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FIRST REPRINT

A.B. 123

ASSEMBLY BILL NO. 123—COMMITTEE ON
HEALTH AND HUMAN SERVICES

(ON BEHALF OF THE LEGISLATIVE COMMITTEE ON SENIOR
CITIZENS, VETERANS AND ADULTS WITH SPECIAL NEEDS)

PREFILED FEBRUARY 4, 2011

Referred to Committee on Health and Human Services

SUMMARY—Makes various changes relating to certain facilities
that provide health and related care. (BDR 40-159)

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

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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 public health; requiring facilities for intermediate care, facilities for skilled nursing, residential facilities for groups and homes for individual residential care to provide itemized statements under certain circumstances; requiring the Health Division of the Department of Health and Human Services to conduct routine inspections of such facilities; requiring facilities to provide notices of deficiencies to patients or other responsible persons upon discovering a deficiency during an inspection of such facilities; providing administrative penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 2 of this bill requires facilities for intermediate care, facilities for skilled nursing, residential facilities for groups and homes for individual residential care to provide, upon the request of a person receiving care and certain other persons, an itemized statement of charges incurred for care provided by the facility or home.

Section 3 of this bill requires the Health Division of the Department of Health and Human Services to inspect every facility for intermediate care, facility for skilled nursing, residential facility for groups and home for individual residential care at least one time each year. In addition, **section 3** requires the facility to provide notice of a deficiency which is discovered during an inspection and which



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11 affects the health and safety of a patient to the person receiving care at the facility
12 or certain other responsible persons.

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

1 **Section 1.** Chapter 449 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 and 3 of this act.

3 **Sec. 2. 1.** *Subject to the provisions of the Health Insurance*
4 *Portability and Accountability Act of 1996, Public Law 104-191, a*
5 *facility for intermediate care, facility for skilled nursing,*
6 *residential facility for groups or home for individual residential*
7 *care shall, upon request, provide an itemized statement of charges*
8 *to:*

- 9 (a) *The person who received care in the facility or home;*
10 (b) *The parent or guardian of the person who received care in*
11 *the facility or home; or*
12 (c) *Any other natural person designated by the person*
13 *receiving care at the facility or home.*

14 **2.** *An itemized statement of charges provided by a facility for*
15 *intermediate care, facility for skilled nursing, residential facility*
16 *for groups or home for individual residential care pursuant to*
17 *subsection 1 must, without limitation:*

- 18 (a) *Itemize the charges for services, care, food, medicine and*
19 *other supplies provided to the person receiving care at the facility*
20 *or home;*
21 (b) *Identify the amount of payment allocated to each charge;*
22 (c) *Be provided in a manner that is understandable to an*
23 *ordinary person;*
24 (d) *Be provided at no additional cost; and*
25 (e) *Be provided in a timely manner.*

26 **Sec. 3. 1.** *The Health Division shall conduct on-site*
27 *inspections of each facility for intermediate care, facility for*
28 *skilled nursing, residential facility for groups and home for*
29 *individual residential care which holds a license issued pursuant*
30 *to this chapter at least one time per year and shall conduct such*
31 *other inspections as the Health Division deems necessary as a*
32 *result of that inspection.*

33 **2.** *An inspection conducted pursuant to subsection 1 must*
34 *determine whether the facility or home is in compliance with all*
35 *applicable laws and standards.*

36 **3.** *A facility for intermediate care, facility for skilled nursing,*
37 *residential facility for groups or home for individual residential*
38 *care shall immediately provide notice of a deficiency affecting the*



1 *health and safety of a patient discovered during the course of an*
2 *inspection to:*

3 *(a) A person receiving care at the facility or home;*

4 *(b) The parent or legal guardian of the person receiving care*
5 *at the facility or home; or*

6 *(c) Any other natural person designated to receive such notice*
7 *by the person receiving care at the facility or home or the parent*
8 *or guardian of the person.*

9 **Sec. 4.** NRS 449.050 is hereby amended to read as follows:

10 449.050 1. Except as otherwise provided in subsection 2,
11 each application for a license must be accompanied by such fee as
12 may be determined by regulation of the Board. The Board may, by
13 regulation, allow or require payment of a fee for a license in
14 installments and may fix the amount of each payment and the date
15 that the payment is due.

16 2. A facility for the care of adults during the day is exempt
17 from the fees imposed by the Board pursuant to this section.

18 3. The fee imposed by the Board for a facility for transitional
19 living for released offenders must be based on the type of facility
20 that is being licensed and must be calculated to produce the revenue
21 estimated to cover the costs related to the license, but in no case
22 may a fee for a license exceed the actual cost to the Health Division
23 of issuing or renewing the license.

24 4. If an application for a license for a facility for transitional
25 living for released offenders is denied, any amount of the fee paid
26 pursuant to this section that exceeds the expenses and costs incurred
27 by the Health Division must be refunded to the applicant.

28 *5. The fee imposed by the Board for a facility for intermediate*
29 *care, facility for skilled nursing, residential facility for groups or*
30 *home for individual residential care must be calculated to produce*
31 *the revenue estimated to cover the costs related to the license,*
32 *including, without limitation, the costs related to inspecting the*
33 *facility.*

34 **Sec. 5.** NRS 449.070 is hereby amended to read as follows:

35 449.070 The provisions of NRS 449.001 to 449.240, inclusive,
36 *and sections 2 and 3 of this act* do not apply to:

37 1. Any facility conducted by and for the adherents of any
38 church or religious denomination for the purpose of providing
39 facilities for the care and treatment of the sick who depend solely
40 upon spiritual means through prayer for healing in the practice of
41 the religion of the church or denomination, except that such a
42 facility shall comply with all regulations relative to sanitation and
43 safety applicable to other facilities of a similar category.

