

LEGISLATIVE BILL 222

Approved by the Governor February 28, 1997

Introduced by Schimek, 27

AN ACT relating to health care; to amend sections 71-168 and 71-168.02, Reissue Revised Statutes of Nebraska; to authorize peer review committees for health clinics and health practitioner organizations and associations; to provide privileges from the disclosure of certain information; to authorize the disclosure of information; to harmonize provisions; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. Any health clinic as defined in section 71-2017.01 and any other organization or association of health practitioners or providers licensed pursuant to Chapter 71 may cause a peer review committee to be formed and operated or may contract with an outside peer review committee for the purpose of reviewing, from time to time, the medical care provided by such health clinic, organization, or association and for assisting individual practitioners or providers practicing in such clinics, organizations, or associations in maintaining and providing a high standard of medical care.

Sec. 2. Any person or entity making a report or providing information to a peer review committee of a clinic, organization, or association at the request of such committee has the privilege to refuse to disclose such report or information and to prevent any other person or entity from disclosing the report or information, except as provided in section 3 of this act. Such disclosure shall not constitute a waiver of any privilege by the person or entity.

Sec. 3. The proceedings, minutes, records, and reports of any peer review committee as described in section 1 of this act, together with all communications originating in such committees, are privileged communications which may not be disclosed or obtained by legal discovery proceedings unless (1) the privilege is waived by the patient and (2) a court of record, after a hearing and for good cause arising from extraordinary circumstances being shown, orders the disclosure of such proceedings, minutes, records, reports, or communications. Nothing in sections 1 to 3 of this act shall be construed to provide any privilege regarding medical records kept with respect to any patient in the ordinary course of business of operating a clinic, organization, or association of practitioners or providers, nor to any facts or information contained in such records, nor shall sections 1 to 3 of this act preclude or affect discovery of or production of evidence relating to the treatment of any patient in the ordinary course of treatment of such patient.

Sec. 4. Section 71-168, Reissue Revised Statutes of Nebraska, is amended to read:

71-168. (1) The department shall enforce the Uniform Licensing Law and for that purpose shall make necessary investigations. Every licensee, certificate holder, or registrant listed under subsection (4) of this section and every member of a board of examiners shall furnish the department such evidence as he or she may have relative to any alleged violation which is being investigated.

(2) Every licensee, certificate holder, or registrant listed under subsection (4) of this section shall report to the department the name of every person without a license, certificate, or registration that he or she has reason to believe is engaged in practicing any profession for which a license, certificate, or registration is required by the Uniform Licensing Law. The department may, along with the Attorney General and other law enforcement agencies, investigate such reports or other complaints of unauthorized practice. The board of examiners for the profession may issue an order to cease and desist the unauthorized practice of that profession as a measure to obtain licensure, certification, or registration of the person prior to referral of the matter to the Attorney General for action.

(3) Any licensee, certificate holder, or registrant listed under subsection (4) of this section who is required to file a report of loss or theft of a controlled substance to the federal Drug Enforcement Administration shall provide a copy of such report to the department.

(4) Every licensee, certificate holder, or registrant regulated under the Advanced Registered Nurse Practitioner Act, the Emergency Medical Technician-Paramedic Act, the Licensed Practical Nurse-Certified Act, the Nebraska Certified Nurse Midwifery Practice Act, the Nebraska Cosmetology Act, the Nurse Practice Act, the Occupational Therapy Practice Act, the Uniform

Controlled Substances Act, the Uniform Licensing Law, the Wholesale Drug Distributor Licensing Act, or sections 71-3702 to 71-3715, 71-4701 to 71-4719, or 71-6053 to 71-6068 shall, within thirty days of an occurrence described in this subsection, report to the department in such manner and form as the department may require by rule and regulation whenever he or she:

(a) Has first-hand knowledge of facts giving him or her reason to believe that any person in his or her profession has committed acts indicative of gross incompetence, a pattern of negligent conduct as defined in subdivision (5)(e) of section 71-147, or unprofessional conduct, may be practicing while his or her ability to practice is impaired by alcohol, controlled substances, narcotic drugs, or physical, mental, or emotional disability, or has otherwise violated such regulatory provisions governing the practice of the profession;

(b) Has first-hand knowledge of facts giving him or her reason to believe that any person in another profession regulated under such regulatory provisions has committed acts indicative of gross incompetence or may be practicing while his or her ability to practice is impaired by alcohol, controlled substances, narcotic drugs, or physical, mental, or emotional disability. The requirement to file a report under subdivision (a) or (b) of this subsection shall not apply (i) to the spouse of the practitioner, (ii) to a practitioner who is providing treatment to such person in a practitioner-patient relationship concerning information obtained or discovered in the course of treatment unless the treating practitioner determines that the condition of the person may be of a nature which constitutes a danger to the public health and safety by the person's continued practice, or (iii) when a chemically impaired professional enters the Licensee Assistance Program authorized by section 71-172.01 except as provided in such section; or

