

**PROPOSED REGULATION OF THE
COMMISSIONER OF INSURANCE**

LCB File No. R039-14

**NOTICE OF WORKSHOP TO SOLICIT COMMENTS ON
PROPOSED REGULATIONS**

The State of Nevada, Department of Business and Industry, Division of Insurance (“Division”), is proposing the adoption, amendment or repeal of regulations pertaining to chapter 689A of the Nevada Administrative Code (“NAC”). A workshop has been set for **9:30 a.m. on February 10, 2016**, at the following location:

**Nevada Division of Insurance
1818 E. College Parkway, Suite 103
Carson City, Nevada 89706**

Interested persons may also participate through a simultaneous videoconference conducted at:

**Nevada Division of Insurance
Bradley Building
2501 E. Sahara Avenue, 2nd Floor Conference Room
Las Vegas, Nevada 89104**

The purpose of the workshop is to solicit comments from interested persons on the following general topic(s) that may be addressed in the proposed regulation; and to assist in determining whether the proposed regulation is likely to impose a direct and significant burden upon a small business or directly restricts the formation, operation or expansion of a small business.

Please submit any written comments no later than February 3, 2016.

LCB File No. R039-14. NRS 689A Conformity.

A regulation relating to insurance; revising provisions relating to advertising by certain insurers; repealing provisions relating to certain forms, change of status by an individual carrier, the content of the actuarial certification filed by an individual carrier, disclosure of variance in premium rates by an individual carrier and the filing of an annual report by an insurer; and providing other matters properly relating thereto.

A copy of all materials relating to the proposal(s) may be obtained at the workshop or by visiting the Division’s Internet Web site at <http://doi.nv.gov/> or by contacting the Division, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, (775) 687-0700. A reasonable fee for copying may be charged. Members of the public who would like additional information about the proposed regulation may contact Cliff King, Chief Insurance Examiner, at (775) 687-0736, or via e-

mail to cking@doi.nv.gov.

Notice of the workshop was provided via electronic means to all persons on the agency's e-mail list for noticing of administrative regulations. This *Notice of Workshop to Solicit Comments on Proposed Regulations* was posted to the agency's Internet Web site at <http://doi.nv.gov/>, the Nevada Legislature's Internet Web site at <http://www.leg.state.nv.us>, and at the following locations:

Department of Business and Industry
Division of Insurance
1818 East College Parkway, Suite 103
Carson City, Nevada 89706

Department of Business and Industry
Division of Insurance
2501 East Sahara Avenue, Suite 302
Las Vegas, Nevada 89104

Legislative Building
401 South Carson Street
Carson City, Nevada 89701

Grant Sawyer Building
555 East Washington Avenue
Las Vegas, Nevada 89101

Blasdel Building
209 East Musser Street
Carson City, Nevada 89701

Capitol Building Main Floor
101 North Carson Street
Carson City, Nevada 89701

Nevada Department of Employment,
Training and Rehabilitation
2800 E. Saint Louis Ave.
Las Vegas, NV 89104

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

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

Churchill County Library
553 South Main Street
Fallon, Nevada 89406

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

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

Elko County Library
720 Court Street
Elko, Nevada 89801

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

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

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

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

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

**Notice of Intent to Act Upon Regulation & Workshop Agenda
LCB File No. R039-14, NRS 689A Conformity**

Agenda

Wednesday, February 10, 2016 • 9:30 A.M.

Location of Hearing:

Offices of the Division of Insurance
1818 E. College Pkwy., 1st Floor Hearing Room
Carson City, NV 89706
(Division Offices located in Suite 103)

Available via Videoconference at:

Offices of the Division of Insurance
2501 E. Sahara Ave., 2nd Floor Conference Room
Las Vegas, NV 89104
(Division Offices located in Suite 302)

1. Call to Order.

2. Public Comment.

3. Presentation and Discussion of Proposed Regulation.

LCB File No. R039-14, NRS 689A Conformity.

A regulation relating to insurance; revising provisions relating to advertising by certain insurers; repealing provisions relating to certain forms, change of status by an individual carrier, the content of the actuarial certification filed by an individual carrier, disclosure of variance in premium rates by an individual carrier and the filing of an annual report by an insurer; and providing other matters properly relating thereto.

