

NDPERS BOARD MEETING Agenda

The NDPERS Board Meeting will be held via Teams Meeting. The public may join by phone.

Conference Call #: 701.328.0950
Conference ID: 466 273 078#

Tuesday, June 8, 2021

Time: 8:30 AM

I. MINUTES

- A. May 11, 2021

II. PRESENTATIONS

- A. National Conference on Public Employee Retirement Systems (NCPERS) Hank Kim
National Public Pension Coalition (NPPC) Bridget Early

III. RETIREMENT

- A. 1st Quarter Investment Report – Bryan (Information)
- B. Retiree Health Insurance Credit (RHIC) RFP Update – Bryan (Information)

IV. GROUP INSURANCE

- A. Medicare Part D (EGWP) RFP Update – Bryan (Information)
- B. Health Insurance Plan Administrative Services Agreement Amendment and Exhibits –Rebecca (Board Action)
- C. Performance Guarantee Analysis – Rebecca (Board Action)
- D. Sanford Health Plan Updates – Rebecca (Information)
- E. Tobacco Cessation Program – Rebecca (Board Action)
- F. Value Based Care Arrangement – Scott (Board Action)

V. MISCELLANEOUS

- A. Website and YouTube Update – Aime (Information)
- B. Sagitec Maintenance Contract – Derrick (Board Action)
- C. Presort Contract – Derrick (Board Action)
- D. Employer Reporting Penalty Guidelines – Derrick (Board Action)
- E. Office Relocation Update – Derrick (Board Action)
- F. Office Reopening – Scott (Information)
- G. Virtual Board Meeting – Scott (Board Action)
- H. Contracts Under \$10,000 – Scott (Information)
- I. Board self-evaluation – Scott (Board Action)

VI. MEMBER *Executive Session

- A. Insurance Appeal Case # 681 – Lindsay Schaf (Board Action)

* Executive Session pursuant to N.D.C.C. §44-04-19.2, §44-04-19.2(1) and/or §54-52-26 to discuss confidential records or confidential member information.



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Memorandum

TO: NDPERS Board

FROM: Scott

DATE: June 8, 2021

SUBJECT: NCPERS and NPPC Presentations

Hank Kim from the National Conference on Public Employee Retirement Systems (NCPERS) and Bridgette Early from the National Public Pension Coalition (NPPC) will be at the June Board meeting. Hank Kim will provide some information and context from the 2020 NCPERS Public Retirement Systems Study (attached). Bridget Early will provide information on what other legislatures across the country are working on.

2020 NCPERS Public Retirement Systems Study

Study conducted by the
National Conference on Public Employee Retirement Systems and
Cobalt Community Research

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This study reviews funds' current fiscal condition and steps they are taking to ensure fiscal and operational integrity.

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Overview

Over the last 10 years, funds have continued to take a serious look at the concerns and challenges that face public pensions. They continue to take significant actions to address them.

About Cobalt Community Research

Cobalt Community Research is a national 501c(3) nonprofit, non-partisan coalition that helps local governments, schools, and membership organizations affordably engage their communities through high-quality data, benchmarking, geofencing, and community engagement. Cobalt is headquartered in Charlotte, Michigan.

Executive Summary

From September to December 2020, the National Conference on Public Employee Retirement Systems (NCPERS) undertook a comprehensive study exploring the retirement practices of the public sector. In partnership with Cobalt Community Research, NCPERS has collected and analyzed the most current data available on funds' fiscal condition and steps they are taking to ensure fiscal and operational integrity.

The *2020 NCPERS Public Retirement Systems Study* includes responses from 138 state and local government pension funds with more than 12.8 million active and retired members and assets exceeding \$1.5 trillion. Statewide and local pension funds were represented in roughly equal measure (51 percent and 49 percent, respectively).

NCPERS is the largest trade association for public-sector pension funds, representing approximately 500 funds throughout the United States and Canada. The membership is a unique network of public trustees, administrators, public officials, and investment professionals who collectively oversee nearly \$3 trillion in retirement funds managed on behalf of seven million retirees and nearly 15 million active public servants - including firefighters, law enforcement officers, teachers, and other public servants.

Founded in 1941, NCPERS is the principal trade association working to promote and protect pensions by focusing on advocacy, research, and education for the benefit of public-sector pension stakeholders.

To access the interactive *2020 NCPERS Public Retirement Systems Study* dashboard, please contact Amanda Rok, communication and social media manager, at Amanda@NCPERS.org.

To view previous editions of this report, please visit: www.NCPERS.org/surveys.

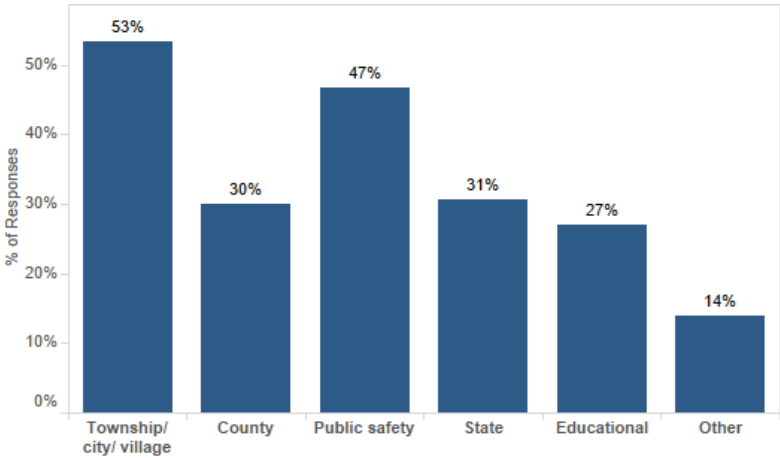
1. COVID-19 has accelerated trends in the adoption of communication capabilities. The ability of board members to participate and vote by phone or videoconference rose from 58 percent to 95 percent. About 54 percent of funds now offer live web conferences to members, with another 19 percent considering it. 2020 also showed a 5 percentage point increase in the implementation of enhanced online portals to allow members to access account information. This rose from 47 percent to 52 percent.
2. Reporting funds saw, on average, 1-year returns of around 8.1 percent. The 5-year average was slightly below the assumed rate of return, while the 10-year average returns outperformed the assumption. The 20-year returns fell below the assumed rate of return as the strong performance of the late 1990s began to roll off the average. Those funds that responded in both 2019 and 2020 reported 1-year and 10-year returns above the assumed rate of return, with the 5-year and 20-year returns slightly below. As a result, funded levels rose to 75.1 percent, up from 72.4 percent in 2019.
3. The average investment assumed rate of return for responding funds is 7.26 percent, compared with 7.24 percent last year. The inflation assumption is 2.7 percent, which is 0.1 percentage point lower than last year.
4. The overall average expense for all respondents to administer the funds and to pay investment management fees is 60 basis points (100 basis points equals 1 percentage point). This is up slightly from 55 basis points in the prior year. According to the *2020 Investment Company Fact Book*, the average expense of most hybrid funds is 62 basis points.
5. The average cost-of-living adjustment (COLA) offered to members was 1.7 percent, which is slightly higher than the COLA of 1.6 in 2019. Many responding funds did not offer a COLA in the most recent fiscal year.
6. About 71 percent of respondents noted that they are not having a problem attracting and retaining skilled staff as people retire, an improvement from the 63 percent reported last year. About 19 percent are starting to experience or anticipate a problem in this area, down from 27 percent last year.

Who Responded

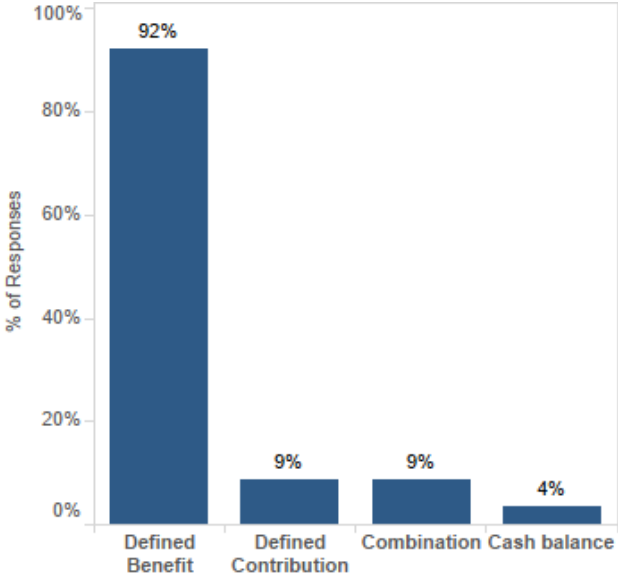
Overall, 138 public retirement funds responded to the *2020 NCPERS Public Retirement Systems Study*. There were 155 respondents in 2019. Of the 138 respondents, 90 also completed the study in 2019.

About 53 percent of all 2020 responding funds serve township, city, and village employees and beneficiaries. About 47 percent of the responding funds serve police and fire employees. The top graph below shows the distribution of employee types served by the funds. The bottom graph shows response by type of plan provided. Totals may exceed 100 percent because of multiple responses.

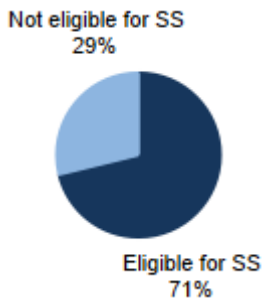
The overall distribution of the groups served by responding funds is similar to prior years; however, statewide funds were a larger proportion of the response compared with last year.



Type of Plan



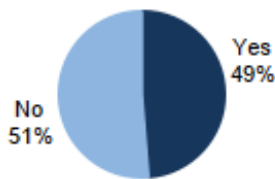
Members' Social Security Eligibility



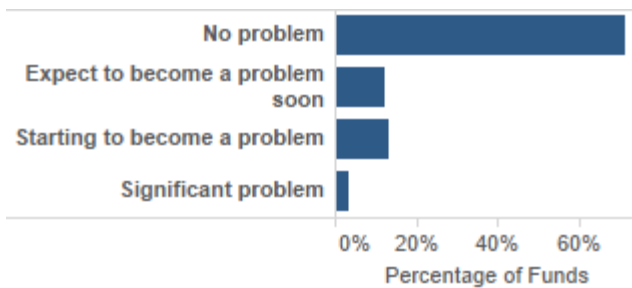
About 71 percent of responding funds have members who are eligible for Social Security, and 29 percent are not eligible. In this report, breakdowns are presented for funds whose members are or are not eligible for Social Security.

Funds whose members are not eligible for Social Security tend to offer higher levels of benefits to make up for the loss of income typically supplemented by Social Security.

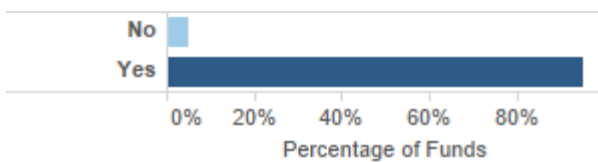
Includes Overtime in Benefit Calculation



Attracting / Retaining Skilled Staff



Call and Vote via Conference Call



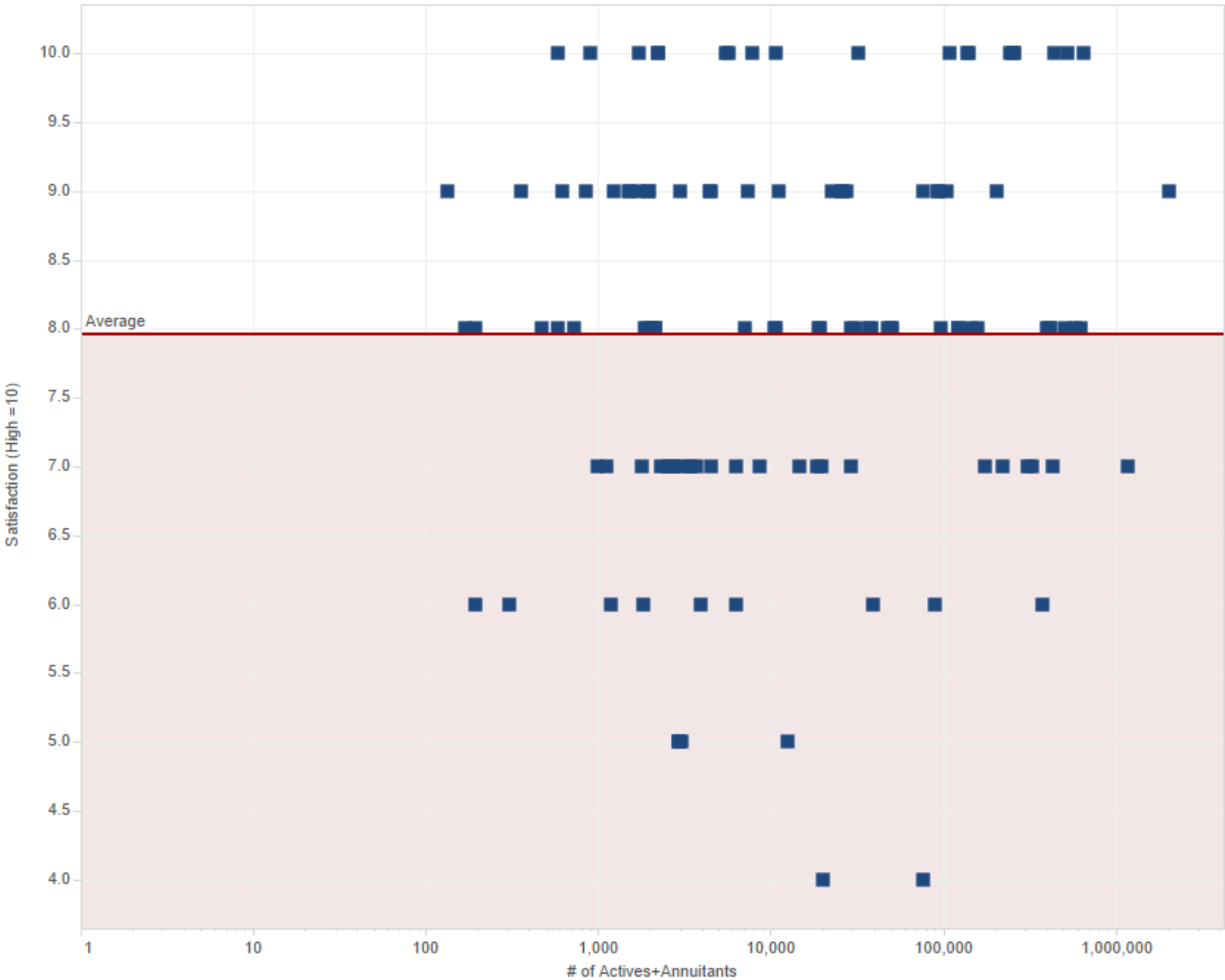
Fund Confidence

The study asked respondents, “How satisfied are you with your readiness to address retirement trends and issues over the next two years?” Respondents provided an overall “confidence” rating of 8.0 on a 10-point scale (very satisfied = 10). This is slightly above the 7.9 reported last year and well above the 7.4 in 2011. The responses of funds that also participated in last year’s study were unchanged from 2019.

Over the last 10 years, responding funds have generally become increasingly confident in their ability to adapt and address issues in the volatile environment surrounding public pensions.

Responding funds have been proactive in making changes to their plan assumptions and benefits to ensure sustainability.

Funds with Social Security-eligible and not eligible members responded with a rating of 7.7 and 8.1, respectively. Large funds (more than 100,000 participants) rated their confidence the highest, with an average score of 8.4.



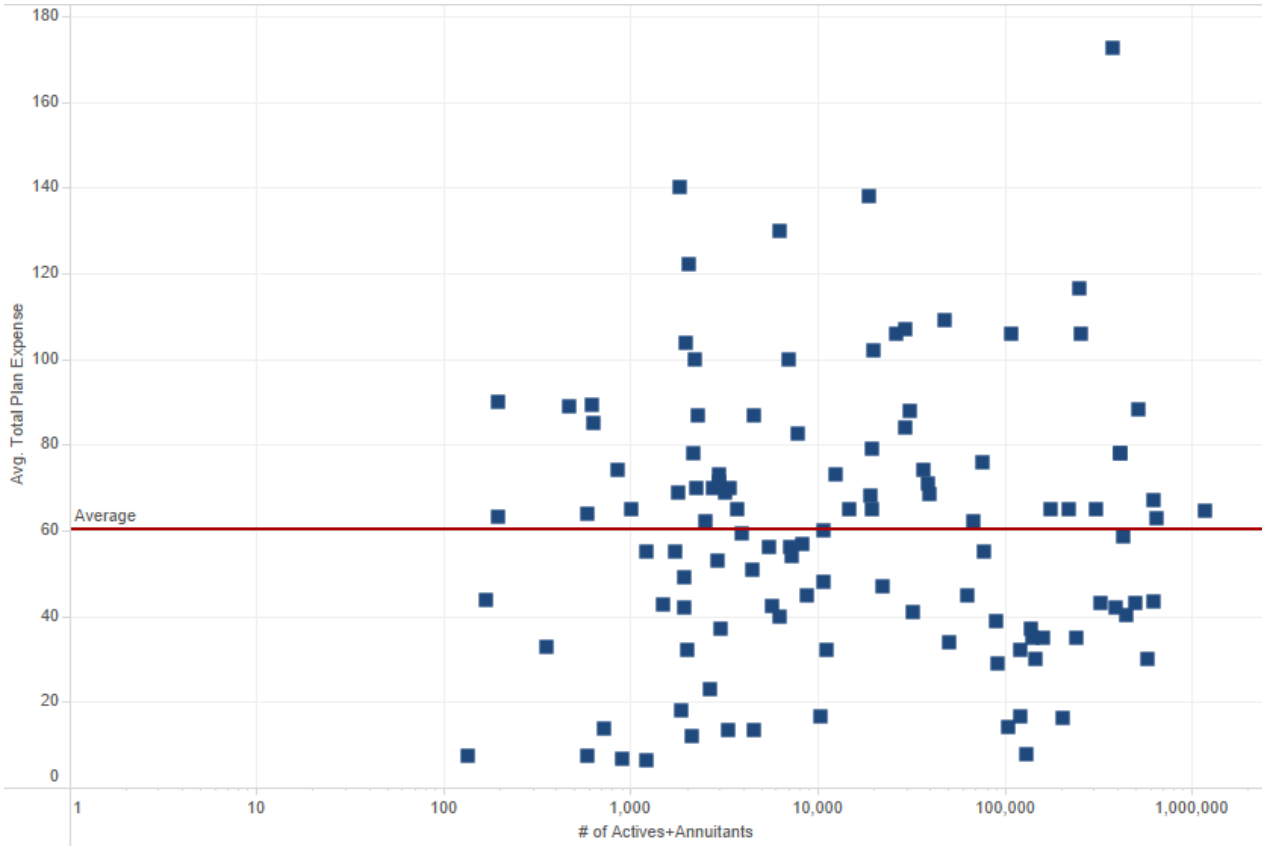
Expenses

The overall average expense for all respondents to administer the funds and to pay investment management fees is 60 basis points (100 basis points equals 1 percentage point). This is up from 55 basis points in the prior year.

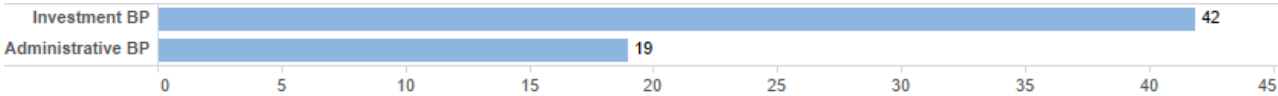
According to the *2020 Investment Company Fact Book*, the average expense of most hybrid funds is 62 basis points.

The top graph below shows the distribution of total expenses (in basis points) on the vertical axis and the size of the fund (by total participants) on the horizontal. The red line represents the average expense.

The bottom graph shows the average administrative and investment expenses. Note: The averages below do not total the average expenses because not all funds reported both investment and administrative numbers.

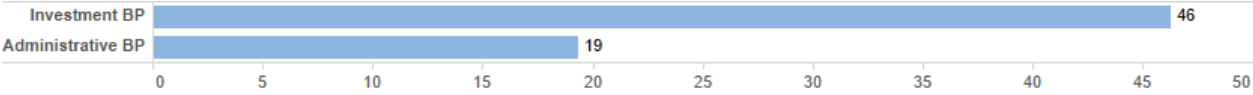
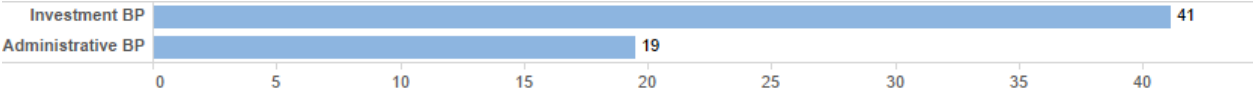


2020 Average Fund Expenses (Basis Points)

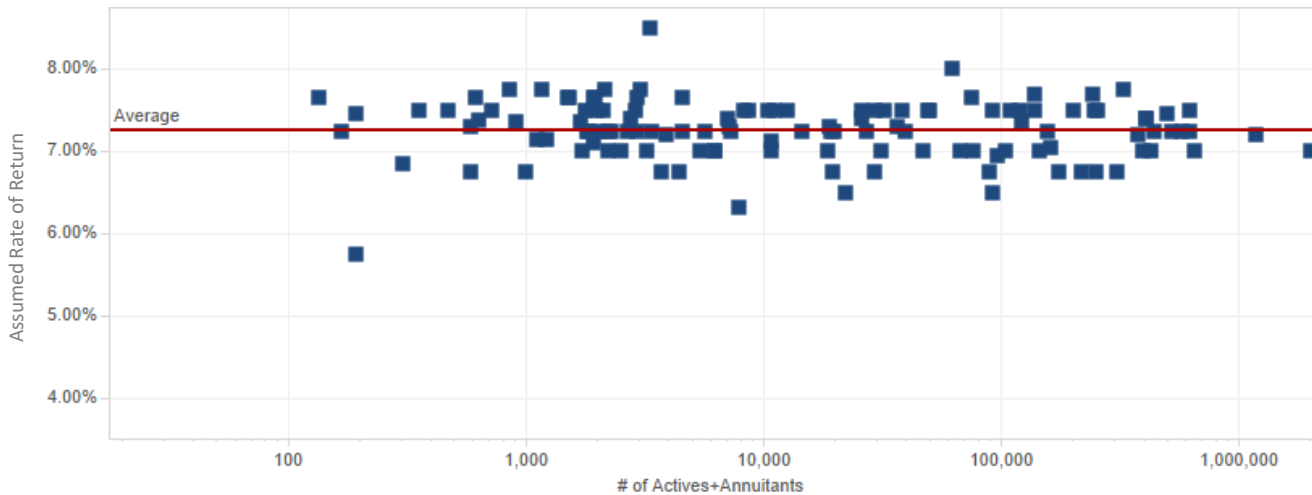


Below are average expenses separated by funds whose members are and are not eligible for Social Security. Total expenses are 59 and 65, respectively. Note: The averages below do not total the average expenses because not all funds reported both investment and administrative numbers.

Average Fund Expenses: Social Security Eligible (Basis Points)



Actuarial Assumptions



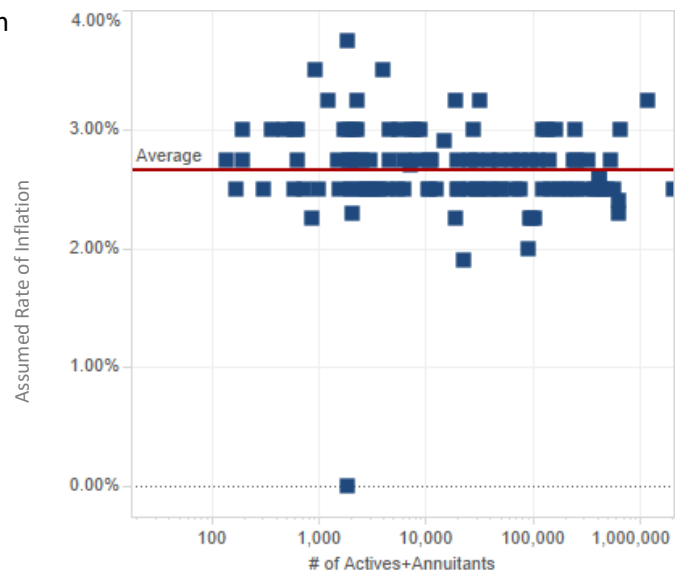
Retirement funds utilize a long-term planning horizon to ensure that liabilities are fully funded at the time they are due to be paid. To set contribution rates and measure progress toward meeting their financial obligations, funds make actuarial assumptions to estimate the likely investment and demographic experience over that time horizon.

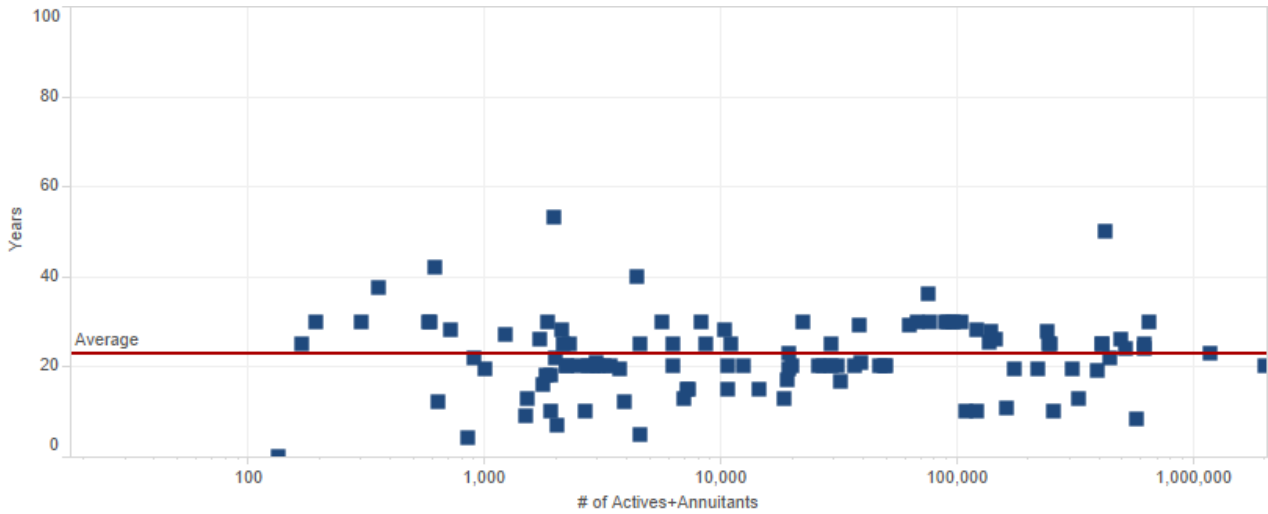
Such assumptions have powerful effects on the funded level of a plan and on required contributions to pay for future benefits. Overly optimistic assumptions (high market returns, lower-than-expected retirement rates) tend to increase a plan’s funded level and reduce the contribution rates an employer is obligated to pay today. Conversely, overly pessimistic assumptions reduce the funded level and increase short-term contribution rates.

The average investment assumed rate of return for responding funds is 7.26 percent, compared with 7.24 percent last year. Plans that responded both years saw the assumed rate rise 0.05 percentage points, to 7.24 percent.

The aggregated assumed rate of inflation is 2.7 percent, which is 0.1 percentage points lower than last year.

Inflation Assumption





Pension funds are designed to fund liabilities over a period of time, which ensures long-term stability and makes annual budgeting easier through more predictable contribution levels.

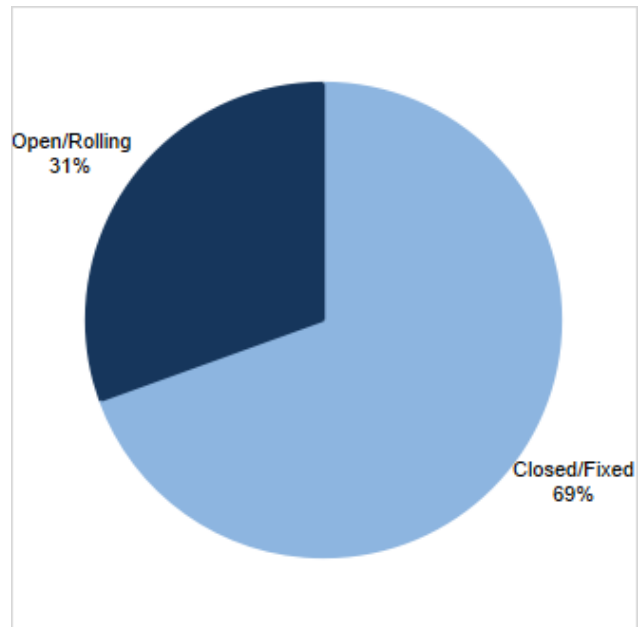
For responding funds, that period of time averages 22.9 years, up from 22.4 years in 2019. Funds that responded both years saw a reduction in the period of time by about 0.5 years.

Groups can tighten their amortization period by adjusting the period in years or using a fixed (or closed) method that pays all liabilities in a fixed time frame.

Open (or rolling) amortization periods are used to determine the actuarially required payment, but they are recalculated each year. The same number of years is used in determining the payment each year. Overall, the percentage of closed / fixed funds rose from 67 percent to 69 percent.

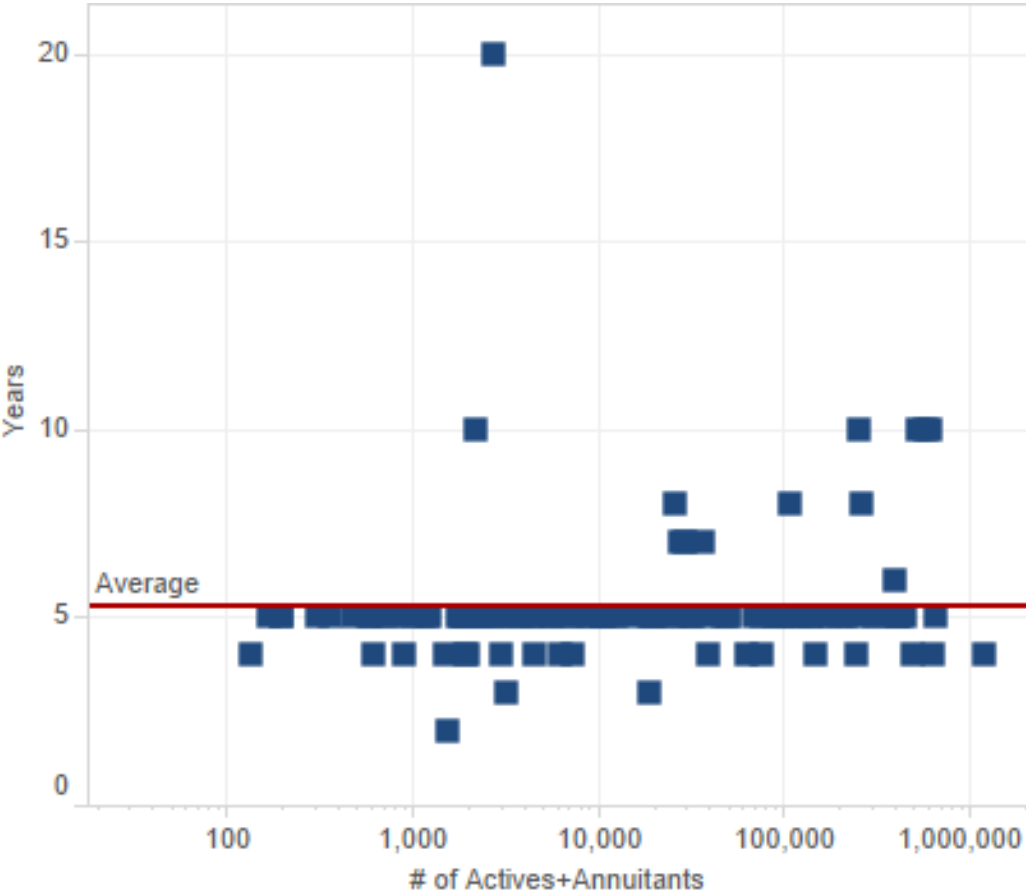
Larger funds are much more likely to have closed / fixed amortization periods – about 88 percent are closed.

Type of Amortization Period



The investment-smoothing period is a key factor in calculating the assets currently held by the fund and the contribution levels required to continue moving toward full funding over the amortization period. By smoothing investments, funds dampen sharp changes in short-term investment returns. This helps stabilize contribution levels over time without undermining the long-term integrity of the funding mechanism.

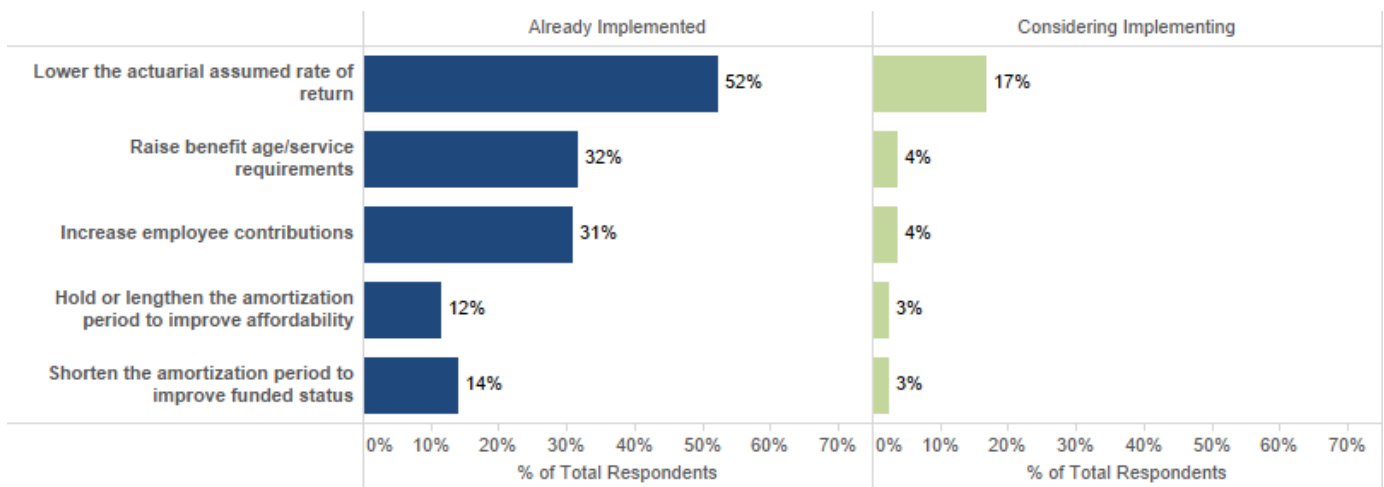
The average investment-smoothing period for respondents remained at 5.3 years, but it rose to 5.4 among participants in both the 2019 and 2020 studies. The distribution of responding funds on the graph below shows that the majority have smoothing periods of 5 years or shorter. For funds with Social Security- eligible members, the smoothing period fell 0.1 years, to 5.4 years. Funds with members who are not Social Security eligible have an average smoothing period of 4.9 years, up 0.2 from last year. Large plans average 5.8 years.



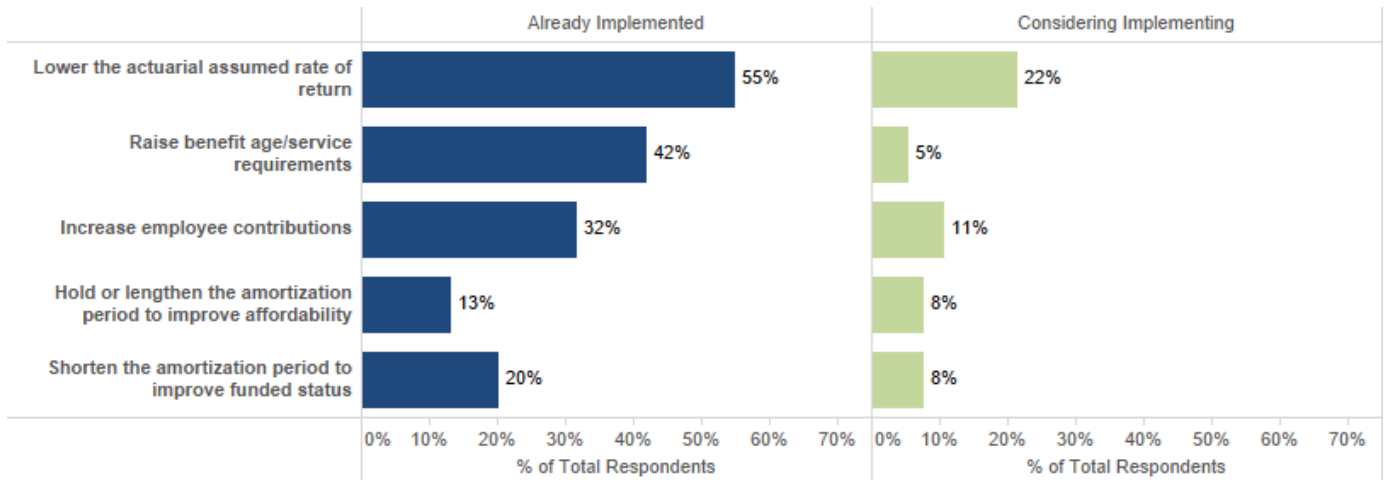
Trends in Plan Changes

As changes emerge in the political, economic, and demographic landscape, funds are adapting their design and assumptions to respond and to maintain their sustainability. Funds in 2020 in general reduced the number of strategies they have implemented or are considering. Still, reducing the actuarial assumed rate of return, raising benefit age / service requirements, and increasing employee contributions remain widely used strategies.

■ Already Implemented
 ■ Considering Implementing



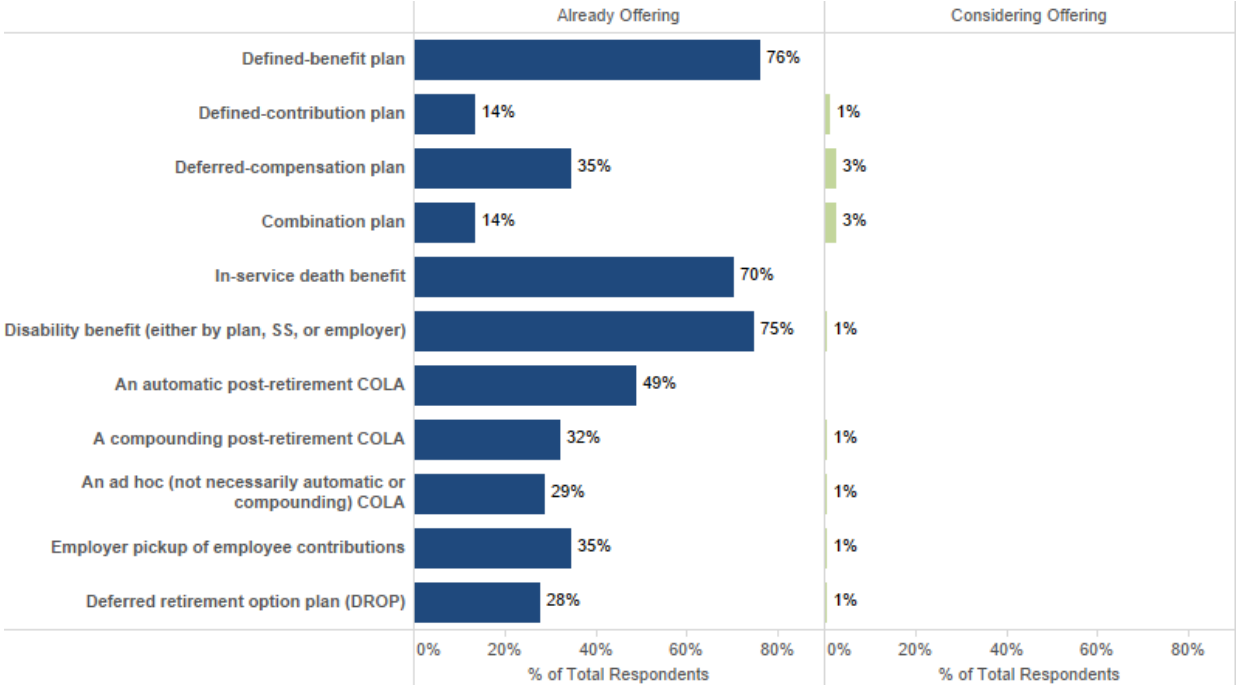
2019



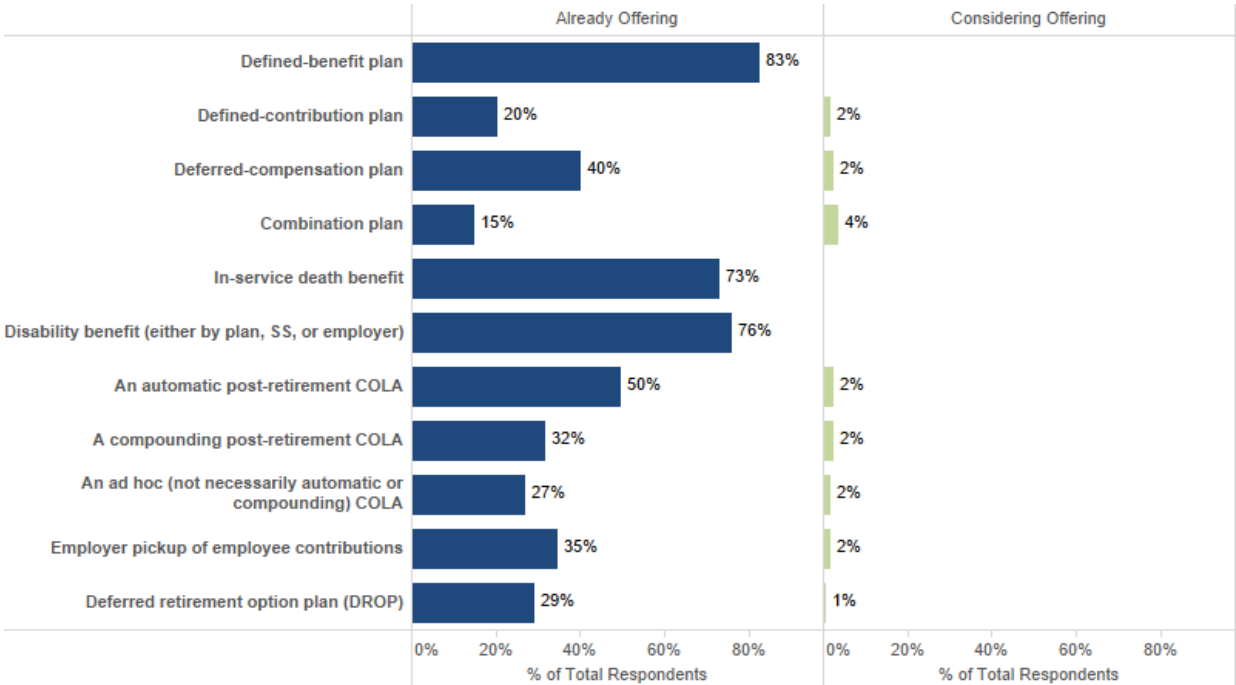
Trends in Retirement Benefits

There remains minimal activity in terms of responding funds considering offering additional benefits to their members. Most funds provide a disability benefit, an in-service death benefit, and some variation of a cost-of-living adjustment (COLA). Overall, 7 percentage points fewer respondents are offering a defined-benefit plan; however, funds responding in 2019 and 2020 show a slight increase year over year.

