NORTH DAKOTA
PUBLIC EMPLOYEES
RETIREMENT SYSTEM

Board Meeting Agenda

Location: WSI Board Room, 1600 East Century Avenue, Bismarck ND
By phone: 701.328.0950 Conference ID: 642 369 288#
Date: **Tuesday, May 12, 2026**
Time: 8:30 A.M. **Join the meeting now**

I. MINUTES

A. April 14, 2026

II. CONFLICT OF INTEREST DISCLOSURE CONSIDERATION

III. PRESENTATIONS

A. Sanford Health Plan Executive Summary 2025 Quarter 4

IV. GROUP INSURANCE / FLEXCOMP

A. Medicare Part D Plan Premium Projection for 2027 – Rebecca (Board Action)
B. Health Insurance Plan Request for Proposal (RFP) Approval – Katheryne (Board Action)

V. OPERATIONS / ADMINISTRATIVE

A. Update on ADA Compliance - Mandy (Information)
B. Quarterly Consultant Fees – Derrick (Information)
C. Budget – Derrick (Board Action)
D. Board Member Travel Request – Rebecca (Board Action)
E. Committee Assignments – Rebecca (Board Action)
F. Contracts Under $15,000 – Rebecca (Information)
G. Executive Director Review and Salary Recommendation – Representative Dockter (Board Action)
H. Next Meeting Date: June 9, 2025

VI. MEMBER *EXECUTIVE SESSION

A. Insurance Benefit Appeal Case #1008 – Lindsay (Board Action)

*Executive Session pursuant to N.D.C.C. §44-04-19.2(1) and §54-52.1-11 (group insurance) to discuss information pertaining to an eligible employee's group medical records for claims, employee premium payments made, salary reduction amounts taken, history of any available insurance coverage purchased, and amounts and types of insurance applied for under the supplemental life insurance coverage.

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Sanford Health Plan Executive Summary 2025 Quarter 4

TO: NDPERS Board

FROM: Lindsay Schaf

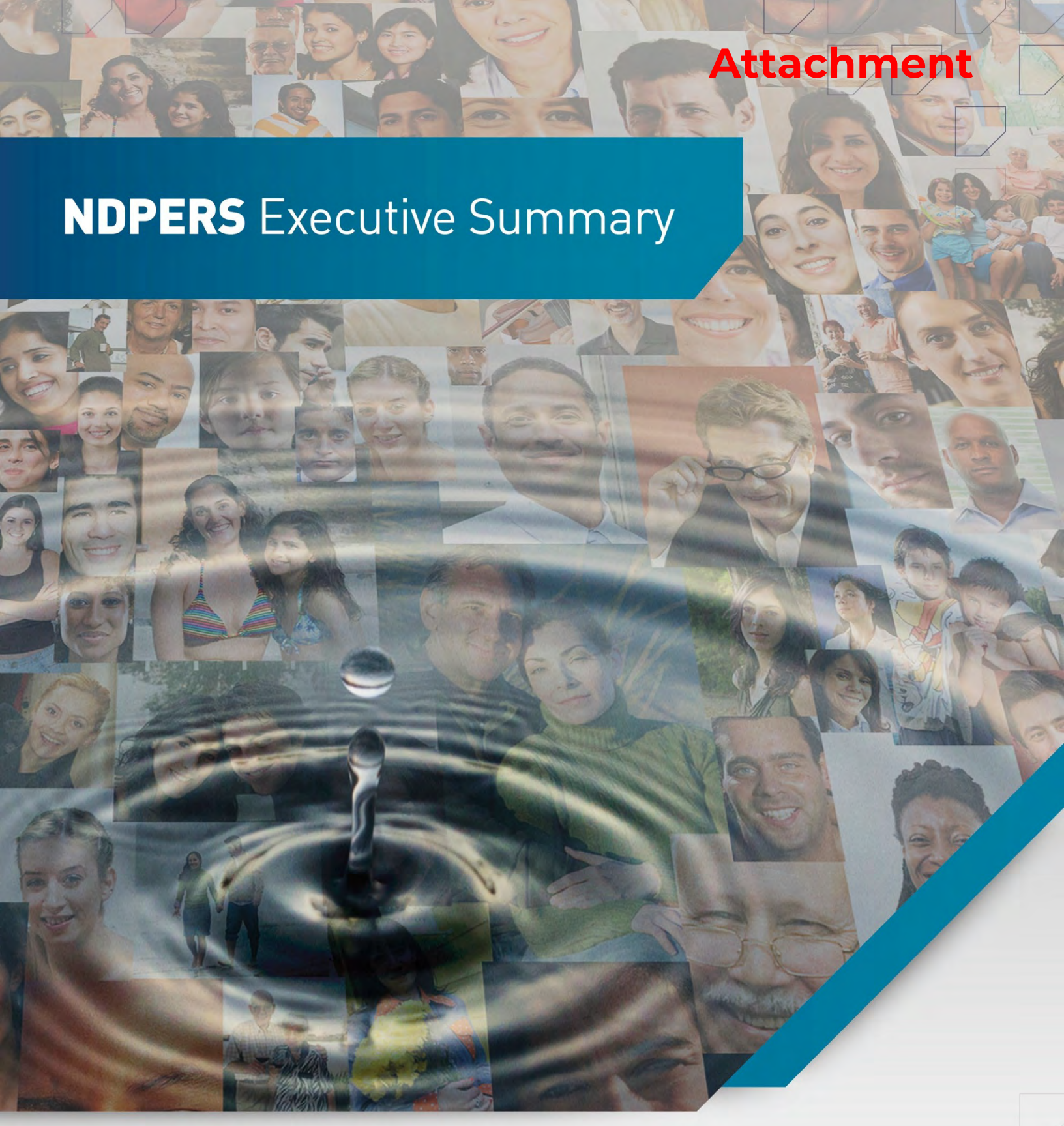
DATE: May 12, 2026

Sanford Health Plan (SHP) will review the attached Executive Summary 2025 Quarter 4 and answer any questions you may have. Representatives from Humana are also available to discuss any questions related to the Medicare Part D Plan information, labeled as NDPERS EGWP, found on page 17 of the summary.

This item is informational and does not require any action by the Board.

Attachment

NDPERS Executive Summary



Quarter 4 | 2025

Presented May 2026

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM | SANFORD HEALTH PLAN

CONTENTS

Page 3
Section 1: Membership

Page 5
Section 2: Claims Analysis

Page 9
Section 3: Utilization

Page 10
Section 4: High Dollar Cases

Page 12
Section 5: Pharmacy

Page 18
Section 6: Wellness Continuum

Page 26
Section 7: Performance Guarantees

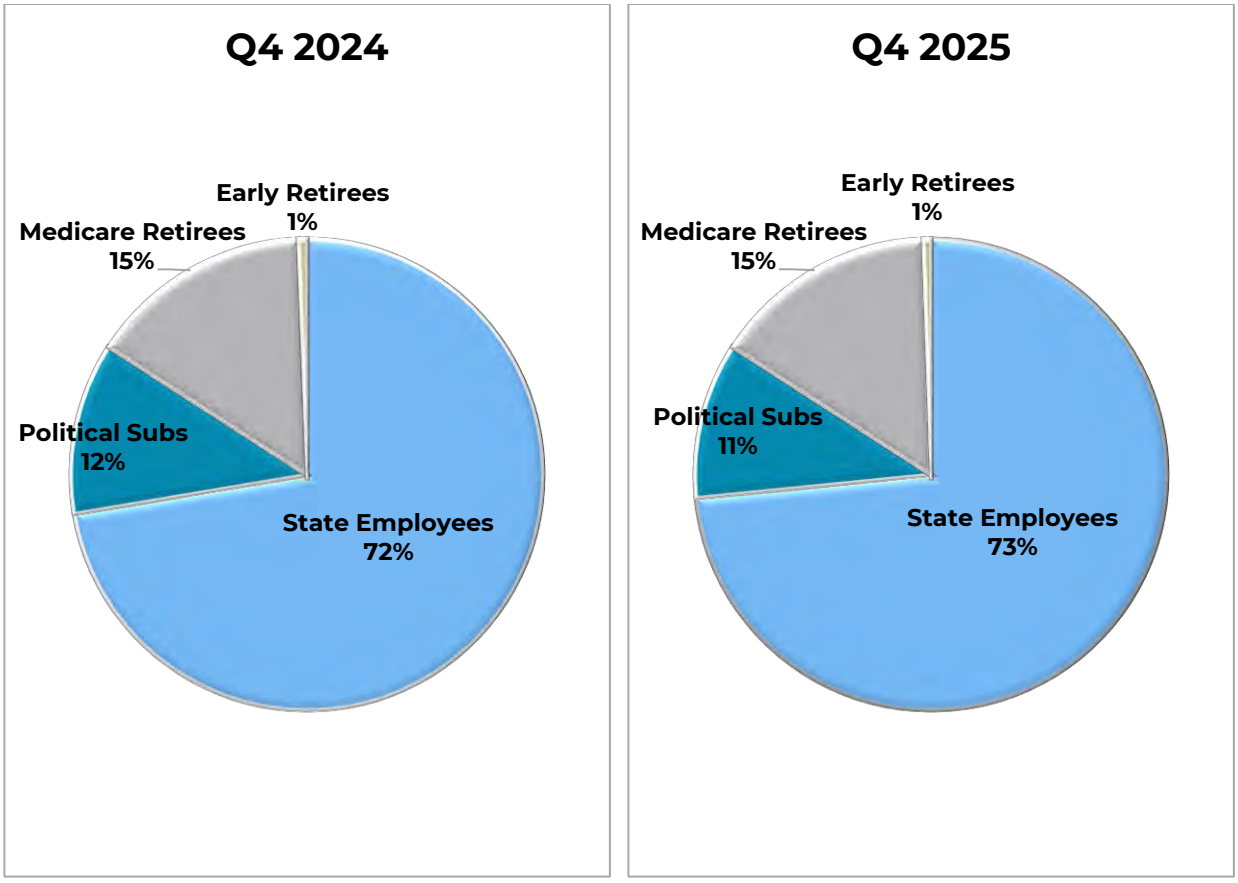
SECTION 1: MEMBERSHIP

ANNUAL MEMBERSHIP SUMMARY

Exhibit 1.1

MEASURE	Q4 2024	Q4 2025	PERCENT CHANGE
State Employees	42,850	43,408	1.3%
Political Subs	6,961	6,321	-9.2%
Medicare Retirees	9,070	9,078	0.1%
Early Retirees	338	316	-6.4%
TOTAL	**59,219**	**59,123**	**-0.2%**

Exhibit 1.2



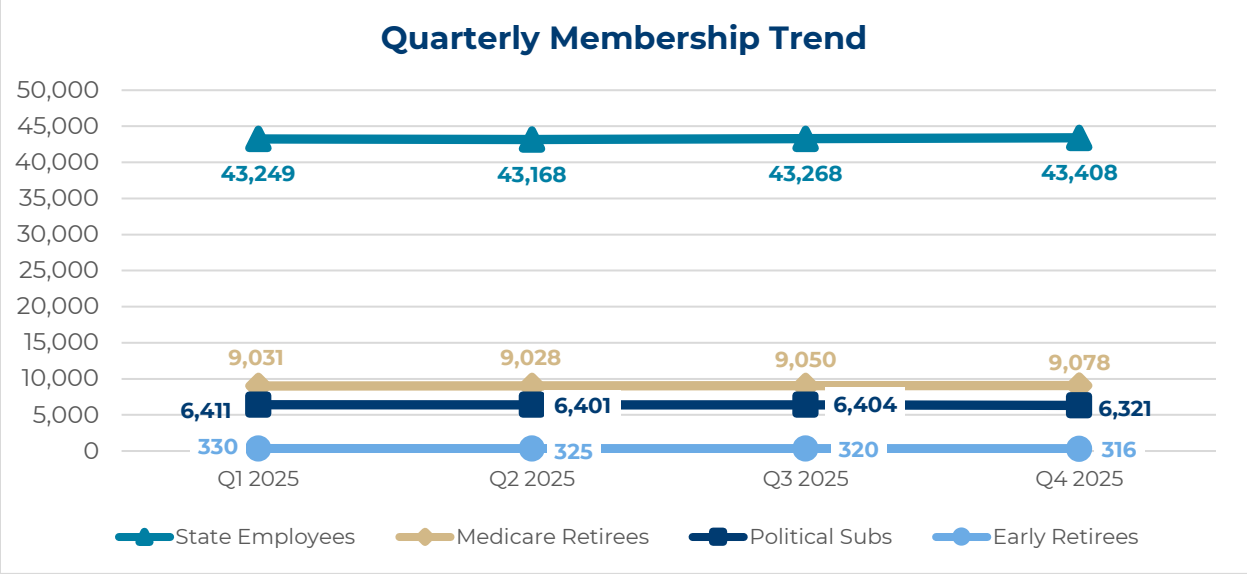
MEMBERSHIP TREND

Exhibit 1.3

MEASURE	Q4 2024	Q4 2025	% CHANGE	BENCHMARK	% VARIANCE
Average Employees	18,614	18,601	-0.1%		
Average Members	49,858	49,976	0.2%		
Average Contract Size	2.68	2.69	0.3%		
Average Age	33.7	33.5	-0.4%		
% Female	50.8%	50.7%	-0.2%	50.7%	0%
HCCs (% of Members)	0.9%	1.1%	13.6%	1.0%	5.6%

*Includes State Employees, Early Retirees & Political Subs.

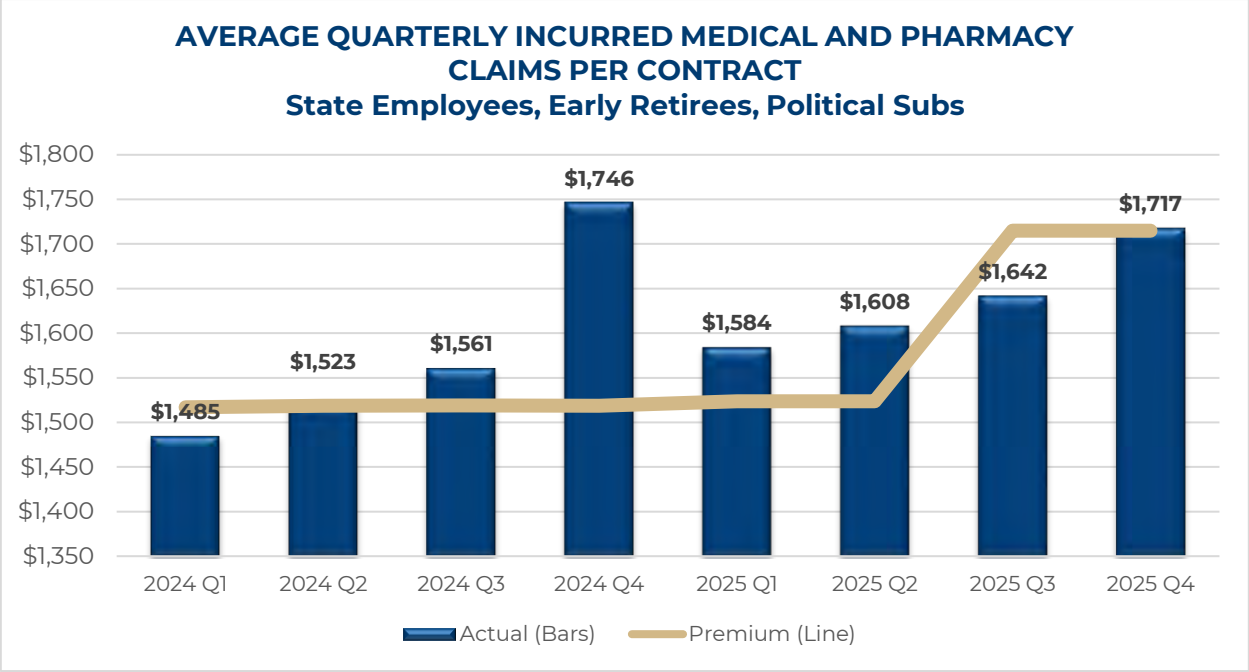
Exhibit 1.4



SECTION 2: CLAIMS ANALYSIS

PAID CLAIMS PER CONTRACT PER MONTH

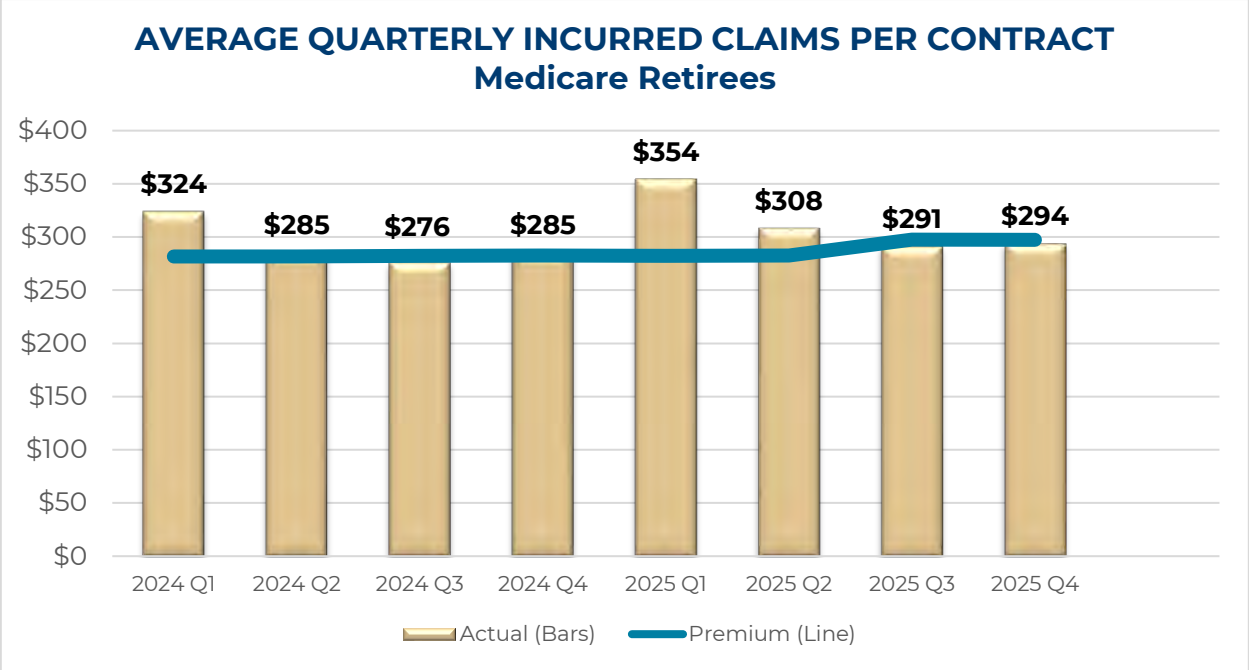
Exhibit 2.1



*Incurred between Jan and Dec 2025 with paid date as of Mar 31, 2026. Final Adjusted Claims.
*NDPERS Active contracts have approximately 2.69 members per contract.
*Includes medical claims and prescriptions without IBNR.
*Additional medical claims may be received.

