

Amendment No. 936

Senate Amendment to Assembly Bill No. 7 First Reprint (BDR 40-381)
Proposed by: Senate Committee on Health and Human Services
Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

Adoption of this amendment will MAINTAIN the unfunded mandate not requested by the affected local government to A.B. 7 R1 (§§ 1.08, 1.94, 2).

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date		
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

EWR/AAK



Date: 6/3/2023

A.B. No. 7—Revises provisions relating to electronic health records.
(BDR 40-381)



ASSEMBLY BILL NO. 7—COMMITTEE ON
HEALTH AND HUMAN SERVICES

(ON BEHALF OF THE PATIENT PROTECTION COMMISSION)

PREFILED NOVEMBER 16, 2022

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions relating to electronic health records.
(BDR 40-381)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

CONTAINS UNFUNDED MANDATE (§§ ~~1.08, 1.94,~~ 2)
(NOT REQUESTED BY AFFECTED LOCAL GOVERNMENT)

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to health care; requiring the adoption of a framework for the electronic transmittal, maintenance and exchange of certain health information; requiring governmental entities, health care facilities and providers, insurers and insurance administrators to maintain, transmit and exchange health information electronically; authorizing the imposition of certain discipline against a health care provider, insurer or insurance administrator that fails to comply with that requirement; authorizing the Director of the Department of Health and Human Services to contract with multiple health information exchanges to perform certain functions; ~~requiring the Director to prescribe certain standards governing the maintenance and exchange of electronic health records;~~ prohibiting the transmittal of health information to a health information exchange without the affirmative consent of the patient; expanding immunity from certain liability for health care providers who use a health information exchange; ~~requiring medical facilities and providers of health care to store, transmit and exchange health records electronically;~~ making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

- 1 Existing law requires the Director of the Department of Health and Human Services
- 2 to adopt regulations governing health information exchanges and the transmittal,
- 3 ownership, management, use and confidentiality of electronic health records. (NRS
- 4 439.587, 439.589) Section 1.08 of this bill requires the Director to prescribe by regulation

5 a framework for the electronic maintenance, transmittal and exchange of electronic
6 health records, prescriptions and health-related information. Section 1.08 requires that
7 framework to establish standards for networks and technologies to be used to maintain,
8 transmit and exchange health information, including standards that require: (1) the
9 ability for patients to access and forward their records; and (2) the interoperability of
10 such networks and technologies. Section 2.7 of this bill requires the Director to convene
11 an advisory group to advise the Director in the adoption of those standards.

12 With certain exceptions, sections 1.08, 1.94, 1.96, 2 and 2.8 of this bill require
13 governmental entities, health care providers, insurers, pharmacy benefit managers and
14 other insurance administrators to maintain, transmit and exchange health information
15 electronically in accordance with those standards and other provisions governing
16 electronic health records, beginning on: (1) July 1, 2024, for hospitals and large
17 physician group practices; (2) July 1, 2025, for governmental entities, other large health
18 care practices, insurers, pharmacy benefit managers and other insurance
19 administrators; and (3) January 1, 2030, for small physician group practices and other
20 small health care practices. Sections 1.02 and 1.08 of this bill provide that a health care
21 provider, insurer, pharmacy benefit manager or other insurance administrator that fails
22 to comply with that requirement is not guilty of a misdemeanor. Instead, section 1 of this
23 bill requires the Department to notify any regulatory body that has issued a license,
24 certificate, registration, permit or similar credential to a health care provider, insurer,
25 pharmacy benefit manager or other insurance administrator if the holder of the
26 credential fails to comply with that requirement. After receiving such notice, sections
27 1.3, 1.92, 2, 2.2 and 2.35 of this bill authorize a regulatory body to impose corrective
28 action or an administrative penalty on the health care provider, insurer, pharmacy
29 benefit manager or other insurance administrator. Section 1 of this bill requires the
30 Department to notify the relevant regulatory body if a health care provider, insurer,
31 pharmacy benefit manager or other insurance administrator that was previously out of
32 compliance with the requirement to maintain, transmit and exchange health information
33 electronically comes into compliance with that requirement. Section 1.06 of this bill
34 removes duplicative requirements concerning the adoption of regulations governing
35 electronic health records. Sections 1.02-1.07, 1.4-1.9, 1.98, 2.05, 2.15, 2.25, 2.3, 2.4 and
36 2.45 of this bill make conforming changes to indicate the proper placement of sections 1,
37 1.3, 2.1 and 2.2 in the Nevada Revised Statutes.

38 Existing law authorizes the Director of the Department of Health and Human Services to
39 contract with not more than one health information exchange to be responsible for compiling
40 statewide master indexes of patients, health care providers and payers. (NRS 439.587) Section
41 ~~1.06~~ of this bill authorizes the Director to contract with multiple health information
42 exchanges to perform those functions. Section ~~1.06~~ also removes a requirement that the
43 Director encourage the use of health information exchanges. ~~[and prohibits the Director from~~
44 ~~requiring any person to use a health information exchange.]~~

45 Existing law requires that, with certain exceptions, a patient consent before his or
46 her electronic health record is retrieved from a health information exchange. (NRS
47 439.591) Section 1.09 of this bill: (1) clarifies that such consent must be affirmative; and
48 (2) requires that a patient also provide such consent before his or her electronic health
49 record is transmitted to a health information exchange.

50 Existing law provides that a health care provider who with reasonable care relies upon an
51 apparently genuine electronic health record accessed from a health information exchange to
52 make a decision concerning the provision of health care to a patient is immune from civil or
53 criminal liability for the decision if: (1) the electronic health record is inaccurate; (2) the
54 inaccuracy was not caused by the health care provider; (3) the inaccuracy resulted in an
55 inappropriate health care decision; and (4) the health care decision was appropriate based
56 upon the information contained in the inaccurate electronic health record. (NRS 439.593)
57 Section 1.1 of this bill expands this immunity from liability to also apply to any health care
58 provider who transmits, accesses, utilizes, discloses, relies upon or provides to the patient any
59 apparently genuine electronic health record in accordance with applicable law and regulations.
60 Section 1.2 of this bill provides that transmitting, accessing, utilizing or disclosing an
61 electronic health record is not an unfair trade practice.

62 ~~Existing law: (1) provides for the regulation of medical facilities; and (2) establishes~~
63 ~~requirements governing the maintenance of the health records of providers of health care.~~

~~(Chapter 449 of NRS; NRS 629.051-629.069) Beginning on January 1, 2028, sections 1.3 and 2 of this bill require such facilities and providers of health care to maintain, transmit and exchange health records electronically in a manner that: (1) allows patients to electronically access their health records directly from the facility or custodian of the records and forward such records electronically to other persons and entities; and (2) allows for the interoperability of health records with the electronic health records and systems of other facilities and providers of health care.]~~

~~Section 2.5 of this bill makes an appropriation to the Department to award grants to certain small facilities and providers of health care who work in small business settings to assist in compliance with the requirements of [sections 1.3 and 2. Section 1 of this bill requires the Director to prescribe standards for the electronic maintenance and exchange of such records. Sections 1.4-1.9 of this bill make conforming changes to indicate the proper placement of and provide for the enforcement of section 1.3.]~~ **section 1.08.**

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 439 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Department shall notify each regulatory body of this State that has issued a current, valid license to a licensed provider or insurer if:

(a) The Department determines that the licensed provider or insurer is not in compliance with the requirements of subsection 4 of NRS 439.589; and

(b) The licensed provider or insurer:

(1) Is not exempt from those requirements pursuant to subsection 5 of NRS 439.589; and

(2) Has not received a waiver of those requirements pursuant to subsection 6 of NRS 439.589.

