

Assembly Bill No. 514—Committee on  
Health and Human Services

CHAPTER.....

AN ACT relating to mental health; requiring Medicaid to provide coverage for rehabilitative residential mental health care; requiring the State Long-Term Care Ombudsman to investigate and provide certain assistance to providers of rehabilitative residential mental health care; providing for the licensure and regulation of providers of rehabilitative residential mental health care; making appropriations to and authorizing certain expenditures by the Division of Health Care Financing and Policy of the Department of Health and Human Services; providing a penalty; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law requires the Department of Health and Human Services to administer Medicaid. (NRS 422.270) **Section 1** of this bill requires the Director of the Department to include under Medicaid coverage for rehabilitative residential mental health care provided to certain recipients of Medicaid. **Section 5** of this bill defines the term “rehabilitative residential mental health care” to mean community-based, medically monitored care provided in a residential setting that uses established rehabilitative principles to achieve certain goals relating to mental health. **Section 6** of this bill applies that definition to provisions of existing law governing medical facilities and other related entities. **Section 3** of this bill makes a conforming change to require the Director to administer the provisions of **section 1** in the same manner as the provisions of existing law governing the State Plan for Medicaid. **Section 17.5** of this bill makes appropriations to and authorizes expenditures by the Division of Health Care Financing and Policy of the Department for costs associated with providing the coverage required by **section 1**.

Existing law provides for the licensure and regulation by the Division of Public and Behavioral Health of the Department of community-based living arrangement services, which are flexible, individualized services that are: (1) provided in the home, for compensation, to persons with mental illness; and (2) designed and coordinated to assist such persons in maximizing their independence. (NRS 449.0026, 449.0045, 449.030, 449.0302) **Sections 2 and 4-16** of this bill similarly provide for the licensure and regulation of providers of rehabilitative residential mental health care. **Section 8** requires such a provider to obtain a license as a facility for the dependent and comply with other requirements applicable to such facilities. **Sections 7, 9 and 10** clarify that such a provider is separate from certain other types of facilities for the dependent. **Section 11** requires the State Board of Health to adopt specific regulations governing providers of rehabilitative residential mental health care. **Sections 12 and 15** provide for the inspection of buildings operated by such providers. **Sections 13 and 14**: (1) require periodic background investigations of the personnel of a provider of rehabilitative residential mental health care; and (2) authorize the suspension or revocation of the license of such a provider if the provider or an employee of the provider has been convicted of certain crimes. (NRS 449.174) **Section 16** requires a provider of rehabilitative residential mental health care to notify a person receiving such care from the provider, his or her parent or legal guardian or another designated person upon the



discovery by the Division of a deficiency affecting the health and safety of a patient. **Section 4** requires such a provider to comply with provisions governing the reporting and investigation of sentinel events and the designation of patient safety officers. (NRS 439.800-439.890) **Section 2** adds providers of rehabilitative residential mental health care to the list of facilities that the State Long-Term Care Ombudsman is required to investigate and assist. (NRS 427A.125-427A.165) **Section 17** of this bill provides that a person is not required to be a licensed nurse to provide rehabilitative residential mental health care if the person is licensed pursuant to the provisions of this bill. Operating as a provider of rehabilitative residential mental health care without a license would be a misdemeanor. (NRS 449.210)

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

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

**Section 1.** Chapter 422 of NRS is hereby amended by adding thereto a new section to read as follows:

*1. To the extent that federal financial participation is available, the Director shall include under Medicaid coverage for rehabilitative residential mental health care. Such coverage is not required to pay the costs of room and board for a recipient of rehabilitative residential mental health care.*

*2. The Department shall:*

*(a) Establish a method for providing the coverage described in subsection 1.*

*(b) Apply to the Secretary of Health and Human Services for any waiver of federal law or apply for any amendment of the State Plan for Medicaid that is necessary for the Department to receive federal funding to provide the coverage described in subsection 1.*

*(c) Fully cooperate in good faith with the Federal Government during the application process to satisfy the requirements of the Federal Government for obtaining a waiver or amendment pursuant to paragraph (b).*

*3. As used in this section, “rehabilitative residential mental health care” has the meaning ascribed to it in section 5 of this act.*

**Sec. 2.** NRS 427A.0292 is hereby amended to read as follows:

427A.0292 “Living arrangement services” means:

1. Community-based living arrangement services, as defined in NRS 449.0026, that include:

(a) Intensive services and overnight supervision of recipients who require training concerning behavioral skills, self-care and management of medications; or



