STEVE SISOLAK
Governor

STATE OF NEVADA

TERRY REYNOLDS
Director

BARBARA D. RICHARDSON
Commissioner

DEPARTMENT OF BUSINESS AND INDUSTRY
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January 11, 2021

Honorable Steve Sisolak
State Capitol Building
101 N. Carson Street
Carson City, NV 89701

Brenda Erdoes, Director
Legislative Counsel Bureau
401 S. Carson Street
Carson City, NV 89701-4747

Dear Governor Sisolak and Director Erdoes,

Attached for your review is the Aggregated Provider Denial Report to the Nevada Legislature for Calendar Year 2020, as required by Nevada Revised Statute (NRS) 679B.124, subsection 3. The report is based on provider denial letters submitted by health carriers as required under subsection 2 of NRS 679B.124. The attached report is based on 50 submissions from health carriers, representing 19 companies, and a total of 324 provider denials. These submissions make up 178 unique providers and 67 unique provider specialties.

The included memorandum and data sheet provide a summary of the process by which the prescribed denial form letter was developed, and a summary of the aggregated data collected from the provider denial letter. If you have any questions, please feel free to contact either myself or Jeremey Gladstone, Assistant Chief Examiner of Life and Health, at jgladstone@doi.nv.gov or call (775)687-0729.

Best regards,

Barbara D Richardson

Barbara Richardson
Commissioner of Insurance
Nevada Division of Insurance

MEMORANDUM

TO: STEVE SISOLAK, GOVERNOR OF THE STATE OF NEVADA
BRENDA ERDOES, DIRECTOR OF THE LEGISLATIVE COUNSEL BUREAU
FROM: BARBARA RICHARDSON, COMMISSIONER OF THE NV DIVISION OF INSURANCE

SUBJECT: ANNUAL REPORT ON PROVIDER DENIALS PURSUANT TO NRS 679B.124

DATE: JANUARY 8, 2021

During Nevada's 2019 Legislative session, Senate Bill 234 was passed and signed by the Governor. This bill was codified in the Nevada Revised Statutes ("NRS") under 679B.124 and required the Commissioner of Insurance ("Commissioner") to develop, prescribe and make available a form letter that a health carrier must use to notify a provider of health care of the denial of his or her application to be included in the network of providers of the health carrier. The bill also required that the health carrier, at the same time the denial letter is sent to the provider, also send a letter to the Commissioner. The Commissioner shall compile annually a report using aggregated data collected from the provider denial letters submitted by the health carriers.

Public meetings were held in which the public and interested parties were given the opportunity to provide comments and feedback about the proposed provider denial letter. These meetings were held on June 27, 2019, July 23, 2019, and August 13, 2019. The provider denial form letter and Bulletin 20-001 were released to health carriers in January of 2021 and made available on the Division of Insurance website. The Bulletin addressed some of the concerns that were brought up during the public meeting and clarified the submission requirements for health carriers.

Since the release of the prescribed letter and through the end of Calendar Year 2020, the Commissioner has received 50 submissions, representing 19 companies, and 324 provider denials. These submissions make up one 178 unique providers and 67 unique provider specialties. 218 of the denial letters received by the Division were for providers located in the urban areas of Las Vegas and Reno, followed 98 denials for out-of- state providers and seven denial letters from rural counties with extreme access conditions.

The most common reason indicated for denial to the carrier network was the insurer was not accepting new providers within a specialty/region or no network need, which made up 61.60% of the letters we received. This was followed by a company's business decision with 12.03%, of the denials. Because no information is currently available on relevant provider adequacy factors such as patient appointment wait-times or the number of providers which are in multiple networks, the large number of generic denials due to no network need provide little insight as to the current adequacy of provider networks in this state.

The following pages provide a more detailed summary of the provider denial data that was received by the Division, broken down by reasons for denial and by specialty. As this is the first year of collecting and reporting on this information, the Division of Insurance is working to get clarification on some of the reasons indicated for denial and anticipates having greater insights in future reports.