44 2. Foster homes as defined in NRS 424.014.



3. Any medical facility or facility for the dependent operated and maintained by the United States Government or an agency thereof.

Sec. 6. NRS 449.140 is hereby amended to read as follows:

449.140 1. Money received from licensing medical facilities and facilities for the dependent must be forwarded to the State Treasurer for deposit in the State General Fund.

2. The Health Division shall enforce the provisions of NRS 449.001 to 449.245, inclusive, *and sections 2 and 3 of this act*, and may incur any necessary expenses not in excess of money appropriated for that purpose by the State or received from the Federal Government.

Sec. 7. 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 sections 2 and 3 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, *and sections 2 and 3 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 Health and Human Services as required by NRS 439A.100 or as provided in any regulation adopted pursuant to this chapter, if such approval is required.

(f) Failure to comply with the provisions of NRS 449.2486.

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.



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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. The Health Division shall provide to a facility for the care of adults during the day:

(a) A summary of a complaint against the facility if the investigation of the complaint by the Health Division either substantiates the complaint or is inconclusive;

(b) A report of any investigation conducted with respect to the complaint; and

(c) A report of any disciplinary action taken against the facility.

➤ The facility shall make the information available to the public pursuant to NRS 449.2486.

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. 8. 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 or 449.001 to 449.240, inclusive, *and sections 2 and 3 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.



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2. If a violation by a medical facility or facility for the dependent relates to the health or safety of a patient, an administrative penalty imposed pursuant to paragraph (c) of subsection 1 must be in a total amount of not less than \$1,000 and not more than \$10,000 for each patient who was harmed or at risk of harm as a result of the violation.

3. If the facility fails to pay any administrative penalty imposed pursuant to paragraph (c) of subsection 1, the Health Division may:

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

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

4. The Health Division may require any facility that violates any provision of NRS 439B.410 or 449.001 to 449.240, inclusive, *and sections 2 and 3 of this act*, or any condition, standard or regulation adopted by the Board to make any improvements necessary to correct the violation.

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

Sec. 9. (Deleted by amendment.)

Sec. 10. NRS 449.220 is hereby amended to read as follows:

449.220 1. The Health Division may bring an action in the name of the State to enjoin any person, state or local government unit or agency thereof from operating or maintaining any facility within the meaning of NRS 449.001 to 449.240, inclusive ~~§~~, *and sections 2 and 3 of this act*:

(a) Without first obtaining a license therefor; or

(b) After his or her license has been revoked or suspended by the Health Division.

2. It is sufficient in such action to allege that the defendant did, on a certain date and in a certain place, operate and maintain such a facility without a license.

Sec. 11. NRS 449.230 is hereby amended to read as follows:

449.230 1. Any authorized member or employee of the Health Division may enter and inspect any building or premises at any time to secure compliance with or prevent a violation of any provision of NRS 449.001 to 449.245, inclusive ~~§~~, *and sections 2 and 3 of this act*.

2. The State Fire Marshal or a designee of the State Fire Marshal shall, upon receiving a request from the Health Division or a written complaint concerning compliance with the plans and requirements to respond to an emergency adopted pursuant to subsection 9 of NRS 449.037:



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- 1 (a) Enter and inspect a residential facility for groups; and
- 2 (b) Make recommendations regarding the adoption of plans and
- 3 requirements pursuant to subsection 9 of NRS 449.037,
- 4 ➔ to ensure the safety of the residents of the facility in an
- 5 emergency.

6 3. The State Health Officer or a designee of the State Health
7 Officer shall enter and inspect at least annually each building or the
8 premises of a residential facility for groups to ensure compliance
9 with standards for health and sanitation.

10 4. An authorized member or employee of the Health Division
11 shall enter and inspect any building or premises operated by a
12 residential facility for groups within 72 hours after the Health
13 Division is notified that a residential facility for groups is operating
14 without a license.

15 **Sec. 12.** NRS 449.235 is hereby amended to read as follows:

16 449.235 ~~[Every]~~ *In addition to any inspection required*
17 *pursuant to section 3 of this act, every* medical facility or facility
18 for the dependent may be inspected at any time, with or without
19 notice, as often as is necessary by:

20 1. The Health Division to ensure compliance with all
21 applicable regulations and standards; and

22 2. Any person designated by the Aging and Disability Services
23 Division of the Department of Health and Human Services to
24 investigate complaints made against the facility.

25 **Sec. 13.** NRS 449.240 is hereby amended to read as follows:

26 449.240 The district attorney of the county in which the facility
27 is located shall, upon application by the Health Division, institute
28 and conduct the prosecution of any action for violation of any
29 provisions of NRS 449.001 to 449.245, inclusive ~~[]~~, *and sections 2*
30 *and 3 of this act.*

31 **Sec. 14.** NRS 449.2493 is hereby amended to read as follows:

32 449.2493 ~~[The]~~ *In addition to any inspection required*
33 *pursuant to section 3 of this act, the* Health Division and the Aging
34 and Disability Services Division of the Department of Health and
35 Human Services may:

36 1. Investigate any complaints against a home for individual
37 residential care and, when conducting such an investigation, may
38 inspect the home during normal business hours, with or without
39 notice.

40 2. Report to an appropriate state or local agency any violations
41 of state or local laws or regulations discovered during an
42 investigation conducted pursuant to this section.



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- 1 **Sec. 15.** This act becomes effective upon passage and approval
2 for the purpose of adopting regulations and on October 1, 2011, for
3 all other purposes.

