

Amendment No. 447

Senate Amendment to Senate Bill No. 329	(BDR 40-998)
<b>Proposed by:</b> Senate Committee on Health and Human Services	
<b>Amends:</b> Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

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.

SRF/EWR



Date: 4/20/2021

S.B. No. 329—Revises provisions relating to competition in health care markets.  
(BDR 40-998)





## SENATE BILL NO. 329—SENATOR LANGE

MARCH 22, 2021

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions relating to competition in health care markets.  
(BDR 40-998)

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

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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 health care; requiring a hospital or physician group practice to notify the Department of Health and Human Services of certain transactions; prohibiting ~~[an insurer, a physician or a health care facility]~~ a provider of health care from entering into a contract that contains certain provisions; authorizing the use of certain fees to investigate such prohibited contracting practices; authorizing ~~[the imposition of certain administrative sanctions;]~~ certain civil actions; authorizing the imposition of a civil penalty; providing a penalty; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law provides that the Department of Health and Human Services is the agency of this State for health planning and development. (NRS 439A.081) **Section 1** of this bill requires a hospital ~~for physician group practice~~ to notify the Department of any merger, acquisition or similar transaction involving the hospital. ~~for physician group practice.~~ Section 1 additionally requires a physician group practice to report certain similar transactions involving the physician group practice if: (1) the physician group practices that are parties to the transaction represent at least 20 percent of the physicians who practice any specialty in a primary service area; and (2) the physician group practice represents the largest number of physicians of any physician group practice that is a party to the transaction. **Section 1** requires the Department to post the information contained in those notices on the Internet and publish an annual report based on that information.

Existing law prohibits certain unfair trade practices. ~~[in the business of insurance. (NRS 686A.010-686A.280) Sections 2, 10, 11 and 13 of this bill prohibit a health facility, a physician or an insurer from entering into a contract that contains certain provisions that restrain the ability of an insurer to contract with other providers of health care, including health facilities, that are not parties to the contract or the ability of a provider of health care to contract with insurers that are not a party to the contract. Sections 3 and 4 of this bill make conforming changes to indicate the placement of section 2 in the Nevada Revised Statutes. Sections 5-9, 12, 14 and 15 of this bill provide for the enforcement of sections 2 and 13, including through various administrative sanctions. Sections 16-20 of this bill provide that certain entities that provide health coverage are subject to the provisions of section 13.] (NRS 598A.060) Section 20.9 of this bill prohibits a provider of health care, including a facility that provides health care, from entering into, offering to enter into or soliciting a contract that: (1) prohibits a third party insurer from steering covered persons to~~

certain providers of health care or placing providers of health care in tiers; or (2) that places certain other restrictions on the third party insurer. The Attorney General or a person injured by a violation of section 20.9 would be authorized to bring a civil action against a provider of health care who commits such a violation. (NRS 598A.160, 598A.180-598A.210) Additionally, a provider of health care or third party insurer who commits such a violation would be subject to a civil penalty and guilty of a category D felony. (NRS 598A.170, 598A.280)

Existing law requires certain business entities that have had a total of five or more investigations commenced against the entity for unfair trade practices which resulted in the imposition of certain penalties or other requirements during a 5-year period to submit to the Secretary of State: (1) a statement concerning each such investigation; and (2) a fee. Existing law requires the Attorney General to use that fee for the purposes of investigating unfair trade practices. (NRS 78.153, 80.115, 86.264, 86.5462, 87A.295, 87A.565, 88.397, 88.5915) Sections 20.1-20.8 of this bill authorize the Attorney General to use those fees to investigate contracting practices prohibited by section 20.9.

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

**Section 1.** Chapter 439A of NRS is hereby amended by adding thereto a new section to read as follows:

*1. A hospital ~~for physician group practice~~ shall notify the Department of any merger, acquisition or joint venture with any entity, including, without limitation, a physician group practice, to which the hospital ~~for physician group practice~~ is a party or any contract for the management of the hospital ~~for physician group practice~~ not later than 60 days after the finalization of the ~~[merger or acquisition, commencement of the joint venture]~~ transaction or execution of the contract ~~for management, as applicable.~~ ~~[The notice]~~*

*2. A physician group practice shall notify the Department of a transaction described in subsection 3 to which the physician group practice is a party or any contract for the management of a physician group practice not later than 60 days after the finalization of the transaction or execution of the contract for management, as applicable, if:*

*(a) The physician group practices that are parties to the transaction or contract for management represent at least 20 percent of the physicians who practice any specialty in a primary service area; and*

*(b) The physician group practice represents the largest number of physicians of any physician group practice that is a party to the transaction or contract for management.*

*3. Notice must be provided pursuant to subsection 1 or 2 for any:*

*(a) Merger of, consolidation of or other affiliation between physician group practices;*

*(b) The acquisition of all or substantially all of the properties and assets of a physician group practice;*

*(c) The acquisition of all or substantially all of the capital stock, membership interests or other equity interests of a physician group practice;*

*(d) The employment of all or substantially all of the physicians in a physician group practice; or*

*(e) The acquisition of an insolvent physician group practice.*

*4. Notice pursuant to subsection 1 or 2 must be provided in the form prescribed by the Department and must include, without limitation:*

*(a) The name of each party ~~in~~ to the transaction ~~, including, without limitation, any person who currently holds at least 5 percent ownership of any~~*

~~party to the transaction or plans to hold at least 5 percent ownership of the newly formed entity;~~ or contract for management, as applicable;

(b) A description of the nature of the proposed relationship of the parties to the transaction ~~or contract for management, as applicable;~~

(c) The names and any specialties of each physician who is a party or employed by or affiliated with a physician group practice that is a party to the transaction ~~or contract for management, as applicable;~~

(d) The name and address of each business entity that will provide health services after the transaction ~~or contract for management, as applicable;~~

(e) A description of the health services to be provided at each location of a business entity described in paragraph (d); and

(f) The primary service area to be served by each location of a business entity described in paragraph (d).

~~2-1~~ 5. The Department shall:

(a) Post the information contained in the notices provided pursuant to ~~subsection~~ subsections 1 and 2 on an Internet website maintained by the Department; and

(b) Annually prepare a report regarding market transactions and concentration in health care based on the information in the notices and post the report on an Internet website maintained by the Department.

~~3-1~~ 6. As used in this section:

(a) "Physician group practice" means any business entity organized for the purpose of the practice of medicine or osteopathic medicine by more than one physician.

(b) "Primary service area" means an area comprising the smallest number of zip codes from which the hospital or physician group practice draws at least 75 percent of patients.

