

ASSEMBLY BILL NO. 123—ASSEMBLYMEN DE BRAGA, CHOWNING,
FREEMAN, GIBBONS, ANDERSON, BERMAN, CLABORN, COLLINS,
GIUNCHIGLIANI, KOIVISTO, LEE, MANENDO, MORTENSON,
OCEGUERA, PARKS, PARNELL AND SMITH

FEBRUARY 13, 2001

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to health insurance. (BDR 57-603)

FISCAL NOTE: Effect on Local Government: Yes.
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 insurance; requiring health insurers to provide certain information concerning payment for health care services to an insured or provider of health care upon request; requiring health insurers to reimburse certain specialists with whom they do not have a contract for health care services provided to certain insureds; requiring the board of the public employees' benefits program to comply with certain provisions concerning health insurance applicable to other insurers with regard to health insurance it provides through a plan of self-insurance; requiring the board to notify certain persons of a proposed change in the premium charged for or coverage of health insurance provided by the public employees' benefits program; 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.** NRS 679B.130 is hereby amended to read as follows:
2 679B.130 1. The commissioner may adopt reasonable regulations for
3 the administration of any provision of this code , ~~for~~ chapters 616A to
4 617, inclusive, of NRS ~~§~~ *and section 23 of this act.*
5 2. A person who willfully violates any regulation of the commissioner
6 is subject to such suspension or revocation of a certificate of authority or
7 license, or administrative fine in lieu of such suspension or revocation, as
8 may be applicable under this code or chapter 616A, 616B, 616C, 616D or
9 617 of NRS for violation of the provision to which the regulation relates.
10 No penalty applies to any act done or omitted in good faith in conformity
11 with any such regulation, notwithstanding that the regulation may, after the
12 act or omission, be amended, rescinded or determined by a judicial or other
13 authority to be invalid for any reason.



- 1 **Sec. 2.** Chapter 689A of NRS is hereby amended by adding thereto
2 the provisions set forth as sections 3 and 4 of this act.
- 3 **Sec. 3.** *An insurer shall, at the request of an insured or provider of*
4 *health care with whom it has a contract for the provision of health care*
5 *services, provide as soon as practicable to the insured or provider of*
6 *health care:*
- 7 1. *An estimate of the rate at which the provider of health care will be*
8 *reimbursed for providing a health care service to the insured and the*
9 *amount of money for which the insured will be responsible for the health*
10 *care service; or*
- 11 2. *If the insurer pays claims on the basis of fees for health care*
12 *services that are usual and customary, an estimate of the usual and*
13 *customary fee for providing a health care service to the insured and the*
14 *percentage of that fee for which the insured will be responsible,*
15 *including, without limitation, the percentage of the fee for which the*
16 *insured will be responsible if the health care service provided to the*
17 *insured is provided by a provider of health care who does not have a*
18 *contract for the provision of health care services with the insurer.*
- 19 **Sec. 4.** 1. *If an insured requires health care services that may be*
20 *provided by a specialist and his insurer does not have a contract for the*
21 *provision of health care services with such a specialist whose place of*
22 *business is located within 50 miles from the residence of the insured, the*
23 *insurer shall reimburse:*
- 24 (a) *A specialist whose place of business is located within 50 miles*
25 *from the residence of the insured; or*
- 26 (b) *A specialist whose place of business is located more than 50 miles*
27 *from the residence of the insured if there is no specialist whose place of*
28 *business is located within 50 miles from the residence of the insured,*
29 *for specialized health care services that are provided to the insured by*
30 *that specialist.*
- 31 2. *An insurer shall reimburse a specialist pursuant to the provisions*
32 *of this section in an amount that is not less than the amount the insurer*
33 *would be required to reimburse a specialist with whom it has a contract*
34 *for the provision of health care services.*
- 35 **Sec. 5.** NRS 689A.0423 is hereby amended to read as follows:
36 689A.0423 1. A policy of health insurance must provide coverage
37 for:
- 38 (a) Enteral formulas for use at home that are prescribed or ordered by a
39 physician as medically necessary for the treatment of inherited metabolic
40 diseases characterized by deficient metabolism, or malabsorption
41 originating from congenital defects or defects arising shortly after birth, of
42 amino acid, organic acid, carbohydrate or fat; and
- 43 (b) ~~At least \$2,500 per year for special~~ *Special* food products which
44 are prescribed or ordered by a physician as medically necessary for the
45 treatment of a person described in paragraph (a).
- 46 2. The coverage required by subsection 1 must be ~~provided~~ :
47 (a) *Provided* whether or not the condition existed when the policy was
48 purchased ~~it~~ ; and



