

From: leon borden [REDACTED]
Sent: Thursday, March 18, 2021 5:01 PM
To: Wendi Lunn <wlunn@peb.nv.gov>
Subject: Cuts to Medicare Retirees

I am a medicare Retiree And this is how cuts affect me:

- 1) I get a 90 day supply of prescription medication, at \$13,00 a month 2 months of contributions covers the cost of my medication at \$11.00 a month it takes 3 months of contributions to cover my cost .
- 2) As the average cost of a funeral in Nevada is between 7 to 10 thousand dollars and that doesn't cover cemetery plots, headstones, etc. to reduce the insurance to \$7,500 means if someone wants to get buried the only way to afford it is to rent a backhoe, get some plywood and dig a grave in your yard
- 3) To put a \$8,000cap on how much money we can carry is not realistic, any major medical emergency such as a heart attack, stroke, broken hip, etc would drain that \$8,000 in a matter of weeks and with the reduced contributions it be almost impossible to build any kind of buffer the the next need.
- 4) At PEBP's presentation to the legislature Director Rich omitted a few things:
 - a) As a justification for the cuts she mentioned that there are plans with low or 0 premiums, she didn't mention that they are only available in select areas and VIA won't approve some of them also other cost with those plans are higher like x rays, ultrasounds, cat scans, etc

As the money spent on Medicare Retires is such a small part of PEBP's budget one can only conclude this is an attack on most vulnerable segment of the state retirees.

Leon Borden
A Medicare Retiree

From: Minnie Wood [REDACTED]
Sent: Sunday, March 21, 2021 4:18 PM
To: Wendi Lunn <wlunn@peb.nv.gov>
Subject: public comment - long term disability and other benefits

Dear PEBP Board,

My name is Minnie Wood and I live in North Las Vegas, NV. As a faculty member of the University of Nevada, Las Vegas, and a nurse practitioner, I am writing to ask you to restore our PEBP health insurance and long term disability benefits to 2019 levels.

Removing the safety net of long term disability benefits would be frightening in and of itself, but in the midst of a global pandemic it is downright abhorrent. Our state employees need the assurance that we and our families will be OK if we were to become ill or injured. Losing the long term disability benefit is simply unacceptable.

I call on you to do everything in your power to fully restore our health insurance--and long term disability--benefits to 2019 levels. It is the moral thing to do.

Sincerely,
Minnie Wood

My name is Stephanie Parker and I have been a State employee for more than 11 years and I have seen premiums increase while coverage of benefits decreases continually. I see that item #8 on the agenda is related to SFY22 rates for all plans.

Our AFSCME members fought hard for the American Rescue Plan to include state and local governments and it is here. Any changes to our healthcare that negatively impact any employee should be halted immediately.

This group has made changes in the past that seriously impact our ability to manage our healthcare adequately when major changes are made. It is difficult to plan on a change in providers and prescription coverage due to the lack of information provided to employees ahead of time, a lack of consideration in not only the State cost but employees increase in out-of-pocket expenses especially when our wages are not in-line with market averages and in many cases minimums. Stop leaving State employees out of the talks and stop ignoring the impact these changes make on employees.

You are looking at increasing my deductible on the CDHP by 17%, I find it difficult to pay the existing deductible and with furloughs it is even rougher. The increase in the out-of-pocket maximum will mean that I am unable to take my prescribed medications as directed and will miss at least 2 full months. I dread to think of what the elimination of long-term disability will do to those severely impacted by COVID-19 or any other serious disability that renders them unable to work.

The American Rescue Plan, that AFSCME members fought for state and local support, would indicate that there is no need for drastic cuts. If benefits provided are decreased and the cost to employees is increased, due to the pandemic, the insurance providers need to hold providers to identifying ways to defray their costs in the ARP with the \$8.5 billion allocated in the plan.

