

SENATE BILL NO. 267—SENATORS SEEVERS GANSERT, BUCK, TITUS, STONE; DONDERO LOOP, GOICOECHEA, D. HARRIS, KRASNER, LANGE AND PAZINA

MARCH 13, 2023

Referred to Committee on Commerce and Labor

SUMMARY—Establishes provisions relating to insurance coverage of mental health services. (BDR 57-1020)

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 insurance; requiring certain plans of health insurance to reimburse a psychologist for certain services rendered by a registered psychological assistant, psychological intern or psychological trainee under the supervision of the psychologist; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires: (1) public and private policies of health insurance regulated under Nevada law to include certain coverage; and (2) employers to provide certain benefits for health care to employees, including the coverage required of health insurers, if the employer provides health benefits for its employees. (NRS 287.010, 287.04335, 422.2712-422.27241, 608.1555, 689A.04033-689A.0465, 689B.0303-689B.0379, 689C.1655-689C.169, 689C.194-689C.195, 695A.184-695A.1875, 695B.1901-695B.1949, 695C.1691-695C.176, 695G.162-695G.177) Existing law requires the Director of the Department of Health and Human Services to develop and adopt a State Plan for Medicaid which includes, without limitation, a list of specific medical services required to be provided to Medicaid recipients. (NRS 422.063, 422.270-422.27495) Existing law authorizes the Department to reimburse a psychologist under the State Plan for Medicaid for certain services rendered by a registered psychological assistant, psychological intern or psychological trainee under the supervision of the psychologist. (NRS 422.27239) **Sections 1, 3, 4, 6-8 and 11-13** of this bill similarly require certain public and private policies of insurance regulated under existing Nevada law, including those for employees of state and local governments, to provide reimbursement to a psychologist for certain services rendered by a registered psychological assistant, psychological intern or psychological trainee under the supervision of the psychologist. **Section 2** of this bill makes a conforming



21 change to indicate the proper placement of **section 1** in the Nevada Revised
22 Statutes. **Section 10** of this bill authorizes the Commissioner of Insurance to
23 suspend or revoke the certificate of authority of a health maintenance organization
24 that fails to comply with the requirements of **section 8**. The Commissioner would
25 also be authorized to take such action against other health insurers who fail to
26 comply with the requirements of **sections 1, 3-7 and 11**. (NRS 680A.200)

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. A policy of health insurance providing coverage for*
4 *services that are within the authorized scope of practice of a*
5 *psychological assistant, psychological intern or psychological*
6 *trainee and which are reimbursed when provided by another*
7 *provider of health care must provide for the reimbursement of a*
8 *psychologist licensed pursuant to chapter 641 of NRS who*
9 *supervises the psychological assistant, psychological intern or*
10 *psychological trainee during the provision of such services.*

11 *2. A policy of health insurance subject to the provisions of*
12 *this chapter which is delivered, issued for delivery or renewed on*
13 *or after January 1, 2024, has the legal effect of including the*
14 *coverage required by this section, and any provision of the policy*
15 *of health insurance which is in conflict with this section is void.*

16 *3. As used in this section:*

17 *(a) "Psychological assistant" has the meaning ascribed to it in*
18 *NRS 641.0263.*

19 *(b) "Psychological intern" has the meaning ascribed to it in*
20 *NRS 641.0265.*

21 *(c) "Psychological trainee" has the meaning ascribed to it in*
22 *NRS 641.0267.*

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

24 689A.330 If any policy is issued by a domestic insurer for
25 delivery to a person residing in another state, and if the insurance
26 commissioner or corresponding public officer of that other state has
27 informed the Commissioner that the policy is not subject to approval
28 or disapproval by that officer, the Commissioner may by ruling
29 require that the policy meet the standards set forth in NRS 689A.030
30 to 689A.320, inclusive **H**, and **section 1 of this act**.

