

Amendment No. 597

Senate Amendment to Assembly Bill No. 309 First Reprint (BDR 57-516)

Proposed by: Senate Committee on Commerce, Labor and Energy**Amends:** Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) *green bold underlining* is newly added transitory language.

TMC/MSN



Date: 5/20/2011

A.B. No. 309—Revises provisions governing insurance. (BDR 57-516)



ASSEMBLY BILL NO. 309—ASSEMBLYMEN OCEGUERA, SMITH, CONKLIN, OHRENSCHALL, BOBZIEN; AIZLEY, ANDERSON, ATKINSON, BUSTAMANTE ADAMS, CARLTON, CARRILLO, DALY, DIAZ, DONDERO LOOP, FLORES, FRIERSON, HOGAN, HORNE, KIRKPATRICK, MASTROLUCA, MUNFORD AND PIERCE

MARCH 17, 2011

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing insurance. (BDR 57-516)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.
Effect on the State: Yes.

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to insurance; creating the Office of the Consumer Advocate within the Division of Insurance of the Department of Business and Industry; requiring the Governor to appoint a Consumer Advocate as the executive head of the office; requiring the Consumer Advocate to intervene in and represent the public interest in public hearings relating to rates for certain ~~{policies, contracts or plans of health insurance;}~~ **health benefit plans;** requiring an insurer to provide certain information to the Consumer Advocate and the Division and publish on an Internet website maintained by the insurer certain information concerning each ~~{policy, contract or plan of health insurance}~~ **such health benefit plan** offered by the insurer in this State; requiring the Commissioner of Insurance to publish on an Internet website maintained by the Division certain information relating to health insurance rates and public hearings relating to rates for ~~{certain policies, contracts or plans of health insurance;}~~ **such health benefit plans;** authorizing an insurer and the Consumer Advocate to request a public hearing on any rate or proposed rate increase or decrease of **such a {policy, contract or plan of health insurance} health benefit plan** filed by the insurer with the Commissioner; authorizing a consumer of health insurance to request a public hearing on certain rates and proposed rate increases or decreases of **such a {policy, contract or plan of health insurance} health benefit plan** filed by an insurer with the Commissioner; authorizing the Commissioner to hold a public hearing on a rate or proposed rate increase or decrease of **such a {policy, contract or plan of health insurance} health benefit plan**

filed by an insurer; ~~removing~~ revising certain provisions relating to trade secrets of insurers; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

The Nevada Insurance Code is set forth in title 57 of NRS. Section 1 of this bill provides that no provision of the Code applies to Medicaid or the Children's Health Insurance Program.

The Commissioner of Insurance has exclusive authority to regulate insurers in this State and to approve or disapprove rates or proposed rate increases of insurers. (Chapters 679B, 680A and 686B of NRS) **Section 2** of this bill creates the Office of the Consumer Advocate within the Division of Insurance of the Department of Business and Industry and requires the Governor to appoint a Consumer Advocate to serve as executive head of the office and to intervene in and represent the public interest in certain public hearings relating to rates or proposed rate increases or decreases for ~~certain policies, contracts or plans of health insurance~~ individual health benefit plans and group health plans for small employers. **Section 3** of this bill requires an insurer to provide certain information to the Consumer Advocate and the Division, and **section 6** of this bill requires an insurer to publish on an Internet website maintained by the insurer the ~~provisions, terms, rates,~~ base premiums, certificates of coverage and actual and projected loss ratios of ~~each policy, contract or plan of health insurance~~ such health benefit plans offered by the insurer to consumers in this State. **Section 6** also requires the Division to maintain a link to the Internet website of the insurer on an Internet website maintained by the Division.

Section 7 of this bill authorizes the Commissioner to hold a public hearing before approving or denying a rate or proposed rate increase or decrease of such a ~~policy, contract or plan of health insurance~~ health benefit plan. **Section 7** also authorizes an insurer, the Consumer Advocate or a consumer of health insurance to request such a public hearing. **Section 7** further requires the insurer and Commissioner to publish on an Internet website maintained by the insurer or Division, respectively, certain information relating to a request for approval of a rate or proposed rate increase or decrease, including the date by which a person must request a public hearing concerning a rate or proposed rate increase. **Section 12** of this bill requires that certain information be filed with the Commissioner and provides that with certain exceptions relating to confidentiality and trade secrets, the information which is filed by certain insurers is available to the public upon a written request.

