State of Nebraska

Health Insurance Plan Annual Report

Presented to the

Legislature's Appropriations Committee

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For the Plan Year

July 1, 2015 to June 30, 2016

Prepared by

State of Nebraska

Department of Administrative Services

NEBRASKA
AdministrativeServices

Introduction

The Nebraska Department of Administrative Services (DAS) submits this annual report pursuant to Neb. Rev. Stat. §50-502. The agency, in conjunction with its third-party administrators, assures the State's health plans and all other benefits programs comply with state and federal guidelines; provides assistance to state agencies and employees regarding wellness and benefit issues; manages third party administrators and actuarial consultants; provides financial management to the health plan; and continuously researches health care and benefit program trends to assure the State continues to offer a competitive employment package to State employees.

Providing employees health insurance is one of the largest costs of doing business in the modern economy. This is no exception for the State of Nebraska. Prudent financial management of the program is a critical responsibility of DAS.

In order to manage costs and ensure the program is on solid financial footing, significant plan design changes have been implemented over the last several years including but not limited to: increasing deductibles, adjusting copays and coinsurance, and increasing maximum out-of-pocket expenses for employees.

Like many businesses, in 2009, the State of Nebraska began focusing on employee wellness as a means to contain health care costs and improve the health of employees and their spouses. The State created a Wellness Health Plan, becoming one of the first states to launch an integrated plan for health coverage tied to wellness program participation. The Wellness health plan, in conjunction with its wellness program, called **wellNEssoptions**, is a unique value-based package which emphasizes smart use of health care along with individually-tailored wellness programs.

The State of Nebraska has set a standard now followed by many other public and private sector businesses. Since its implementation, the State has earned several prestigious national awards.

DAS will continue to evaluate programs and take steps to control costs and offer competitive health and pharmacy benefits – win-win prospect for agencies, employees, and taxpayers across the state. A glossary of commonly used health plan terms used throughout this report has been added at the end of this document.

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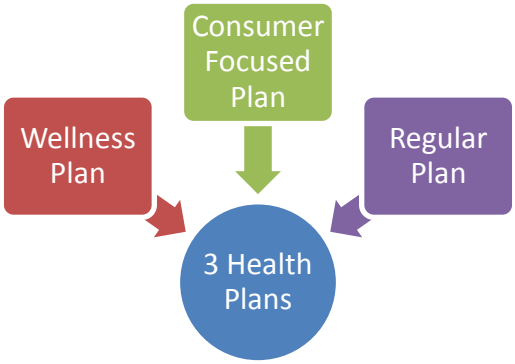
Health Plan Overview

The State of Nebraska's health insurance program consisted of three self-insured health plans in 2015-2016, the Wellness Plan, Regular Plan, and Consumer Focused Plan. The Consumer-Focused Health Plan provides an option for employees to take advantage of a Health Savings Account (HSA) to set aside pre-tax funds for future health care expenses.



The High Deduction Health Plan was no longer offered after June 30, 2015.

Each plan included medical and pharmacy coverage for in-network and out-of-network providers, as well as wellness benefits. The plan year ran from July 1, 2015 through June 30, 2016 with open enrollment held May 6, 2015 through May 20, 2015. The State ran a passive Open Enrollment for the first time in several years, which meant employees who did not want to change benefits elections did not need to make changes in order to continue existing coverage unless they chose to do so. The exception to this passive enrollment was for employees who failed to meet qualifications for the Wellness Plan during the months leading up to Open Enrollment. Those employees were required to make an active choice between the Regular Plan and the Consumer Focused Plan.

Coverage was offered to eligible State of Nebraska employees and COBRA participants. There were no prerequisites or requirements for employees to participate in the Consumer Focused Plan or Regular Plan. To enroll in the Wellness Health Plan, employees and spouses were required to complete specific program criteria in the **wellNEssoptions** program, including (1) Completing an annual biometric health screening; (2) Completing the annual online health assessment; and (3) Enrolling and completing a Wellness program.

When covered employees and dependents incurred medical claims, health providers (hospitals, doctors, etc.) sent claims to the State's third-party administrators. For the 2015-2016 plan year, United Healthcare (UHC) was the third-party administrator for health care claims, and its subsidiary, OptumRx, was the third-party administrator for pharmacy claims. UHC and OptumRx assured submitted claims were adjudicated correctly under the provisions outlined in the plan documents set forth by the State. UHC and OptumRx then paid the providers, and once payment cleared the bank, the State reimbursed UHC or OptumRx for the claims through the State Employee Insurance Fund.

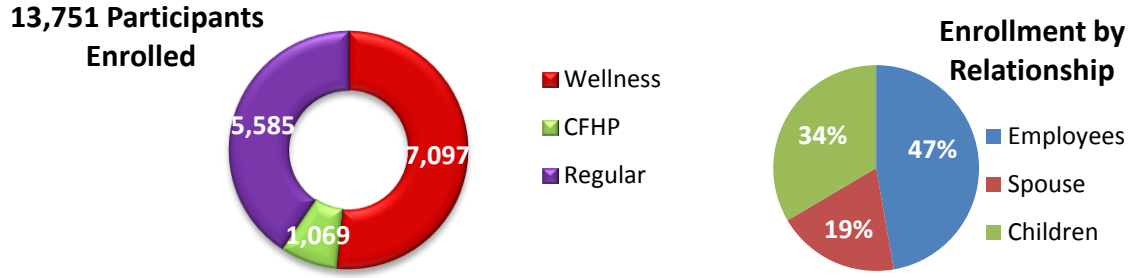
What does Self-Insured mean?

