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AGENDA ITEM

- Action Item
- Information Only

Date: January 27, 2022

Item Number: VI

Title: Enrollment and Eligibility System

SUMMARY

This report will provide the Board, participants, public, and other stakeholders information on the roll out of PEBP's new enrollment and eligibility system.

REPORT

ENROLLMENT AND ELIGIBILITY SYSTEM UPDATE

PEBP's new enrollment and eligibility system, Benefitplace managed by Benefitfocus, went live on 1/3/22. PEBP's contract is with LSI, but the bulk of the sub-contracted work is performed by Benefitfocus. As with all implementation and system changes there will be successes, challenges, and issues needing to be worked out after going live.

Go-Live Successes:

- Benefitplace member portal worked successfully on day one. Members have been able to log in successfully with no issues.
- The Voluntary Benefits Special Enrollment Period elections were processed correctly.
- Correct health coverages and elections for most members.
- Due to demographic file integrations with the States' two biggest pay centers, Central Payroll and NSHE, employees making demographic changes and HR representatives entering employee statuses of those pay centers now only make the changes in their respective systems. This should increase efficiency and reduce administrative errors.

Go-Live Challenges:

- Member Data Discrepancies

Data integrity and reconciliations are part of system changes and with this system go-live there have been data discrepancies on some members' accounts. This includes a small number of members entirely missing in the system, status/coverage discrepancies, incorrect HSA contributions, and incorrect subsidies applied on some retiree accounts. The full number of impacted members is unknown currently as staff are unable to identify. Instead, staff is tracking these incidents as members self-report issues. Staff are doing their best to attempt to reconcile these accounts and resolve issues immediately, including performing urgent updates direct with vendors so services can be accessed, but without access to prior historical information PEBP must rely on Benefitfocus to investigate and resolve the bulk of the issues. Benefitfocus is auditing and reconciling data from PEBP's previous vendor to correct these issues. The integration of demographic files with Central Payroll and NSHE should improve many of these discrepancies shortly, but the downstream effects on the accounting and billing side will continue until all issues are resolved.

Impact: Volume unknown as staff is only made aware when members contact PEBP, but reported cases are around 100.

Mitigation: Benefitfocus is auditing and reconciling accounts from data received from the previous vendor Lifeworks, vendor data, and demographic file data.

- Demographic File Feeds

This implementation focused heavily on creating demographic file feeds with Central Payroll and NSHE. This idea was that agencies know what statuses their employees are supposed to be in, and while we hope in the long run this will be a benefit to all parties involved, as of now this also has contributed to some the above members discrepancies. The new system does not enable staff to manually make certain changes on accounts since data on the demographic files overrides all manual changes.

Impact: Contributing to account discrepancies, volume is unknown but reported cases are low.

Mitigation: Benefitfocus is working on what can be done to limit certain fields from being overridden when receiving these files.

- Accounting and Billing

Currently PEBP staff and members do not have access to the billing platform to view or make payments. January 2022 invoices were unable to be produced causing PEBP to ask direct billed members and groups to send payments based off December 2021 invoices which potentially misses newly direct billed members. PEBP uses enrollment reports to pay vendors, make tax payments, project budget revenue and expenditures, and build budgets. Without accurate and timely enrollment reports those functions are affected. Premiums and deductions will be inaccurate on some members' accounts due to the data discrepancies, but the number of impacted members is unknown at this time. Not all PEBP premiums are an even number, so deductions for many Central Payroll and NSHE

employees are going to be off by one cent due to Benefitfocus having to round to the nearest cent because of their functionality to only be able to split deductions 50-50.

Impact: These issues are going to cause heavy reconciliation efforts with frustration on staff, members, and agencies.

Mitigation: Benefitfocus is working with their team to address this on adjustment files, and possibly having to change development for 7/1/22 reverting all deductions being taken out in one lump sum.

- Benefitplace Functionality for Staff

Benefitplace serves as the member portal and the Admin/Staff portal. It is not a true CRM system as it currently lacks some user-friendly functionality for call center staff Basic functionality such as creating notes on a member's account, responding to messages, and processing eligibility events all now take longer to accomplish in this system.

