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ASSEMBLY BILL NO. 167—ASSEMBLYMEN SEGERBLOM, KOIVISTO, OHRENSCHALL, MCCLAIN; AIZLEY, ARBERRY, ATKINSON, BOBZIEN, CLABORN, HORNE, KIHUEN, LESLIE, MORTENSON, PARNELL, PIERCE, SMITH AND SPIEGEL

FEBRUARY 13, 2009

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JOINT SPONSORS: SENATORS PARKS; COPENING

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Referred to Committee on Commerce and Labor

SUMMARY—Requires certain policies of health insurance and health care plans to provide coverage for acupuncture treatments in certain circumstances. (BDR 57-49)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.  
Effect on the State: Yes.

CONTAINS UNFUNDED MANDATE (§ 9)  
(NOT REQUESTED BY AFFECTED LOCAL GOVERNMENT)

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

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AN ACT relating to insurance; requiring certain policies of health insurance and health care plans to provide coverage for acupuncture treatments in certain circumstances; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law requires certain public and private health care plans and policies  
2 of insurance to provide coverage for certain procedures, including colorectal cancer  
3 screenings, cytological screening tests and mammograms, in certain circumstances.  
4 (NRS 287.027, 287.04335, 689A.04042, 689A.0405, 689B.0367, 689B.0374,  
5 695B.1907, 695B.1912, 695C.1731, 695C.1735, 695G.168) Existing law also  
6 requires employers to provide certain benefits to employees, including coverage for  
7 the procedures required to be covered by insurers if the employer provides health  
8 benefits for its employees. (NRS 608.1555) **Sections 1-10** of this bill require those  
9 health care plans and policies of insurance, other than the State Plan for Medicaid,  
10 to also provide coverage for acupuncture treatments in certain circumstances.

11 The provisions of this bill apply prospectively to any policy of insurance or  
12 health care plan issued or renewed on or after October 1, 2009.



THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1       **Section 1.** Chapter 689A of NRS is hereby amended by  
2 adding thereto a new section to read as follows:

3       1. *A policy of health insurance must provide coverage for*  
4 *benefits payable for expenses incurred for treatment by*  
5 *acupuncture, as defined in NRS 634A.020.*

6       2. *A policy subject to the provisions of this chapter which is*  
7 *delivered, issued for delivery or renewed on or after October 1,*  
8 *2009, has the legal effect of including the coverage required by*  
9 *subsection 1, and any provision of the policy or the renewal which*  
10 *is in conflict with subsection 1 is void.*

11       **Sec. 2.** NRS 689A.330 is hereby amended to read as follows:

12       689A.330 If any policy is issued by a domestic insurer for  
13 delivery to a person residing in another state, and if the insurance  
14 commissioner or corresponding public officer of that other state has  
15 informed the Commissioner that the policy is not subject to approval  
16 or disapproval by that officer, the Commissioner may by ruling  
17 require that the policy meet the standards set forth in NRS 689A.030  
18 to 689A.320, inclusive ~~[ ]~~, *and section 1 of this act.*

19       **Sec. 3.** Chapter 689B of NRS is hereby amended by adding  
20 thereto a new section to read as follows:

21       1. *A policy of group health insurance must provide coverage*  
22 *for benefits payable for expenses incurred for treatment by*  
23 *acupuncture, as defined in NRS 634A.020.*

24       2. *A policy subject to the provisions of this chapter which is*  
25 *delivered, issued for delivery or renewed on or after October 1,*  
26 *2009, has the legal effect of including the coverage required by*  
27 *subsection 1, and any provision of the policy or the renewal which*  
28 *is in conflict with subsection 1 is void.*

29       **Sec. 4.** Chapter 695B of NRS is hereby amended by adding  
30 thereto a new section to read as follows:

31       1. *A policy of health insurance issued by a hospital or*  
32 *medical service corporation must provide coverage for benefits*  
33 *payable for expenses incurred for treatment by acupuncture, as*  
34 *defined in NRS 634A.020.*

