SENATE BILL NO. 352–SENATOR HUTCHISON

MARCH 18, 2013

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Revises provisions relating to the Silver State Health Insurance Exchange. (BDR 57-1057)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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

AN ACT relating to insurance; revising provisions governing the membership of the Board of Directors of the Silver State Health Insurance Exchange; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the Silver State Health Insurance Exchange is governed by a Board of Directors. The Board consists of seven voting members and three ex officio nonvoting members. Existing law provides that five of the voting members are appointed by the Governor, one voting member is appointed by the Senate Majority Leader and one voting member is appointed by the Speaker of the Assembly. Under existing law, the voting members of the Board are required to possess expertise or experience in one of several industries or as a consumer or consumer advocate for those who would benefit from the services provided by the Exchange. (NRS 695I.300) **Section 1** of this bill adds two additional voting members to the Board who are to be appointed by the Governor. **Section 1** also requires that each voting member of the Board have a minimum of 5 years of experience in one of the various industries listed, or as a consumer or consumer advocate, and adds to that list experience in the large employer health insurance market and experience in the insurance industry generally. **Section 1** also removes the prohibition on any voting member of the Board being affiliated with a health insurer. **Section 2** of this bill requires the Governor to appoint two new voting members to the Board on or before July 1, 2013, one with at least 5 years of experience in the large employer health insurance market and one with at least 5 years of experience in the insurance industry generally. **Section 3** of this bill provides that the amendatory provisions of this bill do not affect the current term of appointment of any person who, as of the effective date of this act, is a voting member of the Board.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 695I.300 is hereby amended to read as follows:

695I.300 1. The governing authority of the Exchange is the Board, consisting of ~~[seven]~~ ***nine*** voting members and three ex officio nonvoting members.

2. Subject to the provisions of subsections 3, 4 and 5:

(a) The Governor shall appoint ~~[five]~~ ***seven*** voting members of the Board;

(b) The Senate Majority Leader shall appoint one voting member of the Board; and

(c) The Speaker of the Assembly shall appoint one voting member of the Board.

3. Each voting member of the Board must have ~~[:]~~ ***a minimum of 5 years of experience:***

(a) ~~[Expertise in]~~ ***In*** the individual or small employer health insurance market;

(b) ~~[Expertise in]~~ ***In the large employer health insurance market;***

(c) In the insurance industry generally;

(d) In health care administration, health care financing or health information technology;

~~[(c) Expertise in]~~

(e) In the administration of health care delivery systems;

~~[(d) Experience as]~~

(f) As a consumer who would benefit from services provided by the Exchange; or

~~[(e) Experience as]~~

(g) As a consumer advocate, including, without limitation, experience in consumer outreach and education for those who would benefit from services provided by the Exchange.

4. When making an appointment pursuant to subsection 2, the Governor, the Majority Leader and the Speaker of the Assembly shall consider the collective expertise and experience of the voting members of the Board and shall attempt to make each appointment so that:

(a) The areas of expertise and experience described in subsection 3 are collectively represented by the voting members of the Board; and

(b) The voting members of the Board represent a range and diversity of skills, knowledge, experience and geographic and stakeholder perspectives.

5. A voting member of the Board may not be a Legislator or hold any elective office in State Government.

6. ~~[While serving on the Board, a voting member may not be in any way affiliated with a health insurer, including, without limitation, being an employee of, consultant to or member of the board of directors of a health insurer, having an ownership interest in a health insurer or otherwise being a representative of a health insurer.~~

~~7.]~~ The following are ex officio nonvoting members of the Board who shall assist the voting members of the Board by providing advice and expertise:

(a) The Director of the Department of Health and Human Services, or his or her designee;

(b) The Director of the Department of Business and Industry, or his or her designee; and

(c) The Director of the Department of Administration, or his or her designee.

7. As used in this section, "large employer" means an employer who employed on business days during the preceding calendar year an average of more than 50 employees who have a normal workweek of 30 hours or more.

Sec. 2. On or before July 1, 2013, the Governor shall appoint to the Board of Directors of the Silver State Health Insurance Exchange:

1. One voting member who has a minimum of 5 years of experience in the large employer health insurance market, to a term commencing on July 1, 2013, and expiring on June 30, 2016.

2. One voting member who has a minimum of 5 years of experience in the insurance industry generally, to a term commencing on July 1, 2013, and expiring on June 30, 2015.

Sec. 3. The amendatory provisions of this act do not affect the current term of appointment of any person who is, on the effective date of this act, a voting member of the Board of Directors of the Silver State Health Insurance Exchange.

Sec. 4. This act becomes effective upon passage and approval.