2. If the Department determines that a licensed provider or insurer for which notice was previously provided pursuant to subsection 1 has come into compliance with the requirements of subsection 4 of NRS 439.589, the Department shall immediately notify the regulatory body that issued the license.

3. As used in this section:

(a) "License" means any license, certificate, registration, permit or similar type of authorization to practice an occupation or profession or engage in a business in this State issued to a licensed provider or insurer.

(b) "Licensed provider or insurer" means:

(1) A medical facility licensed pursuant to chapter 449 of NRS;

(2) The holder of a permit to operate an ambulance, an air ambulance or a vehicle of a fire-fighting agency pursuant to chapter 450B of NRS;

(3) A provider of health care, as defined in NRS 629.031, who is licensed pursuant to title 54 of NRS; or

(4) Any person licensed pursuant to title 57 of NRS.

(c) "Regulatory body" means any governmental entity that issues a license.

Sec. 1.02. NRS 439.580 is hereby amended to read as follows:

439.580 1. Any local health officer or a deputy of a local health officer who neglects or fails to enforce the provisions of this chapter in his or her jurisdiction, or neglects or refuses to perform any of the duties imposed upon him or her by this chapter or by the instructions and directions of the Division shall be punished by a fine of not more than \$250.

1 2. ~~[Each]~~ Except as otherwise provided in NRS 439.589, each person who
2 violates any of the provisions of this chapter or refuses or neglects to obey any
3 lawful order, rule or regulation of the:

4 (a) State Board of Health or violates any rule or regulation approved by the
5 State Board of Health pursuant to NRS 439.350, 439.366, 439.410 and 439.460; or

6 (b) Director adopted pursuant to NRS 439.538 or 439.581 to 439.595,
7 inclusive, and section 1 of this act.

8 ↳ is guilty of a misdemeanor.

9 **Sec. 1.04. NRS 439.581 is hereby amended to read as follows:**

10 439.581 As used in NRS 439.581 to 439.595, inclusive, and section 1 of this
11 act. unless the context otherwise requires, the words and terms defined in NRS
12 439.582 to 439.585, inclusive, have the meanings ascribed to them in those
13 sections.

14 ~~[Section 1.]~~ **Sec. 1.06.** NRS 439.587 is hereby amended to read as follows:

15 439.587 1. The Director is the state authority for health information
16 technology. ~~[The Director shall:~~

17 ~~— (a) Ensure that a health information exchange complies with the specifications~~
18 ~~and protocols for exchanging electronic health records, health related information~~
19 ~~and related data prescribed pursuant to the provisions of the Health Information~~
20 ~~Technology for Economic and Clinical Health Act of 2009, 42 U.S.C. §§ 300jj et~~
21 ~~seq. and 17901 et seq., and other applicable federal and state law;~~

22 ~~— (b) Encourage the use of a health information exchange by health care~~
23 ~~providers, payers and patients;~~

24 ~~— (c) Prescribe by regulation standards for the electronic maintenance,~~
25 ~~transmittal and exchange of electronic health records, prescriptions, health related~~
26 ~~information, electronic signatures and requirements for electronic equivalents of~~
27 ~~written entries or written approvals in accordance with federal law;~~

28 ~~— (d) (e) Prescribe by regulation rules governing the ownership, management~~
29 ~~and use of electronic health records, health related information and related data~~
30 ~~retained or shared by a health information exchange; and~~

31 ~~— (e) (d) Prescribe by regulation, in consultation with the State Board of~~
32 ~~Pharmacy, standards for the electronic transmission of prior authorizations for~~
33 ~~prescription medication using a health information exchange.]~~

34 2. The Director may establish or contract with ~~[not more than]~~ one *or more*
35 health information ~~[exchange to serve as the statewide health information~~
36 ~~exchange]~~ *exchanges* to be responsible for compiling statewide master indexes of
37 patients, health care providers and payers. The Director may by regulation prescribe
38 the requirements for *such* a ~~[statewide]~~ health information exchange, including,
39 without limitation, the procedure by which any patient, health care provider or
40 payer master index created pursuant to any contract is transferred to the State upon
41 termination of the contract.

42 3. The Director may enter into contracts, apply for and accept available gifts,
43 grants and donations, and adopt such regulations as are necessary to carry out the
44 provisions of NRS 439.581 to 439.595, inclusive. ~~†~~

45 ~~— 4. The regulations adopted pursuant to this section and NRS 439.589 must~~
46 ~~not require any person or entity, other than the Department, to use a health~~
47 ~~information exchange.], and section 1 of this act.~~

48 **Sec. 1.07. NRS 439.588 is hereby amended to read as follows:**

49 439.588 1. A health information exchange shall not operate in this State
50 without first obtaining certification as provided in subsection 2.

51 2. The Director shall by regulation establish the manner in which a health
52 information exchange may apply for certification and the requirements for granting
53 such certification, which must include, without limitation, that the health

1 information exchange demonstrate its financial and operational sustainability,
 2 adherence to the privacy, security and patient consent standards adopted pursuant to
 3 NRS 439.589 and capacity for interoperability with any other health information
 4 exchange certified pursuant to this section.

5 3. The Director may deny an application for certification or may suspend or
 6 revoke any certification issued pursuant to subsection 2 for failure to comply with
 7 the provisions of NRS 439.581 to 439.595, inclusive, and section 1 of this act, or
 8 the regulations adopted pursuant thereto or any applicable federal or state law.

9 4. When the Director intends to deny, suspend or revoke a certification, he or
 10 she shall give reasonable notice to all parties by certified mail. The notice must
 11 contain the legal authority, jurisdiction and reasons for the action to be taken. A
 12 health information exchange that wishes to contest the action of the Director must
 13 file an appeal with the Director.

14 5. The Director shall adopt regulations establishing the manner in which a
 15 person may file a complaint with the Director regarding a violation of the
 16 provisions of this section.

17 6. The Director may impose an administrative fine against a health
 18 information exchange which operates in this State without holding a certification in
 19 an amount established by the Director by regulation. The Director shall afford a
 20 health information exchange so fined an opportunity for a hearing pursuant to the
 21 provisions of NRS 233B.121.

22 7. The Director may adopt such regulations as he or she determines are
 23 necessary to carry out the provisions of this section.

