**S.B. XXX**

SENATE BILL NO. XXX—SENATORS\_\_\_\_\_\_, \_\_\_\_\_\_\_, \_\_\_\_\_\_,

MARCH XX, 2019

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Revises provision relating to health insurance (BDR XX-XXX)

FISCAL NOTE: Effect on Local Government: No

Effect on State: No

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

AN ACT relating to insurance; requiring insurers and other organizations to submit parity compliance reports.

**Legislative Counsel’s Digest:**

Existing law requires insurers or other organizations to comply with the Mental Health Parity and Addiction Equity Act (MHPAEA) of 2008 (NRS 687B.404). **Section 1** of this bill requires insurers and other organizations to submit reports demonstrating their compliance with MHPAEA.

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

**Section 1.** NRS 687B.404 is hereby amended to read as follows:

687B.404 ***1.***An insurer or other organization providing health coverage pursuant to chapter ***689A,*** 689B, ***689C,*** 695A, 695B, 695C or 695F of NRS shall comply with the provisions of the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, Public Law 110-343, Division C, Title V, Subtitle B, and any federal regulations issued pursuant thereto.

***2. Each insurer or other organization providing health coverage pursuant to chapter 689A, 689B, 689C, 695A, 695B, 695C or 695F of NRS shall submit an annual report to the Commissioner on or before insert date that contains the following information:***

***(a) A description of the process used to develop or select the medical necessity criteria for mental health or addiction benefits and the process used to develop or select the medical necessity criteria for medical and surgical benefits;***

***(b) Identification of all non-quantitative treatment limitations (NQTLs) that are applied to both mental health or addiction benefits and medical and surgical benefits within each classification of benefits; there may be no separate NQTLs that apply to mental health or addiction benefits but do not apply to medical and surgical benefits within any classification of benefits;***

***(c) The results of an analysis that demonstrates that for the medical necessity criteria described in paragraph (a) and for each NQTL identified in paragraph (b), as written and in operation, the processes, strategies, evidentiary standards, or other factors used in applying the medical necessity criteria and each NQTL to mental health or addiction benefits within each classification of benefits are comparable to, and are applied no more stringently than, the processes, strategies, evidentiary standards, or other factors used in applying the medical necessity criteria and each NQTL to medical and surgical benefits within the corresponding classification of benefits; at a minimum, the results of the analysis shall:***

***(1) Identify the factors used to determine that an NQTL will apply to a benefit, including factors that were considered but rejected;***

***(2) Identify and define the specific evidentiary standards used to define the factors and any other evidence relied upon in designing each NQTL;***

***(3) Provide the comparative analyses, including the results of the analyses, performed to determine that the processes and strategies used to design each NQTL, as written, and the as written processes and strategies used to apply the NQTL to mental health or addiction benefits are comparable to, and are applied no more stringently than, the processes and strategies used to design each NQTL, as written, and the as written processes and strategies used to apply the NQTL to medical and surgical benefits;***

***(4) Provide the comparative analyses, including the results of the analyses, performed to determine that the processes and strategies used to apply each NQTL, in operation, for mental health or addiction benefits are comparable to, and applied no more stringently than, the processes or strategies used to apply each NQTL, in operation, for medical and surgical benefits; and***

***(5) Disclose the specific findings and conclusions reached by the insurer or other organization providing health coverage pursuant to chapter 689A, 689B, 689C 695A, 695B, 695C or 695F of NRS that the results of the analyses above indicate that the insurer or other organization is in compliance with this section and the Mental Health Parity and Addiction Equity Act of 2008 and its implementing and related regulations, which includes 45 CFR 146.136, 45 CFR 147.160, and 45 CFR 156.115(a)(3).***

**Sec. 2.** This act becomes effective:

1. Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks necessary to carry out the provisions of this act; and

2. On January 1, 2020 for all other purposes.