

LCB File No. R145-08

**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), (775) 687-4270, is proposing the amendment of regulations pertaining to **chapters 688A, 690A and 695C** of the Nevada Administrative Code (NAC). A workshop has been set for **9:00 a.m. on August 14, 2008**, at the offices 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, Real Estate Division Conference Room, 2nd Floor, Las Vegas, Nevada 89104. The purpose of the workshop is to solicit comments from interested persons on the following general topics that may be addressed in the proposed regulations.

Preneed Insurance. The proposed regulation will amend chapter 688A of the NAC by adding sections to require the use of the 1980 CSO table for the reserving and nonforfeiture values of preneed insurance. The regulation provides a transition period for company implementation.

Consumer Credit Insurance. This regulation amends regulation R014-06 and adds new sections to chapter 690A of the NAC. The purpose of this regulation is to clarify specific sections of NAC 690A and to set forth rates for credit involuntary unemployment insurance products not specifically addressed in current regulations.

HMO Quality and Performance Indicators. The proposed regulation will amend NAC 695C.275 to allow a health maintenance organization (HMO) to be compliant with the reporting of quality and performance indicators to the Insurance Commissioner and to the State Board of Health when the data is actually available.

A copy of all materials relating to the proposal may be obtained at the workshop or by contacting the Division, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701, (775) 687-4270. A reasonable fee for copying may be charged.

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

Department of Business and Industry

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

Capitol Press Room
Capitol Building Basement
Carson City, NV 89710

Legislative Counsel Bureau
401 South Carson Street
Carson City, NV 89701

Blasdel Building
209 East Musser Street
Carson City, NV 89701

Office of the Governor
Capitol Building
Carson City, NV 89710

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

Clark County District Library
833 Las Vegas Boulevard North
Las Vegas, NV 89101

Elko County Library
720 Court Street
Elko, NV 89801

Eureka Branch Library
P.O. Box 293
Eureka, NV 89316

Lander County Library
P.O. Box 141
Battle Mountain, NV 89820

Lyon County Library
20 Nevin Way
Yerington, NV 89447

Pershing County Library
P.O. Box 781

Division of Insurance
2501 East Sahara Avenue, Suite 302
Las Vegas, NV 89104

Donald W. Reynolds Press Center
102 North Curry Street
Carson City, NV 89701

Office of the Attorney General
100 North Carson Street
Carson City, NV 89701

Nevada State Library & Archives
100 North Stewart Street
Carson City, NV 89701

Carson City Courthouse
885 East Musser Street
Carson City, NV 89701

Churchill County Library
553 South Main Street
Fallon, NV 89406

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

Esmeralda County Library
P.O. Box 430
Goldfield, NV 89013

Humboldt County Library
85 East 5th Street
Winnemucca, NV 89445

Lincoln County Library
P.O. Box 330
Pioche, NV 89043-0330

Mineral County Public Library
P.O. Box 1390
Hawthorne, NV 89415

Storey County Public Library
P.O. Box 14

Lovelock, NV 89419

Virginia City, NV 89440

Tonopah Public Library

P.O. Box 449

Tonopah, NV 89049

Washoe County Library

P.O. Box 2151

Reno, NV 89505-2151

White Pine County Library

950 Campton Street

Ely, NV 89301

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.

DATED this 18th day of July, 2008.

/s/

ALICE A. MOLASKY-ARMAN

Commissioner of Insurance

NOTICE OF INTENT TO ACT UPON REGULATIONS

Notice of Hearing for the Amendment 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 August 21, 2008**, at the offices 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, Real Estate Division Conference Room, 2nd Floor, Las Vegas, Nevada 89104. The purpose of the hearing is to receive comments from all interested persons regarding the adoption of the regulations pertaining to **chapter 690A** of the Nevada Administrative Code (NAC).

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

1. This regulation is necessary to clarify existing regulations regarding consumer credit insurance and provide rates for credit involuntary unemployment insurance.
2. This regulation amends chapter 690A of the NAC to clarify current regulations and also to provide additional guidance regarding prima facie rates for credit involuntary unemployment insurance products not specifically identified in NAC 690A.
3. Estimated economic effect of the regulation:

On the business which is to be regulated: The proposed regulation would require an additional cost to affected carriers to file their credit rate.

On the public: The proposed regulation would have no economic impact on the public.

4. The Division of Insurance regulates credit insurers that would have to file new rates. These carriers are not small business. The credit insurers may have contracts with small businesses that would have to implement the new rates pursuant to the terms of their contract. The Division of Insurance does not regulate these small businesses.
5. The Division may incur some additional expense to enforce the proposed regulation. The additional expense cannot be measured at this time.
6. The Division is not aware of any overlap or duplication of the proposed regulation with any state, local or federal regulation.
7. This proposed regulation is not required pursuant to federal law.
8. There are no federal regulations relevant to these activities.
9. The proposed regulation does not establish a new fee or increase 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 August 7, 2008.** 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 regulation to be adopted 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 regulation to be adopted 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 of this notice and the proposed regulations 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 does not apply to a public body subject to the Open Meeting Law.

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

This notice of hearing has been posted at the following locations:

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

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Division of Insurance
2501 East Sahara Avenue, Suite 302
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Reno, NV 89505-2151

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DATED this 18th day of July, 2008.

/s/
ALICE A. MOLASKY-ARMAN
Commissioner of Insurance