



**NEVADA LEGISLATURE**  
**TASK FORCE FOR THE FUND FOR A HEALTHY NEVADA**  
*(Nevada Revised Statutes [NRS] 439.625)*

**SUMMARY MINUTES AND ACTION REPORT**

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The fifth meeting and final work session of the Nevada Legislature's Task Force for the Fund for a Healthy Nevada was held on July 13, 2006, at 10 a.m., in Room 4412 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 Legislative Counsel Bureau's Publications Office (e-mail: [publications@lcb.state.nv.us](mailto:publications@lcb.state.nv.us); telephone: 775/684-6835).

**TASK FORCE MEMBERS PRESENT IN LAS VEGAS:**

Senator Maurice E. Washington, Chair  
Senator Joe Heck  
Dr. John Ellerton  
Dr. Elizabeth Fildes  
Greg Griffin  
Dr. Paul Stewart

**TASK FORCE MEMBER EXCUSED:**

Assemblywoman Kathy McClain, Vice Chair

**TASK FORCE MEMBERS ABSENT:**

Thomas May  
Carla Sloan

**LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:**

Barbara S. Dimmitt, Senior Research Analyst, Research Division  
Leslie K. Hamner, Principal Deputy Legislative Counsel, Legal Division  
Sara Partida, Deputy Legislative Counsel, Legal Division  
Richard S. Combs, Program Analyst, Fiscal Analysis Division  
Jeannie Claussen, Senior Research Secretary, Research Division

## **OPENING REMARKS**

- Chairman Washington called the meeting to order at 10:16 a.m., and asked the secretary to call roll. Chairman Washington asked that the minutes reflect Assemblywoman McClain excused.

## **APPROVAL OF MINUTES OF THE MAY 4, 2006, MEETING OF THE TASK FORCE FOR THE FUND FOR A HEALTHY NEVADA**

- The Task Force **APPROVED THE FOLLOWING ACTION:**

DR. ELLERTON MOVED FOR APPROVAL OF THE MINUTES OF THE MAY 4, 2006, MEETING OF THE TASK FORCE HELD IN CARSON CITY. THE MOTION WAS SECONDED BY DR. FILDES AND PASSED UNANIMOUSLY.

## **APPROVAL OF MINUTES OF THE JANUARY 5, 2006, MEETING HELD JOINTLY BY THE TASK FORCE FOR THE FUND FOR A HEALTHY NEVADA AND THE GRANTS MANAGEMENT ADVISORY COMMITTEE (GMAC)**

When the Task Force meets in joint session with the GMAC, both entities must approve the minutes separately. Therefore, the Task Force considered the minutes of the joint meeting held on January 5, 2006.

- The Task Force **APPROVED THE FOLLOWING ACTION:**

DR. ELLERTON MOVED FOR APPROVAL OF THE MINUTES OF THE JANUARY 5, 2006, MEETING OF THE TASK FORCE HELD IN CARSON CITY. THE MOTION WAS SECONDED BY SENATOR HECK, WHICH PASSED UNANIMOUSLY.

## **REVIEW AND CONSIDERATION OF QUALIFIED GRANT APPLICATIONS SUBMITTED CONCERNING EVALUATION OF AND TECHNICAL ASSISTANCE FOR TOBACCO CONTROL GRANTEES, AND DECISIONS ON WHICH APPLICATIONS WILL RECEIVE A GRANT OF MONEY FROM THE FUND FOR A HEALTHY NEVADA FOR THE 2006-2007/2007-2008 GRANT CYCLE**

- Laura Hale, Chief, Grants Management Unit (GMU), Department of Health and Human Services (DHHS), summarized information contained in a chart titled "Applications for Tobacco Control Evaluation and Technical Assistance: Task Force Member Scores and Comments." The chart compared the grant applications submitted by Battelle Centers for Public Health Research and Evaluation and Social Entrepreneurs Inc. ([Exhibit B](#)).

- Howard A. Fishbein, P.H., M.P.H., Health Research Leader, Battelle Centers for Public Health Research and Evaluation, Columbus, Ohio, addressed Chairman Washington's concern that Battelle's description of the proposed contents of its progress reports and final reports seemed vague. Dr. Fishbein stated that a user-friendly report would be developed that would provide an executive summary, supported by specific examples. He also indicated he would provide samples of a user-friendly report and a technical report, as requested by Chairman Washington.
- Michael D. Johnson, Ph.D., Health Research Leader, Senior Behavioral Psychologist, Battelle Memorial Institute, Centers for Public Health Research and Evaluation, Grass Valley, California, described user-friendly technical reports Battelle had delivered concerning projects in Clark and Washoe Counties in Nevada and in other states.

