

**NOTICE OF WORKSHOP
TO SOLICIT COMMENTS ON PROPOSED REGULATIONS
AND WORKSHOP AGENDA**

The State of Nevada, Department of Business and Industry, Division of Insurance (“Division”) is proposing the adoption, amendment or repeal of regulations pertaining to **chapter(s) 690B** of the Nevada Administrative Code (“NAC”). A workshop has been set for **9:30 a.m. on October 4, 2019**, at the following location:

**1st Floor Hearing Room
Nevada Division of Insurance
1818 E. College Parkway, Suite 103
Carson City, Nevada 89706**

Interested persons may also participate through a simultaneous videoconference conducted at:

**4th Floor Tahoe Room
Nevada State Business Center
Nevada Division of Insurance
3300 W. Sahara Avenue, Suite 275
Las Vegas, Nevada 89102**

The purpose of the workshop is to solicit comments from interested persons on the following general topic that may be addressed in the proposed regulation; and to assist in determining whether the proposed regulation is likely to impose a direct and significant burden upon a small business or directly restricts the formation, operation or expansion of a small business. Please submit any written comments no later than **September 27, 2019**.

LCB File No. R050-19.

Repeal of Medical Professional Liability Settlement Filings.

A regulation relating to insurance; eliminating the requirement for insurers offering professional liability insurance to certain licensed medical professionals to notify the Commissioner of Insurance of certain settlements and judgments that exceed the coverage limits provided by the insurance policy; and providing other matters properly relating thereto.

A copy of all materials relating to the proposal may be obtained at the workshop or by visiting the Division’s Internet Web site at <http://doi.nv.gov/> or by contacting the Division, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, (775) 687-0700. A reasonable fee for copying may be charged. Members of the public who would like additional information about a proposed regulation may contact Susan Bell, Legal Secretary, at (775) 687-0704, or via e-mail to suebell@doi.nv.gov.

Notice of the workshop was provided via electronic means to all persons on the agency’s e-mail list for noticing of administrative regulations. This *Notice of Workshop to Solicit Comments on Proposed Regulations* was posted to the agency’s Internet Web site at <http://doi.nv.gov/>, the Nevada

Legislature's Internet Web site at <http://www.leg.state.nv.us>, and at the following locations:

Nevada Division of Insurance
1818 East College Parkway, Suite 103
Carson City, Nevada 89706

Legislative Building
401 South Carson Street
Carson City, Nevada 89701

Blasdel Building
209 East Musser Street
Carson City, Nevada 89701

Capitol Building Main Floor
101 North Carson Street
Carson City, Nevada 89701

Nevada State Library & Archives
100 North Stewart Street
Carson City, Nevada 89701

Churchill County Library
553 South Main Street
Fallon, Nevada 89406

Elko County Library
720 Court Street
Elko, Nevada 89801

Eureka Branch Library
80 S. Monroe Street
P.O. Box 293
Eureka, Nevada 89316-0293

Lander County Library
625 S. Broad Street
P.O. Box 141
Battle Mountain, Nevada 89820

Lincoln County Library
63 Main Street
P.O. Box 330
Pioche, Nevada 89043-0330

Nevada Division of Insurance
3300 West Sahara Avenue, Suite 275
Las Vegas, Nevada 89102

Nevada State Business Center
3300 West Sahara Avenue
Las Vegas, Nevada 89102

Grant Sawyer Building
555 East Washington Avenue
Las Vegas, Nevada 89101

Nevada Department of Employment,
Training and Rehabilitation
2800 E. Saint Louis Avenue
Las Vegas, NV 89104

Carson City Library
900 North Roop Street
Carson City, Nevada 89701

Douglas County Public Library
1625 Library Lane
P.O. Box 337
Minden, Nevada 89423-0337

Goldfield Public Library/Esmeralda County
Corner of Crook Ave. and Fourth St.
P.O. Box 430
Goldfield, Nevada 89013

Humboldt County Library
85 East 5th Street
Winnemucca, Nevada 89445

Las Vegas-Clark County Library District
7060 W. Windmill Lane
Las Vegas, NV 89113

