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Insurance; group insurance policies

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the aged, blind, and disabled.¹ Chapter 348 prohibits an insurer² from selling a health insurance³ policy⁴ that supplements Medicare to a person who has purchased two other supplemental policies of health insurance.⁵ Additionally, Chapter 348 requires an insurer selling a second supplemental policy to extend coverage without any reduction in benefits under the first policy.⁶

JMA

1. See Social Security Act, 42 U.S.C. §§ 301-306, 401-425; NEV. REV. STAT. § 422.233 (state plan for supplementary assistance to needy, aged or blind persons); *id.* § 422.052 (definition of services to the aged, blind or disabled).

2. NEV. REV. STAT. § 679A.100 (definition of insurer).

3. *Id.* § 681A.030 (definition of health insurance).

4. *Id.* § 679A.112 (definition of policy).

5. 1987 Nev. Stat. ch. 348, sec. 1, at ____ (enacting NEV. REV. STAT. § 689A.____); *cf.* 42 U.S.C. § 1395ss (voluntary certification of Medicare supplemental policies—to certify that policy meets certain standards and requirements).

6. 1987 Nev. Stat. ch. 348, sec. 1, at ____ (enacting NEV. REV. STAT. § 689A.____).

Insurance; group insurance policies

NEV. REV. STAT. §§ 689B.____, 695B.____, 695C.____, 695D.____ (new).

SB 330 (O'Donnell); 1987 STAT. Ch 372

Existing law requires group health insurance¹ policies² to contain a provision reducing the liability of the insurer for benefits obtained under another valid group insurance policy.³ Chapter 372 mandates that the benefits of a primary policy of group insurance must be determined before the benefits of any other policy.⁴ Thus, the benefits of a secondary policy of group insurance are determined after the benefits of a primary policy.⁵ Chapter 372, however, mandates that

1. NEV. REV. STAT. § 689B.020 (definition of group health insurance, eligible groups, and benefits).

2. *Id.* §§ 689B.030 (general requirements); 689B.033 (new-born children); 689B.034 (effect of benefits under other valid group coverage); 689B.035 (termination of coverage of dependent child); 689B.036 (benefits for treatment of alcohol or drug abuse); 689B.0375 (policy covering mastectomy must provide coverage for prosthetic devices and reconstructive surgery); 689B.260 (coverage relating to complications of pregnancy).

3. *Id.* § 689B.034.

4. 1987 Nev. Stat. ch. 372, sec. 2, at ____ (enacting NEV. REV. STAT. § 689B.____).

5. *Id.*

secondary benefits may not be reduced because of benefits under the primary policy.⁶

When more than one group insurance policy exists, Chapter 372 specifies that a policy is always primary if that policy does not coordinate⁷ with other policies.⁸ Chapter 372 further specifies that a policy covering an employee, group member, or insurance subscriber is the primary policy, whereas a policy covering a dependent of an employee, member, or subscriber is secondary.⁹ Under Chapter 372, however, a policy covering an employee or an employee's dependent is the primary policy, but if an employee is laid off or retired, the policy is secondary.¹⁰ Under Chapter 372, when a child is covered as a dependent by separate policies of the parents, the primary policy is the policy of the parent whose birthday falls earlier in the year.¹¹ However, if the parents have divorced or separated and one parent has been designated by court order as responsible for the child's health care expenses, Chapter 372 deems the policy of that parent the primary policy.¹² When no custody order exists, Chapter 372 sets forth the order of determining benefits as follows: (1) The custodial parent's policy; (2) the policy of the spouse of the custodial parent; and (3) the policy of the noncustodial parent.¹³ Chapter 372 mandates that when a new group health insurance policy is issued as a replacement policy within sixty days of discontinuance of a previous group health insurance policy, the new policy must provide coverage for all persons previously covered.¹⁴ Chapter 372 also requires the new coverage to be at least as extensive as benefits under the previous policy.¹⁵

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6. *Id.*

7. See NEV. REV. STAT. §§ 689A.220 (coordination of benefits under same insurer); 689A.230 (coordination of benefits under all coverages).

8. 1987 Nev. Stat. ch. 372, sec. 3, at ____ (enacting NEV. REV. STAT. § 689B.____).

9. *Id.*

10. *Id.*

11. *Id.* (if both parents have the same birthday, the benefits of the policy which covered the parent the longer is the primary policy).

12. *Id.*

13. *Id.* (if these provisions are inconclusive in determining the order of benefits, the longer existing policy is the primary policy).

14. 1987 Nev. Stat. ch. 372, sec. 4, at ____ (enacting NEV. REV. STAT. § 689B.____); *id.* sec. 5, at ____ (enacting NEV. REV. STAT. § 695B.____) (group contracts for hospital, medical, or dental services issued by nonprofit hospital, medical, or dental service corporations); *id.* sec. 6, at ____ (enacting NEV. REV. STAT. § 695C.____) (group health care plans issued by health maintenance organizations); *id.* sec. 7, at ____ (enacting NEV. REV. STAT. § 695D.____) (group dental care plans issued by dental care organizations).

15. See *supra* note 14.