

ASSEMBLY BILL NO. 250—ASSEMBLYMEN LESLIE, MCCLAIN, MANENDO,
ANDERSON, FREEMAN, KOIVISTO, PARNELL, SMITH, TIFFANY AND
WILLIAMS

FEBRUARY 28, 2001

JOINT SPONSOR: SENATOR CARE

Referred to Committee on Health and Human Services

SUMMARY—Requires screening of newborn children and infants for hearing impairments.
(BDR 40-155)

FISCAL NOTE: Effect on Local Government: Yes.
Effect on the State: Yes.

CONTAINS UNFUNDED MANDATE (§ 9)
(NOT REQUESTED BY AFFECTED LOCAL GOVERNMENT)

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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 hearing screenings for newborn children and infants unless objected to in writing by the parent or legal guardian of the newborn child or infant; establishing the duties of hospitals, midwives and providers of health care concerning the provision of hearing screenings; requiring the state board of health to adopt certain regulations; requiring policies of health insurance and certain other health care plans to provide coverage for hearing screenings; prohibiting such policies and plans from requiring prior authorization for such coverage; providing for the referral of children who are diagnosed as having permanent hearing impairment; 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 442 of NRS is hereby amended by adding thereto
- 2 the provisions set forth as sections 2 to 17, inclusive, of this act.
- 3 **Sec. 2.** *As used in sections 2 to 17, inclusive, of this act, unless the*
- 4 *context otherwise requires, the words and terms defined in sections 3 to*
- 5 *8, inclusive, of this act have the meanings ascribed to them in those*
- 6 *sections.*
- 7 **Sec. 3.** *“Hearing impairment” means a loss of hearing of 30*
- 8 *decibels or greater in the range of frequencies necessary for speech*



1 *recognition and comprehension in one or both ears, as set forth in the*
2 *most current guidelines established by the American Speech-Language*
3 *Hearing Association.*

4 **Sec. 4.** *“Hearing screening” means a test or battery of tests*
5 *administered to determine the need for an in-depth hearing diagnostic*
6 *evaluation.*

7 **Sec. 5.** *“Hospital” has the meaning ascribed to it in NRS 449.012.*

8 **Sec. 6.** *“Infant” means a child who is 30 days of age or older but not*
9 *more than 12 months of age.*

10 **Sec. 7.** *“Newborn child” means a child who is less than 30 days of*
11 *age.*

12 **Sec. 8.** *“Provider of hearing screenings” means a health care*
13 *provider who, within the scope of his license or certificate, provides for*
14 *hearing screenings of newborn children and infants in accordance with*
15 *sections 2 to 17, inclusive, of this act. The term includes a licensed*
16 *audiologist, a licensed physician or an appropriately supervised person*
17 *who has documentation that demonstrates to the state board of health*
18 *that he has completed training specifically for conducting hearing*
19 *screenings of newborn children.*

20 **Sec. 9. 1.** *Except as otherwise provided in section 11 of this act:*

21 *(a) A licensed hospital in this state that provides services for maternity*
22 *care and the care of newborn children shall not discharge a newborn*
23 *child until the newborn child has undergone a hearing screening for the*
24 *detection of hearing loss to prevent the consequences of unidentified*
25 *disorders.*

26 *(b) A licensed obstetric center shall not discharge a newborn child*
27 *until the newborn child has:*

28 *(1) Undergone a hearing screening for the detection of hearing loss*
29 *to prevent the consequences of unidentified disorders if the obstetric*
30 *center has a program for conducting hearing screenings of newborn*
31 *children; or*

32 *(2) Been referred to a provider of hearing screenings for the*
33 *detection of hearing loss to prevent the consequences of unidentified*
34 *disorders. Such a referral must be scheduled in accordance with the*
35 *regulations of the state board of health.*

36 **2.** *The state board of health shall adopt such regulations as are*
37 *necessary to carry out the provisions of sections 2 to 17, inclusive, of this*
38 *act.*

39 **Sec. 10. 1.** *A hearing screening required by section 9 of this act*
40 *must be conducted by a provider of hearing screenings.*

41 **2.** *A licensed hospital, and a licensed obstetric center that chooses to*
42 *carry out a program for conducting hearing screenings, shall hire,*
43 *contract with or enter into a written memorandum of understanding with*
44 *a provider of hearing screenings to:*

45 *(a) Conduct a program for hearing screenings on newborn children*
46 *and infants in accordance with sections 2 to 17, inclusive, of this act;*

47 *(b) Provide appropriate training for the staff of the hospital or*
48 *obstetric center;*



1 (c) Render appropriate recommendations concerning the program for
2 hearing screenings; and

3 (d) Coordinate appropriate follow-up services.