Existing law prohibits the Commissioner from disclosing to a third party certain proprietary information of an insurer. (NRS 689A.695, 689B.115, 689C.250) **Sections 18-20** of this bill delete those provisions.

An insurer that violates the provisions of **section 3, 6, 7 or 21** of this bill is guilty of a misdemeanor. (NRS 679A.180)

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

Section 1. NRS 679A.160 is hereby amended to read as follows:

679A.160 Except as otherwise provided by specific statute, no provision of this Code applies to:

1. Fraternal benefit societies, as identified in chapter 695A of NRS, except as stated in chapter 695A of NRS.

2. Hospital, medical or dental service corporations, as identified in chapter 695B of NRS, except as stated in chapter 695B of NRS.

3. Motor clubs, as identified in chapter 696A of NRS, except as stated in chapter 696A of NRS.

4. Bail agents, as identified in chapter 697 of NRS, except as stated in NRS 680B.025 to 680B.039, inclusive, and chapter 697 of NRS.

5. Risk retention groups, as identified in chapter 695E of NRS, except as stated in chapter 695E of NRS.

6. Captive insurers, as identified in chapter 694C of NRS, with respect to their activities as captive insurers, except as stated in chapter 694C of NRS.

7. Health and welfare plans arising out of collective bargaining under chapter 288 of NRS, except that the Commissioner may review the plan to ensure that the benefits are reasonable in relation to the premiums and that the fund is financially sound.

8. *Medicaid or the Children's Health Insurance Program as described in chapter 422 of NRS.*

~~Section 1.1~~ **Sec. 1.5.** Chapter 679B of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. 1. *The Office of the Consumer Advocate is hereby created within the Division. The Governor shall appoint the Consumer Advocate as the executive head of the office. The Consumer Advocate is not subject to the supervision or control of the Division or the Commissioner in carrying out his or her duties.*

2. *The Governor shall appoint the Consumer Advocate for a term of 4 years. The Consumer Advocate is in the unclassified service of the State.*

3. *The Consumer Advocate shall intervene in and represent the public interest in all public hearings conducted by the Commissioner pursuant to section 7 of this act.*

4. *The Consumer Advocate may apply to the Commissioner for the issuance of a subpoena pursuant to NRS 679B.340 for the appearance of witnesses or the production of books, papers and documents in any public hearing in which the Consumer Advocate intervenes and may make arrangements for and pay the fees or costs of any witnesses and consultants necessary to the public hearing.*

5. *The Commissioner may apply for any available grants and may accept any gifts, grants and donations from any source to defray the costs of the Consumer Advocate in carrying out his or her duties.*

~~5.7~~ **6. *To the extent money is available for this purpose, the Commissioner may employ in the unclassified service of the State any personnel necessary to assist with the duties and responsibilities of the Consumer Advocate.***

~~6.7~~ **7. *The Governor may remove the Consumer Advocate from office for inefficiency, neglect of duty or malfeasance in office.***

Sec. 3. 1. *An insurer that offers any ~~policy, contract or plan of health insurance~~ health benefit plan in this State shall provide the Consumer Advocate and the Division with copies of any proposed changes in rates and any other information used to calculate a rate or proposed rate increase or decrease. Information provided to the Consumer Advocate and the Division pursuant to this section must be submitted in an electronic format prescribed by the Commissioner.*

2. *The provisions of this section apply only to individual health benefit plans described in chapter 689A of NRS and group health plans for small employers described in chapter 689C of NRS.*

Sec. 4. NRS 679B.510 is hereby amended to read as follows:

679B.510 As used in NRS 679B.510 to 679B.560, inclusive, *and sections 2 and 3 of this act*, unless the context otherwise requires, the words and terms defined in NRS 679B.520, 679B.530 and 679B.540 have the meanings ascribed to them in those sections.

Sec. 5. Chapter 686B of NRS is hereby amended by adding thereto the provisions set forth as sections 6, 7 and 7.5 of this act.

