

**Amendment No. 580**

Senate Amendment to Senate Bill No. 266 First Reprint (BDR 57-879)

**Proposed by:** Senate Committee on Commerce, Labor and Energy

**Amendment Box:** Replaces Amendment No. 568.

**Amends:** Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

Adoption of this amendment will MAINTAIN the unfunded mandate requested by the affected local government to S.B. 266 (§ 9).

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed 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 that is proposed to be retained in this amendment; and (6) *green bold underlining* is newly added transitory language.

BJE



Date: 4/23/2013

S.B. No. 266—Requires certain policies of health insurance and health care plans to provide comparable coverage for orally administered chemotherapy. (BDR 57-879)



SENATE BILL NO. 266—SENATORS DENIS, HARDY, SMITH, ATKINSON, SEGERBLOM;  
 FORD, GOICOECHEA, HAMMOND, HUTCHISON, JONES, KIHUEN, MANENDO,  
 PARKS, ROBERSON, SPEARMAN AND WOODHOUSE

MARCH 15, 2013

JOINT SPONSORS: ASSEMBLYMEN FIORE, DIAZ, EISEN, BOBZIEN, HAMBRICK; AIZLEY,  
 ELLIOT ANDERSON, PAUL ANDERSON, BENITEZ-THOMPSON, CARLTON,  
 CARRILLO, DALY, DONDERO LOOP, ELLISON, FLORES, FRIERSON, GRADY,  
 HOGAN, HORNE, KIRKPATRICK, LIVERMORE, MARTIN, MUNFORD, NEAL,  
 OHRENSCHALL, OSCARSON, PIERCE, SPIEGEL, SPRINKLE, STEWART AND  
 WHEELER

Referred to Committee on Commerce, Labor and Energy

SUMMARY—~~Requires certain policies of health insurance and health care plans to provide comparable~~ **Revises provisions governing** coverage for ~~orally administered~~ chemotherapy ~~that is in a policy of health insurance or health care plan.~~ **in a policy of health insurance or health care plan.** (BDR 57-879)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.  
 Effect on the State: Yes.

CONTAINS UNFUNDED MANDATE (§ 9)  
 (NOT REQUESTED BY AFFECTED LOCAL GOVERNMENT)

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

AN ACT relating to insurance; ~~requiring~~ **prohibiting** certain policies of health insurance and health care plans ~~to provide~~ **from making monetary limits of** coverage for certain orally administered chemotherapy ~~that is not~~ **limiting the total combined amount of any copayment, deductible or coinsurance for chemotherapy administered orally;** and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Existing law requires certain public and private health care plans and policies of  
 2 insurance to provide coverage for certain procedures, including colorectal cancer screenings,  
 3 cytological screening tests and mammograms, in certain circumstances. (NRS 287.027,  
 4 287.04335, 689A.04042, 689A.0405, 689B.0367, 689B.0374, 695B.1907, 695B.1912,

695C.1731, 695C.1735, 695G.168) Existing law also requires employers to provide certain benefits to employees, including coverage for the procedures required to be covered by insurers, if the employer provides health benefits for its employees. (NRS 608.1555) ~~(This bill requires each insurer, other than the State Plan for Medicaid, that provides coverage for both chemotherapy administered intravenously or by injection and orally administered chemotherapy to provide the same extent to the insured as other types of chemotherapy. This bill further prohibits such a health care plan or policy of insurance from meeting this requirement by increasing the costs of the other types of chemotherapy or by decreasing the monetary limits for chemotherapy under the policy or plan. Sections 1, 3-5, 8 and 9 also prohibit such a health care plan and policy of insurance from requiring a copayment, deductible or coinsurance amount for orally administered chemotherapy in a combined amount that is more than \$100 per prescription.~~ **Sections 1, 3-5, 8 and 9 of this bill prohibit a health care plan and policy of insurance, other than the State Plan for Medicaid, that provides coverage for both chemotherapy administered intravenously or by injection and orally administered chemotherapy from making the monetary limits of coverage for orally administered chemotherapy different than other types of chemotherapy. Sections 1, 3-5, 8 and 9 further prohibit such a health care plan or policy of insurance from meeting this requirement by increasing the costs of the other types of chemotherapy or by decreasing the monetary limits for chemotherapy under the policy or plan. Sections 1, 3-5, 8 and 9 also prohibit such a health care plan and policy of insurance from requiring a copayment, deductible or coinsurance amount for orally administered chemotherapy in a combined amount that is more than \$100 per prescription.**

The provisions of this bill apply prospectively to any policy of insurance or health care plan offered through the Silver State Health Insurance Exchange on or after January 1, 2015, and to any other policy of insurance or health care plan issued or renewed on or after January 1, 2014.

