

**LCB File No. R133-05**

**PROPOSED REGULATION OF THE  
COMMISSIONER OF INSURANCE**

**NOTICE OF WORKSHOP TO SOLICIT COMMENTS ON  
PROPOSED REGULATIONS**

The Department of Business and Industry, Division of Insurance (Division), is proposing new regulations pertaining to consumer protection for consumer credit insurance and credit personal property insurance. A workshop has been set for 9:00 a.m., on September 26, 2005, at the office of the Division, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701. Interested parties may also participate through a simultaneous video-conference conducted at the Bradley Building, 2501 East Sahara Avenue, Manufactured Housing Division Conference Room, 2<sup>nd</sup> Floor, Las Vegas, Nevada 89104. The purpose of the workshop is to solicit comments from interested persons on the following general topics addressed in the proposed regulations.

1. **Consumer Credit Insurance.** Chapter 690A of the Nevada Administrative Code (NAC) is amended to address guidelines in transacting credit life, accident and health, and unemployment insurance. The guidelines are for consumer protection and address the reasonableness of benefits, credit life, accident and health insurance, and unemployment rates, experience reports and loss ratios.
2. **Credit Personal Property Insurance.** Title 57 of the Nevada Revised Statutes (NRS) is amended to add a new chapter to address the guidelines in transacting credit personal property insurance, including guaranteed asset protection (GAP) insurance. The guidelines are for consumer protection and address the reasonableness of costs versus benefits of this line of insurance.
3. **Medical Discount Plan.** Chapter 683A of the NAC is amended to address guidelines related to registering to conduct business as a medical discount plan. The guidelines are promulgated to inform medical discount plan applicants which provisions of in the application form are deemed satisfied by an administrator, insurer or affiliate of an insurer that has previously submitted substantially similar information.

A copy of this notice and the proposed regulations will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the proposed regulations will be available at the offices of the Division, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701, and 2501 East Sahara Avenue, Suite 302, Las Vegas, Nevada 89104, 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. Copies will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

This Notice of Workshop to Solicit Comments on Proposed Regulations has been sent to all persons on the agency's mailing list for administrative regulations and posted at the following locations:

Department of Business and Industry  
Division of Insurance  
788 Fairview Drive, Suite 300  
Carson City, NV 89701

Department of Business and Industry  
Division of Insurance  
2501 East Sahara Avenue, Suite 302  
Las Vegas, NV 89104

Legislative Counsel Bureau  
Capitol Complex  
Carson City, NV 89710

Blasdel Building  
Capitol Complex  
Carson City, NV 89710

State Capitol  
Capitol Complex  
Carson City, NV 89710

Capitol Press Room  
State Capitol Basement  
Carson City, NV 89710

County Clerk  
Courthouse  
Carson City, NV 89710

Nevada State Library & Archives  
Capitol Complex  
Carson City, NV 89710

Carson City Library  
900 North Roop Street  
Carson City, NV 89701

Churchill County Library  
553 South Maine Street  
Fallon, NV 89406

Las Vegas Library  
833 Las Vegas Blvd. North  
Las Vegas, NV 89101

Douglas County Library  
1625 Library Lane  
P.O. Box 337  
Minden, NV 89423

Elko County Library  
720 Court Street  
Elko, NV 89801

Goldfield Public Library  
Fourth & Cook Street  
P.O. Box 430  
Goldfield, NV 89013

Eureka Branch Library  
10190 Monroe Street  
P.O. Box 293  
Eureka, NV 89316

Humboldt County Library  
85 East 5<sup>th</sup> Street  
Winnemucca, NV 89445

Battle Mountain Branch Library  
P.O. Box 141  
Battle Mountain, NV 89820

Lincoln County Library  
93 Main Street  
P.O. Box 330  
Pioche, NV 89043

Lyon County Library  
20 Nevin Way  
Yerington, NV 89447

Mineral County Library  
First & A Street  
P.O. Box 1390  
Hawthorne, NV 89415

Tonopah Public Library  
171 Central Street  
P.O. Box 449  
Tonopah, NV 89049

Pershing County Library  
1125 Central Avenue  
P.O. Box 781  
Lovelock, NV 89419

Storey County Library  
95 South R Street  
P.O. Box 14  
Virginia City, NV 89440

Washoe County Library  
ATTN: Reference  
P.O. Box 2151  
Reno, NV 89505-2151

White Pine County Library  
950 Campton Street  
Ely, NV 89301

Clark County Library  
1401 East Flamingo Road  
Las Vegas, NV 89119

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 at 788 Fairview Drive, Suite 300, Carson City, Nevada 89701, or by calling no later than 5 working days prior to the hearing, (775) 687-4270, extension 260.

