

SENATE BILL NO. 338—SENATORS BREEDEN AND WIENER

MARCH 21, 2011

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions relating to reports of certain medical and related facilities. (BDR 40-261)

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 certain facilities for skilled nursing to submit information to the secure, Internet-based surveillance system established by the Division of Healthcare Quality Promotion of the Centers for Disease Control and Prevention of the United States Department of Health and Human Services; requiring reports and publication of certain information relating to the readmission of patients who received care in hospitals; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 1 of this bill requires each facility for skilled nursing which provided medical services and care to an average of 25 or more patients during each business day in the immediately preceding calendar year to participate in the secure, Internet-based surveillance system established by the Division of Healthcare Quality Promotion of the Centers for Disease Control and Prevention of the United States Department of Health and Human Services. **Section 1** also provides that other facilities for skilled nursing may participate in the system. **Section 1** additionally authorizes the Health Division of the Department of Health and Human Services to report the information submitted to the system by all medical and skilled nursing facilities.

Sections 2 and 3 of this bill require hospitals to submit, as part of the program to increase public awareness of health care information, data relating to the readmission of a patient if the readmission was preventable and related to the initial treatment received by the patient. **Section 4** of this bill requires the Department of Health and Human Services to post that information on an Internet website. Existing law authorizes the Department to seek injunctive relief or civil penalties against facilities that violate the reporting requirements. (NRS 439A.300, 439A.310)



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

- 1 **Section 1.** NRS 439.847 is hereby amended to read as follows:
2 439.847 1. Each medical facility *and facility for skilled*
3 *nursing* which provided medical services and care to an average of
4 25 or more patients during each business day in the immediately
5 preceding calendar year shall, within 120 days after becoming
6 eligible, participate in the secure, Internet-based surveillance system
7 established by the Division of Healthcare Quality Promotion of the
8 Centers for Disease Control and Prevention of the United States
9 Department of Health and Human Services that integrates patient
10 and health care personnel safety surveillance systems. As part of
11 that participation, the medical facility *or facility for skilled nursing*
12 shall provide, at a minimum, the information required by the Health
13 Division pursuant to this subsection. The Health Division shall by
14 regulation prescribe the information which must be provided by a
15 medical facility ~~H~~ *or facility for skilled nursing*, including, without
16 limitation, information relating to infections and procedures.
- 17 2. Each medical facility *or facility for skilled nursing* which
18 provided medical services and care to an average of less than 25
19 patients during each business day in the immediately preceding
20 calendar year may participate in the secure, Internet-based
21 surveillance system established by the Division of Healthcare
22 Quality Promotion of the Centers for Disease Control and
23 Prevention of the United States Department of Health and Human
24 Services that integrates patient and health care personnel safety
25 surveillance systems.
- 26 3. A medical facility *or facility for skilled nursing* that
27 participates in the secure, Internet-based surveillance system
28 established by the Division of Healthcare Quality Promotion shall
29 ~~authorize~~ :
30 (a) *Authorize* the Health Division to access all information
31 submitted to the system ~~[, and the Health Division shall enter into an~~
32 ~~agreement with the Division of Healthcare Quality Promotion to~~
33 ~~carry out the provisions of this section.] ; and~~
34 (b) *Provide consent for the Health Division to prepare and post*
35 *reports pursuant to paragraph (b) of subsection 4, including,*
36 *without limitation, permission to identify the medical facility or*
37 *facility for skilled nursing that is the subject of each report.*
- 38 4. The Health Division ~~shall~~ :
39 (a) *Shall* analyze the information submitted to the system by
40 medical facilities *and facilities for skilled nursing* pursuant to this
41 section and recommend regulations and legislation relating to the
42 reporting required pursuant to NRS 439.800 to 439.890, inclusive.



(b) May prepare a report of the information submitted to the system by each medical facility and facility for skilled nursing pursuant to this section and provide the reports for inclusion on the Internet website maintained pursuant to NRS 439A.270. If such reports are prepared, the information must be reported in a manner that allows a person to compare the information for the medical facilities and for facilities for skilled nursing.

(c) Shall enter into an agreement with the Division of Healthcare Quality Promotion to carry out the provisions of this section.

5. As used in this section, "facility for skilled nursing" has the meaning ascribed to it in NRS 449.0039.

Sec. 2. NRS 439A.220 is hereby amended to read as follows:

439A.220 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) Inpatients and outpatients of each hospital in this State as reported in the forms submitted pursuant to NRS 449.485;

(b) The quality of care provided by each hospital in this State as determined by applying uniform measures of quality prescribed by the Department pursuant to NRS 439A.230;

(c) How consistently each hospital follows recognized practices to prevent the infection of patients, to speed the recovery of patients and to avoid medical complications of patients;

(d) For each hospital, the total number of patients discharged, the average length of stay and the average billed charges, reported for the 50 most frequent diagnosis-related groups for inpatients and 50 medical treatments for outpatients that the Department determines are most useful for consumers; ~~and~~

(e) *The total number of patients discharged from the hospital who were subsequently readmitted to a medical facility for treatment or care which was preventable and was related to a medical treatment originally provided at the hospital and the average length of stay for those readmissions; and*

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

(1) Useful to consumers;

(2) Nationally recognized; and

(3) Reported in a standard and reliable manner.