Provider Denial Data for Calendar Year 2020

Total Number of Unique Providers Denied	178
Total Number of Providers Denied for all Companies	324
Total Number of Unique Specialties	69

County Designation	Provider Count
Metro (Washoe, Clark, & Carson)	218
Micro (Douglas & Lyon)	1
Rural (Storey)	0
Counties with Extreme Access Conditions (Remainder of State)	7
Out of State Providers	98

Reasons for Denial to Carrier Network	% of Denials
Not Accepting New Care Providers within Specialty/Region or No Network Need	61.60%
Business decision	12.03%
We currently do not have any members in your area	9.74%
Malpractice Claims History	1.72%
Lack of insurance or lack of a certain level of insurance	1.43%
Does not meet the education/training requirements	1.15%
Inadequate/Inappropriate Supervision/Delegation	1.15%
Misleading Advertising or Marketing	1.15%
Not Board Certified	1.15%
Loss of Hospital Privileges	0.86%
Noncompliance with Another State Medical Board	0.86%
Unable to demonstrate an acceptable admitting arrangement for inpatient care of members	0.86%
Does not Meet Credentialing Standards	0.57%
Engagement in unprofessional/substandard practice	0.57%
History of Disciplinary Action: State Board	0.57%
Insufficient/Unable to verify Training in Requested Specialty Area	0.57%
Missing documentation	0.57%
No/Insufficient Response to Malpractice and Disciplinary Actions	0.57%
Not contracting independently within Specialty	0.57%
Practicing Beyond Scope of Practice	0.57%
Your Medical Director is not a credentialed provider.	0.57%
Due to scope of practice, not an appropriate add to our panel at this time	0.29%
Failure to disclose previous State Board action, prior conviction or investigation of a misdemeanor, felony, or moral or ethical crime as required	0.29%
Restrictions on state license	0.29%
Revocation of hospital staff membership/privileges	0.29%

Provider Denial Data for Calendar Year 2020

Specialties Denied	Provider Count	Specialties Denied	Provider Count
Ambulance	2	OBGYN	1
Ambulatory Surgery Center	2	Occupational Medicine Provider	1
Anesthesiology	5	Occupational Therapy	4
Applied Behavior Analysis (ABA)	8	Ophthalmology	4
APRN	2	Optometry	14
Audiology	2	Oral Surgery	2
Burn Center	1	Orthopedic Surgery	1
Chiropractic	8	Orthopedic Technology	2
Clinic	2	Orthotics/Prosthetics	2
Comprehensive Outpatient Rehabilitation Center	2	Pain Management	20
Dermatology	1	Pathology	2
Durable Medical Equipment	10	Pediatrics	2
Emergency Medicine	2	Personal Care Services	14
Family Practice	22	Physical Medicine/Rehab	2
Family Practice/Internal Medicine	2	Physical Therapy	35
Gastroenterology	3	Physician Assistant	2
General Dentist	1	Plastic Surgery	3
General Practice	2	Podiatry	2
General Practice/ER Medicine	1	Primary Care	4
General Surgery	2	Psychiatry	2
Home Health	8	Pulmonology	4
Hospice Care	6	Radiology	12
Hospitalist	4	Skilled Nursing Facility	4
Hyperbarics	1	Speech Language Pathologist	4
Infusion Therapy	12	Sports Medicine	2
Internal Medicine	6	Surgical Center	2
Internal Medicine Gastroenterology	2	Telehealth	4
Laboratory	29	Thoracic Surgeon	1
Multi-Specialty	2	Urgent Care	2
Neonatology	2	Vital Sign Monitoring	2
Nephrology	2	Wellness Center	2
Neurology	2		
Non Medical Home Care	2		
Nurse Anesthetist (CRNA)	2		
Nurse Practitioner	3		
Nutritionist/Dietician	2		