

LCB File No. R052-02

**PROPOSED REGULATION OF THE HEALTH DIVISION
OF THE DEPARTMENT OF HUMAN RESOURCES**

(Replaces Initial Draft posted on 4/09/02)

NOTICE OF PUBLIC WORKSHOPS

NOTICE IS HEREBY GIVEN that the State Health Division will hold public hearing and act on amendments to Nevada Administrative Code (NAC) 449. There will be two workshops held on the following dates, times, and locations:

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| <p>April 24, 2002 LAS VEGAS NEVADA</p> <p>Clark County District Health Department 625 Shadow Lane Clemens Room Las Vegas, Nevada Time: 8:30 a.m. – 10:00 a.m.</p> <p>Medical and Other Related Facilities Fees</p> <p>Facilities for Refractive Laser Surgery</p> <p>Administrative Sanctions</p> <p>Facilities for Treatment with Narcotics</p> | <p>April 25, 2002 RENO NEVADA</p> <p>Washoe County District Health Department 1001 E. 9th Street South Auditorium Reno, Nevada Time: 1:30 p.m. – 3:00 p.m.</p> <p>Medical and Other Related Facilities Fees</p> <p>Facilities for Refractive Laser Surgery</p> <p>Administrative Sanctions</p> <p>Facilities for Treatment with Narcotics</p> |
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The regulations will be presented at the June 14, 2002, Board of Health meeting. It will be held at the Washoe County District Health Department, 1001 East 9th Street, South Auditorium, Reno, Nevada at 9:00 a.m.

FEES

The purpose of the proposed revised regulations for fees, Nevada Administrative Code (NAC) 449.013, NAC 449.016 and NAC 449.0168 is to amend existing regulations governing the amount of initial and annual renewal fees charged to certain medical facilities licensed pursuant to NRS 449.0151, facilities for the dependent licensed pursuant to NRS 440.0045, regulation of other facilities licensed pursuant to NRS 449.038, businesses that provide referrals to residential facilities for groups licensed pursuant to NRS 449.0305 and homes for individual residential care licensed pursuant to NRS 449.249. The proposed revised regulation also adds initial and annual renewal fees charged to mobile units and a facility for refractive laser surgery. The need for the

proposed revision to NAC 449.013, NAC 449.016 and NAC 449.0168 is directly related to the legislatively budgeted cost of the State agency to perform current state licensure activities in State Fiscal Year 03 (July 1, 2002 – June 30, 2003) pursuant to Nevada Revised Statutes (NRS) Chapter 449. The proposed fee increase is calculated to generate revenue sufficient to cover existing personnel and operating costs, without adding new staff or activities. Without the adoption of the proposed fee increases, the State Agency will collect approximately 556 thousand dollars less than the budgeted cost of conducting state licensure activities. Since State Fiscal Year 1994 (July 1, 1993- June 30, 1994) state licensure activities have been funded exclusively through licensure fees contained in NAC 449.013, NAC 449.016 and NAC 449.0168. The adverse economic effect identified as resulting from the proposed regulation changes is that the annual cost to obtain/renew a license to operate facilities will increase as identified in the table below:

| FACILITY TYPE | Current Initial Fee/Per Bed Fee Charged for State Licensure | Proposed Initial Fee/Per Bed Fee to be Charged for State Licensure | Current Annual Renewal Fee/Per Bed Fee Charged for State Licensure | Proposed Annual Renewal Fee/ Per Bed Fee to be Charged for State Licensure |
|--|---|--|--|--|
| Facility for Skilled Nursing | \$1,200 /\$75 | \$2,200 /\$90 | \$1,100 /\$75 | \$1,100 / \$45 |
| Hospital | \$5,000 /\$77 | \$10,000 /\$90 | \$1,100/\$77 | \$5,000 / \$45 |
| Rural Hospital | \$750 /\$45 | \$ 1,500/\$90 | \$ 750/\$45 | \$ 750 / \$45 |
| Intermediate Care Facility for Persons with Mental Retardation or Developmental Disabilities | \$ 750 /\$50 | \$1,300/\$80 | \$ 600/\$35 | \$ 650/ \$40 |
| Intermediate Care Facility | \$1,200/\$75 | \$1,200/\$90 | \$600/\$75 | \$600/ \$45 |
| A Residential Facility for Groups | \$ 500/ \$50 | \$2,130/\$260 | \$ 300/\$35 | \$1,065/\$130 |
| A Facility for the Treatment of Abuse of Alcohol or Drugs | \$500/ \$50 | \$ 500/ \$50 | \$ 300/\$35 | \$300/\$35 |
| A Facility for Hospice Care | \$1,200/ \$50 | \$1,540/ \$100 | \$ 600/\$35 | \$ 770/\$50 |
| A Home for Individual Residential Care | \$ 100 /\$50 | \$ 840/ \$320 | \$ 100/\$35 | \$ 420/\$160 |
| A Facility for Modified Medical Detoxification | \$500/\$50 | \$ 680/ \$90 | \$300/\$35 | \$ 340/ \$45 |
| Ambulatory Surgery Center | \$1,200 | \$1,580 | \$ 600 | \$790 |
| Facility for the Treatment of Irreversible Renal Disease | \$1,200 | \$1,650 | \$ 600 | \$ 825 |
| Home Health Agency (or Subunit of a Home Health Agency) | \$1,200 | \$2,170 | \$ 600 | \$1,085 |
| Branch Office of a Home Health Agency | \$ 500 | \$1,240 | \$ 100 | \$ 620 |
| A rural clinic | \$1,200 | \$1,710 | \$ 600 | \$ 855 |

| | | | | |
|---|---------|---------|--------|---------|
| An Obstetric Center | \$1,200 | \$1,200 | \$ 600 | \$ 600 |
| A Program of Hospice Care | \$1,200 | \$1,540 | \$ 600 | \$ 770 |
| An Independent Center for Emergency Medical Care | \$1,200 | \$1,420 | \$ 600 | \$ 710 |
| A Nursing Pool | \$ 750 | \$1,540 | \$ 600 | \$ 770 |
| A Facility for Treatment with Narcotics | \$ 750 | \$1,340 | \$ 600 | \$ 670 |
| A Medication Unit | \$ 500 | \$ 500 | \$ 100 | \$ 100 |
| A Referral Agency | \$ 750 | \$1,420 | \$ 600 | \$ 710 |
| A Halfway House for Recovering Alcohol and Drug Abusers | \$500 | \$1,320 | \$ 300 | \$ 660 |
| A Facility for Refractive Laser Surgery | | \$3,545 | | \$3,000 |
| A Mobile Unit | | \$1,500 | | \$ 750 |

The proposed fees will have a beneficial economic effect on the facilities in that collection of the fee will allow the State Agency the ability to continue to perform state licensure activities in a timely manner. State licensure is a condition of federal participation in a hospital, rural hospital, skilled nursing and nursing facilities, a nursing pool, an intermediate care facility for persons with mental retardation or persons with developmental disabilities, ambulatory surgery centers, facilities for the treatment of irreversible renal disease, hospice and home health agencies, (the ability to be reimbursed for servicing Medicare and Medicaid clients) payment. Increased fees will ensure that facilities will be able to be reimbursed for serving Medicare and Medicaid clients in addition to being reimbursed for serving private pay patients and private insurance covered patients. Adverse and beneficial effects on the public, both immediate and long term: none identified. The proposed fee will have a beneficial economic effect on the public in that collection of the fee will allow the State Agency the ability to continue to perform state licensure activities in a timely manner and the quality of patient care being provided by facilities will continue to be monitored and complaints investigated. Additionally, with state licensure functions being performed, new facilities will be able to be licensed thereby increasing the public care options. The proposed amendments to the regulation will increase some of the facilities annual renewal fees to address the projected cost of completing NRS mandated surveys and priority one and priority two level complaints. There is no duplication or overlap of other state or local government agency's regulations. Additionally, there is no overlap or duplication of a federal agency's regulations.

