

Proposed Conceptual Amendment for S.B. 329

Black italics – Bill language

Blue – New language proposed in the conceptual amendment

Red – Struck language from the original bill

Section 1(1): In order to ensure there are not gaps in the types of entities required to report healthcare transactions 60 days after they have been consummated, add the following language.

*1. A hospital or physician group practice shall notify the Department of any merger, acquisition, ~~or~~, joint venture, **or material change** to which the hospital or physician group practice is a party or any contract for the management of the hospital or physician group practice not later than 60 days after the finalization of the merger or acquisition, commencement of the joint venture or execution of the contract, as applicable. The notice must be provided in the form prescribed by the Department and must include, without limitation:*

A material change to the business or corporate structure of a group practice includes: (1) the merger, consolidation or other affiliation with a group practice; (2) the acquisition of all or substantially all of (A) the properties and assets of a group practice, or (B) the capital stock, membership interests or other equity interests of a group practice; (3) the employment of all or substantially all of the providers in a group practice comprised of two or more providers; and (4) the acquisition of one or more insolvent group practice.

Section 1(1)(a): Delete the struck portion. This will reduce administrative burden and streamline reporting.

(a) The name of each party in the transaction, ~~including, without limitation, any person who currently holds at least 5 percent ownership of any party to the transaction or plans to hold at least 5 percent ownership of the newly formed entity;~~

Section 1(1)(b-f): no changes

Section 1(2)(a-b): no changes

Section 1(3)(a-b): no changes

Sections 2 -20: Delete and replace with following language:

2) As used in sections 2 to 9, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 6, inclusive, of this act have the meanings ascribed to them in those sections.

3) “Covered person” means a policyholder, subscriber, enrollee or other person covered by an Insurer or Health plan.

- 4) *“Provider of health care” has the meaning ascribed to it in NRS 695G.070.¹*
- 5) *“Health care contract” means a contract between an Insurer or Health Plan and a Provider of health care to provide health care services to a covered person.*
- 6) *“Insurer or Health Plan” means any insurer or organization providing health care coverage in the state pursuant to chapter 287, 689A, 689B, 689C, 695A, 695B, 695C, 695F, 695G of NRS or pursuant to the Employee Retirement Income Security Act of 1974 (29 U.S.C. § 1001 et seq) or the Public Health Services Act (42 U.S.C. ch. 6A § 201 et seq.)²*
- 7) *No Provider of health care may offer, solicit, request, amend, renew, or enter into a Health Care Contract that would directly or indirectly:
 - i. *Restrict any Insurer or Health Plan from steering or offering incentives to a covered person to utilize specific providers of health care;*
 - ii. *Restrict the ability of any Insurer or Health Plan to introduce or modify a tiered network plan or assign health care providers into tiers;*
 - iii. *Require any Insurer or Health Plan to place all members of a health care provider in the same tier of a tiered network plan;*
 - iv. *Require any Insurer or Health Plan to contract with any additional affiliated business entity of the health care provider as a condition of entering into a contract with such health care provider; OR*
 - v. *Prohibit any Insurer or Health Plan from contracting with a provider of health care that is not a party to the contract or penalizes the insurer for entering into such a contract.**
- 8) *Any provision described in section 7 contained in a Health Care Contract is void and severable from that Health Care Contract.*
- 9) *A violation of this section constitutes an unfair or deceptive act under Unfair Trade Practices Act (NRS 598A) and subject to any remedies and damages under that section.*

¹ Provider of health care means: 1. A physician or other health care practitioner who is licensed or otherwise authorized in this State to furnish any health care service; and 2. An institution providing health care services or other setting in which health care services are provided, including, without limitation, a hospital, surgical center for ambulatory patients, facility for skilled nursing, residential facility for groups, laboratory and any other such licensed facility.

² Other option is to use “Third Party” instead of “Insurer or Health Plan”.