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FIRST REPRINT

S.B. 200

SENATE BILL NO. 200—SENATORS SPEARMAN,
PARKS; D. HARRIS AND SCHEIBLE

FEBRUARY 18, 2019

Referred to Committee on Commerce and Labor

SUMMARY—Requires health insurers to provide coverage for certain services and equipment. (BDR 57-43)

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

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

AN ACT relating to health care; requiring certain health insurance policies, health care plans and benefit plans and contracts to include coverage for certain services, devices, accessories and supplies relating to hearing devices for certain persons; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Sections 2.5, 4.5, 5.5, 10.5, 11.5, 12.5 and 15.5 of this bill require coverage for
2 certain services, devices, accessories and supplies relating to hearing devices to be
3 included for persons who are covered in: (1) policies of health insurance, policies
4 of group health insurance and contracts for hospital or medical services which are
5 offered or issued by insurers; (2) health benefit plans which are offered or issued by
6 carriers; (3) benefit contracts which are offered or issued by fraternal benefit
7 societies; and (4) health care plans which are offered by health maintenance
8 organizations or managed care organizations.

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

1 **Section 1.** NRS 686B.080 is hereby amended to read as
2 follows:

3 686B.080 1. Except as otherwise provided in subsections 2 to
4 5, inclusive, each filing and any supporting information filed under
5 NRS 686B.010 to 686B.1799, inclusive, must, as soon as filed, be
6 open to public inspection at any reasonable time. Copies may be



1 obtained by any person on request and upon payment of a
2 reasonable charge therefor.

3 2. All rates for health benefit plans available for purchase by
4 individuals and small employers are considered proprietary and
5 constitute trade secrets, and are not subject to disclosure by the
6 Commissioner to persons outside the Division except as agreed to
7 by the carrier or as ordered by a court of competent jurisdiction.

8 3. The provisions of subsection 2 expire annually on the date
9 30 days before open enrollment.

10 4. Except in cases of violations of NRS 689A.010 to 689A.740,
11 inclusive, or 689C.015 to 689C.355, inclusive, *and section 5.5 of*
12 *this act*, the unified rate review template and rate filing
13 documentation used by carriers servicing the individual and small
14 employer markets are considered proprietary and constitute a trade
15 secret, and are not subject to disclosure by the Commissioner to
16 persons outside the Division except as agreed to by the carrier or as
17 ordered by a court of competent jurisdiction.

18 5. An insurer providing blanket health insurance in accordance
19 with the provisions of chapter 689B of NRS shall make all
20 information concerning rates available to the Commissioner upon
21 request. Such information is considered proprietary and constitutes a
22 trade secret and is not subject to disclosure by the Commissioner to
23 persons outside the Division except as agreed by the insurer or as
24 ordered by a court of competent jurisdiction.

25 6. For the purposes of this section:

26 (a) "Open enrollment" has the meaning ascribed to it in 45
27 C.F.R. § 147.104(b)(1)(ii).

28 (b) "Rate filing documentation" and "unified rate review
29 template" have the meanings ascribed to them in 45 C.F.R.
30 § 154.215.

31 **Sec. 2.** (Deleted by amendment.)

32 **Sec. 2.5.** Chapter 689A of NRS is hereby amended by adding
33 thereto a new section to read as follows:

34 *1. A policy of health insurance must include coverage for a*
35 *hearing device and any related device, supplies, accessory and*
36 *service which are medically necessary, including, without*
37 *limitation, ear molds, batteries, retention accessories and personal*
38 *frequency modulated services that are prescribed for an insured*
39 *who is less than 18 years of age.*

40 *2. A policy of health insurance subject to the provisions of*
41 *this chapter that is delivered, issued for delivery or renewed on or*
42 *after January 1, 2020, has the legal effect of including the*
43 *coverage required by this section, and any provision of the policy*
44 *or the renewal which is in conflict with this section is void.*



1 **Sec. 3.** NRS 689A.330 is hereby amended to read as follows:
2 689A.330 If any policy is issued by a domestic insurer for
3 delivery to a person residing in another state, and if the insurance
4 commissioner or corresponding public officer of that other state has
5 informed the Commissioner that the policy is not subject to approval
6 or disapproval by that officer, the Commissioner may by ruling
7 require that the policy meet the standards set forth in NRS 689A.030
8 to 689A.320, inclusive ~~H~~, *and section 2.5 of this act.*

9 **Sec. 4.** (Deleted by amendment.)