PAID CLAIMS PER CONTRACT PER MONTH

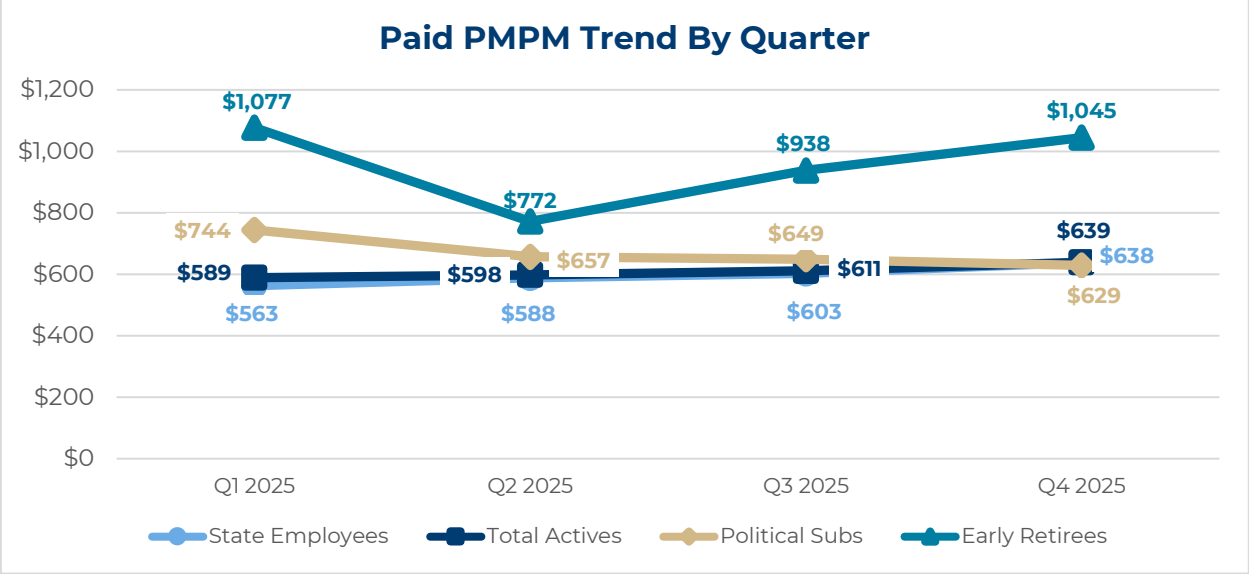
Exhibit 2.2



**Incurred between Jan and Dec 2025 with paid date as of Mar 31, 2026. Final Adjusted Claims.
*Includes medical claims only - excludes prescription drug coverage (Medicare Part D).
*Additional medical claims may be received.
*Medicare Retirees contracts have approximately 1.37 members per contract.

PAID PER MEMBER PER MONTH (PMPM) TREND BY QUARTER

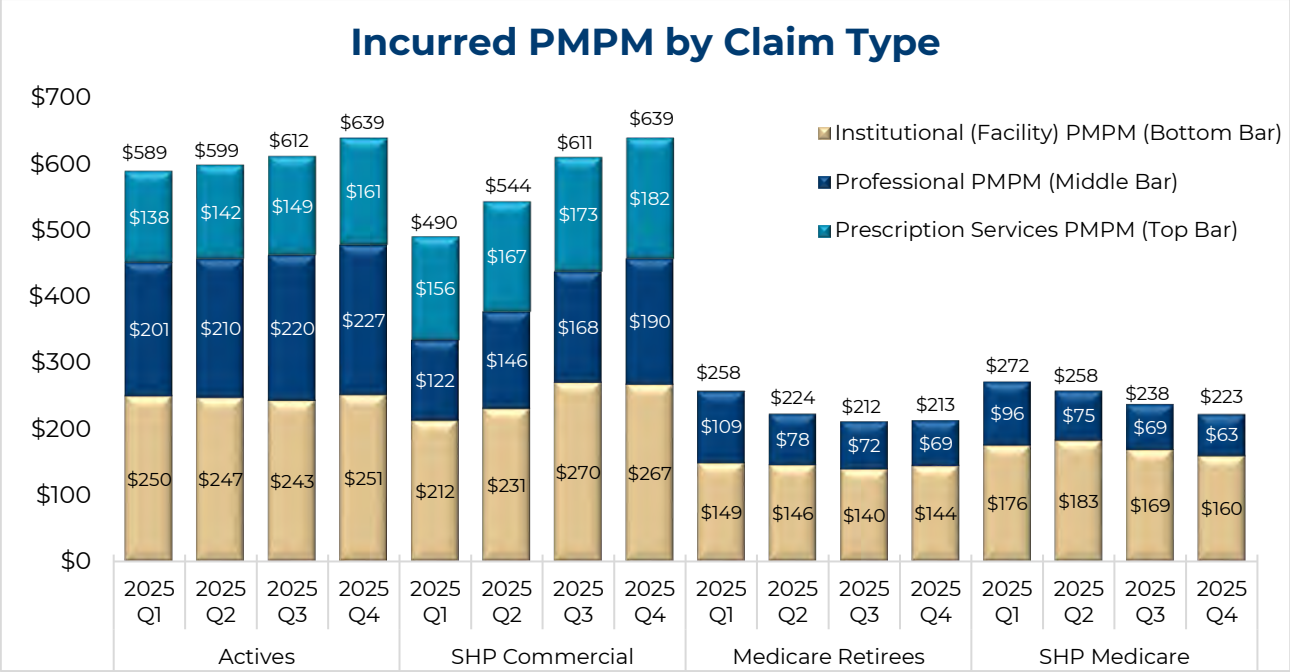
Exhibit 2.3



*Incurred between Jan and Dec 2025 with paid date as of Mar 31, 2026. Final Adjusted Claims.
*Total Actives = State Employees + Early Retirees + Political Subs
*Medical claims and Prescription services without IBNR.
*Additional medical claims may be received.

INCURRED PMPM BY CLAIM TYPE

Exhibit 2.4



*Incurred between Jan and Dec 2025 with paid date as of Mar 31, 2026. Final Adjusted Claims.
*Medical claims and prescription services without IBNR.
*Additional medical claims may be received.

SECTION 3: UTILIZATION

MEDICAL COST DRIVERS: ACTIVES

Exhibit 3.1

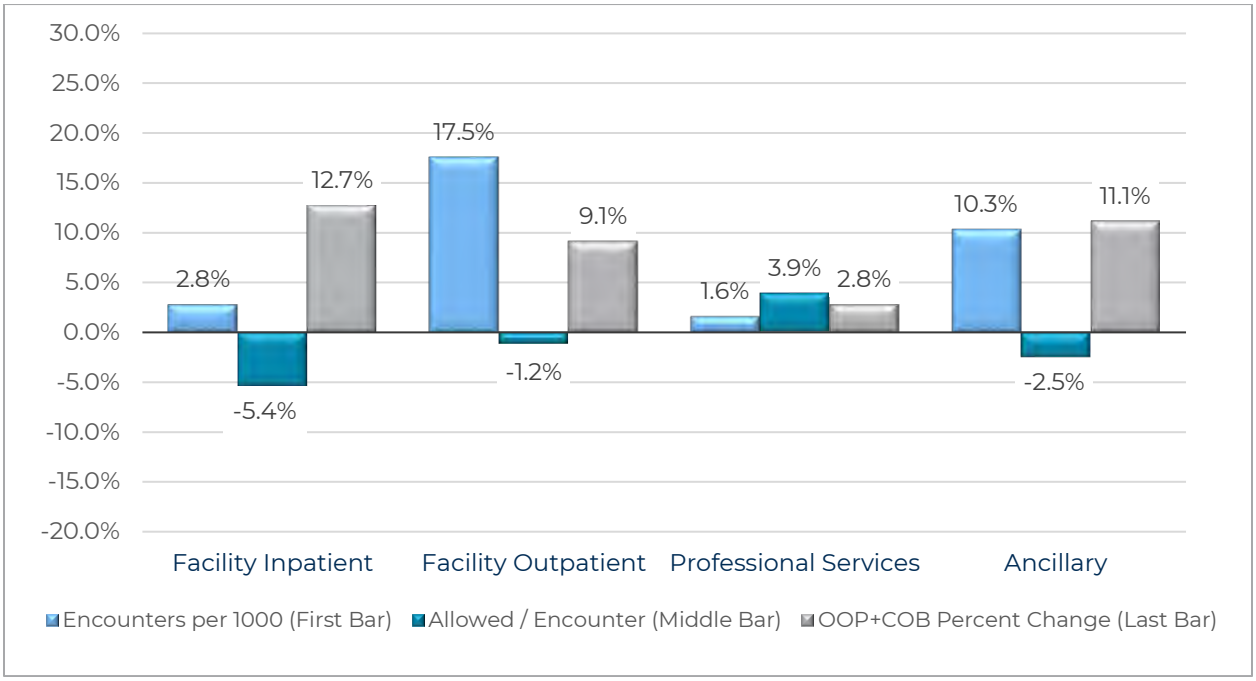


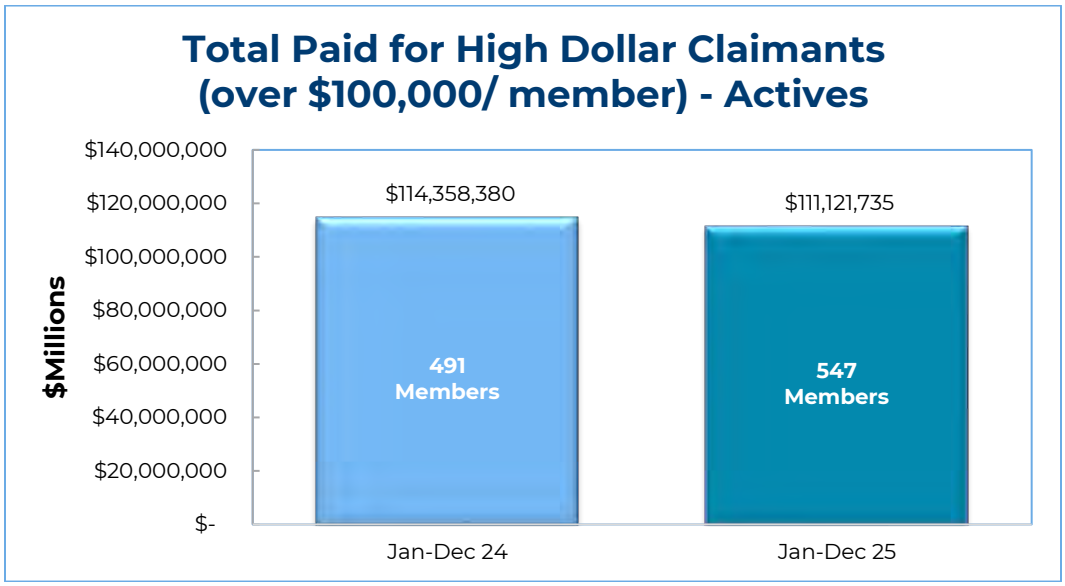
Exhibit 3.2

MEASURE	FACILITY INPATIENT	FACILITY OUTPATIENT	PROFESSIONAL SERVICES	ANCILLARY
Encounters per 1000 Prior Period	48	3,039	12,742	1,795
Encounters per 1000 Current Period	50	3,571	12,943	1,979
% Change	2.8%	17.5%	1.6%	10.3%
Amount Allowed per Encounter Prior Period	$24,835	$554	$192	$391
Amount Allowed per Encounter Current Period	$23,497	$547	$199	$381
% Change	-5.4%	-1.2%	3.9%	-2.5%
OOP+COB PMPM Prior Period	$0.29	$19.05	$37.84	$3.17
OOP+COB PMPM Current Period	$0.32	$20.78	$38.91	$3.52
% Change	12.7%	9.1%	2.8%	11.1%

*Prior Period: Jan - Dec 2024. Current period: Jan - Dec 2025. Paid through Mar 31, 2026

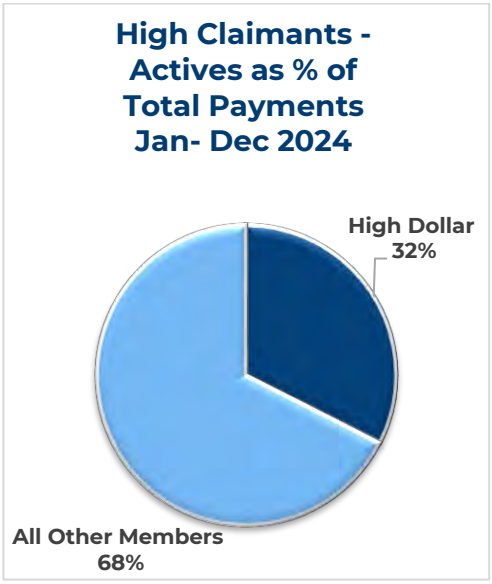
SECTION 4: HIGH DOLLAR CASES: ACTIVES

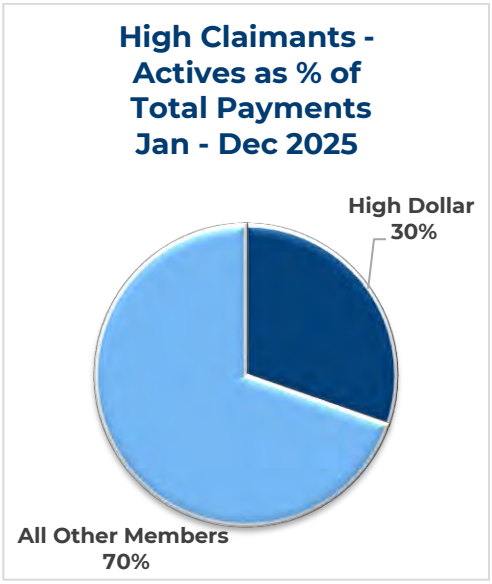
Exhibit 4.1



*Medical claims and prescription services without IBNR. Paid through Mar 2026.
*Additional medical claims may be received for services between Jan - Dec 2025.

