

**NOTICE OF INTENT TO ACT UPON REGULATION  
AND  
HEARING AGENDA**

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 **9:30 a.m.**, on **April 29, 2019**, in the 1<sup>st</sup> Floor Hearing Room, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706. Interested persons may also participate through a simultaneous videoconference conducted in the 4<sup>th</sup> Floor Tahoe Room at the Nevada State Business Center / Division of Insurance, 3300 West Sahara Avenue, Suite 275, Las Vegas, Nevada 89102. The purpose of the hearing is to receive comments from all interested persons regarding the adoption, amendment or repeal of regulations pertaining to chapter 687B of the Nevada Administrative Code (“NAC”).

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

**LCB File No. R041-17. Medicare Supplement.**

A regulation relating to insurance; providing for 2020 standardized benefit plans to supplement Medicare; revising requirements applicable to 2010 standardized benefit plans to supplement Medicare; revising the forms for outlines of coverage provided to applicants for standardized benefit plans to supplement Medicare; and providing other matters properly relating thereto.

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

*This regulation revises the current Medicare Supplement Regulation (NAC 687B) to become compliant with the federal Medicare Access and CHIP Reauthorization Act of 2015 (“MACRA”).*

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

*MACRA prohibits the sale of Medigap policies that cover Part B deductibles to “newly eligible” Medicare beneficiaries defined as those individuals who: (a) have attained age 65 on or after January 1, 2020; or (b) first become eligible for Medicare due to age, disability or end-stage renal disease, on or after January 1, 2020.*

*The proposed regulation pertains to Medicare Supplement policies being sold in the State of Nevada, and allows the state to be compliant with MACRA. MACRA contains the rules on coverage, benefits and limitations for those types of policies, and the guidance for issuing this regulation was provided by the NAIC Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#651-53).*

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

*For “newly eligible” persons, references in the current Medicare Supplement regulation to Medigap plans C and F are deemed as references to plans D and G.*

(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?

*This regulation amends current law to become compliant with federal law for the regulation of Medicare Supplement policies.*

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

a. Public

1. Immediate: *None.*
2. Long Term: *None.*

b. Insurance Business

1. Immediate: *None.*
2. Long Term: *None.*

c. Small Businesses

1. Immediate: *None.*
2. Long Term: *None.*

d. Small Communities

1. Immediate: *None.*
2. Long Term: *None.*

e. Government Entities

1. Immediate: *None.*
2. Long Term: *None.*

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

a. Public

1. Immediate: *“Newly eligible” people who sign up for Medicare Supplement plans will not have the option to choose a plan that covers Part B deductibles and will have to pay this fee instead.*
2. Long Term: *“Newly eligible” people who sign up for Medicare Supplement plans will not have the option to choose a plan that covers Part B deductibles and will have to pay this fee instead.*

- b. Insurance Business
  - 1. Immediate: *None.*
  - 2. Long Term: *None.*
  
- c. Small Businesses
  - 1. Immediate: *None.*
  - 2. Long Term: *None.*
  
- d. Small Communities
  - 1. Immediate: *None.*
  - 2. Long Term: *None.*
  
- e. Government Entities
  - 1. Immediate: *None.*
  - 2. Long Term: *None.*

(9) What is the anticipated cost of the regulation, both direct and indirect?

- a. Enactment: *No cost, either directly or indirectly.*
- b. Enforcement: *No cost, either directly or indirectly.*
- c. Compliance: *No cost, either directly or indirectly.*

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

*No, there are no fees associated with this regulation.*

(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.

*This regulation was reviewed and discussed by the Life and Health Section of the Nevada Division of Insurance. The experience and expertise of the section members were used to analyze the proposed language of the regulation, and they determined that no impact on small business would be made by these changes.*

(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.

*The Division reviewed existing regulations and determined that there is no overlap or duplication with other state or local governmental agencies. The proposed regulation does not duplicate federal regulation, however, it is required under the Medicare Access and CHIP Reauthorization Act of 2015 (“MACRA”).*

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

*The Medicare Access and CHIP Reauthorization Act of 2015 (“MACRA”) was signed into law on April 16, 2015. MACRA prohibits the sale of Medigap policies that cover Part B deductibles to “newly eligible” Medicare beneficiaries defined as those individuals who: (a) have attained age 65 on or after January 1, 2020; or (b) first become eligible for Medicare due to age, disability or end-stage renal disease, on or after January 1, 2020.*

*The proposed regulation pertains to Medicare Supplement policies being sold in the State of Nevada, and allows the state to be compliant with MACRA. MACRA contains the rules on coverage, benefits and limitations for those types of policies, and the guidance for issuing this regulation was provided by the NAIC Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act (#651-53).*

(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.