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

**Section 1.** Chapter 689A of NRS is hereby amended by adding thereto a new section to read as follows:

*1. An insurer that offers or issues a policy of health insurance which provides coverage for the treatment of cancer through the use of chemotherapy shall not:*

*(a) Require a ~~higher~~ copayment, deductible or coinsurance amount for chemotherapy administered orally by means of a prescription drug ~~than is required for chemotherapy which is administered by injection or intravenously~~ in a combined amount that is more than \$100 per prescription.*

*(b) Make the coverage subject to monetary limits that are less favorable for chemotherapy administered orally by means of a prescription drug than the monetary limits applicable to chemotherapy which is administered by injection or intravenously.*

*(c) ~~Increase the copayment, deductible or coinsurance amount for chemotherapy that is administered by injection or intravenously or decrease~~ Decrease the monetary limits applicable to ~~such~~ chemotherapy administered orally by means of a prescription drug or to chemotherapy which is administered by injection or intravenously to meet the requirements of this section.*

*2. A policy subject to the provisions of this chapter which provides coverage for the treatment of cancer through the use of chemotherapy has the legal effect of providing that coverage subject to the requirements of this section, and any provision of the policy or renewal which is in conflict with this section is void if the policy is:*

*(a) A qualified health plan, as defined in NRS 695I.080, that is offered to persons through the Silver State Health Insurance Exchange and delivered, issued for delivery or renewed on or after January 1, 2015; or*

*(b) For any other policy, delivered, issued for delivery or renewed on or after January 1, 2014.*

*3. Nothing in this section shall be construed as requiring an insurer to provide coverage for the treatment of cancer through the use of chemotherapy*

1 *administered by injection or intravenously or administered orally by means of a*  
2 *prescription drug.*

3 **Sec. 2.** NRS 689A.330 is hereby amended to read as follows:

4 689A.330 If any policy is issued by a domestic insurer for delivery to a  
5 person residing in another state, and if the insurance commissioner or  
6 corresponding public officer of that other state has informed the Commissioner that  
7 the policy is not subject to approval or disapproval by that officer, the  
8 Commissioner may by ruling require that the policy meet the standards set forth in  
9 NRS 689A.030 to 689A.320, inclusive ~~H~~, *and section 1 of this act.*

10 **Sec. 3.** Chapter 689B of NRS is hereby amended by adding thereto a new  
11 section to read as follows:

12 *1. An insurer that offers or issues a policy of group health insurance which*  
13 *provides coverage for the treatment of cancer through the use of chemotherapy*  
14 *shall not:*

15 *(a) Require a ~~higher~~ copayment, deductible or coinsurance amount for*  
16 *chemotherapy administered orally by means of a prescription drug ~~than is~~*  
17 *required for chemotherapy which is administered by injection or intravenously,*  
18 *in a combined amount that is more than \$100 per prescription.*

19 *(b) Make the coverage subject to monetary limits that are less favorable for*  
20 *chemotherapy administered orally by means of a prescription drug than the*  
21 *monetary limits applicable to chemotherapy which is administered by injection or*  
22 *intravenously.*

23 *~~Increase the copayment, deductible or coinsurance amount for~~*  
24 *~~chemotherapy that is administered by injection or intravenously or decrease~~*  
25 *Decrease the monetary limits applicable to ~~such~~ chemotherapy administered*  
26 *orally by means of a prescription drug or to chemotherapy which is administered*  
27 *by injection or intravenously to meet the requirements of this section.*

28 *2. A policy subject to the provisions of this chapter which provides coverage*  
29 *for the treatment of cancer through the use of chemotherapy has the legal effect*  
30 *of providing that coverage subject to the requirements of this section, and any*  
31 *provision of the policy or renewal which is in conflict with this section is void.*

32 *3. Nothing in this section shall be construed as requiring an insurer to*  
33 *provide coverage for the treatment of cancer through the use of chemotherapy*  
34 *administered by injection or intravenously or administered orally by means of a*  
35 *prescription drug.*

36 **Sec. 4.** Chapter 695B of NRS is hereby amended by adding thereto a new  
37 section to read as follows:

38 *1. An insurer that offers or issues a contract for hospital or medical service*  
39 *which provides coverage for the treatment of cancer through the use of*  
40 *chemotherapy shall not:*

