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ASSEMBLY BILL NO. 86—COMMITTEE  
ON COMMERCE AND LABOR

(ON BEHALF OF THE GOVERNOR)

PREFILED DECEMBER 20, 2014

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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.

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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 and eliminates the prohibition against appointing to the Board a  
10 person affiliated with a health insurer. **Section 3** of this bill authorizes  
11 compensation to Board members who are engaged in the business of the Board.  
12 **Section 4** of this bill reduces the required number of Board meetings to one per  
13 calendar year.

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

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

3     695I.210 1. The Exchange shall:

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

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

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

11     (d) Make only qualified health plans available to qualified  
12 individuals and qualified small employers on or after January 1,  
13 2014; and

14     (e) Unless the Federal Act is repealed or is held to be  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

18     2. The Exchange may:

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

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

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

28     **Sec. 2.** NRS 695I.300 is hereby amended to read as follows:

29     695I.300 1. The governing authority of the Exchange is the  
30 Board, consisting of ~~seven~~ *nine* voting members and three ex  
31 officio nonvoting members.

32     2. Subject to the provisions of subsections 3, 4 and 5:

33     (a) The Governor shall appoint ~~five~~ *seven* voting members of  
34 the Board;

35     (b) The Senate Majority Leader shall appoint one voting  
36 member of the Board; and

37     (c) The Speaker of the Assembly shall appoint one voting  
38 member of the Board.

39     3. Each voting member of the Board must have:

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



1 (b) Expertise in health care administration, health care financing  
2 or health information technology;

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

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

7 (e) Experience as a consumer advocate, including, without  
8 limitation, experience in consumer outreach and education for those  
9 who would benefit from services provided by the Exchange.

10 4. When making an appointment pursuant to subsection 2, the  
11 Governor, the Majority Leader and the Speaker of the Assembly  
12 shall consider the collective expertise and experience of the voting  
13 members of the Board and shall attempt to make each appointment  
14 so that:

15 (a) The areas of expertise and experience described in  
16 subsection 3 are collectively represented by the voting members of  
17 the Board; and

18 (b) The voting members of the Board represent a range and  
19 diversity of skills, knowledge, experience and geographic and  
20 stakeholder perspectives.

21 5. A voting member of the Board may not be a Legislator or  
22 hold any elective office in State Government.

23 6. ~~{While serving on the Board, a voting member may not be in  
24 any way affiliated with a health insurer, including, without  
25 limitation, being an employee of, consultant to or member of the  
26 board of directors of a health insurer, having an ownership interest  
27 in a health insurer or otherwise being a representative of a health  
28 insurer.~~

29 ~~—7.}~~ The following are ex officio nonvoting members of the  
30 Board who shall assist the voting members of the Board by  
31 providing advice and expertise:

32 (a) The Director of the Department of Health and Human  
33 Services, or his or her designee;

34 (b) The Director of the Department of Business and Industry, or  
35 his or her designee; and

36 (c) The Director of the Department of Administration, or his or  
37 her designee.

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

39 695I.330 1. ~~{Except as otherwise provided in subsection 2,  
40 the voting members of the Board shall serve without compensation.}~~  
41 *To the extent that money is available for that purpose, each*  
42 *member of the Board who is not an officer or employee of the*  
43 *State of Nevada or a political subdivision of the State is entitled to*  
44 *receive a salary of not more than \$80 per day, as fixed by the*



1 *Executive Director, for each day or portion of a day spent on the*  
2 *business of the Board.*

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

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

9 695I.340 1. The Board shall meet:

10 (a) At least once each calendar ~~quarter;~~ *year*; and

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

13 2. A majority of the voting members of the Board constitutes a  
14 quorum for the transaction of business.

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

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

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