**Sec. 2.** ~~[Chapter 449 of NRS is hereby amended by adding thereto a new section to read as follows:~~

~~1. A medical facility, facility for the dependent or facility which is otherwise required by the regulations adopted by the Board pursuant to NRS 449.0303 to be licensed shall not enter into a contract with an insurer that contains a provision prohibited by section 13 of this act.~~

~~2. As used in this section, "insurer" has the meaning ascribed to it in NRS 679A.100.] (Deleted by amendment.)~~

**Sec. 3.** ~~[NRS 449.029 is hereby amended to read as follows:~~

~~449.029 As used in NRS 449.029 to 449.240, inclusive, and section 2 of this act, unless the context otherwise requires, "medical facility" has the meaning ascribed to it in NRS 449.0151 and includes a program of hospice care described in NRS 449.196.] (Deleted by amendment.)~~

**Sec. 4.** ~~[NRS 449.0301 is hereby amended to read as follows:~~

~~449.0301 The provisions of NRS 449.029 to 449.242, inclusive, and section 2 of this act do not apply to:~~

~~1. Any facility conducted by and for the adherents of any church or religious denomination for the purpose of providing facilities for the care and treatment of the sick who depend solely upon spiritual means through prayer for healing in the practice of the religion of the church or denomination, except that such a facility shall comply with all regulations relative to sanitation and safety applicable to other facilities of a similar category.~~

~~2. Foster homes as defined in NRS 424.014.~~

~~3. Any medical facility, facility for the dependent or facility which is otherwise required by the regulations adopted by the Board pursuant to NRS~~

~~449.0202 to be licensed that is operated and maintained by the United States Government or an agency thereof.] (Deleted by amendment.)~~

**Sec. 5.** ~~[NRS 449.089 is hereby amended to read as follows:~~

~~449.089 1. Each license issued pursuant to NRS 449.029 to 449.2428, inclusive, and section 2 of this act expires on December 31 following its issuance and is renewable for 1 year upon reapplication and payment of all fees required pursuant to NRS 449.050 unless the Division finds, after an investigation, that the facility has not:~~

~~(a) Satisfactorily complied with the provisions of NRS 449.029 to 449.2428, inclusive, and section 2 of this act or the standards and regulations adopted by the Board;~~

~~(b) Obtained the approval of the Director of the Department of Health and Human Services before undertaking a project, if such approval is required by NRS 439A.100; or~~

~~(c) Conformed to all applicable local zoning regulations;~~

~~2. Each reapplication for an agency to provide personal care services in the home, an agency to provide nursing in the home, a community health worker pool, a facility for intermediate care, a facility for skilled nursing, a provider of community-based living arrangement services, a hospital described in 42 U.S.C. § 1395ww(d)(1)(B)(iv), a psychiatric hospital that provides inpatient services to children, a psychiatric residential treatment facility, a residential facility for groups, a program of hospice care, a home for individual residential care, a facility for the care of adults during the day, a facility for hospice care, a nursing pool, a peer support recovery organization, the distinct part of a hospital which meets the requirements of a skilled nursing facility or nursing facility pursuant to 42 C.F.R. § 483.5, a hospital that provides swing bed services as described in 42 C.F.R. § 482.58 or, if residential services are provided to children, a medical facility or facility for the treatment of alcohol or other substance use disorders must include, without limitation, a statement that the facility, hospital, agency, program, pool, organization or home is in compliance with the provisions of NRS 449.115 to 449.125, inclusive, and 449.174.~~

~~3. Each reapplication for an agency to provide personal care services in the home, a community health worker pool, a facility for intermediate care, a facility for skilled nursing, a facility for the care of adults during the day, a peer support recovery organization, a residential facility for groups or a home for individual residential care must include, without limitation, a statement that the holder of the license to operate, and the administrator or other person in charge and employees of, the facility, agency, pool, organization or home are in compliance with the provisions of NRS 449.093.] (Deleted by amendment.)~~

**Sec. 6.** ~~[NRS 449.160 is hereby amended to read as follows:~~

~~449.160 1. The Division may deny an application for a license or may suspend or revoke any license issued under the provisions of NRS 449.029 to 449.2428, inclusive, and section 2 of this act upon any of the following grounds:~~

~~(a) Violation by the applicant or the licensee of any of the provisions of NRS 439B.410 or 449.029 to 449.245, inclusive, and section 2 of this act or of any other law of this State or of the standards, rules and regulations adopted thereunder;~~

~~(b) Aiding, abetting or permitting the commission of any illegal act;~~

~~(c) Conduct inimical to the public health, morals, welfare and safety of the people of the State of Nevada in the maintenance and operation of the premises for which a license is issued;~~

~~(d) Conduct or practice detrimental to the health or safety of the occupants or employees of the facility;~~

~~(c) Failure of the applicant to obtain written approval from the Director of the Department of Health and Human Services as required by NRS 439A.100 or as provided in any regulation adopted pursuant to NRS 449.001 to 449.430, inclusive, and section 2 of this act and 449.435 to 449.531, inclusive, and chapter 449A of NRS if such approval is required;~~

~~(f) Failure to comply with the provisions of NRS 449.2486;~~

~~(g) Violation of the provisions of NRS 458.112;~~

~~2. In addition to the provisions of subsection 1, the Division may revoke a license to operate a facility for the dependent if, with respect to that facility, the licensee that operates the facility, or an agent or employee of the licensee:~~

~~(a) Is convicted of violating any of the provisions of NRS 202.470;~~

~~(b) Is ordered to but fails to abate a nuisance pursuant to NRS 244.360, 244.3603 or 268.4124; or~~

~~(c) Is ordered by the appropriate governmental agency to correct a violation of a building, safety or health code or regulation but fails to correct the violation;~~

~~3. The Division shall maintain a log of any complaints that it receives relating to activities for which the Division may revoke the license to operate a facility for the dependent pursuant to subsection 2. The Division shall provide to a facility for the care of adults during the day:~~

~~(a) A summary of a complaint against the facility if the investigation of the complaint by the Division either substantiates the complaint or is inconclusive;~~

~~(b) A report of any investigation conducted with respect to the complaint; and~~

~~(c) A report of any disciplinary action taken against the facility;~~

~~The facility shall make the information available to the public pursuant to NRS 449.2486.~~

~~4. On or before February 1 of each odd numbered year, the Division shall submit to the Director of the Legislative Counsel Bureau a written report setting forth, for the previous biennium:~~

~~(a) Any complaints included in the log maintained by the Division pursuant to subsection 3; and~~

~~(b) Any disciplinary actions taken by the Division pursuant to subsection 2.]~~

~~(Deleted by amendment.)~~

**Sec. 7. [NRS 449.163 is hereby amended to read as follows:**

~~449.163 1. In addition to the payment of the amount required by NRS 449.0308, if a medical facility, facility for the dependent or facility which is required by the regulations adopted by the Board pursuant to NRS 449.0303 to be licensed violates any provision related to its licensure, including any provision of NRS 439B.410 or 449.029 to 449.2428, inclusive, and section 2 of this act or any condition, standard or regulation adopted by the Board, the Division, in accordance with the regulations adopted pursuant to NRS 449.165, may:~~

~~(a) Prohibit the facility from admitting any patient until it determines that the facility has corrected the violation;~~

~~(b) Limit the occupancy of the facility to the number of beds occupied when the violation occurred, until it determines that the facility has corrected the violation;~~

~~(c) If the license of the facility limits the occupancy of the facility and the facility has exceeded the approved occupancy, require the facility, at its own expense, to move patients to another facility that is licensed;~~

~~(d) Impose an administrative penalty of not more than \$5,000 per day for each violation, together with interest thereon at a rate not to exceed 10 percent per annum; and~~

~~(e) Appoint temporary management to oversee the operation of the facility and to ensure the health and safety of the patients of the facility, until:~~

~~1. (1) It determines that the facility has corrected the violation and has management which is capable of ensuring continued compliance with the applicable statutes, conditions, standards and regulations; or~~

