

Task Force for the Fund for a Healthy Nevada



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TASK FORCE FOR THE FUND FOR A HEALTHY NEVADA

BULLETIN NO. 07-19

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SUMMARY OF RECOMMENDATIONS
TASK FORCE FOR THE FUND FOR A HEALTHY NEVADA
(Nevada Revised Statutes 439.625)

This summary presents the recommendations approved by the Task Force for the Fund for a Healthy Nevada at its July 13, 2006, meeting. The Task Force submits the following proposals to the 74th Session of the Nevada State Legislature.

1. Draft legislation that specifically authorizes the Task Force to allocate money from the Fund for a Healthy Nevada for data development, needs assessments, evaluations, and technical assistance related to programs funded by the Task Force pursuant to *Nevada Revised Statutes* (NRS) 439.630. **(BDR 40-240)**

2. Draft legislation modifying the policies and procedures to be followed by the Task Force concerning the timing and extent of grant applications. The legislation should amend paragraph (m) of subsection 1 of NRS 439.630 to require at least one competitive round of request for proposals every four years, instead of at least one competitive round per biennium, with regard to grants or contracts the Task Force is empowered to allocate. The legislation should require each grantee or contract recipient to submit an application for a noncompetitive renewal of its grant or contract two years after the grant or contract was awarded, at which time the Task Force may determine either to reduce or not renew the grant or contract. In addition, this legislation should also require the policies and procedures developed by the Task Force to include certain specific policies and procedures concerning the funding of contracts and grants. Finally, this measure should require the Task Force to develop policies and procedures that must be followed by any subcommittee of or advisory group to the Task Force when that subcommittee or advisory group is evaluating applicants for or making recommendations concerning contracts or grants. **(BDR 40-241)**

3. Draft legislation deleting subsection 6 of NRS 439.630, which requires the Department of Health and Human Services (DHHS) to submit certain allocations relating to State programs to the Interim Finance Committee for its approval prior to issuing a grant or contract. **(BDR 40-242)**

**REPORT TO THE 74TH SESSION OF THE NEVADA STATE LEGISLATURE
BY THE TASK FORCE
FOR THE FUND FOR A HEALTHY NEVADA**

I. INTRODUCTION

This bulletin provides a summary and background information about the Task Force for the Fund for a Healthy Nevada and its work during the 2005-2007 biennium.

The following legislators and members served on the Task Force for the Fund for a Healthy Nevada during the 2005-2007 bienniums:

Senator Maurice E. Washington, Chair
Assemblywoman Kathy McClain, Vice Chair
Senator Joseph J. Heck
Dr. John Ellerton
Dr. Elizabeth Fildes
Greg Griffin
Tom May
Carla Sloan
Dr. Paul Stewart

Legislative Counsel Bureau staff services for the Task Force were provided by Barbara S. Dimmitt, Senior Research Analyst; Roxanne Duer, Chief Principal Research Secretary; and Jeannie Claussen, Senior Research Secretary, of the Research Division; Richard S. Combs, Program Analyst, of the Fiscal Analysis Division; Leslie K. Hamner, Principal Deputy Legislative Counsel, and Sara L. Partida, Senior Deputy Legislative Counsel, of the Legal Division.

The Task Force held seven meetings between September 2005 and January 2007. The Task Force's activities included receiving and evaluating grant applications, awarding grants, and monitoring the progress of various grantees. All meetings were conducted through the use of simultaneous videoconferencing between Carson City and Las Vegas.

In addition, the Task Force implemented new collaborative procedures related to setting priorities for funding grants and evaluating grant applications. This included: (1) participating in two meetings held in joint session with the Grants Management Advisory Committee (GMAC); and (2) contributing members to four subcommittees charged with making recommendations to the GMAC and the Task Force. Each subcommittee held four meetings from October 2005 through November 2006. In addition, four focus groups comprised of experts in appropriate subject areas each met once to provide additional information and feedback to the respective subcommittees.

II. ESTABLISHMENT AND COMPOSITION OF THE TASK FORCE

In 1999, the Nevada State Legislature enacted Assembly Bill No. 474 (Chapter 538, *Statutes of Nevada 1999*), which created the Fund for a Healthy Nevada. This measure also established 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 revenues received by Nevada pursuant to the Tobacco Master Settlement Agreement (MSA) reached between the State of Nevada and manufacturers of tobacco products.

As provided in 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 a Senator appointed by the Majority Leader and an Assemblyman appointed by the Speaker, each legislative leader's appointees must include at least one representative of a nonprofit organization dedicated to health issues. Of the Governor's appointees, 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.

III. STATUTORY REQUIREMENTS FOR ALLOCATING HEALTHY NEVADA FUNDS

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

- Not more than 30 percent for direct expenditures by the DHHS to pay for certain prescription drugs, pharmaceutical services, and, to the extent money is available, other benefits, including dental and vision benefits, for eligible senior citizens under a program commonly known as Senior Rx;
- Not more than 30 percent minus \$350,000 for allocation by the Aging Services Division, DHHS, for programs that assist senior citizens with independent living;
- Not more than \$200,000 for allocation by the DHHS to provide guaranteed funding to finance certain assisted living facilities for senior citizens, as well as to fund assisted living supportive services provided under an amended Medicaid Home and Community-Based Services Waiver, if this waiver amendment receives approval from the federal government;
- Not more than \$150,000 for allocation by the Aging Services Division, DHHS, for existing or new programs providing dental benefits for eligible senior citizens;
- Not more than 20 percent for programs that prevent, reduce, or treat the use of tobacco and the consequences of such use;

- 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, with this funding to be allocated, to the extent possible, evenly between the following purposes: (1) respite services; (2) behavioral support; and (3) independent living; and
- Not more than 2.5 percent for direct expenditure by the DHHS to extend certain coverage for prescription drugs and other related services to eligible persons with disabilities under a program commonly known as Disability Rx.

IV. POWERS AND DUTIES OF THE TASK FORCE AND THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

Nevada Revised Statutes 439.630 empowers the Task Force to allocate funds from the Fund for a Healthy Nevada through a competitive grant process. Eligible applicants must provide programs in one or more of the following categories:

- Tobacco Use Prevention, Reduction, and Treatment;
- Children’s Health; and
- Disability Services.

Resulting grants are administered by the Grants Management Unit (GMU), which is housed in the DHHS Director’s Office and administers grants to a variety of local, regional, and statewide programs serving Nevadans.

The Task Force also has authority to monitor allocations of Fund revenues by the DHHS for the Senior Rx, Disability Rx, and independent living programs, as well as for vision and dental benefits for senior citizens.

