



**NEVADA LEGISLATURE**  
**LEGISLATIVE COMMITTEE ON HEALTH CARE**  
*(Nevada Revised Statutes 439B.200)*

**SUMMARY MINUTES AND ACTION REPORT**

---

The fifth meeting of the Nevada Legislature's Legislative Committee on Health Care was held on Wednesday, March 17, 2010, at 9 a.m. in Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. The meeting was videoconferenced to Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. A copy of this set of "Summary Minutes and Action Report," including the "Meeting Notice and Agenda" ([Exhibit A](#)) and other substantive exhibits, is available on the Nevada Legislature's website at: <http://leg.state.nv.us/Interim/75th2009/Committee/>. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (e-mail: [publications@lcb.state.nv.us](mailto:publications@lcb.state.nv.us); telephone: 775/684-6835).

**COMMITTEE MEMBERS PRESENT IN LAS VEGAS:**

Senator Valerie Wiener, Chair  
Assemblywoman Peggy Pierce, Vice Chair  
Senator Allison Copening  
Assemblyman Joseph (Joe) P. Hardy, M.D.  
Assemblywoman Ellen B. Spiegel

**COMMITTEE MEMBER PRESENT IN CARSON CITY:**

Senator Maurice E. Washington

**LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:**

Marsheilah D. Lyons, Principal Research Analyst, Research Division  
Sara L. Partida, Principal Deputy Legislative Counsel, Legal Division  
Sally Trotter, Senior Research Secretary, Research Division

## **OPENING REMARKS**

Senator Valerie Wiener, Chair, welcomed members, presenters, and the public to the fifth meeting of the Legislative Committee on Health Care (LCHC). Chair Wiener noted the procedures for Committee business and testimony.

## **UPDATE REGARDING THE ACCESS TO HEALTHCARE NETWORK (AHN)**

**(As directed by Chair Wiener, this agenda item was taken out of order.)**

- Ken Retterath, Chair, AHN, provided an overview of the AHN program ([Exhibit B](#)). He outlined the shared responsibility model and the core care providers. Mr. Retterath discussed the rate structure and requirements for members. He provided a synopsis of: (1) the medical discount program; (2) local government contracts for indigent care clients; (3) eligibility pre-screening; (4) a hotline; (5) prenatal care programs; (6) a wellness program that will be added in 2010; and (7) a health savings program that offers a match for individual savings used to pay health care providers. He stated that sign-ups for Churchill County will begin on April 1, 2010, and that signed contracts are in place with rural hospitals in Battle Mountain, Ely, and Winnemucca. Mr. Retterath advised that the Carson Tahoe Regional Medical Center is expected to enter into a contract with AHN on April 1, 2010, and he reported on the existing programs available in southern Nevada.
- Niki King, Northern Nevada Director, AHN, clarified that members who join the AHN program through their employer are required to meet income guidelines. She discussed policies that prohibit an employer from dropping existing health insurance to enroll in the AHN.

In response to Chair Wiener's inquiry, Ms. King stated that AHN provides coverage to individuals who would not otherwise have insurance and is utilized mainly by small businesses.

Discussion ensued regarding AHN's safeguards for its plan and problems with certain other insurance companies. Further discussion centered on the number of members that were dis-enrolled, reimbursements to providers, and feedback from providers. Mr. Retterath reiterated that AHN is a medical discount program, not an insurance program.

- Assemblywoman Spiegel asked if a person who becomes unemployed could discontinue their health coverage to join the AHN program. She also inquired if employers provide their employees with information about the AHN.
- Ms. King stated that there is a required waiting period between leaving any health insurance program and joining AHN. She said she is not aware of employers providing information about AHN to their employees. Ms. King commented that active AHN members who become unemployed can remain on the AHN program for three months

without income verification and thereafter they have the option to continue as an individual member of AHN.

Discussion ensued between Senator Copening and Ms. King regarding an employer's payment responsibilities with AHN and efforts to prevent duplication of services.

Responding to Vice Chair Pierce's inquiry regarding income levels and payment requirements for outpatient surgery, Mr. Retterath stated that cash payment is due at the time of service and income levels are set between 100 to 250 percent of the poverty level.

In response to Chair Wiener's question, Ms. King stated that a study based on specialty provider capacity indicates that currently AHN could provide services for up to 15,000 members in Washoe County.

- Assemblyman Hardy commented on the merits of AHN.

## **PRESENTATION REGARDING VOLUNTEERS IN MEDICINE OF SOUTHERN NEVADA (VMSN)**

**(As directed by Chair Wiener, this agenda item was taken out of order.)**

- Sarah Heiner, M.D., VMSN, provided background information on her professional experience and outlined the patient assistance program offered by VMSN. She discussed the process of applying for tort claim protection provided by the federal government for physicians working in free clinics. Dr. Heiner described the services VMSN provides.
- Florence Jameson, M.D., Founder, VMSN, provided statistics on the number of uninsured persons in Nevada. She explained the vision of VMSN is to provide Nevada's underserved population access to health care. Dr. Jameson outlined: (1) current and future facility locations; (2) number of patients served; (3) quality policies; and (4) local donors, volunteers, and programs. She commented on the need for VMSN to retain more pharmacies and discussed a program that dispenses reissued prescription drugs to clinics.
- Chair Wiener mentioned that Senate Bill 197 (Chapter 261, *Statutes of Nevada 2009*) provides for the reissuance of certain prescription drugs. She directed Dr. Jameson to work with staff and provide recommendations for the LCHC's upcoming work session.

