

Board Meeting Agenda

Location: WSI Board Room, 1600 East Century Avenue, Bismarck ND
By phone: 701.328.0950 **Conference ID:** 618 133 974#
Date: **Tuesday, June 13, 2023**
Time: 8:30 A.M.

I. MINUTES

- A. May 9, 2023
- B. May 12, 2023, Special Meeting

II. PRESENTATIONS

- A. Humana – 2022 Medicare Part D Plan Overview

III. RETIREMENT

- A. 457 Companion Plan & 401(a) Plan 1st Quarter 2023 Report – Derrick (Information)

IV. GROUP INSURANCE

- A. Group Voluntary Vision Benefits Plan Evaluation/Select Vendor ***EXECUTIVE SESSION** – Katheryne (Board Action)
- B. Uniform Group Insurance Consultant Request for Proposal – Katheryne (Board Action)
- C. Health Insurance Administrative Service Agreement Exhibits – Rebecca (Board Action)
- D. Health Plan Claims Review – Rebecca (Information)

V. MISCELLANEOUS

- A. Legislative Implementation – Rebecca (Information)
- B. Contracts Under \$10,000 – Scott (Information)
- C. November Board Planning Meeting – Scott (Board Action)
- D. Litigation Update ****EXECUTIVE SESSION** – Scott (Board Action)
- E. Board Election Results – Casey Goodhouse, Committee Chair (Board Action)
- F. Audit Committee Minutes – Shawna (Information)
- G. Audit Committee Charter and Internal Audit Charter – Shawna (Board Action)
- H. Sagitec Maintenance Contract – Derrick (Board Action)
- I. Presort Contract – Derrick (Board Action)
- J. Office Lease – Derrick (Board Action)

V. MEMBER *****EXECUTIVE SESSION**

- A. Retirement Appeal Case #812 – MaryJo (Board Action)

*Executive Session pursuant to N.D.C.C. §44-04-19.1(9) and §44-04-19.2) to discuss negotiating strategy or provide negotiating instructions to its attorney or other negotiator.

**Executive Session pursuant to N.D.C.C. §44-04-19.1(2) & (5) for attorney consultation.

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



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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: June 13, 2023

SUBJECT: Humana – 2022 Medicare Part D Plan Overview

Representatives from Humana will be attending the meeting to provide the Board with their 2022 Annual Report of the NDPERS Employer Group Waiver Plan, referred to as the Medicare Part D Plan.

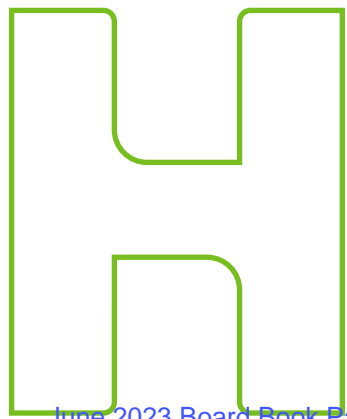
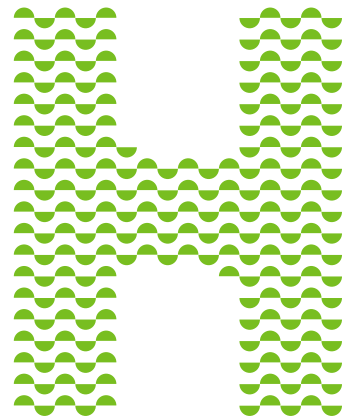
The presentation is attached for your reference.



NDPERS

Medicare Part D Prescription Drug Plan
2022 Plan Year Review

June 13, 2023





01 | Introductions

02 | Membership & Utilization

03 | MTM and Stars Measures

04 | Customer Service & Member Engagement

05 | Looking Forward

Humana

- Julie Bodenski, Senior Account Executive
- Mark Powell, Clinical Pharmacy Lead
- Stephanie Heller, Director, Account Management



NDPERS

Membership & Utilization January – December 2022

Member Demographic Summary



The Demographic Scorecard demonstrates how your group's membership is broken down.

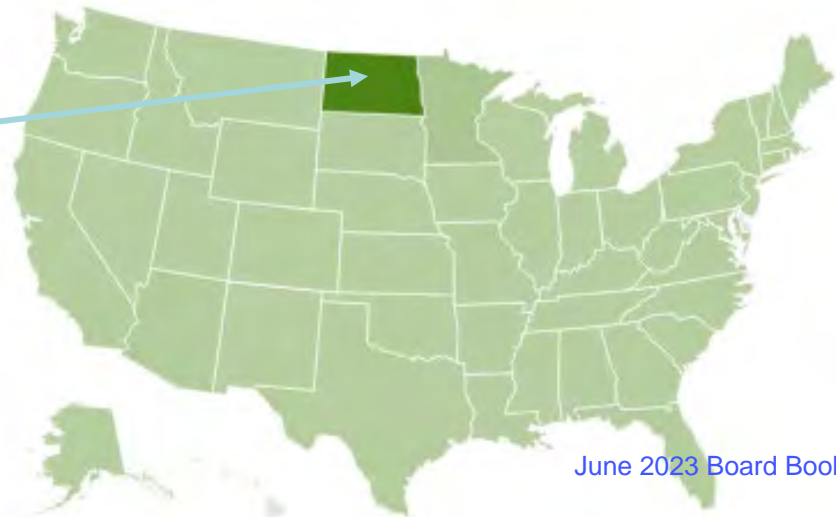


Membership:
May 2023

	2022	Peer
Average Members	9,112	- - -
Male/Female Ratio	42/58	48/52
Average Age	76.5	75.4

North Dakota
membership at end
of plan period: 7,501

Minnesota: 777
Arizona: 201
South Dakota: 91

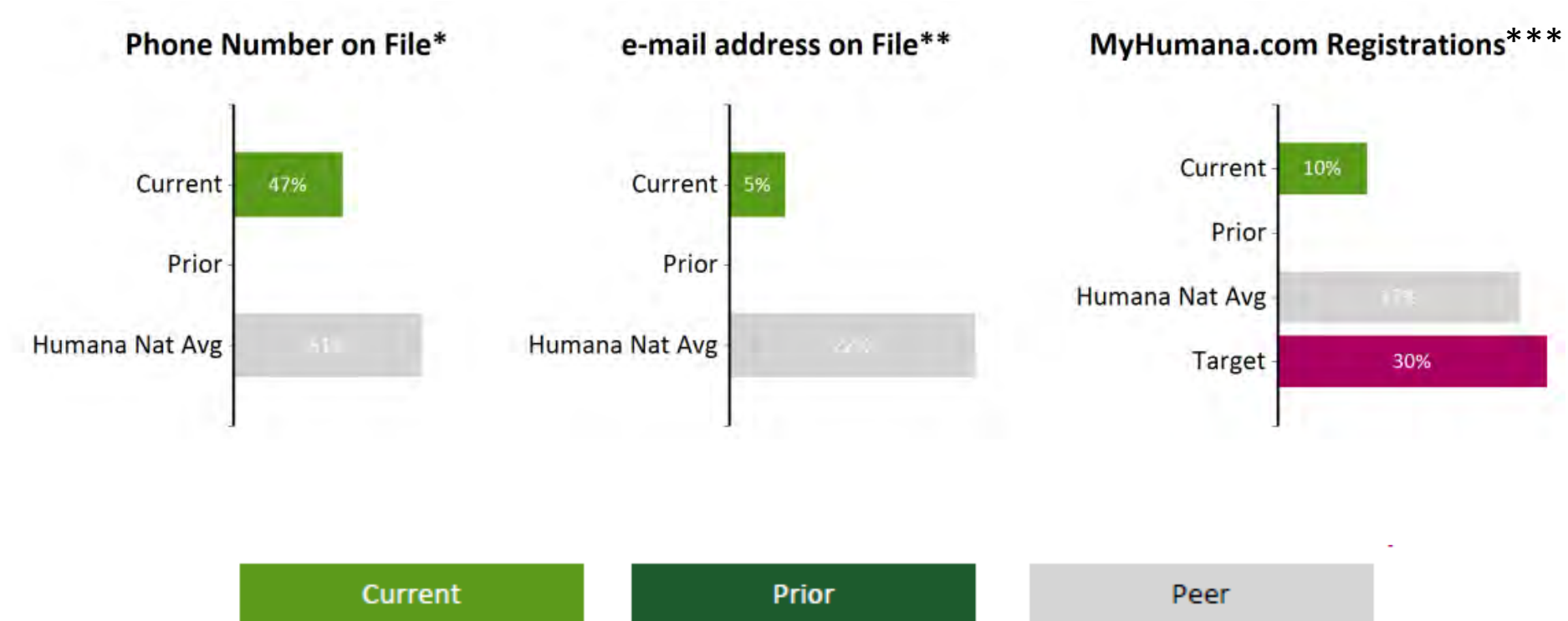


Adult Males	Period Ending Members	Population %	% of Total Rx Spend
< 65	25	0.3%	2.1%
65-69	712	7.8%	7.3%
70-74	1,107	12.2%	14.4%
75-79	903	9.9%	9.2%
80-84	602	6.6%	8.1%
85-89	331	3.6%	4.1%
90-94	129	1.4%	1.2%
95+	21	0.2%	0.2%
Total:	3,830	42.0%	46.6%

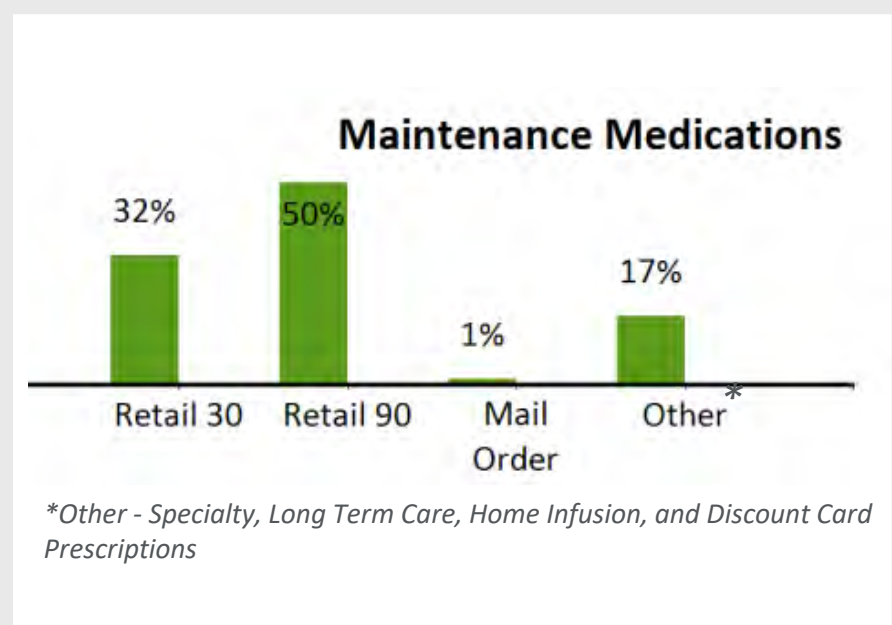
Adult Females	Period Ending Members	Population %	% of Total Rx Spend
< 65	40	0.4%	0.8%
65-69	1,064	11.7%	9.2%
70-74	1,339	14.7%	15.0%
75-79	1,200	13.2%	11.7%
80-84	805	8.8%	9.4%
85-89	540	5.9%	5.7%
90-94	216	2.4%	1.5%
95+	71	0.8%	0.5%
Total:	5,275	57.9%	53.8%

Member Engagement

Member Engagement is the key to connecting members to their health. Humana’s primary means of member contact include phone calls, e-mails and SMS messaging.



Utilization Channels



Maintenance medications are drugs that the member takes regularly to treat chronic or ongoing conditions. 90-day fills have been found to improve maintenance drug adherence.

Top 20 Pharmacies	Location	Utilization
THE MEDICINE SHOPPE PHARMACY	Multiple locations	4.7%
GATEWAY PHARMACY NORTH	Bismarck	2.6%
THRIFTY WHITE PHARMACY #068	Fargo	2.5%
WHITE DRUG #009	Grand Forks	2.0%
CVS PHARMACY #08614	Bismarck	2.0%
GRAFTON DRUG	Grafton	1.8%
MAYO PHARMACY	Multiple locations	1.8%
GATEWAY PHARMACY SOUTH	Bismarck	1.6%
WALLS MEDICINE CENTER	Grand Forks	1.6%
PROFESSIONAL PHARMACY	Bismarck	1.6%
CVS PHARMACY #08628	Bismarck	1.5%
THRIFTY WHITE PHARMACY #081	Grand Forks	1.5%
CVS PHARMACY #08612	Fargo	1.5%
N D PHARMACY INC	Dickinson	1.5%
WHITE DRUG #45	Jamestown	1.4%
THRIFTY WHITE PHARMACY #017	Minot	1.3%
CVS PHARMACY #08620	Grand Forks	1.3%
CHURCHILL PHARMACY	Bismarck	1.3%
LINSON PHARMACY	Fargo	1.2%
CENTERWELL PHARMACY, INC.	Mail Order	1.2%

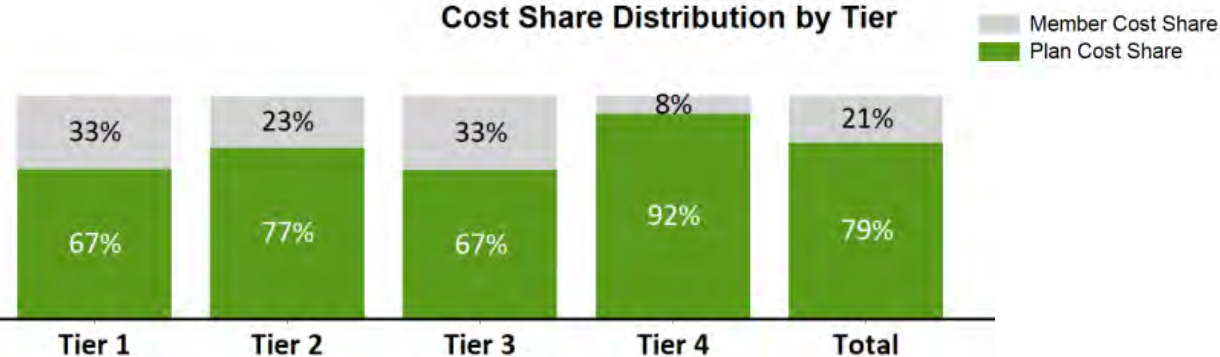
Pharmacy Utilization and Tier Distribution

Pharmacy Utilization Summary	Group	Peer
	Current	Current
Avg. # of Members	9,112	---
% utilizing Members per Month	69.5%	---
# of Scripts	280,003	---
Total Net Paid	\$21,003,942	---
Total Prescription PMPM	2.56	2.43
Days Supply PMPM	131.03	139.25
Net Paid/Script	\$75.01	\$180.39
Net Paid/Script (30 Day Equivalent)	\$43.98	\$94.33
Net Paid PMPM	\$192.09	\$437.83
Member Paid PMPM	\$50.88	\$31.06
Plan Cost Share	79.1%	93.4%

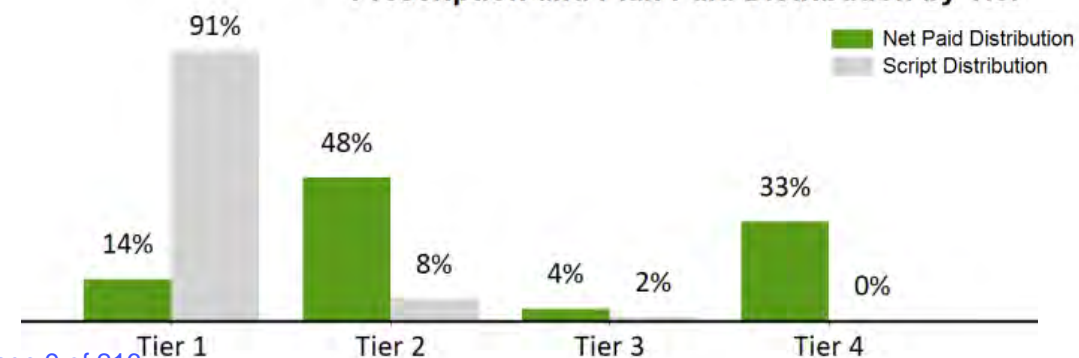
Plan Cost Share: 79.1%

Member Cost Share: 20.9%

Cost Share Distribution by Tier



Prescription and Plan Paid Distribution by Tier



Generic Drug Usage

Generics Usage	Group	Peer
	Current	Current
Generic Dispensing Rate	90.5%	88.0%
# of Scripts	253,371	---
Average Plan Net Paid per RX (30 Day Equivalent)	\$7	\$10
Average Member Cost per RX (30 Day Equivalent)	\$4	\$4
Generic Net Paid PMPM	\$28.91	\$39.63
Substitution Rate	98.0%	---

Specialty Drug Usage

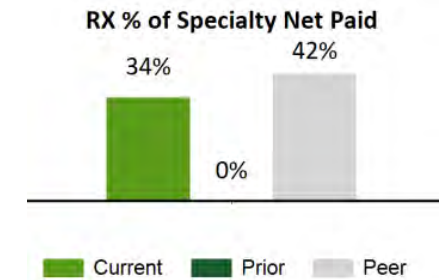
Specialty Drug Usage	Group	Peer
	Current	Current
# of Scripts	1,118	---
% of Scripts	0.4%	1.2%
Specialty Scripts PMPM	.010	.030
% of Total RX Net Paid	34.2%	42.1%
Specialty Net Paid PMPM	\$65.60	\$184.17
Specialty RX Plan/Member Cost Share	92 / 8	98 / 2
Specialty Net Paid per Script	\$6,416	\$6,214



Current Rank	Brand Name	Drug Class	# Mbrs	Net Paid	Member Paid	# Scripts
			Current	Current	Current	Current
1	REVLIMID	CHEMOTHERAPY - MULTIPLE M	8	\$1,161,929	\$78,149	76
2	POMALYST	CHEMOTHERAPY - MULTIPLE M	<5	\$891,638	\$53,033	48
3	IMBRUVICA	CHEMOTHERAPY	<5	\$388,244	\$27,130	29
4	XTANDI	CHEMOTHERAPY - ANTIANDROG	8	\$355,050	\$33,545	45
5	JAKAFI	CHEMOTHERAPY	<5	\$330,243	\$20,472	23
6	VENCLEXTA	CHEMOTHERAPY	<5	\$278,202	\$22,531	24
7	HUMIRA PEN	RHEUMATOID ARTHRITIS	<5	\$273,719	\$24,072	30
8	CABOMETYX	CHEMOTHERAPY	<5	\$236,024	\$13,734	13
9	NINLARO	CHEMOTHERAPY - MULTIPLE M	<5	\$212,152	\$16,036	19
10	IBRANCE	CHEMOTHERAPY - CDK INHIBI	<5	\$182,473	\$11,903	13
11	XOSPATA	CHEMOTHERAPY	<5	\$182,363	\$10,651	7
12	EMFLAZA	STEROIDS	<5	\$163,642	\$0	12
13	ZEJULA	CHEMOTHERAPY - PARP INHIB	<5	\$155,667	\$15,409	24
14	ADEMPAS	RESPIRATORY - PAH AGENTS	<5	\$150,014	\$9,593	12
15	AFINITOR	CHEMOTHERAPY	<5	\$138,726	\$8,393	9
16	REBIF	NEUROLOGY - MULTIPLE SCLE	<5	\$128,588	\$9,657	14
17	OPSUMIT	RESPIRATORY - PAH AGENTS	<5	\$126,854	\$6,677	11
18	ABIRATERONE ACE	CHEMOTHERAPY - ANTIANDROG	9	\$120,822	\$40,779	62
19	VYNDAMAX	CARDIOLOGY	<5	\$108,878	\$7,670	6
20	COPAXONE	NEUROLOGY - MULTIPLE SCLE	<5	\$103,537	\$5,118	18

Most specialty drugs have no generic or multisource brand alternative. These drugs may be prescribed for rare diseases, as well as newer forms of biologic treatment.

For 2022 the specialty tier cost threshold is \$830 per 30-day supply.



Top 5 Pharmacies for Specialty Drugs

Pharmacy	Utilization
SANFORD PHARMACY BROADWAY	17.6%
CENTERWELL PHARMACY INC.	11.5%
SANFORD BISMARCK RETAIL PHARMACY	9.0%
ONCO360	3.3%
CAREMARK ILLINOIS SPECIALTY PHARMAC	2.8%

Drug Class Trend by Rx Spend

Current Rank	Peer Rank	Drug Class	% of RX Spend	% GDR
1	1	DIABETES	22.9%	50%
2	2	CARDIOLOGY - BLOOD THINNERS	14.4%	36%
3	7	CHEMOTHERAPY - MULTIPLE MYELOMA AGENTS	11.0%	3%
4	3	CHEMOTHERAPY	9.6%	85%
5	5	RESPIRATORY - COPD	6.7%	20%
6	8	CHEMOTHERAPY - ANTIANDROGENS	2.3%	83%
7	13	CARDIOLOGY - HYPERTENSION AGENTS	2.3%	100%
8	10	GENITOURINARY	2.0%	92%
9	4	RHEUMATOID ARTHRITIS	2.0%	75%
10	21	OPHTHALMOLOGY - GLAUCOMA AGENTS	1.7%	81%
11	17	NEUROLOGY - MULTIPLE SCLEROSIS	1.7%	59%
12	14	RESPIRATORY - PAH AGENTS	1.7%	62%
13	22	ANTI-INFECTIVES	1.1%	96%
14	19	CHOLESTEROL	1.1%	100%
15	11	DERMATOLOGY	1.0%	98%
16	16	OPHTHALMOLOGY	1.0%	16%
17	61	STEROIDS	1.0%	100%
18	9	CARDIOLOGY	1.0%	99%
19	25	RESPIRATORY - ASTHMA	0.9%	85%
20	24	CHEMOTHERAPY - CDK INHIBITORS	0.9%	---
21	18	CARDIOLOGY - HEART FAILURE	0.8%	72%
22	31	MENTAL HEALTH - DEPRESSION AGENTS	0.8%	100%
23	41	CHEMOTHERAPY - PARP INHIBITORS	0.7%	---
24	27	CHOLESTEROL - PCSK9 INHIBITORS	0.7%	---
25	28	OSTEOPOROSIS	0.7%	98%
Subtotal of Top 25 Drug Classes			90%	

Top 25 Represents \$172.92 of RX Net Paid PMP

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Drug Class Trend

- 24.5% of spend is Chemotherapy
- 22.9% of spend is Diabetes
- 18.5 of spend is Cardiology

Top 25 Drugs by Plan Cost

Rank	Drug Name	Specialty/ Generic/ Brand	Drug Class	# RX	# Mbrs	Avg Days Supply	Plan Paid	Avg Plan Paid / RX
Current				Current	Current	Current	Current	Current
1	Eliquis	B	Cardiology - Blood T	4,257	676	39.2	\$2,248,861	\$528
2	Revlimid	S	Chemotherapy - Multi	76	8	26.1	\$1,161,929	\$15,289
3	Pomalyst	S	Chemotherapy - Multi	48	<5	27.7	\$891,638	\$18,576
4	Lantus Solostar	B	Diabetes	1,843	330	47.8	\$792,177	\$430
5	Xarelto	B	Cardiology - Blood T	1,225	203	45.1	\$721,672	\$589
6	Ozempic	B	Diabetes	687	121	36.8	\$625,423	\$910
7	Victoza	B	Diabetes	513	76	39.4	\$519,052	\$1,012
8	Imbruvica	S	Chemotherapy	29	<5	28.7	\$388,244	\$13,388
9	Jardiance	B	Diabetes	600	119	41.9	\$384,055	\$640
10	Januvia	B	Diabetes	652	110	43.5	\$375,944	\$577
11	Xtandi	S	Chemotherapy - Antia	45	8	29.2	\$355,050	\$7,890
12	Jakafi	S	Chemotherapy	23	<5	29.3	\$330,243	\$14,358
13	Trulicity	B	Diabetes	305	48	34.4	\$278,436	\$913
14	Venclexta	S	Chemotherapy	24	<5	29.8	\$278,202	\$11,592
15	Humira Pen	S	Rheumatoid Arthritis	30	<5	28.0	\$273,719	\$9,124
16	Myrbetriq	B	Genitourinary	722	124	32.8	\$267,099	\$370
17	Symbicort	B	Respiratory - Copd	778	154	35.9	\$249,214	\$320
18	Toujeo Solostar	B	Diabetes	497	76	42.1	\$243,254	\$489
19	Cabometyx	S	Chemotherapy	13	<5	30.0	\$236,024	\$18,156
20	Novolog Flexpen	B	Diabetes	314	87	46.8	\$227,364	\$724
21	vinlaro	S	Chemotherapy - Multi	19	<5	27.5	\$212,152	\$11,166
22	Restasis	B	Ophthalmology	351	135	33.2	\$188,589	\$537
23	Ibrance	S	Chemotherapy - Cdk I	13	<5	28.0	\$182,473	\$14,036
24	Xospata	S	Chemotherapy	7	<5	30.0	\$182,363	\$26,052
25	Trelegy Ellipta	B	Respiratory - Copd	342	61	33.0	\$176,534	\$516
Total of Top 25				13,413		40.2	\$11,789,711	\$879

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Top Drugs by Cost - Pharmacy observations:

- Cardiology - Blood Thinner
(#1) Eliquis & (#4) Xarelto can be found in the mix for many Group Medicare accounts due to their enhanced safety and efficacy profile over older agents (like warfarin) for the prevention and treatment of blood clots and strokes
- Specialty: 11 specialty medications in Top 25
 - 10 Chemotherapy medications
 - 1 Rheumatoid Arthritis

Rank	Drug Name	Specialty/ Generic/ Brand	Drug Class	# RX	# Mbrs	Avg Days Supply	Plan Paid	Avg Plan Paid / RX
Current				Current	Current	Current	Current	Current
1	Atorvastatin Calcium	G	Cholesterol	11,191	2,520	70.3	\$49,427	\$4
2	Levothyroxine Sodium	G	Thyroid	9,570	1,783	63.0	\$89,394	\$9
3	Amlodipine Besylate	G	Cardiology - Hyperte	8,371	1,774	65.2	\$4,565	\$1
4	Metoprolol Succinate	G	Cardiology - Hyperte	8,033	1,666	65.0	\$75,917	\$9
5	Losartan Potassium	G	Cardiology - Hyperte	7,381	1,587	67.2	\$39,451	\$5
6	Lisinopril	G	Cardiology - Hyperte	6,467	1,482	70.4	\$6,475	\$1
7	Rosuvastatin Calcium	G	Cholesterol	6,384	1,518	73.4	\$26,920	\$4
8	Furosemide	G	Cardiology - Hyperte	5,961	1,209	49.7	\$6,798	\$1
9	Omeprazole	G	Gastrointestinal Dis	5,685	1,330	61.6	\$13,887	\$2
10	Simvastatin	G	Cholesterol	5,098	1,108	70.7	\$3,634	\$1
11	Gabapentin	G	Anticonvulsants	4,655	880	44.2	\$25,025	\$5
12	Hydrochlorothiazide	G	Cardiology - Hyperte	4,572	1,108	71.9	\$4,748	\$1
13	Eliquis	B	Cardiology - Blood T	4,257	676	39.2	\$2,248,861	\$528
14	Potassium Chloride E	G	Nutritional/ Vitamin	4,140	813	46.9	\$73,520	\$18
15	Metformin Hydrochlor	G	Diabetes	4,026	904	68.7	\$7,375	\$2
16	Tamsulosin Hydrochlo	G	Genitourinary	3,985	953	66.6	\$22,213	\$6
17	Pantoprazole Sodium	G	Gastrointestinal Dis	3,789	872	58.1	\$16,455	\$4
18	Metoprolol Tartrate	G	Cardiology - Hyperte	3,383	727	61.3	\$3,133	\$1
19	Prednisone	G	Steroids	2,816	1,284	25.5	\$9,230	\$3
20	Latanoprost	G	Ophthalmology - Glau	2,804	537	41.3	\$21,656	\$8
21	Clopidogrel	G	Cardiology - Antipla	2,623	573	58.7	\$8,275	\$3
22	Carvedilol	G	Cardiology - Hyperte	2,507	473	57.6	\$6,804	\$3
23	Allopurinol	G	Endocrinology - Gout	2,266	472	62.8	\$10,599	\$5
24	Sertraline Hcl	G	Mental Health - Depr	2,219	415	48.2	\$5,736	\$3
25	Trazodone Hydrochlor	G	Mental Health - Depr	2,211	459	50.2	\$5,844	\$3
Total of Top 25				124,394		61.1	\$2,785,941	\$22

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Top 25 Drugs by Quantity

Good use of Generics, with only (1) brand drug in Top 25 Drugs by Volume

#13: Eliquis- Cardiology-Blood Thinner



Humana®

NDPERS MTM and Stars Measures 2022

2023 MTM Program: Eligibility Criteria

CMS Requirements	2022 Humana Requirements	2023 Humana Requirements
Multiple Chronic Diseases (Must be 2 or 3 as the minimum; must target 5 of 9 core chronic diseases) ³ <u>and</u>	Meets 3 of the following 5 chronic diseases: <ul style="list-style-type: none"> • Mental Health - Bipolar • Hypertension • Dyslipidemia • Osteoporosis • COPD 	Meets 3 of the following 5 chronic diseases: <ul style="list-style-type: none"> • Mental Health - Schizophrenia • Hypertension • Congestive Heart Failure • Osteoarthritis • Asthma
Minimum Covered Part D Drugs Any Part D Medications or Any chronic/maintenance drug (must be ≥ 2 and ≤ 8) <u>and</u>	Minimum of 8 Chronic / Maintenance Drugs	Minimum of 8 Chronic / Maintenance Drugs
Anticipated Part D Drug costs that meets or exceeds...	Anticipated Part D drug cost more than \$4,696	Anticipated Part D drug cost more than \$4,935

3 - Nine core chronic conditions determined by CMS: Alzheimer's Disease, Chronic Heart Failure (CHF), Diabetes, Dyslipidemia, End-Stage Renal Disease, Hypertension, Respiratory Disease, Bone Disease-Arthritis, Mental Health

4 - Changes to the anticipated Part D drug costs is determined by CMS

- **Comprehensive Medication Review (CMR)**

Real-time, interactive medication review performed by a qualified provider to assess medication use for presence of medication-related problems and results in the creation of an individualized written summary in CMS' standardized format

- **Patient Take-Away**

Cover Letter

Medication Action Plan (MAP)

Personal Medication List (PML)

**Humana's Benchmarks
Group Medicare PDP 2022
(3000+ member groups)= 58.4%**

Customer Name	MTM Eligible	CMR's	CMR Completion Rate
NDPERS FY 2022	310	190	61.3%
Goal for 2022			57.6%

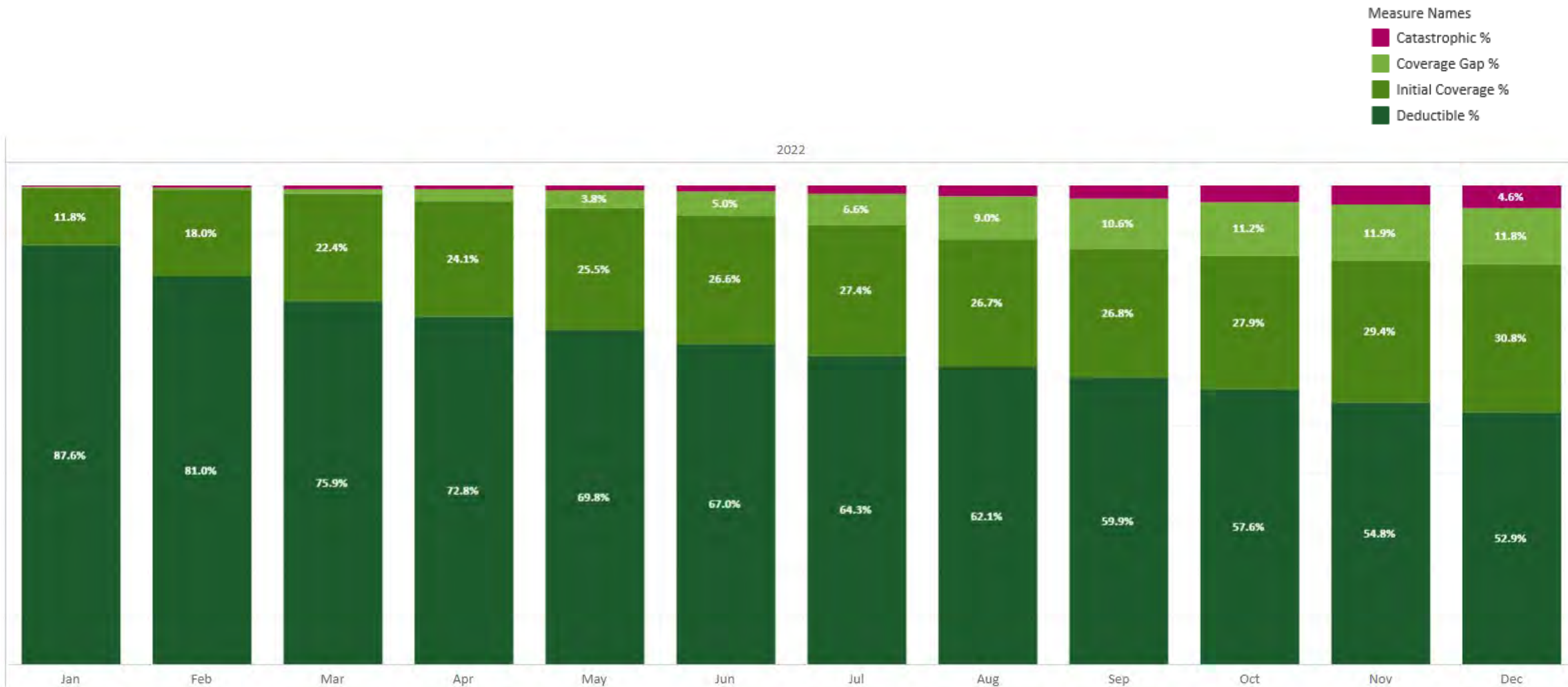
Diabetes	2022
NDPERS	89.31%
Group Medicare	88.14%

Hypertension	2022
NDPERS	91.52%
Group Medicare	89.97%

Hyperlipidemia	2022
NDPERS	90.70%
Group Medicare	88.57%

NDPERS members were above total Group Medicare trends for 2022

Greater adherence typically leads to better health outcomes



NDPERS Members = **4.6%** reached catastrophic phase by December 2022 (418 members)

Group Medicare PDP Catastrophic December 2022 = **6.1%**

Notable and Forthcoming Generic Launches

Medication	Indication	Actual Launch Date
Revlimid 2.5mg, 20mg	Oncologic Disorder	9/1/2022
Gilenya	Neurologic Disorder	9/21/2022
Daliresp	Respiratory Disorder	10/19/2022
Neupro	Neurologic Disorder	2022-2023
Trokendi XR	Neurologic Disorder	1/1/2023
Xyrem^Δ	Neurologic Disorder	1/1/2023
Latuda	Neurologic Disorder	2/20/2023
Aubagio	Neurologic Disorder	3/12/2023
Livalo	Cardiovascular Disorder	5/2/2023
Alphagan P	Ophthalmic Agent	7/1/2023
Vyvanse	Neurologic Disorder	8/25/2023

^ΔAuthorized Generic

Public Health Emergency Update

COVID updates – Public Health Emergency (PHE)s ending 5/11/23

	Current Member Cost	Post-PHE Member Cost	Current Cost to Plan	Post-PHE Cost to Plan	Notes
Vaccines	\$0 member cost	\$0 member Cost	<ul style="list-style-type: none">Government covers vaccinePlan pays admin fee	Adult dose = \$110-\$130	Transition to private market depends on when government supply is exhausted and not dependent on PHE ending
Antivirals	\$0 member cost	TBD	Government covers drug cost	Cost = \$1,300 - \$1,500	Transition to private market depends on when government supply is exhausted and not dependent on PHE ending (Lagevrio September 2023 and Paxlovid June 2023 {dates are estimated but not confirmed})



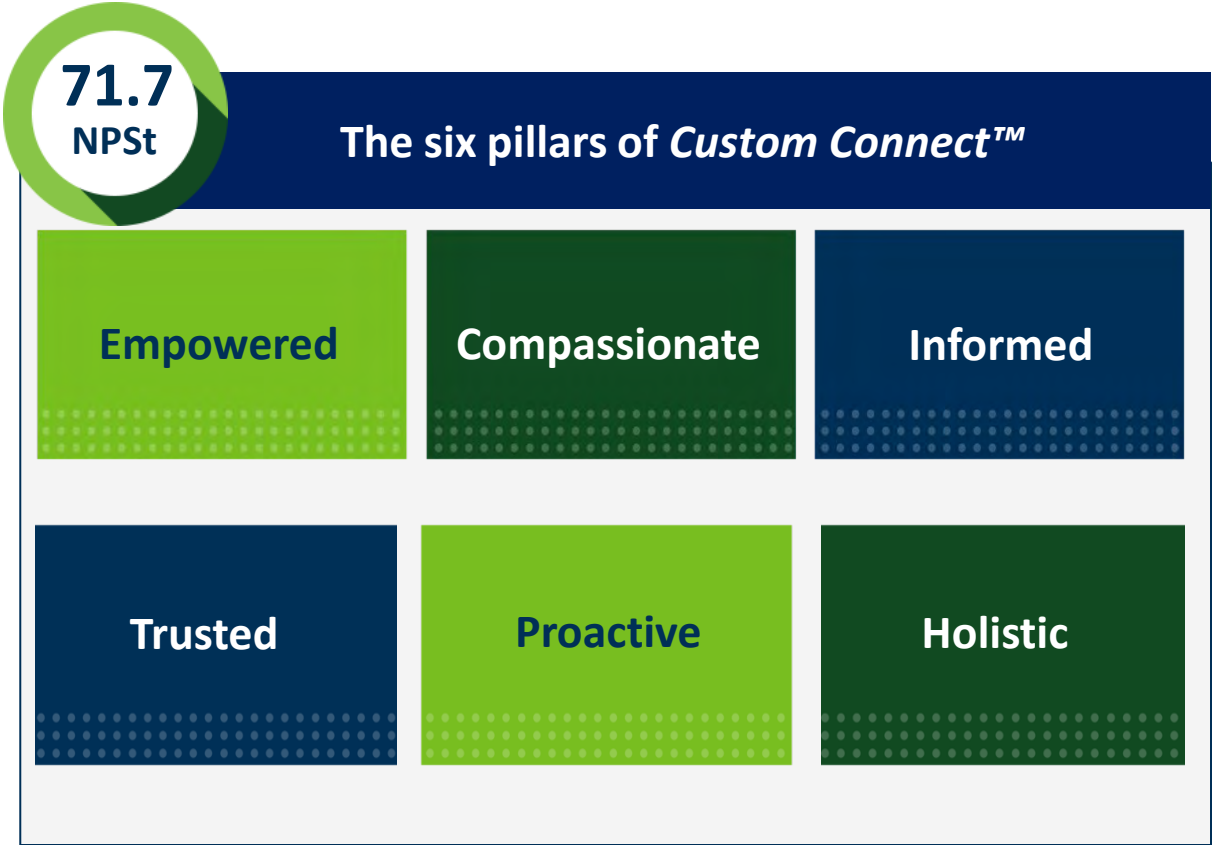
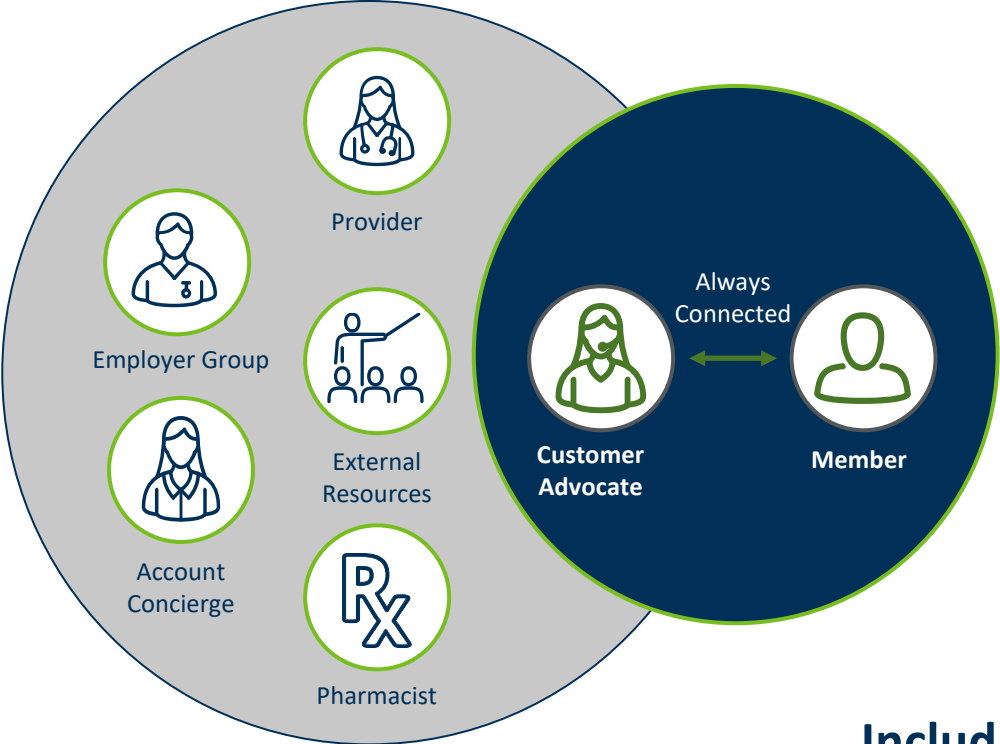
Group Medicare Customer Service & Engagement

