Unofficial Copy J3 2000 Regular Session (0lr1251)

ENROLLED BILL

-- Finance/Environmental Matters --

Introduced by Senators Hollinger, Teitelbaum, and Collins (Task Force on Quality of Care in Nursing Homes)

	Read and Examined by Proofreaders:				
		Proofreader.			
Sealed with the Great Seal and presented to the Governor, for his approval this day of at o'clock,M.					
		President.			
	CHAPTER				
1 A	AN ACT concerning				
2	Nursing Homes - Quality Assurance				
3 F	FOR the purpose of requiring a nursing home, as a condition of licensure by a certain				
4	date, to establish and implement a quality assurance program that meets				
5	certain requirements and is approved by the Department of Health and Mental				
6	Hygiene; requiring a nursing home to employ a quality assurance nurse				
7	designate a qualified individual to manage and monitor the quality of care in				
8	the nursing home and a medical director; requiring the designation of a medical				
9	director; requiring a nursing home to establish a Quality Assurance Committee				
10 11	that must review and approve annually a quality assurance plan; defining				
12	certain terms; requiring the Secretary of Health and Mental Hygiene, in consultation with certain entities, to define the role of the medical director for a				
13	nursing home; prohibiting the Secretary of Health and Mental Hygiene from				
14	requiring the disclosure of certain records and reports; authorizing the				
15	Department of Health and Mental Hygiene to impose certain sanctions under				
16	certain circumstances; requiring each nursing home to display certain notice;				

1 2 3 4 5 6 7 8 9	requiring the Secretary of Health and Mental Hygiene to adopt regulations that will provide for medical staff physician accountability; requiring the Secretary of Health and Mental Hygiene to create a technical assistance unit; authorizing the Secretary of Health and Mental Hygiene to partially reimburse a nursing home for installing certain automated health systems; authorizing the Secretary of Health and Mental Hygiene to adopt certain regulations; requiring a nursing home to give notice and establish certain procedures in the event of injury, elosure, or loss of funds under certain circumstances; and generally relating to quality assurance in nursing homes.				
10 11 12 13 14 15	Section 19-1401 through 19-1403 and 19-1405 through 19-1409 to be under the amended subtitle "Subtitle 14. Nursing Homes" Annotated Code of Maryland				
16 17 18 19 20	Section 19-1404 Annotated Code of Maryland				
21 22 23 24 25	Section 19-1410 through 19-1415 Annotated Code of Maryland				
26 27	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:				
28	Article - Health - General				
29	Subtitle 14. Nursing Homes [- Civil Money Penalties].				
30	19-1401.				
31	(a) In this subtitle, the following words have the meanings indicated.				
	(B) "ACTUAL HARM DEFICIENCY" MEANS A CONDITION EXISTING IN A NURSING HOME OR AN ACTION OR INACTION BY THE NURSING HOME STAFF THAT HAS CAUSED PHYSICAL OR EMOTIONAL INJURY OR IMPAIRMENT TO A RESIDENT.				
35 36	(C) "CONCURRENT REVIEW" MEANS A DAILY INSPECTION OF EACH RESIDENT BY A LICENSED NURSE THAT EVALUATES MEDICATION ADMINISTRATION,				