10 **Sec. 4.5.** Chapter 689B of NRS is hereby amended by adding
11 thereto a new section to read as follows:

12 1. *A policy of group health insurance must include coverage*
13 *for a hearing device and any related device, supplies, accessory*
14 *and service which are medically necessary, including, without*
15 *limitation, ear molds, batteries, retention accessories and personal*
16 *frequency modulated services that are prescribed for an insured*
17 *who is less than 18 years of age.*

18 2. *A policy of group health insurance subject to the*
19 *provisions of this chapter that is delivered, issued for delivery or*
20 *renewed on or after January 1, 2020, has the legal effect of*
21 *including the coverage required by this section, and any provision*
22 *of the policy or the renewal which is in conflict with this section is*
23 *void.*

24 **Sec. 5.** (Deleted by amendment.)

25 **Sec. 5.5.** Chapter 689C of NRS is hereby amended by adding
26 thereto a new section to read as follows:

27 1. *A health benefit plan must include coverage for a hearing*
28 *device and any related device, supplies, accessory and service*
29 *which are medically necessary, including, without limitation, ear*
30 *molds, batteries, retention accessories and personal frequency*
31 *modulated services that are prescribed for an insured who is less*
32 *than 18 years of age.*

33 2. *A health benefit plan subject to the provisions of this*
34 *chapter that is delivered, issued for delivery or renewed on or after*
35 *January 1, 2020, has the legal effect of including the coverage*
36 *required by this section, and any provision of the health benefit*
37 *plan or the renewal which is in conflict with this section is void.*

38 **Sec. 6.** NRS 689C.155 is hereby amended to read as follows:

39 689C.155 The Commissioner may adopt regulations to carry
40 out the provisions of NRS 689C.109 to 689C.143, inclusive,
41 689C.156 to 689C.159, inclusive, 689C.165, 689C.183, 689C.187,
42 689C.191 to 689C.198, inclusive, 689C.203, 689C.207, 689C.265,
43 689C.325, 689C.355 and 689C.610 to 689C.940, inclusive, *and*
44 *section 5.5 of this act* and to ensure that rating practices used by



1 carriers serving small employers are consistent with those sections,
2 including regulations that:

3 1. Ensure that differences in rates charged for health benefit
4 plans by such carriers are reasonable and reflect only differences in
5 the designs of the plans, the terms of the coverage, the amount
6 contributed by the employers to the cost of coverage and differences
7 based on the rating factors established by the carrier.

8 2. Prescribe the manner in which rating factors may be used by
9 such carriers.

10 **Sec. 7.** NRS 689C.156 is hereby amended to read as follows:

11 689C.156 1. As a condition of transacting business in this
12 State with small employers, a carrier shall actively market to a small
13 employer each health benefit plan which is actively marketed in this
14 State by the carrier to any small employer in this State. A carrier
15 shall be deemed to be actively marketing a health benefit plan when
16 it makes available any of its plans to a small employer that is not
17 currently receiving coverage under a health benefit plan issued by
18 that carrier.

19 2. A carrier shall issue to a small employer any health benefit
20 plan marketed in accordance with this section if the eligible small
21 employer applies for the plan and agrees to make the required
22 premium payments and satisfy the other reasonable provisions of the
23 health benefit plan that are not inconsistent with NRS 689C.015 to
24 689C.355, inclusive, *and section 5.5 of this act* and 689C.610 to
25 689C.940, inclusive, except that a carrier is not required to issue a
26 health benefit plan to a self-employed person who is covered by, or
27 is eligible for coverage under, a health benefit plan offered by
28 another employer.

