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ASSEMBLY BILL NO. 268—ASSEMBLYMEN  
CHRISTENSEN AND PIERCE

MARCH 9, 2009

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JOINT SPONSORS: SENATORS LEE; AND 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 certain types of chemotherapy. (BDR 57-1007)

**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 ~~fornitted 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 certain types of chemotherapy; 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 certain types of chemotherapy in certain  
11 circumstances.

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

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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 that provides coverage for the*  
4 *treatment of cancer using chemotherapy administered by injection*  
5 *or intravenously must provide coverage for the treatment of*  
6 *cancer using chemotherapy administered orally by means of a*  
7 *prescription drug.*

8       2. *The coverage required pursuant to this section must not be*  
9 *subject to monetary limits, deductibles or coinsurance provisions*  
10 *that are less favorable to the insured than the monetary limits,*  
11 *deductibles or coinsurance provisions which apply to*  
12 *chemotherapy administered by injection or intravenously under*  
13 *the policy.*

14       3. *A policy subject to the provisions of this chapter that is*  
15 *delivered, issued for delivery or renewed on or after October 1,*  
16 *2009, has the legal effect of including the coverage required by*  
17 *subsection 1, and any provision of the policy or the renewal which*  
18 *is in conflict with subsection 1 is void.*

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

20       689A.330 If any policy is issued by a domestic insurer for  
21 delivery to a person residing in another state, and if the insurance  
22 commissioner or corresponding public officer of that other state has  
23 informed the Commissioner that the policy is not subject to approval  
24 or disapproval by that officer, the Commissioner may by ruling  
25 require that the policy meet the standards set forth in NRS 689A.030  
26 to 689A.320, inclusive **H**, and section 1 of this act.

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

29       1. *A policy of group health insurance that provides coverage*  
30 *for the treatment of cancer using chemotherapy administered by*  
31 *injection or intravenously must provide coverage for the treatment*  
32 *of cancer using chemotherapy administered orally by means of a*  
33 *prescription drug.*

34       2. *The coverage required pursuant to this section must not be*  
35 *subject to monetary limits, deductibles or coinsurance provisions*  
36 *that are less favorable to the insured than the monetary limits,*  
37 *deductibles or coinsurance provisions which apply to*  
38 *chemotherapy administered by injection or intravenously under*  
39 *the policy.*

40       3. *A policy subject to the provisions of this chapter that is*  
41 *delivered, issued for delivery or renewed on or after October 1,*  
42 *2009, has the legal effect of including the coverage required by*



1 *subsection 1, and any provision of the policy or the renewal which*  
2 *is in conflict with subsection 1 is void.*

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

5 *1. An insurer that offers or issues a contract for hospital or*  
6 *medical service which provides coverage for the treatment of*  
7 *cancer using chemotherapy administered by injection or*  
8 *intravenously must include in the contract coverage for the*  
9 *treatment of cancer using chemotherapy administered orally by*  
10 *means of a prescription drug.*

11 *2. The coverage required pursuant to this section must not be*  
12 *subject to monetary limits, deductibles or coinsurance provisions*  
13 *that are less favorable to the insured than the monetary limits,*  
14 *deductibles or coinsurance provisions which apply to*  
15 *chemotherapy administered by injection or intravenously under*  
16 *the contract.*

17 *3. A contract subject to the provisions of this chapter that is*  
18 *delivered, issued for delivery or renewed on or after October 1,*  
19 *2009, has the legal effect of including the coverage required by*  
20 *subsection 1, and any provision of the contract or the renewal*  
21 *which is in conflict with subsection 1 is void.*

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

24 *1. A health care plan issued by a health maintenance*  
25 *organization that provides coverage for the treatment of cancer*  
26 *using chemotherapy administered by injection or intravenously*  
27 *must provide coverage for the treatment of cancer using*  
28 *chemotherapy administered orally by means of a prescription*  
29 *drug.*

30 *2. The coverage required pursuant to this section must not be*  
31 *subject to monetary limits, deductibles or coinsurance provisions*  
32 *that are less favorable to the insured than the monetary limits,*  
33 *deductibles or coinsurance provisions which apply to*  
34 *chemotherapy administered by injection or intravenously under*  
35 *the plan.*

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

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

43 695C.050 1. Except as otherwise provided in this chapter or  
44 in specific provisions of this title, the provisions of this title are not  
45 applicable to any health maintenance organization granted a



1 certificate of authority under this chapter. This provision does not  
2 apply to an insurer licensed and regulated pursuant to this title  
3 except with respect to its activities as a health maintenance  
4 organization authorized and regulated pursuant to this chapter.

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

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

12 4. The provisions of NRS 695C.110, 695C.125, 695C.1691,  
13 695C.1693, 695C.170 to 695C.200, inclusive, *and section 5 of this*  
14 *act*, 695C.250 and 695C.265 do not apply to a health maintenance  
15 organization that provides health care services through managed  
16 care to recipients of Medicaid under the State Plan for Medicaid or  
17 insurance pursuant to the Children's Health Insurance Program  
18 pursuant to a contract with the Division of Health Care Financing  
19 and Policy of the Department of Health and Human Services. This  
20 subsection does not exempt a health maintenance organization from  
21 any provision of this chapter for services provided pursuant to any  
22 other contract.