1 **Sec. 6. 1.** An insurer shall, on or before a date established by the
2 Commissioner, publish on an Internet website maintained by the insurer the
3 ~~provisions, terms, rates, base premiums, certificates of coverage, projected loss~~
4 ~~ratio reported to the Department of Health and Human Services for the current~~
5 ~~fiscal year and the next following fiscal year [of each policy, contract or plan of~~
6 ~~health insurance] for each health benefit plan offered by the insurer in this State,~~
7 ~~and actual loss ratio [of each policy, contract or plan of health insurance]~~
8 ~~reported to the Department of Health and Human Services for the immediately~~
9 ~~preceding fiscal year for each health benefit plan offered by the insurer in this~~
10 ~~State . [for the immediately preceding fiscal year].~~ An insurer shall update the
11 information published pursuant to this subsection each time the insurer changes
12 or modifies ~~any provision, term, rate or~~ the base premium or certificate of
13 coverage of such a [policy, contract or] health benefit plan and shall ensure that
14 the information published pursuant to this subsection does not include any
15 personally identifying information or confidential medical information.

16 2. The Division shall publish on an Internet website maintained by the
17 Division a link to the Internet website maintained by each insurer on which
18 information is published as required by subsection 1.

19 3. The provisions of this section apply only to individual health benefit
20 plans described in chapter 689A of NRS and group health plans for small
21 employers described in chapter 689C of NRS.

22 4. As used in this section, "loss ratio" has the meaning ascribed to it in
23 section 2718(b)(1)(A) of the Public Health Service Act, as amended by Public
24 Law 111-148.

25 **Sec. 7. 1.** Upon the filing of a rate or proposed rate increase or decrease
26 pursuant to NRS 686B.070 for a ~~[policy, contract or plan of health insurance],~~
27 health benefit plan and upon a determination by the Commissioner that the
28 proposal is complete, the insurer and Commissioner shall publish on an Internet
29 website maintained by the insurer and Division, respectively, notice of the filing,
30 any information relating to the rate or proposed rate increase or decrease, other
31 than confidential medical information, and the date by which a request for a
32 public hearing on the rate or proposed rate increase or decrease must be
33 submitted pursuant to subsection 2.

34 2. Upon the filing of a rate or proposed rate increase or decrease pursuant
35 to NRS 686B.070 for a ~~[policy, contract or plan of health insurance],~~ health
36 benefit plan:

37 (a) The insurer or rate service organization that files the rate or proposed
38 rate increase or decrease or the Consumer Advocate may request that the
39 Commissioner conduct a public hearing on the rate or proposed rate increase or
40 decrease; and

41 (b) A consumer of health insurance may request that the Commissioner
42 conduct a public hearing on the rate or proposed rate increase or decrease if:

43 (1) The proposed rate increase or decrease is more than 10 percent of the
44 current rate; or

45 (2) The ~~[policy, contract or plan of health insurance]~~ health benefit plan
46 represents more than 5 percent of its market segment in the State,

47 by submitting to the Commissioner a written request for a public hearing not
48 later than ~~30~~ 28 days after the date of first publication of the notice of the rate
49 or proposed rate increase or decrease pursuant to subsection 1.

50 3. Upon the filing of a rate or proposed rate increase or decrease pursuant
51 to NRS 686B.070 for a ~~[policy, contract or plan of health insurance]~~ health
52 benefit plan or upon a request for a public hearing pursuant to subsection 2, the
53 Commissioner may conduct a public hearing on the rate or proposed rate

1 increase or decrease. In determining whether a public hearing should be held
2 upon a request submitted by a consumer of health insurance covered by a group
3 health plan for small employers, the Commissioner may, without limitation,
4 consider whether the consumer of health insurance is representative of a
5 majority of the employees covered under the group health plan.

6 4. If the Commissioner determines that a public hearing should be held
7 pursuant to subsection 3, the Commissioner shall provide notice to the insurer or
8 rate service organization and to the general public of the public hearing not later
9 than 15 days before the date of the public hearing and shall conduct the public
10 hearing not later than 45 days after a determination by the Commissioner that
11 the filing of the rate or proposed rate increase or decrease is complete.

12 5. Upon receipt of the notice of a public hearing from the Commissioner, an
13 insurer or rate service organization shall provide notice of the public hearing on
14 its website and to each of its policyholders who would be affected by the proposed
15 change at his or her mailing address or electronic mailing address not later than
16 10 days before the date of the public hearing.

