Claim Administration Audit Findings Report

HEALTH REIMBURSEMENT ARRANGEMENT

State of Nevada Public Employees' Benefit Plan
Administered by Via Benefits from WTW

Audit Period: July 1, 2025 – June 30, 2026

Presented to

State of Nevada Public Employees' Benefit Plan

November 17, 2026

CTI Audit Solutions

Proprietary and Confidential

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EXECUTIVE SUMMARY

This Comprehensive Audit Report is a compilation of the detailed information, findings, and conclusions drawn from CTI Audit Solutions audit of Via Benefits from WTW's) administration of the State of Nevada Public Employees' Benefit Plan (PEBP) Medicare Exchange Health Reimbursement Arrangement (HRA) plan.

Scope
CTI performed an audit of Via Benefits' administration of the PEBP HRA for the period of July 1, 2025 through June 30, 2026 (plan year 2026). The population of claims and amount paid during the audit period was taken from the paid claim file provided by Via Benefits.

Health Reimbursement Arrangement (HRA)	
Total Paid Amount	$15,708,137
Total Number of Claims Paid/Denied/Adjusted	155,904

The audit included the following components which are described in more detail in the following pages.

- Operational Review
- Random Sample Audit
- Eligibility Verification

Auditor's Opinion

Based on these findings, and in our opinion:

1. Via Benefits continued to provide good service to PEBP members. It exceeded performance guarantees for five of its seven self-reported measures and met all three measures validated by the random sample audit.

2. Based on the random sample findings, CTI recommends Via Benefits provide claim processors with coaching on the errors identified during the audit, with focus on verification of claim service dates and eligible expense documentation.

Random Sample Audit Performance Guarantee Summary

Via Benefits met all three metrics for PEBP in plan year 2026; no penalty is owed.

FY 2026 Annual Metrics	Guarantee	Met/Not Met	Penalty
Claim Financial Precision	98%	Met – 99.09%	$0
Claim Processing Payment Precision	98%	Met – 99.0%	$0
Claim Processing Turnaround Time	Average 2 business days	Met – 0.18 days	$0
		Total Penalty	**$0**

AUDIT OBJECTIVES

This report contains CTI's findings from our audit of Via Benefits' administration of the PEBP's Medicare HRA plan. We provide this report to PEBP, the plan sponsor, and Via Benefits, the claim administrator. A copy of Via Benefits' response to these findings can be found in the appendix of this report.

CTI conducted the audit according to accepted standards and procedures for claim audits in the health insurance industry. We based our audit findings on the data and information provided by PEBP and Via Benefits. The validity of our findings relies on the accuracy and completeness of that information. We planned and performed the audit to obtain reasonable assurance that claims were adjudicated according to the terms of the contract between Via Benefits and PEBP.

CTI specializes in the audit and control of health plan claim administration. Accordingly, the statements we make relate narrowly and specifically to the overall effectiveness of policies, procedures, and systems Via Benefits used to pay PEBP's claims during the audit period. While performing the audit, CTI complied with all confidentiality, non-disclosure, and conflict of interest requirements and did not receive anything of value or any benefit of any kind other than agreed upon audit fees.

The objectives of CTI's audit of Via Benefits' claim administration were to determine whether:

- Via Benefits followed the terms of its contract with PEBP;
- Via Benefits paid claims according to the provisions of the plan documents and if those provisions were clear and consistent; and
- members were eligible for PEBP's benefits at the time a service paid by Via Benefits was incurred.

OPERATIONAL REVIEW

Objectives

CTI's Operational Review evaluated Via Benefits' claim system, staffing, and procedures related to administration including enrollment, customer service, and overpayment recovery. It was also used to verify compliance with contract terms and in support of our Random Sample Audit activities.

