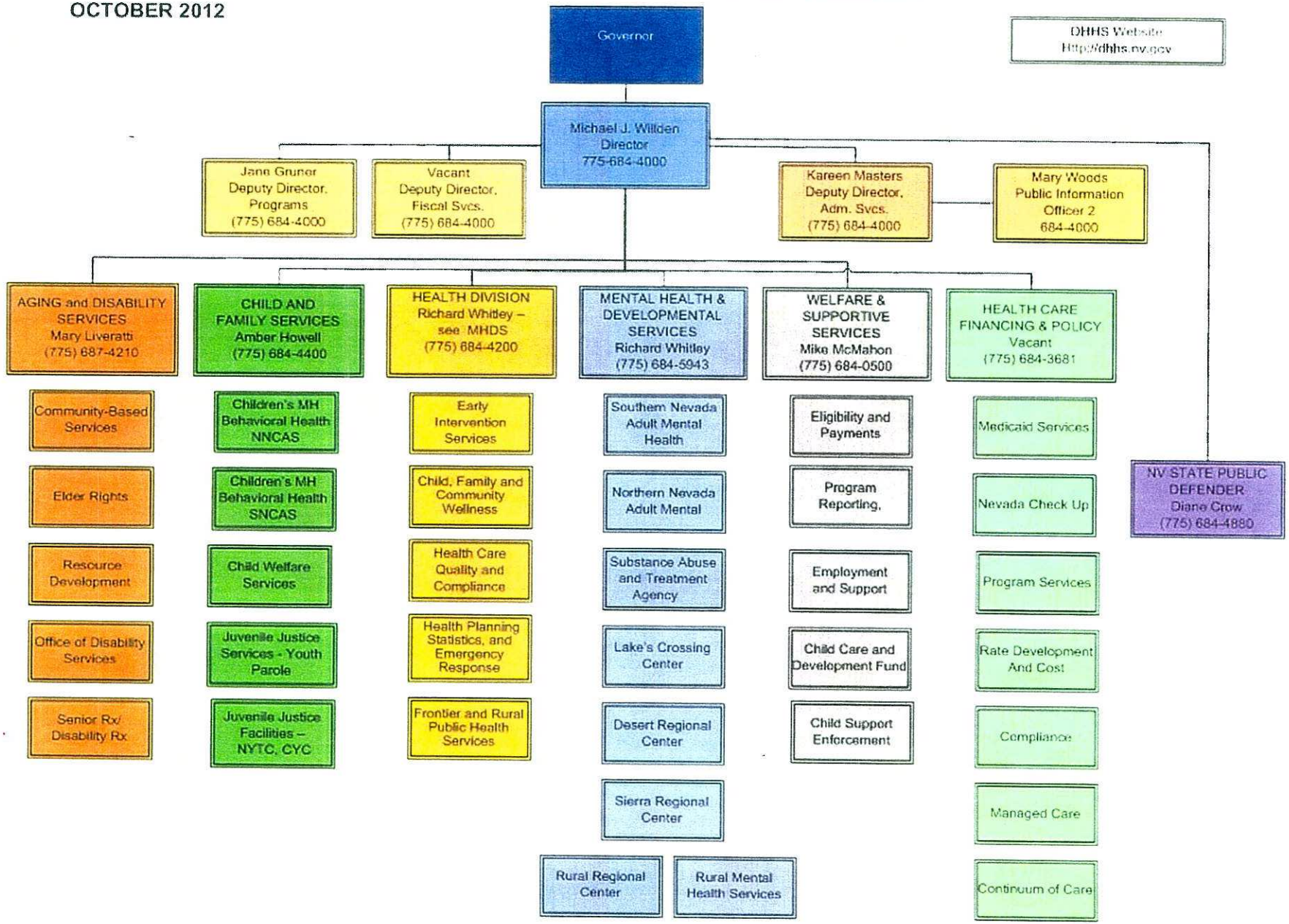
NEVADA LEGISLATURE PRESESSION ORIENTATION

Department of Health and Human Services

December 6, 2012

DEPARTMENT OF HEALTH AND HUMAN SERVICES

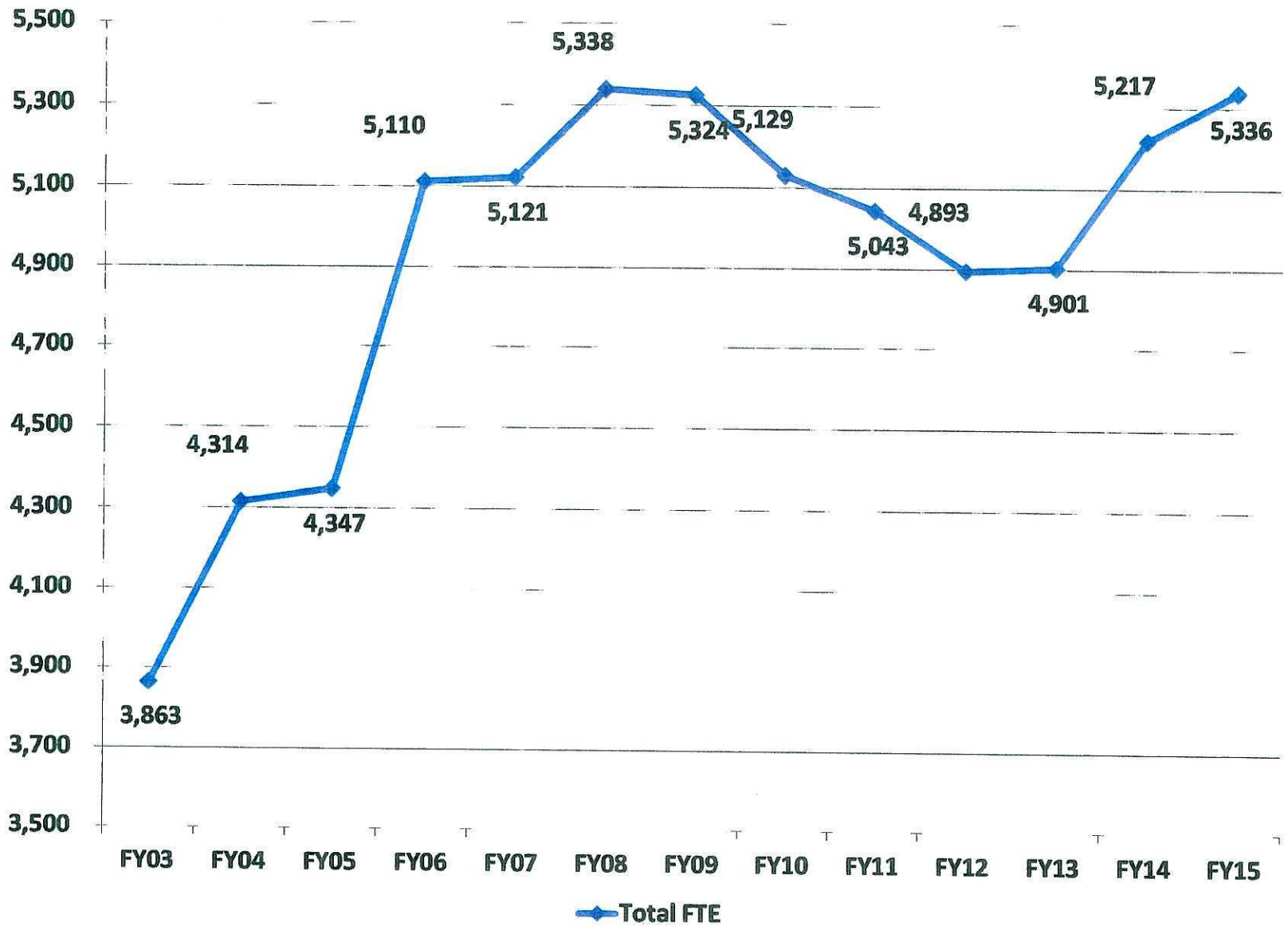
OCTOBER 2012



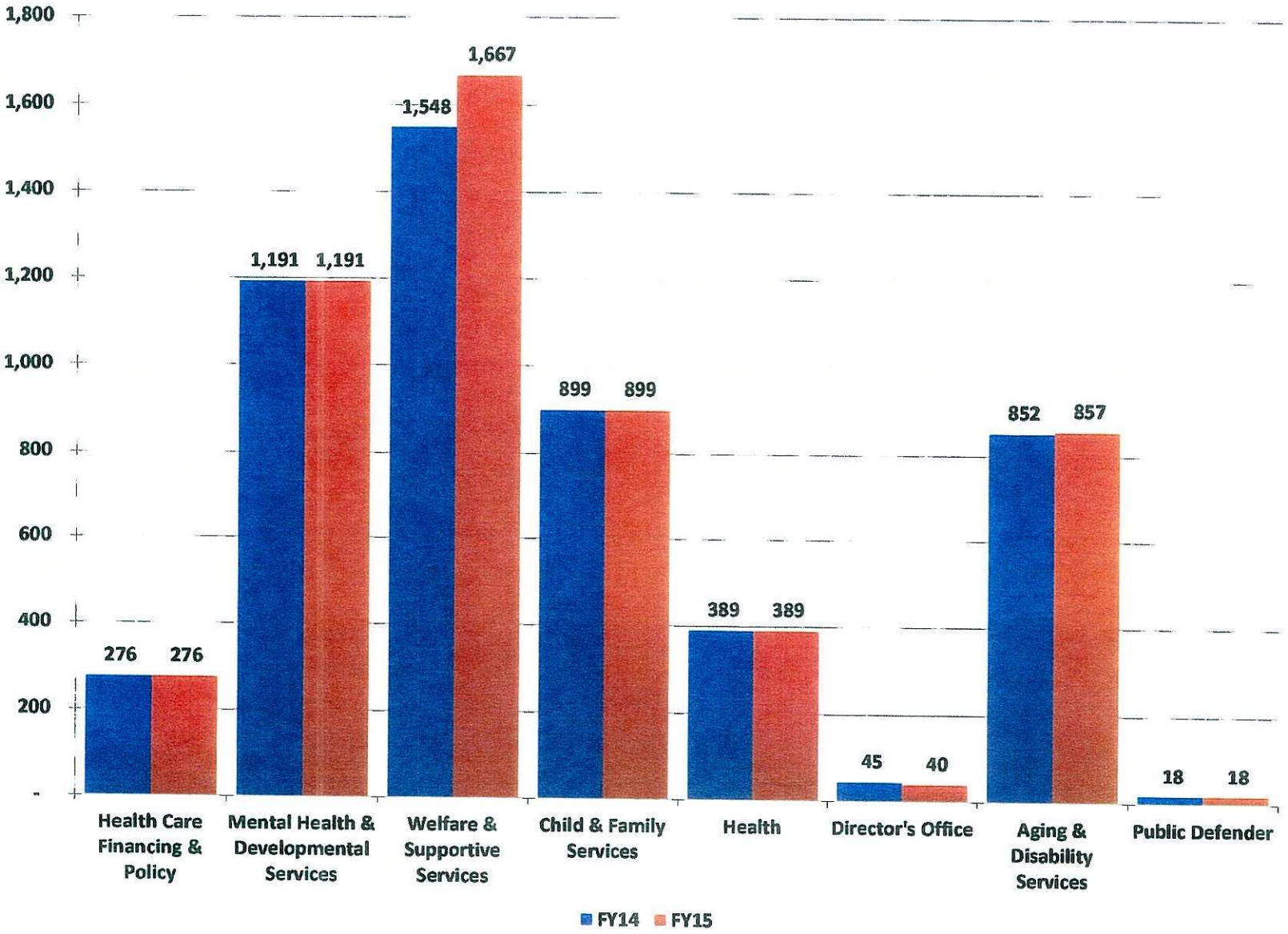
Programs Overseen in Director's Office

- Grants Management Unit
- Office for Consumer Health Assistance (GovCHA)
    - Office of Minority Health
- Head Start – Early Childhood Systems
- Office of Suicide Prevention
- Tribal Liaison/Tribal Consultation
- Developmental Disabilities (Admin. support to Governor's Council)
- Health Information Technology

Total DHHS FTE, Fiscal Years 2003-2015

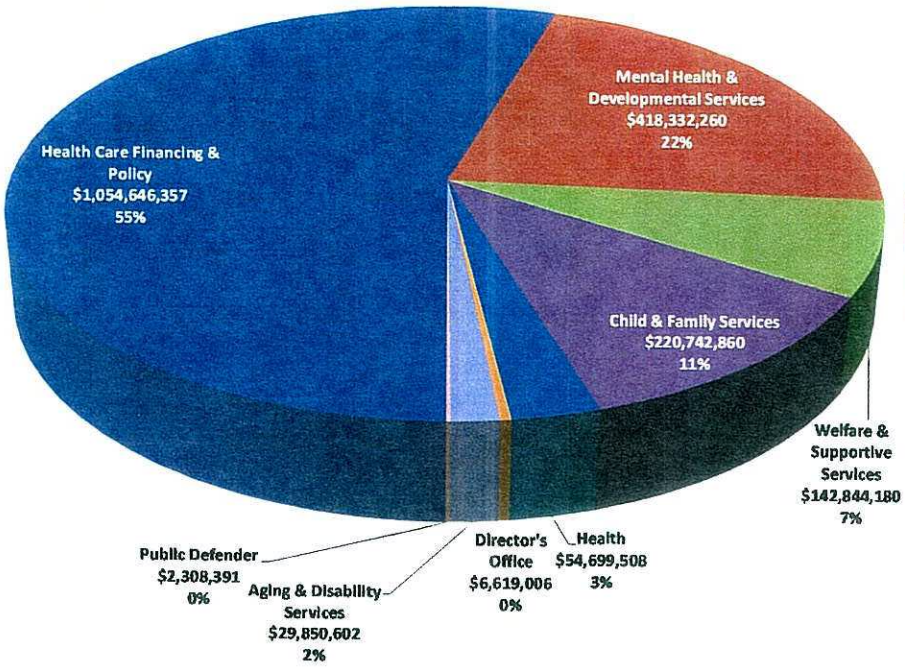


FTE by Division, Fiscal Years 2014 and 2015



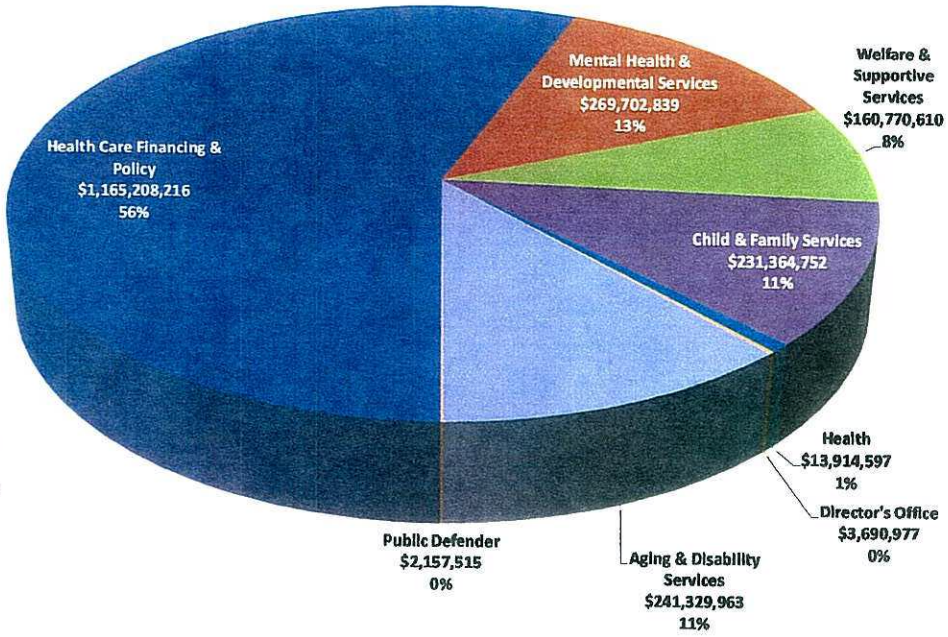
General Funds by Division, 2012-13 and 2014-15 Biennia

Legislative Approved General Funds 2012-13 Biennium



Total $1,930,043,164

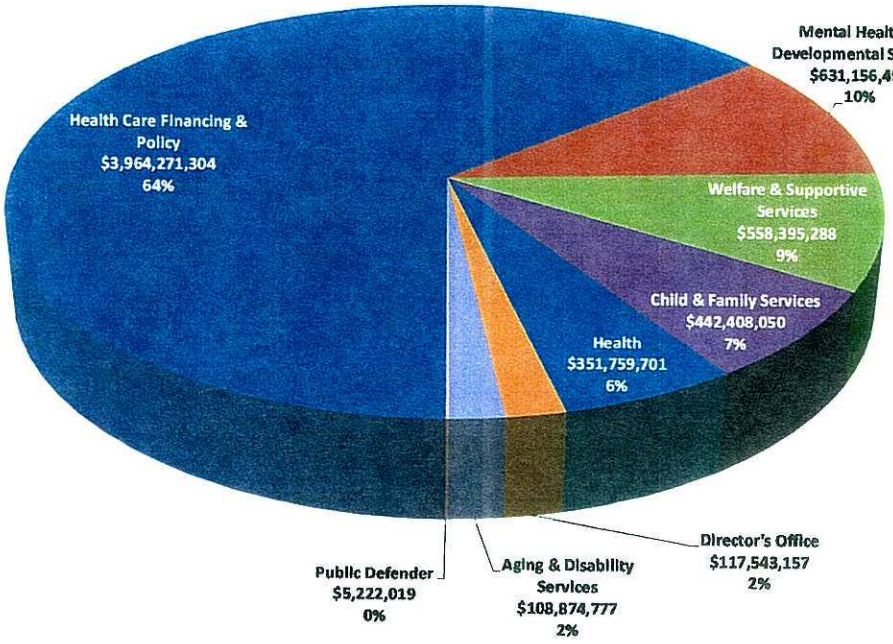
Agency Request General Funds 2014-15 Biennium



Total $2,088,139,469

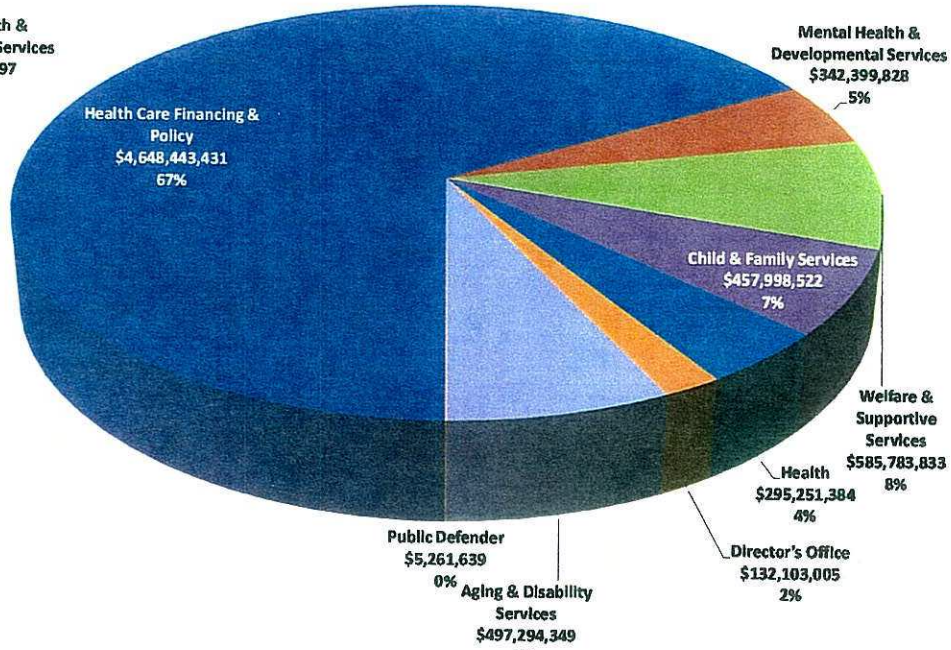
Revenues by Division, 2012-13 and 2014-15 Biennia

Legislative Approved 2012-13 Biennium



Total $6,179,603,793

Agency Request 2014-15 Biennium



Total $6,964,535,991

Note: The revenue total for the 2012-13 biennium includes reserves, the total for the 2014-15 biennium does not.