The State assumes the financial risk for providing health care benefits to its employees and contracts with United Healthcare (UHC) to process the claims. Instead of paying fixed premiums to UHC, which may be inflated to include profit margins and taxes, the State collects contributions from employees and State agencies itself and deposits them in a State trust fund, using the premiums to pay health care claims for plan participants after copays and deductibles.

Enrollment & Eligibility

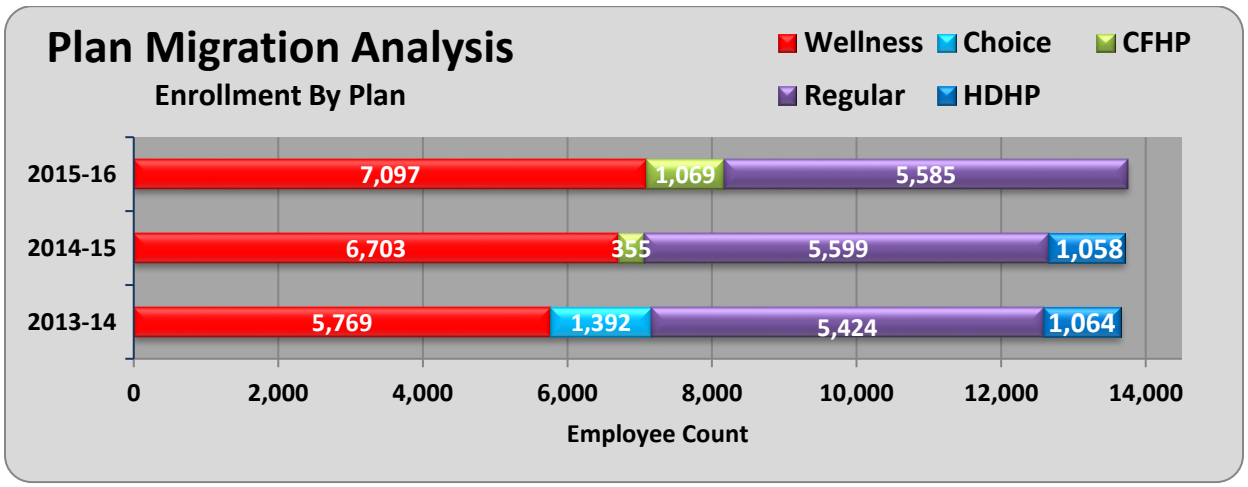
Neb. Rev. Stats. §84-1601 and §84-1604 allow for permanent full-time and part-time employees who work a minimum of 20 hours per week to participate in the State health plans. These employees are eligible for coverage on the first of the month following 30 days of employment. In addition, Neb. Rev. Stats. §84-1601 and §84-1604 also allow temporary employees working a minimum of 20 hours per week and hired into an assignment that is six months or longer eligibility for coverage in the State health plans after the standard waiting period. State retirees can continue coverage in a State health insurance plan until they are Medicare-eligible, which is age 65, as allowed in State of Nebraska Classified System Personnel Rules and Regulations, Chapter 17.014; and the NAPE/AFSCME (NAPE) and State of Nebraska Labor Contract, Article 13.2.

As of June 30, 2016, the plan had 13,751 employees enrolled, which included approximately 286 retirees and 98 COBRA participants. The total number of covered lives was 29,103 which increased .7% from the 2014-2015 plan year. Ongoing dependent verification audits were conducted for all new dependents added to the health plan to ensure only eligible employees used State benefits.



Approximately 56% of employees were female and 44% were male. The average age of employees enrolled in the plan was 47.0, slightly lower than prior year's average of 47.4.

Total enrollment in the State Health Insurance Plan over the past two years has increased 0.7%, potentially due to the impact from the ACA requirement that everyone have healthcare. Individual plan enrollments have changed significantly. The High Deductible plan was eliminated. Most employees in this plan migrated to Consumer Focused plan. The Wellness plan had 53% of the employees enrolled in the health plan during the 2015-2016 plan year. The popularity of the plan has increased every year.



Plan Management & Fund Management

DAS assures the State's health plans and all other benefits programs comply with state and federal guidelines and provides financial management to the health plan. DAS consults with experts in health plan management including Segal, UHC, and attorneys to constantly monitor changes in health plan management and assure our plan and other documentation are in compliance.

Regulatory Mandates

- State Statutes
- Department of Insurance
- ACA
- IRS
- COBRA
- HIPAA
- Medicare
- Employment Laws - FMLA, USERRA, ADA, Title VII, GINA

Health Plan Documents

- Summary Plan Document (SPD)
- Summary of Benefits & Coverage (SBC)
- Section 125 Plan Document
- Business Associate Agreements
- Benefits Administration Manual for State HR Partners
- Wellness & Benefits Options Guide
- Wellness & Benefits Website

Neb. Rev. Stat. §84-1613 established the State Employees Insurance Fund #68960 to pay medical and pharmacy claims, administrative fees and wellness program fees. This fund was administered by DAS and reserve targets were adjusted annually using cost projections from the State's actuary and health care consulting firm. For the 2015-2016 plan year the actuary and health care consultant was Aon Hewitt.

