



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

**SUMMARY MINUTES AND ACTION REPORT**

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The fifth meeting of Nevada's Legislative Committee on Health Care was held on Thursday, February 9, 2006, 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 Web site at [www.leg.state.nv.us/73rd/Interim](http://www.leg.state.nv.us/73rd/Interim). In addition, copies of the audio record may be purchased through the Publications Office, Legislative Counsel Bureau (LCB) (e-mail: [publications@lcb.state.nv.us](mailto:publications@lcb.state.nv.us); telephone: 775/684-6835)

**COMMITTEE MEMBERS PRESENT IN LAS VEGAS:**

Senator Maurice E. Washington, Chairman  
Assemblywoman Sheila Leslie, Vice Chairwoman  
Senator Joe Heck  
Senator Steven A. Horsford  
Assemblyman Joe Hardy  
Assemblywoman Kathy McClain

**LEGISLATIVE COUNSEL BUREAU (LCB) STAFF PRESENT:**

Marsheilah D. Lyons, Senior Research Analyst, Research Division, LCB  
Amber J. Joiner, Senior Research Analyst, Research Division, LCB  
Leslie K. Hamner, Principal Deputy Legislative Counsel, Legal Division, LCB  
Kennedy, Principal Research Secretary, Research Division, LCB

## **OPENING REMARKS**

- Senator Maurice E. Washington, Chairman, welcomed members, presenters, and the public to the fifth meeting of the Legislative Committee on Health Care and asked the Committee's subcontracting firm representative to provide an update on its progress assisting in the development of a comprehensive statewide health care plan for the State of Nevada.
- Peter Burns, Corporate Director, EP&P Consulting, Phoenix, Arizona, gave an update on the formation of focus groups for the six designated topic areas for the Committee. He said 168 individuals were invited to participate in the focus groups. Mr. Burns noted that formal agendas would not be developed, but major topic areas would be discussed in each focus group.

## **APPROVAL OF MINUTES OF THE MEETINGS HELD ON DECEMBER 13, 2005, IN LAS VEGAS, AND JANUARY 10, 2006, IN CARSON CITY**

- The Committee **APPROVED THE FOLLOWING ACTION:**

ASSEMBLYWOMAN LESLIE MOVED FOR APPROVAL OF THE MINUTES OF THE COMMITTEE'S MEETINGS HELD ON DECEMBER 13, 2005, IN LAS VEGAS, NEVADA, AND ON JANUARY 10, 2006, IN CARSON CITY, NEVADA. THE MOTION WAS SECONDED BY ASSEMBLYMAN HARDY AND PASSED UNANIMOUSLY.

## **PRESENTATION CONCERNING THE REVIEW OF CAPITAL IMPROVEMENT REPORTS SUBMITTED BY CERTAIN HOSPITALS PURSUANT TO SUBSECTION 2 OF NRS 449.490 AS AMENDED BY A.B. 342 (CHAPTER 418, *STATUTES OF NEVADA 2005*)**

- Charles Duarte, Administrator, Division of Health Care Financing and Policy, Department of Health and Human Services (DHHS), gave an overview of the items in the interim report of the activities of the DHHS, and said the final report would be available on October 1, 2006. Specifically, Mr. Duarte reviewed:
  1. Policies and procedures regarding discounts offered to patients;
  2. Policies and procedures used to collect unpaid patient accounts;
  3. Corporate home office allocation methodologies;
  4. Expenses incurred for providing community benefits; and
  5. Capital improvement reports.

A copy of Mr. Duarte's testimony and the interim report he referenced in his presentation are available as [Exhibit B](#).

There were discussions regarding specific details of the preliminary hospital report from the DHHS, including: (1) clarification on certain job positions; (2) differing charity care policies across Nevada's hospitals; (3) the audit authority of assigning values, numbers, and definitions in the report; and (4) the process of procuring a certificate of need for capital improvement projects.

