Assembly Bill No. 50–Committee on Health and Human Services

CHAPTER.....

AN ACT relating to public health; authorizing the Health Division of the Department of Health and Human Services to collect the actual costs incurred for the enforcement of provisions relating to medical and related health facilities; providing exceptions to the collection of such costs; revising provisions governing homes for individual residential care; requiring facilities for the care of adults during the day to pay fees relating to licensure; repealing certain provisions relating to homes for individual residential care; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 1 of this bill authorizes the Health Division of the Department of Health and Human Services to charge and collect from medical facilities and facilities for the dependent and persons who operate such facilities without a license the actual costs incurred by the Health Division to enforce the provisions governing licensure and operation of such facilities, including to conduct investigations and inspections of the facilities, unless the enforcement activity is part of the process for the issuance or renewal of a license or is already provided for by money received from the Federal Government. Section 1 also authorizes the Health Division to use the money collected to pay the costs to the Health Division for administering and carrying out provisions relating to the licensure and operation of such facilities.

Existing law requires a home for individual residential care to obtain a license and provides for the investigation and civil prosecution of persons who operate such homes without a license. (NRS 449.249, 449.2493, 449.2496) **Section 18** of this bill repeals existing laws relating to homes for individual residential care. **Section 2** of this bill requires homes for individual residential care to meet all licensing and operating requirements that are applicable to facilities for the dependent. **Section 7** of this bill provides civil penalties and other actions that may be taken against persons who operate such homes without a license.

Section 3 of this bill requires each application for a license to operate a facility for the care of adults during the day to be accompanied by a fee, which may be prescribed by the State Board of Health.

Section $\hat{\mathbf{6}}$ of this bill authorizes the Health Division to require the transfer of patients from a medical facility or facility for the dependent, at the expense of the facility, if the facility has exceeded its approved occupancy.

EXPLANATION - Matter in *bolded italics* is new; matter between brackets [omitted material] is material to be omitted.



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

Section 1. Chapter 449 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in this section, the Health Division may charge and collect from a medical facility or facility for the dependent or a person who operates such a facility without a license issued by the Health Division the actual costs incurred by the Health Division for the enforcement of the provisions of this section and NRS 449.001 to 449.240, inclusive, including, without limitation, the actual cost of conducting an inspection or investigation of the facility.

2. The Health Division shall not charge and collect the actual cost for enforcement pursuant to subsection 1 if the enforcement activity is:

(a) Related to the issuance or renewal of a license for which the Board charges a fee pursuant to NRS 449.050 or 449.060; or

(b) Conducted pursuant to an agreement with the Federal Government which has appropriated money for that purpose.

3. Any money collected pursuant to subsection 1 may be used by the Health Division to administer and carry out the provisions of this section and NRS 449.001 to 449.240, inclusive, and the regulations adopted pursuant thereto.

Sec. 2. NRS 449.0045 is hereby amended to read as follows: 449.0045 "Facility for the dependent" includes:

1. A facility for the treatment of abuse of alcohol or drugs;

2. A halfway house for recovering alcohol and drug abusers;

3. A facility for the care of adults during the day;

4. A residential facility for groups;

5. An agency to provide personal care services in the home; [and]

6. A facility for transitional living for released offenders [.]; and

7. A home for individual residential care.

Sec. 3. NRS 449.050 is hereby amended to read as follows:

449.050 1. [Except as otherwise provided in subsection 2, each] Each application for a license must be accompanied by such fee as may be determined by regulation of the Board. The Board may, by regulation, allow or require payment of a fee for a license in installments and may fix the amount of each payment and the date that the payment is due.

2. [A facility for the care of adults during the day is exempt from the fees imposed by the Board pursuant to this section.



-3.] The fee imposed by the Board for a facility for transitional living for released offenders must be based on the type of facility that is being licensed and must be calculated to produce the revenue estimated to cover the costs related to the license, but in no case may a fee for a license exceed the actual cost to the Health Division of issuing or renewing the license.

