

**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:**  
Nevada State Business Center  
330 West Sahara Avenue  
Tahoe Room, Suite 430  
Las Vegas, Nevada 89102

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

July 27, 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. John Packham, Member  
Mr. Glenn Shippey, Member  
Mr. Tom Verducci, Member  
Ms. Christine Zack, Member

**MEMBERS PRESENT**

**IN LAS VEGAS:**

Mr. Chris Cochran, 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 9:23 a.m.

2. Public Comment

Public Comment in Carson City:

- Marlene Lockard – Retired Public Employees of Nevada (RPEN)
- Kent Ervin – UNR Faculty Senator

Public Comment in Las Vegas:

- Mike Bindrup – Active Participant

**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 May 25, 2017 PEBP Board Meeting.

3.2. Receipt of quarterly staff reports for the period ending June 30, 2017:

3.2.1. PEBP Chief Financial Officer Reports

3.2.1.1. Budget Report

3.2.1.2. Utilization Report

3.2.2. PEBP Operations Officer Report

3.3. Receipt of quarterly vendor reports for the period ending March 31, 2017:

3.3.1. HealthSCOPE Benefits – Obesity Care Management Program

3.3.2. Hometown Health Providers – Utilization and Large Case Management

3.3.3. The Standard Insurance – Basic Life and Long Term Disability Insurance

3.3.4. Towers Watson's One Exchange – Medicare Exchange

**Board Action on Items 3.1., 3.2.2., 3.3.3. & 3.3.4.-**

**MOTION:** Motion to approve the other items.

**BY:** Vice-Chair Bailey

**SECOND:** Member Verducci

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

**Board Action on Item 3.2.1.-**

**MOTION:** Motion to accept the report as submitted.

**BY:** Member Cochran

**SECOND:** Member Lamborn

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

**Board Action on Item 3.2.1.1.-**

**MOTION:** Motion to approve Item 3.2.1.1.

**BY:** Member Andrews

**SECOND:** Vice-Chair Bailey

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

**Board Action on Item 3.3.1.-**

**MOTION:** Motion to accept the report with recommendation to provide background information and descriptions of the programs in future reports.

**BY:** Member Cochran

**SECOND:** Member Andrews

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

**Board Action on Item 3.3.2.-**

**MOTION:** Motion to accept the report as submitted.

**BY:** Member Cochran

**SECOND:** Member Lamborn

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

**4. Action Item-**

Health Claim Auditors, Inc. quarterly audit of HealthSCOPE Benefits (HSB) for the period ending March 31, 2017.

- 4.1. Report from Health Claim Auditors.
- 4.2. HealthSCOPE Benefits response to audit report.
- 4.3. Accept audit report findings and assess penalties, if applicable, in accordance with the performance guarantees included in the contract pursuant to the recommendation of Health Claim Auditors.

**Board Action-**

**MOTION:** Motion to approve the auditor's report and waive the penalty.

**BY:** Member Verducci

**SECOND:** Member Zack

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

**5. Action Item-**

Election of Board Vice-Chair pursuant to Nevada Administrative Code (NAC) 287.172. Eligible candidates are Ana Andrews, Don Bailey, Sr., Christopher Cochran, Tom Verducci, Christine Zack, and Leah Lamborn.

**Board Action-**

**MOTION:** Motion to nominate Don Bailey for the vice-chair position on the PEBP Board.

**BY:** Member Andrews

**SECOND:** Member Verducci

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

**6. Action Item-**

Executive Officer Report including discussion and possible board direction regarding updating the PEBP Board Duties, Policies and Procedures, and Strategic Plan.

**Board Action-**

**MOTION:** Motion to authorize Damon and his staff to update the Board duties, policies and procedures and the strategic plan to include two new staff members and redline the duties, policies and procedures and present them at the September Board Meeting.

**BY:** Member Zack

**SECOND:** Member Lamborn

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

**7. Action Item-**

Discussion and possible action regarding beginning the adoption process for proposed regulation changes on subrogation.

**Board Action-**

**MOTION:** Motion to approve the regulation as outlined and allow PEBP to move forward with the regulation adoption process.

**BY:** Member Verducci

**SECOND:** Vice Chair Bailey

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

**8. Action Item-**

Discussion and possible action on approving the development of contract extensions for the following:

- Express Scripts, Inc., Pharmacy Benefit Management services, 1-year contract extension
- The Standard Insurance Basic Life and Long Term Disability, 4-year contract extension

**Board Action-**

**MOTION:** Motion to approve a one-year extension with Express Scripts for PBM services and four-year extension with The Standard basic life insurance and long term disability services as described in the report.

**BY:** Member Verducci

**SECOND:** Vice Chair Bailey

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

**9. Action Item-**

Discussion and possible action to include board direction on proceeding with the Utilization Review Accreditation Commission (URAC) Accountable Care Accreditation.

**Board Action-**

**MOTION:** Motion to proceed with accreditation for the state procurement process.

**BY:** Member Zack

**SECOND:** Member Andrews

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

**10. Action Item-**

Discussion and possible action delegating authority to the Executive Officer to make or accept an Offer of Judgment in the matter of Ghan v. PEBP, 9<sup>th</sup> Judicial District of the State of Nevada, Department II. **Note:** The Board may recess and hold a closed session to receive information, discuss and deliberate in a confidential attorney-client gathering from which all but essential personnel will be excluded—see NRS 241.015(3)(b)(2).

**Board Action-**

**MOTION:** Motion to delegate authority to Damon Haycock to make or accept an offer of judgment in the matter of Ghan versus PEBP, Ninth Judicial District, State of Nevada Department Two.

**BY:** Member Zack

**SECOND:** Member Verducci

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

**11. Action Item-**

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

**Board Action on Item 10** - No Action was taken on this Item.

**12. Public Comment**

Public Comment in Carson City:

- Kent Ervin – UNR Faculty Senator

Public Comment in Las Vegas:

- There were no public comments in Las Vegas.

13. Adjournment

Chair Cates adjourned the meeting at 11:55 a.m.