

ASSEMBLY BILL NO. 146—COMMITTEE ON  
HEALTH AND HUMAN SERVICES

FEBRUARY 22, 2007

Referred to Committee on Health and Human Services

**SUMMARY**—Requires the Department of Health and Human Services to establish a program to increase public awareness of health care information concerning the hospitals in this State. (BDR 40-687)

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

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to health care; requiring the Department of Health and Human Services to establish a program to increase public awareness of health care information concerning the hospitals in this State; requiring the Department to establish and maintain an Internet website which provides certain information concerning the charges imposed and the quality of health care provided by the hospitals in this State; requiring hospitals to submit certain information to the Department for the program; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Existing law provides for the planning for health care in this State, including  
2 the promotion of equal access to quality health care at a reasonable cost. (Chapter  
3 439A of NRS) **Section 3** of this bill requires the Department of Health and Human  
4 Services to establish a program to increase public awareness of health care  
5 information concerning the hospitals in this State. The program must include the  
6 provision of information concerning the charges imposed and the quality of  
7 services provided by the hospitals in this State. **Sections 4 and 5** of this bill require  
8 the hospitals in this State to submit the information for the program and require the  
9 Department to collect and maintain that information. **Section 6** of this bill requires  
10 the Department to establish and maintain an Internet website which provides  
11 information to the general public concerning the charges imposed and the quality of  
12 services provided by the hospitals in this State.



\* A B 1 4 6 \*

Under existing law, the Director of the Office for Consumer Health Assistance maintains an Internet website which includes certain information concerning prescription drug programs and pharmacies. (NRS 223.560) **Section 12** of this bill requires the Director to include on the website a link to the website maintained by the Department of Health and Human Services to provide information to the general public concerning the charges imposed and the quality of services provided by the hospitals in this State.

---

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

**Section 1.** Chapter 439A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this act.

**Sec. 2.** *As used in sections 2 to 7, inclusive, of this act, unless the context otherwise requires, "program" means the program that is established by the Department pursuant to section 3 of this act to increase public awareness of health care information concerning the hospitals in this State.*

**Sec. 3. 1.** *The Department shall establish and maintain a program to increase public awareness of health care information concerning the hospitals in this State. The program must be designed to assist consumers with comparing the quality of care provided by the hospitals in this State and the charges for that care.*

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

*(a) The charges imposed on inpatients by each hospital in this State, including, without limitation, the information contained in the uniform list of billed charges maintained pursuant to NRS 439B.400 and the summary of charges for common services prepared pursuant to NRS 449.243;*

*(b) The charges imposed on outpatients by each hospital in this State;*

*(c) The quality of care provided by each hospital in this State for the most common medical diagnoses and procedures, as determined by applying uniform measures of quality, including, without limitation, the measures of quality endorsed by the Agency for Healthcare Research and Quality, the National Quality Forum and the Joint Commission on Accreditation of Healthcare Organizations;*

*(d) How consistently each hospital in this State follows recognized practices to prevent the infection of patients, to speed the recovery of patients and to avoid medical complications of patients;*



(e) For each hospital, the total number of patients discharged, the average length of stay and the average billed charges, reported for the 50 most common medical diagnoses of inpatients and the 50 most common medical diagnoses of outpatients; and

(f) Any other information relating to the charges imposed and the quality of the services provided by the hospitals in this State that the Department determines is useful to consumers.

**Sec. 4.** The Department shall, by regulation:

1. Prescribe the information that each hospital in this State must submit to the Department for the program as set forth in section 3 of this act, which may include charges imposed by the hospitals and measures of quality for hospitals that are in addition to those prescribed in subsection 2 of section 3 of this act; and

2. Require each hospital to:

(a) Provide the information prescribed in subsection 1 in the format required by the Department; and

(b) Report the information separately for inpatients and outpatients.

**Sec. 5.** 1. The Department shall collect and maintain all information that it receives from the hospitals in this State pursuant to section 4 of this act. Upon request, the Department shall make the information available in printed form or an electronic format, as indicated by the requester, to:

(a) Consumers of health care;

(b) Providers of health care;

(c) Representatives of the health insurance industry; and

(d) The general public.

2. The Department shall ensure that the information it provides pursuant to this section is aggregated so as not to reveal the identity of a specific inpatient or outpatient of a hospital.

