

**ADOPTED REGULATION OF THE  
COMMISSIONER OF INSURANCE**

**LCB File No. R008-02**

Effective May 23, 2002

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

AUTHORITY: §§1, 6 and 7, NRS 679B.130, §2, NRS 679B.130 and 689A.750; §3, NRS 679B.130 and 689B.029; §4, NRS 679B.130 and 695B.390; §5, NRS 679B.130, 695C.260 and 695C.275; §8, NRS 679B.130 and 695G.220.

**Section 1.** Chapter 287 of NAC is hereby amended by adding thereto a new section to read as follows:

*If the board of the public employees' benefits program provides health insurance through a plan of self-insurance:*

*1. To obtain approval of a system for resolving complaints of insureds under the plan of self-insurance from the commissioner of insurance as required pursuant to NRS 287.04335 and 695G.200, the board must submit to the division of insurance of the department of business and industry:*

- (a) The name and title of the employee responsible for the system for resolving complaints;*
- (b) A description of the procedure used to notify an insured of the decision regarding his complaint; and*
- (c) A copy of the explanation of rights and procedures that will be provided to insureds.*

*2. The board shall submit its annual report regarding its system for resolving complaints to the commissioner of insurance as required pursuant to NRS 287.04335 and 695G.220 on or before February 1 of each year. The board shall retain a copy of the annual report for 3 years*

*or until the next examination of the system for resolving complaints is conducted by the division pursuant to NRS 287.04335 and 695G.200, whichever is longer.*

*3. The board is not required to include in the annual report information concerning an oral inquiry by an insured relating to a misunderstanding or miscommunication if the misunderstanding or miscommunication was resolved within 1 working day after the inquiry was made. If the misunderstanding or miscommunication was not resolved within 1 working day, the board shall report the misunderstanding or miscommunication as a complaint in the annual report.*

**Sec. 2.** NAC 689A.615 is hereby amended to read as follows:

689A.615 1. An insurer shall submit its annual report regarding its system for resolving complaints as required pursuant to NRS 689A.750 on or before June 1 of each year. The insurer shall retain a copy of the annual report for at least 3 years or until the next examination conducted by the division, whichever is longer.

2. The insurer is not required to include in the annual report information concerning an oral inquiry by an insured relating to a misunderstanding or miscommunication if the misunderstanding or miscommunication was resolved within ~~[24 hours]~~ *1 working day* after the inquiry was made. If the misunderstanding or miscommunication was not resolved within ~~[24 hours]~~ *1 working day*, the insurer shall report it as a complaint in the annual report.

**Sec. 3.** NAC 689B.260 is hereby amended to read as follows:

689B.260 1. An insurer shall submit its annual report regarding its system for resolving complaints as required pursuant to NRS 689B.029 on or before June 1 of each year. The insurer shall retain a copy of the annual report for at least 3 years or until the next examination conducted by the division, whichever is longer.

2. The insurer is not required to include in the annual report information concerning an oral inquiry by an insured relating to a misunderstanding or miscommunication if the misunderstanding or miscommunication was resolved within ~~[24 hours]~~ *1 working day* after the inquiry was made. If the misunderstanding or miscommunication was not resolved within ~~[24 hours]~~ *1 working day*, the insurer shall report it as a complaint in the annual report.

**Sec. 4.** NAC 695B.210 is hereby amended to read as follows:

695B.210 1. An insurer shall submit its annual report regarding its system for resolving complaints as required pursuant to NRS 695B.390 on or before June 1 of each year. The insurer shall retain a copy of the annual report for at least 3 years or until the next examination conducted by the division, whichever is longer.

2. The insurer is not required to include in the annual report information concerning an oral inquiry by an insured relating to a misunderstanding or miscommunication if the misunderstanding or miscommunication was resolved within ~~[24 hours]~~ *1 working day* after the inquiry was made. If the misunderstanding or miscommunication was not resolved within ~~[24 hours]~~ *1 working day*, the insurer shall report it as a complaint in the annual report.

**Sec. 5.** NAC 695C.235 is hereby amended to read as follows:

695C.235 1. A health maintenance organization shall submit its annual report regarding its system for resolving complaints as required pursuant to NRS 695C.260 and 695G.220 on or before June 1 of each year. The health maintenance organization shall retain a copy of the annual report for at least 3 years or until the next examination conducted by the division, whichever is longer.