Humana Group Medicare Custom Connect™

Custom Connect™ creates simplicity, fosters relationship-building, and enables delivering on promises through a member advocacy model

Interdisciplinary Teamwork

Orchestrated by the Custom Connect Advocate, taking ownership of each transactional experience as the member's central point of contact

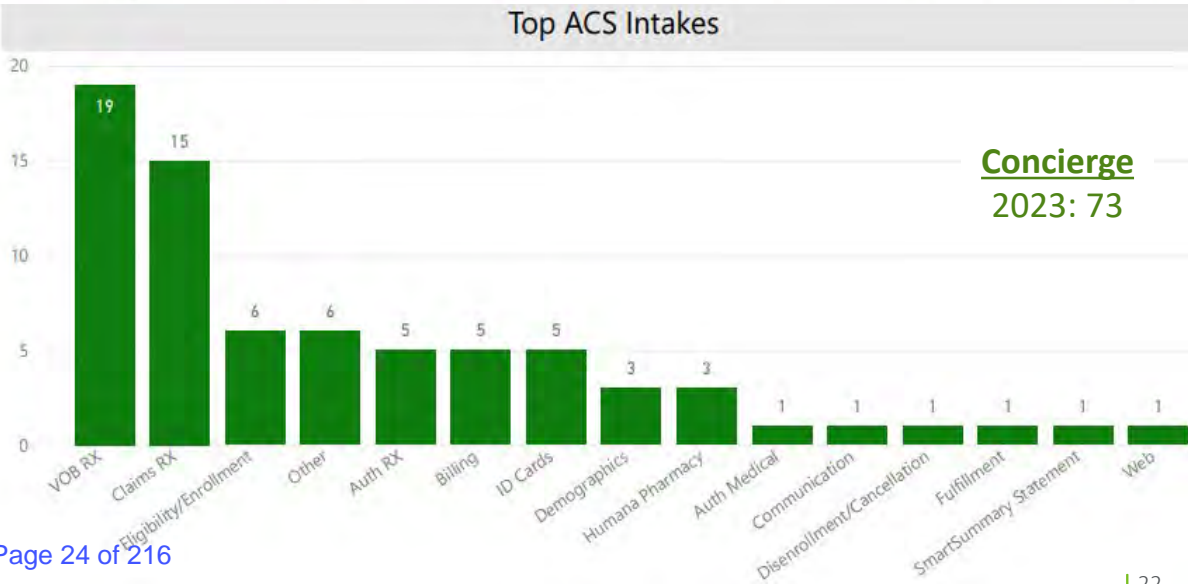
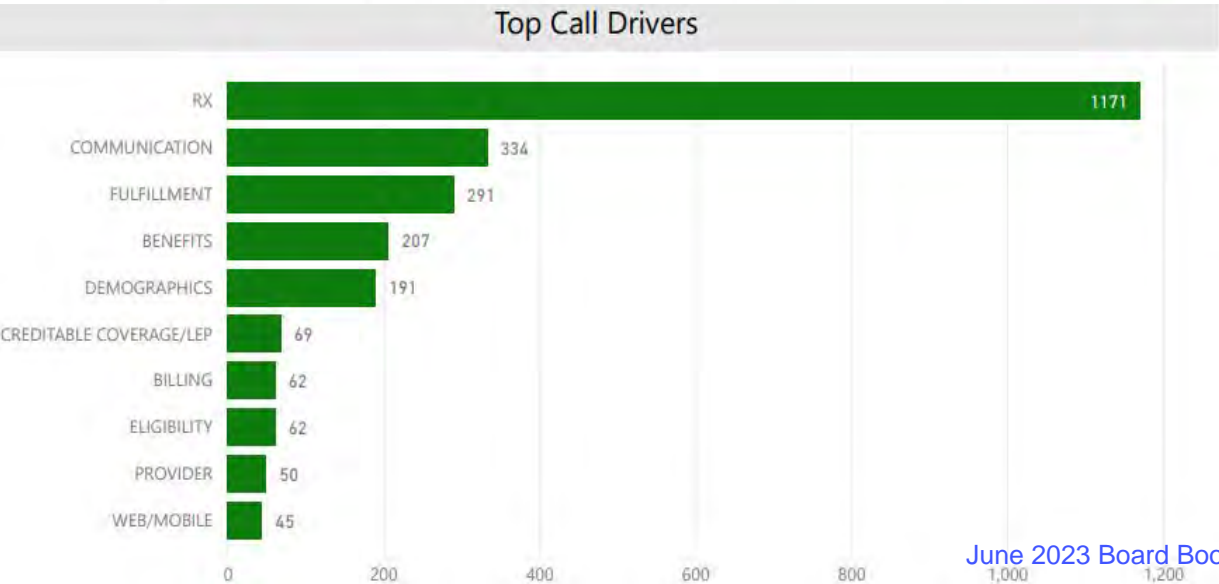


Including welcome calls to onboard your retirees

Customer Service – Annual Call Center and Concierge Report

Call Metrics							
Year	Offered	Answer	ABA%	ASA	AHT	Hold	Busy%
2022	2827	2819	0.25	9	748	174	0

ABA: Average Abandonment
ASA: Average Speed to Answer
AHT: Average Handle Time



Concierge
2023: 73

Member Engagement

Key messaging in 2023:

- ❖ **Medication Therapy Management**
Compliance-based campaign for eligible members to complete a Comprehensive Medication Review with a pharmacist. (Annual, throughout year)
- ❖ **Additional member messaging** (not all inclusive)
 - Pharmacy utilization messaging (PA, ST, QL)
 - Patient Safety
 - Medication alternatives
 - Operational messaging (ex; refill reminders)
 - Monthly SmartSummary Statement
 - Value Added Items and Services (discount programs, post-enrollment)
- ❖ **Humana virtual Neighborhood Center**
NDPERS website posting
- ❖ **Humana Welcome Kit**
Mailed to Age-In members

2023 – Humana Welcome Kit





Looking Forward

2024 Part D cost share changes

Defined Standard Parameter Changes

Stage	2023	2024
Deductible	\$505	\$545
Initial Coverage Limit (ICL)	\$4,660	\$5,030
TrOOP	\$7,400	\$8,000
Catastrophic	Greater of \$4.15(Generics), \$10.35(Brands), or 5%	\$0.00

2024 GAP Coverage:
Member coinsurance in the gap for generics will be <00%>
and for brands will be <00%>



How the Inflation Reduction Act could impact retiree benefits

The Inflation Reduction Act aims, in part, to reduce prescription medication costs for some popular drugs. Here are some of the notable changes:

2023

- Most covered Part D vaccines for adults have a \$0 cost-share cap and covered Part D insulin has a \$35 month cost-share cap (up to 30-day supply) (effective Jan. 1, 2023).
- Inflation rebates (aka Part B rebatable drugs) provide reduced coinsurance when Part B drugs increase faster than inflation (effective Apr. 1, 2023).
- Part B insulin, which is most commonly utilized in an insulin pump, is capped at a \$35 cost share (up to 30-day supply) (effective Jul. 1, 2023).

These changes will potentially lower or eliminate the cost share of insulin and vaccines.

2024

- Part D Catastrophic phase cost share will be reduced to \$0 for beneficiaries.
- More people will be eligible for financial assistance, as Medicare beneficiaries with annual incomes of up to 150% of the federal poverty limit can qualify for full benefits.

Starting in 2024, retirees who have reached the catastrophic phase of Medicare drug coverage will no longer have to pay cost sharing toward their prescription drugs.

2025

- Annual out-of-pocket Part D spending will be capped at \$2,000, and beneficiaries will have the option to smooth their cost-sharing payments over the year with a maximum monthly cap on cost-sharing.

Retirees will have a \$2,000 maximum out-of-pocket (MOOP) cost in 2025 which can be spread over the remainder of the plan year in monthly installments.

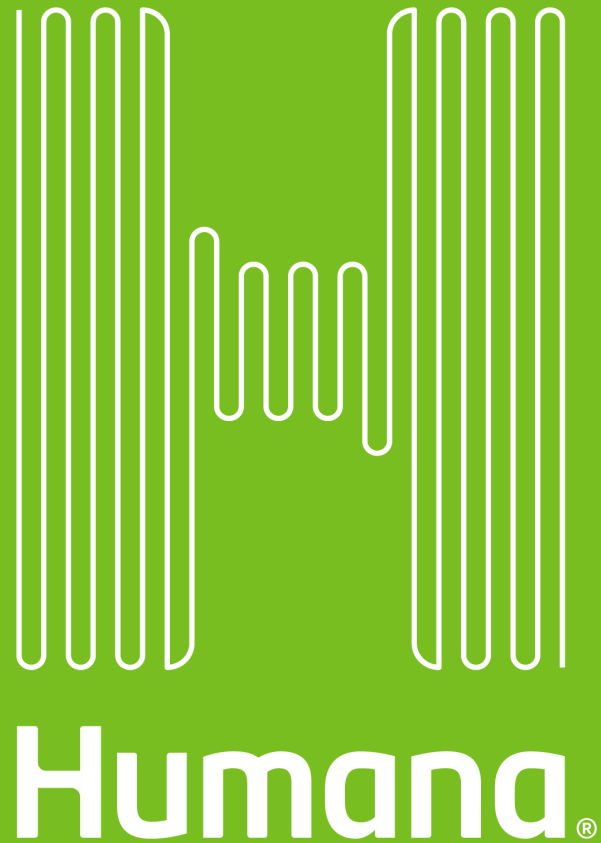
2026–2029

- Continued legislation will be geared towards inflation reduction and limiting beneficiary prescription medication costs. This information will be shared as received.



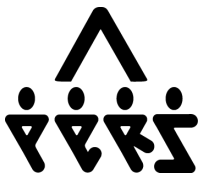
Source:

1. Juliette Cubanski, Meredith Freed, and Tricia Neuman, "What Are the Prescription Drug Provisions in the Inflation Reduction Act?," Kaiser Family Foundation, last accessed Dec. 14, 2022, www.kff.org/slideshow/what-are-the-prescription-drug-provisions-in-the-inflation-reduction-act/



Thank you.

This material is provided for informational use only and should not be construed as medical, legal, financial, or other professional advice or used in place of consulting a licensed professional. You should consult with an applicable licensed professional to determine what is right for you.



Memorandum

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: June 13, 2023

SUBJECT: 457 Companion Plan & 401(a) Plan 1st Quarter 2023 Report

Here is the 1st quarter 2023 investment report for the 401(a) & 457 Companion Plans, which was reviewed by the Investment Subcommittee. The reports are available separately on the NDPERS website. The two plans have 10,029 (9,785 in Q4) participants with \$203.9 million (\$192 million in Q4) in assets.

Assets in the 401(a) plan increased to \$18.6 million on March 31, 2023. The number of active participants slightly decreased and is now at 89. The TIAA-CREF Target Date funds have 60% of the plan assets.

Assets in the 457 Companion Plan increased to \$185.4 million on March 31, 2023. The number of active participants slightly increased and is now at 6,701. The TIAA-CREF Target Date funds have 68% of the plan assets.

Benchmarks:

Fund returns for the quarter were mostly positive for the funds in the core lineup. 34 core funds had positive returns for the quarter (2 negative). Core fund performance was mixed when compared to benchmarks. Fund performance during the last year has been down in almost every fund (only two have had positive returns), however, in the 3-year & 5-year periods returns were mostly good. Note that index funds are expected to slightly underperform their benchmarks because of fund administration fees.

Fund / Investment News:

The NDPERS Investment Subcommittee reviewed the 1st Quarter 2023 plan review and field activity report with TIAA. Callan gave a market overview and investment performance report. The Subcommittee reviewed the two funds under formal fund review (Templeton Global Bond and Allspring Growth). The investment subcommittee did take action on bringing forward a recommendation to July Board meeting on handling participant fees as part of the Recordkeeper RFP. Callan will bring forward the final RFP for the Investment Subcommittee, and then the full Board's approval in August 2023.

NDPERS Quarterly Investment Report 1st Quarter 01/01/2023 – 3/31/2023



North Dakota Public Employees Retirement System
1600 East Century Ave, Suite 2
Box 1657
Bismarck, ND 58502

457 & 401(a) Investment Structure

Tier I: Asset Allocation	Tier II: Core	Tier III: Specialty
Target Date TIAA-CREF Lifecycle Retirement 5-Year Increments	Capital Preservation Galliard Stable Value Vanguard Treasury MM	
Balanced TRP Capital Appreciation	Domestic Fixed Income Vanguard Total Bond Index Baird Core Plus Bond	Specialty Fixed Income MassMutual Inflation Protected PGIM High Yield Templeton Global Bond
	Large Cap U.S. Equity Franklin Growth Fund Allspring Growth Vanguard Dividend and Income Vanguard Institutional Index Hartford Dividend and Growth T. Rowe Price Equity Income	
	Mid Cap U.S. Equity PGIM Jennison Mid-Cap Growth Columbia Mid Cap Index Fund Virtus Ceredex Mid Cap Value	
	Small Cap U.S. Equity Brown Small Company Fund DFA U.S. Small Cap Northern Small Cap Value Fund	
	International Equity AF New Perspective Vanguard Total Intl Stock	Specialty International Equity Invesco Developing Markets
		Specialty Sector Fund Cohen & Steers Realty Shares
		Brokerage Window

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NDPERS Quarterly Performance Review

Plan Performance Monitoring

As of March 31, 2023

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Asset Allocation Funds					
TIAA-CREF Lifecycle Ret. Inc	3.74%	(4.61%)	5.90%	3.52%	4.70%
LifeCycle Ret Income CB	4.43%	(4.90%)	5.72%	4.32%	4.97%
Callan Tgt Dt Idx 2010	4.07%	(4.84%)	5.01%	3.93%	4.62%
TIAA-CREF Lifecycle Ret. 2010	3.81%	(4.50%)	5.93%	3.54%	4.85%
LifeCycle 2010 CB	4.29%	(4.79%)	5.71%	4.31%	5.11%
Callan Tgt Dt Idx 2010	4.07%	(4.84%)	5.01%	3.93%	4.62%
TIAA-CREF Lifecycle Ret. 2015	3.85%	(4.85%)	6.67%	3.77%	5.24%
LifeCycle 2015 Cust Bnch	4.54%	(5.10%)	6.49%	4.61%	5.53%
CAI Tgt Dt Idx 2015	4.18%	(5.03%)	5.56%	4.15%	4.94%
TIAA-CREF Lifecycle Ret. 2020	4.06%	(5.07%)	7.36%	3.98%	5.69%
LifeCycle 2020 Cust Bnchm	4.77%	(5.38%)	7.37%	4.95%	6.08%
CAI Tgt Dt Idx 2020	4.37%	(5.20%)	6.47%	4.49%	5.55%
TIAA-CREF Lifecycle Ret. 2025	4.36%	(5.43%)	8.68%	4.37%	6.32%
LifeCycle 2025 Cust Bnch	5.06%	(5.73%)	8.63%	5.39%	6.73%
CAI Tgt Dt Idx 2025	4.71%	(5.51%)	8.07%	5.07%	6.36%
TIAA-CREF Lifecycle Ret. 2030	4.76%	(5.77%)	10.02%	4.78%	6.95%
LifeCycle 2030 Cust Bnch	5.41%	(6.11%)	10.02%	5.88%	7.42%
CAI Tgt Dt Idx 2030	5.15%	(5.81%)	9.81%	5.64%	7.19%
TIAA-CREF Lifecycle Ret. 2035	5.16%	(6.00%)	11.42%	5.19%	7.59%
LifeCycle 2035 Cust Bnch	5.83%	(6.28%)	11.49%	6.39%	8.13%
CAI Tgt Dt Idx 2035	5.57%	(6.08%)	11.58%	6.20%	7.92%
TIAA-CREF Lifecycle Ret. 2040	5.65%	(6.12%)	12.91%	5.62%	8.24%
LifeCycle 2040 Cust Bnch	6.25%	(6.40%)	13.09%	6.92%	8.85%
CAI Tgt Dt Idx 2040	5.93%	(6.32%)	12.97%	6.60%	8.44%
TIAA-CREF Lifecycle Ret. 2045	5.88%	(6.51%)	14.25%	6.02%	8.66%
LifeCycle 2045 Cust Bnch	6.49%	(6.90%)	14.56%	7.38%	9.33%
CAI Tgt Dt Idx 2045	6.19%	(6.47%)	13.92%	6.87%	8.74%
TIAA-CREF Lifecycle Ret. 2050	6.03%	(6.73%)	14.49%	6.09%	8.76%
LifeCycle 2050 Cust Bnch	6.59%	(7.17%)	14.83%	7.46%	9.45%
CAI Tgt Dt Idx 2050	6.34%	(6.55%)	14.32%	6.97%	8.87%
TIAA-CREF Lifecycle Ret. 2055	6.13%	(6.72%)	14.67%	6.13%	8.84%
LifeCycle 2055 Cust Bnch	6.64%	(7.21%)	15.08%	7.54%	9.55%
CAI Tgt Dt Idx 2055	6.40%	(6.58%)	14.48%	7.01%	8.92%
TIAA-CREF Lifecycle Ret. 2060	6.13%	(6.75%)	14.86%	6.20%	8.93%
LifeCycle 2060 Cust Bnch	6.69%	(7.26%)	15.32%	7.61%	9.66%
Callan Tgt Dt Idx 2055	6.40%	(6.58%)	14.48%	7.01%	8.92%
T. Rowe Capital Appreciation Adv	6.31%	(3.73%)	13.92%	10.07%	10.19%
S&P 500 Index	7.50%	(7.73%)	18.60%	11.19%	12.42%

Callan

Knowledge. Experience. Integrity.

NDPERS Quarterly Performance Review

Plan Performance Monitoring

As of March 31, 2023

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Large Cap U.S. Equity					
Franklin Growth Fund Advisor	9.24%	(8.90%)	16.07%	10.56%	12.78%
S&P 500 Index	7.50%	(7.73%)	18.60%	11.19%	12.42%
Allspring Growth Adm	14.47%	(16.14%)	11.38%	8.39%	12.36%
Russell 3000 Growth Index	13.85%	(10.88%)	18.23%	13.02%	14.60%
Vanguard Dividend Growth Inv	0.13%	(2.78%)	17.22%	12.05%	11.78%
S&P 500 Index	7.50%	(7.73%)	18.60%	11.19%	12.42%
Vanguard Institutional Index	7.49%	(7.76%)	18.57%	11.16%	12.39%
S&P 500 Index	7.50%	(7.73%)	18.60%	11.19%	12.42%
Hartford Dividend and Growth R5	0.76%	(7.23%)	18.87%	10.04%	11.30%
S&P 500 Index	7.50%	(7.73%)	18.60%	11.19%	12.42%
T. Rowe Price Equity Income	(0.66%)	(6.33%)	19.53%	7.52%	9.56%
Russell 1000 Value Index	1.01%	(5.91%)	17.93%	7.50%	9.02%
Mid Cap U.S. Equity					
PGIM Jennison Mid-Cap Growth Z	8.51%	(7.96%)	18.11%	10.53%	11.47%
Russell MidCap Growth Idx	9.14%	(8.52%)	15.20%	9.07%	11.24%
Columbia Mid Cap Index Fund A	3.75%	(5.52%)	21.58%	7.17%	9.43%
S&P Mid Cap 400 Index	3.81%	(5.12%)	22.10%	7.67%	9.95%
Virtus Ceredex Mid-Cap Value I	(0.56%)	(8.75%)	18.32%	6.18%	8.31%
Russell MidCap Value Idx	1.32%	(9.22%)	20.69%	6.54%	8.33%
Small Cap U.S. Equity					
Brown Small Company Fund Investor	8.94%	(21.26%)	3.62%	2.47%	8.62%
Russell 2000 Growth Index	6.07%	(10.60%)	13.36%	4.26%	8.74%
DFA U.S. Small Cap Instl	3.15%	(5.16%)	24.40%	6.82%	9.21%
Russell 2000 Index	2.74%	(11.61%)	17.51%	4.71%	8.55%
Northern Small Cap Value Fund	0.33%	(7.50%)	19.18%	3.84%	6.47%
Russell 2000 Value Index	(0.66%)	(12.96%)	21.01%	4.55%	7.86%
Non-U.S. Equity					
AF New Perspective R4	10.22%	(9.17%)	16.19%	8.97%	11.26%
MSCI ACWI	7.31%	(7.44%)	15.36%	6.93%	9.16%
Vanguard Total Intl Stock Adm	6.66%	(4.62%)	12.68%	2.49%	6.02%
FTSE GI All Cap ex US Idx	6.42%	(5.71%)	12.47%	2.61%	6.01%
Invesco Developing Markets Y	11.33%	(0.89%)	5.66%	(0.66%)	4.92%
MSCI EM	3.96%	(10.70%)	7.83%	(0.91%)	4.92%

Callan

Knowledge. Experience. Integrity.

NDPERS Quarterly Performance Review

Plan Performance Monitoring

As of March 31, 2023

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Fixed Income					
Vanguard Total Bond Index Adm	3.16%	(4.71%)	(2.78%)	0.92%	0.88%
Blmbg:Aggregate Flt Adj	3.01%	(4.72%)	(2.73%)	0.95%	0.93%
Baird Core Plus Bond Investor	2.94%	(4.57%)	(1.36%)	1.20%	1.45%
Blmbg:Universal	2.93%	(4.61%)	(2.02%)	1.05%	1.24%
MM Premier Infl-Pr and Inc Svc	3.74%	(7.00%)	2.35%	2.60%	2.27%
Blmbg:TIPS	3.34%	(6.06%)	1.75%	2.94%	2.44%
PGIM High Yield Fund Z	3.01%	(4.50%)	5.99%	3.31%	5.01%
Blmbg HY Corp 1% Iss Cap	3.57%	(3.34%)	5.91%	3.06%	4.98%
Templeton Global Bond Advisor	1.87%	(5.34%)	(2.92%)	(2.46%)	(0.32%)
FTSE WGBI	3.51%	(9.55%)	(5.29%)	(2.35%)	(1.06%)
Capital Preservation					
Galliard Stable Value J	0.47%	1.60%	1.43%	1.69%	1.52%
3-month Treasury Bill	1.07%	2.50%	0.89%	1.41%	1.21%
Vanguard Treasury MM Inv	1.09%	2.59%	0.91%	1.33%	1.14%
3-month Treasury Bill	1.07%	2.50%	0.89%	1.41%	1.21%
Sector Funds					
Cohen & Steers Realty Shares	2.37%	(18.31%)	11.29%	7.73%	5.73%
FTSE NAREIT All Eq Index	1.74%	(19.40%)	10.17%	6.25%	5.03%

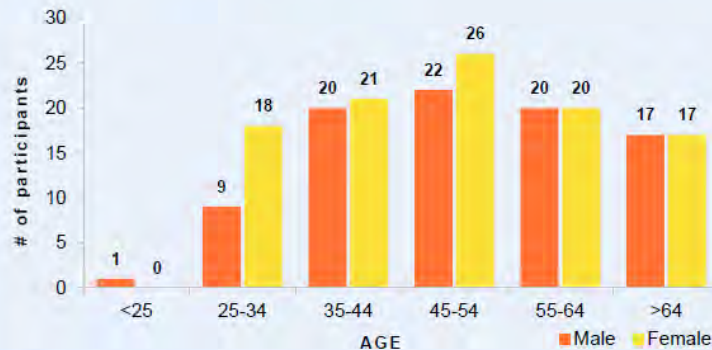
As of March 31, 2023

Assessment	Status and Actions
Stable	Firm, Team, Strategy are performing as expected
In Review	Callan is proposing that the fund be added to the watchlist
Cautionary	Staff is reviewing strategy with consultant and scheduling an update meeting with manager
Terminating	Following staff review and consultant recommendation, manager will be terminated following a successful replacement search

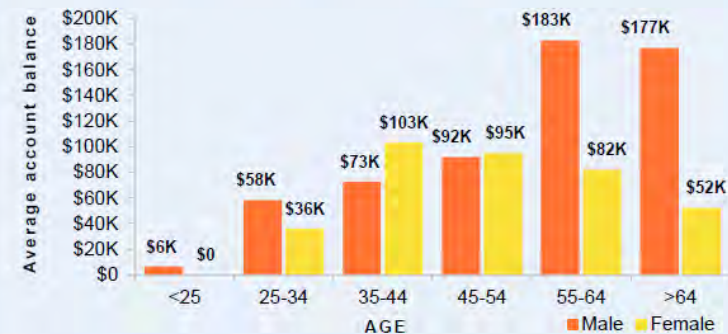
NORTH DAKOTA PERS 401A DEFINED CONTRIBUTION PLAN

Employee summary: Gender and age¹

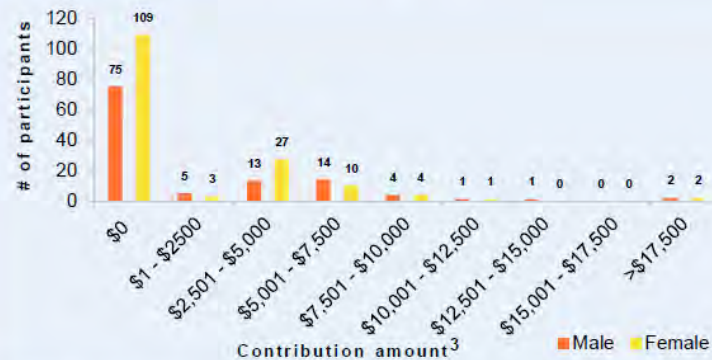
Demographics by Age and Gender



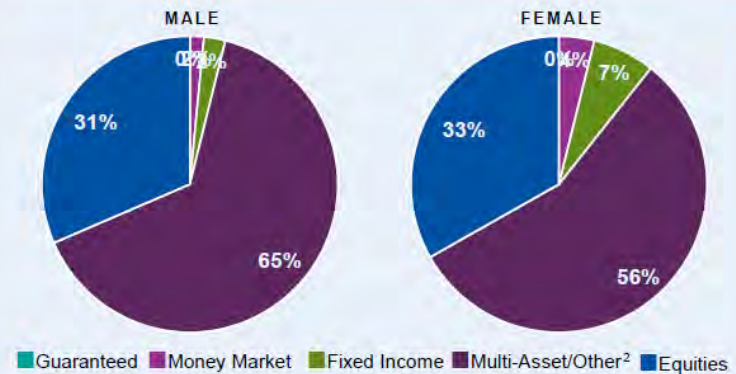
Average Account Balance by Age and Gender



Employee Contribution Amounts by Gender



Diversification by Gender



This report is as of the period ending 03/31/2023 and reflects the trailing 12 months of activity unless otherwise noted. The report includes all TIAA plans except 457(f), 457(b) Private, Nonqualified Deferred Compensation, and Retirement Healthcare plans. 1. Data reflected is for all participant statuses except Employee Contribution Amounts by Gender which includes only active or leave status. Does not include 269 participants with no age or gender on file. 2. Multi-Asset/Other includes Lifecycle, Real Estate, and Brokerage. 3. Contribution data reflects the trailing 12 months of data.

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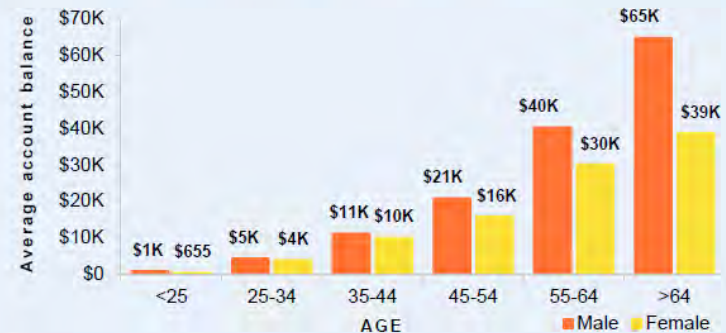
NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM COMPANION PLAN

Employee summary: Gender and age¹

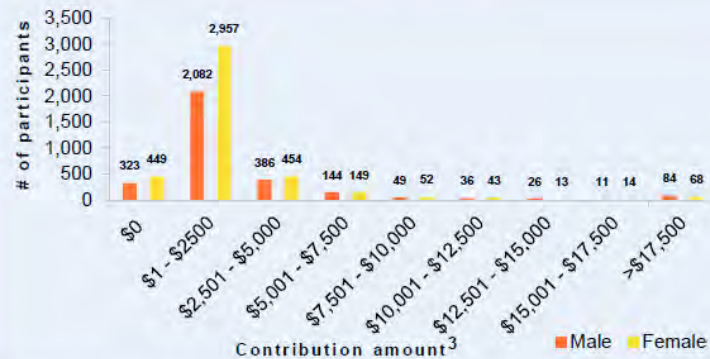
Demographics by Age and Gender



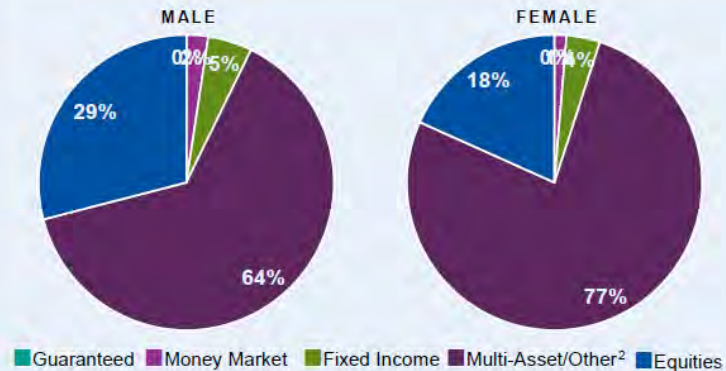
Average Account Balance by Age and Gender



Employee Contribution Amounts by Gender



Diversification by Gender



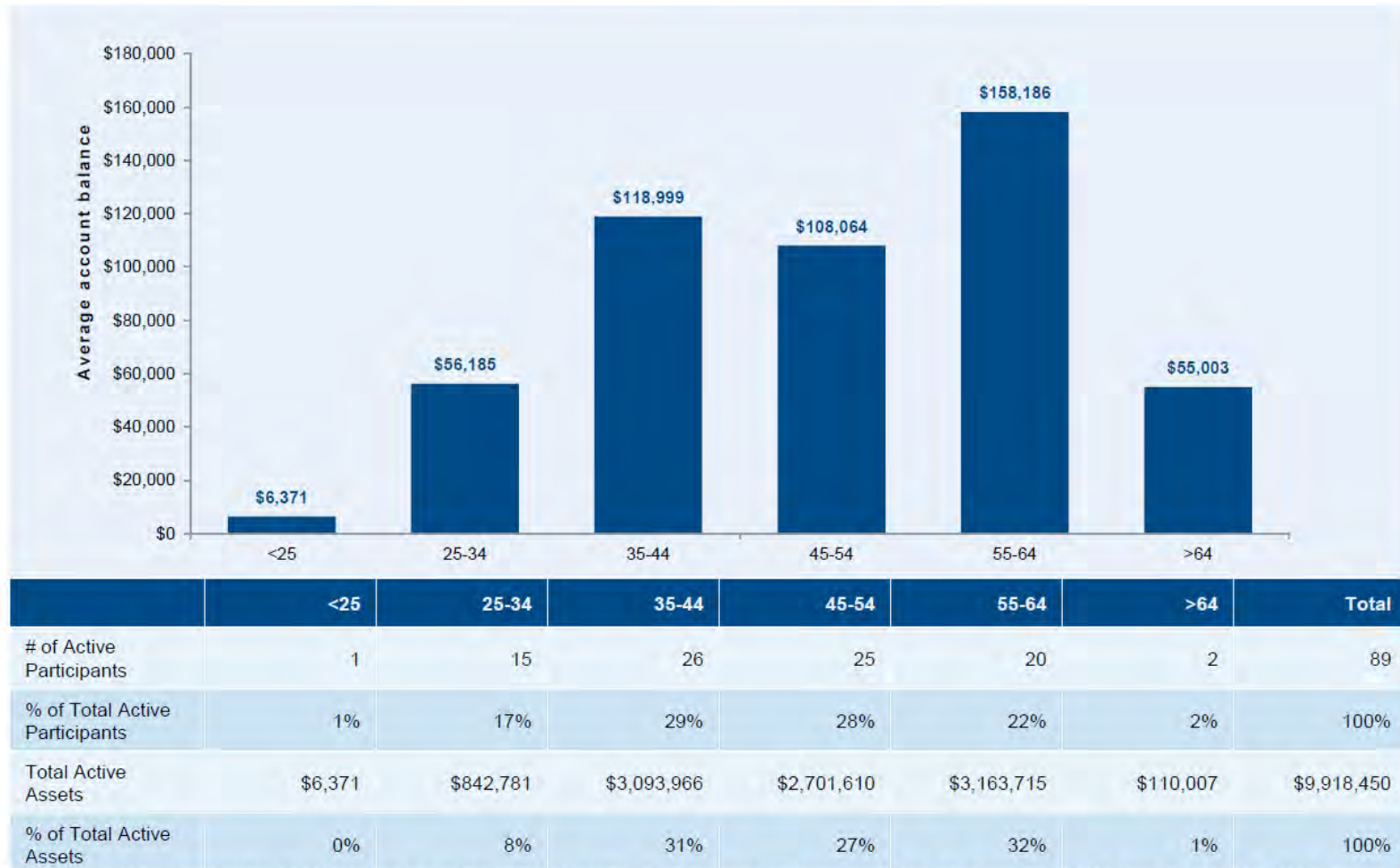
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NORTH DAKOTA PERS 401A DEFINED CONTRIBUTION PLAN

Active participants: Average account balance by age



This report is as of the period ending 03/31/2023 and reflects the trailing 12 months of activity unless otherwise noted. The report includes all TIAA plans except 457(f), 457(b) Private, Nonqualified Deferred Compensation, and Retirement Healthcare plans.

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NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM COMPANION PLAN

Active participants: Average account balance by age



This report is as of the period ending 03/31/2023 and reflects the trailing 12 months of activity unless otherwise noted. The report includes all TIAA plans except 457(f), 457(b) Private, Nonqualified Deferred Compensation, and Retirement Healthcare plans.

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North Dakota Public Employees | 5/30/23



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

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

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

Memorandum

TO: NDPERS Board

FROM: Katheryne Korom

DATE: June 13, 2023

SUBJECT: Group Voluntary Vision Benefits Plan Request for Proposal (RFP)

Buck Consulting and NDPERS' Staff have completed staff interviews of the vision provider finalists that were selected at the May 2023 Board meeting. Buck Consulting will be available at the NDPERS Board meeting to review their findings and answer any questions.

An adjusted proposed timeline for the proposal process is below:

Date	Activity
February 1, 2023	RFP is issued.
February 24, 2023	Written questions regarding proposals must be received by NDPERS no later than 5:00 p.m. (CDT).
March 10, 2023	NDPERS posts responses to all questions received.
March 31, 2023	Proposals must be received by NDPERS no later than 5:00 p.m. (CDT).
May 2023	NDPERS Board review of proposals.
July 2023	Best and Final Offers presented to the Board, and finalist interviews if deemed appropriate by Buck Consulting.
End of August 2023	Selection and award of contract by NDPERS.

Board Action Requested: Provide guidance to Buck Consulting and Staff on how to proceed with the Group Voluntary Vision Benefit RFP.



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

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

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

Memorandum

TO: NDPERS Board

FROM: Katheryne Korom

DATE: June 13, 2023

SUBJECT: Uniform Group Insurance Consultant Request for Proposal (RFP)

We have included for your review a draft copy of the Uniform Group Insurance Consultant RFP. It has been reviewed by staff and our changes are included in the document. Proposers are required to submit a bid to provide actuarial and consulting services primarily for the health and Medicare Part D plans, but may also provide services regarding the life, dental, vision, and Employee Assistance Program areas.

Following are the key dates for the proposal process:

Date	Activity
July 3, 2023	RFP is issued.
July 21, 2023	Written questions regarding proposals must be received by NDPERS no later than 5:00 p.m. (CDT).
August 11, 2023	NDPERS posts responses to all questions received.
August 29, 2023	Proposals must be received by NDPERS no later than 5:00 p.m. (CDT).
October 2023	NDPERS Board review of proposals.
October/November 2023	Finalist interview, if deemed necessary by the NDPERS Board
November 2023	Best and Final Offers due, if deemed necessary by the NDPERS Board

December 2023	Selection and award of contract by NDPERS.
---------------	--

If you have any questions, additions, or changes to the Uniform Group Insurance Consultant RFP, we will be available at the NDPERS Board Meeting.

Board Action Requested: Approve the Uniform Group Insurance Consultant RFP and the timeline for the proposal process.

REQUEST FOR PROPOSAL

FOR

**North Dakota
Public Employees Retirement System**

Uniform Group Insurance Consultant

May 2023

**Request for Proposal
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SECTION 1 – INTRODUCTION

This Request for Proposal (RFP) is issued for actuarial and consulting assistance for a twenty-four-month period (January 1, 2024, through December 31, 2025). In addition, the Board intends that the successful bidder will have the opportunity to renew its contract for two subsequent two-year periods if an acceptable agreement can be reached between the contractor and the Board.

RFP Proposed Timetable

The timeline is provided below for information purposes. NDPERS reserves the right to change the dates. Every effort will be made to notify Vendors of changes to the proposed timeline.

Date	Activity
July 3, 2023	RFP is issued.
July 21, 2023	Written questions regarding proposals must be received by NDPERS no later than 5:00 p.m. (CDT).
August 11, 2023	NDPERS posts responses to all questions received.
August 29, 2023	Proposals must be received by NDPERS no later than 5:00 p.m. (CDT).
October 2023	NDPERS Board review of proposals.
October/November 2023	Finalist interview, if deemed necessary by the NDPERS Board
November 2023	Best and Final Offers due, if deemed necessary by the NDPERS Board
December 2023	Selection and award of contract by NDPERS.

