

**PROPOSED REGULATION OF THE BOARD OF THE
PUBLIC EMPLOYEES' BENEFITS PROGRAM**

LCB File No. R023-09

June 26, 2009

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

AUTHORITY: §§1 and 2, NRS 287.043; §§3 and 4, NRS 287.043 and 287.0479.

A REGULATION relating to public employees' benefits; amending the definition of "plan year"; and providing other matters properly relating thereto.

Section 1. NAC 287.085 is hereby amended to read as follows:

287.085 "Open enrollment" means the ~~annual~~ event in which:

1. Participants in the Program may change elections offered by the Program concerning coverage and dependents or, if eligible, join an opt-out plan.

2. Participants in an opt-out plan may join the Program or another opt-out plan for which they are eligible.

Sec. 2. NAC 287.100 is hereby amended to read as follows:

287.100 "Plan year" means the period ~~starting on July 1 and ending on the following June 30~~ *set forth by the Board* in which Program benefits and rates are offered for enrollment.

Sec. 3. NAC 287.359 is hereby amended to read as follows:

287.359 1. To apply to leave the Program in the next plan year, a group must submit an application to the Board on or after the first day of the first month of the current plan year but before ~~the~~:

(a) *The* first day of the fourth month of the current plan year ~~is~~; *or*

(b) If the current plan year is less than a calendar year, the date set forth by the Board as the last day to submit an application to leave the Program in the next plan year.

↪ If an application is received at any other time during the current plan year, the Board will return the application to the applicant.

2. If additional information is required to process any application, the Board will notify the representative of the group who is designated pursuant to NAC 287.357.

3. The Board will provide an opportunity for:

(a) A representative of the Program to present arguments for or against the approval of an application.

(b) The representative of the group who is designated pursuant to NAC 287.357 to present arguments that support the approval of an application.

4. The Board will grant or deny each application received pursuant to subsection 1 not later than ~~the~~:

(a) *The* 15th day of the sixth month of the current plan year ~~H~~; *or*

(b) If the current plan year is less than a calendar year, 75 days after the date set forth by the Board as the last day to submit an application to leave the Program in the next plan year.

5. The Board will notify each applicant of the date and time of the meeting during which the Board will render a decision on the application of the applicant.

Sec. 4. NAC 287.363 is hereby amended to read as follows:

287.363 1. A decision of the Board to grant an application to leave the Program will be in writing and will include, without limitation, the effective date of departure of the group from the Program and the dates for completion of any administrative tasks necessary to effect the departure of the group.

2. If the Board grants the application of a group to leave the Program:

(a) The group must ~~[, on or before the 25th day of the 8th month of the plan year in which the application is approved,]~~ submit to the Board a completed release and waiver of rights agreement, in a form acceptable to the Board, obtained from and signed by each member of the group. Such an agreement must include, without limitation, a description of the circumstances, if any, under which a member of the group, including, without limitation, active and retired members, may return to the Program.

(b) A contract, in a form acceptable to the Board, must be executed ~~[, on or before the 25th day of the 8th month of the plan year in which the application is approved,]~~ between the Program and the proposed opt-out plan of the group. The contract must:

(1) Set forth the terms of coverage for the group, provisions for the payment of premiums or contributions of participants to the opt-out plan and such other details necessary to effect departure of the group from the Program.

(2) Include, without limitation, provisions regarding the return to the Program of individual members of the group.

3. *The completed release and waiver of rights agreement must be submitted to the Board, and the contract between the Program and the proposed opt-out plan of the group that are required pursuant to subsection 2 must be executed between the Program and the proposed opt-out plan of the group, on or before:*

(a) The 25th day of the eighth month of the plan year in which the application is approved;
or

(b) If the current plan year is less than a calendar year, the date set forth by the Board.

4. If a group whose application to leave the Program has been approved by the Board fails to comply with the requirements of this section or any provision of the decision of the Board to grant the application of the group , ~~[by the 25th day of the 8th month of the plan year in which the application of the group was approved.]~~ the Board may declare the contract between the Program and the opt-out plan of the group void.