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: 528 414 373#
Date: **Tuesday, August 19, 2025**
Time: 8:30 A.M. **Join the meeting now**

I. MINUTES
- A. July 8, 2025

II. CONFLICT OF INTEREST DISCLOSURE CONSIDERATION

III. PRESENTATIONS
- A. Sanford Health Plan Executive Summary 2025 Quarter 1

IV. DEFERRED COMPENSATION / DEFINED CONTRIBUTION
- A. 457(b) Deferred Compensation Plan Self-Certification of Unforeseeable Emergency Distributions – Marcy (Board Action)
- B. 457(b) Deferred Compensation Roth Rollover & Roth Conversion Options – Marcy (Board Action)
- C. 457(b) Investment Options Summary Book – Katheryne (Information)

V. DEFINED BENEFIT / RETIREE HEALTH INSURANCE CREDIT
- A. Retirement Plan Actuarial and Consultant Renewal – Katheryne (Board Action)

VI. GROUP INSURANCE / FLEXCOMP
- A. Revised Health Insurance Plan Rate Changes for January 1, 2026 – Rebecca (Board Action)
- B. Medicare Part D Premium Renewal or Request for Proposal – Rebecca (Board Action)
- C. FlexComp Voluntary Insurance Products – Lindsay (Board Action)

VII. LEGISLATION / ADMINISTRATIVE RULES
- A. Proposed Administrative Rules – Rebecca (Information)
  1. Emergency Administrative Rules
  2. Regular Schedule Administrative Rules

VIII. OPERATIONS / ADMINISTRATIVE
- A. Budget Status – Derrick (Information)
- B. Quarterly Consultant Fees – Derrick (Information)
- C. Board Self-Evaluation Results – Rebecca (Information)
- D. Contracts Under $10,000 – Rebecca (Information)
- E. Next Meeting Date:
  1. Regular Meeting: Tuesday, September 9, 2025
  2. Special Meeting: Thursday, September 25 or Friday, September 26, 2025

IX. MEMBER *EXECUTIVE SESSION
- A. Unforeseeable Financial Hardship Case #937 – Marcy (Board Action)
- B. Unforeseeable Financial Hardship Case #943 – Marcy (Board Action)
- C. Unforeseeable Financial Hardship Case #944 – Marcy (Board Action)
- D. Unforeseeable Financial Hardship Case #945 – Marcy (Board Action)

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

North Dakota
Public Employees Retirement System
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Executive Director
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Memorandum

TO: NDPERS Board

FROM: Rebecca Fricke

DATE: August 19, 2025

SUBJECT: Sanford Health Plan Executive Summary 2025 Quarter 1

SHP will review the attached Executive Summary 2025 Quarter 1 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 1 | 2025

Presented August 2025

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

SANFORD HEALTH PLAN

CONTENTS

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Section 7: Performance Guarantees

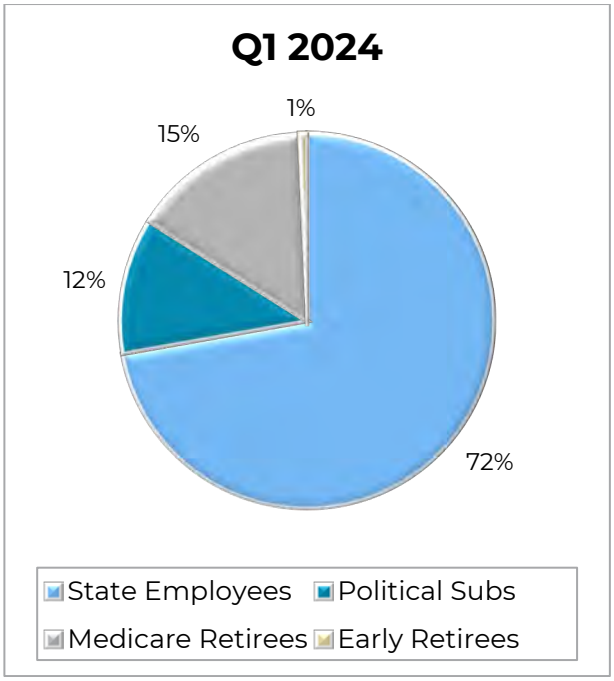
SECTION 1: MEMBERSHIP

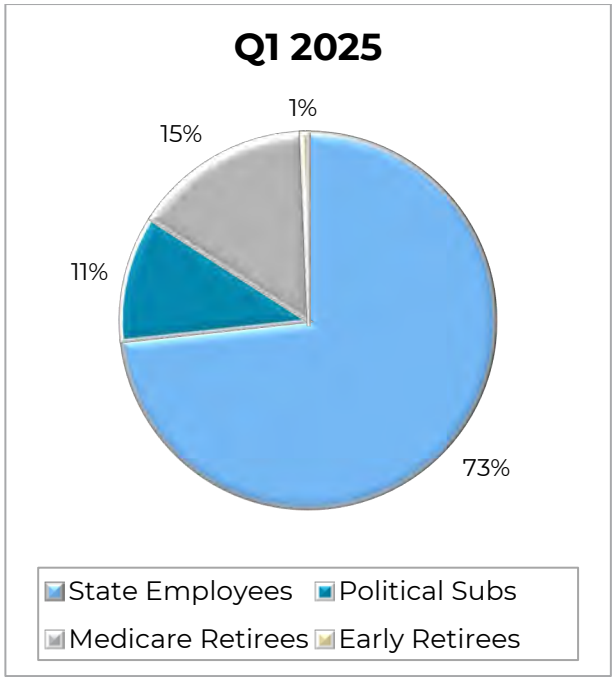
ANNUAL MEMBERSHIP SUMMARY

Exhibit 1.1

MEASURE	Q1 2024	Q1 2025	PERCENT CHANGE
State Employees	42,350	43,296	2.2%
Political Subs	6,903	6,421	-7.0%
Medicare Retirees	9,023	9,039	0.2%
Early Retirees	380	330	-13.1%
TOTAL	**58,656**	**59,086**	**0.7%**

Exhibit 1.2





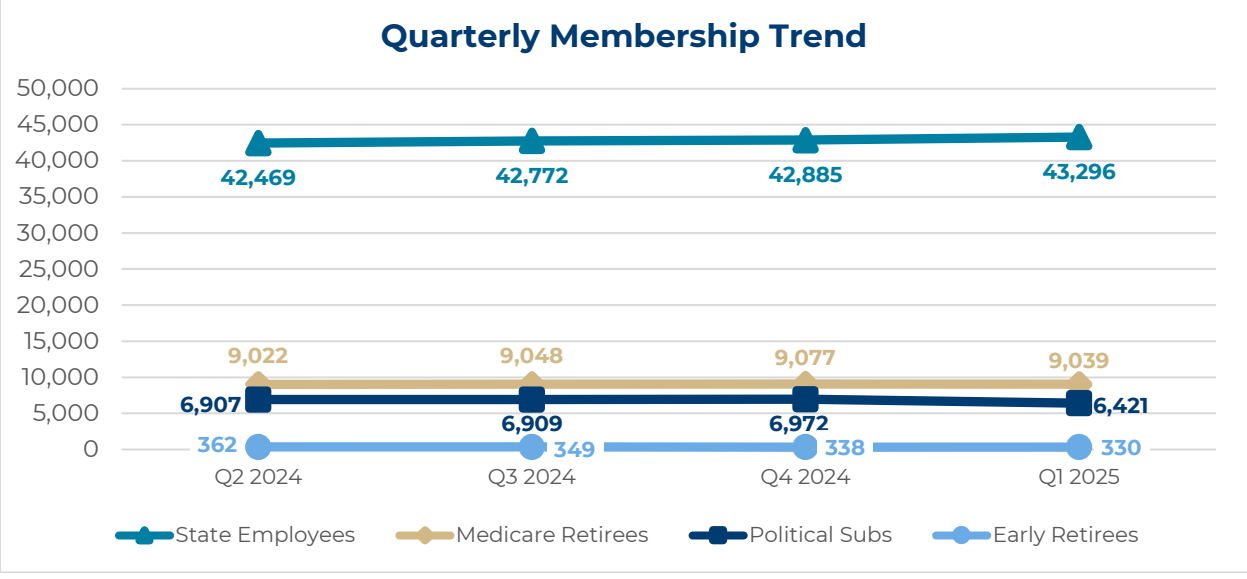
MEMBERSHIP TREND

Exhibit 1.3

MEASURE	Q1 2024	Q1 2025	% CHANGE	BENCHMARK	% VARIANCE
Average Employees	18,456	18,628	0.9%		
Average Members	49,377	49,959	1.2%		
Average Contract Size	2.68	2.68	0.2%		
Average Age	33.6	33.4	-0.6%		
% Female	50.9%	50.7%	-0.3%	50.7%	0.0%
HCCs (% of Members)	0.9%	1.0%	1.4%	0.9%	5.5%

*Includes State Employees, Early Retirees & Political Subs.

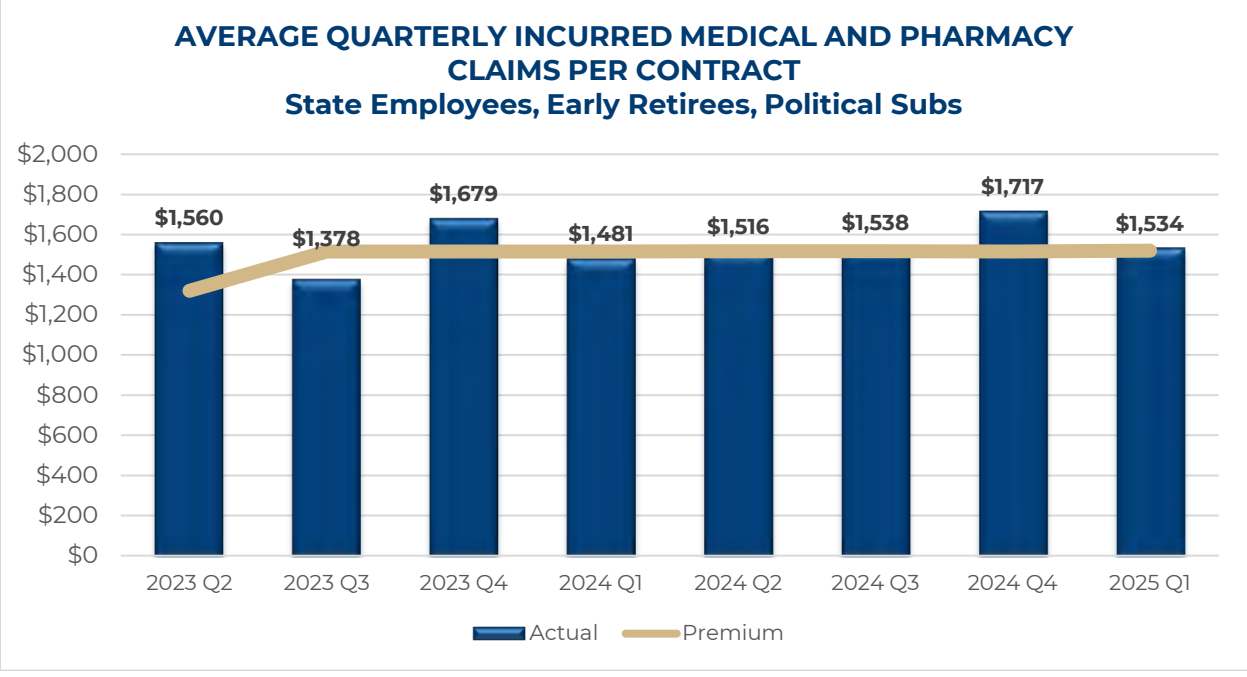
Exhibit 1.4



SECTION 2: CLAIMS ANALYSIS

PAID CLAIMS PER CONTRACT PER MONTH

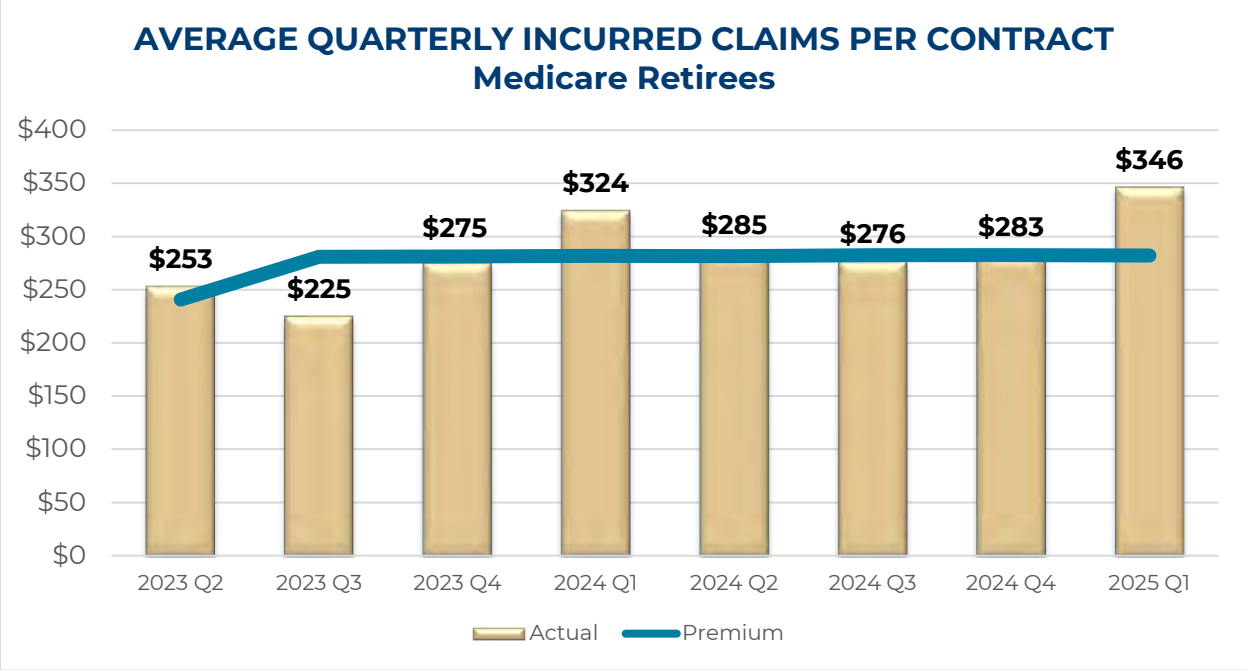
Exhibit 2.1



*Incurred between April 1, 2024 and March 31, 2025 with paid date as of June 30, 2025. Final Adjusted Claims.
*NDPERS Active contracts have approximately 2.68 members per contract.
*Includes medical claims and prescriptions without IBNR.
*Additional medical claims may be received.

PAID CLAIMS PER CONTRACT PER MONTH

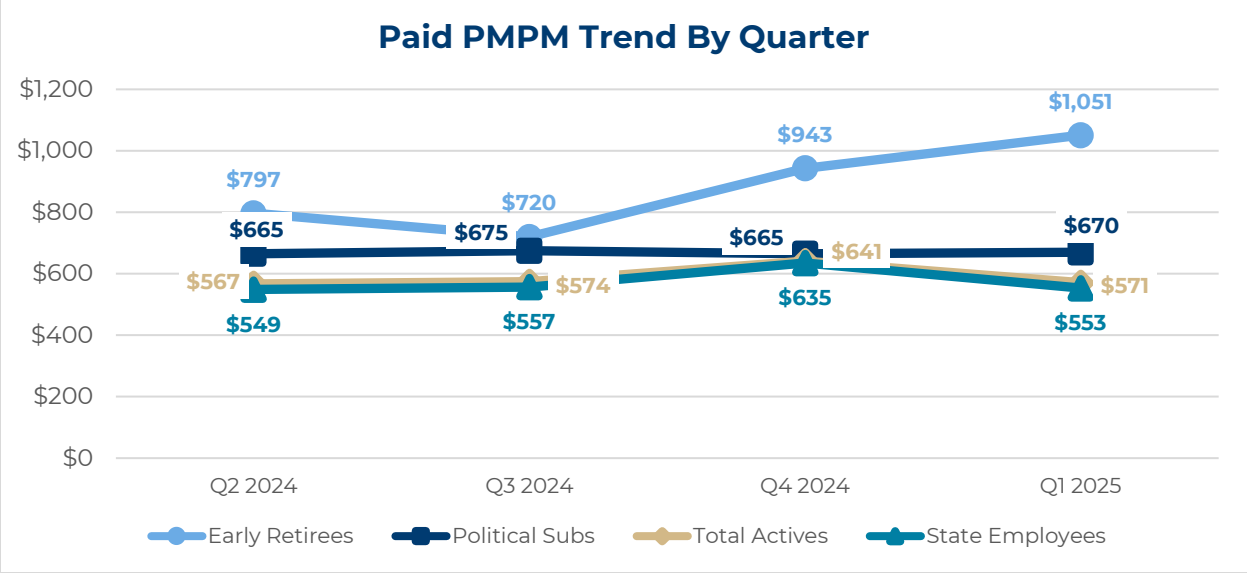
Exhibit 2.2



*Incurred between April 1, 2024 and March 31, 2025 with paid date as of June 30, 2025. 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

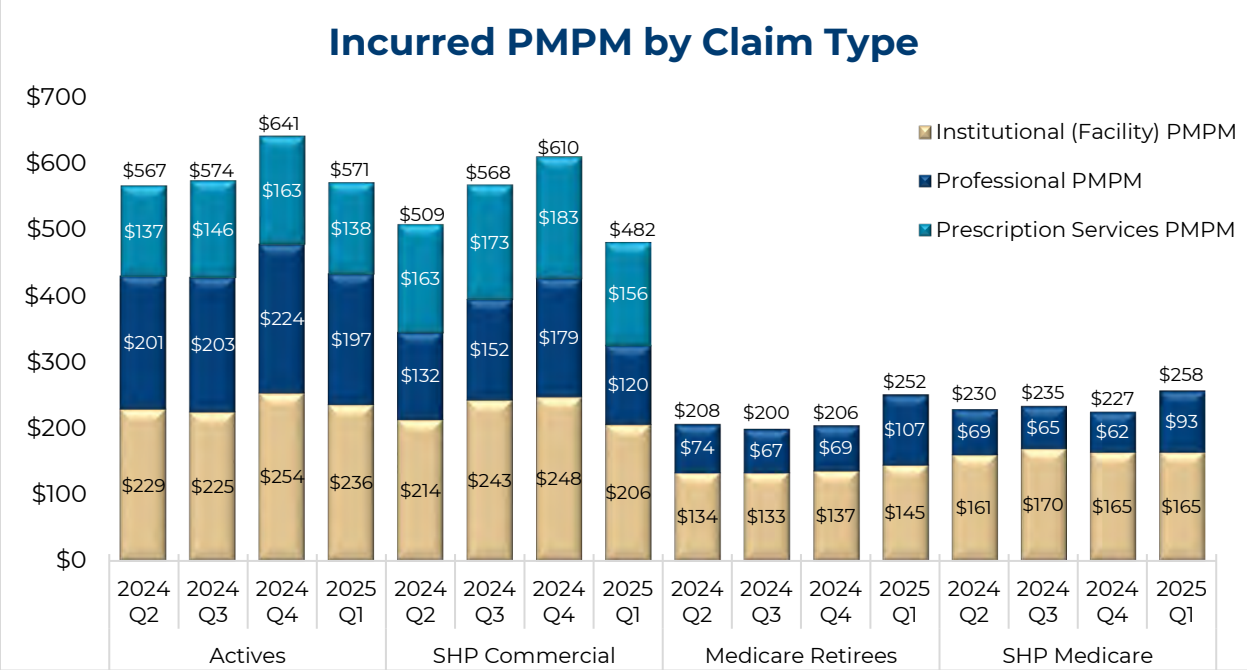
Exhibit 2.3



*Incurred between April 1, 2024 and March 31, 2025 with paid date as of June 30, 2025. 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 April 1, 2024 and March 31, 2025 with paid date as of June 30, 2025. 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

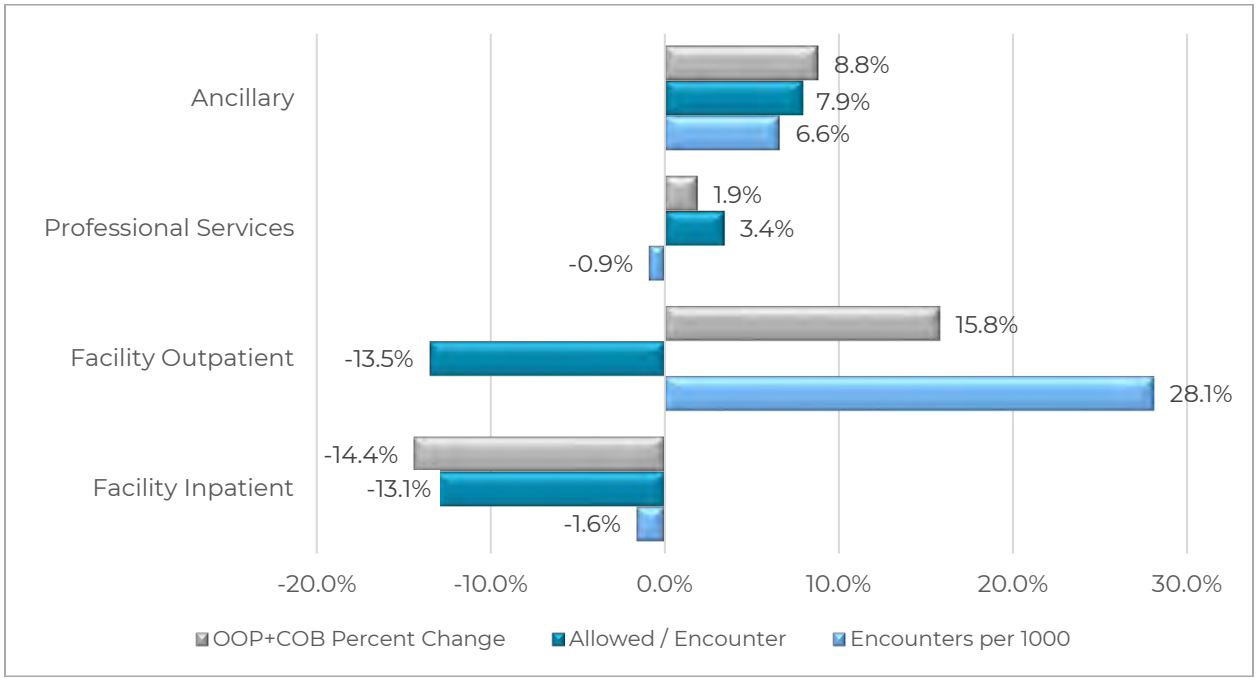


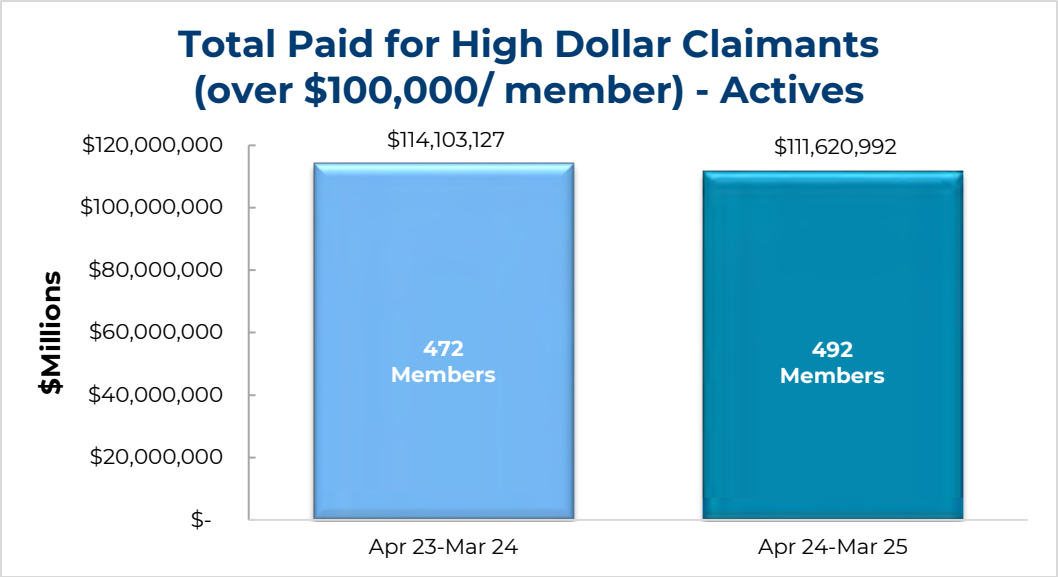
Exhibit 3.2

MEASURE	FACILITY INPATIENT	FACILITY OUTPATIENT	PROFESSIONAL SERVICES	ANCILLARY
Encounters per 1000 Prior Period	49	2,495	13,015	1,742
Encounters per 1000 Current Period	49	3,197	12,900	1,858
% Change	-1.6%	28.1%	-0.9%	6.6%
Amount Allowed per Encounter Prior Period	$28,370	$637	$187	$366
Amount Allowed per Encounter Current Period	$24,644	$551	$193	$394
% Change	-13.1%	-13.5%	3.4%	7.9%
OOP+COB PMPM Prior Period	$0.33	$17.27	$38.45	$3.11
OOP+COB PMPM Current Period	$0.28	$20.00	$39.18	$3.38
% Change	-14.4%	15.8%	1.9%	8.8%

*Prior Period: April 2023- March 2024. Current period: April 2024 – March 2025. Paid through June 30, 2025.

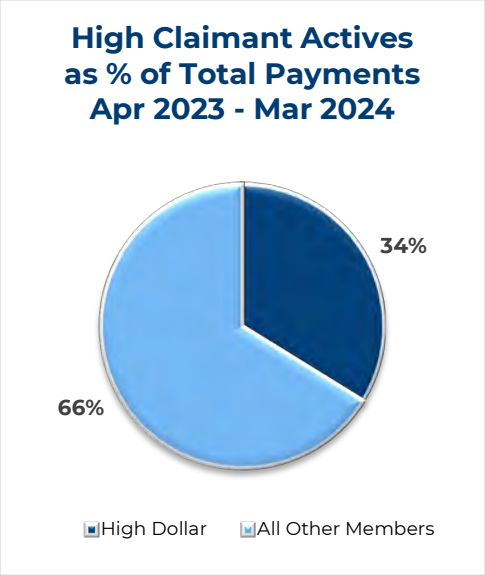
SECTION 4: HIGH DOLLAR CASES: ACTIVES

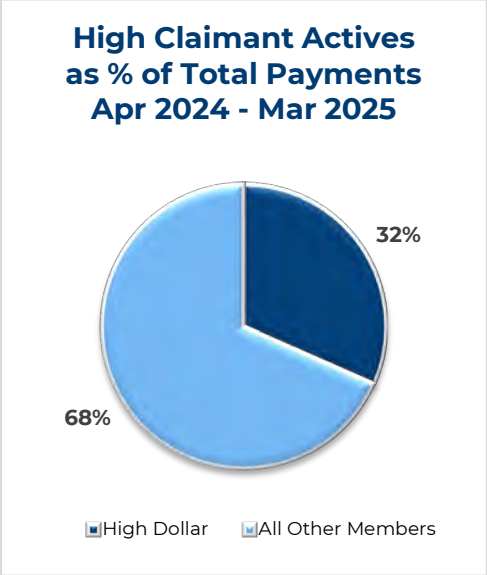
Exhibit 4.1



*Medical & Pharmacy claims without IBNR. Paid throuh June 2025.
*Additional medical claims may be received for April 2024-March 2025 services.