24 **Sec. 1.08. NRS 439.589 is hereby amended to read as follows:**

25 439.589 1. The Director , in consultation with health care providers, third
 26 parties and other interested persons and entities, shall by regulation prescribe a
 27 framework for the electronic maintenance, transmittal and exchange of
 28 electronic health records, prescriptions, health-related information and electronic
 29 signatures and requirements for electronic equivalents of written entries or
 30 written approvals in accordance with federal law. The regulations must:

31 (a) Establish standards ~~for~~

32 ~~for~~ for networks and technologies to be used to maintain, transmit and
 33 exchange health information, including, without limitation, standards:

34 (I) That require:

35 (I) The use of networks and technologies that allow patients to access
 36 electronic health records directly from the health care provider of the patient and
 37 forward such electronic health records electronically to other persons and
 38 entities; and

39 (II) The interoperability of such networks and technologies in
 40 accordance with the applicable standards for the interoperability of Qualified
 41 Health Information Networks prescribed by the Office of the National
 42 Coordinator for Health Information Technology of the United States Department
 43 of Health and Human Services;

44 (2) To ensure that electronic health records retained or shared ~~by any~~
 45 health information exchange are secure;

46 ~~(b)~~ (3) To maintain the confidentiality of electronic health records and
 47 health-related information, including, without limitation, standards to maintain the
 48 confidentiality of electronic health records relating to a child who has received
 49 health care services without the consent of a parent or guardian and which ensure
 50 that a child's right to access such health care services is not impaired;

51 ~~(c)~~ (4) To ensure the privacy of individually identifiable health information,
 52 including, without limitation, standards to ensure the privacy of information

1 relating to a child who has received health care services without the consent of a
2 parent or guardian;

3 ~~[(e)]~~ (5) For obtaining consent from a patient before retrieving the patient's
4 health records from a health information exchange, including, without limitation,
5 standards for obtaining such consent from a child who has received health care
6 services without the consent of a parent or guardian;

7 ~~[(e)]~~ (6) For making any necessary corrections to information or records
8 ~~retained or shared by a health information exchange; and~~

9 ~~[(f)]~~ ;

10 (7) For notifying a patient if the confidentiality of information contained in
11 an electronic health record of the patient is breached ~~[(f)]~~ ;

12 (8) Governing the ownership, management and use of electronic health
13 records, health-related information and related data; and

14 (9) For the electronic transmission of prior authorizations for
15 prescription medication;

16 (b) Ensure compliance with the requirements, specifications and protocols
17 for exchanging, securing and disclosing electronic health records, health-related
18 information and related data prescribed pursuant to the provisions of the Health
19 Information Technology for Economic and Clinical Health Act, 42 U.S.C. §§
20 300jj et seq. and 17901 et seq., the Health Insurance Portability and
21 Accountability Act of 1996, Public Law 104-191, and other applicable federal and
22 state law; and

23 (c) Be based on nationally recognized best practices for maintaining,
24 transmitting and exchanging health information electronically.

25 2. The standards prescribed pursuant to this section must include, without
26 limitation:

27 (a) Requirements for the creation, maintenance and transmittal of electronic
28 health records;

29 (b) Requirements for protecting confidentiality, including control over, access
30 to and the collection, organization and maintenance of electronic health records,
31 health-related information and individually identifiable health information;

32 (c) Requirements for the manner in which a patient may, through a health care
33 provider who participates in the sharing of health records using a health information
34 exchange, revoke his or her consent for a health care provider to retrieve the
35 patient's health records from the health information exchange;

36 (d) A secure and traceable electronic audit system for identifying access points
37 and trails to electronic health records and health information exchanges; and

38 (e) Any other requirements necessary to comply with all applicable federal
39 laws relating to electronic health records, health-related information, health
40 information exchanges and the security and confidentiality of such records and
41 exchanges.

42 3. The regulations adopted pursuant to this section must not require any
43 person or entity to use a health information exchange.

44 4. Except as otherwise provided in subsections 5, 6 and 7, the Department
45 and the divisions thereof, other state and local governmental entities, health care
46 providers, third parties, pharmacy benefit managers and other entities licensed or
47 certified pursuant to title 57 of NRS shall maintain, transmit and exchange
48 health information in accordance with the regulations adopted pursuant to this
49 section, the provisions of NRS 439.581 to 439.595, inclusive, and section 1 of this
50 act, and any other regulations adopted pursuant thereto.

51 5. The Federal Government and employees thereof, a provider of health
52 coverage for federal employees, a provider of health coverage that is subject to
53 the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 et seq.,

1 or a Taft-Hartley trust formed pursuant to 29 U.S.C. § 186(c)(5) is not required to
 2 but may maintain, transmit and exchange electronic information in accordance
 3 with the regulations adopted pursuant to this section.

4 6. A health care provider may apply to the Department for a waiver from
 5 the provisions of subsection 4 on the basis that the health care provider does not
 6 have the infrastructure necessary to comply with those provisions, including,
 7 without limitation, because the health care provider does not have access to the
 8 Internet. The Department shall grant a waiver if it determines that:

9 (a) The health care provider does not currently have the infrastructure
 10 necessary to comply with the provisions of subsection 4; and

11 (b) Obtaining such infrastructure is not reasonably practicable, including,
 12 without limitation, because the cost of such infrastructure would make it difficult
 13 for the health care provider to continue to operate.

14 7. The provisions of subsection 4 do not apply to the Department of
 15 Corrections.

16 8. A violation of the provisions of this section or any regulations adopted
 17 pursuant thereto is not a misdemeanor.

18 9. As used in this section:

19 (a) "Pharmacy benefit manager" has the meaning ascribed to it in NRS
 20 683A.174.

21 (b) "Third party" means any insurer, governmental entity or other
 22 organization providing health coverage or benefits in accordance with state or
 23 federal law.

24 Sec. 1.09. NRS 439.591 is hereby amended to read as follows:

25 439.591 1. Except as otherwise provided in subsection 2 of NRS 439.538, a
 26 patient must not be required to participate in a health information exchange. Before
 27 a patient's health care records may be transmitted to or retrieved from a health
 28 information exchange, the patient must be fully informed and affirmatively consent,
 29 in the manner prescribed by the Director. It is the public policy of this State that,
 30 except as otherwise provided in NRS 439.538, a patient's health care records
 31 must not be transmitted to or retrieved from a health information exchange
 32 unless the patient provides such affirmative consent.

33 2. A patient must be notified in the manner prescribed by the Director of any
 34 breach of the confidentiality of electronic health records of the patient or a health
 35 information exchange.

36 3. A patient who consents to the transmittal of his or her electronic health
 37 record to or the retrieval of his or her electronic health record from a health
 38 information exchange may at any time request that a health care provider access
 39 and provide the patient with his or her electronic health record in accordance with
 40 the provisions of 45 C.F.R. § 164.526.

41 Sec. 1.1. NRS 439.593 is hereby amended to read as follows:

42 439.593 A health care provider who with reasonable care transmits, accesses,
 43 utilizes, discloses, relies upon or provides to a patient an apparently genuine
 44 electronic health record ~~[accessed from a health information exchange to make a~~
 45 ~~decision concerning the provision of health care to a patient]~~ in accordance with
 46 NRS 439.581 to 439.595, inclusive, and the regulations adopted pursuant thereto
 47 is immune from civil or criminal liability for [the] any decision concerning the
 48 provision of health care to a patient and any civil or criminal liability resulting
 49 from the provision of [an apparently genuine electronic health] the record to a
 50 patient if:

- 51 1. The electronic health record is inaccurate;
- 52 2. The inaccuracy was not caused by the health care provider;
- 53 3. The inaccuracy resulted in an inappropriate health care decision; and

1 4. The health care decision was appropriate based upon the information
2 contained in the inaccurate electronic health record.

3 **Sec. 1.2.** NRS 439.595 is hereby amended to read as follows:

4 439.595 Providing information to , *transmitting, accessing, utilizing or*
5 *disclosing* an electronic health record or participating in a health information
6 exchange in accordance with NRS 439.581 to 439.595, inclusive, does not
7 constitute an unfair trade practice pursuant to chapter 598A or 686A of NRS.