Stephanie Parker

Carson City, NV

From: WILLIAM DUTTON [REDACTED]
Sent: Monday, March 22, 2021 8:32 AM
To: Wendi Lunz <wlunz@peb.nv.gov>
Subject: Healthcare cuts

Good morning,

Should the Legislature restore funding for our health care, I am requesting the PEBP committee schedule an emergency meeting immediately, to take action to restore the plans. I do not think it right or fair that state employees should have their medical insurance decrease in the midst of an epidemic. State employees have worked tirelessly throughout this pandemic to ensure that the public received much needed food, cash and medical benefits. To cut state workers medical is a slap in the face and just demoralizes state workers.

Thank you,
Stacy Dutton

From: Hal Keaton [REDACTED]
Sent: Monday, March 22, 2021 11:46 AM
To: Wendi Lunz <wlunz@peb.nv.gov>
Subject: Proposed Changes to the Medicare Exchange Program

Dear Board Members,

I am a retired public employee enrolled in the PEBP Medicare Exchange Program. I am eighty years of age and have been enrolled in the Medicare Exchange Program since its inception. Being in the retirement system my income is somewhat limited.

I understand there are several changes to the program being considered by the Nevada Legislature. These changes, if passed would reduce the benefits to the member in addition to other reductions made in the past, ie. increase in the annual deductible and decrease in the life insurance benefit.

The current proposed changes would further reduce benefits in life insurance and cut HRA contribution from \$13 to \$11 per month per years of service.

Medicare recently raised the premium cost so the net increase to me is \$64.30 per month.

As retirees we are going backwards financially.

I respectfully request the PEBP Board oppose any reduction in benefits or additional costs to Medicare Exchange participants.

Sincerely
Harold J. Keaton

From: Jennie Allan [REDACTED]
Sent: Tuesday, March 23, 2021 11:48 AM
To: Wendi Lunn <wlunn@peb.nv.gov>
Subject: Opposition to cuts to health care

Hello, my name is Jennie and I am a State employee and a member of AFSCME Local 4041.

I am writing to inform you that I oppose cuts to the health care coverage we have earned. Should the Legislature restore funding for our health care, I am requesting the PEBP committee schedule an emergency meeting immediately, to take action to restore our health care plans. The cost of health care is already difficult. Every time I have a video visit, or go see a doctor it costs at least \$100 out of pocket or more. I have [REDACTED], and it will cost me at least a grand to get a [REDACTED] machine. I cannot imagine how much it would cost with reduced insurance coverage. My son and I both have [REDACTED] and need [REDACTED] frequently.

Health care is more important than ever in this time of COVID. The long term effects people are experiencing is frightening. We need to have decent coverage to get everyone through this tough time.

Do not cut our health care. It is an absolute necessity for our families and ourselves.

Sincerely,

Jennie A.

From: Penny C Blair [REDACTED]
Sent: Tuesday, March 23, 2021 1:31 PM
To: Wendi Lunn <wlunn@peb.nv.gov>
Subject: Eliminating Long Term Disability Insurance

I know from firsthand experience what it means to have peace of mind by having Long Term Disability Insurance. Year 2019 was diagnosed with [REDACTED]. Even with Sick and Vacation leave something like that can cause a financial hardship if there is no back up plan and a person is not able to work. I had to recoup from [REDACTED] surgery losing 2/3 of my [REDACTED] as well as having 4 months of chemo. I am in remission now but would feel better knowing that I have the option to apply for long term disability if the need ever arises with the chance of [REDACTED] coming back! These are real fears if the state Long-Term Disability Insurance is canceled - - what would happen if I could no longer work and had no disability income benefit? Also, whether I could afford any additional monthly amount to buy a voluntary Long-Term Disability policy without any income. Those of us with pre-existing conditions or not, need to have peace of mind of not losing everything due to some unforeseen health condition. I am asking that we please not eliminate Long Term Disability Insurance!

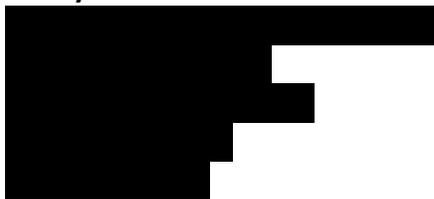
Thank you,



EXTENSION

College of Agriculture,
Biotechnology & Natural Resources

Penny Blair



From: Daniel Moore [REDACTED]
Sent: Tuesday, March 23, 2021 3:28 PM
To: Wendi Lunz <wlunz@peb.nv.gov>
Subject: Public comment for Thursdays meeting regarding long term disability

Hi Wendy,

I am currently a full time classified employee at the University of Nevada.

