

SENATE BILL NO. 250—SENATORS HARDY, SMITH, ROBERSON,  
BROWER, FARLEY; FORD, GOICOECHEA, GUSTAVSON,  
HARRIS, KIECKHEFER AND LIPPARELLI

MARCH 11, 2015

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JOINT SPONSORS: ASSEMBLYMEN OSCARSON AND TITUS

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Referred to Committee on Commerce, Labor and Energy

SUMMARY—Revises provisions relating to policies of health insurance. (BDR 57-687)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.  
Effect on the State: Yes.

CONTAINS UNFUNDED MANDATE (§ 11)  
(NOT REQUESTED BY AFFECTED LOCAL GOVERNMENT)

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

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AN ACT relating to insurance; requiring certain policies of health insurance and health care plans to provide coverage for certain prescriptions dispensed for a supply of less than 30 days; prohibiting certain policies of health insurance and health care plans from prorating any pharmacy dispensing fees for those prescriptions under certain circumstances; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Existing law requires certain public and private policies of insurance and health  
2 care plans to provide coverage for certain procedures, including colorectal cancer  
3 screenings, cytological screening tests and mammograms, in certain circumstances.  
4 (NRS 287.027, 287.04335, 689A.04042, 689A.0405, 689B.0367, 689B.0374,  
5 695B.1907, 695B.1912, 695C.1731, 695C.1735, 695G.168) Existing law also  
6 requires employers to provide certain benefits to employees, including coverage for  
7 the procedures required to be covered by insurers, if the employer provides health  
8 benefits for its employees. (NRS 608.1555) **Sections 1, 3, 4, 6, 7, 10 and 11** of this  
9 bill require that certain public and private policies of insurance and health care  
10 plans must authorize certain prescriptions to be divided into more than one  
11 dispensing for the purpose of synchronizing a patient's multiple prescriptions.



12 **Sections 1, 3, 4, 6, 7, 10 and 11** prohibit these policies and plans from denying a  
13 claim for such a prescription that is otherwise covered. Finally, **sections 1, 3, 4, 6,**  
14 **7, 10 and 11** prohibit these policies and plans from prorating the pharmacy  
15 dispensing fees for such prescriptions unless otherwise provided by a contract or  
16 other agreement.

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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 689A of NRS is hereby amended by  
2 adding thereto a new section to read as follows:

3 *1. An insurer who offers or issues a policy of health*  
4 *insurance which provides coverage for prescription drugs:*

5 *(a) Must authorize coverage for and may apply a copayment*  
6 *and deductible to a prescription that is dispensed by a pharmacy*  
7 *for less than a 30-day supply if, for the purpose of synchronizing*  
8 *the insured's chronic medications:*

9 *(1) The prescriber or pharmacist determines that filling or*  
10 *refilling the prescription in that manner is in the best interest of*  
11 *the insured; and*

12 *(2) The insured requests less than a 30-day supply.*

13 *(b) May not deny coverage for a prescription described in*  
14 *paragraph (a) which is otherwise approved for coverage by the*  
15 *insurer.*

16 *(c) Unless otherwise provided by a contract or other*  
17 *agreement, may not prorate any pharmacy dispensing fees for a*  
18 *prescription described in paragraph (a).*

19 *2. A policy subject to the provisions of this chapter which*  
20 *provides coverage for prescription drugs and that is delivered,*  
21 *issued for delivery or renewed on or after January 1, 2017, has the*  
22 *legal effect of providing that coverage subject to the requirements*  
23 *of this section, and any provision of the policy or renewal which is*  
24 *in conflict with this section is void.*

25 *3. The provisions of this section do not apply to unit-of-use*  
26 *packaging for which synchronization is not practicable or to a*  
27 *controlled substance.*

28 *4. As used in this section:*

29 *(a) "Chronic medication" means any drug that is prescribed to*  
30 *treat any disease or other condition which is determined to be*  
31 *permanent, persistent or lasting indefinitely.*

