

Amendment No. 409

Senate Amendment to Senate Bill No. 290	(BDR 57-973)
Proposed by: Senate Committee on Commerce and Labor	
Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

Adoption of this amendment will MAINTAIN the unfunded mandate not requested by the affected local government to S.B. 290 (§ 12).
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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) variations of green bold underlining is language proposed to be added 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 proposed to be retained in this amendment.

EWR/BJF



Date: 4/14/2021

S.B. No. 290—Enacts provisions relating to prescription drugs for the treatment of cancer. (BDR 57-973)



SENATE BILL NO. 290—SENATOR LANGE

MARCH 22, 2021

Referred to Committee on Commerce and Labor

SUMMARY—Enacts provisions relating to prescription drugs for the treatment of cancer. (BDR 57-973)

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

CONTAINS UNFUNDED MANDATE (§ 12)
(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; requiring ~~{an insurer}~~ certain insurers to allow a person who has been diagnosed with stage 3 or 4 cancer and is covered by the insurer to apply for an exemption from required step therapy for certain drugs; requiring ~~{an insurer}~~ such insurers to grant such an exemption in certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires local governments that provide health coverage for employees through a self-insurance reserve fund, private sector employers who provide health benefits for their employees, insurers who issue individual or group health policies, medical services corporations and health maintenance organizations to cover certain prescription drugs for the treatment of cancer. (NRS 287.010, 608.1555, 689A.0404, 689B.0365, 695B.1908, 695C.1733) **Sections 1, 3, 4, 6-8, 11, 12 and 13** of this bill require all health insurers, including ~~{Medicaid and}~~ public and private sector employers that provide health benefits for their employees ~~{,}~~ but excluding Medicaid, to allow a covered person who has been diagnosed with stage 3 or 4 cancer or the attending practitioner of such a covered person to apply for an exemption from step therapy that would otherwise be required for a prescription drug in the formulary of the insurer to treat the cancer or any symptom thereof of the covered person. **Sections 1, 3, 4, 6-8, 11, 12 and 13** require an insurer to: (1) grant such an exemption in certain circumstances; and (2) post ~~{certain information about the application process}~~ a form for applying for such an exemption in an easily accessible location on the Internet website of the insurer. **Sections 2, 4 and 5** ~~{, 9, 15 and 16}~~ of this bill make conforming changes to indicate the placement of **sections 1, 4 and 4** ~~{, 8 and 14}~~ in the Nevada Revised Statutes. **Sections 9 and 11.5 of this bill exempt from the provisions of sections 8 and 11, respectively, a health maintenance organization or other managed care organization that provides health care services to recipients of Medicaid under the State Plan for Medicaid or insurance pursuant to the Children's Health Insurance Program.** **Section 10** of this bill authorizes the Commissioner of Insurance to suspend or revoke the certificate of a health maintenance organization that fails to comply with the requirements of **section 8**. The Commissioner is also authorized to take such action against

other health insurers who fail to comply with the requirements of sections 1, 3, 4, 6, 7 and 11 of this bill. (NRS 680A.200)

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:

1. ~~1. Except as otherwise provided in subsection 9, an insurer that offers or issues a policy of health insurance which provides coverage of a prescription drug for the treatment of cancer or any symptom of cancer that is part of a step therapy protocol shall allow an insured who has been diagnosed with stage 3 or 4 cancer or the attending practitioner of the insured to apply for an exemption from the step therapy protocol. The application process for such an exemption must:~~

(a) Allow the insured or attending practitioner, or a designated advocate for the insured or attending practitioner, to present to the insurer the clinical rationale for the exemption and any relevant medical information.

(b) Clearly prescribe the information and supporting documentation that must be submitted with the application, the criteria that will be used to evaluate the request and the conditions under which an expedited determination pursuant to subsection 4 is warranted.

(c) Require the review of each application by at least one physician ~~who specializes in oncology~~, registered nurse or pharmacist.

2. The information and supporting documentation required pursuant to paragraph (b) of subsection 1:

(a) May include, without limitation:

(I) The medical history or other health records of the insured demonstrating that the insured has:

(I) Tried other drugs included in the pharmacological class of drugs for which the exemption is requested without success; or

(II) Taken the requested drug for a clinically appropriate amount of time to establish stability in relation to the cancer and the guidelines of the prescribing practitioner; and

(2) Any other relevant clinical information.

(b) Must not include any information or supporting documentation that is not necessary to make a determination about the application.

3. Except as otherwise provided in subsection 4, an insurer that receives an application for an exemption pursuant to subsection 1 shall:

(a) Make a determination concerning the application if the application is complete or request additional information or documentation necessary to complete the application not later than 72 hours after receiving the application; and

(b) If it requests additional information or documentation, make a determination concerning the application not later than 72 hours after receiving the requested information or documentation.

4. If, in the opinion of the attending practitioner, a step therapy protocol may seriously jeopardize the life or health of the insured, an insurer that receives an application for an exemption pursuant to subsection 1 must ~~+~~

~~(a) Except as otherwise provided in paragraphs (b) and (c), make an expedited determination concerning the application not later than 24 hours after receiving the application or, if additional information or documentation is necessary to make the determination, request such information or documentation within 24 hours after receiving the application;~~

~~(b) If it requests additional information or documentation, make the determination not later than 24 hours after receiving the additional information or documentation; and~~

~~(c) In any case, make a determination concerning the application as expeditiously as necessary to avoid serious jeopardy to the life or health of the insured.~~

5. An insurer shall disclose to the insured or attending practitioner who submits an application for an exemption from a step therapy protocol pursuant to subsection 1 the name and qualifications of each person who will review the application.

6. An insurer must grant an exemption from a step therapy protocol in response to an application submitted pursuant to subsection 1 if:

(a) Any treatment otherwise required under the step therapy or any drug in the same pharmacological class or having the same mechanism of action as the drug for which the exemption is requested has not been effective at treating the cancer or symptom of the insured when prescribed in accordance with clinical indications, clinical guidelines or other peer-reviewed evidence;

(b) Delay of effective treatment would have severe or irreversible consequences for the insured and the treatment otherwise required under the step therapy is not reasonably expected to be effective based on the physical or mental characteristics of the insured and the known characteristics of the treatment;

(c) Each treatment otherwise required under the step therapy:

(1) Is contraindicated for the insured or has caused or is likely, based on peer-reviewed clinical evidence, to cause an adverse reaction or other physical harm to the insured; or

(2) Has prevented or is likely to prevent the insured from performing the responsibilities of his or her occupation or engaging in activities of daily living, as defined in 42 C.F.R. § 441.505;

(d) The condition of the insured is stable while being treated with the prescription drug for which the exemption is requested and the insured has previously received approval for coverage of that drug; or

(e) Any other condition for which such an exemption is required by regulation of the Commissioner is met.