I am writing to submit a public comment regarding a potential removal of the PEBP Long Term Disability benefit. I will be unable to call into the board meeting on Thursday, but if any board members are interested in reaching out for further clarification, I am willing to be contacted.

"In January 2015, I lost my long term, short term disability benefits, and health insurance coverage when I stepped down from full time to part time employment at the Regional Emergency Medical Services Authority, which is an ambulance company in Reno. I worked as an Emergency Medical Technician, which is a physically demanding job. I had decided to commit to my education full time, in order to find better employment. I had repeatedly asked if Human Resources could offer down a watered down benefits package, including short term and long term disability, and health insurance, which they refused. I was 23 at the time, young and healthy, so I felt I could get by without it. I was able to work enough hours to make ends meet, and I had a large savings accumulated in case I needed some time off. This system worked until September of that year. I suffered serious injuries when I had a 40 MPH accident on my motorcycle, leaving me unable to walk or even sit upright for months. However, my rent still needed to be paid, and I still needed groceries. With no income, I had no choice but to draw heavily from my savings. Over the course of my recovery, I could do nothing but watch my savings dwindle down to nothing, with no help from my employer, or government run social safety nets. My employer refused to let me work in a capacity other than direct patient health care, such as computer work, even though they had a massive backlog of computer work that I could have performed, and made some income. I rode my motorcycle into a car at 40 mph, and suffered pretty serious injuries. I had no form of income to pay my bills, and I had a big savings nest egg that got decimated, since I could not physically work for income and the company refused to let me help with any computer work, despite a massive backlog. I had to sell my car, because I could no longer afford a car payment and insurance. I had to rent out rooms in my house, and deal with roommates, because I had no rental assistance. One roommate spread black mold throughout the house, which got my girlfriend sick since she has a mold allergy. I even considered moving back in with my parents. All of this could have been avoided if my employer had simply offered a disability benefit to me, instead of forcing me to decimate my savings. Physically, I am recovered, and am now a full time employee with the University of Nevada, Reno. The benefits package I have been provided with is excellent, and I am excited that if I have another near death experience, I will not be sent to financial ruin.

However, I am still struggling financially. If the long term disability benefit is cut, I might find myself in a similar scenario as before; this time I don't have any savings to scrape by. While I will no longer ever ride a motorcycle, I still take risks by riding road and mountain bikes, and snowboard regularly. Recovering financially from this accident has been painful, even though I maintain a frugal lifestyle, my expenses are barely less than my income, thanks to my ever increasing rent, and pay cuts in the form of furlough forced by the state Legislature. Solving the budget crisis by cutting benefits to underpaid and overworked state employees, making our lives even more painful, is not an acceptable solution."

My name is Daniel Moore, phone number is [REDACTED], and this email is a personal email. Please let me know if I need to add any more contact info, or if I need to reformat anything, and I will do so. Thank you!

From: Smith, Nina [REDACTED]
Sent: Tuesday, March 23, 2021 4:48 PM
To: Wendi Lunz <wlunz@peb.nv.gov>
Subject: Say no to health care cuts!

I am Nina Smith, Admin Asst. 3 for the Nevada [REDACTED] Board, Enforcement Division. I have been with the Board for 14 years. We are deemed essential workers, so throughout the statewide closures last year, WE WERE WORKING. When most of the companies and industries were closed due to lockdowns or were working from home or on paid administrative leave, WE ARE HERE WORKING 24/7. I am also a member of AFSCME Local 4041. I am in solidarity with my union to OPPOSE THE CUTS TO THE HEALTH CARE COVERAGE WE HAVE EARNED!

Should the legislature restore funding for our health care, I am requesting the PEBP Committee to schedule an emergency meeting immediately, to take action to restore our health care plans!

