

31A-42-201 Creation of risk adjuster mechanism -- Board of directors -- Appointment -- Terms -- Quorum -- Plan preparation.

- (1) There is created the "Utah Defined Contribution Risk Adjuster," a nonprofit entity within the department.
- (2)
 - (a) The risk adjuster is under the direction of a board of directors composed of up to nine members described in Subsection (2)(b).
 - (b) The board of directors shall consist of:
 - (i) the following directors appointed by the governor with the consent of the Senate:
 - (A) at least three, but up to five, directors with actuarial experience who represent insurers:
 - (I) that are participating or have committed to participate in the defined contribution arrangement market in the state; and
 - (II) including at least one and up to two directors who represent an insurer that has a small percentage of lives in the defined contribution market;
 - (B) one director who represents either an individual employee or employer; and
 - (C) one director who represents the Office of Consumer Health Services within the Governor's Office of Economic Development;
 - (ii) one director representing the Public Employees' Benefit and Insurance Program with actuarial experience, appointed by the director of the Public Employees' Benefit and Insurance Program; and
 - (iii) the commissioner, or a representative of the commissioner who:
 - (A) is appointed by the commissioner; and
 - (B) has actuarial experience.
 - (c) The commissioner, or a representative appointed by the commissioner may vote only in the event of a tie vote.
- (3)
 - (a) Except as required by Subsection (3)(b), as terms of current board members appointed by the governor expire, the governor shall appoint each new member or reappointed member to a four-year term.
 - (b) Notwithstanding the requirements of Subsection (3)(a), the governor shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the terms of board members are staggered so that approximately half of the board is appointed every two years.
 - (c) Notwithstanding the requirements of Subsection (3)(a), a board member shall continue to serve until the board member is reappointed or replaced by another individual in accordance with this section.
- (4) When a vacancy occurs in the membership for any reason, the replacement shall be appointed for the unexpired term in the same manner as the original appointment was made.
- (5)
 - (a) A board member who is not a government employee may not receive compensation or benefits for the board member's services.
 - (b) A state government member who is a board member because of the board member's state government position may not receive per diem or expenses for the member's service.
- (6) The board shall elect annually a chair and vice chair from its membership.
- (7) A majority of the board members is a quorum for the transaction of business.
- (8) The action of a majority of the members of the quorum is the action of the board.

Amended by Chapter 10, 2010 General Session

Amended by Chapter 68, 2010 General Session

