

SENATE BILL NO. 472—COMMITTEE ON FINANCE

(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MARCH 23, 2015

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing the eligibility of state officers and employees for health benefits. (BDR 23-1193)

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 public employees; revising provisions governing the eligibility of newly hired public officers and employees for participation in the Public Employees' Benefits Program; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing federal law prohibits a waiting period of longer than 90 days for a newly hired employee to join an employer sponsored health care plan. (Patient Protection and Affordable Care Act, Pub. L. No. 111-148, § 2708; 26 C.F.R. § 54.9815-2708)

Existing state law creates a Public Employees' Benefits Program to provide group life, accident or health insurance to certain public employees, state officers and members of the Legislature in this State. (NRS 287.043) Under existing law, professional employees of the Nevada System of Higher Education are eligible to enroll in the Program: (1) on the effective date of their employment contracts, if that date is the first day of the month; or (2) on the first day of the month immediately following the effective date of their employment contracts. All other public employees, state officers and members of the Legislature who may participate in the Program become eligible to enroll on the first day of the month after the completion of 90 days of full-time employment or service in office. (NRS 287.045)

This bill revises the date on which certain public employees, state officers and members of the Legislature become eligible to participate in the Program to: (1) the date of hire or first day of the term of office of the public employee, state officer or member of the Legislature if that date is the first day of the month; or (2) the first



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20 day of the month immediately following the date of hire or first day of the term of
21 office of the public employee, state officer or member of the Legislature.

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

1 **Section 1.** NRS 287.045 is hereby amended to read as follows:

2 287.045 1. Except as otherwise provided in this section,
3 every state officer or employee *who is employed in a full-time*
4 *position* is eligible to participate in the Program on ~~the~~ :

5 (a) *The first day of full-time employment of the state officer or*
6 *employee, if that date is the first day of the month; or*

7 (b) *The first day of the month immediately following the*
8 ~~completion of 90 days~~ *first day* of full-time employment ~~of the~~ *of the*
9 *state officer or employee.*

10 2. Professional employees of the Nevada System of Higher
11 Education who have annual employment contracts are eligible to
12 participate in the Program on:

13 (a) The effective dates of their respective employment contracts,
14 if those dates are on the first day of a month; or

15 (b) The first day of the month *immediately* following the
16 effective dates of their respective employment contracts, if those
17 dates are not on the first day of a month.

18 3. Every officer or employee who is employed by a
19 participating local governmental agency on a permanent and full-
20 time basis on the date on which the participating local governmental
21 agency enters into an agreement to participate in the Program
22 pursuant to paragraph (a) of subsection 1 of NRS 287.025, and
23 every officer or employee who commences employment with that
24 participating local governmental agency after that date, is eligible to
25 participate in the Program on ~~the~~ :

26 (a) *The first day of full-time employment of the officer or*
27 *employee, if that date is the first day of the month; or*

28 (b) *The first day of the month immediately following the*
29 ~~completion of 90 days~~ *first day* of full-time employment ~~of the~~ *of the*
30 *officer or employee,*

31 ↪ unless that officer or employee is excluded pursuant to sub-
32 subparagraph (III) of subparagraph (2) of paragraph (h) of
33 subsection 2 of NRS 287.043.

34 4. Every member of the Senate and Assembly is eligible to
35 participate in the Program on ~~the~~ :

36 (a) *The first day of the initial term of office of the member, if*
37 *that date is the first day of the month; or*



(b) *The first day of the month immediately following the ~~[90th day after the member's initial term of office begins.] first day of the initial term of office of the member.~~*

5. *For each eligible person identified in subsections 1 to 4, inclusive, the Program must receive the notice required pursuant to NRS 287.0439 before the date on which the person is eligible to enroll in the Program. If the Program does not receive the notice required pursuant to NRS 287.0439 before the date on which the person is eligible to enroll in the Program, the person will not be eligible to enroll in the Program until the first day of the month immediately after the Program received the notice required pursuant to NRS 287.0439 for that person.*

6. *Each person identified in subsections 1, 2 and 3 must enroll in the Program before the end of the first month in which he or she is eligible to enroll in the Program. If the person fails to enroll in the Program before the end of the first month in which he or she is eligible to enroll in the Program, he or she will be automatically enrolled on an individual basis, without coverage for dependents, in the base plan offered by the Program. Such a person must be allowed to:*

(a) *Change the plan in which they are enrolled during the next period of open enrollment; and*

(b) *Add eligible dependents during the next period of open enrollment or after meeting the applicable terms and conditions of the Program.*

7. *Notwithstanding the provisions of subsections 1, 3 and 4, if the Board does not, pursuant to NRS 689B.580, elect to exclude the Program from compliance with NRS 689B.340 to 689B.580, inclusive, and if the coverage under the Program is provided by a health maintenance organization authorized to transact insurance in this State pursuant to chapter 695C of NRS, any affiliation period imposed by the Program may not exceed the statutory limit for an affiliation period set forth in NRS 689B.500.*

8. *As used in this section, "base plan" means the plan designated by the Board as the default plan for the year as described in the Program documents.*

Sec. 2. This act becomes effective on July 1, 2015.