8 **Sec. 1.3.** Chapter 449 of NRS is hereby amended by adding thereto a new
9 section to read as follows:

10 ~~*Except as otherwise provided in NRS 439.538 and 439.591, a medical facility*~~
11 ~~*shall maintain, transmit and exchange health records electronically in*~~
12 ~~*accordance with paragraph (a) of subsection 1 of NRS 629.051.*~~

13 *1. If the Division receives notification from the Department of Health and*
14 *Human Services pursuant to section 1 of this act that a medical facility licensed*
15 *pursuant to this chapter is not in compliance with the requirements of subsection*
16 *4 of NRS 439.589, the Division may, after notice and the opportunity for a*
17 *hearing in accordance with the provisions of this chapter, require corrective*
18 *action or impose an administrative penalty in the amount prescribed by NRS*
19 *449.163.*

20 *2. The Division shall not suspend or revoke a license for failure to comply*
21 *with the requirements of subsection 4 of NRS 439.589.*

22 **Sec. 1.4.** NRS 449.029 is hereby amended to read as follows:

23 449.029 As used in NRS 449.029 to 449.240, inclusive, *and section 1.3 of*
24 *this act*, unless the context otherwise requires, “medical facility” has the meaning
25 ascribed to it in NRS 449.0151 and includes a program of hospice care described in
26 NRS 449.196.

27 **Sec. 1.5.** NRS 449.0301 is hereby amended to read as follows:

28 449.0301 The provisions of NRS 449.029 to 449.2428, inclusive, *and section*
29 *1.3 of this act* do not apply to:

30 1. Any facility conducted by and for the adherents of any church or religious
31 denomination for the purpose of providing facilities for the care and treatment of
32 the sick who depend solely upon spiritual means through prayer for healing in the
33 practice of the religion of the church or denomination, except that such a facility
34 shall comply with all regulations relative to sanitation and safety applicable to other
35 facilities of a similar category.

36 2. Foster homes as defined in NRS 424.014.

37 3. Any medical facility, facility for the dependent or facility which is
38 otherwise required by the regulations adopted by the Board pursuant to NRS
39 449.0303 to be licensed that is operated and maintained by the United States
40 Government or an agency thereof.

41 **Sec. 1.6.** NRS 449.089 is hereby amended to read as follows:

42 449.089 1. Each license issued pursuant to NRS 449.029 to 449.2428,
43 inclusive, *and section 1.3 of this act* expires on December 31 following its issuance
44 and is renewable for 1 year upon reapplication and payment of all fees required
45 pursuant to subsection 4 and NRS 449.050, as applicable, unless the Division finds,
46 after an investigation, that the facility has not:

47 (a) Satisfactorily complied with the provisions of NRS 449.029 to 449.2428,
48 inclusive, *and section 1.3 of this act* or the standards and regulations adopted by
49 the Board;

50 (b) Obtained the approval of the Director of the Department of Health and
51 Human Services before undertaking a project, if such approval is required by NRS
52 439A.100; or

53 (c) Conformed to all applicable local zoning regulations.

1 2. Each reapplication for an agency to provide personal care services in the
2 home, an agency to provide nursing in the home, a community health worker pool,
3 a facility for intermediate care, a facility for skilled nursing, a provider of
4 community-based living arrangement services, a hospital described in 42 U.S.C. §
5 1395ww(d)(1)(B)(iv), a psychiatric hospital that provides inpatient services to
6 children, a psychiatric residential treatment facility, a residential facility for groups,
7 a program of hospice care, a home for individual residential care, a facility for the
8 care of adults during the day, a facility for hospice care, a nursing pool, the distinct
9 part of a hospital which meets the requirements of a skilled nursing facility or
10 nursing facility pursuant to 42 C.F.R. § 483.5, a hospital that provides swing-bed
11 services as described in 42 C.F.R. § 482.58 or, if residential services are provided
12 to children, a medical facility or facility for the treatment of alcohol or other
13 substance use disorders must include, without limitation, a statement that the
14 facility, hospital, agency, program, pool or home is in compliance with the
15 provisions of NRS 449.115 to 449.125, inclusive, and 449.174.

16 3. Each reapplication for an agency to provide personal care services in the
17 home, a community health worker pool, a facility for intermediate care, a facility
18 for skilled nursing, a facility for the care of adults during the day, a residential
19 facility for groups or a home for individual residential care must include, without
20 limitation, a statement that the holder of the license to operate, and the
21 administrator or other person in charge and employees of, the facility, agency, pool
22 or home are in compliance with the provisions of NRS 449.093.

23 4. Each reapplication for a surgical center for ambulatory patients, facility for
24 the treatment of irreversible renal disease, facility for hospice care, program of
25 hospice care, hospital, facility for intermediate care, facility for skilled nursing,
26 agency to provide personal care services in the home or rural clinic must be
27 accompanied by the fee prescribed by the State Board of Health pursuant to NRS
28 457.240, in addition to the fees imposed pursuant to NRS 449.050.

29 **Sec. 1.7.** NRS 449.160 is hereby amended to read as follows:

30 449.160 1. The Division may deny an application for a license or may
31 suspend or revoke any license issued under the provisions of NRS 449.029 to
32 449.2428, inclusive, *and section 1.3 of this act* upon any of the following grounds:

33 (a) Violation by the applicant or the licensee of any of the provisions of NRS
34 439B.410 or 449.029 to 449.245, inclusive, *and section 1.3 of this act* or of any
35 other law of this State or of the standards, rules and regulations adopted thereunder.

36 (b) Aiding, abetting or permitting the commission of any illegal act.

37 (c) Conduct inimical to the public health, morals, welfare and safety of the
38 people of the State of Nevada in the maintenance and operation of the premises for
39 which a license is issued.

40 (d) Conduct or practice detrimental to the health or safety of the occupants or
41 employees of the facility.

42 (e) Failure of the applicant to obtain written approval from the Director of the
43 Department of Health and Human Services as required by NRS 439A.100 or as
44 provided in any regulation adopted pursuant to NRS 449.001 to 449.430, inclusive,
45 *and section 1.3 of this act* and 449.435 to 449.531, inclusive, and chapter 449A of
46 NRS if such approval is required.

47 (f) Failure to comply with the provisions of NRS 441A.315 and any
48 regulations adopted pursuant thereto or NRS 449.2486.

49 (g) Violation of the provisions of NRS 458.112.

50 2. In addition to the provisions of subsection 1, the Division may revoke a
51 license to operate a facility for the dependent if, with respect to that facility, the
52 licensee that operates the facility, or an agent or employee of the licensee:

53 (a) Is convicted of violating any of the provisions of NRS 202.470;

1 (b) Is ordered to but fails to abate a nuisance pursuant to NRS 244.360,
2 244.3603 or 268.4124; or

3 (c) Is ordered by the appropriate governmental agency to correct a violation of
4 a building, safety or health code or regulation but fails to correct the violation.

5 3. The Division shall maintain a log of any complaints that it receives relating
6 to activities for which the Division may revoke the license to operate a facility for
7 the dependent pursuant to subsection 2. The Division shall provide to a facility for
8 the care of adults during the day:

9 (a) A summary of a complaint against the facility if the investigation of the
10 complaint by the Division either substantiates the complaint or is inconclusive;

11 (b) A report of any investigation conducted with respect to the complaint; and

12 (c) A report of any disciplinary action taken against the facility.

13 ➤ The facility shall make the information available to the public pursuant to NRS
14 449.2486.

15 4. On or before February 1 of each odd-numbered year, the Division shall
16 submit to the Director of the Legislative Counsel Bureau a written report setting
17 forth, for the previous biennium:

18 (a) Any complaints included in the log maintained by the Division pursuant to
19 subsection 3; and

20 (b) Any disciplinary actions taken by the Division pursuant to subsection 2.