29 3. If a health benefit plan marketed pursuant to this section
30 provides, delivers, arranges for, pays for or reimburses any cost of
31 health care services through managed care, the carrier shall provide
32 a system for resolving any complaints of an employee concerning
33 those health care services that complies with the provisions of NRS
34 695G.200 to 695G.310, inclusive.

35 **Sec. 8.** NRS 689C.193 is hereby amended to read as follows:

36 689C.193 1. A carrier shall not place any restriction on a
37 small employer or an eligible employee or a dependent of the
38 eligible employee as a condition of being a participant in or a
39 beneficiary of a health benefit plan that is inconsistent with NRS
40 689C.015 to 689C.355, inclusive ~~§~~, *and section 5.5 of this act.*

41 2. A carrier that offers health insurance coverage to small
42 employers pursuant to this chapter shall not establish rules of
43 eligibility, including, but not limited to, rules which define
44 applicable waiting periods, for the initial or continued enrollment
45 under a health benefit plan offered by the carrier that are based on



1 the following factors relating to the eligible employee or a
2 dependent of the eligible employee:

3 (a) Health status.

4 (b) Medical condition, including physical and mental illnesses,
5 or both.

6 (c) Claims experience.

7 (d) Receipt of health care.

8 (e) Medical history.

9 (f) Genetic information.

10 (g) Evidence of insurability, including conditions which arise
11 out of acts of domestic violence.

12 (h) Disability.

13 3. Except as otherwise provided in NRS 689C.190, the
14 provisions of subsection 1 do not require a carrier to provide
15 particular benefits other than those that would otherwise be provided
16 under the terms of the health benefit plan or coverage.

17 4. As a condition of enrollment or continued enrollment under
18 a health benefit plan, a carrier shall not require any person to pay a
19 premium or contribution that is greater than the premium or
20 contribution for a similarly situated person covered by similar
21 coverage on the basis of any factor described in subsection 2 in
22 relation to the person or a dependent of the person.

23 5. Nothing in this section:

24 (a) Restricts the amount that a small employer may be charged
25 for coverage by a carrier;

26 (b) Prevents a carrier from establishing premium discounts or
27 rebates or from modifying otherwise applicable copayments or
28 deductibles in return for adherence by the insured person to
29 programs of health promotion and disease prevention; or

30 (c) Precludes a carrier from establishing rules relating to
31 employer contribution or group participation when offering health
32 insurance coverage to small employers in this State.

33 6. As used in this section:

34 (a) "Contribution" means the minimum employer contribution
35 toward the premium for enrollment of participants and beneficiaries
36 in a health benefit plan.

37 (b) "Group participation" means the minimum number of
38 participants or beneficiaries that must be enrolled in a health benefit
39 plan in relation to a specified percentage or number of eligible
40 persons or employees of the employer.

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

42 689C.425 A voluntary purchasing group and any contract
43 issued to such a group pursuant to NRS 689C.360 to 689C.600,
44 inclusive, are subject to the provisions of NRS 689C.015 to
45 689C.355, inclusive, *and section 5.5 of this act* to the extent



1 applicable and not in conflict with the express provisions of NRS
2 687B.408 and 689C.360 to 689C.600, inclusive.

3 **Sec. 10.** (Deleted by amendment.)

4 **Sec. 10.5.** Chapter 695A of NRS is hereby amended by adding
5 thereto a new section to read as follows:

6 *1. A benefit contract must include coverage for a hearing
7 device and any related device, supplies, accessory and service
8 which are medically necessary, including, without limitation, ear
9 molds, batteries, retention accessories and personal frequency
10 modulated services that are prescribed for an insured who is less
11 than 18 years of age.*

12 *2. A benefit contract subject to the provisions of this chapter
13 that is delivered, issued for delivery or renewed on or after
14 January 1, 2020, has the legal effect of including the coverage
15 required by this section, and any provision of the benefit contract
16 or the renewal which is in conflict with this section is void.*

17 **Sec. 11.** (Deleted by amendment.)

