NOTICE OF INTENT TO ACT UPON REGULATION AND HEARING AGENDA

Notice of Hearing for the Adoption, Amendment or Repeal of Regulations of The Department of Business and Industry, Division of Insurance

The State of Nevada, Department of Business and Industry, Division of Insurance ("Division"), (775) 687-0700, will hold a public hearing at **9:30 a.m. on February 22, 2018,** in the 1st Floor Hearing Room, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706. Interested persons may also participate through a simultaneous videoconference conducted in the 4th Floor Nevada Room at the Nevada State Business Center/Division of Insurance, 3300 West Sahara Avenue, Suite 275, Las Vegas, Nevada 89102. The purpose of the hearing is to receive comments from all interested persons regarding the adoption, amendment or repeal of regulations pertaining to chapters 679B, 680A, 681A, 681B, 682A, 683A, 685A, 686B, 687B, 688A, 689B, 689C, 691B, 692A, 694C, 695B, 695C, 695D, 695F, and 696A of the Nevada Administrative Code ("NAC").

The following information is provided pursuant to the requirements of Nevada Revised Statutes ("NRS") 233B.0603 and the directives of the Governor:

LCB File No. R089-17. Address Change and Publication Updates. A regulation relating to insurance; revising contact information relating to the certain vendors of certain publications adopted by reference; revising the names and prices of certain publications adopted by reference; revising provisions governing the filing of certain quality and performance indicators by health maintenance organizations; revising provisions relating to the use of employee assistance programs; repealing certain provisions; and providing other matters properly relating thereto.

(1) Why is the regulation necessary and what is its purpose?

Proposed changes are to update information regarding National Association of Insurance Commissioner ("NAIC") address change and publications issued by the NAIC and other organizations that have changed publication name, and to make other conforming changes as a result of statute changes. The latter includes: 1) a slight narrowing of the definition of a managing general agent ("MGA") (NAC 683A.450(3)); 2) a correction to a statutory reference regarding money maintained by a nonprofit organization of brokers (NAC 685A.400(1)(c)); and 3) allowing a health maintenance organization or a provider sponsored organization to also coordinate its benefits with any policy of individual health insurance (NAC 695C.180(1)). NAC 695C.275 is also amended to replace reference to the State Board of Health with the Commissioner; and to remove the requirement of an annual report.

(2) What are the terms or substance of the proposed regulation?

Proposed changes are to update information regarding National Association of Insurance Commissioner ("NAIC") address change, update publications issued by the NAIC and

other organizations that have changed publication name, and to make other corrections as a result of statutory changes in 2017, 2015 and 2013, as noted above.

(3) What is the anticipated impact of the regulation on the problem(s)?

This regulation will provide accurate information to carriers. No other impacts are anticipated.

(4) Do other regulations address the same problem(s)?

No.

(5) Are alternate forms of regulation sufficient to address the problem(s)?

There are no other regulations that address these issues.

(6) What value does the regulation have to the public?

The value is primarily to the carriers regulated by the Division.

- (7) What is the anticipated <u>economic benefit</u> of the regulation?
 - a. Public
 - 1. Immediate: No change since the regulation is an update to incorrect information.
 - 2. Long Term: No change since the regulation is an update to incorrect information.
 - b. Insurance Business
 - 1. Immediate: No change since the regulation is an update to incorrect information.
 - 2. Long Term: No change since the regulation is an update to incorrect information.
 - c. Small Businesses
 - 1. Immediate: No change since the regulation is an update to incorrect information.
 - 2. Long Term: No change since the regulation is an update to incorrect information.
 - d. Small Communities
 - 1. Immediate: No change since the regulation is an update to incorrect information.
 - 2. Long Term: No change since the regulation is an update to incorrect information.
 - e. Government Entities
 - 1. Immediate: No change since the regulation is an update to incorrect

information.

