

## Frequently Asked Questions Regarding Changes Related to SB 274

10/19/2023

### **1. Who is required to have an office in Nevada?**

SB 274 amends NRS 616B.027, in part, as follows:

1. Every insurer shall:

(a) Provide an office in this State operated by the insurer or its third-party administrator in which:

(1) A complete file, or a reproduction of the complete file, of each claim is accessible, in accordance with the provisions of NRS 616B.021;

(2) Persons authorized to act for the insurer and, if necessary, licensed pursuant to chapter 683A of NRS, may receive information related to a claim and provide the services to an employer and his or her employees required by chapters 616A to 617, inclusive, of NRS; and

(3) An employee or his or her employer, upon request, is provided with information related to a claim filed by the employee or a copy or other reproduction of the information from the file for that claim, in accordance with the provisions of NRS 616B.021.

### **2. Who can administer claims outside Nevada?**

For private carriers:

Section 2 of SB 274 adds a section to NRS 616B that states, in part, that an employee of a private carrier licensed as a company adjuster or a TPA for a private carrier may administer claims from a location in or outside Nevada.

For self-insured employers:

Section 2 of SB 274 adds a section to NRS 616B that states, in part, that an employee of a private carrier who is not licensed as a company adjuster, or a TPA for a self-insured employer or association of self-insured public or private employers may administer claims only from one or more offices located in Nevada.

### **3. Can the claim files be maintained outside Nevada?**

For private carriers:

All claim records must be maintained at one or more offices located in Nevada or in an electronic format.

For self-insured employers:

All claim records must be maintained in an office in Nevada.

### **4. Do C-4 Forms, claim documents, and medical bills have to be mailed?**

No. C-4 Forms, claim documents, and medical bills may all be sent electronically.

**5. Can an entire claim file be maintained electronically or are hard copies required?**

SB 274 amends NRS 616B.021, in part, as follows:

1. An insurer shall make the files of claims available for inspection and reproduction:
  - (a) At an office operated by the insurer or its third-party administrator located in this State; or
  - (b) By electronic means.
2. The physical records in a file concerning a claim filed in this State may be kept at a location outside this State if all records in the file are made available for inspection and reproduction at an office operated by the insurer or its third-party administrator that is located in this State or by computer in a microphotographic, electronic or other similar format that produces an accurate reproduction of the original.

**6. Does SB 274 change the timelines for providing copies of claim files?**

The timelines for reproducing and availability for inspection remain the same. For open claims, the records must be reproduced and available for inspection during regular business hours within 24 hours of the request. For closed claims, the records must be reproduced and available for inspection during regular business hours within 14 days of the request.

**7. Do insurers have to accept collect calls from injured employees?**

Section 4 of SB 274 amends NRS 616B.021(1)(b) by removing the requirement to accept collect calls.

**8. What hours do private carriers who administer claims outside Nevada have to be available to claimants or claimants' representatives?**

SB 274 amends NRS 616B.027, in part, by adding the following:

3. An employee of a private carrier who is licensed as a company adjuster... or a person who acts as a third-party administrator... for a private carrier who administers a claim... from a location outside of this State... shall make himself or herself available to communicate in real time with a claimant or a representative of the claimant Monday through Friday, 9 a.m. to 5 p.m., local time in this State, excluding any day declared to be a legal holiday...

**9. What happens if a provider on the treating panel does not accept and treat injured employees?**

SB 274 amends NRS 616C.090, in part, resulting in the ability for any interested person to submit a Complaint Form, available on the DIR/WCS website, informing DIR/WCS of their belief that a physician or chiropractic physician does not accept and treat injured employees.

DIR/WCS will conduct an investigation and render a determination regarding whether the physician or chiropractic physician will remain on the treating panel.

**10. Does SB 274 change how rating physicians and chiropractic physicians are assigned for PPD ratings?**

SB 274 amends NRS 616C.100 regarding the methodology for assigning raters. Regulations regarding the implementation and application of these changes are currently being drafted, and additional information will be available once the regulations have been adopted.

**11. What are the timelines related to COLA reimbursement requests?**

SB 274 amends NRS 616C.266, in part, and specifies the following timelines:

- An insurer must submit COLA reimbursement requests not later than March 31 of each year for payments made in the prior calendar year.
- An insurer who provides the required information related to a COLA reimbursement request will receive a written determination approving or rejecting the insurer's request for reimbursement within 60 days of receipt of the request. If a written determination is not rendered within the 60 days, the request for reimbursement is deemed approved.
- Not later than July 1 of each year, the insurer will be provided with a detailed list of reimbursements approved or rejected.
- A person who is aggrieved by a written determination of the Administrator related to the approval/denial of the reimbursement request may file a request for a hearing before an appeals officer within 30 days of receipt of the determination.
- Not later than May 31 of each year, the insurer will be provided an invoice for any assessment levied by the Administrator... to be used to pay reimbursement...
- Each insurer shall, not later than July 31 of each year, pay to the Department of Business and Industry the amount of the assessment.
- If the Administrator is not able to collect the amount of the assessment within 60 days of July 31, the Administrator shall notify the Commissioner that the insurer is delinquent. An insurer who fails or refuses to pay the amount of an assessment within 60 days after July 31 is, after notice and a hearing... subject to revocation of the insurer's certificate of authority to transact insurance in this State.
- Approved reimbursements will be issued no later than December 31 of each year. If the full assessments are not received, the Administrator shall apportion to the insurers that have paid the amount of the assessment an amount of reimbursement calculated pursuant to NRS 232.680.
- If assessment payments are received after July 31, insurers will be reimbursed the remaining amount to which they are entitled.

**12. Did SB 274 change the minimum and maximum benefit penalty amounts?**

The current benefit penalty amounts are not less than \$5,000 and not greater than \$50,000.

For claims for which a C-4 Form is submitted on or after January 1, 2024, SB 274 amended NRS 616D.120(3) to change the minimum and maximum benefit penalty amounts as follows:

(a) ...in an amount that is not less than \$17,000 and not greater than \$120,000...

**13. Did SB 274 change when benefit penalty payments are due?**

Currently:

- The benefit penalty must be paid directly to the claimant within 10 days after the date of the determination.
- Proof of the payment is due to the Administrator within 10 days of the date of the determination unless an appeal is filed.

For claims for which a C-4 Form is submitted on or after January 1, 2024, SB 274 amended NRS 616D.120(4), in part, resulting in the following timelines:

- The benefit penalty must be paid directly to the claimant within 15 days after the date of the determination.
- Proof of the payment is due to the Administrator within 15 days of the date of the determination unless an appeal is filed and a stay has been granted.

**14. When do the changes related to SB 274 take effect?**

Changes related to SB 274 become effective January 1, 2024. The new benefit penalty provisions will apply to claims for which a C-4 Form is submitted on or after January 1, 2024.