■ Already Offering
 ■ Considering Offering



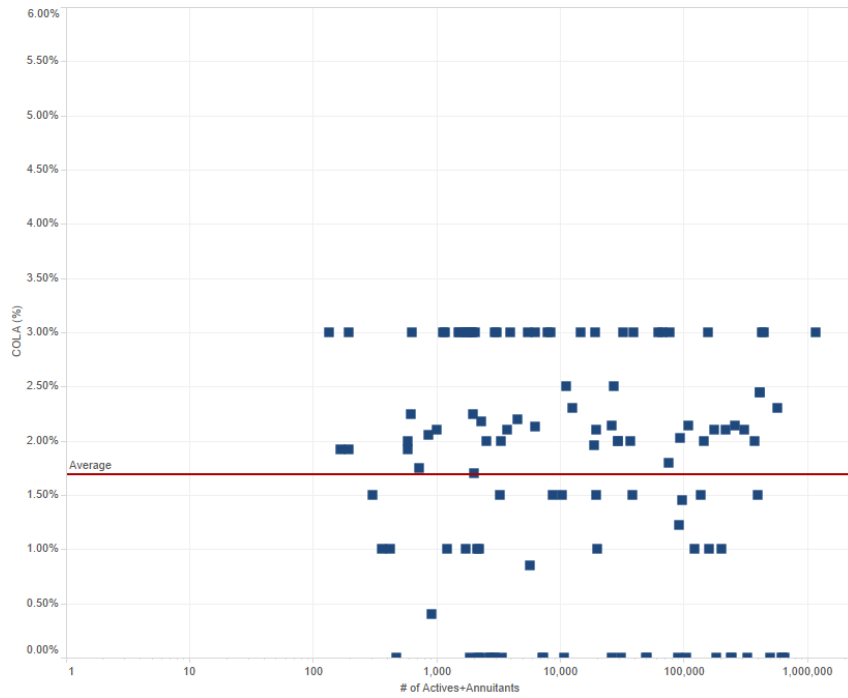
2019



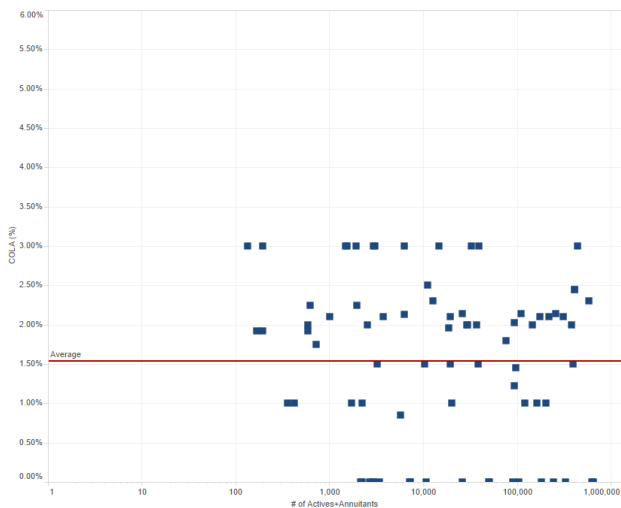
The top chart below shows the distribution of funds offering various percentages of cost-of-living adjustments (COLAs). The aggregated average COLA offered to members was 1.7 percent, which is 0.1 percentage points higher than in 2019. Many responding funds did not offer a COLA in the most recent fiscal year.

Funds with members who are not eligible for Social Security tend to offer higher COLAs (2.1 percent) than those with members who are eligible for Social Security (1.5 percent). Large funds have an average COLA 0.4 percentage points lower than small and medium-sized funds.

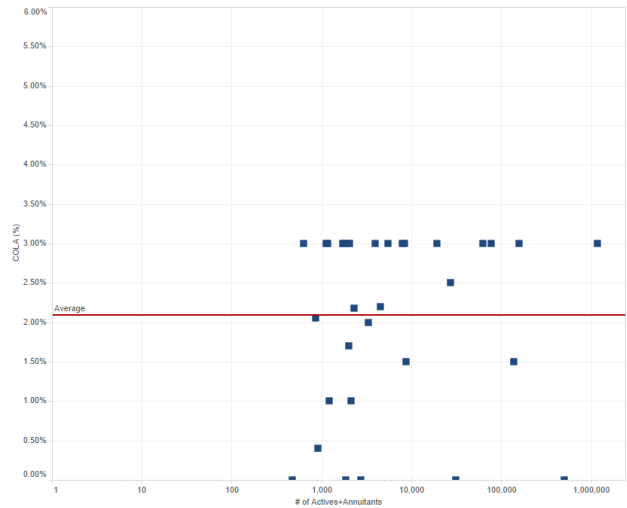
Overall Cost-of-Living Adjustment Offerings



Social Security Eligible

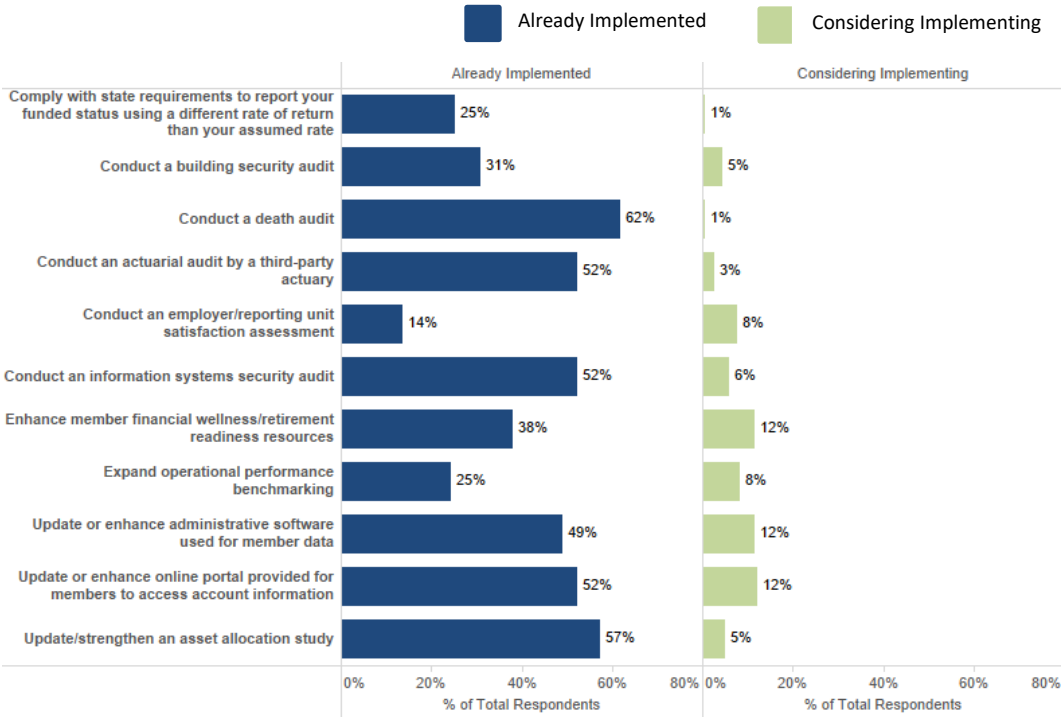


Not Social Security Eligible

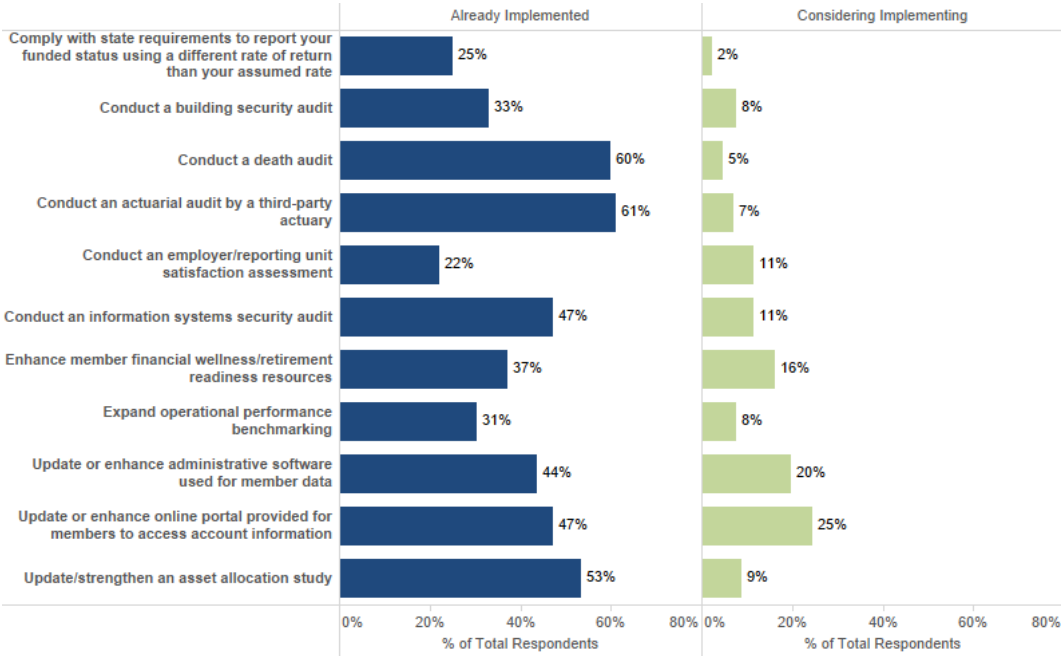


Trends in Business Practices

Conducting a death audit and updating / strengthening an asset allocation study were the most commonly implemented business practices. The practices under consideration include enhancing member financial wellness / retirement readiness resources, updating administrative software used for member data, and updating the online portal provided for member access to account information.



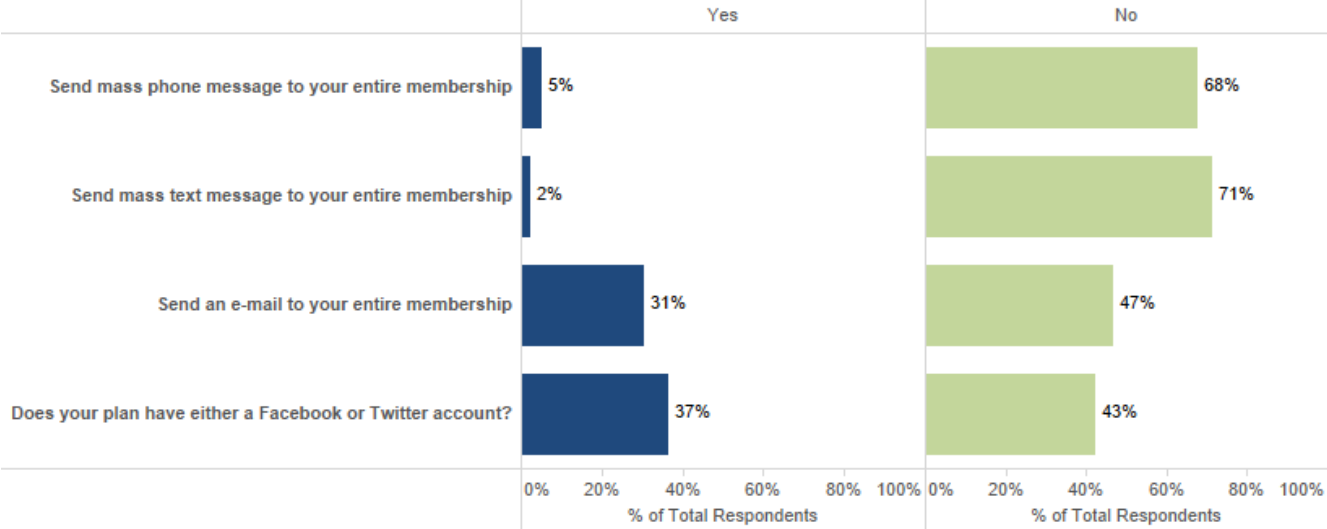
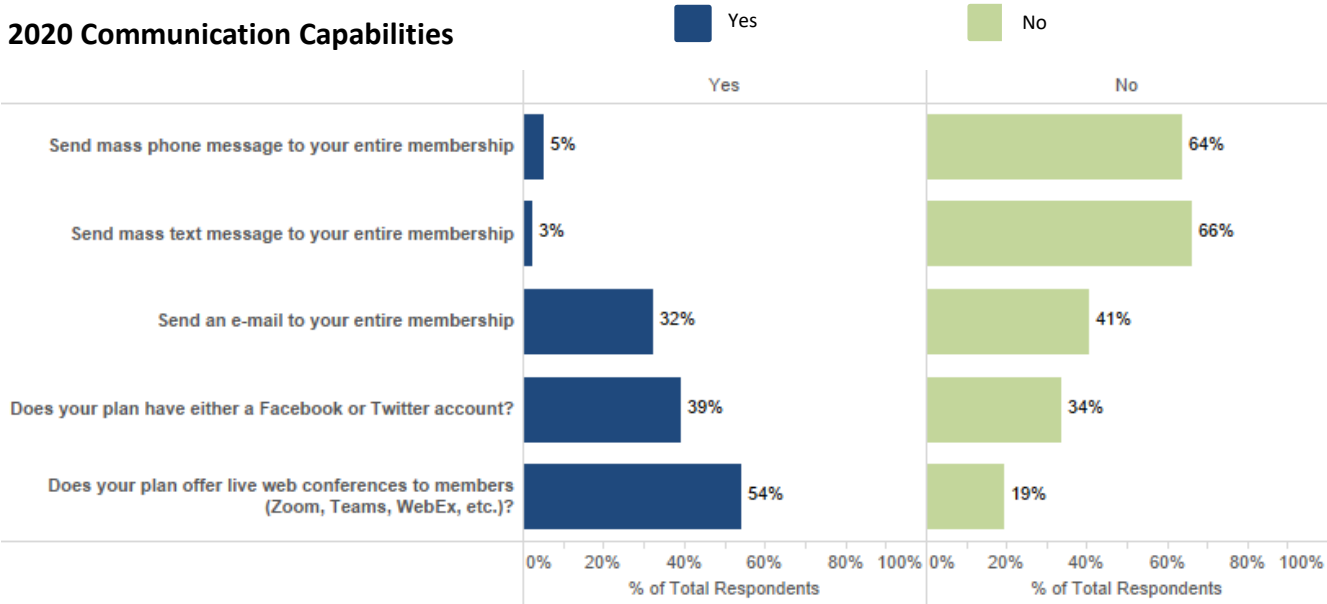
2019



Trends in Communication

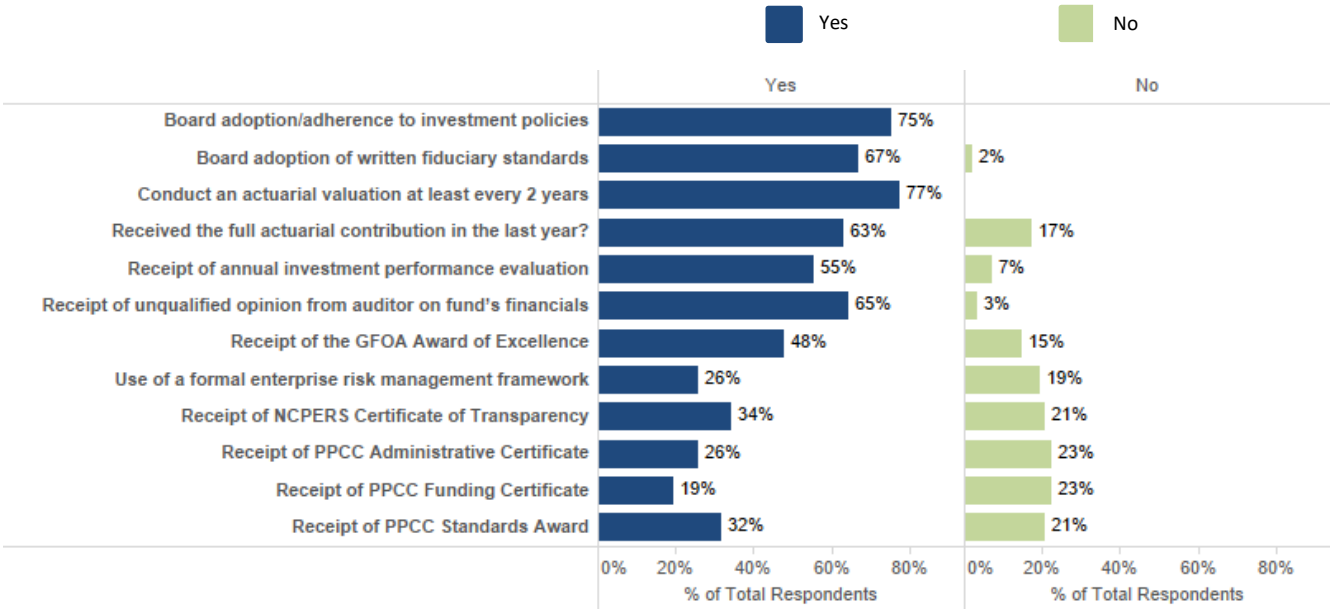
Overall, many responding funds have begun providing live web conferences to members. Other communication channels have remained comparable to those used in 2019.

2020 Communication Capabilities

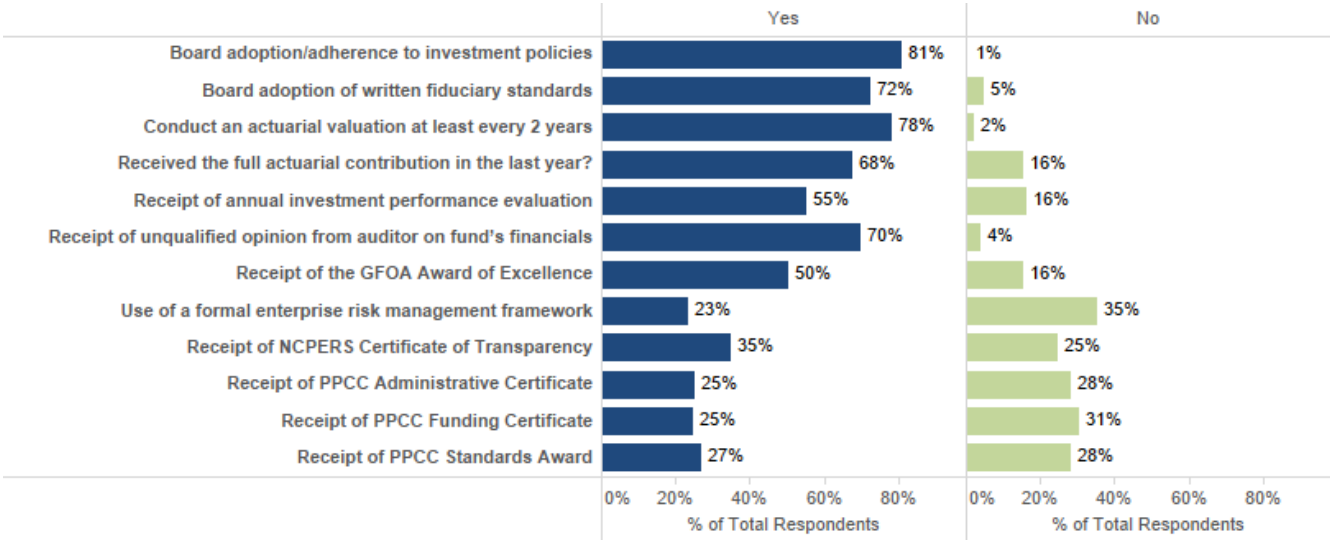


Trends in Oversight Practices

Overall, responding funds showed very similar practices to last year. There was a slight reduction in board adoption of / adherence to investment policies, adoption of fiduciary standards, receipt of full actuarial contributions, PPCC Funding Certificate receipt, and PPCC Standards Award receipt. These differences did not emerge for those funds that also participated in the survey last year. This cohort shows an 8 percentage point increase in receipt of the NCPERS Certificate of Transparency.



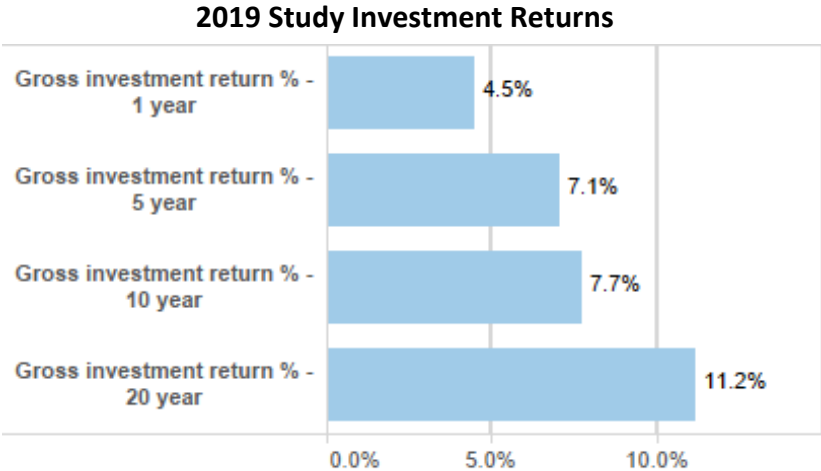
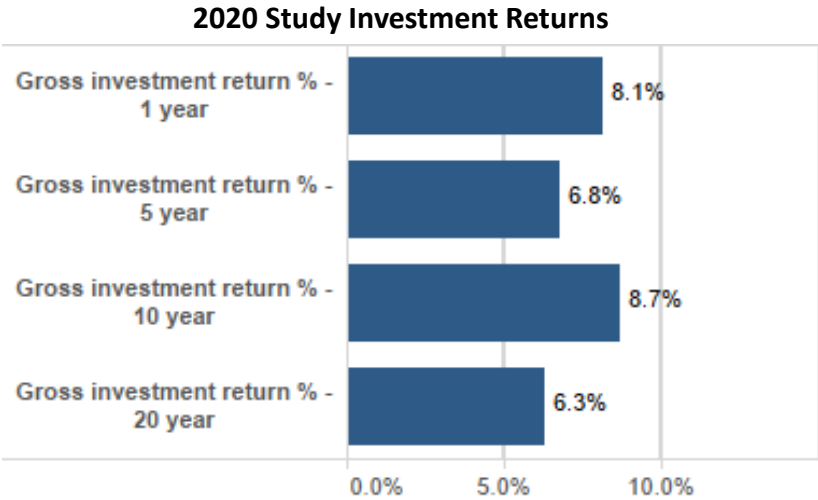
2019



Investment Returns

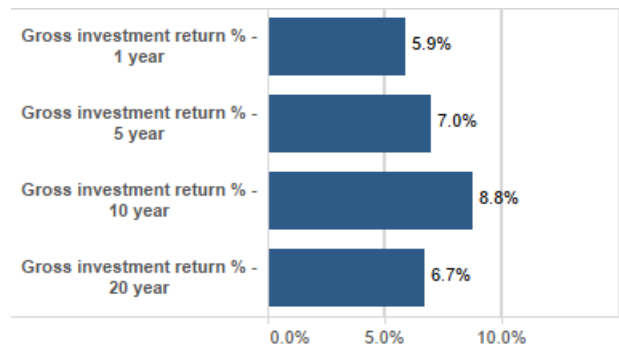
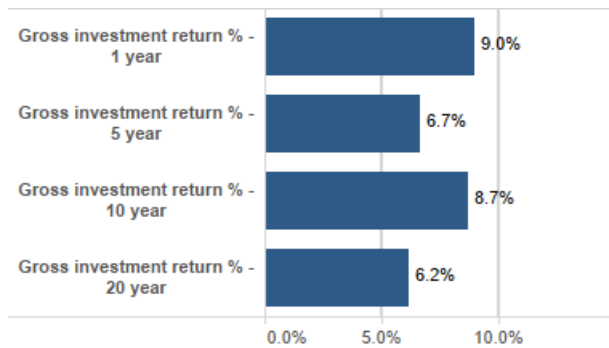
Reporting funds saw, on average, 1 year returns of around 8.1 percent. The 5 year average was slightly below the assumed rate of return, while the 10-year average returns outperformed assumptions. The 20-year returns fell below the average assumed rate of return as the strong performance of the late 1990s began to roll off the average. Those funds that responded in both 2019 and 2020 report 1-year and 10-year returns above the assumed rate of return, with the 5-year and 20-year returns slightly below.

It is important to note that not all responding funds have the same fiscal year-end date. The timing of a fiscal year-end accounts for a significant share of the difference in investment experience between funds. Funds that have a December fiscal year-end date saw 1-year returns of 16.8 percent, which is much higher than the returns of those closing at other times.

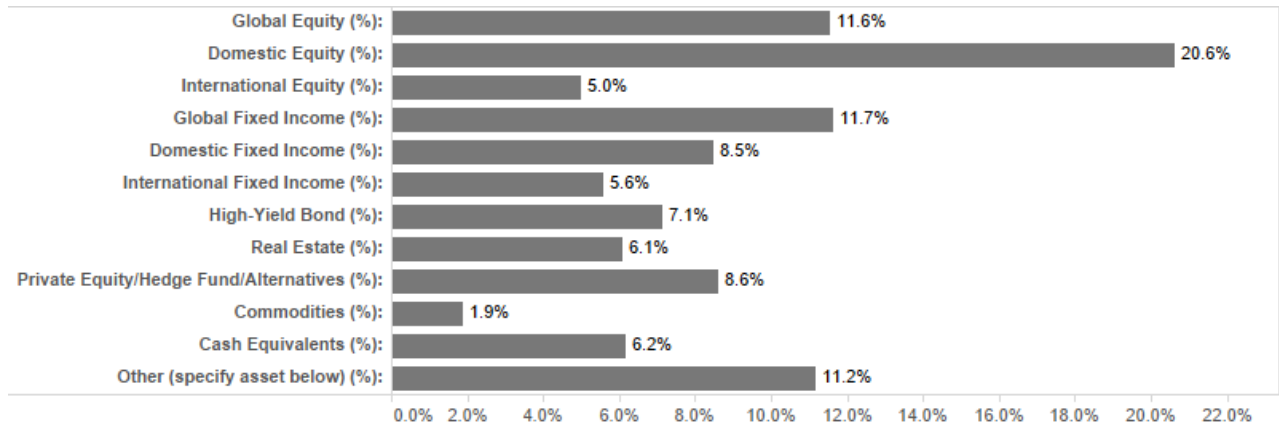


Funds with members who are Social Security eligible reported higher one-year returns than funds with members who are not Social Security eligible.

2020 Returns: Not Social Security Eligible



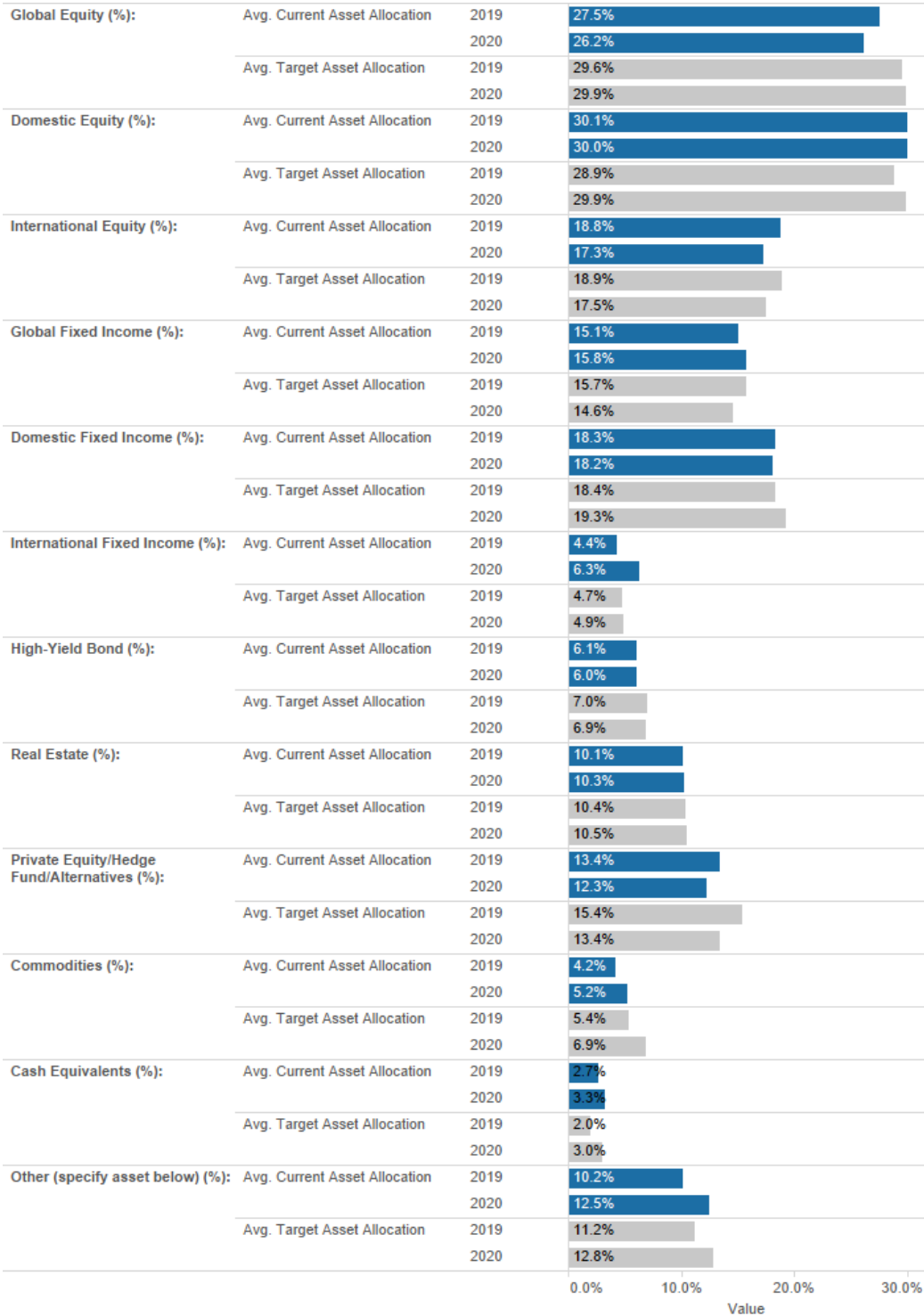
The graph below shows the one-year gross investment returns based on the various asset classes in which responding funds are invested. Domestic equity, global fixed income, global equity, and “other” saw the largest returns.



Investment Asset Allocation

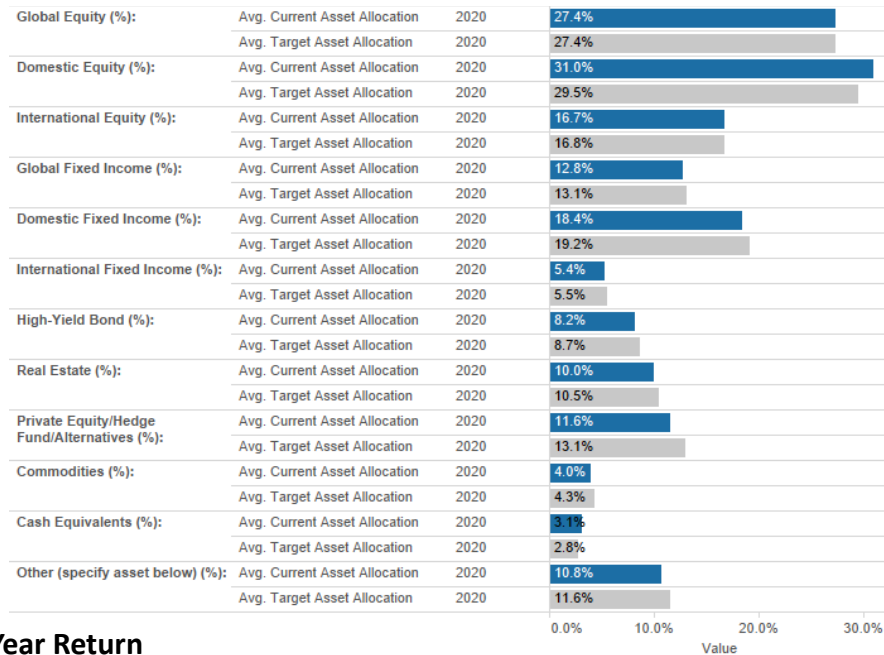
Responding funds had similar allocations to asset classes as they did in 2019. There was a modest decrease in allocations to global equities, international equity, and private equity. There was a modest increase in international fixed income, commodities, and “other.”

Note: Average allocations in each asset class do not total to 100 percent because of how individual allocations were reported.

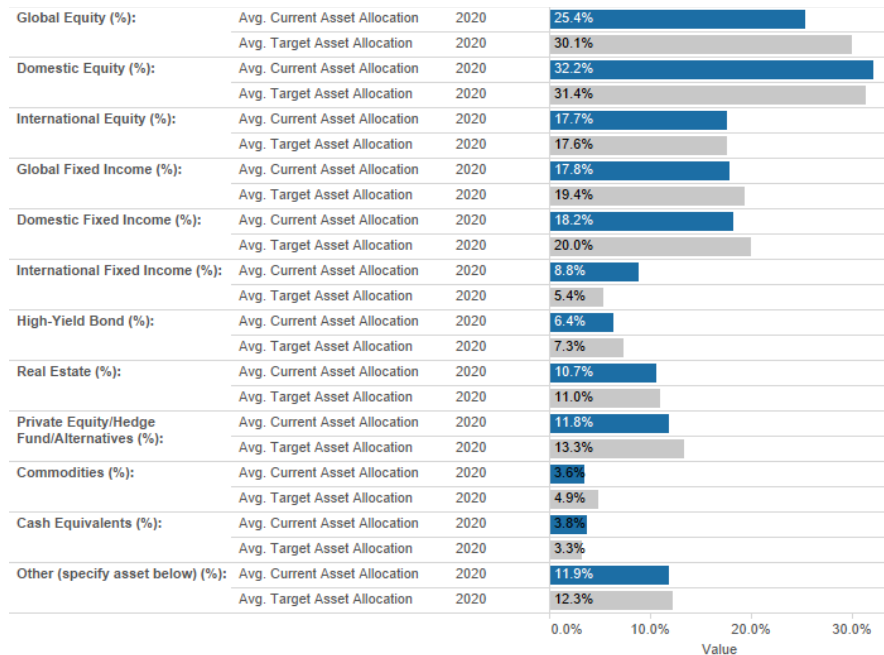


Below are two graphs that show the asset allocations for those funds that reported higher-than-average 1-year and 10-year investment returns, respectively.

A factor with a major impact on return appears to be the timing of the fiscal year-end, as funds with a December close had a much higher return than those closing in other periods.



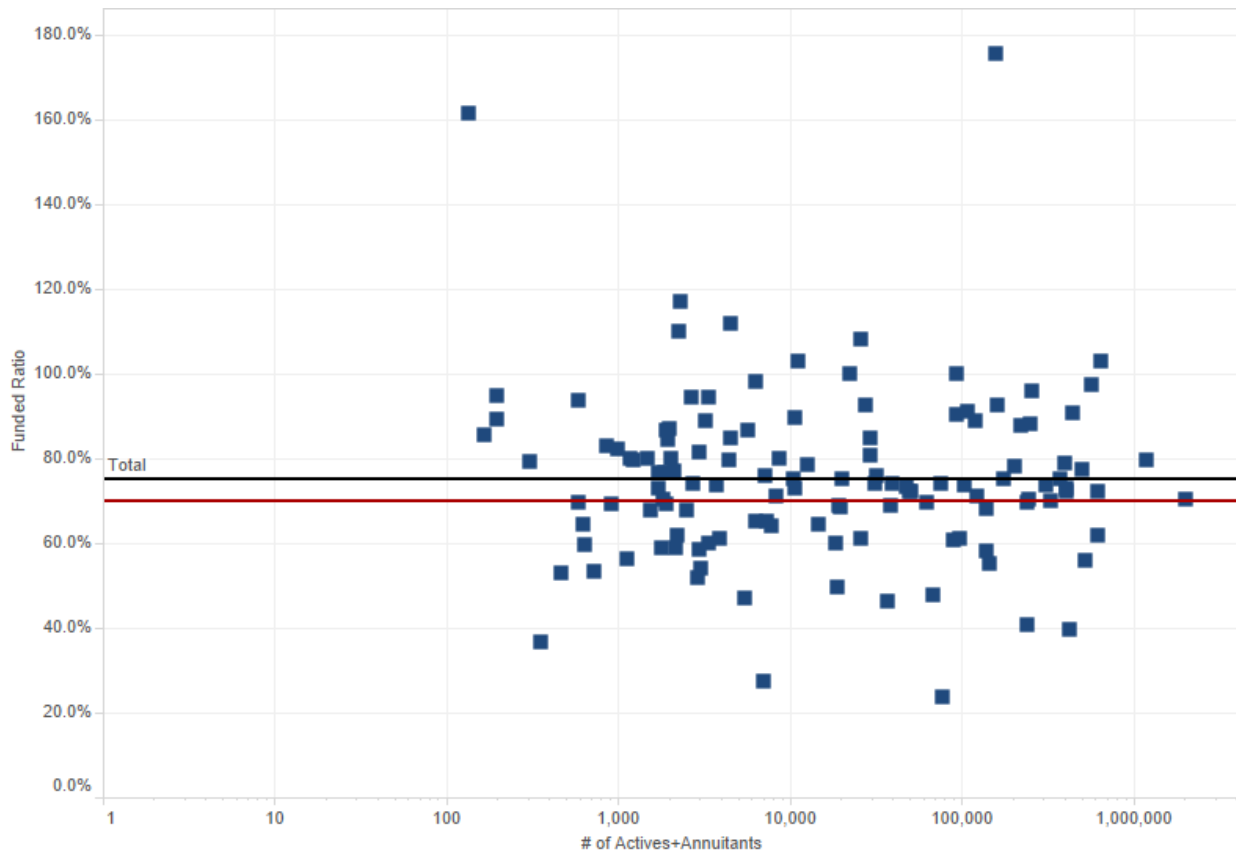
Highest 10-Year Return



Funding Levels

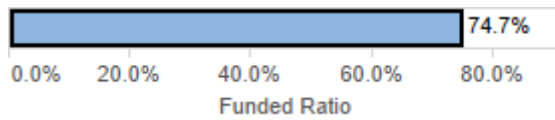
The average funded level is 75.1 percent, up from 72.4 percent in 2019. Funds whose members are eligible for Social Security tended to have higher funded levels.

The graph below shows the distribution of funded levels and fund size. The vertical axis shows the level of funding, and the horizontal axis shows the size of the fund by total active and retired participants. The black center line denotes the average of 75.1 percent, and the red center line denotes the 70 percent funding target that Fitch Ratings considers to be adequate.

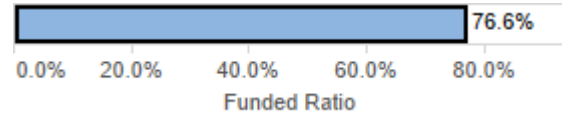


Many funds include members who are not eligible to receive Social Security at the time of retirement. These funds often have higher benefit levels to offset the loss of this source of retirement income. Those funds that include such members report an average funded level of 74.7 percent, which is above the 68.7 percent reported in the 2019 study. Similarly, funds with members who are eligible for Social Security saw funding levels rise from 74.8 percent reported in 2019 to 76.6 percent in 2020.

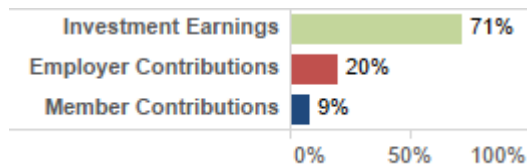
Not Social Security Eligible



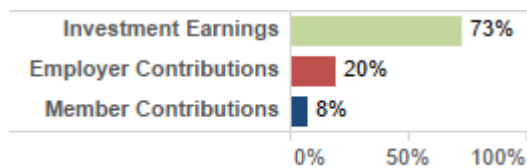
Social Security Eligible



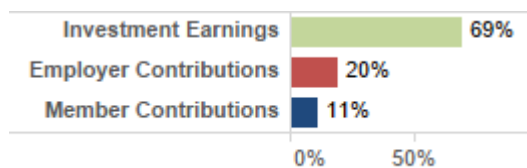
Overall Sources of Revenue



Social Security Eligible



Not Social Security Eligible



Income used to fund pension programs generally comes from three sources: member contributions, employer contributions, and investment returns. The chart to the left shows the proportion of funding provided by each of these sources based on reported data.

Investment returns are by far the most significant source of revenue (71 percent). Employer contributions fell by 2 percentage points compared with last year, and member contributions remained flat.

The graphs to the left also show revenue sources for whose funds members are and are not eligible for Social Security.

Funds whose members are eligible Social Security show income sourced from employer contributions dropped by 3 percent and member contributions dropping by 1 percentage point. Funds whose members are not eligible for Social Security also showed a slight decrease in income sourced by employer contributions (by 1 percentage point), and member contributions increased by 1 percentage point.

