

SENATE BILL NO. 6—COMMITTEE ON
HEALTH AND HUMAN SERVICES

(ON BEHALF OF THE LEGISLATIVE COMMITTEE
ON HEALTH CARE)

PREFILED DECEMBER 19, 2014

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions relating to the delivery of health care. (BDR 40-63)

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 health care; requiring accreditation before a primary care practice may operate as a patient-centered medical home; requiring each operator of a patient-centered medical home to spend a certain amount of his or her working hours providing primary health services for the patient-centered medical home; authorizing the State Board of Health to adopt regulations governing the operation of patient-centered medical homes; authorizing the Commissioner of Insurance to adopt regulations governing insurance coverage for health services provided through patient-centered medical homes; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 20.2 of this bill defines the term “patient-centered medical home” to mean a primary care practice that: (1) offers family centered, culturally competent health care that is coordinated with outside practitioners and health facilities to provide comprehensive health services; and (2) emphasizes enhanced access to practitioners and preventive care to improve the outcomes for and experiences of patients and lower the costs of health services. **Section 20.2** also prohibits a primary care practice from representing itself as a patient-centered medical home unless: (1) it is accredited as such by a nationally recognized organization for accrediting patient-centered medical homes; and (2) each physician or advanced practice registered nurse who operates a patient-centered medical home spends at least 60 percent of his or her working hours providing primary health services for



the patient-centered medical home. **Sections 20.2 and 20.7** of this bill authorize the State Board of Health and the Commissioner of Insurance to adopt regulations that govern the operation of patient-centered medical homes and insurance coverage for health services provided through patient-centered medical homes. Such regulations: (1) must allow for the operation of patient-centered medical homes to the greatest extent authorized by federal and state antitrust laws; and (2) may allow for coordination between patient-centered medical homes and insurers and incentives provided by insurers to patient-centered medical homes that would otherwise constitute unfair trade practices. **Section 21** of this bill authorizes the State Board and the Commissioner to adopt regulations exempting insurance coverage for health services provided through patient-centered medical homes from certain prohibitions on inducements to insurance.

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. 17. (Deleted by amendment.)

Sec. 18. (Deleted by amendment.)

Sec. 19. (Deleted by amendment.)

Sec. 20. (Deleted by amendment.)

Sec. 20.2. Chapter 439A of NRS is hereby amended by adding thereto a new section to read as follows:

1. A primary care practice shall not represent itself as a patient-centered medical home unless:

(a) The primary care practice is accredited as a patient-centered medical home by a nationally recognized organization for the accrediting of patient-centered medical homes; and

(b) Each physician or advanced practice registered nurse who operates a patient-centered medical home spends at least 60



1 *percent of his or her working hours providing primary health*
2 *services for the patient-centered medical home.*

3 2. *The Department shall post on an Internet website*
4 *maintained by the Department links to nationally recognized*
5 *organizations for the accrediting of patient-centered medical*
6 *homes and any other information specified by the Department to*
7 *allow patients to find a patient-centered medical home that meets*
8 *the requirements of this section and any regulations adopted*
9 *pursuant thereto.*

10 3. *The State Board of Health may, in consultation with the*
11 *Commissioner of Insurance, adopt regulations governing the*
12 *operation of patient-centered medical homes. Such regulations*
13 *must allow for the operation of patient-centered medical homes to*
14 *the greatest extent authorized by federal and state antitrust laws,*
15 *and may, without limitation, establish:*

16 (a) *An advisory council to provide input to the Department*
17 *concerning patient-centered medical homes; and*

18 (b) *Means of measuring the quality of health services provided*
19 *by patient-centered medical homes and the effectiveness of*
20 *patient-centered medical homes at reducing the cost of health*
21 *services.*

22 4. *Any coordination between an insurer and a patient-*
23 *centered medical home or acceptance of an incentive from an*
24 *insurer by a patient-centered medical home that is authorized*
25 *under the regulations adopted pursuant to this section and section*
26 *20.7 of this act shall not be deemed to be an unfair method of*
27 *competition or an unfair or deceptive trade practice or other act or*
28 *practice prohibited by the provisions of chapter 598 or 686A of*
29 *NRS.*

30 5. *As used in this section:*

31 (a) *"Patient-centered medical home" means a primary care*
32 *practice that:*

33 (1) *Offers family centered, culturally competent health*
34 *services that are coordinated with outside practitioners and health*
35 *facilities to provide comprehensive health services; and*

36 (2) *Emphasizes enhanced access to practitioners and*
37 *preventive care to improve the outcomes for and experiences of*
38 *patients and lower the costs of health services.*

