

**PROPOSED REGULATION OF THE
COMMISSIONER OF INSURANCE**

LCB File No. R008-11

July 26, 2011

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

AUTHORITY: §§1-6, NRS 679B.130 and 689A.740.

A REGULATION relating to insurance; adopting provisions relating to the issuance of health benefit plans for persons under the age of 19 years; and providing other matters properly relating thereto.

Section 1. Chapter 689A of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 6, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3, 4 and 5 of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Child-only policy” means an individual health benefit plan which provides coverage to an individual who is less than 19 years of age. The term does not include a health benefit plan that covers an individual who is less than 19 years of age as a dependent.*

Sec. 4. *“Open enrollment” means the period designated for enrollment in a health benefit plan.*

Sec. 5. *“Qualifying event” means a birth or adoption as described in NRS 689A.043 or the issuance of an order for medical coverage as described in NRS 689A.460.*

Sec. 6. 1. *Except as otherwise provided in subsections 2, 4 and 8, an individual carrier issuing a child-only policy on or after September 23, 2010, shall accept applications for*

coverage under a child-only policy only during the open enrollment period required by this section.

2. An individual carrier shall accept an application for coverage under a child-only policy outside of the open enrollment period required by this section upon the occurrence of a qualifying event.

3. On February 1, 2012, and on February 1 of each year thereafter, each individual carrier offering a child-only policy shall hold an open enrollment period for the duration of the month. During the open enrollment period, any applicant who is less than 19 years of age and who is not otherwise eligible for coverage as a dependent under a group health plan that provides coverage for the parent or guardian of the applicant must be offered coverage under a basic or standard health benefit plan without the imposition of limitations or exclusions for preexisting health conditions or the requirement to provide evidence of insurability as a condition for coverage. An individual carrier may implement eligibility criteria to ensure that other coverage is not available to the applicant.

4. An individual carrier is not required to issue a new child-only policy to an applicant who has previously been issued a child-only policy unless the application for a new child-only policy is based upon the occurrence of a qualifying event.

5. Each individual carrier shall display prominently on its Internet website, throughout the year, notice of the open enrollment dates for new applicants for a child-only policy and notice of the opportunity for new applicants to enroll either during open enrollment or after the occurrence of a qualifying event.

6. Coverage under a child-only policy that was applied for during an open enrollment period becomes effective on April 1 of the year in which the application was approved.

7. If an individual who is less than 19 years of age is a dependent on a policy of health insurance with a primary subscriber who is at least 19 years of age and the primary subscriber terminates his or her coverage, the insurer may cancel the policy of health insurance pursuant to NRS 687B.320.

8. Nothing in this section shall be construed to prevent a person who is less than 19 years of age from obtaining a child-only policy or from being added to an existing child-only policy outside of an open enrollment period upon the occurrence of a qualifying event.