

Task Force for the Fund for a Healthy Nevada



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THE TASK FORCE FOR THE FUND FOR A HEALTHY NEVADA
Nevada Revised Statutes 439.625

BULLETIN NO. 05-22

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SUMMARY OF RECOMMENDATIONS

TASK FORCE FOR THE FUND FOR A HEALTHY NEVADA

Nevada Revised Statutes (NRS) 439.625

This summary presents the recommendations approved by the Task Force for the Fund for a Healthy Nevada. The Task Force will submit these proposals to the 73rd Session of the Nevada Legislature. In addition, this summary presents the listing of letters to be drafted on behalf of the Task Force and statements of support to be included in the final bulletin of the Task Force. These recommendations have been included in the Task Force minutes of September 14, 2004, and October 27, 2004.

RECOMMENDATIONS FOR LEGISLATION

1. Draft legislation to clarify language in NRS 439.635 paragraph 6 to exclude continuation grants from the requirement to submit proposed allocations to the Interim Finance Committee for approval before the grant is awarded.
2. Draft legislation to authorize the use of certain subsidies from the Fund for a Healthy Nevada for coverage of limited-scope dental and vision benefits for certain senior citizens.

Letters

As several issues came to the attention of the Task Force following the September 1, 2004, BDR deadline as outlined in NRS 218.2429(c), the Task Force requested several letters encouraging the drafting of and/or supporting certain legislation.

The Task Force authorized the chairwoman to draft the following letters on behalf of the Task Force:

3. A letter to members of the 73rd Session of the Nevada Legislature, expressing support of a BDR to protect children from second-hand smoke in childcare facilities, video arcades, and/or public buildings.
4. A letter to members of the 73rd Session, Assembly Committee on Health and Human Services, encouraging the Committee to draft a resolution recognizing asthma as a public health issue in Nevada.
5. A letter to the Clark County School Board, encouraging their active support of the Child Hunger Initiative Grant awarded to the Food Bank of Northern Nevada by addressing staff and faculty of schools where implementation of certain food programs has not been accomplished.

Statements of Support

The Task Force directed staff to provide statements of support in the bulletin for policies that would:

6. Protect children from second-hand smoke in childcare facilities, video arcades, and/or public buildings;
7. Ratify the State of Nevada's commitment to asthma prevention and the protection of children with asthma by proclamation, statute, or regulation, including language which specifically allows children to take certain asthma medication and inhalers to school and assurance that policies of insurance issued in Nevada, including Medicaid, cover major treatment modalities related to asthma care that may include counseling and/or certain drug treatments.
8. Examine the reality of Internet sales and shipping of tobacco products and encourage the development of suitable laws to regulate such sales and shipping.
9. Close the excise tax gap between higher taxed cigarettes and other tobacco products that are taxed at a lower rate.

REPORT TO THE 73rd SESSION OF THE NEVADA LEGISLATURE BY THE TASK FORCE FOR THE FUND FOR A HEALTHY NEVADA

I. INTRODUCTION

The 1999 Nevada Legislature enacted Assembly Bill No. 474 (Chapter 538, *Statutes of Nevada 1999*), which created the Fund for a Healthy Nevada and the Task Force to oversee the Fund and distribute the revenues as provided in the Act. The revenues in the Fund represent 50 percent of the money received by Nevada pursuant to the Tobacco Master Settlement Agreement (Tobacco MSA) reached between the State of Nevada and manufacturers of tobacco products.

As provided in *Nevada Revised Statutes* (NRS) 439.625, the Task Force consists of nine members. The Governor, the Senate Majority Leader, and the Speaker of the Assembly each appoint three Task Force members. In addition to the Senator appointed by the Majority Leader and the Assemblymen appointed by the Speaker, each legislative leader appoints at least one member who represents a nonprofit organization dedicated to health issues. The Governor is to ensure among his appointees that one must be knowledgeable in matters relating to health care. Further, the chairmanship of the Task Force must rotate between the two legislative chambers biennially.

Nevada Revised Statutes 439.630 provides that the money in the Fund shall be distributed as follows:

- Not more than 30 percent for direct expenditures by the Department of Human Resources (DHR) to pay for prescription drugs and pharmaceutical services for senior citizens;
- Not more than 30 percent for allocation by the Aging Services Division, DHR, for programs that assist senior citizens with independent living;
- Not more than 20 percent for programs that prevent, reduce, or treat the use of tobacco and the consequences of the use of tobacco;
- Not more than 10 percent for programs that improve health services for children;
- Not more than 7.5 percent for programs that improve the health and well being of persons with disabilities. As practicable, this funding must be allocated evenly between programs for: (1) respite services; (2) behavioral support; and (3) independent living; and
- Not more than 2.5 percent reserved for direct expenditure by the DHR to fund a program established by a Medicaid waiver that would extend certain coverage for prescription drugs and other related services to certain persons with disabilities, as outlined in NRS 422.2745.

The Task Force monitors the allocations of Fund money to the Senior Prescription Program (Senior Rx) and the independent living program. It awards Fund money for tobacco cessation and treatment programs and for children's health and disability services through a competitive grant process.

To receive, evaluate, and award the grants for tobacco programs and health and disabilities programs, the Task Force held nine meetings, beginning in October 2003. All of the meetings were held in Las Vegas and were available for participation by videoconference in Carson City.

In April 2004, the Task Force awarded grants for Fiscal Year (FY) 2005 and FY 2006. The Task Force granted tobacco projects allocations of \$4,410,840 in FY 2005 and \$4,397,148 in FY 2006. Children's health related projects received allocations of \$2,013,664 in FY 2005 and \$2,013,664 in FY 2006. Finally, disability-related projects received allocations of \$1,466,168 in FY 2005 and \$1,460,461 in FY 2006. The Task Force awarded funding to new grantees in the tobacco and disability related project categories. The second year of funding for new grantees is contingent upon a satisfactory performance evaluation, which is conducted by the DHR.

The Task Force adopted a proposal presented by the Grants Management Unit, DHR, to change the application review and grant allocation process. This Unit is within the Director's Office, and administers grants to local, regional, and statewide programs serving Nevadans. The Unit ensures accountability and provides technical assistance for the following programs:

- The Family-to-Family Connection, which provides information and support on health, safety, and development to families of infants and toddlers;
- Family Resource Centers, which provides information and referral services along with a variety of support services to families;
- The Children's Trust Fund, which prevents child abuse and neglect;
- The Community Service Block Grant, which promotes economic self-sufficiency, family stability, and community revitalization;
- The Title XX Social Service Block Grant, which assists persons in achieving or maintaining self-sufficiency, and/or prevents or remedies neglect, abuse, or exploitation of children and adults; and
- The Fund for a Healthy Nevada, which provides grants to: (1) improve health services for children; (2) improve the health and well-being of persons with disabilities; and (3) prevent, reduce, or treat the use of tobacco and the consequences of the use of tobacco.

The Grants Management Unit staff proposed the formation of working groups based on areas of service. The four working groups presented would cover the following areas:

1. Substance abuse;
2. Health, fitness, and nutrition;
3. Child abuse prevention; and
4. Independent living.

The Task Force members are voluntarily assigned to participate in a working group with representatives from other funding sources administered by the Grants Management Unit. Although the working groups make certain recommendations regarding funding allocations for continued grants and new grant applications, the Task Force has final authority with regard to final allocations.

It was indicated that these changes would enhance the collaborative review and grant allocation process by:

- Reducing paperwork by providing a single application process for multiple funding sources;
- Offering continuing funding to encourage strong performance, incentive, and stability;
- Requiring continuing grantees to submit new budgets and timelines only, and not full narrative applications; and
- Requiring increased leveraging to support fiscal sustainability and long-term planning.

During the course of its work, the Task Force considered testimony from state, local, and private entities. In addition, representatives of numerous nonprofit organizations testified before the Task Force.

At its work session in August 2004, the Task Force adopted two bill draft requests (BDRs) addressing the following:

- Continuation grants; and
- Coverage of limited-scope dental and vision benefits for certain senior citizens.

This report contains information on the revenues received by Nevada through the Tobacco MSA. This report also presents an overview of the distribution of those funds through competitive grant programs for:

1. Senior prescription drugs and pharmaceutical services;
2. Senior citizens independent living grants;
3. Tobacco prevention and treatment; and
4. Children's and disabled persons' health services.

In this document, the Task Force has attempted to present a summary of its work as it conducted its business to meet its statutory responsibilities. It received information that is summarized here as its findings and recommendations. Much of the information was provided in exhibits that became part of the minutes of the Task Force's meetings. All supporting documents and minutes of the meetings are on file with the Research Library of the Legislative Counsel Bureau (LCB).

II. PROGRAMS AND REPORTS

A. TOBACCO MASTER SETTLEMENT AGREEMENT AND TOTAL FUNDS RECEIVED AND ALLOCATED BY THE TASK FORCE

In 1999, the Legislature declared its priorities in expending the proceeds from the Tobacco MSA, made between 46 states and the four largest tobacco-manufacturing companies. Those priorities, set forth in NRS 396.911 and again in NRS 439.600, are to

- Increase the number of Nevada students enrolling in and graduating from Nevada institutions of higher education; and
- Assist Nevadans in obtaining and maintaining good health.

The payments that Nevada receives as a party to the Tobacco MSA are to be divided among three funds. Accordingly, the revenues are allocated as follows:

- To the Millennium Scholarship Trust Fund, 40 percent (NRS 396.926);
- To the Trust Fund for Public Health, 10 percent (NRS 439.605); and
- To the Fund for a Healthy Nevada, 50 percent (NRS 439.620).

The Task Force has received more than \$102 million dollars in tobacco settlement revenues and interest for the FY 2001 through FY 2005 and is projected to receive an additional \$20 million dollars for FY 2006 for a total of more than \$122 million dollars. The distribution of those funds is presented in Table 1.

The Fund for a Healthy Nevada: Funds Allocated for Expenditure by Fiscal Year¹

Fiscal Year	Senior Rx Program	Indep. Living Grants	Reduce Tobacco Use Grants	Disabled and Children's Health Grants	Children's Health Grants ^{a.}	Disability Health Grants ^{a.}	Disability RX Program ^{a.}	Total Healthy Nevada Fund
FY 01	\$ 4,779,206	\$ 4,779,206	\$ 3,186,137	\$ 3,186,137				\$ 15,930,686
FY 02	6,208,907	6,208,907	4,139,271	4,139,271				\$ 20,696,356
FY 03	7,049,556	7,049,556	4,699,704	4,699,704				\$ 23,498,520
FY 04	6,931,398	6,931,398	4,620,931	4,620,931				\$ 23,104,658
FY 05	5,905,932	5,905,932	3,937,288		1,968,644	1,476,483	492,161	\$ 19,686,440
FY 06 ^{b.}	6,015,669	6,015,669	4,010,446		2,005,223	1,503,917	501,306	\$ 20,052,230
TOTAL								\$122,968,890
a. Effective July 1, 2004 (FY 05) allocations were provided for expenditure pursuant to Assembly Bill 504 of the 2003 Legislature.								
b. Projected								

Table 1

Source: Fund for a Healthy Nevada – Report of Funds Received and Allocated presented as Agenda Item V, October 27, 2004 meeting of the Task Force for the Fund for a Healthy Nevada, Julie Brand, Program Analyst, Fiscal Analysis Division, LCB.

B. PRESCRIPTION DRUGS AND PHARMACEUTICAL SERVICES FOR SENIOR CITIZENS (SENIOR RX PROGRAM)

Nevada Revised Statutes 439.630 provides that not more than 30 percent of the money in the Fund for a Healthy Nevada shall be expended for direct expenditures by the DHR to pay for prescription drugs and pharmaceutical services for senior citizens.

As noted above, the program to assist senior citizens with the purchase of prescription drugs and pharmaceutical services, known as the Senior Rx Program, was established by the Legislature when it enacted A.B. 474 in 1999. A person who is 62 years of age or older, a Nevada resident, and not eligible for full Medicaid coverage, and whose annual income is less than \$22,434 for a single person and \$29,205 for married couples, is eligible for subsidized coverage from the program.

In 2003, the Legislature revised the Senior Rx program in S.B. 459 (Chapter 529, *Statutes of Nevada 2003*). Under this measure, the Legislature established separate maximum income levels for individuals and for married couples to qualify for this program. Under this measure, future increases in these caps are adjusted against the consumer price index. In addition, the bill extends current income waiver authority for hardship situation to persons currently involved in the program, previously these provisions only applied to new enrollees. (See Appendix A for NRS 439.635 to 439.780.)

¹ Amounts reported in Table 1 differ from grant amounts awarded and other allocations due to balances resulting from unexpended funds carried over from a previous fiscal year. Subsection 5 of NRS 439.620 provides that money in the fund remains in the fund and does not revert to the State General Fund at the end of any fiscal year.

The DHR provides periodic reports to the Task Force on the implementation of the Senior Rx Program. According to a September 2004 Senior Rx Report, 9,261 individuals are enrolled in the program with no waiting list. Limits to enrollment are directly related to the funding available thus it is anticipated that enrollment will reach capacity at approximately 12,000 participants for FY 2006.

Members become ineligible for a number of reasons, including receiving an increase in income above the limit; becoming eligible for full Medicaid benefits; or moving out of state. In addition, new openings are available as deceased members are removed from the roster.

C. GRANTS TO ASSIST SENIOR CITIZENS WITH INDEPENDENT LIVING

NRS 439.630 provides that not more than 30 percent of the money in the Fund for a Healthy Nevada shall be expended through grants from the Division of Aging Services in the DHR to pay for existing or new programs that assist senior citizens with independent living. The programs authorized include:

- Respite care or relief of family caregivers;
- Transportation to new or existing services that assist senior citizens with independent living; and
- Supportive Services; in home services that would enable a senior citizens to remain in their homes instead of moving into residential institutions.

