

SENATE BILL NO. 119—COMMITTEE ON COMMERCE AND LABOR

FEBRUARY 20, 2007

Referred to Committee on Commerce and Labor

SUMMARY—Makes various changes to provisions relating to benefits for certain workers with injuries. (BDR 53-257)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: 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 industrial insurance; authorizing the closure of certain disability claims based on revised benefit limits; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law provides a procedure for when and how an insurer may close a
2 claim if the required medical benefits are below a certain threshold amount for a
3 certain period of time. (NRS 616C.235) This bill changes the relevant threshold
4 amount from \$300 to \$1,000.

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

1 **Section 1.** NRS 616C.235 is hereby amended to read as
2 follows:
3 616C.235 1. Except as otherwise provided in subsections 2, 3
4 and 4:
5 (a) When the insurer determines that a claim should be closed
6 before all benefits to which the claimant may be entitled have been
7 paid, the insurer shall send a written notice of its intention to close
8 the claim to the claimant by first-class mail addressed to the last
9 known address of the claimant. The notice must include a statement
10 that if the claimant does not agree with the determination, he has a
11 right to request a resolution of the dispute pursuant to



1 NRS 616C.305 and 616C.315 to 616C.385, inclusive. A suitable
2 form for requesting a resolution of the dispute must be enclosed
3 with the notice. The closure of a claim pursuant to this subsection is
4 not effective unless notice is given as required by this subsection.

5 (b) If the insurer does not receive a request for the resolution of
6 the dispute, it may close the claim.

7 (c) Notwithstanding the provisions of NRS 233B.125, if a
8 hearing is conducted to resolve the dispute, the decision of the
9 hearing officer may be served by first-class mail.

10 2. If, during the first 12 months after a claim is opened, the
11 medical benefits required to be paid for a claim are less than ~~[\$300,]~~
12 **\$1,000**, the insurer may close the claim at any time after he sends,
13 by first-class mail addressed to the last known address of the
14 claimant, written notice that:

15 (a) The claim is being closed pursuant to this subsection;

16 (b) The injured employee may appeal the closure of the claim
17 pursuant to the provisions of NRS 616C. 305 and 616C.315 to
18 616C.385, inclusive; and

19 (c) If the injured employee does not appeal the closure of the
20 claim or appeals the closure of the claim but is not successful, the
21 claim cannot be reopened.

22 3. In addition to the notice described in subsection 2, an insurer
23 shall send to each claimant who receives less than ~~[\$300]~~ **\$1,000** in
24 medical benefits within 6 months after the claim is opened a written
25 notice that explains the circumstances under which a claim may be
26 closed pursuant to subsection 2. The written notice provided
27 pursuant to this subsection does not create any right to appeal the
28 contents of that notice. The written notice must be:

29 (a) Sent by first-class mail addressed to the last known address
30 of the claimant; and

31 (b) A document that is separate from any other document or
32 form that is used by the insurer.

33 4. The closure of a claim pursuant to subsection 2 is not
34 effective unless notice is given as required by subsections 2 and 3.

