

NDPERS BOARD MEETING

Agenda

Fargo Locations:

BCBS 4510 13th Ave S
Sanford Hospital 5225 23rd Ave S
Sanford Health Plan 1749 38th St S

November 15 - 16, 2017

Wednesday, November 15, 2017

1:00-3:00 pm Meeting with BCBS
4510 13th Avenue South, Fargo
3:30-5:30 pm Tour of Sanford Hospital
5225 23rd Avenue South, Fargo

Thursday, November 16, 2017

8:30 am Tour of Sanford Health Plan Fargo Office
9:00 am NDPERS Board Meeting
1749 38th Street South, Fargo

I. MINUTES

A. October 19

II. GROUP INSURANCE

A. Vision Contract – Kathy (Board Action)

III. MISCELLANEOUS

- A. Transition Committee Update – (Board Action)
- B. 2018 Board Meeting Dates – Jan (Information)
- C. Legislative Committee Update – Sharon (Information)

IV. SANFORD HEALTH PLAN

- A. Executive Summary Report – Quarter II
- B. Medical Management Programs - Overview
- C. Health Plan Performance Review
 - Member Service Metrics & Results
 - Special Programs
 - Wellness Programs
 - Operational Savings
 - Pharmacy
 - Administrative Costs & Financials

Any individual requiring an auxiliary aid or service must contact the NDPERS ADA Coordinator at 328-3900, at least 5 business days before the scheduled meeting.



Sanford Medical Center Fargo Tour

November 15, 2017 - 3:30 p.m.

Driving directions

Sanford Medical Center Fargo is located at 5225 23rd Ave S. It is near the intersection of Interstates 29 and 94. A map is available on page three.

Parking

Visitor parking is available on the south side of the hospital, near the Main Entrance. A parking map is available on page two.

Tour

Please enter through the Main Entrance and congregate in the Atrium. Representatives from Sanford Health Plan will be present to greet you. The tour will begin at 3:30 p.m. and last approximately 45 minutes. We will split into smaller groups and tour simultaneously using the shotgun start model.

The tour includes:

- Family Birth Center
- Labor & Delivery Room
- Patient Room
- Cully's Cabin (Pediatrics)
- Trauma
- Helicopter Pad and Hanger
- Dining Area

Thank you for understanding that some tour sites may be inaccessible if occupied by patients at the time of the tour.



Main Entrance



Guest Services



Patient Parking



Valet Drop Off

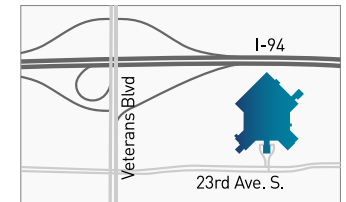


Handicap Parking



Employee Parking

Sanford Medical Center Fargo



22nd Ave. S.

CENTRAL
ENERGY PLANT

EMERGENCY
DEPARTMENT
ENTRANCE

EMPLOYEE
ENTRANCE

MAIN
ENTRANCE

MAIN PARKING
LOTS

23rd Ave. S.

55th St. S.

51st St. S.

1 **Sanford Medical Center Fargo**

5225 23rd Ave. S.

+ Emergency Department

- I-94 Clinic

2 **Sanford Broadway Campus**

801 Broadway N.

- Roger Maris Cancer Center
820 Fourth St. N.
- Broadway Clinic
737 Broadway N.
- Broadway Medical Building
736 Broadway N.
- Sanford Broadway Urgent Care
720 Fourth St. N.

3 **Sanford South University Campus**

1720 University Dr. S.

- Hospital
- 1717 Medical Building (Eye Center)
- 1711 Office Building
- Sanford South University Urgent Care

4 **Sanford Children's Southwest Clinic**

2701 13th Ave. S.

5 **Sanford Dermatology & Laser Clinic**

4656 40th Ave. S.

6 **Sanford Health HealthCare Accessories**

3223 32nd Ave. SW.

7 **Sanford Moorhead Campus**

4000 28th Ave. S.

8 **Sanford Neuroscience Clinic**

700 First Ave. S.

9 **Sanford North Fargo Clinic**

2601 N. Broadway

10 **Sanford Health Occupational Medicine Clinic**

3838 12th Ave. N.

11 **Sanford Professional Building**

100 4th St. S.

12 **Sanford Reproductive Medicine Clinic**

1111 Harwood Dr.

13 **Sanford Southpointe Clinic**

2400 32nd Ave. S.

14 **Sanford West Fargo Clinic**

1220 Sheyenne St.

15 **Sanford 2801 Medical Building**

2801 University Dr.

16 **Sanford Orthopedics & Sports Medicine**

2301 25th St. S.

17 **Family Wellness**

2960 Seter Parkway

18 **Sanford POWER**

2990 Seter Parkway

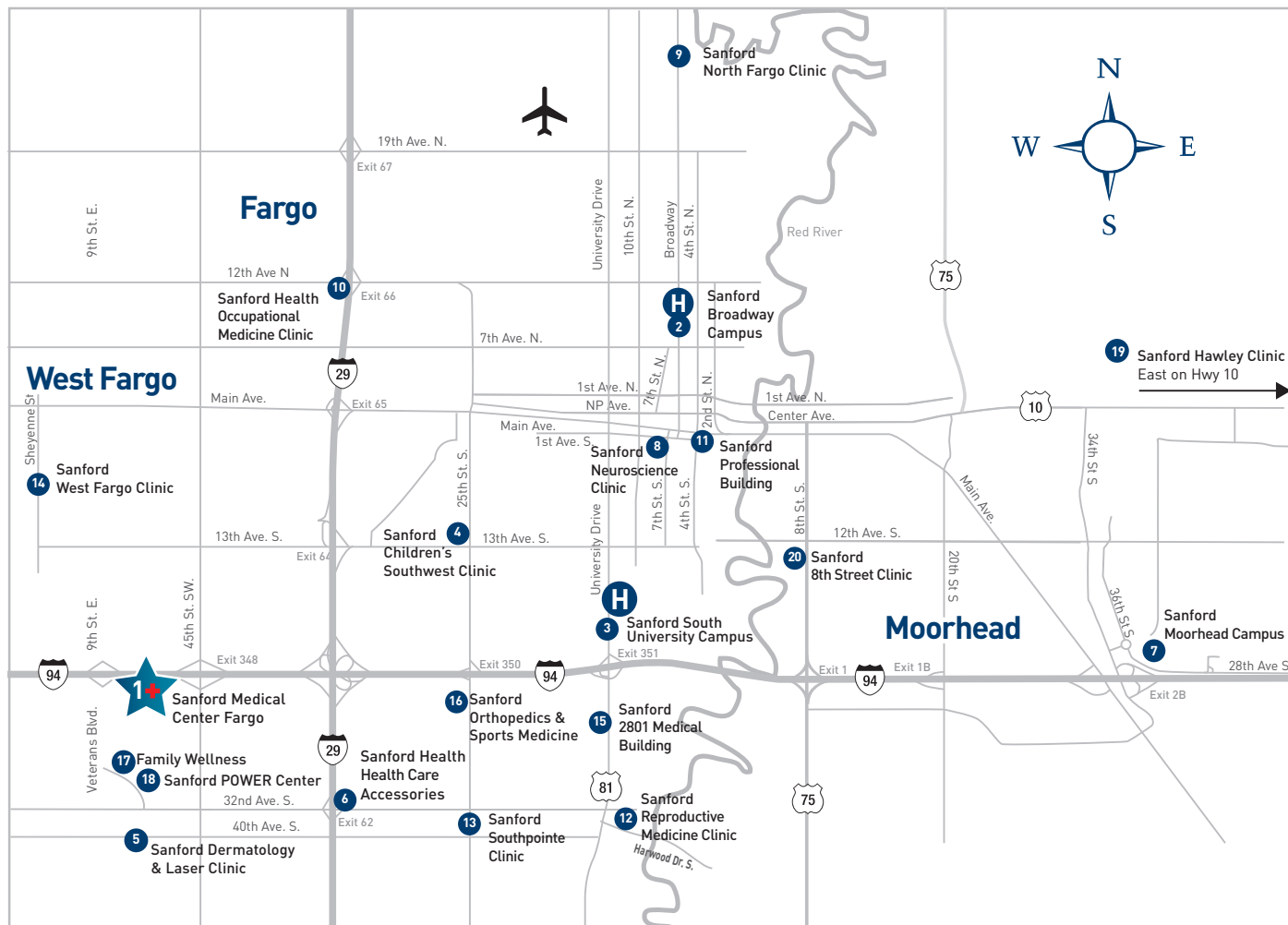
19 **Sanford Hawley Clinic**

1412 Main St., Hawley, MN

20 **Sanford 8th Street Clinic**

1301 Eighth St. S., Moorhead, MN

Fargo-Moorhead Locations





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

Sharon Schiermeister
Interim 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: **Kathy**

DATE: **November 6, 2017**

SUBJECT: **Superior Vision Agreement**

At the June 22, 2017 meeting, the Board approved awarding the contract for vision services to the incumbent bidder, Superior Vision. The agreement for these services, effective January 1, 2018, is included for your information. The document has been reviewed and approved and signed by Superior Vision. It has also been approved by PERS legal counsel . Staff is recommending the Board approve the agreement for signature.

BOARD ACTION REQUESTED



A Mutual Company Incorporated in 1909
PO Box 1191 • Madison, WI 53701-1191

Administrative Office:
Superior Vision Services, Inc.
11101 White Rock Road, Suite 150
Rancho Cordova, CA 95670

Policy Modifications

Policy Modifications: Policy/Certificate Number 29854, Form # NVIGRP 5/07 / NVIGRPCTV2 5/07 is amended as follows:

Beginning in 2014, health insurers are required to pay an annual Health Insurer Assessment Fee in accordance with Section 9010 of the Affordable Care Act (ACA). The amount due from each insurer is based on the insurer's market share of health premiums, including vision premiums, collected in the prior year. The rates in this renewal notification include this fee.

The Renewal Premium Rate guarantee period shown on the Premium Schedule is changed to read as follows:
Renewal Premium Rates are guaranteed from January 1, 2018 to December 31, 2023.

New Renewal Premium Rates as a result of this change are:

Employee Only	\$ 6.57
Employee + Spouse	\$13.15
Employee + Child(ren)	\$11.98
Employee + Family	\$18.55

In all other respects, the Policy/Certificate remains the same.

RIDER: This rider issued June 26, 2017, forms a part of Policy/Certificate No. 29854 issued to North Dakota Public Employees Retirement System (NDPERS). It is effective January 1, 2018. It does not vary, waive, alter or extend any of the terms, conditions, or provisions of the Policy, except as stated herein.

Signed for National Guardian Life Insurance Company

Kimberly A. Shaul, Secretary

Mark L. Solverud, President

Appendix A – Model State Contract

AGREEMENT FOR SERVICES BETWEEN SUPERIOR VISION AND NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

Superior Vision (hereinafter CONTRACTOR) has offered to provide services to the State of North Dakota acting through its Public Employees Retirement System (hereinafter NDPERS). The terms of this Contract shall constitute the services agreement ("Agreement").

CONTRACTOR and NDPERS agree to the following:

- 1) **SCOPE OF SERVICES:** CONTRACTOR agrees to provide the service(s) as specified in the 2017 RFP and proposal (attached hereto and incorporated by reference Exhibit A).
- 2) **TERM:** The contract term will begin on January 1, 2018 upon the execution of the Agreement by NDPERS. The initial contract term will end on December 31, 2019. The NDPERS Board, at its discretion may extend the contract for up to two additional two (2) year option periods from January 1, 2020 to December 31, 2021 and January 1, 2022 to December 31, 2023.
- 3) .
- 4) **FEES:** NDPERS shall only pay pursuant to the terms in Exhibit A.
- 4) **BILLINGS:** NDPERS self- administers the following functions relating to the vision plan: determining eligibility, collecting and maintaining enrollment information, billing and premium collection. Each month, NDPE RS pays the carrier¹ the premiums for the current month on approximately the 20th
- 5) **TERMINATION:** Either party may terminate this agreement with thirty (30) days written notice mailed to the other party, or as mutually agreed to by the parties. Upon any termination the CONTRACTOR shall be compensated as described in Exhibit A for services performed up to the date of termination.

In addition, PERS by written notice to CONTRACTOR 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.

¹ The vision plan is underwritten by Superior Vision's contracted carrier, National Guardian Life Insurance Company.