32 *(b) "Synchronization" means the alignment of the dispensing*  
33 *of multiple medications by a single contracted pharmacy for the*  
34 *purpose of improving a patient's adherence to a prescribed course*  
35 *of medication.*



1 (c) *“Unit-of-use packaging” means medication that is*  
2 *prepackaged by the manufacturer in blister packs, compliance*  
3 *packs, course-of-therapy packs or any other packaging which is*  
4 *designed and intended to be dispensed directly to the patient*  
5 *without modification by the dispensing pharmacy, except for the*  
6 *addition of a prescription label.*

7 **Sec. 2.** NRS 689A.330 is hereby amended to read as follows:

8 689A.330 If any policy is issued by a domestic insurer for  
9 delivery to a person residing in another state, and if the insurance  
10 commissioner or corresponding public officer of that other state has  
11 informed the Commissioner that the policy is not subject to approval  
12 or disapproval by that officer, the Commissioner may by ruling  
13 require that the policy meet the standards set forth in NRS 689A.030  
14 to 689A.320, inclusive **H**, and section 1 of this act.

15 **Sec. 3.** Chapter 689B of NRS is hereby amended by adding  
16 thereto a new section to read as follows:

17 1. *An insurer who offers or issues a policy of group health*  
18 *insurance which provides coverage for prescription drugs:*

19 (a) *Must authorize coverage for and may apply a copayment*  
20 *and deductible to a prescription that is dispensed by a pharmacy*  
21 *for less than a 30-day supply if, for the purpose of synchronizing*  
22 *the insured’s chronic medications:*

23 (1) *The prescriber or pharmacist determines that filling or*  
24 *refilling the prescription in that manner is in the best interest of*  
25 *the insured; and*

26 (2) *The insured requests less than a 30-day supply.*

27 (b) *May not deny coverage for a prescription described in*  
28 *paragraph (a) which is otherwise approved for coverage by the*  
29 *insurer.*

30 (c) *Unless otherwise provided by a contract or other*  
31 *agreement, may not prorate any pharmacy dispensing fees for a*  
32 *prescription described in paragraph (a).*

33 2. *A policy subject to the provisions of this chapter which*  
34 *provides coverage for prescription drugs and that is delivered,*  
35 *issued for delivery or renewed on or after January 1, 2017, has the*  
36 *legal effect of providing that coverage subject to the requirements*  
37 *of this section, and any provision of the policy or renewal which is*  
38 *in conflict with this section is void.*

39 3. *The provisions of this section do not apply to unit-of-use*  
40 *packaging for which synchronization is not practicable or to a*  
41 *controlled substance.*

42 4. *As used in this section:*

43 (a) *“Chronic medication” means any drug that is prescribed to*  
44 *treat any disease or other condition which is determined to be*  
45 *permanent, persistent or lasting indefinitely.*



1 (b) “Synchronization” means the alignment of the dispensing  
2 of multiple medications by a single contracted pharmacy for the  
3 purpose of improving a patient’s adherence to a prescribed course  
4 of medication.

5 (c) “Unit-of-use packaging” means medication that is  
6 prepackaged by the manufacturer in blister packs, compliance  
7 packs, course-of-therapy packs or any other packaging which is  
8 designed and intended to be dispensed directly to the patient  
9 without modification by the dispensing pharmacy, except for the  
10 addition of a prescription label.

11 **Sec. 4.** Chapter 689C of NRS is hereby amended by adding  
12 thereto a new section to read as follows:

13 1. A carrier who offers or issues a health benefit plan which  
14 provides coverage for prescription drugs:

15 (a) Must authorize coverage for and may apply a copayment  
16 and deductible to a prescription that is dispensed by a pharmacy  
17 for less than a 30-day supply if, for the purpose of synchronizing  
18 the insured’s chronic medications:

19 (1) The prescriber or pharmacist determines that filling or  
20 refilling the prescription in that manner is in the best interest of  
21 the insured; and

22 (2) The insured requests less than a 30-day supply.