The Board is seeking three areas of fixed fee bids from each firm responding to this RFP. The first area of the fixed fee bid relates to the health insurance plan. At least every six years, NDPERS issues a Request for Proposal soliciting responses to provide services on a fully-insured basis and self-insured basis from interested vendors, including bundled with pharmacy benefits and unbundled with pharmacy benefits (separate carve-out PBM RFP). The next NDPERS Health Plan RFP is scheduled to be issued summer of 2026; however, the Health Plan RFP process may be initiated at any point during a contract period. The Board is seeking a fixed fee bid to conduct a bid process and is asking for the fixed fee for this area to be divided into three tasks. The first is to prepare an RFP for the required services for the Board's consideration. The second is to conduct the bid process if so directed by the Board. The third is to review the Health RFP every two years in the event the Board elects to go out to bid on this plan.

The second fixed fee bid relates to the Medicare Part D plan which is also bid every six years subject to one-year renewals. Similar to the above, the current vendor will have an opportunity to renew. However, if the Board decides to go out to bid on this plan, this task would most likely start in July with completion by September of 2024. We ask that this area's fixed fee be divided into three tasks. The first is to prepare an RFP and develop a list of potential firms to solicit by the end of June 2024. The second is to conduct the RFP process and analyze the responses in August/September of 2024 if necessary. The third fixed fee is to review the Medicare Part D plan RFP on an annual basis.

The third fixed fee area is for the Consultant to prepare an actuarial estimate of the needed health insurance premiums for any additional renewals of the NDPERS Health Plan. Section 54-52.1-05(2) NDCC outlines this effort:

The initial term or the renewal term of a uniform group insurance contract through a contract for insurance, health maintenance organization, or self-insurance health plan for hospital benefits coverage, medical benefits coverage, or prescription drug benefits coverage may not exceed two years.

a. The board may renew a contract subject to this subsection without soliciting a bid under section 54-52.1-04 if the board determines the carrier's performance under the existing contract meets the board's expectations, the proposed premium renewal amount does not exceed the board's expectations, and renewal best serves the interests of the state and the state's eligible employees.

b. In making a determination under this subsection, the board shall: (1) Use the services of a consultant to concurrently and independently prepare a renewal estimate the board shall consider in determining the reasonableness of the proposed premium renewal amount. (2) Review the carrier's performance measures, including payment accuracy, claim processing time, member service center metrics, wellness or other special program participation levels, and any other measures the board determines relevant to making the determination and shall consider these measures in determining the board's satisfaction with the carrier's performance. (3) Consider any additional information the board determines relevant to making the determination.

c. The board may determine the carrier's performance under the existing contract does not meet the board's expectations, the proposed premium renewal amount exceeds the board's expectations, or renewal does not best serve the interests of the state or the state's eligible employees and the board therefore may decide to solicit a bid under section 54-52.1-04.

The Board is also seeking assistance for the following services on a fee-for-service basis: 1) general technical and consulting services relating to operations of the uniform group insurance program (health, Medicare Part D, dental, vision, life, and Employee Assistance Program (EAP)); 2) technical and actuarial evaluations of proposed legislation and benefit changes; 3) assist with special legislative studies; and 4) review of the proposed premium renewals, with the exception of the fee-for-service efforts identified above, for each program when conducted.

Following is a sequence of major activities for the Medicare Part D Plan RFP:

Date	Activity
January 1, 2024	Consultant is available for general program consulting.
January-May 2024	Review Part D draft request for proposals, suggest modifications for NDPERS staff consideration.
June 2024	Submit Medicare Part D RFP to NDPERS Board for approval if Board opts to not renew.
June/July 2024	Issue Medicare Part D RFP if so determined by the NDPERS Board.
August/September 2024	Review analysis of Part D bids if necessary and provide recommendations to the NDPERS Board.
September/October 2024	Assist in contracting with vendor as needed.

Following is a sequence of major activities for the Health Plan RFP:

Date	Activity
January 1, 2024	Consultant is available for general program consulting.
January-May 2024	Submit recommended changes to draft Health RFP to NDPERS staff for consideration. Work with staff to develop a final version.
June 2024	Health RFP reviewed and approved by NDPERS Board.
June/July 2024	Issue Health RFP if so determined by the NDPERS Board.
August 2024	Review analysis of health bids if necessary and provide recommendations to the NDPERS Board.
August/September 2024	NDPERS Board selects health carrier if necessary.
2024 - 2025	Assist with contracting as requested.

Following is a sequence of major activities for the 2025 North Dakota Legislative Session:

Date	Activity
April 2024	Proposed legislation relating to the insurance plan(s) is referred to Consultant to do a technical and actuarial review with a report prepared for the Legislative Employee Benefits Committee by July 2024.
June/July 2024	Submit technical and actuarial analysis for consideration for bills impacting insurance plans(s) to the Legislative Employee Benefits Programs Committee.

July-December 2024	Review any additional bills related to insurance plan(s) that Legislative Employee Benefits Programs Committee takes jurisdiction over.
January-May 2025	North Dakota Legislative session begins. Additional bills submitted during Session will be sent to Consultant for technical and actuarial analysis.

SECTION 2 – BACKGROUND

A. The Agency:

The North Dakota Public Employees Retirement System is responsible for the administration of the State's retirement, health, life, dental, deferred compensation, flex comp, retiree health insurance credit, and EAP programs. This RFP is for general consulting assistance in the health, Medicare Part D, life, dental, vision, and EAP program areas.

Pursuant to 54-52-03, <https://www.ndlegis.gov/cencode/t54c52.pdf>, NDPERS is managed by a Board of trustees.

NDPERS is a separate agency created under North Dakota state statute and, while subject to state budgetary controls and procedures as are all state agencies, is not a state agency subject to direct executive control.

Group Health, Life, Dental, and Vision Insurance:

1. Health:

The Uniform Group Health Insurance Plan is currently a fully insured plan with Sanford Health Plan. The existing plan offered by NDPERS for active members is a PPO Grandfathered Plan and a non-grandfathered HDHP/HSA. A PPO Non-grandfathered plan and an HDHP (without HSA) is available for political subdivisions of the state. The successful vendor will also need to provide an HSA vendor. The retiree plan is the equivalent of a Medicare Supplement Plan F. Pharmacy benefits are bundled with the medical plan. All state employees are eligible to be covered under the plan, including the professional staff at colleges and universities. Political subdivisions may participate in the health plan at their option. Estimated premiums for this biennium (2021-2023) will be approximately \$661,000,000 for about 25,000 contracts.

2. Life:

The Uniform Group Life Insurance Plan is a fully insured term life plan underwritten by Voya. All state employees are covered under the plan, including the professional staff at colleges and universities. Political subdivisions may participate in the life plan at their option. Premiums collected for the past fiscal year totaled approximately \$3,900,000.

The Uniform Group Insurance Program is covered under chapter 54-52.1 of the North Dakota Century Code (NDCC).

3. Dental:

The Uniform Group Dental Plan is fully insured by Delta Dental. As of January 2023, there were 9,350 active contracts and 4,200 retired contracts. All premiums are paid by the employee. Premiums collected for the past fiscal year were approximately \$11,733,000.

4. Vision:

The Uniform Group Vision Plan is fully insured by Superior Vision. As of January 2023, there were 9,600 active contracts and 4,000 retired contracts. All premiums are paid by the employee. Premiums collected for the past fiscal year were approximately \$1,900,000.

SECTION 3 - SCOPE OF SERVICES

This Section outlines the scope of services to be provided to NDPERS.

A. Consulting Services:

The Consultant will be required to assist in the following areas relating to consulting services on a fee-for-service basis. Prior to initiating any efforts in this area, work must be authorized by NDPERS. Any work efforts the Consultant completes or initiates that have not been authorized will not be reimbursed.

1. General Consulting Services. The Consultant will be expected to serve on an ongoing basis in an advisory and review capacity to the NDPERS Board, Executive Director, and NDPERS staff. In this capacity, the Consultant will be expected to attend meetings and present findings and recommendations as required. The NDPERS Board meets on a monthly basis.

The Consultant must be able to provide the following:

- The actuarial and administrative implications of particular interpretations of the group health, Medicare Part D Plan, life, vision, dental, and EAP insurance statutes and administrative rules.
- The effect of existing and proposed state and federal laws that affect, or may affect the group health, Medicare Part D Plan, life, vision, dental, and EAP insurance programs at NDPERS.
- General assistance to NDPERS, as requested, regarding the ongoing administration of the group health, Medicare Part D Plan, life, vision, dental, and EAP plans including the review of premiums and the development of procedures and forms.
- Technical assistance relating to COBRA administration.
- Technical assistance relating to plan design, Pharmacy Benefit Managers (PBM), disease management programs, wellness programs, provider negotiations, and plan documents.
- Assistance with ACA compliance
- Assistance with HIPAA compliance
- Assistance with Federal and State compliance
- Other necessary compliance assistance

2. Bid Solicitation and Evaluation for the Health Programs (if necessary):

If necessary and as discussed earlier, the Board is seeking assistance for the health plan and the Medicare Part D plan RFPs. The Consultant will be expected to take a lead role in developing and issuing the RFPs and analyzing any proposals received. This includes the development and analysis of carved-out pharmacy benefits. The Board is not requesting RFP preparation for Life, Dental, Vision, or EAP plans as part of this bid.

Bid Process – Health Plan

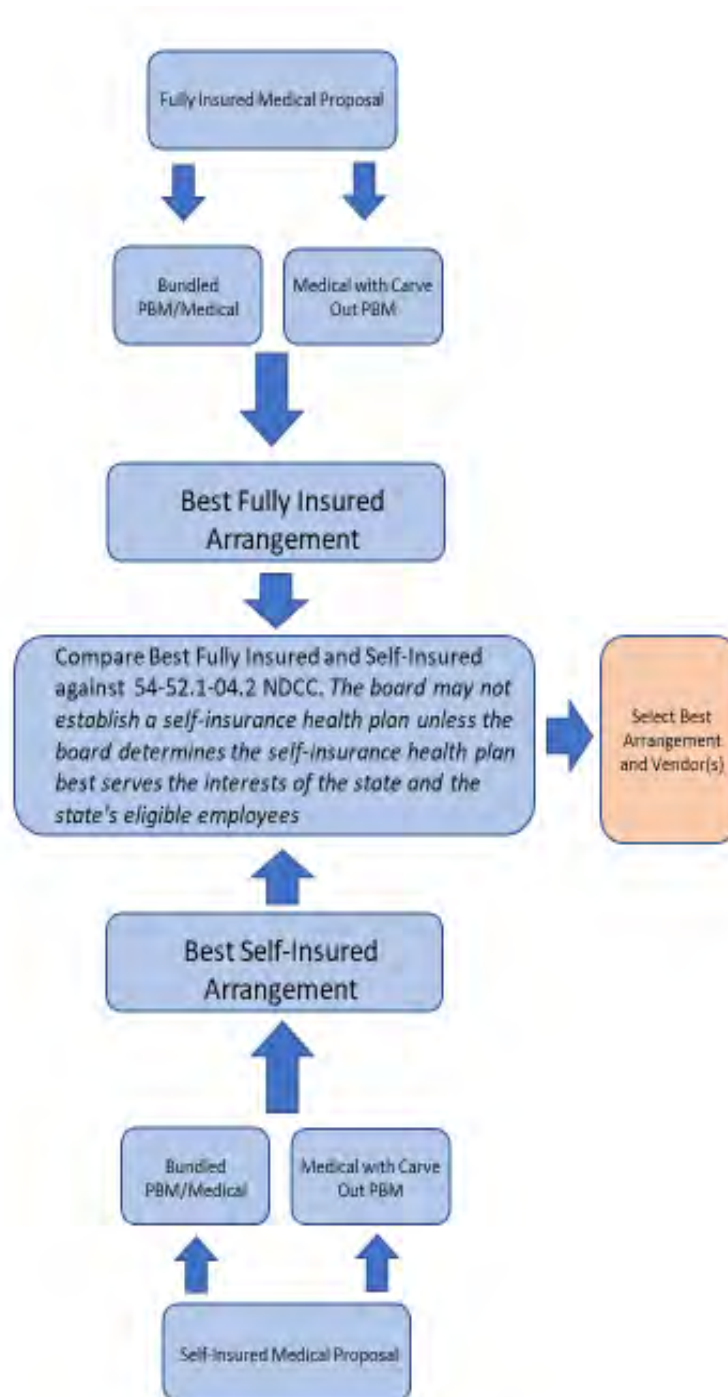
The North Dakota Century code directs in NDCC 54-52.1-04:

54-52.1-04. Board to contract for insurance.

- 1. The board shall receive bids for the providing of hospital benefits coverage, medical benefits coverage, life insurance benefits coverage for a specified term, and employee assistance program services; may receive bids separately for all or part of the prescription drug benefits coverage component of medical benefits coverage; and shall accept one or more bids of and contract with the carriers the board determines best serve the interests of the state and the state's eligible employees. Solicitations must be made not later than ninety days before the expiration of an existing uniform group insurance contract. Bids must be solicited by advertisement in a manner selected by the board which will provide reasonable notice to prospective bidders. In preparing bid proposals and evaluating bids, the board may utilize the services of Page No. 7 consultants on a contract basis in order that the bids received may be uniformly compared and properly evaluated. In determining which bid, if any, will best serve the interests of eligible employees and the state, the board shall give adequate consideration to the following factors:*
 - a. The economy to be effected [sic].*
 - b. The ease of administration.*
 - c. The adequacy of the coverages.*
 - d. The financial position of the carrier, with special emphasis on the solvency of the carrier.*
 - e. The reputation of the carrier and any other information available tending to show past experience with the carrier in matters of claim settlement, underwriting, and services.*
- 2. The board may reject any or all bids received under this section. If the board rejects all bids received, the board shall again solicit bids as provided in this section.*
- 3. Under sections 54-52.1-04.1 and 54-52.1-04.2 the board may contract for health benefits coverage through a health maintenance organization or establish a self-insurance health plan.*

Pursuant to this direction we are asking for one RFP to be developed for both a fully insured and self-insured plan. As outlined, the first step in the process is to review the fully insured proposals. As directed in North Dakota statute, these proposals will be reviewed to determine if any of the proposals best serves the interests of the state and the state's eligible employees. The findings will be reported to the NDPERS Board and the fully insured proposal that is most responsive to the review criteria will be selected by the Board.

For both the fully insured and self-insured proposals, each should be bid as a “bundled product” with the medical and Rx service combined and awarded to one vendor, and then as an “unbundled product” with the medical and Rx service awarded separately. The following chart is an outline of the process.



Bid Preparation and Evaluation for the Group Health Insurance Bids

The Consultant will be expected to take a lead role in developing and issuing RFPs, and analyzing any proposals for the group health plan.

Information on the existing plan is available at: <https://ndpers.nd.gov/active-members/insurance-plans/group-health-plan/ppobasic-grandfathered/>.

Information on the retiree plan can be found at: <https://www.ndpers.nd.gov/retired-members/insurance-plans-retired-members>. Information on the retiree PDP can be found at: <https://www.ndpers.nd.gov/retired-members/insurance-plans-retired-members/health-insurance-plans-retired-members/medicare>. You will note the existing plan offered by NDPERS for active members is a PPO Grandfathered Plan and a non-grandfathered HDHP/HSA. A PPO Non-grandfathered PPO plan and an HDHP (without HSA) are available for political subdivisions of the state. The successful vendor will also need to provide an HSA vendor. The retiree plan is the equivalent of a Medicare Supplement Plan F.

Pursuant to NDCC 54-52.1-14 the group insurance program has a wellness program. Information on that program can be found at:

<https://ndpers.nd.gov/employers/employer-resources/employer-based-wellness/>

The proper placement of this plan is a major and significant task for NDPERS. The Consultant must provide the following service for all of the above efforts:

1. Section 54-52.1-04 NDCC requires that the NDPERS Board solicit bids for the insurance programs. The Consultant must prepare all necessary RFP documents to replicate the existing plans pursuant to the schedule outlined in Section 1. The Consultant will also be responsible for developing a list of providers to be contacted. This list will be supplemented by requests NDPERS has received and those additional requests that come in as a result of a notice appearing in local newspapers in North Dakota.
2. The Board and staff will review draft RFPs pursuant to the schedule outlined in Section 1.
3. The Consultant shall review all bids within the timeframes outlined in Section 1. The analysis shall include the following:
 - a) Confirm that all bidders meet the minimum requirements and eliminate any non-qualified bidders.
 - b) Evaluate the financial implications of each bid (quantitative factors). Section 54-52.1-04 of NDCC requires the Board to give adequate consideration to the following factors:
 - (1) The economy to be effected [sic].
 - (2) The ease of administration.

- (3) The adequacy of the coverages.
 - (4) The financial position of the carrier, with special emphasis on the solvency of the carrier
 - (5) The reputation of the carrier and any other information available tending to show past experience with the carrier in matters of claim settlement, underwriting, and services.
- c) Review the technical aspects of each proposal (qualitative factors).
- d) Review the group insurance proposals when received for fully insured offers. The Consultant shall prepare a recommendation to the Board as to the merits of each fully insured offer and provide a recommendation.
- e) The Board may not establish a self-insurance health plan unless the Board determines the self-insurance health plan best serves the interests of the state and the state's eligible employees. Except for prescription drug coverage under subdivision c of subsection 1, if the Board determines it is in the best interest of the plan, individual stop-loss coverage insured by a carrier authorized to do business in this state may be made part of a self-insurance health plan.
- f) If so the proposals will be reviewed pursuant to 3.B.
- g) Complete all other analyses that will be required based on the outcome of the review of the bidding methodology
- 4. Present findings to the Board pursuant to the schedule outlined in Section 1.
- 5. The Consultant shall assist in developing contracts with the successful bidder and with the implementation of the plan.

Bid Process, Solicitation Evaluation of Part D Plan (if necessary)

Section 54-52.1-04 NDCC requires that the NDPERS Board solicit bids for the insurance programs. The Consultant must prepare draft bid proposals to replicate the existing plans pursuant to the schedule outlined in Section 1. The Consultant will also be responsible for developing a list of firms to be solicited. This list will be supplemented by requests NDPERS has received and those additional requests that come in as a result of a notice appearing in local newspapers in North Dakota.

- 1. The Board and staff will review draft RFPs pursuant to the schedule outlined in Section 1.

2. The Consultant shall review all bids within the timeframes outlined in Section 1. The analysis shall include the following:
 - a) Confirm that all bidders meet the minimum requirements and eliminate any non-qualified bidders.
 - b) Evaluate the financial implications of each bid (quantitative factors). Section 54-52.1-04 of NDCC requires the Board to give adequate consideration to the following factors:
 - (1) The economy to be effected [sic].
 - (2) The ease of administration.
 - (3) The adequacy of the coverages.
 - (4) The financial position of the carrier, with special emphasis on the solvency of the carrier.
 - (5) The reputation of the carrier and any other information available tending to show past experience with the carrier in matters of claim settlement, underwriting, and services.
 - c) Review the technical aspects of each proposal (qualitative factors).

Premium Calculation for 2024-25

The Consultant will be required to estimate the required premiums for the group health insurance program for a twenty-four (24) month period beginning January 1, 2024, and ending December 31, 2025. The Consultant and NDPERS will discuss the timeline that will need to be followed to prepare the estimate. The purpose of this effort is to provide the Board with an estimate to be used in analyzing the merits of renewing with the existing carrier.

In addition, the Consultant will be asked to verify that the premium being proposed by the Medicare Part D vendor for the upcoming plan year is reasonable based on plan design, the CMS subsidy for the upcoming calendar year, and trends impacting Part D plans.

B. Proposed Legislation:

The Consultant will be required to assist in the following areas relating to proposed legislation on a fee-for-service basis. Prior to initiating any efforts in this area, work must be authorized by the Executive Director on a not-to-exceed basis. Any work efforts the Consultant completes or initiates that have not been authorized will not be reimbursed. The efforts under this task area include:

- Provide consultation on, and perform certain work in, pricing proposed legislation or plan benefit modifications.
- Assist in the preparation and review of proposed changes to the governing laws.
- Pricing or general review work on legislation or plan benefit modifications shall specifically address each issue and give the basis for each finding. The Consultant shall furnish its review in writing and, for pricing efforts, show the assumptions, pricing base, and actuarial implications on the total program, cost, and alternatives, if appropriate.

SECTION 4 - INFORMATION REQUESTS

The proposal must contain in a separate section your organization's response to the following requested information. Please respond by restating the information request, with the response following.

1. Provide a brief description of the size, structure, and services provided by your organization.
2. Provide your understanding of the services NDPERS is requesting and discuss how you would approach the work for the following:
 - a. Requirements outlined in 3.A.1.
 - b. Outline your organization's depth of experience in each of the following areas:
 - ◀ Benefit Design (health, life, dental, vision, and EAP)
 - ◀ Retiree Health Insurance
 - ◀ Preparation of Plan Documents
 - ◀ Preparation of Member Booklets
 - ◀ Provider Contract Negotiations
 - ◀ Value-Based Care Arrangements
 - ◀ PPO Formulation and Development
 - ◀ Actuarial Analysis and Reporting
 - ◀ Preparation of Contracts, Bid Specifications, and RFPs
 - ◀ COBRA Administration and Interpretation
 - ◀ Legal Issues
 - ◀ Disease Management Programs
 - ◀ Wellness Programs
 - ◀ RX Carve out Programs
 - ◀ Legal Assistance
 - ◀ ACA Compliance
 - c. Requirements outlined in 3.A.2., including the method used by your firm to project expected claims. Also, provide specific details of how your firm decides the appropriate medical trend; what factors are considered; (i.e., historical claims trends, cost shifting, leveraging, intensity, etc.), and how these factors are weighted or allocated in the final decision. Please discuss how this relates to the NDPERS renewal.
 - d. Requirements outlined in 3.B. In addition, describe your organization's experience and availability regarding legislative hearings and testimony
3. Describe your organization's approach to actuarial consulting for group health, life, dental, vision, and EAP insurance programs.

4. Detail your understanding of the renewal work effort and the timeframes for its accomplishment.
5. Provide a listing of public and private large-sector clients for whom your organization provides group health, life, dental, vision, and EAP insurance program consulting and actuarial services. References should identify the appropriate contact person(s), addresses, and telephone numbers. Specifically, discuss your responsibilities in similar projects with other public or private clients. Discuss your understanding of the difference between a public bid process versus a private bid process.
6. To what extent does your organization provide timely information and insight into current or pending federal legislation, and other national events or trends?
7. Explain how your organization develops premium rates for health insurance plans.
8. Describe your data security policies and procedures.
9. What new cost containment programs does your organization foresee being implemented in the next 2-3 years?
10. Provide the resumes of key personnel in your firm who will be providing the services. Also specifically identify their assignment as it relates to the efforts requested in the RFP.
11. Provide a flow chart depicting major work efforts and timeframes for beginning and completing tasks.

SECTION 5 – COST PROPOSAL (FEES/HOURS)

We are requesting that you price this project on a fixed-fee basis for certain efforts and on a fee-for-service basis for other efforts as identified below. Expenses for travel, lodging, meals, and other out-of-pocket expenses will be paid on an incurred basis if the Executive Director of NDPERS has given prior approval for each individual to incur such expenses. NDPERS is under no obligation to reimburse the Consultant if no approval was given.

THE COST PROPOSAL SHALL BE UNDER SEPARATE COVER AND NOT PART OF THE RESPONSES TO THE OTHER INFORMATION REQUESTS. PLEASE PROVIDE AN ELECTRONIC COPY OF THE COST PROPOSAL.

FIXED FEE #1: \$ _____
Health and PBM RFP
Preparation and Evaluation of the Bids

FIXED FEE #2: \$ _____
Medicare Part D RFP
Preparation and Evaluation of the Bids

FIXED FEE #3: \$ _____
Health Premium Estimates
Part D Premium – verification that offered premium is reasonable

All other work will be at an hourly rate.

HOURLY RATE for general consulting: \$ _____

HOURLY RATE legislative consulting: \$ _____

SECTION 6 - SUBMISSION OF PROPOSAL

Proposals should be prepared in a straightforward manner to satisfy the requirements of this RFP. Emphasis should be on completeness and clarity of content. Costs for developing proposals are entirely the responsibility of the proposer and shall not be chargeable to NDPERS.

1. Inquiries Regarding Specifications

Offeror will have until 5:00 p.m. (CDT) on July 21, 2023, to submit questions in writing regarding this RFP. All questions shall cite the specific RFP section and paragraph number(s) to which the question refers. Any questions received by NDPERS prior to the date and time above will be answered in a question-and-answer document issued by NDPERS. Only answers provided in writing by NDPERS will be considered official.

All query submissions must include the identity of the sender, the sender's title, firm name, mailing address, telephone number, and e-mail address.

Questions must be submitted by email to Katheryne Korom of NDPERS, using the contact information found below. NDPERS is not responsible for questions received after the submittal deadline.

Answers to questions will be made available on the NDPERS website at <https://www.ndpers.nd.gov/about/bid-opportunities> by August 11, 2023, at 5:00 p.m. C.D.T.

Only information in the materials constituting this RFP, including its attachments, exhibits, and forms, the question and answer document, and any RFP addendum shall be binding on NDPERS.

All inquiries regarding these specifications must be in writing and sent via email to:

<p>Katheryne Korom, Research & Project Manager NDPERS Email: katherynekorom@nd.gov</p>
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2. Rules and Regulations

Any Offeror submitting a proposal must be able to meet and comply with all applicable state and federal statutes and regulations.

3. Confidentiality of Trade Secret, Proprietary, Commercial, and Financial Information (NDCC Section 44-04-18.4(6))

All materials submitted in response to this RFP will become the property of NDPERS and upon receipt by NDPERS are subject to the North Dakota public records law.

PLEASE NOTE that proposals should follow the Confidential/Proprietary Information instructions in Section 8. Any provisions of the Responder's proposal that are desired to be confidential must be identified specifically on each page of the proposal and included in the table provided in Section 8.

4. Addenda, Amendments, and Clarifications to the RFP

NDPERS may issue any addenda, amendments, and clarifications regarding this RFP that NDPERS determines are necessary. All such addenda, amendments, and clarifications issued by NDPERS become part of the RFP. All addenda, amendments, and clarifications to the RFP will be issued in writing and added to the posting at: <https://www.ndpers.nd.gov/about/bid-opportunities>. It shall be **the responsibility of the Offeror** to recheck the RFP posting at: <https://www.ndpers.nd.gov/about/bid-opportunities> for any possible addenda prior to submitting a proposal. The Offeror must acknowledge all addenda, amendments, or clarifications by either signing and returning such document(s) or indicating receipt on the Signature Page of the proposal. Only written addenda, amendments, and clarifications signed or sent by authorized NDPERS personnel shall be binding. All oral and other interpretations or clarifications have no legal effect.

5. Order of Responses

Responses must be made in the same order as provided in the specifications. Unless a variation from the specifications of the RFP is specifically noted in a response, the Offeror is agreeing to meet all requirements, including the required contract provisions, stated in this RFP (See Section 9). No proposed variation is binding on NDPERS unless and until accepted by NDPERS.

6. Submission of Proposals

To be considered for award, six (6) printed and bound copies, one (1) unbound copy of the Offeror's technical and price proposal, one (1) electronic, PDF redacted copy of the proposal on a separate flash drive labeled "REDACTED", and one (1) electronic, editable, PDF original copy of the proposal on a separate flash drive labeled "ORIGINAL" (note that the electronic redacted and original copies may not be a picture) must be received by NDPERS on or before 5:00 P.M. (CDT), August 29, 2023. The unbound copy shall bear original signatures and shall be marked as the "Master Copy". The unbound Master Copy shall contain no divider sheets or tabs, and shall be printed on one side only of 8-1/2 in. x 11 in. white paper to enable copying if needed. Colors must reproduce in a legible manner on a black-and-white copier. The unbound original, one (1) copy of the "REDACTED"

proposal on a flash drive, and one (1) copy of the “ORIGINAL” proposal on a flash drive shall be provided in separate sealed envelopes.

Responder acknowledges that NDPERS is subject to the North Dakota Open Records Laws, and the documents submitted pursuant to this RFP may be subject to a public records request. Responder is also put on notice that, except for the information that is determined by NDPERS to be confidential or otherwise exempt from the North Dakota Public Records law, NDPERS must disclose to the public upon request any records it receives from Responder. If NDPERS receives a request for information that Responder has requested be kept confidential, NDPERS will review the information submitted by Responder and may also contact Responder for additional input regarding the nature of those records, but NDPERS will be solely responsible for making the ultimate determination of whether the materials submitted are open or exempt. All information that has not been clearly identified by Responder as being confidential and which NDPERS has determined constitutes confidential or exempt information under the North Dakota public records law will be disclosed as an open record. If, as a result of the position taken by Respondent regarding the confidentiality of the information, NDPERS is assessed any damages or fees, Respondent shall indemnify NDPERS for such damages or fees. If no documents or materials are identified and marked by Respondent as confidential, Respondent will be deemed to have consented to the release of the document or material and to have waived any cause of action against NDPERS resulting from the release of the documents or materials. NDPERS will not consider the prices submitted by the Responder to be confidential.

Copies of the proposal shall be delivered to:

**Katheryne Korom, Research & Project Manager
NDPERS
1600 East Century Avenue, Suite 2
PO Box 1657
Bismarck, ND 58502-1657**

- The base contract will be for a two-year period of January 1, 2024, through December 31, 2025. All rates and fees must be firm, fixed and valid for the duration of the base period. Additionally, NDPERS is seeking two, two-year option periods for a potential total contract period of six years.
- Proposals and any other information submitted by organizations in response to this RFP shall become the property of NDPERS and will not be returned.
- NDPERS will not provide compensation to Offerors for any expenses that they incur as part of the proposal process, including but not limited to

expenses incurred for preparing proposals, making demonstrations, responding to inquiries, and attending meetings and negotiations. Offerors submit proposals at their own risk and expense.

- The materials submitted must be enclosed in a sealed envelope, box, or container; the outside of the package must show clearly the submittal deadline, the organization name, and the return address of the organization. The package the proposal is delivered in must also be plainly marked "PROPOSAL TO PROVIDE UNIFORM GROUP INSURANCE CONSULTING SERVICE".
- A proposal shall be considered late if received at any time after the exact time specified for the return of proposals. Late proposals may be returned to the organization unopened at the organization's expense. Late proposals will not be considered unless the NDPERS Board determines otherwise.
- Proposals submitted via email or fax will not be accepted.
- Any award is contingent upon a contract acceptable to NDPERS being executed.

7. Acceptance of Proposals

NDPERS retains the right to reject all proposals submitted. NDPERS is not required to select the proposal with the lowest fees but will take into consideration statutory guidelines and any factors it considers relevant. It is the intent of NDPERS at this time to enter into a contract effective upon execution with services beginning January 1, 2024, through December 31, 2025. The Board at its discretion may extend the contract for up to two additional two-year periods. The premium and benefits structure of these extensions will be subject to negotiations prior to renewal. NDPERS has the right to discontinue the program if the legislature discontinues the program or for any other reason. The Offeror whose proposal is selected will be chosen with the goal of developing a long-term relationship.

8. Non-Responsive Proposals

NDPERS is not required to accept for consideration any proposal that does not comply with the criteria set forth herein.

9. References

Each Offeror must provide references from other clients as requested in this RFP. NDPERS or its designated representative may ask these clients to provide information regarding the Offeror's overall record of service in providing services for their participants. Providing references in its proposal constitutes the Offeror's permission for NDPERS to contact these clients.

10. Compliance with HIPAA

As a business associate of NDPERS, the Contractor must comply with the privacy, transactions and code set, and security requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), as if it were a covered entity, as that term is defined by HIPAA, and the federal regulations implementing HIPAA. The Contractor will be required to execute a business associate agreement, which will be an attachment to the Agreement, and abide by the terms of the business associate agreement throughout any contract term. The Contractor will also be required to comply with the security requirements of HIPAA.

11. Waiver

By submitting a proposal, the Offeror submitting the proposal agrees to waive any claim it has or may have against NDPERS, NDPERS employees, NDPERS agents, and NDPERS attorneys, arising out of or in connection with (1) the administration, evaluation or recommendation of any proposal; (2) waiver of any requirement under this RFP; (3) acceptance or rejection of any proposal; and (4) award of the contract.

12. Additional Information from Responding Organizations

NDPERS reserves the right to request additional documentation from responding organizations, and such information may vary by Offeror.

13. Interview with Responding Organizations

The NDPERS Board may request representatives of your organization to appear for interviewing purposes. Travel expenses and costs related to the interview will be the responsibility of the bidder.

14. Modification

No proposal may be changed after the deadline for submissions of proposals unless language within the proposal is needing clarification at NDPERS's request.

15. Solicitation

The selected Offeror shall not use lists of covered employees and other data for any purpose except to provide services to participants. Neither the selected Offeror nor its employees may disclose such information to any other party unless specifically authorized in writing in advance by NDPERS.

16. News Release

Written approval by NDPERS will be required for any news releases or other communications regarding a contract awarded to an Offeror.

17. Change Required by Statute, Regulations, Court Orders, or Program Appropriations

NDPERS recognizes that there are factors that could cause a change of condition with regard to NDPERS benefits and administration that are beyond the control of NDPERS or the Offeror submitting a proposal. Those factors that may affect the program include, but are not limited to:

- Federal and state statutes, regulations, court decisions, and administrative rulings.
- Funding appropriated by the North Dakota Legislature
- Opinions of the Attorney General of the State of North Dakota

NDPERS expects a good faith effort on the part of the Offeror that is selected to comply with additional responsibilities imposed by federal or state law without requiring mid-year fee increases. NDPERS reserves the right to negotiate with the Offeror as needed to comply with any changes required by statute, regulation, court order, administrative order, or official interpretation.

18. Contract Award

The policy of the NDPERS Board is to solicit proposals with a bona fide intention to award a contract. This policy will not affect the right of the NDPERS Board to reject any, or all, proposals.

In evaluating the proposals, price will not be the sole factor. The Board may consider any factors it deems necessary and proper, including but not limited to: price; quality of service; response to this request; experience; staffing; and, general reputation.

The failure to meet all procurement policy requirements shall not automatically invalidate a proposal or procurement. The final decision rests with the Board.

19. Agreements

Section 9 – Offer (Agreements), must be signed by a partner or principal of the firm and included with your proposal.

SECTION 7 - REVIEW PROCESS

Proposals will be evaluated in a three-step approach. The first step will be done by a review team composed of NDPERS staff. The first step will be an initial screening of each proposal to determine if it is sufficiently responsive to the RFP to permit a valid comparison. The qualifying factor will be on a Yes/No basis. The proposal will be dropped from consideration if a majority of reviewers respond "No".

The proposals that pass the initial screening will then be reviewed by the same review team. Each individual will review the proposal for all areas but price. Every proposal will be awarded points for specified areas by the reviewers. Points for price are awarded automatically. Following is the weighting factor for each area:

<u>GENERAL</u>	<u>POINTS</u>
Consultant followed required format in Section 4	6 points
Technical Understanding	44 points
Qualifications, Experience, and Staffing	20 points
Price	30 points

The purpose of this review is to assess the Consultant's understanding of the work requirements, capabilities, and resources. It is important that proposals relate to the offeror's understanding in order to be rated. A statement that the offeror will comply with the RFP is not sufficient, nor is repeating the RFP requirements. The findings will be reported to the NDPERS Board. This will be the third step of the review. The Board at its discretion may require vendor interviews. The Board retains the option to make the final selection based upon not only the above review but all other factors it deems applicable to determining which firm is awarded the contract.

SECTION 8 - CONFIDENTIAL/PROPRIETARY INFORMATION

Request for Redaction Chart

The Responder submitting a proposal to the attached RFP is required to complete the following.

Any provisions of the company's proposal that are desired to be confidential must be identified specifically on each page of the proposal and in a table format as provided below.

Information not identified in the table will be considered an open record by NDPERS, regardless of whether the information is marked confidential in the body of the proposal.

In response to the Request for Proposals entitled _____ (please check one):

_____ Offeror asserts that the information noted in the table below constitutes proprietary, trade secret, commercial, or financial information as defined by North Dakota Century Code section 44-04-18.4, and desires that the information noted in the table below not be disclosed if requested pursuant to the North Dakota Open Records law. **Offeror has submitted a redacted copy of the proposal on a flash drive labeled "REDACTED" that accurately and completely redacts the information noted in the table below.**

_____ Offeror makes NO assertion that any information in its Proposal, in whole or in part, should be protected from disclosure under the North Dakota Open Records law.

Technical Proposal:				
Specific wording that Responder desires to protect	Page Number, Section Number	Specific reason Responder believes the language should not be disclosed	North Dakota Century Code provision that allows NDPERS to withhold the information if requested	Has this information ever been publicly disclosed? (Yes/No)
<i>Insert rows above as necessary</i>				
Cost Proposal:				
Specific wording that Responder desires to protect	Page Number, Section Number	Specific reason Responder believes the language should not be disclosed	North Dakota Century Code provision that allows NDPERS to withhold the information if requested	Has this information ever been publicly disclosed? (Yes/No)
<i>Insert rows above as necessary</i>				

The above information has been reviewed by Responder's legal counsel and is attested to by _____ (insert name of Responder representative who is authorized to contractually bind Responder), on this _____ day of _____, 2023.

(Signature)

SECTION 9 - OFFER (Agreements)

AGREEMENT FOR SERVICES BETWEEN (Name of Contractor) AND NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

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

CONTRACTOR and NDPERS agree to the following:

- 1) **SCOPE OF SERVICES:** CONTRACTOR agrees to provide the service(s) as specified in the 2023 bid document and VENDOR proposal (attached hereto and incorporated by reference Exhibit A).
- 2) **TERM:** The term of this contract shall commence January 1, 2024.
- 3) **FEES:** NDPERS shall only pay pursuant to the terms in Exhibit A.
- 4) **BILLINGS:** NDPERS will pay for the services provided by CONTRACTOR under this contract pursuant to Exhibit A.
- 5) **TERMINATION:** Either party may terminate this agreement with thirty (30) days written notice mailed to the other party, or as mutually agreed to by the parties. Upon any termination the CONTRACTOR shall be compensated as described in Exhibit A for services performed up to the date of termination.

In addition, NDPERS by written notice to CONTRACTOR may terminate the whole or any part of this Agreement under any of the following conditions:

- i. If funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for purchase of the services or supplies in the indicated quantities or term.
- ii. If federal or state laws or rules are modified or interpreted in a way that the services are no longer allowable or appropriate for purchase under this Agreement or are no longer eligible for the funding proposed for payments authorized by this Agreement.
- iii. If any license, permit, or certificate required by law or rule, or by the terms of this Agreement, is for any reason denied, revoked, suspended, or not renewed.

Termination of this Agreement under this subsection is without prejudice to any obligations or liabilities of either party already accrued prior to termination. In addition, NDPERS may terminate this Agreement effective upon thirty (30) days prior written notice to CONTRACTOR, or any later date stated in the notice:

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

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

- 6) **ASSIGNMENT AND SUBCONTRACTS:** CONTRACTOR may not assign or otherwise transfer or delegate any right or duty without STATE's express written consent, provided, however, that CONTRACTOR may assign its rights and obligations hereunder in the event of a change of control or sale of all or substantially all of its assets related to this Contract, whether by merger, reorganization, operation of law, or otherwise. Should Assignee be a business or entity with whom STATE is prohibited from conducting business, STATE shall have the right to terminate without cause.

CONTRACTOR may enter into subcontracts provided that any subcontract acknowledges the binding nature of this Contract and incorporates this Contract, including any attachments. CONTRACTOR is solely responsible for the performance of any subcontractor with whom CONTRACTOR contracts. CONTRACTOR does not have authority to contract for or incur obligations on behalf of NDPERS.