Contribution Rates as a Percentage of Payroll— All Respondents

	2019	2020
Member Contributions	9%	9%
Employer Contributions	22%	20%
All Contributions	31%	29%

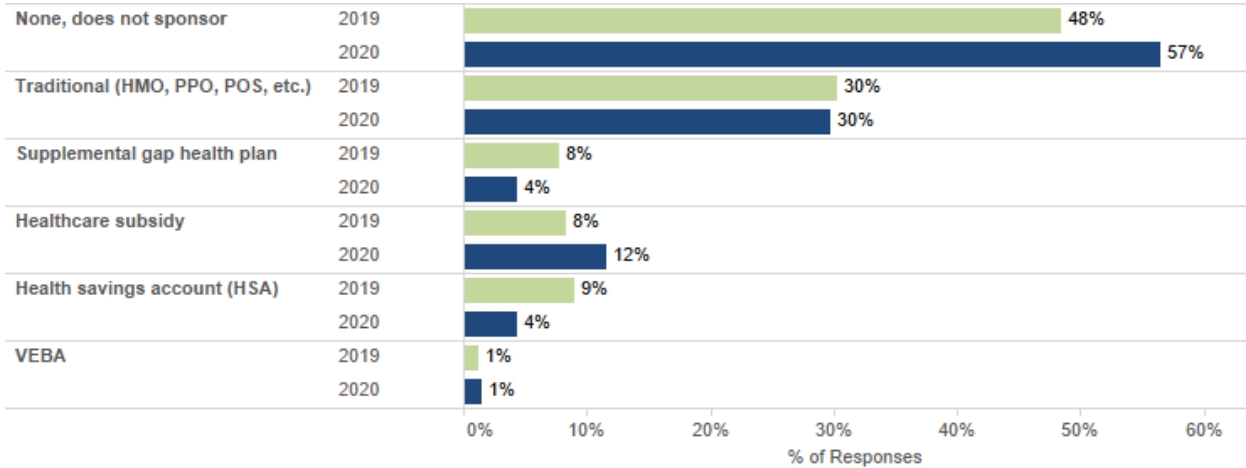
Contribution Rates as a Percentage of Payroll— Respondents in Both Years

	2019	2020
Member Contributions	9%	9%
Employer Contributions	21%	20%
All Contributions	30%	29%

The tables to the left show contribution rates as a percentage of payroll. The top table shows contribution rates for all survey responses, while the bottom table shows responses for those who participated in both 2019 and 2020. Contribution rates were stable, with just a slight decline for employers.

Health Plans

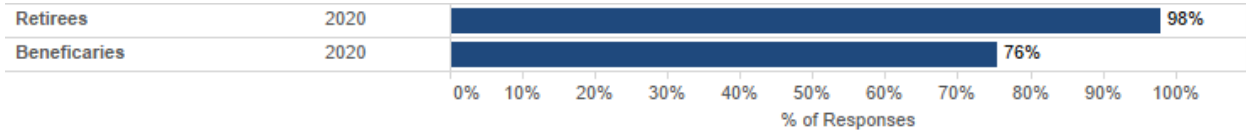
Responding funds were asked whether the plan sponsor offers a health plan. In 2020, coverage declined. About 43 percent offered a plan or subsidy, while about 57 percent of funds did not sponsor a plan. In 2019, about 52 percent offered such coverage, and 48 percent did not. For funds responding in both study years, we saw a 4 percentage points drop in coverage between 2019 and 2020. For this cohort, traditional coverage fell 6 percentage points and healthcare subsidy rose by 2 percentage points.



The funds that do offer a health plan or subsidy were also asked to report which types of members are eligible to participate.

About 98 percent of the sponsors offering a health plan or subsidy include retirees, and 76 percent include beneficiaries. For 2020, this question changed to focus on plans for retirees and beneficiaries only instead of also including active participants. For this reason, the percentages reported for 2020 are higher than those reported in 2019 (which are not shown here).

Who is eligible for the health plan?



Reducing Liability

Respondents were asked to share strategies they have put in place to reduce accrued actuarial liabilities beyond traditional amortization. Below is a text cloud showing the words that appear most often in respondents' comments. Larger words appear more often. The themes relating to these words are listed to the left, and the verbatim comments are provided below.

Tier – Employers have added new tiers of benefits to reduce benefit levels for new hires

Contribute – Funds have increased contribution levels directly for employers and members (legislation or policy)

Reduce – Funds have reduced cost-of-living adjustments for plan members, negotiated investment fees, changed assumptions to reduce unfunded liabilities



Verbatim Comments, continued

Verbatim Comments, continued

Innovations / Best Practices

In the study, respondents were asked to share a success story regarding best practices or innovations that other plans might like to learn about. Below is a text cloud showing the words that appear most often in respondents' comments. Larger words appear more often. The themes relating to these words are listed to the left, and the verbatim comments are provided below.

Retiree/member – Increased efforts and resources for retiree/member portal and retirement planning

System – Improved software systems to enable staff and participants to address service requests remotely; additional portal tools; improved business systems and administration systems to enhance staff effectiveness

Educate – Expanded training opportunities on financial wellness and retirement planning; more seminars for participants and employers



Verbatim Comments, continued

Verbatim Comments, continued

Appendix A: Other Investments

Respondents were asked to specify what “other” asset classes they invested in. Below is a text cloud showing the words that appear most often in respondents’ comments. Larger words appear more often. The themes relating to these words are listed to the left, and the verbatim comments are provided below.



Verbatim Comments

- (Current, Target, Return) Hedge Funds (9.3, 0.0, 5.2); Farmland (0.0, 5.0, 0.0).
- (Current, Target, Return) Timber (3.4, 3.0, 4.8); Hedge Funds (3.1, 3.0, 5.4); Farmland (0.0, 5.0, 0.0).
- Above same as General Fund.
- Above the same as General Fund.
- Absolute Return 8%/Natural Resources-Infrastructure 4%.
- Absolute Returns (8%) and Natural Resources/Infrastructure (4%).
- Broad Growth: Actual = 71.7%, Target = 68.0%; Principal Protection: Actual = 6.9%, Target = 8.0%; Crisis Risk Offset: Actual = 15.3%, Target = 16.0%; Real Return: Actual = 3.2%, Target = 8.0%; Opportunities: Actual = 0.2%, Target = 0.0%; Other: Actual = 2.8%, Target = 0.0%.
- Canadian Index Fund.
- Cash.
- Closed Plan No assets. Funded as a pay as you go plan by State’s General Fund.
- Combination of Private Equity, Real Assets, and Diversifying Strategies.
- Convertible Bonds.
- Convertibles.
- Credit strategies, multi-asset public strategies, Private investment partnerships.
- Crisis Risk Offset class 4.2% gross return with actual allocation of 16% and target of 20%; Credit class 4.7 gross return with actual allocation of 12.6% and target of 14%; Risk Parity class 19.9 gross return with actual allocation of 12.6% and target of 14%.
- Current Asset Allocation & Target are Private Credit. Investment returns are all net; other is private credit measured in IRR.
- Current asset Other: Emerging Equity 13.55%, Opportunistic Fixed Income 8.47, MACS 5.40%, Emerging Fixed Income 3.48. Target asset Other: Core Fixed Income 13%, Opportunistic Fixed Income 13%, Emerging Equity 13%. Gross investment return: see details on www.l.sers.net>Investments>Investment Reports.
- Current: Non-core FI=18.66; Real Return=11.0. Target: Non-core FI=20.0; Real Return=10.0; Gross Investment Return Non-Core FI=7.89; Real Return=15.83; Private Equity/Hedge Fund/Alternatives 1 year return= Private Equity=12.39; Absolute Return = 5.14.

Verbatim Comments, continued

Appendix B: 2020 Study Instrument



National Conference on Public Employee Retirement Systems
The Voice for Public Pensions



2020 NCPERS PUBLIC RETIREMENT SYSTEMS STUDY

Please share your feedback so we can continue to provide the most up-to-date data addressing retirement issues for public pension plans across the nation. Your most recent Comprehensive Annual Financial Report will help answer most questions.

If you administer more than one plan, please copy this survey for each and note the name of the fund. If you are a multiple employer plan, you may use aggregate numbers from your CAFR and respond to the questions in the generally applicable way for most of the plans you administer.

Please enter your ID number from the cover email:

Plan name:

What type of plan is this? (Mark all that apply.)

Defined Benefit Plan (Traditional Pension Plan) Combination Plan (Blends Defined Benefit & Defined Contribution)

Defined Contribution Plan (Mandatory Retirement Account) Cash Balance Plan

Plan Statistics

1. Fund statistics from most recently completed fiscal year (if applicable). Please do not use commas, dollar signs or percentage marks in the field - it is numeric only.

Total number of members (actives + deferred + retirees + beneficiaries):

Total number of staff who administer the fund (full-time equivalent):

Fiscal year of your CAFR referenced for this survey (MM/DD/YYYY):

Market value of plan assets (\$ in thousands from actuarial valuation):

Total pension assets (a) (\$ in thousands from actuarial valuation):

Total pension liability (b) (\$ in thousands from actuarial valuation):

Current funded ratio (a divided by b) (%):

Cost of Living Adjustment (COLA) offered by plan in last fiscal year (%):

Did your plan receive the full (100%) actuarially determined contribution in the last fiscal year? Yes No

Member contributions as percent of payroll (%):

Employer contributions as percent of payroll (%):

Investment manager expenses (basis points):

Administrative expenses (basis points):

Investment assumption/discount rate (%):

Inflation assumption (%):

Investment smoothing period (years):

Amortization period (years):

Type of amortization period: Open/Rolling Closed/Fixed

Gross investment return % (1 year):

Gross investment return % (5 year):

Gross investment return % (10 year):

Gross investment return % (20 year):

Current and Target Asset Allocation / Investment Return

2. For each of the asset classes below, please specify your **CURRENT** and **TARGET** asset allocation and your **1 YEAR GROSS INVESTMENT RETURN (%)** for each asset class. **Please note:** percentages for asset allocation should equal 100%.

CURRENT asset allocation:	TARGET asset allocation (if a range, please use middle of range):	Gross investment return % (1 yr):
Global Equity (%): <input style="width: 50px;" type="text"/>	Global Equity (%): <input style="width: 50px;" type="text"/>	Global Equity (%): <input style="width: 50px;" type="text"/>
Domestic Equity (%): <input style="width: 50px;" type="text"/>	Domestic Equity (%): <input style="width: 50px;" type="text"/>	Domestic Equity (%): <input style="width: 50px;" type="text"/>
International Equity (%): <input style="width: 50px;" type="text"/>	International Equity (%): <input style="width: 50px;" type="text"/>	International Equity (%): <input style="width: 50px;" type="text"/>
Global Fixed Income (%): <input style="width: 50px;" type="text"/>	Global Fixed Income (%): <input style="width: 50px;" type="text"/>	Global Fixed Income (%): <input style="width: 50px;" type="text"/>
Domestic Fixed Income (%): <input style="width: 50px;" type="text"/>	Domestic Fixed Income (%): <input style="width: 50px;" type="text"/>	Domestic Fixed Income (%): <input style="width: 50px;" type="text"/>
International Fixed Income (%): <input style="width: 50px;" type="text"/>	International Fixed Income (%): <input style="width: 50px;" type="text"/>	International Fixed Income (%): <input style="width: 50px;" type="text"/>
High Yield Bond (%): <input style="width: 50px;" type="text"/>	High Yield Bond (%): <input style="width: 50px;" type="text"/>	High Yield Bond (%): <input style="width: 50px;" type="text"/>
Real Estate (%): <input style="width: 50px;" type="text"/>	Real Estate (%): <input style="width: 50px;" type="text"/>	Real Estate (%): <input style="width: 50px;" type="text"/>
Private Equity/Hedge Fund/ Alternatives (%): <input style="width: 50px;" type="text"/>	Private Equity/Hedge Fund/ Alternatives (%): <input style="width: 50px;" type="text"/>	Private Equity/Hedge Fund/ Alternatives (%): <input style="width: 50px;" type="text"/>
Commodities (%): <input style="width: 50px;" type="text"/>	Commodities (%): <input style="width: 50px;" type="text"/>	Commodities (%): <input style="width: 50px;" type="text"/>
Cash Equivalents (%): <input style="width: 50px;" type="text"/>	Cash Equivalents (%): <input style="width: 50px;" type="text"/>	Cash Equivalents (%): <input style="width: 50px;" type="text"/>
Other (specify asset below) (%): <input style="width: 50px;" type="text"/>	Other (specify asset below) (%): <input style="width: 50px;" type="text"/>	Other (specify asset below) (%): <input style="width: 50px;" type="text"/>

If you entered an "Other" asset class above, please specify the other class(es) in which your fund is currently invested:

3. Which **retirement benefits** below does your plan offer or is considering offering? Please skip individual items below if not applicable.

	Already Offering	Considering Offering
Defined Benefit Plan (traditional pension plan in which the benefit is defined by a formula based on service and average wages)	<input type="checkbox"/>	<input type="checkbox"/>
Defined Contribution Plan (retirement account such as a 403(b) or 401(k) in which an employer's contribution is specified and employee participation is generally mandatory)	<input type="checkbox"/>	<input type="checkbox"/>
Deferred Compensation Plan (tax-deferred retirement savings account such as a 457 in which employee participation is voluntary)	<input type="checkbox"/>	<input type="checkbox"/>
Combination Plan (blends Defined Benefit and Defined Contribution elements)	<input type="checkbox"/>	<input type="checkbox"/>
In-service death benefit	<input type="checkbox"/>	<input type="checkbox"/>
Disability benefit provided either within the plan, by Social Security or by employer	<input type="checkbox"/>	<input type="checkbox"/>
An automatic post-retirement adjustment of payments (e.g. COLA)	<input type="checkbox"/>	<input type="checkbox"/>
A compounding post-retirement adjustment of payments (e.g. COLA)	<input type="checkbox"/>	<input type="checkbox"/>
An ad hoc (not necessarily automatic or compounding) post-retirement adjustment of payments (e.g. COLA)	<input type="checkbox"/>	<input type="checkbox"/>
Employer pick up of employee contributions	<input type="checkbox"/>	<input type="checkbox"/>
Deferred Retirement Option Plan (DROP - in all forms)	<input type="checkbox"/>	<input type="checkbox"/>

4. Which **retirement plan changes** below have been implemented or are being considered by the plan or plan sponsors? Please skip individual changes below if not applicable.

	Already Implemented	Considering Implementing
Lower the actuarial assumed rate of return	<input type="checkbox"/>	<input type="checkbox"/>
Raise benefit age/service requirements	<input type="checkbox"/>	<input type="checkbox"/>
Increase employee contributions	<input type="checkbox"/>	<input type="checkbox"/>
Hold or lengthen the amortization period to improve affordability	<input type="checkbox"/>	<input type="checkbox"/>
Shorten the amortization period to improve funded status	<input type="checkbox"/>	<input type="checkbox"/>

5. Which *business practices* below have been implemented or are being considered by the plan or plan sponsors? Please skip individual items below if not conducted.

	Already Implemented	Considering Implementing
Conduct a death audit	<input type="checkbox"/>	<input type="checkbox"/>
Conduct an actuarial audit by a third party actuary (includes replication of valuation and opinion on actuarial assumptions)	<input type="checkbox"/>	<input type="checkbox"/>
Conduct an information systems security audit	<input type="checkbox"/>	<input type="checkbox"/>
Conduct a building security audit	<input type="checkbox"/>	<input type="checkbox"/>
Update/strengthen an asset allocation study	<input type="checkbox"/>	<input type="checkbox"/>
Expand operational performance benchmarking	<input type="checkbox"/>	<input type="checkbox"/>
Update or enhance administrative software used for member data	<input type="checkbox"/>	<input type="checkbox"/>
Update or enhance online portal provided for members to access account information	<input type="checkbox"/>	<input type="checkbox"/>
Conduct an employer/reporting unit satisfaction assessment	<input type="checkbox"/>	<input type="checkbox"/>
Comply with new State statutory or regulatory requirements to report your funded status based on a rate of return different from your assumed rate of return	<input type="checkbox"/>	<input type="checkbox"/>
Enhance member financial wellness/retirement readiness resources	<input type="checkbox"/>	<input type="checkbox"/>

6. Which of the following *communication methods* does your plan or plan sponsor have the ability to conduct?

	Yes	No
Capacity to send a mass phone message to your entire membership	<input type="checkbox"/>	<input type="checkbox"/>
Capacity to send a mass text message to your entire membership	<input type="checkbox"/>	<input type="checkbox"/>
Capacity to send an e-mail to your entire membership	<input type="checkbox"/>	<input type="checkbox"/>
Does your plan have a Facebook or Twitter account?	<input type="checkbox"/>	<input type="checkbox"/>
Does your plan offer live web conferences to members (Zoom, Teams, WebEx, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>

7. Which *oversight practices* below have been implemented? Please skip individual practices below if not conducted.

	Yes	No
Receipt of the GFOA Award of Excellence for the most recent award cycle	<input type="checkbox"/>	<input type="checkbox"/>
Receipt of NCPERS Certificate of Transparency	<input type="checkbox"/>	<input type="checkbox"/>
Receipt of PPCC Standards Award	<input type="checkbox"/>	<input type="checkbox"/>
Receipt of PPCC Administrative Certificate	<input type="checkbox"/>	<input type="checkbox"/>
Receipt of PPCC Funding Certificate	<input type="checkbox"/>	<input type="checkbox"/>
Receipt of an unqualified opinion from the auditor on the fund's financial statements, internal controls, and compliance with applicable laws and regulations	<input type="checkbox"/>	<input type="checkbox"/>
Conduct an actuarial valuation at least every 2 years	<input type="checkbox"/>	<input type="checkbox"/>
Board adoption and adherence to written investment policies	<input type="checkbox"/>	<input type="checkbox"/>
Board adoption of written fiduciary standards	<input type="checkbox"/>	<input type="checkbox"/>
Receipt of annual investment performance evaluation from an outside independent investment review entity	<input type="checkbox"/>	<input type="checkbox"/>
Use of a formal enterprise risk management framework	<input type="checkbox"/>	<input type="checkbox"/>

8. How satisfied are you with your plan's readiness to address retirement trends and issues over the next 2 years?

Very Dissatisfied= 1	2	3	4	5	6	7	8	9	Very Satisfied= 10
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

9. If you have an unfunded accrued actuarial liability, what strategies have you put in place to reduce it beyond traditional amortization?

10. Think about best practices. Please share a success story or plan innovation you are considering that other plans may like to learn about:

11. Which categories best describe your innovation or best practice story above? **(Please mark all that apply.)**

- | | | |
|---|---|---|
| <input type="checkbox"/> Retirement benefit | <input type="checkbox"/> Business practice | <input type="checkbox"/> Oversight practice |
| <input type="checkbox"/> Plan change | <input type="checkbox"/> Communication/ engagement practice | <input type="checkbox"/> Investment |

Questions about your fund (your responses will be confidential)

12. What type of employees/beneficiaries does your fund serve? **(Please mark all that apply.)**

- | | | |
|--|--|--------------------------------------|
| <input type="checkbox"/> Local (township/city/village) | <input type="checkbox"/> Public safety | <input type="checkbox"/> Educational |
| <input type="checkbox"/> County | <input type="checkbox"/> State | <input type="checkbox"/> Other |

13. What type of health plan does your pension plan sponsor? **(Please mark all that apply.)**

- | | |
|---|--|
| <input type="checkbox"/> None, does not sponsor (skip to Q15) | <input type="checkbox"/> Healthcare subsidy |
| <input type="checkbox"/> Traditional (HMO, PPO, POS, etc.) | <input type="checkbox"/> Health Savings Account (HSA) |
| <input type="checkbox"/> Supplemental gap health plan | <input type="checkbox"/> Voluntary Employees' Beneficiary Association (VEBA) |

14. Who is eligible for the health plan? **(Please mark all that apply.)** Retirees Beneficiaries

15. Are your members eligible for Social Security coverage? Yes No

16. Are your members eligible for Medicare coverage? Yes No

17. Do you include overtime in the calculation of the retirement benefit? Yes No N/A

18. Does your plan allow Board Members the ability to participate via teleconference or webconference (Zoom, Teams, Webex) and vote? Yes No

19. How is your fund's current ability to attract and retain skilled employees as your staff retire? Significant problem Expect to become a problem soon
 Starting to become a problem No problem

20. Which role(s) best describe your relationship to the fund? **(Please mark all that apply.)** Staff Plan consultant
 Board member/ trustee Other

21. May we contact you if we have additional questions? Yes No

22. Please provide your name and email so we may provide access to the interactive comparison dashboard.

This concludes the study. Thank you for your time and cooperation.

For more information:

National Conference on
Public Employee Retirement Systems (NCPERS)
1201 New York Avenue, NW
Suite 850
Washington, DC 20005
Tel: 202-601-2450



Memorandum

TO: NDPERS Board

FROM: Bryan Reinhardt

DATE: June 8, 2021

SUBJECT: 457 Companion Plan & 401(a) Plan 1st Quarter 2021 Report

Here is the 1st quarter 2021 investment report for the 401(a) & 457 Companion Plans. The reports are available separately on the NDPERS website. The NDPERS Investment Sub-committee reviewed the 1st quarter reports. The two plans have 8,718 participants with \$193.2 million in assets.

Assets in the 401(a) plan increased to \$18.7 million on March 31, 2021. The number of active participants is at 91. The TIAA-CREF Target Date funds have 58% of the plan assets.

Assets in the 457 Companion Plan increased to \$174.5 million on March 31, 2021. The number of active participants is increasing and is now at 6,113. The TIAA-CREF Target Date funds have 70% of the plan assets.

Benchmarks:

Fund returns for the quarter were generally positive for equities. Fixed income and some growth funds were lower for the quarter. Core fund performance was mixed when compared to benchmarks and peer funds. Only 14 of the 36 core funds beat both their benchmarks and peer funds in the first quarter 2021. Fund performance in the 3-year & 5-year periods were mostly good. Note that index funds are expected to slightly underperform their benchmarks because of fund administration fees.

Fund / Investment News:

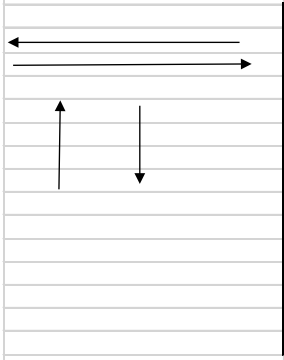
The NDPERS Investment Subcommittee reviewed the 1st quarter 2021 plan review and field activity report with TIAA. Callan gave a market overview and investment performance report. The Subcommittee reviewed the two funds under formal fund review (Templeton Global Bond – TGBAX and Prudential Mid Cap Growth – PEGZX). The Subcommittee marked Templeton Global Bond – TGBAX and Northern Small Cap Value – NOSGX as underperforming for the quarter. There is no recommended action at this time. Dave Hunter gave the Subcommittee a first quarter 2021 update on the plans under the SIB. The plan returns were good. The 1-year return as of March 31st for the Main plan was 31.8% (10.2% 5-year). The insurance fund returned 7.39% 1-year (2.17% 5-year). The RHIC fund returned 37.29% 1-year (10.36% 5-year). The Job Service plan returned 9.92 1-year (5.06% 5-year).

NDPERS
Quarterly Investment
Report
1st Quarter
1/1/2021 – 3/31/2021



North Dakota Public Employees Retirement System
400 E Bdwy, Suite 505
Box 1657
Bismarck, ND 58502

NDPERS 401(a) Defined Contribution Plan & 457 Companion Plan - TIAA-CREF

INITIAL OFFERING:				
	Hartford Dividend & Growth T.Rowe Price Equity Income	Vanguard 500 Index Vanguard Dividend Growth	Franklin Growth Adv Wells Fargo Adv Growth Adm	LARGE
	Virtus Mid Cap Value Equity I	Columbia Mid Cap Index	Prudential Jennison Mid Cap Growth Z	MEDIUM
	Northern Small Cap Value	DFA US Small Cap	Brown Capital Mgmt Small Co Inv	SMALL
	VALUE	BLEND	GROWTH	
BALANCED FUND:	T.Rowe Price Capital Appreciation			
INCOME FUNDS:	Wells Fargo Stable Value Fund J	Vanguard Prime Money Market		
BOND FUNDS:	Baird Core Plus Bond Fund Mass Mutual Inflation Protected Bond Fund	Vanguard Total Bond Index Fund Prudential High Yield Z	Templeton Global Bond	
REAL ESTATE:	Cohen & Steers Realty Shares			
INTERNATIONAL FUNDS:	American Funds New Perspective	Vanguard Total Intl Stock Index	Oppenheimer Developing Markets Y	
LIFESTYLE FUNDS:	TIAA-CREF Lifecycle Ret Income TIAA-CREF Lifecycle 2010 TIAA-CREF Lifecycle 2015 TIAA-CREF Lifecycle 2020	TIAA-CREF Lifecycle 2025 TIAA-CREF Lifecycle 2030 TIAA-CREF Lifecycle 2035 TIAA-CREF Lifecycle 2040	TIAA-CREF Lifecycle 2045 TIAA-CREF Lifecycle 2050 TIAA-CREF Lifecycle 2055 TIAA-CREF Lifecycle 2060	
FUND STYLE CHANGES:				
				LARGE
		Virtus Mid Cap Value Equity I		MEDIUM
			Brown Capital Mgmt Small Co Inv	SMALL
	VALUE	BLEND	GROWTH	
OTHER FUNDS:				
CURRENT LINEUP:				
	Hartford Dividend & Growth T.Rowe Price Equity Income	Vanguard 500 Index Vanguard Dividend Growth	Franklin Growth Adv Wells Fargo Adv Growth Adm	LARGE
		Columbia Mid Cap Index Virtus Mid Cap Value Equity I	Prudential Jennison Mid Cap Growth Z Brown Capital Mgmt Small Co Inv	MEDIUM
	Northern Small Cap Value	DFA US Small Cap		SMALL
	VALUE	BLEND	GROWTH	
BALANCED FUND:	T.Rowe Price Capital Appreciation			
INCOME FUNDS:	Wells Fargo Stable Value Fund J	Vanguard Treasury Money Market		
BOND FUNDS:	Baird Core Plus Bond Fund Mass Mutual Inflation Protected Bond Fund	Vanguard Total Bond Index Fund Prudential High Yield Z	Templeton Global Bond	
REAL ESTATE:	Cohen & Steers Realty Shares			
INTERNATIONAL FUNDS:	American Funds New Perspective	Vanguard Total Intl Stock Index	Oppenheimer Developing Markets Y	
LIFESTYLE FUNDS:	TIAA-CREF Lifecycle Ret Income TIAA-CREF Lifecycle 2010 TIAA-CREF Lifecycle 2015 TIAA-CREF Lifecycle 2020	TIAA-CREF Lifecycle 2025 TIAA-CREF Lifecycle 2030 TIAA-CREF Lifecycle 2035 TIAA-CREF Lifecycle 2040	TIAA-CREF Lifecycle 2045 TIAA-CREF Lifecycle 2050 TIAA-CREF Lifecycle 2055 TIAA-CREF Lifecycle 2060	

NDPERS Investment Benchmarks - 1st Quarter 2021					
	Quarter	Y-T-D	1-Year	3-Year	5-Year
<u>Stable Value / Money Market Fund</u>					
Vanguard Treasury Money Market - VUSXX	0.01%	0.01%	0.12%	1.35%	1.08%
Wells Fargo Stable Return Fund J - WFSJ#	0.32%	0.32%	1.50%	1.55%	1.36%
3 Month T-Bill Index	0.02%	0.02%	0.21%	1.45%	1.15%
<u>Fixed Income Fund</u>					
Mass Mutual Income Bond Fund - MIPYX	-1.27%	-1.27%	11.10%	5.62%	3.94%
Baird Core Plus Bond Fund - BCOSX	-3.18%	-3.18%	5.15%	5.16%	3.92%
Vanguard Total Bond Market Index Fund - VBTXX	-3.61%	-3.61%	0.54%	4.63%	3.07%
US Aggregate Bond Index	-3.56%	-3.56%	0.72%	4.69%	3.14%
Taxable Corporate Bond Fund Universe	-3.75%	-3.75%	10.87%	5.88%	4.86%
Prudential High Yield Z - PHYZZ	1.62%	1.62%	25.01%	7.30%	8.13%
BofA High Yield Bond Fund Index	0.90%	0.90%	23.31%	6.53%	7.94%
High Yield Bond Fund Universe	1.10%	1.10%	21.79%	5.43%	6.54%
Templeton Global Bond Adv - TGBAX <ON WATCH>	-2.77%	-2.77%	-2.53%	-2.02%	0.83%
World Govt Bond Index	-5.68%	-5.68%	1.82%	2.09%	2.15%
World Bond Fund Universe	-3.65%	-3.65%	10.07%	2.00%	2.69%
<u>Real Estate Fund</u>					
Cohen & Steers Realty Shares - CSRSX	8.57%	8.57%	36.63%	12.87%	7.92%
FTSE NAREIT Equity REITs Index	8.32%	8.32%	34.24%	10.78%	7.19%
Real Estate Fund Universe	8.21%	8.21%	39.76%	9.47%	5.92%
<u>Balanced Fund</u>					
T.Rowe Price Capital Appreciation - PACLX	4.04%	4.04%	39.34%	15.04%	13.21%
60% Large Cap Value Univ & 40% Taxable Bond Universe	5.36%	5.36%	38.54%	8.63%	8.80%
60% Russell 1000 Value & 40% Agg Bond Index	5.33%	5.33%	33.94%	8.45%	8.30%
<u>Large Cap Equities - Value</u>					
Hartford Dividend & Growth - HDGTX	10.46%	10.46%	53.74%	13.88%	14.13%
T.Rowe Price Equity Income - PRFDX	13.38%	13.38%	60.36%	10.50%	12.21%
Russell 1000 Value Index	11.26%	11.26%	56.09%	10.96%	11.74%
Large Cap Value Fund Universe	11.44%	11.44%	56.98%	10.46%	11.43%
<u>Large Cap Equities - Blend</u>					
Vanguard Institutional Index - VINIX	6.18%	6.18%	56.34%	16.76%	16.27%
Vanguard Dividend Growth Fund - VDIGX	4.26%	4.26%	41.25%	15.70%	13.84%
S&P 500 Index	6.17%	6.17%	56.35%	16.78%	16.29%
Large Cap Blend Fund Universe	6.74%	6.74%	56.80%	14.87%	14.80%
<u>Large Cap Equities - Growth</u>					
Wells Fargo Adv Growth Adm - SGRKX	-2.37%	-2.37%	73.89%	23.48%	23.26%
Russell 3000 Growth Index	1.19%	1.19%	64.31%	22.39%	20.87%
Franklin Growth Adv - FCGAX	1.99%	1.99%	59.22%	18.92%	18.76%
Russell 1000 Growth Index	0.94%	0.94%	62.74%	22.80%	21.05%
Large Cap Growth Fund Universe	2.23%	2.23%	63.57%	20.44%	19.42%
<u>Mid Cap Equities - Value</u>					
Virtus Mid Cap Value Equity I - SMVTX	11.48%	11.48%	67.23%	10.87%	12.05%
Russell Mid Cap Value	13.05%	13.05%	73.76%	10.70%	11.60%
Mid Cap Value Fund Universe	15.73%	15.73%	78.46%	9.99%	11.14%
<u>Mid Cap Equities - Blend</u>					
Columbia Mid Cap Index A - NTIAX	13.33%	13.33%	82.70%	12.85%	13.82%
S&P Mid Cap 400	13.47%	13.47%	83.46%	13.40%	14.37%
Mid Cap Blend Fund Universe	10.93%	10.93%	74.76%	12.39%	13.04%
<u>Mid Cap Equities - Growth</u>					
Prudential Jennison Mid Cap Growth - PEGZX <ON WATCH>	1.09%	1.09%	80.35%	21.77%	18.55%
Russell Mid Cap Growth	-0.57%	-0.57%	68.61%	19.41%	18.39%
Mid Cap Growth Fund Universe	3.96%	3.96%	81.95%	20.29%	19.16%

Fund Returns in RED do not meet both benchmarks.

Fund Returns in BLACK meet both benchmarks.

NDPERS Investment Benchmarks - 1st Quarter 2021

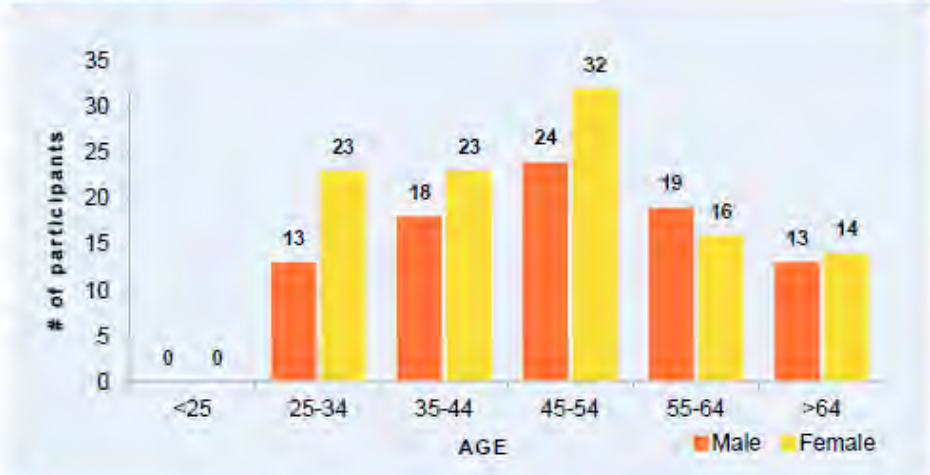
	Quarter	Y-T-D	1-Year	3-Year	5-Year
Small Cap Equities - Value					
Northern Small Cap Value Fund - NOSGX	18.91%	18.91%	77.19%	8.11%	10.17%
Russell 2000 Value Index	21.17%	21.17%	97.05%	11.57%	13.56%
Small Value Fund Universe	21.49%	21.49%	100.66%	9.93%	11.66%
Small Cap Equities - Blend					
DFA US Small Cap - DFSTX	18.36%	18.36%	95.61%	12.22%	13.49%
Russell 2000 Index	12.70%	12.70%	94.85%	14.76%	16.35%
Small Blend Fund Universe	15.14%	15.14%	89.31%	11.96%	13.48%
Small Cap Equities - Growth					
Brown Capital Mgmt Small Co Inv - BCSIX	-6.13%	-6.13%	61.30%	17.88%	20.93%
Russell 2000 Growth Index	4.88%	4.88%	90.20%	17.16%	18.61%
Small Growth Fund Universe	6.93%	6.93%	95.97%	20.49%	20.46%
International Equity Funds					
American Funds New Perspective Fund - RNPEX	2.18%	2.18%	66.69%	17.76%	17.54%
Vanguard Total Intl Stock Index Inv - VTIAI	3.94%	3.94%	52.80%	6.51%	9.97%
MSCI ACWI Index	3.49%	3.49%	49.41%	6.51%	9.76%
International Stock Fund Universe	3.71%	3.71%	48.07%	5.94%	8.81%
Invesco Developing Markets Y - ODVYX	0.82%	0.82%	53.52%	7.99%	12.74%
MSCI Emerging Markets Index	2.29%	2.29%	58.39%	6.48%	12.07%
Diversified Emerging Mkts Universe	3.14%	3.14%	62.38%	6.09%	11.52%
Asset Allocation Funds:					
TIAA-CREF Lifecycle Ret Income - TLIRX	0.92%	0.92%	23.85%	7.42%	7.54%
Income Benchmark	0.59%	0.59%	22.53%	7.92%	7.16%
TIAA-CREF Lifecycle 2010 - TCLEX	0.91%	0.91%	23.97%	7.48%	7.76%
2010 Benchmark	0.49%	0.49%	22.07%	7.84%	7.09%
TIAA-CREF Lifecycle 2015 - TCLIX	1.21%	1.21%	26.70%	7.89%	8.34%
2015 Benchmark	0.90%	0.90%	24.84%	8.35%	7.65%
TIAA-CREF Lifecycle 2020 - TCLTX	1.49%	1.49%	29.30%	8.29%	9.01%
2020 Benchmark	1.29%	1.29%	27.74%	8.87%	8.27%
TIAA-CREF Lifecycle 2025 - TCLFX	2.03%	2.03%	34.10%	8.96%	9.92%
2025 Benchmark	1.97%	1.97%	32.47%	9.70%	9.25%
TIAA-CREF Lifecycle 2030 - TCLNX	2.62%	2.62%	38.98%	9.64%	10.81%
2030 Benchmark	2.72%	2.72%	37.67%	10.60%	10.32%
TIAA-CREF Lifecycle 2035 - TCLRX	3.25%	3.25%	44.07%	10.29%	11.69%
2035 Benchmark	3.47%	3.47%	42.87%	11.50%	11.40%
TIAA-CREF Lifecycle 2040 - TCLOX	3.93%	3.93%	49.36%	10.90%	12.55%
2040 Benchmark	4.28%	4.28%	48.04%	12.34%	12.43%
TIAA-CREF Lifecycle 2045 - TTRFX	4.65%	4.65%	54.50%	11.54%	13.13%
2045 Benchmark	5.10%	5.10%	53.26%	13.19%	13.47%
TIAA-CREF Lifecycle 2050 - TLFrx	4.80%	4.80%	55.51%	11.67%	13.28%
2050 Benchmark	5.36%	5.36%	54.87%	13.45%	13.79%
TIAA-CREF Lifecycle 2055 - TTRlx	4.91%	4.91%	56.15%	11.71%	13.39%
2055 Benchmark	5.48%	5.48%	55.59%	13.56%	13.94%
TIAA-CREF Lifecycle 2060 - TLXrx	5.01%	5.01%	56.80%	11.82%	13.50%
2060 Benchmark	5.59%	5.59%	56.31%	13.68%	14.08%
Income Benchmark is comprised of 24.5% Wilshire 5000, 10.5% MSCI ACWI, 50.0% Ag Bond, 5.0% REIT Index, 10.0% 3 Month T-Bill					
2010 Benchmark is comprised of 24.15% Wilshire 5000, 10.35% MSCI ACWI, 51.0% Ag Bond, 4.5% REIT Index, 10.0% 3 Month T-Bill					
2015 Benchmark is comprised of 27.3% Wilshire 5000, 11.7% MSCI ACWI, 47.6% Ag Bond, 5.0% REIT Index, 8.4% 3 Month T-Bill					
2020 Benchmark is comprised of 30.8% Wilshire 5000, 13.2% MSCI ACWI, 44.6% Ag Bond, 5.0% REIT Index, 6.4% 3 Month T-Bill					
2025 Benchmark is comprised of 36.54% Wilshire 5000, 15.66% MSCI ACWI, 38.4% Ag Bond, 5.0% REIT Index, 4.4% 3 Month T-Bill					
2030 Benchmark is comprised of 42.84% Wilshire 5000, 18.36% MSCI ACWI, 31.4% Ag Bond, 5.0% REIT Index, 2.4% 3 Month T-Bill					
2035 Benchmark is comprised of 49.14% Wilshire 5000, 21.06% MSCI ACWI, 24.4% Ag Bond, 5.0% REIT Index, 0.4% 3 Month T-Bill					
2040 Benchmark is comprised of 55.4% Wilshire 5000, 23.76% MSCI ACWI, 15.8% Ag Bond, 5.0% REIT Index, 0% 3 Month T-Bill					
2045 Benchmark is comprised of 61.74% Wilshire 5000, 26.46% MSCI ACWI, 6.8% Ag Bond, 5.0% REIT Index, 0% 3 Month T-Bill					
2050 Benchmark is comprised of 63.7% Wilshire 5000, 27.3% MSCI ACWI, 4.0% Ag Bond, 5.0% REIT Index, 0% 3 Month T-Bill					
2055 Benchmark is comprised of 64.58% Wilshire 5000, 27.67% MSCI ACWI, 2.75% Ag Bond, 5.0% REIT Index, 0% 3 Month T-Bill					
2060 Benchmark is comprised of 65.45% Wilshire 5000, 28.05% MSCI ACWI, 1.5% Ag Bond, 5.0% REIT Index, 0% 3 Month T-Bill					
Wilshire 5000 Index	6.49%	6.49%	62.23%	17.18%	16.71%
FTSE NAREIT Equity REITs Index	8.32%	8.32%	34.24%	10.78%	7.19%
MSCI ACWI Index	3.49%	3.49%	49.41%	6.51%	9.76%
US Aggregate Bond Index	-3.56%	-3.56%	0.72%	4.69%	3.14%
3 Month T-Bill Index	0.02%	0.02%	0.21%	1.45%	1.15%

Fund Returns in RED do not meet both benchmarks.

Fund Returns in BLACK meet both benchmarks.

Employee summary: Gender and age¹

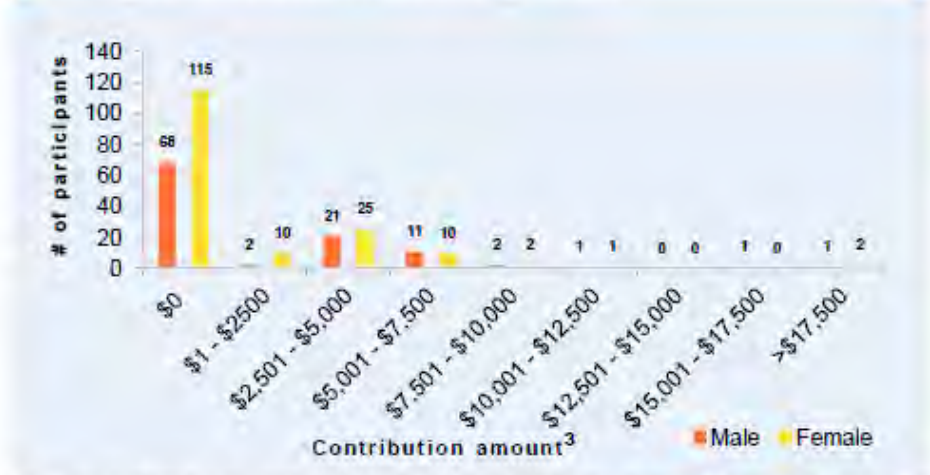
Demographics by Age and Gender



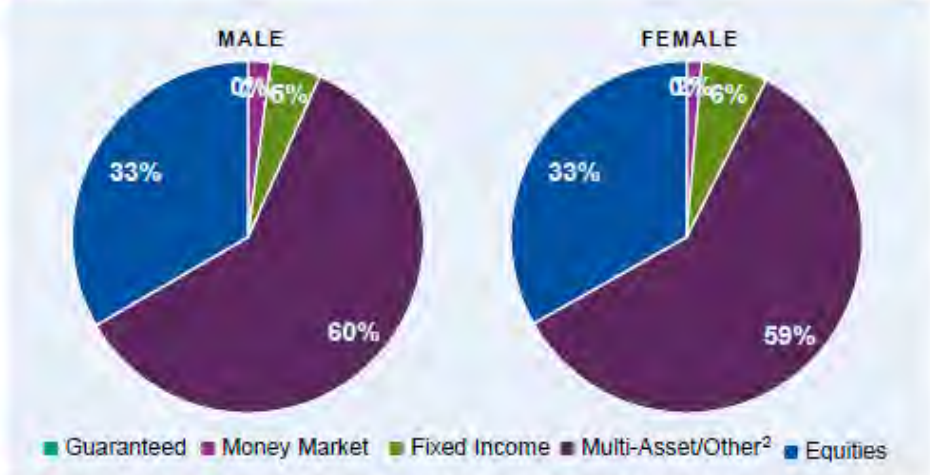
Average Account Balance by Age and Gender



Employee Contribution Amounts by Gender



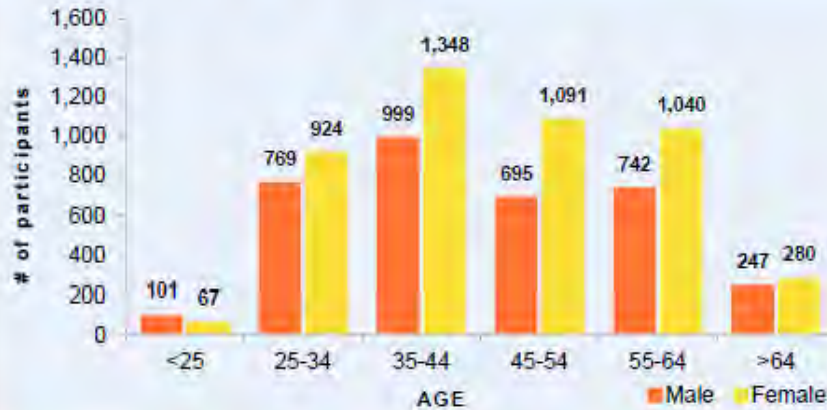
Diversification by Gender



This report is as of the period ending 03/31/2021 and reflects the trailing 12 months of activity unless otherwise noted. The report includes all TIAA plans except 457(f), 457(b) Private, Nonqualified Deferred Compensation, and Retirement Healthcare plans. 1. Data reflected is for all participant statuses except Employee Contribution Amounts by Gender which includes only active or leave status. Does not include 2 participants with no age or gender on file. 2. Multi-Asset/Other includes Lifecycle, Real Estate, and Brokerage. 3. Contribution data reflects the trailing 12 months of data.