~~2. (2) Improvements are made to correct the violation.~~

~~2. If the facility fails to pay any administrative penalty imposed pursuant to paragraph (d) of subsection 1, the Division may:~~

~~(a) Suspend the license of the facility until the administrative penalty is paid; and~~

~~(b) Collect court costs, reasonable attorney's fees and other costs incurred to collect the administrative penalty.~~

~~3. The Division may require any facility that violates any provision of NRS 439B.410 or 449.029 to 449.2428, inclusive, and section 2 of this act or any condition, standard or regulation adopted by the Board to make any improvements necessary to correct the violation.~~

~~4. Any money collected as administrative penalties pursuant to paragraph (d) of subsection 1 must be accounted for separately and used to administer and carry out the provisions of NRS 449.001 to 449.420, inclusive, and section 2 of this act, 449.425 to 449.531, inclusive, and chapter 449A of NRS to protect the health, safety, well-being and property of the patients and residents of facilities in accordance with applicable state and federal standards or for any other purpose authorized by the Legislature.] (Deleted by amendment.)~~

**Sec. 8.** ~~[NRS 449.220 is hereby amended to read as follows:~~

~~449.220 1. The Division may bring an action in the name of the State to enjoin any person, state or local government unit or agency thereof from operating or maintaining any facility within the meaning of NRS 449.029 to 449.2428, inclusive [;], and section 2 of this act.~~

~~(a) Without first obtaining a license therefor; or~~

~~(b) After his or her license has been revoked or suspended by the Division.~~

~~2. It is sufficient in such action to allege that the defendant did, on a certain date and in a certain place, operate and maintain such a facility without a license.] (Deleted by amendment.)~~

**Sec. 9.** ~~[NRS 449.240 is hereby amended to read as follows:~~

~~449.240 The district attorney of the county in which the facility is located shall, upon application by the Division, institute and conduct the prosecution of any action for violation of any provisions of NRS 449.029 to 449.245, inclusive [;], and section 2 of this act.] (Deleted by amendment.)~~

**Sec. 10.** ~~[NRS 630.305 is hereby amended to read as follows:~~

~~630.305 1. The following acts, among others, constitute grounds for initiating disciplinary action or denying licensure:~~

~~(a) Directly or indirectly receiving from any person, corporation or other business organization any fee, commission, rebate or other form of compensation which is intended or tends to influence the physician's objective evaluation or treatment of a patient.~~

~~(b) Dividing a fee between licensees except where the patient is informed of the division of fees and the division of fees is made in proportion to the services personally performed and the responsibility assumed by each licensee.~~

~~(c) Referring, in violation of NRS 439B.425, a patient to a health facility, medical laboratory or commercial establishment in which the licensee has a financial interest.~~

~~(d) Charging for visits to the physician's office which did not occur or for services which were not rendered or documented in the records of the patient.~~



~~— (e) Aiding, assisting, employing or advising, directly or indirectly, any unlicensed person to engage in the practice of medicine contrary to the provisions of this chapter or the regulations of the Board;~~

~~— (f) Delegating responsibility for the care of a patient to a person if the licensee knows, or has reason to know, that the person is not qualified to undertake that responsibility;~~

~~— (g) Failing to disclose to a patient any financial or other conflict of interest;~~

~~— (h) Failing to initiate the performance of community service within 1 year after the date the community service is required to begin, if the community service was imposed as a requirement of the licensee's receiving loans or scholarships from the Federal Government or a state or local government for the licensee's medical education;~~

~~— (i) Entering into a contract that contains a provision prohibited by section 13 of this act;~~

~~2. Nothing in this section prohibits a physician from forming an association or other business relationship with an optometrist pursuant to the provisions of NRS 636.373.] (Deleted by amendment.)~~

**Sec. 11.** ~~[NRS 633.511 is hereby amended to read as follows:~~

~~633.511 1. The grounds for initiating disciplinary action pursuant to this chapter are:~~

~~— (a) Unprofessional conduct;~~

~~— (b) Conviction of:~~

~~— (1) A violation of any federal or state law regulating the possession, distribution or use of any controlled substance or any dangerous drug as defined in chapter 454 of NRS;~~

~~— (2) A felony relating to the practice of osteopathic medicine or practice as a physician assistant;~~

~~— (3) A violation of any of the provisions of NRS 616D.200, 616D.220, 616D.240 or 616D.300 to 616D.440, inclusive;~~

~~— (4) Murder, voluntary manslaughter or mayhem;~~

~~— (5) Any felony involving the use of a firearm or other deadly weapon;~~

~~— (6) Assault with intent to kill or to commit sexual assault or mayhem;~~

~~— (7) Sexual assault, statutory sexual seduction, incest, lewdness, indecent exposure or any other sexually related crime;~~

~~— (8) Abuse or neglect of a child or contributory delinquency; or~~

~~— (9) Any offense involving moral turpitude.~~

~~— (c) The suspension of a license to practice osteopathic medicine or to practice as a physician assistant by any other jurisdiction.~~

~~— (d) Malpractice or gross malpractice, which may be evidenced by a claim of malpractice settled against a licensee.~~

~~— (e) Professional incompetence.~~

~~— (f) Failure to comply with the requirements of NRS 633.527.~~

~~— (g) Failure to comply with the requirements of subsection 3 of NRS 633.471.~~

~~— (h) Failure to comply with the provisions of NRS 633.694.~~

~~— (i) Operation of a medical facility, as defined in NRS 449.0151, at any time during which:~~

~~— (1) The license of the facility is suspended or revoked; or~~

~~— (2) An act or omission occurs which results in the suspension or revocation of the license pursuant to NRS 449.160.~~

~~— This paragraph applies to an owner or other principal responsible for the operation of the facility.~~

~~— (j) Failure to comply with the provisions of subsection 2 of NRS 633.322.~~

~~— (k) Signing a blank prescription form.~~

~~— (l) Knowingly or willfully procuring or administering a controlled substance or a dangerous drug as defined in chapter 454 of NRS that is not approved by the United States Food and Drug Administration, unless the unapproved controlled substance or dangerous drug:~~

~~— (1) Was procured through a retail pharmacy licensed pursuant to chapter 639 of NRS;~~

~~— (2) Was procured through a Canadian pharmacy which is licensed pursuant to chapter 639 of NRS and which has been recommended by the State Board of Pharmacy pursuant to subsection 4 of NRS 639.2228;~~

~~— (3) Is cannabis being used for medical purposes in accordance with chapter 678C of NRS; or~~

~~— (4) Is an investigational drug or biological product prescribed to a patient pursuant to NRS 620.3725 or 622.6945.~~

~~— (m) Attempting, directly or indirectly, by intimidation, coercion or deception, to obtain or retain a patient or to discourage the use of a second opinion.~~

~~— (n) Terminating the medical care of a patient without adequate notice or without making other arrangements for the continued care of the patient.~~

~~— (o) In addition to the provisions of subsection 3 of NRS 633.524, making or filing a report which the licensee knows to be false, failing to file a record or report that is required by law or knowingly or willfully obstructing or inducing another to obstruct the making or filing of such a record or report.~~

~~— (p) Failure to report any person the licensee knows, or has reason to know, is in violation of the provisions of this chapter or the regulations of the Board within 30 days after the date the licensee knows or has reason to know of the violation.~~

