

**NSHE PEBP Benefits Task Force Meeting – 9/22/10**  
**Summary Notes by G. Bomotti**

(All Task Force members were in attendance, as well as Chancellor Dan Klaich and Vice Chancellor Bart Patterson)

1. Introductions.
2. Charge by Chancellor and any Follow-up questions by members.

The Chancellor gave the charge to the committee, highlighting the items in the written material. He also specifically noted that NSHE lobbyists will be focused on this issue for the next legislative session, and he described this issue as a very important priority, although NSHE priorities have not been specifically prioritized at this point in time. The Chancellor also noted that he would like our work to be completed, to the extent feasible, by about mid November. There was some discussion about trying to finish earlier in November. We will move forward as quickly as possible, keeping the System updated on progress and conclusions. The Chancellor also specifically indicated that all data and information must be complete and accurate, and verified to be such, as we cannot afford any errors in the facts.

3. Hiring of a Consultant and their scope of work:

It was noted that the Chair, working with Bart, is working to identify a consultant to assist the Task Force. We are working with several consultants now, hoping to identify one that can meet our needs in the time frame requested. Any Task Force members that have suggestions for individuals or firms that might be considered should submit those to the Chair asap.

The following overall scope of work for the consultant was discussed:

**Top Priority Items:**

- a. Evaluation of PEBP plan within a broader context, and in specific with what other employers support, and including comparing PEBP with what other Nevada private businesses of similar size provide to their employees. It would also be good to have this comparative data for similar sized private businesses in other states.
- b. Provide comparative data from other states/institutions of higher education (broken down by active and retiree, as well as employee, dependent, and domestic partner), and specifically considering how other public institutions of higher education structure their health care programs (i.e. are they part of large state pools; are there system pools; are there campus pools, etc.).

**Other Priority Items:**

- c. Impact of near-future Federal requirements/2014 on PEBP health care program.
  - d. Estimate potential impacts/projections (if any) of NSHE members' declining coverage on other programs/areas within the state (including costs). For example, additional uncovered NSHE employees requiring medical services.
  - e. Evaluate, to the extent feasible, any adverse selection risks which might drive employees from the CDHP to HMO plans.
  - f. Help evaluate claim expense of NSHE employees in the PEBP pool.
  - g. Assist in developing viable near-term (FY12/FY13 in specific) alternative options (if any) to supplement PEBP plan for NSHE employees, and estimating costs and possible effects on PEBP plans/projections. (Note: these options may or may not be programmatically and/or financially feasible.)
4. Discussion: the option of gathering data from PEBP on recent (2-3 years) experience/utilization of NSHE employees within PEBP pool (broken down by HMO and PPO; Clark County, Washoe County, and rest of state; split out active vs retiree; split out employee

vs dependent and other coverage). Who? How? When? Discuss option of meeting with appropriate PEBP representatives.

It was agreed we need to work with the System office to determine how we can gather this information from PEBP. The System will also move forward to set up a meeting between some key individuals representing NSHE and the Chair of the PEBP Board. We would hope the PEBP Board Chair would also invite Jim Wells, the individual who manages PEBP programs, to this meeting.

5. Discussion: communications to NSHE employees. How, when and by whom? How to keep employees updated on this Task Force and the benefits issues. What “talking points” and useful background information can be provided? Discuss value/feasibility of a survey to NSHE employees.

NSHE will set up a web site with appropriate information about the Task Force, and it may include summary information about the proposed changes and other information that would be useful for NSHE employees. This site will also offer opportunities for NSHE employees to submit comments/questions, and we will review those and summarize the input to the Task Force. It was also noted that this NSHE web site and information would not substitute for the normal communications and information that each campus HR office would need to provide to employees. Another idea about what would be included in the information about the proposed changes is that all significant yet-to-be answered items be highlighted.

It was also noted that we would need to discuss how we might effectively communicate with retirees. We will attempt to gather data on NSHE retirees, and it was initially determined that this data would have to come from PEBP. Clarification was also provided on a recent change for retiree benefits, which impacted all new NSHE employees hired 1/1/10 or later (they would be eligible for PEBP health care benefits after 5 years, but would receive no state subsidy for their health care benefits until they reached 15 years). However, the change grandfathered all current employees under the current structure (eligibility for PEBP health benefits after 5 years, with state subsidy increasing after that time based on numbers of years).

6. Discussion of meeting times/frequency.

We will set up the next meeting for October 1 at 9am. We will arrange standard meetings times for the video conference network for each Friday morning at 9am through mid November, for a period of 1 ½ hours, but will cancel those that are not needed.

7. Other agenda items.

Initial potential agenda items for the next meeting:

- a. Update on meeting schedule with PEBP Board Chair
- b. Update on selection of consultant to address scope of work.
- c. Update on NSHE communications web site for health care information.
- d. Discussion of options/feasibility of direct communications with NSHE retirees.
- e. Finalize NSHE data on current enrollment in PPO and HMO plans, along with salary range of enrollees (plus those who declined coverage).
- f. Finalize historical information on PPO and HMO premium and plan changes over the past five (5) years.
- g. Discussion of when to invite Jacquie Ewing Taylor to a meeting of the Task Force
- h. Update future meeting schedule and plan of work for the task force.
- i. Other agenda items.