7. If an insurer approves an application for an exemption from a step therapy protocol pursuant to this section, the insurer must cover the prescription drug to which the exemption applies in accordance with the terms of the applicable policy of health insurance. The insurer may initially limit the coverage to a 1-week supply of the drug for which the exemption is granted. If the attending practitioner determines after 1 week that the drug is effective at treating the cancer or symptom for which it was prescribed, the insurer must continue to cover the drug for as long as it is necessary to treat the insured for the cancer or symptom. The insurer may conduct a review not more frequently than once each quarter to determine, in accordance with available medical evidence, whether the drug remains necessary to treat the insured for the cancer or symptom. The insurer shall provide a report of the review to the insured.

8. An insurer shall post in an easily accessible location on an Internet website maintained by the insurer ~~+~~

~~(a) The procedure to apply for an exemption from a step therapy protocol pursuant to this section, any forms prescribed by the insurer for the submission of such an application and a list of any supporting information or documentation that must be included in such an application; and~~

~~(b) The contact information of any person that an insured or attending practitioner who submits an application for exemption from a step therapy protocol pursuant to this section is required to contact concerning the application or may contact for assistance in completing and submitting the application.] a form for requesting an exemption pursuant to this section.~~

9. If a policy of health insurance uses a formulary, the insurer is not required to allow an insured to apply for an exemption from a step therapy protocol pursuant to this section for a drug that is not included in the formulary.

10. A policy of health insurance subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after October 1, 2021, has the legal effect of including the coverage required by this section, and any provision of the policy that conflicts with this section is void.

~~10.~~ 11. As used in this section, "attending practitioner" means the practitioner, as defined in NRS 639.0125, who has primary responsibility for the treatment of the cancer or any symptom of such cancer of an insured.

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 ~~10~~, 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:

1. ~~10.~~ Except as otherwise provided in subsection 9, an insurer that offers or issues a policy of group health insurance which provides coverage of a prescription drug for the treatment of cancer or any symptom of cancer that is part of a step therapy protocol shall allow an insured who has been diagnosed with stage 3 or 4 cancer or the attending practitioner of the insured to apply for an exemption from the step therapy protocol. The application process for such an exemption must:

(a) Allow the insured or attending practitioner, or a designated advocate for the insured or attending practitioner, to present to the insurer the clinical rationale for the exemption and any relevant medical information.

(b) Clearly prescribe the information and supporting documentation that must be submitted with the application, the criteria that will be used to evaluate the request and the conditions under which an expedited determination pursuant to subsection 4 is warranted.

(c) Require the review of each application by at least one physician ~~who specializes in oncology~~, registered nurse or pharmacist.

2. The information and supporting documentation required pursuant to paragraph (b) of subsection 1:

(a) May include, without limitation:

(1) The medical history or other health records of the insured demonstrating that the insured has:

(1) Tried other drugs included in the pharmacological class of drugs for which the exemption is requested without success; or

1 (II) Taken the requested drug for a clinically appropriate amount of
2 time to establish stability in relation to the cancer and the guidelines of the
3 prescribing practitioner; and

4 (2) Any other relevant clinical information.

5 (b) Must not include any information or supporting documentation that is
6 not necessary to make a determination about the application.

7 3. Except as otherwise provided in subsection 4, an insurer that receives an
8 application for an exemption pursuant to subsection 1 shall:

9 (a) Make a determination concerning the application if the application is
10 complete or request additional information or documentation necessary to
11 complete the application not later than 72 hours after receiving the application;
12 and

13 (b) If it requests additional information or documentation, make a
14 determination concerning the application not later than 72 hours after receiving
15 the requested information or documentation.

16 4. If, in the opinion of the attending practitioner, a step therapy protocol
17 may seriously jeopardize the life or health of the insured, an insurer that receives
18 an application for an exemption pursuant to subsection 1 must ~~fr~~

19 ~~—(a) Except as otherwise provided in paragraphs (b) and (c), make an~~
20 ~~expedited determination concerning the application not later than 24 hours after~~
21 ~~receiving the application or if additional information or documentation is~~
22 ~~necessary to make the determination, request such information or documentation~~
23 ~~within 24 hours after receiving the application;~~

24 ~~—(b) If it requests additional information or documentation, make the~~
25 ~~determination not later than 24 hours after receiving the additional information~~
26 ~~or documentation; and~~

27 ~~—(c) In any case,} make a determination concerning the application as~~
28 ~~expeditiously as necessary to avoid serious jeopardy to the life or health of the~~
29 ~~insured.~~

30 5. An insurer shall disclose to the insured or attending practitioner who
31 submits an application for an exemption from a step therapy protocol pursuant to
32 subsection 1 the name and qualifications of each person who will review the
33 application.

34 6. An insurer must grant an exemption from a step therapy protocol in
35 response to an application submitted pursuant to subsection 1 if:

36 (a) Any treatment otherwise required under the step therapy or any drug in
37 the same pharmacological class or having the same mechanism of action as the
38 drug for which the exemption is requested has not been effective at treating the
39 cancer or symptom of the insured when prescribed in accordance with clinical
40 indications, clinical guidelines or other peer-reviewed evidence;

41 (b) Delay of effective treatment would have severe or irreversible
42 consequences for the insured and the treatment otherwise required under the step
43 therapy is not reasonably expected to be effective based on the physical or mental
44 characteristics of the insured and the known characteristics of the treatment;

45 (c) Each treatment otherwise required under the step therapy:

46 (1) Is contraindicated for the insured or has caused or is likely, based on
47 peer-reviewed clinical evidence, to cause an adverse reaction or other physical
48 harm to the insured; or

49 (2) Has prevented or is likely to prevent the insured from performing the
50 responsibilities of his or her occupation or engaging in activities of daily living,
51 as defined in 42 C.F.R. § 441.505;

(d) The condition of the insured is stable while being treated with the prescription drug for which the exemption is requested and the insured has previously received approval for coverage of that drug; or

(e) Any other condition for which such an exemption is required by regulation of the Commissioner is met.

7. If an insurer approves an application for an exemption from a step therapy protocol pursuant to this section, the insurer must cover the prescription drug to which the exemption applies in accordance with the terms of the applicable policy of group health insurance. The insurer may initially limit the coverage to a 1-week supply of the drug for which the exemption is granted. If the attending practitioner determines after 1 week that the drug is effective at treating the cancer or symptom for which it was prescribed, the insurer must continue to cover the drug for as long as it is necessary to treat the insured for the cancer or symptom. The insurer may conduct a review not more frequently than once each quarter to determine, in accordance with available medical evidence, whether the drug remains necessary to treat the insured for the cancer or symptom. The insurer shall provide a report of the review to the insured.

8. An insurer shall post in an easily accessible location on an Internet website maintained by the insurer ~~the~~

~~—(a) The procedure to apply for an exemption from a step therapy protocol pursuant to this section, any forms prescribed by the insurer for the submission of such an application and a list of any supporting information or documentation that must be included in such an application; and~~

~~—(b) The contact information of any person that an insured or attending practitioner who submits an application for exemption from a step therapy protocol pursuant to this section is required to contact concerning the application or may contact for assistance in completing and submitting the application.] a form for requesting an exemption pursuant to this section.~~

9. If a policy of group health insurance uses a formulary, the insurer is not required to allow an insured to apply for an exemption from a step therapy protocol pursuant to this section for a drug that is not included in the formulary.