Further, NRS 439.630 provides that the Division of Aging Services shall consider recommendations from the Task Force concerning the independent living needs of senior citizens. To that end, the Task Force received a report from the Division at its May 2004, meeting.

According to testimony provided at the May 2004 meeting of the Task Force, the Division awarded approximately \$4.7 million in grants to 62 grantees throughout Nevada. Additionally, it was indicated that a total of 21,568 unduplicated clients were served. Testimony indicated that for the Grant cycle ending September 30th, 2004 (FY 2004) a total of 58 awards were granted in the amount of \$4.6 million.

D. COMPETITIVE GRANTS

The Task Force created the Subcommittee to Study Health Care Priorities of the Task Force to study and identify health care priorities that will guide the Task Force in awarding grants in children's health, services for disabled persons, and tobacco control for FY 2005 and FY 2006. Based on information provided in the action report of the Subcommittee at the August 14, 2003 meeting, the Subcommittee was provided a review of *Health and Wellness in*

Nevada: An Assessment of Selected Aspects of Health Status and Health Service Capacity, authored by the Center for Health Improvement in conjunction with Social Entrepreneurs, Inc. The report focused on aspects of health and wellness that relate to the legislative mandates of the Task Force for the Fund for a Healthy Nevada.

A representative of the Center for Health Improvement reviewed the 12 health care priorities selected by the full Task Force, including:

1. Tobacco use;
2. Disabilities and special needs;
3. Respite and independent living;
4. Oral health;
5. Chronic diseases;
6. Access to health care;
7. Family planning;
8. Immunizations;
9. Injury and violence prevention;
10. Maternal and infant health;
11. Fitness and nutrition; and
12. Substance abuse.

Of these, the Subcommittee recommended the Task Force approve the following health priorities:

1. Tobacco use;
2. Disabilities;
3. Respite care and independent living;
4. Oral health chronic disease; and
5. Substance abuse.

The Subcommittee identified the following categories as second tier priorities: access to health care, family planning, immunizations, injury and violence prevention, maternal and infant health, and fitness and nutrition. The Subcommittee emphasized establishment of second tier priorities in the event additional funding becomes available from other sources, which might fund programs in those areas. The Task Force adopted the priorities as established by the Subcommittee.

For the FY 2005-2006 grant cycle, the Task Force received a total of 104 applications in the following three statutorily specified categories:

1. Tobacco-Related Programs

For the FY 2005-2006 grant cycle, the Task Force received a total of 35 grants applications for tobacco cessation and treatment programs. Twenty-one of the grant applications were funded and of those 11 were new programs (programs not previously funded by the Task Force). Chart 2 compares the amounts requested versus actual allocations.

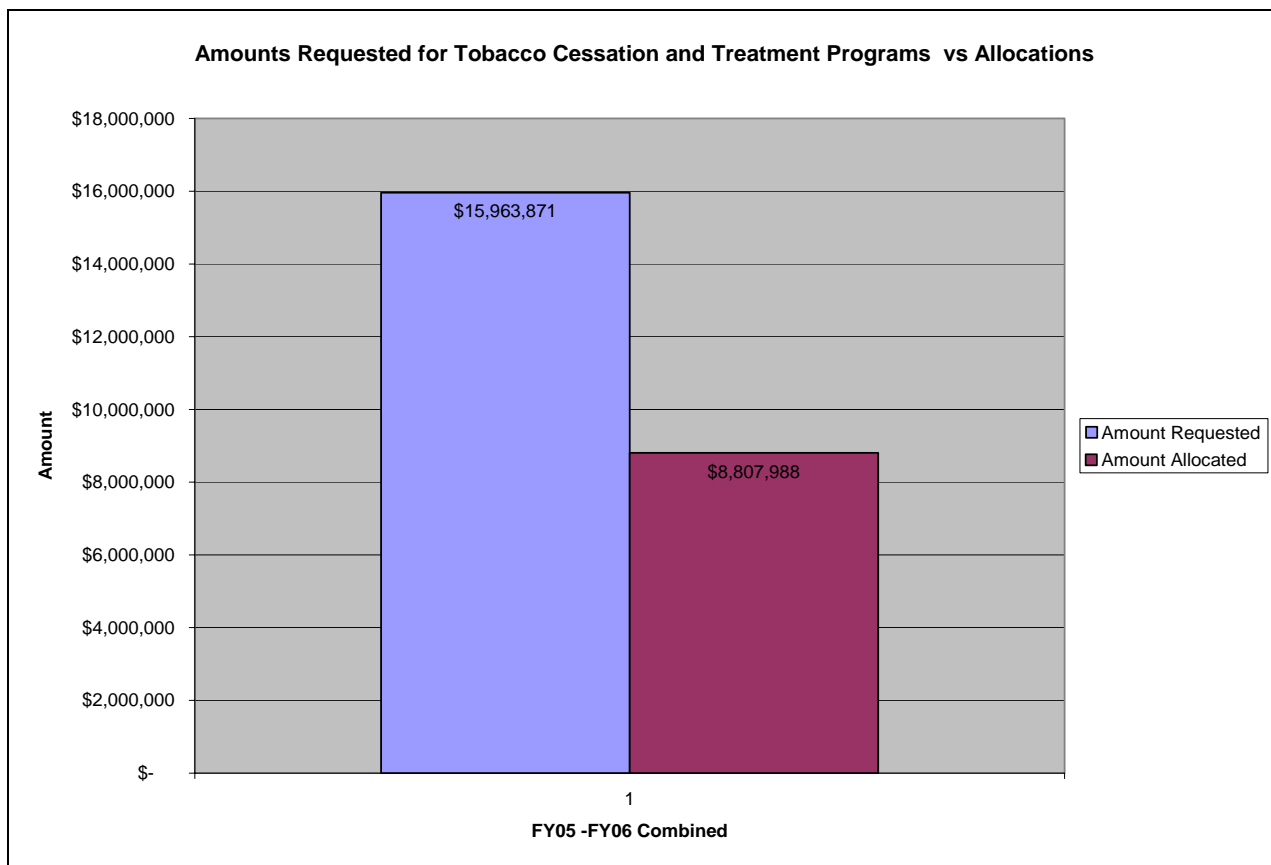


Chart 2

Source: Grants Management Unit, Director's Office, DHR.

The Centers for Disease Control and Prevention (CDC), United States Health and Human Services, have identified eight tobacco-related program areas for best practices. Task Force allocations for FY 2005 and FY 2006 combined by those Best Practices categories appear in Chart 3.

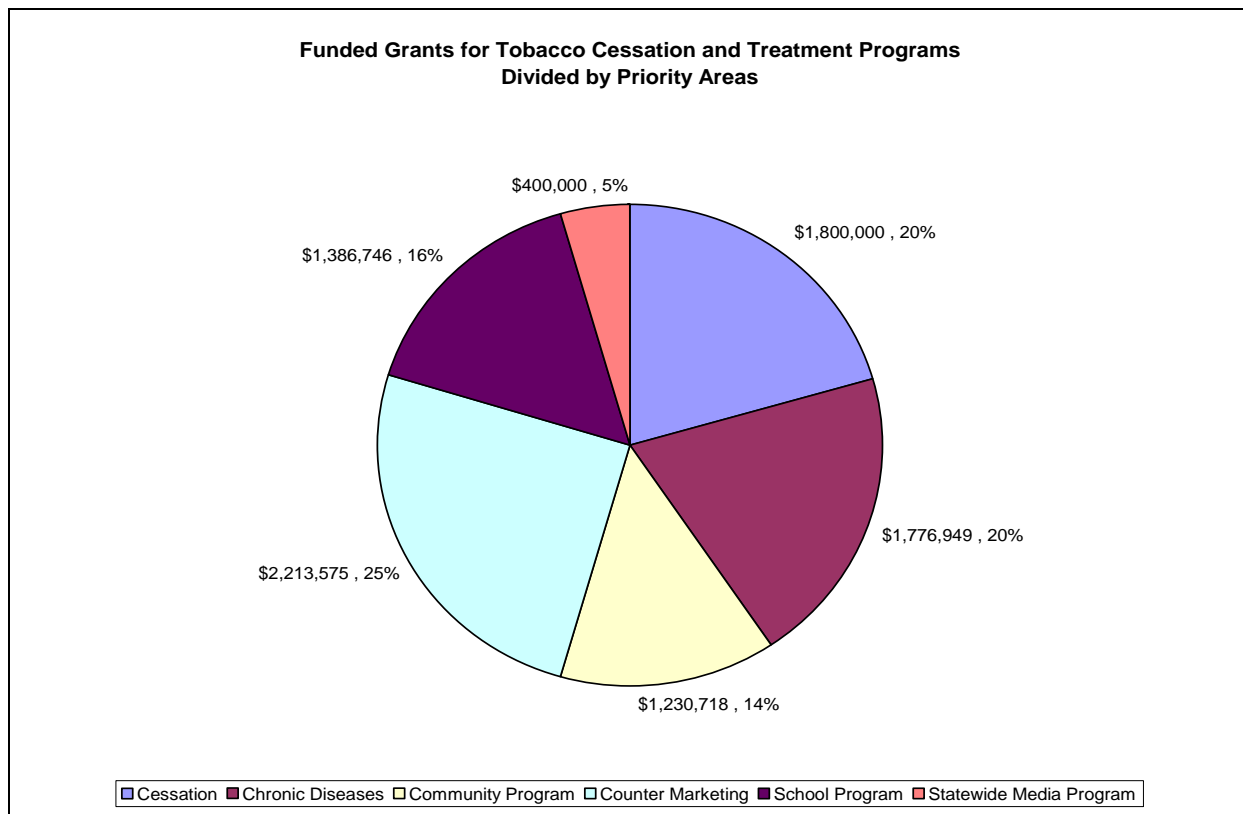


Chart 3

Source: Grants Management Unit, Director's Office, DHR.

2. Programs to Improve the Health of Persons with Disabilities

This particular grant category received major changes during the 2003 Legislative Session. Assembly Bill 504, in addition to other items, authorized the director of the Department to request a waiver to extend prescription drug coverage to persons who are disabled and who are eligible for Medicare. Further, a program established pursuant to the measure is limited to persons whose income is not more than 200 percent of the federal poverty level. If the Medicaid waiver is approved, the bill allows the Department to contract with a pharmacy benefit manager to administer the program. To fund the program, 2.5 percent of the existing Fund for Healthy Nevada will be allocated for this purpose, reducing the amount allotted for grants to persons with disabilities from 10 percent to 7.5 percent. The measure further required that the remaining 7.5 percent of funds be allocated as practicable, evenly to respite, positive behavioral supports, and independent living assistance programs. Previously, 20 percent of the grant funds were to be allocated to programs to improve the health of persons with disabilities and to programs to improve the health of children jointly. With the changes in A.B. 504, the funds for programs to improve the health of persons with disabilities were tracked separately to ensure funding for the specific type of programs required in statute.

For the FY 2005-2006 grant cycle, the Task Force received a total of 24 applications for programs to improve the health of persons with disabilities. Eleven of the grant applications

were funded. Chart 4 compares the amounts requested for programs for person's with disabilities versus actual allocations.

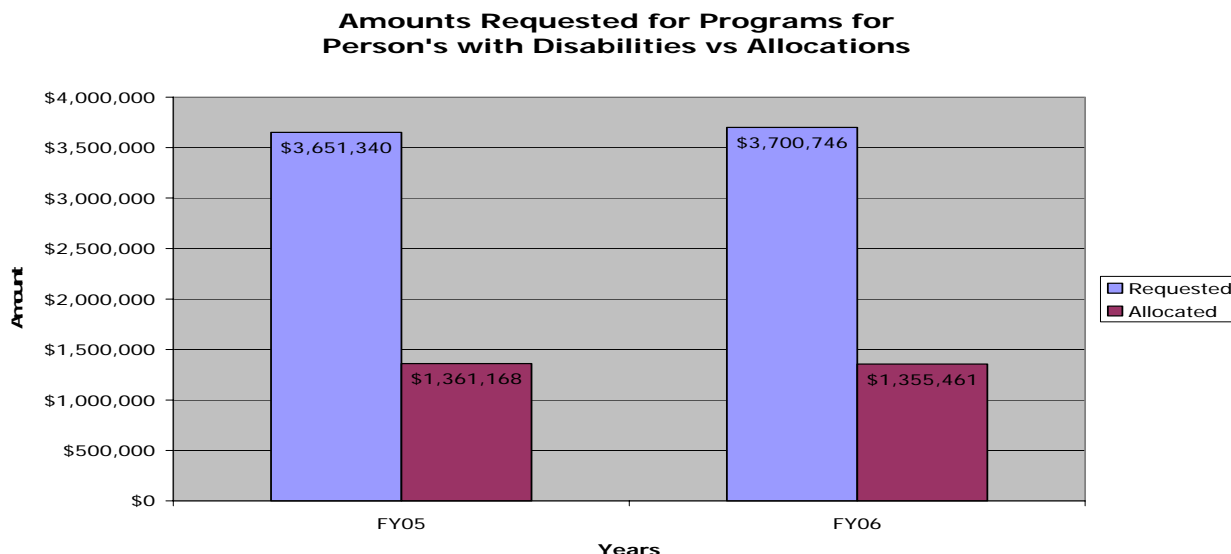


Chart 4

Source: Grants Management Unit, Director's Office, DHR.

A total of \$2,716,629 was awarded in this category for FY 2005 and FY 2006 combined. Five of the 11 grants funded were for continuing programs (programs previously funded by the Task Force) and the remaining seven were for new programs. The Task Force approved all second year (FY 2006) allocations for new grants, contingent upon first year's performance. As with all grant allocations, evaluations are performed by DHR's Grants Management Unit and recommendations are provided to the Task Force for consideration.

Chart 5 outlines the grants funded by priority areas for FY 2005 and FY 2006 combined.

