

LEGISLATURE OF NEBRASKA  
ONE HUNDRED THIRD LEGISLATURE  
FIRST SESSION  
**LEGISLATIVE BILL 384**  
Final Reading

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 6 of this act shall be known and  
2 may be cited as the Nebraska Exchange Transparency Act.

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

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

15           (i) Four members to represent the interests of consumers  
16 who will access health insurance in the exchange with at least one of  
17 such members to represent the interests of rural consumers who will  
18 access health insurance in the exchange;

19           (ii) One member to represent the interests of small  
20 businesses who are qualified to purchase health insurance in the  
21 exchange;

22           (iii) Two members to represent the interests of health  
23 care providers in the state;

24           (iv) One member to represent the interests of health  
25 insurance carriers who are eligible to offer health plans in the

1 exchange; and

2 (v) One member to represent the interests of health  
3 insurance agents. This member shall not be a captive agent of any  
4 health insurance carrier;

5 (b) The Director of Insurance or his or her designee is a  
6 nonvoting, ex officio member of the commission; and

7 (c) The director of the Division of Medicaid and Long-  
8 Term Care of the Department of Health and Human Services or his or  
9 her designee is a nonvoting, ex officio member of the commission.

10 (2) The terms of appointed members of the commission  
11 shall commence on July 1, 2013.

12 (3) The appointed members of the commission shall serve  
13 for terms of four years, except that of the members first appointed,  
14 the Governor shall designate:

15 (a) One of the members representing the interests of  
16 health care providers in the state to serve a term of three years and  
17 the other to serve a term of two years;

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

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

22 (d) All other members to serve for terms of four years.

23 (4) A member may be reappointed at the expiration of his  
24 or her term. All succeeding appointments to the commission shall be  
25 made in the same manner as the original appointments are made, and

1 succeeding appointees shall have the same qualifications as their  
2 predecessors.

3 (5) An individual appointed to fill a vacancy occurring  
4 other than by the expiration of a term of office shall be appointed  
5 for the unexpired term of the member such individual succeeds and  
6 shall be eligible for appointment to subsequent full terms  
7 thereafter.

8 (6) All appointments whether initial or subsequent shall  
9 be subject to the approval of a majority of the members of the  
10 Legislature, if the Legislature is in session, and, if the  
11 Legislature is not in session, any appointment shall be temporary  
12 until the next session of the Legislature, at which time a majority  
13 of the members of the Legislature may approve or disapprove such  
14 appointment.

15 (7) A member shall have his or her membership terminated  
16 if he or she ceases to meet the qualification for his or her  
17 appointment. A member may be removed from the commission for good  
18 cause upon written notice and upon an opportunity to be heard before  
19 the Governor. After the hearing, the Governor shall file in the  
20 office of the Secretary of State a complete statement of the charges  
21 and the findings and disposition together with a complete record of  
22 the proceedings.

23 Sec. 4. (1) The Nebraska Exchange Stakeholder Commission  
24 shall organize by selecting a chairperson and a vice-chairperson who  
25 shall hold office at the pleasure of the commission. The vice-

1 chairperson shall act as chairperson in the absence of the  
2 chairperson or in the event of a vacancy in that position.

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

5 (3) A majority of the members of the commission shall  
6 constitute a quorum.

7 (4) Members of the commission shall be reimbursed for  
8 their actual and necessary expenses as provided in sections 81-1174  
9 to 81-1177.

10 Sec. 5. The Nebraska Exchange Stakeholder Commission  
11 shall:

12 (1) Work with state and federal agencies and policymakers  
13 to provide recommendations regarding implementation and operation of  
14 the exchange, including, but not limited to:

15 (a) Improving access to high-quality, affordable health  
16 coverage options and improving policies and processes on the exchange  
17 to ensure a positive and seamless consumer experience;

18 (b) Promoting competitiveness of the exchange, minimizing  
19 administrative burden for issuers, and ensuring consumer protections;

20 (c) Incorporating existing state policies, capabilities,  
21 and infrastructure that can also assist in exchange implementation  
22 and operations;

23 (d) Ensuring the effectiveness of the navigator grant  
24 program;

25 (e) Promoting a seamless integration with the medicaid

1 program and continuity of care for those transitioning between  
2 publicly funded coverage and private coverage; and

3 (f) Ensuring the small business health options program or  
4 SHOP Exchange meets the needs and provides value to small businesses;

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

8 (3) Assist the exchange in meeting the stakeholder  
9 consultation requirements established in 45 C.F.R. 155.130, as such  
10 regulations existed on January 1, 2013;

11 (4) Identify challenges and problems in the  
12 implementation and operation of the exchange and prepare  
13 recommendations to alleviate the problems identified; and

14 (5) Provide a report on or before December 1, 2013, and  
15 each December 1 thereafter, to the Governor and the Legislature  
16 concerning the implementation and operation of the exchange,  
17 challenges and problems identified in the implementation and  
18 operation of the exchange, and recommendations to address such  
19 problems and challenges. The report to the Legislature shall be  
20 submitted electronically.

21 Sec. 6. The Nebraska Exchange Transparency Act terminates  
22 on July 1, 2017.

23 Sec. 7. Since an emergency exists, this act takes effect  
24 when passed and approved according to law.