

(Reprinted with amendments adopted on May 20, 2019)

SECOND REPRINT

S.B. 457

SENATE BILL NO. 457—COMMITTEE ON
HEALTH AND HUMAN SERVICES

MARCH 25, 2019

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions relating to health care facilities.
(BDR 40-1143)

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 reporting of a death at certain facilities and homes as a sentinel event; requiring the posting on the Internet of certain information concerning facilities and programs for the treatment of the abuse of alcohol or drugs; prohibiting certain false or misleading practices by or on behalf of providers of and facilities for treatment of the abuse of alcohol or drugs and alcohol and drug abuse programs; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law defines the term "sentinel event" to refer to certain events that take place at certain medical facilities. Existing law also requires such medical facilities to report to the Division of Public and Behavioral Health of the Department of Health and Human Services the date, time and a brief description of each sentinel event that occurs at the medical facilities. (NRS 439.830, 439.835) **Section 5** of this bill additionally includes any death at a medical facility, facility for the dependent or home operated by a provider of community-based living arrangement services within the definition of the term "sentinel event." **Section 6** of this bill requires any such facility to report to the Division the date, time and a brief description of each sentinel event, including each death, that occurs at the facility. **Sections 3, 4, 6-12 and 14-17** of this bill broaden the applicability of provisions governing the reporting and investigation of sentinel events to apply to all medical facilities, facilities for the dependent and homes operated by providers of community-based living arrangement services. **Section 7** of this bill provides that a health facility is not required to investigate a death confirmed to have resulted from natural causes. **Section 7** also provides that certain facilities that care for elderly or terminally ill



* S B 4 5 7 R 2 *

persons are not required to investigate a death that appears to have resulted from natural causes. **Sections 1, 2, 5 and 13** of this bill make conforming changes.

Existing law requires the Division to post on an Internet website maintained by the Division certain ratings assigned to medical facilities and facilities for the dependent. (NRS 449.1825) **Section 18** of this bill additionally requires the Division to compile and post on an Internet website maintained by the Division information concerning the licensing status and quality of: (1) facilities for the treatment of abuse of alcohol or drugs; (2) halfway houses for recovering alcohol and drug abusers; (3) medical facilities that provide treatment for the abuse of alcohol or drugs; and (4) unlicensed programs for the treatment of alcohol or drugs. **Sections 19-24 and 27** of this bill make conforming changes.

Existing law authorizes the Division to enforce provisions governing alcohol and drug abuse programs, alcohol and drug treatment facilities and providers of treatment for the abuse of alcohol or drugs. (NRS 458.110) **Section 25** of this bill prohibits a treatment provider, facility or operator of an alcohol and drug abuse program, or a person who provides any form of advertising or marketing services on their behalf, from making or providing false or misleading statements about the alcohol and drug abuse services and from engaging in certain other practices. **Section 25** makes a violation of those provisions a misdemeanor. **Section 22** of this bill additionally authorizes the Division to take action against the license of a treatment program, facility or operator who is licensed pursuant to chapter 449 of NRS for a violation of those provisions. **Section 26** of this bill authorizes the Division to take any other action necessary to enforce those provisions.

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

Section 1. Chapter 439 of NRS is hereby amended by adding thereto a new section to read as follows:

“Health facility” means:

1. Any facility licensed by the Division pursuant to chapter 449 of NRS; and

2. A home operated by a provider of community-based living arrangement services, as defined in NRS 433.605.

Sec. 2. NRS 439.800 is hereby amended to read as follows:

439.800 As used in NRS 439.800 to 439.890, inclusive, ***and section 1 of this act***, unless the context otherwise requires, the words and terms defined in NRS 439.802 to 439.830, inclusive, ***and section 1 of this act*** have the meanings ascribed to them in those sections.

Sec. 3. NRS 439.810 is hereby amended to read as follows:

439.810 “Patient” means a person who:

1. Is admitted to a ~~medical~~ ***health*** facility for the purpose of receiving treatment;

2. Resides in a ~~medical~~ ***health*** facility; or

3. Receives treatment from a provider of health care.



1 **Sec. 4.** NRS 439.815 is hereby amended to read as follows:
2 439.815 “Patient safety officer” means a person who is
3 designated as such by a ~~medical~~ *health* facility pursuant to
4 NRS 439.870.

