

**STATE OF NEVADA
PUBLIC EMPLOYEES' BENEFITS PROGRAM
BOARD MEETING AND PUBLIC HEARING**

The Richard Bryan Building
901 South Stewart Street Suite # 1002
Carson City, Nevada 89701

Video conferenced to:
The Nevada System of Higher Education
System Computer Services Room #s 304 & 306
4505 S. Maryland Parkway
Las Vegas, Nevada 89154

ACTION MINUTES (Subject to Board Approval)

January 12, 2016

MEMBERS PRESENT

IN CARSON CITY:

Mr. Leo Drozdoff, Board Chair
Ms. Jacque Ewing-Taylor, Vice-Chair
Ms. Ana Andrews, Member
Mr. Don Bailey, Member
Ms. Judy Saiz, Member

MEMBERS PRESENT

IN LAS VEGAS:

Ms. Rosalie Garcia, Member
Mr. Chris Cochran, Member

MEMBERS ABSENT:

Mr. Robert Moore, Member
Mr. James Wells, Member
Mr. Jeff Garofalo, Member

FOR THE BOARD:

Mr. Dennis Belcourt, Deputy Attorney General

FOR STAFF:

Mr. Damon Haycock, Executive Officer
Ms. Laura Rich, Operations Officer
Ms. Celestena Glover, Chief Financial Officer
Ms. Kari Pedroza, Executive Assistant

1. Open Meeting; Roll Call

Board Chair Drozdoff opened the meeting at 1:00 p.m.

2. Public Comment

Public Comment in Carson City:

- There were none.

Public Comment in Las Vegas:

- There were none.

4. Action Item-

Continued from December 7, 2015 meeting, 2nd Level Board Review and award of HMO proposals by candidate vendors, Anthem, Prominence, Hometown Health and Health Plan of Nevada, pursuant to NRS 287.04345, including:

- a. Disclose the review by the Board of the vendors whose proposals scored the highest
- b. Identify criteria to evaluate the high scoring proposals
- c. Consider the ranking given to proposals by the evaluation committee
- d. Evaluate vendors' responses
- e. Award the contract based on the best interests of the State

DISCUSSION: The Board Members discussed the merits and weaknesses of each vendors' Proposal. The Board Members provided their scores for each vendor and the scores were tabulated by Gail Burchett, Purchasing Officer with the Nevada State Purchasing Division.

Board Action-

MOTION: Motion that we accept Anthem as the Statewide HMO Vendor.

BY: Member Saiz

SECOND: Member Cochran

DISCUSSION: Member Ewing-Taylor described the unusual situation of the Board being in disagreement with the Evaluation Committee in regards to the highest ranking vendor. Member Ewing-Taylor pointed out the Evaluation Committee is made up differently than the Board and has evaluators that are experts in the field of service which the State is requesting services. Member Ewing-Taylor stated her preference would be to award the HMO service contract to Anthem in the South and Hometown Health in the North, to allow Anthem a trial period prior to awarding them the contract for the whole state.

Member Andrews answered Member Cochran's question regarding how the Evaluation Committee evaluated the Proposals. Member Andrews stated the Evaluation Committee evaluated the Vendors' Proposals based on services the Vendors could provide in the North and the South. Member Andrews also stated everything the Board discussed in regards to the Vendors' Proposals was also considered by the Evaluation Committee.

Member Garcia requested that the Board consider the pricing provided by Anthem and the alternative, which would be a North and South blend. Member Garcia stated that if the Board chose to go with Hometown Health in the North and Anthem in the South and then blended the rates, as the Board normally would do, the rates in the South may be as much as \$200 more in the South than they are now.

Stephanie Messier from Aon Hewitt gave an opinion that the cost proposals provided by the proposing vendors may change as they did not have access to the current rates and further analysis could result in lower pricing.

VOTE: Members Saiz, Cochran, and Bailey voted 'Aye'.
Members Ewing-Taylor, Garcia and Andrews voted 'Nay'.
Chair Drozdoff provided the tie-breaking vote with an 'Aye'
The motion carried.