23 (b) May not deny coverage for a prescription described in  
24 paragraph (a) which is otherwise approved for coverage by the  
25 carrier.

26 (c) Unless otherwise provided by a contract or other  
27 agreement, may not prorate any pharmacy dispensing fees for a  
28 prescription described in paragraph (a).

29 2. A health benefit plan subject to the provisions of this  
30 chapter which provides coverage for prescription drugs and that is  
31 delivered, issued for delivery or renewed on or after January 1,  
32 2017, has the legal effect of providing that coverage subject to the  
33 requirements of this section, and any provision of the health  
34 benefit plan or renewal which is in conflict with this section is  
35 void.

36 3. The provisions of this section do not apply to unit-of-use  
37 packaging for which synchronization is not practicable or to a  
38 controlled substance.

39 4. As used in this section:

40 (a) “Chronic medication” means any drug that is prescribed to  
41 treat any disease or other condition which is determined to be  
42 permanent, persistent or lasting indefinitely.

43 (b) “Synchronization” means the alignment of the dispensing  
44 of multiple medications by a single contracted pharmacy for the



1 *purpose of improving a patient's adherence to a prescribed course*  
2 *of medication.*

3 *(c) "Unit-of-use packaging" means medication that is*  
4 *prepackaged by the manufacturer in blister packs, compliance*  
5 *packs, course-of-therapy packs or any other packaging which is*  
6 *designed and intended to be dispensed directly to the patient*  
7 *without modification by the dispensing pharmacy, except for the*  
8 *addition of a prescription label.*

9 **Sec. 5.** NRS 689C.425 is hereby amended to read as follows:

10 689C.425 A voluntary purchasing group and any contract  
11 issued to such a group pursuant to NRS 689C.360 to 689C.600,  
12 inclusive, are subject to the provisions of NRS 689C.015 to  
13 689C.355, inclusive, *and section 4 of this act* to the extent  
14 applicable and not in conflict with the express provisions of NRS  
15 687B.408 and 689C.360 to 689C.600, inclusive.

16 **Sec. 6.** Chapter 695B of NRS is hereby amended by adding  
17 thereto a new section to read as follows:

18 *1. A hospital or medical services corporation who offers or*  
19 *issues a policy of health insurance which provides coverage for*  
20 *prescription drugs:*

21 *(a) Must authorize coverage for and may apply a copayment*  
22 *and deductible to a prescription that is dispensed by a pharmacy*  
23 *for less than a 30-day supply if, for the purpose of synchronizing*  
24 *the insured's chronic medications:*

25 *(1) The prescriber or pharmacist determines that filling or*  
26 *refilling the prescription in that manner is in the best interest of*  
27 *the insured; and*

28 *(2) The insured requests less than a 30-day supply.*

29 *(b) May not deny coverage for a prescription described in*  
30 *paragraph (a) which is otherwise approved for coverage by the*  
31 *hospital or medical services corporation.*

32 *(c) Unless otherwise provided by a contract or other*  
33 *agreement, may not prorate any pharmacy dispensing fees for a*  
34 *prescription described in paragraph (a).*

35 *2. A policy of health insurance subject to the provisions of*  
36 *this chapter which provides coverage for prescription drugs and*  
37 *that is delivered, issued for delivery or renewed on or after*  
38 *January 1, 2017, has the legal effect of providing that coverage*  
39 *subject to the requirements of this section, and any provision of*  
40 *the policy of health insurance or renewal which is in conflict with*  
41 *this section is void.*

42 *3. The provisions of this section do not apply to unit-of-use*  
43 *packaging for which synchronization is not practicable or to a*  
44 *controlled substance.*

45 *4. As used in this section:*



\* S B 2 5 0 R 2 \*

1 (a) "Chronic medication" means any drug that is prescribed to  
2 treat any disease or other condition which is determined to be  
3 permanent, persistent or lasting indefinitely.