PROGRAM INFORMATION AND STATISTICS

Nassir Notes

http://www.dhhs.nv.gov/Documents/NassirNotes.pdf

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Director's Office

Aging and Disability Services Division

Division of Child and Family Services

Division of Health Care Financing and Policy

Division of Welfare and Supportive Services

Health Division

Mental Health and Developmental Services Division

Public Defender

Nevada Data and Key Comparisons

5.10 Supplemental Nutrition Assistance Program (SNAP)

Program: The purpose of SNAP is to raise the nutritional level among low income households whose limited food purchasing power contributes to hunger and malnutrition among members of these households. Application requests may be made verbally, in writing, in person or through another individual. A responsible adult household member knowledgeable of the household's circumstances may apply and be interviewed. The date of application is the date the application is received in the Division of Welfare and Supportive Services office.

Eligibility: The household's gross income must be less than or equal to 130 percent of poverty; the household's net income must be less than or equal to 100 percent of poverty to be eligible. Households in which all members are elderly or disabled have no gross income test. The resource limit for all households except those with elderly or disabled members is $2,000, households with elderly or disabled members have a resource limit of $3,250 (exceptions: one vehicle, home, household goods, and personal items.

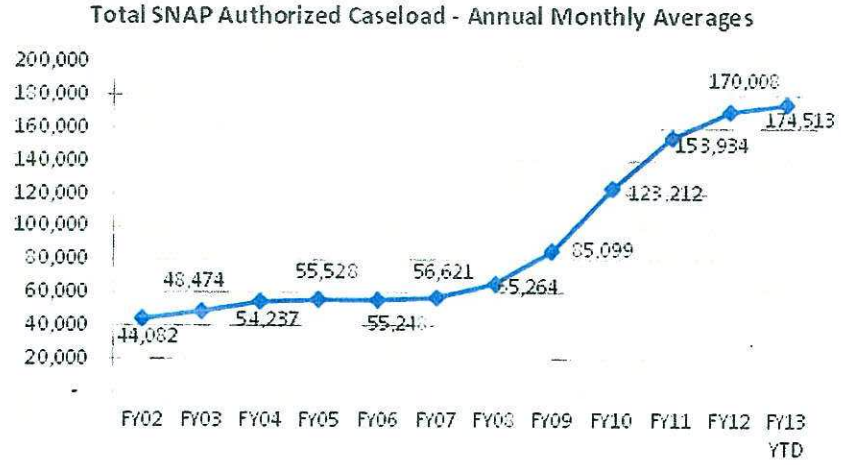
Need Standard:

Household Size	200% of Poverty	130% of Poverty	100% of Poverty	Maximum Allotment
1	$1,862	$1,211	$931	$200
2	$2,522	$1,640	$1,261	$367
3	$3,182	$2,069	$1,591	$526
4	$3,842	$2,498	$1,921	$668
5	$4,502	$2,927	$2,251	$793
6	$5,162	$3,356	$2,581	$952
7	$5,822	$3,785	$2,911	$1,052
8	$6,482	$4,214	$3,241	$1,202

Workload History:

Fiscal Year	Average Cases	Total Expenditures	Total Applications
FY 11	153,934	$477,682,415	287,710
FY 12	170,008	$518,493,663	312,302

FYTD:	
Jul 12	174,151
Aug	174,874
Sep	
Oct	
Nov	
Dec	
Jan 13	
Feb	
Mar	
Apr	
May	
Jun	
FY13 Total	**349,025**
FY13 Avg.	**174,513**



Comments: The Food Stamp Program was renamed "Supplemental Nutrition Assistance Program (SNAP)" in October 2008. The SNAP case load has increased substantially since the start of the recession in December 2007 because of the high unemployment experienced in Nevada. A change in SNAP regulations effective 3/15/2009 made many households categorically eligible based on receiving a benefit which meets Purposes 3 and 4 for TANF and having a gross income limit of 200 percent of poverty. There is no further income or resource test.

Website: https://www.dwss.nv.gov/index.php?option=com_contentandtask=viewandid=84anditemid=234
https://www.dwss.nv.gov/

FMAP

Federal Matching Assistance Percentage

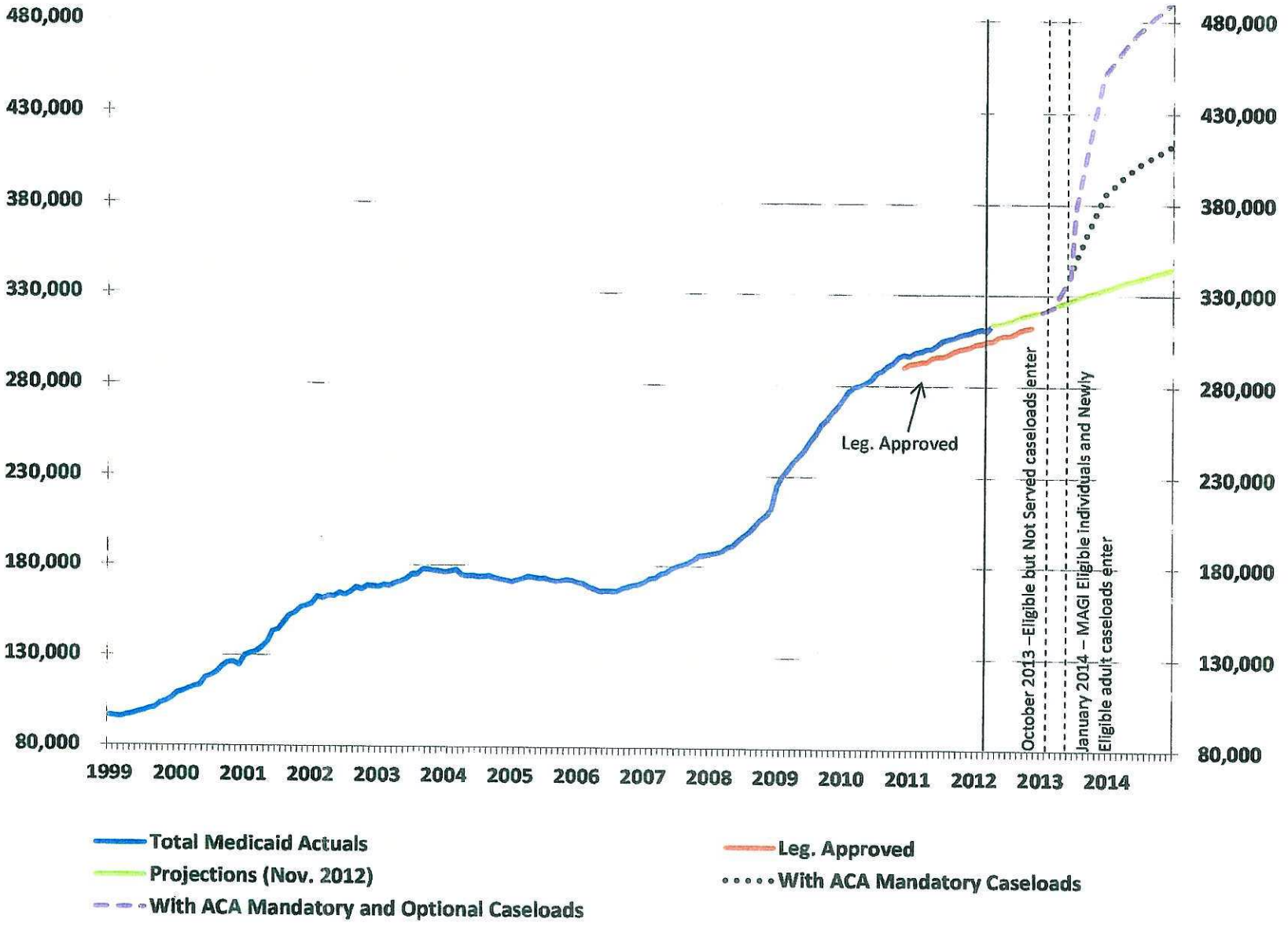
Blended FMAP for State Fiscal Years 2003-2020

State Fiscal Year	FMAP	Enhanced (CHIP) FMAP	New Eligibles FMAP
FY03	51.79%	66.25%	
	52.53%	66.77%	
FY04	54.30%	68.01%	
	55.34%	68.74%	
FY05	55.66%	68.96%	
FY06	55.05%	68.53%	
FY07	54.14%	67.90%	
FY08	52.96%	67.07%	
FY09	50.66%	65.46%	
	61.11%	72.78%	
FY10	50.12%	65.08%	
	63.93%	74.75%	
FY11	51.25%	65.87%	
	57.77%	70.44%	
FY12	55.05%	68.54%	
FY13	58.86%	71.20%	
FY14	62.26%	73.58%	100.00%
FY15	*63.54%*	*74.48%*	*100.00%*
FY16	*63.50%*	*74.45%*	*100.00%*
FY17	*62.88%*	*74.02%*	*97.50%*
FY18	*62.19%*	*73.53%*	*94.50%*
FY19	*61.32%*	*72.93%*	*93.50%*
FY20	*60.15%*	*72.10%*	*91.50%*

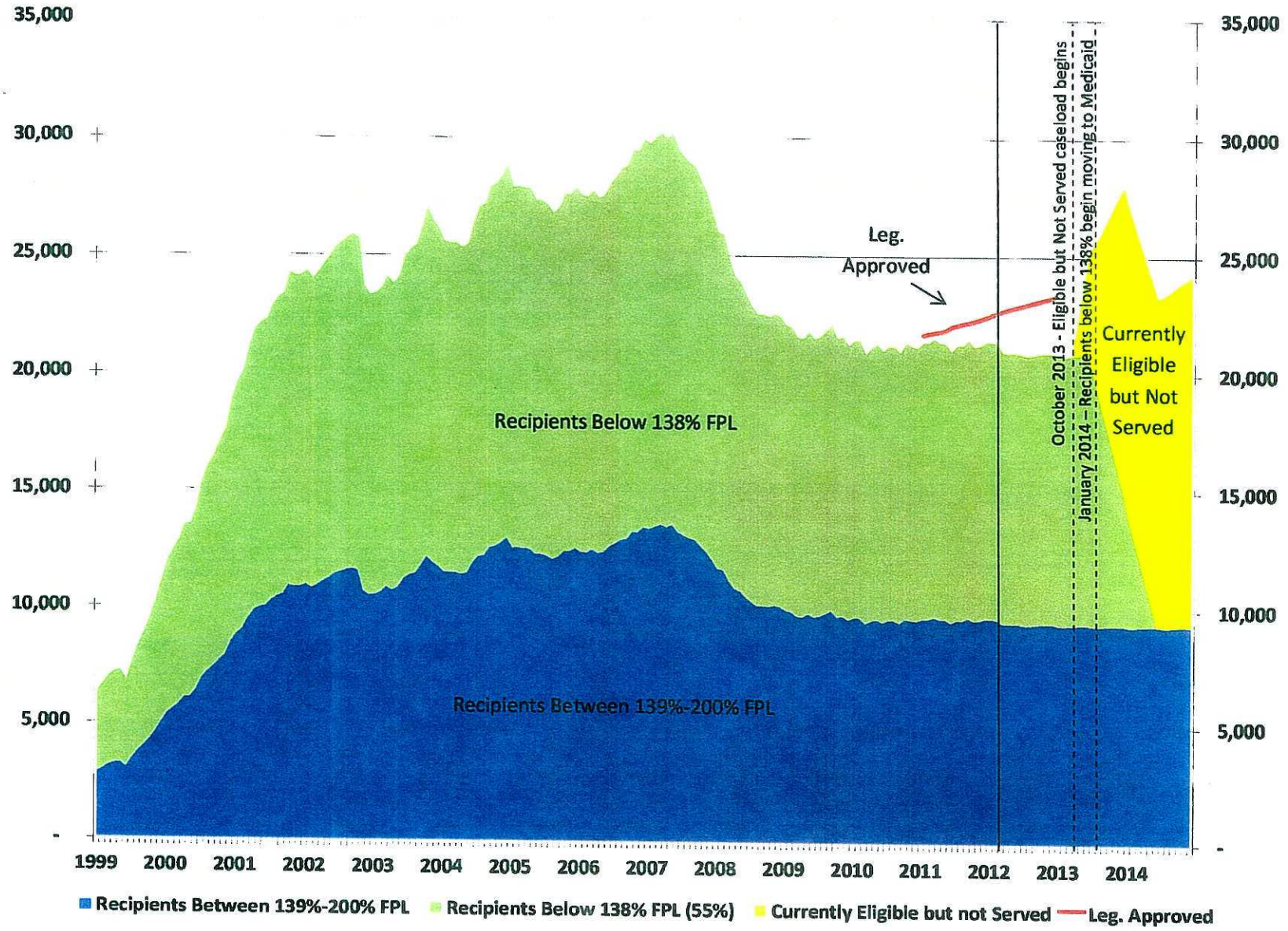
NOTE: The green cells reflect a 2.95% increase for the period April 2003 through June 2004. The blue cells reflect the ARRA stimulus adjusted FMAP for October 2008 through December 2010. The FMAP values for FY14 through FY20 are projections.

