

EXEMPT

(REPRINTED WITH ADOPTED AMENDMENTS)
FIRST REPRINT **A.B. 52**

ASSEMBLY BILL NO. 52—ASSEMBLYMEN BACHE, PARKS, MCCLAIN,
KOIVISTO AND GIUNCHIGLIANI

PREFILED JANUARY 29, 2001

Referred to Committee on Health and Human Services

SUMMARY—Limits fees which providers of health services that accept insurance payments may collect from patients and requires legislative audit of University Medical Center of Southern Nevada. (BDR 40-655)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Contains Appropriation not included in Executive Budget.

CONTAINS UNFUNDED MANDATE § 3
(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 providers of health services; limiting the fees which providers that accept insurance payments may collect from patients; requiring the legislative auditor to conduct an audit of the University Medical Center of Southern Nevada; making an appropriation; and providing other matters properly relating thereto.

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

- 1 **Section 1.** Chapter 439B of NRS is hereby amended by adding thereto
2 a new section to read as follows:
3 ***1. If a practitioner or health facility:***
4 ***(a) Has entered into a written agreement to accept any payment or***
5 ***reimbursement from an insurer of a patient for the provision of any***
6 ***health services to the patient, the practitioner or health facility shall not,***
7 ***except as otherwise provided in this paragraph or another specific***
8 ***statute, collect or seek to collect from the patient any fees or costs***
9 ***relating to the particular health services for which the practitioner or***
10 ***health facility agreed to accept payment or reimbursement from the***
11 ***insurer. This paragraph does not prohibit a practitioner or health facility***
12 ***from collecting or seeking to collect from a patient:***
13 ***(1) Any copayment, deductible or coinsurance required by the***
14 ***insurer of the patient; or***
15 ***(2) Any amount of the payment or reimbursement the practitioner***
16 ***or health facility agreed to accept from the insurer of the patient which,***
17 ***as the result of the failure of the patient to obtain any preauthorization or***



1 *to take any other action required by the insurer, the insurer is not*
2 *obligated to provide.*

3 *(b) Has not entered into a written agreement to accept any payment or*
4 *reimbursement from an insurer of a patient for the provision of a*
5 *particular health service to the patient, the practitioner or health facility*
6 *shall, except in an emergency, inform the patient of that fact before*
7 *providing that service.*

8 **2. For the purposes of this section:**

9 *(a) "Health services" has the meaning ascribed to it in*
10 *NRS 439A.017.*

11 *(b) "Insurer" means any person or state or local governmental entity*
12 *that, pursuant to any written agreement, pays or reimburses any fees or*
13 *costs for the provision of any health services to an insured.*

14 **Sec. 2.** 1. The legislative auditor shall conduct an audit of the
15 University Medical Center of Southern Nevada. The audit must include an
16 examination of the methods and procedures used for the billing of health
17 care plans and patients for the provision of health care services. The
18 legislative auditor may specify and limit the particular billing records to be
19 included in the audit.

20 2. The legislative auditor shall present a final written report of the
21 audit to the audit subcommittee of the legislative commission not later than
22 February 3, 2003.

23 3. To the extent that the provisions of NRS 218.737 to 218.890,
24 inclusive, are consistent with the requirements of this section, those
25 provisions apply to the audit conducted pursuant to this section. For the
26 purposes of this subsection, the University Medical Center of Southern
27 Nevada shall be deemed to be an agency of the state.

28 4. Upon the request of the legislative auditor or his authorized
29 representative, the officers and employees of the University Medical
30 Center of Southern Nevada shall make available to the legislative auditor
31 any of their books, accounts, claims, reports, vouchers or other records of
32 information, confidential or otherwise and irrespective of their form or
33 location, which the legislative auditor deems necessary to conduct the audit
34 required by this section.

35 5. The University Medical Center of Southern Nevada shall, within
36 6 months after the period for the submission of plans pursuant to paragraph
37 (c) of subsection 1 of NRS 218.8235, submit to the legislative auditor a
38 report specifying the extent to which the recommendations of the
39 legislative auditor have been carried out, the extent to which the
40 recommendations have not been carried out and the reasons for any failure
41 to carry out the recommendations.

42 **Sec. 3.** 1. Upon the request of the legislative auditor, the University
43 Medical Center of Southern Nevada shall transfer to the audit division of
44 the legislative counsel bureau the sum of \$25,000 to carry out the
45 provisions of section 2 of this act.

46 2. Any remaining balance of the sum transferred pursuant to
47 subsection 1 must not be committed for expenditure after June 30, 2003,
48 and must be transferred to the University Medical Center of Southern
49 Nevada as soon as all payments of money committed have been made.



* A B 5 2 R 1 *

- 1 **Sec. 4.** 1. There is hereby appropriated from the state general fund
2 to the audit division of the legislative counsel bureau the sum of \$25,000 to
3 carry out the provisions of section 2 of this act.
- 4 2. Any remaining balance of the appropriation made by subsection 1
5 must not be committed for expenditure after June 30, 2003, and reverts to
6 the state general fund as soon as all payments of money committed have
7 been made.
- 8 **Sec. 5.** The provisions of subsection 1 of NRS 354.599 do not apply
9 to any additional expenses of a local government that are related to the
10 provisions of this act.
- 11 **Sec. 6.** 1. This section and sections 3, 4 and 5 of this act become
12 effective upon passage and approval.
- 13 2. Section 2 of this act becomes effective on July 1, 2001.
- 14 3. Section 1 of this act becomes effective on October 1, 2001.