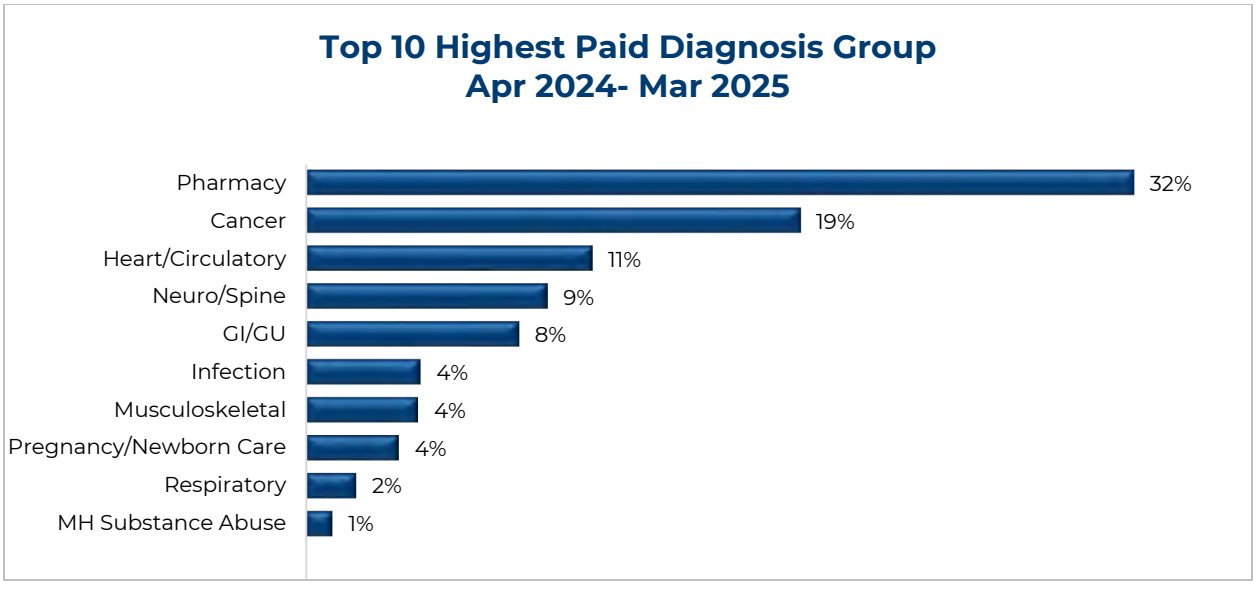
Exhibit 4.2





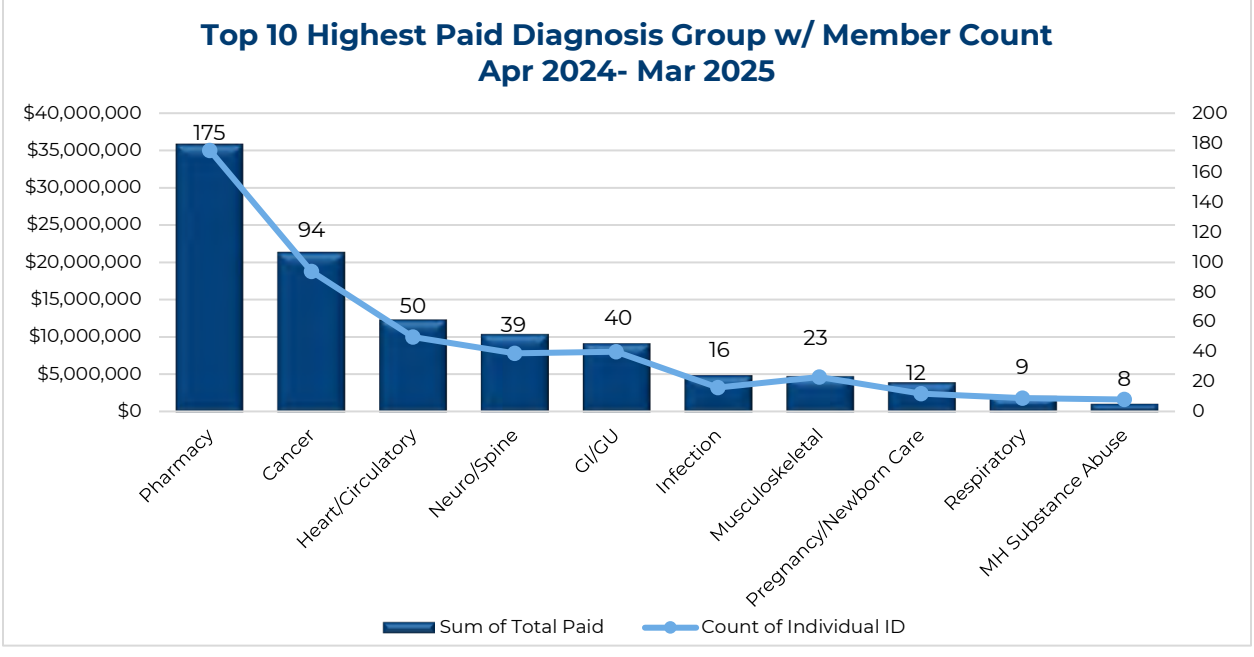
ACTIVE MEMBERS		
	Apr 2023-Mar 2024	Apr 2024-Mar 2025
Avg. Paid/High Claimant	$241,744	$226,872
% of Total Payments	34%	32%

Exhibit 4.3



*The remaining 6% represents 11 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 6% represents 11 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 – 2025 Q1
Jan 24- Mar 24 vs. Jan 25- Mar 25

PLAN PAID PMPM

- NDPERS 2025 Q1 PMPM is trending at 15.1% versus the previous period
- Rebates provided a 21.1% offset resulting in net plan paid of $109.47 PMPM
- Inflammatory Conditions, Diabetes, and Oncology disease states accounted for 62.2% of overall plan paid and increased $13.04 PMPM in total plan paid. The benchmark increased $9.18 PMPM in these categories

YOUR OUTCOMES

- Strategic Solutions have resulted in a total of $90.09 PMPM plan savings
- Strategic Solutions have resulted in a total of $316,676 total healthcare (medical + pharmacy) savings

Exhibit 5.2

YTD PLAN PERFORMANCE – PLAN PAID

NDPERS – 2025 Q1
Jan 24- Mar 24 vs. Jan 25- Mar 25

TOTAL PLAN PAID PMPM: $138.79

TREND

- Plan paid PMPM has increased 15.1% over the previous period driven primarily by drug mix in brand and specialty.
- Specialty represents 1.4% of claims.

PLAN PAID PMPM

Current period PMPM of $138.79 equates to $20.8M in pharmacy spend. 64.3% of the spend is attributed to specialty medications.

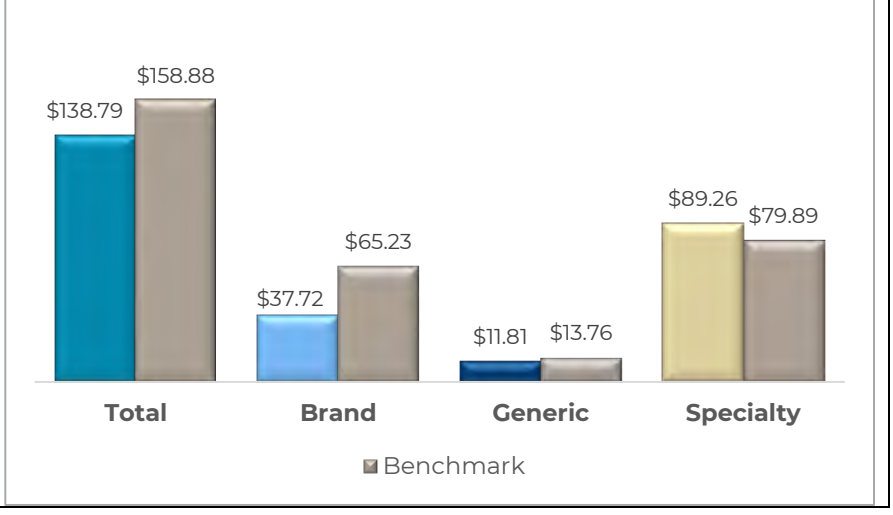


Exhibit 5.3

KEY STATISTICS

NDPERS – 2025 Q1
Jan 24- Mar 24 vs. Jan 25- Mar 25

PLAN PAID PMPM: $138.79

49,945
Avg. eligible members

The key metrics here help highlight the changes NDPERS 2025 Q1 has experienced period over period.

- Eligibility has increased by 354.
- Number of utilizers has increased by 1,122.

TOTAL RXS	TOTAL PLAN PAID	UTILIZERS
CURRENT 119,339	**CURRENT** $20,795,832	**CURRENT** 27,548
PREVIOUS 113,910	**PREVIOUS** $17,933,298	**PREVIOUS** 26,426
PREVIOUS CHANGE 4.8%	**PREVIOUS CHANGE** 16.0%	**PREVIOUS CHANGE** 4.2%

KEY STATISTICS	NDPERS			COMMERCIAL BENCHMARK	
	CURRENT	PREVIOUS	% CHANGE	CURRENT	% CHANGE
Average Age	33	33.2	-0.70%	35.7	-0.10%
Plan Paid PMPM	$138.79	$120.54	15.1%	$158.88	15.4%
Plan Paid Per Rx	$174.26	$157.43	10.7%	$193.10	11.0%
Rx PMPM	0.796	0.766	4.0%	0.823	4.0%
Average Days Supply	44.2	45	-1.9%	40	-0.6%
Days Supply PMPM	35.2	34.5	2.1%	32.9	3.3%
Member Paid Share	17.30%	17.8%	-3.1%	13.70%	1.0%
Member Paid per Rx	$36.34	$34.12	6.5%	$30.62	12.3%
Brand Dispensing Rate	11.1%	11.6 %	-0.4%	11.6%	
Generic Dispensing Rate (GDR)	88.9%	88.4%	0.6%	87.4%	-1.0%
GDR- Without Vaccines	89.2%	88.7%	-14.6%	88.2%	-1.0%
Home Delivery Rate	0.5%	0.6%	-14.6%	5.2%	-6.8%
Retail 90 Rate	31.7%	32.4%	-2.0%	20.7%	0.1%
% of Specialty Plan Paid	64.3%	62.3%	3.2%	50.3%	-2.1%

Exhibit 5.4

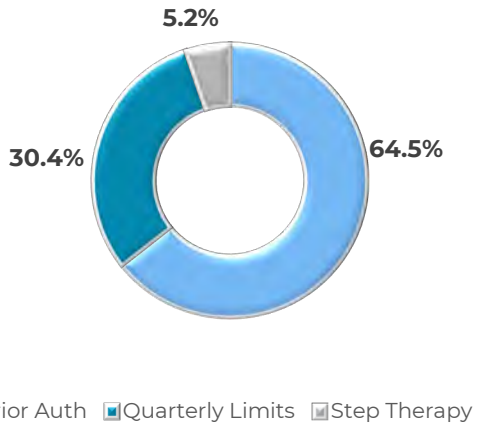
UM OUTCOMES

NDPERS – 2025 Q1
Jan 24- Mar 24 vs. Jan 25- Mar 25

UTILIZATION MANAGEMENT SAVINGS: $22.76 PMPM

Your Program Savings: $13.6 M

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 - 2025 Q1 and for members. Sanford NDPERS - 2025 Q1 has realized over $13.6M 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.

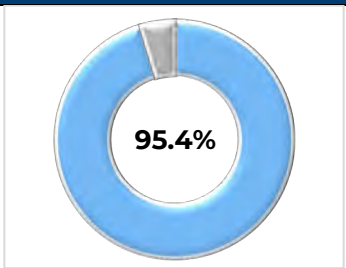


PRIOR AUTHORIZATION	QUANTITY LIMITS	STEP THERAPY
PMPM SAVINGS $14.68	**PMPM SAVINGS** $6.91	**PMPM SAVINGS** $1.18
# OF MEMBERS IMPACTED 1,999	**# OF MEMBERS IMPACTED** 1,829	**# OF MEMBERS IMPACTED** 620
# OF INTERVENTIONS 2,252	**# OF INTERVENTIONS** 1,988	**# OF INTERVENTIONS** 693

Exhibit 5.5

TOP 5 THERAPY CLASSES

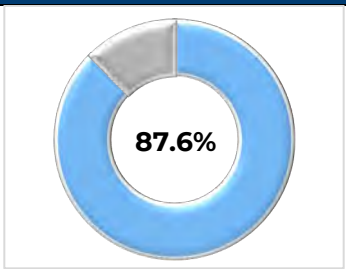
PRIOR AUTHORIZATION



Prior authorization savings from top 5 therapeutic class interventions

GPI-4 Description	Number of Cases	Plan Paid Savings
Chronic Inflammatory Disease	339	$4,706,155
GLP-1 Receptor Agonists	959	$2,686,773
Oncology	57	$508,981
Narcolepsy	7	$265,923
Migraine Products	130	$221,499

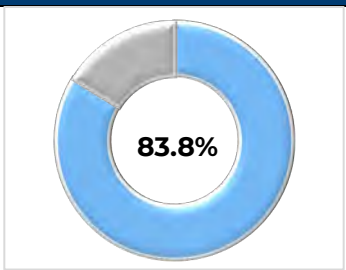
QUANTITY LIMITS



Quality limits savings from top 5 therapeutic class interventions

GPI-4 Description	Number of Cases	Plan Paid Savings
Chronic Inflammatory Disease	78	$1,915,045
GLP-1 Receptor Agonists	109	$695,130
Migraine Products	894	$622,739
Multiple Sclerosis	3	$293,287
Pulmonary Arterial Hypertension	5	$104,232

STEP THERAPY



Step therapy savings from top 5 therapeutic class interventions

GPI-4 Description	Number of Cases	Plan Paid Savings
Atypical Antipsychotics	91	$292,134
Diabetes Monitoring and Testing Supplies	285	$128,284
Migraine Products	59	$106,398
Antidepressants	47	$36,283
Sedative Hypnotics	22	$27,170

NDPERS EGWP: HUMANA

Exhibit 5.6

DESCRIPTION	Q1 2024	Q1 2025	CHANGE
Avg. Members per Month	9,006	9,024	0.2%
Average Member Age	76.9	77.0	0.3%
Members Utilizing Benefit	8,249	8,293	0.5%
% Members Utilizing Benefit	91.6%	91.9%	0.3%
Total Rx	69,098	68,837	-0.4%
Total Rx PMPM	2.56	2.54	-0.8%
Generic Fill Rate	89.7%	89.4%	-0.3%
Maintenance 90 Day Utilization (by days supplied)	78.2%	76.6%	-2.0%
Retail – Maintenance 90 Day Utilization	13.6%	15.4%	13.2%
Home Delivery – Maintenance 90 Day Utilization	1.9%	2.0%	5.3%
Total Specialty Rx	176	336	90.9%
Specialty % of Plan Paid	27.0%	44.2%	63.7%

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.

DAKOTA WELLNESS PROGRAM

FITNESS CENTER REIMBURSEMENT

Exhibit 6.1

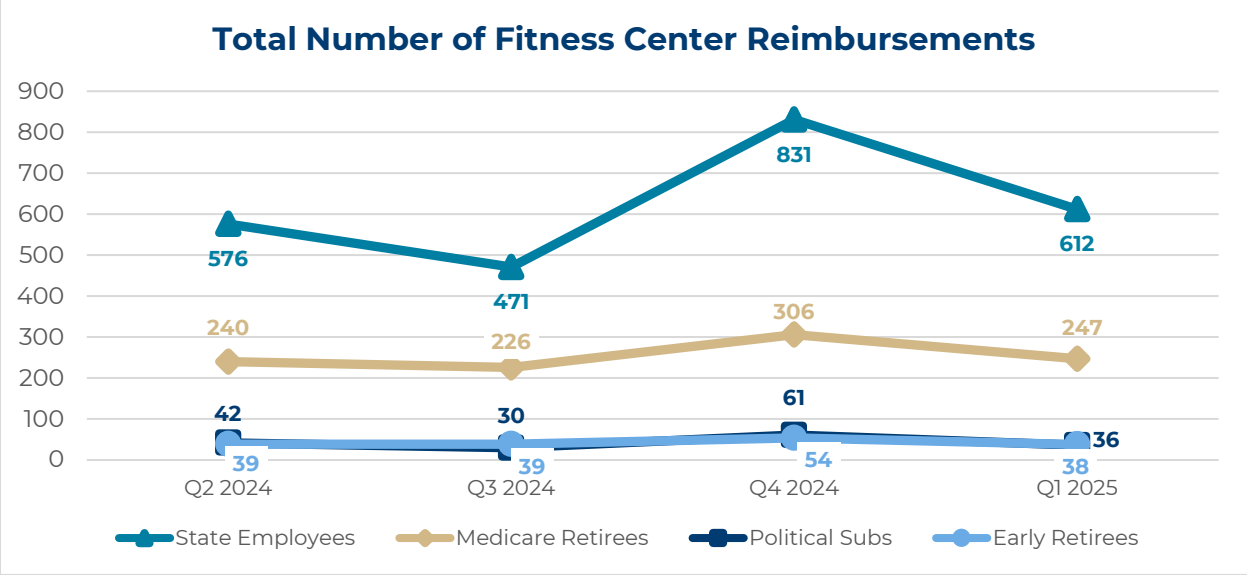
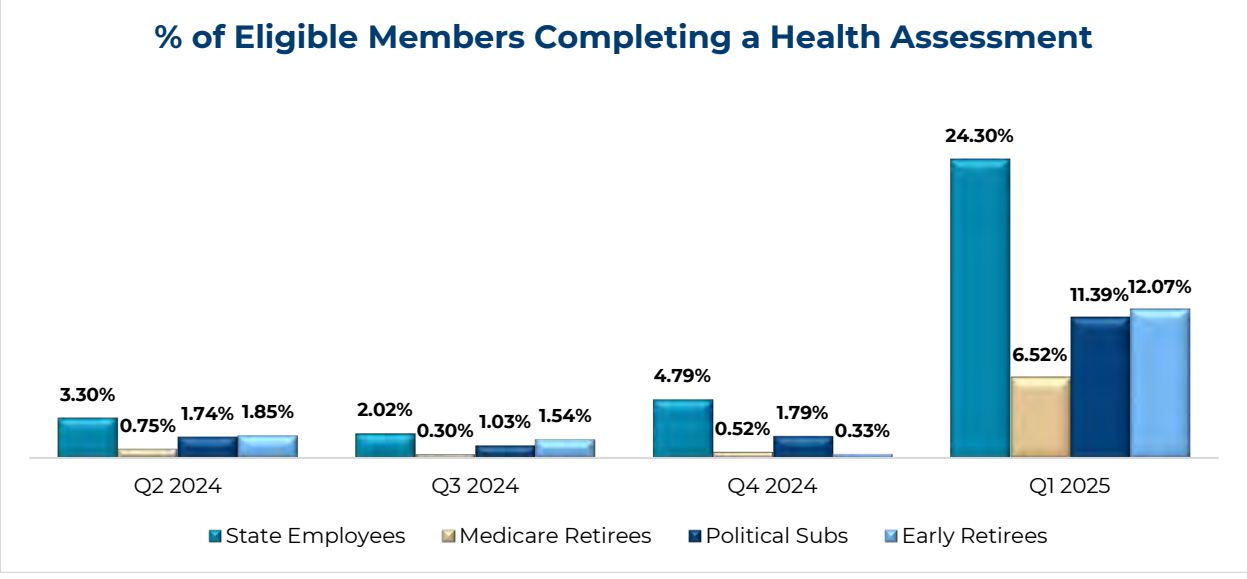


*Chart values are number per quarter and not accumulated.

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 keeps members engaged in their individual wellness pursuit. Newsletter, e-blasts and worksite posters are used to introduce themes.

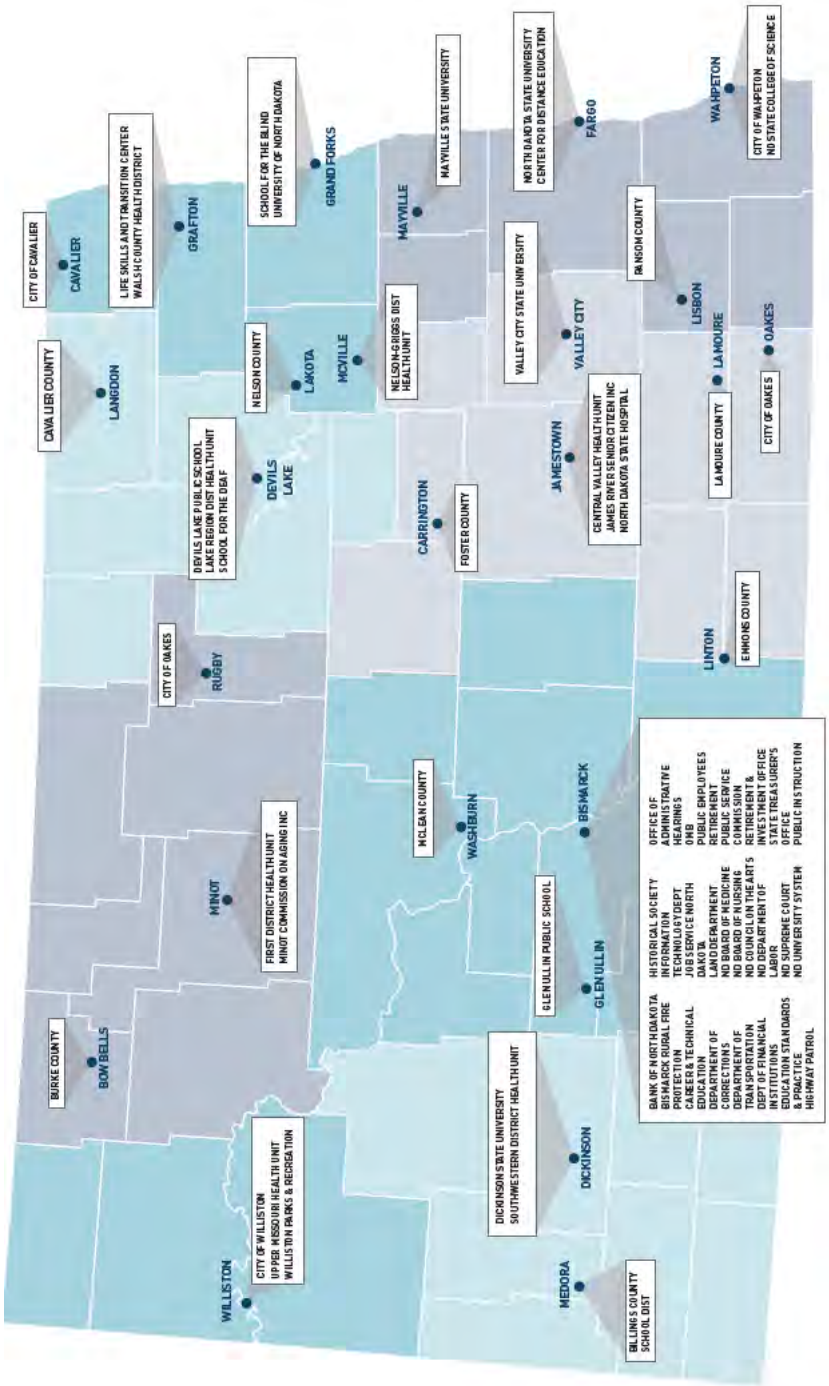
Q1 QUARTERLY WELLNESS CHALLENGE

FIVE TO THRIVE

- The Five to Thrive nutrition challenge encouraged members to eat five or more servings of fruits and vegetables each day.
- Members must meet the goal at least 21 out of 28 days.
- **Participation**:
    - **Unique Users**: 2,032
    - **Percentage of Challenge-eligible Users**: 19.8%
    - **Total Visits**: 58,594 visits
    - **Average Visits per Unique User**: 29

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.



WEBINARS/ PRESENTATIONS/ EVENTS:

Get Moving at Work
Mindful Eating
Love Your Job
Overcoming Stress

Working from Home That Works
Nutrition and Hydration

TOTAL MEMBER ATTENDANCE THIS QUARTER:
3,709

TOTAL NUMBER OF AGENCIES VISITED (UNDUPLICATED)
105

Preventive Screening Rates

Exhibit 6.4

MEASURE	GOAL by 6/30/25	OUTCOME DATE	CURRENT
FOCUS AREAS			
Breast cancer screening rates	80%	March 31, 2025	80.28%
Cervical cancer screening rates	85%	March 31, 2025	71.12%
Colorectal cancer screening rates	60%	March 31, 2025	70.52%

WELLNESS CONTINUUM

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

POPULATION HEALTH TARGETED COHORTS

Exhibit 6.5

CHANGE YOUR WEIGH – DIABETES PREVENTION PROGRAM

PROGRAM OVERVIEW

- The Change Your Weigh Diabetes Prevention Program is designed to reduce the risk of developing type 2 diabetes by focusing on making small, achievable lifestyle changes.
- Change Your Weigh is a year-long, research-based program that is part of the National Diabetes Prevention Program, led by the Centers for Disease Control and Prevention.
- Members participating in the Diabetes Prevention Program:
  - Meet weekly for the first four months then monthly for the next eight months.
  - Track food intake, physical activity and weight every week, with a goal to lose 5% or more of body weight.
  - Connect with others who are also working on improving their health and taking action on changes.
  - Find support to work through challenges from classmates and individually from the certified lifestyle coach

DIABETES PREVENTION PROGRAM METRICS: DEMOGRAPHICS					
COHORTS	COHORTS	MEMBERS ENROLLED	PARTICIPANT DEMOGRAPHICS		
			FEMALE	MALE	AVG. AGE
Started Fall 2023, Completed 2024	3	17	15	2	59
In Progress (Complete in 2025)	7	41	39	2	55

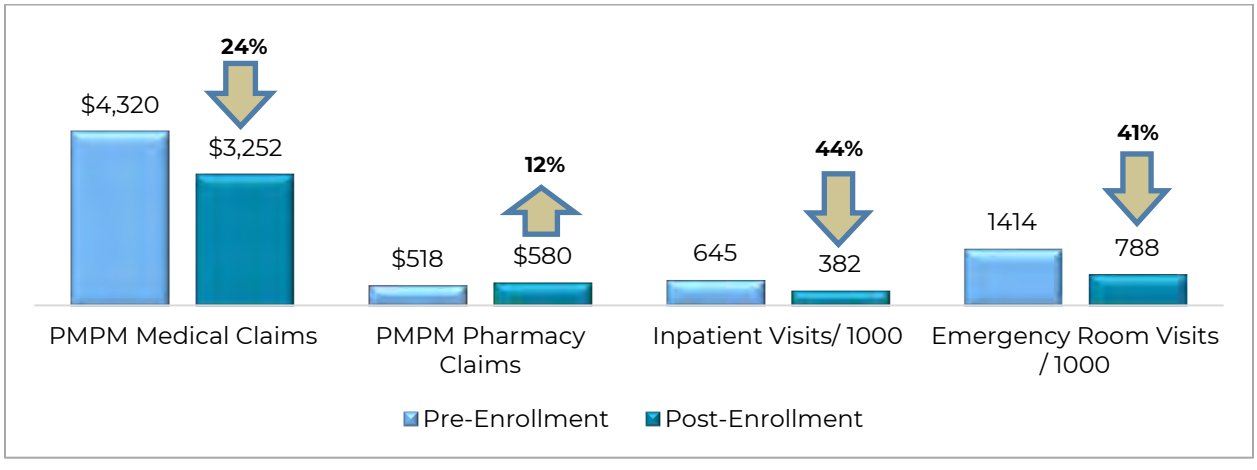
Clinical Measures	Cohorts Completed (started 2023; completed 2024)	Cohorts In Progress* (started 2024; complete 2025)
Qualifications/Risk Factors (may meet more than one qualification/risk factor)		
Risk Score (5 or greater)	17	38
Blood glucose reading (F 100-125 mg/dL; NF 140-199 mg/dL)	3	11
HbA1c reading (5.7%-6.4%)	3	10
History of gestational diabetes	0	7
Outcomes | Lifestyle Modification - Outcomes will increase as the program progresses		
Total Weight Loss	225.4 pounds	236.5 pounds
Average Weight Loss Percentage	-5.55%	-2.87%
Average Physical Activity Minutes	114 minutes	161 minutes
Outcomes | Risk Reduction - Outcomes will increase as the program progresses		
5% or more weight loss	8 | 47%	9
4% or more weight loss	16 | 94%	19

**Information reflects data from 1/1/24-12/31/24*

CARE MANAGEMENT ENGAGEMENT

Exhibit 6.6

CARE MANAGEMENT PERFORMANCE METRICS April 2024 – March 31, 2025				
OFFERED	RESPONDED		ENGAGED	
2,584	1,308	51%	452	35%



SURVEY SCORE

Exhibit 6.7

SECTION 7: PERFORMANCE GUARANTEES

Exhibit 7.1

MEASURE	GOAL	MEASUREMENT PERIOD	Q1 2025 REPORTING PERIOD	CURRENT
WELLNESS				
Health risk assessment completion	18%	7/1/23 – 6/30/25	7/1/23 – 3/31/25	18.8%
Worksite interventions agency participation	75%	7/1/23 – 6/30/25	7/1/23 – 3/31/25	73%
Fitness reimbursement participation	5%	1/1/25 – 12/31/25	1/1/25 – 3/31/25	2.37%
Wellness redemption center payments	$850,000	1/1/25 – 12/31/25	1/1/25 – 3/31/25	$134,078
Wellness redemption center rate	9%	1/1/25 – 12/31/25	1/1/25 – 3/31/25	1.83%
HEALTH OUTCOMES				
Healthy Pregnancy Program	+3%	7/1/24 – 6/30/25	7/1/24 – 3/31/25	22.15%
Diabetes Prevention Program	5%	1/1/25 – 12/31/25	1/1/25 – 3/31/25	4.8%
Breast cancer screening rates	80%	7/1/23– 6/30/25	7/1/23 – 3/31/25	80.28%
Cervical cancer screening rates	85%	7/1/23 – 6/30/25	7/1/23 – 3/31/25	71.12%
Colorectal cancer screening rates	60%	7/1/23 – 6/30/25	7/1/23 – 3/31/25	70.52%
PROVIDER NETWORK / CONTRACTING				
PPO network participation rate	Hospital, MDs & DOs: 92%	7/1/23 – 6/30/25	7/1/23 – 3/31/25	100% Hospital 97% MD/DO
Provider network minimum discount	30%	7/1/23 – 6/30/25	7/1/23 – 3/31/25	45%
CUSTOMER SERVICE & CLAIMS				
Claims financial accuracy	99%	7/1/24 – 6/30/25	7/1/24 – 3/31/25	99.82%
Claims payment accuracy	98%	7/1/24 – 6/30/25	7/1/24 – 3/31/25	99.61%
Claim timeliness	95%	7/1/24 – 6/30/25	7/1/24 – 3/31/25	98.86%
Claims processing accuracy	95%	7/1/24 – 6/30/25	7/1/24 – 3/31/25	98.88%
Average speed of answer	30 seconds	7/1/24 – 6/30/25	7/1/24 – 3/31/25	13 seconds
Call abandoned rate	5% or less	7/1/24 – 6/30/25	7/1/24 – 3/31/25	0.19%
First call resolution	95%	7/1/24 – 6/30/25	7/1/24 – 3/31/25	97.10%
Written inquiry response time	95%	7/1/24 – 6/30/25	7/1/24 – 3/31/25	99.66%
PHARMACY & FINANCIAL				
Prescription drug turnaround times	98%	7/1/23 – 6/30/25	7/1/23 – 3/31/25	99%
Network Pharmacy Access	<5%	7/1/23 – 6/30/25	7/1/23 – 3/31/25	100%
About the Patient program payment	5 days	7/1/23 – 6/30/25	7/1/23 – 3/31/25	100%
Interest Rate determined by PERS/SHP	Quarterly	7/1/23 – 6/30/25	7/1/23 – 3/31/25	100%

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

Rebecca Fricke
Executive Director
(701) 328-3900
1-800-803-7377

Fax (701) 328-3920 Email ndpers-info@nd.gov Website www.ndpers.nd.gov

Memorandum

TO: NDPERS Board

FROM: Marcy Aldinger

DATE: August 19, 2025

SUBJECT: 457(b) Deferred Compensation Plan Self-Certification of Unforeseeable Emergency Distributions

Under prior federal law, participants requesting an unforeseeable emergency distribution from a 457(b) Deferred Compensation Plan were required to make application to the Plan Administrator and provide documentation substantiating their financial need. Review of the request, and subsequent approval or denial, was required to be done by the Plan Administrator, or the NDPERS Board.

