

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

The Richard H. Bryan Building  
PEBP Board Room Suite 1002  
901 South Stewart Street  
Carson City, Nevada 89701

**Video conferenced to:**  
Las Vegas – CSN Cheyenne  
3200 E. Cheyenne Avenue  
North Las Vegas, Nevada 89030  
Building C, 2<sup>nd</sup> Floor  
C-2638, Conference Room A

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**ACTION MINUTES (Subject to Board Approval)**

January 19, 2017

**MEMBERS PRESENT  
IN CARSON CITY:**

Mr. Patrick Cates, Board Chair  
Mr. Don Bailey, Vice Chair  
Ms. Ana Andrews, Member  
Ms. Leah Lamborn, Member  
Mr. Tom Verducci, Member  
Mr. James Wells, Member

**MEMBERS PRESENT  
IN LAS VEGAS:**

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

**FOR THE BOARD:**

Mr. Dennis Belcourt, Deputy Attorney General

**FOR STAFF:**

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

1. Open Meeting; Roll Call

Chair Cates opened the meeting at 9:05 a.m.

2. Public Comment

He stated he would enforce the three minute rule for public comment and this item would be for comments about items on the agenda that are not for possible action. He explained that for the action items on the agenda, the Board would have discussion, then there would be opportunity for public comment on the item prior to the Board taking action on the item.

Public Comment in Carson City:

- Marlene Lockard – Retired Public Employees of Nevada (RPEN)
- Kent Ervin – Nevada Faculty Alliance, Statewide Org. of NSHE Faculty (see attached for comments)
- Roger Brennan – Vice President of the American Federation of State, County and Municipal Employees (AFSCME) retiree chapter in Carson City
- Kathleen Yasmer – Retiree Participant

Public Comment in Las Vegas:

- Therese Campbell – RPEN Member

**3. Action Item-**

Consent Agenda

Consent items will be considered together and acted on in one motion unless an item is removed to be considered separately by the Board.

- 3.1. Approval of the Action Minutes from the January 19, 2017 PEBP Board Meeting.
- 3.2. Acceptance of the PEBP Chief Financial Officer quarterly reports for the period ending September 30, 2016.
  - 3.2.1. Budget Report
  - 3.2.2. Utilization Report
- 3.3. Acceptance of the annual PEBP Appeals and Complaints Summary for submission to the Division of Insurance.
- 3.4. Acceptance of the Casey, Neilon & Associates Audited Financial Statements of PEBP for Fiscal Year 2016.

**Board Action on Item 3-**

**MOTION:** Motion to approve the Consent Agenda.

**BY:** Member Cochran

**SECOND:** Vice-Chair Bailey

**VOTE:** Unanimous; the motion carried.

**4. Information Item-**

Overview of PEBP's portion of the Governor's Recommended Budget.

Celestena Glover, PEBP's CFO presented her report to the Board.

**DISCUSSION:** Member Garcia asked about continuing education cost and Member Cochran asked about continuing education utilization; Ms. Glover answered both of their questions.

**5. Information Item-**

Presentation on self-funded claims trend experience and projections of the composite rate trend for Plan Year 2018 (July 1, 2017 – June 30, 2018).

Stephanie Messier and Steven Caulk from Aon Hewitt presented their trend analysis to the Board.

**DISCUSSION:** Member Wells asked if it was common or uncommon across the country for consumer driven plans to have the same benefits and nearly flat rates for

three years. The Aon Hewitt representatives agreed that it was not common across the country. Member Wells further questioned if Aon's other clients were changing their plan design or increasing premiums. Ms. Messier replied that some clients reduce benefits and keep premiums flat and other clients increase costs and push those costs onto the employees or absorb the increase.

Member Lamborn asked if the trend analysis took healthcare reform into consideration, specifically if provider access impacted the trends. Mr. Caulk replied that this is considered when determining trend.

#### 6. Action Item-

Discussion and possible action to ratify the evaluation committee's decision to award contracts for Health Maintenance Organization administration services to Hometown Health Plan and Health Plan of Nevada effective July 1, 2017 – Request for Proposal 3265.

Executive Officer Haycock asked Jeff Haag, the Administrator of the Purchasing Division of the Department of Administration to give the background of this HMO procurement process to the Board. Executive Officer Haycock then presented his report to the Board.

DISCUSSION: Member Wells asked for clarification on the current plan year 2017 members showing 8,700 enrolled in the HMO. Executive Officer Haycock said that the number included total covered lives, primary participants and their covered dependents.

