

State of Nevada
Department of Business & Industry


Protect Consumers
Ensure Solvency

Division of Insurance

Network Adequacy

by Alexia Emmermann, Insurance Counsel
Division of Insurance

4/18/2016 2:11 PM




State of Nevada
Department of Business & Industry

Protect Consumers
Ensure Solvency

Division of Insurance

What Is Network Adequacy?

- Measures whether a network plan has sufficient providers to meet member needs




State of Nevada
Department of Business & Industry

Protect Consumers
Ensure Solvency

Division of Insurance

Background

- Patient Protection and Affordable Care Act
 - 45 C.F.R. § 156.230
 - Network adequacy standards
 - 45 C.F.R. § 156.235
 - Essential community providers
- Exchange
- AB 425 (2013)




State of Nevada
Department of Business & Industry

Protect Consumers
Ensure Solvency

Division of Insurance

NRS 687B.490

- Within 90 days, the Commissioner must determine whether a network plan is adequate
 - Applies to individual and small employer group health benefit plans
 - Exemptions exist for certain plans




State of Nevada
Department of Business & Industry

Protect Consumers
Ensure Solvency

Division of Insurance

The Regulation

- Division's expertise
- Research
- Outreach
- Discussions
- Workshops
- Hearings




State of Nevada
Department of Business & Industry

Protect Consumers
Ensure Solvency

Division of Insurance

R049-14

- March 28, 2016
 - Adopted by Commissioner
- April 4, 2016
 - Passed by Legislative Commission
- April 4, 2016
 - Filed with Secretary of State
- Effective date




State of Nevada
Department of Business & Industry

Protect Consumers
Ensure Solvency

Division of Insurance

Key Concepts

- Applicability
- Advisory Council
- Recommendation
- Standards
- Requirements
- Timing
- Hearing Provisions
- Federal Approval
- Directories
- Application (Justifications)
- Notice to Commissioner
- Corrective Action Plan
- Consequences




State of Nevada
Department of Business & Industry

Protect Consumers
Ensure Solvency

Division of Insurance

Network Adequacy Advisory Council

- Nine members appointed by the Commissioner
- Fair representation of the interests of carriers, providers and consumers
- Meeting open to the public
- Council makes recommendation to Commissioner by September 15 of each year



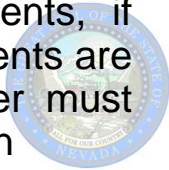
State of Nevada
Department of Business & Industry

Protect Consumers
Ensure Solvency

Division of Insurance

Commissioner's Requirements

- Consider recommendation of Council
- Determine requirements for relevant plan year by October 15 each year
- Promulgate regulation for the requirements each year
- In February/March after the Commissioner promulgates regulation for requirements, if CMS standards change or if requirements are not accepted by CMS, Commissioner must revise and promulgate regulation again




State of Nevada
Department of Business & Industry

Protect Consumers
Ensure Solvency

Division of Insurance

What to Expect for 2017

- Network adequacy reviews
 - 2017 Letter to Issuers
 - Default to CMS standards with State mandates
- Advisory Council set up
 - Invitation to apply
 - Facilitator to run meetings
 - Orientation and guidance manual
 - Meetings start in 2016 for PY 2018




State of Nevada
Department of Business & Industry

Protect Consumers
Ensure Solvency

Division of Insurance

PY 2017 DOI Review Timeline

- May 2nd Network Plan applications due
- May 13th DOI communicates deficiencies to carrier
- May 27th Carrier submits revised network plans to correct deficiencies
- June 10th DOI communicates remaining deficiencies to carrier, if necessary
- June 24th Carrier submits revised network plans to correct remaining deficiencies
- July 8th DOI communicates remaining deficiencies to carrier, if necessary
- July 29th DOI makes final determinations



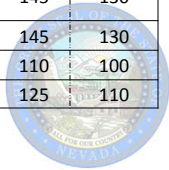
State of Nevada
Department of Business & Industry

Protect Consumers
Ensure Solvency

Division of Insurance

PY 2017 Network Adequacy Standards

Type	Specialty	Metro		Micro		Rural		CEAC	
		Max Time (Mins)	Max Distance (Miles)	Max Time (Mins)	Max Distance (Miles)	Max Time (Mins)	Max Distance (Miles)	Max Time (Mins)	Max Distance (Miles)
Provider	Primary Care	15	10	30	20	40	30	70	60
	Endocrinology	60	40	100	75	110	90	145	130
	Infectious Diseases	60	40	100	75	110	90	145	130
	Mental Health	45	30	60	45	75	60	110	100
	Oncology - Medical/Surgical	45	30	60	45	75	60	110	100
	Oncology - Radiation/Radiology	60	40	100	75	110	90	145	130
	Rheumatology	60	40	100	75	110	90	145	130
Facility	Hospitals	45	30	80	60	75	60	110	100
	Outpatient Dialysis	45	30	80	60	90	75	125	110




State of Nevada
Department of Business & Industry

Protect Consumers
Ensure Solvency

Division of Insurance

Nevada County Designations

Rank	Population Density	County / Population	Designation
1	351.5/sq mi	Carson City, NV / 55,274	Metro
2	242.1/sq mi	Clark, NV / 1,951,269	Metro
3	64.4/sq mi	Washoe, NV / 421,407	Metro
4	63.7/sq mi	Douglas, NV / 46,997	Micro
5	25.7/sq mi	Lyon, NV / 51,980	Micro
6	15.2/sq mi	Storey, NV / 4,010	Rural
7	5.0/sq mi	Churchill, NV / 24,877	CEAC
8	2.8/sq mi	Elko, NV / 48,818	CEAC
9	2.4/sq mi	Nye, NV / 43,946	CEAC
10	1.7/sq mi	Humboldt, NV / 16,528	CEAC
11	1.3/sq mi	Mineral, NV / 4,772	CEAC
12	1.1/sq mi	White Pine, NV / 10,030	CEAC
13	1.1/sq mi	Pershing, NV / 6,753	CEAC
14	1.0/sq mi	Lander, NV / 5,775	CEAC
15	0.5/sq mi	Lincoln, NV / 5,345	CEAC
16	0.5/sq mi	Eureka, NV / 1,987	CEAC
17	0.2/sq mi	Esmeralda, NV / 783	CEAC



State of Nevada
Department of Business & Industry

Protect Consumers
Ensure Solvency

Division of Insurance

Conclusion

- Competing Priorities
- Passionate Stakeholders
- Tight Deadlines
- Federal Involvement