Reserves are imperative to successful management of a self-insured health plan with over 29,000 covered lives. The Health Insurance History Fund #68922 is a subsidiary fund of the State Employees Insurance Fund #68960 and contained the Claims Fluctuation Reserve (CFR). Health Insurance History Fund #68922 is designed to pay for the costs of coverage of unusual or high volume claims that may occur. Health Insurance History Fund #68922 also contains the amount to finance the operation of Program 606, Wellness and Benefits Administration, as approved by and stated in the biennium budget bill. The amount required for Program 606 operation was transferred by the State Treasurer from Fund Health Insurance History Fund #68922 to Health and Life Benefit Administration Fund #28010, established in Neb. Rev. Stat. §84-1616.

During the 2015-2016 plan year, a payment was made for the Transitional Reinsurance Fee, required under the Affordable Care Act (ACA). For the calendar year 2015, the fee was $44 per participant, or approximately $1.05M. The first installment of $0.79M was paid in January 2016. The second installment will be paid in November 2016. For the calendar year 2016, the fee will be reduced to $27 per participant.

Another fee required under ACA is the Patient-Centered Outcomes Research Institute (PCORI) fee. This fee will be paid every July. In July 2015 the State paid $47,300 for PCORI and in July 2016 the fee increased to $49,500.

Self-insured health plans can purchase Stop Loss insurance to limit the amount a plan pays each year for each participant. In 2012-2013 the State of Nebraska purchased a Specific Stop Loss insurance policy through UHC with a $1 million deductible. Thus, the State's health fund is only responsible for the first $1 million of claims paid for an individual participant for the plan year.

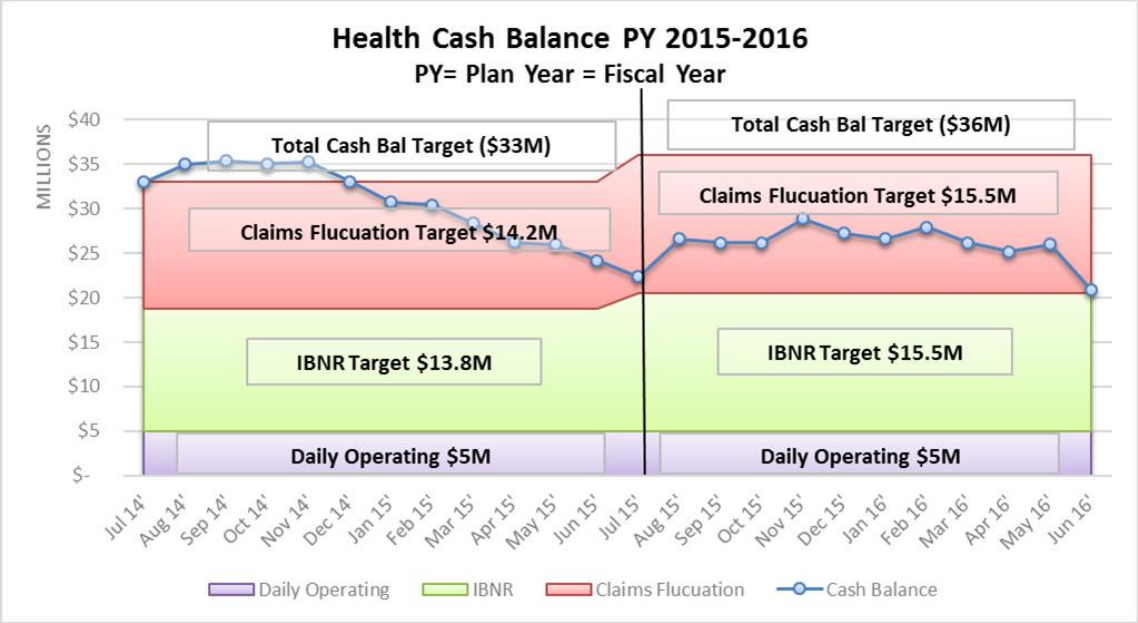
Each year during renewal, the State analyzes whether or not it is the best interests of the plan to continue purchasing Stop Loss Insurance. The State looked at claims for the State and industry health care. Based on the growing frequency of high cost claimants who exceed $100,000 and health care cost trends, the State decided to continue Stop Loss insurance for the 2015-2016 plan year.

In 2015-2016 nine participants exceeded $500,000, however there were no claims over $1 million so the State recovered no stop loss payments. However, it profited in the 2014-2015 plan year when the State recovered $1,642,000 in stop loss payments and paid $653,000 in premiums.

Aon Hewitt in conjunction with DAS prepared an Incurred But Not Paid (IBNP) Analysis Report, Premium Rate Analysis Report, and Claims Fluctuation Reserve (CFR) Analysis Report for the State. These reports were reviewed at meetings conducted between the Wellness and Benefits Administrator, Personnel Director, Director of DAS, Budget Division, and the Governor to establish plan contribution funding, effective plan designs, and set targets for the plan year.

