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Subj: **Re: AB222 and AB 226**
 Date: 3/16/03 8:54:41 PM Pacific Standard Time
 From: WPRDIVER
 To: marberry@asm.state.nv.us

Dear CHAIRMAN ARBERRY and Member of the WAYS AND MEANS COMMITTEE:

As you are well aware, the small group of us who are currently labeled as "NON STATE RETIREES" are in a crisis in terms of the cost we are being required to pay for health insurance. As a group, we THANK YOU for your time and CONCERN, and now are PRAYING that the Ways and Means Committee, SOMEWHERE, SOMEHOW will be able to do whatever is necessary to provide for us to be COMMINGLED, with ALL IDENTIFIED AS PUBLIC EMPLOYEES or some other terms that indicates "equality". Not doing so will result in dire economic straits for all of us, and the State as well.

We are aware as to WHY our premiums are high..... in being a segregated group of ONLY 3,000 retired persons, for actuarial purposes as per the current NRS 287.xxx, we will NEVER STAND A CHANCE for remediation, and instead will be forced to join the ranks of the MILLIONS of Americans that are UNINSURED, especially since "9/11", and the ensuing EXTENDED economic downturn. COMMINGLING IS IMPERATIVE for the sake of "numbers" (volume) and age groups if there is to be ANY HOPE. Currently, the STATE ACTIVES and STATE RETIREES are combined, thereby providing more stability in terms of membership, and an actuarial costs.

The PEBP board DID meet on 3/14/ , and despite the legislative reprieve on the 60 day notification, they insisted on voting on a plan, (which as of Saturday morning is ALREADY ON THE WEBSITE!) and would NOT "wait" until they heard regarding the outcome of the various bills pending. Woody Thorne, PEBP Executive Director, continues to INSIST that there will be NO RELIEF until at least July 1, 2004, regardless of what happens in the ensuing weeks. Oh, God, I hope he is wrong, and in reading AB222, it specifically states that it will become effective July 1, 2003. Just the stress being caused by this mess, is making us SICK, and not just emotionally.

I am hoping that this legislative session WILL come up with a reasonable long term solution....WE ALL PAID into PERS, and understood, albeit mistakenly, that we STATE Employees, in that our salaries were PAID with STATE FUNDS for which I have duly paid TAXES, and then disbursed by the school district.

We have asked REPEATEDLY "What is the ACTUAL COST of the insurance to PEBP?", and have NEVER received an answer. If I am readying the figures correctly, the Option 4 CORE PLAN, with \$500.00 deductible the "cost" is \$420.69, of which the STATE RETIREE will now have to incur an out of pocket cost of \$118.91 (retiree only), the remainder being subsidized by the State. Meanwhile, the STATE ACTIVE EMPLOYEES have been paying NOTHING, and will now pay approximately \$15.00 per month at the same time their entire families are subsidized to a great extent. The NON STATE RETIREES will now pay \$694.12 for the identical coverage. This is in NO WAY "equitable". As educators, (personally, a school NURSE), we served the CHILDREN of the State of Nevada, and certainly expected better for our golden years. (Wow, is THAT ever a misnomer!) In my specific case, I HAD to take early MEDICAL retirement, and can NOT go back to work to "pay for insurance" as some have glibly remarked. Even paying the premium at "cost" would likely be better than what we are now experiencing.

The Option 4, as adopted, increases the deductible by AT LEAST 100% to (AT LEAST \$500.00; increases the TIER 2 retail prescriptions by 81.8% and moves many drugs to TIER 3 (CELEBREX, VIOXX, ALLEGRA, to name a few), for which the participant must pay 100% of the "discounted" amount. Some of these drugs mean the difference between an employee being able to function in the workplace, whereas otherwise they would be using sick leave, thereby costing the STATE more money in non-productivity. Mr. Thorne touted that the "100% copay" for TIER 3 would be on the "discounted" amount, which I was informed by CATALYST is only 10-15% less than FULL RETAIL!! No wonder people are going to Mexico and Canada for their prescriptions! PEBP participants already incur the HIGHEST prescription costs of any of the Western States surveyed. Mr. Thorne further testified that CATALYST has "assured" him that there are drugs on TIER 3 that have equivalents in TIER 2 or generic. As a nurse, I KNOW this is NOT TRUE. There are certain drugs that, although supposedly "equivalent", have compositions that certain individuals can not tolerate, and when substituted, resulted in anaphalactic (allergic) reactions, sometimes FATAL. Additionally, the co-pays for a doctor's office visit (specialist) will now be \$30.00, an increase of 50%. I would be better off paying a straight 80-20% or \$24.00 for an "extended, established patient visit, billed at \$120.00.

Sunday, March 16, 2003

I-1062

ASSEMBLY WAYS AND MEANS

DATE: 3-17-03 ROOM: 3137 EXHIBIT I

SUBMITTED BY: Wendy Reiman

To add further to the injury, I was told by a PEBP Board member that they have REMOVED the option for "centers of excellence" such as Scripps, and UCLA from the PPO network which is being totally thrown into ONE network, managed by Sierra Health Services, of which Senator Raggio is a board member! Strange, that Governor Guinn, former Governor Miller, and Las Vegas Mayor Jan Jones, ALL OPTED to go out of state for their respective cancer surgeries.... WHY ARE WE being denied that same option. i.e. CHOICE of health care provider ??? Obviously that is NOT the QUESTION before the Ways and Means Committee, or relevant to the current bills presently before you, but something that needs to be looked into.

Mr. Thorne states that the cost of commingling would be \$5 million in the first year, but showed no graphics to support his grim statistics. I believe that this figure is based on the plan CURRENTLY in effect, and has not been revised based on the newly adopted plan. Just for the short term, as those of us labeled NON STATE RETIREES are unable to afford the insurance as an option to feeding ourselves, are forced to resort to care at County/State facilities, and not being able to "pay" for the care, that \$5. MILLION will seem very cheap.

For those who lament that a percentage of NON STATE retirees were never in the PEBP program prior to retirement, please be aware that I was NOT "dumped" on the PEBP plan; I was actively RECRUITED/ SOLICITED by PERS at the time of my retirement, not being told of the "difference" between STATE and NON STATE retirees, and made an active CHOICE to switch to the PEBP plan.

THANK YOU for your time and patience in reading through this. I am desperately hoping that I can count on the legislators of our State to "do what is right" for those who have SERVED the people. Our LIVES are literally in YOUR HANDS at this point. Sincerely, s/ Wendy Reinan