4. Public Comment.

5. Adjournment.

Supporting public material for this meeting may be requested from Sue Dummar, Legal Secretary, Nevada Division of Insurance, 1818 E. College Parkway, Carson City, Nevada 89706, by e-mail to sdummar@doi.nv.gov, or by calling (775) 687-0704. In your request, please state that you are requesting meeting materials for LCB File No. **R039-14, NRS 689A Conformity**, and provide the date of the meeting.

Note: Any agenda item may be taken out-of-order; items may be combined for consideration by the public body; and items may be pulled or removed from the agenda at any time. The Hearing Officer, within his/her discretion, may allow for public comment on individual agenda items. Public Comment may be limited to three minutes per speaker.

Members of the public are encouraged to submit written comments for the record.

We are pleased to make reasonable accommodations for attendees with disabilities. Please notify Sheri LeTourneau, Assistant to the Commissioner, at (775) 687-0771, a day prior to the meeting.

NOTICES FOR THIS MEETING HAVE BEEN POSTED IN ACCORDANCE WITH NRS 241
AT THE FOLLOWING LOCATIONS:

Nevada Division of Insurance, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706

Nevada Division of Insurance, 2501 E. Sahara Avenue, Suite 302, Las Vegas, Nevada 89104

Nevada State Legislative Building, 401 S. Carson Street, Carson City, Nevada 89701

Grant Sawyer State Office Building, 555 E. Washington Avenue, Las Vegas, Nevada 89101

Blasdel State Office Building, 209 E. Musser Street, Carson City, Nevada 89701

Nevada State Capitol, 101 N. Carson Street, Carson City, Nevada 89701

Nevada Department of Employment, Training and Rehabilitation, 2800 E. Saint Louis Avenue,
Las Vegas, Nevada 89104

The State of Nevada Website (www.nv.gov)

The Nevada State Legislature Website (www.leg.state.nv.us)

The Nevada Division of Insurance Website (www.doi.nv.gov)

NOTICE OF INTENT TO ACT UPON REGULATION

Notice of Hearing for the Adoption, Amendment or Repeal of Regulations of The Department of Business and Industry, Division of Insurance

The State of Nevada Department of Business and Industry, Division of Insurance (“Division”), (775) 687-0700, will hold a public hearing at **1:30 p.m. on February 17, 2016**, at the Division’s office located at 1818 East College Parkway, 1st floor hearing room, Carson City, Nevada 89706. Interested persons may also participate through a simultaneous videoconference conducted at the Bradley Building, 2501 East Sahara Avenue, 2nd floor conference room, Las Vegas, Nevada 89104. The purpose of the hearing is to receive comments from all interested persons regarding the adoption, amendment or repeal of the regulation(s) that pertain(s) to **chapter 689A** of the Nevada Administrative Code (“NAC”).

The following information is provided pursuant to the requirements of Nevada Revised Statute (“NRS”) 233B.0603 and the directives of the Governor:

LCB File No. R039-14. NRS 689A Conformity.

A regulation relating to insurance; revising provisions relating to advertising by certain insurers; repealing provisions relating to certain forms, change of status by an individual carrier, the content of the actuarial certification filed by an individual carrier, disclosure of variance in premium rates by an individual carrier and the filing of an annual report by an insurer; and providing other matters properly relating thereto.

EXPLANATION FOR PROPOSED REGULATION

(1) Why is the regulation necessary and what is its purpose? *Assembly Bill 425 of the 77th (2013) Legislative Session (“AB 425”) made a multitude of changes to Title 57 of the Nevada Revised Statutes (“NRS”) with the intent of bringing state law into conformity with federal laws enacted in the Patient Protection and Affordable Care Act (“ACA”). The changes contained within AB 425 rendered several existing regulations outdated or obsolete. This proposed regulation effectuates the amendment or repeal of these outdated and obsolete regulations, as appropriate.*

(2) What are the terms or substance of the proposed regulation? Provide a description of the subjects, issues and problems involved. *Nevada Administrative Code (“NAC”) 689A.020 is proposed to be amended to include Internet communications in the definition of an advertisement. NAC 689A.270 is proposed to be amended to repeal subsections 2 and 3 which have been determined to pose an unnecessary burden on business. NAC 689A.350 provides guidance on the acceptability of forms which is superseded by existing law and is proposed to be repealed. NAC 689A.445, 689A.455, 689A.465 and 689A.485 provide guidance on portability and accountability provisions which have been repealed and are themselves proposed to be repealed. 689A.615 provides guidance on reporting which is an unnecessary burden on business and is proposed to be repealed.*