V. STATUTORY DISTRIBUTION OF TOBACCO SETTLEMENT REVENUES

Nevada statutes divide the revenues the State receives as a party to the Tobacco MSA among three funds 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 Fund for a Healthy Nevada has received more than \$141.5 million in tobacco settlement revenues and interest from Fiscal Year (FY) 2001 through FY 2007 and is projected to receive an additional \$18.5 million for FY 2008, for a total of more than \$160 million. The distribution of those funds is presented in Table 1.

TABLE 1 Distribution of Revenues From the Fund for a Healthy Nevada For Fiscal Years 2001 Through 2008								
Fiscal Year	Senior Rx Program	Independent 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 Programs and Grants
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	5,982,983	5,982,983	3,988,655		1,994,328	1,495,745	498,581	19,943,275
FY 07	5,600,125	5,600,125	3,733,416		1,866,708	1,400,031	466,677	18,667,082
FY 08 ^b	5,550,455	5,550,455	3,700,303		1,850,152	1,387,614	462,538	18,501,517
TOTAL	\$48,008,562	\$48,008,562	\$32,005,705	\$16,646,043	\$7,679,832	\$5,759,873	\$1,919,957	\$160,028,534

a. Effective July 1, 2004 (FY 05), allocations were provided for expenditure pursuant to Assembly Bill 504 of the 2003 Legislature.

b. Projected

Source: Fiscal Analysis Division, Legislative Counsel Bureau

VI. SUMMARY OF TASK FORCE ACTIONS

During the 2005-2007 biennium, the Task Force implemented collaborative administrative procedures, evaluated grant applications, and allocated funds. The Task Force's major activities are described in this section of the bulletin.

A. Implementation of Collaborative Procedures Related to Grant Application and Review

During the 2005-2007 biennium, the Task Force implemented procedures for collaborating with the GMAC and the GMU concerning soliciting and evaluating grant applications.

1. Entities Involved in Collaborative Procedures

The GMAC is an advisory body appointed by the Director of the DHHS to make recommendations concerning his allocation of funds under the following programs:

1. Family-to-Family Connection — To provide information and support concerning health, safety, and development for families of infants and toddlers;
2. Family Resource Centers — To provide information, referral services, and support services to families;
3. The Children's Trust Fund — To prevent child abuse and neglect;
4. The Community Service Block Grant — To promote economic self-sufficiency, family stability, and community revitalization; and
5. The Title XX Social Service Block Grant — To assist persons in achieving or maintaining self-sufficiency and to prevent or remedy neglect, abuse, or exploitation of children and adults.

The GMU is housed in the office of the Director of the DHHS. The Unit administers grants awarded by the Task Force for the Fund for a Healthy Nevada, as well as grants funded under the five programs listed above. In addition, the GMU administers grants from the Revolving Account to Support Programs for the Prevention and Treatment of Problem Gambling. The Unit's administrative duties include issuing contracts, monitoring grantees to ensure financial and programmatic accountability, and providing technical assistance.

2. Development of Collaborative Procedures

The GMU staff noted that many grants it administers serve similar or complementary purposes. Therefore, the GMU proposed that the Task Force and the GMAC collaborate on certain activities. Specifically, the GMU staff suggested that establishing funding priorities

and reviewing and evaluating grant applications based on subject area, rather than by funding source, could maximize the effects of available funding and reduce paperwork.

After piloting the operation of two subcommittees on a partial basis during the 2003-2005 biennium, the Task Force and the GMAC voted to contribute members to four subcommittees organized by subject areas, regardless of funding source. In addition, the Task Force and the GMAC voted to conduct a limited number of joint meetings to receive and consider recommendations of the subcommittees.

The four subcommittees were assigned the following subject areas:

- **Subcommittee No. 1:** Independent Living, Housing/Homelessness, and Positive Behavior Support;
- **Subcommittee No. 2:** Health, Fitness, and Nutrition;
- **Subcommittee No. 3:** Substance Abuse Treatment and Prevention, Including Tobacco; and
- **Subcommittee No. 4:** Child Abuse Prevention, Respite, and Family Support.

The subcommittees were charged with formulating and submitting to both parent entities their recommendations for two activities: (1) setting priorities for granting funds; and (2) evaluating applications for new and continuing grants.

Each subcommittee met three times, received suggestions from a focus group of experts in its subject areas, and submitted recommendations for funding priorities to the Task Force and the GMAC. These subcommittee recommendations are available online at <http://hr.state.nv.us/GMU/Meetings/ScheduledMeetings.htm#November%202006>.

The members of each subcommittee also reviewed and evaluated grant applications in their subject areas, regardless of funding source, and made recommendations for allocating funds to the GMAC and the Task Force. The GMU staff provided technical review of the applications.

Despite its involvement in the subcommittees and other collaborations with the GMAC, the Task Force retains sole authority to award grants from the Fund as provided in NRS 439.630. Similarly, the Director of the DHHS retains the authority to allocate funds under the programs for which he is responsible.

3. Additional Proposals Not Adopted

At their joint meeting on January 5, 2006, the members of the Task Force and the GMAC voted against adopting additional proposals advanced by the GMU staff, as follows:

- Requiring continuing grantees to submit new budgets and timelines only, rather than the full narrative applications required of new applicants;
- Continuing funding for existing grantees whose programs remain within priority areas, to encourage stability and incentives for strong performance;
- Creating a formula to gradually decrease the funding for continuing grantees, to support fiscal sustainability while encouraging the leveraging of other funds; and
- Establishing a mechanism to phase out funding for grantees whose programs no longer fall within priority areas, to give these grantees time to make service adjustments or seek other funds.

B. Funding of Competitive Grants

When making decisions about allocating funds for the two-year grant 2007-2008, the Task Force drew upon recommendations of the four subcommittees; comments from grant applicants; and testimony received during the biennium from State, local, private, and nonprofit organizations. These decisions were somewhat more complicated than usual, due to uncertainty about the revenues the State can expect to receive from tobacco manufacturers.

1. Assumptions for Projecting Tobacco Settlement Revenues

In April 2006, certain tobacco companies participating in the Tobacco MSA withheld a total of approximately \$4.5 million in tobacco payments the State of Nevada expected to receive in April 2006. Nevada's Attorney General filed a lawsuit in federal court to obtain full payment of the disputed funds; this litigation is still pending.

As a result, the amount of money available in the Fund was more uncertain than usual when the Task Force met to allocate funds to competitive grant applicants. The Fiscal Analysis Division, Legislative Counsel Bureau, presented the Task Force with three options for projecting tobacco settlement revenues (see Appendix C). The Task Force chose the second option and made its allocations on the assumption that: (1) no additional revenues would be received for FY 2007; and (2) tobacco companies would withhold payments to a similar extent in April 2007 for FY 2008.

