

Report on the Plan Year 2026 Recommendations for Network Adequacy Standards

Presented by:

The Network Adequacy Advisory Council (NAAC)

To: Scott Kipper

Commissioner of Insurance, Nevada Division of Insurance

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Division of Insurance

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NAAC Recommendations for Network Adequacy Standards for Plan Year 2026

Overview of the NAAC Recommendations Process

This section includes a description of the:

- 1) Commencement of the Plan Year 2026 meetings of the Network Adequacy Advisory Council (hereinafter referred to as “Council” or “NAAC”)
- 2) Process of Plan Year 2026 NAAC meetings
- 3) Timeline and significant discussions made at each of the five meetings.

The NAAC is comprised of nine individuals representing consumers across Nevada, providers of health care services, and health insurance carriers. The Council’s first meeting for Plan Year 2026 was held on April 16, 2024 (NAC 687B.770 subsection 4 requires that the first meeting of the NAAC must be held no later than June 15th). They continued to meet through September 11, 2024, to finalize the recommendations of network adequacy standards for Plan Year 2026. The Council recommends these standards to achieve network adequacy for individual and small employer group health benefit plans.

At the April 16, 2024, meeting, the Council revisited its vision for what it hoped to achieve during the Plan Year 2026 NAAC meetings; and there were no changes made. The vision is:

- Standards are pragmatic, achievable and meaningful.

In addition, the Council continues to be committed to creating conditions that ensure Nevada has:

1. Maximized access for consumers with adequate workforce and providers cost containment.
2. Validated data about whether providers are available.
3. Access to care¹.
4. Access to health insurance.
5. Maximized health and wellness.
6. Educate consumers so that, whether their health needs are emergent or non- emergent:
 - a. Consumers know how to use their network care;
 - b. Are informed; and
 - c. Access care appropriately.
7. Contribute to health literacy: transparent to consumer.
8. Provide care that is culturally and linguistically appropriate.
9. Influenced the other 93% of non-regulated plans.

The data that the Nevada Division of Insurance (Division) was able to provide assisted the Council to: 1) make some recommendations that aligned with its vision and 2) consider what the implications of such recommendations might be on the conditions it had established as requisites for achieving its vision. This year the presentations included participation from both Division and other relevant parties. It should be noted that the Council continues to seek data which would provide greater insights into patient access and network adequacy in Nevada.

¹ Access to care—consumers can utilize their health plan benefits; Access refers to clinical best practice.

A total of four public meetings were conducted. The result of these meetings is contained in this report that will be submitted to the Commissioner of Insurance on or before September 15, 2024. The video recordings of the meetings and supporting materials are available on the Division website at Nevada Division of Insurance (nv.gov). Included in the Appendix of this Report are the minutes of each meeting.

April 16th - Minutes from the final Plan Year 2025 meeting were not approved as a quorum was not met. Reida Wagner presented standards recommended by the Council in 2023 applicable to Plan Year 2025. Glenn Shippey presented membership specific to commercial market health insurance coverage, emphasizing the work of the Council affects more than 200,000 Nevadans. Nate Osborn, from the Silver State Health Exchange (SSHIX), presented current enrollment (97,000) in Qualified Health Plans (QHPs) sold through the SSHIX. Access considerations were discussed, with Reida Wagner presenting the CMS requirement that State Based Exchanges, for QHPs, must evaluate the adequacy of provider networks using standards and processes that are at least as stringent as those on the federal exchange for Plan Year 2026. Jack Kim inquired if the Division had identified provider shortages with these new criteria. Patrick Kelly asked if telehealth is considered when evaluating the provider networks. Glenn Shippey responded that there is a justification process available for carriers that are not able to meet a standard due to a shortage of providers available or willing to contract and that neither the Division nor CMS currently considers access to a provider via telehealth as satisfying time and distance standards, respectively. There was no public comment.

June 20th - Minutes from the September 7, 2023 and April 16, 2024 meetings were approved. Discussions regarding the 2026 network adequacy standards were discussed. Reida Wagner presented the new federal requirements and identified the provider and facility types that are not currently being evaluated in Nevada to determine the adequacy of a network plan. The differences between current and the new time and distance federal standards were highlighted for each provider type within each type of county. Nevada's standards are generally not as strict as the new federal standards that will be effective in 2026. Howard Baron expressed concern that stricter standards would not necessarily result in additional providers contracted if there is a shortage of providers. Sarah Fox agreed that there is a lack of providers to contract with in many areas of the state. Jack Kim stated that it will be challenging to meet these new standards for the QHP networks for which they are required, and that it would be a bad idea to apply them to plans outside the Exchange. Jack Kim made a motion to only apply the new federal standards to QHPs in 2026. Howard Baron seconded the motion. All eight Council members in attendance voted in favor of the motion and none opposed. The motion was approved. There was no public comment.

