

## **PEBP Insurance Benefits Satisfaction Survey Executive Summary**

In September of 2010, the Nevada System of Higher Education (NSHE) appointed a Task Force to examine the health insurance benefits provided to its employees through the Public Employees Benefits Program (PEBP). As part of its ongoing work, the NSHE Benefits Task Force identified the need for this survey due to plan changes made by PEBP in 2011. In collaboration between the NSHE Benefits Task Force and the PEBP, a survey was distributed from March 16, 2012 through April 15, 2012 to NSHE and State of Nevada employees to measure their satisfaction with existing PEBP insurance benefits. A set of 59 questions was agreed upon by representatives of PEBP and the NSHE Task Force. Those participating in the creation of the survey were Jim Wells, PEBP Executive Director; Nancy Spinelli, PEBP Public Information Officer; Renee L. Yackira, Executive Director of Government Relations; 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, and Anne Wagner, MHA, who assisted with the project.

Approximately 7,500 state employees participated in the survey including 3,347 NSHE respondents. The NSHE respondents represented 44% of the number of state employees participating in the survey. Because NSHE respondents are over-represented in the survey – they comprise 33% of state employees – the information presented here represents only their responses. However, some comparisons are made to key questions that document both NSHE and State employees.

Among the findings of the survey, some of the most notable include the following:

### **General demographics**

- 57% of the respondents have coverage only for themselves; only 11.5% include coverage for a spouse or domestic partner; 18.3% for employee and children; 13.2% for employee and family.
- 62% of the respondents were from Clark County; 33% from Washoe County, Carson City and Douglas County; and 4.9% were from rural Nevada.
- 77.2% described themselves as healthy or in excellent health.
- 18.5% indicated that they had a covered dependent with an ongoing (chronic) health condition.

### **Plan changes in 2011**

- For the current plan year, 83.9% kept their current health plan (High Deductible PPO or HMO).
- Of those that changed their health plan, more were likely to change to the HMO plan from the High Deductible PPO due to premium costs or higher out-of-pocket costs.
- 83.6% of employees made no changes to their plan's coverage for dependents.
- Of those that made changes to dependents, 23.2% cited cost of the plan as the reason, 10.3% indicated that their spouses plans were better.
- Of employees who declined the PEBP health plan coverage for themselves, 48.8% indicated that their spouse's plan was better, while 14% of those who declined coverage have no health care coverage.

### **Satisfaction with current plan**

- For the PPO, more than 79% indicated that they were dissatisfied or very dissatisfied with their current plan (for comparison, 81.5% of non-NSHE state employees were either dissatisfied or very dissatisfied). This compares to 55% of HMO covered employees who felt the same way (59% of non-NSHE employees were dissatisfied with their HMO coverage). It should be noted that most employees indicated that they understood the coverage that went into effect on July 1, 2011.

### **Other important findings:**

- A greater percentage of HMO plan employees have become more informed about their health care services than the PPO employees (51% to 39%).
- PPO covered employees were more likely to put off health care due to cost (71.5%) compared to HMO covered employees (59.2%); although both figures indicate concern regarding the out-of-pocket costs associated with both plans.
- 85.7% of PPO plan members and 61% of HMO respondents disagree or strongly disagree that out-of-pocket costs are reasonable.

### **Prescription drug coverage**

- 55.6% CDHP/PPO enrollees and 60.7% of the HMO enrollees indicated that they had switched from brand name prescription drugs to generic prescription drugs to save money.
- 30.8% of the CDHP/PPO covered employees and 26.9% of the HMO employees indicated that they stopped taking a routine maintenance medication due to cost.
- CDHP/PPO members (67.7%) were far more likely to disagree that current prescription drug coverage is adequate compared to 36.5% of those covered in the HMO.

### **Plan changes for upcoming year**

Of those who plan to make changes during the current new enrollment period, 15.1% indicate that they plan to make changes and 52.6% were unsure. Most of those who plan to make changes, nearly 80% indicated that their decision is based on high out-of-pocket costs.

Among some of the plan options mentioned to survey participants included paying higher premiums for lower deductibles and co-pays, lower premiums with higher deductibles and co-pays, and the option to purchase one's own insurance subsidized by the employer. More than 46% of the respondents indicated that they would be willing to pay higher premiums for a plan that would include lower individual deductibles and co-payments. In addition, 45.5% reported that they would like to have the option to purchase their own insurance subsidized by their employer; and 24.1% reported they are willing to purchase a bridge or gap plan in conjunction with the CDHP/PPO plan, while 59.3% were unsure and 16.6% said they would not purchase such a plan.

## **Conclusion**

Both NSHE and state employees indicated a high level of dissatisfaction with the current health care plans being offered through the PEBP. This finding is contrary to most health care plan satisfaction studies that indicate they are satisfied with their health care plans. Most studies of satisfaction with health insurance plans indicate a range of 70-85% satisfaction with their plans compared to nearly opposite numbers in the PEBP covered health plans. However, these results should be taken with caution. Most of the satisfaction with health plans studies were conducted prior to 2011 and many of those plans may have undergone changes similar changes to their plans in the interim. As we move forward, the Task Force will examine how our insurance coverage compares to other private and public employees health care plans. Also, while it is possible that individuals least satisfied with their health plans may be more likely to respond to the survey, the levels of satisfaction do not improve among non-NSHE employees. When comparing levels of satisfaction of PEBP coverage across all state respondents to this survey that NSHE rates are typically higher in satisfaction.

Because this is the first time NSHE has undertaken a satisfaction poll of its employees, we have little to which we can compare these findings. Certainly there appears to be serious concerns regarding the current coverage. Besides the responses identified in this report, there were also more than 800 comments made by employees regarding their level of coverage. Very few of those comments were positive, though, in many studies, those who are least satisfied are more likely to make comments. The study does provide a baseline for determining State and NSHE employees' satisfaction for future comparisons.