5 **Sec. 5.** NRS 439.830 is hereby amended to read as follows:
6 439.830 1. Except as otherwise provided in subsection 2,
7 “sentinel event” means ~~an~~ :

8 (a) An event included in Appendix A of “Serious Reportable
9 Events in Healthcare--2011 Update: A Consensus Report,”
10 published by the National Quality Forum ~~is~~; or

11 (b) *Any death that occurs in a health facility.*

12 2. If the publication described in subsection 1 is revised, the
13 term “sentinel events” ~~means~~ *includes, without limitation, the*
14 *events included on* the most current version of the list of serious
15 reportable events published by the National Quality Forum as it
16 exists on the effective date of the revision which is deemed to be:

17 (a) January 1 of the year following the publication of the
18 revision if the revision is published on or after January 1 but before
19 July 1 of the year in which the revision is published; or

20 (b) July 1 of the year following the publication of the revision if
21 the revision is published on or after July 1 of the year in which the
22 revision is published but before January 1 of the year after the
23 revision is published.

24 3. If the National Quality Forum ceases to exist, the most
25 current version of the list shall be deemed to be the last version of
26 the publication in existence before the National Quality Forum
27 ceased to exist.

28 **Sec. 6.** NRS 439.835 is hereby amended to read as follows:
29 439.835 1. Except as otherwise provided in subsection 2:

30 (a) A person who is employed by a ~~medical~~ *health* facility
31 shall, within 24 hours after becoming aware of a sentinel event that
32 occurred at the ~~medical~~ *health* facility, notify the patient safety
33 officer of the facility of the sentinel event; and

34 (b) The patient safety officer shall, within 13 days after
35 receiving notification pursuant to paragraph (a), report the date, the
36 time and a brief description of the sentinel event to:

37 (1) The Division; and

38 (2) The representative designated pursuant to NRS 439.855,
39 if that person is different from the patient safety officer.

40 2. If the patient safety officer of a ~~medical~~ *health* facility
41 personally discovers or becomes aware, in the absence of
42 notification by another employee, of a sentinel event that occurred at
43 the ~~medical~~ *health* facility, the patient safety officer shall, within
44 14 days after discovering or becoming aware of the sentinel event,
45 report the date, time and brief description of the sentinel event to:



(a) The Division; and
(b) The representative designated pursuant to NRS 439.855, if that person is different from the patient safety officer.

3. The State Board of Health shall prescribe the manner in which reports of sentinel events must be made pursuant to this section.

Sec. 7. NRS 439.837 is hereby amended to read as follows:
439.837 ~~[A-medical]~~

1. Except as otherwise provided in subsections 2 and 3, a health facility shall, upon reporting a sentinel event pursuant to NRS 439.835, conduct an investigation or cause an investigation to be conducted concerning the causes or contributing factors, or both, of the sentinel event and implement a plan to remedy the causes or contributing factors, or both, of the sentinel event.

2. A health facility is not required to take the actions described in subsection 1 concerning a death confirmed to have resulted from natural causes.

3. A residential facility for groups, home for individual residential care or facility for hospice care is not required to take the actions described in subsection 1 concerning a death that appears to have resulted from natural causes.

4. As used in this section:

(a) "Facility for hospice care" has the meaning ascribed to it in NRS 449.0033.

(b) "Home for individual residential care" has the meaning ascribed to it in NRS 449.0105.

(c) "Residential facility for groups" has the meaning ascribed to it in NRS 449.017.

Sec. 8. NRS 439.840 is hereby amended to read as follows:
439.840 1. The Division shall:

(a) Collect and maintain reports received pursuant to NRS 439.835 and 439.843 and any additional information requested by the Division pursuant to NRS 439.841;

(b) Ensure that such reports, and any additional documents created from such reports, are protected adequately from fire, theft, loss, destruction and other hazards and from unauthorized access;

(c) Annually prepare a report of sentinel events reported pursuant to NRS 439.835 by a ~~[medical]~~ health facility, including, without limitation, the type of event, the number of events, the rate of occurrence of events, and the ~~[medical]~~ health facility which reported the event, and provide the report for inclusion on the Internet website maintained pursuant to NRS 439A.270; and

(d) Annually prepare a summary of the reports received pursuant to NRS 439.835 and provide a summary for inclusion on the Internet website maintained pursuant to NRS 439A.270. The



1 Division shall maintain the confidentiality of the patient, the
2 provider of health care or other member of the staff of the ~~medical~~
3 **health** facility identified in the reports submitted pursuant to NRS
4 439.835 when preparing the annual summary pursuant to this
5 paragraph.

6 2. Except as otherwise provided in this section and NRS
7 239.0115, reports received pursuant to NRS 439.835 and subsection
8 1 of NRS 439.843 and any additional information requested by the
9 Division pursuant to NRS 439.841 are confidential, not subject to
10 subpoena or discovery and not subject to inspection by the general
11 public.

