INFORMATIONAL STATEMENT PER NRS 233B.066
LCB FILE NO. R072-26

1. **A clear and concise explanation of the need for the adopted regulation.**

The purpose of the proposed regulations is because the Bureau of Health Care Quality & Compliance (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 HCQC's ability to maintain current service levels. HCQC has also taken on over ten (10) new unfunded programs, 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 medical laboratory and laboratory personnel fees in NAC 652 by seven percent (7%). Seven percent represents only a fraction of the cumulative inflationary impact over the past 15 years and reflects a measured, responsible approach to ensuring HCQC's continued operational stability while minimizing financial impact on licensed facilities.

2. **A description of how public comment was solicited, a summary of public response, and an explanation how other interested persons may obtain a copy of the summary.**

The proposed regulations and a small business impact questionnaire were distributed via email to all facilities licensed pursuant to NAC chapter 652 and other interested parties on March 17, 2026. The questions on the small business impact questionnaire were:

1) How many employees are currently employed by your business?
2) Will a specific regulation have an adverse economic effect upon your business?
3) Will the regulation(s) have any beneficial effect upon your business?
4) Do you anticipate any indirect adverse effects upon your business?
5) Do you anticipate any indirect beneficial effects upon your business?

Summary of Comments Received **(8 responses were received out of a minimum of 23,875 small business impact questionnaires distributed)**			
Will a specific regulation have an adverse economic effect upon your business?	**Will the regulation (s) have any beneficial effect upon your business?**	**Do you anticipate any indirect adverse effects upon your business?**	**Do you anticipate any indirect beneficial effects upon your business?**
Yes- 6 No – 2	Yes – 1 No - 7	Yes – 4 No – 4	Yes – 8 No – 0

Summary of Responses: Increasing costs puts burdens on the practice. Contributes to rising operational costs. Seeing more patients does not make more money.	Summary of Responses: Swifter inspections allow a quicker CLIA license and that could save $ Thousands.	Summary of Responses: Cost will be more without reimbursement. May cause loss of providers.	Summary of Responses: No comments.

Please see https://www.hcqc.nv.gov/contentassets/8eb5c7aaa9344e9ca20bdbabf11b8dfb/small-business-impact-statement-r072-26-1.pdf **for all Small Business Impact comments.**

Public Workshop – May 13, 2026
The public workshop was held on May 13, 2026 at 2pm. The workshop was attended by several public attendees, on a virtual Teams environment. No comments nor testimony were made during the workshop. No one from the public attended in-person.

Written Feedback
No written feedback was received from the time results were recorded regarding the small business impact questionnaire, through the date of public hearing and thereafter.

Public Hearing – June 5, 2026
A public hearing was held on June 5, 2026, before the Board of Health. The Agency provided a description of the regulations and a recommendation to the Board. No other testimony was provided either in support or opposition of the regulations and the Board voted to approve the regulations.

How other interested persons may obtain a copy of the summary
Any other persons interested in obtaining a copy of the summary may e-mail, call, or mail in a request to Claire Walton, EIO at the Division of Health Care Purchasing and Compliance at:

Division of Health Care Purchasing and Compliance
Bureau of Health Care Quality and Compliance
727 Fairview Drive, Suite E
Carson City, NV 89701
Clair Walton
Phone: 775-684-1030
Email: cwalton@nvha.nv.gov

3. **A statement indicating the number of persons who attended each hearing, testified at each hearing, and submitted written statements regarding the proposed regulation. This statement should include for each person identified pursuant to this section that testified and/or provided written statements at each hearing regarding the proposed regulation, the following information, if provided to the agency conducting the hearing:**

(a) Name
(b) Telephone Number
(c) Business Address
(d) Business telephone number
(e) Electronic mail address; and

(f) Name of entity or organization represented

Public Workshop – May 13, 2026
The public workshop was held on May 13, 2026 at 2pm. The workshop was attended by several public attendees, on a virtual Teams environment. No comments nor testimony were made during the workshop. No one from the public attended in-person.

Public Hearing – June 5, 2026
There were several individuals that attended the public hearing virtually, including Division of Health Care Purchasing and Compliance staff and Board of Health members. As there were other agenda items on the public hearing agenda it is unknown how many individuals were present specifically for the hearing on the Proposed Regulation R072-26. Of those attending the public hearing, none of the public provided testimony.

