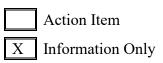




JOE LOMBARDO Governor STATE OF NEVADA **PUBLIC EMPLOYEES' BENEFITS PROGRAM** 3427 Goni Road, Suite 109 | Carson City, Nevada 89706 Telephone 775-684-7000 | 702-486-3100 | 1-800-326-5496 https://pebp.nv.gov

JOY GRIMMER Board Chair

# AGENDA ITEM



**Date:** January 23, 2025

**Item Number:** 6

Title: Executive Officer Report

#### **SUMMARY**

This report provides the Board and members of the public with updates on agency operations.

#### **Report**

### INTERIM RETIREMENT AND BENEFITS COMMITTEE

The Interim Retirement and Benefits Committee (IRBC) meeting was held on December 17, 2024, in Las Vegas although PEBP staff attended from the Carson City location. In accordance with NRS 287.0425, PEBP provided and presented the required reports. There were just 3 follow-up questions from the committee 2 of which were related to the increase in pharmacy spend and cancer treatment as a top diagnosis and cost for the 3 self-funded plans.

- The committee wanted to understand why the percentage increase in pharmacy spend was lower when comparing the HMO to the self-funded plans although the percentage increase was lower for the HMO the pharmacy net per member per month (PMPM) started at a higher price point (\$178 in 2023 increasing to \$186 in 2024) vs the self-funded plans combined net PMPM starting at a lower price point (\$123 in 2023 increasing to \$150 in 2024). As you can see the higher net PMPM in 2024 for the self-funded plans is still much lower in plan year 2024 then the HMO experienced in either plan years 2023 or 2024.
- The committee observed that cancer treatment was a top diagnosis and cost for the selffunded plans in Plan Year 2024 and were interested in knowing what percentage of cancer patients sought treatment outside of Nevada. After discussions with UMR it was noted that in 2023, 10.6% and in 2024, 12% of patients sought treatment outside of

Nevada. Some reasons provided included provider referrals, member preferences and the utilization of Centers of Excellence.

The video from the IRBC meeting can be viewed at the Nevada Legislature's website under "Videos for Archived Events" if you would like to hear the full presentation and discussion.

## GOVERNOR'S RECOMMENDED BUDGET

The Governor's State of the State address was given on January 15, 2025. During that time the Governor's Recommended Budget (GovRec) was released. PEBP's budget as requested with adjustments to account for the plan design changes for Plan Year 2026 (as discussed during the September 26, 2024, board meeting) with continuation into Plan Year 2027 were included.

We have also received word from our liaison at the Legislative Counsel Bureau (LCB) indicating that PEBP's budgets will likely be heard before the Joint Full committee therefore a pre-session hearing has not been scheduled. In addition, PEBP's budgets are expected to receive final legislative approval prior to open enrollment in May of 2025.

# CARSON TAHOE HEALTH

During the November 2024 PEBP Board meeting staff was directed to release a Request for Proposal (RFP) for a secondary network to address the Carson Tahoe Health (CTH) issue. The RFP is scheduled for release in early February 2025. CTH has agreed to extend their current contract to December 31, 2025, to allow sufficient time for the completion of the RFP and implementation process.

### FUTURE BOARD MEETINGS

The PEBP Board meetings scheduled between now and the end of the 2025 Legislative Session will be held virtually. This includes the regular meetings scheduled in March and May as well as any legislative update meetings we may need during the session.