

## **2011 Legislative (76<sup>th</sup>) Session**

Below is a list of Bills approved by the Legislature and signed by the Governor that impact the Public Employees' Benefits Program. Specific information on an individual bill can be obtained by clicking on the link to the Bill on the Nevada Legislature's website.

### ***Assembly Bill 59 amends the Open Meeting Law [\(AB 59\)](#) – Effective July 1, 2011.***

- Requires the Board to include on its next agenda any finding of fact and conclusion of law by the Attorney General that the Board has previously violated the Open Meeting Law.
- Clarifies that the advisory committees of the Board are public bodies for the purpose of the Open Meeting Law.
- Requires placing “for possible action” next to any item the Board may take action on in place of the current asterisk.
- Requires notification on the agenda that items may be taken out of order (already on our agenda), the Board may combine two or more items for consideration (not currently on our agenda), and that the Board may remove an item or delay discussion at any time (not currently on our agenda). It also requires notification of any restriction on comments made by the general public which must be reasonable and may restrict time, place and manner but not content or viewpoint (already on our agenda).
- Any meeting held to consider an applicant for employment is not subject to the notice requirements to the applicant contained in NRS 241.033 (e.g., written notice to the person personally or by certified mail).
- Provides for a civil penalty up to \$500 to any Board member who attends a meeting where action is taken in violation of any provision of the Open Meeting Law and who participates in the action with knowledge of the violation.

### ***Assembly Bill 74 amends and adds to NRS 695G [\(AB 74\)](#) – Effective on passage and approval for regulations and preparatory work and October 1 for all other purposes.***

External Appeals – Deals with timing, content, notices and other requirements applicable to external appeals and expedited external appeals. An expedited appeal is when a treating physician certifies, in writing, that the recommended or requested health care service or treatment that is the subject of the request would be significantly less effective if not promptly initiated. External appeals can be filed for experimental or investigational services even if they are not covered under the health plan in addition to medical necessity, appropriateness, health care setting, level of care or effectiveness.

External appeals are filed with the Office of Consumer Health Assistance, which is now part of the Department of Health & Human Services, who is responsible for assigning an independent review organization. The independent review organization selects one or more clinical reviewers who through clinical experience in the past 3 years, are experts in the treatment of the covered person's condition and knowledgeable about the recommended or requested health care service or treatment to conduct the external review. A majority of opinions from the clinical reviewers will determine if the independent review organization decides to uphold or reverse an adverse determination. An independent review organization can terminate an external review and reverse an adverse determination if the health plan fails to provide documents or information within the timeframes specified in the bill.

The bill also enacts very short turnaround times for appeals, especially for expedited appeals;

***Assembly Bill 76 amends NRS 287.0475 (AB 76) – Effective October 1, 2011***

Eliminates the biennial reinstatement for PEBP and replaces it with a one-time reinstatement during the normal annual open enrollment period.

***Assembly Bill 80 amends various sections of NRS 287 (AB 80) – Effective July 1 for pre-existing conditions and October 1 for all other provisions.***

PEBP clean-up Bill – Consolidates annual reporting requirements to the Board, Legislature and Department of Administration, eliminates pre-existing condition exclusions, addresses coverage for children of police/firemen killed in the line of duty up to the age the plan would normally cover children; clarifies the current practice of allocating subsidies to participants and dependents as set by the Board, clarifies that subrogation applies to all members of the plan.

Last weekend amendment to remove domestic partner language from NRS 287.021 and 287.0477 which provides coverage for dependents of police/fire killed in line of duty and 287.0475 which addresses reinstatement. Given the language in NRS 122A and our current coverage of domestic partners, should there be a domestic partner of a police/fireman killed in the line of duty, they would only be eligible for 36 months of COBRA and a surviving domestic partner would not be eligible for any reinstatement provisions.

***Assembly Bill 240 amends NRS 284.1729 and 353.210 regarding contracts for services (AB 240) – Effective July 1, 2011.***

- Restricts contracts with current and former (within 2 years) state employees unless approved by the Board of Examiners because of a critical labor shortage or unusual economic circumstances. Allows for such a contract in instances where the term is less than 4 months and the agency declares an emergency exists. Such an emergency contract shall be submitted to the Board of Examiners who will notify the agency if they would have approved the emergency contract.
- Requires quarterly report to the Interim Finance Committee of contracts with current or former employees.
- Limits contracts to provide services for longer than 2 years which are less than \$1 million.
- Requires any vendor to be active and in good standing with the Secretary of State.
- Reporting requirement to the 2013 Legislature on the necessity of entering into any contracts for more than 2 years with an amount of less than \$1 million.

