NSHE PEBP Benefits Task Force

Summary Notes from Meeting – March 13, 2012

1. Roll call of members present including new retiree representatives as follows:
   - Lou DuBois (NSC & UNLV - retired 2008 - former NSC controller and UNLV Finance)
   - Carla Henson (NSHE - retired 2008 - former NSHE Chief Human Resources Officer)
   - Barbara Nelson (CSN - retired 2001 – Founding Faculty, CSN Dental Hygiene Program)
   - Ann Ronald (UNR - retired 2008 - Foundation Professor of English and Dean of Arts and Science Emerita)

2. Comments on summary notes from last meeting:
   - BBI Contract. It was noted that the Chancellor signed this contract last week.

3. March Board of Regents Meeting discussion on PEBP/Health Care:
   There was no item on the agenda, but Regent Page read the statement included below into the record during public comment at the March 2, 2012, Board of Regents Meeting.

   Statement read into the record under public comment by Regent Kevin Page --

   “On behalf of Jason Geddes and I – a statement as private citizens

   We believe it is imperative that the task force and System Administration continue to encourage the PEBP Board to look to alternatives to improve benefits for all participants and use reserve funds for the benefit of all the participants, whether it is in reducing premiums, adding to HSA/HRA accounts, reducing participant contributions or providing GAP insurance. We need to make sure PEBP understands the need to help mitigate the problems our employees have experienced due to the drastic changes in plan design that occurred with the transition to the new health care plan.”

   It is certainly possible that there will be an agenda item on PEBP/Health Care for the April 20 and/or May 31-June 1 upcoming Board of Regents meetings.

4. Status Update - Quarterly Meeting with PEBP staff (March 9). Several items were discussed, including the following.

   * Actual percentage of the entire PEBP declined pool that is represented by NSHE: NSHE represents about 19% of the PEBP total participants (33% of the active participants), but NSHE has about 62% of the total FY12 plan year declines (439 out of 700). The NSHE opt-out percentage for FY12 is 5.4%, up from 1.8% the previous year.
   * Development of a viable “middle tier” option for employees:
     It was noted nothing can be done for plan year 2013 since the PEBP Board did not approve such a plan. However, it is agreed that this is an issue we want to continue to press for future years.
* Improve the customer service response to employees, both in terms of access (number of customer service staff) and quality (consistency and accuracy of information provided):

  PEBP continues to consider this issue. The PEBP continues to look at some options to make improvements in this area. There are still some negative comments from NSHE staff, but the level of negative comments has fallen off (with the fact the peak period for the new program has passed).

* Provide current contracted prices for health services to PEBP employees, in a similar approach to the prescription drug information currently available:

  PEBP indicated they are working with network providers to make this available, perhaps through a HealthScope secure website. However, no specific schedule was indicated.

* Address the current delays in new NSHE hires receiving their information from PEBP:

  A new form was created that we think will be helpful, in addition to the plans for NSHE to add some language/information to the standard offer letters.

* Status of HSA/HRA changes that impacted NSHE distribution of W-2’s:

  PEBP is going to make some schedule changes to help with this issue in future years, but noted they expect additional tax year 2011 adjustments to come forward in the near future – this will cause a problem for NSHE relative to manually issuing revised W-2’s (and the fact some employees likely already completed their tax filing) and the potential for additional fines.

* Provide read access to E-PEBP system for NSHE employees by some key NSHE HR staff:

  Concern was expressed as to how long NSHE would stay with PEBP. Apparently PEBP will prepare a memo outlining the plan and costs for such an approach and send it to us in the near future. Unfortunately, no significant action seems to have taken place on this item.

* Status of PEBP data request on NSHE employees, as is needed by BBI. (This request was sent to PEBP on 2/21/12, with a request for the data by March 6):

  The current projection from PEBP is that this data may be available by the end of March. We will want to review this information as soon as it is available, to assure it is in fact the final set of data that we need. BBI will need 4-5 weeks after receipt of the needed information in order to identify potential supplemental/gap ideas.

* Status of joint NSHE/PEBP Health Care survey (see agenda item 6 below).

* Status on PEBP Health Care survey for Medicare retirees, which closed the end of February: This was a manual survey and when the PEBP has all the data they will share results with us (but there is no way to determine NSHE vs. non-NSHE retiree data in this survey).

* Policy for when Medicare eligible employees return to work:

  PEBP has expressed interest in revising their plan documents to allow Medicare eligible employees to retain their program if they end up returning as active employees (i.e. retired, but teach part-time and go over the ½ time level for a semester). They also agreed to consider plan revisions to address this issue during open enrollment.

