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AGENDA ITEM

Action Item

Information Only

Date: November 21, 2024

Item Number: 9

Title: Carson Tahoe Health

SUMMARY

This report provides options for the Board’s consideration regarding Carson Tahoe Health (CTH). CTH has expressed their intent to not renew the contract with United Health Care at the expiration of the current contract which expires on May 30, 2025. The result is that should an alternative not be found CTH (facilities and providers) will no longer be in-network for PEBP members.

REPORT

DISCUSSION OF POTENTIAL OPTIONS

This agenda item presents an opportunity for the PEBP Board to voice their concerns and ask questions of both CTH and UMR to assist the board in making a decision regarding the path forward. Potential options have been discussed as follows:

- Take no action at this time, potentially resulting in Carson Tahoe Health (facilities and providers) becoming an out-of-network provider.
 - As a part of this option the PEBP Board could request CTH and UMR to continue working toward a suitable agreement between the parties with direction for the final agreement negotiated no later than the January 23, 2025, PEBP Board meeting.

The following were suggested by Carson Tahoe Health:

- Enter into a direct contract with Carson Tahoe Health final terms to be negotiated.

- Enter into a contract with Nevada Business Group on Health/Nevada Health Partners (NBGH/NHP) to provide a second network that will provide access to Carson Tahoe Health as an in-network provider (final terms to be negotiated).

CTH's suggestions will require PEBP to begin the formal contract solicitation process ensuring that PEBP is in compliance with the provisions of NRS 333.

CONSIDERATIONS

Taking no action may result in a major provider in the Carson City area becoming an out-of-network provider. PEBP members utilizing their services will be subjected to higher out-of-pocket costs.

Emergent and urgent care would continue to be covered as in-network service.

Pursuing a direct contract or second network may come at higher costs through administrative fees or claims costs or both and require PEBP staff to field additional calls to answer questions resulting from confusion that may occur from having a secondary network or separate contract with CTH.

Entering into a direct contract or engaging a second network may also incentivize other providers to seek direct contracts with PEBP. PEBP does not have the staff or expertise to administer multiple provider contracts.

CONCLUSIONS

PEBP staff will continue to explore any avenues available including options the Board would like staff to analyze not previously discussed in this report. Should the Board opt to begin the formal solicitation process PEBP staff will work with the Purchasing Division to release an RFP for the required services.

Note: The time required to write, release, evaluate, negotiate the terms of a new contract and the implementation of a new vendors is extensive. This could result in CTH becoming an out-of-network provider for 6 months or more at the end of the current plan year and the beginning of plan year 2026.

Ultimately the best course of action would be for the parties to come to an agreement that is favorable for all especially PEBP members.

RECOMMENDATION

Provide PEBP staff with direction as to how the Board wishes to proceed.