

**PROPOSED REGULATION OF THE BOARD OF THE
PUBLIC EMPLOYEES' BENEFITS PROGRAM**

LCB File No. R047-24

March 25, 2024

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §§ 1 and 2, NRS 287.043; § 3, NRS 287.0415, 287.043 and 287.045.

A REGULATION relating to public employees; revising provisions relating to the Board of the Public Employees' Benefits Program; repealing certain regulations relating to Board meetings; eliminating certain provisions relating to enrollment in benefits and coverage; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Board of the Public Employees' Benefits Program to establish and carry out the Public Employees' Benefits Program relating to insurance and benefits for participants. (NRS 287.043) Existing law further requires the: (1) Governor to designate one of the members of the Board to serve as the Chair; and (2) Board to meet quarterly and at other times upon the call of the Chair. (NRS 287.0415) Existing regulations require the Board to elect from its members a Vice Chair at the first meeting of each plan year. (NAC 287.172). **Section 1** of this regulation reorganizes certain provisions of existing regulations relating to the Chair, Vice Chair and motions for consideration. **Section 3** of this regulation eliminates certain requirements and provisions relating to Board meetings, enrollment in the Program and coverage for a person or a retired participant returning to work in certain circumstances. **Section 2** of this regulation makes a conforming change to remove a reference to a section repealed by **section 3**.

Section 1. NAC 287.172 is hereby amended to read as follows:

1. *The Chair shall:*

(a) Determine the agenda of a meeting of the Board; and

(b) Preside over the meetings of the Board.

2. At the first meeting of each plan year, the Board will elect from its members a Vice Chair

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~~2. The Vice Chair~~ who shall serve as the Chair in the absence of the Chair.

3. Any member of the Board may submit to the Executive Officer, or in the absence of the Executive Officer, the Operations Officer of the Program, a request for a matter to be placed on the agenda of a meeting of the Board.

4. Any motion made by a member of the Board requires a second to the motion for consideration of the motion by the Board.

Sec. 2. NAC 287.311 is hereby amended to read as follows:

1. Except as otherwise provided in NAC 287.312, a participant who desires or is required to enroll or disenroll a person in the Program as a dependent as a result of a life event that qualifies the participant to amend his or her coverage outside the period of open enrollment must, within 60 days after the date on which the dependent becomes eligible to participate or loses his or her eligibility to participate in the Program:

(a) Execute a declaration of enrollment electronically through the Internet website of the Board ~~for by submitting a form prescribed by the Program pursuant to NAC 287.318.~~ under penalty of perjury and subject to the provisions of NRS 686A.290 and 686A.291.

(b) Submit copies of any supporting documentation required to establish or terminate the dependent's eligibility to participate in the Program as a dependent as requested by the Program.

2. Except as otherwise provided in subsections 3 and 4, if a participant fails to enroll or disenroll a person in the Program as a dependent within 60 days after the date on which the dependent becomes eligible to participate or loses his or her eligibility to participate in the Program, the participant may not enroll or disenroll the person in the Program as a dependent until the next period of open enrollment.

3. The Program will enroll a person as a dependent of a participant in accordance with an order to obtain health insurance for his or her child pursuant to NRS 31A.350.

4. The Program will disenroll a person as a dependent of a participant on the date on which the dependent becomes deceased.

Sec. 3. NAC 287.170, 287.174, 287.176, 287.178, 287.3125, 287.318, 287.319, 287.510 and 287.515 are hereby repealed.

TEXT OF REPEALED SECTIONS

287.170 Chair: Duty; voting. (NRS 287.043)

1. The Chair shall preside over the meetings of the Board.
2. Unless the Chair is required to abstain from voting or is otherwise disqualified from participating in a matter before the Board:
 - (a) If the Chair does not vote on the matter, it will be presumed that the Chair voted with the prevailing majority of members of the Board who voted on the matter.
 - (b) The Chair shall vote in the case of a tie.

287.174 Meetings: Agenda. (NRS 287.043)

1. The Chair shall determine the agenda of a meeting of the Board.
2. Any member of the Board may submit to the Executive Officer, or in his or her absence, the Operations Officer of the Program appointed pursuant to NRS 287.0426, a request for a matter to be placed on the agenda of a meeting of the Board.

287.176 Meetings: Approval of actions; motions; rules of conduct. (NRS 287.043)

1. All action by the Board must be approved by a majority of the members of the Board who are present at the meeting. A tie vote constitutes a rejection of the question or matter before the Board.
2. Any motion made by a member of the Board requires a second to the motion for consideration of the motion by the Board.
3. *Robert's Rules of Order* govern the general conduct of meetings of the Board.