35       2. *A policy subject to the provisions of this chapter which is*  
36 *delivered, issued for delivery or renewed on or after October 1,*  
37 *2009, has the legal effect of including the coverage required by*  
38 *subsection 1, and any provision of the policy or the renewal which*  
39 *is in conflict with subsection 1 is void.*



1       **Sec. 5.** Chapter 695C of NRS is hereby amended by adding  
2 thereto a new section to read as follows:

3       **1. A health care plan issued by a health maintenance**  
4 **organization must provide coverage for benefits payable for**  
5 **expenses incurred for treatment by acupuncture, as defined in**  
6 **NRS 634A.020.**

7       **2. An evidence of coverage for a health care plan subject to**  
8 **the provisions of this chapter which is delivered, issued for**  
9 **delivery or renewed on or after October 1, 2009, has the legal**  
10 **effect of including the coverage required by subsection 1, and any**  
11 **provision of the evidence of coverage or the renewal which is in**  
12 **conflict with subsection 1 is void.**

13       **Sec. 6.** NRS 695C.050 is hereby amended to read as follows:

14       695C.050 1. Except as otherwise provided in this chapter or  
15 in specific provisions of this title, the provisions of this title are not  
16 applicable to any health maintenance organization granted a  
17 certificate of authority under this chapter. This provision does not  
18 apply to an insurer licensed and regulated pursuant to this title  
19 except with respect to its activities as a health maintenance  
20 organization authorized and regulated pursuant to this chapter.

21       2. Solicitation of enrollees by a health maintenance  
22 organization granted a certificate of authority, or its representatives,  
23 must not be construed to violate any provision of law relating to  
24 solicitation or advertising by practitioners of a healing art.

25       3. Any health maintenance organization authorized under this  
26 chapter shall not be deemed to be practicing medicine and is exempt  
27 from the provisions of chapter 630 of NRS.

28       4. The provisions of NRS 695C.110, 695C.125, 695C.1691,  
29 695C.1693, 695C.170 to 695C.200, inclusive, **and section 5 of this**  
30 **act, NRS** 695C.250 and 695C.265 do not apply to a health  
31 maintenance organization that provides health care services through  
32 managed care to recipients of Medicaid under the State Plan for  
33 Medicaid or insurance pursuant to the Children's Health Insurance  
34 Program pursuant to a contract with the Division of Health Care  
35 Financing and Policy of the Department of Health and Human  
36 Services. This subsection does not exempt a health maintenance  
37 organization from any provision of this chapter for services  
38 provided pursuant to any other contract.

39       5. The provisions of NRS 695C.1694, 695C.1695 and  
40 695C.1731 apply to a health maintenance organization that provides  
41 health care services through managed care to recipients of Medicaid  
42 under the State Plan for Medicaid.

43       **Sec. 7.** NRS 695C.330 is hereby amended to read as follows:

44       695C.330 1. The Commissioner may suspend or revoke any  
45 certificate of authority issued to a health maintenance organization



1 pursuant to the provisions of this chapter if he finds that any of the  
2 following conditions exist:

3 (a) The health maintenance organization is operating  
4 significantly in contravention of its basic organizational document,  
5 its health care plan or in a manner contrary to that described in and  
6 reasonably inferred from any other information submitted pursuant  
7 to NRS 695C.060, 695C.070 and 695C.140, unless any amendments  
8 to those submissions have been filed with and approved by the  
9 Commissioner;

10 (b) The health maintenance organization issues evidence of  
11 coverage or uses a schedule of charges for health care services  
12 which do not comply with the requirements of NRS 695C.1691 to  
13 695C.200, inclusive, *and section 5 of this act*, or NRS 695C.207;

14 (c) The health care plan does not furnish comprehensive health  
15 care services as provided for in NRS 695C.060;

16 (d) The State Board of Health certifies to the Commissioner that  
17 the health maintenance organization:

18 (1) Does not meet the requirements of subsection 2 of NRS  
19 695C.080; or

20 (2) Is unable to fulfill its obligations to furnish health care  
21 services as required under its health care plan;

22 (e) The health maintenance organization is no longer financially  
23 responsible and may reasonably be expected to be unable to meet its  
24 obligations to enrollees or prospective enrollees;