37 LABORATORY VALUES, DEHYDRATION AND MALNUTRITION, NUTRITIONAL STATUS

1 AND WEIGHT LOSS OR GAIN, SKIN BREAKDOWN, ACCIDENTS AND INJURIES,					
 2 <u>CHANGES IN MENTAL OR PSYCHOLOGICAL STATUS, AND OVERALL CARE OF THE</u> 3 <u>RESIDENT.</u> 					
4 (C) "CONCURRENT REVIEW" MEANS DAILY ROUNDS BY A LICENSED NURSE WHICH INCLUDE:					
6 (1) APPRAISAL AND OBSERVATION OF EACH RESIDENT BY THE 7 LICENSED NURSE TO DETERMINE ANY CHANGE IN THE RESIDENT'S PHYSICAL OR 8 MENTAL STATUS; AND					
9 (2) IF THERE IS A CHANGE IN THE RESIDENT'S PHYSICAL OR MENTAL 10 STATUS, AN EVALUATION BY THE LICENSED NURSE OF:					
11 <u>(I)</u> <u>THE RESIDENT'S MEDICATIONS;</u>					
12 <u>(II) LABORATORY VALUES RELATING TO THE RESIDENT;</u>					
13 (III) CLINICAL DATA RELATING TO THE RESIDENT, INCLUDING THE 14 RESIDENT'S:					
15 <u>HYDRATION AND NUTRITIONAL NEED;</u>					
16 <u>2.</u> <u>SKIN INTEGRITY;</u>					
17 <u>3.</u> <u>NOTED WEIGHT CHANGES; AND</u>					
18 <u>4.</u> <u>APPETITE;</u>					
19 <u>(IV) INJURIES SUSTAINED BY THE RESIDENT THAT RESULT FROM</u> 20 <u>ACCIDENT OR INCIDENTS INVOLVING THE RESIDENT; AND</u>					
21 <u>(V) ANY OTHER RELEVANT PARAMETERS AFFECTING OR</u> 22 <u>REFLECTING THE RESIDENT'S PHYSICAL AND MENTAL STATUS.</u>					
[(b)] (C) (D) "Deficiency" [shall mean any failure of a nursing facility to meet the requirements of this subtitle or any rule or regulation that the Secretary adopts under this subtitle, and, in the case of a nursing facility that participates in the Maryland Medicaid Program under Title 15 of this article as a nursing facility, any failure to meet the requirements of § 1919(b), (c), or (d) of the federal Social Security Act (42 U.S.C. § 1396R(b), (c), or (d)), that is serious or life threatening MEANS A CONDITION EXISTING IN A NURSING HOME OR AN ACTION OR INACTION BY THE NURSING HOME STAFF THAT RESULTS IN POTENTIAL FOR HARM, ACTUAL HARM, OR A SERIOUS AND IMMEDIATE THREAT TO ONE OR MORE RESIDENTS.					
32 [(c) "Life threatening" shall mean a condition existing in a nursing facility that 33 presents an imminent danger of health or serious mental or physical harm to the 34 residents of the nursing facility and must be remedied immediately to insure their 35 health, safety, and welfare.]					

34

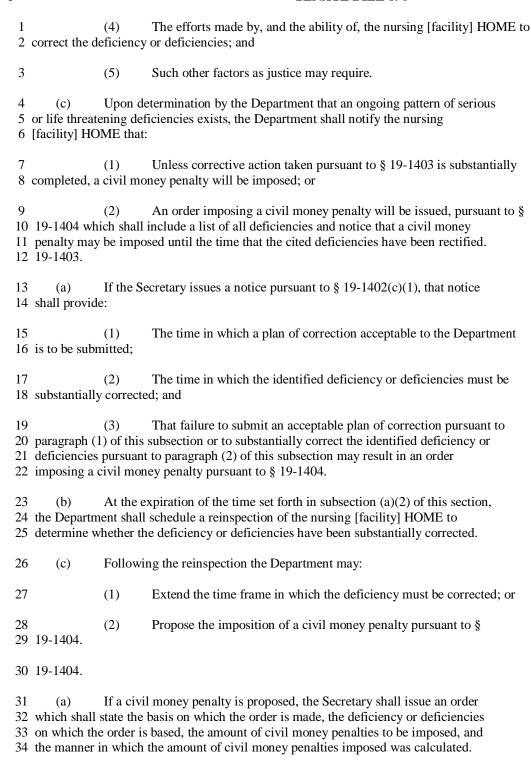
35 ongoing pattern during the preceding 24 months;

37 nursing [facility] HOME caused by the deficiency or deficiencies;