Scope

The scope of our review included:

- Claim administrator information:
  - Insurance and bonding
  - Conflicts of interest
  - Performance standards
  - Business continuity planning
  - System software
  - Offsite claim administration
- Claim funding:
  - Claim funding mechanism
  - Check processing and security
- Claim adjudication, customer service, and eligibility maintenance procedures:
  - Contributions and rollovers
  - Claim processing
  - Customer service call and inquiry handling
  - Overpayment and adjustments
  - System security
- Privacy and security compliance

Methodology

CTI used an Operational Review Questionnaire to gather information from Via Benefits. We reviewed Via Benefits' responses and any supporting documentation supplied to gain an understanding of the procedures, staffing, and systems used to administer the PEBP's HRA plan. This allowed us to conduct the audit more effectively.

Findings

We observed the following from Via Benefits' response to the operational review questionnaire:

- Via Benefits indicated it maintained levels and types of insurance reasonable and customary for a health services organization with comparable size and market presence.
- Willis Towers Watson (WTW), parent company of Via Benefits, reported it had been audited by KPMG LLP, for compliance with the standards of the American Institute of Certified Public Accountants through the issuance of a Service Organization Controls (SOC) 1 Report and provided CTI a copy of the report for the period October 1, 2024 through September 30, 2026. It also provided a bridge letter dated January 2, 2026.
- The business continuity plan provided by Via Benefits included two approaches to data protection:
  1) continuous offsite replication to a second, geographically distant location and,
  2) the use of daily backups of files and databases.
- Via Benefits indicated no claim processing functions, member or services were outsourced. A dedicated internal team of claim processors handled all claim processing.

- Refunds and returned checks were forwarded to PEBP for deposit into PEBP's bank account.
- Via Benefits indicated PEBP provided the allocation amount for which participants were eligible. Effective May 31, 2021, PEBP implemented an $8,000 cap on the available balance.
- Via Benefits indicated loss of HRA eligibility was the biggest reason for a claim overpayment; and the biggest reason for loss of eligibility was a late notification of death status.
- Via Benefits provided an overpayment report for FY2026 showing $1,022,068 in overpayments on 2,086 transactions. The total amount recovered was not indicated in the report.
- Customer service operations were available via phone Monday through Friday from 8:00 AM to 6:00 PM EST. Additionally, the online portal allowed members to submit claims, check claim status, check participant balance, support documents submittal, and view historical information.
- Via Benefits communicated with account holders via mail or email. It provided a one-time HRA welcome packet mailing upon initial qualification, digital newsletters approximately every two months, and a one-time enrollment guide mailing when a participant aged into Medicare.
- Via Benefits reported it used secure system passwords and system authorization, as well as separation of duties to maintain system security. It also limited access to eligibility maintenance and claim adjudication.
- Via Benefits' Acclaim System Controls document provided a thorough overview including detail on data entry logic, duplicate logic, processing thresholds for processor levels, and overpayment logic as examples.
- Web-based security and compliance training was provided to Via Benefits staff within 90 days after hire and then annually thereafter.
- Via Benefits reported there were no privacy or security breaches identified during the audit period.

PERFORMANCE GUARANTEE VALIDATION

As part of CTI's audit of PEBP, we reviewed the self-reported Performance Guarantees included in its contract with Via Benefits. The results for plan year 2026 show guarantees were missed in FY26 Q2 for Average Speed of Answer and Quarterly Customer Satisfaction Review and a penalty of $2,000 is owed for each.

Metric and Service Objective	Actual	Met/ Not Met
Reports Annual Review: Reports provided within 15 days.	All delivered within 15 days	Met
HRA Web Services Annual Review: 99% availability of web services for benefit information and HRA information exclusive of scheduled maintenance.	99.87%	Met
Customer Service Abandon Rate Annual Review: The percentage of incoming calls abandoned by participants be 5% or less.	3.19%	Met
Customer Service Speed to Answer Quarter Review: Incoming telephone calls answered in less than or equal to: Ninety seconds in Q1 PY 2026 Five minutes in Q2 PY 2026 Two minutes in Q3 PY 2026 Ninety seconds in Q4 PY 2026	 Q1 PY 2026 – 1:18 Q2 PY 2026– 5:16 Q3 PY 2026 – 0:34 Q4 PY 2026 – 0:15	 Met Not Met Met Met
Customer Satisfaction Quarterly Review: At least 80% of participants surveyed will be satisfied with services.	Q1 PY 2026– 91.06% Q2 PY 2026– 77.53% Q3 PY 2026– 86.27% Q4 PY 2026– 92.45%	Met Not Met Met Met
Disclosure of Subcontractors Per Violation: additional subcontractors shall not be engaged, unless at least 60 days prior notice to the engagement of a new subcontractor.	100%	Met
Unauthorized Transfer of Data Per Violation: All data will be stored, processed, and maintained on designated servers. Any changes must have 60 day notification.	100%	Met

