

**FILED**

2001 APR -6 P 3: 51

OFFICE WEST VIRGINIA  
SECRETARY OF STATE

# **WEST VIRGINIA LEGISLATURE**

FIRST REGULAR SESSION, 2001



# **ENROLLED**

## **House Bill No. 2525**

(By Delegates Douglas, Kuhn, Butcher,  
Hatfield, Manchin, Prunty and Leggett)



Passed March 28, 2001

In Effect July 1, 2001

FILED

2001 APR -6 P 3: 57

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**H. B. 2525**

(BY DELEGATES DOUGLAS, KUHN, BUTCHER,  
HATFIELD, MANCHIN, PRUNTY AND LEGGETT)

[Passed March 28, 2001; in effect July 1, 2001.]

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.

*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.**

FILED

Enr. H. B. 2525]

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1 (a) The public employees insurance agency is continued,  
2 and consists of the director, the finance board, the advisory  
3 board and any employees who may be authorized by law. The  
4 director shall be appointed by the governor, with the advice and  
5 consent of the Senate. He or she shall serve at the will and  
6 pleasure of the governor, unless earlier removed from office for  
7 cause as provided by law. The director shall have at least three  
8 years' experience in health insurance administration prior to  
9 appointment as director. The director shall receive an annual  
10 salary established by the governor not to exceed sixty-five  
11 thousand dollars and actual expenses incurred in the perfor-  
12 mance of official business. The director shall employ such  
13 administrative, technical and clerical employees as are required  
14 for the proper administration of the insurance programs  
15 provided for in this article. The director shall perform such  
16 duties as are required of him or her under the provisions of this  
17 article and is the chief administrative officer of the public  
18 employees insurance agency. The director may employ a deputy  
19 director: *Provided*, That the director shall report each year to  
20 the joint committee on government and finance on the agency's  
21 total contract costs for consultant contracts and the costs of the  
22 deputy director's position for the fiscal years one thousand nine  
23 hundred ninety-eight through two thousand.

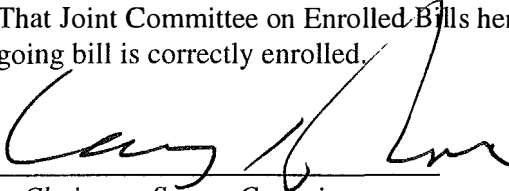
24 (b) All positions in the agency, except for the director, his  
25 or her personal secretary, the deputy director and the chief  
26 financial officer shall be included in the classified service of  
27 the civil service system pursuant to article six, chapter  
28 twenty-nine of this code. Any person required to be included in  
29 the classified service by the provisions of this subsection who  
30 was employed in any of the positions included in this subsec-  
31 tion on or after the effective date of this article shall not be  
32 required to take and pass qualifying or competitive examina-  
33 tions upon or as a condition to being added to the classified  
34 service: *Provided*, That no person required to be included in the  
35 classified service by the provisions of this subsection who was  
36 employed in any of the positions included in this subsection as  
37 of the effective date of this section shall be thereafter severed,

38 removed or terminated in his or her employment prior to his or  
39 her entry into the classified service except for cause as if the  
40 person had been in the classified service when severed, re-  
41 moved or terminated.

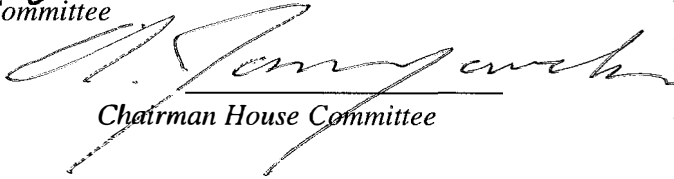
42 (c) The director is responsible for the administration and  
43 management of the public employees insurance agency as  
44 provided for in this article and in connection with his or her  
45 responsibility shall have the power and authority to make all  
46 rules necessary to effectuate the provisions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

58 (d) The public employees insurance agency shall terminate  
59 in the manner provided in article ten, chapter four of this code,  
60 on the first day of July, two thousand two, unless extended by  
61 legislation enacted before the termination date.

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



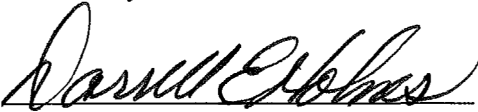
Chairman Senate Committee



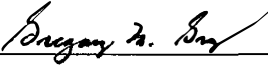
Chairman House Committee

Originating in the House.

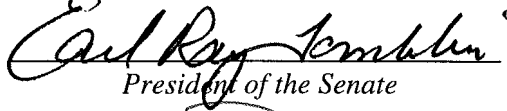
In effect July 1, 2001.



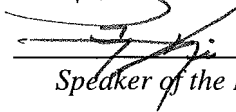
Clerk of the Senate



Clerk of the House of Delegates

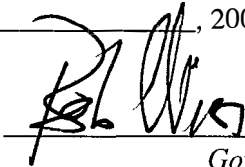


President of the Senate



Speaker of the House of Delegates

The within is approved this the twelve  
day of April, 2001.



Governor

PRESENTED TO THE

GOVERNOR

Date 4/30/1

Time 4:00am