CASELOADS

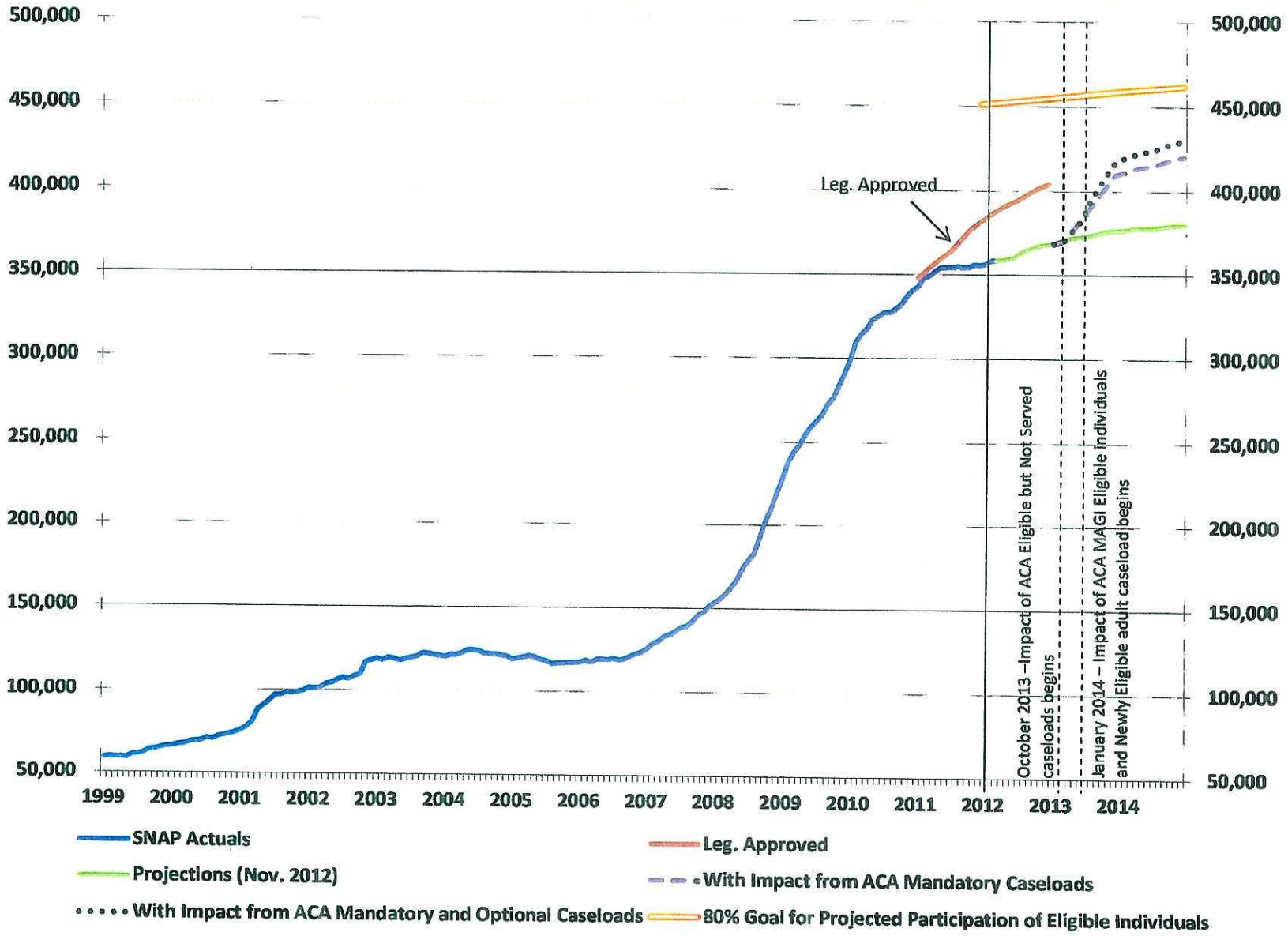
Total Medicaid with Retro



Nevada CheckUp



SNAP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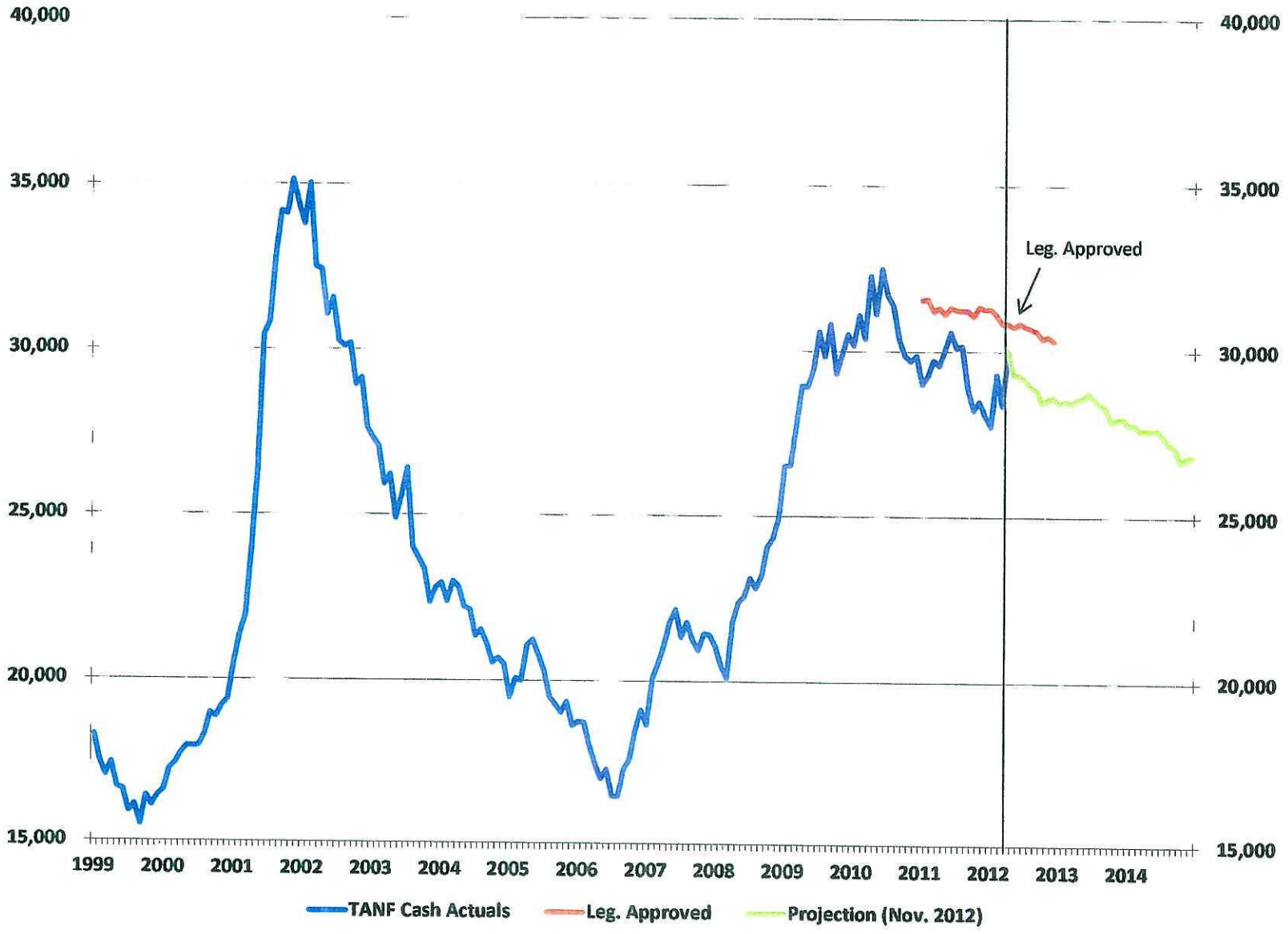
2011
2012
2013
2014
Leg. Approved
October 2013 –Impact of ACA Eligible but Not Served caseloads begins
January 2014 – Impact of ACA MAGI Eligible Individuals and Newly Eligible adult caseload begins
SNAP Actuals
Leg. Approved
Projections (Nov. 2012)
With Impact from ACA Mandatory Caseloads
With Impact from ACA Mandatory and Optional Caseloads
80% Goal for Projected Participation of Eligible Individuals

TANF Cash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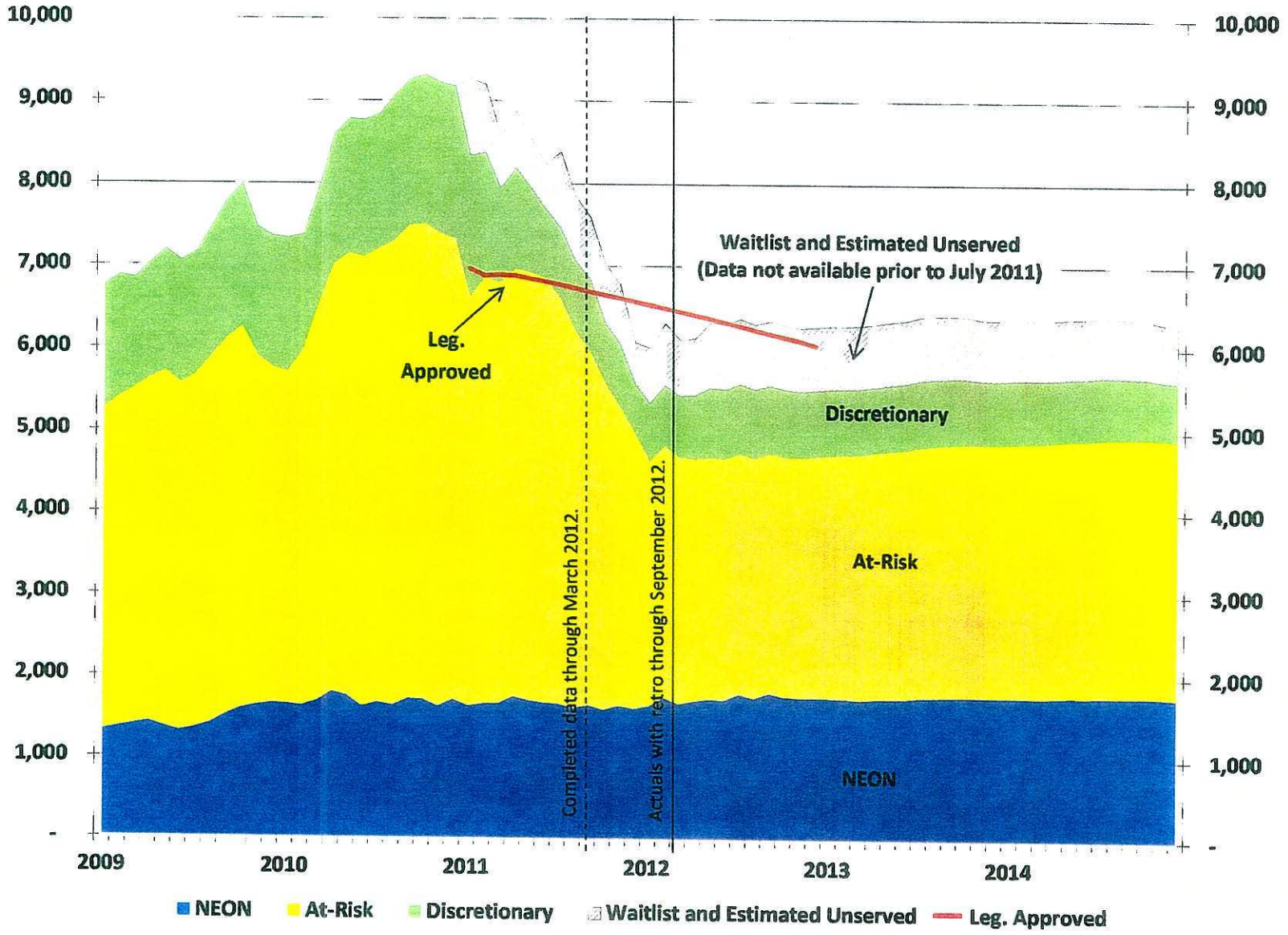
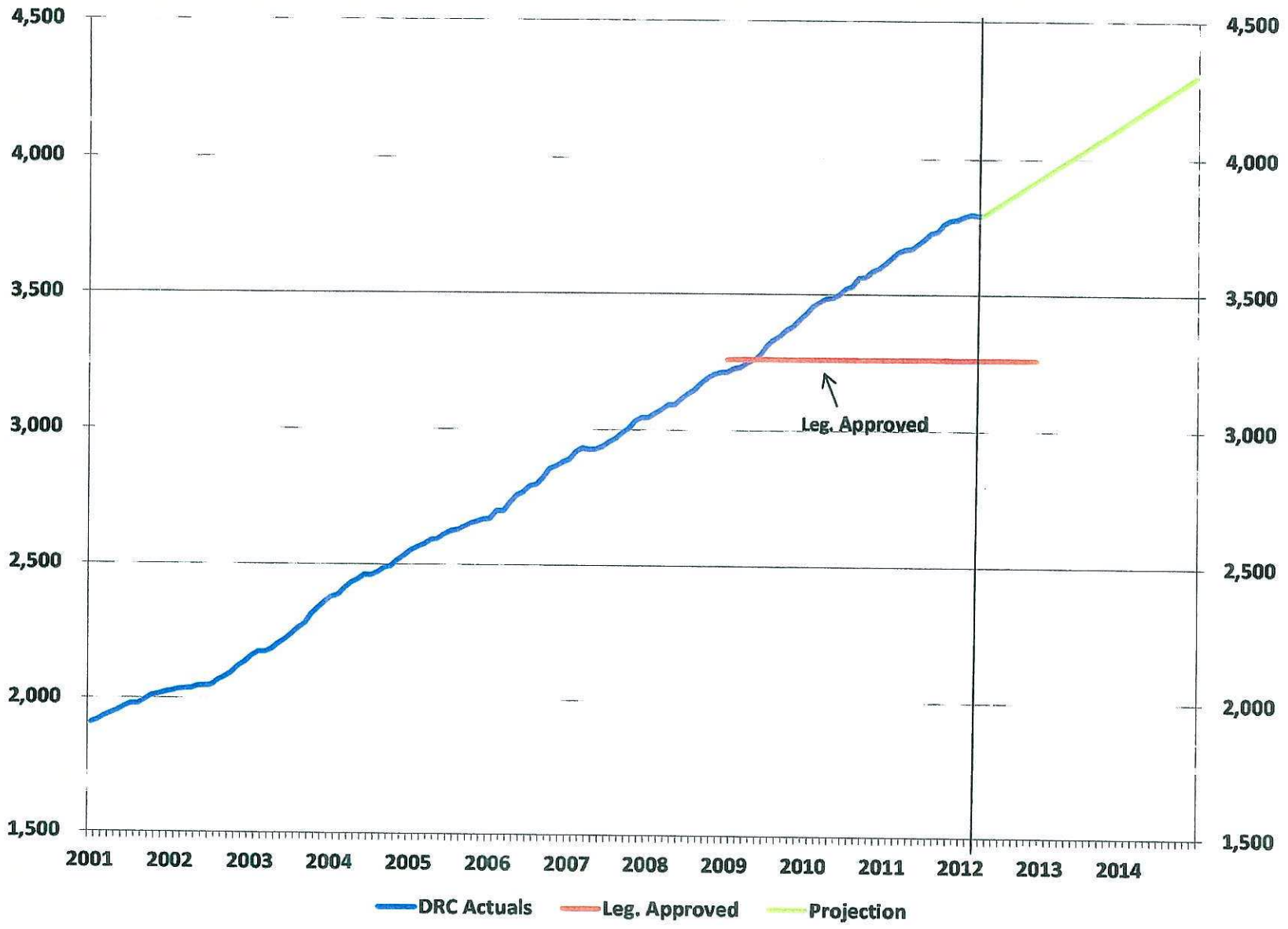
2014
TANF Cash Actuals
Leg. Approved
Projection (Nov. 2012)

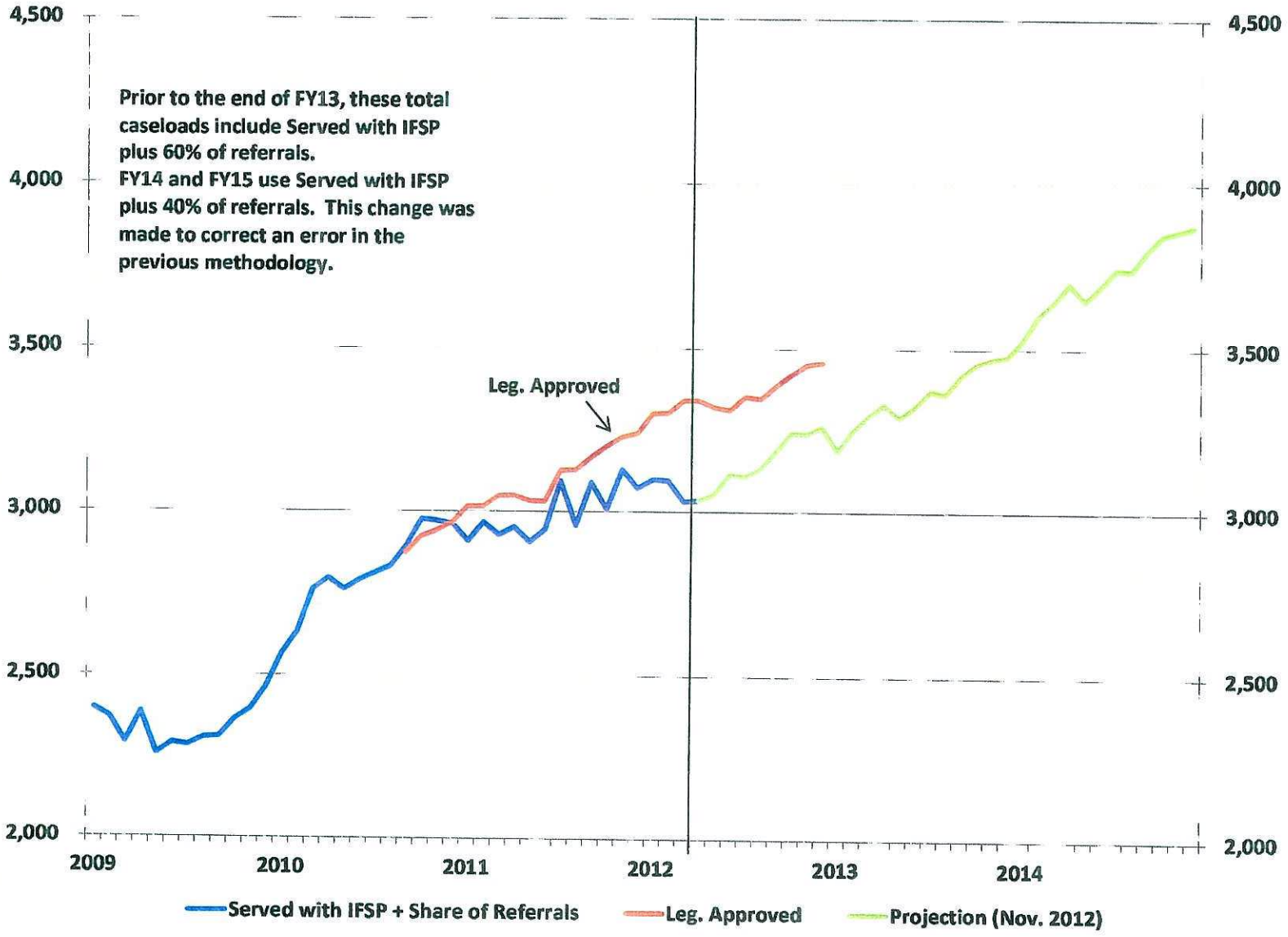
Childcare Development Fund



Desert Regional Center (DRC)