Responding to Assemblywoman Spiegel's question regarding the VMSN's criteria for accepting patients, Dr. Jameson stated that there are three requirements: (1) the patient must not have any insurance, including Medicaid or Medicare; (2) the income level of the patient must be below 200 percent of the poverty level; and (3) the patient must have resided in southern Nevada (Clark County) for at least three months.

- Dr. Heiner commented that VMSN serves individuals who seek care for preexisting conditions that insurance companies will not cover as long as they meet the residency requirement and show proof they are unable to receive care for their condition.

In response to Vice Chair Pierce's request, Dr. Jameson said that written information would be supplied to the LCHC as soon as it is available. She provided the VMSN's Web address (<http://www.vmsn.org/index.html>).

- Senator Copenig asked how VMSN cares for patients with long-term care needs, such as dialysis.
- Dr. Jameson stated that VMSN provides preventative medicine and treatment for acute and chronic illnesses, as well as expanded services for prenatal care. She noted that dental, mental health, and optometry services will be provided in the future.
- Dr. Heiner reported on her networking efforts with contacts in the medical community to recruit specialty care providers for the VMSN.
- Senator Copenig commented on the importance of both the AHN and VMSN and the potential of the two organizations working together.
- Chair Wiener mentioned Assembly Bill 213 (Chapter 122, *Statutes of Nevada 2009*), which requires the State Board of Pharmacy to establish the Cancer Drug Donation Program.
- Dr. Heiner discussed physician shortages in Nevada. She commented that many premedical students are volunteering at VMSN.

#### **UPDATE REGARDING GREAT BASIN PRIMARY CARE ASSOCIATION (GBPCA) OF NEVADA AND AFFILIATED COMMUNITY HEALTH CENTERS**

**(As requested by Chair Wiener, this agenda item was not heard and will be rescheduled for a future LCHC meeting.)**

#### **UPDATE CONCERNING THE STATUS OF REGULATIONS RELATING TO THE DISPROPORTIONATE SHARE PAYMENTS MADE TO CERTAIN HOSPITALS PURSUANT TO SENATE BILL 382 (CHAPTER 421, *STATUTES OF NEVADA 2009*)**

- Charles Duarte, Administrator, Division of Health Care Financing and Policy, Department of Health and Human Services (DHHS), provided background information on the distributive share hospital (DSH) payment program and the State Plan Amendment (SPA). He outlined the proposal process and commented that proposed regulations would be established by June 2010. Mr. Duarte discussed the

current distribution of DSH funds between the funding pools and the sources of revenue. He provided a summary of the proposed distribution methodology and pointed out changes that would provide more eligible hospitals with DSH funds. (See [Exhibit C](#), [Exhibit C-1](#), [Exhibit C-2](#), [Exhibit C-3](#), and [Exhibit C-4](#)).

Responding to Chair Wiener's inquiry, Mr. Duarte stated the current proposed regulations would not change the allocation of DSH funding to hospitals that have reduced their services.

Mr. Duarte opined that hospitals that serve a high proportion of Medicaid patients should provide non-emergency maternity services. He further noted that consideration has been given to revising the SPA to require those services be provided by hospitals in order to qualify for DSH funding.

## **UPDATE REGARDING SCHOOL DISTRICTS' EFFORTS TO INCREASE PARTICIPATION IN SCHOOL NUTRITION PROGRAMS**

- Donnell Barton, C.F.C.S., Director, Office of Child Nutrition and School Health, Nevada's Department of Education, discussed the May 2009 letter of intent that was sent to the State's school district superintendents to assist them in determining the feasibility of Provision 2 of the National School Lunch Act and elimination of reduced price meals in their school districts. Ms. Barton commented that the spreadsheets are also available on the Child Nutrition and School Health webpage under the National School Lunch Program Resources (<http://www.doe.nv.gov/NSLP.htm>). She outlined the number of schools (by district) that have at least 80 percent free and reduced price eligible students and the number of Provision 2 schools in each district. Ms. Barton stated that currently 482 schools in Nevada participate in the school breakfast program with 168 of those schools at an 18 percent or greater participation rate. She summarized barriers encountered in the breakfast program and offered suggestions for increasing participation. Ms. Barton explained that currently the United States Department of Agriculture does not provide regulatory authority to collect information to add performance indicators to school district budget documents. A copy of Ms. Barton's testimony is available as [Exhibit D](#).
- Chair Wiener asked for a brief update on the Fresh Fruit and Vegetable Program (FFVP) and any efforts made to increase participation in the Clark County School District (CCSD).
- Ms. Barton indicated that applications for participation in the FFVP will be mailed to the districts and that \$1.5 million in funding will be available to qualified schools. Ms. Barton commented that Lorelei DiSogra, Ed.D., R.D., Vice President, Nutrition and Health, United Fresh Produce Association, has offered to speak about the FFVP to the CCSD.