- 7) **ACCESS TO RECORDS AND CONFIDENTIALITY:** The parties agree that all participation by NDPERS members and their dependents in programs administered by NDPERS is confidential under North Dakota law. CONTRACTOR may request and NDPERS shall provide directly to CONTRACTOR upon such request, confidential information necessary for CONTRACTOR to provide the services described in Exhibit A. CONTRACTOR shall keep confidential all NDPERS information obtained in the course of delivering services. Failure of CONTRACTOR to maintain the confidentiality of such information may be considered a material breach of the contract and may constitute the basis for additional civil and criminal penalties under North Dakota law. CONTRACTOR has exclusive control over the direction and guidance of the persons rendering services under this Agreement. Upon termination of this Agreement, for any reason, CONTRACTOR shall return or destroy all confidential information received from NDPERS, or created or received by CONTRACTOR on behalf of NDPERS. This provision applies to confidential information that may be in the possession of subcontractors or agents of

CONTRACTOR. CONTRACTOR shall retain no copies of the confidential information. In the event that CONTRACTOR asserts that returning or destroying the confidential information is not feasible, CONTRACTOR shall provide to NDPERS notification of the conditions that make return or destruction infeasible. Upon explicit written agreement of NDPERS that return or destruction of confidential information is not feasible, CONTRACTOR shall extend the protections of this Agreement to that confidential information and limit further uses and disclosures of any such confidential information to those purposes that make the return or destruction infeasible, for so long as CONTRACTOR maintains the confidential information.

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

ch. 44-04. The duty of NDPERS and CONTRACTOR to maintain confidentiality of information under this section continues beyond the term of this Agreement.

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

- 8) **APPLICABLE LAW AND VENUE:** This Agreement is governed by and construed in accordance with the laws of the State of North Dakota. Any action to enforce this Contract must be adjudicated exclusively in the state District Court of Burleigh County, North Dakota. Each party consents to the exclusive jurisdiction of such court and waives any claim of lack of jurisdiction or *forum non conveniens*.
- 9) **MERGER AND MODIFICATION:** This Agreement, including the following documents, constitutes the entire agreement between the parties. There are no understandings, agreements, or representations, oral or written, not specified within this Agreement. This Agreement may not be modified, supplemented or amended, in any manner, except by written agreement signed by both parties.

Notwithstanding anything herein to the contrary, in the event of any inconsistency or conflict among the documents making up this Agreement, the documents must

control in this order of precedence: First – the terms of this Agreement, as may be amended and Second - the state's Request for Proposal (attached in Exhibit A) and Third – CONTRACTOR's Proposal (attached in Exhibit A). No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification or change, if made, shall be effective only in the specific instances and for the specific

purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement.

- 10) **INDEMNITY:** CONTRACTOR agrees to defend, indemnify, and hold harmless the state of North Dakota, its agencies, officers and employees (State), from and against claims based on the vicarious liability of the State or its agents, but not against claims based on the State's contributory negligence, comparative and/or contributory negligence or fault, sole negligence, or intentional misconduct. This obligation to defend, indemnify, and hold harmless does not extend to professional liability claims arising from professional errors and omissions. The legal defense provided by CONTRACTOR to the State under this provision must be free of any conflicts of interest, even if retention of separate legal counsel for the State is necessary. Any attorney appointed to represent the State must first qualify as and be appointed by the North Dakota Attorney General as a Special Assistant Attorney General as required under N.D.C.C. § 54-12-08. CONTRACTOR also agrees to defend, indemnify, and hold the State harmless for all costs, expenses and attorneys' fees incurred if the State prevails in an action against CONTRACTOR in establishing and litigating the indemnification coverage provided herein. This obligation shall continue after the termination of this Agreement.
- 11) **INSURANCE:** Contractor shall secure and keep in force during the term of this agreement and Contractor shall require all subcontractors, prior to commencement of an agreement between Contractor and the subcontractor, to secure and keep in force during the term of this agreement, from insurance companies, government self-insurance pools or government self-retention funds, authorized to do business in North Dakota, the following insurance coverages:
 - 1) Commercial general liability, including premises or operations, contractual, and products or completed operations coverages (if applicable), with minimum liability limits of \$2,000,000 per occurrence.
 - 2) Automobile liability, including Owned (if any), Hired, and Non-Owned automobiles, with minimum liability limits of \$500,000 per person and \$2,000,000 per occurrence.
 - 3) Workers compensation coverage meeting all statutory requirements. The policy shall provide coverage for all states of operation that apply to the performance of this contract.

- 4) Employer's liability or "stop gap" insurance of not less than \$2,000,000 as an endorsement on the workers compensation or commercial general liability insurance.
- 5) Professional errors and omissions with minimum limits of \$1,000,000 per claim and in the aggregate, Contractor shall continuously maintain such coverage during the contract period and for three years thereafter. In the event of a change or cancellation of coverage, Contractor shall purchase an extended reporting period to meet the time periods required in this section.

The insurance coverages listed above must meet the following additional requirements:

- 1) Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the Contractor. The amount of any deductible or self-retention is subject to approval by the State.
- 2) This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and must be placed with insurers rated "A-" or better by A.M. Best Company, Inc., provided any excess policy follows form for coverage. Less than an "A-" rating must be approved by the State. The policies shall be in form and terms approved by the State.
- 3) The duty to defend, indemnify, and hold harmless the State under this agreement shall not be limited by the insurance required in this agreement.
- 4) The state of North Dakota and its agencies, officers, and employees (State) shall be endorsed on the commercial general liability policy, including any excess policies (to the extent applicable), as additional insured. The State shall have all the benefits, rights and coverages of an additional insured under these policies that shall not be limited to the minimum limits of insurance required by this agreement or by the contractual indemnity obligations of the Contractor.
- 5) A "Waiver of Subrogation" waiving any right to recovery the insurance company may have against the State.
- 6) The Contractor shall furnish a certificate of insurance to the undersigned State representative prior to commencement of this agreement. All endorsements shall be provided as soon as practicable.
- 7) Failure to provide insurance as required in this agreement is a material breach of contract entitling the State to terminate this agreement immediately.

- 8) Contractor shall provide at least 30 day notice of any cancellation or material change to the policies or endorsements. Contractor shall provide on an ongoing basis, current certificates of insurance during the term of the contract. A renewal certificate will be provided 10 days prior to coverage expiration.
- 12) **SEVERABILITY:** If any term in this Agreement is declared by a court having jurisdiction to be illegal or unenforceable, the validity of the remaining terms must not be affected, and, if possible, the rights and obligations of the parties are to be construed and enforced as if the Agreement did not contain that term.
- 13) **INDEPENDENT ENTITY:** CONTRACTOR is an independent entity under this Agreement and is not a State employee for any purpose, including the application of the Social Security Act, the Fair Labor Standards Act, the Federal Insurance Contribution Act, the North Dakota Unemployment Compensation Law and the North Dakota Workforce Safety and Insurance Act. CONTRACTOR retains sole and absolute discretion in the manner and means of carrying out CONTRACTOR'S activities and responsibilities under this Agreement, except to the extent specified in this Agreement.
- 14) **NDPERS RESPONSIBILITIES:** NDPERS shall cooperate with the CONTRACTOR hereunder, including, without limitation, providing the CONTRACTOR with reasonable and timely access to data, information and personnel of NDPERS. NDPERS shall be responsible for the performance of its personnel and agents and for the accuracy and completeness of data and information provided to the CONTRACTOR for purposes of the performance of the Services.
- 15) **FORCE MAJEURE:** Neither party shall be held responsible for delay or default caused by fire, riot, terrorism, acts of God or war if the event is beyond the party's reasonable control and the affected party gives notice to the other party immediately upon occurrence of the event causing the delay or default or that is reasonably expected to cause a delay or default.
- 16) **ALTERNATIVE DISPUTE RESOLUTION – JURY TRIAL:** By entering into this Contract, NDPERS does not agree to binding arbitration, mediation, or any other form of mandatory Alternative Dispute Resolution. The parties may enforce the rights and remedies in judicial proceedings. STATE does not waive any right to a jury trial.

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

NDPERS:

Scott Miller, Executive Director
ND Public Employees Retirement System
1600 East Century Avenue, Suite 2
PO Box 1657
Bismarck, ND 58502-1657

CONTRACTOR:

VENDOR

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

- 18) **NONDISCRIMINATION AND COMPLIANCE WITH LAWS:** CONTRACTOR agrees to comply with all applicable federal and state laws, rules, and policies, including those relating to nondiscrimination, accessibility and civil rights. (See N.D.C.C. Title 34 – Labor and Employment, specifically N.D.C.C. ch. 34-06.1 Equal Pay for Men and Women.)

CONTRACTOR agrees to timely file all required reports, make required payroll deductions, and timely pay all taxes and premiums owed, including sales and use taxes, unemployment compensation and workers' compensation premiums. CONTRACTOR shall have and keep current at all times during the Term of this Contract all licenses and permits required by law.

CONTRACTOR's failure to comply with this section may be deemed a material breach by CONTRACTOR entitling STATE to terminate in accordance with the Termination for Cause section of this Contract.

- 19) **STATE AUDIT:** All records, regardless of physical form, and the accounting practices and procedures of CONTRACTOR relevant to this Contract are subject to examination by the North Dakota State Auditor, the Auditor's designee, or Federal auditors, if required. CONTRACTOR shall maintain all of these records for at least three (3) years following completion of this Contract and be able to provide them upon reasonable notice. STATE, State Auditor, or Auditor's designee shall provide reasonable notice to CONTRACTOR prior to conducting examination.

- 20) **TAXPAYER ID:** CONTRACTOR'S federal employer ID number is:_____.

21) **PAYMENT OF TAXES BY STATE:** State is not responsible for and will not pay local, state, or federal taxes. State sales tax exemption number is E-2001, and certificates will be furnished upon request by the NDPERS.

22) **EFFECTIVENESS OF CONTRACT:** This Agreement is not effective until fully executed by both parties.

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

**NORTH DAKOTA PUBLIC
EMPLOYEES RETIREMENT SYSTEM**

Executive Director
ND Public Employees Retirement System

Date

CONTRACTOR

Signature

Printed Name

Title

Date

Business Associate Agreement

This Business Associate Agreement, which is an addendum to the underlying contract, is entered into by and between, the North Dakota Public Employees Retirement System ("NDPERS") and the **ENTER BUSINESS ASSOCIATE NAME, ADDRESS OF ASSOCIATE.**

1. Definitions

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

2. Obligations of Business Associate

The Business Associate agrees:

- a. To use or disclose PHI and ePHI only as permitted or required by this Agreement or as Required by Law.
- b. To use appropriate safeguards and security measures to prevent use or disclosure of the PHI and ePHI other than as provided for by this Agreement, and to comply with all security requirements of the HIPAA Security rule.
- c. To implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of ePHI that it creates, receives, maintains or transmits on behalf of the Covered Entity as required by the HIPAA Security rule.
- d. To mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI or ePHI by Business Associate in violation of the requirements of this Agreement.
- e. To report to Covered Entity (1) any use or disclosure of the PHI not provided for by this Agreement, and (2) any "security incident" as defined in 45 C.F.R. § 164.304 involving ePHI, of which it becomes aware without unreasonable delay

and in any case within thirty (30) days from the date after discovery and provide the Covered Entity with a written notification that complies with 45 C.F.R. § 164.410 which shall include the following information:

- i. to the extent possible, the identification of each individual whose Unsecured Protected Health Information has been, or is reasonably believed by the Business Associate to have been, accessed, acquired or disclosed during the breach;
 - ii. a brief description of what happened;
 - iii. the date of discovery of the breach and date of the breach;
 - iv. the nature of the Protected Health Information that was involved;
 - v. identity of any person who received the non-permitted Protected Health Information;
 - vi. any steps individuals should take to protect themselves from potential harm resulting from the breach;
 - vii. a brief description of what the Business Associate is doing to investigate the breach, to mitigate harm to individuals, and to protect against any further breaches; and
 - viii. any other available information that the Covered Entity is required to include in notification to an individual under 45 C.F.R. § 164.404(c) at the time of the notification to the State required by this subsection or promptly thereafter as information becomes available.
- f. With respect to any use or disclosure of Unsecured Protected Health Information not permitted by the Privacy Rule that is caused by the Business Associate's failure to comply with one or more of its obligations under this Agreement, the Business Associate agrees to pay its reasonable share of cost-based fees associated with activities the Covered Entity must undertake to meet its notification obligations under the HIPAA Rules and any other security breach notification laws;
- g. Ensure that any agent or subcontractor that creates, receives, maintains, or transmits electronic PHI on behalf of the Business Associate agree to comply with the same restrictions and conditions that apply through this Agreement to the Business Associate.
- h. To make available to the Secretary of Health and Human Services the Business Associate's internal practices, books, and records, including policies and

procedures relating to the use and disclosure of PHI and ePHI received from, or created or received by Business Associate on behalf of Covered Entity, for the purpose of determining the Covered Entity's compliance with the HIPAA Privacy Rule, subject to any applicable legal privileges.

- i. To document the disclosure of PHI related to any disclosure of PHI as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.
- j. To provide to Covered Entity within 15 days of a written notice from Covered Entity, information necessary to permit the Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.
- k. To provide, within 10 days of receiving a written request, information necessary for the Covered Entity to respond to an Individual's request for access to PHI about himself or herself, in the event that PHI in the Business Associate's possession constitutes a Designated Record Set.
- l. Make amendments(s) to PHI in a designated record set as directed or agreed by the Covered Entity pursuant to 45 C.F.R. § 164.526 or take other measures as necessary to satisfy the covered entity's obligations under that section of law.
- m. To participate in The Third Party Risk Management (TPRM) program in order to identify and reduce risks associated with third party security breaches and protect North Dakota state citizen data, unless Business Associate is able to provide FedRAMP, StateRAMP, or HiTrust certifications. Business Associate will be reassessed at least every one to two years based on the risk associated with their service or the data they handle.

3. Permitted Uses and Disclosures by Business Associate

3.1. General Use and Disclosure Provisions

Except as otherwise limited in this Agreement, Business Associate may Use or Disclose PHI and ePHI to perform functions, activities, or services for, or on behalf of, Covered Entity, specifically, insurance membership data to conduct RFP vendor searches – provided that such use or disclosure would not violate the Privacy Rule or the Security Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.

3.2. Specific Use and Disclosure Provisions

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

- a. For the proper management and administration of the Business Associate, provided that disclosures are Required By Law, or Business Associate obtains

reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

- b. To provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B), but Business Associate may not disclose the PHI or ePHI of the Covered Entity to any other client of the Business Associate without the written authorization of the covered entity Covered Entity.
- c. To report violations of law to appropriate Federal and State authorities, consistent with 45 C.F.R. §§ 164.304 and 164.502(j)(1).

4. Obligations of Covered Entity

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

Covered Entity shall notify Business Associate of:

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

4.2. Additional Obligations of Covered Entity

Covered Entity agrees that it:

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

that may affect Business Associate's ability to perform its obligations under the Underlying Agreement or this Agreement.

- d. Will promptly notify Business Associate in writing of any change in, or revocation of, permission by an Individual to Use or Disclose PHI, if the change or revocation may affect Business Associate's ability to perform its obligations under the Underlying Agreement or this Agreement.

4.3. Permissible Requests by Covered Entity

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

5. Term and Termination

- a. Term. The Term of this Agreement shall be effective as of 07/01/2023, and shall terminate when all of the PHI and ePHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI and ePHI, protections are extended to any such information, in accordance with the termination provisions in this Section.
- b. Automatic Termination. This Agreement will automatically terminate upon the termination or expiration of the Underlying Agreement.
- c. Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
 - 1. Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement and the Underlying Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;
 - 2. Immediately terminate this Agreement and the Underlying Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or
 - 3. If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- d. Effect of Termination
 - 1. Except as provided in paragraph (2) of this subsection, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by

Business Associate on behalf of Covered Entity. This provision shall apply to PHI and ePHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI or ePHI.

2. In the event that Business Associate determines that returning or destroying the PHI or ePHI is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon explicit written agreement of Covered Entity that return or destruction of PHI or ePHI is not feasible, Business Associate shall extend the protections of this Agreement to that PHI and ePHI and limit further uses and disclosures of any such PHI and ePHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains that PHI or ePHI.

6. Miscellaneous

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

Act of 2009, the Health Information Technology for Economic and Clinical Health (HI-TECH) Act, and, at the request of NDPERS, to agree to any reasonable modification of this agreement required to conform the agreement to any Model Business Associate Agreement published by the Department of Health and Human Services.

7. Entire Agreement

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

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

For Covered Entity:

Scott Miller, Executive Director
ND Public Employees Retirement System

Date

For Business Associate:

Signature

Printed Name

Title

Date

**MEMORANDUM OF UNDERSTANDING BETWEEN THE
NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM
AND VENDOR
RELATING TO MAINTAINING CONFIDENTIAL INFORMATION**

This Memorandum of Understanding is between the State of North Dakota acting through its North Dakota Public Employees Retirement System (NDPERS) and VENDOR relating to maintenance and destruction of NDPERS Confidential Information held by VENDOR and its subsidiaries.

WHEREAS, NDPERS has previously entered into contracts with VENDOR to provide services related to administration of the NDPERS RFP (Contracts).

WHEREAS, the services provided by VENDOR under these Contracts required the exchange of information between the parties that is confidential under North Dakota Century Code §§ 54-52-26 and 54-52.1-11, 54-52.1-12 (Confidential Information).

WHEREAS, the parties acknowledge that these Contracts, including the Business Associate Agreements between the parties, required VENDOR to return or destroy Confidential Information subsequent to the termination of the applicable Contract, or if return or destruction of this information was infeasible to maintain its confidentiality.

WHEREAS, these Contracts have terminated and VENDOR has asserted and NDPERS agrees that member service, applicable audit, record keeping, and other required functions make the return or destruction of all Confidential Information infeasible at this time.

WHEREAS, VENDOR has provided and NDPERS has reviewed the VENDOR records retention policy (Policy) applicable to the Confidential Information and VENDOR has affirmed that it will maintain the confidentiality of NDPERS information pursuant to this Policy until such time as the information is destroyed in a manner designated by this Policy.

NOW THEREFORE, in consideration of the foregoing premises and in furtherance of the aforementioned contractual obligations, the parties agree as follows:

1. VENDOR shall continue to maintain the confidentiality of Confidential Information which it still possesses, in accordance with its Policy in a manner that is at least as secure and diligent as was done during the term of the applicable Contract, until such time as the Confidential Information is destroyed or returned.
2. Upon the request of NDPERS, VENDOR shall confirm the destruction of Confidential Information under its Policy.
3. Upon the request of NDPERS, VENDOR shall provide NDPERS a copy of any change to the Policy provided NDPERS on DATE.
4. NDPERS agrees these actions are consistent with VENDOR obligations under these Contracts.
5. This Memorandum of Understanding will terminate upon notice to NDPERS by VENDOR that all Confidential Information has either been returned to NDPERS or destroyed, or earlier, upon thirty (30) days' notice by NDPERS to VENDOR if NDPERS determines that the Policy has been modified in a manner that is inconsistent with state or federal law.

6. This Memorandum of Understanding shall be governed by, and construed in accordance with, the laws of the State of North Dakota.

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

BY: _____
Executive Director

Date: _____

VENDOR

BY: _____

Its: _____

Date: _____

Attach Contractor Records Retention Policy



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

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

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

Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: June 13, 2023

SUBJECT: Health Insurance Plan Administrative Services Agreement Exhibits

Staff has been working with SHP to finalize the various exhibits referenced within the Administrative Services Agreement (ASA) that was approved at the January 2023 meeting. We are bringing information forward for the exhibits for the board's review and approval.

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

Sanford Health Plan is working on updates to the COI and SBC for each NDPERS health plan. Attachment 1 is provided to reflect the material changes that are included in the updates. The updated documents must be submitted to the Department of Insurance for review and approval. Upon approval, SHP will be distributing updated versions to the membership. These final versions approved by the Department of Insurance will then be incorporated into the Administrative Services Agreement as Exhibit A.

Exhibit B - Performance Guarantees

Staff continue to work with SHP regarding the Performance Guarantees that are being offered for this biennium. Once a final version is agreed upon, the guarantees will be brought forward to the Board for consideration and approval at a future meeting.

Exhibit C – Rates

Exhibit C (Attachment 2), pages 16-30, provides the final rates that were previously approved by the NDPERS Board at the May 2021 meeting. In addition, staff from NDPERS and SHP have been working on updated rates to reflect the use of reserves due to the passing of HB 1411 and SB 2140. Attachment 2, pages 1-14, includes a break-down of the rates that NDPERS will be billed to reflect the additional premium needed to cover these benefit enhancements from reserves.

Exhibit D – Settlement

This exhibit (Attachment 3) illustrates how the settlement is calculated.

Exhibit E – About the Patient Coordination

Exhibit E (Attachment 4) provides agreement between SHP and NDPERS as it relates to the coordination of services related to the About the Patient Diabetes Management Program.

Exhibit G – Wellness Program

This exhibit (Attachment 5) outlines the coordination of the employer wellness funding program and administration of reimbursement to employers for eligible wellness expenses.

Exhibit H – Business Associate Agreement

Exhibit H (Attachment 6) is the required Business Associate Agreement.

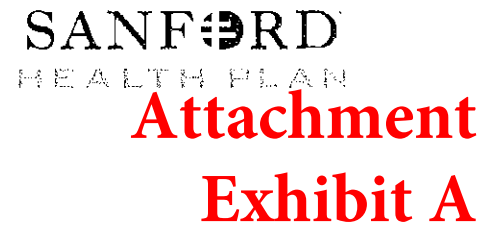
Exhibit I – Health Savings Account (HSA) Administration Agreement

This exhibit (Attachment 7) relates to the administration of the Health Savings Accounts by Sanford Health Plan for members that enroll in the High Deductible Health Plan.

Board Action Requested:

Approve the Health Insurance Plan Administrative Services Agreement Amendment and Exhibits A, C, D, E, G, H and I. Staff will bring forward Exhibit B once discussions between staff and SHP result in finalized Performance Guarantees for the Board to consider and approve.

2023-25 NDPERS Certificate of Insurance Changes



Grandfathered Dakota Plan

NDPERS/NORTH DAKOTA CHANGES - The following changes will be made according to North Dakota legislation changes.

1. Cover repair or replacement of a prosthetic limb or socket if medically necessary
2. Add insulin copay amounts to section 3.8 Outline of Covered Services

CLARIFICATIONS OR CORRECTIONS TO PLAN DOCUMENT - The following changes will be made to the plan documents to correct information and/or to provide clarity for Members.

3. Remove *This is a DME that requires Preauthorization/Prior Approval* from the Hearing aids for Members under age 18 bullet of section 3.1.11 Hearing Services
4. Add *Tobacco cessation medications* as an exclusion to Section 4 Limited and Non-Covered Services
5. Correct COI to change colorectal cancer screening to age 45 and older, not 50 and older, in section 3.8 Outline of Covered Services. Elsewhere in the document is correctly states age 45 and older
6. Update SHP's Non-Discrimination Notice, Free Help in Other Languages, and department contact information throughout the document
7. Update the Diabetes Supplies and Equipment section to more accurately reflect whether supplies and equipment can be obtained from a DME provider or pharmacy



This Amendment is effective July 1, 2023, and applies to coverage to the North Dakota Public Employees Retirement System (NDPERS) Grandfathered Dakota PPO/Basic Plan Certificate of Insurance. You should keep this Plan Amendment with your Certificate of Insurance.

Help understanding this document is free.

If you would like this policy in another format (for example, a larger font size or a file for use with assistive technology, like a screen reader), please call us at (800) 499-3416 (toll-free) | TTY/TDD: 711 (toll-free).

Help in a language other than English is also free.

Please call (800) 752-5863 (toll-free) to connect with us using free translation services.

Free Help in Other Languages

For help in any language other than English, call 800-752-5863 (TTY: 711). Both oral and written translation services are available for free in at least 150 languages.

Arabic

ملحوظة: إذا كنت تتحدث اذكر اللغة، فإن خدمات المساعدة اللغوية تتوافر لك بالمجان. اتصل برقم 800-752-5863 (رقم هاتف الصم والبكم: 711).

Amharic - ማስታወሻ: የሚናገሩት ቋንቋ አማርኛ ከሆነ የትርጉም እርዳታ ይገኛል፡ በነጻ ሊያግዝዎት ተዘጋጅተዋል፡ ወደ ሚከተለው ቁጥር ይደውሉ 800-752-5863 (መስማት ሊተላለፍበት: 711)፡፡

Chinese - 注意：如果您使用繁體中文，您可以免費獲得語言援助服務。請致電 800-752-5863 (TTY: 711)。

Cushite (Oromo) - XIYYEEFFANNAA: Afaan dubbattu Oroomiffa, tajaajila gargaarsa afaanii, kanfaltiidhaan ala, ni argama. Bilbilaa 800-752-5863 (TTY: 711).

German - ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 800-752-5863 (TTY: 711).

Hmong - LUS CEEV: Yag tias koj hais lus Hmoob, cav kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 800-752-5863 (TTY: 711).

Koren - ၎်သ္တုၣ်တၢ်သး- နမ့ၢ်ကတိၤ ကညိ ကျိၣ်အသိ, နမ့ၢ်န့ၢ် ကျိၣ်အတၢ်မၤစၢၤလၢ တလၢၣ်ဘျုးလၢၣ်စ့ၢ် နိတမၤဘျုးသ့န့ၢ်လီၤ. ကိး 800-752-5863 (TTY: 711).

Korean - 주의: 한국어를 사용하시는 경우, 언어 지원 서비스를 무료로 이용하실 수 있습니다. 800-752-5863 (TTY: 711) 번으로 전화해 주십시오.

Laotian - ໂປດຊານ: ຖ້າວ່າ ທ່ານເວົ້າພາສາ ລາວ, ການບໍລິການຊ່ວຍເຫຼືອດ້ານພາສາ, ໂດຍບໍ່ເສັຽຄ່າ, ແມ່ນມີພ້ອມໃຫ້ທ່ານ. ໂທ 800-752-5863 (TTY: 711).

French - ATTENTION : Si vous parlez français, des services d'aide linguistique vous sont proposés gratuitement. Appelez le 800-752-5863 (ATS: 711).

Russian - ВНИМАНИЕ: Если вы говорите на русском языке, то вам доступны бесплатные услуги перевода. Звоните 800-752-5863 (телетайп: 711).

Spanish - ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 800-752-5863 (TTY: 711).

Tagalog - PAUNAWA: Kung nagsasalita ka ng Tagalog, maaari kang gumamit ng mga serbisya ng tulong sa wika nang walang bayad. Tumawag sa 800-752-5863 (TTY: 711).

Thai - เรียน: ถ้าคุณพูดภาษาไทยคุณสามารถใช้บริการช่วยเหลือทางภาษาได้ฟรี โทร 800-752-5863 (TTY: 711).

Vietnamese - CHÚ Ý: Nếu bạn nói Tiếng Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho bạn. Gọi số 800-752-5863 (TTY: 711).

Introduction

HOW TO CONTACT SANFORD HEALTH PLAN

This contact information amends any contact information references throughout the document.

Method	Sanford Health Plan Contact Information
CALL	(800) 752-5863 <i>calls to this number are free</i>
TTY	711
HOURS	7:30 a.m. to 5:30 p.m. Central time, Monday – Friday
WEBSITE	www.SanfordHealthPlan.com
TRANSLATION SERVICES	(800) 752-5863
WRITE	Sanford Health Plan PO Box 91110 Sioux Falls, SD 57109-1110
PHYSICAL ADDRESS	Sanford Health Plan 300 N Cherapa Place Suite 201 Sioux Falls, SD 57103

How to contact Customer Service

For assistance with claim inquiries/status, eligibility and enrollment, provider access, and order ID cards, please call or write to Customer Service. A confidential voicemail is available after hours and on weekends. All inquiries will be returned within one business day.

Method	Customer Service Contact Information
CALL	(800) 499-3416 <i>calls to this number are free</i>
TTY	711
FAX	(605) 328-6812
HOURS	7:30 a.m. to 5:30 p.m. Central time, Monday – Friday
WEBSITE	www.SanfordHealthPlan.com
WRITE	Sanford Health Plan Customer Service PO Box 91110 Sioux Falls, SD 57109-1110

How to contact us with questions about Certification (prior authorization)

Some of the services listed in this document are covered only if your doctor or other network provider gets approval in advance (called Certification or prior authorization) from us. The Utilization Management department handles all certification requests. A confidential voicemail is available after hours and on weekends. All inquiries will be returned within one business day.

Method	Utilization Management Contact Information
CALL	(800) 805-7938 <i>calls to this number are free</i>
TTY	711
FAX	(605) 328-6813
HOURS	8 a.m. to 5 p.m. Central time, Monday – Friday
WRITE	Sanford Health Plan Utilization Management PO Box 91110 Sioux Falls, SD 57109-1110

How to contact Pharmacy Management

For assistance with pharmacy benefit questions, formularies, or drug pre-authorization, please call or write to Pharmacy Management.

Method	Pharmacy Management Contact Information
CALL	(800) 752-5863 <i>calls to this number are free</i>
TTY	711
FAX	(701) 234-4568
HOURS	8 a.m. to 5 p.m. Central time, Monday – Friday
WRITE	Sanford Health Plan Pharmacy Management PO Box 91110 Sioux Falls, SD 57109-1110

How to contact Appeals and Grievances (formerly referenced as Appeals and Complaints)

For assistance with Complaints (grievances) and appeal rights, contact the Appeals and Grievances department. A confidential voicemail is available after hours and on weekends. All inquiries will be returned within one business day.

Method	Appeals and Grievances Contact Information
CALL	(800) 752-5863 <i>calls to this number are free</i>
TTY	711
HOURS	8 a.m. to 5 p.m. Central time, Monday – Friday
WRITE	Sanford Health Plan Appeals and Grievances Department PO Box 91110 Sioux Falls, SD 57109-1110

How do I request an external review

Members may file a request for Adverse Determinations of Prospective (Pre-service) or Retrospective (Post-service) Review with Sanford Health Plan or with Division of Insurance. Refer to Section 10 PROBLEM RESOLUTION for more information.

Members have the right to contact the North Dakota Insurance Department at any time.

Method	North Dakota Insurance Department Contact Information
CALL	(800) 247-0560 (toll-free)
TTY	(800) 366-6888 (toll-free)
WRITE	North Dakota Insurance Department 600 E. Boulevard Ave. Bismarck, ND 58505-0320
EMAIL	insurance@nd.gov

NOTICE OF NON-DISCRIMINATION

Sanford Health Plan complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, sex (including pregnancy, sexual orientation, and gender identity), or any other classification protected under the law. Sanford Health Plan does not exclude people or treat them differently because of race, color, national origin, age, disability, sex (including pregnancy, sexual orientation, and gender identity), or any other classification protected under the law. Sanford Health Plan shall not, with respect to any person and based upon any health factor or the results of genetic screening or testing (a) refuse to issue or renew a Certificate of Coverage, (b) terminate coverage, (c) limit benefits, or (d) charge a different Service Charge.

Sanford Health Plan:

- Provides free aids and services to people with disabilities to communicate effectively with us, such as:
 - Qualified sign language interpreters
 - Written information in other formats (large print, audio, accessible electronic formats, other formats)
- Provides free language services to people whose primary language is not English, such as:
 - Qualified interpreters
 - Information written in other languages
- If you need these services, contact Sanford Health Plan at (800) 752-5863.

If you believe that Sanford Health Plan has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance by contacting the Section 504 Coordinator.

Section 504 Coordinator

2301 E. 60th Street

Sioux Falls, SD 57104

Phone: (877) 473-0911 | TTY: 711

Fax: (605) 312-9886

Email: shpcompliance@sanfordhealth.org

You can file a grievance in person or by mail, fax, phone, or email. If you need help filing a grievance, the Section 504 Coordinator is available to help you.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 509F, HHH Building, Washington, DC 20201, 1-800-368-1019, 800-537-7697 (TDD).

Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

Section 3 Covered Services

3.1 HEALTH SERVICES PROVIDED BY PRACTITIONERS AND PROVIDERS

3.1.5 DIABETES SUPPLIES, EQUIPMENT AND EDUCATION BENEFITS

ITEM (* CERTIFICATION REQUIRED)	MUST BE OBTAINED AT:	BENEFIT/COST INFORMATION
<ul style="list-style-type: none"> Continuous Glucose Monitor Receiver* 	Durable Medical Provider and or Pharmacy (prescription required)	Pharmacy Benefit (must be on formulary and available through a pharmacy) Medical Benefit (if obtained through a Durable Medical Provider)
<ul style="list-style-type: none"> Insulin Pump* 	Durable Medical Provider and or Pharmacy (prescription required)	Medical Benefit Deductible/coinsurance will apply

3.1.11 HEARING SERVICES (TESTING, TREATMENT, AND SUPPLIES)

- Hearing aids for members under age 19 do not require Preauthorization/Prior Approval

3.1.18 ORTHOTIC AND PROSTHETIC DEVICES

- Prosthetic limbs, sockets and supplies, and prosthetic eyes. *This is a DME that requires Certification.*

3.8 OUTLINE OF COVERED SERVICES

PRESCRIPTION DRUG AND DIABETES SUPPLIES BENEFITS

	PPO Plan After Deductible Amount	Basic Plan After Deductible Amount
Insulin and medical supplies for insulin dosing and administration		
<ul style="list-style-type: none"> Formulary and non-formulary 	\$25 copay for 1-30 day supply \$50 copay for 31-60 day supply \$75 copay for 61-100 day supply	\$25 copay for 1-30 day supply \$50 copay for 31-60 day supply \$75 copay for 61-100 day supply

Section 4 Limited and Non-Covered Services

ADDED

- Breastfeeding equipment and supplies (personal use)
- Tobacco cessation medication

Section 11 Definitions of Terms We Use in this Certificate of Insurance

Cosmetic	Surgery, medication, or other services performed for the primary purpose of enhancing or altering physical appearance without correcting, restoring or improving physiological function, or improving an underlying condition or disease.
Encounter	Any type of initiated contact between a member and provider via a qualified telehealth technology platform.

All other terms and provisions of your Certificate of Insurance, including any amendments we may have previously issued, remain unaltered and in effect.

2023-25 NDPERS Certificate of Insurance Changes



Non-Grandfathered Dakota Plan and High Deductible Health Plan

NDPERS/NORTH DAKOTA CHANGES - The following changes will be made according to North Dakota legislation changes.

1. Cover repair or replacement of a prosthetic limb or socket if medically necessary
2. Add insulin copay amounts to section 3.8 Outline of Covered Services

SANFORD HEALTH PLAN CHANGES - Sanford Health Plan has made the following internal policy changes. These changes will be automatically implemented and the Certificate of Insurance will be updated to reflect these changes.

3. Cover dilated eye examination for diabetes-related diagnosis coverage is a preventive benefit at one exam per year
4. Remove any discriminatory language regarding hearing services not being covered due to aging
5. Change *Diagnosis and treatment of weak, strained, or flat feet* in Section 4 Limited and Non-Covered Services to *Treatment of weak, strained, or flat feet* since diagnosis is covered
6. Remove *Unspecified complication of kidney transplant* from Section 4 Limited and Non-Covered Services
7. Remove *Compact (portable) travel hemodialyzer system* from Section 4 Limited and Non-Covered Services
8. Remove *Hemodialysis machine (not separately payable)* from Section 4 Limited and Non-Covered Services
9. Remove *Virtual colonoscopies* from Section 4 Limited and Non-Covered Services
10. Add exclusions to Section 4 Limited and Non-Covered Services regarding Applied Behavior Analysis for Autism Spectrum Disorder
 - a. Tests considered experimental or investigational for the treatment of autism spectrum disorder, including but not limited to: allergy testing, celiac antibody testing, hair analysis, testing for mitochondrial disorders, and micronutrient testing
 - b. Therapies considered experimental or investigational for the treatment of autism spectrum disorder, including but not limited to: auditory integration therapy, biofeedback, chelation therapy, hippotherapy, and hyperbaric oxygen therapy
11. Update SHP's Non-Discrimination Notice, Free Help in Other Languages, and department contact information throughout the document
12. Add new definitions to Section 11 Definitions for *Encounter* and *Cosmetic*
13. Remove *Incidental cholecystectomy performed at the time of weight loss surgery* from Section 4 Limited and Non-Covered Services

CLARIFICATIONS OR CORRECTIONS TO PLAN DOCUMENT - The following changes will be made to the plan documents to correct information and/or to provide clarity for Members.

14. Correct section 3.1.31 Wellness Nutritional Counseling Services by removing *Nutritional Counseling coverage is limited to 12 visits per calendar year*
15. In the HDHP document only, correct 3.8 Outline of Covered Services - Outpatient Therapies section to delete *Deductible Amount is Waived* from Physical Therapy, Occupational Therapy, and Speech Therapy
16. Update the Diabetes Supplies and Equipment section to more accurately reflect whether supplies and equipment can be obtained from a DME provider or pharmacy
17. Format the Hearing Services section into a member-friendly table format to reflect coverage more completely for hearing services and hearing aids for children and adults
18. Format the Eye Care/Vision Services section into a member-friendly table format to reflect coverage for children and adults

This Amendment is effective July 1, 2023, and applies to coverage to the North Dakota Public Employees Retirement System (NDPERS) Non-Grandfathered Dakota PPO/Basic Plan Certificate of Insurance. You should keep this Plan Amendment with your Certificate of Insurance.

Help understanding this document is free.

If you would like this policy in another format (for example, a larger font size or a file for use with assistive technology, like a screen reader), please call us at (800) 499-3416 (toll-free) | TTY/TDD: 711 (toll-free).

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Please call (800) 752-5863 (toll-free) to connect with us using free translation services.

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Arabic

ملحوظة: إذا كنت تتحدث اذكر اللغة، فإن خدمات المساعدة اللغوية تتوافر لك بالمجان. اتصل برقم 800-752-5863 (رقم هاتف الصم والبكم: 711).

Amharic - ማሳሰቢያ: የሚናገሩት ቋንቋ አማርኛ ከሆነ የትርጉም አርዳታ ድርጅቶች፣ በነጻ ሊያግዝዎት ተዘጋጅተዋል፡ ወደ ሚክተለው ቁጥር ይደውሉ 800-752-5863 (መስማት ሊተላለፍዎት፡ 711)፡፡

Chinese - 注意：如果您使用繁體中文，您可以免費獲得語言援助服務。請致電 800-752-5863 (TTY: 711)。

Cushite (Oromo) - XIYYEEFFANNAA: Afaan dubbattu Oroomiffa, tajaajjila gargoorsa afaanii, kanfaltiidhaan ala, ni argama. Bilbilaa 800-752-5863 (TTY: 711).

German - ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 800-752-5863 (TTY: 711).

Hmong - LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 800-752-5863 (TTY: 711).

Karen - ဟံသာဉ်ဟံသး- နမုာ်ကတိာ် ကညိ ကျိာ်အသိ, နမုာ်နုာ် ကျိာ်အတိာ်မၤစၢ်လၢ တလၢာ်ဘျုးလၢာ်စ့ၤ နိတမံၤဘျုးသ့န့ၣ်လီၤ. ကိး 800-752-5863 (TTY: 711).

Korean - 주의: 한국어를 사용하시는 경우, 언어 지원 서비스를 무료로 이용하실 수 있습니다. 800-752-5863 (TTY: 711) 번으로 전화해 주십시오.

Lootian - ໂປດຊາບ: ຖ້າວ່າ ທ່ານເວົ້າພາສາ ລາວ, ການບໍລິການຊ່ວຍເຫຼືອດ້ານພາສາ, ໂດຍບໍ່ເສັຍຄ່າ, ແມ່ນມີພ້ອມໃຫ້ທ່ານ. ໂທ 800-752-5863 (TTY: 711).

French - ATTENTION : Si vous parlez français, des services d'aide linguistique vous sont proposés gratuitement. Appelez le 800-752-5863 (ATS: 711).

Russian - ВНИМАНИЕ: Если вы говорите на русском языке, та вам доступны бесплатные услуги перевода. Звоните 800-752-5863 (телетайп: 711).

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Vietnamese - CHÚ Ý: Nếu bạn nói Tiếng Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho bạn. Gọi số 800-752-5863 (TTY: 711).