(b) Services in the home for recipients with chronic medical conditions and severe mental illness who require habilitation or rehabilitation services, or both; ~~and~~

2. Supported living arrangement services, as defined in NRS 435.3315, that include 24-hour care ~~and~~; *and*

*3. Rehabilitative residential mental health care, as defined in section 5 of this act.*

**Sec. 3.** NRS 232.320 is hereby amended to read as follows:

232.320 1. The Director:

(a) Shall appoint, with the consent of the Governor, administrators of the divisions of the Department, who are respectively designated as follows:

(1) The Administrator of the Aging and Disability Services Division;

(2) The Administrator of the Division of Welfare and Supportive Services;

(3) The Administrator of the Division of Child and Family Services;

(4) The Administrator of the Division of Health Care Financing and Policy; and

(5) The Administrator of the Division of Public and Behavioral Health.

(b) Shall administer, through the divisions of the Department, the provisions of chapters 63, 424, 425, 427A, 432A to 442, inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, *and section 1 of this act*, 422.580, 432.010 to 432.133, inclusive, 432B.6201 to 432B.626, inclusive, 444.002 to 444.430, inclusive, and 445A.010 to 445A.055, inclusive, and all other provisions of law relating to the functions of the divisions of the Department, but is not responsible for the clinical activities of the Division of Public and Behavioral Health or the professional line activities of the other divisions.

(c) Shall administer any state program for persons with developmental disabilities established pursuant to the Developmental Disabilities Assistance and Bill of Rights Act of 2000, 42 U.S.C. §§ 15001 et seq.

(d) Shall, after considering advice from agencies of local governments and nonprofit organizations which provide social services, adopt a master plan for the provision of human services in this State. The Director shall revise the plan biennially and deliver a copy of the plan to the Governor and the Legislature at the beginning of each regular session. The plan must:



(1) Identify and assess the plans and programs of the Department for the provision of human services, and any duplication of those services by federal, state and local agencies;

(2) Set forth priorities for the provision of those services;

(3) Provide for communication and the coordination of those services among nonprofit organizations, agencies of local government, the State and the Federal Government;

(4) Identify the sources of funding for services provided by the Department and the allocation of that funding;

(5) Set forth sufficient information to assist the Department in providing those services and in the planning and budgeting for the future provision of those services; and

(6) Contain any other information necessary for the Department to communicate effectively with the Federal Government concerning demographic trends, formulas for the distribution of federal money and any need for the modification of programs administered by the Department.

(e) May, by regulation, require nonprofit organizations and state and local governmental agencies to provide information regarding the programs of those organizations and agencies, excluding detailed information relating to their budgets and payrolls, which the Director deems necessary for the performance of the duties imposed upon him or her pursuant to this section.

(f) Has such other powers and duties as are provided by law.

2. Notwithstanding any other provision of law, the Director, or the Director's designee, is responsible for appointing and removing subordinate officers and employees of the Department.

**Sec. 4.** NRS 439.803 is hereby amended to read as follows:

439.803 "Health facility" means:

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

2. A home operated by ~~§~~:

*(a) A provider of community-based living arrangement services, as defined in NRS 449.0026 ~~§~~; or*

*(b) A provider of rehabilitative residential mental health care, as defined in section 5 of this act.*

**Sec. 5.** Chapter 449 of NRS is hereby amended by adding thereto a new section to read as follows:

*"Rehabilitative residential mental health care" means community-based, medically monitored care provided in a residential setting that uses established rehabilitative principles to:*

*1. Promote the recovery of the client with a mental illness or other behavioral health condition; and*



**2. Assist the client in achieving psychiatric stability, personal and emotional adjustment, self-sufficiency and other skills necessary to transition to a more independent setting.**

**Sec. 6.** NRS 449.001 is hereby amended to read as follows:

449.001 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 449.0015 to 449.0195, inclusive, **and section 5 of this act** have the meanings ascribed to them in those sections.

**Sec. 7.** NRS 449.0026 is hereby amended to read as follows:

449.0026 **1.** “Community-based living arrangement services” means flexible, individualized services, including, without limitation, training and habilitation services, that are:

~~1.~~ **(a)** Provided in the home, for compensation, to persons with mental illness who are served by the Division or any other entity; and

~~2.~~ **(b)** Designed and coordinated to assist such persons in maximizing their independence.