2. Allocating Grant Funds for Two-Year Grant Cycle

The Task Force awarded grants totaling approximately \$6.9 million for FY 2007 and \$6.3 million for FY 2008, for a combined total of more than \$13.2 million over the two-year grant cycle (see Table 2 and Appendix B). Continued funding during the second fiscal year will be contingent upon a grantee's satisfactory performance, as determined by reports provided to the Task Force from the GMU. In addition, the level of funding for all grantees will be contingent upon receipt by the State of adequate Tobacco MSA revenues in April 2007.

TABLE 2 Competitive Grant Allocations by the Task Force for the Fund for a Healthy Nevada Fiscal Years 2007 and 2008*			
Grant Category	FY 2007	FY 2008	Total
Substance and Tobacco Use Prevention, Reduction, and Treatment	\$3,581,777	\$3,196,641	\$ 6,778,418
Children's Health	1,773,926	1,774,912	3,548,838
Disability Services	1,552,449	1,335,250	2,887,699
TOTAL	\$6,908,152	\$6,306,803	\$13,214,955
Sources: Fiscal Analysis Division, Legislative Counsel Bureau, and Grants Management Unit, DHHS			

C. Additional Grants Approved

During the 2005-2007 biennium, the Task Force adopted proposals to fund two statewide projects. The first proposal relates to the Task Force's authority to assess Nevadans' health status and health needs. The second relates to evaluation of grantee performance.

1. *Statewide Surveys of the Status of Senior Citizens*

In September 2005, the Task Force allocated funds to the Cannon Survey Center, University of Nevada, Las Vegas, to conduct a statewide survey related to the health and disability status of senior citizens, including information about tobacco-related conditions. The resulting contract was funded at \$43,706. A copy of the survey results is available online at <http://surveys.unlv.edu/pdfs/Portrait%20of%20Nevadas%20Seniors%20Final%20Report.PDF>.

In December 2005, the Task Force allocated \$40,218 to the Cannon Survey Center to conduct a second statewide survey of Nevada's seniors. The procedures and questions on the survey instrument will be refined to take advantage of what was learned during the first survey and from post-survey feedback.

2. *Evaluation and Technical Assistance for Tobacco-Related Programs*

In July 2006, the Task Force allocated funds to provide evaluation and technical assistance for tobacco programs receiving grants from the Fund. The Request for Proposals (RFP) also required the successful applicant to conduct a statewide survey of adult tobacco use in Nevada. The Task Force received two responses to the RFP and awarded \$737,940¹ over FY 2007 and FY 2008 to Battelle Centers for Public Health Research and Evaluation to perform the work.

¹ This funding covers costs anticipated to extend several months in FY 2009.

D. Recommendations for Legislation

At its July 13, 2006, work session, the Task Force voted to request several bills related to its operations, duties, and staffing.

1. *Clarify Statutory Authority to Fund Specialized Functions*

Nevada Revised Statutes 439.630 requires the DHHS to administer programs funded from the Fund for a Healthy Nevada. The GMU's administrative activities relating to Task Force grants include: (1) routine monitoring of use of funds and adherence to contractual requirements; (2) preparation of quarterly reports alerting the Task Force to the progress of grantees toward stated objectives; and (3) site visits. These activities fall under the cap on DHHS' expenditures for administration, as provided in NRS 439.620.

Nevada Revised Statutes 439.630 also requires the Task Force to evaluate the health and health needs of Nevada residents and to conduct annual evaluations of funded programs. However, this statute does not specify the funding source for these activities.

During the 2005-2007 biennium, the Task Force determined that all grant-funded tobacco programs should be evaluated for effectiveness and adherence to the standards and best practices developed by the Centers for Disease Control and Prevention, United States Department of Health and Human Services. It was anticipated that many programs would need technical assistance to achieve compliance. The GMU staff indicated the DHHS has neither the resources within the statutory administrative cap nor the expertise to accomplish these activities.

Based on its powers to conduct annual evaluations of funded programs, the Task Force awarded Battelle Centers funding to evaluate and assist the tobacco programs. To address any potential ambiguity in statute, the Task Force also adopted the following recommendation to clarify its authority to fund certain specialized functions:

Recommendation No. 1 — Submit legislation to authorize specifically the Task Force to allocate money from the Fund for a Healthy Nevada for data development, needs assessments, evaluations, and technical assistance related to programs funded by the Task Force pursuant to NRS 439.630. (BDR 40-240)

2. *Modify and Streamline Procedures for Grant Application and Evaluation*

As the Task Force participated in the new subcommittee process and other collaborative activities with the GMAC, questions arose concerning how the grant application and evaluation processes could be streamlined and improved.

Staff of the GMU noted that the statutory requirement for a competitive application process every two years creates a substantial burden on the DHHS, the Task Force members, and grant applicants. Further, the biennial competitive application requirement does not allow flexibility to stagger the process and thereby distribute the workload across funding cycles.

In addition, the subcommittees did not use the identical criteria for determining which grant applicants to recommend for funding. The Task Force members discussed the possibility of achieving more uniformity in the methodology for making these decisions.

The Task Force adopted the following recommendation for legislation addressing these issues:

Recommendation No. 2 — Draft legislation modifying the policies and procedures to be followed by the Task Force concerning the timing and extent of grant applications. The legislation should amend paragraph (m) of subsection 1 of NRS 439.630 to require at least one competitive round of request for proposals every four years, instead of at least one competitive round per biennium, with regard to grants or contracts the Task Force is empowered to allocate. The legislation should require each grantee or contract recipient to submit an application for a noncompetitive renewal of its grant or contract two years after the grant or contract was awarded, at which time the Task Force may determine either to reduce or not renew the grant or contract.

In addition, this legislation should require the policies and procedures developed by the Task Force to include certain specific policies and procedures concerning the funding of contracts and grants. Finally, this measure should require the Task Force to develop policies and procedures that must be followed by any subcommittee of or advisory group to the Task Force when that subcommittee or advisory group is evaluating applicants for or making recommendations concerning contracts or grants. (BDR 40-241)

3. Repeal Requirement for Interim Finance Committee Approval of Certain Allocations

Nevada Revised Statutes 439.630(6) requires the Interim Finance Committee (IFC) to approve any Task Force allocation that would be used to expand or augment an existing State program. The GMU staff proposed repeal of this requirement, stating that IFC approval is redundant and creates a delay in implementation of services in the community. In support of its proposal, the GMU staff stated that:

- *Nevada Revised Statutes* 439.630.1(1) already prohibits use of Healthy Nevada funds to supplant existing State programs;

- The fact that the Task Force includes three legislators and receives staff support from the Legislative Counsel Bureau helps ensure that the funds do not supplant existing State programs; and
- Tobacco Settlement funds are not received until late April, and the date on which the Task Force allocates funds typically is past the deadline for submitting items for the IFC's June meeting. The interval until the next IFC meeting can be substantial.

