



NEVADA DIVISION OF INSURANCE

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Statement from the Nevada Division of Insurance Regarding the Affordable Care Act

Carson City - The Nevada Division of Insurance is the primary consumer protection agency for insurance programs in Nevada. Its ultimate mission is to protect Nevada consumers, ensure a healthy insurance industry, and maintain a fair regulatory environment.

For over three years, the Division has been working to implement requirements of the federally mandated Affordable Care Act (“ACA”) in a way that best meets the needs of Nevadans. The Division has been particularly concerned about how the ACA reforms would impact premiums, the solvency of insurance companies, and the overall health of Nevada’s insurance market. As Nevada law was in conflict with the ACA, during the 2013 Legislative Session, certain provisions of Nevada’s Insurance Code were amended to conform with the ACA. Doing so allowed the Division better regulatory control on the state level.

Recently, President Barack Obama announced he would use his “enforcement discretion” to allow insurers to renew health insurance plans that do not contain all of the ACA-mandated benefits rather than cancelling those plans. The President’s transitional policy would allow certain current, non-ACA compliant plans to be renewed in 2014 for at least one additional year. However, the President’s announcement does not change or nullify existing federal and state laws.

In considering the President’s announcement, the Division sought legal review from its counsel at the Nevada Office of the Attorney General. After thorough analysis of the law, it is concluded that the Commissioner does not have the discretion to allow such non-ACA compliant plans to be renewed in 2014 because to do so would conflict with both Nevada law and the ACA.

It is important to note that the Division has allowed insurers to offer early renewals of non-ACA compliant health insurance plans up until December 31, 2013, which has the effect of allowing consumers to keep their current, non-ACA compliant plans for up to one year without violating federal and state laws. Under the ACA, these plans must be phased out in 2014. Non-ACA compliant plans renewed on or before December 31, 2013, can remain in effect until their expiration in 2014.

Consumers can visit <http://doi.nv.gov> to view rates and plan documents for all health insurance plans available on the individual market. Consumers who would like additional guidance may contact our office directly at 775-687-0700 in Northern Nevada or 702-486-4009 in Las Vegas or contact a licensed insurance broker.

About the Nevada Division of Insurance

The State of Nevada Division of Insurance is a division of the Nevada Department of Business and Industry. It is the state agency that protects the rights of Nevada consumers and regulates Nevada’s \$11.2 billion insurance industry. It has offices in Carson City and Las Vegas. In 2012, the Division

investigated more than 1,900 consumer complaints and recovered \$4 million on behalf of consumers. For more information about the Division of Insurance, visit DOI.NV.GOV.

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