**2. The term does not include rehabilitative residential mental health care.**

**Sec. 8.** NRS 449.0045 is hereby amended to read as follows:

449.0045 “Facility for the dependent” includes:

1. A facility for the treatment of alcohol or other substance use disorders;
2. A facility for the care of adults during the day;
3. A residential facility for groups;
4. An agency to provide personal care services in the home;
5. A facility for transitional living for released offenders;
6. A home for individual residential care;
7. A community health worker pool; ~~and~~
8. A provider of community-based living arrangement services

~~;~~ **and**

**9. A provider of rehabilitative residential mental health care.**

**Sec. 9.** NRS 449.0105 is hereby amended to read as follows:

449.0105 “Home for individual residential care” means a home in which a natural person furnishes food, shelter, assistance and limited supervision, for compensation, to not more than two persons with intellectual disabilities or with physical disabilities or who are aged or infirm, unless the persons receiving those services are related within the third degree of consanguinity or affinity to the person providing those services. The term does not include:

1. A recovery house for persons recovering from alcohol or other substance use disorders; ~~or~~



2. A home in which community-based living arrangement services or supported living arrangement services are provided by a provider of such services during any period in which the provider is engaged in providing the services ~~§~~; *or*

*3. A location where rehabilitative residential mental health care is provided by a provider of such care.*

**Sec. 10.** NRS 449.017 is hereby amended to read as follows:

449.017 1. Except as otherwise provided in subsection 2, “residential facility for groups” means an establishment that furnishes food, shelter, assistance and limited supervision to a person with an intellectual disability or with a physical disability or a person who is aged or infirm. The term includes, without limitation, an assisted living facility.

2. The term does not include:

(a) An establishment which provides care only during the day;  
(b) A natural person who provides care for no more than two persons in his or her own home;

(c) A natural person who provides care for one or more persons related to him or her within the third degree of consanguinity or affinity;

(d) A recovery house for persons recovering from alcohol or other substance use disorders; ~~or~~

(e) A home in which community-based living arrangement services or supported living arrangement services are provided by a provider of such services during any period in which the provider is providing the services ~~§~~; *or*

*(f) A location where rehabilitative residential mental health care is provided by a provider of such care.*

**Sec. 11.** 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 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) Regulations that prescribe the specific types of discrimination prohibited by NRS 449.101.

(f) Regulations requiring a hospital or independent center for emergency medical care to provide training to each employee who provides care to victims of sexual assault or attempted sexual assault concerning appropriate care for such persons, including, without limitation, training concerning the requirements of NRS 449.1885.

(g) Any other regulations as it deems necessary or convenient to carry out the provisions of NRS 449.029 to 449.2428, inclusive.

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 or other severe dementia, as described in paragraph (a) of subsection 2 of NRS 449.1845.

3. The Board shall adopt separate regulations for:

(a) The licensure of rural hospitals and rural emergency 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 programs for alcohol and other substance use disorders, 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. The Board shall adopt regulations applicable to providers of community-based living arrangement services which:

(a) Except as otherwise provided in paragraph (b), require a natural person responsible for the operation of a provider of community-based living arrangement services and each employee of a provider of community-based living arrangement services who supervises or provides support to recipients of community-based living arrangement services to complete training concerning the provision of community-based living arrangement services to persons with mental illness and continuing education concerning the particular population served by the provider;



(b) Exempt a person licensed or certified pursuant to title 54 of NRS from the requirements prescribed pursuant to paragraph (a) if the Board determines that the person is required to receive training and continuing education substantially equivalent to that prescribed pursuant to that paragraph;

(c) Require a natural person responsible for the operation of a provider of community-based living arrangement services to receive training concerning the provisions of title 53 of NRS applicable to the provision of community-based living arrangement services; and

(d) Require an applicant for a license to provide community-based living arrangement services to post a surety bond in an amount equal to the operating expenses of the applicant for 2 months, place that amount in escrow or take another action prescribed by the Division to ensure that, if the applicant becomes insolvent, recipients of community-based living arrangement services from the applicant may continue to receive community-based living arrangement services for 2 months at the expense of the applicant.

12. The Board shall adopt separate regulations governing the licensing and operation of freestanding birthing centers. Such regulations must:

(a) Align with the standards established by the American Association of Birth Centers, or its successor organization, the accrediting body of the Commission for the Accreditation of Birth Centers, or its successor organization, or another nationally recognized organization for accrediting freestanding birthing centers; and

(b) Allow the provision of supervised training to providers of health care, as appropriate, at a freestanding birthing center.