The Task Force adopted the following recommendation:

Recommendation No. 3 — Draft legislation to delete subsection 6 of NRS 439.630, which requires the DHHS to submit certain allocations relating to State programs to the Interim Finance Committee for its approval prior to issuing a grant or contract. (BDR 40-242)

VII. CONCLUSION

This bulletin presents a summary of the bill drafts requested by the Task Force for discussion before the 2007 Nevada State Legislature. In addition, the bulletin describes major activities and issues the Task Force has addressed during the 2005-2007 biennium. Persons seeking more specific details may wish to take advantage of the wealth of information online documenting the Task Force's work. A number of useful Web sites are listed in Appendix D.

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APPENDIX A

Nevada Revised Statutes 439.625 and 439.630

APPENDIX A

Nevada Revised Statutes 439.625 and 439.630

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 timeliest 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.

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, pharmaceutical services and, to the extent money is available, other benefits, including, without limitation, dental and vision benefits 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 may subsidize any portion of the cost of providing prescription drugs, pharmaceutical services and, to the extent money is available, other benefits, including, without limitation, dental and vision benefits to senior citizens 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 minus \$350,000 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.

Ê 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) Reserve not more than \$200,000 of all revenues deposited in the Fund for a Healthy Nevada each year for allocation by the Director to:

- (1) Provide guaranteed funding to finance assisted living facilities that satisfy the criteria for certification set forth in NRS 319.147; and

- (2) Fund assisted living facilities that satisfy the criteria for certification set forth in NRS 319.147 and assisted living supportive services that are provided pursuant to the provisions of the home and community-based services waiver which are amended pursuant to NRS 422.2708.

Ê The Director shall develop policies and procedures for allocating money which is reserved pursuant to this paragraph.

(f) Reserve \$150,000 of all revenues deposited in the Fund for a Healthy Nevada each year if available for allocation by the Aging Services Division of the Department in the form of contracts or grants for existing or new programs that provide dental benefits to persons who are domiciled in this State and are 62 years of age or older:

- (1) Who satisfy the residency requirement set forth in subsection 2 of NRS 439.665;

- (2) Whose incomes are not over the amounts set forth in subsection 2 of NRS 439.665, as adjusted pursuant to the provisions of that section.

(g) Allocate, by contract or grant, 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.

(h) Allocate, by contract or grant, for expenditure not more than 10 percent of all revenues deposited in the Fund for a Healthy Nevada each year for programs that improve health services for children.

(i) Allocate, by contract or grant, for expenditure not more than 7.5 percent of all revenues deposited in the Fund for a Healthy Nevada each year for programs that improve the health and well-being of persons with disabilities. In making allocations pursuant to this paragraph, the Task Force shall, to the extent practicable, allocate the money evenly among the following three types of programs:

- (1) Programs that provide respite for persons caring for persons with disabilities;

- (2) Programs that provide positive behavioral supports to persons with disabilities; and

- (3) Programs that assist persons with disabilities to live safely and independently in their communities outside of an institutional setting.

(j) Reserve not more than 2.5 percent of all revenues deposited in the Fund for a Healthy Nevada each year for direct expenditure by the Department to subsidize any portion of the cost of providing prescription drugs and pharmaceutical services to persons with disabilities pursuant to NRS 439.705 to 439.795, inclusive. The Department shall consider recommendations from the Task Force for the Fund for a Healthy Nevada in carrying out the provisions of NRS 439.705 to 439.795, inclusive.

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

(l) 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.

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

(n) To make the allocations required by paragraphs (g), (h) and (i):

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

(2) Develop, solicit and accept 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.

(o) 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 paragraphs (d) and (f) 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, contracts 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 allocations made by the Aging Services Division pursuant to paragraphs (d) and (f) of subsection 1 to the Governor and the Interim Finance Committee.

5. The Aging Services Division of the Department shall submit each proposed grant or contract which would be used to expand or augment an existing state program to the Interim Finance Committee for approval before the grant or contract 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 providing prescription drugs and pharmaceutical services to senior citizens pursuant to NRS 439.635 to 439.690, inclusive, or to subsidize any portion of the cost of providing prescription drugs and pharmaceutical services to persons with disabilities pursuant to NRS 439.705 to 439.795, inclusive.

6. The Department, on behalf of the Task Force, shall submit each allocation proposed pursuant to paragraph (g), (h) or (i) of subsection 1 which would be used to expand or augment an existing state program to the Interim Finance Committee for approval before the contract or 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; 2003, 330, 1749; 2005, 366, 919, 1256, 1330, 1571, 2048, 2051)

APPENDIX B

List of Competitive Grants for the FY 2007/FY 2008 Grant Cycle:
Allocated by the Task Force for the Fund for a Healthy Nevada on May 4, 2006

