



Joe Lombardo,
Governor

NEVADA HEALTH AUTHORITY
HEALTH CARE PURCHASING AND COMPLIANCE DIVISON

NVHA.NV.GOV



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Director

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Administrator

INFORMATIONAL STATEMENT PER NRS 233B.066
LCB FILE NO. R116-25

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

The purpose of the proposed regulations is to modify and create regulations in accordance with: 1) Senate Bill 260 of the 2023 Legislative Session, regarding modifications to businesses that provide referrals 2) Senate Bill 514 of the 2025 Legislative Session, establishing requirements for a new facility type, rehabilitative residential mental health care facilities and 3) Senate Bill 544 of the 2025 Legislative Session, regarding modifications to renewal dates for several facilities licensed under Nevada Administrative Code (NAC) chapter 449.

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 449 and other interested parties on January 13, 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 Responses

Summary of Comments Received (2 responses were received out of 2,637 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- 0 No - 2	Yes – 0 No - 2	Yes – 1 No – 1	Yes – 0 No – 0
No comments were provided.	No comments were provided.	The only comment provided was as follows: “We house mentally ill.”	No comments were provided.

Public Workshop – April 28, 2026

The public workshop was attended by several public attendees, but no comments were made by attendees regarding the proposed regulations.

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 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 – April 28, 2026

There were several non-Division of Health Care Purchasing and Compliance participants who attended the public workshop virtually. No one from the public attended in-person.

There was no testimony provided by members of the public.

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. The Division of Health Care Purchasing and Compliance staff also intended in-person. As there were other agenda items on the public hearing agenda it is unknown how many individuals were present specifically for the hearing on LCB Draft of Proposed Regulation R116-25.

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.

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

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.

The proposed regulations were amended on May 5, 2026 to include modifications to NAC chapter 449 regarding businesses that provide referrals, no other changes were made to the proposed regulations, because the Division received no negative feedback prior to the adoption hearing.

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.**

Anticipated effects on the businesses which NAC Chapter 449 regulates:

Adverse Effects:

- With the establishment of any new fees, there's a potential that prospective business operators will be discouraged from opening those businesses. However, the fees are necessary to assure the regulatory agency can perform its responsibilities to properly regulate facilities.
- There are no anticipated direct adverse effects on the industry or businesses.

Beneficial Effects:

- Establishing standards for Rehabilitative Residential Mental Health Care facilities will allow licensure and enrollment with Medicaid such that entities may legitimately operate and provide these services within the industry.
- A new applicant for a health facility license will receive the initial license valid for an entire year and would not be required to renew until the anniversary date the following year. Previously, applicants would receive an initial license valid only until December 31st of the year in which the license was issued (partial year validity) in the first year of licensure.
- Changes to NAC 449.0061, NAC 449.27817 and NAC 449.27829, should remove barriers for referral agencies and allow them to perform services with more options for reimbursement.

Immediate effects:

- The financial impacts, both adverse and beneficial, would be immediate upon passage of the proposed regulations.

Long-term effects:

- The long-term impacts, both adverse and beneficial, would continue for the long term until such time as the proposed regulations are amended in a manner that would change the impact.

Anticipated effects on the public:

Adverse effects:

- There are no anticipated adverse effects to the public.

Beneficial effects:

- Increased number of service providers.

Immediate effects:

- The beneficial impacts may not be realized immediately because it will take time to license new providers.

Long-Term effects:

- The beneficial impacts would remain long-term as facilities become licensed to provide these services.

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 rehabilitative residential mental health care 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 estimated total annual amount the Division expects to collect is unknown because we do not know the number of facilities that will apply for licensure as rehabilitative residential mental health care facilities. This estimate is provided only for purposes of illustrating an amount based on the number of applicants.

If five (5) applicants apply in the next year with an average of 10 beds each, then $(5 \times \$9,530 = \$47,650) + (50 \text{ beds} \times \$62 = \$3,100)$, total = \$50,750.

The fees collected would be used to cover the Division's operating costs related to the work associated with governing the licensure, regulation and investigation of rehabilitative residential mental health care facilities.