SECURE 2.0 provided a new processing option related to these types of unforeseeable emergency distributions. The new option allows plan administrators to rely on a participant's written self-certification (application) that they meet the requirements for an unforeseeable emergency distributions. The certification must confirm that:

1. The participant is experiencing a qualifying hardship or emergency,
2. The amount requested does not exceed the amount necessary to satisfy the need, and
3. The participant has no other reasonably available means to meet the financial need.

The participant is responsible for retaining documentation for the qualifying hardship or emergency in the event they are ever audited or required to provide proof that they met the requirements.

Ice Miller did not have concerns regarding fiduciary responsibilities of the Board and said that the majority of entities are moving to this, and if this is a provision of SECURE 2.0 the Board would like to move forward on, Ice Miller has offered sample self-certification applications to ensure compliance with IRS requirements.

Ice Miller did clarify that reliance on self-certification is not permitted if the plan administrator has actual knowledge that contradicts the participant's certification.

Below are three options for the Board's consideration. In addition, should the Board make a decision and then in the future wish to revisit and modify the process or criteria, this is permitted on a prospective basis given this provision under Secure 2.0 is optional.

1. Do not adopt the self-certification process and continue the current process

2. Adopt the self-certification process without restrictions

3. Adopt the self-certification process with restrictions

   The Board can set restrictions on the amount that can be requested through the self-certification process. The Board can also set restrictions on the frequency that a participant can request a hardship withdrawal.

   In reviewing information from other states, it appears that some states have put these types of restrictions on self-certification hardship requests. For example:

   - Virginia allows up to $2,500 to be requested through the self-certification process and restricts it to once every two calendar years. Attachment 1 is their self-certification request form.
   - New York allows up to $20,000 to be requested through the self-certification process and restricts it to two requests per calendar year, for a total of $40,000 in a calendar year. Attachment 2 is their self-certification request form.

   If a participant wishes to request more than or more frequent than an established limit, then the participant can still submit a request through the current process, which would then result in Board review and approval/denial of the request.

   The following table provides information regarding the hardship requests that were reviewed by the Board from January 1, 2020 through June 30, 2025. In reviewing the list, staff did not find that any participants submitted more than one request since this date.

Case ID	Case Type	Amount Requested	Case Status	Case Start Date
603	Financial Hardship	$3,120.00	Denied	01/07/2020
639	Financial Hardship	$6,102.68	Approved	08/06/2020
647	Financial Hardship	$5,000.00	Denied	09/28/2020
715	Financial Hardship	$3,000.00	Approved	11/22/2021
716	Financial Hardship	$2,880.20	Approved	11/28/2021
727	Financial Hardship	$1,234.33	Approved	02/04/2022
756	Financial Hardship	$7,000.00	Approved	07/11/2022
816	Financial Hardship	$11,000.00	Approved	06/08/2023
860	Financial Hardship	$37,738.00	Denied	05/24/2024
881	Financial Hardship	$3,500.00	Approved	08/23/2024
884	Financial Hardship	$5,000.00	Approved	09/06/2024
888	Financial Hardship	$30,000.00	Denied	09/30/2024
899	Financial Hardship	$30,000.00	Approved	11/14/2024
906	Financial Hardship	$18,792.89	Approved	01/27/2025

Also, if moving forward with self-certifications under either option 2 or 3, the Board should indicate who is authorized to sign-off on behalf of the Plan Administrator on these types of emergency requests. Does the Board wish it to be the Board Chair or to delegate the responsibility to staff? Note that staff would not be approving the emergency request but rather, would be verifying that the member completed the self-certification application and meets the criteria that the Board establishes. Any emergency requests that do not meet the criteria would be brought forward to the Board to review.

Ice Miller will attend the meeting to assist with questions the Board has concerning these provisions or implementation efforts.

BOARD ACTION REQUESTED:

Provide direction on if the Board would like to implement a self-certification process for 457 unforeseeable emergency distributions . If yes:

a. Provide direction on if the Board wishes to establish a restriction on the dollar amount or frequency that a participant can request a self-certified unforeseeable financial hardship withdrawal.

b. Provide direction on who is authorized to sign off on behalf of the Plan Sponsor.

Based upon this direction, staff will then prepare updates to the Plan Documents and a self-certification application for the Board's review at a later meeting, if necessary. The Board would also be asked to adopt an effective date at this meeting once all materials are prepared.

Attachment

DCP
Virginia Retirement System

VRS Defined Contribution Plans
Virginia Hybrid 457 Deferred Compensation Plan

SELF-CERTIFICATION
UNFORESEEABLE EMERGENCY WITHDRAWAL APPLICATION

PERSONAL INFORMATION (please print clearly using black or blue ink)

NAME: _____ **SOCIAL SECURITY NUMBER:** _____
(last 4 digits only)

ADDRESS: _____ **APT:** _____

CITY: _____ **STATE:** _____ **ZIP CODE:** _____

DAY PHONE: _____ **EVENING PHONE:** _____

EMAIL: _____ **DATE OF BIRTH:** ____/____/_____

INSTRUCTIONS

1. Review the Unforeseeable Emergency Requirements to determine if you are ELIGIBLE to take an unforeseeable emergency withdrawal.
2. Choose AMOUNT requested, WITHHOLDING, GROSS UP and DELIVERY METHOD.
3. Indicate REASON, SIGN and MAIL your form for processing.
4. All checks issued by Voya Financial are mailed to your current address on record. Before submitting this form, please contact a Customer Service Associate or go online to verify that the Plan has your current address. Failure to do so may result in your check being mailed to an incorrect address. The contact information is available on the last page of this form. If the address on record is incorrect, please contact your employer to update your current address and verify that the Plan has been updated prior to submitting this form.
5. Request for a Self-Certifcation Unforeseeable Emergency Withdrawal is limited to one every two years in an amount of $2,500.00 or less. If you have already completed a Self-Certified Unforeseeable Emergency Withdrawal or your request is more than $2,500, you can complete the Unforeseeable Emergency Withdrawal form or go Online and request the Unforeseeable Emergency Withdrawal in your plan account.

PLEASE NOTE: AN INCOMPLETE APPLICATION WILL CAUSE A DELAY IN RECEIVING YOUR PAYMENT.

UNFORESEEABLE EMERGENCY REQUIREMENTS

1. The amount of the withdrawal cannot exceed the amount necessary to relieve the severe financial hardship. However, you may increase the amount to pay the taxes and penalties that you may incur as a result of the unforeseeable emergency withdrawal.
2. IRS allows unforeseeable emergency withdrawals only when other financial resources are not reasonably available. Since other distributions from the plan are considered other resources, you should take them from all plans maintained by the employer first, if available. If you have any questions regarding other available resources, please contact a Customer Service Associate or go online. The contact information is available on the last page of this form.
3. Only 1 hardship may be processed per 24-month period.

CHOOSE AMOUNT REQUESTED

Amount Requested: Withdraw the following (choose one):

☐ **Maximum available** (not to exceed amount documented) **OR** ☐ **$**_____ (indicate the total dollar amount)

Note: If your available unforeseeable emergency withdrawal amount based on your current account balance is less than the financial need specified above, the unforeseeable emergency will be processed up to the maximum amount available. If you elected an additional tax withholding, we will process using the default withholding rate of 10% for federal taxes and the required state tax, if applicable.

If you elected an additional tax withholding and did not elect to gross up, we will process using the default withholding rate of 10% for federal taxes and the required state tax, if applicable.

FEDERAL AND STATE INCOME TAX WITHHOLDING WITH GROSS UP ELECTION

TAX WITHHOLDING ELECTIONS
Regardless of whether or not federal or state income tax is withheld, you are liable for taxes on the taxable portion of the payment. If you do not have a sufficient amount withheld, you may be subject to tax penalties under the Estimated Tax Payment rules. An election made for a single non-recurring distribution applies only to the payment for which it is being made. For recurring payments, your withholding election will remain in effect until it is changed or revoked. You may change or revoke your election at any time prior to a payment being made by submitting IRS form W4, W-4P, W-4R, as appropriate. U.S. persons having their payment delivered outside the U.S. or its possessions may not make an election of NO withholding or choose withholding that is less than the default. In this case, if you choose no withholding or withholding that is less than the default, the default rate will be applied. Non-resident aliens are subject to a mandatory 30% withholding rate unless they are eligible for a reduced rate or exemption under a tax treaty and the required documentation is submitted.

FEDERAL WITHHOLDING RULES
Non-periodic payments - 10% withholding: Non-periodic, non-rollover eligible payments from pensions, annuities, IRAs and life insurance contracts are subject to a flat 10% federal withholding rate unless you choose not to have federal income tax withheld. These include, for example, required minimum distributions, hardship withdrawals, and distributions from IRAs that are payable on demand. You can choose not to have withholding applied to your non-periodic distribution by checking the applicable box below. You may also elect withholding in excess of the flat 10% rate as a total percentage (no decimals), for example 15%. Dollar amounts are not allowed. You may also submit IRS Form W-4R to make this election. Alternatively, you may request withholding that is less than 10% and more than 0% by submitting IRS Form W-4R with this withdrawal form. To obtain Form W-4R, please go to the www.IRS.gov website or call 800-829-3676. Form W-4R also contains Marginal Rate Tables that can be used as a guide to determine how much to have withheld from your payment.

FEDERAL WITHHOLDING INSTRUCTIONS (If you do not check any of the boxes below or provide a Form W-4R, then we will withhold based on the IRS default.)

☐ **DO NOT** withhold any federal income tax unless mandated by law.

☐ **DO** withhold federal taxes at the default percentage or at the following percentage (no decimals) that is different than the standard withholding and **greater than** 0%: _____.0%.

STATE WITHHOLDING INSTRUCTIONS

☐ **DO** withhold state taxes in the amount of $_____ or _____% (If you make this election, a dollar amount or percentage must be specified and cannot be less than any required withholding.)

☐ **DO NOT** withhold any state income tax unless mandated by law.

Note: If no state withholding election is checked above or if your state requires a greater amount of withholding, we will withhold at the rate specified by your state of residence for the type of payment you are receiving. In some cases, your state specific withholding election form is required to opt out of withholding or to choose a rate other than the state's default rate. Refer to your plan's website and/or your State Department of Taxation for details.

GROSS UP ELECTIONS
You may elect to increase the amount of your withdrawal so that the check you receive will be for the amount you requested after your elected tax withholding are withheld. This is called gross up. If there are no changes to the tax withholding elections above, and you elect to gross up, your withdrawal amount will be increased to cover the default withholding rate of 10% for federal taxes and the required state tax, if applicable. Please choose from each gross up options below:

For example: If your stated withdrawal need was $1,000, you elected to gross up and have 10% + $100 withheld for federal taxes, the $1,000 pre-tax withdrawal amount could be increased to $1,222.22. You would receive a net check amount of $1,000; the additional $222.22 (10% + $100 of $1,222.22) would be sent to the IRS to pay taxes. You may only increase the withdrawal amount if there are sufficient funds available in your account.

Gross up for state: ☐ **Yes** ☐ **No** **Gross up for federal:** ☐ **Yes** ☐ **No**

Note: If no gross up election is checked above, we will not gross up your withdrawal.

HOW WOULD YOU LIKE TO RECEIVE YOUR WITHDRAWAL? *(select one only)*

Once the unforeseeable emergency withdrawal is approved and processed, the funds will be available within 2 - 3 business days for distribution.

☐ **First class mail at no additional charge.**

☐ **Expedited delivery.** I understand I will pay a nonrefundable fee of $50 which will be deducted from my account.

☐ **Direct Deposit**
Note: You must already have banking information on file with the Plan for at least 7 days in order for this payment to be deposited to your bank. To update Banking Information, go to the Personal Information section of your online account.

REASON FOR UNFORESEEABLE EMERGENCY WITHDRAWAL AND CHECKLIST

You must retain the below required documents to support your reason to substantiate both the nature and the amount of the severe financial hardship in the event of an audit.
The following circumstances are considered for severe financial hardship under the Plan. If you have any questions about the qualifying reasons for an unforeseeable emergency withdrawal, please contact a Customer Service Associate before proceeding. The contact information is available on the last page of this form.

REASON	REQUIRED DOCUMENTATION AND INFORMATION THAT MUST BE REFLECTED ON DOCUMENTATION	UNACCEPTABLE REASONS/ DOCUMENTATION
☐ **Unreimbursed medical expenses for medical care previously incurred or anticipated by:** You Your spouse Your child Your dependent[1] Your beneficiary [2]	• Explanation of Benefits (EOB) from provider dated within the past 12 months that reflects the amount paid by the insurance company and reflects the amount owed by the insured, **OR** • A bill from provider dated within the past 12 months that indicates the amount still owed and indicates the costs not reimbursed by the insurance company, **OR** • A bill from provider dated within the past 12 months that indicates the amount still owed, and the Explanation of Benefits (EOB) from provider dated within the past 12 months that reflects the amount paid by the insurance company and the amount owed by the insured, **OR** • A bill dated within the past 12 months that indicates the amount still owed, and a letter written and signed by me to certify that I do not have insurance.	• Medical bills that do not show portion paid by insurance • Collection agency notices • Bills already paid
☐ **Repair of principal residence, that would qualify as a casualty deduction under the Internal Revenue Code, such as a fire or storm**	**1)** Letter explaining what caused the casualty, **and** **2)** Statement from your insurance company stating the loss is not covered, **and** **3)** Billing statement or cost estimate **The above documents must:** • be dated within last 4 months, **and** • reflect the amount necessary to repair principal residence, **and** • include the property address, **and** • have a future payment due date	• General estimate for repair (no property address, not dated or amount owed) • Routine maintenance, remodeling, additions, non-attached buildings and garages • Bills already paid
☐ **Prevention of mortgage foreclosure or eviction from your principal residence**	**1)** Proof of pending foreclosure or pending eviction • Tax lien, **or** • Bank/mortgage statement, **or** • Letter from bank/mortgage company, **or** • Letter from landlord on company letterhead or notarized, **or** • Copy of the court document substantiating the eviction or foreclosure legal proceedings **The above documents must**: • be dated within last 4 months, **and** • reflect the amount necessary to prevent eviction/ foreclosure, **and** • contain eviction/foreclosure date.This date must be in the future, **and** • include the property address, **and** • have a future payment due date **2)** If the current address on record is a PO Box, a document from a municipal or government agency providing proof of physical address. *(Example: Utility bill or drivers license)*	• IRS tax liens that do not specify address of property to be foreclosed • Late payment statements that do not threaten eviction or foreclosure • Lease agreements • Bills already paid • Court, attorney and late fees on the unlawful detainer
☐ **Funeral/Burial expenses for:** Your spouse Your child Your parent Your dependent[1] Your beneficiary [2]	**1)** Copy of death certificate, **and** **2)** Funeral/burial statement which must: • reflect name of deceased, **and** • reflect date of services provided within the past 90 days, **and** • reflect your name as individual billed, **and** • include itemized funeral/burial expenses, **and** • have a future payment due date	• Pre-purchase of lot or headstone • Bills already paid
☐ **Lost income (Illness, Accident, or Layoff)** You Your spouse Your dependent[1]	**1)** Last paystub and W2 from previous year, **and** . **2)** Letter from employer on letterhead and dated within the last 12 months **Must Indicate:** Reason employment ended Last date of employment Average amount of hours worked per week (including overtime) Hourly wage at the time employment ended, and, if needed, Date leave began Any unemployment/LTD stubs Proof of dependency	• Letter not on letterhead • Lost wages older than one year • Lost wages from disciplinary action

REASON FOR UNFORESEEABLE EMERGENCY WITHDRAWAL AND CHECKLIST (CONT)

If you selected a severe financial hardship for your dependent or your beneficiary:

[1]A dependent is anyone who meets the definition of a Qualifying Child or Qualifying Relative as described in Section 152 of the Internal Revenue Code, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof.

[2]Your beneficiary must be designated the primary beneficiary of your account.

☐ By checking this box, I hereby certify that the person(s) I am requesting funding for would be considered as a dependent[1] or beneficiary[2] as stated above. If this box is not checked, I understand my unforeseeable emergency request will be rejected.

AUTHORIZATION

I hereby certify that:

1. *My request for an Unforeseeable Emergency Withdrawal from the Plan arises from events beyond my control.*
2. *I possess valid documentation that substantiates my Unforeseeable Emergency Withdrawal amount requested, and it accurately reflects my outstanding severe financial need.*
3. *I have exhausted all other means available and meet the Plan requirements.*
4. *To the best of my knowledge and belief the information I provided, including the Social Security Number or Taxpayer Identification Number, is accurate and complete and the documents I possess are valid and complete and have not been altered or manipulated in any manner.*
5. *I understand that I must retain all supporting documentation to substantiate my Unforeseeable Emergency Withdrawal request and may be asked to provide such documentation if I am audited by the Internal Revenue Service regarding this request.*

PARTICIPANT'S SIGNATURE _____ **DATE** _____

CHECKLIST

PLEASE REVIEW YOUR APPLICATION CAREFULLY.

- ☐ Verified that the Plan has your current address
- ☐ Reviewed and completed the Unforeseeable Emergency Requirements to determine if you are **ELIGIBLE** to take an unforeseeable emergency withdrawal
- ☐ Indicated your **AMOUNT, TAX WITHHOLDING** and **GROSS UP ELECTIONS**
- ☐ Selected **DELIVERY METHOD**
- ☐ Selected a **VALID REASON** for the withdrawal
- ☐ Confirmed that you have first exhausted all distributions (other than hardship withdrawals) from all plans maintained by the employer
- ☐ Retained the **REQUIRED DOCUMENTATION** for your records
- ☐ Provided authorized **SIGNATURE**

If you have any questions or need to obtain additional plan or account information, please go online at dcp.varetire.org or call the VRS Defined Contribution Plans Service Center at 1-877-327-5261 (TTY/TTD users call 1-800-579-5708). Customer Service Associates are available Monday through Friday, 8:00 A.M. to 9:00 P.M. Eastern Time (excluding stock market holidays).

If your application is complete, please mail or fax the application to:

VIA FAX
Voya Financial
Attn: VRS Defined Contribution Plans
1-844-833-4545

VIA MAIL
Voya Financial
Attn: VRS Defined Contribution Plans
P.O. Box 389
Hartford, CT 06141

VIA OVERNIGHT DELIVERY
Voya Financial
Attn: VRS Defined Contribution Plans
One Orange Way
Windsor, CT 06095

New York State
Deferred Compensation Plan
A Plan for Your Future

New York State Deferred Compensation Plan

Self-Certification Unforeseeable Emergency Distribution

Helpline: 800-422-8463 • nysdcp.com

DISCLOSURE INFORMATION

IMPORTANT! THE PLAN ALLOWS A MAXIMUM OF TWO SELF-CERTIFICATION UNFORESEEABLE EMERGENCY REQUESTS IN A CALENDAR YEAR. You cannot exceed $20,000 per request or $40,000 in a calendar year. Please also review the information below prior to filling out this form.

Determining if an Unforeseeable Emergency Request is Right for You

We understand you are experiencing certain difficulties and are considering a request for a Self- Certified Unforeseeable Emergency distribution to withdraw funds from your New York State Deferred Compensation Plan account. The Internal Revenue Code and Treasury regulations govern the circumstances in which funds may be withdrawn as an Unforeseeable Emergency. **An Unforeseeable Emergency is a severe financial hardship that occurred in the past 12 months to the participant, the participant's designated beneficiaries or the participant's dependents.**

In general, an unforeseeable emergency relates to a circumstance that you could not have predicted, and you were not able to resolve by any other means of relief. Other means of relief may include but not be limited to the following:

- **Reimbursement or compensation by Insurance or other sources -** When applicable.
- **Cessation of deferrals under the plan -** Decreasing your deferrals even for a moderate amount of time may assist in alleviating a short-term financial need and reduce the need for future emergency distributions. If you stop or decrease your deferral you can restart deferring at any time.
- **Taking a Plan loan** - If you have a minimum balance of $2,000 and do not have active or defaulted NYSDCP loans, you may be eligible for a loan up to 50% of your account balance not to exceed $50,000 in a twelve-month period.
- **Small Inactive Account Withdrawal** - To be eligible for this withdrawal, your current account balance cannot exceed $5,000 and it must be at least two years since your last deferral into the Plan.

How Does Self-Certification Work? Documentation for your records

Supporting documentation is not required at the time of this request. However, you should maintain copies of the documents that substantiate the amount and reason for this withdrawal because they may be needed if the IRS audits you. The Plan will NOT review and is NOT responsible for validating any supporting documentation related to this request. Each request is unique to that particular situation, and it is your responsibility to maintain your records. The following information represents only general documentation that may be relevant to your emergency.

Circumstance	General Documentation
Medical Bills not covered by Insurance	Explanation of Benefits or statement from Insurance carrier detailing which expenses were NOT covered by Insurance or a doctor's statement demonstrating the medical necessity of the procedure
Loss of Income - Yours or Spousal	Information from your employer or spouse's employer that details the reasons for being out of work. Supporting documentation may also include W-2 forms and your last full paystub. If applicable documentation about Worker's Compensation filing.
Funeral Expenses	Certified Proof of your family member's death and copy of funeral invoice. Documentation of relationship of immediate family member.
Foreclosure	Letter from the mortgage company that provides the address under threat of foreclosure and the amount needed to prevent foreclosure
Eviction	Court ordered eviction notice that provides the amount to avoid eviction proceedings
Utilities Disconnection	Copies of bills threatening disconnection and amount needed to prevent disconnection of your electricity or heating.

New York State
Deferred Compensation Plan
A Plan for Your Future

New York State Deferred Compensation Plan
Self-Certification Unforeseeable Emergency Distribution

Helpline: 800-422-8463 • nysdcp.com

REQUIRED PERSONAL DATA

Name (please print): _____

REQUIRED Account Number **OR** Last 4 of SSN: _____ Date of Birth: _____

Street Address: _____

City: _____ State: _____ ZIP: _____

Contact Information

Primary Phone: _____ Primary Phone Type: ☐ Cell ☐ Work ☐ Home

Email: _____

How would you like to be contacted if additional information is required? ☐ Phone ☐ Email

☐ **Alerts (Optional)** – Please send me alerts regarding this distribution via: ☐ Email **OR** ☐ SMS to my cell number*

* By selecting this option, you are opting into receiving text messages from the Plan administrator. Message and data rates may apply.

Distribution Instructions

The Plan allows a maximum of two Self-Certification Unforseeable Emergency requests in a calendar year.

- In general, an unforeseeable emergency is a circumstance that could not have been predicted, such as unexpected medical expenses, casualty loss, or death of a family member.
- The purchase of a home, bankruptcy or sending a child to college are **NOT** considered unforeseeable emergencies under the IRS Code.

Distribution Amount

Distributions due to an unforeseeable emergency are only permitted for the amount necessary to satisfy the financial need and after reimbursement by insurance and/or other sources have been exhausted. **The Plan does not require or review documentation to support the amount requested. The Plan allows for a maximum of two self-certification Unforeseeable Emergency requests per year and each request cannot exceed $20,000 per request or $40,000 in a calendar year.**

I am self-certifying this amount is needed based on the fact that I have exhausted all other means of relief.

☐ **Partial Amount Needed $**_____ **OR** ☐ **Full Account Balance**
(Cannot exceed $20,000 per request)

IMPORTANT NOTES:

- **If you request an amount greater than your account balance, we will process your entire account balance.**
- **If you request federal and/or state income taxes,** the Plan will withdraw a gross amount greater than the amount you requested on the form. This will accommodate the taxes and still ensure you receive the net amount you requested.
- **To prevent delays with your request -** If you have a **PCRA** and the balance in your NYSDCP **Core** account will not satisfy this request, please complete any necessary trades from the PCRA to your NYSDCP account prior to submitting this form.

If you have any questions about this process, please contact the Plan's HELPLINE at 1-800-422-8463

Payment Method

☐ **Send a check -** Allow 7 to 12 business days from the process date for receipt.
Default option if no other selection is made.

Direct Deposit ACH - A check will be issued if this ACH information cannot be validated or if the funds are returned. Allow 4 to 6 business days from the process date for receipt in your bank account.

☐ **Direct Deposit ACH on file with the plan -** Last 4 digits of Bank Account Number on file:_____

☐ **New Direct Deposit ACH** – Send funds to my **bank account** using the information provided below.

Account Type/Verification needed: ☐ Checking Account **OR** ☐ Savings Account

Verification - New Direct Deposit (ACH) information provided to the Plan may require an additional verification. If that verification is needed a NYSDCP representative will contact you to resolve that on a recorded line.

Bank or Credit Union Name: _____

ABA/ Routing Number (First nine digits only): _____

Bank Account Number: _____

Tax Information

Federal Withholding

All distributions are subject to federal, applicable state, and local taxes. An Unforeseeable Emergency Distribution is subject to 10% federal tax withholding. However, this amount is not mandatory and can be adjusted. Payments will be reported as taxable income on tax form 1099-R which will be mailed to you by the end of January of next year.

Please note: Qualified Roth distributions are not subject to income tax. Unqualified Roth distributions will be taxed on the portion that represent earnings above the contributed amount. A qualified distribution is one that occurs when you are over 59.5 years of age and the account has been established for more than 5 years.

Please select one option. (If you do not select an option, the Plan will default to 10% federal withholding.)

☐ **No taxes withheld:** Do not withhold federal taxes from my distribution. I will be liable for all federal taxes that may result from this distribution.

☐ **10% default withholding:** Withhold the default of 10% to accommodate federal taxes on the taxable portion of my distribution. I will receive the approved amount of my request (by check or direct deposit), and the total distribution amount will be higher to include federal tax withholding.

☐ **I want a Federal Income Tax (FIT) different than the standard 10% but more than zero withholding. I understand this FIT percentage must be indicated on IRS Form W-4R and submitted with this form.** The **IRS Form W-4R** can be obtained under the Distribution tab of the Forms and Publications area on **www.nysdcp.com** or by contacting the HELPLINE at 1-800-422-8463. By selecting this I am also asking to increase the gross distribution amount from my Plan account in order to accommodate the FIT withholding.

State Withholding

Please select one option below that applies. *New Jersey residents skip to the last item in this section which references New Jersey specifically.

Please note: With either option where applicable the amount you select will be superseded by any mandatory state withholding requirements.

☐ I request a withholding rate of $_____ **OR** _____%
(Whole percentage or Even dollar amounts only)

☐ Please do not withhold state taxes
(Please note: If you are a resident in a state that mandates state tax withholding at the time of processing that mandatory amount will be withheld even if you select this option)

For New Jersey residents only

☐ I request a **NJ state tax** withholding of $_____ (Required: Whole dollar amounts only)

Self-Certification

By signing and submitting this form, I hereby certify that my unforeseeable emergency withdrawal request meets all of the following requirements:

1. My unforeseeable emergency withdrawal request is deemed to be an immediate and heavy financial need.
2. My unforeseeable emergency withdrawal request is not in excess of the amount required to satisfy such financial need.
3. I have no alternative means reasonably to satisfy this financial need.
4. **I understand the Plan allows a maximum of two self-certification unforeseeable emergency requests in a calendar year. Each request cannot exceed $20,000 or $40,000 in a calendar year.**
5. **I understand that supporting documentation is not required at the time this self-certification distribution is processed and the Plan will not confirm the documentation that may be required by the IRS.**
6. I understand this distribution is subject to federal and state income tax withholding and the Plan will report the distribution details on tax Form 1099-R. If I request federal and/or state income taxes, the Plan will withdraw a gross amount greater than the amount I requested on the form to ensure I receive the net amount I requested.

Authorization

I attest that the information provided on this form is true. I understand that I may be subject to civil and criminal liability for any false statement on this form or any papers attached or related to this form. I understand that mutual funds may impose a short-term trade fee and that I should read the underlying prospectuses carefully for more information.

Signature: _____ **Date:** _____

Form Return

Mail: New York State Deferred Compensation Plan
Administrative Service Agency
PO Box 182797
Columbus, OH 43218-2797

Overnight Mail: New York State Deferred Compensation Plan
Administrative Service Agency, 1-LC-F2
1 Nationwide Plaza
Columbus, Ohio 43215-2239

Fax: 1-877-677-4329

When faxing paperwork, please allow two hours for your form to be received. If your fax is sent after 3:00pm your paperwork will be filed on the next business day.