FACILITIES FOR REFRACTIVE LASER SURGERY

Senate Bill 483, passed by the 2001 legislative session, requires the State Board of Health to adopt regulations for the licensure of facilities for refractive laser surgery. The bill also requires that these facilities file a surety bond to provide indemnification to certain patients. The proposed regulations were developed to meet the requirements of the bill and to set standards for the regulation of LASIK facilities. The proposed regulations include, in addition to the requirements for the surety bond, requirements for the administration of the facility, staff requirements, provisions for patient records, policies and procedures, quality improvement, and patient services. The proposed regulations also include regulations that govern patient rights,

safety requirements for equipment and lasers, and regulations for the maintenance of the physical environment. It is anticipated that there will be a beneficial effect on the businesses covered by these regulations. Facilities that provide quality service will have the added benefit of licensure to attest to their compliance with a set standard. Facilities that fall below this standard will be required to bring their services up to a community standard. The anticipated cost to the facilities will be the cost of the licensure fees. A small business impact statement is being prepared and will be distributed at local workshops. There will be an economic impact on Bureau of Licensure and Certification based on the need for provider education, administrative time for license application, surveyor time for licensure surveys and complaint investigations. The proposed regulations do not duplicate the regulations of any other state or federal agency.

ADMINISTRATIVE SANCTIONS

The regulations for Administrative Sanctions have had no revisions since their adoption in 1991. The revised regulation is needed to improve the enforcement mechanisms in place for medical facilities and facilities for the dependent. These regulations will allow for improved efficiency in implementing administrative sanctions and tracking those sanctions. The revised regulations will: i) Eliminate the mandatory imposition of sanctions for widespread deficiencies that are a potential harm to a recipient and allow imposition of such to be at the discretion of the agency. ii) Modify the terms and conditions for monitoring sanctions, allowing for monitoring to take place but not requiring the specific appointment of a monitor. iii) Add language to clarify sample size for current recipients, reduce the size of a sample during follow-up surveys, and allow for a sample of one for complaint investigations while limiting the scope score to a level of one. iv) Increase the amount of per-instance monetary penalties. v) Change from four different levels of scope to three levels of scope when assessing the number of recipients affected by a deficient practice. vi) Change language to reflect name changes from the federal Health Care Financing Administration to the Centers for Medicare and Medicaid Services (CMS), and the state Welfare Division to the Division for Health Care Financing and Policy (DHCFP). It is anticipated that affected businesses will see a long-term impact from this modification. Beneficial effects will include a reduction in the numbers of sanctions issued for deficient practices that are widespread potential for harm. Adverse effects would be experienced by facilities that do not comply with regulations, particularly causing actual harm to recipients, who could be subject to higher monetary sanction penalties. Long-term effects are anticipated for the public through streamlining of agency resources allowing better implementation of administrative sanctions that will impact on quality of care provided by licensed providers. The agency does not anticipate an increased cost to implement the proposed regulation changes. The Bureau of Licensure and Certification has been implementing these regulations for the past nine years. Adoption of the proposed modifications will improve the agency's ability to streamline the imposition of sanctions. These regulations do not overlap other state or local regulations. These regulations overlap the regulations of the Centers for Medicare and Medicaid Services that govern enforcement remedies in nursing homes. The existing regulations contain provisions to impose sanctions that limit occupancy or ban admissions of any recipient. This regulation is more stringent than the corresponding regulations found in the Centers for Medicare and Medicaid Services federal enforcement regulations for nursing homes. The federal regulations provide for the imposition of a ban on payment for new admissions or all admissions for Medicare or Medicaid recipients. The proposed regulation does not create any new fees. It does establish an increase in the amount of monetary penalties imposed on a one-time basis.