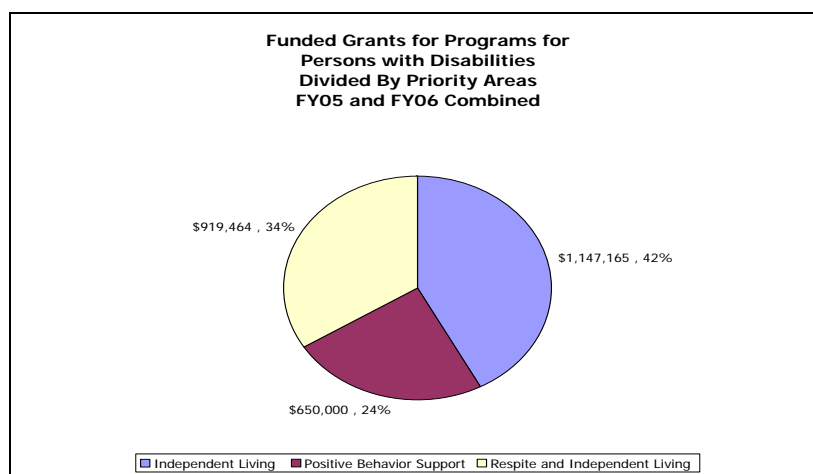


Chart 5

Source: Grants Management Unit, Director's Office, DHR

3. Programs to Improve the Health of Children

The Task Force received a total of 43 grant applications for programs to improve the health of children for the FY 2005-2006 grant cycle. Fifteen of the grant applications were funded. Chart 6 compares the amounts requested versus the actual allocations.

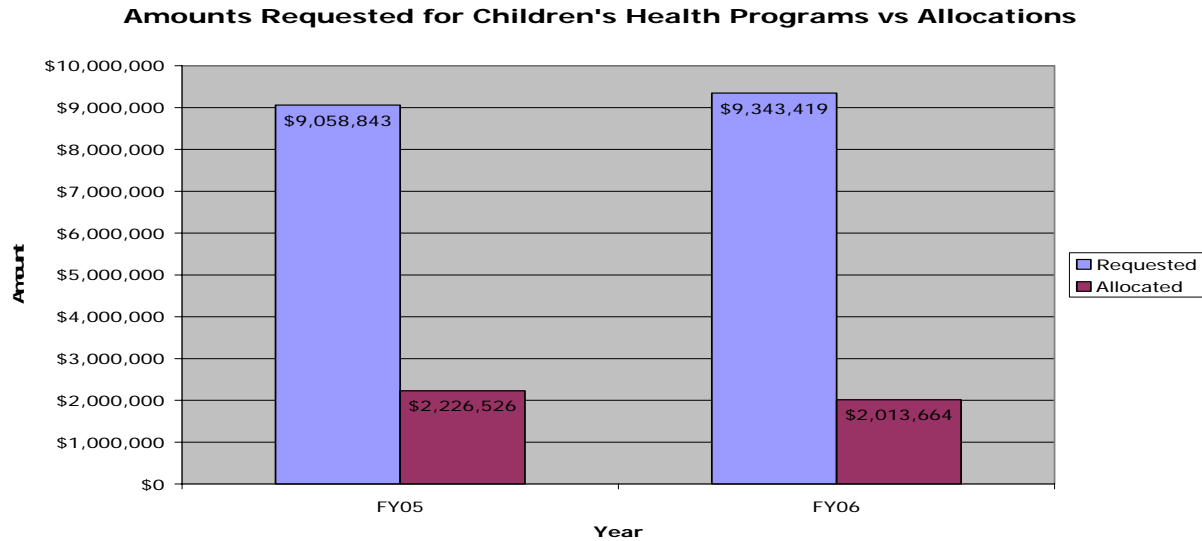


Chart 6

Source: Grants Management Unit, Director's Office, DHR.

A total of \$4,240,190 was awarded in this category for FY 2005 and FY 2006 combined. All fifteen grants funded were for continuing programs (programs previously funded by the Task Force). Because of the decreased amount available for allocation in this category, the Task Force funded no new programs. Chart 7 outlines the grants funded by priority areas for FY 2005 and FY 2006 combined.

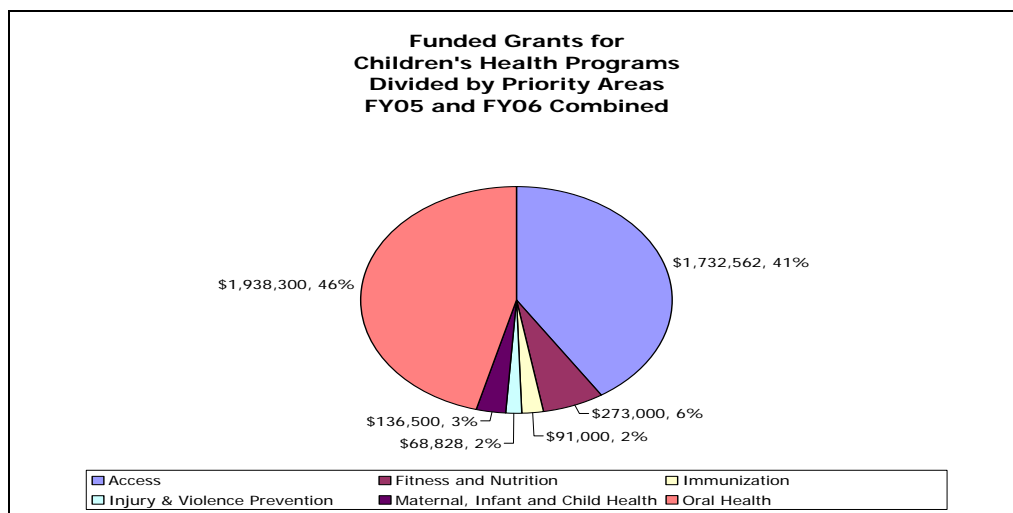


Chart 7

Source: Grants Management Unit, Director's Office, DHR.

E. TASK FORCE POLICY STATEMENTS

The Task Force established policy guidelines for using grant funds related to the following four areas:

1. Definition of Lobbying Activities

At the October 8, 2003, meeting of the Task Force, Grants Management Unit staff provided and discussed the Task Force's guidelines for lobbying and related activities. Following discussion, the Task Force directed Legal Counsel to draft a definition to prohibit the use of Task Force funds for entertainment, gifts, partisan lobbying, and travel. Legal Counsel provided the definition and it was adopted at the November 12, 2003, meeting of the Task Force. To view the adopted definition and the background considered by the Task Force please review Appendices E and F of this document.

2. Mid Cycle Funding Requests

Grants are awarded for a two-year cycle; however, occasionally a request comes to the Task Force subsequent to grant allocations being made. At the January 7, 2004, meeting of the Task Force, Grants Management Unit staff provided and discussed background and recommendations regarding mid-cycle funding requests. Following discussions, the Task Force moved to approve that the chair of the Task Force, with staff guidance, have the discretion to present mid-cycle funding requests to the Task Force. (Appendix G)

3. Grantees Sub Granting Certain Funds

At the January 7, 2004, meeting of the Task Force, Grants Management Unit staff provided and discussed background and recommendations regarding grantee sub granting certain funds. Staff recommended that grantees submit with their grant application a letter of intent for any proposed partnerships, outlining the scope of work and the budget. Following discussions, the Task Force moved to require a letter of intent from each sub grantee; and to require the grantee to provide a detailed list of the responsibilities and expectations of the sub grantee. (Appendix H)

4. Equipment Purchases

At the December 16, 2004, meeting of the Task Force, Grants Management Unit staff testified that the current policy did not address ownership or transfer of equipment purchased through grants under the Fund for a Healthy Nevada. After discussion, the Task Force adopted the ensuing policy: following termination of services provided or supported with equipment purchased through a grant under the Fund for a Healthy Nevada, the Task Force may, at its discretion, instruct the Department to direct the grantee to retain, transfer, or liquidate such equipment. If equipment is liquidated, proceeds must be returned to the Fund for a Healthy Nevada. (Appendix I)

F. REPORTS TO THE TASK FORCE

Subsection 1 of NRS 439.630 provides that the Task Force conduct public hearings for the purpose of receiving testimony from a wide array of sources regarding existing or proposed programs that:

- Promote public health;
- Improve health services for children, senior citizens, and disabled persons;
- Reduce or prevent the use of tobacco; and
- Offer other general or specific health care information.

From the convening of the Task Force in October 2003, the Task Force received numerous reports from many organizations. Most of these organizations were grantees in the FY 2003-2004 grant cycle.

A considerable amount of data was gathered during these presentations. Exhibits provided by presenters became part of the minutes of the Task Force meetings. All supporting documents and minutes of the meetings are on file with the Research Library of the LCB.

III. RECOMMENDATIONS

A. LEGISLATION

Testimony presented by the Grants Management Unit indicated that current statutory language requires all proposed grant allocations for tobacco control, children's health, or disability services "which would be used to expand or augment an existing state program (be reviewed by) the Interim Finance Committee for approval before the grant is awarded." Testimony provided by the Grants Management Unit indicates that the original intent for this provision is for the Interim Finance Committee to oversee awards that would possibly supplant existing funding of state programs. Testimony indicated that, in the case of continuation grants, the programs only exist as state programs because they were previously funded under the Fund for a Healthy Nevada. Thus, the issue of supplanting does not arise because a funding source cannot be considered to supplant itself.

Following discussion, the Task Force moved to:

Draft legislation to clarify language in NRS 439.635 paragraph 6 to exclude continuation grants from the requirement to submit proposed allocations to the Interim Finance Committee for approval before the grant is awarded.

During hearings on A.B. 283, introduced during the 2003 Legislative Session, testimony indicated that Medicare does not cover three of the most vital health needs of seniors: (1) prescription drugs; (2) dental benefits; and (3) vision benefits. Many states, including Nevada (with the advent of the Senior Rx Program), have been successful in providing prescription drug coverage for their senior citizens. Additionally, with the passage of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, prescription coverage (also called Medicare “Part D”) was established through Medicare. However, vision and dental benefits are still not covered.

Although this measure had bipartisan support, the measure failed for lack of funding. As an alternative, the Assembly Committee on Ways and Means recommended to the Task Force for the Fund for a Healthy Nevada that it consider approving a pilot program, through the Division for Aging Services, DHR.

The Division for Aging Services Awarded an Independent Living Grant to Miles for Smiles for \$100,000 for the period of April 1, 2004, through March 31, 2005. The program provides direct dental services to individuals who are 65 years of age or older and meet the financial qualifications of the Senior Rx Program. Additionally, applicants must have no other dental aid resources including any Medicaid beyond emergency services, and must have no other funding for dental care available from any other advocacy organization. Service is provided on a first-come, first-serve basis (available appointment), with exceptions granted for persons with severe tooth pain, swelling, or infection.

According to information provided by the Division for Aging Services, direct client services for individuals 65 years and older began in September 2004 at the Community College of Southern Nevada-Charleston Campus using the Dental Faculty Practice. The current funding supports two days per week of dental service to seniors. A mobile dental unit is scheduled to provide service in January 2005. With the addition of a mobile unit, the program will be able to provide services in specific locations around the community and eventually to selected communities in other parts of the state.

According to the Division for Aging Services, all programs are required to report quarterly. The following information is based on those reports. As previously mentioned, client services began in early September 2004. By September 30, 2004, the program had served 43 clients and provided 520 units of service. Following is preliminary information that is expected to be in the report submitted for the period from October 1, 2004, through December 31, 2004; however this data only indicates statistics through December 20, 2004. According to Las Vegas Administrator for Miles for Smiles:

Clients served to date	46
(Dental services for 31 clients have been completed)	
Visits to the Clinic	238
Treatments	778

Treatments are counted according to the American Dental Association code procedures. The procedures include such activities as x-rays, tooth extractions, fillings, et cetera. The average number of visits per client is between 6 and 8, and during these visits, approximately 15 treatments per client are completed. According to Miles for Smiles estimations, the program is on target to meet or exceed the client and unit of service projections.

According the update provided by the Division of Aging Services, the program has received donations, especially from dental laboratories. Additionally, volunteer dentists are treating an additional 12 clients, not directly funded by the grant. Through December 20, 2004, the program has spent approximately \$40,000 of the grant award. By comparison, the program estimates that the market value of the services provided to date is around \$130,000.

Although the program has not been widely advertised, as of December 20, 2004, the program's available appointments are completely booked and the wait list stands at 70 clients.

Recognizing the success of this program and the importance of dental care to the independence and overall health of seniors the Task Force moved to:

Draft legislation to authorize the use of certain subsidies from the Fund for a Healthy Nevada for coverage of limited-scope dental and vision benefits for certain senior citizens.

B. LETTERS AND STATEMENTS OF SUPPORT

As several issues came to the attention of the Task Force following the September 1, 2004, BDR deadline as outlined in NRS 218.2429(c), the Task Force requested several letters encouraging the drafting of and/or supporting certain legislation. This section briefly outlines the discussions related to the items in which the Task Force directed the drafting of letters or the inclusion of statements of support in this document.

A member of the Task Force testified that although A.B. 14, introduced during the 20th Special Session failed, provisions related to the protection of children from second-hand smoke in certain facilities received support from a majority of legislators in both houses. However, testimony further indicates that the short duration of the special session did not leave enough time to work through issues still of concern related to the measure. It was recommended that the Task Force show support for such legislation during the 73rd Session of the Nevada Legislature. Therefore, the Task Force moved to request the drafting of:

A letter to members of the 73rd Session of the Nevada Legislature, expressing support of a BDR to protect children from second-hand smoke in childcare facilities, video arcades, and/or public buildings.

Additionally, staff was directed to include a statement of support in this document for policies that would:

Protect children from second-hand smoke in childcare facilities, video arcades, and/or public buildings.

Testimony provided by a representatives of the Chronic Disease Prevention Program, Health Division, indicated that the state of Nevada was missing grant and federal funding opportunities because the state does not recognize the impact of asthma on public health through legislation or have a dedicated asthma program.

