

**STATE OF NEVADA
PUBLIC EMPLOYEES' BENEFITS PROGRAM
BOARD MEETING**

The Legislative Building
401 South Carson Street, Room #1214
Carson City, NV 89701

ACTION MINUTES (Subject to Board Approval)

September 26, 2019

**MEMBERS PRESENT
IN CARSON CITY:**

Ms. Deonne Contine, Board Chair
Ms. Leah Lamborn, Member
Mr. John Packham, Member
Mr. Tom Verducci, Member

**MEMBERS PRESENT
IN LAS VEGAS:**

Ms. Linda Fox, Vice Chair
Ms. Jet Mitchell, Member

MEMBERS EXCUSED:

Mr. Don Bailey, Member
Ms. Mandy Hagler, Member
Ms. Christine Zack, Member

FOR THE BOARD:

Ms. Brandee Mooneyhan, Deputy Attorney General

FOR STAFF:

Mr. Damon Haycock, Executive Officer
Ms. Cari Eaton, Chief Financial Officer
Ms. Laura Rich, Operations Officer
Ms. Nancy Spinelli, Quality Control Officer
Ms. Laura Landry, Executive Assistant

1. Open Meeting: Roll Call

Chair Contine opened the meeting at 9:00 a.m.

2. Public Comment

Public Comment in Las Vegas:

- Douglas Unger – Employee benefits representative UNLV Faculty Senate
- Public Comment in Carson City:
 - Kent Ervin - Nevada Faculty Alliance
 - Marlene Lockard – Retired Public Employees of Nevada
 - Priscilla Malony – AFSCME
 - Nikki Pecorino - UNUM

3. PEBP Board disclosures for applicable Board meeting agenda items. (Brandee Mooneyhan, Deputy Attorney General) (Information/Discussion)

4. Consent Agenda (Deonne Contine, Board Chair) (**All Items for Possible Action**)

Consent items will be considered together and acted on in one motion unless an item is removed to be considered separately by the Board.

- 4.1. Approval of Action Minutes from the July 25, 2019 PEBP Board Meeting.
- 4.2. Receipt of PEBP Chief Financial Officer annual reports for year ending June 30, 2019:
 - 4.2.1. Budget Report
 - 4.2.2. Utilization Report
- 4.3. Receipt of annual vendor reports for timeframe July 1, 2018 - June 30, 2019:
 - 4.3.1. HealthSCOPE Benefits – Obesity Care Management Program
 - 4.3.2. Hometown Health Providers – Utilization and Large Case Management
 - 4.3.3. The Standard Insurance – Basic Life and Long Term Disability Insurance
 - 4.3.4. Willis Towers Watson's Individual Marketplace Quarterly Report for Q4, 2019
- 4.4. Acceptance of Health Claim Auditors, Inc. quarterly audit of HealthSCOPE Benefits for the timeframe April 1, 2019 – June 30, 2019 to include: report from Health Claim Auditors; HealthSCOPE Benefits response to audit report; and acceptance of audit report findings and assessment of penalties, if applicable, in accordance with performance guarantees included in the contract pursuant to the recommendation of Health Claim Auditors.

BOARD ACTION ON ITEM 4.

MOTION: Motion to approve the consent agenda except for Item 4.2.1

BY: Member John Packham

SECOND: Member Leah Lamborn

VOTE: Unanimous; the motion carried.

BOARD ACTION ON ITEM 4.2.1.

MOTION: Motion to approve the budget report Item 4.2.1.
BY: Member Tom Verducci
SECOND: Member John Packham
VOTE: Unanimous; the motion carried.

5. Discussion and possible action to determine Plan Year 2021 (and beyond) disposition of the Unum contract for voluntary long-term care services to include: 1) extend the current contract an additional 4 years; 2) close the policy to new enrollees and continue payroll deductions for existing enrollees; or 3) allow the policy to terminate June 30, 2020 and current enrollees can elect continuation of coverage through direct billing. (Laura Rich, Operations Officer) **(For Possible Action)**

BOARD ACTION ON ITEM 5.