~~— (q) Failure by a licensee or applicant to report in writing, within 30 days, any criminal action taken or conviction obtained against the licensee or applicant, other than a minor traffic violation, in this State or any other state or by the Federal Government, a branch of the Armed Forces of the United States or any local or federal jurisdiction of a foreign country.~~

~~— (r) Engaging in any act that is unsafe in accordance with regulations adopted by the Board.~~

~~— (s) Failure to comply with the provisions of NRS 629.515.~~

~~— (t) Failure to supervise adequately a medical assistant pursuant to the regulations of the Board.~~

~~— (u) Failure to obtain any training required by the Board pursuant to NRS 633.473.~~

~~— (v) Failure to comply with the provisions of NRS 633.6955.~~

~~— (w) Failure to comply with the provisions of NRS 453.163, 453.164, 453.226, 639.22507, 639.22535 and 639.2391 to 639.23916, inclusive, and any regulations adopted by the State Board of Pharmacy pursuant thereto.~~

~~— (x) Fraudulent, illegal, unauthorized or otherwise inappropriate procuring, administering or dispensing of a controlled substance listed in schedule II, III or IV.~~

~~— (y) Failure to comply with the provisions of NRS 454.217 or 629.086.~~

~~— (z) *Entering into a contract that contains a provision prohibited by section 13 of this act.*~~

~~2. As used in this section, "investigational drug or biological product" has the meaning ascribed to it in NRS 454.351.]~~ **(Deleted by amendment.)**

**Sec. 12. [NRS 654.190 is hereby amended to read as follows:**

~~654.190 1. The Board may, after notice and an opportunity for a hearing as required by law, impose an administrative fine of not more than \$10,000 for each violation on, recover reasonable investigative fees and costs incurred from, suspend, revoke, deny the issuance or renewal of or place conditions on the license~~

1 of, and place on probation or impose any combination of the foregoing on any  
2 licensee who:

3 ~~— (a) Is convicted of a felony relating to the practice of administering a nursing~~  
4 ~~facility or residential facility or of any offense involving moral turpitude;~~

5 ~~— (b) Has obtained his or her license by the use of fraud or deceit;~~

6 ~~— (c) Violates any of the provisions of this chapter;~~

7 ~~— (d) Aids or abets any person in the violation of any of the provisions of NRS~~  
8 ~~449.029 to 449.2428, inclusive, and section 2 of this act, as those provisions~~  
9 ~~pertain to a facility for skilled nursing, facility for intermediate care or residential~~  
10 ~~facility for groups;~~

11 ~~— (e) Violates any regulation of the Board prescribing additional standards of~~  
12 ~~conduct for licensees, including, without limitation, a code of ethics;~~

13 ~~— (f) Engages in conduct that violates the trust of a patient or resident or exploits~~  
14 ~~the relationship between the licensee and the patient or resident for the financial or~~  
15 ~~other gain of the licensee;~~

16 ~~— 2. If a licensee requests a hearing pursuant to subsection 1, the Board shall~~  
17 ~~give the licensee written notice of a hearing pursuant to NRS 223B.121 and~~  
18 ~~241.034. A licensee may waive, in writing, his or her right to attend the hearing;~~

19 ~~— 3. The Board may compel the attendance of witnesses or the production of~~  
20 ~~documents or objects by subpoena. The Board may adopt regulations that set forth a~~  
21 ~~procedure pursuant to which the Chair of the Board may issue subpoenas on behalf~~  
22 ~~of the Board. Any person who is subpoenaed pursuant to this subsection may~~  
23 ~~request the Board to modify the terms of the subpoena or grant additional time for~~  
24 ~~compliance;~~

25 ~~— 4. An order that imposes discipline and the findings of fact and conclusions of~~  
26 ~~law supporting that order are public records;~~

27 ~~— 5. The expiration of a license by operation of law or by order or decision of~~  
28 ~~the Board or a court, or the voluntary surrender of a license, does not deprive the~~  
29 ~~Board of jurisdiction to proceed with any investigation of, or action or disciplinary~~  
30 ~~proceeding against, the licensee or to render a decision suspending or revoking the~~  
31 ~~license.] (Deleted by amendment.)~~

32 **Sec. 13.** ~~[Chapter 686A of NRS is hereby amended by adding thereto a new~~  
33 ~~section to read as follows:~~

34 ~~— 1. An insurer shall not enter into a contract with a provider of health care~~  
35 ~~that:~~

36 ~~— (a) Restricts the ability of the insurer to direct a covered person to a provider~~  
37 ~~of health care that is not a party to the contract or requires the insurer to offer~~  
38 ~~incentives to encourage a covered person to utilize specific providers of health~~  
39 ~~care;~~

40 ~~— (b) Prohibits or authorizes the insurer to prohibit the provider of health care~~  
41 ~~from entering into a contract to provide health care services at a lower price than~~  
42 ~~the price specified in the contract with the insurer;~~

43 ~~— (c) Requires or authorizes the insurer to require the provider of health care~~  
44 ~~to accept a lower rate of reimbursement from the insurer if the provider of health~~  
45 ~~care enters into a contract described in paragraph (b); or~~

46 ~~— (d) Requires or authorizes the insurer to require termination or renegotiation~~  
47 ~~of the contract with the provider of health care if the provider of health care~~  
48 ~~enters into a contract described in paragraph (b);~~

49 ~~— (e) Requires the provider of health care to disclose to the insurer the rates of~~  
50 ~~reimbursement provided to the provider of health care pursuant to a contract with~~  
51 ~~another insurer;~~

~~— (f) Requires the insurer to contract with all providers of health care affiliated with a business entity as a condition of including any provider of health care affiliated with that business entity in the network plan of the insurer;~~

~~— (g) Prohibits the provider of health care from contracting with an insurer that is not a party to the contract or penalizes the provider of health care for entering into such a contract;~~

~~— (h) Prohibits the insurer from contracting with a provider of health care that is not a party to the contract or penalizes the insurer for entering into such a contract; or~~

~~— (i) Includes a clause equivalent to those described in paragraphs (a) to (h), inclusive.~~

~~— 2. As used in this section:~~

~~— (a) "Covered person" means a policyholder, subscriber, enrollee or other person participating in a network plan.~~

~~— (b) "Health care plan" means a policy, contract, certificate or agreement offered or issued by an insurer to provide, deliver, arrange for, pay for or reimburse any of the costs of health care services.~~

~~— (c) "Network plan" means a health care plan offered or issued by an insurer under which the financing and delivery of health care services, including, without limitation, items and services paid for as health care services, are provided, in whole or in part, through a defined set of providers of health care under contract with the insurer. The term does not include an arrangement for the financing of premiums.~~

~~— (d) "Provider of health care" means:~~

~~— (1) A physician or other health care practitioner who is licensed or otherwise authorized in this State to furnish any health care service; or~~

~~— (2) An institution providing health care services or other setting in which health care services are provided, including, without limitation, a hospital, surgical center for ambulatory patients, facility for skilled nursing, residential facility for groups, laboratory and any other such licensed facility. (Deleted by amendment.)~~