FACILITIES FOR TREATMENT WITH NARCOTICS; MEDICATION UNITS

On January 17, 2001, the Federal oversight of Narcotic Treatment Centers was moved from the Food and Drug Administration to the Substance Abuse and Mental Health Services Administration (SAMHSA). The Code of Federal Regulations (CFR) 21, Part 291 was repealed and replaced by 42 CFR Part 8. This change requires that all Facilities for Treatment with Narcotics must be certified by the Centers for Substance Abuse Treatment (CSAT) of SAMHSA in order to provide treatment. The Nevada Administrative Code (NAC) Chapter 449 regulations for Facilities for Treatment with Narcotics currently references the repealed section of the Code of Federal Regulations. The proposed changes to NAC Chapter 449 will change the references to the repealed CFR and add the newly adopted Code of Federal Regulations. There will be no economic impact on the Bureau of Licensure and Certification due to the fact that surveys are already being conducted in these facilities and licensing fees are already in place. There will be no increase to licensing fees due to the adoption of these proposed changes. The proposed regulations reference the regulations of the Substance Abuse and Mental Health Services Administration of Federal government but do not duplicate these regulations. A small business impact statement is being prepared and will be distributed at public workshops.

Members of the public may make oral comments at this meeting. Persons wishing to submit written testimony or documentary evidence in excess of two typed, 8-1/2" x 11" pages must submit the material to Shirley A. Rains, Administrative Assistant IV, no later than April 12, 2002, at the following address:

Bureau of Licensure and Certification
1550 E. College Parkway, Suite #158
Carson City, Nevada 89706

Members of the public who are disabled and require special accommodations or assistance at the workshop are to notify Shirley A. Rains, Administrative Assistant IV, in writing at the Bureau of Licensure and Certification, 1550 E. College Parkway, Suite 158, Carson City, Nevada 89706, no later than April 12, 2002.

A copy of this notice and the proposed regulation amendments are on file for inspection at the following locations during normal business hours:

Bureau of Licensure and Certification, 1550 E. College Pkwy, Suite 158, Carson City, Nevada (775) 687-4475.

Bureau of Licensure and Certification, 4220 S. Maryland Parkway, Suite 810, Las Vegas, Nevada (702) 486-6515.

Emergency Medical Services, 850 Elm Street, Elko, Nevada (775) 753-1154.

Emergency Medical Services, 100 Frankie, Tonopah, Nevada (775) 482-3722.

Copies may be obtained in person, by mail, or by calling (775) 687-4475. Copies are also available for review at all physical locations of program offices (see above) or the following main public libraries in each county:

Carson City Library, 900 North Roop St. Carson City, NV 89701
Churchill County Library, 533 S. Main St. Fallon, NV 89406
Clark County Library, 4020 Maryland Parkway, Las Vegas, NV 89119
Douglas County Library, 1625 Library Lane, (PO Box 337) Minden, NV 89423
Elko County Library, 720 Court St. Elko, NV 89801
Goldfield Public Library (Esmeralda Co), Corner of Crook and Ramsey, (PO Box 430) Goldfield, NV
Eureka Branch Library, 10190 Monroe St., Eureka, NV 89316
Humboldt County Library, 85 East 5th St., Winnemucca, NV 89445
Battle Mountain Branch Library (Lander Co.), 6255 Broad St., Battle Mountain, NV 89820
Lincoln County Library, 63 Maine St., (PO Box 330) Pioche, NV 89043
Lyon County Library, 20 Nevin Way, Yerington, NV 89447
Mineral County Library, 125 A St., (PO Box 1390) Hawthorne, NV 89415
Pershing County Library, 125 Central, (PO Box 781) Lovelock, NV 89419
Storey County Library, 95 South R St., (PO Box 14) Virginia City, NV 89440
Tonopah Public Library (Nye Co.), 171 Central, (PO Box 449) Tonopah, NV 89049
Washoe County Library, 301 South Center St., (PO Box 2151) Reno, NV 89505
White Pine County Library, 950 Campton St., Ely, NV 89301

Per NRS 233B.064(2), upon adoption of any regulations, the agency, if requested to do so by an interested person, either prior to adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

PROPOSED REGULATION OF THE HEALTH DIVISION OF THE DEPARTMENT OF HUMAN RESOURCES

Facility for Refractive Laser Surgery REGULATION DRAFT (Revision 4/30/02)

Explanation – Matter *italicized* is new; matter in brackets [] is omitted material

Section 1. DEFINITION

As used in Sections 1 to 16 inclusive, unless the context otherwise requires, the words and terms defined in Section 2 to 5, inclusive, have the meanings ascribed to them in those sections.

Section 2. DEFINITION

“Division” means the health division of the department of human resources.

