

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 requires the Health Division of the Department of Health and Human Services to report the information submitted to the system by all medical facilities on or after October 15, 2010, and skilled nursing facilities on or after January 1, 2012 and include the reports on the Internet website maintained by the Department.

**Section 2** of this bill requires hospitals to submit, as part of the program to increase public awareness of health care information, data relating to potentially preventable readmissions. **Section 1.5** of this bill defines a potentially preventable readmission as an unplanned readmission which occurs not more than 30 days after a patient was discharged and which is clinically related to the initial admission and was preventable. **Section 4** of this bill requires the Department of Health and Human Services to post that information on an Internet website. Existing law



19 authorizes the Department to seek injunctive relief or civil penalties against  
20 facilities that violate the reporting requirements. (NRS 439A.300, 439A.310)

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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 ~~[.]~~ *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.] by:~~

34     ~~(1) A medical facility, on or after October 15, 2010; and~~  
35     ~~(2) A facility for skilled nursing, on or after January 1,~~  
36 *2012; and*

37     ~~(b) Provide consent for the Health Division to prepare and post~~  
38 *reports pursuant to paragraph (b) of subsection 4, including,*



1 *without limitation, permission to identify the medical facility or*  
2 *facility for skilled nursing that is the subject of each report:*

3 *(1) For a medical facility, on or after October 15, 2010; and*

4 *(2) For a facility for skilled nursing, on or after January 1,*  
5 *2012.*

6 4. The Health Division ~~[shall]~~ :

7 *(a) Shall* analyze the information submitted to the system by  
8 medical facilities *and facilities for skilled nursing* pursuant to this  
9 section and recommend regulations and legislation relating to the  
10 reporting required pursuant to NRS 439.800 to 439.890, inclusive.

11 *(b) Shall prepare a report of the information submitted to the*  
12 *system by each medical facility and each facility for skilled*  
13 *nursing pursuant to this section and provide the reports for*  
14 *inclusion on the Internet website maintained by the Department.*  
15 *The information must be reported in a manner that allows a*  
16 *person to compare the information for the medical facilities and*  
17 *for the facilities for skilled nursing.*

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

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

23 **Sec. 1.5.** Chapter 439A of NRS is hereby amended by adding  
24 thereto a new section to read as follows:

25 *"Potentially preventable readmission" means an unplanned*  
26 *readmission of a patient which:*

27 1. *Occurs not more than 30 days after the patient is*  
28 *discharged;*

29 2. *Is clinically related to the initial admission; and*

30 3. *Was preventable.*

31 **Sec. 1.7.** NRS 439A.200 is hereby amended to read as  
32 follows:

33 439A.200 As used in NRS 439A.200 to 439A.290, inclusive,  
34 *and section 1.5 of this act*, unless the context otherwise requires, the  
35 words and terms defined in NRS 439A.205 and 439A.210 *and*  
36 *section 1.5 of this act* have the meanings ascribed to them in those  
37 sections.

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

39 439A.220 1. The Department shall establish and maintain a  
40 program to increase public awareness of health care information  
41 concerning the hospitals in this State. The program must be  
42 designed to assist consumers with comparing the quality of care  
43 provided by the hospitals in this State and the charges for that care.

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



\* S B 3 3 8 R 1 \*

(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 and the total number of potentially preventable readmissions, which must be expressed as a rate of occurrence of potentially preventable readmissions and the average length of stay for those potentially preventable 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.

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.** (Deleted by amendment.)

**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 potentially preventable readmissions reported pursuant to NRS 439A.220, the rate of occurrence of potentially preventable readmissions and the average length of*



1 *stay of those potentially preventable readmissions, reported by the*  
2 *diagnosis-related group for inpatients for which the patient*  
3 *originally received treatment at the hospital;*

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

8 (c) Be presented in a manner that allows a person to view and  
9 compare the information for the hospitals by:

- 10 (1) Geographic location of each hospital;  
11 (2) Type of medical diagnosis; and  
12 (3) Type of medical treatment;

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

- 16 (1) Geographic location of each surgical center for  
17 ambulatory patients;  
18 (2) Type of medical diagnosis; and  
19 (3) Type of medical treatment;

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

- 22 (1) The inpatients and outpatients of each hospital; and  
23 (2) The outpatients of each surgical center for ambulatory  
24 patients;

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

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

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

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

37 2. The Department shall:

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

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

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

43 (d) Ensure that the information *reported by a hospital or*  
44 *surgical center for ambulatory patients for inpatients and*  
45 *outpatients which is* contained on the Internet website is



~~{aggregated}~~ *expressed as a total number and as a rate, and must be reported in a manner* so as not to reveal the identity of a specific inpatient or outpatient of a hospital ~~{:}~~ *or surgical center for ambulatory patients;*

(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 January 1, 2012.

**Sec. 6.** This act becomes effective upon passage and approval for purposes of adopting regulations and on January 1, 2012, for all other purposes.