## NOTICE OF INTENT TO ACT UPON REGULATIONS

### Notice of Hearing for the Adoption of Regulations of the Department of Business and Industry, Division of Insurance

The Department of Business and Industry, Division of Insurance (Division), will hold a public hearing at 9:00 a.m., on September 26, 2005, immediately following a public workshop, at the office of the Division, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701. Interested persons may also participate through a simultaneous video-conference conducted at the Bradley Building, 2501 East Sahara Avenue, Manufactured Housing Division Conference Room, 2<sup>nd</sup> Floor, Las Vegas, Nevada 89104. The purpose of the hearing is to receive comments from all interested persons regarding the adoption of:

#### REGULATION CONCERNING MEDICAL DISCOUNT PLANS

The following information is provided pursuant to the requirements of NRS 233B.0603:

1. The proposed regulation addresses the statutory requirement that the Commissioner designate the provisions of an application for registration of a medical discount plan that are deemed satisfied pursuant to other provisions of Title 57 of the Nevada Revised Statutes (NRS).
2. The proposed regulation amends chapter 683A of the Nevada Administrative Code (NAC) by clarifying which provisions an applicant for registration as a medical discount plan are deemed satisfied by an administrator, insurer, or affiliate of an insurer that has previously complied with substantially similar requirements.
3. Estimated economic effect of the regulation:  
On the business which is to be regulated: 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.  
On the public: The proposed regulation would have no effect on the public.
4. The Division considered the application requirements for registration as a medical discount plan and determined the requirements an applicant may have previously satisfied by complying with similar requirements. The proposed regulation does not require an applicant to submit similar information satisfied pursuant to other provisions of Title 57.
5. Division staff may be required to spend additional time locating previously submitted information in other files or archives in order to perform a complete analysis of an application. The total additional cost cannot be measured at this time.
6. The Division is not aware of any overlap or duplication of the regulation with existing federal, state or local regulation.
7. The proposed regulation is not pursuant to federal law.

8. If the regulation includes provisions which are more stringent than a federal regulation that regulates the same activity, a summary of such provisions. Not applicable.
9. The proposed regulation does not require a new fee or increase of an existing fee.

Persons wishing to comment upon the proposed action 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, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701. Written submissions must be received by the Division on or before September 19, 2005. 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 proposed regulation will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the proposed regulation will be available at the offices of the Division, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701, and 2501 East Sahara Avenue, Suite 302, Las Vegas, Nevada 89104, 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://www.leg.state.nv.us>. Copies will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, will 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.

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 Division of Insurance  
 788 Fairview Drive, Suite 300  
 Carson City, NV 89701

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P.O. Box 14  
Virginia City, NV 89440

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ATTN: Reference  
P.O. Box 2151  
Reno, NV 89505-2151

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**LCB File No. R133-05**

**PROPOSED REGULATION OF THE  
COMMISSIONER OF INSURANCE**

**MEDICAL DISCOUNT PLANS**

AUTHORITY: NRS 679B.130, §§ 5 and 7 of AB 338 as enrolled

A REGULATION relating to insurance; form of the application for registration of a medical discount plan; form of biographical statement required in an application for registration of a medical discount plan; and designation of provisions that are deemed satisfied by an applicant which complies with substantially similar requirements pursuant to other provisions of Title 57.

**Section 1.** Chapter 683A of NAC is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4 of this regulation.

**Sec. 2.** *Except as otherwise provided in this chapter, an application for registration to engage in business as a medical discount plan shall include all submissions required by subsection 1 of section 7 of AB 338.*

**Sec. 3.** *The provisions of paragraphs (b) and (f) of subsection 1 of section 7 of AB 338 are deemed satisfied to the extent that:*

*(a) The administrator, insurer or affiliate of an insurer has a current license or Certificate of Authority issued by the Division; and*

*(b) The administrator, insurer or affiliate of an insurer has previously submitted substantially similar information, which is current and accurate, pursuant to other provisions of this title that involve the same person, provided that such similar submissions satisfy, at a minimum, those required pursuant to subsection 1 of section 7 of AB 338.*

**Sec. 4.** *The provisions of paragraph (c) of subsection 1 of section 7 of AB 338 requiring the names, addresses, position of employment and biographical information of each person responsible for conducting the business activities of the medical discount plan of the applicant are deemed satisfied to the extent that:*

- (a) The administrator, insurer or affiliate of an insurer has a current license or Certificate of Authority issued by the Division; and*
- (b) The administrator, insurer or affiliate of an insurer has previously submitted substantially similar biographical information on the same person, which remains current and accurate, pursuant to other provisions of this title, provided that such similar submissions satisfy, at a minimum, the provisions of paragraph (c) of subsection 1 of section 7 of AB 338.*