2. Long Term: No change since the regulation is an update to incorrect information.

(8) What is the anticipated <u>adverse impact</u>, if any?

a. Public

- 1. Immediate: No change since the regulation is an update to incorrect information.
- 2. Long Term: No change since the regulation is an update to incorrect information.

b. Insurance Business

- 1. Immediate: No change since the regulation is an update to incorrect information.
- 2. Long Term: No change since the regulation is an update to incorrect information.

c. Small Businesses

- 1. Immediate: No change since the regulation is an update to incorrect information.
- 2. Long Term: No change since the regulation is an update to incorrect information.

d. Small Communities

- 1. Immediate: No change since the regulation is an update to incorrect information.
- 2. Long Term: No change since the regulation is an update to incorrect information.

e. Government Entities

- 1. Immediate: No change since the regulation is an update to incorrect information.
- 2. Long Term: No change since the regulation is an update to incorrect information.

(9) What is the anticipated cost of the regulation, both direct and indirect?

- a. Enactment: None.
- b. Enforcement: None.
- c. Compliance: None.

(10) Does the regulation establish a new fee or increase an existing fee?

The regulation would accurately reflect current price of publications cited, which has increased.

(11) Provide a statement which identifies the methods used by the agency in determining the

impact of the proposed regulation on a small business, prepared pursuant to subsection 3 of NRS 233B.0608.

See attached Small Business Impact Statement.

(12) Provide a description of any regulations of other state or local governmental agencies which the proposed regulation overlaps or duplicates, and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, state the name of the regulating federal agency.

None.

(13) If the regulation is required pursuant to federal law, provide a citation and description of the federal law.

Not applicable.

(14) If the regulation includes provisions which are more stringent than a federal regulation that regulates the same activity, provide a summary of such provisions.

There are no provisions which are more stringent than federal regulation regulating the same activity.

Persons wishing to comment upon the proposed actions of the Division may appear at the scheduled public hearing or may address their comments, data, views or arguments, in written form, to the Division, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706. Written submissions must be received by the Division on or before February 15, 2018. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Division may proceed immediately to act upon any written submissions.

A copy of this notice and the regulation to be adopted, amended or repealed will be on file at the State Library, 100 North Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the regulation will be available at the offices of the Division, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706, and 3300 West Sahara Avenue, Suite 275, Las Vegas, Nevada 89102, and in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at http://leg.state.nv.us/register/. Copies of this notice and the proposed regulation will be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary. This does not apply to a public body subject to the Open Meeting Law.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

Notice of the hearing was provided via electronic means to all persons on the agency's email list for administrative regulations, and this Notice of Intent to Act Upon Regulation was posted to the agency's Internet Web site at http://doi.nv.gov/ and was provided to or posted at the following locations:

Nevada Division of Insurance 1818 East College Parkway, Suite 103 Carson City, Nevada 89706

Legislative Building 401 South Carson Street Carson City, Nevada 89701

Blasdel Building 209 East Musser Street Carson City, Nevada 89701

Capitol Building Main Floor 101 North Carson Street Carson City, Nevada 89701

Nevada State Library & Archives 100 North Stewart Street Carson City, Nevada 89701

Churchill County Library 553 South Main Street Fallon, Nevada 89406

Elko County Library 720 Court Street Elko, Nevada 89801

Eureka Branch Library P.O. Box 293

Eureka, Nevada 89316

Lander County Library P.O. Box 141

Battle Mountain, Nevada 89820

Lincoln County Library P.O. Box 330

Pioche, Nevada 89043-0330

Mineral County Public Library

Nevada Division of Insurance 3300 West Sahara Avenue, Suite 275 Las Vegas, Nevada 89102

Nevada State Business Center 3300 West Sahara Avenue Las Vegas, Nevada 89102

Grant Sawyer Building 555 East Washington Avenue Las Vegas, Nevada 89101

Nevada Department of Employment, Training and Rehabilitation 2800 E. Saint Louis Avenue Las Vegas, NV 89104

Carson City Library*

*Temporary closure of library

prevents posting at this location

Douglas County Library P.O. Box 337 Minden, Nevada 89423

Esmeralda County Library P.O. Box 430 Goldfield, Nevada 89013

Humboldt County Library 85 East 5th Street Winnemucca, Nevada 89445

Las Vegas-Clark County Library District 7060 W. Windmill Lane Las Vegas, NV 89113

