

SENATE BILL NO. 338—SENATORS BREEDEN AND WIENER

MARCH 21, 2011

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions relating to reports of certain medical and related facilities. (BDR 40-261)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Yes.

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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 public health; requiring certain facilities for skilled nursing to submit information to the secure, Internet-based surveillance system established by the Division of Healthcare Quality Promotion of the Centers for Disease Control and Prevention of the United States Department of Health and Human Services; requiring reports and publication of certain information relating to the readmission of patients who received care in hospitals; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 **Section 1** of this bill requires each facility for skilled nursing which provided  
2 medical services and care to an average of 25 or more patients during each business  
3 day in the immediately preceding calendar year to participate in the secure,  
4 Internet-based surveillance system established by the Division of Healthcare  
5 Quality Promotion of the Centers for Disease Control and Prevention of the United  
6 States Department of Health and Human Services. **Section 1** also provides that  
7 other facilities for skilled nursing may participate in the system. **Section 1**  
8 additionally authorizes the Health Division of the Department of Health and Human  
9 Services to report the information submitted to the system by all medical and  
10 skilled nursing facilities.  
11 **Sections 2 and 3** of this bill require hospitals to submit, as part of the program  
12 to increase public awareness of health care information, data relating to the  
13 readmission of a patient if the readmission was preventable and related to the initial  
14 treatment received by the patient. **Section 4** of this bill requires the Department of  
15 Health and Human Services to post that information on an Internet website.  
16 Existing law authorizes the Department to seek injunctive relief or civil penalties  
17 against facilities that violate the reporting requirements. (NRS 439A.300,  
18 439A.310)



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

1       **Section 1.** NRS 439.847 is hereby amended to read as follows:  
2       439.847 1. Each medical facility *and facility for skilled*  
3 *nursing* which provided medical services and care to an average of  
4 25 or more patients during each business day in the immediately  
5 preceding calendar year shall, within 120 days after becoming  
6 eligible, participate in the secure, Internet-based surveillance system  
7 established by the Division of Healthcare Quality Promotion of the  
8 Centers for Disease Control and Prevention of the United States  
9 Department of Health and Human Services that integrates patient  
10 and health care personnel safety surveillance systems. As part of  
11 that participation, the medical facility *or facility for skilled nursing*  
12 shall provide, at a minimum, the information required by the Health  
13 Division pursuant to this subsection. The Health Division shall by  
14 regulation prescribe the information which must be provided by a  
15 medical facility ~~[ ]~~ *or facility for skilled nursing*, including, without  
16 limitation, information relating to infections and procedures.  
17       2. Each medical facility *or facility for skilled nursing* which  
18 provided medical services and care to an average of less than 25  
19 patients during each business day in the immediately preceding  
20 calendar year may participate in the secure, Internet-based  
21 surveillance system established by the Division of Healthcare  
22 Quality Promotion of the Centers for Disease Control and  
23 Prevention of the United States Department of Health and Human  
24 Services that integrates patient and health care personnel safety  
25 surveillance systems.  
26       3. A medical facility *or facility for skilled nursing* that  
27 participates in the secure, Internet-based surveillance system  
28 established by the Division of Healthcare Quality Promotion shall  
29 ~~[authorize]~~ :  
30       (a) *Authorize* the Health Division to access all information  
31 submitted to the system ~~[, and the Health Division shall enter into an~~  
32 ~~agreement with the Division of Healthcare Quality Promotion to~~  
33 ~~carry out the provisions of this section.] ; and~~  
34       (b) *Provide consent for the Health Division to prepare and post*  
35 *reports pursuant to paragraph (b) of subsection 4, including,*  
36 *without limitation, permission to identify the medical facility or*  
37 *facility for skilled nursing that is the subject of each report.*  
38       4. The Health Division ~~[shall]~~ :  
39       (a) *Shall* analyze the information submitted to the system by  
40 medical facilities *and facilities for skilled nursing* pursuant to this  
41 section and recommend regulations and legislation relating to the  
42 reporting required pursuant to NRS 439.800 to 439.890, inclusive.



