

From: [Alejandra Livingston](#)
To: [Wendi Lunz](#)
Subject: Changes to health benefits
Date: Thursday, March 25, 2021 9:49:09 PM

Hello, Dear members of the Public Benefits Committee, I am a 25-year employee of the State of Nevada and I am contacting you to express my concerns with the proposed changes.

I understand that our state is going through difficult times; however, during a pandemic, that is when we need medical benefits the most. Washoe County for example, is beginning to see some growth in the new strain of the virus, and this means that more people will be going to ER. It is disappointing that they are proposing to increase the cost to \$750. This is unreasonable, when many state workers are taking furloughs, some are single parents and work in positions that pay \$30,000 to \$40,000 and have children with medical problems. I personally have several chronic conditions and see various doctors on a weekly basis and my spouse has bad lung problems, and it would be unfair to think that when either of us has a medical emergency, we will have to think twice if going to the ER. Some of us have to go to the ER multiple times, and our salaries as public sector employees don't go far enough. It is not recommended that the state cut healthcare. In my 25 years working for the state and another five working for local government and higher education, I have seen significant deficiencies that cost the state too much. The focus needs to be on cutting inefficiencies and taking good care of what is worth saving. On top of increasing the cost of ER, this proposal is instituting a deductible on HMO subscribers, and a 20% cost insurance. What is the state doing with CARE ACTS subsidies? Why can't the state try harder to diversify its economy so that when there are downturns in the economy we don't suffer from the loss of revenue from sales and gaming taxes? A 30% requirement after a deductible for XRs is also atrocious for people who have injuries or those like me who suffer from rheumatological problems and require MRIs and XRs frequently. Cutting long-term disability when public employees in Nevada don't get social security gives the impression that the government doesn't care that much about the people as we are told they do. We are going to be left with almost no life insurance at all. Many of us made life decisions to stay in Nevada because we were being well taken care of, and what we will be left with is pennies that will barely afford us Emergency Care and a funeral. Many of us work long and hard hours and deserve better than this for our families. The state has difficulty recruiting talented personnel, and this

benefits plan will make it even more difficult. Please, do not approve the proposed rates, and try to find money from other resources to help fund health care for state workers.

Sincerely,

Alejandra Livingston



TO: Laura Freed, Chair, and Public Employee Benefits Program Board

FROM: Douglas Unger, President, UNLV Chapter, and Southern Nevada Government Affairs Representative, Nevada Faculty Alliance

E-mail: [REDACTED]

Ph: [REDACTED]

PEBP BOARD MEETING -- 5-27-21 -- PUBLIC COMMENT

Doug Unger, President, UNLV Chapter, and Southern Nevada Government Affairs Representative, Nevada Faculty Alliance; and senior member, UNLV Employee Benefits Advisory Committee. With deep respect and sincere appreciation for the PEBP Board and the good faith representatives who serve on the Board, we nevertheless must state that this past year’s budgeting and plan design process has been both distressing and disillusioning. Since last November, the Board has seen major parts of its job usurped by the Governor’s office and its appointees who have, in effect, steamrolled the usual and customary plan design process from the beginning, resulting in severe cuts to plan designs and benefits ostensibly justified by the COVID-19 economic downturn. **The major portion of these cuts have yet to be restored despite \$586 Million more than anticipated in state revenues and \$2.7 Billion in American Rescue Plan funds intended to mitigate COVID-19 budget cuts and to assist our state’s recovery.** Clearly, the powers-that-be in Nevada are not acting as though we deserve recovery, not the thousands of faculty and staff at our colleges and universities, not tens of thousands of other state employees, including the staff of PEBP. No matter that so many of us answered the call of the pandemic emergency to work time and a half and more in short-staffed departments and offices to keep our state running and to deliver quality education to our students through unimaginable difficulties, and through grief, too, the deaths of colleagues, friends, and family due to this godawful virus, our reward now appears to be cuts to health insurance and benefits that add even more stress to us and to our families. **Premiums have gone up 44%, deductibles 17%, out-of-pocket maximums 28%, new stripped down plan designs shift cost burdens to the sickest and most vulnerable, Life Insurance is cut in half, Long Term Disability Insurance has been eliminated.** It’s Open Enrollment season. I hear every day from NFA members and colleagues hit just now by sticker shock. Chair Freed: please relay the message to your bosses that we are bitter, angry, and asking for action, and that means 6,700 faculty who share their views freely to 100,000 students. Some are updating their c.v.s and preparing for next fall’s job search season. Others are hanging onto a hope that something still might be done by the 81st Legislature to use ARP funds to restore PEBP health insurance and benefits because we, too, deserve recovery.

