



Health Matters.

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Benefit Wise Bulletin

Helping You Staying Informed...

Plan Year 2017 Benefits Update

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In December 2015, PEBP sent a bulletin revealing the Plan Year 2017 benefits update. The decision on those benefits considered the potential impact of the Affordable Care Act (ACA) “Cadillac Tax.” Immediately after, the federal government announced the Cadillac Tax would be delayed from 2018 to 2020. The PEBP Board’s decision to continue to provide the enhanced benefit design in Plan Year 2017 is further supported by this recent announcement. PEBP is dedicated to providing the highest level of benefits for the lowest possible costs to our participants, and the delay of the Cadillac Tax does not change that vow. The additional two years provides PEBP and the State a greater opportunity to strategically plan for this tax.

Furthermore, on January 12, 2016, the PEBP Board selected Anthem as the statewide HMO provider beginning July 1, 2016 for all PEBP HMO participants. The Anthem proposal for statewide services included a blended premium rate (similar to how PEBP determines rates for HMO participants today) for the entire state. The blended rate was proposed higher than current PEBP rates. PEBP staff were therefore tasked to aggressively negotiate down those increases, and if unable to, a second option would be activated. That option would be to contract with regional HMOs for reduced costs (Hometown Health Plan in Northern Nevada and Anthem in Southern Nevada). For comparison, the pre-negotiated estimates on the second option show a relatively flat premium to today’s rates. PEBP has just started the negotiations with Anthem and we want to reiterate our promise to obtain the best possible rates to make health care affordable for everyone.

The actions taken by the PEBP Board to consolidate HMO plan offerings across the state for consistency and provide greater access to care for HMO participants illustrates their dedication to providing high quality health care to all of our members. As the situation moves forward, we will provide additional bulletins to keep everyone informed so they can make the best possible decisions when open enrollment begins on May 1, 2016.

Public Employees’ Benefits Program

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