17 6. To the extent practicable, a public hearing that is conducted pursuant to
18 this section on a weekday must be conducted after 5 p.m.

19 7. If a public hearing is conducted pursuant to subsection 3, the
20 Commissioner , in addition to complying with the requirements of NRS 241.035,
21 shall publish on an Internet website maintained by the Division:

22 (a) A transcript of the public hearing not later than ~~15~~ 30 days after the
23 date of the hearing; and

24 (b) Any finding, decision or order of the Commissioner not later than 15
25 days after the date of issuance of the finding, decision or order.

26 8. The provisions of this section apply only to individual health benefit
27 plans described in chapter 689A of NRS and group health plans for small
28 employers described in chapter 689C of NRS.

29 9. As used in this section, "Consumer Advocate" means the Consumer
30 Advocate appointed by the Governor pursuant to section 2 of this act.

31 **Sec. 7.5. (Deleted by amendment.)**

32 **Sec. 8.** NRS 686B.010 is hereby amended to read as follows:

33 686B.010 1. The Legislature intends that NRS 686B.010 to 686B.1799,
34 inclusive, and sections 6, 7 and 7.5 of this act be liberally construed to achieve the
35 purposes stated in subsection 2, which constitute an aid and guide to interpretation
36 but not an independent source of power.

37 2. The purposes of NRS 686B.010 to 686B.1799, inclusive, and sections 6, 7
38 and 7.5 of this act are to:

39 (a) Protect policyholders and the public against the adverse effects of
40 excessive, inadequate or unfairly discriminatory rates;

41 (b) Encourage, as the most effective way to produce rates that conform to the
42 standards of paragraph (a), independent action by and reasonable price competition
43 among insurers;

44 (c) Provide formal regulatory controls for use if independent action and price
45 competition fail;

46 (d) Authorize cooperative action among insurers in the rate-making process,
47 and to regulate such cooperation in order to prevent practices that tend to bring
48 about monopoly or to lessen or destroy competition;

49 (e) Encourage the most efficient and economic marketing practices; and

50 (f) Regulate the business of insurance in a manner that will preclude
51 application of federal antitrust laws.

52 **Sec. 9.** NRS 686B.020 is hereby amended to read as follows:

686B.020 As used in NRS 686B.010 to 686B.1799, inclusive, *and sections 6, 7 and 7.5 of this act*, unless the context otherwise requires:

1. "Advisory organization," except as limited by NRS 686B.1752, means any person or organization which is controlled by or composed of two or more insurers and which engages in activities related to rate making. For the purposes of this subsection, two or more insurers with common ownership or operating in this State under common ownership constitute a single insurer. An advisory organization does not include:

- (a) A joint underwriting association;
- (b) An actuarial or legal consultant; or
- (c) An employee or manager of an insurer.

2. "Market segment" means any line or kind of insurance or, if it is described in general terms, any subdivision thereof or any class of risks or combination of classes.

3. "Rate service organization" means any person, other than an employee of an insurer, who assists insurers in rate making or filing by:

- (a) Collecting, compiling and furnishing loss or expense statistics;
- (b) Recommending, making or filing rates or supplementary rate information;

or

- (c) Advising about rate questions, except as an attorney giving legal advice.

4. "Supplementary rate information" includes any manual or plan of rates, statistical plan, classification, rating schedule, minimum premium, policy fee, rating rule, rule of underwriting relating to rates and any other information prescribed by regulation of the Commissioner.

Sec. 10. NRS 686B.030 is hereby amended to read as follows:

686B.030 1. Except as otherwise provided in subsection 2, ~~and sections 6, 7 and 7.5 of this act, the provisions of~~ NRS 686B.010 to 686B.1799, inclusive, *and sections 6, 7 and 7.5 of this act* apply to all kinds and lines of direct insurance written on risks or operations in this State by any insurer authorized to do business in this State, except:

- (a) Ocean marine insurance;
- (b) Contracts issued by fraternal benefit societies;
- (c) Life insurance and credit life insurance;
- (d) Variable and fixed annuities;
- (e) ~~Group and blanket health insurance and credit~~ *Credit* health insurance;
- (f) Property insurance for business and commercial risks;
- (g) Casualty insurance for business and commercial risks other than insurance covering the liability of a practitioner licensed pursuant to chapters 630 to 640, inclusive, of NRS; ~~and~~

(h) Surety insurance, ~~and~~ *and*
(i) Contracts relating to Medicaid or the Children's Health Insurance Program as described in chapter 422 of NRS.