During further discussion of the Battelle's grant application, Dr. Ellerton expressed concern regarding outcome analysis, specifically about what happens to those individuals who have stopped smoking. Dr. Johnson responded that Battelle's outcome analysis compares intermediate indicators with program objectives, which look at behavioral changes, knowledge, awareness, and attitude. Dr. Fishbein noted that multivariate analysis also can indicate what programs or program components were most effective in achieving long-term outcomes.

- Dr. Fildes asked Dr. Fishbein and Dr. Johnson to share their previous experience in improving program sustainability and targeting technical assistance to individual grantees. Dr. Fishbein discussed a successful program in the State of Maine in which people were taught to work with local data to produce reports for each program. Dr. Johnson added that the major focus was to build evaluation capacity by working with grantees to develop evaluation skills.

Dr. Johnson added that an analysis of individual and aggregate data for Battelle's evaluation and technical assistance program in Maine demonstrated a savings in health care dollars for that state.

- Kelly Marschall, Principal, Social Entrepreneurs Inc. (SEI), Reno, addressed areas of concern about the scope of SEI's experience as noted in the "Comments" section of [Exhibit B](#). She also addressed the subcontractor's concern and stated they chose to partner with the Center for Health Improvement (CHI) in Sacramento, California, because they have partnered with them on Fund for Healthy Nevada projects on three previous occasions. She further stated that the SEI prefers a hands-on approach, but also wanted to draw from national experts, particularly with regard to best practices.

Commenting further, Ms. Marschall addressed sustainability of program funding and discussed different initiatives relating to health that are funded through tobacco dollars. She said the SEI's sustainability plan for grantees would account for potential reductions in tobacco funding and include specifically identification and measurement of outcomes at the county level.

There was general discussion concerning the CHI's duties as a subcontractor with regard to conducting surveys. Ms. Marschall explained that the CHI is listed as a subcontractor because members of the CHI's staff are not employees of the SEI. She stated that the grant contract would contain provisions defining the CHI's and SEI's scopes of work. She added that the CHI has extensive experience in conducting statewide surveys and would be responsible for soliciting bids from and subcontracting with the surveyor.

- Senator Washington called for a motion to determine which vendor would receive grant funds from the Fund for a Healthy Nevada for evaluation of and technical assistance to tobacco grantees, or to consider a motion to combine responsibilities and distribute funds to both vendors.
- The Task Force **TOOK THE FOLLOWING ACTION:**

SENATOR HECK MOVED TO AWARD A GRANT OF \$737,940—WITH \$276,727 BUDGETED FOR FY 2007, \$368,970 FOR FY 2008, AND \$92,243 FOR FY 2009—TO BATTELLE CENTERS FOR PUBLIC HEALTH RESEARCH AND EVALUATION FOR THE PURPOSE OF EVALUATING AND PROVIDING TECHNICAL ASSISTANCE TO HEALTHY NEVADA GRANTEES IN THE TOBACCO CATEGORY. THE MOTION WAS SECONDED BY DR. ELLERTON.

During discussion of the motion, Chairman Washington expressed support for awarding the grant to the SEI since it was a Nevada firm with which the Task Force had worked on previous projects. He said he had no problems with the SEI's plan to work with a respected subcontractor. Dr. Fildes proposed dividing the grant funds between both applicants.

THE MOTION WAS DEFEATED, WITH SENATOR HECK AND DR. ELLERTON VOTING YEA AND CHAIRMAN WASHINGTON, DR. FILDES, MR. GRIFFIN, AND DR. STEWART VOTING NAY.

- Chairman Washington said he would entertain a new motion.

- The Task Force **TOOK THE FOLLOWING ACTION:**

DR. FILDES MOVED TO DIVIDE THE AWARD OF \$737,940 FOR THE PURPOSE OF EVALUATING AND PROVIDING TECHNICAL ASSISTANCE TO HEALTHY NEVADA GRANTEES IN THE TOBACCO CATEGORY BETWEEN THE BATTELLE CENTERS FOR PUBLIC HEALTH RESEARCH AND EVALUATION AND SEI, IN ORDER TO TAKE ADVANTAGE OF THE COMBINED STRENGTH OF THE APPLICANTS. THE MOTION WAS SECONDED BY DR. STEWART.

