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A.B. 472

ASSEMBLY BILL NO. 472—COMMITTEE ON
HEALTH AND HUMAN SERVICES

MARCH 25, 2019

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to insurance coverage of maternity and pediatric care. (BDR 57-812)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

CONTAINS UNFUNDED MANDATE (§ 13)
(NOT REQUESTED BY AFFECTED LOCAL GOVERNMENT)

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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; prohibiting an insurer from denying certain coverage for maternity and pediatric care based on the circumstances of conception; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law prohibits an individual or group insurance plan from denying
2 coverage or restricting benefits for any length of stay in a hospital in connection
3 with childbirth to less than 48 hours after a vaginal delivery or 96 hours after a
4 cesarean section, unless otherwise recommended by the American College of
5 Obstetricians and Gynecologists or the American Academy of Pediatrics. (NRS
6 689A.0425, 689B.520, 689C.194) **Sections 1, 3, 4, 6-9, 11 and 13-15** of this bill
7 prohibit any insurer, including Medicaid and insurance provided by state and local
8 governments for their employees, from denying or restricting a benefit, denying
9 coverage or continued coverage or engaging in certain other discriminatory actions
10 concerning a covered mother, her newborn infant or an attending provider of health
11 care based on the circumstances of conception. **Sections 2, 5, 10 and 12** of this bill
12 make conforming changes.



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

Section 1. Chapter 689A of NRS is hereby amended by adding thereto a new section to read as follows:

An insurer that offers or issues a policy of health insurance that includes coverage for maternity care and pediatric care shall not, based on the circumstances of conception, including, without limitation, surrogacy:

1. Deny or restrict a benefit for a covered mother or her newborn infant;

2. Deny coverage or continued coverage to a covered mother or her newborn infant;

3. Adjust a premium, deductible, copayment or coinsurance;

4. Penalize, or otherwise reduce or limit, the reimbursement of an attending provider of health care; or

5. Otherwise discriminate against a covered mother, her newborn infant or an attending provider of health care.

Sec. 2. NRS 689A.330 is hereby amended to read as follows:

689A.330 If any policy is issued by a domestic insurer for delivery to a person residing in another state, and if the insurance commissioner or corresponding public officer of that other state has informed the Commissioner that the policy is not subject to approval or disapproval by that officer, the Commissioner may by ruling require that the policy meet the standards set forth in NRS 689A.030 to 689A.320, inclusive **H**, and section 1 of this act.

Sec. 3. Chapter 689B of NRS is hereby amended by adding thereto a new section to read as follows:

An insurer that offers or issues a policy of group health insurance that includes coverage for maternity care and pediatric care shall not, based on the circumstances of conception, including, without limitation, surrogacy:

1. Deny or restrict a benefit for a covered mother or her newborn infant;

2. Deny coverage or continued coverage to a covered mother or her newborn infant;

3. Adjust a premium, deductible, copayment or coinsurance;

4. Penalize, or otherwise reduce or limit, the reimbursement of an attending provider of health care; or

5. Otherwise discriminate against a covered mother, her newborn infant or an attending provider of health care.

Sec. 4. Chapter 689C of NRS is hereby amended by adding thereto a new section to read as follows:

A carrier that offers or issues a health benefit plan that includes coverage for maternity care and pediatric care shall not,



1 *based on the circumstances of conception, including, without*
2 *limitation, surrogacy:*

3 1. *Deny or restrict a benefit for a covered mother or her*
4 *newborn infant;*

5 2. *Deny coverage or continued coverage to a covered mother*
6 *or her newborn infant;*

7 3. *Adjust a premium, deductible, copayment or coinsurance;*

8 4. *Penalize, or otherwise reduce or limit, the reimbursement*
9 *of an attending provider of health care; or*

10 5. *Otherwise discriminate against a covered mother, her*
11 *newborn infant or an attending provider of health care.*

12 **Sec. 5.** NRS 689C.425 is hereby amended to read as follows:

13 689C.425 A voluntary purchasing group and any contract
14 issued to such a group pursuant to NRS 689C.360 to 689C.600,
15 inclusive, are subject to the provisions of NRS 689C.015 to
16 689C.355, inclusive, *and section 4 of this act* to the extent
17 applicable and not in conflict with the express provisions of NRS
18 687B.408 and 689C.360 to 689C.600, inclusive.

