

Nebraska

Nebraska Insurance Commission
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Summary of Important Regulations

MEWA Regulations	No
TPA Regulations	Yes
Stop-Loss Regulations	No
UR Regulations	Yes

NAIC Model Laws or Regulations

<u>Name of Model Law/Regulation</u>	<u>Model/Similar</u>	<u>Related</u>
Health Insurance Reserves Model Regulation	None	Neb. Rev. Stat. § 44-409
Comprehensive Health Ins. Cost Containment Model Act	None	None
Standardized Health Claims Form Model Regulation	None	None
Small Employer Health Insurance Availability Model Law	Nev. Rev. Stat. §§ 44-5223 to 44-5267	None
Model Regulation To Eliminate Unfair Sex Discrimination	Neb. Admin. R. tit. 210 ch. 28	None
Health Information Privacy Model Law	None	None
Preferred Provider Arrangements Model Law	None	Neb. Rev. Stat. §§ 44-4101 to 44-4113
Utilization Review Model Law	None	Neb. Rev. Stat. §§ 44-5416 to 44-5431
Managed Care Plan Network Adequacy Model Law	Neb. Rev. Stat. §§ 44-7101 to 44-7112	None
Third Party Administrator Law	Neb. Rev. Stat. §§ 44-5801 to 44-5816	None

Stop-loss Insurance Model Law

None

None

NAIC Model Laws or Regulations

Name of Model Law/Regulation

Model/Similar

Related

Jurisdiction of Health Care
Providers Model Law

None

None

Standard Group Health
Model Law

None

Neb. Rev. Stat. §§
44-760 to 44-764

Group Health Insurance
Mandatory Conversion Law

None

None

Group Coverage Discontinuance/
Replacement Model Regulation

None

None

Premium Rates and Renewability of
Coverage-Small Groups

Neb. Rev. Stat. §§
44-5223 to 44-5267

None

Group Coordination of Benefits
Model Law

Neb. Admin. R. tit. 210 ch. 39

None

Model Regulation for
Certification of Health Plans

None

None

Off-Label Drug Use Model Law

None

None

Group Health Mandatory Drug/
Alcohol Dependency Law

None

Neb. Rev. Stat. §§
44-769 to 44-781

Model Newborn Children's Law

Neb. Rev. Stat. §
44-710.19

None

Health Examination Benefits
Availability Law

None

None

Nebraska

3

NAIC Model Laws or Regulations

<u>Name of Model Law/Regulation</u>	<u>Model/Similar</u>	<u>Related</u>
Accident and Sickness Insurance Minimum Standards Model Law	None	None
Agents and Brokers Licensing Model Law	None	Neb. Rev. Stat. §§ 44-4001 to 44-4045
MEWA Licensing Model Law	None	None
Managing General Agents Law	Neb. Rev. Stat. §§ 44-4901 to 44-4910	None
Health Maintenance Organization Model Law	Neb. Rev. Stat. §§ 44-3292 to 44-32,180	None
Insurance Information and Privacy Protection Law	None	None
Unfair Trade Practices Law	Neb. Rev. Stat. §§ 44-1522 to 44-1535	None
Model Regulation on Unfair Discrimination in Life and Health Insurance on the Basics of Physical or Mental Impairment	None	None
Model Regulation on Unfair Discrimination in Life and Health Insurance on the Basics of Total or Partial Blindness	Neb. Admin. R. tit. 210 ch. 35	None

NAIC Model Laws or Regulations

<u>Name of Model Law/Regulation</u>	<u>Model/Similar</u>	<u>Related</u>
Unfair Discrimination against Subjects of Domestic Abuse in Health Benefit Plans Model Law	Neb. Rev. Stat. §§ 44-7401 to 44-7410	None
Unfair Claims Settlement Practices Law	Neb. Rev. Stat. §§ 44-1536 to 44-1544	None
Improper Termination Practices Law	None	None
Employee Leasing Registration Model Law	None	None
Private Employer Workers' Compensation Group Self- Insurance Model Law	None	None
Public Employee Workers' Compensation Group Self- Insurance Model Law	None	None
Twenty Four Hour Coverage Pilot Project Model Law	None	None

State-Mandates

Benefits That Must Be Covered

- Alcoholism treatment (group plans only)
- Breast reconstruction (group plans only)
- Dental anesthesia (children under age 8 and developmentally disabled only)
- Diabetic supplies, education
- Emergency services
- Hearing screening for children (newborns only)
- Mammography screening
- Mental health, parity (group plans only)
- Minimum maternity stays
- Off-label drug use (cancer and AIDS patients only)
- TMJ disorders
- Well-child care

