

SENATE BILL NO. 113—SENATORS COFFIN, CARLTON, HORSFORD, LEE, MATHEWS, NOLAN, RAGGIO, RHOADS, SCHNEIDER, TITUS, TOWNSEND, WIENER AND WOODHOUSE (BY REQUEST)

FEBRUARY 19, 2007

JOINT SPONSORS: ASSEMBLYMEN PARKS, HORNE,
BOBZIEN, HOGAN AND MARVEL

Referred to Committee on Commerce and Labor

SUMMARY—Requires certain policies of health insurance and health care plans to provide coverage for screenings for prostate cancer in certain circumstances. (BDR 57-333)

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

CONTAINS UNFUNDDED MANDATE (\$10)
(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 certain policies of health insurance and health care plans to provide coverage for screenings for prostate cancer in certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law requires certain public and private health care plans and policies
2 of insurance to provide coverage for certain procedures, including colorectal cancer
3 screenings, cytological screening tests and mammograms, in certain circumstances.
4 (NRS 287.027, 287.04335, 689A.04042, 689A.0405, 689B.0367, 689B.0374,
5 695B.1907, 695B.1912, 695C.1731, 695C.1735, 695G.168) Existing law also
6 requires employers to provide certain benefits to employees including coverage for
7 the procedures required to be covered by insurers if the employer provides health
8 benefits for its employees. (NRS 608.1555) **Sections 2-11** of this bill require those
9 health care plans and policies of insurance, other than the State Plan for Medicaid,
10 that provide coverage for the treatment of prostate cancer to also provide coverage
11 for screenings for prostate cancer in certain circumstances.



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12 **Section 1** of this bill clarifies that policies of health insurance and health care
13 plans which provide for such prostate cancer screenings must not require the
14 insured to obtain prior authorization for the screening from the insurer or
15 organization. (NRS 687B.225)

16 The provisions of this bill apply prospectively to any policy of insurance or
17 health care plan issued or renewed on or after the effective date of the bill,
18 October 1, 2007.

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

1 **Section 1.** NRS 687B.225 is hereby amended to read as
2 follows:

3 687B.225 1. Except as otherwise provided in NRS
4 689A.0405, 689A.0413, 689B.031, 689B.0374, 695B.1912,
5 695B.1914, 695C.1713, 695C.1735 and 695G.170, **and sections 2,**
6 **4, 5, 6, 9 and 10 of this act,** any contract for group, blanket or
7 individual health insurance or any contract by a nonprofit hospital,
8 medical or dental service corporation or organization for dental care
9 which provides for payment of a certain part of medical or dental
10 care may require the insured or member to obtain prior authorization
11 for that care from the insurer or organization. The insurer or
12 organization shall:

13 (a) File its procedure for obtaining approval of care pursuant to
14 this section for approval by the Commissioner; and

15 (b) Respond to any request for approval by the insured or
16 member pursuant to this section within 20 days after it receives the
17 request.

18 2. The procedure for prior authorization may not discriminate
19 among persons licensed to provide the covered care.

20 **Sec. 2.** Chapter 689A of NRS is hereby amended by adding
21 thereto a new section to read as follows:

22 **1. A policy of health insurance that provides coverage for the
23 treatment of prostate cancer must provide coverage for prostate
24 cancer screening in accordance with:**

25 **(a) The guidelines concerning prostate cancer screening
26 which are published by the American Cancer Society; or**

27 **(b) Other guidelines or reports concerning prostate cancer
28 screening which are published by nationally recognized
29 professional organizations and which include current or
30 prevailing supporting scientific data.**

31 **2. A policy subject to the provisions of this chapter which is
32 delivered, issued for delivery or renewed on or after October 1,
33 2007, has the legal effect of including the coverage required by**



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1 **subsection 1, and any provision of the policy or the renewal which**
2 **is in conflict with subsection 1 is void.**

