

**NOTICE OF PUBLIC WORKSHOPS TO SOLICIT COMMENTS ON
PROPOSED REGULATIONS
LCB File No. R130-14**

(THIS IS NOT A NOTICE OF INTENT TO ACT ON A REGULATION)

The Division of Industrial Relations, Department of Business and Industry, State of Nevada, (“Division”), will conduct a public workshops to add and/or amend Chapters 616B, 616C, 616D and 617 of the Nevada Administrative Code.

The public workshops will be conducted at the following locations at the listed dates and times:

MONDAY, JANUARY 5, 2015 AT 9:00 A.M., BY VIDEO CONFERENCE

Nevada State College
303 S. Water Street
Room 119
Henderson, Nevada 89015

Western Nevada College
Cedar Building, Room 307
2201 W. College Parkway
Carson City, Nevada 89703

Pursuant to NRS 233B.608 and 233B.609, the Division is providing the following statements pertaining to the workshop on proposed changes to Chapters 616B, 616C, 616D and 617, NAC.

The need and purpose of the proposed revisions to regulations:

The Division of Industrial Relations, Workers’ Compensation Section’s proposed regulations revise outdated definitions, references to nonexistent offices and contact information for required publications; establish procedures for the transfer of claims files between insurers and third party administrators; revise provisions relating to the submission of correspondence and other documents to insurers; establish provisions relating to the submission of a written request for a determination by an insurer; establish procedures and requirements for the purchase of a modified motor vehicle as an accident benefit; revise provisions relating to recordkeeping and the maintenance of claim files; revise provisions relating to the determination and notification of claim acceptance or denial by an insurer; establish deadlines for a physician’s or chiropractor’s report on the status of an injured employee; revise provisions relating to the contents and maintenance of a rating evaluation by a physician or chiropractor; revise provisions relating to vocational rehabilitation; and authorizing, under certain circumstances, an employee to schedule physical examinations for firefighters, police officers and arson investigators;

The estimated economic effect of the proposed regulations on regulated businesses and the public, stating adverse and beneficial effects:

Adverse: The Division believes that there will be no adverse effects that would negatively impact business. The Division also believes that there is no adverse effects anticipated that would negatively impact the general public. The adverse impact, if any, would solely be to workers’ compensation insurance carriers and third-party administrators in revising their claims

processing procedures.

Beneficial: The Division believes that the proposed regulations clarify the responsibilities and duties of workers' compensation insurance carriers and additional protections for injured employees when claims are transferred between insurers or third-party administrators.

A copy of the proposal may be obtained at the workshop or downloaded from the Nevada Mechanical Section website: <http://dirweb.state.nv.us/WCS/wcs.htm>. Before the Public Workshop, persons may submit written comments to Donald C. Smith, Esq., Senior Division Counsel, Division of Industrial Relations, 1301 North Green Valley Parkway, Suite 200, Henderson, Nevada 89074.

After the comments have been reviewed and considered, the Division will give notice of intent to act on the regulations and conduct one or more public hearings to solicit written and/or oral comments, data, and views on the proposed regulations.

Persons with disabilities who require special accommodations or assistance at the workshop must notify Kristin Dakuginow, at the Division of Industrial Relations, 1301 North Green Valley Parkway, Suite 200, Henderson, Nevada 89074, or by calling (702) 486-9000 by 5:00 p.m., Monday, December 29, 2014.

This Notice of Workshops to Solicit Comments on Proposed Regulations has been posted at the following locations: the Division's offices at 400 West King, Suite 210, Carson City, NV 89703; 1301 North Green Valley Parkway, Suite 200, Henderson, NV 89074; 4600 Kietzke Lane, Suite F-153, Reno, NV 89502; the Grant Sawyer Building, 555 E. Washington Avenue, Las Vegas, Nevada 89101; the Bradley Building, 2501 East Sahara Avenue, Las Vegas, Nevada 89104; and the Nevada State Library and Archives, 100 Stewart Street, Carson City, Nevada 89701. In addition, this notice has been posted on the Division's Web site: <http://dirweb.state.nv.us/WCS/wcs.htm>.

**STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INDUSTRIAL RELATIONS**

**SMALL BUSINESS IMPACT STATEMENT
AS REQUIRED BY NRS 233B.0608 AND 233B.0609
LCB FILE NO. 130-14**

December 8, 2014

Note: Small Business is defined as “a business conducted for profit which employs fewer than 150 full-time or part-time employees.” (NRS 233B.0382).

1. Describe the manner in which comment was solicited from affected small businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.

ANSWER: To determine whether these regulatory matters are likely to have an impact on small businesses, the Division considered the purpose and scope of the proposed and potential regulation changes in conjunction with existing regulations. This statement addresses the fiscal impact of the proposed additions and amendments to Chapters 616B, 616C, 616D and 617 of the Nevada Administrative Code (NAC); and a repeal of NAC 616A.430, 616B.780, 616B.786, 616B.789, 616B.792, 616B.795, 616B.796, 616B.800, 616B.809, 616B.810, 616B.812, 616B.815, 616B.818, and 616C.085. Based on this review, the Division determined that these regulations may have some minimal financial impact on insurers, third-party administrators, employee leasing companies and the employers of firefighters, police officers and arson investigators, and will have no effect on small businesses, either adverse or beneficial.

