

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

The Richard H. Bryan Building
901 South Stewart Street, Suite 1002
Carson City, Nevada 89701

Video conferenced to:

Nevada State Business Center 3300 West Sahara Avenue,
Tahoe Room, Suite 430
Las Vegas, Nevada 89102

ACTION MINUTES (Subject to Board Approval)

March 28, 2019

MEMBERS PRESENT

IN CARSON CITY:

Ms. Deonne Contine, Board Chair
Ms. Linda Fox, Member
Ms. Mandy Hagler, Member
Ms. Leah Lamborn, Member
Mr. John Packham, Member
Mr. Tom Verducci, 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

MEMBERS EXCUSED:

Mr. Don Bailey, Vice Chair

1. Open Meeting: Roll Call

Chair Deonne Contine opened the meeting at 9:01 a.m.

2. Public Comment

Public Comment in Carson City:

- Kyle Dalpey – Nevada System of Higher Education
- Nancy Jones – Douglas County resident

Public Comment in Las Vegas:

- Tondra De – Administrative Faculty member, UNLV
- Richard Hinkley – State of Nevada employee

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 January 24, 2019 PEBP Board Meeting.

4.2. Acceptance of Health Claim Auditors' quarterly audit findings for HealthSCOPE Benefits for the timeframe of October 1, 2018 – December 31, 2018.

4.3. Acceptance of Health Claim Auditors' annual audit findings for Express Scripts, Inc. (ESI) for the PEBP Plan Year 2018 (July 1, 2017 – June 30, 2018).

4.4. Acceptance of PEBP vendor quarterly reports for the timeframe of October 1, 2018 – December 31, 2018.

4.4.1. Hometown Health Case/Utilization Management report

4.4.2. HealthSCOPE Obesity Care Management Program enrollment & utilization

4.4.3. The Standard Basic Life and Long Term Disability data & performance report

4.4.4. The Standard Voluntary Life and Short Term Disability data & performance report

4.4.5. Willis Towers Watson's Individual Marketplace Enrollment & Performance Report

4.5. Acceptance of the PEBP Chief Financial Officer quarterly reports for the period ending December 31, 2018.

4.5.1. Budget Report

4.5.2. Utilization Report

4.6. Receipt of the federally mandated Summaries of Benefits and Coverage documents effective July 1, 2019 for individual coverage and family coverage for PEBP's Consumer Driven Health Plan (CDHP) and PEBP's Premier Plan (Exclusive Provider Organization – EPO).

Chair Contine suggested to take item 4.1. for approval of the January 24, 2019 Board meeting action minutes separately as she had not yet been appointed to the board at the time of the previous meeting.

BOARD ACTION ON ITEM 4.2. THROUGH 4.6. -

MOTION: Motion to approve the consent agenda with the exception of the action minutes from the January 24th, 2019 meeting.

BY: Member Christine Zack

SECOND: Member Tom Verducci

VOTE: Unanimous; the motion carried.

BOARD ACTION ON ITEM 4.1. -

MOTION: Motion to approve the action minutes from the January 24, 2019 PEBP Board meeting.

BY: Member Christine Zack

SECOND: Member Leah Lamborn

VOTE: Unanimous; the motion carried. (Chair Contine abstained)

5. Discussion and possible action regarding an update to PEBP's Voluntary Benefit Platform implementation, to include an update by the Nevada Division of Insurance on vendor compliance with insurance law requirements to offer voluntary benefits in Nevada. (Laura Rich, Operations Officer) **(For Possible Action)**

PUBLIC COMMENT ON ITEM 5. -

Public Comment in Carson City:

- There was no public comment in Carson City.

Public Comment in Las Vegas:

- Vicky Cameron - Retired Public Employees of Nevada (RPEN)

BOARD ACTION ON ITEM 5. -

MOTION: Motion to accept staff's recommendation to approve the Aflac accident, critical care policies to be offered as a voluntary benefit to retirees on a Voluntary Benefit Platform.