Employee summary: Gender and age¹

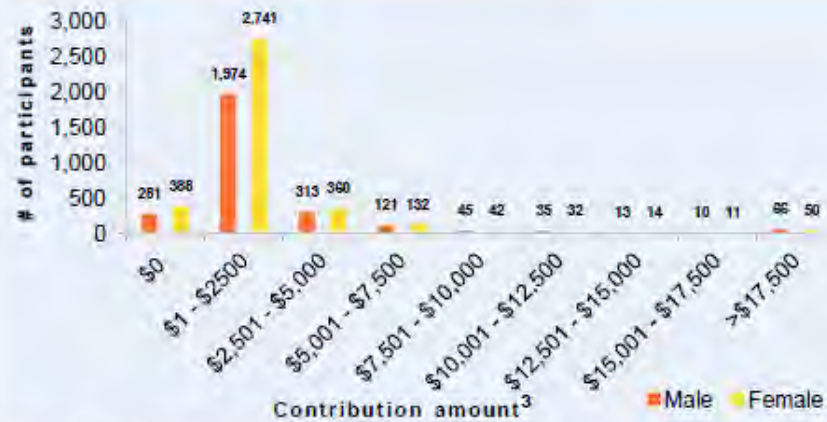
Demographics by Age and Gender



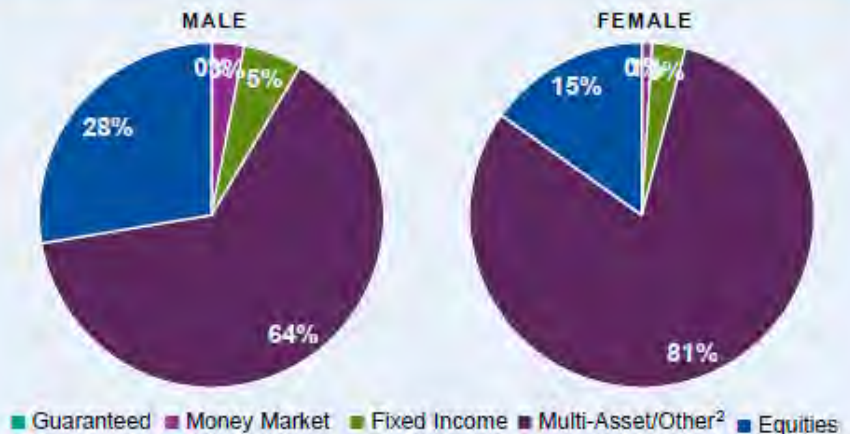
Average Account Balance by Age and Gender



Employee Contribution Amounts by Gender

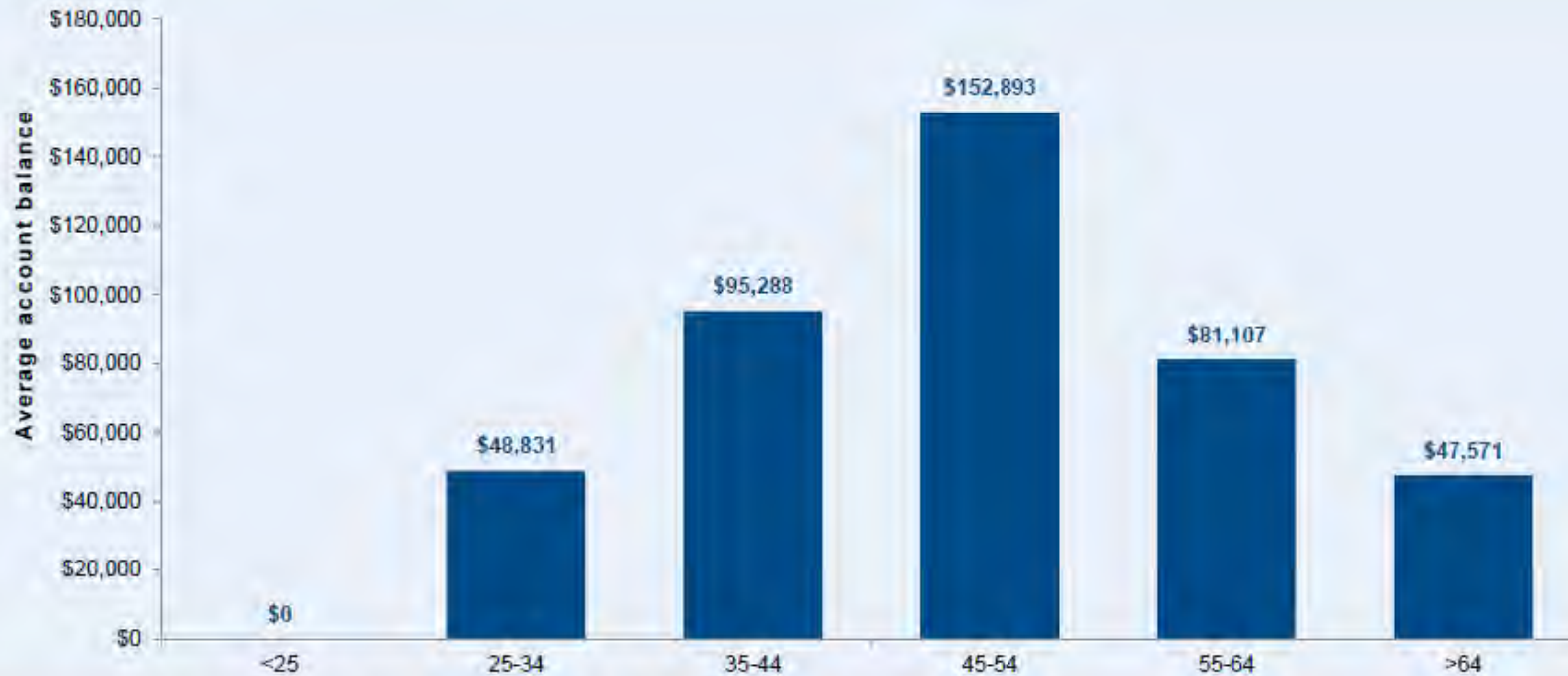


Diversification by Gender



This report is as of the period ending 03/31/2021 and reflects the trailing 12 months of activity unless otherwise noted. The report includes all TIAA plans except 457(f), 457(b) Private, Nonqualified Deferred Compensation, and Retirement Healthcare plans. 1. Data reflected is for all participant statuses except Employee Contribution Amounts by Gender which includes only active or leave status. Does not include 281 participants with no age or gender on file. 2. Multi-Asset/Other includes Lifecycle, Real Estate, and Brokerage. 3. Contribution data reflects the trailing 12 months of data.

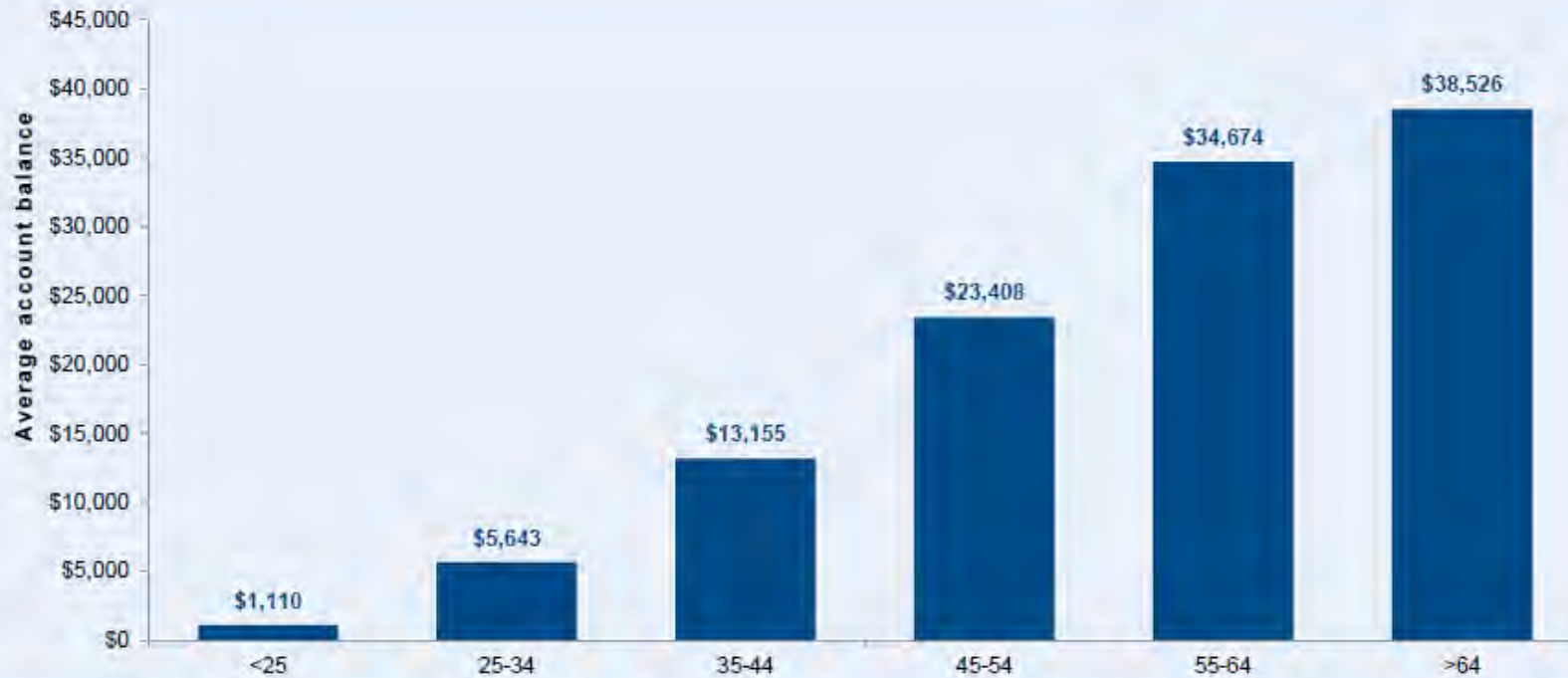
Active participants: Average account balance by age



	<25	25-34	35-44	45-54	55-64	>64	Total
# of Active Participants	0	20	27	28	13	3	91
% of Total Active Participants	0%	22%	30%	31%	14%	3%	100%
Total Active Assets	\$0	\$976,620	\$2,572,787	\$4,281,014	\$1,054,396	\$142,712	\$9,027,529
% of Total Active Assets	0%	11%	28%	47%	12%	2%	100%

This report is as of the period ending 03/31/2021 and reflects the trailing 12 months of activity unless otherwise noted. The report includes all TIAA plans except 457(f), 457(b) Private, Nonqualified Deferred Compensation, and Retirement Healthcare plans.

Active participants: Average account balance by age



	<25	25-34	35-44	45-54	55-64	>64	Total
# of Active Participants	141	1,298	1,772	1,431	1,304	167	6,113
% of Total Active Participants	2%	21%	29%	23%	21%	3%	100%
Total Active Assets	\$156,497	\$7,324,547	\$23,311,266	\$33,496,320	\$45,215,534	\$6,433,815	\$115,937,979
% of Total Active Assets	0%	6%	20%	29%	39%	6%	100%

This report is as of the period ending 03/31/2021 and reflects the trailing 12 months of activity unless otherwise noted. The report includes all TIAA plans except 457(f), 457(b) Private, Nonqualified Deferred Compensation, and Retirement Healthcare plans.

Plan Summary



As of 03/31/2021

457(b)	Assets	Pct
TIAA-CREF Lifecycle 2025 Fund Retirement	\$24,341,887	13.9%
TIAA-CREF Lifecycle 2020 Fund Retirement	\$18,918,720	10.8%
TIAA-CREF Lifecycle 2030 Fund Retirement	\$18,170,864	10.4%
TIAA-CREF Lifecycle 2035 Fund Retirement	\$14,160,123	8.1%
TIAA-CREF Lifecycle 2045 Fund Retirement	\$12,475,002	7.1%
TIAA-CREF Lifecycle 2040 Fund Retirement	\$12,272,869	7.0%
Vanguard Institutional Index Fund Institutional	\$8,642,125	5.0%
TIAA-CREF Lifecycle 2015 Fund Retirement	\$8,445,509	4.8%
TIAA-CREF Lifecycle 2050 Fund Retirement	\$8,351,219	4.8%
Vanguard Total International Stock Index Fund Admiral	\$4,115,822	2.4%
Vanguard Total Bond Market Index Fund Admiral	\$3,885,273	2.2%
Vanguard Admiral Treasury Money Market Fund Investor	\$3,414,601	2.0%
TIAA-CREF Lifecycle 2055 Fund Retirement	\$2,958,992	1.7%
Vanguard Dividend Growth Fund Investor	\$2,830,804	1.6%
Brown Capital Management Small Company Fund Investor	\$2,787,750	1.6%
Franklin Growth Fund Advisor	\$2,474,772	1.4%
Wells Fargo Stable Value Fund - J	\$2,450,709	1.4%
Wells Fargo Growth Fund Administrator	\$1,890,616	1.1%
T. Rowe Price Capital Appreciation Fund Advisor	\$1,774,863	1.0%
Columbia Mid Cap Index Fund A	\$1,756,650	1.0%
Hartford Dividend and Growth Fund R5	\$1,729,734	1.0%
Invesco Developing Markets Fund Y	\$1,542,725	0.9%
American Funds New Perspective Fund R4	\$1,533,056	0.9%
TIAA-CREF Lifecycle 2010 Fund Retirement	\$1,329,137	0.8%
T. Rowe Price Equity Income Fund	\$1,296,680	0.7%
Self Directed Brokerage Account	\$1,234,394	0.7%
PGIM High Yield Fund Z	\$1,159,002	0.7%
Virtus Ceredex Mid-Cap Value Equity Fund I	\$1,114,354	0.6%
Baird Core Plus Bond Fund Investor	\$1,077,042	0.6%
Cohen & Steers Realty Shares	\$1,023,004	0.6%
Prudential Jennison Mid-Cap Growth Fund Z	\$941,154	0.5%
DFA U.S. Small Cap Portfolio Institutional	\$938,469	0.5%
Northern Small Cap Value Fund	\$898,316	0.5%
TIAA-CREF Lifecycle Retirement Income Fund Retirement	\$825,700	0.5%
MassMutual Premier Inflation-Protected and Income Fund Service Class	\$717,931	0.4%
TIAA-CREF Lifecycle 2060 Fund Retirement	\$549,656	0.3%
Templeton Global Bond Fund Advisor	\$498,472	0.3%
Total	\$174,507,483	100.0%

401(a)	Assets	Pct
TIAA-CREF Lifecycle 2030 Fund Retirement	\$2,172,368	11.6%
TIAA-CREF Lifecycle 2025 Fund Retirement	\$2,046,320	10.9%
TIAA-CREF Lifecycle 2035 Fund Retirement	\$1,744,273	9.3%
Vanguard Institutional Index Fund Institutional	\$1,390,060	7.4%
TIAA-CREF Lifecycle 2020 Fund Retirement	\$1,148,111	6.1%
TIAA-CREF Lifecycle 2060 Fund Retirement	\$1,014,423	5.4%
TIAA-CREF Lifecycle 2045 Fund Retirement	\$962,565	5.2%
Brown Capital Management Small Company Fund Investor	\$790,732	4.2%
TIAA-CREF Lifecycle 2040 Fund Retirement	\$735,988	3.9%
TIAA-CREF Lifecycle 2055 Fund Retirement	\$638,918	3.4%
Wells Fargo Growth Fund Administrator	\$657,220	3.0%
Franklin Growth Fund Advisor	\$650,919	2.9%
PGIM High Yield Fund Z	\$474,152	2.5%
Vanguard Total International Stock Index Fund Admiral	\$397,774	2.1%
TIAA-CREF Lifecycle 2010 Fund Retirement	\$386,126	2.1%
T. Rowe Price Capital Appreciation Fund Advisor	\$375,325	2.0%
Vanguard Admiral Treasury Money Market Fund Investor	\$368,421	2.0%
American Funds New Perspective Fund R4	\$364,792	2.0%
Invesco Developing Markets Fund Y	\$306,410	1.6%
Hartford Dividend and Growth Fund R5	\$288,400	1.5%
Cohen & Steers Realty Shares	\$233,516	1.2%
Columbia Mid Cap Index Fund A	\$224,960	1.2%
Baird Core Plus Bond Fund Investor	\$203,676	1.1%
Vanguard Dividend Growth Fund Investor	\$174,473	0.9%
DFA U.S. Small Cap Portfolio Institutional	\$153,724	0.8%
Wells Fargo Stable Value Fund - J	\$142,670	0.8%
Self Directed Brokerage Account	\$123,856	0.7%
Vanguard Total Bond Market Index Fund Admiral	\$117,682	0.6%
Prudential Jennison Mid-Cap Growth Fund Z	\$110,586	0.6%
T. Rowe Price Equity Income Fund	\$99,657	0.5%
Templeton Global Bond Fund Advisor	\$96,765	0.5%
Northern Small Cap Value Fund	\$92,812	0.5%
MassMutual Premier Inflation-Protected and Income Fund Service Class	\$80,354	0.4%
Virtus Ceredex Mid-Cap Value Equity Fund I	\$67,880	0.4%
TIAA-CREF Lifecycle 2015 Fund Retirement	\$44,746	0.2%
TIAA-CREF Lifecycle 2060 Fund Retirement	\$7,762	0.0%
TIAA-CREF Lifecycle Retirement Income Fund Retirement	\$0	0.0%
Total	\$18,889,815	100.0%
Grand Total	\$193,196,410	



**North Dakota
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Fax: (701) 328-3920 Email ndpers-info@nd.gov Website <https://ndpers.nd.gov>

Memorandum

TO: NDPERS Board

FROM: Bryan Reinhardt

DATE: June 8, 2021

SUBJECT: RHIC Administration RFP Update

Proposals for the Retiree Health Insurance Credit (RHIC) administration were due May 31st. We received proposals from 2 vendors (the incumbent and another vendor that also submitted a proposal when we initially bid the work effort six years ago). Note that we received four proposals for the initial bid.

The following is a sequence of activities for this RFP:

April 16, 2021 RFP issued

May 7, 2021 Deadline for RFP Questions

May 17, 2021 Answers to RFP Questions posted to NDPERS Website

May 31, 2021 RFPs Due

July / August, 2021 NDPERS Board Selects Vendor

January 1, 2022 Vendor begins administration

NDPERS staff will be reviewing the proposals. Analysis of the proposals will be brought to the Board at the July meeting.

If you have any questions, I will be available at the NDPERS Board meeting.



Memorandum

TO: NDPERS Board
FROM: Bryan Reinhardt
DATE: June 8, 2021
SUBJECT: Medicare Part-D (EGWP) RFP

Proposals for the Medicare Prescription Drug Part-D plan, also known as the Employer Group Waiver Plan (EGWP), were due May 21st. We received proposals from 6 vendors. There were 2 fully insured and 5 self-insured proposals. Here is a summary:

DRAFT

Bidder Submissions

- Six (6) bidder submissions were received by the deadline
- Express Scripts and Humana offered fully-insured proposals, all others offered self-insured proposals

Bidder	Proposal	HQ Location	Part D members	Clients > 9,000 members	Government clients / States
1) AmWINS	Self-insured only (pass-through)	North Carolina	14,000	None	25 / no states
2) Elixir	Self-insured only (pass-through)	Ohio	973,000	None	11 / no states
3) Express Scripts (Incumbent)	Fully-Insured	Missouri	1,800,000	30	28 / 5 states
	Self-Insured (spread)				
4) Humana	Fully Insured only	Kentucky	378,000	10	206 / 12 states
5) OptumRx	Self-insured only (pass-through)	Illinois	4,100,000	9	5 / 4 states
6) WellDyne	Self-insured only (pass-through)	New York	76,000	1	3 / no states

Deloitte will be leading this effort along with NDPERS staff. Analysis of the proposals will be brought to the Board at the July meeting. Here is the remaining timeline:

Activity	Date/Time
Proposals Due	Friday, May 21, 2021
NDPERS Board Meeting	Tuesday July 13, 2021
NDPERS Staff Interviews	Week of July 19
NDPERS Board Presentations (if needed)	Week of July 26
NDPERS Board Meeting (Selection of Vendor)	August 17, 2021
Contract Effective Date	January 1, 2022

If you have any questions, I will be available at the NDPERS Board meeting.



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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: June 8, 2021

SUBJECT: Health Insurance Plan Administrative Services Agreement
Amendment and Exhibits

Sanford Health Plan (SHP) has requested a modification to the Administrative Service Agreement (ASA) related to the hours of operation for Management and Pharmacy Benefit Services. Please see Section 3.6 on the proposed amendment which is provided as Attachment 1. SHP has made this request due to an inadequate volume of incoming calls to this area after 5:00 p.m. to warrant the previous 5:30 p.m. availability time.

Attachment 1 also includes proposed additional language to specifically outline the performance audit requirements specified in HB 1374 from the 66th Legislative Session. Due to questions received during the 67th Legislative Session, staff felt that specifically providing this language from NDCC 54-52.1-04.16 would be helpful and given an amendment was already being made, requested this language under Section 3.14 also be in the amendment.

Legal counsel for NDPERS has reviewed and approved the amendment.

In addition, staff have been working with SHP to finalize the various exhibits referenced within the ASA. We are bringing information forward for the exhibits for the board's review and approval.

Exhibit A: Certificate of Insurance (COI) and Summary of Benefits & Coverage (SBC) Updates

Sanford Health Plan is working on updates to the COI and SBC for each NDPERS health plan. Attachment 2 is provided to reflect the material changes that are included in the updates. The remaining modifications are cosmetic in nature and reflect clarifications to better assist members reviewing the benefit information. The updated documents must be submitted to the Department of Insurance for review and approval. Upon approval, SHP will be distributing updated versions to the membership. These final versions approved by the Department of Insurance will then be incorporated into the Administrative Services Agreement as Exhibit A.

Exhibit B - Performance Guarantees

Exhibit B (Attachment 3) provides the performance guarantees that were provided in the Request for Proposal (RFP) when the product was bid last year. SHP agreed to the performance guarantees within their bid response, but did request modification. Attachment 3A provides the specific performance guarantees that SHP would like the Board to consider modifying and also their suggested modification for each.

Exhibit C – Rates

Exhibit C (Attachment 4) provides the final rates that were previously approved by the NDPERS Board at the May 2021 meeting.

Exhibit D – Settlement

This exhibit (Attachment 5) illustrates how the settlement is calculated.

Exhibit E – About the Patient Coordination

Exhibit E (Attachment 6) provides agreement between SHP and NDPERS as it relates to the coordination of services related to the About the Patient Diabetes Management Program.

Exhibit G – Wellness Program

This exhibit (Attachment 7) outlines the coordination of the employer wellness funding program and administration of reimbursement to employers for eligible wellness expenses.

Exhibit H – Business Associate Agreement

Exhibit H (Attachment 8) is the required Business Associate Agreement.

Exhibit I – Health Savings Account (HSA) Administration Agreement

This exhibit (Attachment 9) relates to the administration of the Health Savings Accounts by Sanford Health Plan for members that enroll in the High Deductible Health Plan.

Board Action Requested:

Approve the Health Insurance Plan Administrative Services Agreement Amendment and Exhibits A, C, D, E G, H and I. Provide guidance on Exhibit B Performance Guarantees and whether to approve the existing guarantees that were agreed upon in the RFP response or whether to modify per SHP's request.

FIRST AMENDMENT TO ADMINISTRATIVE SERVICE AGREEMENT

THIS FIRST AMENDMENT TO ADMINISTRATIVE SERVICE AGREEMENT (the "Amendment"), effective as of the 8th day of June 2021 (the "Amendment Date"), is by and between the State of North Dakota, acting through its Public Employees Retirement System ("the Plan Sponsor"); the North Dakota Public Employees Retirement System (NDPERS) ("the Plan Administrator"); and Sanford Health Plan, a South Dakota non-profit corporation ("SHP").

WHEREAS, the parties entered into that certain Administrative Services Agreement effective July 1, 2021 through June 30, 2023 (the "Agreement"); and

WHEREAS, the parties wish to amend the Agreement as set forth below.

NOW, THEREFORE, it is mutually agreed by and between the parties as follows:

1. Section 3.6 is hereby deleted in its entirety and the following inserted in lieu thereof:
 - 3.6 Provide a dedicated service unit to adjudicate all claims and respond to Member's inquiries. Provide toll-free Member and Health Care Provider service lines between the hours of 8 AM and 5:30 PM CST at the office(s) in North Dakota, as appropriate. A toll-free Managed Benefits and Pharmacy department line for Health Care Providers will also be available between the hours of 8:00 AM and 5:00 PM CST. During nonbusiness hours, answering machine services will be available for managed benefits calls.
2. Section 3.14 is hereby deleted in its entirety and the following inserted in lieu thereof:
 - 3.14 NDPERS shall provide SHP with the scope and requirements of any audit or review prior to the commencement of activities. If a sample of claims is required, SHP will provide or NDPERS will select statistically valid computerized sample of claims, if not prohibited by law, regulations or rule.

NDPERS will provide a copy of the report of all audit or review findings and shall discuss the findings with SHP upon discovery to allow further investigation or implementation of corrective action.

NDCC section 54-52.1-04.16 and all of its requirements and authorizations is hereby incorporated into this agreement in its entirety.

SHP acknowledges that the state auditor will contract to conduct a prescription drug coverage performance audit for the 2021 calendar year. Such audit will be conducted in accordance with chapter 54-10 and 54-52.1-04.16 for the 2021 calendar year and subject to the requirements set forth in this Section 3.14.
2. Except as modified by this Amendment, the terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment is executed as of the date set forth above.

**NORTH DAKOTA PUBLIC EMPLOYES
RETIREMENT SYSTEM (Plan Sponsor)**

By: _____

Title: _____

Date: _____

**NORTH DAKOTA PUBLIC EMPLOYES
RETIREMENT SYSTEM (Plan Administrator)**

By: _____

Title: _____

Date: _____

SANFORD HEALTH PLAN

By: _____

Title: _____

Date: _____

Memo

Attachment 2 Exhibit A

To: Rebecca Fricke
From: Steve Webster
Date: May 21, 2021
Re: 2021-2023 benefit plan overview

The purpose of this memo is to provide a summary review of the material benefit plan changes scheduled for July 1, 2021.

Current Benefit	Future Benefits
No coverage for contraceptives	Contraceptives are covered subject to cost share. Cost share will be applied equal to other drugs - Generic, Preferred and Non-preferred
Members are responsible for Prior Authorization of specified services within the benefit Plan	Participating providers are responsible for obtaining Prior Authorization of a defined list of services identified within the benefit plan – Members are held harmless for lack of Prior Authorization
Members => 18 required Prior Authorization for coverage of hearing aids	Members <19 are allowed 1 hearing aid per ear, every three years without Prior Authorization. Members > 19 require Prior Authorization
Preauthorization not required for High-End Imaging services.	High-End Imaging services require Prior Authorization

EXHIBIT B
Health Plan Performance Guarantees

	Performance Guarantee	Requirement	Measurement	Value of Forfeiture
1	Implementation Team	Vendor will provide NDPERS with an implementation team no later than 14 days after award of contract to be responsible for accurate installation of all administrative, clinical and financial parameters.	14 days after award of contract by NDPERS board	\$1,000 per day from day 15 forward for which a team has not been appointed
2	Project Plan	Vendor will provide an implementation project plan no later than 20 days after contract award to be responsible for accurate installation of all administrative, clinical and financial parameters.	20 days after award of contract by NDPERS board	\$1,000 per day from day 20 forward for which a team has not been appointed.
3	Open Enrollment meetings and benefit fairs	Vendor shall provide representatives at each annual open enrollment meeting and/or benefit fair sponsored by the Department or its designee in the counties in which the vendor provides coverage	Compliance to be monitored and assessed by NDPERS	\$5,000 for meetings not staffed as requested.
4	Systems Training for NDPERS Staff	Vendor will provide training on the utilization of systems and reporting tools sixty (60) days prior to implementation.	Compliance to be monitored and assessed by NDPERS	\$1,000 for each day less than 60 days prior to implementation
5	Plan Performance Review	Within ten (10) calendar days following delivery of performance reviews to NDPERS, vendor shall develop and submit a corrective action plan (CAP) of issues identified for approval by NDPERS, and implement such plan within the time prescribed in the approved CAP.	Measurement methodology shall be measured from date of delivery of the plan performance review in calendar days	Semi- annually \$1,000 per calendar day beyond the due date
6	Identification Cards	For the initial implementation, accurate identification cards will be mailed.	At least ten (10) days before the effective date	\$5,000 for each day less than 10 days before the effective date
7	Customer Satisfaction Surveys	Member satisfaction surveys will be designed by the vendor and approved by NDPERS. Vendor will invite a random sample of members to participate in the survey to collect a statistically significant number of completed surveys. Member satisfaction rate will meet 90% or higher using a 1-5 scale of Completely Satisfied, Very Satisfied, Satisfied, Dissatisfied, Very Dissatisfied. Final survey questions and methodology will be agreed upon by vendor and NDPERS.	Vendor will provide annual survey results to confirm compliance with performance standard	Annually \$25,000
8	Team Meetings	NDPERS requires monthly team meetings to address all planning / implementation, business, financial, clinical / formulary (including new drug review) and operational needs.	Compliance to be monitored and assessed by NDPERS	Monthly \$5,000 for each meeting missed

	Performance Guarantee	Requirement	Measurement	Value of Forfeiture
9	NDPERS board meetings	Vendor will participate in quarterly performance reviews to examine operational and financial performance.	Compliance to be monitored and assessed by NDPERS	Quarterly \$5,000 for each quarter missed
10	Electronic Eligibility	Eligibility files will be installed in an electronic medium, logged within eight (8) hours and status will be effective within vendor's system within eighteen (18) hours from date of receipt, seven (7) days per week.	Vendor will provide quarterly reports to confirm compliance with performance standard	Quarterly \$500 for each missed file deadline
11	Manual Eligibility	Manual eligibility will be loaded within eight (8) hours upon receipt or notification and must be applied and active in the vendor's system within one (1) business day.	Vendor will provide quarterly reports to confirm compliance with performance standard	Quarterly \$500 for each missed file deadline
12	Error Reports	An error report on all eligibility file updates will be produced within eighteen (18) hours from the update.	Vendor will provide quarterly reports to confirm compliance with performance standard	Quarterly \$500 for each missed file deadline
13	Data Files	Monthly data files (membership, medical, pharmacy) will be available by the 15 th of the following month.	Will be available to NDPERS on request	Monthly \$1,000 for each month not met
14	Health Risk Assessment	By June 30, 2022, at least 17% of eligible NDPERS members will have completed a Health Risk Assessment.	Compliance to be monitored and assessed by NDPERS	Annually 16.99%-15% = \$2,500 14.99%-12.01% = \$5,000 12% or less = \$10,000
15	Worksite Interventions	By June 30, 2022, at least 75% of participating employer-based wellness program agencies will have implemented a worksite intervention (i.e. wellness consultation, fruit program, break room assessment, wellness training, screening & prevention event, walking program, etc.).	Compliance to be monitored and assessed by NDPERS	Annually \$5,000 if not achieved
16	Member Interventions	By December 31, 2022, the Diabetes Prevention Program participation will increase by 3% over the Per Member Per Year (PMPY) from January 1, 2021– December 31, 2021. By December 31, 2022, the Exercise is Medicine Program participation will increase by 3% over the PMPY from January 1, 2021 – December 31, 2021.	Compliance to be monitored and assessed by NDPERS	Annually \$5,000 if not achieved

	Performance Guarantee	Requirement	Measurement	Value of Forfeiture
17	Tobacco Cessation	By June 30, 2022, the paid amount PMPY will increase by 5% over the PMPY from July 1, 2020 – June 30, 2021.	Compliance to be monitored and assessed by NDPERS	Annually \$5,000 if not achieved
18	Fitness Center Reimbursement	By Dec. 31, 2022, at least 5% of eligible members will receive the fitness center reimbursement in at least one month during the 2022 calendar year.	Compliance to be monitored and assessed by NDPERS	Annually 4.9-4% = \$2,500 3.9-3% = \$5,000 2.9 or less = \$10,000
19	Wellness Redemption Center (online and worksite activity only)	<ol style="list-style-type: none"> By Dec. 31, 2022, \$800,000 will be paid out in the wellness redemption center for the 2021 calendar year. By Dec. 31, 2022, 8% of eligible members will have processed a redemption for wellness activity during the 2020 calendar year. 	Compliance to be monitored and assessed by NDPERS	Annually \$799,999-700,000 = \$2,500 \$699,999-600,000 = \$5,000 \$599,000 or less = \$7,500
20	Healthy Pregnancy Program	By June 30th, 2022, the percentage of eligible NDPERS members enrolled will increase by a growth rate of 2.5% over the percentage of eligible NDPERS members enrolled from July 1, 2020 – June 30, 2021.	Compliance to be monitored and assessed by NDPERS.	Annually \$15,000 if not achieved
21	HEDIS-like measures	Breast cancer screening rates will be at least 80%	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$15,000
22	HEDIS-like measures	Cervical cancer screening rates will be at least 85%	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$15,000
23	HEDIS-like measures	Colorectal cancer screening rates will be at least 60%	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$15,000
24	NDPERS PPO network	Vendor shall maintain ninety-two (92%) percent or more of hospitals, practicing MD's and DO's of the proposed network.	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$75,000

	Performance Guarantee	Requirement	Measurement	Value of Forfeiture
25	Claims Financial Accuracy	Claims Financial Accuracy will be 99% or greater, each year of the biennium. Measured as the absolute value of financial errors divided by the total paid value of audited dollars paid based on quarterly internal audit of statistically valid sample.	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$12,500 for each year of the biennium
26	Claims Payment Accuracy	Claims Payment incidence Accuracy will be 98% or greater, each year of the biennium. Measured as the percent of Claims processed without financial payment error.	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$12,500 for each year of the biennium
27	Claims Processing Accuracy	Claims Procedural Accuracy will be 95% or greater, each year of the biennium. Measured as the percent of Claims processed without non-financial error.	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$12,500 for each year of the biennium
28	Claim Timeliness	Clean claims processing within 14 calendar days will be 95% or greater, each year of the biennium. Measured from the date the claim is received to the date claim is processed.	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$12,500 for each year of the biennium
29	Average Speed of Answer	Average Speed of Answer will be 30 seconds or less, each year of the biennium. Vendor will have an established measurement process that shall be reviewed with NDPERS.	Vendor will provide semi-annual reports to confirm compliance with performance standard	Semi-annually \$10,000 per year
30	Call Abandonment	Call Abandonment rate will be 5% or less, each year of the biennium.	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$10,000 for each year of the biennium
31	Accuracy and Timelines/ First Call Resolution Written Inquiry Response Time	a.) 95% percent of callers receive accurate information. Calls requiring additional research is excluded from the computation of this metric. b.) 95% percent of inquiries must be resolved during the initial call (excluding appeals, billing, errors, and escalations).	Vendor must evaluate a statistically valid sample of inquiries with reports provided.	Annually \$12,500 per year
32	Over payment Recovery	One hundred percent (100%) of all confirmed overpayments identified shall be recovered and returned to the Department within ninety Calendar Days. Measured as the number (count) of over payments identified by monthly Overpaid Claims Report and paid to the State (not an offset of Claims) within ninety (90) Calendar Days.	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$12,500 per year

	Performance Guarantee	Requirement	Measurement	Value of Forfeiture
33	Access Rate to Primary Care Physicians	For urban and suburban areas, ninety-eight percent (98%) of Members will have at least two (2) providers within ten (10) miles of their home ZIP Code.) For rural areas, ninety-eight percent (98%) of Members will have at least one (1) provider within fifteen (15) miles of their home ZIP Code	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$5,000 for each full % below
34	Access Rate to Pediatricians	For urban and suburban areas, ninety-eight percent (98%) of Members will have at least two (2) providers within ten (10) miles of their home ZIP Code.) For rural areas, ninety-eight percent (98%) of Members will have at least one (1) provider within fifteen (15) miles of their home ZIP Code.	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$5,000 for each full % below
35	Access Rate to Specialists and OB/GYNs	For urban and suburban areas, ninety-eight percent (98%) of Members will have at least two (2) providers within ten (10) miles of their home ZIP Code.) For rural areas, ninety-eight percent (98%) of Members will have at least one (1) provider within fifteen (15) miles of their home ZIP Code.	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$5,000 for each full % below
36	Access Rate to Hospitals	Ninety-eight percent (98%) of Members will have a provider within fifty (50) miles of their home ZIP Code.	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$5,000 for each full % below
37	Payment to NDPSC for the About the Patient Program	Payments will be made within 5 business days of approval to NDPSC for the About the Patient program.	Compliance to be monitored and assessed by NDPERS	Annually \$10,000 per year
38	Interest rate on funds held by vendor under the fully-insured contract	Rate as determined by NDPERS and vendor.	Corrected within 5 days of discovery	Monthly \$5,000 per occurrence
39	Prescription drug turnaround time – clean prescriptions	98% within two (2) business days if no intervention required.	Vendor will provide quarterly reports to confirm compliance with performance standard	Quarterly \$1,000 for each point below standard

	Performance Guarantee	Requirement	Measurement	Value of Forfeiture
40	Prescription drug mail dispensing accuracy	99.9% Mail service dispensing accuracy rate. Fields measured include member name, drug strength, directions, quantity and prescriber name.	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$12,500 for each year of the biennium
41	Prescription drug home delivery member notifications	Vendor is required to notify a member when a mail service prescription is changed or there is any expected shipping delay and provide reporting details to NDPERS capturing all occurrences by member/DOS/Issue.	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$12,500 for each year of the biennium
42	Prescription drug specialty pharmacy delivery	98% of prescription will be delivered and received by patients on the specified date of delivery.	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$12,500 for each year of the biennium
43	Network Pharmacy Access	Pharmacy network composition will not be reduced by more than 5% in North Dakota compared to the network submitted in the RFP.	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$12,500 for each year of the biennium
44	Medical Network Discount	Vendor will guarantee a minimum provider discount from in-network providers of at least 30% be calculated as (1- (Allowed/Billed Charge)).	Vendor will provide annual reports to confirm compliance with performance standard	Annually \$500,000

Forfeiture values are over the entire biennium and any forfeiture will be paid within 30 days of the run out period required to calculate the Performance Guarantee criteria.

Memo

Attachment 3A Exhibit B

To: Rebecca Fricke
From: Steve Webster
Date: May 26, 2021
Re: 2021-2023 Performance Guarantee modification review

Sanford Health Plan (SHP) is requesting consideration by NDPERS and the Board of the following modifications to the 2021-2023 Performance Guarantees SHP agreed upon in the RFP bid.

