ASSEMBLY BILL NO. 228–COMMITTEE ON HEALTH AND HUMAN SERVICES

MARCH 4, 2003

Referred to Committee on Health and Human Services

SUMMARY—Requires certain major hospitals to reduce or discount total billed charge for hospital services for treatment of trauma to certain inpatients. (BDR 40-1048)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

~

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

AN ACT relating to health care; requiring certain major hospitals that are designated as centers for the treatment of trauma to reduce or discount the total billed charge to an inpatient who has insurance that does not have an agreement with the major hospital for the reduction or discount of the total billed charge but does provide coverage to the inpatient for a portion of the total billed charge; and providing other matters properly relating thereto.

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

Section 1. NRS 439B.260 is hereby amended to read as follows:

439B.260 1. [~~A~~] ***Except as otherwise provided in subsection 2:***

(a) A major hospital shall reduce or discount the total billed charge by at least 30 percent for hospital services provided to an inpatient who [~~:~~

~~(a) Has~~] ***has*** no insurance or other contractual provision for the payment of the charge by a third party; ***or***

(b) [~~Is not~~] ***A major hospital that is designated as a center for the treatment of trauma by the Administrator of the Health***

Division of the Department pursuant to NRS 450B.237, and that is located in a county whose population is 100,000 or more but less than 400,000, shall reduce or discount the total billed charge by at least 30 percent for hospital services for the treatment of trauma:

(1) Provided to an inpatient with trauma who has a policy of insurance or other contractual provision with a third party that provides for the partial payment of the charge; and

(2) For which there is no agreement between the third party and the major hospital for a reduction or discount of the total billed charge.

2. The provisions of subsection 1 do not apply if the inpatient:

(a) Is eligible for coverage by a state or federal program of public assistance that would provide for the payment of the charge; ~~[and~~

~~(c) Makes]~~ ***or***

(b) Does not make reasonable arrangements within 30 days after discharge to pay his hospital bill.

~~[2.]~~ ***3.*** A major hospital or patient who disputes the reasonableness of arrangements made pursuant to paragraph ~~[(c)]~~ ***(b)*** of subsection ~~[1]~~ ***2*** may submit the dispute to the Bureau for Hospital Patients for resolution as provided in NRS 223.575.

~~[3.]~~ ***4.*** A major hospital shall reduce or discount the total billed charge of its outpatient pharmacy by at least 30 percent to a patient who is eligible for Medicare.

5. As used in this section, "trauma" has the meaning ascribed to it in NRS 450B.105.

Sec. 2. NRS 223.575 is hereby amended to read as follows:

223.575 1. The Bureau for Hospital Patients is hereby created within the Office for Consumer Health Assistance in the Office of the Governor.

2. The Director:

(a) Is responsible for the operation of the Bureau, which must be easily accessible to the clientele of the Bureau.

(b) Shall appoint and supervise such additional employees as are necessary to carry out the duties of the Bureau. The employees of the Bureau are in the unclassified service of the State.

(c) Shall submit a written report quarterly to the Governor and the Legislative Committee on Health Care concerning the activities of the Bureau, including, without limitation, the number of complaints received by the Bureau, the number and type of disputes heard, mediated, arbitrated or resolved through alternative means of dispute resolution by the Director and the outcome of the mediation, arbitration or alternative means of dispute resolution.

3. The Director may, upon request made by either party, hear, mediate, arbitrate or resolve by alternative means of dispute

resolution disputes between patients and hospitals. The Director may decline to hear a case that in his opinion is trivial, without merit or beyond the scope of his jurisdiction. The Director may hear, mediate, arbitrate or resolve through alternative means of dispute resolution disputes regarding:

(a) The accuracy or amount of charges billed to a patient;

(b) The reasonableness of arrangements made pursuant to paragraph ~~[(c)]~~ ***(b)*** of subsection ~~[1]~~ ***2*** of NRS 439B.260; and

(c) Such other matters related to the charges for care provided to a patient as the Director determines appropriate for arbitration, mediation or other alternative means of dispute resolution.

4. The decision of the Director is a final decision for the purpose of judicial review.

5. Each hospital, other than federal and state hospitals, with 49 or more licensed or approved hospital beds shall pay an annual assessment for the support of the Bureau. On or before July 15 of each year, the Director shall notify each hospital of its assessment for the fiscal year. Payment of the assessment is due on or before September 15. Late payments bear interest at the rate of 1 percent per month or fraction thereof.

6. The total amount assessed pursuant to subsection 5 for a fiscal year must be $100,000 adjusted by the percentage change between January 1, 1991, and January 1 of the year in which the fees are assessed, in the Consumer Price Index (All Items) published by the United States Department of Labor.

7. The total amount assessed must be divided by the total number of patient days of care provided in the previous calendar year by the hospitals subject to the assessment. For each hospital, the assessment must be the result of this calculation multiplied by its number of patient days of care for the preceding calendar year.

Sec. 3. This act becomes effective on July 1, 2003.

㉚