

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM BOARD MINUTES OF THE AUGUST 18, 2026, BOARD MEETING

MEMBERS PRESENT

Senator Dick Dever
Representative Greg Stemen
Representative Jason Dockter
Mr. Tyler Erickson
Mr. Gerald Buck
Chairman Mike Seminary
Mr. Jeffry Volk
Mr. Adam Miller
Lt. Huibregtse
Senator Kyle Davison
Mr. Bryan Klipfel

STAFF PRESENT

Ms. Rebecca Fricke, NDPERS
Mr. Derrick Hohbein, NDPERS
Ms. Lindsay Schaf, NDPERS
Ms. MaryJo Anderson, NDPERS
Ms. Katheryne Korom, NDPERS

OTHERS PRESENT

Ms. Courtney Meyer, Sanford Health Plan
Ms. Kim Haug, Sanford Health Plan
Ms. Julie Bodenski, Humana
Ms. Mia Bassaragh, Humana
Ms. Alissa Levy, Deloitte

Chairman Mike Seminary called the meeting to order at 8:30 A.M. on Tuesday, August 18, 2026. Roll call was taken, and a quorum was present.

MINUTES

Chairman Mike Seminary called for questions or comments regarding the July 14, 2026 meeting minutes.

MR. VOLK MOVED TO APPROVE THE MINUTES OF THE JULY 14, 2026 MEETING. THE MOTION WAS SECONDED BY MR ERICKSON. THE MOTION WAS UNANIMOUSLY APPROVED.

CONFLICT OF INTEREST DISCLOSURE CONSIDERATION

None were submitted prior to the meeting, and none were verbally disclosed at the start of the meeting.

GROUP INSURANCE / FLEXCOMP

HEALTH INSURANCE PLAN REQUEST FOR PROPOSAL (RFP) PRELIMINARY RESULTS

This agenda item was noticed for Executive Session.

Prior to entering into Executive Session, Ms. Rebecca Fricke notified the Board that Deloitte became aware of an error with the initial pharmacy claims data supplied by Sanford Health Plan. This resulted in inaccurate data being released to those vendors that indicated an intent to respond to the RFP. Deloitte and staff provided options to resolve the discrepancy. Discussion on resolution occurred.

MR. ERICKSON MOVED TO APPROVE STAFF AND DELOITTE'S RECOMMENDATION AND TIMELINE AS OUTLINED IN THE BOARD MEMO TO RESOLVE THE PHARMACY CLAIMS DATA ERROR, INCLUDING MOVING THE SEPTEMBER BOARD MEETING FROM SEPTEMBER 8, 2026 TO SEPTEMBER 29, 2026. THE MOTION WAS SECONDED BY REPRESENTATIVE STEMEN.

Ayes: Senator Dever, Lt. Huibregtse, Mr. Klipfel, Representative Dockter, Mr. Buck, Representative Stemen, Mr. Erickson, Mr. Miller, Senator Davison, Mr. Volk, and Chairman Seminary.

Nays: None

Absent: None

MOTION CARRIED

CHAIRMAN SEMINARY CALLED FOR THE BOARD TO ENTER INTO EXECUTIVE SESSION PURSUANT TO N.D.C.C. §§ 44-04-19.2 & 44-04-18.4(6)(B) TO DISCUSS CLOSED PROPOSALS RECEIVED IN RESPONSE TO THE NDPERS REQUEST FOR PROPOSAL GROUP MEDICAL AND PRESCRIPTION DRUG COVERAGE. THIS WAS MOTIONED BY MR. ERICKSON AND SECONDED BY MR. BUCK.

Board Members Present: Representative Dockter, Mr. Buck, Senator Dever, Mr. Klipfel, Senator Davison, Representative Stemen, Mr. Erickson, Lt. Huibregtse, Mr. Volk, Mr. Miller, and Chairman Seminary.

All board members named above, legal counsel Kirsten Tuntland and Ashley Roll, Deloitte staff Aisling McManus, Ari Helfand, Alissa Levy, and Ford Edgerton, NDPERS staff members Rebecca Fricke, Derrick Hohbein, Lindsay Schaf, Margie Johnson, Brittany Berreth, Michelle Dowling, and Katheryn Korom were in attendance for the Executive Session (closed meeting, electronically recorded) which began at 8:49 A.M. The meeting returned to Open Session at 9:35 A.M.

Representative Stemen left the meeting at 9:35 A.M. and Senator Dever left the meeting at 9:36 A.M.

MEDICARE PART D PLAN RENEWAL OR REQUEST FOR PROPOSAL (RFP)

Ms. Rebecca Fricke provided a final renewal premium for the Medicare Part D Plan from Humana for the 2027 plan year. The current premium is \$69.82 per member per month (PMPM). The final premium for 2027 is a decrease in premium of \$4.57 PMPM, with the final premium being \$65.25 PMPM. In addition, Humana changed its business practice to allow

100-day prescription fills instead of 90-day only fills. They also proposed a modification to reporting only for Performance Guarantee # 16 for the 2027 plan year. Deloitte Consulting reviewed and found the premium reasonable.

MR. ERICKSON MOVED TO APPROVE STAFF'S RECOMMENDATION TO AMEND THE CURRENT CONTRACT TO CONTINUE WITH HUMANA AS THE MEDICARE PART D PLAN VENDOR FOR THE JANUARY 1, 2027 THROUGH DECEMBER 31, 2027, CONTRACT PERIOD AND APPROVE THE UPDATED PERFORMANCE GUARANTEES PROVIDED BY HUMANA FOR 2027. THE MOTION WAS SECONDED BY MR. BUCK.