The cuts to our existing health care coverage will put all the state workers and our dependents deeper in the hole with higher premiums and out of pockets. We are doing 8 hours of furlough each month for now, and no one can tell when will the furloughs end. That alone is already money out of our pocket! Adding the higher price of premiums and higher co-pays will hurt us very badly. With the thoughts of how to make ends meet and how to stay safe and healthy so we don't have to pay higher medical bills are enough to give us all anxiety and depression which will eventually affect our work performance and attendance.

The State of Nevada Employees have kept our state going through all the turmoils, so please do not punish our good work with more cuts to our health care plans.

Hoping for your understanding and action to stop the cuts to our health care plans.

Nina D. Smith
Swing Shift Supervisor



March 23, 2021

Dear PEBP Board Members and Staff:

My name is Elaine Steiner, and I am a current participant in PEBP's Medicare Exchange. I know that PEBP's current budget before the State Legislature contains cuts to the Health Reimbursement Arrangement (HRA) as well as yet another cut to our Life Insurance benefit. I would like to make some remarks on this, and also provide a bit of a historical perspective for you in my own unique way, so here goes:

THE SAGA OF THE YOYO

(Otherwise known as State Life Insurance)

The year is 1978 – Welcome to the State of Nevada employment. First off, attend orientation information which include salary info, steps & benefits to be earned. 1. Health insurance applicable after 3 months and 2. Vacation time. 3. Topped out salaries after 15 steps & 8 years resulting in the first longevity check in amount of \$75.00 (taxes and retirement taken out) and life insurance in the amount of \$40,000. Earned benefits were compensation as salaries were not commensurate with County or private companies. During the next 20+ years forced furloughs, earned vacation time forced to be taken as buildings too costly to heat when students were not in session, salary steps furloughed. But yeah, we made retirement. We were rewarded by being forced to leave PEBP and life insurance now \$20,000. Hence now the strings of the yoyo saga begin anywhere from \$15,000 to \$10,000, down to \$5,000 then up to \$12,500 but never again reaching ground zero of \$20,000. There is now much conversation among retirees debating which year would be best for us to age out. What a sad commentary on the State of Nevada. How will it all end?

Sincerely,

Elaine Steiner

A black rectangular redaction box covering the signature area.

From: Becca Britt [REDACTED]
Sent: Wednesday, March 24, 2021 10:01 AM
To: Wendi Lunz <wlunz@peb.nv.gov>
Subject: RPEN comments on benefits

I am a public employee retiree. I am on Medicare and purchase the supplement plan through Via exchange. My primary residence is NV. I am opposed to the proposed cuts to the retiree benefits. Here are my reasons.

Like many skilled, technically educated public employees, I worked in private sector many years before joining public employment. As a result, my PERS is decent, but not tops. Due to Federal laws, my earned Social Security is cut nearly in half. And of that, 80% is taxable, as well as PERS, and any retirement funds I put into deferred compensation. As a result, Due to the revised tax code, I pay as much in Federal tax on my retirement as I did when employed (earning twice my retirement package) In addition, I also pay for Medicare, and the supplemental plan. I depend on the reimbursement for about 2/3 of that premium. Losing that is major.

Thinking of those who depend solely on PEBP retiree benefits-wow! Cutting the reimbursement, losing life insurance, changes in disability, etc would be catastrophic. Prices for everything are up, and living on both sides of this country shows me that NV has much higher living expenses (except home ownership & real estate taxes in NE states) than many other areas. So combine higher costs, lower benefits, and this looks like a cynically ironic "Thank you for your service" statement.

And many who are the skilled transfers from private to public employment did so with large salary cuts, in exchange for benefits & retirement. Likewise, many with 10 years service took an early retirement to keep the retiree health care; I was one of those. So now are losing again Not a promise kept.