12 3. The report prepared pursuant to paragraph (c) of subsection
13 1 must provide to the public information concerning each ~~medical~~
14 **health** facility which provided medical services and care in the
15 immediately preceding calendar year and must:

16 (a) Be presented in a manner that allows a person to view and
17 compare the information for the ~~medical~~ **health** facilities;

18 (b) Be readily accessible and understandable by a member of the
19 general public;

20 (c) Use standard statistical methodology, including without
21 limitation, risk-adjusted methodology when applicable, and include
22 the description of the methodology and data limitations contained in
23 the report;

24 (d) Not identify a patient, provider of health care or other
25 member of the staff of the ~~medical~~ **health** facility; and

26 (e) Not be reported for a ~~medical~~ **health** facility if reporting
27 the data would risk identifying a patient.

28 **Sec. 9.** NRS 439.841 is hereby amended to read as follows:

29 439.841 1. Upon receipt of a report pursuant to NRS
30 439.835, the Division may, as often as deemed necessary by the
31 Administrator to protect the health and safety of the public, request
32 additional information regarding the sentinel event or conduct an
33 audit or investigation of the ~~medical~~ **health** facility.

34 2. A ~~medical~~ **health** facility shall provide to the Division any
35 information requested in furtherance of a request for information, an
36 audit or an investigation pursuant to this section.

37 3. If the Division conducts an audit or investigation pursuant to
38 this section, the Division shall, within 30 days after completing such
39 an audit or investigation, report its findings to the State Board of
40 Health.

41 4. A ~~medical~~ **health** facility which is audited or investigated
42 pursuant to this section shall pay to the Division the actual cost of
43 conducting the audit or investigation.



Sec. 10. NRS 439.843 is hereby amended to read as follows:

439.843 1. On or before March 1 of each year, each ~~medical~~ health facility shall provide to the Division, in the form prescribed by the State Board of Health, a summary of the reports submitted by the ~~medical~~ health facility pursuant to NRS 439.835 during the immediately preceding calendar year. The summary must include, without limitation:

(a) The total number and types of sentinel events reported by the ~~medical~~ health facility, if any;

(b) *For a medical facility:*

(1) A copy of the most current patient safety plan established pursuant to NRS 439.865; *and*

~~((e))~~ (2) A summary of the membership and activities of the patient safety committee established pursuant to NRS 439.875; and

~~((d))~~ (c) Any other information required by the State Board of Health concerning the reports submitted by the ~~medical~~ health facility pursuant to NRS 439.835.

2. On or before June 1 of each year, the Division shall submit to the State Board of Health an annual summary of the reports and information received by the Division pursuant to this section. The annual summary must include, without limitation, a compilation of the information submitted pursuant to subsection 1 and any other pertinent information deemed necessary by the State Board of Health concerning the reports submitted by the ~~medical~~ health facility pursuant to NRS 439.835. The Division shall maintain the confidentiality of the patient, the provider of health care or other member of the staff of the ~~medical~~ health facility identified in the reports submitted pursuant to NRS 439.835 and any other identifying information of a person requested by the State Board of Health concerning those reports when preparing the annual summary pursuant to this section.

3. The Department shall post on the Internet website maintained pursuant to NRS 439A.270 or any other website maintained by the Department a copy of the most current patient safety plan submitted by each ~~medical~~ health facility pursuant to subsection 1.

Sec. 11. NRS 439.845 is hereby amended to read as follows:

439.845 1. The Division shall analyze and report trends regarding sentinel events.

2. When the Division receives notice from a ~~medical~~ health facility that the ~~medical~~ health facility has taken corrective action to remedy the causes or contributing factors, or both, of a sentinel event, the Division shall:

(a) Make a record of the information;



(b) Ensure that the information is released in a manner so as not to reveal the identity of a specific patient, provider of health care or member of the staff of the facility; and

(c) At least quarterly, report its findings regarding the analysis of trends of sentinel events on the Internet website maintained pursuant to NRS 439A.270.

Sec. 12. NRS 439.855 is hereby amended to read as follows:

439.855 1. Each ~~medical~~ health facility that is located within this state shall designate a representative for the notification of patients who have been involved in sentinel events at that ~~medical~~ health facility.

2. A representative designated pursuant to subsection 1 shall, not later than 7 days after discovering or becoming aware of a sentinel event that occurred at the ~~medical~~ health facility, provide notice of that fact to each patient who was involved in that sentinel event.