287.178 Meetings: Minutes; transcript. (NRS 287.0415, 287.043)

1. The minutes of each meeting of the Board must be distributed to each member of the Board.
2. A transcript of a meeting posted to the Internet website of the Board pursuant to NRS 287.0415 will remain posted on the Internet website of the Board for at least 6 months after posting. During the period in which the transcript of the meeting is posted on the Internet website of the Board, a person may request a hard copy of the transcript.
3. The Board may charge the person a fee for the transcript that does not exceed the actual cost of the Board to provide the copy of the transcript.

287.3125 Dependents: Terms and conditions of certain changes. (NRS 287.043)

Except during a period of open enrollment, the right to change coverage or insurance for a dependent or to add or change dependents is governed by the terms and conditions of any applicable plan, insurance policy or law.

287.318 Enrollment forms: Required information. (NRS 287.043) Enrollment forms that are submitted to the Program must include, without limitation:

1. The name, address, social security number, if any, and signature of the person who is enrolling in the Program; and
2. The name and social security number, if any, of any dependent that the person chooses to cover under the Program.

287.319 Notification of change of address by participant to Program. (NRS 287.043)

A participant shall notify the Program within 30 days after a change of address of the participant.

287.510 Coverage of persons returning to work with previous employer within 1 year after leaving employment. (NRS 287.043, 287.045) If a person other than a retired officer or employee returns to work for a participating public agency with which the person was previously employed within 1 year after leaving employment:

1. The person may select any coverage and insurance offered to participants in the Program at the time that the person returns to work; and
2. Coverage and insurance for the person is effective:
 - (a) If the effective date of reemployment is on the first day of a month, on the effective date of reemployment; or
 - (b) If the effective date of reemployment is not on the first day of a month, on the first day of the month immediately following the effective date of reemployment.

287.515 Coverage of retired participants upon reemployment with participating public agency. (NRS 287.043, 287.045)

1. Except as otherwise provided in this section, a person who participates in the Program as a retired officer or employee and who returns to full-time employment with a participating public agency is eligible to participate in the Program as an active officer or employee:

(a) If the effective date of reemployment is on the first day of a month, on the effective date of reemployment; or

(b) If the effective date of reemployment is not on the first day of a month, on the first day of the month immediately following the effective date of reemployment.

2. If a person who participates in the Program as a retired justice or judge accepts reemployment as a justice of the Supreme Court or district judge pursuant to NRS 1A.370, the person is eligible to participate in the Program as an active justice or judge, as applicable:

(a) If the effective date of reemployment is on the first day of a month, on the effective date of reemployment; or

(b) If the effective date of reemployment is not on the first day of a month, on the first day of the month immediately following the effective date of reemployment.

3. Except as otherwise required by federal law, a retired officer or employee who returns to full-time employment with a participating public agency to fill a position which has been designated as a position for which there is a critical labor shortage pursuant to NRS 286.523 and who continues to receive allowances under the retirement system of which he or she is a member is eligible to participate in the Program in the same manner as he or she participated before returning to full-time employment. Except for a retired officer or employee who was enrolled in the Program on November 30, 2008, and continues his or her participation in the Program, coverage of a retired officer or employee who returns to full-time employment with a participating local governmental agency pursuant to this subsection terminates on the date on which the participating local governmental agency terminates its participation in the Program.

4. A retired officer or employee who returns to full-time employment with a participating state agency to fill a position which has been designated as a position for which there is a critical

labor shortage pursuant to NRS 286.523 and who discontinues receiving allowances under the retirement system of which he or she is a member is eligible to participate in the Program as an active officer or employee:

(a) If the effective date of reemployment is on the first day of a month, on the effective date of reemployment; or

(b) If the effective date of reemployment is not on the first day of a month, on the first day of the month immediately following the effective date of reemployment.

5. A retired officer or employee who returns to full-time employment with a participating local governmental agency to fill a position which has been designated as a position for which there is a critical labor shortage pursuant to NRS 286.523 and who discontinues receiving allowances under the retirement system of which he or she is a member is eligible to participate in the Program as an active officer or employee:

(a) If the effective date of reemployment is on the first day of a month, on the effective date of reemployment; or

(b) If the effective date of reemployment is not on the first day of a month, on the first day of the month immediately following the effective date of reemployment.

↪ Except for a retired officer or employee who was enrolled in the Program on November 30, 2008, and continues his or her participation in the Program, coverage of a retired officer or employee pursuant to this subsection terminates on the date on which the participating local governmental agency with which the retired officer or employee returns to full-time employment terminates its participation in the Program.