- Geri Casey, Assistant Director, Nutrition Services, Washoe County School District (WCSD), reported on increased participation in the nutrition program. She stated that 14 sites are participating in the FFVP. Ms. Casey outlined: (1) the number of schools that offer breakfast; (2) programs to promote increased participation; and (3) financial reports. She provided suggestions regarding how the State and the WCSD can increase participation in the FFVP. (See [Exhibit E.](#))
- Chair Wiener asked for suggestions concerning the Statewide School Wellness Policy required by the United States Food and Drug Administration (FDA) for schools that receive funding for free and reduced price meals. She commented that there have been suggestions to make the Policy a statutory requirement.
- Ms. Casey stated that Washoe County's Wellness Policy is more stringent than the State's requirements. She said the WCSD encounters a lack of consistency between wellness policies in California and Nevada. She opined that standards need to be consistent.
- Charles Anderson, Director, Food Services, Clark County School District, commented that all the CCSD schools participate in the National School Lunch Program. Mr. Anderson reported that CCSD has absorbed over \$8 million in lost revenue because of the requirement to serve free and low-cost meals at Provision 2 schools. He stated that Provision 2 is no longer deemed practical at CCSD.

Mr. Anderson outlined problems with the Breakfast in the Classroom Programs and offered alternative suggestions including sending hungry students or entire classrooms to the cafeteria for breakfast. He said that CCSD had introduced a pilot program to temporarily suspend the reduced-price meal category and incorporate it within the free lunch category. Mr. Anderson discussed efforts to promote the school meals programs and outlined issues that cause decreased participation. (See [Exhibit F.](#))

In response to Chair Wiener's inquiry regarding participation numbers for CCSD, Mr. Anderson stated that the free lunch participation is 25.99 percent, the reduced-pay lunch participation is 3.3 percent and paid lunch participation is 9.57 percent. The participation for free breakfast is at 8.64 percent with .66 percent participation for reduced-pay breakfast and paid breakfast participation is 1.36 percent. Mr. Anderson noted these figures were based on participation by enrollment. He said he would provide this information to the Committee.

Responding to Chair Wiener's inquiry regarding funding received by CCSD for the FFVP, Virginia Beck, Food Service Dietician, CCSD, stated there are two year-round schools and four traditional schools taking part in the FFVP in Clark County and each school received approximately \$60,000 for the year. She added that it is difficult to find personnel in the school that are willing to administer the program, and prepare and serve the meals. Ms. Beck added that all of those duties require a food handler's card.

Discussion ensued regarding ideas to increase participation in the FFVP in the CCSD.

- Chair Wiener asked Geri Casey, previously identified, to explain how the FFVP works at the WCSD and requested that information be sent to CCSD to be used as a model.
- Ms. Casey added that the WCSD dietician serves as the administrator of the FFVP. She explained the food is prepared in bulk at the central kitchen, distributed to each participating school, and the cafeteria manager distributes the food to the classroom.
- Caroline McIntosh, Superintendent, Lyon County School District, representing Nevada's rural school districts, provided information on school nutrition programs in rural communities. Her handout included questionnaire responses from 15 rural districts and "viability study" worksheets from Silver Springs Elementary School and Yerington Elementary School ([Exhibit G](#), [Exhibit G-1](#), and [Exhibit G-2](#)). She called attention to challenges unique to rural Nevada, such as declining enrollment, geography, reduced funding, sparse population, and high unemployment rates. Ms. McIntosh discussed solutions that rural schools have implemented to ensure students have access to healthy breakfasts and lunches. She commented that statewide documentation is important so that all qualifying children receive services. Concluding, Ms. McIntosh reported that: (1) all rural schools have received grants for the FFVP; (2) all schools with afterschool programs provide a nutritious snack to participating students; and (3) a weekend backpack program provides food to students when they are not in school.
- Paula Berkley, Food Bank of Northern Nevada, voiced her support to a statewide program that could compare the level of participation in nutrition programs among Nevada's school districts. She opined that such a system could assist school officials in determining the amount of federal funding needed for school nutrition programs. Ms. Berkley commented on direct certification, which would provide for the automatic enrollment of students who participate in the Supplemental Nutrition Assistance Program into school nutrition programs. She offered to work with the school districts concerning direct certification and expressed her support to serving food in the classroom under instructional time.

Discussion ensued regarding how other states implement the Breakfast in the Classroom Program, how this program is incorporated with instructional time, the importance of children being fed in school, the effect it has on students' ability to learn, and the fiscal responsibility of school districts.

- Chair Wiener commented on the importance of the State maximizing the return of federal funds it receives for children's nutrition programs. She directed staff to determine how other states that have successfully implemented Breakfast in the Classroom programs address the concerns conveyed by the CCSD.



## **DISCUSSION REGARDING ISSUES CONCERNING THE PROVISION OF PUBLIC HEALTH PURSUANT TO SENATE BILL 278 (CHAPTER 267, STATUTES OF NEVADA 2009)**

### ***The Feasibility of Establishing Health Districts in Counties With Populations Less Than 100,000***

- Mary C. Walker, C.P.A., President, Walker & Associates, provided a summary update on the study of the feasibility of establishing health districts in counties with populations less than 100,000 and information from other states that have established county health districts. She discussed budget constraints that could hinder efforts to establish county health districts in Nevada. Ms. Walker commented that the “study team” will continue to gather information from stakeholders and will make a recommendation to the LCHC within the next few months. (See [Exhibit H.](#))
- Chair Wiener asked about challenges, potential funding issues, and the effects of the shift in the economy.
- Ms. Walker explained that some other states’ local governments have taxing authority. She opined that in today’s economy it would not be practical to have any extra resources without enabling legislation so that local governments can raise revenue.
- Chair Wiener asked Ms. Walker to return with specific recommendations before the LCHC’s work session.
- Mary E. Wherry, R.N., M.S., Community Health Nursing Manager, Health Division, DHHS, commented that a spreadsheet will be provided to the LCHC at its May 2010 meeting. This information will indicate: (1) how the State currently receives its dollars; (2) the amount counties are currently receiving; (3) the amount of dollars collected in each county based on a population distribution; (4) how money could be distributed by each county if some counties regionalize; and (5) the impact if some counties do not regionalize. She noted the importance of the counties communicating with each other.
- Chair Wiener requested early submission of the information to provide time for review.

