

**LCB File No. R026-04**

**PROPOSED REGULATION OF THE DIVISION OF INSURANCE OF  
THE DEPARTMENT OF BUSINESS AND INDUSTRY**

**NOTICE OF WORKSHOPS TO SOLICIT COMMENTS ON  
PROPOSED REGULATION**

The Department of Business and Industry, Division of Insurance (Division), is proposing new regulations pertaining to financial reporting and captive insurers; disclosure requirements for auto and homeowner's policies; employee leasing organization notification; uniform credentialing forms; and medicare supplement plans. A workshop has been set for 9:00 a.m., on March 23, 2004, at the offices of the Division, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701. Interested parties may also participate through a simultaneous video-conference conducted at the Bradley Building, 2501 East Sahara Avenue, Manufactured Housing Division Conference Room, 2<sup>nd</sup> Floor, Las Vegas, Nevada 89104. The purpose of the workshop is to solicit comments from interested persons on the following general topics addressed in the proposed regulations.

- 1. Captive Insurers' Financial Reporting.** The proposed regulation updates and amends the captive insurers chapter to clarify and correct the financial reporting requirements of the domestic captive insurers. The proposed regulation amends chapter 694C of the NAC.
- 2. Disclosures and Notices.** The proposed regulation will require automobile insurers to provide a disclosure on the policy when coverage is reduced or limited for permissive users of the insured vehicle(s). The proposed regulation will also amend Nevada Administrative Code (NAC) 690B.240 to require insurers issuing homeowner's insurance policies to provide notice to the insured explaining the insurer's rating plan when the plan provides for an increase in premium based upon incidents or claims.
- 3. Employee Leasing Organization Notification.** The proposed regulation adds a new section to chapter 687B of the NAC. The new section sets forth the provisions whereby a carrier or an HMO providing health insurance coverage to an employee leasing organization has to notify the client companies of the employee leasing organization upon termination of the health insurance coverage.
- 4. Uniform Credentialing Form.** The proposed regulation adds a new section to chapter 679B of the NAC. The new section sets forth the provisions whereby insurers, carriers, societies, corporations, health maintenance organizations and managed care organizations will use a uniform credentialing form related to the credentials of a provider of health care.
- 5. Medicare Supplement Plans.** The proposed regulation will amend chapter 687B of the NAC by expanding the Medicare Supplement guaranteed issue requirements for standardized Medicare Supplement plans to allow any pre-standardized policyholder to obtain a standardized policy; amends chapter 687B of the NAC to ensure that senior citizen insureds do not lose policy benefits due to an unintentional lapse in coverage by

**allowing them to designate a third party to receive important notices; and amends NAC 687B.250, 687B.311 and 687B.319 by adding and deleting language to avoid future amendments to chapter 687B due to the annual changes in the Medicare Supplement deductible rates by using blanks in lieu of the dollar amounts. The reader is informed on how a change to plans F and J are calculated and directed to consult the most current version of the *Guide to Health Insurance for People with Medicare* for the most current deductible rates.**

A copy of this notice and the proposed regulations will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the proposed regulations will be available at the offices of the Division, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701, 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 regulations 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 **www.leg.state.nv.us**. Copies will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

This Notice of Workshop to Solicit Comments on Proposed Regulations has been sent to all persons on the agency's mailing list for administrative regulations and posted at the following locations:

Department of Business and Industry  
Division of Insurance  
788 Fairview Drive, Suite 300  
Carson City, NV 89701

Department of Business and Industry  
Division of Insurance  
2501 East Sahara Avenue, Suite 302  
Las Vegas, NV 89104

Legislative Counsel Bureau  
Capitol Complex  
Carson City, NV 89710

Blasdel Building  
Capitol Complex  
Carson City, NV 89710

State Capitol  
Capitol Complex  
Carson City, NV 89710

Capitol Press Room  
State Capitol Basement  
Carson City, NV 89710

County Clerk  
Courthouse  
Carson City, NV 89710

Nevada State Library & Archives  
Capitol Complex  
Carson City, NV 89710

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

Churchill County Library  
553 South Maine Street  
Fallon, NV 89406

Las Vegas Library

Douglas County Library

833 Las Vegas Blvd. North  
Las Vegas, NV 89101

1625 Library Lane  
P.O. Box 337  
Minden, NV 89423

Elko County Library  
720 Court Street  
Elko, NV 89801

Goldfield Public Library  
Fourth & Cook Street  
P.O. Box 430  
Goldfield, NV 89013

Eureka Branch Library  
10190 Monroe Street  
P.O. Box 293  
Eureka, NV 89316

Humboldt County Library  
85 East 5<sup>th</sup> Street  
Winnemucca, NV 89445

Battle Mountain Branch Library  
P.O. Box 141  
Battle Mountain, NV 89820

Lincoln County Library  
93 Main Street  
P.O. Box 330  
Pioche, NV 89043

Lyon County Library  
20 Nevin Way  
Yerington, NV 89447

Mineral County Library  
First & A Street  
P.O. Box 1390  
Hawthorne, NV 89415

Tonopah Public Library  
171 Central Street  
P.O. Box 449  
Tonopah, NV 89049

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

Storey County Library  
95 South R Street  
P.O. Box 14  
Virginia City, NV 89440

Washoe County Library  
ATTN: Reference  
P.O. Box 2151  
Reno, NV 89505-2151

White Pine County Library  
950 Campton Street  
Ely, NV 89301

Clark County Library  
1401 East Flamingo Road  
Las Vegas, NV 89119

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 at 788 Fairview Drive, Suite 300, Carson City, Nevada 89701, or by calling no later than 5 working days prior to the hearing, (775) 687-4270, extension 260.