10. A policy of group health insurance subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after October 1, 2021, has the legal effect of including the coverage required by this section, and any provision of the policy that conflicts with this section is void.

~~10.~~ 11. As used in this section, “attending practitioner” means the practitioner, as defined in NRS 639.0125, who has primary responsibility for the treatment of the cancer or any symptom of such cancer of an insured.

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

1. ~~1.~~ Except as otherwise provided in subsection 9, a carrier that offers or issues a health benefit plan which provides coverage of a prescription drug for the treatment of cancer or any symptom of cancer that is part of a step therapy protocol shall allow an insured who has been diagnosed with stage 3 or 4 cancer or the attending practitioner of the insured to apply for an exemption from the step therapy protocol. The application process for such an exemption must:

(a) Allow the insured or attending practitioner, or a designated advocate for the insured or attending practitioner, to present to the carrier the clinical rationale for the exemption and any relevant medical information.

(b) Clearly prescribe the information and supporting documentation that must be submitted with the application, the criteria that will be used to evaluate the request and the conditions under which an expedited determination pursuant to subsection 4 is warranted.

1 (c) ~~Require the review of each application by at least one physician [who~~
2 ~~specializes in oncology],~~ registered nurse or pharmacist.

3 2. The information and supporting documentation required pursuant to
4 paragraph (b) of subsection 1:

5 (a) May include, without limitation:

6 (I) The medical history or other health records of the insured
7 demonstrating that the insured has:

8 (i) Tried other drugs included in the pharmacological class of drugs
9 for which the exemption is requested without success; or

10 (II) Taken the requested drug for a clinically appropriate amount of
11 time to establish stability in relation to the cancer and the guidelines of the
12 prescribing practitioner; and

13 (2) Any other relevant clinical information.

14 (b) Must not include any information or supporting documentation that is
15 not necessary to make a determination about the application.

16 3. Except as otherwise provided in subsection 4, a carrier that receives an
17 application for an exemption pursuant to subsection 1 shall:

18 (a) Make a determination concerning the application if the application is
19 complete or request additional information or documentation necessary to
20 complete the application not later than 72 hours after receiving the application;
21 and

22 (b) If it requests additional information or documentation, make a
23 determination concerning the application not later than 72 hours after receiving
24 the requested information or documentation.

25 4. If, in the opinion of the attending practitioner, a step therapy protocol
26 may seriously jeopardize the life or health of the insured, a carrier that receives
27 an application for an exemption pursuant to subsection 1 must ~~if~~

28 ~~— (a) Except as otherwise provided in paragraphs (b) and (c), make an~~
29 ~~expedited determination concerning the application not later than 24 hours after~~
30 ~~receiving the application or, if additional information or documentation is~~
31 ~~necessary to make the determination, request such information or documentation~~
32 ~~within 24 hours after receiving the application;~~

33 ~~— (b) If it requests additional information or documentation, make the~~
34 ~~determination not later than 24 hours after receiving the additional information~~
35 ~~or documentation; and~~

36 ~~— (c) In any case, make a determination concerning the application as~~
37 ~~expeditiously as necessary to avoid serious jeopardy to the life or health of the~~
38 ~~insured.~~

39 5. A carrier shall disclose to the insured or attending practitioner who
40 submits an application for an exemption from a step therapy protocol pursuant to
41 subsection 1 the name and qualifications of each person who will review the
42 application.

43 6. A carrier must grant an exemption from a step therapy protocol in
44 response to an application submitted pursuant to subsection 1 if:

45 (a) Any treatment otherwise required under the step therapy or any drug in
46 the same pharmacological class or having the same mechanism of action as the
47 drug for which the exemption is requested has not been effective at treating the
48 cancer or symptom of the insured when prescribed in accordance with clinical
49 indications, clinical guidelines or other peer-reviewed evidence;

50 (b) Delay of effective treatment would have severe or irreversible
51 consequences for the insured and the treatment otherwise required under the step
52 therapy is not reasonably expected to be effective based on the physical or mental
53 characteristics of the insured and the known characteristics of the treatment;

(c) Each treatment otherwise required under the step therapy:

(1) Is contraindicated for the insured or has caused or is likely, based on peer-reviewed clinical evidence, to cause an adverse reaction or other physical harm to the insured; or

(2) Has prevented or is likely to prevent the insured from performing the responsibilities of his or her occupation or engaging in activities of daily living, as defined in 42 C.F.R. § 441.505;

(d) The condition of the insured is stable while being treated with the prescription drug for which the exemption is requested and the insured has previously received approval for coverage of that drug; or

(e) Any other condition for which such an exemption is required by regulation of the Commissioner is met.

7. If a carrier approves an application for an exemption from a step therapy protocol pursuant to this section, the carrier must cover the prescription drug to which the exemption applies in accordance with the terms of the applicable health benefit plan. The carrier may initially limit the coverage to a 1-week supply of the drug for which the exemption is granted. If the attending practitioner determines after 1 week that the drug is effective at treating the cancer or symptom for which it was prescribed, the carrier must continue to cover the drug for as long as it is necessary to treat the insured for the cancer or symptom. The carrier may conduct a review not more frequently than once each quarter to determine, in accordance with available medical evidence, whether the drug remains necessary to treat the insured for the cancer or symptom. The carrier shall provide a report of the review to the insured.

8. A carrier shall post in an easily accessible location on an Internet website maintained by the carrier ~~+~~

~~— (a) The procedure to apply for an exemption from a step therapy protocol pursuant to this section, any forms prescribed by the carrier for the submission of such an application and a list of any supporting information or documentation that must be included in such an application; and~~

~~— (b) The contact information of any person that an insured or attending practitioner who submits an application for exemption from a step therapy protocol pursuant to this section is required to contact concerning the application or may contact for assistance in completing and submitting the application.] a form for requesting an exemption pursuant to this section.~~

9. If a health benefit plan uses a formulary, the carrier is not required to allow an insured to apply for an exemption from a step therapy protocol pursuant to this section for a drug that is not included in the formulary.

10. A health benefit plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after October 1, 2021, has the legal effect of including the coverage required by this section, and any provision of the policy that conflicts with this section is void.

~~10.~~ 11. As used in this section, “attending practitioner” means the practitioner, as defined in NRS 639.0125, who has primary responsibility for the treatment of the cancer or any symptom of such cancer of an insured.

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

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

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

3 1. ~~1.4~~ Except as otherwise provided in subsection 9, a society that offers or
4 issues a benefit contract which provides coverage of a prescription drug for the
5 treatment of cancer or any symptom of cancer that is part of a step therapy
6 protocol shall allow an insured who has been diagnosed with stage 3 or 4 cancer
7 or the attending practitioner of the insured to apply for an exemption from the
8 step therapy protocol. The application process for such an exemption must:

9 (a) Allow the insured or attending practitioner, or a designated advocate for
10 the insured or attending practitioner, to present to the society the clinical
11 rationale for the exemption and any relevant medical information.

12 (b) Clearly prescribe the information and supporting documentation that
13 must be submitted with the application, the criteria that will be used to evaluate
14 the request and the conditions under which an expedited determination pursuant
15 to subsection 4 is warranted.