BY: Member Tom Verducci

SECOND: Member Leah Lamborn

VOTE: Unanimous; the motion carried

6. Discussion and possible action regarding approval of PEBP contract amendments beginning Plan Year 2020 (July 1, 2019):

6.1. Amend the Morneau Shepell eligibility and enrollment contract to add language authorizing the contractor to coordinate payroll deductions for voluntary benefits;

PUBLIC COMMENT ON ITEM 6.1. -

Public Comment in Carson City:

- There was no public comment in Carson City.

Public Comment in Las Vegas:

- There was no public comment in Las Vegas.

BOARD ACTION ON ITEM 6.1. -

MOTION: Motion to amend the Morneau Shepell eligibility and enrollment contract to add language authorizing the contractor payroll deductions for voluntary benefits.

BY: Member Christine Zack

SECOND: Member Leah Lamborn

VOTE: Unanimous; the motion carried

6.2. Amend the HealthSCOPE Benefits Third Party Administration (TPA) contract to reduce TPA collection of fees, subrogation recoveries, and provider refunds;

PUBLIC COMMENT ON ITEM 6.2. -

Public Comment in Carson City:

- Priscilla Maloney - Representative of AFSCME retirees

Public Comment in Las Vegas:

- There was no public comment in Las Vegas.

BOARD ACTION ON ITEM 6.2. -

MOTION: Motion to amend the HealthSCOPE Benefits Third Party Administration Contract for TPA collection of fees, subrogation recoveries and provider refunds.

BY: Member Christine Zack

SECOND: Member Leah Lamborn

VOTE: Unanimous; the motion carried

- 6.3. Amend the Express Scripts, Inc. Pharmacy Benefits Manager contract to reduce administrative fees and implement greater drug discounts and guaranteed drug rebates;

PUBLIC COMMENT ON ITEM 6.3. -

Public Comment in Carson City:

- There was no public comment in Carson City.

Public Comment in Las Vegas:

- There was no public comment in Las Vegas.

BOARD ACTION ON ITEM 6.3. -

MOTION: Motion to amend the Express Scripts Pharmacy Benefits Manager Contract to reduce administrative fees and implement greater drug discounts and guarantee drug rebates.

BY: Member Christine Zack

SECOND: Member Leah Lamborn

VOTE: Unanimous; the motion carried

- 6.4. Extend and amend the Extend Health (Willis Towers Watson) Medicare Exchange contract to provide services for an additional 5 years through 2025 and eliminate administration fees beginning July 1, 2019. (Cari Eaton, Chief Financial Officer) **(For Possible Action)**

PUBLIC COMMENT ON ITEM 6.4. -

Public Comment in Carson City:

- There was no public comment in Carson City.

Public Comment in Las Vegas:

- There was no public comment in Las Vegas.

BOARD ACTION ON ITEM 6.4. -

MOTION: Motion to accept staff's recommendation, authorize staff to complete a contract amendment between PEBP and Willis Towers Watson Extend Health for Medicare Exchange services and Contract Number 16468 to eliminate fees and extend through June 30, 2025.

BY: Member Tom Verducci

SECOND: Member Mandy Hagler

VOTE: Unanimous; the motion carried.

7. Discussion and possible action regarding changes to Plan Year 2020 Consumer Driven Health Plan (CDHP) plan design to include: reducing deductibles and out-of-pocket maximums; increasing dental benefit maximums; and eliminating annual vision exam copays. (Damon Haycock, Executive Officer) **(For Possible Action)**

PUBLIC COMMENT ON ITEM 7. -

Public Comment in Carson City:

- Doug Unger - Chair, Faculty Senate Nevada System of Higher Education
- Kent Ervin – Nevada Faculty Alliance
- Terri Laird – Executive Director of RPEN
- Priscilla Maloney - Representative of AFSCME retirees

Public Comment in Las Vegas:

- There was no public comment in Las Vegas.

BOARD ACTION ON ITEM 7. -

MOTION: Motion to not initiate any enhancements to the CDHP at this time, and instead to defer the discussion on these enhancements to the August 2019 strategic planning session.