41 *(a) Require a ~~higher~~ copayment, deductible or coinsurance amount for*  
42 *chemotherapy administered orally by means of a prescription drug ~~than is~~*  
43 *required for chemotherapy which is administered by injection or intravenously,*  
44 *in a combined amount that is more than \$100 per prescription.*

45 *(b) Make the coverage subject to monetary limits that are less favorable for*  
46 *chemotherapy administered orally by means of a prescription drug than the*  
47 *monetary limits applicable to chemotherapy which is administered by injection or*  
48 *intravenously.*

49 *~~Increase the copayment, deductible or coinsurance amount for~~*  
50 *~~chemotherapy that is administered by injection or intravenously or decrease~~*  
51 *Decrease the monetary limits applicable to ~~such~~ chemotherapy administered*  
52 *orally by means of a prescription drug or to chemotherapy which is administered*  
53 *by injection or intravenously to meet the requirements of this section.*

1 2. A contract subject to the provisions of this chapter which provides  
2 coverage for the treatment of cancer through the use of chemotherapy has the  
3 legal effect of providing that coverage subject to the requirements of this section,  
4 and any provision of the contract or renewal which is in conflict with this section  
5 is void if the contract is:

6 (a) A qualified health plan, as defined in NRS 695I.080, that is offered to  
7 persons through the Silver State Health Insurance Exchange and delivered,  
8 issued for delivery or renewed on or after January 1, 2015; or

9 (b) For any other contract, delivered, issued for delivery or renewed on or  
10 after January 1, 2014.

11 3. Nothing in this section shall be construed as requiring an insurer to  
12 provide coverage for the treatment of cancer through the use of chemotherapy  
13 administered by injection or intravenously or administered orally by means of a  
14 prescription drug.

15 **Sec. 5.** Chapter 695C of NRS is hereby amended by adding thereto a new  
16 section to read as follows:

17 1. A health maintenance organization that offers or issues a health care  
18 plan which provides coverage for the treatment of cancer through the use of  
19 chemotherapy shall not:

20 (a) Require a ~~higher~~ copayment, deductible or coinsurance amount for  
21 chemotherapy administered orally by means of a prescription drug ~~than is~~  
22 ~~required for chemotherapy which is administered by injection or intravenously,~~  
23 in a combined amount that is more than \$100 per prescription.

24 (b) Make the coverage subject to monetary limits that are less favorable for  
25 chemotherapy administered orally by means of a prescription drug than the  
26 monetary limits applicable to chemotherapy which is administered by injection or  
27 intravenously.

28 ~~(c) Increase the copayment, deductible or coinsurance amount for~~  
29 ~~chemotherapy that is administered by injection or intravenously or decrease~~  
30 Decrease the monetary limits applicable to such chemotherapy administered  
31 orally by means of a prescription drug or to chemotherapy which is administered  
32 by injection or intravenously to meet the requirements of this section.

33 2. Evidence of coverage subject to the provisions of this chapter which  
34 provides coverage for the treatment of cancer through the use of chemotherapy  
35 has the legal effect of providing that coverage subject to the requirements of this  
36 section, and any provision of the evidence of coverage or the renewal which is in  
37 conflict with this section is void if the evidence of coverage is:

38 (a) A qualified health plan, as defined in NRS 695I.080, that is offered to  
39 persons through the Silver State Health Insurance Exchange and delivered,  
40 issued for delivery or renewed on or after January 1, 2015; or

41 (b) For any other evidence of coverage, delivered, issued for delivery or  
42 renewed on or after January 1, 2014.

43 3. Nothing in this section shall be construed as requiring a health  
44 maintenance organization to provide coverage for the treatment of cancer  
45 through the use of chemotherapy administered by injection or intravenously or  
46 administered orally by means of a prescription drug.

47 **Sec. 6.** NRS 695C.050 is hereby amended to read as follows:

48 695C.050 1. Except as otherwise provided in this chapter or in specific  
49 provisions of this title, the provisions of this title are not applicable to any health  
50 maintenance organization granted a certificate of authority under this chapter. This  
51 provision does not apply to an insurer licensed and regulated pursuant to this title  
52 except with respect to its activities as a health maintenance organization authorized  
53 and regulated pursuant to this chapter.

1           2. Solicitation of enrollees by a health maintenance organization granted a  
2 certificate of authority, or its representatives, must not be construed to violate any  
3 provision of law relating to solicitation or advertising by practitioners of a healing  
4 art.