3. The provision of notice to a patient pursuant to subsection 2 must not, in any action or proceeding, be considered an acknowledgment or admission of liability.

4. A representative designated pursuant to subsection 1 may or may not be the same person who serves as the facility's patient safety officer.

Sec. 13. NRS 439.860 is hereby amended to read as follows:

439.860 Any report, document and any other information compiled or disseminated pursuant to the provisions of NRS 439.800 to 439.890, inclusive, *and section 1 of this act* is not admissible in evidence in any administrative or legal proceeding conducted in this State.

Sec. 14. NRS 439.870 is hereby amended to read as follows:

439.870 1. A ~~medical~~ health facility shall designate an officer or employee of the facility to serve as the patient safety officer of the ~~medical~~ health facility.

2. The person who is designated as the patient safety officer of a ~~medical~~ health facility shall:

(a) ~~Serve on the patient safety committee.~~

~~(b)~~ Supervise the reporting of all sentinel events alleged to have occurred at the ~~medical~~ health facility, including, without limitation, performing the duties required pursuant to NRS 439.835.

~~(c)~~ (b) Take such action as he or she determines to be necessary to ensure the safety of patients as a result of an investigation of any sentinel event alleged to have occurred at the ~~medical~~ health facility.

~~(d)~~ (c) *If the health facility is a medical facility:*

(1) *Serve on the patient safety committee of the medical facility established pursuant to NRS 439.875; and*



(2) Report to the patient safety committee regarding any action taken in accordance with paragraph ~~(c)~~ (b).

Sec. 15. NRS 439.880 is hereby amended to read as follows:

439.880 No person is subject to any criminal penalty or civil liability for libel, slander or any similar cause of action in tort if the person, without malice:

1. Reports a sentinel event to a governmental entity with jurisdiction or another appropriate authority;

2. Notifies a governmental entity with jurisdiction or another appropriate authority of a sentinel event;

3. Transmits information regarding a sentinel event to a governmental entity with jurisdiction or another appropriate authority;

4. Compiles, prepares or disseminates information regarding a sentinel event to a governmental entity with jurisdiction or another appropriate authority; or

5. Performs any other act authorized pursuant to NRS 439.800 to 439.890, inclusive ~~(f)~~, and section 1 of this act.

Sec. 16. NRS 439.885 is hereby amended to read as follows:

439.885 1. If a ~~medical~~ health facility:

(a) Commits a violation of any provision of NRS 439.800 to 439.890, inclusive, and section 1 of this act or for any violation for which an administrative sanction pursuant to NRS 449.163 would otherwise be applicable; and

(b) Of its own volition, reports the violation to the Administrator,

↳ such a violation must not be used as the basis for imposing an administrative sanction pursuant to NRS 449.163.

2. If a ~~medical~~ health facility commits a violation of any provision of NRS 439.800 to 439.890, inclusive, and section 1 of this act and does not, of its own volition, report the violation to the Administrator, the Division may, in accordance with the provisions of subsection 3, impose an administrative sanction:

(a) For failure to report a sentinel event, in an amount not to exceed \$100 per day for each day after the date on which the sentinel event was required to be reported pursuant to NRS 439.835;

(b) For failure to adopt and implement a patient safety plan pursuant to NRS 439.865, in an amount not to exceed \$1,000 for each month in which a patient safety plan was not in effect; and

(c) For failure to establish a patient safety committee or failure of such a committee to meet pursuant to the requirements of NRS 439.875, in an amount not to exceed \$2,000 for each violation of that section.

3. Before the Division imposes an administrative sanction pursuant to subsection 2, the Division shall provide the ~~medical~~



1 **health** facility with reasonable notice. The notice must contain the
2 legal authority, jurisdiction and reasons for the action to be taken. If
3 a ~~medical~~ **health** facility wants to contest the action, the facility
4 may file an appeal pursuant to the regulations of the State Board of
5 Health adopted pursuant to NRS 449.165 and 449.170. Upon
6 receiving notice of an appeal, the Division shall hold a hearing in
7 accordance with those regulations.

8 4. An administrative sanction collected pursuant to this section
9 must be accounted for separately and used by the Division to
10 provide training and education to employees of the Division,
11 employees of ~~medical~~ **health** facilities and members of the general
12 public regarding issues relating to the provision of quality and safe
13 health care.