CELESTENA GLOVER
Executive Officer

JOE LOMBARDO
Governor

STATE OF NEVADA
PUBLIC EMPLOYEES' BENEFITS PROGRAM
3427 Goni Road, Suite 109 | Carson City, Nevada 89706
Telephone 775-684-7000 | 702-486-3100 | 1-800-326-5496
<https://pebp.nv.gov>

JACK ROBB
Board Chair

NOTICE OF REGULATION WORKSHOP AND AGENDA

Name of Organization: Public Employees' Benefits Program

Date and Time of Meeting: March 6, 2024 1:30 p.m.

Place of Meeting: 3427 Goni Rd Ste. 117 Carson City, NV 89706

Video Conferencing: This meeting will be available by means of a remote technology system pursuant to NRS 241.023 using video- and tele-conference. Instructions for both options are below. This meeting can be viewed live over the Internet on the PEBP YouTube channel at <https://youtube.com/live/uos4y110wtE>

To submit written public comment, please upload your document to the *Public Comment Upload Form* located under *Contact Us* on the PEBP website, <https://pebp.nv.gov>, no later than two business days prior to the meeting.

To listen to and view the PEBP Board Meeting please click on the YouTube Link located in “Video Conferencing” field above.

There are two agenda items designated for public comment. If you wish to provide verbal public comment during those agenda items, please follow the instructions below:

- Option #1 Join the webinar as an attendee <https://us06web.zoom.us/j/83045640999>
This link is only for those who want to make public comment. If you are just listening to the webinar, please use the YouTube Link located in the “Video Conferencing” field above.
- Option #2 Dial: (669) 900-6833. When prompted to provide your Meeting ID, please enter: 830 4564 0999 then press #. When prompted for a Participant ID, please enter #.

Participants that call in will be muted until it is time for public comment. A moderator will then unmute callers one at a time for public comment.

To resolve any issues related to dialing in to provide public comment for this meeting, please call (775) 684-7020 or email jcrane@peb.nv.gov

Meeting materials can be accessed here: <https://pebp.nv.gov/Meetings/meetings-events/>

AGENDA

1. Call to Order; Introductions
2. Public Comment

Public comment will be taken during this agenda item. No action may be taken on any matter raised under this item unless the matter is included on a future agenda as an item on which action may be taken. Public comments to the Public Employees' Benefits Program (PEBP) will be taken under advisement but will not be answered during the meeting. Comments may be limited to three minutes per person at the discretion of the PEBP Executive Officer. The total time allotted to public comment may be limited to one hour at the discretion of the PEBP Executive Officer. As noted above, members of the public may make public comment in person or by using the call-in number provided above. Persons unable to attend the meeting in person or by telephone and persons whose comments may extend past the three-minute time limit may submit their public comment in writing by uploading a document to the [Public Comment Upload Form](#) located under [Contact Us](#) on the PEBP website, <https://pebp.nv.gov>, no later than two business days prior to the meeting. Persons making public comment need to state and spell their name for the record at the beginning of their comment.

3. Presentation and Discussion of Proposed Amendments to Chapter 287 of the Nevada Administrative Code, to include Solicitation of Comments from Interested Persons (Tim Lindley, Quality Control Officer) (Information/Discussion)

The proposed amendments:

- Consolidate essential procedures of the PEBP Board into a single regulation, specifically, a revised version of NAC 287.172; and
- Repeal:
 - NAC 287.170;
 - NAC 287.174;
 - NAC 287.176;
 - NAC 287.178;
 - NAC 287.3125;
 - NAC 287.318;
 - NAC 287.319;
 - NAC 287.510; and
 - NAC 287.515.

4. Public Comment

Public comment will be taken during this agenda item. Comments may be limited to three minutes per person at the discretion of the PEBP Executive Officer. Persons making public comment need to state and spell their name for the record at the beginning of their testimony.

5. Adjournment

The supporting material to this agenda is available, at no charge, on the PEBP website at <https://pebp.nv.gov/Meetings/current-board-meetings/> (under the meeting date referenced above). Contact Jessica Crane at PEBP, 3427 Goni Rd, Suite 109, Carson City NV 89706 (775) 684-7020 or (800) 326-5496

We are pleased to make reasonable efforts to assist and accommodate persons with physical disabilities who wish to participate in the meeting. If special arrangements for the meeting are necessary, please notify the PEBP in writing, at 3427 Goni Rd, Suite 109, Carson City, NV 89706, or call Jessica Crane at (775) 684-7020 or (800) 326-5496, as soon as possible so that reasonable efforts can be made to accommodate the request.