- Vernon W. Manke, Management Analyst, Division of Health Care Financing and Policy, DHHS, offered clarification on formulary standards set by hospitals' home offices or corporate structures.
- Chairman Washington stated the need for the Committee to examine the preliminary report and look for strategies to improve consistency in data collection, definitions, and value assignment in the hospitals' reporting systems.

## **OVERVIEW REGARDING THE REGULATION OF CERTAIN HEALTH CARE FACILITIES IN NEVADA**

- Pamela S. Graham, Bureau Chief, Bureau of Licensure and Certification, Health Division, DHHS, explained that the Bureau serves as the contractee for the Centers for Medicare and Medicaid Services (CMS), United States Department of Health and Human Services, to assess whether facilities meet Medicare reimbursement requirements. She discussed how the Bureau administers assessments through annual surveys and ongoing complaint investigations, and then provided an update on the latest findings of those surveys for skilled nursing facilities and hospitals in Nevada. Ms. Graham discussed difficulties experienced in some facilities in terms of staffing, especially nursing positions. She concluded by giving an overview of California's ground-breaking research on emergency department utilization trends and said she would follow the research for its possible application to Nevada's health care system. A copy of testimony and information provided by Ms. Graham is available as [Exhibit C](#).
- Ms. Graham addressed Committee issues regarding the number of nursing homes in Nevada in receivership and vacancy rates at nursing homes in general. She also discussed licensure of psychiatric units within acute care hospitals and the conversion of beds to accommodate hospital needs. She said she would provide information on those topics to the Committee.
- Michael J. Willden, Administrator, DHHS, stated that the facilities focus group would address the issue of utilization of beds as it relates to a facilities licensure requirements and current trends in moving clientele to alternative facilities. Mr. Willden said he would provide Assemblywoman Leslie with detailed information on the availability of beds for juveniles in psychiatric health care facilities.

## **PRESENTATION REGARDING THE STATUS OF THE HOSPITAL AND REHABILITATION CENTER INDUSTRY IN NEVADA**

- Bill Welch, President/CEO, Nevada Hospital Association (NHA), gave a slide presentation detailing hospital industry statistics in Nevada. Highlights of his presentation included:
  1. An overview of Nevada hospital statistics, including capacity, benefits to the community, and impacts on the state's economy;
  2. A review of the demographic challenges faced by Nevada hospitals, including an increasing population, the aging of the "baby boomers," and the health status of Nevadans;
  3. A discussion of issues facing hospitals and the response from hospitals regarding access and financial viability; and
  4. A list of recommendations for possible legislation, including: (1) increasing funding for Medicaid, health professional education and mental health services; (2) approving Medicaid presumptive eligibility; (3) expanding and funding the Health Insurance Flexibility and Accountability (HIFA) waiver program; and (4) supporting and funding improved public health programs.
- Concluding, Mr. Welch said the NHA plans to build broad-based support to find solutions to meet the medical needs of the community. He said the NHA will work with Dr. Brandenburg (mentioned later in these minutes) to identify barriers to access and address the issue of screenings for mental health patients. A copy of the slide presentation and additional material referenced by Mr. Welch is available as [Exhibit D](#).

There were discussions regarding clarification on criterion that defined community asset or commodity, and the definition of the cost of uncompensated care. Mr. Welch said he would provide the Committee with a list of definitions agreed upon by hospitals to ensure that data collection methodologies compare "apples to apples." He also said he would provide specific data on how the turnover cost for nurse vacancy is computed in Nevada.

Chairman Washington stated his intention for the Committee to work with the newly formed Nevada State Commission on Medical Research and Health Care to examine nursing and faculty needs in Nevada.

There was a further discussion on implementation of the HIFA waiver program in Nevada and potential cost-shifting issues, which occur at the federal level. Mr. Welch stated that the issue would be returned to the 2007 Session to include small businesses in the HIFA waiver program. Mr. Duarte stated that negotiation would occur in March 2006 with federal CMS officials as they review Nevada's draft HIFA waiver.