For plan year 2015-2016, Aon Hewitt recommended a CFR of at least $15.5 million and IBNP of $15.5 million. In accordance, the State established a targeted balance of $15.5 million in Health Insurance History Fund for the CFR. A targeted balance of $20.5 million in the State Employees Insurance Fund #68960 was established to include the Daily Operating Target of $5 million to cover daily expenses and IBNP of $15.5 million to cover claims run out from the prior plan year. The Cash Balance Target was increased from $33.0 million to $36.0 million as recommended by Aon Hewitt.

A summary of financial activities in State Employees Insurance Fund #68960 for the plan years ending June 30, 2015 and June 30, 2016 are shown on the following page.



State of Nebraska Health Insurance Fund Summary of State Employees Insurance Fund #68960 Activity Comparison of Plan Years Ending June 30, 2015 and 2016				
	Plan Year 2015-2016	**Plan Year 2014-2015**	**Change**	
Contributions			**Dollars**	**Percent**
Contributions	$188,025,052	$167,392,946	$20,632,106	12%
Investment Income	$236,828	$331,073	-$94,245	-28%
Total Contributions	$188,261,880	$167,724,019	$20,537,861	12%
Distributions				
Medical Claims & IBNR	$138,709,619	$131,211,499	$7,498,120	6%
Pharmacy Claims	$39,704,205	$37,971,608	$1,732,597	5%
Wellness-Health Fitness	$3,831,529	*$2,885,150	$946,379	33%
Administration Fees	$8,350,250	$8,390,622	-$40,372	0%
Total Distributions	$190,595,603	$180,458,879	$10,136,724	6%
Net Difference	**-$2,333,723**	**-$12,734,860**		

***2014-2015 Wellness-Health Fitness fees included carry over from prior year.**

State of Nebraska Health Insurance Funds As of June 30, 2016				
	6/30/2016	**6/30/2015**	**$ Change**	**% Change**
State Employees Insurance Fund #68960	$ 5,065,829	$9,675,057	-$4,609,228	-48%
Health Insurance History Fund #68922	$ 15,815,768	$14,499,927	$1,315,841	9%
Total Reserves	**$ 20,881,596**	**$24,174,984**	**-$3,293,388**	**-14%**

2014-15 contributions included a $5.2 million subsidy from reserves.

Health Plan Contributions

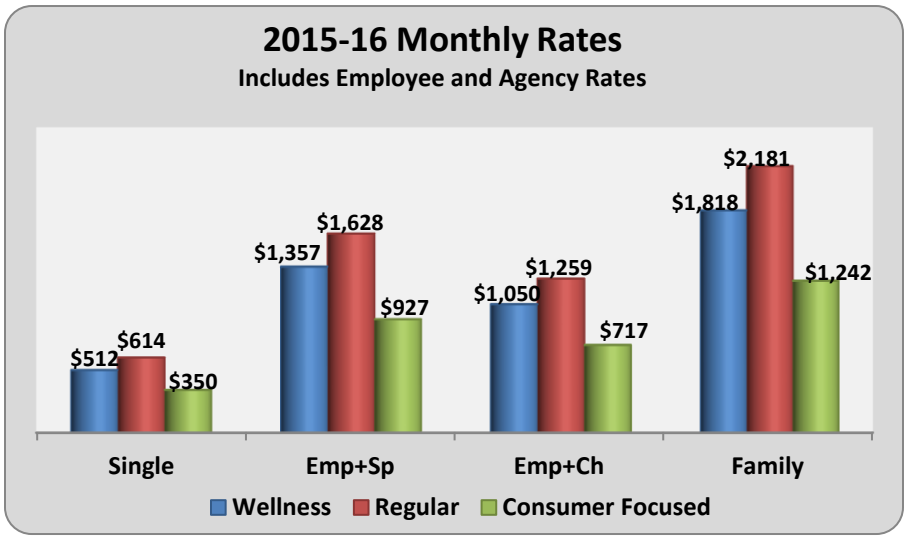
The State Employees Insurance Fund #68960 is funded by health plan contributions from participants and the State. Contributions are collected from employees through payroll deductions and combined with State contributions.

In accordance with Neb. Rev. Stat. §84-1611, the State pays 79% of monthly rates and active, full-time employees pay 21%. Neb. Rev. Stat. §84-1604 requires part-time employees (20-29 hours a week) receive only a proportion of the State contribution. Part-time employees pay 21% of the monthly rate plus a pro-rated amount of the State's share. Retirees pay 100% of the monthly rate and COBRA participants pay 100% of the monthly rate plus a 2% administration fee.

Health plan contributions are reviewed each year. In December 2014, Aon Hewitt provided the Wellness and Benefits Administrator with a Preliminary Premium Rate Analysis Report. The Wellness and Benefits Administrator, Personnel Director, and Director of DAS reviewed the report along with the State Budget Division and Governor. Contributions and plan design changes were approved in February 2015 and communicated to employees in April 2015, prior to Open Enrollment, and implemented on July 1, 2016.

Contributions to the plan increased from $168 million to $188 million.

