

**ADOPTED REGULATION OF THE
COMMISSIONER OF INSURANCE**

LCB File No. R106-08

Effective September 18, 2008

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

AUTHORITY: §1, NRS 679B.130 and 695C.210.

A REGULATION relating to health maintenance organizations; revising provisions governing annual reporting requirements; and providing other matters properly relating thereto.

Section 1. NAC 695C.275 is hereby amended to read as follows:

695C.275 1. ~~Each~~ *On or before November 1 of each year, each* health maintenance organization which receives a certificate of authority shall ~~include in its annual report submitted~~ *submit* to the ~~Commissioner pursuant to NRS 695C.210~~ *State Board of Health* the quality and performance indicators selected ~~for each calendar year~~ by the ~~State Board of Health~~ *Board for the immediately preceding calendar year*. The Board will select the indicators from the reporting set data domains set forth in *Technical Specifications, ~~Health Plan Employer~~ Healthcare Effectiveness Data and Information Set* (HEDIS), volume 2, in the form most recently published by the National Committee for Quality Assurance (NCQA), unless the Board gives notice that the most recent revision is not suitable for this State pursuant to subsection ~~2.~~ *3.* Volume 2 of HEDIS may be obtained from the National Committee for Quality Assurance, NCQA, ~~Attention: EPJ, 2000 L Street, N.W., Suite 500, Washington, D.C. 20036,~~ *Department 4038, Washington, D.C. 20042-4038*, for the price of ~~\$260~~ *\$320* plus ~~\$14~~ *\$20*

for shipping and handling or by ordering via telephone at (888) 275-7585 or on the Internet at <http://www.ncqa.org/publications/>.

2. *Each health maintenance organization shall include in its annual report, filed with the Commissioner pursuant to NRS 695C.210, a copy of the most recent quality and performance indicators submitted to the State Board of Health pursuant to subsection 1.*

3. The State Board of Health shall review each revision of the reporting set data domains set forth in *Technical Specifications, ~~Health Plan Employer~~ Healthcare Effectiveness Data and Information Set* (HEDIS), volume 2, to ensure their suitability for this State. If the Board determines that a revision is not suitable for this State, it will hold a public hearing to review its determination and give notice of that hearing within 6 months after the date of the publication of the revision. If, after the hearing, the Board does not revise its determination, the Board will, within 30 days after the hearing, give notice that the revision is not suitable for this State. If the Board does not give such notice, the revision becomes part of the reporting set data domains adopted by reference pursuant to subsection 1.

NOTICE OF ADOPTION OF PROPOSED REGULATION
LCB File No. R106-08

The Commissioner of Insurance adopted regulations assigned LCB File No. R106-08 which pertain to chapter 695C of the Nevada Administrative Code.

INFORMATIONAL STATEMENT

A workshop was held on August 14, 2008, and a hearing was held on August 21, 2008, 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, Real Estate Division Conference Room, 2nd Floor, Las Vegas, Nevada 89104, regarding the adoption of the regulation concerning Health Maintenance Organization (HMO) Quality and Performance Indicators.

Public comment was solicited by posting notice of the hearing in the following public locations: the Division's Carson City and Las Vegas offices, Carson City Courthouse, Office of the Attorney General, the Donald W. Reynolds Press Center, Capitol Building Lobby, Capitol Building Press Room, Blasdel Building, Legislative Counsel Bureau, Nevada State Library, Carson City Library, Churchill County Library, Clark County District Library, Douglas County Library, Elko County Library, Esmeralda County Library, Eureka Branch Library, Humboldt County Library, Lander County Library, Lincoln County Library, Lyon County Library, Mineral County Library, Pershing County Library, Storey County Library, Tonopah Public Library, Washoe County Library, and White Pine County Library.

Notice was e-mailed to members of the Commissioner's Advisory Committee on Health Care and Insurance and interested parties of that Committee, the Nevada Program of Reinsurance for Small Employers & Eligible Person Board of Directors and Committee Members. In addition, the Division maintains a general 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 workshop was attended by fifteen interested parties in Carson City and eleven in Las Vegas. Oral testimony, in the form of suggested changes to the existing regulation, was provided by Kim Everett, Assistant Chief of the Life and Health Section, representing the Division. Lynn O'Mara, Health Planning Program Manager, representing the Nevada State Health Division, thanked the Division for addressing their concerns in the proposed regulation. The proposed changes will ensure compliance by clarifying when the data is to be reported by the HMO to the State Board of Health and the Division of Insurance based upon the availability of the data.

The hearing was attended by seven interested parties in Carson City and two in Las Vegas. During the hearing, oral testimony was provided by Kim Everett, Assistant Chief of the Life and Health Section. The Division received no public written comments or oral testimony.

Ms. Everett testified that this regulation will amend the date the HMO is required to submit the quality and performance indicators from March 1 to on or before November 1 of each year. The regulation provides clarification that the State Board of Health selected indicators are for the immediately preceding calendar year, and further clarifies the requirement that the HMO file a copy of the most recent quality and performance indicators that was submitted to the State Board of Health with the Division by March 1 pursuant to NRS 695C.210. Technical changes were suggested concerning the term “HEDIS” to read “Healthcare Effectiveness Data and Information Set”; a new address for the National Committee for Quality Assurance (NCQA) was added; and the cost of ordering HEDIS volume 2 was updated.

The Commissioner has issued an order adopting the regulation as a permanent regulation of the Division.

The economic effects of the regulation are as follows:

- (a) On the business which it regulates: The proposed regulation should have no economic impact on the industry that the Division of Insurance regulates. It will enable the HMO to file their reports to the State Board of Health and the Division when the data is available.
- (b) On the public: The proposed regulation should have no economic impact on the public.

There should be no cost to the Division to comply with the regulation. The Division is not aware of any overlap or duplication of the regulation with any state, local or federal regulation.