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

In addition, NDPERS may terminate this Agreement effective upon thirty (30) days prior written notice to CONTRACTOR, or any later date stated in the notice:

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

The rights and remedies of NDPERS provided in this subsection are not exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

- 6) **ASSIGNMENT AND SUBCONTRACTS:** CONTRACTOR may not assign or otherwise transfer or delegate any right or duty without STATE'S express written consent. However, the State expressly consents to CONTRACTOR entering into (i) subcontracts with its affiliates located in the United States, and (ii) third-party subcontracts provided that any such third-party 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 to the same extent as if such performance were done by CONTRACTOR. CONTRACTOR does not have authority to contract for or incur obligations on behalf of NDPERS.
- 7) **ACCESS TO RECORDS AND CONFIDENTIALITY:** The parties agree that all participation by NDPERS members and their dependents in programs administered by NDPERS is confidential under North Dakota law. CONTRACTOR may request and NDPERS shall provide directly to CONTRACTOR upon such request, confidential information necessary for CONTRACTOR to provide the services described in Exhibit A. CONTRACTOR shall keep confidential all NDPERS information obtained in the course of delivering services. Failure of CONTRACTOR to maintain the confidentiality of such information may be considered a material breach of the contract and may constitute the basis for additional civil and criminal penalties under North Dakota law. CONTRACTOR has exclusive control over the direction and guidance of the persons rendering services under this Agreement. Upon termination of this Agreement, for any reason, CONTRACTOR shall return or destroy all confidential information received from NDPERS, or created or received by CONTRACTOR on behalf of NDPERS. This provision applies to confidential information that may be in the possession of subcontractors or agents of CONTRACTOR. CONTRACTOR shall retain no copies of the confidential information. In the event that CONTRACTOR asserts that returning or destroying the confidential information is not feasible, CONTRACTOR shall provide to NDPERS notification of the conditions that make return or destruction infeasible. Upon explicit written agreement of PERS that return or destruction of confidential information is not feasible, CONTRACTOR shall extend the protections of this Agreement to that confidential information and limit further uses and disclosures of any such confidential information to those purposes that make the return or destruction infeasible, for so long as CONTRACTOR maintains the confidential information.

CONTRACTOR shall not use or disclose any information it receives from NDPERS under this Agreement that NDPERS has previously identified as confidential or exempt from mandatory public disclosure except as necessary to carry out the purposes of this Agreement or as authorized in advance by NDPERS. NDPERS shall not disclose any information it receives from CONTRACTOR that CONTRACTOR has previously identified as confidential and that NDPERS determines in its sole discretion is protected from mandatory public disclosure under a specific exception to the North Dakota public records law, N.D.C.C. ch. 44-04. The duty of NDPERS and CONTRACTOR to maintain confidentiality of information under this section continues beyond the term of this Agreement.

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

- 8) **APPLICABLE LAW AND VENUE:** This agreement shall be governed by and construed in accordance with the laws of the State of North Dakota. Any action to enforce this contract must be adjudicated exclusively in the State District Court of Burleigh County, North Dakota.
- 9) **MERGER AND MODIFICATION:** This Agreement shall constitute the entire agreement between the parties. In the event of any inconsistency or conflict among the documents making up this agreement, the documents must control in this order of precedence: First – the terms of this Agreement, as may be amended and Second - the state's Request for Proposal (attached in Exhibit A) and Third – CONTRACTOR's Proposal (attached in Exhibit A). No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification or change, if made, shall be effective only in the specific instances and for the specific purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement.
- 10) **INDEMNITY:** CONTRACTOR agrees to defend, indemnify, and hold harmless the state of North Dakota, its agencies, officers and employees (State), from and against third party claims based on the vicarious liability of the State or its agents relating to Contractor's services under this Agreement, but not against claims based on the State's contributory negligence, comparative and/or contributory negligence or fault, sole negligence, or intentional misconduct. This obligation to defend, indemnify, and hold harmless does not extend to professional liability claims arising from professional errors and omissions. 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.

11) **INSURANCE**

CONTRACTOR shall secure and keep in force during the term of this Agreement, from insurance companies, government self-insurance pools or government self-retention funds, 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) Professional errors and omissions with minimum liability limits of \$1,000,000 per occurrence and in the aggregate. CONTRACTOR shall continuously maintain such coverage during the contract period and for three years thereafter. In the event of a change or cancellation of coverage, CONTRACTOR shall purchase an extended reporting period to meet the time periods required in this section.
- 3) Automobile liability, including Owned (if any), Hired, and Non-Owned automobiles, with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence.
- 4) Workers compensation coverage meeting all statutory requirements.

The insurance coverages 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.
- 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.
- 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) "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;
- 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.

5) CONTRACTOR shall furnish a certificate of insurance to the undersigned State representative prior to commencement of this Agreement.

6) Failure to provide insurance as required in this Agreement is a material breach of contract entitling State to terminate this Agreement immediately.

7) CONTRACTOR shall provide at least 30 day notice of any cancellation or material change to the policies or endorsements.

- 12) **SEVERABILITY:** If any term in this Agreement is declared by a court having jurisdiction to be illegal or unenforceable, the validity of the remaining terms must not be affected, and, if possible, the rights and obligations of the parties are to be construed and enforced as if the Agreement did not contain that term.
- 13) **INDEPENDENT ENTITY:** CONTRACTOR is an independent entity under this Agreement and is not a State employee for any purpose, including 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 CONTRACTOR'S activities and responsibilities under this Agreement, except to the extent specified in this Agreement.
- 14) **NDPERS RESPONSIBILITIES:** NDPERS shall cooperate with the CONTRACTOR hereunder, including, without limitation, providing the CONTRACTOR with reasonable and timely access to data, information and personnel of NDPERS. NDPERS shall be responsible for the performance of its personnel and agents and for the accuracy and completeness of data and information provided to the CONTRACTOR for purposes of the performance of the Services.
- 15) **FORCE MAJEURE:** Neither party shall be held responsible for delay or default caused by fire, riot, terrorism, 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 that is reasonably expected to cause a delay or default.
- 16) **ALTERNATIVE DISPUTE RESOLUTION – JURY TRIAL:** NDPERS 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. NDPERS does not waive any right to a jury trial.

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

NDPERS:

Attention Executive Director
ND Public Employees Retirement System
400 East Broadway, Suite 505
PO Box 1657
Bismarck, ND 58502-1657

Superior Vision:

Janice Nadolski
11101 White Rock Road
Rancho Cordova, CA 95670

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.

- 18) **NONDISCRIMINATION AND COMPLIANCE WITH LAWS:** CONTRACTOR agrees to comply with all laws, rules, and policies, including those relating to nondiscrimination, accessibility and civil rights, as are applicable to CONTRACTOR. CONTRACTOR agrees to timely file all legally required reports, make required payroll deductions, and timely pay all taxes and premiums owed, including 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.
- 19) **STATE AUDIT:** All records, regardless of physical form, and the accounting practices and procedures of CONTRACTOR relevant to this Agreement are subject to examination by the North Dakota State Auditor, the Auditor's designee, or Federal auditors. CONTRACTOR shall maintain all of these records for at least three (3) years following completion of this Agreement and be able to provide them at any reasonable time. State, State Auditor, or Auditor's designee shall provide reasonable notice.
- 20) **TAXPAYER ID:** CONTRACTOR'S federal employer ID number is: 13-3741352.
- 21) **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 NDPERS.
- 22) **EFFECTIVENESS OF CONTRACT:** This Agreement is not effective until fully executed by both parties.

IN WITNESS WHEREOF, CONTRACTOR and NDPERS have executed this Agreement as of the date first written above.

NORTH DAKOTA PUBLIC

EMPLOYEES RETIREMENT SYSTEM

Mark Dosch, Board Chairman

ND Public Employees Retirement System

Date

SUPERIOR VISION



Signature

GLEN McDONALD

Printed Name

SVP, OPERATIONS

Title

11/8/17



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

Sharon Schiermeister
Interim 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: Transition Committee

DATE: November 6, 2017

SUBJECT: Transition Update

The transition committee met on November 6, 2017 and reviewed the attached position specifications and proposed advertising plan prepared by EFL. The position specifications and advertising plan are being presented to the full Board for your input and approval. Please note that the HRMS website is not included on the advertising plan, as they have indicated their Recruiting Solutions system is not set up to handle recruitments that need to be directed to a 3rd party, such as this.

In addition, the transition committee took action on the following:

1. Provided EFL with a maximum salary for the position
2. Directed EFL to distribute their weekly status reports and candidate listings to the Transition Subcommittee
3. Established a tentative timeline for the recruitment that includes:
 - a. Upon Board approval of position specifications, EFL will conduct candidate recruitment in November and December
 - b. Meeting with EFL on January 11 or 12 to review their list of candidates and determine who will be interviewed
 - c. Conduct initial interviews during the week of January 29
 - d. Provide list of candidates to be interviewed by the full Board at a special meeting in February

Board Action Requested:

Approve position specifications and advertising plan

Attachments



Transition Update Attachment Position Specifications

EFL Associates

4600 South Ulster Street, Suite 900
Denver, CO 80237
Phone: 720.200.7000
www.effassociates.com



NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

EXECUTIVE DIRECTOR

POSITION SPECIFICATIONS

CLIENT

Our client is the North Dakota Public Employees Retirement System (PERS or “the System”). PERS is the administrator of five 401(a) defined benefit pension plans and an optional 401(a) defined contribution retirement plan. The System also manages and administers the retiree health insurance credit program, the uniform group insurance program which includes health, life, dental, and vision plans and an Employee Assistance Program, the 457(b) deferred compensation program and the Section 125 pretax benefits program. A brief overview of each benefit program follows.

Defined Benefit Plans

The Public Employees Retirement System (PERS) is a cost-sharing, multi-employer retirement plan. PERS was established on July 1, 1966 as a defined contribution plan but was later changed to a defined benefit plan by the North Dakota Legislature in 1977. PERS covers substantially all employees of the State of North Dakota, its agencies and various participating political subdivisions. It also covers Supreme and District Court Judges, the National Guard Security Officers and Firefighters, as of August 1, 2004, peace officers and correctional officers employed by political subdivisions and as of August 1, 2017, firefighters employed by political subdivisions. The Highway Patrolmen’s Retirement System (HPRS) is a single-employer defined benefit plan established July 1, 1949 that covers substantially all sworn officers of the North Dakota Highway Patrol. The System became the administrator of this plan effective July 1, 1983. The Retirement Plan for Employees of Job Service North Dakota (Job Service Plan) is a single-employer defined benefit plan established July 1, 1961 and is limited to employees participating in the plan as of September 30, 1980. The System became the administrator of the Job Service Plan effective August 1, 2003.

PERS has 23,351 contributing members and 11,110 retirees and beneficiaries currently receiving benefits. HPRS has 151 contributing members and 127 retirees and

beneficiaries. The Job Service Plan has 8 contributing members and 139 retirees. The employers participating in PERS include 96 state agencies and 343 political subdivisions.

Defined Contribution Retirement Plan

An optional Defined Contribution Retirement Plan (DC Plan) was established effective January 1, 2000. The DC plan was available to state employees who are in positions not classified by the Human Resource Management Services division of the State of North Dakota. Employees of the judicial branch or the Board of Higher Education and State Institutions under the jurisdiction of the Board of Higher Education are not eligible to participate in the Plan. The 2013 Legislative Assembly passed legislation to expand eligibility to the Plan to include all new state employees hired on or after October 1, 2013 through July 31, 2017. The Plan has 104 participants.

Retiree Health Insurance Credit Program

This program was created by the North Dakota Legislature in 1989. It is designed to provide members with a benefit that can be used to offset the cost of their health insurance premiums during their retirement years. There are 23,605 contributing members and 11,071 retired participants currently receiving benefits. Starting in July 2015, the System contracted with a benefits service company for processing premium reimbursements for retirees.

Uniform Group Insurance Program

Group Health Insurance. The System began administering the group health insurance plan in 1971. There are 28,537 active and retired contracts under this plan as of June 30, 2017. Total covered lives, including spouses and dependents are 66,284. As of June 30, 2017, there were 156 political subdivisions participating in the group health program. The health insurance premiums paid to the carrier for the fiscal year ended June 30, 2017 totaled \$309.6 million.

Another component of this plan, which is being reported in compliance with GASB Statement 43, provides health care coverage to eligible retirees who are not yet eligible for Medicare. The premiums for this group are not age-rated and do not cover the costs of the coverage, therefore, the costs of this group are being subsidized through the active group rates. There are 353 retirees currently receiving the subsidized premium. This plan was closed to new retirees July 1, 2015.

Group Life Insurance. The System began administering the group life insurance plan in 1971. There are 18,250 active and 3,238 retired employees covered under the basic life insurance plan. Active employees have the option of purchasing additional life insurance under the employee supplemental, dependent supplemental, and spouse supplemental provisions of the plan. The life insurance premiums paid to the carrier for the fiscal year ended June 30, 2017 totaled \$3.45 million. As of fiscal year end, there was \$1.671 billion of life insurance in force for all participants covered by this plan.

Voluntary Insurance Products. The 1995 North Dakota Legislature authorized the System to offer voluntary insurance products, specifically dental, vision and long term care insurance. On January 1, 1997, the System began offering a dental plan and long term

care plan and on January 1, 2003, a vision plan was offered. There are 9,897 participants in the dental plan, 10,766 participants in the vision plan, and 164 participants in the long term care plan.

