

Senate Bill No. 348—Senators Donate and Ohrenschall

Joint Sponsors: Assemblymen González; Carter, Duran, Mosca,
Peters and Watts

CHAPTER.....

AN ACT relating to health care; requiring written approval to close certain hospitals or convert such a hospital into a different type of health facility; requiring certain facilities that provide emergency medical services to provide certain notice to patients; establishing and increasing certain civil penalties; requiring an off-campus location of a hospital that provides emergency medical services or an independent center for emergency medical care to include certain information on a claim for reimbursement or payment; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires a person to obtain the written approval of the: (1) Director of the Department of Health and Human Services before making certain capital expenditures for construction of a new health facility under certain circumstances; or (2) the Chief Medical Officer before operating or undertaking any expenditure for the operation of a new medical helicopter within 150 miles from the base of an existing medical helicopter. (NRS 439A.100, 439A.104) **Section 2** of this bill similarly requires a person to obtain the written approval of the Director before closing a hospital in a county whose population is 100,000 or more (currently Clark and Washoe Counties) or converting such a hospital into a different type of health facility. **Sections 2 and 7-9** of this bill provide that such approval is a condition to: (1) the issuance or renewal of a license for certain health facilities converted from a hospital; and (2) certain amendments to such a license. **Sections 5 and 10** of this bill authorize the Department and the Division of Public and Behavioral Health of the Department to impose certain civil penalties and take certain other disciplinary action against a person who closes a hospital in a county whose population is 100,000 or more or converts a hospital in such a county to a different type of health facility without written approval in violation of **section 2**.

Existing law requires: (1) a hospital to notify the Department of any merger, acquisition or similar transaction involving the hospital; and (2) a physician group practice or a person who owns all or substantially all of a physician group practice to notify the Department of certain similar transactions under certain circumstances. (NRS 439A.126) **Section 4** of this bill authorizes the Department to impose an administrative penalty against a hospital that fails to provide timely notice of the information required by existing law. **Section 4** also requires the Department to notify the Board of Medical Examiners or the State Board of Osteopathic Medicine, as appropriate, if a physician group practice or a person who owns all or substantially all of a physician group practice fails to provide such timely notice. Upon receiving notice of such failure from the Department, **sections 10.7 and 11.5** of this bill require those boards to proceed as if a complaint had been filed. If, after conducting an investigation and a hearing, the Board of Medical Examiners or the State Board of Osteopathic Medicine determines that a physician group practice or a person who owns all or substantially all of a physician group practice has failed to provide timely notice to the Department of a transaction for which notice is



required, **sections 10.7 and 11.5** authorize the respective board to impose an administrative penalty.

Existing law requires each off-campus location of a hospital to obtain and use on all claims for reimbursement or payment a national provider identifier that is distinct from the national provider identifier used by the main campus and any other off-campus location of the hospital. (NRS 449.1818) **Section 10.3** of this bill clarifies that the off-campus location: (1) is required to include the national provider identifier on each claim for reimbursement or payment; and (2) may additionally include on such a claim the national provider identifier for the main campus of the hospital. **Section 10.3** also requires an independent center for emergency medical care to include its national provider identifier on all claims for reimbursement or payment.

Among other sanctions, existing law authorizes the Division of Public and Behavioral Health to impose against a hospital that fails to obtain a national provider identifier for an off-campus location that is distinct from the national provider identifier used by the main campus and any other off-campus location of the hospital an administrative penalty of not more than \$5,000 for each day of such failure, together with interest. (NRS 449.163) **Section 10.2** of this bill doubles the amount of the administrative penalty that the Division is authorized to impose for such failure.

Existing law provides every patient of a medical facility, including a hospital, with the right to receive certain information about the condition and care of the patient and the cost of such care. (NRS 449A.106) If an off-campus location of a hospital provides emergency medical services, **section 10.5** of this bill requires the off-campus location to: (1) post conspicuous notice that the off-campus location is an emergency medical facility and will charge patients for an emergency room visit; and (2) provide each patient with certain notice concerning the rights of the patient upon registration. **Section 10.5** also requires such an off-campus location to provide each patient with a more detailed notice concerning billing and payment after the patient is found not to have an emergency medical condition or after the emergency medical condition of the patient has been stabilized, as applicable.