1 (b) *May prepare a report of the information submitted to the*  
2 *system by each medical facility and facility for skilled nursing*  
3 *pursuant to this section and provide the reports for inclusion on*  
4 *the Internet website maintained pursuant to NRS 439A.270. If*  
5 *such reports are prepared, the information must be reported in a*  
6 *manner that allows a person to compare the information for the*  
7 *medical facilities and for facilities for skilled nursing.*

8 (c) *Shall enter into an agreement with the Division of*  
9 *Healthcare Quality Promotion to carry out the provisions of this*  
10 *section.*

11 5. *As used in this section, "facility for skilled nursing" has*  
12 *the meaning ascribed to it in NRS 449.0039.*

13 **Sec. 2.** NRS 439A.220 is hereby amended to read as follows:

14 439A.220 1. The Department shall establish and maintain a  
15 program to increase public awareness of health care information  
16 concerning the hospitals in this State. The program must be  
17 designed to assist consumers with comparing the quality of care  
18 provided by the hospitals in this State and the charges for that care.

19 2. The program must include, without limitation, the collection,  
20 maintenance and provision of information concerning:

21 (a) Inpatients and outpatients of each hospital in this State as  
22 reported in the forms submitted pursuant to NRS 449.485;

23 (b) The quality of care provided by each hospital in this State as  
24 determined by applying uniform measures of quality prescribed by  
25 the Department pursuant to NRS 439A.230;

26 (c) How consistently each hospital follows recognized practices  
27 to prevent the infection of patients, to speed the recovery of patients  
28 and to avoid medical complications of patients;

29 (d) For each hospital, the total number of patients discharged,  
30 the average length of stay and the average billed charges, reported  
31 for the 50 most frequent diagnosis-related groups for inpatients and  
32 50 medical treatments for outpatients that the Department  
33 determines are most useful for consumers; ~~and~~

34 (e) *The total number of patients discharged from the hospital*  
35 *who were subsequently readmitted to a medical facility for*  
36 *treatment or care which was preventable and was related to a*  
37 *medical treatment originally provided at the hospital and the*  
38 *average length of stay for those readmissions; and*

39 (f) Any other information relating to the charges imposed and  
40 the quality of the services provided by the hospitals in this State  
41 which the Department determines is:

42 (1) Useful to consumers;

43 (2) Nationally recognized; and

44 (3) Reported in a standard and reliable manner.



1 3. As used in this section, “diagnosis-related group” means  
2 groupings of medical diagnostic categories used as a basis for  
3 hospital payment schedules by Medicare and other third-party health  
4 care plans.

5 **Sec. 3.** NRS 439A.230 is hereby amended to read as follows:  
6 439A.230 1. The Department shall, by regulation:

7 (a) Prescribe the information that each hospital in this State must  
8 submit to the Department for the program established pursuant to  
9 NRS 439A.220.

10 (b) Prescribe the measures of quality for hospitals that are  
11 required pursuant to paragraph (b) of subsection 2 of NRS  
12 439A.220. In adopting the regulations, the Department shall:

13 (1) Use the measures of quality endorsed by the Agency for  
14 Healthcare Research and Quality, the National Quality Forum,  
15 Centers for Medicare and Medicaid Services of the United States  
16 Department of Health and Human Services, a quality improvement  
17 organization of the Centers for Medicare and Medicaid Services and  
18 the Joint Commission ; ~~on Accreditation of Healthcare~~  
19 ~~Organizations;~~

20 (2) Prescribe a reasonable number of measures of quality  
21 which must not be unduly burdensome on the hospitals; and

22 (3) Take into consideration the financial burden placed on  
23 the hospitals to comply with the regulations.

24 ➔ The measures prescribed pursuant to this paragraph must report  
25 health outcomes of hospitals, which do not necessarily correlate  
26 with the inpatient diagnosis-related groups or the outpatient  
27 treatments that are posted on the Internet website pursuant to  
28 NRS 439A.270.

29 (c) *Prescribe the manner in which a hospital must determine*  
30 *whether the readmission of a patient must be reported pursuant to*  
31 *NRS 439A.220 and the form for submission of such information.*

32 (d) Require each hospital to:

33 (1) Provide the information prescribed in paragraphs (a) ,  
34 ~~and~~ (b) *and* (c) in the format required by the Department; and

35 (2) Report the information separately for inpatients and  
36 outpatients.

37 2. The information required pursuant to this section and NRS  
38 439A.220 must be submitted to the Department not later than 45  
39 days after the last day of each calendar month.

40 3. If a hospital fails to submit the information required  
41 pursuant to this section or NRS 439A.220 or submits information  
42 that is incomplete or inaccurate, the Department shall send a notice  
43 of such failure to the hospital and to the Health Division of the  
44 Department.