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

Rebecca Fricke
Executive Director
(701) 328-3900
1-800-803-7377

Fax (701) 328-3920 Email ndpers-info@nd.gov Website www.ndpers.nd.gov

Memorandum

TO: NDPERS Board

FROM: Marcy Aldinger

DATE: August 19, 2025

SUBJECT: 457(b) Deferred Compensation Roth Rollover and Roth Conversion Options

As NDPERS prepares to implement Roth provisions for the NDPERS 457(b) Deferred Compensation Plan effective January 1, 2026, two items have been raised by Ice Miller that the Board may wish to consider. Neither of the provisions below are required by Secure 2.0, but rather are options when a Roth 457(b) option is implemented.

Roth Rollover Contributions into the Plan
Currently, only pre-tax dollars from eligible retirement plans may be rolled into the NDPERS 457(b) Deferred Compensation Plan. Adopting Roth Rollovers allows participants to roll other, outside designated Roth accounts into the Plan. This would include Roth accounts in a 401(k), 403(b), or 457(b) plan (but not a Roth IRA)., This option can be beneficial for participants who wish to consolidate their retirement assets.

To the extent NDPERS has contracted with various providers to administer the Plan, the tax reporting related to Roth Rollovers would be part of the work the providers are already contracted to do regarding tax reporting and correct record-keeping. The member would also need to ensure proper tracking of the Roth rollover as part of their account.

In-Plan Roth Conversions
In-Plan Roth Conversions allows participants to convert eligible pre-tax funds within the Plan to Roth funds without removing the assets from the Plan. This can be valuable for participants who want to diversify their tax exposure and anticipate being in a higher tax bracket in the future when they may begin taking distributions from the Plan. It is also useful for high-income earners who are ineligible to contribute directly to a Roth IRA. The

converted amount is treated as taxable income in the year of conversion. Importantly, earnings on Roth funds are tax-free so long as the distribution of the funds occur after age 59 ½ and have been held in a Roth account for at least 5 years.

Recognizing its fiduciary duty to monitor, NDPERS is confirming the providers' ability to correctly administer these plan features. Should any of our existing 457(b) providers be unable to accommodate these options, should the Board approve them, communications will be updated to indicate this at the provider level.

Ice Miller confirmed their other clients increasingly allow for Roth Rollovers into the Plan and In-Plan Roth Conversions when the client's Plan allows Roth 457(b) Deferrals.

Ice Miller will attend the meeting to assist with questions the Board has concerning these provisions or implementation efforts.

BOARD ACTION REQUESTED:

Provide direction on if the Board would like to implement:

1) Roth Rollovers
2) In-Plan Roth Conversions

Based upon this direction, staff will then prepare updates to the Plan Documents, communications and forms.

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

Rebecca Fricke
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(701) 328-3900
1-800-803-7377

Fax (701) 328-3920 Email ndpers-info@nd.gov Website www.ndpers.nd.gov

Memorandum

TO: NDPERS Board

FROM: Katheryne Korom

DATE: August 19, 2025

SUBJECT: 457(b) Investment Options Summary Book

The updated Investment Options Summary for the NDPERS 457(b) Deferred Compensation Plan is now available. The booklet contains information on all the providers and investment options available in the plan. Inside you will find a description of the investment options available and the contact information for all the providers. For each active provider, all the investments are listed along with their investment objective, associated expenses, and historical performance.

The investment options summary is available on the NDPERS website:
https://www.ndpers.nd.gov/sites/www/files/documents/about/investments/investment-options.pdf

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

Attachment

2025 - 2026

Attachment

Investment Options

A SUMMARY FOR THE

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

DEFERRED
COMPENSATION PLAN

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SUMMARY OF INVESTMENT OPTIONS

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

Introduction

The information in this summary is organized into three sections. Section I details the investment options that are available through the NDPERS Deferred Compensation Companion Plan. Section II lists the other investment options currently available through the NDPERS Section 457 Deferred Compensation Plan. This information has been organized in alphabetical order by provider company. The investment objective, annual expenses, and historical performance information is provided for each investment option. Due to the inception date of some investment funds, historical performance information is not available and is indicated with "N/A" (not available). Instances in which information was not provided by the provider companies are indicated by "N/P" (not provided). Section III lists the representatives you can contact at each provider company for more information as of the date this summary was published. Updates to the list of registered provider representatives are published on the NDPERS website at the end of each quarter.

The annual expense column includes fund expense ratios and any applicable fees to pay for service, distribution, and marketing costs (12b-1 fees), operating expenses, asset management fees, separate account charges, or mortality and expense charges imposed by the provider. It does not, however, include any withdrawal, surrender or deferred sales charges or miscellaneous administrative fees. Whenever possible, withdrawal, surrender or deferred sales charges, etc. have been noted at the bottom of the page. Please refer to your prospectus or contact your provider company for more complete information. The column entitled "Other Fees" indicates whether additional information is footnoted below the table about fees and/or withdrawal provisions (Y=yes, N=no).

Performance results provided herein reflect all fund expense ratios and any applicable 12b-1 fees, operating expenses, asset management fees, separate account charges, or mortality and expense charges imposed by the provider company. They do not, however, reflect any withdrawal, surrender or deferred sales charges or account maintenance fees footnoted below each table in the sections entitled "Other Fees" and "Withdrawal Provisions".

Although all applicable fees for each provider company should be provided in this ***Summary of Investment Options***, you should discuss fees in detail with a provider company representative.

The following abbreviations are used in the "Type of Investment" column on the following pages:

FA – Fixed Annuity

MF – Mutual Fund

VA – Variable Annuity

CF – Commingled Fund

ANNUITIES VERSUS MUTUAL FUNDS

Annuities

Deferred annuities are essentially tax-sheltered accounts offered by life insurance companies. They come in two basic forms, fixed or variable, and offer different benefits each suited to achieving very different retirement objectives. Fixed annuities pay a fixed nominal interest rate per period and guarantee a minimum rate of return. Variable annuities can range from conservative to aggressive investments and pay a rate linked to the investment performance of some underlying portfolio; therefore, the returns of variable annuity contracts are not guaranteed by the offeror. Many variable annuities are invested in mutual funds as the underlying investment. The annuity fund structure typically offers a guaranteed death benefit which provides safety of principal for beneficiaries. This structure results in an additional layer of fees above those that are paid for the underlying investment vehicle. Typically, the annual expenses associated with annuity solutions reflect a mortality and expense risk charge (insurance component, investment management expenses, administrative and recordkeeping charges, and declining surrender charges). Sales loads and marketing and distribution charges may apply but are often waived for institutional clients.

Mutual Funds

Mutual funds are registered with the Securities and Exchange Commission (SEC) and their prices and performance are usually reported daily in the newspapers. Commingled funds are pooled investment vehicles that are similar to mutual funds but are not registered with the SEC and may or may not be reported in the newspapers.

Mutual funds can range from conservative to aggressive, and their values will fluctuate according to the volatility of the securities in which the funds are invested. Mutual funds do not offer a guaranteed death benefit; therefore, their fees do not include an insurance component. Typically, the annual expenses associated with mutual funds reflect the investment management expenses and administrative and recordkeeping fees charged by the provider company. Again, sales loads and marketing and distribution charges may apply but are typically waived in the case of institutional accounts.

The investment funds that are available through the NDPERS' Companion Plan consist of a series of mutual funds and a

Commingled fund. In the case of the Companion Plan, the annual fees charged by mutual fund organizations to pay for service, distribution, and marketing costs (12b-1 fees) are currently rebated back to participants by Empower. In addition, any front and deferred sales loads are currently waived by Empower.

The information included in this summary is strictly quantitative in nature and is intended to provide an evaluation of the returns and expenses associated with the investment options available through NDPERS' deferred compensation program.

This summary does not present factors that are more subjective in nature such as: 1) the quality, availability, and responsiveness of client service; 2) verification of the investment style underlying the investment options; 3) the longevity and stability of the investment professionals managing the investment options; and 4) internet access and voice response systems. These factors should also be taken into consideration when selecting provider companies and investment options. Please contact your provider companies to obtain this information.

Please keep in mind when reviewing the historical performance information that past performance does not guarantee future performance. This ***Summary of Investment Options*** is not a prospectus. It is only intended to provide basic information about the available investment options. Please contact the individual provider companies for a prospectus containing more detailed information.

The material presented in this S***ummary of Investment Options*** has been compiled from information supplied by the provider companies to the NDPERS Section 457 Deferred Compensation Plan. To the best of our knowledge, this information is accurate and complete although we have not independently verified its accuracy or completeness.

North Dakota Public Employees Retirement System, P.O. Box 1657, Bismarck, ND 58502-1657
Phone: 701-328-3900 • FAX: 701-328-3920 • Toll-free outside the Bismarck calling area: 1-800-803-7377
NDPERS Website: www.nd.gov/ndpers • NDPERS e-mail address: NDPERS@nd.gov

SECTION I

SUMMARY OF INVESTMENT OPTIONS

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

SECTION 457 DEFERRED COMPENSATION COMPANION PLAN

(INFORMATION CURRENT AS OF December 31, 2024)

NDPERS DEFERRED COMPENSATION COMPANION PLAN INVESTMENT OPTIONS

For more information, call Empower at (866) 816-4400

Fund/Ticker Symbol	Investment Type	Asset Class / Product Type	GROSS / NET EXPENSE RATIO	Return 6 Mos. Ended 06/30/25	Net Historical Performance as of 12/31/2024			
					1 YR	3 YR	5 YR	10 YR
Nuveen Lifecycle Retirement Income R6 (TLRIX)	Target Date Retirement	Asset Allocation / Mutual Fund	0.56% / 0.37%	5.63%	7.66%	1.44%	4.43%	5.08%
Nuveen Lifecycle 2010 R6 (TCTIX)	Target Date 2010	Asset Allocation / Mutual Fund	0.52% / 0.37%	5.53%	7.59%	1.51%	4.46%	5.19%
Nuveen Lifecycle 2015 R6 (TCNIX)	Target Date 2015	Asset Allocation / Mutual Fund	0.53% / 0.38%	5.64%	7.86%	1.45%	4.69%	5.48%
Nuveen Lifecycle 2020 R6 (TCWIX)	Target Date 2020	Asset Allocation / Mutual Fund	0.53% / 0.39%	5.96%	8.33%	1.63%	5.05%	5.87%
Nuveen Lifecycle 2025 R6 (TCYIX)	Target Date 2025	Asset Allocation / Mutual Fund	0.55% / 0.40%	6.17%	9.06%	1.88%	5.67%	6.43%
Nuveen Lifecycle 2030 R6 (TCRIX)	Target Date 2030	Asset Allocation / Mutual Fund	0.57% / 0.41%	6.54%	10.16%	2.31%	6.41%	7.04%
Nuveen Lifecycle 2035 R6 (TCIIX)	Target Date 2035	Asset Allocation / Mutual Fund	0.60% / 0.42%	7.02%	11.36%	2.88%	7.22%	7.67%
Nuveen Lifecycle 2040 R6 (TCOIX)	Target Date 2040	Asset Allocation / Mutual Fund	0.63% / 0.43%	7.64%	12.76%	3.61%	8.17%	8.34%
Nuveen Lifecycle 2045 R6 (TTFIX)	Target Date 2045	Asset Allocation / Mutual Fund	0.65% / 0.44%	8.10%	13.80%	3.98%	8.86%	8.81%

NDPERS DEFERRED COMPENSATION COMPANION PLAN INVESTMENT OPTIONS

For more information, call Empower at (866) 816-4400

Fund/Ticker Symbol	Investment Type	Asset Class / Product Type	GROSS / NET EXPENSE RATIO	Return 6 Mos. Ended 06/30/25	Net Historical Performance as of 12/31/2024			
					1 YR	3 YR	5 YR	10 YR
Nuveen Lifecycle 2050 R6 (TFTIX)	Target Date 2050	Asset Allocation / Mutual Fund	0.66% / 0.45%	8.31%	14.27%	4.14%	9.09%	8.97%
Nuveen Lifecycle 2055 R6 (TTRIX)	Target Date 2055	Asset Allocation / Mutual Fund	0.67% / 0.45%	8.39%	14.46%	4.23%	9.19%	9.06%
Nuveen Lifecycle 2060 R6 (TLXNX)	Target Date 2060	Asset Allocation / Mutual Fund	0.69% / 0.45%	8.51%	14.56%	4.29%	9.31%	9.16%
Nuveen Lifecycle 2065 R6 (TSFTX)	Target Date 2065	Asset Allocation / Mutual Fund	0.96% / 0.45%	8.58%	14.71%	4.42%	N/A	N/A
MFS International Diversification R6 (MDIZX)	Foreign Large Blend	Equities / Mutual Fund	0.74% / 0.73%	17.64%	6.52%	0.38%	4.70%	6.56%
Vanguard Total International Stock Index I (VTSNX)	Foreign Large Blend	Equities / Mutual Fund	0.06% / 0.06%	18.29%	5.18%	0.69%	4.31%	5.09%
Cohen & Steers Realty Shares L (CSRSX)	Real Estate	Equities / Mutual Fund	0.93% / 0.88%	4.45%	6.50%	-3.44%	4.51%	6.55%
JP Morgan SMID Cap Equity R6 (WOOSX)	Mid Cap Blend	Equities / Mutual Fund	0.70% / 0.59%	-1.62%	10.99%	0.77%	6.93%	6.86%
Vanguard Institutional Index I (VINIX)	Large Cap Blend	Equities / Mutual Fund	0.04% / 0.04%	6.18%	24.97%	8.90%	14.49%	13.07%

NDPERS DEFERRED COMPENSATION COMPANION PLAN INVESTMENT OPTIONS

For more information, call Empower at (866) 816-4400

Fund Ticker Symbol	Investment Type	Asset Class / Product Type	GROSS / NET EXPENSE RATIO	Return 6 Mos. Ended 06/30/25	Net Historical Performance as of 12/31/2024			
					1 YR	3 YR	5 YR	10 YR
Baird Core Plus Bond Institutional (BCOIX)	Intermediate Core Plus Bond	Fixed Income / Mutual Fund	0.30% / 0.30%	4.06%	2.54%	-1.52%	0.56%	2.15%
Vanguard Total Bond Market Index Admiral (VBTLX)	Intermediate-Term Bond	Fixed Income / Mutual Fund	0.04% / 0.04%	4.10%	1.24%	-2.42%	-0.32%	1.33%
New York Life Ins Co Anchor Account IV	Stable Value	Stable Value / Other Investment	0.35% / 0.35%	1.67%	3.65%	3.14%	2.71%	2.37%
Empower Investments Fixed Account – Series Class VI	Stable Value	Stable Value / Other Investment	N/A	1.33%	2.66%	2.44%	2.35%	N/A
Galliard Stable Return Fund C	Stable Value	Stable Value / Other Investment	0.37% / 0.37%	1.48%	2.98%	2.51%	2.28%	2.01%
Vanguard Treasury Money Market Investor (VUSXX)	Money Market - Taxable	Money Market / Mutual Fund	0.07% / 0.07%	2.13%	5.24%	3.92%	2.43%	1.71%

Additional investment options are available through the self-directed brokerage (Mutual Fund Window).

SECTION II

SUMMARY OF INVESTMENT OPTIONS

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

SECTION 457 DEFERRED COMPENSATION PLAN

(INFORMATION CURRENT AS OF December 31, 2024- unless otherwise noted)

The NDPERS Board provides this Summary as a service to the deferred compensation participants to help them make an informed decision regarding their investments. The NDPERS Board has not examined the investment options described in Section II of this Summary, and makes neither recommendation nor warranty regarding those options. The investment options offered are those the individual provider companies have determined they will offer to the participants using the provider's services.

Unless otherwise noted, performance results provided herein reflect all fund expense ratios and any applicable 12b-1 fees, operating expenses, asset management fees, separate account charges, or mortality and expense charges imposed by the provider company. They do not, however, reflect any withdrawal, surrender, or deferred sales charges or account maintenance fees footnoted below each table in the sections entitled "Other Fees" and "Withdrawal Provisions."

BANK OF NORTH DAKOTA INVESTMENT OPTIONS

For more information, call Bank of North Dakota at (701) 328-5615 or refer to List of Representatives in Section III

Fund/Ticker Symbol	Type of Investment	Objective	Annual Expense	Other Fees (Y/N)	Return 6 Mos. Ended June 30, 2025	Net Historical Performance As of December 31, 2024 1 Year	3 Years	5 Years	10 Years
Open Savings Statement (Variable Rate Account)	Savings	Stability of Principal	None	N	2.20%*	N/P	N/P	N/P	N/P

Other Fees: None

Withdrawal Provisions: No fee unless account is moved prior to eighteen months. Penalty is three months of interest using the current interest rate in effect at withdrawal.

**Rate presented is an annual interest rate that changes January 1. Call Bank of North Dakota to obtain the current rate.*

N/P – Not provided

BRAVERA WEALTH INVESTMENT OPTIONS

For more information, call Bravera Wealth at (701) 456-3386 or Refer to of Representatives in Section III

FUND NAME / TICKER SYMBOL	TYPE OF INVESTMENT	CATEGORY	ANNUAL EXPENSE (NET)	OTHER FEES (Y/N)	6 MOS RETURN ENDED JUNE 30TH, 2025	HISTORICAL PERFORMANCE AS OF DECEMBER 31ST, 2024			
						1 YEAR	3 YEARS	5 YEARS	10 YEARS
Federated Hermes Government Obligations / GOFXX	Mutual Fund	Money Market	0.15%	Y*	2.13%	5.19%	3.91%	2.42%	-
JHancock Stable Value Fund I6 / 47810T701	CIT	Stable Value	0.42%	Y*	1.39%	2.71%	2.71%	2.29%	2.09%
Vanguard Short-Term Inflation-Protected Index / VTAPX	Mutual Fund	Treasury Inflation Protected Securities (TIPS) / Fixed Income	0.06%	Y*	4.03%	4.73%	2.10%	3.30%	2.51%
Vanguard GNMA Adm / VFIJX	Mutual Fund	Core Bond / Fixed Income	0.11%	Y*	4.13%	1.16%	-1.68%	-0.47%	0.97%
JPMorgan Core Bond R6 / JCBUX	Mutual Fund	Core Bond / Fixed Income	0.34%	Y*	4.32%	2.25%	-1.68%	0.38%	1.79%
Federated Hermes Total Return Bond R6 / FTRLX	Mutual Fund	Core Bond / Fixed Income	0.38%	Y*	3.99%	1.90%	-2.08%	0.61%	2.06%
Vanguard Total Bond Market Index Adm / VBTLX	Mutual Fund	Core Bond / Fixed Income	0.05%	Y*	4.10%	1.24%	-2.42%	-0.32%	1.33%
Vanguard Total International Bond Index Adm / VTABX	Mutual Fund	Core Bond / Fixed Income	0.11%	Y*	1.82%	3.67%	-0.59%	0.08%	1.90%
Principal High Yield R-6 / PHYFX	Mutual Fund	High Yield Bond / Fixed Income	0.53%	Y*	4.05%	7.54%	3.62%	4.61%	5.07%
Vanguard 500 Index Adm / VFIAX	Mutual Fund	Large Cap Blend / Equity	0.04%	Y*	6.18%	24.97%	8.89%	14.48%	13.06%
Vanguard Total Stock Market Index Adm / VTSAX	Mutual Fund	Large Cap Blend / Equity	0.04%	Y*	5.63%	23.74%	7.86%	13.80%	12.49%
Schwab Fundamental US Large Company Index / SFLNX	Mutual Fund	Large Cap Blend / Equity	0.25%	Y*	4.70%	16.78%	8.72%	13.04%	11.29%
American Funds American Mutual R6 / RMFGX	Mutual Fund	Large Cap Value / Equity	0.27%	Y*	8.66%	15.30%	6.63%	9.81%	9.69%
JPMorgan Equity Income R6 / OIEJX	Mutual Fund	Large Cap Value / Equity	0.45%	Y*	6.36%	12.80%	5.24%	8.71%	9.37%
Fidelity Large Cap Growth Index / FSPGX	Mutual Fund	Large Cap Growth / Equity	0.04%	Y*	6.10%	33.26%	10.46%	18.94%	-
PRIMECAP Odyssey Growth / POGRX	Mutual Fund	Large Cap Growth / Equity	0.66%	Y*	6.43%	13.01%	6.24%	10.66%	11.56%
MFS Growth R6 / MFEKX	Mutual Fund	Large Cap Growth / Equity	0.51%	Y*	7.29%	31.79%	7.36%	15.07%	15.22%
Vanguard Mid Cap Index Adm / VIMAX	Mutual Fund	Mid Cap Blend / Equity	0.05%	Y*	6.97%	15.22%	2.80%	9.85%	9.55%
Vanguard Mid Cap Value Index Adm / VMVAX	Mutual Fund	Mid Cap Value / Equity	0.07%	Y*	2.89%	14.03%	4.85%	8.76%	8.50%
Federated Hermes MDT Mid Cap Growth R6 / FGSKX	Mutual Fund	Mid Cap Growth / Equity	0.84%	Y*	10.71%	33.44%	8.76%	16.52%	13.21%

BRAVERA WEALTH INVESTMENT OPTIONS

For more information, call Bravera Wealth at (701) 456-3386 or Refer to of Representatives in Section III

FUND NAME / TICKER SYMBOL	TYPE OF INVESTMENT	CATEGORY	ANNUAL EXPENSE (NET)	OTHER FEES (Y/N)	6 MOS RETURN ENDED JUNE 30TH, 2025	HISTORICAL PERFORMANCE AS OF DECEMBER 31ST, 2024			
						1 YEAR	3 YEARS	5 YEARS	10 YEARS
Vanguard Small Cap Index Adm / VSMAX	Mutual Fund	Small Cap Blend / Equity	0.05%	Y*	-0.62%	14.23%	3.61%	9.30%	9.09%
JPMorgan Small Cap Equity R6 / VSENX	Mutual Fund	Small Cap Blend / Equity	0.75%	Y*	-2.45%	10.30%	1.34%	7.53%	8.90%
Vanguard Small Cap Value Index Adm / VSIAX	Mutual Fund	Small Cap Value / Equity	0.07%	Y*	-0.51%	12.39%	5.74%	9.90%	8.67%
MFS New Discovery R6 / MNDKX	Mutual Fund	Small Cap Growth / Equity	0.90%	Y*	3.89%	6.46%	-4.96%	4.83%	9.10%
Federated Hermes Kaufmann Small Cap R6 / FKALX	Mutual Fund	Small Cap Growth / Equity	0.89%	Y*	4.53%	9.38%	-4.64%	5.17%	11.04%
Vanguard Total International Stock Index Adm / VTIAX	Mutual Fund	International / Equity	0.12%	Y*	18.26%	5.14%	0.67%	4.28%	5.06%
Vanguard Developed Markets Index Adm / VTMGX	Mutual Fund	International / Equity	0.08%	Y*	20.84%	3.04%	0.89%	4.76%	5.47%
MFS International Diversification R6 / MDIZX	Mutual Fund	International / Equity	0.73%	Y*	17.64%	6.52%	0.38%	4.70%	6.56%
T. Rowe Price Science & Technology I / TSNIX	Mutual Fund	Sector / Equity	0.69%	Y*	4.63%	40.43%	11.95%	16.68%	17.41%
Vanguard Energy Index Adm / VENAX	Mutual Fund	Sector / Equity	0.10%	Y*	-0.15%	6.57%	20.21%	12.69%	4.40%
Vanguard Health Care Adm / VGHAX	Mutual Fund	Sector / Equity	0.30%	Y*	-2.79%	-1.53%	0.93%	5.79%	7.31%
Vanguard REIT Index Adm / VGSLX	Mutual Fund	Sector / Equity	0.13%	Y*	1.94%	4.92%	-4.69%	2.99%	5.06%
Principal Diversified Real Asset R6 / PDARX	Mutual Fund	Sector / Balanced Fund	0.80%	Y*	7.36%	3.14%	0.01%	4.07%	2.85%
Fidelity Balanced Z / FBAVX	Mutual Fund	Balanced Fund	0.39%	Y*	5.35%	16.10%	4.96%	10.89%	9.64%
Vanguard Target Retirement Income Inv / VTINX	Mutual Fund	Target Date	0.08%	Y*	5.98%	6.58%	0.98%	3.58%	4.19%
Vanguard Target Retirement 2020 Inv / VTWNX	Mutual Fund	Target Date	0.08%	Y*	6.31%	7.75%	1.34%	4.75%	5.58%
Vanguard Target Retirement 2025 Inv / VTTVX	Mutual Fund	Target Date	0.08%	Y*	7.33%	9.44%	1.92%	5.66%	6.32%
Vanguard Target Retirement 2030 Inv / VTHRX	Mutual Fund	Target Date	0.08%	Y*	7.89%	10.64%	2.44%	6.44%	6.92%
Vanguard Target Retirement 2035 Inv / VTTHX	Mutual Fund	Target Date	0.08%	Y*	8.42%	11.78%	2.97%	7.20%	7.51%
Vanguard Target Retirement 2040 Inv / VFORX	Mutual Fund	Target Date	0.08%	Y*	8.86%	12.88%	3.51%	7.97%	8.08%
Vanguard Target Retirement 2045 Inv / VTIVX	Mutual Fund	Target Date	0.08%	Y*	9.30%	13.91%	4.00%	8.73%	8.57%
Vanguard Target Retirement 2050 Inv / VFIFX	Mutual Fund	Target Date	0.08%	Y*	9.93%	14.64%	4.37%	9.03%	8.72%
Vanguard Target Retirement 2055 Inv / VFFVX	Mutual Fund	Target Date	0.08%	Y*	9.93%	14.64%	4.37%	9.02%	8.70%
Vanguard Target Retirement 2060 Inv / VTTSX	Mutual Fund	Target Date	0.08%	Y*	9.93%	14.63%	4.38%	9.02%	8.70%

BRAVERA WEALTH INVESTMENT OPTIONS

For more information, call Bravera Wealth at (701) 456-3386 or Refer to of Representatives in Section III

FUND NAME / TICKER SYMBOL	TYPE OF INVESTMENT	CATEGORY	ANNUAL EXPENSE (NET)	OTHER FEES (Y/N)	6 MOS RETURN ENDED JUNE 30TH, 2025	HISTORICAL PERFORMANCE AS OF DECEMBER 31ST, 2024			
						1 YEAR	3 YEARS	5 YEARS	10 YEARS
Vanguard Target Retirement 2065 Inv / VLXVX	Mutual Fund	Target Date	0.08%	Y*	9.93%	14.62%	4.39%	9.01%	-
Vanguard Target Retirement 2070 Inv / VSVNX	Mutual Fund	Target Date	0.08%	Y*	9.93%	14.59%	-	-	-

Other Fees:
*Bravera Wealth Fee: 0.60%
*Investment/Advisor: 0.50%

Withdrawal Provisions:
*None

Termination/Distribution/In-Service Processing Fee: Paper - $85; Online - $50
Transaction fees apply for the following (fee quoted to participant at time of request): Certified mail, express delivery, cashier's check, wire transfers, & returned/lost/stop payment & reissued checks.
QDRO Processing Fees: Review & Communication - $250; Account Division - $100; Alternate Payee Distribution - $85

Bravera Wealth will track the trades & provide a warning notice when the shareholder hits the first violation & will block the second as defined below. The first time a shareholder completes a roundtrip transaction, defined as a buy in & sell out of greater than $10,000 that occurs within a 30 calendar day period, a warning letter will be sent to the shareholder reminding them of the policy:

VANGUARD:
A round trip is defined as a buy & sell that occur within 30 days. Excessive trading violation will result in a trading restriction period of 30 days. Maximum of 1 round trip allowed per 30 days period.

T. ROWE PRICE:
Maximum of 1 round trip allowed per 30 days period. In addition to restricting transactions in accordance with the 30-Day Purchase Block, T. Rowe Price may, in its discretion, reject any purchase or exchange into a fund from a person whose trading activity could disrupt the management of the fund or dilute the value of the fund's shares, including trading by persons acting collectively. Such persons may be barred from further purchases of T. Rowe Price funds for a period longer than 30 calendar days or permanent.

JPMORGAN:
Excessive trading violation will result in a trading restriction period of 90 days. Maximum of 1 round trip allowed per 60 day period.

FIDELITY:
Shareholders with two or more roundtrip transactions in a single fund within a rolling 90-day period will be blocked from making additional purchases or exchange purchases of the fund for 85 days. Shareholders with four or more roundtrip transactions across all Fidelity funds within any rolling 12-month period will be blocked for at least 85 days from additional purchases or exchange purchases across all Fidelity funds. Any roundtrip within 12 months of the expiration of a multi-fund block will initiate another multi-fund block. Repeat offenders may be subject to long-term or permanent blocks on purchase or exchange purchase transactions in any account under the shareholder's control at any time. In addition to enforcing these roundtrip limitations, the fund may in its discretion restrict, reject, or cancel any purchases or exchanges that, in the Adviser's opinion, may be disruptive to the management of the fund or otherwise not be in the fund's interests.

MFS:
MFS will generally restrict, reject, or cancel purchase & exchange orders into the fund if MFS determines that an accountholder has made two exchanges, each in an amount of $15,000 or more, out of an account in the fund during a calendar quarter ("two exchange limit").

PRINCIPAL:
Principal may require a holding period of a minimum of 30 days before permitting exchanges among the Fund where there is evidence of at least one round-trip exchange (exchange or redemption of shares that were purchased within 30 days of the exchange/redemption).