Following additional testimony regarding this issue, the Task Force requested:

A letter to members of the 73rd Session, Assembly Committee on Health and Human Services, encouraging the Committee to draft a resolution recognizing asthma as a public health issue in Nevada.

In addition, the Task Force directed staff to provide statements of support in this document for policies that would:

Ratify the State of Nevada's commitment to asthma prevention and the protection of children with asthma by proclamation, statute, or regulation, including language which specifically allows children to take certain asthma medication and inhalers to school and assurance that policies of insurance issued in Nevada, including Medicaid, cover major treatment modalities related to asthma care that may include counseling and/or certain drug treatments.

The Task Force for a Healthy Nevada awarded the Food Bank of Northern Nevada a grant of \$600,000 for FY 2003 and FY 2004 and an additional grant of \$273,000 in FY 2005 and FY 2006 to help implement summer meal programs for children in Nevada Schools and non profit organizations statewide.

According to information provided by the Food Bank of Northern Nevada, at the time of the first grant, there were approximately 132,000 children who qualified for free or reduced price meals statewide and 90,000 of those were located in Clark County.

To address the demands in Clark County, approximately 70 percent of the grant funds and resources were dedicated to Clark County. Testimony presented at the October 27, 2004, meeting of the Task Force in addition to other items, indicated that of the 37 Seamless Waiver sites opened the previous two years, only 2 remained active. The Task Force members expressed concern regarding the slow start for the program, and their perception of a lack of support for the program by the Clark County School District.

Following deliberations on this matter, the Task Force moved to send:

A letter to the Clark County School Board, encouraging their active support of the Child Hunger Initiative Grant awarded to the Food Bank of Northern Nevada by addressing staff and faculty of schools where implementation of certain food programs has not been accomplished.

A representative of the Nevada Tobacco Prevention Coalition testified that their policy priorities for the upcoming session were as follows:

1. Internet tobacco laws to prevent illegal youth purchase and adult tax evasion;
2. Legislation requiring nicotine dependence treatment be covered as a standard of care by insurance companies/Medicaid; and
3. Closing the excise tax loophole by increasing the tax on chewing tobacco, rolling papers, et cetera.

Additionally, it was indicated that the Coalition supports requiring generic and nonparticipating manufacturers to participate in the Tobacco MSA. The Tobacco MSA is the agreement between the State of Nevada and the leading United States manufacturers of tobacco products.

These recommendations were presented to the Task Force after the September 1 deadline for submission of BDRs. Therefore the Task Force directed staff to provide statements of support in the bulletin for policies that would:

Examine the reality of Internet sales and shipping of tobacco products and encourage the development of suitable laws to regulate such sales and shipping.

IV. CONCLUSION

This report presents a summary of the bill drafts that were requested by the Task Force for discussion before the 2005 Nevada Legislature. In addition, the report provides information identifying certain other issues that were addressed during the interim. Persons wishing to have more specific information concerning these documents may find it useful to review the meeting minutes and exhibits for each of the meetings of the Task Force.

VI. APPENDICES

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APPENDIX A

Nevada Revised Statutes 439.620 to 439.780

NEVADA REVISED STATUTES
CHAPTER 439 SECTIONS 620-780
ADMINISTRATION OF PUBLIC HEALTH
GENERAL PROVISIONS

NRS 439.620 Creation and administration of fund; appropriation and expenditure of contents. [Effective until proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or until January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.]

1. The fund for a healthy Nevada is hereby created in the state treasury. The state treasurer shall deposit in the fund:

(a) Fifty percent of all money received by this state pursuant to any settlement entered into by the State of Nevada and a manufacturer of tobacco products; and

(b) Fifty percent of all money recovered by this state from a judgment in a civil action against a manufacturer of tobacco products.

2. The state treasurer shall administer the fund. As administrator of the fund, the state treasurer:

(a) Shall maintain the financial records of the fund;

(b) Shall invest the money in the fund as the money in other state funds is invested;

(c) Shall manage any account associated with the fund;

(d) Shall maintain any instruments that evidence investments made with the money in the fund;

(e) May contract with vendors for any good or service that is necessary to carry out the provisions of this section; and

(f) May perform any other duties necessary to administer the fund.

3. The interest and income earned on the money in the fund must, after deducting any applicable charges, be credited to the fund. All claims against the fund must be paid as other claims against the state are paid.

4. Upon receiving a request from the state treasurer or the department for an allocation for administrative expenses from the fund pursuant to this section, the task force for the fund for a healthy Nevada shall consider the request within 45 days after receipt of the request. If the task force approves the amount requested for allocation, the task force shall notify the state treasurer of the allocation. If the task force does not approve the requested allocation within 45 days after receipt of the request, the state treasurer or the department, as applicable, may submit its request for allocation to the interim finance committee. Except as otherwise limited by this subsection, the interim finance committee may allocate all or part of the money so requested. The annual allocation for administrative expenses from the fund, whether allocated by the task force or the interim finance committee must not exceed:

(a) Not more than 2 percent of the money in the fund, as calculated pursuant to this subsection, each year to pay the costs incurred by the state treasurer to administer the fund; and

(b) Not more than 3 percent of the money in the fund, as calculated pursuant to this subsection, each year to pay the costs incurred by the department, including, without limitation, the aging services division of the department, to carry out its duties set forth in [NRS 439.625](#) to [439.690](#), inclusive.

For the purposes of this subsection, the amount of money available for allocation to pay for the administrative costs must be calculated at the beginning of each fiscal year based on the total amount of money anticipated by the state treasurer to be deposited in the fund during that fiscal year.

5. The money in the fund remains in the fund and does not revert to the state general fund at the end of any fiscal year.

6. All money that is deposited or paid into the fund is hereby appropriated to the department and, except as otherwise provided in paragraphs (c) and (d) of subsection 1 of [NRS 439.630](#), may only be expended pursuant to an allocation made by the task force for the fund for a healthy Nevada. Money expended from the fund for a healthy Nevada must not be used to supplant existing methods of funding that are available to public agencies.

(Added to NRS by 1999, [2756](#); A 2001, [2668](#))

NRS 439.620 Creation and administration of fund; appropriation and expenditure of contents. [Effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.]

1. The fund for a healthy Nevada is hereby created in the state treasury. The state treasurer shall deposit in the fund:

(a) Fifty percent of all money received by this state pursuant to any settlement entered into by the State of Nevada and a manufacturer of tobacco products; and

(b) Fifty percent of all money recovered by this state from a judgment in a civil action against a manufacturer of tobacco products.

2. The state treasurer shall administer the fund. As administrator of the fund, the state treasurer:

(a) Shall maintain the financial records of the fund;

(b) Shall invest the money in the fund as the money in other state funds is invested;

(c) Shall manage any account associated with the fund;

(d) Shall maintain any instruments that evidence investments made with the money in the fund;

(e) May contract with vendors for any good or service that is necessary to carry out the provisions of this section; and

(f) May perform any other duties necessary to administer the fund.

3. The interest and income earned on the money in the fund must, after deducting any applicable charges, be credited to the fund. All claims against the fund must be paid as other claims against the state are paid.

4. Upon receiving a request from the state treasurer or the department for an allocation for administrative expenses from the fund pursuant to this section, the task force for the fund for a healthy Nevada shall consider the request within 45 days after receipt of the request. If the task force approves the amount requested for allocation, the task force shall notify the state treasurer of the allocation. If the task force does not approve the requested allocation within 45 days after receipt of the request, the state treasurer or the department, as applicable, may submit its request for allocation to the interim finance committee. Except as otherwise limited by this subsection, the interim finance committee may allocate all or part of the money so requested. The annual allocation for administrative expenses from the fund, whether allocated by the task force or the interim finance committee must not exceed:

(a) Not more than 2 percent of the money in the fund, as calculated pursuant to this subsection, each year to pay the costs incurred by the state treasurer to administer the fund; and

(b) Not more than 3 percent of the money in the fund, as calculated pursuant to this subsection, each year to pay the costs incurred by the department, including, without limitation, the aging services division of the department, to carry out its duties set forth in [NRS 439.625](#), [439.630](#) and [439.700](#) to [439.780](#), inclusive.

For the purposes of this subsection, the amount of money available for allocation to pay for the administrative costs must be calculated at the beginning of each fiscal year based on the total amount of money anticipated by the state treasurer to be deposited in the fund during that fiscal year.

5. The money in the fund remains in the fund and does not revert to the state general fund at the end of any fiscal year.

6. All money that is deposited or paid into the fund is hereby appropriated to the department and, except as otherwise provided in paragraphs (c) and (d) of subsection 1 of [NRS 439.630](#), may only be expended pursuant to an allocation made by the task force for the fund for a healthy Nevada. Money expended from the fund for a healthy Nevada must not be used to supplant existing methods of funding that are available to public agencies.

(Added to NRS by 1999, [2756](#); A 2001, [2668](#), [2669](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.625 Task force for fund: Creation; membership; selection and term of chairman and vice chairman; compensation of members; relief from regular duties of member who is officer or employee of local government; administrative support and technical assistance.

1. The task force for the fund for a healthy Nevada is hereby created. The membership of the task force consists of:

(a) Three members appointed by the majority leader of the senate, one of whom must be a senator and one of whom must be a member of a nonprofit organization dedicated to health issues in this state;

(b) Three members appointed by the speaker of the assembly, one of whom must be an assemblyman and one of whom must be a member of a nonprofit organization dedicated to health issues in this state; and

(c) Three members appointed by the governor, one of whom must have experience with and knowledge of matters relating to health care.

Each member appointed pursuant to this subsection must be a resident of this state and must not be employed in the executive or judicial branch of state government. Each person who appoints members pursuant to this subsection shall ensure that insofar as practicable, the members whom he appoints reflect the ethnic and geographical diversity of this state.

2. At its first meeting on or after July 1 of each odd-numbered year, the task force shall select the chairman and vice chairman of the task force from among the legislative members of the task force. Each such officer shall hold office for a term of 2 years or until his successor is selected. The chairmanship of the task force must alternate each biennium between the houses of the legislature.

3. For each day or portion of a day during which a member of the task force who is a legislator attends a meeting of the task force or is otherwise engaged in the work of the task force, except during a regular or special session of the legislature, he is entitled to receive the:

(a) Compensation provided for a majority of the members of the legislature during the first 60 days of the preceding session;

(b) Per diem allowance provided for state officers and employees generally; and

(c) Travel expenses provided pursuant to [NRS 218.2207](#).

The compensation, per diem allowances and travel expenses of the legislative members of the task force must be paid from the legislative fund.

4. Members of the task force who are not legislators serve without salary, except that they are entitled to receive travel expenses provided for state officers and employees generally. The travel expenses of:

(a) A member of the task force who is an officer or employee of a local government thereof must be paid by the local government that employs him.

(b) Each remaining member of the task force must be paid from the legislative fund.

5. Each member of the task force who is an officer or employee of a local government must be relieved from his duties without loss of his regular compensation so that he may perform his duties relating to the task force in the most timely manner practicable. A local government shall not require an officer or employee who is a member of the task force to:

(a) Make up the time he is absent from work to fulfill his obligations as a member of the task force; or

(b) Take annual leave or compensatory time for the absence.

6. The legislative counsel bureau and the department shall provide such administrative support to the task force as is required to carry out the duties of the task force. The state health officer shall provide such technical advice and assistance to the task force as is requested by the task force.

(Added to NRS by 1999, [2757](#); A 2001, [2670](#))

NRS 439.630 Powers and duties of task force and department. [Effective until proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or until January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.]

1. The task force for the fund for a healthy Nevada shall:

(a) Conduct public hearings to accept public testimony from a wide variety of sources and perspectives regarding existing or proposed programs that:

(1) Promote public health;

(2) Improve health services for children, senior citizens and persons with disabilities;

(3) Reduce or prevent the use of tobacco;

(4) Reduce or prevent the abuse of and addiction to alcohol and drugs; and

(5) Offer other general or specific information on health care in this state.

(b) Establish a process to evaluate the health and health needs of the residents of this state and a system to rank the health problems of the residents of this state, including, without limitation, the specific health problems that are endemic to urban and rural communities.

(c) Reserve not more than 30 percent of all revenues deposited in the fund for a healthy Nevada each year for direct expenditure by the department to pay for prescription drugs and pharmaceutical services for senior citizens pursuant to [NRS 439.635](#) to [439.690](#), inclusive. From the money reserved to the department pursuant to this paragraph, the department shall subsidize all of the cost of policies of health insurance that provide coverage to senior citizens for prescription drugs and pharmaceutical services pursuant to [NRS 439.635](#) to [439.690](#), inclusive. The department shall consider recommendations from the task force for the fund for a healthy Nevada in carrying out the provisions of [NRS 439.635](#) to [439.690](#), inclusive. The department shall submit a quarterly report to the governor, the task force for the fund for a healthy Nevada and the interim finance committee regarding the general manner in which expenditures have been made pursuant to this paragraph and the status of the program.

(d) Reserve not more than 30 percent of all revenues deposited in the fund for a healthy Nevada each year for allocation by the aging services division of the department in the form of grants for existing or new programs that assist senior citizens with independent living, including, without limitation, programs that provide:

(1) Respite care or relief of family caretakers;

(2) Transportation to new or existing services to assist senior citizens in living independently; and

(3) Care in the home which allows senior citizens to remain at home instead of in institutional care.

The aging services division of the department shall consider recommendations from the task force for the fund for a healthy Nevada concerning the independent living needs of senior citizens.

(e) Allocate for expenditure not more than 20 percent of all revenues deposited in the fund for a healthy Nevada each year for programs that prevent, reduce or treat the use of tobacco and the consequences of the use of tobacco.

(f) Allocate for expenditure not more than 20 percent of all revenues deposited in the fund for a healthy Nevada each year for programs that improve health services for children and the health and well-being of persons with disabilities.

(g) Maximize expenditures through local, federal and private matching contributions.

