

SENATE BILL NO. 340—SENATOR HARDY

MARCH 18, 2013

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions relating to the delivery of health care. (BDR 40-595)

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 health care; providing in skeleton form for the creation of a patient-centered medical home program; revising provisions relating to medical records; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Sections 2-12 of this bill provide in skeleton form for the creation of a Patient-Centered Medical Home Program within the Department of Health and Human Services. **Section 10** of this bill requires the Director of the Department to administer the Program and to adopt regulations to establish certain standards and processes relating to the Program. **Section 11** of this bill allows an insurer which participates in the Program: (1) to pay a patient-centered medical home that participates in the Program for the coordination of care for insureds; (2) to pay incentives to a patient-centered medical home that participates in the Program; and (3) if authorized by an insured, to share information about the insured with a patient-centered medical home and any other practitioner or health facility that provides health services to the insured. **Section 12** of this bill requires the Director to evaluate the effectiveness of the Program and report on the effectiveness of the program to the Legislature on or before January 1, 2019. **Section 15** of this bill provides that the Program expires by limitation on June 30, 2019.

Existing law requires a provider of health care, including a facility that maintains the health care records of patients, to make the health care records of a patient available for inspection in certain circumstances. (NRS 629.021, 629.061) **Section 13** of this bill: (1) extends the period of time within which a provider of health care must make health care records available for inspection; and (2) absolves certain providers of health care who have transferred custody of a health care record to a facility that maintains the health care records of patients from the requirement to make the health care record available for inspection. **Section 14** of this bill repeals a provision making it a misdemeanor for a physician licensed pursuant to chapter 630 of NRS to willfully fail or refuse to comply with this requirement.



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 12, inclusive, of this act.

Sec. 2. *As used in sections 2 to 12, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 8, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. *"Federally qualified health center" has the meaning ascribed to it in 42 U.S.C. § 254B.*

Sec. 4. *"Insured" means a person who is covered under a policy of health insurance sold by an insurer.*

Sec. 5. *"Insurer" means a person who is licensed to offer policies of health insurance pursuant to title 57 of NRS.*

Sec. 6. *"Patient-centered medical home" means a primary care practice organized to provide a first, coordinated, ongoing and comprehensive source of care to insureds to:*

1. Foster a partnership with an insured;

2. Coordinate health care services for an insured; and

3. Exchange medical information with insurers, other providers of health services and insureds.

Sec. 7. *"Primary care practice" means a federally qualified health center or a business where health services are provided by one or more nurse practitioners or one or more physicians who are licensed pursuant to chapter 630 or 633 of NRS and who practice in the area of family practice, internal medicine or pediatrics.*

Sec. 8. *"Program" means the Patient-Centered Medical Home Program created pursuant to section 9 of this act.*

Sec. 9. 1. *There is hereby created within the Department the Patient-Centered Medical Home Program.*

2. *The Program shall encourage the development of patient-centered medical homes and adopt standards to encourage insurers to provide coverage for health services provided to insureds by patient-centered medical homes.*

Sec. 10. 1. *The Director or his or her designee shall administer the Program.*

2. *The Director or his or her designee shall adopt regulations to establish:*

(a) Standards for the qualification and operation of a patient-centered medical home;



1 (b) Standards for the payment of claims by an insurer for
2 health services received by an insured at a patient-centered
3 medical home;

4 (c) Standards for any incentive that may be provided by an
5 insurer to a patient-centered medical home;

6 (d) A method to measure the effectiveness of a patient-centered
7 medical home;

8 (e) A process for insureds of an insurer participating in the
9 Program to choose whether to receive health services from a
10 patient-centered medical home; and

11 (f) A process for insurers and patient-centered medical homes
12 to choose to participate in the Program.

13 3. In adopting regulations pursuant to this section, the
14 Director or his or her designee shall:

15 (a) Ensure that the Program is operated in the public interest
16 and in such a manner as to promote the efficient and effective
17 provision of health services;

18 (b) Consider the use of health information technology,
19 including electronic medical records;

20 (c) Consider the relationship between the patient-centered
21 medical home and other practitioners and health facilities;

22 (d) Consider the ability of a patient-centered medical home to
23 foster a partnership with an insured and provide services to an
24 insured in a timely manner; and

25 (e) Consider the use of comprehensive management of
26 medication to improve outcomes.