Introduction

HOW TO CONTACT SANFORD HEALTH PLAN

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CALL	(800) 752-5863 <i>calls to this number are free</i>
TTY	711
HOURS	8:00 a.m. to 5:00 p.m. Central time, Monday – Friday
WEBSITE	www.SanfordHealthPlan.com
TRANSLATION SERVICES	(800) 752-5863
WRITE	Sanford Health Plan PO Box 91110 Sioux Falls, SD 57109-1110
PHYSICAL ADDRESS	Sanford Health Plan 300 N Cherapa Place Suite 201 Sioux Falls, SD 57103

How to contact Customer Service

For assistance with claim inquiries/status, eligibility and enrollment, provider access, and order ID cards, please call or write to Customer Service. A confidential voicemail is available after hours and on weekends. All inquiries will be returned within one business day.

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HOURS	8:00 a.m. to 5:30 p.m. Central time, Monday – Friday
WEBSITE	www.SanfordHealthPlan.com
WRITE	Sanford Health Plan Customer Service PO Box 91110 Sioux Falls, SD 57109-1110

How to contact us with questions about Certification (prior authorization)

Some of the services listed in this document are covered only if your doctor or other network provider gets approval in advance (called Certification or prior authorization) from us. The Utilization Management department handles all certification requests. A confidential voicemail is available after hours and on weekends. All inquiries will be returned within one business day.

Method	Utilization Management Contact Information
CALL	(800) 805-7938 <i>calls to this number are free</i>
TTY	711
FAX	(605) 328-6813
HOURS	8 a.m. to 5 p.m. Central time, Monday – Friday
WRITE	Sanford Health Plan Utilization Management PO Box 91110 Sioux Falls, SD 57109-1110

How to contact Pharmacy Management

For assistance with pharmacy benefit questions, formularies, or drug pre-authorization, please call or write to Pharmacy Management.

Method	Pharmacy Management Contact Information
CALL	(800) 752-5863 <i>calls to this number are free</i>
TTY	711
FAX	(701) 234-4568
HOURS	8 a.m. to 5 p.m. Central time, Monday – Friday
WRITE	Sanford Health Plan Pharmacy Management PO Box 91110 Sioux Falls, SD 57109-1110

How to contact Appeals and Grievances (formerly referenced as Appeals and Complaints)

For assistance with Complaints (grievances) and appeal rights, contact the Appeals and Grievances department. A confidential voicemail is available after hours and on weekends. All inquiries will be returned within one business day.

Method	Appeals and Grievances Contact Information
CALL	(800) 752-5863 <i>calls to this number are free</i>
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HOURS	8 a.m. to 5 p.m. Central time, Monday – Friday
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How do I request an external review

Members may file a request for Adverse Determinations of Prospective (Pre-service) or Retrospective (Post-service) Review with Sanford Health Plan or with Division of Insurance. Refer to Section 10 PROBLEM RESOLUTION for more information.

Members have the right to contact the North Dakota Insurance Department at any time.

Method	North Dakota Insurance Department Contact Information
CALL	(800) 247-0560 (toll-free)
TTY	(800) 366-6888 (toll-free)
WRITE	North Dakota Insurance Department 600 E. Boulevard Ave. Bismarck, ND 58505-0320
EMAIL	insuronce@nd.gov

NOTICE OF NON-DISCRIMINATION

Sanford Health Plan complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, sex (including pregnancy, sexual orientation, and gender identity), or any other classification protected under the law. Sanford Health Plan does not exclude people or treat them differently because of race, color, national origin, age, disability, sex (including pregnancy, sexual orientation, and gender identity), or any other classification protected under the law. Sanford Health Plan shall not, with respect to any person and based upon any health factor or the results of genetic screening or testing (a) refuse to issue or renew a Certificate of Coverage, (b) terminate coverage, (c) limit benefits, or (d) charge a different Service Charge.

Sanford Health Plan:

- Provides free aids and services to people with disabilities to communicate effectively with us, such as:
 - Qualified sign language interpreters
 - Written information in other formats (large print, audio, accessible electronic formats, other formats)
- Provides free language services to people whose primary language is not English, such as:
 - Qualified interpreters
 - Information written in other languages
- If you need these services, contact Sanford Health Plan at (800) 752-5863.

If you believe that Sanford Health Plan has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance by contacting the Section 504 Coordinator.

Section 504 Coordinator

2301 E. 60th Street

Sioux Falls, SD 57104

Phone: (877) 473-0911 | TTY: 711

Fax: (605) 312-9886

Email: shpcompliance@sanfordhealth.org

You can file a grievance in person or by mail, fax, phone, or email. If you need help filing a grievance, the Section 504 Coordinator is available to help you.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 509F, HHH Building, Washington, DC 20201, 1-800-368-1019, 800-537-7697 (TDD).

Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

Section 3 Covered Services

3.1 HEALTH SERVICES PROVIDED BY PRACTITIONERS AND PROVIDERS

3.1.5 DIABETES SUPPLIES, EQUIPMENT AND EDUCATION BENEFITS

ITEM (* CERTIFICATION REQUIRED)	MUST BE OBTAINED AT:	BENEFIT/COST INFORMATION
<ul style="list-style-type: none"> Continuous Glucose Monitor Receiver* 	Durable Medical Provider and or Pharmacy (prescription required)	Pharmacy Benefit (must be on formulary and available through a pharmacy) Medical Benefit (if obtained through a Durable Medical Provider)
<ul style="list-style-type: none"> Insulin Pump* 	Durable Medical Provider and or Pharmacy (prescription required)	Medical Benefit Deductible/coinsurance will apply

3.1.18 ORTHOTIC AND PROSTHETIC DEVICES

- Prosthetic limbs, sockets and supplies, and prosthetic eyes. *This is a DME that requires Certification.*

3.8 OUTLINE OF COVERED SERVICES

PRESCRIPTION DRUG AND DIABETES SUPPLIES BENEFITS

	PPO Plan After Deductible Amount	Basic Plan After Deductible Amount
Insulin and medical supplies for insulin dosing and administration		
<ul style="list-style-type: none"> Formulary and non-formulary 	\$25 copay for 1-30 day supply \$50 copay for 31-60 day supply \$75 copay far 61-100 day supply	\$25 copay for 1-30 day supply \$50 copay for 31-60 day supply \$75 copay for 61-100 day supply

Section 4 Limited and Non-Covered Services

MODIFIED OR ADDED TO THE LIMITED AND NON-COVERED SERVICES SECTION

- All other hearing related supplies, purchases, examinations, testing or fittings not covered under this policy
- Treatment of weak, strained, or flat feet
- Tests considered experimental or investigational for the treatment of autism spectrum disorder, including but not limited to: allergy testing, celiac antibody testing, hair analysis, testing for mitochondrial disorders, and micronutrient testing.
- Therapies considered experimental or investigational for the treatment of autism spectrum disorder, including but not limited to: auditory integration therapy, biofeedback, chelation therapy, hippotherapy, and hyperbaric oxygen therapy.

REMOVED FROM THE LIMITED AND NON-COVERED SERVICES SECTION

- Compact (portable) travel hemodialyzer system
- External hearing aids; non-implant devices; or equipment to correct gradual hearing impairment or loss that occurs with aging and/or other lifestyle factors, unless specified as Covered elsewhere in this Certificate of Insurance
- Hearing aids for the treatment of gradual hearing loss that occurs with aging and/or other lifestyle factors, non-implant devices, or equipment to correct hearing impairment or loss
- Hemodialysis machine (not separately payable)
- Incidental cholecystectomy performed at the time of weight loss surgery
- Treatment of gradual deterioration of hearing loss that occurs with aging and/or other lifestyle factors, and related hearing services, testing and supplies
- Unspecified complication of kidney transplant
- Virtual colonoscopies

Section 11 Definitions of Terms We Use in this Certificate of Insurance

Cosmetic	Surgery, medication, or other services performed for the primary purpose of enhancing or altering physical appearance without correcting, restoring or improving physiological function, or improving an underlying condition or disease.
Encounter	Any type of initiated contact between a member and provider via a qualified telehealth technology platform.

All other terms and provisions of your Certificate of Insurance, including any amendments we may have previously issued, remain unaltered and in effect.

2023-25 NDPERS Certificate of Insurance Changes



Non-Grandfathered Dakota Plan and High Deductible Health Plan

NDPERS/NORTH DAKOTA CHANGES - The following changes will be made according to North Dakota legislation changes.

1. Cover repair or replacement of a prosthetic limb or socket if medically necessary
2. Add insulin copay amounts to section 3.8 Outline of Covered Services

SANFORD HEALTH PLAN CHANGES - Sanford Health Plan has made the following internal policy changes. These changes will be automatically implemented and the Certificate of Insurance will be updated to reflect these changes.

3. Cover dilated eye examination for diabetes-related diagnosis coverage is a preventive benefit of one exam per year
4. Remove any discriminatory language regarding hearing services not being covered due to aging
5. Change *Diagnosis and treatment of weak, strained, or flat feet* in Section 4 Limited and Non-Covered Services to *Treatment of weak, strained, or flat feet* since diagnosis is covered
6. Remove *Unspecified complication of kidney transplant* from Section 4 Limited and Non-Covered Services
7. Remove *Compact (portable) travel hemodialyzer system* from Section 4 Limited and Non-Covered Services
8. Remove *Hemodialysis machine (not separately payable)* from Section 4 Limited and Non-Covered Services
9. Remove *Virtual colonoscopies* from Section 4 Limited and Non-Covered Services
10. Add exclusions to Section 4 Limited and Non-Covered Services regarding Applied Behavior Analysis for Autism Spectrum Disorder
 - a. Tests considered experimental or investigational for the treatment of autism spectrum disorder, including but not limited to: allergy testing, celiac antibody testing, hair analysis, testing for mitochondrial disorders, and micronutrient testing
 - b. Therapies considered experimental or investigational for the treatment of autism spectrum disorder, including but not limited to: auditory integration therapy, biofeedback, chelation therapy, hippotherapy, and hyperbaric oxygen therapy
11. Update SHP's Non-Discrimination Notice, Free Help in Other Languages, and department contact information throughout the document
12. Add new definitions to Section 11 Definitions for *Encounter* and *Cosmetic*
13. Remove *Incidental cholecystectomy performed at the time of weight loss surgery* from Section 4 Limited and Non-Covered Services

CLARIFICATIONS OR CORRECTIONS TO PLAN DOCUMENT - The following changes will be made to the plan documents to correct information and/or to provide clarity for Members.

14. Correct section 3.1.31 Wellness Nutritional Counseling Services by removing *Nutritional Counseling coverage is limited to 12 visits per calendar year*
15. In the HDHP document only, correct 3.8 Outline of Covered Services - Outpatient Therapies section to delete *Deductible Amount is Waived* from Physical Therapy, Occupational Therapy, and Speech Therapy
16. Update the Diabetes Supplies and Equipment section to more accurately reflect whether supplies and equipment can be obtained from a DME provider or pharmacy
17. Format the Hearing Services section into a member-friendly table format to reflect coverage more completely for hearing services and hearing aids for children and adults
18. Format the Eye Care/Vision Services section into a member-friendly table format to reflect coverage for children and adults

This Amendment is effective July 1, 2023, and applies to coverage to the North Dakota Public Employees Retirement System (NDPERS) Non-Grandfathered High Deductible Plan Certificate of Insurance. You should keep this Plan Amendment with your Certificate of Insurance.

Help understanding this document is free.

If you would like this policy in another format (for example, a larger font size or a file for use with assistive technology, like a screen reader), please call us at (800) 499-3416 (toll-free) | TTY/TDD: 711 (toll-free).

Help in a language other than English is also free.

Please call (800) 752-5863 (toll-free) to connect with us using free translation services.

Free Help in Other Languages

For help in any language other than English, call 800-752-5863 (TTY: 711). Both oral and written translation services are available for free in at least 150 languages.

Arabic

ملحوظة: إذا كنت تتحدث اذكر اللغة، فإن خدمات المساعدة اللغوية تتوافر لك بالمجان. اتصل برقم 800-752-5863 (رقم هاتف الصم والبكم: 711).

Amharic - ማስታወሻ: የሚናገሩት ቋንቋ አማርኛ ከሆነ የትርጉም አርዳታ ይገኛቸዎት፤ በነጻ ሊያግዝዎት ተዘጋጅተዋል። ወደ ሚክተለው ቁጥር ይደውሉ 800-752-5863 (መስማት ለተሳናቸው: 711)።

Chinese - 注意：如果您使用繁體中文，您可以免費獲得語言援助服務。請致電 800-752-5863 (TTY: 711)。

Cushite (Oromo) - XIYYEEFFANNAA: Afaan dubbattu Oroomiffa, tajaajila gargaarsa afaanii, kanfattiidhaan ala, ni argama. Bilbilaa 800-752-5863 (TTY: 711).

German - ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 800-752-5863 (TTY: 711).

Hmong - LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txag lus, muaj kev pab dawb rau kaj. Hu rau 800-752-5863 (TTY: 711).

Karen - ဟံသာဝတီသား- နမ့်ကတိံ ကညိ ကျိာ်အသိ. နမုန့် ကျိာ်အတိမ်မစာလၢ တလၢာ်ဘျုးလၢာ်စ့ၢ နိတမံၤဘျုးသ့န့ၢ်လီၤ. ကိ: 800-752-5863 (TTY: 711).

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TTY	(800) 366-6888 (toll-free)
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EMAIL	insurance@nd.gov

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Sanford Health Plan:

- Provides free aids and services to people with disabilities to communicate effectively with us, such as:
 - Qualified sign language interpreters
 - Written information in other formats (large print, audio, accessible electronic formats, other formats)
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 - Qualified interpreters
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Section 504 Coordinator

2301 E. 60th Street

Sioux Falls, SD 57104

Phone: (877) 473-0911 | TTY: 711

Fax: (605) 312-9886

Email: shpcompliance@sanfordhealth.org

You can file a grievance in person or by mail, fax, phone, or email. If you need help filing a grievance, the Section 504 Coordinator is available to help you.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 509F, HHH Building, Washington, DC 20201, 1-800-368-1019, 800-537-7697 (TDD).

Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

Section 3 Covered Services

3.1 HEALTH SERVICES PROVIDED BY PRACTITIONERS AND PROVIDERS

3.1.5 DIABETES SUPPLIES, EQUIPMENT AND EDUCATION BENEFITS

ITEM (* CERTIFICATION REQUIRED)	MUST BE OBTAINED AT:	BENEFIT/COST INFORMATION
<ul style="list-style-type: none"> Continuous Glucose Monitor Receiver* 	Durable Medical Provider and or Pharmacy (prescription required)	Pharmacy Benefit (must be on formulary and available through a pharmacy) Medical Benefit (if obtained through a Durable Medical Provider)
<ul style="list-style-type: none"> Insulin Pump* 	Durable Medical Provider and or Pharmacy (prescription required)	Medical Benefit Deductible/coinsurance will apply

3.1.18 ORTHOTIC AND PROSTHETIC DEVICES

- Prosthetic limbs, sockets and supplies, and prosthetic eyes. *This is a DME that requires Certification.*

3.8 OUTLINE OF COVERED SERVICES

OUTPATIENT THERAPY SERVICES

	PPO Plan After Deductible Amount	Basic Plan After Deductible Amount
<ul style="list-style-type: none"> Physical Therapy Occupational Therapy Speech Therapy 	80% of Allowed Charge. 80% of Allowed Charge. 80% of Allowed Charge.	75% of Allowed Charge. 75% of Allowed Charge. 75% of Allowed Charge.

PRESCRIPTION DRUG AND DIABETES SUPPLIES BENEFITS

	PPO Plan After Deductible Amount	Basic Plan After Deductible Amount
Insulin and medical supplies for insulin dosing and administration		
<ul style="list-style-type: none"> Formulary and non-formulary 	\$25 copay for 1-30 day supply \$50 copay for 31-60 day supply \$75 copay for 61-100 day supply	\$25 copay for 1-30 day supply \$50 copay for 31-60 day supply \$75 copay for 61-100 day supply

Insulin only: Deductible amount is waived

Section 4 Limited and Non-Covered Services

MODIFIED OR ADDED TO THE LIMITED AND NON-COVERED SERVICES SECTION

- All other hearing related supplies, purchases, examinations, testing or fittings not covered under this policy
- Treatment of weak, strained, or flat feet
- Tests considered experimental or investigational for the treatment of autism spectrum disorder, including but not limited to: allergy testing, celiac antibody testing, hair analysis, testing for mitochondrial disorders, and micronutrient testing.
- Therapies considered experimental or investigational for the treatment of autism spectrum disorder, including but not limited to: auditory integration therapy, biofeedback, chelation therapy, hippotherapy, and hyperbaric oxygen therapy.

REMOVED FROM THE LIMITED AND NON-COVERED SERVICES SECTION

- Compact (portable) travel hemodialyzer system
- External hearing aids; non-implant devices; or equipment to correct gradual hearing impairment or loss that occurs with aging and/or other lifestyle factors, unless specified as Covered elsewhere in this Certificate of Insurance
- Hearing aids for the treatment of gradual hearing loss that occurs with aging and/or other lifestyle factors, non-implant devices, or equipment to correct hearing impairment or loss
- Hemodialysis machine (not separately payable)
- Incidental cholecystectomy performed at the time of weight loss surgery
- Treatment of gradual deterioration of hearing loss that occurs with aging and/or other lifestyle factors, and related hearing services, testing and supplies
- Unspecified complication of kidney transplant
- Virtual colonoscopies

Section 11 Definitions of Terms We Use in this Certificate of Insurance

Cosmetic	Surgery, medication, or other services performed for the primary purpose of enhancing or altering physical appearance without correcting, restoring or improving physiological function, or improving an underlying condition or disease.
Encounter	Any type of initiated contact between a member and provider via a qualified telehealth technology platform.

All other terms and provisions of your Certificate of Insurance, including any amendments we may have previously issued, remain unaltered and in effect.

**Exhibit B attachment is not included
in this Board Book**

EXHIBIT C

Premium Rate Structure Table 2023-2025

JULY 2023 NDPERS Health Rates
Rate Structure A
For Anyone Enrolled Prior to July 1, 2023
Rates for July 1, 2023 - June 30, 2025

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	Less NDPERS Retention	Total 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	\$217.36	\$69.72	\$287.08	\$2.80	\$214.56	\$69.72	\$214.56	\$2.80	\$287.08
42	11	2 Medicare only	\$431.86	\$139.44	\$571.30	\$2.80	\$429.06	\$139.44	\$429.06	\$2.80	\$571.30
50	11	3 Medicare only	\$646.08	\$209.16	\$855.24	\$2.80	\$643.28	\$209.16	\$643.28	\$2.80	\$855.24
51	11	4 Medicare only	\$860.60	\$278.88	\$1,139.48	\$2.80	\$857.80	\$278.88	\$857.80	\$2.80	\$1,139.48
43	11	1 Medicare+Others	\$792.44	\$69.72	\$862.16	\$2.80	\$789.64	\$69.72	\$789.64	\$2.80	\$862.16
49	11	2 Medicare+Others	\$1,007.04	\$139.44	\$1,146.48	\$2.80	\$1,004.24	\$139.44	\$1,004.24	\$2.80	\$1,146.48
55	11	3 Medicare+Others	\$1,221.24	\$209.16	\$1,430.40	\$2.80	\$1,218.44	\$209.16	\$1,218.44	\$2.80	\$1,430.40
58	11	4 Medicare+Others	\$1,435.76	\$278.88	\$1,714.64	\$2.80	\$1,432.96	\$278.88	\$1,432.96	\$2.80	\$1,714.64
44	11	Part A Single	\$546.04	\$69.72	\$615.76	\$2.80	\$543.24	\$69.72	\$543.24	\$2.80	\$615.76
Grandfathered Rates											
42	14	2 Medicare only	\$431.56	\$139.44	\$571.00	\$2.80	\$428.76	\$139.44	\$428.76	\$2.80	\$571.00
50	14	3 Medicare only	\$457.90	\$209.16	\$667.06	\$2.80	\$455.10	\$209.16	\$455.10	\$2.80	\$667.06
51	14	4 Medicare only	\$280.04	\$278.88	\$558.92	\$2.80	\$277.24	\$278.88	\$277.24	\$2.80	\$558.92
Medicare Retirees COBRA (for Non-Medicare dependents of Medicare Retirees)											
30	11	Single	\$577.96		\$577.96	\$2.80	\$575.16		\$575.16	\$11.52	\$586.68
31	11	Family	\$815.49		\$815.49	\$2.80	\$812.69		\$812.69	\$16.11	\$828.80

JULY 2023 NDPERS Health Rates

Rate Structure A

For Anyone Enrolled Prior to July 1, 2023

Rates for July 1, 2023 - June 30, 2025

Non-Medicare Retiree

21	11	Single	\$1,189.96	\$2.80	\$1,187.16	\$1,187.16	\$2.80	\$1,189.96
22	11	Family	\$2,376.66	\$2.80	\$2,373.86	\$2,373.86	\$2.80	\$2,376.66
23	11	Family (3+)	\$2,970.02	\$2.80	\$2,967.22	\$2,967.22	\$2.80	\$2,970.02

COBRA

24	11	Single	\$1,189.96	\$2.80	\$1,187.16	\$1,187.16	\$26.60	\$1,213.76
25	11	Family	\$2,376.66	\$2.80	\$2,373.86	\$2,373.86	\$50.32	\$2,424.18
26	11	Family (3+)	\$2,970.02	\$2.80	\$2,967.22	\$2,967.22	\$62.20	\$3,029.42

State Contracts with Wellness Program

Active			(Flat Single/Family Rate)					
1-3	2	S/F/Dual	\$1,650.48	\$2.80	\$1,647.68	\$1,647.68	\$2.80	\$1,650.48

COBRA

4	2	Single	\$794.38	\$2.80	\$791.58	\$791.58	\$18.68	\$810.26
5	2	Family	\$1,915.72	\$2.80	\$1,912.92	\$1,912.92	\$41.10	\$1,954.02

Part-Time/Temporary/LOA

6	2	Single	\$794.38	\$2.80	\$791.58	\$791.58	\$2.80	\$794.38
7	2	Family	\$1,915.72	\$2.80	\$1,912.92	\$1,912.92	\$2.80	\$1,915.72

Active HDHP

1-3	17	S/F/Dual	\$1,440.83	\$2.80	\$1,438.03	\$1,438.03	\$207.51	\$1,645.54
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COBRA HDHP

4	17	Single	\$690.12	\$2.80	\$687.32	\$687.32	\$16.60	\$703.92
5	17	Family	\$1,663.46	\$2.80	\$1,660.66	\$1,660.66	\$36.04	\$1,696.70

LOA HDHP

6	17	Single	\$690.12	\$2.80	\$687.32	\$687.32	\$2.80	\$690.12
7	17	Family	\$1,663.46	\$2.80	\$1,660.66	\$1,660.66	\$2.80	\$1,663.46

JULY 2023 NDPERS Health Rates

Rate Structure A

For Anyone Enrolled Prior to July 1, 2023

Rates for July 1, 2023 - June 30, 2025

State Contracts w/o Wellness Program

Active			(Flat Single/Family Rate)					
1-3	1	S/F/Dual	\$1,650.48	\$2.80	\$1,647.68	\$1,647.68	\$19.30	\$1,666.98
COBRA								
4	1	Single	\$794.38	\$2.80	\$791.58	\$791.58	\$18.68	\$810.26
5	1	Family	\$1,915.72	\$2.80	\$1,912.92	\$1,912.92	\$41.10	\$1,954.02
Part-Time/Temporary/LOA								
6	1	Single	\$794.38	\$2.80	\$791.58	\$791.58	\$10.74	\$802.32
7	1	Family	\$1,915.72	\$2.80	\$1,912.92	\$1,912.92	\$21.94	\$1,934.86
Active HDHP								
1-3	16	S/F/Dual	\$1,440.83	\$2.80	\$1,438.03	\$1,438.03	\$223.97	\$1,662.00
COBRA HDHP								
4	16	Single	\$690.12	\$2.80	\$687.32	\$687.32	\$16.60	\$703.92
5	16	Family	\$1,663.46	\$2.80	\$1,660.66	\$1,660.66	\$36.04	\$1,696.70
LOA HDHP								
6	16	Single	\$690.12	\$2.80	\$687.32	\$687.32	\$9.68	\$697.00
7	16	Family	\$1,663.46	\$2.80	\$1,660.66	\$1,660.66	\$19.42	\$1,680.08

Political Subdivision Rates with Wellness Program

Active								
1	4	Single	\$848.76	\$2.80	\$845.96	\$845.96	\$2.80	\$848.76
2	4	Family	\$2,051.72	\$2.80	\$2,048.92	\$2,048.92	\$2.80	\$2,051.72
COBRA								
4	4	Single	\$848.76	\$2.80	\$845.96	\$845.96	\$19.74	\$865.70
5	4	Family	\$2,051.72	\$2.80	\$2,048.92	\$2,048.92	\$43.82	\$2,092.74
Temps								
6	4	Single	\$848.76	\$2.80	\$845.96	\$845.96	\$2.80	\$848.76
7	4	Family	\$2,051.72	\$2.80	\$2,048.92	\$2,048.92	\$2.80	\$2,051.72

JULY 2023 NDPERS Health Rates

Rate Structure A

For Anyone Enrolled Prior to July 1, 2023

Rates for July 1, 2023 - June 30, 2025

Political Subdivision Rates w/o Wellness Program

Active								
1	3	Single	\$848.76	\$2.80	\$845.96	\$845.96	\$11.26	\$857.22
2	3	Family	\$2,051.72	\$2.80	\$2,048.92	\$2,048.92	\$23.32	\$2,072.24
COBRA								
4	3	Single	\$848.76	\$2.80	\$845.96	\$845.96	\$19.74	\$865.70
5	3	Family	\$2,051.72	\$2.80	\$2,048.92	\$2,048.92	\$43.82	\$2,092.74
Temps								
6	3	Single	\$848.76	\$2.80	\$845.96	\$845.96	\$11.26	\$857.22
7	3	Family	\$2,051.72	\$2.80	\$2,048.92	\$2,048.92	\$23.32	\$2,072.24

NGF Political Subdivision Rates with Wellness Program

Active								
1	24	Single	\$859.06	\$2.80	\$856.26	\$856.26	\$2.80	\$859.06
2	24	Family	\$2,076.72	\$2.80	\$2,073.92	\$2,073.92	\$2.80	\$2,076.72
COBRA								
4	24	Single	\$859.06	\$2.80	\$856.26	\$856.26	\$19.98	\$876.24
5	24	Family	\$2,076.72	\$2.80	\$2,073.92	\$2,073.92	\$44.32	\$2,118.24
Temps								
6	24	Single	\$859.06	\$2.80	\$856.26	\$856.26	\$2.80	\$859.06
7	24	Family	\$2,076.72	\$2.80	\$2,073.92	\$2,073.92	\$2.80	\$2,076.72
Active HDHP								
1	26	Single	\$758.24	\$2.80	\$755.44	\$755.44	\$2.80	\$758.24
2	26	Family	\$1,833.10	\$2.80	\$1,830.30	\$1,830.30	\$2.80	\$1,833.10
COBRA HDHP								
4	26	Single	\$758.24	\$2.80	\$755.44	\$755.44	\$17.96	\$773.40
5	26	Family	\$1,833.10	\$2.80	\$1,830.30	\$1,830.30	\$39.44	\$1,869.74
Temps HDHP								
6	26	Single	\$758.24	\$2.80	\$755.44	\$755.44	\$2.80	\$758.24

JULY 2023 NDPERS Health Rates

Rate Structure A

For Anyone Enrolled Prior to July 1, 2023

Rates for July 1, 2023 - June 30, 2025

7	26	Family		\$1,833.10	\$2.80	\$1,830.30		\$1,830.30	\$2.80	\$1,833.10
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NGF Political Subdivision Rates w/o Wellness Program

Active										
1	23	Single		\$859.06	\$2.80	\$856.26		\$856.26	\$11.38	\$867.64
2	23	Family		\$2,076.72	\$2.80	\$2,073.92		\$2,073.92	\$23.54	\$2,097.46

COBRA										
4	23	Single		\$859.06	\$2.80	\$856.26		\$856.26	\$19.98	\$876.24
5	23	Family		\$2,076.72	\$2.80	\$2,073.92		\$2,073.92	\$44.32	\$2,118.24

Temps										
6	23	Single		\$859.06	\$2.80	\$856.26		\$856.26	\$11.38	\$867.64
7	23	Family		\$2,076.72	\$2.80	\$2,073.92		\$2,073.92	\$23.54	\$2,097.46

Active HDHP										
1	25	Single		\$758.24	\$2.80	\$755.44		\$755.44	\$10.38	\$765.82
2	25	Family		\$1,833.10	\$2.80	\$1,830.30		\$1,830.30	\$21.14	\$1,851.44

COBRA HDHP										
4	25	Single		\$758.24	\$2.80	\$755.44		\$755.44	\$17.96	\$773.40
5	25	Family		\$1,833.10	\$2.80	\$1,830.30		\$1,830.30	\$39.44	\$1,869.74

Temps HDHP										
6	25	Single		\$758.24	\$2.80	\$755.44		\$755.44	\$10.38	\$765.82
7	25	Family		\$1,833.10	\$2.80	\$1,830.30		\$1,830.30	\$21.14	\$1,851.44

Health, Rx, & HMO Insurance Plans:

Medicare Retiree (NonMedicare Split Rate)

98	11	Single NM Dependents with GF Status								\$575.16
99	11	Family NM Dependents with GF Status								\$575.16

Pre-Medicare

98	14	Single NM Dependents with GF Status								\$245.94
99	14	Family NM Dependents with GF Status								\$245.94

GAP Coverage

61	11	GAP Single		\$1,189.96	\$2.80	\$1,187.16		\$1,187.16	\$2.80	\$1,189.96
62	11	GAP Family		\$2,376.66	\$2.80	\$2,373.86		\$2,373.86	\$2.80	\$2,376.66
63	11	GAP Family (3+)		\$2,970.02	\$2.80	\$2,967.22		\$2,967.22	\$2.80	\$2,970.02
64	11	GAP 1 Medicare + Others	\$792.44	\$69.72	\$862.16	\$2.80	\$789.64	\$789.64	\$2.80	\$862.16

JULY 2023 NDPERS Health Rates

Rate Structure A

For Anyone Enrolled Prior to July 1, 2023

Rates for July 1, 2023 - June 30, 2025

65	11 GAP 2 Medicare + Others	\$1,007.04	\$139.44	\$1,146.48	\$2.80	\$1,004.24	\$1,004.24	\$2.80	\$1,146.48
66	11 GAP 3 Medicare + Others	\$1,221.24	\$209.16	\$1,430.40	\$2.80	\$1,218.44	\$1,218.44	\$2.80	\$1,430.40
67	11 GAP 4 Medicare + Others	\$1,435.76	\$278.88	\$1,714.64	\$2.80	\$1,432.96	\$1,432.96	\$2.80	\$1,714.64

JULY 2023 NDPERS Health Rates

Rate Structure B

New Subscribers or Groups as of July 1, 2023 and After

Rates for July 1, 2023 - June 30, 2024

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 Structure A	Total Paid to SHP	NDPERS Retention	NDPERS Billing Rate
Medicare Retiree												
41	12	1 Medicare only	\$214.58	\$69.72	\$284.30	\$2.80	\$214.56	\$69.72	(\$2.78)	\$211.78	\$2.80	\$284.30
42	12	2 Medicare only	\$426.28	\$139.44	\$565.72	\$2.80	\$429.06	\$139.44	(\$5.58)	\$423.48	\$2.80	\$565.72
50	12	3 Medicare only	\$637.72	\$209.16	\$846.88	\$2.80	\$643.28	\$209.16	(\$8.36)	\$634.92	\$2.80	\$846.88
51	12	4 Medicare only	\$849.46	\$278.88	\$1,128.34	\$2.80	\$857.80	\$278.88	(\$11.14)	\$846.66	\$2.80	\$1,128.34
43	12	1 Medicare + Others	\$774.70	\$69.72	\$844.42	\$2.80	\$789.64	\$69.72	(\$17.74)	\$771.90	\$2.80	\$844.42
49	12	2 Medicare + Others	\$986.50	\$139.44	\$1,125.94	\$2.80	\$1,004.24	\$139.44	(\$20.54)	\$983.70	\$2.80	\$1,125.94
55	12	3 Medicare + Others	\$1,197.92	\$209.16	\$1,407.08	\$2.80	\$1,218.44	\$209.16	(\$23.32)	\$1,195.12	\$2.80	\$1,407.08
58	12	4 Medicare + Others	\$1,409.66	\$278.88	\$1,688.54	\$2.80	\$1,432.96	\$278.88	(\$26.10)	\$1,406.86	\$2.80	\$1,688.54
Medicare Retirees COBRA (for Non-Medicare dependents of Medicare Retirees)												
30	12	Single			\$563.00	\$2.80	\$575.16		(\$14.96)	\$560.20	\$11.52	\$571.72
31	12	Family			\$794.35	\$2.80	\$812.69		(\$21.14)	\$791.55	\$16.11	\$807.66
Non-Medicare Retiree												
21	12	Single			\$1,189.96	\$2.80	\$1,187.16			\$1,187.16	\$2.80	\$1,189.96
22	12	Family			\$2,376.66	\$2.80	\$2,373.86			\$2,373.86	\$2.80	\$2,376.66
23	12	Family (3+)			\$2,970.02	\$2.80	\$2,967.22			\$2,967.22	\$2.80	\$2,970.02
COBRA												
24	12	Single			\$1,189.96	\$2.80	\$1,187.16			\$1,187.16	\$26.60	\$1,213.76
25	12	Family			\$2,376.66	\$2.80	\$2,373.86			\$2,373.86	\$50.32	\$2,424.18
26	12	Family (3+)			\$2,970.02	\$2.80	\$2,967.22			\$2,967.22	\$62.20	\$3,029.42

JULY 2023 NDPERS Health Rates

Rate Structure B

**New Subscribers or Groups as of July 1, 2023 and After
Rates for July 1, 2023 - June 30, 2024**

Political Subdivision Rates with Wellness Program

Active									
1	8	Single	\$826.78	\$2.80	\$845.96	(\$21.98)	\$823.98	\$2.80	\$826.78
2	8	Family	\$1,998.46	\$2.80	\$2,048.92	(\$53.26)	\$1,995.66	\$2.80	\$1,998.46
COBRA									
4	8	Single	\$826.78	\$2.80	\$845.96	(\$21.98)	\$823.98	\$19.30	\$843.28
5	8	Family	\$1,998.46	\$2.80	\$2,048.92	(\$53.26)	\$1,995.66	\$42.78	\$2,038.44
Temps									
6	8	Single	\$826.78	\$2.80	\$845.96	(\$21.98)	\$823.98	\$2.80	\$826.78
7	8	Family	\$1,998.46	\$2.80	\$2,048.92	(\$53.26)	\$1,995.66	\$2.80	\$1,998.46

Political Subdivision Rates w/o Wellness Program

Active									
1	7	Single	\$826.78	\$2.80	\$845.96	(\$21.98)	\$823.98	\$11.06	\$835.04
2	7	Family	\$1,998.46	\$2.80	\$2,048.92	(\$53.26)	\$1,995.66	\$22.80	\$2,018.46
COBRA									
4	7	Single	\$826.78	\$2.80	\$845.96	(\$21.98)	\$823.98	\$19.30	\$843.28
5	7	Family	\$1,998.46	\$2.80	\$2,048.92	(\$53.26)	\$1,995.66	\$42.78	\$2,038.44
Temps									
6	7	Single	\$826.78	\$2.80	\$845.96	(\$21.98)	\$823.98	\$11.06	\$835.04
7	7	Family	\$1,998.46	\$2.80	\$2,048.92	(\$53.26)	\$1,995.66	\$22.80	\$2,018.46

JULY 2023 NDPERS Health Rates

Rate Structure B

New Subscribers or Groups as of July 1, 2023 and After
Rates for July 1, 2023 - June 30, 2024

NGF Political Subdivision Rates with Wellness Program

Active									
1	28	Single	\$836.80	\$2.80	\$856.26	(\$22.26)	\$834.00	\$2.80	\$836.80
2	28	Family	\$2,022.80	\$2.80	\$2,073.92	(\$53.92)	\$2,020.00	\$2.80	\$2,022.80
COBRA									
4	28	Single	\$836.80	\$2.80	\$856.26	(\$22.26)	\$834.00	\$19.52	\$853.52
5	28	Family	\$2,022.80	\$2.80	\$2,073.92	(\$53.92)	\$2,020.00	\$43.24	\$2,063.24
Temps									
6	28	Single	\$836.80	\$2.80	\$856.26	(\$22.26)	\$834.00	\$2.80	\$836.80
7	28	Family	\$2,022.80	\$2.80	\$2,073.92	(\$53.92)	\$2,020.00	\$2.80	\$2,022.80
Active HDHP									
1	30	Single	\$738.62	\$2.80	\$755.44	(\$19.62)	\$735.82	\$2.80	\$738.62
2	30	Family	\$1,785.54	\$2.80	\$1,830.30	(\$47.56)	\$1,782.74	\$2.80	\$1,785.54
COBRA HDHP									
4	30	Single	\$738.62	\$2.80	\$755.44	(\$19.62)	\$735.82	\$17.56	\$753.38
5	30	Family	\$1,785.54	\$2.80	\$1,830.30	(\$47.56)	\$1,782.74	\$38.50	\$1,821.24
Temps HDHP									
6	30	Single	\$738.62	\$2.80	\$755.44	(\$19.62)	\$735.82	\$2.80	\$738.62
7	30	Family	\$1,785.54	\$2.80	\$1,830.30	(\$47.56)	\$1,782.74	\$2.80	\$1,785.54

JULY 2023 NDPERS Health Rates

Rate Structure B

New Subscribers or Groups as of July 1, 2023 and After
Rates for July 1, 2023 - June 30, 2024

NGF Political Subdivision Rates w/o Wellness Program

Active												
1	27	Single				\$836.80	\$2.80	\$856.26	(\$22.26)	\$834.00	\$11.18	\$845.18
2	27	Family				\$2,022.80	\$2.80	\$2,073.92	(\$53.92)	\$2,020.00	\$23.00	\$2,043.00
COBRA												
4	27	Single				\$836.80	\$2.80	\$856.26	(\$22.26)	\$834.00	\$19.52	\$853.52
5	27	Family				\$2,022.80	\$2.80	\$2,073.92	(\$53.92)	\$2,020.00	\$43.24	\$2,063.24
Temps												
6	27	Single				\$836.80	\$2.80	\$856.26	(\$22.26)	\$834.00	\$11.18	\$845.18
7	27	Family				\$2,022.80	\$2.80	\$2,073.92	(\$53.92)	\$2,020.00	\$23.00	\$2,043.00
Active HDHP												
1	29	Single				\$738.62	\$2.80	\$755.44	(\$19.62)	\$735.82	\$10.16	\$745.98
2	29	Family				\$1,785.54	\$2.80	\$1,830.30	(\$47.56)	\$1,782.74	\$20.64	\$1,803.38
COBRA HDHP												
4	29	Single				\$738.62	\$2.80	\$755.44	(\$19.62)	\$735.82	\$17.56	\$753.38
5	29	Family				\$1,785.54	\$2.80	\$1,830.30	(\$47.56)	\$1,782.74	\$38.50	\$1,821.24
Temps HDHP												
6	29	Single				\$738.62	\$2.80	\$755.44	(\$19.62)	\$735.82	\$10.16	\$745.98
7	29	Family				\$1,785.54	\$2.80	\$1,830.30	(\$47.56)	\$1,782.74	\$20.64	\$1,803.38
GAP Coverage												
61	12	GAP Single				\$1,159.12	\$2.80	\$1,187.16	(\$30.84)	\$1,156.32	\$2.80	\$1,159.12
62	12	GAP Family				\$2,314.94	\$2.80	\$2,373.86	(\$61.72)	\$2,312.14	\$2.80	\$2,314.94
63	12	GAP Family (3+)				\$2,892.88	\$2.80	\$2,967.22	(\$77.14)	\$2,890.08	\$2.80	\$2,892.88
64	12	GAP 1 Medicare + Other	\$774.70	\$69.72		\$844.42	\$2.80	\$789.64	(\$17.74)	\$771.90	\$2.80	\$844.42
65	12	GAP 2 Medicare + Other	\$986.50	\$139.44		\$1,125.94	\$2.80	\$1,004.24	(\$20.54)	\$983.70	\$2.80	\$1,125.94
66	12	GAP 3 Medicare + Other	\$1,197.92	\$209.16		\$1,407.08	\$2.80	\$1,218.44	(\$23.32)	\$1,195.12	\$2.80	\$1,407.08
67	12	GAP 4 Medicare + Other	\$1,409.66	\$278.88		\$1,688.54	\$2.80	\$1,432.96	(\$26.10)	\$1,406.86	\$2.80	\$1,688.54