Monthly rates for all State health plans are determined by actual claims history, projected enrollment, and projected health plan costs. Each health plan is adjusted individually for plan design and plan usage, which can result in different rate changes by plan. In addition, the Regular plan is negotiated as part of the Nebraska Association of Public Employees (NAPE) labor contract.



2015-16 Rate Increases

Wellness	**11.0%**
Consumer Focused	**6.5%**
Regular	**11.0%**

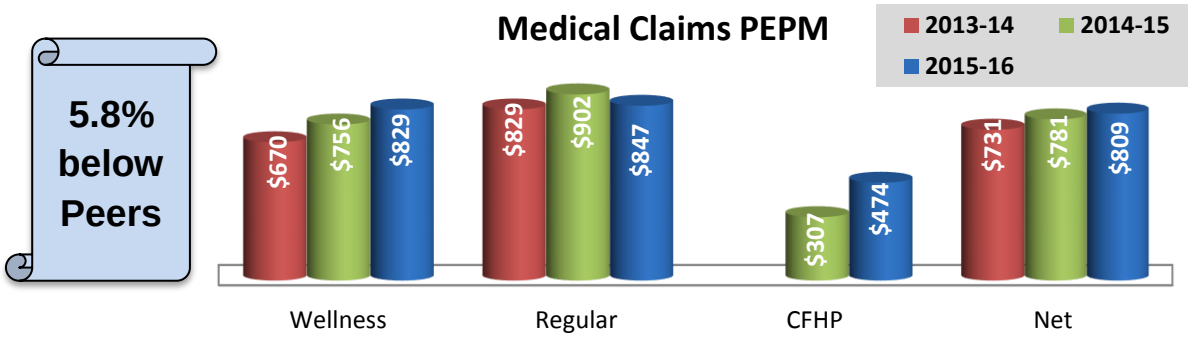
Medical Claims Review

Medical claims were administered by UHC and include costs associated with hospital stays, outpatient services, emergency care, behavior health care, physician office visits and preventive health care, among other services.

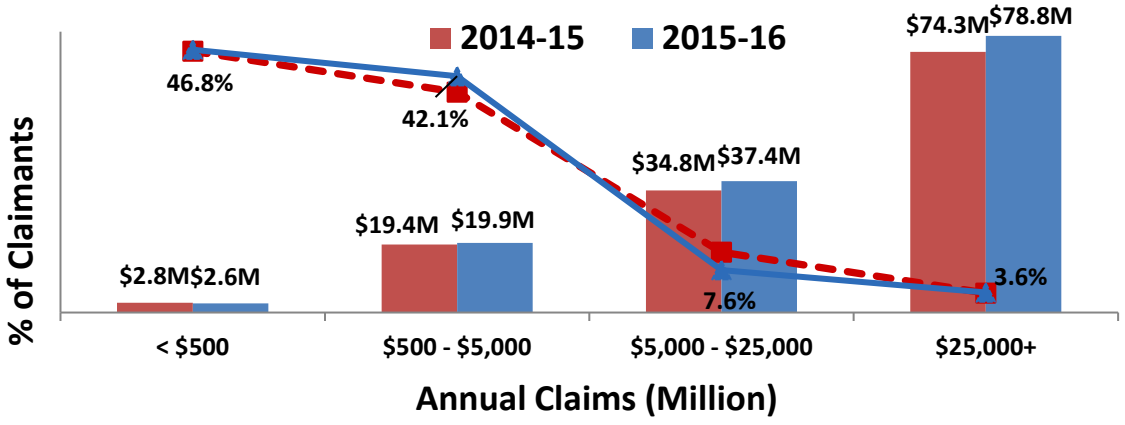
The State Employees Insurance Fund #68960 paid approximately $139 million of medical claims during plan year 2015-2016, which reflected a 6% increase from the prior year. Factors attributed to this increase include an 11.7% increase in claimants exceeding $100,000 of medical claims (High Cost Claimants), a 1.7% decrease in the network discounts percentage, and an increase in the medical expenses per claimant.

Consistent with 2014-2015, treatment for musculoskeletal conditions, neoplasms (cancer), and circulatory (heart disease) were the top cost driver of medical claims. Combined, these three diagnoses drive 38% of total medical claims paid per employee per month (PEPM).

The Net Paid PEPM of $809 reflects a 3.6% increase from the previous year but was 5.8% below our peer group according to UHC.