27 **Sec. 11. 1. Notwithstanding any provision of law to the**
28 **contrary, an insurer who participates in the Program may:**

29 (a) Pay a patient-centered medical home that participates in
30 the Program for services associated with the coordination of care
31 for any health services provided to an insured;

32 (b) Pursuant to the regulations adopted pursuant to section 10
33 of this act, pay an incentive to a patient-centered medical home
34 that participates in the Program; and

35 (c) Subject to the provisions of subsection 2, share health care
36 records and other related information about an insured who has
37 chosen to receive services from a patient-centered medical home
38 that participates in the Program with the patient-centered medical
39 home and any other practitioner or health facility that provides
40 health services to the insured.

41 2. An insurer, a patient-centered medical home and any other
42 practitioner or health facility may only share health care records
43 and other related information about an insured with each other if
44 the insured authorizes them to share such information. An
45 authorization to share information pursuant to this subsection:



(a) Must be made on a form prescribed by the Director or his or her designee that is signed by the insured;

(b) Expires 1 year after the date on which the insured signed the form; and

(c) May be renewed.

3. As used in this section, "health care records" has the meaning ascribed to it in NRS 629.021.

Sec. 12. 1. On or before January 1, 2019, the Director or his or her designee shall:

(a) Conduct an evaluation of the effectiveness of the Program; and

(b) Submit a written report compiling the results of the evaluation of the Program to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature.

2. The evaluation must include information relating to the effects of the Program on:

(a) The costs and outcomes of health care;

(b) The delivery of health care;

(c) The quality of processes for the delivery of health care;

(d) Access to services for the coordination of health care;

(e) Whether the enhanced payments allowed under the Program are adequate for the expanded services provided by a patient-centered medical home;

(f) The satisfaction of insureds with the quality and delivery of health care;

(g) The satisfaction of practitioners with the quality and delivery of health care; and

(h) Any disparities in the ability of different groups of persons to obtain health care.

Sec. 13. NRS 629.061 is hereby amended to read as follows:

629.061 1. ~~Each~~ Except as otherwise provided in subsection 8, each provider of health care shall make the health care records of a patient available for physical inspection by:

(a) The patient or a representative with written authorization from the patient;

(b) The personal representative of the estate of a deceased patient;

(c) Any trustee of a living trust created by a deceased patient;

(d) The parent or guardian of a deceased patient who died before reaching the age of majority;

(e) An investigator for the Attorney General or a grand jury investigating an alleged violation of NRS 200.495, 200.5091 to 200.50995, inclusive, or 422.540 to 422.570, inclusive;



(f) An investigator for the Attorney General investigating an alleged violation of NRS 616D.200, 616D.220, 616D.240 or 616D.300 to 616D.440, inclusive, or any fraud in the administration of chapter 616A, 616B, 616C, 616D or 617 of NRS or in the provision of benefits for industrial insurance; or

(g) Any authorized representative or investigator of a state licensing board during the course of any investigation authorized by law.

➔ The records must be made available at a place within the depository convenient for physical inspection. If the records are located within this State, the provider shall make any records requested pursuant to this section available for inspection within ~~15~~ **15** working days after the request. If the records are located outside this State, the provider shall make any records requested pursuant to this section available in this State for inspection within ~~10~~ **20** working days after the request.

2. Except as otherwise provided in subsection 3, the provider of health care shall also furnish a copy of the records to each person described in subsection 1 who requests it and pays the actual cost of postage, if any, the costs of making the copy, not to exceed 60 cents per page for photocopies and a reasonable cost for copies of X-ray photographs and other health care records produced by similar processes. No administrative fee or additional service fee of any kind may be charged for furnishing such a copy.