Regarding Agenda Item #8, Legislative Update, *Senate Bill 373, collective bargaining for certain public employees*, there should be no fiscal note to PEBP nor to the Department of Administration with the two bill amendments sent multiple times to both Executive Officer Rich



and Chair Freed that make explicit PEBP insurance and benefits are excluded, and that NSHE is the sole state agency responsible for Collective Bargaining with faculty. So the Board packet you are looking at contains under agenda item #8 on page 46 of 53 outdated fiscal notes which can be reduced to zero or close to zero if proposed amendments are considered and treated according to usual and customary courtesies of the legislative process, as has been the case with the Attorney General's office and other state agencies with these same amendments. We ask the Executive Officer of PEBP to state for the record that the proposed amendments to SB 373 if incorporated into the bill would remove any PEBP fiscal note and for the PEBP Board to take this statement into consideration in any further discussion of SB 373. One of the intentions of Collective Bargaining for faculty is to improve overall working conditions and the transparency and accountability of the Nevada System of Higher Education, which should improve the health and wellbeing of this significant plan member group of state employees covered by PEBP. We hope you will agree that this, too, would be a desirable outcome should SB 373 be heard through the next legislative committees and passed, either this session or in the future. Thank you.

May 21, 2021

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Ms. Laura Rich, Executive Director
Ms. Laura Freed, Board Chair
Public Employees Benefits Program
State of Nevada
901 S Stewart Street, Ste 1001
Carson City, NV 89701

Dear Director and Chair:

I am writing this letter with regard to FY 21-22 Open Enrollment which is currently taking place for Nevada State Employees and Retirees.

This week, I accessed my account on the PEBP website to review my open enrollment options and complete the process for FY 21-22. I am a retired State employee on Medicare and my spouse is also on Medicare. We are both covered for our supplemental insurance for Medicare through Via Benefits and I receive an HRA subsidy which I use for my dental premiums.

When I proceeded through my enrollment process, I noticed that my HRA subsidy had been reduced for my 11 service years on the enrollment website to \$121 per month. (Please also note that with the \$18.65 increase in dental premiums and the decrease of HRA subsidy of \$22.00, that is a 50.27% increase in my dental premium. Maybe not a big deal to you, but certainly a big deal to the many state retirees.)

When I then reviewed your legal plan documents posted on the PEBP website, I checked my HRA subsidy amount which was listed for my years of service. The HRA subsidy amount on the plan document clearly stated \$143 per month.

I also checked my form letter which I received on 4/15/21 which also had the \$121 amount.

I even went so far as to review the Board minutes, the documentation provided the Board for 21-22 rates, and the approval by the Board for the 21-22 rates (3/15/2021 meeting). There was no indication that the Board ever discussed or approved this change to this subsidy rate. Further, the legal plan documents approved by you and published by you indicate the subsidy rate I mentioned in paragraph #4 above.