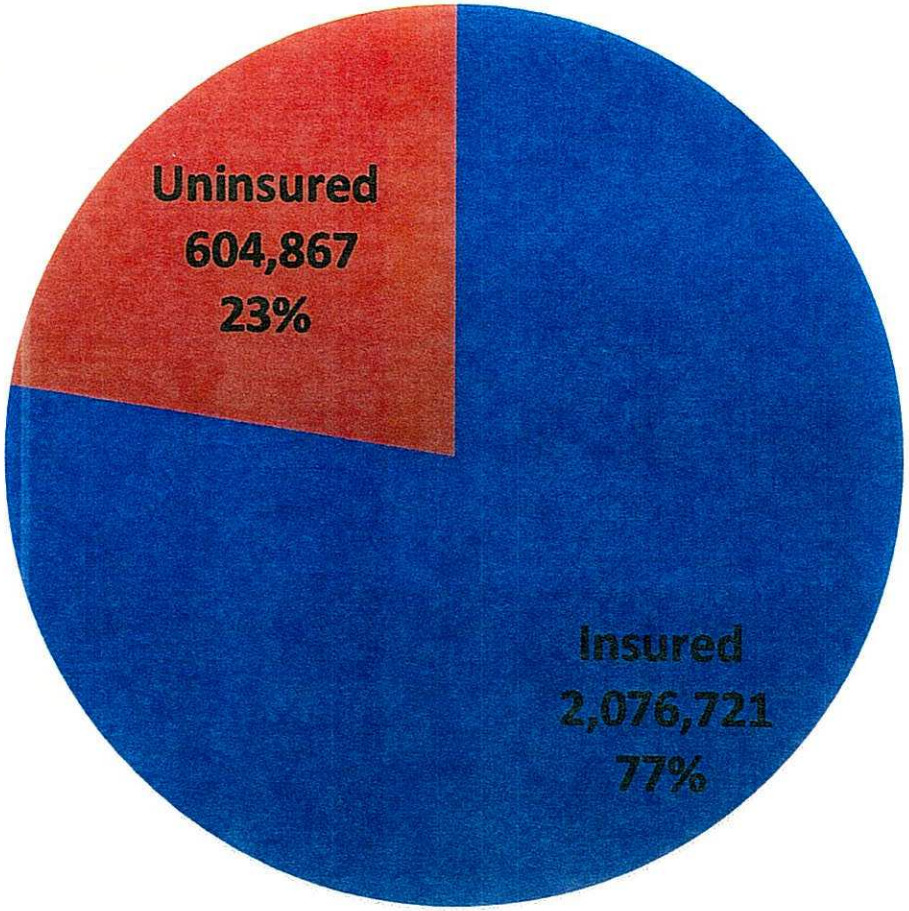
Early Intervention Services



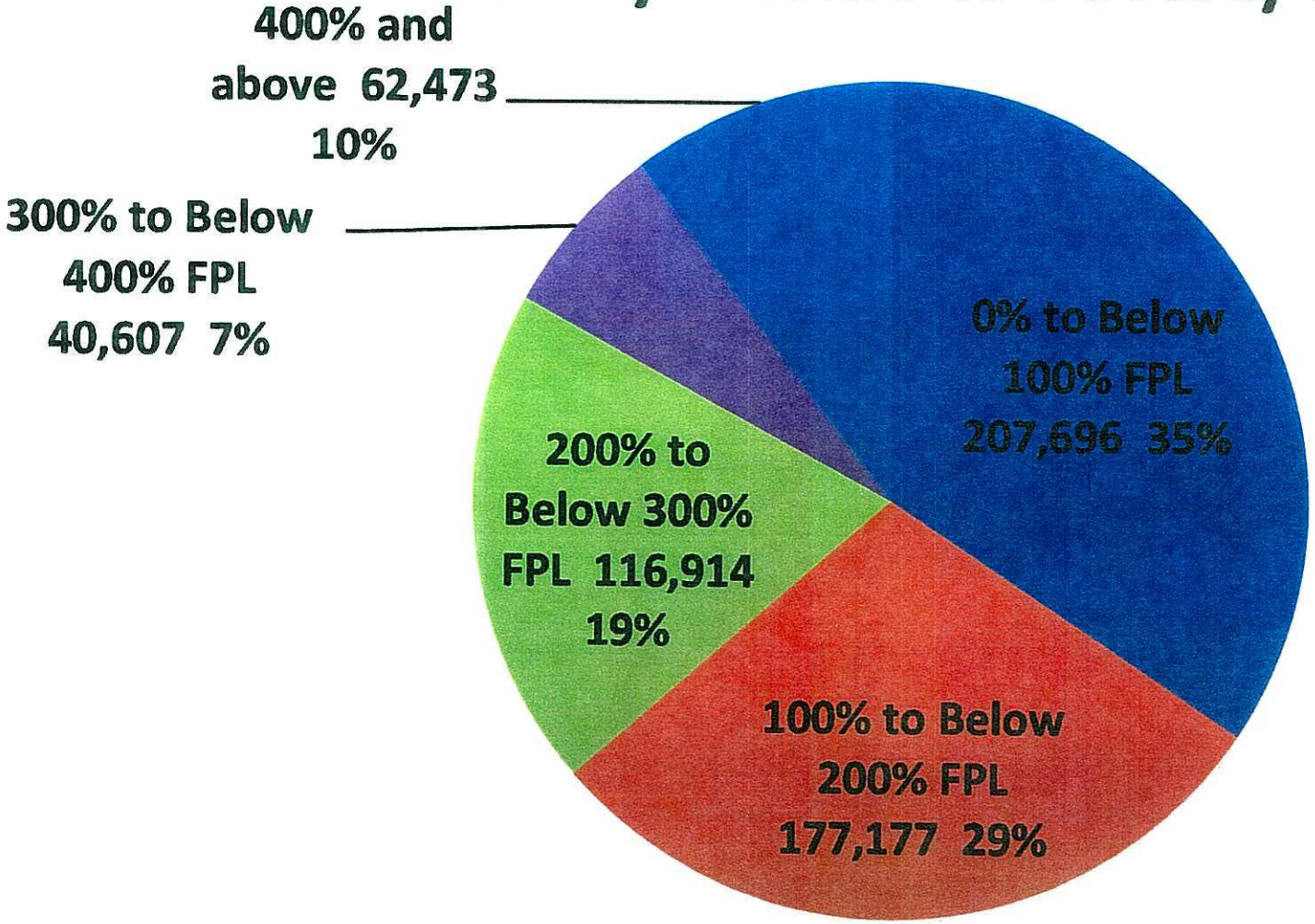
AFFORDABLE CARE ACT (ACA)

- Uninsured
- Caseload/Eligibility
- Primary Care Physician Rate Increases
- Presumptive Eligibility by Hospitals

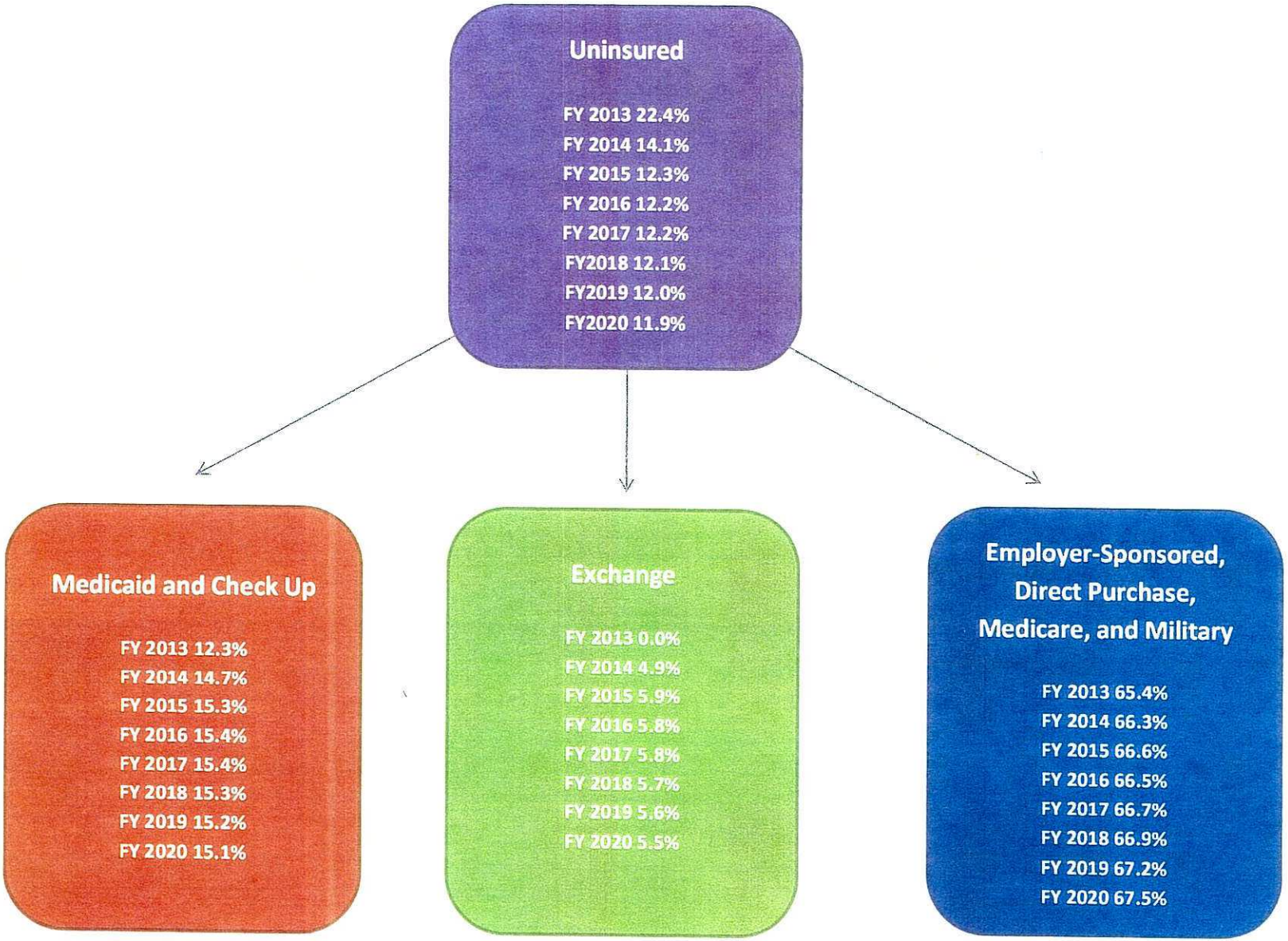
Insurance Status



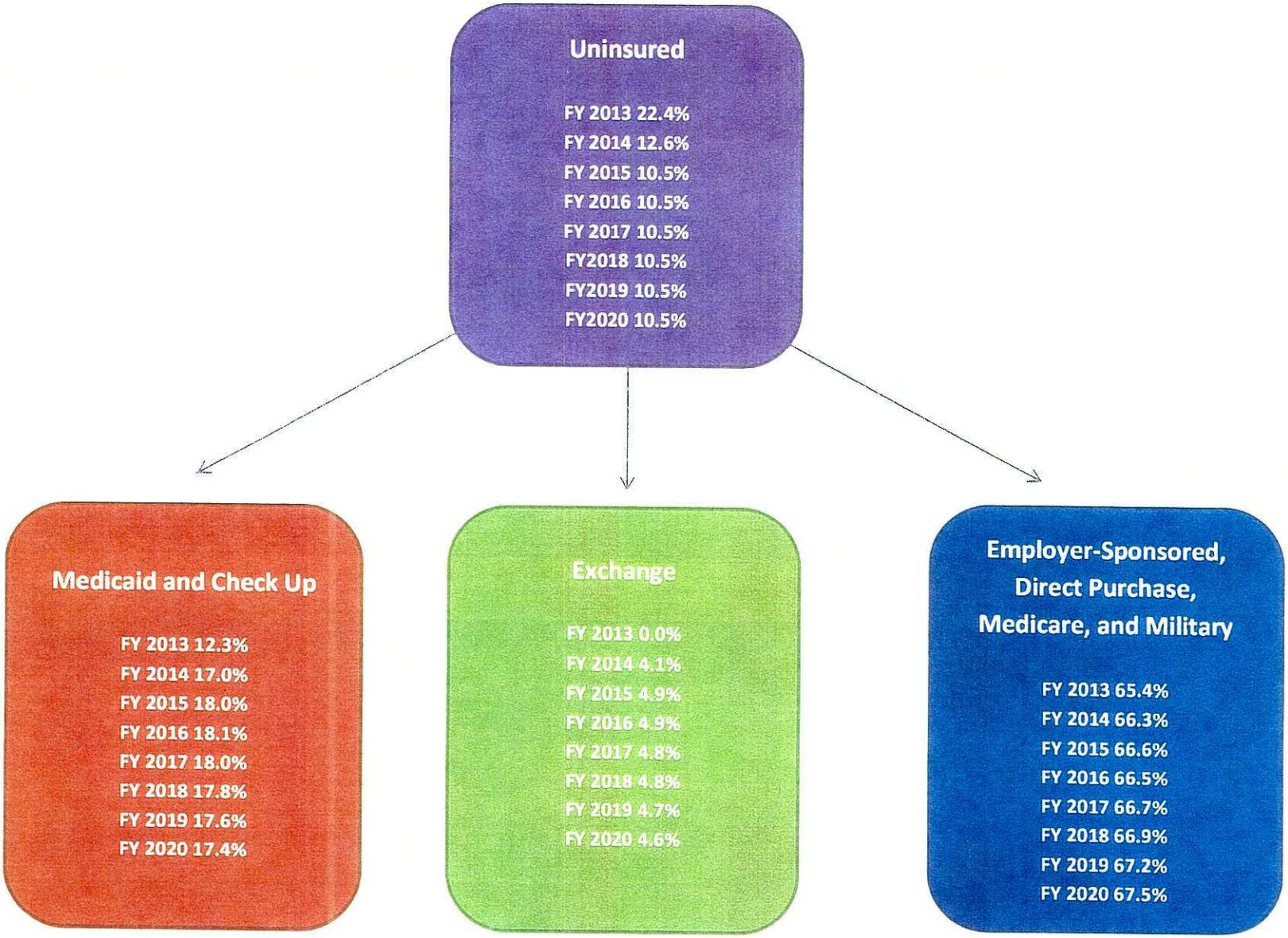
Uninsured by Income-to-Poverty Ratio



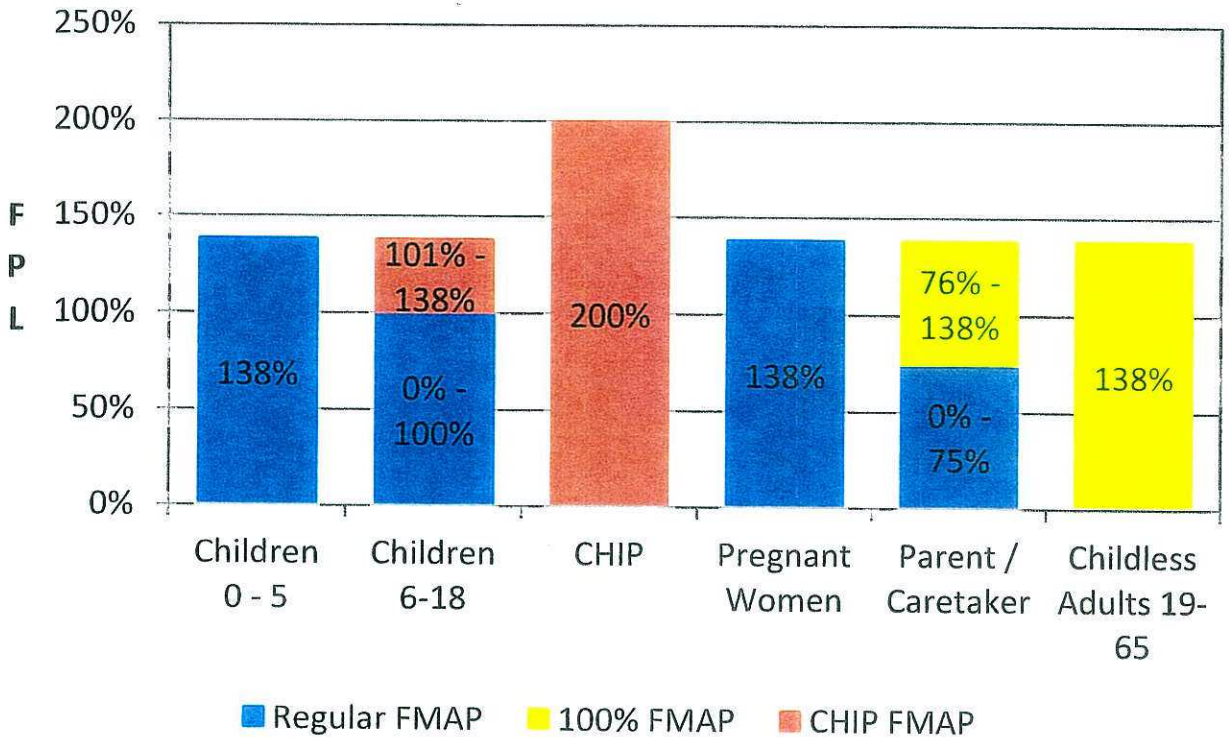
Health Insurance Coverage without Medicaid Expansion



Health Insurance Coverage with Medicaid Expansion



Medicaid Expansion Eligibility and FMAP



2012 Federal Poverty Guidelines		
FPL	Household Size 1	Household Size 4
50%	$5,585	$11,525
100%	$11,170	$23,050
138%	$15,415	$31,809
150%	$16,755	$34,575
200%	$22,340	$46,100
250%	$27,925	$57,625

Medicaid Expansion Caseloads

	100% FMAP					CHIP FMAP			Regular FMAP								
	ACA Optional Caseload					ACA Mandatory Caseload			ACA Mandatory Caseload								
	Age 19-64 (with no children < age 18) between 0%-100% FPL	Age 19-64 (with no children < age 18) between 101%-138% FPL	Parents age 19-64 (with children < age 18) between 76%-100% FPL	Parents age 19-64 (with children < age 18) between 101%-138% FPL	*Subtotal for 100% FMAP (ACA Optional Caseload)*	Age 6-18 between 100%-138% FPL	Current CheckUp recipients below 138% FPL (100% uptake)	*Subtotal for CHIP FMAP (ACA Mandatory Caseload)*	Age 0-5 below 133% FPL	Age 0-5 between 133%-138% FPL	Age 6-18 below 100% FPL	Parents age 19-64 (with children < age 18) below 75% FPL	Pregnant women between 133%-138% FPL (100% uptake)	*Subtotal for Regular FMAP (ACA Mandatory Caseload)*	*Subtotal of Mandatory Caseloads*	*Subtotal of Optional Caseloads*	*Total*
Jul-13	0	0	0	0	***0***	0	0	***0***	0	0	0	0	0	***0***	***0***	***0***	***0***
Aug-13	0	0	0	0	***0***	0	0	***0***	0	0	0	0	0	***0***	***0***	***0***	***0***
Sep-13	0	0	0	0	***0***	0	0	***0***	0	0	0	0	0	***0***	***0***	***0***	***0***
Oct-13	0	0	0	0	***0***	0	0	***0***	819	0	1,797	1,859	0	***4,476***	***4,476***	***0***	***4,476***
Nov-13	0	0	0	0	***0***	0	0	***0***	1,639	0	3,594	3,718	0	***8,951***	***8,951***	***0***	***8,951***
Dec-13	0	0	0	0	***0***	0	0	***0***	2,458	0	5,391	5,577	0	***13,427***	***13,427***	***0***	***13,427***
Jan-14	15,108	5,895	3,713	4,269	***28,986***	2,699	953	***3,652***	3,278	156	7,189	7,436	125	***18,183***	***21,835***	***28,986***	***50,821***
Feb-14	18,886	7,369	4,641	5,336	***36,232***	3,374	1,906	***5,280***	4,097	195	8,986	9,295	156	***22,729***	***28,008***	***36,232***	***64,240***
Mar-14	22,663	8,843	5,570	6,404	***43,478***	4,048	2,859	***6,907***	4,917	234	10,783	11,154	187	***27,275***	***34,182***	***43,478***	***77,660***
Apr-14	26,440	10,316	6,498	7,471	***50,725***	4,723	3,812	***8,535***	5,736	272	12,580	13,013	219	***31,820***	***40,355***	***50,725***	***91,080***
May-14	30,217	11,790	7,426	8,538	***57,971***	5,398	4,765	***10,162***	6,556	311	14,377	14,872	250	***36,366***	***46,529***	***57,971***	***104,500***
Jun-14	33,994	13,264	8,354	9,605	***65,218***	6,073	5,718	***11,790***	7,375	350	16,174	16,731	281	***40,912***	***52,702***	***65,218***	***117,920***
Jul-14	34,526	13,496	8,476	9,787	***66,285***	6,186	6,670	***12,857***	7,516	356	16,407	17,053	281	***41,612***	***54,469***	***66,285***	***120,754***
Aug-14	35,057	13,728	8,598	9,969	***67,353***	6,300	7,623	***13,924***	7,656	361	16,639	17,376	281	***42,313***	***56,236***	***67,353***	***123,589***
Sep-14	35,589	13,960	8,719	10,151	***68,420***	6,414	8,576	***14,990***	7,796	367	16,871	17,699	280	***43,013***	***58,004***	***68,420***	***126,424***
Oct-14	36,121	14,192	8,841	10,333	***69,487***	6,528	9,529	***16,057***	7,936	372	17,104	18,022	280	***43,714***	***59,771***	***69,487***	***129,258***
Nov-14	36,653	14,424	8,963	10,515	***70,555***	6,642	10,482	***17,124***	8,076	378	17,336	18,345	280	***44,415***	***61,538***	***70,555***	***132,093***
Dec-14	37,184	14,656	9,085	10,697	***71,622***	6,755	11,435	***18,190***	8,217	383	17,568	18,668	280	***45,115***	***63,306***	***71,622***	***134,928***
Jan-15	37,716	14,888	9,206	10,879	***72,690***	6,869	11,392	***18,261***	8,357	388	17,801	18,991	279	***45,816***	***64,077***	***72,690***	***136,767***
Feb-15	38,248	15,120	9,328	11,061	***73,757***	6,983	11,387	***18,370***	8,497	394	18,033	19,314	279	***46,516***	***64,886***	***73,757***	***138,643***
Mar-15	38,779	15,352	9,450	11,243	***74,825***	7,097	11,420	***18,516***	8,637	399	18,265	19,637	279	***47,217***	***65,733***	***74,825***	***140,558***
Apr-15	39,311	15,584	9,571	11,425	***75,892***	7,211	11,437	***18,648***	8,777	405	18,497	19,959	278	***47,917***	***66,565***	***75,892***	***142,457***
May-15	39,843	15,816	9,693	11,607	***76,959***	7,324	11,438	***18,763***	8,917	410	18,730	20,282	278	***48,618***	***67,381***	***76,959***	***144,340***
Jun-15	40,375	16,048	9,815	11,789	***78,027***	7,438	11,424	***18,862***	9,058	416	18,962	20,605	278	***49,319***	***68,181***	***78,027***	***146,208***

