



NSHE QUARTERLY UPDATE ON EMPLOYEE BENEFITS & PEBP

SUMMER 2012

At the April 20, 2012 Special Board of Regents meeting, Chair Jason Geddes and Vice Chair Kevin Page requested an update be provided to the Board of Regents and shared with NSHE employees about our work with the Public Employees' Benefits Program (PEBP). This is the first of quarterly updates we will be sharing with all NSHE employees about our ongoing work with the PEBP staff to continue to raise awareness about the health care issues faced by our employees.

STEP 1

Form NSHE PEBP Benefits Task Force

In response to the dramatic transition by the PEBP in the design of our health care benefit plans, Chancellor Dan Klaich organized the PEBP Benefits Task Force in September 2010. As more employees began to report significant difficulties with the new PEBP plan, the task force was changed to a committee that would meet regularly to address employee health care issues.

The task force has been meeting on a regular basis in advance of PEBP board meetings to discuss the agendas, issues to bring to the attention of the PEBP board, and options to improve benefits for our employees.

In late 2011, the NSHE task force delegated a team to begin engaging with the PEBP staff on a quarterly basis to strengthen our relationship with the PEBP staff and work with them separately to resolve issues in a collaborative manner. The task force also recommended that NSHE hire a consultant to provide ongoing consulting services relating to our health care plans and options.

STEP 2

Hire NSHE Health Care Consultant

The chancellor agreed with the task force's recommendation to hire a health care consultant and on March 9, 2012, the System executed a contract with Business Benefits, Inc. (BBI), to provide consulting services relating to our health care plans and options. BBI was the recommended contractor from a committee formed by the chancellor and comprised of System and campus representatives to review responses to the RFP.

In summary, the contract provides for BBI to review our options for improving our health care costs and benefits with recommendations to do so as participants in the PEBP compared to our options if we were to seek to exit the PEBP. BBI is also tasked with assisting NSHE on an ongoing basis to provide advice and services in connection with our benefit offerings.

In preparation for BBI's work, in February 2012 we requested from PEBP expenditure experience detail data on all NSHE employees within PEBP. We received additional data responsive to our request in late April. Our consultant and campus benefits representatives are still working with PEBP to obtain all of the data necessary for their analysis in a format that is sufficient for them to use to develop the recommendations/options that would benefit NSHE employees relative to health care.

We hope to have a completed analysis by the end of the summer, at which time we will provide specific recommendations for consideration by the Board.

STEP 3

Meet Quarterly with PEBP

In late 2011, the task force delegated a team to engage in quarterly meetings with the PEBP executive officer and his operations team to discuss issues and concerns of our employees. The purpose of these meetings has been to identify problems and solutions and build a better working relationship with the PEBP staff. At these meetings we have discussed issues relating to customer service, availability of information on provider contracted rates for services, adding a "middle tier" plan option in the future, adding a health care concierge and claims advocacy service for PEBP participants, access

to the E-PEBP system for our benefit professionals to better assist our employees, and various administrative issues relating to data reporting and form processing.

In response to issues raised at our meetings, PEBP staff has worked with us on customer service response issues to address access and quality to the extent that the feedback from our employees has improved in this area.

PEBP staff also worked with NSHE benefit representatives to develop language and information to include in our standard offer letters and to create and authorize the use of a new NSHE-only form to process new hires without delay. As discussed in more detail below, we also collaborated on the development of the recent survey issued to all participants by the PEBP.

Our team is meeting with the PEBP again on June 7 to discuss the progress of our request for access to the E-PEBP system and for the PEBP to engage a health care concierge and claims advocate to assist our employees, as well as the resolution of some administrative reporting issues.

UPDATE

Health Care Concierge/ Claims Advocacy Service

NSHE recently learned that there are programs available that provide claims advocacy services to assist the PEBP in negotiating fee reductions for incurred services, whether or not those services were provided under in-network or out of network contracted rates. These programs provide these services on a contingency fee basis and are only paid out of savings they realize. The savings benefit both the PEBP and the employee. One program in particular also includes, at no extra cost, a health care concierge type service to help employees identify the lowest cost providers for various services, lower cost prescription options, providers for second opinions, and a variety of other services.

Given that these programs are only paid out of savings realized, we provided PEBP staff with information about the programs and encouraged them to consider adding such service for participants in the near future, or to allow the NSHE employees to participate as a test group to determine the value of such service.

PEBP staff is interested in these services and they will be a point of discussion at our June 7 meeting.

UPDATE

PEBP/NSHE Survey of Participants

We recently completed a joint survey of all PEBP participants about our benefits plans and costs. We originally planned to do a survey of all NSHE employees, but PEBP was also working on a separate survey and reached out to us to make it a joint survey in an effort to ensure we receive the highest level of response possible. Gerry Bomotti, UNLV vice president of business and finance and PEBP Task Force Chair; Dr. Chris Cochran, associate professor, UNLV Department of Health Care Administration and Policy, and task force member; Anne Wagner, MHA; and Renee Yackira, NSHE executive director of government relations were instrumental in working with the PEBP to develop a survey that merged our NSHE survey with PEBP's draft survey.

Dr. Cochran prepared an [executive summary](#) of the survey results, which he will present to the Board of Regents on June 1. Of particular note is the fact that approximately 7,500 state employees participated in the survey, including 3,347 NSHE respondents. The NSHE respondents represented 44 percent of the number of state employees participating in the survey even though we are only about 33 percent of the covered employees

CONCLUSION

As we move forward to address issues brought about by the dramatic changes to our employees' health care services, we encourage you to stay actively engaged in these discussions. Our plans are to address existing issues as expediently as we can and to identify options that will improve the plan. We rely on your feedback and contributions to this effort.

For more a more detailed history of our work with PEBP, please visit the [NSHE PEBP Benefits Task Force web page](#). There is also a PEBP comment box at the bottom of the page where you can share your concerns and suggestions. Please do so.