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AGENDA ITEM

Action Item

Information Only

Date: March 25, 2021

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

IMPLEMENTATION AND OPEN ENROLLMENT ACTIVITIES

Implementation and transition activities are already underway at PEBP. The enrollment and eligibility system transition has been the focus of much of staff's attention. Since this is the primary tool used internally by all PEBP staff, externally by members and is the source of record for all our vendors there is very significant lift and it is crucial for all staff to be involved, regardless of function. In addition to a new system vendor, PEBP also will be changing networks. We have already begun initial discussions with Aetna to address transition activities and specifically communication. Provider groups will be sent communication blasts through the network and PEBP will be sending out both targeted and blanket member communications several times leading up to July 1.

In addition to the new contracts being implemented in time for the start of PY22, staff are also very busy preparing for the solicitations that will be released throughout the course of the next several months. The development of comprehensive and thorough solicitations is crucial to the success of the program, so it is extremely important for all staff across all functional areas to be heavily involved.

Open Enrollment (OE) work has also started. Staff have been busy updating master plan documents, developing materials and presentations for the OE meetings and working with Morneau Shepell to ensure the eligibility system is properly programmed to allow members to

enroll in the new Low Deductible Plan. Similar to last year, OE meetings will be held virtually with several sessions available throughout the beginning of May, including incorporating a Saturday session.

LEGISLATIVE SESSION

Nevada's 81st Legislative session is in full swing. PEBP staff, with the help of our vendor partners have been performing impact analysis on legislation as bill language has become available. The first major deadline – the deadline for bill introductions sponsored by legislators was set for March 15, but that date was extended an additional week to allow for the backlog of legislation to be presented. It is expected the next deadline to introduce bills sponsored by committees will also be extended. As proposed legislation continues to trickle in, PEBP anticipates future Board updates to include information on several new bills affecting PEBP.

Additionally, PEBP's budget closing is tentatively set for April 6th. PEBP has provided follow up information and data requested by the committee during the initial budget presentations. Furthermore, PEBP staff have been working closely with the Governor's Finance Office and legislative staff to ensure all parties are thoroughly involved and aware of PEBP's unique fiscal situation.

FEDERAL STIMULUS UPDATES

In 2020, PEBP received approximately \$5.7M in CARES Act funding to cover expenditures relating to COVID testing and treatment. Those dollars were due to expire at the end of 2020 but were approved in late December to be extended into 2021. Based on conversations with the Governor's Finance Office, PEBP will not be requesting any additional CARES Act relief. The plan has experienced significant claims suppression throughout the last year as a result of lockdowns and stay at home orders, so there is an expectation PEBP will end the fiscal year with a significant surplus. Requesting CARES Act funding at this point would only add to that surplus, while potentially eliminating the opportunity for another agency or program to leverage those dollars today. Conversely, PEBP will be applying for the reimbursement of vaccine related costs (projected to be \$1M-\$2M through the end of the fiscal year) through FEMA funds. These funds are more restricted and should PEBP be awarded this assistance, it would not reduce the availability of funding to other Nevada state and local governments.

The American Rescue Act, the most recent federal stimulus package passed by congress earlier this month is another potential source of relief. PEBP has already initiated conversations with the Governor's Office and Governor's Finance Office regarding the specifics of the legislation, but a lot remains unknown at the present time. There are ongoing discussions on a state and federal level to address questions and details on how the funding can be appropriated to meet each state's unique needs and there is some optimism that the Governor's Office will be able to provide some more definite guidance by summer. Unfortunately, PEBP does not have the luxury of delaying PY22 decisions as the program is obligated to meet open enrollment deadlines.