**Sec. 6.** 1. The Department shall establish and maintain an Internet website that includes the information concerning the charges imposed and the quality of the services provided by the hospitals in this State as required by the program pursuant to section 3 of this act. The information must be presented in a manner that:

(a) Allows a person to view and compare the information for the hospitals by:

(1) Geographic location of each hospital;

(2) Type of medical diagnosis; and

(3) Type of medical procedure;

(b) Allows a person to view and compare the information separately for the inpatients and outpatients of each hospital; and

(c) Is readily accessible and understandable by a member of the general public.



2. *The Department shall:*

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

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

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

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

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

(f) *Upon request, make the information that is contained on the Internet website available in printed form.*

**Sec. 7.** *In carrying out the provisions of sections 2 to 7, inclusive, of this act, the Department may contract with the Nevada System of Higher Education or any appropriate, independent and qualified person or entity to analyze the information collected and maintained by the Department pursuant to sections 2 to 7, inclusive, of this act. Such a contractor shall not release or publish or otherwise use any information made available to it pursuant to the contract except as required to carry out the provisions of sections 2 to 7, inclusive, of this act.*

**Sec. 8.** NRS 439A.020 is hereby amended to read as follows:

439A.020 The purposes of this chapter are to:

1. Promote equal access to quality health care at a reasonable cost;

2. Promote an adequate supply and distribution of health resources;

3. Promote uniform, effective methods of delivering health care;

4. Promote and encourage the adequate distribution of health and care facilities and man power;

5. Promote and encourage the effective use of methods for controlling increases in the cost of health care;

6. Encourage participation in health planning by members of the several health professions, representatives of institutions and agencies interested in the provision of health care and the reduction of the cost of such care, and the general public;



7. Utilize the viewpoint of the general public for making decisions;

8. *Provide information to the general public concerning the charges imposed and the quality of the services provided by the hospitals in this State;*

9. Encourage public education regarding proper personal health care and methods for the effective use of available health services; and

~~9.1~~ 10. Promote a program of technical assistance to purchasers to contain effectively the cost of health care, including:

(a) Providing information to purchasers regarding the charges made by practitioners.

(b) Training purchasers to negotiate successfully for a policy of health insurance.

(c) Conducting studies and providing other information about measures to assist purchasers in containing the cost of health care.

**Sec. 9.** NRS 439B.400 is hereby amended to read as follows:

439B.400 1. Each hospital in this State shall maintain and use a uniform list of billed charges for that hospital for units of service or goods provided to all inpatients. A hospital may not use a billed charge for an inpatient that is different than the billed charge used for another inpatient for the same service or goods provided. This section does not restrict the ability of a hospital or other person to negotiate a discounted rate from the hospital's billed charges or to contract for a different rate or mechanism for payment of the hospital.

2. *Each hospital in this State shall submit to the Department the uniform list of billed charges for the program established by the Department pursuant to section 3 of this act to increase public awareness of health care information concerning the hospitals in this State.*

**Sec. 10.** NRS 449.243 is hereby amended to read as follows:

449.243 Every hospital licensed pursuant to the provisions of NRS 449.001 to 449.240, inclusive:

1. May, except as otherwise provided in subsection 2, utilize the Uniform Billing and Claims Forms established by the American Hospital Association.

2. Shall, except as otherwise provided in this section, on its billings to patients, itemize, on a daily basis, all charges for services, and charges for equipment used and the supplies and medicines provided incident to the provision of those services with specificity and in language that is understandable to an ordinary lay person. This itemized list must be timely provided after the patient is discharged at no additional cost.



3. Except as otherwise provided in this subsection, if a patient is charged a rate, pursuant to a contract or other agreement, that is different than the billed charges, ~~the hospital~~ shall provide to the patient either:

- (a) A copy of the billing prepared pursuant to subsection 2;
- (b) A statement specifying the agreed rate for the services; or
- (c) If the patient is not obligated to pay any portion of the bill, a statement of the total charges.

➔ In any case, the hospital shall include on the billing or statement any copayment or deductible for which the patient is responsible. The hospital shall answer any questions regarding the bill.

4. If the hospital is paid by the insurer of a patient a rate that is based on the number of persons treated and not on the services actually rendered, ~~the hospital~~ shall, upon the discharge of the patient, advise the patient of the status of any copayment or deductible for which the patient is responsible.

5. Shall prepare a summary of charges for common services for patients admitted to the hospital and make it available to the public. *The summary must be submitted to the Department of Health and Human Services for the program established by the Department pursuant to section 3 of this act to increase public awareness of health care information concerning the hospitals in this State.*

6. Shall provide to any patient upon request a copy of the billing prepared pursuant to subsection 2.

**Sec. 11.** NRS 449.520 is hereby amended to read as follows:

449.520 1. On or before October 1 of each year, the Director shall prepare and transmit to the Governor, the Legislative Committee on Health Care and the Interim Finance Committee a report of the Department's operations and activities for the preceding fiscal year.

