
MEMORANDUM

TO: THE ASSEMBLY COMMITTEE ON COMMERCE AND LABOR, CHAIR ELAINE MARZOLA

FROM: CORNERSTONE GOVERNMENT AFFAIRS AND ED GARCIA LAW, ON BEHALF OF JML HOLDINGS

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SUBJECT: CONCEPTUAL AMENDMENT TO ASSEMBLY BILL 52: REVISES PROVISIONS RELATING TO THE PAYMENT OF CLAIMS UNDER POLICIES OF HEALTH INSURANCE.

DATE: MARCH 4, 2025

Chair Marzola and members of the Assembly Committee of Commerce and Labor,

Please find the below conceptual amendments to Assembly Bill 52 which Revises provisions relating the payment of claims under policies of health insurance. The proposed amendments are the result of work with various stakeholders including Clark County, the Nevada Justice Association and The Professional Firefighters of Nevada.

Section 1:

Purpose: The purpose of the below amendment is to remove self-insured plans from Assembly Bill 52.

EXPLANATION: Matter in (1) ***Black bold italics*** is new language in the original bill; (2) variations of **green bold underlining** is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) ~~orange double underlining~~ is deleted language in the original bill proposed to be retained in this amendment.

Amend Page 28, Section 20, subsection (c) line 41-45 to read:

(c) Provide group life, accident or health coverage through a self-insurance reserve fund and, where necessary, deduct contributions to the maintenance of the fund from the compensation of officers and employees and pay the deductions into the fund. The money accumulated for this purpose through deductions from the compensation of officers and employees and contributions of the governing body must be maintained as an internal service fund as defined by NRS 354.543. The money must be deposited in a state or national bank or credit union authorized to transact business in the State of Nevada. Any independent administrator of a fund created under this section is subject to the licensing requirements of chapter 683A of NRS, and must be a resident of this State. Any contract with an independent administrator must be approved by the Commissioner of Insurance as to the reasonableness of administrative charges in relation to contributions collected and benefits provided. The provisions of NRS 439.581 to 439.597, inclusive, 686A.135, 687B.352, 687B.408, 687B.692, 687B.723, 687B.725,

~~687B.730~~, 687B.805, ~~subsection 4 of NRS 689B.0295~~, 689B.030 to 689B.0317, inclusive, paragraphs (b) and (c) of subsection 1 of NRS 689B.0319, subsections 2, 4, 6 and 7 of NRS 689B.0319, 689B.033 to 689B.0369, inclusive, 689B.0375 to 689B.050, inclusive, 689B.0675, ~~689B.255~~, 689B.265, 689B.287

Amend Page 30, Section 21, line 11-18 to read:

Sec. 21. NRS 287.04335 is hereby amended to read as

follows:

287.04335 If the Board provides health insurance through a plan of self-insurance, it shall comply with the provisions of NRS 439.581 to 439.597, inclusive, 686A.135, 687B.352, 687B.409, 687B.692, 687B.723, 687B.725, ~~687B.730~~, 687B.805, ~~687B.820~~, ~~subsection 4 of NRS 689B.0295~~, 689B.0353, 689B.255, 695C.1723, 695G.150, 695G.155, 695G.160, 695G.162, 695G.1635, 695G.164, 695G.1645, 695G.1665, 695G.167, 695G.1675, 695G.170 to 695G.1712, inclusive, 695G.1714 to 695G.174, inclusive, 695G.176, 695G.177, 695G.200 to 695G.230, inclusive, 695G.241 to 695G.310, inclusive, 695G.405 and 695G.415, ~~and section 16 of this act~~ in the same manner as an insurer that is licensed pursuant to title 57 of NRS is required to comply with those provisions.

Section 2:

Purpose: The purpose of the proposed amendment is to ensure prompt payment within 15 consecutive days of the notice of a claim, as opposed to “working days,” as initially introduced.

Strike the term “working days” in 2, 5, 8, 9, 10, 11, 14, 16 and 21 and replace with “days”, such that the new language would read as follows:

“Upon receiving notice of claim, an insurer shall promptly process a claim and approve or deny the claim within no more than 15 days for notices submitted electronically and, if not submitted electronically, no more than 30 days.”

Section 3:

Purpose: The amendment clarifies the scope of the legislation.

Insert a new Section after Section 24:

“Nothing in this bill is intended to interfere with, supersede, or effect, an insured’s rights as provided for under Federal law, Title 57 including NRS Chapter 686A, NRS 695G, and NAC Chapter 686A, the contract, or the common law including the implied covenant of good faith and fair dealing.”

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