[4.] 3. If an application for a license for a facility for transitional living for released offenders is denied, any amount of the fee paid pursuant to this section that exceeds the expenses and costs incurred by the Health Division must be refunded to the applicant.

Sec. 4. NRS 449.070 is hereby amended to read as follows:

449.070 The provisions of NRS 449.001 to 449.240, inclusive, *and section 1 of this act* do not apply to:

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

2. Foster homes as defined in NRS 424.014.

3. Any medical facility or facility for the dependent operated and maintained by the United States Government or an agency thereof.

Sec. 5. NRS 449.160 is hereby amended to read as follows:

449.160 1. The Health Division may deny an application for a license or may suspend or revoke any license issued under the provisions of NRS 449.001 to 449.240, inclusive, *and section 1 of this act* upon any of the following grounds:

(a) Violation by the applicant or the licensee of any of the provisions of NRS 439B.410 or 449.001 to 449.245, inclusive, *and section 1 of this act*, or of any other law of this State or of the standards, rules and regulations adopted thereunder.

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

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

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

(e) Failure of the applicant to obtain written approval from the Director of the Department of Health and Human Services as



required by NRS 439A.100 or as provided in any regulation adopted pursuant to this chapter, if such approval is required.

(f) Failure to comply with the provisions of NRS 449.2486.

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

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

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

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

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

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

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

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

 \rightarrow The facility shall make the information available to the public pursuant to NRS 449.2486.

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

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

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

Sec. 6. NRS 449.163 is hereby amended to read as follows:

449.163 1. [Iff] In addition to the payment of the amount required by section 1 of this act, if a medical facility or facility for the dependent violates any provision related to its licensure, including any provision of NRS 439B.410 or 449.001 to 449.240, inclusive, and section 1 of this act, or any condition, standard or regulation adopted by the Board, the Health Division, in accordance with the regulations adopted pursuant to NRS 449.165, may:



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

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

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

(*d*) Impose an administrative penalty of not more than \$1,000 per day for each violation, together with interest thereon at a rate not to exceed 10 percent per annum; and

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

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

(2) Improvements are made to correct the violation.

2. If a violation by a medical facility or facility for the dependent relates to the health or safety of a patient, an administrative penalty imposed pursuant to paragraph $\frac{[(c)]}{(d)}$ of subsection 1 must be in a total amount of not less than \$1,000 and not more than \$10,000 for each patient who was harmed or at risk of harm as a result of the violation.

3. If the facility fails to pay any administrative penalty imposed pursuant to paragraph $\frac{(e)}{(d)}$ of subsection 1, the Health Division may:

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

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

4. The Health Division may require any facility that violates any provision of NRS 439B.410 or 449.001 to 449.240, inclusive, *and section 1 of this act*, or any condition, standard or regulation adopted by the Board to make any improvements necessary to correct the violation.

5. Any money collected as administrative penalties pursuant to **[this section]** *paragraph (d) of subsection 1* must be accounted for separately and used to protect the health or property of the residents of the facility in accordance with applicable federal standards.



Sec. 7. NRS 449.210 is hereby amended to read as follows:

449.210 1. [Except] In addition to the payment of the amount required by section 1 of this act, except as otherwise provided in subsection 2 and NRS 449.24897, a person who operates a medical facility or facility for the dependent without a license issued by the Health Division is guilty of a misdemeanor.

2. [A] In addition to the payment of the amount required by section 1 of this act, a person who operates a residential facility for groups or a home for individual residential care without a license issued by the Health Division:

(a) Is liable for a civil penalty to be recovered by the Attorney General in the name of the Health Division for the first offense of not more than \$10,000 and for a second or subsequent offense of not less than \$10,000 or more than \$20,000;

(b) Shall move all of the persons who are receiving services in the residential facility for groups *or home for individual residential care* to a residential facility for groups *or home for individual residential care, as applicable,* that is licensed at his or her own expense; and

(c) May not apply for a license to operate a residential facility for groups *or home for individual residential care, as applicable,* for a period of 6 months after the person is punished pursuant to this section.

