

ASSEMBLY BILL NO. 277—ASSEMBLYMEN DURAN, FLORES,  
TORRES, GONZÁLEZ; CONSIDINE, SUMMERS-ARMSTRONG  
AND THOMAS

MARCH 15, 2021

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing insurance.  
(BDR 57-984)

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; requiring the amount paid by an insurance company for the coverage of certain medical expenses resulting from the crash of a passenger car to be based on the actual charges incurred; providing that an insured person may request that certain payments made to the insured person be deposited to the trust account maintained by the attorney of the insured person; revising provisions relating to the exchange of medical and insurance information by certain persons involved in a claim for personal injury asserted under a policy of insurance covering certain motor vehicles and motorcycles; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Existing law requires insurance companies transacting motor vehicle insurance  
2 in this State to offer to insured persons the option of purchasing coverage in an  
3 amount of at least \$1,000 for the payment of reasonable and necessary medical  
4 expense resulting from a crash. Under existing law, this option only applies to  
5 policies that cover passenger cars. (NRS 687B.145) If an insured person purchases  
6 this option, **section 1** of this bill requires that the amount paid by the insurance  
7 company to cover medical expenses resulting from the crash of a passenger car be  
8 based on the actual charges incurred. **Section 1** defines “actual charges incurred” to  
9 mean the charges that a provider of health care would bill an uninsured patient in  
10 the locality where the medical expenses were incurred. Finally, **section 1** provides  
11 that any such payment made to an insured person by the insurance company may be  
12 deposited to the trust account maintained by the attorney of the insured person



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under certain circumstances. **Section 1** provides that such a deposit to a trust account can only occur if the insured person requests in writing that payment be deposited to the trust account.

**Section 2** of this bill requires the insurer of a party against whom a claim is asserted for personal injury under a policy of motor vehicle insurance covering a passenger car or a motorcycle to immediately disclose to the claimant all pertinent facts or provisions of the policy relating to any coverage at issue, including policy limits. **Section 2** requires an insurer to disclose policy limits by certain means. **Section 2** requires the claimant or the claimant's attorney to provide to the party or the party's attorney and the insurer, not more than once every 90 days, all medical reports, records and bills concerning the claim. **Section 2** provides that in lieu of the claimant or the claimant's attorney providing such reports, records and bills, the claimant or the claimant's attorney may provide a written authorization to allow the party or the party's attorney and the insurer to receive the reports, records and bills from the claimant's provider of health care. If the reports, records and bills are provided pursuant to a written authorization, **section 2** authorizes the claimant or the claimant's attorney to request copies of all such reports, records and bills from the party, the party's attorney or the insurer.

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

**Section 1.** NRS 687B.145 is hereby amended to read as follows:

687B.145 1. Any policy of insurance or endorsement providing coverage under the provisions of NRS 690B.020 or other policy of casualty insurance may provide that if the insured has coverage available to the insured under more than one policy or provision of coverage, any recovery or benefits may equal but not exceed the higher of the applicable limits of the respective coverages, and the recovery or benefits must be prorated between the applicable coverages in the proportion that their respective limits bear to the aggregate of their limits. Any provision which limits benefits pursuant to this section must be in clear language and be prominently displayed in the policy, binder or endorsement. Any limiting provision is void if the named insured has purchased separate coverage on the same risk and has paid a premium calculated for full reimbursement under that coverage.

2. Except as otherwise provided in subsection 5, insurance companies transacting motor vehicle insurance in this State must offer, on a form approved by the Commissioner, uninsured and underinsured vehicle coverage in an amount equal to the limits of coverage for bodily injury sold to an insured under a policy of insurance covering the use of a passenger car. The insurer is not required to reoffer the coverage to the insured in any replacement, reinstatement, substitute or amended policy, but the insured may purchase the coverage by requesting it in writing from the insurer.



Each renewal must include a copy of the form offering such coverage. Uninsured and underinsured vehicle coverage must include a provision which enables the insured to recover up to the limits of the insured's own coverage any amount of damages for bodily injury from the insured's insurer which the insured is legally entitled to recover from the owner or operator of the other vehicle to the extent that those damages exceed the limits of the coverage for bodily injury carried by that owner or operator. If an insured suffers actual damages subject to the limitation of liability provided pursuant to NRS 41.035, underinsured vehicle coverage must include a provision which enables the insured to recover up to the limits of the insured's own coverage any amount of damages for bodily injury from the insured's insurer for the actual damages suffered by the insured that exceed that limitation of liability.