21 **Sec. 1.75.** NRS 449.163 is hereby amended to read as follows:

22 449.163 1. In addition to the payment of the amount required by NRS
23 449.0308, if a medical facility, facility for the dependent or facility which is
24 required by the regulations adopted by the Board pursuant to NRS 449.0303 to be
25 licensed violates any provision related to its licensure, including any provision of
26 NRS 439B.410 or 449.029 to 449.2428, inclusive, *and section 1.3 of this act* or any
27 condition, standard or regulation adopted by the Board, the Division, in accordance
28 with the regulations adopted pursuant to NRS 449.165, may:

29 (a) Prohibit the facility from admitting any patient until it determines that the
30 facility has corrected the violation;

31 (b) Limit the occupancy of the facility to the number of beds occupied when
32 the violation occurred, until it determines that the facility has corrected the
33 violation;

34 (c) If the license of the facility limits the occupancy of the facility and the
35 facility has exceeded the approved occupancy, require the facility, at its own
36 expense, to move patients to another facility that is licensed;

37 (d) Impose an administrative penalty of not more than \$5,000 per day for each
38 violation, together with interest thereon at a rate not to exceed 10 percent per
39 annum; and

40 (e) Appoint temporary management to oversee the operation of the facility and
41 to ensure the health and safety of the patients of the facility, until:

42 (1) It determines that the facility has corrected the violation and has
43 management which is capable of ensuring continued compliance with the
44 applicable statutes, conditions, standards and regulations; or

45 (2) Improvements are made to correct the violation.

46 2. If the facility fails to pay any administrative penalty imposed pursuant to
47 paragraph (d) of subsection 1, the Division may:

48 (a) Suspend the license of the facility until the administrative penalty is paid;
49 and

50 (b) Collect court costs, reasonable attorney's fees and other costs incurred to
51 collect the administrative penalty.

52 3. The Division may require any facility that violates any provision of NRS
53 439B.410 or 449.029 to 449.2428, inclusive, *and section 1.3 of this act* or any

1 condition, standard or regulation adopted by the Board to make any improvements
2 necessary to correct the violation.

3 4. Any money collected as administrative penalties pursuant to paragraph (d)
4 of subsection 1 must be accounted for separately and used to administer and carry
5 out the provisions of NRS 449.001 to 449.430, inclusive, *and section 1.3 of this*
6 *act*, 449.435 to 449.531, inclusive, and chapter 449A of NRS to protect the health,
7 safety, well-being and property of the patients and residents of facilities in
8 accordance with applicable state and federal standards or for any other purpose
9 authorized by the Legislature.

10 **Sec. 1.8.** NRS 449.220 is hereby amended to read as follows:

11 449.220 1. The Division may bring an action in the name of the State to
12 enjoin any person, state or local government unit or agency thereof from operating
13 or maintaining any facility within the meaning of NRS 449.029 to 449.2428,
14 inclusive ~~H~~, *and section 1.3 of this act*:

15 (a) Without first obtaining a license therefor; or

16 (b) After his or her license has been revoked or suspended by the Division.

17 2. It is sufficient in such action to allege that the defendant did, on a certain
18 date and in a certain place, operate and maintain such a facility without a license.

19 **Sec. 1.9.** NRS 449.240 is hereby amended to read as follows:

20 449.240 The district attorney of the county in which the facility is located
21 shall, upon application by the Division, institute and conduct the prosecution of any
22 action for violation of any provisions of NRS 449.029 to 449.245, inclusive ~~H~~,
23 *and section 1.3 of this act*.

24 **Sec. 1.92.** Chapter 450B of NRS is hereby amended by adding thereto a
25 new section to read as follows:

26 1. If the health authority receives notification from the Department of
27 Health and Human Services pursuant to section 1 of this act that the holder of a
28 permit to operate an ambulance, air ambulance or vehicle of a fire-fighting
29 agency is not in compliance with the requirements of subsection 4 of NRS
30 439.589, the health authority may, after notice and the opportunity for a hearing
31 in accordance with the provisions of this chapter, require corrective action or
32 impose an administrative penalty in an amount established by regulation of the
33 board.

34 2. The health authority shall not suspend or revoke a permit for failure to
35 comply with the requirements of subsection 4 of NRS 439.589.

36 **Sec. 1.94.** NRS 287.010 is hereby amended to read as follows:

37 287.010 1. The governing body of any county, school district, municipal
38 corporation, political subdivision, public corporation or other local governmental
39 agency of the State of Nevada may:

40 (a) Adopt and carry into effect a system of group life, accident or health
41 insurance, or any combination thereof, for the benefit of its officers and employees,
42 and the dependents of officers and employees who elect to accept the insurance and
43 who, where necessary, have authorized the governing body to make deductions
44 from their compensation for the payment of premiums on the insurance.

45 (b) Purchase group policies of life, accident or health insurance, or any
46 combination thereof, for the benefit of such officers and employees, and the
47 dependents of such officers and employees, as have authorized the purchase, from
48 insurance companies authorized to transact the business of such insurance in the
49 State of Nevada, and, where necessary, deduct from the compensation of officers
50 and employees the premiums upon insurance and pay the deductions upon the
51 premiums.

52 (c) Provide group life, accident or health coverage through a self-insurance
53 reserve fund and, where necessary, deduct contributions to the maintenance of the

1 fund from the compensation of officers and employees and pay the deductions into
2 the fund. The money accumulated for this purpose through deductions from the
3 compensation of officers and employees and contributions of the governing body
4 must be maintained as an internal service fund as defined by NRS 354.543. The
5 money must be deposited in a state or national bank or credit union authorized to
6 transact business in the State of Nevada. Any independent administrator of a fund
7 created under this section is subject to the licensing requirements of chapter 683A
8 of NRS, and must be a resident of this State. Any contract with an independent
9 administrator must be approved by the Commissioner of Insurance as to the
10 reasonableness of administrative charges in relation to contributions collected and
11 benefits provided. The provisions of NRS 439.581 to 439.595, inclusive, and
12 section 1 of this act, 686A.135, 687B.352, 687B.408, 687B.723, 687B.725,
13 689B.030 to 689B.050, inclusive, 689B.265, 689B.287 and 689B.500 apply to
14 coverage provided pursuant to this paragraph, except that the provisions of NRS
15 689B.0378, 689B.03785 and 689B.500 only apply to coverage for active officers
16 and employees of the governing body, or the dependents of such officers and
17 employees.

18 (d) Defray part or all of the cost of maintenance of a self-insurance fund or of
19 the premiums upon insurance. The money for contributions must be budgeted for in
20 accordance with the laws governing the county, school district, municipal
21 corporation, political subdivision, public corporation or other local governmental
22 agency of the State of Nevada.

23 2. If a school district offers group insurance to its officers and employees
24 pursuant to this section, members of the board of trustees of the school district must
25 not be excluded from participating in the group insurance. If the amount of the
26 deductions from compensation required to pay for the group insurance exceeds the
27 compensation to which a trustee is entitled, the difference must be paid by the
28 trustee.

29 3. In any county in which a legal services organization exists, the governing
30 body of the county, or of any school district, municipal corporation, political
31 subdivision, public corporation or other local governmental agency of the State of
32 Nevada in the county, may enter into a contract with the legal services organization
33 pursuant to which the officers and employees of the legal services organization, and
34 the dependents of those officers and employees, are eligible for any life, accident or
35 health insurance provided pursuant to this section to the officers and employees,
36 and the dependents of the officers and employees, of the county, school district,
37 municipal corporation, political subdivision, public corporation or other local
38 governmental agency.