2. The exclusions set forth in paragraphs (f) and (g) of subsection 1 extend only to issues related to the determination or approval of premium rates.

Sec. 11. NRS 686B.040 is hereby amended to read as follows:

686B.040 1. Except as otherwise provided in subsection 2, the Commissioner may by rule exempt any person or class of persons or any market segment from any or all of the provisions of NRS 686B.010 to 686B.1799, inclusive, *and sections 6, 7 and 7.5 of this act* if and to the extent that the Commissioner finds their application unnecessary to achieve the purposes of those sections.

2. The Commissioner may not, by rule or otherwise, exempt an insurer from the provisions of NRS 686B.010 to 686B.1799, inclusive, *and sections 6, 7 and 7.5*

1 *of this act* with regard to insurance covering the liability of a practitioner licensed
2 pursuant to chapter 630, 631, 632 or 633 of NRS for a breach of the practitioner's
3 professional duty toward a patient.

4 **Sec. 12.** NRS 686B.070 is hereby amended to read as follows:

5 686B.070 1. Every authorized insurer and every rate service organization
6 licensed under NRS 686B.140 which has been designated by any insurer for the
7 filing of rates under subsection 2 of NRS 686B.090 shall file with the
8 Commissioner ~~{all-}~~ *for approval:*

9 (a) ~~{Rates}~~ *All rates* and proposed *rate* increases ~~{thereto;}~~ *or decreases;*
10 (b) ~~{Forms}~~ *All forms* of policies to which the rates apply;
11 (c) ~~{Supplementary}~~ *All supplementary* rate information; and
12 (d) ~~{Changes and amendments thereof;~~
13 ~~made by it for use in this state.}~~ *Any formula, supporting data or other*
14 *information used to calculate the rate or proposed rate increase or decrease filed*
15 *pursuant to paragraph (a).*

16 2. If an insurer makes a filing for a proposed increase in a rate for insurance
17 covering the liability of a practitioner licensed pursuant to chapter 630, 631, 632 or
18 633 of NRS for a breach of the practitioner's professional duty toward a patient, the
19 insurer shall not include in the filing any component that is directly or indirectly
20 related to the following:

21 (a) Capital losses, diminished cash flow from any dividends, interest or other
22 investment returns, or any other financial loss that is materially outside of the
23 claims experience of the professional liability insurance industry, as determined by
24 the Commissioner.

25 (b) Losses that are the result of any criminal or fraudulent activities of a
26 director, officer or employee of the insurer.

27 ↪ If the Commissioner determines that a filing includes any such component, the
28 Commissioner shall, pursuant to NRS 686B.110, disapprove the proposed increase,
29 in whole or in part, to the extent that the proposed increase relies upon such a
30 component.

31 3. *A rate or proposed rate increase or decrease filed pursuant to subsection*
32 *1 must not go into effect until approved pursuant to NRS 686B.110.*

33 4. ~~{Except for the filing of a rate or proposed rate increase or decrease of a~~
34 ~~policy, contract or plan of health insurance issued to a group pursuant to NRS~~
35 ~~689B.026, the}~~ *The information submitted with the filing of a rate or proposed*
36 *rate or rate increase pursuant to subsection 1, other than confidential medical*
37 *information, for any information relating to the amount, terms or conditions of*
38 *reimbursement pursuant to a contract between the insurer and a third party, or*
39 *any information the Commissioner determines is a trade secret, is public and*
40 *must be provided to any person upon written request.*

41 5. *As used in this section, "trade secret" has the meaning ascribed to it in*
42 *subsection 5 of NRS 600A.030.*

43 **Sec. 13.** NRS 686B.090 is hereby amended to read as follows:

44 686B.090 1. An insurer shall establish rates and supplementary rate
45 information for any market segment based on the factors in NRS 686B.060. If an
46 insurer has insufficient creditable loss experience, it may use rates and
47 supplementary rate information prepared by a rate service organization, with
48 modification for its own expense and loss experience.