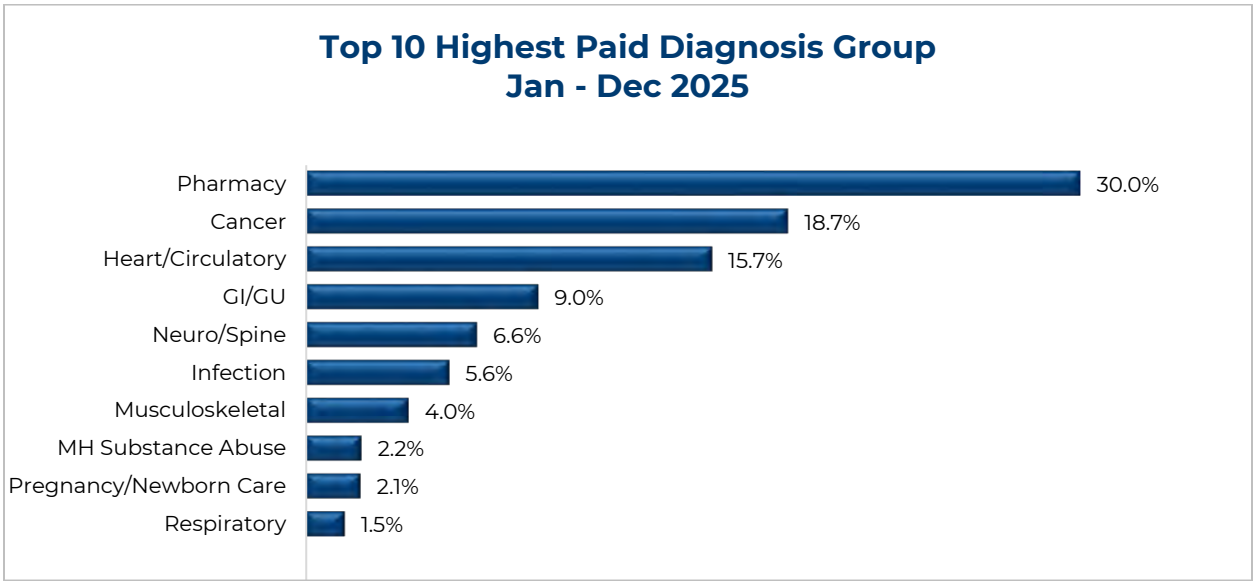
Exhibit 4.2





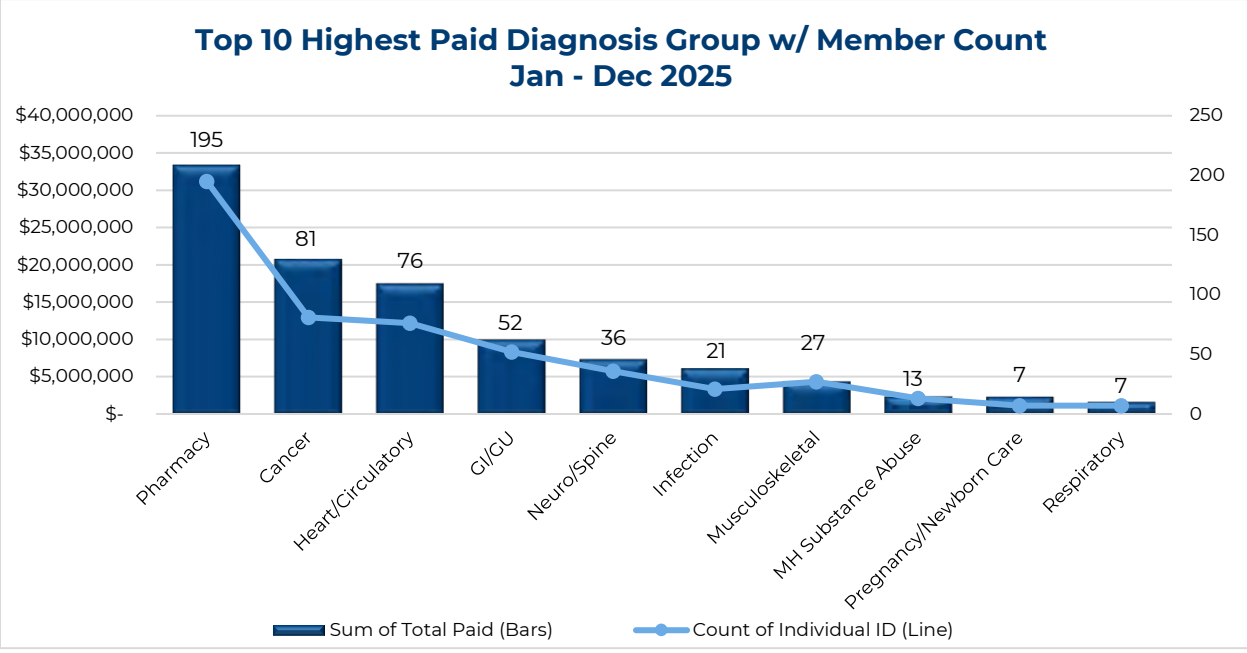
High Dollar Claimants - Actives		
	Jan -Dec 2024	Jan - Dec 2025
Avg. Paid/High Claimant	$232,909	$203,148
% of Total Payments	32%	30%

Exhibit 4.3



*The remaining 5% represents 15 diagnosis groups.
*High dollar cases consist of combined medical claims and prescriptions with a total of $100K or greater.
*Includes Medical claims and Prescription services without IBNR.
*Additional medical claims may be received.

Exhibit 4.4



*The remaining 5% represents 10 diagnosis groups.
*High dollar cases consist of combined medical claims and prescriptions with a total of $100K or greater.
*Includes Medical claims and Prescription services without IBNR.
*Additional medical claims may be received.

SECTION 5: PHARMACY

Exhibit 5.1

SUMMARY OF YOUR PLAN

NDPERS - CY 2025
Jan - Dec 24 vs. Jan - Dec 25

PLAN PAID PMPM

- NDPERS CY 2025 PMPM is trending at 4.1% versus the previous period
- Rebates provided a 23.1% offset resulting in net plan paid of $113.85 PMPM
- Inflammatory Conditions, Diabetes, and Oncology disease states accounted for 60.1% of overall plan paid and increased $2.52 PMPM in total plan paid. The benchmark increased $4.95 PMPM in these categories

YOUR OUTCOMES

- Strategic Solutions have resulted in a total of $100.69 PMPM plan savings
- Strategic Solutions have resulted in a total of $1,434,347 total healthcare (medical + pharmacy) savings

Exhibit 5.2

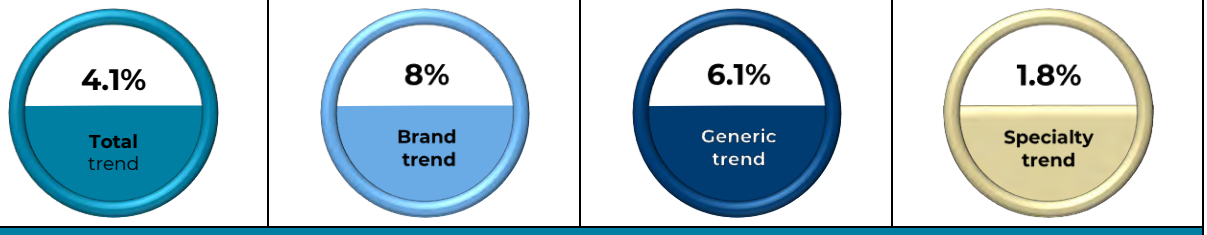
PLAN PERFORMANCE – PLAN PAID

NDPERS – CY 2025
Jan - Dec 24 vs. Jan - Dec 25

TOTAL PLAN PAID PMPM: $148.01

TREND

- Plan paid PMPM has increased 4.1% over the previous period, driven primarily by drug mix in brand and specialty.
- Specialty represents 1.5% of claims.



PLAN PAID PMPM

Current period PMPM of $148.01 equates to $88.7M in pharmacy spend. 59.4% of the spend is attributed to specialty medications.

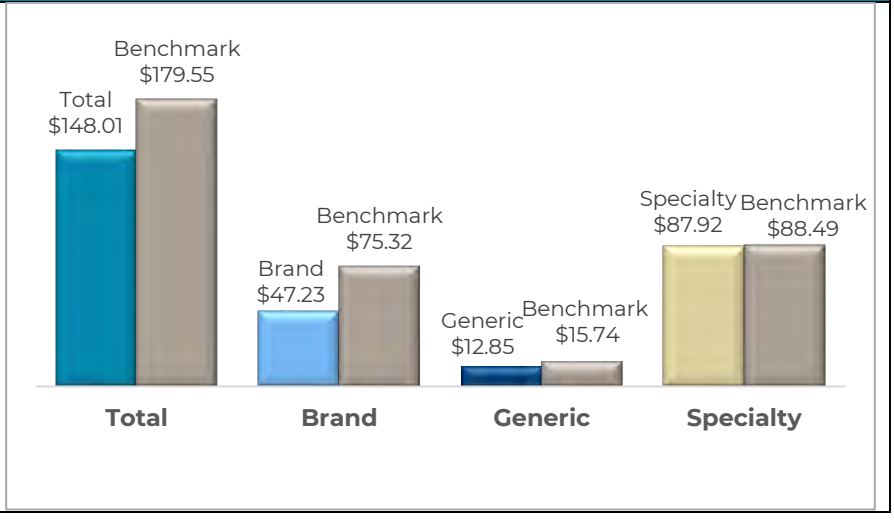


Exhibit 5.3

KEY STATISTICS

NDPERS – CY 2025
Jan - Dec 24 vs. Jan - Dec 25

PLAN PAID PMPM: $148.01

The key metrics help highlight the changes NDPERS CY *2025* has experienced period over period.

- Eligibility has increased by 116.
- Number of utilizers has increased by 515.

TOTAL RXS	TOTAL PLAN PAID	UTILIZERS
CURRENT 479,130	**CURRENT** $88,734,144	**CURRENT** 39,459
PREVIOUS 468,999	**PREVIOUS** $85,081,000	**PREVIOUS** 38,944
PREVIOUS CHANGE 2.2%	**PREVIOUS CHANGE** 4.3%	**PREVIOUS CHANGE** 1.3%

KEY STATISTICS	NDPERS			COMMERCIAL BENCHMARK	
	CURRENT	PREVIOUS	% CHANGE	CURRENT	% CHANGE
Average Age	33.0	33.1	-0.4%	35.6	0%
Plan Paid PMPM	$148.01	$142.25	4.1%	$179.55	10%
Plan Paid Per Rx	$185.20	$181.41	2.1%	$217.43	8.3%
Rx PMPM	0.799	0.784	1.9%	0.83	1.6%
Average Days Supply	45.4	45.4	0%	40.7	0.8%
Days Supply PMPM	36.3	35.6	1.9%	33.6	2.4%
Member Paid Share	11.7%	12.0%	-2.8%	9.4%	0.1%
Member Paid per Rx	$24.49	$24.78	-1.2%	$22.62	8.5%
Brand Dispensing Rate	12.2%	12.7%		14.2%	
Generic Dispensing Rate (GDR)	87.8%	87.3%	0.5%	85.8%	-0.6%
GDR- Without Vaccines	88.8%	88.4%	0.4%	87.4%	-0.8%
Home Delivery Rate	0.5%	0.6%	-21.3%	5.3%	-4%
Retail 90 Rate	32.8%	32.7%	0.3%	21.3%	2.5%
% of Specialty Plan Paid	59.4%	60.7%	-2.2%	49.3%	-2.9%

Exhibit 5.4

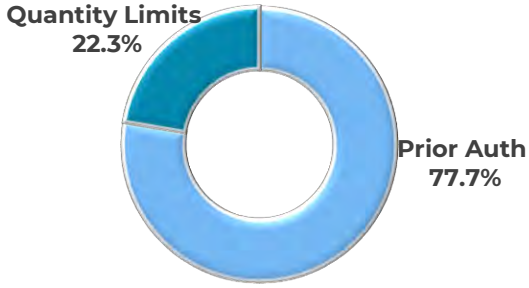
UM OUTCOMES

NDPERS – CY 2025
Jan - Dec 24 vs. Jan - Dec 25

UTILIZATION MANAGEMENT SAVINGS: $29.69 PMPM

Your Program Savings: $17.8M

Ensuring patients meet appropriate clinical criteria when initiating medication therapy not only helps to ensure that the patient is being treated safely according to guidelines but also drives significant savings for both Sanford NDPERS – CY 2025 and for members. Sanford NDPERS – CY 2025 has realized over $17.8M in savings. Based on a study by OptumRx, leveraging UM strategies that drive members to appropriate and often lower cost medications for treatment can save a member up to $620 annually in out-of-pocket copayments.

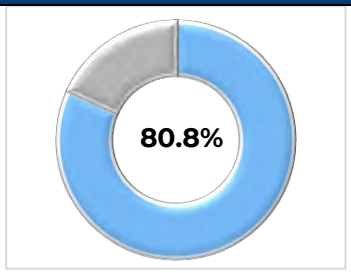


PRIOR AUTHORIZATION	QUANTITY LIMITS
PMPM SAVINGS $23.07	**PMPM SAVINGS** $6.62
# OF MEMBERS IMPACTED 2,806	**# OF MEMBERS IMPACTED** 1,130
# OF INTERVENTIONS 3,603	**# OF INTERVENTIONS** 1,336

Exhibit 5.5

TOP 5 THERAPY CLASSES

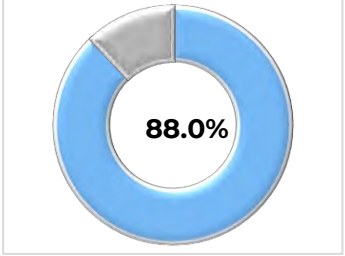
PRIOR AUTHORIZATION



Prior authorization savings from top 5 therapeutic class interventions

GPI-4 Description	Number of Cases	Plan Paid Savings
Chronic Inflammatory Disease	489	$6,674,002
GLP-1 Receptor Agonists	985	$2,882,323
Oncology	64	$624,138
Migraine Products	261	$574,775
Atypical Antipsychotics	115	$413,542

QUANTITY LIMITS



Quality limits savings from top 5 therapeutic class interventions

GPI-4 Description	Number of Cases	Plan Paid Savings
Chronic Inflammatory Disease	85	$2,601,832
Pulmonary Arterial Hypertension	20	$335,913
Multiple Sclerosis	5	$247,204
Migraine Products	137	$166,121
GLP-1 Receptor Agonists	22	$140,362

NDPERS EGWP: HUMANA

Exhibit 5.6

DESCRIPTION	Q4 2024	Q4 2025	CHANGE
Avg. Members per Month	9,026	9,043	0.2%
Average Member Age	77.1	77.3	0.3%
Members Utilizing Benefit	8,629	8,645	0.2%
% Members Utilizing Benefit	95.6%	95.6%	0%
Total Rx	490,513	498,678	1.7%
Total Rx PMPM	2.60	2.62	0.8%
Generic Fill Rate	89.4%	88.9%	-0.6%
Maintenance 90 Day Utilization (by days supplied)	79.5%	77.8%	-2.1%
Retail – Maintenance 90 Day Utilization	77.7%	75.7%	-2.6%
Home Delivery – Maintenance 90 Day Utilization	1.8%	2.1%	16.7%
Total Specialty Rx	766	1,715	123.9%
Specialty % of Plan Paid	28.9%	45.6%	57.8%

SECTION 6: WELLNESS CONTINUUM

An integrated approach to health management

+Wellness is a family of services that identifies and delivers personalized, whole-person care to members based upon where they are on the wellness continuum. It helps ensure appropriate intervention, diagnoses and treatment plans while navigating members to appropriate resources and high-value specialty care when needed.

WELLNESS CONTINUUM

Well-being Resources	Preventive Care	Managing A Population	Care Management	Disease Management

DAKOTA WELLNESS PROGRAM

FITNESS CENTER REIMBURSEMENT

Exhibit 6.1

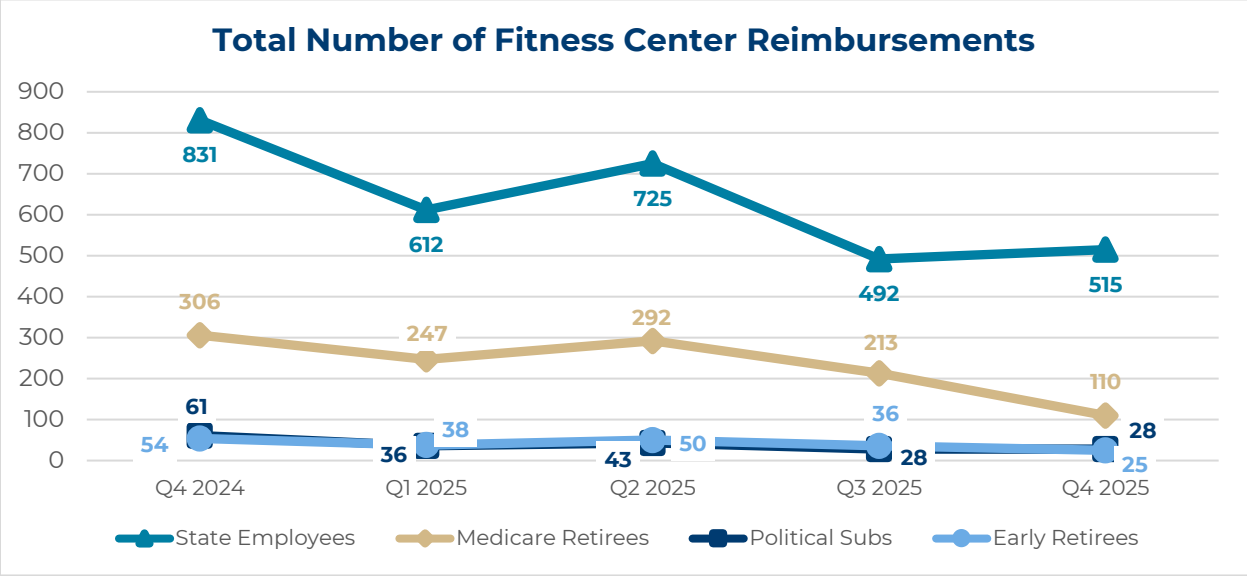


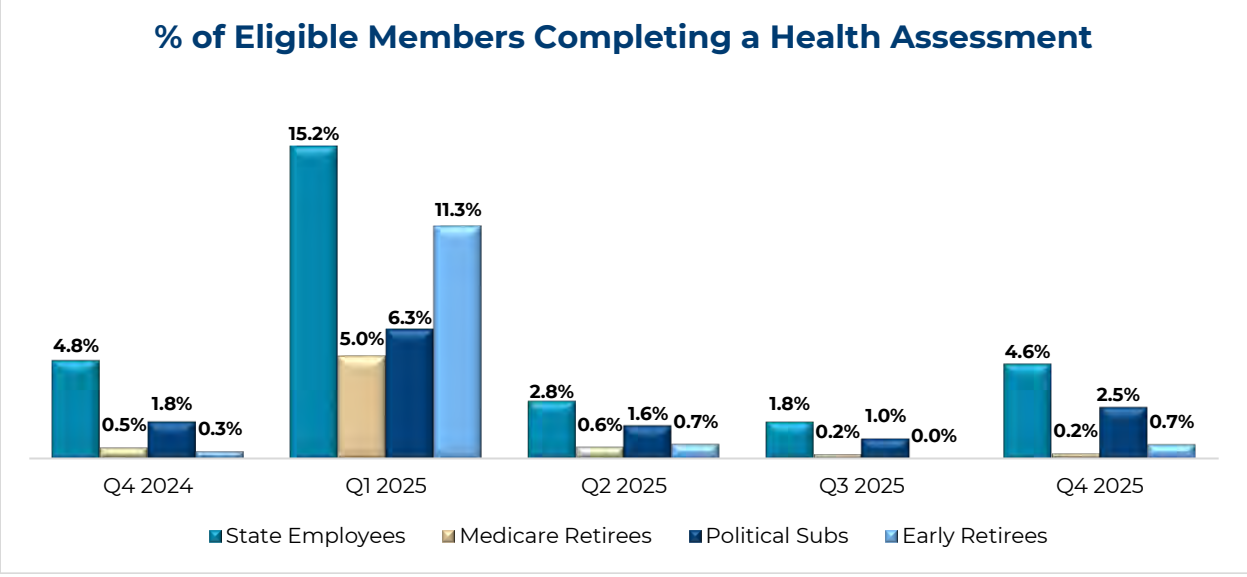
*Chart values are number per quarter and not accumulated.