BY: Member Christine Zack

SECOND: Member Leah Lamborn

IN FAVOR: Chair Deonne Contine, Member Linda Fox, Member Mandy Hagler, Member Leah Lamborn, Member Tom Verducci, Member Christine Zack

OPPOSED: Member John Packham

VOTE: Six in favor, one opposed; the motion carried.

8. Discussion regarding future Consumer Driven Health Plan (CDHP) and Exclusive Provider Organization (EPO) plan in-state network strategies for improving access and choice to healthcare providers. (Damon Haycock, Executive Officer) (Information/Discussion)
9. Discussion and possible action to include approving Plan Year 2020 (July 1, 2019 – June 30, 2020) rates for State and Non-State employees, retirees, and their dependents for the Statewide Consumer Driven Health Plan (CDHP); southern Nevada Health Maintenance Organization (HMO) Plan; and the northern and rural Nevada PEBP Premier (Exclusive Provider Organization - EPO) Plan. (Damon Haycock, Executive Officer) **(For Possible Action)**.

PUBLIC COMMENT ON ITEM 9. -

Public Comment in Carson City:

- Peggy Lear Bowen - Retiree Participant (See Exhibit A for comments)
- Kent Ervin – Nevada Faculty Alliance
- Doug Unger - Chair, Faculty Senate Nevada System of Higher Education
- Terri Laird – Executive Director of RPEN

Public Comment in Las Vegas:

- There was no public comment in Las Vegas.

BOARD ACTION ON ITEM 9. -

MOTION: Motion accept staff's recommendation for option number two and allow staff to make all the technical changes they need to make.

BY: Member Christine Zack

SECOND: Member Tom Verducci

VOTE: Unanimous; the motion carried

10. Approval of the proposed changes to the CDHP and EPO Master Plan Documents for Plan Year 2020 (July 1, 2019 – June 30, 2020) for medical, dental, life, and long term disability benefits, for enrollment and eligibility rules, and for privacy and security requirements, to reflect previously approved plan design modifications, changes in legislative or regulatory requirements, and technical corrections or updates. (Nancy Spinelli, Quality Control Officer)
(For Possible Action)

PUBLIC COMMENT ON ITEM 10. -

Public Comment in Carson City:

- Priscilla Maloney - Representative of AFSCME retirees
- Kent Ervin – Nevada Faculty Alliance
- Terri Laird – Executive Director of RPEN
- Peggy Lear Bowen - Retiree Participant (See Exhibit A for comments)
- Michelle Kelly – Nevada System of Higher Education

Public Comment in Las Vegas:

- There was no public comment in Las Vegas.

BOARD ACTION ON ITEM 10 -

MOTION: Motion to approve and go forward with numbers three, dental, life and long term disability master plan document, number four, health and welfare wrap plan document, number five, Medicare Exchange HRA summary plan description. Number six, flexible spending account summary plan description. Number seven, PEBP enrollment and eligibility master plan document as is. I would like to include in the motion that we approve, number one, the Premier Plan Master Plan document with the exception of removing outpatient from Item E, hospice services and the inclusion of next Board meeting for number D's and E's that we know exactly what the American Cancer Society age and frequency recommendation is and also what for Number E what they USPSTF age and frequency guidelines are and then approve and add to that number two for the CDHP medical, vision and prescription drug master plan document with the same requirement, and I think the item numbers are different but just knowing what the American Cancer Society and the USPSTF guidelines are.

BY: Member Leah Lamborn

SECOND: Member Christine Zack

VOTE: Unanimous; the motion carried

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

12. Discussion and possible action regarding potential Board position, recommendations, and direction to staff about 2019 Legislative Bills that may impact PEBP, including the following:

- * Assembly Bills
- * Senate Bills
- * Bill Draft Requests

(Damon Haycock, Executive Officer) **(For Possible Action)**

PUBLIC COMMENT ON ITEM 12.-

Public Comment in Carson City:

- There was no public comment in Carson City.

Public Comment in Las Vegas:

- There was no public comment in Las Vegas.

