

CHAPTER.....

AN ACT relating to insurance; exempting certain health insurers from provisions governing the denial of claims and the cancellation of or refusal to issue a policy or contract of health insurance; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, various health insurers are prohibited from denying a claim solely because the claim involves an injury sustained by an insured as a consequence of being intoxicated or under the influence of a controlled substance. Such insurers are also prohibited from cancelling or refusing to issue policies or contracts solely because an insured or an applicant has made a claim involving an injury sustained by him as a consequence of being intoxicated or under the influence of a controlled substance. (NRS 689A.415, 689B.287, 689C.197, 695A.197, 695B.3165, 695C.205, 695G.405) This bill provides that those prohibitions do not apply to such health insurers under policies or contracts of health insurance that provide coverage for long-term care or disability income.

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

Section 1. NRS 689A.415 is hereby amended to read as follows:

689A.415 1. Except as otherwise provided in subsection 2, an insurer shall not:

(a) Deny a claim under a policy of health insurance solely because the claim involves an injury sustained by an insured as a consequence of being intoxicated or under the influence of a controlled substance.

(b) Cancel a policy of health insurance solely because an insured has made a claim involving an injury sustained by the insured as a consequence of being intoxicated or under the influence of a controlled substance.

(c) Refuse to issue a policy of health insurance to an eligible applicant solely because the applicant has made a claim involving an injury sustained by the applicant as a consequence of being intoxicated or under the influence of a controlled substance.

2. The provisions of ~~this section~~ **subsection 1** do not prohibit an insurer from enforcing a provision included in a policy of health insurance pursuant to NRS 689A.270 to:



(a) Deny a claim which involves an injury to which a contributing cause was the insured's commission of or attempt to commit a felony;

(b) Cancel a policy of health insurance solely because of such a claim; or

(c) Refuse to issue a policy of health insurance to an eligible applicant solely because of such a claim.

3. The provisions of this section do not apply to an insurer under a policy of health insurance that provides coverage for long-term care or disability income.

Sec. 2. NRS 689B.287 is hereby amended to read as follows:

689B.287 1. Except as otherwise provided in subsection 2, an insurer shall not:

(a) Deny a claim under a policy of group health insurance solely because the claim involves an injury sustained by an insured as a consequence of being intoxicated or under the influence of a controlled substance.

(b) Cancel a policy of group health insurance solely because an insured has made a claim involving an injury sustained by the insured as a consequence of being intoxicated or under the influence of a controlled substance.

(c) Refuse to issue a policy of group health insurance to an eligible applicant solely because the applicant has made a claim involving an injury sustained by the applicant as a consequence of being intoxicated or under the influence of a controlled substance.

2. The provisions of ~~this section~~ **subsection 1** do not prohibit an insurer from enforcing a provision included in a policy of group health insurance to:

(a) Deny a claim which involves an injury to which a contributing cause was the insured's commission of or attempt to commit a felony;

(b) Cancel a policy of group health insurance solely because of such a claim; or

(c) Refuse to issue a policy of group health insurance to an eligible applicant solely because of such a claim.

3. The provisions of this section do not apply to an insurer under a policy of group health insurance that provides coverage for long-term care or disability income.

Sec. 3. NRS 689C.197 is hereby amended to read as follows:

689C.197 1. Except as otherwise provided in subsection 2, a carrier shall not:

(a) Deny a claim under a health benefit plan solely because the claim involves an injury sustained by an insured as a consequence of being intoxicated or under the influence of a controlled substance.



(b) Cancel participation under a health benefit plan solely because an insured has made a claim involving an injury sustained by the insured as a consequence of being intoxicated or under the influence of a controlled substance.

(c) Refuse participation under a health benefit plan to an eligible applicant solely because the applicant has made a claim involving an injury sustained by the applicant as a consequence of being intoxicated or under the influence of a controlled substance.

2. The provisions of ~~this section~~ **subsection 1** do not prohibit a carrier from enforcing a provision included in a health benefit plan to:

(a) Deny a claim which involves an injury to which a contributing cause was the insured's commission of or attempt to commit a felony;

(b) Cancel participation in a health benefit plan solely because of such a claim; or

(c) Refuse participation in a health benefit plan to an eligible applicant solely because of such a claim.

3. The provisions of this section do not apply to a carrier under a health benefit plan that provides coverage for long-term care or disability income.

Sec. 4. NRS 695A.197 is hereby amended to read as follows:

695A.197 1. Except as otherwise provided in subsection 2, a society that provides health benefits shall not:

(a) Deny a claim under a benefit contract solely because the claim involves an injury sustained by an insured as a consequence of being intoxicated or under the influence of a controlled substance.

