NEVADA HEALTH AUTHORITY
PUBLIC EMPLOYEES' BENEFITS PROGRAM
3427 Goni Road, Suite 109
Carson City, Nevada 89706
(775) 684-7000 | (702) 486-3100 | (800) 326-5496
NVHA.NV.GOV
PEBP.NV.GOV

Joe Lombardo
Governor

Stacie Weeks
Director

Theresa Carsten
Executive Officer

AGENDA ITEM

☐ Action Item

☒ Information Only

Date: August 20, 2026

Item Number: 5

Title: Executive Officer Report

SUMMARY

The executive officer will provide narrative updates on the following items:

1. Plan Year 2027 Balance Forward – available cash on hand.
   a. Reserve requirements
   b. Possible cash flow timing issues
   c. PEBP reserve requirements for solvency- See attached Segal report
2. Plan Year 25 Look Back Analysis – See attached Segal report.
3. 28/29 Budget Build Enhancements
4. RFP Timeline Review
5. Presentations from Vendors Interested in Future Contracts with PEBP.
   a. How would the board like these meetings/presentations scheduled for consideration.
   b. Will the board consider a deadline for all vendor presentations to ensure timely adjustments to RFPs can be made before posting for procurement.
   c. EXAMPLE: Starling Oncology was referred by board member Zumtobel to meet with PEBP to discuss potential cost savings related to cancer costs.
      i. Would the board like a presentation from this vendor in September?

Public Employees' Benefit Program Executive Officer Board Report

Theresa Carsten

Executive Officer, PEBP

August 20, 2026

Agenda

1	Plan Year 2027 Available Cash on Hand
2	Plan Year 2025 Look Back Analysis – See attached Segal report
3	Budget Build Enhancements
4	RFP Timeline Review
5	Presentations from Future Vendors

Where We Should Have Landed the End of PY 26

- $149 M was the total needed to have operational cash for expenditures in July (PY27) and to have each reserve fully funded.
  - **121 Million for Reserves**
  - **28 Million for Operational Expenses**
- Attached is a version of an EMR report Segal supplies monthly. The attached document is for PY 26 with claims paid through June. This report shows, historically, how revenue is collected and applied to expenditures every month, and how important reserve balances are for cash flow.

Key Takeaway: PEBP's reserve balance has not recovered as needed.

NEVADA HEALTH AUTHORITY

Financial Snapshot of Cash on Hand PY 2027

Our costs could outpace our cashflow.

- Starting Cash: $ 52M
- July Revenue: $ 38.6M
- July Medical/Rx Claims: $61.5M
- PY 27 Rate Revenue Shortfall: $30M

Cash flow issue: staff are working with employer groups who still have outstanding July contributions to pay; and member premiums have been collected.

2027 Cash	
Revenue and Balance Forward	90.6M
Medical/RX claims	61.5M
Rate revenue shortfall	30M
Available cash	-900k

NEVADA HEALTH AUTHORITY

Key Takeaway: PEBP will need to track revenues and expenditures very closely to ensure cash is not depleted.

Reserve Requirements at a Glance

PY 2027	IBNR Reserve	Catastrophic Reserve	HRA Reserve
	$62,967,000	$53,000,000	$5,490,934
Total Reserve Needs	$121,457,934		
Reserve Needed for Solvency	$68,457,934		

What you need to know: For Segal to determine PEBP's plan as actuarial solvent, PEBP must have fully funded the HRA and IBNR reserve accounts.

NEVADA HEALTH AUTHORITY

Plan Year 2025 Look Back Analysis

See Attached Segal Report for Full Details

Total Health Plan Claims

Month	Budget	Actual	Surplus/(Deficit)
Medical	**$243,048,782**	**$270,515,232**	**($27,466,450)**
CDHP	$114,522,750	$101,169,766	$13,352,985
Copay	$103,383,104	$128,043,198	($24,660,095)
EPO	$25,142,928	$41,302,268	($16,159,340)
Prescription Drug	**$61,729,926**	**$69,673,031**	**($7,943,105)**
CDHP	$28,601,072	$24,804,540	$3,796,532
Copay	$26,629,227	$32,462,279	($5,833,052)
EPO	$6,499,627	$12,406,212	($5,906,586)
Dental	**$27,991,073**	**$28,522,672**	**($531,599)**
Total State	**$332,769,782**	**$368,710,935**	**($35,941,153)**

NEVADA HEALTH AUTHORITY

What you need to know: As addressed in previous board meetings, historic rates, have not been set to cover the expenses of the program.

28/29 Budget Build Enhancements

Public Employees Benefit Program					
BA 1338 Admin Account					
FY 28-29 Enhancements					
	Number of Primary Participants	45,809		45,809	
		FY 28	PEPM	FY 29	PEPM
E247	This request funds a portion of a contract pharmacist, and two contract management analysts for the oversight and monitoring of the Public Employees Benefit Programs Pharmacy Benefit Manager Vendor. The funding for these positions would be shard with the Nevada Health Authority and be housed in the Department's Pharmacy and PBM Oversight Team.	252,900	0.46	245,886	0.45
E253	This request funds an Agency Manager position to oversee the health performance metrics to be instituted in PEBP to achieve the Department's overall goal of improving the performance on key health indicators across the state; aligning the agency's purchasing strategy with the NVHA; and ensuring better vendor accountability.	161,803	0.29	209,139	0.38
E805	This request reclassifies an Administrative Assistant 1 to Accounting Assistant 3, an Accounting Assistant 2 to an Accounting Assistant 3, and Administrative Assistant 2 to and Administrative Assistant 3 commensurate with the duties of the position.	18,618	0.03	19,573	0.04
E900/E500	This request transfers an IT Professional 2 and an IT Professional 3 to the Director's Office budget account 3158 to be utilized across the department as the Department is centralizing and streamlining IT supports to ensure adequate support for this team. This also saves PEBP money as it splits the cost with the Nevada Health Authority budget for IT staff.	(142,298)	-0.26	(143,834)	-0.26
	Total PEPM		0.53		0.60

NEVADA HEALTH AUTHORITY

Strategic Plan Meeting Recap for RFP Discussion

Disease Management	• Whole Person CC/CM vendor procurement • Carrum Center for Excellence – explore mandatory network for select services • Improve current contract terms for utilization management and disease management through contract amendments.
Pharmacy	• Specialty Drug Management Solutions • Direct Rebate Contracting
Plan Design	• Consolidation of existing plan options.
Risk Pools	• Separate Actives and Retirees • Move Non-Medicare Retirees to the exchange • Review Dependent Subsidies
Contracting	• Expand Centers of Excellence services • Coordinate with NVHA and CMS • Audit Contracting Revisions

NEVADA HEALTH AUTHORITY

RFP Timelines and Key Milestones

This is a very tight turn around if large scope of work changes are needed for each contract.

May 2027	June 2027	July 2027	August 2027	Sept/Oct 2027	Dec 27/ Jan 28
TPA/Network/Audits/Basic Life/Center of Excellence/Cancer Concierge to Purchasing	Purchasing Posts Via EPRO	Opening Date	Evaluation Committee	Contract Negotiations	GFO/BOE Approvals

NEVADA HEALTH AUTHORITY

Implementation of new vendors can take 6-8 months. All contracts need to begin 7/1/2028.