## NOTICE OF INTENT TO ACT UPON REGULATIONS

### Notice of Hearing for the Adoption of Regulations of the Department of Business and Industry, Division of Insurance

The Department of Business and Industry, Division of Insurance (Division), will hold a public hearing at 9:00 a.m., on March 23, 2004, immediately following a public workshop, at the offices of the Division, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701. Interested persons may also participate through a simultaneous video-conference conducted at the Bradley Building, 2501 East Sahara Avenue, Manufactured Housing Division Conference Room, 2<sup>nd</sup> Floor, Las Vegas, Nevada 89104. The purpose of the hearing is to receive comments from all interested persons regarding the adoption of:

#### REGULATION CONCERNING USE OF UNIFORM CREDENTIALING FORM

The following information is provided pursuant to the requirements of NRS 233B.0603:

1. The proposed regulation provides for the a uniform credentialing form to be used by all insurers, carriers, societies, corporations, health maintenance organizations and managed care organizations in obtaining any information related to the credentials of a provider of health care.
2. The proposed regulation amends chapter 679B of the Nevada Administrative Code (NAC) by requiring all insurers, carriers, societies, corporations, health maintenance organizations and managed care organizations to use the Uniform Credentialing Form related to the credentials of a provider of health care.
3. Estimated economic effect of the regulation:  
On the business which it is to regulate:  
The proposed regulation should have no economic impact on the industry regulated.  
On the public:  
The proposed regulation should have no economic impact on the public.
4. The Division may incur some additional expense to enforce the proposed regulation that cannot be measured at this time.
5. The Division is not aware of any overlap or duplication of the regulation with any state, local or federal regulation.
6. The proposed regulation is not pursuant to federal law.
7. There are no federal regulations regarding these activities.
8. The proposed regulation does not establish any new fees or increase an existing fee.

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, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701. Written submissions must be received by the Division on or before March 16, 2004. 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 proposed regulation will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the proposed regulation will be available at the offices of the Division, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701, 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://www.leg.state.nv.us>. Copies will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, will 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.

This notice of hearing has been posted at the following locations:

Department of Business and Industry  
Division of Insurance  
788 Fairview Drive, Suite 300  
Carson City, NV 89701

Department of Business and Industry  
Division of Insurance  
2501 East Sahara Avenue, Suite 302  
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Battle Mountain, NV 89820

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First & A Street  
P.O. Box 1390  
Hawthorne, NV 89415

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171 Central Street  
P.O. Box 449  
Tonopah, NV 89049

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95 South R Street  
P.O. Box 14  
Virginia City, NV 89440

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950 Campton Street  
Ely, NV 89301

Fallon, NV 89406

Douglas County Library  
1625 Library Lane  
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Minden, NV 89423  
Goldfield Public Library  
Fourth & Cook Street  
P.O. Box 430  
Goldfield, NV 89013

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85 East 5<sup>th</sup> Street  
Winnemucca, NV 89445

Lincoln County Library  
93 Main Street  
P.O. Box 330  
Pioche, NV 89043

Lyon County Library  
20 Nevin Way  
Yerington, NV 89447

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

Washoe County Library  
ATTN: Reference  
P.O. Box 2151  
Reno, NV 89505-2151

Clark County Library  
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Las Vegas, NV 89119

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**LCB File No. R026-04**

**PROPOSED REGULATION OF THE DIVISION OF INSURANCE OF  
THE DEPARTMENT OF BUSINESS AND INDUSTRY**

**PROPOSED REGULATION REGARDING  
UNIFORM CREDENTIALING FORM**

**Authority:** NRS 629.095 and NRS 679B.130

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

*1. A Uniform Credentialing Form, NDOI 901, will be used by all insurers, carriers, societies, corporations, health maintenance organizations and managed care organizations in obtaining any information related to the credentials of a provider of health care.*

*2. An insurer, carrier, society, corporation, health maintenance organization and managed care organization shall notify the commissioner when the organization needs additional information that is not contained in the Uniform Credentialing Form because of a newly imposed requirement by the Federal or State Government or an accrediting organization. The notice shall include a list of the additional questions that need to be included in the Uniform Credentialing Form because of the newly imposed requirement. The insurer, carrier, society, corporation, health maintenance organization and managed care organization may use an addendum to collect the additional information until the Uniform Credentialing Form, NDOI 901, has been revised to reflect the new requirements.*