Ayes: Senator Davison, Lt. Huibregtse, Mr. Volk, Mr. Klipfel, Mr. Erickson, Mr. Miller, Representative Dockter, Mr. Buck, and Chairman Seminary.

Nays: None

Absent: Senator Dever, Representative Stemen

MOTION CARRIED

FLEXCOMP VOLUNTARY INSURANCE PRODUCTS

Ms. Lindsay Schaf explained that NDPERS has conducted the annual review of the vendors for the voluntary insurance products approved for pretax premiums under our Section 125 FlexComp Plan. The annual review confirmed the current vendors AFLAC, Central United, Colonial Life, Total Dental Administrators, and USABLE will continue ongoing eligibility of their products for pretax treatment. No new products are being proposed by any of the participating companies.

MR. VOLK MOVED TO APPROVE THE INCLUSION OF THE PRODUCTS ELIGIBLE TO BE PRE-TAXED FOR THE FLEXCOMP PLAN FOR THE 2027 PLAN YEAR. THE MOTION WAS SECONDED BY MR. ERICKSON.

Ayes: Senator Davison, Lt. Huibregtse, Mr. Buck, Mr. Volk, Mr. Erickson, Mr. Miller, Representative Dockter, Mr. Klipfel, and Chairman Seminary.

Nays: None

Absent: Senator Dever, Representative Stemen

MOTION CARRIED

Mr. Miller left the meeting at 9:55 A.M.

MEMBER (Executive Session)

Retirement Benefit Appeal Case #1028

This agenda item was noticed for Executive Session.

CHAIRMAN SEMINARY CALLED FOR THE BOARD TO ENTER INTO EXECUTIVE SESSION PURSUANT TO N.D.C.C. §44-04-19.2, §44-04-19.2(1) AND §54-52-26 TO DISCUSS CONFIDENTIAL RECORDS OR CONFIDENTIAL MEMBER INFORMATION FOR CASE #1028.

Board Members Present: Representative Dockter, Mr. Buck, Mr. Klipfel, Senator Davison, Mr. Erickson, Mr. Volk, Lt. Huibregtse, and Chairman Seminary.

Board Members Absent: Mr. Miller, Representative Stemen, and Senator Dever.

All board members named above, legal counsel Kirsten Tuntland and Ashley Roll, NDPERS staff members Rebecca Fricke, Derrick Hohbein, Lindsay Schaf, MaryJo Anderson, Brittany Berreth, and Michelle Dowling were in attendance for the Executive Session (closed meeting, electronically recorded) which began at 9:56 A.M. The member was present by phone. The meeting returned to Open Session at 10:13 A.M.

Mr. Erickson MOVED TO AFFIRM ASIFLEX'S DENIAL OF THE RHIC BENEFIT PAYMENT FOR CASE #1028. THE MOTION WAS SECONDED BY MR. VOLK.

Ayes: Mr. Klipfel, Mr. Buck, Mr. Erickson, Lt. Huibregtse, Representative Dockter, Mr. Volk, and Chairman Seminary.

Nays: Senator Davison

Absent: Mr. Miller, Representative Stemen, and Senator Dever.

MOTION CARRIED

PRESENTATIONS

Sanford Health Plan Updates

NOTICE OF SUBROGATION SERVICES TRANSITION

Ms. Kim Haug stated that the subrogation updates memo (Attachment 1) was informational only.

EXECUTIVE SUMMARY 2026 QUARTER 1

Ms. Courtney Meyer presented the Quarter 1 2026 Executive Summary detailing claims experience, membership stability, prescription drug costs, claims trends, the new provider directory, and subrogation services. Ms. Meyer reported that overall membership remains stable, with compositional shifts noted between political subdivision and state employees resulting in consistent membership figures compared to previous periods. Prescription drug costs managed well, with biosimilar strategies offsetting rising expenses.

Ms. Mia Bassaragh gave an update regarding Quarter 1 2026 executive summary data for the Part D Prescription Drug Plan provided by Humana. The data showed there wasn't much change in the average age of members and average membership. There was a significant increase in utilization of specialty drugs compared to Quarter 1 2025.

Discussion followed.

DEFERRED COMPENSATION/DEFINED CONTRIBUTION

457(b) Investment Options Summary Book

Ms. Katheryne Korom provided updates to the Board regarding the Investment Options Summary for the NDPERS 457(b) Deferred Compensation Plan. The booklet contains information on all the providers and investment options available in the plan.

OPERATIONS / ADMINISTRATIVE

Budget Status

Mr. Hohbein provided the Board with an update on the status of the current budget. Mr. Hohbein explained the expenses for the biennium through June 30, 2026, as well as, the total appropriation.

Quarterly Consultant Fees

Mr. Derrick Hohbein provided the quarterly report showing the consulting, investment, and administrative fees paid during the quarter ended June 2026.

Contracts under \$15,000

Ms. Fricke provided the monthly report on contracts under \$15,000 signed since the last update.

Next meeting will be on Tuesday, September 29, 2026 at 8:30 A.M.

The meeting was adjourned at 10:51 A.M.

Submitted by:

Brittany Berreth
Assistant to the NDPERS Board