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WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1995



ENROLLED

SENATE BILL NO. 578

(By Senator WAGNER, ET AL)



PASSED MARCH 8, 1995

In Effect JULY 1, 1995 Passage

ENROLLED

Senate Bill No. 578

(BY SENATORS WAGNER, BAILEY, BOWMAN, BUCKALEW,
MILLER, PLYMALE, WALKER AND WHITE)

[Passed March 8, 1995; to take effect July 1, 1995.]

AN ACT to amend and reenact section three, article sixteen, chapter five of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to continuing the public employees insurance agency and the public employees insurance agency advisory board.

Be it enacted by the Legislature of West Virginia:

That section three, article sixteen, chapter five of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 16. WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE ACT.

§5-16-3. Public employees insurance agency continued; appointment, qualification, compensation and duties of director of agency; employees; civil service coverage; director vested after specified date with powers of public employees insurance board; expiration of agency.

- 1 (a) The public employees insurance agency, heretofore
- 2 created, is continued, and shall consist of the director, the

3 finance board, the advisory board and such employees as
4 may be authorized by law. The director shall be ap-
5 pointed by the governor, with the advice and consent of
6 the Senate. He or she shall serve at the will and pleasure
7 of the governor, unless earlier removed from office for
8 cause as provided by law. The director shall have at least
9 three years experience in health insurance administration
10 prior to appointment as director. The director shall
11 receive an annual salary established by the governor not
12 to exceed fifty-five thousand dollars and actual expenses
13 incurred in the performance of official business. The
14 director shall employ such administrative, technical and
15 clerical employees as shall be required for the proper
16 administration of the insurance programs herein pro-
17 vided. The director shall perform such duties as are
18 required of him or her under the provisions of this article
19 and shall be the chief administrative officer of the public
20 employees insurance agency.

21 (b) All positions in the agency, except for the director
22 and his or her personal secretary, shall be included in the
23 classified service of the civil service system pursuant to
24 article six, chapter twenty-nine of this code. Any person
25 required to be included in the classified service by the
26 provisions of this subsection who was employed in any of
27 the positions included herein on or after the effective
28 date of this article shall not be required to take and pass
29 qualifying or competitive examinations upon or as a
30 condition to being added to the classified service:
31 *Provided*, That no person required to be included in the
32 classified service by the provisions of this subsection who
33 was employed in any of the positions included herein as
34 of the effective date of this section shall be thereafter
35 severed, removed or terminated in his or her employment
36 prior to his or her entry into the classified service except
37 for cause as if such person had been in the classified
38 service when severed, removed or terminated.

39 (c) The director shall be responsible for the administra-
40 tion and management of the public employees insurance

41 agency as provided for in this article and in connection
42 therewith shall have the power and authority to make all
43 rules and regulations necessary to effectuate the provi-
44 sions of this article. Nothing in section four or five of this
45 article shall limit the director's ability to manage on a
46 day-to-day basis the group insurance plans required or
47 authorized by this article, including, but not limited to,
48 administrative contracting, studies, analyses and audits,
49 eligibility determinations, utilization management
50 provisions and incentives, provider negotiations, provider
51 contracting and payment, designation of covered and
52 noncovered services, offering of additional coverage
53 options or cost containment incentives, pursuit of coordi-
54 nation of benefits and subrogation, or any other actions
55 which would serve to implement the plan or plans
56 designed by the finance board.

57 (d) The public employees insurance agency shall
58 terminate in the manner provided in article ten, chapter
59 four of this code, on the first day of July, two thousand
60 one, unless extended by legislation enacted before the
61 termination date: *Provided*, That the public employees
62 insurance agency advisory board, created in section six of
63 this article, shall terminate in the manner provided in
64 article ten, chapter four of this code on the first day of
65 July one thousand nine hundred ninety-six.

That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Randy Schonover
.....
Chairman Senate Committee

Ernest C Moore
.....
Chairman House Committee

Originated in the Senate.

To take effect July 1, 1995.

Harold Phillips
.....
Clerk of the Senate

Donald J. Kapp
.....
Clerk of the House of Delegates

Earl Ray Tomblin
.....
President of the Senate

Paul C. Calton
.....
Speaker House of Delegates

The within *is* approved this the *17th*
.....
day of *March*, 1995.

Gaston Capner
.....
Governor

PRESENTED TO THE

GOVERNOR

Date 3/15/45

Time 9:28am