13. If the regulations adopted pursuant to this section require a physical examination to be performed on a patient or the medical history of a patient to be obtained before or after the patient is admitted to a hospital, those regulations must authorize a certified nurse-midwife to perform such a physical examination or obtain such a medical history before or after a patient is admitted to a hospital for the purpose of giving birth.

14. *The Board shall adopt regulations governing the licensing and operation of providers of rehabilitative residential mental health care, which must include, without limitation, separate requirements for providers providing such care to minors and providers providing such care to adults.*

15. As used in this section:

(a) "Certified nurse-midwife" means a person who is:



(1) Certified as a Certified Nurse-Midwife by the American Midwifery Certification Board, or its successor organization; and

(2) Licensed as an advanced practice registered nurse pursuant to NRS 632.237.

(b) "Living unit" means an individual private accommodation designated for a resident within the facility.

**Sec. 12.** NRS 449.080 is hereby amended to read as follows:


449.080 1. If, after investigation, the Division finds that the:

(a) Applicant is in full compliance with the provisions of NRS 449.029 to 449.2428, inclusive;

(b) Applicant is in substantial compliance with the standards and regulations adopted by the Board;

(c) Applicant, if he or she has undertaken a project for which approval is required pursuant to NRS 439A.100 or 439A.102, has obtained the approval of the Director of the Department of Health and Human Services; and

(d) Facility conforms to the applicable zoning regulations,  
↳ the Division shall issue the license to the applicant.

2. Any investigation of an applicant for a license to provide community-based living arrangement services *or rehabilitative residential mental health care* conducted pursuant to subsection 1 must include, without limitation, an inspection of any building operated by the applicant in which the applicant proposes to provide community-based living arrangement services  *or rehabilitative residential mental health care, as applicable.*

3. A license applies only to the person to whom it is issued, is valid only for the premises described in the license and is not transferable.

**Sec. 13.** NRS 449.089 is hereby amended to read as follows:

449.089 1. Each license issued pursuant to NRS 449.029 to 449.2428, inclusive, expires on December 31 following its issuance and is renewable for 1 year upon reapplication and payment of all fees required pursuant to subsection 4 and NRS 449.050, as applicable, unless the Division finds, after an investigation, that the facility has not:

(a) Satisfactorily complied with the provisions of NRS 449.029 to 449.2428, inclusive, or the standards and regulations adopted by the Board;

(b) Obtained the approval of the Director of the Department of Health and Human Services before undertaking a project, if such approval is required by NRS 439A.100 or 439A.102; or

(c) Conformed to all applicable local zoning regulations.



2. Each reapplication for an agency to provide personal care services in the home, an agency to provide nursing in the home, a community health worker pool, a facility for intermediate care, a facility for skilled nursing, a provider of community-based living arrangement services, *a provider of rehabilitative residential mental health care*, a hospital described in 42 U.S.C. § 1395ww(d)(1)(B)(iv), a psychiatric hospital that provides inpatient services to children, a psychiatric residential treatment facility, a residential facility for groups, a program of hospice care, a home for individual residential care, a facility for the care of adults during the day, a facility for hospice care, a nursing pool, the distinct part of a hospital which meets the requirements of a skilled nursing facility or nursing facility pursuant to 42 C.F.R. § 483.5, a hospital that provides swing-bed services as described in 42 C.F.R. § 482.58 or, if residential services are provided to children, a medical facility or facility for the treatment of alcohol or other substance use disorders must include, without limitation, a statement that the facility, hospital, agency, *provider*, program, pool or home is in compliance with the provisions of NRS 449.115 to 449.125, inclusive, and 449.174.

3. Each reapplication for an agency to provide personal care services in the home, a community health worker pool, a facility for intermediate care, a facility for skilled nursing, a facility for the care of adults during the day, a residential facility for groups or a home for individual residential care must include, without limitation, a statement that the holder of the license to operate, and the administrator or other person in charge and employees of, the facility, agency, pool or home are in compliance with the provisions of NRS 449.093.

4. Each reapplication for a surgical center for ambulatory patients, facility for the treatment of irreversible renal disease, facility for hospice care, program of hospice care, hospital, facility for intermediate care, facility for skilled nursing, agency to provide personal care services in the home or rural clinic must be accompanied by the fee prescribed by the State Board of Health pursuant to NRS 457.240, in addition to the fees imposed pursuant to NRS 449.050.