4. **A description of how comment was solicited (i.e., notices) from affected businesses, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.**
Pursuant to NRS 233B.0608 (1)(a) (b), the Division of Health Care Purchasing and Compliance, before conducting the public workshop for the proposed regulation, made a concerted effort to determine whether the proposed regulations are likely to impose a direct and significant economic burden upon a small business or directly restrict the formation, operation or expansion of a small business.

After receiving data from the solicitation of small businesses (please see item 2 above) a summary was generated and titled "Small Business Impact Statement". This statement was included in both the notices for the public workshop and the public hearing.

<u>How other interested persons may obtain a copy of the summary</u>
Any other persons interested in obtaining a copy of the summary may e-mail, call, or mail in a request to Claire Walton, EIO at the Division of Health Care Purchasing and Compliance at:

Division of Health Care Purchasing and Compliance
Bureau of Health Care Quality and Compliance
727 Fairview Drive, Suite E
Carson City, NV 89701
Clair Walton
Phone: 775-684-1030
Email: cwalton@nvha.nv.gov

5. **If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.**
No changes/Not Applicable.

6. **The estimated economic effect of the regulation on the business which it is to regulate and on the public. These must be stated separately, and in each case must include:**
- **(a) Both adverse and beneficial effects; and**
- **(b) Both immediate and long-term effects.**

<u>Anticipated effects on the businesses which NAC Chapter 652 regulates:</u>

<u>Adverse Immediate Effects:</u> Medical laboratory small businesses will incur a modest increase in licensing fees due to the seven (7) percent adjustment. Some facilities may need to make minor budget reallocations to absorb the increased fee.

Adverse Long-term Effects: There may be a possible impact on administrative or operational planning, as medical laboratory businesses adjust to accommodate increased costs within annual budgets. Although the fee increase may contribute to cumulative financial pressures within the healthcare sector, it has been deliberately calibrated to ensure its impact remains modest and manageable.

Beneficial Immediate Effects: The fee increase will provide greater financial stability for HCQC, helping ensure timely medical lab inspections, complaint investigations, licensing services, and regulatory oversight that small business rely on. The fee increase also supports small facilities by ensuring consistent and reliable regulatory services.

Beneficial Long-term effects: Beneficial long-term effects may include reducing the likelihood of service interruptions or delays in medical laboratory inspections and licensing processes due to staffing or resource shortages. Other benefits will include enhanced capacity within the Division to modernize data/information systems and improve communication processes, indirectly benefiting all providers. This will also strengthen statewide health and safety infrastructure, creating a more stable operating environment for regulated businesses.

Anticipated effects on the public:

Adverse Immediate Effects: Potential reduction in services or service availability if some small laboratory providers adjust operations in response to cost pressures.

Adverse Long-term Effects: Some laboratory businesses may pass on increased operational costs to clients, which could impact individuals on fixed or low incomes.

Beneficial Immediate Effects: The laboratory fee increases will have minimal immediate effects on the public. The public will benefit from continued regulatory oversight without interruption.

Beneficial Long-term effects: Long-term, the laboratory fee increases will provide enhanced consumer protection and safer licensed facilities due to adequately resourced inspections and regulatory functions. There will also be increased public trust in the healthcare system, and long-term improvement in statewide health and safety infrastructure.

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

The estimated cost to the agency for enforcement of the proposed regulations is negligible since licensure application fees are established to cover the costs of regulating medical laboratory facilities.

8. **A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, name the regulating federal agency.**

The proposed regulations do not overlap or duplicate any other federal or State of Nevada regulations.

9. **If the regulation includes provisions which are more stringent than a federal regulation which regulates the same activity, a summary of such provisions;**

There are no other state or federal regulations addressing the same activity.

10. **If the regulation establishes a new fee or increases an existing fee, a statement indicating the total annual amount the agency expects to collect and the manner in which the money will be used.**

The proposed seven percent (7%) increase on our medical laboratory fees budget of $1.4 million would generate an additional $98,000 which will be used to:

- Ensure timely inspections and surveys of licensed medical laboratories for compliance and safety.
- Meet increased salary obligations for inspectors and other HCQC staff.

- Conduct a growing number of required complaint investigations and follow-up monitoring to respond effectively to incidents.
- Modernize the licensing infrastructure to enhance online licensing database enhancements, and public-facing service.