14 **Sec. 17.** NRS 439A.270 is hereby amended to read as follows:

15 439A.270 1. The Department shall establish and maintain an
16 Internet website that includes the information concerning the
17 charges imposed and the quality of the services provided by the
18 hospitals and surgical centers for ambulatory patients in this State as
19 required by the programs established pursuant to NRS 439A.220
20 and 439A.240. The information must:

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

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

27 (2) Total number of potentially preventable readmissions
28 reported pursuant to NRS 439A.220, the rate of occurrence of
29 potentially preventable readmissions, and the average length of stay
30 and average billed charges of those potentially preventable
31 readmissions, reported by the diagnosis-related group for inpatients
32 for which the patient originally received treatment at a hospital; and

33 (3) Name of each physician who performed a surgical
34 procedure in the hospital and the total number of surgical
35 procedures performed by each physician in the hospital, reported for
36 the most frequent surgical procedures that the Department
37 determines are most useful for consumers if the information is
38 available;

39 (b) Include, for each surgical center for ambulatory patients in
40 this State, the:

41 (1) Total number of patients discharged and the average
42 billed charges, reported for 50 medical treatments for outpatients
43 that the Department determines are most useful for consumers; and

44 (2) Name of each physician who performed a surgical
45 procedure in the surgical center for ambulatory patients and the total



1 number of surgical procedures performed by each physician in the
2 surgical center for ambulatory patients, reported for the most
3 frequent surgical procedures that the Department determines are
4 most useful for consumers;

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

7 (1) Geographic location of each hospital;

8 (2) Type of medical diagnosis; and

9 (3) Type of medical treatment;

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

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

15 (2) Type of medical diagnosis; and

16 (3) Type of medical treatment;

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

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

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

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

24 (g) Include the annual summary of reports of sentinel events
25 prepared for each ~~medical~~ **health** facility pursuant to paragraph (c)
26 of subsection 1 of NRS 439.840;

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

29 (i) Include the reports of information prepared for each medical
30 facility pursuant to paragraph (b) of subsection 4 of NRS 439.847;

31 (j) Include a link to electronic copies of all reports, summaries,
32 compilations and supplementary reports required by NRS 449.450
33 to 449.530, inclusive;

34 (k) Include, for each hospital with 100 or more beds, a summary
35 of financial information which is readily understandable by a
36 member of the general public and which includes, without
37 limitation, a summary of:

38 (1) The expenses of the hospital which are attributable to
39 providing community benefits and in-kind services as reported
40 pursuant to NRS 449.490;

41 (2) The capital improvement report submitted to the
42 Department pursuant to NRS 449.490;

43 (3) The net income of the hospital;



(4) The net income of the consolidated corporation, if the hospital is owned by such a corporation and if that information is publicly available;

(5) The operating margin of the hospital;

(6) The ratio of the cost of providing care to patients covered by Medicare to the charges for such care;

(7) The ratio of the total costs to charges of the hospital; and

(8) The average daily occupancy of the hospital; and

(l) 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 reported by a hospital or surgical center for ambulatory patients for inpatients and outpatients which is contained on the Internet website is 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. 18. Chapter 449 of NRS is hereby amended by adding thereto a new section to read as follows:

The Division shall:

1. Compile and post on an Internet website maintained by the Division information concerning the licensing status and quality of:

(a) Facilities for the treatment of abuse of alcohol or drugs;

(b) Halfway houses for recovering alcohol and drug abusers;

(c) Medical facilities that provide a program of treatment for the abuse of alcohol or drugs; and

(d) To the extent that such information is available, unlicensed programs of treatment for the abuse of alcohol or drugs; and

2. Update the information described in subsection 1 at least annually.

Sec. 19. NRS 449.030 is hereby amended to read as follows:

449.030 Except as otherwise provided in NRS 449.03013, 449.03015 and 449.03017, no person, state or local government or agency thereof may operate or maintain in this State any medical facility or facility for the dependent without first obtaining a license therefor as provided in NRS 449.029 to 449.2428, inclusive ~~H~~, *and section 18 of this act.*

Sec. 20. NRS 449.0301 is hereby amended to read as follows:

449.0301 The provisions of NRS 449.029 to 449.2428, inclusive, *and section 18 of this act* do not apply to:

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

2. Foster homes as defined in NRS 424.014.

3. Any medical facility, facility for the dependent or facility which is otherwise required by the regulations adopted by the Board pursuant to NRS 449.0303 to be licensed that is operated and maintained by the United States Government or an agency thereof.

Sec. 21. NRS 449.0302 is hereby amended to read as follows:

449.0302 1. The Board shall adopt:

(a) Licensing standards for each class of medical facility or facility for the dependent covered by NRS 449.029 to 449.2428, inclusive, *and section 18 of this act* and for programs of hospice care.