BOARD ACTION ON ITEM 12 –

- No action taken.

13. Public Comment

Public Comment in Carson City:

- Peggy Lear Bowen - Retiree Participant (See Exhibit A for comments)

Public Comment in Las Vegas:

- There was no public comment in Las Vegas.

14. Adjournment

Chair Contine adjourned the meeting at 1:55 p.m.

Exhibit A

These remarks are presented as transcribed by Capitol Reporters.

AGENDA ITEM 9 - PUBLIC COMMENT FROM MS. BOWEN:

MS. BOWEN: My name and words for the record Peggy, P-e-g-g-y space Lear, L-e-a-r space Bowen, B-o-w-e-n, b as in boy. I have several comments, but I need to bring this back to the fact that this has never been put out to bid. The -- way back in 2011 and prior to that that we need to have in order to get the best bang for our buck, not to discuss just what -- what Hometown Health and the others are doing, but we literally need to talk about going out to bid and having a fair and open transparent situation. I would like to put the group on notice that I do believe that we are in potential violation of not exactly the law but the intent of the law for the open meeting that in order for people to attend this meeting, I don't believe the Governor or based on what I'm seeing and how it's being done, I don't believe anyone can access this meeting from outside of this room, and I don't believe that the packets could be mailed because no money has been provided for the mailing of packets the way they used to be given to every department head so the department would have input as to what the employees, active employees needed for their insurance benefit and what the retired employees need for their insurance benefits and for the orphans, which is the nickname I gave to those who said we didn't fit here, we didn't fit here but we're part of the insurance because the school district, being involved in the school district. And I know there's a three-minute time limit and I appreciate that but, in fact, your survey, I was never surveyed. Your survey was sent to certain people as determined by whoever sent out the survey. What was supposed to take place is they were to get a group together to put together the survey questions because it's what you ask and what response, and I don't believe that the benefits and what is being -- what has been going on has been -- it's not misrepresented based on the survey that went out, but I don't think it was the survey of the entire population, and you can send it with the PERS check or however you want to, that avenue is open to you to ask people what it is they want for their insurance. And -- and if you're asking us to pay for things and be part of things in the premium things, then you should ask us what it is we want, what it is we need and not focus just on what the pharmaceuticals are doing. And I think that way too much orientation toward Renown which does a good job but the point is there are people who are living three miles from Churchill County Hospital. It's not the expense of the program you should consider. It's the expense to us that travel, the getting the rooms to put up the family, the doing everything coming back and forth and what those hospitals were actually offering and were discounted and to be included and to look at what Southern Nevada wanted in regards to more equalization and more standardization. Thank you very much, and I assume I've just met my time limit.

CHAIRWOMAN CONTINUE: Well, I was just going to say we're talking about the rate item and I just didn't want you to run out of time if you had anything to say about the rate.

MS. BOWEN: So the rates themselves are not as accurate as they seem. They thought they took care of the problems with the orphans which the legislature did the best to do. But when it comes to adding different things and making available the dental program and the hearing aid and all that kind of stuff --

CHAIRWOMAN CONTINUE: Okay.

MS. BOWEN: What we have here is an insurance company whom holds into trust or holds into reserve -- I'm sorry, I've had a concussion and a minor stroke, and I'm doing the best I can. The

reserves keep going no matter what. take a look at those reserves that continue to grow and the person who holds the reserve, the company that holds the reserve is getting the interest on the reserves, and it just sort of works out that the interest that -- the amount of money that Aon and everybody would have earned is getting it in interest on the reserves instead of the state taking back their own program and handling it for themselves and make it Nevada's again instead of insurance companies making the profits instead of your employees having the benefits of their monies and what it is earning. Nevada needs to take back Nevada's program. Thank you very much.