SENATE BILL 690 1 (d) (E) "Nursing [facility] HOME" means a facility (other than a facility 2 offering domiciliary or personal care as defined in Subtitle 3 of this title) which offers 3 nonacute inpatient care to patients suffering from a disease, CHRONIC ILLNESS, 4 condition, disability of advanced age, or terminal disease requiring maximal nursing 5 care without continuous hospital services and who require medical services and 6 nursing services rendered by or under the supervision of a licensed nurse together 7 with convalescent [services], restorative [services], or rehabilitative services. "ONGOING PATTERN" MEANS THE RECURRENCE OF DEFICIENCIES 8 9 AFTER TWO CONSECUTIVE SITE VISITS AS A RESULT OF ANNUAL SURVEYS. 10 FOLLOW-UP VISITS, UNSCHEDULED VISITS, OR COMPLAINT INVESTIGATIONS. 11 (F) (G) "POTENTIAL FOR HARM DEFICIENCY" MEANS A CONDITION 12 EXISTING IN A NURSING HOME OR AN ACTION OR INACTION BY THE NURSING HOME 13 STAFF THAT RESULTS IN MINIMAL DISCOMFORT TO A RESIDENT OR HAS THE 14 POTENTIAL TO CAUSE ACTUAL HARM TO A RESIDENT. 15 "Serious" means a condition existing in a nursing facility that does not [(e) 16 constitute a life threatening, health, or fire safety deficiency, but which is a violation 17 of departmental regulations and is likely to endanger the health, life, or safety of 18 patients.] 19 "SERIOUS IMMEDIATE THREAT" MEANS A SITUATION IN WHICH (G) (H) 20 IMMEDIATE CORRECTIVE ACTION IS NECESSARY BECAUSE A NURSING HOME'S 21 NONCOMPLIANCE WITH ONE OR MORE STATE REGULATIONS HAS CAUSED OR IS 22 LIKELY TO CAUSE SERIOUS INJURY, HARM, IMPAIRMENT, OR DEATH TO A RESIDENT 23 RECEIVING CARE IN THE NURSING HOME. "SUSTAINED COMPLIANCE" MEANS A PERIOD OF 30 DAYS 24 (H)25 FOLLOWING THE DATE OF NOTICE OF CORRECTIVE ACTION WITH NO DEFICIENCIES. 26 19-1402. 27 (a) A civil money penalty may be imposed when there is clear and convincing evidence of an ongoing pattern of serious or life threatening deficiencies in a nursing [facility] HOME. 30 In determining whether a civil money penalty is to be imposed, the 31 Secretary shall consider, pursuant to guidelines set forth in regulations promulgated 32 by the Secretary, the following factors: 33 (1) The number, nature, and seriousness of the deficiencies;

The extent to which the deficiency or deficiencies are part of an

The degree of risk to the health, life, or safety of the residents of the



6			SENATE BILL 690		
1 2	(b) unless issued		r issued pursuant to subsection (a) of this section shall be void 60 days of the later of:		
3		(1)	The inspection at which the deficiency is identified;		
4		(2)	The date identified in § 19-1403(a)(2); or		
5		(3)	The date identified in § 19-1403(c)(1).		
6	19-1405.				
7	(a)	A civil 1	money penalty imposed under this subtitle:		
8 9	threatening o	(1) deficienci	May not exceed a total of \$5,000 per day in which serious or life es exist; and		
10		(2)	May not exceed \$50,000 in total.		
		all consi	g the amount of a civil money penalty under this section, the der, pursuant to guidelines set forth in regulations promulgated following factors:		
14		(1)	The number, nature, and seriousness of the deficiencies;		
15 16	nursing [fac	(2) ility] HO	The degree of risk to the health, life, or safety of the residents of the ME caused by the deficiency or deficiencies;		
17 18	deficiency o	(3) or deficien	The efforts made by the nursing [facility] HOME to correct the acies;		
19 (4) Whether the amount of the proposed civil money penalty will 20 jeopardize the financial ability of the nursing [facility] HOME to continue operating 21 as a nursing [facility] HOME; and					
22		(5)	Such other factors as justice may require.		
23	19-1406.				
		when the	sing [facility] HOME shall provide written notice to the edeficiency or deficiencies identified in the notice issued 4 are substantially corrected.		
27 28	(b) date the not		culation of the amount of the civil money penalty will stop as of the section (a) of this section is received by the Department.		
	29 (c) The Department shall schedule and conduct a reinspection of the nursing 30 [facility] HOME within 24 hours of its receipt of the notice pursuant to subsection (a) 31 of this section.				