Grants Allocated by the Task Force for the Fund for a Healthy Nevada May 4, 2006

<u>Organization Name</u>	<u>FY07 Proposed Allocation</u>	<u>FY08 Proposed Allocation</u>	<u>Combined Proposed Allocation</u>		
<u>DISABILITY (Reviewed by Subcommittee No. 1)</u>					
United Way of Northern Nevada/Sierra	\$ 15,530	\$ -	\$ 15,530		
Southern Nevada Center for Independent Living	\$ 102,740	\$ 99,317	\$ 202,058		
Carson City Health and Human Services	\$ -	\$ -	\$ -		
24-7 TLC/CHURB	\$ 111,416	\$ 101,253	\$ 212,669		
Northern Nevada Center for Independent Living, Inc.	\$ 75,400	\$ 67,926	\$ 143,326		
Nevada Community Enrichment Center	\$ 97,358	\$ 90,250	\$ 187,607		
Northern Nevada Center for Independent Living, Inc.	\$ 30,087	\$ 21,367	\$ 51,454		
New Vista Community	\$ 50,400	\$ 45,248	\$ 95,648		
CitiCare	\$ 56,588	\$ 50,807	\$ 107,395		
Board of Regents NSHE UNLV Department of Special Education	\$ 141,000	\$ 119,405	\$ 260,405		
Board of Regents NSHE UNR-Center for Excellence in Developmental Disabilities	\$ 314,140	\$ 270,197	\$ 584,337		
Board of Regents NSHE, UNR, Dept. of Psychology	\$ 38,569	\$ 34,250	\$ 72,819		
<u>DISABILITY (Reviewed by Subcommittee No. 4)</u>					
Northern Nevada RAVE Family Foundation	\$ 132,147	\$ 108,985	\$ 241,133		
Family Respite of Northeastern Nevada	\$ 43,667	\$ 39,000	\$ 82,667		
ALS of Nevada	\$ 127,000	\$ 106,833	\$ 233,833		
Fallon Rural Respite	\$ 28,704	\$ 25,000	\$ 53,704		
Easter Seals of Southern Nevada	\$ 104,500	\$ 95,833	\$ 200,333		
Foundation for Positively Kids	\$ 68,833	\$ 45,538	\$ 114,371		
Olive Crest Foster Family Agency	\$ 14,370	\$ 14,038	\$ 28,408		
<u>DISABILITY TOTAL</u>	\$ 1,552,449	\$ 1,335,250	\$ 2,887,698	\$ 2,899,873	\$ 12,175
<u>CHILDREN'S HEALTH (Reviewed by Subcommittee No. 2)</u>					
United Way of Northern Nevada/Sierra	\$ 19,909	\$ 20,066	\$ 39,975		
Boys and Girls Club of Las Vegas West	\$ 42,394	\$ 42,508	\$ 84,901		
Food Bank of Northern Nevada	\$ 199,433	\$ 198,349	\$ 397,782		
Washoe County School District	\$ 18,609	\$ 18,173	\$ 36,782		
Northern Nevada Immunization Coalition	\$ 234,650	\$ 238,411	\$ 473,060		
CLASS! Publications	\$ 27,660	\$ 29,542	\$ 57,203		
Covering Kids and Families	\$ 95,621	\$ 79,696	\$ 175,317		
Great Basin Primary Care Association	\$ 83,862	\$ 78,824	\$ 162,686		
University Medical Center, Family Resource Center	\$ 34,674	\$ 36,146	\$ 70,820		
Washoe Medical Center	\$ 31,365	\$ 41,161	\$ 72,526		
Wells Family Resource and Cultural Center	\$ 11,642	\$ 10,402	\$ 22,044		
Saint Mary's Foundation	\$ 47,014	\$ 46,539	\$ 93,552		
Saint Rose Dominican Health Foundation	\$ 67,665	\$ 78,165	\$ 145,830		
United Way of Southern Nevada	\$ 288,875	\$ 279,668	\$ 568,544		
Family Resource Center of Northeast Nevada	\$ 44,369	\$ 43,791	\$ 88,160		
Nye Community Coalition	\$ 47,344	\$ 49,315	\$ 96,659		
Nevada Health Centers - CCSN	\$ 341,360	\$ 348,853	\$ 690,213		
Saint Mary's Foundation	\$ 137,481	\$ 136,303	\$ 273,783		
<u>CHILDREN'S HEALTH TOTAL</u>	\$ 1,773,926	\$ 1,775,912	\$ 3,549,838	\$ 3,549,838	

Grants Allocated by the Task Force for the Fund for a Healthy Nevada May 4, 2006

TOBACCO (Reviewed by Subcommittee No. 3)

United Way of Northern Nevada/Sierra	\$ 38,133	\$ 38,133	\$ 76,266	
Nevada Cancer Institute	\$ 44,660	\$ 39,301	\$ 83,961	
Board of Regents NSHE UNLV School of Medicine	\$ 604,464	\$ 522,618	\$ 1,127,082	
Bristlecone Family Resources	\$ -	\$ -	\$ -	
Community Counseling Center - LV	\$ 15,576	\$ 13,707	\$ 29,283	
Sierra Recovery Center	\$ -	\$ -	\$ -	
Community Counseling Center - CC	\$ -	\$ -	\$ -	
Nevada State Health Division	\$ 106,009	\$ 89,954	\$ 195,963	
Clark County Health District	\$ 670,979	\$ 608,145	\$ 1,279,124	
Saint Mary's Foundation	\$ 304,942	\$ 267,428	\$ 572,370	
Big Brothers Big Sisters of NV	\$ 43,896	\$ 40,380	\$ 84,276	
Washoe County District Health Division	\$ 238,363	\$ 215,964	\$ 454,327	
PACE Coalition	\$ 45,929	\$ 38,534	\$ 84,462	
American Lung Association	\$ 328,992	\$ 293,443	\$ 622,434	
Healthy Communities Coalition	\$ 45,552	\$ 41,685	\$ 87,237	
Partnership of Community Resources	\$ 53,187	\$ 49,093	\$ 102,280	
Board of Regents NSHE UNLV Crack Down on Cancer	\$ 565,415	\$ 494,745	\$ 1,060,159	
HealthSmart	\$ 190,999	\$ 173,130	\$ 364,129	
American Cancer Society	\$ 106,493	\$ 91,900	\$ 198,393	
Nevada Academy of Family Physicians	\$ 39,715	\$ 36,623	\$ 76,338	
Nye Community Coalition	\$ 34,305	\$ 31,789	\$ 66,094	
Northern Nevada Center for Independent Living, Inc.	\$ 32,681	\$ 30,159	\$ 62,840	
Churchill Community Coalition	\$ 10,496	\$ 14,504	\$ 25,000	
Reno Sparks Indian Colony	\$ -	\$ -	\$ -	
Nevada Urban Indians	\$ -	\$ -	\$ -	Eval/TA \$ 753,156
Carson Advocates for Cancer Care	\$ 60,992	\$ 65,408	\$ 126,400	Balance \$ -
<u>TOBACCO TOTAL</u>	\$ 3,581,777	\$ 3,196,641	\$ 6,778,418	\$ 7,531,574
				\$ 753,156

APPENDIX C

Three Possible Options for Projecting Tobacco Settlement Revenues

**STATE OF NEVADA
LEGISLATIVE COUNSEL BUREAU**

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BARBARA E. BUCKLEY, Assemblywoman, Chair
Lorne J. Malkiewich, Director, Secretary

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BRIAN L. DAVIE, Legislative Services Officer (702) 486-2800

MEMORANDUM

DATE: May 1, 2006

TO: Task Force Members
 Task Force for the Fund for a Healthy Nevada

FROM: Rick Combs, Program Analyst
 Fiscal Analysis Division

SUBJECT: Funds Available for Distribution for the FY 2007 and FY 2008 Grant Cycle

As the members of the Task Force may be aware, several tobacco companies, participating in the master settlement agreement withheld approximately \$4.5 million in tobacco payments the state of Nevada expected to receive this fiscal year. The companies placed the funds in a disputed payment account because they believe the tobacco settlement agreement provides for a reduced payment when the participating cigarette manufacturers lose significant market share to non-participating manufacturers. The Attorney General has filed a lawsuit in federal court to obtain full payment of the disputed funds based on the fact the state has diligently enforced its law requiring non-participating manufacturers to put money in escrow for future legal obligations.

