

SENATE BILL NO. 186—SENATOR STONE

PREFILED FEBRUARY 3, 2025

Referred to Committee on Health and Human Services

SUMMARY—Imposes requirements concerning the use of artificial intelligence in health care. (BDR 40-780)

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

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

AN ACT relating to health care; requiring a medical facility or a provider of health care who uses generative artificial intelligence to generate certain communications to ensure that those communications include certain information; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law provides for the licensure and regulation of medical facilities and
2 providers of health care in this State. (Chapters 449, 450B, 629-637B, 639-640B
3 and 640D-641D of NRS) **Sections 1 and 7** of this bill require a medical facility or
4 provider of health care who uses generative artificial intelligence to generate a
5 written or verbal communication with a patient relating to his or her clinical
6 information to ensure that the communication includes: (1) a disclaimer stating that
7 the communication was generated by generative artificial intelligence; and (2) clear
8 instructions describing how the patient may contact certain persons for further
9 assistance. **Sections 1 and 7** exempt from this requirement a written
10 communication that is read and reviewed by a provider of health care. **Sections 2-6**
11 **and 8** of this bill make conforming changes to provide for the administration and
12 enforcement of the requirements of **section 1** in the same manner as other
13 requirements imposed on medical facilities by existing law. **Section 7** authorizes
14 the imposition of disciplinary action against a provider of health care who fails to
15 comply with the requirements of **section 7**.



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

1 **Section 1.** Chapter 449 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 1. *Except as otherwise provided in subsection 3, a medical*
4 *facility that uses generative artificial intelligence to generate a*
5 *written or verbal communication with a patient relating to his or*
6 *her clinical information shall ensure that the communication*
7 *includes:*

8 (a) *A disclaimer stating that the communication was generated*
9 *by generative artificial intelligence; and*

10 (b) *Clear instructions describing how the patient may contact a*
11 *provider of health care, employee of the medical facility or other*
12 *appropriate person who can provide any assistance the patient*
13 *may need with respect to the information in the communication.*

14 2. *The disclaimer provided pursuant to subsection 1:*

15 (a) *For written communications, including, without limitation,*
16 *letters, electronic mail and other written messages, must appear*
17 *prominently at the beginning of each communication.*

18 (b) *For written communications involving continuous*
19 *interactions over the Internet, including, without limitation, chat-*
20 *based telehealth, must be prominently displayed throughout the*
21 *interaction.*

22 (c) *For audio communications, must be provided verbally at*
23 *the beginning and the end of the interaction.*

24 (d) *For video communications, must be prominently displayed*
25 *throughout the interaction.*

26 3. *The requirements of this section do not apply to a written*
27 *communication that is generated by generative artificial*
28 *intelligence if the written communication is read and reviewed by*
29 *a provider of health care before being provided to a patient.*

30 4. *As used in this section:*

31 (a) *“Artificial intelligence” means an engineered or machine-*
32 *based system that varies in its level of autonomy and that can, for*
33 *explicit or implicit objectives, infer from the input it receives how*
34 *to generate outputs that can influence physical or virtual*
35 *environments.*

36 (b) *“Generative artificial intelligence” means artificial*
37 *intelligence that can generate derived synthetic content, including*
38 *images, videos, audio, text and other digital content.*

39 (c) *“Telehealth” has the meaning ascribed to it in*
40 *NRS 629.515.*



1 **Sec. 2.** NRS 449.029 is hereby amended to read as follows:
2 449.029 As used in NRS 449.029 to 449.240, inclusive, *and*
3 *section 1 of this act*, unless the context otherwise requires, “medical
4 facility” has the meaning ascribed to it in NRS 449.0151 and
5 includes a program of hospice care described in NRS 449.196.

6 **Sec. 3.** NRS 449.0301 is hereby amended to read as follows:
7 449.0301 The provisions of NRS 449.029 to 449.2428,
8 inclusive, *and section 1 of this act* do not apply to:

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

16 2. Foster homes as defined in NRS 424.014.

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

21 **Sec. 4.** NRS 449.160 is hereby amended to read as follows:
22 449.160 1. The Division may deny an application for a
23 license or may suspend or revoke any license issued under the
24 provisions of NRS 449.029 to 449.2428, inclusive, *and section 1 of*
25 *this act* upon any of the following grounds:

26 (a) Violation by the applicant or the licensee of any of the
27 provisions of NRS 439B.410, 449.029 to 449.245, inclusive, *and*
28 *section 1 of this act* or 449A.100 to 449A.124, inclusive, and
29 449A.270 to 449A.286, inclusive, or of any other law of this State
30 or of the standards, rules and regulations adopted thereunder.

31 (b) Aiding, abetting or permitting the commission of any illegal
32 act.

33 (c) Conduct inimical to the public health, morals, welfare and
34 safety of the people of the State of Nevada in the maintenance and
35 operation of the premises for which a license is issued.