16 (c) Require the review of each application by at least one physician ~~who~~
17 specializes in oncology, registered nurse or pharmacist.

18 2. The information and supporting documentation required pursuant to
19 paragraph (b) of subsection 1:

20 (a) May include, without limitation:

21 (I) The medical history or other health records of the insured
22 demonstrating that the insured has:

23 (I) Tried other drugs included in the pharmacological class of drugs
24 for which the exemption is requested without success; or

25 (II) Taken the requested drug for a clinically appropriate amount of
26 time to establish stability in relation to the cancer and the guidelines of the
27 prescribing practitioner; and

28 (2) Any other relevant clinical information.

29 (b) Must not include any information or supporting documentation that is
30 not necessary to make a determination about the application.

31 3. Except as otherwise provided in subsection 4, a society that receives an
32 application for an exemption pursuant to subsection 1 shall:

33 (a) Make a determination concerning the application if the application is
34 complete or request additional information or documentation necessary to
35 complete the application not later than 72 hours after receiving the application;
36 and

37 (b) If it requests additional information or documentation, make a
38 determination concerning the application not later than 72 hours after receiving
39 the requested information or documentation.

40 4. If, in the opinion of the attending practitioner, a step therapy protocol
41 may seriously jeopardize the life or health of the insured, a society that receives
42 an application for an exemption pursuant to subsection 1 must ~~1.4~~

43 ~~—(a) Except as otherwise provided in paragraphs (b) and (c), make an~~
44 ~~expedited determination concerning the application not later than 24 hours after~~
45 ~~receiving the application or, if additional information or documentation is~~
46 ~~necessary to make the determination, request such information or documentation~~
47 ~~within 24 hours after receiving the application;~~

48 ~~—(b) If it requests additional information or documentation, make the~~
49 ~~determination not later than 24 hours after receiving the additional information~~
50 ~~or documentation; and~~

51 ~~—(c) In any case, make a determination concerning the application as~~
52 ~~expeditiously as necessary to avoid serious jeopardy to the life or health of the~~
53 ~~insured.~~

5. A society shall disclose to the insured or attending practitioner who submits an application for an exemption from a step therapy protocol pursuant to subsection 1 the name and qualifications of each person who will review the application.

6. A society must grant an exemption from a step therapy protocol in response to an application submitted pursuant to subsection 1 if:

(a) Any treatment otherwise required under the step therapy or any drug in the same pharmacological class or having the same mechanism of action as the drug for which the exemption is requested has not been effective at treating the cancer or symptom of the insured when prescribed in accordance with clinical indications, clinical guidelines or other peer-reviewed evidence;

(b) Delay of effective treatment would have severe or irreversible consequences for the insured and the treatment otherwise required under the step therapy is not reasonably expected to be effective based on the physical or mental characteristics of the insured and the known characteristics of the treatment;

(c) Each treatment otherwise required under the step therapy:

(1) Is contraindicated for the insured or has caused or is likely, based on peer-reviewed clinical evidence, to cause an adverse reaction or other physical harm to the insured; or

(2) Has prevented or is likely to prevent the insured from performing the responsibilities of his or her occupation or engaging in activities of daily living, as defined in 42 C.F.R. § 441.505;

(d) The condition of the insured is stable while being treated with the prescription drug for which the exemption is requested and the insured has previously received approval for coverage of that drug; or

(e) Any other condition for which such an exemption is required by regulation of the Commissioner is met.

7. If a society approves an application for an exemption from a step therapy protocol pursuant to this section, the society must cover the prescription drug to which the exemption applies in accordance with the terms of the applicable benefit contract. The society may initially limit the coverage to a 1-week supply of the drug for which the exemption is granted. If the attending practitioner determines after 1 week that the drug is effective at treating the cancer or symptom for which it was prescribed, the society must continue to cover the drug for as long as it is necessary to treat the insured for the cancer or symptom. The society may conduct a review not more frequently than once each quarter to determine, in accordance with available medical evidence, whether the drug remains necessary to treat the insured for the cancer or symptom. The society shall provide a report of the review to the insured.

8. A society shall post in an easily accessible location on an Internet website maintained by the society ~~+~~

~~— (a) The procedure to apply for an exemption from a step therapy protocol pursuant to this section, any forms prescribed by the society for the submission of such an application and a list of any supporting information or documentation that must be included in such an application; and~~

~~— (b) The contact information of any person that an insured or attending practitioner who submits an application for exemption from a step therapy protocol pursuant to this section is required to contact concerning the application or may contact for assistance in completing and submitting the application.] a form for requesting an exemption pursuant to this section.~~

9. If a benefit contract uses a formulary, the society is not required to allow an insured to apply for an exemption from a step therapy protocol pursuant to this section for a drug that is not included in the formulary.

10. A benefit contract subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after October 1, 2021, has the legal effect of including the coverage required by this section, and any provision of the benefit contract that conflicts with this section is void.

~~10.~~ 11. As used in this section, "attending practitioner" means the practitioner, as defined in NRS 639.0125, who has primary responsibility for the treatment of the cancer or any symptom of such cancer of an insured.

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

1. ~~1.~~ Except as otherwise provided in subsection 9, a hospital or medical services corporation that offers or issues a policy of health insurance which provides coverage of a prescription drug for the treatment of cancer or any symptom of cancer that is part of a step therapy protocol shall allow an insured who has been diagnosed with stage 3 or 4 cancer or the attending practitioner of the insured to apply for an exemption from the step therapy protocol. The application process for such an exemption must:

(a) Allow the insured or attending practitioner, or a designated advocate for the insured or attending practitioner, to present to the a hospital or medical services corporation the clinical rationale for the exemption and any relevant medical information.

(b) Clearly prescribe the information and supporting documentation that must be submitted with the application, the criteria that will be used to evaluate the request and the conditions under which an expedited determination pursuant to subsection 4 is warranted.

(c) Require the review of each application by at least one physician ~~who specializes in oncology,~~ registered nurse or pharmacist.

2. The information and supporting documentation required pursuant to paragraph (b) of subsection 1:

(a) May include, without limitation:

(I) The medical history or other health records of the insured demonstrating that the insured has:

(I) Tried other drugs included in the pharmacological class of drugs for which the exemption is requested without success; or

(II) Taken the requested drug for a clinically appropriate amount of time to establish stability in relation to the cancer and the guidelines of the prescribing practitioner; and

(2) Any other relevant clinical information.

(b) Must not include any information or supporting documentation that is not necessary to make a determination about the application.

3. Except as otherwise provided in subsection 4, a hospital or medical services corporation that receives an application for an exemption pursuant to subsection 1 shall:

(a) Make a determination concerning the application if the application is complete or request additional information or documentation necessary to complete the application not later than 72 hours after receiving the application; and

(b) If it requests additional information or documentation, make a determination concerning the application not later than 72 hours after receiving the requested information or documentation.

