

**STATE OF NEVADA
DEPARTMENT OF BUSINESS & INDUSTRY
DIVISION OF INSURANCE**

**Determination of Necessity of Small Business Impact Statement
NRS 233B.0608(1)**

NETWORK ADEQUACY STANDARDS PLAN YEAR 2025
PROPOSED REGULATION FILE NO. R118-24

EFFECTIVE DATE OF REGULATION:
January 1, 2025

1. **BACKGROUND:**

The regulation was proposed pursuant to Nevada Revised Statutes (“NRS”) 687B.490. The regulation amends chapter 687B of Nevada Administrative Code (“NAC”) by providing standards for measuring the adequacy of a network plan to ensure that health plan consumers can reasonably access certain providers.

The Adequacy of Network Plans section of chapter 687B of NAC establishes a Network Adequacy Advisory Council (“Council”) to provide annual recommendations regarding standards used to measure network plan adequacy.

On March 16, 2023, the Council conducted its first meeting for plan year 2025. The nine-member Council held a total of four (4) public meetings during which they conducted discussions, reviewed data, and received public input related to network adequacy. Meeting recordings and supporting documents presented during the meetings are available on the Nevada Division of Insurance (“Division”) website at doi.nv.gov. On September 14, 2023, a report including the Council’s network adequacy recommendations was submitted to the Commissioner. Based on the Commissioner’s review of the report, the Commissioner seeks to promulgate this regulation to enact network adequacy standards.

The proposed regulation incorporates network adequacy guidance related to network adequacy standards for a network plan, other than a stand-alone dental plan or a network plan offering oral pediatric services, as part of the essential health benefits required under 42 U.S.C. § 18022, subsection (b)(1)(J), which has been in place since 2016. This regulation is intended to help individuals who purchase a health benefit plan, other than a stand-alone dental plan or a health benefit plan with oral pediatric services, have access to providers when seeking care.

2. **DESCRIPTION OF SOLICITATION SHOWING A CONCERTED EFFORT. NRS 233B.0608(1).**

Since the implementation of the Affordable Care Act, the Division has issued guidance and promulgated regulations related to network adequacy. In doing so, to gather relevant information, the Division has held numerous public meetings. To date, the Division has received no comments

suggesting that quantifying network adequacy standards in a regulation would negatively impact small businesses. Additionally, the Council's meetings are public and include extensive discussion over network adequacy. At no time during the public meetings conducted for plan years 2018 through 2025 were any comments received that the proposed network adequacy standards would negatively impact small businesses. To determine the proposed regulation's reach, the Division has also extensively analyzed and conducted research on network adequacy standards.

3. DOES THE PROPOSED REGULATION IMPOSE A DIRECT AND SIGNIFICANT ECONOMIC BURDEN UPON A SMALL BUSINESS OR DIRECTLY RESTRICT THE FORMATION, OPERATION OR EXPANSION OF A SMALL BUSINESS? NRS 233B.0608(1).

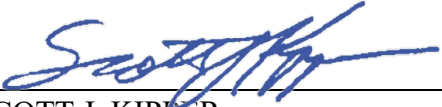
NO YES

4. HOW WAS THAT CONCLUSION REACHED? NRS 233B.0608(3).

Based on analysis conducted by Division subject matter expert staff, because many network plans already meet the proposed standards, the Division opines that the proposed regulation's impact on small business will be minimal to none. Further, the Division has held numerous public meetings regarding this matter. To date, the Division has received no comments suggesting that quantifying network adequacy standards in a regulation would negatively impact small businesses. Additionally, the Council's meetings are public and include extensive discussion over network adequacy. At no time during the public meetings conducted for plan years 2018 through 2025 were any comments received that the proposed network adequacy standards would negatively impact small businesses.

I, SCOTT J. KIPPER, Commissioner of Insurance for the State of Nevada, hereby certify that, to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses and that the information contained in this statement is accurate. NRS 233B.0608(3).

October 23, 2024
(DATE)



SCOTT J. KIPPER
Commissioner of Insurance