3. Unless otherwise required by federal law, the Health Division shall deposit all civil penalties collected pursuant to [this section] paragraph (a) of subsection 2 into a separate account in the State General Fund to be used for the protection of the health, safety and well-being of patients, including residents of residential facilities for groups [.] and homes for individual residential care.

Sec. 8. NRS 449.220 is hereby amended to read as follows:

449.220 1. The Health Division may bring an action in the name of the State to enjoin any person, state or local government unit or agency thereof from operating or maintaining any facility within the meaning of NRS 449.001 to 449.240, inclusive [+], and section 1 of this act:

(a) Without first obtaining a license therefor; or

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

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



Sec. 9. NRS 449.240 is hereby amended to read as follows:

449.240 The district attorney of the county in which the facility is located shall, upon application by the Health Division, institute and conduct the prosecution of any action for violation of any provisions of NRS 449.001 to 449.245, inclusive [..], and section 1 of this act.

Sec. 10. NRS 449.2487 is hereby amended to read as follows:

449.2487 1. A facility for the dependent, a medical facility [, a home for individual residential care] or an entity affiliated with such a facility [or home] which offers housing to persons that does not include the provision of care or services which require licensure pursuant to this chapter shall conspicuously post in the facility [or home] and shall include in any contracts of sale or agreements for occupancy a notice that includes the following information:

(a) That the specific area of the facility [or home] is intended for independent living and does not directly provide or coordinate the oversight of services to meet the scheduled and unscheduled needs of its residents, including, without limitation, the provision of personal care, supportive services and health-related services.

(b) The other levels of care that are available to persons who require personal care, supportive services or health-related services, including, without limitation, residential facilities for groups, facilities for intermediate care and facilities for skilled nursing. The notice must describe the facilities and levels of care in language that is easy to understand.

(c) A statement that encourages residents to reassess on a regular basis the type of housing and care that is most appropriate for them.

2. The Aging and Disability Services Division of the Department of Health and Human Services shall develop the language for the notice required by subsection 1 in consultation with nationally recognized advocacy groups for older persons and housing organizations.

3. For the purposes of this section, an entity is affiliated with a facility [or home] described in subsection 1 if:

(a) It is under common or shared ownership;

(b) It is under common or shared management; or

(c) It receives promotional or marketing support from the facility. [or home.]

Sec. 11. NRS 449.700 is hereby amended to read as follows:

449.700 1. Every medical facility [,] and facility for the dependent [and home for individual residential care] must provide the services necessary to treat properly a patient in a particular case



or must be able to arrange the transfer of the patient to another facility [or home] which can provide that care.

2. A patient may be transferred to another facility [or home] only if the patient has received an explanation of the need to transfer the patient and the alternatives available, unless the condition of the patient necessitates an immediate transfer to a facility for a higher level of care and the patient is unable to understand the explanation.

Sec. 12. NRS 449.705 is hereby amended to read as follows:

449.705 1. If a patient in a medical facility or facility for the dependent is transferred to another medical facility or facility for the dependent, a division facility or a physician licensed to practice medicine, the facility shall forward a copy of the medical records of the patient, on or before the date the patient is transferred, to the other medical facility or facility for the dependent, the division facility or the physician. The facility is not required to obtain the oral or written consent of the patient to forward a copy of the medical records.

2. [If a person receiving services in a home for individual residential care is transferred to another home, the home shall forward a copy of his or her medical records to the other home in the manner provided in subsection 1.

-3.] As used in this section:

(a) "Division facility" means any unit or subunit operated by a division of the Department of Health and Human Services pursuant to title 39 of NRS.

(b) "Medical records" includes a medical history of the patient, a summary of the current physical condition of the patient and a discharge summary which contains the information necessary for the proper treatment of the patient.

Sec. 13. NRS 449.710 is hereby amended to read as follows:

449.710 Every patient of a medical facility [,] *or* facility for the dependent [or home for individual residential care] has the right to:

1. Receive information concerning any other medical or educational facility or facility for the dependent associated with the facility at which he or she is a patient which relates to the care of the patient.

2. Obtain information concerning the professional qualifications or associations of the persons who are treating the patient.

