NSHE PEBP Benefits Task Force Meeting – October 22, 2010
Summary Notes by G. Bomotti
(Note: Vice Chancellor Bart Patterson was in attendance; one Task Force member was absent)

1. Don Heilman, Area Senior Vice President, Gallagher Benefit Services joined the Task Force electronically to follow-up our discussions from the 10/15 meeting. The information below was discussed:

Options for Private Employers in State for Comparative Data Gathering: We will need to identify specific high level contacts for any in-state private employer, so that we can have a better chance at getting the comparative information we desire. We may or may not end up getting information from everyone on the list below, but we need to start with a larger list, understanding we may only end up with information from a subgroup. It is also critically important for us to assure that all information received is held in strict confidence, and we will offer them a copy of the summary data, if they wish.

Major hospitals in the state and major insurers (United Healthcare, Anthem, Aetna, NV Hospital Association)
MGM and Harrah's
Mining
IGT
Microsoft
NV Energy
SW Gas
Wells Fargo
Bank of America

Note: Each Task Force Member was asked to forward, to Gerry Bomotti, specific contacts they know of for any of these private employers. We would like to use these contacts to see if they would facilitate us contacting the appropriate HR staff in the organization in order to call and gather appropriate data. We expect that we will use NSHE HR professionals to make these contacts and gather this information.

Proposed Format for Data Collection on Health Care Benefits for Employees: Don is working with us to finalize a survey document, and we expect to have that finalized early next week. Some of the outlines of what it might include are noted below. Note: While it would be nice to gather all the detailed information below, we need to understand that some/all of the private sector companies may not be willing to provide this level of detail, so we may need to have to settle for whatever data/information we can gather from a phone interview, which might include what percent of the premium they require their employee to pay. We may need to settle for the proportion of health care benefits (and perhaps all benefits) for employees as a percent of total salary (an average). We need to make sure to understand current health care benefits vs. projected changes for the next health plan year. We also need to consider that it may not be feasible to send out this information for individuals to complete, as we may have to call someone we identify and interview them to gather this data.

- Medical Plan options provided
- Plan types (PPO, HMO, CDH)
- # of plans offered
- Contribution or subsidy information (including how dependents are treated)
- Prescription coverage
- Whether there are different plans and coverage for different categories of employees
- Deductible levels

- Co-insurance levels
- Retiree Healthcare offered, if any
- Is coverage available or offered?
- Is it subsidized?
- Does it cover pre-Medicare and Medicare eligible retirees?
- Dental (if offered)
- Is it subsidized?
- Plan design features
- Vision (if offered)
- Life
- Disability
- What changes are projected for the next plan year, and what is the definition of plan year?

Other Public Employers in the State of Nevada: (we may or may not be able to gather data from all of the employers listed below)

* Clark County
* Washoe County
* K-12 (use CCSD and Washoe)
* City of Henderson
* City of Reno
* City of Las Vegas
* City of North Las Vegas

Summary data on the 2014 federal changes for health care: Don is working to provide us with this data/information, and this should be available in the near future.

Gathering of CUPA comparative data for benefits:

Pat to work with Don to gather the data on the CUPA Benefits Survey. This should include total benefits for employees, on average, compared with what exists in NSHE now.

Relative Availability of Health Care Providers in Nevada per Capita compared with this region/nationally:

See attached summary from the Nevada HSS.

Public Higher Education Comparisons:

* Use surrounding/regional states as targets. The target states we have identified are as follows: AZ; CA; CO; MT; NM; OK; UT; TX; WY. In some cases our consultant already has data from these states, so they are good to include as the data is readily available. We may not be able to gather data from each state, and we likely will not gather data from each type of institution in each state (it appears desirable to focus on state institutions and Universities). Don also noted that he would appreciate any Task Force members' contacts for the University of Arizona and Arizona State University.
* How do these institutions get their health care now? Are they part of a system like PEBP or do they run their own self-funded program, or what other option?
* Same comparative data from the survey being developed by the consultant, including what benefits are provided in those institutions and the split between employer and employee, along with looking at total benefit percentage for comparative purposes.
* Don will also be able to provide us with national/regional summary data from public institutions of higher education to use as part of the comparisons as well.

2. Follow-up discussion on identifying and prioritizing adjustments to the existing PEBP plan that would be important to NSHE. The draft listing from the last meeting is highlighted below, and it was noted that we do not have additional items to add to it at this time. At future meetings of the Task Force, members will be asked to submit priorities for the top few (3+-) items on the list, so that we can provide our recommendations to the Chancellor. We expect to provide the recommendations to the Chancellor on these priorities by mid November, well in advance of the December PEBP meeting. We will also invite Jacque Ewing Taylor to our November 5, 2010 meeting (or a future meeting, depending on her availability), specifically to talk with her about this listing (although she is invited to participate in the entire meeting, if she desires).