Employee Assistance Program. The 1997 North Dakota Legislature authorized the System to administer an employer-sponsored Employee Assistance Program (EAP) for all state employees, effective August 1, 1997. The System has contracted with four EAP vendors to provide services to employees and their families. The System collects the monthly premiums from the employers and remits them to the appropriate vendor. Approximately 15,200 state employees are covered under this program.

Deferred Compensation Program

This is a voluntary, supplemental retirement plan provided in accordance with Section 457(b) of the Internal Revenue Code. It allows eligible employees to defer and invest income on a pretax basis to be withdrawn at a later date, usually at retirement. The System has administered the Plan since 1987. Fourteen companies have agreed to provide investment services for the State's deferred compensation program. The System is the trustee for deferred compensation assets totaling \$97.9 million, provider companies hold the remaining plan assets of \$151.9 million in custodial accounts for the exclusive benefit of participants and their beneficiaries. Approximately 12,932 employees participate in this program.

Pretax Benefits Program (FlexComp)

This program was established by the North Dakota Legislature in 1989 in accordance with Section 125 of the Internal Revenue Code. It allows eligible employees to elect to reduce their salaries to pay for qualified insurance premiums, medical expenses, and dependent care expenses on a pretax basis. There are 2,873 participants in the medical and dependent care spending accounts. Employee contributions to the spending accounts totaled \$5.55 million. Starting in January 2013, the System contracted with a benefits service company for processing spending account reimbursements.

Defined Benefit Plan Funding and Investments

The July 1, 2017 actuarial value of assets for PERS is \$2.633 million and its funding status is 70.7%. The actuarial value of assets for HPRS are \$70.7 million and its funding status is 75.2%. The Job Service Plan is fully funded and the actuarial value of its assets are \$98.4 million

Investment Management

PERS does not manage the invested assets held in trust for the plans it administers. Investments for PERS, HPRS and the Job Service Plan are managed by the North Dakota State Investment Board (SIB) which adheres to the prudent investor role. The PERS and HPRS assets had an annualized return of 13.05% for the fiscal year ended June 30, 2017. The annualized rate of return was 5.48% for the last three years and 9.16% for the last five years. The annualized rate of return for fiscal year ended June 30, 2017 for the Job Service Plan was 5.63%. The annualized rate of return was 4.79% for the last three years and 7.85% for the last five years. The System's portfolio is broadly

diversified with holdings in domestic and international equities, domestic and international fixed income, real estate, private equity, timber, infrastructure, and cash equivalents. The assets of the Retiree Health Insurance Credit Program are also invested with the SIB.

The System's offices are located in downtown Bismarck. For more information about the System, please visit the website at www.ndpers.nd.gov

POSITION SUMMARY

The Role

The Executive Director is appointed by and reports to a nine member Board of Trustees. He/she is responsible for the day-to-day administration and direction of all programs delegated by State law to the System which are:

- The defined benefit retirement programs for public employees, judges, , law enforcement, highway patrol and Job Service;
- The defined contribution plans including the 401(A) and 457 plans, including the PERS Companion Plan;
- The Retiree Health Insurance Credit program
- The Group Health, Life, Vision, Dental and Long Term Care insurance programs;
- The State's Employee Assistance Program.
The 125 State FlexComp program

The Executive Director also serves as the Board's representative with the members, employee and retiree organizations, the Legislature, other State agencies, State Administration, national organizations, the media and the general public.

The System employs a workforce of 35 permanent staff and 2 temporary staff and has an annual administrative budget of \$4.6 million. Functionally, the System is organized into six major departments: Operations; Finance; Research and Planning; Benefits and Human Resources; Administrative Services; and Internal Audit. The System disburses over \$170 million annually in retirement payments and over \$330 million annually in group insurance premiums. NDPERS has more than \$2.7 billion in assets in the Defined Benefit and Defined Contribution trusts, \$250 million in the Deferred Compensation program, and \$116 million in the Retiree Health Trust.

The Executive Director is responsible for overseeing the work of external vendors. These include the health and retirement actuarial consulting firms, the Group Life, Health, Vision, Dental, Long Term Care and EAP providers, deferred compensation providers, the 401(A) plan and 457 Companion plan recordkeeper, and benefit service providers for RHIC reimbursements and the FlexComp Spending accounts.

Duties and Responsibilities

The Executive Director is responsible for planning, organizing and managing the activities of the System in accordance with the policies established by the Board of Trustees under the statutes and rules governing PERS.

Key responsibilities include:

- Managing the day-to-day activities of the PERS staff and staff recruitment.
- Working closely with the Board of Trustees and its standing committees which include: Investment; Audit; Benefits and Retiree.
- Representing PERS in national retirement and benefit organizations.
- Representing PERS before State and Federal elected officials, as appropriate.
- Ensuring the objectives established by the Board of Trustees in its strategic long-term plan are achieved.
- Ensuring that PERS operates efficiently.
- Evaluating performance of the direct reports to the Executive Director and General Counsel.
- Ensuring that PERS complies with all applicable laws and regulations.
- Ensuring that PERS maintains an effective public relations strategy; overseeing communications, and communicating with, the media regarding PERS issues.
- Ensuring that the following general principles, under which the Board sets policy and the staff operates, are complied with:
 - Providing excellent service to PERS members and retirees.
 - Maintaining high ethical and fiduciary standards in policy development and fund operations.
 - Preserving the financial integrity of the funds.
 - Maintaining actuarial soundness, while balancing the cost of benefits between present and future members and employers.
 - Participating actively in the benefits industry.
- Building and maintaining effective relationships to strengthen the efforts of the system.
- Planning monthly board meetings.
- Conducting elections for vacant board positions in accordance with the rules of the Board.
- Maintaining an understanding of employee benefit plan qualifications and requirements under the Internal Revenue Code, and other state and federal laws and regulations.
- Monitoring program compliance and activities and regularly reporting to the Board regarding plan qualification and other issues affecting the agency and plans it administers, including making recommendations for adjustments as circumstances require.
- Developing, recommending and implementing goals and objectives designed to achieve the mission statement established by the Board.
- Developing budget requests regarding staffing, equipment, and other requirements upon which the budget is based for consideration by the Board, the Governor, and the Legislature.
- Developing and recommending legislation and administrative rule changes relating to programs administered by the agency, and serve as the agency's chief spokesperson with the Legislature.

EDUCATION AND EXPERIENCE

- Undergraduate degree from an accredited college or university; advanced degree in business or public administration or related field is preferred.
- Significant successful leadership experience (5 or more years) in a complex organization of similar or larger size than PERS preferably one involving retirement, health insurance or financial services, with strong customer service focus.
- Ideally a minimum of two years involving significant supervisory and budgetary oversight. Experience in group health, group life, and flexible spending programs is highly desirable.
- Certification as a Certified Employee Benefits Specialist (CEBS), Certified Retirement Administrator (CRA), or other comparable certification will distinguish the most attractive candidates.
- Experience working with/reporting to a Board of Trustees using an inclusive style and consensus orientation.
- Proven management experience, including the ability to hire, motivate, develop and delegate to a strong senior staff.
- Demonstrated success serving as the spokesperson with external stakeholders, including the media.
- Understanding of the legislative process and the necessary political skills to work successfully with legislative committees and legislators.
- Strong financial acumen and the ability to construct and manage an approved annual budget.

PERSONAL CHARACTERISTICS

- Demonstrated dedication to customer service, including the desire and ability to make this an organizational mentality.
- The highest level of character and integrity; combined with a strong sense of fiduciary duty.
- Projects confidence but with humility; a servant leader.
- Open and welcoming; approachable and visible to board, staff, employers and members; empathetic, with strong emotional intelligence.
- A thoughtful decision-maker who values both people and process; willing to get input in the decision-making process; makes the decision but is willing to admit mistakes.
- The ability to communicate a vision, combined with strong strategic skills.
- Excellent oral, written and listening communication skills, including strong presentation skills.
- A belief in and commitment to, full disclosure of information (including uncomfortable information) to the Board, as well as dealing even-handedly with all board members.
- Flexibility and adaptability, including a willingness to hear and act on uncomfortable information.
- High energy level and strong work ethic.

COMPENSATION

Compensation will consist of an attractive base salary commensurate with experience and qualifications. There is no incentive compensation. In addition, the Executive Director will be entitled to the States' generous benefits package, which includes fully-paid family health insurance, a defined benefit or defined contribution retirement plan, dental, vision, and life/AD&D coverage; a generous PTO policy; optional 457(b) deferred compensation plan; flexible spending account; and an employee assistance program. Relocation assistance, if necessary, will be negotiated on an individual basis.

APPLICATION PROCESS

EFL Associates, an executive search firm, is assisting PERS with this important search. All calls and inquiries must be made through the search firm. Referrals and applications will be treated in accordance with the North Dakota open records law; noting that NDPERS anticipates applications will meet the requirements of N.D.C.C. 44-04-18.27, such that initial applications will be considered confidential under state law, except that records relating to finalists are open to the public after the finalists are designated. Review of applications will begin immediately and will continue until the position is filled.

NON-DISCRIMINATION

Our client and EFL Associates firmly support the principle and philosophy of equal opportunity for all individuals, regardless of age, race, gender, creed, national origin, disability, veteran status or any other protected category pursuant to applicable federal, state or local law.

EFL ASSOCIATES
4600 S. Ulster St., Suite 900
Denver, CO 80237-2579
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Email: lmcelderry@eflassociates.com



**North Dakota Public Employees' Retirement System
 Executive Director
 PROPOSED Advertising (PAID & FREE) Plan**

Advertising Venue	Target Audience	Cost
Pension & Investments (P&I)	Pension Industry Nationwide	60 days online - \$2400
NAGDCA	DC Administrators Nationwide	30 days online – FREE (member)
Benefitslink.com	Benefit professionals Nationwide	60 days online - \$335
NCPERS	Pension Industry Nationwide	30 days online – FREE (member)
IFEBP	Pension Industry Nationwide	60 days online – \$240 (member)
NASRA	State Public Pension Plans Nationwide	60 days online – FREE (member)
NCTR	Teacher Public Pension Plans Nationwide	60 days online - FREE
State & Local Government Benefits Administration (SALGBA)	Public Sector Benefits Professionals	FREE - member
LinkedIn Jobs	Pension Industry Professionals	30 days online - \$300
North Dakota Job Service	Job Seekers in North Dakota	30 days Online - FREE
NDPERS Website	Pension Industry Nationwide	FREE – client website
NDPERS Facebook page	Pension Industry Nationwide	FREE – client FB page
NDPERS news subscribers	Pension Industry Professionals	FREE – client subscribers
Diversity Sites		
Association of Asian American Professionals (NAAAP)	Diversity Professionals	60 days online - \$150
National Society of Hispanic MBAs	Diversity Professionals	60 days online - \$300
National Black MBA Association	Diversity Professionals	60 days online - \$295
Total Cost		\$ 4020



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

Sharon Schiermeister
Interim Executive Director
(701) 328-3900
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Fax: (701) 328-3920 Email ndpers-info@nd.gov Website <https://ndpers.nd.gov>

Memorandum

TO: NDPERS Board

FROM: Jan Lund

DATE: November 16, 2017

SUBJECT: 2018 Board Meeting Schedule and
December 2017 Meeting Reminder

Following are the proposed meeting dates for 2018. All meetings are scheduled to be held at the North Dakota Association of Counties conference room located at 1661 Capitol Way, Bismarck except for September, October and December.

- January 9 ND Association of Counties
- February 6 ND Association of Counties
- March 13 ND Association of Counties
- April 10 ND Association of Counties
- May 8 ND Association of Counties
- June 12 ND Association of Counties
- July 10 ND Association of Counties
- August 23 ND Association of Counties (Thursday)
- September 11 TBD
- October 9 TBD
- November 13 ND Association of Counties
- December 11 TBD

I will post the dates with the Secretary of State's office and set these meetings up on your Outlook calendars.

At the October meeting the Board changed the date of the December 2017 meeting to Tuesday, December 12, 2017. The meeting will be held at the WSI Board Room, 1600 East Century Avenue. I will arrange for video conferencing to connect with the Fargo location.



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Memorandum

TO: NDPERS Board

FROM: Sharon Schiermeister

DATE: November 6, 2017

SUBJECT: **Interim Legislative Committee Update**

Following is an update on the two interim legislative committees that we are involved with.

Employee Benefits Programs Committee

Attached is the agenda from the October 26, 2017 meeting (Attachment 1). GRS presented the actuarial valuations to the committee and staff presented information on the High Deductible Health Plan. This committee is not scheduled to meet again until next Spring, at which time they will be reviewing proposed legislation.

