

**ADOPTED REGULATION OF THE
COMMISSIONER OF INSURANCE**

LCB File No. R133-05

Effective October 31, 2005

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

AUTHORITY: §§1-10, NRS 679B.130 and section 7 of Assembly Bill No. 338 of the 73rd Session of the Nevada Legislature, chapter 456, Statutes of Nevada 2005, at page 2101 (NRS 695H.090).

A REGULATION relating to insurance; establishing the requirements for an application for registration to engage in business as a medical discount plan; providing that certain requirements for such an application are deemed satisfied by certain applicants under certain circumstances; and providing other matters properly relating thereto.

Section 1. Chapter 695H of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 10, inclusive, of this regulation.

Sec. 2. *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 3 to 7, inclusive, of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Administrator” has the meaning ascribed to it in section 2.3 of Assembly Bill No. 338 of the 73rd Session of the Nevada Legislature, chapter 456, Statutes of Nevada 2005, at page 2101 (NRS 695H.020).*

Sec. 4. *“Affiliate of an insurer” has the meaning ascribed to it in section 2.5 of Assembly Bill No. 338 of the 73rd Session of the Nevada Legislature, chapter 456, Statutes of Nevada 2005, at page 2101 (NRS 695H.030).*

Sec. 5. *“Division” means the Division of Insurance of the Department of Business and Industry.*

Sec. 6. *“Insurer” has the meaning ascribed to it in section 2.7 of Assembly Bill No. 338 of the 73rd Session of the Nevada Legislature, chapter 456, Statutes of Nevada 2005, at page 2101 (NRS 695H.040).*

Sec. 7. *“Medical discount plan” has the meaning ascribed to it in section 3 of Assembly Bill No. 338 of the 73rd Session of the Nevada Legislature, chapter 456, Statutes of Nevada 2005, at page 2101 (NRS 695H.050).*

Sec. 8. *Except as otherwise provided in sections 9 and 10 of this regulation, an application for registration to engage in business as a medical discount plan must be accompanied by any fee and documentation required pursuant to subsection 1 of section 7 of Assembly Bill No. 338 of the 73rd Session of the Nevada Legislature, chapter 456, Statutes of Nevada 2005, at page 2101 (NRS 695H.090).*

Sec. 9. *An administrator, insurer or affiliate of an insurer shall be deemed to have satisfied the requirements of paragraph (b) or (f) of subsection 1 of section 7 of Assembly Bill No. 338 of the 73rd Session of the Nevada Legislature, chapter 456, Statutes of Nevada 2005, at page 2101 (NRS 695H.090), if the administrator, insurer or affiliate of an insurer:*

- 1. Has a current license or certificate of authority issued by the Division; and*
- 2. Has previously submitted, pursuant to any other provision of title 57 of NRS or any regulation adopted pursuant thereto, information that is substantially similar to the information required pursuant to paragraph (b) or (f) of subsection 1 of section 7 of Assembly Bill No. 338 of the 73rd Session of the Nevada Legislature, chapter 456, Statutes of Nevada 2005, at page 2101 (NRS 695H.090), and the previously submitted information:*

(a) Is current and accurate;

(b) Involved the same person as is involved in the application for registration to engage in business as a medical discount plan; and

(c) Satisfies, at a minimum, the requirements set forth in paragraph (b) or (f) of subsection 1 of section 7 of Assembly Bill No. 338 of the 73rd Session of the Nevada Legislature, chapter 456, Statutes of Nevada 2005, at page 2101 (NRS 695H.090).

Sec. 10. *An administrator, insurer or affiliate of an insurer shall be deemed to have satisfied the requirements of paragraph (c) of subsection 1 of section 7 of Assembly Bill No. 338 of the 73rd Session of the Nevada Legislature, chapter 456, Statutes of Nevada 2005, at page 2101 (NRS 695H.090), if the administrator, insurer or affiliate of an insurer:*

1. Has a current license or certificate of authority issued by the Division; and

2. Has previously submitted, pursuant to any other provision of title 57 of NRS or any regulation adopted pursuant thereto, biographical information that is substantially similar to the biographical information required pursuant to paragraph (c) of subsection 1 of section 7 of Assembly Bill No. 338 of the 73rd Session of the Nevada Legislature, chapter 456, Statutes of Nevada 2005, at page 2101 (NRS 695H.090), and the previously submitted biographical information:

(a) Is current and accurate;

(b) Involved the same person as is involved in the application for registration to engage in business as a medical discount plan; and

(c) Satisfies, at a minimum, the requirements set forth in paragraph (c) of subsection 1 of section 7 of Assembly Bill No. 338 of the 73rd Session of the Nevada Legislature, chapter 456, Statutes of Nevada 2005, at page 2101 (NRS 695H.090).

NOTICE OF ADOPTION OF PROPOSED REGULATION
LCB File No. R133-05

The Commissioner of Insurance adopted regulations assigned LCB File No. R133-05 which pertain to chapter 695H of the Nevada Administrative Code on September 29, 2005

Notice date: 8/22/2005
Hearing date: 9/26/2005

Date of adoption by agency: 9/29/2005
Filing date: 10/31/2005

INFORMATIONAL STATEMENT

A hearing was held on September 26, 2005, at the offices of the Department of Business and Industry, Division of Insurance (Division), 788 Fairview Drive, Suite 300, Carson City, Nevada 89701, with a simultaneous video-conference conducted at the Bradley Building, 2501 E. Sahara Avenue, Manufactured Housing Division Conference Room, 2nd Floor, Las Vegas, Nevada 89104, regarding the adoption of the regulation concerning medical discount plans.

Public comment was solicited by posting notice of the hearing in the following public locations: 788 Fairview Drive, Legislative Counsel Bureau, Capitol Building Lobby, Blasdel Building, Carson City Courthouse, State Library, Clark County Library, Capitol Press Room and the Division's Las Vegas Office.

The Division maintains a list of interested parties, comprised mainly of insurance companies, agencies and other persons regulated by the Division. These persons were notified of the hearing and that copies of the regulation could be obtained from or examined at the offices of the Division in Carson City.

The hearing was attended by 8 individuals. Oral testimony was provided by Stephen L. Wright, representing the Division. No written comments were received by the Division. Questions raised during the workshop were answered to the satisfaction of the attendees resulting in the recommendation that no revisions be made. Also, the industry offered no recommendations to amend the proposed regulation.

There were no revisions made to the Proposed Regulation, LCB File No. R133-05, dated September 21, 2005. The Commissioner has issued an order adopting the regulation, pursuant to the workshop and hearing, as a permanent regulation of the Division.

The economic impact of the regulation is as follows:

- (a) On the business it is to regulate: The proposed regulation would lessen the repetitive background information required in an application to register as a medical discount plan. The effect, of which, will likely reduce the time and expense of completing an application for applicants that have previously submitted similar information under other provisions of Title 57.

(b) On the public: None.

The Division will incur some additional expense to enforce the proposed regulation that cannot be measured at this time. This additional expense is expected to be minimal.

The Division is not aware of any overlap or duplication of the regulation with any state, local or federal regulation.