Vice Chair Bailey asked if the associated costs were included in the budget submitted to the Governor and Executive Officer Haycock responded that the increases were built into the budget that PEBP submitted.

Member Garcia asked about the reciprocity between the two plans and Executive Officer Haycock replied that he would provide an answer after speaking with representatives from the HMOs during a break.

#### Public Comment on Item 6

Public Comment in Carson City:

- Priscilla Maloney – Representative of AFSCME Retirees
- Marlene Lockard – Retired Public Employees of Nevada (RPEN)
- Kent Ervin – Nevada Faculty Alliance, Statewide Org. of NSHE Faculty
- Peggy Lear Bowen – Retiree Participant (see attached for comments)
- Ruth Hart – Retired Participant

Public Comment in Las Vegas:

- Douglas Unger – At large representative of the Executive Committee of the UNLV Faculty Senate

DISCUSSION: Member Verducci requested more information in regards to the 17% increase in the Health Plan of Nevada cost for plan year 2016. Paul Dolan and Michelle Walker from Health Plan of Nevada explained the HMO plan experienced participant migration out of the plan since the two HMO plans' were blended resulting in a small, higher risk pool of participants and that combined with the increase in prescription costs to the plan contributed to the increase.

Member Wells asked how much of the increase was attributed to opening the network access. Mr. Dolan and Ms. Walker both answered that it was minimal, 1 percent at the most.

**Board Action on Item 6-**

**MOTION:** Motion to adopt the staff recommendation to ratify the evaluation committee's recommendation, the contracts be approved with Hometown Health and Health Plan of Nevada to provide health maintenance organizations services beginning July 1, 2017.

**BY:** Member Verducci

**SECOND:** Member Wells

**VOTE:** The motion carried with Member Lamborn abstained.

**7. Action Item-**

Discussion and possible action continued from the November 17, 2016 meeting regarding proposed plan design changes for Plan Year 2018, including but not limited to the following.

7.1. Possible reductions to life insurance benefits (affects CDHP, HMO, and Medicare Exchange participants).

7.2. Possible decreases to CDHP HSA/HRA employer contributions.

7.3. Possible implementation of a near-site clinic and update on feasibility study.

7.4. Opportunity to revisit changes approved at the November meeting.

**DISCUSSION on 7.3:** Member Zack requested that the Board discuss Item 7.3 first in case there is a recommendation to implement the clinics, it may impact the amount of reserves available and possibly the vote for the other items under 7.

**Public Comment on Item 7.3 -**

Public Comment in Carson City:

- Peggy Lear Bowen – Retiree Participant (see attached for comments)

Public Comment in Las Vegas:

There was no public comment in Las Vegas.

**Board Action on Item 7.3-** Possible implementation of a near-site clinic and update on feasibility study.

**MOTION:** Motion to take the PEBP's recommendation to delay this item.

**BY:** Vice Chair Bailey

**SECOND:** Member Verducci

**DISCUSSION:** Member Wells expressed his interest in outsourcing the start-up of the clinic and suggested that PEBP look into working with the Purchasing Division to possibly do an RFQ.

**AMENDED MOTION:** Motion for PEBP staff to work with Purchasing on this item and bring it back for further consideration.

**BY:** Vice Chair Bailey

**SECOND:** Member Verducci

**VOTE:** Unanimous; the motion carried.

DISCUSSION on 7.1: There was discussion regarding communication to participants about changes to the life insurance benefits. PEBP will communicate all changes through all available channels.

**Public Comment on Item 7.1**

Public Comment in Carson City:

- Marlene Lockard – Retired Public Employees of Nevada (RPEN)
- Priscilla Maloney – Representative of AFSCME Retirees
- Kent Ervin – Nevada Faculty Alliance, Statewide Org. of NSHE Faculty
- Peggy Lear Bowen – Retiree Participant (see attached for comments)

Public Comment in Las Vegas:

- Douglas Unger – At large representative of the Executive Committee of the UNLV Faculty Senate
- Debra Berko – AFSME Actives Local 4041
- Jason Wasden – Chair of the UNLV Administrative Faculty Committee, member of the President's Advisory Counsel, member of the Benefits Advisory Committee and a member of the UNLV Faculty Senate

**Board Action on Item 7.1-** Possible reductions to life insurance benefits.

**MOTION:** Motion that the Board not proceed with the staff's recommendation to eliminate the enhanced benefit for the life insurance program.