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

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

Section 1. Chapter 439A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. 1. *Except as otherwise provided in this section, no person may close a hospital in a county whose population is 100,000 or more or convert a hospital in such a county into a different type of health facility without first applying for and obtaining the written approval of the Director or the designee of the Director. The Division of Public and Behavioral Health of the Department shall not issue a new license or alter an existing license for conversion to a different type of health facility unless the Director or the designee of the Director has issued such an approval.*



2. The Director may adopt regulations which prescribe the process to apply for written approval pursuant to this section.

3. An applicant must provide any information requested by the Director or the designee of the Director for consideration of an application, which must include, without limitation, information related to:

(a) The location of the hospital;

(b) The ownership structure of the hospital;

(c) Whether the closure or conversion is likely to benefit any other health facility in the same geographic area as the hospital in which any person with an ownership interest in the hospital also has an ownership interest;

(d) An explanation of the need for the closure or conversion;

(e) Data regarding the population served by the hospital in the 24 months immediately preceding the application; and

(f) The manner in which and the locations where the population served by the hospital will be able to obtain the health services that were provided by the hospital during the 24 months following the closure or conversion of the hospital.

4. The Director or the designee of the Director shall not approve an application submitted pursuant to subsection 1 without considering the information required to be submitted pursuant to subsection 3.

5. The decision of the Director or the designee of the Director pursuant to this section is a final decision for the purposes of judicial review.

6. The provisions of this section do not apply to any person who ceases to operate hospitals in this State.

Sec. 3. (Deleted by amendment.)

Sec. 4. NRS 439A.126 is hereby amended to read as follows:

439A.126 1. A hospital shall notify the Department of any merger, acquisition or joint venture with any entity, including, without limitation, a physician group practice, to which the hospital is a party or any contract for the management of the hospital not later than 60 days after the finalization of the transaction or execution of the contract for management, as applicable.

2. A physician group practice or a person who owns all or substantially all of a physician group practice shall notify the Department of a transaction described in subsection 3 to which the physician group practice or person, as applicable, is a party or any contract for the management of the physician group practice not later than 60 days after the finalization of the transaction or execution of the contract for management, as applicable, if:



(a) The physician group practices that are parties to the transaction or contract for management or that are owned by those parties represent at least 20 percent of the physicians who practice any specialty in a primary service area; and

(b) The physician group practice represents the largest number of physicians of any physician group practice that is a party to or owned by a party to the transaction or contract for management.

3. Notice must be provided pursuant to subsection 2 for any:

(a) Merger of, consolidation of or other affiliation between physician group practices, persons who own physician group practices or any combination thereof;

(b) The acquisition of all or substantially all of the properties and assets of a physician group practice;

(c) The acquisition of all or substantially all of the capital stock, membership interests or other equity interests of a physician group practice;

(d) The employment of all or substantially all of the physicians in a physician group practice; or

(e) The acquisition of an insolvent physician group practice.

4. Notice pursuant to subsection 1 or 2 must be provided in the form prescribed by the Department and must include, without limitation:

(a) The name of each party to the transaction or contract for management, as applicable;

(b) A description of the nature of the proposed relationship of the parties to the transaction or contract for management, as applicable;

(c) The names and any specialties of each physician who is a party or employed by or affiliated with a physician group practice that is a party to or is owned by a party to the transaction or contract for management, as applicable;

(d) The name and address of each business entity that will provide health services after the transaction or contract for management, as applicable;

(e) A description of the health services to be provided at each location of a business entity described in paragraph (d); and

(f) The primary service area to be served by each location of a business entity described in paragraph (d).