Benefits That Must Be Offered

- TMJ disorders

Persons Who Must Be Covered

- Adopted children
- Continuation/dependents
- Continuation/employees
- Dependent students
- Newborns

Providers Who Must Be Covered

- Chiropractors
- Dentists
- Nurse Midwives
- Optometrists
- Osteopaths
- Podiatrist
- Psychologists

Coordination of Benefits

- Birthday Rule? Yes
- Divorced/Separated Rule? Yes
- Joint Custody Rule? No
- Active v. Inactive Rule? Yes
- Longer v. Shorter Rule? Yes

- Managed Care Rule? No
- COBRA Rule? No
- Preservation Rule? No

Patient's Bill of Rights Legislation

None

High Risk Health Pool

Yes—Capped at 135%

External Grievance System

None

Prompt Payment of Health Claim Requirement

None

Commentary

- An insurance company, HMO, or other health insurance provider may not deny payment for treatment of mental and nervous disorders under a policy, contract, or certificate on the basis that the licensed hospital or state institution that provided the treatment is publicly funded and charges are reduced or no fee is charged, depending on the patient's ability to pay.
- Insurance policies in Nebraska that will not cover injuries sustained while the policyholder is drunk must clearly state the legal limit of alcohol intoxication.

MEWA Regulation

Nebraska does not regulate MEWAs.

TPA Regulations¹

The application fee is \$200; the renewal filing fee is \$200. No bond is required.

These are the papers required for filing:

- All basic organizational documents including articles of incorporation, articles of association, partnership agreements, trade name certificate, trust agreement, shareholder agreement, other applicable documents, and all amendments to such documents. The bylaws, rules, regulations, or similar documents regulating the internal affairs of the applicant.
- The names, addresses, official positions, professional qualifications, and biographical affidavit of the individuals who are responsible for the conduct of affairs of the applicant.
- Annual financial statements or reports for the two most recent years which prove that the applicant is solvent, and such other information the director may require.
- A statement describing the business plan, including information on staffing levels and activities proposed in this state and nationwide.

- If the applicant will be managing the solicitation of new or renewal business, proof that it employs, or has contracted with, an agent licensed in this state for solicitation and taking applications.
- A statement of duties the TPA is expected to perform on behalf of the insurer and the lines, classes, or types of insurance the TPA is authorized to administer.

A TPA is not required to hold a certificate of authority as a TPA in Nebraska if all of the following conditions are met: (a) the TPA has its principal place of business in another state; (b) the TPA is not soliciting business as a third party administrator in Nebraska; and (c) in the case of any group policy, group contract, or plan of insurance serviced by such TPA, the lesser of five percent or one hundred certificate holders or subscribers reside in the state. Upon request from a TPA, the Director may waive the application documents and financial report requirements if the TPA has a valid certificate of authority as a TPA issued in a state which has requirements at least as stringent as those contained in the Nebraska TPA Act. The statute provides for registration of a TPA which exclusively provides services to one or more bona fide employee benefit plans which is established by an employer or by an employee organization, or both, and for which the insurance laws of the state are preempted pursuant to ERISA. Such TPAs do not need a Certificate of Authority, but must register annually with the Director of the Nebraska Department of Insurance and verify its status.

Stop-Loss Regulation

No regulations are reported.

Utilization Firm Regulations

Agency Responsible ²	Dept. of Insurance
Requirements	Certification-Accreditation (By UARC or equivalent)
Exemptions	Provider internal reviews
Waivers	None

Miscellaneous

State Premium Taxes

Commercial insurers are taxed at .5%; Blue Cross or HMOs are taxed at 1%.

Small Group Reform

None

MSA Legislation

No action.

Continuation of Coverage and Conversion of Benefits

Group health insurance policies must allow covered members who lose coverage due to termination of employment for any reasons, except misconduct, to continue coverage for up to six months. However, involuntary termination does not include interruptions of employment due to labor disputes. Individuals must apply for

coverage and pay the first premium within 10 days of being notified of their right to continue coverage.³ The coverage offered to continuees must be substantially the same as that provided before coverage was terminated. Employers must notify the eligible members of their continuation rights by certified mail with return receipt requested within 10 days of termination of coverage.

Endnotes

- ¹ Neb. Rev. Stat. §§ 44-5801 to 44-5806.
² Neb. Rev. Stat. §§ 44-5401 *et. seq.*
³ Neb. Rev. Stat. §§ 44-1633 to 44-1634.
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