   *Prescription Drug Coverage.

   *Overall affordability of the Plan/Out-Of-Pocket levels. Address the high deductible amounts, and the fact that in the current plan the deductibles are in addition to the "stop-loss" amounts (note: Jacque indicated PEBP intends to address this issue). It was even noted that there might be a desire for a "low" and "high" deductible option as existed in the past. The co-insurance level also comes into this discussion, specifically the move down to 75% coverage after the deductible is met. There is a major concern that the PEBP plan may not be perceived as affordable, especially for lower paid individuals, and whether we will see many more opt out of coverage (which in some cases could mean no medical coverage, with an expectation that when they consume medical care it is paid for through other sources, including the public hospital and other state/county health and human services programs).

   *Dental Coverage (Note: there is confusion as to why PEBP proposes 4 cleanings per year and whether a change to 2 would allow a redirection of funds to some other higher priority area).

   *Eligibility of spouse/domestic partner, or at least requiring comparable coverage for non-eligible (also added question about spouses on a CY vs. FY plan basis – how is PEBP going to address this? It was noted that PEBP is now aware of the question, but they have not provided a response). It was also noted that this change will have an even greater impact on employees where the spouse/domestic partner also works for NSHE or another state agency, as the cumulative deductible for a family under this circumstance will be $6,000 (individual of $2,000 and then family of $4,000).

   *Life Insurance and LTD reduction, and the note about many NSHE employees not being eligible for LTD under Social Security.

   *HMO issues, including the blended rate north and south (and what the rate will be, for those who are concerned about the CDHP as a viable alternative), but also wondering if there are options to strengthen the HMO offerings with more doctors in the plan. It should also be noted that there is a split on the reception of this issue, with those in the north (in general) supporting the PEBP plan and those in the south (in general) being against it. A concern also is being expressed as to whether the HMO programs would even be able to support any significant increase in participants (given the number of health care providers now supporting those programs), especially a migration from the PPO plan, and how the premiums might impact any possible migration.

   Note: The two items listed below may be treated differently from the plan issues highlighted above. The Task Force will discuss this at future meetings.

*A discussion of whether it would be better to delay the Medicare Exchange program implementation for a year, so that more information and understanding of the change could be effectively communicated to faculty and staff.

*Extend the enrollment period, as was done last legislative session. Concern is being expressed about how easily employees will be able to adjust to the radical changes in the PEBP plan, and still have July 1, 2011 implementation date.

3. Status update on employee feedback received through the PEBP Task Force web page. Chris Haynes updated the Task Force on the input to date, which appears to be about 150 responses, with "affordability" and "dental" being the two most mentioned concerns. Chris will provide a summary report on the information received to date for the Task Force. Christine will also send out another reminder to NSHE employees that we are soliciting their comments, and she will include a link to the appropriate summary of PEBP changes that Jacque Ewing Taylor has prepared.

4. Status update on information from PEBP in response to data/information request. The following was received from PEBP on 10/15/10.

> We have contacted the four vendors who will need to provide the data relating to this request (UMR – Third Party Administrator; Catalyst RX – Pharmacy Benefits Manager; Hometown Health – HMO North; HPN – HMO South) and requested a time and cost estimate. All four have agreed to provide the data to us at no cost. It is estimated the request will take about 10 days. If everything goes well, we should have the data to you the last week of October or the first week of November.

It is good news that we will be able to receive this information in the near future. When the data is received we will need to look at the technical format and work with our consultant to get it ready for further analysis. Gerry will work with Bart at that point in time to discuss additional scope of work for the consultant.

5. Develop a summary update on the projected Health Care impacts from federal regulations, including those that take effect in 2014. Status update - this is being provided by the Consultant, and will be available in the near future.

6. Started Discussions about Draft report to the Chancellor, to assure we cover all issues within the charge and any other important items. The charge from the Chancellor is noted below:

> *Review and analyze the current legislative recommendations of the PEBP Board.
> *Put the PEBP recommendations in perspective, both as to recent cuts and their impact on employees. This may be redundant, but we want to know how this impacts a typical employee.
> *Propose alternatives to the current proposals.
> *Provide comparison with benefits provided in other states for perspective.
>
> (The Task Force may also discuss the longer term sense of staying in the system but this should only be considered after the Task Force gathers the information above.)
>
> It was noted that we will want to start gathering other ideas from Task Force members about potential recommendations for the Chancellor. Task Force members should prepare their ideas and be ready to share them at the next meeting.