JULY 2023 NDPERS Health Rates

Structure B

**New Subscribers or Groups as of July 1, 2023
and After Rates for July 1, 2024 - June 30, 2025**

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 Structure A	Total Paid to SHP	NDPERS Retention	NDPERS Billing Rate
Medicare Retiree												
41	12	1 Medicare only	\$220.14	\$69.72	\$289.86	\$2.80	\$214.56	\$69.72	\$2.78	\$217.34	\$2.80	\$289.86
42	12	2 Medicare only	\$437.44	\$139.44	\$576.88	\$2.80	\$429.06	\$139.44	\$5.58	\$434.64	\$2.80	\$576.88
50	12	3 Medicare only	\$654.44	\$209.16	\$863.60	\$2.80	\$643.28	\$209.16	\$8.36	\$651.64	\$2.80	\$863.60
51	12	4 Medicare only	\$871.74	\$278.88	\$1,150.62	\$2.80	\$857.80	\$278.88	\$11.14	\$868.94	\$2.80	\$1,150.62
43	12	1 Medicare + Others	\$810.18	\$69.72	\$879.90	\$2.80	\$789.64	\$69.72	\$17.74	\$807.38	\$2.80	\$879.90
49	12	2 Medicare + Others	\$1,027.58	\$139.44	\$1,167.02	\$2.80	\$1,004.24	\$139.44	\$20.54	\$1,024.78	\$2.80	\$1,167.02
55	12	3 Medicare + Others	\$1,244.56	\$209.16	\$1,453.72	\$2.80	\$1,218.44	\$209.16	\$23.32	\$1,241.76	\$2.80	\$1,453.72
58	12	4 Medicare + Others	\$1,461.86	\$278.88	\$1,740.74	\$2.80	\$1,432.96	\$278.88	\$26.10	\$1,459.06	\$2.80	\$1,740.74
Medicare Retirees COBRA (for Non-Medicare dependents of Medicare Retirees)												
30	12	Single			\$592.92	\$2.80	\$575.16		\$14.96	\$590.12	\$11.52	\$601.64
31	12	Family			\$836.63	\$2.80	\$812.69		\$21.14	\$833.83	\$16.11	\$849.94
Non-Medicare Retiree												
21	12	Single			\$1,189.96	\$2.80	\$1,187.16			\$1,187.16	\$2.80	\$1,189.96
22	12	Family			\$2,376.66	\$2.80	\$2,373.86			\$2,373.86	\$2.80	\$2,376.66
23	12	Family (3+)			\$2,970.02	\$2.80	\$2,967.22			\$2,967.22	\$2.80	\$2,970.02
COBRA												
24	12	Single			\$1,189.96	\$2.80	\$1,187.16			\$1,187.16	\$26.60	\$1,213.76
25	12	Family			\$2,376.66	\$2.80	\$2,373.86			\$2,373.86	\$50.32	\$2,424.18
26	12	Family (3+)			\$2,970.02	\$2.80	\$2,967.22			\$2,967.22	\$62.20	\$3,029.42

JULY 2023 NDPERS Health Rates**Structure B**

**New Subscribers or Groups as of July 1, 2023
and After Rates for July 1, 2024 - June 30, 2025**

Political Subdivision Rates with Wellness Program

Active									
1	8	Single	\$870.74	\$2.80	\$845.96	\$21.98	\$867.94	\$2.80	\$870.74
2	8	Family	\$2,105.98	\$3.80	\$2,048.92	\$53.26	\$2,102.18	\$2.80	\$2,104.98
COBRA									
4	8	Single	\$870.74	\$2.80	\$845.96	\$21.98	\$867.94	\$20.18	\$888.12
5	8	Family	\$2,104.98	\$2.80	\$2,048.92	\$53.26	\$2,102.18	\$44.88	\$2,147.06
Temps									
6	8	Single	\$870.74	\$2.80	\$845.96	\$21.98	\$867.94	\$2.80	\$870.74
7	8	Family	\$2,104.98	\$2.80	\$2,048.92	\$53.26	\$2,102.18	\$2.80	\$2,104.98

Political Subdivision Rates w/o Wellness Program

Active									
1	7	Single	\$870.74	\$2.80	\$845.96	\$21.98	\$867.94	\$11.46	\$879.40
2	7	Family	\$2,104.98	\$2.80	\$2,048.92	\$53.26	\$2,102.18	\$23.84	\$2,126.02
COBRA									
4	7	Single	\$870.74	\$2.80	\$845.96	\$21.98	\$867.94	\$20.18	\$888.12
5	7	Family	\$2,104.98	\$2.80	\$2,048.92	\$53.26	\$2,102.18	\$44.88	\$2,147.06
Temps									
6	7	Single	\$870.74	\$2.80	\$845.96	\$21.98	\$867.94	\$11.46	\$879.40
7	7	Family	\$2,104.98	\$2.80	\$2,048.92	\$53.26	\$2,102.18	\$23.84	\$2,126.02

JULY 2023 NDPERS Health Rates

Structure B

**New Subscribers or Groups as of July 1, 2023
and After Rates for July 1, 2024 - June 30, 2025**

NGF Political Subdivision Rates with Wellness Program

Active

1	28	Single	\$881.32	\$2.80	\$856.26	\$22.26	\$878.52	\$2.80	\$881.32
2	28	Family	\$2,130.64	\$2.80	\$2,073.92	\$53.92	\$2,127.84	\$2.80	\$2,130.64

COBRA

4	28	Single	\$881.32	\$2.80	\$856.26	\$22.26	\$878.52	\$20.44	\$898.96
5	28	Family	\$2,130.64	\$2.80	\$2,073.92	\$53.92	\$2,127.84	\$45.40	\$2,173.24

Temps

6	28	Single	\$881.32	\$2.80	\$856.26	\$22.26	\$878.52	\$2.80	\$881.32
7	28	Family	\$2,130.64	\$2.80	\$2,073.92	\$53.92	\$2,127.84	\$2.80	\$2,130.64

Active HDHP

1	30	Single	\$777.86	\$2.80	\$755.44	\$19.62	\$775.06	\$2.80	\$777.86
2	30	Family	\$1,880.66	\$2.80	\$1,830.30	\$47.56	\$1,877.86	\$2.80	\$1,880.66

COBRA HDHP

4	30	Single	\$777.86	\$2.80	\$755.44	\$19.62	\$775.06	\$18.38	\$793.44
5	30	Family	\$1,880.66	\$2.80	\$1,830.30	\$47.56	\$1,877.86	\$40.38	\$1,918.24

Temps HDHP

6	30	Single	\$777.86	\$2.80	\$755.44	\$19.62	\$775.06	\$2.80	\$777.86
7	30	Family	\$1,880.66	\$2.80	\$1,830.30	\$47.56	\$1,877.86	\$2.80	\$1,880.66

JULY 2023 NDPERS Health Rates

Structure B

**New Subscribers or Groups as of July 1, 2023
and After Rates for July 1, 2024 - June 30, 2025**

NGF Political Subdivision Rates w/o Wellness Program

Active											
1	27	Single		\$881.32	\$2.80	\$856.26		\$22.26	\$878.52	\$11.60	\$890.12
2	27	Family		\$2,130.64	\$2.80	\$2,073.92		\$53.92	\$2,127.84	\$24.08	\$2,151.92
COBRA											
4	27	Single		\$881.32	\$2.80	\$856.26		\$22.26	\$878.52	\$20.44	\$898.96
5	27	Family		\$2,130.64	\$2.80	\$2,073.92		\$53.92	\$2,127.84	\$45.40	\$2,173.24
Temps											
6	27	Single		\$881.32	\$2.80	\$856.26		\$22.26	\$878.52	\$11.60	\$890.12
7	27	Family		\$2,130.64	\$2.80	\$2,073.92		\$53.92	\$2,127.84	\$24.08	\$2,151.92
Active HDHP											
1	29	Single		\$777.86	\$2.80	\$755.44		\$19.62	\$775.06	\$10.58	\$785.64
2	29	Family		\$1,880.66	\$2.80	\$1,830.30		\$47.56	\$1,877.86	\$21.62	\$1,899.48
COBRA HDHP											
4	29	Single		\$777.86	\$2.80	\$755.44		\$19.62	\$775.06	\$18.38	\$793.44
5	29	Family		\$1,880.66	\$2.80	\$1,830.30		\$47.56	\$1,877.86	\$40.40	\$1,918.26
Temps HDHP											
6	29	Single		\$777.86	\$2.80	\$755.44		\$19.62	\$775.06	\$10.58	\$785.64
7	29	Family		\$1,880.66	\$2.80	\$1,830.30		\$47.56	\$1,877.86	\$21.62	\$1,899.48
GAP Coverage											
61	12	GAP Single		\$1,220.80	\$2.80	\$1,187.16		\$30.84	\$1,218.00	\$2.80	\$1,220.80
62	12	GAP Family		\$2,438.38	\$2.80	\$2,373.86		\$61.72	\$2,435.58	\$2.80	\$2,438.38
63	12	GAP Family (3+)		\$3,047.16	\$2.80	\$2,967.22		\$77.14	\$3,044.36	\$2.80	\$3,047.16
64	12	GAP 1 Medicare + Other	\$810.18	\$69.72	\$879.90	\$2.80	\$789.64	\$17.74	\$807.38	\$2.80	\$879.90
65	12	GAP 2 Medicare + Other	\$1,027.58	\$139.44	\$1,167.02	\$2.80	\$1,004.24	\$20.54	\$1,024.78	\$2.80	\$1,167.02
66	12	GAP 3 Medicare + Other	\$1,244.56	\$209.16	\$1,453.72	\$2.80	\$1,218.44	\$23.32	\$1,241.76	\$2.80	\$1,453.72
67	12	GAP 4 Medicare + Other	\$1,461.86	\$278.88	\$1,740.74	\$2.80	\$1,432.96	\$26.10	\$1,459.06	\$2.80	\$1,740.74

Sanford Health Plan reserves the right to amend these rates due to the passage of House Bill 1095, Comprehensive Medication Management, effective 1/1/2025.

Premium Rate Structure Table

15% & 1% Increase

2023-2025

JULY 2023 NDPERS Health Rates
Rate Structure A
For Anyone Enrolled Prior to July 1, 2023
Rates for July 1, 2023 - June 30, 2025

Code	Struct	Description	Total Health Premiums	Medicare Part D Premiums	Total Premiums	Less NDPERS Retention	Total 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	\$217.36	\$69.72	\$287.08	\$2.80	\$214.56	\$69.72	\$214.56	\$2.80	\$287.08
42	11	2 Medicare only	\$431.86	\$139.44	\$571.30	\$2.80	\$429.06	\$139.44	\$429.06	\$2.80	\$571.30
50	11	3 Medicare only	\$646.08	\$209.16	\$855.24	\$2.80	\$643.28	\$209.16	\$643.28	\$2.80	\$855.24
51	11	4 Medicare only	\$860.60	\$278.88	\$1,139.48	\$2.80	\$857.80	\$278.88	\$857.80	\$2.80	\$1,139.48
43	11	1 Medicare+Others	\$792.44	\$69.72	\$862.16	\$2.80	\$789.64	\$69.72	\$789.64	\$2.80	\$862.16
49	11	2 Medicare+Others	\$1,007.04	\$139.44	\$1,146.48	\$2.80	\$1,004.24	\$139.44	\$1,004.24	\$2.80	\$1,146.48
55	11	3 Medicare+Others	\$1,221.24	\$209.16	\$1,430.40	\$2.80	\$1,218.44	\$209.16	\$1,218.44	\$2.80	\$1,430.40
58	11	4 Medicare+Others	\$1,435.76	\$278.88	\$1,714.64	\$2.80	\$1,432.96	\$278.88	\$1,432.96	\$2.80	\$1,714.64
44	11	Part A Single	\$546.04	\$69.72	\$615.76	\$2.80	\$543.24	\$69.72	\$543.24	\$2.80	\$615.76
Grandfathered Rates											
42	14	2 Medicare only	\$431.56	\$139.44	\$571.00	\$2.80	\$428.76	\$139.44	\$428.76	\$2.80	\$571.00
50	14	3 Medicare only	\$457.90	\$209.16	\$667.06	\$2.80	\$455.10	\$209.16	\$455.10	\$2.80	\$667.06
51	14	4 Medicare only	\$280.04	\$278.88	\$558.92	\$2.80	\$277.24	\$278.88	\$277.24	\$2.80	\$558.92
Medicare Retirees COBRA (for Non-Medicare dependents of Medicare Retirees)											
30	11	Single	\$577.96		\$577.96	\$2.80	\$575.16		\$575.16	\$11.52	\$586.68
31	11	Family	\$815.49		\$815.49	\$2.80	\$812.69		\$812.69	\$16.11	\$828.80

JULY 2023 NDPERS Health Rates
Rate Structure A
For Anyone Enrolled Prior to July 1, 2023
Rates for July 1, 2023 - June 30, 2025

Non-Medicare Retiree

21	11	Single	\$1,184.62	\$2.80	\$1,181.82	\$1,181.82	\$2.80	\$1,184.62
22	11	Family	\$2,366.00	\$2.80	\$2,363.20	\$2,363.20	\$2.80	\$2,366.00
23	11	Family (3+)	\$2,956.70	\$2.80	\$2,953.90	\$2,953.90	\$2.80	\$2,956.70
COBRA								
24	11	Single	\$1,184.62	\$2.80	\$1,181.82	\$1,181.82	\$26.50	\$1,208.32
25	11	Family	\$2,366.00	\$2.80	\$2,363.20	\$2,363.20	\$50.10	\$2,413.30
26	11	Family (3+)	\$2,956.70	\$2.80	\$2,953.90	\$2,953.90	\$61.94	\$3,015.84

State Contracts with Wellness Program

Active			(Flat Single/Family Rate)					
1-3	2	S/F/Dual	\$1,643.08	\$2.80	\$1,640.28	\$1,640.28	\$2.80	\$1,643.08
COBRA								
4	2	Single	\$790.82	\$2.80	\$788.02	\$788.02	\$18.60	\$806.62
5	2	Family	\$1,907.12	\$2.80	\$1,904.32	\$1,904.32	\$40.94	\$1,945.26
Part-Time/Temporary/LOA								
6	2	Single	\$790.82	\$2.80	\$788.02	\$788.02	\$2.80	\$790.82
7	2	Family	\$1,907.12	\$2.80	\$1,904.32	\$1,904.32	\$2.80	\$1,907.12
Active HDHP								
1-3	17	S/F/Dual	\$1,438.67	\$2.80	\$1,435.87	\$1,435.87	\$207.21	\$1,643.08
COBRA HDHP								
4	17	Single	\$689.08	\$2.80	\$686.28	\$686.28	\$16.58	\$702.86
5	17	Family	\$1,660.96	\$2.80	\$1,658.16	\$1,658.16	\$36.00	\$1,694.16
LOA HDHP								
6	17	Single	\$689.08	\$2.80	\$686.28	\$686.28	\$2.80	\$689.08
7	17	Family	\$1,660.96	\$2.80	\$1,658.16	\$1,658.16	\$2.80	\$1,660.96

JULY 2023 NDPERS Health Rates
Rate Structure A
For Anyone Enrolled Prior to July 1, 2023
Rates for July 1, 2023 - June 30, 2025

State Contracts w/o Wellness Program

Active			(Flat Single/Family Rate)					
1-3	1	S/F/Dual	\$1,643.08	\$2.80	\$1,640.28	\$1,640.28	\$19.22	\$1,659.50
COBRA								
4	1	Single	\$790.82	\$2.80	\$788.02	\$788.02	\$18.60	\$806.62
5	1	Family	\$1,907.12	\$2.80	\$1,904.32	\$1,904.32	\$40.94	\$1,945.26
Part-Time/Temporary/LOA								
6	1	Single	\$790.82	\$2.80	\$788.02	\$788.02	\$10.70	\$798.72
7	1	Family	\$1,907.12	\$2.80	\$1,904.32	\$1,904.32	\$21.86	\$1,926.18
Active HDHP								
1-3	16	S/F/Dual	\$1,438.67	\$2.80	\$1,435.87	\$1,435.87	\$223.63	\$1,659.50
COBRA HDHP								
4	16	Single	\$689.08	\$2.80	\$686.28	\$686.28	\$16.58	\$702.86
5	16	Family	\$1,660.96	\$2.80	\$1,658.16	\$1,658.16	\$36.00	\$1,694.16
LOA HDHP								
6	16	Single	\$689.08	\$2.80	\$686.28	\$686.28	\$9.68	\$695.96
7	16	Family	\$1,660.96	\$2.80	\$1,658.16	\$1,658.16	\$19.40	\$1,677.56

Political Subdivision Rates with Wellness Program

Active								
1	4	Single	\$844.94	\$2.80	\$842.14	\$842.14	\$2.80	\$844.94
2	4	Family	\$2,042.52	\$2.80	\$2,039.72	\$2,039.72	\$2.80	\$2,042.52
COBRA								
4	4	Single	\$844.94	\$2.80	\$842.14	\$842.14	\$19.68	\$861.82
5	4	Family	\$2,042.52	\$2.80	\$2,039.72	\$2,039.72	\$43.64	\$2,083.36
Temps								
6	4	Single	\$844.94	\$2.80	\$842.14	\$842.14	\$2.80	\$844.94
7	4	Family	\$2,042.52	\$2.80	\$2,039.72	\$2,039.72	\$2.80	\$2,042.52

JULY 2023 NDPERS Health Rates
Rate Structure A
For Anyone Enrolled Prior to July 1, 2023
Rates for July 1, 2023 - June 30, 2025

Political Subdivision Rates w/o Wellness Program

Active								
1	3	Single	\$844.94	\$2.80	\$842.14	\$842.14	\$11.24	\$853.38
2	3	Family	\$2,042.52	\$2.80	\$2,039.72	\$2,039.72	\$23.22	\$2,062.94
COBRA								
4	3	Single	\$844.94	\$2.80	\$842.14	\$842.14	\$19.68	\$861.82
5	3	Family	\$2,042.52	\$2.80	\$2,039.72	\$2,039.72	\$43.64	\$2,083.36
Temps								
6	3	Single	\$844.94	\$2.80	\$842.14	\$842.14	\$11.24	\$853.38
7	3	Family	\$2,042.52	\$2.80	\$2,039.72	\$2,039.72	\$23.22	\$2,062.94

NGF Political Subdivision Rates with Wellness Program

Active								
1	24	Single	\$857.76	\$2.80	\$854.96	\$854.96	\$2.80	\$857.76
2	24	Family	\$2,073.60	\$2.80	\$2,070.80	\$2,070.80	\$2.80	\$2,073.60
COBRA								
4	24	Single	\$857.76	\$2.80	\$854.96	\$854.96	\$19.96	\$874.92
5	24	Family	\$2,073.60	\$2.80	\$2,070.80	\$2,070.80	\$44.26	\$2,115.06
Temps								
6	24	Single	\$857.76	\$2.80	\$854.96	\$854.96	\$2.80	\$857.76
7	24	Family	\$2,073.60	\$2.80	\$2,070.80	\$2,070.80	\$2.80	\$2,073.60
Active HDHP								
1	26	Single	\$757.10	\$2.80	\$754.30	\$754.30	\$2.80	\$757.10
2	26	Family	\$1,830.34	\$2.80	\$1,827.54	\$1,827.54	\$2.80	\$1,830.34
COBRA HDHP								
4	26	Single	\$757.10	\$2.80	\$754.30	\$754.30	\$17.94	\$772.24
5	26	Family	\$1,830.34	\$2.80	\$1,827.54	\$1,827.54	\$39.40	\$1,866.94
Temps HDHP								
6	26	Single	\$757.10	\$2.80	\$754.30	\$754.30	\$2.80	\$757.10

JULY 2023 NDPERS Health Rates
Rate Structure A
For Anyone Enrolled Prior to July 1, 2023
Rates for July 1, 2023 - June 30, 2025

7	26	Family	\$1,830.34	\$2.80	\$1,827.54	\$1,827.54	\$2.80	\$1,830.34
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NGF Political Subdivision Rates w/o Wellness Program

Active								
1	23	Single	\$857.76	\$2.80	\$854.96	\$854.96	\$11.38	\$866.34
2	23	Family	\$2,073.60	\$2.80	\$2,070.80	\$2,070.80	\$23.52	\$2,094.32
COBRA								
4	23	Single	\$857.76	\$2.80	\$854.96	\$854.96	\$19.96	\$874.92
5	23	Family	\$2,073.60	\$2.80	\$2,070.80	\$2,070.80	\$44.26	\$2,115.06
Temps								
6	23	Single	\$857.76	\$2.80	\$854.96	\$854.96	\$11.38	\$866.34
7	23	Family	\$2,073.60	\$2.80	\$2,070.80	\$2,070.80	\$23.52	\$2,094.32
Active HDHP								
1	25	Single	\$757.10	\$2.80	\$754.30	\$754.30	\$10.36	\$764.66
2	25	Family		\$2.80		\$1,827.54	\$21.12	\$1,848.66
			\$1,830.34		\$1,827.54			
COBRA HDHP								
4	25	Single	\$757.10	\$2.80	\$754.30	\$754.30	\$17.94	\$772.24
5	25	Family	\$1,830.34	\$2.80		\$1,827.54	\$39.40	\$1,866.94
					\$1,827.54			
Temps HDHP								
6	25	Single	\$757.10	\$2.80	\$754.30	\$754.30	\$10.36	\$764.66
7	25	Family	\$1,830.34	\$2.80	\$1,827.54	\$1,827.54	\$21.12	\$1,848.66

Health, Rx, & HMO Insurance Plans:

Medicare Retiree (NonMedicare Split Rate)								
98	11	Single NM Dependents with GF Status						\$575.16
99	11	Family NM Dependents with GF Status						\$575.16
Pre-Medicare								
98	14	Single NM Dependents with GF Status						\$245.94
99	14	Family NM Dependents with GF Status						\$245.94
GAP Coverage								
61	11	GAP Single	\$1,184.62	\$2.80	\$1,181.82	\$1,181.82	\$2.80	\$1,184.62
62	11	GAP Family	\$2,366.00	\$2.80	\$2,363.20	\$2,363.20	\$2.80	\$2,366.00
63	11	GAP Family (3+)	\$2,956.70	\$2.80	\$2,953.90	\$2,953.90	\$2.80	\$2,956.70

JULY 2023 NDPERS Health Rates

Rate Structure A

For Anyone Enrolled Prior to July 1, 2023

Rates for July 1, 2023 - June 30, 2025

64	11	GAP 1 Medicare + Others	\$792.44	\$69.72	\$862.16	\$2.80	\$789.64	\$789.64	\$2.80	\$862.16
65	11	GAP 2 Medicare + Others	\$1,007.04	\$139.44	\$1,146.48	\$2.80	\$1,004.24	\$1,004.24	\$2.80	\$1,146.48
66	11	GAP 3 Medicare + Others	\$1,221.24	\$209.16	\$1,430.40	\$2.80	\$1,218.44	\$1,218.44	\$2.80	\$1,430.40
67	11	GAP 4 Medicare + Others	\$1,435.76	\$278.88	\$1,714.64	\$2.80	\$1,432.96	\$1,432.96	\$2.80	\$1,714.64

JULY 2023 NDPERS Health Rates

Rate Structure B

New Subscribers or Groups as of July 1, 2023 and After

Rates for July 1, 2023 - June 30, 2024

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 Structure A	Total Paid to SHP	NDPERS Retention	NDPERS Billing Rate
Medicare Retiree												
41	12	1 Medicare only	\$214.58	\$69.72	\$284.30	\$2.80	\$214.56	\$69.72	(\$2.78)	\$211.78	\$2.80	\$284.30
42	12	2 Medicare only	\$426.28	\$139.44	\$565.72	\$2.80	\$429.06	\$139.44	(\$5.58)	\$423.48	\$2.80	\$565.72
50	12	3 Medicare only	\$637.72	\$209.16	\$846.88	\$2.80	\$643.28	\$209.16	(\$8.36)	\$634.92	\$2.80	\$846.88
51	12	4 Medicare only	\$849.46	\$278.88	\$1,128.34	\$2.80	\$857.80	\$278.88	(\$11.14)	\$846.66	\$2.80	\$1,128.34
43	12	1 Medicare + Others	\$774.70	\$69.72	\$844.42	\$2.80	\$789.64	\$69.72	(\$17.74)	\$771.90	\$2.80	\$844.42
49	12	2 Medicare + Others	\$986.50	\$139.44	\$1,125.94	\$2.80	\$1,004.24	\$139.44	(\$20.54)	\$983.70	\$2.80	\$1,125.94
55	12	3 Medicare + Others	\$1,197.92	\$209.16	\$1,407.08	\$2.80	\$1,218.44	\$209.16	(\$23.32)	\$1,195.12	\$2.80	\$1,407.08
58	12	4 Medicare + Others	\$1,409.66	\$278.88	\$1,688.54	\$2.80	\$1,432.96	\$278.88	(\$26.10)	\$1,406.86	\$2.80	\$1,688.54
Medicare Retirees COBRA (for Non-Medicare dependents of Medicare Retirees)												
30	12	Single			\$563.00	\$2.80	\$575.16		(\$14.96)	\$560.20	\$11.52	\$571.72
31	12	Family			\$794.35	\$2.80	\$812.69		(\$21.14)	\$791.55	\$16.11	\$807.66
Non-Medicare Retiree												
21	12	Single			\$1,184.62	\$2.80	\$1,181.82			\$1,181.82	\$2.80	\$1,184.62
22	12	Family			\$2,366.00	\$2.80	\$2,363.20			\$2,363.20	\$2.80	\$2,366.00
23	12	Family (3+)			\$2,956.70	\$2.80	\$2,953.90			\$2,953.90	\$2.80	\$2,956.70
COBRA												
24	12	Single			\$1,184.62	\$2.80	\$1,181.82			\$1,181.82	\$26.50	\$1,208.32
25	12	Family			\$2,366.00	\$2.80	\$2,363.20			\$2,363.20	\$50.10	\$2,413.30
26	12	Family (3+)			\$2,956.70	\$2.80	\$2,953.90			\$2,953.90	\$61.94	\$3,015.84

JULY 2023 NDPERS Health Rates**Rate Structure B****New Subscribers or Groups as of July 1, 2023 and After****Rates for July 1, 2023 - June 30, 2024****Political Subdivision Rates with Wellness Program**

Active									
1	8	Single	\$823.06	\$2.80	\$842.14	(\$21.88)	\$820.26	\$2.80	\$823.06
2	8	Family	\$1,989.50	\$2.80	\$2,039.72	(\$53.02)	\$1,986.70	\$2.80	\$1,989.50
COBRA									
4	8	Single	\$823.06	\$2.80	\$842.14	(\$21.88)	\$820.26	\$19.24	\$839.50
5	8	Family	\$1,989.50	\$2.80	\$2,039.72	(\$53.02)	\$1,986.70	\$42.60	\$2,029.30
Temps									
6	8	Single	\$823.06	\$2.80	\$842.14	(\$21.88)	\$820.26	\$2.80	\$823.06
7	8	Family	\$1,989.50	\$2.80	\$2,039.72	(\$53.02)	\$1,986.70	\$2.80	\$1,989.50

Political Subdivision Rates w/o Wellness Program

Active									
1	7	Single	\$823.06	\$2.80	\$842.14	(\$21.88)	\$820.26	\$11.04	\$831.30
2	7	Family	\$1,989.50	\$2.80	\$2,039.72	(\$53.02)	\$1,986.70	\$22.70	\$2,009.40
COBRA									
4	7	Single	\$823.06	\$2.80	\$842.14	(\$21.88)	\$820.26	\$19.24	\$839.50
5	7	Family	\$1,989.50	\$2.80	\$2,039.72	(\$53.02)	\$1,986.70	\$42.60	\$2,029.30
Temps									
6	7	Single	\$823.06	\$2.80	\$842.14	(\$21.88)	\$820.26	\$11.04	\$831.30
7	7	Family	\$1,989.50	\$2.80	\$2,039.72	(\$53.02)	\$1,986.70	\$22.70	\$2,009.40

JULY 2023 NDPERS Health Rates

Rate Structure B

New Subscribers or Groups as of July 1, 2023 and After

Rates for July 1, 2023 - June 30, 2024

NGF Political Subdivision Rates with Wellness Program

Active									
1	28	Single	\$835.54	\$2.80	\$854.96	(\$22.22)	\$832.74	\$2.80	\$835.54
2	28	Family	\$2,019.76	\$2.80	\$2,070.80	(\$53.84)	\$2,016.96	\$2.80	\$2,019.76
COBRA									
4	28	Single	\$835.54	\$2.80	\$854.96	(\$22.22)	\$832.74	\$19.50	\$852.24
5	28	Family	\$2,019.76	\$2.80	\$2,070.80	(\$53.84)	\$2,016.96	\$43.18	\$2,060.14
Temps									
6	28	Single	\$835.54	\$2.80	\$854.96	(\$22.22)	\$832.74	\$2.80	\$835.54
7	28	Family	\$2,019.76	\$2.80	\$2,070.80	(\$53.84)	\$2,016.96	\$2.80	\$2,019.76
Active HDHP									
1	30	Single	\$737.50	\$2.80	\$754.30	(\$19.60)	\$734.70	\$2.80	\$737.50
2	30	Family	\$1,782.86	\$2.80	\$1,827.54	(\$47.48)	\$1,780.06	\$2.80	\$1,782.86
COBRA HDHP									
4	30	Single	\$737.50	\$2.80	\$754.30	(\$19.60)	\$734.70	\$17.54	\$752.24
5	30	Family	\$1,782.86	\$2.80	\$1,827.54	(\$47.48)	\$1,780.06	\$38.44	\$1,818.50
Temps HDHP									
6	30	Single	\$737.50	\$2.80	\$754.30	(\$19.60)	\$734.70	\$2.80	\$737.50
7	30	Family	\$1,782.86	\$2.80	\$1,827.54	(\$47.48)	\$1,780.06	\$2.80	\$1,782.86

JULY 2023 NDPERS Health Rates

Rate Structure B

New Subscribers or Groups as of July 1, 2023 and After

Rates for July 1, 2023 - June 30, 2024

NGF Political Subdivision Rates w/o Wellness Program

Active												
1	27	Single				\$835.54	\$2.80	\$854.96	(\$22.22)	\$832.74	\$11.16	\$843.90
2	27	Family				\$2,019.76	\$2.80	\$2,070.80	(\$53.84)	\$2,016.96	\$22.98	\$2,039.94
COBRA												
4	27	Single				\$835.54	\$2.80	\$854.96	(\$22.22)	\$832.74	\$19.50	\$852.24
5	27	Family				\$2,019.76	\$2.80	\$2,070.80	(\$53.84)	\$2,016.96	\$43.18	\$2,060.14
Temps												
6	27	Single				\$835.54	\$2.80	\$854.96	(\$22.22)	\$832.74	\$11.16	\$843.90
7	27	Family				\$2,019.76	\$2.80	\$2,070.80	(\$53.84)	\$2,016.96	\$22.98	\$2,039.94
Active HDHP												
1	29	Single				\$737.50	\$2.80	\$754.30	(\$19.60)	\$734.70	\$10.16	\$744.86
2	29	Family				\$1,782.86	\$2.80	\$1,827.54	(\$47.48)	\$1,780.06	\$20.62	\$1,800.68
COBRA HDHP												
4	29	Single				\$737.50	\$2.80	\$754.30	(\$19.60)	\$734.70	\$17.54	\$752.24
5	29	Family				\$1,782.86	\$2.80	\$1,827.54	(\$47.48)	\$1,780.06	\$38.44	\$1,818.50
Temps HDHP												
6	29	Single				\$737.50	\$2.80	\$754.30	(\$19.60)	\$734.70	\$10.16	\$744.86
7	29	Family				\$1,782.86	\$2.80	\$1,827.54	(\$47.48)	\$1,780.06	\$20.62	\$1,800.68
GAP Coverage												
61	12	GAP Single				\$1,153.92	\$2.80	\$1,181.82	(\$30.70)	\$1,151.12	\$2.80	\$1,153.92
62	12	GAP Family				\$2,304.56	\$2.80	\$2,363.20	(\$61.44)	\$2,301.76	\$2.80	\$2,304.56
63	12	GAP Family (3+)				\$2,879.90	\$2.80	\$2,953.90	(\$76.80)	\$2,877.10	\$2.80	\$2,879.90
64	12	GAP 1 Medicare + Other	\$774.70	\$69.72	\$844.42		\$2.80	\$789.64	(\$17.74)	\$771.90	\$2.80	\$844.42
65	12	GAP 2 Medicare + Other	\$986.50	\$139.44	\$1,125.94		\$2.80	\$1,004.24	(\$20.54)	\$983.70	\$2.80	\$1,125.94
66	12	GAP 3 Medicare + Other	\$1,197.92	\$209.16	\$1,407.08		\$2.80	\$1,218.44	(\$23.32)	\$1,195.12	\$2.80	\$1,407.08
67	12	GAP 4 Medicare + Other	\$1,409.66	\$278.88	\$1,688.54		\$2.80	\$1,432.96	(\$26.10)	\$1,406.86	\$2.80	\$1,688.54

JULY 2023 NDPERS Health Rates
Rate Structure B
New Subscribers or Groups as of July 1, 2023 and After
Rates for July 1, 2024 - June 30, 2025

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 Structure A	Total Paid to SHP	NDPERS Retention	NDPERS Billing Rate
Medicare Retiree												
41	12	1 Medicare only	\$220.14	\$69.72	\$289.86	\$2.80	\$214.56	\$69.72	\$2.78	\$217.34	\$2.80	\$289.86
42	12	2 Medicare only	\$437.44	\$139.44	\$576.88	\$2.80	\$429.06	\$139.44	\$5.58	\$434.64	\$2.80	\$576.88
50	12	3 Medicare only	\$654.44	\$209.16	\$863.60	\$2.80	\$643.28	\$209.16	\$8.36	\$651.64	\$2.80	\$863.60
51	12	4 Medicare only	\$871.74	\$278.88	\$1,150.62	\$2.80	\$857.80	\$278.88	\$11.14	\$868.94	\$2.80	\$1,150.62
43	12	1 Medicare + Others	\$810.18	\$69.72	\$879.90	\$2.80	\$789.64	\$69.72	\$17.74	\$807.38	\$2.80	\$879.90
49	12	2 Medicare + Others	\$1,027.58	\$139.44	\$1,167.02	\$2.80	\$1,004.24	\$139.44	\$20.54	\$1,024.78	\$2.80	\$1,167.02
55	12	3 Medicare + Others	\$1,244.56	\$209.16	\$1,453.72	\$2.80	\$1,218.44	\$209.16	\$23.32	\$1,241.76	\$2.80	\$1,453.72
58	12	4 Medicare + Others	\$1,461.86	\$278.88	\$1,740.74	\$2.80	\$1,432.96	\$278.88	\$26.10	\$1,459.06	\$2.80	\$1,740.74
Medicare Retirees COBRA (for Non-Medicare dependents of Medicare Retirees)												
30	12	Single			\$592.92	\$2.80	\$575.16		\$14.96	\$590.12	\$11.52	\$601.64
31	12	Family			\$836.63	\$2.80	\$812.69		\$21.14	\$833.83	\$16.11	\$849.94
Non-Medicare Retiree												
21	12	Single			\$1,184.62	\$2.80	\$1,181.82			\$1,181.82	\$2.80	\$1,184.62
22	12	Family			\$2,366.00	\$2.80	\$2,363.20			\$2,363.20	\$2.80	\$2,366.00
23	12	Family (3+)			\$2,956.70	\$2.80	\$2,953.90			\$2,953.90	\$2.80	\$2,956.70
COBRA												
24	12	Single			\$1,184.62	\$2.80	\$1,181.82			\$1,181.82	\$26.50	\$1,208.32
25	12	Family			\$2,366.00	\$2.80	\$2,363.20			\$2,363.20	\$50.10	\$2,413.30
26	12	Family (3+)			\$2,956.70	\$2.80	\$2,953.90			\$2,953.90	\$61.94	\$3,015.84

JULY 2023 NDPERS Health Rates
Rate Structure B
New Subscribers or Groups as of July 1, 2023 and After
Rates for July 1, 2024 - June 30, 2025

Political Subdivision Rates with Wellness Program

Active									
1	8	Single	\$866.82	\$2.80	\$842.14	\$21.88	\$864.02	\$2.80	\$866.82
2	8	Family	\$2,096.54	\$3.80	\$2,039.72	\$53.02	\$2,092.74	\$2.80	\$2,095.54
COBRA									
4	8	Single	\$866.82	\$2.80	\$842.14	\$21.88	\$864.02	\$20.12	\$884.14
5	8	Family	\$2,095.54	\$2.80	\$2,039.72	\$53.02	\$2,092.74	\$44.68	\$2,137.42
Temps									
6	8	Single	\$866.82	\$2.80	\$842.14	\$21.88	\$864.02	\$2.80	\$866.82
7	8	Family	\$2,095.54	\$2.80	\$2,039.72	\$53.02	\$2,092.74	\$2.80	\$2,095.54

Political Subdivision Rates w/o Wellness Program

Active									
1	7	Single	\$866.82	\$2.80	\$842.14	\$21.88	\$864.02	\$11.44	\$875.46
2	7	Family	\$2,095.54	\$2.80	\$2,039.72	\$53.02	\$2,092.74	\$23.74	\$2,116.48
COBRA									
4	7	Single	\$866.82	\$2.80	\$842.14	\$21.88	\$864.02	\$20.12	\$884.14
5	7	Family	\$2,095.54	\$2.80	\$2,039.72	\$53.02	\$2,092.74	\$44.68	\$2,137.42
Temps									
6	7	Single	\$866.82	\$2.80	\$842.14	\$21.88	\$864.02	\$11.44	\$875.46
7	7	Family	\$2,095.54	\$2.80	\$2,039.72	\$53.02	\$2,092.74	\$23.74	\$2,116.48

JULY 2023 NDPERS Health Rates
Rate Structure B
New Subscribers or Groups as of July 1, 2023 and After
Rates for July 1, 2024 - June 30, 2025

NGF Political Subdivision Rates with Wellness Program

Active

1	28	Single	\$879.98	\$2.80	\$854.96	\$22.22	\$877.18	\$2.80	\$879.98
2	28	Family	\$2,127.44	\$2.80	\$2,070.80	\$53.84	\$2,124.64	\$2.80	\$2,127.44

COBRA

4	28	Single	\$879.98	\$2.80	\$854.96	\$22.22	\$877.18	\$20.42	\$897.60
5	28	Family	\$2,127.44	\$2.80	\$2,070.80	\$53.84	\$2,124.64	\$45.34	\$2,169.98

Temps

6	28	Single	\$879.98	\$2.80	\$854.96	\$22.22	\$877.18	\$2.80	\$879.98
7	28	Family	\$2,127.44	\$2.80	\$2,070.80	\$53.84	\$2,124.64	\$2.80	\$2,127.44

Active HDHP

1	30	Single	\$776.70	\$2.80	\$754.30	\$19.60	\$773.90	\$2.80	\$776.70
2	30	Family	\$1,877.82	\$2.80	\$1,827.54	\$47.48	\$1,875.02	\$2.80	\$1,877.82

COBRA HDHP

4	30	Single	\$776.70	\$2.80	\$754.30	\$19.60	\$773.90	\$18.34	\$792.24
5	30	Family	\$1,877.82	\$2.80	\$1,827.54	\$47.48	\$1,875.02	\$40.36	\$1,915.38

Temps HDHP

6	30	Single	\$776.70	\$2.80	\$754.30	\$19.60	\$773.90	\$2.80	\$776.70
7	30	Family	\$1,877.82	\$2.80	\$1,827.54	\$47.48	\$1,875.02	\$2.80	\$1,877.82

JULY 2023 NDPERS Health Rates
Rate Structure B
New Subscribers or Groups as of July 1, 2023 and After
Rates for July 1, 2024 - June 30, 2025

NGF Political Subdivision Rates w/o Wellness Program

Active

1	27	Single	\$879.98	\$2.80	\$854.96	\$22.22	\$877.18	\$11.60	\$888.78
2	27	Family	\$2,127.44	\$2.80	\$2,070.80	\$53.84	\$2,124.64	\$24.06	\$2,148.70

COBRA

4	27	Single	\$879.98	\$2.80	\$854.96	\$22.22	\$877.18	\$20.42	\$897.60
5	27	Family	\$2,127.44	\$2.80	\$2,070.80	\$53.84	\$2,124.64	\$45.34	\$2,169.98

Temps

6	27	Single	\$879.98	\$2.80	\$854.96	\$22.22	\$877.18	\$11.60	\$888.78
7	27	Family	\$2,127.44	\$2.80	\$2,070.80	\$53.84	\$2,124.64	\$24.06	\$2,148.70

Active HDHP

1	29	Single	\$776.70	\$2.80	\$754.30	\$19.60	\$773.90	\$10.56	\$784.46
2	29	Family	\$1,877.82	\$2.80	\$1,827.54	\$47.48	\$1,875.02	\$21.62	\$1,896.64

COBRA HDHP

4	29	Single	\$776.70	\$2.80	\$754.30	\$19.60	\$773.90	\$18.34	\$792.24
5	29	Family	\$1,877.82	\$2.80	\$1,827.54	\$47.48	\$1,875.02	\$40.36	\$1,915.38

Temps HDHP

6	29	Single	\$776.70	\$2.80	\$754.30	\$19.60	\$773.90	\$10.56	\$784.46
7	29	Family	\$1,877.82	\$2.80	\$1,827.54	\$47.48	\$1,875.02	\$21.62	\$1,896.64

GAP Coverage

61	12	GAP Single	\$1,215.32	\$2.80	\$1,181.82	\$30.70	\$1,212.52	\$2.80	\$1,215.32
62	12	GAP Family	\$2,427.44	\$2.80	\$2,363.20	\$61.44	\$2,424.64	\$2.80	\$2,427.44
63	12	GAP Family (3+)	\$3,033.50	\$2.80	\$2,953.90	\$76.80	\$3,030.70	\$2.80	\$3,033.50
64	12	GAP 1 Medicare + Other	\$810.18	\$69.72	\$879.90	\$17.74	\$807.38	\$2.80	\$879.90
65	12	GAP 2 Medicare + Other	\$1,027.58	\$139.44	\$1,167.02	\$20.54	\$1,024.78	\$2.80	\$1,167.02
66	12	GAP 3 Medicare + Other	\$1,244.56	\$209.16	\$1,453.72	\$23.32	\$1,241.76	\$2.80	\$1,453.72
67	12	GAP 4 Medicare + Other	\$1,461.86	\$278.88	\$1,740.74	\$26.10	\$1,459.06	\$2.80	\$1,740.74

Sanford Health Plan reserves the right to amend these rates due to the passage of House Bill 1095, Comprehensive Medication Management, effective 1/1/2025.