Health Care Reform Review Committee

One area that this committee is studying is the public employee health insurance plan pursuant to a directive from Legislative Management. The next meeting is scheduled for November 30, 2017. We have been asked to provide the committee with a comprehensive view of how other states are providing public employees with health benefits, based on surveying other states. The information we have been asked to report on includes:

- Who does each state provide coverage for under its plan/s (state only or also political subdivisions)
- What type/s of plan/s do the states offer
- In the case of a self-funded plan (single-employer plan and/or multiple-employer plan), who regulates the financial condition of the self-insurance fund and who handles complaints related to the administration of the plan (for example, complaints regarding member benefits). What is the legal basis for this (state law, ERISA, administrative rules, something else?).

Attachment

NORTH DAKOTA LEGISLATIVE MANAGEMENT

Tentative Agenda

EMPLOYEE BENEFITS PROGRAMS COMMITTEE

Thursday, October 26, 2017
 Roughrider Room, State Capitol
 Bismarck, North Dakota

10:00 a.m. Call to order
 Roll call
 Consideration of the minutes of the September 21, 2017, meeting
 Comments by the Chairman

OVERVIEW OF THE RETIREMENT AND INVESTMENT OFFICE

10:05 a.m. [Presentation](#) by Mr. David J. Hunter, Executive Director and Chief Investment Officer, Retirement and Investment Office, of an overview of the Retirement and Investment Office, including State Investment Board investments for the Teachers' Fund for Retirement (TFFR) and the Public Employees Retirement System (PERS)

10:35 a.m. [Presentation](#) by Ms. Fay Kopp, Chief Retirement Officer, Teachers' Fund for Retirement, of an overview of TFFR

Committee discussion and directives

ACTUARIAL VALUATIONS OF THE TEACHERS' FUND FOR RETIREMENT AND THE PUBLIC EMPLOYEES RETIREMENT SYSTEM

11:00 a.m. [Presentations](#) by Ms. Kim Nicholl, Senior Vice President, and Mr. Matthew A. Strom, Vice President, The Segal Group, Inc., of:

- An overview of the TFFR valuation process
- The July 1, 2017, actuarial valuation of TFFR

Comments by interested persons

Committee discussion and directives

12:00 noon Luncheon recess

1:00 p.m. [Presentation](#) by Ms. Amelia Williams, Consultant, and Mr. Lance Weiss, Senior Consultant, Gabriel, Roeder, Smith & Company Holdings, Inc., of:

- An overview of the PERS valuation process
- The July 1, 2017, actuarial valuations of PERS, the Highway Patrolmen's retirement system, Job Service retirement system, and Retiree Health Insurance Credit Program

Comments by interested persons

Committee discussion and directives

2:30 p.m. [Presentation](#) by representatives of PERS providing followup comments from the September 21, 2017, meeting

3:00 p.m. Adjourn

Committee Members

Representatives: Mike Lefor (Chairman), Randy Boehning, Jason Dockter, Vernon Laning, Alisa Mitskog, Mark S. Owens, Roscoe Streyle

Senators: Brad Bekkedahl, Dick Dever, Karen K. Krebsbach, Oley Larsen, Gary A. Lee, Carolyn C. Nelson

Staff Contact: Jennifer S. N. Clark, Counsel



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Memorandum

TO: NDPERS Board

FROM: Sharon Schiermeister

DATE: November 8, 2017

SUBJECT: Sanford Presentation

Attached is the quarterly report from Sanford which they will be reviewing at the meeting. Materials for the remainder of the agenda items will be provided by Sanford at the meeting.

SHP will provide color
copies at the meeting.

NDPERS Executive Summary

Quarter 2 | 2017

Presented November 2017



SANFORD
HEALTH PLAN

CONTENTS

3

Summary

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Claims Analysis

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Performance Standards & Guarantees 2015-2017

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Performance Standards & Guarantees 2017-2019

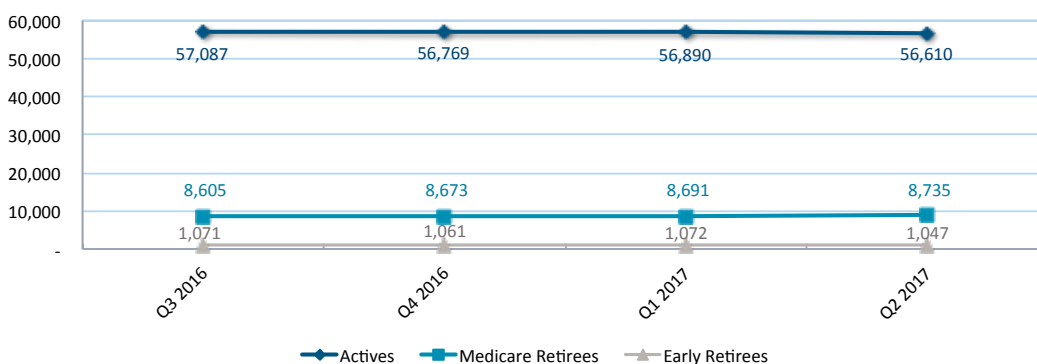
ANNUAL MEMBERSHIP SUMMARY

Summary

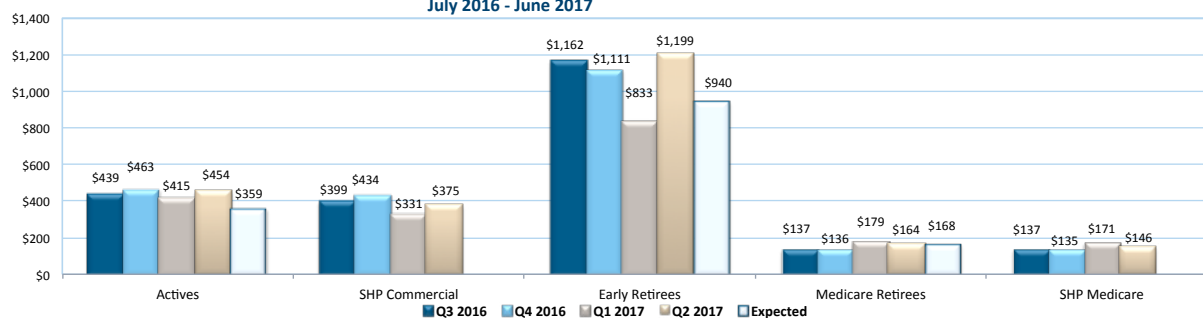
MEMBERSHIP COMPARISON						PERCENT CHANGE
	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q2 17/Q2 16
Actives	57,424	57,087	56,769	56,890	56,610	-1.4%
Early Retirees	1,124	1,071	1,061	1,072	1,047	-6.8%
Medicare Retirees	8,530	8,605	8,673	8,691	8,735	2.4%

MEMBERSHIP TREND

Quarterly Changes in Membership Trend



PMPM SUMMARY

Per Member Per Month Quarterly Average
July 2016 - June 2017

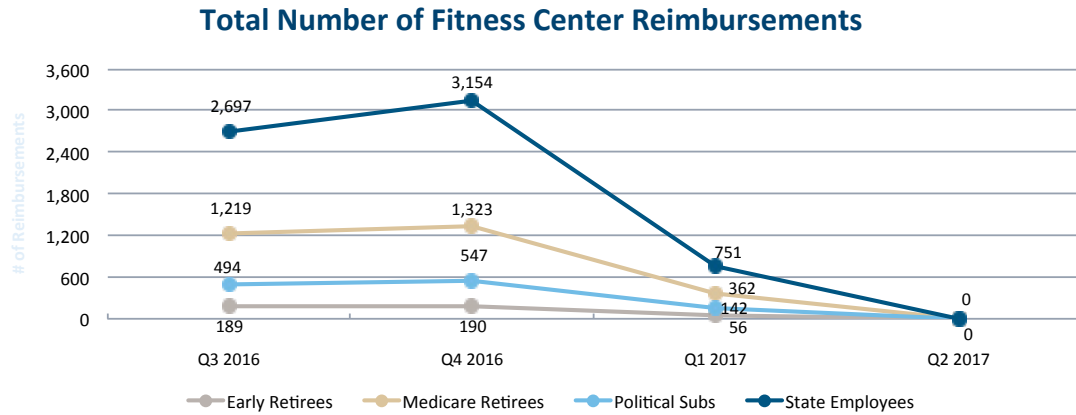
*Incurred between July 1, 2016 and June 30, 2017 and paid through August 31, 2017. Includes IBNR for July 2016 through June 2017, as of August 31, 2017.

**Historically, 98% of claims will be accounted for within 90 days of the effective date.

*Medicare Retirees PMPM excludes prescription drug coverage (Medicare Part D).

Summary

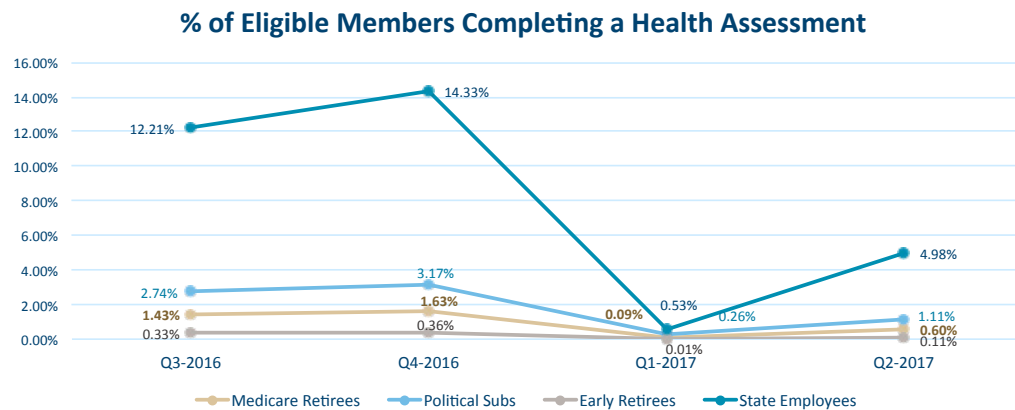
FITNESS CENTER REIMBURSEMENT



*Activity decline is the result of the wellness program suspension effective January 1 through May 31, 2017.

*Gym reimbursements in Q1 reflect unpaid 2016 gym activity. Gyms had until February 8, 2017 to submit 2016 gym activity.

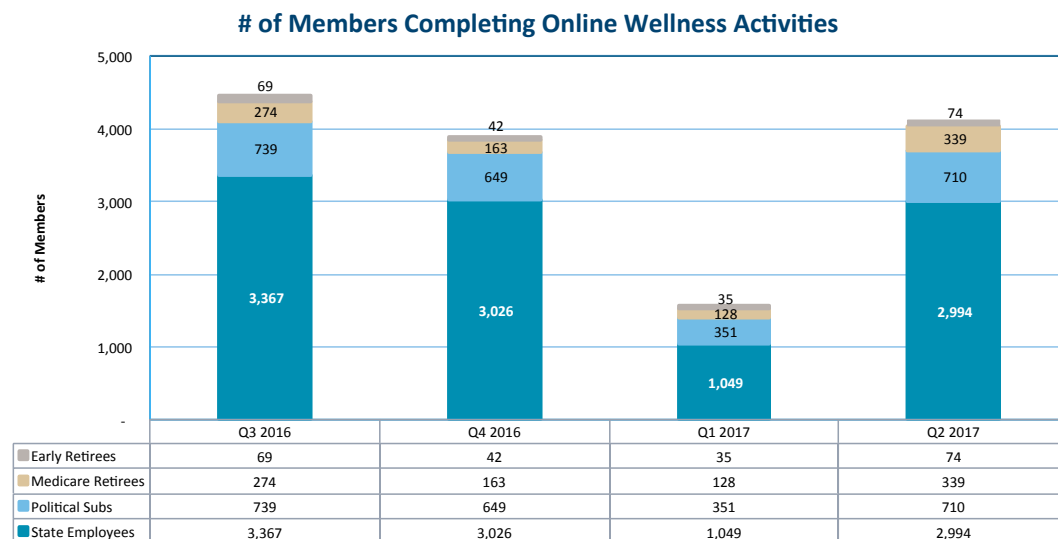
HEALTH ASSESSMENT



*Activity decline is the result of the wellness program suspension effective January 1 through May 31, 2017.