Impact: Internal operational processes and procedures taking longer which means new coverage, terminations and coverage changes will take longer to take effect. This delay impacts member coverage and workload on PEBP's vendor partners

Mitigation: There may be future development or process changes that can address some of these issues, but most will remain due to the functionality of the system.

Possible Other Downstream Effects:

- 7/1/22 Smart 21 Integration go-live

These current issues may cause a delay in testing and configuring files in preparation for 7/1/22.

Mitigation: LSI has been in communication with OPM.

- Covid Surcharge Implementation

With the delays and issues mentioned, this could cause a delay in appropriately implementing the covid surcharge on unvaccinated member accounts.

Mitigation: PEBP will be working diligently to address this in upcoming implementation meetings.

The Enrollment and Eligibility contract with LSI includes performance guarantees related to implementation. As a result of the missing functionality and large data discrepancies that have and will continue to have a direct impact on member accounts and staff's ability to perform the mission of the agency, PEBP is considering the assessment of penalties. The maximum penalty in this case would be \$10,000 for each of the two performance guarantees.

PEBP has discussed the various concerns and issues with leadership at LSI Consulting and as a result LSI has offered to propose the following alternative solutions:

Employee Benefits Administration & Management Solution [SOLUTION] Project Initiative

Invenio-LSI/BenefitFocus - Current Status of PEBP SOLUTION Project Initiative

EXECUTIVE SUMMARY – As of January 21st, 2022

HIGH LEVEL

Project Status - Program Management Viewpoint and Perspective:

Overall:

- SOLUTION has been transitioned into LIVE Production Status for (2) of the (3) major components
 - ✓ Voluntary Benefits (December 1st, 2021)
 - ✓ Main SOLUTION (January 3rd, 2022)
- The remaining SOLUTION Component (Billing {both Direct and Consolidated}) is targeted for Go-Live by February 14th, 2022.
- Members (State Employee, NSHE, & PERS) within and currently having access to the SOLUTION:
 - ✓ 46,115
- Current Challenges noted from GO-LIVE:
 - ! Data Validation and Synchronization from previous State Solution Supplier.
 - ! Billing Platform not yet fully validated and ready for final review and testing.
 - ! Responsiveness and Quality of Data + Support from previous State SOLUTION Supplier
 - ! Integrations with State Existing Payroll and HR Demographic Solutions, as well as potentially, NSHE associated Systems.
 - ! Training and Enablement.
 - ! Change Management & Communications.



RISKS

- Some Members effected by Data Quality and Validation – indicating no coverage
- No current Billing Visibility for PEBP to issue Group Invoices (Consolidated Billing)
- Potential for State's Health Services Vendor Service disruptions, based on Billing Platform not yet in Production

Invenio-LSI/BenefitFocus - Current Status of PEBP SOLUTION Project Initiative EXECUTIVE SUMMARY – As of January 21st, 2022

- New Hires, Transfers and Retirees occurring during SOLUTION transition (old legacy State Solution → to new Invenio-LSI/BenefitFocus SOLUTION) may not show up

Expected Go-Live Challenges:

- Data Quality and Consistency with Legacy Solution
- Data Integration Maturity and Optimization
- Maturing and Optimizing Eligibility Logic
- Overall Change Management Optimization
- Single-Sign On/ First Time User Access

Unexpected Go-Live Challenges:

- Lack of integration flexibility of State's existing Payroll Platform
- Poor Responsiveness and Quality from State's Existing Solution Provider
- Amount of Data Quality and Synchronization issues
- Having to Pivot to developing the required Payroll System Interface/Integration as a result of the SMART21 Payroll Platform Go-Live being extended to July 1st, 2022.
- Billing Platform Logic and Formatting Configuration to meet State requirements
- Lack of time availability to do more training and enablement for PEBP Operations and Support Teams

Invenio-LSI/BenefitFocus – Identified Challenges [Looking Back – What could we have been done differently]