August 22th - Minutes from the June 20, 2024 meeting were approved. The Division noted the resignation of Joy Thomas and asked the Council members to provide a recommendation for a new carrier representative. At the request of Shae Herbert, the Federally Facilitated Exchange (FFE) standards for appointment wait time were reviewed and discussed. Reida Wagner presented the standards and provided an overview of the CMS review process of carrier compliance; it was stressed that these standards are not applicable to State Based Exchanges. Dr. Howard Baron expressed concern about future implementation of appointment wait time standards in Nevada, stating that "Nevada wait times are due to provider shortages". He offered, as one of ten pediatric gastroenterologists practicing in Nevada, the standard appointment wait time for an office visit at his practice is greater than 30 days. Jack Kim and Sarah Fox, representing carriers, also expressed concern about meeting these standards in the future without the availability of new providers to Nevada. The motion from the June 20th, to only apply the new federal standards to Qualified Health Plans in 2026, was put to vote. The Council unanimously voted to approve

the 2026 federal standards to QHPs. The motion to not apply the new federal standards to non-QHPs, individual and small group, was put to vote. The Council unanimously voted to disapprove applying the 2026 federal standards to non-QHPs, individual and small group. There was no public comment.

September 11th - Minutes from the August 22, 2024 meeting were approved. The Council convened this meeting to review the final draft of the “Report on the Plan Year 2026 Recommendations for Network Adequacy Standards”. The Council moved forward with the recommendations as previously approved and unanimously approved the draft report for submission to the Commissioner. The Council vote was unanimous for all members present at the September 11, 2024, meeting for the Plan Year 2026 Report.

Council's Recommendation for Plan Year 2026

The Council unanimously approves applying the Federal 2026 Network Adequacy Standards to Nevada QHPs. The council unanimously disapproves applying the Federal 2026 Network Adequacy Standards to Nevada non-QHPs in the fully insured, commercial Individual and Small Group market.

Future Considerations

Considerations for future action were discussed to prepare the Council with a better understanding of what additional standards might be added for Plan Year 2026 and beyond. The Council maintains the stance that data collection and standards should not impose burdens that might compromise the adequacy of current networks. The following considerations were put forth:

- 1) Examine whether telehealth/virtual visits can be used to meet network adequacy requirements.
- 2) Review and consider other metrics for the determination of network adequacy. e.g., appointments wait times, provider enrollee ratios, etc.

Appendix - Minutes from NAAC Meetings:

April 16, 2024 - APPROVED

June 20, 2024 - APPROVED

August 22, 2024 - APPROVED

September 11, 2024 – DRAFT

Commissioner’s Network Adequacy Advisory Council Meeting Minutes for April 16, 2024

This Council conducted a public meeting on Tuesday, April 16, 2024, at 10:00am.

Roll Call – The following Council members were present:

1. Jack Kim
2. Vu Luu
3. Tom McCoy
4. Patrick Kelly

The following Council members were absent:

1. Chris Williams
2. Sarah Fox
3. Joy Thomas
4. Howard Baron
5. Brian Knudsen

The following Division of Insurance members were present:

1. Glenn Shippey
2. Todd Rich
3. Jack Childress
4. Reida Wagner

1. Call to Order/Roll Call – The meeting was called to order. Glenn Shippey proceeded with the roll call and a quorum was not established.
2. Introductory Remarks – Glenn Shippey reminded the Council and public of the Council’s charge which establishes the scope of the Council’s work and determines recommendations to the Commissioner as to what network adequacy requirements should be. He also reminded participants that Nevada’s Open Meeting Law applies which means that the meeting will be recorded, and minutes will be taken. This information will be made available to the public through the Division’s website. Todd Rich made opening remarks.
3. Public Comment: No public comment at this time.
4. Without a quorum Minutes from the September 7, 2023 could not be approved.
5. Overview - Glenn Shippey reminded the Council that it must recommend network adequacy standards to the Commissioner of Insurance for Plan Year 2026 no later than September 15th. Reida Wagner presented standards recommended by the Council last

year that are applicable to Plan Year 2025 which will soon be adopted by regulation.