(c) Has been the subject of any of the following actions:

(i) Loss of privileges in a hospital or other health care facility due to alleged incompetence, negligence, unethical or unprofessional conduct, or physical, mental, or chemical impairment or the voluntary limitation of privileges or resignation from staff of any health care facility when that occurred while under formal or informal investigation or evaluation by the facility or a committee of the facility for issues of clinical competence, unprofessional conduct, or physical, mental, or chemical impairment;

(ii) Loss of employment due to alleged incompetence, negligence, unethical or unprofessional conduct, or physical, mental, or chemical impairment;

(iii) Adverse judgments, settlements, or awards arising out of professional liability claims, including settlements made prior to suit, or adverse action by an insurance company affecting professional liability coverage. The department may define by rule and regulation what constitutes a settlement that would be reportable when a practitioner refunds or reduces a fee or makes no charge for reasons related to a patient or client complaint other than costs;

(iv) Denial of licensure, certification, registration, or other form of authorization to practice by any state, territory, or jurisdiction, including any military or federal jurisdiction, due to alleged incompetence, negligence, unethical or unprofessional conduct, or physical, mental, or chemical impairment;

(v) Disciplinary action against any license, certificate, registration, or other form of permit he or she holds taken by another state, territory, or jurisdiction, including any federal or military jurisdiction, the settlement of such action, or any voluntary surrender of or limitation on any such license, certificate, registration, or other form of permit;

(vi) Loss of membership in a professional organization due to alleged incompetence, negligence, unethical or unprofessional conduct, or physical, mental, or chemical impairment; or

(vii) Conviction of any misdemeanor or felony in this or any other state, territory, or jurisdiction, including any federal or military jurisdiction.

(5) A report made to the department under this section shall be confidential and treated in the same manner as complaints and investigative files under subsection (7) of section 71-168.01. Any person making a report to the department under this section except those self-reporting shall be completely immune from criminal or civil liability of any nature, whether direct or derivative, for filing a report or for disclosure of documents, records, or other information to the department under this section. Persons who are members of committees established under sections 25-12, 123 and 71-2046 to 71-2048 and sections 1 to 3 of this act or witnesses before such committees shall not be required to report such activities. Any person who is a witness

before a committee established under such sections shall not be excused from reporting matters of first-hand knowledge that would otherwise be reportable under this section only because he or she attended or testified before such committee. Documents from original sources shall not be construed as immune from discovery or use in actions under subsection (4) of this section.

Sec. 5. Section 71-168.02, Reissue Revised Statutes of Nebraska, is amended to read:

71-168.02. (1) A health care facility licensed under section 71-2017.01 or a peer review organization or professional association of a health care profession regulated under the Advanced Registered Nurse Practitioner Act, the Emergency Medical Technician-Paramedic Act, the Licensed Practical Nurse-Certified Act, the Nebraska Certified Nurse Midwifery Practice Act, the Nebraska Cosmetology Act, the Nurse Practice Act, the Occupational Therapy Practice Act, the Uniform Controlled Substances Act, the Uniform Licensing Law, the Wholesale Drug Distributor Licensing Act, or sections 71-3702 to 71-3715, 71-4701 to 71-4719, or 71-6053 to 71-6068 shall report to the department, on a form and in the manner specified by the department by rule and regulation, any facts known to them, including, but not limited to, the identity of the practitioner and patient, when the facility, organization, or association:

(a) Has made payment due to adverse judgment, settlement, or award of a professional liability claim against it or a licensee, certificate holder, or registrant, including settlements made prior to suit, arising out of the acts or omissions of the licensee, certificate holder, or registrant; or

(b) Takes action adversely affecting the privileges or membership of a licensee, certificate holder, or registrant in such facility, organization, or association due to alleged incompetence, professional negligence, unprofessional conduct, or physical, mental, or chemical impairment.

The report shall be made within thirty days after the date of the action or event.

(2) A report made to the department under this section shall be confidential and treated in the same manner as complaints and investigative files under subsection (7) of section 71-168.01. The facility, organization, association, or person making such report shall be completely immune from criminal or civil liability of any nature, whether direct or derivative, for filing a report or for disclosure of documents, records, or other information to the department under this section. The reports and information shall be subject to the investigatory and enforcement provisions of the regulatory provisions listed in subsection (1) of this section. Nothing in this subsection shall be construed to require production of records protected by section 25-12,123 or 71-2048 or section 3 of this act except as otherwise provided in either any of such sections.

(3) For purposes of this section, the department shall accept reports made to it under the Nebraska Hospital-Medical Liability Act or in accordance with national practitioner data bank requirements of the federal Health Care Quality Improvement Act of 1986, as amended, and may require a supplemental report to the extent such reports do not contain the information required by rules and regulations of the department.

Sec. 6. Original sections 71-168 and 71-168.02, Reissue Revised Statutes of Nebraska, are repealed.