3 **Sec. 3.** NRS 689A.330 is hereby amended to read as follows:
4 689A.330 If any policy is issued by a domestic insurer for
5 delivery to a person residing in another state, and if the insurance
6 commissioner or corresponding public officer of that other state has
7 informed the Commissioner that the policy is not subject to approval
8 or disapproval by that officer, the Commissioner may by ruling
9 require that the policy meet the standards set forth in NRS 689A.030
10 to 689A.320, inclusive **H, and section 2 of this act.**

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

13 **1. A policy of group health insurance that provides coverage**
14 **for the treatment of prostate cancer must provide coverage for**
15 **prostate cancer screening in accordance with:**

16 **(a) The guidelines concerning prostate cancer screening**
17 **which are published by the American Cancer Society; or**

18 **(b) Other guidelines or reports concerning prostate cancer**
19 **screening which are published by nationally recognized**
20 **professional organizations and which include current or**
21 **prevailing supporting scientific data.**

22 **2. A policy subject to the provisions of this chapter which is**
23 **delivered, issued for delivery or renewed on or after October 1,**
24 **2007, has the legal effect of including the coverage required by**
25 **subsection 1, and any provision of the policy or the renewal which**
26 **is in conflict with subsection 1 is void.**

27 **Sec. 5.** Chapter 695B of NRS is hereby amended by adding
28 thereto a new section to read as follows:

29 **1. A policy of health insurance issued by a hospital or**
30 **medical service corporation that provides coverage for the**
31 **treatment of prostate cancer must provide coverage for prostate**
32 **cancer screening in accordance with:**

33 **(a) The guidelines concerning prostate cancer screening**
34 **which are published by the American Cancer Society; or**

35 **(b) Other guidelines or reports concerning prostate cancer**
36 **screening which are published by nationally recognized**
37 **professional organizations and which include current or**
38 **prevailing supporting scientific data.**

39 **2. A policy subject to the provisions of this chapter which is**
40 **delivered, issued for delivery or renewed on or after October 1,**
41 **2007, has the legal effect of including the coverage required by**
42 **subsection 1, and any provision of the policy or the renewal which**
43 **is in conflict with subsection 1 is void.**



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

3 ***1. A health care plan issued by a health maintenance
4 organization that provides coverage for the treatment of prostate
5 cancer must provide coverage for prostate cancer screening in
6 accordance with:***

7 ***(a) The guidelines concerning prostate cancer screening
8 which are published by the American Cancer Society; or***

9 ***(b) Other guidelines or reports concerning prostate cancer
10 screening which are published by nationally recognized
11 professional organizations and which include current or
12 prevailing supporting scientific data.***

13 ***2. An evidence of coverage for a health care plan subject to
14 the provisions of this chapter which is delivered, issued for
15 delivery or renewed on or after October 1, 2007, has the legal
16 effect of including the coverage required by subsection 1, and any
17 provision of the evidence of coverage or the renewal which is in
18 conflict with subsection 1 is void.***

19 **Sec. 7.** NRS 695C.050 is hereby amended to read as follows:

20 **695C.050** 1. Except as otherwise provided in this chapter or
21 in specific provisions of this title, the provisions of this title are not
22 applicable to any health maintenance organization granted a
23 certificate of authority under this chapter. This provision does not
24 apply to an insurer licensed and regulated pursuant to this title
25 except with respect to its activities as a health maintenance
26 organization authorized and regulated pursuant to this chapter.

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

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

34 4. The provisions of NRS 695C.110, 695C.125, 695C.1691,
35 695C.1693, 695C.170 to 695C.200, inclusive, ***and section 6 of this
36 act***, 695C.250 and 695C.265 do not apply to a health maintenance
37 organization that provides health care services through managed
38 care to recipients of Medicaid under the State Plan for Medicaid or
39 insurance pursuant to the Children's Health Insurance Program
40 pursuant to a contract with the Division of Health Care Financing
41 and Policy of the Department of Health and Human Services. This
42 subsection does not exempt a health maintenance organization from
43 any provision of this chapter for services provided pursuant to any
44 other contract.