4 3. Not later than 24 hours after a hearing screening is conducted on
5 a newborn child or an infant, appropriate documentation concerning the
6 hearing screening, including, without limitation, results, interpretations
7 and recommendations, must be placed in the medical file of the newborn
8 child or infant and submitted to the state board of health in accordance
9 with its regulations.

10 4. The state board of health shall annually prepare and submit to the
11 governor a written report relating to hearing tests for newborn children
12 and infants. The written report must include, without limitation:

13 (a) A summary of the results of hearing screenings administered to
14 newborn children and infants and any other related information
15 submitted in accordance with its regulations;

16 (b) An analysis of the effectiveness of the provisions of sections 2 to
17 17, inclusive, of this act in identifying loss of hearing in newborn
18 children and infants; and

19 (c) Any related recommendations for legislation.

20 **Sec. 11.** 1. A newborn child may be discharged from a licensed
21 hospital or obstetric center without having undergone a required hearing
22 screening or having been referred for a hearing screening if a parent or
23 legal guardian of the newborn child objects in writing to the hearing
24 screening. The hospital or obstetric center shall place the written
25 objection of the parent or legal guardian to the hearing screening in the
26 medical file of the newborn child. If the newborn child is born at home
27 and the parent or legal guardian objects to the hearing screening, the
28 physician or midwife attending the birth or, if no physician or midwife
29 attended the birth, the primary care physician of the newborn child, shall
30 place the written objection of the parent or legal guardian in the medical
31 file of the newborn child.

32 2. In addition to the provisions of subsection 1, a newborn child may
33 be discharged from a hospital, or an obstetric center, if applicable,
34 without having undergone a required hearing screening in accordance
35 with regulations adopted by the state board of health.

36 **Sec. 12.** A diagnostic screening that is conducted on a newborn
37 child or an infant because the initial hearing screening failed must be
38 conducted by an audiologist.

39 **Sec. 13.** 1. A licensed hospital shall formally designate a lead
40 physician or audiologist to be responsible for:

41 (a) The administration of the program for conducting hearing
42 screenings of newborn children and infants; and

43 (b) Monitoring the scoring and interpretation of the test results of the
44 hearing screenings.

45 2. A licensed obstetric center that has a program for conducting
46 hearing screenings of newborn children and infants shall operate the
47 program in accordance with regulations adopted by the state board of
48 health.



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1 **Sec. 14.** *A hearing screening must include auditory brainstem*
2 *responses, evoked otoacoustic emissions or any other appropriate*
3 *technology that has been approved for newborn hearing screenings by*
4 *the Food and Drug Administration or the American Speech-Language*
5 *Hearing Association.*

6 **Sec. 15.** *1. A licensed hospital shall provide information to the*
7 *parents or legal guardian of a newborn child concerning the importance*
8 *of screening the hearing of newborn children and of receiving follow-up*
9 *care.*

10 *2. Information provided to the parents or legal guardian of a*
11 *newborn child or an infant pursuant to this section must:*

12 *(a) Be made in terms that are easily understandable; and*

13 *(b) Include a description of the normal development of auditory*
14 *processes, speech and language in children.*

15 **Sec. 16.** *1. An initial hearing screening of a newborn child or an*
16 *infant and any medically necessary follow-up evaluations leading to a*
17 *diagnosis is a covered benefit pursuant to section 20, 22, 23 or 24 of this*
18 *act, as appropriate.*