ONLINE WELLNESS ACTIVITIES

Summary



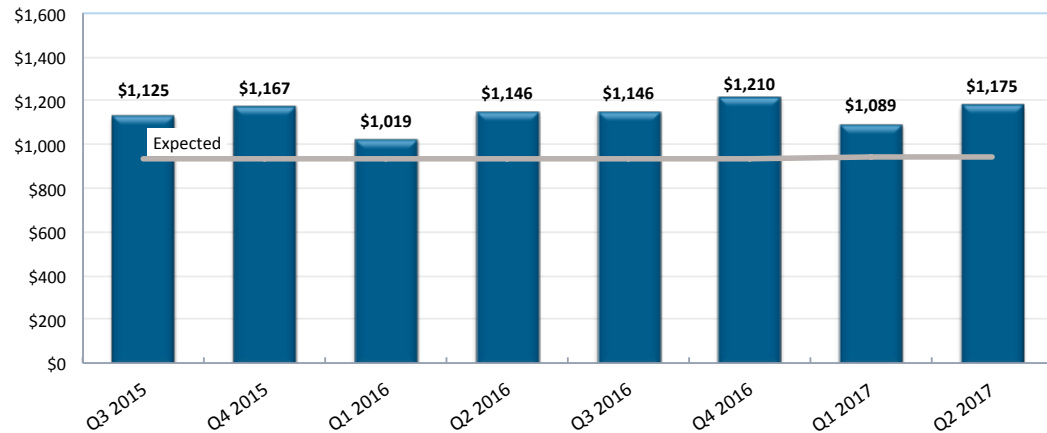
*Activity decline is the result of the wellness program suspension effective January 1 through May 31, 2017.

Sanford Health Plan – NDPERS EGWP			
Description	1/16-8/16	1/17-8/17	Change
Avg Members per Month	8,540	8,717	2.1%
Number of Unique Patients	8,247	8,472	2.7%
Pct Members Utilizing Benefit	96.6%	97.2%	0.6
Total Days	8,238,860	8,575,598	4.1%
Total Rx's	182,205	185,268	1.7%
Average Member Age	74.8	75.1	0.3%
Nbr Rx's PMPM	2.67	2.66	-0.4%
Generic Fill Rate	87.8%	89.3%	1.5
Home Delivery Utilization	1.0%	1.2%	0.2
Member Cost %	22.3%	20.9%	-1.4
Specialty Percent of Plan Cost	27.7%	31.6%	3.9
Formulary Compliance Rate	98.7%	98.9%	0.2

*This data was prepared by Express Scripts Inc. (ESI)

Claims
Analysis

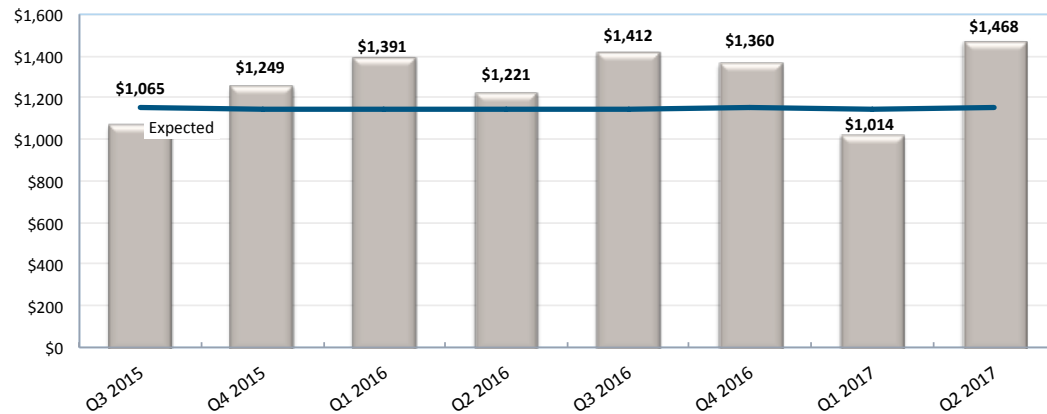
PAID CLAIMS PER CONTRACT PER MONTH

AVERAGE QUARTERLY INCURRED CLAIMS PER CONTRACT
Actives

*Incurred between July 1, 2015 and June 30, 2017 and paid through August 31, 2017. Includes IBNR for July 2015 through June 2017, as of August 31, 2017.

*Historically, 98% of claims will be accounted for within 90 days of the effective date.

*NDPERS Active contracts have approximately 2.62 members per contract.

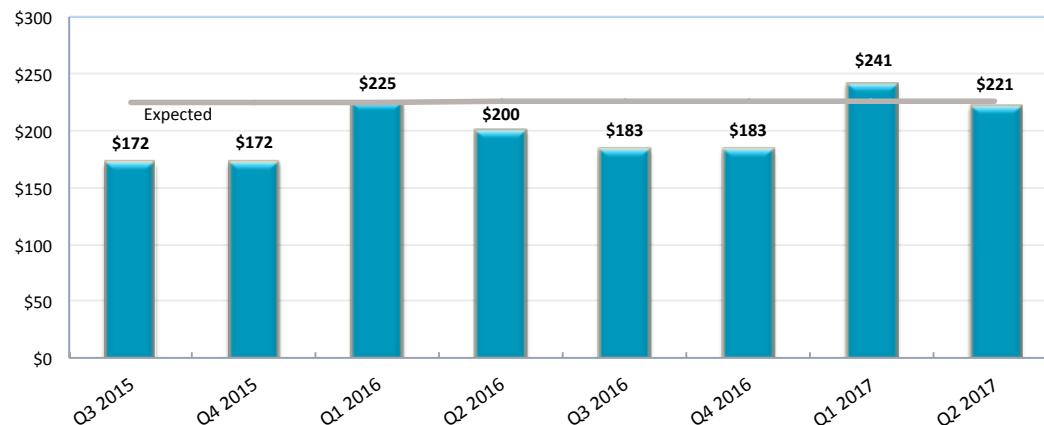
AVERAGE QUARTERLY INCURRED CLAIMS PER CONTRACT
Early Retirees

*Incurred between July 1, 2015 and June 30, 2017 and paid through August 31, 2017. Includes IBNR for July 2015 through June 2017, as of August 31, 2017.

*Historically, 98% of claims will be accounted for within 90 days of the effective date.

*NDPERS Early Retirees contracts have approximately 1.22 members per contract.

PAID CLAIMS PER CONTRACT PER MONTH

Claims
Analysis**AVERAGE QUARTERLY INCURRED CLAIMS PER CONTRACT**
Medicare Retirees

*Incurred between July 1, 2015 and June 30, 2017 and paid through August 31, 2017. Includes IBNR for July 2015 through June 2017, as of August 31, 2017.

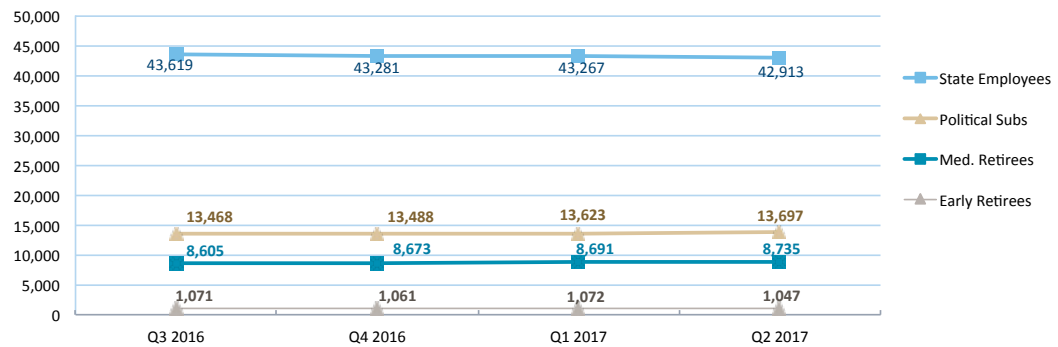
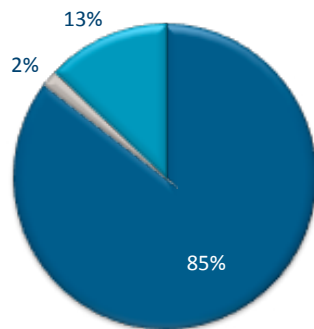
*Historically, 98% of claims will be accounted for within 90 days of the effective date.

*NDPERS Medicare Retirees contracts have approximately 1.34 members per contract.

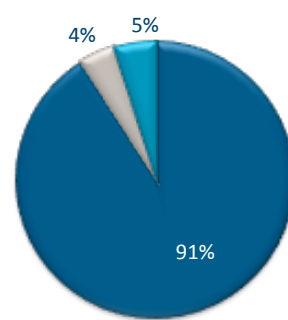
Membership
& Utilization

MEMBERSHIP PERCENTAGE

Quarterly Membership Trend

Membership by
Percentage

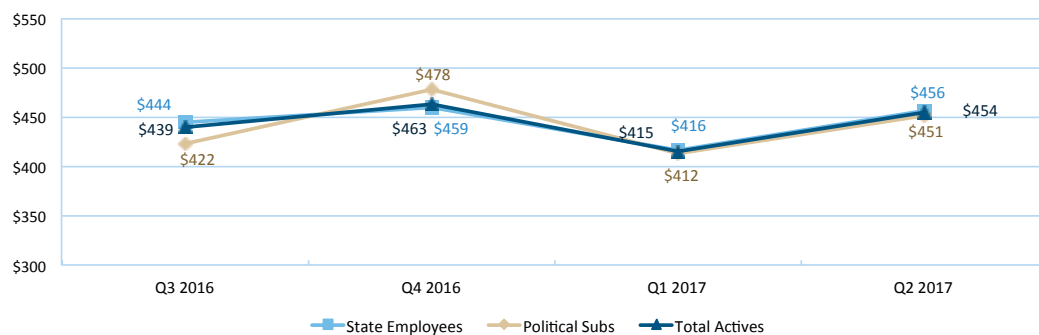
■ Active ■ Early Retirees ■ Medicare Retirees

Percentage of
Total Claim \$

■ Active ■ Early Retirees ■ Med. Retirees

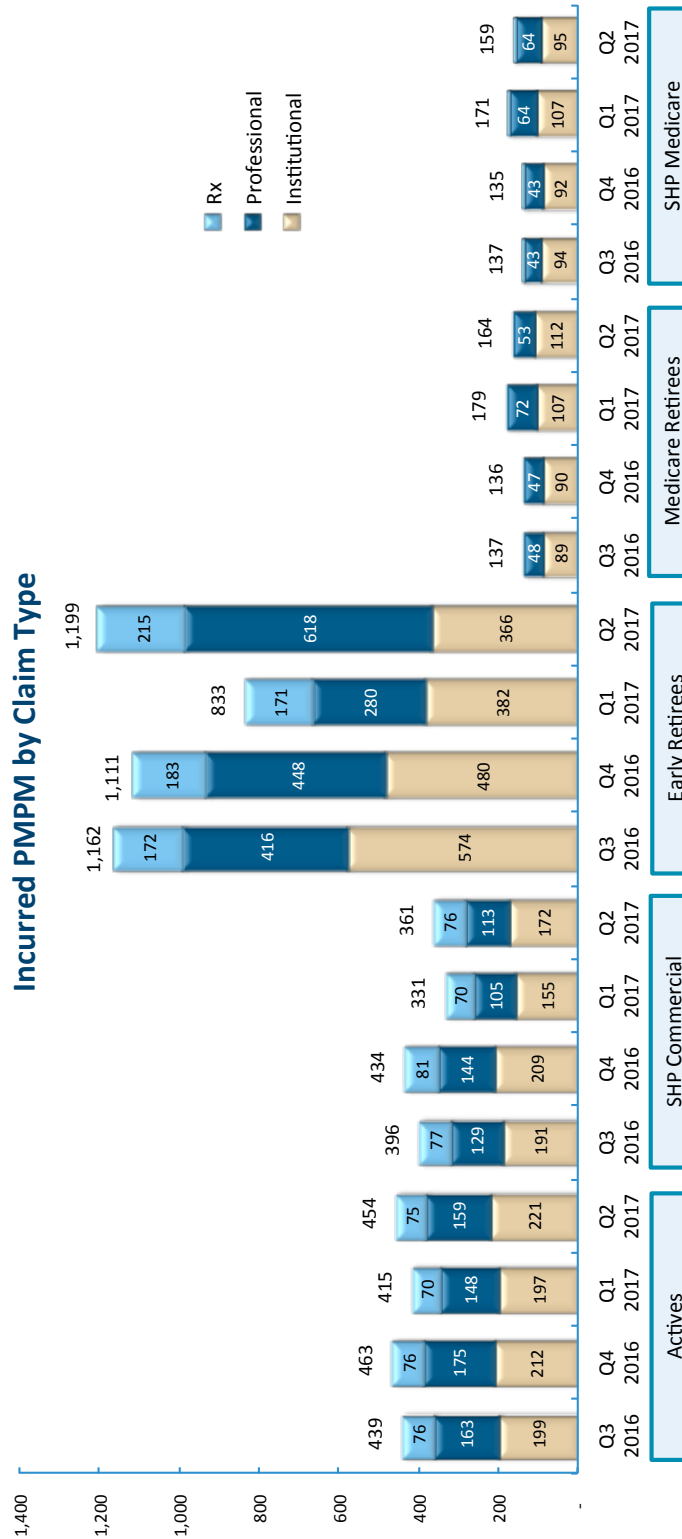
PAID PMPM TREND BY QUARTER

Paid PMPM Trend by Quarter



*Incurred between July 1, 2016 and June 30, 2017 and paid through August 31, 2017. Includes IBNR for July 2016 through June 2017, as of August 31, 2017.