5           3. Any health maintenance organization authorized under this chapter shall  
6 not be deemed to be practicing medicine and is exempt from the provisions of  
7 chapter 630 of NRS.

8           4. The provisions of NRS 695C.110, 695C.125, 695C.1691, 695C.1693,  
9 695C.170 to 695C.173, inclusive, 695C.1733 to 695C.200, inclusive, **and section 5**  
10 **of this act**, 695C.250 and 695C.265 do not apply to a health maintenance  
11 organization that provides health care services through managed care to recipients  
12 of Medicaid under the State Plan for Medicaid or insurance pursuant to the  
13 Children's Health Insurance Program pursuant to a contract with the Division of  
14 Health Care Financing and Policy of the Department of Health and Human  
15 Services. This subsection does not exempt a health maintenance organization from  
16 any provision of this chapter for services provided pursuant to any other contract.

17           5. The provisions of NRS 695C.1694, 695C.1695 and 695C.1731 apply to a  
18 health maintenance organization that provides health care services through  
19 managed care to recipients of Medicaid under the State Plan for Medicaid.

20           **Sec. 7.** NRS 695C.330 is hereby amended to read as follows:

21           695C.330 1. The Commissioner may suspend or revoke any certificate of  
22 authority issued to a health maintenance organization pursuant to the provisions of  
23 this chapter if the Commissioner finds that any of the following conditions exist:

24           (a) The health maintenance organization is operating significantly in  
25 contravention of its basic organizational document, its health care plan or in a  
26 manner contrary to that described in and reasonably inferred from any other  
27 information submitted pursuant to NRS 695C.060, 695C.070 and 695C.140, unless  
28 any amendments to those submissions have been filed with and approved by the  
29 Commissioner;

30           (b) The health maintenance organization issues evidence of coverage or uses a  
31 schedule of charges for health care services which do not comply with the  
32 requirements of NRS 695C.1691 to 695C.200, inclusive, **and section 5 of this act**  
33 **or 695C.207**;

34           (c) The health care plan does not furnish comprehensive health care services as  
35 provided for in NRS 695C.060;

36           (d) The State Board of Health certifies to the Commissioner that the health  
37 maintenance organization:

38           (1) Does not meet the requirements of subsection 2 of NRS 695C.080; or

39           (2) Is unable to fulfill its obligations to furnish health care services as  
40 required under its health care plan;

41           (e) The health maintenance organization is no longer financially responsible  
42 and may reasonably be expected to be unable to meet its obligations to enrollees or  
43 prospective enrollees;

44           (f) The health maintenance organization has failed to put into effect a  
45 mechanism affording the enrollees an opportunity to participate in matters relating  
46 to the content of programs pursuant to NRS 695C.110;

47           (g) The health maintenance organization has failed to put into effect the system  
48 required by NRS 695C.260 for:

49           (1) Resolving complaints in a manner reasonably to dispose of valid  
50 complaints; and

51           (2) Conducting external reviews of adverse determinations that comply  
52 with the provisions of NRS 695G.241 to 695G.310, inclusive;

1 (h) The health maintenance organization or any person on its behalf has  
2 advertised or merchandised its services in an untrue, misrepresentative, misleading,  
3 deceptive or unfair manner;

4 (i) The continued operation of the health maintenance organization would be  
5 hazardous to its enrollees;

6 (j) The health maintenance organization fails to provide the coverage required  
7 by NRS 695C.1691; or

8 (k) The health maintenance organization has otherwise failed to comply  
9 substantially with the provisions of this chapter.

10 2. A certificate of authority must be suspended or revoked only after  
11 compliance with the requirements of NRS 695C.340.

12 3. If the certificate of authority of a health maintenance organization is  
13 suspended, the health maintenance organization shall not, during the period of that  
14 suspension, enroll any additional groups or new individual contracts, unless those  
15 groups or persons were contracted for before the date of suspension.

16 4. If the certificate of authority of a health maintenance organization is  
17 revoked, the organization shall proceed, immediately following the effective date of  
18 the order of revocation, to wind up its affairs and shall conduct no further business  
19 except as may be essential to the orderly conclusion of the affairs of the  
20 organization. It shall engage in no further advertising or solicitation of any kind.  
21 The Commissioner may, by written order, permit such further operation of the  
22 organization as the Commissioner may find to be in the best interest of enrollees to  
23 the end that enrollees are afforded the greatest practical opportunity to obtain  
24 continuing coverage for health care.

