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**AGENDA ITEM**

Action Item

Information Only

**Date:** May 25, 2023  
**Item Number:** XI  
**Title:** Contract Status Report

**Summary**

This report addresses the status of PEBP contracts to include:

1. Contract Overview
2. New Contracts for approval
3. Contract Amendments for approval
4. Contract Solicitations for approval
5. Status of Current Solicitations

**11.1 Contracts Overview**

Below is a listing of the active PEBP contracts as of April 30, 2023.

PEBP Active Contracts Summary							
Vendor	Service	Contract #	Effective Date	Termination Date	Contract Max	Current Expenditures	Amount Remaining
CliftonLarsonAllen	Financial Auditor	24088	7/1/2023	3/27/2023	\$ 212,485.00	\$ 101,420.00	\$ 111,065.00
Health Plan of Nevada Inc	Southern Nevada HMO	23802	7/1/2021	6/30/2025	\$ 192,093,848.00	\$ 75,089,502.09	\$ 117,004,345.91
Diversified Dental Services Inc.	Dental PPO	23810	7/1/2021	6/30/2026	\$ 1,601,613.00	\$ 586,462.08	\$ 1,015,150.92
Lifeworks	Benefits Management System	25935	5/10/2022	12/31/2026	\$ 6,145,600.00	\$ 1,901,424.00	\$ 4,244,176.00
Express Scripts, Inc.	Pharmacy Benefit Manager	25582	5/10/2022	6/30/2026	\$ 332,109,496.00	\$ 63,472,422.32	\$ 268,637,073.68
United Healthcare Insurance	Group Basic Life Insurance	25607	7/1/2022	6/30/2026	\$ 12,824,248.00	\$ 2,819,922.17	\$ 10,004,325.83
Brown & Brown of Massachusetts	Health Plan Auditor	24030	4/13/2021	6/30/2027	\$ 1,581,662.00	\$ 302,470.00	\$ 1,279,192.00
Segal Company, Inc.	Consulting Services	25557	7/1/2022	6/30/2027	\$ 4,285,410.00	\$ 718,830.00	\$ 3,566,580.00
HAT LTD, DBA Manpower	Temporary Employment	23928	1/1/2023	12/31/2023	\$ 107,900.00	\$ 35,733.75	\$ 72,166.25
Capitol Reporters	Court Reporting	27029	2/1/2023	6/30/2025	\$ 31,932.00	\$ 2,812.00	\$ 29,120.00
UMR, Inc.	TPA and Other Services	25155	7/1/2022	6/30/2028	\$ 65,413,106.00	\$ 8,671,746.35	\$ 56,741,359.65

**Recommendation**

No action necessary

**11.2 New Contracts**

### ***11.2.1 VIVO TECHNOLOGIES***

The Public Employees' Benefits Program relocated from 901 Stewart Street to 3427 Goni Street on April 3, 2023. As part of the move PEBP needed to either purchase new video conferencing equipment or move existing equipment. It was determined that it was more cost effective to move the existing equipment.

The Public Employees' Benefits program requested and was granted a solicitation waiver to contract with Vivo Technologies as they were the vendor that originally installed the video conferencing equipment in the PEBP Board meeting room. The contract is effective from March 24, 2023, through June 30, 2023, with a total maximum contract amount of \$13,800.

#### **Recommendation**

PEBP recommends the Board authorize staff to contract with Vivo Technologies to complete the equipment installation.

### ***11.2.2 NATIONAL DIABETES PREVENTION PILOT PROGRAM***

The Public Employees' Benefits Program, pursuant to the Board approval of the national Diabetes Prevention Pilot Program at the March 23, 2023, meeting, requests to contract with Nevada Business Group on Health. This would be a zero-dollar contract with a public-private partnership of community organizations, private insurers, health care organizations, employers, and government agencies. Partners will work to establish local evidence-based lifestyle change programs for people at high risk for Type 2 diabetes.