3. Receive the name of the person responsible for coordinating the care of the patient in the facility . [or home.]



4. Be advised if the facility in which he or she is a patient proposes to perform experiments on patients which affect the patient's own care or treatment.

5. Receive from his or her physician a complete and current description of the patient's diagnosis, plan for treatment and prognosis in terms which the patient is able to understand. If it is not medically advisable to give this information to the patient, the physician shall:

(a) Provide the information to an appropriate person responsible for the patient; and

(b) Inform that person that he or she shall not disclose the information to the patient.

6. Receive from his or her physician the information necessary for the patient to give his or her informed consent to a procedure or treatment. Except in an emergency, this information must not be limited to a specific procedure or treatment and must include:

(a) A description of the significant medical risks involved;

(b) Any information on alternatives to the treatment or procedure if the patient requests that information;

(c) The name of the person responsible for the procedure or treatment; and

(d) The costs likely to be incurred for the treatment or procedure and any alternative treatment or procedure.

7. Examine the bill for his or her care and receive an explanation of the bill, whether or not the patient is personally responsible for payment of the bill.

8. Know the regulations of the facility [or home] concerning his or her conduct at the facility. [or home.]

9. Receive, within reasonable restrictions as to time and place, visitors of the patient's choosing, including, without limitation, friends and members of the patient's family.

Sec. 14. NRS 449.715 is hereby amended to read as follows:

449.715 1. If, as a result of the incapacitation of a patient or the inability of a patient to communicate, the patient of a medical facility [,] or facility for the dependent [or home for individual residential care] who is 18 years of age or older is unable to inform the staff of the facility [or home] of the persons whom the patient authorizes to visit the patient at the facility, [or home,] the facility [or home] shall allow visitation rights to any person designated by the patient in a letter, form or other document authorizing visitation executed in accordance with subsection 2. The visitation rights required by this subsection must be:



(a) Provided in accordance with the visitation policies of the facility; [or home;] and

(b) The same visitation rights that are provided to a member of the patient's family who is legally related to the patient.

2. A person 18 years of age or older wishing to designate a person for the purposes of establishing visitation rights in a medical facility [,] or facility for the dependent [or home for individual residential care] may execute a letter, form or other document authorizing visitation in substantially the following form:

......

(Signed)

Sec. 15. NRS 449.720 is hereby amended to read as follows:

449.720 1. Every patient of a medical facility [,] or facility for the dependent [or home for individual residential care] has the right to:

(a) Receive considerate and respectful care.

(b) Refuse treatment to the extent permitted by law and to be informed of the consequences of that refusal.

(c) Refuse to participate in any medical experiments conducted at the facility.

(d) Retain his or her privacy concerning the patient's program of medical care.

(e) Have any reasonable request for services reasonably satisfied by the facility **[or home]** considering its ability to do so.

(f) Receive continuous care from the facility . [or home.] The patient must be informed:

(1) Of the patient's appointments for treatment and the names of the persons available at the facility [or home] for those treatments; and



(2) By his or her physician or an authorized representative of the physician, of the patient's need for continuing care.

2. Except as otherwise provided in NRS 108.640, 239.0115, 439.538, 442.300 to 442.330, inclusive, and 449.705 and chapter 629 of NRS, discussions of the care of a patient, consultation with other persons concerning the patient, examinations or treatments, and all communications and records concerning the patient are confidential. The patient must consent to the presence of any person who is not directly involved with the patient's care during any examination, consultation or treatment.

Sec. 16. NRS 449.730 is hereby amended to read as follows:

449.730 1. Every medical facility [,] and facility for the dependent [and home for individual residential care] shall inform each patient or the patient's legal representative, upon the admission of the patient to the facility, [or home,] of the patient's rights as listed in NRS 449.700, 449.710, 449.715 and 449.720.

2. In addition to the requirements of subsection 1, if a person with a disability is a patient at a facility, as that term is defined in NRS 449.771, the facility shall inform the patient of his or her rights pursuant to NRS 449.765 to 449.786, inclusive.

