

LCB File No. R082-07

**PROPOSED REGULATION OF THE
COMMISSIONER OF INSURANCE**

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

AUTHORITY: NRS 679B.130, NRS 686B.100

A REGULATION relating to schedule rating plans for policies of insurance covering the liability of practitioners licensed pursuant to chapters 630 to 640, inclusive, of NRS for breach of professional duty toward a patient.

NAC 690B is hereby amended by adding thereto a new section to read as follows:

1. For the purposes of this section, “schedule rating” means application of judgment credits and debits to the risk rate or premium charge which has been developed through the use of base rate or class rate modified by any other approved rating plan which does not duplicate credits or debits in the schedule rating plan.

2. The Commissioner will accept a schedule rating plan if:

(a) Schedule rating factors apply only to individual risk characteristics which reflect potential hazards; and

(b) Schedule rating applies only to policies which develop at least \$2,500 annual premium or \$7,500 3-year prepaid premium including the impact of the schedule rating plan and all other applicable credits and debits; and

(c) The schedule rating plan provides for both debits and credits; and

(d) The schedule rating plan is subject to a maximum overall debit or credit of 25 percent for the policy and 40 percent for any individual medical professional that is covered under the policy.

- 3. The insurer shall retain adequate supporting data for the credits and debits applicable to each risk.*
- 4. The insurer shall make the supporting data available for inspection by the Division upon request.*
- 5. Each filing of a schedule rating plan with the Division must be accompanied by a statement by the filing official affirming that the filing conforms to the provisions of this section.*
- 6. This section applies to policies of insurance covering the liability of practitioners licensed pursuant to chapters 630 to 640, inclusive, of NRS for breach of professional duty toward a patient.*