NATIONWIDE LIFE INSURANCE INVESTMENT OPTIONS

For more information, call Nationwide Life Insurance at (877) 677-3678 or Refer to List of Representatives in Section III

Fund / Ticker Symbol	Investment Type	Objective	Annual Expense	Other Fees (Y/N)	Return 6 Mos. Ended 12.31.2024	Net Historical Performance as of 12.31.24			
						1 Year	3 Years	5 Years	10 Years
Nationwide Investor Destination Aggressive (Service Class) NDASX	VA	Asset Allocation	0.90	Y	4.95	13.95	3.69	8.15	7.96
Nationwide Investor Destination Moderately Aggressive (Service Class) NDMSX	VA	Asset Allocation	0.90	Y	4.49	12.10	2.72	6.99	7.14
Nationwide Investor Destination Moderate (Service Class) NWWJX	VA	Asset Allocation	0.90	Y	3.87	9.51	1.76	5.40	5.79
Nationwide Investor Destination Moderately Conservative (Service Class) NSDCX	VA	Asset Allocation	0.91	Y	3.23	6.83	0.68	3.76	4.33
Nationwide Investor Destination Conservative (Service Class) NDCSX	VA	Asset Allocation	0.93	Y	2.46	4.31	-0.44	2.03	2.78
Putnam International Equity Fund (Class A) POVSX	VA	Foreign Stock	1.20	Y	-1.56	3.50	1.51	4.91	4.71
Templeton Foreign Fund (Class A) TEMFX	VA	Foreign Stock	1.10	Y	-4.15	-2.48	4.09	3.35	3.19
Janus Henderson Global Research (Class T) JAWWX	VA	World Stock	0.87	Y	5.45	23.39	7.88	12.18	10.38
Invesco Global (Class A) OPPAX	VA	World Stock	1.05	Y	2.04	16.28	1.81	9.26	9.64

NATIONWIDE LIFE INSURANCE INVESTMENT OPTIONS

For more information, call Nationwide Life Insurance at (877) 677-3678 or Refer to List of Representatives in Section III

Fund / Ticker Symbol	Investment Type	Objective	Annual Expense	Other Fees (Y/N)	Return 6 Mos. Ended 12.31.24	Net Historical Performance as of 12.31.24			
						1 Year	3 Years	5 Years	10 Years
Templeton Global Smaller Companies Fund (Class A) TEMGX	VA	World Stock	1.31	Y	1.67	3.40	-2.84	3.64	4.64
Brown Capital Management Small Company Fund (Investor Class) BCSIX	VA	Small Growth	1.31	Y	16.36	9.20	-6.91	2.35	8.15
NVIT Small Company Fund (Class 1)	VA	Small Blend	1.04	Y	9.42	13.08	1.55	10.94	9.37
DFA US Micro Cap Portfolio (Institutional Class) DFSCX	VA	Small Blend	0.41	Y	9.84	11.42	4.76	10.35	8.92
American Century Small Cap Value (Investor Class) ASVIX	VA	Small Value	1.09	Y	7.09	7.20	2.00	9.62	9.01
BNY Mellon Mid Cap Index Fund (Investor Class) PESPX	VA	Mid Blend	0.51	Y	7.07	13.42	4.36	9.80	9.16
Nationwide Mellon Dynamic U.S. Core Fund (Class R6) MUIGX	VA	Large Blend	0.50	Y	6.89	22.68	5.91	13.03	13.19
Janus Henderson Research Fund (Class T) JAMRX	VA	Large Growth	0.79	Y	8.07	34.93	10.51	16.58	14.32
Invesco American Franchise Fund (Class A) VAFAX	VA	Large Growth	0.96	Y	9.81	34.73	9.34	15.76	14.02

NATIONWIDE LIFE INSURANCE INVESTMENT OPTIONS

For more information, call Nationwide Life Insurance at (877) 677-3678 or Refer to List of Representatives in Section III

Fund / Ticker Symbol	Investment Type	Objective	Annual Expense	Other Fees (Y/N)	Return 6 Mos. Ended 12.31.24	Net Historical Performance as of 12.31.24			
						1 Year	3 Years	5 Years	10 Years
Invesco Capital Appreciation (Class A) OPTFX	VA	Large Growth	0.94	Y	8.51	34.01	7.76	15.84	13.03
Aberdeen U.S. Sustainable Leaders Fund (Institutional Service Class) GXXIX	VA	Large Growth	0.96	Y	2.95	10.11	-2.34	7.94	9.25
Invesco Diversified Dividend Fund (Investor Class) LCEIX	VA	Large Value	0.71	Y	6.83	13.26	6.66	7.68	7.74
Davis NY Venture Fund (Class A) NYVTX	VA	Large Blend	0.92	Y	3.60	17.51	8.03	9.58	9.77
Nationwide Fund (Institutional Service Class) MUIFX	VA	Large Blend	0.63	Y	6.61	21.95	7.36	13.65	12.17
Neuberger Berman Large Cap Value Fund (Trust Class) NBPTX	VA	Large Value	0.95	Y	4.34	10.72	2.30	9.35	9.27
American Century Value Fund (Investor Class) TWVLX	VA	Large Value	0.99	Y	6.03	9.12	5.92	8.24	7.86
Invesco Growth & Income Fund (Class A) ACGIX	VA	Large Value	0.78	Y	7.98	16.22	7.16	10.13	8.81
BNY Mellon Balanced Opportunity Fund (Class Z) DBOZX	VA	Moderate Allocation	0.97	Y	4.47	12.29	3.59	7.13	7.16

NATIONWIDE LIFE INSURANCE INVESTMENT OPTIONS

For more information, call Nationwide Life Insurance at (877) 677-3678 or Refer to List of Representatives in Section III

Fund / Ticker Symbol	Investment Type	Objective	Annual Expense	Other Fees (Y/N)	Return 6 Mos. Ended 12.31.24	Net Historical Performance as of 12.31.24			
						1 Year	3 Years	5 Years	10 Years
MFS Total Return (Class A) MSFRX	VA	Moderate Allocation	0.72	Y	4.11	7.61	2.36	6.04	6.33
PIMCO Int'l Bond Fund (Class A) PFOAX	VA	World Bond	1.15	Y	4.05	5.25	1.01	1.31	2.52
Janus Henderson High Yield Fund (Class T) JAHYX	VA	High Yield Bond	0.88	Y	4.89	8.35	0.88	2.72	4.20
Federated Hermes Corporate Bond Fund (Class A) FDBAX	VA	Corporate Bond	0.86	Y	2.54	2.40	-1.98	0.50	2.51
PIMCO Total Return Fund (Admin Class) PTRAX	VA	Intermediate Term Bond	0.76	Y	2.10	2.35	-2.39	-0.02	1.47
Franklin U.S. Government Secs (Class A1) FKUSX	VA	Intermediate Govt Bond	0.74	Y	1.52	0.42	-2.05	-0.97	0.30
Nationwide Gvt Money Market Fund (Investor Shares) MIFXX	VA	Money Market	0.54	Y	2.30	4.80	3.55	2.16	1.42

Past performance is no guarantee of future performance.

Investment returns and principal value will fluctuate and the investors' units, when redeemed, may be worth more or less than their original cost.

**** New money rates are set every quarter, please call Nationwide to obtain the current new money rate.***

SECTION III

PROVIDER REPRESENTATIVES

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

SECTION 457 DEFERRED COMPENSATION PLAN

You are responsible for meeting with your provider to set up your account, monthly payroll contribution, and beneficiaries.

Use the Investment Provider Listing on the NDPERS website to find a provider near you:

https://www.ndpers.nd.gov/sites/www/files/documents/members-additional-information/all-457-deferred-comp/provider-list.pdf

Contact the North Dakota Securities Department to check the background of an investment professional before doing business.

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

Rebecca Fricke
Executive Director
(701) 328-3900
1-800-803-7377

Fax (701) 328-3920 Email ndpers-info@nd.gov Website www.ndpers.nd.gov

Memorandum

TO: NDPERS Board

FROM: Katheryne Korom

DATE: August 19, 2025

SUBJECT: Retirement Plan Actuarial and Consultant Renewal

At the April 2024 Board meeting, Gabriel, Roeder, Smith & Company (GRS) was awarded the contract for health consulting services for the July 1, 2024, through June 30, 2026, contract period. Attachment 1 is the renewal rate confirmation from GRS. This renewal time period represents the second two-year period available for contracting as part of the bid process.

The scope of services provided under this contract include:

1. Annual actuarial valuations for all Defined Benefit Retirement Plans and RHIC Plan
2. Update of Actuarial Reduction Factors, if applicable
3. GASB 67 and 68 Work
4. GASB 74 and 75 Work
5. Consulting
6. Legislative Work

Following are the current fees for fiscal year 2024 and 2025:

PROPOSED FEES

FIXED FEE:

Retirement:		
Fixed Annual Fee	FY 2024:	$77,000
	FY 2025:	$79,000
Retiree Health Insurance Credit:		
Fixed Annual Fee	FY 2024:	$14,400
	FY 2025:	$14,800
GASB 67, 68, 74, and 75 Work:		
Fixed Annual Fee	FY 2024:	$49,750
	FY 2025:	$51,000

FEE FOR SERVICE:

NDPERS is requesting a flat rate fee per hour for work efforts relating to general consulting, Legislative Work, and Defined Contribution/Deferred Comp consulting based on a July – June fiscal year (FY)

Retirement and Retiree Health General Consulting[1]:		
Flat Rate Per Hour	FY 2024:	$370
	FY 2025:	$380
Legislative Work[1]:		
Flat Rate Per Hour	FY 2024:	$350
	FY 2025:	$360
Defined Contribution / Deferred Compensation Consulting[2]:		
Flat Rate Per Hour	FY 2024:	$550
	FY 2025:	$550

(1) To be provided by Gabriel, Roeder, Smith & Company
(2) To be provided by Groom Law Group

In this cost proposal, 2024 fees are for the fiscal year ending June 30, 2025, and 2025 fees are for the fiscal year ending June 30, 2026.

Following are the proposed fees for the 2026-2028 contracting period:

PROPOSED FEES

FIXED FEE:

Retirement:		
Fixed Annual Fee	7/1/2026 to 6/30/2027:	$81,000
	7/1/2027 to 6/30/2028:	$83,000
Retiree Health Insurance Credit:		
Fixed Annual Fee	7/1/2026 to 6/30/2027:	$15,200
	7/1/2027 to 6/30/2028:	$15,600
GASB 67, 68, 74, and 75 Work:		
Fixed Annual Fee	7/1/2026 to 6/30/2027:	$52,250
	7/1/2027 to 6/30/2028:	$53,500

FEE FOR SERVICE:

NDPERS is requesting a flat rate fee per hour for work efforts relating to general consulting, Legislative Work, and Defined Contribution/Deferred Comp consulting based on a July – June fiscal year (FY)

Retirement and Retiree Health General Consulting[1]:		
Flat Rate Per Hour	7/1/2026 to 6/30/2027:	$390
	7/1/2027 to 6/30/2028:	$400
Legislative Work[1]:		
Flat Rate Per Hour	7/1/2026 to 6/30/2027:	$370
	7/1/2027 to 6/30/2028:	$380
Defined Contribution / Deferred Compensation Consulting[2]:		
Flat Rate Per Hour	7/1/2026 to 6/30/2027:	$575
	7/1/2027 to 6/30/2028:	$575

(1) To be provided by Gabriel, Roeder, Smith & Company
(2) To be provided by Groom Law Group

Board Action Requested

Consider the renewal proposal from GRS for July 1, 2026, through June 30, 2028.

If the Board does not choose to renew with GRS, staff will present the Retirement Plan Services RFP at the September Board meeting for consideration so we can procure another vendor.

Attachment

PROPOSED FEES
Attachment

FIXED FEE:

Retirement:

Fixed Annual Fee	7/1/2026 to 6/30/2027:	$81,000
	7/1/2027 to 6/30/2028:	$83,000

Retiree Health Insurance Credit:

Fixed Annual Fee	7/1/2026 to 6/30/2027:	$15,200
	7/1/2027 to 6/30/2028:	$15,600

GASB 67, 68, 74, and 75 Work:

Fixed Annual Fee	7/1/2026 to 6/30/2027:	$52,250
	7/1/2027 to 6/30/2028:	$53,500

FEE FOR SERVICE:

NDPERS is requesting a flat rate fee per hour for work efforts relating to general consulting, Legislative Work, and Defined Contribution/Deferred Comp consulting based on a July – June fiscal year (FY)

Retirement and Retiree Health General Consulting[1]:

Flat Rate Per Hour	7/1/2026 to 6/30/2027:	$390
	7/1/2027 to 6/30/2028:	$400

Legislative Work[1]:

Flat Rate Per Hour	7/1/2026 to 6/30/2027:	$370
	7/1/2027 to 6/30/2028:	$380

Defined Contribution/Deferred Compensation Consulting[2]:

Flat Rate Per Hour	7/1/2026 to 6/30/2027:	$575
	7/1/2027 to 6/30/2028:	$575

(1) To be provided by Gabriel, Roeder, Smith & Company
(2) To be provided by Groom Law Group

North Dakota
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1600 East Century Avenue, Suite 2 ● PO Box 1657
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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: August 19, 2025

SUBJECT: Revised Health Insurance Plan Rates Effective January 1, 2026

During the 69th Legislative Session, HB 1216 (Attachment 1) was passed requiring the NDPERS grandfathered plan to have copayments apply towards out-of-pocket maximums for formulary prescriptions in which there is not a generic equivalency. HB 1322 (Attachment 2) was also passed regarding ground ambulance service rate caps. There was not an appropriation for either bill and therefore, the expense of the bills will be required to be paid from reserves as it applies to the NDPERS health plans.

At the time the current biennium premiums were developed and approved by the Board, the Board was informed that there will be a future rate change necessary due to the implementation of these two bills and that staff would bring forward the rates, prior to January 1, 2026.

Sanford Health Plan (SHP) has determined the additional premium necessary to provide the enhanced coverage of these bills. Please see Attachment 3, which is a memorandum from SHP regarding this implementation that indicates the additional expense.

Deloitte Consulting reviewed the additional premium and has verified that the premium required is reasonable based upon the plan design and claims experience.

Attachment 4 provides Exhibit C, the rate structure table, that has been updated to include the new premiums that will apply to NDPERS due to these two bills and will be effective January 1, 2026.

Board Action Requested:

Approve the additional premium effective January 1, 2026 per plan as reflected on the updated Exhibit C (rate table). In addition, approve the use of reserves to pay for the enhanced services required by HB 1216 and HB 1322.

Attachment 1

Sixty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 7, 2025

HOUSE BILL NO. 1216
(Representatives Karls, Hagert, Kiefert, Wagner)
(Senators Boschee, Dever, Sorvaag)

AN ACT to create and enact a new section to chapter 26.1-36 of the North Dakota Century Code, relating to out-of-pocket expenses for prescription drugs; to amend and reenact section 26.1-36.6-03 of the North Dakota Century Code, relating to self-insurance health care plans; to provide for application; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 26.1-36 of the North Dakota Century Code is created and enacted as follows:

Out-of-pocket expenses - Prescription drugs.

1. As used in this section:

   a. "Cost-sharing" means any coinsurance, copayment, or deductible under a health benefit plan.

   b. "Enrollee" means an individual entitled to prescription drug coverage under a health benefit plan.

   c. "Health benefit plan" has the same meaning as provided under section 26.1-36.3-01.

   d. "Prescription drug" means a drug for which a prescription is required:

      (1) Without a generic equivalent; or

      (2) With a generic equivalent, if the enrollee has obtained access to the drug through prior authorization, a step therapy protocol, or the heath care insurer's expectations and appeals process.

2. To the extent permitted by federal law and regulation, an insurer may not deliver, issue, execute, or renew a health benefit plan providing prescription drug coverage unless when calculating an enrollee's overall contribution to any out-of-pocket maximum or any cost-sharing requirement for a prescription drug under the health benefit plan, the health benefit plan provides for the inclusion of any amount paid by the enrollee or paid on behalf of the enrollee by another person. The health benefit plan may not vary the out-of-pocket maximum or cost-sharing requirement, or otherwise design benefits accounting for the availability of a cost-sharing assistance program for a prescription drug.

3. If application of this section would result in ineligibility of a health benefit plan that is a qualified high-deductible health plan to qualify as a health savings account under section 223 of the Internal Revenue Code [26 U.S.C. 223], the requirements of this section do not apply with respect to the deductible of the health benefit plan until after the enrollee has satisfied the minimum deductible under section 26 U.S.C. 223.

SECTION 2. AMENDMENT. Section 26.1-36.6-03 of the North Dakota Century Code is amended and reenacted as follows:

26.1-36.6-03. Self-insurance health plans - Requirements. (Effective through July 31, 2025)

1. The following policy provisions apply to a self-insurance health plan or to the administrative services only or third-party administrator, and are subject to the jurisdiction of the commissioner: sections 26.1-36-03, 26.1-36-03.1, 26.1-36-05, 26.1-36-10, 26.1-36-12, 26.1-36-12.4, 26.1-36-12.6, 26.1-36-13, 26.1-36-14, 26.1-36-17, 26.1-36-18, 26.1-36-19, 26.1-36-23, 26.1-36-29, 26.1-36-37.1, 26.1-36-38, 26.1-36-39, 26.1-36-41, 26.1-36-44, and 26.1-36-46.

2. The following health benefit provisions applicable to a group accident and health insurance policy under chapter 26.1-36 apply to a self-insurance health plan and are subject to the jurisdiction of the commissioner: sections 26.1-36-06, 26.1-36-06.1, 26.1-36-07, 26.1-36-08, 26.1-36-08.1, 26.1-36-09, 26.1-36-09.1, 26.1-36-09.2, 26.1-36-09.3, 26.1-36-09.5, 26.1-36-09.6, 26.1-36-09.7, 26.1-36-09.8, 26.1-36-09.9, 26.1-36-09.10, 26.1-36-09.11, 26.1-36-09.12, 26.1-36-09.13, 26.1-36-09.14, 26.1-36-09.15, 26.1-36-11, 26.1-36-12.2, 26.1-36-20, 26.1-36-21, 26.1-36-22, 26.1-36-23.1, and 26.1-36-43. Section 54-52.1-04.18 applies to a self-insurance health plan and is subject to the jurisdiction of the commissioner.

Self-insurance health plans - Requirements. (Effective after July 31, 2025)

1. The following policy provisions apply to a self-insurance health plan or to the administrative services only or third-party administrator, and are subject to the jurisdiction of the commissioner: sections 26.1-36-03, 26.1-36-03.1, 26.1-36-05, 26.1-36-10, 26.1-36-12, 26.1-36-12.4, 26.1-36-12.6, 26.1-36-13, 26.1-36-14, 26.1-36-17, 26.1-36-18, 26.1-36-19, 26.1-36-23, 26.1-36-29, 26.1-36-37.1, 26.1-36-38, 26.1-36-39, 26.1-36-41, 26.1-36-44, and 26.1-36-46.

2. The following health benefit provisions applicable to a group accident and health insurance policy under chapter 26.1-36 apply to a self-insurance health plan and are subject to the jurisdiction of the commissioner: sections 26.1-36-06, 26.1-36-06.1, 26.1-36-07, 26.1-36-08, 26.1-36-08.1, 26.1-36-09, 26.1-36-09.1, 26.1-36-09.2, 26.1-36-09.3, 26.1-36-09.5, 26.1-36-09.6, 26.1-36-09.7, 26.1-36-09.8, 26.1-36-09.9, 26.1-36-09.10, 26.1-36-09.11, 26.1-36-09.12, 26.1-36-09.13, 26.1-36-09.14, 26.1-36-09.15, 26.1-36-11, 26.1-36-12.2, 26.1-36-20, 26.1-36-21, 26.1-36-22, 26.1-36-23.1, and 26.1-36-43. Section 1 of this Act applies to a self-insurance health plan and is subject to the jurisdiction of the commissioner.

SECTION 3. APPLICATION. This Act applies effective January 1, 2026, to the public employees retirement system uniform group insurance program health insurance benefits coverage, regardless of the health insurance benefits coverage contract issuance or renewal date. This Act applies effective January 1, 2026, or upon the next renewal after January 1, 2026, to health benefit plans.

SECTION 4. EFFECTIVE DATE. This Act becomes effective on January 1, 2026.

_____	_____
Speaker of the House	President of the Senate
_____	_____
Chief Clerk of the House	Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-ninth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1216.

House Vote:	Yeas 56	Nays 37	Absent 1
Senate Vote:	Yeas 29	Nays 18	Absent 0

_____
Chief Clerk of the House

Received by the Governor at _____M. on _____, 2025.

Approved at _____M. on _____, 2025.

_____
Governor

Filed in this office this _____day of _____, 2025,

at _____ o'clock _____M.

_____
Secretary of State

Attachment 2

Sixty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 7, 2025

HOUSE BILL NO. 1322
(Representative Weisz)
(Senator Roers)

AN ACT to create and enact a new section to chapter 23-27 and a new section to chapter 26.1-47 of the North Dakota Century Code, relating to ambulance service balanced billing and provider reimbursement; to amend and reenact section 23-27-04.8 of the North Dakota Century Code, relating to emergency medical services communication; to provide for a legislative management study; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 23-27-04.8 of the North Dakota Century Code is amended and reenacted as follows:

23-27-04.8. Emergency medical services operation communications.

The department may regulate the primary communications methods and protocols for emergency medical services operations ~~in a manner~~while permitting secondary communications through other devices, including cell phones. The regulations must be consistent with the protocols established by the department of emergency services.

SECTION 2. A new section to chapter 23-27 of the North Dakota Century Code is created and enacted as follows:

Balance billing prohibited - Enforcement.

1. For purposes of this section, "ambulance service provider" means a service entity licensed under chapter 23-27 as a basic life support or advanced life support ambulance service. The term does not include an air ambulance provider.

2. An ambulance service provider may not collect or bill more than the covered individual's deductible, coinsurance, copayment, or other cost-sharing amount the covered individual would be responsible for if services were provided by a participating ambulance service provider.

SECTION 3. A new section to chapter 26.1-47 of the North Dakota Century Code is created and enacted as follows:

Ambulance insurance coverage - Direct payment required - Determination of reimbursement rate for out-of-network ambulance service providers.

1. As used in this section:

   a. "Ambulance service provider" means a service entity licensed under chapter 23-27 as a basic life support or advanced life support ambulance service. The term does not include an air ambulance provider.

   b. "Covered person" means an individual eligible to receive coverage of covered services by a health care insurer under a health benefit plan.

   c. "Covered services" means medically necessary patient care or transportation provided by ambulance service providers.

d. "Health care insurer" means an entity subject to state insurance regulation that provides health benefit coverage in this state. The term includes:

(1) An insurance company;

(2) A health maintenance organization;

(3) A hospital or medical service corporation; and

(4) A risk-based provider organization.

e. "Medicare reimbursement rate" means the reimbursement rate for a particular health care service provided under the Health Insurance for the Aged and Disabled Act, title XVIII of the federal Social Security Act of 1965 [42 U.S.C. 1395 et seq.], as amended.

2. All reimbursements made by a health care insurer for the provision of ambulance services to a covered person must be paid directly to the ambulance service provider or the provider's designee.

3. If a covered person receives ambulance services from an out-of-network ambulance service provider, the health care insurer shall pay the ambulance service provider the lesser of:

a. Two hundred fifty percent of the Medicare reimbursement rate for the same service in the same geographic area; or

b. The ambulance provider's billed charges.

4. Any rate the health care insurer pays under this section may not be required to include the coinsurance, copayment, and deductible owed or already paid by the covered person.

5. The insurance commissioner may adopt rules to implement and enforce this section.

SECTION 4. LEGISLATIVE MANAGEMENT STUDY - DELINQUENT BILLING REIMBURSEMENT. During the 2025-26 interim, the legislative management shall consider studying the feasibility and desirability of establishing a delinquent billing reimbursement grant system for ambulance service providers. The study must include input from stakeholders, including the insurance department, and a survey of ambulance service providers. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

SECTION 5. APPROPRIATION - LEGISLATIVE COUNCIL - DELINQUENT BILLING REIMBURSEMENT - ONE-TIME FUNDING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $20,000, or so much of the sum as may be necessary, to the legislative council for the purpose of contracting for consulting services for the study provided for in section 4 of this Act, for the biennium beginning July 1, 2025, and ending June 30, 2027. The appropriation provided in this section is considered a one-time funding item.

_____ Speaker of the House

_____ President of the Senate

_____ Chief Clerk of the House

_____ Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-ninth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1322.

House Vote:	Yeas 89	Nays 4	Absent 1
Senate Vote:	Yeas 47	Nays 0	Absent 0

_____
Chief Clerk of the House

Received by the Governor at _____M. on _____, 2025.

Approved at _____M. on _____, 2025.

_____
Governor

Filed in this office this _____day of _____, 2025,

at _____ o'clock _____M.

_____
Secretary of State

Attachment 3

SANFORD HEALTH PLAN

Memo

To: Rebecca Fricke

From: Kim Haug

Date: Aug 19, 2025

Re: HB 1216: Rx Out-of-pocket expenses impact on NDPERS Grandfathered Plan

HB 1322: Out-of-network ambulance billing impact on NDPERS Plans

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House Bill 1216 passed during the 2025 ND Legislative session mandating that "when calculating an enrollee's overall contribution to any out-of-pocket maximum or any cost-sharing requirement for a prescription drug under the health benefit plan, the health benefit plan provides for the inclusion of any amount paid by the enrollee or paid on behalf of the enrollee by another person."

- The pharmacy copayments do not accumulate to any out-of-pocket maximum on the Grandfathered Plan.
- HB 1216 will require Sanford Health Plan to change the benefit design to accumulate copayments in addition to the coinsurance to the individual Rx $1,200 out-of-pocket maximum.
- Sanford Health Plan estimates a premium increase of **0.62%** to the Grandfathered Plan premiums as a result of the HB 1216.

House Bill 1322 passed during the 2025 ND Legislative session mandating that "If a covered person receives ambulance services from an out-of-network ambulance provider, the health care insurer shall pay the ambulance service provider the lesser of: (a) 250% of Medicare reimbursement or (b) The ambulance provider's billed charges"

- Sanford Health Plan estimates a premium increase of **0.06%** to NDPERS plans as a result of HB 1322.