Section 3. DEFINITION

“Facility” means a facility for refractive laser surgery as defined in NRS 449.00387.

Section 4. DEFINITION

“LASIK” means laser in situ keratomeleusis.

Section 5. DEFINITION

“PRK” means photorefractive keratectomy

Section 6. APPLICABILITY

Sections 1 through 16 do not apply to either an individual ophthalmologist or a group of ophthalmologists licensed pursuant to NRS 630 or a doctor of osteopathy licensed pursuant to NRS 633 who provide other ophthalmological medical services in addition to the evaluation of refractive error of the eye and surgery by PRK or LASIK.

Section 7. ADMINISTRATION

1. The facility shall be organized with an administrator appointed by the licensee who is legally responsible for the daily operation of the facility and for compliance with these regulations.

2. The administrator shall be at least 21 years of age and have at least one year of administrative experience in a health care setting. The administrator must have experience in the administration and supervision of personnel and possess such knowledge of the practice of medicine as to enable him to be conversant in surgical protocols.

3. If the laser equipment is leased through contractual arrangement to another ophthalmologist for the provision of PRK and LASIK, the licensee retains responsibility for the services provided in the facility.

Section 8. STAFF REQUIREMENTS

1. A facility must be adequately equipped and staffed with qualified personnel to meet the needs and assure the safety of persons attending the facility and conform to all applicable statutory requirements for the provision of care.

2. All staff who provide patient care must be adequately trained in emergency procedures and must be currently certified to perform first aid and Cardio pulmonary resuscitation. There must be a staff member trained in emergency procedures and certified in first aid and Cardio pulmonary resuscitation in the facility whenever patients are present.

3. All staff must comply with Nevada Administrative Code 441A for the control of communicable diseases and the health records of employees.

4. The facility shall maintain personnel files that include the following:

(a) Proof of emergency response training.

(b) Health records of its employees that contain documented evidence of surveillance and testing of those employees for tuberculosis in accordance with chapter 441A of NAC.

(c) Evidence of a current license or certification for each person employed, or under contract, who is required by law to be licensed or certified to perform his job.

Section 9. PATIENT RECORDS

1. The facility must establish and maintain a record of each patient documenting the assessment of the patient's health needs and all health care services the patient received. These records must meet the requirements of Section 14.

2. Each record must be protected against loss, destruction, or unauthorized use. The records of a patient admitted to the facility are kept confidential, except as otherwise provided by law.

3. If the facility closes, it must notify the Bureau of Licensure and Certification of the disposition of its records.

4. All records must be maintained for a period of five years.

Section 10. POLICIES AND PROCEDURES

1. A facility must have written policies and procedures available to members of the staff, patients and the public which govern the operation of the facility and services provided by the facility.

2. The policies and procedures must:

(a) Describe the scope of services offered and the cost of those service, the payment of fees and the refund of any deposited fees;

(b) Set forth the hours of operation and describe any care that is available at the facility during emergencies and after normal business hours;

(c) Define the admission and discharge criteria;

(d) Explain the type of staff provided and identify the scope of their duties;

- (e) Address how emergencies that may arise in the facility will be handled;*
- (f) Meet the requirements of Section 12 and 13 relating to the maintenance of equipment and the physical environment;*
- (g) Describe the conduct and responsibilities of patients in their treatment and inform the patient of the right to refuse to participate in experimental research;*
- (h) Set forth the procedures for filing complaints or grievances at the facility; and*
- (i) Define patient rights and set forth the procedure for informing each patients of his rights; and*
- (j) Describe the method for maintaining and protecting patient records.*
- (k) Define procedures for the administration and dispensing of medication to patients in compliance with federal and state laws.*

Section 11. PATIENT RIGHTS (Informing patient of rights, services and cost.)