19 **Sec. 6.** Chapter 695A of NRS is hereby amended by adding
20 thereto a new section to read as follows:

21 *A society that offers or issues a benefit contract that includes*
22 *coverage for maternity care and pediatric care shall not, based on*
23 *the circumstances of conception, including, without limitation,*
24 *surrogacy:*

25 1. *Deny or restrict a benefit for a covered mother or her*
26 *newborn infant;*

27 2. *Deny coverage or continued coverage to a covered mother*
28 *or her newborn infant;*

29 3. *Adjust a premium, deductible, copayment or coinsurance;*

30 4. *Penalize, or otherwise reduce or limit, the reimbursement*
31 *of an attending provider of health care; or*

32 5. *Otherwise discriminate against a covered mother, her*
33 *newborn infant or an attending provider of health care.*

34 **Sec. 7.** Chapter 695B of NRS is hereby amended by adding
35 thereto a new section to read as follows:

36 *An insurer that offers or issues a contract for hospital or*
37 *medical service that includes coverage for maternity care and*
38 *pediatric care shall not, based on the circumstances of conception,*
39 *including, without limitation, surrogacy:*

40 1. *Deny or restrict a benefit for a covered mother or her*
41 *newborn infant;*

42 2. *Deny coverage or continued coverage to a covered mother*
43 *or her newborn infant;*

44 3. *Adjust a premium, deductible, copayment or coinsurance;*



4. *Penalize, or otherwise reduce or limit, the reimbursement of an attending provider of health care; or*

5. *Otherwise discriminate against a covered mother, her newborn infant or an attending provider of health care.*

Sec. 8. Chapter 695C of NRS is hereby amended by adding thereto a new section to read as follows:

A health maintenance organization that offers or issues a health care plan that includes coverage for maternity care and pediatric care shall not, based on the circumstances of conception, including, without limitation, surrogacy:

1. *Deny or restrict a benefit for a covered mother or her newborn infant;*

2. *Deny coverage or continued coverage to a covered mother or her newborn infant;*

3. *Adjust a premium, deductible, copayment or coinsurance;*

4. *Penalize, or otherwise reduce or limit, the reimbursement of an attending provider of health care; or*

5. *Otherwise discriminate against a covered mother, her newborn infant or an attending provider of health care.*

Sec. 9. NRS 695C.050 is hereby amended to read as follows:

695C.050 1. Except as otherwise provided in this chapter or in specific provisions of this title, the provisions of this title are not applicable to any health maintenance organization granted a certificate of authority under this chapter. This provision does not apply to an insurer licensed and regulated pursuant to this title except with respect to its activities as a health maintenance organization authorized and regulated pursuant to this chapter.

2. Solicitation of enrollees by a health maintenance organization granted a certificate of authority, or its representatives, must not be construed to violate any provision of law relating to solicitation or advertising by practitioners of a healing art.

3. Any health maintenance organization authorized under this chapter shall not be deemed to be practicing medicine and is exempt from the provisions of chapter 630 of NRS.

4. The provisions of NRS 695C.110, 695C.125, 695C.1691, 695C.1693, 695C.170, 695C.1703, 695C.1705, 695C.1709 to 695C.173, inclusive, 695C.1733, 695C.17335, 695C.1734, 695C.1751, 695C.1755, 695C.176 to 695C.200, inclusive, and 695C.265 do not apply to a health maintenance organization that provides health care services through managed care to recipients of Medicaid under the State Plan for Medicaid or insurance pursuant to the Children's Health Insurance Program pursuant to a contract with the Division of Health Care Financing and Policy of the Department of Health and Human Services. This subsection does not exempt a



1 health maintenance organization from any provision of this chapter
2 for services provided pursuant to any other contract.