2. The health maintenance organization is not required to include in the annual report information concerning an oral inquiry by an enrollee relating to a misunderstanding or

miscommunication if the misunderstanding or miscommunication was resolved within ~~[24 hours]~~ *1 working day* after the inquiry was made. If the misunderstanding or miscommunication was not resolved within ~~[24 hours,]~~ *1 working day*, the health maintenance organization shall report it as a complaint in the annual report.

**Sec. 6.** NAC 695D.530 is hereby amended to read as follows:

695D.530 1. An organization shall submit its annual report regarding its system for resolving complaints as required pursuant to NAC 695D.540 on or before June 1 of each year. The organization shall retain a copy of the annual report for at least 3 years or until the next examination conducted by the division, whichever is longer.

2. The organization is not required to include in the annual report information concerning an oral inquiry by a member relating to a misunderstanding or miscommunication if the misunderstanding or miscommunication was resolved within ~~[24 hours]~~ *1 working day* after the inquiry was made. If the misunderstanding or miscommunication was not resolved within ~~[24 hours,]~~ *1 working day*, the organization shall report it as a complaint in the annual report.

**Sec. 7.** NAC 695F.640 is hereby amended to read as follows:

695F.640 1. An organization shall submit its annual report regarding its system for resolving complaints as required pursuant to NAC 695F.630 on or before June 1 of each year. The organization shall retain a copy of the annual report for at least 3 years or until the next examination conducted by the division, whichever is longer.

2. The organization is not required to include in the annual report information concerning an oral inquiry by an enrollee relating to a misunderstanding or miscommunication if the misunderstanding or miscommunication was resolved within ~~[24 hours]~~ *1 working day* after the

inquiry was made. If the misunderstanding or miscommunication was not resolved within ~~[24 hours]~~ *1 working day*, the organization shall report it as a complaint in the annual report.

**Sec. 8.** NAC 695G.110 is hereby amended to read as follows:

695G.110 1. A managed care organization shall submit its annual report regarding its system for resolving complaints as required pursuant to NRS 695G.220 on or before June 1 of each year. The managed care organization shall retain a copy of the annual report for at least 3 years or until the next examination conducted by the division, whichever is longer.

2. The managed care organization is not required to include in the annual report information concerning an oral inquiry by an insured relating to a misunderstanding or miscommunication if the misunderstanding or miscommunication was resolved within ~~[24 hours]~~ *1 working day* after the inquiry was made. If the misunderstanding or miscommunication was not resolved within ~~[24 hours]~~ *1 working day*, the managed care organization shall report it as a complaint in the annual report.

**NOTICE OF ADOPTION OF PROPOSED REGULATION**  
**LCB File No. R008-02**

The Commissioner of Insurance adopted regulations assigned LCB File No. R008-02 which pertain to the public employees' benefits program self-funded plan (chapters 287, 689A, 689B, 695B, 695C, 695D, 695F and 695G of the Nevada Administrative Code) on April 16, 2002.

**Notice date:** 1/23/2002  
**Hearing date:** 2/20/2002

**Date of adoption by agency:** 4/16/2002  
**Filing date:** 5/23/2002

**INFORMATIONAL STATEMENT**

A hearing was held on February 20, 2002, 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 relating to the Public Employees' Benefits Program Self-Funded Plan.

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.

In addition, 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.

Oral testimony was received by the Division. Copies of any comments received by the Division can be obtained from the Division at 788 Fairview Drive, Suite 300, Carson City, Nevada 89701, (775) 687-4270.

Considering the comments by those attending the hearing, the Commissioner has issued an order adopting the regulation as a permanent regulation of the Division.

Based upon the comments received at the hearing, the regulation was changed from the proposed regulation as follows:

1. A new sentence was added to subsection 2 of section 1 that reads, "The examination includes those licensees of the Division of Insurance over which the commissioner has authority under Title 57. This examination authority does not extend to the board of the public employees' benefits program."
2. "24 hours" in the first and second sentence of subsection 3 of section 1 now reads, "one working day."

3. Sections 2 through 8 have been added to amend “24 hours” to “one working day” in subsection 2 of each of the following sections of the NAC: 689A.615, 689B.260, 695B.210, 695C.235, 695D.530, 695F.640 and 695G.110.

The economic impact of the regulation is as follows:

(a) Regulated Industry: Minimal.

(b) Public: None.

The regulation imposes no direct costs upon members of the public at large. The regulation imposes no direct cost upon the agency to enforce the regulation.

This regulation does not duplicate or overlap any other regulation.