

ASSEMBLY BILL NO. 162—ASSEMBLYMEN BERMAN, OHRENSCHALL,
CHOWNING, FREEMAN, SEGERBLOM, CEGAVSKE, WILLIAMS, TIFFANY,
EVANS, GIUNCHIGLIANI, BUCKLEY, DE BRAGA, MCCLAIN, VON TOBEL,
ANGLE AND KOIVISTO

FEBRUARY 9, 1999

Referred to Committee on Commerce and Labor

SUMMARY—Requires certain policies of health insurance to include coverage for services related to diagnosis, treatment and management of osteoporosis. (BDR 57-621)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

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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 insurance; requiring certain policies of health insurance to include coverage for services related to the diagnosis, treatment and management of osteoporosis; 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.** Chapter 689A of NRS is hereby amended by adding
2 thereto a new section to read as follows:
3 ***1. A policy of health insurance must provide coverage for services***
4 ***related to the diagnosis, treatment and management of osteoporosis,***
5 ***including, without limitation:***
6 ***(a) A baseline bone-mass measurement for women 55 years of age or***
7 ***older;***
8 ***(b) An annual bone-mass measurement for women who are at risk of***
9 ***developing osteoporosis, including, without limitation, women who are***
10 ***deficient in estrogen, women with vertebral abnormalities, women who***
11 ***are receiving long-term glucocorticoid therapy, women with primary***
12 ***hyperparathyroidism and women who have a family history of***
13 ***osteoporosis; and***

1 (c) *A regular bone-mass measurement for men who are at risk of*
2 *developing osteoporosis, including, without limitation, men with vertebral*
3 *abnormalities, men who are receiving long-term glucocorticoid therapy,*
4 *men with primary hyperparathyroidism and men who have a family*
5 *history of osteoporosis.*

6 2. *A policy of health insurance subject to the provisions of this*
7 *chapter that is delivered, issued for delivery or renewed on or after*
8 *October 1, 1999, has the legal effect of including the coverage required*
9 *by this section, and any provision of the policy that conflicts with this*
10 *section is void.*

11 3. *As used in this section, “bone-mass measurement” means a*
12 *radiologic or radioisotopic procedure or other scientifically proven*
13 *technology performed on a person to identify bone mass or detect bone*
14 *loss.*

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

16 689A.330 If any policy is issued by a domestic insurer for delivery to
17 a person residing in another state, and if the insurance commissioner or
18 corresponding public officer of that other state has informed the
19 commissioner that the policy is not subject to approval or disapproval by
20 that officer, the commissioner may by ruling require that the policy meet
21 the standards set forth in NRS 689A.030 to 689A.320, inclusive ~~H~~, and
22 *section 1 of this act.*

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

25 1. *A policy of group health insurance must provide coverage for*
26 *services related to the diagnosis, treatment and management of*
27 *osteoporosis, including, without limitation:*

28 (a) *A baseline bone-mass measurement for women 55 years of age or*
29 *older;*

30 (b) *An annual bone-mass measurement for women who are at risk of*
31 *developing osteoporosis, including, without limitation, women who are*
32 *deficient in estrogen, women with vertebral abnormalities, women who*
33 *are receiving long-term glucocorticoid therapy, women with primary*
34 *hyperparathyroidism and women who have a family history of*
35 *osteoporosis; and*

36 (c) *A regular bone-mass measurement for men who are at risk of*
37 *developing osteoporosis, including, without limitation, men with vertebral*
38 *abnormalities, men who are receiving long-term glucocorticoid therapy,*
39 *men with primary hyperparathyroidism and men who have a family*
40 *history of osteoporosis.*

1 2. A policy of group health insurance subject to the provisions of this
2 chapter that is delivered, issued for delivery or renewed on or after
3 October 1, 1999, has the legal effect of including the coverage required
4 by this section, and any provision of the policy that conflicts with this
5 section is void.

6 3. As used in this section, "bone-mass measurement" means a
7 radiologic or radioisotopic procedure or other scientifically proven
8 technology performed on a person to identify bone mass or detect bone
9 loss.

10 **Sec. 4.** Chapter 695B of NRS is hereby amended by adding thereto a
11 new section to read as follows:

12 1. A contract for hospital or medical service must provide coverage
13 for services related to the diagnosis, treatment and management of
14 osteoporosis, including, without limitation:

15 (a) A baseline bone-mass measurement for women 55 years of age or
16 older;

17 (b) An annual bone-mass measurement for women who are at risk of
18 developing osteoporosis, including, without limitation, women who are
19 deficient in estrogen, women with vertebral abnormalities, women who
20 are receiving long-term glucocorticoid therapy, women with primary
21 hyperparathyroidism and women who have a family history of
22 osteoporosis; and

23 (c) A regular bone-mass measurement for men who are at risk of
24 developing osteoporosis, including, without limitation, men with vertebral
25 abnormalities, men who are receiving long-term glucocorticoid therapy,
26 men with primary hyperparathyroidism and men who have a family
27 history of osteoporosis.

28 2. A contract for hospital or medical service subject to the provisions
29 of this chapter that is delivered, issued for delivery or renewed on or after
30 October 1, 1999, has the legal effect of including the coverage required
31 by this section, and any provision of the contract that conflicts with this
32 section is void.

33 3. As used in this section, "bone-mass measurement" means a
34 radiologic or radioisotopic procedure or other scientifically proven
35 technology performed on a person to identify bone mass or detect bone
36 loss.

