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:

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

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

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

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

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

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

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

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

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

6. For the purposes of this section:

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

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

Sec. 2. (Deleted by amendment.)

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

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

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

Sec. 3. NRS 689A.330 is hereby amended to read as follows:

689A.330 If any policy is issued by a domestic insurer for delivery to a person residing in another state, and if the insurance commissioner or corresponding public officer of that other state has informed the Commissioner that the policy is not subject to approval or disapproval by that officer, the Commissioner may by ruling require that the policy meet the standards set forth in NRS 689A.030 to 689A.320, inclusive ~~[.]~~ ***, and section 2.5 of this act.***

Sec. 4. (Deleted by amendment.)

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

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

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

Sec. 5. (Deleted by amendment.)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(a) Health status.

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

(c) Claims experience.

(d) Receipt of health care.

(e) Medical history.

(f) Genetic information.

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

(h) Disability.

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

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

5. Nothing in this section:

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

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

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

6. As used in this section:

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

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

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

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

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

Sec. 10. (Deleted by amendment.)

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

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

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

Sec. 11. (Deleted by amendment.)

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

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

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

Sec. 12. (Deleted by amendment.)

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

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

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

Sec. 13. NRS 695C.050 is hereby amended to read as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 15. (Deleted by amendment.)

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

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

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

Sec. 16. (Deleted by amendment.)

Sec. 17. (Deleted by amendment.)

Sec. 18. (Deleted by amendment.)

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

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

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

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

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

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

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

(a) Given at least 15 days before the:

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

(2) Next unpaid premium is due; and

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

Sec. 20. This act becomes effective:

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

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

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