49 2. ~~{An}~~ *Except as otherwise provided in section 7 of this act, an* insurer may
50 discharge its obligation under subsection 1 of NRS 686B.070 by giving notice to
51 the Commissioner that it uses rates and supplementary rate information prepared by
52 a designated rate service organization, with such information about modifications
53 thereof as are necessary fully to inform the Commissioner. The insurer's rates and

supplementary rate information shall be deemed those filed from time to time by the rate service organization, including any amendments thereto as filed, subject to the modifications filed by the insurer.

Sec. 14. NRS 686B.110 is hereby amended to read as follows:

686B.110 1. The Commissioner shall consider each *rate or* proposed increase or decrease in the rate of any kind or line of insurance or subdivision thereof filed with the Commissioner pursuant to subsection 1 of NRS 686B.070. If the Commissioner finds that a proposed increase will result in a rate which is not in compliance with NRS 686B.050 or subsection 2 of NRS 686B.070, the Commissioner shall disapprove the proposal. The Commissioner shall approve or disapprove each proposal ~~that~~:

(a) *If the Commissioner conducts a public hearing on the proposal pursuant to section 7 of this act, not later than ~~60~~ 30 days after ~~it is determined by~~ the date of the public hearing; or*

(b) *If no public hearing is held on the proposal pursuant to section 7 of this act, not later than ~~30~~ 45 days after the date on which the Commissioner determines the proposal* to be complete pursuant to subsection ~~4~~ 5.

2. If the Commissioner fails to approve or disapprove the proposal within ~~that~~ the period ~~it~~ *specified in subsection 1*, the proposal shall be deemed approved.

~~2~~ 3. Whenever an insurer has no legally effective rates as a result of the Commissioner's disapproval of rates or other act, the Commissioner shall on request specify interim rates for the insurer that are high enough to protect the interests of all parties and may order that a specified portion of the premiums be placed in an escrow account approved by the Commissioner. When new rates become legally effective, the Commissioner shall order the escrowed funds or any overcharge in the interim rates to be distributed appropriately, except that refunds to policyholders that are de minimis must not be required.

~~3~~ 4. If the Commissioner disapproves a *rate or* proposed rate *increase or decrease* and an insurer requests a hearing to determine the validity of the action of the Commissioner, the insurer has the burden of showing compliance with the applicable standards for rates established in NRS 686B.010 to 686B.1799, inclusive ~~it~~, *and sections 6, 7 and 7.5 of this act*. Any such hearing must be held:

(a) Within 30 days after the request for a hearing has been submitted to the Commissioner; or

(b) Within a period agreed upon by the insurer and the Commissioner.

➤ If the hearing is not held within the period specified in paragraph (a) or (b), or if the Commissioner fails to issue an order concerning the *rate or* proposed rate *increase or decrease* for which the hearing is held within 45 days after the hearing, the proposed rate *or proposed rate increase or decrease* shall be deemed approved.

~~4~~ 5. The Commissioner shall by regulation specify the documents or any other information which must be included in a proposal for a rate or to increase or decrease a rate ~~submitted to~~ *filed with* the Commissioner pursuant to subsection 1 ~~it~~ *of NRS 686B.070*. Each such proposal shall be deemed complete upon its filing with the Commissioner, unless the Commissioner, within 15 business days after the proposal is filed with the Commissioner, determines that the proposal is incomplete because the proposal does not comply with the regulations adopted by the Commissioner pursuant to this subsection.

Sec. 15. NRS 686B.117 is hereby amended to read as follows:

686B.117 If a filing made with the Commissioner pursuant to ~~paragraph (a) of~~ subsection 1 of NRS 686B.070 pertains to insurance covering the liability of a practitioner licensed pursuant to chapter 630, 631, 632 or 633 of NRS for a breach of the practitioner's professional duty toward a patient, any interested person, and

1 any association of persons or organization whose members may be affected, may
2 intervene as a matter of right in any hearing or other proceeding conducted to
3 determine whether the applicable rate or proposed increase thereto:

4 1. Complies with the standards set forth in NRS 686B.050 and subsection 2 of
5 NRS 686B.070.

6 2. Should be approved or disapproved.

