



POLICY AND PROGRAM REPORT

Health Care and Health Insurance



April 2016

The State's involvement in health care and health insurance issues is primarily through two agencies: the Department of Health and Human Services (DHHS) and the Division of Insurance (DOI) in the Department of Business and Industry (B&I).

DEPARTMENT OF HEALTH AND HUMAN SERVICES

The mission of the DHHS is to promote "the health and well-being of Nevadans through the delivery or facilitation of essential services to ensure families are strengthened, public health is protected, and individuals achieve their highest level of self-sufficiency."

The 2015 Legislature approved General Fund appropriations of \$2.172 billion for the DHHS for the 2015-2017 Biennium, an increase of approximately \$119.9 million, or 5.8 percent, compared to the appropriations for the 2013-2015 Biennium approved by the 2013 Legislature.

The following offices and their administrators are within the jurisdiction of the DHHS:

Aging and Disability Services Division

Jane Gruner, Administrator

Division of Child and Family Services

Kelly Wooldridge, Administrator

Division of Health Care Financing and Policy

Marta Jensen, Acting Administrator

Division of Public and Behavioral Health

Cody L. Phinney, M.P.H., Administrator

Leon Ravin, M.D., Acting Chief Medical Officer

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Division of Welfare and Supportive Services

Steve H. Fisher, Administrator

Office of the State Public Defender

Karin L. Kreizenbeck, State Public Defender

Office for Consumer Health Assistance

Janise Wiggins, Governor's Consumer Health Advocate

In addition to these divisions and offices, the DHHS administers a variety of other programs and grants, including grants from the Fund for a Healthy Nevada, which is a fund established by the State's Master Settlement Agreement with the tobacco industry. Originally, the Fund allocations were for defined service areas, including tobacco cessation programs; improvements in health services for children and for persons with disabilities; prescription drugs and pharmaceutical services for senior citizens and certain persons with disabilities; certain dental and vision benefits for senior citizens; and services to assist senior citizens with independent living. However, in 2013, the Legislature revised the requirements by expanding children's health to include programs that address the health and well-being of all Nevadans; removing the specific funding allocations; and adding a requirement that a statewide community needs assessment be conducted every other year to establish funding priorities. Information about the Fund for a Healthy Nevada grants and funding priorities may be obtained from the DHHS website at: [http://dhhs.nv.gov/Programs/Grants/Funding/FHN/Fund For A Healthy Nevada/](http://dhhs.nv.gov/Programs/Grants/Funding/FHN/Fund%20For%20A%20Healthy%20Nevada/).

DIVISION OF INSURANCE

The mission of the DOI is "to protect the rights of Nevada consumers in their experiences with the insurance industry and to ensure the financial solvency of insurers." The DOI plays an active role in the implementation of health insurance reforms pursuant to the federal Patient Protection and Affordable Care Act (ACA). Primary reforms monitored by the DOI include:

- Assistance for individuals and families to purchase health insurance through federal subsidies;
- Guaranteed access to health insurance regardless of age or health status;
- The inability to decline coverage or charge extra for health insurance due to a preexisting health condition;
- The guarantee of a minimum set of health benefits known as "essential health benefits";
- Dependent coverage extended to 26 years of age;
- Coverage of most preventive services and immunizations at no expense to the consumer;
- A requirement that insurers in the individual and small group market spend at least 80 cents of every dollar collected from consumers on medical care and services;

- Annual and lifetime dollar limits prohibited on essential health benefits; and
- Certification of provider network adequacy for health maintenance organizations (HMOs) and health benefit plans seeking certification as qualified health plans available for purchase through the health benefit exchange.

