

**PROPOSED REGULATION OF  
THE COMMISSIONER OF INSURANCE**

**LCB File No. R082-07**

August 24, 2007

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

AUTHORITY: §1, NRS 679B.130 and 686B.100.

A REGULATION relating to insurance; authorizing certain insurers who provide policies of professional liability insurance coverage to practitioners licensed pursuant chapters 630 to 640, inclusive, of NRS to file schedule-rating plans with the Commissioner of Insurance; and providing other matters properly relating thereto.

**Section 1.** Chapter 690B of NAC is hereby amended by adding thereto a new section to read as follows:

*1. For the purposes of this section, “schedule rating” means the 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.*

*2. The Commissioner will accept a schedule-rating plan submitted by an insurer who provides policies of professional liability insurance covering the liability of a practitioner licensed pursuant to chapters 630 to 640, inclusive, of NRS for a breach of his professional duty toward a patient if:*

*(a) The schedule-rating factors apply only to individual risk characteristics which reflect potential hazards.*

*(b) The schedule rating applies only to risks which develop at least a \$2,500 annual premium or a \$7,500 3-year prepaid premium. When schedule credits or debits are being applied, the resulting premium must be \$2,500 or more for 1 year, or \$2,500 or more for 3 years.*

*(c) The schedule-rating plan provides for credits and debits.*

*(d) The schedule-rating plan is subject to a maximum total credit or debit of 25 percent for the policy of professional liability insurance and 40 percent for any individual practitioner who is covered under the policy.*

*3. An insurer who files a schedule-rating plan pursuant to this section shall retain adequate supporting data for the credits and debits applicable to each risk included in the schedule-rating plan and shall make such records available for inspection by the Division upon request.*

*4. 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.*