

**EXECUTIVE AGENCY
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: April 1, 2015

Agency Submitting: Nevada System of Higher Education

Items of Revenue or Expense, or Both	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Effect on Future Biennia
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

At this point in time, it is not possible for the Nevada System of Higher Education (NSHE) to estimate the fiscal impact of the proposed legislation.

Currently, the Public Employees' Benefits Program (PEBP) already requires agencies, including NSHE, to pay the employer subsidy for all benefits eligible employees, including during the established "waiting period." This includes medical residents employed by the NSHE.

The eligibility for benefits for individuals hired through Letters of Appointment (LOA) is dependent upon the intent (academic and administrative) and duration of the position. If the LOA position is not intended to be a benefits eligible position, then no additional costs would be incurred. However, if the position is intended to be a "full time employee" (working 80 or more hours per month), then additional costs would be incurred. An additional factor complicating the calculation of the fiscal impact is the varying nature of LOA positions. The expectations of these positions and the duration of employment may vary from semester to semester and year to year, based on the courses offered at the institution and on student enrollment, as well as the staffing needs of the institution.

The NSHE is in the process of developing an Affordable Care Act (ACA) policy for review and approval by the Board of Regents. The approved policy would then be transmitted to the PEBP with a request to exclude certain types of positions (LOAs, student workers, or casual laborers) be excluded from the definition of "full time employee", as these positions are not intended to be benefits eligible.

Name Heidi Sakelarios

Title Budget Officer

DEPARTMENT OF ADMINISTRATION'S COMMENTS

Date Monday, March 30, 2015

The agency's response appears reasonable.

Name James R. Wells, CPA

Title Interim Director