4 (b) "Synchronization" means the alignment of the dispensing  
5 of multiple medications by a single contracted pharmacy for the  
6 purpose of improving a patient's adherence to a prescribed course  
7 of medication.

8 (c) "Unit-of-use packaging" means medication that is  
9 prepackaged by the manufacturer in blister packs, compliance  
10 packs, course-of-therapy packs or any other packaging which is  
11 designed and intended to be dispensed directly to the patient  
12 without modification by the dispensing pharmacy, except for the  
13 addition of a prescription label.

14 **Sec. 7.** Chapter 695C of NRS is hereby amended by adding  
15 thereto a new section to read as follows:

16 1. A health maintenance organization that offers or issues a  
17 health care plan which provides coverage for prescription drugs:

18 (a) Must authorize coverage for and may apply a copayment  
19 and deductible to a prescription that is dispensed by a pharmacy  
20 for less than a 30-day supply if, for the purpose of synchronizing  
21 the enrollee's chronic medications:

22 (1) The prescriber or pharmacist determines that filling or  
23 refilling the prescription in that manner is in the best interest of  
24 the enrollee; and

25 (2) The enrollee requests less than a 30-day supply.

26 (b) May not deny coverage for a prescription described in  
27 paragraph (a) which is otherwise approved for coverage by the  
28 health maintenance organization.

29 (c) Unless otherwise provided by a contract or other  
30 agreement, may not prorate any pharmacy dispensing fees for a  
31 prescription described in paragraph (a).

32 2. An evidence of coverage subject to the provisions of this  
33 chapter which provides coverage for prescription drugs and that is  
34 delivered, issued for delivery or renewed on or after January 1,  
35 2017, has the legal effect of providing that coverage subject to the  
36 requirements of this section, and any provision of the evidence of  
37 coverage or renewal which is in conflict with this section is void.

38 3. The provisions of this section do not apply to unit-of-use  
39 packaging for which synchronization is not practicable or to a  
40 controlled substance.

41 4. As used in this section:

42 (a) "Chronic medication" means any drug that is prescribed to  
43 treat any disease or other condition which is determined to be  
44 permanent, persistent or lasting indefinitely.



1       **(b) “Synchronization” means the alignment of the dispensing**  
2 **of multiple medications by a single contracted pharmacy for the**  
3 **purpose of improving a patient’s adherence to a prescribed course**  
4 **of medication.**

5       **(c) “Unit-of-use packaging” means medication that is**  
6 **prepackaged by the manufacturer in blister packs, compliance**  
7 **packs, course-of-therapy packs or any other packaging which is**  
8 **designed and intended to be dispensed directly to the patient**  
9 **without modification by the dispensing pharmacy, except for the**  
10 **addition of a prescription label.**

11       **Sec. 8.** NRS 695C.050 is hereby amended to read as follows:

12       695C.050 1. Except as otherwise provided in this chapter or  
13 in specific provisions of this title, the provisions of this title are not  
14 applicable to any health maintenance organization granted a  
15 certificate of authority under this chapter. This provision does not  
16 apply to an insurer licensed and regulated pursuant to this title  
17 except with respect to its activities as a health maintenance  
18 organization authorized and regulated pursuant to this chapter.

19       2. Solicitation of enrollees by a health maintenance  
20 organization granted a certificate of authority, or its representatives,  
21 must not be construed to violate any provision of law relating to  
22 solicitation or advertising by practitioners of a healing art.

23       3. Any health maintenance organization authorized under this  
24 chapter shall not be deemed to be practicing medicine and is exempt  
25 from the provisions of chapter 630 of NRS.