### ***The Feasibility of Establishing Regional Centers for the Prevention and Treatment of Alcohol and Substance Abuse***

- Christy McGill, Director, Healthy Communities Coalition of Lyon and Storey Counties, Nevada Statewide Coalition Partnership, provided a synopsis of the Coalition’s activities and its role in the community ([Exhibit I](#)). She reported that community meetings were held in an effort to identify problems and prepare a plan to address substance abuse issues in Lyon and Storey counties. Ms. McGill stated that coalitions were able to maximize federal and State dollars through collaboration.



She provided examples of efforts made to address issues specific to the rural areas. Ms. McGill said it was necessary to formalize the system to provide services to the community.

In response to Chair Wiener's request for clarification regarding legislative action the Coalition is recommending, Ms. McGill stated that the Coalition sought to receive legislative support as a vehicle for distribution of State dollars and an acknowledgement of the communities' abilities to confront and solve their own problems.

- Stacy Smith, Director of the Nye Communities Coalition and Chair of the Nevada Statewide Coalition Partnership, reiterated the importance of the Legislature recognizing coalitions across the State. She commented that the coalitions have been in the forefront addressing alcohol and substance issues in rural communities.

#### **PRESENTATION CONCERNING RECENT REPORTS OF SALMONELLA IN A FOOD PRODUCT OF A CERTAIN FOOD ESTABLISHMENT IN SOUTHERN NEVADA AND RELATED PUBLIC HEALTH IMPLICATIONS**

- Tracey D. Green, M.D., State Health Officer, Health Division, DHHS, provided a brief overview of the Health Division's responsibilities for regulating food safety. She commented that due to an ongoing investigation, the FDA had requested no specifics be discussed regarding the recent salmonella case in southern Nevada. (See [Exhibit J.](#))
- Cynthia Ulch, Supervisor, Environmental Health Services, Frontier and Rural Public Health Services Program, Health Division, DHHS, provided an overview of the timeline of events leading up to the food recall at Basic Food Flavors, Inc., in Las Vegas. She also provided a copy of the inspection report completed by the Frontier and Rural Public Health Services Program's staff and noted a second inspection was performed by the Southern Nevada Health District (SNHD), which also permits the facility. Ms. Ulch discussed the normal activities of a routine inspection and commented that an environmental sampling for the presence of bacteria is not required as a part of the State's inspection activities. She added that a "frequently asked questions" sheet is available under the "Consumer Info" section on the Health Division's webpage (<http://health.nv.gov/>). Ms. Ulch reported that, as of March 15, 2010, the recall included 153 products nationwide with no associated illnesses. (Please see [Exhibit K](#), [Exhibit K-1](#), [Exhibit K-2](#), [Exhibit K-3](#), and [Exhibit K-4](#).)

In response to Chair Wiener's inquiry regarding how the issue was reported and how many products were recalled, Ms. Ulch stated that Nestle Foods detected salmonella in a sample received from the facility, during an in-house test, which prompted the investigatory process.

Responding to Chair Wiener's query regarding customer notification, Joe Pollock, Program Manager, Frontier and Rural Public Health Services Program, Health Division, DHHS, stated that notifications were sent to customers at the same time the voluntary recall was established.

- Chair Wiener asked for clarification of the recall process.
- Mr. Pollock outlined the recall process and described the differences between a voluntary and mandatory recall.

Answering questions posed by Chair Wiener regarding when Basic Food Flavors, Inc. was notified of the recall and when it stopped shipment of the product, Glenn Savage, Director of the Environmental Health Division, SNHD, stated the FDA initiated inspections in February 2010. He reported that products were shipped by the company between September 2009 and January 2010.

- Mr. Savage reported that SNHD was waiting for a confirmation of salmonella. He stated that production had ceased at the facility and that SNHD had placed a hold on all products in the facility.

Discussion ensued regarding precautions against salmonella contamination and precautionary steps the facility will be required to take.

- Lawrence K. Sands, D.O., M.P.H., Chief Health Officer, SNHD, stated he is available to answer questions. He offered to provide information to the LCHC regarding the regulatory role of the SNHD and its coordination with the FDA during the investigation and recall involving Basic Food Flavors, Inc.
- Chair Wiener asked Dr. Green to clarify the jurisdictional roles and inquired if there are any legislative issues that the LCHC should address.
- Dr. Green reported that the Health Division has two roles, to perform inspections as a designee of the FDA and to perform inspections at the State level. She stated that more formal language could be added to existing regulations to clarify when the State would inspect or if an inspection would be deferred to local health authorities. Dr. Green commented that a routine State inspection does not require lab tests and that salmonella would not have been detected during a State inspection.

Discussion ensued regarding any history of recalls in the State and the importance of food safety. It was noted there is currently an ongoing recall in Sparks, Nevada, that involves a violation due to a food product being manufactured without having a U.S. Department of Agriculture (USDA) representative onsite.

- Dr. Green clarified the differences between the FDA and the USDA at the request of the Chair.