	Performance Guarantee	Requirement	Value of Forfeiture
7	Customer Satisfaction Surveys	<p>Member satisfaction surveys will be designed by the vendor and approved by NDPERS. Vendor will invite a random sample of members to participate in the survey to collect a statistically significant number of completed surveys.</p> <p><u>Using a 1-5 scale of Completely Satisfied, Very Satisfied, Satisfied, Dissatisfied, Very Dissatisfied, the following member satisfaction rates will be met as follows:</u></p> <ul style="list-style-type: none"> <u>Promised follow-up and EOB understanding will meet 87% or higher.</u> <u>Representative answers were clear and complete will meet 88% or higher.</u> <u>The remaining survey results will meet 90% or higher.</u> <p>Final survey questions and methodology will be agreed upon by vendor and NDPERS.</p>	<p>Annually</p> <p>\$25,000</p>
14	Health Risk Assessment	By June 30, 2022 2023, at least 17% of eligible NDPERS members will have completed a Health Risk Assessment.	<p>Annually</p> <p>16.99%-15% = \$2,500 14.99%-12.01% = \$5,000 12% or less= \$10,000</p>
28	Claim Timeliness	Clean claims processing within 14 calendar days will be 95 99% or greater, each year of the biennium. Measured from the date the claim is received to the date claim is processed.	<p>Annually</p> <p>\$12,500 for each year of the biennium</p>
33	Access Rate to Primary Care Physicians	<p>For urban and suburban areas, ninety-eight percent (98%) of Members will have at least two (2) providers within ten (10)fifty (50) miles of their home ZIP Code.)</p> <p>For rural areas, ninety-eight percent (98%) of Members will have at least one (1) provider within fifty (50)fifteen (15) miles of their home ZIP Code</p>	<p>Annually</p> <p>\$5,000 for each full % below</p>
34	Access Rate to Pediatricians	<p>For urban and suburban areas, ninety-eight percent (98%) of Members will have at least two (2) providers within fifty (50)ten (10)-miles of their home ZIP Code.)</p> <p>For rural areas, ninety-eight percent (98%) of Members will have at least one (1) provider within fifty (50)fifteen (15) miles of their home ZIP Code.</p>	<p>Annually</p> <p>\$5,000 for each full % below</p>
35	Access Rate to Specialists and OB/GYNs	<p>For urban and suburban areas, ninety-eight percent (98%) of Members will have at least two (2) providers within fifty (50)ten (10)-miles of their home ZIP Code.)</p> <p style="text-align: center;">June 2021 Board Book Page 68 of 172</p> <p>For rural areas, ninety-eight percent (98%) of Members will have at least one (1) provider within fifty (50) fifteen (15) miles of their home ZIP Code.</p>	<p>Annually</p> <p>\$5,000 for each full % below</p>

EXHIBIT C

Premium Rate Structure Table

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	Less NDPERS Retention	Total Prem Paid to SHP	Total Prem Paid to ESI	Total Paid to SHP	NDPERS Retention	NDPERS Billing Rate
Medicare Retiree											
41	11	1 Medicare only	\$215.20	\$89.32	\$304.52	\$2.80	\$212.40	\$89.32	\$212.40	\$2.80	\$304.52
42	11	2 Medicare only	\$427.58	\$178.64	\$606.22	\$2.80	\$424.78	\$178.64	\$424.78	\$2.80	\$606.22
50	11	3 Medicare only	\$639.68	\$267.96	\$907.64	\$2.80	\$636.88	\$267.96	\$636.88	\$2.80	\$907.64
51	11	4 Medicare only	\$852.08	\$357.28	\$1,209.36	\$2.80	\$849.28	\$357.28	\$849.28	\$2.80	\$1,209.36
43	11	1 Medicare + Others	\$784.58	\$89.32	\$873.90	\$2.80	\$781.78	\$89.32	\$781.78	\$2.80	\$873.90
49	11	2 Medicare + Others	\$997.06	\$178.64	\$1,175.70	\$2.80	\$994.26	\$178.64	\$994.26	\$2.80	\$1,175.70
55	11	3 Medicare + Others	\$1,209.14	\$267.96	\$1,477.10	\$2.80	\$1,206.34	\$267.96	\$1,206.34	\$2.80	\$1,477.10
58	11	4 Medicare + Others	\$1,421.54	\$357.28	\$1,778.82	\$2.80	\$1,418.74	\$357.28	\$1,418.74	\$2.80	\$1,778.82
44	11	Part A Single	\$540.62	\$89.32	\$629.94	\$2.80	\$537.82	\$89.32	\$537.82	\$2.80	\$629.94
Medicare Low Income Subsidy											
41	13	1 Medicare only (1cr)	\$215.20	\$56.92	\$272.12	\$2.80	\$212.40	\$56.92	\$212.40	\$2.80	\$272.12
42	13	2 Medicare only (2cr)	\$427.58	\$113.84	\$541.42	\$2.80	\$424.78	\$113.84	\$424.78	\$2.80	\$541.42
50	13	3 Medicare only (1cr)	\$639.68	\$235.56	\$875.24	\$2.80	\$636.88	\$235.56	\$636.88	\$2.80	\$875.24
51	13	4 Medicare only (1cr)	\$852.08	\$324.88	\$1,176.96	\$2.80	\$849.28	\$324.88	\$849.28	\$2.80	\$1,176.96
43	13	1 Medicare + Others (1cr)	\$784.58	\$56.92	\$841.50	\$2.80	\$781.78	\$56.92	\$781.78	\$2.80	\$841.50
49	13	2 Medicare + Others (1cr)	\$997.06	\$146.24	\$1,143.30	\$2.80	\$994.26	\$146.24	\$994.26	\$2.80	\$1,143.30
55	13	3 Medicare + Others (2cr)	\$1,209.14	\$203.16	\$1,412.30	\$2.80	\$1,206.34	\$203.16	\$1,206.34	\$2.80	\$1,412.30
41	13	1 Medicare only (.75cr)	\$215.20	\$65.02	\$280.22	\$2.80	\$212.40	\$65.02	\$212.40	\$2.80	\$280.22
41	13	1 Medicare only (.5cr)	\$215.20	\$73.12	\$288.32	\$2.80	\$212.40	\$73.12	\$212.40	\$2.80	\$288.32
41	13	1 Medicare only (.25cr)	\$215.20	\$81.22	\$296.42	\$2.80	\$212.40	\$81.22	\$212.40	\$2.80	\$296.42
51	13	4 Medicare only (2cr)	\$852.08	\$292.48	\$1,144.56	\$2.80	\$849.28	\$292.48	\$849.28	\$2.80	\$1,144.56
42	13	2 Medicare only (1cr)	\$427.58	\$146.24	\$573.82	\$2.80	\$424.78	\$146.24	\$424.78	\$2.80	\$573.82

Grandfathered Rates

42	14	2 Medicare only	\$427.28	\$178.64	\$605.92	\$2.80	\$424.48	\$178.64	\$424.48	\$2.80	\$605.92
50	14	3 Medicare only	\$453.36	\$267.96	\$721.32	\$2.80	\$450.56	\$267.96	\$450.56	\$2.80	\$721.32
51	14	4 Medicare only	\$277.26	\$357.28	\$634.54	\$2.80	\$274.46	\$357.28	\$274.46	\$2.80	\$634.54

Medicare Retirees COBRA (for Non-Medicare dependents of Medicare Retirees)

30	11	Single	\$572.27		\$572.27	\$2.80	\$569.47		\$569.47	\$11.39	\$580.86
31	11	Family	\$807.29		\$807.29	\$2.80	\$804.49		\$804.49	\$16.09	\$820.58

Non-Medicare Retiree

21	11	Single		\$1,030.10	\$2.80	\$1,027.30		\$1,027.30	\$2.80	\$1,030.10
22	11	Family		\$2,057.38	\$2.80	\$2,054.58		\$2,054.58	\$2.80	\$2,057.38
23	11	Family (3+)		\$2,571.04	\$2.80	\$2,568.24		\$2,568.24	\$2.80	\$2,571.04

COBRA

24	11	Single		\$1,030.10	\$2.80	\$1,027.30		\$1,027.30	\$23.40	\$1,050.70
25	11	Family		\$2,057.38	\$2.80	\$2,054.58		\$2,054.58	\$43.94	\$2,098.52
26	11	Family (3+)		\$2,571.04	\$2.80	\$2,568.24		\$2,568.24	\$54.22	\$2,622.46

State Contracts with Wellness Program

Active				(Flat Single/Family Rate)							
1-3	2	S/F/Dual		\$1,428.76	\$2.80	\$1,425.96		\$1,425.96	\$2.80	\$1,428.76	

COBRA

4	2	Single		\$687.66	\$2.80	\$684.86		\$684.86	\$16.54	\$701.40
5	2	Family		\$1,658.36	\$2.80	\$1,655.56		\$1,655.57	\$35.95	\$1,691.52

Part-Time/Temporary/LOA

6	2	Single		\$687.66	\$2.80	\$684.86		\$684.86	\$2.80	\$687.66
7	2	Family		\$1,658.36	\$2.80	\$1,655.56		\$1,655.56	\$2.80	\$1,658.36

Active HDHP

1-3	17	S/F/Dual		\$1,251.02	\$2.80	\$1,248.22		\$1,248.22	\$180.54	\$1,428.76
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COBRA HDHP

4	17	Single		\$599.20	\$2.80	\$596.40		\$596.40	\$14.78	\$611.18
5	17	Family		\$1,444.30	\$2.80	\$1,441.50		\$1,441.50	\$31.68	\$1,473.18

LOA HDHP

6	17	Single		\$599.20	\$2.80	\$596.40		\$596.40	\$2.80	\$599.20
7	17	Family		\$1,444.30	\$2.80	\$1,441.50		\$1,441.50	\$2.80	\$1,444.30

State Contracts w/o Wellness Program

			(Flat Single/Family Rate)					
Active								
1-3	1	S/F/Dual	\$1,428.76	\$2.80	\$1,425.96	\$1,425.96	\$17.08	\$1,443.04
COBRA								
4	1	Single	\$687.66	\$2.80	\$684.86	\$684.86	\$16.54	\$701.40
5	1	Family	\$1,658.36	\$2.80	\$1,655.56	\$1,655.57	\$35.95	\$1,691.52
Part-Time/Temporary/LOA								
6	1	Single	\$687.66	\$2.80	\$684.86	\$684.86	\$9.68	\$694.54
7	1	Family	\$1,658.36	\$2.80	\$1,655.56	\$1,655.56	\$19.38	\$1,674.94
Active HDHP								
1-3	16	S/F/Dual	\$1,251.02	\$2.80	\$1,248.22	\$1,248.22	\$194.82	\$1,443.04
COBRA HDHP								
4	16	Single	\$599.20	\$2.80	\$596.40	\$596.40	\$14.78	\$611.18
5	16	Family	\$1,444.30	\$2.80	\$1,441.50	\$1,441.50	\$31.68	\$1,473.18
LOA HDHP								
6	16	Single	\$599.20	\$2.80	\$596.40	\$596.40	\$8.78	\$605.18
7	16	Family	\$1,444.30	\$2.80	\$1,441.50	\$1,441.50	\$17.24	\$1,458.74

Political Subdivision Rates with Wellness Program

Active								
1	4	Single	\$734.72	\$2.80	\$731.92	\$731.92	\$2.80	\$734.72
2	4	Family	\$1,776.10	\$2.80	\$1,773.30	\$1,773.30	\$2.80	\$1,776.10
COBRA								
4	4	Single	\$734.72	\$2.80	\$731.92	\$731.92	\$17.50	\$749.40
5	4	Family	\$1,776.10	\$2.80	\$1,773.30	\$1,773.30	\$38.32	\$1,811.62
Temps								
6	4	Single	\$734.72	\$2.80	\$731.92	\$731.92	\$2.80	\$734.72
7	4	Family	\$1,776.10	\$2.80	\$1,773.30	\$1,773.30	\$2.80	\$1,776.10

Political Subdivision Rates w/o Wellness Program

Active								
1	3	Single	\$734.72	\$2.80	\$731.92	\$731.92	\$10.14	\$742.06
2	3	Family	\$1,776.10	\$2.80	\$1,773.30	\$1,773.30	\$20.56	\$1,793.86
COBRA								
4	3	Single	\$734.72	\$2.80	\$731.92	\$731.92	\$17.48	\$749.40
5	3	Family	\$1,776.10	\$2.80	\$1,773.30	\$1,773.30	\$38.32	\$1,811.62
Temps								
6	3	Single	\$734.72	\$2.80	\$731.92	\$731.92	\$10.14	\$742.06
7	3	Family	\$1,776.10	\$2.80	\$1,773.30	\$1,773.30	\$20.56	\$1,793.86

NGF Political Subdivision Rates with Wellness Program

Active								
1	24	Single	\$745.88	\$2.80	\$743.08	\$743.08	\$2.80	\$745.88
2	24	Family	\$1,803.12	\$2.80	\$1,800.32	\$1,800.32	\$2.80	\$1,803.12
COBRA								
4	24	Single	\$745.88	\$2.80	\$743.08	\$743.08	\$17.72	\$760.80
5	24	Family	\$1,803.12	\$2.80	\$1,800.32	\$1,800.32	\$38.86	\$1,839.18
Temps								
6	24	Single	\$745.88	\$2.80	\$743.08	\$743.08	\$2.80	\$745.88
7	24	Family	\$1,803.12	\$2.80	\$1,800.32	\$1,800.32	\$2.80	\$1,803.12
Active HDHP								
1	26	Single	\$ 658.34	\$2.80	\$655.54	\$655.54	\$2.80	\$658.34
2	26	Family	\$1591.61	\$2.80	\$1,588.81	\$1,588.82	\$2.80	\$1,591.62
COBRA HDHP								
4	26	Single	\$658.34	\$2.80	\$655.54	\$655.54	\$15.96	\$671.50
5	26	Family	\$1,591.61	\$2.80	\$1,588.81	\$1,588.80	\$34.64	\$1,623.44
Temps HDHP								
6	26	Single	\$658.34	\$2.80	\$655.54	\$655.54	\$2.80	\$658.34
7	26	Family	\$1,591.61	\$2.80	\$1,588.81	\$1,588.80	\$2.80	\$1,591.60

NGF Political Subdivision Rates w/o Wellness Program

Active								
1	23	Single	\$745.88	\$2.80	\$743.08	\$743.08	\$10.26	\$753.34
2	23	Family	\$1,803.12	\$2.80	\$1,800.32	\$1,800.32	\$20.82	\$1,821.14
COBRA								
4	23	Single	\$745.88	\$2.80	\$743.08	\$743.08	\$17.72	\$760.80
5	23	Family	\$1,803.12	\$2.80	\$1,800.32	\$1,800.32	\$38.86	\$1,839.18
Temps								
6	23	Single	\$745.88	\$2.80	\$743.08	\$743.08	\$10.26	\$753.34
7	23	Family	\$1,803.12	\$2.80	\$1,800.32	\$1,800.32	\$20.82	\$1,821.14
Active HDHP								
1	25	Single	\$658.34	\$2.80	\$655.54	\$655.54	\$9.38	\$664.92
2	25	Family	\$1,591.61	\$2.80	\$1,588.81	\$1,588.81	\$18.73	\$1,607.54
COBRA HDHP								
4	25	Single	\$658.34	\$2.80	\$655.54	\$655.54	\$15.96	\$671.50
5	25	Family	\$1,591.61	\$2.80	\$1,588.81	\$1,588.81	\$34.63	\$1,623.44
Temps HDHP								
6	25	Single	\$658.34	\$2.80	\$655.54	\$655.54	\$9.38	\$664.92
7	25	Family	\$1,591.61	\$2.80	\$1,588.81	\$1,588.81	\$18.71	\$1,607.52

Health, RX, & HMO Insurance Plans:

Medicare Retiree (Non-Medicare Split Rate)

98	11	Single NM Dependents with GF Status								\$569.46
99	11	Family NM Dependents with GF Status								\$569.46

GAP Coverage

61	11	GAP Single			\$1,030.10	\$2.80	\$1,027.30	\$1,027.30	\$2.80	\$1,030.10
62	11	GAP Family			\$2,057.38	\$2.80	\$2,054.58	\$2,054.58	\$2.80	\$2,057.38
63	11	GAP Family (3+)			\$2,571.04	\$2.80	\$2,568.24	\$2,568.24	\$2.80	\$2,571.04
64	11	GAP 1 Medicare + Others	\$784.58	\$89.32	\$873.90	\$2.80	\$871.10	\$871.10	\$2.80	\$873.90
65	11	GAP 2 Medicare + Others	\$997.06	\$178.64	\$1,175.70	\$2.80	\$1,172.90	\$1,172.90	\$2.80	\$1,175.70
66	11	GAP 3 Medicare + Others	\$1,209.14	\$267.96	\$1,477.10	\$2.80	\$1,474.30	\$1,474.30	\$2.80	\$1,477.10
67	11	GAP 4 Medicare + Others	\$1,421.54	\$357.28	\$1,778.82	\$2.80	\$1,776.02	\$1,776.02	\$2.80	\$1,778.82

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	Less NDPERS Retention	Total Prem Paid to SHP In Struct A	Total Prem Paid to ESI	Change From Structure A	Total Paid to SHP	NDPERS Retention	NDPERS Billing Rate
Medicare Retiree												
41	12	1 Medicare only	\$215.20	\$89.32	\$304.52	\$2.80	\$212.40	\$89.32	(\$2.76)	\$209.64	\$2.80	\$301.76
42	12	2 Medicare only	\$427.58	\$178.64	\$606.22	\$2.80	\$424.78	\$178.64	(\$5.52)	\$419.26	\$2.80	\$600.70
50	12	3 Medicare only	\$639.68	\$267.96	\$907.64	\$2.80	\$636.88	\$267.96	(\$8.28)	\$628.60	\$2.80	\$899.36
51	12	4 Medicare only	\$852.08	\$357.28	\$1,209.36	\$2.80	\$849.28	\$357.28	(\$11.04)	\$838.24	\$2.80	\$1,198.32
43	12	1 Medicare + Others	\$784.58	\$89.32	\$873.90	\$2.80	\$781.78	\$89.32	(\$17.56)	\$764.22	\$2.80	\$856.34
49	12	2 Medicare + Others	\$997.06	\$178.64	\$1,175.70	\$2.80	\$994.26	\$178.64	(\$20.32)	\$973.94	\$2.80	\$1,155.38
55	12	3 Medicare + Others	\$1,209.14	\$267.96	\$1,477.10	\$2.80	\$1,206.34	\$267.96	(\$23.08)	\$1,183.26	\$2.80	\$1,454.02
58	12	4 Medicare + Others	\$1,421.54	\$357.28	\$1,778.82	\$2.80	\$1,418.74	\$357.28	(\$25.84)	\$1,392.90	\$2.80	\$1,752.98
Medicare Low Income Subsidy												
41	12	1 Medicare only (1cr)	\$215.20	\$56.92	\$272.12	\$2.80	\$212.40	\$56.92	(\$2.76)	\$209.64	\$2.80	\$269.36
42	12	2 Medicare only (2cr)	\$427.58	\$113.84	\$541.42	\$2.80	\$424.78	\$113.84	(\$5.52)	\$419.26	\$2.80	\$535.90
50	12	3 Medicare only (1cr)	\$639.68	\$235.56	\$875.24	\$2.80	\$636.88	\$235.56	(\$8.28)	\$628.60	\$2.80	\$866.96
51	12	4 Medicare only (1cr)	\$852.08	\$324.88	\$1,176.96	\$2.80	\$849.28	\$324.88	(\$11.04)	\$838.24	\$2.80	\$1,165.92
43	12	1 Medicare +Others (1cr)	\$784.58	\$56.92	\$841.50	\$2.80	\$781.78	\$56.92	(\$17.56)	\$764.22	\$2.80	\$823.94
49	12	2 Medicare +Others (1cr)	\$997.06	\$146.24	\$1,143.30	\$2.80	\$994.26	\$146.24	(\$20.32)	\$973.94	\$2.80	\$1,122.98
55	12	3 Medicare +Others (2cr)	\$1,209.14	\$203.16	\$1,412.30	\$2.80	\$1,206.34	\$203.16	(\$23.08)	\$1,183.26	\$2.80	\$1,389.22
41	12	1 Medicare only (.75cr)	\$215.20	\$65.02	\$280.22	\$2.80	\$212.40	\$65.02	(\$2.76)	\$209.64	\$2.80	\$277.46
41	12	1 Medicare only (.5cr)	\$215.20	\$73.12	\$288.32	\$2.80	\$212.40	\$73.12	(\$2.76)	\$209.64	\$2.80	\$285.56
41	12	1 Medicare only (.25cr)	\$215.20	\$81.22	\$296.42	\$2.80	\$212.40	\$81.22	(\$2.76)	\$209.64	\$2.80	\$293.66
51	12	4 Medicare only (2cr)	\$852.08	\$292.48	\$1,144.56	\$2.80	\$849.28	\$292.48	(\$11.04)	\$838.24	\$2.80	\$1,133.52
42	12	2 Medicare only (1cr)	\$427.58	\$146.24	\$573.82	\$2.80	\$424.78	\$146.24	(\$5.52)	\$419.26	\$2.80	\$568.30

Medicare Retirees COBRA (for Non-Medicare dependents of Medicare Retirees)

30	12	Single	\$572.27	\$2.80	\$569.47	(\$14.80)	\$554.67	\$11.39	\$566.06
31	12	Family	\$807.29	\$2.80	\$804.49	(\$20.92)	\$783.57	\$16.09	\$799.66

Political Subdivision Rates with Wellness Program

Active									
1	8	Single	\$734.72	\$2.80	\$731.92	(\$19.02)	\$712.90	\$2.80	\$715.70
2	8	Family	\$1,776.10	\$2.80	\$1,773.30	(\$46.10)	\$1,727.20	\$2.80	\$1,730.00
COBRA									
4	8	Single	\$734.72	\$2.80	\$731.92	(\$19.02)	\$712.90	\$17.10	\$730.00
5	8	Family	\$1,776.10	\$2.80	\$1,773.30	(\$46.10)	\$1,727.20	\$37.40	\$1,764.60
Temps									
6	8	Single	\$734.72	\$2.80	\$731.92	(\$19.02)	\$712.90	\$2.80	\$715.70
7	8	Family	\$1,776.10	\$2.80	\$1,773.30	(\$46.10)	\$1,727.20	\$2.80	\$1,730.00

Political Subdivision Rates w/o Wellness Program

Active									
1	7	Single	\$734.72	\$2.80	\$731.92	(\$19.03)	\$712.89	\$9.97	\$722.86
2	7	Family	\$1,776.10	\$2.80	\$1,773.30	(\$46.11)	\$1,727.19	\$20.11	\$1,747.30
COBRA									
4	7	Single	\$734.72	\$2.80	\$731.92	(\$19.03)	\$712.89	\$17.11	\$730.00
5	7	Family	\$1,776.10	\$2.80	\$1,773.30	(\$46.11)	\$1,727.19	\$37.41	\$1,764.60
Temps									
6	7	Single	\$734.72	\$2.80	\$731.92	(\$19.03)	\$712.89	\$9.97	\$722.86
7	7	Family	\$1,776.10	\$2.80	\$1,773.30	(\$46.11)	\$1,727.19	\$20.11	\$1,747.30

NGF Political Subdivision Rates with Wellness Program

Active									
1	28	Single	\$745.88	\$2.80	\$743.08	(\$19.32)	\$723.76	\$2.80	\$726.56
2	28	Family	\$1,803.12	\$2.80	\$1,800.32	(\$46.82)	\$1,753.50	\$2.80	\$1,756.30
COBRA									
4	28	Single	\$745.88	\$2.80	\$743.08	(\$19.32)	\$723.76	\$17.32	\$741.08
5	28	Family	\$1,803.12	\$2.80	\$1,800.32	(\$46.82)	\$1,753.50	\$37.92	\$1,791.42
Temps									
6	28	Single	\$745.88	\$2.80	\$743.08	(\$19.32)	\$723.76	\$2.80	\$726.56
7	28	Family	\$1,803.12	\$2.80	\$1,800.32	(\$46.82)	\$1,753.50	\$2.80	\$1,756.30
Active HDHP									
1	30	Single	\$658.34	\$2.80	\$655.54	(\$17.04)	\$638.50	\$2.80	\$641.30
2	30	Family	\$1,591.61	\$2.80	\$1,588.81	(\$41.31)	\$1,547.50	\$2.80	\$1,550.30
COBRA HDHP									
4	30	Single	\$658.34	\$2.80	\$655.54	(\$17.04)	\$638.50	\$15.62	\$654.12
5	30	Family	\$1,591.61	\$2.80	\$1,588.81	(\$41.31)	\$1,547.50	\$33.80	\$1,581.30
Temps HDHP									
6	30	Single	\$658.34	\$2.80	\$655.54	(\$17.04)	\$638.50	\$2.80	\$641.30
7	30	Family	\$1,591.61	\$2.80	\$1,588.81	(\$41.31)	\$1,547.50	\$2.80	\$1,550.30

NGF Political Subdivision Rates w/o Wellness Program

Active									
1	27	Single	\$745.88	\$2.80	\$743.08	(\$19.32)	\$723.76	\$10.06	\$733.82
2	27	Family	\$1,803.12	\$2.80	\$1,800.32	(\$46.81)	\$1,753.51	\$20.35	\$1,773.86
COBRA									
4	27	Single	\$745.88	\$2.80	\$743.08	(\$19.32)	\$723.76	\$17.32	\$741.08
5	27	Family	\$1,803.12	\$2.80	\$1,800.32	(\$46.81)	\$1,753.51	\$37.91	\$1,791.42
Temps									
6	27	Single	\$745.88	\$2.80	\$743.08	(\$19.32)	\$723.76	\$10.06	\$733.82
7	27	Family	\$1,803.12	\$2.80	\$1,800.32	(\$46.81)	\$1,753.51	\$20.35	\$1,773.86
Active HDHP									
1	29	Single	\$658.34	\$2.80	\$655.54	(\$17.04)	\$638.50	\$9.20	\$647.70
2	29	Family	\$1,591.61	\$2.80	\$1,588.81	(\$41.30)	\$1,547.51	\$18.29	\$1,565.80
COBRA HDHP									
4	29	Single	\$658.34	\$2.80	\$655.54	(\$17.04)	\$638.50	\$15.62	\$654.12
5	29	Family	\$1,591.61	\$2.80	\$1,588.81	(\$41.30)	\$1,547.51	\$33.79	\$1,581.30
Temps HDHP									
6	29	Single	\$658.34	\$2.80	\$655.54	(\$17.04)	\$638.50	\$9.20	\$647.70
7	29	Family	\$1,591.61	\$2.80	\$1,588.81	(\$41.30)	\$1,547.51	\$18.29	\$1,565.80

Medicare Retiree (Non-Medicare Split Rate)

98	12	Single NM Dependents with GF Status								\$554.67
99	12	Family NM Dependents with GF Status								\$554.67

GAP Coverage

61	12	GAP Single			\$1,030.10	\$2.80	\$1,027.30	(\$26.70)	\$1,000.60	\$2.80	\$1,003.40
62	12	GAP Family			\$2,057.38	\$2.80	\$2,054.58	(\$53.42)	\$2,001.16	\$2.80	\$2,003.96
63	12	GAP Family (3+)			\$2,571.04	\$2.80	\$2,568.24	(\$66.77)	\$2,501.46	\$2.80	\$2,504.26
64	12	GAP 1 Medicare + Other	\$784.58	\$89.32	\$873.90	\$2.80	\$871.10	(\$17.56)	\$853.54	\$2.80	\$856.34
65	12	GAP 2 Medicare + Other	\$997.06	\$178.64	\$1,175.70	\$2.80	\$1,172.90	(\$20.32)	\$1,152.58	\$2.80	\$1,155.38
66	12	GAP 3 Medicare + Other	\$1,209.14	\$267.96	\$1,477.10	\$2.80	\$1,474.30	(\$23.08)	\$1,451.22	\$2.80	\$1,454.02
67	12	GAP 4 Medicare + Other	\$1,421.54	\$357.28	\$1,778.82	\$2.80	\$1,776.02	(\$25.84)	\$1,750.18	\$2.80	\$1,752.98

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	Less NDPERS Retention	Total Prem Paid to SHP In Struct A	Total Prem Paid to ESI	Change From Sturcture A	Total Paid to SHP	NDPERS Retention	NDPERS Billing Rate
Medicare Retiree												
41	12	1 Medicare only	\$215.20	\$89.32	\$304.52	\$2.80	\$212.40	\$89.32	\$2.76	\$215.16	\$2.80	\$307.28
42	12	2 Medicare only	\$427.58	\$178.64	\$606.22	\$2.80	\$424.78	\$178.64	\$5.52	\$430.30	\$2.80	\$611.74
50	12	3 Medicare only	\$639.68	\$267.96	\$907.64	\$2.80	\$636.88	\$267.96	\$8.28	\$645.16	\$2.80	\$915.92
51	12	4 Medicare only	\$852.08	\$357.28	\$1,209.36	\$2.80	\$849.28	\$357.28	\$11.04	\$860.32	\$2.80	\$1,220.40
43	12	1 Medicare + Others	\$784.58	\$89.32	\$873.90	\$2.80	\$781.78	\$89.32	\$17.58	\$799.36	\$2.80	\$891.48
49	12	2 Medicare + Others	\$997.06	\$178.64	\$1,175.70	\$2.80	\$994.26	\$178.64	\$20.34	\$1,014.60	\$2.80	\$1,196.04
55	12	3 Medicare + Others	\$1,209.14	\$267.96	\$1,477.10	\$2.80	\$1,206.34	\$267.96	\$23.10	\$1,229.44	\$2.80	\$1,500.20
58	12	4 Medicare + Others	\$1,421.54	\$357.28	\$1,778.82	\$2.80	\$1,418.74	\$357.28	\$25.86	\$1,444.60	\$2.80	\$1,804.68
Medicare Low Income Subsidy												
41	12	1 Medicare only (1cr)	\$215.20	\$56.92	\$272.12	\$2.80	\$212.40	\$56.92	\$2.76	\$215.16	\$2.80	\$274.88
42	12	2 Medicare only (2cr)	\$427.58	\$113.84	\$541.42	\$2.80	\$424.78	\$113.84	\$5.52	\$430.30	\$2.80	\$546.94
50	12	3 Medicare only (1cr)	\$639.68	\$235.56	\$875.24	\$2.80	\$636.88	\$235.56	\$8.28	\$645.16	\$2.80	\$883.52
51	12	4 Medicare only (1cr)	\$852.08	\$324.88	\$1,176.96	\$2.80	\$849.28	\$324.88	\$11.04	\$860.32	\$2.80	\$1,188.00
43	12	1 Medicare +Others (1cr)	\$784.58	\$56.92	\$841.50	\$2.80	\$781.78	\$56.92	\$17.58	\$799.36	\$2.80	\$859.08
49	12	2 Medicare +Others (1cr)	\$997.06	\$146.24	\$1,143.30	\$2.80	\$994.26	\$146.24	\$20.34	\$1,014.60	\$2.80	\$1,163.64
55	12	3 Medicare +Others (2cr)	\$1,209.14	\$203.16	\$1,412.30	\$2.80	\$1,206.34	\$203.16	\$23.10	\$1,229.44	\$2.80	\$1,435.40
41	12	1 Medicare only (.75cr)	\$215.20	\$65.02	\$280.22	\$2.80	\$212.40	\$65.02	\$2.76	\$215.16	\$2.80	\$282.98
41	12	1 Medicare only (.5cr)	\$215.20	\$73.12	\$288.32	\$2.80	\$212.40	\$73.12	\$2.76	\$215.16	\$2.80	\$291.08
41	12	1 Medicare only (.25cr)	\$215.20	\$81.22	\$296.42	\$2.80	\$212.40	\$81.22	\$2.76	\$215.16	\$2.80	\$299.18
51	12	4 Medicare only (2cr)	\$852.08	\$292.48	\$1,144.56	\$2.80	\$849.28	\$292.48	\$11.04	\$860.32	\$2.80	\$1,155.60
42	12	2 Medicare only (1cr)	\$427.58	\$146.24	\$573.82	\$2.80	\$424.78	\$146.24	\$5.52	\$430.30	\$2.80	\$579.34

Medicare Retirees COBRA (for Non-Medicare dependents of Medicare Retirees)

30	12	Single	\$572.27	\$2.80	\$569.47	\$14.82	\$584.30	\$11.38	\$595.68
31	12	Family	\$807.29	\$2.80	\$804.49	\$20.92	\$825.41	\$16.09	\$841.50

Political Subdivision Rates with Wellness Program

Active									
1	8	Single	\$734.72	\$2.80	\$731.92	\$19.03	\$750.94	\$2.80	\$753.74
2	8	Family	\$1,776.10	\$2.80	\$1,773.30	\$46.11	\$1,819.41	\$2.80	\$1,822.20
COBRA									
4	8	Single	\$734.72	\$2.80	\$731.92	\$19.03	\$750.95	\$17.85	\$768.80
5	8	Family	\$1,776.10	\$2.80	\$1,773.30	\$46.11	\$1,819.41	\$39.23	\$1,858.64
Temps									
6	8	Single	\$734.72	\$2.80	\$731.92	\$19.03	\$750.94	\$2.80	\$753.74
7	8	Family	\$1,776.10	\$2.80	\$1,773.30	\$46.11	\$1,819.41	\$2.80	\$1,822.20

Political Subdivision Rates w/o Wellness Program

Active									
1	7	Single	\$734.72	\$2.80	\$731.92	\$19.03	\$750.94	\$10.34	\$761.28
2	7	Family	\$1,776.10	\$2.80	\$1,773.30	\$46.11	\$1,819.41	\$21.01	\$1,840.42
COBRA									
4	7	Single	\$734.72	\$2.80	\$731.92	\$19.03	\$750.95	\$17.85	\$768.80
5	7	Family	\$1,776.10	\$2.80	\$1,773.30	\$46.11	\$1,819.41	\$39.23	\$1,858.64
Temps									
6	7	Single	\$734.72	\$2.80	\$731.92	\$19.03	\$750.95	\$10.33	\$761.28
7	7	Family	\$1,776.10	\$2.80	\$1,773.30	\$46.11	\$1,819.41	\$21.01	\$1,840.42

NGF Political Subdivision Rates with Wellness Program

Active									
1	28	Single	\$745.88	\$2.80	\$743.08	\$19.32	\$762.40	\$2.80	\$765.20
2	28	Family	\$1,803.12	\$2.80	\$1,800.32	\$46.81	\$1,847.12	\$2.80	\$1,849.92
COBRA									
4	28	Single	\$745.88	\$2.80	\$743.08	\$19.32	\$762.40	\$18.10	\$780.50
5	28	Family	\$1,803.12	\$2.80	\$1,800.32	\$46.81	\$1,847.13	\$39.79	\$1,886.92
Temps									
6	28	Single	\$745.88	\$2.80	\$743.08	\$19.33	\$762.40	\$2.80	\$765.20
7	28	Family	\$1,803.12	\$2.80	\$1,800.32	\$46.81	\$1,847.12	\$2.80	\$1,849.92
Active HDHP									
1	30	Single	\$658.34	\$2.80	\$655.54	\$17.04	\$672.58	\$2.80	\$675.38
2	30	Family	\$1,591.61	\$2.80	\$1,588.81	\$41.32	\$1,630.12	\$2.80	\$1,632.92
COBRA HDHP									
4	30	Single	\$658.34	\$2.80	\$655.54	\$17.04	\$672.58	\$16.30	\$688.88
5	30	Family	\$1,591.61	\$2.80	\$1,588.81	\$41.32	\$1,630.13	\$35.45	\$1,665.58
Temps HDHP									
6	30	Single	\$658.34	\$2.80	\$655.54	\$17.04	\$672.58	\$2.80	\$675.38
7	30	Family	\$1,591.61	\$2.80	\$1,588.81	\$41.32	\$1,630.12	\$2.80	\$1,632.92

NGF Political Subdivision Rates w/o Wellness Program

Active									
1	27	Single	\$745.88	\$2.80	\$743.08	\$19.33	\$762.41	\$10.43	\$772.84
2	27	Family	\$1,803.12	\$2.80	\$1,800.32	\$46.81	\$1,847.13	\$21.29	\$1,868.42
COBRA									
4	27	Single	\$745.88	\$2.80	\$743.08	\$19.33	\$762.41	\$18.09	\$780.50
5	27	Family	\$1,803.12	\$2.80	\$1,800.32	\$46.81	\$1,847.13	\$39.79	\$1,886.92
Temps									
6	27	Single	\$745.88	\$2.80	\$743.08	\$19.33	\$762.41	\$10.43	\$772.84
7	27	Family	\$1,803.12	\$2.80	\$1,800.32	\$46.81	\$1,847.13	\$21.29	\$1,868.42
Active HDHP									
1	29	Single	\$658.34	\$2.80	\$655.54	\$17.04	\$672.58	\$9.54	\$682.12
2	29	Family	\$1,591.61	\$2.80	\$1,588.81	\$41.32	\$1,630.13	\$19.11	\$1,649.24
COBRA HDHP									
4	29	Single	\$658.34	\$2.80	\$655.54	\$17.04	\$672.58	\$16.30	\$688.88
5	29	Family	\$1,591.61	\$2.80	\$1,588.81	\$41.32	\$1,630.13	\$35.45	\$1,665.58
Temps HDHP									
6	29	Single	\$658.34	\$2.80	\$655.54	\$17.04	\$672.58	\$9.54	\$682.12
7	29	Family	\$1,591.61	\$2.80	\$1,588.81	\$41.32	\$1,630.13	\$19.11	\$1,649.24

**JULY 2021 NDPERS Health Rates Rate
 Structure B
 New Subscribers or Groups as of July 1, 2021
 and After Rates for July 1, 2022 - June 30, 2023**

Medicare Retiree (Non-Medicare Split Rate)

98	12	Single NM Dependents with GF Status								\$584.30
99	12	Family NM Dependents with GF Status								\$584.30

GAP Coverage

61	12	GAP Single		\$1,030.10	\$2.80	\$1,027.30	\$26.72	\$1,054.02	\$2.80	\$1,056.82	
62	12	GAP Family		\$2,057.38	\$2.80	\$2,054.58	\$53.42	\$2,108.00	\$2.80	\$2,110.80	
63	12	GAP Family (3+)		\$2,571.04	\$2.80	\$2,568.24	\$66.76	\$2,635.00	\$2.80	\$2,637.80	
64	12	GAP 1 Medicare + Other	\$784.58	\$89.32	\$873.90	\$2.80	\$871.10	\$17.58	\$888.68	\$2.80	\$891.48
65	12	GAP 2 Medicare + Other	\$997.06	\$178.64	\$1,175.70	\$2.80	\$1,172.90	\$20.34	\$1,193.24	\$2.80	\$1,196.04
66	12	GAP 3 Medicare + Other	\$1,209.14	\$267.96	\$1,477.10	\$2.80	\$1,474.30	\$23.10	\$1,497.40	\$2.80	\$1,500.20
67	12	GAP 4 Medicare + Other	\$1,421.54	\$357.28	\$1,778.82	\$2.80	\$1,776.02	\$25.86	\$1,801.88	\$2.80	\$1,804.68

EXHIBIT D

Illustration of the NDPERS Settlement Process

Exhibit D

Illustration of the NDPERS Settlement Process

NDPERS Settlement Illustration - No Settlement	Section 7.2		Section 7.3	
	Initial Settlement		Final Settlement	
First Period of Biennium		7/1/21-6/30/22		7/1/21-6/30/22
Second Period of Biennium		7/1/22-6/30/23		7/1/22-6/30/23
Paid Through Date		6/30/2024		6/30/2025
Initial Settlement		7/31/2024		7/31/2025
Average Contracts		8,578		8,578
Average Medicare Contracts		6,711		6,711
Average Non-Medicare Members		1,867		1,867
Earned Biennium Premium (which is net of NDPERS Admin Fee)	1 \$	58,252,272	1 \$	58,252,272
Plus interest on Surplus	2 \$	-	2 \$	-
Less Claims Incurred for Biennium Paid through 6/30/24 (Claims include Value Based Provider Payments/Receivables)	3 \$	(43,166,603)	3 \$	(48,166,603)
Less Estimated Unpaid claims	4 \$	(5,000,000)	4 \$	-
Less Admin Expense (\$43.37 per contract)	5 \$	(8,928,669)	5 \$	(8,928,669)
Less Health Club/Wellness Credit Program (\$5.62 per contract)	6 \$	(1,157,001)	6 \$	(1,157,001)
Subtotal		\$ -		\$ -
Initial Settlement Amount Due to NDPERS 7/31/24				
Final Settlement Amount Due to NDPERS 7/31/25		N/A		
Net Carrier Retained	\$	-	\$	-
NDPERS Settlement Illustration - With Settlement	Section 7.3		Section 7.4	
	Initial Settlement		Final Settlement	
First Period of Biennium		7/1/21-6/30/22		7/1/21-6/30/22
Second Period of Biennium		7/1/22-6/30/23		7/1/22-6/30/23
Paid Through Date		6/30/2024		6/30/2025
Initial Settlement		7/31/2024		7/31/2025
Average Members		8,578		8,578
Average Medicare Members		6,711		6,711
Average Non-Medicare Members		1,867		1,867
Earned Biennium Premium (which is net of NDPERS Admin Fee)	1 \$	58,252,272	1 \$	58,252,272
Plus interest on Surplus	2 \$	-	2 \$	-
Less Claims Incurred for Biennium Paid through 6/30/24 (Claims include Value Based Provider Payments/Receivables)	3 \$	(40,166,603)	3 \$	(45,166,603)
Less Estimated Unpaid claims	4 \$	(5,000,000)	4 \$	-
Less Admin Expense (\$43.37 per contract)	5 \$	(8,928,669)	5 \$	(8,928,669)
Less Health Club/Wellness Credit Program (\$5.62 per contract)	6 \$	(1,157,001)	6 \$	(1,157,001)
Subtotal		\$ 3,000,000		\$ 3,000,000
Initial Settlement Amount Due to NDPERS 7/31/24	\$	(1,500,000)	\$	(1,500,000)
Final Settlement Amount Due to NDPERS 7/31/25		N/A		
Net Carrier Retained	\$	1,500,000	\$	1,500,000

EXHIBIT E

Pharmacy Disease Management Program Obligations

PHARMACY DISEASE MANAGEMENT PROGRAM TERMS

WHEREAS, during the 2007 North Dakota legislative session, House Bill 1433 was passed and enacted into law. House Bill 1433 allows pharmacists and other qualified North Dakota health care providers to provide “disease state management” (DSM) to North Dakota public employees that suffer from chronic diseases and specifically have diabetes; and

WHEREAS, The North Dakota Pharmacy Service Corporation wants to offer a disease state management program of diabetes through delivery of services and support to individual North Dakota public employees (NDPERS Members) that have a chronic disease identified as diabetes (Type 1 or Type 2). To this end, the North Dakota Pharmacy Service Corporation desires to implement a program to increase access to health care, redefine how services are delivered, increase the participants’ knowledgebase regarding their disease, increase the quality of life for participants, improve overall health status and medication adherence for their participants, and reduce health care costs on multiple levels for numerous interest groups; and

WHEREAS, the North Dakota Pharmacy Service Corporation in collaboration with the North Dakota Pharmacists Association, the North Dakota Society of Health-System Pharmacists, and North Dakota State University College of Pharmacy, Nursing and Allied Sciences, proposed an acting model to extend such disease management program to NDPERS Members; and

WHEREAS, NDPERS is interested in offering the services proposed by the acting model to NDPERS Members and reimbursing the North Dakota Pharmacy Service Corporation for the costs of administering this program out of the NDPERS Programs Cash Reserve Account currently held in trust by SHP; and

WHEREAS, as it relates to this acting model diabetes disease management program, NDPERS is desirous of entering into The terms hereof to sponsor and extend the disease management program with SHP to administer certain facets of the program on behalf of NDPERS, including certain reporting requirements, program promotion, and cost reconciliation for the administration of the program based on the responsibilities of SHP in relation to its management of the NDPERS group health plan and the program objectives for monitoring and containing health care; and

WHEREAS, because SHP is contracted with NDPERS to provide health care benefits to NDPERS Members, NDPERS has determined that SHP is best positioned to act as its agent in the administration of the diabetes disease management program.