The following premium increases will be effective on 1/1/2026 to adjust for HB 1216 & HB 1322:

- Grandfathered PPO: **0.68%** (0.62 + 0.06)
- Non-Grandfathered PPO: **0.06%**
- HDHP: **0.06%**

Attachment 4

EXHIBIT C

Premium Rate Structure Table

2026-2027

January 2026 NDPERS Health Rates

Rate Structure A

For Anyone Enrolled Prior to July 1, 2025

Rates for January 1, 2026 - June 30, 2027

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	NDPERS Retention	Jan 26 Prem Paid to SHP	Total Prem Paid to Humana	Total Paid to SHP	NDPERS Retention	**NDPERS Billing Rate**
Medicare Retiree											
41	11	1 Medicare only	$234.76	$60.74	$295.50	$2.80	$231.96	$60.74	$231.96	$2.80	**$295.50**
42	11	2 Medicare only	$466.42	$121.48	$587.90	$2.80	$463.62	$121.48	$463.62	$2.80	**$587.90**
50	11	3 Medicare only	$697.78	$182.22	$880.00	$2.80	$694.98	$182.22	$694.98	$2.80	**$880.00**
51	11	4 Medicare only	$929.46	$242.96	$1,172.42	$2.80	$926.66	$242.96	$926.66	$2.80	**$1,172.42**
43	11	1 Medicare+Others	$899.06	$60.74	$959.80	$2.80	$896.26	$60.74	$896.26	$2.80	**$959.80**
49	11	2 Medicare+Others	$1,130.72	$121.48	$1,252.20	$2.80	$1,127.92	$121.48	$1,127.92	$2.80	**$1,252.20**
55	11	3 Medicare+Others	$1,362.08	$182.22	$1,544.30	$2.80	$1,359.28	$182.22	$1,359.28	$2.80	**$1,544.30**
58	11	4 Medicare+Others	$1,593.76	$242.96	$1,836.72	$2.80	$1,590.96	$242.96	$1,590.96	$2.80	**$1,836.72**
44	11	Part A Single	$589.72	$60.74	$650.46	$2.80	$586.92	$60.74	$586.92	$2.80	**$650.46**
Grandfathered Rates											
42	14	2 Medicare only	$466.08	$121.48	$587.56	$2.80	$463.28	$121.48	$463.28	$2.80	**$587.56**
50	14	3 Medicare only	$494.54	$182.22	$676.76	$2.80	$491.74	$182.22	$491.74	$2.80	**$676.76**
51	14	4 Medicare only	$302.44	$242.96	$545.40	$2.80	$299.64	$242.96	$299.64	$2.80	**$545.40**
Medicare Retirees COBRA (for Non-Medicare dependents of Medicare Retirees)											
30	11	Single	$667.10		$667.10	$2.80	$664.30		$664.30	$13.26	**$677.56**
31	11	Family	$941.44		$941.44	$2.80	$938.64		$938.64	$18.54	**$957.18**

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	NDPERS Retention	Jan 26 Prem Paid to SHP	Total Prem Paid to Humana	Total Paid to SHP	NDPERS Retention	**NDPERS Billing Rate**
Non-Medicare Retiree											
21	11	Single			$1,376.20	$2.80	$1,373.40		$1,373.40	$2.80	**$1,376.20**
22	11	Family			$2,752.40	$2.80	$2,749.60		$2,749.60	$2.80	**$2,752.40**
23	11	Family (3+)			$3,440.50	$2.80	$3,437.70		$3,437.70	$2.80	**$3,440.50**
COBRA											
24	11	Single			$1,376.20	$2.80	$1,373.40		$1,373.40	$30.32	**$1,403.72**
25	11	Family			$2,752.40	$2.80	$2,749.60		$2,749.60	$57.86	**$2,807.46**
26	11	Family (3+)			$3,440.50	$2.80	$3,437.70		$3,437.70	$71.62	**$3,509.32**
State Contracts with Wellness Program											
Active					(Flat Single/Family Rate)						
1-3	2	S/F/Dual			$1,906.18	$2.80	$1,903.38		$1,903.38	$2.80	**$1,906.18**
COBRA											
4	2	Single			$917.46	$2.80	$914.66		$914.66	$21.12	**$935.78**
5	2	Family			$2,212.50	$2.80	$2,209.70		$2,209.70	$47.04	**$2,256.74**
Part-Time/Temporary/LOA											
6	2	Single			$917.46	$2.80	$914.66		$914.66	$2.80	**$917.46**
7	2	Family			$2,212.50	$2.80	$2,209.70		$2,209.70	$2.80	**$2,212.50**
Active HDHP											
1-3	17	S/F/Dual			$1,665.68	$2.80	$1,662.88		$1,662.88	$243.30	**$1,906.18**
COBRA HDHP											
4	17	Single			$792.12	$2.80	$789.32		$789.32	$18.64	**$807.96**
5	17	Family			$1,909.34	$2.80	$1,906.54		$1,906.54	$40.96	**$1,947.50**
LOA HDHP											
6	17	Single			$792.12	$2.80	$789.32		$789.32	$2.80	**$792.12**
7	17	Family			$1,909.34	$2.80	$1,906.54		$1,906.54	$2.80	**$1,909.34**

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	NDPERS Retention	Jan 26 Prem Paid to SHP	Total Prem Paid to Humana	Total Paid to SHP	NDPERS Retention	**NDPERS Billing Rate**
State Contracts w/o Wellness Program											
Active					(Flat Single/Family Rate)						
1-3	1	S/F/Dual			$1,906.18	$2.80	$1,903.38		$1,903.38	$21.84	**$1,925.22**
COBRA											
4	1	Single			$917.46	$2.80	$914.66		$914.66	$21.12	**$935.78**
5	1	Family			$2,212.50	$2.80	$2,209.70		$2,209.70	$47.04	**$2,256.74**
Part-Time/Temporary/LOA											
6	1	Single			$917.46	$2.80	$914.66		$914.66	$11.98	**$926.64**
7	1	Family			$2,212.50	$2.80	$2,209.70		$2,209.70	$24.92	**$2,234.62**
Active HDHP											
1-3	16	S/F/Dual			$1,665.80	$2.80	$1,663.00		$1,663.00	$262.22	**$1,925.22**
COBRA HDHP											
4	16	Single			$792.12	$2.80	$789.32		$789.32	$18.64	**$807.96**
5	16	Family			$1,909.34	$2.80	$1,906.54		$1,906.54	$40.96	**$1,947.50**
LOA HDHP											
6	16	Single			$792.12	$2.80	$789.32		$789.32	$10.72	**$800.04**
7	16	Family			$1,909.34	$2.80	$1,906.54		$1,906.54	$21.88	**$1,928.42**
Political Subdivision Rates with Wellness Program											
Active											
1	4	Single			$980.26	$2.80	$977.46		$977.46	$2.80	**$980.26**
2	4	Family			$2,369.58	$2.80	$2,366.78		$2,366.78	$2.80	**$2,369.58**
COBRA											
4	4	Single			$980.26	$2.80	$977.46		$977.46	$22.36	**$999.82**
5	4	Family			$2,369.58	$2.80	$2,366.78		$2,366.78	$50.16	**$2,416.94**
Temps											
6	4	Single			$980.26	$2.80	$977.46		$977.46	$2.80	**$980.26**
7	4	Family			$2,369.58	$2.80	$2,366.78		$2,366.78	$2.80	**$2,369.58**

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	NDPERS Retention	Jan 26 Prem Paid to SHP	Total Prem Paid to Humana	Total Paid to SHP	NDPERS Retention	**NDPERS Billing Rate**
Political Subdivision Rates w/o Wellness Program											
Active											
1	3	Single			$980.26	$2.80	$977.46		$977.46	$12.60	**$990.06**
2	3	Family			$2,369.58	$2.80	$2,366.78		$2,366.78	$26.48	**$2,393.26**
COBRA											
4	3	Single			$980.26	$2.80	$977.46		$977.46	$22.36	**$999.82**
5	3	Family			$2,369.58	$2.80	$2,366.78		$2,366.78	$50.16	**$2,416.94**
Temps											
6	3	Single			$980.26	$2.80	$977.46		$977.46	$12.60	**$990.06**
7	3	Family			$2,369.58	$2.80	$2,366.78		$2,366.78	$26.48	**$2,393.26**
NGF Political Subdivision Rates with Wellness Program											
Active											
1	24	Single			$986.06	$2.80	$983.26		$983.26	$2.80	**$986.06**
2	24	Family			$2,383.68	$2.80	$2,380.88		$2,380.88	$2.80	**$2,383.68**
COBRA											
4	24	Single			$986.06	$2.80	$983.26		$983.26	$22.50	**$1,005.76**
5	24	Family			$2,383.68	$2.80	$2,380.88		$2,380.88	$50.46	**$2,431.34**
Temps											
6	24	Single			$986.06	$2.80	$983.26		$983.26	$2.80	**$986.06**
7	24	Family			$2,383.68	$2.80	$2,380.88		$2,380.88	$2.80	**$2,383.68**
Active HDHP											
1	26	Single			$870.32	$2.80	$867.52		$867.52	$2.80	**$870.32**
2	26	Family			$2,104.04	$2.80	$2,101.24		$2,101.24	$2.80	**$2,104.04**
COBRA HDHP											
4	26	Single			$870.32	$2.80	$867.52		$867.52	$20.20	**$887.72**
5	26	Family			$2,104.04	$2.80	$ 2,101.24		$2,101.24	$44.88	**$2,146.12**

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	NDPERS Retention	Jan 26 Prem Paid to SHP	Total Prem Paid to Humana	Total Paid to SHP	NDPERS Retention	**NDPERS Billing Rate**
Temps HDHP											
6	26	Single			$870.32	$2.80	$867.52		$867.52	$2.80	**$870.32**
7	26	Family			$2,104.04	$2.80	$ 2,101.24		$2,101.24	$2.80	**$2,104.04**
NGF Political Subdivision Rates w/o Wellness Program											
Active											
1	23	Single			$986.06	$2.80	$983.26		$983.26	$12.62	**$995.88**
2	23	Family			$2,383.68	$2.80	$2,380.88		$2,380.88	$26.60	**$2,407.48**
COBRA											
4	23	Single			$986.06	$2.80	$983.26		$983.26	$22.50	**$1,005.76**
5	23	Family			$2,383.68	$2.80	$2,380.88		$2,380.88	$50.46	**$2,431.34**
Temps											
6	23	Single			$986.06	$2.80	$983.26		$983.26	$12.62	**$995.88**
7	23	Family			$2,383.68	$2.80	$2,380.88		$2,380.88	$26.60	**$2,407.48**
Active HDHP											
1	25	Single			$870.32	$2.80	$867.52		$867.52	$11.52	**$879.04**
2	25	Family			$2,104.04	$2.80	$ 2,101.24		$2,101.24	$23.88	**$2,125.12**
COBRA HDHP											
4	25	Single			$870.32	$2.80	$867.52		$867.52	$20.20	**$887.72**
5	25	Family			$2,104.04	$2.80	$ 2,101.24		$2,101.24	$44.88	**$2,146.12**
Temps HDHP											
6	25	Single			$870.32	$2.80	$867.52		$867.52	$11.52	**$879.04**
7	25	Family			$2,104.04	$2.80	$2,101.24		$2,101.24	$23.88	**$2,125.12**

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	NDPERS Retention	Jan 26 Prem Paid to SHP	Total Prem Paid to Humana	Total Paid to SHP	NDPERS Retention	**NDPERS Billing Rate**
Health, RX & HMO Insurance Plans:											
Medicare Retiree (NonMedicare Split Rate)											
98	11	Single NM Dependents with GF Status									**$664.30**
99	11	Family NM Dependents with GF Status									**$664.30**
Pre-Medicare											
98	14	Single NM Dependents with GF Status									**$284.06**
99	14	Family NM Dependents with GF Status									**$284.06**
GAP Coverage											
61	11	GAP Single			$1,374.30	$2.80	$1,371.50		$1,371.50	$2.80	**$1,374.30**
62	11	GAP Family			$2,744.86	$2.80	$2,742.06		$2,742.06	$2.80	**$2,744.86**
63	11	GAP Family (3+)			$3,430.14	$2.80	$3,427.34		$3,427.34	$2.80	**$3,430.14**
64	11	GAP 1 Medicare + Others	$899.06	$60.74	$959.80	$2.80	$896.26	$60.74	$896.26	$2.80	**$959.80**
65	11	GAP 2 Medicare + Others	$1,130.72	$121.48	$1,252.20	$2.80	$1,127.92	$121.48	$1,127.92	$2.80	**$1,252.20**
66	11	GAP 3 Medicare + Others	$1,362.08	$182.22	$1,544.30	$2.80	$1,359.28	$182.22	$1,359.28	$2.80	**$1,544.30**
67	11	GAP 4 Medicare + Others	$1,593.76	$242.96	$1,836.72	$2.80	$1,590.96	$242.96	$1,590.96	$2.80	**$1,836.72**

January 2026 NDPERS Health Rates

Rate Structure B

New Subscribers or Groups as of July 1, 2025 and After

Rates for January 1, 2026 - June 30, 2026

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	NDPERS Retention	Total Prem Paid to SHP In Struct A	Total Prem Paid to Humana	Change From Sturcture A	Total Paid to SHP	NDPERS Retention	NDPERS Billing Rate
Medicare Retiree												
41	12	1 Medicare only	$231.74	$60.74	$292.48	$2.80	$231.96	$60.74	($3.02)	$228.94	$2.80	**$292.48**
42	12	2 Medicare only	$460.40	$121.48	$581.88	$2.80	$463.62	$121.48	($6.02)	$457.60	$2.80	**$581.88**
50	12	3 Medicare only	$688.76	$182.22	$870.98	$2.80	$694.98	$182.22	($9.02)	$685.96	$2.80	**$870.98**
51	12	4 Medicare only	$917.42	$242.96	$1,160.38	$2.80	$926.66	$242.96	($12.04)	$914.62	$2.80	**$1,160.38**
43	12	1 Medicare+Others	$878.78	$60.74	$939.52	$2.80	$896.26	$60.74	($20.28)	$875.98	$2.80	**$939.52**
49	12	2 Medicare+Others	$1,107.44	$121.48	$1,228.92	$2.80	$1,127.92	$121.48	($23.28)	$1,104.64	$2.80	**$1,228.92**
55	12	3 Medicare+Others	$1,335.80	$182.22	$1,518.02	$2.80	$1,359.28	$182.22	($26.28)	$1,333.00	$2.80	**$1,518.02**
58	12	4 Medicare+Others	$1,564.46	$242.96	$1,807.42	$2.80	$1,590.96	$242.96	($29.30)	$1,561.66	$2.80	**$1,807.42**
Medicare Retirees COBRA (for Non-Medicare dependents of Medicare Retirees)												
30	12	Single			$649.84	$2.80	$664.30		($17.26)	$647.04	$13.26	**$660.30**
31	12	Family			$917.06	$2.80	$938.64		($24.38)	$914.26	$18.54	**$932.80**
21	12	Single			$1,376.20	$2.80	$1,373.40			$1,373.40	$2.80	**$1,376.20**
22	12	Family			$2,752.40	$2.80	$2,749.60			$2,749.60	$2.80	**$2,752.40**
23	12	Family (3+)			$3,440.50	$2.80	$3,437.70			$3,437.70	$2.80	**$3,440.50**
COBRA												
24	12	Single			$1,376.20	$2.80	$1,373.40			$1,373.40	$30.32	**$1,403.72**
25	12	Family			$2,752.40	$2.80	$2,749.60			$2,749.60	$57.86	**$2,807.46**
26	12	Family (3+)			$3,440.50	$2.80	$3,437.70			$3,437.70	$71.62	**$3,509.32**

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	NDPERS Retention	Total Prem Paid to SHP In Struct A	Total Prem Paid to Humana	Change From Sturcture A	Total Paid to SHP	NDPERS Retention	NDPERS Billing Rate
Political Subdivision Rates with Wellness Program												
Active												
1	8	Single			$954.88	$2.80	$977.46		($25.38)	$952.08	$2.80	**$954.88**
2	8	Family			$2,308.08	$2.80	$2,366.78		($61.50)	$2,305.28	$2.80	**$2,308.08**
COBRA												
4	8	Single			$954.88	$2.80	$977.46		($25.38)	$952.08	$21.84	**$973.92**
5	8	Family			$2,308.08	$2.80	$2,366.78		($61.50)	$2,305.28	$48.96	**$2,354.24**
Temps												
6	8	Single			$954.88	$2.80	$977.46		($25.38)	$952.08	$2.80	**$954.88**
7	8	Family			$2,308.08	$2.80	$2,366.78		($61.50)	$2,305.28	$2.80	**$2,308.08**
Political Subdivision Rates w/o Wellness Program												
Active												
1	7	Single			$954.88	$2.80	$977.46		($25.38)	$952.08	$12.34	**$964.42**
2	7	Family			$2,308.08	$2.80	$2,366.78		($61.50)	$2,305.28	$25.88	**$2,331.16**
COBRA												
4	7	Single			$954.88	$2.80	$977.46		($25.38)	$952.08	$21.84	**$973.92**
5	7	Family			$2,308.08	$2.80	$2,366.78		($61.50)	$2,305.28	$48.96	**$2,354.24**
Temps												
6	7	Single			$954.88	$2.80	$977.46		($25.38)	$952.08	$12.34	**$964.42**
7	7	Family			$2,308.08	$2.80	$2,366.78		($61.50)	$2,305.28	$25.88	**$2,331.16**
NGF Political Subdivision Rates with Wellness Program												
Active												
1	28	Single			$960.50	$2.80	$983.26		($25.56)	$957.70	$2.80	**$960.50**
2	28	Family			$2,321.78	$2.80	$2,380.88		($61.90)	$2,318.98	$2.80	**$2,321.78**
COBRA												
4	28	Single			$960.50	$2.80	$983.26		($25.56)	$957.70	$22.00	**$979.70**
5	28	Family			$2,321.78	$2.80	$2,380.88		($61.90)	$2,318.98	$49.24	**$2,368.22**

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	NDPERS Retention	Total Prem Paid to SHP In Struct A	Total Prem Paid to Humana	Change From Sturcture A	Total Paid to SHP	NDPERS Retention	NDPERS Billing Rate
Temps												
6	28	Single			$960.50	$2.80	$983.26		($25.56)	$957.70	$2.80	**$960.50**
7	28	Family			$2,321.78	$2.80	$2,380.88		($61.90)	$2,318.98	$2.80	**$2,321.78**
Active HDHP												
1	30	Single			$847.80	$2.80	$867.52		($22.52)	$845.00	$2.80	**$847.80**
2	30	Family			$2,049.48	$2.80	$2,101.24		($54.56)	$2,046.68	$2.80	**$2,049.48**
COBRA HDHP												
4	30	Single			$847.80	$2.80	$867.52		($22.52)	$845.00	$19.74	**$864.74**
5	30	Family			$2,049.48	$2.80	$2,101.24		($54.56)	$2,046.68	$43.76	**$2,090.44**
Temps HDHP												
6	30	Single			$847.80	$2.80	$867.52		($22.52)	$845.00	$2.80	**$847.80**
7	30	Family			$2,049.48	$2.80	$2,101.24		($54.56)	$2,046.68	$2.80	**$2,049.48**
NGF Political Subdivision Rates w/o Wellness Program												
Active												
1	27	Single			$960.50	$2.80	$983.26		($25.56)	$957.70	$12.40	**$970.10**
2	27	Family			$2,321.78	$2.80	$2,380.88		($61.90)	$2,318.98	$26.00	**$2,344.98**
COBRA												
4	27	Single			$960.50	$2.80	$983.26		($25.56)	$957.70	$22.00	**$979.70**
5	27	Family			$2,321.78	$2.80	$2,380.88		($61.90)	$2,318.98	$49.24	**$2,368.22**
Temps												
6	27	Single			$960.50	$2.80	$983.26		($25.56)	$957.70	$12.40	**$970.10**
7	27	Family			$2,321.78	$2.80	$2,380.88		($61.90)	$2,318.98	$26.00	**$2,344.98**
Active HDHP												
1	29	Single			$847.80	$2.80	$867.52		($22.52)	$845.00	$11.26	**$856.26**
2	29	Family			$2,049.48	$2.80	$2,101.24		($54.56)	$2,046.68	$23.26	**$2,069.94**
COBRA HDHP												
4	29	Single			$847.80	$2.80	$867.52		($22.52)	$845.00	$19.74	**$864.74**
5	29	Family			$2,049.48	$2.80	$2,101.24		($54.56)	$2,046.68	$43.76	**$2,090.44**

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	NDPERS Retention	Total Prem Paid to SHP In Struct A	Total Prem Paid to Humana	Change From Sturcture A	Total Paid to SHP	NDPERS Retention	NDPERS Billing Rate
Temps HDHP												
6	29	Single			$847.80	$2.80	$867.52		($22.52)	$845.00	$11.26	**$856.26**
7	29	Family			$2,049.48	$2.80	$2,101.24		($54.56)	$2,046.68	$23.26	**$2,069.94**
Medicare Retiree (NonMedicare Split Rate)												
98	12	Single NM Dependents with GF Status										**$647.04**
99	12	Family NM Dependents with GF Status										**$647.04**
GAP Coverage												
61	12	GAP Single			$1,338.70	$2.80	$1,371.50		($35.60)	$1,335.90	$2.80	**$1,338.70**
62	12	GAP Family			$2,673.58	$2.80	$2,742.06		($71.28)	$2,670.78	$2.80	**$2,673.58**
63	12	GAP Family (3+)			$3,341.06	$2.80	$3,427.34		($89.08)	$3,338.26	$2.80	**$3,341.06**
64	12	GAP 1 Medicare + Others	$878.78	$60.74	$939.52	$2.80	$896.26	$60.74	($20.28)	$875.98	$2.80	**$939.52**
65	12	GAP 2 Medicare + Others	$1,107.44	$121.48	$1,228.92	$2.80	$1,127.92	$121.48	($23.28)	$1,104.64	$2.80	**$1,228.92**
66	12	GAP 3 Medicare + Others	$1,335.80	$182.22	$1,518.02	$2.80	$1,359.28	$182.22	($26.28)	$1,333.00	$2.80	**$1,518.02**
67	12	GAP 4 Medicare + Others	$1,564.46	$242.96	$1,807.42	$2.80	$1,590.96	$242.96	($29.30)	$1,561.66	$2.80	**$1,807.42**

January 2026 NDPERS Health Rates
Rate Structure B
New Subscribers or Groups as of July 1, 2025 and After
Rates for July 1, 2026 - June 30, 2027

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	Less NDPERS Retention	Total Prem Paid to SHP In Struct A	Total Prem Paid to Humana	Change From Sturcture A	Total Paid to SHP	NDPERS Retention	NDPERS Billing Rate
Medicare Retiree												
41	12	1 Medicare only	$237.78	$60.74	$298.52	$2.80	$231.96	$60.74	$3.02	$234.98	$2.80	**$298.52**
42	12	2 Medicare only	$472.44	$121.48	$593.92	$2.80	$463.62	$121.48	$6.02	$469.64	$2.80	**$593.92**
50	12	3 Medicare only	$706.80	$182.22	$889.02	$2.80	$694.98	$182.22	$9.02	$704.00	$2.80	**$889.02**
51	12	4 Medicare only	$941.50	$242.96	$1,184.46	$2.80	$926.66	$242.96	$12.04	$938.70	$2.80	**$1,184.46**
43	12	1 Medicare+Others	$919.34	$60.74	$980.08	$2.80	$896.26	$60.74	$20.28	$916.54	$2.80	**$980.08**
49	12	2 Medicare+Others	$1,154.00	$121.48	$1,275.48	$2.80	$1,127.92	$121.48	$23.28	$1,151.20	$2.80	**$1,275.48**
55	12	3 Medicare+Others	$1,388.36	$182.22	$1,570.58	$2.80	$1,359.28	$182.22	$26.28	$1,385.56	$2.80	**$1,570.58**
58	12	4 Medicare+Others	$1,623.06	$242.96	$1,866.02	$2.80	$1,590.96	$242.96	$29.30	$1,620.26	$2.80	**$1,866.02**
Medicare Retirees COBRA (for Non-Medicare dependents of Medicare Retirees)												
30	12	Single			$684.36	$2.80	$664.30		$17.26	$681.56	$13.26	**$694.82**
31	12	Family			$965.82	$2.80	$938.64		$24.38	$963.02	$18.54	**$981.56**
21	12	Single			$1,376.20	$2.80	$1,373.40			$1,373.40	$2.80	**$1,376.20**
22	12	Family			$2,752.40	$2.80	$2,749.60			$2,749.60	$2.80	**$2,752.40**
23	12	Family (3+)			$3,440.50	$2.80	$3,437.70			$3,437.70	$2.80	**$3,440.50**
COBRA												
24	12	Single			$1,376.20	$2.80	$1,373.40			$1,373.40	$30.32	**$1,403.72**
25	12	Family			$2,752.40	$2.80	$2,749.60			$2,749.60	$57.86	**$2,807.46**
26	12	Family (3+)			$3,440.50	$2.80	$3,437.70			$3,437.70	$71.62	**$3,509.32**

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	Less NDPERS Retention	Total Prem Paid to SHP In Struct A	Total Prem Paid to Humana	Change From Sturcture A	Total Paid to SHP	NDPERS Retention	NDPERS Billing Rate
Political Subdivision Rates with Wellness Program												
Active												
1	8	Single			$1,005.64	$2.80	$977.46		$25.38	$1,002.84	$2.80	**$1,005.64**
2	8	Family			$2,431.08	$2.80	$2,366.78		$61.50	$2,428.28	$2.80	**$2,431.08**
COBRA												
4	8	Single			$1,005.64	$2.80	$977.46		$25.38	$1,002.84	$22.88	**$1,025.72**
5	8	Family			$2,431.08	$2.80	$2,366.78		$61.50	$2,428.28	$51.42	**$2,479.70**
Temps												
6	8	Single			$1,005.64	$2.80	$977.46		$25.38	$1,002.84	$2.80	**$1,005.64**
7	8	Family			$2,431.08	$2.80	$2,366.78		$61.50	$2,428.28	$2.80	**$2,431.08**
Political Subdivision Rates w/o Wellness Program												
Active												
1	7	Single			$1,005.64	$2.80	$977.46		$25.38	$1,002.84	$12.82	**$1,015.66**
2	7	Family			$2,431.08	$2.80	$2,366.78		$61.50	$2,428.28	$27.10	**$2,455.38**
COBRA												
4	7	Single			$1,005.64	$2.80	$977.46		$25.38	$1,002.84	$22.88	**$1,025.72**
5	7	Family			$2,431.08	$2.80	$2,366.78		$61.50	$2,428.28	$51.42	**$2,479.70**
Temps												
6	7	Single			$1,005.64	$2.80	$977.46		$25.38	$1,002.84	$12.82	**$1,015.66**
7	7	Family			$2,431.08	$2.80	$2,366.78		$61.50	$2,428.28	$27.10	**$2,455.38**

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	Less NDPERS Retention	Total Prem Paid to SHP In Struct A	Total Prem Paid to Humana	Change From Sturcture A	Total Paid to SHP	NDPERS Retention	NDPERS Billing Rate
NGF Political Subdivision Rates with Wellness Program												
Active												
1	28	Single			$1,011.62	$2.80	$983.26		$25.56	$1,008.82	$2.80	**$1,011.62**
2	28	Family			$2,445.58	$2.80	$2,380.88		$61.90	$2,442.78	$2.80	**$2,445.58**
COBRA												
4	28	Single			$1,011.62	$2.80	$983.26		$25.56	$1,008.82	$23.02	**$1,031.84**
5	28	Family			$2,445.58	$2.80	$2,380.88		$61.90	$2,442.78	$51.68	**$2,494.46**
Temps												
6	28	Single			$1,011.62	$2.80	$983.26		$25.56	$1,008.82	$2.80	**$1,011.62**
7	28	Family			$2,445.58	$2.80	$2,380.88		$61.90	$2,442.78	$2.80	**$2,445.58**
Active HDHP												
1	30	Single			$892.84	$2.80	$867.52		$22.52	$890.04	$2.80	**$892.84**
2	30	Family			$2,158.60	$2.80	$2,101.24		$54.56	$2,155.80	$2.80	**$2,158.60**
COBRA HDHP												
4	30	Single			$892.84	$2.80	$867.52		$22.52	$890.04	$20.70	**$910.74**
5	30	Family			$2,158.60	$2.80	$2,101.24		$54.56	$2,155.80	$45.98	**$2,201.78**
Temps HDHP												
6	30	Single			$892.84	$2.80	$867.52		$22.52	$890.04	$2.80	**$892.84**
7	30	Family			$2,158.60	$2.80	$2,101.24		$54.56	$2,155.80	$2.80	**$2,158.60**
NGF Political Subdivision Rates w/o Wellness Program												
Active												
1	27	Single			$1,011.62	$2.80	$983.26		$25.56	$1,008.82	$12.86	**$1,021.68**
2	27	Family			$2,445.58	$2.80	$2,380.88		$61.90	$2,442.78	$27.22	**$2,470.00**
COBRA												
4	27	Single			$1,011.62	$2.80	$983.26		$25.56	$1,008.82	$23.02	**$1,031.84**
5	27	Family			$2,445.58	$2.80	$2,380.88		$61.90	$2,442.78	$51.68	**$2,494.46**

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	Less NDPERS Retention	Total Prem Paid to SHP In Struct A	Total Prem Paid to Humana	Change From Sturcture A	Total Paid to SHP	NDPERS Retention	NDPERS Billing Rate
Temps												
6	27	Single			$1,011.62	$2.80	$983.26		$25.56	$1,008.82	$12.86	**$1,021.68**
7	27	Family			$2,445.58	$2.80	$2,380.88		$61.90	$2,442.78	$27.22	**$2,470.00**
Active HDHP												
1	29	Single			$892.84	$2.80	$867.52		$22.52	$890.04	$11.74	**$901.78**
2	29	Family			$2,158.60	$2.80	$2,101.24		$54.56	$2,155.80	$24.44	**$2,180.24**
COBRA HDHP												
4	29	Single			$892.84	$2.80	$867.52		$22.52	$890.04	$20.70	**$910.74**
5	29	Family			$2,158.60	$2.80	$2,101.24		$54.56	$2,155.80	$46.00	**$2,201.80**
Temps HDHP												
6	29	Single			$892.84	$2.80	$867.52		$22.52	$890.04	$11.74	**$901.78**
7	29	Family			$2,158.60	$2.80	$2,101.24		$54.56	$2,155.80	$24.44	**$2,180.24**
Medicare Retiree (NonMedicare Split Rate)												
98	12	Single NM Dependents with GF Status										**$681.56**
99	12	Family NM Dependents with GF Status										**$681.56**
GAP Coverage												
61	12	GAP Single			$1,409.90	$2.80	$1,371.50		$35.60	$1,407.10	$2.80	**$1,409.90**
62	12	GAP Family			$2,816.14	$2.80	$2,742.06		$71.28	$2,813.34	$2.80	**$2,816.14**
63	12	GAP Family (3+)			$3,519.22	$2.80	$3,427.34		$89.08	$3,516.42	$2.80	**$3,519.22**
64	12	GAP 1 Medicare + Others	$919.34	$60.74	$980.08	$2.80	$896.26	$60.74	$20.28	$916.54	$2.80	**$980.08**
65	12	GAP 2 Medicare + Others	$1,154.00	$121.48	$1,275.48	$2.80	$1,127.92	$121.48	$23.28	$1,151.20	$2.80	**$1,275.48**
66	12	GAP 3 Medicare + Others	$1,388.36	$182.22	$1,570.58	$2.80	$1,359.28	$182.22	$26.28	$1,385.56	$2.80	**$1,570.58**
67	12	GAP 4 Medicare + Others	$1,623.06	$242.96	$1,866.02	$2.80	$1,590.96	$242.96	$29.30	$1,620.26	$2.80	**$1,866.02**

B. Medicare Part D Premium Renewal or Request for Proposal

board material for this agenda item will be sent under separate cover when it has been finalized.

North Dakota
Public Employees Retirement System
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Bismarck, North Dakota 58502-1657

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Executive Director
(701) 328-3900
1-800-803-7377

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Memorandum

TO: NDPERS Board

FROM: Lindsay Schaf

DATE: August 19, 2025

SUBJECT: **FlexComp Voluntary Insurance Products**

We have conducted our annual review of the vendors for the voluntary insurance products approved for pretax premiums under our Section 125 FlexComp Plan. We sent all current vendors a request to confirm the products they offer, provide a brief product description, and verify whether it is eligible to be a pretax product. Following is a list of the respondents:

AFLAC
Central United
Colonial Life
Total Dental Administrators (TDA)
USABLE

All of the vendors have responded and confirmed the ongoing eligibility of their products for pretax treatment under our FlexComp Plan. The attached outlines the vendor products available for payroll deduction, a brief description of the product, and certification by the vendor regarding which products are or are not eligible to be pre-taxed. No new products are being proposed by any of the participating companies.