RANDOM SAMPLE AUDIT

Objective
The objective of the Random Sample Audit was to identify any administrative process deficiencies in PEBP's health reimbursement arrangement claims.

Scope
The Random Sample Audit included a random sample of 200 HRA claims paid or denied during the audit period. Via Benefits' performance was measured for the following key performance categories:

- Claim Financial Precision
- Claim Processing Payment Precision

We also measured claim turnaround time, a commonly relied upon performance measure.

Methodology
The Random Sample Audit was conducted remotely at CTI's West Des Moines, Iowa office. A CTI auditor reviewed each sample claim selected to determine if it was paid or processed correctly based on member eligibility or plan provisions as defined in the plan documents or amendments.

CTI cited errors when a sampled claim was determined to have been paid or processed incorrectly. Payment errors were observed based on how the selected claim was paid and the information Via Benefits had at the time the transaction was processed.

Findings
CTI defines claim financial precision as the total correct claim payments made compared to the total dollars of correct claim payments that should have been made for the audit sample. Claim processing payment precision is defined as the total number of payments made correctly without a payment or nonpayment error compared to the total number of payments issued. The sampled claims were selected from the PEBP HRA claims processed during the 2025 plan year.

Via Benefits met the performance guarantees for claim financial precision and claim turnaround time, they did not meet the guarantee for claim processing payment precision.

Note: A summary of each finding follows the chart below.

Performance Measure	Claims Sampled		Sampled Claims with Errors		Result
	Claims	Dollars Paid	Claims	Dollars Paid	
Claim Financial Precision	200	$22,034.27	1	$202.90	99.09%
Claim Processing Payment Precision	200		2		99.00%
Claim Turnaround Time	Average 2 business days				0.18 days

Random Sample Findings Detail Report			
Audit Number	**Over/ (Under) Paid**	**Via Benefits Response**	**CTI's Conclusion**
Incorrect Denial of Eligible Expense			
1152	($202.90)	Agree.	Procedural error and underpayment remain. The sample claim was denied for not having all documentation needed to pay; however, all information was provided with submission, and claim should have paid. The claim was subsequently re-submitted by member and benefits have been paid.
Incorrect Date of Service Used			
1174	NA	Agree.	Procedural error remains. The incorrect date of service was used on the transaction.

Additional Observations

During the Random Sample Audit, our auditor observed the following procedures or situations that may not have caused an error on the sampled claim but may impact future claims or overall quality of service.

Audit Number	Observation
1046	During review of this sample claim, CTI identified an out-of-sample claim processed with an incorrect date of service. An inaccurate date of service may prevent the system from appropriately identifying a subsequent submission as a potential duplicate, increasing the risk of duplicate payment.

ELIGIBILITY VERIFICATION

CTI electronically compared dates of service to PEBP's electronic eligibility file received from TELUS Health. CTI's screening revealed some services were paid during the audit period for potentially ineligible claimants. The results were provided to TELUS Health for its review and comment. At this time, potentially overpaid amounts have been flagged into one of the following categories:

Description	Claim Lines	Members	Paid Amount*
Member Not on File	284	26	$33,706
Incurred After Member Benefit End Date	99	56	$15,446
Incurred Prior to Member Benefit Begin Date	3	1	$420
TOTALS	**383**	**82**	**$49,572**

**CTI notes that 0.315% of PEBP's total medical spend processed by Via Benefits was identified as paid for members who may not have been eligible for coverage. These results are within the norm of less than 0.5% CTI generally reports.*

PLAN YEAR 2026 RECOMMENDATIONS

Based on the findings of the plan year 2026 audit, CTI recommends:

1. Via Benefits coach its claim processors on errors identified during the audit including:
    - Incorrect denial of eligible expenses
    - Verification of claim dates of service
2. PEBP ensures receipt of penalty payments for missed performance guarantees for:
    - Customer Satisfaction Review – $2,000 for Q2 FY26
    - Customer Service Average Speed of Answer – $2,000 for Q2 FY26
3. PEBP and TELUS review eligibility screening results for potential workflow improvements to reduce payments made for ineligible members.