Becca Britt
Henderson, NV & Wareham, MA



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

FROM: Douglas Unger, President, UNLV Chapter, and Southern Nevada Government Affairs Representative (for CSN, NSC, and UNLV), Nevada Faculty Alliance

E-mail: [REDACTED]

Ph: [REDACTED]

PUBLIC COMMENT – PEBP BOARD MEETING – March 25, 2021

Doug Unger, UNLV Chapter President, Southern Nevada Government Affairs Representative, Nevada Faculty Alliance. Among actions the PEBP Board is charged with today will be rate setting on budget cut plan designs resulting from our state's unforeseen economic crisis caused by the COVID-19 pandemic. The American Rescue Plan legislation now offers mitigation of that crisis, *\$2.95 Billion dollars to state government* aimed at restoring budget shortfalls which should include making whole the drastically reduced health insurance and benefits this Board will probably vote to approve as though these rescue funds do not exist or may never arrive. Nevada faculty must consider this vote a failure of state government at all levels—of the Governor's office that has not listened to state employees and our appeals for common sense, for example to allow plan designs with a COVID-19 surcharge added that could be easily lowered or eliminated without much plan disruption; a failure of the PEBP system and timeline incapable of flexibility to change bad plans that shift financial burdens to the sickest and most vulnerable, that tax retirees unfairly, that eliminate Long Term Disability insurance that will thus leave state employees facing unconscionable poverty and hardships should they become disabled; and of a Legislature that appears as though it doesn't sympathize with the necessity for adequate health insurance and benefits for essential workers who sustain our state in its daily operations, nor for educators who teach and provide opportunities for advancement and economic progress for our fellow citizens, mainly young people—one hundred eight thousand students—who count on us also for leadership in our communities. *For the record*: the PEBP plans to set rates for today are inadequate compared to what's possible. The process that produced them results from a failure of vision, planning, and willingness of state government to listen to its workers and acknowledge our needs. We are left disillusioned and demoralized. Many of us are angry. These cut plans will hurt us financially. They will erode our wellbeing and our health. Hiring and retention will be negatively affected across our state, and so this failure will eventually damage everyone.

We understand why the PEBP Board might feel little choice but to approve rates for these failed plans. We request a postponement of this vote, if you can do it; or at least that you should add a statement that asks the Legislature to prioritize from American Rescue Plan funds restoration of \$25 Million in cuts that are most practical to restore for 2021-22: the Long-Term Disability Insurance, contributions to retirees, and life insurance; also to ask for next plan year 2022-23 an additional approximately \$15 Million to restore employee health insurance to 2019-2020 levels, including premiums, deductibles, and out-of-pocket maximums. For the PEBP Board to make such a statement for the record could be helpful to our advocacy to seek redress and mitigation from American Rescue Plan funds. Thank you if you can make such a statement so that, even if, still, no one listens to the voices of state workers, even if we fail yet again, we may fail better, or be afforded that chance, that hope. Thank you for your consideration during this sad, frustrating year of such loss and uncertainty. We appreciate what you do. Thank you.

From: nancy [REDACTED]
Sent: Wednesday, March 24, 2021 10:45 AM
To: Wendi Lunz <wlunz@peb.nv.gov>
Subject: Comments regarding Proposed Budget Cuts

To Members of the Board –

I am a retired State of Nevada employee and am currently a participant in the Medicare Exchange program.

I am writing to request that the Board does not reduce the HRA contribution from \$13 per month to \$11 per month. I am also requesting that the life insurance amount not be reduced.

For background, when I worked for the State of Nevada, I paid nothing for my health benefits. When I retired and became eligible for Medicare through my deceased husband (I am not eligible for Medicare or Social Security on my own), I was moved to the Exchange program. I now pay a little over \$600 per month for Part B Medicare, a supplemental health plan, prescription benefits, and a dental plan. I use the Exchange program for assistance in paying these costs.

I am now on a fixed income and, per the above, paying much more for health coverage than I did when I was working. Given the national economic news right now, the country is facing the possibility of inflation in the coming months which will erode the purchase power of the pension amount that I receive. If the HRA contribution is reduced, that will further impact my monthly income by lessening the amount of assistance that I currently receive through the HRA.

Additionally, I have understood that the State of Nevada stands to receive substantial monies from the federal government designated for state and local governments through the recently passed Stimulus Act. PEBP will undoubtedly receive a distribution from these monies. I think it is critically important for the Board to consider the retirees when deciding where to distribute their portion of these funds.