Notice of this meeting was posted on or before 9:00 a.m. at least 15 days before the meeting at the following locations: PUBLIC EMPLOYEES' BENEFITS PROGRAM, 3427 Goni Road, Suite 109, Carson City; NEVADA STATE LIBRARY, ARCHIVES & PUBLIC RECORDS, 100 North Stewart St., Carson City; OFFICE OF THE NEVADA ATTORNEY GENERAL, 100 North Carson Street, Carson City; OFFICE OF THE NEVADA ATTORNEY GENERAL, 555 East Washinton Avenue, Suite 3900, Las Vegas; and posted on the PEBP website at <https://pebp.nv.gov>; on the Nevada Public Notice Website at <https://notice.nv.gov>; and on the Nevada Legislature's "Administrative Regulation Notices Meetings and Workshops Page" at <https://leg.state.nv.us>. In addition, the agenda was mailed to groups and individuals as requested.



JOE LOMBARDO
Governor



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www.pebp.state.nv.us

CELESTENA GLOVER
Executive Officer

JACK ROBB
Board Chair

REGULATION WORKSHOP ON NAC 287

Held in the Board Room at the office of the Public
Employees' Benefits Program
3427 Goni Rd, Ste 117, Carson City, NV 89706

and video conferenced via YouTube

Wednesday March 6, 2024 – 1:30 p.m.

Staff Present

Celestena Glover, Executive Officer
Nik Proper, Operations Officer
Brandee Mooneyhan, Lead Insurance Counsel

MINUTES

Agenda Item 1:

CALL TO ORDER AND INTRODUCTIONS

The meeting was called to order by Celestena Glover, Executive Officer at 1:30pm. Mrs. Glover stated that this was the time and place for the regulation workshop for NAC 287. She introduced Nik Proper, Operations Officer and Brandee Mooneyhan, In House Legal Counsel.

Agenda Item 2:

PUBLIC COMMENT

Erin Lynch

Agenda Item 3:

PRESENTATION AND DISCUSSION OF PROPOSED REGULATION NAC 287

Mrs. Glover stated that PEBP is eliminating duplicate language that was in the regulation and consolidating where it makes most sense. The amendments are available in the workshop agenda.

Agenda Item 4:

QUESTION AND ANSWER PERIOD FOR PROPOSED REGULATION NAC 287

Mrs. Glover stated that this was the period that members of the public could ask questions about the proposed regulation changes. There were no questions.

Agenda Item 5:

PUBLIC COMMENT

No public comment.

Agenda Item 6:

ADJOURNMENT

Mrs. Glover adjourned the meeting at 1:36pm.



JOE LOMBARDO
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CELESTENA GLOVER
Executive Officer

JACK ROBB
Board Chair

NOTICE OF INTENT TO ACT UPON A REGULATION
AND HEARING AGENDA

Notice of Hearing on the Adoption of Permanent Regulations
of the Nevada Public Employees' Benefits Program

LCB File No. R047-24

Please note that the Nevada Public Employees' Benefits Program will conduct a public hearing to receive comments from all interested persons regarding the adoption of proposed permanent regulations amending Chapter 287 of the Nevada Administrative Code (NAC). Members of the public may attend and participate as follows:

- Name of Organization: Public Employees' Benefits Program
- Date and Time of Hearing: May 9, 2024 1:30 p.m.
- Place of Hearing: 3427 Goni Rd Ste. 117 Carson City, NV 89706
- Video Conferencing: This meeting will be available by means of a remote technology system pursuant to NRS 241.023 using video- and tele-conference. Instructions for both options are below. This meeting can be viewed live over the Internet on the PEBP YouTube channel at <https://www.youtube.com/watch?v=DGoLKPYIRWc>

To submit written public comment, please upload your document to the *Public Comment Upload Form* located under *Contact Us* on the PEBP website, <https://pebp.nv.gov>, no later than 9 a.m. on May 9, 2024.

To listen to and view the hearing, please click on the YouTube Link located in "Video Conferencing" field above.

There are two agenda items designated for public comment. If you wish to provide verbal public comment during those agenda items, please follow the instructions below:

- Option #1** Join the webinar as an attendee <https://us06web.zoom.us/j/84173651663>
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Hearing materials can be accessed here: <https://pebp.nv.gov/Meetings/current-board-meetings/>

INFORMATIONAL STATEMENT

The following information is provided pursuant to the requirements of NRS 233B.0603:

1. The need for and purpose of the proposed regulation or amendment.

In accordance with Executive Order 2023-003, which, in part, required executive agencies to review their regulations and recommend regulations that could be removed from the Nevada Administrative Code, the Board of the Public Employees' Benefits Program (PEBP) proposed consolidation of essential Board procedures into a single regulation and the repeal of several regulations whose provisions were otherwise addressed in statute or more appropriately addressed in agency documents.

