

PROPOSED REGULATION OF THE COMMISSIONER OF INSURANCE

LCB File No. R053-12

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

AUTHORITY: §1, NRS 679B.130; *NRS 683A.372, NRS 683A.3715*

NRS 683A.371 Certification; conflicts of interest; annual list. Repealed. (See chapter 506, Statutes of Nevada 2011, at page 3424.)

A REGULATION relating to independent review organizations.

Section 1. NAC 683A.600 is hereby amended to read as follows:

NAC 683A.600 Application for initial issuance of certificate: Generally. (NRS 679B.130, ~~683A.371~~ *NRS 683A.372, NRS 683A.3715*) Except as otherwise provided in NAC 683A.610, an ~~external~~ *independent* review organization applying for the initial issuance of a certificate to conduct external reviews must submit to the Commissioner, on a form prescribed by the Commissioner, an application in writing and must provide to the Commissioner at the time of application:

1. A written statement that identifies:

(a) The number of external reviewers that the ~~external~~ *independent* review organization employs, contracts with or otherwise retains to conduct external reviews;

(b) The specialty of each external reviewer;

(c) Whether each external reviewer is certified by the entity that regulates his or her specialty;

and

(d) The schedule of fees that the ~~external~~ *independent* review organization will charge to conduct an external review.

2. A written summary of the procedures that the ~~[external]~~ *independent* review organization will use to:

(a) Ensure that the ~~[external]~~ *independent* review organization conducts its activities in accordance with NRS 695G.241 to 695G.310, inclusive;

(b) Ensure that an external reviewer employed, contracted with or otherwise retained by the ~~[external]~~ *independent* review organization is qualified to conduct a specific external review;

(c) Ensure that a determination submitted for external review is a final adverse determination;

(d) Ensure that a final review is conducted in a timely manner in accordance with NRS 695G.251, 695G.261 and 695G.271;

(e) Ensure that the ~~[external]~~ *independent* review organization and any employee, agent or contractor of the ~~[external]~~ *independent* review organization does not have a conflict of interest as set forth in subsection 4 of ~~[NRS 683A.371]~~ *NRS 683A.372*; and

(f) Submit a copy of the determination regarding an external review to:

(1) The insured;

(2) The physician of the insured;

(3) The authorized representative of the insured, if any; and

(4) The managed care organization.

3. A written affidavit that:

(a) The information contained in the application and any accompanying materials are complete and correct;

(b) The ~~[external]~~ *independent* review organization will conduct external reviews in accordance with NRS 695G.241 to 695G.310, inclusive;

(c) The ~~[external]~~ *independent* review organization and any employee, agent or contractor of the ~~[external]~~ *independent* review organization will avoid a conflict of interest as set forth in subsection 4 of ~~[NRS 683A.371]~~ *NRS 683A.372* ; and

(d) The ~~[external]~~ *independent* review organization is not affiliated with:

- (1) A health care plan; or
- (2) A national, state or local trade association.

4. All applicable fees required, including, without limitation, all applicable fees required pursuant to NAC 683A.640, for the issuance of a certificate to conduct external reviews.

Sec. 2 NAC 683A.610 is hereby amended to read as follows:

NAC 683A.610 Application for initial issuance of certificate: Organization certified or accredited by accrediting body that is nationally recognized. (NRS 679B.130, ~~[683A.371]~~ *NRS 683A.372*, *NRS 683A.3715*) If an ~~[external]~~ *independent* review organization has been certified or accredited as an ~~[external]~~ *independent* review organization by an accrediting body that is nationally recognized, an ~~[external]~~ *independent* review organization applying for the initial issuance of a certificate to conduct external reviews must submit to the Commissioner, on a form prescribed by the Commissioner, an application in writing and must provide to the Commissioner at the time of application:

1. Proof that the ~~[external]~~ *independent* review organization has been certified or accredited as an ~~[external]~~ *independent* review organization by an accrediting body that is nationally recognized;
2. A copy of the certification or accreditation standards of the accrediting body;
3. A copy of the most recent review of the ~~[external]~~ *independent* review organization conducted by the accrediting body;

4. The schedule of fees that the ~~external~~ *independent* review organization will charge to conduct an external review; and

5. All applicable fees required, including, without limitation, all applicable fees required pursuant to NAC 683A.640, for the issuance of a certificate to conduct external reviews.