**Sec. 14.** [NRS 686A.160 is hereby amended to read as follows:

~~— 686A.160 If the Commissioner has cause to believe that any person has been engaged or is engaging, in this state, in any unfair method of competition or any unfair or deceptive act or practice prohibited by NRS 686A.010 to 686A.310, inclusive, and section 13 of this act, and that a proceeding by the Commissioner in respect thereto would be in the interest of the public, the Commissioner may issue and serve upon such person a statement of the charges and a notice of the hearing to be held thereon. The statement of charges and notice of hearing shall comply with the requirements of NRS 679B.320 and shall be served upon such person directly or by certified or registered mail, return receipt requested.] (Deleted by amendment.)~~

**Sec. 15.** [NRS 686A.183 is hereby amended to read as follows:

~~— 686A.183 1. After the hearing provided for in NRS 686A.160, the Commissioner shall issue an order on hearing pursuant to NRS 679B.360. If the Commissioner determines that the person charged has engaged in an unfair method of competition or an unfair or deceptive act or practice in violation of NRS 686A.010 to 686A.310, inclusive, and section 13 of this act, the Commissioner shall order the person to cease and desist from engaging in that method of competition, act or practice, and may order one or both of the following:~~

~~— (a) If the person knew or reasonably should have known that he or she was in violation of NRS 686A.010 to 686A.310, inclusive, and section 13 of this act, payment of an administrative fine of not more than \$5,000 for each act or violation,~~

except that as to licensed agents, brokers, solicitors and adjusters, the administrative fine must not exceed \$500 for each act or violation.

~~— (b) Suspension or revocation of the person's license if the person knew or reasonably should have known that he or she was in violation of NRS 686A.010 to 686A.310, inclusive [ ], and section 13 of this act.~~

~~— 2. Until the expiration of the time allowed for taking an appeal, pursuant to NRS 679B.370, if no petition for review has been filed within that time, or, if a petition for review has been filed within that time, until the official record in the proceeding has been filed with the court, the Commissioner may, at any time, upon such notice and in such manner as the Commissioner deems proper, modify or set aside, in whole or in part, any order issued by him or her under this section.~~

~~— 3. After the expiration of the time allowed for taking an appeal, if no petition for review has been filed, the Commissioner may at any time, after notice and opportunity for hearing, reopen and alter, modify or set aside, in whole or in part, any order issued by him or her under this section whenever in the opinion of the Commissioner conditions of fact or of law have so changed as to require such action or if the public interest so requires. (Deleted by amendment.)~~

**Sec. 16.** ~~[NRS 686A.520 is hereby amended to read as follows:~~

~~— 686A.520 1. The provisions of NRS 682A.341, 682A.451, 682A.461 and 686A.010 to 686A.310, inclusive, and section 13 of this act, apply to companies.~~

~~— 2. For the purposes of subsection 1, unless the context requires that a section apply only to insurers, any reference in those sections to "insurer" must be replaced by a reference to "company." (Deleted by amendment.)~~

**Sec. 17.** ~~[NRS 695B.320 is hereby amended to read as follows:~~

~~— 695B.320 1. Nonprofit hospital and medical or dental service corporations are subject to the provisions of this chapter, and to the provisions of chapters 679A and 679B of NRS, NRS 686A.010 to 686A.315, inclusive, and section 13 of this act, 687B.010 to 687B.040, inclusive, 687B.070 to 687B.140, inclusive, 687B.150, 687B.160, 687B.180, 687B.200 to 687B.255, inclusive, 687B.270, 687B.310 to 687B.380, inclusive, 687B.410, 687B.420, 687B.430, 687B.500 and chapters 692B, 692C, 693A and 696B of NRS, to the extent applicable and not in conflict with the express provisions of this chapter.~~

~~— 2. For the purposes of this section and the provisions set forth in subsection 1, a nonprofit hospital and medical or dental service corporation is included in the meaning of the term "insurer." (Deleted by amendment.)~~

**Sec. 18.** ~~[NRS 695C.300 is hereby amended to read as follows:~~

~~— 695C.300 1. No health maintenance organization or representative thereof may cause or knowingly permit the use of advertising which is untrue or misleading, solicitation which is untrue or misleading or any form of evidence of coverage which is deceptive. For purposes of this chapter:~~

~~— (a) A statement or item of information shall be deemed to be untrue if it does not conform to fact in any respect which is or may be significant to an enrollee of, or person considering enrollment in, a health care plan.~~

~~— (b) A statement or item of information shall be deemed to be misleading, whether or not it may be literally untrue if, in the total context in which such statement is made or such item of information is communicated, such statement or item of information may be reasonably understood by a reasonable person not possessing special knowledge regarding health care coverage, as indicating any benefit or advantage or the absence of any exclusion, limitation or disadvantage of possible significance to an enrollee of, or person considering enrollment in, a health care plan if such benefit or advantage or absence of limitation, exclusion or disadvantage does not in fact exist.~~

~~— (c) An evidence of coverage shall be deemed to be deceptive if the evidence of coverage taken as a whole, and with consideration given to typography and format as well as language, shall be such as to cause a reasonable person not possessing special knowledge regarding health care plans and evidences of coverage therefor to expect benefits, services, charges or other advantages which the evidence of coverage does not provide or which the health care plan issuing such evidence of coverage does not regularly make available for enrollees covered under such evidence of coverage.~~

~~— 2. NRS 686A.010 to 686A.310, inclusive, and section 13 of this act shall be construed to apply to health maintenance organizations, health care plans and evidences of coverage except to the extent that the nature of health maintenance organizations, health care plans and evidences of coverage render the sections therein clearly inappropriate.~~

~~— 3. An enrollee may not be cancelled or not renewed except for the failure to pay the charge for such coverage or for cause as determined in the master contract.~~

~~— 4. No health maintenance organization, unless licensed as an insurer, may use in its name, contracts, or literature any of the words "insurance," "casualty," "surety," "mutual" or any other words descriptive of the insurance, casualty or surety business or deceptively similar to the name or description of any insurance or surety corporation doing business in this State.~~

~~— 5. No person not certificated under this chapter shall use in its name, contracts or literature the phrase "health maintenance organization" or the initials "HMO."}]~~  
**(Deleted by amendment.)**

**Sec. 19.** ~~[NRS 695D.290 is hereby amended to read as follows:~~

~~— 695D.090 — 1. The provisions of NRS 686A.010 to 686A.310, inclusive, and section 13 of this act relating to trade practices and frauds apply to organizations for dental care.}]~~ **(Deleted by amendment.)**

**Sec. 20.** ~~[NRS 695F.090 is hereby amended to read as follows:~~

~~— 695F.090 — 1. Prepaid limited health service organizations are subject to the provisions of this chapter and to the following provisions, to the extent reasonably applicable:~~

~~— (a) NRS 687B.310 to 687B.420, inclusive, concerning cancellation and nonrenewal of policies;~~

~~— (b) NRS 687B.122 to 687B.128, inclusive, concerning readability of policies;~~

~~— (c) The requirements of NRS 679B.152;~~

~~— (d) The fees imposed pursuant to NRS 449.465;~~

~~— (e) NRS 686A.010 to 686A.310, inclusive, and section 13 of this act concerning trade practices and frauds;~~