EXHIBIT D

Illustration of the NDPERS Settlement Process 2023-2025

Exhibit D

Illustration of the NDPERS Settlement Process

NDPERS Settlement Illustration - No Settlement		Section 7.2	Section 7.3
		Initial Settlement	Final Settlement
First Period of Biennium		7/1/23-6/30/24	7/1/23-6/30/24
Second Period of Biennium		7/1/24-6/30/25	7/1/24-6/30/25
Paid Through Date		6/30/2026	6/30/2027
Initial Settlement		7/31/2026	7/31/2027
Average Contracts		25,586	25,586
Average Medicare Contracts		6,740	6,740
Average Non-Medicare Contracts		18,846	18,846
Key			
A	Earned Biennium Premium (which is net of NDPERS Admin Fee)	\$ 378,582,971	\$ 378,582,971
B	Plus interest on Surplus	\$ 750,000	\$ 750,000
C	Less Claims Incurred for Biennium Paid through 6/30/26 (Claims include Value Based Provider Payments/Receivables)	\$ 368,453,739	\$ 373,453,739
D	Less Estimated Unpaid claims	\$ 5,000,000	\$ 250,000
E	Less Direct Claims Reduction Expenses	\$ 3,500,000	\$ 3,500,000
F	Less Admin Expense \$64.08 per Non-Medicare Contract \$11.77 per Medicare Contract	\$ 15,443,778	\$ 15,443,778
G = A+B -(C:F)	Subtotal	\$ (13,064,546)	\$ (13,314,546)
H = G-I	Initial Settlement Amount Due to NDPERS 7/31/26	-	N/A
H = G-I	Final Settlement Amount Due to NDPERS 7/31/27	N/A	-
I = \$1.5 M Maximum, unlimited downside	Net Carrier Retained	\$ (13,064,546)	\$ (13,314,546)

NDPERS Settlement Illustration - With Settlement		Section 7.2	Section 7.3
		Initial Settlement	Final Settlement
First Period of Biennium		7/1/23-6/30/24	7/1/23-6/30/24
Second Period of Biennium		7/1/24-6/30/25	7/1/24-6/30/25
Paid Through Date		6/30/2026	6/30/2027
Initial Settlement		7/31/2026	7/31/2027
Average Contracts		25,586	25,586
Average Medicare Contracts		6,740	6,740
Average Non-Medicare Contracts		18,846	18,846
Key			
A	Earned Biennium Premium (which is net of NDPERS Admin Fee)	\$ 378,582,971	\$ 378,582,971
B	Plus interest on Surplus	\$ 750,000	\$ 750,000
C	Less Claims Incurred for Biennium Paid through 6/30/26 (Claims include Value Based Provider Payments/Receivables)	\$ 331,608,365	\$ 336,108,365
D	Less Estimated Unpaid claims	\$ 5,000,000	\$ 250,000
E	Less Direct Claims Reduction Expenses	\$ 3,500,000	\$ 3,500,000
F	Less Admin Expense \$64.08 per Non-Medicare Contract \$11.77 per Medicare Contract	\$ 15,443,778	\$ 15,443,778
G = A+B -(C:F)	Subtotal	\$ 23,780,828	\$ 24,030,828
H = G-I	Initial Settlement Amount Due to NDPERS 7/31/24	\$ 22,280,828	N/A
H = G-I	Final Settlement Amount Due to NDPERS 7/31/25	N/A	\$ 22,530,828
I = \$1.5 M Maximum, unlimited downside	Net Carrier Retained	\$ 1,500,000	\$ 1,500,000

*In both examples, for illustrative purposes, so one can follow the key - each settlement year is calculated in total.
Any final settlement, if necessary, will be a true up from the initial settlement.*

EXHIBIT E

Pharmacy Disease Management Program Obligations 2023-2025

PHARMACY DISEASE MANAGEMENT PROGRAM TERMS

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

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

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

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

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

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

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

I. RECOGNIZING THE PHARMACY DISEASE MANAGEMENT PROGRAM.

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

II. TERM.

The terms relating to the program shall begin on July 1, 2023, and shall extend to June 30, 2025.

III. SCOPE OF PROGRAM.

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

IV. FEES.

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

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

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

VI. PROMOTION.

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

VII. PAYMENT RECONCILIATION.

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

EXHIBIT G

Wellness Benefit Program Obligations 2023-2025

WELLNESS BENEFIT PROGRAM TERMS

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

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

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

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

I. TERM.

The terms relating to the program shall begin on July 1, 2023, and shall extend to June 30, 2025.

II. FUNDING.

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

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

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

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

OR

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

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

The parties acknowledge, understand, and agree that the fees and charges provisions of the foregoing Administrative Services Agreement, including fees set forth for various wellness programs as approved and funded, are subject to specific funding provisions as set forth in Sections 7.2 and 7.3.

III. OTHER TERMS AND CONDITIONS.

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

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

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

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

All funds distributed shall be for Wellness Benefit Programs completed within the current 2023-2025 biennium budget.

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

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

EXHIBIT H

BUSINESS ASSOCIATE AGREEMENT 2023-2025

BUSINESS ASSOCIATE AGREEMENT

This Agreement is by and between the State of North Dakota by the North Dakota Employee Retirement System (the "Covered Entity"), and Sanford Health Plan (the "Business Associate") and shall be effective effective as of the effective date of the underlying Administrative Service Agreement.

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

Section 1. Definitions

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

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

Section 2. Obligations and Activities of Business Associate

Business Associate agrees to:

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

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

Section 3. Permitted Uses and Disclosures by Business Associate

(a) General Use and Disclosure Provisions

Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity pursuant to the underlying Administrative Service Agreement between the parties, provided that such use or disclosure would not violate the Privacy Regulations

if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.

(b) Specific Use and Disclosure Provisions

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

Section 4. Obligations of Covered Entity

Covered Entity shall:

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

Section 5. Permissible Requests by Covered Entity

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

Section 6. Term and Termination

- (a) Term. The Term of this Agreement shall be effective as of the effective date of the underlying Administrative Service Agreement between the parties and shall terminate upon the earlier of:

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

Section 7. Miscellaneous

- (a) Regulatory References. A reference in this Agreement to a section in the Privacy Regulations or Security Regulations means the section in effect, or as amended.
- (b) Amendment. The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of applicable law governing Protected Health Information.
- (c) Interpretation. Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with applicable law governing Protected Health Information.
- (d) Exclusion from Limited Liability. To the extent Business Associate has limited its liability under the terms of the underlying Administrative Service Agreement, whether with a maximum recovery for direct damages or a disclaimer against any consequential, indirect or punitive damages, or other such limitations, such limitation shall not apply to the following costs to the extent they arise from Business Associate's breach of its obligations relating to the use and disclosure of Protected Health Information:
 - (1) the costs of notifying patients of a breach of their protected health information as required by 45 C.F.R. § 164.400 et seq.;

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

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

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

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

Signature: _____ Date: _____

Title: _____

Business Associate: Sanford Health Plan

Signature: _____ Date: _____

Title: _____

EXHIBIT I

ADMINISTRATION AGREEMENT FOR HEALTH SAVINGS ACCOUNTS 2023-2025

ADMINISTRATION AGREEMENT FOR HEALTH SAVINGS ACCOUNTS

This Administration Agreement for Health Savings Accounts ("HSA Agreement") is entered into between the State of North Dakota, acting through its Public Employees Retirement System ("the Plan Sponsor"); the North Dakota Public Employees Retirement System ("NDPERS") ("the Plan Administrator"); and Sanford Health Plan, a South Dakota non-profit corporation ("SHP") (referred collectively to as "Parties")

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

WHEREAS, the Plans are not employee welfare benefit plans subject to the Employee Retirement Income Security Act of 1974 ("ERISA") because they are governmental plans or church plans;

WHEREAS, the Parties desire that SHP furnish certain services described in this Exhibit I for Health Savings Accounts;

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

I. Definitions

The following definitions shall apply to this HSA Agreement:

Participant: NDPERS Subscriber enrolled in a High Deductible Health Plan as defined by the Internal Revenue Service.

HSA Trustee / Custodian: a third-party selected by SHP to administer the NDPERS HSA accounts / program. HSA Trustee / Custodian shall provide account management services, eligibility questions and determinations, contribution requirements, general administrative services to assist Participants with general information about HSA Accounts, and answer questions concerning coverage status, claims status, compliant administration, and other inquiries.

HSA Account. A tax-exempt trust or custodial account set up with a qualified HSA trustee that qualifies as such under Section 223 of the Internal Revenue Code.

High Deductible Plan: A qualified health plan that meets the terms and conditions of the Internal Revenue Services.

II. SHP Responsibilities

- a. Payment of Fees. SHP shall pay the HSA Trustee / Custodian the following fees associated with the administration of the HSA accounts / program for Participants:

Service	2023 Fee Structure
Monthly Admin Fee	
Reimbursement Check	\$2.00 for paper check. No fee for electronic funds transfer.
Reimbursement Card	\$5.00 for additional cards beyond three (3).
Return deposited item	\$20.00 per item.
Stop payment request	\$20.00 per item.
Excess Contribution	\$20.00 per request.
Paper statement	\$1.00 per monthly statement
Investment fee	.03% on average monthly balance of investment amounts

- b. Enrollment File: The Plan Sponsor shall submit to SHP an 834 enrollment file as the source of eligible Participants for an HAS Account. SHP shall submit the 834 file to the HAS Trustee / Custodian.
- c. Distributions. SHP shall have no responsibilities with respect to distributions from HSA accounts. HSA distributions are made by the HSA Trustee / Custodian. SHP shall have no responsibility for any reporting or notifications for HSA Accounts, such as, but not limited to, tax returns, or local, state or federal filings.

III. Plan Sponsor / Plan Administrator Responsibilities

- a. Plan Sponsor / Plan Administrator shall assist eligible Participants with establishing HSAs with the HSA Trustee / Custodian. Participants shall be responsible for signing all appropriate contracts and documents and submitting documentation to and with the HSA Trustee / Custodian.
- b. HSA Contributions. Plan Sponsor / Plan Administrator shall be responsible for transferring HSA contributions (including contributions made via salary reduction through Participant's cafeteria plan) to the HSA Trustee / Custodian
- c. Eligibility. Plan Sponsor / Plan Administrator shall make determinations regarding a Participants eligibility for an HSA Account and provide eligible Participants with necessary enrollment material and information regarding the HSA Accounts.

IV. Miscellaneous

- a. HIPAA. The Parties acknowledge that the BAA, Exhibit B, applies to this Agreement.
- b. Guarantee of Benefits. In performing its obligations under this Agreement, SHP neither assumes liability for nor otherwise agrees to underwrite the benefits provided by the Plans. Except as otherwise provided herein, SHP shall have no duty or obligation to defend any legal action or proceeding brought to recover, directly or indirectly, a claim for benefits.
- c. Unless otherwise specified in this Agreement, this Agreement shall follow the provisions as outlined in the Administrative Services Agreement.

- d. Third Party Beneficiaries. The obligation of the Parties to this Agreement shall be solely to the benefit of the other Party(ies). Except as expressly provided in the Agreement, no person or entity is intended to be or shall be construed or deemed to be a third-party beneficiary of this Agreement.
- e. Eligible Participants. Eligible participant shall be ultimately responsible to determine whether he or she is eligible for HSA contributions, applicable tax reporting and withholding responsibilities resulting from excess contributions, and eligible participants maintain responsibility for ensuring his or her contributions comply with the comparable contributions rules, if applicable.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of July 1, 2023, through June 30, 2025.

Plan Sponsor / Administrator

Sanford Health Plan

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

By: _____
Authorized Representative of Sanford Health Plan

Its: _____

Its: President, Sanford Health Plan



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

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

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

Memorandum

TO: NDPERS Board

FROM: Rebecca Fricke

DATE: June 13, 2023

SUBJECT: 2022 Health Plan Claims Review

Each year, NDPERS performs a review of a sample of the Sanford health plan medical and pharmacy claims, as well as claims for the Humana Medicare Part D plan. This review is conducted by the NDPERS Internal Audit Division, led by Shawna Piatz as Chief Audit Officer.

Attached are the results of this audit, referred to as observations. In addition, the attached provides management's responses to the observations, along with a list of the types of claims that were reviewed through the audit. The audit report has been shared with the Audit Committee at their May 2023 meeting. Any outstanding issues are being tracked by both Internal Audit and management to ensure resolution.

This item is informational only. Shawna and I will be available at the meeting should the Board have any questions.

PURPOSE: Each year we conduct an audit to verify the accuracy of the health plan claims processing to the current Certificate of Insurance (COI) documents.

PROCEDURES: In March 2023, the Internal Auditors met virtually with Sanford and Humana to review a sample of 100 NDPERS claims. A list of the claim specifications reviewed is provided in Attachment A. A random sample of claims from 2022 within each of the categories noted was reviewed. Sanford had pre-built queries to pull the total claims for 2022 for each of the categories, the queries were run during the virtual meetings and NDPERS Internal Audit pulled the random claim sample from the query population.

RESULTS:

Observation #1: Institutional COB with Worker's Comp Claims - Both claims reviewed had other claims that were denied for worker's comp coverage and coordination of benefits even though they appear to be for services similar to the worker's comp claims. SHP has asked Optum to review and their initial response was that everything was paid appropriately and was agreed to by worker's comp. SHP is still working with Optum who would like to look at each of these members more in depth. Currently, when it looks like a claim is for the same injury paid by worker's comp but worker's comp denies, Optum does not challenge. SHP has indicated that there is an individual and cumulative (multiple claims) dollar threshold that must be met for additional information to be requested.

Recommendation: SHP is validating the single and multiple claims dollar thresholds with their Coordination of Benefits/Subrogation vendor and will provide a response when available. NDPERS management should continue to monitor until a final response is received from SHP and it is determined if the issue is resolved or if changes to the Coordination of Benefits procedures need to be made.

Management Response: NDPERS management will continue to monitor for final response and determine if changes in procedures are needed.

Observation #2: Professional COB with Worker's Comp Claims - One of the claims reviewed had other claims that were denied for worker's comp coverage and coordination of benefits even though they appear to be for services similar to the worker's comp claims. SHP has asked Optum to review and their initial response was that everything was paid appropriately and was agreed to by worker's comp. SHP is still working with Optum who would like to look at each of these members more in depth. Currently, when it looks like a claim is for the same injury paid by worker's comp but worker's comp denies, Optum does not challenge. SHP has indicated that there is an individual and cumulative (multiple claims) dollar threshold that must be met for additional information to be requested.

Recommendation: SHP is validating the single and multiple claims dollar thresholds with their Coordination of Benefits/Subrogation vendor and will provide a response when available. NDPERS management should continue to monitor until a final response is received from SHP and it is determined if the issue is resolved or if changes to the Coordination of Benefits procedures need to be made.

Management Response: NDPERS management will continue to monitor for final response and determine if changes in procedures are needed.

Observation #3: Institutional Psych Claims - One of the claims had deductibles taken correctly however, co-insurance was not taken fully and the limit had not previously been met. This claim was part of a bundled service price claim, which may be the reason for the inaccurate co-insurance calculation. SHP researched and found that cost shares for this member were met prior to year-end through other claims. SHP is reviewing to determine the cause of this calculation error and was unable to find other errors with similar criteria.

Recommendation: NDPERS management should continue to monitor until a final response is received from SHP and it is determined if the issue is resolved or if programming changes need to be made to the SHP system.

Management Response: NDPERS management will continue to monitor for final response and determine if changes in SHP system are needed.

Observation #4: Institutional Chemical Dependency Claims - For inpatient stays, active medical coverage will follow the member through discharge if they were admitted prior to the termination of their coverage, regardless of the length of their stay. This is a typical industry practice and was the case for two claims (for the same member) in this category. However, the plan did not take cost shares on these claims, but should have. The member had met their deductible max but not the co-insurance max and should have been charged co-insurance. At the time of the claims review, there was \$562.00 remaining of the member's out-of-pocket maximum. Since that time, claims received with a date of service prior to the termination date result in \$63.00 remaining of the out-of-pocket maximum.

Recommendation: NDPERS management should direct SHP as to if the claims should be reprocessed. NDPERS should continue to monitor to determine if updates need to be made to SHP's claims processing system to ensure cost shares are applied to claims for in-patient stays extending beyond a member's active coverage.

Management Response: SHP should reprocess the claims for appropriate member cost-sharing application. SHP should update their claims processing system to ensure that cost-sharing is appropriately applied regardless of the active coverage end date.

Observation #5: Professional Dilated Eye Exam for Diabetes Related Diagnosis Claims - We only reviewed 2 of the 3 claims since this issue appeared to be a global issue but the co-insurance was not applied. After SHP reviewed, they found an error in the configuration of a formula for this claim type. The formula has been fixed and an impact query has been run. The query contained an additional 635 claim lines that will need to be reviewed and addressed. SHP will report the results to NDPERS once the review has been completed.

Recommendation: NDPERS management should continue to monitor until final results are received from SHP

Management Response: NDPERS management will continue to monitor until final results received.

Observation #6: Professional HDHP Member Claims - The COI states coverage as "80% of Allowed Charge. Deductible Amount is waived" and the Summary of Benefits Coverage (SBC) states member's payment as "20% coinsurance after deductible". Since 2015, the COI and SBC have stated 'after deductible'. It was not until the '21-'23 renewal that 'Deductible Amount is waived' was included in the COI and the intent of the benefit has been to apply Deductible. There was one claim from the sample for occupational therapy in which the deductible was applied.

Recommendation: The language about the deductible being waived should be removed from the 7/1/2023 COI with no cost impact since this is how the plan is currently being administered. NDPERS management should direct SHP if those who were charged deductible, which goes against the COI, should be corrected or not. At this time, SHP does not intend

to reprocess the claims unless an appeal is received by the member. Then, SHP would reprocess in good faith based upon the language within the COI versus the intent of the benefit plan.

Management Response: NDPERS concurs that the HDHP design is to follow what is outlined in the Summary of Benefits & Coverage, which also aligns with how the claims were processed. NDPERS and SHP will ensure that the erroneous language in the COI is updated in the 7/1/2023 COI.

Observation #7: Infertility Benefit Claims - We looked at the spouse of a member with infertility claims. They had multiple claims that went to the lifetime infertility co-insurance bucket but did not go to the lifetime infertility deductible bucket even though the lifetime \$500 deductible had not yet been met. After review by SHP, they determined there was a configuration issue in a formula for the infertility deductible bucket. The issue has been fixed but they are still working on an impact analysis. Future claims will start hitting the Infertility Lifetime Max going forward but they need to review for historical issues. They believe the impact will be minimal and will follow up with a final response when they have one.

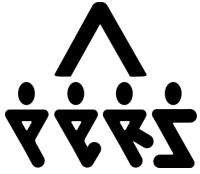
Recommendation: NDPERS should continue to monitor until a final response is received from SHP and it is determined if the issue is resolved or if additional corrections need to be made.

Management Response: NDPERS will continue to monitor until a final response is received and will then determine next steps if needed.

NDPERS Audit of 2022 Sanford Health Plan Claims

1. Institutional COB (2 claims)
2. Institutional COB (2 with Medicare Member age 65+)
3. Institutional COB (2 with Medicare Member age <65)
4. Institutional COB (3 with Workers Compensation)
5. Professional COB (2 claims Other Insurance Plan)
6. Professional COB (2 with Medicare)
7. Professional COB (2 with Workers Compensation)
8. Institutional Psych (3 claims)
9. Professional Psych (3 claims)
10. Institutional CDU (chemical dependency) (3 claims)
11. Professional CDU (chemical dependency) (2 claims)
12. Professional Dilated Eye Exam for diabetes related diagnosis (3 claims) (No COB)
13. Professional Mammograms (2 claims) (No COB)
14. Professional A1C Screening (2 claims) (No COB)
15. Adult Routine Diagnosis Physical Office Visit with Screenings (2 claims)
16. Prosthetic limb (2 claims)
17. Skilled nursing care (3 claims)
18. Outpatient Sterilization (2 claims)
19. Tobacco Cessation Services (2 claims)
20. Lasik eye surgery (2 claim)
21. Well Child visits (2 PPO & 2 HDHP)
22. Institutional 'Denied Experimental' (2 claims)
23. Hearing aids (3 claims)
24. Claims for Durable Medical Equipment (2 claims)
25. Professional from HDHP member (3 claims)
26. Institutional from HDHP member (3 claims)
27. Infertility Benefits - I would like to review the member and the spouse (3 claims)
28. Emergency room visit with admittance into inpatient stay (3 claims gf or ngf only)
29. Out-Of-State Out-Of-Network Professional Claims (4 claims)
30. Out of country care (2 claims, if any)
31. Institutional Delivery Claim on Healthy Pregnancy Program (2 claims)
32. Prescription Drug Formulary (3 claims)
33. Prescription Drug Non-Formulary (3 claims)
34. Prescription Drug Contraception (2 claims PPO & 3 claims HDHP)
35. Prescription Drug for Flu Vaccine (2 claims) (No COB)
36. Prescription Drug for COVID-19 Vaccine (3 claims) (No COB)
37. Prescription Drug Medicare Part-D claims (5 claims)
38. Prescription Drug 2021 history for HDHP member (2 members)

Total 100 Claims



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Memorandum

TO: NDPERS Board

FROM: Rebecca

DATE: June 13, 2023

SUBJECT: Legislation Implementation

Staff has begun work efforts to implement bills that impact the NDPERS benefits. Specifically, the following grid provides the bills that staff is tracking and working on:

	Description	Effective Date
HB 1411	Requires NDPERS health insurance to cover prosthetic repairs and replacements if medical necessary	7/1/2023
HB 1095	Comprehensive medication management program required of all insurers within the state	1/1/2025
SB 2140	Sets a cap of \$25/month that a member on NDPERS health insurance, excluding Medicare Part D, can be charged towards insulin and diabetic supplies. Pilot program for the biennium.	8/1/2023
SB 2158	CHAND Study – requires NDPERS participation in a study during interim to explore dissolving CHAND	8/1/2023
HB 1014	Industrial Commission splitting into two agencies	7/1/2023
HB 1183	Expands definition of peace officer for eligibility in the State Law Enforcement Plan	8/1/2023
HB 1309	Modifies the benefit multiplier for BCI agents to be a two-tier multiplier based upon years of service and increases the vesting for new BCI agents hired, essentially requiring a new Public Safety plan	8/1/2023
HB 1501	Soybean Council privatization	7/1/2024

HB 1040	Closed the Defined Benefit Plan to new hires and establishes a new Defined Contribution Plan tier for new hires after the effective date of the closure	1/1/2024 or 1/1/2025
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HB 1411

NDPERS and SHP are updating the Certificate of Insurance to appropriately outline the new coverage requirements. This change brings our policy in-line with industry standards and SHP's other book of business. As discussed last month, this item was not funded and therefore, the cost will be taken from reserves.

HB 1095

SHP will be determining what updates they will need to do in order to provide this program to NDPERS members. Discussion with NDPERS will take place as needed as the launch of the program approaches. As discussed last month, this item was not funded and therefore, the cost will be taken from reserves.

SB 2140

NDPERS and SHP are updating the Certificate of Insurance and other documents to appropriately outline the new coverage requirements. As discussed last month, this item was not funded and therefore, the cost will be taken from reserves.

SB 2158

NDPERS will be included in studying the possible dissolution of the CHAND program within the state. Part of the study will include an analysis of other options for health insurance coverage for participants.

HB 1014

Staff have been working with the Industrial Commission and OMB regarding the transition of employees between the two agencies of the Industrial Commission and the new agency, the Department of Mineral Resources. All but 4 employees are transferring to the new agency. Staff have also been in contact regarding getting the appropriate employer details to update our business system for both agencies and their employees.

HB 1183

Staff sent an email on May 9 requesting employer certification of their employees that meet the expanded definition of state peace officer. Upon receipt, NDPERS will compile the list and begin reviewing the account in preparation of enrollment in the State Law Enforcement Plan and transfer of accounts from the Main to their new plan. Staff have also begun work on the business system enhancements needed in order to make these changes.

HB 1309

Staff have submitted requests to have the business system updated to accommodate the updated benefit structure for BCI. In addition, updated tables have been requested by GRS to reflect the modified two-tier multiplier.

HB 1501

Staff will be tracking this item so that a cost for employer withdrawal is calculated by our actuary and a billing sent to the Soybean Council prior to their privatization next year. Staff will also track to ensure all benefits of the employees of the Council are suspended as of July 1, 2024.

HB 1040

Staff have begun working on action plans for implementing this bill. Thus far, the following has taken place:

- NDPERS staff talking points created and provided to staff to assist with member and employer inquiries
- Email blast sent May 3 to employers to forward to employees notifying them of the bill's passing and impact
- Met with TIAA team (current Defined Contribution Trust Company) to discuss needs of NDPERS for implementation
- Worked with HRMS to provide an article about the provisions of the bill within their Team ND e-newsletter distributed May 11
- Began benefit change checklist and tracking document for listing all duties needed to implement the bill provisions
- Met with Ice Miller on May 15 to discuss questions on election window for new plan DC hires to elect their additional contribution % up to 3%.
- Held initial kick-off meeting with applicable management to review bill to ensure documentation of needs
- Reviewed provisions that allow for emergency rulemaking and determined that they do not apply for implementing this bill. Began developing administrative rules needed for implementation and administration of bill provisions under regular rule-making process
- Presented provisions of bill to OMB Essentials and Team ND HR groups at the request of HRMS.
- Began discussions regarding the two additional staff approved due to the bill passing. Given the FTE pool provided for new FTEs was only funded at 80%, staff are determining the appropriate time to add the additional counselor and Defined Contribution Programs Manager.

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



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Memorandum

TO: NDPERS Board

FROM: Scott Miller

DATE: June 13, 2023

SUBJECT: Contracts under \$10,000

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

This topic is informational only.

Contracts Signed During 2023:

Vendor	Amount	Notes
NDIT	\$ -	Service Level Agreement
Spherion Staffing	~ \$7,200	Temporary Staffing for Admin Services
Marco	\$ 3,654.49	Replacement of North & Batch Printers
Inter Office	\$ 1,179.44	Chair
Central Services	\$ -	Staff authorization to pickup printed materials
Vendor	Amount	Notes
Inter Office	\$ 280.00	Adjust height of workstation in scanning room



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Memorandum

TO: NDPERS Board

FROM: Scott

DATE: June 13, 2023

SUBJECT: November Board Planning Meeting

I'd like to begin the conversation regarding what the Board would like to do for its biennial Planning Meeting. As those of you who were here will remember, at the November 2021 Board Planning Meeting we had the following agenda:

- I. BOARD PLANNING – Agenda:**
- A. Plan, Budget and Operations Review
 - B. Legislative Proposals
 - C. SWOT Review
 - D. Strategic Planning

We could certainly do a similar set of activities this November, or we could mix it up and try something else. We'll chat about those possibilities and get some initial input from you at the May meeting, and we can continue the conversation in June if necessary.



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Memorandum

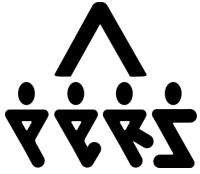
TO: NDPERS Board

FROM: Scott

DATE: June 13, 2023

SUBJECT: Litigation Update

This is a placeholder to provide the Board with an update on the litigation regarding the Board makeup. It is noticed for executive session for attorney/client consultation.



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Memorandum

TO: NDPERS Board

FROM: Casey Goodhouse

DATE: June 13, 2023

SUBJECT: Board Election Results

The Board Election Subcommittee met June 12, 2023, to canvass the ballots for the NDPERS Board election for an active member position on the Board. The results of the election are below.

Board Action Requested: Move to approve the below election results and recognize the election of Tyler Erickson to the Board for a five-year term beginning July 1, 2023 through June 30, 2028.

Active NDPERS Board Member Election Report

ELECTION ID	AUDIENCE	TERM START DATE	TERM END DATE
3	Active Member	07-01-2023	06-30-2028

VOTES CAST	CANDIDATE NAME
356	Tyler Erickson
260	Jason Grueneich
211	Rachel Iverson Schafer
182	Brendan Joyce
106	Kayla Trzpuc
68	Steve Denn
2	Darcy Aberle
2	Kyle Emmel
1	Kevin J. Kosse
1	Tom Job



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Memorandum

TO: NDPERS Board

FROM: Shawna Piatz

DATE: June 13, 2023

SUBJECT: Audit Committee Minutes

Attached are the approved minutes for the February 13, 2023, and March 15, 2023 meetings. The minutes may also be viewed on the NDPERS website at www.nd.gov/ndpers.

The next regular audit committee meeting is scheduled virtually and in person for August 14, 2023, at 3:00 pm. This is for your information.

Attachments

MEMORANDUM

TO: Audit Committee
Mona Rindy
Adam Miller
Dirk Wilke
Jason Grueneich

FROM: Shawna Piatz, Chief Audit Officer

DATE: February 13, 2023

SUBJECT: February 13, 2023 Audit Committee Meeting

In Attendance:

Mona Rindy
Adam Miller
Jason Grueneich
Dirk Wilke
Julie Dahle
Dean DePountis
Shawna Piatz
Scott Miller
Derrick Hohbein
Rebecca Fricke
Shannon Ennen
Steve Webster (Sanford)
Dylan Wheeler (Sanford)
Courtney Meyer (Sanford)
Kathleen Tilden (Optum)
Anthony Chomicz (Optum)
Tamara Dunsizer (Optum)

The meeting was called to order at 3:04 p.m. by Ms. Rindy. The committee began the meeting with approving the prior Audit Committee minutes.

I. November 7, 2022 Audit Committee Minutes

- A. The Audit Committee minutes were examined. Mr. Miller moved approval of the minutes. The motion was seconded by Mr. Wilke. This was followed and approved by voice vote.

II. External Audit Report

- A. ND PERS Prescription Drug Coverage Performance Audit Review – The auditing firm hired by the State Auditor's Office, Myers and Stauffer LC, has provided their final report of the NDPERS Prescription Drug Coverage Performance Audit. The report was presented to the NDPERS Board on February 3, 2023 at which time it was referred to the Audit Committee for their review and guidance on the audit findings. Representatives from both Sanford Health Plan and Optum were available to answer questions during the discussion. The Audit Committee agreed that additional meetings would be needed to continue discussions on this topic. The Chief Audit Officer was directed to coordinate a follow up meeting in March.

III. Internal Audit Reports

- A. Quarterly Audit Plan Status Report – A summary of the Internal Audit staff time spent for the past quarter along with a status update on each area of the 2022 – 2023 Audit Plan was included with the Audit Committee materials. Of the total hours reported, 42.73% was spent in audit, 11.40% in consulting, and 45.87% in administrative hours. The audit hours were spent on the monthly retirement program audit, the Sanford Interest Calculation Report Audit, the Sanford Claims Audit prep, and the Service Purchases Audit. The consulting hours were attributable to a number of clean-up projects, PIR testing, the external PBM audit, HR/staffing support and various reviews and reconciliations for the Benefits and Accounting divisions.
- B. Retirement Benefit Payment Status Report – Information was provided to the Audit Committee, which summarizes the accuracy percentages of the new monthly retirement benefit and refund payments. The report shows the number of new retirees or refunds each month, the total number of new retirees or refunds audited and whether issues identified were procedure, system or compliance issues. In fiscal year 2023, to date a total of 416 new retirees out of 733 were audited, which equates to \$1,694,965 of \$2,993,507 being audited. An internal calculation accuracy rate of 98.32% was achieved fiscal year to date as of February 2023 for new retirement benefit payments, which is above the 97% goal. The fiscal year to date compliance/other accuracy rate is 96.15 resulting in an overall accuracy rate of 94.47% for FY 2023.

In fiscal year 2023, to date a total of 86 of the 1,441 refunds issued were audited, which equates to \$3,491,138 of \$13,275,499. An internal calculation accuracy rate of 89.53% was achieved fiscal YTD as of February 2022 for retirement refunds. This falls below the 97% accuracy rate goal. The fiscal year to date compliance/other accuracy rate is 98.84% resulting in an overall accuracy rate of 88.37% for FY 2023. A limited number of retirement refunds were audited and a portion of the sample continues to be focused on those refunds in which a known system issue is likely to have occurred.

- C. Benefit/Premium Adjustments Report – The quarterly benefit adjustment report was provided to the Audit Committee. The report is in several sections, each representing the type of corrections. The dollar amount and the number of errors have remained consistent each quarter. There were 15 adjustments that were new this quarter and 15 previously reported adjustments remain outstanding. The new adjustments were due to the untimely notification or changes in membership status or information, system programming errors and processing errors.
- D. Outstanding Issues Status Report – The Outstanding Issues Status report has been updated to reflect new and outstanding issues as of January 31, 2023. There were three existing recommendations where progress was made, one existing recommendation with no change, two existing recommendations that was closed, and four new recommendations added to this report. Staff continue to be proactive about addressing recommendations as they are made. Any recommendations made in the previous quarter that have already been addressed would not be included in this report.

IV. Administrative

- A. Audit Committee Members Update – Per the Audit Committee Charter, “The audit committee will consist of two to five members with the majority of the members selected from the Board of Directors, and one may be selected from outside the organization.” With Senator Dever transitioning off the NDPERS Board, Jason Grueneich was nominated and accepted the open Audit Committee position.

Julie Dahle, the Audit Committee member selected from outside of ND PERS, has announced her resignation after the May 2023 committee meeting. Discussion took place around filling her position at that time. We thank Julie for her service and guidance on the ND PERS board.

- B. Internal Audit Plan 2022 – 2023 Updates – Internal Audit coordinates the agency risk assessments each October and uses the results to determine the high-risk areas and establish audit priorities for the upcoming biennium. The Chief Audit Officer explained the process and provided a summary of the results of the 2022 Risk Assessments along with a comparison to the 2021 results. The 2022 – 2023 Internal Audit Plan approved by the Audit Committee in May 2022 was also provided for review. The Chief Audit Officer recommended no changes be made the current biennium plan. Ms. Dahle moved approval of the 2022 – 2023 Audit Plan. The motion was seconded by Mr. Miller. This was followed and approved by voice vote.
- C. Audit Committee Charter Updates – The Audit Committee Charter was established in 1993 and last updated in 2014. The Chief Audit Officer has reviewed the Charter and provided suggested updates and edits that the Audit Committee discussed. Items discussed will be incorporated into the Audit Committee Charter draft and provided to the Audit Committee at the next meeting for review and approval.

- D. Audit Committee Charter Matrix – In order to confirm all responsibilities outlined in the Audit Committee Charter are carried out annually, a matrix was developed to review each objective quarterly and ensure that the Audit Committee is meeting its responsibilities. The matrix was reviewed and discussed for progress made over the past quarter.
- E. Internal Audit Charter Updates – The Internal Audit Charter was established in 1993 and last updated in 2005. The Chief Audit Officer has reviewed the Charter and provided suggested updates and edits that the Audit Committee discussed. Mr. Wilke moved approval of the Charter as presented with a few additional edits. The motion was seconded by Ms. Dahle. This was followed and approved by voice vote. The Charter will be presented to the Board for their review and approval as well.
- F. Internal Audit Charter Matrix – A copy of the Internal Audit Charter matrix with progress made over the previous quarter was provided to the Audit Committee for their review and information.
- G. 2022 CAO Annual Performance Evaluation – The Chief Audit Officer discussed the process and timing for annual evaluations and let the Committee know that the evaluation template has been e-mailed to each of the Committee members for their responses. The final evaluation will be presented at the next Audit Committee meeting for final review and approval.

V. Miscellaneous

- A. Travel Expenditures – There were no out-of-state travel expenditures incurred by the Board or Executive Director for the period November 1, 2022 through January 31, 2023. This was provided for the Audit Committee's information.
- B. CPE, Training and Webinars – A report on the training and education, including continuing professional education (CPE) webinars and seminars Internal Audit participated in for the period November 1, 2022 through January 31, 2023 was provided to the committee for their review.
- C. Audit Committee Meeting Dates & Times – The next Audit Committee is scheduled for May 8, 2023 at 3 pm. It will be held both in person and with an option for virtual attendance.