MOTION: Motion to go with option three and terminate the contract as of June 30, 2020
BY: Member Leah Lamborn
SECOND: Member John Packham
IN FAVOR: Chair Deonne Contine, Vice Chair Linda Fox, Member Leah Lamborn, Member John Packham, Member Tom Verducci
OPPOSED: Member Jet Mitchell
VOTE: Five in favor, one opposed; the motion carried.

6. Discussion and possible action to approve an amendment to the Morneau Shepell eligibility and enrollment system contract to lower Per Employee Per Month (PEPM) fees from \$1.78 to \$1.50 beginning September 1, 2019 through the remainder of the contract. (Cari Eaton, Chief Financial Officer) **(For Possible Action)**

BOARD ACTION ON ITEM 6.

MOTION: Motion that PEBP recommends the Board authorize staff to complete a contract amendment between PEBP and Morneau Shepell to provide an enrollment an eligibility system for all PEBP plan participants in Contract Number 15941 to reduce fees through the term of the contract.
BY: Member Tom Verducci
SECOND: Member John Packham
VOTE: Unanimous; the motion carried.

7. Presentation on the State of PEBP. (Damon Haycock, Executive Officer)
(Information/Discussion)

8. Discussion and possible board direction regarding updating the PEBP Strategic Plan. (Damon Haycock, Executive Officer) (**For Possible Action**)

BOARD ACTION ON ITEM 8.

- No action taken. Executive Officer to finalize and bring back to November 21, 2019 Board Meeting.

9. Discussion and possible action to update the PEBP Board's Duties, Policies and Procedures to align with legislative action during the 80th Legislative Session. (Damon Haycock, Executive Officer) (**For Possible Action**)

BOARD ACTION ON ITEM 9.

MOTION: Motion to approve the updates to PEBP Board's Duties, Policies and Procedures

BY: Member Tom Verducci

SECOND: Member John Packham

VOTE: Unanimous; the motion carried.

10. Discussion and possible action to review and approve the Morneau Shepell eligibility and enrollment system Performance Improvement Plan. (Morneau Shepell) (**For Possible Action**)

BOARD ACTION ON ITEM 10.

MOTION: Motion to approve the Morneau Shepell eligibility enrollment system performance improvement plan with the date change (typo) from 1-31-19 to 1-31-20.

BY: Member John Packham

SECOND: Member Jet Mitchell

VOTE: Unanimous; the motion carried.

11. Discussion and possible direction from the Board to staff on potential program design changes for Plan Year 2021/2022/2023 for which the Board requests additional information and costs to be presented at the November 21, 2019 meeting. (Damon Haycock, Executive Officer) (**For Possible Action**)

Member John Packham requested that AON provide a report on how the IBNR and catastrophic reserves are set at the November Board Meeting.

BOARD ACTION ON ITEM 11.

MOTION: Motion to provide further analysis of the requests from UNLV Faculty Senate and the NFA, further analysis of Short-Term Potential Strategies 1, 2, and 3 per the report, and investigate where using Centers of Excellence would be cost effective and provide better health outcomes for PEBP members.

BY: Member Jet Mitchell

SECOND: Member Leah Lamborn

VOTE: Unanimous; the motion carried.

12. Executive Officer Report. (Damon Haycock, Executive Officer) (Information/Discussion)

13. Public Comment

Public comment will be taken during this agenda item. Comments may be limited to three minutes per person at the discretion of the chairperson. Persons making public comment need to state and spell their name for the record at the beginning of their testimony.

Public Comment in Carson City:

- Marlene Lockard - Retired Public Employees of Nevada (RPEN)
- Priscilla Malony – AFSCME

Public Comment in Las Vegas:

- Doug Unger – UNLV Faculty Senate

14. Adjournment

- Chair Contine Adjourned the meeting at 12:03 PM