Seniors are among the most vulnerable members of the state population and yet whenever budget cuts are considered, seniors are among the first targeted for reductions. Seniors are generally living on fixed incomes and, in many cases, are not healthy enough or have the necessary skills to supplement that fixed income. They count on their pension amounts and whatever PEBP assistance they may receive. They have also been the segment of the population most hard hit by the Covid-19 virus. They need the health insurance benefits that they have worked for and, especially now, they do not need reductions to those benefits.

In view of the possibility of inflation and the state's receipt of stimulus money, I am strongly urging the Board to reconsider reducing the HRA amount and the life insurance benefit amount for those who need the assistance most.

Thank you for taking my comments under advisement.

Nancy Samon

From: Navarro, Laurie [REDACTED]
Sent: Wednesday, March 24, 2021 3:09 PM
To: Wendi Lunz <wlunz@peb.nv.gov>
Subject: No to the Health Care Cuts!

Hello

I am Laurie Navarro, Admin Asst. 3 for the Nevada [REDACTED] Board, Enforcement Division. I have been with the Board for 17 years. We are deemed essential workers, so throughout the statewide closures last year. We continued to work through the COVID and answered phones for the whole state.

When most of the companies and industries were closed due to lockdowns or were working from home or on paid administrative leave, WE ARE HERE WORKING 24/7.

Should the legislature restore funding for our health care, I am requesting the PEBP Committee to schedule an emergency meeting immediately, to take action to restore our health care plans!

The cuts to our existing health care coverage will put all the state workers and our dependents deeper in the hole with higher premiums and out of pockets. We are doing 8 hours of furlough each month for now, and no one can tell when will the furloughs end. That alone is already money out of our pocket! Adding the higher price of premiums and higher co-pays will hurt us very badly. With the thoughts of how to make ends meet and how to stay safe and healthy so we don't have to pay higher medical bills are enough to give us all anxiety and depression which will eventually affect our work performance and attendance.

The State of Nevada Employees have kept our state going through all the turmoils, so please do not punish our good work with more cuts to our health care plans.

I hope you are understanding and stop the cuts.

Thank you,

Laurie Navarro
Day Shift Supervisor
Employee Registration Unit/Enforcement Division

[REDACTED]

From: Leos, Cecilia [REDACTED]
Sent: Wednesday, March 24, 2021 3:21 PM
To: Wendi Lunz <wlunz@peb.nv.gov>
Subject: Say no to health care cuts!

I am Cecilia Leos, Admin Asst. 2 for the Nevada Gaming Control Board, Enforcement Division. I have been with the Board for 3 years. We are deemed essential workers, so throughout the statewide closures last year, WE WERE WORKING. When most of the companies and industries were closed due to lockdowns or were working from home or on paid administrative leave, WE ARE HERE WORKING 24/7. I am also a member of AFSCME Local 4041. I am in solidarity with my union to OPPOSE THE CUTS TO THE HEALTH CARE COVERAGE WE HAVE EARNED!

Should the legislature restore funding for our health care, I am requesting the PEBP Committee to schedule an emergency meeting immediately, to take action to restore our health care plans!

The cuts to our existing health care coverage will put all the state workers and our dependents deeper in the hole with higher premiums and out of pockets. We are doing 8 hours of mandatory furlough each month now and no one can tell when the furloughs will end. That alone is already money out of our pocket! Adding the higher price of premiums and higher co-pays will hurt us very badly. With the thoughts of how to make ends meet and how to stay safe and healthy so we don't have to pay higher medical bills are enough to give us all anxiety and depression which will eventually affect our work performance and attendance.

The State of Nevada Employees have kept our state going through all the turmoil's, so please do not punish our good work with more cuts to our health care plans.

Hoping for your understanding and action to stop the cuts to our health care plans.

Cecilia Leos
Administrative Assistant II
Enforcement Division/ERU

[REDACTED]



NEVADA FACULTY ALLIANCE

The [Nevada Faculty Alliance](http://www.NevadaFacultyAlliance.org) is the independent statewide association of faculty 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.