19 *2. A licensed hospital or obstetric center which, and a physician or*
20 *midwife who, is aware that a newborn child or an infant is not covered by*
21 *any kind of health insurance and that the parents or legal guardian of*
22 *the newborn child or infant cannot afford the cost of a hearing screening*
23 *shall give to the parents or legal guardian a list of providers of hearing*
24 *screenings who provide such screenings free of charge.*

25 **Sec. 17.** *1. Any newborn child, infant or other child who is*
26 *diagnosed as having a permanent hearing impairment must be referred*
27 *to a primary care physician for medical management, treatment and*
28 *follow-up services and to an audiologist for diagnostic testing.*

29 *2. As used in this section, "management" means the habilitation of a*
30 *child diagnosed with a hearing impairment.*

31 **Sec. 18.** NRS 287.010 is hereby amended to read as follows:

32 287.010 1. The governing body of any county, school district,
33 municipal corporation, political subdivision, public corporation or other
34 public agency of the State of Nevada may:

35 (a) Adopt and carry into effect a system of group life, accident or health
36 insurance, or any combination thereof, for the benefit of its officers and
37 employees, and the dependents of officers and employees who elect to
38 accept the insurance and who, where necessary, have authorized the
39 governing body to make deductions from their compensation for the
40 payment of premiums on the insurance.

41 (b) Purchase group policies of life, accident or health insurance, or any
42 combination thereof, for the benefit of such officers and employees, and
43 the dependents of such officers and employees, as have authorized the
44 purchase, from insurance companies authorized to transact the business of
45 such insurance in the State of Nevada, and, where necessary, deduct from
46 the compensation of officers and employees the premiums upon insurance
47 and pay the deductions upon the premiums.

48 (c) Provide group life, accident or health coverage through a self-
49 insurance reserve fund and, where necessary, deduct contributions to the



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1 maintenance of the fund from the compensation of officers and employees
2 and pay the deductions into the fund. The money accumulated for this
3 purpose through deductions from the compensation of officers and
4 employees and contributions of the governing body must be maintained as
5 an internal service fund as defined by NRS 354.543. The money must be
6 deposited in a state or national bank or credit union authorized to transact
7 business in the State of Nevada. Any independent administrator of a fund
8 created under this section is subject to the licensing requirements of
9 chapter 683A of NRS, and must be a resident of this state. Any contract
10 with an independent administrator must be approved by the commissioner
11 of insurance as to the reasonableness of administrative charges in relation
12 to contributions collected and benefits provided. The provisions of NRS
13 689B.030 to 689B.050, inclusive, *and section 22 of this act*, apply to
14 coverage provided pursuant to this paragraph, except that the provisions of
15 NRS 689B.0359 do not apply to such coverage.

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

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

27 **Sec. 19.** NRS 687B.225 is hereby amended to read as follows:

28 687B.225 1. Except as otherwise provided in NRS 689A.0405,
29 689A.0413, 689B.031, 689B.0374, 695B.1912, 695B.1914, 695C.1713,
30 695C.1735 and 695G.170, *and sections 20, 22, 23 and 24 of this act*, any
31 contract for group, blanket or individual health insurance or any contract
32 by a nonprofit hospital, medical or dental service corporation or
33 organization for dental care which provides for payment of a certain part of
34 medical or dental care may require the insured or member to obtain prior
35 authorization for that care from the insurer or organization. The insurer or
36 organization shall:

37 (a) File its procedure for obtaining approval of care pursuant to this
38 section for approval by the commissioner; and

39 (b) Respond to any request for approval by the insured or member
40 pursuant to this section within 20 days after it receives the request.

41 2. The procedure for prior authorization may not discriminate among
42 persons licensed to provide the covered care.