- Dealing with Project Resource impacts based on the COVID-19 Pandemic.
- Implementation – Done Remotely, should have been more of a blend of On-Site/Remote to better interact with PEBP Team
- Needed to perform significantly more due diligence around State Billing Requirements during Requirements Phase of the Implementation, given State Subsidy Logic and Requirements
- Increased Data Quality and Validation inspection of State's Previous Suppliers Base Data which was imported.
- More Training and Enablement sessions for the PEBP Operations and Support Team

Invenio-LSI/BenefitFocus – Corrective Actions / Proactive Partnership based Support to PEBP [What's in place since Go-Live {1-3-2022}]

- Invenio-LSI/BenefitFocus – Daily 1-hour Review/Resolution Meeting with PEBP
 - Operational Issue Tickets
- Invenio-LSI/BenefitFocus – Daily 1-hour Review/Resolution Meeting with PEBP {new as of 1/25/2022}
 - Project Go-Live Related Issues

Invenio-LSI/BenefitFocus - Current Status of PEBP SOLUTION Project Initiative

EXECUTIVE SUMMARY – As of January 21st, 2022

- BenefitFocus – Dedicated Team focused on Data Quality and Validation Issues
 - Daily Triage Team
 - Ability to help correct missing or bad Member Data with Health Providers
- BenefitFocus – Dedicated Team focused on Billing Solution
 - Final Configuration and Testing to facilitate Review & Approval by PEBP
- BenefitFocus – Dedicated Team focused on Identified Daily Operation Challenges and Submitted Resolution Request Tickets.
 - Hyper-Care Support
 - Daily Triage Team – until we conclude initial Operational Maturity and Stability period / Post Go-Live
- Invenio-LSI and BenefitFocus – Full Visibility and Support from Executive Leadership
 - To resolve identified issues and challenges
- Invenio-LSI – Coordination with SMART21 and State Legacy Payroll Teams
 - To resolve identified issues and challenges

Invenio-LSI/BenefitFocus - Current Status of PEBP SOLUTION Project Initiative EXECUTIVE SUMMARY – As of January 21st, 2022

Invenio-LSI – Proposed Partnership based Service Credits for Implementation Tasked missed as well as Go-Live Challenges

- Pursuant to the Contract executed with PEBP for the SOLUTION – the following SLA and Service Credits were defined:

Service Performance Standard	Guarantee	Method of Measurement	Penalty
I. Implementation: initial transition from incumbent vendor to incoming vendor	98%	A. Tasks Percent of tasks complete on time pursuant to the implementation plan or as mutually agreed to by Vendor and PEBP. B. Go Live Vendor agrees that implementation will be complete by the mutually agreed to Go Live date. The Performance Guarantee set forth in this section is subject to PEBP's performance of its obligations, provided that we shall only be excused from this Performance Guarantee if PEBP or its vendors' nonperformance contributed to our failure to meet the Performance Guarantee.	A. Contractor will pay PEBP five percent (5%) of the associated professional services project fee, not to exceed ten thousand (\$10,000) for any project that is not <i>Fully Operational</i> within ten(10) business days of the target date established by the associated <i>Final Implementation Schedule</i> B. Contractor will pay PEBP five percent (5%) of the associated professional services project fee, not to exceed ten thousand (\$10,000) for any project that is not <i>Fully Operational</i> within ten(10) business days of the target date established by the associated <i>Final Implementation Schedule</i>

- To fully acknowledge responsibilities for outstanding Implementation areas not yet fully completed (Direct and Consolidated Billing) as well as identified Operational Challenges (since Go-Live on 1/3/2022) – Invenio LSI and BenefitFocus are proposing the following Service Credits to PEBP:
 - Full relief of the scheduled (per Contract) December-2021 SOLUTION Subscription Service and Support Fees
 - Credit to PEBP → \$87,618.50
 - To demonstrate the sensitivity and appreciation for the impacts these delays and challenges are having on PEBP and its Members- in good-faith, and as good partners to PEBP – with our proposed Service Credit to PEBP, we have far exceeded the mutually agreed to Contractual Service Performance Standards Penalties.
 - Both Invenio-LSI and BenefitFocus firmly believe that with the remediation and resolution plans in place- all outstanding Implementation and Operational Challenges should be fully addressed by the end of February-2022, during the Post Go-Live Maturity and Stabilization period.