- Assemblywoman Spiegel asked if the State's inspections performed at Basic Food Flavors, Inc., would have included tests for Salmonella. Mr. Pollock stated that environmental samples are only taken at the direction of the FDA.

In response to Assemblywoman Spiegel's inquiry regarding any problems at Basic Food Flavors, Inc., prior to September 2009, Mr. Pollock stated that the FDA is reviewing all of the records but had not shared any information regarding its investigation.

Responding to Vice Chair Pierce's query regarding any requirements made to clean or replace equipment, Mr. Savage read from a letter that was sent to Basic Food Flavors, Inc. by the SNHD, advising the company of the steps to be taken in order to lift the production hold order.

- Mr. Savage commented on sampling problems. He stated that sampling should be a requirement and that a comprehensive and complete sampling should be conducted by either the facility or the inspector.
- Chair Wiener asked that suggested language to statutorily address inspections and sampling related to food establishments be submitted to the LCHC for consideration.

#### **UPDATE FROM MENTAL HEALTH GROUPS IN NEVADA**

- Janelle Kraft Pearce, Co-Chair, Southern Nevada Mental Health Coalition, provided background information on the Coalition and its purpose. She reported on the costs that occur when there is a lack of care for the mentally ill. Ms. Kraft Pearce outlined areas of progress that include:
  1. The Las Vegas Metropolitan Police Department's (LVMPD) crisis intervention program;
  2. A data collection system by SNHD used to track Legal 2000 patients;
  3. The construction of the Rawson-Neal Psychiatric Hospital;
  4. The creation and expansion of mental health courts;
  5. A limited community triage center established at WestCare;
  6. The passage of A.B. 6 (Chapter 92, *Statutes of Nevada 2009*), which revises provisions governing certain emergency admissions to mental health facilities and hospitals;
  7. Revisions to the law governing Legal 2000; and
  8. Medical clearance by physician's assistants.

She discussed co-occurring disorders, streamlined procedures in emergency rooms, and collaboration between State agencies and Nevada's Commission on Mental Health and

Developmental Services. Ms. Kraft Pearce reported on setbacks due to budget cuts, staff layoffs, and the closure of an outpatient clinic in North Las Vegas. She remarked on continued efforts to provide the minimum core services with decreased resources.

- Frank Reagan, Lieutenant, Clark County Detention Center, LVMPD, and Co-Chair, Southern Nevada Mental Health Coalition, outlined the information he provided on the increase in Legal 2000 holds and its impact on emergency rooms. He pointed out the increase in hold times for both adult and pediatric Legal 2000 patients. (See [Exhibit L.](#))

Responding to Assemblywoman Spiegel's inquiry, Ms. Kraft Pearce responded that increases in hold times are due to the volume of patients and a lack of facilities.

- Continuing his testimony, Lieutenant Reagan discussed the problems that occur when the mentally ill are housed in jails. He stated there are many rehabilitative programs that need to be implemented to keep mentally ill persons out of jail. Lieutenant Reagan commented that currently the Clark County Detention Center houses more mentally ill patients than the Southern Nevada Adult Mental Health Services Facility. He reported on training provided to police officers to better equip them in managing issues associated with mentally ill persons.

Responding to Chair Wiener's inquiry regarding the availability of the WestCare triage services, Ms. Kraft Pearce stated the service is still available; however, WestCare is limited in the scope of treatment it provides and patients are required to go to the emergency room before being admitted to the facility.

- Chair Wiener asked Mr. Reagan to provide more information on recidivism rates for mentally ill persons who have been incarcerated.
- Ms. Kraft Pearce outlined the following priorities to improve mental health care in Nevada: (1) eliminate emergency room admission as the primary entrance into the mental health system and establish a community triage center; (2) establish a psychiatric drop-off facility for first responders; (3) increase the Medicaid reimbursement rate to attract and retain treatment providers; (4) provide a statutory process so that adults served by Medicaid can obtain a waiver to be treated in free-standing psychiatric hospitals; and (5) produce a long-term plan for a stable system of adult mental health care. (See [Exhibit M.](#))
- Chair Wiener asked Ms. Kraft Pearce to provide her recommendations to the LCHC for further consideration.

In response to Assemblywoman Spiegel's query, Ms. Kraft Pearce stated that a higher rate of admittance of mentally ill persons requiring services at some hospitals is due to their proximity and reporting practices.

- Jackie Harris, Chair, Clark County Children's Mental Health Consortium, provided a ten-year strategic plan that includes the group's goals, priorities, a mission statement, recent activities, and accomplishments. (See [Exhibit N.](#))
- Joe Tyler, Executive Director, Nevada Chapter, Nevada Alliance on Mental Illness, discussed the plight of the mentally ill. (See [Exhibit O.](#))
- Donna Marie Shibovich testified regarding the services and care she receives that contribute to her quality of life and recovery. (See [Exhibit P.](#))
- Pam Becker, Washoe County Children's Mental Health Consortium, provided the Consortium's Ten-Year Plan and outlined the plan's goals that include: (1) serving youth in their home communities; (2) assisting families to help themselves; (3) helping youth to succeed in school; and (4) supporting youth to succeed as adults. She explained that a three-phase process to accomplish the plan's goals includes: (1) providing low-cost or no-cost services; (2) instituting best practices; and (3) establishing policy changes that will assist families in navigating the services needed to enable their children to be successful. (See [Exhibit Q.](#))
- Chair Wiener pointed out statistics provided in [Exhibit Q](#) regarding high school students who think about or attempt suicide in Washoe County. She asked how the school system is addressing this issue.
- Ms. Becker said the Consortium is working with the Office of Suicide Prevention, DHHS, to specifically target this issue in Washoe County schools. She stated the WCSD is actively working on suicide prevention training and education. Ms. Becker reported on funding received through a grant from the Office of Suicide Prevention. Concluding, she mentioned that a new text message system is being developed to reach young people in Washoe County.
- Jan Marson, Chair, Rural Children's Mental Health Consortium (RCMHC), outlined the RCMHC's Strategic Ten-Year Plan ([Exhibit R](#)). She discussed challenges, findings, key strategies, methods for overcoming obstacles, overall successes, and the pathway for rural children's mental health and well-being. Ms. Marson explained that the Consortium's priorities are to: (1) focus on school-based services; (2) promote the coordination of infant mental health care with Nevada Early Intervention Services, Health Division, DHHS; and (3) support a grassroots approach to addressing the mental health needs of children.
- Chair Wiener requested that Ms. Becker provide recommendations to the LCHC at its April 2010 meeting.