3. In addition to the requirements of subsections 1 and 2, every hospital shall, upon the admission of a patient to the hospital, provide to the patient or the patient's legal representative a written disclosure approved by the Director, which written disclosure must set forth:

(a) Notice of the existence of the Bureau for Hospital Patients created pursuant to NRS 223.575;

(b) The address and telephone number of the Bureau; and

(c) An explanation of the services provided by the Bureau, including, without limitation, the services for dispute resolution described in subsection 3 of NRS 223.575.

4. In addition to the requirements of subsections 1, 2 and 3, every hospital shall, upon the discharge of a patient from the hospital, provide to the patient or the patient's legal representative a written disclosure approved by the Director, which written disclosure must set forth:

(a) If the hospital is a major hospital:

(1) Notice of the reduction or discount available pursuant to NRS 439B.260, including, without limitation, notice of the criteria a patient must satisfy to qualify for a reduction or discount under that section; and

(2) Notice of any policies and procedures the hospital may have adopted to reduce charges for services provided to persons or



to provide discounted services to persons, which policies and procedures are in addition to any reduction or discount required to be provided pursuant to NRS 439B.260. The notice required by this subparagraph must describe the criteria a patient must satisfy to qualify for the additional reduction or discount, including, without limitation, any relevant limitations on income and any relevant requirements as to the period within which the patient must arrange to make payment.

(b) If the hospital is not a major hospital, notice of any policies and procedures the hospital may have adopted to reduce charges for services provided to persons or to provide discounted services to persons. The notice required by this paragraph must describe the criteria a patient must satisfy to qualify for the reduction or discount, including, without limitation, any relevant limitations on income and any relevant requirements as to the period within which the patient must arrange to make payment.

 \rightarrow As used in this subsection, "major hospital" has the meaning ascribed to it in NRS 439B.115.

5. In addition to the requirements of subsections 1 to 4, inclusive, every hospital shall post in a conspicuous place in each public waiting room in the hospital a legible sign or notice in 14-point type or larger, which sign or notice must:

(a) Provide a brief description of any policies and procedures the hospital may have adopted to reduce charges for services provided to persons or to provide discounted services to persons, including, without limitation:

(1) Instructions for receiving additional information regarding such policies and procedures; and

(2) Instructions for arranging to make payment;

(b) Be written in language that is easy to understand; and

(c) Be written in English and Spanish.

Sec. 17. NRS 654.190 is hereby amended to read as follows:

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

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

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

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

(d) Aids or abets any person in the violation of any of the provisions of NRS 449.001 to 449.240, inclusive, *and section 1 of this act*, as those provisions pertain to a facility for skilled nursing, facility for intermediate care or residential facility for groups.

(e) Violates any regulation of the Board prescribing additional standards of conduct for nursing facility administrators or administrators of residential facilities for groups, including, without limitation, a code of ethics.

(f) Engages in conduct that violates the trust of a patient or resident or exploits the relationship between the nursing facility administrator or administrator of a residential facility for groups and the patient or resident for the financial or other gain of the licensee.

2. The Board shall give a licensee against whom proceedings are brought pursuant to this section written notice of a hearing pursuant to NRS 233B.121 and 241.034. A licensee may waive, in writing, his or her right to attend the hearing.

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

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

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

Sec. 18. NRS 449.249, 449.2493 and 449.2496 are hereby repealed.

Sec. 19. Any regulations relating to homes for individual residential care adopted by the State Board of Health pursuant to NRS 449.249 before January 1, 2012, remain in effect and may be enforced on and after January 1, 2012, as if adopted by the State Board of Health pursuant to NRS 449.037.

Sec. 20. A license to operate a home for individual residential care issued before January 1, 2012, pursuant to the provisions of NRS 449.249, 449.2493 and 449.2496 remains in effect after that date as if the license had been issued pursuant to the provisions of

NRS 449.001 to 449.240, inclusive, and section 1 of this act, and the holder of the license shall, on and after January 1, 2012, comply with the provisions of NRS 449.001 to 449.240, inclusive, and section 1 of this act, and any regulations adopted pursuant thereto.

Sec. 21. This act becomes effective on January 1, 2012.

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