26       4. The provisions of NRS 695C.110, 695C.125, 695C.1691,  
27 695C.1693, 695C.170 to 695C.173, inclusive, 695C.1733 to  
28 695C.200, inclusive, and 695C.265 do not apply to a health  
29 maintenance organization that provides health care services through  
30 managed care to recipients of Medicaid under the State Plan for  
31 Medicaid or insurance pursuant to the Children’s Health Insurance  
32 Program pursuant to a contract with the Division of Health Care  
33 Financing and Policy of the Department of Health and Human  
34 Services. This subsection does not exempt a health maintenance  
35 organization from any provision of this chapter for services  
36 provided pursuant to any other contract.

37       5. The provisions of NRS 695C.1694, 695C.1695 and  
38 695C.1731 **and section 7 of this act** apply to a health maintenance  
39 organization that provides health care services through managed  
40 care to recipients of Medicaid under the State Plan for Medicaid.

41       **Sec. 9.** NRS 695C.330 is hereby amended to read as follows:

42       695C.330 1. The Commissioner may suspend or revoke any  
43 certificate of authority issued to a health maintenance organization  
44 pursuant to the provisions of this chapter if the Commissioner finds  
45 that any of the following conditions exist:





1 (a) The health maintenance organization is operating  
2 significantly in contravention of its basic organizational document,  
3 its health care plan or in a manner contrary to that described in and  
4 reasonably inferred from any other information submitted pursuant  
5 to NRS 695C.060, 695C.070 and 695C.140, unless any amendments  
6 to those submissions have been filed with and approved by the  
7 Commissioner;

8 (b) The health maintenance organization issues evidence of  
9 coverage or uses a schedule of charges for health care services  
10 which do not comply with the requirements of NRS 695C.1691 to  
11 695C.200, inclusive, *and section 7 of this act* or 695C.207;

12 (c) The health care plan does not furnish comprehensive health  
13 care services as provided for in NRS 695C.060;

14 (d) The Commissioner certifies that the health maintenance  
15 organization:

16 (1) Does not meet the requirements of subsection 1 of NRS  
17 695C.080; or

18 (2) Is unable to fulfill its obligations to furnish health care  
19 services as required under its health care plan;

20 (e) The health maintenance organization is no longer financially  
21 responsible and may reasonably be expected to be unable to meet its  
22 obligations to enrollees or prospective enrollees;

23 (f) The health maintenance organization has failed to put into  
24 effect a mechanism affording the enrollees an opportunity to  
25 participate in matters relating to the content of programs pursuant  
26 to NRS 695C.110;

27 (g) The health maintenance organization has failed to put into  
28 effect the system required by NRS 695C.260 for:

29 (1) Resolving complaints in a manner reasonably to dispose  
30 of valid complaints; and

31 (2) Conducting external reviews of adverse determinations  
32 that comply with the provisions of NRS 695G.241 to 695G.310,  
33 inclusive;

34 (h) The health maintenance organization or any person on its  
35 behalf has advertised or merchandised its services in an untrue,  
36 misrepresentative, misleading, deceptive or unfair manner;

37 (i) The continued operation of the health maintenance  
38 organization would be hazardous to its enrollees;

39 (j) The health maintenance organization fails to provide the  
40 coverage required by NRS 695C.1691; or

41 (k) The health maintenance organization has otherwise failed to  
42 comply substantially with the provisions of this chapter.

43 2. A certificate of authority must be suspended or revoked only  
44 after compliance with the requirements of NRS 695C.340.





1 3. If the certificate of authority of a health maintenance  
2 organization is suspended, the health maintenance organization shall  
3 not, during the period of that suspension, enroll any additional  
4 groups or new individual contracts, unless those groups or persons  
5 were contracted for before the date of suspension.

6 4. If the certificate of authority of a health maintenance  
7 organization is revoked, the organization shall proceed, immediately  
8 following the effective date of the order of revocation, to wind up its  
9 affairs and shall conduct no further business except as may be  
10 essential to the orderly conclusion of the affairs of the organization.  
11 It shall engage in no further advertising or solicitation of any kind.  
12 The Commissioner may, by written order, permit such further  
13 operation of the organization as the Commissioner may find to be in  
14 the best interest of enrollees to the end that enrollees are afforded  
15 the greatest practical opportunity to obtain continuing coverage for  
16 health care.

