

PROPOSED REGULATION OF THE COMMISSIONER OF INSURANCE

LCB File No. R119-16

NOTICE OF INTENT TO ACT UPON REGULATION AND HEARING AGENDA

Notice of Reconvened 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 reconvene the public hearing for R119-16 (that was continued on October 11, 2016) at **9:30 a.m. on December 12, 2016**, in the 1st Floor Hearing Room at the Division’s offices located at 1818 East College Parkway, Suite 103, Carson City, Nevada 89706.¹ Interested persons may also participate through a simultaneous videoconference conducted in the 3rd floor conference room, at the Division’s offices located in the Bradley Building, 2501 East Sahara Avenue, Suite 302, 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(s) 686A** 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. R119-16. Dental Claims Under a Policy of Health Insurance.
(NAC 686A)

A REGULATION relating to insurance; revising provisions relating to the forms which must be accepted by a payer for dental claims submitted under a contract for health insurance; and providing other matters properly relating thereto.

- (1) Why is the regulation necessary and what is its purpose?

The Commissioner of Insurance is required to promulgate regulations to require the use of uniform claims forms. NRS 679B.138. Nevada Administrative Code (“NAC”) 686A.288 prescribes the claims form that claims payers must use for the payment of health insurance claims. In 2015, SB 137 was enacted requiring the coordination of benefits between dental insurance and health insurance. In order to maintain claim form uniformity and ensure the coordination of benefits, claim forms must be added or updated to accommodate the use of the American Dental Association’s Code on Dental Procedures and Nomenclature.

¹ The hearing on October 11, 2016, was continued in order to provide the Legislative Counsel Bureau the opportunity to incorporate amendments to proposed R119-16 that were presented during the hearing. The hearing is now being reconvened to present and consider revised proposed R119-16, which includes the amendments. See LCB Draft of Revised Proposed Regulation R119-16, attached to this notice.

(2) What are the terms or substance of the proposed regulation?

The proposed regulation will add American Dental Association Form J430D, or its successor forms, to allow carriers to coordinate health and dental benefits. The proposed regulation also updates the location of the forms, pointing to online resources for access to the forms. The proposed regulation also adds dental claims to the time required for the adjudication and payment of claims. The proposed regulation also amends the time limits for a payer to adjudicate and pay dental claims.

(3) What is the anticipated impact of the regulation on the problem(s)?

The proposed amendments clarify requirements related to the coordination of benefits requirements. Dentists were submitting separate claim forms, which delayed payment and cause confusion as to which carrier was responsible for payment.

(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?

The regulation allows for the coordination of benefits between health and dental coverages in a health benefit plan so that consumers' claims can be timely processed and paid, if appropriate. The regulation also requires that dental providers, which are mostly small businesses in Nevada, get paid appropriately and in a timely manner.

(7) What is the anticipated economic benefit of the regulation?

a. Public

1. Immediate: Consumers can clearly identify the forms permitted for dental claims. Consumers' dental claims will be more timely processed and paid as the forms provide for better coordination with health insurance.

2. Long Term: The health insurance system will benefit as the coordination of claims adjudication and payment will be more efficient. Consumers can clearly identify the forms permitted for dental claims. Consumers' dental claims will be more timely processed and paid as the forms provide for better coordination with health insurance.

b. Insurance Business

1. Immediate: Health insurers who also provide dental insurance will be able to review dental claims and coordinate the coverage with the health coverage to provide timely payments for all claims. The forms also allow insurers to meet timelines for processing and paying claims.

2. Long Term: Medical claims and dental claims will be handled in a more efficient manner allowing insurers to settle claims promptly. Health insurers who also provide dental insurance will be able to review dental claims and coordinate the coverage with the health coverage to provide timely payments for all claims. The forms also allow insurers to meet timelines for processing and paying claims.

c. Small Businesses

1. Immediate: Dental providers will benefit from improved coordination as compensation for their services will be more timely processed instead of their having to wait several months for the health insurance claims to be adjudicated, which is done separately from the dental insurance claims. Small businesses other than dental providers will not be directly impacted. However, small businesses should see improvements in how their employees' claims are processed and paid. Small businesses can clearly identify the forms permitted for dental claims.