2. If the proposed regulation is a temporary regulation, the terms or the substance of the proposed regulation to be adopted, amended, or repealed, or a description of the subjects and issues involved.

The proposed regulation is not a temporary regulation.

3. If the proposed regulation is a permanent regulation, a statement explaining how to obtain the approved or revised text of the proposed regulation prepared by the Legislative Counsel pursuant to NRS 233B.063.

The text of the proposed regulation is attached to this notice. Additionally, copies of this Notice and the proposed regulation are available at PEBP's office at 3427 Goni Road, Suite 109, Carson City, Nevada 89706, for inspecting and copying by members of the public during business hours, and on PEBP's website, <https://pebp.nv.gov/>. This Notice and the text of the proposed regulation is also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and available on the Internet at: <https://www.leg.state.nv.us/register/>. Copies of this Notice and the proposed regulation will also be mailed or emailed to members of the public at no charge upon request to jcrane@peb.nv.gov or 775-684-7020. Requests should specify LCB File No. R047-24.

4. The estimated economic effect of the regulation on the business which it is to regulate and on the public, stated separately; and each including (a) both adverse and beneficial effects; and (2) both immediate and long-term effects.

- **Adverse/beneficial economic effects and immediate/long-term effects on regulated business:**

The proposed regulation does not regulate a business, rather, it addresses the procedures of PEBP and the meetings of its Board. Accordingly, PEBP anticipates no immediate or long-term effects, either adverse or beneficial, on any business.

- **Adverse/beneficial economic effects and immediate/long-term effects on public:**

PEBP anticipates no immediate or long-term economic effects, either adverse or beneficial, on the public from the proposed regulation.

5. The methods used by the agency in determining the impact on a small business.

PEBP prepared a letter explaining the proposed amendments and requested input as to whether the proposed amendments had a direct and significant burden upon small businesses or directly restrict the formation, operation, or expansion of small businesses within Nevada. The letter was posted on PEBP's website and also sent to the Nevada State Medical Association, Capitol Reporters, the Las Vegas Metro Chamber of Commerce, the Reno Sparks Chamber of Commerce, and the Rural Nevada Development Corporation. To date, PEBP has received no responses indicating that the proposed regulations will affect small businesses.

6. The estimated cost to the agency for enforcement of the proposed regulation.

The proposed regulations do not contemplate "enforcement" other than complying with the meeting procedures consolidated into a single new regulation. Carrying out these provisions will not result in an increased cost to PEBP.

7. A description of and citation to any regulations of other state or local governmental agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the proposed regulation overlaps or duplicates a federal regulation, the notice must include the name of the regulating federal agency.

To PEBP's knowledge, the proposed regulations do not overlap or duplicate the regulations of other state or local governmental agencies or any federal regulations.

8. If the regulation is required pursuant to federal law, a citation and description of the federal law.

The proposed regulations are not required pursuant to federal law.

9. If the regulation includes provisions which are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.

To PEBP's knowledge, the proposed regulations are not duplicative or more stringent than any federal regulation.

10. Whether the proposed regulation establishes a new fee or increases an existing fee.

The proposed regulation does not establish a new fee or increase an existing fee.

Persons wishing to comment upon PEBP's potential adoption of the proposed regulation may appear at the scheduled public hearing or may address their comments, data, views, or arguments, in written form, to: Jessica Crane, Public Employees' Benefits Program, 3427 Goni Road Suite 109, Carson City, Nevada 89706 or by uploading a document to the [Public Comment Upload Form](#) located under [Contact Us](#) on the PEBP website, <https://pebp.nv.gov>. Written submissions must be received on or before 9 a.m. on May 9, 2024.

If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Nevada Public Employees' Benefits Program may proceed immediately to act upon any written submissions.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption and incorporate therein its reason for overruling the consideration urged against its adoption.

HEARING AGENDA

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3. Public Hearing on LCB File No. R047-24 (Celestena Glover, Executive Officer)
(Information/Discussion)

Public comment regarding LCB File No. R047-24 is welcomed. Any written comments received by 9 a.m. on May 9, 2024, will be read into the record.

4. Public Comment

Public comment will be taken during this agenda item. Comments may be limited to three minutes per person at the discretion of the PEBP Executive Officer or her designee. Persons making public comment need to state and spell their name for the record at the beginning of their testimony.

5. Adjournment

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(a) Execute a declaration of enrollment electronically through the Internet website of the Board ~~for by submitting a form prescribed by the Program pursuant to NAC 287.318.~~ under penalty of perjury and subject to the provisions of NRS 686A.290 and 686A.291.