(b) Regulations governing the licensing of such facilities and programs.



(c) Regulations governing the procedure and standards for granting an extension of the time for which a natural person may provide certain care in his or her home without being considered a residential facility for groups pursuant to NRS 449.017. The regulations must require that such grants are effective only if made in writing.

(d) Regulations establishing a procedure for the indemnification by the Division, from the amount of any surety bond or other obligation filed or deposited by a facility for refractive surgery pursuant to NRS 449.068 or 449.069, of a patient of the facility who has sustained any damages as a result of the bankruptcy of or any breach of contract by the facility.

(e) Any other regulations as it deems necessary or convenient to carry out the provisions of NRS 449.029 to 449.2428, inclusive **H**, **and section 18 of this act.**

2. The Board shall adopt separate regulations governing the licensing and operation of:

(a) Facilities for the care of adults during the day; and

(b) Residential facilities for groups,

↳ which provide care to persons with Alzheimer's disease.

3. The Board shall adopt separate regulations for:

(a) The licensure of rural hospitals which take into consideration the unique problems of operating such a facility in a rural area.

(b) The licensure of facilities for refractive surgery which take into consideration the unique factors of operating such a facility.

(c) The licensure of mobile units which take into consideration the unique factors of operating a facility that is not in a fixed location.

4. The Board shall require that the practices and policies of each medical facility or facility for the dependent provide adequately for the protection of the health, safety and physical, moral and mental well-being of each person accommodated in the facility.

5. In addition to the training requirements prescribed pursuant to NRS 449.093, the Board shall establish minimum qualifications for administrators and employees of residential facilities for groups. In establishing the qualifications, the Board shall consider the related standards set by nationally recognized organizations which accredit such facilities.

6. The Board shall adopt separate regulations regarding the assistance which may be given pursuant to NRS 453.375 and 454.213 to an ultimate user of controlled substances or dangerous drugs by employees of residential facilities for groups. The regulations must require at least the following conditions before such assistance may be given:



(a) The ultimate user's physical and mental condition is stable and is following a predictable course.

(b) The amount of the medication prescribed is at a maintenance level and does not require a daily assessment.

(c) A written plan of care by a physician or registered nurse has been established that:

(1) Addresses possession and assistance in the administration of the medication; and

(2) Includes a plan, which has been prepared under the supervision of a registered nurse or licensed pharmacist, for emergency intervention if an adverse condition results.

(d) Except as otherwise authorized by the regulations adopted pursuant to NRS 449.0304, the prescribed medication is not administered by injection or intravenously.

(e) The employee has successfully completed training and examination approved by the Division regarding the authorized manner of assistance.

7. The Board shall adopt separate regulations governing the licensing and operation of residential facilities for groups which provide assisted living services. The Board shall not allow the licensing of a facility as a residential facility for groups which provides assisted living services and a residential facility for groups shall not claim that it provides "assisted living services" unless:

(a) Before authorizing a person to move into the facility, the facility makes a full written disclosure to the person regarding what services of personalized care will be available to the person and the amount that will be charged for those services throughout the resident's stay at the facility.

(b) The residents of the facility reside in their own living units which:

(1) Except as otherwise provided in subsection 8, contain toilet facilities;

(2) Contain a sleeping area or bedroom; and

(3) Are shared with another occupant only upon consent of both occupants.

(c) The facility provides personalized care to the residents of the facility and the general approach to operating the facility incorporates these core principles:

(1) The facility is designed to create a residential environment that actively supports and promotes each resident's quality of life and right to privacy;

(2) The facility is committed to offering high-quality supportive services that are developed by the facility in collaboration with the resident to meet the resident's individual needs;



(3) The facility provides a variety of creative and innovative services that emphasize the particular needs of each individual resident and the resident's personal choice of lifestyle;

(4) The operation of the facility and its interaction with its residents supports, to the maximum extent possible, each resident's need for autonomy and the right to make decisions regarding his or her own life;

(5) The operation of the facility is designed to foster a social climate that allows the resident to develop and maintain personal relationships with fellow residents and with persons in the general community;

(6) The facility is designed to minimize and is operated in a manner which minimizes the need for its residents to move out of the facility as their respective physical and mental conditions change over time; and

(7) The facility is operated in such a manner as to foster a culture that provides a high-quality environment for the residents, their families, the staff, any volunteers and the community at large.