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1 *(b) Subject to the same deductible, copayment, coinsurance, waiting*
2 *period and any other conditions for coverage that are required under the*
3 *policy.*

4 3. A policy subject to the provisions of this chapter that is delivered,
5 issued for delivery or renewed on or after ~~January 1, 1998,~~ *October 1,*
6 *2001*, has the legal effect of including the coverage required by this
7 section, and any provision of the policy or the renewal which is in conflict
8 with this section is void.

9 4. As used in this section:

10 (a) "Inherited metabolic disease" means a disease caused by an
11 inherited abnormality of the body chemistry of a person.

12 (b) "Special food product" means a food product that is specially
13 formulated to have less than one gram of protein per serving and is
14 intended to be consumed under the direction of a physician for the dietary
15 treatment of an inherited metabolic disease. The term does not include a
16 food that is naturally low in protein.

17 **Sec. 6.** Chapter 689B of NRS is hereby amended by adding thereto
18 the provisions set forth as sections 7 and 8 of this act.

19 **Sec. 7.** *An insurer that issues a policy of group health insurance*
20 *shall, at the request of an insured or provider of health care with whom it*
21 *has a contract for the provision of health care services, provide as soon*
22 *as practicable to the insured or provider of health care:*

23 1. *An estimate of the rate at which the provider of health care will be*
24 *reimbursed for providing a health care service to the insured and the*
25 *amount of money for which the insured will be responsible for the health*
26 *care service; or*

27 2. *If the insurer pays claims on the basis of fees for health care*
28 *services that are usual and customary, an estimate of the usual and*
29 *customary fee for providing a health care service to the insured and the*
30 *percentage of that fee for which the insured will be responsible,*
31 *including, without limitation, the percentage of the fee for which the*
32 *insured will be responsible if the health care service provided to the*
33 *insured is provided by a provider of health care who does not have a*
34 *contract for the provision of health care services with the insurer.*

35 **Sec. 8.** 1. *If an insured requires health care services that may be*
36 *provided by a specialist and his insurer that issues a policy of group*
37 *health insurance does not have a contract for the provision of health*
38 *care services with such a specialist whose place of business is located*
39 *within 50 miles from the residence of the insured, the insurer shall*
40 *reimburse:*

41 (a) *A specialist whose place of business is located within 50 miles*
42 *from the residence of the insured; or*

43 (b) *A specialist whose place of business is located more than 50 miles*
44 *from the residence of the insured if there is no specialist whose place of*
45 *business is located within 50 miles from the residence of the insured,*
46 *for specialized health care services that are provided to the insured by*
47 *that specialist.*

48 2. *An insurer that issues a policy of group health insurance shall*
49 *reimburse a specialist pursuant to the provisions of this section in an*



1 *amount that is not less than the amount the insurer would be required to*
2 *reimburse a specialist with whom it has a contract for the provision of*
3 *health care services.*

4 **Sec. 9.** NRS 689B.0353 is hereby amended to read as follows:

5 689B.0353 1. A policy of group health insurance must provide
6 coverage for:

7 (a) Enteral formulas for use at home that are prescribed or ordered by a
8 physician as medically necessary for the treatment of inherited metabolic
9 diseases characterized by deficient metabolism, or malabsorption
10 originating from congenital defects or defects arising shortly after birth, of
11 amino acid, organic acid, carbohydrate or fat; and

12 (b) ~~At least \$2,500 per year for special~~ *Special* food products which
13 are prescribed or ordered by a physician as medically necessary for the
14 treatment of a person described in paragraph (a).

15 2. The coverage required by subsection 1 must be ~~provided~~ :

16 (a) *Provided* whether or not the condition existed when the policy was
17 purchased ~~+~~ ; and

18 (b) *Subject to the same deductible, copayment, coinsurance, waiting*
19 *period and any other conditions for coverage that are required under the*
20 *policy.*

21 3. A policy subject to the provisions of this chapter that is delivered,
22 issued for delivery or renewed on or after ~~January 1, 1998,~~ *October 1,*
23 *2001*, has the legal effect of including the coverage required by this
24 section, and any provision of the policy or the renewal which is in conflict
25 with this section is void.