Presentations from Vendors

- Board members may elect to hear from outside vendors on services available for purchase by PEBP. Things to consider:
  - **Will the board be requesting to meet with specific vendors, or are PEBP staff asked to agendize any vendors that wish to present to the board.**
  - **Timing: presentations should be scheduled in the coming months to ensure scope of work revisions can be made timely and submitted to NVHA for review prior to releasing to Purchasing for procurement.**
  - **Budget: the budget for 28/29 does not account for large cost shifts. Any scope of work revisions, or additional vendors would require selection within our existing budget build.**

NEVADA HEALTH AUTHORITY

Thank You

NEVADA HEALTH AUTHORITY

Nevada Public Employees' Benefits Program

Plan Year 2026, with actual paid amounts as of 6/30/2026

Aggregate Medical, Pharmacy & Dental (Fully Insured and Self-Funded Plans)

	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Plan YTD	Projected FY2026 Total
Employee/Retiree Count														
Medical/Rx														
Southern NV HMO	3,294	3,261	3,250	3,222	3,212	3,185	3,170	3,148	3,145	3,143	3,133	3,111	3,190	3,190
CDHP, EPO and Copay	29,673	29,643	29,595	29,698	29,831	29,734	29,586	29,571	29,686	29,696	29,689	29,596	29,667	29,667
Total	32,967	32,904	32,845	32,920	33,043	32,919	32,756	32,719	32,831	32,839	32,822	32,707	32,856	32,856
Dental	41,946	41,927	41,886	41,975	42,098	41,966	41,820	41,702	41,825	41,811	41,818	41,698	41,873	41,873
Accruals														
Southern NV HMO														
Participant Contributions	$234,944	$422,323	$2,235,242	$1,202,376	$478,669	$1,442,110	$1,027,503	$1,578,274	$1,054,155	$1,053,966	$1,043,477	$1,048,488	$12,821,529	$12,821,529
Employer Contributions	$3,160,146	$3,045,660	$3,210,915	$3,298,103	$3,118,834	$3,052,850	$3,156,818	$5,249,593	$2,753,665	$3,515,247	$3,285,521	$3,201,164	$40,048,516	$40,048,516
Sub-total	$3,395,090	$3,467,983	$5,446,158	$4,500,479	$3,597,503	$4,494,960	$4,184,321	$6,827,867	$3,807,820	$4,569,213	$4,328,997	$4,249,653	$52,870,045	$52,870,045
CDHP, EPO and Copay														
Participant Contributions	$1,568,466	$2,389,885	$11,142,189	$6,160,314	$2,726,312	$7,298,444	$5,324,204	$7,951,172	$5,445,682	$5,452,571	$5,399,058	$5,454,656	$66,312,953	$66,312,953
Employer Contributions	$28,237,587	$27,588,373	$28,583,292	$28,678,735	$28,288,009	$26,186,626	$28,163,404	$48,389,620	$25,048,030	$30,999,551	$29,603,313	$28,276,151	$358,042,690	$358,042,690
Sub-total	$29,806,053	$29,978,258	$39,725,481	$34,839,048	$31,014,321	$33,485,070	$33,487,608	$56,340,792	$30,493,712	$36,452,122	$35,002,371	$33,730,807	$424,355,643	$424,355,643
Dental														
Participant Contributions	$537,886	$553,896	$1,133,262	$803,356	$596,958	$869,508	$745,234	$900,234	$755,015	$763,440	$747,415	$744,789	$9,150,994	$9,150,994
Employer Contributions	$1,704,877	$1,664,433	$1,726,291	$1,733,787	$1,706,713	$1,583,155	$1,700,561	$2,917,148	$1,512,101	$1,872,753	$1,786,697	$1,708,168	$21,616,683	$21,616,683
Sub-total	$2,242,763	$2,218,329	$2,859,553	$2,537,143	$2,303,672	$2,452,663	$2,445,795	$3,817,382	$2,267,116	$2,636,193	$2,534,112	$2,452,957	$30,767,678	$30,767,678
Total Premium Accrued	$35,443,906	$35,664,570	$48,031,192	$41,876,671	$36,915,496	$40,432,693	$40,117,724	$66,986,042	$36,568,648	$43,657,529	$41,865,480	$40,433,416	$507,993,366	$507,993,366
Claims														
Medical/Rx														
Southern NV HMO	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
CDHP, EPO and Copay	$32,358,308	$17,561,697	$35,445,356	$30,847,230	$21,312,611	$33,934,510	$30,513,088	$26,398,546	$34,225,343	$41,511,337	$28,342,503	$37,081,783	$369,532,312	$369,532,312
COVID Reimbursements	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total	$32,358,308	$17,561,697	$35,445,356	$30,847,230	$21,312,611	$33,934,510	$30,513,088	$26,398,546	$34,225,343	$41,511,337	$28,342,503	$37,081,783	$369,532,312	$369,532,312
Dental	$2,804,056	$2,635,563	$2,423,974	$2,909,010	$2,005,633	$2,618,052	$2,407,815	$2,324,775	$2,571,152	$2,410,013	$2,149,644	$2,680,028	$29,939,715	$29,939,715
Total Adjusted Claims	$35,162,364	$20,197,261	$37,869,330	$33,756,240	$23,318,244	$36,552,562	$32,920,903	$28,723,321	$36,796,495	$43,921,351	$30,492,146	$39,761,812	$399,472,027	$399,472,027
Expenses														
Administrative Expenses1														
Southern NV HMO	$4,286,013	$4,249,146	$4,255,476	$4,245,600	$4,205,086	$4,164,146	$4,163,908	$4,130,721	$4,502,995	$4,111,784	$4,109,795	$4,065,825	$50,490,495	$50,490,495
CDHP, EPO and Copay	$1,932,719	$1,384,700	$2,390,668	$2,737,085	$2,395,451	$2,119,171	$2,264,766	$2,345,209	$2,084,618	$2,525,697	$2,656,131	$2,472,772	$27,308,986	$27,308,986
Dental	$87,248	$87,208	$87,123	$87,308	$87,564	$87,289	$86,986	$86,740	$86,996	$86,967	$86,981	$86,732	$1,045,142	$1,045,142
Sub-total	$6,305,979	$5,721,055	$6,733,267	$7,069,992	$6,688,101	$6,370,606	$6,515,660	$6,562,670	$6,674,609	$6,724,448	$6,852,907	$6,625,329	$78,844,623	$78,844,623
HSA Contributions	$6,656,275	$102,619	$50,558	$63,650	$33,641	$32,516	$0	-$525	$0	$0	$0	$0	$6,938,734	$6,938,734
HRA Claims	$573,069	$527,487	$470,500	$485,928	$351,912	$386,989	$356,027	$324,537	$353,328	$337,364	$295,170	$342,330	$4,804,640	$4,804,640
Total Expenses	$13,535,323	$6,351,160	$7,254,325	$7,619,570	$7,073,654	$6,790,111	$6,871,687	$6,886,682	$7,027,936	$7,061,812	$7,148,078	$6,967,659	$90,587,997	$90,587,997
Summary														
Southern NV HMO														
Total Premiums & Expenses	$4,286,013	$4,249,146	$4,255,476	$4,245,600	$4,205,086	$4,164,146	$4,163,908	$4,130,721	$4,502,995	$4,111,784	$4,109,795	$4,065,825	$50,490,495	$50,490,495
Surplus Gain/(Loss)	($890,923)	($781,163)	$1,190,682	$254,879	($607,583)	$330,814	$20,412	$2,697,147	($695,175)	$457,430	$219,202	$183,828	$2,379,551	$2,379,551
Loss Ratio	126.2%	122.5%	78.1%	94.3%	116.9%	92.6%	99.5%	60.5%	118.3%	90.0%	94.9%	95.7%	95.5%	95.5%
CDHP, EPO and Copay														
Total Claims & Expenses	$41,520,371	$19,576,503	$38,357,082	$34,133,892	$24,093,615	$36,473,186	$33,133,880	$29,067,766	$36,663,289	$44,374,398	$31,293,804	$39,896,886	$408,584,673	$408,584,673
Surplus Gain/(Loss)	($11,714,318)	$10,401,754	$1,368,399	$705,156	$6,920,706	($2,988,117)	$353,728	$27,273,026	($6,169,578)	($7,922,276)	$3,708,567	($6,166,079)	$15,770,970	$15,770,970
Loss Ratio	139.3%	65.3%	96.6%	98.0%	77.7%	108.9%	98.9%	51.6%	120.2%	121.7%	89.4%	118.3%	96.3%	96.3%
Dental														
Total Claims & Expenses	$2,891,304	$2,722,771	$2,511,097	$2,996,318	$2,093,196	$2,705,341	$2,494,801	$2,411,515	$2,658,148	$2,496,980	$2,236,625	$2,766,760	$30,984,857	$30,984,857
Surplus Gain/(Loss)	($648,541)	($504,443)	$348,456	($459,175)	$210,475	($252,678)	($49,006)	$1,405,867	($391,031)	$139,213	$297,487	($313,803)	($217,180)	($217,180)
Loss Ratio	128.9%	122.7%	87.8%	118.1%	90.9%	110.3%	102.0%	63.2%	117.2%	94.7%	88.3%	112.8%	100.7%	100.7%
Total														
Total Claims & Expenses	$48,697,688	$26,548,421	$45,123,655	$41,375,810	$30,391,897	$43,342,674	$39,792,590	$35,610,003	$43,824,431	$50,983,162	$37,640,224	$46,729,471	$490,060,025	$490,060,025
Surplus Gain/(Loss)	($13,253,781)	$9,116,149	$2,907,537	$500,861	$6,523,598	($2,909,981)	$325,135	$31,376,039	($7,255,784)	($7,325,633)	$4,225,256	($6,296,055)	$17,933,341	$17,933,341
Loss Ratio	**137.4%**	**74.4%**	**93.9%**	**98.8%**	**82.3%**	**107.2%**	**99.2%**	**53.2%**	**119.8%**	**116.8%**	**89.9%**	**115.6%**	**96.5%**	**96.5%**
Accumulated Surplus/(Shortfall)	**($13,253,781)**	**($4,137,632)**	**($1,230,096)**	**($729,235)**	**$5,794,363**	**$2,884,383**	**$3,209,517**	**$34,585,556**	**$27,329,773**	**$20,004,140**	**$24,229,396**	**$17,933,341**	**$17,933,341**	**$17,933,341**