1 **Sec. 4.** NRS 439A.270 is hereby amended to read as follows:

2 439A.270 1. The Department shall establish and maintain an  
3 Internet website that includes the information concerning the  
4 charges imposed and the quality of the services provided by the  
5 hospitals and surgical centers for ambulatory patients in this State as  
6 required by the programs established pursuant to NRS 439A.220  
7 and 439A.240. The information must:

8 (a) Include, for each hospital in this State, the ~~{total}~~ :

9 (1) *Total* number of patients discharged, the average length  
10 of stay and the average billed charges, reported for the 50 most  
11 frequent diagnosis-related groups for inpatients and 50 medical  
12 treatments for outpatients that the Department determines are most  
13 useful for consumers; *and*

14 (2) *Total number of readmissions reported pursuant to*  
15 *NRS 439A.220 and the average length of stay of those*  
16 *readmissions, reported by the diagnosis-related group for*  
17 *inpatients and the medical treatments for outpatients for which the*  
18 *patient originally received treatment at the hospital;*

19 (b) Include, for each surgical center for ambulatory patients in  
20 this State, the total number of patients discharged and the average  
21 billed charges, reported for 50 medical treatments for outpatients  
22 that the Department determines are most useful for consumers;

23 (c) Be presented in a manner that allows a person to view and  
24 compare the information for the hospitals by:

25 (1) Geographic location of each hospital;

26 (2) Type of medical diagnosis; and

27 (3) Type of medical treatment;

28 (d) Be presented in a manner that allows a person to view and  
29 compare the information for the surgical centers for ambulatory  
30 patients by:

31 (1) Geographic location of each surgical center for  
32 ambulatory patients;

33 (2) Type of medical diagnosis; and

34 (3) Type of medical treatment;

35 (e) Be presented in a manner that allows a person to view and  
36 compare the information separately for:

37 (1) The inpatients and outpatients of each hospital; and

38 (2) The outpatients of each surgical center for ambulatory  
39 patients;

40 (f) Be readily accessible and understandable by a member of the  
41 general public;

42 (g) Include the annual summary of reports of sentinel events  
43 prepared pursuant to paragraph (d) of subsection 1 of NRS 439.840;

44 ~~{and}~~



1 (h) *Include any reports of information prepared for a medical*  
2 *facility or facility for skilled nursing pursuant to paragraph (b) of*  
3 *subsection 4 of NRS 439.847; and*

4 (i) Provide any other information relating to the charges  
5 imposed and the quality of the services provided by the hospitals  
6 and surgical centers for ambulatory patients in this State which the  
7 Department determines is:

- 8 (1) Useful to consumers;  
9 (2) Nationally recognized; and  
10 (3) Reported in a standard and reliable manner.

11 2. The Department shall:

12 (a) Publicize the availability of the Internet website;

13 (b) Update the information contained on the Internet website at  
14 least quarterly;

15 (c) Ensure that the information contained on the Internet website  
16 is accurate and reliable;

17 (d) Ensure that the information contained on the Internet website  
18 is aggregated so as not to reveal the identity of a specific inpatient or  
19 outpatient of a hospital;

20 (e) Post a disclaimer on the Internet website indicating that the  
21 information contained on the website is provided to assist with the  
22 comparison of hospitals and is not a guarantee by the Department or  
23 its employees as to the charges imposed by the hospitals in this State  
24 or the quality of the services provided by the hospitals in this State,  
25 including, without limitation, an explanation that the actual amount  
26 charged to a person by a particular hospital may not be the same  
27 charge as posted on the website for that hospital;

28 (f) Provide on the Internet website established pursuant to this  
29 section a link to the Internet website of the Centers for Medicare and  
30 Medicaid Services of the United States Department of Health and  
31 Human Services; and

32 (g) Upon request, make the information that is contained on the  
33 Internet website available in printed form.

34 3. As used in this section, “diagnosis-related group” means  
35 groupings of medical diagnostic categories used as a basis for  
36 hospital payment schedules by Medicare and other third-party health  
37 care plans.

38 **Sec. 5.** The Department of Health and Human Services shall  
39 adopt the regulations necessary to carry out the provisions of this act  
40 on or before October 1, 2011.

41 **Sec. 6.** This act becomes effective upon passage and approval  
42 for purposes of adopting regulations and on October 1, 2011, for all  
43 other purposes.