4. If, in the opinion of the attending practitioner, a step therapy protocol may seriously jeopardize the life or health of the insured, a hospital or medical services corporation that receives an application for an exemption pursuant to subsection 1 must ~~+~~

~~(a) Except as otherwise provided in paragraphs (b) and (c), make an expedited determination concerning the application not later than 24 hours after receiving the application or, if additional information or documentation is necessary to make the determination, request such information or documentation within 24 hours after receiving the application;~~

~~(b) If it requests additional information or documentation, make the determination not later than 24 hours after receiving the additional information or documentation; and~~

~~(c) In any case, make a determination concerning the application as expeditiously as necessary to avoid serious jeopardy to the life or health of the insured.~~

5. A hospital or medical services corporation shall disclose to the insured or attending practitioner who submits an application for an exemption from a step therapy protocol pursuant to subsection 1 the name and qualifications of each person who will review the application.

6. A hospital or medical services corporation must grant an exemption from a step therapy protocol in response to an application submitted pursuant to subsection 1 if:

(a) Any treatment otherwise required under the step therapy or any drug in the same pharmacological class or having the same mechanism of action as the drug for which the exemption is requested has not been effective at treating the cancer or symptom of the insured when prescribed in accordance with clinical indications, clinical guidelines or other peer-reviewed evidence;

(b) Delay of effective treatment would have severe or irreversible consequences for the insured and the treatment otherwise required under the step therapy is not reasonably expected to be effective based on the physical or mental characteristics of the insured and the known characteristics of the treatment;

(c) Each treatment otherwise required under the step therapy:

(1) Is contraindicated for the insured or has caused or is likely, based on peer-reviewed clinical evidence, to cause an adverse reaction or other physical harm to the insured; or

(2) Has prevented or is likely to prevent the insured from performing the responsibilities of his or her occupation or engaging in activities of daily living, as defined in 42 C.F.R. § 441.505;

(d) The condition of the insured is stable while being treated with the prescription drug for which the exemption is requested and the insured has previously received approval for coverage of that drug; or

(e) Any other condition for which such an exemption is required by regulation of the Commissioner is met.

7. If a hospital or medical services corporation approves an application for an exemption from a step therapy protocol pursuant to this section, the hospital or medical services corporation must cover the prescription drug to which the exemption applies in accordance with the terms of the applicable policy of health insurance. The hospital or medical services corporation may initially limit the coverage to a 1-week supply of the drug for which the exemption is granted. If the attending practitioner determines after 1 week that the drug is effective at treating the cancer or symptom for which it was prescribed, the hospital or medical services corporation must continue to cover the drug for as long as it is necessary to treat the insured for the cancer or symptom. The hospital or medical services corporation may conduct a review not more frequently than once each quarter to determine, in accordance with available medical evidence, whether the drug remains necessary to treat the insured for the cancer or symptom. The hospital or medical services corporation shall provide a report of the review to the insured.

1 8. A hospital or medical services corporation shall post in an easily
2 accessible location on an Internet website maintained by the hospital or medical
3 services corporation.

4 ~~—(a) The procedure to apply for an exemption from a step therapy protocol~~
5 ~~pursuant to this section, any forms prescribed by the hospital or medical services~~
6 ~~corporation for the submission of such an application and a list of any~~
7 ~~supporting information or documentation that must be included in such an~~
8 ~~application; and~~

9 ~~—(b) The contact information of any person that an insured or attending~~
10 ~~practitioner who submits an application for exemption from a step therapy~~
11 ~~protocol pursuant to this section is required to contact concerning the application~~
12 ~~for exemption or may contact for assistance in completing and submitting the~~
13 ~~application.] a form for requesting an exemption pursuant to this section.~~

14 9. If a policy of health insurance uses a formulary, the hospital or medical
15 services corporation is not required to allow an insured to apply for an exemption
16 from a step therapy protocol pursuant to this section for a drug that is not
17 included in the formulary.

18 10. A policy of health insurance subject to the provisions of this chapter
19 that is delivered, issued for delivery or renewed on or after October 1, 2021, has
20 the legal effect of including the coverage required by this section, and any
21 provision of the policy that conflicts with this section is void.

22 ~~(10.)~~ 11. As used in this section, “attending practitioner” means the
23 practitioner, as defined in NRS 639.0125, who has primary responsibility for the
24 treatment of the cancer or any symptom of such cancer of an insured.

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

27 1. ~~(A)~~ Except as otherwise provided in subsection 9, a health maintenance
28 organization that offers or issues a health care plan which provides coverage of a
29 prescription drug for the treatment of cancer or any symptom of cancer that is
30 part of a step therapy protocol shall allow an enrollee who has been diagnosed
31 with stage 3 or 4 cancer or the attending practitioner of the enrollee to apply for
32 an exemption from the step therapy protocol. The application process for such an
33 exemption must:

34 (a) Allow the enrollee or attending practitioner, or a designated advocate for
35 the enrollee or attending practitioner, to present to the health maintenance
36 organization the clinical rationale for the exemption and any relevant medical
37 information.

38 (b) Clearly prescribe the information and supporting documentation that
39 must be submitted with the application, the criteria that will be used to evaluate
40 the request and the conditions under which an expedited determination pursuant
41 to subsection 4 is warranted.

42 (c) Require the review of each application by at least one physician ~~(who~~
43 ~~specializes in oncology),~~ registered nurse or pharmacist.

44 2. The information and supporting documentation required pursuant to
45 paragraph (b) of subsection 1:

46 (a) May include, without limitation:

47 (1) The medical history or other health records of the enrollee
48 demonstrating that the enrollee has:

49 (I) Tried other drugs included in the pharmacological class of drugs
50 for which the exemption is requested without success; or

51 (II) Taken the requested drug for a clinically appropriate amount of
52 time to establish stability in relation to the cancer and the guidelines of the
53 prescribing practitioner; and

1 (2) Any other relevant clinical information.

2 (b) Must not include any information or supporting documentation that is
3 not necessary to make a determination about the application.

4 3. Except as otherwise provided in subsection 4, a health maintenance
5 organization that receives an application for an exemption pursuant to subsection
6 1 shall:

7 (a) Make a determination concerning the application if the application is
8 complete or request additional information or documentation necessary to
9 complete the application not later than 72 hours after receiving the application;
10 and

11 (b) If it requests additional information or documentation, make a
12 determination concerning the application not later than 72 hours after receiving
13 the requested information or documentation.

14 4. If, in the opinion of the attending practitioner, a step therapy protocol
15 may seriously jeopardize the life or health of the enrollee, a health maintenance
16 organization that receives an application for an exemption pursuant to subsection
17 1 must ~~+~~

18 ~~—(a) Except as otherwise provided in paragraphs (b) and (c), make an~~
19 ~~expedited determination concerning the application not later than 24 hours after~~
20 ~~receiving the application or, if additional information or documentation is~~
21 ~~necessary to make the determination, request such information or documentation~~
22 ~~within 24 hours after receiving the application;~~

23 ~~—(b) If it requests additional information or documentation, make the~~
24 ~~determination not later than 24 hours after receiving the additional information~~
25 ~~or documentation; and~~

26 ~~—(c) In any case,} make a determination concerning the application as~~
27 ~~expeditiously as necessary to avoid serious jeopardy to the life or health of the~~
28 ~~enrollee.~~

29 5. A health maintenance organization shall disclose to the enrollee or
30 attending practitioner who submits an application for an exemption from a step
31 therapy protocol pursuant to subsection 1 the name and qualifications of each
32 person who will review the application.

