

SENATE CONCURRENT RESOLUTION No. 50—COMMITTEE ON LEGISLATIVE
AFFAIRS AND OPERATIONS

MAY 28, 2001

Referred to Committee on Legislative Affairs and Operations

SUMMARY—Directs Legislative Commission to conduct interim study of certain systems
that offer health benefits provided by various governmental employers.
(BDR R-1549)

~

EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~omitted material~~ is material to be omitted.

SENATE CONCURRENT RESOLUTION—Directing the Legislative Commission to
conduct an interim study of certain systems that offer health benefits provided by
various governmental employers.

- 1 WHEREAS, In Nevada, insurance trusts are a part of the systems that
2 offer health benefits provided by state and local governmental employers
3 for the benefit of certain public employees; and
4 WHEREAS, Insurance trusts are financed primarily through premiums
5 that are subsidized in large part by the taxpayers of Nevada; and
6 WHEREAS, Unlike private insurance companies that must comply with
7 state laws, such as those which set time limits on the review and payment
8 of medical claims, the insurance trusts that serve certain public employees
9 are not subject to state or federal regulation; and
10 WHEREAS, Recent reviews and comprehensive audits of certain
11 insurance trusts have revealed serious problems in the management of
12 these benefit programs; and
13 WHEREAS, Some of the problems occurring in the fiscal
14 mismanagement of insurance trusts include unpaid claims of medical
15 providers that were eventually sent to collections, thus impairing the credit
16 report of certain governmental employees who are individual trust
17 members, and reports of trust members being dropped by their physicians
18 or having the provision of services limited; now, therefore, be it
19 RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE ASSEMBLY
20 CONCURRING, That the Legislative Commission is hereby directed to
21 appoint a committee, composed of members of the Senate and members of
22 the Assembly, to study certain systems that offer health benefits provided
23 by various governmental employers in Nevada; and be it further
24 RESOLVED, That the study must include, without limitation, an analysis
25 of:



* S C R 5 0 *

- 1 1. The operational practices of insurance trusts that have led to a huge
2 backlog of medical claims and the nonpayment or delinquent payment of
3 medical claims;
- 4 2. Fiscal mismanagement by insurance trusts;
- 5 3. Allegations of unnecessary inflation of overhead in some insurance
6 trusts;
- 7 4. The fiduciary obligations of the trustees;
- 8 5. The financial soundness of insurance trusts that offer health benefits
9 and suggestions for protection of Nevada's taxpayers and the employees
10 and retirees covered by insurance trusts in the event such a system fails;
- 11 6. The impact on the state budget and health benefits plan, if any, in
12 the event an insurance trust fails; and
- 13 7. Disclosure of financial information and other pertinent plan
14 information; and be it further
- 15 RESOLVED, That any recommended legislation proposed by the
16 committee must be approved by a majority of the members of the Senate
17 and a majority of the members of the Assembly appointed to the
18 committee; and be it further
- 19 RESOLVED, That the Legislative Commission shall submit a report of
20 the results of the study and any recommended legislation to the 72nd
21 session of the Nevada Legislature.

