

LEGISLATURE OF NEBRASKA
ONE HUNDRED THIRD LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 384

Introduced by Nordquist, 7; Campbell, 25.

Read first time January 18, 2013

Committee: Banking, Commerce and Insurance

A BILL

- 1 FOR AN ACT relating to insurance; to adopt the Nebraska Exchange
- 2 Transparency Act; and to declare an emergency.
- 3 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 5 of this act shall be known and
2 may be cited as the Nebraska Exchange Transparency Act.

3 Sec. 2. The purposes of the Nebraska Exchange
4 Transparency Act are to provide state-based oversight,
5 recommendations, and transparency regarding the implementation and
6 operation of an affordable insurance exchange, as required by the
7 federal Patient Protection and Affordable Care Act, 42 U.S.C. 18001,
8 et. seq., by creating the Nebraska Exchange Stakeholder Commission.

9 Sec. 3. (1) The Nebraska Exchange Stakeholder Commission
10 is created. For administrative and budgetary purposes only, the
11 commission shall be housed within the Department of Insurance. The
12 commission shall be composed of twelve members as follows:

13 (a) Nine members shall be appointed by the Governor in
14 the following manner:

15 (i) Three members who are health care consumer advocates,
16 one from each congressional district, to represent the interests of
17 individual consumers who will access health insurance in the
18 exchange. These members shall be appointed from a list of at least
19 five individuals from each congressional district submitted to the
20 Governor by the Executive Board of the Legislative Council;

21 (ii) One member to represent the interests of small
22 businesses who are qualified to purchase health insurance in the
23 exchange. This member shall be appointed from a list of at least five
24 individuals submitted to the Governor by the executive board;

25 (iii) Two members to represent the interests of health

1 care providers in the state. These members shall be appointed from a
2 list of at least ten individuals submitted to the Governor by the
3 Health and Human Services Committee of the Legislature;

4 (iv) One member to represent the interests of health
5 insurance carriers who are eligible to offer health insurance in the
6 exchange. This member shall be appointed from a list of at least five
7 individuals submitted to the Governor by the Banking, Commerce and
8 Insurance Committee of the Legislature;

9 (v) One member to represent the interests of health
10 insurance agents. This member shall not be a captive agent of any
11 health insurance carrier. This member shall be appointed from a list
12 of at least five individuals submitted to the Governor by the
13 Banking, Commerce and Insurance Committee of the Legislature; and

14 (vi) One member who serves on the Nebraska Rural Health
15 Advisory Commission;

16 (b) The Director of Insurance or his or her designee will
17 be a nonvoting, ex officio member of the commission;

18 (c) The director of the Division of Medicaid and Long-
19 Term Care of the Department of Health and Human services or his or
20 her designee will be a nonvoting, ex officio member of the
21 commission; and

22 (d) The director of the Division of Children and Family
23 Services of the Department of Health and Human Services or his or her
24 designee will be a nonvoting, ex officio member of the commission.

25 (2) The initial lists submitted by the executive board

1 and committees of the Legislature pursuant to subsection (1) of this
2 section shall be submitted to the Governor by July 31, 2013. The
3 Governor shall make the initial appointments by September 1, 2013.

4 (3) The appointed members of the commission shall serve
5 for terms of four years, except that of the members first appointed
6 the Governor shall designate:

7 (a) One of the members representing the interests of
8 health care providers in the state to serve a term of three years and
9 the other to serve terms of two years;

10 (b) The member representing the interests of health
11 insurance carriers to serve a term of two years;

12 (c) The member representing the interests of health
13 insurance agents to serve a term of three years; and

14 (d) All other members will serve for terms of four years.

15 (4) A member may be reappointed at the expiration of his
16 or her term. All succeeding appointments to the commission shall be
17 made in the same manner as the original appointments are made and
18 succeeding appointees shall have the same qualifications as their
19 predecessors.

20 (5) An individual appointed to fill a vacancy occurring
21 other than by the expiration of a term of office shall be appointed
22 for the unexpired term of the member such individual succeeds and
23 shall be eligible for appointment to subsequent full four-year terms
24 thereafter.

25 (6) All appointments whether initial or subsequent shall

1 be subject to the approval of a majority of the members of the
2 Legislature, if the Legislature is in session, and, if the
3 Legislature is not in session, any appointment shall be temporary
4 until the next session of the Legislature, at which time a majority
5 of the members of the Legislature may approve or disapprove such
6 appointment.

7 (7) A member shall have his or her membership terminated
8 if he or she ceases to meet the qualification for his or her
9 appointment. A member may be removed from the commission for good
10 cause upon written notice and upon an opportunity to be heard before
11 the Governor. After the hearing, the Governor shall file in the
12 office of the Secretary of State a complete statement of the charges
13 and the findings and disposition together with a complete record of
14 the proceedings.

15 Sec. 4. (1) The Nebraska Exchange Stakeholder Commission
16 shall organize by selecting a chairperson and a vice-chairperson who
17 shall hold office at the pleasure of the commission. The vice-
18 chairperson shall act as chairperson in the absence of the
19 chairperson or in the event of a vacancy in that position.

20 (2) The commission shall hold at least four meetings
21 annually, at times and places fixed by the chairperson.

22 (3) A majority of the members of the commission shall
23 constitute a quorum.

24 (4) Members of the commission shall be reimbursed for
25 their actual and necessary expenses as provided in sections 81-1174

1 to 81-1177.

2 Sec. 5. The Nebraska Exchange Stakeholder Commission
3 shall:

4 (1) Work with state and federal agencies and policymakers
5 to provide oversight and recommendations regarding implementation and
6 operation of an affordable insurance exchange, including, but not
7 limited to:

8 (a) Improving access to high-quality, affordable health
9 coverage options and to improve policies and processes on the
10 exchange to ensure a positive and seamless consumer experience;

11 (b) Promoting competitiveness of the exchange, minimize
12 administrative burden for issuers, and ensure consumer protections;

13 (c) Incorporating existing state policies, capabilities,
14 and infrastructure that can also assist in exchange implementation
15 and operations;

16 (d) Ensuring the effectiveness of the navigator grant
17 program;

18 (e) Promoting a seamless integration with the medicaid
19 program and continuity of care for those transitioning between
20 publicly funded coverage and private coverage; and

21 (f) Ensuring the small business health options program or
22 SHOP Exchange meets the needs and provides value to small businesses.

23 (2) Create technical and advisory groups as needed to
24 discuss issues related to the exchange and make recommendations to
25 the commission, state or federal agencies, and the Legislature;

1 (3) Assist the exchange in meeting the stakeholder
2 consultation requirements established in 45 C.F.R. 155.130, as it
3 existed on January 1, 2013;

4 (4) Identify challenges and problems in the
5 implementation and operation of the exchange and prepare
6 recommendations to alleviate the problems identified; and

7 (5) Provide a written report on or before December 1,
8 2013, and each December 1 thereafter, to the Governor and the
9 Legislature concerning the implementation and operation of the
10 exchange, challenges and problems identified in the implementation
11 and operation of the exchange, and recommendations to address such
12 problems and challenges.

13 Sec. 6. Since an emergency exists, this act takes effect
14 when passed and approved according to law.