WELLNESS CONTINUUM

Well-being Resources | Preventive Care | Managing A Population | Care Management | Disease Management

HEALTH ASSESSMENT

Exhibit 6.2

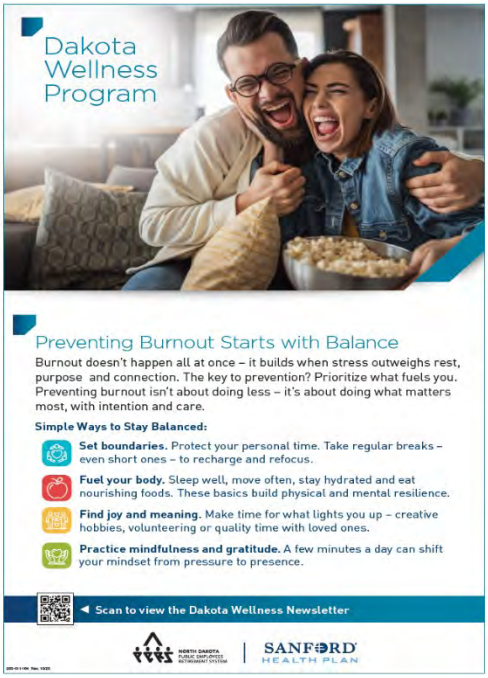


*Percentages are based on numbers per quarter and are not accumulated.

MONTHLY WELLNESS THEMES

Exhibit 6.3

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



Q4 QUARTERLY WELLNESS CHALLENGE

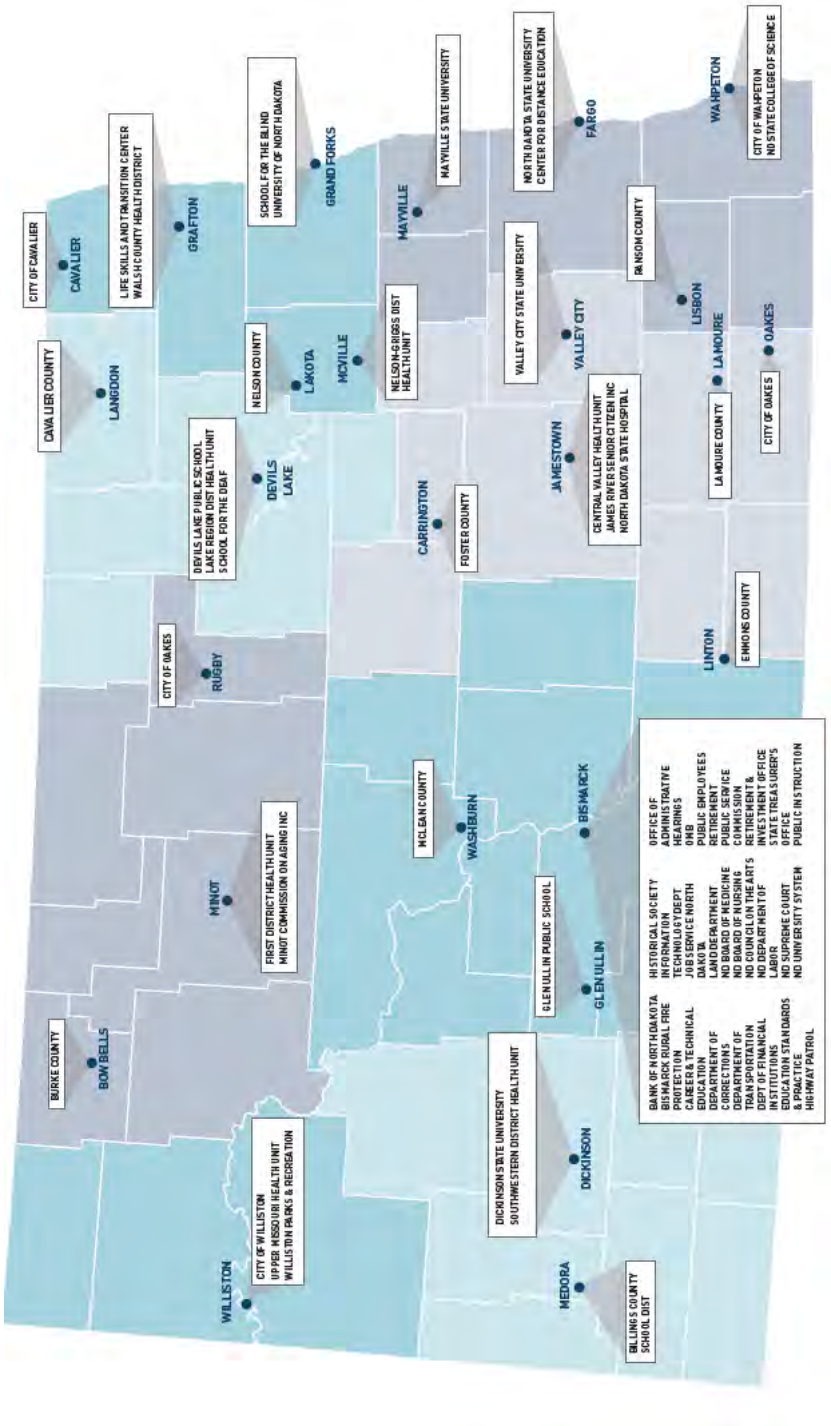
Stress-Less:

- Feel the healing effect of taking 'you' time during the Stressless Challenge
- Challenge: Take 5 minutes or more each day to relieve stress.
- Print and digital communication materials were made available- including de-stress tips and activity ideas.
- To successfully complete the challenge, a participant must register for the challenge, manually track their participation for at least 21 out of 28 days, and meet the goal at least 14 of those days

- **Participation**:
    - **Unique Users**: 1,195
    - **Percentage of Challenge-eligible Users**: 11%
    - **Total Visits**: 24,457 visits
    - **Average Visits per Unique User**: 20

EVENT ATTENDANCE BY AGENCY

The Sanford Health Plan NDPERS wellness team continues to engage members across the state, despite pandemic-related in-person restrictions. Wellness educators support agency wellness coordinators and provide worksite education and activities in a virtual format. This map shows where participants are from.



TOTAL NUMBER OF AGENCIES VISITED (UNDUPLICATED)
80

WEBINARS/ PRESENTATIONS/ EVENTS:

Flourishing Financially
Nutrition and Hydration
Overcoming Stress
Declutter, Downsize & move forward

Burnout - Stress
Overcome Procrastination
Stressless

TOTAL MEMBER ATTENDANCE THIS QUARTER:
1,717

Preventive Screening Rates

Exhibit 6.4

MEASURE	GOAL by 6/30/27	OUTCOME DATE	CURRENT
FOCUS AREAS			
Breast cancer screening rates	80%	Dec 31, 2025	81%
Cervical cancer screening rates	85%	Dec 31, 2025	72%
Colorectal cancer screening rates	60%	Dec 31, 2025	72%

POPULATION HEALTH: 2025 Year-in-Review

Exhibit 6.5

Dakota Wellness Program

The Dakota Wellness Program and Sanford Health Plan offer tools and programs to help members commit to their health and well-being. Wellness Coordinators receive support to help create a culture that promotes well-being.

Member and Wellness Coordinator Support 11,636 Touchpoints					
Member Support **10,483** Touchpoints	Member Wellness Webinar (monthly) 2,859	Dakota Wellness Program Webinar (annual) 803	Wellness Challenge (quarterly) 6,233	Direct Member Support 588	
Wellness Coordinator Support **1,153** Touchpoints	Wellness Coordinator Webinar (monthly) 244	Wellness Coordinator Recharge Webinar (annual) 106	Wellness Webinars for agency employees (throughout year) 688	Marathon in a Month / Walk at Work (annual) 67	Wellness Funding Application Review (annual) 48

Performance Guarantees

The Population Health team provided encouragement and support for initiatives and activities that strive to keep members healthy and achieve the Performance Goals below. Encouragement and support were provided through multiple touchpoints including, but not limited to, care gap analysis, coaching, education & outreach.

Wellness Performance Guarantees	
GOAL	**BENEFIT**
Health Risk Assessment completion by 18% of eligible members - **MET 19.13%**	Identifies areas for improvement and provides personalized recommendations
Fitness Center Reimbursement participation by 5% of eligible members - **MET 5%**	Promotes overall well-being and chronic condition prevention and/or management
Wellness Redemption Center payout of $850,000 to at least 9% of eligible members – **MET $1M and 11.6%**	Encourages members to participate in wellness program
Worksite interventions completed by At least 75% of participating employer agencies - **MET 77%**	Supports Wellness Coordinators to provide a variety of wellness programs at their worksite

Health Outcomes Performance Guarantees	
GOAL	**BENEFIT**
Healthy Pregnancy Program participation growth of at least 3% over prior year- **MET +18%**	Offers free help to expecting mothers to provide support for healthy babies
Diabetes Prevention Program participation of at least 5% of eligible members – **MET 7.1%**	Provides programs to help prevent and/or manage diabetes
Breast Cancer screening rate of at least 80% - **MET 80.7%**	Promotes early diagnosis when most treatable
Cervical Cancer screening of at least 85%- **Missed at 72%**	Prevents and/or promotes early diagnosis when most treatable
Colorectal Cancer screening of at least 60%- **MET 71.5%**	Prevents and/or promotes early diagnosis when most treatable

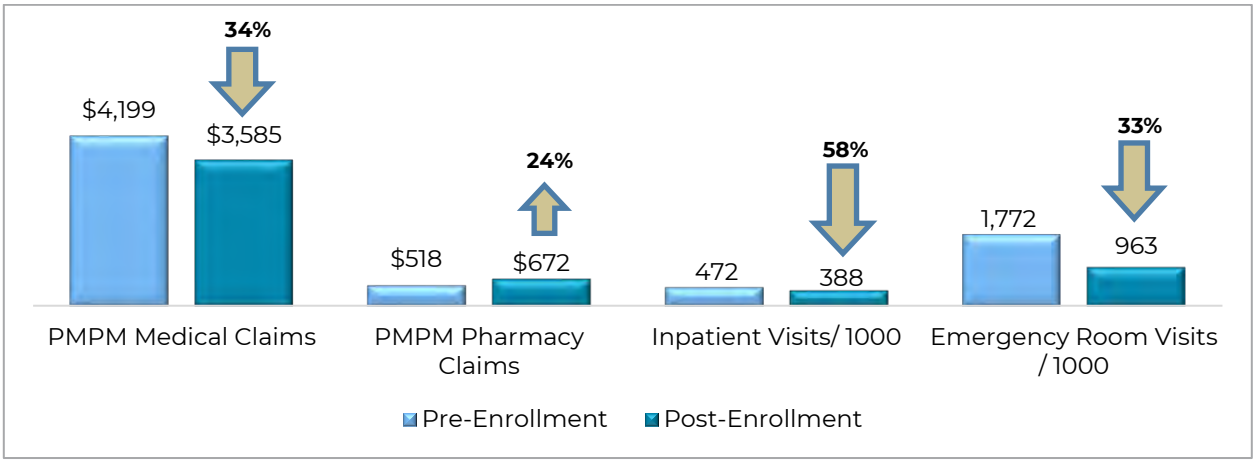
WELLNESS CONTINUUM

Well-being Resources | Preventive Care | Managing A Population | **Care Management** | Disease Management

CARE MANAGEMENT ENGAGEMENT

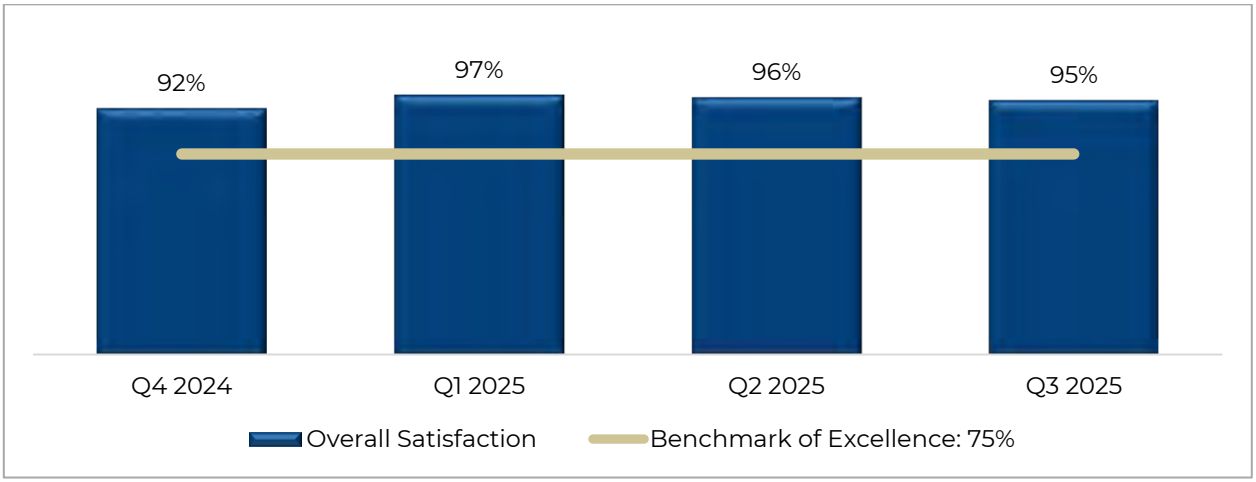
Exhibit 6.6

CARE MANAGEMENT PERFORMANCE METRICS Jan – Dec 2025				
OFFERED	**RESPONDED**		**ENGAGED**	
3,054	**1,989**	**65%**	**763**	**38%**



SURVEY SCORE

Exhibit 6.7



SECTION 7: PERFORMANCE GUARANTEES

Exhibit 7.1

MEASURE	GOAL	MEASUREMENT PERIOD	Q4 2025 REPORTING PERIOD	CURRENT
WELLNESS				
Health risk assessment completion	18%	7/1/25 – 6/30/27	7/1/25 – 12/31/25	4.6%
Worksite interventions agency participation	75%	7/1/25 – 6/30/27	7/1/25 – 12/31/25	68%
Fitness reimbursement participation	5%	1/1/25 – 12/31/25	1/1/25 – 12/31/25	8%
Wellness redemption center payments	$850,000	1/1/25 – 12/31/25	1/1/25 – 12/31/25	$1.06M
Wellness redemption center rate	9%	1/1/25 – 12/31/25	1/1/25 – 12/31/25	11.6%
HEALTH OUTCOMES				
Healthy Pregnancy Participation High-Risk OB (HROB) enrolled in Case Management	25% (HP) 25% (HROB)	7/1/25 – 6/30/27	7/1/25 – 12/31/25	HP=44% HROB=23%
Diabetes Prevention Program	5%	1/1/25 – 12/31/25	1/1/25 – 12/31/25	7.1%
Breast cancer screening rates	80%	7/1/25 – 6/30/27	7/1/25 – 12/31/25	81%
Cervical cancer screening rates	85%	7/1/25 – 6/30/27	7/1/25 – 12/31/25	72%
Colorectal cancer screening rates	60%	7/1/25 – 6/30/27	7/1/25 – 12/31/25	72%
PROVIDER NETWORK / CONTRACTING				
PPO network participation rate	Hospital, MDs & DOs: 92%	7/1/25 – 6/30/27	7/1/25 – 12/31/25	100% Hospital 96% MD/DO
Provider network minimum discount	30%	7/1/25 – 6/30/27	7/1/25 – 12/31/25	45.6%
CUSTOMER SERVICE & CLAIMS				
Claims financial accuracy	99%	7/1/25 – 6/30/26	7/1/25 – 12/31/25	99%
Claims payment accuracy	98%	7/1/25 – 6/30/26	7/1/25 – 12/31/25	99.98%
Claim timeliness	95%	7/1/25 – 6/30/26	7/1/25 – 12/31/25	99.66%
Claims processing accuracy	95%	7/1/25 – 6/30/26	7/1/25 – 12/31/25	99.96%
Average speed of answer	30 seconds	7/1/25 – 6/30/26	7/1/25 – 12/31/25	20 seconds
Call abandoned rate	5% or less	7/1/25 – 6/30/26	7/1/25 – 12/31/25	0.6%
First call resolution	95%	7/1/25 – 6/30/26	7/1/25 – 12/31/25	95.77%
Written inquiry response time	95%	7/1/25 – 6/30/26	7/1/25 – 12/31/25	98.5%
PHARMACY & FINANCIAL				
Prescription drug turnaround times	98%	7/1/25 – 6/30/27	7/1/25 – 12/31/25	98%
Network Pharmacy Access	<5%	7/1/25 – 6/30/26	7/1/25 – 12/31/25	MET
About the Patient program payment	5 days	7/1/25 – 6/30/26	7/1/25 – 12/31/25	MET
Interest Rate determined by PERS/SHP	Quarterly	7/1/25 – 6/30/27	7/1/25 – 12/31/25	MET

North Dakota
Public Employees Retirement System
1600 East Century Avenue, Suite 2 • PO Box 1657
Bismarck, North Dakota 58502-1657

Rebecca Fricke
Executive Director
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Medicare Part D Plan Premium Projection for 2027

TO: NDPERS Board

FROM: Rebecca

DATE: May 12, 2026

Per the terms of the contract with Humana for the Employer Group Waiver Plan (EGWP), referred to as the Medicare Part D Plan, we have received a preliminary projection for the 2027 premium.