Lyon County Library 20 Nevin Way Yerington, Nevada 89447

Pershing County Library

P.O. Box 1390 Hawthorne, Nevada 89415

Storey County Clerk P.O. Drawer D Virginia City, Nevada 89440

Washoe County/Downtown Reno Library P.O. Box 2151

Reno, Nevada 89505-2151

P.O. Box 781

Lovelock, Nevada 89419

Tonopah Public Library

P.O. Box 449

Tonopah, Nevada 89049

White Pine County Library 950 Campton Street Ely, Nevada 89301

Members of the public who would like additional information about the proposed regulation may contact Susan Bell, Legal Secretary, at (775) 687-0704, or via e-mail to suebell@doi.nv.gov.

Members of the public who are disabled and require special accommodations or assistance at the hearing are requested to notify the Commissioner's secretary, in writing, no later than five (5) working days before the hearing: 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, or suebell@doi.nv.gov.

DATED this 17th day of January, 2018.

BARBARA D. RICHARDSON Commissioner of Insurance

By: /s/

LAURIE SQUARTSOFF
Chief Deputy Commissioner of Insurance
With Delegation of Authority

HEARING AGENDA

The State of Nevada, Department of Business and Industry, Division of Insurance

February 22, 2018 • 9:30 a.m.

Location of Hearing:

Nevada Division of Insurance 1818 E. College Pkwy., 1st Floor Hearing Room Carson City, NV 89706 (Division Offices located in Suite 103) Available via Videoconference at:

Nevada Division of Insurance 3300 W. Sahara Ave., 4th Floor Nevada Room Las Vegas, NV 89102 (Division Offices located in Suite 275)

- 1. Open Hearing: R089-17.
- 2. Presentation, Discussion and Adoption of Proposed Regulation. (For Possible Action)

<u>LCB File No. R089-17.</u> Address Change and Publication Updates. A regulation relating to insurance; revising contact information relating to the certain vendors of certain publications adopted by reference; revising the names and prices of certain publications adopted by reference; revising provisions governing the filing of certain quality and performance indicators by health maintenance organizations; revising provisions relating to the use of employee assistance programs; repealing certain provisions; and providing other matters properly relating thereto.

- 3. Public Comment.
- 4. Close Hearing: R089-17.
- 5. Adjournment.

Supporting public material for this hearing may be requested from Susan Bell, Legal Secretary, Nevada Division of Insurance, 1818 E. College Parkway, Carson City, Nevada 89706, (775) 687-0704, or suebell@doi.nv.gov.

Note: Any agenda item may be taken out of order; items may be combined for consideration by the public body; items may be pulled or removed from the agenda at any time; and, discussion relating to an item may be delayed or continued at any time. The Hearing Officer, within his/her discretion, may allow for public comment on individual agenda items. Public comment may be limited to three minutes per speaker.

Members of the public are encouraged to submit written comments for the record.

We are pleased to make reasonable accommodations for attendees with disabilities. Please notify the Commissioner's secretary, in writing, no later than five (5) working days before the hearing: 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, or suebell@doi.nv.gov.

NOTICES FOR THIS HEARING HAVE BEEN POSTED IN ACCORDANCE WITH NRS 241 AT THE FOLLOWING LOCATIONS:

Nevada Division of Insurance, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706

Nevada Division of Insurance, 3300 W. Sahara Avenue, Suite 275, Las Vegas, Nevada 89102

Nevada State Business Center, 3300 W. Sahara Avenue, Las Vegas, Nevada 89102

Nevada State Legislative Building, 401 S. Carson Street, Carson City, Nevada 89701

Grant Sawyer State Office Building, 555 E. Washington Avenue, Las Vegas, Nevada 89101

Blasdel State Office Building, 209 E. Musser Street, Carson City, Nevada 89701

Nevada State Capitol, 101 N. Carson Street, Carson City, Nevada 89701

Nevada Dept. of Employment, Training and Rehabilitation, 2800 E. Saint Louis Avenue, Las Vegas, Nevada 89104

The State of Nevada Website (www.nv.gov)

The Nevada State Legislature Website (www.leg.state.nv.us)

The Nevada Division of Insurance Website (www.doi.nv.gov)