17 **Sec. 10.** Chapter 695G of NRS is hereby amended by adding  
18 thereto a new section to read as follows:

19 ***1. A managed care organization that offers or issues a health***  
20 ***care plan which provides coverage for prescription drugs:***

21 ***(a) Must authorize coverage for and may apply a copayment***  
22 ***and deductible to a prescription that is dispensed by a pharmacy***  
23 ***for less than a 30-day supply if, for the purpose of synchronizing***  
24 ***the insured's chronic medications:***

25 ***(1) The prescriber or pharmacist determines that filling or***  
26 ***refilling the prescription in that manner is in the best interest of***  
27 ***the insured; and***

28 ***(2) The insured requests less than a 30-day supply.***

29 ***(b) May not deny coverage for a prescription described in***  
30 ***paragraph (a) which is otherwise approved for coverage by the***  
31 ***managed care organization.***

32 ***(c) Unless otherwise provided by a contract or other***  
33 ***agreement, may not prorate any pharmacy dispensing fees for a***  
34 ***prescription described in paragraph (a).***

35 ***2. An evidence of coverage subject to the provisions of this***  
36 ***chapter which provides coverage for prescription drugs and that is***  
37 ***delivered, issued for delivery or renewed on or after January 1,***  
38 ***2017, has the legal effect of providing that coverage subject to the***  
39 ***requirements of this section, and any provision of the evidence of***  
40 ***coverage or renewal which is in conflict with this section is void.***

41 ***3. The provisions of this section do not apply to unit-of-use***  
42 ***packaging for which synchronization is not practicable or to a***  
43 ***controlled substance.***

44 ***4. As used in this section:***



1 (a) *“Chronic medication” means any drug that is prescribed to*  
2 *treat any disease or other condition which is determined to be*  
3 *permanent, persistent or lasting indefinitely.*

4 (b) *“Synchronization” means the alignment of the dispensing*  
5 *of multiple medications by a single contracted pharmacy for the*  
6 *purpose of improving a patient’s adherence to a prescribed course*  
7 *of medication.*

8 (c) *“Unit-of-use packaging” means medication that is*  
9 *prepackaged by the manufacturer in blister packs, compliance*  
10 *packs, course-of-therapy packs or any other packaging which is*  
11 *designed and intended to be dispensed directly to the patient*  
12 *without modification by the dispensing pharmacy, except for the*  
13 *addition of a prescription label.*

14 **Sec. 11.** NRS 287.010 is hereby amended to read as follows:

15 287.010 1. The governing body of any county, school  
16 district, municipal corporation, political subdivision, public  
17 corporation or other local governmental agency of the State of  
18 Nevada may:

19 (a) Adopt and carry into effect a system of group life, accident  
20 or health insurance, or any combination thereof, for the benefit of its  
21 officers and employees, and the dependents of officers and  
22 employees who elect to accept the insurance and who, where  
23 necessary, have authorized the governing body to make deductions  
24 from their compensation for the payment of premiums on the  
25 insurance.

26 (b) Purchase group policies of life, accident or health insurance,  
27 or any combination thereof, for the benefit of such officers and  
28 employees, and the dependents of such officers and employees, as  
29 have authorized the purchase, from insurance companies authorized  
30 to transact the business of such insurance in the State of Nevada,  
31 and, where necessary, deduct from the compensation of officers and  
32 employees the premiums upon insurance and pay the deductions  
33 upon the premiums.