Nevada Public Employees' Benefits Program

Plan Year 2025 - Look Back Analysis

Summary of Self-funded Claims, HSA/HRA Contributions, HSA Expense and HRA Claims Experience

State Health Plan Claims

Month	Budget	Actual	Surplus/(Deficit)
Medical	**$239,737,483**	**$266,777,908**	**($27,040,425)**
CDHP	$111,922,592	$98,829,861	$13,092,731
Copay	$103,130,776	$127,402,311	($24,271,536)
EPO	$24,684,115	$40,545,736	($15,861,620)
Prescription Drug	**$60,350,594**	**$68,602,399**	**($8,251,805)**
CDHP	$27,523,949	$24,040,855	$3,483,094
Copay	$26,521,059	$32,245,842	($5,724,783)
EPO	$6,305,586	$12,315,701	($6,010,115)
Dental	**$25,916,420**	**$26,338,766**	**($422,347)**
Total State	**$326,004,496**	**$361,719,073**	**($35,714,577)**

Non-State Health Plan Claims

Month	Budget	Actual	Surplus/(Deficit)
Medical	**$3,311,299**	**$3,737,324**	**($426,025)**
CDHP	$2,600,158	$2,339,905	$260,254
Copay	$252,328	$640,887	($388,559)
EPO	$458,813	$756,532	($297,719)
Prescription Drug	**$1,379,332**	**$1,070,632**	**$308,700**
CDHP	$1,077,123	$763,684	$313,439
Copay	$108,168	$216,437	($108,269)
EPO	$194,041	$90,511	$103,530
Dental	**$2,074,654**	**$2,183,906**	**($109,252)**
Total State	**$6,765,285**	**$6,991,862**	**($226,577)**

Total Health Plan Claims

Month	Budget	Actual	Surplus/(Deficit)
Medical	**$243,048,782**	**$270,515,232**	**($27,466,450)**
CDHP	$114,522,750	$101,169,766	$13,352,985
Copay	$103,383,104	$128,043,198	($24,660,095)
EPO	$25,142,928	$41,302,268	($16,159,340)
Prescription Drug	**$61,729,926**	**$69,673,031**	**($7,943,105)**
CDHP	$28,601,072	$24,804,540	$3,796,532
Copay	$26,629,227	$32,462,279	($5,833,052)
EPO	$6,499,627	$12,406,212	($5,906,586)
Dental	**$27,991,073**	**$28,522,672**	**($531,599)**
Total State	**$332,769,782**	**$368,710,935**	**($35,941,153)**

Nevada Public Employees' Benefits Program

Plan Year 2025 - Look Back Analysis

Self-funded Medical/HSA and HRA Contributions/HSA Expenses/HRA Claims

State Medical Claims

	CDHP					Copay					EPO					Total				
Month	**Employee Count**	**Member Count**	**Budget**	**Actual**	**Surplus/(Deficit)**	**Employee Count**	**Member Count**	**Budget**	**Actual**	**Surplus/(Deficit)**	**Employee Count**	**Member Count**	**Budget**	**Actual**	**Surplus/(Deficit)**	**Employee Count**	**Member Count**	**Budget**	**Actual**	**Surplus/(Deficit)**
Jul-24	13,626	22,353	$20,027,871	$14,277,454	$5,750,418	11,630	22,241	$11,667,631	$10,432,879	$1,234,751	2,815	5,222	$2,865,053	$4,779,064	($1,914,011)	28,071	49,817	$34,560,555	$29,489,397	$5,071,158
Aug-24	13,649	22,367	$8,309,156	$5,943,211	$2,365,946	11,715	22,409	$8,044,887	$10,061,031	($2,016,144)	2,796	5,197	$2,020,793	$3,502,355	($1,481,562)	28,160	49,972	$18,374,836	$19,506,596	($1,131,760)
Sep-24	13,604	22,314	$8,230,187	$6,366,937	$1,863,250	11,816	22,596	$8,084,333	$9,900,432	($1,816,099)	2,772	5,143	$2,005,436	$3,200,130	($1,194,694)	28,192	50,054	$18,319,956	$19,467,500	($1,147,544)
Oct-24	13,779	22,494	$8,399,846	$7,534,892	$864,954	11,951	22,822	$8,173,822	$9,629,376	($1,455,553)	2,766	5,120	$2,000,298	$3,104,631	($1,104,333)	28,496	50,437	$18,573,967	$20,268,899	($1,694,932)
Nov-24	13,885	22,641	$8,414,971	$6,913,945	$1,501,026	12,068	23,056	$8,239,470	$10,974,229	($2,734,759)	2,759	5,119	$1,995,778	$2,629,554	($633,776)	28,712	50,817	$18,650,220	$20,517,729	($1,867,509)
Dec-24	13,987	22,720	$8,409,019	$7,391,140	$1,017,880	12,180	23,242	$8,294,691	$9,660,658	($1,365,967)	2,755	5,107	$1,993,790	$2,734,213	($740,422)	28,922	51,070	$18,697,500	$19,786,010	($1,088,510)
Jan-25	13,918	22,659	$8,338,387	$8,235,333	$103,054	12,217	23,255	$8,319,371	$11,638,476	($3,319,105)	2,747	5,098	$1,984,367	$3,225,850	($1,241,483)	28,882	51,013	$18,642,125	$23,099,659	($4,457,534)
Feb-25	13,959	22,688	$8,342,035	$6,769,011	$1,573,024	12,375	23,526	$8,419,450	$9,859,970	($1,440,520)	2,737	5,086	$1,978,357	$3,300,752	($1,322,394)	29,071	51,300	$18,739,842	$19,929,733	($1,189,891)
Mar-25	14,068	22,804	$8,416,063	$7,793,321	$622,742	12,442	23,649	$8,455,332	$11,786,348	($3,331,017)	2,734	5,064	$1,975,227	$3,288,444	($1,313,216)	29,244	51,518	$18,846,622	$22,868,113	($4,021,491)
Apr-25	14,062	22,782	$8,391,849	$9,674,612	($1,282,763)	12,500	23,756	$8,461,125	$12,184,354	($3,723,229)	2,722	5,042	$1,962,889	$4,838,559	($2,875,671)	29,284	51,581	$18,815,863	$26,697,526	($7,881,663)
May-25	14,064	22,755	$8,368,273	$9,395,599	($1,027,325)	12,533	23,830	$8,503,447	$11,254,796	($2,751,349)	2,714	5,034	$1,957,986	$3,166,338	($1,208,352)	29,311	51,620	$18,829,707	$23,816,733	($4,987,027)
Jun-25	13,964	22,658	$8,274,934	$8,534,408	($259,474)	12,509	23,773	$8,467,217	$10,019,760	($1,552,543)	2,696	4,990	$1,944,140	$2,775,845	($831,705)	29,169	51,422	$18,686,291	$21,330,013	($2,643,722)
Total	**13,880**	**22,603**	**$111,922,592**	**$98,829,861**	**$13,092,731**	**12,161**	**23,180**	**$103,130,776**	**$127,402,311**	**($24,271,536)**	**2,751**	**5,102**	**$24,684,115**	**$40,545,736**	**($15,861,620)**	**28,793**	**50,885**	**$239,737,483**	**$266,777,908**	**($27,040,425)**
PMPY			**$4,951.62**	**$4,372.38**	**$579.24**			**$4,449.17**	**$5,496.27**	**($1,047.10)**			**$4,838.14**	**$7,947.05**	**($3,108.91)**			**$4,711.36**	**$5,242.76**	**($531.40)**