Sec. 3 NAC 683A.620 is hereby amended to read as follows:

NAC 683A.620 Issuance of certificate by Commissioner. (NRS 679B.130, ~~683A.371~~ *NRS 683A.372, NRS 683A.3715*) Except as otherwise provided in NAC 683A.650, if an ~~external~~ *independent* review organization applying for the initial issuance of a certificate to conduct external reviews submits the application and accompanying materials required pursuant to NAC 683A.600 or 683A.610, the Commissioner will issue the applicant a certificate to conduct external reviews.

Sec. 4 NAC 683A.630 is hereby amended to read as follows:

NAC 683A.630 Expiration and ~~renewal~~ *reapproval* of certificate. (NRS 679B.130, ~~683A.371~~ *NRS 683A.372, NRS 683A.3715*)

1. In accordance with ~~683A.371~~ *NRS 683A.372 and NRS 683A.3715*, a certificate to conduct external reviews expires ~~1-year~~ *2 years* after the date the certificate is issued by the Commissioner.

2. Except as otherwise provided in NAC 683A.650, the Commissioner will issue a ~~renewal~~ *reapproval* of a certificate to conduct external reviews if the ~~external~~ *independent* review organization submits to the Commissioner:

(a) On a form prescribed by the Commissioner, an application in writing for the ~~renewal~~ *reapproval* of the certificate to conduct external reviews; and

(b) All applicable fees required, including, without limitation, all applicable fees required pursuant to NAC 683A.640, for the ~~renewal~~ *reapproval* of a certificate to conduct external reviews.

Sec. 5 NAC 683A.640 is hereby amended to read as follows:

NAC 683A.640 Fees of Commissioner. (NRS 679B.130, ~~683A.371~~ *NRS 683A.372, NRS 683A.3715*) The Commissioner will charge and collect:

1. Except as otherwise provided in subsection 2, from an ~~external~~ *independent* review organization submitting an application for the initial issuance of a certificate to conduct external reviews pursuant to NAC 683A.600 or 683A.610, a fee of \$400.

2. From an ~~external~~ *independent* review organization submitting an application for:

(a) The initial issuance of a certificate to conduct external reviews pursuant to NAC 683A.600 or 683A.610; and

(b) The initial issuance of a certificate to conduct external reviews pursuant to NRS 616A.469 and 616C.363, and the regulations adopted pursuant thereto,

□ a fee of \$600.

3. From an ~~external~~ *independent* review organization submitting an application for the ~~renewal~~ *reapproval* of a certificate to conduct external reviews pursuant to NAC 683A.630, a fee of ~~100~~ *200*.

4. From an ~~external~~ *independent* review organization, all applicable fees required pursuant to [NRS 680C.110](#).

Sec. 6 NAC 683A.650 is hereby amended to read as follows:

NAC 683A.650 Refusal, suspension or revocation of certification: Grounds; surrender of certificate. (NRS 679B.130, ~~683A.371~~ *NRS 683A.372, NRS 683A.3715*) 1. The

Commissioner may refuse to issue or ~~renew~~ *reapprove*, or may suspend or revoke, a certificate to conduct external reviews if the Commissioner determines that an ~~external~~ *independent* review organization:

(a) Has violated the provisions of NRS 695G.241 to 695G.310, inclusive, or NAC 683A.600 to 683A.670, inclusive;

(b) Has had a license, certificate or registration to operate as an ~~external~~ *independent* review organization denied for cause, suspended or revoked by any other state; or

(c) Has misrepresented facts on an application submitted to the Commissioner for the issuance or ~~renewal~~ *reapproval* of a certificate to conduct external reviews.

2. If the Commissioner refuses to ~~renew~~ *reapprove*, revokes or suspends a certificate to conduct external reviews, the ~~external~~ *independent* review organization shall surrender the certificate to the Commissioner.

Sec. 7 NAC 683A.660 is hereby amended to read as follows:

NAC 683A.660 Duties of organization upon termination of certification or accreditation by accrediting body that is nationally recognized. (NRS 679B.130, ~~683A.371~~ *NRS 683A.372, NRS 683A.3715*) An ~~external~~ *independent* review organization issued a certificate to conduct external reviews by the Commissioner pursuant to NAC 683A.610 shall:

1. Notify the Commissioner if the accrediting body revokes, suspends or otherwise terminates the certification or accreditation of the ~~external~~ *independent* review organization; and

2. Provide a copy of the findings of any review of the ~~external~~ *independent* review organization conducted by the accrediting body.

Sec. 8 NAC 683A.670 is hereby amended to read as follows:

NAC 683A.670 Fees to conduct external reviews. (NRS 679B.130, ~~683A.371~~ *NRS 683A.372, NRS 683A.3715*) The fees an ~~external~~ *independent* review organization issued a certificate to conduct external reviews may charge to conduct external reviews must be reasonable.