Lyon County Library
20 Nevin Way
Yerington, Nevada 89447

Mineral County Public Library
110 1st Street
P.O. Box 1390
Hawthorne, Nevada 89415

Pershing County Library
1125 Central Avenue
P.O. Box 781
Lovelock, Nevada 89419

Storey County Clerk
26 S. B Street
P.O. Drawer D
Virginia City, Nevada 89440


Tonopah Public Library
167 S. Central Street
P.O. Box 449
Tonopah, Nevada 89049

Downtown Reno Library/Washoe County
301 S. Center Street
P.O. Box 2151
Reno, Nevada 89505-2151

White Pine County Library
950 Campton Street
Ely, Nevada 89301

Members of the public who are disabled and require special accommodations or assistance at the workshop are requested to notify the Commissioner's secretary, in writing, no later than five (5) working days before the workshop: 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, or suebell@doi.nv.gov.

DATED this 4th day of September, 2019.



BARBARA D. RICHARDSON
Commissioner of Insurance

WORKSHOP AGENDA

State of Nevada Department of Business and Industry
Division of Insurance

October 4, 2019 • 9:30 a.m.

Location of Workshop:

Nevada Division of Insurance
1818 E. College Pkwy., 1st Floor Hearing Room
Carson City, NV 89706
(Division Offices located in Suite 103)

Available via Videoconference at:

Nevada Division of Insurance
3300 W. Sahara Ave., 4th Floor Tahoe Room
Las Vegas, NV 89102
(Division Offices located in Suite 275)

1. Open Workshop: R050-19.
2. Presentation and Discussion of Proposed Regulation. (For Possible Action)

LCB File No. R050-19.

Repeal of Medical Professional Liability Settlement Filings.

A regulation relating to insurance; eliminating the requirement for insurers offering professional liability insurance to certain licensed medical professionals to notify the Commissioner of Insurance of certain settlements and judgments that exceed the coverage limits provided by the insurance policy; and providing other matters properly relating thereto.

3. Public Comment.
4. Close Workshop: R050-19.

Supporting public material for this workshop may be requested from Susan Bell, Legal Secretary, Nevada Division of Insurance, 1818 E. College Parkway, Carson City, Nevada 89706, (775) 687-0704, or suebell@doi.nv.gov.

Note: Any agenda item may be taken out of order; items may be combined for consideration by the public body; items may be pulled or removed from the agenda at any time; and, discussion relating to an item may be delayed or continued at any time. The Hearing Officer, within his/her discretion, may allow for public comment on individual agenda items. Public comment may be limited to three minutes per speaker.

Members of the public are encouraged to submit written comments for the record.

We are pleased to make reasonable accommodations for attendees with disabilities. Please notify the Commissioner's secretary, in writing, no later than five (5) working days before the workshop: 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, or suebell@doi.nv.gov.

NOTICES FOR THIS WORKSHOP HAVE BEEN POSTED IN ACCORDANCE WITH NRS 241 AT THE FOLLOWING LOCATIONS:

Nevada Division of Insurance, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706
Nevada Division of Insurance, 3300 W. Sahara Avenue, Suite 275, Las Vegas, Nevada 89102
Nevada State Business Center, 3300 W. Sahara Avenue, Las Vegas, Nevada 89102
Nevada State Legislative Building, 401 S. Carson Street, Carson City, Nevada 89701
Grant Sawyer State Office Building, 555 E. Washington Avenue, Las Vegas, Nevada 89101
Blasdel State Office Building, 209 E. Musser Street, Carson City, Nevada 89701
Nevada State Capitol, 101 N. Carson Street, Carson City, Nevada 89701
Nevada Dept. of Employment, Training and Rehabilitation, 2800 E. Saint Louis Avenue, Las Vegas, Nevada 89104
The State of Nevada Website (www.nv.gov)
The Nevada State Legislature Website (www.leg.state.nv.us)
The Nevada Division of Insurance Website (www.doi.nv.gov)

**PROPOSED REGULATION OF THE
COMMISSIONER OF INSURANCE**

LCB File No. R050-19

August 12, 2019

EXPLANATION – Matter in *italics* is new, matter in brackets **[omitted-material]** is material to be omitted.