3 5. The provisions of NRS 695C.1694 to 695C.1698, inclusive,
4 695C.1708, 695C.1731, 695C.17345, 695C.1735, 695C.1745 and
5 695C.1757 *and section 8 of this act* apply to a health maintenance
6 organization that provides health care services through managed
7 care to recipients of Medicaid under the State Plan for Medicaid.

8 **Sec. 10.** NRS 695C.330 is hereby amended to read as follows:

9 695C.330 1. The Commissioner may suspend or revoke any
10 certificate of authority issued to a health maintenance organization
11 pursuant to the provisions of this chapter if the Commissioner finds
12 that any of the following conditions exist:

13 (a) The health maintenance organization is operating
14 significantly in contravention of its basic organizational document,
15 its health care plan or in a manner contrary to that described in and
16 reasonably inferred from any other information submitted pursuant
17 to NRS 695C.060, 695C.070 and 695C.140, unless any amendments
18 to those submissions have been filed with and approved by the
19 Commissioner;

20 (b) The health maintenance organization issues evidence of
21 coverage or uses a schedule of charges for health care services
22 which do not comply with the requirements of NRS 695C.1691 to
23 695C.200, inclusive, *and section 8 of this act* or 695C.207;

24 (c) The health care plan does not furnish comprehensive health
25 care services as provided for in NRS 695C.060;

26 (d) The Commissioner certifies that the health maintenance
27 organization:

28 (1) Does not meet the requirements of subsection 1 of NRS
29 695C.080; or

30 (2) Is unable to fulfill its obligations to furnish health care
31 services as required under its health care plan;

32 (e) The health maintenance organization is no longer financially
33 responsible and may reasonably be expected to be unable to meet its
34 obligations to enrollees or prospective enrollees;

35 (f) The health maintenance organization has failed to put into
36 effect a mechanism affording the enrollees an opportunity to
37 participate in matters relating to the content of programs pursuant to
38 NRS 695C.110;

39 (g) The health maintenance organization has failed to put into
40 effect the system required by NRS 695C.260 for:

41 (1) Resolving complaints in a manner reasonably to dispose
42 of valid complaints; and

43 (2) Conducting external reviews of adverse determinations
44 that comply with the provisions of NRS 695G.241 to 695G.310,
45 inclusive;



(h) The health maintenance organization or any person on its behalf has advertised or merchandised its services in an untrue, misrepresentative, misleading, deceptive or unfair manner;

(i) The continued operation of the health maintenance organization would be hazardous to its enrollees or creditors or to the general public;

(j) The health maintenance organization fails to provide the coverage required by NRS 695C.1691; or

(k) The health maintenance organization has otherwise failed to comply substantially with the provisions of this chapter.

2. A certificate of authority must be suspended or revoked only after compliance with the requirements of NRS 695C.340.

3. If the certificate of authority of a health maintenance organization is suspended, the health maintenance organization shall not, during the period of that suspension, enroll any additional groups or new individual contracts, unless those groups or persons were contracted for before the date of suspension.

4. If the certificate of authority of a health maintenance organization is revoked, the organization shall proceed, immediately following the effective date of the order of revocation, to wind up its affairs and shall conduct no further business except as may be essential to the orderly conclusion of the affairs of the organization. It shall engage in no further advertising or solicitation of any kind. The Commissioner may, by written order, permit such further operation of the organization as the Commissioner may find to be in the best interest of enrollees to the end that enrollees are afforded the greatest practical opportunity to obtain continuing coverage for health care.

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

A managed care organization that offers or issues a health care plan that includes coverage for maternity care and pediatric care shall not, based on the circumstances of conception, including, without limitation, surrogacy:

1. Deny or restrict a benefit for a covered mother or her newborn infant;

2. Deny coverage or continued coverage to a covered mother or her newborn infant;

3. Adjust a premium, deductible, copayment or coinsurance;

4. Penalize, or otherwise reduce or limit, the reimbursement of an attending provider of health care; or

5. Otherwise discriminate against a covered mother, her newborn infant or an attending provider of health care.

Sec. 12. NRS 232.320 is hereby amended to read as follows:

232.320 1. The Director:



(a) Shall appoint, with the consent of the Governor, administrators of the divisions of the Department, who are respectively designated as follows:

(1) The Administrator of the Aging and Disability Services Division;

(2) The Administrator of the Division of Welfare and Supportive Services;

(3) The Administrator of the Division of Child and Family Services;

(4) The Administrator of the Division of Health Care Financing and Policy; and

(5) The Administrator of the Division of Public and Behavioral Health.