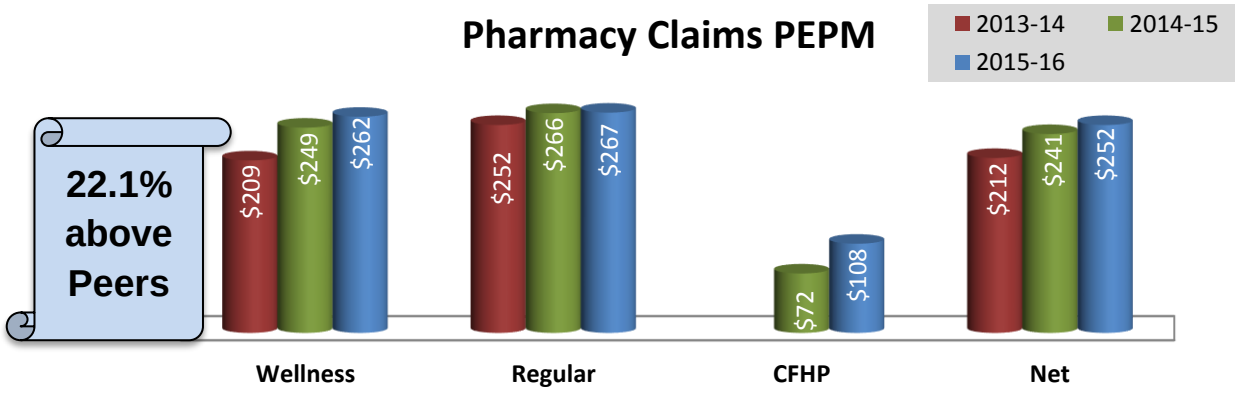
Consistent with other group health plans, a small percentage of participants incurred a high proportion of total medical claims paid. Of the $139 million spent on medical claims, the plan paid $78.8 million for 3.6% of the total plan participation of 29,103. The total paid amount (PEPM) for claimants with incurred claims over $100,000 increased by 6.7% from the previous year. This is due to an 11.7% increase in the percentage of claimants with incurred claims over $100,000.



Pharmacy Claims Review

Pharmacy claims were administered by OptumRx, an affiliate of UHC. The plan paid about $40 million for prescription claims in 2015-2016, a 5% increase from the previous year. The cost paid by the plan per employee was 22.1% higher than the peer group due to higher utilization of specialty drugs, according to UHC. The use of specialty drugs is a growing trend that continues to be monitored by the State.

Roughly 24,600 participants utilized pharmacy benefits in the health plan, filling about 420,000 prescriptions. The average cost per prescription of $99 increased from $91 paid the prior year. On average, each participant filled 14.4 prescriptions annually compared to peer norm of 10.5. Although it is higher than the peer norm, it is lower than last year's average of 15.0.



Members pay a copay for each prescription and the remainder of the cost is paid by the plan.

UHC's plan breaks drugs in to three tiers by cost. Tier 1 includes mostly generic plus some low-cost brand-name drugs. Encouraging participants to choose generic prescriptions, primarily in Tier 1, reduces costs for both the employee and the plan.

	2015-16	2014-15	% Change	Peer
Annual Scripts per Participant	14.4	15.0	-4%	10.5
Average Cost	$129.78	$126.25	2.8%	$116
Plan Cost Share	91.8%	89.9%	1.9	86.9%
Employee Cost Share	8.2%	10.1%	-1.9	13.1%
Generic Utilization	83.9%	82.8%	1.1	81.9%

Wellness Program - wellNEssoptions

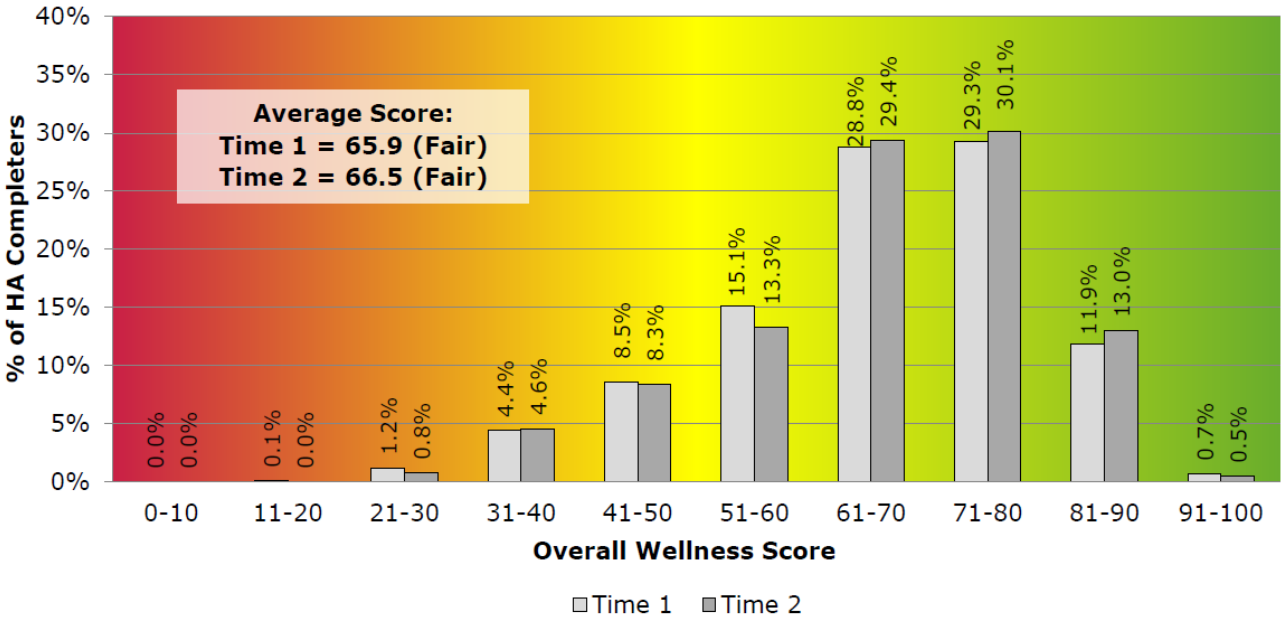
The State's wellness program was administered by *HealthFitness*™, which provided the State with two dedicated, onsite Wellness employees. Wellness program fees were paid through the State Employees Insurance Fund #68960 and cost about $2.7 million for the plan year ending June 30, 2016. These costs, shared by the State and employees enrolled in the State health plans, provided a comprehensive wellness program that yielded positive health and economic benefits now and likely will in the future.

