

CHAPTER.....

AN ACT relating to persons involved in the administration of insurance; authorizing the Administrator of the Division of Industrial Relations of the Department of Business and Industry to conduct certain investigations and examinations of third-party administrators; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires a third-party administrator for an insurer to have a certificate of registration issued by the Commissioner of Insurance. (NRS 616B.500, 616B.503, 683A.085)

Section 16.5 of this bill authorizes the Administrator of the Division of Industrial Relations of the Department of Business and Industry to determine whether a third-party administrator has adequate facilities in this State to administer claims and to conduct such investigations and examinations of third-party administrators as the Administrator deems reasonable.

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Sections 1-16. (Deleted by amendment.)

Sec. 16.5. NRS 616A.400 is hereby amended to read as follows:

616A.400 The Administrator shall:

1. Prescribe by regulation the time within which adjudications and awards must be made.
2. Regulate forms of notices, claims and other blank forms deemed proper and advisable.
3. Prescribe by regulation the methods by which an insurer may approve or reject claims, and may determine the amount and nature of benefits payable in connection therewith.
4. Prescribe by regulation the method for reimbursing an injured employee for expenses necessarily incurred for travel more than 20 miles one way from the employee's residence or place of employment to his or her destination as a result of an industrial injury.
5. Determine whether an insurer *or third-party administrator* has provided adequate facilities in this State to administer claims and for the retention of a file on each claim.
6. Evaluate the services of private carriers provided to employers in:



- (a) Controlling losses; and
- (b) Providing information on the prevention of industrial accidents or occupational diseases.

7. Conduct such investigations and examinations of insurers *or third-party administrators* as the Administrator deems reasonable to determine whether any person has violated the provisions of chapters 616A to 616D, inclusive, or chapter 617 of NRS or to obtain information useful to enforce or administer these chapters.

8. Prescribe by regulation the qualifications for final approval by the Division of an applicant for a certificate of registration as an administrator pursuant to subsection 3 of NRS 683A.08524. The regulations must set forth qualifications which provide for the final approval of those applicants whose approval is in the best interests of the people of this State.

9. Except with respect to any matter committed by specific statute to the regulatory authority of another person or agency, adopt such other regulations as the Administrator deems necessary to carry out the provisions of chapters 616A to 617, inclusive, of NRS.

Sec. 17. (Deleted by amendment.)

Sec. 18. This act becomes effective upon passage and approval for the purpose of adopting regulations and on January 1, 2012, for all other purposes.