39 (b) *"Primary care practice" means a federally-qualified health*
40 *center, as defined in 42 U.S.C. § 1396(l)(2)(B), or a business*
41 *where health services are provided by one or more advanced*
42 *practice registered nurses or one or more physicians who are*
43 *licensed pursuant to chapter 630 or 633 of NRS and who practice*
44 *in the area of family practice, internal medicine, obstetrics and*
45 *gynecology or pediatrics.*



Sec. 20.7. Chapter 679B of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Commissioner may, in consultation with the State Board of Health, adopt regulations governing insurance coverage for health services provided to patients through a patient-centered medical home. Such regulations must facilitate the operation of patient-centered medical homes and the coverage for health services provided through patient-centered medical homes to the greatest extent authorized by federal and state antitrust laws. Such regulations must not require an insurer to cover health services provided through patient-centered medical homes and may, without limitation, authorize an insurer to:

(a) Provide an incentive to a patient-centered medical home that offers health services to its insureds. The regulations may prescribe the manner in which such an incentive must be provided and the maximum amount of the incentive.

(b) Pay a patient-centered medical home for services associated with the coordination of care for any health services provided to an insured.

(c) With the authorization of an insured, share health care records and other related information about an insured who has elected to receive health services from a patient-centered medical home with the patient-centered medical home and any other practitioner or health facility that provides health services to the insured.

2. Any coordination between an insurer and a patient-centered medical home or provision of an incentive by an insurer to a patient-centered medical home that is authorized under the regulations adopted pursuant to this section and section 20.2 of this act shall not be deemed to be an unfair method of competition or an unfair or deceptive trade practice or other act or practice prohibited by the provisions of chapter 598 or 686A of NRS.

3. As used in this section:

(a) "Health services" has the meaning ascribed to it in NRS 439A.017.

(b) "Patient-centered medical home" means a primary care practice that:

(1) Offers family centered, culturally competent health services that are coordinated with outside practitioners and health facilities to provide comprehensive health services; and

(2) Emphasizes enhanced access to practitioners and preventive care to improve outcomes and experience for patients and lower the costs of health services.



1 **Sec. 21.** NRS 686A.110 is hereby amended to read as follows:
2 686A.110 Except as otherwise expressly provided by law ~~§~~
3 *and any regulations adopted pursuant to section 20.7 of this act,*
4 no person shall knowingly:

5 1. Permit to be made or offer to make or make any contract of
6 life insurance, life annuity or health insurance, or agreement as to
7 such contract, other than as plainly expressed in the contract issued
8 thereon, or pay or allow, or give or offer to pay, allow or give,
9 directly or indirectly, or knowingly accept, as an inducement to such
10 insurance or annuity, any rebate of premiums payable on the
11 contract, or any special favor or advantage in the dividends or other
12 benefits thereon, or any paid employment or contract for services of
13 any kind, or any valuable consideration or inducement whatever not
14 specified in the contract; or

15 2. Directly or indirectly give or sell or purchase or offer or
16 agree to give, sell, purchase, or allow as an inducement to such
17 insurance or annuity or in connection therewith, whether or not to be
18 specified in the policy or contract, any agreement of any form or
19 nature promising returns and profits, or any stocks, bonds or other
20 securities, or interest present or contingent therein or as measured
21 thereby, of any insurer or other corporation, association or
22 partnership, or any dividends or profits accrued or to accrue thereon.

23 **Sec. 21.5.** NRS 690C.120 is hereby amended to read as
24 follows:

25 690C.120 1. Except as otherwise provided in this chapter, the
26 marketing, issuance, sale, offering for sale, making, proposing to
27 make and administration of service contracts are not subject to the
28 provisions of title 57 of NRS, except, when applicable, the
29 provisions of:

30 (a) NRS 679B.020 to 679B.152, inclusive ~~§~~, *and section 20.7*
31 *of this act;*

32 (b) NRS 679B.159 to 679B.300, inclusive;

33 (c) NRS 679B.310 to 679B.370, inclusive;

34 (d) NRS 679B.600 to 679B.690, inclusive;

35 (e) NRS 685B.090 to 685B.190, inclusive;

36 (f) NRS 686A.010 to 686A.095, inclusive;

37 (g) NRS 686A.160 to 686A.187, inclusive; and

38 (h) NRS 686A.260, 686A.270, 686A.280, 686A.300 and
39 686A.310.

40 2. A provider, person who sells service contracts, administrator
41 or any other person is not required to obtain a certificate of authority
42 from the Commissioner pursuant to chapter 680A of NRS to issue,
43 sell, offer for sale or administer service contracts.

44 **Sec. 22.** (Deleted by amendment.)



1 **Sec. 23.** This act becomes effective upon passage and
2 approval.

③⑩