26 4. As used in this section:

27 (a) "Inherited metabolic disease" means a disease caused by an
28 inherited abnormality of the body chemistry of a person.

29 (b) "Special food product" means a food product that is specially
30 formulated to have less than one gram of protein per serving and is
31 intended to be consumed under the direction of a physician for the dietary
32 treatment of an inherited metabolic disease. The term does not include a
33 food that is naturally low in protein.

34 **Sec. 10.** Chapter 695A of NRS is hereby amended by adding thereto
35 the provisions set forth as sections 11 and 12 of this act.

36 **Sec. 11.** *A society shall, at the request of an insured or provider of*
37 *health care with whom it has a contract for the provision of health care*
38 *services, provide as soon as practicable to the insured or provider of*
39 *health care:*

40 1. *An estimate of the rate at which the provider of health care will be*
41 *reimbursed for providing a health care service to the insured and the*
42 *amount of money for which the insured will be responsible for the health*
43 *care service; or*

44 2. *If the society pays claims on the basis of fees for health care*
45 *services that are usual and customary, an estimate of the usual and*
46 *customary fee for providing a health care service to the insured and the*
47 *percentage of that fee for which the insured will be responsible,*
48 *including, without limitation, the percentage of the fee for which the*
49 *insured will be responsible if the health care service provided to the*



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1 *insured is provided by a provider of health care who does not have a*
2 *contract for the provision of health care services with the society.*

3 **Sec. 12.** 1. *If an insured requires health care services that may be*
4 *provided by a specialist and his society does not have a contract for the*
5 *provision of health care services with such a specialist whose place of*
6 *business is located within 50 miles from the residence of the insured, the*
7 *society shall reimburse:*

8 (a) *A specialist whose place of business is located within 50 miles*
9 *from the residence of the insured; or*

10 (b) *A specialist whose place of business is located more than 50 miles*
11 *from the residence of the insured if there is no specialist whose place of*
12 *business is located within 50 miles from the residence of the insured,*
13 *for specialized health care services that are provided to the insured by*
14 *that specialist.*

15 2. *A society shall reimburse a specialist pursuant to the provisions of*
16 *this section in an amount that is not less than the amount the society*
17 *would be required to reimburse a specialist with whom it has a contract*
18 *for the provision of health care services.*

19 **Sec. 13.** Chapter 695B of NRS is hereby amended by adding thereto
20 the provisions set forth as sections 14 and 15 of this act.

21 **Sec. 14.** *A corporation that is subject to the provisions of this*
22 *chapter shall, at the request of an insured or provider of health care with*
23 *whom it has a contract for the provision of health care services, provide*
24 *as soon as practicable to the insured or provider of health care:*

25 1. *An estimate of the rate at which the provider of health care will be*
26 *reimbursed for providing a health care service to the insured and the*
27 *amount of money for which the insured will be responsible for the health*
28 *care service; or*

29 2. *If the corporation pays claims on the basis of fees for health care*
30 *services that are usual and customary, an estimate of the usual and*
31 *customary fee for providing a health care service to the insured and the*
32 *percentage of that fee for which the insured will be responsible,*
33 *including, without limitation, the percentage of the fee for which the*
34 *insured will be responsible if the health care service provided to the*
35 *insured is provided by a provider of health care who does not have a*
36 *contract for the provision of health care services with the corporation.*

37 **Sec. 15.** 1. *If an insured requires health care services that may be*
38 *provided by a specialist and his corporation that is subject to the*
39 *provisions of this chapter, does not have a contract for the provision of*
40 *health care services with such a specialist whose place of business is*
41 *located within 50 miles from the residence of the insured, the corporation*
42 *shall reimburse:*

43 (a) *A specialist whose place of business is located within 50 miles*
44 *from the residence of the insured; or*

45 (b) *A specialist whose place of business is located more than 50 miles*
46 *from the residence of the insured if there is no specialist whose place of*
47 *business is located within 50 miles from the residence of the insured,*



1 *for specialized health care services that are provided to the insured by*
2 *that specialist.*

3 2. *A corporation that is subject to the provisions of this chapter shall*
4 *reimburse a specialist pursuant to the provisions of this section in an*
5 *amount that is not less than the amount the corporation would be*
6 *required to reimburse a specialist with whom it has a contract for the*
7 *provision of health care services.*