36 (d) Conduct or practice detrimental to the health or safety of the
37 occupants or employees of the facility.

38 (e) Failure of the applicant to obtain written approval from the
39 Director of the Department of Health and Human Services as
40 required by NRS 439A.100 or 439A.102 or as provided in any
41 regulation adopted pursuant to NRS 449.001 to 449.430, inclusive,
42 *and section 1 of this act* and 449.435 to 449.531, inclusive, and
43 chapter 449A of NRS if such approval is required, including,
44 without limitation, the closure or conversion of any hospital in a



1 county whose population is 100,000 or more that is owned by the
2 licensee without approval pursuant to NRS 439A.102.

3 (f) Failure to comply with the provisions of NRS 441A.315 and
4 any regulations adopted pursuant thereto or NRS 449.2486.

5 (g) Violation of the provisions of NRS 458.112.

6 (h) Failure to comply with the provisions of NRS 449A.170 to
7 449A.192, inclusive, and any regulation adopted pursuant thereto.

8 (i) Violation of the provisions of NRS 629.260.

9 2. In addition to the provisions of subsection 1, the Division
10 may revoke a license to operate a facility for the dependent if, with
11 respect to that facility, the licensee that operates the facility, or an
12 agent or employee of the licensee:

13 (a) Is convicted of violating any of the provisions of
14 NRS 202.470;

15 (b) Is ordered to but fails to abate a nuisance pursuant to NRS
16 244.360, 244.3603 or 268.4124; or

17 (c) Is ordered by the appropriate governmental agency to correct
18 a violation of a building, safety or health code or regulation but fails
19 to correct the violation.

20 3. The Division shall maintain a log of any complaints that it
21 receives relating to activities for which the Division may revoke the
22 license to operate a facility for the dependent pursuant to subsection
23 2. The Division shall provide to a facility for the care of adults
24 during the day:

25 (a) A summary of a complaint against the facility if the
26 investigation of the complaint by the Division either substantiates
27 the complaint or is inconclusive;

28 (b) A report of any investigation conducted with respect to the
29 complaint; and

30 (c) A report of any disciplinary action taken against the facility.

31 ➤ The facility shall make the information available to the public
32 pursuant to NRS 449.2486.

33 4. On or before February 1 of each odd-numbered year, the
34 Division shall submit to the Director of the Legislative Counsel
35 Bureau a written report setting forth, for the previous biennium:

36 (a) Any complaints included in the log maintained by the
37 Division pursuant to subsection 3; and

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

40 **Sec. 5.** NRS 449.163 is hereby amended to read as follows:

41 449.163 1. In addition to the payment of the amount required
42 by NRS 449.0308, if a medical facility, facility for the dependent or
43 facility which is required by the regulations adopted by the Board
44 pursuant to NRS 449.0303 to be licensed violates any provision
45 related to its licensure, including any provision of NRS 439B.410 or



1 449.029 to 449.2428, inclusive, *and section 1 of this act* or any
2 condition, standard or regulation adopted by the Board, the
3 Division, in accordance with the regulations adopted pursuant to
4 NRS 449.165, may:

5 (a) Prohibit the facility from admitting any patient until it
6 determines that the facility has corrected the violation;

7 (b) Limit the occupancy of the facility to the number of beds
8 occupied when the violation occurred, until it determines that the
9 facility has corrected the violation;

10 (c) If the license of the facility limits the occupancy of the
11 facility and the facility has exceeded the approved occupancy,
12 require the facility, at its own expense, to move patients to another
13 facility that is licensed;

14 (d) Except where a greater penalty is authorized by subsection 2,
15 impose an administrative penalty of not more than \$5,000 per day
16 for each violation, together with interest thereon at a rate not to
17 exceed 10 percent per annum; and

18 (e) Appoint temporary management to oversee the operation of
19 the facility and to ensure the health and safety of the patients of the
20 facility, until:

21 (1) It determines that the facility has corrected the violation
22 and has management which is capable of ensuring continued
23 compliance with the applicable statutes, conditions, standards and
24 regulations; or

25 (2) Improvements are made to correct the violation.

26 2. If an off-campus location of a hospital fails to obtain a
27 national provider identifier that is distinct from the national provider
28 identifier used by the main campus and any other off-campus
29 location of the hospital in violation of NRS 449.1818, the Division
30 may impose against the hospital an administrative penalty of not
31 more than \$10,000 for each day of such failure, together with
32 interest thereon at a rate not to exceed 10 percent per annum, in
33 addition to any other action authorized by this chapter.

34 3. If the facility fails to pay any administrative penalty imposed
35 pursuant to paragraph (d) of subsection 1 or subsection 2, the
36 Division may:

37 (a) Suspend the license of the facility until the administrative
38 penalty is paid; and

39 (b) Collect court costs, reasonable attorney's fees and other
40 costs incurred to collect the administrative penalty.

