

ASSEMBLY BILL NO. 86—COMMITTEE
ON COMMERCE AND LABOR

(ON BEHALF OF THE GOVERNOR)

PREFILED DECEMBER 20, 2014

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing the Silver State Health Insurance Exchange. (BDR 57-390)

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

Legislative Counsel’s Digest:

1 Existing law establishes the Silver State Health Insurance Exchange and
2 provides for a governing board consisting of seven voting members and three ex-
3 officio nonvoting members. (Chapter 695I of NRS) Existing law further provides
4 that the members of the Board of Directors must not be affiliated in any way with a
5 health insurer, shall not receive compensation for attending Board meetings and
6 must hold a Board meeting at least once every quarter. (NRS 695I.300, 695I.330,
7 695I.340) **Section 1** of this bill removes the requirement that the Exchange be
8 “state based.” **Section 2** of this bill expands the membership of the Board to nine
9 voting members, eliminates the prohibition against appointing to the Board a
10 person affiliated with a health insurer and provides that not more than two of the
11 voting members of the Board may represent any particular area of expertise or
12 experience. **Section 3** of this bill authorizes compensation to Board members who
13 are engaged in the business of the Board. **Section 4** of this bill reduces the required
14 number of Board meetings to one per calendar year.



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

Section 1. NRS 695I.210 is hereby amended to read as follows:

695I.210 1. The Exchange shall:

(a) Create and administer a ~~state-based~~ health insurance exchange;

(b) Facilitate the purchase and sale of qualified health plans;

(c) Provide for the establishment of a program to assist qualified small employers in Nevada in facilitating the enrollment of their employees in qualified health plans offered in the small group market;

(d) Make only qualified health plans available to qualified individuals and qualified small employers on or after January 1, 2014; and

(e) Unless the Federal Act is repealed or is held to be unconstitutional or otherwise invalid or unlawful, perform all duties that are required of the Exchange to implement the requirements of the Federal Act.

2. The Exchange may:

(a) Enter into contracts with any person, including, without limitation, a local government, a political subdivision of a local government and a governmental agency, to assist in carrying out the duties and powers of the Exchange or the Board; and

(b) Apply for and accept any gift, donation, bequest, grant or other source of money to carry out the duties and powers of the Exchange or the Board.

3. The Exchange is subject to the provisions of chapter 333 of NRS.

Sec. 2. 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~~ *to 6, inclusive*:

(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) Expertise in the individual or small employer health insurance market;



(b) Expertise in health care administration, health care financing , ~~for~~ health information technology ~~+~~ *or health insurance;*

(c) Expertise in the administration of health care delivery systems;

(d) Experience as a consumer who would benefit from services provided by the Exchange; or

(e) Experience 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. *When making an appointment pursuant to subsection 2, the Governor, the Majority Leader and the Speaker of the Assembly shall, as vacancies on the Board occur, ensure that not more than two voting members of the Board represent any particular area of expertise or experience described in paragraph (a), (b), (c), (d) or (e) of subsection 3.*

6. 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.



1 **Sec. 3.** NRS 695I.330 is hereby amended to read as follows:

2 695I.330 1. ~~{Except as otherwise provided in subsection 2,~~
3 ~~the voting members of the Board shall serve without compensation.}~~
4 *To the extent that money is available for that purpose, each*
5 *member of the Board who is not an officer or employee of the*
6 *State of Nevada or a political subdivision of the State is entitled to*
7 *receive a salary of not more than \$80 per day, as fixed by the*
8 *Executive Director, for each day or portion of a day spent on the*
9 *business of the Board.*

10 2. If sufficient money is available from federal grant funds or
11 revenues generated by the Exchange, each member is entitled to
12 receive the per diem allowance and travel expenses provided for
13 state officers and employees generally while attending meetings of
14 the Board or otherwise engaged in the business of the Board.

15 **Sec. 4.** NRS 695I.340 is hereby amended to read as follows:

16 695I.340 1. The Board shall meet:

17 (a) At least once each calendar ~~{quarter;}~~ *year;* and

18 (b) At other times upon the call of the Chair or a majority of the
19 voting members.

20 2. A majority of the voting members of the Board constitutes a
21 quorum for the transaction of business.

22 3. A member of the Board may not vote by proxy.

23 **Sec. 5.** As soon as practicable after passage and approval of
24 this act, the Governor shall appoint two additional members to the
25 Board of Directors of the Silver State Health Insurance Exchange in
26 accordance with the provisions of section 2 of this act to initial
27 terms ending on June 30, 2017.

28 **Sec. 6.** This act becomes effective on July 1, 2015.