(3) What is the anticipated impact of the regulation on the problem(s)? *The proposed amendments and retractions are anticipated to bring the respective portions of NAC into compliance with NRS and federal law while reducing the burden on interested parties.*

(4) Do other regulations address the same problem(s)? *No*

(5) Are alternate forms of regulation sufficient to address the problem(s)? *No*

(6) What value does the regulation have to the public? *Amendment and repeal of outdated regulations reduces confusion among the public by simplifying the regulatory process.*

(7) What is the anticipated economic benefit of the regulation? Provide a statement as to potential beneficial impact on the following:

- a. Public
 - 1. Immediate: *N/A*
 - 2. Long Term: *N/A*
- b. Insurance Business
 - 1. Immediate: *N/A*
 - 2. Long Term: *N/A*
- c. Small Businesses
 - 1. Immediate: *N/A*
 - 2. Long Term: *N/A*
- d. Small Communities
 - 1. Immediate: *N/A*
 - 2. Long Term: *N/A*
- e. Government Entities
 - 1. Immediate: *N/A*
 - 2. Long Term: *N/A*

(8) What is the anticipated adverse impact, if any? Provide a statement as to any anticipated adverse impact, including adverse economic effects, on the following:

- a. Public
 - 1. Immediate: *N/A*
 - 2. Long Term: *N/A*
- b. Insurance Business
 - 1. Immediate: *N/A*
 - 2. Long Term: *N/A*
- c. Small Businesses
 - 1. Immediate: *N/A*
 - 2. Long Term: *N/A*
- d. Small Communities
 - 1. Immediate: *N/A*
 - 2. Long Term: *N/A*
- e. Government Entities

1. Immediate: *N/A*
2. Long Term: *N/A*

(9) What is the anticipated cost of the regulation, both direct and indirect? Provide a statement as to the cost of:

- a. Enactment: *N/A*
- b. Enforcement: *N/A*
- c. Compliance: *N/A*

(10) Provide a statement indicating whether the regulation establishes a new fee or increases an existing fee. *The regulation does not establish a new fee or increase any existing fees.*

(11) Provide a statement which identifies the methods used by the agency in determining the impact of the proposed regulation on a small business, prepared pursuant to subsection 3 of NRS 233B.0608. *Will be provided for the regulation workshop; not required at this time.*

(12) Provide a description of any regulations of other state or local governmental agencies which the proposed regulation overlaps or duplicates, and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, state the name of the regulating federal agency. *N/A*

(13) If the regulation is required pursuant to federal law, provide a citation and description of the federal law. *N/A*

(14) If the regulation includes provisions which are more stringent than a federal regulation that regulates the same activity, provide a summary of such provisions. *N/A*

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, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706. **Written submissions must be received by the Division on or before February 3, 2016.** 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 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 will be available at the offices of the Division, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706, 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://leg.state.nv.us/register/>**. Copies of this notice and the proposed regulation will 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.

Notice of the hearing was provided via electronic means to all persons on the agency's e-mail list for administrative regulations, and this Notice of Intent to Act Upon Regulation was posted to the agency's Internet Web site at <http://doi.nv.gov/> and was provided to or posted at the following locations:

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Division of Insurance
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Las Vegas, Nevada 89101

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Minden, Nevada 89423

Elko County Library
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Elko, Nevada 89801

Esmeralda County Library
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Goldfield, Nevada 89013

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

Humboldt County Library
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Winnemucca, Nevada 89445

**Notice of Intent to Act Upon Regulation & Hearing Agenda
LCB File No. R039-14, NRS 689A Conformity**

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- 1. Call to Order.**
- 2. Public Comment.**
- 3. Presentation, Discussion and Adoption of Proposed Regulation. (For Possible Action)
LCB File No. R039-14, NRS 689A Conformity.**
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AT THE FOLLOWING LOCATIONS:

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Nevada Division of Insurance, 2501 E. Sahara Avenue, Suite 302, Las Vegas, Nevada 89104

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