Wellness Programs

Interactive Health Platform
Biometric Screenings
Health Risk Assessment
Health Advising
Coaching Program
Walk This Way
Cardio Tracker
Colorful Choices
SelfHelpWorks Programming
Online Resources

Employees and spouses who complete a biometric screening, health risk assessment and criteria for their chosen wellness program are eligible to elect the Wellness Health Plan, which offers lower out-of-pocket costs for medical and pharmacy services. For 2015-2016, about 53% of health plan participants qualified and enrolled in the Wellness Health Plan.

Participation in the health screenings offered during April through May 2016 through **wellNEssoptions** remained constant as compared to 2015. About 11,200 employees and spouses participated in the screening events while 11,700 completed the health assessment.



Wellness Incentive

Employees and spouses who complete the incentive requirements are eligible to elect the Wellness Health Plan for the upcoming year. Almost 6,800 employees met the incentive requirements in 2015-2016 and were eligible to elect the wellness health plan on July 1, 2016.

8 Years of Partnership and Progress

In 2009, the State of Nebraska became the first State to launch an integrated 'Wellness Health Plan' tied to wellness program participation. It is currently a national- and state-recognized program receiving multiple awards, including the C. Everett Koop Award, Gold Well Workplace Award, Council of State Government Award, Aster Award and Sower/Grower Award.

There has been sustained growth in participation. In the 2015-16 plan year improvement was seen in 11 out of 14 assessment areas. Participants in the Walk This Way program averaged more than 1.5 million steps during the program year. Over 90% of participants reported overall satisfaction and agree that their wellness coach "effectively supports [their] efforts to improve and maintain [their] health and well-being."

The State of Nebraska makes a significant effort to recognize individuals and agencies who participate in the **wellNEssoptions** program throughout the year.

Wellness Award Luncheon

On September 21, 2016, over 100 employees joined State leaders at the Wellness Award Luncheon to honor our 120 Wellness Champions, Walk this Way participants, wellness culture award winners, and Agency Directors for their help with promoting and supporting a culture of wellness. This year the following individuals and agencies were recognized for going above and beyond in promoting and establishing a healthy lifestyle.

Wellness Champion Awards

Jonathan Burlison and Gina Goodro, Department of Insurance
Amber Gigstad, Department of Corrections
Shauna Groenewold and Deirdre Smith, Department of Education
Stephanie Kessler, Department of Roads

Agency Wellness Culture Awards

Department of Insurance
Department of Environmental Quality
Lincoln Regional Center

Snapshot of 2015-2016 Health Program Outcomes

Financial

- Net PEPM for medical increased 3.6%.
- Excluding catastrophic claims, medical PEPM trended up 2.5%.
- Net PEPM for pharmacy increased 4.6%
- Medical PEPM was 5.8% below peer group.
- Pharmacy PEPM was 22.1% above peer group.
- Back and joint replacement surgery accounted for 8.4% of medical spend.
- Network discount rate was 37.4% and saved $97 million.
- 189 participants drove 26.8% of total spend and eclipsed $100,000 in claims.
- 0 participants exceeded $1 million in claims.

Clinical

- Age/gender risk was 8.5% higher than peer.
- Emergency room visits were 29.4% lower than the UHC peer group but utilization increased by 6.3% from last year.
- Inpatient utilization decreased 4.2%; Outpatient increased 4.8%.
- Top three common diagnoses categoires were diabetes, hypertension, and Coronary Artery Disease
- Muskuloskeletal issues, cancer, and diabetes drove 38% of medical costs.
- 9.7% of members had a primary diagnosis of diabetes.
- Claimants with COPD decreased 15.5% from the previous year.
- Generic medication dispense rate was 84%, 2% higher than the norm

Engagement

- 53% of eligible employees and spouses participated in wellness.
- Over 4,000 employees received a flu shot at a State onsite clinic.
- Over 11,700 participants participated in wellNEssoptions programs.
- 95% of high cost claimants engaged in clinical program with UHC.
- Overall wellness score increased .9%.
- Healthy eating and physical activity are top coaching goals.
- 4,366 participants enrolled in wellNEssoptions coaching programs.
- Walk This Way participants walked over 3,805,083 miles – enough to circle the equator over 152 times

Looking Ahead

The State continues to focus on providing employees with a quality health insurance program integrated with a focus on wellness and disease prevention. The State discontinued the High Deductible Health Plan on June 30, 2015, with a strategy to offer three distinct options: a wellness and non-wellness PPO plan and a qualified high deductible plan with lower premiums. This strategy was designed to leverage the value of wellness and the value of a tax-advantaged consumer-focused health plan.