I immediately sent all documentation I possessed (including screen shots) to PEBP for a correction to my subsidy amount listed on my open enrollment. I received the following information from Scott Nogle on 5/20/21:

"The HRA amount was shown as \$121 in system on your side, but due to a recent budget approval passed by legislation, they changed the budget and approved the budget with the requirement that PEBP leaves the HRA contribution for Via Benefit members the same as it was last year. So, our Open enrollment event was never updated to include the corrected prices. The HRA contribution will continue at the monthly amount of \$143. The increase to dental premiums was part of the approved budget,

approved by legislation, in which due to budget cuts, those amounts went up. However, there were changes to state members' rates that make them higher than non-state employees since the non-state members are getting smaller and smaller as a group, which means less users of the benefit equals lower premium costs for those members. Where you pulled this information does reflect the correct information. Our system, that members use and see on their side, is inaccurate due to this vendor issue that PEBP is aware of that I mentioned earlier. "

Here are my concerns with regard to Open Enrollment and the HRA subsidy:

I spent a great deal of time researching how and why the HRA amount was different and had great concern about PEBP changing something without anyone's permission. I should not have had to do that and I am sure the other 12, 993 retirees with HRA accounts may have had the same concerns and questions. That is PEBP's job to provide me with up-to-date and accurate information, especially when I am enrolling in something that has a direct effect on my pocketbook. For example, had I not researched and asked for more information, I could have cancelled my dental insurance based on the HRA decrease when all the while it was not true.

PEBP maintains email addresses for all of us and since your initial letter and the enrollment website were both incorrect, I feel it would have been very easy to communicate the correct information to each of us. This is information we rely on you to provide timely and correctly. Going forward, this makes me very suspicious as to the accuracy of the information that PEBP provides me.

I understand that this has been an unusual year with respect to decisions being made based on the unusual pandemic circumstances, however; PEBP's lack of basic communication and correct enrollment information is not excusable and must be corrected.

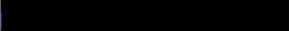
I also would like this correspondence included in the Board Packet for the 5/27/21 Board Meeting or next meeting if time constraints are an issue.

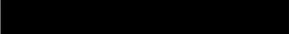
Sincerely,



Kathy L Smith, Nevada State Retiree



Email: 

Phone: 

Cc: Dr. Robin Titus



TO: Laura Freed, Chair, and Public Employee Benefits Program Board

FROM: Douglas Unger, President, UNLV Chapter, and Southern Nevada Government Affairs Representative, Nevada Faculty Alliance

E-mail: [REDACTED]

Ph: [REDACTED]

PEBP BOARD MEETING – 6-11-2021 -- PUBLIC COMMENT

Doug Unger, President, UNLV Chapter, and Southern Nevada Government Affairs Representative, Nevada Faculty Alliance; and member, UNLV Employee Benefits Advisory Committee. With deep respect and sincere appreciation for the PEBP Board and the people who serve on the Board in such good faith, we nevertheless must state that this past year’s budgeting and plan design process has been distressing and disillusioning, resulting in severe cuts to PEBP benefits ostensibly justified by the COVID-19 economic downturn. **The major portion of these cuts were not restored by the 81st Legislature despite \$586 Million more than anticipated in state revenues and \$2.7 Billion in American Rescue Plan funds intended to provide relief for the COVID-19 economic downturn and to assist our state’s recovery.** Clearly, the powers-that-be in Nevada have acted as though we do not deserve recovery, not the thousands of faculty and staff at our colleges and universities, not tens of thousands of other state employees, including the staff of PEBP. No matter that so many of us answered the call of the pandemic emergency to work time and a half and more in short-staffed departments and offices to keep our state running and to deliver quality education to our students through unimaginable difficulties, and through grief, too, the deaths of colleagues, friends, and family due to this godawful virus, our reward now appears to be severe and unnecessary cuts to health insurance and benefits that add even more stress to us and to our families. We hope you agree that this is not right, and that budget restorations should be a top priority of the PEBP Board.