PMPM BY CLAIM TYPE

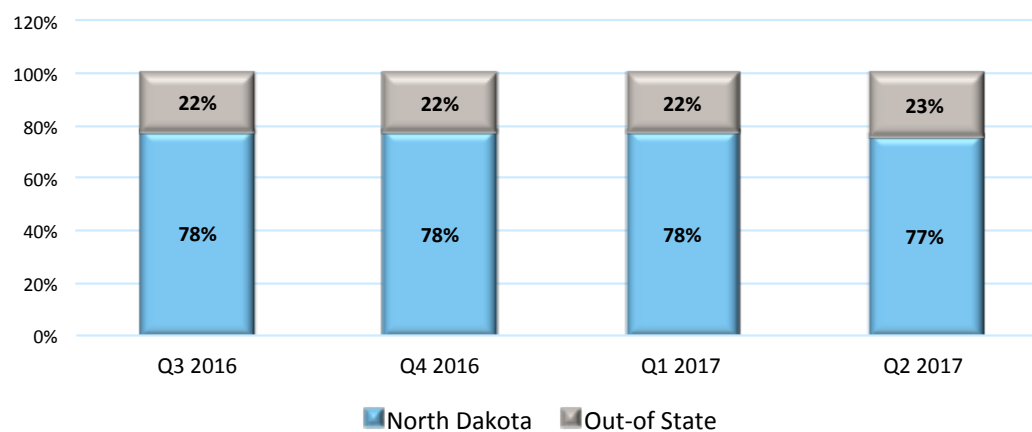
Membership
& Utilization

*Incurred between July 1, 2016 and June 30, 2017 and paid through August 31, 2017. Includes IBNR for July 2016 through June 2017, as of August 31, 2017.

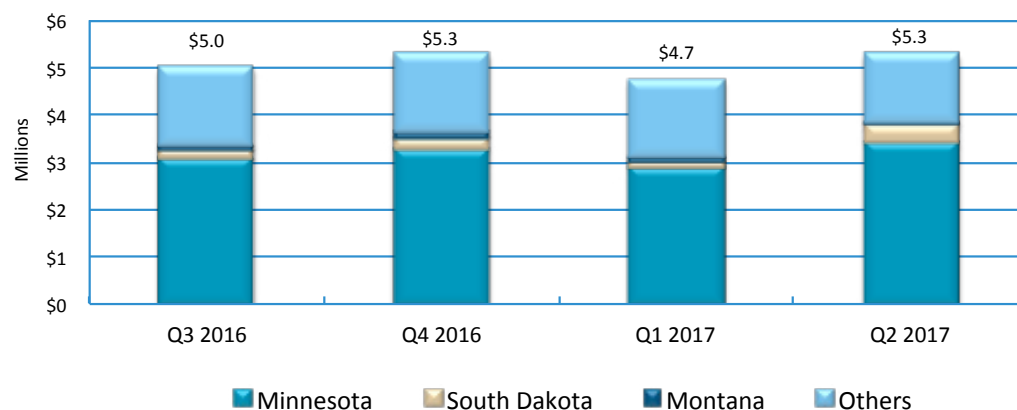
Membership & Utilization

PAID CLAIMS BY STATE

% of Total Claims Paid - ND vs. Out-of-State



**Avg. Quarterly Medical Spend by State
for Out of State Services**



*Paid Claims by State charts include both active and retiree membership.

MEMBER RISK PROFILE & UTILIZATION

Membership
& Utilization

	NDPERS (Q2 2017)	NDPERS (Q2 2016)	SHP Commercial
Average Age	35.04	36.12	33.52
% Male (Current)	49.20	49.10	44.78
Average Risk Score	1.25	1.25	1.10
Average Care Gap Index	1.35	1.32	1.07
Inpatient Days Per 1000	296	269	277
Total Admissions Per 1000	64	64	70
ER Visits Per 1000	219	220	160
Total Office Visits Per 1000	4,283	4,309	3,950
Pharmacy Scripts Per 1000	8,544	8,467	9,230

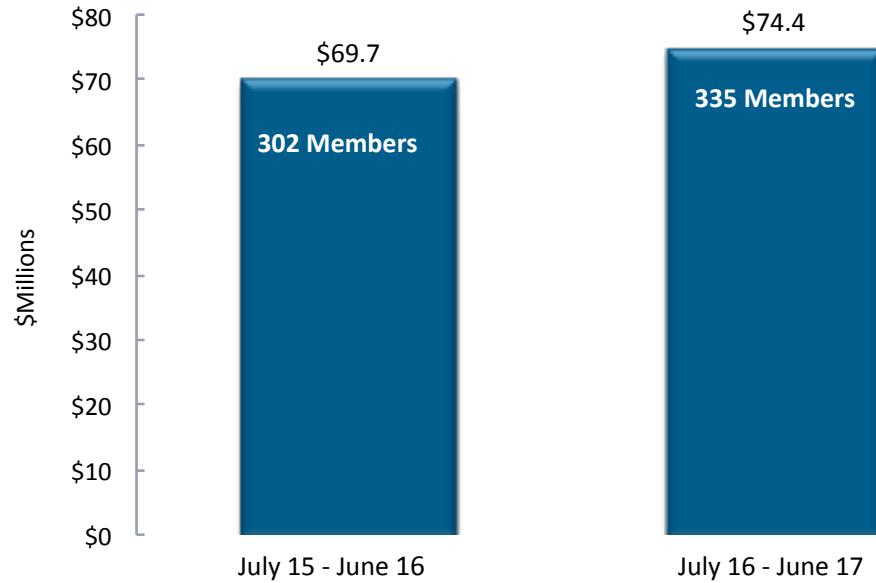
*Incurred between July 1, 2016 and June 30, 2017 and paid through August 31, 2017.

*All data was normalized using Verisk's methodologies and algorithms.

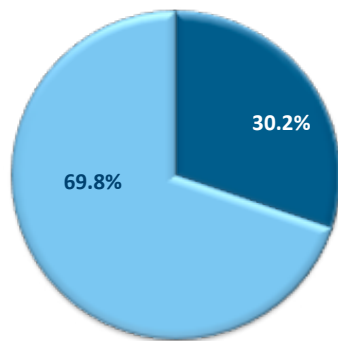
*NDPERS includes Political Subdivisions, Early (Pre-Medicare) Retirees and State Employees.

High Dollar
Cases

ACTIVES

Total Paid for High Dollar Claimants
(over \$100,000/member) - ActivesHigh Claimant Actives as
% of Total Payments
July 2016 - June 2017

Avg. Paid/Case	\$222,156
% of Total Payments	30.2%

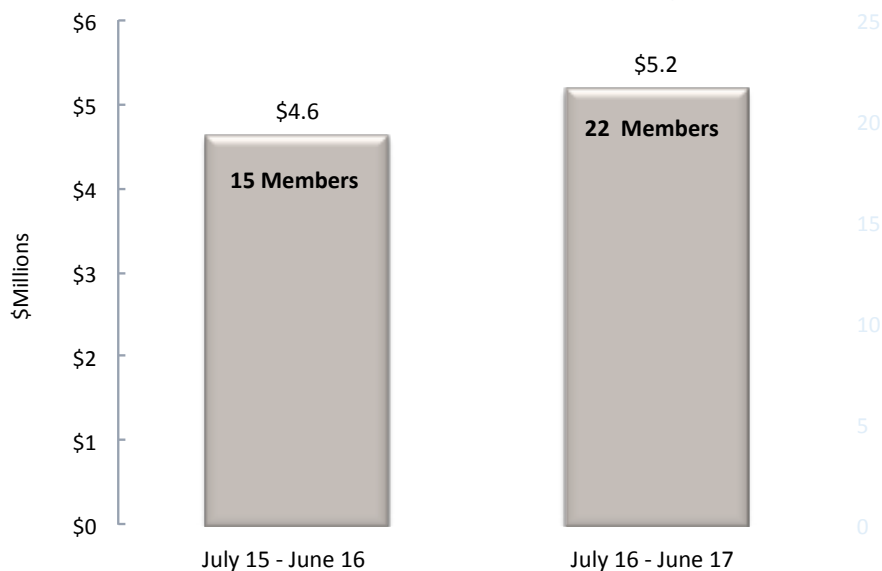


■ High Dollar Pay ■ All Other Members

EARLY RETIREES

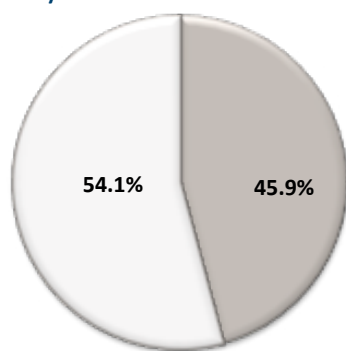
High Dollar
Cases

**Total Paid for High Dollar Claimants
(over \$100,000/member) - Early Retirees**



**High Claimant
Early Retirees as
% of Total Payments**
July 2016 - June 2017

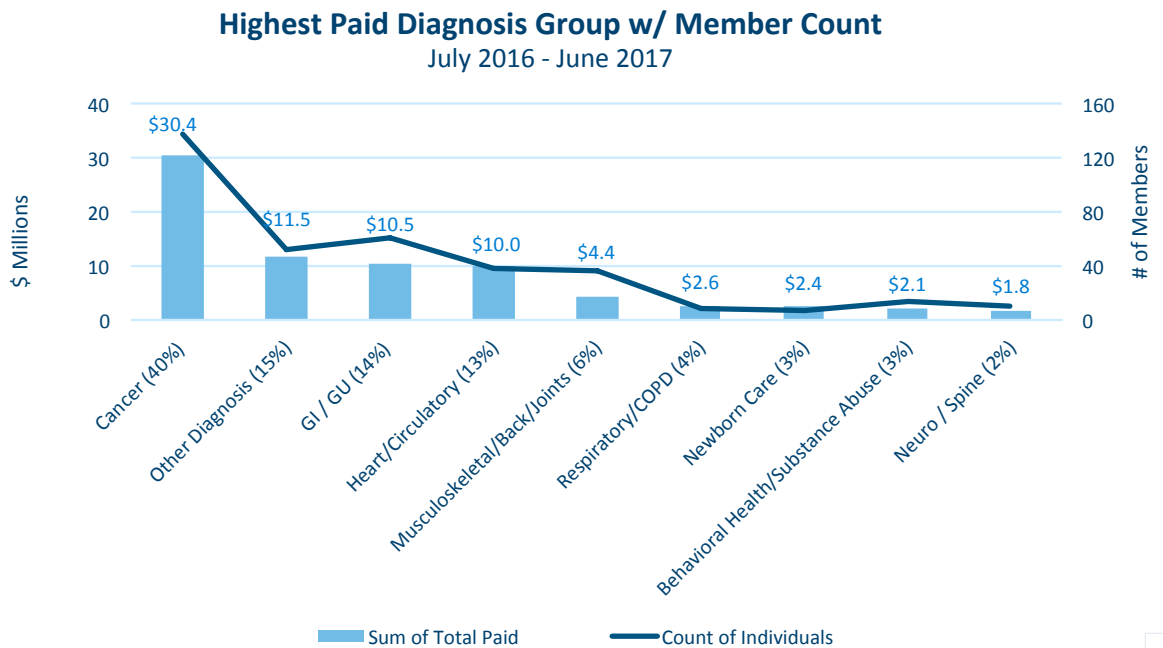
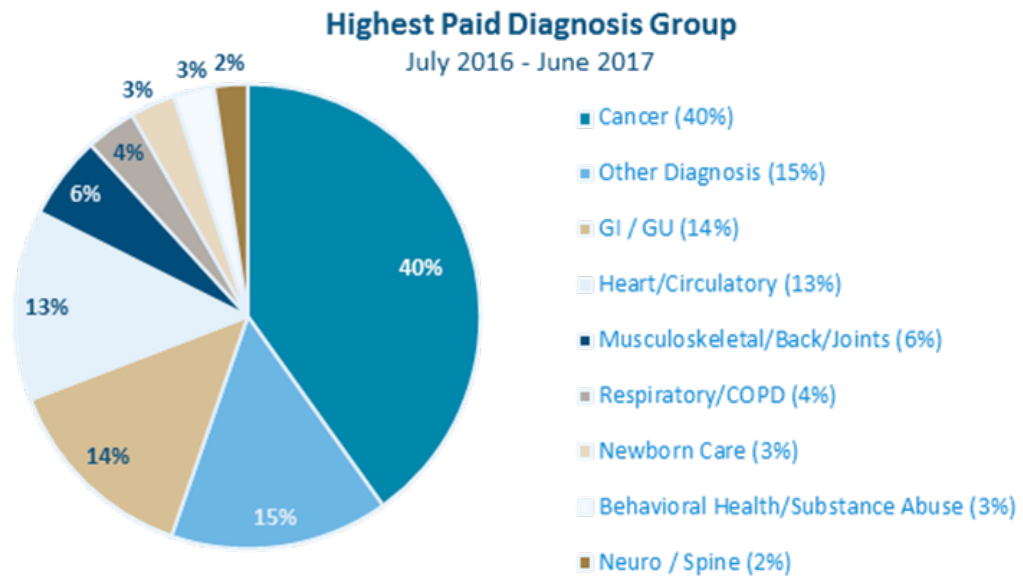
Avg. Paid/Case	\$234,870
% of Total Payments	45.9%