2. Long Term: Dental providers will benefit from improved coordination as compensation for their services will be more timely processed instead of their having to wait several months for the health insurance claims to be adjudicated, which is done separately from the dental insurance claims. Small businesses other than dental providers will not be directly impacted. However, small businesses should see improvements in how their employees' claims are processed and paid. Small businesses can clearly identify the forms permitted for dental claims. The system of adjudication and claims for all health and dental claims allow a small business to focus on its objectives and not be distracted by matters such as these claims.

d. Small Communities

1. Immediate: Small communities will not be impacted by this regulation.
2. Long Term: Small communities will not be impacted by this regulation.

e. Government Entities

1. Immediate: Government entities will not be impacted by this regulation.
2. Long Term: Government entities will not be impacted by this regulation.

(8) What is the anticipated adverse impact, if any?

a. Public

1. Immediate: No adverse impact will be created by this regulation.
2. Long Term: No adverse impact will be created by this regulation.

b. Insurance Business

1. Immediate: No adverse impact will be created by this regulation.
2. Long Term: No adverse impact will be created by this regulation.

c. Small Businesses

1. Immediate: No adverse impact will be created by this regulation.
2. Long Term: No adverse impact will be created by this regulation.

d. Small Communities

1. Immediate: No adverse impact will be created by this regulation.

2. Long Term: No adverse impact will be created by this regulation.
- e. Government Entities
1. Immediate: No adverse impact will be created by this regulation.
 2. Long Term: No adverse impact will be created by this regulation.
- (9) What is the anticipated cost of the regulation, both direct and indirect?
- a. Enactment: No cost anticipated.
 - b. Enforcement: No additional costs anticipated.
 - c. Compliance: No additional costs anticipated.

- (10) Does the regulation establish a new fee or increase an existing fee?

The regulation does not create a new fee or increase an existing fee.

- (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.

The Division determined that entities affected by this regulation already file claim forms for dental and medical benefits. Because the regulation effectively replaces two claims forms with one in order to streamline the coordination of dental and medical benefits, the Division considered who uses the claims forms and who is affected by coordination of dental and medical benefits, and found that replacing different forms with a form that streamlines claims processing would not have a significant impact on a small businesses.

- (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.

There are no other regulations that overlap or duplicate the proposed amendments to the existing regulations.

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

There are no federal regulations that address the requirements in the proposed amendments to the existing regulations.

- (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.

There are no federal regulations that address the requirements in the proposed amendments to the existing regulations.

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 December 9, 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 North 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:

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,

Nevada State Library & Archives

Training and Rehabilitation
2800 E. Saint Louis Ave.
Las Vegas, NV 89104

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

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

Las Vegas-Clark County Library District
7060 W. Windmill Lane
Las Vegas, NV 89113

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

Lyon County Library
20 Nevin Way
Yerington, Nevada 89447

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

Pershing County Library
P.O. Box 781
Lovelock, Nevada 89419

Storey County Clerk
P.O. Drawer D
Virginia City, Nevada 89440

Tonopah Public Library
P.O. Box 449
Tonopah, Nevada 89049

Washoe County/Downtown Reno Library
P.O. Box 2151
Reno, Nevada 89505-2151

White Pine County Library
950 Campton Street
Ely, Nevada 89301

Members of the public who would like additional information about the proposed regulation may contact Jeremy Gladstone, Actuarial Analyst, Life and Health Section, at (775) 687-0729, or via e-mail to jgladstone@doi.nv.gov.

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, no later than five (5)

HEARING AGENDA

The State of Nevada, Department of Business and Industry, Division of Insurance

December 12, 2016 • 9:30 a.m.

Location of Hearing:

Office 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:

Office of the Division of Insurance
2501 E. Sahara Ave., 3rd Floor Conference Room
Las Vegas, NV 89104
(Division Offices located in Suite 302)

- 1. Call to Order and Reconvene Hearing.**
- 2. Presentation, Discussion and Adoption of Proposed Regulation. (For Possible Action) LCB File No. R119-16. Dental Claims Under a Policy of Health Insurance (NAC 686A)**
A REGULATION relating to insurance; revising provisions relating to the forms which must be accepted by a payer for dental claims submitted under a contract for health insurance; and providing other matters properly relating thereto.
- 3. Public Comment.**
- 4. Adjournment.**

Supporting public material for this meeting may be requested from Susan Bell, Legal Secretary, Nevada Division of Insurance, 1818 E. College Parkway, Carson City, Nevada 89706, (775) 687-0704, or suebell@doi.nv.gov.

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 the Commissioner's secretary, in writing, no later than five (5) working days before the meeting: 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, or suebell@doi.nv.gov.

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 Dept. 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)