5. The Department shall:

(a) Post the information contained in the notices provided pursuant to subsections 1 and 2 on an Internet website maintained by the Department; and



(b) Annually prepare a report regarding market transactions and concentration in health care based on the information in the notices and post the report on an Internet website maintained by the Department.

6. *If a hospital fails to provide timely notice to the Department pursuant to subsection 1 and the failure was not caused by excusable neglect, technical problems or other extenuating circumstances, the Department may impose against the hospital an administrative penalty of not more than \$5,000 for each day of such failure.*

7. *If a physician group practice or a person who owns all or substantially all of a physician group practice fails to provide timely notice to the Department pursuant to subsection 2 and the failure was not caused by excusable neglect, technical problems or other extenuating circumstances, the Department shall notify the Board of Medical Examiners or the State Board of Osteopathic Medicine, or both, as applicable, of such failure.*

8. *Any money collected as administrative penalties pursuant to this section must be accounted for separately and used by the Department to carry out the provisions of NRS 439A.111 to 439A.126, inclusive, or for any other purpose authorized by the Legislature.*

9. As used in this section:

(a) "Physician group practice" means any business entity organized for the purpose of the practice of medicine or osteopathic medicine by more than one physician.

(b) "Primary service area" means an area comprising the smallest number of zip codes from which the hospital or physician group practice draws at least 75 percent of patients.

Sec. 5. NRS 439A.310 is hereby amended to read as follows:

439A.310 1. Except as otherwise provided in subsection 2, any person who violates any of the provisions of this chapter is liable to the State for a civil penalty of:

(a) Where the provision violated governs the licensing of a project which is required to be approved pursuant to NRS 439A.100 ~~§~~ *or section 2 of this act*, not more than 10 percent of the proposed expenditure for the project.

(b) Where any other provision is violated, not more than \$20,000 for each violation.

2. The Department shall not impose a penalty under this section if it applies for injunctive relief to prevent the same violation.

Sec. 6. (Deleted by amendment.)



Sec. 7. 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 section 2 of this act*, 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 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.

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. 8. NRS 449.087 is hereby amended to read as follows:

449.087 1. A licensee must obtain the approval of the Division to amend his or her license to operate a facility before the addition of any of the following services:

(a) The intensive care of newborn babies.

(b) The treatment of burns.

(c) The transplant of organs.

(d) The performance of open-heart surgery.

(e) A center for the treatment of trauma.

2. The Division shall approve an application to amend a license to allow a facility to provide any of the services described in subsection 1 if:

(a) The applicant satisfies the requirements contained in NRS 449.080;

(b) The Division determines on the basis of the standards adopted by the Board pursuant to subsection 4 that there are an adequate number of cases in the community to be served to support amending the license to add the service; and

(c) The Division determines that the applicant satisfies any other standards adopted by the Board pursuant to subsection 4.

3. The Division may revoke its approval if the licensee fails to maintain substantial compliance with the standards adopted by the Board pursuant to subsection 4 for the provision of such services, or



with any conditions included in the written approval of the Director issued pursuant to the provisions of NRS 439A.100 ~~or~~ *or section 2 of this act.*

4. The Board shall:

(a) Adopt standards which have been adopted by appropriate national organizations to be used by the Division in determining whether there are an adequate number of cases in the community to be served to support amending the license of a licensee to add a service pursuant to this section; and

(b) Adopt such other standards as it deems necessary for determining whether to approve the provision of services pursuant to this section.

Sec. 9. 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~~ *or section 2 of this act;* 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 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, 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. 10. NRS 449.160 is hereby amended to read as follows:


449.160 1. The Division may deny an application for a license or may suspend or revoke any license issued under the provisions of NRS 449.029 to 449.2428, inclusive, upon any of the following grounds:

(a) Violation by the applicant or the licensee of any of the provisions of NRS 439B.410 or 449.029 to 449.245, inclusive, or of any other law of this State or of the standards, rules and regulations adopted thereunder.