Non-State Medical Claims

	CDHP					Copay					EPO					Total				
Month	**Employee Count**	**Member Count**	**Budget**	**Actual**	**Surplus/(Deficit)**	**Employee Count**	**Member Count**	**Budget**	**Actual**	**Surplus/(Deficit)**	**Employee Count**	**Member Count**	**Budget**	**Actual**	**Surplus/(Deficit)**	**Employee Count**	**Member Count**	**Budget**	**Actual**	**Surplus/(Deficit)**
Jul-24	304	355	$390,282	$133,193	$257,090	30	45	$23,364	$104,155	($80,791)	47	67	$38,995	$16,888	$22,107	381	466	$452,641	$254,236	$198,406
Aug-24	302	352	$205,919	$112,488	$93,431	29	44	$22,585	$13,880	$8,705	47	67	$38,995	$5,118	$33,877	378	462	$267,499	$131,485	$136,013
Sep-24	302	352	$205,919	$119,384	$86,535	29	44	$22,585	$8,506	$14,079	47	67	$38,995	$16,490	$22,505	378	462	$267,499	$144,380	$123,119
Oct-24	300	349	$204,555	$111,414	$93,141	27	41	$21,027	$15,220	$5,807	47	65	$38,995	$14,381	$24,614	374	454	$264,577	$141,016	$123,561
Nov-24	298	346	$203,191	$251,737	($48,546)	26	39	$20,249	$20,809	($561)	46	64	$38,165	$84,310	($46,145)	370	448	$261,605	$356,856	($95,251)
Dec-24	295	342	$201,146	$268,898	($67,753)	26	39	$20,249	$11,974	$8,274	46	64	$38,165	$20,471	$17,694	367	444	$259,560	$301,343	($41,784)
Jan-25	295	342	$201,146	$145,269	$55,877	26	39	$20,249	$12,810	$7,439	46	64	$38,165	$16,670	$21,495	367	444	$259,560	$174,748	$84,811
Feb-25	291	338	$198,418	$329,166	($130,748)	27	41	$21,027	$359,460	($338,433)	46	64	$38,165	$11,713	$26,452	364	442	$257,611	$700,339	($442,728)
Mar-25	290	338	$197,737	$87,308	$110,429	26	39	$20,249	$49,219	($28,970)	46	64	$38,165	$47,747	($9,582)	362	440	$256,150	$184,274	$71,877
Apr-25	291	338	$198,418	$143,940	$54,478	26	39	$20,249	$8,166	$12,083	45	62	$37,336	$13,726	$23,610	362	438	$256,002	$165,832	$90,171
May-25	290	337	$197,737	$170,172	$27,564	26	39	$20,249	$18,043	$2,205	45	62	$37,336	$12,736	$24,600	361	437	$255,321	$200,951	$54,370
Jun-25	287	333	$195,691	$466,935	($271,244)	26	39	$20,249	$18,645	$1,603	45	62	$37,336	$496,283	($458,948)	358	433	$253,275	$981,864	($728,589)
Total	**295**	**343**	**$2,600,158**	**$2,339,905**	**$260,254**	**27**	**40**	**$252,328**	**$640,887**	**($388,559)**	**46**	**64**	**$458,813**	**$756,532**	**($297,719)**	**369**	**448**	**$3,311,299**	**$3,737,324**	**($426,025)**
PMPY			**$7,576.24**	**$6,817.92**	**$758.32**			**$6,243.17**	**$15,857.00**	**($9,613.84)**			**$7,162.82**	**$11,810.71**	**($4,647.89)**			**$7,396.73**	**$8,348.38**	**($951.65)**

Nevada Public Employees' Benefits Program

Plan Year 2025 - Look Back Analysis

Self-funded Prescription Drug Claims and SavOnSP Claims, Net of Rebates

State Rx Claims

CDHP

Month	Employee Count	Member Count	Budget	Actual	Surplus/(Deficit)
Jul-24	13,626	22,353	$2,251,621	$1,560,325	$691,296
Aug-24	13,649	22,367	$2,255,422	$1,823,559	$431,863
Sep-24	13,604	22,314	$2,247,986	$1,898,228	$349,758
Oct-24	13,779	22,494	$2,276,904	$2,071,935	$204,969
Nov-24	13,885	22,641	$2,294,420	$2,009,908	$284,511
Dec-24	13,987	22,720	$2,311,275	$1,696,357	$614,918
Jan-25	13,918	22,659	$2,299,873	$2,201,406	$98,467
Feb-25	13,959	22,688	$2,306,648	$1,878,322	$428,326
Mar-25	14,068	22,804	$2,324,660	$2,104,387	$220,272
Apr-25	14,062	22,782	$2,323,668	$2,298,355	$25,313
May-25	14,064	22,755	$2,323,999	$2,309,446	$14,553
Jun-25	13,964	22,658	$2,307,474	$2,188,626	$118,849
Total	**13,880**	**22,603**	**$27,523,949**	**$24,040,855**	**$3,483,094**
PMPY			**$1,217.70**	**$1,063.60**	**$154.10**

Copay

Month	Employee Count	Member Count	Budget	Actual	Surplus/(Deficit)
Jul-24	11,630	22,241	$2,113,529	$2,422,760	($309,232)
Aug-24	11,715	22,409	$2,128,976	$2,524,106	($395,130)
Sep-24	11,816	22,596	$2,147,331	$2,706,351	($559,020)
Oct-24	11,951	22,822	$2,171,864	$2,602,355	($430,491)
Nov-24	12,068	23,056	$2,193,127	$2,872,228	($679,102)
Dec-24	12,180	23,242	$2,213,481	$2,548,583	($335,103)
Jan-25	12,217	23,255	$2,220,205	$2,613,674	($393,469)
Feb-25	12,375	23,526	$2,248,918	$2,311,962	($63,044)
Mar-25	12,442	23,649	$2,261,094	$2,727,035	($465,941)
Apr-25	12,500	23,756	$2,271,634	$2,778,829	($507,195)
May-25	12,533	23,830	$2,277,632	$2,963,758	($686,126)
Jun-25	12,509	23,773	$2,273,270	$3,174,201	($900,931)
Total	**12,161**	**23,180**	**$26,521,059**	**$32,245,842**	**($5,724,783)**
PMPY			**$1,144.15**	**$1,391.12**	**($246.97)**

EPO

Month	Employee Count	Member Count	Budget	Actual	Surplus/(Deficit)
Jul-24	2,815	5,222	$537,674	$1,063,576	($525,903)
Aug-24	2,796	5,197	$534,045	$1,057,514	($523,469)
Sep-24	2,772	5,143	$529,461	$1,113,207	($583,746)
Oct-24	2,766	5,120	$528,315	$983,475	($455,160)
Nov-24	2,759	5,119	$526,978	$972,904	($445,927)
Dec-24	2,755	5,107	$526,214	$990,576	($464,362)
Jan-25	2,747	5,098	$524,686	$1,112,721	($588,035)
Feb-25	2,737	5,086	$522,776	$772,849	($250,073)
Mar-25	2,734	5,064	$522,203	$932,649	($410,446)
Apr-25	2,722	5,042	$519,910	$1,149,938	($630,028)
May-25	2,714	5,034	$518,382	$1,202,864	($684,481)
Jun-25	2,696	4,990	$514,944	$963,429	($448,485)
Total	**2,751**	**5,102**	**$6,305,586**	**$12,315,701**	**($6,010,115)**
PMPY			**$1,235.91**	**$2,413.90**	**($1,177.99)**

Total

Month	Employee Count	Member Count	Budget	Actual	Surplus/(Deficit)
Jul-24	28,071	49,817	$4,902,824	$5,046,662	($143,838)
Aug-24	28,160	49,972	$4,918,443	$5,405,179	($486,736)
Sep-24	28,192	50,054	$4,924,777	$5,717,786	($793,008)
Oct-24	28,496	50,437	$4,977,083	$5,657,765	($680,682)
Nov-24	28,712	50,817	$5,014,524	$5,855,041	($840,517)
Dec-24	28,922	51,070	$5,050,969	$5,235,516	($184,547)
Jan-25	28,882	51,013	$5,044,763	$5,927,801	($883,038)
Feb-25	29,071	51,300	$5,078,341	$4,963,133	$115,208
Mar-25	29,244	51,518	$5,107,956	$5,764,071	($656,115)
Apr-25	29,284	51,581	$5,115,213	$6,227,123	($1,111,910)
May-25	29,311	51,620	$5,120,013	$6,476,067	($1,356,055)
Jun-25	29,169	51,422	$5,095,688	$6,326,256	($1,230,567)
Total	**28,793**	**50,885**	**$60,350,594**	**$68,602,399**	**($8,251,805)**
PMPY			**$1,186.02**	**$1,348.19**	**($162.17)**