AGENDA ITEM 10 - PUBLIC COMMENT FROM MS. BOWEN:

MS. BOWEN: My name and words for the record, P-e-g-g-y, Peggy space Lear, L-e-a-r space Bowen, B as in boy o-w-e-n. I have a couple of concerns, one about the mammogram and if you go in and have your mammogram done and if the doctor can't read it or requires more input to that with an additional mammogram, a lot of people are not getting the second mammogram, not even going in for the first mammogram because they feel they are being held responsible to pay for that second mammogram based on limits and things like that. And it would be really appreciated if we thank you, thank you, thank you for all of the work you did to get the 3D mammograms accepted and the mammogram of the day now for most places but not all places, so you need to remember that it's to include mammogram 3D if the first one was not a 3D. And, secondly, you need to have something within this provision that if the doctor requires you to have more work done that it should be covered at 100 percent. It is not the patient who is asking and going in and requiring more mammograms, but it is the doctor states as needed to please include that in the benefit would be very helpful. To -- for the obesity program, you have not incorporated anywhere in your program any means or mechanism for the disabled. I know that with four foot and ankle surgeries and three knee surgeries, I don't walk as fast and I don't do this much, and I can go around Virginia Lake as many times as you want, and I can climb the steps and go to the gym and be in the obesity program all you want, but you're discriminating against me because of my disability. Wait a minute, Ms. Spearman gave me a different terminology. My -- I'm not disabled. I am differently abled and the accommodations that my doctor and I follow following my doctor's recommendations should a -- should allow for whatever the weight is that if I'm following my doctor's recommendations for doing the best I can for my abilities hat you shouldn't discriminate against me and make me pay more because I'm not meeting your obesity requirements. I can eat your food however you want me to. It won't make any difference. I can eat -- I can starve to death. It won't make any difference. If I can't walk or I can't do that which would allow weight loss but I'm doing everything the doctor says for me to do in the conditions that I have, four foot and ankle surgeries, three knee surgeries, severed -- there's one bone that works and one that doesn't, it impacts on how my weight is, and I should not be discriminated by your policy, by the policy that you have created or by the insurance companies that you accept regarding that. When a pre-approval to go into an emergency room or not or what's going on there, you've heard my story before, but my point is that if a drug is prescribed by -- a drug is recommended by a -- by a doctor, I need an Epipen because I'm allergic to bees, wasps and any other critters that bite. And if that Epipen gets used because I was bitten by a wasp and went to emergency room and the emergency room wouldn't prescribe an Epipen, finally they did, and I went. And the pharmacist says, well, if you get the prescription pre-approved then it's \$300 instead of \$800. We need those prescriptions not to need pre-approval as such. And when you're going to the emergency room or any other state, the only way they would have covered the

Epipen is if I had been admitted to the hospital, and I didn't -- I didn't need anything that needed admission at that point for that situation. Later, I fell and had a concussion and -- and I was taken by ambulance to the hospital and because they would not determine or state that I had a concussion except they released me with concussion protocol to go home and be by myself and then if I passed out there and died is because they wouldn't admit me. This pre-admit approval that you have incorporated is keeping patients from going in, keeping patients from get prescriptions. And for the mammogram, I have to tell you that it's keeping people from getting the initial mammogram because they don't want to know if there's something else and they can't afford the second one. We just simply need it as doctor recommended on each of those. And pre-approval for medications, we need to have that stopped in the sense of what's required in a doctor recommended as recommended by doctor. We need you to do that. Thank you very much. Thank you for all you do, and thank you for giving up this day, and Happy Easter coming up. Please because it's so important. Mr. Damon Haycock, for whatever reason, and I didn't hear it discussed today but I was late because I had a doctor's appointment. The -- the use of a computer to be able to access any of these programs and be accepted in these programs and required, the only reason that the computer is involved in a person becoming part of the program, the PEBP program is so that you can have certain, do they know about your program. And little old ladies and others and the poor, this discriminates against the elderly and the poor, actual discrimination. You need to eliminate the requirement. You did earlier, thank you very much, but you need to eliminate the requirement that we have to sign-in on your computers in order to be enrolled in -- Damon, please help me with the name.

MR. HAYCOCK: Doctor on Demand.

