

**PROPOSED REGULATION OF THE  
COMMISSIONER OF INSURANCE**

**LCB FILE NO. R163-22I**

**The following document is the initial draft regulation proposed  
by the agency submitted on 06/30/2022**

STATE OF NEVADA  
DEPARTMENT OF BUSINESS AND INDUSTRY  
DIVISION OF INSURANCE

PROPOSED PERMANENT REGULATION CONCERNING  
MEDICARE SUPPLEMENT PLANS

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

AUTHORITY: §§1-2, NRS 679B.130 and 687B.430.

A REGULATION relating to insurance; revising various standards for Medicare supplement policies and certificates; and providing other matters properly relating thereto.

**Section 1.** Chapter 687B of NAC is hereby amended by adding thereto the provisions set forth as sections 2-4, inclusive, of this regulation:

**Sec. 2. 1.** **A Medicare supplemental policy issued pursuant to NRS 687B.352 is a replacement plan subject to the requirements of this chapter.**

2. A Medicare Supplement Replacement Matrix will be posted on the Division's website outlining replacement plans available depending on the Medicare Supplement plan a policyholder currently has; and will be updated as needed.

3. AB 250 does not allow for a Medicare Supplement policyholder to re-enroll with the same company and the same plan in order to go from a non-standard rate to a standard rate.

**Sec. 3.** NAC 687B.275 is hereby amended to read as follows:

1. An issuer or other entity may provide a commission or other compensation to an agent or other representative for the sale of a policy to supplement Medicare or a certificate only if the commission or other compensation for the first year is no more than 200 percent of the commission or other compensation paid for selling or servicing the policy or certificate in the second year or period.

2. The commission or other compensation provided in a subsequent renewal year must be:

- (a) The same as that provided in the second year or period; and
- (b) Provided for not less than 5 renewal years.

3. An issuer or other entity shall not provide to its agents or other producers, and an agent or producer shall not accept, compensation that is greater than the compensation for renewal that would have been paid by the replacing issuer on a renewal policy to supplement Medicare or a certificate if the existing policy or certificate is replaced. [This also applies to a policy to supplement Medicare purchased pursuant to section 2 of this regulation.](#)

4. As used in this section, “compensation” includes pecuniary or nonpecuniary remuneration of any kind relating to the sale or renewal of the policy to supplement Medicare or the certificate, including, but not limited to, any bonus, gift, prize, award or finders fee.

**Sec. 4.** Section 1 becomes effective upon passage and approval.