3. The provider of health care shall also furnish a copy of any records that are necessary to support a claim or appeal under any provision of the Social Security Act, 42 U.S.C. §§ 301 et seq., or under any federal or state financial needs-based benefit program, without charge, to a patient, or a representative with written authorization from the patient, who requests it, if the request is accompanied by documentation of the claim or appeal. A copying fee, not to exceed 60 cents per page for photocopies and a reasonable cost for copies of X-ray photographs and other health care records produced by similar processes, may be charged by the provider of health care for furnishing a second copy of the records to support the same claim or appeal. No administrative fee or additional service fee of any kind may be charged for furnishing such a copy. The provider of health care shall furnish the copy of the records requested pursuant to this subsection within 30 days after the date of receipt of the request, and the provider of health care shall not deny the furnishing of a copy of the records pursuant to this subsection solely because the patient is unable to pay the fees established in this subsection.



4. Each person who owns or operates an ambulance in this State shall make the records regarding a sick or injured patient available for physical inspection by:

(a) The patient or a representative with written authorization from the patient;

(b) The personal representative of the estate of a deceased patient;

(c) Any trustee of a living trust created by a deceased patient;

(d) The parent or guardian of a deceased patient who died before reaching the age of majority; or

(e) Any authorized representative or investigator of a state licensing board during the course of any investigation authorized by law.

➔ The records must be made available at a place within the depository convenient for physical inspection, and inspection must be permitted at all reasonable office hours and for a reasonable length of time. The person who owns or operates an ambulance shall also furnish a copy of the records to each person described in this subsection who requests it and pays the actual cost of postage, if any, and the costs of making the copy, not to exceed 60 cents per page for photocopies. No administrative fee or additional service fee of any kind may be charged for furnishing a copy of the records.

5. Records made available to a representative or investigator must not be used at any public hearing unless:

(a) The patient named in the records has consented in writing to their use; or

(b) Appropriate procedures are utilized to protect the identity of the patient from public disclosure.

6. Subsection 5 does not prohibit:

(a) A state licensing board from providing to a provider of health care or owner or operator of an ambulance against whom a complaint or written allegation has been filed, or to his or her attorney, information on the identity of a patient whose records may be used in a public hearing relating to the complaint or allegation, but the provider of health care or owner or operator of an ambulance and the attorney shall keep the information confidential.

(b) The Attorney General from using health care records in the course of a civil or criminal action against the patient or provider of health care.

7. A provider of health care or owner or operator of an ambulance and his or her agents and employees are immune from any civil action for any disclosures made in accordance with the provisions of this section or any consequential damages.

8. *A provider of health care described in subsection 1 of NRS 629.031 who has transferred custody of a health care record to a*



facility that maintains the health care records of patients is not required to perform any other action to comply with the requirements of this section unless the person is notified by the facility that additional information is required by the facility to comply with the requirements of this section.

9. For the purposes of this section:

(a) "Guardian" means a person who has qualified as the guardian of a minor pursuant to testamentary or judicial appointment, but does not include a guardian ad litem.

(b) "Living trust" means an inter vivos trust created by a natural person:

(1) Which was revocable by the person during the lifetime of the person; and

(2) Who was one of the beneficiaries of the trust during the lifetime of the person.

(c) "Parent" means a natural or adoptive parent whose parental rights have not been terminated.

(d) "Personal representative" has the meaning ascribed to it in NRS 132.265.

Sec. 14. NRS 630.405 is hereby repealed.

Sec. 15. 1. This section becomes effective upon passage and approval.

2. Sections 13 and 14 of this act become effective on October 1, 2013.

3. Sections 1 to 12, inclusive, of this act become effective:

(a) Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On January 1, 2014, for all other purposes.

4. Sections 1 to 12, inclusive, of this act expire by limitation on June 30, 2019.

TEXT OF REPEALED SECTION

630.405 Penalty for failure to make records concerning health care available for inspection or copying. A physician licensed pursuant to this chapter who willfully fails or refuses to make the health care records of a patient available for physical inspection or copying as provided in NRS 629.061 is guilty of a misdemeanor.

