

ASSEMBLY BILL NO. 545—COMMITTEE ON
HEALTH AND HUMAN SERVICES

MARCH 29, 2005

Referred to Committee on Health and Human Services

SUMMARY—Requires medical facility to provide estimate of cost of medical procedure to patient before procedure occurs. (BDR 40-1378)

FISCAL NOTE: Effect on Local Government: No.
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 health care; requiring a medical facility to provide an estimate of the cost of a medical procedure to a patient before the procedure occurs; prohibiting a medical facility from charging more than 10 percent more than the amount estimated; providing certain exceptions; 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. Chapter 449 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in subsection 3, a medical facility licensed pursuant to NRS 449.001 to 449.240, inclusive, shall, before performing a medical procedure, provide the patient or a person authorized to make health care decisions on behalf of the patient with an estimate of the total cost of the procedure.

2. Except as otherwise provided in subsection 3, a medical facility shall not charge a patient more than 10 percent more than the amount estimated pursuant to subsection 1. If the amount of the bill for the procedure exceeds the amount estimated pursuant to subsection 1, the bill must separately identify and explain the increased charge.



3. *A medical facility is not required to provide an estimate of the cost of a medical procedure pursuant to subsection 1 if the procedure is performed in an emergency. A medical facility may charge more than the amount authorized pursuant to subsection 2 if the medical procedure has unexpected complications that require additional care or treatment, but the bill must separately identify and explain the additional care or treatment and the charges.*

4. *The Board shall by regulation define the terms "emergency," "medical procedure" and "unexpected complications" for the purposes of this section.*

Sec. 2. NRS 449.030 is hereby amended to read as follows:

449.030 1. No person, state or local government or agency thereof may operate or maintain in this State any medical facility or facility for the dependent without first obtaining a license therefor as provided in NRS 449.001 to 449.240, inclusive **H**, *and section 1 of this act.*

2. Unless licensed as a facility for hospice care, a person, state or local government or agency thereof shall not operate a program of hospice care without first obtaining a license for the program from the Board.

Sec. 3. 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, *or 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 Human Resources as required by NRS 439A.100 or as provided in any regulation adopted pursuant to this chapter, if such approval is required.

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.

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. 4. NRS 449.163 is hereby amended to read as follows:

449.163 1. If a medical facility or facility for the dependent violates any provision related to its licensure, including any provision of NRS 439B.410, 449.001 to 449.240, inclusive, **or 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) 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) 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 the facility fails to pay any administrative penalty imposed pursuant to paragraph (c) of subsection 1, the Health Division may:



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

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

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

10 4. Any money collected as administrative penalties pursuant to
11 this section must be accounted for separately and used to protect the
12 health or property of the residents of the facility in accordance with
13 applicable federal standards.