**Sec. 14.** NRS 449.119 is hereby amended to read as follows:

449.119 “Facility, hospital, agency, program or home” means an agency to provide personal care services in the home, an employment agency that contracts with persons to provide nonmedical services related to personal care to elderly persons or persons with disabilities in the home, an agency to provide nursing



in the home, a community health worker pool, a facility for intermediate care, a facility for skilled nursing, a provider of community-based living arrangement services, *a provider of rehabilitative residential mental health care*, a hospital described in 42 U.S.C. § 1395ww(d)(1)(B)(iv), a psychiatric hospital that provides inpatient services to children, a psychiatric residential treatment facility, a residential facility for groups, a program of hospice care, a home for individual residential care, a facility for the care of adults during the day, a facility for hospice care, a nursing pool, the distinct part of a hospital which meets the requirements of a skilled nursing facility or nursing facility pursuant to 42 C.F.R. § 483.5, a hospital that provides swing-bed services as described in 42 C.F.R. § 482.58 or, if residential services are provided to children, a medical facility or facility for the treatment of alcohol or other substance use disorders.

**Sec. 15.** NRS 449.131 is hereby amended to read as follows:

449.131 1. Any authorized member or employee of the Division may enter and inspect any building or premises at any time to secure compliance with or prevent a violation of any provision of NRS 449.029 to 449.245, inclusive.

2. The State Fire Marshal or a designee of the State Fire Marshal, which may include a local fire agency that meets an industry standard accepted by the State Fire Marshal, shall, upon receiving a request from the Division or a written complaint concerning compliance with the plans and requirements to respond to an emergency adopted pursuant to subsection 9 of NRS 449.0302:

(a) Enter and inspect a residential facility for groups or a building operated by a provider of community-based living arrangement services *or a provider of rehabilitative residential mental health care* in which such services ~~are~~ *or care is* provided; and

(b) Make recommendations regarding the adoption of plans and requirements pursuant to subsection 9 of NRS 449.0302,

↳ to ensure the safety of the residents of the facility or persons receiving care from the provider, as applicable, in an emergency.

3. The Chief Medical Officer or a designee of the Chief Medical Officer shall enter and inspect at least annually each building or the premises of a residential facility for groups, ~~and~~ each building operated by a provider of community-based living arrangement services in which such services are provided *and each building operated by a provider of rehabilitative residential mental*



*health care in which such care is provided* to ensure compliance with standards for health and sanitation.

4. An authorized member or employee of the Division shall enter and inspect any building or premises operated by a residential facility for groups , ~~for~~ provider of community-based living arrangement services *or provider of rehabilitative residential mental health care* within 72 hours after the Division is notified that a residential facility for groups , ~~for~~ provider of community-based living arrangement services *or provider of rehabilitative residential mental health care* is operating without a license.

**Sec. 16.** NRS 449.134 is hereby amended to read as follows:

449.134 A facility for intermediate care, facility for skilled nursing, residential facility for groups, provider of community-based living arrangement services , *provider of rehabilitative residential mental health care* or home for individual residential care shall immediately provide notice of a deficiency affecting the health and safety of a patient discovered during the course of an inspection of the facility for intermediate care, facility for skilled nursing, residential facility for groups, provider of community-based living arrangement services , *provider of rehabilitative residential mental health care* or home for individual residential care conducted by the Division to:

1. A person receiving care at the facility or home or from the provider, as applicable;
2. The parent or legal guardian of the person receiving care at the facility or home or from the provider, as applicable; or
3. Any other natural person designated to receive such notice by the person receiving care at the facility or home or from the provider, as applicable, or the parent or guardian of the person.

**Sec. 17.** NRS 632.316 is hereby amended to read as follows:

632.316 The provisions of NRS 632.315 do not prohibit:

1. Gratuitous nursing by friends or by members of the family of a patient.
2. The incidental care of the sick by domestic servants or persons primarily employed as housekeepers as long as they do not practice nursing within the meaning of this chapter.
3. Nursing assistance in the case of an emergency.
4. The practice of nursing by students enrolled in accredited schools of nursing or by graduates of those schools or courses pending the results of the first licensing examination scheduled by the Board following graduation. A student or graduate may not work as a nursing assistant unless the student or graduate is certified to



practice as a nursing assistant pursuant to the provisions of this chapter.

5. The practice of nursing in this State by any legally qualified nurse or nursing assistant of another state whose engagement requires the nurse or nursing assistant to accompany and care for a patient temporarily residing in this State during the period of one such engagement, not to exceed 6 months, if the person does not represent or hold himself or herself out as a nurse licensed to practice in this State or as a nursing assistant who holds a certificate to practice in this State.