(b) Shall administer, through the divisions of the Department, the provisions of chapters 63, 424, 425, 427A, 432A to 442, inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, *and section 15 of this act*, 422.580, 432.010 to 432.133, inclusive, 432B.621 to 432B.626, inclusive, 444.002 to 444.430, inclusive, and 445A.010 to 445A.055, inclusive, and all other provisions of law relating to the functions of the divisions of the Department, but is not responsible for the clinical activities of the Division of Public and Behavioral Health or the professional line activities of the other divisions.

(c) Shall administer any state program for persons with developmental disabilities established pursuant to the Developmental Disabilities Assistance and Bill of Rights Act of 2000, 42 U.S.C. §§ 15001 et seq.

(d) Shall, after considering advice from agencies of local governments and nonprofit organizations which provide social services, adopt a master plan for the provision of human services in this State. The Director shall revise the plan biennially and deliver a copy of the plan to the Governor and the Legislature at the beginning of each regular session. The plan must:

(1) Identify and assess the plans and programs of the Department for the provision of human services, and any duplication of those services by federal, state and local agencies;

(2) Set forth priorities for the provision of those services;

(3) Provide for communication and the coordination of those services among nonprofit organizations, agencies of local government, the State and the Federal Government;

(4) Identify the sources of funding for services provided by the Department and the allocation of that funding;



(5) Set forth sufficient information to assist the Department in providing those services and in the planning and budgeting for the future provision of those services; and

(6) Contain any other information necessary for the Department to communicate effectively with the Federal Government concerning demographic trends, formulas for the distribution of federal money and any need for the modification of programs administered by the Department.

(e) May, by regulation, require nonprofit organizations and state and local governmental agencies to provide information regarding the programs of those organizations and agencies, excluding detailed information relating to their budgets and payrolls, which the Director deems necessary for the performance of the duties imposed upon him or her pursuant to this section.

(f) Has such other powers and duties as are provided by law.

2. Notwithstanding any other provision of law, the Director, or the Director's designee, is responsible for appointing and removing subordinate officers and employees of the Department, other than the State Public Defender of the Office of State Public Defender who is appointed pursuant to NRS 180.010.

Sec. 13. NRS 287.010 is hereby amended to read as follows:

287.010 1. The governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada may:

(a) Adopt and carry into effect a system of group life, accident or health insurance, or any combination thereof, for the benefit of its officers and employees, and the dependents of officers and employees who elect to accept the insurance and who, where necessary, have authorized the governing body to make deductions from their compensation for the payment of premiums on the insurance.

(b) Purchase group policies of life, accident or health insurance, or any combination thereof, for the benefit of such officers and employees, and the dependents of such officers and employees, as have authorized the purchase, from insurance companies authorized to transact the business of such insurance in the State of Nevada, and, where necessary, deduct from the compensation of officers and employees the premiums upon insurance and pay the deductions upon the premiums.

(c) Provide group life, accident or health coverage through a self-insurance reserve fund and, where necessary, deduct contributions to the maintenance of the fund from the compensation of officers and employees and pay the deductions into the fund. The money accumulated for this purpose through deductions from the



1 compensation of officers and employees and contributions of the
2 governing body must be maintained as an internal service fund as
3 defined by NRS 354.543. The money must be deposited in a state or
4 national bank or credit union authorized to transact business in the
5 State of Nevada. Any independent administrator of a fund created
6 under this section is subject to the licensing requirements of chapter
7 683A of NRS, and must be a resident of this State. Any contract
8 with an independent administrator must be approved by the
9 Commissioner of Insurance as to the reasonableness of
10 administrative charges in relation to contributions collected and
11 benefits provided. The provisions of NRS 687B.408, 689B.030 to
12 689B.050, inclusive, *and section 3 of this act* and 689B.287 apply
13 to coverage provided pursuant to this paragraph, except that the
14 provisions of NRS 689B.0378 and 689B.03785 only apply to
15 coverage for active officers and employees of the governing body,
16 or the dependents of such officers and employees.

