Attorney General

FOR STAFF:

Ms. Laura Rich, Executive Officer
Mr. Nik Proper, Operations Officer
Ms. Cari Eaton, Chief Financial Officer
Mr. Brett Harvey, Chief Information Officer
Ms. Nancy Spinelli, Quality Control Officer
Ms. Wendi Lunz, Executive Assistant

1. Open Meeting; Roll Call

- Board Chair Freed opened the meeting at 9:04 a.m.

2. Public Comment

- Priscilla Maloney – AFSCME
- Kevin Ranft – AFSCME
- Kent Ervin – Nevada Faculty Alliance
- Doug Unger – UNLV Benefits Advisory Committee/UNLV Faculty Senate

3. PEBP Board disclosures for applicable Board meeting agenda items. (Brandee Mooneyhan, Deputy Attorney General) (Information/Discussion)

4. Consent Agenda (Laura Freed, Board Chair) (**All Items for Possible Action**)

Consent items will be considered together and acted on in one motion unless an item is removed to be considered separately by the Board.

- 4.1 Approval of Action Minutes from the May 28, 2020 PEBP Board Meeting
- 4.2 Receipt of quarterly staff reports for the period ending March 31, 2020:
 - 4.2.1 Budget Report
 - 4.2.2 Utilization Report
- 4.3 Receipt of quarterly vendor reports for the period ending March 31, 2020:
 - 4.3.1 HealthSCOPE Benefits – Obesity Care Management
 - 4.3.2 HealthSCOPE Benefits – Diabetes Care Management
 - 4.3.3 American Health Holdings – Utilization and Large Case Management
 - 4.3.4 The Standard Insurance – Basic Life and Long-Term Disability Insurance
 - 4.3.5 Towers Watson's One Exchange – Medicare Exchange
 - 4.3.6 Hometown Health Providers and Sierra Healthcare Options – PPO Network
 - 4.3.7 HealthPlan of Nevada, Inc. – Southern Nevada HMO

BOARD ACTION ON ITEM 4

MOTION: Motion to approve all but 4.2.1, 4.3.5 and 4.3.6.

BY: Member Jet Mitchell

SECOND: Vice Chair Linda Fox

VOTE: Unanimous; the motion carried

BOARD ACTION ON ITEM 4.2.1, 4.3.5 and 4.3.6

MOTION: Motion to accept reports under 4.2.1, 4.3.5, 4.3.6.
BY: Member Tom Verducci
SECOND: Vice Chair Linda Fox
VOTE: Unanimous; the motion carried

5. Election of Board Vice-Chair pursuant to Nevada Administrative Code (NAC) 287.172. Eligible candidates are Don Bailey, Sr., Linda Fox, Tom Verducci, Marsha Urban, Jennifer Krupp, David Smith and Jet Mitchell (Laura Freed, Board Chair) **(For Possible Action)**

BOARD ACTION ON ITEM 5

MOTION: Motion that Ms. Fox continue her service as Vice Chair for plan year '21.
BY: Member Jet Mitchell
SECOND: Member Marsha Urban
VOTE: Unanimous; the motion carried

6. Executive Officer Report (Laura Rich, Executive Officer) (Information/Discussion)
7. Discussion and Possible action of Legislative Counsel Bureau Audit Report and Corrective Action Plan (Laura Rich, Executive Officer) **(For Possible Action)**

BOARD ACTION ON ITEM 7

ITEM 7 WAS DEFERRED BECAUSE THE LCB AUDIT SUBCOMMITTEE THAT WAS SCHEDULED FOR JULY WAS PREEMPTED BY THE 31ST SPECIAL SESSION.

8. Presentation on results of Request for Information (RFI) for Actuarial Review Services and Benefits Management System (Laura Rich, Executive Officer) (Information/Discussion)
9. Discussion and Possible action of plan design changes to be considered for Fiscal Year 2022/2023 agency request budget submission (Laura Rich, Executive Officer) **(For Possible Action)**

BOARD ACTION ON ITEM 9 (1)

MOTION: Motion to instruct PEBP staff to build a budget for submission to the GFO on August 31st that includes and accounts for a PPO middle tier option.
BY: Vice Chair Linda Fox
SECOND: Member Jennifer Krupp
VOTE: Unanimous; the motion carried

BOARD ACTION ON ITEM 9 (2)

MOTION: Motion that PEBP submit an agency request budget that comports to the approximate five percent reduction reflected in Agenda Item Nine.
BY: Vice Chair Linda Fox
SECOND: Member Tom Verducci
VOTE: Unanimous; the motion carried

10. Discussion and Possible action of recommended policy changes to be considered for Plan Year 2022 (Laura Rich, Executive Officer) (**For Possible Action**)

BOARD ACTION ON ITEM 10 (1)

MOTION: Motion to accept staff's recommendation on underwriting all self-funded plans into one risk pool, but keeping the State and Non-State risk pools separate in conformance with statute.

BY: Vice Chair Linda Fox

SECOND: Member David Smith

VOTE: Unanimous; the motion carried

BOARD ACTION ON ITEM 10 (2)

MOTION: Motion to accept staff's recommendation to apply a single contribution strategy across all plans.

BY: Vice Chair Linda Fox

SECOND: Member Tom Verducci

VOTE: Unanimous; the motion carried

BOARD ACTION ON ITEM 10 (3)

MOTION: Motion to approve option number three, single amount per employee regardless of tier, as the established HSA/HRA funding strategy.

BY: Vice Chair Linda Fox

SECOND: Member Jet Mitchell

VOTE: Four in favor; Linda Fox, Marsha Urban, Jet Mitchell, David Smith
Three opposed; Don Bailey, Tom Verducci, Jennifer Krupp
Abstained; Chair Freed
The motion carried

BOARD ACTION ON ITEM 10 (4)

MOTION: Motion to accept staff's recommendation to accept streamlining the tiers by following more traditional actuarial underwriting process by using a per purchase settlement per month factor per claims, adding on admin fees per participant per month basis. Use one tier for all plans, products, State and Non-State, keeping this factor static for a two-year budget cycle at a minimum.

BY: Member Tom Verducci

SECOND: Member Don Bailey

VOTE: Unanimous; the motion carried

BOARD ACTION ON ITEM 10 (5)

MOTION: Motion to refer to excess reserves as differential cash account and to establish it on , at a point in time and this motion specifies August 31, and to utilize the differential cash account if it's positive for things that are not ongoing expenses of the plan subject to possible emergency circumstances that the Board might define.

BY: Member Tom Verducci

SECOND: Member David Smith

VOTE: Unanimous; the motion carried

11. Public Comment

- Marlene Lockard – RPEN
- Shaun Franklin-Sewell
- Kevin Ranft – AFSCME

12. Adjournment

- Board Chair Freed adjourned the meeting at 1:37 p.m.