Staff recommends that the vendors and their eligible products be approved for inclusion as pretax benefits under the FlexComp Plan for the 2026 plan year.

Board Action Requested

Approve the inclusion of the products eligible to be pre-taxed for the FlexComp Plan for the 2026 plan year.

Attachment

AFLAC Product Name	Company Representative – Mary Keller 1701 Burnt Boat Dr Ste 202 Bismarck, ND 58503 701-263-7848 E-Mail: mary_keller@us.aflac.com Product Description	Pretax Eligibility
Cancer	Cancer indemnity policies providing benefits for diagnosis of skin cancer, internal cancer as well as annual screening benefits.	Yes
Hospital Confinement	Indemnity benefits whether hospitalized days or weeks.	Yes
Hospital Intensive Care	Provides coverage in the event of a sickness or injury and is admitted to the ICU unit.	Yes
Accident	Accident indemnity policies providing benefits for accident/injury.	Yes
Lump Sum Critical Illness	Pays a lump sum benefit for code red major critical illness event. (Heart attack, stroke, coma, paralysis, major organ transplant, end stage renal failure. Riders available for cancer, sudden cardiac death.)	Yes
Personal Sickness Indemnity	Indemnity policy for sickness related hospital confinement, major diagnostic exams, in & out-patient surgeries.	No
Specified Health Event	Critical care, recovery indemnity policies for major critical illness.	Yes
Disability	All disability policies that are specific replacement of income benefits.	No
Dental	Voluntary dental. No networks, no deductibles, no pre-certifications.	No
Vision Now	Vision indemnity policy providing vision insurance, vision correction benefits.	No
Life	All life policies.	No

Mary Keller

Signature

7-1-25

Date

RECEIVED

AUG 12 2025

ND PERS

Central United Product Name	Company Representative – James M Kasper C/O Asset Management Group Inc. PO Box 9016 Fargo ND 58103--9016 701-232-6250 E-Mail: jmkasper@amg-nd.com Product Description	Pretax Eligibility
Cancer Insurance	Provides cash benefits to covered persons for treatment of cancer.	Yes

James M Kasper

Signature

8-5-25

Date

Sandra L Klapke
OA

Colonial Life Product Name	Company Representative – John Guzman Famer's Union Insurance 4141 38th St S Ste C Fargo ND 58104 E-Mail: john.guzman@fumic.com Product Description	Pretax Eligibility
Accident	Composite rated, guaranteed renewable accident product with choice of plan levels and optional riders. It provides indemnity benefits for on and off the job accidents.	Yes
Cancer	Composite rated, guaranteed renewable specified disease product with choice of plan levels and optional riders. Provides benefits for expenses related to cancer.	Yes
Disability	Age banded, guaranteed renewable short-term disability income product.	No
Medical Bridge	Age banded, guaranteed renewable hospital confinement indemnity product. Choice of plans, levels. Includes confinement, rehab unit, surgical and diagnostic procedures.	Yes
Critical Illness	Specified disease product with a lump sum benefit upon diagnosis of a covered specified disease with a choice of plan options for reoccurrence, cancer, face amounts, and optional riders.	No
Life	All life insurance policies.	No

Signature

7/10/25

Date

JUN 23 2025

Total Dental Administrators Product Name	Company Representative – Logan Stucki 2800 N 44th Street Ste 500 Phoenix AZ 85008 801-268-9740 Ext 306 E-Mail: lstucki@emihealth.com Product Description	Pretax Eligibility
Elite Choice	Fully insured dental program.	Yes

Signature

06-24-2025

Date

USABLE Product Name	Company Representative – Matthew Sullivan Azurance Group 4510 13 Ave S Fargo ND 58121 701-277-2319 E-Mail: Matthew.Sullivan@AzuranceGroup.net Product Description	Pretax Eligibility
Accident Elite	Employees can get help prevent financial hardship due to medical/travel expenses caused from an accident. Payments direct to employee.	Yes
Cancer Care Elite	Payments direct to employee for new and experimental treatment, travel, lodging, out of pocket medical costs, deductibles, co-pay amounts.	Yes
Hospital Confinement Plan	Payment direct to employee for costs related to intensive care, hospitalization, birth of a child, accidents.	Yes

Signature

6/19/2025

Date

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

Rebecca Fricke
Executive Director
(701) 328-3900
1-800-803-7377

Fax (701) 328-3920 Email ndpers-info@nd.gov Website www.ndpers.nd.gov

Memorandum

TO: NDPERS Board

FROM: Rebecca Fricke

DATE: August 19, 2025

SUBJECT: Emergency Administrative Rules

NDPERS received notice on July 23rd that the Governor has approved the emergency rule-making process to remedy the conflict between federal and state law related to county elected officials. As required, the Full Notice of Intent has been prepared and provided to Legislative Council on July 31, 2025 along with the proposed administrative rules and the Governor's declaration of approval. Given the approval for emergency rule-making, the proposed rules are effective as of July 31, 2025, the date the notice was provided to Legislative Council.

In addition, notice has also been provided on July 31, 2025 to the Chairman of the Administrative Rules Committee, Senator Paulson, and the Chairman of the Employee Benefits Programs Committee, Senator Cleary. The clerks for each committee were included in the notice.

The following is the tentative timeline for the emergency rule-making process:

August 1	Notify North Dakota Newspaper Association (NDNA) of upcoming notice and verify timing of printed notice, request notice published on NDNA public notice website page
August 4	(Week of) Post information regarding interim emergency rules on NDPERS website
August 4	(Week of) Notify counties participating in a NDPERS retirement plan, employees of counties participating in a NDPERS retirement plan and the ND Association of Counties of interim emergency rules

August 19	Notice has been printed in all required newspapers
September 10	Public Hearing at NDPERS Office at 11:00 a.m.
September 11	Comment period opened
September 22	Comment period closed at 5:00 p.m.
September 23	Review of any public comments with legal
September 25/26	Special Board meeting for review of comments. Final approval of proposed rules
September 29	Send to Attorney General's office for review
October 29	After receipt of AG review, send to Legislative Council
November 1	Deadline to submit proposed rules to Legislative Council
December 5	Administrative Rules Committee Meeting held.

This item is informational and does not require action from the Board. Staff will be available to answer any questions that you may have regarding the various notices or process.

A. 2. Regular Schedule Administrative Rules

board material for this agenda item will be sent under separate cover when it has been finalized.

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Memorandum

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: August 19, 2025

SUBJECT: Budget Status

Twice a year staff provides the Board with an update on the status of the current budget and answers any questions or concerns the Board may have. The expenses for the biennium through June 30, 2025, as well as our total appropriation, are summarized in the table below:

	2023-2025 Appropriation	Expenditures to Date	Remaining Appropriation	% Remaining
Salaries & Wages	9,078,844	8,933,993	144,851	2%
Operating	2,542,712	2,425,043	117,669	5%
Contingency	250,000	-	250,000	100%
DB Closure	372,027	232,224	139,803	38%
Total	12,243,583	11,591,260	652,323	5%

We did receive $10,055 in both funding and appropriation authority for the internship program.

Please let me know if you have any questions on the summary.

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Memorandum

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: August 19, 2025

SUBJECT: Consultant Fees for the Quarter Ended June 2025

Attached is a quarterly report showing the consulting, investment, and administrative fees paid during the quarter ended June 2025.

This is informational only.

Attachment

Attachment

North Dakota Public Employees Retirement System
Consulting/Investment/Administrative Fees
For the Quarter ended June 30, 2025

	Program/Project	Fee Type	Apr-25	May-25	Jun-25	Fees Paid During The Quarter	Fees Paid Year-To-Date	Last Calendar Year-to-Date
Actuary/Consulting Fees:								
Insurance Plans:								
Deloitte	Insurance Legislative Analysis	Time Charges	7,009	5,670	4,883	12,679	$ 86,074	
Deloitte	Health & Part D Claims Projections	Time Charges				-	$ -	
	Health & Part D RFP Preparation	Time Charges				-	$ -	
Deloitte	Insurance Consulting	Time Charges				-	$ -	$ 975
Buck Consulting	Life/Dental/Vision RFP	Fixed Fee				-	$ -	$ 30,000
Deferred Compensation/Defined Contribution:								
Callan & Associates	Asset Allocation & Liability Study	Fixed Fee				-	$ -	
Callan & Associates	Investment Consultant Expenses	Fixed Fee	13,604			13,604	$ 26,812	
Defined Benefit:								
Gabriel Roeder Smith & Company	Retirement Actuarial Valuation	Fixed Fee				-	$ -	
Gabriel Roeder Smith & Company	GASB 67/68 (Retirement) Valuation	Fixed Fee				-	$ -	$ 19,000
Gabriel Roeder Smith & Company	Experience Study	Fixed Fee	23,000			23,000	$ 45,000	
Gabriel Roeder Smith & Company	Retirement Legislation	Time Charges	788	88	175	1,050	$ 24,675	$ 22,363
Gabriel Roeder Smith & Company	Retirement Consulting/Actuarial Analysis	Time Charges	3,608	1,295	925	5,828	$ 18,131	$ 46,498
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				-	$ -	$ 6,750
Gabriel Roeder Smith & Company	RHIC	Time Charges				-	$ -	
Audit Fees:								
Clifton Larson Allen	Annual Audit Fee	Fixed Fee				-	$ -	$ 24,348
UHY	Annual Audit Fee	Fixed Fee				-	$ 20,000	
Legal Fees:								
ND Attorney General	Legal Fees on All Plans	Time charges	1,966	3,636	10,229	15,831	$ 23,447	$ 34,786
Ice Miller - Federal Tax Consultant	Legal Fees on All Plans	Time charges	1,671	12,645	13,544	27,860	$ 41,351	$ 55,773
Investment Fees:								
SIB - Investment Fees	Retirement (DB)	% Allocation	99,932	856,380	58,603	1,014,915	$ 2,777,488	$ 4,302,363
SIB - Investment Fees	Ret Health Credit	% Allocation	3,350	6,581	3,779	13,710	$ 171,244	$ 155,782
SIB - Investment Fees	Insurance	% Allocation	1,032	17,201	1,484	19,717	$ 39,909	$ 41,580
SIB - Investment Fees	Job Service	% Allocation	1,445	2,884	1,641	5,970	$ 78,673	$ 140,030
SIB - Administrative Fees	Retirement (DB)	% Allocation	82,386	159,554	91,042	332,982	$ 641,822	$ 454,580
Administrative Fee:								
Sanford Health Plan	Health Plan	Fixed fee	1,266,804	1,266,397	1,268,279	3,801,480	$ 7,608,367	$ 7,597,656

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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: August 19, 2025

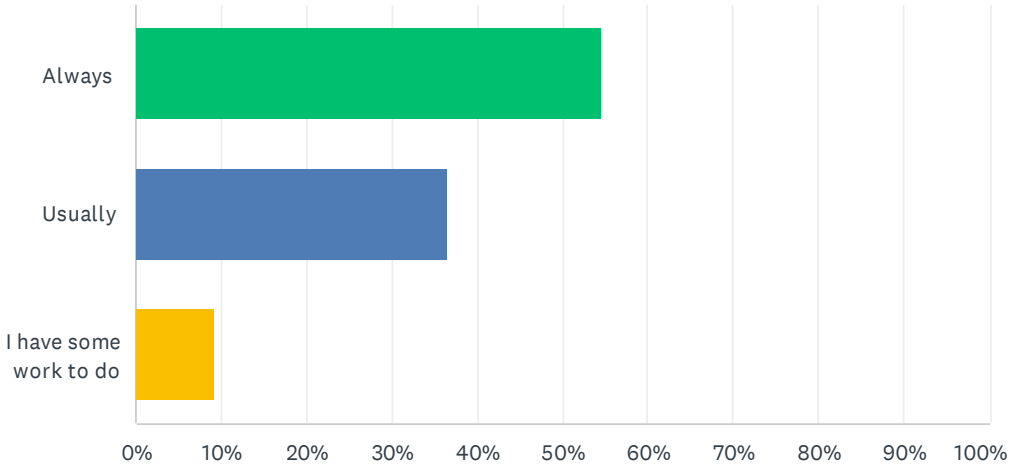
SUBJECT: Board Self-Evaluation Results

Attached are the results of the Board's annual self-evaluation. Please remember the purpose of this is to reflect on how each of you fulfills your own responsibility, and evaluate yourself to see if there are ways you as an individual and the Board as a whole can become better trustees.

Attachment

Q1 I understand the authority that has been retained by the NDPERS Board and what duties have been delegated to staff.

Answered: 11 Skipped: 0

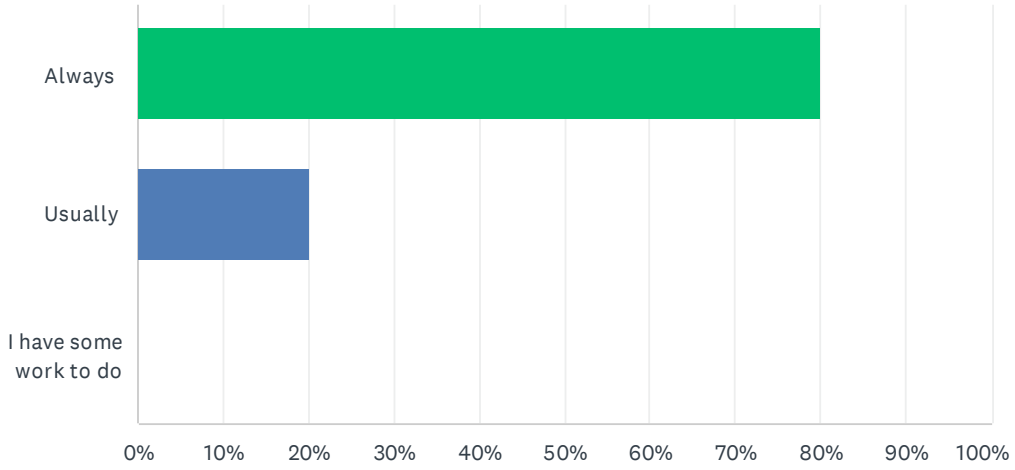


ANSWER CHOICES	RESPONSES	
Always	54.55%	6
Usually	36.36%	4
I have some work to do	9.09%	1
TOTAL		11

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
1	I have a good understanding of Board and staff authority. As I get more experience on the Board, I will get rate always.	8/11/2025 9:45 PM
2	being new to the board, I am learning but could be better defined and communicated.	7/22/2025 1:56 PM

Q2 I work with other Board members and staff in a fair, respectful and professional manner.

Answered: 10 Skipped: 0

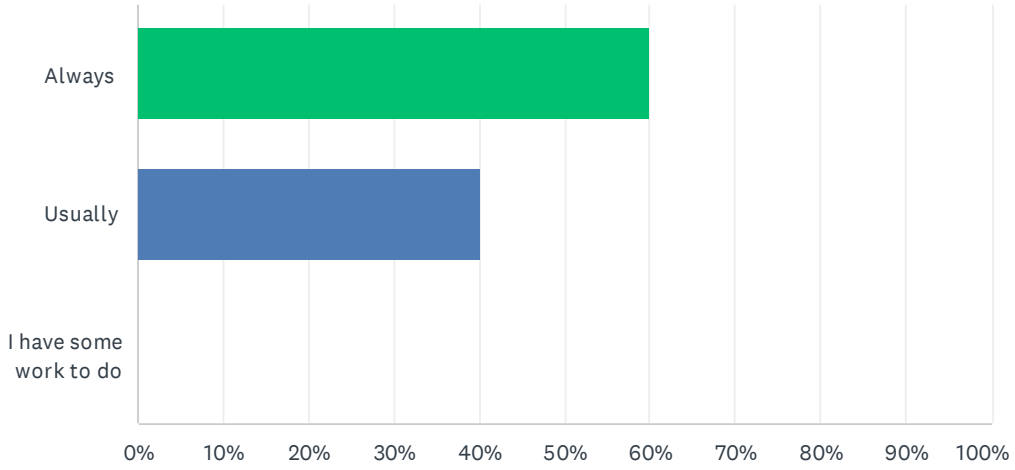


ANSWER CHOICES	RESPONSES	
Always	80.00%	8
Usually	20.00%	2
I have some work to do	0.00%	0
TOTAL		10

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR ANSWER.	DATE
1	It depends how you assess fair, respectful and professional.	7/22/2025 1:56 PM

Q3 I actively engage in Board meetings by contributing to the discussions in a meaningful and appropriate way and listening to others.

Answered: 10 Skipped: 0

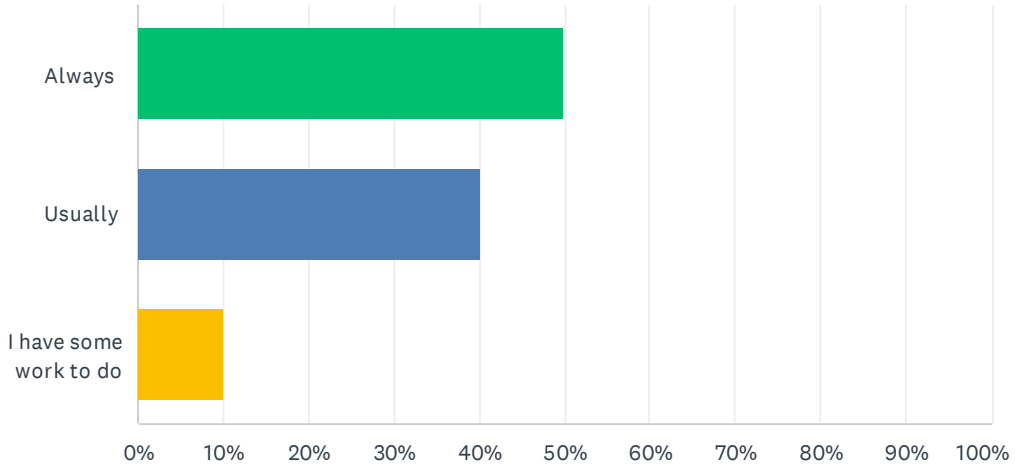


ANSWER CHOICES	RESPONSES	
Always	60.00%	6
Usually	40.00%	4
I have some work to do	0.00%	0
TOTAL		10

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
	There are no responses.	

Q4 I make an effort to become educated on any NDPERS program(s) that I do not understand.

Answered: 10 Skipped: 0

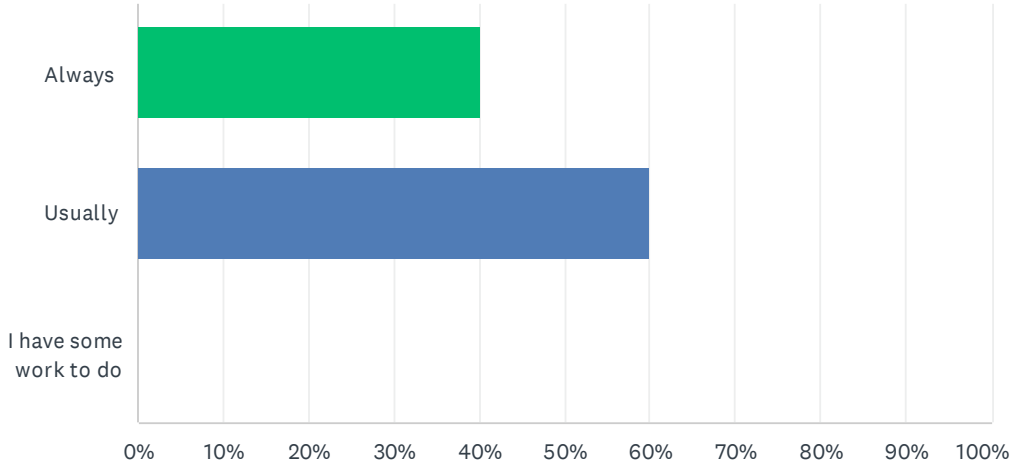


ANSWER CHOICES	RESPONSES	
Always	50.00%	5
Usually	40.00%	4
I have some work to do	10.00%	1
TOTAL		10

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
	There are no responses.	

Q5 I am comfortable with the amount of time I devote as a Board member.

Answered: 10 Skipped: 0

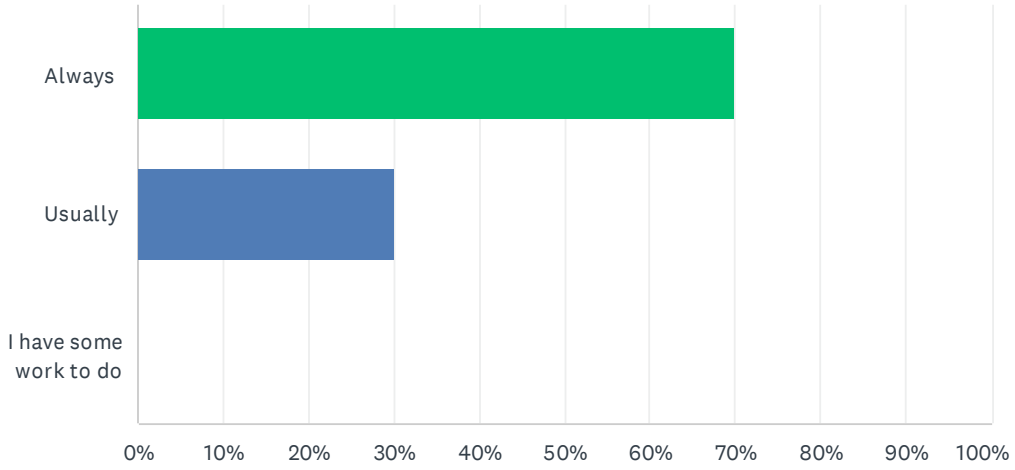


ANSWER CHOICES	RESPONSES	
Always	40.00%	4
Usually	60.00%	6
I have some work to do	0.00%	0
TOTAL		10

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
1	I think trying to prioritize or identify the bigger or more complex issues can be helpful. What are the pro's and con's of those decisions.	7/22/2025 1:56 PM

Q6 I attend the Board and Sub-committee meetings I am expected to attend.

Answered: 10 Skipped: 0

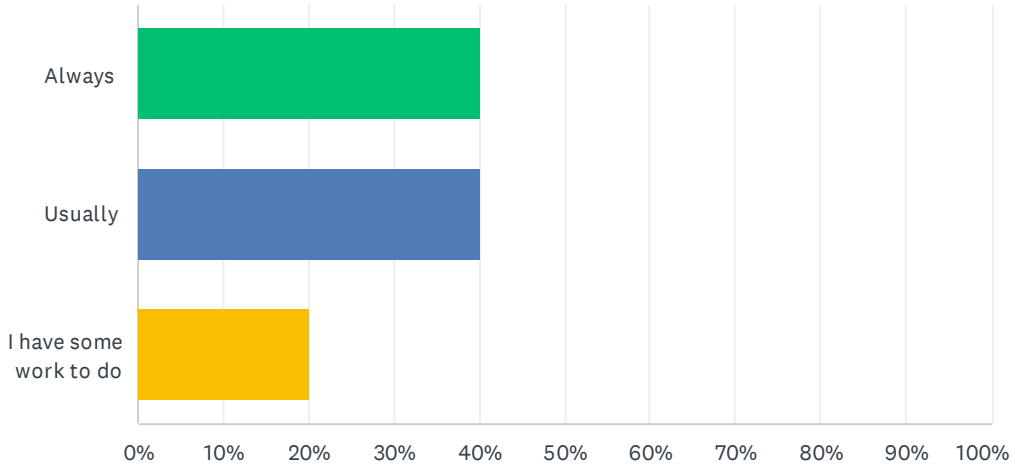


ANSWER CHOICES	RESPONSES	
Always	70.00%	7
Usually	30.00%	3
I have some work to do	0.00%	0
TOTAL		10

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
	There are no responses.	

Q7 I am prepared for Board meetings by reading and considering the information in advance.

Answered: 10 Skipped: 0

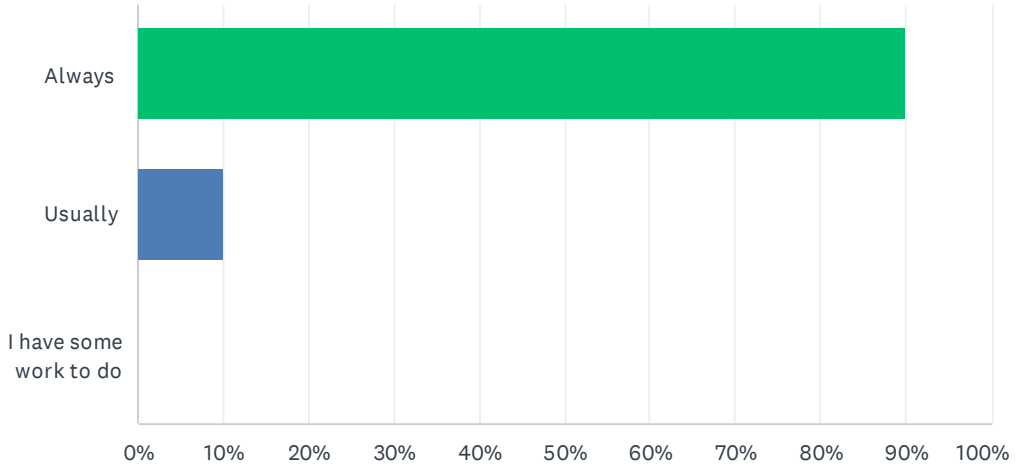


ANSWER CHOICES	RESPONSES	
Always	40.00%	4
Usually	40.00%	4
I have some work to do	20.00%	2
TOTAL		10

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
1	I to work to improve in this area.	7/22/2025 1:56 PM

Q8 I understand the NDPERS Board's Code of Conduct requirements, abide by them, and avoid conflicts of interest.

Answered: 10 Skipped: 0

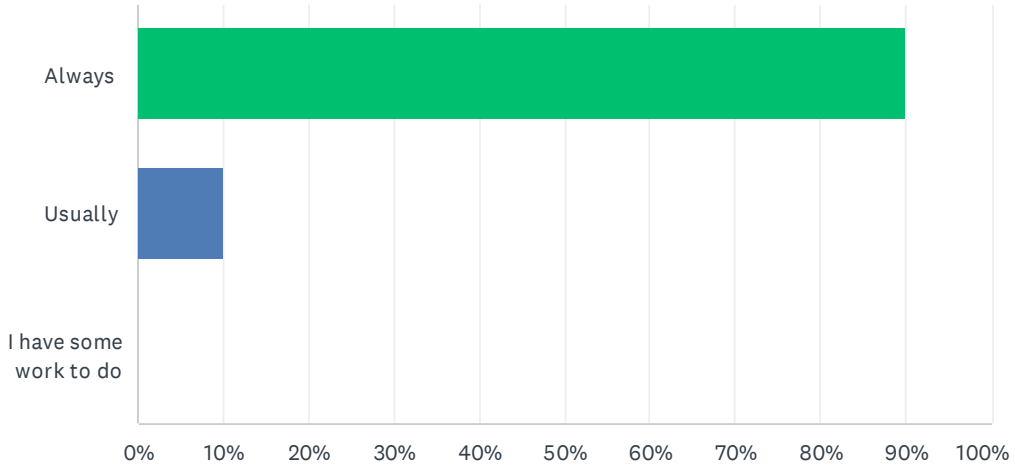


ANSWER CHOICES	RESPONSES	
Always	90.00%	9
Usually	10.00%	1
I have some work to do	0.00%	0
TOTAL		10

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
	There are no responses.	

Q9 I understand the legal duties and responsibilities required of me as a fiduciary, and act for the exclusive benefit of our members and beneficiaries.

Answered: 10 Skipped: 0

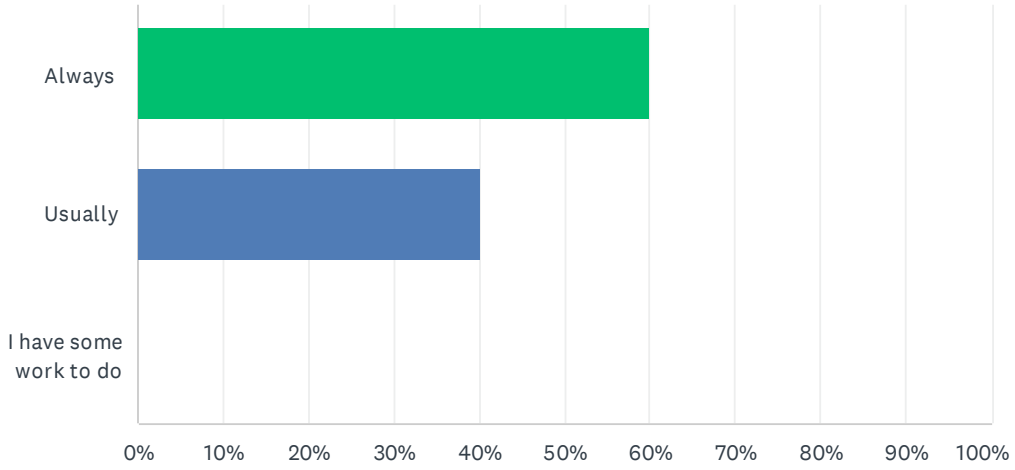


ANSWER CHOICES	RESPONSES	
Always	90.00%	9
Usually	10.00%	1
I have some work to do	0.00%	0
TOTAL		10

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
1	the education on this has been helpful and I continue to improve	7/22/2025 1:56 PM

Q10 I sufficiently understand all financial reports and seek clarification when necessary.