Eligibility Changes under the ACA

- No wrong door for applicants (lobbies, website, phone, Silver State Health Insurance Exchange)
- Simplified MAGI income test for eligibility
- Federal hub for information verification (Social Security Administration, Homeland Security, IRS, Treasury)
- Redetermination grace period
  - Case can be reinstated if necessary verifications are received within 90 days after case closure.
  - Current rules require the client to reapply if verifications are not provided by closure date.
- Note: Eligibility for Aged, Blind, and Disabled (ABD) individuals is not simplified under the ACA

Specialties that Qualify for the Enhanced Primary Care Physicians (PCP) Rate

The final rule applies to services furnished by a physician or "under the personal supervision of a physician who self-attests to a specialty designation of:

- Family medicine,
- General internal medicine, or
- Pediatric medicine or a subspecialty recognized by the American Board of medical Specialties (ABMS), the American Board of Physician Specialties (ABPS) or the American Osteopathic Association (AOA)."
- CMS specifically excluded OB/GYN from the rate increase, and the rule does not specify General Practice or Physical Medicine as specialties to which the final rule applies. The subspecialties within the three specialties that are included can be found on the American Board of Medical Specialties website at http://www.abms.org/who_we_help/physicians/specialties.aspx

A physician must self-attest that he or she:

1. is Board certified with such a specialty or subspecialty; OR
2. has furnished evaluation and management services and vaccine administration services under specific HCPCS codes (described below) that equal at least 60 percent of the Medicaid codes he or she has billed during the most recently completed calendar year or, for newly eligible physicians, the prior month.

The increased payment is not available to physicians who are reimbursed through a Federally Qualified Health Center (FQHC), Rural Health Clinic (RHC), or health department encounter or visit rate or as part of a nursing facility per diem rate payment rate.

Codes/Services that Qualify for the Enhanced Rate

Those services (as designated in HCPCS) are:

1. Evaluation and Management (E&M) codes 99201 through 99499
2. Current Procedural Terminology (CPT) vaccine administration codes 90460, 90461, 90471, 90472, 90473, and 90474, or their successor codes.

Presumptive Eligibility – ACA Section 2202

- **ACA Section 2202 Permitting hospitals to make presumptive eligibility determinations for all Medicaid eligible populations.**
- Social Security Act Section 1902(a)(47)
- (47) provide—
  - (A) at the option of the State, for making ambulatory prenatal care available to pregnant women during a presumptive eligibility period in accordance with section 1920 and provide for making medical assistance for items and services described in subsection (a) of section 1920A available to children during a presumptive eligibility period in accordance with such section and provide for making medical assistance available to individuals described in subsection (a) of section 1920B during a presumptive eligible period in accordance with such section and provide for making medical assistance available to individuals described in subsection (a) of section 1920B during a presumptive eligibility period in accordance with such section and provide for making medical assistance available to individuals described in subsection (a) of section 1920C during a presumptive eligibility period in accordance with such section;
  - (B) that any hospital that is a participating provider under the State plan may elect to be a qualified entity for purposes of determining, on the basis of preliminary information, whether any individual is eligible for medical assistance under the State plan or under a waiver of the plan for purposes of providing the individual with medical assistance during a presumptive eligibility period, in the same manner, and subject to the same requirements, as apply to the State options with respect to populations described in section 1920, 1920A, 1920B, or 1920C (but without regard to whether the State has elected to provide for a presumptive eligibility period under any such sections), subject to such guidance as the Secretary shall establish;

DISPROPORTIONATE SHARE HOSPITALS (DSH), UPPER PAYMENT LIMIT (UPL), AND GRADUATE MEDICAL EDUCATION (GME)

Intergovernmental Transfers (IGTs)

- Disproportionate Share Hospitals (DSH): Federal DSH allotments will be decreasing 50% over next seven years. Net state benefit received is dependent on Clark County Lawsuit and federal regulations.
- Public Hospital Upper Payment Limit (UPL): Net state Benefit has been historically determined on a 60% contribution rate. Clark County is rejecting these terms for FY13 and future years. Budget for 14/15 built on 55% contribution rate.
- Private Hospital Upper Payment Limit (UPL): Budgeted to save State $10 million in 12/13 biennium. YTD savings is zero. Unknown future savings.
- Graduate Medical Education (GME): Same discussion/issues as Public Hospital UPL.
- Total Voluntary contribution/net state benefit from DSH, UPL and GME at risk:

  FY 14: $38.5 million

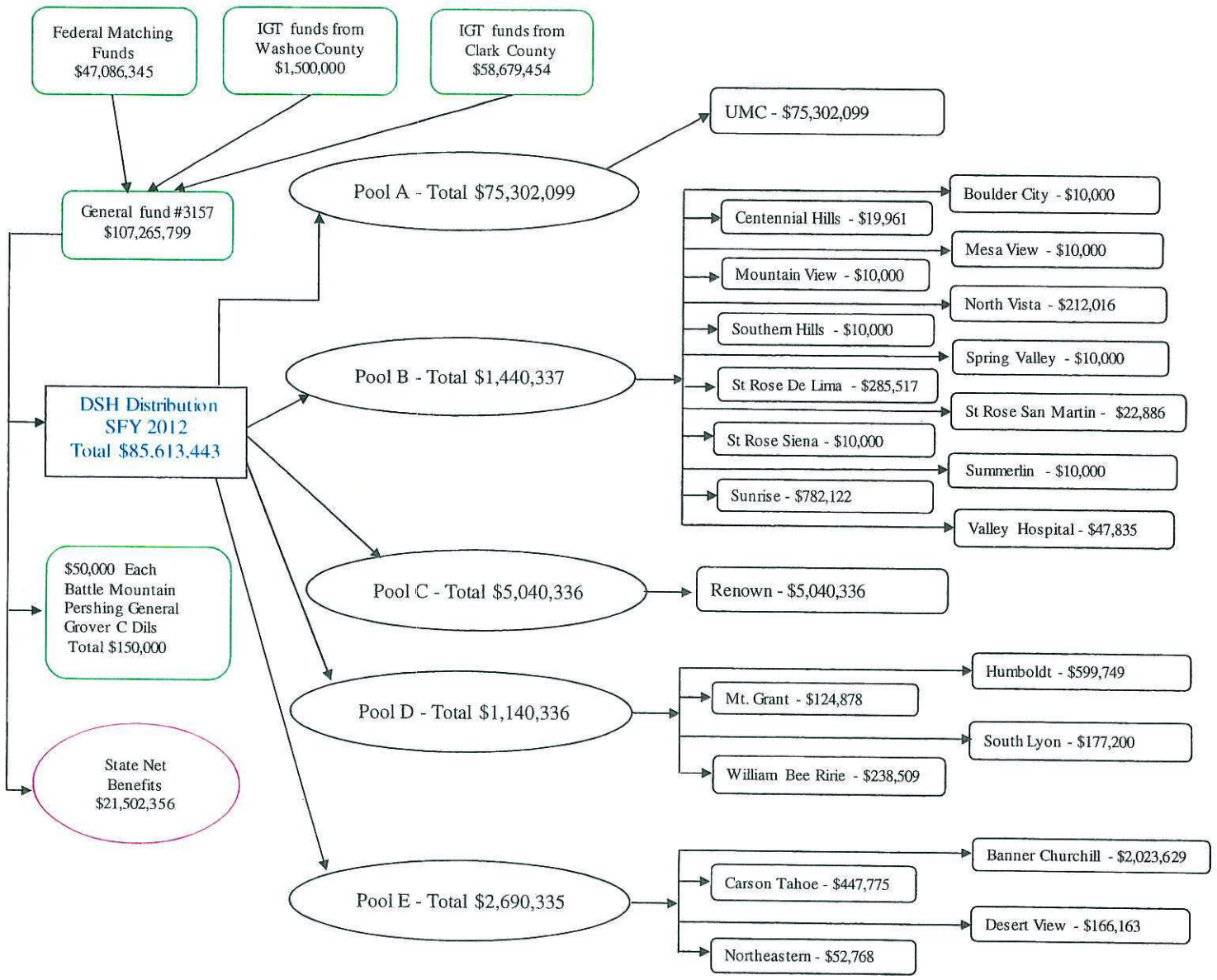
  FY 15: $41.0 million

  Total: $79.5 million

Disproportionate Share Hospital Program (DSH) in Nevada

- The DSH annual distribution is divided into five pools:
  - Pool A - Public hospitals in counties whose population is 400,000 or more (Clark County) receive $66,650,000 plus 90% of the total DSH in excess of $76,000,000.
  - Pool B - Private hospitals in counties whose population is 400,000 or more (Clark County) receive $1,200,000 plus 2.5 percent of the total DSH in excess of $76,000,000.
  - Pool C - Private hospitals in counties whose population is 100,000 to 399,999 (Washoe County) receive $4,800,000 plus 2.5 percent of the total DSH in excess of $76,000,000
  - Pool D - Public hospitals in counties whose population is less than 100,000 receive $900,000 plus 2.5 percent of total DSH in excess of $76,000,000
  - Pool E - Private hospitals in counties whose population is less than 100,000 receive $2,450,000 plus 2.5 percent of total DSH in excess of $76,000,000
- *Note: A State Plan amendment (SPA) is necessary to update the population cutoffs for these pools because Washoe County's population now exceeds 400,000.*

Fiscal Year 2012 DSH Distribution



Estimated DSH with Reduction

State	Preliminary FFY 2012 DSH Allotment	Estimated FFY 2013 (Based on FFY 2012)	Estimated FFY 2014 With Reduction	Estimated FFY 2015 With Reduction	Estimated FFY 2016 With Reduction	Estimated FFY 2017 With Reduction	Estimated FFY 2018 With Reduction	Estimated FFY 2019 With Reduction	Estimated FFY 2020 With Reduction
US TOTAL	$11,341,637,957	$11,341,637,957	$10,841,637,954	$10,741,637,956	$10,741,637,956	$9,541,637,959	$6,341,637,959	$5,741,637,956	$7,341,637,960
Alabama	$314,905,719	$314,905,719	$301,022,992	$298,246,447	$298,246,447	$264,927,903	$176,078,453	$159,419,181	$203,843,906
Alaska	$20,860,270	$20,860,270	$19,940,638	$19,756,711	$19,756,711	$17,549,594	$11,663,948	$10,560,390	$13,503,213
Arizona	$103,688,468	$103,688,468	$99,117,326	$98,203,098	$98,203,098	$87,232,358	$57,977,051	$52,491,681	$67,119,335
Arkansas	$44,176,697	$44,176,697	$42,229,152	$41,839,643	$41,839,643	$37,165,536	$24,701,249	$22,364,195	$28,596,338
California	$1,122,651,686	$1,122,651,686	$1,073,159,201	$1,063,260,704	$1,063,260,704	$944,478,741	$627,726,839	$568,335,857	$726,711,808
Colorado	$94,727,736	$94,727,736	$90,551,631	$89,716,410	$89,716,410	$79,693,759	$52,966,689	$47,955,363	$61,318,898
Connecticut	$204,816,727	$204,816,727	$195,787,311	$193,981,428	$193,981,428	$172,310,831	$114,522,570	$103,687,271	$132,581,402
Delaware	$9,271,230	$9,271,230	$8,862,505	$8,780,760	$8,780,760	$7,799,819	$5,183,976	$4,693,506	$6,001,427
District Of Columbia	$62,725,122	$62,725,122	$59,959,863	$59,406,812	$59,406,812	$52,770,191	$35,072,537	$31,754,227	$40,603,054
Florida	$204,816,727	$204,816,727	$195,787,311	$193,981,428	$193,981,428	$172,310,831	$114,522,570	$103,687,271	$132,581,402
Georgia	$275,222,477	$275,222,477	$263,089,200	$260,662,544	$260,662,544	$231,542,679	$153,889,704	$139,329,771	$178,156,259
Hawaii	$10,000,000	$10,000,000	$9,559,147	$9,470,976	$9,470,976	$8,412,928	$5,591,466	$5,062,442	$6,473,173
Idaho	$16,833,376	$16,833,376	$16,091,271	$15,942,850	$15,942,850	$14,161,797	$9,412,324	$8,521,798	$10,896,535
Illinois	$220,177,981	$220,177,981	$210,471,359	$208,530,035	$208,530,035	$185,234,142	$123,111,763	$111,463,817	$142,525,006
Indiana	$218,897,878	$218,897,878	$209,247,690	$207,317,652	$207,317,652	$184,157,201	$122,395,998	$110,815,772	$141,696,374
Iowa	$40,329,581	$40,329,581	$38,551,638	$38,196,049	$38,196,049	$33,928,985	$22,550,147	$20,416,615	$26,106,034
Kansas	$42,243,450	$42,243,450	$40,381,133	$40,008,670	$40,008,670	$35,539,109	$23,620,280	$21,385,500	$27,344,914
Kentucky	$148,492,127	$148,492,127	$141,945,801	$140,636,535	$140,636,535	$124,925,352	$83,028,863	$75,173,272	$96,121,516
Louisiana	$731,960,000	$731,960,000	$699,691,292	$693,237,551	$693,237,551	$615,792,652	$409,272,923	$370,550,474	$473,810,338
Maine	$107,528,782	$107,528,782	$102,788,339	$101,840,250	$101,840,250	$90,463,186	$60,124,350	$54,435,818	$69,605,236
Maryland	$78,086,377	$78,086,377	$74,643,912	$73,955,419	$73,955,419	$65,693,504	$43,661,730	$39,530,772	$50,546,659
Massachusetts	$312,345,509	$312,345,509	$298,575,650	$295,821,678	$295,821,678	$262,774,017	$174,646,920	$158,123,089	$202,186,638
Michigan	$271,382,163	$271,382,163	$259,418,187	$257,025,392	$257,025,392	$228,311,850	$151,742,405	$137,385,635	$175,670,357
Minnesota	$76,487,655	$76,487,655	$73,115,670	$72,441,274	$72,441,274	$64,348,511	$42,767,810	$38,721,428	$49,511,779
Mississippi	$156,172,754	$156,172,754	$149,287,825	$147,910,839	$147,910,839	$131,387,008	$87,323,460	$79,061,544	$101,093,319
Missouri	$485,159,623	$485,159,623	$463,771,195	$459,493,509	$459,493,509	$408,161,281	$271,275,339	$245,609,225	$314,052,196
Montana	$11,624,144	$11,624,144	$11,111,690	$11,009,199	$11,009,199	$9,779,308	$6,499,600	$5,884,655	$7,524,509
Nebraska	$28,979,746	$28,979,746	$27,702,164	$27,446,648	$27,446,648	$24,380,451	$16,203,926	$14,670,827	$18,759,090
Nevada	$47,363,868	$47,363,868	$45,275,816	$44,858,205	$44,858,205	$39,846,879	$26,483,344	$23,977,681	$30,659,449
New Hampshire	$163,954,276	$163,954,276	$156,726,295	$155,280,699	$155,280,699	$137,933,546	$91,674,471	$83,000,894	$106,130,432
New Jersey	$659,253,841	$659,253,841	$630,190,409	$624,377,723	$624,377,723	$554,625,487	$368,619,524	$333,743,406	$426,746,387
New Mexico	$20,860,270	$20,860,270	$19,940,638	$19,756,711	$19,756,711	$17,549,594	$11,663,948	$10,560,390	$13,503,213
New York	$1,644,934,341	$1,644,934,341	$1,572,416,846	$1,557,913,347	$1,557,913,347	$1,383,871,360	$919,759,394	$832,738,400	$1,064,794,383
North Carolina	$302,104,673	$302,104,673	$288,786,285	$286,122,607	$286,122,607	$254,158,476	$168,920,792	$152,938,726	$195,557,568
North Dakota	$9,782,027	$9,782,027	$9,350,783	$9,264,534	$9,264,534	$8,229,549	$5,469,587	$4,952,094	$6,332,075
Ohio	$416,033,977	$416,033,977	$397,692,976	$394,024,776	$394,024,776	$350,006,375	$232,623,971	$210,614,770	$269,305,972
Oklahoma	$37,084,922	$37,084,922	$35,450,020	$35,123,040	$35,123,040	$31,199,277	$20,735,907	$18,774,025	$24,005,710
Oregon	$46,356,153	$46,356,153	$44,312,526	$43,903,801	$43,903,801	$38,999,096	$25,919,884	$23,467,532	$30,007,138
Pennsylvania	$574,766,940	$574,766,940	$549,428,142	$544,360,383	$544,360,383	$483,547,268	$321,378,963	$290,972,406	$372,056,558
Rhode Island	$66,565,436	$66,565,436	$63,630,876	$63,043,964	$63,043,964	$56,001,020	$37,219,835	$33,698,363	$43,088,955
South Carolina	$335,387,391	$335,387,391	$320,601,723	$317,644,589	$317,644,589	$282,158,986	$187,530,709	$169,787,907	$217,102,046
South Dakota	$11,310,642	$11,310,642	$10,812,008	$10,712,282	$10,712,282	$9,515,561	$6,324,307	$5,725,946	$7,321,574
Tennessee	$123,562,982	$123,562,982	$118,115,666	$117,026,202	$117,026,202	$103,952,643	$69,089,818	$62,553,038	$79,984,450
Texas	$979,279,977	$979,279,977	$936,108,083	$927,473,705	$927,473,705	$823,861,160	$547,561,040	$495,754,767	$633,904,827
Utah	$20,090,456	$20,090,456	$19,204,761	$19,027,622	$19,027,622	$16,901,955	$11,233,510	$10,170,676	$13,004,899
Vermont	$23,041,882	$23,041,882	$22,026,073	$21,822,911	$21,822,911	$19,384,969	$12,883,789	$11,664,818	$14,915,408
Virginia	$89,717,484	$89,717,484	$85,762,258	$84,971,213	$84,971,213	$75,478,670	$50,165,223	$45,418,952	$58,075,676
Washington	$189,455,473	$189,455,473	$181,103,263	$179,432,822	$179,432,822	$159,387,519	$105,933,378	$95,910,726	$122,637,797
West Virginia	$69,125,645	$69,125,645	$66,078,217	$65,468,732	$65,468,732	$58,154,905	$38,651,367	$34,994,454	$44,746,223
Wisconsin	$96,809,516	$96,809,516	$92,541,635	$91,688,059	$91,688,059	$81,445,145	$54,130,709	$49,009,252	$62,666,470
Wyoming	$231,780	$231,780	$221,562	$219,518	$219,518	$194,995	$129,599	$117,337	$150,035

Medicaid Disproportionate Share Hospital (DSH) Reductions

DSH payments were created to provide an additional payment to hospitals that provide a disproportionate share of services to low income individuals. Each hospital cannot receive a payment that exceeds the uncompensated care cost of providing services to Medicaid eligible individuals and individuals with no third party insurance. In addition to the limit on a specific hospital, each State has a maximum amount of Federal monies, referred to as the DSH allotment.