(b) Submit copies of any supporting documentation required to establish or terminate the dependent's eligibility to participate in the Program as a dependent as requested by the Program.

2. Except as otherwise provided in subsections 3 and 4, if a participant fails to enroll or disenroll a person in the Program as a dependent within 60 days after the date on which the dependent becomes eligible to participate or loses his or her eligibility to participate in the Program, the participant may not enroll or disenroll the person in the Program as a dependent until the next period of open enrollment.

3. The Program will enroll a person as a dependent of a participant in accordance with an order to obtain health insurance for his or her child pursuant to NRS 31A.350.

4. The Program will disenroll a person as a dependent of a participant on the date on which the dependent becomes deceased.

Sec. 3. NAC 287.170, 287.174, 287.176, 287.178, 287.3125, 287.318, 287.319, 287.510 and 287.515 are hereby repealed.

TEXT OF REPEALED SECTIONS

287.170 Chair: Duty; voting. (NRS 287.043)

1. The Chair shall preside over the meetings of the Board.
2. Unless the Chair is required to abstain from voting or is otherwise disqualified from participating in a matter before the Board:
 - (a) If the Chair does not vote on the matter, it will be presumed that the Chair voted with the prevailing majority of members of the Board who voted on the matter.
 - (b) The Chair shall vote in the case of a tie.

287.174 Meetings: Agenda. (NRS 287.043)

1. The Chair shall determine the agenda of a meeting of the Board.
2. Any member of the Board may submit to the Executive Officer, or in his or her absence, the Operations Officer of the Program appointed pursuant to NRS 287.0426, a request for a matter to be placed on the agenda of a meeting of the Board.

287.176 Meetings: Approval of actions; motions; rules of conduct. (NRS 287.043)

1. All action by the Board must be approved by a majority of the members of the Board who are present at the meeting. A tie vote constitutes a rejection of the question or matter before the Board.
2. Any motion made by a member of the Board requires a second to the motion for consideration of the motion by the Board.
3. *Robert's Rules of Order* govern the general conduct of meetings of the Board.

287.178 Meetings: Minutes; transcript. (NRS 287.0415, 287.043)

1. The minutes of each meeting of the Board must be distributed to each member of the Board.
2. A transcript of a meeting posted to the Internet website of the Board pursuant to NRS 287.0415 will remain posted on the Internet website of the Board for at least 6 months after posting. During the period in which the transcript of the meeting is posted on the Internet website of the Board, a person may request a hard copy of the transcript.
3. The Board may charge the person a fee for the transcript that does not exceed the actual cost of the Board to provide the copy of the transcript.

287.3125 Dependents: Terms and conditions of certain changes. (NRS 287.043)

Except during a period of open enrollment, the right to change coverage or insurance for a dependent or to add or change dependents is governed by the terms and conditions of any applicable plan, insurance policy or law.

287.318 Enrollment forms: Required information. (NRS 287.043) Enrollment forms that are submitted to the Program must include, without limitation:

1. The name, address, social security number, if any, and signature of the person who is enrolling in the Program; and
2. The name and social security number, if any, of any dependent that the person chooses to cover under the Program.

287.319 Notification of change of address by participant to Program. (NRS 287.043)

A participant shall notify the Program within 30 days after a change of address of the participant.

287.510 Coverage of persons returning to work with previous employer within 1 year after leaving employment. (NRS 287.043, 287.045) If a person other than a retired officer or employee returns to work for a participating public agency with which the person was previously employed within 1 year after leaving employment:

1. The person may select any coverage and insurance offered to participants in the Program at the time that the person returns to work; and
2. Coverage and insurance for the person is effective:
 - (a) If the effective date of reemployment is on the first day of a month, on the effective date of reemployment; or
 - (b) If the effective date of reemployment is not on the first day of a month, on the first day of the month immediately following the effective date of reemployment.

287.515 Coverage of retired participants upon reemployment with participating public agency. (NRS 287.043, 287.045)

1. Except as otherwise provided in this section, a person who participates in the Program as a retired officer or employee and who returns to full-time employment with a participating public agency is eligible to participate in the Program as an active officer or employee:

(a) If the effective date of reemployment is on the first day of a month, on the effective date of reemployment; or

(b) If the effective date of reemployment is not on the first day of a month, on the first day of the month immediately following the effective date of reemployment.

2. If a person who participates in the Program as a retired justice or judge accepts reemployment as a justice of the Supreme Court or district judge pursuant to NRS 1A.370, the person is eligible to participate in the Program as an active justice or judge, as applicable:

(a) If the effective date of reemployment is on the first day of a month, on the effective date of reemployment; or

(b) If the effective date of reemployment is not on the first day of a month, on the first day of the month immediately following the effective date of reemployment.

