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AGENDA ITEM

- Action Item
- Information Only

Date: January 26, 2023
Item Number: V
Title: Executive Officer Report

Office Move

PEBP's lease for 3427 Goni Rd. Suite 108/109, Carson City was approved by the Board of Examiners in January; though, many activities must take place before staff can make the official move. Several necessary building improvements (such as the addition/moving of walls and doorways) are underway. Additionally, cubicle installation and IT infrastructure connections/set up are in progress. PEBP's goal is to complete the move by mid-March, however this date is entirely dependent on all other scheduled items being completed on time, so we remain cautiously optimistic.

Mental Health Parity and Addiction Equity Act

At the December 2022 PEBP Board meeting, the Board voted to opt-out of the MHPAEA, however the federal omnibus bill signed by President Biden in December unexpectedly removed the opt-out provision previously offered to self-funded government plans. Although PEBP planned to perform the required testing and adhere to the MHPAEA requirements regardless of the opt-out provisions, this will now be a formal requirement of the program. PEBP and its partners will coordinate efforts to ensure the necessary activities begin as early as possible, likely mid-to-late summer 2023.

Executive Orders

Several Executive Orders issued by Governor Lombardo will have an effect on PEBP and will require action by the Board.

The first Executive Order signed on January 6, rescinds all COVID mandates and requires state leadership to address workforce issues. Additionally, the order requires state agencies to return to normal in-office operations. Although no specific guidance has been issued, the expectation

is that telework will be eliminated or significantly restricted. Since the pandemic, telework flexibility has been offered to the majority of PEBP staff (with the exception of call center staff) and has been relatively successful. Staff has perceived the ability to work from home as a benefit since it saves on transportation costs and improves work/life balance. Several staff have already voiced concerns over the elimination of this benefit so it is yet to be determined what kind of effect this will have on vacancies within the agency. PEBP plans to transition back to full in-person operations once the office relocation is complete.

On January 12th, the Governor signed a second Executive Order freezing any new state regulations and directs all state agencies, boards and commissions to recommend at least ten regulations for removal, due by May 1. PEBP will be developing and presenting a staff recommended list though the public will have a chance to weigh in when it is presented for discussion and approval at the March Board meeting.

Staffing

PEBP continues to hover between a 25-30% vacancy rate. The lack of a fully staffed (and trained) member services unit will be problematic as open enrollment looms. Similar to last open enrollment, it is very likely call volume will increase significantly in the coming months and members attempting to call PEBP will be faced with long wait times. Responding to member emails in a timely manner may also be challenging during open enrollment and contribute to member enrollment issues into July. Staff vacancies will undoubtedly affect PEBP's ability to provide adequate customer service to its members but PEBP is doing everything it can to prepare for and mitigate the impact.

In addition, legislative session, the development of several RFP's and new projects stemming from the compliance audit will likely require the time and attention of most Executive staff and many other PEBP staff. Continued vacancies will impact the agency's ability to accomplish these projects effectively and efficiently.

Future Board Meetings

The Chair has expressed a desire to return to in-person meetings, so moving forward the Board will strive to meet in-person with a hybrid option to allow for easier participation from the public. Legislative session meetings will continue to be held virtually.