



DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INDUSTRIAL RELATIONS
DIVISION COUNSEL

NOTICE OF INTENT TO ACT ON PROPOSED REGULATIONS

Notice of Hearing for the Adoption of Regulations
of the Division of Industrial Relations,
Department of Business and Industry

LCB File No. Unassigned

The Division of Industrial Relations, Department of Business and Industry, State of Nevada (the "Division"), will conduct a public hearing to review the proposed amendments and additions to the Nevada Medical Fee Schedule, adopted pursuant to NRS 616C.260.

The public hearing on these proposed regulations will be conducted by videoconference on Friday, January 8, 2016 at 10:00 a.m. at the following locations:

NV OSHA
1301 N. Green Valley Parkway
1st Floor Training Room
Henderson, Nevada

NV OSHA
4600 Kietkze Lane
Bldg., F, #153, Videoconference Room
Reno, Nevada

Pursuant to NRS 233B.0603, the Division is providing the following information pertaining to the public hearing and the proposed regulations.

The need and purpose of the proposed regulations: *The Division of Industrial Relations, Workers' Compensation Section, is conducting the Public Hearing to review the proposed amendments and additions to the Nevada Medical Fee Schedule, adopted pursuant to NRS 616C.260, based on the Milliman Report on Workers' Compensation Provider Reimbursement Recommendations- All Service Types.*

The terms and substance of the proposed regulations: *The Division will adopt amendments to the Nevada Medical Fee Schedule based on the Division's review of the recommendations set forth in the Milliman Report, as set forth in the proposed Nevada Medical Fee Schedule dated November 23, 2015.*

The estimated economic effect of the proposed regulations on (a) regulated businesses and (b) the public, including, stated separately: (i) adverse and beneficial effects; and (ii) immediate and long-term effects:

(a) Regulated businesses:

(i) Adverse and beneficial effects:

The Division anticipates minimal adverse effects, either direct or indirect, on regulated businesses as the result of the amendment of the Nevada Medical Fee Schedule. The adverse effects, if any, are difficult to determine at this time. There will be no direct cost to regulated or small businesses. Indirectly, it is possible that insurers may have increased medical expenses on claims, which may result in increased insurance premium cost to employers, both small and large.

The Division anticipates beneficial effects, both direct and indirect, on regulated and small businesses. Adjustments to the Nevada Medical Fee Schedule will assure that employers and their injured employees will have sufficient participants in the healthcare provider panels to provide appropriate and necessary care to Nevada's injured employees.

(ii) Immediate and long-term effects:

The Division anticipates minimal immediate effects, either adverse or beneficial, on regulated and small businesses as a result of the amendment of the Nevada Medical Fee Schedule. The adverse effects, if any, are difficult to determine at this time. There will be no direct cost to regulated or small businesses. Indirectly, it is possible that insurers may have increased medical expenses on claims, which may result in increased insurance premium cost to employers, both small and large.

The Division anticipates beneficial effects, both direct and indirect, on regulated businesses. Adjustments to the Nevada Medical Fee Schedule will assure that employers and their injured employees will have sufficient participants in the healthcare provider panels to provide care to Nevada's injured employees.

(b) The public:

(i) Adverse and beneficial effects:

The Division anticipates minimal adverse effects, either direct or indirect, on the public as a result of the adoption of this amendment to the Nevada Medical Fee Schedule. The adverse effects, if any, are difficult to determine at this time. There will be no direct cost to the public as any increased costs will be to insurers. Indirectly, it is possible that insurers may have increased medical expenses on claims, which may result in increased insurance premium cost to employers, both small and large.

The Division anticipates minimal beneficial effects, both direct and indirect, on the public. However, the adoption of this addition to the Nevada Medical Fee Schedule may result in a direct benefit to the public as injured employees will have greater access to appropriate healthcare providers.

(ii) Immediate and long-term effects:

The Division anticipates minimal immediate effects, either adverse or beneficial, on the public as a result of the adoption of this amendment to the Nevada Medical Fee Schedule. The adverse effects, if any, are difficult to determine at this time. There will be no direct cost to the public as any increased costs will be to insurers, self-insured employers, and employee leasing companies. Indirectly, it is possible that insurers may have increased medical expenses on claims, which may result in increased insurance premium cost to employers, both small and large.

The Division anticipates beneficial long-term effects on the public as the result of the adoption of this amendment to the Nevada Medical Fee Schedule. Adjustments to the Nevada Medical Fee Schedule will assure that employers and their injured

employees will have sufficient participants in the healthcare provider panels to provide appropriate and necessary care to Nevada's injured employees.

The methods used by the agency in determining the impact on a small business: *The Division considered the purpose and scope of the potential amendments to the Nevada Medical Fee Schedule, the Milliman Report on Workers' Compensation Provider Reimbursement Recommendations- All Service Types and NCCI Analysis of Proposed Changes to the Nevada Medical Fee Schedule Proposed to be Effective February 1, 2016 through January 31, 2017, dated December 2, 2015. Based on this review, the Division determined that this regulation will have some financial impact on insurers and self-insured employers; will have no direct effect on small businesses, either adverse or beneficial; and will also have no indirect effect on small businesses, either adverse or beneficial. According to the NCCI review, this regulation may result in a 0.4% increase in medical benefits payable in Nevada.*

The estimated cost to the Division for enforcement of the proposed regulations: *There is no additional cost to the Division for enforcement of this regulation.*

The Division believes that the proposed regulation does not overlap or duplicate any existing regulations. *The proposed regulations are not required by federal law; and there is no equivalent federal regulation.*

The proposed regulation does not establish a new fee or increase an existing fee.

The Division invites representatives of regulated businesses and the public to attend the public hearing and/or prepare written and/or oral comments concerning the proposed regulations. Interested 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. Written submissions must be received by the Division by January 5, 2016. If no person who is directly affected by the proposed regulation appears to make oral comments, the Division will proceed immediately to act upon any written submissions.

Persons with disabilities who require special accommodations or assistance at the public hearing must notify Alma Johnson, at the Division of Industrial Relations, Workers' Compensation Section, 1301 North Green Valley Parkway, Suite 200, Henderson, Nevada 89074, in writing or by calling (702) 486-9019 at least three (3) working days prior to the scheduled hearing date.

A copy of this notice and the proposed regulations are available at the Division's web page (<http://www.dirweb.state.nv.us/WCS/wcs.htm>), the Division's offices (400 West King, Suite 210, Carson City, Nevada; 1301 North Green Valley Parkway, Suite 200, Henderson, Nevada; 4600 Kietzke Lane, Suite F-153, Reno, Nevada) and at the main branch of the public library of each county. Additional copies of the notice and proposed regulations will be available at the main public library, for inspection and copying by members of the public during business hours, in all counties in which an office of the Division is not maintained. This notice and the text of the proposed regulations are also in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the internet at <http://www.leg.state.nv.us>. Copies of this notice and the proposed regulations will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Notice required by NRS 233B.064: Upon adoption of any regulation, the agency (the Division), if requested to do so by an interested person, either before adoption or thirty days thereafter, shall issue

a concise statement or the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

This notice has been posted at the Division's offices; the Grant Sawyer Building, 555 East Washington Avenue, Las Vegas, Nevada; Director's Office, Department of Business and Industry, 555 E. Washington Avenue, #4900, Las Vegas, Nevada; the Bradley Building, 2501 West Sahara Avenue, Las Vegas, Nevada; and the Nevada State Library, Archives and Public Records, 100 Stewart Street, Carson City, Nevada. In addition, this notice has been posted on the Division's Web site at: <http://dirweb.state.nv.us/WCS/wcs.htm>.