The Consumer Services Section (CSS) within the Division is available to assist consumers through enforcement of Title 57 (“Insurance”) of *Nevada Revised Statutes* pertaining to insurance. The CSS provides consumer advocacy, compliance investigation, insurance information, and assistance through educational materials and public liaison efforts. The “Consumers” link has a form that consumers may use to submit a formal complaint in an effort to resolve a problem with an insurance company or agent conducting business in Nevada. The “Health Care Reform” link provides additional information regarding implementation of the ACA in Nevada. Specifically, as it relates to health insurance and health care reform, the Division has created several informational pages to assist the public:

- Insurance Considerations for Small Business: http://business.nv.gov/Business/Insurance/Business_Insurance/.
- Discount Plans: <http://doi.nv.gov/Consumers/Discount-Plans/>.
- Dental Insurance: <http://doi.nv.gov/Consumers/Dental/>.
- Rx Plans: <http://doi.nv.gov/Consumers/RX/>.
- Vision Insurance: <http://doi.nv.gov/Consumers/Vision/>.
- Medicare Supplement Insurance: <http://doi.nv.gov/Consumers/Medicare-Supplement/>.
- Long-Term Care Insurance: <http://doi.nv.gov/Consumers/Long-Term-Care-Insurance/>.
- Disability Insurance: <http://doi.nv.gov/Consumers/Disability-Insurance/>.
- How Healthcare Reform Affects You and Your Family: <http://doi.nv.gov/Healthcare-Reform/Individuals-Families/>.
- How the Affordable Car Act Affects Your Business: <http://doi.nv.gov/Healthcare-Reform/Small-Business/>.

Additional information may be obtained through the Division’s website (<http://doi.nv.gov/>) or by calling (775) 687-0700 in Carson City, (702) 486-4009 in Las Vegas, or toll free at (888) 872-3234.

MAJOR COVERAGE PROGRAMS

Medicaid

The Nevada Medicaid program is administered by the Division of Health Care Financing and Policy (DHCFP), DHHS. The program makes health care services available to low-income persons who are aged, blind, or disabled and to women and children. Medicaid is the largest low-income health care

program in the State, and the program is financed through a combination of money from the State General Fund, local governments, and the federal government. The ACA, in addition to other provisions, provided states with an opportunity to expand Medicaid, offering eligibility for coverage to a childless adult population. The 2015 Legislature approved a State General Fund appropriation of \$1.125 billion for Medicaid for the 2015-2017 Biennium. The total budget is approximately \$6.424 billion, including \$5.299 billion in federal and other funding. The average monthly Medicaid caseloads are 587,907 in Fiscal Year (FY) 2016 and 576,310 in FY 2017. Nevada was one of the states that opted to expand Medicaid coverage, through the ACA, to adults 19 to 64 years of age with household incomes up to 138 percent of the federal poverty level. Approximately \$1.86 billion of the total budget is for the Medicaid expansion population, which currently is funded with 100 percent federal funds.

The federal government, through the Centers for Medicare and Medicaid Services (CMS), United States Health and Human Services, provides matching funds, known as Federal Medical Assistance Percentage (FMAP), to support state-administered Medicaid medical services. The average FMAP rates for the current fiscal biennium are 64.93 percent for Federal Fiscal Year (FFY) 2016, and 64.67 percent for FFY 2017. The State receives an enhanced FMAP (100 percent) for individuals who are newly eligible for Medicaid, pursuant to the ACA, for three years (2014 through 2016). The enhanced federal funding for this population will decrease to 95 percent beginning in 2017 and will decrease every year thereafter until 2020 when it reaches 90 percent, where it will remain for each subsequent year. In addition to the FMAP for medical services, there are different FMAP rates for other types of services, such as: administrative; direct care provided by skilled professional medical personnel employed by the State of Nevada; information systems design, development, and implementation costs; and operations of a federally certified Medicaid Management Information System. All of these FMAP rates are defined by federal regulation.

Nevada's Medicaid administers both fee-for-service and managed care programs. Mandatory Medicaid managed care requires certain persons who receive Medicaid to obtain their medical care from HMOs. For the DHCFP to require persons who receive Medicaid assistance to enroll in a managed care program, there must be at least two managed care companies in a region. Both Clark and Washoe Counties require that medical services to Medicaid recipients be delivered via HMOs. In other areas of the State, due to a lack of managed care companies, health care providers are paid on a fee-for-service basis when they treat a patient who is enrolled in Medicaid.