■ High Dollar Pay ■ All Other Members

High Dollar
Cases

PRIMARY DIAGNOSIS



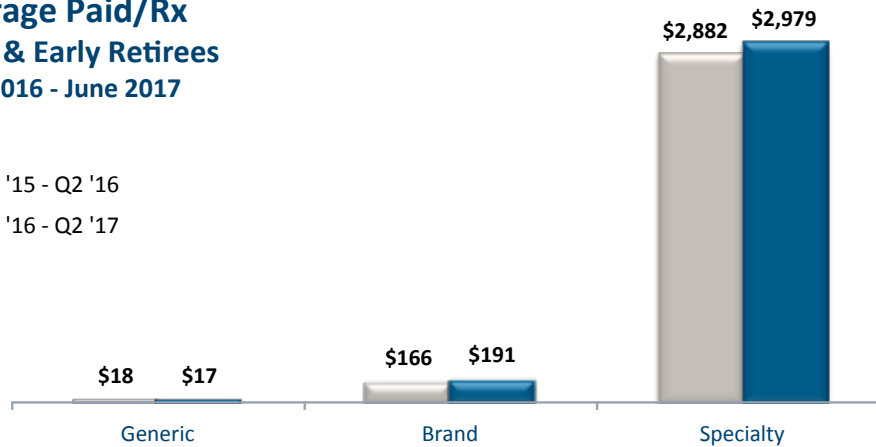
*High dollar cases consist of claims with a total over \$100,000.

GENERIC UTILIZATION

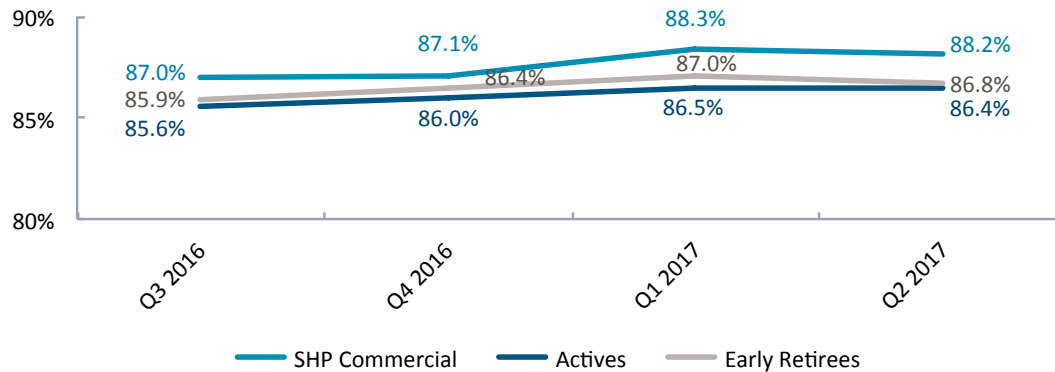
Prescription
Drugs

Average Paid/Rx Actives & Early Retirees July 2016 - June 2017

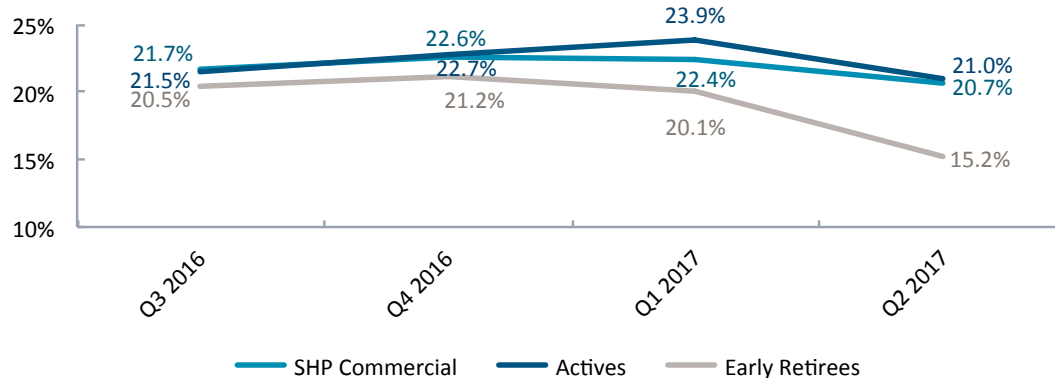
■ Q3 '15 - Q2 '16
■ Q3 '16 - Q2 '17



Generic Utilization Rate # of Rx Claims



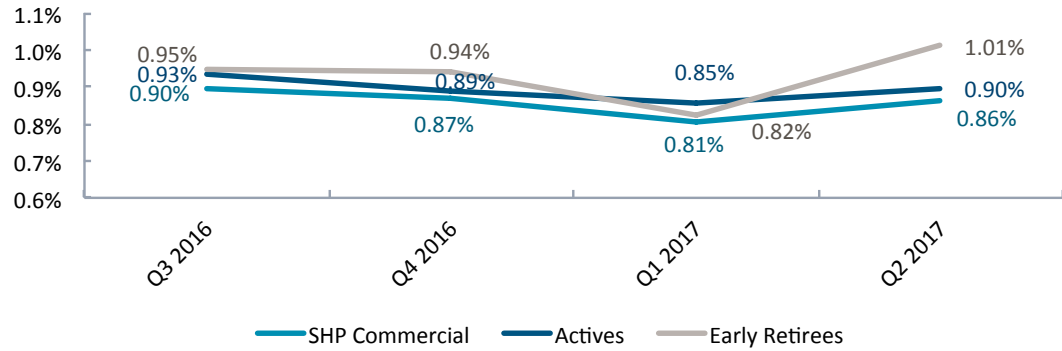
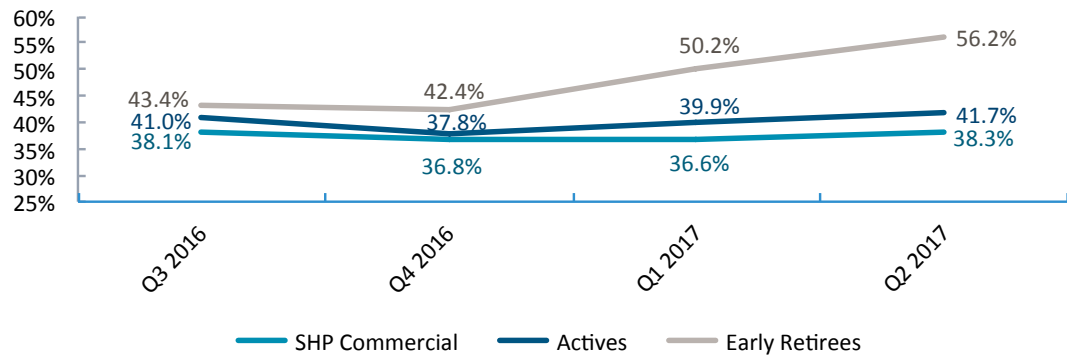
Generic Utilization Rate \$ of Rx Claims



*Incurred between July 1, 2016 and June 30, 2017 and paid through August 31, 2017.

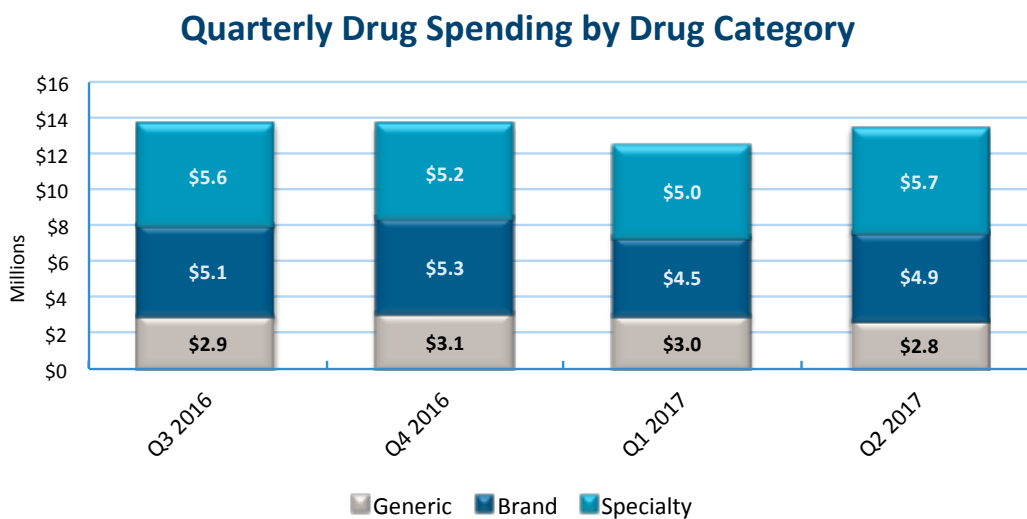
Prescription
Drugs

SPECIALTY PHARMACY

Specialty Utilization Rate
of Rx ClaimsSpecialty Utilization Rate
\$ of Rx Claims

*Incurred between July 1, 2016 and June 30, 2017 and paid through August 31, 2017.

PHARMACY


Prescription
Drugs

*Incurred between July 1, 2016 and June 30, 2017 and paid through August 31, 2017.

Dakota Wellness Program

MONTHLY WELLNESS THEMES

Monthly themes keep the wellness program fresh throughout the year and keeps members engaged in their individual wellness pursuit. Newsletters, e-blasts and worksite posters are used to introduce themes.



Dakota Wellness Program

A COMPASS FOR RESILIENCY

We all encounter challenges. Taking time to intentionally develop resilience can help us meet these challenges with clarity. Use the questions below to begin identifying values. Be sure to identify specific details for each question (people, places, experiences or meaning).

1. During what times of life have I been happiest?
2. During what times of life have I been proudest?
3. During what times of life have I been most fulfilled and satisfied?
4. Based on the top experiences identified in questions 1-3, what values do these experiences demonstrate?
5. If I could only choose five top values, what would I choose?

Values			
Adventure	Dependability	Innovation	Passion
Athleticism	Education	Love	Peace
Authenticity	Efficiency	Loyalty	Positivity
Consistency	Fun	Motivation	Respect
Courage	Honesty	Open-mindedness	Service
Creativity	Humor	Optimism	Wisdom

SANFORD HEALTH PLAN

NDPERS 0001 01/17



Dakota Wellness Program

EXERCISE CHALLENGE

Alternate between each exercise for **20-30 seconds** at a high intensity






Jumping jacks Squats Abdominal crunch Push up with side rotation






Wall sit Triceps dip on chair Alternating lunge Side plank






Push-up Plank High knees running in place Step-up onto chair

Aim for **2-3 circuits, 3 days a week**
For intense interval training, your discomfort should be around an **8 out of 10**

SANFORD HEALTH PLAN

NDPERS 0001 01/17



Dakota Wellness Program

Exploring mindfulness

Practicing mindfulness lowers stress hormones and helps us be more present. It can be incorporated into our regular activities like walking, working, eating, spending time with others, or even doing the dishes. Try out these simple practices to incorporate mindfulness into your day.

Walking: Every time you get up from your desk, notice how your body feels as you start to walk. Bring your focus to the things you see, hear and feel.

Eating: Avoid distractions while eating. Distinguish between hunger and cravings. Cravings usually subside, but hunger does not. Take a few deep breaths, go for a walk or drink some water to curb a craving.

Teamwork: Try putting yourself in someone else's shoes to connect to your co-workers in a new way. Choose a person you interact with frequently and imagine the successes and struggles they experience each day.

Emailing: Take a few deep breaths while writing and before sending emails. Be sure to look over what you have written.

SANFORD HEALTH PLAN

NDPERS 0001 01/17

TOP 10 ONLINE WELLNESS ACTIVITIES

These are the top 10 online Novu activities that were selected and completed by NDPERS members.

