

ONE HUNDRED THIRD LEGISLATURE - FIRST SESSION - 2013
COMMITTEE STATEMENT
LB384

Hearing Date: Tuesday February 19, 2013
Committee On: Banking, Commerce and Insurance
Introducer: Nordquist
One Liner: Adopt the Nebraska Exchange Transparency Act

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Campbell, Carlson, Christensen, Crawford, Gloor, Howard, Pirsch, Schumacher

Nay:

Absent:

Present Not Voting:

Proponents:

Senator Jeremy Nordquist
Mark Intermill
Jon Bailey
Rebecca Rayman
Mark Lisko
Jerusha Hancock

Representing:

Introducer
AARP
Center for Rural Affairs
Health Center Association NE
Independent Insurance Agents of NE
Nebraska Appleseed

Opponents:

Neutral:

Bruce Ramge

Representing:

Representing:

NE Department of Insurance

Summary of purpose and/or changes:

OVERVIEW

LB384 (Nordquist, Campbell) would enact the Nebraska Exchange Transparency Act to provide for state-based oversight, recommendations, and transparency regarding the implementation and operation of an affordable insurance exchange, as required by the federal Patient Protection and Affordable Care Act, by creating the Nebraska Exchange Stakeholder Commission.

SUMMARY

The bill would provide, section by section, as follows:

Section 1 would provide for a named act: the Nebraska Exchange Transparency Act.

Section 2 would provide for legislative purposes.

Section 3 would enact a new section to provide for creation of the Nebraska Exchange Stakeholder Exchange Commission. This section would provide that, for administrative and budgetary purposes only, the commission shall be housed with the Department of Insurance.

This section would provide that the commission shall be composed of 12 members, nine of whom shall be appointed by the Governor and three of whom shall be ex officio, nonvoting.

This section would provide that the voting members shall be:

(a) three members, one from each congressional district, to represent individual consumers who will access health insurance in the exchange, appointed from a list of at least five individuals from each congressional district submitted by the Executive Board of the Legislature;

(b) one member to represent small businesses, appointed from a list of at least five individuals submitted by the Executive Board of the Legislature;

(c) two members to represent health care providers, appointed from a list of at least ten individuals submitted by the Health and Human Services Committee of the Legislature;

(d) one member to represent health insurance carriers, appointed from a list of at least five individuals submitted by the Banking, Commerce and Insurance Committee of the Legislature;

(e) one member to represent health insurance agents, who is not a captive agent, appointed from a list of at least five individuals submitted by the Banking, Commerce and Insurance Committee of the Legislature; and

(f) one member who serves the Nebraska Rural Health Advisory Commission.

This section would provide that the nonvoting, ex officio members shall be the Director of Insurance, the Director of the Division of Medicaid and Long-Term Care of the Department of Health and Human Services, and the Director of the Division of Children and Family Services of the Department of Health and Human Services.

This section would provide that the appointed members shall serve four-year staggered terms and may be reappointed.

This section would provide that all appointments shall be subject to approval by the Legislature.

Section 4 would provide for organization of the commission. This section would provide that the commission shall hold at least four meetings annually. This section would provide that members of the commission shall be reimbursed for their actual and necessary expenses.

Section 5 would provide that the commission shall (1) work with state and federal agencies and policymakers to provide oversight and recommendations regarding implementation and operation of an affordable exchange; (2) create technical and advisory groups; (3) assist the exchange in meeting stakeholder consultation requirements established by federal rules; (4) identify challenges and problems in the implementation and operation of the exchange and prepare recommendations; and (5) provide a written report to the Governor and the Legislature each December 1.

The bill carries the emergency clause.

Explanation of amendments:

The committee amendments would provide as follows:

The amendments would amend section 3, which regards membership of the commission, to require appointment of four members to represent the interests of consumers who will access health insurance in the exchange with at least one of them to represent the interests of rural consumers who will access health insurance in the exchange. This would replace provisions that would require appointment of three members who are consumer advocates, one from each congressional district, and that would require appointment of one member who serves on the Nebraska Rural Health

Advisory Commission. The amendments would further amend this section to strike provisions that would require appointment of voting members from lists of names submitted by various committees of the Legislature. (The committee amendments would make no change in the provisions that otherwise would require appointment of voting members by the Governor.) Finally, the amendments would amend this section to provide for terms to commence on July 1, 2013.

The amendments would amend section 5 to provide that required reports to the Legislature shall be submitted electronically.

The amendments would create a new section 6 to sunset the act on July 1, 2017.

Mike Gloor, Chairperson