3. Except as otherwise required by federal law, a retired officer or employee who returns to full-time employment with a participating public agency to fill a position which has been designated as a position for which there is a critical labor shortage pursuant to NRS 286.523 and who continues to receive allowances under the retirement system of which he or she is a member is eligible to participate in the Program in the same manner as he or she participated before returning to full-time employment. Except for a retired officer or employee who was enrolled in the Program on November 30, 2008, and continues his or her participation in the Program, coverage of a retired officer or employee who returns to full-time employment with a participating local governmental agency pursuant to this subsection terminates on the date on which the participating local governmental agency terminates its participation in the Program.

4. A retired officer or employee who returns to full-time employment with a participating state agency to fill a position which has been designated as a position for which there is a critical

labor shortage pursuant to NRS 286.523 and who discontinues receiving allowances under the retirement system of which he or she is a member is eligible to participate in the Program as an active officer or employee:

(a) If the effective date of reemployment is on the first day of a month, on the effective date of reemployment; or

(b) If the effective date of reemployment is not on the first day of a month, on the first day of the month immediately following the effective date of reemployment.

5. A retired officer or employee who returns to full-time employment with a participating local governmental agency to fill a position which has been designated as a position for which there is a critical labor shortage pursuant to NRS 286.523 and who discontinues receiving allowances under the retirement system of which he or she is a member is eligible to participate in the Program as an active officer or employee:

(a) If the effective date of reemployment is on the first day of a month, on the effective date of reemployment; or

(b) If the effective date of reemployment is not on the first day of a month, on the first day of the month immediately following the effective date of reemployment.

↳ Except for a retired officer or employee who was enrolled in the Program on November 30, 2008, and continues his or her participation in the Program, coverage of a retired officer or employee pursuant to this subsection terminates on the date on which the participating local governmental agency with which the retired officer or employee returns to full-time employment terminates its participation in the Program.



JOE LOMBARDO
Governor



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CELESTENA GLOVER
Executive Officer

JACK ROBB
Board Chair

REGULATION WORKSHOP ON LCB FILE NO. R047-24

Held in the Board Room at the office of the Public
Employees' Benefits Program
3427 Goni Rd, Ste 117, Carson City, NV 89706

and video conferenced via YouTube

Thursday May 9, 2024 – 1:30 p.m.

Staff Present

Celestena Glover, Executive Officer
Nik Proper, Operations Officer
Brandee Mooneyhan, Lead Insurance Counsel

MINUTES

Agenda Item 1:

CALL TO ORDER AND INTRODUCTIONS

The meeting was called to order by Celestena Glover, Executive Officer at 1:30pm. Mrs. Glover stated that this was the hearing on the regulation changes proposed in the workshop completed in March 2024. She introduced Nik Proper, Operations Officer and Brandee Mooneyhan, Legal Counsel for PEBP.

Agenda Item 2:

PUBLIC COMMENT

None

Agenda Item 3:

PUBLIC HEARING ON LCB FILE NO. R047-24

Mrs. Glover stated this is the public hearing for LCB file No. R047-24 which is the file number assigned to the regulation change that PEBP proposed in accordance with Executive Order from 2023-003. The order directed state agencies to submit ten proposed regulation changes. PEBP reviewed the appropriate sections of NAC 287 and recommended changes to the PEBP Board in March 2023. The Board reviewed and approved those changes. A workshop was conducted on March 6, 2024 to discuss the changes. For this hearing, one public comment relevant to PEBP was received, but it was not relevant to the regulation changes.

Agenda Item 4:

QUESTION AND ANSWER PERIOD FOR LCB FILE NO. R047-24

Mrs. Glover stated that this was the period that members of the public could ask questions about the proposed regulation changes. There were no questions.

Agenda Item 5:

PUBLIC COMMENT

No public comment.

Agenda Item 6:

ADJOURNMENT

Mrs. Glover adjourned the meeting at 1:36pm.



May 7, 2024

PEBP Board
PEBP Executive Officer Celestina Glover
3427 Goni Road, STE 109
Carson City, NV 89706

RE: Public Comments 5/9/2024 Meeting

I was a member of the PEBP Board when the Board adopted the SaveOnSP program.

I am writing regarding the declaration in the Master Plan Designs (MPD) that “**copayment assistance for specialty drugs will not apply toward your deductible and Out-of-pocket Maximum**” and to indicate that I believe the master plan designs incorrectly state the intent of the Board and may create issues because of the way the language in the MPD’s have been written. This letter provides background on the adoption of the SaveOnSP program, why the MPD language is wrong, and suggested changes to the language in the MPD.