Medicaid services and the policies that govern these services can be found in the *Medicaid Services Manual*, which may be reviewed online at: http://dhcfp.nv.gov/uploadedFiles/dhcfpnev.gov/content/Resources/AdminSupport/Manuals/Medicaid_Services_Manual_Complete.pdf. In addition, Access Nevada is an online application system that allows individuals to apply for Medicaid and Nevada Check Up programs and other programs managed by the Division of Welfare and Supportive Services, and is available online at: <https://dwss.nv.gov/>.

Medicare

Medicare is the nation's health insurance program for people 65 years of age or older, certain younger people with disabilities, and people with End-Stage Renal Disease, which is permanent kidney failure

requiring dialysis or a transplant. Unlike the Medicaid program, Medicare eligibility is not based upon low income, nor does Medicare generally cover long-term care. The U.S. Social Security Administration is responsible for the application and eligibility processes, and the CMS administers the Medicare program. In 2014, Medicare spending was estimated to account for 14 percent of the total federal budget and 20 percent of total national health spending.

Medicare benefit payments totaled \$597 billion in 2014; roughly one-fourth was for hospital inpatient services (Part A), 12 percent for physician services (Part B), and 11 percent for drug benefits (Part D). Another one-fourth of benefit spending was for Part C, Medicare Advantage private health plans covering all Part A and B benefits.¹

The State Health Insurance Assistance Program (SHIP) is located within the Aging and Disability Services Division, DHHS. Through a statewide network of volunteers, SHIP offers free one-on-one assistance and counseling to Medicare beneficiaries in Nevada with respect to many problems seniors encounter regarding Medicare, supplemental health insurance, and long-term care options. Volunteers may be reached at: (800) 307-4444 or (702) 486-3478 in Las Vegas. Additional information is available online at: http://adsd.nv.gov/Programs/Seniors/SHIP/SHIP_Prog/.

A more in-depth description of the federal Medicare program is included in the April 2016 *Policy and Program Report* on Senior Citizens.

Nevada Check Up

The Nevada Check Up program is the State's Children's Health Insurance Program (CHIP), and it is the second largest health care delivery program administered by the DHCFP. According to the Division, the mission of the Nevada Check Up program is "to provide low-cost, comprehensive health care coverage to low income, uninsured children (birth through 18) who are not covered by private insurance or Medicaid; while: (1) promoting health care coverage for children; (2) encouraging individual responsibility; and (3) working with public and private health care providers and community advocates for children."

This program also is jointly funded by federal and State funds and is overseen by the CMS. The federal share FMAP rate for FFY 2016 is 98.45 percent and 98.27 percent for FFY 2017. Medical care to children enrolled in Nevada Check Up also is delivered by HMOs. Where there is insufficient HMO coverage, health care providers are paid on a fee-for-service basis.

Toll-free telephone numbers are available for families to determine their eligibility for the program: (877) 543-7669 (in-state) and (800) 992-0900 (out-of-state). Additional details about the program are available on the Nevada Health Link website at <https://www.nevadahealthlink.com/individuals-families/medicaidnevada-check-up/> or on the Nevada Check Up website at <https://nevadacheckup.nv.gov/>.

¹*The Facts on Medicare Spending and Financing*; July 24, 2015; Kaiser Family Foundation (<http://kff.org/medicare/fact-sheet/medicare-spending-and-financing-fact-sheet/>).

Senior and Disability Prescription (Rx) Drug Programs

Senior Rx and Disability Rx are funded with a portion of Nevada's share of tobacco settlement funds. The Senior Rx program is administered by the DHHS and was enacted during the 1999 Legislative Session. Effective January 1, 2007, the State of Nevada began providing assistance with the cost of prescription medicine to qualified individuals with disabilities. The programs help seniors and persons with disabilities who are Medicare eligible with their monthly premiums for their Medicare Part D Prescription Drug Plan and helps with prescription costs if they reach the Part D coverage gap (frequently referred to as the "donut hole").