8 **Sec. 16.** NRS 695B.1923 is hereby amended to read as follows:

9 695B.1923 1. A contract for hospital or medical service must
10 provide coverage for:

11 (a) Enteral formulas for use at home that are prescribed or ordered by a
12 physician as medically necessary for the treatment of inherited metabolic
13 diseases characterized by deficient metabolism, or malabsorption
14 originating from congenital defects or defects arising shortly after birth, of
15 amino acid, organic acid, carbohydrate or fat; and

16 (b) ~~At least \$2,500 per year for special~~ *Special* food products which
17 are prescribed or ordered by a physician as medically necessary for the
18 treatment of a person described in paragraph (a).

19 2. The coverage required by subsection 1 must be ~~provided~~ :

20 (a) *Provided* whether or not the condition existed when the contract was
21 purchased ~~+~~ ; and

22 (b) *Subject to the same deductible, copayment, coinsurance, waiting*
23 *period and any other conditions for coverage that are required under the*
24 *contract.*

25 3. A contract subject to the provisions of this chapter that is delivered,
26 issued for delivery or renewed on or after ~~January 1, 1998,~~ *October 1,*
27 *2001*, has the legal effect of including the coverage required by this
28 section, and any provision of the contract or the renewal which is in
29 conflict with this section is void.

30 4. As used in this section:

31 (a) "Inherited metabolic disease" means a disease caused by an
32 inherited abnormality of the body chemistry of a person.

33 (b) "Special food product" means a food product that is specially
34 formulated to have less than one gram of protein per serving and is
35 intended to be consumed under the direction of a physician for the dietary
36 treatment of an inherited metabolic disease. The term does not include a
37 food that is naturally low in protein.

38 **Sec. 17.** Chapter 695C of NRS is hereby amended by adding thereto
39 the provisions set forth as sections 18 and 19 of this act.

40 **Sec. 18.** *A health maintenance organization shall, at the request of*
41 *an enrollee or provider of health care with whom it has a contract for the*
42 *provision of health care services, provide as soon as practicable to the*
43 *enrollee or provider of health care:*

44 1. *An estimate of the rate at which the provider of health care will be*
45 *reimbursed for providing a health care service to the enrollee and the*
46 *amount of money for which the enrollee will be responsible for the*
47 *health care service; or*

48 2. *If the health maintenance organization pays claims on the basis of*
49 *fees for health care services that are usual and customary, an estimate of*



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1 *the usual and customary fee for providing a health care service to the*
2 *enrollee and the percentage of that fee for which the enrollee will be*
3 *responsible, including, without limitation, the percentage of the fee for*
4 *which the enrollee will be responsible if the health care service provided*
5 *to the enrollee is provided by a provider of health care who does not have*
6 *a contract for the provision of health care services with the health*
7 *maintenance organization.*

8 **Sec. 19.** 1. *If an enrollee requires health care services that may be*
9 *provided by a specialist and his health maintenance organization does*
10 *not have a contract for the provision of health care services with such a*
11 *specialist whose place of business is located within 50 miles from the*
12 *residence of the enrollee, the health maintenance organization shall*
13 *reimburse:*

14 (a) *A specialist whose place of business is located within 50 miles*
15 *from the residence of the enrollee; or*

16 (b) *A specialist whose place of business is located more than 50 miles*
17 *from the residence of the enrollee if there is no specialist whose place of*
18 *business is located within 50 miles from the residence of the enrollee,*
19 *for specialized health care services that are provided to the enrollee by*
20 *that specialist.*

21 2. *A health maintenance organization shall reimburse a specialist*
22 *pursuant to the provisions of this section in an amount that is not less*
23 *than the amount the health maintenance organization would be required*
24 *to reimburse a specialist with whom it has a contract for the provision of*
25 *health care services.*

26 **Sec. 20.** NRS 695C.050 is hereby amended to read as follows:

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

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

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

41 4. The provisions of NRS 695C.110, 695C.170 to 695C.200, inclusive,
42 695C.250 and 695C.265 *and sections 18 and 19 of this act* do not apply to
43 a health maintenance organization that provides health care services
44 through managed care to recipients of Medicaid under the state plan for
45 Medicaid or insurance pursuant to the children's health insurance program
46 pursuant to a contract with the division of health care financing and policy
47 of the department of human resources. This subsection does not exempt a



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1 health maintenance organization from any provision of this chapter for
2 services provided pursuant to any other contract.

