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# SMALL BUSINESS IMPACT STATEMENT 2026

## PROPOSED AMENDMENTS TO NAC 652

The Nevada Health Authority (NVHA), Health Care Purchasing and Compliance Division, The Bureau of Health Care Quality and Compliance (HCQC) has determined the proposed regulations have a minimal financial impact upon a small business. It is anticipated the proposed regulations will not limit the formation, operation or expansion of a small businesses.

A small business is defined in Nevada Revised Statutes NRS 233B as a "business conducted for profit which employs fewer than 150 full-time or part-time employees."

This small business impact statement is made pursuant to NRS 233B.0608 (3) and complies with the requirements of NRS 233B.0609. As required by NRS 233B.0608(3), this statement identifies the methods used by the agency in determining the impact of the proposed regulation on a small business in sections 1, 2, 3, and 4 below and provides the reasons for the conclusions of the agency in section 8 below followed by the certification by the person responsible for the agency.

### Background

HCQC is funded primarily by state licensing related fees. Most of these fees have not changed in more than 15 years, even as operating costs have increased significantly. Inflation alone has risen 39% during that time, reducing the Division's ability to maintain current service levels. HCQC has also taken on higher salary obligations, and a growing number of required inspections and complaint investigations. To continue providing effective oversight and protecting patients, residents, and the public, a fee adjustment is necessary.

The proposed regulations amend Nevada Administrative Code (NAC) Chapter 652 and intend to increase fees in NAC 652 to seven percent (7%).

Seven percent (7%) represents only a fraction of the cumulative inflationary impact over the past 15 years and reflects a measured, responsible approach to ensuring the Division's continued operational stability while minimizing financial impact on licensed facilities.

### **1) A description of the manner in which comment was solicited from affected small businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.**

Pursuant to NRS 233B.0608 (2)(a), HCQC requested input from small businesses that may be affected by the proposed regulations.

On March 17, 2026, an email with a link to the Small Business Impact Questionnaire and proposed NAC 652 regulations were emailed to 23,875 actively licensed medical laboratories and laboratory personnel, and other interested parties. Trade associations and chambers of commerce are often enrolled in the HCQC email lists. HCQC utilizes a very thorough outreach, contacting the business owners and lab personnel directly. The questions on the questionnaire were:

- 1) Will the regulations have any adverse economic effect upon your license?
- 2) Please list each which items and explain the adverse impact. Indicate the estimated dollar amount(s) you believe the adopted regulations will cost you over one calendar year with a brief explanation.
- 3) Will the regulation(s) have any beneficial effect upon your business?
- 4) If so, please explain and include any cost savings you believe the adopted regulations will save your business over one calendar year with an estimated dollar amount.
- 5) Do you anticipate any indirect adverse effects upon your business?
- 6) Please explain the indirect adverse effects.
- 7) Do you anticipate an indirect beneficial effects upon your business?
- 8) Please explain the indirect beneficial effects.

### Summary of Responses

<b>Summary of Comments Received</b> <b>(8 responses were received out of 23,875 emails sent to small businesses)</b>	
Will the regulations have any adverse economic effect upon your license?	Yes – 6 No – 2
Please list each which items and explain the adverse impact. Indicate the estimated dollar amount(s) you believe the adopted regulations will cost you over one calendar year with a brief explanation.	<p><b>Comment:</b> Increasing costs to operate when other reimbursement is decreasing puts additional burdens on the practice. The overall reimbursement rate for private offices decreased around 3% before inflation. Now you are asking for a 7% raise; WOW!!! That math does not work out in the favor of any small business. I already work 1 FTE down to cover increases in the cost of goods and services.</p> <p><b>Comment:</b> 100k plus</p> <p><b>Comment:</b> The 7% increase in fees will impact our ability to get accreditation. This is expected to cost us at least \$50.</p> <p><b>Comment:</b> The proposed 7% increase in fees will have a direct and cumulative financial impact on our business. As a small healthcare-related organization operating with limited administrative margins, even modest fee increases contribute to rising operational costs. This increase comes at a time when small businesses are already managing higher expenses due to inflation, staffing costs, and compliance requirements. The added regulatory cost further reduces available resources for patient services, staffing, and operational improvements. Unlike larger organizations, small businesses have limited ability to absorb or offset increased regulatory costs.</p> <p><b>Comment:</b> Any increase in any business taxes, licensing, etc. is an economic burden. We cannot recontract with insurance companies to increase our reimbursements</p>

	since most are unwilling to even email back to us, let alone increase our reimbursements. Our costs to run a private office keep increasing exponentially, not just salaries, but supplies, utilities, etc. There is no where to make up the difference. Seeing more patients does not make more money - but it increases costs and product expenses.
Will the regulation(s) have any beneficial effect upon your business?	Yes –1 No – 7
If so, please explain and include any cost savings you believe the adopted regulations will save your business over one calendar year with an estimated dollar amount.	<p><b>Comment:</b> If the fee increase allows the DPH to increase the number in inspections happening, then we will benefit from having a sooner expected date for our inspection to get our initial CLIA license. This could save thousands depending on the time saved.</p> <p><b>Comment:</b> No direct financial or operational benefit is anticipated for our business as a result of these proposed changes. While we understand the intent to support HCQC operations, the proposed fee increase does not provide measurable cost savings, efficiencies, or reductions in administrative burden for small businesses. At present, the regulation appears to increase costs without introducing offsetting benefits such as streamlined processes, reduced reporting requirements, or enhanced support services that would mitigate the financial impact.</p> <p><b>Comment:</b> No cost savings.</p>
Do you anticipate any indirect adverse effects upon your business?	Yes – 4 No – 4
Please explain the indirect adverse effects.	<p><b>Comment:</b> continued cost pressures may force early retirement or changes that precipitate additional loss of providers to the State of Nevada.</p> <p><b>Comment:</b> Cost will be more without reimbursement</p> <p><b>Comment:</b> none</p> <p><b>Comment:</b> Already explained.</p>
Do you anticipate an indirect beneficial effects upon your business?	Yes – 8 No – 0
Please explain the indirect beneficial effects.	N/A

Responses were received from two (2) businesses that did not meet the definition of a small business and are not included in this summary.