18 **Sec. 11.5.** Chapter 695B of NRS is hereby amended by adding
19 thereto a new section to read as follows:

20 *1. A contract for hospital or medical services must include
21 coverage for a hearing device and any related device, supplies,
22 accessory and service which are medically necessary, including,
23 without limitation, ear molds, batteries, retention accessories and
24 personal frequency modulated services that are prescribed for an
25 insured who is less than 18 years of age.*

26 *2. A contract for hospital or medical services subject to the
27 provisions of this chapter that is delivered, issued for delivery or
28 renewed on or after January 1, 2020, has the legal effect of
29 including the coverage required by this section, and any provision
30 of the contract for hospital or medical services or the renewal
31 which is in conflict with this section is void.*

32 **Sec. 12.** (Deleted by amendment.)

33 **Sec. 12.5.** Chapter 695C of NRS is hereby amended by adding
34 thereto a new section to read as follows:

35 *1. A health care plan must include coverage for a hearing
36 device and any related device, supplies, accessory and service
37 which are medically necessary, including, without limitation, ear
38 molds, batteries, retention accessories and personal frequency
39 modulated services that are prescribed for an enrollee who is less
40 than 18 years of age.*

41 *2. A health care plan subject to the provisions of this chapter
42 that is delivered, issued for delivery or renewed on or after
43 January 1, 2020, has the legal effect of including the coverage
44 required by this section, and any provision of the health care plan
45 or the renewal which is in conflict with this section is void.*



1 **Sec. 13.** NRS 695C.050 is hereby amended to read as follows:
2 695C.050 1. Except as otherwise provided in this chapter or
3 in specific provisions of this title, the provisions of this title are not
4 applicable to any health maintenance organization granted a
5 certificate of authority under this chapter. This provision does not
6 apply to an insurer licensed and regulated pursuant to this title
7 except with respect to its activities as a health maintenance
8 organization authorized and regulated pursuant to this chapter.

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

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

16 4. The provisions of NRS 695C.110, 695C.125, 695C.1691,
17 695C.1693, 695C.170, 695C.1703, 695C.1705, 695C.1709 to
18 695C.173, inclusive, 695C.1733, 695C.17335, 695C.1734,
19 695C.1751, 695C.1755, 695C.176 to 695C.200, inclusive, and
20 695C.265 *and section 12.5 of this act* do not apply to a health
21 maintenance organization that provides health care services through
22 managed care to recipients of Medicaid under the State Plan for
23 Medicaid or insurance pursuant to the Children's Health Insurance
24 Program pursuant to a contract with the Division of Health Care
25 Financing and Policy of the Department of Health and Human
26 Services. This subsection does not exempt a health maintenance
27 organization from any provision of this chapter for services
28 provided pursuant to any other contract.

29 5. The provisions of NRS 695C.1694 to 695C.1698, inclusive,
30 695C.1708, 695C.1731, 695C.17345, 695C.1735, 695C.1745 and
31 695C.1757 apply to a health maintenance organization that provides
32 health care services through managed care to recipients of Medicaid
33 under the State Plan for Medicaid.

