



September 15, 2017

Barbara Richardson  
Commissioner  
Nevada Division of Insurance  
1818 E College Parkway, Ste 103  
Carson City, NV 89706

RE: R026-17/AB455  
VIA Electronic email

Dear Commissioner Richardson:

We at Anthem appreciate the opportunity to comment on the proposed draft of regulation R026-17 implementing the recently adopted statute which resulted from the passage of Assembly Bill 455 during the 2017 Legislative Session.

We fully support the intent of the legislation and believe that it will be best implemented by granting the discretion to the carriers to adopt, adapt or re-engineer systems that will meet the intent of the law. We believe there are currently available systems that confirm and record the receipt by the addressee of emails and other communications. We also believe that there are systems that will identify and record any downloads or subsequent visits to the carrier's website. At even the more basic level, the electronic means will exceed that of paper mail for which the requirement is that there be proof of mailing. Any requirement that the consumer must additionally send a separate affirmative response will create a burden on electronic commerce that the legislature did not intend.

We understand that there may be carriers who cannot meet the electronic burden in the statute but it should be incumbent upon those carriers to devise an alternative system. We would encourage that the Division simply require that carriers be able to document that they have met the requirements of the statute.

Additionally, we request that the DOI revise the regulation's existing requirement that the carrier track the date "and time" of the agreement. In a situation where the insured agrees to electronic transactions via an electronic or internet-based portal, it might be possible to capture the exact time of the insured's consent, but we are not able to confirm that is true for every avenue – for example, could [healthcare.gov](http://healthcare.gov) meet that requirement? In any case, if the consent is being obtained via a paper application, the exact 'time' the member signed the application is unknown.

Reference: Subsection 2(c) of NAC 679B.0409 be revised to read:

(c) The date ~~and time~~ of the agreement.

We appreciate the opportunity to provide and your consideration of these comments.

Best regards,

Tracey A Woods  
Senior Director, Government Affairs



Property Casualty Insurers  
Association of America

Advocacy. Leadership. Results.



September 19, 2017

The Honorable Barbara Richardson  
Commissioner, State of Nevada  
1818 E. College Pkwy., Suite 103  
Carson City, NV 89706



**RE: LCB File No. R026-17 re: Electronic Transactions for Insurance Related Notices**

Dear Commissioner Richardson,

The American Insurance Association, the National Association of Mutual Insurers and the Property Casualty Insurers Association of America (the trades) appreciate the ability to comment on R026-17. We also appreciated the opportunity to comment on the proposed regulation during the recent meeting of the Commissioner's Property and Casualty Advisory Committee. The trades collectively represent most companies writing insurance in Nevada.

The trades appreciate that the last version of the proposed regulation narrows the scope of the regulations to those codes sections specified in AB 455. We, however, continue to have problems with proposed section 679B.0409 5 which requires insurers "to obtain from the insured a verification or acknowledgement of receipt of the notice in one of the following ways..." This requirement far exceeds any requirement an insurer has relating to mailed information and will curtail insurer's appetite to provide documents electronically to meet the needs of consumers.

This requirement also goes beyond the requirements of AB 455. Section 7 of the bill clearly requires an insurer to obtain consent before notices or other documents are delivered by electronic means. The bill also requires insurers to provide information on software requirement and to take "measures reasonably calculated to ensure that delivery by electronic means results in the receipt of a notice or other document by the party." This standard is already higher than the standard for mailed documents. The bill does not require a "verification or acknowledgement of receipt" as required by the proposed regulations. Section 7 paragraph 2 does require verification or acknowledgement if the provision of the existing code contains this requirement. The provisions of the bill, and the proposed regulation, applies to notices required pursuant to NRS 687B.320 to 687B. 350. The only section that has a requirement about how a notice is provided is NRS 687B.325 which deals with a consumer notice of the midterm cancellation of an industrial insurance policy. Section 4 of this section says "Any written notice submitted to a policyholder pursuant to this section must be given by first-class mail addressed to the policyholder at the address of the policyholder set forth in the policy of industrial insurance. *Evidence indicating that a written notice specified in this section has been mailed is sufficient proof of notice.*"

Consumers are demanding more and more information, including insurance documents, be provided electronically. Insurers who wish to meet this consumer need should not be held to a higher standard.

Thank you for your consideration of this request. If you have any questions, please contact Jeremy Merz with the American Insurance Association at (916) 442-7617, Christian Rataj at (303) 907-0587 or Mark Sektnan with the Property Casualty Insurers Association of America at (916) 440-1115.

**FENNEMORE CRAIG**  
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September 20, 2017

VIA E-MAIL: [icommish@doi.nv.gov](mailto:icommish@doi.nv.gov)

Commissioner Barbara Richardson  
Nevada Division of Insurance  
1818 E. College Parkway, Ste 103  
Carson City, NV 89706

Re: LCB File No. R-2026-17

Dear Commissioner Richardson:

In anticipation of the upcoming workshop on proposed regulation LCB File No. R026-17 amending NAC 679B.0409(5) we noticed a transposition of words that changes the import of the statute recently adopted by the 2017 Nevada Legislature as Chapter 134, Statutes of Nevada 2017.

In Section 7 of AB 455 an insurer must use an electronic form that “provides for verification or acknowledgment of receipt” only if the law that requires notice or delivery of a document to an insured also requires verification or acknowledgment of receipt by the insured.

The language in the proposed regulation elides the condition precedent and requires that all electronic notices must be in a form that provides for acknowledgment of receipt. The proposed language imposes on the insurer a duty not imposed by law. It also does not include other notices or “delivery of documents” for which the law requires verification or acknowledgment of receipt by the insured.

We would suggest the following language in red be substituted for the existing language: If an insurer provides by electronic means a notice or the delivery of a document to an insured for which the insured by law must verify or acknowledge receipt thereof, the insurer shall obtain from the insured...

Thank you for the opportunity to comment on this proposal. We look forward to attending the workshop.

Sincerely,

James L. Wadhams

JWAD/lt