~~— (f) The assessment imposed pursuant to NRS 679B.700;~~

~~— (g) Chapter 683A of NRS;~~

~~— (h) To the extent applicable, the provisions of NRS 689B.340 to 689B.580, inclusive, and chapter 689C of NRS relating to the portability and availability of health insurance;~~

~~— (i) NRS 689A.035, 689A.0463, 689A.410, 689A.413 and 689A.415;~~

~~— (j) NRS 689B.025 to 689B.039, inclusive, concerning premium tax, premium tax rate, annual report and estimated quarterly tax payments. For the purposes of this subsection, unless the context otherwise requires that a section apply only to insurers, any reference in those sections to "insurer" must be replaced by a reference to "prepaid limited health service organization."~~

~~— (k) Chapter 692C of NRS, concerning holding companies;~~

~~— (l) NRS 689A.637, concerning health centers;~~

~~2. For the purposes of this section and the provisions set forth in subsection 1, a prepaid limited health service organization is included in the meaning of the term "insurer." (Deleted by amendment.)~~

**Sec. 20.1. NRS 78.153 is hereby amended to read as follows:**

78.153 1. At the time of submitting any list required pursuant to NRS 78.150, a corporation that meets the criteria set forth in subsection 2 must submit:

(a) The statement required pursuant to subsection 3, accompanied by a declaration under penalty of perjury attesting that the statement does not contain any material misrepresentation of fact; and

(b) A fee of \$100,000, to be distributed in the manner provided pursuant to subsection 4.

2. A corporation must submit a statement pursuant to this section if the corporation, including its parent and all subsidiaries:

(a) Holds 25 percent or more of the share of the market within this State for any product sold or distributed by the corporation within this State; and

(b) Has had, during the previous 5-year period, a total of five or more investigations commenced against the corporation, its parent or its subsidiaries in any jurisdiction within the United States, including all state and federal investigations:

(1) Which concern any alleged contract, combination or conspiracy in restraint of trade, as described in subsection 1 of NRS 598A.060, or which concern similar activities prohibited by a substantially similar law of another jurisdiction; and

(2) Which resulted in the corporation being fined or otherwise penalized or which resulted in the corporation being required to divest any holdings or being unable to acquire any holdings as a condition for the settlement, dismissal or resolution of those investigations.

3. A corporation that meets the criteria set forth in subsection 2 shall submit a statement which includes the following information with respect to each investigation:

(a) The jurisdiction in which the investigation was commenced.

(b) A summary of the nature of the investigation and the facts and circumstances surrounding the investigation.

(c) If the investigation resulted in criminal or civil litigation, a copy of all pleadings filed in the investigation by any party to the litigation.

(d) A summary of the outcome of the investigation, including specific information concerning whether any fine or penalty was imposed against the corporation and whether the corporation was required to divest any holdings or was unable to acquire any holdings as a condition for the settlement, dismissal or resolution of the investigation.

4. The fee collected pursuant to subsection 1 must be deposited in the Attorney General's Administration Budget Account and used solely for the purpose of investigating any alleged contract, combination or conspiracy in restraint of trade, as described in subsection 1 of NRS 598A.060 and subsection 1 of section 20.9 of this act.

**Sec. 20.2. NRS 80.115 is hereby amended to read as follows:**

80.115 1. At the time of submitting any list required pursuant to NRS 80.110, a corporation that meets the criteria set forth in subsection 2 must submit:

(a) The statement required pursuant to subsection 3, accompanied by a declaration under penalty of perjury attesting that the statement does not contain any material misrepresentation of fact; and

(b) A fee of \$100,000, to be distributed in the manner provided pursuant to subsection 4.



2. A corporation must submit a statement pursuant to this section if the corporation, including its parent and all subsidiaries:

(a) Holds 25 percent or more of the share of the market within this State for any product sold or distributed by the corporation within this State; and

(b) Has had, during the previous 5-year period, a total of five or more investigations commenced against the corporation, its parent or its subsidiaries in any jurisdiction within the United States, including all state and federal investigations:

(1) Which concern any alleged contract, combination or conspiracy in restraint of trade, as described in subsection 1 of NRS 598A.060, or which concern similar activities prohibited by a substantially similar law of another jurisdiction; and

(2) Which resulted in the corporation being fined or otherwise penalized or which resulted in the corporation being required to divest any holdings or being unable to acquire any holdings as a condition for the settlement, dismissal or resolution of those investigations.

3. A corporation that meets the criteria set forth in subsection 2 shall submit a statement which includes the following information with respect to each investigation:

(a) The jurisdiction in which the investigation was commenced.

(b) A summary of the nature of the investigation and the facts and circumstances surrounding the investigation.

(c) If the investigation resulted in criminal or civil litigation, a copy of all pleadings filed in the investigation by any party to the litigation.

(d) A summary of the outcome of the investigation, including specific information concerning whether any fine or penalty was imposed against the corporation and whether the corporation was required to divest any holdings or was unable to acquire any holdings as a condition for the settlement, dismissal or resolution of the investigation.

4. The fee collected pursuant to subsection 1 must be deposited in the Attorney General's Administration Budget Account and used solely for the purpose of investigating any alleged contract, combination or conspiracy in restraint of trade, as described in subsection 1 of NRS 598A.060 ~~and~~ and subsection 1 of section 20.9 of this act.

**Sec. 20.3. NRS 86.264 is hereby amended to read as follows:**

86.264 1. At the time of submitting any list required pursuant to NRS 86.263, a limited-liability company that meets the criteria set forth in subsection 2 must submit:

(a) The statement required pursuant to subsection 3, accompanied by a declaration under penalty of perjury attesting that the statement does not contain any material misrepresentation of fact; and

(b) A fee of \$100,000, to be distributed in the manner provided pursuant to subsection 4.

2. A limited-liability company must submit a statement pursuant to this section if the limited-liability company, including its parent and all subsidiaries:

(a) Holds 25 percent or more of the share of the market within this State for any product sold or distributed by the limited-liability company within this State; and

(b) Has had, during the previous 5-year period, a total of five or more investigations commenced against the limited-liability company, its parent or its subsidiaries in any jurisdiction within the United States, including all state and federal investigations:



(1) Which concern any alleged contract, combination or conspiracy in restraint of trade, as described in subsection 1 of NRS 598A.060, or which concern similar activities prohibited by a substantially similar law of another jurisdiction; and

(2) Which resulted in the limited-liability company being fined or otherwise penalized or which resulted in the limited-liability company being required to divest any holdings or being unable to acquire any holdings as a condition for the settlement, dismissal or resolution of those investigations.

3. A limited-liability company that meets the criteria set forth in subsection 2 shall submit a statement which includes the following information with respect to each investigation:

(a) The jurisdiction in which the investigation was commenced.

(b) A summary of the nature of the investigation and the facts and circumstances surrounding the investigation.

(c) If the investigation resulted in criminal or civil litigation, a copy of all pleadings filed in the investigation by any party to the litigation.

(d) A summary of the outcome of the investigation, including specific information concerning whether any fine or penalty was imposed against the limited-liability company and whether the limited-liability company was required to divest any holdings or was unable to acquire any holdings as a condition for the settlement, dismissal or resolution of the investigation.

4. The fee collected pursuant to subsection 1 must be deposited in the Attorney General's Administration Budget Account and used solely for the purpose of investigating any alleged contract, combination or conspiracy in restraint of trade, as described in subsection 1 of NRS 598A.060 ~~and~~ and subsection 1 of section 20.9 of this act.