Any other person interested in obtaining a copy of the summary may e-mail, call, or mail a request to:

Bureau of Health Care Quality and Compliance  
727 Fairview Drive, Suite E  
Carson City, NV 89701  
Phone: 775-684-1070  
Email: [pio@nvha.nv.gov](mailto:pio@nvha.nv.gov)

**2) Describe the manner in which the analysis was conducted.**

The analysis involved analyzing feedback obtained from the small business impact questionnaire, review of the proposed regulations, review of statutes, and review of literature to help determine the economic impact to small business. Please see number 4 for the methods the agency considered to reduce the impact of the proposed regulations to small businesses. This information was then used to complete this small business impact statement including the conclusion on the impact of the proposed regulation on a small business found in number 8.

**3) The estimated economic effect of the proposed regulation on the small business which it is to regulate including, without limitation both adverse and beneficial effects and both direct and indirect effects.**

*Direct Beneficial Effects:* The fee increase will provide greater financial stability for HCQC, helping ensure timely inspections, complaint investigations, licensing services, and regulatory oversight that small businesses rely on. The fee increase also supports continued regulatory oversight that promotes public trust in licensed laboratories, which may benefit compliant small facilities.

*Indirect Beneficial Effects:* Indirect beneficial effects (some of which may produce direct beneficial effects) will include reducing the future risk of larger, more abrupt fee increases by implementing a modest, incremental adjustment. The increase will also help maintain program capacity so small businesses experience fewer service delays, improving operational predictability.

*Direct Adverse Effects:* Small businesses will incur a 7% increase in licensing and renewal fees. Some facilities with narrow operating margins may experience short-term financial strain when adjusting annual budgets.

*Indirect Adverse Effects:* Increased operational costs may indirectly affect pricing, cost recovery- strategies, or investment decisions for some small facilities. Businesses with historically low compliance resources may experience increased pressure to allocate funds toward regulatory obligations rather than other operational needs.

**4) Provide a description of the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency actually used any of those methods.**

The Division considered several methods to reduce the impact of the proposed seven percent (7%) fee increase on small businesses and incorporated those measures where feasible. As required by NRS

233B.0608(2)(a), the Division solicited input from affected small businesses by emailing 23,875 actively licensed medical laboratories and laboratory personnel, providing access to the Small Business Impact Questionnaire and the proposed regulations. In developing the regulation, the Division evaluated approaches to lessening the financial and administrative burden, including limiting the fee increase to a modest seven percent (7%) well below the cumulative inflationary impact over the past 15 years and ensuring the adjustment remained proportionate for smaller providers. The Division also reviewed whether operational efficiencies or regulatory simplifications could offset costs and incorporated several streamlining measures in related regulatory sections to reduce administrative workload for smaller entities.

After assessing these options, the Division determined a minimal fee adjustment was necessary to support the HCQC's ability to carry out mandated inspections, investigations, and oversight activities, but used mitigation methods available by keeping the increase as low as possible while maintaining essential public health and safety functions.

**5) The estimated cost to the agency for enforcement of the proposed regulation.**

There are no anticipated costs to the agency for enforcement of the proposed regulations.

**6) If the proposed regulation provides a new fee or increases an existing fee, the total annual amount the Division expects to collect and the manner in which the money will be used.**

The proposed seven percent (7%) fee increase under NAC 652 is expected to generate additional annual revenue for the HCQC. This estimate reflects current dollar-based licensure and renewal volumes across all categories of medical laboratories that use the NAC 652.488 fee schedule as the baseline, with the 7% adjustment applied. The seven percent (7%) increase on our medical laboratory fees budget of \$1.4 million would generate an additional \$98,000. All collected funds will be dedicated exclusively to Division's state licensing fee fund, under which will be used to:

- Maintain current service levels amid a 39% inflationary increase over the past 15 years.
- Meet increased salary obligations for licensed facility oversight staff.
- Conduct a growing number of required inspections and complaint investigations.
- Modernize licensing infrastructure to enhance online services and customer experience.

This increase ensures the HCQC's continued ability to protect patients, residents, and the public through effective regulatory oversight including inspections, investigations, and program administration while minimizing costs to small businesses.

**7) An explanation of why any duplicative or more stringent provisions than federal, state or local standards regulating the same activity are necessary.**

There are no known duplicate or more stringent provisions regulating the same activity.

**8) Provide a summary of the reasons for the conclusions of the agency regarding the impact of a regulation on small businesses.**

The reason for this conclusion is based on the analysis conducted pursuant to number two of this document. After reviewing statutes, the proposed regulations, feedback from industry, modifications made to the proposed regulations, a conclusion could be drawn regarding the impact of the regulations on small businesses.

**Certification by Person Responsible for the Agency**

I, Cynthia Leech, Administrator of the Health Care Purchasing and Compliance Division certify to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses and the information contained in this statement was prepared properly and is accurate.

Cynthia Leech

04/23/2026

Signature Cynthia Leech (Apr 23, 2026 15:57:45 PDT)

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