

Amendment No. 859

Senate Amendment to Senate Bill No. 164 First Reprint (BDR 57-232)

Proposed by: Senator Schneider**Amends:** Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

Adoption of this amendment will REMOVE the 2/3s majority vote requirement from S.B. 164.

ASSEMBLY ACTION		Initial and Date		SENATE ACTION		Initial and Date	
Adopted	☐	Lost	☐	Adopted	☐	Lost	☐
Concurred In	☐	Not	☐	Concurred In	☐	Not	☐
Receded	☐	Not	☐	Receded	☐	Not	☐

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.

MSN



Date: 5/30/2011

S.B. No. 164—Revises provisions relating to senior claims examiners for third-party administrators. (BDR 57-232)



SENATE BILL NO. 164—SENATOR SCHNEIDER

FEBRUARY 17, 2011

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Revises provisions relating to ~~senior claims examiners for~~ third-party administrators. (BDR 57-232)

FISCAL NOTE: Effect on Local Government: No.
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 persons involved in the administration of insurance; ~~requiring senior claims examiners for third-party administrators to be licensed, providing a penalty;~~ ***authorizing the Administrator of the Division of Industrial Relations of the Department of Business and Industry to conduct certain investigations and examinations of third-party administrators;*** and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires a third-party administrator for an insurer to have a certificate of registration issued by the Commissioner of Insurance. (NRS 616B.500, 616B.503, 683A.085) ~~Section 7 of this bill prohibits a senior claims examiner from working for a third-party administrator without a license. Section 9 of this bill provides the application process for such a license. Section 10 of this bill provides that such a license expires after 5 years and may be renewed. Sections 1 and 2 of this bill provide the fees for the application for and the renewal of such a license. Section 11 of this bill provides for disciplinary action against a licensee. Section 12 of this bill provides a penalty for working without such a license. Section 13 of this bill provides a penalty for a third-party administrator for hiring or retaining an unlicensed senior claims examiner or for failing to conduct a reasonable investigation as to whether a prospective employee is licensed.~~

Section 16.5 of this bill ~~allows~~ ***authorizes*** the Administrator of the Division of Industrial Relations of the Department of Business and Industry to determine whether a third-party administrator has adequate facilities in this State to administer claims and to conduct such investigations and examinations of third-party administrators as the Administrator deems reasonable. ~~Section 17 of this bill requires the Administrator to prescribe by regulation the qualifications for a senior claims examiner.~~

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

Section 1. (Deleted by amendment.)

Sec. 2. (Deleted by amendment.)

Sec. 3. (Deleted by amendment.)

Sec. 4. (Deleted by amendment.)

Sec. 5. (Deleted by amendment.)

Sec. 6. (Deleted by amendment.)

Sec. 7. (Deleted by amendment.)

Sec. 8. (Deleted by amendment.)

Sec. 9. (Deleted by amendment.)

Sec. 10. (Deleted by amendment.)

Sec. 11. (Deleted by amendment.)

Sec. 12. (Deleted by amendment.)

Sec. 13. (Deleted by amendment.)

Sec. 14. (Deleted by amendment.)

Sec. 15. (Deleted by amendment.)

Sec. 16. (Deleted by amendment.)

Sec. 16.5. NRS 616A.400 is hereby amended to read as follows:
616A.400 The Administrator shall:

1. Prescribe by regulation the time within which adjudications and awards must be made.

2. Regulate forms of notices, claims and other blank forms deemed proper and advisable.

3. Prescribe by regulation the methods by which an insurer may approve or reject claims, and may determine the amount and nature of benefits payable in connection therewith.

4. Prescribe by regulation the method for reimbursing an injured employee for expenses necessarily incurred for travel more than 20 miles one way from the employee's residence or place of employment to his or her destination as a result of an industrial injury.

5. Determine whether an insurer *or third-party administrator* has provided adequate facilities in this State to administer claims and for the retention of a file on each claim.

6. Evaluate the services of private carriers provided to employers in:

(a) Controlling losses; and

(b) Providing information on the prevention of industrial accidents or occupational diseases.

7. Conduct such investigations and examinations of insurers *or third-party administrators* as the Administrator deems reasonable to determine whether any person has violated the provisions of chapters 616A to 616D, inclusive, or chapter 617 of NRS or to obtain information useful to enforce or administer these chapters.

8. Prescribe by regulation the qualifications for final approval by the Division of an applicant for a certificate of registration as an administrator pursuant to subsection 3 of NRS 683A.08524. The regulations must set forth qualifications which provide for the final approval of those applicants whose approval is in the best interests of the people of this State.

9. Except with respect to any matter committed by specific statute to the regulatory authority of another person or agency, adopt such other regulations as the Administrator deems necessary to carry out the provisions of chapters 616A to 617, inclusive, of NRS.

1 **Sec. 17. (Deleted by amendment.)**

2 **Sec. 18. ~~{1.} This {section becomes effective upon passage and approval.~~**
3 ~~**2. Section 16.5 of this**~~ act becomes effective upon passage and approval for
4 the purpose of adopting regulations and on January 1, 2012, for all other purposes.

5 ~~**{3. Sections 1 to 16, inclusive, and 17 of this act become effective upon**~~
6 ~~passage and approval for the purpose of adopting regulations and on January 1,~~
7 ~~2013, for all other purposes.}~~