**Sec. 20.4. NRS 86.5462 is hereby amended to read as follows:**

86.5462 1. At the time of submitting any list required pursuant to NRS 86.5461, a foreign limited-liability company that meets the criteria set forth in subsection 2 must submit:

(a) The statement required pursuant to subsection 3, accompanied by a declaration under penalty of perjury attesting that the statement does not contain any material misrepresentation of fact; and

(b) A fee of \$100,000, to be distributed in the manner provided pursuant to subsection 4.

2. A foreign limited-liability company must submit a statement pursuant to this section if the foreign limited-liability company, including its parent and all subsidiaries:

(a) Holds 25 percent or more of the share of the market within this State for any product sold or distributed by the foreign limited-liability company within this State; and

(b) Has had, during the previous 5-year period, a total of five or more investigations commenced against the foreign limited-liability company, its parent or its subsidiaries in any jurisdiction within the United States, including all state and federal investigations:

(1) Which concern any alleged contract, combination or conspiracy in restraint of trade, as described in subsection 1 of NRS 598A.060, or which concern similar activities prohibited by a substantially similar law of another jurisdiction; and

(2) Which resulted in the foreign limited-liability company being fined or otherwise penalized or which resulted in the foreign limited-liability company being required to divest any holdings or being unable to acquire any holdings as a condition for the settlement, dismissal or resolution of those investigations.

3. A foreign limited-liability company that meets the criteria set forth in subsection 2 shall submit a statement which includes the following information with respect to each investigation:

(a) The jurisdiction in which the investigation was commenced.

(b) A summary of the nature of the investigation and the facts and circumstances surrounding the investigation.

(c) If the investigation resulted in criminal or civil litigation, a copy of all pleadings filed in the investigation by any party to the litigation.

(d) A summary of the outcome of the investigation, including specific information concerning whether any fine or penalty was imposed against the foreign limited-liability company and whether the foreign limited-liability company was required to divest any holdings or was unable to acquire any holdings as a condition for the settlement, dismissal or resolution of the investigation.

4. The fee collected pursuant to subsection 1 must be deposited in the Attorney General's Administration Budget Account and used solely for the purpose of investigating any alleged contract, combination or conspiracy in restraint of trade, as described in subsection 1 of NRS 598A.060 ~~and~~ and subsection 1 of section 20.9 of this act.

Sec. 20.5. NRS 87A.295 is hereby amended to read as follows:

87A.295 1. At the time of submitting any list required pursuant to NRS 87A.290, a limited partnership that meets the criteria set forth in subsection 2 must submit:

(a) The statement required pursuant to subsection 3, accompanied by a declaration under penalty of perjury attesting that the statement does not contain any material misrepresentation of fact; and

(b) A fee of \$100,000, to be distributed in the manner provided pursuant to subsection 4.

2. A limited partnership must submit a statement pursuant to this section if the limited partnership, including its parent and all subsidiaries:

(a) Holds 25 percent or more of the share of the market within this State for any product sold or distributed by the limited partnership within this State; and

(b) Has had, during the previous 5-year period, a total of five or more investigations commenced against the limited partnership, its parent or its subsidiaries in any jurisdiction within the United States, including all state and federal investigations:

(1) Which concern any alleged contract, combination or conspiracy in restraint of trade, as described in subsection 1 of NRS 598A.060, or which concern similar activities prohibited by a substantially similar law of another jurisdiction; and

(2) Which resulted in the limited partnership being fined or otherwise penalized or which resulted in the limited partnership being required to divest any holdings or being unable to acquire any holdings as a condition for the settlement, dismissal or resolution of those investigations.

3. A limited partnership that meets the criteria set forth in subsection 2 shall submit a statement which includes the following information with respect to each investigation:

(a) The jurisdiction in which the investigation was commenced.

(b) A summary of the nature of the investigation and the facts and circumstances surrounding the investigation.

(c) If the investigation resulted in criminal or civil litigation, a copy of all pleadings filed in the investigation by any party to the litigation.

(d) A summary of the outcome of the investigation, including specific information concerning whether any fine or penalty was imposed against the

1 limited partnership and whether the limited partnership was required to divest any  
2 holdings or was unable to acquire any holdings as a condition for the settlement,  
3 dismissal or resolution of the investigation.

4 4. The fee collected pursuant to subsection 1 must be deposited in the  
5 Attorney General's Administration Budget Account and used solely for the purpose  
6 of investigating any alleged contract, combination or conspiracy in restraint of  
7 trade, as described in subsection 1 of NRS 598A.060 ~~and~~ and subsection 1 of  
8 section 20.9 of this act.

9 Sec. 20.6. NRS 87A.565 is hereby amended to read as follows:

10 87A.565 1. At the time of submitting any list required pursuant to NRS  
11 87A.560, a foreign limited partnership that meets the criteria set forth in subsection  
12 2 must submit:

13 (a) The statement required pursuant to subsection 3, accompanied by a  
14 declaration under penalty of perjury attesting that the statement does not contain  
15 any material misrepresentation of fact; and

16 (b) A fee of \$100,000, to be distributed in the manner provided pursuant to  
17 subsection 4.

18 2. A foreign limited partnership must submit a statement pursuant to this  
19 section if the foreign limited partnership, including its parent and all subsidiaries:

20 (a) Holds 25 percent or more of the share of the market within this State for  
21 any product sold or distributed by the foreign limited partnership within this State;  
22 and

23 (b) Has had, during the previous 5-year period, a total of five or more  
24 investigations commenced against the foreign limited partnership, its parent or its  
25 subsidiaries in any jurisdiction within the United States, including all state and  
26 federal investigations:

27 (1) Which concern any alleged contract, combination or conspiracy in  
28 restraint of trade, as described in subsection 1 of NRS 598A.060, or which concern  
29 similar activities prohibited by a substantially similar law of another jurisdiction;  
30 and

31 (2) Which resulted in the foreign limited partnership being fined or  
32 otherwise penalized or which resulted in the foreign limited partnership being  
33 required to divest any holdings or being unable to acquire any holdings as a  
34 condition for the settlement, dismissal or resolution of those investigations.

35 3. A foreign limited partnership that meets the criteria set forth in subsection  
36 2 shall submit a statement which includes the following information with respect to  
37 each investigation:

38 (a) The jurisdiction in which the investigation was commenced.

39 (b) A summary of the nature of the investigation and the facts and  
40 circumstances surrounding the investigation.

41 (c) If the investigation resulted in criminal or civil litigation, a copy of all  
42 pleadings filed in the investigation by any party to the litigation.

43 (d) A summary of the outcome of the investigation, including specific  
44 information concerning whether any fine or penalty was imposed against the  
45 foreign limited partnership and whether the foreign limited partnership was  
46 required to divest any holdings or was unable to acquire any holdings as a condition  
47 for the settlement, dismissal or resolution of the investigation.

48 4. The fee collected pursuant to subsection 1 must be deposited in the  
49 Attorney General's Administration Budget Account and used solely for the purpose  
50 of investigating any alleged contract, combination or conspiracy in restraint of  
51 trade, as described in subsection 1 of NRS 598A.060 ~~and~~ and subsection 1 of  
52 section 20.9 of this act.