Patient Protection & Affordable Care Act (PPACA) and the amendments to it made by the Health Care and Education Affordability Reconciliation Act of 2010 (the Reconciliation Act) provides that there will be reductions in DSH allotments beginning in 2014. The new Section 1923(f)(7)(A)(iii) describes the manner of the payment reduction.

Aggregate DSH allotments would decrease as follows: $500,000,000 for fiscal year 2014; $600,000,000 for fiscal year 2015; $600,000,000 for fiscal year 2016; $1,800,000,000 for fiscal year 2017; $5,000,000,000 for fiscal year 2018; $5,600,000,000 for fiscal year 2019; and $4,000,000,000 for fiscal year 2020. The Department of Health and Human Services will decide how DSH reductions are distributed considering:

- Methodology imposes the largest percentage reductions on the States that have the lowest percentages of uninsured; or do not target their DSH payments on hospitals with high volumes of Medicaid inpatients and hospitals that have high levels of uncompensated care (excluding bad debt).
- The methodology imposes a smaller percentage reduction on low DSH States.
- The methodology takes into account the extent to which the DSH allotment for a State was included in the budget neutrality calculation for a coverage expansion approved under section 1115 as of July 31, 2009.

The unknown that States are facing is the methodology that the Secretary will use to reduce each State's allotment. Nevada should have their DSH allotment reduced at a lower percentage as we are not a low DSH state and our DSH expenditure has historically been at the DSH allotment versus other States that have not fully used their DSH allotment.

The SFY 2013 DSH calculation is based on the CMS FFY 2012 preliminary allotment.

Since, with the allotment reductions, the current distribution calculation methodology will no longer be valid, for projection/analysis purposes, Pool Allotments were calculated based only on the Enhanced Limit percentage for each pool. Pool A receives 90%; Pools B through E receives 2.5% each. The charts below represent the projected total allotment by fiscal year and UMC's projected allotment using this methodology.

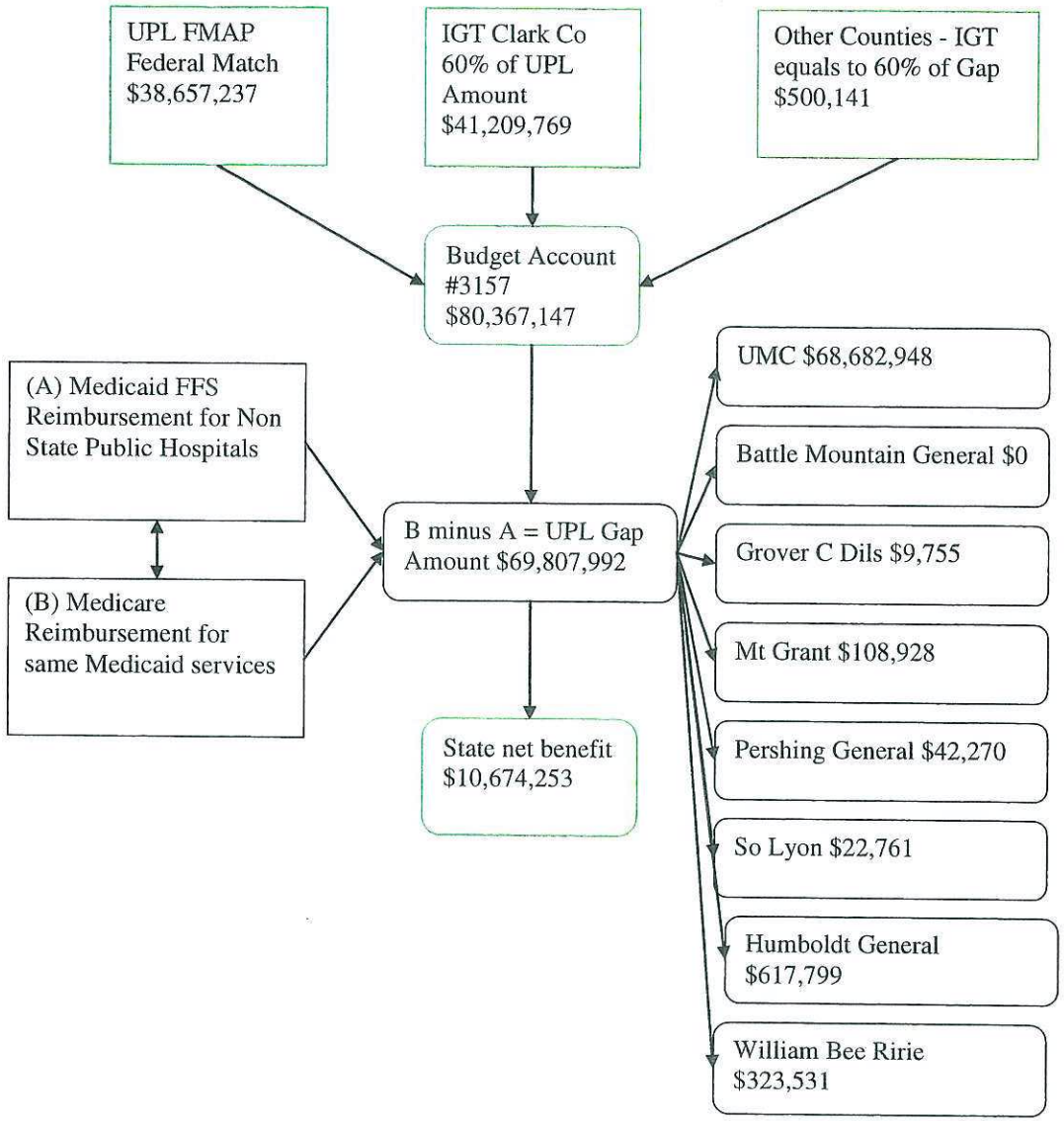
Medicaid Disproportionate Share Hospital (DSH) Reductions (cont.)

	SFY Total DSH Allotment	State Share	Clark County IGT	Washoe County IGT	Total IGT	State Net Benefit
SFY 2013	$80,831,881	$33,299,391	$55,402,171	$1,500,000	$56,902,171	$23,602,780
SFY 2014	$75,179,267	$29,381,438	$51,527,870	$1,465,996	$52,993,865	$23,612,427
SFY 2015	$72,611,944	$27,649,336	$49,768,226	$1,415,933	$51,184,159	$23,534,823
SFY 2016	$71,822,669	$26,964,464	$49,225,868	$1,400,542	$50,626,410	$23,661,946
SFY 2017	$65,647,832	$24,548,121	$44,903,482	$1,280,133	$46,183,615	$21,635,494
SFY 2018	$47,759,568	$17,935,340	$32,381,697	$931,312	$33,313,009	$15,377,669
SFY 2019	$39,716,247	$15,112,151	$26,751,373	$774,467	$27,525,840	$12,413,689
SFY 2020	$47,297,137	$18,308,130	$32,057,996	$922,294	$32,980,290	$14,672,160

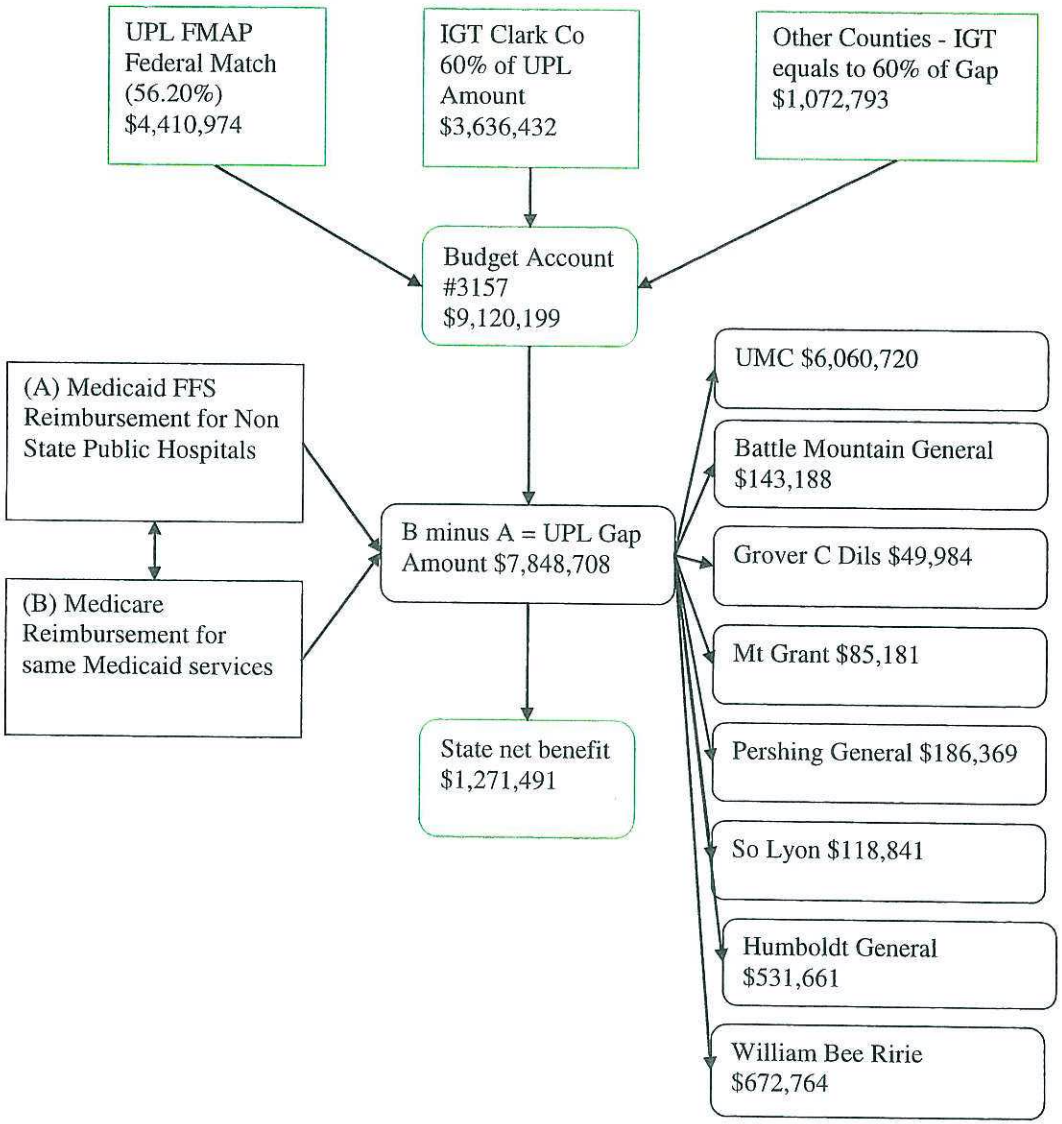
These changes to Nevada's allotment would require a change to the DSH calculation methodology in the Nevada Regulations (NAC) and State Plan.

While it is certain that the DSH reductions will occur, there is no indication as to how CMS will handle allotments to states that do not opt into the Medicaid expansion. By not expanding eligibility, we are presumably not reducing the indigent care burden of public hospitals. The allotment needed to fund the Disproportionate Share Hospital payments may not be adequate. The funding for the allotment in the aggregate goes down each fiscal year through 2019.

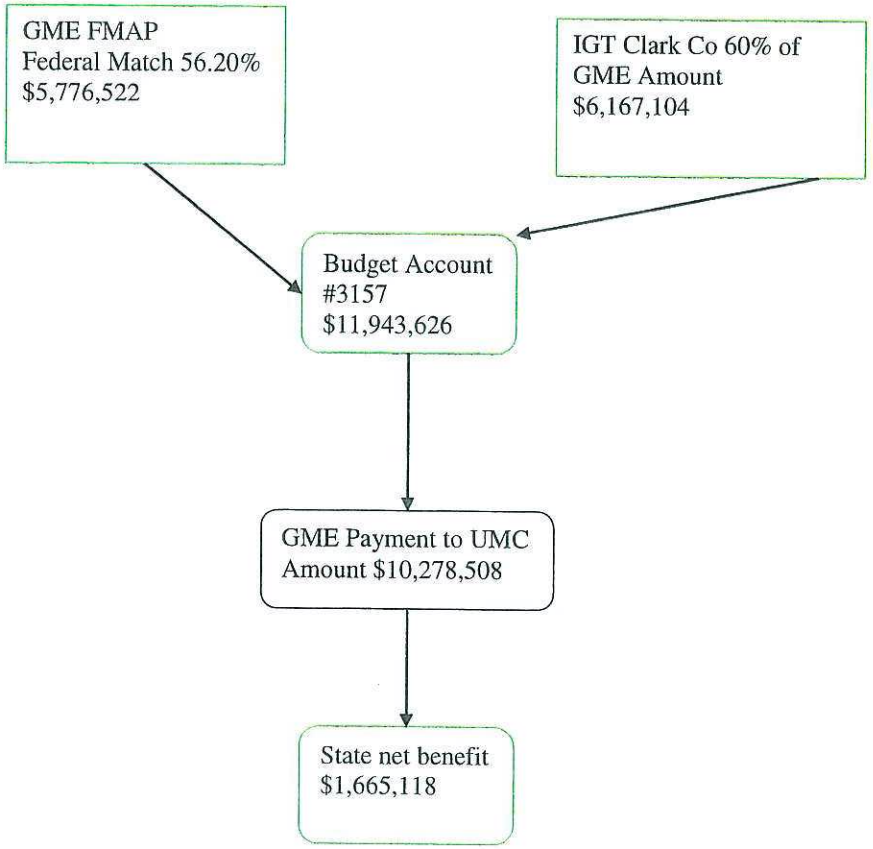
Public Hospital Inpatient UPL, Fiscal Year 2012



Public Hospital Outpatient UPL, Fiscal Year 2012



Public Teaching Hospital GME, Fiscal Year 2012



Medicaid Upper Payment Limit (UPL) and Graduate Medical Education (GME) Programs

Medicaid regulations allow for State Medicaid Agencies to pay hospitals under a Fee-For-Service environment an amount that would equal what Medicare would have paid for the same services. This concept is referred to as the Upper Payment Limit (UPL).

Nevada currently has Inpatient (IP) and Outpatient (OP) public UPL programs and a GME Program. Currently UMC is the only hospital that has met the GME qualifications under the Nevada State Plan.

Typically these three supplemental program distributions are affected by the following variables:

- The Medicaid caseload and utilization (all)
- The gap between Medicare and Medicaid reimbursement (IP & OP UPL only)
- The Medicaid case mix and Medicare case mix (IP UPL only)
- Inflation, using Market basket indicator (all)
- Hospital market share (all)

It is anticipated that both the Medicaid caseload and utilization will have a significant increase. It is not possible, at this time, to anticipate what any change in hospital market share might be; therefore to analyze the impact of ACA on UPL we are using the following assumptions:

- The projection includes only services reimbursed under Fee for Service (FFS)
- There is a direct correlation in the estimated increases in Medicaid caseload and utilization
- All other variables remain unchanged
- There is no change in the hospitals market share

UPL and Managed Care

- Upper Payment Limit (UPL) programs: Subsidize Medicaid reimbursement for inpatient services and other services up to a comparable Medicare rate or the hospital-specific UPL.
  - *Issue:* As states increase managed care enrollment UPL payments may be jeopardized. UPL payment can only be made based on Medicaid Fee-For-Service Admissions.

