ADOPTED REGULATION OF THE

COMMISSIONER OF INSURANCE

LCB File No. R026-04

Effective July 1, 2004

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

AUTHORITY: §1, NRS 629.095 and 679B.130.

A REGULATION relating to insurance; requiring insurers and certain other entities to use the form prescribed by the Commissioner of Insurance to obtain information related to the credentials of providers of health care and to notify the Commissioner if certain federal, state or other requirements necessitate the inclusion in the form of a request for additional information; authorizing insurers and such other entities to use an addendum to the form under certain circumstances; and providing other matters properly relating thereto.

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

- 1. Each insurer, carrier, society, corporation, health maintenance organization and managed care organization shall use the Nevada Division of Insurance (NDOI) Form 901 prescribed by the Commissioner of Insurance pursuant to NRS 629.095 when obtaining any information related to the credentials of a provider of health care.
- 2. If an insurer, carrier, society, corporation, health maintenance organization or managed care organization needs information to satisfy a requirement newly imposed by the Federal Government, the State or one of its agencies, or a body that accredits hospitals, medical facilities or health care plans and that information is not addressed in NDOI Form 901, the insurer, carrier, society, corporation, health maintenance organization or managed care organization:

- (a) Shall notify the Commissioner of the additional information that must be requested in NDOI Form 901 to satisfy the requirement; and
- (b) May use an addendum to NDOI Form 901 to obtain the information necessary to satisfy the requirement until NDOI Form 901 has been revised to include a request for such information.
- 3. As used in this section, the words and terms defined in NRS 629.095 have the meanings ascribed to them in that section.

NOTICE OF ADOPTION OF PROPOSED REGULATION LCB File No. R026-04

The Commissioner of Insurance adopted regulations assigned LCB File No. R026-04 which pertain to chapter 679B of the Nevada Administrative Code onMay 28, 2004.

Notice date: 2/19/2004 Date of adoption by agency: 5/28/2004

Hearing date: 3/23/2004 Filing date: 7/1/04

INFORMATIONAL STATEMENT

A hearing was held on March 23, 2004 at the offices of the Department of Business and Industry, Division of Insurance (Division), 788 Fairview Drive, Suite 300, Carson City, Nevada 89701, with a simultaneous video-conference conducted at the Bradley Building, 2501 E. Sahara Avenue, Manufactured Housing Division Conference Room, 2nd Floor, Las Vegas, Nevada 89104, regarding the adoption of the regulation for a uniform credentialing form.

Public comment was solicited by posting notice of the hearing in the following public locations: 788 Fairview Drive, Legislative Counsel Bureau, Capitol Building Lobby, Blasdel Building, Carson City Courthouse, State Library, Clark County Library, Capitol Press Room and the Division's Las Vegas Office.

In addition, the Division maintains a list of interested parties, comprised mainly of insurance companies, agencies and other persons regulated by the Division. These persons were notified of the hearing and that copies of the regulation could be obtained from or examined at the offices of the Division in Carson City.

The hearing was attended by 19 individuals. Mr. Van Mouradian, representing the Division, provided oral testimony. There were no other speaking participants. The Division received no written testimony. Mr. Mouradian briefed that the regulation was required by NRS 629.095 and that the Commissioner was tasked by this statute to develop a uniform credentialing form for use by insurers, carriers, societies, corporations, health maintenance organizations, and managed care organizations relating to the credentials of a provider of health care. There were two recommendations made during the workshop to the Proposed Regulation, LCB File No. R026-04, dated March 19, 2004. During the workshop, the participants concurred with the Division on the changes to the proposed regulation. A revised version of the regulation is attached. The revision amends the proposed regulation for clarification. The Commissioner has issued an order adopting the regulation, as revised pursuant to the workshop and hearing, as a permanent regulation of the Division.

Based upon the testimony received at the hearing, the proposed regulation is revised to read as follows:

1. Section 1 is amended to read as follows:

Section 1. Chapter [629] 679B of NAC is hereby amended by adding thereto a new section to read as follows:

2. Subsection 3 of section 1 is amended to read as follows:

- 3. [As used in this section:
- (a) "Carrier" has the meaning ascribed to it in NRS 689C.025.
- (b) "Corporation" means a corporation operating pursuant to the provisions of chapter 695B of NRS.
- (c) "Health maintenance organization" has the meaning ascribed to it in NRS 695C.030.
 - (d) "Insurer" means:
- (1) An insurer that issues policies of individual health insurance in accordance with chapter 689A of NRS; and
- (2) An insurer that issues policies of group health insurance in accordance with chapter 689B of NRS.
- (a) "Managed care organization" has the meaning ascribed to it in NRS 695G.050.
- (b) "Provider of health care" means a provider of health care who is licensed pursuant to chapter 630, 631, 632 or 633 of NRS.
 - (c) "Society" has the meaning ascribed to it in NRS 695A.044.]

The terms used in this section have the meanings ascribed to them in subsection 4 of NRS 629.095.

3. Add section 2 to read as follows:

Sec. 2. This regulation will be effective July 1, 2004.

The economic impact of the regulation is as follows:

- (a) On the business it is to regulate: The proposed regulation will have a minimal economic impact as a uniform credentialing form will be used by the industry regulated.
- (b) On the public: The regulation will have a negligible economic impact on the public.

The Division anticipates a nominal expense to enforce the proposed regulation.

The Division is not aware of any overlap or duplication of the regulation with any state, local or federal regulation.