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

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

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

(e) Failure of the applicant to obtain written approval from the Director of the Department of Health and Human Services as required by NRS 439A.100 *or section 2 of this act* or as provided in any regulation adopted pursuant to NRS 449.001 to 449.430, inclusive, and 449.435 to 449.531, inclusive, and chapter 449A of NRS if such approval is required , *including, without limitation, the closure or conversion of any hospital in a county whose*



population is 100,000 or more that is owned by the licensee without approval pursuant to section 2 of this act.

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

(g) Violation of the provisions of NRS 458.112.

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

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

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

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

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

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

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

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

→ The facility shall make the information available to the public pursuant to NRS 449.2486.

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

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

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

Sec. 10.2. NRS 449.163 is hereby amended to read as follows:

449.163 1. In addition to the payment of the amount required by NRS 449.0308, if a medical facility, facility for the dependent or facility which is required by the regulations adopted by the Board pursuant to NRS 449.0303 to be licensed violates any provision related to its licensure, including any provision of NRS 439B.410 or 449.029 to 449.2428, inclusive, or any condition, standard or



regulation adopted by the Board, the Division, in accordance with the regulations adopted pursuant to NRS 449.165, may:

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

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

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

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

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

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

(2) Improvements are made to correct the violation.

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

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

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

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

~~§~~ 4. The Division may require any facility that violates any provision of NRS 439B.410 or 449.029 to 449.2428, inclusive, or any condition, standard or regulation adopted by the Board to make any improvements necessary to correct the violation.



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

Sec. 10.3. NRS 449.1818 is hereby amended to read as follows:

449.1818 1. Each off-campus location of a hospital ~~[must]~~ *shall* obtain and use *and include* on all claims for reimbursement or payment for health care services provided at the location a national provider identifier that is distinct from the national provider identifier used by the main campus and any other off-campus location of the hospital. *If the off-campus location includes the national provider identifier on such a claim, the off-campus location may also include on the claim the national provider identifier used by the main campus of the hospital. If the off-campus location includes both the national provider identifier used by the off-campus location and the national provider identifier used by the main campus on a claim, the claim must clearly identify which national provider identifier corresponds to the off-campus location and which national provider identifier corresponds to the main campus.*

2. *An independent center for emergency medical care shall include on all claims for reimbursement or payment for health care services provided at the independent center for emergency medical care the national provider identifier used by the independent center for emergency medical care.*

3. As used in this section:

(a) “National provider identifier” means the standard, unique health identifier for health care providers that is issued by the national provider system in accordance with 45 C.F.R. Part 162.

(b) “Off-campus location” means a facility:

(1) With operations that are directly or indirectly owned or controlled by, in whole or in part, a hospital or which is affiliated with a hospital, regardless of whether it is operated by the same governing body as the hospital;

(2) That is located more than 250 yards from the main campus of the hospital;

(3) That provides services which are organizationally and functionally integrated with the hospital; and



(4) That is an outpatient facility providing ambulatory surgery, urgent care or emergency room services.

Sec. 10.5. Chapter 449A of NRS is hereby amended by adding thereto a new section to read as follows:

1. An off-campus location shall post conspicuously in each location where patients are admitted and registered a sign, in not less than 24 point boldface type, which states in English and Spanish:

NOTICE

This is an emergency medical facility that treats emergency medical conditions. You will be charged for a visit to an emergency room and not for a visit to an urgent care center.

2. An off-campus location shall provide to each patient of the emergency department of the off-campus location and any adult accompanying such a patient who is less than 18 years of age immediately upon registration a written statement in substantially the following form:

PATIENT INFORMATION

This is an emergency medical facility that treats emergency medical conditions. You will be charged for a visit to an emergency room and not for a visit to an urgent care center.

We will screen and treat you regardless of your ability to pay.

You have the right to ask questions regarding your treatment options and costs.

You have the right to receive prompt and reasonable responses to such questions and requests.

You have the right to reject treatment.

This is not a complete statement of patient information or rights. You will receive a more comprehensive statement after the completion of a medical screening examination that does not reveal an emergency medical condition or after your emergency medical condition has been stabilized.



