

Establishment of the Nevada Health Insurance Exchange

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Health Care Reform ASOIII***

Governance Structure

- The Silver State Health Insurance Exchange will be established as an independent public entity and housed within its own governmental agency.
- The Exchange will be governed by a Board of Directors consisting of seven voting members and three ex-officio nonvoting members.
- The Governor will appoint five members; The Majority Leader of the Senate and the Speaker of the Assembly with each appoint one member.
- These members must have expertise in:
 - Individual or small employer health insurance market
 - Health care administration, health care financing or health information technology
 - Administration of health care delivery systems; or
 - A consumer of the Exchange

Governance Structure

- The ex-officio members who will assist the Board by providing advice and expertise include:
 - Director of the Department of Health and Human Services or designee
 - Director of the Department of Business and Industry or designee
 - Director of the Department of Administration or designee
- The initial terms for the seven members will be staggered terms:
 - 2 members appointed for one year
 - 2 members appointed for two years
 - 3 members appointed for three years
 - After initial first terms the successive terms will all be three years
- Members may be re-appointed to one or more successive terms.
- Members may be removed for misconduct.
- The Board will elect a Chair and Vice Chair.
- A majority of voting members constitutes a quorum.
- The members will not be compensated, but will be reimbursed for expenses and travel.

Governance Structure

- The Board will meet at least once each calendar quarter and at other times as directed by the Chair or majority of members.
- A member may not be an employee, consultant to, affiliated with, or have an ownership interest in any health insurer.
- A member may not vote by proxy.
- The Board may appoint subcommittees and advisory committees with persons who have experience with or knowledge of matters related to health care.
- A voting member may not be a Legislator, elected to office in State Government or be an employee of the State or a state municipality.

Governance Structure

- Duties and Powers include:
 - Adopt bylaws to create procedures and operations.
 - Adopt a plan for implementation of the Exchange by 12/31/11.
 - Submit an operational report with recommendations to the Governor and Legislature on or before June 30 and December 31 each year.
 - Submit a report to the public on or before December 31 each year.
 - Conduct an annual audit.
 - Submit all appropriate reports to federal agencies.
- The Board of Directors may:
 - Adopt regulations to carry out the duties of the Exchange.
 - Prepare special reports for the Governor, Legislature & public.
 - Contract for professional services as required to execute duties.
 - Is subject to legislative and executive branch audits.

Governance Structure

- Staff of the Exchange

- The Executive Director will be appointed by the Board.
- The Executive Director must have experience in the administration of health care or health insurance.
- The position will be a non-classified employee.
- The Director will hire the employees of the Exchange who will be non-classified employees.

- Functions and Policy

- Create and administer a state-based health insurance exchange.
- Facilitate the purchase and sale of qualified health plans to individuals.
- Assist qualified small employers to enroll their employees.
- Reduce the number of uninsured persons in Nevada.
- Provide a transparent marketplace for health insurance and consumer education relating to health insurance.
- Contract with persons or entities to assist with performing duties and powers of the exchange.

Governance Structure

- Functions and Policy (continued)
 - The Exchange is subject to the State Purchasing statutes and regulations.
 - The Exchange is subject to open meeting laws.
 - The Exchange is exempt from requirements related to administrative hearings.
 - Employees of the Exchange are non-classified therefore exempt from State Personnel rules.
- Money
 - The Exchange may apply for and accept any gift, donation, bequest, grant or other source of money to carry out the duties and powers of the Exchange.
 - The Exchange may request an advance of funds from the General Fund to sustain operations if receipt of federal revenues is delayed – to be repaid by August 31st immediately after the end of the fiscal year of the advance.

Nevada HCR Workgroups

- Director's Work Group – Department of Health and Human Services

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- Central committee of staff from key State agencies meet on a bi-weekly basis to co-ordinate implementation of provisions.
- Members include staff from:
Medicaid,/CHIP, Welfare, Health Division, Division of Insurance, Public Employees Benefits Program, Attorney General's Office and Governor's Office.
- Subcommittees within the Medicaid Division review and implement applicable provisions.

- Health Care Reform unit staff hired – July, 2010

- Project manager for implementation
- Facilitate work groups and monitor progress
- Manage the grant activities and contracts
- Work with the consultants to develop a business model and Establishment Grant application.
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Policy Development & Stakeholder Outreach

- We have partnered with Public Consulting Group, Inc. to develop the business model and develop policy.
 - Assistance with grant applications
 - Stakeholder meetings – presentations and ongoing dialogue
 - Research and analysis of the uninsured and commercial insurance market
 - Planning and analysis of IT systems.
- Nevada has not yet made the specific policy decisions regarding the major functions of the Exchange. We are working through the Planning Grant activities and moving toward the Establishment Grant application process for level one. We anticipate that our new Board will be making those decisions with our assistance.