7. Update on future meeting schedule and plan of work for the Task Force. The following three meetings are scheduled for the Task Force:

   November 5
   November 12
   November 19

   We will work hard to complete our work as quickly as possible, but we will want to assure the information we provide to the Chancellor is complete and accurate. It is possible that it will take more time for us to have all the data and information requested by the Chancellor, therefore we have asked Bart Patterson to discuss possible schedule extensions for some of the Task Force's work with the Chancellor.

8. Other Agenda Items. Bart Patterson updated the Task Force on his preliminary review of state law and other requirements impacting NSHE benefits for employees. He noted that currently NSHE is very tightly engrained in the PEBP system. Bart plans to talk with PEBP staff about these technical issues and will be able to report back additional information in the future.

9. Draft Agenda items for November 5, 2010 Task Force Meeting:

   a. Follow-up discussion on identifying and prioritizing adjustments to the existing PEBP plan that would be important to NSHE. The draft listing is highlighted below. We will invite Jacque Ewing Taylor to our next meeting (Nov 5) and specifically talk with her about this listing. Each Task Force member should come prepared to vote on their highest (3+-) priorities from this list.

   b. Status update on work of consultant, Don Heilman, and overall data gathering.

   c. Discussion about the Draft report to the Chancellor and ideas for what might be included. The charge from the Chancellor is noted below, but it is also important to identify other key ideas that should be considered for inclusion in the report. Task Force members will be able to bring these ideas to the next meeting.

      *Review and analyze the current legislative recommendations of the PEBP Board.
      *Put the PEBP recommendations in perspective, both as to recent cuts and their impact on employees. This may be redundant, but we want to know how this impacts a typical employee.
      *Propose alternatives to the current proposals.
      *Provide comparison with benefits provided in other states for perspective.

      (The Task Force may also discuss the longer term sense of staying in the system but this should only be considered after the Task Force gathers the information above.)

   d. Update on Technical/Legal Issues which might impact any changes in what NSHE can offer employees for benefits outside of the PEBP plan. Bart Patterson.

   e. Status update on information from PEBP in response to data/information request.

   f. Status update on employee feedback received through the PEBP Task Force web page.

   g. Update future meeting schedule and plan for work of Task Force.

Nevada Ranking (* = Including DC)	OVERVIEW OF FINDINGS FROM THE NEVADA ACADEMY OF HEALTH "NEVADA HEALTH SCORECARD" JAN. 2009
NV RANKING	**HEALTH CARE FINANCING AND EXPENDITURES**
43	Population uninsured
49	Children uninsured
48	Public health funding
50	Adults enrolled in Medicaid
51*	Children enrolled in Medicaid
NV RANKING	**HEALTH CARE WORKFORCE**
46	Primary care physicians (per 100,000)
50	Registered nurses (per 100,000)
47	Dentists (per 100,000)
46	Psychiatrists (per 100,000)
46	Rate of residents in core and specialty programs (per 100,000)
46	Paramedics
NV RANKING	**HEALTH CARE ACCESS AND CAPACITY**
45	Community hospital beds (per 100,000)

46	Geographic disparity of health outcomes (as a differential percentage)
38	Persons lacking access to primary care
51*	Adults with a usual source of care
50	Children with a medical home
47	Adults who visited a doctor in the past two years
40	Adults who visited a dental clinic in the past year
50	Children who received medical and dental preventive care
NV RANKING	**HEALTH CARE QUALITY**
38	Mortality rate of cases amenable to health care (per 100,000)
50	Medicare readmissions after 30 days (of admissions)
45	Medicare patients who gave a best rating for health care received in past year
45	Hospital patients who received recommended care for acute myocardial infarction, congestive heart failure, or pneumonia
46	Adult diabetics who received recommended preventive care
NV RANKING	**MATERNAL & CHILD HEALTH**
39	Mothers receiving late or no prenatal care
50	Children immunized
NV RANKING	**MINORITY HEALTH DISPARITIES**

1 (worst)	Diabetes death rate among Blacks (per 100,000)
40	Preterm births among Hispanics
41	Preterm births among Blacks
NV RANKING	**HEALTH & WELL-BEING**
41	Years of life lost due to premature death (per 100,000)
48	Age-adjusted death rate by suicide (per 100,000)
42	Heart disease death rate (per 100,000)
31	Breast cancer death rate (per 100,000 women)
50	Colorectal cancer death rate (per 100,000)
51 *	Adults reporting poor mental health