17 (d) Defray part or all of the cost of maintenance of a self-
18 insurance fund or of the premiums upon insurance. The money for
19 contributions must be budgeted for in accordance with the laws
20 governing the county, school district, municipal corporation,
21 political subdivision, public corporation or other local governmental
22 agency of the State of Nevada.

23 2. If a school district offers group insurance to its officers and
24 employees pursuant to this section, members of the board of trustees
25 of the school district must not be excluded from participating in the
26 group insurance. If the amount of the deductions from compensation
27 required to pay for the group insurance exceeds the compensation to
28 which a trustee is entitled, the difference must be paid by the trustee.

29 3. In any county in which a legal services organization exists,
30 the governing body of the county, or of any school district,
31 municipal corporation, political subdivision, public corporation or
32 other local governmental agency of the State of Nevada in the
33 county, may enter into a contract with the legal services
34 organization pursuant to which the officers and employees of the
35 legal services organization, and the dependents of those officers and
36 employees, are eligible for any life, accident or health insurance
37 provided pursuant to this section to the officers and employees, and
38 the dependents of the officers and employees, of the county, school
39 district, municipal corporation, political subdivision, public
40 corporation or other local governmental agency.

41 4. If a contract is entered into pursuant to subsection 3, the
42 officers and employees of the legal services organization:

43 (a) Shall be deemed, solely for the purposes of this section, to be
44 officers and employees of the county, school district, municipal
45 corporation, political subdivision, public corporation or other local



1 governmental agency with which the legal services organization has
2 contracted; and

3 (b) Must be required by the contract to pay the premiums or
4 contributions for all insurance which they elect to accept or of which
5 they authorize the purchase.

6 5. A contract that is entered into pursuant to subsection 3:

7 (a) Must be submitted to the Commissioner of Insurance for
8 approval not less than 30 days before the date on which the contract
9 is to become effective.

10 (b) Does not become effective unless approved by the
11 Commissioner.

12 (c) Shall be deemed to be approved if not disapproved by the
13 Commissioner within 30 days after its submission.

14 6. As used in this section, "legal services organization" means
15 an organization that operates a program for legal aid and receives
16 money pursuant to NRS 19.031.

17 **Sec. 14.** NRS 287.04335 is hereby amended to read as
18 follows:

19 287.04335 If the Board provides health insurance through a
20 plan of self-insurance, it shall comply with the provisions of NRS
21 687B.409, 689B.255, 695G.150, 695G.160, 695G.162, 695G.164,
22 695G.1645, 695G.1665, 695G.167, 695G.170 to 695G.173,
23 inclusive, 695G.177, 695G.200 to 695G.230, inclusive, 695G.241 to
24 695G.310, inclusive, *and section 11 of this act* and 695G.405, in the
25 same manner as an insurer that is licensed pursuant to title 57 of
26 NRS is required to comply with those provisions.

27 **Sec. 15.** Chapter 422 of NRS is hereby amended by adding
28 thereto a new section to read as follows:

29 *The Director shall include in the State Plan for*
30 *Medicaid a provision prohibiting the State from, based on the*
31 *circumstances of conception, including, without limitation,*
32 *surrogacy:*

33 *1. Denying or restricting a benefit for a covered mother or*
34 *her newborn infant;*

35 *2. Denying coverage or continued coverage to a covered*
36 *mother or her newborn infant;*

37 *3. Adjusting a premium, deductible, copayment or*
38 *coinsurance;*

39 *4. Penalizing, or otherwise reducing or limiting, the*
40 *reimbursement of an attending provider of health care; or*

41 *5. Otherwise discriminating against a covered mother, her*
42 *newborn infant or an attending provider of health care.*

43 **Sec. 16.** The provisions of NRS 354.599 do not apply to any
44 additional expenses of a local government that are related to the
45 provisions of this act.



1 **Sec. 17.** This act becomes effective on July 1, 2019.

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