NOW, WHEREFORE, in recognition of the mutual promises herein contained and for other good and valuable consideration hereby acknowledged by the parties hereto, NDPERS and SHP agree to the following.

I. RECOGNIZING THE PHARMACY DISEASE MANAGEMENT PROGRAM.

SHP acknowledges and agrees that it has reviewed the diabetes disease management program established through the enactment of House Bill 1433 and that the program as outlined provides services consistent with the wellness initiative reflected in the Administrative Services Agreement between SHP and NDPERS. SHP agrees that this program should remain in force through the next biennium.

II. TERM.

The terms relating to the program shall begin on July 1, 2021, and shall extend to June 30, 2023.

III. SCOPE OF PROGRAM.

The duties and responsibilities of SHP in furtherance of the diabetes disease management program as outlined herein shall be limited in nature as specifically set forth herein.

IV. FEES.

As a result of the responsibilities assigned to SHP under the terms of The terms hereof, SHP shall be paid a program promotion fee equal to its actual costs for its development and implementation of a plan to promote the diabetes disease management program contemplated through The terms hereof.

V. REPORTING. SHP agrees to provide the following reports:

- A. Covered Drug List. A covered drug list with established criteria related to drugs by class.
- B. NDPERS Member Eligibility List. A database to identify those NDPERS Members who appear to be eligible for the diabetes disease management program based on criteria developed and provided by NDPERS and/or its vendor, and on a monthly basis track those NDPERS Members eligible for the diabetes disease management program during the term of The terms hereof.
- C. Co-Pay Report. A triannual co-pay report that NDPERS and/or its vendor can use to reconcile appropriate co-pays incurred by eligible NDPERS Members to facilitate incentive payments under the diabetes disease management program, including coinsurance for diabetic testing supplies. SHP agrees to work with NDPERS to develop a reporting format that can be used by NDPERS and/or its vendor in administering the diabetes disease management program.

VI. PROMOTION.

Upon request and subject to approval by the NDPERS Board of Directors, SHP will provide promotional support for the diabetes disease management program services which may include but not be limited to agency notes, paycheck stuffers, e-mail notices, posters, and notices to home addresses to be distributed at periodic intervals throughout the term of The terms hereof. SHP shall be reimbursed its costs for these promotional activities and materials.

VII. PAYMENT RECONCILIATION.

Program costs such as provider payments, copay/coinsurance reimbursements and promotional charges are funded through the NDPERS Programs Cash Reserve Account maintained by SHP after authorization from NDPERS.

EXHIBIT G

Wellness Benefit Program Obligations

WELLNESS BENEFIT PROGRAM TERMS

WHEREAS, the state of North Dakota, acting through NDPERS, and SHP, in an effort to create healthier lifestyles for NDPERS Members and to help contain health care costs, desire to promote, support and sponsor health and wellness initiatives; and

WHEREAS, NDPERS and SHP have agreed to administer a Wellness Benefit Program related to health and wellness promotion for NDPERS Members; and

WHEREAS, the Wellness Benefit Program anticipates there will be costs and fees associated with supporting such health and wellness programs provided to NDPERS Members and to be administered through this agreement with SHP.

NOW, WHEREFORE, in recognition of the mutual promises herein contained and for other good and valuable consideration hereby acknowledged by the parties hereto, NDPERS and SHP agree to the following.

I. TERM.

The terms relating to the program shall begin on July 1, 2021, and shall extend to June 30, 2023.

II. FUNDING.

The parties acknowledge, understand and agree that funding for the benefits and services of the program shall be taken from the NDPERS Programs Cash Reserve Account maintained by SHP.

NDPERS agrees to pay costs associated with the benefits and services extended hereunder to SHP.

Program related activities will be reimbursed based on the following schedule:

Calculation 1: 100% of the first \$500 or actual program expenses, whichever is less, plus 75% of actual expenses in excess of \$500 to a maximum benefit of \$1,000,

OR

Calculation 2: \$2.00 multiplied by the number of health contracts.

The Wellness Committee will use the calculation that provides the best benefit to the state agency or political subdivision based on actual program expenses. The state agency or political subdivision will be responsible for expenses that exceed the maximum benefit allowed under either calculation method.

The parties acknowledge, understand and agree that the fees and charges provisions of the foregoing Administrative Services Agreement, including fees set forth for various wellness programs as approved and funded, are subject to specific funding provisions as set forth between the parties and as available, and are not subject to the final accounting provisions contained in Sections 7.2 and 7.3.

III. OTHER TERMS AND CONDITIONS.

Applications for approval of benefits and services under the Wellness Benefit Program shall be submitted to the Bismarck NDPERS office to the attention of the Chief Benefits Officer by each agency interested in establishing such a program.

A Wellness Committee shall be established to review any such applications submitted. The Wellness Committee shall be comprised of: one (1) NDPERS staff members, and one (1) SHP staff member. Upon appointment, the Wellness Committee shall establish criteria to ensure a uniform basis upon which it may grant or deny each agency application. Wellness benefits or healthy lifestyle programs, such as smoking cessation, nutrition, exercise, stress management, weight control, wellness education and the number of people affected by each program will be taken into consideration and shall be part of the criteria established by the Wellness Committee.

The applying agency will be notified by the Wellness Committee of the approval or denial of the proposed program.

Funds may either be distributed directly to the applying agency or, preferably, paid directly to the vendor providing said service or facilitating said Wellness Benefit Program.

All funds distributed shall be for Wellness Benefit Programs completed within the current 2021-2023 biennium budget.

Funds are available for agency group activities only and will not be available to specific individuals or to fund specific individual memberships in diet programs or health, athletic or fitness clubs.

Applying agencies that receive funds for a Wellness Benefit Program are required to submit to the Wellness Committee an evaluation of the sponsored program after its completion.

EXHIBIT H

BUSINESS ASSOCIATE AGREEMENT

This Agreement is by and between the State of North Dakota by the North Dakota Employee Retirement System (the “Covered Entity”), and Sanford Health Plan (the “Business Associate”) and shall be effective upon the last signature date of either party.

In consideration of the mutual covenants contained in this Agreement and intending to be legally bound, the parties agree as follows:

Section 1. Definitions

- (a) Business Associate. “Business Associate” shall mean Sanford Health Plan.
- (b) Covered Entity. “Covered Entity” shall mean the State of North Dakota by the North Dakota Employee Retirement System.
- (c) Privacy Regulations. “Privacy Regulations” shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 160 and Part 164, Subparts A and E.
- (d) Security Regulations. “Security Regulations” shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 160 and Part 164, Subparts A and C.
- (e) Secretary. “Secretary” shall mean the Secretary of the federal Department of Health and Human Services.

Capitalized terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in 45 C.F.R. §§160.103, 164.304 and 164.501.

Section 2. Obligations and Activities of Business Associate

Business Associate agrees to:

- (a) not use or disclose Protected Health Information other than as permitted or required by this Agreement or as Required By Law;
- (b) use appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement;
- (c) mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement;
- (d) immediately report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware, with such reports including at least the following information:
 - (1) the identity of each individual whose information was accessed, acquired or disclosed during the improper use or disclosure;
 - (2) a brief description of what happened;

- (3) the date of discovery of the improper use or disclosure;
 - (4) the nature of the Protected Health Information that was involved (e.g., social security numbers, date of birth, etc.);
 - (5) any steps individuals should take to protect themselves from potential harm resulting from the improper use or disclosure; and
 - (6) a brief description of what the Business Associate is doing to investigate the improper use or disclosure, to mitigate harm to individuals, and to protect against any further incidents;
- (e) in accordance with 45 C.F.R. § 164.502(e)(1)(ii) and 45 C.F.R. § 308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit Protected Health Information on behalf of the Business Associate agree to the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such information;
 - (f) make available to Covered Entity Protected Health Information in a Designated Record Set as necessary to allow Covered Entity to satisfy its obligations under 45 C.F.R. §164.524 to provide Individuals with access to their Protected Health Information;
 - (g) make available to Covered Entity Protected Health Information in a Designated Record Set for amendment and incorporate any amendments made by Covered Entity in accordance with 45 C.F.R. §164.526 ;
 - (h) make available to Covered Entity the information required to allow Covered Entity to provide an accounting of disclosures in accordance with 45 C.F.R. §164.528;
 - (i) make its internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity available to the Secretary for purposes of the Secretary determining Covered Entity's compliance with the Privacy Regulations;
 - (j) to the extent the Business Associate is to carry out one or more of Covered Entity's obligations under the HIPAA Privacy Regulations, comply with the requirements of the Privacy Regulations that apply to the Covered Entity in the performance of such obligations;
 - (k) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of any electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of Covered Entity, and otherwise comply with the HIPAA Security Regulations with respect to such electronic Protected Health Information, to prevent uses or disclosures of Protected Health Information other than as provided for by this Agreement; and
 - (l) report to Covered Entity any material attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.

Section 3. Permitted Uses and Disclosures by Business Associate

- (a) General Use and Disclosure Provisions

Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity pursuant to the underlying service agreement between the parties, provided that such use or disclosure would not violate the Privacy Regulations if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.

(b) Specific Use and Disclosure Provisions

- (1) Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
- (2) Except as otherwise limited in this Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are required by law or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- (3) Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. §164.504(e)(2)(i)(B).
- (4) Business Associate may use Protected Health Information to report violations of law to appropriate Federal and State authorities, consistent with 45 C.F.R. §164.502(j)(1).

Section 4. Obligations of Covered Entity

Covered Entity shall:

- (a) notify Business Associate of any limitation(s) in its Notice of Privacy Practices in accordance with 45 C.F.R. §164.520, to the extent that such limitation may affect Business Associate's use or disclosure of Protected Health Information;
- (b) notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, to the extent that such changes may affect Business Associate's use or disclosure of Protected Health Information;
- (c) notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. §164.522, to the extent that such restriction may affect Business Associate's use or disclosure of Protected Health Information.

Section 5. Permissible Requests by Covered Entity

Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Regulations if done by Covered Entity.

Section 6. Term and Termination

- (a) Term. The Term of this Agreement shall be effective as of the effective date of the underlying services agreement between the parties and shall terminate upon the earlier of:
 - (1) expiration or termination of the underlying services agreement; or
 - (2) termination of this Agreement for cause by the Covered Entity as authorized by subsection (b) below.
- (b) Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
 - (1) provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity; or
 - (2) immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and cure is not possible.
- (c) Effect of Termination.
 - (1) Except as provided in paragraph (2) of this section, upon termination of this Agreement for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.
 - (2) In the event that Business Associate determines that returning or destroying the Protected Health Information is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the parties that return or destruction of Protected Health Information is not feasible, Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

Section 7. Miscellaneous

- (a) Regulatory References. A reference in this Agreement to a section in the Privacy Regulations or Security Regulations means the section in effect, or as amended.
- (b) Amendment. The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of applicable law governing Protected Health Information.
- (c) Interpretation. Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with applicable law governing Protected Health Information.
- (d) Exclusion from Limited Liability. To the extent Business Associate has limited its liability under the terms of the underlying service agreement, whether with a maximum recovery for direct damages or a disclaimer against any consequential, indirect or punitive damages, or other such limitations, such limitation shall not apply to the following costs to the extent they arise from Business Associate's breach of its obligations relating to the use and disclosure of Protected Health Information:

- (1) the costs of notifying patients of a breach of their protected health information as required by 45 C.F.R. § 164.400 et seq.;
- (2) any civil monetary penalties, fines, or other damages resulting from the action of any state or federal government agency as a result of the breach;
- (3) fees of counsel, forensic computer specialists, and other consultants used to assist the Covered Entity in responding to a breach of Protected Health Information and any subsequent investigation by a federal or state government agency;
- (4) the defense of lawsuits brought by patients alleging invasions of privacy, and any liability resulting from such lawsuits (whether in the form of a judgment or settlement), provided that Business Associate shall have the opportunity to participate in the defense of such lawsuits and to approve any proposed settlement for which it would be financially responsible.

This subsection (d) shall survive termination or expiration of this Agreement for any reason.

The parties have caused this Agreement to be executed on the date first written above.

Covered Entity: State of North Dakota, North Dakota Employee Retirement System

Signature: _____ Date: _____

Title: _____

Business Associate: Sanford Health Plan

Signature: _____ Date: _____

Title: _____

EXHIBIT I

MASTER ADMINISTRATION AGREEMENT

THIS AGREEMENT, made on this 30th day of June, 2021, by and between Sanford Health Plan (“TPA”) and the North Dakota Public Retirement System (“Employer” and “Plan Administrator”).

WHEREAS, Employer has established and maintains certain benefit plans and programs (the “Plans”) some or all of which must comply with the Internal Revenue Code of 1986 (the “Code”); and

WHEREAS, Employer’s benefit plans are not employee welfare benefit plans subject to the Employee Retirement Income Security Act of 1974 (“ERISA”) because they are governmental plans or church plans;

WHEREAS, Employer and Plan Administrator desire that TPA furnish certain services described in this Master Administration Agreement (the “Agreement”) and its Addenda in the operation and administration of the Plans;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and the exhibits and Addenda, if any, attached hereto, Employer, Plan Administrator, and TPA hereby agree as follows:

I. Definitions

The following definitions shall apply to this Agreement and its Addenda, unless a term is defined differently in an addendum:

- A. Addenda – means the Addenda to this Agreement entered into by Employer and/or Plan Administrator and TPA related to the particular Administrative Services to be provided by TPA in addition to the Administrative Services required hereunder. This Agreement includes the following Addenda:
- Cafeteria Plan Services Agreement Addendum
 - Premium Conversion Plan Services Agreement Addendum
 - HSA Administration Services Agreement Addendum
 - HRA Services Agreement Addendum
- B. Administrative Services - means those services relating to the establishment, maintenance, and administration of the Plans to be performed by TPA as set forth in this Agreement and the exhibits and Addenda hereto.
- C. Agreement - means this Master Administration Agreement and any exhibits and Addenda attached hereto and any outside agreements specifically incorporated by reference.
- D. Code - means the Internal Revenue Code of 1986 and regulations thereunder, as amended from time to time.

- E. COBRA - means the Consolidated Omnibus Budget Reconciliation Act of 1985 (as it appears in the Public Health Services Act) and regulations thereunder, as amended from time to time. COBRA does not apply to church plans.
- F. Covered Individual – means a person properly covered under or participating in the Plan to which TPA is providing services, including a Participant and the spouse and dependents of the Participant covered pursuant to the terms of the Plans.
- G. Effective Date - means the date upon which this Agreement, once fully executed by all parties, is first effective, July 01, 2021.
- H. Employer – means North Dakota Public Employees Retirement System.
- I. ERISA - means the Employee Retirement Income Security Act of 1974 and regulations thereunder, as amended from time to time. The Plan is not subject to ERISA.
- J. HIPAA - means the Health Insurance Portability and Accountability Act of 1996 and regulations thereunder, as amended from time to time.
- K. Participant – means an eligible employee or former employee of Employer participating in the Plan to which TPA is providing services in accordance with the terms thereof and an employee or former employee of Employer participating in such Plan pursuant to COBRA. Participants include eligible employees and former employees of the Employer who have a rolled or carried over account balance under a Plan as well as eligible employees and former employees of the Employer who are making or receiving contributions to the Plan.
- L. Plan or Plans - means the following programs or arrangements of benefits established and maintained by Employer with respect to which TPA provides services under this Agreement or its Addenda: Premium Conversion Plan Services Agreement, HSA Administration Services Agreement. If the HSA Administration Services Agreement Addendum is included, "Plan" also includes the health savings accounts to which Employer makes contributions on behalf of its employees. However, the health savings accounts are not governed by ERISA, whether or not the Plans are otherwise governed by ERISA.
- M. Plan Administrator – means the Employer, or other individual or entity, who has been appointed as the administrator of the Plan. To the extent a Plan does not have a Plan Administrator, any provision hereof applicable to the Plan Administrator shall be inapplicable to such Plan.
- N. PPACA – means the Patient Protection and Affordable Care Act, as amended.
- O. Summary Description - means the written document distributed directly or indirectly to Participants explaining the Plan.
- P. Third Party Administrator or TPA – means Sanford Health Plan (including all of its authorized representatives), an independent contractor designated to perform certain administrative services pursuant to this Agreement with respect to the Plans.

II. Plan Establishment & Maintenance

- A. Generally. Employer shall establish the Plans. Employer and/or Plan Administrator shall be responsible for the operation and administration of Plans. In accordance with this

Agreement, TPA shall provide Administrative Services to Employer and Plan Administrator in connection with the establishment, operation, and administration of the Plans.

- B. Plan Amendment & Termination. The Plans may be amended or terminated in accordance with the Plan provisions. If Employer amends a Plan, Employer agrees to notify TPA (1) before the later of the effective date of the amendment or the date of adoption of the amendment, or (2) as soon as administratively feasible. TPA is responsible for providing services related to the amendment only upon its consent, which shall be evidenced by an amendment to this Agreement. Such consent shall not be unreasonably withheld, but may be conditioned upon Employer's agreement to pay increased administrative fees.

III. TPA Responsibilities

- A. Capacity of TPA. In fulfilling its duties and obligations under this Agreement, TPA shall act as the administrative agent of the Plans. TPA does not intend to be the sponsor or Plan Administrator of the Plans or to assume any of the administrative duties or responsibilities commensurate with such designations. Employer shall not hold out to third parties (including Covered Individuals) that TPA serves in any of the foregoing capacities. Employer and Plan Administrator acknowledge that TPA is not an accounting or law firm and no services provided by TPA in accordance with this Agreement will be construed as tax or legal advice as a result of providing such service.
- B. Limited Responsibilities. TPA agrees to provide only the Administrative Services specifically described in this Agreement. Any responsibility with respect to establishment, maintenance, and administration of any welfare benefit plan sponsored by Employer not specifically delegated to TPA herein shall remain the responsibility of Employer and/or Plan Administrator.
- C. Account Servicing and Employee Communication. TPA shall provide account management services. TPA shall provide general administrative services to assist Covered Individuals with general information about the Plans and answer routine questions from persons concerning coverage status, claims status, complaint administration, and other inquiries related to the Plans. TPA shall provide each Participant with appropriate forms and instructions related to TPA's services hereunder.
- D. Employee Meetings. Upon request, TPA will assist with employee meetings with respect to the Administrative Services.
- E. Assistance in Reporting and Notifications. Unless applicable law imposes such responsibility solely on TPA, TPA shall not have any responsibility related to: (1) determining what reporting and notification requirements apply to the Plan; (2) preparing and filing any tax return, report or other document required to be provided to any local, State or Federal government or agency thereof with respect to the Plan (e.g., various reports required under PPACA, etc.); or (3) preparing and distributing any notification required to be provided to any participant of the Plan under applicable law (e.g., Summary Annual Report, various notifications required by PPACA, etc.). Such responsibility for preparing, filing, and/or distributing all tax returns, reports, notifications, or other documents shall be that of Employer or Plan Administrator. Notwithstanding the foregoing, TPA will use its best efforts to assist Employer and Plan Administrator with their reporting and notification obligations.
- F. Compliance with Applicable Law. TPA shall comply with all federal and state laws and regulations applicable to TPA's responsibilities under this Agreement.

- G. Prior Administration. If a Plan existed prior to the Effective Date, TPA shall have no responsibility to audit or review the prior administration for compliance with the Plan and applicable law. If, in the course of providing Administrative Services to the Plan, TPA discovers an error that occurred prior to the Effective Date, TPA will promptly notify Employer and Plan Administrator of such error. Employer and Plan Administrator shall be solely responsible for determining whether, and in what manner, such error shall be addressed. Upon request, TPA may assist Employer and Plan Administrator with correcting such error, provided that Employer and Plan Administrator agree to pay any additional fees requested by TPA. Notwithstanding anything herein to the contrary, TPA shall have no liability for the failure to discover errors in administration of the Plan occurring prior to the Effective Date.
- H. Additional Duties. TPA shall perform all additional duties as required by and specified in the Addenda.

IV. Duties of Employer and Plan Administrator

- A. Eligibility Determination & Information. Employer shall make determinations regarding an employee's eligibility to participate in the Plans (including the eligibility of the owners of Employer), provide eligible employees with necessary enrollment materials and information regarding the Plans, enroll eligible employees into the Plans, and respond to all inquiries from employees regarding eligibility for, enrollment in, and the terms and conditions of the Plans.
- B. FMLA Determinations. Employer shall make determinations regarding FMLA, including, but not limited to, whether FMLA applies. TPA shall not make determinations regarding FMLA. Furthermore, TPA shall be entitled to rely upon the information provided by Employer and is under no obligation to independently verify such information.
- C. Continuation Law Compliance. Employer and/or Plan Administrator shall comply with the applicable provisions of COBRA and state continuation laws with respect to the Plans, including, but not limited to, providing qualified beneficiaries covered by the Plans with initial COBRA notices, notices upon a qualifying event, notices of unavailability, termination notices, and other information concerning COBRA elections.
- D. Medical Child Support Order Compliance. Plan Administrator shall be responsible for all aspects of compliance with medical child support orders. Plan Administrator shall provide notice to TPA of any Covered Individuals covered under the Plan by virtue of a medical child support order and of any Covered Individuals who cease to be covered under the Plan by virtue of the expiration of such an order. TPA shall be entitled to rely upon the information provided by Plan Administrator pertaining to medical child support orders.
 - 1. Payment of Administrative Services Fees for Additional Services. In the event services that are not part of the normal services contemplated by this Agreement are required (e.g., changes in applicable law requiring additional services by TPA), TPA may charge an additional fee commensurate with the additional services provided. TPA will inform Employer of the amount of the additional fee in advance of conducting the additional administrative services. TPA also reserves the right to charge additional fees for repeating, or expanding the scope of, its services due to inaccurate, incomplete, or unusable data supplied by Employer. Any such changes or additions in services under this Agreement including, but not limited to, any changes in fees attributable to such changes or additions in services, shall be reflected in an Agreement amendment in accordance with Section VIII.A.

2. Charges by Third Parties. Unless specifically provided in Exhibit A otherwise, Employer shall be responsible for any fees due and payable to service providers other than TPA.

- E. Employee Meetings. Employer shall establish meeting times conducive to the mutual scheduling needs of Employer, its employees, and representatives of TPA if TPA representatives are expected to attend or otherwise be available for such meetings. Employer shall arrange and provide appropriate and accessible meeting places for all group meetings. Employer shall encourage the participation of all Employer's employees to attend group meetings to include announcement/communication of meeting times and places in accordance with workforce needs.

- F. HIPAA Portability and PPACA. Employer or Plan Administrator shall be solely responsible for determining whether the portability requirements of HIPAA and the group health plan requirements of PPACA apply to the Plan. Unless mutually agreed otherwise, Employer or Plan Administrator shall be solely responsible for complying with (1) the portability requirements of HIPAA, and (2) the group health plan requirements of PPACA, including, but not limited to, the external review requirements, with respect to the Plan.

- G. HIPAA Privacy and Security. Employer and Plan Administrator shall be responsible for complying with the requirements of HIPAA privacy and security applicable to the Plan (as a covered entity). TPA shall not provide services that relate to HIPAA privacy and security including, but not limited to, drafting, amending, or distributing the Plan's Notice of Privacy Practices and preparing the Plan's privacy and security policies and procedures.

- H. Regulatory Compliance. Employer and Plan Administrator shall be responsible for ensuring that the Plans comply with applicable laws and regulations pertaining to the Plans. Employer and Plan Administrator shall be responsible for any and all governmental or regulatory charges resulting from Employer's establishment and operation of the Plans. Employer and Plan Administrator shall be responsible for determining the tax consequences of a Covered Individual's participation in the Plans, if any, and for any tax withholding or reporting related to such participation (e.g., the tax consequences of the participation of individuals deemed to be self-employed under the Code). This provision does not relieve TPA from any statutory or agency requirements placed directly on it as a result of performing services under this Agreement.

- I. Plan Design. Employer possesses and exercises ultimate authority and responsibility for the design of the Plan. Employer has consulted its legal and/or accounting advisors concerning the tax advantages and consequences of sponsoring the Plan and shall not rely on TPA for such guidance.

- J. Plan Interpretation. Employer and/or Plan Administrator possesses and exercises ultimate authority and responsibility for determining benefits under the Plan and making decisions regarding eligibility for participation, termination of participation, and payment of benefits. This authority and responsibility includes, but is not limited to, final review of claim denials.

- K. Other Information. Employer or Plan Administrator (including a designee) shall comply with all requests for information made by TPA reasonably necessary for TPA to fulfill its duties under this Agreement. Any documentation received by Employer or Plan Administrator (including a designee) that should have been provided to TPA shall be promptly forwarded to TPA. Such documentation includes, but is not limited to, claim forms.

- L. Legal Obligations. Employer or Plan Administrator shall possess ultimate responsibility and authority for the operation of the Plans and for their compliance with all applicable laws and regulations pursuant to the provisions of the Plans.

V. Records & Information

- A. Maintenance and Access. TPA, Employer, and Plan Administrator shall maintain adequate records relating to the terms and operation of the Plans for at least the Plan year to which the records relate and for an eight (8) year period thereafter. Each party shall have access to the records relating to the Plans maintained by the other party during normal business hours and upon reasonable notice and request and subject to applicable laws and regulations. The parties shall maintain the confidentiality of any information relating to Covered Individuals and the Plans in accordance with applicable laws and regulations. At the conclusion of the period for which records are required to be kept under this provision and prior to any modification, destruction or disposal of any records, TPA shall provide Plan Administrator an opportunity to review the records and obtain copies of any such records. All costs associated with such inspection and copying of records will be paid by Plan Administrator.
- B. Record Use. TPA, Employer, and Plan Administrator agree that the medical records, names, addresses, telephone numbers, Social Security numbers and other personal information relating to Covered Individuals, which TPA may obtain as a result of performing administrative services may be collected, maintained and used by TPA and Plan Administrator as necessary to administer the Plans. TPA and Plan Administrator may use patient specific and individually identifiable information, as necessary to properly administer the Plans, to defend any claim related to the Plans or to the provision of services under this Agreement, or as otherwise may be permitted by state or federal law. All parties agree that such information shall be considered confidential and protected as required under applicable law.
- C. Confidential Business Information. TPA, Employer, and Plan Administrator shall each take all necessary steps to protect the other parties' confidential business information. Such information shall not be disclosed to third parties without the express written consent of the other parties unless required by law or court order.

TPA understands that Employer must disclose to the public upon request any records it receives from TPA. TPA further understands that any records obtained or generated by TPA under this Agreement may, under certain circumstances, be open to the public upon request under the North Dakota public records law. TPA agrees to contact Employer promptly upon receiving a request for information under the public records law and to comply with Employer's instructions on how to respond to the request.
- D. Use of TPA's Confidential and Proprietary Information. The parties agree that TPA's "service package" is proprietary, including, without limitation, the methodologies, procedures and/or documentation involved in the optimization of employee benefit programs and in achieving of enhanced participation and results. Employer and Plan Administrator agree not to use this information other than for the specific purposes of carrying out the terms of this Agreement, and shall disclose it only to its officers, directors, employees or contractors with a specific need to know.
- E. Transfer of Records. When this Agreement terminates in accordance with Section VII, TPA will transfer to Employer, Plan Administrator, and/or any successor administrator those records TPA determines are reasonably necessary to effectuate a smooth transition of

administration of the Plans and any other records TPA possesses that relate to the Plans. TPA intends that this transfer of records will satisfy its obligation to maintain such records as described above. TPA shall provide Plan Administrator an opportunity to review the records and obtain copies of any such records in addition to the records TPA has identified as necessary for a smooth transition or otherwise transferred. The details of such transfer including, but not limited to, the means, method and timing, shall be agreed to by the parties. All costs associated with such a record review and transfer will be paid by Employer and/or Plan Administrator.

- F. HIPAA Business Associate. TPA acknowledges its role as a business associate of certain Plans for purposes of the privacy and security standards under HIPAA. Exhibit B reflects the business associate contractual requirements.

VI. Indemnification and Limitation of Liability

- A. TPA Indemnification. TPA agrees to indemnify and hold harmless Employer and Plan Administrator from any and all claims, losses, and expenses including, but not limited to, reasonable attorney's fees, incurred by Employer and/or Plan Administrator as a result of TPA's gross negligence, willful misconduct, fraud, criminal conduct, or breach of this Agreement.
- B. Limitation of Liability. TPA shall be responsible for direct damages caused by its failure to satisfy its duties hereunder; provided, however, that TPA shall not be liable for any incidental or consequential damages caused by its failure to satisfy its duties hereunder. In addition, TPA's maximum liability to Employer and Plan Administrator under its indemnification obligation, or for any breach of this Agreement, is limited to the amount of administrative fees paid by Employer to TPA for its services in the previous six (6) month period.
- C. No Guarantee of Benefits. In performing its obligations under this Agreement, TPA neither assumes liability for nor otherwise agrees to underwrite the benefits provided by the Plans. Except as otherwise provided herein, TPA shall have no duty or obligation to defend any legal action or proceeding brought to recover, directly or indirectly, a claim for benefits.
- D. Reliance on Data & Direction. Notwithstanding any provision of this Agreement to the contrary, TPA is not responsible or liable for any acts or omissions made pursuant to any direction, consent, or other request reasonably believed by TPA to be genuine and from an authorized representative of Employer or Plan Administrator. TPA is not responsible or liable for acts or omissions made in reliance on erroneous data provided by Employer or Plan Administrator to the extent TPA's acts or omissions are attributable to the erroneous data, or for the failure of Employer or Plan Administrator to perform their obligations under this Agreement.

VII. Term and Termination

- A. Term. This Agreement is effective as of the Effective Date and shall continue for a period of twenty four (24) consecutive months until the termination of this Agreement pursuant to this Section VII of the Agreement.
- B. Termination. This Agreement and its Addenda may be terminated by either party at the end of a term upon written notice of the intention to terminate given to the other party at least sixty (60) days prior to the end of such term. This Agreement and its Addenda may be terminated by either party at any time upon written notice to the other party if such

other party files a voluntary petition in bankruptcy, admits in writing to its inability to pay its debts, makes a general assignment for the benefit of creditors, is adjudicated as bankrupt or insolvent, or has an involuntary petition in bankruptcy or similar proceeding commenced against it. Each party agrees that it shall provide the other party with immediate written notice upon the occurrence of any of the events described herein.

C. Termination for Lack of Funding or Authority

Employer by written notice to TPA, may terminate the whole or any part of this Agreement under any of the following conditions:

1) If funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for purchase of the services or supplies in the indicated quantities or term.

2) If federal or state laws or rules are modified or interpreted in a way that the services are no longer allowable or appropriate for purchase under this Agreement or are no longer eligible for the funding proposed for payments authorized by this Agreement.

3) If any license, permit, or certificate required by law or rule, or by the terms of this Agreement, is for any reason denied, revoked, suspended, or not renewed.

Termination of this Agreement under this subsection is without prejudice to any obligations or liabilities of either party already accrued prior to termination.

D. Automatic Termination. The Agreement and its Addenda shall automatically terminate upon:

1. The material breach of the terms of this Agreement by any party, including, but not limited to, failure to provide adequate funds to the Claims Account or to remit service fees due TPA, if such material breach is not corrected to the reasonable satisfaction of the non-breaching party within ten (10) days of receipt of written notice specifying the nature of the breach;

2. The enactment of any law, promulgation of any regulation or action of any State or Federal agency or authority which makes or declares illegal the continuance of this Agreement or the performance of any of the services of TPA hereunder.

E. Post-Termination Obligations. Upon termination of this Agreement, TPA shall cease to act on behalf of Employer and Plan Administrator. Employer and Plan Administrator shall be responsible for the administration of the Plans, and the processing of benefit claims received on or after the effective date of termination. TPA reserves the right to notify Covered Individuals that TPA no longer acts on behalf of Employer and Plan Administrator following termination of the Agreement. Notwithstanding the foregoing, TPA may, as mutually agreed upon by Employer, Plan Administrator, and TPA, provide certain administrative services following the termination of this Agreement. Such services shall be provided pursuant to and solely in accordance with a written addendum to this Agreement signed by Employer, Plan Administrator, and TPA.

F. Survival. Any provisions of this Agreement that by their terms impose obligations and responsibilities that extend beyond the term of this Agreement, including, but not limited to, Articles V, VI, and VII, shall survive termination of this Agreement.

VIII. Miscellaneous

- A. Agreement Amendment. Except as provided in Section IV.E., this Agreement may be amended only by mutual agreement in writing executed by all parties, except that TPA may amend this Agreement to the extent necessary to comply with applicable federal, state, or local laws or regulations.
- B. Notices. All notices, requests, consents and other communications required or permitted under this Agreement shall be in writing and delivered personally, or sent by registered or certified mail or nationally recognized overnight carrier, postage prepaid, or by facsimile transmission, to the address set forth below, or to such other address set forth in a notice given in the manner herein provided. All such notices, requests, information or other communications shall be deemed to have been given (i) when delivered if personally delivered, (ii) three business days after having been placed in the mail, if delivered by registered or certified mail, (iii) the business day after having been placed with a nationally recognized overnight carrier, if delivered by nationally recognized overnight carrier, and (iv) the business day after transmittal by facsimile if transmitted with electronic confirmation of receipt.

If to Employer and Plan Administrator:

State of North Dakota
North Dakota Public Employees Retirement System
Executive Director Scott Miller
400 E. Broadway Ave Suite 505
PO Box 1657
Bismarck ND 58502-1657
F: (701) 328-3920
Ndpers-info@nd.gov

If to TPA:

Sanford Health Plan
300 Cherapa Place #201
Sioux Falls, SD 57103
Phone: 877-737-7730
Fax: 605-328-7207

Upon the occurrence of a change in any of the above address information, each party shall notify the other party(ies) of such change within five (5) business days of the effective date of the change.

- C. Severability. The provisions of this Agreement are severable. If any provision of this Agreement is held invalid by a court of law or other tribunal, the invalidity of any provision will not affect any other provision of this Agreement.
- D. No Waiver of Rights. Nothing in this Agreement shall be deemed to limit or abrogate any right or remedy available under law. The failure of any party to insist upon the strict observation or performance of any provision of this Agreement or to exercise any right or remedy shall not impair or waive any such right or remedy.
- E. Non-Assumption of Liabilities. Unless specifically provided in this Agreement, the parties do not assume the existing or future obligations, liabilities or debts of the other party.

- F. Entire Agreement. This Agreement shall supersede and replace any and all other agreements between the parties relating to the same subject matter. This Agreement contains the entire agreement and understanding of the parties relating to the subject matter hereof, except as otherwise provided in this Agreement.
- G. Governing Law. This Agreement is governed by and construed in accordance with the laws of the State of North Dakota. Any action to enforce this Agreement must be adjudicated exclusively in the state District Court of Burleigh County, North Dakota. Each party consents to the exclusive jurisdiction of such court and waives any claim of lack of jurisdiction or *forum non conveniens*.
- H. Independent Contractors. TPA shall be construed to be acting as an independent contractor and not as an employee of Employer or Plan Administrator. TPA, Employer and Plan Administrator shall not have the power or authority to act for or on behalf of, or to bind the other party, except as set forth in this Agreement.
- I. Third Party Beneficiaries. The obligations of each party to this Agreement shall inure solely to the benefit of the other party(ies). Except as expressly provided in this Agreement, no person or entity is intended to be or shall be construed or deemed to be a third party beneficiary of this Agreement.
- J. Copyrighted Works. Employer and Plan Administrator acknowledge that TPA and its agents are the sole copyright owners of all plan documentation, administrative guides and forms, content of the web site, and all other materials provided under the terms of this Agreement and that such materials are proprietary to TPA. TPA grants Employer and Plan Administrator a nonexclusive, nontransferable right to copy such materials provided such copies are needed for the sole purpose of collecting and reporting information regarding Participants or notifying Participants of information regarding the Plan. Other materials provided by TPA shall not be copied or reproduced by Employer or Plan Administrator without TPA's prior written consent.
- K. Successors and Assigns. This Agreement shall be binding on any successors, assigns and subcontractors of the parties authorized under this Agreement.
- L. Audit Rights. All records, regardless of physical form, and the accounting practices and procedures of TPA relevant to this Agreement are subject to examination by the North Dakota State Auditor, the Auditor's designee, or Federal auditors, if required. TPA shall maintain all of these records for at least three (3) years following completion of this Agreement and be able to provide them upon reasonable notice. Employer, State Auditor, or Auditor's designee shall provide reasonable notice to TPA prior to conducting examination.
- M. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.
- N. Force Majeure. Neither party shall be liable for any delay or failure to perform its obligations under this Agreement arising out of a cause beyond its control or without its fault or negligence. Such causes may include, but are not limited to, fires, floods, and natural disasters.
- O. Authority. This Agreement is the valid and binding obligation of Employer and Plan Administrator, enforceable in accordance with its terms. The execution and performance

of this Agreement has been duly authorized by all necessary action of Employer's governing body. Employer and Plan Administrator have the full legal right, power and authority to enter into and perform the Agreement. Each party represents that this Agreement has been executed by a duly authorized representative.

- P. Acceptance of Agreement. Payment to TPA by Employer (either through direct check or electronic funds transaction) made at least seven (7) days following receipt of this Agreement for services described in this Agreement will signify Employer's and Plan Administrator's acceptance of all terms, conditions, and obligations of this Agreement. Acceptance will be effective on the Effective Date.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the Effective Date.

EMPLOYER

PLAN ADMINISTRATOR

By: _____
Authorized Representative of
North Dakota Public Employees Retirement System

By: _____
Authorized Representative of
Sanford Health Plan

Its: _____

Its: _____

THIRD PARTY ADMINISTRATOR

By: _____
Authorized Representative of
Sanford Health Plan

Its: President, Health Plan _____

**PREMIUM CONVERSION PLAN SERVICES AGREEMENT ADDENDUM
to the
MASTER ADMINISTRATION AGREEMENT**

between

**Sanford Health Plan (“TPA”
and**

North Dakota Public Employee Retirement System (“Employer” and “Plan Administrator”)

The purpose of this Addendum is to describe the services, in addition to those services described in the Agreement, to be furnished by TPA with respect to the premium conversion plan (the “Plan”) (within the meaning of Section 125 of the Code) established and maintained by Employer.

I. Definitions

In addition to the definitions contained in the Agreement, which are hereby incorporated herein to the extent not inconsistent herewith, the following definitions shall apply to this Addendum:

- A. Addendum – means this Premium Conversion Plan Services Addendum to the Agreement.
- B. Effective Date - means the date upon which this Addendum, once fully executed by all parties, is first effective, July 1, 2021.
- C. Plan - means Employer’s premium conversion plan under Section 125 of the Code.

II. TPA Responsibilities

- A. Plan Documentation. Employer and Plan Administrator shall have ultimate responsibility for all aspects of the Plan documentation, including, but not limited to, written Plan documents, Summary Descriptions, Plan amendments, and Summary Description updates. TPA will provide Employer with services related to the initial preparation, periodic revision, and printing of the Plan documents, Summary Descriptions, and related documentation. Employer and Plan Administrator shall approve all such materials within thirty (30) days following delivery by TPA, unless such deadline is extended by mutual agreement of all parties. Employer’s and/or Plan Administrator’s failure to object within such time period (including any agreed upon extension period) shall constitute approval. Unless Employer, Plan Administrator and TPA mutually agree otherwise, Plan Administrator shall deliver to all Covered Individuals all appropriate and necessary documents and materials, including, but not limited to, the Plan documents, Plan amendments, Summary Descriptions, enrollment forms, application forms, and notices, as may be necessary for the operation of the Plans or to satisfy the requirements of state or federal laws and regulations.

III. Duties of Employer and Plan Administrator

- A. Premium Payments. Employer shall withhold premium conversion payments from a Participant’s compensation and shall forward such payment to the insurance carrier or other provider that makes the underlying health or welfare coverage available.
- B. Election Changes. Employer shall process and determine the appropriateness of all requests by Participants to change their elections under the Plan.

- C. Nondiscrimination Testing. Employer shall be responsible for the nondiscrimination testing applicable to the Plan under the Code and for ensuring the Plan's compliance with the Code's nondiscrimination requirements.

IV. Term and Termination

- A. Term. This Addendum is effective as of the Effective Date and shall continue in effect for the term of the Agreement, unless earlier terminated pursuant to this Section IV.B. of the Addendum.
- B. Termination. This Addendum shall terminate effective with the termination of the Agreement. In addition, this Addendum may be terminated or shall terminate, without the termination of the Agreement, as provided in Sections VII.B. VII.C., and VII.D. of the Agreement.

IN WITNESS WHEREOF, the parties have executed this Addendum to be effective as of the Effective Date.

EMPLOYER

THIRD PARTY ADMINISTRATOR

By: _____
Authorized Representative of
North Dakota Public Employee Retirement System

By: _____
Authorized Representative of
Sanford Health Plan

Its: _____

Its: President, Health Plan

**HSA ADMINISTRATION SERVICES AGREEMENT
ADDENDUM
to the
MASTER AGREEMENT FOR ADMINISTRATIVE SERVICES**

between

**Sanford Health Plan ("TPA")
and
North Dakota Public Employee Retirement System ("Employer")**

The purpose of this Addendum is to describe the services, in addition to those services described in the Agreement, to be furnished by TPA to Employer with respect to the health savings accounts ("HSAs") established and maintained by Employer's employees.

I. Definitions

In addition to the definitions contained in the Agreement, which are hereby incorporated herein to the extent not inconsistent herewith, the following definitions shall apply to this Addendum:

- A. Addendum - means this HSA Administration Services Agreement Addendum to the Agreement.
- B. Effective Date - means the date upon which this Addendum, once fully executed by all parties, is first effective, July 1, 2021.
- C. HSA – means the health savings accounts established by employees of Employer to which Employer is making contributions (including contributions through the Employer's cafeteria plan).

II. TPA Responsibilities

- A. Selection of HSA Trustee/Custodian. TPA shall select the trustee/custodian of the HSA. In the event the HSA trustee/custodian changes, TPA will assist with the transition to the new HSA trustee/custodian.
- B. Eligibility. TPA shall assist Employer's employees to determine whether they are eligible for HSA contributions based upon information provided by such employees. Notwithstanding the foregoing, it shall be the ultimate responsibility of each employee to determine whether he or she is eligible for HSA contributions.
- C. Contribution Limits. TPA shall respond to inquiries from Employer regarding whether the contributions made by or through the Employer exceed the contribution limit established by the Code. In performing this service, the TPA is entitled to rely upon the information provided by Employer. Notwithstanding the foregoing, Employer is responsible for all applicable tax reporting and withholding responsibilities resulting from excess contributions.
- D. Comparable Contributions. If Employer's HSA contributions are subject to the comparable contribution requirements of Section 4980G of the Code, TPA shall assist Employer, based upon information provided by Employer, with determining whether such contributions are comparable. The TPA may rely upon the information provided by Employer in performing this service. Notwithstanding the foregoing, it shall be the Employer's ultimate

responsibility for ensuring its contributions comply with the comparable contributions rules, if applicable.