AUTHORITY: §1, NRS 679B.130.

A REGULATION relating to insurance; eliminating the requirement for insurers offering professional liability insurance to certain licensed medical professionals to notify the Commissioner of Insurance of certain settlements and judgments that exceed the coverage limits provided by the insurance policy; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Commissioner of Insurance to examine insurers and certain other persons to ensure compliance with the provisions of the Nevada Insurance Code (Title 57 of NRS). (NRS 679B.230, 679B.240) Senate Bill No. 86 of the 2019 Legislative Session eliminated a requirement for the Commissioner to review a settlement or judgment that exceeds the limits of coverage provided by a policy of professional liability insurance for certain medical professionals and to suspend, limit or revoke the insurer's certificate of authority if the Commissioner finds that the insurer violated the Nevada Insurance Code with regard to the settlement or judgment. (NRS 690B.340) This regulation eliminates a requirement for an insurer offering professional liability insurance to certain licensed medical professionals to file notice with the Commissioner when a settlement is reached or a judgment is entered concerning the liability of the medical professionals for a breach of professional duty that exceeds the limits of coverage provided by the insurance policy.

Section 1. NAC 690B.515 is hereby repealed.

TEXT OF REPEALED SECTION

690B.515 Filing of notice of certain settlements and judgments that exceed limits of coverage. (NRS 679B.130, 690B.340)

1. In accordance with NRS 690B.340, an insurer offering professional liability insurance to a practitioner licensed pursuant to chapter 630, 631, 632 or 633 of NRS shall file a notice with the Commissioner if:

(a) A settlement is reached concerning the liability of the practitioner for a breach of professional duty that exceeds the limits of the coverage provided by the policy of insurance.

(b) A judgment is entered against the practitioner for a breach of professional duty that exceeds the limits of the coverage provided by the policy of insurance.

2. The notice must be filed, on a form prescribed by the Commissioner, with the Commissioner within 45 days after:

(a) The date upon which a settlement is reached that requires a notice to be filed with the Commissioner pursuant to subsection 1.

(b) The date upon which a judgment is entered that requires a notice to be filed with the Commissioner pursuant to subsection 1.

STATE OF NEVADA
DEPARTMENT OF BUSINESS & INDUSTRY
DIVISION OF INSURANCE

Determination of Necessity - Small Business Impact Statement
NRS 233B.0608(1)

Repeal of Medical Professional Liability Settlements Filing Requirements

EFFECTIVE DATE OF REGULATION:
Upon filing with the Nevada Secretary of State

1. **BACKGROUND.**

The 2019 Nevada Legislature Senate Bill 86 repealed NRS 690B.340 which required the Commissioner of Insurance to review certain medical professional liability settlements. NAC 690B.515 requires insurers to report those settlements to the Commissioner for review. As the statute has been repealed, the regulation is no longer necessary or appropriate.

2. **DESCRIPTION OF SOLICITATION SHOWING A CONCERTED EFFORT. NRS 233B.0608(1).**

No comment was solicited other than the availability of public comment at the workshop and hearing for this regulation. This regulation repeals a reporting requirement for insurers and will not have any direct impact on Nevada small businesses.

3. **DOES THE PROPOSED REGULATION IMPOSE A DIRECT AND SIGNIFICANT ECONOMIC BURDEN UPON A SMALL BUSINESS OR DIRECTLY RESTRICT THE FORMATION, OPERATION OR EXPANSION OF A SMALL BUSINESS? NRS 233B.0608(1).**

NO YES

4. **HOW WAS THAT CONCLUSION REACHED? NRS 233B.0608(3).**

This regulation to repeal a section of the Nevada Administration Code was reviewed by the Nevada Division of Insurance Product Compliance Section. The proposed regulation does not impose any requirement on any business. It repeals a requirement that insurers report certain settlements to the Commissioner, as the statute requiring the Commissioner to review such settlements was repealed by the Nevada Legislature. The regulation lessens the reporting requirements of insurers.