(b) Cancel a benefit contract solely because an insured has made a claim involving an injury sustained by the insured as a consequence of being intoxicated or under the influence of a controlled substance.

(c) Refuse to issue a benefit contract to an eligible applicant solely because the applicant has made a claim involving an injury sustained by the applicant as a consequence of being intoxicated or under the influence of a controlled substance.

2. The provisions of ~~this section~~ **subsection 1** do not prohibit a society from enforcing a provision included in a benefit contract to:

(a) Deny a claim which involves an injury to which a contributing cause was the insured's commission of or attempt to commit a felony;

(b) Cancel a benefit contract solely because of such a claim; or

(c) Refuse to issue a benefit contract to an eligible applicant solely because of such a claim.



3. The provisions of this section do not apply to a society under a benefit contract that provides coverage for long-term care or disability income.

Sec. 5. NRS 695B.3165 is hereby amended to read as follows:

695B.3165 1. Except as otherwise provided in subsection 2, a medical services corporation that issues contracts for hospital, medical or dental services shall not:

(a) Deny a claim under such a contract solely because the claim involves an injury sustained by an insured as a consequence of being intoxicated or under the influence of a controlled substance.

(b) Cancel such a contract solely because an insured has made a claim involving an injury sustained by the insured as a consequence of being intoxicated or under the influence of a controlled substance.

(c) Refuse to issue such a contract to an eligible applicant solely because the applicant has made a claim involving an injury sustained by the applicant as a consequence of being intoxicated or under the influence of a controlled substance.

2. The provisions of ~~[this section]~~ **subsection 1** do not prohibit a medical services corporation from enforcing a provision included in a contract for hospital, medical or dental services to:

(a) Deny a claim which involves an injury to which a contributing cause was the insured's commission of or attempt to commit a felony;

(b) Cancel such a contract solely because of such a claim; or

(c) Refuse to issue such a contract to an eligible applicant solely because of such a claim.

3. The provisions of this section do not apply to a medical services corporation under a contract for hospital, medical or dental services that provides coverage for long-term care or disability income.

Sec. 6. NRS 695C.205 is hereby amended to read as follows:

695C.205 1. Except as otherwise provided in subsection 2, a health maintenance organization shall not:

(a) Deny a claim under a health care plan solely because the claim involves an injury sustained by an enrollee as a consequence of being intoxicated or under the influence of a controlled substance.

(b) Cancel participation under a health care plan solely because an enrollee has made a claim involving an injury sustained by the enrollee as a consequence of being intoxicated or under the influence of a controlled substance.

(c) Refuse participation under a health care plan to an eligible applicant solely because the applicant has made a claim involving an injury sustained by the applicant as a consequence of being intoxicated or under the influence of a controlled substance.



2. The provisions of ~~[this section]~~ **subsection 1** do not prohibit a health maintenance organization from enforcing a provision included in a health care plan to:

(a) Deny a claim which involves an injury to which a contributing cause was the insured's commission of or attempt to commit a felony;

(b) Cancel participation under a health care plan solely because of such a claim; or

(c) Refuse participation under a health care plan to an eligible applicant solely because of such a claim.

3. *The provisions of this section do not apply to a health maintenance organization under a health care plan that provides coverage for long-term care or disability income.*

Sec. 7. NRS 695G.405 is hereby amended to read as follows:

695G.405 1. Except as otherwise provided in subsection 2, a managed care organization shall not:

(a) Deny a claim under a health care plan solely because the claim involves an injury sustained by an insured as a consequence of being intoxicated or under the influence of a controlled substance.

(b) Cancel participation under a health care plan solely because an insured has made a claim involving an injury sustained by the insured as a consequence of being intoxicated or under the influence of a controlled substance.

(c) Refuse participation under a health care plan to an eligible applicant solely because the applicant has made a claim involving an injury sustained by the applicant as a consequence of being intoxicated or under the influence of a controlled substance.

2. The provisions of ~~[this section]~~ **subsection 1** do not prohibit a managed care organization from enforcing a provision included in a health care plan to:

(a) Deny a claim which involves an injury to which a contributing cause was the insured's commission of or attempt to commit a felony;

(b) Cancel participation under a health care plan solely because of such a claim; or

(c) Refuse participation under a health care plan to an eligible applicant solely because of such a claim.

3. *The provisions of this section do not apply to a managed care organization under a health care plan that provides coverage for long-term care or disability income.*

Sec. 8. This act becomes effective upon passage and approval.