23 5. The provisions of NRS 695C.1694, 695C.1695 and  
24 695C.1731 apply to a health maintenance organization that provides  
25 health care services through managed care to recipients of Medicaid  
26 under the State Plan for Medicaid.

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

28 695C.330 1. The Commissioner may suspend or revoke any  
29 certificate of authority issued to a health maintenance organization  
30 pursuant to the provisions of this chapter if he finds that any of the  
31 following conditions exist:

32 (a) The health maintenance organization is operating  
33 significantly in contravention of its basic organizational document,  
34 its health care plan or in a manner contrary to that described in and  
35 reasonably inferred from any other information submitted pursuant  
36 to NRS 695C.060, 695C.070 and 695C.140, unless any amendments  
37 to those submissions have been filed with and approved by the  
38 Commissioner;

39 (b) The health maintenance organization issues evidence of  
40 coverage or uses a schedule of charges for health care services  
41 which do not comply with the requirements of NRS 695C.1691 to  
42 695C.200, inclusive, *and section 5 of this act* or 695C.207;

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



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

3 (1) Does not meet the requirements of subsection 2 of NRS  
4 695C.080; or

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

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

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

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

16 (1) Resolving complaints in a manner reasonably to dispose  
17 of valid complaints; and

18 (2) Conducting external reviews of final adverse  
19 determinations that comply with the provisions of NRS 695G.241 to  
20 695G.310, inclusive;

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

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

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

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

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

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

37 4. If the certificate of authority of a health maintenance  
38 organization is revoked, the organization shall proceed, immediately  
39 following the effective date of the order of revocation, to wind up its  
40 affairs and shall conduct no further business except as may be  
41 essential to the orderly conclusion of the affairs of the organization.  
42 It shall engage in no further advertising or solicitation of any kind.  
43 The Commissioner may, by written order, permit such further  
44 operation of the organization as he may find to be in the best interest



1 of enrollees to the end that enrollees are afforded the greatest  
2 practical opportunity to obtain continuing coverage for health care.

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

5 *1. A health care plan issued by a managed care organization*  
6 *that provides coverage for the treatment of cancer using*  
7 *chemotherapy administered by injection or intravenously must*  
8 *provide coverage for the treatment of cancer using chemotherapy*  
9 *administered orally by means of a prescription drug.*

10 *2. The coverage required pursuant to this section must not be*  
11 *subject to monetary limits, deductibles or coinsurance provisions*  
12 *that are less favorable to the insured than the monetary limits,*  
13 *deductibles or coinsurance provisions which apply to*  
14 *chemotherapy administered by injection or intravenously under*  
15 *the plan.*

16 *3. Any evidence of coverage subject to the provisions of this*  
17 *chapter that is delivered, issued for delivery or renewed on or after*  
18 *October 1, 2009, has the legal effect of including the coverage*  
19 *required by subsection 1, and any provision of the evidence of*  
20 *coverage or the renewal which is in conflict with subsection 1 is*  
21 *void.*

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

24 *1. The governing body of any county, school district,*  
25 *municipal corporation, political subdivision, public corporation or*  
26 *other local governmental agency of the State of Nevada that*  
27 *provides health insurance through a plan of self-insurance which*  
28 *provides coverage for the treatment of cancer using chemotherapy*  
29 *administered by injection or intravenously must provide coverage*  
30 *for the treatment of cancer using chemotherapy administered*  
31 *orally by means of a prescription drug.*

32 *2. The coverage required pursuant to this section must not be*  
33 *subject to monetary limits, deductibles or coinsurance provisions*  
34 *that are less favorable to the insured than the monetary limits,*  
35 *deductibles or coinsurance provisions which apply to*  
36 *chemotherapy administered by injection or intravenously under*  
37 *the plan.*

38 *3. A plan subject to the provisions of this chapter that is*  
39 *delivered, issued for delivery or renewed on or after October 1,*  
40 *2009, has the legal effect of including the coverage required by*  
41 *subsection 1, and any provision of the plan or the renewal which*  
42 *is in conflict with subsection 1 is void.*



1     **Sec. 10.** NRS 287.04335 is hereby amended to read as  
2 follows:

3     287.04335 If the Board provides health insurance through a  
4 plan of self-insurance, it shall comply with the provisions of NRS  
5 689B.255, 695G.150, 695G.160, 695G.164, 695G.170, 695G.171,  
6 695G.173, 695G.177, 695G.200 to 695G.230, inclusive, 695G.241  
7 to 695G.310, inclusive, and 695G.405, *and section 8 of this act* in  
8 the same manner as an insurer that is licensed pursuant to title 57 of  
9 NRS is required to comply with those provisions.

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

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