- 32 (d) If, following the reinspection, the Department determines that the 33 deficiency or deficiencies have not been substantially corrected, the [facility's]

- 1 HOME'S notice under subsection (a) of this section shall be invalid and the civil money
- 2 penalty imposed under § 19-1405(a) shall remain in effect.
- 3 19-1407.
- 4 (a) The nursing [facility] HOME shall have the right to appeal from the order 5 within 30 days from the receipt of the order.
- 6 (b) The appeal shall be heard by the Hearings Office of the Department, which 7 shall render the final agency decision for purposes of judicial review.
- 8 (c) Imposition of the civil money penalty shall be stayed until the final 9 decision is issued pursuant to subsection (m) of this section.
- 10 (d) A hearing on the appeal shall be held within 10 working days of the 11 request for hearing.
- 12 (e) The parties to the hearing shall be the aggrieved nursing [facility] HOME 13 and the Secretary.
- 14 (f) The parties are entitled to be represented by counsel.
- 15 (g) The Hearings Office may permit or modify a timely request by the nursing 16 [facility] HOME for prehearing discovery.
- 17 (h) The Hearings Office, upon its own motion or upon motion of either party, 18 may subpoena any person or evidence, administer oaths, and take depositions and
- 19 other testimony.
- 20 (i) The Hearings Office shall inquire fully into all of the matters at issue and
- 21 shall receive into evidence the testimony of witnesses and any documents which are
- 22 relevant and material to such matters.
- 23 (j) The parties shall have the right to present evidence and testimony and to 24 cross-examine that presented by the opposing party.
- 25 (k) The purpose of the hearing is to consider and render a decision on the 26 following matters:
- 27 (1) The existence of a deficiency or deficiencies; and
- 28 (2) The amount of the civil money penalty.
- 29 (1) The Secretary has the burden of proof with respect to the basis for
- 30 imposition of the civil money penalty under § 19-1402 and the amount of the civil
- 31 money penalty under § 19-1405.
- 32 (2) The Secretary must meet his burden of proof by clear and convincing
- 33 evidence.

- 1 (m) A decision shall be rendered by the Hearings Office within 7 days of the
- 2 hearing. The decision shall be the final agency decision of the Department, subject to
- 3 judicial appeal.
- 4 19-1408.
- 5 (a) A nursing [facility] HOME subject to a civil money penalty shall have the
- 6 right to appeal a decision of the Hearings Office upholding the finding of a deficiency
- 7 or deficiencies or the imposition of a civil money penalty.
- 8 (b) Such appeal shall be filed within 30 days of the action to be appealed.
- 9 (c) The appeal under subsection (b) of this section shall be taken directly to 10 the circuit court of the jurisdiction in which the nursing [facility] HOME is located.
- 11 19-1409.
- 12 (a) All civil money penalties imposed under this subtitle shall be placed in an
- 13 interest bearing account during any judicial appeal under § 19-1408.
- 14 (b) If the civil money penalty is reversed as a result of an appeal filed by the
- 15 nursing [facility] HOME, the amount of the civil money penalty, with interest, shall
- 16 be returned to the nursing [facility] HOME within 14 days of the reversal.
- 17 (c) If the civil money penalty is not appealed or if it is upheld following an
- 18 appeal, the amount of the penalty imposed, together with any accrued interest shall
- 19 be placed in a fund to be established by the Secretary and shall be applied exclusively
- 20 for the protection of the health or property of residents of nursing [facilities] HOMES
- 21 that have been found to have deficiencies, including payment for the costs of
- 22 relocation of residents to other [facilities] HOMES, maintenance or operation of a
- 23 nursing [facility] HOME pending correction of deficiencies or closure, and
- 24 reimbursement of residents for personal funds lost.
- 25 19-1410.
- 26 (A) IN ORDER TO QUALIFY FOR A LICENSE OR RENEWAL LICENSE BY
- 27 JANUARY 1, 2001, A NURSING HOME SHALL DEVELOP AND IMPLEMENT A QUALITY
- 28 ASSURANCE PROGRAM.
- 29 (B) (1) BY SEPTEMBER 1, 2000, EACH NURSING HOME SHALL EMPLOY AT
- 30 LEAST ONE FULL TIME QUALITY ASSURANCE NURSE WHOSE SOLE RESPONSIBILITY
- 31 IS THE MANAGEMENT AND MONITORING OF QUALITY OF CARE IN THE NURSING
- 32 HOME DESIGNATE A QUALIFIED INDIVIDUAL TO COORDINATE AND MANAGE THE
- 33 NURSING HOME'S QUALITY ASSURANCE PROGRAM.
- 34 (2) EACH NURSING HOME SHALL ESTABLISH A QUALITY ASSURANCE
- 35 COMMITTEE AND SHALL INCLUDE AT LEAST THE FOLLOWING MEMBERS:
- 36 (I) THE NURSING HOME ADMINISTRATOR;