Non-State Rx Claims

CDHP

Month	Employee Count	Member Count	Budget	Actual	Surplus/(Deficit)
Jul-24	304	355	$92,368	$33,024	$59,345
Aug-24	302	352	$91,761	$55,075	$36,685
Sep-24	302	352	$91,761	$69,038	$22,722
Oct-24	300	349	$91,153	$67,866	$23,287
Nov-24	298	346	$90,545	$62,845	$27,700
Dec-24	295	342	$89,634	$58,779	$30,855
Jan-25	295	342	$89,634	$77,310	$12,323
Feb-25	291	338	$88,418	$49,368	$39,050
Mar-25	290	338	$88,114	$66,039	$22,075
Apr-25	291	338	$88,418	$71,876	$16,542
May-25	290	337	$88,114	$73,343	$14,771
Jun-25	287	333	$87,203	$79,120	$8,082
Total	**295**	**343**	**$1,077,123**	**$763,684**	**$313,439**
PMPY			**$3,138.48**	**$2,225.19**	**$913.29**

Copay

Month	Employee Count	Member Count	Budget	Actual	Surplus/(Deficit)
Jul-24	30	45	$10,016	$7,816	$2,200
Aug-24	29	44	$9,682	$15,735	($6,053)
Sep-24	29	44	$9,682	$13,773	($4,091)
Oct-24	27	41	$9,014	$13,554	($4,540)
Nov-24	26	39	$8,680	$18,218	($9,538)
Dec-24	26	39	$8,680	$14,243	($5,563)
Jan-25	26	39	$8,680	$21,240	($12,559)
Feb-25	27	41	$9,014	$25,755	($16,741)
Mar-25	26	39	$8,680	$26,064	($17,384)
Apr-25	26	39	$8,680	$18,885	($10,205)
May-25	26	39	$8,680	$23,881	($15,201)
Jun-25	26	39	$8,680	$17,273	($8,593)
Total	**27**	**40**	**$108,168**	**$216,437**	**($108,269)**
PMPY			**$2,676.33**	**$5,355.14**	**($2,678.81)**

EPO

Month	Employee Count	Member Count	Budget	Actual	Surplus/(Deficit)
Jul-24	47	67	$16,492	$11,854	$4,637
Aug-24	47	67	$16,492	$9,665	$6,826
Sep-24	47	67	$16,492	$9,394	$7,098
Oct-24	47	65	$16,492	$4,966	$11,526
Nov-24	46	64	$16,141	$5,509	$10,632
Dec-24	46	64	$16,141	$9,630	$6,511
Jan-25	46	64	$16,141	$6,216	$9,925
Feb-25	46	64	$16,141	$6,519	$9,622
Mar-25	46	64	$16,141	$6,222	$9,919
Apr-25	45	62	$15,790	$4,278	$11,512
May-25	45	62	$15,790	$7,271	$8,519
Jun-25	45	62	$15,790	$8,987	$6,803
Total	**46**	**64**	**$194,041**	**$90,511**	**$103,530**
PMPY			**$3,029.29**	**$1,413.02**	**$1,616.27**

Total

Month	Employee Count	Member Count	Budget	Actual	Surplus/(Deficit)
Jul-24	381	466	$118,876	$52,694	$66,182
Aug-24	378	462	$117,934	$80,476	$37,458
Sep-24	378	462	$117,934	$92,205	$25,729
Oct-24	374	454	$116,659	$86,385	$30,273
Nov-24	370	448	$115,366	$86,572	$28,794
Dec-24	367	444	$114,455	$82,651	$31,803
Jan-25	367	444	$114,455	$104,766	$9,689
Feb-25	364	442	$113,573	$81,642	$31,931
Mar-25	362	440	$112,935	$98,325	$14,610
Apr-25	362	438	$112,888	$95,040	$17,849
May-25	361	437	$112,585	$104,496	$8,089
Jun-25	358	433	$111,673	$105,380	$6,293
Total	**369**	**448**	**$1,379,332**	**$1,070,632**	**$308,700**
PMPY			**$3,081.13**	**$2,391.56**	**$689.57**

Nevada Public Employees' Benefits Program

Plan Year 2025 - Look Back Analysis

Self-funded Dental Claims

State Dental Claims

Month	Employee Count	Member Count	Budget	Actual	Surplus/(Deficit)
Jul-24	37,301	62,530	$2,116,832	$2,440,109	($323,277)
Aug-24	37,394	62,692	$2,122,110	$2,220,661	($98,551)
Sep-24	37,457	62,810	$2,125,685	$2,005,764	$119,920
Oct-24	37,784	63,230	$2,144,242	$2,360,184	($215,942)
Nov-24	38,018	63,639	$2,157,522	$1,968,913	$188,609
Dec-24	38,233	63,896	$2,169,723	$1,913,818	$255,905
Jan-25	38,191	63,859	$2,167,339	$2,332,204	($164,865)
Feb-25	38,333	64,075	$2,175,398	$2,102,642	$72,756
Mar-25	38,504	64,270	$2,185,102	$2,127,713	$57,389
Apr-25	38,541	64,340	$2,187,202	$2,365,813	($178,612)
May-25	38,540	64,330	$2,187,145	$2,112,944	$74,201
Jun-25	38,381	64,114	$2,178,122	$2,388,001	($209,879)
Total	**38,056**	**63,649**	**$25,916,420**	**$26,338,766**	**($422,347)**
PMPY			**$407.18**	**$413.82**	**($6.64)**

Non-State Dental Claims

Month	Employee Count	Member Count	Budget	Actual	Surplus/(Deficit)
Jul-24	3,684	4,120	$176,685	$211,904	($35,219)
Aug-24	3,673	4,107	$176,157	$184,009	($7,852)
Sep-24	3,662	4,095	$175,630	$192,105	($16,475)
Oct-24	3,648	4,081	$174,958	$211,018	($36,059)
Nov-24	3,633	4,062	$174,239	$155,135	$19,104
Dec-24	3,621	4,047	$173,663	$146,775	$26,888
Jan-25	3,606	4,031	$172,944	$176,877	($3,933)
Feb-25	3,570	3,993	$171,217	$173,027	($1,810)
Mar-25	3,557	3,978	$170,594	$183,691	($13,097)
Apr-25	3,541	3,959	$169,826	$193,598	($23,772)
May-25	3,535	3,952	$169,539	$177,101	($7,562)
Jun-25	3,528	3,942	$169,203	$178,667	($9,464)
Total	**3,605**	**4,031**	**$2,074,654**	**$2,183,906**	**($109,252)**
PMPY			**$514.70**	**$541.80**	**($27.10)**

Nevada Public Employees' Benefits Program

Plan Year 2025 - Look Back Analysis

IBNR - Expected vs. Actual Runout

State

	Estimated IBNR at 6/30/2025*						
Plan	**IBNR**	**10% Catastrophic Margin**	**Expense Margin**	**Total**	**Actual Runout as of 6/30/2026**	**Difference ($$) (Claims Only)**	**Difference (%) (Claims Only)**
Medical	**$43,409,000**	**$4,341,000**	**$0**	**$47,750,000**	**$44,087,030**	**$678,030**	**1.6%**
CDHP	$15,709,000	$1,570,000	$0	$17,279,000	$17,432,678	$1,723,678	11.0%
EPO	$10,199,000	$1,021,000	$0	$11,220,000	$4,765,531	($5,433,469)	-53.3%
Copay	$17,501,000	$1,750,000	$0	$19,251,000	$21,888,821	$4,387,821	25.1%
Rx	**$4,293,000**	**$0**	**$0**	**$4,293,000**	**$4,030,576**	**($262,424)**	**-6.1%**
Dental	**$1,604,000**	**$161,000**	**$0**	**$1,765,000**	**$1,276,946**	**($327,054)**	**-20.4%**
State Total	**$49,306,000**	**$4,502,000**	**$0**	**$53,808,000**	**$49,394,552**	**$88,552**	**0.2%**

Non-State

	Estimated IBNR at 6/30/2025*						
Plan	**IBNR**	**10% Catastrophic Margin**	**Expense Margin**	**Total**	**Actual Runout as of 6/30/2026**	**Difference ($$) (Claims Only)**	**Difference (%) (Claims Only)**
Medical	**$519,000**	**$51,000**	**$0**	**$570,000**	**$1,845,357**	**$1,326,357**	**255.6%**
CDHP	$444,000	$44,000	$0	$488,000	$951,821	$507,821	114.4%
EPO	$42,000	$4,000	$0	$46,000	$509,822	$467,822	1113.9%
Copay	$33,000	$3,000	$0	$36,000	$383,714	$350,714	1062.8%
Rx	**$71,000**	**$0**	**$0**	**$71,000**	**$66,314**	**($4,686)**	**-6.6%**
Dental	**$138,000**	**$14,000**	**$0**	**$152,000**	**$110,064**	**($27,936)**	**-20.2%**
Non-State Total	**$728,000**	**$65,000**	**$0**	**$793,000**	**$2,021,735**	**$1,293,735**	**177.7%**