More information about Senior Rx may be found at: <http://adsd.nv.gov/Programs/Seniors/SeniorRx/SrRxProg/>. Disability Rx information may be found at: <http://adsd.nv.gov/Programs/Physical/DisabilityRx/DisabilityRx/>. Additional information for both programs may be obtained by calling (775) 687-0539, if calling from Reno, Carson City, or Gardnerville areas, or toll free at (866) 303-6323, option 7, if outside these areas.

Office for Consumer Health Assistance

For assistance when a health insurance claim is denied or with other problems with a person's individual or group policy, questions may be directed to the Office for Consumer Health Assistance, DHHS, at: (888) 333-1597. This Office acts as "a single point of contact for consumers and injured workers to assist them in understanding their rights and responsibilities under Nevada law and health care plans, including industrial insurance policies." The Office also will assist Medicaid consumers.

The Silver State Health Insurance Exchange

The Silver State Health Insurance Exchange was established by Senate Bill 440 (Chapter 439, *Statutes of Nevada 2011*) to create and administer a State-based health insurance exchange, facilitate the purchase and sale of qualified health plans, and provide for the establishment of a program to help certain small employers in Nevada facilitate the enrollment of employees in qualified health plans pursuant to the ACA and the federal Health Care and Education Reconciliation Act of 2010. The Exchange is governed by a board of directors, consisting of seven voting members and the directors of the DHHS, B&I, and Department of Administration. The board appoints an executive director of the Exchange, who in turn may employ such persons as necessary and as funding allows. In 2014, as a result of technical difficulties in the development of the State-based health exchange, the board of directors made a decision to use the federal platform (<https://www.healthcare.gov/>) for the eligibility and enrollment functions. In addition, the responsibility for premium billing and collection activities was transferred from the exchange to the insurance carriers, to minimize potential misallocations, errors, and the need for reconciliations. Finally, the board increased the opportunity for face-to-face assistance, through the in-person assistance search tool, which helps individuals find Navigator organizations, certified enrollment assisters, and licensed brokers and agents in their area. The Exchange is funded through federal funds, fees, and interagency transfers. The Exchange's web portal, Nevada Health Link, helps individuals and employers shop, compare, and purchase health insurance plans that fit their needs. The Open Enrollment Period for the 2016 plan year begins on November 1, 2015, and continues through January 31, 2016.

Additional information regarding the Exchange and Nevada Health Link may be found at: <https://www.nevadahealthlink.com/sshix/>.

HEALTH CARE SERVICES AND FACILITIES

Health Care Services

For the most part, people who have health insurance have access to high-quality health care services. However, there is limited access to providers for persons who do not have health insurance. Without health insurance, access to specialist physicians is particularly limited.

Nationally, Nevada consistently ranks at or near the bottom of the list on major indicators of health status for the State's population. In addition, the Nevada Primary Care Association (NVPCA) reports that the health status of some groups falls far below the State mean. Some populations in Nevada have mortality and morbidity rates that are among the highest in the nation. Native Americans, immigrants, homeless people, uninsured individuals, and low-income families tend to have chronic and acute health problems worse than the average population. In addition, oral health and behavioral health problems are severe for the State's overall population, due in part to limited health care resources for underserved people.

Community health centers fill the void for many who do not have health insurance. These centers are local, nonprofit, community-owned health care providers that serve low-income and medically underserved communities. Community and tribal clinics in the State provide high-quality, affordable primary care and preventive services, and they often offer on-site dental, pharmaceutical, and mental health and substance abuse services. Also known as federally qualified health centers, they are located in areas where care is needed but scarce.

More information about the State's community and tribal clinics may be obtained from NVPCA's website at: <http://www.nvpca.org>. In addition, information on all Nevada public health policymaking organizations and population-based health service providers, including their missions, duties, and jurisdictions, may be accessed on the Nevada Public Health Foundation's website at: <http://www.nevadapublichealthfoundation.org/>.

Major hospitals in Nevada are required to reduce or discount the total billed charge of a hospital stay by at least 30 percent for hospital services provided to an inpatient who:

- Has no insurance or other contractual provision for the payment of the charge by a third party;
- Is not eligible for coverage by a federal or State program of public assistance that would provide for the payment of the charge; and
- Makes reasonable arrangements within 30 days after discharge to pay the hospital bill.