2027 Premium Projection

Humana's preliminary projection for the 2027 premium is $52.63 per member, per month (PMPM). This is a decrease of $17.19 per month over the current monthly premium of $69.82. Per Humana, the projection takes into account rating factors including; claims experience, Center for Medicare & Medicaid Services (CMS) reimbursements, pharmacy trends that include pipeline drugs, demographics, plan benefits, CMS mandates and regulatory changes made to all Medicare Part D plans in 2027 due to the Inflation Reduction Act (IRA). Refer to the Attachment for additional details provided by Humana.

NDPERS Medicare Part D Historical Information

Staff felt it would be helpful to share some recent history related to the Part D premiums. In 2021, the Board awarded the bid for the product and the plan was transitioned from Express Scripts Incorporated (ESI) to Humana for the 2022 plan year. The following table provides information on the premiums since that time:

Plan Year	Vendor	Premium PMPM	% Change
2021	ESI	$89.32	N/A
2022	Humana	$66.72	-25.3%
2023	Humana	$69.72	4.5%
2024	Humana	$64.72	-7.7%
2025	Humana	$60.74	-6.6%
2026	Humana	$69.82	14.9%

Staff have asked Deloitte for analysis regarding the reasonableness of the preliminary projection and will have information at the meeting regarding their analysis for the Board's consideration.

Renewal Process for Medicare Part D Plan

The normal process for renewal is that Humana will finalize the premium for the upcoming plan year after the Center for Medicaid and Medicare Services (CMS) releases the federal subsidy level for Part D plans. This occurs in late July each year. Humana then determines if they need to adjust premiums accordingly based on the subsidy amount and the experience of the plan. Per the terms of the contract, Humana must provide the final premium for the Board's consideration by August 15 for consideration at the August Board meeting. Deloitte will again be utilized to analyze the reasonableness of the final premium.

At this time, staff would recommend that the Board defer a decision on whether to bid the Medicare Part D Plan in order to consider the final renewal premium offered by Humana in August. This recommendation is made due to:

- The overall ease of administration of the product for NDPERS processes
- The minimal disruption our members continue to experience with Humana
- The responsiveness of Humana when questions regarding NDPERS processes or members have been raised
- An understanding that the projected premium takes into consideration the IRA, CMS reimbursements, CMS mandates and regulatory changes, and would likely be included in any vendor quote should the product be bid since any vendor bidding on the product would have to build in the same items in the plan design.
- In addition, as reported throughout the previous year during quarterly summaries, we know that our group's specialty medication usage is increasing, which would likely be similar regardless of the vendor.

Should the Board approve, staff will continue to review the information provided by Humana to confirm consistent plan design to the current plan year and will also work with Humana on 2027 Performance Guarantees (PG). Humana has indicated that they'd like consideration of a change to PG # 16 related to prescription drug turn-around time – clean prescriptions. This is the one PG that Humana has missed over the past two years and as reported previously, it is due to changes implemented to focus on delivering medications based on urgency and patient need rather than uniform turn-around time. Staff will review and discuss this change request further with Humana so that a recommendation by staff can be made at the August meeting.

If in August the final renewal premium exceeds the projected premium and is a rate that the Board does not wish to renew, then staff will have the final Medicare Part D Request for Proposal (RFP) prepared for the August Board meeting so that it can be approved for immediate release.

If the Board does not agree to the staff recommendation, then staff will finalize the RFP and bring to the June Board meeting for approval.

Board Action Requested:

Provide direction on whether to defer a bid for the 2027 plan year for the Medicare Part D Plan until after Humana provides their final renewal premium in August 2026.

Attachment

Group Medicare Renewal

2027 Renewal Information

April 30, 2026

Thank you for being a loyal Humana customer. Our commitment to providing exceptional healthcare solutions remains unwavering, and we look forward to continuing our partnership. We are pleased to deliver the 2027 Group Medicare Part D Prescription Drug Plan renewal for North Dakota Public Employees Retirement System (NDPERS). Attached to this PDF file you will find the following information for your review:

- 2027 Rate Sheet
- 2027 Plan Design Exhibit
- 2027 Performance Guarantee Agreement

We consider multiple factors when determining rates, including but not limited to claims experience and trend, benefit design changes, and CMS reimbursement updates.

For 2027, two key influences continue to shape rate development:

- The CMS Rate Announcement, which establishes Medicare Advantage and Part D reimbursement and funding parameters for the year, and
- The ongoing impacts of the Inflation Reduction Act (IRA), including continued evolution of the Part D benefit and funding structure.

2027 CMS Rate Announcement

Each year, the Centers for Medicare & Medicaid Services (CMS) updates Medicare Advantage and Part D prescription drug funding to reflect changes in healthcare costs, utilization, and federal policy. CMS finalized its 2027 Medicare Advantage and Part D payment updates in April 2026, and these changes take effect January 1, 2027.

What's Important for 2027

- Notable Part D updates:
  - Planned Inflation Reduction Act changes such as manufacturer discounts and benefit structure changes.
  - Increasing the part D out of out-of-pocket cap to $2,400
  - The model now calibrates differently for MA Prescription drug plans (MAPD) and Standalone prescription drug plans (PDP)

Part D Redesign

One component of the Inflation Reduction Act (IRA) is the redesign of the Medicare Part D benefit. Beginning in 2026—and continuing in 2027—the Part D benefit includes an annual cap on beneficiary out-of-pocket (MOOP) spending for covered Part D drugs, which is updated annually for inflation.

- For 2027, the annual Part D MOOP is $2,400, an increase from $2,100 in 2026, reflecting statutory inflation indexing under the IRA.

CMS defined standard parameter changes:

Stage	2026	2027
Deductible	$615	$700
Initial Coverage Limit (ICL)	Not Applicable	Not Applicable
Out-of-pocket threshold	$2,100	$2,400

Additional 2027 updates:

100 Day Supply Benefit –

- Humana will offer members and providers the option of 100 days supply for drugs in 2027.
- Research shows that members using 90+ days supply are more adherent to their medications which promotes overall healthier outcomes.

Members given email option for Annual Notice of Change letter (ANOC) –

- Humana's digital ANOC initiative will apply to members who have opted for electronic delivery of communications. All other members will continue to receive their ANOC by mail.

Performance Guarantee Agreement – PG #16; Prescription Drug Turnaround Time (clean prescriptions): *98% within two (2) business days if no intervention required*

- Reporting Only in 2027.
- Humana's focus is on delivering medications based on urgency and patient need rather than uniform turnaround time and is no longer offering the 2-day clean service level agreement (SLA), as it does not align with a member first, clinically prioritized service model.

Humana places tremendous value on our relationship with NDPERS. We will continue to explore ways to stabilize costs while providing the value and service that NDPERS and its retirees expect and deserve. We appreciate the trust and confidence you have placed in Humana and look forward to our continued partnership.

Next Steps

As you review the 2027 renewal, please let me know if you have any questions. We will work to prepare the BAFO rate following release of the July Part D benchmarks and by the deadline of August 15th, in advance of the August Board meeting. Once finalized, we can then work with you on the 2027 contract amendment and begin processing the renewal.

Sincerely,
Julie Bodenski
Account Executive, Humana Group Medicare

Humana®

cc: Stephanie Heller, Director, Group Medicare Account Management

Humana.

Humana Medicare Group Plan – Premium Information

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM - PDP

Date: 4/27/2026
Humana Medicare Group Plan
Plan Names: Custom PDP
Rx Formulary: Group Plus Formulary - 27800
Additional Medication Buy-Ups: Coughs and Colds, EDs Enhanced

Plan Year	Final Billed Premium (Per Member Per Month)
1/1/2027 - 12/31/2027	$52.63

PDP 037 161 Rx Benefit Overview

Prescription Drugs (Retail 30 day supply)	Custom PDP $5 copay plus 15% coinsurance / $15 copay plus 25% coinsurance / $25 copay plus 50% coinsurance /$25 copay plus 50% coinsurance from $0 to Catastrophic

See attached sheet for rating assumptions and stipulations. The benefits presented above are a high-level summary. Please consult the Plan Design Exhibit for a more detailed list of covered services, member cost shares, services subject to deductibles and any plan limitations.

HUMANA MEDICARE EMPLOYER PDP PLAN

2027 PDP for North Dakota Public Employees Retirement System (NDPERS) Plan 037 Option 161
Group Plus Formulary - PDG 50
With Package(s): 2 (Cough/Cold), 7 (Erectile Dysfunction)
Effective Date: 01/01/2027 - 12/31/2027

30 day Supplies

PDP Option Number	30 day Standard Retail from $0 to Catastrophic (1)				30 day Standard Retail from Catastrophic to Unlimited	Part D MOOP (2)
	Tier 1*	Tier 2	Tier 3	Tier 4		
PDP 157	$5 copayment; 15% coinsurance of remaining cost share	$15 copayment; 25% coinsurance of remaining cost share	$25 copayment; 50% coinsurance of remaining cost share	$25 copayment; 50% coinsurance of remaining cost share	$0	$2,400

PDP Option Number	30 day Standard Mail Order from $0 to Catastrophic (1)				30 day Standard Mail Order from Catastrophic to Unlimited	Part D MOOP (2)
	Tier 1*	Tier 2	Tier 3	Tier 4		
PDP 157	$5 copayment; 15% coinsurance of remaining cost share	$15 copayment; 25% coinsurance of remaining cost share	$25 copayment; 50% coinsurance of remaining cost share	$25 copayment; 50% coinsurance of remaining cost share	$0	$2,400

Note: Part D vaccines recommended by the Advisory Committee on Immunization Practices (ACIP) for adults may be available at no cost.
Note: Plan covered insulin products will not exceed $35 for a one-month supply no matter what cost-sharing tier it's on.

*Tier 1: Generic or Preferred Generic - Generic or brand drugs that are available at the lowest cost share for this plan.
Tier 2: Preferred Brand - Generic or brand drugs that Humana offers at a lower cost than Tier 3 Non-Preferred Drug.
Tier 3: Non-Preferred Drug - Generic or brand drugs that Humana offers at a higher cost than Tier 2 Preferred Brand drugs.
Tier 4: Specialty Tier - Some injectables and other higher-cost drugs.

100 day Supplies

PDP Option Number	100 day Standard Retail (3) from $0 to Catastrophic (1)				100 day Standard Retail (3) from Catastrophic to Unlimited	Part D MOOP (2)
	Tier 1*	Tier 2	Tier 3	Tier 4		
PDP 157	$5 copayment; 15% coinsurance of remaining cost share	$15 copayment; 25% coinsurance of remaining cost share	$25 copayment; 50% coinsurance of remainnig cost share	N/A	$0	$2,400

PDP Option Number	100 day Standard Mail Order (3) from $0 to Catastrophic (1)				100 day Standard Mail Order (3) from Catastrophic to Unlimited	Part D MOOP (2)
	Tier 1*	Tier 2	Tier 3	Tier 4		
PDP 157	$5 copayment; 15% coinsurance of remaining cost share	$15 copayment; 25% coinsurance of remaining cost share	$25 copayment; 50% coinsurance of remaining cost share	N/A	$0	$2,400

Note: Part D vaccines recommended by the Advisory Committee on Immunization Practices (ACIP) for adults may be available at no cost.

Footnotes

1 Catastrophic: When a member's Part D Maximum Out-of-Pocket (MOOP) cost reaches $2,400 (enhanced drug coverage claims are excluded from accrual towards the Part D MOOP), Humana then pays 100% of covered Part D Rx claims, including enhanced drug coverage.
2 Part D MOOP: When a member's Part D Maximum Out-of-Pocket (MOOP) cost reaches $2,400 (enhanced drug coverage claims are excluded from accrual towards the Part D MOOP), Humana then pays 100% of covered Part D Rx claims, including enhanced drug coverage.
3 Retail and Mail Order: The benefit for a 100-day supply is limited to Rx formulary Tiers 1-2 and most drugs on Tier 3. Regardless of tier placement, Specialty drugs are limited to a 30-day supply.

Out of Network: Emergency Situations

When a member purchases a drug at an out-of-network pharmacy in an emergency situation:
a. the member will pay the same coinsurance as would have applied at a network pharmacy, but at the out-of-network pharmacy price, and/or,
b. the member will pay the same copayment as would have applied at a network pharmacy, plus the difference between the out-of-network pharmacy price and the network pharmacy price.

This information is not a complete description of benefits. Contact the plan for more information. Limitations, copayments and restrictions may apply. Benefits, premiums and/or member cost-share may change each year. Part D benefit parameters, regulated by the Centers for Medicare and Medicaid Services (CMS), can impact Part D benefits on an annual basis. The formulary and pharmacy network may change at any time. The member will receive notice when necessary. Please refer to the Evidence of Coverage for additional information regarding covered services and limitations or any other contractual conditions. For a complete description of benefits, exclusions and limitations please refer to the actual Evidence of Coverage. If a discrepancy arises between this information and the actual Evidence of Coverage, the Evidence of Coverage will prevail in all instances.

Humana is a Medicare Employer Prescription Drug plan with a Medicare contract. Enrollment in this Humana plan depends on contract renewal.

HUMANA GROUP MEDICARE PRESCRIPTION DRUG PLAN
VALUE ADDED SERVICES
Effective Date: 01/01/2027 - 12/31/2027

The benefit and discount information presented here are current as of the date of this document. If a change should occur prior to implementation, Humana will clarify any change and notify the group sponsor. The products and services described below are neither offered nor guaranteed under our contract with the Medicare program. In addition, they are not subject to the Medicare appeals process. Any disputes regarding these products and services should be addressed with Customer Care by calling the number on the back of the member's Humana membership card. CMS does not permit discussing the below services with potential enrollees prior to enrollment.

	Benefit	Description	2026	2027
Extra Services (VAIS)	• CAM Integrative Services Discount (Tivity) - Not available in Puerto Rico	Discounts for complementary and alternative medicine services including acupuncture, chiropractic, massage, vitamins, healthy meal plans, footwear and more. Services must be received from participating designated providers.	Available	Available
	• Dental Discount (Florida GoldPlus) - Available in Florida only	Discounts on dental services. Services must be received from participating dental providers.	Available	Available
	• Dental Discount (HumanaDental) - Not available in Florida or Puerto Rico	Discounts on dental services. Services must be received from participating dental providers.	Available	Available
	• Healthy Hearing Discount (HearUSA) - Available in Florida only	Discounts on select hearing aids, accessories and hearing assistance products.	Available	Not Available
	• Hearing Discount (TruHearing) - Not available in Puerto Rico	Discounts on select hearing aids. Services must be received at participating hearing centers.	Available	Available
	• Personal Emergency Response System (Lifeline®Medical Alert Systems)	Discounts on select medical alert systems, medication dispensers and emergency response smartwatch.	Available	Available
	• Meal Delivery Discount (Mom's Meals)	Discounts on home delivered meals to help support nutritional needs.	Available	Available
	• Bill Management Service (Silver Bills)	Discount on monthly bill management services.	Available	Available
	• Dental Health (Truthbrush)	Discounts on toothbrush tracking devices that monitors dental habits and performance through the use of an app.	Available	Available
	• Vision Discount (EyeMed)	Discounts from participating providers on routine vision services such as: Exam, contact lens fitting and follow-up, lenses, frames and laser vision correction.	Available	Available
	• Travel Discount (International Medical Group)	Discounts on medical services and evacuation protection when travelling outside of the U.S.	Available	Available
	• Pet Telehealth (Petzey)	Discounts on unlimited pet telehealth visits.	Available	Available
	• Laundry Service Discount (Poplin)	Discount on select laundry services.	Available	Available
	• Total Wellbeing Discount (SWORKIT)	Discount on virtual wellbeing program.	Available	Available
	• Prescription Medication Discount	Discounts on select non-covered prescription drugs received from a network pharmacy (Quantity limits may apply).	Available	Available

Humana is a Medicare Employer plan with a Medicare contract. Enrollment in this Humana plan depends on contract renewal.

Humana's Group Medicare Performance Guarantee Agreement

North Dakota Public Employees Retirement Systems

2027 Group Medicare Performance Standards for PDP Only

Effective January 1, 2027 through December 31, 2027

Minimum Annual Average Membership Requirement: None

PG#	Category	Target	Standard & Measurement Criteria	Amount at Risk
1	**Plan Performance Review**	Measurement methodology shall be measured from date of delivery of the plan performance review in calendar days	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.	**Semi- annually** **$1,000 per calendar day beyond the due date**
2.1	**Customer Satisfaction Surveys**	Vendor will provide annual survey results to confirm compliance with performance standard	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.	**Annually** **$25,000 per year**
2.2	**Customer Satisfaction Surveys - Illustrative Only**	Illustrative Group Specific Results Only - see 2.1	Illustrative Group Specific Results Only - see 2.1	**Illustrative Group Specific Results Only - see 2.1**
3	**Team Meetings**	Compliance to be monitored and assessed by NDPERS	NDPERS requires monthly team meetings to address all planning / implementation, business, financial, clinical / formulary (including new drug review) and operational needs	**Monthly** **$5,000 for each meeting missed**
4	**NDPERS board meetings**	Compliance to be monitored and assessed by NDPERS	Vendor will participate in quarterly performance reviews to examine operational and financial performance	**Quarterly** **$5,000 for each quarter missed**
5	**Electronic Eligibility**	Vendor will provide quarterly reports to confirm compliance with performance standard	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.	**Quarterly** **$500 for each missed file deadline**
6	**Manual Eligibility**	Vendor will provide quarterly reports to confirm compliance with performance standard	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.	**Quarterly** **$500 for each missed file deadline**
7	**Error Reports**	Vendor will provide quarterly reports to confirm compliance with performance standard	An error report on all eligibility file updates will be produced within eighteen (18) hours from the update.	**Quarterly** **$500 for each missed file deadline**
8	**Data Files**	Will be available to NDPERS on request	Monthly data files (membership, medical, pharmacy) will be available by the 15th of the following month.	**Monthly** **$1,000 for each month not met**
9	**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 per year**
10	**Claims Payment Accuracy**	Vendor will provide annual reports to confirm compliance with performance standard	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.	**Annually** **$12,500 per year**
11	**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 per year**
12	**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 per year**
13	**Average Speed to Answer (ASA)**	Vendor will provide semi-annual reports to confirm compliance with performance standard	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	**Semi-annually** **$10,000 per year**
14	**Call Abandonment**	Vendor will provide annual reports to confirm compliance with performance standard	Call Abandonment rate will be 5% or less, each year of the biennium	**Annually** **$10,000 per year**

PERFORMANCE GUARANTEE AGREEMENT - PROPRIETARY AND CONFIDENTIAL
For the sole use of the Group. Not to be shared externally without written consent from Humana, Inc.