(h) Ensure that any money expended from the fund for a healthy Nevada will not be used to supplant existing methods of funding that are available to public agencies.

(i) Develop policies and procedures for the administration and distribution of grants and other expenditures to state agencies, political subdivisions of this state, nonprofit organizations, universities and community colleges. A condition of any such grant must be that not more than 8 percent of the grant may be used for administrative expenses or other indirect costs. The procedures must require at least one competitive round of requests for proposals per fiscal year.

(j) To make the allocations required by paragraphs (e) and (f):

(1) Prioritize and quantify the needs for these programs;

(2) Develop, solicit and accept grant applications for allocations;

(3) Conduct annual evaluations of programs to which allocations have been awarded; and

(4) Submit annual reports concerning the programs to the governor and the interim finance committee.

(k) Transmit a report of all findings, recommendations and expenditures to the governor and each regular session of the legislature.

2. The task force may take such other actions as are necessary to carry out its duties.

3. The department shall take all actions necessary to ensure that all allocations for expenditures made by the task force are carried out as directed by the task force.

4. To make the allocations required by paragraph (d) of subsection 1, the aging services division of the department shall:

(a) Prioritize and quantify the needs of senior citizens for these programs;

(b) Develop, solicit and accept grant applications for allocations;

(c) As appropriate, expand or augment existing state programs for senior citizens upon approval of the interim finance committee;

(d) Award grants or other allocations;

(e) Conduct annual evaluations of programs to which grants or other allocations have been awarded; and

(f) Submit annual reports concerning the grant program to the governor and the interim finance committee.

5. The aging services division of the department shall submit each proposed grant which would be used to expand or augment an existing state program to the interim finance committee for approval before the grant is

awarded. The request for approval must include a description of the proposed use of the money and the person or entity that would be authorized to expend the money. The aging services division of the department shall not expend or transfer any money allocated to the aging services division pursuant to this section to subsidize any portion of the cost of policies of health insurance that provide coverage to senior citizens for prescription drugs and pharmaceutical services pursuant to [NRS 439.635](#) to [439.690](#), inclusive.

6. The department, on behalf of the task force, shall submit each allocation proposed pursuant to paragraph (e) or (f) of subsection 1 which would be used to expand or augment an existing state program to the interim finance committee for approval before the grant is awarded. The request for approval must include a description of the proposed use of the money and the person or entity that would be authorized to expend the money.

(Added to NRS by 1999, [2758](#); A 2001, [2671](#))

NRS 439.630 Powers and duties of task force and department. [Effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.]

1. The task force for the fund for a healthy Nevada shall:

(a) Conduct public hearings to accept public testimony from a wide variety of sources and perspectives regarding existing or proposed programs that:

- (1) Promote public health;
- (2) Improve health services for children, senior citizens and persons with disabilities;
- (3) Reduce or prevent the use of tobacco;
- (4) Reduce or prevent the abuse of and addiction to alcohol and drugs; and
- (5) Offer other general or specific information on health care in this state.

(b) Establish a process to evaluate the health and health needs of the residents of this state and a system to rank the health problems of the residents of this state, including, without limitation, the specific health problems that are endemic to urban and rural communities.

(c) Reserve not more than 30 percent of all revenues deposited in the fund for a healthy Nevada each year for direct expenditure by the department to pay for prescription drugs and pharmaceutical services for senior citizens pursuant to [NRS 439.700](#) to [439.780](#), inclusive. From the money reserved to the department pursuant to this paragraph, the department shall subsidize all of the cost of policies of health insurance that provide coverage to senior citizens for prescription drugs and pharmaceutical services pursuant to [NRS 439.700](#) to [439.780](#), inclusive. The department shall consider recommendations from the task force for the fund for a healthy Nevada in carrying out the provisions of [NRS 439.700](#) to [439.780](#), inclusive. The department shall submit a quarterly report to the governor, the task force for the fund for a healthy Nevada and the interim finance committee regarding the general manner in which expenditures have been made pursuant to this paragraph and the status of the program.

(d) Reserve not more than 30 percent of all revenues deposited in the fund for a healthy Nevada each year for allocation by the aging services division of the department in the form of grants for existing or new programs that assist senior citizens with independent living, including, without limitation, programs that provide:

- (1) Respite care or relief of family caretakers;
- (2) Transportation to new or existing services to assist senior citizens in living independently; and
- (3) Care in the home which allows senior citizens to remain at home instead of in institutional care.

The aging services division of the department shall consider recommendations from the task force for the fund for a healthy Nevada concerning the independent living needs of senior citizens.

(e) Allocate for expenditure not more than 20 percent of all revenues deposited in the fund for a healthy Nevada each year for programs that prevent, reduce or treat the use of tobacco and the consequences of the use of tobacco.

(f) Allocate for expenditure not more than 20 percent of all revenues deposited in the fund for a healthy Nevada each year for programs that improve health services for children and the health and well-being of persons with disabilities.

(g) Maximize expenditures through local, federal and private matching contributions.

(h) Ensure that any money expended from the fund for a healthy Nevada will not be used to supplant existing methods of funding that are available to public agencies.

(i) Develop policies and procedures for the administration and distribution of grants and other expenditures to state agencies, political subdivisions of this state, nonprofit organizations, universities and community colleges. A condition of any such grant must be that not more than 8 percent of the grant may be used for administrative

expenses or other indirect costs. The procedures must require at least one competitive round of requests for proposals per fiscal year.

(j) To make the allocations required by paragraphs (e) and (f):

- (1) Prioritize and quantify the needs for these programs;
- (2) Develop, solicit and accept grant applications for allocations;
- (3) Conduct annual evaluations of programs to which allocations have been awarded; and
- (4) Submit annual reports concerning the programs to the governor and the interim finance committee.

(k) Transmit a report of all findings, recommendations and expenditures to the governor and each regular session of the legislature.

2. The task force may take such other actions as are necessary to carry out its duties.

3. The department shall take all actions necessary to ensure that all allocations for expenditures made by the task force are carried out as directed by the task force.

4. To make the allocations required by paragraph (d) of subsection 1, the aging services division of the department shall:

- (a) Prioritize and quantify the needs of senior citizens for these programs;
- (b) Develop, solicit and accept grant applications for allocations;
- (c) As appropriate, expand or augment existing state programs for senior citizens upon approval of the interim finance committee;
- (d) Award grants or other allocations;
- (e) Conduct annual evaluations of programs to which grants or other allocations have been awarded; and
- (f) Submit annual reports concerning the grant program to the governor and the interim finance committee.

5. The aging services division of the department shall submit each proposed grant which would be used to expand or augment an existing state program to the interim finance committee for approval before the grant is awarded. The request for approval must include a description of the proposed use of the money and the person or entity that would be authorized to expend the money. The aging services division of the department shall not expend or transfer any money allocated to the aging services division pursuant to this section to subsidize any portion of the cost of policies of health insurance that provide coverage to senior citizens for prescription drugs and pharmaceutical services pursuant to [NRS 439.700](#) to [439.780](#), inclusive.

6. The department, on behalf of the task force, shall submit each allocation proposed pursuant to paragraph (e) or (f) of subsection 1 which would be used to expand or augment an existing state program to the interim finance committee for approval before the grant is awarded. The request for approval must include a description of the proposed use of the money and the person or entity that would be authorized to expend the money.

(Added to NRS by 1999, [2758](#); A 2001, [2671](#), [2673](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

Subsidies for Provision of Pharmaceutical Services to Senior Citizens

NRS 439.635 Definitions. [Effective until proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or until January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.] As used in [NRS 439.635](#) to [439.690](#), inclusive, unless the context otherwise requires, the words and terms defined in [NRS 439.640](#), [439.645](#) and [439.650](#) have the meanings ascribed to them in those sections.

(Added to NRS by 1999, [2760](#); R 2001, [2677](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or through December 31, 2002, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.640 “Household income” defined. [Effective until proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or until January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.] “Household income” has the meaning ascribed to it in [NRS 427A.480](#).

(Added to NRS by 1999, [2760](#); A 2001, [2661](#); R 2001, [2677](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or through December 31, 2002, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.645 “Income” defined. [Effective until proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or until January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.] “Income” has the meaning ascribed to it in [NRS 427A.485](#).

(Added to NRS by 1999, [2760](#); A 2001, [2661](#); R 2001, [2677](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or through December 31, 2002, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.650 “Senior citizen” defined. [Effective until proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or until January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.] “Senior citizen” means a person who is domiciled in this state and is 62 years of age or older.

(Added to NRS by 1999, [2760](#); R 2001, [2677](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or through December 31, 2002, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.655 Administration: Powers and duties of department. [Effective until proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or until January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.] The department is responsible for the administration of the provisions of [NRS 439.635](#) to [439.690](#), inclusive, and may:

1. Prescribe the content and form of a request for a subsidy required to be submitted pursuant to [NRS 439.670](#).
2. Designate the proof that must be submitted with such a request.
3. Adopt regulations to protect the confidentiality of information supplied by a senior citizen requesting a subsidy pursuant to [NRS 439.670](#).
4. Adopt such other regulations as may be required to carry out the provisions of [NRS 439.635](#) to [439.690](#), inclusive.

(Added to NRS by 1999, [2761](#); R 2001, [2677](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or through December 31, 2002, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.660 Administration: Cooperation between state and local agencies. [Effective until proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or until January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.] The department of human resources shall, in cooperation with the department of taxation and the various counties in this state:

1. Combine all possible administrative procedures required for determining those persons who are eligible for assistance pursuant to [NRS 427A.450](#) to [427A.600](#), inclusive, and [439.635](#) to [439.690](#), inclusive;
2. Coordinate the collection of information required to carry out those provisions in a manner that requires persons requesting assistance to furnish information in as few reports as possible; and
3. Design forms that may be used jointly by the department of human resources, the department of taxation and the various counties in this state to carry out the provisions of [NRS 427A.450](#) to [427A.600](#), inclusive, and [439.635](#) to [439.690](#), inclusive.

(Added to NRS by 1999, [2761](#); A 2001, [2661](#); R 2001, [2677](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or through December 31, 2002, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.665 Contracts for provision of insurance coverage for prescription drugs and pharmaceutical services; eligibility for and amount of subsidies; copayments; waiver of eligibility requirements; coverage provided by Federal Government; authority of department to change program. [Effective until proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or until January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.]

1. The department shall enter into contracts with private insurers who transact health insurance in this state to arrange for the availability, at a reasonable cost, of policies of health insurance that provide coverage to senior citizens for prescription drugs and pharmaceutical services.

2. Within the limits of the money available for this purpose in the fund for a healthy Nevada, a senior citizen who is not eligible for Medicaid and who purchases a policy of health insurance that is made available pursuant to subsection 1 is entitled to an annual grant from the trust fund to subsidize the cost of that insurance, including premiums and deductibles, if he has been domiciled in this state for at least 1 year immediately preceding the date of his application and his household income is not over \$21,500.

3. The subsidy granted pursuant to this section must not exceed the annual cost of insurance that provides coverage for prescription drugs and pharmaceutical services, including premiums and deductibles.

4. A policy of health insurance that is made available pursuant to subsection 1 must provide for:

(a) A copayment of not more than \$10 per prescription drug or pharmaceutical service that is generic as set forth in the formulary of the insurer; and

(b) A copayment of not more than \$25 per prescription drug or pharmaceutical service that is preferred as set forth in the formulary of the insurer.

5. The department may waive the eligibility requirement set forth in subsection 2 regarding household income upon written request of the applicant if the circumstances of the applicant's household have changed as a result of:

(a) Illness;

(b) Disability; or

(c) Extreme financial hardship based on a significant reduction of income, when considering the applicant's current financial circumstances.

An applicant who requests such a waiver shall include with that request all medical and financial documents that support his request.

6. If the Federal Government provides any coverage of prescription drugs and pharmaceutical services for senior citizens who are eligible for a subsidy pursuant to subsections 1 to 5, inclusive, the department may, upon approval of the legislature, or the interim finance committee if the legislature is not in session, change any program established pursuant to [NRS 439.635](#) to [439.690](#), inclusive, and otherwise provide assistance with prescription drugs

and pharmaceutical services for senior citizens within the limits of the money available for this purpose in the fund for a healthy Nevada.

7. The provisions of subsections 1 to 5, inclusive, do not apply if the department provides assistance with prescription drugs and pharmaceutical services for senior citizens pursuant to subsection 6.

(Added to NRS by 1999, [2760](#); A 2001, [2675](#); R 2001, [2677](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or through December 31, 2002, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.670 Request for subsidy; action on request; payment of subsidy. [Effective until proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or until January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.]

1. A senior citizen who wishes to receive a subsidy pursuant to [NRS 439.665](#) must file a request therefor with the department.

2. The request must be made under oath and filed in such form and content, and accompanied by such proof, as the department may prescribe.

3. The department shall, within 45 days after receiving a request for a subsidy, examine the request and grant or deny it.

4. The department shall determine which senior citizens are eligible to receive a subsidy pursuant to [NRS 439.665](#) and pay the subsidy directly to an insurer with whom the department has entered into a contract pursuant to [NRS 439.665](#).

(Added to NRS by 1999, [2760](#); A 2001, [2676](#); R 2001, [2677](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or through December 31, 2002, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.675 Denial of request for subsidy; repayment of amount received pursuant to fraudulent request. [Effective until proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or until January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.]

1. The department shall deny any request for a subsidy received pursuant to [NRS 439.670](#) to which the senior citizen is not entitled.

2. The department may deny in total any request which it finds to have been filed with fraudulent intent. If any such request has been paid and is afterward denied, the amount of the subsidy must be repaid by the senior citizen to the department.

3. Any amounts received by the department pursuant to this section must be deposited with the state treasurer for credit to the fund for a healthy Nevada.