3 5. The provisions of NRS 695C.1694 and 695C.1695 apply to a health
4 maintenance organization that provides health care services through
5 managed care to recipients of Medicaid under the state plan for Medicaid.

6 **Sec. 21.** NRS 695C.1723 is hereby amended to read as follows:

7 695C.1723 1. A health maintenance plan must provide coverage for:

8 (a) Enteral formulas for use at home that are prescribed or ordered by a
9 physician as medically necessary for the treatment of inherited metabolic
10 diseases characterized by deficient metabolism, or malabsorption
11 originating from congenital defects or defects arising shortly after birth, of
12 amino acid, organic acid, carbohydrate or fat; and

13 (b) ~~At least \$2,500 per year for special~~ *Special* food products which
14 are prescribed or ordered by a physician as medically necessary for the
15 treatment of a person described in paragraph (a).

16 2. The coverage required by subsection 1 must be ~~provided~~ :

17 (a) *Provided* whether or not the condition existed when the health
18 maintenance plan was purchased ~~+~~ ; and

19 (b) *Subject to the same deductible, copayment, coinsurance, waiting*
20 *period and any other conditions for coverage that are required under the*
21 *health maintenance plan.*

22 3. Any evidence of coverage subject to the provisions of this chapter
23 that is delivered, issued for delivery or renewed on or after ~~January 1,~~
24 ~~1998,~~ *October 1, 2001*, has the legal effect of including the coverage
25 required by this section, and any provision of the evidence of coverage or
26 the renewal which is in conflict with this section is void.

27 4. As used in this section:

28 (a) "Inherited metabolic disease" means a disease caused by an
29 inherited abnormality of the body chemistry of a person.

30 (b) "Special food product" means a food product that is specially
31 formulated to have less than one gram of protein per serving and is
32 intended to be consumed under the direction of a physician for the dietary
33 treatment of an inherited metabolic disease. The term does not include a
34 food that is naturally low in protein.

35 **Sec. 22.** NRS 695F.090 is hereby amended to read as follows:

36 695F.090 Prepaid limited health service organizations are subject to
37 the provisions of this chapter and to the following provisions, to the extent
38 reasonably applicable:

39 1. NRS 687B.310 to 687B.420, inclusive, concerning cancellation and
40 nonrenewal of policies.

41 2. NRS 687B.122 to 687B.128, inclusive, concerning readability of
42 policies.

43 3. The requirements of NRS 679B.152.

44 4. The fees imposed pursuant to NRS 449.465.

45 5. NRS 686A.010 to 686A.310, inclusive, concerning trade practices
46 and frauds.

47 6. The assessment imposed pursuant to subsection 3 of NRS
48 679B.158.

49 7. Chapter 683A of NRS.



1 8. ~~to the extent applicable, the provisions of~~ NRS 689B.340 to
2 689B.600, inclusive, and chapter 689C of NRS relating to the portability
3 and availability of health insurance.
4 9. NRS 689A.035, 689A.410 and 689A.413 ~~H~~ *and sections 3 and 4 of*
5 *this act.*
6 10. NRS 680B.025 to 680B.039, inclusive, concerning premium tax,
7 premium tax rate, annual report and estimated quarterly tax payments. For
8 the purposes of this subsection, unless the context otherwise requires that a
9 section apply only to insurers, any reference in those sections to "insurer"
10 must be replaced by a reference to "prepaid limited health service
11 organization."
12 11. Chapter 692C of NRS, concerning holding companies.
13 **Sec. 23.** Chapter 287 of NRS is hereby amended by adding thereto a
14 new section to read as follows:
15 *If the board provides health insurance through a plan of self-*
16 *insurance, it shall comply with the provisions of NRS 689B.255,*
17 *695G.150, 695G.160, 695G.170, 695G.200 to 695G.230, inclusive, and*
18 *sections 7 and 8 of this act in the same manner as an insurer that is*
19 *licensed pursuant to Title 57 of NRS is required to comply with those*
20 *provisions.*
21 **Sec. 24.** NRS 287.0402 is hereby amended to read as follows:
22 287.0402 As used in NRS 287.0402 to 287.049, inclusive, *and section*
23 *23 of this act*, unless the context otherwise requires, the words and terms
24 defined in NRS 287.0404 and 287.0406 have the meanings ascribed to
25 them in those sections.
26 **Sec. 25.** NRS 287.043 is hereby amended to read as follows:
27 287.043 1. The board shall:
28 (a) Establish and carry out a program to be known as the public
29 employees' benefits program which:
30 (1) Must include a program relating to group life, accident or health
31 insurance, or any combination of these; and
32 (2) May include a program to reduce taxable compensation or other
33 forms of compensation other than deferred compensation,
34 for the benefit of all state officers and employees and other persons who
35 participate in the program.
36 (b) Ensure that the program is funded on an actuarially sound basis and
37 operated in accordance with sound insurance and business practices.
38 2. In establishing and carrying out the program, the board shall:
39 (a) Except as otherwise provided in this paragraph, negotiate and
40 contract with the governing body of any public agency enumerated in NRS
41 287.010 ~~[which is desirous of obtaining]~~ *that wishes to obtain* group
42 insurance for its officers, employees and retired employees by participation
43 in the program. The board shall establish separate rates and coverage for
44 those officers, employees and retired employees based on actuarial reports.
45 (b) ~~[Give]~~ *Except as otherwise provided in paragraph (c), provide*
46 public notice in writing of *any* proposed changes in rates or coverage to
47 each participating public employer who may be affected by the changes.
48 Notice must be provided at least 30 days before the effective date of the
49 changes.