Total

	Estimated IBNR at 6/30/2025*						
Plan	**IBNR**	**10% Catastrophic Margin**	**Expense Margin**	**Total**	**Actual Runout as of 6/30/2026**	**Difference ($$) (Claims Only)**	**Difference (%) (Claims Only)**
Medical	**$43,928,000**	**$4,392,000**	**$0**	**$48,320,000**	**$45,932,387**	**$2,004,387**	**4.6%**
CDHP	$16,153,000	$1,614,000	$0	$17,767,000	$18,384,499	$2,231,499	13.8%
EPO	$10,241,000	$1,025,000	$0	$11,266,000	$5,275,354	($4,965,646)	-48.5%
Copay	$17,534,000	$1,753,000	$0	$19,287,000	$22,272,535	$4,738,535	27.0%
Rx	**$4,364,000**	**$0**	**$0**	**$4,364,000**	**$4,096,889**	**($267,111)**	**-6.1%**
Dental	**$1,742,000**	**$175,000**	**$0**	**$1,917,000**	**$1,387,010**	**($354,990)**	**-20.4%**
State Total	**$50,034,000**	**$4,567,000**	**$0**	**$54,601,000**	**$51,416,287**	**$1,382,287**	**2.8%**

Segal

Deborah Donaldson, FSA, MAAA
Senior Vice President
M 303.908.9031
ddonaldson@segalco.com

7951 E Maplewood Avenue
Suite 327
Greenwood Village, CO 80111-4774
segalco.com

August 4, 2026

Monica McJoy, MPA, MHA
Chief Financial Officer
Public Employees' Benefits Program
3427 Goni Road Suite 109
Carson City, NV 89706

Re: Estimate of IBNR as of June 30, 2026

Dear Monica:

Segal has completed its evaluation of the State of Nevada Public Employees' Benefits Program (PEBP) liability for claims that were Incurred but Not Reported (IBNR) as of June 30, 2026. The reserve is calculated to estimate the outstanding liability for covered services received prior to July 1, 2026 and paid after June 30, 2026. Our estimate of incurred but not reported (IBNR) claims includes unreported claims, reported but unprocessed claims, and claims processed but unpaid by your administrator. Segal has estimated the reserves for the PEBP's self-insured active and retiree medical, prescription drug, and dental plans to be **$62,967,000** as of June 30, 2026. This is an increase of $8,366,000 or 15.3% from the prior reserve estimate as of June 30, 2025.

The IBNR estimates by coverage as of June 30, 2026 are shown in the following table. Medical and dental IBNR estimates include a 10% catastrophic margin. Prescription drug IBNR estimates do not include a margin due to the minimal time between claim adjudication and plan payment. Included in the FY2026 Prescription Drug IBNR figures is an estimate of incurred but not paid tertiary claims attributable to the SaveOnSP program in the amount of $504,000.

Benefit Plan	**FY2025**			**FY2026**		
	CDHP	**Premier (EPO)**	**Copay**	**CDHP**	**Premier (EPO)**	**Copay**
Medical	$16,153,000	$10,241,000	$17,534,000	$19,956,000	$5,377,000	$25,945,000
10% Margin	$1,164,000	$1,025,000	$1,753,000	$1,995,000	$538,000	$2,593,000
Prescription Drugs	$1,562,000	$769,000	$2,033,000	$1,820,000	$766,000	$2,741,000
Total Medical IBNR	$19,329,000	$12,035,000	$21,320,000	$23,771,000	$6,681,000	$31,279,000
	Dental			**Dental**		
Dental	$1,742,000			$1,123,000		
10% Margin	$175,000			$113,000		
Total Dental IBNR	$1,917,000			$1,236,000		
	Total			**Total**		
Total All Reserves	**$54,601,000**			**$62,967,000**		

The change in liabilities from the previous reserve estimate incorporates ongoing migration to the Copay plan, which has a lower benefit value than the EPO and a faster claims processing rate than the CDHP option. Higher deductible plans generally have slower processing rate than plans with a point-of-sale copay-based benefit structure.

	CDHP	Premier (EPO)	Copay	Total
FY2025	22,946	5,166	23,220	51,333
FY2026	22,308	4,431	25,509	52,249
Percent Change	-2.8%	-14.2%	9.9%	1.8%

Due to the anticipated plan design and contribution changes for FY2027, we have observed higher medical and pharmacy claims over the last few months of the plan year, specifically April through June 2026. It is not uncommon for members to incur more expenses in response to expected plan design or contribution changes if they plan to migrate to a lower cost plan with less generous benefits the following year. Our estimates incorporate incurred and paid claims through June 30, 2026.

Our estimate does not include any amounts for accounts payable due to claims paid by UMR or Express Scripts prior to July 1, 2026, that had been recorded on the carrier's lag report as paid on or before June 30, 2026. Furthermore, if your financial statements identify actual amounts known to be paid after June 30, 2026 for services that were incurred prior to July 1, 2026 (e.g. recorded as an account payable) from the unknown amounts, those known amounts should be subtracted from the estimated liability we have provided so that the total amount of known and unknown liability remains equal to our estimated IBNR. A breakdown of liabilities by coverage, plan, State/Non-State and eligibility status can be found in Exhibits I, II and III. A description of our standard calculation methodology, which was employed for our Medical, Prescription Drug, and Dental estimates, is also enclosed.

Our Medical and Dental estimates rely upon claims paid through June 30, 2026, as furnished by UMR. Our Prescription Drug estimates rely upon claims paid through June 30, 2026 as furnished by Express Scripts. We did not audit this data, and our review was limited to determining that it appears to be reasonable and acceptable for the projection of outstanding liabilities under the plan. The estimated number of months of claims covered by the IBNR are shown below, by plan and coverage.

Benefit Plan	**FY2025**			**FY2026**		
	CDHP	**Premier (EPO)**	**Copay**	**CDHP**	**Premier (EPO)**	**Copay**
Medical	2.2	2.8	1.8	2.4	1.7	2.2
Prescription Drugs	0.5	0.5	0.5	0.5	0.5	0.5
	Dental			**Dental**		
Dental	0.7			0.4		
	Overall			**Overall**		
Total IBNR	**1.6**	**2.0**	**1.4**	**1.8**	**1.3**	**1.6**

Segal

Catastrophic Reserve

PEBP determined the appropriate Catastrophic Reserve level to be 45 days of claims. We have estimated the Catastrophic Reserve to be $53.0 million as of June 30, 2026 for PEBP's CDHP, Premier (EPO) and Copay plans. This is based on the projected total claims incurred for FY2026 ($442,534,000).

Plan	As of 6/30/2025 (45 days)	As of 6/30/2026 (45 days)
CDHP	$16,539,000	$18,592,000
Premier (EPO)	$8,305,000	$7,178,000
Copay	$21,681,000	$27,240,000
Total	**$46,525,000**	**$53,010,000**

Actuarial Certification

We certify to the best of our knowledge, the data, methods, and assumptions used to develop the estimated liability for IBNR claims are reasonable and are calculated in accordance with generally accepted and consistently applied actuarial principles. Although our conclusions are based on assumptions and methods that are reasonable for this purpose, actual experience can vary from our estimate, and this difference may be material. This estimate is intended to measure PEBP's liability for unpaid claims as of June 30, 2026 and it should not be relied upon for any other purpose.

This document has been prepared for the exclusive use and benefit of the Nevada PEBP, based upon information provided by you and your other service providers or otherwise made available to Segal at the time this document was created. Segal makes no representation or warranty as to the accuracy of any forward-looking statements and does not guarantee any particular outcome or result. Except as required by law or required for the Nevada PEBP's proper administration, this document should not be copied, reproduced, or shared with other parties without Segal's consent and, in such instances, should only be shared in its entirety. This document does not constitute legal, tax or investment advice or create or imply a fiduciary relationship. You are encouraged to discuss any issues raised with your legal, tax and other advisors before taking, or refraining from taking, any action.

I am a Fellow of the Society of Actuaries, a Fellow of the Conference of Consulting Actuaries, and a Member of the American Academy of Actuaries. I meet the *Qualification Standards for Actuaries Issuing Statements of Opinion in the United States* promulgated by the American Academy of Actuaries and am qualified to render an opinion with regard to loss reserves, actuarial liabilities, and related items.