Health Care Facilities

Health care facilities such as hospitals and nursing homes are regulated in Nevada by the Bureau of Health Care Quality and Compliance (BHCQC) in the Division of Public and Behavioral Health, DHHS. In addition, entities such as assisted living facilities and group homes are regulated by the BHCQC. Complaints regarding the quality of care in these facilities may be directed to the BHCQC by calling (775) 684-1030 in Carson City or (702) 486-6515 in Las Vegas.

The Aging and Disability Services Division of the DHHS is able to assist consumers in locating information about nursing homes. It also assists seniors with complaints about quality of care issues. Consumers may obtain additional information about the Division's services at: <http://adsd.nv.gov/>.

Complaints about the quality of care provided by individual employees in the facilities may be directed to the employee's licensing board, particularly if the employee is a certified nursing assistant, nurse, physician, psychiatrist, or other licensed medical or mental health professional. For information on how to find contact information for these licensing boards, see the section titled, "Health Care Professionals—Disciplinary Action," below.

HEALTH CARE PROFESSIONALS

Health Care Professionals—Disciplinary Action

The Legislative Counsel Bureau maintains a list of disciplinary reports from the State's occupational and health care provider licensing boards on its website at: <https://www.leg.state.nv.us/App/OL/A/>. Relevant contact information for the boards is available in these reports.

Supply of Health Professionals

According to the *Health Workforce in Nevada*, 2015 Edition, University of Nevada School of Medicine, report, Nevada is ranked 48th in the U.S. for the number of physicians per capita, 50th for primary care physicians, 41st for psychologists, 50th for social workers, 47th for psychiatrists, and 51st for registered nurses. In addition, Nevada ranks 43rd in physicians with medical specialties and 51st in physicians with surgical specialties, including 51st in general surgery and 51st in orthopedic surgery. The aging population, the increased access to health care through the ACA, and a national shortage of nurses and specific specialists all support policymakers' efforts to develop a statewide system for determining and addressing the State's needs for health care professionals to provide care.

WEBSITES AND ADDITIONAL RESOURCES

Department of Health and Human Services

Telephone: (775) 684-4000

Website: <http://dhhs.nv.gov/>

Office for Consumer Health Assistance

Toll-free Telephone: (888) 333-1597

Website: <http://dhhs.nv.gov/programs/CHA>

Website: <https://nv.pparx.org>

Aging and Disability Services Division

Telephone (Carson City): (775) 687-4210

Telephone (Elko): (775) 738-1966

Telephone (Las Vegas): (702) 486-3545

Telephone (Reno): (775) 688-2964

Website: <http://adsd.nv.gov>

Senior Rx and Disability Rx

Telephone: (775) 687-0539 (from Reno-Carson City-Gardnerville areas)

Toll-free Telephone: (866) 303-6323, option 7 (from outside Reno-Carson City-Gardnerville areas)

Website: <http://adsd.nv.gov/Programs/Seniors/SeniorRx/SrRxProg>

Website: <http://adsd.nv.gov/Programs/Physical/DisabilityRx/DisabilityRx>

Division of Health Care Financing and Policy

Telephone: (775) 684-3676

Website: <https://dhcfp.nv.gov/>

Nevada Check Up

Toll-free Telephone (in-state): (877) 543-7669

Toll-free Telephone (out-of-state): (800) 992-0900

Website: <https://nevadacheckup.nv.gov/>

Nevada Medicaid

Telephone: (775) 684-3600

Website: <http://www.medicaid.nv.gov>

Division of Public and Behavioral Health

Telephone: (775) 684-4200

Website: <http://dpbh.nv.gov/>

Division of Welfare and Supportive Services

Telephone: (775) 684-0500

Toll-free Voice Response System Telephone: (800) 992-0900

Website: <https://dwss.nv.gov/>

Division of Insurance

Department of Business and Industry

Telephone (Carson City): (775) 687-0700

Telephone (Las Vegas): (702) 486-4009

Website: <http://doi.nv.gov>

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