3. An insurance company transacting motor vehicle insurance in this State must offer an insured under a policy covering the use of a passenger car, the option of purchasing coverage in an amount of at least \$1,000 for the payment of reasonable and necessary medical expenses resulting from a crash. The offer must be made on a form approved by the Commissioner. The insurer is not required to reoffer the coverage to the insured in any replacement, reinstatement, substitute or amended policy, but the insured may purchase the coverage by requesting it in writing from the insurer. Each renewal must include a copy of the form offering such coverage. *If an insured purchases coverage in an amount of at least \$1,000 for the payment of reasonable and necessary medical expenses resulting from a crash and an applicable claimant seeks the payment of reasonable and necessary medical expenses resulting from a crash, the amount paid by the insurance company must be based on the actual charges incurred. If the claimant is represented by an attorney, any payment made to the claimant pursuant to this section may be deposited to the trust account maintained by the attorney of the claimant if the claimant requests in writing that the payment be deposited to the trust account.*

4. An insurer who makes a payment to an injured person on account of underinsured vehicle coverage as described in subsection 2 is not entitled to subrogation against the underinsured motorist who is liable for damages to the injured payee. This subsection does not affect the right or remedy of an insurer under subsection 5 of NRS 690B.020 with respect to uninsured vehicle coverage. As used in this subsection, "damages" means the amount for which the underinsured motorist is alleged to be liable to the claimant in excess of the limits of bodily injury coverage set by the underinsured motorist's policy of casualty insurance.



5. An insurer need not offer, provide or make available uninsured or underinsured vehicle coverage in connection with a general commercial liability policy, an excess policy, an umbrella policy or other policy that does not provide primary motor vehicle insurance for liabilities arising out of the ownership, maintenance, operation or use of a specifically insured motor vehicle.

6. As used in this section:

(a) *“Actual charges incurred” means the charges that an applicable provider of health care would bill an uninsured patient for the applicable health care services. The term does not include charges which the provider of health care would bill based upon any discounts or reduced rates resulting from any:*

(1) *Policy of health insurance; or*

(2) *Payment rates or schedules for Medicare, Medicaid or any other similar public welfare program.*

(b) “Excess policy” means a policy that protects a person against loss in excess of a stated amount or in excess of coverage provided pursuant to another insurance contract.

~~[(b)]~~ (c) *“Health care services” has the meaning ascribed to it in NRS 695G.022.*

(d) “Passenger car” has the meaning ascribed to it in NRS 482.087.

~~[(e)]~~ (e) *“Provider of health care” has the meaning ascribed to it in NRS 629.031.*

(f) “Umbrella policy” means a policy that protects a person against losses in excess of the underlying amount required to be covered by other policies.

**Sec. 2.** NRS 690B.024 is hereby amended to read as follows:

690B.024 1. ~~[(Any)]~~ *The insurer of any party against whom a claim is asserted for compensation or damages for ~~[(any mental or physical)]~~ personal injury under a policy of motor vehicle insurance ~~[(may require)]~~ covering a passenger car or motorcycle shall immediately disclose to the claimant all pertinent facts or provisions of the policy relating to any coverage at issue, including, without limitation, policy limits. An insurer shall disclose policy limits by sending to the electronic mail address or mailing to the postal address of the claimant or any attorney representing the claimant a copy of the policy, including, without limitation, the declarations page of the policy.*

↪ *The insurer may redact personal and private information from the declarations page of the policy.*

2. *Except as otherwise provided in this subsection, the claimant or any attorney representing the claimant ~~[(to)]~~ shall provide to the party or any attorney of the party and to the insurer of the party, not more than once every 90 days, all medical reports,*



1 *records and bills concerning the claim. In lieu of providing*  
2 *medical reports, records and bills pursuant to this subsection, the*  
3 *claimant or any attorney representing the claimant may provide to*  
4 *the party or any attorney of the party and to the insurer* a written  
5 authorization to receive ~~{all}~~ *the* medical reports, records and bills  
6 ~~{related to the claim}~~ from the ~~{providers}~~ *provider* of health care.  
7 ~~{An authorization so provided may not be revoked without cause.~~

8 ~~—2.}~~ 3. At the written request of the claimant or the attorney of  
9 the claimant, copies of all medical reports, records and bills  
10 obtained by a written authorization pursuant to subsection ~~{4}~~ 2  
11 must be provided to the claimant or the attorney of the claimant  
12 within 30 days after the date they are received by the party, any  
13 attorney of the party or the insurer. If the claimant or the attorney of  
14 the claimant makes a written request for the medical reports, records  
15 and bills, the claimant or the attorney of the claimant shall pay for  
16 the reasonable costs of copying the medical reports, records and  
17 bills.

18 ~~{3. Within 10 days after receipt of a written authorization~~  
19 ~~pursuant to subsection 1, the insurer who issued the policy specified~~  
20 ~~in subsection 1 shall, upon request, provide the claimant or any~~  
21 ~~attorney representing the claimant with all pertinent facts or~~  
22 ~~provisions of the policy relating to any coverage at issue, including~~  
23 ~~policy limits.}~~

24 4. ~~{The provisions of subsections 1, 2 and 3 cease to apply~~  
25 ~~upon the commencement of an action in court arising from a claim~~  
26 ~~asserted under a policy of motor vehicle insurance.~~

27 ~~—5.}~~ As used in this section ~~{, “provider”}~~ :

28 (a) *“Motorcycle” has the meaning ascribed to it in*  
29 *NRS 482.070.*

30 (b) *“Passenger car” has the meaning ascribed to it in*  
31 *NRS 482.087.*

32 (c) *“Provider of health care” has the meaning ascribed to it in*  
33 *NRS 629.031.*