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3. As used in this section, "diagnosis-related group" means groupings of medical diagnostic categories used as a basis for hospital payment schedules by Medicare and other third-party health care plans.

Sec. 3. NRS 439A.230 is hereby amended to read as follows:

439A.230 1. The Department shall, by regulation:

(a) Prescribe the information that each hospital in this State must submit to the Department for the program established pursuant to NRS 439A.220.

(b) Prescribe the measures of quality for hospitals that are required pursuant to paragraph (b) of subsection 2 of NRS 439A.220. In adopting the regulations, the Department shall:

(1) Use the measures of quality endorsed by the Agency for Healthcare Research and Quality, the National Quality Forum, Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services, a quality improvement organization of the Centers for Medicare and Medicaid Services and the Joint Commission ; ~~for Accreditation of Healthcare Organizations;~~

(2) Prescribe a reasonable number of measures of quality which must not be unduly burdensome on the hospitals; and

(3) Take into consideration the financial burden placed on the hospitals to comply with the regulations.

➤ The measures prescribed pursuant to this paragraph must report health outcomes of hospitals, which do not necessarily correlate with the inpatient diagnosis-related groups or the outpatient treatments that are posted on the Internet website pursuant to NRS 439A.270.

(c) *Prescribe the manner in which a hospital must determine whether the readmission of a patient must be reported pursuant to NRS 439A.220 and the form for submission of such information.*

(d) Require each hospital to:

(1) Provide the information prescribed in paragraphs (a) , ~~and~~ (b) *and (c)* in the format required by the Department; and

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

2. The information required pursuant to this section and NRS 439A.220 must be submitted to the Department not later than 45 days after the last day of each calendar month.

3. If a hospital fails to submit the information required pursuant to this section or NRS 439A.220 or submits information that is incomplete or inaccurate, the Department shall send a notice of such failure to the hospital and to the Health Division of the Department.



Sec. 4. NRS 439A.270 is hereby amended to read as follows:

439A.270 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 and surgical centers for ambulatory patients in this State as required by the programs established pursuant to NRS 439A.220 and 439A.240. The information must:

(a) Include, for each hospital in this State, the ~~total~~ :

(1) Total number of patients discharged, the average length of stay and the average billed charges, reported for the 50 most frequent diagnosis-related groups for inpatients and 50 medical treatments for outpatients that the Department determines are most useful for consumers; and

(2) Total number of readmissions reported pursuant to NRS 439A.220 and the average length of stay of those readmissions, reported by the diagnosis-related group for inpatients and the medical treatments for outpatients for which the patient originally received treatment at the hospital;

(b) Include, for each surgical center for ambulatory patients in this State, the total number of patients discharged and the average billed charges, reported for 50 medical treatments for outpatients that the Department determines are most useful for consumers;

(c) Be presented in a manner that 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 treatment;

(d) Be presented in a manner that allows a person to view and compare the information for the surgical centers for ambulatory patients by:

(1) Geographic location of each surgical center for ambulatory patients;

(2) Type of medical diagnosis; and

(3) Type of medical treatment;

(e) Be presented in a manner that allows a person to view and compare the information separately for:

(1) The inpatients and outpatients of each hospital; and

(2) The outpatients of each surgical center for ambulatory patients;

(f) Be readily accessible and understandable by a member of the general public;

(g) Include the annual summary of reports of sentinel events prepared pursuant to paragraph (d) of subsection 1 of NRS 439.840;

~~and~~



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(h) *Include any reports of information prepared for a medical facility or facility for skilled nursing pursuant to paragraph (b) of subsection 4 of NRS 439.847; and*

(i) Provide any other information relating to the charges imposed and the quality of the services provided by the hospitals and surgical centers for ambulatory patients in this State which the Department determines is:

- (1) Useful to consumers;
- (2) Nationally recognized; and
- (3) Reported in a standard and reliable manner.

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;

(f) Provide on the Internet website established pursuant to this section a link to the Internet website of the Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services; and

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

3. As used in this section, "diagnosis-related group" means groupings of medical diagnostic categories used as a basis for hospital payment schedules by Medicare and other third-party health care plans.

Sec. 5. The Department of Health and Human Services shall adopt the regulations necessary to carry out the provisions of this act on or before October 1, 2011.

Sec. 6. This act becomes effective upon passage and approval for purposes of adopting regulations and on October 1, 2011, for all other purposes.