At the time the SaveOnSP program was adopted, the Board did not vote to disallow copay assistance for specialty drugs in totality. The purpose of using the SaveOnSP program was to allow PEBP participants to access these specialty drugs at no cost to them, while maximizing the amount of copay assistance to the plan to offset that benefit. The intent was to disallow direct copay assistance from pharmaceutical companies from applying to accumulators.

As explained when the SaveOnSP program was presented, the PEBP plan became the beneficiary of any pharmaceutical copay assistance, and the plan participant paid \$0 for the medication. The copay assistance collected by the SaveOnSP program would not apply to the deductible or out of pocket maximum because the plan participant received the medication with no out-of-pocket cost. This left the accumulators in place and the participant would be responsible for all other medical costs that would generally apply to the deductible and out of pocket maximum.

The reason for this change was the pharmaceutical copay assistance was usually GREATER than the out-of-pocket maximum incurred by the member, therefore the actual cost to the plan was less by offering this plan in this manner.

During the March 31, 2020 Board meeting where the SaveOnSP program was approved, there was discussion about patient assistance programs for non SaveOnSP medications. The information provided to the Board was that patient assistance programs could still apply. In other words, patient assistance could apply to the deductibles and copays for drugs not on the SaveOnSP program.

The transcript statement on page 91 on that March 31, 2020 date reads:

MS. DALY: So that's on slide seven and there would be and there are some members that are on a specialty drug with co-pay assistance that are not a part of Save-On. So some of the members will not be participating in Save-On again because of the targeted list. But if they are using the co-pay assistance programs they can continue to do that. Those dollars will not go away and our specialty pharmacy will continue to encourage members to sign up for those dollars if they are available.

COPAYMENT ASSISTANCE

There are many kinds of copayment assistance including direct and indirect. Some indirect patient assistance providers are funded in part by pharmaceutical companies, but users must apply to receive them. This type of assistance is indirect copayment assistance. It's not a coupon anyone can use.

Some of these indirect patient assistant programs include funding from the National Organization for Rare Disorders (NORD) and MedMonk. These programs are indirect patient assistance programs which generally have qualification requirements (need based, or other criteria). These are not direct pharmaceutical coupons but is specifically approved funding placed into an account on behalf of a patient that can be accessed by a specialty pharmacy to cover the bills for certain specialty drugs.

Direct copayment assistance is more in the line of pharmaceutical coupons or direct to consumer incentives or payments that come directly from manufacturers.

When a member participates in the SaveOnSP program, they enroll into it and the plan follows a specific method to capture the copayment assistance for the benefit of the plan. There is a specific agreement between the PEBP plan and the enrolled participant.

There are several patient assistance programs that assist plan members with the costs of drugs that are NOT on the SaveOnSP program.

Absent a specific agreement for the plan to capture the copayment assistance on behalf of a participant, how can the plan possibly take non-direct copay assistance used to pay a medical bill on behalf of participant without applying it to the amount owed by the participant?

The way the PEBP Board has structured the language in the SPD, a participant could qualify for \$20,000 in patient assistance funding from NORD because of financial need, and as this indirect copay assistance was applied to the bills from the specialty pharmacy, the plan would simply take the money without giving credit to the bills the participant is responsible for paying, leaving the participant to pay the bills for the specialty drugs again.

This practice, in my opinion, violates the intent of the Board when the SaveOnSP plan was adopted. I also believe that the application of disallowing non-direct copay assistance from applying toward a deductible or OOP for specialty drugs that are not part of the SaveOnSP program would be arbitrary and capricious and perhaps unlawful. Certainly, such a practice would violate the affordable care act.

I request that PEBP and the PEBP Board clarify/change the currently overbroad statement in the master plan design from:

“copayment assistance for specialty drugs will not apply toward your deductible and Out-of-pocket Maximum”

To read:

“copayment assistance for specialty drugs that are part of the SaveOnSP program will not apply toward your deductible or Out-of-pocket Maximum. Direct copayment assistance from pharmaceutical companies such as discounts or coupons will not apply toward your deductible or Out-of-pocket Maximum. Indirect copayment assistance will apply toward your copays, deductible and Out-of-pocket Maximum.”

A change such as this would align with the intent of the Board that adopted the SaveOnSP program, would clarify to Accredo and UMR when to allow or disallow copayment assistance from applying to accumulators, and would not create an issue for the plan or plan members when indirect copayment assistance is applied when non-SaveOnSP specialty medications are provided by Accredo.

I request that this be clarified in writing before the end of Open Enrollment as it makes a difference on the choices participants make.

Please feel free to reach out to me with any questions.

Sincerely,