53 Sec. 20.7. NRS 88.397 is hereby amended to read as follows:

1       88.397 1. At the time of submitting any list required pursuant to NRS  
2 88.395, a limited partnership that meets the criteria set forth in subsection 2 must  
3 submit:

4       (a) The statement required pursuant to subsection 3, accompanied by a  
5 declaration under penalty of perjury attesting that the statement does not contain  
6 any material misrepresentation of fact; and

7       (b) A fee of \$100,000, to be distributed in the manner provided pursuant to  
8 subsection 4.

9       2. A limited partnership must submit a statement pursuant to this section if  
10 the limited partnership, including its parent and all subsidiaries:

11       (a) Holds 25 percent or more of the share of the market within this State for  
12 any product sold or distributed by the limited partnership within this State; and

13       (b) Has had, during the previous 5-year period, a total of five or more  
14 investigations commenced against the limited partnership, its parent or its  
15 subsidiaries in any jurisdiction within the United States, including all state and  
16 federal investigations;

17       (1) Which concern any alleged contract, combination or conspiracy in  
18 restraint of trade, as described in subsection 1 of NRS 598A.060, or which concern  
19 similar activities prohibited by a substantially similar law of another jurisdiction;  
20 and

21       (2) Which resulted in the limited partnership being fined or otherwise  
22 penalized or which resulted in the limited partnership being required to divest any  
23 holdings or being unable to acquire any holdings as a condition for the settlement,  
24 dismissal or resolution of those investigations.

25       3. A limited partnership that meets the criteria set forth in subsection 2 shall  
26 submit a statement which includes the following information with respect to each  
27 investigation:

28       (a) The jurisdiction in which the investigation was commenced.

29       (b) A summary of the nature of the investigation and the facts and  
30 circumstances surrounding the investigation.

31       (c) If the investigation resulted in criminal or civil litigation, a copy of all  
32 pleadings filed in the investigation by any party to the litigation.

33       (d) A summary of the outcome of the investigation, including specific  
34 information concerning whether any fine or penalty was imposed against the  
35 limited partnership and whether the limited partnership was required to divest any  
36 holdings or was unable to acquire any holdings as a condition for the settlement,  
37 dismissal or resolution of the investigation.

38       4. The fee collected pursuant to subsection 1 must be deposited in the  
39 Attorney General's Administration Budget Account and used solely for the purpose  
40 of investigating any alleged contract, combination or conspiracy in restraint of  
41 trade, as described in subsection 1 of NRS 598A.060 and subsection 1 of  
42 section 20.9 of this act.

43       **Sec. 20.8. NRS 88.5915 is hereby amended to read as follows:**

44       88.5915 1. At the time of submitting any list required pursuant to NRS  
45 88.591, a foreign limited partnership that meets the criteria set forth in subsection 2  
46 must submit:

47       (a) The statement required pursuant to subsection 3, accompanied by a  
48 declaration under penalty of perjury attesting that the statement does not contain  
49 any material misrepresentation of fact; and

50       (b) A fee of \$100,000, to be distributed in the manner provided pursuant to  
51 subsection 4.

52       2. A foreign limited partnership must submit a statement pursuant to this  
53 section if the foreign limited partnership, including its parent and all subsidiaries:

(a) Holds 25 percent or more of the share of the market within this state for any product sold or distributed by the foreign limited partnership within this State; and

(b) Has had, during the previous 5-year period, a total of five or more investigations commenced against the foreign limited partnership, its parent or its subsidiaries in any jurisdiction within the United States, including all state and federal investigations:

(1) Which concern any alleged contract, combination or conspiracy in restraint of trade, as described in subsection 1 of NRS 598A.060, or which concern similar activities prohibited by a substantially similar law of another jurisdiction; and

(2) Which resulted in the foreign limited partnership being fined or otherwise penalized or which resulted in the foreign limited partnership being required to divest any holdings or being unable to acquire any holdings as a condition for the settlement, dismissal or resolution of those investigations.

3. A foreign limited partnership that meets the criteria set forth in subsection 2 shall submit a statement which includes the following information with respect to each investigation:

(a) The jurisdiction in which the investigation was commenced.

(b) A summary of the nature of the investigation and the facts and circumstances surrounding the investigation.

(c) If the investigation resulted in criminal or civil litigation, a copy of all pleadings filed in the investigation by any party to the litigation.

(d) A summary of the outcome of the investigation, including specific information concerning whether any fine or penalty was imposed against the foreign limited partnership and whether the foreign limited partnership was required to divest any holdings or was unable to acquire any holdings as a condition for the settlement, dismissal or resolution of the investigation.

4. The fee collected pursuant to subsection 1 must be deposited in the Attorney General's Administration Budget Account and used solely for the purpose of investigating any alleged contract, combination or conspiracy in restraint of trade, as described in subsection 1 of NRS 598A.060 and subsection 1 of section 20.9 of this act.

**Sec. 20.9. Chapter 598A of NRS is hereby amended by adding thereto a new section to read as follows:**

**1. A violation of this subsection constitutes a contract in restraint of trade. A provider of health care shall not enter into, offer to enter into or solicit a contract with a third party that directly or indirectly:**

**(a) Restricts the third party from offering incentives to a covered person to use specific providers of health care or otherwise steering a covered person to a specific provider of health care;**

**(b) Restricts the third party from assigning providers of health care into tiers for the purpose of encouraging the use of certain providers of health care;**

**(c) Requires the third party to place all providers of health care affiliated with a business entity in the same tier;**

**(d) Requires the third party to contract with a business entity affiliated with a provider of health care as a condition of entering into a contract with the provider of health care; or**

**(e) Prohibits the third party from contracting with a provider of health care that is not a party to the contract or penalizes the third party for entering into such a contract.**

**2. A contract between a provider of health care and a third party may include any provisions not expressly prohibited by subsection 1 or otherwise prohibited by law.**

1 3. Any provision of a contract that violates the provisions of subsection 1 is  
2 void and severable from the contract.

3 4. As used in this section:

4 (a) "Covered person" means a policyholder, subscriber, enrollee or other  
5 person covered by a third party.

6 (b) "Provider of health care" means:

7 (1) A physician or other health care practitioner who is licensed or  
8 otherwise authorized in this State to furnish any health care service; or

9 (2) An institution providing health care services or other setting in which  
10 health care services are provided, including, without limitation, a hospital,  
11 surgical center for ambulatory patients, facility for skilled nursing, residential  
12 facility for groups, laboratory and any other such licensed facility.

13 (c) "Third party" means any insurer, governmental entity or other  
14 organization providing health coverage or benefits in accordance with state or  
15 federal law.

16 **Sec. 21.** The amendatory provisions of ~~sections 2, 10, 11 and 13~~ **section**  
17 **20.9** of this act do not apply to any contract existing on October 1, 2021, but apply  
18 to any renewal of such a contract.

19 **Sec. 22.** 1. This section becomes effective upon passage and approval.

20 2. Sections 1 to 21, inclusive, of this act become effective:

21 (a) Upon passage and approval for the purpose of adopting any regulations and  
22 performing any other preparatory administrative tasks that are necessary to carry  
23 out the provisions of this act; and

24 (b) On October 1, 2021, for all other purposes.