CONCLUSION

Based on the random audit findings, Via Benefits met the performance metrics for claim financial precision, claim processing payment precision, and claim turnaround time in FY2026.

We consider it a privilege to have worked for, and with, your staff and administrator. Thank you for choosing CTI.

APPENDIX – ADMINISTRATOR RESPONSE TO DRAFT REPORT

Your administrator's response to the draft report can be found on the following pages. Additional information submitted to CTI from Via Benefits in response to the draft report is reviewed and observations may be removed prior to the final report being published. While a removed observation will not be included in the final report, it may be referenced in the administrator's response to the draft report.

October 12, 2026

State of Nevada Public Employees Benefits Program:

On behalf of Willis Towers Watson (WTW) regarding the draft report of the Audit of the State of Nevada Public Employees' Benefits Program Health Savings Account and Health Reimbursement Arrangement for the period of July 2025-June 2026 please see our response to the report and the auditors' recommendations below:

WTW Response:

Claim Technologies Incorporated noted that of the 200 claims reviewed there were two claims processing errors after review with the auditors, WTW agrees to the claims processing errors regarding audit number 1152 and 1174.

Observation:

-In regard to audit number 1046, we acknowledge the date of service was processed incorrectly, however, as stated the claim was out of the original scope. The error resulted in an error entry, not a duplicate payment, as the entry was related to a separate expense item.

Recommendations:

1. WTW's Claims Manager has confirmed that claim processors are coached on all identified errors, and we have shared the report broadly with the onshore team.
2. WTW will pay Nevada PEBP for the following missed performance guarantees as soon as administratively possible once the report is provided to the Nevada PEBP Board of Directors. The total penalty is $4,000.00.

Customer Service Speed to Answer Quarter Review: Incoming telephone calls answered in less than or equal to:		
Ninety seconds in Q1 PY 2026	Q1 PY 2026 – 1:18	Met
Five minutes in Q2 PY 2026	Q2 PY 2026– 5:16	Not Met
Two minutes in Q3 PY 2026	Q3 PY 2026 – 0:34	Met
Ninety seconds in Q4 PY 2026	Q4 PY 2026 – 0:15	Met
Customer Satisfaction Quarterly Review: At least 80% of participants surveyed will be satisfied with services.	Q1 PY 2026– 91.06%	Met
	Q2 PY 2026– 77.53%	Not Met
	Q3 PY 2026– 86.27%	Met
	Q4 PY 2026– 92.45%	Met

3. WTW works with TELUS Health to identify participants who have had incorrect data loaded on their accounts, which can cause participants to lose their HRA qualification and place their account into overpayment. Nevada PEBP is aware of the incorrect data that was sent to WTW and that WTW and TELUS are working together to identify impacted participants and ensure correct data is received to

update the accounts. WTW will continue to work with TELUS and Nevada PEBP on identifying solutions for data corrections.

In conclusion this audit has provided valuable insights. We are confident the recommendations outlined in this report will contribute to the continued success of service to the participants. We appreciate the cooperation demonstrated by Claim Technologies Incorporated on behalf of the State of Nevada Public Employees' Benefits Program. We look forward to our continued partnership.

CTI representatives may from time to time provide observations regarding certain tax and legal requirements including the requirements of federal and state health care reform legislation. These observations are based on our good faith interpretation of laws and regulations currently in effect and are not intended to be a substitute for legal or tax advice. Please contact your legal counsel and tax accountant for advice regarding legal and tax requirements.



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