

LCB File No. R049-09

**PROPOSED REGULATION OF THE
COMMISSIONER OF INSURANCE**

**NOTICE OF WORKSHOP TO SOLICIT COMMENTS ON
PROPOSED REGULATIONS**

The State of Nevada Department of Business and Industry, Division of Insurance (“Division”), (775) 687-4270, is proposing the adoption of regulations pertaining to chapters 687B, 690B, and 694C of the Nevada Administrative Code (“NAC”). A workshop has been set for **9:00 a.m. on October 14, 2009**, 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, Real Estate Division Conference Room, 2nd Floor, Las Vegas, Nevada 89104. The purpose of the workshop is to solicit comments from interested persons on the following general topics that may be addressed in the proposed regulations. Please note that the following proposed permanent regulations will replace current temporary regulations.

Medicare Supplement Policies. The proposed regulation will amend chapter 687B of the Nevada Administrative Code by making changes authorized by the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) and the Genetic Information Nondiscrimination Act of 2008 (GINA); and will make certain administrative changes for consistency.

Long-Term Care Producer Compensation. The proposed regulation will amend chapter 687B of the NAC and provide a correction to Sec. 7 of regulation R121-07 concerning producer compensation for long-term care insurance.

Automobile Identification Card. The proposed regulation will amend NAC 690B.030 to provide for the issuance, by a producer of insurance, of a permanent automobile identification card constituting evidence of insurance.

Officers and Directors of Captive Insurers. The proposed regulation will amend NAC 694C.280 and require prior approval of the board of directors or subscribers advisory committee for performance and payment of services rendered to the captive by an officer, director or employee of a captive insurance company.

Captive Insurer Conflict of Interest and Disclosure. The proposed regulation will amend NAC 694C.290 relating to captive insurers and conflict of interest statements to enhance disclosure requirements.

A copy of all materials relating to the proposal may be obtained at the workshop or by contacting the Division, 788 Fairview Drive, Suite 300, Carson City, Nevada 89701, (775) 687-4270. A reasonable fee for copying may be charged.

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 or provided to 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

Capitol Press Room
Capitol Building Basement
Carson City, NV 89710

Donald W. Reynolds Press Center
102 North Curry Street
Carson City, NV 89701

Legislative Counsel Bureau
401 South Carson Street
Carson City, NV 89701

Office of the Attorney General
100 North Carson Street
Carson City, NV 89701

Blasdel Building
209 East Musser Street
Carson City, NV 89701

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

Office of the Governor
Capitol Building
Carson City, NV 89710

Carson City Courthouse
885 East Musser Street
Carson City, NV 89701

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

Churchill County Library
553 South Main Street
Fallon, NV 89406

Clark County District Library
833 Las Vegas Boulevard North
Las Vegas, NV 89101

Douglas County Library
P.O. Box 337
Minden, NV 89423

Elko County Library
720 Court Street
Elko, NV 89801

Esmeralda County Library
P.O. Box 430
Goldfield, NV 89013

Eureka Branch Library
P.O. Box 293
Eureka, NV 89316

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

Lander County Library
P.O. Box 141
Battle Mountain, NV 89820

Lincoln County Library
P.O. Box 330
Pioche, NV 89043-0330

NOTICE OF INTENT TO ACT UPON REGULATION
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 October 21, 2009**, 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, Real Estate Division Conference Room, 2nd Floor, Las Vegas, Nevada 89104. The purpose of the hearing is to receive comments from all interested persons regarding the adoption of the regulation that pertains to chapter 687B of the Nevada Administrative Code (“NAC”). Please note that this regulation will replace a current temporary regulation.

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

1. This regulation is necessary to update current regulations to be compliant with the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) and the Genetic Information Nondiscrimination Act of 2008 (GINA); and to avoid federal oversight of Medicare Supplement policies.
2. This regulation prohibits the sale of Medicare Supplement Plans E, H, I, J and High Deductible J; removes the At Home Recovery and Preventive Care benefits from all plans; changes the Part B Excess Charges from 80% to 100% in Plan G; adds Plans M and N; and makes other administrative changes for consistency.
3. Estimated economic effect of the regulation:

On the business which is to be regulated: The proposed regulation will require Medicare Supplement insurers to file new forms and rates to be compliant with MIPPA and GINA.

On the public: The proposed regulation should have no economic impact on the public.

4. There should only be a minimal cost to the Division to review forms updated to comply with the regulation.
5. The proposed regulation duplicates a federal regulation.
6. This regulation is required by the federal laws MIPPA and GINA.
7. The regulation does not include provisions which are more stringent than a federal regulation that regulates the same activity.
8. The proposed regulation does not establish a new fee or increase an existing fee.

9. The Division of Insurance regulates the insurance industry. These carriers are not small businesses. Consequently, there would not be any impact on small businesses in Nevada.

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 October 7, 2009.** 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 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 regulation to be adopted 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/register>. Copies of this notice and the proposed regulation 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 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.

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

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Carson City, NV 89701

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Las Vegas, NV 89101

Elko County Library
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Elko, NV 89801

Eureka Branch Library
P.O. Box 293
Eureka, NV 89316

Lander County Library
P.O. Box 141
Battle Mountain, NV 89820

Lyon County Library
20 Nevin Way
Yerington, NV 89447

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

Tonopah Public Library
P.O. Box 449
Tonopah, NV 89049

White Pine County Library
950 Campton Street
Ely, NV 89301

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

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Pioche, NV 89043-0330

Mineral County Public Library
P.O. Box 1390
Hawthorne, NV 89415

Storey County Public Library
P.O. Box 14
Virginia City, NV 89440

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