- Marc H. Bennett, President/CEO, HealthInsight, gave a slide presentation regarding strategies for improving health care in Nevada. Highlights from his presentation included:
  1. An examination of issues and problems related to monitoring the quality of care in nursing homes and hospitals in Nevada;
  2. A list of strategies to make measurable improvements in Nevada's Medicare system and in payer measures of health care quality through the CMS;
  3. A comparison of national performance indicators to Nevada, and a comparison of data from selected hospitals, nursing homes, and home health agencies in Nevada;
  4. A list of approaches to improving the national quality measurement and reporting infrastructure and aligning payment with quality; and
  5. A review of five recommendations for possible legislation.

A complete copy of Mr. Bennett's presentation, testimony, and referenced charts are available as [Exhibit E](#).

There was a discussion regarding Mr. Bennett's office assisting in the development of the comprehensive statewide health care plan for Nevada. Mr. Bennett commented Nevada hospitals and nursing homes are willing participate voluntarily in the process because the current system needs to be changed in order to get better results.

## **PRESENTATION REGARDING THE STATUS OF THE NURSING HOME INDUSTRY IN NEVADA**

- Charles Perry, Executive Director, Nevada Health Care Association, described problems encountered by the nursing home industry, including a shortage of registered health professionals. He alleged that Nevada's professional and licensing boards "go out of their way to make the process [of getting licensed or certified] as difficult as possible." Mr. Perry discussed current recruitment techniques practiced by the Association, and noted that existing personnel are not utilized as efficiently as possible. He expressed additional concerns for the nursing home industry including:
  1. The rising costs of liability insurance;
  2. Negative impacts on facility status due to a complicated Medicaid pending process;
  3. The length of time patients wait for admission to, or discharge from, hospitals; and
  4. A problematic payment/reimbursement system that does not allow for program expansions.

A copy of testimony and statistical information given by Mr. Perry is available as [Exhibit F](#).

There was a discussion regarding the medical needs of a growing number of Nevadans, age 85 years or older, and their accessibility and cost of care in a nursing home or skilled nursing facility. Mr. Perry noted a lack of facilities that participate in the HIFA waiver program. Further, Nevada has a shortage of people with the expertise to transition seniors from assisted living facilities to alternative facilities. He also pointed out that nursing home vacancies are due to a shortage of available workers in those facilities.

Chairman Washington requested the Legal Division, LCB, to determine the application of Nevada's new medical malpractice law to the nursing home industry.

Chairman Washington asked that the issue be addressed in the focus group with an emphasis on keeping Nevadan patients in-state for specialized nursing home care (i.e., for patients with dementia, brain damage, et cetera) and the costs associated with that specialized care.

## **PRESENTATION REGARDING THE STATUS OF MENTAL HEALTH FACILITIES IN NEVADA**

- Carlos E. Brandenburg, Ph.D., Administrator, Division of Mental Health and Developmental Services, DHHS, stated that the outstanding problem with the delivery of mental health services in Nevada is the unmet need for development of adequate public and private psychiatric hospital bed capacity, especially in Clark County. He discussed average wait times of acutely suicidal or homicidal psychiatric patients held in emergency rooms (ERs) or held in hospital beds before transfer to an appropriate mental health facility. Dr. Brandenburg gave an overview of possible reasons why private beds are decreasing, including:
  1. Lowering insurance reimbursement rates for psychiatric patients;
  2. Requiring higher co-payments for psychiatric patients and a Medicare 180-day to 190-day lifetime limit for psychiatric inpatients;
  3. Mounting financial risks to small- to moderate-sized hospitals where more than 50 percent of the facility's beds are utilized for psychiatric inpatients; and
  4. Increasing recovery times for psychiatric patients compared to medical surgery patients and the financial burdens imposed on the medical facility.
- Dr. Brandenburg discussed four primary strategies to address the problem of decreasing psychiatric beds, including: (1) expanding the use of Medicaid coverage/mental health (MH) waivers; (2) procuring enough beds to compare with national standards per 100,000; (3) creating insurance parity; and (4) crafting legislation to mandate number

of psychiatric beds in private hospitals. A copy of Dr. Brandenburg's testimony is available as [Exhibit G](#).