(Added to NRS by 1999, [2761](#); A 2001, [2677](#); R 2001, [2677](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or through December 31, 2002, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.680 Judicial review of decision to deny request for subsidy. [Effective until proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or until January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies

to a certain number of enrollees.] Any person who is aggrieved by a decision of the department denying a request for a subsidy submitted pursuant to [NRS 439.670](#) is entitled to judicial review thereof.

(Added to NRS by 1999, [2761](#); R 2001, [2677](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or through December 31, 2002, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.685 Revocation of subsidy and payment of restitution. [Effective until proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or until January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.] Any subsidy granted pursuant to [NRS 439.665](#) to a senior citizen who is not qualified for such a subsidy may be revoked by the department. If a subsidy is so revoked, the senior citizen shall make restitution to the department for any subsidy he has improperly received, and the department shall take all proper actions to collect the amount of the subsidy as a debt.

(Added to NRS by 1999, [2761](#); R 2001, [2677](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or through December 31, 2002, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.690 Restrictions on use of information contained in request for subsidy. [Effective until proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or until January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.] No person may publish, disclose or use any personal or confidential information contained in a request for a subsidy submitted pursuant to [NRS 439.670](#) except for purposes relating to the administration of [NRS 439.635](#) to [439.690](#), inclusive.

(Added to NRS by 1999, [2761](#); R 2001, [2677](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or through December 31, 2002, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

Senior Option Program of Subsidies for Provision of Prescription Drugs and Pharmaceutical Services to Senior Citizens

NRS 439.700 Definitions. [Effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.] As used in [NRS 439.700](#) to [439.780](#), inclusive, unless the context otherwise requires, the words and terms defined in [NRS 439.710](#), [439.720](#) and [439.730](#) have the meanings ascribed to them in those sections.

(Added to NRS by 2001, [2665](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.710 “Household income” defined. [Effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.] “Household income” has the meaning ascribed to it in [NRS 427A.480](#).

(Added to NRS by 2001, [2665](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.720 “Income” defined. [Effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.] “Income” has the meaning ascribed to it in [NRS 427A.485](#).

(Added to NRS by 2001, [2665](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.730 “Senior citizen” defined. [Effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.] “Senior citizen” means a person who is domiciled in this state and is 62 years of age or older.

(Added to NRS by 2001, [2665](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.740 Administration: Powers and duties of department. [Effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.] The department is responsible for the administration of the provisions of [NRS 439.700](#) to [439.780](#), inclusive, and may:

1. Prescribe the content and form of a request for a subsidy required to be submitted pursuant to [NRS 439.770](#).
2. Designate the proof that must be submitted with such a request.
3. Adopt regulations to protect the confidentiality of information supplied by a senior citizen requesting a subsidy pursuant to [NRS 439.770](#).
4. Adopt such other regulations as may be required to carry out the provisions of [NRS 439.700](#) to [439.780](#), inclusive.

(Added to NRS by 2001, [2665](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.750 Administration: Cooperation between state and local agencies. [Effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.] The department of human resources shall, in cooperation with the department of taxation and the various counties in this state:

1. Combine all possible administrative procedures required for determining those persons who are eligible for assistance pursuant to [NRS 427A.450 to 427A.600](#), inclusive, and [439.700 to 439.780](#), inclusive;
2. Coordinate the collection of information required to carry out those provisions in a manner that requires persons requesting assistance to furnish information in as few reports as possible; and
3. Design forms that may be used jointly by the department of human resources, the department of taxation and the various counties in this state to carry out the provisions of [NRS 427A.450 to 427A.600](#), inclusive, and [439.700 to 439.780](#), inclusive.

(Added to NRS by 2001, [2666](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.760 Development and carrying out of program; eligibility; costs of administration; components of program; coverage provided by Federal Government; authority of department to change program; waiver of eligibility requirements. [Effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.]

1. The department shall, within the limits of the money available for this purpose in the fund for a healthy Nevada, develop and carry out a program for senior citizens to provide prescription drugs and pharmaceutical services to them at a subsidized cost whereby the state will pay the difference between the copayment required by the program and the actual cost of the drug from the pharmacist. The department shall refer to this program as the "Senior Option Program" and cause it to be marketed under that name.

2. Within the limits of the money available for this purpose in the fund for a healthy Nevada, a senior citizen who:

- (a) Is not eligible for Medicaid; and
- (b) Is accepted into the program that is made available pursuant to subsection 1,

is entitled to an annual grant from the trust fund to subsidize a portion of the cost of his prescription drugs and pharmaceutical services if he has been domiciled in this state for at least 1 year immediately preceding the date of his application and his household income is less than \$21,500.

3. The department may pay its costs for administering this program from the fund for a healthy Nevada and shall include as components of the subsidized program:

- (a) A maximum annual application fee of \$25.
- (b) A requirement that a generic drug be used to fill the prescription, unless the substitution of a generic drug for a drug with a brand name is specifically prohibited by the provider of health care who issued the prescription.
- (c) A maximum required copayment for generic drugs of \$10 per prescription.
- (d) A maximum required copayment for nongeneric drugs of \$25 per prescription.
- (e) The formulary for the program must be the same formulary as is used for the state plan for Medicaid.
- (f) The maximum limitation per year on the subsidy each person may receive under this program is \$5,000.
- (g) Allow persons who are participating in the program to fill their prescriptions by mail.
- (h) A maximum of \$100 as the amount of deductible expenses that may be required of participants before they are eligible to receive benefits under this program.
- (i) The rebates from pharmaceutical manufacturers for drugs purchased through this program must be at least equal to the rebates provided for drugs purchased pursuant to the state plan for Medicaid and must be deposited in the fund for a healthy Nevada to support this program.
- (j) A pharmacy benefits manager may be hired by contract to assist in the development and administration of this program, if deemed advisable and fiscally prudent by the department.

(k) The rates negotiated by the department or its representative for the prescription drugs sold by the pharmacies that agree to participate in this program must not be more than the rates charged to the department under the state plan for Medicaid, if not the best and lowest prices available from the pharmacy to any customer.

4. If the Federal Government provides any coverage of prescription drugs and pharmaceutical services for senior citizens who are eligible for a subsidy pursuant to subsections 1, 2 and 3, the department may, upon approval of the legislature, or the interim finance committee if the legislature is not in session, change any program established pursuant to [NRS 439.700](#) to [439.780](#), inclusive, and otherwise provide assistance with prescription drugs and pharmaceutical services for senior citizens within the limits of the money available for this purpose in the fund for a healthy Nevada.

5. The provisions of subsections 1, 2 and 3 do not apply if the department provides assistance with prescription drugs and pharmaceutical services for senior citizens pursuant to subsection 4.

6. The department may waive the eligibility requirement set forth in subsection 2 regarding household income upon written request of the applicant if the circumstances of the applicant's household have changed as a result of:

(a) Illness;

(b) Disability; or

(c) Extreme financial hardship based on a significant reduction of income, when considering the applicant's current financial circumstances.

An applicant who requests such a waiver shall include with that request all medical and financial documents that support his request.

(Added to NRS by 2001, [2666](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.770 Request for subsidy; action on request; payment of subsidy. [Effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.]

1. A senior citizen who wishes to receive a subsidy pursuant to [NRS 439.700](#) to [439.780](#), inclusive, must file a request therefor with the department.

2. The request must be made under oath and filed in such form and content, and accompanied by such proof, as the department may prescribe.

3. The department shall, within 45 days after receiving a request for a subsidy, examine the request and grant or deny it.

4. The department shall determine which senior citizens are eligible to receive a subsidy pursuant to [NRS 439.700](#) to [439.780](#), inclusive, and pay the subsidy in the manner set forth in the program.

(Added to NRS by 2001, [2667](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

NRS 439.780 Denial of request for subsidy; repayment of amount received pursuant to fraudulent request. [Effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees.]

1. The department shall deny any request for a subsidy received pursuant to [NRS 439.700](#) to [439.780](#), inclusive, to which the senior citizen is not entitled.

2. The department may deny in total any request which it finds to have been filed with fraudulent intent. If any such request has been paid and is afterward denied, the amount of the subsidy must be repaid by the senior citizen to the department.

3. Any amounts received by the department pursuant to this section must be deposited with the state treasurer for credit to the fund for a healthy Nevada for credit to this program.

(Added to NRS by 2001, [2668](#), effective upon proclamation by the governor if the governor proclaims, before January 1, 2003, that the best interests of this state require implementation of the Senior Option Program, or on January 1, 2003, if the report filed by the department of human resources indicates either that the existing program of subsidies has an insufficient number of enrollees or that the existing program of subsidies has an insufficient allocation of money to provide subsidies to a certain number of enrollees)

APPENDIX B

Tobacco Grants, Fiscal Years 2005 and 2006

Grantee	FY05-06 Request	FY05-06 Award	05A	06A	CDC Best Practices	Description
Bridge Counseling Associates	\$289,381.00	0.00			Cessation	Expand smoking cessation and harm and risk reduction education program.
New Frontier Treatment Program	\$233,836.00	0.00			Cessation	Comprehensive tobacco treatment program for existing clients and smokers in the community at large.
Northstar	\$246,036.00	0.00			Cessation	Treatment of dual addiction for tobacco and other drugs or alcohol.
Oikos, Inc. dba Sagewind - KAN	\$138,876.00	0.00			Cessation	Continuum of care for tobacco specific services for youth and families.
STEP 2, Inc. - Nicotine Treatment for Women	\$411,134.00	0.00			Cessation	Continued support for Lifeline Program to serve women with nicotine dependency and other addictive disorders with specialization in perinatal addiction treatment.
UNSOM - Helpline	\$2,166,213.00	1,500,000.00	750,000.00	750,000.00	Cessation	Long term, comprehensive treatment and education to adults who are nicotine dependent; statewide.
WestCare	\$297,886.00	0.00			Cessation	Tobacco cessation and prevention program for WestCare clients and in the community.
HealthSmart	\$441,692.00	300,000.00	150,000.00	150,000.00	Cessation	Tobacco cessation among pregnant women
Carson Advocates for Cancer Care	\$4,225,054.00	\$1,800,000.00	\$900,000.00	\$900,000.00	Subtotal	
	\$320,000.00	300,000.00	150,000.00	150,000.00	Chronic Disease	Provide financial assistance and support for prescriptions, treatment, and care for cancer patients in Nevada (Funded as disability FY01-02.)
Nevada State Health Division - Chronic Disease	\$329,168.00	0.00			Chronic Disease	Train leaders for chronic disease self-management program to help people gain self-confidence in their ability to control their symptoms and effects on their lives.
UNLV-School of Dentistry-Crackdown on Cancer	\$1,076,949.00	1,076,949.00	537,167.00	539,782.00	Chronic Disease	Mobile clinic to provide primary prevention and early detection for both oral cancer and early diabetes risk evaluation for high school teens, statewide.
UNR - Genetic Polymorphism	\$169,898.00	0.00			Chronic Disease	Conduct genetic polymorphism study on smokers in Reno and Sparks.
Washoe Medical Center - DETS	\$1,464,963.00	400,000.00	200,000.00	200,000.00	Chronic Disease	Diabetes Screening & Prevention
HealthSmart	\$3,360,978.00	\$1,776,949.00	\$887,167.00	\$889,782.00	Subtotal	
	\$202,559.00	0.00			Community Program	Comprehensive smoking cessation and prevention program for Carson City; Support Carson City Tobacco Control Coalition./
Nevada Public Health Foundation	\$201,853.00	0.00			Community Program	Tobacco use prevention targeting preschoolers
Washoe Health Enhancement Service - Ban the Butt	\$1,464,963.00	0.00			Community Program	Outreach for prevention and cessation in Northern Nevada.
No. Nevada Center For Independent Living	\$109,161.00	0.00			Community Program	Tobacco use prevention/education directed at disabled population
Sierra Recovery Center	\$224,950.00	0.00			Community Program	Tobacco use prevention directed at clients of treatment facility
UNR Frontier Recovery Network	\$37,909.00	0.00			Community Program	Tobacco use prevention
Big Brothers/Sisters Nevada	\$72,491.00	72,491.00	41,136.00	31,355.00	Community Program	Tobacco use prevention directed at parents, mentors & youth.

