
OLR Bill Analysis

sHB 5013

AN ACT CONCERNING THE BOARD MEMBERS OF THE CONNECTICUT HEALTH INSURANCE EXCHANGE.

SUMMARY:

This bill adds two new members to the Connecticut Health Insurance Exchange's board of directors, increasing the membership from 14 to 16. It makes the Healthcare Advocate, who is currently an ex-officio nonvoting board member, a voting board member. Lastly, the bill increases, from six to eight, the number of board members that constitutes a quorum.

EFFECTIVE DATE: Upon passage

EXCHANGE BOARD OF DIRECTORS

New Appointments

The bill requires the Senate president pro tempore to appoint to the exchange board a small employer (generally understood to mean an employer with up to 50 employees) to serve an initial two-year term. It also requires the House speaker to appoint an individual (i.e., someone who is not a small employer) consumer of (1) specialized health care services for a disability, chronic illness, or special needs or (2) health care services to serve an initial two-year term. Subsequent terms are four years. By law, the appointees must meet certain qualifications (see BACKGROUND).

These two new appointments must be made within 30 days of the bill's effective date.

BACKGROUND

Exchange Board of Directors

PA 11-53 created the Connecticut Health Insurance Exchange as a quasi-public agency, which is empowered to help individuals and

small employers obtain health insurance. The law vested the powers of the exchange in a board of directors, which currently includes the (1) insurance and public health commissioners and the Healthcare Advocate, or their designees, as ex-officio, nonvoting members and (2) social services commissioner, special advisor to the governor on healthcare reform, and Office of Policy and Management (OPM) secretary, or their designees, as ex-officio, voting members. The remaining eight voting board members were appointed by the governor and the legislative leaders. Table 1 shows appointees and their respective qualifications and initial term.

Table 1: Appointed Exchange Board Members

<i>Appointing Authority</i>	<i>Required Expertise</i>	<i>Initial Term</i>
Governor	Individual health insurance coverage	Three years
Governor	Small employer health insurance coverage	Two years
Senate president pro tempore	Health care finance	Four years
House speaker	Health care benefits plan administration	Four years
Senate majority leader	Health care delivery systems	Two years
House majority leader	Health care economics	One year
Senate minority leader	Self-employed individuals' healthcare access issues	Three years
House minority leader	Barriers to individual health care coverage	Two years

After the initial terms expire, all subsequent terms are four years. Vacancies must be filled by the appointing authority for the rest of the

term. Members can be reappointed. Members can be removed by the appointing authority for misfeasance, malfeasance, or willful neglect of duty. Members are not compensated, but may be reimbursed for expenses incurred in performing official duties. Appointed members may not designate a representative to perform in their absence.

Qualifications

By law, while serving in their positions, appointees cannot be employed by, serve as a consultant to, or be affiliated with an insurer, insurance producer or broker, health care provider, health care facility, or health or medical clinic. A board member cannot be a member, board member, or employee of a trade association of insurers, insurance producers or brokers, health care providers, health care facilities, or health or medical clinics. Members cannot be health care providers unless they receive no compensation as providers and have no ownership interest in a professional health care practice.

As a condition of qualifying for the board of directors, an appointee must take the state Constitution oath or affirmation. A record of the oath must be filed in the Secretary of the State's Office.

Members may engage in private employment or in a profession or business, subject to any federal or state laws, regulations, and rules regarding ethics and conflict of interest.

The law specifies that it does not constitute a conflict of interest for a trustee, director, partner, or officer of any person, firm, or corporation, or any individual having a financial interest in the person, firm, or corporation, to serve as an exchange board member. But such a member must abstain from any deliberation, action, or vote relating to the person, firm, or corporation.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute
Yea 20 Nay 0 (02/21/2012)