8. The Division may grant an exception from the requirement of subparagraph (1) of paragraph (b) of subsection 7 to a facility which is licensed as a residential facility for groups on or before July 1, 2005, and which is authorized to have 10 or fewer beds and was originally constructed as a single-family dwelling if the Division finds that:

(a) Strict application of that requirement would result in economic hardship to the facility requesting the exception; and

(b) The exception, if granted, would not:

(1) Cause substantial detriment to the health or welfare of any resident of the facility;

(2) Result in more than two residents sharing a toilet facility; or

(3) Otherwise impair substantially the purpose of that requirement.

9. The Board shall, if it determines necessary, adopt regulations and requirements to ensure that each residential facility for groups and its staff are prepared to respond to an emergency, including, without limitation:

(a) The adoption of plans to respond to a natural disaster and other types of emergency situations, including, without limitation, an emergency involving fire;

(b) The adoption of plans to provide for the evacuation of a residential facility for groups in an emergency, including, without limitation, plans to ensure that nonambulatory patients may be evacuated;



(c) Educating the residents of residential facilities for groups concerning the plans adopted pursuant to paragraphs (a) and (b); and

(d) Posting the plans or a summary of the plans adopted pursuant to paragraphs (a) and (b) in a conspicuous place in each residential facility for groups.

10. The regulations governing the licensing and operation of facilities for transitional living for released offenders must provide for the licensure of at least three different types of facilities, including, without limitation:

(a) Facilities that only provide a housing and living environment;

(b) Facilities that provide or arrange for the provision of supportive services for residents of the facility to assist the residents with reintegration into the community, in addition to providing a housing and living environment; and

(c) Facilities that provide or arrange for the provision of alcohol and drug abuse programs, in addition to providing a housing and living environment and providing or arranging for the provision of other supportive services.

➤ The regulations must provide that if a facility was originally constructed as a single-family dwelling, the facility must not be authorized for more than eight beds.

11. As used in this section, "living unit" means an individual private accommodation designated for a resident within the facility.

Sec. 22. NRS 449.160 is hereby amended to read as follows:

449.160 1. The Division may deny an application for a license or may suspend or revoke any license issued under the provisions of NRS 449.029 to 449.2428, inclusive, *and section 18 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 449.029 to 449.245, inclusive, *and section 18 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 NRS 449.001 to 449.430, inclusive, *and section 18 of*



this act and 449.435 to 449.531, inclusive, and chapter 449A of NRS if such approval is required.

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

(g) Violation of the provisions of section 25 of this act.

2. In addition to the provisions of subsection 1, the 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.

3. The Division shall maintain a log of any complaints that it receives relating to activities for which the Division may revoke the license to operate a facility for the dependent pursuant to subsection 2. The 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 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 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 Division pursuant to subsection 3; and

(b) Any disciplinary actions taken by the Division pursuant to subsection 2.

Sec. 23. NRS 449.163 is hereby amended to read as follows:

449.163 1. In addition to the payment of the amount required by NRS 449.0308, if a medical facility, facility for the dependent or facility which is required by the regulations adopted by the Board pursuant to NRS 449.0303 to be licensed violates any provision related to its licensure, including any provision of NRS 439B.410 or 449.029 to 449.2428, inclusive, *and section 18 of this act* or any condition, standard or regulation adopted by the Board, the 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) If the license of the facility limits the occupancy of the facility and the facility has exceeded the approved occupancy, require the facility, at its own expense, to move patients to another facility that is licensed;

(d) Impose an administrative penalty of not more than \$5,000 per day for each violation, together with interest thereon at a rate not to exceed 10 percent per annum; and

(e) 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.

2. If the facility fails to pay any administrative penalty imposed pursuant to paragraph (d) of subsection 1, the 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.

3. The Division may require any facility that violates any provision of NRS 439B.410 or 449.029 to 449.2428, inclusive, *and section 18 of this act* or any condition, standard or regulation adopted by the Board to make any improvements necessary to correct the violation.

4. Any money collected as administrative penalties pursuant to paragraph (d) of subsection 1 must be accounted for separately and used to administer and carry out the provisions of NRS 449.001 to 449.430, inclusive, *and section 18 of this act*, 449.435 to 449.530, inclusive, and 449.760 and chapter 449A of NRS to protect the health, safety, well-being and property of the patients and residents of facilities in accordance with applicable state and federal standards or for any other purpose authorized by the Legislature.