- 1. Each patient admitted to the facility is treated with respect, consideration and dignity.*
- 2. Each patient admitted to the facility is provided appropriate privacy.*
- 3. Each patient admitted to the facility is informed of his rights as a patient in accordance with the provisions of NRS 449.730. He must be informed, at the time of his admission, of the services available and the estimated cost of those services. He must also be informed of the facility's policy on the refund of deposited fees. If a patient is unable to understand his rights, they must be explained to his guardian, next of kin or the agency financially responsible for his care.*
- 4. Each patient admitted to the facility is given the opportunity to participate in decisions relating to his health care, unless he is unable to do so because of his medical condition.*
- 5. An informed consent must be obtained prior to surgery which specifically authorizes the surgeon, by name, to perform surgery and names or describes the operative procedure. Expectations, alternatives, risks and complications that are discussed with the patient must be documented.*

Section 12. REQUIREMENTS FOR EQUIPMENT AND LASERS

- 1. The administrator shall ensure that all equipment be periodically inspected and where appropriate, tested, calibrated serviced or repaired according to the manufacturer's instructions to assure that they are functioning properly. All equipment and supplies must be used in accordance with manufacturer's instructions. Records shall be maintained to assure that appropriate inspections and maintenance of all equipment is periodically accomplished by an appropriately qualified person.*
- 2. The administrator of the facility shall ensure that all lasers shall meet the requirements of any applicable federal standards in 21 Code of Federal Regulations (CFR) 1040 and maintain appropriate evidence of compliance with 21 CFR 1040 at the facility.*
- 3. Policies and procedures must be established and implemented for Lasers which include but are not limited to:*
 - (a) Laser safety programs;*
 - (b) Education and training of laser personnel including credentialing for each laser, and requirements that all personnel be adequately trained in the use and safety of each laser used in patient care:*

4. *The facility shall provide a safe environment for utilization of lasers including:*
 - (a) *Ensuring only authorized persons are allowed in treatment areas;*
 - (b) *Utilization of door and window coverings where appropriate;*
 - (c) *Utilization of laser protective eyewear by personnel in treatment areas when appropriate;*
 - (d) *Utilization of appropriate disinfectant or sterilization of laser components that have direct patient contact; and*
 - (e) *Maintaining laser maintenance logs and visually inspecting and testing the laser before use.*
5. *The facility shall provide appropriate laser fire protection including:*
 - (a) *Electrical rated fire extinguishers for equipment fires are immediately available;*
 - (b) *Water is immediately available for patient fire safety; and*
 - (c) *Utilization of non-combustible materials, supplies, and solutions as appropriate.*

Section 13. PHYSICAL ENVIRONMENT

1. *The administrator of the facility shall ensure that all parts of the facility, including its premises and equipment, are maintained neat, clean, free of insects, rodents, litter and rubbish. Policies and procedures shall be established and implemented for cleaning, sanitizing or sterilizing equipment and supplies.*
2. *The facility shall have a clean, comfortable waiting room with adequate space for patient's family members. A separate bathroom shall be maintained for the exclusive use of patients and their families. Provisions for the safe storage of valuables shall be made available for patient use.*
3. *The operating room shall be distinctly separate and segregated from the waiting room, exam room if present, administrative area, physician's office and staff lounge.*
4. *The facility must have sufficient space for care and storage of instruments and supplies.*
5. *The facility must be adequately ventilated and temperature controlled.*
6. *All drugs and pharmaceuticals must be stored, administered, and maintained in accordance with all current state and federal requirements.*

Section 14. QUALITY IMPROVEMENT

1. *The facility shall have a quality improvement program in place which:*
 - (a) *Monitors and evaluates the quality of patient care;*
 - (b) *Evaluates methods to improve patient care;*
 - (c) *Identifies and corrects deficiencies; and*
 - (d) *Reviews and resolves patient grievances and maintains documentation of the resolution.*

Section 15. PATIENT SERVICES

1. *Only local anesthesia and oral sedatives may be used at the facility.*

2. *An appropriate and current history including a list of current medications, dosages, physical examination and pertinent preoperative diagnostic studies must be incorporated into the patient's medical record prior to surgery.*

3. *A preoperative evaluation must be conducted by the surgeon, licensed pursuant to NRS 630, or the doctor of osteopathy license pursuant to NRS 633 who will be performing the surgery immediately prior to the procedure. This individual must have all required licenses or certificates.*