The meeting adjourned at 5:10 p.m, by Ms. Rindy.

MEMORANDUM

TO: Audit Committee
Mona Rindy
Adam Miller
Dirk Wilke
Jason Grueneich

FROM: Shawna Piatz, Chief Audit Officer

DATE: March 15, 2023

SUBJECT: **March 15, 2023 Audit Committee Meeting**

In Attendance:

Mona Rindy
Adam Miller
Jason Grueneich
Dirk Wilke
Dean DePountis
Shawna Piatz
Scott Miller
Derrick Hohbein
Rebecca Fricke
Shannon Ennen
Steve Webster (Sanford)
Dylan Wheeler (Sanford)
Craig Beers (Sanford)
Kathleen Tilden (Optum)
Anthony Chomicz (Optum)
Tamara Dunsizer (Optum)

The meeting was called to order at 10:02 a.m. by Ms. Rindy.

I. External Audit Report

- A. ND PERS Prescription Drug Coverage Performance Audit Review – The auditing firm hired by the State Auditor's Office, Myers and Stauffer LC, has provided their final report of the NDPERS Prescription Drug Coverage Performance Audit. The report was presented to the NDPERS Board on February 3, 2023 at which time it was referred to the Audit Committee for their review and guidance on the audit findings. The Audit Committee continued their review of the audit results and discussed responses for each of the items. The Committee directed Internal Audit staff to draft the responses to the report as discussed by the Audit Committee and present at the next Audit Committee meeting for approval and to move them

forward to the Board.

II. ADMINISTRATIVE

- A. Audit Committee Charter Updates – This has been tabled until the next quarterly Audit Committee meeting on May 8, 2023.
- B. Audit Committee Meeting Date – No additional special meetings are needed. The next Audit Committee meeting will be the next quarterly meeting on May 8, 2023.

The meeting adjourned at 11:33 a.m, by Ms. Rindy.



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Memorandum

TO: NDPERS Board

FROM: Shawna Piatz

DATE: June 13, 2023

SUBJECT: Audit Committee Charter and Internal Audit Charter

The Audit Committee Charter was established in 1993 and last updated in 2014. The Chief Audit Officer has reviewed the Charter and provided suggested updates and edits to the Audit Committee as shown in the attachment. The Audit Committee approved the proposed changes during the May 2023 meeting.

The Internal Audit Charter was established in 1993 and last updated in 2005. The Chief Audit Officer has reviewed the Charter and provided suggested updates and edits to the Audit Committee as shown in the attachment. The Audit Committee approved the proposed changes during the February 2023 meeting.

The edits to these charters are presented for your review and approval.

BOARD ACTION:

Approve the updates to the Audit Committee Charter and the Internal Audit Charter.

Attachments

INTERNAL AUDIT POLICY

PUBLIC EMPLOYEES RETIREMENT SYSTEM INTERNAL AUDIT POLICY	Policy No. 101
	Original Effective Date: 8/26/93
	Revised: November 19, 2014 <u>May 8, 2023</u>
	New Effective Date <u>Approved by Board:</u> <u>January 1, 2015 June 2023</u>
Subject: Audit Committee Charter	Page 1 of 4

PURPOSE

The ~~a~~Audit ~~e~~Committee (Committee) is appointed by the ~~b~~Board of ~~Trustees~~directors of the agency to assist the ~~b~~Board of ~~Trustees~~directors in fulfilling its fiduciary oversight responsibilities for (1) financial reporting, (2) risk management, (3) internal controls, (4) ~~i~~Internal ~~a~~Audit, (5)~~-the~~ engagement of external auditors, (6) compliance, (7) the special investigations, ethics and the whistleblower process, and (8) other responsibilities.

STRUCTURE

The ~~audit e~~Committee will consist of two to five members with the majority of the members selected from the Board of ~~Trustees~~Directors, and one may be selected from outside the ~~agency~~organization. The Board ~~or its nominating committee~~ will appoint ~~e~~Committee members and the ~~e~~Committee chair. The Board should attempt to appoint ~~e~~Committee members who are knowledgeable and experienced in financial matters, including the review of financial statements.

MEETINGS

The ~~audit e~~Committee will meet as often as it determines is appropriate, but not less frequently than quarterly. All ~~e~~Committee members are expected to attend each meeting, in person or via tele- or video-conference, with a ~~minimum of two majority of the Committee~~ required for a quorum. ~~If necessary, T~~the ~~e~~Committee ~~periodically~~ will hold individual meetings with management, the internal auditors ~~and~~ the external auditor. The ~~audit e~~Committee may invite any officer or employee of the agency, the external auditor, the agency's outside counsel, or others to attend meetings and provide pertinent information.

Meeting agendas will be prepared by the Chief Audit ~~Executive~~Officer (CAEO) and provided in advance to members, along with appropriate briefing materials. Minutes will be kept by a member of the ~~audit e~~Committee or a person designated by the ~~audit e~~Committee. Members of the ~~audit e~~Committee will be compensated for attendance at ~~e~~Committee meetings in accordance with NDPERS' policy for compensation in effect at the time for Board members. Audit Committee members who are not NDPERS board members will be compensated at the same rate.

AUTHORITY

The ~~audit e~~Committee has authority to conduct or authorize examinations into any matters within its scope of responsibility. It is empowered to:

- Seek any information it requires from NDPERS employees, external auditors, consultants, and external parties. All parties are directed by the Board to cooperate with the Committee's requests.
- Oversee the work of all external auditors employed by the ~~organization~~agency or by the state Auditor's Office.

- Assist in resolving any disagreements between management and the external auditors ~~regarding financial reporting, if necessary.~~
- ~~Oversee~~ the retention of independent counsel, accountants or others to advise or assist the Committee in the performance of its responsibilities.
- Approve the consultants, or others requested by Internal Audit to assist in the conduct of an audit, review, and/or a special investigation.
- ~~Oversee~~ Approve the consultants, or others retained by or on behalf of the ~~agency~~organization to assist in the conduct of an audit, review, and/or a special investigation.
- Meet with management, external and internal auditors, or outside counsel as necessary.

RESPONSIBILITIES

The ~~audit~~ eCommittee will carry out the following responsibilities:

1) Financial Reporting:

- a. Obtain information and/or training to enhance the ~~e~~Committee members' expertise in financial reporting standards and processes so the ~~e~~Committee may adequately oversee financial reporting.
- b. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- c. Review with management, the external auditors, and the internal auditors the results of the external audit, significant adjustments or revisions to the financial statements, including attestation on the effectiveness of the internal control structure and procedures for financial reporting and any difficulties encountered.
- d. Inquire as to the external auditors' independent judgment about the appropriateness, not just the acceptability, of the accounting principles adopted by the ~~organization~~ agency and clarity of financial statements.
- e. Review the annual financial statements, consider whether they are complete, consistent with information known to the Committee, and reflect appropriate accounting principles.
- f. Review with management and the external auditors all matters required to be communicated to the Committee under generally accepted auditing standards.
- g. Review the responsiveness and timeliness of management's actions to address findings and recommendations resulting from the financial statement audit or internal audits.
- h. Review with the General Counsel the status of legal matters that may have an effect on the financial statements, as deemed appropriate.

2) Risk Management

- a. Obtain information and/or training to enhance the Committee's understanding of the agency ~~organization~~ and its related risk management processes.
- b. Review the adequacy of the ~~agency's organization's~~ policy on risk management.
- c. Review the effectiveness of the ~~agency's organization's~~ system for assessing, monitoring, and controlling significant risks or exposures.
- d. Review management's reports on risks and related risk mitigations.
- e. Hire outside experts and consultants in risk management, as necessary, ~~subject to full board approval.~~

3) Internal Control

- a. Obtain information and/or training to enhance the Committee's understanding of the ~~agency's organization's~~ system of internal control.
- b. Consider the effectiveness of the ~~agency's organization's~~ internal controls ~~system~~, including information technology security and controls.
- c. Understand the scope of the external auditor's review of the ~~agency's organization's~~ internal control over financial reporting.
- d. Review internal and external audit findings and recommendations, together with management's responses.

4) Internal Audit

- a. Obtain information and/or training to enhance the Committee's understanding of the internal audit function.
- b. Periodically review and approve the Internal Audit Division Charter.
- c. Concur in the appointment, replacement, or dismissal of the CAEO.
- d. Review the performance of the CAOE and the internal audit function annually.
- e. Review and confirm, through organizational structure and/or by other means, the independence of the internal audit function annually.
- f. Review with management and the CAOE the charter, objectives, plans, activities, and organizational structure of the internal audit function.
- g. Review and approve the risk-based ~~i~~Internal ~~a~~Audit annual plan.
- h. Review ~~i~~Internal ~~a~~Audit reports provided to the ~~audit e~~Committee.
- i. Review the responsiveness and timeliness of management's follow-up activities pertaining to any reported audit findings and recommendations.
- j. Bring to the attention of the Board any internal audit issues the Committee determines significant and appropriate for consideration by the Board.
- k. ~~On a regular basis~~If necessary, meet separately with the CAOE to discuss any matters the ~~e~~Committee or ~~i~~Internal ~~a~~Audit believes should be discussed privately (subject to open meeting laws).
- l. Designate the CAOE as the primary point of contact for handling all matters related to audits, examinations, investigations or inquiries of the state auditor and other state or federal agencies.

5) Engagement of External Auditors

- a. Obtain ~~the~~ information and/or training to enhance the Committee's understanding of the ~~agency's organization's~~ financial statements audit and the role of external auditors.
- b. Review the performance of the external financial statement audit firm, and review the State Auditor's recommendation for the final approval on the request for proposal for, and the appointment, retention or discharge of the audit firm. ~~Obtain input from the CAE, management and other parties as appropriate.~~
- c. Review the external auditor's audit scope and approach, including coordination of efforts with ~~i~~Internal ~~a~~Audit.
- d. Review the independence of the external auditors by obtaining statements from the auditors on relationships between the auditors and the ~~agency organization~~ for all audit and non-audit services.
- e. ~~As necessary~~On a regular basis, meet separately with the external financial statement audit firm to discuss any matters the ~~e~~Committee or auditors believe should be discussed privately (subject to open meeting laws).

6) Compliance

- a. Review the effectiveness of the ~~agency's organization's~~ system for monitoring compliance with laws and regulations, contracts, and policies and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
- b. Review the findings of any examinations by regulatory agencies, any auditor observations ~~related to compliance~~, and the responsiveness and timeliness of management's actions to address the findings ~~or~~ observations.
- c. Obtain updates from management and ~~the agency's organization~~ legal counsel regarding compliance matters, as needed.

7) Special Investigations, ~~ethics~~ and ~~the~~ Whistleblower Process

- a. ~~Review the adequacy of the agency's Code of Ethical Responsibilities~~
- ~~a-b.~~ Institute and oversee special investigations, as needed.
- ~~b-c.~~ Ensure the creation and maintenance of an appropriate whistleblower mechanism for reporting any fraud, noncompliance, and/or inappropriate activities.
- ~~c-d.~~ Retain independent counsel, accountants, or other specialists ~~s~~ to advise the Committee or assist in the conduct of an investigation ~~if necessary, subject to full board approval.~~

8) Other Responsibilities

- a. Report at least annually to the Board of ~~Trustees~~~~Directors~~ the Committee activities, audit ~~issues~~~~findings~~, and related recommendations.
- b. Confirm ~~and sign off~~ annually ~~that~~ all responsibilities outlined in this charter have been carried out. Review and assess periodically the adequacy of the Committee charter, request Board approval for proposed changes, ~~and ensure appropriate disclosure as may be required by law or regulation.~~
- c. Evaluate the Committee's performance ~~in conjunction with any Quality Assessments performed by Internal Audit~~ and report the results of the evaluation to the Board annually.
- d. Provide an open avenue of communication between the internal auditors, external auditors, management and the Board.
- e. Avoid conflicts of interest, paying strict attention to ~~b~~Board matters.
- f. Perform other activities related to this Charter as requested by the Board.

X

INTERNAL AUDIT POLICY

PUBLIC EMPLOYEES RETIREMENT SYSTEM INTERNAL AUDIT POLICY	Policy No. 102
	Effective Date: June 24, 1993
	Revised: September 1, 2005 February 13, 2023
Subject: Internal Audit Charter	Page 1 of 5
Approved by: NDPERS Board	Date Approved: December 15, 2005 June 2023

MISSION

The Internal Audit ~~D~~ivision is to provide an independent, objective assurance and consulting activity designed to add value and improve ~~an organization's~~ the agency's operations. The Internal Audit ~~D~~ivision will assist NDPERS in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

ETHICAL RESPONSIBILITY

The Internal Audit division must follow the Code of Ethics of the Institute of Internal Auditors which is established to promote an ethical culture in the profession of internal auditing. The internal auditors are expected to apply and uphold the principles that follow.

Integrity

The internal auditors shall perform their work with honesty, diligence and responsibility. They shall observe the law and make disclosures expected by law and the Internal Audit profession. They shall not knowingly be a party to any illegal activity or engage in acts that are discreditable to the profession of internal auditing or NDPERS. They shall respect and contribute to the legitimate and ethical objectives of NDPERS.

Objectivity

The internal auditors shall not participate in any activity or relationship that may impair or be presumed to impair their unbiased assessment. This participation includes those activities or relationships that may be in conflict with the interests of NDPERS. They shall not accept anything that may impair or be presumed to impair their professional judgement. They shall disclose all material facts known to them that, if not disclosed, may distort the reporting of activities under review.

Confidentiality

The internal auditors shall be prudent in the use and protection of information acquired in the course of their duties. They shall not use the information for any personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of NDPERS.

OBJECTIVES AND SCOPE

Objectives

Auditing Services

The objectives of the Internal Audit ~~D~~ivision's auditing services are to provide independent assurance to the Audit Committee and ~~m~~Management that the ~~organization's-agency's~~ assets are safeguarded, operating efficiency is enhanced, and compliance is maintained with prescribed laws, and Board and ~~m~~Management policies. Included in the objectives are independent assessment of the ~~organization's-agency's~~ risk awareness and management of risk, reliability and integrity of the ~~organization's-agency's~~ data, and achievement of the ~~organization's-agency's~~ goals and objectives.

Consulting and Advisory Services

The Internal Audit ~~D~~ivision's objectives for the consulting and advisory services are to provide ~~m~~Management with assessments and advice for improving processes that will advance the goals and objectives of the ~~organization~~agency. In particular, the objectives are to provide the assessments and advice on the front-end of projects so that risks may be identified, managed and internal controls may be designed at the beginning of a project.

Scope

The scope of the Internal Audit ~~D~~ivision's work is to conclude whether the ~~organization's~~ ~~agency's~~ framework of risk management, internal control, and governance processes, as designed and represented by ~~m~~Management, is adequate and functioning in a manner to ensure:

1. Programs are operating within the highest fiduciary standards and are directed toward the requirements defined in the ~~F~~ederal and ~~S~~tate laws, regulations, local government ordinances and rules, and the policies and procedures of the ~~organization~~agency.
2. Programs and processes are consistent with industry best practices, using the best public and private examples as benchmarks.
3. Significant legislative or regulatory issues impacting the organization are recognized and addressed appropriately.
4. Significant financial, managerial, and operating information is accurate, reliable, and timely.
5. Resources are acquired economically, used efficiently, and adequately protected.
6. Existing policies and procedures are appropriate and updated.
7. Operations, processes and programs are consistent with established missions, objectives and goals and ~~whether they are~~ being carried out as ~~planned~~expected.
8. Risks within and outside the ~~organization-agency~~ are appropriately identified and managed.
9. Quality service and continuous improvement are fostered in the ~~organization's-agency's~~ control process.
10. Contractors, including third-party administrators, are meeting the objectives or the contracts, while in conformance with applicable laws, regulations, policies, procedures and best practices.
11. Operations, processes or programs are reviewed at the request of the Audit Committee or ~~m~~Management.

Improvements to member service, management of risks, internal control, governance, ~~profitability~~, and the ~~organization's-agency's~~ effectiveness, efficiency and image may be

identified during audits. This information will be communicated to the Audit Committee and to appropriate levels of ~~m~~Management.

AUTHORITY

Statute

The internal audit function of ~~this organization~~NDPERS is enabled to complete its mission by North Dakota Century Code §54-52-04 (10). The Internal Audit ~~D~~division is established by the Audit Committee of this ~~organization~~agency pursuant to best practices. This Charter ~~is approved by~~ and all future amendments to it are to be approved by the Audit Committee ~~and Board of Trustees~~ through a majority vote. This Charter shall be reviewed periodically and updated as required by the Audit Committee.

Access

The ~~Internal Audit Manager~~Chief Audit Officer and designated audit staff, as appropriate, are granted authority for full, free and unrestricted access to all of the ~~organization's~~agency's functions, records, files and information systems, personnel, contractors, physical properties, and any other item relevant to the function, process or division under review. All contracts with vendors shall contain the ~~organization's~~agency's standard audit language enabling the ~~organization's~~agency's internal auditors and other auditors and specialists to have access to relevant records and information. All of the employees of the ~~organization~~agency are required to assist the ~~staff of Internal Audit Division~~internal auditors in fulfilling their audit functions and fiduciary duties.

The ~~Internal Audit Manager~~Chief Audit Officer shall have free and unrestricted access to the Chairman of the Audit Committee, the Audit Committee, and the Chairman and members of the Board of ~~Directors~~Trustees. The ~~Internal Audit Manager~~Chief Audit Officer shall also have free and unrestricted access to the Executive Director, Management and all personnel, contractors and vendors of the ~~organization~~agency, and employers, members, retirees and beneficiaries of the ~~organization~~agency.

Confidentiality

~~Documents and information given to the Internal Audit Division shall be handled in the same prudent and confidential manner as by those employees normally accountable for them. The Internal Audit Manager shall ensure that internal audit staff is instructed in the handling and safeguarding of confidential information.~~

INDEPENDENCE AND OBJECTIVITY

The ~~Internal Audit Manager~~Chief Audit Officer reports functionally to the Audit Committee and reports administratively to the Executive Director. The ~~Internal Audit Manager~~Chief Audit Officer is hired, evaluated, retained and terminated by the Audit Committee. The Audit Committee ~~may~~ seeks input from the Executive Director in making its selection.

The ~~Internal Audit Manager~~Chief Audit Officer shall freely discuss audit policies, audit findings and recommendations, audit follow-up, guidance issues and other matters as necessary. The standards of professional audit independence will be discussed with the Audit Committee periodically. The standards of independence used as benchmarks will be those of the organizations mentioned in the ~~Standards of Audit Practice~~Professional Standards & Guidance section below.

RESPONSIBILITIES AND ACCOUNTABILITY

The ~~Internal Audit Manager~~Chief Audit Officer is responsible for the following in order to meet the mission, objectives and scope of this Charter and the Internal Audit ~~D~~ivision:

1. Select, train, develop and retain a competent internal audit staff that collectively has the abilities, knowledge, skills, experience, expertise and professional certifications necessary to accomplish the mission, objectives and scope of this Charter. Provide opportunity and support for staff obtaining professional training, professional examinations, and professional certifications.
2. Establish policies for conducting its activities and directing its technical and administrative functions according to the ~~organization's~~agency's policies and direction provided by the Audit Committee, and professional standards.
3. ~~Conduct~~Coordinate the completion of an annual risk assessment and produce a flexible audit plan that will accomplish the mission, objectives and scope of this Charter. This plan will include some unassigned hours in order to provide flexibility for changing conditions. This plan shall in part be based upon risks and control concerns identified by Management in the completed annual risk assessments. This plan will be periodically updated as necessary.
4. Prepare a time budget that is complementary to the implementation of the audit plan.
5. Implement the annual audit plan, as approved, including, ~~as appropriate~~, any plan amendments, special tasks or projects requested by Management and the Audit Committee. Audits will include an evaluation of the adequacy and effectiveness of existing systems of internal control and the efficiency and effectiveness of carrying out business objectives.
6. Coordinate with audit clients to finalize recommendations for improvement and identify implementation timelines. Internal audit staff shall consider costs and benefits while formulating and discussing their recommendations.
7. Evaluate and assess significant merging/consolidating functions and new or changing services, processes, operations, and control processes coincident with their development, implementation, and/or expansion.
8. ~~Conduct periodic follow-up reviews to evaluate the adequacy of Management's corrective actions.~~Establish and maintain a system to follow up on and monitor the results of management's corrective actions to ensure they have been implemented effectively or that management has accepted the risk of not taking action.
9. Issue periodic reports to the Audit Committee and Management summarizing results of audit activities, and summarizing the status of follow-up activities.
10. Provide periodic summaries of consulting and advisory activities to the Audit Committee.
11. Attend all Audit Committee meetings, and ensure attendance of additional staff and attendance by auditees as appropriate.
12. Establish and maintain a Quality Assurance and Improvement Program and ~~Obtain a peer review~~external quality assessment through either a full-scope external quality assessment or a self-assessment with independent validation by ~~other internal auditors~~a qualified independent assessor or assessment team from outside the agency as required by professional standards, no less frequently than every five (5) years as mandated by the IIA's *International Standards for the Professional Practice of Internal Auditing*.
13. Inform the Audit Committee of emerging trends and successful practices in internal auditing.

14. Assist in the investigation of significant suspected fraudulent activities within the organization-agency and notify the Audit Committee, the Executive Director and Management, as appropriate, of the results.
15. Consider the scope of work of the external auditors and regulators, as appropriate, for the purpose of providing optimal audit coverage to the organization-agency at a reasonable overall cost.
16. Evaluate-Review annually the quality of the annual financial report and suggest improvements in the presentation and disclosures.
17. Report to the Audit Committee on all activities ~~and associated costs of work~~ performed by the external financial statement auditors.
18. Consult with the organization's-agency's mManagement, as requested, on potential policy and procedure changes.
19. Participate, in an advisory capacity, in the planning, design, development, and implementation and modification phases of major information ~~related~~ systems. ~~to determine whether:~~
 - ~~• Adequate controls are incorporated in the systems;~~
 - ~~• Adequate risk management techniques have been utilized;~~
 - ~~• Thorough systems testing is performed at appropriate stages;~~
 - ~~• Systems documentation is complete and accurate; and~~
 - ~~• The intended purpose and objectives of the system implementation or modifications have been met.~~
20. Participate in professional audit organizations and other professional organizations related to the mission of the agency by attending meetings, joining the governing boards, presenting speeches and papers, and networking with other professionals. ~~Network with internal audit staff of other public pension systems to learn and exchange best practices information. Participate in other professional organizations related to the mission of the organization.~~
21. ~~Act as the primary point of contact for handling all matter related to~~ Consult with the agency's management and be included in all audits, examinations, investigations or inquiries of the State Auditor or other ~~appropriate S~~state or ~~F~~federal ~~A~~auditors.
22. Review the organization's-agency's fFraud or Misconduct policy and Code of eEthicals Responsibility policy periodically.

STANDARDS OF AUDIT PRACTICE PROFESSIONAL STANDARDS & GUIDANCE

The Internal Audit ~~D~~ivision shall follow the applicable professional standards and guidance of relevant professional organizations. These include, but are not limited to, the following:

- Institute of Internal Auditors (IIA)
 - International Standards for the Professional Practices Framework of Internal Auditing and the
 - Code of Ethics of Institute of Internal Auditors (IIA).
- American Institute of Certified Public Accountants (AICPA)
 - Professional Standards and
 - Code of Ethics, as applicable. Professional Conduct
- General Accounting Office (GAO)
 - Generally Accepted Government Auditing Standards (GAGAS) from the United States General Accounting Office (GAO), as applicable.
- The Association of Certified Fraud Examiners (ACFE)
- Other professional agencies and standards as applicable



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

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

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

Memorandum

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: June 13, 2023

SUBJECT: Sagitec Maintenance Contract

Attached is the agreement with Sagitec Solutions, LLC for licensing fees and application development services for the 2023-25 biennium. Dean has reviewed the agreement, and the addendum reflects the amounts that were included in our budget request.

Please note this agreement also includes one-time additional funding for a developer our agency was appropriated, as well as the additional developer to accommodate the DB Closure initiative.

The table below shows a comparison of the fees for the 2017-19 biennium, the 2019-21 biennium, the 2021-23 biennium (included one additional developer), and the 2023-25 (includes two additional developers) biennium so the Board can see the accommodations Sagitec made on the licensing arrangement to accommodate the biennia we were forced to come in with reduced budget.

	July 2017 - June 2019	July 2019 - June 2021	July 2021 - June 2023	July 2023 – June 2025
Licensing	\$ 483,185	\$ 245,000	\$ 245,000	\$ 375,000
Development & Consulting	\$ 932,625	\$1,044,657	\$ 1,359,768	\$ 1,489,495.20
Total	\$1,415,810	\$1,289,657	\$ 1,604,768	\$ 1,864,495.20

Board Action Requested:

Approve the maintenance and support agreement with Sagitec Solutions LLC for the 2023-25 biennium, and authorize Scott to sign the agreement.

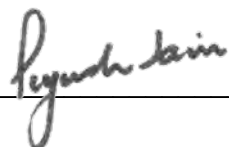
2023–2025 Addendum to the Maintenance and Support Agreement

This document is an addendum ("Addendum") to the Maintenance and Support Agreement, between Sagitec Solutions, LLC. ("Sagitec") and the State of North Dakota, through its Public Employees Retirement System ("NDPERS") dated July 1, 2019 ("Agreement").

1. The parties wish to revise: (a) the Fee set out in Exhibit A of the Agreement and (b) the Services described in Exhibit B of the Agreement.
2. In view of the above, Exhibit A and Exhibit B to this Addendum replace Exhibit A and Exhibit B of the Agreement. This revision to Exhibit A and Exhibit B will be effective from July 1, 2023, through June 30, 2025.
3. In the event of a conflict between the terms of the Addendum and the terms of the Agreement, the terms of this Addendum will prevail.
4. Except as amended, the terms and conditions contained in the Agreement shall remain in full force and effect in accordance with its terms.

SAGITEC SOLUTIONS, LLC

NDPERS

By 

By _____

Name Piyush Jain

Name _____

Title CEO and Partner

Title _____

Date May 19, 2023

Date _____

2023–2025 Addendum to the Maintenance and Support Agreement

Exhibit A

FEES AND PAYMENT

PRODUCT RELEASE SERVICES FEE

Fixed fee for Product Release Services as described in Exhibit B of this document for the period July 1, 2023, through June 30, 2025 is \$375,000.00.

The Product Release Services fee shall be divided into twenty-four (24) equal monthly installments of \$15,625.00. This fee will be due and payable within thirty (30) calendar days after the date of Sagitec's invoice.

This fee is effective starting on July 1, 2023, and shall continue through June 30, 2025, unless terminated earlier. If NDPERS terminates this agreement during mid-year, NDPERS will pay Sagitec the balance of the fixed amount minus any credits, within thirty (30) calendar days after termination becomes effective. Sagitec may increase the fee upon the renewal process with NDPERS. Sagitec shall notify NDPERS of any proposed annual increase no later than 90 days prior to the renewal of this agreement for the following year.

PRODUCT CONSULTING SERVICES FEE

Fixed fee for Product Consulting Services as described in Exhibit B of this document for the period July 1, 2023, through June 30, 2025 is \$744,747.60.

The Product Consulting Services fee shall be divided into twenty-four (24) equal monthly installments of \$31,031.15. This fee will be due and payable within thirty (30) calendar days after the date of Sagitec's invoice.

This fee is effective starting on July 1, 2023, and shall continue through June 30, 2025, unless terminated earlier.

APPLICATION DEVELOPMENT OUTSOURCING FEE

NDPERS will pay Sagitec the fixed amount of \$744,747.60 for Application Development Services, as described in Exhibit B of this document, for the period July 1, 2023, through June 30, 2025.

The ADO fee shall be divided into twenty-four (24) equal monthly installments of \$31,031.15. ADO fees will be due and payable within thirty (30) days after the date of Sagitec's invoice.

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

	2023	2024	2025
On Site Resources	\$300	\$310	\$320
Off Site Resources	\$200	\$210	\$220

2023–2025 Addendum to the Maintenance and Support Agreement

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

Exhibit B

PRODUCT RELEASE SERVICES, PRODUCT CONSULTING SERVICES AND APPLICATION DEVELOPMENT OUTSOURCING (ADO) SERVICES

PRODUCT RELEASE SERVICES

NDPERS shall receive services as follows:

- Access to all major and minor Product releases
- Enrollment as Beneficiary to Standard Escrow Agreement

PRODUCT CONSULTING SERVICES and APPLICATION DEVELOPMENT OUTSOURCING (ADO) SERVICES

Sagitec shall provide one (1) onshore resource for up to 1,800 hours, and five (5) offsite full-time equivalents (1800 per FTE hours) for product consulting and ADO services

PRODUCT CONSULTING SERVICES

- Product installation and configuration services
- A technical and business overview of the new features of the Product and Product Extensions and implementation pre-requisites prior to the implementation of the Product.
- Enterprise licenses to Product Extensions
- Product Service Desk (e.g. Help Desk) –Non-dispatched service assistance or resolution delivered via phone, e-mail and/or on-line communication.
- Dedicated service desk and account manager

APPLICATION DEVELOPMENT OUTSOURCING (ADO) SERVICES

Corrective, adaptive, preventative, and perfective support activities, to be directed by NDPERS.



**North Dakota
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1600 East Century Avenue, Suite 2 • PO Box 1657
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1-800-803-7377

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

Memorandum

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: June 13, 2023

SUBJECT: Presort Contract

Attached is the agreement with Presort Plus, LLC for courier and mail services for the 2023-25 biennium. Dean has reviewed the agreement, and the addendum reflects an amount that falls within the parameters that were included in our budget request.

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

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

The pricing for this contract is increasing the price from \$28.10 a day to \$28.95 a day, a 3.02% increase.

BOARD ACTION:

Approve the courier and mail services agreement with Presort Plus, LLC for the 2023-25 biennium, and authorize Scott to sign the agreement.

MAILING SERVICE CONTRACT

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

1. SCOPE OF SERVICE

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

MORNING:

1. Pick up NDPERS mail at the U.S. Post Office location (P.O. Box 1657) and deliver to NDPERS, 400 East Broadway, Suite 505, Bismarck, by approximately 8:30 a.m.
2. Pick up the following at the Capitol and deliver to NDPERS by approximately 9:30 a.m.:
 - a. Inside mail - Mailroom (Ground Floor, Capitol)
 - b. Checks - Treasurer's Office (3rd Floor, Capitol)
3. Pick up NDPERS mail, including State Treasurer deposit, and deliver to the Capitol before 10:00 a.m. to meet the 12:00 p.m. deadline for deposits to the Treasurer's Office.

AFTERNOON:

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

MONTHLY:

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

MISCELLANEOUS:

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

QUALITY CONTROL MEASURES TO BE PROVIDED TO NDPERS:

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

2. **TERM OF CONTRACT**

The term of this contract is for a period of 24 months, commencing on the 1st day of July 2023, and terminating on the 30th day of June 2025.

3. **COMPENSATION**

STATE will pay for the services provided by CONTRACTOR under this contract an amount not to exceed \$28.95 per day to be paid monthly for the period July 1, 2023, through June 30, 2025. STATE will pay the cost of the courier service and mail processing service which equals the full postage rate on the mail (based on USPS rates). CONTRACTOR will re-bill as necessary to cover postage charges.

4. **TERMINATION OF CONTRACT**

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

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

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

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

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

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

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

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

5. FORCE MAJEURE

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

6. RENEWAL

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

7. MERGER AND MODIFICATION

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

8. SEVERABILITY

If any term of this contract is declared by a court having jurisdiction to be illegal or unenforceable, the validity of the remaining terms shall not be affected, and, if possible, the rights and obligations of the parties are to be construed and enforced as if the contract did not contain that term.

9. ASSIGNMENT AND SUBCONTRACTS

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

10. NOTICE

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

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

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

11. APPLICABLE LAW AND VENUE

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

12. SPOLIATION - NOTICE OF POTENTIAL CLAIMS

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

13. INDEMNITY

Contractor agrees to defend, indemnify, and hold harmless the state of North Dakota, its agencies, officers, and employees, including NDPERS, its Board of Trustees, officers, and employees (for the purposes of this provision all parties are together referred to as the "STATE") from and against claims based on the vicarious liability of the State or its agents, but not against claims based on the State's contributory negligence, comparative and/or contributory negligence or fault, sole negligence, or intentional misconduct. The legal defense provided by Contractor to the State under this provision

must be free of any conflicts of interest, even if retention of separate legal counsel for the State is necessary. Any attorney appointed to represent the State must first qualify as and be appointed by the North Dakota Attorney General as a Special Assistant Attorney General as required under N.D.C.C. § 54-12-08. Contractor also agrees to defend, indemnify, and hold the State harmless for all costs, expenses, and attorneys' fees incurred if the State prevails in an action against Contractor in establishing and litigating the indemnification coverage provided herein. This obligation shall continue after the termination of this agreement.

14. INSURANCE

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

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

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

1. Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the Contractor. The amount of any deductible or self-retention is subject to approval by the State.
2. This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form, and must be placed with insurers rated "A-" or better by AM. Best Company, Inc., provided any excess policy follows form for coverage. Less than an "A-" rating must be approved by the State. The policies shall be in form and terms approved by the State.
3. The duty to defend, indemnify, and hold harmless the State under this agreement shall not be limited by the insurance required in this agreement.

4. The state of North Dakota and its agencies, officers, and employees (State) shall be endorsed on the commercial general liability policy, including any excess policies (to the extent applicable), as additional insured. The State shall have all the benefits, rights, and coverages of an additional insured under these policies that shall not be limited to the minimum limits of insurance required by this agreement or by the contractual indemnity obligations of CONTRACTOR.
5. The insurance required in this agreement, through a policy or endorsement, shall include:
 - a) a "Waiver of Subrogation" waiving any right to recovery the insurance company may have against the State;
 - b) a provision that Contractor's insurance coverage shall be primary (i.e. pay first) as respects any insurance, self-insurance, or self-retention maintained by the State and that any insurance, self-insurance or self-retention maintained by the State shall be in excess of the Contractor's insurance and shall not contribute with it;
 - c) cross liability/severability of interest for all policies and endorsements;
 - d) The legal defense provided to the State under the policy and any endorsements must be free of any conflicts of interest, even if retention of separate legal counsel for the State is necessary and subject to N.D.C.C. § 54-12-08.;
 - e) The insolvency or bankruptcy of the insured Contractor shall not release the insurer from payment under the policy, even when such insolvency or bankruptcy prevents the insured Contractor from meeting the retention limit under the policy.
6. The Contractor shall furnish a certificate of insurance to the undersigned State representative prior to commencement of this agreement. All endorsements shall be provided as soon as practicable.
7. Failure to provide insurance as required in this agreement is a material breach of contract entitling State to terminate this agreement immediately.
8. Contractor shall provide at least 30-day notice of any cancellation or material change to the policies or endorsements.

15. ATTORNEY FEES

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

16. ALTERNATIVE DISPUTE RESOLUTION-JURY TRIAL

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

17. CONFIDENTIALITY

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

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

18. COMPLIANCE WITH PUBLIC RECORDS LAW

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

19. INDEPENDENT ENTITY

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

20. NONDISCRIMINATION AND COMPLIANCE WITH LAWS

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

21. STATE AUDIT

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

22. PREPAYMENT

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

23. TAXPAYER ID

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

24. PAYMENT OF TAXES BY STATE

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

25. EFFECTIVENESS OF CONTRACT

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

CONTRACTOR

Presort Plus LLC

BY:  _____

Kyle Nordmeyer

ITS: General Manager

DATE: 5-31-2023

STATE OF NORTH DAKOTA

ND PUBLIC EMPLOYEES RETIREMENT SYSTEM

BY: _____

Scott Miller

ITS: Executive Director

DATE: _____

Business Associate Agreement

(Revised 10-2013)

This Business Associate Agreement, which is an addendum to the underlying contract, is entered into by and between, the North Dakota Public Employees Retirement System ("NDPERS") and Presort Plus 2355 Vermont Avenue, Bismarck, ND 58504.

1. Definitions

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

2. Obligations of Business Associate.

2.1. The Business Associate agrees:

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

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

3. Permitted Uses and Disclosures by Business Associate

3.1. General Use and Disclosure Provisions

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

3.2. Specific Use and Disclosure Provisions

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

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

4. Obligations of Covered Entity

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

Covered Entity shall notify Business Associate of:

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

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

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

that may affect Business Associate's ability to perform its obligations under the Underlying Agreement or this Agreement.

- d. Will promptly notify Business Associate in writing of any change in, or revocation of, permission by an Individual to Use or Disclose PHI, if the change or revocation may affect Business Associate's ability to perform its obligations under the Underlying Agreement or this Agreement.

4.2. Permissible Requests by Covered Entity

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

5. Term and Termination

- a. Term. The Term of this Agreement shall be effective as of July 1, 2021, and shall terminate when all of the PHI and ePHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI and ePHI, protections are extended to any such information, in accordance with the termination provisions in this Section.
- b. Automatic Termination. This Agreement will automatically terminate upon the termination or expiration of the Underlying Agreement.
- c. Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
 - 1. Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement and the Underlying Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;
 - 2. Immediately terminate this Agreement and the Underlying Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or
 - 3. If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- d. Effect of Termination.
 - 1. Except as provided in paragraph (2) of this subsection, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI and ePHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI or ePHI.
 - 2. In the event that Business Associate determines that returning or destroying the PHI or ePHI is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon explicit written agreement of Covered Entity that return or destruction of PHI or ePHI is not feasible, Business Associate shall extend the protections of this Agreement to that PHI and ePHI and limit further uses and disclosures of any such PHI and ePHI to

those purposes that make the return or destruction infeasible, for so long as Business Associate maintains that PHI or ePHI.

6. Miscellaneous

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

7. Entire Agreement

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

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

For Covered Entity:

Scott Miller, Executive Director
ND Public Employees Retirement System

Date

For Business Associate:

Signature

Printed Name

Title

Date



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

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

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

Memorandum

TO: NDPERS Board

FROM: Derrick Hohbein

DATE: June 13, 2023

SUBJECT: Office Lease

Attached is the proposed office lease agreement to extend our existing office space through June 30, 2025. This proposal matches the request that was used to project our budget, and is a hold-even rate. Our attorney has reviewed the agreement and does not have any concerns with the attached.

BOARD ACTION:

Approve the proposed lease, and authorize for Scott to sign the agreement.

LEASE AMENDMENT

LEASE NAME: ND Public Employees Retirement System

AMENDMENT NUMBER: 2

This amendment is made between the State of North Dakota, acting through North Dakota Public Employees Retirement System (STATE), and Workforce Safety & Insurance (LANDLORD).

The parties agree to the following terms and conditions and expressly agree that if any of the following terms and conditions conflict with any of the terms and conditions of the Lease, then, notwithstanding any term in the Lease, the following terms and conditions govern and control the rights and obligations of the parties.

The parties agree to amend the Lease as follows:

Insurance

Lease Section Insurance. The Insurance is hereby amended as follows, listed by subsection:

Commercial general liability, including premises or operations, contractual, and products or completed operations coverages (if applicable), Coverage is pursuant to statute, NDCC 32-12.2-02.

Renewal and Extensions

Lease Section Term of Lease.

The parties have agreed to renew the Lease for an additional twenty-four months; therefore, the expiration date is June 30, 2025.

All other terms of the Lease remain in effect. This Lease Amendment is not effective until fully executed by all parties.

EXECUTION

LANDLORD	STATE OF NORTH DAKOTA
Workforce Safety & Insurance	Acting through ND Public Employees Retirement System
BY:	BY:
Printed Name:	Printed Name:
Title:	Title:
Date:	Date:

Approved as to form: Anne J. Green
Anne J. Green (May 2, 2023 13:54 CDT)
Special Assistant Attorney General

V. MEMBER *EXECUTIVE SESSION**

A. Retirement Appeal Case #812 – MaryJo (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.**

**Confidential material will be sent
under separate cover**