33 6. A health maintenance organization must grant an exemption from a step
34 therapy protocol in response to an application submitted pursuant to subsection 1
35 if:

36 (a) Any treatment otherwise required under the step therapy or any drug in
37 the same pharmacological class or having the same mechanism of action as the
38 drug for which the exemption is requested has not been effective at treating the
39 cancer or symptom of the enrollee when prescribed in accordance with clinical
40 indications, clinical guidelines or other peer-reviewed evidence;

41 (b) Delay of effective treatment would have severe or irreversible
42 consequences for the enrollee and the treatment otherwise required under the
43 step therapy is not reasonably expected to be effective based on the physical or
44 mental characteristics of the enrollee and the known characteristics of the
45 treatment;

46 (c) Each treatment otherwise required under the step therapy:

47 (1) Is contraindicated for the enrollee or has caused or is likely, based on
48 peer-reviewed clinical evidence, to cause an adverse reaction or other physical
49 harm to the enrollee; or

50 (2) Has prevented or is likely to prevent the enrollee from performing the
51 responsibilities of his or her occupation or engaging in activities of daily living,
52 as defined in 42 C.F.R. § 441.505;

(d) The condition of the enrollee is stable while being treated with the prescription drug for which the exemption is requested and the enrollee has previously received approval for coverage of that drug; or

(e) Any other condition for which such an exemption is required by regulation of the Commissioner is met.

7. If a health maintenance organization approves an application for an exemption from a step therapy protocol pursuant to this section, the health maintenance organization must cover the prescription drug to which the exemption applies in accordance with the terms of the applicable health care plan. The health maintenance organization may initially limit the coverage to a 1-week supply of the drug for which the exemption is granted. If the attending practitioner determines after 1 week that the drug is effective at treating the cancer or symptom for which it was prescribed, the health maintenance organization must continue to cover the drug for as long as it is necessary to treat the enrollee for the cancer or symptom. The health maintenance organization may conduct a review not more frequently than once each quarter to determine, in accordance with available medical evidence, whether the drug remains necessary to treat the enrollee for the cancer or symptom. The health maintenance organization shall provide a report of the review to the enrollee.

8. A health maintenance organization shall post in an easily accessible location on an Internet website maintained by the health maintenance organization ~~+~~

~~(a) The procedure to apply for an exemption from a step therapy protocol pursuant to this section, any forms prescribed by the health maintenance organization for the submission of such an application and a list of any supporting information or documentation that must be included in such an application; and~~

~~(b) The contact information of any person that an enrollee or attending practitioner who submits an application for exemption from a step therapy protocol pursuant to this section is required to contact concerning the application or may contact for assistance in completing and submitting the application.]~~ a form for requesting an exemption pursuant to this section.

9. If a health care plan uses a formulary, the health maintenance organization is not required to allow an enrollee to apply for an exemption from a step therapy protocol pursuant to this section for a drug that is not included in the formulary.

10. A health care plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after October 1, 2021, has the legal effect of including the coverage required by this section, and any provision of the health care plan that conflicts with this section is void.

~~10.]~~ 11. As used in this section, "attending practitioner" means the practitioner, as defined in NRS 639.0125, who has primary responsibility for the treatment of the cancer or any symptom of such cancer of an enrollee.

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

1 provision of law relating to solicitation or advertising by practitioners of a healing
2 art.

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

6 4. The provisions of NRS 695C.110, 695C.125, 695C.1691, 695C.1693,
7 695C.170, 695C.1703, 695C.1705, 695C.1709 to 695C.173, inclusive, 695C.1733,
8 695C.17335, 695C.1734, 695C.1751, 695C.1755, 695C.176 to 695C.200, inclusive,
9 and 695C.265 and section 8 of this act do not apply to a health maintenance
10 organization that provides health care services through managed care to recipients
11 of Medicaid under the State Plan for Medicaid or insurance pursuant to the
12 Children's Health Insurance Program pursuant to a contract with the Division of
13 Health Care Financing and Policy of the Department of Health and Human
14 Services. This subsection does not exempt a health maintenance organization from
15 any provision of this chapter for services provided pursuant to any other contract.

16 5. The provisions of NRS 695C.1694 to 695C.1698, inclusive, 695C.1701,
17 695C.1708, 695C.1728, 695C.1731, 695C.17345, 695C.1735, 695C.1745 and
18 695C.1757 ~~[and section 8 of this act]~~ apply to a health maintenance organization
19 that provides health care services through managed care to recipients of Medicaid
20 under the State Plan for Medicaid.

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

22 695C.330 1. The Commissioner may suspend or revoke any certificate of
23 authority issued to a health maintenance organization pursuant to the provisions of
24 this chapter if the Commissioner finds that any of the following conditions exist:

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

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

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

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

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

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

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

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

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

49 (1) Resolving complaints in a manner reasonably to dispose of valid
50 complaints; and

51 (2) Conducting external reviews of adverse determinations that comply
52 with the provisions of NRS 695G.241 to 695G.310, 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:

1. ~~1A)~~ Except as otherwise provided in subsection 9, a managed care organization that offers or issues a health care plan which provides coverage of a prescription drug for the treatment of cancer or any symptom of cancer that is part of a step therapy protocol shall allow an insured who has been diagnosed with stage 3 or 4 cancer or the attending practitioner of the insured to apply for an exemption from the step therapy protocol. The application process for such an exemption must:

(a) Allow the insured or attending practitioner, or a designated advocate for the insured or attending practitioner, to present to the managed care organization the clinical rationale for the exemption and any relevant medical information.

(b) Clearly prescribe the information and supporting documentation that must be submitted with the application, the criteria that will be used to evaluate the request and the conditions under which an expedited determination pursuant to subsection 4 is warranted.

(c) Require the review of each application by at least one physician ~~who specializes in oncology~~, registered nurse or pharmacist.

2. The information and supporting documentation required pursuant to paragraph (b) of subsection 1:

(a) May include, without limitation:

(I) The medical history or other health records of the insured demonstrating that the insured has:

(I) Tried other drugs included in the pharmacological class of drugs for which the exemption is requested without success; or

(II) Taken the requested drug for a clinically appropriate amount of time to establish stability in relation to the cancer and the guidelines of the prescribing practitioner; and

(2) Any other relevant clinical information.

(b) Must not include any information or supporting documentation that is not necessary to make a determination about the application.

3. Except as otherwise provided in subsection 4, a managed care organization that receives an application for an exemption pursuant to subsection 1 shall:

(a) Make a determination concerning the application if the application is complete or request additional information or documentation necessary to complete the application not later than 72 hours after receiving the application; and

(b) If it requests additional information or documentation, make a determination concerning the application not later than 72 hours after receiving the requested information or documentation.