7 **Sec. 16.** NRS 687B.120 is hereby amended to read as follows:

8 687B.120 1. No life or health insurance policy or contract, annuity contract
9 form, policy form, health care plan or plan for dental care, whether individual,
10 group or blanket, including those to be issued by a health maintenance organization,
11 organization for dental care or prepaid limited health service organization, or
12 application form where a written application is required and is to be made a part of
13 the policy or contract, or printed rider or endorsement form or form of renewal
14 certificate, or form of individual certificate or statement of coverage to be issued
15 under group or blanket contracts, or by a health maintenance organization,
16 organization for dental care or prepaid limited health service organization, may be
17 delivered or issued for delivery in this state, unless the form has been filed with and
18 approved by the Commissioner. ~~[This subsection does not apply to any special rider~~
19 ~~or endorsement which relates to the manner of distribution of benefits or to the~~
20 ~~reservation of rights and benefits under life or health insurance policies, which~~
21 ~~special riders or endorsements are used at the request of the individual~~
22 ~~policyholder, contract holder or certificate holder.]~~ As to group insurance policies
23 effectuated and delivered outside this state but covering persons resident in this
24 state, the group certificates to be delivered or issued for delivery in this state must
25 be filed, for informational purposes only, with the Commissioner at the request of
26 the Commissioner.

27 2. Every ~~[such]~~ filing *made pursuant to subsection 1* must be made not less
28 than 45 days in advance of any ~~[such]~~ delivery ~~[.] pursuant to subsection 1.~~ At the
29 expiration of 45 days the form so filed shall be deemed approved unless prior
30 thereto it has been affirmatively approved or disapproved by order of the
31 Commissioner. Approval of any such form by the Commissioner constitutes a
32 waiver of any unexpired portion of such waiting period. The Commissioner may
33 extend by not more than an additional 30 days the period within which the
34 Commissioner may so affirmatively approve or disapprove any such form, by
35 giving notice to the insurer of the extension before expiration of the initial 45-day
36 period. At the expiration of any such period as so extended, and in the absence of
37 prior affirmative approval or disapproval, any such form shall be deemed approved.
38 The Commissioner may at any time, after notice and for cause shown, withdraw
39 any such approval.

40 3. Any order of the Commissioner disapproving any such form or
41 withdrawing a previous approval must state the grounds therefor and the particulars
42 thereof in such detail as reasonably to inform the insurer thereof. Any such
43 withdrawal of a previously approved form is effective at the expiration of such a
44 period, not less than 30 days after the giving of notice of withdrawal, as the
45 Commissioner in such notice prescribes.

46 4. The Commissioner may, by order, exempt from the requirements of this
47 section for so long as the Commissioner deems proper any insurance document or
48 form or type thereof specified in the order, to which, in the opinion of the
49 Commissioner, this section may not practicably be applied, or the filing and
50 approval of which are, in the opinion of the Commissioner, not desirable or
51 necessary for the protection of the public.

5. Appeals from orders of the Commissioner disapproving any such form or withdrawing a previous approval may be taken as provided in NRS 679B.310 to 679B.370, inclusive.

Sec. 17. (Deleted by amendment.)

Sec. 18. NRS 689A.695 is hereby amended to read as follows:

689A.695 An individual carrier shall make the information and documents described in NRS 689A.680 to 689A.700, inclusive, available to the Commissioner upon request. ~~[Except in cases of violations of the provisions of this chapter, the information, other than the premium rates charged by the individual carrier, is proprietary, constitutes a trade secret and is not subject to disclosure by the Commissioner to persons outside of the Division except as agreed to by the individual carrier or as ordered by a court of competent jurisdiction.]~~

Sec. 19. NRS 689B.115 is hereby amended to read as follows:

689B.115 An insurer providing blanket health insurance shall make all information concerning rates available to the Commissioner upon request. ~~[The information is proprietary, constitutes a trade secret, and may not be disclosed by the Commissioner to any person outside the Division except as agreed by the insurer or ordered by a court of competent jurisdiction.]~~

Sec. 20. NRS 689C.250 is hereby amended to read as follows:

