

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

Video/Telephonic Open Meeting
Carson City

ACTION MINUTES (Subject to Board Approval)

January 28, 2021

MEMBERS PRESENT

VIA TELECONFERENCE:

Ms. Laura Freed, Board Chair
Ms. Linda Fox, Vice Chair
Ms. Michelle Kelley, Member
Mr. Tom Verducci, Member
Ms. Jennifer Krupp, Member
Ms. Betsy Aiello, Member
Ms. April Caughron, Member
Mr. Tim Lindley, Member
Dr. Marsha Urban, Member

MEMBERS EXCUSED:

Mr. Don Bailey, Member

FOR THE BOARD:

Ms. Brandee Mooneyhan, Deputy Attorney General

FOR STAFF:

Ms. Laura Rich, Executive Officer
Mr. Nik Proper, Operations Officer
Ms. Cari Eaton, Chief Financial Officer
Mr. Steven Martin, Chief Information Officer
Ms. Nancy Spinelli, Quality Control Officer
Ms. Wendi Lunz, Executive Assistant

OTHER PRESENTERS:

Ms. Stephanie Messier, AON
Ms. Amy Williams, Express Scripts

1. Open Meeting; Roll Call

- Board Chair Freed opened the meeting at 9:00 a.m.

2. Public Comment

- Kent Ervin – Nevada Faculty Alliance
- Marlene Lockard – RPEN
- Diane Swords – Active State Employee
- Cameron Hopkins – Active State Employee
- Jacob Bakke – NSHE Faculty
- Kevin Ranft - AFSCME
- Matt Leathen – NSHE Faculty
- Serrochia Sherfield – Active State Employee
- Unidentified Speaker – Active State Employee
- Doug Unger – UNLV Employee Benefits Advisory Committee
- Priscilla Maloney – AFSCME

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

4. Consent Agenda (Laura Freed, 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 Action Minutes from the November 23, 2020 PEBP Board Meeting
- 4.2 Receipt of quarterly staff reports for the period ending September 30, 2020:
 - 4.2.1 Budget Report
 - 4.2.2 Utilization Report
- 4.3 Receipt of quarterly vendor reports for the period ending September 30, 2020:
 - 4.3.1 HealthSCOPE Benefits – Obesity Care Management
 - 4.3.2 HealthSCOPE Benefits – Diabetes Care Management
 - 4.3.3 American Health Holdings – Utilization and Large Case Management
 - 4.3.4 The Standard Insurance – Basic Life and Long-Term Disability Insurance
 - 4.3.5 Willis Towers Watson's Individual Marketplace Enrollment and Performance Report
 - 4.3.6 Hometown Health Providers and Sierra Healthcare Options – PPO Network

- 4.3.7 HealthPlan of Nevada, Inc. – Southern Nevada HMO
- 4.3.8 Doctor on Demand Engagement Report through September 2020
- 4.4 Revised Financial Statement for the Self Insurance Trust Fund
- 4.5 Acceptance of the annual PEBP Appeals and Complaints Summary for submission to the Nevada Division of Insurance.

BOARD ACTION ON ITEM 4

MOTION: Motion to approve or accept all the reports on the consent agenda, except 4.1, 4.3.6 and 4.5

BY: Vice Chair Linda Fox

SECOND: Member Tim Lindley

VOTE: Unanimous; the motion carried

BOARD ACTION ON ITEM 4.1, 4.3.6 and 4.5

MOTION: Motion to approve action minutes (future minutes will list any other parties presenting), 4.3.6 and 4.5

BY: Vice Chair Linda Fox

SECOND: Member Michelle Kelley

VOTE: Unanimous; the motion carried

- 5. Presentation and possible action on Governor's Recommended Budget and approval of PY22 Plan Benefit Design (Laura Rich, Executive Officer) (**For Possible Action**)

BOARD ACTION ON ITEM 5

MOTION: Motion to approve the staff recommendation so that PEBP staff can go forward planning for a rate structure predicated on the recommended budget by the Governor.

BY: Board Chair Freed

SECOND: Member Tim Lindley

VOTE: Yes - 6, No - 3; the motion carried

Members voting yes: Chair Freed, Vice Chair Linda Fox, Betsy Aiello, April Caughron, Jennifer Krupp, Tim Lindley

Members voting no: Michelle Kelley, Marsha Urban, Tom Verducci

SUPPLEMENTAL BOARD ACTION ON ITEM 5

MOTION: Motion that staff price out the long-term disability plan that the Board approved in the November meeting, so the reduction, and bring that back to the March meeting, showing us how much to continue the LTD at the reduced amount would cost for the premiums.