Sincerely yours,

Deborah L Donaldson

Deborah Donaldson, FSA, MAAA
Senior Vice President

cc: Theresa Carsten, Executive Officer

Exhibit I
Medical IBNR Estimate

Plan	IBNR Reserves as of June 30, 2025	IBNR Reserves as of June 30, 2026	Change %	% of Prior 12 Months Paid Claims	10% Margin	Total IBNR with Margin
CDHP						
State						
Actives	$11,207,000	$13,446,000	20.0%	18.5%	$1,345,000	$14,791,000
Retirees	$4,502,000	$5,941,000	32.0%	24.3%	$594,000	$6,535,000
Sub-total	$15,709,000	$19,387,000	23.4%	19.9%	$1,939,000	$21,326,000
Non-State						
Actives	$4,000	$2,000	-50.0%	18.3%	$0	$2,000
Retirees	$440,000	$567,000	28.9%	24.4%	$56,000	$623,000
Sub-total	$444,000	$569,000	28.2%	24.3%	$56,000	$625,000
Plan Total	*$16,153,000*	*$19,956,000*	*23.5%*	*20.0%*	*$1,995,000*	*$21,951,000*
EPO						
State						
Actives	$9,142,000	$3,845,000	-57.9%	12.9%	$385,000	$4,230,000
Retirees	$1,057,000	$1,353,000	28.0%	20.9%	$135,000	$1,488,000
Sub-total	$10,199,000	$5,198,000	-49.0%	14.3%	$520,000	$5,718,000
Non-State						
Actives	$1,000	$1,000	0.0%	22.0%	$0	$1,000
Retirees	$41,000	$178,000	334.1%	20.9%	$18,000	$196,000
Sub-total	$42,000	$179,000	326.2%	20.9%	$18,000	$197,000
Plan Total	*$10,241,000*	*$5,377,000*	*-47.5%*	*14.5%*	*$538,000*	*$5,915,000*
Copay						
State						
Actives	$16,112,000	$23,828,000	47.9%	18.5%	$2,382,000	$26,210,000
Retirees	$1,389,000	$2,033,000	46.4%	13.8%	$203,000	$2,236,000
Sub-total	$17,501,000	$25,861,000	47.8%	18.0%	$2,585,000	$28,446,000
Non-State						
Actives	$3,000	$12,000	300.0%	18.5%	$1,000	$13,000
Retirees	$30,000	$72,000	140.0%	13.9%	$7,000	$79,000
Sub-total	$33,000	$84,000	154.5%	14.4%	$8,000	$92,000
Plan Total	$17,534,000	*$25,945,000*	*48.0%*	*18.0%*	*$2,593,000*	*$28,538,000*
Grand Total	**$43,928,000**	**$51,278,000**	**16.7%**	**18.2%**	**$5,126,000**	**$56,404,000**

Exhibit II
Prescription Drug IBNR Estimate

Plan	IBNR Reserves as of June 30, 2025	IBNR Reserves as of June 30, 2026	Change %	% of Prior 12 Months Paid Claims	0% Margin	Total IBNR with Margin
CDHP	$1,562,000	$1,820,000	16.5%	4.5%	$0	$1,820,000
EPO	$769,000	$779,000	-0.4%	4.5%	$0	$766,000
Copay	$2,033,000	$2,787,000	34.8%	4.5%	$0	$2,741,000
Grand Total	**$4,364,000**	**$5,327,000**	**22.1%**	**4.5%**	**$0**	**$5,327,000**

- Estimates do not reflect the impact of any pharmaceutical manufacturer rebates due to PEBP resulting from the utilization of brand drugs.
- Estimates for PY2025 include an estimate of SaveOnSP tertiary claims IBNR of $424,000.
- Estimates for PY2026 include an estimate of SaveOnSP tertiary claims IBNR of $504,000.

Exhibit III
Dental IBNR Estimate

Plan	IBNR Reserves as of June 30, 2025	IBNR Reserves as of June 30, 2026	Change %	% of Prior 12 Months Paid Claims	10% Margin	Total IBNR with Margin
State						
Actives	$1,163,000	$770,000	-33.8%	3.7%	$77,000	$847,000
Retirees	$441,000	$272,000	-38.3%	3.7%	$28,000	$300,000
Sub-total	$1,604,000	$1,042,000	-35.0%	3.7%	$105,000	$1,147,000
Non-State						
Actives	$0	$0	-100.0%	0.0%	$0	$0
Retirees	$138,000	$81,000	-41.3%	3.7%	$8,000	$89,000
Sub-total	$138,000	$81,000	-41.3%	3.7%	$8,000	$89,000
Grand Total	**$1,742,000**	**$1,123,000**	**-35.5%**	**3.7%**	**$113,000**	**$1,236,000**

Exhibit IV
FY2026 Average Employee Count

Group	Medical			Dental
	CDHP	Premier (EPO)	Copay	
State				
Active	11,489	1,958	12,359	28,617
Retiree	2,010	441	1,066	9,799
Sub-total	13,499	2,399	13,425	38,416
Non-State				
Active	7	3	3	12
Retiree	267	43	22	3,445
Sub-total	273	46	25	3,457
Total	**13,772**	**2,445**	**13,450**	**41,873**

Medical IBNR – CDHP Plan
As of 6/30/2026

Month	Member Count	Paid Amount	Incurred & Paid to Date	Completed Incurred	Remaining Outstanding	Completion Factor
Dec-23	24,156	$7,598,397	$8,646,799	$8,646,799	$0	1.000
Jan-24	23,958	$7,430,385	$7,878,500	$7,878,500	$0	1.000
Feb-24	23,900	$7,518,863	$8,069,386	$8,069,386	$0	1.000
Mar-24	23,916	$11,623,045	$8,732,840	$8,732,840	$0	1.000
Apr-24	23,938	$8,926,423	$7,788,050	$7,788,050	$0	1.000
May-24	23,901	$9,870,588	$9,159,259	$9,159,259	$0	1.000
Jun-24	23,861	$7,946,209	$8,095,994	$8,095,994	$0	1.000
Jul-24	22,708	$8,334,467	$6,559,938	$6,559,938	$0	1.000
Aug-24	22,719	$6,380,604	$5,571,027	$5,574,378	$3,350	0.999
Sep-24	22,666	$5,989,149	$6,075,775	$6,088,697	$12,922	0.998
Oct-24	22,843	$8,127,940	$7,199,028	$7,231,033	$32,005	0.996
Nov-24	22,987	$6,316,132	$6,808,615	$6,847,084	$38,468	0.994
Dec-24	23,062	$6,627,227	$7,317,533	$7,362,987	$45,454	0.994
Jan-25	23,001	$8,190,535	$8,080,440	$8,142,955	$62,515	0.992
Feb-25	23,026	$7,720,077	$6,884,753	$6,971,014	$86,261	0.988
Mar-25	23,142	$7,096,312	$7,602,010	$7,703,881	$101,871	0.987
Apr-25	23,120	$7,113,585	$9,534,933	$9,673,048	$138,116	0.986
May-25	23,092	$8,216,419	$9,336,647	$9,503,365	$166,718	0.982
Jun-25	22,991	$8,241,387	$8,745,832	$8,923,190	$177,357	0.980
Jul-25	22,526	$7,863,638	$7,216,463	$7,414,467	$198,004	0.973
Aug-25	22,446	$7,181,740	$7,227,520	$7,480,523	$253,003	0.966
Sep-25	22,384	$8,502,858	$6,908,548	$7,170,063	$261,515	0.964
Oct-25	22,400	$7,963,029	$7,844,542	$8,213,278	$368,736	0.955
Nov-25	22,491	$6,124,206	$6,753,703	$7,161,688	$407,986	0.943
Dec-25	22,402	$8,992,964	$6,636,029	$7,149,194	$513,165	0.928
Jan-26	22,242	$7,674,419	$7,866,791	$8,688,284	$821,493	0.905
Feb-26	22,137	$8,217,530	$7,252,987	$8,272,731	$1,019,744	0.877
Mar-26	22,212	$9,482,071	$8,339,159	$10,072,366	$1,733,207	0.828
Apr-26	22,204	$9,649,690	$6,929,894	$9,115,235	$2,185,341	0.760
May-26	22,187	$9,531,436	$5,840,050	$9,496,424	$3,656,374	0.615
Jun-26	22,070	$8,386,184	$2,369,581	$10,041,897	$7,672,316	0.236
					$19,955,922	

