SENATE BILL NO. 355–SENATOR CARE

MARCH 10, 1999

Referred to Committee on Commerce and Labor

SUMMARY—Authorizes injured employee to select provider of health care who does not belong to organization for managed care under certain circumstances. (BDR 53-1263)

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

~

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

AN ACT relating to workers' compensation; authorizing an injured employee whose employer's insurer has contracted with an organization for managed care to select a provider of health care who is not a member of that organization under certain circumstances; and providing other matters properly relating thereto.

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

Section 1. NRS 616B.527 is hereby amended to read as follows:

616B.527 A self-insured employer, an association of self-insured public or private employers or a private carrier may:

1. Enter into a contract or contracts with one or more organizations for managed care to provide comprehensive medical and health care services to employees for injuries and diseases that are compensable pursuant to chapters 616A to 617, inclusive, of NRS.

2. Enter into a contract or contracts with providers of health care, including, without limitation, physicians who provide primary care, specialists, pharmacies, physical therapists, radiologists, nurses, diagnostic facilities, laboratories, hospitals and facilities that provide treatment to outpatients, to provide medical and health care services to employees for injuries and diseases that are compensable pursuant to chapters 616A to 617, inclusive, of NRS.

3. Use the services of an organization for managed care that has entered into a contract with the manager pursuant to NRS 616B.515, but is not required to use such services.

4. ~~[Require]~~ ***Except as otherwise provided in section 2 of this act, require*** employees to obtain medical and health care services for their industrial injuries from those organizations and persons with whom the self-insured employer, association or private carrier has contracted pursuant to subsections 1 and 2, or as the self-insured employer, association or private carrier otherwise prescribes.

5. ~~[Require]~~ ***Except as otherwise provided in section 2 of this act, require*** employees to obtain the approval of the self-insured employer, association or private carrier before obtaining medical and health care services for their industrial injuries from a provider of health care who has not been previously approved by the self-insured employer, association or private carrier.

Sec. 2. Chapter 616C of NRS is hereby amended by adding thereto a new section to read as follows:

Notwithstanding the provisions of NRS 616B.518, 616B.524, 616B.527 and 616C.090 that limit the physicians and chiropractors from whom an injured employee may select his treating physician or chiropractor or otherwise indicate a limitation in the choice of providers of health care for the injured employee, if:

1. The insurer of an injured employee's employer has entered into a contract with an organization for managed care; and

2. The injured employee's treating physician or chiropractor determines that the injured employee requires certain medical or health care services that the treating physician or chiropractor does not provide and orders the provision of such treatment,

the injured employee may select a provider of health care who provides such services but who is not a member of the organization for managed care, if the provider agrees to accept the terms of that organization's plan for managed care.

Sec. 3. NRS 616C.090 is hereby amended to read as follows:

616C.090 1. The administrator shall establish a panel of physicians and chiropractors who have demonstrated special competence and interest in industrial health to treat injured employees under chapters 616A to 616D, inclusive, of NRS. Every employer whose insurer has not entered into a contract with an organization for managed care pursuant to NRS 616B.515 shall maintain a list of those physicians and chiropractors on the panel who are reasonably accessible to his employees.

2. An injured employee whose insurer has not entered into a contract with an organization for managed care may choose his treating physician or chiropractor from the panel of physicians and chiropractors. If the injured employee is not satisfied with the first physician or chiropractor he so chooses, he may make an alternative choice of physician or chiropractor from the panel if the choice is made within 90 days after his injury. The

insurer shall notify the first physician or chiropractor in writing. The notice must be postmarked within 3 working days after the insurer receives knowledge of the change. The first physician or chiropractor must be reimbursed only for the services he rendered to the injured employee up to and including the date of notification. Any further change is subject to the approval of the insurer, which must be granted or denied within 10 days after a written request for such a change is received from the injured employee. If no action is taken on the request within 10 days, the request shall be deemed granted. Any request for a change of physician or chiropractor must include the name of the new physician or chiropractor chosen by the injured employee.

3. An injured employee employed or residing in any county in this state whose insurer has entered into a contract with an organization for managed care must choose his treating physician or chiropractor pursuant to the terms of that contract. If the employee, after choosing his treating physician or chiropractor, moves to a county which is not served by the organization for managed care and the insurer determines that it is impractical for the employee to continue treatment with the physician or chiropractor, the employee must choose a treating physician or chiropractor who has agreed to the terms of that contract unless the insurer authorizes the employee to choose another physician or chiropractor.

4. Except when emergency medical care is required and except as otherwise provided in NRS 616C.055, ***and section 2 of this act,*** the insurer is not responsible for any charges for medical treatment or other accident benefits furnished or ordered by any physician, chiropractor or other person selected by the employee in disregard of the provisions of this section or for any compensation for any aggravation of the employee's injury attributable to improper treatments by such physician, chiropractor or other person.

5. The administrator may order necessary changes in a panel of physicians and chiropractors and shall suspend or remove any physician or chiropractor from a panel for good cause shown.

6. An injured employee may receive treatment by more than one physician or chiropractor if ***, except as otherwise provided in section 2 of this act,*** the insurer provides written authorization for such treatment.

Sec. 4. NRS 616C.135 is hereby amended to read as follows:

616C.135 1. A provider of health care who accepts a patient as a referral for the treatment of an industrial injury or an occupational disease may not charge the patient for any treatment related to the industrial injury or occupational disease, but must charge the insurer. The provider of health care may charge the patient for any other unrelated services which are requested in writing by the patient.

2. The insurer is liable for the charges for approved services if the charges do not exceed:

(a) The fees established in accordance with NRS 616C.260 or the usual fee charged by that person or institution, whichever is less; and

(b) The charges provided for by the contract between the provider of health care and the ~~[~~insurer or the contract between the provider of health care and the organization~~]~~ ***:***

(1) Insurer; or

(2) Organization for managed care ~~[.]~~ ***, whether the provider of health care is a member of that organization or is not a member but has agreed to accept the terms of that organization's plan for managed care.***

3. If a provider of health care, an organization for managed care, an insurer or an employer violates the provisions of this section, the administrator shall impose an administrative fine of not more than $250 for each violation.

~