2. The report prepared pursuant to subsection 1 must include:

(a) Copies of all summaries, compilations and supplementary reports required by NRS 449.450 to 449.530, inclusive, together with such facts, suggestions and policy recommendations as the Director deems necessary;

(b) A summary of the trends of the audits of hospitals in this State that the Department required or performed during the previous year;

(c) An analysis of the trends in the costs, expenses and profits of hospitals in this State;

(d) An analysis of the corporate home office allocation methodologies of hospitals in this State;

(e) An examination and analysis of the manner in which hospitals are reporting the information that is required to be filed pursuant to NRS 449.490, including, without limitation, an



1 examination and analysis of whether that information is being  
2 reported in a standard and consistent manner, which fairly reflect the  
3 operations of each hospital;

4 (f) A review and comparison of the policies and procedures used  
5 by hospitals in this State to provide discounted services to, and to  
6 reduce charges for services provided to, persons without health  
7 insurance; ~~{and}~~

8 (g) A review and comparison of the policies and procedures  
9 used by hospitals in this State to collect unpaid charges for services  
10 provided by the hospitals ~~{and}~~; and

11 *(h) A summary of the status of the program that is established*  
12 *pursuant to section 3 of this act to increase public awareness of*  
13 *health care information concerning the hospitals in this State,*  
14 *including, without limitation, the information that was posted in*  
15 *the preceding fiscal year on the Internet website maintained for*  
16 *that program pursuant to section 6 of this act.*

17 3. The Legislative Committee on Health Care shall develop a  
18 comprehensive plan concerning the provision of health care in this  
19 State which includes, without limitation:

20 (a) A review of the health care needs in this State as identified  
21 by state agencies, local governments, providers of health care and  
22 the general public; and

23 (b) A review of the capital improvement reports submitted by  
24 hospitals pursuant to subsection 2 of NRS 449.490.

25 **Sec. 12.** NRS 223.560 is hereby amended to read as follows:

26 223.560 The Director shall:

27 1. Respond to written and telephonic inquiries received from  
28 consumers and injured employees regarding concerns and problems  
29 related to health care and workers' compensation;

30 2. Assist consumers and injured employees in understanding  
31 their rights and responsibilities under health care plans and policies  
32 of industrial insurance;

33 3. Identify and investigate complaints of consumers and  
34 injured employees regarding their health care plans and policies of  
35 industrial insurance and assist those consumers and injured  
36 employees to resolve their complaints, including, without limitation:

37 (a) Referring consumers and injured employees to the  
38 appropriate agency, department or other entity that is responsible for  
39 addressing the specific complaint of the consumer or injured  
40 employee; and

41 (b) Providing counseling and assistance to consumers and  
42 injured employees concerning health care plans and policies of  
43 industrial insurance;



1 4. Provide information to consumers and injured employees  
2 concerning health care plans and policies of industrial insurance in  
3 this State;

4 5. Establish and maintain a system to collect and maintain  
5 information pertaining to the written and telephonic inquiries  
6 received by the Office for Consumer Health Assistance;

7 6. Take such actions as are necessary to ensure public  
8 awareness of the existence and purpose of the services provided by  
9 the Director pursuant to this section;

10 7. In appropriate cases and pursuant to the direction of the  
11 Governor, refer a complaint or the results of an investigation to the  
12 Attorney General for further action;

13 8. Provide information to and applications for prescription drug  
14 programs for consumers without insurance coverage for prescription  
15 drugs or pharmaceutical services; and

16 9. Establish and maintain an Internet website which includes:

17 (a) Information concerning purchasing prescription drugs from  
18 Canadian pharmacies that have been recommended by the State  
19 Board of Pharmacy for inclusion on the Internet website pursuant to  
20 subsection 4 of NRS 639.2328; ~~and~~

21 (b) Links to websites of Canadian pharmacies which have been  
22 recommended by the State Board of Pharmacy for inclusion on the  
23 Internet website pursuant to subsection 4 of NRS 639.2328 ~~and~~; and

24 (c) *A link to the website established and maintained pursuant*  
25 *to section 6 of this act which provides information to the general*  
26 *public concerning the charges imposed and the quality of the*  
27 *services provided by the hospitals in this State.*