39 4. If a contract is entered into pursuant to subsection 3, the officers and
40 employees of the legal services organization:

41 (a) Shall be deemed, solely for the purposes of this section, to be officers and
42 employees of the county, school district, municipal corporation, political
43 subdivision, public corporation or other local governmental agency with which the
44 legal services organization has contracted; and

45 (b) Must be required by the contract to pay the premiums or contributions for
46 all insurance which they elect to accept or of which they authorize the purchase.

47 5. A contract that is entered into pursuant to subsection 3:

48 (a) Must be submitted to the Commissioner of Insurance for approval not less
49 than 30 days before the date on which the contract is to become effective.

50 (b) Does not become effective unless approved by the Commissioner.

51 (c) Shall be deemed to be approved if not disapproved by the Commissioner
52 within 30 days after its submission.

1 6. As used in this section, “legal services organization” means an organization
2 that operates a program for legal aid and receives money pursuant to NRS 19.031.

3 **Sec. 1.96. NRS 287.04335 is hereby amended to read as follows:**

4 287.04335 If the Board provides health insurance through a plan of self-
5 insurance, it shall comply with the provisions of NRS ~~439.581 to 439.595,~~
6 **inclusive, and section 1 of this act,** 686A.135, 687B.352, ~~687B.409, 687B.723,~~
7 ~~687B.725, 689B.0353, 689B.255, 695C.1723, 695G.150, 695G.155, 695G.160,~~
8 ~~695G.162, 695G.1635, 695G.164, 695G.1645, 695G.1665, 695G.167, 695G.1675,~~
9 ~~695G.170 to 695G.174, inclusive, 695G.176, 695G.177, 695G.200 to 695G.230,~~
10 ~~inclusive, 695G.241 to 695G.310, inclusive, and 695G.405, in the same manner as~~
11 ~~an insurer that is licensed pursuant to title 57 of NRS is required to comply with~~
12 ~~those provisions.~~

13 **Sec. 1.98. NRS 603A.100 is hereby amended to read as follows:**

14 603A.100 1. The provisions of NRS 603A.010 to 603A.290, inclusive, do
15 not apply to the maintenance or transmittal of information in accordance with NRS
16 439.581 to 439.595, inclusive, **and section 1 of this act** and the regulations adopted
17 pursuant thereto.

18 2. A data collector who is also an operator, as defined in NRS 603A.330, shall
19 comply with the provisions of NRS 603A.300 to 603A.360, inclusive.

20 3. Any waiver of the provisions of NRS 603A.010 to 603A.290, inclusive, is
21 contrary to public policy, void and unenforceable.

22 **Sec. 2. NRS 629.051 is hereby amended to read as follows:**

23 629.051 1. Except as otherwise provided in this section and in regulations
24 adopted by the State Board of Health pursuant to NRS 652.135 with regard to the
25 records of a medical laboratory and unless a longer period is provided by federal
26 law, each custodian of health care records shall retain the health care records of
27 patients as part of the regularly maintained records of the custodian for 5 years after
28 their receipt or production. Health care records may be retained in written form, or
29 by microfilm or any other recognized form of size reduction, including, without
30 limitation, microfiche, computer disc, magnetic tape and optical disc, which does
31 not adversely affect their use for the purposes of NRS 629.061. ~~Health [Except as~~
32 ~~otherwise provided in NRS 439.538 and 439.591, health] care records [may] :~~

33 **(a) Must , except as otherwise provided in subsections 5 and 6 of NRS**
34 **439.589, be created, maintained, transmitted and exchanged electronically [in a**
35 **manner that:**

36 ~~(1) Allows patients to electronically access their health records directly~~
37 ~~from the custodian of health care records and forward such records~~
38 ~~electronically to other persons and entities;~~

39 ~~(2) Allows for the interoperability of health records with the electronic~~
40 ~~health records and systems of health care facilities and other providers of health~~
41 ~~care; and~~

42 ~~(3) Complies with the applicable provisions of NRS 439.581 to 439.595,~~
43 ~~inclusive, and any regulations adopted pursuant thereto,] as required by~~
44 **subsection 4 of NRS 439.589; and**

45 **(b) May be created, authenticated and stored in a [computer system] health**
46 **information exchange** which meets the requirements of NRS 439.581 to 439.595,
47 inclusive, **and section 1 of this act** and the regulations adopted pursuant thereto.

48 2. A provider of health care shall post, in a conspicuous place in each location
49 at which the provider of health care performs health care services, a sign which
50 discloses to patients that their health care records may be destroyed after the period
51 set forth in subsection 1.

52 3. When a provider of health care performs health care services for a patient
53 for the first time, the provider of health care shall deliver to the patient a written

1 statement which discloses to the patient that the health care records of the patient
2 may be destroyed after the period set forth in subsection 1.

3 4. If a provider of health care fails to deliver the written statement to the
4 patient pursuant to subsection 3, the provider of health care shall deliver to the
5 patient the written statement described in subsection 3 when the provider of health
6 care next performs health care services for the patient.

7 5. In addition to delivering a written statement pursuant to subsection 3 or 4, a
8 provider of health care may deliver such a written statement to a patient at any
9 other time.

10 6. A written statement delivered to a patient pursuant to this section may be
11 included with other written information delivered to the patient by a provider of
12 health care.

13 7. A custodian of health care records shall not destroy the health care records
14 of a person who is less than 23 years of age on the date of the proposed destruction
15 of the records. The health care records of a person who has attained the age of 23
16 years may be destroyed in accordance with this section for those records which
17 have been retained for at least 5 years or for any longer period provided by federal
18 law.

19 8. If a health care licensing board receives notification from the
20 Department of Health and Human Services pursuant to section 1 of this act that
21 a provider of health care to which the health care licensing board has issued a
22 license is not in compliance with the requirements of subsection 4 of NRS
23 439.589, the health care licensing board may, after notice and the opportunity for
24 a hearing in accordance with the provisions of this title, require corrective action
25 or impose an administrative penalty in an amount not to exceed the maximum
26 penalty that the health care licensing board is authorized to impose for other
27 violations. The health care licensing board shall not suspend or revoke a license
28 for failure to comply with the requirements of subsection 4 of NRS 439.589.

29 9. The provisions of this section, except for the provisions of paragraph (a)
30 of subsection 1 ~~and~~ and subsection 8, do not apply to a pharmacist.

31 ~~9.1~~ 10. The State Board of Health shall adopt:

32 (a) Regulations prescribing the form, size, contents and placement of the signs
33 and written statements required pursuant to this section; and

34 (b) Any other regulations necessary to carry out the provisions of this section.

35 11. As used in this section:

36 (a) "Health care licensing board" means:

37 (1) A board created pursuant to chapter 630, 630A, 631, 632, 633, 634,
38 634A, 635, 636, 637, 637B, 639, 640, 640A, 640B, 640C, 641, 641A, 641B, 641C
39 or 641D of NRS.

40 (2) The Division of Public and Behavioral Health of the Department of
41 Health and Human Services.

42 (3) The State Board of Health with respect to licenses issued pursuant to
43 chapter 640D or 640E of NRS.

44 (b) "License" has the meaning ascribed to it in section 1 of this act.