Humana's Group Medicare Performance Guarantee Agreement

North Dakota Public Employees Retirement Systems

2027 Group Medicare Performance Standards for PDP Only

Effective January 1, 2027 through December 31, 2027

Minimum Annual Average Membership Requirement: None

PG#	Category	Target	Standard & Measurement Criteria	Amount at Risk
15 a	**Accuracy and Timelines/**	Vendor must evaluate a statistically valid sample of inquiries with reports provided.	a.) 95% percent of callers receive accurate information. Calls requiring additional research is excluded from the computation of this metric.	**15a, 15b, and 15c** **Annually** **$12,500 per year**
15 b	**First Call Resolution**	Vendor must evaluate a statistically valid sample of inquiries with reports provided.	b.) 95% percent of inquiries must be resolved during the initial call (excluding appeals, billing, errors and escalations).	**15a, 15b, and 15c** **Annually** **$12,500 per year**
15 c	**Written Inquiry Response Time**	Vendor must evaluate a statistically valid sample of inquiries with reports provided.	c.) ≥ 90% response to written inquiries within 30 calendar days	**15a, 15b, and 15c** **Annually** **$12,500 per year**
16	**Prescription drug turnaround time – clean prescriptions**	Vendor will provide quarterly reports to confirm compliance with performance standard	98% within two (2) business days if no intervention required	**Quarterly** **Reporting Only**
17	**Prescription drug mail dispensing accuracy**	Vendor will provide annual reports to confirm compliance with performance standard	99.9% Mail service dispensing accuracy rate. Fields measured include member name, drug strength, directions, quantity and prescriber name.	**Annually** **$12,500 per year**
18	**Prescription drug home delivery member notifications**	Vendor will provide annual reports to confirm compliance with performance standard	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	**Annually** **$12,500 per year**
19	**Prescription drug specialty pharmacy delivery**	Vendor will provide annual reports to confirm compliance with performance standard	98% of prescriptions will be delivered and received by patients on the specified date of delivery	**Annually** **$12,500 per year**
20	**Network Pharmacy Access**	Vendor will provide annual reports to confirm compliance with performance standard	Pharmacy network composition will not be reduced by more than 5% in North Dakota compared to the network submitted in the RFP	**Annually** **$12,500 per year**
21	**Data Systems Availability and Adjudication**	Book of business level	Guarantees an annual average 99% system availability of the point-of-sale adjudication system on a book of business basis. This standard excludes downtime attributed to regularly scheduled systems maintenance or systems downtime	**Annually** **$12,500 per year**

Humana agrees to meet the performance standards as outlined above in providing administrative services for North Dakota Public Employees Retirement Systems. This agreement is contingent upon Humana being the only Part D Prescription Drug option for Medicare eligible retirees. The agreement will be for the contract period beginning January 1, 2027. This Performance Guarantee offering is based on a PDP Only plan offering. Performance results will be reported quarterly based upon center results for the member and claims services categories, not client specific results (except where otherwise stated) within 60 days after the end of the reporting period. Results will be assessed based on the annual results with payment of any penalties due following the end of the plan year. Please note that the performance standards are influenced by key market indicators (including changes in rules and standards from CMS) which could impact our performance standard metrics.

During implementation if significant changes to the Client's Plan, or in the event a benefit change notification is not received from the Client on a timely basis, Humana will not be responsible for performance results or penalty amounts as described within this Agreement.

ACCEPTED AND AGREED:

By: _____ Date: _____

In order for this contract to be binding, signatures are required from the client. This signed exhibit must be returned to the Humana Account Executive prior to implementation and no later than 30 days post effective date.

PERFORMANCE GUARANTEE AGREEMENT - PROPRIETARY AND CONFIDENTIAL
For the sole use of the Group. Not to be shared externally without written consent from Humana, Inc.

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Health Insurance Plan Request for Proposal (RFP)

TO: NDPERS Board

FROM: Katheryne Korom & Deloitte Consulting

DATE: May 12, 2026

Representatives from Deloitte Consulting will provide a presentation on the Request for Proposal (RFP) including an overview of the Health RFP documents, evaluation criteria, scoring, plan education, alternate plan design options, and the RFP timeline. Deloitte will also provide updates in response to the April Board meeting discussion regarding the evaluation criteria weights, Grandfathered options, and HDHP options.

The RFP document (including the questionnaire documents) and Exhibits were provided to Board members prior to the meeting as a single PDF document via the FTP secure email site.

Board Action Requested

1) Consider approval of the evaluation criteria weights, as updated by Deloitte Consulting, on page 3 of the draft RFP.

2) Consider approval of the Health Insurance Plan Request for Proposal, including the timeline on page 4 of the draft RFP, for June 1, 2026, release. If approved, staff will finalize the proposal based upon Board direction at the May meeting, and any additional contracting terms necessary as recommended by legal counsel.

Attachment

Attachment

NDPERS
2026 Health Insurance RFP
May 12, 2026

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Agenda

1 Evaluation Criteria

2 Grandfathered (GF) PPO/Basic Plan

3 High-Deductible Health Plan (HDHP)

4 Member Cost Sharing Data

5 Appendix

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Evaluation Criteria: Weights

Evaluation Criteria	Weights (Placeholder)	Weights (Deloitte)	Subcriteria
A. The Economy to be Effected	25%	40%	A1. Overall Pricing
			A2. Multi-year guarantee premium/fees
			A3. Value proposition of different insurance arrangements
			A4. The effect on North Dakota's economy and job base
			A5. The proposal of a modified fully-insured arrangement similar to the current arrangement
B. The Ease of Administration	25%	20%	B1. Infrastructure
			B2. Staffing
			B3. Transition
			B4. Alignment of Goals and Objectives
C. The Adequacy of the Coverages	25%	25%	C1. Plan Benefits Comparison
			C2. Proposal Deviations from standard Contract
			C3. Disruption Analysis
D. The financial position of the carrier, with special emphasis on the solvency of the carrier.	15%	10%	D1. Ratings Agency Financial Ratings
			D2. Financial Stability
E. The reputation of the carrier and any other information available tending to show past experience with the carrier in matters of claim settlement underwriting and services.	10%	5%	E1. References
			E2. Information from the Insurance Dept
			E3. Member Satisfaction Information
			E4. Performance standards Proposed

- During the April Board meeting, the Board reviewed an initial weighting structure of 25%-25%-25%-15%-10% for the evaluation criteria
- For consideration, Deloitte developed alternative weighting scenarios based on its experience supporting comparable health benefit RFPs
- NDPERS and Deloitte will review the qualitative aspects of the RFP. Deloitte will conduct the review of the financial aspects of the RFP bids

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GF PPO/Basic Plan: Grandfathering

- The Patient Protection and Affordable Care Act (PPACA) created the concept of a "grandfathered health plan" and a "non-grandfathered health plan".
  - Grandfathered health plans were plans that were enacted before March 23rd, 2010 and maintained certain plan designs that are not necessarily subject to PPACA
  - Grandfathered plans can make some changes over time, but loses grandfathered status if it makes certain "significant" plan design changes
- These plan design changes include:
  - Any increase in coinsurance
  - Any increase in copayments exceeding the **greater of $5 or 15% plus medical inflation** measured from the date of ACA passage
  - Any increase in the deductible or out-of-pocket max by **more than 15% plus medical inflation** measured from the date of ACA passage
  - Any decrease in the employer contribution of **more than 5%**
  - Any elimination or substantial reduction in benefits for specific medical conditions
  - Adding any annual limits to benefits where none existed before or tightening an existing benefit limit
- Moving to non-Grandfathered would require the plan to
  - Cover preventive services (as defined by ACA) at 100% with no member cost-sharing
  - All out-of-pockets costs for covered services, excluding premiums, must apply to the OOP Max

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GF PPO/Basic Plan: Allowable Plan Design Changes

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

- Using the NDPERS grandfathered plan design in effect when the ACA was enacted, the table below shows the maximum allowable changes to the current plan design while maintaining grandfathered status.

	NDPERS Current Grandfathered Plan (PY25-26)	
Network:	PPO	Basic
Deductible	$500/$1500	$500/$1500
OOP Max	$1,500/$3,500 ($1200 formulary Rx OOPM)	$2,000/$4,500 ($1,200 formulary Rx OOPM)
Medical Provisions		
Primary Care Visit	$30 Copay	$35 Copay
Specialist Office Visit	$30 Copay	$35 Copay
Inpatient	20% Coinsurance	25% Coinsurance
Outpatient	20% Coinsurance	25% Coinsurance
ER	$60 + 20% Coinsurance	$60 + 20% Coinsurance
Pharmacy Provisions		
Generic Formulary Drugs	$7.50 Copay + 12% Coinsurance	$7.50 Copay + 12% Coinsurance
Brand Name Formulary Drugs	$25 Copay + 12% Coinsurance	$25 Copay + 12% Coinsurance
Non-Formulary Drugs	$30 Copay + 50% Coinsurance	$30 Copay + 50% Coinsurance

	Grandfathered Plan Design Limits*		
Network:	PPO	Basic	Estimated Savings ***
Deductible	$650/$2000	$650/$2000	0.16%
OOP Max	$1,900/$4,500 ($1,600 formulary Rx OOPM)	$2,700/$6,200 ($1,600 formulary Rx OOPM)	1.4%
Medical Provisions			
Primary Care Visit	$40 Copay	$50 Copay	0.57%
Specialist Office Visit	$40 Copay	$50 Copay	
Inpatient	20% Coinsurance	25% Coinsurance	
Outpatient	20% Coinsurance	25% Coinsurance	
ER	$80 + 20% Coinsurance	$80 + 20% Coinsurance	0.22%
Pharmacy Provisions			
Generic Formulary Drugs	$10 Copay + 12% Coinsurance	$10 Copay + 12% Coinsurance	0.04%
Brand Name Formulary Drugs	$30 Copay + 12% Coinsurance	$30 Copay + 12% Coinsurance	
Non-Formulary Drugs	$40 Copay + 50% Coinsurance	$40 Copay + 50% Coinsurance	

* Deductible values are rounded down to nearest $50. OOPMs are rounded down to the nearest $100. Copays are rounded down to nearest $5. Values calculated based on medical inflation as of March 2026

** Any plan design change(s) would need to be evaluated by legal counsel to validated whether the change would impact GF status.

*** Savings are preliminary Deloitte estimates as a percentage of GF costs. The impact could change based on enrollment shifts or other utilization shifts

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HDHP: Plan Design Changes

- At the January Board Meeting, Board Members expressed:
  - Interest in increasing High-Deductible Health Plan (HDHP) enrollment as a vehicle to help NDPERS employees
  - Request to solicit vendors on how changes to the HDHP plan design would impact overall pricing of health plans
- When continuing the HDHP plan discussions in the April Board Meeting, Board Members expressed:
  - Desire to solicit vendors to price three less rich HDHPs as *alternatives* to the current HDHP, as well as being priced as *additional* plans alongside the current HDHP plan
- Based on this feedback, Deloitte has designed the following HDHP alternatives shown on the next page

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Alternative HDHP Plan Designs

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

- In April, Deloitte presented options to increase the richness of the HDHP plan. The options presented here are leaner HDHP designs, with Option 3 representing the current maximum allowed out-of-pocket-max for a High Deductible Health Plan. The decreased plan richness will also increase the annual seed for enrollees of the HDHP plan

Plan Design Provisions	Existing HDHP		Option 1		Option 2		Option 3	
	PPO	Basic	PPO	Basic	PPO	Basic	PPO	Basic
Single Deductible	$2,000	$2,000	$3,000	$3,000	$5,000	$5,000	$8,500	$8,500
Family Deductible	$4,000	$4,000	$6,000	$6,000	$10,000	$10,000	$17,000	$17,000
Single Coinsurance	80%	75%	80%	75%	90%	85%	100%	100%
Family Coinsurance	80%	75%	80%	75%	90%	85%	100%	100%
Single Maximum Out of Pocket	$3,500	$4,000	$6,500	$7,000	$8,500	$8,500	$8,500	$8,500
Family Maximum Out of Pocket	$7,000	$8,000	$13,000	$14,000	$17,000	$17,000	$17,000	$17,000
Office Visit Copayment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Emergency Room Copayment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Preventive Care	100%	100%	100%	100%	100%	100%	100%	100%
Formulary Generic	80%	80%	80%	80%	100%	100%	100%	100%
Formulary Brand	80%	80%	80%	80%	100%	100%	100%	100%
Non-Formulary Drugs	50%	50%	50%	50%	100%	100%	100%	100%
Pharmacy (Formulary) Coinsurance Max	Part of Medical	Part of Medical	Part of Medical	Part of Medical	Part of Medical	Part of Medical	Part of Medical	Part of Medical

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Member Cost Sharing Data (Contract Level)

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

- In April, the Board requested information on current plan accumulation towards deductible and out-of-pocket max. The table below shows the accumulation for the last two years. Data is split by plan and coverage tier.

State Employees & Early Retirees that met their Contract Deductibles & OOPM

	2024			2025		
	Contract Counts	% of Contracts that Met Deductible	% of Contracts that Met PPO OOPM	Contract Counts	% of Contracts that Met Deductible	% of Contracts that Met PPO OOPM
Family GF Plan	11,628	13.9%	5.4%	11,526	16.1%	6.5%
Family HDHP	834	47.8%	16.5%	1,002	52.0%	19.7%
Single GF Plan	4,516	45.0%	16.3%	4,462	46.6%	17.5%
Single HDHP	562	18.3%	5.9%	630	23.0%	8.9%
TOTALS	**17,540**	**23.6%**	**8.7%**	**17,620**	**26.1%**	**10.1%**

Notes:

- The GF plan uses an embedded deductible and OOPM, while the HDHP uses a family accumulation structure for both deductible and OOPM.
- In the GF plan, copays do not count toward the OOPM; in the HDHP, all member cost-sharing counts toward the OOPM.

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Next Steps

The following steps in the Health RFP process are on the horizon:

- ❑ Approve remaining RFP documents.
- ❑ Request approval for RFP issuance.
- ❑ Prepare for RFP issuance on June 1, 2026.
- ❑ Finalize list of vendors to notify of RFP issuance.

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APPENDIX

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Health RFP: Timeline

Health RFP

Board meetings

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

Activity	Description	Tentative Timing
RFP Preparation	Update RFP Documents/Exhibits	November 2025 – January 2026
January Board Meeting	Board Meeting – RFP Overview	January 13, 2026
Present RFP to NDPERS Staff	Present Updated RFP to NDPERS Staff	February – March 2026
Update RFP	Incorporate NDPERS Staff Feedback	March – April 2026
April Board Meeting	Board Meeting – Draft RFP Review	April 14, 2026
Update RFP	Incorporate NDPERS Staff / Board Feedback	April – May 2026
May Board Meeting	Board Meeting – Final RFP Approval	May 12, 2026
RFP Release	Release RFP to Vendors	June 1, 2026
Vendor Q&A Meeting	Meet with Vendors to Clarify RFP	June 18, 2026
Vendor Questions Due	Receive RFP Questions from Vendors	June 2026
Respond to Vendor Questions	Respond to RFP Questions from Vendors	June 2026
Proposals Due	Receive Proposals from Vendors	July 2026
RFP Analysis	Analyze Proposals from Vendors	July – August 2026
August Board Meeting	Board Meeting – Present Preliminary Results	August 18, 2026
Finalist Meetings	Interview Vendor Finalists	September 2026
1st October Board Meeting	Board Meeting – Provide Update	October 13, 2026
2nd October Board Meeting	Board Meeting – Present Final Results	October 27, 2026
Vendor Selection	Select Vendor	October 2026
Begin Implementation	Vendor Implementation Commences	December 2026
Effective Date	New Biennium Commences	July 1, 2027

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Update on ADA Compliance

TO: NDPERS Board

FROM: Mandy Nagel

DATE: May 12, 2026

This memo provides an update regarding the Department of Justice (DOJ) ADA compliance deadline and current progress on required accessibility updates.

We have received notice of an extension to the original DOJ ADA compliance deadline from April 24, 2026, to April 26, 2027. This extension provides additional time to complete the remaining accessibility enhancements and validations required under the ruling.

Work on ADA compliance has been progressing steadily, and we are already well underway in completing a significant portion of the required content remediation. Documentation updates, structural improvements, and accessibility adjustments have been implemented across multiple areas. Staff will continue prioritizing ADA compliance for the resources most frequently accessed by users—such as guides and forms—while deprioritizing items that are accessed less frequently, including Board books, financial statements, the ACFR, and actuarial valuations.

We will continue moving forward without interruption using the existing documentation and workflows already in place. This allows us to maintain momentum while ensuring consistency and quality in the remediation process.

By the upcoming board meeting, all documents currently submitted to the third-party vendor, EPath, are expected to be returned. Once returned, these documents will be reviewed for final distribution and deployment.

This item is informational only and does not require any action of the Board.

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Quarterly Consultant Fees

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: May 12, 2026

Attached is a quarterly report showing the consulting, investment, and administrative fees paid during the quarter ended March 2026.

This is informational only.

