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SENATE BILL NO. 514—COMMITTEE ON FINANCE

MAY 16, 2005

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Referred to Committee on Finance

**SUMMARY**—Revises provisions governing annual assessment of hospitals for support of Bureau for Hospital Patients within Office for Consumer Health Assistance. (BDR 18-1463)

**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.

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AN ACT relating to health care; revising the provisions governing the annual assessment of hospitals for the support of the Bureau for Hospital Patients within the Office for Consumer Health Assistance; 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.** NRS 223.575 is hereby amended to read as follows:  
2       223.575   1. The Bureau for Hospital Patients is hereby created  
3       within the Office for Consumer Health Assistance in the Office of  
4       the Governor.  
5       2. The Director:  
6       (a) Is responsible for the operation of the Bureau, which must be  
7       easily accessible to the clientele of the Bureau.  
8       (b) Shall appoint and supervise such additional employees as are  
9       necessary to carry out the duties of the Bureau. The employees of  
10      the Bureau are in the unclassified service of the State.  
11      (c) On or before February 1 of each year, shall submit a written  
12      report to the Governor, and to the Director of the Legislative  
13      Counsel Bureau concerning the activities of the Bureau for Hospital  
14      Patients for transmittal to the appropriate committee or committees  
15      of the Legislature. The report must include, without limitation, the



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1 number of complaints received by the Bureau, the number and type  
2 of disputes heard, mediated, arbitrated or resolved through  
3 alternative means of dispute resolution by the Director and the  
4 outcome of the mediation, arbitration or alternative means of dispute  
5 resolution.

6       3. The Director may, upon request made by either party, hear,  
7 mediate, arbitrate or resolve by alternative means of dispute  
8 resolution disputes between patients and hospitals. The Director  
9 may decline to hear a case that in his opinion is trivial, without merit  
10 or beyond the scope of his jurisdiction. The Director may hear,  
11 mediate, arbitrate or resolve through alternative means of dispute  
12 resolution disputes regarding:

13       (a) The accuracy or amount of charges billed to a patient;  
14       (b) The reasonableness of arrangements made pursuant to  
15 paragraph (c) of subsection 1 of NRS 439B.260; and

16       (c) Such other matters related to the charges for care provided to  
17 a patient as the Director determines appropriate for arbitration,  
18 mediation or other alternative means of dispute resolution.

19       4. The decision of the Director is a final decision for the  
20 purpose of judicial review.

21       5. Each hospital, other than federal and state hospitals, with 49  
22 or more licensed or approved hospital beds shall pay an annual  
23 assessment for the support of the Bureau. On or before July 15 of  
24 each year, the Director shall notify each hospital of its assessment  
25 for the fiscal year. Payment of the assessment is due on or before  
26 September 15. Late payments bear interest at the rate of 1 percent  
27 per month or fraction thereof.

28       6. The total amount assessed pursuant to subsection 5 for a  
29 fiscal year must **not** be **more than** \$100,000 adjusted by the  
30 percentage change between January 1, 1991, and January 1 of the  
31 year in which the fees are assessed, in the Consumer Price Index  
32 (All Items) published by the United States Department of Labor.

33       7. The total amount assessed must be divided by the total  
34 number of patient days of care provided in the previous calendar  
35 year by the hospitals subject to the assessment. For each hospital,  
36 the assessment must be the result of this calculation multiplied by its  
37 number of patient days of care for the preceding calendar year.

38       **Sec. 2.** This act becomes effective upon passage and approval.

