

LCB File No. R023-09

**PROPOSED REGULATION OF THE BOARD OF THE
PUBLIC EMPLOYEES' BENEFITS PROGRAM**

MEETING AND REGULATION WORKSHOP NOTICE AND AGENDA

Name of Organization: Public Employees' Benefits Program Board

Date and Time of Meeting: September 3, 2009 9:00 a.m.

Place of Meeting: The Legislative Building
401 South Carson Street, Room 1214
Carson City, Nevada

Video Conferencing: The Grant Sawyer State Office Building
555 E. Washington Avenue, Room 4401
Las Vegas, Nevada

Internet: www.leg.state.nv.us

AGENDA

- I. Open Meeting
- * II. Approve Action Minutes from June 30, 2009 and July 9, 2009 Board meetings
- * III. 9:00 a.m.
Conduct workshop to solicit comments from interested persons on the following general topics that may be addressed in proposed regulation R023-09, including but not limited to:
 - a. Redefine "Plan Year,"
 - b. Other related matters
- * IV. 9:00 a.m.
Conduct workshop to solicit comments from interested persons on the following general topics that may be addressed regarding Nevada Administrative Code Chapter 287, including but not limited to:
 - a. Implementation of Senate Bill 427 (2009) as it relates to retiree subsidies
 - b. Implementation of domestic partnership benefits
 - c. Employee benefit orientations
 - d. Premium/contribution payments and late fee calculations
 - e. Retiree years of service subsidy procedures
 - f. Other related matters

- * V. Health Claim Auditors, Inc. audit on Fiserv Health Plan Administrators for the quarter ending June 30, 2009
 - a. Presentation of report by Health Claim Auditors
 - b. Fiserv Health Plan Administrators response to audit report
 - c. Discussion and possible action regarding audit report findings
- VI. Presentation by Aon Consulting of Governmental Accounting Standards Board 43/45 Other Post Employment Benefits valuation as of June 30, 2008
- VII. Presentation by Aon Consulting regarding federal health care reform efforts
- * VIII. Discussion and possible action regarding projected self-funded claims costs for domestic partner benefits effective July 1, 2010
- * IX. Discussion and possible action regarding proposed changes in the Master Plan Document for Plan Year 2010 (November 1, 2009 – June 30, 2010). Changes reflect plan design modifications included in Open Enrollment packets and administrative clarifications to plan language.
- X. Presentation by Chief Financial Officer of self-funded plan utilization report for the quarter ending June 30, 2009
- XI. Information item – Extension of Business Travel & Accident contract with AIG
- XII. Information item - Status of Cardiac Wellness Pilot Project
- XIII. Information item - Vendor reports for year ending June 30, 2009
 - a. APS Healthcare
 - b. Beech Street Corporation
 - c. Catalyst Rx
 - d. Diversified Dental Services
 - e. Fiserv Health Benefit Planners
 - f. Health Plan of Nevada
 - g. Hometown Health HMO
 - h. Morneau Sobeco
 - i. Sierra Healthcare Options/Hometown Health
 - j. The Standard

- XIV. Information item - PEBP staff reports
 - a. Executive Officer
 - b. Operations Officer
 - c. Quality Control Officer
 - d. Chief Financial Officer
 - e. Attorney General's Report - Deputy Attorney General

XV. Public Comment

* XVI. **ADJOURNMENT**

* Denotes items on which Board may take action.

** Denotes possible closed session.

Unless noted as an action item, discussion of any item raised during a report or public comment is limited to that necessary for clarification or necessary to decide whether to place the item on a future agenda.

All times are approximate. The Board reserves the right to take items in a different order to accomplish business in the most efficient manner. The Board reserves the right to limit Internet broadcasting during portions of the meeting that need to be confidential or closed.

Note: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify the Public Employees' Benefits Program, in writing, at 901 South Stewart Street, Suite 1001, Carson City, NV 89701, or call Vicki Smerdon at (775) 684-7000, as soon as possible.

Copies of both the Public Employees' Benefits Program (PEBP) Board Meeting Action Minutes and Open Meeting Minutes in transcript form are available, at no charge, for inspection at the PEBP Office, 901 South Stewart Street, Suite 1001, Carson City, Nevada, 89701 or on the PEBP web site at www.pebp.state.nv.us. For additional information, contact Vicki Smerdon at (775) 684-7000 or (800) 326-5496.

Notice of this Board meeting was posted on or before 9:00 a.m. on the third working day before the meeting at the following locations: BLASDEL BUILDING, 209 East Musser Street, Carson City; PUBLIC EMPLOYEES' BENEFITS PROGRAM, 901 South Stewart Street, Suite 1001, Carson City; THE GRANT SAWYER STATE OFFICE BUILDING, 555 East Washington Avenue, Las Vegas, THE LEGISLATIVE BUILDING, 401 South Carson Street, Carson City, and on the PEBP web site at www.pebp.state.nv.us. In addition, the agenda was mailed to groups and individuals as requested.

Copies of all materials relating to the proposed permanent regulations may be obtained at the workshops or by accessing the information at Public Employees' Benefits Program's web site at <http://www.pebp.state.nv.us>. You may also contact the Public Employees' Benefits Program, 901 South Stewart Street, Suite 1001, Carson City, Nevada 89701, (775) 684-7000 or (800) 326-5496. A reasonable fee for copying may be charged.