Option	Pros	Cons
Carve-out hospital services from MCO contracts	Preserves UPL payments	Leaves hospital care "unmanaged"
Use UPL match dollars to pay hospitals higher rates across the board in or out of managed care	Reduces hospital uncompensated care regardless of delivery system	State match contributors may not see the same return on investment
Pay MCOs to include UPL dollars in hospital payments	Continues supplemental payments	Redistributes UPL dollars based on MCO network contracts and volumes
Implement Managed Fee-For-Service Models (Nevada Comprehensive Care Waiver)	Maintains current UPL program structure	Reduces the State's policy options to utilize risk-based managed care

IAF/SUPPLEMENTAL FUND

Indigent Accident Fund (IAF)/Supplemental Fund History

State Fiscal Year	Receipts	Sweep to General Fund	NACO/ Admin.	HIFA	Hospitals	Other
FY13 Budgeted	19,278,718	19,218,718	60,000	-	-	-
FY12	19,250,597	19,112,621	60,000	77,975	1,762,345*	-
FY11	22,189,062	21,889,136	60,000	232,893	-	-
FY10	26,954,923	25,199,365	100,000	268,127	1,387,431	-
FY09	29,076,220	25,000,000	148,565	276,608	3,651,047	-
FY08	25,484,588	-	151,241	197,150	24,600,455	535,741

** Note: FY12 claims not yet processed. Other providers may receive some funding/payments.*
"Receipts" includes beginning cash, interest, and balance forward to a new year.

If the process is federalized,

$21 million State General Fund = $55 million total Medicaid spend at 62% FMAP

Losing opportunity to gain $34 million in Federal Funds

IAF and Supplemental Revenues, FY03-FY12

County	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12
Carson City	292,931	108,327	267,139	307,978	319,664	327,400	360,230	364,319	364,077	351,650
Churchill	70,044	2,038	228,764	75,724	91,058	88,999	207,434	414,406	(97,596)	132,214
Clark	10,416,868	4,783,653	10,441,064	14,018,631	16,363,128	18,300,334	20,467,304	19,397,653	15,349,712	14,167,641
Douglas	586,199	193,156	521,186	550,261	590,223	631,270	574,099	592,139	577,222	579,418
Elko	183,883	4,340	-	159,363	252,633	152,746	188,149	208,755	213,443	249,078
Esmeralda	11,460	5,172	9,535	9,672	10,797	12,045	13,204	14,022	13,749	31,136
Eureka	86,592	130,911	134,162	145,262	186,763	250,990	355,964	362,466	481,801	502,164
Humboldt	157,044	55,144	153,069	134,265	159,450	186,908	219,606	243,342	257,018	343,936
Lander	134,249	124,650	146,822	100,325	76,205	82,074	114,037	317,604	583,295	553,361
Lincoln	25,169	14,683	84,593	42,044	37,934	56,120	44,084	45,609	44,329	55,243
Lyon	229,858	147,775	301,092	272,640	299,919	314,901	363,672	356,960	299,225	297,672
Mineral	28,681	8,588	26,473	19,868	34,046	19,337	16,584	21,706	33,944	28,640
Nye	215,196	108,582	150,542	245,928	330,536	428,647	377,912	401,111	468,565	317,799
Pershing	48,837	15,602	53,700	81,157	55,432	51,299	56,689	47,456	51,719	46,398
Storey	58,248	55,600	68,534	81,628	93,368	95,513	106,818	184,168	110,589	92,098
Washoe	2,551,448	1,078,395	2,802,269	2,979,015	3,368,604	3,633,006	3,634,869	3,548,291	3,192,688	3,151,350
White Pine	53,893	13,832	23,734	44,286	99,020	36,272	101,646	137,986	97,328	116,325
Unknown	(4,846,052)	(137,055)	2,025,921	(28,259)	30,286	57,025	187,839	190,676	22,045	(16,504)
TOTAL	10,304,549	6,713,393	17,438,597	19,239,789	22,399,066	24,724,887	27,390,140	26,848,668	22,063,152	20,999,620

**Does not include beginning cash, Treasurer interest, and balance forward to new year.*

IAF Claims, FY08-FY12

Hospital Name	County	FY08	FY09	FY10	FY11	FY12
Banner	Churchill	4,408.58	-	-	-	-
Barton	Douglas	1,365.55	-	-	-	-
Boulder	Clark	545.71	-	-	-	-
Carson Tahoe	Carson City	92,925.85	-	-	-	-
Carson Tahoe	Douglas	46,159.30	-	-	-	-
Carson Tahoe	Lyon	63,513.70	-	-	-	-
Subtotal Carson Tahoe		*202,598.85*	-	-	-	-
Carson Valley Medical Center	Douglas	2,284.88	-	-	-	-
Centennial Hills	Clark	16,026.83	-	-	-	-
Desert Springs	Clark	1,025,977.14	-	-	-	-
Grover Dils	Lincoln	6,516.50	-	-	-	-
Humboldt City	Humboldt	7,670.47	-	-	-	-
Mesa View	Clark	788.61	-	-	-	-
Mountain View	Clark	193,861.77	-	-	-	-
NNMC	Washoe	70,430.23	-	-	-	-
North Vista	Clark	1,043,630.52	-	-	-	-
Northeaster Nevada Regional	Elko	-	36,968.93	24,854.05	-	-
Nye Regional	Nye	2,885.64	-	-	-	-
Renown	Carson City	68,142.24	289,863.14	-	-	-
Renown	Douglas	129,096.52	29,994.87	17,019.23	-	-
Renown	Lyon	279,559.70	358,711.97	-	-	-
Renown	Nye	406,049.25	-	-	-	-
Renown	Pershing	-	95,022.19	-	-	-
Renown	Washoe	2,010,954.48	378,335.43	71,789.55	-	-
Renown	White Pine	-	60,807.68	-	-	-
Subtotal Renown		*2,893,802.19*	*1,212,735.28*	*88,808.78*	-	-
South Meadows	Washoe	33,712.41	-	-	-	-
Southern Hills	Clark	111,816.46	-	-	-	-
Spring Valley	Clark	400,960.97	-	-	-	-
St. Mary's	Washoe	517,015.18	-	-	-	-
St. Rose Delima	Clark	650,773.46	-	-	-	-
St. Rose Siena	Clark	306,004.40	-	-	-	-
St. Rose St. Martin	Clark	94,115.42	-	-	-	-
Summerlin	Clark	92,583.29	-	-	-	-
Sunrise	Clark	2,136,766.29	393,767.33	124,216.65	-	-
Sunrise	Lincoln	109,102.89	-	-	-	-
Subtotal Sunrise		*2,245,869.18*	*393,767.33*	*124,216.65*	-	-
UMC	Clark	13,384,237.56	2,007,575.63	1,149,551.25	-	
UMC	Lincoln	169,759.12	-	-	-	-
Subtotal UMC		*13,553,996.68*	*2,007,575.63*	*1,149,551.25*	-	-
Valley	Clark	1,096,074.89	-	-	-	-
Washoe Med Skilled Nursing	Nye	24,739.05	-	-	-	-
Hospital Total		***24,600,454.86***	***3,651,047.17***	***1,387,430.73***	-	-
Physicians	N/A	44,866.77	-	-	-	-
Ambulance Services	N/A	203,041.71	-	-	-	-
Other Services	N/A	287,832.98	-	-	-	-
Other Total		***535,741.46***	-	-	-	-
TOTAL		**25,136,196.32**	**3,651,047.17**	**1,387,430.73**	-	-

IAF and Supplemental Claims, FY03-FY07

IAF Claims					
Hospital	FY03	FY04	FY05	FY06	FY07
Banner	-	-	-	-	-
Barton	-	-	-	-	-
Boulder	-	-	-	-	-
Carson Tahoe	-	-	-	46,294	-
Carson Valley Medical Center	-	-	-	-	-
Centennial Hills	-	-	-	-	-
Desert Springs	-	-	-	-	-
Grover Dils	-	-	-	-	-
Humboldt	-	-	-	46,738	20,971
Mesa View	-	-	-	-	-
Mountain View	-	-	-	-	-
NNMC	-	-	-	-	-
North Vista	-	-	-	-	-
Northeastern Nevada Regional	75,063	46,416	303,366	-	136,519
Nye Regional	-	-	-	-	-
Renown	1,690,026	1,421,026	3,715,443	3,621,906	3,278,703
South Meadows	-	-	-	-	-
Southern Hills	-	-	-	-	-
Spring Valley	-	-	-	-	-
St. Mary's	-	-	-	-	-
St. Rose Delima	-	-	-	-	-
St. Rose Siena	-	-	-	40,783	48,190
St. Rose St. Martin	-	-	-	-	-
Summerlin	-	-	-	-	-
Sunrise	-	-	-	84,723	276,111
UMC	4,759,208	1,293,390	3,170,270	4,884,027	5,831,374
Valley	-	-	-	-	-
Washoe Medical Center	3,148,525	-	-	-	-
Washoe Med Skilled Nursing	-	-	-	-	-
Other	3,955	196,612	1,874,393	13,367,860	4,131,864
Total	9,676,777	2,957,444	9,063,473	22,092,332	13,723,732

Supplemental Claims					
County	FY03	FY04	FY05	FY06	FY07
Carson City	7,233	-	-	43,190	35,005
Churchill	-	-	-	-	-
Clark	4,376,059	4,502,409	6,054,506	5,217,093	5,881,087
Douglas	27,608	32,286	34,792	15,914	190,929
Elko	20,470	39,149	-	-	-
Esmeralda	-	-	-	-	-
Eureka	-	-	-	-	-
Humboldt	-	-	-	-	-
Lander	-	-	-	-	-
Lincoln	-	-	-	-	-
Lyon	-	-	-	90,457	-
Mineral	-	27,336	-	-	-
Nye	-	-	98,931	12,557	18,617
Pershing	-	-	-	-	30,260
Storey	-	-	-	-	-
Washoe	1,548,410	1,580,509	814,701	1,566,835	2,026,195
White Pine	-	-	-	-	-
TOTAL	5,979,780	6,181,690	7,002,929	6,946,046	8,182,093

COUNTY-STATE FUNDING ISSUES

Funding Shifts to Counties

	Estimated Annual Impact
• Consumer Health Protection	$596 thousand
• Tuberculosis (rural costs)	$618 thousand
• TB – Clark – Loss of Pass Thru	$408 thousand
• TB – Washoe – Loss of Pass Thru	$98 thousand
• TB – Carson – Loss of Pass Thru	$7 thousand
• Developmental Services for Children	$4.5 - $5.0 million
• Capped Mental Health R&B Block Grant	$700 thousand
• TANF Emergency Assistance	$4.8 million
• Medicaid County Match Program	$8.7 - $8.9 million
• County Child Protective Services (rural)	$2.4 million
• Youth Parole	$2.9 - $3.0 million
• Juvenile Justice Block Grant	$ 1.4 million

County Assessments, FY12

Division	Budget Acct. / Dec. Unit	Bill or Statute Reference	Description	Status	Carson City	Churchill	Clark	Douglas	Elko	Esmeralda	Eureka	Humboldt	Lander	Lincoln
DHCFP	3243 / E698	SB 485	MAABD Institution and Waiver Costs for Persons with Income over 142%/132% of the Federal SSI Rate	Leg. Approved:	$249,982	$63,123	$3,920,090	$95,043	$97,554	$717	$6,456	$49,853	$19,009	$15,063
				Payments Received:	$249,982	$63,123	$3,920,090	$95,043	$97,554	$717	$6,456	$49,853	$19,009	$15,063
				Difference:	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Health	3194 / E690	SB 471	Consumer Health Protection (Food and Facilities)	Leg. Approved:	$1,192	$39,336	$33,973	$122,790	$102,513	$4,172	$5,960	$42,316	$12,516	$13,112
				Payments Received:	$1,192	$36,936	$33,973	$122,790	$102,513	$4,172	$5,960	$42,316	$12,516	$13,112
				Difference:	$0	-$2,400	$0	$0	$0	$0	$0	$0	$0	$0
MHDS	3167 / E696 3279 / E694 3280 / E694	NRS 435	Developmental Services Costs*	Leg. Approved:	$252,116	$18,912	$2,806,811	$78,198	$45,566	$0	$0	$11,746	$4,000	$7,970
				Payments Received:	$73,000	$34,581	$2,237,572	$54,675	$28,544	$0	$0	$26,498	$6,814	$1,646
				Difference:	-$179,116	$15,669	-$569,239	-$23,523	-$17,022	$0	$0	$14,752	$2,814	-$6,324
DCFS	3263 / E699	SB 476	Assess Counties for Youth Parole Services	Leg. Approved:	$54,915	$26,131	$1,960,388	$40,463	$59,861	$200	$1,573	$20,011	$7,279	$6,653
				Payments Received:	$54,915	$26,131	$1,960,388	$40,463	$59,861	$200	$1,573	$20,011	$7,279	$6,653
				Difference:	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
DCFS	3229 / E699	SB 480	Assess Rural Counties for State CPS	Leg. Approved:	$379,034	$214,156	N/A	$285,392	$458,516	$3,966	$12,137	$146,876	$51,615	$31,151
				Payments Received:	$379,035	$214,156	N/A	$285,392	$458,516	$3,966	$12,137	$146,876	$51,615	$31,151
				Difference:	$1	$0	N/A	$0	$0	$0	$0	$0	$0	$0
Health	3219 / E690	SB 471	Medical Care Related to TB Program (Embedded in Community Health Nursing Contract)	Leg. Approved:	N/A	$5,763	N/A	$6,953	$23,215	$788	$843	$4,352	$1,603	$1,334
				Payments Received:	N/A	$5,763	N/A	$6,953	$23,215	$788	$843	$4,352	$1,603	$1,334
				Difference:	N/A	$0	N/A	$0	$0	$0	$0	$0	$0	$0
Health	3219 / E691	SB 471	Medical Care Related to STD Program (Embedded in Community Health Nursing Contract) *	Leg. Approved:	N/A	$485	N/A	$1,096	$0	$0	$0	$809	$455	$0
				Payments Received:	N/A	$485	N/A	$1,096	$0	$0	$0	$809	$455	$0
				Difference:	N/A	$0	N/A	$0	$0	$0	$0	$0	$0	$0
			Subtotal	Leg. Approved:	**$937,239**	**$367,906**	**$8,721,262**	**$629,935**	**$787,225**	**$9,843**	**$26,969**	**$275,963**	**$96,477**	**$75,283**
				Payments Received:	**$758,124**	**$381,175**	**$8,152,023**	**$606,412**	**$770,203**	**$9,843**	**$26,969**	**$290,715**	**$99,291**	**$68,959**
				Difference:	**-$179,115**	**$13,269**	**-$569,239**	**-$23,523**	**-$17,022**	**$0**	**$0**	**$14,752**	**$2,814**	**-$6,324**

** For the Developmental Services assessment, the Legislatively Approved amount was estimated for each county based on a projected number of children and projected services that they would require. Counties are billed based on the actual services received by children in that county. MHDS waits until bills are processed and paid by Medicaid before billing the counties; this increases the amount of time it takes to collect from the counties but also increases the accuracy of the bills submitted to the counties and reduces the need for rebilling.*

= Contract modified to $36,936 for FY12.

= County has not paid June 2012 assessment as of August 17, 2012.

County Assessments, FY12 (cont.)

Division	Budget Acct. / Dec. Unit	Bill or Statute Reference	Description	Status	Lyon	Mineral	Nye	Pershing	Storey	Washoe	White Pine	TOTAL
DHCFP	3243 / E698	SB 485	MAABD Institution and Waiver Costs for Persons with Income over 142%/132% of the Federal SSI Rate	Leg. Approved:	$172,871	$35,148	$123,377	$18,650	$7,890	$1,102,144	$69,579	$6,046,549
				Payments Received:	$172,871	$22,698	$123,377	$18,650	$7,890	$1,102,144	$69,579	$6,034,099
				Difference:	$0	-$12,450	$0	$0	$0	$0	$0	-$12,450
Health	3194 / E690	SB 471	Consumer Health Protection (Food and Facilities)	Leg. Approved:	$61,985	$9,536	$78,673	$11,920	$17,284	$11,920	$25,628	$594,826
				Payments Received:	$61,985	$9,536	$78,673	$11,920	$17,284	$11,920	$25,628	$592,426
				Difference:	$0	$0	$0	$0	$0	$0	$0	-$2,400
MHDS	3167 / E696 3279 / E694 3280 / E694	NRS 435	Developmental Services Costs*	Leg. Approved:	$28,912	$1,156	$55,940	$1,360	$4,000	$1,605,618	$7,072	$4,929,377
				Payments Received:	$84,601	$53,795	$917	$3,840	$144	$995,399	$8,389	$3,610,414
				Difference:	$55,689	$52,639	-$55,023	$2,480	-$3,856	-$610,219	$1,317	-$1,318,963
DCFS	3263 / E699	SB 476	Assess Counties for Youth Parole Services	Leg. Approved:	$52,342	$3,093	$40,090	$3,946	$2,973	$424,946	$9,146	$2,714,010
				Payments Received:	$52,342	$3,093	$20,045	$3,946	$2,973	$424,946	$9,146	$2,693,965
				Difference:	$0	$0	-$20,045	$0	$0	$0	$0	-$20,045
DCFS	3229 / E699	SB 480	Assess Rural Counties for State CPS	Leg. Approved:	$387,138	$26,111	$274,528	$43,261	$23,279	N/A	$59,098	$2,396,258
				Payments Received:	$387,138	$26,111	$0	$43,261	$23,279	N/A	$59,098	$2,121,731
				Difference:	$0	$0	-$274,528	$0	$0	N/A	$0	-$274,527
Health	3219 / E690	SB 471	Medical Care Related to TB Program (Embedded in Community Health Nursing Contract)	Leg. Approved:	$6,953	$1,342	$45,375	$1,831	$741	N/A	$2,696	$103,789
				Payments Received:	$6,953	$1,342	$45,375	$1,831	$741	N/A	$2,696	$103,789
				Difference:	$0	$0	$0	$0	$0	N/A	$0	$0
Health	3219 / E691	SB 471	Medical Care Related to STD Program (Embedded in Community Health Nursing Contract)	Leg. Approved:	$1,622	$507	$1,831	$93	$0	N/A	$481	$7,379
				Payments Received:	$1,622	$507	$1,831	$93	$0	N/A	$481	$7,379
				Difference:	$0	$0	$0	$0	$0	N/A	$0	$0
			Subtotal	Leg. Approved:	$711,823	$76,893	$619,814	$81,061	$56,167	$3,144,628	$173,700	$16,792,188
				Payments Received:	$767,512	$117,082	$270,218	$83,541	$52,311	$2,534,409	$175,017	$15,163,803
				Difference:	$55,689	$40,189	-$349,596	$2,480	-$3,856	-$610,219	$1,317	-$1,628,385

** For the Developmental Services assessment, the Legislatively Approved amount was estimated for each county based on a projected number of children and projected services that they would require. Counties are billed based on the actual services received by children in that county. MHDS waits until bills are processed and paid by Medicaid before billing the counties; this increases the amount of time it takes to collect from the counties but also increases the accuracy of the bills submitted to the counties and reduces the need for rebilling.*

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= County has not paid June 2012 assessment as of August 17, 2012.