43 **Sec. 20.** Chapter 689A of NRS is hereby amended by adding thereto a
44 new section to read as follows:

45 *1. A policy of health insurance must provide coverage for benefits*
46 *payable for expenses incurred for a hearing screening conducted on*
47 *newborn children and infants pursuant to sections 2 to 17, inclusive, of*
48 *this act, and any medically necessary follow-up leading to a diagnosis as*
49 *to whether the newborn child or infant has a hearing impairment.*



1 2. *A policy of health insurance must not require an insured to obtain*
2 *prior authorization for any service provided pursuant to subsection 1.*

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

8 4. *As used in this section:*

9 (a) *“Hearing impairment” has the meaning ascribed to it in section 3*
10 *of this act.*

11 (b) *“Hearing screening” has the meaning ascribed to it in section 4 of*
12 *this act.*

13 **Sec. 21.** NRS 689A.330 is hereby amended to read as follows:

14 689A.330 If any policy is issued by a domestic insurer for delivery to a
15 person residing in another state, and if the insurance commissioner or
16 corresponding public officer of that other state has informed the
17 commissioner that the policy is not subject to approval or disapproval by
18 that officer, the commissioner may by ruling require that the policy meet
19 the standards set forth in NRS 689A.030 to 689A.320, inclusive **H**, and
20 *section 20 of this act.*

21 **Sec. 22.** Chapter 689B of NRS is hereby amended by adding thereto a
22 new section to read as follows:

23 1. *A policy of group health insurance must provide coverage for*
24 *benefits payable for expenses incurred for a hearing screening conducted*
25 *on newborn children and infants pursuant to sections 2 to 17, inclusive,*
26 *of this act, and any medically necessary follow-up leading to a diagnosis*
27 *as to whether the newborn child or infant has a hearing impairment.*

28 2. *A policy of group health insurance must not require an insured to*
29 *obtain prior authorization for any service provided pursuant to*
30 *subsection 1.*

31 3. *A policy subject to the provisions of this chapter that is delivered,*
32 *issued for delivery or renewed on or after October 1, 2001, has the legal*
33 *effect of including the coverage required by subsection 1, and any*
34 *provision of the policy or the renewal which is in conflict with subsection*
35 *1 is void.*

36 4. *As used in this section:*

37 (a) *“Hearing impairment” has the meaning ascribed to it in section 3*
38 *of this act.*

39 (b) *“Hearing screening” has the meaning ascribed to it in section 4 of*
40 *this act.*

41 **Sec. 23.** Chapter 695B of NRS is hereby amended by adding thereto a
42 new section to read as follows:

43 1. *A policy of health insurance issued by a hospital or medical*
44 *service corporation must provide coverage for benefits payable for*
45 *expenses incurred for a hearing screening conducted on newborn*
46 *children and infants pursuant to sections 2 to 17, inclusive, of this act,*
47 *and any medically necessary follow-up leading to a diagnosis as to*
48 *whether the newborn child or infant has a hearing impairment.*



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- 1 2. *A policy of health insurance issued by a hospital or medical*
2 *service corporation must not require an insured to obtain prior*
3 *authorization for any service provided pursuant to subsection 1.*
4 3. *A policy subject to the provisions of this chapter that is delivered,*
5 *issued for delivery or renewed on or after October 1, 2001, has the legal*
6 *effect of including the coverage required by subsection 1, and any*
7 *provision of the policy or the renewal which is in conflict with subsection*
8 *1 is void.*
9 4. *As used in this section:*
10 (a) *"Hearing impairment" has the meaning ascribed to it in section 3*
11 *of this act.*
12 (b) *"Hearing screening" has the meaning ascribed to it in section 4 of*
13 *this act.*
14 **Sec. 24.** Chapter 695C of NRS is hereby amended by adding thereto a
15 new section to read as follows:
16 1. *A health maintenance plan must provide coverage for benefits*
17 *payable for expenses incurred for a hearing screening conducted on*
18 *newborn children and infants pursuant to sections 2 to 17, inclusive, of*
19 *this act, and any medically necessary follow-up leading to a diagnosis as*
20 *to whether the newborn child or infant has a hearing impairment.*
21 2. *A health maintenance plan must not require an insured to obtain*
22 *prior authorization for any service provided pursuant to subsection 1.*
23 3. *A policy subject to the provisions of this chapter that is delivered,*
24 *issued for delivery or renewed on or after October 1, 2001, has the legal*
25 *effect of including the coverage required by subsection 1, and any*
26 *provision of the policy or the renewal which is in conflict with subsection*
27 *1 is void.*
28 4. *As used in this section:*
29 (a) *"Hearing impairment" has the meaning ascribed to it in section 3*
30 *of this act.*
31 (b) *"Hearing screening" has the meaning ascribed to it in section 4 of*
32 *this act.*
33 **Sec. 25.** NRS 695C.050 is hereby amended to read as follows:
34 695C.050 1. Except as otherwise provided in this chapter or in
35 specific provisions of this Title, the provisions of this Title are not
36 applicable to any health maintenance organization granted a certificate of
37 authority under this chapter. This provision does not apply to an insurer
38 licensed and regulated pursuant to this Title except with respect to its
39 activities as a health maintenance organization authorized and regulated
40 pursuant to this chapter.
41 2. Solicitation of enrollees by a health maintenance organization
42 granted a certificate of authority, or its representatives, must not be
43 construed to violate any provision of law relating to solicitation or
44 advertising by practitioners of a healing art.
45 3. Any health maintenance organization authorized under this chapter
46 shall not be deemed to be practicing medicine and is exempt from the
47 provisions of chapter 630 of NRS.
48 4. The provisions of NRS 695C.110, 695C.170 to 695C.200, inclusive,
49 695C.250 and 695C.265 do not apply to a health maintenance organization