- E. Customer Service. TPA shall provide customer service with respect to inquiries from HSA owners regarding HSA balances, HSA distributions, and other issues regarding the HSAs. In some cases, TPA shall direct an HSA owner's inquiry to the HSA trustee/custodian. Notwithstanding the foregoing, TPA shall not provide tax or legal advice to HSA owners.
- F. Website. TPA or its subcontractor, which may be the HSA trustee/custodian, shall provide a website that HSA owners may access containing HSA account balance information.
- G. Debit Card Services. TPA will provide the following services with respect to the issuance of debit cards:
 - 1. Obtain all information necessary for issuance of debit cards to HSA owners. TPA is entitled to rely upon the accuracy and completeness of all information provided by Employer.
 - 2. Through its subcontractor, issue debit cards and process debit card transactions.
 - 3. Establish a process with the HSA custodian to withdraw funds from the HSAs to fund debit card transactions.
 - 4. Provide communications to HSA owners regarding use of debit cards.
- H. Distributions. Except as otherwise provided herein, TPA shall have no responsibilities with respect to distributions from HSAs. Distributions are made by the HSA trustee/custodian.

III. Duties of Employer

- A. High Deductible Health Plan. Employer shall obtain the high deductible health plan coverage that qualifies employees to make or receive HSA contributions and shall determine that such coverage meets the requirements of Section 223 of the Code. Employer may separately contract with TPA for such coverage.
- B. Establishing HSAs. Employer shall assist its employees with establishing HSAs at approved HSA trustees/custodians.
- C. HSA Contributions. Employer shall be responsible for transferring HSA contributions (including contributions made via salary reduction through Employer's cafeteria plan) to the HSA trustee/custodian. Notwithstanding the foregoing, based upon information supplied by Employer and upon written request made each Plan Year, TPA will transfer HSA contributions (including contributions made via salary reduction through Employer's cafeteria plan) to the HSA trustee/custodian.
- D. Information. Employer shall provide all information to the TPA needed by the TPA to fulfill its responsibilities described above.
- E. Tax Reporting. Employer shall report all Employer HSA contributions on an employee's W-2.

IV. Term and Termination

- A. Term. This Addendum is effective as of the Effective Date and shall continue in effect for the term of the Agreement, unless earlier terminated pursuant to this Section IV.B. of the Addendum.

- B. Termination. This Addendum shall terminate effective with the termination of the Agreement. In addition, this Addendum may be terminated or shall terminate, without the termination of the Agreement, as provided in Sections VII.B, VII.C., and VII.D. of the Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the Effective Date.

EMPLOYER

THIRD PARTY ADMINISTRATOR

By: _____
Authorized Representative of
North Dakota Public Employee Retirement System

By: _____
Authorized Representative of
Sanford Health Plan

Its: _____

Its: President, Health Plan _____



**North Dakota
Public Employees Retirement System**
400 East Broadway, Suite 505 • Box 1657
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Scott A. Miller
Executive Director
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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: June 8, 2021

SUBJECT: 2019-2021 Performance Guarantee Analysis

At the May Board meeting, Sanford Health Plan (SHP) provided an update regarding the 2019-2021 Performance Guarantees, specifically discussing those that will likely not meet the required threshold for the biennium. SHP indicated that the reason they felt the threshold would not be met was due to the impact of COVID-19 on the membership. The Board requested that staff and SHP review whether the Board could consider modifications or exemptions of these performance guarantees in light of the pandemic.

The attachment provides further detail for the Board's consideration regarding the guarantees that SHP feels they will not obtain due to COVID-19. The three guarantees in question are the Fitness Center Reimbursements, Cervical Cancer Screenings and Breast Cancer Screenings.

In addition as outlined in the attachment, SHP did find that for the first biennium with them, the Board did approve an exemption to a performance guarantee as it was determined it was not obtainable. Deloitte was consulted at the time and concurred with SHP's determination. Therefore, staff asked Deloitte to review the attachment to determine if they feel a modification or exemption on these guarantees is reasonable due to the impact of COVID-19 and also what they are experiencing with other clients. Deloitte indicated that they are aware of other clients that have modified or exempted guarantees due to the impact of the pandemic. Specifically, they provided details that the State

of Minnesota exempted a suite of claims-based guarantees that included High Tech imaging PMPM trend, Medical Drug PMPM trend, Inpatient admit and specialist visit trends and Disease management program performance metrics. Although they do not have specific guarantees similar to those that NDPERS has related to fitness center reimbursements and cancer screenings, Deloitte indicated that if they had, they believe Minnesota would have also exempted those. Deloitte indicated they agree that the pandemic significantly impacted SHP's ability to meet the required measurement for the performance guarantees.

Staff does recognize that due to COVID-19, fitness centers were closed and even upon reopening, members may have been hesitant to utilize the facilities due to concerns of exposure to COVID. In addition, many clinics were closed for routine screenings and were only open for urgent or emergency care. Once reopened, members may have continued to delay having their screenings done due to concerns with exposure to COVID. Therefore, should the Board wish to modify or exempt these performance guarantees for the 2019-2021 biennium, staff do not have concerns with this decision.

Board Action Requested:

Determine if an exemption or modification should be made to any of the three performance guarantees that SHP will not meet for the 2019-2021 biennium.



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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: June 8, 2021

SUBJECT: Sanford Health Plan Updates

Sanford Health Plan (SHP) has a number of updates that they wish to provide to the Board.

Vendor Change for Health Savings Account Administration

Sanford Health Plan will be changing the vendor that they use for administration of the Health Savings Account (HSA) for members that participate in the High Deductible Health Plan. The current vendor is WEX and the new vendor will be HealthEquity. An implementation team made up of staff from SHP, NDPERS and HealthEquity is working on the transition, which is effective July 1, 2021. Please see Attachment 1 for further details.

Livongo: New Offering to Assist Members with Diabetes

SHP has contracted with Livongo, a digital self-management program for individuals with Type I and Type II Diabetes, to make their services available to SHP members, including NDPERS members. SHP has provided Attachment 2 as an overview. We have also asked SHP to present additional information to the Board at the July meeting specific to the program and how it offers an additional resource for our members with this disease. We asked them to explain how it fits in with our other diabetes management resources, including the About the Patient Diabetes Management Program, which is the prescription drug adherence program available to this population.

Virtual Care & COVID: Benefit Coverage Update

Attachment 3 gives an update by SHP of an upcoming change in virtual care coverage effective June 15, 2021. Specifically, non-COVID related virtual care services will be

subject to cost sharing amounts in accordance with the Certificate of Insurance. During the pandemic, all virtual care services were paid at 100%, with zero cost share for the member.

Representatives from SHP will be available at the Board meeting to discuss any questions that you may have.

Memo

To: Rebecca Fricke
From: Steve Webster
Date: May 26, 2021
Re: HSA vendor change

Sanford Health Plan (SHP) has entered into partnership with HealthEquity, a company that currently administers Health Savings Accounts (HSAs) and other consumer-directed benefits for more than 12 million account holders. Effective July 1st, HSA administration will be performed on HealthEquity's platform, while SHP will maintain current staff assigned to the NDPERS account.

Together, Sanford Health Plan and HealthEquity will deliver a fully integrated approach to consumer-driven health care. It's a market-leading solution with top-tier customer service, easy enrollment, less paperwork and hassle-free claims.

What this means:

1. Zero costs to NDPERS
2. Claims, eligibility and data files directly imported to HealthEquity
3. Dedicated service and support

Member Experience:

1. Mobile app and easy to use online application
2. 24 x 7 - 365 day customer service
3. On-line chat and HSA learn site
4. Seamless transition of existing funds to HealthEquity custodian
5. New debit card

Memo

To: Rebecca Fricke
Date: May 25, 2021
Re: Diabetes Management Programs- New Offering: Livongo

Sanford Health Plan (SHP) has contracted with Livongo to launch a new digital, self-management program for members with Type I and Type II Diabetes, effective 7.1.21. Diabetes is one of the focal areas within our Population Health strategy and this self management tool will further address the needs of NDPERS members across the continuum of care.

The program is designed for behavior change, utilizing a personalized, human-centered approach through connected devices. This connectivity assists SHP to collect and aggregate real-time data securely as members navigate their daily lives, allowing us to meet members where they are, when they need it based on their conditions, motivations, and lifestyles.

How it works:

Step 1: Identify eligible members with type 1 or 2 diabetes via secure sharing of eligibility and medical/pharmacy data.

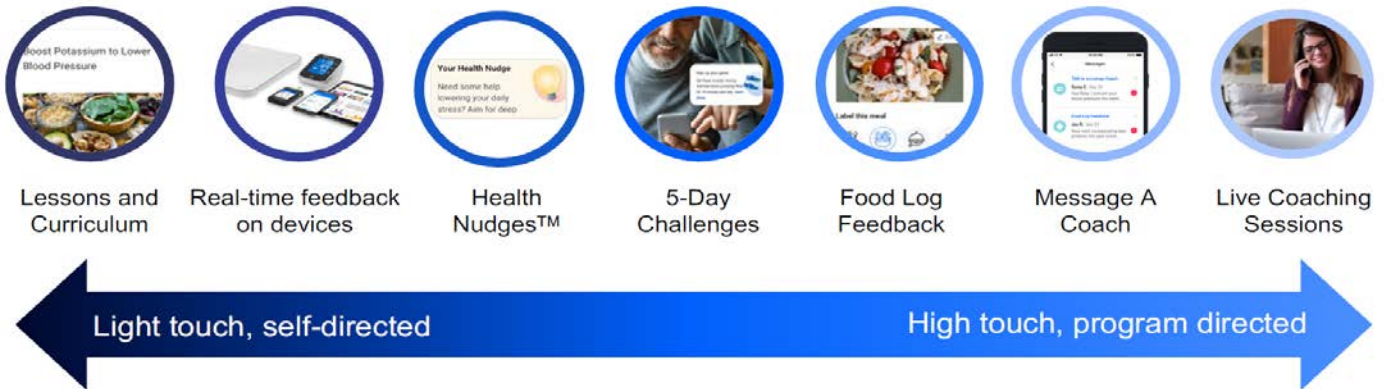
Step 2: Livongo sends targeted communications and pre-registers members, using data to personalize the program for each member.

Step 3: Member enrolls on-line or phone, creating a username/password, then tailors their experience at the start of the program.

Metrics and incentives:

- Incentives will be offered throughout the engagement period to gain optimal enrollment of 35%
- Wide variety of monetary and non-monetary items are offered to motivate members with diabetes to take action.
- Incentives are also provided when goals are met, reinforcing positive behavioral changes and outcomes

Program Curriculum:



Expected Outcomes:

- Average A1c reduction of 1%
 - For members beginning with an uncontrolled (HbA1c $\geq 7\%$) and has been enrolled at least 6 months or more
- Increased percentage of members in control of HbA1c ($< 7\%$)
 - 46% at baseline to 63% at 6 months or longer

Diabetes Programs:

Type I & II

- About the Patient Program
- Case & Rx Management
- Livongo **(New)**
- Exercise is Medicine Program
- Lifestyle Medicine Program

Pre Diabetics

- Digital Diabetes Prevention Program
- Exercise is Medicine Program
- Lifestyle Medicine Program

Memo

To: Rebecca Fricke
From: Steve Webster
Date: May 21, 2021
Re: Virtual Care Benefit Coverage Update

Sanford Health Plan (SHP) has reached a decision that effective June 15, 2021, non-COVID related Virtual Care services will be subject to cost sharing amounts in accordance to Certificate of Insurance in force. Previously, all Virtual Care services were paid at 100%, zero cost share for the member.

In March 2020, a temporary provision was put in place to meet the increased demand for Virtual Care care due to COVID-19 Public Health Emergency, in accordance to each states' guidelines. COVID-19 diagnosed Virtual Care care will continue to be paid at 100% at this time. SHP has seen significant reductions in Virtual Care services due to the vaccine administration trends, relaxation of the mask mandates and the arrival of summer – All key drivers for this decision.

What this means:

- All Virtual Care benefits will revert back to “pre-COVID-19” coverage
 - Medically appropriate services in a Virtual Care setting will continue to be covered, subject to cost share.
 - COVID-19 diagnosed Virtual Care care will continue to be paid at 100%
 - COVID-19 testing will continue to be paid at 100%
 - COVID-19 vaccines will continue to be paid at 100%

Member and Employer group outreach will be conducted using past communication channels, including updated FAQ's on Sanford Health Plan's website.



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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: June 8, 2021

SUBJECT: Tobacco Cessation Program

On May 11, the Department of Health notified Sanford Health Plan (SHP) that the 67th Legislative Assembly did not provide an appropriation for the grant funding for the NDPERS Tobacco Cessation Program. The following is that notice:

The 67th North Dakota Legislature adjourned on April 30, 2021, making the budget for the North Dakota Department of Health (NDDoH) final. The NDDoH funding bill, SB 2004, contains the final budget allocations for the July 1, 2021 to June 30, 2023 biennium. The funding previously provided for tobacco cessation services for the NDPERS members was not included in the budget for the 2021-2023 biennium. Subsequently, we cannot provide a grant to Sanford Health Plan for the 21-23 biennium for tobacco cessation for NDPERS members. Funding for NDPERS tobacco cessation services provided through Sanford Health Plan will end on June 30, 2021.

The lack of funding for NDPERS cessation is unfortunate. We are working to develop ways to utilize NDQuits to provide these services for our NDPERS members. We will work quickly to attempt to replace these services. The service and dedication provided by Sanford Health Plan for this cessation benefit will be hard to match. Thank you for all you have done for NDPERS members to help with tobacco cessation efforts.

*Neil Charvat
Director, Tobacco Prevention and Control Program*

Therefore, the NDPERS Tobacco Cessation Program will end on June 30, 2021, and grant funding is not available for the upcoming biennium. SHP has provided the attachment with further details, including that notification will be sent to current participants to inform them that benefits are no longer available as of this date.

NDPERS and SHP staff have been discussing options to offer a similar program should the Board be interested in having a program available and funding the program from health insurance plan reserves. SHP estimates that the current program cost, including administration and member benefits, is approximately \$80,000-\$90,000 per biennium. The current program is only available to active employees and covered dependents (age 18 and over) of state agencies, district health units and the Garrison Diversion. It is not available to employees or dependents of political subdivisions. One thing the Board may wish to consider if it wants to continue to offer a similar program is to expand the eligible population to all active employees, regardless of being state or political subdivision employees. However, this could potentially double the cost due to the increase in population.

In addition, Neal Charvat, Director of the Department of Health's Tobacco Prevention and Control Program Division, reached out to NDPERS and has requested a meeting to determine if there is an opportunity to continue the program or something similar with them. Staff are meeting with Neal and his team the week prior to the Board meeting and will be able to provide an update at the meeting.

If the Board would like staff to develop a similar program to be offered and paid for from the health insurance plan reserves, staff will work with SHP, and possibly the Department of Health, and bring back a final proposal for Board review and approval at the July meeting.

Board Action Requested:

Determine if staff should develop a program similar to the current Tobacco Cessation Program to be funded by health insurance plan reserves for the 2021-2023 biennium.

Memo

To: Rebecca Fricke
From: Steve Webster
Date: May 20, 2021
Re: Tobacco Cessation Grant discontinued

On May 11, 2021, the Department of Health notified Sanford Health Plan that North Dakota Department of Health funding bill, Senate bill 2004, for the July 1, 2021- June 30, 2023 biennium, did not include funding for the NDPERS Tobacco Cessation program. Therefore, funding for the NDPERS Tobacco Cessation program will cease on June 30, 2021. Tobacco Cessation services received on or after July 1, 2021 will not be paid.

Presently, all grant monies have been exhausted and Sanford Health Plan has agreed to continue reimbursing Tobacco Cessation services received through June 30, 2021. The estimated shortfall is approximately \$10,000. This is due to higher than expected participation in the program.

Sanford Health Plan is scheduled to notify active participants of the discontinuance of the program and services received July 1, 2021, thereafter, will not be paid.



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Memorandum

TO: NDPERS Board

FROM: Scott

DATE: June 8, 2021

SUBJECT: Value Based Care Arrangement

Effective July 1, 2019, pursuant to Board approval, Sanford Health Plan (SHP) implemented a Value Based Care Arrangement that was designed to encourage health care providers to improve the efficiency of their care. As we are about to go into the new biennium, SHP is proposing that the Board approve the modification of that plan. SHP's proposal is contained within the attached memo.

Board Action Requested: Approve or deny the modification of the plan.

Memo

To: Scott Miller

From: Don Schott

Date: May 26, 2021

Re: Modifications Proposed to Value Based Arrangement (VBA) Settlement Calculation

Healthcare systems have requested a couple of modifications to the settlement calculations within the current risk models.

Currently six healthcare systems are participating in the NDPERS' VBA which is designed to hold healthcare systems accountable for the quality and cost of care of its attributed members. Each healthcare system selects one of two risk options; 1) 50/50 Upside/Downside Risk Share, or 2) Potential Upside Gains without Downside Risk.

Option #1 – 50/50 Upside/Downside Risk Share

If the healthcare system earns shared savings, and has met the minimum quality score, the first dollar per member per month of shared savings will be paid to the healthcare system, while the remaining shared savings will be shared 50-50 with Sanford Health Plan (SHP), plus any additional shared savings percentage earned through exceptional quality performance. If the healthcare system incurs shared losses, 50% of the shared losses will be repaid to SHP. Shared savings and shared losses are limited to 5% of the total adjusted allowed amount of the performance period.

Healthcare systems argue that since the targets are largely based on historical costs, perennially high performing healthcare systems have a greater challenge of achieving savings in future periods. In recognition of the diminishing prospects of continually lowering costs, along with the increasing probability of having a year not as good as the previous, healthcare systems have requested that the shared losses commensurate with their cost performance relative to that of peer healthcare systems.

Option #2 – Progressive Upside Potential with No Downside Risk

If the healthcare system earns shared savings and has met the minimum quality score, the first dollar PMPM of shared savings will be paid to the Healthcare system, while the remaining savings will be shared between the health system and SHP based on their savings performance level as follows:

- Healthcare systems receive 10% of the savings if the savings is less than 2% under the risk adjusted PMPM target
- Healthcare systems receive 20% of the savings if the savings is between 2% and 5% under the risk adjusted PMPM target
- Healthcare systems receive 30% of the savings if the savings is 5% or greater under the risk adjusted PMPM target
- Healthcare systems will have no financial responsibility should the performance period PMPM exceeds the risk adjusted PMPM target.

Healthcare systems claim that even though this option contains no downside risk, the upside is insufficient to cover the extra administrative expenses necessary to manage the care of these patients. They argue that, in particular, sharing only 10% of any savings does not adequately recompense them for the cost of administering the program.

Recommendations:

- 1) In an effort to address the concern associated with the 50/50 shared savings/loss arrangement and to encourage Healthcare systems to move into this option, SHP proposes to recognize the high performers and limit the shared loss amount based on the healthcare system's total cost of care index (TCI). The TCI measures efficiency, intensity, and price of care delivered by a Healthcare system to that of their peers. Hence, for every 1 point the TCI is below the average, the current 5% max loss limitation would be reduced by 1% point, not to be less than 1%. In other words, if a provider's TCI is 4 percentage points or more below the benchmark their maximum loss would be limited to 1% of the health system's attributed members' total allowed amount. In following suit, 3 percentage points below target would yield a maximum loss of 2% of attributed members' allowed amount, 2 points below yields a maximum loss of 3% and 1 point below reduces the maximum loss amount to to 4%. It is important to note, that no matter how good the health system's performance may be compared to its peers, it will still be subject to a shared loss of up to 1% of its attributed members' total medical spend.
- 2) To incentivize Healthcare systems continued participation in the VBA model, SHP proposes to change the shared savings portion to 20% for savings of less than 5% for the progressive upside/no downside risk option. Savings of greater than 5% would continue to share 30% of the savings with Healthcare system. This change still allows SHP/NDPERS to retain 80% of the savings. The goal of the no downside risk option is to allow time for healthcare systems to implement the services necessary to manage the cost of care. It is anticipated that health systems will gradually move to the 50/50 risk option as they become more equipped to successfully do so.



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Memorandum

TO: NDPERS Board

FROM: Aime

DATE: June 8, 2021

SUBJECT: Website and YouTube Update

This morning, we are officially finalizing the transition to the state website platform. Through this transition, the user experience was simplified, which should improve the overall navigation.

During the next couple of weeks, we'll continue improving the content through the site and leveraging many of the features the state website platform offers.

Additionally, we implemented a YouTube channel to accommodate our large video files and better serve members. Currently, our channel has recordings from the Financial Essentials Workshop (FEW), the Pre-Retirement Education Program (PREP), and the monthly SHP wellness coordinator webinars.

This is informational only.



Memorandum

TO: NDERS Board

FROM: Derrick Hohbein

DATE: June 8, 2021

SUBJECT: Sagitec Maintenance Contract

Attached is the agreement with Sagitec Solutions, LLC for licensing fees and application development services for the 2021-23 biennium. Dean has reviewed the agreement, and the addendum reflects the amounts that were included in our budget request to comply with the Governor’s 5% reallocation requirement.

Please note this agreement also includes one-time additional funding for a developer our agency was appropriated, but does not include the Business Process Management upgrade. A statement of work will be presented to the Board as we become aware of the timeline for that upgrade to begin. That upgrade is an additional fee of \$257,600, for which we also received one-time appropriation authority during the 2021-23 biennium.

The table below shows a comparison of the fees for the 2017-19 biennium, the 2019-21 biennium, and the 2021-23 biennium. Staff included the three year comparison so the Board can see the licensing fee reduction between the last two biennia.

	July 2017 - June 2019	July 2019 - June 2021	July 2021 – June 2023	Amount Increase / (Decrease)
Licensing	\$ 483,185	\$ 245,000	\$ 245,000	-
Application Development	\$ 932,625	\$1,044,657	\$ 1,359,768	\$ 315,111
Total	\$1,415,810	\$1,289,657	\$ 1,604,768	\$ 315,111

Board Action Requested:

Approve the maintenance and support agreement with Sagitec Solutions LLC for the 2021-23 biennium, and authorize Scott to sign the agreement.

This document is an addendum to the Maintenance and Support Agreement, between Sagitec and the State of North Dakota, through its Public Employees Retirement System (NDPERS) dated July 1, 2019 (Agreement). All other terms and conditions of the Agreement remain unchanged and in full force and effect.

This document revises the Platform Maintenance Fee previously named the Product Services Fee, the Application Development Outsourcing Fee described in Exhibit A and the Application Development Outsourcing (ADO) Services described in Exhibit B of the Maintenance and Support Agreement.

This revision to Exhibit A and Exhibit B will be effective from July 1, 2021 through June 30, 2023.

Exhibit A

PLATFORM MAINTENANCE FEE

Fixed fee for Platform Maintenance Services as described in Exhibit B of the Maintenance and Support Agreement for this two-year period is \$359,268.00.

As a special consideration for NDPERS and for this two-year period only, Sagitec is offering a discount of \$114,268.00 on the Platform Maintenance Services Fee and NDPERS will pay Sagitec fixed amount of \$245,000 for Platform Maintenance Services as described in Exhibit B of the Maintenance and Support Agreement.

The Platform Maintenance Fee shall be divided into 24 equal monthly installments of \$10,208.33. Services fees will be due and payable within thirty (30) calendar days after the date of Sagitec's invoice.

This fee is effective starting on July 1, 2021 and shall continue through June 30, 2023, unless terminated earlier. If NDPERS terminates this agreement during mid-year, NDPERS will pay Sagitec the balance of the fixed amount minus any credits, within 30 calendar days after termination becomes effective. Sagitec may increase the fee upon the renewal process with NDPERS. Sagitec shall notify NDPERS of any proposed annual increase no later than 90 calendar days prior to the renewal of this agreement for the following calendar year.

ADO FEE

NDPERS will pay Sagitec the fixed amount of \$1,359,768.00 for Application Development Services for the period July 1, 2021 through June 30, 2023.

The ADO fee shall be divided into 24 equal monthly installments of \$56,657.00. ADO fees will be due and payable within thirty (30) calendar days after the date of Sagitec's invoice.

Should NDPERS decide to purchase additional ADO services the following hourly rates shall apply:

	2021	2022	2023
Onshore Resources	\$280	\$290	\$300
Off Site Resources	\$180	\$190	\$200

Sagitec will provide discounted rates for blocks of ADO hours over 1,000. Hourly rates do not include travel expenses and are subject to change depending on prevailing market conditions.

Exhibit B

ADO SERVICES

Sagitec shall provide one (1) onshore resource for 1,800 hours per year, and four (4) offsite full-time equivalent resources (FTE/1800 hours per year) for corrective, adaptive, preventative, and perfective support activities to be directed by NDPERS.

SAGITEC SOLUTIONS, LLC

NDPERS

By 

By _____

Name Piyush Jain

Name Scott A Miller

Title CEO and Partner

Title Executive Director

Date May 19, 2021

Date June 8, 2021



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Memorandum

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: June 8, 2021

SUBJECT: Presort Contract

Attached is the agreement with Presort Plus, LLC for courier and mail services for the 2021-23 biennium. Dean has reviewed the agreement, and the addendum reflects an amount that falls within the parameters that were included in our budget request.

Presort Plus, LLC does a number of things for our office including:

- Picking up mail from our PO Box and delivering it to our office daily
- Picking up mail from the Capitol and delivering it to our office daily
- Picking up inside mail and checks from our office and delivering them to the Capitol
- Picking up mail from our building and delivering it to the Post Office daily
- Pick up retirement checks and ad hoc checks from Central Duplicating on a weekly basis
- Pick up payroll checks from the Treasurer's Office and deliver to our office twice a month
- Performs the following periodic tasks
 - Meter and bar code NDPERS mail
 - Special pickups or drop offs at other agencies
 - Pick up supplies, printing, and delivery of items to and from the Capitol

The pricing for this contract is increasing the price from \$27.55 a day to \$28.10 a day, a 2% increase.

Board Action Requested:

Approve the courier and mail services agreement with Presort Plus, LLC for the 2021-23 biennium, and authorize Scott to sign the agreement..

MAILING SERVICE CONTRACT

The parties to this contract are the State of North Dakota, acting through its Public Employees Retirement System (STATE or NDPERS), and Presort Plus, LLC (CONTRACTOR);

1. SCOPE OF SERVICE

CONTRACTOR, in exchange for the compensation paid by the STATE under this contract, agrees to provide the following courier and mailing services during the business week, Monday through Friday, except on holidays recognized by STATE:

MORNING:

1. Pick up NDPERS mail at the U.S. Post Office location (P.O. Box 1657) and deliver to NDPERS, 1600 East Century Avenue Suite 2, Bismarck, by approximately 8:30 a.m.
2. Pick up the following at the Capitol and deliver to NDPERS by approximately 9:30 a.m.:
 - a. Inside mail – Mailroom (Ground Floor, Capitol)
 - b. Checks – Treasurer's Office (3rd Floor, Capitol)
3. Pick up NDPERS mail, including State Treasurer deposit and deliver to the Capitol before 10:00 a.m. to meet the 12:00 a.m. deadline for deposits to the Treasurer's Office.

AFTERNOON:

1. Pick up NDPERS inside mail after 1:30 p.m.
2. Deliver NDPERS inside mail to the Capitol mailroom.
3. Pickup NDPERS outgoing mail by 3:15 p.m. daily.

MONTHLY:

1. Pick up retirement checks and ad hoc checks from Central Duplicating then deliver to NDPERS (usually last week of each month).
2. If necessary, on the 1st and 10th working day, pick up payroll checks from the Treasurer's Office and deliver to NDPERS before noon.

MISCELLANEOUS:

1. CONTRACTOR will meter and bar code NDPERS mail.
2. Periodically, upon request, do special pick-ups or drop offs at other agencies inside and outside of the Capitol. If a special pick up becomes a regular request, the parties will further negotiate terms for such pickups.
3. Pick up of supplies and printing and delivery of items to and from the Capitol, as requested, as part of the normal run. Special trips will be billed on a courier rate basis.
4. CONTRACTOR must notify NDPERS prior to any delays or if unable to meet mailing deadlines.

QUALITY CONTROL MEASURES TO BE PROVIDED TO NDPERS:

1. CONTRACTOR will maintain equipment to insure secure mail processing (sealed mail).
2. CONTRACTOR will have in place rigorous quality control measures to make sure that all processed outgoing mail is sealed and includes postage. Refer to Section 17, Confidentiality.

2. TERM OF CONTRACT

The term of this contract is for a period of 24 months, commencing on the 1st day of July 2021, and terminating on the 30th day of June 2023.

3. COMPENSATION

STATE will pay for the services provided by CONTRACTOR under this contract an amount not to exceed \$28.10 per day to be paid monthly for the period July 1, 2021 through June 30, 2023. STATE will pay the cost of the courier service and mail processing service which equals the full postage rate on the mail (based on USPS rates). CONTRACTOR will re-bill as necessary to cover postage charges.

4. TERMINATION OF CONTRACT

a. Termination without cause. This contract may be terminated by mutual consent of both parties, or by either party upon 30 days' written notice.

b. Termination for lack of funding or authority. The STATE may terminate this contract effective upon delivery of written notice to the CONTRACTOR, or on any later date stated in the notice, under any of the following conditions:

1. If funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for purchase of the services or supplies in the indicated quantities or term. The contract may be modified by agreement of the parties in writing to accommodate a reduction in funds.
2. If federal or state laws or rules are modified or interpreted in a way that the services are no longer allowable or appropriate for purchase under this contract or are no longer eligible for the funding proposed for payments authorized by this contract.
3. If any license, permit or certificate required by law or rule, or by the terms of this contract, is for any reason denied, revoked, suspended or not renewed.

Termination of this contract under this subsection is without prejudice to any obligations or liabilities of either party already accrued prior to termination.

c. Termination for cause. The STATE may terminate this contract effective upon delivery of written notice to CONTRACTOR, or any later date stated in the notice:

1. If the CONTRACTOR fails to provide services required by this contract within the time specified or any extension agreed to by the STATE; or
2. If the CONTRACTOR fails to perform any of the other provisions of this contract, or so fails to pursue the work as to endanger performance of this contract in accordance with its terms.

The rights and remedies of the STATE provided in the above clause related to defaults by the CONTRACTOR are not exclusive and are in addition to any other rights and remedies provided by law or under this contract.

d. Termination because of business needs. STATE can terminate the full service metering at any time based on business needs.

5. FORCE MAJEURE

Neither party shall be held responsible for delay or default caused by fire, flood, riot, acts of God or war if the event is beyond the party's reasonable control and the affected party gives notice to the other party immediately upon occurrence of the event causing the delay or default or which is reasonably expected to cause a delay or default.

6. RENEWAL

This contract will not automatically renew. IF STATE desires to renew, STATE will provide written notice to CONTRACTOR of its intent to renew this contract at least sixty days before the scheduled termination date.

7. MERGER AND MODIFICATION

This contract constitutes the entire agreement between the parties. There are no understandings, agreements, or representations, oral or written, not specified within this contract and attachment. This contract may not be modified, supplemented or amended, in any manner, except by written agreement signed by both parties.

8. SEVERABILITY

If any term of this contract is declared by a court having jurisdiction to be illegal or unenforceable, the validity of the remaining terms shall not be affected, and, if possible,

the rights and obligations of the parties are to be construed and enforced as if the contract did not contain that term.

9. ASSIGNMENT AND SUBCONTRACTS

CONTRACTOR may not assign or otherwise transfer or delegate any right or duty without the STATE's express written consent. However, CONTRACTOR may enter into subcontracts provided that any such subcontract acknowledges the binding nature of this contract and incorporates this contract, including any attachments. CONTRACTOR is solely responsible for the performance of any subcontractor. CONTRACTOR does not have authority to contract for or incur obligations on behalf of the STATE.

10. NOTICE

All notices or other communications required under this contract shall be given by registered or certified mail and are complete on the date mailed when addressed to the parties at the following addresses:

<u>Kyle Nordmeyer</u>		<u>Scott Miller, Executive Director</u>
<u>Presort Plus</u>	or	<u>NDPERS</u>
<u>2355 Vermont Ave.</u>		<u>1600 E Century Ave Suite 2</u>
<u>PO Box 1555</u>		<u>PO Box 1657</u>
<u>Bismarck ND 58504</u>		<u>Bismarck ND 58502-1657</u>

Notice provided under this provision does not meet the notice requirements for monetary claims against the State found at N.D.C.C. § 32-12.2-04.

11. APPLICABLE LAW AND VENUE

This contract is governed by and construed in accordance with the laws of the State of North Dakota. Any action to enforce this contract must be brought in the District Court of Burleigh County, North Dakota.

12. SPOILIATION – NOTICE OF POTENTIAL CLAIMS

CONTRACTOR shall promptly notify STATE of all potential claims which arise or result from this contract. CONTRACTOR shall also take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and grants to the STATE the opportunity to review and inspect the evidence, including the scene of an accident.

13. INDEMNITY

Contractor agrees to defend, indemnify, and hold harmless the state of North Dakota, its agencies, officers and employees, including NDPERS, its Board of Trustees, officers and employees (for the purposes of this provision all parties are together referred to as the "STATE") from and against claims based on the vicarious liability of the State or its agents, but not against claims based on the State's contributory negligence, comparative and/or contributory negligence or fault, sole negligence, or intentional misconduct. The legal defense provided by Contractor to the State under this provision must be free of any conflicts of interest, even if retention of separate legal counsel for the State is necessary. Any attorney appointed to represent the State must first qualify as and be appointed by the North Dakota Attorney General as a Special Assistant Attorney General as required under N.D.C.C. § 54-12-08. Contractor also agrees to defend, indemnify, and hold the State harmless for all costs, expenses and attorneys' fees incurred if the State prevails in an action against Contractor in establishing and litigating the indemnification coverage provided herein. This obligation shall continue after the termination of this agreement.

14. INSURANCE

Contractor shall secure and keep in force during the term of this agreement and Contractor shall require all subcontractors, prior to commencement of an agreement between Contractor and the subcontractor, to secure and keep in force during the term of this agreement, from insurance companies, government self-insurance pools or government self-retention funds, authorized to do business in North Dakota, the following insurance coverages:

1. Commercial general liability, including premises or operations, contractual, and products or completed operations coverages (if applicable), with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence.
2. Automobile liability, including Owned (if any), Hired, and Non-Owned automobiles, with minimum liability limits of \$250,000 per person and \$500,000 per occurrence.
3. Workers compensation coverage meeting all statutory requirements.
4. Employer's liability or "stop gap" insurance of not less than \$1,000,000 as an endorsement on the workers compensation or commercial general liability insurance.

The insurance coverage's listed above must meet the following additional requirements:

1. Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the Contractor. The amount of any deductible or self retention is subject to approval by the State.

2. This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and must be placed with insurers rated "A-" or better by A.M. Best Company, Inc., provided any excess policy follows form for coverage. Less than an "A-" rating must be approved by the State. The policies shall be in form and terms approved by the State.
3. The duty to defend, indemnify, and hold harmless the State under this agreement shall not be limited by the insurance required in this agreement.
4. The state of North Dakota and its agencies, officers, and employees (State) shall be endorsed on the commercial general liability policy, including any excess policies (to the extent applicable), as additional insured. The State shall have all the benefits, rights and coverages of an additional insured under these policies that shall not be limited to the minimum limits of insurance required by this agreement or by the contractual indemnity obligations of CONTRACTOR.
5. The insurance required in this agreement, through a policy or endorsement, shall include:
 - a) a "Waiver of Subrogation" waiving any right to recovery the insurance company may have against the State;
 - b) a provision that Contractor's insurance coverage shall be primary (i.e. pay first) as respects any insurance, self-insurance or self-retention maintained by the State and that any insurance, self-insurance or self-retention maintained by the State shall be in excess of the Contractor's insurance and shall not contribute with it;
 - c) cross liability/severability of interest for all policies and endorsements;
 - d) The legal defense provided to the State under the policy and any endorsements must be free of any conflicts of interest, even if retention of separate legal counsel for the State is necessary and subject to N.D.C.C. § 54-12-08.;
 - e) The insolvency or bankruptcy of the insured Contractor shall not release the insurer from payment under the policy, even when such insolvency or bankruptcy prevents the insured Contractor from meeting the retention limit under the policy.
6. The Contractor shall furnish a certificate of insurance to the undersigned State representative prior to commencement of this agreement. All endorsements shall be provided as soon as practicable.
7. Failure to provide insurance as required in this agreement is a material breach of contract entitling State to terminate this agreement immediately.

8. Contractor shall provide at least 30 day notice of any cancellation or material change to the policies or endorsements.

15. ATTORNEY FEES

In the event a lawsuit is instituted by the STATE to obtain performance due of any kind under this contract, and the STATE is the prevailing party, CONTRACTOR shall, except when prohibited by N.D.C.C. § 28-26-04, pay the STATE's reasonable attorney fees and costs in connection with the lawsuit.

16. ALTERNATIVE DISPUTE RESOLUTION – JURY TRIAL

The STATE does not agree to any form of binding arbitration, mediation, or other forms of mandatory alternative dispute resolution. The parties have the right to enforce their rights and remedies in judicial proceedings. The STATE does not waive any right to a jury trial.

17. CONFIDENTIALITY

CONTRACTOR shall not use or disclose any information it receives from the STATE under this contract that the STATE has previously identified as confidential or exempt from mandatory public disclosure except as necessary to carry out the purposes of this contract or as authorized in advance by the STATE. The STATE shall not disclose any information it receives from CONTRACTOR that the CONTRACTOR has previously identified as confidential and which the STATE determines in its sole discretion is protected from mandatory public disclosure under a specific exception to the North Dakota open records law, Chapter 44-04, N.D.C.C. CONTRACTOR understands that there may be information contained within the materials CONTRACTOR will handle pursuant to this agreement that is confidential. CONTRACTOR agrees that if it views, comes into possession of, or otherwise becomes knowledgeable of confidential information, CONTRACTOR will maintain the confidentiality of that information and will refrain from redisclosing that information to any third party for the duration of this contract and thereafter. It is the responsibility of CONTRACTOR to immediately notify NDPERS once CONTRACTOR becomes aware of any potential or actual breach of this section including but not limited to the distribution of unsealed mail by CONTRACTOR into the U.S. mail. The indemnity provisions of this MAIL SERVICE CONTRACT specifically apply to the duty of CONTRACTOR to comply with this confidentiality requirement. The duty of STATE and CONTRACTOR to maintain confidentiality of information under this section continues beyond the term of this contract, or any extensions or renewals of it.

CONTRACTOR agrees to comply with the requirements of a separately signed Business Associate Agreement as required under the HIPAA Privacy Rule, 45 C.F. R. 164.502(e)(2). The responsibilities of CONTRACTOR specified in this contract are in addition to those required in the Business Associate Agreement.

18. COMPLIANCE WITH PUBLIC RECORDS LAW

CONTRACTOR understands that, except for disclosures prohibited in Section 17, the STATE must disclose to the public upon request any records it receives from CONTRACTOR. CONTRACTOR further understands that any records which are obtained or generated by the CONTRACTOR under this contract, except for records that are confidential under Section 17, may, under certain circumstances, be open to the public upon request under the North Dakota open records law. CONTRACTOR agrees to contact the STATE immediately upon receiving a request for information under the open records law and to comply with the STATE's instructions on how to respond to the request.

19. INDEPENDENT ENTITY

CONTRACTOR is an independent entity under this contract and is not a STATE employee for any purpose, including but not limited to the application of the Social Security Act, the Fair Labor Standards Act, the Federal Insurance Contribution Act, the North Dakota Unemployment Compensation Law and the North Dakota Workforce Safety and Insurance Act. CONTRACTOR retains sole and absolute discretion in the manner and means of carrying out the CONTRACTOR's activities and responsibilities under this contract, except to the extent specified in this contract.

20. NONDISCRIMINATION AND COMPLIANCE WITH LAWS

CONTRACTOR agrees to comply with all applicable laws, rules, regulations and policies, including but not limited to those relating to nondiscrimination, accessibility and civil rights. CONTRACTOR agrees to timely file all required reports, make required payroll deductions, and timely pay all taxes and premiums owed, including but not limited to sales and use taxes and unemployment compensation and workers' compensation premiums. CONTRACTOR shall have and keep current at all times during the term of this contract all licenses and permits required by law.

21. STATE AUDIT

All records, regardless of physical form, and the accounting practices and procedures of CONTRACTOR relevant to this contract are subject to examination by the North Dakota State Auditor, the Auditor's designee, or Federal auditors. CONTRACTOR will maintain all such records for at least three years following completion of this contract and be able to provide them at any reasonable time. STATE, State Auditor, or Auditor's designee shall provide reasonable notice.

22. PREPAYMENT

The STATE will not make any advance payments before performance by the CONTRACTOR under this contract.

23. TAXPAYER ID

CONTRACTOR's federal employer ID number is: 45-0455733.

24. PAYMENT OF TAXES BY STATE

State is not responsible for and will not pay local, state, or federal taxes. State sales tax exemption number is E-2001, and certificates will be furnished upon request by the purchasing agency.

25. EFFECTIVENESS OF CONTRACT

This contract is not effective until fully executed by both parties.

CONTRACTOR

Presort Plus, LLC

BY: 

Kyle Nordmeyer

ITS: General Manager

DATE: 6-1-21

STATE OF NORTH DAKOTA

NDPERS

BY: _____

Scott Miller

ITS: Executive Director

DATE: _____

Business Associate Agreement

This Business Associate Agreement, which is an addendum to the underlying contract, is entered into by and between, the North Dakota Public Employees Retirement System (“NDPERS”) and Presort Plus, Inc., Bismarck, North Dakota.

1. Definitions

- a. Terms used, but not otherwise defined, in this Agreement have the same meaning as those terms in the HIPAA Privacy Rule, 45 C.F.R. Part 160 and Part 164, Subparts A and E, and the HIPAA Security rule, 45 C.F.R., pt. 164, subpart C.
- b. Business Associate. “Business Associate” means Presort Plus, Inc., Bismarck, North Dakota.
- c. Covered Entity. “Covered Entity” means the **North Dakota Public Employees Retirement System Health Plans**.
- d. PHI and ePHI. “PHI” means Protected Health Information; “ePHI” means Electronic Protected Health Information.

