

**ADOPTED REGULATION OF THE  
BOARD OF THE PUBLIC EMPLOYEES' BENEFIT PROGRAM**

**LCB File No. R047-13**

Effective October 23, 2013

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

AUTHORITY: §§1 and 2, NRS 287.043.

A REGULATION relating to public employees; revising provisions relating to the eligibility of certain persons for coverage as a dependent under the Public Employees' Benefits Program; and providing other matters properly relating thereto.

**Section 1.** NAC 287.035 is hereby amended to read as follows:

287.035 “Dependent” includes, without limitation:

1. One spouse from a marriage pursuant to law or one domestic partner as defined in NRS 122A.030; and

2. Any ~~child~~ *person* described in NAC 287.312,

↪ who is determined to be eligible for coverage pursuant to NAC 287.313.

**Sec. 2.** NAC 287.312 is hereby amended to read as follows:

287.312 1. To determine whether the child of a participant or *of* his or her spouse or domestic partner who is incapable of self-support because of a physical or mental disability continues to be eligible for coverage by the Program, the Executive Officer or his or her designee:

(a) Shall require submission by a physician who provides care to the child of a written statement on a form prescribed by the Board indicating that the child has a mental or physical impairment which causes the child to be incapable of self-sustaining employment and to depend

on the participant or his or her spouse or domestic partner primarily for support. The written statement required by this paragraph must be prepared by the physician within 90 days before the statement is provided to the Program.

(b) May require:

(1) Submission of periodic updates regarding the physical or mental disability of the child by the participant or his or her spouse or domestic partner;

(2) Submission of the child to a mental or physical examination conducted by a physician selected by and at the expense of the Program; and

(3) Any other documentation required by the Program that demonstrates financial support of the child by the participant or his or her spouse or domestic partner.

2. ~~Children~~ *Persons who are* eligible for coverage as a dependent may include ~~biological~~ :

(a) *Biological* children ~~adopted~~ ;

(b) *Adopted* children ~~children~~ ;

(c) *Children* placed in the residence of the participant for adoption ~~stepchildren and any~~ ;

(d) *Stepchildren; and*

(e) *Any* other ~~child~~ *person* who ~~is related to~~ :

(1) *Bears a relationship described in 26 U.S.C. § 152(c)(2) to* the participant or his or her spouse or domestic partner ~~if the participant or his or her spouse or domestic partner is legally responsible for the child and the child is financially~~ ;

(2) *Is unmarried;*

(3) *Has not attained the age set forth in 45 C.F.R. § 147.120(a);*

*(4) Either resides with the participant or is enrolled in a program of secondary education or an independently accredited program of postsecondary education, including, without limitation, a college, university, community or junior college, graduate school or accredited trade or business school, on a full-time basis;*

*(5) Satisfies one of the following conditions:*

*(I) Is currently under a permanent legal guardianship of the participant or his or her spouse or domestic partner pursuant to chapter 159 of NRS; or*

*(II) Was eligible to be claimed as a dependent on the federal income tax return of the participant or his or her spouse or domestic partner for ~~care and support.~~ the immediately preceding calendar year; and*

*(6) Is in a relationship with the participant or his or her spouse or domestic partner that is similar to a child-parent relationship. The participant or his or her spouse or domestic partner must complete and submit to the Program an affidavit attesting to the fact of the relationship.*

3. A foster child of a participant or his or her spouse or domestic partner is not eligible for coverage as a dependent.

**LEGISLATIVE REVIEW OF ADOPTED REGULATIONS--NRS 233B.066**  
**Informational Statement**  
**LCB File No. R047-13**

**1. A clear and concise explanation of the need for the adopted regulation.**

The PEBP Board recognized that providing coverage to individuals who had aged out of a permanent legal guardianship could only be accomplished by changing regulation. The PEBP Board believed it to be matter of equality to extend coverage to such individuals.

**2. Description of how public comment was solicited, a summary of public response, and an explanation of how other interested persons may obtain a copy of the summary.**

Two workshops and an adoption hearing were held. Public comment was solicited by sending notices of the workshops and the adoption hearing to the Nevada State Library, all Nevada county libraries, Nevada State Library and Archives, Legislative Counsel Bureau in Carson City and Capitol Police in Las Vegas plus the Legislative Counsel Bureau & PEBP websites and all persons who requested these notices.

Copies of the Public Employees' Benefits Program (PEBP) Revised Regulation are available, at no charge, from the PEBP Office, 901 South Stewart Street, Suite 1001, Carson City, Nevada, 89701 or on the PEBP web site at [www.pebp.state.nv.us](http://www.pebp.state.nv.us). For additional information, contact Lori Johnson at (775) 684-7000 or (800) 326-5496.

**3. The number of persons who:**

**(a) Attended each hearing:**

August 15 2013 Workshop-4

August 30, 2013 Workshop-2

October 3 Adoption Hearing 36 in Carson City and 8 in Las Vegas via videoconferencing

**(b) Testified at each hearing:** Oct 3, 2013 Adoption Hearing- 1

**(c) Submitted written comments: 0**

**4. For each person identified in paragraphs (b) and (c) of number 3 above, the following information if provided to the agency conducting the hearing:**

**(a) Name;** Peggy Lear Bowen

**(b) Telephone number;** 775-826-2793

**(c) Business address;** Retired-970 MANZANITA LANE, RENO, NV 89509

**(d) Business telephone number;** N/A

**(e) Electronic mail address;** [peggylearbowen@yahoo.com](mailto:peggylearbowen@yahoo.com)

**and**

**(f) Name of entity or organization represented.** N/A

**5. A description of how comment was solicited from affected businesses, a summary of their response and an explanation of how other interested persons may obtain a copy of the summary.**

See response to number 1 above

6. **If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.**

R-047-13 was not amended by the Board at the adoption hearing.

7. **The estimated economic effect of the regulation on the business which it is to regulate and on the public.**

- (a) **Estimated economic effect on the businesses which they are to regulate.**

N/A

- (b) **Estimated economic effect on the public which they are to regulate.**

The proposed regulation extends coverage to individuals who would otherwise be ineligible for coverage under the PEBP program. It presents no reasonably foreseeable or anticipated adverse economic effects to businesses or to the general public. There will be some additional costs to PEBP regarding eligibility confirmation and providing tax information to participants as required by the IRS. There may also be additional claims incurred as a result of covering these individuals which will be passed on to all participants through the annual rate setting process.

8. **The estimated cost to the agency for enforcement of the proposed regulation:**

Other than the impacts described in paragraph (a), PEBP does not believe there will be any other immediate or long-term effects of this regulation.

9. **A description of any regulations of other State or governmental agencies which the regulation overlaps or duplicates and a statement explaining why the duplication or overlap is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.**

There are no known state or government agency regulations that the proposed regulation duplicates.

10. **If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.**

The Patient Protection and Affordable Care Act (“ACA”) extended coverage to age 26 for biological, adopted and foster children but not to any other individuals. Organizations may cover additional individuals subject to certain provisions of the Internal Revenue Code. This regulation extends coverage, to age 26, to individuals previously covered by a participant under an order of permanent legal guardianship or individuals who meet similar criteria who would otherwise be ineligible pursuant to current regulations.

11. **If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.**

This regulation does not provide for a new fee or increase an existing fee.