Sec. 24. NRS 449.220 is hereby amended to read as follows:

449.220 1. The 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 449.029 to 449.2428, inclusive ~~[-]~~, *and section 18 of this act*:



(a) Without first obtaining a license therefor; or
(b) After his or her license has been revoked or suspended by the 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. 25. Chapter 458 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A treatment provider, a facility or an operator of an alcohol and drug abuse program, or a person who provides any form of advertising or marketing services on behalf of such a provider, facility or operator, shall not:

(a) Make a false or misleading statement or provide false or misleading information about the products, goods, services or geographical locations of the treatment provider, facility or alcohol and drug abuse program in the marketing, advertising materials or media or on the Internet website of the treatment provider, facility or operator of the alcohol and drug abuse program;

(b) Post or otherwise allow on the Internet website of the treatment provider, facility or alcohol and drug abuse program false information or electronic links, coding or activation that provides false information or that surreptitiously directs the reader to another Internet website;

(c) Solicit, receive or attempt to solicit or receive a commission, benefit, bonus, rebate, kickback or bribe, directly or indirectly, in cash or in kind, or engage in or attempt to engage in a split-fee arrangement in return for a referral or an acceptance or acknowledgment of treatment from the treatment provider, facility or operator of the alcohol and drug abuse program; or

(d) Enter into a contract with a person who provides marketing services who agrees to generate referrals or leads for the placement of patients with the treatment provider, facility or operator of the alcohol and drug abuse program through a call center or web-based presence, unless the treatment provider, facility or operator of the alcohol and drug abuse program provides to the prospective patient:

(1) A clear disclosure to inform the prospective patient that the person providing the marketing services represents a specific treatment provider, facility or operator of an alcohol and drug abuse program which pays a fee to the person providing the marketing services and the identity of the treatment provider, facility or operator of an alcohol and drug abuse program represented by the person; and



(2) *Instructions on the manner in which any list of treatment providers, facilities or alcohol and drug abuse programs provided by the Division on its Internet website may be accessed.*

2. *The provisions of paragraph (d) of subsection 1 do not apply to a state agency, a contractor thereof or an entity that otherwise receives financial support from the State which refers a person to a treatment provider, facility or alcohol and drug abuse program that is operated or financially supported by the State.*

3. *Any violation of the provisions of this section is a misdemeanor.*

Sec. 26. NRS 458.110 is hereby amended to read as follows:

458.110 In addition to the activities set forth in NRS 458.025 to 458.115, inclusive, *and section 25 of this act*, the Division may engage in any activity necessary to effectuate the purposes of this chapter.

Sec. 27. NRS 654.190 is hereby amended to read as follows:

654.190 1. The Board may, after notice and an opportunity for a hearing as required by law, impose an administrative fine of not more than \$10,000 for each violation on, recover reasonable investigative fees and costs incurred from, suspend, revoke, deny the issuance or renewal of or place conditions on the license of, and place on probation or impose any combination of the foregoing on any licensee who:

(a) Is convicted of a felony relating to the practice of administering a nursing facility or residential facility or of any offense involving moral turpitude.

(b) Has obtained his or her license by the use of fraud or deceit.

(c) Violates any of the provisions of this chapter.

(d) Aids or abets any person in the violation of any of the provisions of NRS 449.029 to 449.2428, inclusive, *and section 18 of this act* as those provisions pertain to a facility for skilled nursing, facility for intermediate care or residential facility for groups.

(e) Violates any regulation of the Board prescribing additional standards of conduct for licensees, including, without limitation, a code of ethics.

(f) Engages in conduct that violates the trust of a patient or resident or exploits the relationship between the licensee and the patient or resident for the financial or other gain of the licensee.

2. If a licensee requests a hearing pursuant to subsection 1, the Board shall give the licensee written notice of a hearing pursuant to NRS 233B.121 and 241.034. A licensee may waive, in writing, his or her right to attend the hearing.

3. The Board may compel the attendance of witnesses or the production of documents or objects by subpoena. The Board may



1 adopt regulations that set forth a procedure pursuant to which the
2 Chair of the Board may issue subpoenas on behalf of the Board.
3 Any person who is subpoenaed pursuant to this subsection may
4 request the Board to modify the terms of the subpoena or grant
5 additional time for compliance.

6 4. An order that imposes discipline and the findings of fact and
7 conclusions of law supporting that order are public records.

8 5. The expiration of a license by operation of law or by order
9 or decision of the Board or a court, or the voluntary surrender of a
10 license, does not deprive the Board of jurisdiction to proceed with
11 any investigation of, or action or disciplinary proceeding against, the
12 licensee or to render a decision suspending or revoking the license.

③



* S B 4 5 7 R 2 *