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

33 *1. A policy of group health insurance providing coverage for*
34 *services that are within the authorized scope of practice of a*
35 *psychological assistant, psychological intern or psychological*



1 *trainee and which are reimbursed when provided by another*
2 *provider of health care must provide for the reimbursement of a*
3 *psychologist licensed pursuant to chapter 641 of NRS who*
4 *supervises the psychological assistant, psychological intern or*
5 *psychological trainee during the provision of such services.*

6 2. *A policy of group health insurance subject to the*
7 *provisions of this chapter which is delivered, issued for delivery or*
8 *renewed on or after January 1, 2024, has the legal effect of*
9 *including the coverage required by this section, and any provision*
10 *of the policy of group health insurance which is in conflict with*
11 *this section is void.*

12 3. *As used in this section:*

13 (a) *“Psychological assistant” has the meaning ascribed to it in*
14 *NRS 641.0263.*

15 (b) *“Psychological intern” has the meaning ascribed to it in*
16 *NRS 641.0265.*

17 (c) *“Psychological trainee” has the meaning ascribed to it in*
18 *NRS 641.0267.*

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

21 1. *A health benefit plan providing coverage for services that*
22 *are within the authorized scope of practice of a psychological*
23 *assistant, psychological intern or psychological trainee and which*
24 *are reimbursed when provided by another provider of health care*
25 *must provide for the reimbursement of a psychologist licensed*
26 *pursuant to chapter 641 of NRS who supervises the psychological*
27 *assistant, psychological intern or psychological trainee during the*
28 *provision of such services.*

29 2. *A health benefit plan subject to the provisions of this*
30 *chapter which is delivered, issued for delivery or renewed on or*
31 *after January 1, 2024, has the legal effect of including the*
32 *coverage required by this section, and any provision of the health*
33 *benefit plan which is in conflict with this section is void.*

34 3. *As used in this section:*

35 (a) *“Psychological assistant” has the meaning ascribed to it in*
36 *NRS 641.0263.*

37 (b) *“Psychological intern” has the meaning ascribed to it in*
38 *NRS 641.0265.*

39 (c) *“Psychological trainee” has the meaning ascribed to it in*
40 *NRS 641.0267.*

41 **Sec. 5.** 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 4 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. 6.** Chapter 695A of NRS is hereby amended by adding
4 thereto a new section to read as follows:

5 *1. A benefit contract providing coverage for services that are*
6 *within the authorized scope of practice of a psychological*
7 *assistant, psychological intern or psychological trainee and which*
8 *are reimbursed when provided by another provider of health care*
9 *must provide for the reimbursement of a psychologist licensed*
10 *pursuant to chapter 641 of NRS who supervises the psychological*
11 *assistant, psychological intern or psychological trainee during the*
12 *provision of such services.*

13 *2. A benefit contract subject to the provisions of this chapter*
14 *which is delivered, issued for delivery or renewed on or after*
15 *January 1, 2024, has the legal effect of including the coverage*
16 *required by this section, and any provision of the benefit contract*
17 *which is in conflict with this section is void.*

18 *3. As used in this section:*

19 *(a) "Psychological assistant" has the meaning ascribed to it in*
20 *NRS 641.0263.*

21 *(b) "Psychological intern" has the meaning ascribed to it in*
22 *NRS 641.0265.*

23 *(c) "Psychological trainee" has the meaning ascribed to it in*
24 *NRS 641.0267.*

25 **Sec. 7.** Chapter 695B of NRS is hereby amended by adding
26 thereto a new section to read as follows:

27 *1. A policy of health insurance providing coverage for*
28 *services that are within the authorized scope of practice of a*
29 *psychological assistant, psychological intern or psychological*
30 *trainee and which are reimbursed when provided by another*
31 *provider of health care must provide for the reimbursement of a*
32 *psychologist licensed pursuant to chapter 641 of NRS who*
33 *supervises the psychological assistant, psychological intern or*
34 *psychological trainee during the provision of such services.*

35 *2. A policy of health insurance subject to the provisions of*
36 *this chapter which is delivered, issued for delivery or renewed on*
37 *or after January 1, 2024, has the legal effect of including the*
38 *coverage required by this section, and any provision of the policy*
39 *of health insurance which is in conflict with this section is void.*

40 *3. As used in this section:*

41 *(a) "Psychological assistant" has the meaning ascribed to it in*
42 *NRS 641.0263.*