Agenda item #5 you will hear today includes a report on American Rescue Plan funds. Policies guiding how these funds will be distributed and by what means have changed since the Board packet was written. The Governor’s Office is soliciting applications from state agencies for ARP funds allocations. What is your plan of action to restore the PEBP budget from American Rescue Plan funds? Requesting and/or applying for ARP funds is a PEBP Board and Executive Officer responsibility. We ask the Board to apply for restoration of the PEBP budget by at least \$25 to \$30 Million from American Rescue Plan funds. These funds could be transferred back to the PEBP budget from the General Fund and used first to lower out of pocket maximums for FY 23 plan designs to relieve financial burdens from the sickest and most vulnerable and then to restore Long Term Disability and Life Insurance benefits. We ask you do everything possible to restore the PEBP budget from American Rescue Plan funds. Thank you.



NEVADA FACULTY ALLIANCE

840 S. Rancho Dr., Suite 4-571

Las Vegas, Nevada 89106

Date: June 9, 2021
To: Director Laura Freed, Executive Director Laura Rich, and PEBP Board Members
From: Kent Ervin, State Vice President and President-Elect, Nevada Faculty Alliance
Subject: **Restoration of PEBP Benefits (public comment for 6/11/2021 board meeting)**

We appreciate that the decisions to cut health care benefits for state workers due to the pandemic-induced budget crisis have been very difficult for the PEBP board members and staff, and that the input of the PEBP Board on plan design decisions was not always accepted. Nevertheless, we are where we are: compared with the pre-pandemic FY2020 CDHP plan, for FY2022 deductibles have increased 17%, out-of-pocket maximums increased 28%, the HSA contributions decreased 45%, and employee-only monthly premiums increased 44% (33% after the one-month premium holiday). The life insurance benefit for active employees was cut 40% and the long-term disability income benefit—an essential safety net—was completely eliminated. Deductibles and coinsurance were added for the HMO/EPO plans.

We appreciate that the Legislature restored the Medicare retiree HRA contribution and gave the one-month premium holiday as an add-back. However, those decisions were made before [Treasury guidance](#) was received on how the state can spend its \$2.7B in Coronavirus State and Local Fiscal Recovery Funds from the American Rescue Plan (ARP) Act of 2021. According to section 1 of [SB461](#), ARP funds equal to the generous [revenue loss formula](#) from the Treasury guidance will be transferred to the state General Fund as the first and highest priority. Using the Treasury formula and revenue data from the Taxation Division and the Economic Forum, we estimate that this year's installment to the General Fund will be \$400M to \$600M or more—sufficient to completely restore state budgets. Our interpretation of SB461 and the Governor's [Every Nevada Recovery Framework](#) is that the priority use of those funds transferred to the General Fund will be to “Address Budget Shortfalls”, which is one of seven strategic enhancement areas in the Framework and the only one not specified for disbursement of remaining ARP funds after all other listed priorities in SB461.

The cuts to the PEBP budget were clearly caused by pandemic-related budget shortfalls. Restoration of the PEBP budget as part of addressing budget shortfalls and thereby providing for continuity of government services including front-line personnel is an intended use of the American Rescue Plan. ***The state should now use ARP funds to fully restore PEBP benefits and premiums to pre-pandemic FY2020 levels***—including restoring life insurance and long-term disability starting in FY2022 and fully restoring deductibles, out-of-pocket maximums, HSA contributions, HMO/EPO copays and 0% coinsurance, and premiums to FY2020 levels for FY2023. The total estimated cost is \$25M to \$40M, depending on use of excess reserves.

We respectfully request that the PEBP Board direct Director Freed and Executive Director Rich to actively seek restoration of benefits through the Interim Finance Committee process provided by SB461. Thank you.

The [Nevada Faculty Alliance](#) is the independent statewide association of faculty of the colleges and universities of the Nevada System of Higher Education. The NFA is affiliated with the American Association of University Professors, which advocates for academic freedom, shared governance, and faculty rights. The NFA works to empower faculty to be wholly engaged in our mission to help students succeed. The NFA is the exclusive representative for faculty collective bargaining units at the College of Southern Nevada, Truckee Meadows Community College, and Western Nevada College.