- 1 (c) *If a proposed change is a change in the premium charged for or*
2 *coverage of health insurance, provide written notice of the proposed*
3 *change to all state officers, employees, retired employees and other*
4 *persons who participate in the program and may be affected by the*
5 *proposed change. The notice must be provided at least 60 days before the*
6 *date a state officer, employee, retired employee or other person is*
7 *required to select or change his policy of health insurance.*
- 8 (d) Purchase policies of life, accident or health insurance, or any
9 combination of these, or, if applicable, a program to reduce the amount of
10 taxable compensation pursuant to 26 U.S.C. § 125, from any company
11 qualified to do business in this state or provide similar coverage through a
12 plan of self-insurance established pursuant to NRS 287.0433 for the benefit
13 of all eligible public officers, employees and retired employees who
14 participate in the program.
- 15 ~~(d)~~ (e) Except as otherwise provided in this Title, develop and
16 establish other employee benefits as necessary.
- 17 ~~(e)~~ (f) Investigate and approve or disapprove any contract proposed
18 pursuant to NRS 287.0479.
- 19 ~~(f)~~ (g) Adopt such regulations and perform such other duties as are
20 necessary to carry out the provisions of NRS 287.0402 to 287.049,
21 inclusive, *and section 23 of this act*, including, without limitation, the
22 establishment of:
- 23 (1) Fees for applications for participation in the program and for the
24 late payment of premiums or contributions;
- 25 (2) Conditions for entry and reentry into the program by public
26 agencies enumerated in NRS 287.010;
- 27 (3) The levels of participation in the program required for employees
28 of participating public agencies;
- 29 (4) Procedures by which a group of participants in the program may
30 leave the program pursuant to NRS 287.0479 and conditions and
31 procedures for reentry into the program by ~~such~~ *those* participants; and
- 32 (5) Specific procedures for the determination of contested claims.
- 33 ~~(g)~~ (h) Appoint an independent certified public accountant. The
34 accountant shall provide:
- 35 (1) An annual audit of the program; and
- 36 (2) A biennial audit of the program to determine whether the program
37 complies with federal and state laws relating to taxes and employee
38 benefits.
- 39 The accountant shall report to the board and the interim retirement and
40 benefits committee of the legislature created pursuant to NRS 218.5373.
- 41 3. The board may use any services provided to state agencies and shall
42 use the services of the purchasing division of the department of
43 administration to establish and carry out the program.
- 44 4. The board may make recommendations to the legislature concerning
45 legislation that it deems necessary and appropriate regarding the program.
- 46 5. The state and any other public employers that participate in the
47 program are not liable for any obligation of the program other than
48 indemnification of the board and its employees against liability relating to



1 the administration of the program, subject to the limitations specified in
2 NRS 41.0349.
3 6. As used in this section, “employee benefits” includes any form of
4 compensation provided to a state employee pursuant to this Title except
5 federal benefits, wages earned, legal holidays, deferred compensation and
6 benefits available pursuant to chapter 286 of NRS.