6. Health Insurance Coverage in Nevada - Glenn Shippey presented commercial market health insurance coverage in Nevada and emphasized that the work of the Council affects more than 200,000 Nevadans covered in the individual and small employer markets. Jack Kim asked whether the Division is seeing a shift by small employers to self-funded plans. Glenn Shippey replied that about 28,000 Nevadans who obtain their health insurance through small employers are covered under fully insured Association Health Plans, and the Division will try to provide an estimate of the number of Nevadans covered under self-funded small employer plans during the Council's next meeting. Nate Osborne from the Silver State Health Insurance Exchange presented current enrollment in qualified health plans sold through Nevada Health Link. Approximately 97,000 Nevadans are currently enrolled in QHPs.
7. Access Considerations - Glenn Shippey informed the Council that the Division is currently analyzing carrier compliance with the Mental Health Parity and Addiction Equity Act. Areas of interest include network development, in and out of network provider reimbursement, and credentialing. Jack Kim pointed out that there are significant provider shortages particularly in rural areas. Reida Wagner presented CMS network adequacy standards for the federal exchange for Plan Year 2025 which include wait time requirements and verification by secret shoppers. Reida Wagner then informed the Council that CMS will be requiring state-based exchanges to evaluate the adequacy of provider networks using standards and processes that are at least as stringent as those on the federal exchange for Plan Year 2026. This will require the Council to recommend time and distance standards for provider types that are not currently evaluated in Nevada. Jack Kim asked whether the Division has identified provider shortages within the additional types that will need to be evaluated for Plan Year 2026. Glenn Shippey replied that there is a justification process available for carriers that are not able to meet a standard due to a shortage of providers available or willing to contract. Patrick Kelly asked how telehealth is considered when evaluating the adequacy of provider networks. Glenn Shippey replied that neither the Division nor CMS currently considers access to a provider via telehealth as satisfying time and distance standards. The Council was also informed that Battle Born State Plans (BBSP) will also be introduced for Plan Year 2026 and providers who participate in a PEBP or Medicaid MCO network or receive payments under Chapter 616 or 617 of NRS will be required to participate in at least one of these BBSP networks. Tom McCoy asked about legislative changes affecting telehealth and Glenn Shippey agreed to update the Council during its next meeting.
8. Discussion, Deliberation, and Potential Direction by Council Regarding Network Adequacy Standards for PY26 - There was no discussion under this agenda item by Council members.
9. Public Comment: No public comment at this time.
10. Adjournment – The meeting was adjourned at 11:00am

This recording and all recordings of past Council meetings can be found on the Division's website:

Commissioner's Network Adequacy Advisory Council Meeting Minutes for June 20, 2024

This Council conducted a public meeting on Thursday, June 20, 2024, at 10:00am.

Roll Call – The following Council members were present:

1. Jack Kim
2. Vu Luu
3. Tom McCoy
4. Patrick Kelly
5. Shae Herbert
6. Heidi Sterner
7. Sarah Fox
8. Howard Baron

The following Council member was absent:

1. Joy Thomas

The following Division of Insurance members were present:

1. Glenn Shippey
2. Reida Wagner
3. Jack Childress
4. Adam Plain

Call to Order/Roll Call – The meeting was called to order. Glenn Shippey introduced two new members of the Council, Shae Herbert and Heidi Sterner, both representing consumers, and proceeded with the roll call and a quorum was established.

1. Introductory Remarks – Glenn Shippey reminded the Council and public of the Council's charge which establishes the scope of the Council's work and determines recommendations to the Commissioner as to what network adequacy requirements should be. He also reminded participants that Nevada's Open Meeting Law applies which means that the meeting will be recorded, and minutes will be taken. This information will be made available to the public through the Division's website.
2. Public Comment: No public comment at this time.
3. Minutes from the September 7, 2023 meeting were approved as amended to reflect the participation of Patrick Kelly. Minutes from the April 16, 2024 meeting were also approved.
4. Federal Requirements Affecting PY26 Standards - Glenn Shippey explained to the Council that new federal network adequacy requirements for 2026 are only applicable to Qualified Health Plans certified for sale on Nevada's Exchange. The Council has always recommended, and the Commissioner has always adopted, the same set of standards for all network plans in the individual and small group markets. The Council could choose to apply these new federal requirements to all individual and small group plans, or it can recommend two sets of network adequacy standards: one for Qualified Health Plans to be

compliant with new federal requirements and another for all other plans sold in the individual and small group markets. It must recommend network adequacy standards to the Commissioner of Insurance for Plan Year 2026 no later than September 15th. Howard Baron was concerned about applying the federal standards for providers in areas of the state where shortages exist, especially in rural counties. Jack Kim expressed concern that carriers will not be able to meet many of these new standards outside the Exchange and in the small group market in rural areas which could negatively impact the number of health plans offered in those areas.

Reida Wagner presented the new federal requirements and identified the provider and facility types that are not currently being evaluated in Nevada to determine the adequacy of a network plan. The differences between current and the new time and distance federal standards were highlighted for each provider type within each type of county. Nevada's standards are generally not as strict as the new federal standards that will be effective in 2026. Sarah Fox asked whether telehealth can be used to satisfy these standards. Reida Wagner replied that this is currently being discussed within CMS but current standards do not consider telehealth. Heidi Sterner asked about differences in carrier networks on and off the Exchange, and Shae Herbert pointed out that stricter standards seem favorable to the consumer but could affect the number of plans available to these consumers.

