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AGENDA ITEM

For Possible Action

Information Only

Date: June 9, 2016
Item Number: VI
Title: Change in By-laws

PURPOSE

The purpose of this report is to provide the Board and public with information on the recommended revision of Article IV of the Exchange’s by-laws.

CONTENTS

PURPOSE	1
CONTENTS	1
BACKGROUND.....	1
DISCUSSION	2

BACKGROUND

Staff is recommending revision of Article IV of the Exchange’s by-laws. That section presently reads as follows:

ARTICLE IV STAFF

- A. Pursuant to NRS 695I.380, the Board shall appoint an Executive Director who is responsible for the administrative matters of the Board. The Executive Director will sign an agreement approved by the Board which includes:
1. The authority of the Executive Director;
 2. The responsibilities of the Executive Director; and
 3. The timing and manner of the Executive Director’s performance evaluation.

Staff is recommending the striking of the second sentence of the by-law so that it reads as follows:

ARTICLE IV
STAFF

A. Pursuant to NRS 695I.380, the Board shall appoint an Executive Director who is responsible for the administrative matters of the Board.

DISCUSSION

Staff offers four reasons for the recommended revision:

1. There seems no need to have the Executive Director sign an agreement; few other agency heads do and the current Executive Director has served for nearly two years without one. Further, it is clear that the nature of our work and the ever-evolving political/social environment that surrounds our activities make any recitation of responsibilities and authority subject to constant revision.
2. The Executive Director of the Exchange is necessarily authorized to take such actions as he/she believes necessary and appropriate to assure that the functioning of the agency furthers our essential purposes as enumerated by statute, subject to budgetary and other reasonable restraints applicable to all state agencies in Nevada
3. The Executive Director of the Exchange really has only one responsibility – to assist the Board in assuring that the functioning of the agency furthers our essential purposes as enumerated by statute: facilitating the purchase and sale of qualified health plans in the individual market in Nevada; assisting qualified small employers in Nevada in facilitating the enrollment and purchase of coverage and the application for subsidies for small business enrollees; reducing the number of uninsured persons in Nevada; providing a transparent marketplace for health insurance and consumer education on matters relating to health insurance; and assisting residents of Nevada with access to programs, premium assistance tax credits and cost-sharing reductions.
4. Staff experience and belief is that adequately judging performance is more complex than checkboxes and numeric scales. A formal, once-per-year review has its adherents, but as the Exchange is not a private enterprise which ties performance appraisals to pay raises, promotions or bonuses, we believe the Board is better served through continuous, real-time feedback. We are a small agency and Board, and there seems little need for the voluminous paperwork that has come to define performance reviews (and which doesn't necessarily foster productivity or improvement).