**PRESENTATIONS TO ASSIST THE LEGISLATIVE COMMITTEE ON HEALTH CARE IN REVIEWING METHODS FOR ESTABLISHING A FAIR AND EQUITABLE SYSTEM FOR THE PAYMENT OF MEDICAL SERVICES PURSUANT TO SENATE CONCURRENT RESOLUTION NO. 39 (FILE NO. 101, *STATUTES OF NEVADA 2009*)**

- Lawrence P. Matheis, Executive Director, Nevada State Medical Association, provided an overview of areas of concern that include contractual problems, inadequacy of networks, and a lack of in-network directories. He proposed the following solutions: (1) substitution of service; (2) oversight of network adequacy; (3) expanding the definition of emergency services; and (4) providing adequate information to plan participants. Mr. Matheis discussed statutory oversight and federal preemption of states in the area of coverage and benefits. He suggested a limit on charges for out-of-network billing. Mr. Matheis referenced Texas legislation, HB 2256, which provides a procedure for mediation of out-of-network health benefit claim disputes, and opined that it could be used as a model for Nevada. (See [Exhibit S.](#))

Discussion ensued between Chair Wiener and Mr. Matheis regarding the arbitration process and the Texas system. Mr. Matheis stated it is important to adopt language that encourages policies and approaches that do not lead to complaints. He reported that the Texas law provides an informed consent process for any out-of-network specialty care services, which reduces the need for mediation. Mr. Matheis commented on the importance of language that would make it clear that in the event that an informed consent cannot be obtained, the mediation process would remain an option.

- Assemblywoman Spiegel asked about the threshold amount in the Texas bill.
- Mr. Matheis explained the amount could be adjusted and stated that legislation should include sunset provisions and a stipulation that the mediation process would be for Nevada residents.
- Bill M. Welch, President and Chief Executive Officer, Nevada Hospital Association (NHA), referred to issues with S.B. 157, First Reprint, that the NHA thought could be improved. He suggested proposals that include language requiring: (1) the payor and patients to pay within 30 days for services as if they were in-network; (2) binding arbitration for non-contracted services for patients with bills greater than \$25,000, with all three parties sharing equally in the arbitration costs; and (3) payors to contract with an adequate number of providers in their service area ([Exhibit T](#)). Mr. Welch commented that the: (1) payor should be required to educate members on the coverage provisions; (2) Health Division should be responsible for determining adequacy of networks and that oversight is the responsibility of the Office of the Attorney General or the Governor's Office for Consumer Health Assistance; and (3) NHA would expect payors to pay 100 percent of the Nevada contracted rate.

Responding to Chair Wiener's inquiry regarding how many hospitals would be affected by the 100 percent payment, Mr. Welch stated that there are 50 hospital members in the State.

He commented that outpatient services payments would be included if they resulted in subsequent inpatient care.

- Continuing, Mr. Welch noted that data is available for formulating a schedule of usual and customary rate (UCR). He commented on concerns with the proposals regarding the UCR formula offered by the Health Services Coalition. Mr. Welch stated that payors should cover the patient in exchange for premiums collected. He directed the LCHC's attention to a consideration for an equitable solution provided in [Exhibit T](#).
- Bobbette Bond, Legislative Liaison, Health Services Coalition, outlined the Coalition's response to the proposals provided by the NHA and the State Medical Association concerning S.B. 157 ([Exhibit U](#)). She pointed out the Coalition's concerns regarding cost-containment, binding arbitration, thresholds, and signed consent forms.

Discussion ensued between Chair Wiener and Mr. Matheis regarding issues with the threshold. Mr. Matheis stated that the threshold amount is arbitrary.

- Chair Wiener commented that staff would provide a summary comparison of the proposals for further discussion before the LCHC's work session.
- Mr. Welch offered his assistance to the Committee to dispel any misrepresentation on the hospitals' profitability and to review the NHA's corporate allocation.