Attachment

ATTACHMENT 1

North Dakota Public Employees Retirement System
Consulting/Investment/Administrative Fees
For the Quarter ended March 31, 2026

	Program/Project	Fee Type	Jan-26	Feb-26	Mar-26	Fees Paid During The Quarter	Fees Paid Calendar Year-To-Date	Last Calendar Year-to-Date
Actuary/Consulting Fees:								
Insurance Plans:								
Deloitte	Insurance Legislative Analysis	Time Charges				- $	- $	73,395
Deloitte	Health & Part D Claims Projections	Time Charges				- $	- $	-
	Health & Part D RFP Preparation	Time Charges				$	- $	-
Deloitte	Insurance Consulting	Time Charges				- $	- $	-
Buck Consulting	Life/Dental/Vision RFP	Fixed Fee				- $	- $	-
Deferred Compensation/Defined Contribution:								
Callan & Associates	Investment Consultant Expenses	Fixed Fee	13,604			13,604 $	13,604 $	13,208
Defined Benefit:								
Gabriel Roeder Smith & Company	Retirement Actuarial Valuation	Fixed Fee				- $	- $	-
Gabriel Roeder Smith & Company	GASB 67/68 (Retirement) Valuation	Fixed Fee	24,000			24,000 $	24,000 $	-
Gabriel Roeder Smith & Company	Projections	Fixed Fee				$	- $	-
Gabriel Roeder Smith & Company	Experience Study	Fixed Fee	2,250			2,250 $	2,250 $	22,000
Gabriel Roeder Smith & Company	Retirement Legislation	Time Charges				- $	- $	23,625
Gabriel Roeder Smith & Company	Retirement Consulting/Actuarial Analysis	Time Charges	5,700	3,135	4,655	13,490 $	13,490 $	12,303
Mid Dakota Clinic	Retirement Disability Consultant	Time charges				- $	-	
RHIC:								
Gabriel Roeder Smith & Company	RHIC Actuarial Valuation	Fixed Fee				- $	- $	-
Gabriel Roeder Smith & Company	GASB 74/75 (RHIC) Valuation	Fixed Fee				- $	- $	-
Audit Fees:								
UHY	Annual Audit Fee	Fixed Fee			14,400	14,400 $	14,400 $	20,000
Legal Fees:								
ND Attorney General	Legal Fees on All Plans	Time charges	5,273	5,285	4,100	14,658 $	14,658 $	7,616
Ice Miller - Federal Tax Consultant	Legal Fees on All Plans	Time charges	22,304	10,928	1,092	34,324 $	34,324 $	13,491
Investment Fees:								
SIB - Investment Fees	Retirement (DB)	% Allocation	757,695	1,036,903	745,974	2,540,572 $	2,540,572 $	1,762,573
SIB - Investment Fees	Ret Health Credit	% Allocation	3,776	16,688	152,580	173,044 $	173,044 $	157,534
SIB - Investment Fees	Insurance	% Allocation	7,893	4,731	10,844	23,468 $	23,468 $	20,192
SIB - Investment Fees	Job Service	% Allocation	1,496	6,411	64,338	72,245 $	72,245 $	72,703
SIB - Administrative Fees	Retirement (DB)	% Allocation	104,810	409,507	132,087	646,404 $	646,404 $	308,840
Administrative Fee:								
Sanford Health Plan	Health Plan	Fixed fee	1,992,143	1,992,631	1,991,586	5,976,360 $	5,976,360 $	3,806,887

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Budget

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: May 12, 2026

On April 8, 2026, Governor Armstrong released the budget guidelines for the 2027–2029 biennium. The Governor emphasized a commitment to developing a budget that narrows the gap between general fund revenues and expenditures. As part of this effort, all special-fund agencies, including PERS, have been directed to prepare a hold-even budget for the upcoming biennium.

Current Biennium Appropriation Authority

The agency's 2023–2025 appropriation authority is as follows:

Line Item	Appropriation	% of Appropriation
Salaries and Wages	$ 10,529,999	75%
Operating Expenses	3,274,163	23%
Contingency	250,000	2%

As shown above, 75% of our current appropriation supports staffing.

A breakdown of the Operating Expenses line item for this biennium is provided below:

- 74%: IT expenses (software, NDIT, Sagitec)
- 6%: Shared services (HRMS, Central Duplicating, etc.)
- 7%: Office rent
- 8%: Printing and postage
- 5%: All other operating categories (travel, supplies, professional development)

Additionally, the agency received one-time appropriation authority totaling $539,595 for two additional developers and a project manager. This funding will not be included in the base budget for the 2027–2029 biennium.

Base Budget Recommendations

There are minimal proposed changes to the agency's base budget that staff would like the Board to review and consider advancing for legislative consideration.

Salaries and Wages

- Staff is not recommending any adjustments to current staffing levels within the agency.

Operating Expenses

- The agency's travel budget has not increased during the period in which I have overseen the budget, despite the addition of two management positions and increased Board travel requirements for members commuting from Fargo.

- Technology-related expenses are expected to rise. This includes the fees associated with ongoing utilization and development of our business system, as well as increased costs from NDIT.

- We've been notified that WSI will be increasing rent by $1 per square foot.

Optional Change Package Considerations

Funding Request to Continue the Additional Sagitec Resources.

As discussed during the Board Planning Meeting, staff recommends continuing the expanded Sagitec development resources on a permanent basis. This includes a project manager to oversee large-scale development efforts, one and one-half business analysts to support system enhancement analysis and coordination, and five developers to maintain and advance ongoing system development needs.

Contingent Self-Funded Staffing

If the PERS Health Insurance Plan and/or pharmacy benefits contract is awarded on a self-funded basis, administrative requirements for the agency will increase substantially, along with enhanced accountability for plan operations. Currently, a significant portion of administrative, financial, and operational risk resides with Sanford Health Plan. Under a self-funded arrangement, these responsibilities would shift to the Board.

At this time, the agency does not yet know the full administrative impact of such a change. A prior survey of surrounding states—South Dakota, Iowa, Montana, and Wisconsin—showed that agencies administering self-insured health plans maintain staffing levels ranging from 5 FTE to 20 FTE dedicated to these functions.

Staff will bring forward a detailed staffing recommendation at the June Board meeting, should the contract be awarded on a self-funded basis. This recommendation will be consistent with prior requests and will reflect the anticipated operational needs associated with administering a self-funded product.

Board Action Requested

Staff is seeking guidance on the above initiatives. Based on that guidance, we will develop a specific budget proposal for your final consideration at the June Board meeting.

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Board Member Travel Request

TO: NDPERS Board

FROM: Rebecca Fricke

DATE: May 12, 2026

Board member Mr. Jeffry Volk has requested to attend the Trustee Essentials Training 2026 being held May 16-17. This is available through the National Conference of Public Employees Retirement Systems (NCPERS), which is an organization that NDPERS is a member of.

This training is designed to provide new trustees of public pension plan staff with the knowledge, confidence and practical skills needed to make informed decisions and effectively fulfill their fiduciary duties. The program covers the fundamentals of investing, actuarial science, board policies and governance. The estimated cost of attendance is $2,120.00, which includes the registration fee, ground transportation, hotel, airfare and meals.

I apologize that this item was not brought before the Board previously, but at this time, wish to request approval of the Board per the Operation Guidelines for Mr. Volk's travel to this training.

Board Action Requested

Approve the request by Board Member Volk to attend the Trustee Essentials Training 2026.

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Committee Assignments

TO: NDPERS Board

FROM: Rebecca

DATE: May 12, 2026

With the appointment or election of a new Board member, the Board normally reviews the Board Committee assignments. Given the recent election of Ms. Clawson Huibregtse to the Board, we are bringing this item forward for consideration to determine if the Board wishes to assign Ms. Clawson Huibregtse to serve on a committee(s), or to make changes to existing committee appointments.

Current Committee Assignments

The current Board designations are:

- Audit Committee (Board selects):
  - Erickson (Chair), Dever, Klipfel, Miller
- Investment Committee (Board Chair selects):
  - Miller (Chair), Buck, Erickson, Stemen, Volk
- Compensation & Performance Appraisal Committee (Board Chair selects):
  - Dockter (Chair), Davidson, Klipfel, Seminary
- Election Committee (Board selects):
  - Will be appointed in the February prior to next election per NDAC requirement
- State Investment Board (Board selects):
  - Buck, Miller

Board Action Requested

Determine if changes should be made to the Board committees due to the new Board member election. If determined changes should be made, provide direction on appointments to each committee and/or the State Investment Board.

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Contracts Under $15,000

TO: NDPERS Board

FROM: Rebecca Fricke

DATE: May 12, 2026

There have not been any contracts under $15,000 signed since the last reporting at the April 2026 Board meeting.

This item is informational only and does not require any action of the Board.

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Executive Director Review and Salary Recommendation

TO: NDPERS Board

FROM: Shawna Piatz

DATE: May 12, 2026

The Executive Director Performance Review and Compensation Subcommittee met on April 30th to discuss the 2025 performance review and compensation recommendations. They will present the recommendation at this Board meeting. This item is informational only and does not require any action of the Board.

Attachment

NDPERS Executive Director For the Year: 2025 Completed in 2026

There are nine major evaluation categories. When evaluating, rate each using the following categories **(indicate a rating of 1, 2, 3, 4 or 5 in each evaluation category)**:

1. FAILS TO MEET EXPECTATIONS
2. NEEDS IMPROVEMENT
3. MEETS EXPECTATIONS
4. EXCEEDS EXPECTATIONS
5. EXCEPTIONAL

CIE - Critical Job Element	Expectation	Comments	Rating: Executive Director Self Eval	Internal Audit	T. Erickson	M Seminary	J. Dockter	K. Davison	G. Buck	D. Dever	B. Klipfel	A. Miller	G. Stemen *	J. Volk	J. Clawson Hulbregtse	Committee Average
Category 1 Board Meetings	1. Agenda items are prepared with supporting information. 2. Board materials are distributed at least 3 days before the meeting. 3. Appropriate information is provided to Board either orally/verbally to aid the Board in arriving at a decision. 4. Board material identifies items which need "Board Action", and makes a staff recommendation where appropriate. 5. Education is provided at Board meetings in order that the Board may adequately perform its policy setting role.	**Executive Director Comments:** I consider this a critical responsibility of my role: ensuring that Board meetings are conducted efficiently, that Board members are equipped with the information necessary to make informed decisions, and that the perspectives of staff, members, employers, and other stakeholders are appropriately considered. While there are occasional instances when materials are distributed closer to the meeting date, I make every effort to limit both the frequency and volume of such items. When this does occur, it is done with the intention of providing the most complete and useful information to support the Board in offering clear and effective direction. **Board/Other Comments:** **K. Davison:** The meetings are organized and well prepared giving the board the needed information to make informed decisions. **B. Klipfel:** Under Rebecca's leadership, she has a team that helps prepare information for the Board meetings. Information is given to the Board that helps us understand the issue and decide whether to vote for or against the issue. **J. Volk:** The board meeting support packet is generaly adequate for me to get prepared for the meetings.	4	4	4	5	4	4	4		4	4		4		4.125
Category 2 Board Relations	1. The Director is responsive to Board requests. 2. The Director is adaptable to Board direction on PERS policy and able to work with the board as a team member. 3. The Director keeps Board members aware of current issues and when appropriate provides information to Board members between board meetings. 4. The Director provides timely and accurate problem identification to the Board as well as providing solutions and options for the Boards consideration. 5. Strategic Plan - Prepare, present & receive direction	**Executive Director Comments:** When an item is raised directly to me by an individual Board member or the full Board, I make it a priority to respond in a timely manner. If the information is not immediately available, I acknowledge receipt of the request and provide periodic status updates as I work to deliver a complete and accurate response. **Board/Other Comments:** **K. Davison:** As a board member and legislator I've always found Rebecca accessible and transparent in answering questions and providing insite and history on any topic. **B. Klipfel:** Rebecca's leadership ensures that Board agenda items are thoughtfully prepared and accompanied by thorough supporting documentation, allowing for the information needed for a decision. **J. Volk:** I always appreciate the prompt curtious response and support I receive whenever I interact with any of the staff or executive team at ND PERS.	3	4	3	5	4	4	4		4	4		4		4
Category 3 Operations	1. **Accurate Records** 1.1 Maintain appropriate, accurate and accessible data for individual members and benefit recipients. 1.2 Accurate accounting records and a system of internal controls is maintained to result in an annual, unqualified opinion by the System's auditor. 1.3 An application to GFOA for the Certificate of Achievement for Excellence in Financial Reporting is submitted annually. 1.4 The Public Pension Coordinating Council's Award of Excellence is submitted biennially. 2. Biennial Budget 2.1 Biennial budget is prepared pursuant to OMB guidelines and submitted pursuant to guidelines established by the Governor. 2.2 Board is provided opportunity to review the budget before it is submitted. 2.3 Expenditures for budget items do not exceed appropriation without approval of the Board. 3. Timely and Understandable Service 3.1 Member inquiries are responded to in a timely manner. (Survey information shall be reported to the board relating to this from the "How are we doing" cards and the biennial survey). 3.2 Participating employers shall be provided the necessary support to administer the PERS programs in which they participate. (Biennial surveys shall be done relating To this and reported to the Board). 4. Staffing 4.1 All applicable personnel rules of the State of North Dakota shall be followed. 4.2 Staff performance evaluations are completed at least annually. 4.3 Employee's receive recognition, direction or discipline as appropriate.	**Executive Director Comments:** I believe I consistently exceed expectations in the area of Operations. Drawing on my extensive tenure with the agency and experience across multiple roles, I maintain a strong focus on meeting the needs of our members—both individuals and employers—particularly in the areas of record management and service delivery. I recognize that the agency's ability to meet these needs is closely linked to appropriate staffing levels, adherence to established policies, ensuring we have an adequate budget and the consistent achievement of performance standards. It is also linked to having the correct staff in the appropriate positions, utilizing their strengths as a team to meet the goals and needs of the agency. We have a strong executive management and management team, especially a strong CFO/COO, that helps me achieve relatively smooth operations. **Board/Other Comments:** **K. Davison:** This is an area of excellence for Rebecca. **B. Klipfel:** Rebecca's leadership is strengthened by her commitment to maintaining accurate, well organized, and transparent records, a cornerstone of trust for any public retirement system. **J. Volk:** ND PERS operations are considrably better than other agencies I am familiar with.	4		4	5	4	4	4		4	4		4		4.125

Category 4 Investment Programs	1. **Maintain board approved Investment Objectives and Policies for**: 1.1 The defined benefit plan 1.2 The defined contribution plan 1.3 The deferred compensation plan **2. Performance** 2.1 Produce and report investment return information for the defined contribution plan and the PERS Companion Plan. 3. Provider Monitoring 3.1 Monitor the various providers in the defined contribution plan and deferred compensation to insure that all contract provisions are being followed. 3.2 Identify and report to the board all infractions of the contract provisions. 4. Fiduciary Standards 4.1 Discharge investment duties solely in the interest of the members and benefit recipients With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.	**Executive Director Comments:** With the support of the Board-retained Investment Consultant, I consistently fulfill the expectations associated with this responsibility. I also leverage the expertise and strong skillset of our CFO/COO to help ensure these critical agency requirements are effectively met. **Board/Other Comments:** **K. Davison:** Rebecca does an excellent job working with our vendors and other state agencies to meet our investment strategies. **B. Klipfel:** There are strong internal controls that result in an annual, unqualified audit opinion for them. **J. Volk:** No concerns here.	3	3	3	5	3	4	3		3	4		3		3.5
Category 5 Benefit Program Operations	1. **Actuarial Management** 1.1 Provide accurate member, retiree and asset data necessary for the Actuary to perform the annual actuarial valuation for the four PERS defined benefit plans. 1.2 Provide accurate member and retiree data for the actuary to perform biennial premiums estimates for the group insurance plans. 1.3 Maintain knowledge of actuarial methods, the current status of the actuarial makeup of the various retirement and group insurance plans and the impact of benefit enhancements to the contribution rates. 1.4 Provide actuarial information to the Board, Legislature, employers, members and retirees so they have sufficient background to make knowledgeable decisions. **2. Contract Management** 2.1 Distribute and analyze bids for services for the various retirement, group insurance, EAP and Flex Programs to facilitate Board decision making. 2.2 Monitor contractor performance and advise the Board of any issues, including options for responding and recommended action plan. 2.3 Provide direction to all contractors to insure that board objectives are achieved. 2.4 Insure that all contractors comply with contract provisions, state law and administrative rules.	**Executive Director Comments:** This is an area in which I continue to grow and develop, and I believe I meet the expectations associated with this responsibility. I work closely with the CFO/COO to ensure that all necessary data is provided to the actuary, which is essential for enabling the Board, legislative body, and other stakeholders to maintain an accurate understanding of the plans' funding status. Additionally, I collaborate with our various consultants to ensure that competitively bid products align with the expectations of both the Board and our members. **Board/Other Comments:** **K. Davison:** Again, these are areas critical to positive outcomes for our members and it's done well by our staff. **B. Klipfel:** Rebecca and her leadership team provide accurate and timely data. They work with consultants who thoroughly understand actuarial methods, including the impact of benefit enhancements, and effectively communicate this information to the Board, Legislature, employers, members, and retirees to support sound decision-making. **J. Volk:** As a board member I do not see all of matters covered in Category 5 - 1.1 & 1.2 but I am satisfied with Becca's performance of the other items listed.	3	4	3	5	4	4	4		4	4		3		3.875
Category 6 Public Relations	1. Provide informational programs to employers, members, retirees, and public groups. 2. Represent the System with appropriate affiliate organizations and functions. 3. Maintain availability to the news media.	**Executive Director Comments:** I strive to cultivate positive and productive relationships with a wide range of stakeholders, including members, employers, and other interested groups. These relationships enable me to effectively communicate and educate others about PERS—our mission, the populations we serve, and how we deliver our services—while also identifying opportunities for continuous improvement and innovation. Although my direct experience with media interactions has been limited, those opportunities have contributed to the development and refinement of my communication skills. **Board/Other Comments:** **K. Davison:** Communication is always an ongoing challenge for all organizations, NDPERS works consistly to improve that process. **B. Klipfel:** NDPERS offers a wide range of clear, accessible, and well organized informational programs that help employers, members, retirees, and the public understand the system's benefits, processes, and responsibilities. **J. Volk:** No concerns here.	3	4	4	5	4	4	4		4	4		4		4.125
Category 7 Legislative Relations	1. Develop Legislative proposals in concert with the Board and its advisory committee. 2. Present requests for legislative changes to the Legislature. 3. Make the Board's position known to members, employers and the legislature. 4. Keep the Legislature, through the Interim Committee, informed regarding the financial, legislative and administrative status of the system. 5. Develop adequate rapport with Legislators so that the legislative body as a whole has a sense of credibility with the positions taken by the Board on behalf of the System.	**Executive Director Comments:** This is a critically important aspect of the Executive Director role, and one I approach with a high level of commitment. I actively work to build and strengthen relationships, fostering a collaborative, partnership-oriented approach that ensures NDPERS is engaged in relevant discussions and represented as potential changes to the organization or its benefits are considered. **Board/Other Comments:** **K. Davison:** This is an area of great improvement from previous Executive Directors. Rebecca has a high level of respect from the Legislators and the process. **B. Klipfel:** Rebecca does an excellent job in legislative engagement by proactively developing legislative proposals and working with Legislators during the interim in collaboration with the Board. **J. Volk:** Most legislators I interact with indicate Becca interacts well with them individually and the legislature as a whole.	4	5	4	5	4	4	4		4	5		4		4.25