**BY:** Member Garcia

**SECOND:** Member Verducci

**VOTE:** The motion carried with Members Wells and Lamborn opposed.

**Public Comment on Item 7.2**

Public Comment in Carson City:

- Kent Ervin – Nevada Faculty Alliance, Statewide Org. of NSHE Faculty
- Peggy Lear Bowen – Retiree Participant (see attached for comments)

Public Comment in Las Vegas:

There was no public comment in Las Vegas.

**Board Action on Item 7.2-** Possible decreases to CDHP HSA/HRA employer contributions.

**MOTION:** Motion that we approve PEBP's recommendation in enhanced funding for the HSA, HRA amount to be \$150.

**BY:** Member Garcia

**SECOND:** Member Verducci

DISCUSSION: Members of the Board felt that Items 7.1 & 7.2 should be acted on in one motion.

**VOTE:** The motion failed unanimously.

**Board Action on Items 7.1 & 7.2-** Life insurance benefits and HSA/HRA contributions.

**MOTION:** Motion that we restore life insurance benefits to \$20,000 for active employees, \$10,000 for retirees and enhance the HSAs at \$200 per individual with the preventative services requirement.

**BY:** Member Cochran

**SECOND:** Member Lamborn

**DISCUSSION:** Member Verducci wanted to verify that the buy up for life insurance would still be part of the offering under this motion. Executive Officer Haycock confirmed that it would.

**VOTE:** The motion carried with Member Garcia opposed.

**8. Action Item-**

Discussion and possible action regarding the 2017 Legislative process and potential Board position, recommendations and direction to staff about bills that may impact PEBP.

Executive Officer Haycock presented information on the bills that may impact PEBP and requested direction from the Board on how to proceed at the Legislature regarding these bills.

**Public Comment on Item 8**

Public Comment in Carson City:

- Kent Ervin – Nevada Faculty Alliance, Statewide Org. of NSHE Faculty
- Peggy Lear Bowen – Retiree Participant (see attached for comments)
- Rex Reed – Retired Participant

Public Comment in Las Vegas:

There was no public comment in Las Vegas.

**Board Action on Item 8-**

**MOTION:** Motion that we take a neutral position on SB80.

**BY:** Member Verducci

**SECOND:** Member Lamborn

**VOTE:** The motion failed with Members Andrews, Cochran, Garcia, Zack and Wells opposed.

The Board did not take any further action on this item.

**Board Action on Item 7.4-** Opportunity to revisit changes approved at the November meeting.

The Board did not take action on Item 7.4 because there was no desire to reexamine any decisions made at the November meeting.

**9. Information Item-**

Executive Officer Report.

Executive Officer Haycock presented his report to the Board.

There were no questions from the Board for Executive Officer Haycock regarding his report.

**10. Action Item-**

Discussion and possible action regarding Towers Watson's OneExchange's Service Improvement Plan.

Chris Garcia from Towers Watson's OneExchange presented the Service Improvement Plan to the Board.

**Public Comment on Item 10**

Public Comment in Carson City:

- Rex Reed – Retired Participant

Public Comment in Las Vegas:

There was no public comment in Las Vegas.

**Board Action on Item 10-** The Board did not take action on this item because they did not have any instructions to Towers Watson to do anything different.

#### 11. Public Comment

Public Comment in Carson City:

- Peggy Lear Bowen – Retiree Participant (see attached for comments)
- Susan Graf – Retiree Participant

Public Comment in Las Vegas:

There was no public comment in Las Vegas.

#### 12. Adjournment

Chair Cates adjourned the meeting at 4:25 p.m.

### **Public Comment – Item 6:**

**Peggy Lear Bowen:** Good morning. My name and my words for the record, my name is Peggy P-e-g-g-y space L-e-a-r space Bowen B-o-w-e-n. I'm somewhat saddened. I appreciate all of the work that you have done but it does not, in my opinion, listening and reflecting on all of the things that I've seen and been at the meetings, it does not seem to reflect that this Board by what they submitted to the Governor and actions they wanted to take and some things they wanted to recommend really has a strong advocate for this Board's continued existence.

And that you might be marking time, and I didn't get the feeling of how important you are to we the people, your participants. You are our voice. And when you submit or talk about submitting bill draft requests and budget requests and what you think is going to come about for Governor and you leave out the concerns that the Governor had and the legislature had pertaining to all of PEBP and the cost of doing business, when you revert back to an older plan that the legislature last session rejected and use that as the basis of your going forward, including the fact that you had the employer, and we have to remember the State of Nevada in the sense of doing the state's work for one and all, and the State of Nevada as employer are two different entities with different responsibilities in the sense of all of Nevada's work doesn't get done if it doesn't have employees.