#### **CONSIDERATION OF REGULATIONS PROPOSED OR ADOPTED BY CERTAIN LICENSING BOARDS PURSUANT TO NEVADA REVISED STATUTES 439B.225**

*LCB File No. 201-09, Board of Dental Examiners of Nevada*

*LCB File No. 014-10, Chiropractic Physicians' Board of Nevada*

- Sara L. Partida, Principal Deputy Legislative Counsel, Legal Division, LCB, provided regulations proposed or adopted by certain licensing boards in Nevada, which the LCHC is required to review pursuant to NRS 439B.225. (See [Exhibit V](#).)
- Chair Wiener asked for clarification regarding LCB File No. 201-09, Board of Dental Examiners of Nevada's reference to "adequate instruction for infection control."
- Kathleen Kelly, Executive Director, State Board of Dental Examiners, stated that the Board currently does not have duties delegable for auxiliary personnel. She commented that any employee involved in infection control procedures would need training consistent with U.S. Centers for Disease Control and Prevention (CDC) guidelines. Ms. Kelly cited a provision in the statutes that provides that auxiliary employees can only be delegated tasks by regulation. She stated that the Board would like to clarify training and be more consistent with the CDC procedures.

Responding to Chair Wiener's inquiry regarding how the two hours of clinical infection control is determined, Ms. Kelly stated the Board uses California as a model. She added



that currently there is no specificity in the area of infection control and the regulation would ensure that all licensees would have to complete two hours of training.

In response to Senator Wiener's request regarding Section 2.8 of the Chiropractic Physicians' Board of Nevada's proposed regulation, Paula Berkley, previously identified, stated that this section was included due to redundant participation in some classes taken in the same calendar year.

## **PUBLIC COMMENT**

- Paula Berkley, previously identified, commented on the regulation review process used by the LCHC.
- Dan Musgrove, representing Valley Health Systems and WestCare of Nevada, offered to provide an expanded discussion on the triage center, the one-step triage system, and the one system of care and resources (OSCaR) model at a subsequent meeting.
- Lawrence P. Matheis, previously identified, commented that he serves on the Access to Health Care Network Board of Directors and informed the Committee about the importance of the services that AHN provides to the community. He commented on the burden that the voluntary organizations and health networks are under due to the increasing number of uninsured persons.

In response to Senator Copenig's query regarding any communication problems between the Medicaid program and the AHN, Mr. Matheis stated there are none; however, due to Medicaid's restrictive eligibility there is a large population that cannot qualify for Medicaid and use the AHN's services. He reiterated that AHN is meant to "fill the gap" and it may not survive if there is too much of a burden put on it.

- Chair Wiener commented on the importance of finding resources to preserve these programs.
- Vice Chair Pierce commented on the current budget deficit and the importance of making good decisions regarding Nevada's health care system.

## **ADJOURNMENT**

There being no further business to come before the Committee, the meeting was adjourned at 4:16 p.m.

Respectfully submitted,

---

Sally Trotter  
Senior Research Secretary

---

Marsheilah D. Lyons  
Principal Research Analyst

APPROVED BY:

---

Senator Valerie Wiener, Chair

Date: \_\_\_\_\_

## **LIST OF EXHIBITS**

[Exhibit A](#) is the “Meeting Notice and Agenda” provided by Marsheilah D. Lyons, Principal Research Analyst, Research Division, Legislative Counsel Bureau (LCB).

[Exhibit B](#) is information submitted by Ken Retterath, Chair, Access to Healthcare Network, Reno, Nevada, which includes:

1. A document titled “Three Year Success Story;”
2. A chart titled “Serving Northern, Rural & Southern Nevada, Shared Responsibility Model;”
3. Certificate of Registration Issued by the State of Nevada, Department of Business and Industry, Division of Insurance;
4. A copy of a letter to WCMS (Washoe County Medical Society) Physician Member from Pamela E. Netuschil, M.D., 2007 WCMS President, dated May 15, 2007, concerning Access to Health Care Network;
5. A document titled “Access to Healthcare Network Board of Directors;” and
6. A brochure titled “Are You Uninsured? Access to Healthcare Network Can Help.”

[Exhibit C](#) is the prepared testimony of Charles Duarte, Administrator, Division of Health Care Financing and Policy (DHCFP), Nevada’s Department of Health and Human Services (DHHS), titled “Testimony by Charles Duarte on SB 387 Disproportionate Share Program in Nevada,” dated March 17, 2010.

[Exhibit C-1](#) is a bubble chart titled “Disproportionate Share Hospital Program (DSH) in Nevada,” provided by Charles Duarte, Administrator, DHCFP, DHHS.

[Exhibit C-2](#) is a graph titled “DSH Current Distribution SFY 2010,” submitted by Charles Duarte, Administrator, DHCFP, DHHS.

[Exhibit C-3](#) is a graph titled, “DSH Proposed Distribution SFY 2010,” offered by Charles Duarte, Administrator, DHCFP, DHHS.

[Exhibit C-4](#) is a memorandum to Michael J. Willden, Director, DHHS, from Charles Duarte, Administrator, DHCFP, regarding “NAC Regulation Request to Continue the Disproportionate Share Hospital Supplemental Payment Program,” with an enclosure titled, “Proposed Regulation of the Division of Health Care Financing and Policy of the Department of Health and Human Services,” dated December 29, 2009.

[Exhibit D](#) is the written testimony of Donnell Barton, C.F.C.S., Director, Office of Child Nutrition and School Health, Nevada’s Department of Education, dated March 17, 2010.

[Exhibit E](#) is a document titled “Legislative Committee on Health Care Presentation,” prepared by Geri Casey, Assistant Director, and Mike Supple, Director, Nutrition Services Center, Washoe County School District, Reno.

[Exhibit F](#) is the testimony of Charles Anderson, Director, Food Services, Clark County School District, Las Vegas, titled “Presentation to Legislative Committee on Health Care,” dated March 17, 2010.

