

SENATE BILL NO. 214—COMMITTEE ON COMMERCE AND LABOR

MARCH 13, 2009

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing plans for dental care and prepaid limited health service organizations. (BDR 57-291)

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 insurance; establishing the powers of an organization for dental care; clarifying the definition of “dentist” for purposes of chapter 695D of NRS; revising provisions relating to the applicability of chapter 695D of NRS; establishing the powers of a prepaid limited health service organization; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

- 1 **Section 2** of this bill establishes the powers of an organization for dental care.
- 2 **Section 3** of this bill authorizes an insurer to contract with an organization for
- 3 dental care to provide insurance against the costs of providing such care.
- 4 **Section 4** of this bill clarifies the definition of “dentist” for purposes of chapter
- 5 695D of NRS. (NRS 695D.040)
- 6 **Section 5** of this bill revises provisions relating to the applicability of chapter
- 7 695D of NRS. (NRS 695D.090)
- 8 **Section 6** of this bill establishes the powers of a prepaid limited health service
- 9 organization.

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

- 1 **Section 1.** Chapter 695D of NRS is hereby amended by
- 2 adding thereto the provisions set forth as sections 2 and 3 of this act.
- 3 **Sec. 2.** *The powers of an organization for dental care*
- 4 *include:*



1 1. The purchase, lease, construction, renovation, operation or
2 maintenance of dental facilities and their ancillary equipment,
3 and such property as may reasonably be required for its principal
4 office or for such other purposes as may be necessary in the
5 transaction of the business of the organization;

6 2. The making of loans to a dental group under contract with
7 it in furtherance of its program or the making of loans to a
8 corporation under its control for the purpose of acquiring or
9 constructing dental facilities or in furtherance of a plan for dental
10 care to members;

11 3. The furnishing of dental care through dentists who are
12 under contract with or employed by the organization for dental
13 care;

14 4. The contracting with any person for the performance on its
15 behalf of certain functions such as marketing, enrollment and
16 administration; and

17 5. The contracting with an insurance company licensed in
18 this State or authorized to do business in this State for the
19 provision of such insurance, indemnity or reimbursement against
20 the cost of dental care provided by the organization for dental
21 care.

22 Sec. 3. An insurer may contract with an organization for
23 dental care to provide insurance or similar protection against the
24 cost of care provided through an organization for dental care and
25 to provide coverage to meet its obligations in the event of the
26 failure of the organization for dental care. Among other things,
27 under such contracts, the insurer may make benefit payments to
28 an organization for dental care for dental care rendered by
29 dentists pursuant to a plan for dental care.

30 Sec. 4. NRS 695D.040 is hereby amended to read as follows:
31 695D.040 "Dentist" ~~includes—~~ means any person who
32 practices the professions of dentistry or dental ~~hygienist.~~ hygiene,
33 and is licensed pursuant to chapter 631 of NRS.

34 Sec. 5. NRS 695D.090 is hereby amended to read as follows:
35 695D.090 1. Except as otherwise specifically provided in this
36 chapter or elsewhere in this title, the provisions of this title other
37 than this chapter do not apply to organizations for dental care. This
38 exemption does not apply to any insurer authorized pursuant to any
39 other provision of this title except with respect to those activities
40 authorized and regulated by this chapter.

41 2. Except as otherwise provided in NRS 695D.230 and
42 695D.240, solicitation of members by an organization for dental
43 care granted a certificate of authority, or its representatives, must
44 not be construed to violate any provision of law relating to
45 solicitation or advertising by practitioners of a healing art.



1 **3. Any organization for dental care authorized under this**
2 **chapter shall not be deemed to be practicing dentistry and is**
3 **exempt from the provisions of chapter 631 of NRS.**

4 **4.** The provisions of this chapter do not apply to:

5 (a) Any person, corporation or organization which must be
6 authorized by the Commissioner to transact the business of
7 insurance pursuant to chapter 680A, 695B or 695C of NRS **H** ,
8 **except as otherwise provided in section 3 of this act.**

9 (b) Any plan established to provide health and welfare benefits
10 to employees pursuant to a collective bargaining agreement.

11 **Sec. 6.** Chapter 695F of NRS is hereby amended by adding
12 thereto a new section to read as follows:

13 **The powers of a prepaid limited health service organization**
14 **include:**

15 **1. The purchase, lease, construction, renovation, operation or**
16 **maintenance of medical facilities or dental facilities, or both, and**
17 **their ancillary equipment, and such property as may reasonably be**
18 **required for its principal office or for such other purposes as may**
19 **be necessary in the transaction of the business of the organization;**

20 **2. The making of loans to a medical or dental group under**
21 **contract with it in furtherance of its program or the making of**
22 **loans to a corporation under its control in furtherance of a**
23 **program providing limited health services to enrollees;**

24 **3. The furnishing of limited health services through providers**
25 **which are under contract with or employed by the prepaid limited**
26 **health service organization; and**

27 **4. The contracting with any person for the performance on its**
28 **behalf of certain functions such as marketing, enrollment and**
29 **administration.**

