

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

The Legislative Building
401 South Carson Street, Room #1214
Carson City NV 89701

Video conferenced to:

The Grant Sawyer State Office Building
555 East Washington Avenue, Room #4412
Las Vegas NV 89101

ACTION MINUTES (Subject to Board Approval)

September 27, 2018

**MEMBERS PRESENT
IN CARSON CITY:**

Mr. Patrick Cates, Board Chair
Mr. Don Bailey, Vice Chair
Ms. Jennifer Bonilla, Member
Ms. Leah Lamborn, Member
Mr. Glenn Shippey, Member
Mr. Tom Verducci, Member

**MEMBERS PRESENT
IN LAS VEGAS:**

Ms. Linda Fox, Member
Ms. Christine Zack, Member
Mr. John Packham, 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. Laura Landry, Executive Assistant

1. Open Meeting: Roll Call

Chair Cates opened the meeting at 9:03 a.m.

2. Public Comment

Public Comment in Carson City:

- Jon Bakkedahl – PEBP Participant
- Kent Ervin – Nevada Faculty Alliance
- Stephanie Parker - PEBP Participant

Public Comment in Las Vegas:

- There was no public comment in Las Vegas.

3. PEBP Board disclosures for applicable Board meeting agenda items. (Dennis Belcourt, Deputy Attorney General) (Information/Discussion)

4. Consent Agenda (Patrick Cates, Board Chair) (**All Items for Possible Action**)

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

4.1. Approval of the Action Minutes from the July 26, 2018 PEBP Board Meeting.

4.2. Receipt of PEBP Chief Financial Officer annual reports for year ending June 30, 2018:

4.2.1. Budget Report

4.2.2. Utilization Report

4.3. Receipt of annual vendor reports for timeframe July 1, 2017 - June 30, 2018:

4.3.1. HealthSCOPE Benefits – Obesity Care Management Program

4.3.2. Hometown Health Providers – Utilization and Large Case Management

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

4.3.4. Willis Towers Watson - Individual Marketplace Enrollment & Performance Report

4.4. Health Claim Auditors, Inc. quarterly audit of HealthSCOPE Benefits for the timeframe April 1, 2018 – June 30, 2018:

4.4.1. Report from Health Claim Auditors

4.4.2. HealthSCOPE Benefits response to audit report

4.4.3. 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.

4.5. Receipt of the PEBP Biennial Legal Compliance Review report performed by Aon.

Board Action on Item 4 -

MOTION: Motion to accept all items on the consent agenda.

BY: Vice Chair Don Bailey

SECOND: Member Leah Lamborn

VOTE: Unanimous; the motion carried.

5. Presentation on the State of PEBP. (Damon Haycock, Executive Officer)
(Information/Discussion)

6. Discussion and possible board direction regarding updating the PEBP Strategic Plan. (Damon Haycock, Executive Officer) (**For Possible Action**)

Public Comment on Item 6 -

Public Comment in Carson City:

- Peggy Lear Bowen - Retiree Participant (See Exhibit A for comments)

Public Comment in Las Vegas:

- There was no public comment in Las Vegas.

Board Action on Item 6 -

MOTION: Motion to update the PEBP Strategic Plan as outlined today.

BY: Member Christine Zack

SECOND: Member Jennifer Bonilla

VOTE: Unanimous; the motion carried.

7. Discussion and possible action on providing PEBP staff final approval on a 2-year amendment to the Morneau Shepell contract for eligibility and enrollment system enhancements with a new fully integrated voluntary benefit platform. (Damon Haycock, Executive Officer) (**For Possible Action**)

Board Action on Item 7 -

MOTION: Motion to provide the final approval for a two year contract extension as recommended.

BY: Vice Chair Don Bailey

SECOND: Member Tom Verducci

VOTE: Unanimous; the motion carried.

8. Discussion and possible action regarding the Morneau Shepell Voluntary Benefits Platform and benefit selection for Plan Year 2020 offerings to members on the Consumer Driven Health Plan (CDHP), PEBP Premier Plan (EPO), southern Nevada Health Maintenance Organization plan (HPN), and Via Benefits (Medicare Exchange). Proposed benefits include, but not limited to:

- Accident, Critical Illness, and Hospital Indemnity;
- Identification (ID) Theft Protection;

- Legal Plan Provisions;
- Automobile, Home, and Renters Insurance;
- Pet Insurance;
- Payroll Purchasing Program;
- Vision Plan Services

(Laura Rich, Operations Officer) (**For Possible Action**)

Public Comment on Item 8 -

Public Comment in Carson City:

- Kent Ervin - Nevada Faculty Alliance
- Priscilla Maloney - Representative of AFSCME retirees

Public Comment in Las Vegas:

- There was no public comment in Las Vegas.

Board Action on Item 8 -

After consulting with legal counsel Chair Cates made a recommendation that this item be reconstructed and brought back at the November 29th Board Meeting for further discussion. The agenda item was constructed to discuss offering benefits not selecting particular providers. The item was closed, no action taken.