Because the Healthy Nevada Fund receives 50 percent of tobacco payments, the withheld payments result in a \$2.25 million reduction in revenues for the Healthy Nevada Fund in FY 2007. The loss of revenue is somewhat offset by an increase in projected interest revenue based on the interest earnings for the first three quarters of FY 2006. A summary of the available amounts for FY 2007 compared to the preliminary projections provided to the Task Force at its January 5, 2006 meeting is set forth below:

	Preliminary Estimate	Current Estimate	Difference
Reduce Tobacco Use Grants	\$4,318,222	\$3,979,751	(\$338,471)
Children's Health Grants	\$1,943,161	\$1,773,926	(\$169,235)
Disability Services Grants	\$1,694,866	\$1,567,939	(\$126,927)

I have provided three options for the Task Force to consider with respect to allocations for FY 2008. The first option assumes that the tobacco companies will not withhold tobacco payments in FY 2007 and that Nevada will receive its full share of tobacco revenues under the agreement. The second option assumes that the payments received from the tobacco companies will be reduced by approximately 10.8 percent from current projections, which is the percentage reduction that occurred in FY 2006. The third option assumes that the payments received in FY 2007 will be reduced by approximately 21 percent because all participating manufacturers may choose to withhold payments in future years.

The Fiscal Analysis Division recommends that the Task Force use option 2 to establish the amounts that should be allocated for FY 2008. Selecting option 1 may require the Task Force to take action to reduce FY 2008 grant amounts if the tobacco companies withhold payments next fiscal year. Option 1 results in increased revenues due to increased interest revenue projections. Option 3 would require the Task Force to reduce significantly the grants that have been recommended by the Task Force and Grants Management Unit Advisory Council joint subcommittees during the past couple of weeks. Such a significant reduction may be unnecessary if the litigation is resolved in the state's favor, if interest revenues exceed projections or if grantees do not expend all of the allocated funds in FY 2006 or FY 2007. Option 2 provides the Task Force some protection from being required to reduce grants later in the grant cycle, while reducing the severity of the reductions in the grants that have already been recommended by the joint subcommittees.

A summary of the available amounts for FY 2008 compared to the preliminary projections provided to the Task Force at its January 5, 2006, meeting is set forth below for each option described above:

OPTION 1	Preliminary Estimate	Current Estimate	Difference
Reduce Tobacco Use Grants	\$3,876,848	\$3,984,177	\$107,329
Children's Health Grants	\$1,938,424	\$1,992,088	\$53,664
Disability Services Grants	\$1,453,818	\$1,494,066	\$40,248

OPTION 2	Preliminary Estimate	Current Estimate	Difference
Reduce Tobacco Use Grants	\$3,876,848	\$3,551,823	(\$325,025)
Children's Health Grants	\$1,938,424	\$1,775,912	(\$162,512)
Disability Services Grants	\$1,453,818	\$1,331,934	(\$121,884)

OPTION 3	Preliminary Estimate	Current Estimate	Difference
Reduce Tobacco Use Grants	\$3,876,848	\$3,151,823	(\$725,025)
Children's Health Grants	\$1,938,424	\$1,575,912	(\$362,512)
Disability Services Grants	\$1,453,818	\$1,181,934	(\$271,884)

Regardless of the option selected by the Task Force, it should be noted that the FY 2008 allocations are estimates and could vary considerably from the amounts actually received. **The Task Force should include language in the FY 2008 grant allocation to indicate that the grant amount may require modification in the event estimated revenues are not achieved.**

The attached worksheets provide detailed information regarding the manner in which the amounts available for allocation were estimated. A separate worksheet is provided for each option in FY 2008.

Attachments - 3

Fund for a Healthy Nevada
Estimate of Funds Available for Allocation for FY 2007 and FY 2008 (Option 1)

	Senior Rx Program 30%	Independent Living Grants 30%	Reduce Tobacco Use Grants 20%	Children's Health Grants 10%	Disability Services Grants 7.5%	Disability RX Program 2.5%	Total Healthy Nevada Fund 100%
Balances Brought Forward from FY06	\$ 3,355,215	\$ -	\$ 391,093	\$ (20,307)	\$ 222,212	\$ 563,954	\$ 4,512,167
Revenues Received in FY 06 for expenditure in FY 07							
Tobacco Settlement Receipts	\$ 5,288,643	\$ 5,288,643	\$ 3,525,762	\$ 1,762,881	\$ 1,322,161	\$ 440,720	\$ 17,628,812
Treasurer's Interest Received	\$ 311,100	\$ 311,100	\$ 207,400	\$ 103,700	\$ 77,775	\$ 25,925	\$ 1,037,000
Total Revenue Available for FY 2007	\$ 8,954,958	\$ 5,599,743	\$ 4,124,255	\$ 1,846,274	\$ 1,622,148	\$ 1,030,599	\$ 23,177,979
Outstanding Obligations for FY 2007							
Senior RX / Disability Rx Expenditures - FY07	\$ (8,977,560)					\$ (465,227)	\$ (9,442,787)
Aging Services Grants - FY 07		\$ (5,641,129)					\$ (5,641,129)
Allocation for Admin. Treas - FY07	\$ (24,819)	\$ (24,819)	\$ (16,546)	\$ (8,273)	\$ (6,205)	\$ (2,068)	\$ (82,731)
Allocation for Admin. DHR - FY07	\$ (294,168)		\$ (127,958)	\$ (64,075)	\$ (48,004)		\$ (534,205)
Allocation for Admin. Aging - FY07		\$ (162,365)					\$ (162,365)
FY 2007 Unobligated Balance	\$ (341,589)	\$ (228,570)	\$ 3,979,751	\$ 1,773,926	\$ 1,567,939	\$ 563,304	\$ 7,314,762
Difference from Prelim. Estimate 1-5-06	\$ (507,706)	\$ (507,706)	\$ (338,471)	\$ (169,235)	\$ (126,927)	\$ (42,309)	
Revenues Received in FY 07 for expenditure in FY 08							
Tobacco Settlement Receipts	\$ 5,943,985	\$ 5,943,985	\$ 3,962,657	\$ 1,981,328	\$ 1,485,996	\$ 495,332	\$ 19,813,285
Treasurer's Interest Received	\$ 255,000	\$ 255,000	\$ 170,000	\$ 85,000	\$ 63,750	\$ 21,250	\$ 850,000
Total Revenue Available for FY 2008	\$ 6,198,985	\$ 6,198,985	\$ 4,132,657	\$ 2,066,328	\$ 1,549,746	\$ 516,582	\$ 20,663,285
Outstanding Obligations for FY 2008							
Allocation for Admin. Treas - FY08	\$ (27,301)	\$ (27,301)	\$ (18,201)	\$ (9,100)	\$ (6,825)	\$ (2,275)	\$ (91,004)
Allocation for Admin. DHR - FY08	\$ (325,698)		\$ (130,279)	\$ (65,140)	\$ (48,855)	\$ (27,142)	\$ (597,113)
Allocation for Admin. Aging - FY08		\$ (178,602)					\$ (178,602)
FY 2008 Unobligated Balance	\$ 5,845,986	\$ 5,993,083	\$ 3,984,177	\$ 1,992,088	\$ 1,494,066	\$ 487,165	\$ 19,796,565
Difference from Prelim. Estimate 1-5-06	\$ 176,938	\$ 137,077	\$ 107,329	\$ 53,664	\$ 40,248	\$ 14,744	