43 *(b) "Psychological intern" has the meaning ascribed to it in*
44 *NRS 641.0265.*



1 (c) *“Psychological trainee” has the meaning ascribed to it in*
2 *NRS 641.0267.*

3 **Sec. 8.** Chapter 695C of NRS is hereby amended by adding
4 thereto a new section to read as follows:

5 1. *A health care plan providing coverage for services that are*
6 *within the authorized scope of practice of a psychological*
7 *assistant, psychological intern or psychological trainee and which*
8 *are reimbursed when provided by another provider of health care*
9 *must provide for the reimbursement of a psychologist licensed*
10 *pursuant to chapter 641 of NRS who supervises the psychological*
11 *assistant, psychological intern or psychological trainee during the*
12 *provision of such services.*

13 2. *A health care plan subject to the provisions of this chapter*
14 *which is delivered, issued for delivery or renewed on or after*
15 *January 1, 2024, has the legal effect of including the coverage*
16 *required by this section, and any provision of the health care plan*
17 *which is in conflict with this section is void.*

18 3. *As used in this section:*

19 (a) *“Psychological assistant” has the meaning ascribed to it in*
20 *NRS 641.0263.*

21 (b) *“Psychological intern” has the meaning ascribed to it in*
22 *NRS 641.0265.*

23 (c) *“Psychological trainee” has the meaning ascribed to it in*
24 *NRS 641.0267.*

25 **Sec. 9.** NRS 695C.050 is hereby amended to read as follows:

26 695C.050 1. Except as otherwise provided in this chapter or
27 in specific provisions of this title, the provisions of this title are not
28 applicable to any health maintenance organization granted a
29 certificate of authority under this chapter. This provision does not
30 apply to an insurer licensed and regulated pursuant to this title
31 except with respect to its activities as a health maintenance
32 organization authorized and regulated pursuant to this chapter.

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

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

40 4. The provisions of NRS 695C.110, 695C.125, 695C.1691,
41 695C.1693, 695C.170, 695C.1703, 695C.1705, 695C.1709 to
42 695C.173, inclusive, 695C.1733, 695C.17335, 695C.1734,
43 695C.1751, 695C.1755, 695C.1759, 695C.176 to 695C.200,
44 inclusive, and 695C.265 do not apply to a health maintenance
45 organization that provides health care services through managed



1 care to recipients of Medicaid under the State Plan for Medicaid or
2 insurance pursuant to the Children's Health Insurance Program
3 pursuant to a contract with the Division of Health Care Financing
4 and Policy of the Department of Health and Human Services. This
5 subsection does not exempt a health maintenance organization from
6 any provision of this chapter for services provided pursuant to any
7 other contract.

8 5. The provisions of NRS 695C.1694 to 695C.1698, inclusive,
9 695C.1701, 695C.1708, 695C.1728, 695C.1731, 695C.17333,
10 695C.17345, 695C.17347, 695C.1735, 695C.1737, 695C.1743,
11 695C.1745 and 695C.1757 *and section 8 of this act* apply to a
12 health maintenance organization that provides health care services
13 through managed care to recipients of Medicaid under the State Plan
14 for Medicaid.

15 **Sec. 10.** NRS 695C.330 is hereby amended to read as follows:

16 695C.330 1. The Commissioner may suspend or revoke any
17 certificate of authority issued to a health maintenance organization
18 pursuant to the provisions of this chapter if the Commissioner finds
19 that any of the following conditions exist:

20 (a) The health maintenance organization is operating
21 significantly in contravention of its basic organizational document,
22 its health care plan or in a manner contrary to that described in and
23 reasonably inferred from any other information submitted pursuant
24 to NRS 695C.060, 695C.070 and 695C.140, unless any amendments
25 to those submissions have been filed with and approved by the
26 Commissioner;

27 (b) The health maintenance organization issues evidence of
28 coverage or uses a schedule of charges for health care services
29 which do not comply with the requirements of NRS 695C.1691 to
30 695C.200, inclusive, *and section 8 of this act* or 695C.207;

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

33 (d) The Commissioner certifies that the health maintenance
34 organization:

35 (1) Does not meet the requirements of subsection 1 of NRS
36 695C.080; or

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

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

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



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

3 (1) Resolving complaints in a manner reasonably to dispose
4 of valid complaints; and

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

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

11 (i) The continued operation of the health maintenance
12 organization would be hazardous to its enrollees or creditors or to
13 the general public;

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

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

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

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

25 4. If the certificate of authority of a health maintenance
26 organization is revoked, the organization shall proceed, immediately
27 following the effective date of the order of revocation, to wind up its
28 affairs and shall conduct no further business except as may be
29 essential to the orderly conclusion of the affairs of the organization.
30 It shall engage in no further advertising or solicitation of any kind.
31 The Commissioner may, by written order, permit such further
32 operation of the organization as the Commissioner may find to be in
33 the best interest of enrollees to the end that enrollees are afforded
34 the greatest practical opportunity to obtain continuing coverage for
35 health care.

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

38 *1. A health care plan providing coverage for services that are*
39 *within the authorized scope of practice of a psychological*
40 *assistant, psychological intern or psychological trainee and which*
41 *are reimbursed when provided by another provider of health care*
42 *must provide for the reimbursement of a psychologist licensed*
43 *pursuant to chapter 641 of NRS who supervises the psychological*
44 *assistant, psychological intern or psychological trainee during the*
45 *provision of such services.*



1 2. *A health care plan subject to the provisions of this chapter*
2 *which is delivered, issued for delivery or renewed on or after*
3 *January 1, 2024, has the legal effect of including the coverage*
4 *required by this section, and any provision of the health care plan*
5 *which is in conflict with this section is void.*

6 3. *As used in this section:*

7 (a) *“Psychological assistant” has the meaning ascribed to it in*
8 *NRS 641.0263.*

9 (b) *“Psychological intern” has the meaning ascribed to it in*
10 *NRS 641.0265.*

11 (c) *“Psychological trainee” has the meaning ascribed to it in*
12 *NRS 641.0267.*

13 **Sec. 12.** NRS 287.010 is hereby amended to read as follows:

14 287.010 1. The governing body of any county, school
15 district, municipal corporation, political subdivision, public
16 corporation or other local governmental agency of the State of
17 Nevada may:

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

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

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



1 Commissioner of Insurance as to the reasonableness of
2 administrative charges in relation to contributions collected and
3 benefits provided. The provisions of NRS 686A.135, 687B.352,
4 687B.408, 687B.723, 687B.725, 689B.030 to 689B.050, inclusive,
5 *and section 3 of this act*, 689B.265, 689B.287 and 689B.500 apply
6 to coverage provided pursuant to this paragraph, except that the
7 provisions of NRS 689B.0378, 689B.03785 and 689B.500 only
8 apply to coverage for active officers and employees of the
9 governing body, or the dependents of such officers and employees.

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

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

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

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

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

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

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



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

4 (b) Does not become effective unless approved by the
5 Commissioner.

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

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

11 **Sec. 13.** NRS 287.04335 is hereby amended to read as
12 follows:

13 287.04335 If the Board provides health insurance through a
14 plan of self-insurance, it shall comply with the provisions of NRS
15 686A.135, 687B.352, 687B.409, 687B.723, 687B.725, 689B.0353,
16 689B.255, 695C.1723, 695G.150, 695G.155, 695G.160, 695G.162,
17 695G.1635, 695G.164, 695G.1645, 695G.1665, 695G.167,
18 695G.1675, 695G.170 to 695G.174, inclusive, *and section 11 of*
19 *this act*, 695G.176, 695G.177, 695G.200 to 695G.230, inclusive,
20 695G.241 to 695G.310, inclusive, and 695G.405, in the same
21 manner as an insurer that is licensed pursuant to title 57 of NRS is
22 required to comply with those provisions.

23 **Sec. 14.** 1. This section becomes effective upon passage and
24 approval.

25 2. Sections 1 to 13, inclusive, of this act become effective:

26 (a) Upon passage and approval for the purpose of adopting any
27 regulations and performing any other preparatory administrative
28 tasks that are necessary to carry out the provisions of this act; and

29 (b) On January 1, 2024, for all other purposes.