689C.250 A carrier serving small employers shall make the information and documents described in NRS 689C.210 to 689C.240, inclusive, available to the Commissioner upon request. ~~[Except in cases of violations of NRS 689C.015 to 689C.355, inclusive, the information is proprietary, constitutes a trade secret, and is not subject to disclosure by the Commissioner to persons outside of the Division except as agreed to by the carrier or as ordered by a court of competent jurisdiction.]~~

Sec. 21. Section 7 of this act is hereby amended to read as follows:

Sec. 7. 1. Upon the filing of a rate or proposed rate increase or decrease pursuant to NRS 686B.070 for a health benefit plan and upon a determination by the Commissioner that the proposal is complete, the insurer and Commissioner shall publish on an Internet website maintained by the insurer and Division, respectively, notice of the filing, any information relating to the rate or proposed rate increase or decrease, other than confidential medical information, and the date by which a request for a public hearing on the rate or proposed rate increase or decrease must be submitted pursuant to subsection 2.

2. Upon the filing of a rate or proposed rate increase or decrease pursuant to NRS 686B.070 for a health benefit plan:

(a) The insurer or rate service organization that files the rate or proposed rate increase or decrease ~~for the Consumer Advocate~~ may request that the Commissioner conduct a public hearing on the rate or proposed rate increase or decrease; and

(b) A consumer of health insurance may request that the Commissioner conduct a public hearing on the rate or proposed rate increase or decrease if:

(1) The proposed rate increase or decrease is more than 10 percent of the current rate; or

(2) The health benefit plan represents more than 5 percent of its market segment in the State,

↳ by submitting to the Commissioner a written request for a public hearing not later than 28 days after the date of first publication of the notice of the rate or proposed rate increase or decrease pursuant to subsection 1.

3. Upon the filing of a rate or proposed rate increase or decrease pursuant to NRS 686B.070 for a health benefit plan or upon a request for a public hearing pursuant to subsection 2, the Commissioner may conduct a public hearing on the rate or proposed rate increase or decrease. In determining whether a public hearing should be held upon a request submitted by a consumer of health insurance covered by a group health plan for small employers, the Commissioner may, without limitation, consider whether the consumer of health insurance is representative of a majority of the employees covered under the group health plan.

4. If the Commissioner determines that a public hearing should be held pursuant to subsection 3, the Commissioner shall provide notice to the insurer or rate service organization and to the general public of the public hearing not later than 15 days before the date of the public hearing and shall conduct the public hearing not later than 45 days after a determination by the Commissioner that the filing of the rate or proposed rate increase or decrease is complete.

5. Upon receipt of the notice of a public hearing from the Commissioner, an insurer or rate service organization shall provide notice of the public hearing on its website and to each of its policyholders who would be affected by the proposed change at his or her mailing address or electronic mailing address not later than 10 days before the date of the public hearing.

6. To the extent practicable, a public hearing that is conducted pursuant to this section on a weekday must be conducted after 5 p.m.

7. If a public hearing is conducted pursuant to subsection 3, the Commissioner, in addition to complying with the requirements of NRS 241.035, shall publish on an Internet website maintained by the Division:

(a) A transcript of the public hearing not later than 30 days after the date of the hearing; and

(b) Any finding, decision or order of the Commissioner not later than 15 days after the date of issuance of the finding, decision or order.

8. The provisions of this section apply only to individual health benefit plans described in chapter 689A of NRS and group health plans for small employers described in chapter 689C of NRS.

~~{9. As used in this section, "Consumer Advocate" means the Consumer Advocate appointed by the Governor pursuant to section 2 of this act.}~~

Sec. 22. (Deleted by amendment.)

Sec. 23. 1. This section and sections 1 to **4, inclusive, 10, 12 and 15 to 20, inclusive, and 22** of this act become effective on July 1, 2011.

2. Sections 5 to 9, inclusive, 11, 13 and 14 of this act become effective on October 1, 2011.

3. Sections 2, 3, ~~{7}~~ 13 and 14 of this act expire by limitation on the date on which the Governor by proclamation declares that the money for funding the Office of the Consumer Advocate will no longer be available.

~~{ 3. Sections }~~

4. Section 21 ~~{and 22}~~ of this act ~~{become}~~ **becomes** effective on the date on which the Governor by proclamation declares that the money for funding the Office of the Consumer Advocate will no longer be available.