Fund for a Healthy Nevada
Estimate of Funds Available for Allocation for FY 2007 and FY 2008 (Option 2)

	Senior Rx Program 30%	Independent Living Grants 30%	Reduce Tobacco Use Grants 20%	Children's Health Grants 10%	Disability Services Grants 7.5%	Disability RX Program 2.5%	Total Healthy Nevada Fund 100%
Balances Brought Forward from FY06	\$ 3,355,215	\$ -	\$ 391,093	\$ (20,307)	\$ 222,212	\$ 563,954	\$ 4,512,167
Revenues Received in FY 06 for expenditure in FY 07							
Tobacco Settlement Receipts	\$ 5,288,643	\$ 5,288,643	\$ 3,525,762	\$ 1,762,881	\$ 1,322,161	\$ 440,720	\$ 17,628,812
Treasurer's Interest Received	\$ 311,100	\$ 311,100	\$ 207,400	\$ 103,700	\$ 77,775	\$ 25,925	\$ 1,037,000
Total Revenue Available for FY 2007	\$ 8,954,958	\$ 5,599,743	\$ 4,124,255	\$ 1,846,274	\$ 1,622,148	\$ 1,030,599	\$ 23,177,979
Outstanding Obligations for FY 2007							
Senior RX / Disability Rx Expenditures - FY07	\$ (8,977,560)					\$ (465,227)	\$ (9,442,787)
Aging Services Grants - FY 07		\$ (5,641,129)					\$ (5,641,129)
Allocation for Admin. Treas - FY07	\$ (24,819)	\$ (24,819)	\$ (16,546)	\$ (8,273)	\$ (6,205)	\$ (2,068)	\$ (82,731)
Allocation for Admin. DHR - FY07	\$ (294,168)		\$ (127,958)	\$ (64,075)	\$ (48,004)		\$ (534,205)
Allocation for Admin. Aging - FY07		\$ (162,365)					\$ (162,365)
FY 2007 Unobligated Balance	\$ (341,589)	\$ (228,570)	\$ 3,979,751	\$ 1,773,926	\$ 1,567,939	\$ 563,304	\$ 7,314,762
Difference from Prelim. Estimate 1-5-06	\$ (507,706)	\$ (507,706)	\$ (338,471)	\$ (169,235)	\$ (126,927)	\$ (42,309)	
Revenues Received in FY 07 for expenditure in FY 08							
Tobacco Settlement Receipts	\$ 5,295,455	\$ 5,295,455	\$ 3,530,303	\$ 1,765,152	\$ 1,323,864	\$ 441,288	\$ 17,651,517
Treasurer's Interest Received	\$ 255,000	\$ 255,000	\$ 170,000	\$ 85,000	\$ 63,750	\$ 21,250	\$ 850,000
Total Revenue Available for FY 2008	\$ 5,550,455	\$ 5,550,455	\$ 3,700,303	\$ 1,850,152	\$ 1,387,614	\$ 462,538	\$ 18,501,517
Outstanding Obligations for FY 2008							
Allocation for Admin. Treas - FY08	\$ (27,301)	\$ (27,301)	\$ (18,201)	\$ (9,100)	\$ (6,825)	\$ (2,275)	\$ (91,004)
Allocation for Admin. DHR - FY08	\$ (325,698)		\$ (130,279)	\$ (65,140)	\$ (48,855)	\$ (27,142)	\$ (597,113)
Allocation for Admin. Aging - FY08		\$ (178,602)					\$ (178,602)
FY 2008 Unobligated Balance	\$ 5,197,456	\$ 5,344,552	\$ 3,551,823	\$ 1,775,912	\$ 1,331,934	\$ 433,121	\$ 17,634,798
Difference from Prelim. Estimate 1-5-06	\$ (471,592)	\$ (511,454)	\$ (325,025)	\$ (162,512)	\$ (121,884)	\$ (39,300)	

Fund for a Healthy Nevada
Estimate of Funds Available for Allocation for FY 2007 and FY 2008 (Option 3)