Howard Baron expressed concern that stricter standards would not necessarily result in additional providers contracted if there is a shortage of providers. Sarah Fox agreed that there is a lack of providers to contract with in many areas of the state. Jack Kim stated that it will be challenging to meet these new standards for the QHP networks for which they are required, and that it would be a bad idea to apply them to plans outside the Exchange. Jack Kim made a motion to only apply the new federal standards to Qualified Health Plans in 2026. Howard Baron seconded the motion. All eight Council members in attendance voted in favor of the motion and none opposed. The motion was approved.

5. Telehealth - Glenn Shippey discussed SB119 which defines Federally Qualified Health Centers and Rural health Clinics as originating sites for purposes of telehealth. These facilities are essential community providers (ECPs), and the Council does recommend ECP network adequacy standards for individual and small group network plans. After brief discussion the Council did not feel this legislation impacted ECP standards.
6. Discussion, Deliberation, and Potential Direction by Council Regarding Network Adequacy Standards for PY26 - Shae Herbert requested an agenda item for the next Council meeting to discuss wait time standards. Heidi Sterner expressed concern about inaccurate information within carrier provider directories, and Glenn Shippey responded that carriers are required to update provider directories at least monthly. Adam Plain informed the Council that the 2026 network adequacy standards proposed regulation is available on the Nevada legislative website. Glenn Shippey responded that this regulation will be amended to reflect the Council's recommendation in September and the Commissioner's decision in October.
7. Public Comment - No public comment at this time.
8. Adjournment – The meeting was adjourned at 11:08am

This recording and all recordings of past Council meetings can be found on the Division's website:

https://doi.nv.gov/Insurers/Life_and_Health/Network_Adequacy_Advisory_Council/

Commissioner's Network Adequacy Advisory Council Meeting Minutes for August 22, 2024

This Council conducted a public meeting on August 22, 2024, at 10:02am.

The Council members present were:

1. Dr. Howard Baron
2. Patrick Kelly
3. Shae Herbert
4. Heidi Sterner
5. Thomas McCoy
6. Sarah Fox
7. Jack Kim

The Council member was absent:

1. Dr. Vu Luu

The following Division of Insurance members were present:

1. Reida Wagner
 2. Todd Rich
 3. Jack Childress
 4. Shanna Wallace
 5. Maile Campbell
 6. Rosalie Bordelove
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1. Call to Order/Roll Call – The meeting was called to order. Reida Wagner notified the Council of the resignation of Joy Thomas and asked if the Council would provide a recommended replacement.
 2. Introductory Remarks - Reida Wagner reminded the Council and public of the Council's charge which establishes the scope of the Council's work and determines recommendations to the Commissioner as to what network adequacy requirements should be. He also reminded participants that Nevada's Open Meeting Law applies which means that the meeting will be recorded, and minutes will be taken. This information will be made available to the public through the Division's website.
 3. Public Comment – No public comment at this time.
 4. Minutes from the June 20, 2024 meeting were approved as amended to reflect the correction of Shae Herbert's name.
 5. Wait Time Standards on the Federally Facilitated Exchange - At the request of Shae Herbert, the Federally Facilitated Exchange (FFE) standards for appointment wait time were reviewed and discussed. Reida Wagner presented the standards and provided an overview of the CMS review process of carrier compliance; it was stressed that these standards are not applicable to State Based Exchanges. Dr. Howard Baron expressed concern about future implementation of appointment wait time standards in Nevada, stating that Nevada wait times are due to provider shortages. He offered, as one of ten pediatric gastroenterologists practicing in Nevada, the standard appointment wait time for an office visit at his practice is greater than 30 days. Jack Kim and Sarah Fox, representing carriers, also expressed concern about meeting these standards

in the future without the availability of new providers to Nevada.

6. Discussion, Deliberation, and Potential Direction by Council Regarding Network Adequacy Standards for PY26 - The motion from the June 20th meeting, to only apply the new federal standards to Qualified Health Plans in 2026, was put to vote. The Council unanimously voted to approve the 2026 federal standards to QHPs. The motion to not apply the new federal standards to non-QHPs, individual and small group, was put to vote. The Council unanimously voted to disapprove applying the 2026 federal standards to non-QHPs, individual and small group.
7. Discussion on PY26 meetings – The Council was asked to provide any agenda items for the September 11, 2024.
8. Public Comment – No public comment at this time.
9. Adjournment – The meeting was adjourned at 10:21 a.m.

This recording and all recordings of past Council meetings can be found on the Division's website:

https://doi.nv.gov/Insurers/Life_and_Health/Network_Adequacy_Advisory_Council/

**Commissioner's Network Adequacy Advisory Council Meeting Minutes for
September 11, 2024**