25 (f) The health maintenance organization has failed to put into  
26 effect a mechanism affording the enrollees an opportunity to  
27 participate in matters relating to the content of programs pursuant to  
28 NRS 695C.110;

29 (g) The health maintenance organization has failed to put into  
30 effect the system required by NRS 695C.260 for:

31 (1) Resolving complaints in a manner reasonably to dispose  
32 of valid complaints; and

33 (2) Conducting external reviews of final adverse  
34 determinations that comply with the provisions of NRS 695G.241 to  
35 695G.310, inclusive;

36 (h) The health maintenance organization or any person on its  
37 behalf has advertised or merchandised its services in an untrue,  
38 misrepresentative, misleading, deceptive or unfair manner;

39 (i) The continued operation of the health maintenance  
40 organization would be hazardous to its enrollees;

41 (j) The health maintenance organization fails to provide the  
42 coverage required by NRS 695C.1691; or

43 (k) The health maintenance organization has otherwise failed to  
44 comply substantially with the provisions of this chapter.



1 2. A certificate of authority must be suspended or revoked only  
2 after compliance with the requirements of NRS 695C.340.

3 3. If the certificate of authority of a health maintenance  
4 organization is suspended, the health maintenance organization shall  
5 not, during the period of that suspension, enroll any additional  
6 groups or new individual contracts, unless those groups or persons  
7 were contracted for before the date of suspension.

8 4. If the certificate of authority of a health maintenance  
9 organization is revoked, the organization shall proceed, immediately  
10 following the effective date of the order of revocation, to wind up its  
11 affairs and shall conduct no further business except as may be  
12 essential to the orderly conclusion of the affairs of the organization.  
13 It shall engage in no further advertising or solicitation of any kind.  
14 The Commissioner may, by written order, permit such further  
15 operation of the organization as he may find to be in the best interest  
16 of enrollees to the end that enrollees are afforded the greatest  
17 practical opportunity to obtain continuing coverage for health care.

18 **Sec. 8.** Chapter 695G of NRS is hereby amended by adding  
19 thereto a new section to read as follows:

20 *1. A health care plan issued by a managed care organization*  
21 *must provide coverage for benefits payable for expenses incurred*  
22 *for treatment by acupuncture, as defined in NRS 634A.020.*

23 *2. An evidence of coverage for a health care plan subject to*  
24 *the provisions of this chapter which is delivered, issued for*  
25 *delivery or renewed on or after October 1, 2009, has the legal*  
26 *effect of including the coverage required by subsection 1, and any*  
27 *provision of the evidence of coverage or the renewal which is in*  
28 *conflict with subsection 1 is void.*

29 **Sec. 9.** Chapter 287 of NRS is hereby amended by adding  
30 thereto a new section to read as follows:

31 *1. The governing body of any county, school district,*  
32 *municipal corporation, political subdivision, public corporation or*  
33 *other local governmental agency of the State of Nevada that*  
34 *provides health insurance through a plan of self-insurance shall*  
35 *provide coverage for benefits payable for expenses incurred for*  
36 *treatment by acupuncture, as defined in NRS 634A.020.*

37 *2. A plan of self-insurance described in subsection 1 which is*  
38 *offered, delivered, issued for delivery or renewed on or after*  
39 *October 1, 2009, has the legal effect of including the coverage*  
40 *required by subsection 1, and any provision of the plan or the*  
41 *renewal which is in conflict with subsection 1 is void.*

42 **Sec. 10.** NRS 287.04335 is hereby amended to read as  
43 follows:

44 287.04335 If the Board provides health insurance through a  
45 plan of self-insurance, it shall comply with the provisions of



1 NRS 689B.255, 695G.150, 695G.160, 695G.164, 695G.170,  
2 695G.171, 695G.173, 695G.177, 695G.200 to 695G.230, inclusive,  
3 695G.241 to 695G.310, inclusive, and 695G.405, *and section 8 of*  
4 *this act* in the same manner as an insurer that is licensed pursuant to  
5 title 57 of NRS is required to comply with those provisions.

6 **Sec. 11.** The provisions of NRS 354.599 do not apply to any  
7 additional expenses of a local government that are related to the  
8 provisions of this act.