9. Discussion and possible direction from the Board to staff on potential program design changes for Plan Year 2020 (July 1, 2019 to June 30, 2020) for which the Board requests additional information and costs to be presented at the November 29, 2018 meeting. (Damon Haycock, Executive Officer) (**For Possible Action**)

Public Comment on Item 9 -

Public Comment in Carson City:

- Jon Hager – Hometown Health
- Terri Laird – Executive Director of RPEN
- Priscilla Maloney - Representative of AFSCME retirees
- Kent Ervin - Nevada Faculty Alliance
- Kevin Ranft – AFSCME 4041
- Peggy Lear Bowen - Retiree Participant (See Exhibit A for comments)

Public Comment in Las Vegas:

- There was no public comment in Las Vegas.

Board Action on Item 9 -

MOTION: Motion to approve going forward with exploring all of the different options with the addition of analyzing cost savings of RX coupons and how that may or may not apply to accumulators, pricing out the cost of eliminating the \$25 vision copay and looking into increasing the dental maximum.

BY: Member Christine Zack
SECOND: Member Linda Fox
VOTE: Unanimous; the motion carried.

10. Public Comment

Public Comment in Carson City:

- Peggy Lear Bowen - Retiree Participant (See Exhibit A for comments)

Public Comment in Las Vegas:

- There was no public comment in Las Vegas.

11. Adjournment

Chair Cates adjourned the meeting at 1:00 p.m.

Exhibit A

These remarks are presented as transcribed by Capitol Reporters.

AGENDA ITEM 6 - PUBLIC COMMENT FROM MS. BOWEN:

MS. BOWEN: Good morning. My name and words for the record, my name Peggy, P-e-g-g-y Lear, L-e-a-r Bowen B-o-w-e-n. The comment I would like to make had to do with the workshop and with the survey questions. I felt and members with me felt that the survey we requested during the meeting made it very formal that when the survey was to be put together that members of the -- of us, meaning the clients of PEBP, whether they be from the University or whatever, that we members be involved in the creation of the survey questions because it's all in what you're looking for and the answers you're trying to seek in making this survey better to make the reach the need of what we need from the people from PEBP. Secondly, the survey and who was selected to receive it, both the head of RPEN and Elaine Steiner and I was one, we weren't selected to receive the survey. So we don't know who answered the questions. We don't know what the questions -- what groups were represented in the answering of questions and, therefore, we don't know if the survey -- I don't feel, Peggy Lear Bowen personally as an individual feels this survey lacked validity in terms of -- in terms of who was selected, what groups were selected. CHAIRMAN CATES: Hey, Peggy -- MS. BOWEN: And who was answering the questions. CHAIRMAN CATES: This is Agenda Item Six about the strategic plan. MS. BOWEN: And the strategic plan pertains to the strategic plan meeting that none of those people were represented in terms of sitting in on the strategic plan and setting the strategic plan records and setting what benefits and things like that would be considered. In strategic planning, you need to know what -- what you're -- and that's why I brought up the survey. You need to know what the members are asking for and what the strategic plan can include. And it was felt that within the planning and the survey that resulted thereafter that we the people were left out, and I wanted to make that point very very clear about the strategic plan. And -- and it felt like the same thing that happened about four or five years ago, well, in 2011, that things were being designed and created to benefit the insurance companies rather than to benefit the members, and that we have ended up with a virtual insurance plan. That means that you go in and find out what's wrong. You go to your eye doctor and find out you need glasses and then whether or not they are going to be included. You go to your physical, find out what you need your follow-up, but our insurance doesn't cover the actual follow-up, and those needed to be included in the plan and in the questioning and everything about the strategic plan so that PEBP is no longer a virtual insurance company, telling you what you need and then you're responsible for paying for it. And when it comes to the deductibles and things like that in the strategic plan you're working on, that it ends up -- that you end up paying over \$4,000 to -- to -- in deductibles because you have several deductibles involved in what you're doing so that we don't have a realistic deductible for the individual member and so we don't utilize your plan, and that we wait until we get to the emergency room because that's what we can finally afford because we know it will incorporate that \$4,000. Thank you very much for your time.

AGENDA ITEM 9 - PUBLIC COMMENT FROM MS. BOWEN:

MS. 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. And I have a request to make of you. Since our last meeting, I have incurred a sunstroke, an actual stroke

17 because of heat and -- and -- and an ongoing situation where I received a concussion during an accident that I also had thoracic outlet which meant that oxygen is not going to the brain as well as it should. Things have been taken care of as far as my sleep goes. I had a sleep study done and my machine -- CHAIRMAN CATES: Peggy? Peggy?

getting more oxygen to the brain. CHAIRMAN CATES: This is -- Peggy? MS. BOWEN: But I would request your patience. The comments I want to make pertain to -- CHAIRMAN CATES:

Okay. MS. BOWEN: -- and I wrote them down so I could be very careful. Access and affordability are the two concerns here regarding the hospitals and that we have a situation under the current contract where the hospital that is offering the best care as far as the star rating goes, the national rating for hospitals, Churchill County provides the best care for certain activities but because they are not part of the current contract, people cannot access that without going outside of your insurance plan. We need to have that access affordability and quality as to healthcare. You're just not dollars and cents here but actual quality. And people who live next door to the Churchill County Hospital cannot utilize it under an exclusivity plan. They can only go to where a less qualified lower starred hospital exists, and I need you to take that in consideration while you're determining these contracts while that which is going on and while you're extending contracts. These extensions should be not just letting Hometown Health continue with same old same old, which they

have been providing the whole time, and people not getting the care and closeness of care and how we need to go forward and putting out for their room rates and food rates for out of town sorts of things when they have a hospital sitting within two miles of their home that they can't access under an exclusivity clause with Renown. You're rewarding a hospital that has lied to you. You're rewarding a group that has not been up and up, who have changed back and forth, the way it's even been discussed here today, and you reward them with a continuation or extension of their contract to do these sorts of things. The RFP which you're working on is fine, but we just -- we just need that covered. As far as having those insured retirement was the only game in town that brought people to native Nevada jobs that were underpaying. We need you to know that you now don't have a reason for underpaid jobs by the State of Nevada for people to come and go to work for you for any period of time because the insurance isn't there. Three minutes has been hit. Thank you very much for your time and consideration, and I'm going to go celebrate the rest of my 69th birthday today with my family. Thank you.

AGENDA ITEM 10 - PUBLIC COMMENT FROM MS. BOWEN:

MS. BOWEN: My name and words for the record P-e-g-g-y, Peggy Lear, L-e-a-r Bowen, B-o-w-e-n. Bowen is my last name, no dashes or slashes. Regarding two things that were of concern, the workshop that was held, I don't know who, what, if any, insurance companies were present during that workshop. I heard who wasn't present. I'm concerned that it was a repeat and it takes away from transparency. When you call it a workshop, you don't necessarily have to follow any other open

meeting laws to my knowledge. The try was there not to have a quorum, and Mr. Damon Haycock said there wasn't a quorum so I take the man at his word. He's always been truthful as far as I know, and he's a good person and working hard and doing the best he can, and that's from Peggy to him, thank you very much, and to this Board thank you for all of your hard work that you do. Regarding those who are uninsured after 2012, think I heard a request for a bill draft to be done by this Board in conjunction with everyone else that -- that a bill draft include that the workers who -- who cease working are hired after 2012 so that they too have retirement so Nevada maintains that benefit. The reserves, I want to remind you the reserves are still accruing. It's like it was never mentioned today and Ms. Lockard, if she mentioned earlier I don't know, but I do know that you are constantly incurring reserves and that those reserves are available for you in the future. And so when you're talking about spending down money, it's not like you're going broke, and I don't want that mindset to be left with you. You're not going broke. You have reserves that you incur at all times when premiums are being paid and not being used. I'm glad to see you can know if people exist and if they are meeting your wellness requirements without involving anything to do with computers or doctor, and I believe Mr. Haycock worked on that, but no one in order to receive their benefits or anything else with PEBP should ever ever have to go on a computer. I had to come down and physically utilize your computers to get on your program in order to receive my health benefits that I've already paid for and have earned, and I don't believe the majority of your people maybe being poor or -- or -- or elderly should have to go on a computer in order to receive their health benefits that were guaranteed through contract and belief. I shouldn't have to -- and what happens is if they don't get benefits from you, then PERS can at some point cancel their PERS check because they don't believe you exist. The way you prove existence is this, whether or not they have been to a doctor and you've received a bill, whether or not they have met your four compliances for existing, that is to get their vision checked, get their physical, get their blood work and to, there's a fourth one, Damon, I'm losing it, and your dental. If people -- if you have dental bills submitted, if you have, which you do, you have eye check bills, you have any of the bills submitted from doctors, that means those people are still alive, and I've talked with PERS about how do they check to make sure their PERS check aren't going to a dead person or otherwise being misused, and the same thing, they work interactive with you. Thank you. And they went to Damon's computer. I want to make sure that you haven't made a person lose their benefits because of some computer requirement to give you some statistic to make you happy and make your data look good. Get back to the reality of when I go to the doctor and I've met my deductibles which are \$4,000 total because you have to meet them all in order to get to your first 80/20. Please make our insurance so that it's usable and people will go to the emergency -- the doctors instead of waiting until it's too late and they have to go to emergency rooms. Right now it's a virtual insurance policy that says that this is what you need but you have to meet the 80/20 before you can get one thing other than your initial benefit of being able to get to the doctor, dentist, eye doctor, that sort of thing. Get back to insuring people and not just building on reserves. Please, please make sure that happens for us and that access to the Churchill County, make it reasonable and right and accessible. CHAIRMAN CATES: Four minutes. MS. BOWEN: Thank you. Four minutes, I appreciate. It was a birthday present. Bye-bye.