There was a discussion regarding wait times in ERs and the number of acute care patients who are displaced due to mental patients holding beds. Also, there was discussion on the financial implications and economic factors, including lesser cost Medicaid reimbursements for psychiatric patients, of the decreasing number of beds for mental health patients. The Committee discussed shifts in patient care and where they receive that care.

- Ingrid Whipple, M.H.A., Administrator/CEO, Montevista Hospital, described the hospitals as a private facility that provides psychiatric care for over 20 years. She said they accept Medicaid patients. Ms. Whipple noted that national trends in medical-surgical hospitals are ceasing psychiatric care due to the lower reimbursement pay for those patients.

There was a discussion regarding legislative activities during the 2005 Legislative Session with regard to bills addressing mental health facility issues. Dr. Brandenburg explained that a request for proposal for 50-beds through a private mental health facility was granted to WestCare. Ms. Whipple stated that the cost of one bed for one day at the Montevista facility was between \$500 and \$600 and they only had ten beds available for overflow service.

- Darryl Dubroca, CEO, Spring Mountain Treatment Center, said the Center is a private facility with 82 beds in the facility, 62 of which are for adolescents and 20 for adults. Mr. Dubroca said that the Center operated solely as a juvenile mental health facility for the first 4.5 years of business, but now accepts adult patients. He explained that because Medicaid does not reimburse for services to persons 21 years of age or older, funding the adult mental health portion of the facility offers the greatest challenge.

There was a discussion regarding which states utilized a waiver to fund mental health facilities. Charles Duarte, previously identified in these minutes, identified the exclusion of funding adult mental health as a federal exclusion and noted that the state could not pay for mental health patients without a federal match, subsidy, or waiver because it is cost prohibitive. He suggested that the idea be addressed during a meeting of the facilities focus group.

- Maurice Lee, Vice President, WestCare Foundation, said the facility serves approximately 600 clients per month, 80 percent of which are indigent. He discussed services available at WestCare, including transport services. Finally, he listed concerns, including a lack of funding, revisions to Legal 2000 language, and facility code changes.

There was a discussion on the recidivism rate of WestCare's clientele and the need to change the system of assessments to one of multi-level approaches for those clients when they are admitted to ERs.

Chairman Washington directed staff to arrange a meeting with state and private sector representatives in mental health to determine a viable cost per bed per day. He asked that EP&P be invited as well.

## **PRESENTATION REGARDING COMMUNITY HEALTH CENTERS IN NEVADA**

- Patricia Durbin, Executive Director, Great Basin Primary Care Association, explained that health care centers offer many benefits to the communities they serve and improve health care outcomes of their clientele. She said that both Medicaid and health centers are important means for improving access to care for the nation's medically underserved and then discussed how health centers reduce racial and ethnic disparities within those populations. A copy of information discussed by Ms. Durbin, as well as her testimony, is available as [Exhibit H](#).
- Michael P. Rodolico, Ed.D., M.P.H., Executive Director, Health Access Washoe County (HAWC), updated members on the process and activities of the HAWC Community Health Center. He profiled HAWC clientele and health centers are a limited commodity and need funding for their priority clientele, which are primarily uninsured children. A copy of testimony given by Dr. Rodolico is available as [Exhibit I](#).
- Steven C. Hansen, CEO, Nevada Health Centers, Inc., gave a slide presentation ([Exhibit J](#)) regarding health centers in Nevada. Highlights from his presentation included: (1) the definition of a health center and its mission statement; (2) a review of the 25 health centers in Nevada, their locations, and specialties; (3) an examination of the ethnic origins and patient payer sources of clientele that visit a health center; (4) an overview of revenues and grant sources for health centers; and (5) a summary of strategies to improve access to health care.