This Notices of Workshops to Solicit Comments on Proposed Permanent Regulations have been posted at the following locations: NEVADA STATE LIBRARY; LEGISLATIVE COUNSEL BUREAU, BLASDEL BUILDING, 209 East Musser Street, Carson City; PUBLIC EMPLOYEES' BENEFITS PROGRAM, 901 South Stewart Street, Suite 1001, Carson City, Nevada; THE GRANT SAWYER STATE OFFICE BUILDING, 555 E. Washington Ave., THE LEGISLATIVE BUILDING, 401 South Carson Street, Carson City. In addition, the notice was mailed to all State agencies and to groups and individuals as requested.

Date: August 11, 2009

AGENDA ITEM

Action Item

Information Only

Date: September 3, 2009

Item Number: III

Title: Workshop regarding proposed regulation R023-09

Summary

The attached proposed regulation amendment reflects the Program's desire to permanently adopt the changes previously approved in temporary regulation T010-09. The amendment would provide for the Board to determine the Plan Year timeframe. Previously, the regulation specified that each Plan Year would begin on July 1 and conclude on the following June 30.

LCB File No. R023-09

**PROPOSED REGULATION OF THE BOARD OF THE
PUBLIC EMPLOYEES' BENEFITS PROGRAM**

June 26, 2009

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §§1 and 2, NRS 287.043; §§3 and 4, NRS 287.043 and 287.0479.

A REGULATION relating to public employees' benefits; amending the definition of "plan year"; and providing other matters properly relating thereto.

Section 1. NAC 287.085 is hereby amended to read as follows:

287.085 "Open enrollment" means the ~~annual~~ event in which:

1. Participants in the Program may change elections offered by the Program concerning coverage and dependents or, if eligible, join an opt-out plan.
2. Participants in an opt-out plan may join the Program or another opt-out plan for which they are eligible.

Sec. 2. NAC 287.100 is hereby amended to read as follows:

287.100 "Plan year" means the period ~~starting on July 1 and ending on the following June 30~~ *set forth by the Board* in which Program benefits and rates are offered for enrollment.

Sec. 3. NAC 287.359 is hereby amended to read as follows:

287.359 1. To apply to leave the Program in the next plan year, a group must submit an application to the Board on or after the first day of the first month of the current plan year but before ~~the~~:

(a) *The* first day of the fourth month of the current plan year ~~is~~; or

(b) *If the current plan year is less than a calendar year, the date set forth by the Board as the last day to submit an application to leave the Program in the next plan year.*

↪ If an application is received at any other time during the current plan year, the Board will return the application to the applicant.

2. If additional information is required to process any application, the Board will notify the representative of the group who is designated pursuant to NAC 287.357.

3. The Board will provide an opportunity for:

(a) A representative of the Program to present arguments for or against the approval of an application.

(b) The representative of the group who is designated pursuant to NAC 287.357 to present arguments that support the approval of an application.

4. The Board will grant or deny each application received pursuant to subsection 1 not later than ~~the~~:

(a) *The* 15th day of the sixth month of the current plan year ~~is~~; *or*

(b) *If the current plan year is less than a calendar year, 75 days after the date set forth by the Board as the last day to submit an application to leave the Program in the next plan year.*

5. The Board will notify each applicant of the date and time of the meeting during which the Board will render a decision on the application of the applicant.

Sec. 4. NAC 287.363 is hereby amended to read as follows:

287.363 1. A decision of the Board to grant an application to leave the Program will be in writing and will include, without limitation, the effective date of departure of the group from the Program and the dates for completion of any administrative tasks necessary to effect the departure of the group.

2. If the Board grants the application of a group to leave the Program:

(a) The group must ~~[, on or before the 25th day of the 8th month of the plan year in which the application is approved,]~~ submit to the Board a completed release and waiver of rights agreement, in a form acceptable to the Board, obtained from and signed by each member of the group. Such an agreement must include, without limitation, a description of the circumstances, if any, under which a member of the group, including, without limitation, active and retired members, may return to the Program.

(b) A contract, in a form acceptable to the Board, must be executed ~~[, on or before the 25th day of the 8th month of the plan year in which the application is approved,]~~ between the Program and the proposed opt-out plan of the group. The contract must:

(1) Set forth the terms of coverage for the group, provisions for the payment of premiums or contributions of participants to the opt-out plan and such other details necessary to effect departure of the group from the Program.

(2) Include, without limitation, provisions regarding the return to the Program of individual members of the group.

3. *The completed release and waiver of rights agreement must be submitted to the Board, and the contract between the Program and the proposed opt-out plan of the group that are required pursuant to subsection 2 must be executed between the Program and the proposed opt-out plan of the group, on or before:*

(a) The 25th day of the eighth month of the plan year in which the application is approved;
or

(b) If the current plan year is less than a calendar year, the date set forth by the Board.

4. If a group whose application to leave the Program has been approved by the Board fails to comply with the requirements of this section or any provision of the decision of the Board to

grant the application of the group , ~~[by the 25th day of the 8th month of the plan year in which the application of the group was approved.]~~ the Board may declare the contract between the Program and the opt-out plan of the group void.