4. If, in the opinion of the attending practitioner, a step therapy protocol may seriously jeopardize the life or health of the insured, a managed care organization that receives an application for an exemption pursuant to subsection 1 must ~~for~~

~~(a) Except as otherwise provided in paragraphs (b) and (c), make an expedited determination concerning the application not later than 24 hours after receiving the application or, if additional information or documentation is necessary to make the determination, request such information or documentation within 24 hours after receiving the application;~~

~~(b) If it requests additional information or documentation, make the determination not later than 24 hours after receiving the additional information or documentation; and~~

~~(c) In any case,~~ make a determination concerning the application as expeditiously as necessary to avoid serious jeopardy to the life or health of the insured.

5. A managed care organization shall disclose to the insured or attending practitioner who submits an application for an exemption from a step therapy protocol pursuant to subsection 1 the name and qualifications of each person who will review the application.

6. A managed care organization must grant an exemption from a step therapy protocol in response to an application submitted pursuant to subsection 1 if:

(a) Any treatment otherwise required under the step therapy or any drug in the same pharmacological class or having the same mechanism of action as the drug for which the exemption is requested has not been effective at treating the cancer or symptom of the insured when prescribed in accordance with clinical indications, clinical guidelines or other peer-reviewed evidence;

(b) Delay of effective treatment would have severe or irreversible consequences for the insured and the treatment otherwise required under the step therapy is not reasonably expected to be effective based on the physical or mental characteristics of the insured and the known characteristics of the treatment;

(c) Each treatment otherwise required under the step therapy:

(1) Is contraindicated for the insured or has caused or is likely, based on peer-reviewed clinical evidence, to cause an adverse reaction or other physical harm to the insured; or

(2) Has prevented or is likely to prevent the insured from performing the responsibilities of his or her occupation or engaging in activities of daily living, as defined in 42 C.F.R. § 441.505;

(d) The condition of the insured is stable while being treated with the prescription drug for which the exemption is requested and the insured has previously received approval for coverage of that drug; or

(e) Any other condition for which such an exemption is required by regulation of the Commissioner is met.

7. If a managed care organization approves an application for an exemption from a step therapy protocol pursuant to this section, the managed care organization must cover the prescription drug to which the exemption applies in accordance with the terms of the applicable health care plan. The managed care organization may initially limit the coverage to a 1-week supply of the drug for which the exemption is granted. If the attending practitioner determines after 1 week that the drug is effective at treating the cancer or symptom for which it was prescribed, the managed care organization must continue to cover the drug for as long as it is necessary to treat the insured for the cancer or symptom. The managed care organization may conduct a review not more frequently than once each quarter to determine, in accordance with available medical evidence, whether the drug remains necessary to treat the insured for the cancer or symptom. The managed care organization shall provide a report of the review to the insured.

8. A managed care organization shall post in an easily accessible location on an Internet website maintained by the managed care organization ~~the~~

~~(a) The procedure to apply for an exemption from a step therapy protocol pursuant to this section, any forms prescribed by the managed care organization for the submission of such an application and a list of any supporting information or documentation that must be included in such an application; and~~

~~(b) The contact information of any person that an insured or attending practitioner who submits an application for exemption from a step therapy protocol pursuant to this section is required to contact concerning the application or may contact for assistance in completing and submitting the application.] a form for requesting an exemption pursuant to this section.~~

9. If a health care plan uses a formulary, the managed care organization is not required to allow an insured to apply for an exemption from a step therapy protocol pursuant to this section for a drug that is not included in the formulary.

10. A health care plan subject to the provisions of this chapter that is delivered, issued for delivery or renewed on or after October 1, 2021, has the legal effect of including the coverage required by this section, and any provision of the health care plan that conflicts with this section is void.

~~10.~~ 11. As used in this section, "attending practitioner" means the practitioner, as defined in NRS 639.0125, who has primary responsibility for the treatment of the cancer or any symptom of such cancer of an insured.

Sec. 11.5. NRS 695G.090 is hereby amended to read as follows:

695G.090 1. Except as otherwise provided in subsection 3, the provisions of this chapter apply to each organization and insurer that operates as a managed care organization and may include, without limitation, an insurer that issues a policy of health insurance, an insurer that issues a policy of individual or group health insurance, a carrier serving small employers, a fraternal benefit society, a hospital or medical service corporation and a health maintenance organization.

2. In addition to the provisions of this chapter, each managed care organization shall comply with:

(a) The provisions of chapter 686A of NRS, including all obligations and remedies set forth therein; and

(b) Any other applicable provision of this title.

3. The provisions of NRS 695G.164, 695G.1645, 695G.167, 695G.200 to 695G.230, inclusive, and 695G.430 and section 11 of this act do not apply to a managed care organization that provides health care services to recipients of Medicaid under the State Plan for Medicaid or insurance pursuant to the Children's

1 Health Insurance Program pursuant to a contract with the Division of Health Care
2 Financing and Policy of the Department of Health and Human Services. This
3 subsection does not exempt a managed care organization from any provision of this
4 chapter for services provided pursuant to any other contract.

5 **Sec. 12.** NRS 287.010 is hereby amended to read as follows:

6 287.010 1. The governing body of any county, school district, municipal
7 corporation, political subdivision, public corporation or other local governmental
8 agency of the State of Nevada may:

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

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

21 (c) Provide group life, accident or health coverage through a self-insurance
22 reserve fund and, where necessary, deduct contributions to the maintenance of the
23 fund from the compensation of officers and employees and pay the deductions into
24 the fund. The money accumulated for this purpose through deductions from the
25 compensation of officers and employees and contributions of the governing body
26 must be maintained as an internal service fund as defined by NRS 354.543. The
27 money must be deposited in a state or national bank or credit union authorized to
28 transact business in the State of Nevada. Any independent administrator of a fund
29 created under this section is subject to the licensing requirements of chapter 683A
30 of NRS, and must be a resident of this State. Any contract with an independent
31 administrator must be approved by the Commissioner of Insurance as to the
32 reasonableness of administrative charges in relation to contributions collected and
33 benefits provided. The provisions of NRS 687B.408, 689B.030 to 689B.050,
34 inclusive, *and section 3 of this act*, 689B.287 and 689B.500 apply to coverage
35 provided pursuant to this paragraph, except that the provisions of NRS 689B.0378,
36 689B.03785 and 689B.500 only apply to coverage for active officers and
37 employees of the governing body, or the dependents of such officers and
38 employees.

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

44 2. If a school district offers group insurance to its officers and employees
45 pursuant to this section, members of the board of trustees of the school district must
46 not be excluded from participating in the group insurance. If the amount of the
47 deductions from compensation required to pay for the group insurance exceeds the
48 compensation to which a trustee is entitled, the difference must be paid by the
49 trustee.

50 3. In any county in which a legal services organization exists, the governing
51 body of the county, or of any school district, municipal corporation, political
52 subdivision, public corporation or other local governmental agency of the State of
53 Nevada in the county, may enter into a contract with the legal services organization

pursuant to which the officers and employees of the legal services organization, and the dependents of those officers and employees, are eligible for any life, accident or health insurance provided pursuant to this section to the officers and employees, and the dependents of the officers and employees, of the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency.