**Invenio-LSI/BenefitFocus - Current Status of
PEBP SOLUTION Project Initiative
EXECUTIVE SUMMARY – As of January 21st, 2022**

▪ **Some Members effected by Data Quality and Validation – indicating no coverage**

Invenio-LSI/BenefitFocus Resolution Plan	Current Status (as of 1-21-22)
<ul style="list-style-type: none"> ▪ Manually Inspect all Member Data Files 	<ul style="list-style-type: none"> ▪ BenefitFocus Dedicated Team has worked through a majority of the Inspection. Full Completion and Validation targeted for Completion by end of week (1-28-22) between what we received from State’s previous SOLUTION supplier and State Health Provider (HSB)
<ul style="list-style-type: none"> ▪ For any Member found and validated missing from current SOLUTION – BenefitFocus dedicated team will correct with: <ul style="list-style-type: none"> ▪ State Health Provider(s) to ensure no disruption in coverage <ul style="list-style-type: none"> ▪ Correct source of error so that data validation and continuity is established. 	<ul style="list-style-type: none"> ▪ This process began on Go-Live ▪ Another full review and audit was conducted on 1/17/2022
<ul style="list-style-type: none"> ▪ Adjust and Optimize MEMBER Data and Integrations with State Health Providers to ensure 100% Accuracy 	<ul style="list-style-type: none"> ▪ Once BenefitFocus Dedicated Team Manually Inspects all Member Data and confirms source of mismatch and/or missing data from State’s Previous SOLUTION Supplier – this Adjustment and Optimization process will be executed and completed. Target date – by 2/4/2022
<ul style="list-style-type: none"> ▪ Invenio-LSI/BenefitFocus and PEBP meeting daily as well have established an escalation process – should Members identify and communicate issues/challenges with the Benefits coverages 	<ul style="list-style-type: none"> ▪ (3) of these situations were escalated last week (week of January 17th, 2022) via Governor’s office → (2) of the (3) were immediate triaged and addressed. The remaining case is still under review.

**Invenio-LSI/BenefitFocus - Current Status of
PEBP SOLUTION Project Initiative
EXECUTIVE SUMMARY – As of January 21st, 2022**

- **Billing Platform not yet fully validated and ready for final review and testing.**

Invenio-LSI/BenefitFocus Resolution Plan	Current Status (as of 1-21-22)
<ul style="list-style-type: none"> ▪ A new dedicated BenefitFocus Team has been put in place to accelerate the final configuration and unit testing in order to demonstrate functionality of the Group – Consolidated Billing for PEBP 	<ul style="list-style-type: none"> ▪ Working through validation of all Subsidy related logic & data ▪ Planned Demonstration and Review Session with State’s Invoice Data & Format – Scheduled for 2/2/2022 ▪ Upon PEBP’s confirmation – Transition to Go-Live Plan will commence during week of February 7th, 2022 ▪ Planned (current) Go-Live for Consolidated (Full Roll-Up Invoice to PEBP) – Target Billing → 2-14-2022 <ul style="list-style-type: none"> ○ This will support PEBP Payment of Group Invoices by the 25th of the Month ▪ Contingency – In the interim, utilize December-2021 Invoice as baseline and reconcile variances between this and Full Production Group Billing ▪ Dedicated BenefitFocus Team will assist PEBP with any coordination and workaround with State Health Service Suppliers until Group Consolidate Billing is in Full Production ▪ Invenio-LSI/BenefitFocus will provide daily updates to PEBP Leadership on status of this resolution/remediation plan.
<ul style="list-style-type: none"> ▪ In the interim – the BenefitFocus Team is providing required reporting to PEBP for visibility in order to work with STATE Health Services Vendors 	<ul style="list-style-type: none"> ▪ We have executed this process for Risk Mitigation and Triage with PEBP ▪ We have provided initial reporting to PEBP for Review (1-21-2022)
<ul style="list-style-type: none"> ▪ For Voluntary Benefits – BenefitFocus has assigned a dedicated team to work through all related challenges and is fully responsible to ensure no coverage disruption, as the Direct Billing Functionality is fully reviewed, validated and in Production 	<ul style="list-style-type: none"> ▪ Full Review of “to-date” Voluntary Benefits invoicing and coordination with Benefits Providers – on-going by BenefitFocus