And one of the benefits in lieu of salary has been that you had, and I use the past tense, an outstanding insurance program, both for active and retirees. And when you have people on your Board who have made it abundantly clear that they thought the State of Nevada should never ever insure retirees or the Board, their -- their kids and things like that that the State of Nevada should not be in the retiree insurance business as his -- as Mr. Wells that has stated for the record his gut level belief and everyone is allowed to have their beliefs. But once that belief was made known, this Board needs to reflect on any actions that are brought forth and any motions that are brought forth by that retiree that that's his background and that's what he believes and so be it, but is that the Board's belief?

And it's time this Board -- and I respect, appreciate and thank you for all your work and effort but if all your work and effort is sent over to a Governor or a legislative body with a sense that, well, they are defying us once again. We already told them where we stand, I'm talking about the legislature, and this is what we need and this is why we need not to be in a flat rate or a five percent lessening of our budget because of the needs that I would appreciate you stating as a fact as a Board, as an entity that you're responsible, that you have a purpose to exist, and your purpose is to be our voice. And I thank you very very much for being here on a cold and snowy, icy day. Thank you.

### **Public Comment – Item 7.3:**

**Peggy Lear Bowen:** My name and my words for the record Peggy Lear Bowen. I'm concerned about these clinics and especially in their locations. When we are initially hearing about these clinics, we were hearing about them maybe being in more rural areas where they didn't have such medical access and things like that.

But I have to tell you that if they are equivalent to urgent care in our present system that in the four times I've visited urgent care, I have been referred to after the billing for urgent care took place to go to the hospital to deal with what was going on.

And so what I'm concerned about in this situation is that you're setting up another level of expending money without benefitting those who really need the benefit on the idea that maybe they can go to this -- this type of clinic and deal with colds and things like that.

And the concern is that for the overall bang for your buck that what you're looking at is maybe a situation where your buck not only gets a bang. It gets a deficit and adds to the cost of healthcare and especially when you put it in major areas like in -- in Carson City, Reno and Las Vegas, we were talking about transporting from Tonopah, Pahrump, wherever where they didn't have as



much medical options and stuff like that to get the help they needed instead of just trying to call the help nurse or the hotline nurse. Those things are already in place and supplied by hospitals at least in northern Nevada at no cost to PEBP.

And so if you just want me to talk to somebody and do it that way or do you really want to have another branch of medical provision that is actually providing something that I can't get within the community I'm living. Thank you.

### **Public Comment – Item 7.1:**

**Peggy Lear Bowen:** My name and my words for the record, Peggy Lear Bowen, P-e-g-g-y L-e-a-r B-o-w-e-n. I want to compliment you for reaching this point. We were at this point in November when you were talking about benefits and whether you were going to look into enhanced benefits for vision and what about hearing and the life insurance policy and you -- your conversation on the record was one of going in a certain direction when Mr. Wells was asked for his input. I believe Mr. Bailey encouraged him for his input during that meeting. That was the perception I had.

And at that point in time, Mr. Wells said he really wasn't going to say anything and then he did, and what it came down to that if you're -- and this is a bad sort of closed quote from Mr. Wells, was that if he didn't agree with that what you did, he could change the numbers. And he was asked by the other representative, I think it was Ms. Garcia to, maybe wrong person, to explain why he said what he said and then it was explained how he is the budget director for the state.

And then if the numbers weren't acceptable, he would just change them and make them acceptable for going into the budget. I don't know if the budget's director is authorized to do that sort of thing, to change the numbers by groups unilaterally or however they want to go about it. Go to the Governor's office and their budget people work with what's going on.

What I do know is that the tenor of the topics and what was to be done changed dramatically at that moment and it went from talking about enhancements or, and I agree totally with Ms. Lockard, restoration of benefits, that we have been doing without because of the changes in the plan, and basically it's been privatization of the plan.

The selling of A and B Medicare folk to a group in Utah to be administered when Mr. Wells was asked can we undo this in 2011, and I know that was asked because I asked it. And his response was maybe. Well, I'm going to reinterpret the maybe to no. Once you sold something, you can't go back and get the car back again. You sold it, and you can't make changes to the car because it belongs to somebody else, unless you get some new agreement.

And what my concern is today is that we have an insurance plan for actives and for retirees that reflect the taking care of the health benefits and we participate in paying premiums and the state participates in their fashion and that it comes together as part of the State of Nevada taking care of state workers, present and retirees.