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

(a) Shall be deemed, solely for the purposes of this section, to be officers and employees of the county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency with which the legal services organization has contracted; and

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

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

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

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

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

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

Sec. 13. NRS 287.04335 is hereby amended to read as follows:

287.04335 If the Board provides health insurance through a plan of self-insurance, it shall comply with the provisions of NRS 687B.409, 689B.255, 695G.150, 695G.155, 695G.160, 695G.162, 695G.164, 695G.1645, 695G.1665, 695G.167, 695G.170 to 695G.174, inclusive, *and section 11 of this act*, 695G.177, 695G.200 to 695G.230, inclusive, 695G.241 to 695G.310, inclusive, and 695G.405, in the same manner as an insurer that is licensed pursuant to title 57 of NRS is required to comply with those provisions.

Sec. 14. ~~[Chapter 422 of NRS is hereby amended by adding thereto a new section to read as follows:~~

~~1. The Department or a pharmacy benefit manager with which the Department contracts pursuant to NRS 422.4053 to manage prescription drug benefits shall allow a recipient of Medicaid who has been diagnosed with stage 3 or 4 cancer or the attending practitioner of the recipient to apply for an exemption from step therapy that would otherwise be required pursuant to NRS 422.403 to instead use a prescription drug prescribed by the attending practitioner to treat the cancer or any symptom thereof of the recipient of Medicaid. The application process must:~~

~~— (a) Allow the recipient or attending practitioner, or a designated advocate for the recipient or attending practitioner, to present to the Department or pharmacy benefit manager, as applicable, the clinical rationale for the exemption and any relevant medical information.~~

~~— (b) Clearly prescribe the information and supporting documents that must be submitted with the application, the criteria that will be used to evaluate the request and the conditions under which an expedited determination pursuant to subsection 4 is warranted.~~

~~— (c) Require the review of each application by at least one physician who specializes in oncology.~~

~~2. The information and supporting documentation required pursuant to paragraph (b) of subsection 1:~~

~~— (a) May include, without limitation:~~

~~(1) The medical history or other health records of the recipient demonstrating that the recipient has:~~

~~(I) Tried other drugs included in the pharmacological class of drugs for which the exemption is requested without success; or~~

~~(II) Taken the requested drug for a clinically appropriate amount of time to establish stability in relation to the cancer and the guidelines of the prescribing practitioner; and~~

~~(2) Any other relevant clinical information.~~

~~(b) Must not include any information or supporting documentation that is not necessary to make a determination about the application.~~

~~3. Except as otherwise provided in subsection 4, the Department or pharmacy benefit manager, as applicable, that receives an application for an exemption pursuant to subsection 1 shall:~~

~~(a) Make a determination concerning the application or request additional information or documentation not later than 72 hours after the application; and~~

~~(b) If it requests additional information or documentation, make a determination concerning the application not later than 72 hours after receiving the requested information or documentation.~~

~~4. If, in the opinion of the attending practitioner, step therapy may seriously jeopardize the life or health of the recipient, the Department or pharmacy benefit manager that receives an application for an exemption pursuant to subsection 1, as applicable, must:~~

~~(a) Except as otherwise provided in paragraphs (b) and (c), make an expedited determination concerning the application not later than 24 hours after receiving the application or, if additional information or documentation is necessary to make the determination, request such information or documentation within 24 hours after receiving the application;~~

~~(b) If it requests additional information or documentation, make the determination not later than 24 hours after receiving the additional information or documentation; and~~

~~(c) In any case, make a determination concerning the application as expeditiously as necessary to avoid serious jeopardy to the life or health of the recipient.~~

~~5. The Department or pharmacy benefit manager, as applicable, shall disclose to a recipient or attending practitioner who submits an application for an exemption from step therapy pursuant to subsection 1 the name and qualifications of each person who will review the application.~~

~~6. The Department or pharmacy benefit manager, as applicable, must grant an exemption from step therapy in response to an application submitted pursuant to subsection 1 if:~~

~~(a) Any treatment otherwise required under the step therapy or any drug in the same pharmacological class or having the same mechanism of action as the drug for which the exemption is requested have been ineffective at treating the cancer or symptom when prescribed in accordance with clinical indications, clinical guidelines or other peer reviewed evidence;~~

~~(b) Delay of effective treatment would have severe or irreversible consequences and the treatment otherwise required under the step therapy is not reasonably expected to be effective based on the physical or mental characteristics of the recipient and the known characteristics of the treatment;~~

~~(c) Each treatment otherwise required under the step therapy:~~

~~(1) Is contraindicated for the recipient or has caused or is likely, based on peer reviewed clinical evidence, to cause an adverse reaction or other physical harm; or~~

~~(2) Has prevented or is likely to prevent the recipient from performing the responsibilities of his or her occupation or engaging in activities of daily living, as defined in 42 C.F.R. § 441.505; or~~

~~(d) The condition of the recipient is stable while being treated with the prescription drug for which the exemption is requested and the recipient has previously received approval for coverage of that drug.~~

~~7. If the Department or pharmacy benefit manager, as applicable, approves an application for an exemption from step therapy pursuant to this section, the State must pay the nonfederal share of the cost of the prescription drug to which the exemption applies. The Department or pharmacy benefit manager may initially limit the coverage to a 1-week supply of the drug for which the exemption is granted. If the attending practitioner determines after 1 week that the drug is effective at treating the cancer or symptom for which it was prescribed, the State must continue to pay the nonfederal share of the cost of the drug for as long as it is necessary to treat the cancer or symptom of the recipient.~~

~~8. The Department and any pharmacy benefit manager with which the Department contracts pursuant to NRS 422.4052 to manage prescription drug benefits shall post on an Internet website maintained by the Department or pharmacy benefit manager, as applicable:~~

~~(a) The procedure to apply for an exemption from step therapy pursuant to this section, any forms prescribed by the Department or pharmacy benefit manager, as applicable, for the submission of such an application and a list of any supporting information or documentation that must be included in such an application; and~~

~~(b) The contact information for any person that a recipient or attending practitioner who submits an application for exemption from step therapy pursuant to this section is required to contact concerning the application or may contact for assistance in completing and submitting the application.~~

~~9. As used in this section, "attending practitioner" means the practitioner, as defined in NRS 639.0125, who has primary responsibility for the treatment of the cancer of a recipient or any symptom of such cancer.] (Deleted by amendment.)~~

Sec. 15. [NRS 422.401 is hereby amended to read as follows:

~~422.401 As used in NRS 422.401 to 422.406, inclusive, and section 14 of this act, unless the context otherwise requires, the words and terms defined in NRS 422.4015 to 422.4024, inclusive, have the meanings ascribed to them in those sections.] (Deleted by amendment.)~~

Sec. 16. [NRS 422.406 is hereby amended to read as follows:

~~422.406 1. The Department may, to carry out its duties set forth in NRS 422.27172 to 422.27178, inclusive, and 422.401 to 422.406, inclusive, and section 14 of this act and to administer the provisions of those sections:~~

~~(a) Adopt regulations; and~~

~~(b) Enter into contracts for any services.~~

~~2. Any regulations adopted by the Department pursuant to NRS 422.27172 to 422.27178, inclusive, and 422.401 to 422.406, inclusive, and section 14 of this act must be adopted in accordance with the provisions of chapter 241 of NRS.] (Deleted by amendment.)~~

Sec. 17. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.