



STEVE SISOLAK
Governor

LAURA FREED
Board Chair

STATE OF NEVADA
PUBLIC EMPLOYEES' BENEFITS PROGRAM
901 S. Stewart Street, Suite 1001 | Carson City, Nevada 89701
Telephone 775-684-7000 | 1-800-326-5496 | Fax 775-684-7028
www.pebp.state.nv.us

LAURA RICH
Executive Officer

AGENDA ITEM

Action Item

Information Only

Date: May 28, 2020

Item Number: V

Title: Executive Officer Report

SUMMARY

This report will provide the Board, participants, public, and other stakeholders information on the overall activities of PEBP.

REPORT

PLAN YEAR 21 OPEN ENROLLMENT

Plan Year 21 Open Enrollment is underway and running relatively smooth despite reduced call center staffing and other COVID-19 related challenges. Under normal conditions, PEBP staff take an “all hands on deck” approach during open enrollment to address the increased call and email volume from members. With a shortened open enrollment window and social distancing workplace practices in place, both PEBP staff and members have had to adapt to the conditions but we are happy to report that we continue to serve our members with excellent customer service and support.

DEPARTMENT OF LABOR GUIDANCE

The Department of Labor (DOL) recently released COVID-19 related regulatory guidance loosening certain participant and plan deadlines. The rule requires that plans disregard any days within the outbreak period when determining periods and deadlines for group health plans such as the COBRA election period, appeal timelines and claim filing.

Although the DOL rule only applies to ERISA plans, it strongly encourages plans like PEBP to comply. PEBP has used this guidance as a roadmap and has relaxed certain deadlines in order to provide relief to members who may be unable to adhere to the plan rules due to government office closures or other COVID-19 related matters. For example, PEBP has provided deadline

extensions to members who are required to submit supporting documentation (such as a birth certificate) but have been unable to obtain the required certified copy in time to meet the deadline. These types of exceptions are handled on a case by case basis with the ultimate goal of ensuring members have access to coverage in the face of delays that are out of their control.

UNUM LONG TERM CARE

The Unum Long Term Care (LTC) policy is the last remaining voluntary policy PEBP has a direct relationship with. At the September 26, 2019 Board meeting, the PEBP Board voted to not renew the contract and instead allow the current Unum LTC contract to terminate on June 30, 2020. Although at the time, the Unum representative (broker) indicated that Unum was incapable of meeting the technical requirements necessary to transition on to the PEBP voluntary benefits portal, the option was left open to allow that transition should Unum be able to prior to the June 30, 2020 contract termination date.

AGIS, a broker of LTC products who represents Unum, and Corestream have coordinated and are in the process of fully transitioning the LTC product on to the voluntary benefit platform. Although the contract with PEBP is not being renewed, the LTC policies held by PEBP members will remain in place and the product will continue to be offered through the voluntary benefit platform on or before July 1, 2020.

BUDGET ENHANCEMENT OPTIONS

At the January 23, 2020 Board meeting the Board approved staff to perform additional analysis, including two Requests for Information (RFI), on various budget enhancement concepts. The intent was to bring the analysis back to the Board in May to discuss the FY22-FY23 agency request budget submission, however it is safe to say that the state economic conditions have changed due to the COVID-19 pandemic and as a result of budget cuts, these enhancements can no longer be considered options.

PEBP staff, vendors and several members of the Board met on May 26th and 27th for an earlier than usual strategic planning session to discuss options and considerations for the program moving forward. PEBP hopes to bring these ideas and concepts back to the Board in July.

CONCLUSION

PEBP is facing many challenges ahead. The uncertainty surrounding the economic impact of COVID-19 on the state and the rising costs of healthcare will likely force significant changes on the program. PEBP is and will continue to work with leadership to ensure the program continues to meet our mission of providing employees, retirees, and their families with access to high quality benefits at affordable prices.