And it matters not to me anymore about whether or not you're non state or state person, the orphans. I developed that term in the legislature when I said I felt like an orphan and that caught fire and nobody has been able to change it, including me. But my point is that nobody who is given service for this state and investment meanings should ever be treated like anything less than a worker for the state that had benefits, should keep benefits or restore benefits.

And if you were encouraged to come into this plan because they hoped by taking the retirees, they later get the actives which the school districts did not do in other entities that you still have this group as your group that you made a commitment to, and we've made a commitment to by also participating by the payment of premiums anywhere for 150 a month to almost 700 a month, depending on the year or the plan.

Please keep in mind that Nevada is an employer, that we are employees and that the contract is issued or the agreement is issued on common trust, and we're trusting you to do the right things and remain our voice and don't submit things that are any less -- that make you appear any less than our voice so that you're maintained and that the benefits are restored as we would work to do

that when we were brought into this plan in 2011 and please -- 2011, 2012, when the plan came into play, and please do what we have said we need to do and the idea to cut is unconscionable. Thank you very much for your patience.

### **Public Comment – Item 7.2:**

**Peggy Lear Bowen:** Good afternoon. My name and words for the record, Peggy Lear Bowen, P-e-g-g-y L-e-a-r B-o-w-e-n. Damon, you just hit the nail on the head for perfection. You used the KISS stencil, keep it short and simple. If you tell me one -- at least one annual visit to a doctor that is handled -- that billing is handled and everything is handled just like any other visit to the doctor. If you tell me one visit to the vision specialist, that's handled like any other visit to the vision specialist. And one visit to the, well, you had four cleanings, I would hate to see it reduced to one, maybe two. That's just Peggy talking to keep the cavities away and the crowns away and all of that other tooth replacement put away. You keep it simple. You say one visit to the doc. Two or four visits or however many to the dentist, one to the vision doctor and the other one, mammogram, what was the fourth item on the -- and then don't use the word preventative -- I use the word preventative, not any of the other terms that got mixed in and thrown into the verbiage at the legislature.

The reason that this was changed at the legislature was made abundantly clear by the legislators, they wanted to offset the cost of the insurance premium to the orphans. It had nothing else to do with much else, but they were inundated with people with what was do the right thing because it's the right thing to do and be fair, and that's what that issue was about that legislative session, and it's going to be brought up again this legislative session.

And so if you put in a quick preventative plan and tie the people to going to that preventative plan to get whatever incentive you want to do, that's simple, why not stick with it. What -- what was the fourth, mammogram? What were the four areas you were mentioning? (Executive Officer Haycock let Ms. Bowen know that he would outline the four requirements after her public comment) Oh, okay. Anyway, congratulations on keeping it simple showing the legislature we're not doing a wellness program because that really doesn't work well for them but we are doing a preventative program that you asked us to do and that's wonderful. Thank you.

### **Public Comment – Item 8:**

**Peggy Lear Bowen:** My name and words for the record, Peggy, P-e-g-g-y Lear, L-e-a-r Bowen, B-o-w-e-n. We have come full circle. The first circle where we started with the employer speaking for the employees and then the employees feeling that their words and thoughts and concerns and desires were not heard, sort of like the fox watching the henhouse, and please don't take that personally, Mr. Cates. Chairman Cates said no offense taken.

Mr. Cates, I don't mean it personally. I mean it in a member of process. You can't possibly have a process. Take a health insurance company who owns a hospital dictating on who gets to live or die and who gets to go home and who gets what procedures based on a hospitalist, after the emergency room has checked you out and said what you needed. Then the hospitalist determines whether or not you are admitted because if you're admitted, then the insurance company pays and the person pays for that admittance. Whereas, all of the rest of A and B Medicare folk, maybe 20 percent and it's a lot cheaper for the insurance company never to admit you to the hospital. And if you reach a certain age, then you live long enough. Those are things we deal with everyday under the present plan, but at least we have you to come to to talk to about that.

Whereas, who do we talk to? Like you just said, you're going to support your boss. And, quite frankly, I think today was a perfect example of what happens when a Board makes a decision that wasn't popular with the boss and so stated on the record, you couldn't support, you couldn't do, and we took a lunch break. I'm not in belief of anything else that you're good honorable

people but to come back, I know in any other organization I belong to, and I don't know what exact rules you follow, but reconsideration takes a two-thirds vote, and there has to be good substantial reason for that reconsideration before the vote to reconsider is taken. For you to have a change in heart on how you handled your vote today and what you wanted, and the people who are on the losing end of the vote before lunch were the ones bringing it up and bringing it up and pounding it home.