***Assembly Bill 257 amends the open meeting law (AB 257) – Effective July 1, 2011.***

- Requires public comment periods either:
  - at the beginning before any action items are heard and again before adjournment, OR
  - after each item on which action may be taken but before the Board takes action.
  - Does not prohibit additional periods of public comment.
- The Board must allow comments on any matter that is not specifically included in the agenda as an action item at some time prior to adjournment of the meeting.

***Assembly Bill 330 amends various sections of the NRS regarding privatization contracts [\(AB 330\)](#) – Effective July 1, 2011***

- Defines a privatization contract as any contract with a private entity to provide public services that are substantially similar to services provided by public employees and in lieu of services required to be provided by the government and declares a privatization contract a public record available for public inspection.
- If an agency enters into privatization contracts, copies must be submitted with the biennial budget request along with the number of proposed privatization contracts for the next 2 fiscal years, their duration and an analysis of the annual amount to perform the contract internally including the number of full-time equivalent positions required.

***Assembly Bill 365 amends various sections of NRS 287 [\(AB 365\)](#) – Effective July 1, 2011***

- Changes Purchasing procedures for Board allowing the Board to approve the recommendation of the Purchasing Administrator or evaluation committee or scheduling a separate meeting to award a contract. If the Board wishes to award the contract through a separate meeting, the second review must be disclosed in the RFP, the selection criteria must be identified, the Board must consider the ranking of the evaluation committee and members must review and evaluate the vendor responses to the RFP. It also allows the Executive Officer to observe the activities of the evaluation committee.
- Allows the Board to engage the services of an attorney who specializes in healthcare.
- Clarifies that the Division of Insurance reviews administrator contracts for licensing, fiscal status and the status of any legal or administrative actions in the State that would impair the TPA's ability to provide the services in the contract.
- Clarifies that any organization seeking to opt out under the groups of 300 provision must be organized for reasons other than acquiring insurance, share job definitions, classifications or employers, have the legal authority to purchase insurance and include all active employees meeting the definition, classification or employer group as well as all retirees who met those criteria at the time of their retirement.

***Assembly Bill 553 amends NRS 287.046 [\(AB 553\)](#) – Effective July 1, 2011.***

Eliminates subsidies for retiree health care for any employee hired on or after January 1, 2012. Retirees must still be allowed to participate in the program until they are eligible for Medicare but must pay the entire premium or contribution for their participation in the program.

***Assembly Bill 556 amends NRS 287.0435 and 287.044 [\(AB 556\)](#) – Effective July 1, 2011.***

Moves the Active Employees' Group Insurance Subsidy budget account from Self Insurance Trust Fund to Payroll Clearing Fund and provides that interest earned on the balance remains in the account. This is a technical correction for accounting only.

**Assembly Bill 562 amends NRS 287.046 (AB 562) – Effective July 1, 2011.**

Revises statute to implement the Health Reimbursement Arrangement for Medicare retirees obtaining coverage through the Individual Market Medicare Exchange.

**Assembly Bill 563 PEBP Session Subsidy Bill (AB 563) – Effective July 1, 2011.**

- Sets State subsidies for Fiscal Years 2012 and 2013 for active employees, non-Medicare retirees and Medicare retirees.
- Includes a provision that for Fiscal Year 2013, the amount of the Health Reimbursement Arrangement for Medicare retirees may be increased by an amount based on the percentage increase in the premium for Medicare Part B between the calendar year ending on December 31, 2011, and the calendar year ending on December 31, 2012. The increase, based on the initial \$10 per month per year of service must be rounded to the nearest dollar. The amount any increase must be paid from the reserves of the Program if the Board of the Program determines that reserves in excess of the actuarially required reserves of the Program are available for this purpose.

**Senate Bill 43 amends various chapters of NRS (SB 43) – Effective upon passage and approval (June 13, 2011).**

- Implements the HITECH Act (Health Information Technology for Economic and Clinical Health) with respect to electronic health records and health information exchange systems.
- Establishes a statewide health information exchange system administered by the Nevada Department of Health and Human Services (DHHS).
- Prescribes standards for security and confidentiality of electronic health records.
- Healthcare providers are not required to participate in the statewide health information exchange.
- Requires patient consent for electronic submittal of health records and participation in the statewide health information exchange.
- Provides that a person who accesses electronic health records without authority is guilty of a misdemeanor.
- Establishes a manner of filing a complaint with DHHS.