2. Obligations of Business Associate.

2.1. The Business Associate agrees:

- a. To use or disclose PHI and ePHI only as permitted or required by this Agreement or as Required by Law.
- b. To use appropriate safeguards and security measures to prevent use or disclosure of the PHI and ePHI other than as provided for by this Agreement, and to comply with all security requirements of the HIPAA Security rule.
- c. To implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of ePHI that it creates, receives, maintains or transmits on behalf of the Covered Entity as required by the HIPAA Security rule.
- d. To mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI or ePHI by Business Associate in violation of the requirements of this Agreement.
- e. To report to Covered Entity (1) any use or disclosure of the PHI not provided for by this Agreement, and (2) any “security incident” as defined in 45 C.F.R. § 164.304 involving ePHI, of which it becomes aware without unreasonable delay and in any case within thirty (30) days from the date after discovery and provide the Covered Entity with a written notification that complies with 45 C.F.R. § 164.410 which shall include the following information:
 - i. to the extent possible, the identification of each individual whose Unsecured Protected Health Information has been, or is reasonably believed by the Business Associate to have been, accessed, acquired or disclosed during the breach;

- ii. a brief description of what happened;
 - iii. the date of discovery of the breach and date of the breach;
 - iv. the nature of the Protected Health Information that was involved;
 - v. identify of any person who received the non-permitted Protected Health Information;
 - vi. any steps individuals should take to protect themselves from potential harm resulting from the breach;
 - vii. a brief description of what the Business Associate is doing to investigate the breach, to mitigate harm to individuals, and to protect against any further breaches; and
 - viii. any other available information that the Covered Entity is required to include in notification to an individual under 45 C.F.R. § 164.404(c) at the time of the notification to the State required by this subsection or promptly thereafter as information becomes available.
- f. With respect to any use or disclosure of Unsecured Protected Health Information not permitted by the Privacy Rule that is caused by the Business Associate's failure to comply with one or more of its obligations under this Agreement, the Business Associate agrees to pay its reasonable share of cost-based fees associated with activities the Covered Entity must undertake to meet its notification obligations under the HIPAA Rules and any other security breach notification laws;
 - g. Ensure that any agent or subcontractor that creates, receives, maintains, or transmits electronic PHI on behalf of the Business Associate agree to comply with the same restrictions and conditions that apply through this Agreement to the Business Associate.
 - h. To make available to the Secretary of Health and Human Services the Business Associate's internal practices, books, and records, including policies and procedures relating to the use and disclosure of PHI and ePHI received from, or created or received by Business Associate on behalf of Covered Entity, for the purpose of determining the Covered Entity's compliance with the HIPAA Privacy Rule, subject to any applicable legal privileges.
 - i. To document the disclosure of PHI related to any disclosure of PHI as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.
 - j. To provide to Covered Entity within 15 days of a written notice from Covered Entity, information necessary to permit the Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.
 - k. To provide, within 10 days of receiving a written request, information necessary for the Covered Entity to respond to an Individual's request for access to PHI about himself or herself, in the event that PHI in the Business Associate's possession constitutes a Designated Record Set.
 - l. Make amendments(s) to PHI in a designated record set as directed or agreed by the Covered Entity pursuant to 45 C.F.R. § 164.526 or take other measures as necessary to satisfy the covered entity's obligations under that section of law.

3. Permitted Uses and Disclosures by Business Associate

3.1. General Use and Disclosure Provisions

Except as otherwise limited in this Agreement, Business Associate may Use or Disclose PHI and ePHI to perform functions, activities, or services for, or on behalf of, Covered Entity, specifically, pick up, deliver and mail documents and perform other duties set forth in its service contract with the Covered Entity – provided that such use or disclosure would not violate the Privacy Rule or the Security Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.

3.2. Specific Use and Disclosure Provisions

Except as otherwise limited in this Agreement, Business Associate may use PHI and ePHI:

- a. For the proper management and administration of the Business Associate, provided that disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- b. To provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B), but Business Associate may not disclose the PHI or ePHI of the Covered Entity to any other client of the Business Associate without the written authorization of the covered entity Covered Entity.
- c. To report violations of law to appropriate Federal and State authorities, consistent with 45 C.F.R. §§ 164.304 and 164.502(j)(1).

4. Obligations of Covered Entity

4.1. Provisions for Covered Entity to Inform Business Associate of Privacy Practices and Restrictions

Covered Entity shall notify Business Associate of:

- a. Any limitation(s) in its notice of privacy practices of Covered Entity in accordance with 45 C.F.R. § 164.520, to the extent that any such limitation may affect Business Associate's use or disclosure of PHI.
- b. Any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that any such changes may affect Business Associate's use or disclosure of PHI.
- c. Any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that any such restriction may affect Business Associate's use or disclosure of PHI.

4.2. Additional Obligations of Covered Entity. Covered Entity agrees that it:

- a. Has included, and will include, in the Covered Entity's Notice of Privacy Practices required by the Privacy Rule that the Covered Entity may disclose PHI for Health Care Operations purposes.
- b. Has obtained, and will obtain, from Individuals any consents, authorizations and other permissions necessary or required by laws applicable to the Covered Entity for Business Associate and the Covered Entity to fulfill their obligations under the Underlying Agreement and this Agreement.
- c. Will promptly notify Business Associate in writing of any restrictions on the Use and Disclosure of PHI about Individuals that the Covered Entity has agreed to that may affect Business Associate's ability to perform its obligations under the Underlying Agreement or this Agreement.
- d. Will promptly notify Business Associate in writing of any change in, or revocation of, permission by an Individual to Use or Disclose PHI, if the change or revocation may affect Business Associate's ability to perform its obligations under the Underlying Agreement or this Agreement.

4.2. Permissible Requests by Covered Entity

Covered Entity may not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule or the Security Rule if done by Covered Entity, except that the Business Associate may use or disclose PHI and ePHI for management and administrative activities of Business Associate.

5. Term and Termination

- a. Term. The Term of this Agreement shall be effective as of July 1, 2021 and shall terminate when all of the PHI and ePHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI and ePHI, protections are extended to any such information, in accordance with the termination provisions in this Section.
- b. Automatic Termination. This Agreement will automatically terminate upon the termination or expiration of the Underlying Agreement.
- c. Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
 1. Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement and the Underlying Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;
 2. Immediately terminate this Agreement and the Underlying Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or

3. If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- d. Effect of Termination.
1. Except as provided in paragraph (2) of this subsection, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI and ePHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI or ePHI.
 2. In the event that Business Associate determines that returning or destroying the PHI or ePHI is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon explicit written agreement of Covered Entity that return or destruction of PHI or ePHI is not feasible, Business Associate shall extend the protections of this Agreement to that PHI and ePHI and limit further uses and disclosures of any such PHI and ePHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains that PHI or ePHI.

6. Miscellaneous

- a. Regulatory References. A reference in this Agreement to a section in the HIPAA Privacy or Security Rule means the section as in effect or as amended.
- b. Amendment. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy Rule, the Security Rule, and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
- c. Survival. The respective rights and obligations of Business Associate under Section 5.c, related to “Effect of Termination,” of this Agreement shall survive the termination of this Agreement.
- d. Interpretation. Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with the Privacy and Security Rules.
- e. No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything this Agreement confer, upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.
- f. Applicable Law and Venue. This Business Associate Agreement is governed by and construed in accordance with the laws of the State of North Dakota. Any action commenced to enforce this Contract must be brought in the District Court of Burleigh County, North Dakota.
- g. Business Associate agrees to comply with all the requirements imposed on a business associate under Title XIII of the American Recovery and Reinvestment Act of 2009, the Health Information Technology for Economic and Clinical Health (HI-TECH) Act, and, at the request of NDPERS, to agree to any reasonable modification of this agreement required to conform the agreement to

any Model Business Associate Agreement published by the Department of Health and Human Services.

7. Entire Agreement

This Agreement contains all of the agreements and understandings between the parties with respect to the subject matter of this Agreement. No agreement or other understanding in any way modifying the terms of this Agreement will be binding unless made in writing as a modification or amendment to this Agreement and executed by both parties.

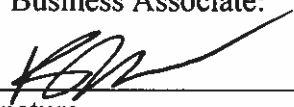
IN WITNESS OF THIS, NDPERS [CE] and Presort Plus, Inc. [BA] agree to and intend to be legally bound by all terms and conditions set forth above and hereby execute this Agreement as of the effective date set forth above.

For Covered Entity:

Scott Miller, Executive Director
ND Public Employees Retirement System

Date

For Business Associate:



Signature

Kyle Nordmeyer _____
Printed Name

General Manager _____
Title

6-1-2021 _____
Date



**North Dakota
Public Employees Retirement System**
400 East Broadway, Suite 505 • Box 1657
Bismarck, North Dakota 58502-1657

Scott A. Miller
Executive Director
(701) 328-3900
1-800-803-7377

Fax: (701) 328-3920 Email ndpers-info@nd.gov Website <https://ndpers.nd.gov>

Memorandum

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: June 8, 2021

SUBJECT: Employer Reporting Penalty Guidelines

The 67th Legislative Assembly passed House Bill (HB) 1041, which expanded the list of statutory violations for which NDPERS can assess a penalty against a governmental unit. The first problem this bill sought to address is errors by political subdivisions regarding what payments to their employees are subject to retirement contributions. To address this concern, 54-52-06(2) was amended to provide the following:

Any governmental unit failing to pay the contributions monthly, or in the case of an election made pursuant to section 54-52-17.14 a lump sum, or failing to otherwise comply with the board's established wage reporting or payroll reporting process requirements, is subject to a civil penalty of fifty dollars and, as interest, one percent of the amount due for each month of delay or fraction of a month after the payment became due. In lieu of assessing a civil penalty or one percent per month, or both, interest at the actuarial rate of return may be assessed for each month the contributions are delinquent.

The second problem this bill sought to address was the failure of some governmental units to pay insurance premiums by the due date so we can appropriately forward those monies on to our carriers. To address this concern, 54-52.1-06(4) was created, and reads as follows:

A governmental unit that fails to pay the contributions by the board's established due date is subject to a civil penalty of fifty dollars and, as interest, one percent of the amount due for each month of delay or fraction of a month after the payment became due.

Administrative Rule 71-03-04-01 sets the Board's established due date: **“Each agency shall pay to the board the full amount of the employer contribution by the fifteenth of each month.”**

During the hearings for HB 1041, we made it clear the intent of these penalties was not to be a funding mechanism for our plans. Furthermore, we stressed that we will work with each employer before actually assessing these penalties. Attachment A is a proposed guideline for the accounting staff to use when working with employers on a monthly basis. This policy also references our Administrative Policy for Late Retirement Contribution Reporting (the authority that already exists in statute) and is included in Attachment B.

This proposed policy follows a “three strikes and you're out” methodology. Under the proposed policy, staff will work with the employer for two months on an identified issue. If the employer continuously has reporting/payment errors for three months, staff will be allowed to assess a penalty against the organization for noncompliance. The penalty will need to be initiated by staff, and approved by either the Accounting Supervisor or the Chief Operating/Financial Officer before it will become official. We believe this provides a reasonable compromise for both our office and the impacted employers.

Board Action Requested:

Consider and approve the Employer Reporting Penalty/Interest Guidelines policy.

Employer Reporting Penalty/Interest Guidelines

Created June 2021

Retirement:

Century Code Citation: 54-52-06(2)

Any governmental unit failing to pay the contributions monthly, or in the case of an election made pursuant to section 54-52-17.14 a lump sum, or failing to otherwise comply with the board's established wage reporting or payroll reporting process requirements, is subject to a civil penalty of fifty dollars and, as interest, one percent of the amount due for each month of delay or fraction of a month after the payment became due. In lieu of assessing a civil penalty or one percent per month, or both, interest at the actuarial rate of return may be assessed for each month the contributions are delinquent.

Instances when the penalty would apply:

- 1) 54-52-02.9(3) – Employer may not pay a temporary employee's contribution
 - a. Upon becoming aware of a governmental unit submitting wages on behalf of a temporary employee, we will notify the employer of the discrepancy and indicate that going forward the discrepancy needs to be resolved prior to submitting payroll reports to our office. This organization will be flagged for internal review the following month.
 - b. Upon receipt of the next payroll report, staff will determine if the errors discovered from the prior month have been resolved. If the issue persists, staff will notify the employer of the continued discrepancy, and cite the authority in statute to issue a penalty for non-compliance on an ongoing basis until the discrepancy in reporting has been resolved. The organization will be flagged for internal review the following month.
 - c. Upon receipt of the next payroll report, staff will determine if the errors discovered from the prior month have been resolved. If the issue persists, staff will charge the \$50 and 1% of contribution penalty, notify the employer of the discrepancy and resolution needed, and ask that the discrepancy be corrected prior to the submission of the next payroll report. Staff will also advise the employer that the penalty will continue to be assessed until the discrepancy is resolved.
- 2) 54-52-05(1) – Every eligible employee must be enrolled within the first month of employment. We enroll members into retirement at the time employment is posted, so this would be when an employer doesn't notify us of new hires timely.
 - a. Upon becoming aware of a governmental unit not submitting their new hires in a timely manner, we will notify the employer of the discrepancy and indicate that going forward the discrepancy needs to be resolved prior to submitting payroll reports to our office. This organization will be flagged for internal review the following month.
 - b. Upon receipt of the next payroll report, staff will determine if the errors discovered from the prior month have been resolved. If the issue persists, staff will notify the employer of the continued discrepancy, and cite the authority in statute to issue a penalty for non-

- compliance on an ongoing basis until the discrepancy in reporting has been resolved. The organization will be flagged for internal review the following month.
- c. Upon receipt of the next payroll report, staff will determine if the errors discovered from the prior month have been resolved. If the issue persists, staff will charge the \$50 and 1% of contribution penalty, notify the employer of the discrepancy and resolution needed, and ask that the discrepancy be corrected prior to the submission of the next payroll report. Staff will also advise the employer that the penalty will continue to be assessed until the discrepancy is resolved.
- 3) 54-52-06(1) – Each governmental unit shall contribute the percentage of wage (as defined under NDCC 54-52 and NDAC 71-02) of a participating member
- a. Upon becoming aware of a governmental unit failing to comply with our definition of wages and salary we will notify the employer of the discrepancy and indicate that going forward the discrepancy needs to be resolved prior to submitting payroll reports to our office. This organization will be flagged for internal review the following month.
 - b. Upon receipt of the next payroll report, staff will determine if the errors discovered from the prior month have been resolved. If the issue persists, staff will notify the employer of the continued discrepancy, and cite the authority in statute to issue a penalty for non-compliance on an ongoing basis until the discrepancy in reporting has been resolved. The organization will be flagged for internal review the following month.
 - c. Upon receipt of the next payroll report, staff will determine if the errors discovered from the prior month have been resolved. If the issue persists, staff will charge the \$50 and 1% of contribution penalty, notify the employer of the discrepancy and resolution needed, and ask that the discrepancy be corrected prior to the submission of the next payroll report. Staff will also advise the employer that the penalty will continue to be assessed until the discrepancy is resolved.
- 4) 54-52-06(2) – Governmental units must pay the contributions monthly
- a. Retirement statements will be sent to political subdivisions by the 20th of each month.
 - i. First statement will Includes the amount due, as well as a reminder of when the payment is due to our office.
 - ii. Second consecutive statement will include the amount due, as well as language citing their statutory requirements and the ability for our office to assess a penalty for non-compliance.
 - iii. Third consecutive statement will include the amount due, as well as the amount due for the penalty being assessed.

Instances when the actuarial rate of return would apply:

- 1) 54-52-06(2) - Late reporting. See the [Administrative Policy for Late Retirement Contribution Reporting](#).

Insurance:

Century Code Citation 54-52.1-06(4)

A governmental unit that fails to pay the contributions by the board's established due date is subject to a civil penalty of fifty dollars and, as interest, one percent of the amount due for each month of delay or fraction of a month after the payment became due.

Admin Rule 71-03-04-01.

Each agency shall pay to the board the full amount of the employer contribution by the fifteenth of each month.

Insurance statements will be sent to political subdivisions by the 20th of each month.

Regular Insurance Billings:

- a. First statement after an error will include the amount due, as well as a reminder of when the payment is due to our office.
- b. Second statement will include the amount due, as well as language citing their statutory requirements and the ability for our office to assess a penalty for non-compliance.
- c. Third statement will include the amount due, as well as the amount due for the penalty being assessed. Staff will also advise the employer that the penalty will continue to be assessed until the discrepancy is resolved.

Adjustment Insurance Billings:

- a. First statement after an error will include the amount due, a document showing how to look up insurance adjustment invoices, as well as a reminder of when the payment is due to our office.
- b. Second statement will include the amount due, as well as language citing their statutory requirements and the ability for our office to assess a penalty for non-compliance.
- c. Third statement will include the amount due, as well as the amount due for the penalty being assessed. Staff will also advise the employer that the penalty will continue to be assessed until the discrepancy is resolved.

Administrative Policy for Late Retirement Contribution Reporting

Ref. (NDCC 54-52-06)

Rev. 4-20156-2021

Payroll reports are due by the 15th of the month following the reporting month.

Example: January Reporting Month due by February 15th

Long Term Adjustments (90 days and greater from due date)

The NDPERS Board reserves the right to negotiate with an employer in special situations

Late Reported Contributions - Positive Adjustments & Regular Reporting

1. Actives and Retirees

- ◆ NDPERS will collect the full amount of the late contributions, plus interest
- ◆ Post the additional retirement contributions to the applicable months. (Results in adjustments to wages, PSC/VSC, account balance, & employer contributions)
 - If a payee account is impacted, NDPERS will adjust payee's benefit calculation based on Laws in affect at the time of retirement/termination

2. Withdrawn Accounts (refunded)

- ◆ NDPERS will not collect late contributions and they will not be posted. Notes will be added to the payroll header
- ◆ Refund received contributions to the employer

Erroneous Paid Contributions-Negative Adjustments

1. Actives and Retirees

- ◆ NDPERS will refund the full amount of the erroneous contributions, without interest
- ◆ Post the negative retirement contributions to the applicable months. (Results in adjustments to wages, PSC/VSC, account balance, & employer contributions)
 - If a payee account is impacted, NDPERS will adjust payee's benefit calculation based on Laws in affect at the time of retirement/termination

2. Withdrawn Accounts (refunded)

- ◆ NDPERS will not post the negative contributions. Notes will be added to the payroll header.
- ◆ NDPERS will collect the additional contributions if the negative contribution was offset against a payment

Short Term Adjustments (less than 90 days from due date)

Late Reported Contributions-Positive Adjustments & Regular Reporting

1. Actives and Retirees

- ◆ NDPERS will collect the full amount of the late contributions, with optional interest.
 - Staff has the discretion to waive interest for the following reasons:
 - Authorized Agent turnover
 - Authorized Agent generally reports in a timely fashion

- ◆ Post the additional retirement contributions to the applicable months. (Results in adjustments to wages, PSC/VSC, account balance, & employer contributions)
 - If a payee account is impacted, NDPERS will adjust payee's benefit calculation based on Laws in affect at the time of retirement/termination
- 2. Withdrawn Accounts (refunded)
 - ◆ NDPERS will not collect late contributions and they will not be posted. Notes will be added to the payroll header
 - ◆ Refund received contributions to the employer

Erroneous Paid Contributions-Negative Adjustments

- 1. Actives and Retirees
 - ◆ NDPERS will refund the full amount of the erroneous contributions, without interest
 - ◆ Post the additional retirement contributions to the applicable months. (Results in adjustments to wages, PSC/VSC, account balance, & employer contributions)
- 2. Withdrawn Accounts (refunded)
 - ◆ NDPERS will not collect late contributions and they will not be posted. Notes will be added to the payroll header
 - ◆ Refund received contributions to the employer

Internal (NDPERS) Delayed Contribution Posting

If delayed posting is the result of NDPERS staff not processing within normal time-frame, follow these procedures. If delayed posting is the result of the employer not responding to requests for additional information in order to post the contributions, follow procedures for long or short term adjustments.

- 1. Post to active account and apply interest, which is ~~currently 7.5 percent annually.~~ 5 percent less than the actuarial rate of return.
 - a. If member has already terminated employment and cashed out (refund or rollover)
 - i. Issue another refund/rollover
 - b. If member has already retired
 - i. Recalculate benefits and apply 6% interest to the underpayment of benefits from the date of first benefit check to the issuance of the underpayment
 - c. If member has deceased
 - i. If lump sum to beneficiary, apply 6% interest to the months between disbursement of original lump sum to the issuance of another refund/rollover
 - ii. If monthly benefits to beneficiary, recalculate benefits and apply 6% interest to the underpayment of benefits from the date of first benefit check to the issuance of the underpayment

Closed Accounts-Negative Adjustments

- ◆ NDPERS accepts and absorbs the negative employer and employer contribution. Notes will be added to the payroll header.

Incorrect Tax Reporting of Contributions

1. Contributions Reported Incorrectly - Current Tax Year only
 - ◆ NDPERS will correct member records for actives, retirees and closed accounts for contributions received in the current tax year to be consistent with employer tax reporting

2. Contributions Reported Incorrectly - Multiple Tax Years
 - ◆ NDPERS will correct member records for actives, retirees and closed accounts for contributions received in the current tax year to be consistent with employer tax reporting
 - ◆ NDPERS will require the employer to make corrections to the employee's tax records for years preceding the current tax year to be consistent with PERS reporting
 - ◆ NDPERS will not issue corrected 1099R forms for previous years
 - ◆ NDPERS may negotiate with an employer in special situations



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Fax: (701) 328-3920 Email ndpers-info@nd.gov Website <https://ndpers.nd.gov>

Memorandum

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: June 8, 2021

SUBJECT: Office Relocation Update

As you are aware, staff has begun the preparation for the office relocation to the WSI building for next biennium. Staff plans to bring forward a monthly update to the Board to discuss progress, provide an update on estimated costs, and seek any contract approvals needed from the Board to proceed. These memos each month will keep running totals so the Board has full transparency regarding what this relocation effort will cost.

At the May 2021 Board meeting, the Board approved a quote of \$12,859.08 to customize the hoteling area to meet the needs of our agency. The Department of Commerce had six of the eight rising legs our agency needs, so the final cost to customize that space will total \$7,549.24. At that meeting the Board also approved the costs of adding privacy film to the hoteling offices, and to replace the multi-function printer in our office. Staff wanted to provide the update that all necessary quotes have been signed and the process on all those efforts has been put into motion.

Attachment A includes a cost quote to frost the glass doors in the visitor offices. Frosting the glass in the visitor office is being proposed to not only allow light to enter the rooms, but also help keep the conversations taking place with our members private. The frosting will run through the center of the glass, with the very top and bottom of the glass untouched. This is done so you can easily see if a room is occupied, but cannot identify who is occupying the room. We have scheduled installation for the week of July 15th as they are booked out two months in advance, but can be canceled if the cost is not approved.

Attachment B includes a cost quote to add a plexiglass barrier between our members and the staff working in each of the three visitor rooms. This barrier will be large enough to protect those in the visitor room while we still transition to whatever our new normal will become. The glass also includes an open space at the bottom where papers can be passed back and forth between our staff and the member.

The following equipment is needed in our visitor offices, hoteling area, and staff offices to make the new teleworking environment feasible. This will allow staff to have monitors and docking stations at their home, as well as in the office. When an employee transitions from their home to our office, all they will need to bring is their laptop. These costs do not include an official quote for approval as the equipment is procured from either NDIT or online, but the cost is before you today for your approval.

- 27 standard monitors - \$7,965
- 3 larger monitors for the hoteling offices - \$896.97
- 3 wall mounts for the larger monitors - \$119.97
- 4 additional keyboards - \$240
- 21 docking stations - \$2,520

To date we have not committed any funds towards the \$20,000 ceiling the Board approved, as we haven't purchased any of Commerce's surplus furniture yet.

At this time we do not anticipate needing to use contingency funding to make this office move a success. We are trending below our expectations on our operating expenditures for this biennium because of a reduction in activities due to the pandemic. We are trying to procure and receive as many pieces to this puzzle as we can in the current biennium since we do not know what our appropriation for next biennium will look like. The Legislative Assembly also did not reduce our rent by the \$50,000 of savings we anticipate having in the 2021-2023 biennium to help us accommodate this move.

The layout of the new office space is included in Attachment C so the Board can get a feel for the office space that will be dedicated to our agency.

A summary of ongoing work efforts, expected costs, actual costs, and current status is outlined below:

Activity	Cost Quote	Actual Cost	Status
Moving Expenses: 15 walled offices Fettes – remaining office furniture	\$ 9,623.40 8,520.00		Approved March 2021 Approved April 2021
Visitor office: DIRTT walls HVAC/Lighting/Fire alarm Sprinkler head installation NDIT – move network connections Fireside – new multi-function printer Privacy film on glass Plexiglass barriers Three monitors/wall mounts/docks/keyboards	18,719.00 6,275.00 750.00 762.00 75.00 + 118.00/Month 1,200.00 254.97 1,556.94	18,019.00	Approved March 2021 Approved March 2021 Approved March 2021 Approved April 2021 Approved May 2021 Seeking Board Approval Seeking Board Approval Seeking Board Approval
Customization of hoteling area: 8 chairs Privacy film on windows Office customization Monitors/docking stations	7,171.60 1,860.00 12,859.08 10,185.00	7,549.24	Approved April 2021 Approved May 2021 Approved May 2021 Seeking Board Approval
Secure back office: Locked doorways (3) Secure window to reception area	55,000.00 3,000.00		Approved April 2021 Approved April 2021
Secure reception area: Telecom system and lock the front door Secure glass on front door	15,500.00 1,300.00		Approved April 2021 Approved April 2021
Other essential costs not to exceed	20,000.00		Approved May 2021
Update signs inside and outside the office	-	-	WSI pays
Update lettering on front door glass	-	-	WSI pays

Board Action Requested

Consider and approve the attached cost proposal for the following:

- 1) Cost to add privacy film to visitor offices – (\$1,200)
- 2) Cost to add portable plexiglass barriers to visitor offices – (\$254.97)
- 3) Cost for monitors/wall mounts/keyboards/docking stations to hoteling area and visitor offices - \$(11,741.94)

Staff is available to answer any questions the Board may have.

Hohbein, Derrick L.

From: Hohbein, Derrick L.
Sent: Tuesday, May 11, 2021 12:21 PM
To: Hohbein, Derrick L.
Subject: FW: estimate/follow up

From: jr. feist <sunlightsolutions@hotmail.com>
Sent: Friday, May 7, 2021 2:25 PM
To: Lund, Janis M. <jlund@nd.gov>
Subject: Re: estimate/follow up

***** CAUTION: This email originated from an outside source. Do not click links or open attachments unless you know they are safe. *****



Your Estimate

Number of windows: 7

Total: \$ 1200

Travel Fee:

Additional Charge:

10% down payment on all projects

Balance due on date of installation

Notes: This is the price to put a 5 foot strip through the partition windows and the doors using the frost film.



99%
LESS UV LIGHT
(PRIMARY CAUSE OF FADING)

87%
LESS HEAT

65%
LESS GLARE

MANY DIFFERENT FILMS TO CHOOSE FROM

1606 43rd Ave. SE #18 • Mandan, ND 58554
sunlightsolutions.net • (701) 667-6220

Sunlight Solutions
1606 43rd Ave Se #18
Mandan ND 58554
701-667-6220
www.sunlightsolutions.net

From: Lund, Janis M. <jlund@nd.gov>
Sent: Thursday, May 6, 2021 1:54 PM
To: jr. feist <sunlightsolutions@hotmail.com>
Subject: FW: estimate/follow up

Jan Lund

Administrative Services Manager



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From: Lund, Janis M.
Sent: Thursday, May 6, 2021 1:53 PM
To: sunlightsolution@hotmail.com
Subject: FW: estimate/follow up
Importance: High

Jan Lund

Administrative Services Manager



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From: Lund, Janis M.
Sent: Tuesday, April 27, 2021 11:49 AM
To: sunlightsolutions@hotmail.com
Subject: estimate/follow up
Importance: High

Hi Darci & Tommy,

I am trying to chase down an estimate I received through Kyle Hellman to add a privacy film to glass wall/doors on DIRTT walls we are adding at our new location (1600 E Century Ave – SW corner in the WSI building). [This is a different project from the (\$1860) quote we received earlier]



Kyle Hellman <kyle@interofficend.com>
To: Lund, Janis M.

You replied to this message on 2/19/2021 4:50 PM.

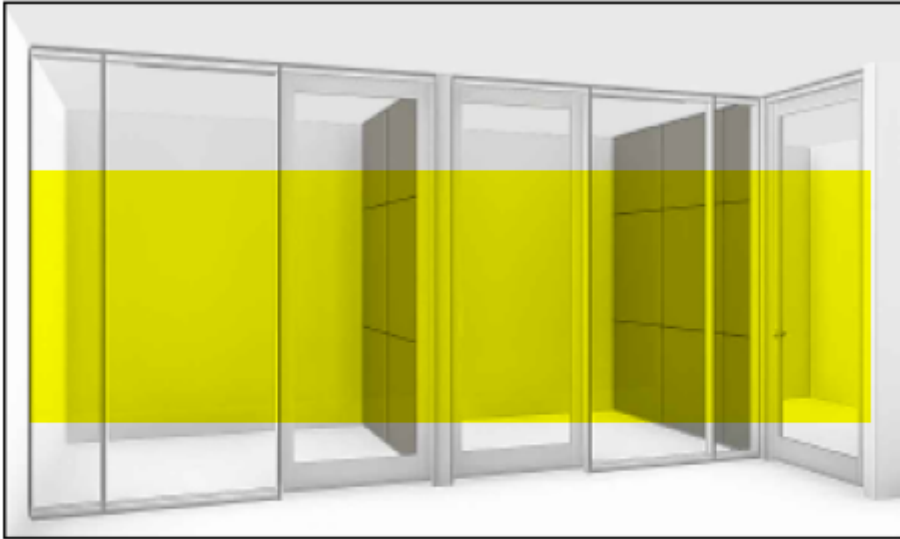
I would work with Sunlight Solutions. They make a standard Frost (Matte White)
This would run about \$500 installed.

Kyle Hellman
Workspace Expert

InterOffice
920 E. Front Ave.
Bismarck, ND 58504
701-751-2998



The estimate was to add the standard Frost across the glass walls and doors to the new DIRTT wall offices we will be constructing. The highlighted area isn't an exact measurement. Does this sound familiar? Not sure if Kyle contacted you or if he was basing an estimate on previous experience with adding privacy film.



Do you prefer that I use the estimator on your website for a quote? We are looking at installation the end of the week or June 21 or the beginning of the week of June 28th. I heard you are already booking into June!

Jan Lund

Administrative Services Manager



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42"W-26"H Plexiglass Barrier Shield for Desk and Counter, Acrylic Divider Protection Portable Plastic Barrier Shield Reception Desk Cashier Checkout Counter

Brand: Kucspp

★★★★★ 150 ratings | 4 answered questions

Save 6%

Lowest price in 30 days

Was: \$89.99 [Details](#)

Price: **\$84.99** & FREE Returns

You Save: \$5.00 (6%)

Size: **42" W x 26" H**

23.5" W x 31.5" H
\$44.99

36" W x 24" H
\$64.99

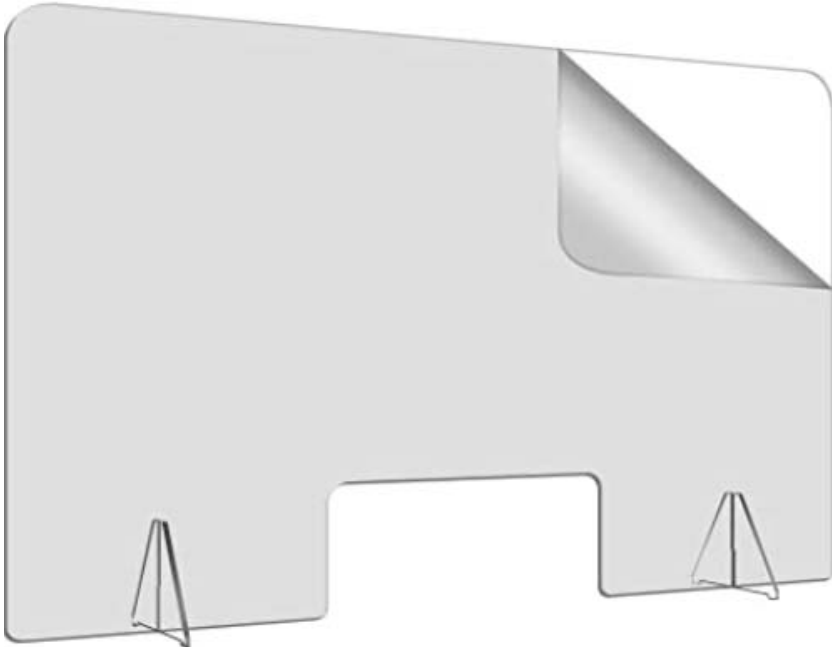
40" W x 26" H
\$79.99

42" W x 26" H
\$84.99

44" W x 24" H
\$69.99

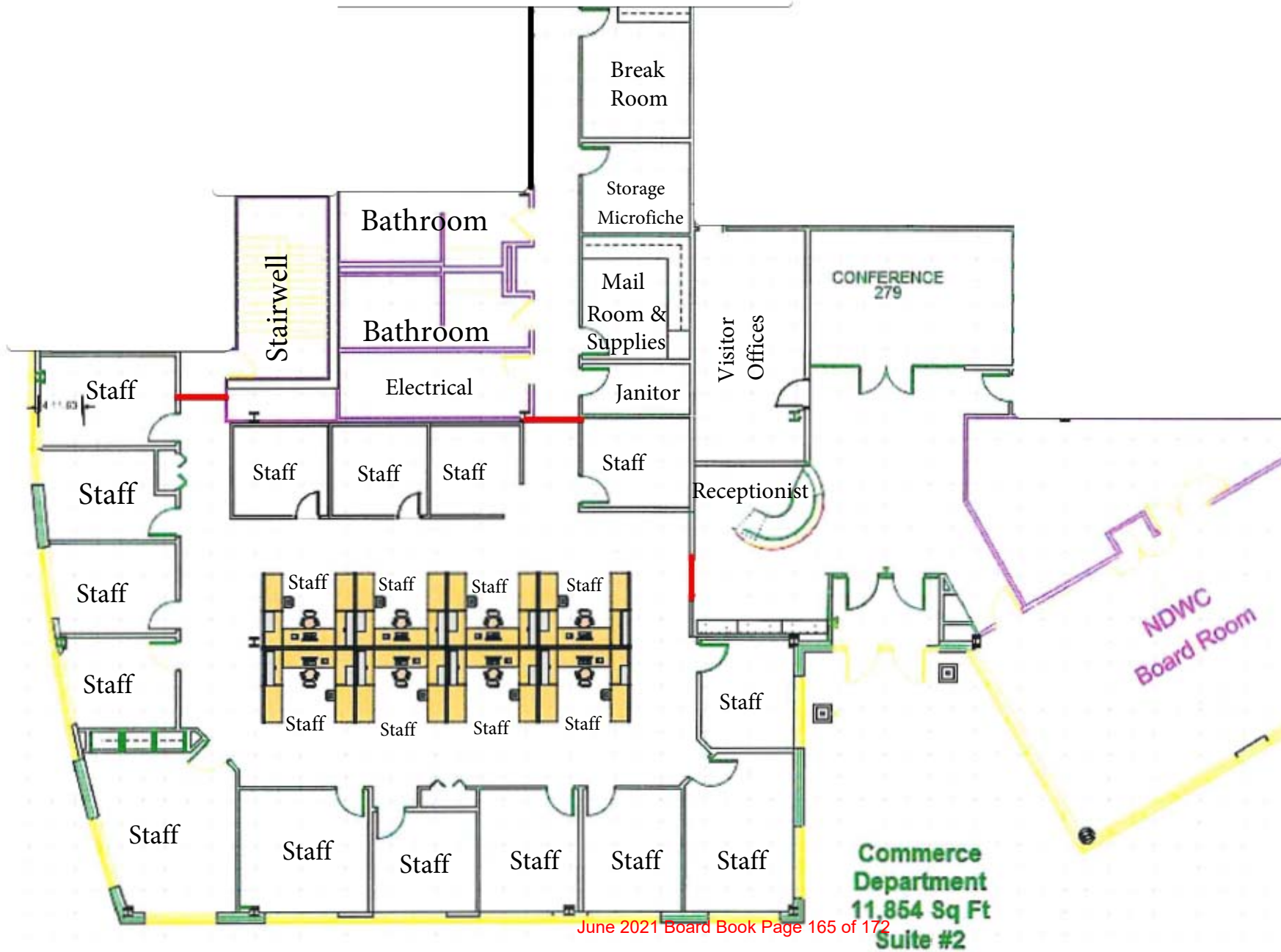
44" W x 26" H
\$89.99

- please remove all the protective cover to make it clear before use.
- Impact resistant – made of 4mm thick acrylic, this shield is highly impact and shatter resistant.
- Sneeze and cough barrier – very effective against droplets from sneezing or coughing.
- No tools required for assembly – features base stands that slide into matching slots, making assembly a breeze. Have your shield deployed in less than a minute!
- Humanized design - Cutouts allow documents, money, and small items to pass from person to person. This high quality plexiglass barrier is ideal for a sales closing desk, receptionist, indoor or outdoor countertop



Roll over image to zoom in

Attachment C





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Memorandum

TO: NDPERS Board

FROM: Scott

DATE: June 8, 2021

SUBJECT: Office Reopening

With the office move coming up quickly, we wanted to let you know our plan for getting our staff back in the office and eventually opening the office up to having our members in the office for in-person counseling. Jan and Jan's staff, with an assist by Derrick and, of course, the Board, have been working hard to make this move go well. We have come up with the following tentative schedule for our move into the new facility:

Week of June 21st:

- 1) Visitor Office walls installed
- 2) Deliver new multi-functional printer to WSI
- 3) Deliver new printer to WSI
- 4) Network connections moved June 26th

Week of June 28th:

- 1) Hook up new multi-functional printer and west printer; test connections and functionality
- 2) Key cards requested to WSI office for staff
- 3) Back office door installation complete

Week of July 5th:

- 1) Set up administrative services, accounting staff, and one counselor office with docking stations, monitors, and chairs on July 5th for the staff coming to the office on July 6th
- 2) Accounting and administrative services staff report to WSI for work on July 6th
- 3) Presort starts delivering to WSI July 6th
- 4) ABM moves the Canon & Scanner on the morning of July 6th

Week of July 12th:

- 1) Fettes moves the remaining office furniture on July 16th.

Week of July 21st:

- 1) The office is readied for staff to return (stock office supplies, organize the microfiche room, docking stations and monitors setup and tested in the hoteling area, etc.)

Week of August 2nd:

- 1) Office opens to staff & hoteling schedules begin. We intend to have staff do virtual sessions with our members for a couple of weeks from the visitor offices in order for staff to become comfortable with the new facility.

Mid-August to Early September – open to the public.

As you are aware, our new offices have dedicated visitor spaces, and we will no longer allow visitors into our back offices where staff will be working. Since that reduces the number of places we can meet with members in person, we will encourage our members to schedule virtual meetings if possible. For those members who wish to have an in-person visit, we will implement the following process:

- 1) In person visits available by appointment only.
 - i. Ensures appropriate staff in-office on day of appointment.
 - ii. Ensures a visitor room is reserved and available for the session.
 - iii. Minimizes “foot traffic” in front-office.
 - iv. This is message we communicate in newsletters, etc.
 - v. Staff should encourage online appointments rather than in-person.
- 2) Walk-ins without an appointment:
 - i. Try to assist with available staff if a visitor room is available. If appropriate staff member is not available, or visitor room is not available, then:
 - ii. Provide appropriate business card for staff member and request they contact to schedule an appointment.
- 3) State employees within WSI building must schedule an appointment.

This is informational only.



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Memorandum

TO: NDPERS Board

FROM: Scott

DATE: June 8, 2021

SUBJECT: Virtual Board Meetings

This is a continuation of the discussion we had at the May meeting. To refresh your recollection, the Governor signed House Bill No. 1349 on April 19th, and it was filed with the Secretary of State on April 20th. House Bill No. 1349 relates to access to public meetings. Section 3 of 44-04-19 of the North Dakota Century Code was amended to remove the requirement of a physical meeting room and speaker phone when public meetings are held virtually. There was no emergency clause in the final document, leaving a gap between April 30th when the Governor terminated the pandemic-related Emergency Orders and the effective date of the bill on August 1st. This would mean a room with a speakerphone would have to be provided until the legislation goes into effect on August 1st.

Senator Holmberg provided an amendment to Section 46 of the OMB appropriations bill to declare an emergency measure to Section 3 of House Bill No. 1349 as approved by the sixty-seventh Legislative Assembly. The OMB Bill (HB 1015) passed, which closes that gap. This removes the requirement to provide a meeting room and speakerphone for the public if the Board meets virtually.

This creates the question of if and when the Board would like to go back to in-person Board meetings, or to continue with virtual Teams meetings. I would suggest waiting for in-person Board meetings until after we have transitioned to the WSI building in July, if that is the direction the Board would like to go.

Board direction/action is requested.



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Memorandum

TO: NDPERS Board

FROM: Scott

DATE: June 8, 2021

SUBJECT: Contracts under \$10,000

Attached is a document that shows the contracts under \$10,000 that I have signed this calendar year. Please let me know if you have any questions on any of these contracts.

This topic is informational only.

Vendor	Amount	Frequency Incurred
*Office of Management & Budget	\$ -	3 year renewal for surplus property
*Record Keepers	~ \$ 16	Weekly

*Newly signed agreements since last board meeting



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Memorandum

TO: NDPERS Board

FROM: Scott

DATE: June 8, 2021

SUBJECT: Board Self-Evaluation

Last year the Board participated in its first Self-Evaluation. At the August meeting we had a great discussion about how we view Board membership, service, and responsibilities. I would propose we do another self-evaluation and go over the results at this August meeting. While it would be tempting to do it at the Board Planning Meeting, I think it would take up too much of the time at that meeting. Nonetheless, I am open to other thoughts and suggestions. We will discuss the timing of the self-evaluation at the June meeting. I do not think we need actual Board Action, but mere consensus.

VI. MEMBER *Executive Session
A. Insurance Appeal Case #681

Material for this agenda item will be sent under separate cover.