I, BARBARA D. RICHARDSON, Commissioner of Insurance for the State of Nevada, hereby certify that to the best of my knowledge or belief a concerted effort was made to determine the impact of the proposed regulation on small businesses and that this statement was prepared properly and the information contained herein is accurate. (NRS 233B.0608(3))

7/24/19
(DATE)


BARBARA D. RICHARDSON
Commissioner of Insurance

Small Business Impact Statement
NRS 233B.0608(2)-(4) and 233B.0609

Repeal of Medical Professional Liability Settlements Filing Requirements

1. SUMMARY OF COMMENTS RECEIVED FROM SMALL BUSINESSES. NRS 233B.0609(1)(a).

This regulation, which repeals a section of the Nevada Administration Code, was reviewed by the Nevada Division of Insurance Product Compliance Section. The proposed regulation does not impose any requirement on any business, but rather it repeals a requirement that insurers report certain settlements to the Commissioner as the statute requiring the Commissioner to review such settlements was repealed by the Nevada Legislature. Based upon this analysis by the Product Compliance Section, it was determined that a survey of small businesses was not necessary.

Other interested parties may receive a copy of this summary by contacting Susan Bell, Legal Secretary, Nevada Division of Insurance, at (775) 687-0704 or suebell@doi.nv.gov.

2. HOW WAS THE ANALYSIS CONDUCTED? NRS 233B.0609(1)(b).

This regulation to repeal a section of the Nevada Administration Code was reviewed by the Nevada Division of Insurance Product Compliance Section. The proposed regulation does not impose any requirement on any business. It repeals a requirement that insurers report certain settlements to the Commissioner, as the statute requiring the Commissioner to review such settlements was repealed by the Nevada Legislature, and the Product Compliance Section determined it will no impact on any Nevada small business.

3. ESTIMATED ECONOMIC EFFECT ON SMALL BUSINESSES THE REGULATION IS TO REGULATE. NRS 233B.0609(1)(c).

The repeal of this existing regulation will have no economic impact on small businesses in the State of Nevada. It strictly removes a reporting requirement from insurance carriers.

(a) BOTH ADVERSE AND BENEFICIAL EFFECTS.

- (1) Adverse: NONE
- (2) Beneficial: NONE

(b) BOTH DIRECT AND INDIRECT EFFECTS.

- (1) Direct: NONE
- (2) Indirect: NONE

4. METHODS CONSIDERED TO REDUCE IMPACT ON SMALL BUSINESSES. NRS 233B.0609(1)(d).

No methods were considered to reduce the impact upon small businesses, as there is no direct or significant impact to be considered.

5. ESTIMATED COST OF ENFORCEMENT. NRS 233B.0609(1)(e).

This regulation will very slightly reduce the cost of enforcement, as Division of Insurance employees will no longer be required to review the medical professional liability settlement reports provided by insurance carriers.

6. FEE CHANGES. NRS 233B.0609(1)(f).

No fees are being created or changed by this regulation.

7. DUPLICATIVE PROVISIONS. NRS 233B.0609(1)(g).

This regulation does not duplicate any existing federal, state or local standards. It is not more stringent than any existing federal, state or local standards. The regulation is necessary because Senate Bill 86, passed by the 2019 Nevada Legislature, repealed NRS 690B.340, which required the Commissioner of Insurance to review certain medical professional liability settlements. NAC 690B.515 requires insurers to report those settlements to the Commissioner for review. As the statute has been repealed, the regulation is no longer necessary.

8. REASONS FOR CONCLUSIONS. NRS 233B.0609(1)(h).

In Senate Bill 86, the 2019 Nevada Legislature repealed NRS 690B.340, which required the Commissioner of Insurance to review certain medical professional liability settlements. NAC 690B.515 requires insurers to report those settlements to the Commissioner for review. As the statute has been repealed, the regulation is no longer necessary.

I, BARBARA D. RICHARDSON, Commissioner of Insurance for the State of Nevada, hereby certify that to the best of my knowledge or belief a concerted effort was made to determine the impact of the proposed regulation on small businesses and that this statement was prepared properly and the information contained herein is accurate. (NRS 233B.0609(2))

7/24/19
(DATE)


BARBARA D. RICHARDSON
Commissioner of Insurance