And, quite frankly, when you have a gentleman on the Board who's head of the budget for the state and then you have people sitting here going they not only because of the makeup of this Board for the most part, they put their livelihoods on the line. They put their jobs on the line. They put everything they believe on the line to vote their conscience and do the right thing because it was the right thing to do. I believe we saw a perfect example after lunch of what takes place when the boss is in charge, and that's unfortunate, and it's not because you're mean or you're going to fire somebody or you're going to do anything else. It's the essence of your presence in the position that you have also comes a great responsibility. And when a vote comes and is taken and, boy, that was a hard vote, then you need to move on, and there was no need to tie what was going on, quite frankly, from my public perception to a remark about how much you have, whether it to be 200, 300, whatever dollars for the enhancements for people who might use a preventative program. That meant very few people's need. Whereas, the retirement program read everybody's needs.

And that's enough said, and I know I probably met my three minutes but, ladies and gentlemen, right now if you can't go home and sleep well tonight and your gut is telling you something is wrong, it's because there is. And to turn this into an advisory board, I've been on all kinds of boards, separate and advisory, and I got to tell you, the advice is worth what you pay for it. Whereas, somebody who is in a position to make the recommendation to get the job done, that's where the power is. That's what is recognized and, quite frankly, to recommend and, like she said, you could accomplish a great deal of what you wanted, Mr. Cates, in existing verbiage, and yet the law doesn't need to be changed because that was our protection that we had a viable voice, not just a voice. Thank you very much, and I hope you have a nice, safe trip home.

### **Public Comment – Item 11:**

**Peggy Lear Bowen:** My name and words for the record, Peggy, P-e-g-g-y Lear, L-e-a-r Bowen, B-o-w-e-n, first and -- sorry. My name and words for the record. Peggy, P-e-g-g-y Lear, L-e-a-r Bowen, B-o-w-e-n.

First and foremost, I want to thank you all for all of the efforts you have made on your behalf. And today for the first time in all of the years I've been coming, you as members stated that tremendous burden that you bear by being on this Board and that what you have to be cognizant about.

And keep in mind the one thing that I would say beyond and above everything else, we can agree to disagree but not be disagreeable, and I hope that's been accomplished at all points in time.

You as individuals, wow, what a magnificent job you're doing. The only thing I need to remind you, and it's clear as mud, it's the Public Employees' Benefit Board, not the public employers benefit board and when we speak to you, we're speaking to you as our representatives, and I'm not going to vote against my boss. That's a fact in reality that you deal with by the jobs you hold and what you need to accomplish on this Board.

And there's not one point in time in any of my comments today that I ever said anything that wasn't a quote or wasn't based on what had happened in these findings and things. I do have one parliamentary question or legal question but I as a member of the public can't ask the Attorney General on these sorts of questions. When you asked him if it was okay to reconsider, my question to you was did you close that portion of I believe it was Item Number Seven after the vote had been taken in the morning and if you closed it after the vote was taken, does that mean

that you have to give notice that you're going to reconsider, that you have to have a certain number of people to reconsider that item.

And I almost was wanting to get up and scream when you did the last -- the 7.4 that you left out that. That could have been brought up again under 7.4 because the item as it reads on the agenda was reconsider the actions of, and it was the action which you took at the November meeting but that lended itself to also which was the action you took today before lunch for you to be able to reconsider it a third time if you're following your agenda as it was written, and I think I'm correct on that, and you might want to ask the Attorney General that.

And just for your own benefit, after you get to go home and talk to the folk, the people, the employees that you represent as to whether or not you want to take another bite of that apple because I think you got the apple open and bitten into already, and it would make it so your actions this afternoon were available for people to come back and talk to you once more.

And I love you very much, and I hope you have a safe journey home, and I want you to know I appreciate everything you do and the pressures and the constraints that you work under because you take a great deal of courage serving on this Board, putting you, your job and your family on the line. Thank you so much for being courageous.

# Supplemental Material

## Public Comments

From: McBride, Laura [REDACTED]  
Sent: Friday, January 13, 2017 10:21 AM  
To: Pedroza, Kari <kpedroza@peb.state.nv.us> [REDACTED]  
Subject: PEBP cuts

Dear Ms. Pedroza, Dr. Cochran, and Mr. Haycock -

I am respectfully writing to ask you not to increase rates and decrease benefits for the High Deductible PPO plan.

I have been a full time state employee for 12 years, and I am grateful to have health insurance benefits that have been meaningful for my family. Still, increasing the rates and decreasing the benefits for the high deductible plan will hit hard. For families with chronic illnesses, the annual expenses are considerable already. And for state employees, who have only recently returned to and slightly surpassed their 2008 salaries, these increases will further set back their efforts to recoup the losses of the recession.