5. **March 14, 2012 PEBP Board Meeting Agenda items.**

  We reviewed the agenda items and had comments on several, and recommended public comment at the Board meeting tomorrow on the following:
Priority Items for Public Comment at PEBP Board Meeting: Renee will deliver these comments:

* Domestic Partners: Support same subsidy for domestic partners as is provided for spouses.
* “Middle Tier” Option: Note that we understand it is not feasible to consider a “middle tier” option for FY13, but we would like to encourage the Board to have this on their plan for the FY14/FY15 planning, later this year.
* Premium Relief: First priority for use of any available resources should be toward premium relief for participants.
* “Non-State” Participants: We do not fully understand the data in the Board packet on the apparent large increases in the “non-state” projections for FY13 as compared with the “state” trends. We hope more information can be provided in the future to better understand any financial issues associated with these two groups.

Comments from the Task Force on PEBP Agenda items:
* We need to find a way to get more information on the financial performance of the PEBP program, and the different variables (“state” vs. “non-state” and HMO – north and south – vs. CDHP). The information in the packet is not totally clear. What we do know is the employer contributions are set to go up 13.8% in FY13, which would cover an approximate 11% overall increase in costs (assuming about an 80% on average share of the total premium to the employer). Even with this very large employer increase in contribution, the projections for the premiums for FY13 without use of any excess reserve (total premiums) are in the 5-6% range for the CDHP and 18-20% for the HMO. These premium increases are AFTER consideration of the 11% employer increase, so the “trend” for the premium increases would be in the range of 16-17% for the CDHP and 29-31% for the HMO. These numbers are contrary to the projections noted in the packet, or at least seem to be.
* Catalyst presentation on prescription drug utilization. The report basically says there is a drop in prescriptions filled, but we are still within the norms for other programs.
* Catalyst recommendation that PEBP consider implementing a medication adherence program that would focus on high risk participants. We will want to find out information on this proposal and track it, as it comes forward.
* Changes to the point system used for the Prevention program. Some positive and negative comments on this program, overall. There is a belief that the program would be more effective if it was better integrated with the health care activities of the employee with their physician, vs. treating this as a very separate activity.

NOTE: Due to lack of a quorum at the March 14th PEBP Board meeting, the PEBP Board Meeting to discuss rates has been re-scheduled to March 29. Location of the meeting will be announced closer to that date. Renee will delay making the above mentioned public comment until the March 29 meeting.

6. **NSHE Health Care survey and discussions with PEBP about merged survey:**

We expect more details on this survey from PEBP by March 14.
* Release of the survey is projected for March 14 (it will be joint NSHE and PEBP).
* The close date will probably be April 6, or a little later.
* PEBP will have the data available immediately after the close date and we will have access to the data. NSHE will be able to do its own analysis of the NSHE data.
* PEBP is going to follow-up with those who declined, to help increase their participation in this survey (they would only respond to the first set of questions).

We (NSHE) will work to send out communications to NSHE staff about the survey and encourage all employees to participate. This communication will be drafted with Renee Yackira in the lead, working with Chris Cochran and others, and this draft will be sent to campus HR contacts for final editing. When this communication is finalized we will ask each campus HR office to take responsibility for getting this information to campus faculty and staff, as appropriate, in order to maximize the participation in the survey.

7. **PEBP Board Openings:**

We will continue to identify good candidates for the PEBP Board, and hope that sometime in the near future there will be more than just one PEBP Board member who is associated with NSHE. Rob Telles (CSN) was approved by the CSN Classified Council to have his name submitted to the Governor’s office to fill the vacant State Employee position formerly held by Teresa Theinhaus.

8. **Next Task Force Meeting.** Chris will identify a meeting date prior to the April 12, 2012 PEBP Board meeting.

   NOTE: The next meeting has since been scheduled for Wednesday, April 11 at **9:30 a.m.**

9. **Potential Future Agenda Items:**

   * Status of data request to PEBP on NSHE participants.
   * Status of joint PEBP/NSHE Health Care Survey.
   * Status of follow-up items from last quarterly meeting with PEBP staff, and schedule for next quarterly meeting.
   * Review April PEBP Board agenda for possible comments.
   * Follow-up discussions with BBI on near-term employee health care benefit options.
   * PEBP Board openings.
   * Meet with BBI to discuss long-term planning for NSHE health care options, as well as the idea of using a “health care concierge.”
   * Future quarterly meetings schedule with PEBP staff.
   * Invite SDM and UNSOM representatives to discuss options for providing services to NSHE employees.