45 Sec. 2.05. NRS 654.190 is hereby amended to read as follows:

46 654.190 1. The Board may, after notice and an opportunity for a hearing as
47 required by law, impose an administrative fine of not more than \$10,000 for each
48 violation on, recover reasonable investigative fees and costs incurred from,
49 suspend, revoke, deny the issuance or renewal of or place conditions on the license
50 of, and place on probation or impose any combination of the foregoing on any
51 licensee who:

52 (a) Is convicted of a felony relating to the practice of administering a nursing
53 facility or residential facility or of any offense involving moral turpitude.

1 (b) Has obtained his or her license by the use of fraud or deceit.

2 (c) Violates any of the provisions of this chapter.

3 (d) Aids or abets any person in the violation of any of the provisions of NRS
4 449.029 to 449.2428, inclusive, and section 1.3 of this act, as those provisions
5 pertain to a facility for skilled nursing, facility for intermediate care or residential
6 facility for groups.

7 (e) Violates any regulation of the Board prescribing additional standards of
8 conduct for licensees, including, without limitation, a code of ethics.

9 (f) Engages in conduct that violates the trust of a patient or resident or exploits
10 the relationship between the licensee and the patient or resident for the financial or
11 other gain of the licensee.

12 2. If a licensee requests a hearing pursuant to subsection 1, the Board shall
13 give the licensee written notice of a hearing pursuant to NRS 233B.121 and
14 241.034. A licensee may waive, in writing, his or her right to attend the hearing.

15 3. The Board may compel the attendance of witnesses or the production of
16 documents or objects by subpoena. The Board may adopt regulations that set forth a
17 procedure pursuant to which the Chair of the Board may issue subpoenas on behalf
18 of the Board. Any person who is subpoenaed pursuant to this subsection may
19 request the Board to modify the terms of the subpoena or grant additional time for
20 compliance.

21 4. An order that imposes discipline and the findings of fact and conclusions of
22 law supporting that order are public records.

23 5. The expiration of a license by operation of law or by order or decision of
24 the Board or a court, or the voluntary surrender of a license, does not deprive the
25 Board of jurisdiction to proceed with any investigation of, or action or disciplinary
26 proceeding against, the licensee or to render a decision suspending or revoking the
27 license.

28 **Sec. 2.1. Chapter 680A of NRS is hereby amended by adding thereto a**
29 **new section to read as follows:**

30 **1. If the Commissioner receives notification from the Department of Health**
31 **and Human Services pursuant to section 1 of this act that an insurer is not in**
32 **compliance with the requirements of subsection 4 of NRS 439.589, the**
33 **Commissioner may, after notice and the opportunity for a hearing in accordance**
34 **with the provisions of this title, require corrective action or impose an**
35 **administrative fine in the amount prescribed by NRS 680A.200.**

36 **2. The Commissioner shall not suspend or revoke the certificate of**
37 **authority of an insurer for failure to comply with the requirements of subsection**
38 **4 of NRS 439.589.**

39 **Sec. 2.15. NRS 680A.095 is hereby amended to read as follows:**

40 680A.095 1. Except as otherwise provided in subsection 3, an insurer which
41 is not authorized to transact insurance in this State may not transact reinsurance
42 with a domestic insurer in this State, by mail or otherwise, unless the insurer holds
43 a certificate of authority as a reinsurer in accordance with the provisions of NRS
44 680A.010 to 680A.150, inclusive, and section 2.1 of this act, 680A.160 to
45 680A.280, inclusive, 680A.320 and 680A.330.

46 2. To qualify for authority only to transact reinsurance, an insurer must meet
47 the same requirements for capital and surplus as are imposed on an insurer which is
48 authorized to transact insurance in this State.

49 3. This section does not apply to the joint reinsurance of title insurance risks
50 or to reciprocal insurance authorized pursuant to chapter 694B of NRS.

51 **Sec. 2.2. Chapter 683A of NRS is hereby amended by adding thereto a**
52 **new section to read as follows:**

1 1. If the Commissioner receives notification from the Department of Health
2 and Human Services pursuant to section 1 of this act that an administrator is not
3 in compliance with the requirements of subsection 4 of NRS 439.589, the
4 Commissioner may, after notice and the opportunity for a hearing in accordance
5 with the provisions of this chapter, require corrective action or impose an
6 administrative fine in the amount prescribed by NRS 683A.461.

7 2. The Commissioner shall not suspend or revoke the certificate of
8 registration of an administrator for failure to comply with the requirements of
9 subsection 4 of NRS 439.589.

10 Sec. 2.25. NRS 683A.3683 is hereby amended to read as follows:

11 683A.3683 A producer of limited lines travel insurance and each travel
12 retailer, or employee or authorized representative of a travel retailer, who offers or
13 disseminates travel insurance under the license of a producer of limited lines travel
14 insurance shall be subject to the provisions of NRS 683A.451 to 683A.520,
15 inclusive, and section 2.2 of this act and chapter 686A of NRS.

16 Sec. 2.3. NRS 692A.270 is hereby amended to read as follows:

17 692A.270 The provisions of NRS 683A.321, 683A.331, 683A.341,
18 683A.400, 683A.451 to 683A.490, inclusive, and section 2.2 of this act and
19 683A.520 apply to title insurers, title agents and escrow officers.

20 Sec. 2.35. Chapter 695C of NRS is hereby amended by adding thereto a
21 new section to read as follows:

22 1. If the Commissioner receives notification from the Department of Health
23 and Human Services pursuant to section 1 of this act that a health maintenance
24 organization is not in compliance with the requirements of subsection 4 of NRS
25 439.589, the Commissioner may, after notice and the opportunity for a hearing in
26 accordance with the provisions of this chapter, require corrective action or
27 impose an administrative fine in the amount prescribed by NRS 695C.350.

28 2. The Commissioner shall not suspend or revoke the certificate of
29 authority of a health maintenance organization for failure to comply with the
30 requirements of subsection 4 of NRS 439.589.

31 Sec. 2.4. NRS 719.200 is hereby amended to read as follows:

32 719.200 1. Except as otherwise provided in subsection 2, the provisions of
33 this chapter apply to electronic records and electronic signatures relating to a
34 transaction.

35 2. The provisions of this chapter do not apply to a transaction to the extent it
36 is governed by:

37 (a) Except as otherwise specifically provided by law, a law governing the
38 creation and execution of wills, codicils or testamentary trusts;

39 (b) The Uniform Commercial Code other than NRS 104.1306, 104.2101 to
40 104.2725, inclusive, and 104A.2101 to 104A.2532, inclusive; or

41 (c) The provisions of NRS 439.581 to 439.595, inclusive, and section 1 of this
42 act and the regulations adopted pursuant thereto.

43 3. The provisions of this chapter apply to an electronic record or electronic
44 signature otherwise excluded from the application of this chapter under subsection
45 2 to the extent it is governed by a law other than those specified in subsection 2.

46 4. A transaction subject to the provisions of this chapter is also subject to
47 other applicable substantive law.

48 Sec. 2.45. NRS 720.140 is hereby amended to read as follows:

49 720.140 1. Except as otherwise provided in this subsection, the provisions
50 of this chapter apply to any transaction for which a digital signature is used to sign
51 an electronic record. The provisions of this chapter do not apply to a digital
52 signature that is used to sign an electronic health record in accordance with NRS

1 439.581 to 439.595, inclusive, and section 1 of this act and the regulations adopted
 2 pursuant thereto.

3 2. As used in this section, “electronic record” has the meaning ascribed to it in
 4 NRS 719.090.