25 **Sec. 8.** Chapter 695G of NRS is hereby amended by adding thereto a new  
26 section to read as follows:

27 *1. A managed care organization that offers or issues a health care plan  
28 which provides coverage for the treatment of cancer through the use of  
29 chemotherapy shall not:*

30 *(a) Require a ~~higher~~ copayment, deductible or coinsurance amount for  
31 chemotherapy administered orally by means of a prescription drug ~~[than is  
32 required for chemotherapy which is administered by injection or intravenously.]~~  
33 in a combined amount that is more than \$100 per prescription.*

34 *(b) Make the coverage subject to monetary limits that are less favorable for  
35 chemotherapy administered orally by means of a prescription drug than the  
36 monetary limits applicable to chemotherapy which is administered by injection or  
37 intravenously.*

38 *(c) ~~Increase the copayment, deductible or coinsurance amount for  
39 chemotherapy that is administered by injection or intravenously or decrease]~~  
40 Decrease the monetary limits applicable to ~~[such]~~ chemotherapy administered  
41 orally by means of a prescription drug or to chemotherapy which is administered  
42 by injection or intravenously to meet the requirements of this section.*

43 *2. An evidence of coverage for a health care plan subject to the provisions  
44 of this chapter which provides coverage for the treatment of cancer through the  
45 use of chemotherapy has the legal effect of providing that coverage subject to the  
46 requirements of this section, and any provision of the evidence of coverage or the  
47 renewal which is in conflict with this section is void if the evidence of coverage is:*

48 *(a) A qualified health plan, as defined in NRS 695I.080, that is offered to  
49 persons through the Silver State Health Insurance Exchange and delivered,  
50 issued for delivery or renewed on or after January 1, 2015; or*

51 *(b) For any other evidence of coverage, delivered, issued for delivery or  
52 renewed on or after January 1, 2014.*



1           **3. Nothing in this section shall be construed as requiring a managed care**  
2 **organization to provide coverage for the treatment of cancer through the use of**  
3 **chemotherapy administered by injection or intravenously or administered orally**  
4 **by means of a prescription drug.**

5           **Sec. 8.5.** NRS 695G.090 is hereby amended to read as follows:

6           695G.090 1. Except as otherwise provided in subsection 3, the provisions of  
7 this chapter apply to each organization and insurer that operates as a managed care  
8 organization and may include, without limitation, an insurer that issues a policy of  
9 health insurance, an insurer that issues a policy of individual or group health  
10 insurance, a carrier serving small employers, a fraternal benefit society, a hospital  
11 or medical service corporation and a health maintenance organization.

12           2. In addition to the provisions of this chapter, each managed care  
13 organization shall comply with:

14           (a) The provisions of chapter 686A of NRS, including all obligations and  
15 remedies set forth therein; and

16           (b) Any other applicable provision of this title.

17           3. The provisions of NRS 695G.164, 695G.1645, 695G.200 to 695G.230,  
18 inclusive, and 695G.430 **and section 8 of this act**, do not apply to a managed care  
19 organization that provides health care services to recipients of Medicaid under the  
20 State Plan for Medicaid or insurance pursuant to the Children's Health Insurance  
21 Program pursuant to a contract with the Division of Health Care Financing and  
22 Policy of the Department of Health and Human Services. This subsection does not  
23 exempt a managed care organization from any provision of this chapter for services  
24 provided pursuant to any other contract.

25           **Sec. 9.** Chapter 287 of NRS is hereby amended by adding thereto a new  
26 section to read as follows:

27           **1. The governing body of any county, school district, municipal**  
28 **corporation, political subdivision, public corporation or other local governmental**  
29 **entity of the State of Nevada that provides health insurance through a plan of**  
30 **self-insurance which provides coverage for the treatment of cancer through the**  
31 **use of chemotherapy shall not:**

32           **(a) Require a ~~higher~~ copayment, deductible or coinsurance amount for**  
33 **chemotherapy administered orally by means of a prescription drug ~~than is~~**  
34 **~~required for chemotherapy which is administered by injection or intravenously,~~**  
35 **in a combined amount that is more than \$100 per prescription.**

36           **(b) Make the coverage subject to monetary limits that are less favorable for**  
37 **chemotherapy administered orally by means of a prescription drug than the**  
38 **monetary limits applicable to chemotherapy which is administered by injection or**  
39 **intravenously.**

