

**PROPOSED REGULATION OF THE  
COMMISSIONER OF INSURANCE**

**LCB File No. R082-98**

June 24, 1998

EXPLANATION – Matter in *italics* is new; matter in brackets [ ] is material to be omitted.

AUTHORITY: §1, NRS 679B.130 and 679B.228; §2, NRS 679B.130, 679B.153 and 679B.158; §3, NRS 679B.130; §4, NRS 679B.130 and 695C.070; §5, NRS 679B.130.

**Section 1.** Chapter 679B of NAC is hereby amended by adding thereto a new section to read as follows:

*The division will charge any person whose check is returned to the division because the person had insufficient money or credit with the drawee to pay the check or because the person stopped payment on the check a fee of \$15.*

**Sec. 2.** NAC 679B.154 is hereby amended to read as follows:

679B.154 1. The commissioner will determine the assessment for the special investigative account by dividing the amount of money [appropriated by] *that* the legislature *authorized for expenditure* for that year for the support of the program [to investigate *fraudulent claims*] *established pursuant to NRS 679B.153* by the number of insurers who hold a certificate of authority in this state as of June 1 of the year of assessment.

2. The division will mail to each company a notice of the amount of the assessment on or before July 1 of each year.

**Sec. 3.** NAC 695C.150 is hereby amended to read as follows:

695C.150 A person shall not solicit or sell to any group or person any health care plan which provides for comprehensive health care services unless he:

1. Has a valid *agent's or broker's* license to sell health insurance issued by the commissioner;
2. Has, *if licensed as an agent*, been appointed by the organization; and
3. Meets all other requirements for an agent *or broker* licensed to sell health insurance.

**Sec. 4.** NAC 695C.200 is hereby amended to read as follows:

695C.200 1. Each applicant for a certificate of authority shall:

- (a) Submit a list of the providers in its health care plan and a description of the type of providers based upon a projected number of enrollees;
- (b) Sufficiently describe its list of providers to demonstrate the accessibility and availability of health care to its enrollees; and
- (c) Describe a plan for increasing the number of providers based upon increased enrollment.

2. The health maintenance organization shall notify:

- (a) The division and the state board of health in writing **[at]** *not later than 14 days after* the end of each quarter of each calendar year of any changes in its list of providers **[/; and]** *unless an extension is granted pursuant to this paragraph. On or before the date on which the notification is due, the health maintenance organization may submit a request to the commissioner for an extension of time in which to provide the notification of not more than 30 days after the date on which the notification is due.*

(b) An enrollee in writing of the disassociation of his primary physician from the organization not later than 30 working days after such disassociation.

3. Based upon the current list of providers of an organization, an overall reduction of more than 30 percent in the number of primary physicians in a geographic area of service or a material change in the panel of specialists, shall be deemed by the division to jeopardize the ability of the organization to meet its obligations to its enrollees, and the division will so notify the state board of health and the organization. The organization may rebut this presumption by providing written information to the division within 14 days after the notice is sent to the state board of health and the organization.

4. The provisions of subsection 3 do not apply if the organization:

(a) Notifies the division in writing;

(b) Submits information concerning the number of persons enrolled in the organization and the reasons for any reductions; and

(c) Obtains the approval of the division in advance for the reduction.

**Sec. 5.** NAC 679B.760, 679B.764, 679B.766, 679B.767, 679B.768, 679B.770, 679B.772 and 679B.774 are hereby repealed.

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## TEXT OF REPEALED SECTIONS

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**679B.760 Definitions.** As used in NAC 679B.760 to 679B.774, inclusive, unless the context otherwise requires, the words and terms defined in NAC 679B.764, 679B.766 and 679B.767 have the meanings ascribed to them in those sections.

**679B.764 “Administrator” defined.** “Administrator” means the administrator of the office.

**679B.766 “Hospital” defined.** “Hospital” has the meaning ascribed to it in NRS 439B.110.

**679B.767 “Office” defined.** “Office” means the office for hospital patients.

**679B.768 Restriction on collection of bill by major hospital.**

1. A major hospital which has entered into an agreement with a patient or other person responsible for the payment of a hospital bill pursuant to paragraph (c) of subsection 1 of NRS 439B.260 shall not demand payment in full or submit the balance of the unpaid hospital bill for collection if the patient or other person responsible for the payment of the hospital bill complies with the terms of the agreement.

2. As used in this section, “major hospital” has the meaning ascribed to it in NRS 439B.115.

**679B.770 Provision of information to office.** Each hospital shall, within 20 working days after it receives a request from the office for information concerning a complaint, provide that information to the office.

**679B.772 Records of office.**

1. The administrator shall prepare and maintain a record of the proceedings of the office, including a record of each complaint filed with and each dispute heard by the office.

2. All medical records and information relating to a complaint filed with the office are confidential.

**679B.774 Deposit of money collected for late payment of assessment.** The administrator shall deposit any money collected for the late payment of an assessment required pursuant to NRS 679B.500 with the state treasurer for credit to the state general fund.