5 **Sec. 2.5.** 1. There is hereby appropriated from the State General Fund to
 6 the Department of Health and Human Services the sum of \$3,000,000 for the
 7 purpose of awarding grants to providers of health care and medical facilities for the
 8 purposes of complying with the requirements of ~~section 1.3 of this act and~~
 9 ~~paragraph (a) of~~ subsection ~~4~~ **4** of NRS ~~{629.051}~~ **439.589**, as amended by
 10 section ~~1.1~~ **1.08** of this act. To receive such a grant, a provider of health care or
 11 medical facility must have a staff of less than 50 persons or work for an entity that
 12 has a staff of less than 50 persons, as applicable.

13 2. Any remaining balance of the appropriation made by subsection 1 must not
 14 be committed for expenditure after June 30, 2025, by the entity to which the
 15 appropriation is made or any entity to which money from the appropriation is
 16 granted or otherwise transferred in any manner, and any portion of the appropriated
 17 money remaining must not be spent for any purpose after September 19, 2025, by
 18 either the entity to which the money was appropriated or the entity to which the
 19 money was subsequently granted or transferred, and must be reverted to the State
 20 General Fund on or before September 19, 2025.

21 3. As used in this section:

22 (a) “Medical facility” has the meaning ascribed to it in NRS 449.0151.

23 (b) “Provider of health care” has the meaning ascribed to it in NRS 629.031.

24 **Sec. 2.7. 1. On or before July 1, 2023, the Director of the Department**
 25 **shall convene an advisory group to advise the Director of the Department in**
 26 **the adoption of regulations pursuant to NRS 439.589, as amended by section**
 27 **1.08 of this act. The advisory group shall consist of:**

28 **(a) The following ex officio members:**

29 **(1) The Director of the Department;**

30 **(2) The Administrator of the Division of Public and Behavioral Health**
 31 **of the Department;**

32 **(3) The Administrator of the Division of Health Care Financing and**
 33 **Policy of the Department;**

34 **(4) The Administrator of the Division of Welfare and Supportive**
 35 **Services of the Department;**

36 **(5) The Commissioner of Insurance;**

37 **(6) Each district health officer appointed pursuant to NRS 439.368 or**
 38 **439.400;**

39 **(7) The Executive Officer of the Public Employees’ Benefits Program;**
 40 **and**

41 **(8) The Executive Director of the Silver State Health Insurance**
 42 **Exchange; and**

43 **(b) The following members appointed by the Director:**

44 **(1) Representatives of third parties, as defined in NRS 439.589, as**
 45 **amended by section 1.08 of this act, that provide health coverage in this State;**

46 **(2) Representatives of hospitals, as defined in NRS 449.012, other**
 47 **medical facilities, as defined in NRS 449.0151, and facilities for the dependent,**
 48 **as defined in NRS 449.0045;**

49 **(3) Representatives of consumers of health care;**

50 **(4) Representatives of labor organizations;**

51 **(5) Professionals in the field of information privacy and security;**

52 **(6) Professionals in the field of health information technology and the**
 53 **interoperability of health information;**

1 (7) Representatives of community-based organizations whose work
2 relates to health information;

3 (8) Representatives of county and city health departments;

4 (9) Representatives of social services agencies; and

5 (10) Representatives of community-based organizations whose work
6 relates to social services.

7 2. Members appointed to the advisory group pursuant to paragraph (b)
8 of subsection 1 serve at the pleasure of the Director of the Department. If a
9 vacancy occurs, the Director shall appoint a person similarly qualified to
10 replace that member.

11 3. Members of the advisory group serve without compensation or per
12 diem but are entitled to receive reimbursement for travel expenses in the same
13 amount provided for state officers and employees generally.

14 4. The Director of the Department shall serve as the Chair of the
15 advisory group.

16 5. A majority of the voting members of the advisory group constitutes a
17 quorum for the transaction of business, and a majority of the members of a
18 quorum present at any meeting is sufficient for any official action taken by the
19 advisory group.

20 6. Each member of the advisory group who is an officer or employee of
21 this State or a political subdivision of this State must be relieved from his or
22 her duties without loss of regular compensation so that the officer or employee
23 may prepare for and attend meetings of the advisory group and perform any
24 work necessary to carry out the duties of the advisory group in the most timely
25 manner practicable. A state agency or political subdivision of this State shall
26 not require an officer or employee who is a member of the advisory group to
27 make up the time the officer or employee is absent from work to carry out
28 duties as a member of the advisory group or use annual leave or compensatory
29 time for the absence.

30 7. The advisory group may establish subcommittees and working groups
31 consisting of members of the advisory group or other persons to assist the
32 advisory group in the performance of its duties.

33 8. The advisory group shall advise the Director of the Department on the
34 development and implementation of the regulations adopted pursuant to NRS
35 439.589, as amended by section 1.08 of this act.

36 9. The Director of the Department shall:

37 (a) On or before August 1, 2024, present at a meeting of the Joint Interim
38 Standing Committee on Health and Human Services concerning the progress
39 of the Director in developing and implementing the regulations adopted
40 pursuant to NRS 439.589, as amended by section 1.08 of this act; and

41 (b) On or before December 31, 2024, submit to the Director of the
42 Legislative Counsel Bureau for transmittal to the 83rd Session of the
43 Legislature a report concerning the progress of the Director in developing and
44 implementing the regulations adopted pursuant to NRS 439.589, as amended
45 by section 1.08 of this act.

46 10. As used in this section, "Department" means the Department of
47 Health and Human Services.

48 Sec. 2.8. 1. Hospitals and physician group practices with more than 20
49 employees shall comply with the provisions of subsection 4 of NRS 439.589, as
50 amended by section 1.08 of this act, on or before July 1, 2024.

51 2. Notwithstanding the amendatory provisions of sections 1, 1.08, 1.3,
52 1.92, 1.94, 1.96, 2 and 2.2 of this act:

1 (a) Persons and entities subject to the provisions of subsection 4 of NRS
2 439.589, as amended by section 1.08 of this act, other than the persons and
3 entities described in paragraph (b) of this subsection and subsection 1 of this
4 section, are not required to comply with those provisions until July 1, 2025.

5 (b) Physician group practices or other business entities organized for the
6 purpose of practicing a health care profession with 20 or fewer employees,
7 including, without limitation, sole proprietorships, are not required to comply
8 with the provisions of subsection 4 of NRS 439.589, as amended by section 1.08
9 of this act, until January 1, 2030.

10 3. As used in this section:

11 (a) "Hospital" has the meaning ascribed to it in NRS 449.012.

12 (b) "Health care profession" means any profession practiced by providers
13 of health care, as defined in NRS 629.031.

14 (c) "Physician group practice" means any business entity organized for
15 the purpose of the practice of medicine or osteopathic medicine by more than
16 one physician.

17 Sec. 3. The provisions of NRS 354.599 do not apply to any additional
18 expenses of a local government that are related to the provisions of this act.

19 Sec. 4. 1. This section and sections ~~1.1 and 1.2~~ 1.09, 1.1 and 1.2 ~~and 2.5~~ of
20 this act become effective ~~on July 1, 2023,~~ upon passage and approval.

21 2. Sections 2.5 and 2.7 of this act become effective on July 1, 2023.

22 3. Sections ~~1.3 to 2.1~~ 1 to 1.08, inclusive, 1.3 to 2.45, inclusive, 2.8 and 3 of
23 this act become effective ~~on January 1, 2028.~~:

24 (a) Upon passage and approval for the purpose of adopting any
25 regulations and performing any other preparatory administrative tasks that
26 are necessary to carry out the provisions of this act; and

27 (b) On July 1, 2024, for all other purposes.