[PowerPoint Presentation \(state.nv.us\)](http://state.nv.us)

#### **Recommendation**

PEBP recommends the Board authorize staff to contract with Nevada Business Group on Health.

### ***11.2.3 FORMER STATE EMPLOYEE***

The Public Employees' Benefits Program is requesting to contract with a former employee, Celestena Glover, through the use of Manpower Temporary Services. The request is made in accordance with the State Administrative Manual Chapter 0323. In her previous position, Ms. Glover was the Chief Financial Officer with responsibility for managing the PEBP Accounting Department. Ms. Glover will either act as PEBP CFO until a permanent replacement is selected and trained or pursuant to Board action in Agenda Item 5 Ms. Glover will perform the duties of PEBP's Interim Executive Officer until a permanent Executive Officer is appointed.

#### **Recommendation**

PEBP recommends the Board authorize the staff to contract with a former state employee, Celestena Glover, as the temporary Chief Financial Officer until such time as a new Chief Financial Officer is appointed.

Or pursuant to the Board action in Agenda Item 5 contract with a former state employee Celestena Glover as the Interim Executive Officer until the appointment of a permanent Executive Officer.

#### ***11.2.4 FINANCIAL AUDITOR***

The Public Employees' Benefits Program is requesting to contract with Eide Bailly, LLP for PEBP's outside financial audit needs. CliftonLarsonAllen LLP, PEBP's previous financial auditor, terminated their contract with PEBP March 27, 2023, sighting that our audits took much longer and required greater resources than expected.

Eide Bailly, LLP is used by multiple state agencies and has the benefit of understanding State of Nevada processes. State Purchasing granted approval for PEBP to use the Legislative Counsel Bureau financial auditor RFP for contracting purposes. Additionally, Eide Bailly has the staffing resources necessary to complete PEBP audits in a timely manner. The effective date of the contract is anticipated to be July 13, 2023 (upon BOE approval) through June 30, 2025. Services and fees are expected to begin on or before August 1, 2023. The total cost for this contract is not to exceed \$386,500.

#### **Recommendation**

PEBP recommends the Board authorize staff to contract with Eide Bailly, LLP for outside financial audits.

### **11.3 Contract Amendment Ratifications**

#### ***11.3.1 EXPRESS SCRIPTS***

The Public Employees' Benefits Program contracted with Express Scripts for pharmacy benefits management services which became effective 07/01/2022 with a termination date of 06/30/2026. This amendment makes changes to the fee schedule based on the market check completed by Segal. In addition, this amendment updates the fee schedule from Per Member Per Month (PMPM) to Per Employee Per Month (PEPM) This amendment makes no change to contract authority.

#### **Recommendation**

PEBP recommends the Board authorize staff to amend the contract between PEBP and Express Scripts for pharmacy benefits management in contract #25582 to update the fee schedule based on the market check performed by Segal and to revise the payment method from PMPM to PEPM.

#### ***11.3.2 UHC, INC.***

The Public Employees' Benefits Program contracted with UHC, Inc to provide life insurance coverage for PEBP members effective 04/12/2022 with a termination date of 06/30/2026. This amendment increases the contract maximum from \$12,824,248 to \$21,771,427. This amendment increases contract authority to pay for the legislatively approved increases to the life insurance benefits that are part of the core benefits package for employees and retirees.

#### **Recommendation**

PEBP recommends the Board approve an amendment with UHC, Inc. for that increased life insurance benefits.

## **11.4 Contract Solicitation Ratifications**

PEBP does not currently have any contract solicitations for ratification.

## **11.5 Status of Current Solicitations**

The chart below provides information on the status of PEBP's in-progress solicitations:

Service	Anticipated/ Actual RFP release date	Anticipated/ Actual NOI	Winning Vendor	Anticipated Board Approval
Centers of Excellence – Travel Concierge	04/28/23	07/13/23		Sept. 2023
Oncology Management Program	06/09/23	08/25/23		Sept. 2023