3. *To the extent practicable, a written statement provided pursuant to subsection 2 must be in the language requested by the patient or the adult accompanying the patient, as applicable.*

4. *After the completion of an appropriate medical screening examination of a patient of the emergency department of the off-campus location that does not reveal an emergency medical condition or after stabilizing the emergency medical condition of such a patient, an off-campus location shall provide the patient and, if the patient, is less than 18 years of age, any adult accompanying the patient, with written notice of:*

(a) *The policies of the off-campus location concerning the acceptance of patients enrolled in Medicaid and Medicare;*

(b) *The networks of third parties in which the off-campus location participates;*

(c) *The possibility that the patient may be billed separately by providers of health care at the off-campus location;*

(d) *The maximum price for emergency medical services that the off-campus location commonly provides; and*

(e) *Any additional fees that the off-campus location charges.*

5. *As used in this section:*

(a) *“Network” means a defined set of providers of health care who are under contract with a third party to provide health care services to persons covered by the third party.*

(b) *“Off-campus location” means a facility:*

(1) *With operations that are directly or indirectly owned or controlled by, in whole or in part, a hospital or which is affiliated with a hospital, regardless of whether it is operated by the same governing body as the hospital;*

(2) *That is located more than 250 yards from the main campus of the hospital;*

(3) *That provides services which are organizationally and functionally integrated with the hospital; and*

(4) *That is an outpatient facility providing emergency room services.*

(c) *“Third party” means any insurer, governmental entity or other organization providing health coverage or benefits in accordance with state or federal law.*

Sec. 10.7. Chapter 630 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *Except as otherwise provided in this subsection, if the Board receives notice from the Department of Health and Human Services pursuant to NRS 439A.126 that a physician group practice or a person who owns all or substantially all of a*



physician group practice has failed to provide timely notice to the Department of a transaction described in subsection 3 of NRS 439A.126, the Board must proceed as if a complaint had been filed against the physician group practice or person, as applicable. If the report concerns a physician group practice that consists of physicians licensed pursuant to this chapter and osteopathic physicians licensed pursuant to chapter 633 of NRS, the Board shall consult with the State Board of Osteopathic Medicine to ensure that either the Board or the State Board of Osteopathic Medicine, but not both, investigates the notice.

2. If, after conducting an investigation and a hearing in accordance with the provisions of this chapter, the Board determines that a physician group practice or a person who owns all or substantially all of a physician group practice has failed to provide timely notice to the Department of Health and Human Services of a transaction described in subsection 3 of NRS 439A.126, the Board may impose an administrative penalty of not more than \$5,000 for each day of such failure.

3. As used in this section, "physician group practice" has the meaning ascribed to it in NRS 439A.126.

Sec. 11. (Deleted by amendment.)

Sec. 11.5. Chapter 633 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in this subsection, if the Board receives notice from the Department of Health and Human Services pursuant to NRS 439A.126 that a physician group practice or a person who owns all or substantially all of a physician group practice has failed to provide timely notice to the Department of a transaction described in subsection 3 of NRS 439A.126, the Board must proceed as if a complaint had been filed against the physician group practice or person, as applicable. If the report concerns a physician group practice that consists of osteopathic physicians licensed pursuant to this chapter and physicians licensed pursuant to chapter 630 of NRS, the Board shall consult with the Board of Medical Examiners to ensure that either the Board or the Board of Medical Examiners, but not both, investigates the notice.

2. If, after conducting an investigation and a hearing in accordance with the provisions of this chapter, the Board determines that a physician group practice or a person who owns all or substantially all of a physician group practice has failed to provide timely notice to the Department of Health and Human Services of a transaction described in subsection 3 of



NRS 439A.126, the Board may impose an administrative penalty of not more than \$5,000 for each day of such failure.

3. As used in this section, "physician group practice" has the meaning ascribed to it in NRS 439A.126.

Sec. 12. 1. This section becomes effective upon passage and approval.

2. Sections 1 to 11.5, inclusive, 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 January 1, 2024, for all other purposes.