34 **Sec. 14.** NRS 695C.330 is hereby amended to read as follows:

35 695C.330 1. The Commissioner may suspend or revoke any
36 certificate of authority issued to a health maintenance organization
37 pursuant to the provisions of this chapter if the Commissioner finds
38 that any of the following conditions exist:

39 (a) The health maintenance organization is operating
40 significantly in contravention of its basic organizational document,
41 its health care plan or in a manner contrary to that described in and
42 reasonably inferred from any other information submitted pursuant
43 to NRS 695C.060, 695C.070 and 695C.140, unless any amendments
44 to those submissions have been filed with and approved by the
45 Commissioner;



1 (b) The health maintenance organization issues evidence of
2 coverage or uses a schedule of charges for health care services
3 which do not comply with the requirements of NRS 695C.1691 to
4 695C.200, inclusive, *and section 12.5 of this act* or 695C.207;

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

7 (d) The Commissioner certifies that the health maintenance
8 organization:

9 (1) Does not meet the requirements of subsection 1 of NRS
10 695C.080; or

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

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

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

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

22 (1) Resolving complaints in a manner reasonably to dispose
23 of valid complaints; and

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

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

30 (i) The continued operation of the health maintenance
31 organization would be hazardous to its enrollees or creditors or to
32 the general public;

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

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

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

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

44 4. If the certificate of authority of a health maintenance
45 organization is revoked, the organization shall proceed, immediately



1 following the effective date of the order of revocation, to wind up its
2 affairs and shall conduct no further business except as may be
3 essential to the orderly conclusion of the affairs of the organization.
4 It shall engage in no further advertising or solicitation of any kind.
5 The Commissioner may, by written order, permit such further
6 operation of the organization as the Commissioner may find to be in
7 the best interest of enrollees to the end that enrollees are afforded
8 the greatest practical opportunity to obtain continuing coverage for
9 health care.

10 **Sec. 15.** (Deleted by amendment.)

11 **Sec. 15.5.** Chapter 695G of NRS is hereby amended by adding
12 thereto a new section to read as follows:

13 *1. A health care plan must include coverage for a hearing*
14 *device and any related device, supplies, accessory and service*
15 *which are medically necessary, including, without limitation, ear*
16 *molds, batteries, retention accessories and personal frequency*
17 *modulated services that are prescribed for an insured who is less*
18 *than 18 years of age.*

19 *2. A health care plan subject to the provisions of this chapter*
20 *that is delivered, issued for delivery or renewed on or after*
21 *January 1, 2020, has the legal effect of including the coverage*
22 *required by this section, and any provision of the health care plan*
23 *or the renewal which is in conflict with this section is void.*

24 **Sec. 16.** (Deleted by amendment.)

25 **Sec. 17.** (Deleted by amendment.)

26 **Sec. 18.** (Deleted by amendment.)

27 **Sec. 19.** NRS 608.1577 is hereby amended to read as follows:

28 608.1577 1. An employer shall notify his or her employees of
29 the employer's intent to accept a policy of group life, dental or
30 health insurance which covers the employees.

31 2. If an employer is the policyholder of a policy of group life,
32 dental or health insurance which covers his or her employees, the
33 employer shall notify the insurer and employees of his or her intent
34 to terminate, reduce or modify substantially any benefit under the
35 policy, or to change insurers.

36 3. If an employer is the policyholder or contract holder under a
37 policy or contract issued pursuant to chapter 689B, 695A, 695B,
38 695C, 695D or 695F of NRS, or NRS 689C.015 to 689C.590,
39 inclusive, *and section 5.5 of this act* and which provides benefits
40 for his or her employees, the employer shall, if applicable, notify the
41 employees of:

42 (a) The employer's inability to pay a premium when due; and

43 (b) The employer's intention to stop paying premiums.

44 4. Any notice required pursuant to this section must be:

45 (a) Given at least 15 days before the:



1 (1) Acceptance of, change in or termination of benefits or
2 insurers; or

3 (2) Next unpaid premium is due; and

4 (b) Conspicuously posted at the place of employment or given in
5 another manner which ensures that all employees will receive the
6 information.

7 **Sec. 20.** This act becomes effective:

8 1. Upon passage and approval for the purpose of adopting
9 regulations and performing any other preparatory administrative
10 tasks that are necessary to carry out this act; and

11 2. On January 1, 2020, for all other purposes.