6. The practice of nursing by any person who is employed by the United States Government, or any bureau, division or agency thereof, while in the discharge of his or her official duties in this State, including, without limitation, providing medical care in a hospital in accordance with an agreement entered into pursuant to NRS 449.2455.

7. Nonmedical nursing for the care of the sick, with or without compensation, if done by the adherents of, or in connection with, the practice of the religious tenets of any well-recognized church or religious denomination, if that nursing does not amount to the practice of practical or professional nursing as defined in NRS 632.017 and 632.018, respectively.

8. A personal assistant from performing services for a person with a disability pursuant to NRS 629.091.

9. A natural person from providing community-based living arrangement services if:

(a) That person has been issued a license pursuant to chapter 449 of NRS and the regulations adopted pursuant thereto; or

(b) That person is employed or retained as an independent contractor by a partnership, firm, corporation or association, state or local government or agency thereof that has been issued a license pursuant to chapter 449 of NRS and the regulations adopted pursuant thereto.

↳ As used in this subsection, “community-based living arrangement services” has the meaning ascribed to it in NRS 449.0026.

10. A natural person from providing supported living arrangement services if:

(a) That person has been issued a certificate pursuant to NRS 435.3305 to 435.339, inclusive, and the regulations adopted pursuant to NRS 435.3305 to 435.339, inclusive; or

(b) That person is employed or retained as an independent contractor by a partnership, firm, corporation or association, state or local government or agency thereof that has been issued a certificate



pursuant to NRS 435.3305 to 435.339, inclusive, and the regulations adopted pursuant to NRS 435.3305 to 435.339, inclusive.

➤ As used in this subsection, “supported living arrangement services” has the meaning ascribed to it in NRS 435.3315.

11. A natural person from providing jobs and day training services if:

(a) That person has been issued a certificate pursuant to NRS 435.130 to 435.310, inclusive, and the regulations adopted pursuant to NRS 435.130 to 435.310, inclusive; or

(b) That person is employed or retained as an independent contractor by a partnership, firm, corporation or association, state or local government or agency thereof that has been issued a certificate pursuant to NRS 435.130 to 435.310, inclusive, and the regulations adopted pursuant to NRS 435.130 to 435.310, inclusive.

➤ As used in this subsection, “jobs and day training services” has the meaning ascribed to it in NRS 435.176.

*12. A natural person from providing rehabilitative residential mental health care if:*

*(a) That person has been issued a license pursuant to the provisions of chapter 449 of NRS and the regulations adopted pursuant thereto; or*

*(b) That person is employed or retained as an independent contractor by a partnership, firm, corporation or association, state or local government or agency thereof that has been issued a license pursuant to the provisions of chapter 449 of NRS and the regulations adopted pursuant thereto.*

➤ *As used in this subsection, “rehabilitative residential mental health care” has the meaning ascribed to it in section 5 of this act.*

**Sec. 17.5.** 1. There is hereby appropriated from the State General Fund to the Division of Health Care Financing and Policy of the Department of Health and Human Services for the costs of providing Medicaid coverage for rehabilitative residential mental health care pursuant to section 1 of this act and computer system upgrades associated with the requirements of section 1 of this act the following sums:

For the Fiscal Year 2025-2026 .....	\$30,800
For the Fiscal Year 2026-2027 .....	\$551,899

2. Expenditure of the following sums not appropriated from the State General Fund or the State Highway Fund is hereby authorized by the Division of Health Care Financing and Policy of the Department of Health and Human Services for the same purposes as set forth in subsection 1:



For the Fiscal Year 2025-2026.....	\$92,400
For the Fiscal Year 2026-2027.....	\$1,639,954

3. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 18, 2026, and September 17, 2027, respectively, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 18, 2026, and September 17, 2027, respectively.

**Sec. 18.** 1. Notwithstanding the amendatory provisions of section 8 of this act, a provider of rehabilitative residential mental health care that is operating on July 1, 2026, may continue to operate without obtaining a license issued by the Division of Public and Behavioral Health of the Department of Health and Human Services until January 1, 2027.

2. As used in this section, “rehabilitative residential mental health care” has the meaning ascribed to it in section 5 of this act.

**Sec. 19.** 1. This section becomes effective upon passage and approval.

2. Section 17.5 of this act becomes effective on July 1, 2025.

3. Sections 1 to 17, inclusive, and section 18 of this act become effective:

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

(b) On July 1, 2026, for all other purposes.