Thank you for your consideration -

Laura McBride  
English Professor  
College of Southern Nevada

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**From:** Michael P Branch [REDACTED]  
**Sent:** Friday, January 13, 2017 6:51 PM  
**To:** Pedroza, Kari <kpedroza@peb.state.nv.us>  
**Cc:** Michael P Branch [REDACTED]  
**Subject:** comments for PEBP meeting

Dear Ms. Pedroza,

Thanks very much for receiving this brief comment, which I'd like to contribute in advance of the PEBP meeting next week.

I've been a professor at UNR since 1995, and I've had a very rewarding career here. But in recent years I've seen faculty morale plummet. We've come through pay cuts and furloughs, but we still have no reliably funded merit system, and our health care, already weakened, is once again at risk of being weakened further. Enrollment goes up. New buildings go up. The research ambitions of the institution go up. The rhetoric of progress also escalates. But support of faculty has not. Further weakening our benefits is part of a larger pattern in which support of faculty and their families has been eroded to a troubling degree. I do not worry so much for myself; if PEBP gets any worse I am fortunate that I can switch health coverage to my wife's work, since their coverage is far better than ours. But I worry so much for younger faculty who are trying to start careers and families here in Nevada, and who consistently feel that this is a place that doesn't support or appreciate their considerable efforts on our collective behalf. The implications of the erosion I've described are already taking a toll on recruitment and retention of superb faculty.

One important way to resist this corrosive pattern is to get our health benefits off the chopping block and assure young faculty that we appreciate their work and can administer a system that offers them good health care with a reasonable deductible, strong coverage, and adequate preventative support.

Thank you for sharing my comments at the meeting, or as part of the record of the meeting.

Sincerely,  
Michael P. Branch  
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Michael P. Branch  
Professor of English  
Department of English/ 098  
University of Nevada, Reno

[REDACTED]

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From: Geoffrey M Smith [REDACTED]  
Sent: Saturday, January 14, 2017 10:57 AM  
To: Pedroza, Kari <kpedroza@peb.state.nv.us>  
Subject:

I'm writing to express my concern about proposed changes to the PEBP. As an NSHE employee we've seen furloughs, pay cuts, and elimination of merit pay. Moral is very low and I've watched many people leave. Increased costs will result in reduced takehome pay. Please do what you can to make sure this does not happen.

Geoffrey M. Smith

Associate Professor, Graduate Program Director, and Executive Director of the Great Basin  
Paleoindian Research Unit Department of Anthropology, University of Nevada Reno

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**From:** Marin Pilloud [REDACTED]  
**Sent:** Monday, January 16, 2017 8:23 AM  
**To:** Pedroza, Kari <kpedroza@peb.state.nv.us>  
**Subject:** Benefit cuts on PEBP

I am a professor at UNR with two young children. My husband is working on his PhD in chemistry at the university as well. My husband's health care through his graduate assistantship is not very comprehensive, and he does not have dental insurance. We rely heavily on my health savings account to cover medical expenses for the family. None of us are on medications, and we are all very healthy. However, even small incidents can cost us thousands of dollars on the current plan. My husband [REDACTED] and required a very expensive [REDACTED] [dental procedure]. That same month my [REDACTED] son [REDACTED] was rushed via ambulance to the hospital from his daycare [REDACTED]. With

the high deductible PPO both these medical emergencies cost upwards of 10,000 dollars. My HSA could not cover all of the costs and we are spending several thousand dollars out of pocket.

This situation is by no means unique – this is the state of health care in this country. We are barely surviving with my salary and these medical costs are exorbitant. Any reduction in benefits would greatly hurt my family and our ability to thrive in this area.

Please do not cut these benefits.

Best,  
Marin A. Pilloud, PhD, D-ABFA  
Co-editor Dental Anthropology  
Assistant Professor  
Department of Anthropology  
University of Nevada, Reno

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From: Hess, Keith [REDACTED]  
Sent: Monday, January 16, 2017 10:31 AM  
To: Pedroza, Kari <kpedroza@peb.state.nv.us>  
Cc: [REDACTED]  
Subject: PEBP Benefits Cuts

Dear Mr. Cochran,

I'm writing to you concerning the meeting that the PEBP Board has on Thursday, January 19, 2017 to consider making cuts to the PPO plan benefits. As a new instructor and employee of CSN, I'm having trouble making ends meet and providing for my wife and three kids while staying out of debt. (But please know that I'm very grateful for my job at CSN.) Cuts to the PPO plan benefits would increase that struggle. I understand if cuts need to be made in order to meet the budget, but - and I'm sure you're aware - know that it will impact people like me. If there's any way for the Board to avoid making these cuts, my family and I would appreciate it.