Public Employees' Benefits Program

● PEPB Benefit Reductions

Drastic cuts in benefits affecting the most vulnerable

- Increased maximum out-of-pocket costs by thousands of dollars per year **hurt employees who have a major health crisis or need high-cost treatments** to remain productive.
- Completely eliminated the Long-Term Disability (LTD) Insurance benefit, hurting future **disabled employees who will have no safety net**.
- Decreased state contributions to PEBP Medicare retiree Health Reimbursement Arrangements by 15%, **hurting retirees on fixed incomes**.
- Employee monthly premiums are increasing by 45% to 48% over pre-pandemic FY2020 premiums for the base high-deductible plan, **hurting lower-income employees**.

● Past Benefit Cuts Have Been Permanent

Costs transferred to state employees

- PEBP benefit reductions were used in 2011 to help solve budget shortfalls after the Great Recession.
- Costs were transferred to participants in the form of employee premiums and high deductibles and out-of-pocket maximums, which remain today.
- Historically, benefits have been very difficult to restore once cut.

● Use Available Funds to Restore Benefits

PEBP Excess Reserves and American Rescue Plan

- Due to pandemic-related claims suppression and higher FY2021 employee premiums, PEBP's excess reserves have ballooned from \$7.0M on 12/31/2019 to \$50.7M on 12/31/2020 (to be reduced by \$24.4M by the state agency payment holiday from AB3 of the special session). As of 3/24/2021, **PEBP projects end-of-fiscal-year excess reserves to be upwards of \$20M**.
- The State of Nevada will receive **\$2.947 billion from the American Rescue Plan**, which can be used to offset revenue shortfalls due to COVID19.
- Because PEBP sets rates for July 1 in March and open enrollment starts on May 1, **the Legislature needs to act promptly to restore benefits** using excess reserves or in anticipation of A.R. P. funding.

● Priority: Restore Long-Term Disability

NSHE faculty have no other safety net

- If LTD is not restored, current state employees will have no coverage if they become disabled after July 1.
- **The estimated cost to restore LTD at the FY2021 level is \$4.6M/year** (less than \$15/month per employee).
- **State employees are not covered by Social Security Disability**. Most NSHE faculty are not covered by PERS disability retirement (which is not income replacement and only pays at the earned rate of 2.25% per year of service, not 60% of income as for LTD insurance).
- Voluntary LTD insurance through PEBP will not be available until Jan. 2022 and will cost 0.58% of salary for middle-aged employees at the current level, prohibitive for many..
- The average time employees stay on LTD is about 5 years—ending upon death, age 65, or return to work.

● Other NFA Priorities for PEBP Budget

Protect the most vulnerable state employees

- **Restore PEBP Medicare retiree HRA contributions** from \$11/month per year of service in GovRec to \$13 at a cost of \$3.4M/year.
- **Restore life insurance benefits** at a cost of about \$3.5M/year.
- **Restore employee premiums to pre-pandemic FY2020 levels** at an estimated additional cost of \$10M to \$14M/year.
- **Roll back the deductibles and out-of-pocket maximums to pre-pandemic FY2020 levels**. The cost requires an actuarial analysis, but a rough estimate based on past PEBP projections is \$15M/year.

● PEBP Actuarial Audit

Second opinion for prudence and accountability.

PEBP has a long history of underestimating excess reserves, by tens of millions of dollars. AON has been the contracted actuary for decades. **An audit of AON's actuarial rate-setting methods and PEBP's assumptions and methods at a cost of \$100K is overdue and should be required.**

Nevada Faculty Alliance Fact Sheet

Comparison of pre-pandemic FY2020 plan versus proposed FY2022 plan per PEBP March 25 Proposed Rates (option 2)*

PEBP Base High-Deductible Plan (CDHP)