JUVENILE JUSTICE ISSUES

Juvenile Justice Programs - Budget issues

Community Justice Programs (BA 1383)

... The 2011 Legislature eliminated $1.4 million per year in General Fund Block Grant dollars distributed by the State to the local Juvenile Justice programs.

... The Agency Request budget for the 14/15 biennium restores the $1.4 million in funding.

Youth Alternative Placement Budget (BA 3147)

... This BA is used to allocate State General Funds to assist with the operational costs of China Springs Youth Camp/Aurora Pines Girls Facility in Douglas County and Spring Mountain Camp in Clark County. The account is also used to collect assessments from 16 counties (all but Clark County) to support China Springs /Aurora Pines.

..General Funds appropriated for FY12 and FY13 were approx. $1.5 million per year, with $1 million going to China Springs/Aurora Pines and $400 K going to Spring Mountain. 12/13 Appropriations were approx. 10% less than previous years appropriations (part of budget reductions).

... Assessments from the 16 Counties that support China Springs/Aurora Pines are about $2 million per year. Clark County funds the entire non-state General Funded portion on the Spring Mountain operational costs.

... The Agency Request budget includes flat funding for the County operated Camps going forward into 14/15.

... Douglas County has submitted a request for an ITEM FOR SPECIAL CONSIDERATION to be reviewed by the Governor/Budget Office for nearly $2 million per year to support better staffing ratios, salary increases, mental health and SAPTA related operational costs.

Summit View Correctional Facility (BA 3148)

... Summit View is a 96 bed facility in Las Vegas, built to house the most difficult youth committed to the State for correctional/rehabilitative care. The facility has been closed for the past two years. It was closed as a part of the plan to reduce the State Budget. Youth from the Summit View facility were transferred to the Elko Youth Training Center upon closure.

... Summit View was built via the Nevada Real Property Corp. process, and the State has annual bond payments and facility "moth balling" costs of approx. $1.5 million per year through the year 2017.

... There is a desire to reopen Summit View for primary use by the Clark County Juvenile Courts to commit their deep-end youth to for correctional/rehabilitative care. Estimates are that Clark County could utilize 45-50 placements.

... DCFS is working to issue an RFP to solicit bids from private entities to operate Summit View under contract with the State. Revenue sources could be State Funding, County Funding, and/or payments from other States making placements at the facility.

... It has been suggested that by reducing beds or closing the Elko Youth Training Center, funding could be saved and redirected to operational costs at Summit View.

Caliente Youth Center (BA 3179)

... The Caliente Youth Center is a 140 bed co-ed facility located in Caliente. It is currently being operated at near capacity with approx. 100 males and 40 females.

... The Lincoln County School District provides Educational Services and receives DSA funding to do so.

... Operating costs are budgeted at approx. $8.5 million per year in 14/15.

... It is near unanimous in the Juvenile Justice discussions/debates that Caliente should be funded going forward to operate at full capacity. The majority of placements at the facility are from the Las Vegas area. Caliente is a 150 mile (approx. two and half hour) drive from the Las Vegas area.

Elko Youth Training Center (BA 3259)

.. The Elko Youth Center is a 160 bed, male only facility located in Elko. During the 2011 Legislative Session the budget for the facility was set to support the operation of 110 beds (reduction of 50 beds). Elko has been operating around 80 beds over the past year, and most lately in the 65-70 bed range.

... DHHS employs the Educational staff at Elko, operates the School, and receives no DSA funding.

... Elko has significant CIP's pending if the facility is to remain open .. including water system...in addition to the fact the State PWB just installed a $2-3 million solar electrical system to service the school/institution.

...Operating costs are budgeted at approx. $9.6 million per year in 14/15, based on 110 beds.

... It has been suggested the State should close the operation of the Elko facility overtime/as soon as possible. The question is how soon and how we mitigate closure issues. The big question is where do we place the 65-70 youth now placed at Elko, and what timeline should be followed. Options include; placing youth at Summit View if reopened, using savings to privately place the youth, or return the youth to county programs/facilities.

Youth Parole (BA 3263)

The Youth Parole budget supports the costs of the State providing services to youth who have been placed on parole by the Courts. The Counties provide for the cost of provide services to youth on probation.

... During the 2011 Legislative Session legislation was passed making it a responsibility of the counties to fund 50% of the cost of the Parole services traditionally funded by the State. This was a shift of costs to the Counties of approx. $2.7 million per year in 12/13.

... The Agency Request budget for 14/15 reverses the assessment to the Counties for 50% of Parole services. State General Funds of approx. $3 million per year is included in 14/15.

Supreme Court of Nevada

ADMINISTRATIVE OFFICE OF THE COURTS

MEMORANDUM

TO: Mike Willden, Director of the Nevada Department of Health and Human Services

FROM: Justice James W. Hardesty and Justice Nancy M. Saitta, Co-Chairs of the Commission on Statewide Juvenile Justice Reform

COPY: Commission on Statewide Juvenile Justice Reform

DATE: October 31, 2012

SUBJECT: Recommendations to Reform Funding for Deep-End Commitments

As you know, the Commission on Statewide Juvenile Justice Reform has adopted recommendations to reform funding for deep-end commitments in Nevada. The recommendations are premised on a phased down approach to NYTC and anticipate the re-allocation of juvenile justice funds to local Juvenile Justice Districts, taking into consideration the required continuum of juvenile justice interventions and care for all jurisdictions in the State equally. A calculated, strategic approach will provide adequate time and resources to accomplish the systematic changes directly related to the reform measures.

The Commission unanimously agreed to the following recommendations:

1. The Commission recommends the creation of three regions for deep-end commitment. These regions would be divided into North, Central, and South Regions. The current proposal includes Mineral County in the South Region.[1]

    - **NORTH**

[1]The Commission will discuss with Judge Wanket, Judge Lane and the Juvenile Justice community their preference for placing Mineral County in the North Region for purposes of deep-end commitments.

- First Judicial District (Carson City and Storey County)
- Second Judicial District (Washoe County)
- Third Judicial District (Lyon County)
- Ninth Judicial District (Douglas County)
- Tenth Judicial District (Churchill County)

- SOUTH
  - Fifth Judicial District (Esmeralda, Mineral, and Nye County)
  - Eighth Judicial District (Clark County)
- CENTRAL
  - Fourth Judicial District (Elko County)
  - Sixth Judicial District (Humboldt, Lander, Pershing County)
  - Seventh Judicial District (Eureka, Lincoln, White Pine County)

2. The State should retain the responsibility for providing deep-end correctional care, and would operate the deep-end commitments for the three regions.
3. The State should determine the feasibility of re-opening Summit View to serve as a facility for deep-end commitments for the South Region and an interim deep-end facility for the North and Central Regions until permanent facilities for those two regions can be constructed. The Commission supports DHHS's effort to secure a private contractor for Summit View and the issuance of an RFP, as soon as reasonably practicable. The Commission urges DHHS to include members of the Juvenile Justice System in the formulation of the RFI, which should include a requirement that DHHS retain substantial quality control and oversight of the facility.
4. NYTC should be phased down, taking into consideration the following:
   a) The Summit View RFP is approved and a timeline established for opening.
   b) NYTC shall operate at its current capacity until Summit View is reopened as a result of the RFP process. At that time, the number of available beds at NYTC will be phased down from 110 to 40[2], with further phasing down, until ultimate closure, based upon the establishment and availability of regionalized placement facilities to handle the statewide juvenile commitment caseload. Juveniles from all regions of the State shall be eligible for

[2] Phasing down of NYTC will occur as quickly as practicable in order to ensure that a sufficient number of placement beds are available to meet the statewide caseload and to ensure public safety. However, the Commission believes that 40 beds are the fewest number of beds to efficiently operate NYTC at its current configuration. The Commission recommends the closure of NYTC, should the North and Central Regions' needs for commitments fall below 40 beds and a sufficient number of beds are available at other locations within in State, including Summit View. The continued availability of sufficient beds is paramount as the system transitions to the regionalized model.

placement in any available facility based upon factors considered by the judge during sentencing including: the needs of the child, the availability of treatment for the child, and the best placement of the child to protect public safety.

c) The Legislature and DHHS should consider restoration of the Community Corrections Partnership Block Grant (previously in the amount of $2,832,524.00 over the biennium) to the Judicial Districts within the region to reduce the number of deep-end commitments, including support for China Springs and Spring Mountain, and increase services for mental health, substance abuse, and early intervention programs. Additionally, existing resources that fund NYTC (including remaining savings resulting from the phase down) should be used to fund a provider to operate 45-50 beds at Summit View for the most serious risk offenders in the State.

d) In the event that alternative facility options are identified in the North and Central Regions, the Commission recommends the Governor, the Legislature, and DHHS lease or sell the State land NYTC currently occupies and commit most, if not all of the proceeds to fund Juvenile Justice and deep-end commitment. Proceeds from the lease or sale of the State land could be used to build a smaller facility, or two smaller facilities, in the North and/or Central Region.

DIVISION OF CHILD AND FAMILY SERVICES

JUVENILE JUSTICE SERVICES

December 6, 2012

STATE OF NEVADA
DEPARTMENT OF HEALTH & HUMAN SERVICES
DIVISION OF CHILD AND FAMILY SERVICES

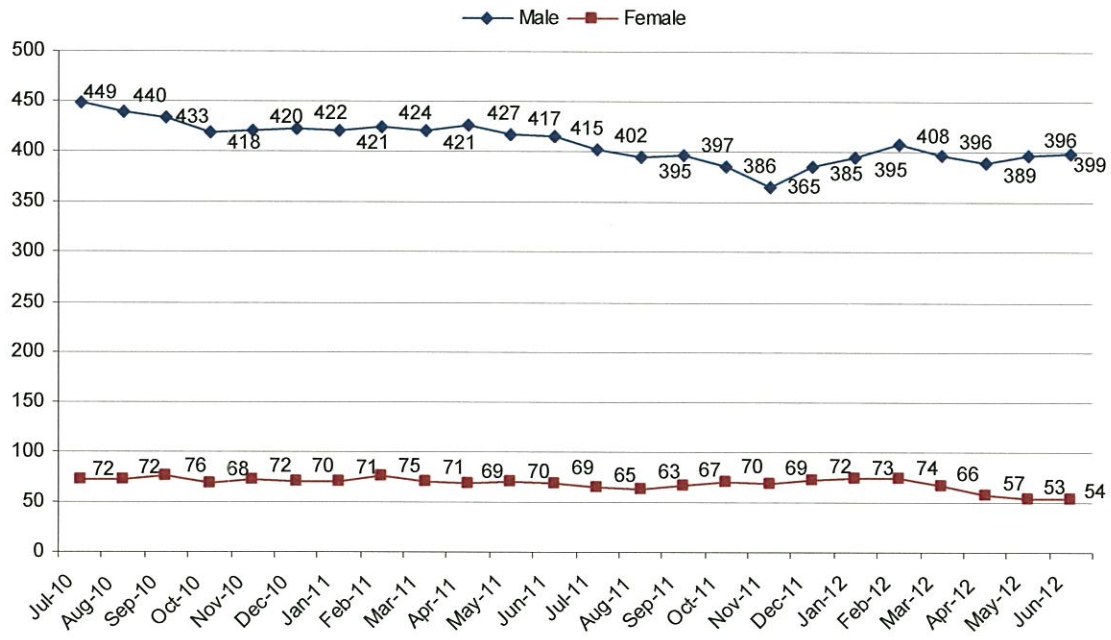
Supreme Court Commission on Juvenile Justice Reform

The Supreme Court Commission on Juvenile Justice Reform began meeting in response to the 2011 Legislative Session. To date, the Commission has made a number of recommendations to reform the Juvenile Justice System which would place a greater emphasis on regionalization. Major components of this transition involve the facilities and funding for deep-end commitments. There are a number of basic elements that the Commission appeared to support. They are as follows:

- Creation of three regions for deep-end commitments. These regions would be divided into North, South and Central Regions.
- The Legislature should redirect existing resources that fund Juvenile Justice and add new resources to enable the Juvenile Justice system and the State to reduce the number of deep-end commitments.
- Determine what the Juvenile Justice System and the State would gain by closing or phasing out the Nevada Youth Training Center's (NYTC) in Elko as part of the plan to redirect funding and facilities.
- Determine whether NYTC could be used as the facility for Central Region deep-end commitments and the re-opening of Summit View Correctional Facility).
- If NYTC closes, there is interest in the sale of the land and possible reinvesting some of the profit gained back into the Juvenile Justice System and/or resources to the State (DCFS's Juvenile Justice Budgets).
- A commencement of a process for the construction of a new deep end facility to serve the North and possibly the central Region.
- Supports DHHS's efforts to secure a private contractor for Summit View, subject to substantial DHHS quality control and oversight.

Youth Parole Caseload

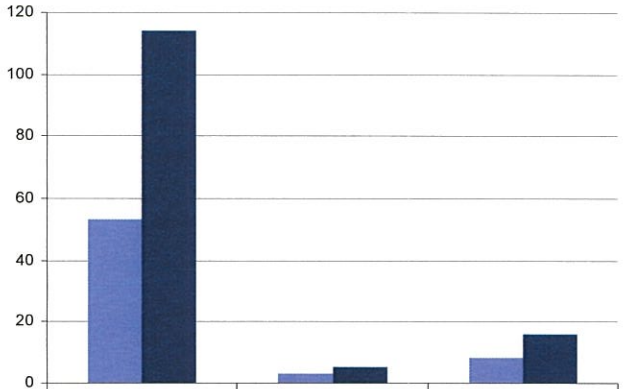
Youth Parole Community Caseload by Month and Gender
State Fiscal Year 2011– 2012



DCFS Correctional Placements

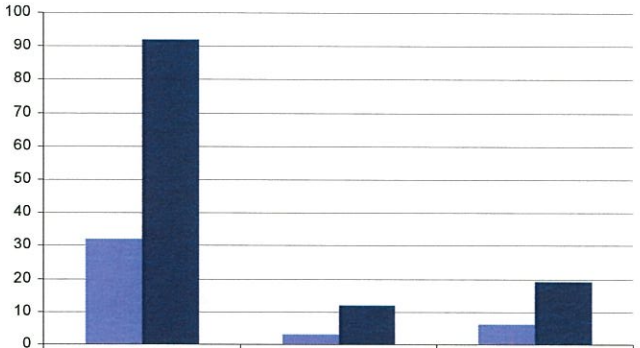
Caliente Youth Center Commitments by Region

State Fiscal Year 2011



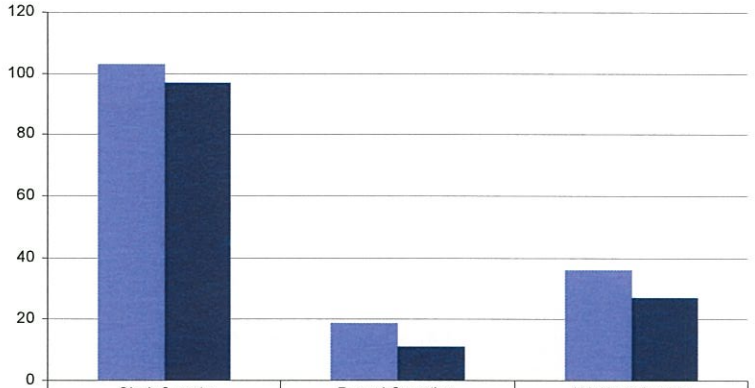
	Clark County	Rural Counties	Washoe County
F	53	3	8
M	114	5	16

State Fiscal Year 2012



	Clark County	Rural Counties	Washoe County
F	32	3	6
M	92	12	19

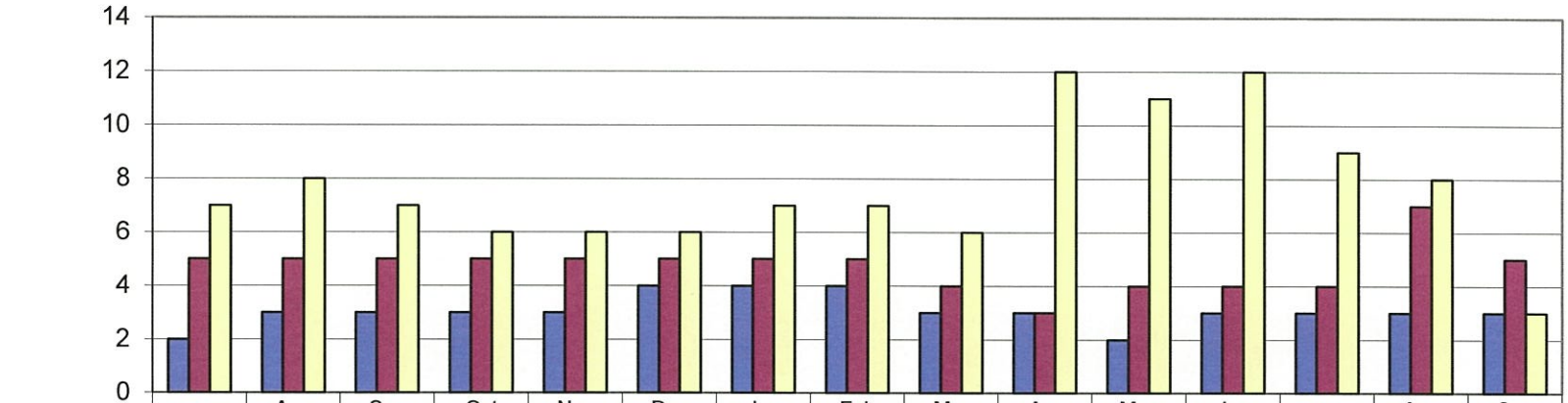
Nevada Youth Training Center (NYTC) Commitments by Region and State Fiscal Year



	Clark County	Rurual Counties	Washoe County
SFY11	103	19	36
SFY12	97	11	27

Out of State Placements (DCFS Custody ONLY)

Number of Children in Out Of State Regional Treatment Centers



	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	Jan 2012	Feb 2012	Mar 2012	Apr 2012	May 2012	Jun 2012	Jul 2012	Aug 2012	Sep 2012
DCFS Rural	2	3	3	3	3	4	4	4	3	3	2	3	3	3	3
NYP North	5	5	5	5	5	5	5	5	4	3	4	4	4	7	5
NYP South	7	8	7	6	6	6	7	7	6	12	11	12	9	8	3