[Exhibit G](#) is a document titled “Legislative Committee on Health Care Information as Requested for Meeting,” offered by Caroline McIntosh, Superintendent, Lyon County School District (LCSD), Yerington, dated March 17, 2010.

[Exhibit G-1](#) is a worksheet titled “Provision 2 or 3 – Viability Study,” (Silver Springs Elementary School), provided by Caroline McIntosh, Superintendent, LCSD, Yerington.

[Exhibit G-2](#) is a worksheet titled “Provision 2 or 3 – Viability Study,” (Yerington Elementary School) provided by Caroline McIntosh, Superintendent, LCSD, Yerington.

[Exhibit H](#) is a letter to Senator Valerie Wiener from Mary C. Walker, C.P.A., Walker & Associates, Minden, dated March 9, 2010, regarding “SB 278 Rural Health District Study,” with an attached fact-finding summary.

[Exhibit I](#) is a document titled “Sustaining the Local Community Coalition System for Prevention in Nevada Through Legislative Action,” offered by Christy McGill, Director, Healthy Communities Coalition of Lyon and Storey Counties, Nevada Statewide Coalition Partnership, Dayton.

[Exhibit J](#) is the prepared testimony of Tracey D. Green, M.D., State Health Officer, Health Division, DHHS, concerning food safety regulation in Nevada.

[Exhibit K](#) is the written testimony of Cynthia Ulch, Supervisor, Environmental Health Services (EHS), Frontier and Rural Public Health Services Program (FRPHSP), Health Division, DHHS, Winnemucca.

[Exhibit K-1](#) is a timeline of events concerning a recall associated with Basic Food Flavors, Inc., in Las Vegas, provided by Cynthia Ulch, Supervisor, EHS, FRPHSP, Health Division, DHHS, Winnemucca.

[Exhibit K-2](#) is a document titled “Inspection Report for Basic Food Flavors, Inc.” and an attachment titled “Nevada Establishment Inspection Report for Food,” dated June 18, 2009, submitted by Cynthia Ulch, Supervisor, EHS, FRPHSP, Health Division, DHHS, Winnemucca.

[Exhibit K-3](#) is a report titled “FDA Situation Report – Submission Form, dated February 21, 2010, provided by Cynthia Ulch, Supervisor, EHS, FRPHSP, Health Division, DHHS, Winnemucca.

[Exhibit K-4](#) is a document titled “Questions and Answers Regarding Salmonella Tennessee,” offered by Cynthia Ulch, Supervisor, EHS, FRPHP, Health Division, DHHS, Winnemucca.

[Exhibit L](#) is a packet of information including charts and graphs depicting Legal 2000 statistics provided by Frank Reagan, Lieutenant, Clark County Detention Center, Las Vegas Metropolitan Police Department, and Co-Chair, Southern Nevada Mental Health Coalition (SNMHC), Las Vegas.

[Exhibit M](#) is the written testimony of Janelle Kraft Pearce, Co-Chair, SNMHC, Las Vegas, dated March 17, 2010.

[Exhibit N](#) is a document titled “Clark County Children’s Mental Health Consortium 10-Year Strategic Plan, 2020 Vision for Success,” submitted by Jackie Harris, Chair, Clark County Children’s Mental Health Consortium, Las Vegas.

[Exhibit O](#) is the written testimony of Joe Tyler, Executive Director, Nevada Chapter, Nevada Alliance on Mental Illness, Reno.

[Exhibit P](#) is the testimony of Donna Marie Shibovich, private citizen, Reno.

[Exhibit Q](#) is a report titled “‘2020 Vision’ A Call to Action, Ten Year Plan for Children’s Mental Health: January 2010–December 2020,” provided by Pam Becker, Washoe County Children’s Mental Health Consortium, Reno.

[Exhibit R](#) is a Microsoft PowerPoint presentation titled “Rural Children’s Mental Health Consortium (RCMHC) Strategic Ten-Year Plan,” offered by Jan Marson, Chair, RCMHC.

[Exhibit S](#) is a document titled “Presentation to Legislative Committee on Health Care Regarding Out-of-Network Coverage Issues,” by Lawrence P. Matheis, Executive Director, Nevada State Medical Association, dated March 17, 2010.

[Exhibit T](#) is a document titled “SCR 39 Testimony before the Legislative Committee on Health Care,” dated March 17, 2010, presented by Bill M. Welch, President and Chief Executive Officer, Nevada Hospital Association, Reno.

[Exhibit U](#) is Microsoft Power Point presentation titled “Response to SB157 Proposals, Nevada Hospital Association and Nevada State Medical Association,” provided by Bobbette Bond, Legislative Liaison, Health Services Coalition, Las Vegas.

[Exhibit V](#) is a document titled “Agenda Item XI: Consideration of Regulations Proposed or Adopted by Certain Licensing Boards Pursuant to NRS 439B.225,” furnished by Sara L. Partida, Principal Deputy Legislative Counsel, Legal Division, LCB.

This set of “Summary Minutes and Action Report” is supplied as an informational service. Exhibits in electronic format may not be complete. Copies of the complete exhibits, other materials distributed at the meeting, and the audio record are on file in the Research Library of the Legislative Counsel Bureau, Carson City, Nevada. You may contact the Library online at [www.leg.state.nv.us/lcb/research/library/feedbackmail.cfm](http://www.leg.state.nv.us/lcb/research/library/feedbackmail.cfm) or telephone: 775/684-6827.