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1 5. The provisions of NRS 695C.1694, 695C.1695 and
2 695C.1731 apply to a health maintenance organization that provides
3 health care services through managed care to recipients of Medicaid
4 under the State Plan for Medicaid.

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

6 695C.330 1. The Commissioner may suspend or revoke any
7 certificate of authority issued to a health maintenance organization
8 pursuant to the provisions of this chapter if he finds that any of the
9 following conditions exist:

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

17 (b) The health maintenance organization issues evidence of
18 coverage or uses a schedule of charges for health care services
19 which do not comply with the requirements of NRS 695C.1691 to
20 695C.200, inclusive, ***and section 6 of this act***, or 695C.207;

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

23 (d) The State Board of Health certifies to the Commissioner that
24 the health maintenance organization:

25 (1) Does not meet the requirements of subsection 2 of NRS
26 695C.080; or

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

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

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

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

38 (1) Resolving complaints in a manner reasonably to dispose
39 of valid complaints; and

40 (2) Conducting external reviews of final adverse
41 determinations that comply with the provisions of NRS 695G.241 to
42 695G.310, inclusive;

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



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1 (i) The continued operation of the health maintenance
2 organization would be hazardous to its enrollees;

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

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

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

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

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

24 **Sec. 9.** Chapter 695G of NRS is hereby amended by adding
25 thereto a new section to read as follows:

26 ***1. A health care plan issued by a managed care organization
27 that provides coverage for the treatment of prostate cancer must
28 provide coverage for prostate cancer screening in accordance
29 with:***

30 ***(a) The guidelines concerning prostate cancer screening
31 which are published by the American Cancer Society; or***

32 ***(b) Other guidelines or reports concerning prostate cancer
33 screening which are published by nationally recognized
34 professional organizations and which include current or
35 prevailing supporting scientific data.***

36 ***2. An evidence of coverage for a health care plan subject to
37 the provisions of this chapter which is delivered, issued for
38 delivery or renewed on or after October 1, 2007, has the legal
39 effect of including the coverage required by subsection 1, and any
40 provision of the evidence of coverage or the renewal which is in
41 conflict with subsection 1 is void.***

42 **Sec. 10.** Chapter 287 of NRS is hereby amended by adding
43 thereto a new section to read as follows:

44 ***1. The governing body of any county, school district,
45 municipal corporation, political subdivision, public corporation or***



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1 *other local governmental agency of the State of Nevada that*
2 *provides health insurance through a plan of self-insurance that*
3 *provides coverage for the treatment of prostate cancer shall*
4 *provide coverage for prostate cancer screening in accordance*
5 *with:*

6 *(a) The guidelines concerning prostate cancer screening*
7 *which are published by the American Cancer Society; or*

8 *(b) Other guidelines or reports concerning prostate cancer*
9 *screening which are published by nationally recognized*
10 *professional organizations and which include current or*
11 *prevailing supporting scientific data.*

12 *2. A plan of self-insurance described in subsection 1 which is*
13 *offered, delivered, issued for delivery or renewed on or after*
14 *October 1, 2007, has the legal effect of including the coverage*
15 *required by subsection 1, and any provision of the plan or the*
16 *renewal which is in conflict with subsection 1 is void.*

17 **Sec. 11.** NRS 287.04335 is hereby amended to read as
18 follows:

19 287.04335 If the Board provides health insurance through a
20 plan of self-insurance, it shall comply with the provisions of NRS
21 689B.255, 695G.150, 695G.160, 695G.164, 695G.170, 695G.173,
22 695G.200 to 695G.230, inclusive, 695G.241 to 695G.310, inclusive,
23 and 695G.405, *and section 9 of this act*, in the same manner as an
24 insurer that is licensed pursuant to title 57 of NRS is required to
25 comply with those provisions.

26 **Sec. 12.** The provisions of NRS 354.599 do not apply to any
27 additional expenses of a local government that are related to the
28 provisions of this act.