Sincerely,  
Keith Hess  
Philosophy Instructor  
Department of Social Sciences  
College of Southern Nevada



**From:** Kathryn J Pflughoeft [REDACTED]  
**Sent:** Tuesday, January 17, 2017 8:09 AM  
**To:** Pedroza, Kari <kpedroza@peb.state.nv.us>; [REDACTED]  
**Subject:** PEBP benefits cuts

Hello,

I am writing to voice my dismay in the released information on the upcoming putative benefits cuts. My husband and I are both on the faculty of UNR and therefore rely exclusively on PEBP for the health insurance needs of our family. As you are aware the number of physicians in Northern Nevada is lacking, particularly specialists, indicating that we are already at a disadvantage in terms of health care compared to our colleagues in the rest of the country. But our family has an additional concern, we have a [REDACTED] [child who requires more medical attention]. Families such as ours spend considerably more time and money considering and dealing with medical establishment than [other] families [REDACTED]. By decreasing benefits in the high deductible option and raising priced on the already high cost HMO, the PEBP board will increase the stress and options to families like ours. Please consider the NSHE community as a whole when making the upcoming decisions on our insurance, some of us depend on those decisions more than others.

Thank you,  
Kate Pflughoeft

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**From:** Corinne M Martin [REDACTED]  
**Sent:** Tuesday, January 17, 2017 8:25 AM  
**To:** Pedroza, Kari <kpedroza@peb.state.nv.us>  
**Subject:** NO!

Hello, Kelly - I am deeply concerned at the proposed cuts to our employee benefits. I strongly support a “wait and see” approach as the new Federal Administration settles in to correct the egregious conflagrations inflicted on our health care by the “Affordable Care Act”. I am hopeful and confident that a President Trump will repair and improve that health care and our benefits should reflect that potential.  
Thank you.

Ms. Cory Martin  
Education Coordinator  
University of Nevada, Reno School of Medicine  
Outreach Center/Frontier AHEC

**From:** Baker, Katherine [REDACTED]  
**Sent:** Tuesday, January 17, 2017 10:45 AM  
**To:** Pedroza, Kari <kpedroza@peb.state.nv.us>  
**Subject:** PEPB proposed benefit cuts

I am asking you and the Board not to cut benefits from our current health plan and not to increase premiums at the same time! As a professor at the College of Southern Nevada, I have been the recipient of pay cuts, and benefit cuts for the last decade. As a member of the largest insurance group in the State of Nevada, I should think that my health insurance benefits and premium should be one of the best in the state, yet it continues to cost more and provide less than many other plans in Nevada. Please negotiate with the carriers to keep our premiums down and increase our benefits.

Thank you,  
Katherine L. Baker, Ph.D.  
Assistant Chair, English Department  
College of Southern Nevada, North Las Vegas Campus

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**From:** Michael F Maskaly [REDACTED]  
**Sent:** Tuesday, January 17, 2017 1:20 PM  
**To:** Pedroza, Kari <kpedroza@peb.state.nv.us>  
**Cc:** [REDACTED]  
**Subject:** Comments for Upcoming PEBP Meeting

Dear PEBP Directors,

I am concerned with the recently proposed health care changes that have been proposed by this Board. Again is another round of cuts and increased costs borne by employees who have not seen a “real” raise in their pay for over 6 years. (The 1% increase in 2016 was eaten up by a 1.5% increase of the PERS contribution)

The new cost break downs as I understand it are as follows:

1. Deductible increase of \$100 to be borne by the employee
2. Cut of \$100 to HAS, again to be at the cost of the employee.
3. Life Insurance reduction by 60%,.
4. \$25 copay on vision which only covers \$100 and is nowhere near what the industry charges. Again on the employee

This in addition to increase monthly premium paid by the employee and a Prescription Plan (managed by Express Scripts) that have seen prescription costs soar. Much discussion with the Mr. Damon Haycock about this issue has brought no resolution to this issue. When generic, maintenance prescriptions can be purchased outside the Express Script network for 40-60% less than in network, you have a strong indicator of a broken system.

I believe the employees of this State deserve a better stake rather than shake down at this health program that is before the Board.

Thank You for Your Time  
Michael Maskaly