Boys/Girls Club of Las Vegas	\$55,282.00	55,282.00	26,967.00	28,315.00	Community Program	SMART Moves and SMART On-line tobacco prevention program
Nevada Urban Indians	\$73,634.00	73,634.00	36,817.00	36,817.00	Community Program	Tobacco Use Preventon & Cessation among Native American youth.
Churchill Com. Coalition	\$50,000.00	50,000.00	25,000.00	25,000.00	Community Program	Tobacco use prevention program
Healthy Com. Coalition	\$150,264.00	150,264.00	75,132.00	75,132.00	Community Program	Tobacco use prevention program
PACE Coalition	\$91,748.00	93,362.00	52,244.00	41,118.00	Community Program	Expansion of tobacco prevention activities to Carlin
Partnership of Com. Resources	\$135,685.00	135,685.00	67,323.00	68,362.00	Community Program	Reduction of tobacco use among youth
Washoe County District Health	\$735,880.00	600,000.00	300,000.00	300,000.00	Community Program	Tobacco use prevention project aimed at Latino & Young Adult populations in Washoe County.
Clark County Health District - Anti-tobacco media campaign	\$3,606,379.00 \$1,136,202.00	\$1,230,718.00 1,564,072.00	\$624,619.00 783,518.00	\$606,099.00 780,554.00	Subtotal Counter Marketing	Expand tobacco control programs and develop new services to increase counter marketing, community prevention and cessation programs, and youth activities, to serve all Clark County residents.
CLASSI Publications	\$50,171.00	49,503.00	24,864.00	24,639.00	Counter Marketing	Advertising and feature articles in teen publication toward educating youth on dangers of tobacco and making tobacco-use socially unacceptable.
St. Mary's Foundation	\$1,136,202.00	600,000.00	300,000.00	300,000.00	Counter Marketing	Counter marketing - No. NV & Rurals
American Lung Association - NOT/TATU	\$2,322,575.00 \$1,125,753.00	\$2,213,575.00 861,923.00	\$1,108,382.00 426,630.00	\$1,105,193.00 435,293.00	Subtotal School Program	Continue TATU and NOT programs to reduce teen smoking.
Nevada Academy of Family Physicians -Tar Wars	\$94,260.00	94,260.00	47,130.00	47,130.00	School Program	Target 5th grade students with pro-health, tobacco-free education program - Tar Wars.
Southern Nevada Area Health Education Center	\$293,772.00	293,772.00	143,178.00	150,594.00	School Program	Provide counseling and mentoring to middle and high school students to develop and implement community tobacco prevention and education programs to decrease student use.
Sunrise Children's Hospital Foundation	\$48,518.00	0.00			School Program	Expand NiCoteen simulator and anti-tobacco curriculum in school-based program.
Nye County School Dist.	\$136,791.00	136,791.00	73,734.00	63,057.00	School Program	Tobacco prevention programs after school
American Cancer Society (NTPC)	\$1,699,094.00 \$749,791.00	\$1,386,746.00 \$400,000.00	\$690,672.00 \$200,000.00	\$696,074.00 \$200,000.00	Subtotal Statewide Program	Media campaign targeted to northern and rural Nevada; continue as statewide coordinating body for tobacco-control activities.
Totals	\$749,791.00 \$15,963,871.00	\$400,000.00 \$8,807,988.00	\$399,996.00	\$399,996.00	Subtotal	

FY05.06A

2nd year CONTINGENT ON 1ST YEAR PERFORMANCE

APPENDIX C

Children's Health Grants, Fiscal Years 2005 and 2006

Grantee	Code	FY05	FY06	FY05A	FY06A	Awarded 05-06	Needs Assessment	2010 Focus Areas
Care Chest of Sierra Nevada	C	\$48,072.00	\$50,946.00	\$40,950.00	\$40,950.00	\$81,900.00	Access	Access
Clark County Health District (Schools)	C	\$463,378.00	\$475,707.00	\$212,862.00	\$0.00	\$212,862.00	Access	Access
Community Chest, Inc. (Health Nurse)	C	\$23,858.00	\$25,056.00	\$18,200.00	\$18,200.00	\$36,400.00	Access	Access
Family Resource Center-NE NV	C	\$86,560.00	\$86,560.00	\$63,700.00	\$63,700.00	\$127,400.00	Access	Access
United Way - MAP Coalition	C	\$1,199,051.00	\$1,199,861.00	\$546,000.00	\$546,000.00	\$1,092,000.00	Access	Access
White Pine School District	C	\$331,123.00	\$331,123.00	\$91,000.00	\$91,000.00	\$182,000.00	Access	Access
Food Bank of Northern Nevada, Inc.	C	\$295,843.00	\$258,743.00	\$136,500.00	\$136,500.00	\$273,000.00	Fitness and Nutrition	Nutrition and Overweight
Reno P.D. (Kids Korner) (St. Mary's)	C	\$368,799.00	\$375,641.00	\$45,500.00	\$45,500.00	\$91,000.00	Immunization	Immunization
Community Chest, Inc. (Homeless)	C	\$40,177.00	\$40,177.00	\$22,750.00	\$22,750.00	\$45,500.00	Injury & Violence Preven	Injury & Violence Prevention
Family Counseling Services, Inc.	C			\$11,664.00	\$11,664.00	\$23,328.00	Injury & Violence Preven	Injury & Violence Prevention
St. John's Lutheran Church (PEACE)	C	\$146,768.00	\$143,590.00	\$68,250.00	\$68,250.00	\$136,500.00	Maternal, Infant and Chil	Maternal, Infant and Child Hea
Community College of S.NV (MILES4SMILES)	C	\$553,792.00	\$574,625.00	\$455,000.00	\$455,000.00	\$910,000.00	Oral Health	Oral Health
Great Basin Primary Care Association	C	\$1,014,084.00	\$1,174,360.00	\$364,000.00	\$364,000.00	\$728,000.00	Oral Health	Oral Health
St. Mary's Fdn Dental Sealant	C	\$194,642.00	\$198,240.00	\$81,900.00	\$81,900.00	\$163,800.00	Oral Health	Oral Health
St. Rose Dominican Health Fdn	C	\$229,713.00	\$229,713.00	\$68,250.00	\$68,250.00	\$136,500.00	Oral Health	Oral Health
Total		\$4,995,860.00	\$5,164,342.00	\$2,226,526.00	\$2,013,664.00	\$4,240,190.00		
SUBTOTAL						\$1,732,562	Access	
SUBTOTAL						\$273,000	Fitness and Nutrition	
SUBTOTAL						\$91,000	Immunization	
SUBTOTAL						\$68,828	Injury & Violence Prevention	
SUBTOTAL						\$136,500	Maternal, Infant and Child Health	
SUBTOTAL						\$1,938,300	Oral Health	

APPENDIX D

Disability Grants, Fiscal Year 2005 and 2006

Grantee	Code	FY05	FY06	FY05A	FY06A	Awarded 05-06	Needs Assessment
UNR Geriatric Medicine	D	\$280,150	\$311,652.00	\$200,000.00	\$200,000.00	\$400,000.00	Independent Living
Blind Center of Nevada	D	\$39,487.00	\$42,439.00	\$39,000.00	\$42,439.00	\$81,439.00	Independent Living
CitiCare	D	\$49,997.00	\$49,997.00	\$40,000.00	\$0.00	\$40,000.00	Independent Living
United Way of So. NV - 211 Project	D	\$77,035.00	\$69,475.00	\$75,000.00	\$65,000.00	\$140,000.00	Independent Living
Care Chest of Sierra Nevada	D	\$89,369.00	\$95,285.00	\$41,509.00	\$44,217.00	\$85,726.00	Independent Living
Northern Nevada Center for Independent Living	D	\$1,089,090.00	\$1,092,334.00	\$200,000.00	\$200,000.00	\$400,000.00	Independent Living
		\$1,625,128.00					
Warc/ UNR POSITIVE BEH. SUPPORTS	D	\$354,435.00	\$372,284.00	\$325,000.00	\$325,000.00	\$650,000.00	Positive Behavior Support
		\$354,435.00					
ALS Association	D	\$137,036.00	\$166,592.00	\$122,036.00	\$151,592.00	\$273,628.00	Respite and Independent Living
Nevada Community Enrichment Ctr. (NCEC)	(D	\$93,114.00	\$97,080.00	\$85,000.00	\$85,000.00	\$170,000.00	Respite and Independent Living
Nevada Community Respite (Endeavor)/ EASTER SEALS	D	\$296,716.00	\$296,716.00	\$100,000.00	\$100,000.00	\$200,000.00	Respite and Independent Living
Nevada Early Childhood Association/RDC	D D	\$148,623.00	\$157,213.00	\$133,623.00	\$142,213.00	\$275,836.00	Respite and Independent Living
		\$675,489.00					
						\$2,716,629.00	
	\$	1,147,165	Independent Living				
	\$	650,000	Positive Behavior Support				
	\$	919,464	Respite and Independent Living				

APPENDIX E

Task Force Guidelines for Lobbying and Related Activity

KENNY C.
GUINN
Governor



MICHAEL J.
WILLDEN
Director

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To: Task Force Members, Fund for a Healthy Nevada

Copy: Michael J. Willden, Director, Department of Human Resources (DHR)
Mike Torvinen, Administrative Services Officer IV, DHR

From: Laura Hale, Social Services Program Specialist III, DHR

Date: October 8, 2003

Subject: Task Force Guidelines for Lobbying and Related Activity

Since the implementation of grants under the Fund for a Healthy Nevada, several issues have been raised regarding the allowability of activity related to lobbying. The grant instructions provided to all grantees prohibit lobbying, as defined under circulars from the Office of Management and Budget; however, the Task Force is free to set its own policy with regard to lobbying. For your information only, federal guidelines are provided below, as well as a summary of grantee activities that have been reviewed to date.

Both the Internal Revenue Service and the Office of Management and Budget provide guidelines for lobbying:

Internal Revenue Service (IRS)

A direct lobbying communication is any attempt to influence any legislation through communication with:

- Any member or employee of a legislative body; or
- Any government official or employee (other than a member or employee of a legislative body) who may participate in the formulation of the legislation, but only if the principal purpose of the communication is to influence legislation.

A communication with a legislator or governmental official will be treated as a direct lobbying communication if, but only if, the communication:

- Refers to specific legislation . . . ; and
- Reflects a view on such legislation¹

¹ Treas. Reg. Sections 56.4911-2(b)(1)

EXHIBIT <u>6</u>	HealthyNV	Document consists of <u>4</u> pages
<input checked="" type="checkbox"/> Entire document provided.		
<input type="checkbox"/> Due to size limitations, pages ____ through ____ provided.		
A copy of the complete document is available through the Research Library (775-684-6827 or e-mail library@icb.state.nv.us).		
Meeting Date <u>10/8/03</u>		

A grassroots lobbying communication is any attempt to influence any legislation through an attempt to affect the opinions of the general public or any segment thereof.

A communication is treated as a grassroots lobbying communication if, but only if, the communication:

- *Refers to specific legislation;*
- *Reflects a view on such legislation; and*
- *Encourages the recipient of the communication to take action with respect to such legislation.²*

The IRS uses these guidelines to determine whether or not nonprofit organizations classified as 501(c)(3) meet the requirements for special tax exemption status. Such status does not prohibit lobbying, but rather, limits the percentage of expenditures related to lobbying on a relative scale.³

Office of Management and Budget (OMB) on Lobbying

- (1) Attempts to influence the outcomes of any Federal, State, or local election, referendum, initiative, or similar procedure, through in kind or cash contributions, endorsements, publicity, or similar activity;*
- (2) Establishing, administering, contribution to, or paying the expenses of a political party, campaign, political action committee, or other organization established for the purpose of influencing the outcomes of elections;*
- (3) Any attempt to influence: (i) The introduction of Federal or State legislation; or (ii) the enactment or modification of any pending Federal or State legislation through communication with any member or employee of the Congress or State legislature (including efforts to influence State or local officials to engage in similar lobbying activity), or with any Government official or employee in connection with a decision to sign or veto enrolled legislation;*
- (4) Any attempt to influence: (I) The introduction of Federal or State legislation; or (ii) the enactment or modification of any pending Federal or State legislation by preparing, distributing or using publicity or propaganda, or by urging members of the general public or any segment thereof to contribute to or participate in any mass demonstration, march, rally, fundraising drive, lobbying campaign or letter writing or telephone campaign; or*
- (5) Legislative liaison activities, including attendance at legislative sessions or committee hearings, gathering information regarding legislation, and analyzing the effect of legislation, when such activities are carried on in support of or in knowing preparation for an effort to engage in unallowable lobbying.⁴*

The OMB uses these guidelines for compliance of federal grantees. The above-described activities would be disallowed for the purpose of grant expenditures.

² Treas. Reg. Sections 65.4911(b)(2)

³ Guidelines for Advocacy: Changing Policies & Laws to Create Safer Environments for Youth

⁴ Office of Management and Budget, Circular No. A-122, Attachment B

The attached table identifies proposed or implemented activities of Healthy Nevada grantees. In addition to concerns that these activities were related to lobbying, none of these activities were expressly identified in grantee proposals, nor were they expressly identified as approved activities. However, under the grant for environmental strategies, proposal language does include activities to "impact community policies, laws and norms . . ." Clearly, coalition youth presenting or providing information to legislators would fall within this broad language.

Issues to Consider

- Federal funders endorse environmental strategies.
- Environmental strategies typically target activities to the local level, rather than the state level.
- Funding grantees to communicate with legislators on any level, other than responding to requests for information, may give the appearance of impropriety.
- Grantee concerns may be brought to the Task Force, or its individual members, at any time.

Policy Options

1. Prohibit Healthy Nevada grantees from utilizing grant funds or matching funds for any activities related to lobbying or influencing or attempting to lobby or influence for any purpose the following:
 - a. Any federal, state or county legislature, commission, counsel or board;
 - b. Any federal, state or county legislator, or member of a commission, counsel or board;
 - c. Any officer or employee of any federal, state or county legislature, commission, counsel, or board.
2. Prohibit Healthy Nevada grantees from utilizing grant funds **only** for the activities outlined in item 1.
3. Prohibit Healthy Nevada grantees from utilizing grant funds for direct lobbying (advocating for or against specific legislation) **only**.
4. Prohibit Healthy Nevada grantees from utilizing grant funds for lobbying or influencing at the federal or state level **only**.
5. Any combination of the above or other specifications of the Task Force's choosing.

Recommendations

- Formal action by the Task Force to adopt a policy with regard to lobbying and related activities will help to administer the grants in a clear, fair, and consistent manner.
- Task Force policy on this issue will be communicated to grant applicants through the Assurances, which must be signed by an authorized representative for the applicant.
- Task Force policy will be presented at application orientation workshops.