40           **(c) ~~Increase the copayment, deductible or coinsurance amount for~~**  
41 **~~chemotherapy that is administered by injection or intravenously or decrease~~**  
42 **Decrease the monetary limits applicable to such chemotherapy administered**  
43 **orally by means of a prescription drug or to chemotherapy which is administered**  
44 **by injection or intravenously to meet the requirements of this section.**

45           **2. A plan of self-insurance subject to the provisions of this chapter which**  
46 **provides coverage for the treatment of cancer through the use of chemotherapy**  
47 **has the legal effect of providing that coverage subject to the requirements of this**  
48 **section, and any provision of the plan or the renewal which is in conflict with this**  
49 **section is void if the plan is:**

50           **(a) A qualified health plan, as defined in NRS 695I.080, that is offered to**  
51 **persons through the Silver State Health Insurance Exchange and delivered,**  
52 **issued for delivery or renewed on or after January 1, 2015; or**



1       ***(b) For any other plan, delivered, issued for delivery or renewed on or after***  
2       ***January 1, 2014.***

3       ***3. Nothing in this section shall be construed as requiring the governing***  
4       ***body of any county, school district, municipal corporation, political subdivision,***  
5       ***public corporation or other local governmental entity of the State of Nevada that***  
6       ***provides health insurance through a plan of self-insurance to provide coverage***  
7       ***for the treatment of cancer through the use of chemotherapy administered by***  
8       ***injection or intravenously or administered orally by means of a prescription drug.***

9       **Sec. 9.5.** NRS 287.015 is hereby amended to read as follows:

10       287.015 1. A local government employer and any employee organization  
11 that is recognized by the employer pursuant to chapter 288 of NRS may, by written  
12 agreement between themselves or with other local government employers and  
13 employee organizations, establish a trust fund to provide health and welfare  
14 benefits to active and retired employees of the participating employers and the  
15 dependents of those employees.

16       2. All contributions made to a trust fund established pursuant to this section  
17 must be held in trust and used:

18       (a) To provide, from principal or income, or both, for the benefit of the  
19 participating employees and their dependents, medical, hospital, dental, vision,  
20 death, disability or accident benefits, or any combination thereof, and any other  
21 benefit appropriate for an entity that qualifies as a voluntary employees' beneficiary  
22 association under Section 501(c)(9) of the Internal Revenue Code of 1986, 26  
23 U.S.C. § 501(c)(9), as amended; and

24       (b) To pay any reasonable administrative expenses incident to the provision of  
25 these benefits and the administration of the trust.

26       3. The basis on which contributions are to be made to the trust must be  
27 specified in a collective bargaining agreement between each participating local  
28 government employer and employee organization or in a written participation  
29 agreement between the employer and employee organization, jointly, and the trust.

30       4. The trust must be administered by a board of trustees on which  
31 participating local government employers and employee organizations are equally  
32 represented. The agreement that establishes the trust must:

33       (a) Set forth the powers and duties of the board of trustees, which must not be  
34 inconsistent with the provisions of this section;

35       (b) Establish a procedure for resolving expeditiously any deadlock that arises  
36 among the members of the board of trustees; and

37       (c) Provide for an audit of the trust, at least annually, the results of which must  
38 be reported to each participating employer and employee organization.

39       5. The provisions of paragraphs (b) and (c) of subsection 2 of NRS 287.029  
40 apply to a trust fund established pursuant to this section by the governing body of a  
41 school district.

42       6. ***The provisions of section 9 of this act do not apply to a trust fund***  
43 ***established pursuant to this section ~~+~~ before October 1, 2013.***

44       7. As used in this section:

45       (a) "Employee organization" has the meaning ascribed to it in NRS 288.040.

46       (b) "Local government employer" has the meaning ascribed to it in NRS  
47 288.060.

48       **Sec. 10.** NRS 287.04335 is hereby amended to read as follows:

49       287.04335 If the Board provides health insurance through a plan of self-  
50 insurance, it shall comply with the provisions of NRS 689B.255, 695G.150,  
51 695G.160, 695G.164, 695G.1645, 695G.170, 695G.171, 695G.173, 695G.177,  
52 695G.200 to 695G.230, inclusive, 695G.241 to 695G.310, inclusive, and 695G.405,

1 *and section 8 of this act* in the same manner as an insurer that is licensed pursuant  
2 to title 57 of NRS is required to comply with those provisions.

3 **Sec. 11.** The provisions of NRS 354.599 do not apply to any additional  
4 expenses of a local government that are related to the provisions of this act.