NEGOTIATING ITEMS- BOARD DIRECTION TO NV PURCHASING DIVISION:

Member Ewing-Taylor outlined the following negotiating items:

- Vendor must comply with PEBP's auditing requirements;
- Any surveys done need to be specific to the PEBP population;
- Need to ensure that the networks are Open;
- No increase to participants for premiums;
- Performance Guarantees outlined by PEBP will be adhered to; and
- To the extent possible, the very large dollar difference between the North and the South be mitigated.

3. Action Item-

Approval of the Action Minutes from the December 7, 2015 PEBP Board Meeting.

Board Action-

MOTION: Move that the action minutes from the December 7th meeting be approved.

BY: Member Ewing-Taylor

SECOND: Member Andrews

VOTE: Unanimous; the motion carried.

5. Public Comment

Public Comment in Carson City:

- Peggy Lear Bowen- Retiree Participant (see attached for comments)
- Marlene Lockard- Retired Public Employees of Nevada
- Priscilla Maloney- AFSME

Public Comment in Las Vegas:

- There were none.

6. Adjournment

Chair Drozdoff adjourned the meeting at 3:40 p.m.

Public Comment under Item 5:

Peggy Lear Bowen: My name and my words for the record. My name is Peggy Lear-Bowen, P-e-g-g-y, space, Lear, L-e-a-r, space, Bowen, B-o-w-e-n, Bowen is my last name. First and foremost, thank you, thank you, thank you for all your efforts and energies and due-diligence in following through with all that you did. For consideration I would like to bring two items up regarding 2016 and one area of potential benefit that might be restored. I know you took a vote in the last meeting not to accept a one option regarding vision benefit that was merely one option, I believe that other options can take place and if you have to award a second contract or something else to restore, simply restore, the vision benefit that was prior to getting what we have now of going in and having your appointment be for an annual evaluation or whatever for your vision and that is your total benefit, to restore the glasses, the contacts, and that sort of thing for the certain amount of money that used to be in that place. I believe according to a survey you received that 92% of those surveyed said they wanted a better vision benefit than we presently have and the suggestion has been made and requested and begged for to simply restore the vision benefit as it once existed with a certain amount of dollars being able to be spent after the annual evaluation for what the doctors recommended either contacts, glasses, etc. Not more, not less, simply restore a benefit that was lost and even a comment was made by a Board Member of what that benefit approximation is costing and that we could afford to do that and our members overwhelmingly want that restored as soon as possible. It would be nice if it was restored by July 1st of 2016 rather than leaving it in la-la land, that would be a direct response. And being a member of not the HMO plan but our high term deductible plan, when Renown's pool for aqua exercise and for aqua therapy became dysfunctional, sprung a leak and has finally been totally closed forever and a flooring has been put over it, unless they want to take the flooring out again. That we, in the North, need an alternative to aqua exercise. What's happened is, that our insurance covers aqua therapy with a physical therapist doing the aqua therapy but when you no longer need that but you need to maintain your gains that you gained in aqua therapy, aqua exercise the only alternatives that have been recommended to us since Renown pool closed and that's when I brought it to this Board for the first time is go to aqua therapy and pay \$35/\$40 a visit instead of what Renown used to offer at \$3.50 a visit to the pool and I've requested and I'm requesting once again that you consider with a doctor's direction saying you need to continue your aqua exercise to maintain what you gained in therapy. That they write a prescription, if you have a prescription that you be able to submit that prescription for the purchase of an annual gym or spa that has a pool for the purpose of utilizing the pool to take your aqua exercise, either in classes or on your own, and that that purchase of that membership be recognized as a benefit if referred to like a doctor refers you for other things to do what you need. There are those of us that can accomplish a great deal more in the water and for breathing, for joints, needs and everything else with the aqua exercise, even weight loss, that we can't achieve on land because of disabilities and so this would help us greatly in accomplishing your needs for us to be healthier and for our needs to be healthier by simply giving us access to a facility in the North. St. Mary's has a beautiful aqua exercise therapy center, pools and therapists and exercise leaders. St. Mary's offers that to, but our insurance will not allow it to be covered so if we could have some sort of addendum or whatever you need for those people. And it's not just weight loss. Those were my two concerns that I wanted to bring to you. And I wanted to say Happy New Year and I hope you all have a glorious one. Thank you very much.