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**AGENDA ITEM**

- Action Item
- Information Only

**Date:** September 30, 2021  
**Item Number:** VI  
**Title:** Executive Officer Report

**SUMMARY**

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

**REPORT**

ARPA FUNDING UPDATE

PEBP submitted its request for American Rescue Plan funds through the “Every Nevadan Recovery Framework” link per the Board approved direction at the July 2021 Board meeting. The State Treasurer’s Office has hosted many meetings throughout the state as part of its listening tour and it is expected that funding decisions will be made in the coming months. PEBP has made both the Governor’s Office and Treasurer’s Office aware of PEBP’s unique timing requirements relating to benefit design planning.

PEBP was also given instruction by the Governor’s Finance Office that the request for additional CARES Act funding must also be requested in the same manner, therefore PEBP submitted an additional request to cover COVID-19 costs incurred by the plan to date. However, most recently, PEBP and GFO staff have had follow up discussions and PEBP has received new guidance requesting PEBP to submit a work program for \$5M in reimbursements, which has been placed on the October IFC agenda.

#### STAFFING UPDATES

Many PEBP members at one point have interacted with PEBP's long time staff member, Quality Control Officer Nancy Spinelli. Nancy has worked at PEBP for over two decades in almost every role at PEBP. Most recently she has led Quality Control where she was responsible for researching and handling member complaints and issues. Retirees have also come to know her well as she has attended events and assisted retirees with their PEBP and Medicare questions. Nancy announced last month that she would finally be retiring and her last day would be September 10<sup>th</sup>. She will most definitely be missed, and it will certainly be a significant gap in the PEBP executive team.

I am happy to announce that a new Quality Control Officer has been appointed. Former Board Member, Tim Lindley, was appointed on September 20<sup>th</sup>. His experience on the board and his auditing background will prove to be very helpful in his new role.

Another major staffing change has occurred for our vendor partner, Aon. Many Board members, and those who follow the PEBP Board meetings, have become familiar with PEBP's lead actuary, Stephanie Messier. Stephanie recently left her position at Aon and as a result, we will see new Aon representatives take on her role.

#### PLAN UPDATES

Since 2010, PEBP's Master Plan Documents have required members to receive their routine lab services through independent labs, such as Quest and LabCorp. This is due to the relative high fees charged by hospital-based labs that can be triple or more the cost for the same service as free-standing facilities. Before July 1, PEBP did not enforce this plan rule because the relationship between the Hometown Health Network and Renown maintained fees similar to those fees charged by independent labs. After switching to the new Aetna network contracted rates for Renown labs is now billed at hospital lab rates, which would increase plan costs dramatically if the plan requirement is not enforced.

It is important to emphasize Renown labs are in-network through Aetna and members can still utilize Renown labs for hospital pre-admission or outpatient surgery. To add to this, the Master Plan Document allows for exceptions to this rule should no independent lab options be available within a 50 mile radius.

This can be confusing for members since the provider directory displays Renown labs as an in-network provider. Realizing this, PEBP has released several notices to members. PEBP has also coordinated with HealthSCOPE Benefits to allow a one-time exception and an education opportunity to ensure members who were not aware of the enforcement are not subject to denied claims.

PEBP is also in discussions with Renown and Aetna to identify possible solutions that increase access while continuing to keep costs low for the program. In the meantime, Renown has indicated

they are unable to operationally apply PEBP's plan rules to a subset of PEBP patients seen under the Aetna contract and can only apply an all or nothing approach by employer. Renown has opted to not service members routine laboratory testing at Renown labs in their effort to ensure PEBP members are not unknowingly responsible for higher out-of-pocket cost for routine lab claims. In addition, members requiring lab draws during an infusion procedure may also be affected since Renown states that it must apply the all in or all out coverage.

#### Laboratory Outpatient Services

Outpatient lab services are covered when medically necessary, when ordered by a physician or health care practitioner, and when services are performed in accordance with the Laboratory Outpatient Services benefit described in this section.

**Free-standing, non-hospital-based laboratory facility:** The Plan covers outpatient routine and preventive lab services performed at free-standing, non-hospital-based lab facilities. Although there may be other in-network free-standing, non-hospital-based lab facilities, the Plan's preferred facilities include Lab Corp and Quest. Routine and preventive lab services include:

- Medically necessary routine labs when ordered by a physician as part of comprehensive medical care.
- Preventive laboratory services such as but not limited to basic metabolic panel, lipid, or general health panel. Refer to the [Preventive Care/Wellness Services](#) for information regarding benefits for screening tests and preventive lab testing.

**Outpatient hospital-based lab facilities and hospital-based lab draw stations:** The Plan covers outpatient lab services for pre-admission testing when performed 7 days prior to a scheduled hospital admission or outpatient surgery. The testing must be related to the sickness or injury for which admission or surgery is planned.

If a free-standing, non-hospital-based outpatient laboratory facility is not available within 50 miles of your residence, you may use a hospital-based laboratory facility or hospital-based draw station.

#### BOARD MEMBER TRAINING

Historically, the Attorney General's Office and the Commission on Ethics have provided the PEBP Board with the required Open Meeting Law and Ethics trainings during PEBP Board meetings. To make the best use of the public and Board members' time, PEBP staff will instead be providing Board members with training material, as well as information on how to attend annual trainings hosted by the State outside of the Board meetings. Board members will be responsible for completing the required training.

#### COVID AND FLU SHOT CLINICS

Every year PEBP hosts a series of flu shot clinics for members in Carson City and Las Vegas. This year, we will also include the COVID vaccine. Although the flu vaccine was not yet available, PEBP hosted its first vaccine clinic in the Bryan building on August 23<sup>rd</sup> to respond to the State's newly implemented testing requirements for unvaccinated employees. Three additional flu shot and COVID vaccine clinics are scheduled in September and October in both Carson City and Las Vegas.