34 (c) Provide group life, accident or health coverage through a  
35 self-insurance reserve fund and, where necessary, deduct  
36 contributions to the maintenance of the fund from the compensation  
37 of officers and employees and pay the deductions into the fund. The  
38 money accumulated for this purpose through deductions from  
39 the compensation of officers and employees and contributions of the  
40 governing body must be maintained as an internal service fund as  
41 defined by NRS 354.543. The money must be deposited in a state or  
42 national bank or credit union authorized to transact business in the  
43 State of Nevada. Any independent administrator of a fund created  
44 under this section is subject to the licensing requirements of chapter  
45 683A of NRS, and must be a resident of this State. Any contract



1 with an independent administrator must be approved by the  
2 Commissioner of Insurance as to the reasonableness of  
3 administrative charges in relation to contributions collected and  
4 benefits provided. The provisions of NRS 687B.408, 689B.030 to  
5 689B.050, inclusive, *and section 3 of this act* and 689B.287 apply  
6 to coverage provided pursuant to this paragraph.

7 (d) Defray part or all of the cost of maintenance of a self-  
8 insurance fund or of the premiums upon insurance. The money for  
9 contributions must be budgeted for in accordance with the laws  
10 governing the county, school district, municipal corporation,  
11 political subdivision, public corporation or other local governmental  
12 agency of the State of Nevada.

13 2. If a school district offers group insurance to its officers and  
14 employees pursuant to this section, members of the board of trustees  
15 of the school district must not be excluded from participating in the  
16 group insurance. If the amount of the deductions from compensation  
17 required to pay for the group insurance exceeds the compensation to  
18 which a trustee is entitled, the difference must be paid by the trustee.

19 3. In any county in which a legal services organization exists,  
20 the governing body of the county, or of any school district,  
21 municipal corporation, political subdivision, public corporation or  
22 other local governmental agency of the State of Nevada in the  
23 county, may enter into a contract with the legal services  
24 organization pursuant to which the officers and employees of the  
25 legal services organization, and the dependents of those officers and  
26 employees, are eligible for any life, accident or health insurance  
27 provided pursuant to this section to the officers and employees, and  
28 the dependents of the officers and employees, of the county, school  
29 district, municipal corporation, political subdivision, public  
30 corporation or other local governmental agency.

31 4. If a contract is entered into pursuant to subsection 3, the  
32 officers and employees of the legal services organization:

33 (a) Shall be deemed, solely for the purposes of this section, to be  
34 officers and employees of the county, school district, municipal  
35 corporation, political subdivision, public corporation or other local  
36 governmental agency with which the legal services organization has  
37 contracted; and

38 (b) Must be required by the contract to pay the premiums or  
39 contributions for all insurance which they elect to accept or of which  
40 they authorize the purchase.

41 5. A contract that is entered into pursuant to subsection 3:

42 (a) Must be submitted to the Commissioner of Insurance for  
43 approval not less than 30 days before the date on which the contract  
44 is to become effective.



1 (b) Does not become effective unless approved by the  
2 Commissioner.

3 (c) Shall be deemed to be approved if not disapproved by the  
4 Commissioner within 30 days after its submission.

5 6. As used in this section, "legal services organization" means  
6 an organization that operates a program for legal aid and receives  
7 money pursuant to NRS 19.031.

8 **Sec. 12.** NRS 287.04335 is hereby amended to read as  
9 follows:

10 287.04335 If the Board provides health insurance through a  
11 plan of self-insurance, it shall comply with the provisions of NRS  
12 689B.255, 695G.150, 695G.160, 695G.164, 695G.1645, 695G.167,  
13 695G.170, 695G.171, 695G.173, 695G.177, 695G.200 to 695G.230,  
14 inclusive, 695G.241 to 695G.310, inclusive, and 695G.405, *and*  
15 *section 10 of this act* in the same manner as an insurer that is  
16 licensed pursuant to title 57 of NRS is required to comply with those  
17 provisions.

18 **Sec. 13.** The provisions of NRS 354.599 do not apply to any  
19 additional expenses of a local government that are related to the  
20 provisions of this act.

21 **Sec. 14.** This act becomes effective:

22 1. Upon passage and approval for the purposes of adopting any  
23 regulations and performing any preparatory administrative tasks  
24 necessary to carry out the provisions of this act; and

25 2. On January 1, 2017, for all other purposes.