34 AND

- 1 (IV) IS READILY AVAILABLE TO NURSING HOME RESIDENTS AND 2 THEIR FAMILIES, GUARDIANS, OR SURROGATE DECISION MAKERS.
- 3 (6) THE QUALITY ASSURANCE PLAN SHALL BE SUBMITTED TO THE 4 DEPARTMENT BY JANUARY 1, 2001, AND AT THE TIME OF LICENSE RENEWAL.
- 5 (7) THE NURSING HOME ADMINISTRATOR SHALL TAKE APPROPRIATE
- 6 REMEDIAL ACTIONS BASED ON THE RECOMMENDATIONS OF THE NURSING HOME'S
- 7 QUALITY ASSURANCE COMMITTEE.
- 8 (8) THE SECRETARY MAY NOT REQUIRE THE QUALITY ASSURANCE
- 9 COMMITTEE TO DISCLOSE THE RECORDS AND THE REPORTS PREPARED BY THE
- 10 COMMITTEE EXCEPT AS NECESSARY TO ASSURE COMPLIANCE WITH THE
- 11 REQUIREMENTS OF THIS SECTION.
- 12 (9) IF THE DEPARTMENT DETERMINES THAT A NURSING HOME IS NOT
- 13 IMPLEMENTING ITS QUALITY ASSURANCE PROGRAM EFFECTIVELY AND THAT
- 14 QUALITY ASSURANCE ACTIVITIES ARE INADEQUATE, THE DEPARTMENT MAY IMPOSE
- 15 APPROPRIATE SANCTIONS ON THE NURSING HOME TO IMPROVE QUALITY
- 16 ASSURANCE INCLUDING MANDATED EMPLOYMENT OF SPECIFIED QUALITY
- 17 ASSURANCE PERSONNEL.
- 18 (C) (1) EACH NURSING HOME SHALL DISPLAY ON EACH FLOOR OF THE
- 19 NURSING HOME A NOTICE THAT EXPLAINS THE CURRENT RATIO OF LICENSED
- 20 PERSONNEL TO RESIDENTS AND UNLICENSED PERSONNEL TO RESIDENTS.
- 21 (2) THE NOTICE SHALL BE:
- 22 (I) POSTED IN A LOCATION THAT IS VISIBLE AND ACCESSIBLE TO
- 23 RESIDENTS AND THEIR FAMILY OR GUARDIANS AND ANY POTENTIAL CONSUMERS;
- 24 AND
- 25 <u>(II) ON A FORM PROVIDED BY THE DEPARTMENT.</u>
- 26 19-1411.
- 27 (A) (1) EACH NURSING HOME SHALL EMPLOY A <u>DESIGNATE A PHYSICIAN TO</u>
- 28 SERVE AS MEDICAL DIRECTOR.
- 29 (2) THE MEDICAL DIRECTOR IS RESPONSIBLE FOR MONITORING
- 30 PHYSICIAN SERVICES AT THE NURSING HOME.
- 31 (3) THE MEDICAL DIRECTOR SHALL REPORT MONTHLY TO THE QUALITY
- 32 ASSURANCE COMMITTEE ON THE QUALITY OF MEDICAL CARE AT THE NURSING
- 33 HOME.
- 34 (B) THE SECRETARY, IN CONSULTATION WITH THE MEDICAL AND
- 35 CHIRURGICAL FACULTY, AND REPRESENTATIVES OF THE NURSING HOME INDUSTRY,
- 36 SHALL:

ESTABLISH QUALIFICATIONS FOR THE MEDICAL DIRECTOR OF A 1 (1) 2 NURSING HOME OR ANYONE ACTING FOR THE MEDICAL DIRECTOR IN HIS OR HER 3 ABSENCE: 4 DEFINE THE DUTIES OF THE MEDICAL DIRECTOR: AND (2) ADOPT REGULATIONS FOR THE MEDICAL STAFF OF NURSING HOMES 5 (3) 6 ATTENDING PHYSICIANS WHO TREAT RESIDENTS OF NURSING HOMES THAT WILL 7 PROVIDE FOR STAFF PHYSICIAN ACCOUNTABILITY. 8 19-1412. 9 (A) THE SECRETARY SHALL: 10 (1) ESTABLISH A TECHNICAL ASSISTANCE UNIT WITHIN THE 11 DEPARTMENT TO SUPPORT COMPLIANCE EFFORTS AND BEST PRACTICES: AND 12 (2) ESTABLISH A LIST OF APPROVED MEDICAL AUTOMATED SYSTEMS. 13 (B) THE SECRETARY MAY: PARTIALLY REIMBURSE A NURSING HOME FOR INSTALLATION OF (1) 15 AUTOMATED SYSTEMS THAT HAVE BEEN APPROVED BY THE DEPARTMENT; DEVELOP GUIDELINES FOR REIMBURSEMENT: AND 16 (2) 17 ADOPT REGULATIONS FOR THE IMPLEMENTATION OF THIS (3) 18 SUBTITLE. 19 19-1413. 20 EACH NURSING HOME SHALL: ESTABLISH A PROCEDURE TO PROVIDE FOR THE SMOOTH AND 21 (1) 22 ORDERLY TRANSFER OF RESIDENTS IN THE EVENT OF CLOSURE; 23 PROVIDE A 30 DAY NOTICE TO RESIDENTS AND THEIR FAMILIES OR 24 GUARDIANS WHEN THE NURSING HOME LEARNS OF THE PROBABLE CLOSURE OF 25 THE HOME OR TERMINATION OF PUBLIC FUNDING TO THE HOME; AND NOTIFY THE RESIDENT'S REPRESENTATIVE OR GUARDIAN OF ANY 26 (3)27 INJURY. 28 PROVIDE A 30-DAY NOTICE TO RESIDENTS AND THEIR FAMILIES OR 29 GUARDIANS PRIOR TO CLOSURE OF THE NURSING HOME UNLESS THE DEPARTMENT 30 WAIVES THE NOTICE REQUIREMENT; 31 PROVIDE A 15-DAY NOTICE TO RESIDENTS AND THEIR FAMILIES OR 32 GUARDIANS PRIOR TO TERMINATION OF PUBLIC FUNDING UNLESS THE 33 DEPARTMENT WAIVES THE NOTICE REQUIREMENT; AND

- 1 (4) <u>IMMEDIATELY NOTIFY, IF KNOWN, A RESIDENT'S FAMILY OR</u> 2 GUARDIAN OF:
- 3 (I) AN ACCIDENT INVOLVING THE RESIDENT WHICH RESULTS IN
- 4 INJURY AND HAS THE POTENTIAL FOR REQUIRING PHYSICIAN INTERVENTION;
- 5 (II) A SIGNIFICANT CHANGE IN THE RESIDENT'S PHYSICAL,
- 6 MENTAL, OR PSYCHOSOCIAL STATUS; OR
- 7 (III) A NEED TO ALTER THE RESIDENT'S TREATMENT
- 8 SIGNIFICANTLY.
- 9 19-1414.
- 10 THE DEPARTMENT MAY REVIEW FINANCIAL AND PERFORMANCE RECORDS OF
- 11 A POTENTIAL LICENSEE AN APPLICANT FOR A LICENSE OR MANAGEMENT FIRM
- 12 <u>UNDER CONTRACT WITH AN APPLICANT FOR A LICENSE</u> TO DETERMINE ABILITY OF
- 13 THE APPLICANT OR MANAGEMENT FIRM TO COMPLY WITH APPROPRIATE LAWS AND
- 14 REGULATIONS.
- 15 19-1415.
- 16 THIS SUBTITLE MAY BE CITED AS THE "MARYLAND NURSING HOME QUALITY
- 17 ASSURANCE ACT".
- 18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 19 October 1, 2000.