**Invenio-LSI/BenefitFocus - Current Status of
PEBP SOLUTION Project Initiative
EXECUTIVE SUMMARY – As of January 21st, 2022**

▪ **Responsiveness and Quality of Data and Support from previous State SOLUTION Supplier**

Invenio-LSI/BenefitFocus Resolution Plan	Current Status (as of 1-21-22)
<ul style="list-style-type: none"> ▪ We have reached a point of “diminishing” returns and value to try to get what we need from the State’s previous Supplier 	<ul style="list-style-type: none"> ▪ BenefitFocus Dedicated is now fully inspecting and validating ALL of the data sent over from the State’s previous Supplier for alignment, accuracy and quality. ▪ Completion of this inspection and validation – expected by 2/4/2022

▪ **Integrations with State Existing Payroll and HR Demographic Solutions, as well as potentially, NSHE associated Systems.**

Invenio-LSI/BenefitFocus Resolution Plan	Current Status (as of 1-21-22)
<ul style="list-style-type: none"> ▪ We have identified a CORE Resolution Team consisting of PEBP, State Payroll, SMART21 and BenefitFocus Integration specialist to determine how to address or develop workarounds for currently identified CORE HR Demographic and Existing State Payroll Integration challenges 	<ul style="list-style-type: none"> ▪ Meeting scheduled – 1-24-2022
<ul style="list-style-type: none"> ▪ We have reached out to NSHE to validate the HR Demographic Information from their System is consistent on what is required to complete eligibility calculations and associated Payroll Deductions 	<ul style="list-style-type: none"> ▪ Awaiting NSHE Feedback – Week of 1/24/22

**Invenio-LSI/BenefitFocus - Current Status of
PEBP SOLUTION Project Initiative
EXECUTIVE SUMMARY – As of January 21st, 2022**

▪ **Training and Enablement.**

Invenio-LSI/BenefitFocus Resolution Plan	Current Status (as of 1-21-22)
<ul style="list-style-type: none"> ▪ We have listened to, and captured initial Operational Feedback from PEBP since Go-Live (1-3-2022) ▪ Based on this Operational Feedback, Invenio-LSI and BenefitFocus are working on an expanded set of additional training sessions for the PEBP Team ▪ We intend to work with the PEBP Leadership team to ensure that we have captured the key SOLUTION areas which need more Training and Knowledge Transfer 	<ul style="list-style-type: none"> ▪ These Sessions will be scheduled after the two critical issues [Data Validation and Synchronization from previous State Solution Supplier & Billing Platform not yet fully validated and ready for final review and testing.] are resolved ▪ In the meantime – during the “ever-day” 1-hour Operational Mtgs with the PEBP team – the BenefitFocus Support Team is addressing specific Operational Questions as well as providing Knowledge Transfer

▪ **Change Management & Communications**

Invenio-LSI/BenefitFocus Resolution Plan	Current Status (as of 1-21-22)
<ul style="list-style-type: none"> ▪ We have identified Change Management and Communications areas which may be helpful to PEBP with its Members, as PEBP fully transitions over to a new SOLUTION ▪ With any Transition of this nature – the amount of Change and focus on User Adoption and Communications is key towards ensuring a successful experience for PEBP Members. 	<ul style="list-style-type: none"> ▪ We are planning to meet with PEBP to go over some ideas and proposed Change Management & Communications enhancements.

Recommendation:

Assess appropriate performance penalties and require LSI submit an on-going performance improvement plan to the Board through July 2022 or until all identified issues have been resolved.