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ASSEMBLY BILL NO. 277—ASSEMBLYMEN COLLINS, GIBBONS,  
ANDERSON, CONKLIN, GIUNCHIGLIANI, GRADY, HARDY,  
KOIVISTO, MCCLAIN, MORTENSON, PARKS, PIERCE AND  
WILLIAMS (BY REQUEST)

MARCH 11, 2003

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Referred to Committee on Commerce and Labor

SUMMARY—Prohibits self-insured employer, association of self-insured public or private employers or private carrier from entering into contract with organization for managed care to provide medical and health care services to injured employees under certain circumstances. (BDR 53-792)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: No.

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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 industrial insurance; prohibiting a self-insured employer, an association of self-insured public or private employers or a private carrier from entering into a contract with an organization for managed care to provide medical and health care services to injured employees under certain circumstances; and providing other matters properly relating thereto.

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

1     **Section 1.** NRS 616B.527 is hereby amended to read as  
2 follows:  
3     616B.527 1. ~~1.~~ *Except as otherwise provided in subsection*  
4 *3, a* self-insured employer, an association of self-insured public or  
5 private employers or a private carrier may:  
6     (a) Enter into a contract or contracts with one or more  
7 organizations for managed care to provide comprehensive medical  
8 and health care services to employees for injuries and diseases that



\* A B 2 7 7 \*

1 are compensable pursuant to chapters 616A to 617, inclusive, of  
2 NRS.

3 (b) Enter into a contract or contracts with providers of health  
4 care, including, without limitation, physicians who provide primary  
5 care, specialists, pharmacies, physical therapists, radiologists,  
6 nurses, diagnostic facilities, laboratories, hospitals and facilities that  
7 provide treatment to outpatients, to provide medical and health care  
8 services to employees for injuries and diseases that are compensable  
9 pursuant to chapters 616A to 617, inclusive, of NRS.

10 (c) Require employees to obtain medical and health care  
11 services for their industrial injuries from those organizations and  
12 persons with whom the self-insured employer, association or private  
13 carrier has contracted pursuant to paragraphs (a) and (b), or as the  
14 self-insured employer, association or private carrier otherwise  
15 prescribes.

16 (d) Except as otherwise provided in subsection 3 of NRS  
17 616C.090, require employees to obtain the approval of the self-  
18 insured employer, association or private carrier before obtaining  
19 medical and health care services for their industrial injuries from a  
20 provider of health care who has not been previously approved by the  
21 self-insured employer, association or private carrier.

22 2. An organization for managed care with whom a self-insured  
23 employer, *an* association of self-insured public or private employers  
24 or a private carrier has contracted pursuant to this section shall  
25 comply with the provisions of NRS 616B.528, 616B.5285 and  
26 616B.529.

27 3. *A self-insured employer, an association of self-insured  
28 public or private employers or a private carrier shall not enter into  
29 a contract with an organization for managed care pursuant to this  
30 section unless the organization's proposed plan for providing  
31 medical and health care services ensures that, if medical and  
32 health care services will be provided by the organization:*

33 (a) *In a county whose population is 100,000 or more, an  
34 injured employee residing or employed in that county may choose  
35 the services of any provider of health care located in that county  
36 or an adjacent county if the employee's residence is not within a  
37 20-mile radius of a provider of health care who has contracted  
38 with the organization to participate in the plan and provide the  
39 services required by the employee.*

40 (b) *In a county whose population is less than 100,000, an  
41 injured employee residing or employed in that county may choose  
42 the services of any provider of health care located in that county  
43 or an adjacent county if the services are available. If the services  
44 are not available, the injured employee may choose the services of  
45 any provider of health care located in this state.*



1     ***4. The fees charged by a provider of health care chosen by an***  
2     ***injured employee pursuant to subsection 3 must not exceed the***  
3     ***fees established in accordance with NRS 616C.260 or the usual***  
4     ***fee charged by the provider of health care, whichever is less.***

