

July 16, 2015

(Via e-mail [keverett@doi.nv.gov](mailto:keverett@doi.nv.gov) / [mkrueger@doi.nv.gov](mailto:mkrueger@doi.nv.gov) / [sdummar@doi.nv.gov](mailto:sdummar@doi.nv.gov))

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Assistant Chief, Life and Health Section  
Nevada Division of Insurance

Mark J. Krueger  
Insurance Counsel,  
Nevada Division of Insurance

**Re: Comments of the Hospital Based Physician Specialty Coalition to the Nevada Department of Insurance on Proposed Revisions to LCB File No-R049-14**

Dear Counsel Krueger and Assistant Chief Everett:

The coalition of hospital-based physician specialties has reviewed the proposed regulation LCB File No-R049-14 and found the regulation to be insufficient to ensure that patients enrolled in health plans approved by the Nevada Division of Insurance are able to obtain in-network provision of physician specialist services at in-network facilities and hospitals.

Failure of health plans to establish network adequacy for hospital based specialists will subject patients enrolled in state approved, but inadequate, health plan networks to financial risk for out-of-network payments. When health plans tout that their networks include certain in-network facilities and hospitals, it is grossly misleading to prospective purchasers of these plans when the plan has failed to recruit physicians at these facilities who are essential to the performance of many procedures and treatments a patient should expect to receive and be covered for as an in-network service. Accordingly, these inadequate health plan networks should not be approved by the Division of Insurance as they are misleading consumers and concealing from future patients the potential likelihood of incurring out-of-network physician service costs.

At present, we believe the proposed regulation does not directly address fundamental issues regarding medical specialties identified as being vulnerable to *de minimis* network standards for adequacy. In particular, it is widely known and accepted that many health plans are now creating "narrow" and "ultra-narrow" networks that are **intentionally** designed to exclude providers and facilities from plan participation. The result of this intentional design of a benefit plan that is narrowly limited in provider and facility participation is to create network inadequacy and thereby increased potential for balance billing of enrollees by non-participating providers.

Accordingly, we urge two additional provisions to the proposed regulation as **New Sec 4:**

"A health carrier network shall ensure that for anesthesiology, radiology, pathology, emergency room physicians and hospitalists that there are sufficient numbers of participating providers at each in-network hospital or facility for the delivery of network services."

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"In order to ensure adequacy, accessibility and quality, a health carrier network must have an ongoing plan for providing network adequacy for its covered persons that includes a process to routinely monitor and assess access to physician specialist services in anesthesiology, emergency room care, radiology and pathology/laboratory services. The plan must provide covered persons with timely access and utilization for maintaining quality of care for these services."

We believe the Division of Insurance should specifically scrutinize health plans seeking approval for conformance with this requirement to help ensure that patients enrolled in state approved plans have a reasonable expectation of receiving in-network physician services at in-network health care facilities and hospitals. Furthermore, health carrier networks once approved by the Division, in accordance with the requirement as herein stated, should be responsible for monitoring compliance on an ongoing basis and should be held accountable to the Division of Insurance for providing a plan for such monitoring. We believe both of these recommendations are essential to providing Nevada consumers and patients with high quality health care under the terms of any health plan seeking state approval.

Thank you for your courtesies and consideration of our comments.

Sincerely,

- American College of Emergency Physicians
- American College of Radiology
- College of American Pathologists
- Society of Hospital Medicine