Aon Hewitt provided the State with actuarial cost projections for the 2015-16 plan year. Costs were impacted by new ACA plan design requirements and fees, health care trend of 5% to 7%, and eliminating premium subsidies, which reduced premium increases in previous years but also reduced reserves in the State Health Insurance accounts. Plan design changes were bargained for the Regular Plan with NAPE for the 2015-16 and 2016-17 plan years through negotiations.

	2016-2017 Contribution Increases
Wellness Health Plan	**7.9%**
Regular Health Plan	**7.9%**
Consumer Focused Health Plan	**7.9%**

The Affordable Care Act continues to impact the State's health plan costs and administrative requirements for compliance. Beginning July 1, 2015, the State was required to offer health insurance at full-time rates for employees working 30 hours or more on average. The State determines eligibility for employees working more than 30 hours a week through a 12-month look-back measurement.

In early 2016, the State was required to issue financial reports to the IRS and to employees eligible and enrolled on the State's health insurance coverage during 2015.

Finally, the State continues to monitor the impact of the excise tax exposure that will affect health plans and other tax advantaged benefits beginning in 2020.

HealthFitness continues to administer **wellNEssoptions** for 2016-17. UHC and OptumRx will continue as health and pharmacy third-party administrators through the 2017-2018 plan year.

The State is continually monitoring health care trends in the industry and partnering with groups such as Segal, UHC and others to seek out, analyze and provide the best features and options for employees and taxpayers. Cutting-edge practices, particularly in the area of specialty drug management and utilization will continue to be a challenge for the State. New initiatives to reverse the increasing trend of diabetic health plan members also will be a priority.

In addition to a competitive health and wellness program, DAS also works to ensure that employees and their families are able to participate in other group benefits including dental, vision, employee assistance program, flexible spending accounts, life and long term disability. We offer a quality benefit package designed to attract and retain a best in class State of Nebraska workforce.

Glossary

ACA (Affordable Care Act) – Health care legislation signed in to law March 23, 2010. The law includes new health plan provisions rolled out over multiple years.

Aon Hewitt – An independent, nationally recognized actuary and health care consulting firm in charge of Nebraska's actuarial reports and calculations until 2016.

Brand Name Drug - A drug that has a trade name and is protected by a patent (It can be produced and sold only by the company holding the patent).

CFR (Claims Fluctuation Reserve) - An amount of money set aside (reserved) to pay for an unusually high volume of claims or unexpected number of claims.

Chronic Conditions - A diagnosis of diabetes mellitus, migraine, hypertension, hypertensive heart disease, heart failure, chronic bronchitis, asthma, etc.

Claimant - A unique participant for whom a claim was submitted for payment.

COBRA (Consolidated Omnibus Budget Reconciliation Act) - An option for a worker to continue group health benefits for a limited time following the termination of those benefits due to job loss, reduction in work hours, etc.

Employee - The primary subscriber of the health benefits. Employee includes active employees, retirees, and COBRA participants.

Generic Drug - Drug which contains the same active ingredients as brand-name medications but often cost less. Once the patent of a brand-name medication ends, the FDA can approve a generic version with the same active ingredients.

HealthFitness™ - Administrator of the State's wellness program, **wellNEssoptions**.

High Cost Claimant - A claimant whose total net payments for a given time period are equal to or in excess of $100,000.

HIPAA (Health Insurance Portability and Accountability Act of 1996) – Law designed to help people keep health insurance and provide privacy standards to protect healthcare information.

IBNP (Incurred But Not Paid) - Estimate of health plan claims incurred for a time period for which payments have not been processed.

IBNR Analysis Report – Report prepared by actuarial consultants for the State which provides an estimate of medical and pharmacy claims incurred as of the last day of the plan year but not yet processed for payment.

Glossary (continued)

NAPE/AFSCME – Nebraska Association of Public Employees, Local 61, of the American Federation of State, County and Municipal Employees. The labor union who represents several groups of employees who work at the State of Nebraska.

Net Paid - The total amount paid by the plan, after the application of discounts and after any member responsibility and coordination of benefits.

Network Discount Percent - Amount of reduction from billed amount that the third party administrator has negotiated with the provider.

Network Utilization - Eligible charges incurred using in-network providers.

OptumRx – Pharmacy benefit manager affiliated with UHC and administrator of the State's pharmacy benefit plan.

Norm - Based on a peer group average and not adjusted for characteristics of covered population.

Outpatient – Medicare care or treatment that does not require an overnight stay in a hospital or medical facility. It may be provided in a medical office, hospital or outpatient surgery center.

Participant - A person eligible for plan benefits. A participant may be an employee, covered spouse or other legal dependent.

Peer Group - A group of city, state, and county public employers selected by UHC.

PEPM (Per Employee Per Month) - The average revenues, expense, or utilization of services for one employee for one month.

PMPM (Per Member Per Month) - The average revenues, expense or utilization of services for one participant for one month.

Premium Rate Analysis Report – Report used to project contribution rates for the upcoming plan year(s) based on claims experience and participant data.

Preventive Visits - Professional office visits considered precautionary.

Segal - An independent, nationally recognized actuary and employee benefits consulting firm responsible for Nebraska's actuarial reports and calculations starting in 2016.

United Healthcare (UHC) – Administrator of the State's health insurance program.

wellNEssoptions - The State of Nebraska's wellness program, administered by HealthFitness™.