MS. BOWEN: Doctor on Demand. Thank you very much. We have people, we need the computer requirement that discriminates against the elderly and poor removed because all that program does is tell you what the program is. You shouldn't keep us from using the program because we don't know about the program. Obviously, if this is how you know you're not sending the -- this is how a person knows they are not sending checks to people that don't exist anymore. If we go to the doctor and we have our physical, if we have our blood work done, if we have our, there are four things, physical, blood work, Damon, would you help me once more, please.

MS. SPINELLI: Labs and dental.

MS. BOWEN: Labs and?

MS. SPINELLI: Dental.

MS. BOWEN: And dental done then you know we exist. We don't -- we should not have to be enrolled with, touch or have to deal with computers because our elderly are not accessing this program because they don't have computers. They don't use computers nor do the poor. They rather use three or four or \$500 for a computer to put food on their table and roofs over their head and clothes on their back.

CHAIRWOMAN CONTINUE: Thank you.

MS. BOWEN: So please eliminate the Doctor on

Demand requirement from anything to do with any participation. We beg of you get the computer off our back and get us back to dealing with our doctors and our health and living well and long, and then we won't be using your insurance program. Thank you very much, and Happy Easter.

AGENDA ITEM 13 - PUBLIC COMMENT FROM MS. BOWEN:

MS. BOWEN: My name and my words for the record

P-e-g-g-y space Lear, L-e-a-r space Bowen, B-o-w-e-n space. We need to -- once again, people are not accessing and utilizing our insurance because of the computer component. We need to have the Doctor on Demand not a requirement for being a participant in anything. We need to have you accept, I put stars here so I would do it. Regarding the contraceptives network, I believe that Viagra is covered and yet there are things about birth control that are not being covered. If you cover one, you cover both. It's all equal access or equal input, however you want to word it. Both those drugs are covered at 100 percent without any limitation on how old. We have people getting pregnant, family members getting pregnant at 14, 15. We need to be able to access contraceptives. As far as colonoscopies and mammograms, we have people dying from lung cancer, breast cancer, colon cancer, polyps that had they been discovered at an earlier age, then they could have been dealt with, and so we need that age limit not to be -- not to have an age limit on being able to have a colonoscopy as needed as recommended by doctors in that way. And the same thing with mammograms, I have a strong history of breast cancer within my family. Every single woman on my mother's side of the family have died with relationship to cancers and breast cancer and that being found, and the sooner that I can have follow-up that I can have mammograms done and not limit. You know, people die at 14, 15 years old from breast cancer. Children's cancer units, we want to eliminate children's cancer, and the children of your members should be included in being able to get those mammograms and get those colonoscopies much earlier because the disease by the time we get to be old enough we'll probably going to be dead. And when they just did my colonoscopy, they discovered a polyp, and so what am I supposed to do now? I've had my colonoscopy. There's a polyp, and I need somebody to be able to go in and be able to go back into that colonoscopy and get that polyp out of there so I don't die from cancer down in that area. It's high risk. We just need you to get the age requirements removed in what you're doing, and we need to get that Doctor on Demand, get the computer out of it. You know, we're using it if we do the four catchups and, gosh, there was one more, and I'm being apologetic.

CHAIRWOMAN CONTINUE: I think we're going to wrap

MS. BOWEN: Okay. Just wrap it up.

CHAIRWOMAN CONTINUE: Happy Easter.

MS. BOWEN: Thank you very much and thank you for being so consistent. But anything to do with PEBP and access to this plan or anything to do with PEBP at all, please remove the computer requirements. You don't need us to not sit home, Ms. Margi Prum (phonetic), and die of something because she didn't go back and redo the things so you know where she is or how she's doing or she knows about your plan. And the survey, who did you survey? And make it a true survey so you know what the members need and want and not just surveyed by random members. Did you get a survey? Did you get a survey? Did I get a survey? I don't know about you, but I know I didn't get one, and he said all were surveyed. And, I'm sorry, Damon, I didn't mean it to sound quite like that.

MR. HAYCOCK: That's okay.

MS. BOWEN: But that's how it is and have a great day.