There was a discussion regarding the numbers of states that have line-item budgets for ongoing community health clinics. The Committee requested this information from Ms. Durbin.

## **PRESENTATION REGARDING THE NEVADA CENTER FOR ETHICS AND HEALTH POLICY, UNIVERSITY OF NEVADA, RENO (UNR)**

- Noel Tiano, Th.D., Director, and Allen Wells, Research and Health Policy Expert, Nevada Center for Ethics and Health Policy (NCEHP), UNR, listed the composition of the NCEHP and stated the mission, purpose, and services available through the Center. Dr. Tiano explained that the Center promotes ethical and appropriate health care through education, research, and outreach. He said the NCEHP was granted permanent funding by the Nevada State Legislature during the 2001 Session. Mr. Wells reviewed the accomplishments of the NCEHP and said more information is available online at [www.healthethics.org](http://www.healthethics.org). A copy of information presented to the Committee is available as [Exhibit K](#).



## **PRESENTATIONS REGARDING CERTAIN BEHAVIORAL HEALTH CARE PROFESSIONALS LICENSED BY THE STATE OF NEVADA**

- A. Sharon Atkinson, Executive Director, Board of Examiners for Alcohol, Drug and Gambling Counselors (NRS 641C.150), reviewed licensure and certification requirements for alcohol, drug, and gambling counselors in Nevada. She shared information regarding details on types and status of counselors, requirements of interns, and reciprocity qualifications. A copy of information referenced by Ms. Atkinson is available as [Exhibit L](#).

There was a discussion on the differences for the exam used for a licensed drug counselor and the exam used for a certified drug counselor.

- B. Letty Lindsey, Executive Director, Board of Examiners for Marriage and Family Therapists, updated members on the licensure and certification statistics from the Board. She noted that there is no reciprocity in any state except Hawaii. She also reviewed changes in regulations that affect licensure.

There was a discussion regarding the possibility of the licensure process being “too strict” and differences between states on certification and educational requirements, including therapy hours and the type of exam administered.

Chairman Washington requested Ms. Lindsey to provide data on the number of marriage and family therapists per populations of 100,000 by state and nationally.

- C. Paula Squitieri, Ph.D., President, Board of Psychological Examiners, was not in attendance at the meeting.
- D. Rosalind Tuana, Executive Director, Board of Examiners for Social Workers, updated members on the number of total licensees of social workers in Nevada and the different types of social workers. She said that Nevada has fewer licensed social workers than surrounding states. A copy of her report is available as [Exhibit M](#).
- Alicia Smalley, Coordinator of Field Instruction, School of Social Work, UNR, and member, Nevada Chapter, National Association of Social Workers (NASW), discussed initiatives developed by the NASW to encourage licensure and certification in social work, which included: (1) graduate programs that offer paid clinical internships; (2) the “3 + 1” program; (3) the formation of a statewide task force to examines salary issues for LCSWs in Nevada; (4) a study of social worker shortages, currently underway by graduate enrolled in the School of Social Workers, UNR; and (5) more responsive schedules at the university level, including online classes, interactive video classes, weekend courses, and student loan forgiveness programs.

There was a discussion regarding requirements for masters’ degrees and graduate statistics.

**CONSIDERATION OF HEALTH CARE REGULATIONS PURSUANT TO  
NRS 439B.225 (CONTACT THE LEGAL DIVISION, LEGISLATIVE COUNSEL  
BUREAU [LCB], FOR A LIST OF REGULATIONS.)**

- Leslie K. Hamner, Principal Deputy Legislative Counsel, Legal Division, LCB, reviewed proposed and adopted regulations for the Committee's consideration. Copies of the summaries of the regulations discussed by Ms. Hamner are available as [Exhibit N](#).

**PUBLIC COMMENT**

There were no comments from the public.

**ADJOURNMENT**

There being no further business to come before the Committee, the meeting was adjourned at 3:48 p.m.