Healthy Nevada Grantee Activities related to Lobbying or Influence

Activities	Action	IRS Guidelines	OMB Guidelines
<ul style="list-style-type: none"> • Meet and greet luncheon with legislators • Advertising in support of specific legislation • Travel expenses to testify to legislative committee • Advocacy for development of local ordinances 	All activities were disallowed for Healthy Nevada funding	<ul style="list-style-type: none"> • Luncheon would be allowed • Testimony allowed if not advocating 	<ul style="list-style-type: none"> • Luncheon would be allowed
<ul style="list-style-type: none"> • Host a statewide conference to include the following activities: <ul style="list-style-type: none"> ○ Day one – “useful information and practical techniques for all tobacco control advocates, covering such topics as preemption and excise tax” ○ Day two – “meet with your elected officials and use the knowledge and skills learned on day one.” 	All activities were disallowed for Healthy Nevada funding	<ul style="list-style-type: none"> • Day one activities allowed if no call to action. 	
<ul style="list-style-type: none"> • Attendance at legislative hearings on specific bills • Ongoing efforts to educate legislature on specific issues 	All activities were disallowed for Healthy Nevada funding	<ul style="list-style-type: none"> • Activities allowed if not advocating 	<ul style="list-style-type: none"> • Activities allowed if not advocating
<ul style="list-style-type: none"> • Partnered with group to support tobacco control measures during the '03 legislative session • Provided information packets to several legislators 	All activities were disallowed for Healthy Nevada funding	<ul style="list-style-type: none"> • Information packets allowed if not advocating 	<ul style="list-style-type: none"> • Information packets allowed if not advocating
<ul style="list-style-type: none"> • Coalition youth presented displays in Legislative Building, observed legislative process, and distributed to legislators a publication with information on the impact of tobacco on the human body. 	(This proposal includes “environmental strategies” to impact community policies, laws and norms)	<ul style="list-style-type: none"> • Allowed if not related to specific legislation 	<ul style="list-style-type: none"> • Allowed if not related to specific legislation

APPENDIX F

Lobbying

Lobbying

- A Healthy Nevada grantee shall not use grant funds for any activity related to:

1. Any attempt to influence the outcome of any Federal, State or local election, referendum, initiative or similar procedure, through in kind or cash contributions, endorsements, publicity or a similar activity.

2. Establishing, administering, contributing to or paying the expenses of a political party, campaign, political action committee or other organization established for the purpose of influencing the outcome of an election, referendum, initiative or similar procedure.

3. Any attempt to influence:

(a) The introduction or formulation of Federal, State or local legislation; or

(b) The enactment or modification of any pending Federal, State or local legislation, through communication with any member or employee of Congress, the Nevada Legislature or a local governmental entity responsible for enacting local legislation, including, without limitation, efforts to influence State or local officials to engage in a similar lobbying activity, or through communication with any governmental official or employee in connection with a decision to sign or veto enrolled legislation.

4. Any attempt to influence the introduction, formulation, modification or enactment of a Federal, State or local rule, regulation, executive order or any other program, policy or position of the United States Government, the State of Nevada or a local governmental entity through communication with any officer or employee of the United States Government, the State of Nevada or a local governmental entity, including, without limitation, efforts to influence State or local officials to engage in a similar lobbying activity.

5. Any attempt to influence:

(a) The introduction or formulation of Federal, State or local legislation;

(b) The enactment or modification of any pending Federal, State or local legislation; or

(c) The introduction, formulation, modification or enactment of a Federal, State or local rule, regulation, executive order or any other program, policy or position of the United States Government, the State of Nevada or a local governmental entity, by preparing, distributing or using publicity or propaganda, or by urging members of the general public or any segment thereof to contribute to or participate in any mass demonstration, march, rally, fundraising drive, lobbying campaign or letter writing or telephone campaign.

6. Legislative liaison activities, including, without limitation, attendance at legislative sessions or committee hearings, gathering information regarding legislation and analyzing the effect of legislation, when such activities are carried on in support of or in knowing preparation for an effort to engage in an activity prohibited pursuant to subsections 1 to 5, inclusive.

7. Executive branch liaison activities, including, without limitation, attendance at hearings, gathering information regarding a rule, regulation, executive order or any other program, policy or position of the United States Government, the State of Nevada

or a local governmental entity and analyzing the effect of the rule, regulation, executive order, program, policy or position, when such activities are carried on in support of or in knowing preparation for an effort to engage in an activity prohibited pursuant to subsections 1 to 5, inclusive.

- A Healthy Nevada grantee may, to the extent and in the manner authorized in its grant, use grant funds for any activity directly related to educating persons in a nonpartisan manner by providing factual information in a manner that is:

1. Made in a speech, article, publication or other material that is distributed and made available to the public, or through radio, television, cable television or other medium of mass communication; and

2. Not specifically directed at:

- (a) Any member or employee of Congress, the Nevada Legislature or a local governmental entity responsible for enacting local legislation;

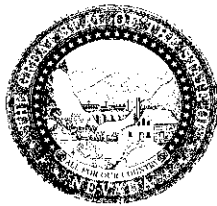
- (b) Any governmental official or employee who is or could be involved in a decision to sign or veto enrolled legislation; or

- (c) Any officer or employee of the United States Government, the State of Nevada or a local governmental entity who is involved in introducing, formulating, modifying or enacting a Federal, State or local rule, regulation, executive order or any other program, policy or position of the United States Government, the State of Nevada or a local governmental entity.

This provision does not prohibit a grantee or an applicant for a grant from providing information to the Task Force that is directly related to the grant or the application for the grant.

APPENDIX G

Background and Recommendations for Mid-Cycle Funding Requests



DEPARTMENT OF HUMAN RESOURCES
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To: Task Force Members, Fund for a Healthy Nevada

Copy: Michael J. Willden, Director, Department of Human Resources (DHR)
Mike Torvinen, Administrative Services Officer IV, DHR

From: Laura Hale, Social Services Chief III, Grants Management Unit
DHR – Director's Office

Date: January 7, 2004

Subject: Background and Recommendations for Mid-Cycle Funding Requests

The Task Force for the Fund for a Healthy Nevada is given the authority, under NRS 439.620 paragraph 6, to allocate funds, **other** than the following:

- 30% reserved for Senior Rx;
- 30% reserved for Aging Services Independent Living Grants; and
- 2.5% reserved for Medicaid Waiver prescriptions for people with disabilities.

Such allocations *must not be used to supplant existing methods of funding that are available to public agencies.*

NRS 439.630 paragraphs 1.(e) through 1.(g) direct the Task Force to allocate, by contract or grant, **not more than 20%** for tobacco control or treatment; **not more than 10%** for improving children's health; and **not more than 7.5%** to improve the health and well-being of people with disabilities. The Task Force is further required, under paragraph 1.(i), to *Maximize expenditures through local, federal and private matching contributions;* and 1.(j) to *develop policies and procedures for the administration and distribution of grants and other expenditures* with the requirement that *any such grant* may not use more than 8 percent of the grant for administrative expenses or other indirect costs.

Although at least one competitive round of requests for application is required per biennium, the statute does not address mid-cycle allocation of those funds that are not reserved. Paragraph 2 of NRS 439.630 provides that *The Task Force may take such other actions as necessary to carry out its duties.*

EXHIBIT <u>B</u>	HealthyNV	Document consists of <u>2</u> pages
<input checked="" type="checkbox"/> Entire document provided.		
<input type="checkbox"/> Due to size limitations, pages ____ through ____ provided.		
A copy of the complete document is available through the Research Library (775-684-6827 or e-mail library@icb.state.nv.us).		
Meeting Date		<u>1/7/04</u>

Since the creation of the fund, mid-cycle allocations have been made on three occasions:

- 1) Surplus amounts of \$1,197,773 for tobacco-related programs and \$572,474 for children's health and disability programs were used to augment grants in state fiscal year 2002;
- 2) A grant for \$200,000 was awarded to United Way of Southern Nevada in SFY02, following the September 11, 2001 terrorist attacks. This grant was used to expand health care insurance coverage to children of those who lost their jobs following September 11th.
- 3) A contract for \$195,603 was awarded to the Center for Health Improvement in SFY03 to provide evaluation of grants, and was later amended to \$225,603, to include a needs assessment report.

All of these allocations are consistent with the Legislative priorities for the use of tobacco settlement proceeds, as identified in NRS 439.600, which includes: reducing and preventing tobacco use and other substance abuse; expanding health insurance and health care for children and adults, especially those with disabilities; and promoting the general health of all residents of the State of Nevada.

Funds available for Task Force allocation are maintained as interest accumulates and unexpended grant funds revert. It is our recommendation that the Task Force develop a policy for funding mid-cycle requests, in order to respond to emergent needs with flexibility, while preventing the influx of a volume of requests that would require significant administrative processing, beyond the three percent administrative allowance provided for in statute.

The following issues should be considered:

- Who may advance requests for consideration?
- Does the request fall within the duties of the Task Force?
- Does the request fall within the Legislative priorities?
- Does the request fall within the Task Force priorities?
- Does the request require a timely response, outside of the biennial funding cycle?
- What is the funding mechanism? (Contract, grant agreement, or other?)
- Will competitive bids be required?
- Who will provide oversight?
- What kind of information will be required prior to an allocation?
- What kind of reporting will be required following allocation?
- How will payment(s) be made?

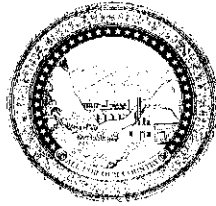
Typically, we require the following information prior to awarding funds: 1) scope of work or deliverables; 2) budget; 3) timeframe; 4) how the project meets our criteria; 5) payment process; and 6) capacity of an organization to implement the project.

All of our grantees are required to report progress on a quarterly basis, and to submit requests for reimbursement on a monthly or quarterly basis. A final report is also required, with measurable outcomes.

The Department will provide whatever support we can to carry out the decisions of the Task Force. If there is additional information we can provide at this time, please let me know.

APPENDIX H

Application Requirement Related to Subgranting of Funds



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To: Task Force Members, Fund for a Healthy Nevada

Copy: Michael J. Willden, Director, Department of Human Resources (DHR)
Mike Torvinen, Administrative Services Officer IV, DHR

From: Laura Hale, Social Services Chief III, Grants Management Unit
DHR – Director's Office

Date: January 7, 2004

Subject: Application Requirements Related to Subgranting of Funds

Due to some of the difficulties with subgrants and collaborative efforts in the current funding cycle, we are trying to develop some assurances with regard to third party commitments, on the front end of the upcoming funding cycle.

The Request for Applications indicates that written agreements with partners must be submitted with applications. During the orientation session on December 17, 2003, it was brought to my attention that this could create some difficulty for applicants. For organizations required to follow a competitive bidding process, there is insufficient time to accomplish this within the application timeframe for Healthy Nevada grants. Another concern is that because the applications are due several months prior to grant implementation, proposed partnerships may change.

Given these concerns, I have suggested that applicants submit letters of intent for any proposed partnerships, outlining the scope of work and budget. Further, applicants must provide a justification for why this work should be subcontracted through their organization, and describe their organizational capacity to monitor the subgrant. Once the grants and subgrants are in place, written agreements, signed by both parties, outlining the following would be required: 1) Amount of funds; 2) Scope of work; 3) Timeframe for work; 4) Payment method or process; 5) Projected outcomes and how they relate to the broader goals of the project; 6) Definitions for any clinical or special terms; and 7) Assurances that all parties will follow Healthy Nevada Grant Instructions.

This information is included on the Healthy Nevada website at www.healthynevada.state.nv.us, noting that the Task Force will consider the option for letters of intent at the January 7, 2004 meeting.

EXHIBIT <u>D</u> HealthyNV	Document consists of <u>1</u> pages
<input checked="" type="checkbox"/> Entire document provided.	
<input type="checkbox"/> Due to size limitations, pages ____ through ____ provided.	
A copy of the complete document is available through the Research Library (775-684-6827 or e-mail library@lcb.state.nv.us).	
Meeting Date <u>1/7/04</u>	

APPENDIX I

Draft Task Force Policy on Equipment Purchases



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To: Task Force Members, Fund for a Healthy Nevada

Copy: Michael J. Willden, Director, Department of Human Resources (DHR)
Mary Liveratti, Deputy Director, DHR
Mike Torvinen, Administrative Services Officer IV, DHR

From: Laura Hale, Social Services Chief III, DHR Grants Management Unit

Date: December 8, 2004

Subject: Draft Task Force Policy on Equipment Purchases

Current policy does not address ownership or transfer of equipment purchased through grants under the Fund for a Healthy Nevada.

Grant Instructions established within the Department require the following:

For Healthy Nevada Grants

- Grantees must establish a system of accounting for all equipment purchases of \$1000 or more. The system must include at a minimum a listing of all equipment costing \$1000 or more purchased with grant funds and the equipment's physical location. (Added 6/3/03)

For Family to Family (F2F) and Family Resource Center (FRC) Grants

1. All F2F and FRC programs shall develop policies and procedures to ensure that a current inventory is developed and maintained.
 - a. All items valued at \$500 or more must be labeled identifying it as purchased with F2F or FRC funds.
 - b. All items valued at \$100 or more must be included in the inventory listing.
 - c. An annual physical count of all property and equipment purchased with F2F or FRC funds must be conducted.
 - d. All equipment purchased with F2F or FRC funds is considered property of the State of Nevada, Department of Human Resources (DHR). If an agency no longer provides F2F or FRC services, the equipment will be transferred to an agency that is providing F2F or FRC services.

The instructions for F2F and FRC are more limiting with regard to equipment, because all of their grantees are providing common or similar services, and equipment is generally transferable.

Although some equipment purchased with Healthy Nevada funds could also be transferable, e.g., personal computers, printers, laptop computers; much of the high-end equipment might not be transferable. For example, dental vans or dental equipment would be very difficult for the state to manage as inventory if a grantee were to stop providing dental services.

We recommend the following policy for Task Force consideration:

- Following termination of services provided or supported with equipment purchased through a grant under the Fund for a Healthy Nevada, the Task Force may, at its discretion, instruct the Department to direct the grantee to retain, transfer or liquidate such equipment. If equipment is liquidated, proceeds must be returned to the Fund for a Healthy Nevada.

APPENDIX J

Suggested Legislation

The following Bill Draft Requests will be available during the 2005 Legislative Session, or can be accessed after “Introduction” at the following Web site: <http://www.leg.state.nv.us/73rd/BDRList/page.cfm?showAll=1>.

- | | |
|--------------|--|
| BDR No. -713 | Revises provisions concerning allocation of certain money from Fund for a Healthy Nevada. |
| BDR No. -714 | Provides subsidies from Fund for a Healthy Nevada for coverage of limited-scope dental and vision benefits to certain senior citizens. |

