ASSEMBLY BILL NO. 13-ASSEMBLYWOMAN PARNELL

Prefiled January 11, 2001

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions governing membership of boards of trustees of public hospitals and county hospital districts. (BDR 40-436)

FISCAL NOTE: Effect on Local Government: No.

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Effect on the State: No.

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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 hospitals; authorizing the appointment of a physician to serve on the board of trustees of a public hospital or a county hospital district under certain circumstances; and providing other matters properly relating thereto.

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

Section 1. NRS 450.090 is hereby amended to read as follows:

450.090 1. In any county whose population is 400,000 or more, the board of county commissioners is, ex officio, the board of hospital trustees, and the county commissioners shall serve as hospital trustees during their terms of office as county commissioners.

- 2. In any county whose population is less than 400,000, the board of county commissioners may enact an ordinance providing that the board of county commissioners is, ex officio, the board of hospital trustees. If such an ordinance is enacted in a county:
- (a) The county commissioners shall serve as hospital trustees during their terms of office as county commissioners; and
- (b) If hospital trustees have been elected pursuant to NRS 450.070 and 450.080, the term of office of each hospital trustee who is serving in that capacity on the effective date of the ordinance is terminated as of the effective date of the ordinance.
- 3. A board of county commissioners shall not enact an ordinance pursuant to subsection 2 unless it determines that:
- (a) The county has fully funded its indigent care account created pursuant to NRS 428.010;



- (b) The county has fulfilled its duty to reimburse the hospital for indigent care provided to qualified indigent patients; and
 - (c) During the previous calendar year:

- (1) At least one of the hospital's accounts payable was more than 90 days in arrears;
- (2) The hospital failed to fulfill its statutory financial obligations, such as the payment of taxes, premiums for industrial insurance or contributions to the public employees' retirement system;
- (3) One or more of the conditions relating to financial emergencies set forth in subsection 1 of NRS 354.685 existed at the hospital; or
- (4) The hospital received notice from the Federal Government or the State of Nevada that the certification or licensure of the hospital was in imminent jeopardy of being revoked because the hospital had not carried out a previously established plan of action to correct previously noted deficiencies found by the regulatory body.
- 4. Except in counties where the board of county commissioners is the board of hospital trustees, in any county whose population is 100,000 or more but less than 400,000, the board of hospital trustees for the public hospital must be composed of the five regularly elected or appointed members, and, in addition, three county commissioners selected by the chairman of the board of county commissioners shall serve as voting members of the board of hospital trustees during their terms of office as county commissioners.
- 5. Except in counties where the board of county commissioners is the board of hospital trustees, in any county whose population is less than 100,000, the board of hospital trustees for the public hospital must be composed of the five regularly elected or appointed members, and, in addition, the board of county commissioners may, by resolution, provide that [one]:
- (a) One county commissioner selected by the chairman of the board of county commissioners shall serve as a voting member of the board of hospital trustees during his term of office as county commissioner [1];
- (b) A physician who is the chief of the staff of physicians for the public hospital shall serve as a voting member of the board of hospital trustees; or
- (c) Both a county commissioner appointed pursuant to the provisions of paragraph (a) and a physician appointed pursuant to the provisions of paragraph (b) shall serve as voting members of the board of hospital trustees.
- The term of office of a member appointed pursuant to the provisions of paragraph (b) is 2 years and begins on the date the board of county commissioners appoints the member.
 - **Sec. 2.** NRS 450.110 is hereby amended to read as follows:
- 450.110 Except in counties where the board of county commissioners is the board of hospital trustees, [vacancies] a vacancy in the board of hospital trustees occasioned by [resignations, removals] a resignation, removal or otherwise [shall] must be reported to the board or boards of county commissioners and [shall] must be filled in the same manner as the



original [appointments. Appointees] appointment. An appointee shall hold office [until]:

- 1. Until the next following general election in the usual manner : or
- 2. If the appointee is a physician appointed to fill the vacancy of a member appointed pursuant to the provisions of paragraph (b) of subsection 5 of NRS 450.090, for the unexpired term of that member.

Sec. 3. NRS 450.550 is hereby amended to read as follows: 450.550 As used in NRS 450.550 to 450.750, inclusive, unless the context otherwise requires:

1. "Board of trustees" means:

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- (a) A board of hospital trustees:
- (1) Elected pursuant to NRS 450.620 [and a physician who is appointed pursuant to subsection 1 of NRS 450.640, if applicable; or
- (2) Appointed pursuant to NRS 450.625 [and a physician who is appointed pursuant to subsection 1 of NRS 450.640, if applicable; or
- (b) A board of county commissioners, if that board enacts an ordinance which provides that the board of county commissioners is, ex officio, the board of hospital trustees [-], and a physician who is appointed pursuant to subsection 1 of NRS 450.640, if applicable.
 2. "District hospital" means a hospital constructed, maintained and
- governed pursuant to NRS 450.550 to 450.750, inclusive.
 - **Sec. 4.** NRS 450.640 is hereby amended to read as follows:
 - 450.640 The board of trustees may:
- 1. After the board is formed pursuant to the provisions of NRS 450.620 or 450.625, increase the number of members who serve on the board by appointing, as a voting member of the board, one physician who is the chief of staff of physicians for a district hospital. The term of office of a member who is appointed pursuant to this subsection is 2 years, commencing on the date of appointment by the board of trustees. A vacancy in the term of a member appointed pursuant to this subsection must be filled in the same manner as the original appointment for the remainder of the unexpired term.
- 2. Appoint a chief executive officer and necessary assistants for each hospital, and fix the compensations of such persons.
- [2.] 3. Employ physicians, surgeons and interns, as the board determines necessary, and fix their compensation.
 - 3.1 4. Remove such appointees and employees.
- [4.] 5. Remove persons who are appointed or employed pursuant to 38 39 this section.
- 40 6. Control the admission of physicians, surgeons and interns to the 41 staff by promulgating rules, regulations and standards governing such 42
 - **Sec. 5.** This act becomes effective on July 1, 2001.