Respectfully submitted,

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Kennedy  
Principal Research Secretary

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Marsheilah D. Lyons  
Senior Research Analyst

APPROVED BY:

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Senator Maurice E. Washington, Chairman

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

## LIST OF EXHIBITS

Exhibit A is the Meeting Notice and Agenda provided by provided by Marsheilah D. Lyons, Senior Research Analyst, Research Division, Legislative Counsel Bureau (LCB), Carson City, Nevada.

Exhibit B is a package of information given by Charles Duarte, Administrator, Division of Health Care Financing and Policy, Department of Health and Human Services (DHHS), including:

1. A four page copy of testimony dated February 9, and titled “Testimony”; and
2. A 12-page document dated January 31, 2006, and titled “Interim Report on Activities and Operations of the Department of Health and Human Services.”

Exhibit C is a 28-page packet of information dated February 9, 2006, and titled “Meeting of the Legislative Committee on Health Care,” submitted by Pamela S. Graham, Bureau Chief, Bureau of Licensure and Certification, Health Division, DHHS.

Exhibit D is a ten-slide Microsoft PowerPoint presentation dated February 9, 2006, and titled “Hospital Industry Report to the Legislative Committee on Health Care,” and a 12-page document titled “Presentation on the Hospital Industry in the State of Nevada,” presented by Bill Welch, President/CEO, Nevada Hospital Association.

Exhibit E is a packet of information provided by Marc H. Bennett, President/CEO, HealthInsight, including:

- A 25-slide Microsoft PowerPoint presentation titled “A Look at Nevada Health Care Quality Performance: Using Public Data to Support Transformation”;
- A five-page package of charts; and
- A seven-page package of testimony.

Exhibit F is a 17-page packet of information dated February 9, 2006, and titled “Nevada Health Care Association,” furnished by Charles Perry, Executive Director, Nevada Health Care Association.

Exhibit G is a six-page document dated February 9, 2006, and titled “Legislative Committee on Health Care Development of a Statewide Health Care Plan,” submitted by Carlos E. Brandenburg, Ph.D., Administrator, DHHS.

Exhibit H is a nine-page document, dated August 2005, and titled “Fact Sheet America’s Health Centers: 40 Years of Commitment and Success,” and a four-page copy of testimony provided by Patricia Durbin, Executive Director, Great Basin Primary Care Association.

[Exhibit I](#) is a two-page document dated February 9, 2006, and titled “HAWC Community Health Center,” presented by Michael P. Rodolico, Ed.D., M.P.H., Executive Director, Health Access Washoe County.

[Exhibit J](#) is a six-slide Microsoft PowerPoint presentation titled “Nevada Health Centers, Inc.,” presented by Steven C. Hansen, CEO, Nevada Health Centers, Inc.

[Exhibit K](#) is a one-page letter of introduction dated February 1, 2006, with a one-page attachment, to members of the Nevada State Legislature from Barbara Thornton, Chair, and Noel Tiano, Th.D., Director, Nevada Center for Ethics and Health Policy, University of Nevada, Reno.

[Exhibit L](#) is a two-page copy of testimony and a five-page document titled “Nevada Board of Examiners for Alcohol, Drug and Gambling Counselors, Information on Alcohol and Drug Abuse Counselors,” submitted by Sharon Atkinson, Executive Director, Board of Examiners for Alcohol, Drug and Gambling Counselors.

[Exhibit M](#) is a one-page document titled “Board of Examiners for Social Workers, Nevada Social Workers 2005,” given by Rosalind Tuana, Executive Director, Board of Examiners for Social Workers.

[Exhibit N](#) is a ten-page package of summaries of regulations submitted by Leslie K. Hamner, Principal Deputy Legislative Counsel, Legal Division, LCB, including:

1. LCB File No. R173-05;
2. LCB File No. R224-05;
3. LCB File No. R209-05;
4. LCB File No. R218-05;
5. LCB File No. R026-05;
6. LCB File No. R063-05; and
7. LCB File No. R139-05.

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.