Answered: 10 Skipped: 0

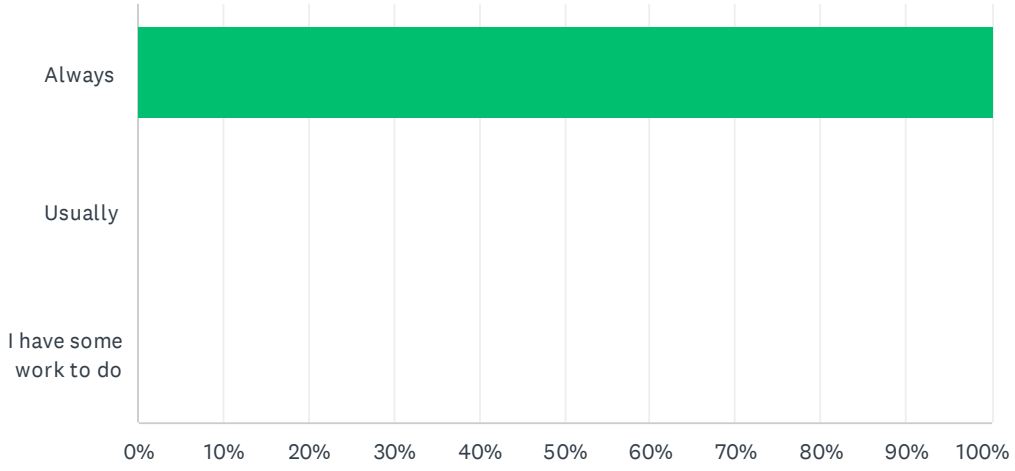


ANSWER CHOICES	RESPONSES	
Always	60.00%	6
Usually	40.00%	4
I have some work to do	0.00%	0
TOTAL		10

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
	There are no responses.	

Q11 I find my participation on the Board to be stimulating and rewarding.

Answered: 10 Skipped: 0

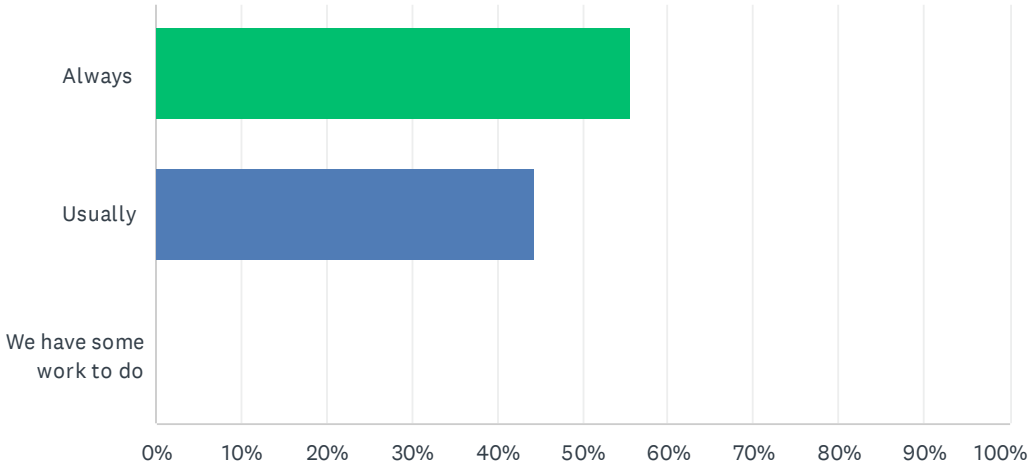


ANSWER CHOICES	RESPONSES	
Always	100.00%	10
Usually	0.00%	0
I have some work to do	0.00%	0
TOTAL		10

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
1	The board meetings and packets are thorough which makes it easier.	7/22/2025 1:56 PM

Q12 Board members are consistently prepared for meetings and remain engaged.

Answered: 9 Skipped: 1

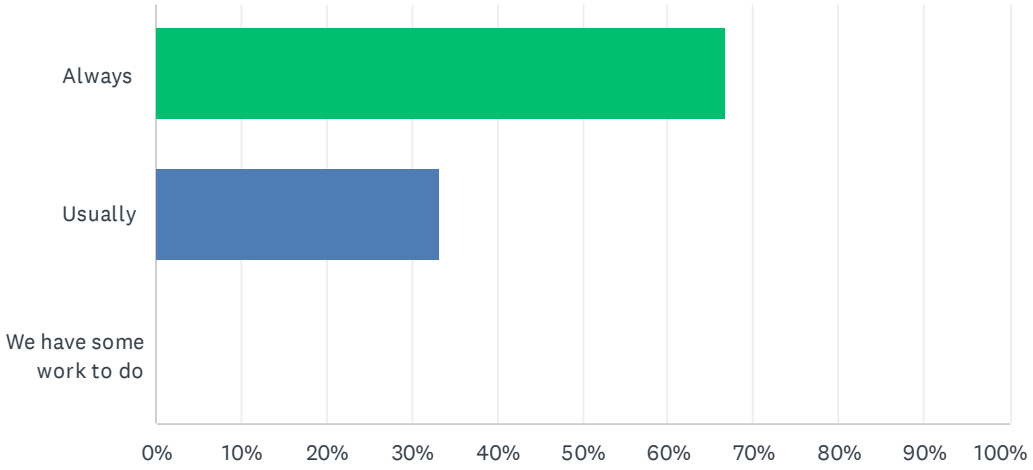


ANSWER CHOICES	RESPONSES	
Always	55.56%	5
Usually	44.44%	4
We have some work to do	0.00%	0
TOTAL		9

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
1	I'm making an assumption based on reading the room	7/16/2025 1:40 PM

Q13 The Board is engaged and has healthy discussions on a topic before making a well-informed decision.

Answered: 9 Skipped: 1

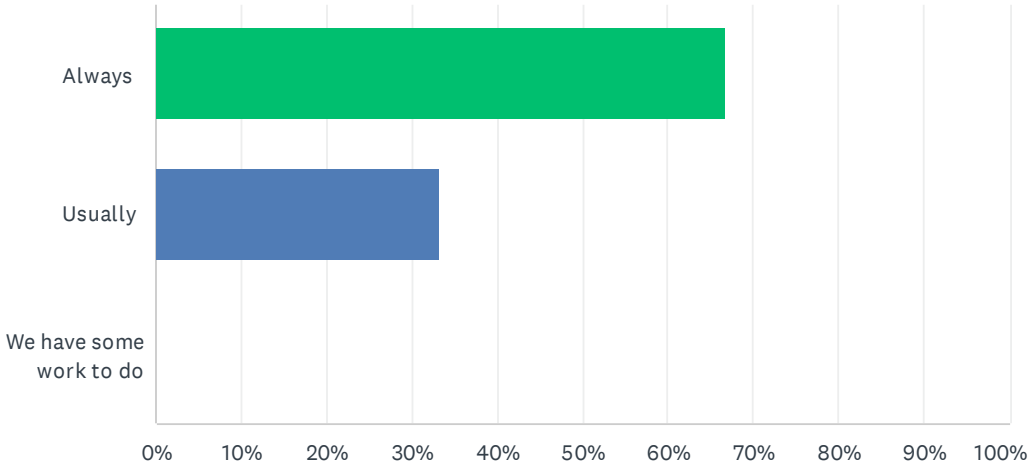


ANSWER CHOICES	RESPONSES	
Always	66.67%	6
Usually	33.33%	3
We have some work to do	0.00%	0
TOTAL		9

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
	There are no responses.	

Q14 The Board recognizes the authority it has retained and what has been delegated to staff.

Answered: 9 Skipped: 1

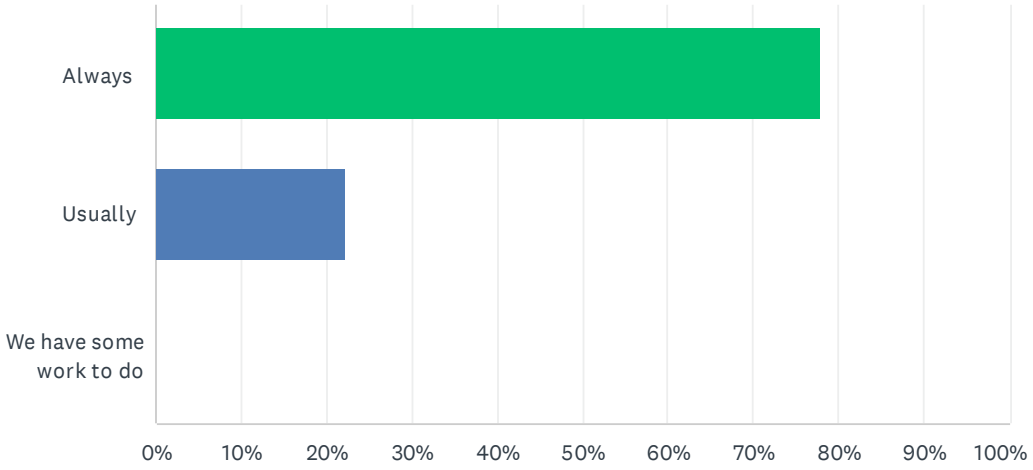


ANSWER CHOICES	RESPONSES	
Always	66.67%	6
Usually	33.33%	3
We have some work to do	0.00%	0
TOTAL		9

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
	There are no responses.	

Q15 The Board is informed of issues and prepared to deal with acute situations.

Answered: 9 Skipped: 1

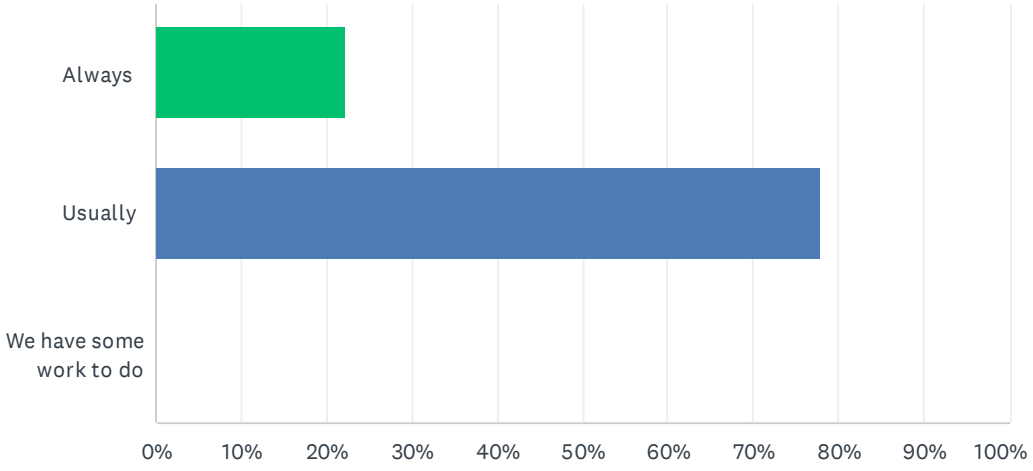


ANSWER CHOICES	RESPONSES	
Always	77.78%	7
Usually	22.22%	2
We have some work to do	0.00%	0
TOTAL		9

#	OTHER (PLEASE SPECIFY)	DATE
1	I do feel the staff does a excellent job on the acute situations.	7/22/2025 1:56 PM

Q16 All Board members regularly attend Board and Committee meetings.

Answered: 9 Skipped: 1

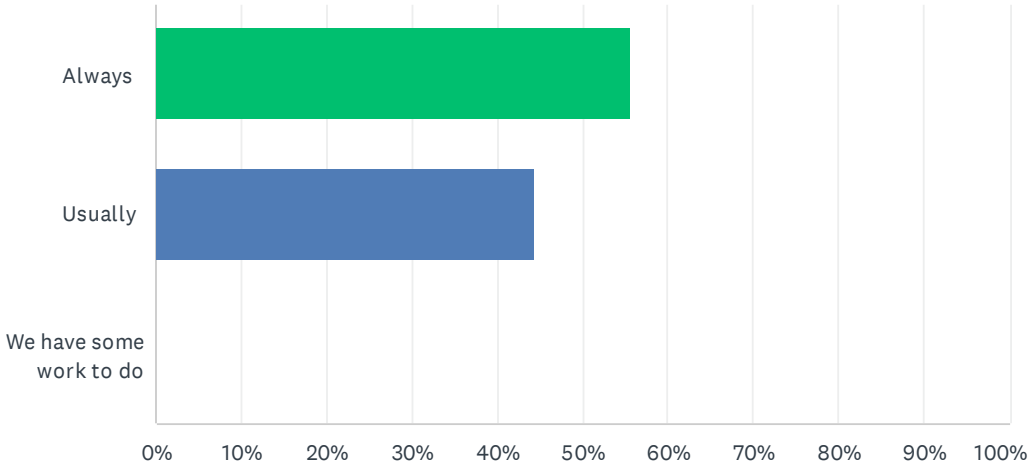


ANSWER CHOICES	RESPONSES	
Always	22.22%	2
Usually	77.78%	7
We have some work to do	0.00%	0
TOTAL		9

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
	There are no responses.	

Q17 Board meetings are generally well-run and make good use of members' time.

Answered: 9 Skipped: 1

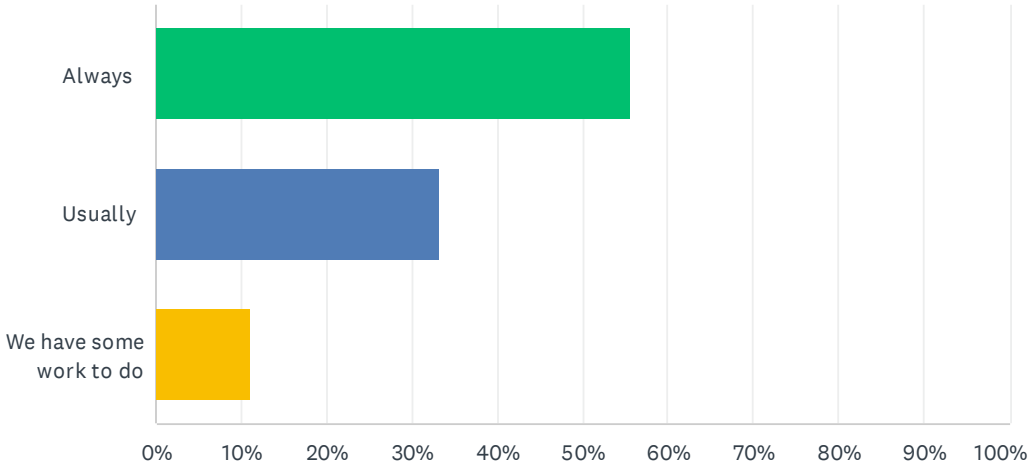


ANSWER CHOICES	RESPONSES	
Always	55.56%	5
Usually	44.44%	4
We have some work to do	0.00%	0
TOTAL		9

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
1	As a newer member, I believe there are always ways to improve board meetings. They are well run.	7/22/2025 1:56 PM

Q18 Board meetings have the right allocation of time between Board discussions and presentations.

Answered: 9 Skipped: 1

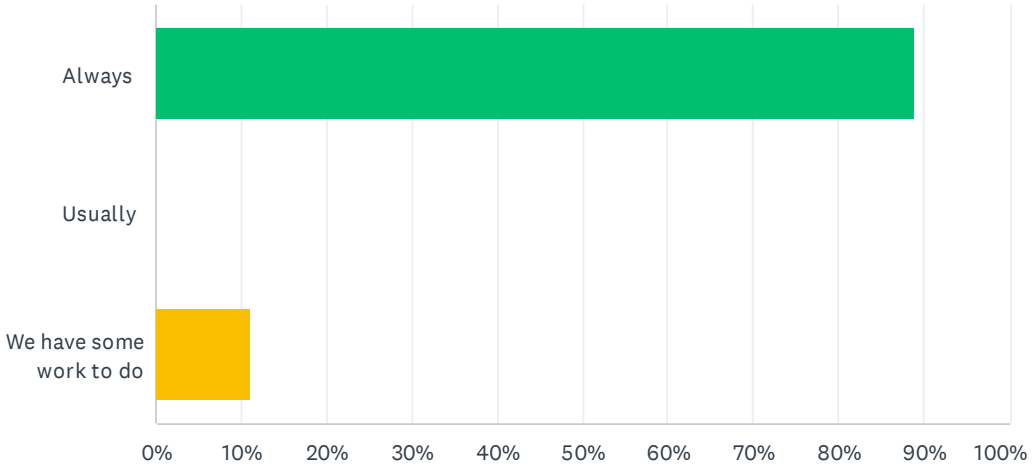


ANSWER CHOICES	RESPONSES	
Always	55.56%	5
Usually	33.33%	3
We have some work to do	11.11%	1
TOTAL		9

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
1	There seems to always be an opportunity to discuss any agenda item or ask for more information.	7/22/2025 1:56 PM

Q19 The Board receives useful information upon which it make its decisions.

Answered: 9 Skipped: 1



ANSWER CHOICES	RESPONSES	
Always	88.89%	8
Usually	0.00%	0
We have some work to do	11.11%	1
TOTAL		9

#	PLEASE PROVIDE ANY SPECIFIC FEEDBACK REGARDING YOUR RATING.	DATE
	There are no responses.	

Q20 Are there any critical issues that you feel the Board should address?

Answered: 3 Skipped: 7

#	RESPONSES	DATE
1	No, I think you just keep working to improve.	7/22/2025 1:56 PM
2	Not critical at this time.	7/10/2025 9:28 AM
3	Developing an NDPERS Board policy manual.	7/8/2025 5:10 PM

Q21 Are there any areas in the Board self-evaluation that you would like to see addressed in the future?

Answered: 2 Skipped: 8

#	RESPONSES	DATE
1	not at this time.	7/22/2025 1:56 PM
2	I don't believe so.	7/10/2025 9:28 AM

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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: August 19, 2025

SUBJECT: Contracts under $10,000

Attached is a document that shows the contracts under $10,000 that have been signed since the last update. Please let me know if you have any questions on any of these contracts.

This topic is informational only.

Attachment

All Contracts Signed During 2025:

Vendor	Amount	Notes
Empower	$ -	457 Plan Catch-up Opt Out Forms
Inter Office	$ 1,176.16	Office Chair
Rolette County Soil Conservation District	$ -	Joined Deferred Compensation Plan 1/1/25
UHY	$ -	GASB 68 & 74 Management Rep. Letters
Great Plains Housing Authority	$ -	Joined Deferred Compensation Plan 7/1/25
Richland School District	$ -	Joined Deferred Compensation Plan 2/1/25
Ellendale Public School	$ -	Joined Deferred Compensation Plan 1/1/25
Inter Office	$ 824.76	Rising Desk
Rolette Public School	$ -	Joined Deferred Compensation Plan 3/1/25
Inter Office	$ 1,171.66	Office Chair
Souris Valley Special Education	$ -	Joined Deferred Compensation Plan 5/1/25
Inter Office	$ 824.76	Rising Desk
City of Cavalier	$ -	Joined Deferred Compensation Plan 6/1/25
McHenry County	$ -	Joined Public Safety Plan 5/1/2025
Inter Office	$ 840.17	Risking Desk
City of Walhalla	$ -	Joined Deferred Compensation Plan 5/1/25
City of Stanley	$ -	Joined Public Safety Plan 6/1/25
Innovis Health, LLC	not to exceed $9,999	Disability Medical Determination Consultant
Empower Roth 457 Programming	$ -	Reserve place for programming Roth 457

Contracts Signed Since Last Reported:

Williams County	$ -	Expanded Public Safety Eligibility 8/1/2025
Oliver County	$ -	Joined Public Safety Plan 7/1/2025
Mountrail County	$ -	Expanded Public Safety Eligibility 8/1/2025
ND Safety Council	$ 960.00	CPR & AED Training for Staff
McLean Sheridan Rural Water District	$ -	Joined Retirement & Deferred Comp Plans 8/1/2025
McKenzie County	$ -	Expanded Public Safety Plan 8/1/2025
Office Lease - 4th Amendment	$ 7,590.00	Additional Training Room Space
Stutsman County	$ -	Expanded Public Safety Plan 8/1/2025
West Fargo Park District	$ -	Joined Deferred Compensation 1/1/2025
City of Dickinson	$ -	Expanded Public Safety Plan 8/1/2025
City of Williston	$ -	Expanded Public Safety Eligibility 8/1/2025
McLean County	$ -	Expanded Public Safety Plan 8/1/2025
City of Minot	$ -	Expanded Public Safety Eligibility 1/1/2026
Billings County	$ -	Expanded Public Safety Plan 8/1/2025
Mohall Lansford Sherwood School	$ -	Joined Deferred Compensation 8/1/2025

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Memorandum

TO: NDPERS Board

FROM: Marcy Aldinger

DATE: July 8, 2025

SUBJECT: Unforeseeable Financial Hardship Case #937

The participant is requesting a withdrawal from the State of ND 457 deferred compensation Plan in the amount of $6,200.00 to assist in meeting financial obligations for medical expenses.

The participant had a balance due of $8,750.00 for eye surgery. The participant's daughter put it on her credit card because the participant could not get a loan and did not have capacity to put the amount on her own credit card. The participant is paying her daughter $300.00 per month. The participant has other outstanding medical bills and a planned hip replacement in August 2025.

The participant wants to pay her daughter back in full as her daughter's credit card has high interest and her credit score has decreased because of the unpaid amount on the card.

The participant's financial status is provided in the income and expense statement in Part L, M and N on the application (Attachment #1). Documentation compiled and verified has been listed on the supplemental spreadsheet (Attachment #1). The participant provided medical bills and estimates (Attachment #2). Statements substantiating income and expenses have been provided (Attachment #3). The participant has applied for loans and been denied (Attachment #4). **The participant's total deferred compensation account balance as of June 30, 2025 was $6,528.18.** The participant has suspended contributions to the deferred compensation account.

According to IRC 457 guidelines, the amount requested must be less than or equal to the financial need. According to the IRC section 457 regulations, financial hardship is defined as an unforeseeable emergency resulting from a sudden and unexpected illness or accident occurring to the participant or one of the participant's dependents, loss of the participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of

events beyond the participant’s control. A reference guide is included in the materials (Attachment #5).

Below you will find the relevant North Dakota authority.

N.D.A.C. § 71-04-03-05. Unforeseeable emergency.
A participant who, prior to separation from service, experiences an unforeseeable emergency as defined in section 71-04-01-01 may apply for a distribution of the participant's deferred compensation account to the extent reasonably needed to satisfy the financial need. The participant may make application by completing a financial hardship form and delivering it to the retirement board offices.

N.D.A.C. § 71-04-01-01(13)
"Unforeseeable emergency" means a severe financial hardship to the participant resulting from a sudden and unexpected illness or accident of the participant, the participant's spouse or dependent of the participant, loss of the participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant.

Board Action Requested
Approve or deny applicant’s request for a hardship withdrawal from their State of North Dakota 457 deferred compensation Plan account.

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Memorandum

TO: NDPERS Board

FROM: Marcy Aldinger

DATE: August 19, 2025

SUBJECT: Unforeseeable Financial Hardship Case #943

The participant is requesting a withdrawal from the State of North Dakota 457 Deferred Compensation Plan in the amount of $65,000.00 to assist in meeting financial obligations for the support of the participant's son and grandson's medical, daycare, living expenses, automobile replacement, attorney fees, as well as the member's daughter-in-law's funeral expenses.

The participant's son, daughter-in-law and grandson were in a car accident, which resulted in the death of the daughter-in-law. The son and grandson suffered physical and emotional injuries. Due to said injuries, the son cannot work or afford his own living expenses, so the son and grandson have moved in with the participant. The son does not have health insurance for ongoing expenses incurred after the accident. The daughter-in-law's death has resulted in a loss of income for the family.

The participant's financial status is provided in the income and expense statement in Part L, M and N on the application (Attachment #1). Statements substantiating income have been provided (Attachment #1). The participant had elected not to provide proof of expenses; instead has documented those expenses. The participant has also added more detail of the financial hardship and why it was unforeseeable (Attachment #1). **The participant's total deferred compensation account balance as of July 8, 2025, was $64,913.00**. The participant has suspended contributions to the deferred compensation account.

According to IRC 457 guidelines, the amount requested must be less than or equal to the financial need. According to the IRC section 457 regulations, financial hardship is defined as an unforeseeable emergency resulting from a sudden and unexpected illness or accident occurring to the participant or one of the participant's dependents, loss of the participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the participant's control. A reference guide is included in the materials (Attachment #2).

Below you will find the relevant North Dakota authority.

N.D.A.C. § 71-04-03-05. Unforeseeable emergency.
A participant who, prior to separation from service, experiences an unforeseeable emergency as defined in section 71-04-01-01 may apply for a distribution of the participant's deferred compensation account to the extent reasonably needed to satisfy the financial need. The participant may make application by completing a financial hardship form and delivering it to the retirement board offices.

N.D.A.C. § 71-04-01-01(13)
"Unforeseeable emergency" means a severe financial hardship to the participant resulting from a sudden and unexpected illness or accident of the participant, the participant's spouse or dependent of the participant, loss of the participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant.

Board Action Requested
Approve or deny applicant’s request for a hardship withdrawal from their State of North Dakota 457 Deferred Compensation Plan account.

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Memorandum

TO: NDPERS Board

FROM: Marcy Aldinger

DATE: August 19, 2025

SUBJECT: Unforeseeable Financial Hardship Case #944

The participant is requesting a withdrawal from the State of North Dakota 457 Deferred Compensation Plan in the amount of $12,821.70 to assist in meeting financial obligations due to a divorce and loss of additional income, unexpected home repairs, providing financial support for the member's parents who live out of country and have recently encountered some medical issues, credit card disputes, overdue medical bills, overdue school transportation expenses for the children and delinquent utility payments. The member's health flexible spending account is disabled due to a bill that was charged to the 2025 flex account, but was incurred in 2024. The participant is unable to obtain a loan.

The participant's total deferred compensation **account balance as of July *2*4, 2025 was $6,672.89.**

Repair a garage door ($468)
Renovate a bathroom with leaks and mold ($11,042.92)
Past due medical bill ($702.82)
Past due utility payment ($574.78)
Overdue bill for school transportation ($184.18)
Disputed credit card debt ($317)
Financial assistance for parents ($200 per month), who live out of country and have recently encountered medical issues.

The participant's financial status is provided in the income and expense statement in Part L, M and N on the application (Attachment #1). Statements substantiating income and expenses have been provided (Attachment #1). The participant has suspended contributions to the deferred compensation account.

According to IRC 457 guidelines, the amount requested must be less than or equal to the financial need. According to the IRC section 457 regulations, financial hardship is defined as an unforeseeable emergency resulting from a sudden and unexpected illness or accident occurring to the participant or one of the participant's dependents, loss of the participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the participant's control. A reference guide is included in the materials (Attachment #2).

Below you will find the relevant North Dakota authority.

N.D.A.C. § 71-04-03-05. Unforeseeable emergency.
A participant who, prior to separation from service, experiences an unforeseeable emergency as defined in section 71-04-01-01 may apply for a distribution of the participant's deferred compensation account to the extent reasonably needed to satisfy the financial need. The participant may make application by completing a financial hardship form and delivering it to the retirement board offices.

N.D.A.C. § 71-04-01-01(13)
"Unforeseeable emergency" means a severe financial hardship to the participant resulting from a sudden and unexpected illness or accident of the participant, the participant's spouse or dependent of the participant, loss of the participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant.

Board Action Requested
Approve or deny applicant's request for a hardship withdrawal from their State of North Dakota 457 Deferred Compensation Plan account.

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Memorandum

TO: NDPERS Board

FROM: Marcy Aldinger

DATE: August 19, 2025

SUBJECT: Unforeseeable Financial Hardship Case #945

The participant is requesting a withdrawal from the State of North Dakota 457 Deferred Compensation Plan in the amount of $6,000.00 to assist in meeting financial obligations for outstanding medical bills in the amount of $7,774.93. The participant's total deferred compensation **account balance as of July 24, 2025, was $7,222.85.** The participant has suspended contributions to the deferred compensation account.

A series of medical issues for the participant, the spouse and one child has resulted in medical bills. One is unpaid and another is on a payment plan. This has resulted in credit card debt and delinquent payments on rent and vehicles. Both the participant and the spouse have needed to take unpaid leave from their jobs. They are both still employed, but it has resulted in a reduction of earnings.

The participant's financial status is provided in the income and expense statement in Part L, M and N on the application (Attachment #1). Statements substantiating income and expenses have been provided. (Attachment #1). The participant's outstanding medical obligations have been provided (Attachment #1).

According to IRC 457 guidelines, the amount requested must be less than or equal to the financial need. According to the IRC section 457 regulations, financial hardship is defined as an unforeseeable emergency resulting from a sudden and unexpected illness or accident occurring to the participant or one of the participant's dependents, loss of the participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the participant's control. A reference guide is included in the materials (Attachment #2).

Below you will find the relevant North Dakota authority.

N.D.A.C. § 71-04-03-05. Unforeseeable emergency.
A participant who, prior to separation from service, experiences an unforeseeable emergency as defined in section 71-04-01-01 may apply for a distribution of the participant's deferred compensation account to the extent reasonably needed to satisfy the financial need. The participant may make application by completing a financial hardship form and delivering it to the retirement board offices.

N.D.A.C. § 71-04-01-01(13)
"Unforeseeable emergency" means a severe financial hardship to the participant resulting from a sudden and unexpected illness or accident of the participant, the participant's spouse or dependent of the participant, loss of the participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant.

Board Action Requested
Approve or deny applicant’s request for a hardship withdrawal from their State of North Dakota 457 Deferred Compensation Plan account.