Tier	Employee-Only			Employee plus Family		
	FY2020	FY2022*	Change	FY2020	FY2022*	Change
Deductible	\$1500	\$1750	+17%	\$3000	\$3500	+17%
Out-of-pocket (OOP) maximum	\$3900	\$5000	+28%	\$7800	\$10000	+28%
HSA/HRA employer contribution	\$1100	\$600	-45%	\$1700	\$600	-60%
Employee premium (monthly)	\$31	\$45*	+45%	\$212	\$314*	+48%
Net Annual Max (OOP+premium-HSA)	\$3171	\$4936*	+56%	\$8644	\$13171*	+52%

- **ELIMINATED long-term disability insurance benefit** (currently 60% of income up to \$7500/month). Affects current active state employees after July 1, 2021.
- **Reduced HRA contribution for Medicare retirees** from \$13/month/years-of-service to \$11/month/YOS.
- Other plan design changes for High-Deductible Plan (CDHP):
 - Reduced Employer Contribution percentage from 95.0% to **92.9%** for employee premiums and from 75.0% to **68.5%** for dependent premiums.
 - Health Savings Account contributions decreased to \$600 per participant, eliminated additional amounts for dependents.
 - Narrow pharmacy network (excludes CVS and Walgreens) for 30+ day prescriptions
 - Lower payments for out-of-network providers.
 - Actuarial value for CDHP reduced from 87% to 81%.
- Added “low-deductible” mid-level plan with \$500/\$1000 deductible and copays with 84% actuarial value, lower than the FY2021 high-deductible plan.
- Added \$150 (single)/\$300 (family) deductible and co-insurance for hospitalizations to HMO/EPO plans, reducing the actuarial value from 92% to 89% .
- Reduced life insurance to \$12,500 for actives and \$7,500 for retirees (from \$25,000 and \$12,500, respectively).

*Updated 3/24/2021 per [PEBP staff rate proposal, option 2](#).

Dear Members of PEBP and the 81st Legislative Session:

I appreciate that you are taking the time to read my email. Thank you for ALL that you do for our State and the State Employees at all times especially during these challenging times!

As a longtime State Employee (over 25 years!), it saddens me that the health and welfare of me and my family is not taken more seriously. If we or our family members are not healthy, how can we perform our jobs to the best of our abilities?

When I became a State employee, my benefits for me were 'free' and affordable for my family. My deductibles did not require a small loan and my dental deductible was \$100 for a LIFETIME! Much has changed over my quarter century with this state, and not to BETTER my life nor my wallet!

Today, my doctor's recommendations are challenged by my health insurance, and I have an EXCELLENT Physician! She is well known in this community and consults with others BEFORE she sends me to ANY test. As a Veteran, even the VA must obtain HER permission to perform anything on me, as the VA system is not as adequate for women as it is for men.

My 'benefit program' offers me so many things that I don't use or need (primarily due to costs or lack of service) that I have stopped reviewing the options and find better products on my own! Yet the products I would use are being removed! Therefore, I have to spend MORE to replace what I have lost!

I had been wondering WHY my benefits are **MORE EXPENSIVE** than many of my non-state employed family and friends and I have recently learned that it was because PEBP did NOT ask for new quotes/programs, just took the easy way out of just 'renewing' the product! THIS IS MY **MONEY** you are tossing in the wind and that of my colleagues! **WE DESERVE BETTER** service of you just as you expect respectable service from me as a fellow State employee! I do understand that plans change, but how long have WE HAD THIS SAME PLAN???

All that I am asking you to do is to keep everything the same FOR NOW (remember, we are on furloughs so our pay has been decreased, too!) and request quotes for products that will better serve ALL STATE EMPLOYEES and families. That is what you would expect me to do for my job (best product for our money!!)

Please remember that WE ARE ALL IN THIS TOGETHER!!!! You have OUR money to provide US the BEST products available that are affordable and easy to use.

Thank you for your time. My contact information is [REDACTED] or email if I can be of assistance.

Peggy Bohn

Employee at the University of Nevada, Reno (UNR) which is a part of the Nevada System of Higher Education (NSHE)

A member of Nevada American Federation of State, Municipal and County Employees Local 4041 (Nevada AFSCME)

US Army Veteran and Certified Nevada Veteran Advocate

January 2017 Veteran of the Month for the State of Nevada