Segal

Medical IBNR – EPO Plan
As of 6/30/2026

Month	Member Count	Paid Amount	Incurred & Paid to Date	Completed Incurred	Remaining Outstanding	Completion Factor
Dec-23	5,724	$3,734,840	$4,296,199	$4,296,199	$0	1.000
Jan-24	5,698	$4,057,469	$3,666,643	$3,666,643	$0	1.000
Feb-24	5,674	$3,811,471	$4,809,894	$4,809,894	$0	1.000
Mar-24	5,654	$4,446,221	$3,669,961	$3,669,961	$0	1.000
Apr-24	5,623	$4,461,541	$3,652,242	$3,652,242	$0	1.000
May-24	5,616	$4,361,346	$3,461,341	$3,461,341	$0	1.000
Jun-24	5,562	$4,204,369	$3,144,691	$3,144,691	$0	1.000
Jul-24	5,289	$3,582,436	$4,713,502	$4,713,502	$0	1.000
Aug-24	5,264	$5,825,669	$3,420,425	$3,422,761	$2,336	0.999
Sep-24	5,210	$3,577,342	$3,164,207	$3,167,333	$3,126	0.999
Oct-24	5,185	$4,875,613	$3,056,430	$3,059,344	$2,914	0.999
Nov-24	5,183	$3,034,408	$2,668,522	$2,671,484	$2,962	0.999
Dec-24	5,171	$3,482,849	$2,710,309	$2,717,626	$7,318	0.997
Jan-25	5,162	$3,081,845	$3,201,391	$3,213,095	$11,704	0.996
Feb-25	5,149	$3,270,523	$3,284,164	$3,304,669	$20,505	0.994
Mar-25	5,128	$3,752,750	$3,308,121	$3,329,382	$21,261	0.994
Apr-25	5,104	$3,124,377	$4,825,342	$4,861,847	$36,505	0.992
May-25	5,096	$3,176,290	$3,147,962	$3,175,347	$27,385	0.991
Jun-25	5,052	$3,958,172	$3,240,046	$3,273,204	$33,158	0.990
Jul-25	4,621	$3,426,113	$3,633,402	$3,664,080	$30,679	0.992
Aug-25	4,565	$2,493,498	$2,897,744	$2,936,411	$38,666	0.987
Sep-25	4,544	$3,002,461	$4,339,642	$4,402,504	$62,863	0.986
Oct-25	4,505	$2,681,531	$2,148,618	$2,199,247	$50,629	0.977
Nov-25	4,475	$2,690,524	$2,204,589	$2,278,805	$74,216	0.967
Dec-25	4,444	$2,515,953	$2,663,318	$2,809,658	$146,339	0.948
Jan-26	4,422	$2,881,221	$2,427,264	$2,590,749	$163,485	0.937
Feb-26	4,376	$2,950,634	$2,588,494	$2,845,174	$256,680	0.910
Mar-26	4,352	$2,764,824	$2,945,260	$3,365,283	$420,023	0.875
Apr-26	4,329	$7,141,052	$2,797,400	$3,392,590	$595,190	0.825
May-26	4,300	$3,329,475	$2,449,137	$3,418,008	$968,871	0.717
Jun-26	4,245	$1,293,397	$800,462	$3,200,142	$2,399,679	0.250
					$5,376,493	

Medical IBNR – Copay Plan
As of 6/30/2026

Month	Member Count	Paid Amount	Incurred & Paid to Date	Completed Incurred	Remaining Outstanding	Completion Factor
Dec-23	18,844	$6,650,543	$7,170,738	$7,170,738	$0	1.000
Jan-24	18,936	$8,547,177	$7,111,224	$7,111,224	$0	1.000
Feb-24	19,222	$7,401,970	$6,454,032	$6,454,032	$0	1.000
Mar-24	19,520	$8,877,729	$7,875,038	$7,875,038	$0	1.000
Apr-24	19,770	$7,529,176	$8,457,549	$8,457,549	$0	1.000
May-24	19,925	$9,354,190	$8,532,546	$8,532,546	$0	1.000
Jun-24	20,108	$6,955,036	$7,484,987	$7,484,987	$0	1.000
Jul-24	22,286	$8,132,949	$10,043,508	$10,043,508	$0	1.000
Aug-24	22,452	$8,061,678	$9,604,452	$9,612,596	$8,145	0.999
Sep-24	22,640	$9,246,520	$9,607,197	$9,622,323	$15,126	0.998
Oct-24	22,863	$9,924,783	$9,286,582	$9,306,306	$19,724	0.998
Nov-24	23,095	$8,255,479	$10,783,696	$10,813,709	$30,013	0.997
Dec-24	23,281	$9,959,254	$9,441,170	$9,471,208	$30,038	0.997
Jan-25	23,294	$10,981,331	$11,447,692	$11,490,192	$42,500	0.996
Feb-25	23,567	$10,906,753	$10,080,409	$10,125,746	$45,336	0.996
Mar-25	23,688	$9,439,359	$11,639,841	$11,695,695	$55,854	0.995
Apr-25	23,795	$11,540,189	$12,020,140	$12,194,570	$174,430	0.986
May-25	23,869	$10,582,354	$11,132,004	$11,300,214	$168,210	0.985
Jun-25	23,812	$9,207,291	$9,891,475	$10,053,875	$162,399	0.984
Jul-25	25,181	$13,160,574	$10,281,399	$10,472,940	$191,541	0.982
Aug-25	25,252	$9,148,953	$11,770,519	$12,027,906	$257,387	0.979
Sep-25	25,299	$12,947,500	$10,549,396	$10,840,462	$291,066	0.973
Oct-25	25,462	$10,731,685	$12,348,225	$12,801,535	$453,311	0.965
Nov-25	25,584	$9,485,284	$9,677,091	$10,253,246	$576,155	0.944
Dec-25	25,516	$12,482,584	$11,759,063	$12,646,691	$887,628	0.930
Jan-26	25,457	$10,799,660	$11,375,725	$12,528,062	$1,152,337	0.908
Feb-26	25,579	$13,071,548	$9,808,374	$11,118,988	$1,310,614	0.882
Mar-26	25,663	$12,023,583	$11,616,881	$13,694,691	$2,077,810	0.848
Apr-26	25,660	$14,224,281	$10,240,086	$13,120,975	$2,880,889	0.780
May-26	25,727	$12,658,994	$8,803,279	$13,065,009	$4,261,730	0.674
Jun-26	25,727	$13,651,497	$3,883,568	$14,735,061	$10,851,493	0.264
					$25,943,735	

Segal

Data, Assumptions, and Methodology

We have relied upon claims and membership data provided by UMR, Express Scripts and LifeWorks, with payments through June 30, 2026. We accepted this information without audit and have relied upon the source for the accuracy of the data; however, we did review the information for reasonableness and consistency. On the basis of this review, we believe the data and information provided to be sufficiently complete and accurate, and that it is appropriate for the purposes intended.

Assumptions and Methodology – Segal IBNR reserve model

The Segal IBNR model utilizes **detailed** monthly claims data that shows the amount of monthly claim dollars paid in each month of the reserve determination period relative to the month services were incurred. We project total Incurred Claims by month and then subtract known Paid Claim runoff by incurred month to calculate the completion factors for the estimated IBNR reserves. This method results in highly accurate estimates of IBNR reserves in large stable environments.

Calculation Methodology

Consistent with best practices in the industry, Segal blends two distinct methods to estimate monthly incurred claims:

1. *Claims Lag Method* - The first method estimates incurred claims by determining the payment patterns for each month of incurred claims. For example, for claims incurred in September 2025, we will review claims paid in September, October, November, and each succeeding month through June 2026. We review each month's payment patterns and utilize these cashflows to estimate the remaining claims to be paid that have been incurred for each month.

2. *Claims Projection Method* – The second method develops a projected per capita total incurred claims estimate for each month. This estimate is based on the expected total incurred claims for prior months, trended forward and adjusted for plan changes. The per capita incurred claims are multiplied by that month's enrollment and the total paid claims reported to date are subtracted to determine the expected incurred but not paid for that month.

The first method (Claims Lag Method) generally provides better estimates for more mature months, meaning months with more paid claims data. The second method (Claims Projection Method) generally provides better estimates for more recent months, where there is less paid data available. Our approach develops an estimate for each method for each month and blends the two based on the relative credibility, resulting in the Claims Lag Method estimates receiving more weight for older months and the Claims Projection Method estimates receiving more weight for recent months