4. *Surgical procedures must be performed only by a surgeon licensed pursuant to NRS 630 or a doctor of osteopathy licensed pursuant to NRS 633.*

5. *Emergency equipment and medications as required by policy are available, and properly stored and maintained. Outdated medications are destroyed immediately.*

6. *Protocols must be established and implemented for instructing patients in self-care after surgery, including written instructions to be given at the time of discharge.*

7. *A follow-up examination must be conducted by the surgeon licensed pursuant to NRS 630, a doctor of osteopathy licensed pursuant to NRS 633, or a collaborating optometrist as provided in NRS 633.374 within 24 hours following the procedure. Documentation of the results of this examination must be included as part of the patient's permanent medical record.*

Section 16. PROCEDURE FOR INDEMNIFICATION

1. *A complete application for indemnification by the division from the amount of any surety bond or other obligation filed or deposited by a facility must be submitted to the administrator of the division. Any incomplete applications submitted to the administrator of the health division will be returned to the applicant.*

2. *The application must include a copy of the court order or settlement agreement that indicates a determination that the patient was damaged as a result of a breach of contract or bankruptcy of a facility and a notarized statement of the patient or patient's legal representative that includes the following information:*

(a) *A brief description of the damages sustained by the patient as a result of the bankruptcy of or any breach of contract by the facility;*

(b) *The date that the damages were incurred and the amount of damages claimed; and*

(c) *The name and address of the facility where the patient sustained damage.*

3. *The division may bring an action for interpleader against all claimants upon the security. If the division brings such an action, the division shall publish notice of the action at least once each week for 2 weeks in a newspaper of general circulation in the county in which the facility has its principal place of business. The division may deduct its costs of the action including the costs of publication of the notices, from the amount of the security.*

4. *All claims against the security have equal priority. If the security is insufficient to pay all the claims in full, the claims must be paid pro rata.*

5. *If no claims have been filed against the security deposited with the division within a year after the facility's license expires or is revoked, the division shall release the security to the facility and shall not consider any claims filed against the security thereafter by patients.*

6. *If one or more claims have been filed against the security within a year after the facility's license expires or is revoked, the proceeds must not be released to the facility or*

distributed to any patient earlier than 18 months after the facility's license expires or is revoked.

Sec. 17. NAC 449.013 is hereby amended to read as follows:

449.013 1. Except as otherwise provided in NAC 449.0168, an applicant for a license to operate any of the following facilities, programs of hospice care or agencies must pay to the health division the following nonrefundable fees:

- (a) An ambulatory surgical center \$1,200
- (b) A facility for the treatment of irreversible renal disease 1,200
- (c) A home office or subunit agency of a home health agency 1,200
- (d) A branch office of a home health agency 500
- (e) A rural clinic 1,200
- (f) An obstetric center..... 1,200
- (g) A program of hospice care..... 1,200
- (h) An independent center for emergency medical care..... 1,200
- (i) A nursing pool 750
- (j) A facility for treatment with narcotics..... 750
- (k) A medication unit 500
- (l) A referral agency 750
- (m) A halfway house for recovering alcohol and drug abusers..... 500
- (n) *A facility for refractive laser surgery..... 3,545*

2. An applicant for the renewal of such a license must pay to the health division the following nonrefundable fees:

- (a) An ambulatory surgical center \$600
- (b) A facility for the treatment of irreversible renal disease 600
- (c) A home office or subunit agency of a home health agency 600
- (d) A branch office of a home health agency 100
- (e) A rural clinic 600
- (f) An obstetric center..... 600
- (g) A program of hospice care..... 600
- (h) An independent center for emergency medical care..... 600
- (i) A nursing pool 600
- (j) A facility for treatment with narcotics..... 600
- (k) A medication unit 100
- (l) A referral agency 600
- (m) A halfway house for recovering alcohol and drug abusers..... 300
- (n) *A facility for refractive laser surgery..... 3,000*

3. An application for a license is valid for 1 year after the date on which the application is submitted. If an applicant does not meet the requirements for licensure imposed by chapter 449 of NRS or the regulations adopted pursuant thereto within 1 year after the date on which he submits his application, he must submit a new application and pay the required fee to be considered for licensure.