1 that provides health care services through managed care to recipients of
2 Medicaid under the state plan for Medicaid or insurance pursuant to the
3 children's health insurance program pursuant to a contract with the division
4 of health care financing and policy of the department of human resources.
5 This subsection does not exempt a health maintenance organization from
6 any provision of this chapter for services provided pursuant to any other
7 contract.

8 5. The provisions of NRS 695C.1694 and 695C.1695 , *and section 24*
9 *of this act*, apply to a health maintenance organization that provides health
10 care services through managed care to recipients of Medicaid under the
11 state plan for Medicaid.

12 **Sec. 26.** NRS 695C.330 is hereby amended to read as follows:

13 695C.330 1. The commissioner may suspend or revoke any
14 certificate of authority issued to a health maintenance organization
15 pursuant to the provisions of this chapter if he finds that any of the
16 following conditions exist:

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

23 (b) The health maintenance organization issues evidence of coverage or
24 uses a schedule of charges for health care services which do not comply
25 with the requirements of NRS 695C.170 to 695C.200, inclusive, or
26 695C.1694, 695C.1695 or 695C.207 ~~(f)~~ , *or section 24 of this act*;

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

29 (d) The state board of health certifies to the commissioner that the
30 health maintenance organization:

31 (1) Does not meet the requirements of subsection 2 of NRS
32 695C.080; or

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

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

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

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

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

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



- 1 (j) The health maintenance organization has otherwise failed to comply
2 substantially with the provisions of this chapter.
- 3 2. A certificate of authority must be suspended or revoked only after
4 compliance with the requirements of NRS 695C.340.
- 5 3. If the certificate of authority of a health maintenance organization is
6 suspended, the health maintenance organization shall not, during the period
7 of that suspension, enroll any additional groups or new individual
8 contracts, unless those groups or persons were contracted for before the
9 date of suspension.
- 10 4. If the certificate of authority of a health maintenance organization is
11 revoked, the organization shall proceed, immediately following the
12 effective date of the order of revocation, to wind up its affairs and shall
13 conduct no further business except as may be essential to the orderly
14 conclusion of the affairs of the organization. It shall engage in no further
15 advertising or solicitation of any kind. The commissioner may by written
16 order permit such further operation of the organization as he may find to be
17 in the best interest of enrollees to the end that enrollees are afforded the
18 greatest practical opportunity to obtain continuing coverage for health care.
- 19 **Sec. 27.** The provisions of subsection 1 of NRS 354.599 do not apply
20 to any additional expenses of a local government that are related to the
21 provisions of this act.
- 22 **Sec. 28.** The state board of health shall adopt regulations to carry out
23 the provisions of this act by January 1, 2002.
- 24 **Sec. 29.** 1. This section becomes effective on July 1, 2001.
- 25 2. Sections 1 to 28, inclusive, become effective:
- 26 (a) On July 1, 2001, for the purpose of adopting regulations by the state
27 board of health to carry out the provisions of this act; and
28 (b) On January 1, 2002, for all other purposes.