Section 2 of these proposed regulations establishes provisions governing the transfer from one insurer or third-party administrator to another of the claim file of an injured employee, including the information which must be included and the persons to whom notice of such a transfer must be given.

Sections 3, 14, 16-18 and 20 of these proposed regulations update provisions setting forth information regarding obtaining copies of documents adopted by reference by the Administrator.

Sections 5-7, 10, 11 and 13 of these proposed regulations revise the duties of an insurer with regard to industrial insurance to extend requirements to a third-party administrator as well.

Section 8 of these proposed regulations sets forth certain requirements concerning the purchase by an insurer or employer on behalf of an injured employee of a modified motor vehicle as an accident benefit.

Section 21 of these proposed regulations revises the duties of an insurer with regard to the vocational rehabilitation counselor assigned to a claim and the plan for a program of vocational rehabilitation created for an injured employee.

Existing regulations provide that, if after a hearing the Administrator determines that an insurer, third-party administrator, organization for managed care, provider of health care or employer has committed a violation of the laws and regulations enforced by the Administrator, the Administrator will serve the entity with a copy of the findings of fact and conclusions of law and notice of the right to petition for judicial review. (NAC 616D.060). Section 22 of these proposed regulations includes an employee leasing company as an entity upon whom the Administrator will serve a copy of the findings of fact and conclusions of law and notice of the right to petition for judicial review.

Existing law requires firefighters, police officers and arson investigators to submit to certain physical examinations and tests to obtain industrial insurance benefits for lung disease and heart disease as occupational diseases. (NRS 617.454, 617.455, 617.457). Existing regulations require, as part of the required cardiac examinations, a urine test to determine glucose levels. Section 24 of these proposed regulations provides that a blood test for glucose may also be used. (NAC 617.070).

Existing regulations require the employer of a firefighter police officer or arson investigator to schedule certain physical examinations of the employee. (NAC 617.080). Section 25 of these proposed regulations provides that the employee and his or her employer may agree in writing that the employee is responsible for scheduling such physical examinations.

Section 26 of these proposed regulations repeals certain provisions relating to coverage required to be provided by a sole proprietor and provisions relating to elective coverage of corporate officers, volunteers and real estate brokers, broker-salespersons and salespersons.

As noted above, the Division determined that these regulations will have no effect on small businesses, either adverse or beneficial.

2. The manner in which the analysis was conducted.

ANSWER: As noted in Answer 1, above, there may be minimal financial effect on insurers, third-party administrators, employee leasing companies and the employers of firefighters, police officers and arson investigators. The Division determined that this regulation will have no effect on small businesses, either adverse or beneficial.

3. The estimated economic effect of the proposed regulation on the small businesses which it is to regulate, including, without limitation:

- (a) Both adverse and beneficial effects; and**
- (b) Both direct and indirect effects.**

ANSWER: The Division anticipates no adverse or beneficial effects, either direct or indirect, on small businesses as the result of the adoption of this regulation.

4. Describe the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency actually used any of those methods.

ANSWER: Because there will be no impact on small businesses, there are no methods available to reduce the impact the Division could have considered.

5. The estimated cost to the agency for enforcement of the proposed regulation.

ANSWER: There is no additional cost to the agency for enforcement of this regulation.

6. If the proposed regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

ANSWER: The proposed regulation does not provide for a new fee or increase an existing fee.

7. If the proposed regulation includes provisions which duplicate or are more stringent than federal, state or local standards regulating the same activity, an explanation of why such duplicative or more stringent provisions are necessary.

ANSWER: The proposed regulation does not include any provisions which duplicate or are more stringent than existing federal, state or local standards. The proposed regulation amends existing regulations in compliance with existing Nevada law and repeals certain provisions relating to coverage required to be provided by a sole proprietor and provisions relating to elective coverage of corporate officers, volunteers and real estate brokers, broker-salespersons and salespersons, which are presently covered by the advisory organizations rules.

8. The reasons for the conclusions of the agency regarding the impact of a regulation on small businesses.

ANSWER: The Division complied with NRS 233B.0608 by considering the purpose and scope of the proposed and potential regulation changes in conjunction with existing regulations and making a concerted effort to determine whether the proposed regulation imposes a direct or significant economic burden upon small businesses, or directly restricts the formation, operation or expansion of a small business. The Division determined that these regulations will have no effect on small businesses.

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I, STEVE GEORGE, Administrator of the Division of Industrial Relations, certify that, to the best of my knowledge or belief, the information contained in the statement was prepared properly and is accurate.

DATED this 8 day of December, 2014.



STEVE GEORGE, Administrator
Department of Business and Industry
Division of Industrial Relations