37 **Sec. 5.** Chapter 695C of NRS is hereby amended by adding thereto a
38 new section to read as follows:

39 1. A health maintenance plan must provide coverage for services
40 related to the diagnosis, treatment and management of osteoporosis,
41 including, without limitation:

42 (a) A baseline bone-mass measurement for women 55 years of age or
43 older;

1 *(b) An annual bone-mass measurement for women who are at risk of*
2 *developing osteoporosis, including, without limitation, women who are*
3 *deficient in estrogen, women with vertebral abnormalities, women who*
4 *are receiving long-term glucocorticoid therapy, women with primary*
5 *hyperparathyroidism and women who have a family history of*
6 *osteoporosis; and*

7 *(c) A regular bone-mass measurement for men who are at risk of*
8 *developing osteoporosis, including, without limitation, men with vertebral*
9 *abnormalities, men who are receiving long-term glucocorticoid therapy,*
10 *men with primary hyperparathyroidism and men who have a family*
11 *history of osteoporosis.*

12 *2. Evidence of coverage subject to the provisions of this chapter that*
13 *is delivered, issued for delivery or renewed on or after October 1, 1999,*
14 *has the legal effect of including the coverage required by this section,*
15 *and any provision of the evidence of coverage that conflicts with this*
16 *section is void.*

17 *3. As used in this section, "bone-mass measurement" means a*
18 *radiologic or radioisotopic procedure or other scientifically proven*
19 *technology performed on a person to identify bone mass or detect bone*
20 *loss.*

21 **Sec. 6.** NRS 695C.050 is hereby amended to read as follows:

22 695C.050 1. Except as otherwise provided in this chapter or in
23 specific provisions of this Title, the provisions of this Title are not
24 applicable to any health maintenance organization granted a certificate of
25 authority under this chapter. This provision does not apply to an insurer
26 licensed and regulated pursuant to this Title except with respect to its
27 activities as a health maintenance organization authorized and regulated
28 pursuant to this chapter.

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

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

36 4. The provisions of NRS 695C.110, 695C.170 to 695C.200,
37 inclusive, 695C.250 and 695C.265 *and section 5 of this act* do not apply
38 to a health maintenance organization that provides health care services
39 through managed care to recipients of Medicaid pursuant to a contract with
40 the welfare division of the department of human resources. This subsection
41 does not exempt a health maintenance organization from any provision of
42 this chapter for services provided pursuant to any other contract.

1 **Sec. 7.** NRS 695C.330 is hereby amended to read as follows:

2 695C.330 1. The commissioner may suspend or revoke any
3 certificate of authority issued to a health maintenance organization
4 pursuant to the provisions of this chapter if he finds that any of the
5 following conditions exist:

6 (a) The health maintenance organization is operating significantly in
7 contravention of its basic organizational document, its health care plan or
8 in a manner contrary to that described in and reasonably inferred from any
9 other information submitted pursuant to NRS 695C.060, 695C.070 and
10 695C.140, unless any amendments to those submissions have been filed
11 with and approved by the commissioner;

12 (b) The health maintenance organization issues evidence of coverage or
13 uses a schedule of charges for health care services which do not comply
14 with the requirements of NRS 695C.170 to 695C.200, inclusive, **and**
15 **section 5 of this act** or 695C.207;

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

18 (d) The state board of health certifies to the commissioner that:

19 (1) The health maintenance organization does not meet the
20 requirements of subsection 2 of NRS 695C.080; or

21 (2) The health maintenance organization is unable to fulfill its
22 obligations to furnish health care services as required under its health care
23 plan;

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

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

30 (g) The health maintenance organization has failed to put into effect the
31 system for complaints required by NRS 695C.260 in a manner reasonably
32 to dispose of valid complaints;

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

36 (i) The continued operation of the health maintenance organization
37 would be hazardous to its enrollees; or

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

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

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

6 4. If the certificate of authority of a health maintenance organization is
7 revoked, the organization shall proceed, immediately following the
8 effective date of the order of revocation, to wind up its affairs and shall
9 conduct no further business except as may be essential to the orderly
10 conclusion of the affairs of the organization. It shall engage in no further
11 advertising or solicitation of any kind. The commissioner may by written
12 order permit such further operation of the organization as he may find to
13 be in the best interest of enrollees to the end that enrollees are afforded the
14 greatest practical opportunity to obtain continuing coverage for health care.

15 **Sec. 8.** NRS 287.010 is hereby amended to read as follows:

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

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

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

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

1 insurance as to the reasonableness of administrative charges in relation to
2 contributions collected and benefits provided. The provisions of NRS
3 689B.030 to 689B.050, inclusive, *and section 5 of this act* apply to
4 coverage provided pursuant to this paragraph.

5 (d) Defray part or all of the cost of maintenance of a self-insurance fund
6 or of the premiums upon insurance. The money for contributions must be
7 budgeted for in accordance with the laws governing the county, school
8 district, municipal corporation, political subdivision, public corporation or
9 other public agency of the State of Nevada.

10 2. If a school district offers group insurance to its officers and
11 employees pursuant to this section, members of the board of trustees of the
12 school district must not be excluded from participating in the group
13 insurance. If the amount of the deductions from compensation required to
14 pay for the group insurance exceeds the compensation to which a trustee is
15 entitled, the difference must be paid by the trustee.

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