Category 8 Professional and Personal Development	1. Maintain membership and involvement in professional organizations. 2. Be dependable. 3. Exhibit stability/reaction to pressure. 4. Have strong leadership skills.	**Executive Director Comments:** I continue to serve on the Board of the State and Local Government Benefits Association (SALGBA) and have been selected to serve in a leadership capacity as President, beginning with a term as President-Elect next year. In addition, I regularly review materials and guidance from organizations such as NCPERS, NASRA, and NIRS, and participate in webinars as available to remain current with industry trends and best practices. I demonstrate reliability and consistency in my daily interactions with the Board, staff, and membership, maintaining a calm and professional demeanor. I am committed to leading the agency with a servant leadership approach, prioritizing the needs of others while advancing the organization's mission. **Board/Other Comments:** **B. Klipfel:** Rebecca's long experience with NDPERS really shows in the way she leads. She has spent decades learning the system from the inside out, and that depth of knowledge helps her stay ahead of the many changes affecting public employee benefits right now.	4	4	4	5	4	4	4		4	4		4		4.125
Category 9 General	1. Follow safety procedures. 2. Adhere to all laws, rules, policies, procedures and professional ethics. 3. Work as part of a team. 4. Use courtesy and respect in all interactions. 5. Maintain a well-organized work area and a business like appearance. 6. Foster good working relations by being responsive to requests. 7. Maintain confidentiality policy.	**Executive Director Comments:** These core areas guide my daily approach to leading the agency, representing the Board, and serving as an effective liaison between the organization and its various partners and stakeholders. **Board/Other Comments:** **B. Klipfel:** Rebecca demonstrates the leadership of a servant leader. She pairs deep compassion with a strong commitment to accountability. **J. Volk:** For someone who has only been in the Executive Director role for about 2 years, Becca's leadership and management skills are appreciated and very well executed.	4	4	4	5	4	4	4		4	4		4		4.125
		OVERALL AVERAGE	3.55556	4	3.67	5	3.89	4	3.89		3.89	4.11		3.78		4.02777778

	1. The Executive Director provides a clear sense of purpose and direction, roles and responsibilities, for me and our team as a whole.			2. Employees have confidence in the Executive Director.			3. The Executive Director demonstrates integrity and sets an example for others to follow.			4. The Executive Director takes time to understand other perspectives and is open to changing her position.			5. The Executive Director keeps employees informed about what is occurring throughout the organization.			6. Information and knowledge are shared openly within this organization.			7. The Executive Director has encouraged an environment of open communication when working remotely.			8. The Executive Director seeks input from employees.			9. The Executive Director shows genuine concern for NDPERS employees.			10. The Executive Director treats employees with respect.		
	2026	2025		2026	2025		2026	2025		2026	2025		2026	2025		2026	2025		2026	2025		2026	2025		2026	2025		2026	2025	
Strongly Agree	56%	56%		74%	65%		72%	65%		37%	40%		67%	49%		40%	37%		56%	44%		35%	33%		67%	60%		60%	60%	
Agree	28%	12%		9%	2%		12%	2%		47%	26%		16%	19%		42%	30%		28%	23%		49%	33%		16%	7%		23%	7%	
Disagree	0%	0%		0%	0%		0%	0%		0%	2%		0%	0%		2%	0%		0%	0%		0%	2%		0%	0%		0%	0%	
Strongly Disagree	0%	0%		0%	0%		0%	0%		0%	0%		0%	0%		0%	0%		0%	0%		0%	0%		0%	0%		0%	0%	
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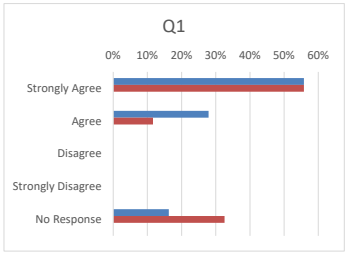

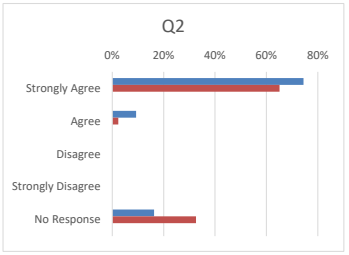

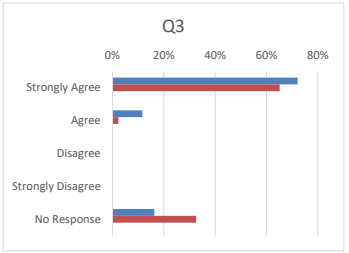

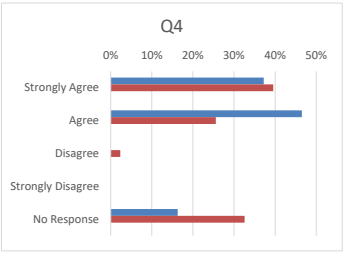

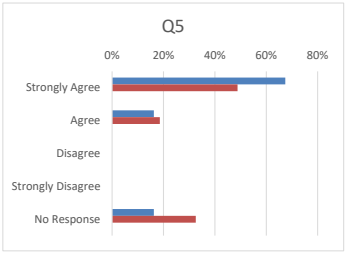

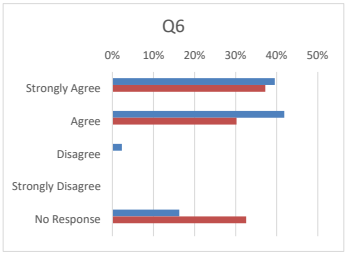

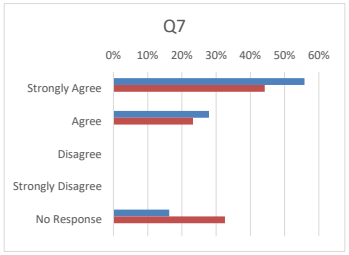

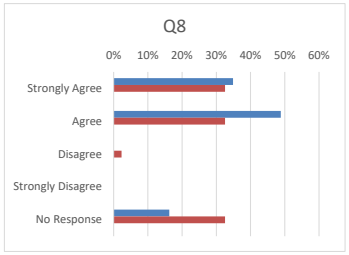

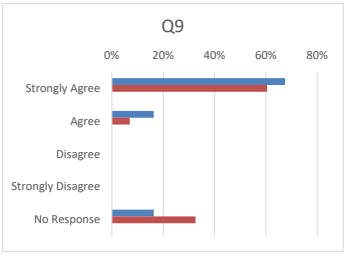

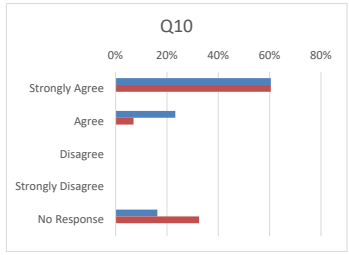

1. The Executive Director provides a clear sense of purpose and direction, roles and responsibilities, for me and our team as a whole.

- I have little to no direct interaction with Rebecca, but sometimes more updates about PERS, directly from Rebecca, would be helpful. The monthly all staff meetings with her recap of the board meeting are nice to hear.

- Becca has always provided great direction, even before she became Executive Director. She has a great way of working WITH her staff versus ABOVE.

2. Employees have confidence in the Executive Director.

- Rebecca is a deep source of knowledge and experience and staff know this and rely on it.

- With Becca being at PERS for over 30 years, I have total confidence in her! She has practically performed every position before becoming Director.

3. The Executive Director demonstrates integrity and sets an example for others to follow.

- I trust Rebecca completely

- Rebecca is an amazing example for the rest of the office to follow, and she always has an open door which makes it easy to walk into her office any time with any problem. She has been dedicated to NDPERS for over 30 years and knows everything about anything!

- Becca has a very professional way about her, with positivity as well.

4. The Executive Director takes time to understand other perspectives and is open to changing his position.

- I think so, but I don't have many interactions with her directly.

- I have not had the pleasure to work directly with Becca to answer this. However, I have seen her discussing with others and seems to listen intently.

5. The Executive Director keeps employees informed about what is occurring throughout the organization.

- More direct communication about what is going on with PERS would be helpful.

- Every month she updates the whole staff. Additional emails go out when there is something more urgent.

6. Information and knowledge are shared openly within this organization.

- I think most information is not shared between divisions, but rather kept inside that division it originated in, even though it may impact other divisions.

7. The Executive Director has encouraged an environment of open communication when working remotely.

- I appreciate that Rebecca is often green on teams and responds to teams messages and emails quickly. It does make me feel more connected when working

- Kudos box ensures we all try to encourage communication, along with monthly meetings.

8. The Executive Director seeks input from employees.

- During SWOT, once every 2 years, we are asked to provide input.

- The Executive Director does not proactively seek input, but is very open to input when approached.

9. The Executive Director shows genuine concern for NDPERS employees.

- Rebecca is so kind and I believe she does care about our wellbeing.

- The ED values NDPERS employees for their work effort and also is cognizant that employees have personal lives and provides an environment of flexibility for employees to take care of their personal family needs.

10. The Executive Director treats employees with respect.

- Sometimes she keeps to herself at the office, but she is respectful and kind to the employees.

- Becca has always made me feel respected and special in my position.

- The ED is very respectful of employees - even when delivering messages that are designed for improvement.

11. Overall, how satisfied are you with the job being done by the Executive Director? What has the Executive Director done well? What suggestions would you have for the Executive Director?

- Becca does an excellent job leading NDPERS!

- I am truly very satisfied with Becca as our Director. She has a way of leading that feels both steady and genuinely human. Her guidance is always clear, but what stands out most to me is her humility and the kindness she brings into every interaction. She consistently shows real care and concern for her staff, especially during difficult or unexpected situations. In my time with NDPERS, I've felt supported, heard, and valued because of the way she leads. I feel fortunate in this as I know others in other state agencies that don't have this same kind of leadership in their agencies.

- I am very satisfied.

- She always has the best interest for PERS and its employees.

- I think she is doing a great job. She is someone who has been in quite a few positions with PERS so understands what we all do to make PERS run smoothly.

- I am very satisfied with Rebecca. She is such a wealth of knowledge and very responsive to emails if needed.

- Becca is a great executive director. She makes herself available for questions and listens to the question and concerns before providing input.

- Very satisfied.

- The Executive Director has been at PERS a long time and has the knowledge and experience to do the job well.

- Our team here at NDPERS has a sincere and caring Executive Director; Becca's professional leadership is a tremendous asset to PERS internal staff, as well as all of our employees and families affiliated with NDPERS.

- Her institutional knowledge is exceptional! She has worked her way up the ranks and remembers what it was like to walk in staff member shoes. She is humble, kind, even-tempered, and able to stand firm when needed. She is generous with her time, financial resources, and over all concern for staff.

- Very satisfied!

- Rebecca deeply cares for the NDPERS staff and knows the great work our agency does.

lead with empathy and encouragement. I appreciate that you are dependable, consistent, ensure policies are followed, and focus on keeping operations running smoothly at all times. You are excellent at follow- through, coordinating multiple teams and initiatives, and translating vision into an actionable plan. I appreciate how you protect the organization's values and reputation while creating a positive environment that celebrates accomplishments. Your expertise and years of experience in your role are invaluable!!

- Professional, kind, and knowledgeable, she is excellent in her position.

- Great Job!

- Extremely satisfied. I believe since Legislation and Board have seen her go up the ranks, she has great contacts.

- Rebecca does an amazing job. She is an excellent leader of our organization. She cares about each NDPERS employee and works hard to create an awesome

- The ED brings unity, sense of purpose, fun and an inclusive environment that allows team members to thrive and feel a real sense of belonging, commitment and pride in being a part of NDPERS.

- 100% satisfied with Becca! I don't have any suggestions for improvement at all!

12. Do you have any additional comments?

- Becca - Thank you for all you do! I appreciate you, your integrity, and your exceptional leadership! Well done

- I am not a fan of All -Staff Meetings on Fridays. Also, from someone who works from home and views the meetings virtually, I tend to not get involved and ask questions since there is so much going on. Everyone seems to talk all at once who are in the meetings and can't hear very well.

- she sets a good example of work ethic and keeping office hours (in comparison to the previous Ex Dir)

- No additional comments

- While people-focused, you know how to balance people's needs with organizational goals and making decisions based upon real-world impact. You are a very strong and well respected leader throughout the state, and I'm proud to be a part of your team at NDPERS. Thank you for all you do!!

- Keep up the great work!

- While I don't work closely with Rebecca, from what I have seen she has an open and thoughtful approach to everything. She is not only very smart, but she is kind and enjoyable to be around.

- Just a great person to work for and with.

- Rebecca is the best!

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Insurance Benefit Appeal Case #1008

TO: NDPERS Board

FROM: Lindsay Schaf

DATE: May 12, 2026

Member is appealing the denial of a dental insurance enrollment that NDPERS received after the 31-day enrollment window allowed for qualifying events as stated in N.D. Admin. Code § 71-03-03-05 *(Attachment E)*. The requested effective date is 1/01/2026 under the qualifying event of "loss of employer coverage" and the application would need to have been received by February 2, 2026.

Member's other dental coverage, through COBRA, ended 12/31/2025. NDPERS received the application and supporting Certificate of Coverage (to show loss of coverage) on 2/23/2026 *(Attachment A)*. The first Certificate of Coverage (COC) was dated 1/07/2026. Upon receipt of application and review of COC, NDPERS contacted the member requesting an explanation for the late application due to it being outside the 31 days along with payment of premiums due for coverage retroactive to 1/1/2026. NDPERS received requested information on 3/12/2026 along with another form of COC *(Attachment B)*. Explanation indicated that member was not aware of the 31 day enrollment window.

The member retired in 2003 and had declined dental insurance at time of retirement *(Attachment C)*. If not elected at time of retirement, member would need a qualifying event as outlined in N.D. Admin. Code § 71-03-03-05 *(Attachment E)* in order to enroll in NDPERS dental insurance in the future.

Member first contacted NDPERS on 2/23/2026 seeking direction on how to enroll in our dental plan due to the loss of COBRA coverage *(Attachment D)*. PERS staff provided member the appropriate application and advised the need for the Certificate of Coverage. Call ticket notes indicate that the member stated the coverage "just ended" but specific dates were not noted to indicate that the member was already outside of eligibility window at time of call.

N.D. Admin. Code § 71-03-03-05(2) allows for the executive director to waive the thirty-one day application requirement upon showing good cause *(Attachment E)*. The executive director determined the information provided did not support "good cause" in order to make an exception and allow the late enrollment *(Attachment F)*. Therefore, NDPERS denied the request. A letter informing the member of the denial decision was sent on 3/13/2026 *(Attachment G)*.

NDPERS returned the payment received on 3/17/26 *(Attachment H)*.

Member submitted additional information, received by NDPERS on 3/30/26 *(Attachment I)*. NDPERS advised the member that this would be treated as a Board appeal and provided information regarding Board appeal process *(Attachment D)*.

Letter sent to member 3/31/2026 with details of Board meeting information to comply with 15 day notice requirement as outlined in N.D. Admin. Code § 71-03-05-05 referenced below *(Attachment J)*.

N.D. Admin. Code § 71-03-05-05 Appeal process. If a member's benefits have been denied in whole or in part by the board or its agent, the member will be notified in writing of the denial and the reasons. Within sixty days of the date shown on the denial notice, the member may file a petition for review. The petition must be in writing, the reasons stated for disputing the denial and be accompanied by any documentation. Should the member filing a petition for review, or should the board or its agent desire information which cannot be presented satisfactorily by correspondence, the board or its designated appeals committee may schedule a hearing. The member filing the appeal will be notified in writing at least fifteen days prior to hearing of the time, date, and place.

The board or its agent will render a decision as soon as possible, but not later than one hundred twenty days after the receipt of the petition for review. The decision will be in writing.

For this appeal, the Board must determine whether good cause exists to waive the 31-day application requirement.

“Good cause” means a “legally sufficient reason” and is a discretionary standard. In determining whether good cause exists, the Board may consider all of the relevant facts and circumstances including, but not limited to, the reason(s) for missing the application deadline, the length of the delay, the information provided/available to the member, and the potential harm to the NDPERS/the member if late enrollment is/is not allowed.

Board Action Requested

Affirm or reverse NDPERS executive director decision that good cause did not exist to waive the 31-day application requirement for member to enroll in the NDPERS retiree dental insurance with an effective date of January 1, 2026.