41 4. The Division may require any facility that violates any
42 provision of NRS 439B.410 or 449.029 to 449.2428, inclusive, *and*
43 *section 1 of this act* or any condition, standard or regulation adopted
44 by the Board to make any improvements necessary to correct the
45 violation.



1 5. Any money collected as administrative penalties pursuant to
2 paragraph (d) of subsection 1 or subsection 2 must be accounted for
3 separately and used to administer and carry out the provisions of
4 NRS 449.001 to 449.430, inclusive, *and section 1 of this act*,
5 449.435 to 449.531, inclusive, and chapter 449A of NRS to protect
6 the health, safety, well-being and property of the patients and
7 residents of facilities in accordance with applicable state and federal
8 standards or for any other purpose authorized by the Legislature.

9 **Sec. 6.** NRS 449.240 is hereby amended to read as follows:

10 449.240 The district attorney of the county in which the facility
11 is located shall, upon application by the Division, institute and
12 conduct the prosecution of any action for violation of any provisions
13 of NRS 449.029 to 449.245, inclusive **[H]**, *and section 1 of this act.*

14 **Sec. 7.** Chapter 629 of NRS is hereby amended by adding
15 thereto a new section to read as follows:

16 *1. Except as otherwise provided in subsection 3, a provider of*
17 *health care who uses generative artificial intelligence to generate*
18 *a written or verbal communication with a patient relating to his or*
19 *her clinical information shall ensure that the communication*
20 *includes:*

21 *(a) A disclaimer stating that the communication was generated*
22 *by generative artificial intelligence; and*

23 *(b) Clear instructions describing how the patient may contact a*
24 *provider of health care, employee of the provider of health care or*
25 *other appropriate person who can provide any assistance the*
26 *patient may need with respect to the information in the*
27 *communication.*

28 *2. The disclaimer provided pursuant to subsection 1:*

29 *(a) For written communications, including, without limitation,*
30 *letters, electronic mail and other written messages, must appear*
31 *prominently at the beginning of each communication.*

32 *(b) For written communications involving continuous*
33 *interactions over the Internet, including, without limitation, chat-*
34 *based telehealth, must be prominently displayed throughout the*
35 *interaction.*

36 *(c) For audio communications, must be provided verbally at*
37 *the beginning and the end of the interaction.*

38 *(d) For video communications, must be prominently displayed*
39 *throughout the interaction.*

40 *3. The requirements of this section do not apply to a written*
41 *communication that is generated by generative artificial*
42 *intelligence if the communication is read and reviewed by a*
43 *provider of health care before being provided to a patient.*

44 *4. A provider of health care who violates any provision of this*
45 *section is guilty of unprofessional conduct and is subject to*



1 *disciplinary action by the board, agency or other entity in this*
2 *State by which he or she is licensed, certified or regulated.*

3 5. *As used in this section:*

4 (a) *“Artificial intelligence” means an engineered or machine-*
5 *based system that varies in its level of autonomy and that can, for*
6 *explicit or implicit objectives, infer from the input it receives how*
7 *to generate outputs that can influence physical or virtual*
8 *environments.*

9 (b) *“Generative artificial intelligence” means artificial*
10 *intelligence that can generate derived synthetic content, including*
11 *images, videos, audio, text and other digital content.*

12 (c) *“Telehealth” has the meaning ascribed to it in*
13 *NRS 629.515.*

14 **Sec. 8.** NRS 654.190 is hereby amended to read as follows:

15 654.190 1. The Board may, after notice and an opportunity
16 for a hearing as required by law, impose an administrative fine of
17 not more than \$10,000 for each violation on, recover reasonable
18 investigative fees and costs incurred from, suspend, revoke, deny
19 the issuance or renewal of or place conditions on the license of, and
20 place on probation or impose any combination of the foregoing on
21 any licensee who:

22 (a) Is convicted of a felony relating to the practice of
23 administering a facility for skilled nursing or facility for
24 intermediate care or residential facility for groups or of any offense
25 involving moral turpitude.

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

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

28 (d) Aids or abets any person in the violation of any of the
29 provisions of NRS 449.029 to 449.2428, inclusive, *and section 1 of*
30 *this act* or 449A.100 to 449A.124, inclusive, and 449A.270 to
31 449A.286, inclusive, as those provisions pertain to a facility for
32 skilled nursing, facility for intermediate care or residential facility
33 for groups.

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

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

40 2. If a licensee requests a hearing pursuant to subsection 1, the
41 Board shall give the licensee written notice of a hearing pursuant to
42 NRS 233B.121 and 241.0333. A licensee may waive, in writing, his
43 or her right to attend the hearing.

44 3. The Board may compel the attendance of witnesses or the
45 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.