BY: Member Michelle Kelley

SECOND: Member Marsha Urban

VOTE: Yes - 8, No - 1; the motion carried

Members voting yes: Vice Chair Linda Fox, Betsy Aiello, April Caughron, Jennifer Krupp, Tim Lindley, Michelle Kelley, Marsha Urban, Tom Verducci

Members voting no: Chair Freed

6. Presentation and possible action on the status and approval of new PEBP contracts, contract amendments and solicitations (Cari Eaton, Chief Financial Officer) **(For Possible Action)**

6.1 Contract Overview

6.2 New Contracts

6.2.1 Aetna Signature Administrators - Statewide PPO/EPO Network (pursuant to Request for Proposal No. 95PEBP-S1289)

6.2.2 Health Plan of Nevada – Statewide HMO Plan (pursuant to Request for Proposal No. 95PEBP-S1291)

6.2.3 Diversified Dental – Dental Network (pursuant to Request for Proposal No. 95PEBP-S1299)

11:50 a.m. – 1:03 p.m. MEETING CLOSED PURSUANT TO NRS 287.04.45(4) FOR BOARD TO REVIEW THE RESULTS OF EVALUATION OF PROPOSALS FOR CONTRACTS

BOARD ACTION ON ITEM 6.2

MOTION: Motion to approve all three contracts to move forward in the process and accept the evaluation committee's recommendations in all three cases.

BY: Member Michelle Kelley

SECOND: Member Tim Lindley

VOTE: Unanimous; the motion carried

6.3 Contract Amendments

6.3.1 Hometown Health - Statewide PPO - increases contract maximum to allow sufficient authority through remainder of contract

6.3.2 The Standard – Life insurance and Long Term Disability – decreases contract to reflect changes in plan benefit design

6.3.3 Aon Consulting – Consulting Services – increases contract authority for consulting services

BOARD ACTION ON ITEM 6.3

MOTION: Motion to complete the contract amendments for 6.3.1 and 6.3.3 and not take any action at this time on 6.3.2

BY: Member Tom Verducci

SECOND: Member Michelle Kelley

VOTE: Unanimous; the motion carried

6.4 Contract Solicitations

6.4.1 Website hosting

6.4.2 Third Party Administrator and associated services

6.4.3 Pharmacy Benefit Manager

BOARD ACTION ON ITEM 6.4.1

MOTION: Motion to authorize PEBP staff to complete an informal solicitation for web hosting under 6.4.1
BY: Member Marsha Urban
SECOND: Vice Chair Linda Fox
VOTE: Unanimous; the motion carried

BOARD ACTION ON ITEM 6.4.3

MOTION: Motion to authorize PEBP to move forward with a request for proposal for a new pharmacy benefit manager.
BY: Member April Caughron
SECOND: Member Michelle Kelley
VOTE: Unanimous; the motion carried

BOARD ACTION ON ITEM 6.4.2

MOTION: Motion to accept staff recommendation except on subrogation. The preference is to include it in the TPA solicitation rather than having yet another separate solicitation.
BY: Board Chair Freed
SECOND: Vice Chair Linda Fox
VOTE: Unanimous; the motion carried

6.5 Status of Current Solicitations

- 7 Discussion and possible action on rate setting and rate development (Stephanie Messier, Aon)
(**For Possible Action**)

NO ACTION TAKEN ON ITEM 7

- 8 Discussion and possible action on Legislative Counsel Bureau Information Technology Audit Report and Corrective Action Plan (Laura Rich, Executive Officer) (**For Possible Action**)

BOARD ACTION ON ITEM 8

MOTION: Motion to approve the Corrective Action Plan.
BY: Member Tim Lindley
SECOND: Board Chair Freed
VOTE: Unanimous; the motion carried

- 9 Discussion and possible action on updates to Board policies and procedures to include edits reflecting (1) Board policy decisions and (2) Subcommittee recommendations relating to the Legislative Counsel Bureau contract audit report (Laura Rich, Executive Officer) (**For Possible Action**)

BOARD ACTION ON ITEM 9 (2)

MOTION: Motion to approve the changes recommended by the subcommittee. This is a vote to approve the redline version of the policies and procedures as it pertains to the contract Section 3.

BY: Member Tim Lindley

SECOND: Board Chair Freed

VOTE: Unanimous; the motion carried

BOARD ACTION ON ITEM 9 (1)

MOTION: Motion to approve the changes to the Board duties, policies and procedures based on the July 23, 2020 policy decisions approved at that meeting by the Board.

BY: Vice Chair Linda Fox

SECOND: Board Chair Freed

VOTE: Unanimous; the motion carried

- 10 Discussion and possible action regarding the withdrawal of funds from the Retirement Benefits Investment Fund (Laura Rich, Executive Officer) (**For Possible Action**)

BOARD ACTION ON ITEM 10

MOTION: Motion that the Board transfer immediately whatever is in the retirement benefits investment fund into the State retirees' health and benefits fund in order to pay for current year retiree healthcare costs.

BY: Board Chair Freed

SECOND: Member Michelle Kelley

VOTE: Unanimous; the motion carried

- 11 Executive Officer Report (Laura Rich, Executive Officer) (Information/Discussion)

- 12 Public Comment

- Unidentified Speaker – State Retiree

- 13 Adjournment

- Board Chair Freed adjourned the meeting at 4:11 p.m.