Dakota
Wellness
Program

#1



NUTRITION

#6



HEALTHY WEIGHT

#2



BALANCE & MOBILITY

#7



STRENGTH

#3



CARDIO

#8



YOGA & RELAXATION

#4



SLEEP HEALTH

#9



PURPOSE

#5



STRESS

#10

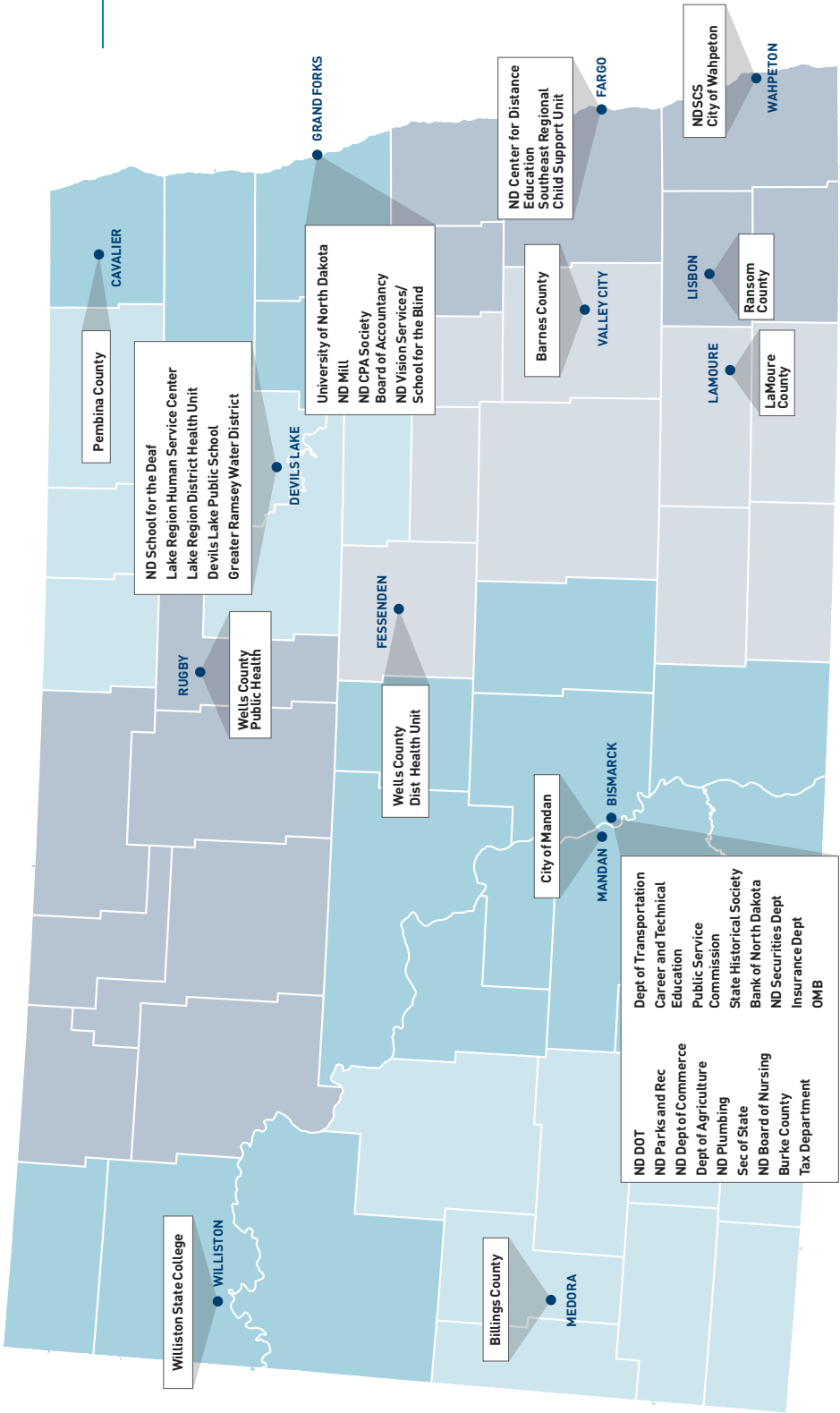


**DAILY HYDRATION
CHALLENGE**

Dakota
Wellness
Program

EVENT ATTENDANCE BY AGENCY

The Sanford Health Plan NDPERS wellness team engages members both offline and online. Wellness educators travel across the state to support agency wellness coordinators and provide worksite education and activities. This map shows where they've been over the last quarter.



TOTAL NUMBER OF
AGENCIES VISITED
(UNDUPLICATED)
38

Overcoming Stress
Organize My Life
Financial Fitness
Get Moving at Work
Health Fair
Walk at Work

Gratitude
Make It Happen
Self-care for
Pain/Stress
Dakota Wellness
Program

Wellness Coaching
Kickoff
Sitting Disease
Wellness Coordinator
1:1 Meeting
Mindful Eating

TOTAL MEMBER
ATTENDANCE
THIS QUARTER:
951

YOGA AT THE CAPITOL FITNESS CLUB

The Capitol Fitness Club is a group of State employees that meets daily at the top floor of the Capitol for a 30-minute fitness class. Sanford Health Plan Wellness Educator and Coach Angela Oberg provides expert instruction to this group once a week. She is a certified yoga instructor with over 10 years of teaching experience.

The group completed a 4-week series on posture, functional strengthening/stretching and relaxation techniques. The yoga class is ongoing and participants have identified that they would like to focus on relaxation and pain relief.

Employee comments:

"I just wanted to say how much I appreciate you being here."

"This has been so helpful for me."

"I am so relaxed now."

"I am more aware of posture and stress while working."



Dakota
Wellness
Program

WALK AT WORK EVENTS

The annual Walk at Work Day event was held on May 23, 2017 at the Capitol to raise awareness surrounding the importance of exercise at work. An additional 22 worksites across the state held their own events during the month. Sites that participated were eligible to win a Fresh Fruit Friday from Sanford Health Plan. Ransom County and Career and Technical Education—Bismarck won the Fresh Fruit Friday drawing.



(Career and Technical Education—Bismarck)

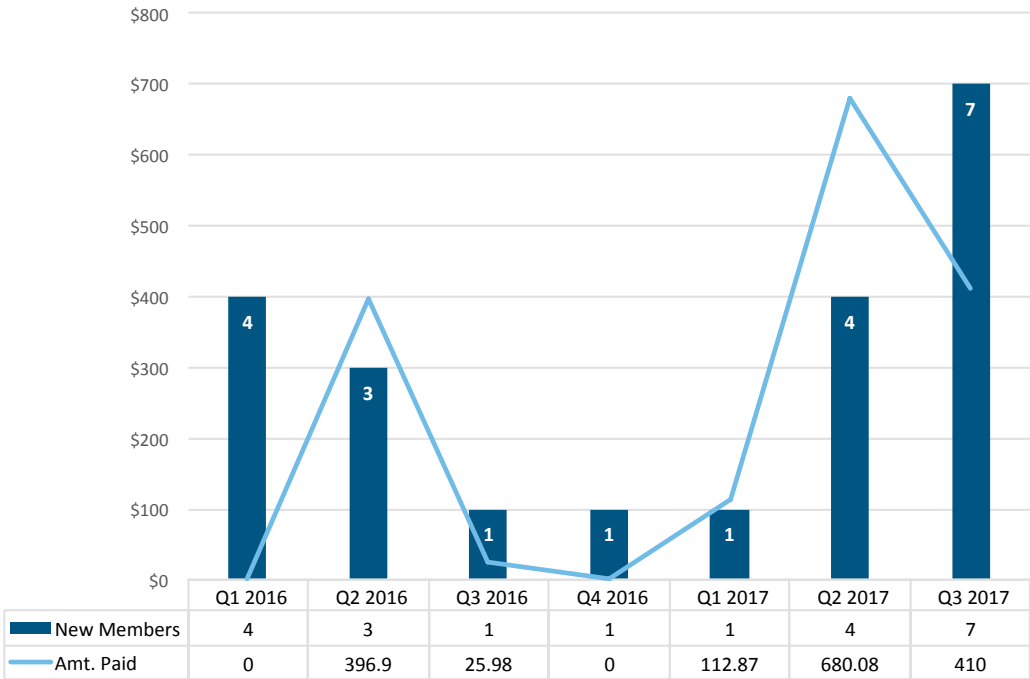


(Ransom County)

Tobacco Cessation Program

TOBACCO CESSATION PROGRAM

**Tobacco Cessation Program
New Members and Amount Paid**



MEMBER MANAGEMENT REPORT

Member
Management

	CASE SUMMARY		MEMBER OUTREACH		CASE MANAGEMENT
PROGRAM TYPE	Total Cases	Individual Members	Successful Outreach	Unsuccessful Outreach	Care Coordination
COST MANAGEMENT					
Behavioral Health	55	55	63	97	165
Case Management	377	377	427	515	478
Healthy Pregnancy Program	79	78	96	120	59
Inpatient Behavioral Health	78	77	135	216	519
Psychosocial Needs	9	9	14	1	6
Substance Use Disorder	3	3	1	3	19
COMPLEX CASE MANAGEMENT					
Complicated Case	1	1	4	1	9

HEALTH MANAGEMENT PROGRAMS					
PROGRAM TYPE	CAD	Diabetes	Congestive Heart Failure	Asthma	Hypertension
Total Members	1356	3367	645	3225	9526

Case Summary

- Total cases – Count of any cases open or closed during the report time frame.
- Individual members – Count of the individual members with a case open.

Member Outreach

- Successful outreach – Includes the following activities: successful telephone call, outreach, site visit, member interaction.
- Unsuccessful outreach – Includes leaving messages for a member or letter sent.

Case Management

- Case manager activities related to care coordination, including: chart review, referrals to internal Health Plan staff for claim or coverage questions, electronic outreach to providers and educational material mailings.

Performance
Standards &
Guarantees**2015-2017
Results**

MEASURE	GOAL	OUTCOME REPORTING DATES	OUTCOME
COST MANAGEMENT:			
Health Risk Assessment	10%	Dec. 31, 2015	17.9%
HEALTH OUTCOMES:			
Medical Home Enrollment	30%	July 1, 2016	36.5%
Breast Cancer Screening Rates	80%	June 30, 2017	81.2%
Cervical Cancer Screening Rates	85%	June 30, 2017	On Target
Colorectal Cancer Screening Rates	60%	June 30, 2017	On Target
PROVIDER NETWORK/CONTRACTING:			
NDPERS PPO network - in-state hospitals, MDs and DOs that participate in the Company's Par Network.	Hospital = 85% MDs & DOs = 85%	Dec. 31, 2015	Hospital = 94% MDs & DOs = 87%
Minimum provider discount from in-network providers	30% for Non-Medicare contracts	June 30, 2017	35.5%
Claims Financial Accuracy	99%	June 30, 2017	99.9%
Claims Payment Incidence Accuracy	97%	June 30, 2017	99.7%
Claim Timeliness	99%	June 30, 2017	97.6%
Average Speed of Answer	45 seconds	June 30, 2017	32.9 seconds
Call Abandoned Rate	7% or less	June 30, 2017	4.2%
ANCILLARY ITEMS:			
The interest rate utilized currently is based on the US Treasury Notes quoted by the Wall Street Journal	verification	June 30, 2017	Met
Rx rebates passed-through to NDPERS	100%	June 30, 2017	100%
HRA WELLNESS SCORE:			
HRA Wellness Score	5% point increase	Dec. 31, 2016	N/A
bWell Participation	10%	Dec. 31, 2015	10.8%
Health Club Credit	Goal = 1,950	July 1, 2016	1,879

2017-2019

MEASURE	GOAL	OUTCOME REPORTING DATES	OUTCOME
WELLNESS:			
Health Risk Assessment completion	15%	June 30, 2019	-
Worksite Interventions agency participation	70%	June 30, 2019	-
Fitness Center Reimbursement participation	3.8%	Dec. 31, 2018	-
Redemption Center payments	\$550,000	Dec. 31, 2018	-
Redemption Center participation rate	6%	Dec. 31, 2018	-
HEALTH OUTCOMES:			
Tobacco Cessation grant dollar distribution	5% growth	June 30, 2019	-
Healthy Pregnancy member participation	5% growth	June 30, 2019	-
Breast Cancer Screening Rates	80%	June 30, 2019	-
Cervical Cancer Screening Rates	85%	June 30, 2019	-
Colorectal Cancer Screening Rates	60%	June 30, 2019	-
PROVIDER NETWORK/CONTRACTING:			
PPO Network participation rate	Hospital: 92% MDs & DOs: 92%	June 30, 2019	-
Minimum provider discount from in-network providers	30% for Non-Medicare contracts	June 30, 2019	-
CUSTOMER SERVICE & CLAIMS:			
Claims Financial Accuracy	99%	June 30, 2018	-
Claims Payment Incidence Accuracy	97%	June 30, 2018	-
Claim Timeliness	99%	June 30, 2018	-
Average Speed of Answer	35 seconds	June 30, 2018	-
Call Abandoned Rate	5% or less	June 30, 2018	-
ANCILLARY ITEMS:			
Interest rate based on US Treasury Notes quoted by Wall Street Journal	US Treasury rate	June 30, 2019	-
Rx Rebate Pass-Through Rate	100%	June 30, 2019	-
About the Patient payment within 5 business days of NDPERS approval	100%	June 30, 2019	-

NOTES

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