	Senior Rx Program 30%	Independent Living Grants 30%	Reduce Tobacco Use Grants 20%	Children's Health Grants 10%	Disability Services Grants 7.5%	Disability RX Program 2.5%	Total Healthy Nevada Fund 100%
Balances Brought Forward from FY06	\$ 3,355,215	\$ -	\$ 391,093	\$ (20,307)	\$ 222,212	\$ 563,954	\$ 4,612,167
Revenues Received in FY 06 for expenditure in FY 07							
Tobacco Settlement Receipts	\$ 5,288,643	\$ 5,288,643	\$ 3,525,762	\$ 1,762,881	\$ 1,322,161	\$ 440,720	\$ 17,628,812
Treasurer's Interest Received	\$ 311,100	\$ 311,100	\$ 207,400	\$ 103,700	\$ 77,775	\$ 25,925	\$ 1,037,000
Total Revenue Available for FY 2007	\$ 8,954,958	\$ 5,599,743	\$ 4,124,255	\$ 1,846,274	\$ 1,622,148	\$ 1,030,599	\$ 23,177,979
Outstanding Obligations for FY 2007							
Senior RX / Disability Rx Expenditures - FY07	\$ (8,977,560)					\$ (465,227)	\$ (9,442,787)
Aging Services Grants - FY 07		\$ (5,641,129)					\$ (5,641,129)
Allocation for Admin. Treas - FY07	\$ (24,819)	\$ (24,819)	\$ (16,546)	\$ (8,273)	\$ (6,205)	\$ (2,068)	\$ (82,731)
Allocation for Admin. DHR - FY07	\$ (294,168)		\$ (127,958)	\$ (64,075)	\$ (48,004)		\$ (534,205)
Allocation for Admin. Aging - FY07		\$ (162,365)					\$ (162,365)
FY 2007 Unobligated Balance	\$ (341,589)	\$ (228,570)	\$ 3,979,751	\$ 1,773,926	\$ 1,567,939	\$ 563,304	\$ 7,314,762
Difference from Prelim. Estimate 1-5-06	\$ (507,706)	\$ (507,706)	\$ (338,471)	\$ (169,235)	\$ (126,927)	\$ (42,309)	
Revenues Received in FY 07 for expenditure in FY 08							
Tobacco Settlement Receipts	\$ 4,695,455	\$ 4,695,455	\$ 3,130,303	\$ 1,565,152	\$ 1,173,864	\$ 391,288	\$ 15,651,517
Treasurer's Interest Received	\$ 255,000	\$ 255,000	\$ 170,000	\$ 85,000	\$ 63,750	\$ 21,250	\$ 850,000
Total Revenue Available for FY 2008	\$ 4,950,455	\$ 4,950,455	\$ 3,300,303	\$ 1,650,152	\$ 1,237,614	\$ 412,538	\$ 16,501,517
Outstanding Obligations for FY 2008							
Allocation for Admin. Treas - FY08	\$ (27,301)	\$ (27,301)	\$ (18,201)	\$ (9,100)	\$ (6,825)	\$ (2,275)	\$ (91,004)
Allocation for Admin. DHR - FY08	\$ (325,698)		\$ (130,279)	\$ (65,140)	\$ (48,855)	\$ (27,142)	\$ (597,113)
Allocation for Admin. Aging - FY08		\$ (178,602)					\$ (178,602)
FY 2008 Unobligated Balance	\$ 4,597,456	\$ 4,744,552	\$ 3,151,823	\$ 1,575,912	\$ 1,181,934	\$ 383,121	\$ 15,634,798
Difference from Prelim. Estimate 1-5-06	\$ (1,071,592)	\$ (1,111,454)	\$ (725,025)	\$ (362,512)	\$ (271,884)	\$ (89,300)	

APPENDIX D

List of Relevant Internet Web Sites

List of Relevant Internet Web Sites

1. Home Page of the Nevada State Legislature's Web Site:
<http://www.leg.state.nv.us/>
 - Contains a variety of information on the legislative process, key issues, and the work done when the Legislature is not in session.
2. Task Force for the Fund for a Healthy Nevada:
<http://www.leg.state.nv.us/73rd/Interim/StatCom/HealthyNV/>
 - Contains links to Task Force agendas, minutes, and materials distributed at meetings.
3. Grants Management Unit, Department of Health and Human Services:
<http://hr.state.nv.us/GMU/Meetings/ScheduledMeetings.htm>
 - Contains agendas, minutes, and other information about the four subcommittees comprised of Task Force and GMAC members; and
 - Contains agendas and minutes of joint meetings between the Task Force and the GMAC.
4. Subcommittee Reports to the Task Force and the GMAC on Findings and Funding Priorities:
 - Subcommittee No. 1: Independent Living, Housing/Homelessness, and Positive Behavior Support:
<http://hr.state.nv.us/GMU/Meetings/Joint%20GMAC%20TF%2001-05-06/VIIa%20AT%201%20Recommendations%20final.doc>
 - Subcommittee No. 2: Health, Fitness, and Nutrition:
<http://hr.state.nv.us/GMU/Meetings/Joint%20GMAC%20TF%2001-05-06/VIIb%20CAT%202%20Recommendations%20final.doc>
 - Subcommittee No. 3: Substance Abuse Treatment and Prevention, Including Tobacco:
<http://hr.state.nv.us/GMU/Meetings/Joint%20GMAC%20TF%2001-05-06/VIIc%20AT%203%20Recommendations%20final.doc>
 - Subcommittee No. 4: Child Abuse Prevention, Respite, and Family Support:
<http://hr.state.nv.us/GMU/Meetings/Joint%20GMAC%20TF%2001-05-06/VIIId%20AT%204%20Recommendations%20final.doc>

5. Three Options for Projecting Future Payments into the Fund for a Healthy Nevada:
<http://www.leg.state.nv.us/73rd/Interim/StatCom/HealthyNV/exhibits/19132B.pdf>
 - May 1, 2006, Memorandum to the Task Force from the Fiscal Analysis Division, Legislative Counsel Bureau, illustrating the effects of three options when attempting to project payments to Nevada by tobacco manufacturers.
6. List of Grants Allocated for Fiscal Years 2007 and 2008, as Approved by the Task Force on May 4, 2006¹ (see also Appendix B):
<http://www.leg.state.nv.us/73rd/Interim/StatCom/HealthyNV/exhibits/19132L.pdf>
 - NOTE: The terms “Category 1,” “Category 2,” “Category 3,” and “Category 4” refer to the subject areas assigned to the four subcommittees.
7. “Portrait of Nevada’s Seniors Survey Project”:
<http://surveys.unlv.edu/pdfs/Portrait%20of%20Nevadas%20Seniors%20Final%20Report.PDF>
 - Contains the August 2006 report of a survey conducted by the Cannon Survey Center, University of Nevada, Las Vegas, with funds allocated by the Task Force.

¹ This information does not reflect revisions to allocations made after the Task Force’s May 4, 2006, meeting. Most of these revisions are limited and are due to adjustments in grant objectives or changes in organizational structure affecting the grant.

APPENDIX E

Suggested Legislation

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Suggested Legislation

The following Bill Draft Requests will be available during the 2007 Legislative Session, or can be accessed after “Introduction” at the following Web site: <http://www.leg.state.nv.us/74th/BDRList/page.cfm?showAll=1>.

- BDR 40-240 Authorizes the Task Force for the Fund for a Healthy Nevada to Allocate Money From the Fund for a Healthy Nevada for Evaluations and Technical Assistance.
- BDR 40-241 Makes Various Changes Concerning Policies and Procedures of the Task Force for the Fund for a Healthy Nevada.
- BDR 40-242 Revises Provisions Concerning Allocation of Certain Money From the Fund for a Healthy Nevada.