*Division personnel deemed subject matter experts analyzed the proposed regulation and existing federal regulations and determined that the regulation does not include more stringent provisions and meets the standards identified in federal regulation.*

Persons wishing to comment upon the proposed actions 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 April 22, 2019.** 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, amended or repealed 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 3300 West Sahara Avenue, Suite 275, Las Vegas, Nevada 89102, 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:

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

Legislative Building  
401 South Carson Street  
Carson City, Nevada 89701

Blasdel Building  
209 East Musser Street  
Carson City, Nevada 89701

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

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

Churchill County Library  
553 South Main Street  
Fallon, Nevada 89406

Elko County Library  
720 Court Street  
Elko, Nevada 89801

Eureka Branch Library  
80 S. Monroe Street  
P.O. Box 293  
Eureka, Nevada 89316-0293

Lander County Library  
625 S. Broad Street  
P.O. Box 141  
Battle Mountain, Nevada 89820

Lincoln County Library  
63 Main Street

Nevada Division of Insurance  
3300 West Sahara Avenue, Suite 275  
Las Vegas, Nevada 89102

Nevada State Business Center  
3300 West Sahara Avenue  
Las Vegas, Nevada 89102

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

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

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

Douglas County Public Library  
1625 Library Lane  
P.O. Box 337  
Minden, Nevada 89423-0337

Goldfield Public Library/Esmeralda  
County  
Corner of Crook Ave. and Fourth St.  
P.O. Box 430  
Goldfield, Nevada 89013

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

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

Lyon County Library  
20 Nevin Way

P.O. Box 330  
Pioche, Nevada 89043-0330

Yerington, Nevada 89447

Mineral County Public Library  
110 1<sup>st</sup> Street  
P.O. Box 1390  
Hawthorne, Nevada 89415

Pershing County Library  
1125 Central Avenue  
P.O. Box 781  
Lovelock, Nevada 89419

Storey County Clerk  
26 S. B Street  
P.O. Drawer D  
Virginia City, Nevada 89440

Tonopah Public Library  
167 S. Central Street  
P.O. Box 449  
Tonopah, Nevada 89049

Downtown Reno Library/Washoe County  
301 S. Center Street  
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 Susan Bell, Legal Secretary, at (775) 687-0704, or via e-mail to [suebell@doi.nv.gov](mailto:suebell@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) working days before the hearing: 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, or [suebell@doi.nv.gov](mailto:suebell@doi.nv.gov).

DATED this \_\_22nd\_\_ day of March, 2019.

\_\_\_\_\_  
/s/  
BARBARA D. RICHARDSON  
Commissioner of Insurance

## **HEARING AGENDA**

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

**April 29, 2019 • 9:30 a.m.**

**Location of Hearing:**

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

**Available via Videoconference at:**

Nevada Division of Insurance  
3300 W. Sahara Ave., 4<sup>th</sup> Floor Tahoe Room  
Las Vegas, NV 89102  
(Division Offices located in Suite 275)

1. Open Hearing: R041-17.
2. Presentation, Discussion and Adoption of Proposed Regulation. (For Possible Action)

**LCB File No. R041-17. Medicare Supplement.**

A regulation relating to insurance; providing for 2020 standardized benefit plans to supplement Medicare; revising requirements applicable to 2010 standardized benefit plans to supplement Medicare; revising the forms for outlines of coverage provided to applicants for standardized benefit plans to supplement Medicare; and providing other matters properly relating thereto.

3. Public Comment.
4. Close Hearing: R041-17.
5. Adjourn.

Supporting public material for this hearing 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](mailto:suebell@doi.nv.gov).

Note: Any agenda item may be taken out of order; items may be combined for consideration by the public body; items may be pulled or removed from the agenda at any time; and, discussion relating to an item may be delayed or continued 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 hearing: 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, or [suebell@doi.nv.gov](mailto:suebell@doi.nv.gov).

NOTICES FOR THIS HEARING 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, 3300 W. Sahara Avenue, Suite 275, Las Vegas, Nevada 89102

Nevada State Business Center, 3300 W. Sahara Avenue, Las Vegas, Nevada 89102

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](http://www.nv.gov))

The Nevada State Legislature Website ([www.leg.state.nv.us](http://www.leg.state.nv.us))

The Nevada Division of Insurance Website ([www.doi.nv.gov](http://www.doi.nv.gov))