- Ms. Hale explained that the grant was awarded to both applicants and both applicants would need to review and revise their program plans. She requested guidance from the Task Force concerning its assessment of the strengths of each applicant.
- Chairman Washington asked both applicants to comment on the workability of dividing the grant.
- Ms. Marschall stated it would be critical to identify a project leader and define the role each organization would play. She said Battelle Centers had expertise in conducting adult tobacco surveys and opined that the SEI's strengths related to face-to-face interaction with the grantees. Ms. Marschall added that she would need to negotiate with Battelle Centers and discuss the terms with the CHI.
- Dr. Fishbein said it would be important to avoid a disassociated evaluation, in which one entity is conducting a survey, while the other entity is working on local programs; it was important to have a unified team. He said Battelle has worked in Nevada and is attuned to local grantees. If a combined grant were entertained, he would recommend that Dr. Johnson lead the evaluation and work with the SEI. He also mentioned that Battelle's plans included interviews, reviews, written materials, development reports, on-site visits, and workshops for each of the grantees. Dr. Johnson said Battelle had partnered with local organizations in other states; however, he thought that assigning one entity to conduct the survey and the other to provide the technical assistance would not generate a good product for the Task Force.
- Senator Heck expressed concern about the potential for duplicative administrative costs under a shared grant approach, given the limited funds available. He noted as an example that both entities would need to travel to conduct site visits. He emphasized the importance of a cohesive approach to evaluation and technical assistance and said he was not inclined to vote in favor of splitting the project.

THE MOTION WAS DEFEATED, WITH DR. FILDES VOTING YEA AND CHAIRMAN WASHINGTON, DR. ELLERTON, MR. GRIFFIN, DR. HECK, AND DR. STEWART VOTING NAY.

- Chairman Washington entertained a third motion.

- Dr. Heck said he was willing to make a motion to award the grant to the SEI. However, he also stated that such an action would call into question the entire process of having the members of Subcommittee No. 3, “Substance Abuse Treatment and Prevention, Including Tobacco” score the applications. He noted that Battelle led the scoring and recommended the Task Force reexamine the entire process of scoring applications if the SEI were awarded the grant.
- The Task Force **TOOK THE FOLLOWING ACTION:**

SENATOR HECK MOVED TO AWARD A GRANT OF \$737,940—WITH \$276,727 BUDGETED FOR FY 2007, \$368,970 FOR FY 2008, AND \$92,243 FOR FY 2009—TO SOCIAL ENTREPRENEURS INC. FOR THE PURPOSE OF EVALUATING AND PROVIDING TECHNICAL ASSISTANCE TO HEALTHY NEVADA GRANTEEES IN THE TOBACCO CATEGORY, ON THE CONDITION THAT THE TASK FORCE FOR THE FUND FOR A HEALTHY NEVADA WOULD DISCUSS FUTURE SCORING OF GRANT APPLICATIONS. DR. ELLERTON SECONDED THE MOTION FOR PURPOSES OF DISCUSSION.

- Dr. Fildes stated that, after hearing Dr. Fishbein’s remarks about the complexities of having two entities involved in the project, she favored awarding the contract to Battelle Centers.
- Dr. Ellerton expressed concerns about subcontracting with a partner, which could entail that partner subcontracting with another entity to complete the job. He said that the Task Force seemed to be getting farther away from its objective of a coordinated evaluation. He concurred with Senator Heck’s comments about the evaluation process.
- Chairman Washington concurred with the comments expressed by Dr. Ellerton and Senator Heck. He stated that the determining factor in awarding the grant should be based on the results of evaluating and scoring the grant applications.
- Leslie K. Hamner, Principal Deputy Legislative Counsel, Legal Division, Legislative Counsel Bureau (LCB), advised the Task Force that the current motion would need to be defeated before the members could move to receive a motion to award the contract to Battelle Centers.
- Chairman Washington called for a vote on the previous action.

THE MOTION WAS DEFEATED WITH CHAIRMAN WASHINGTON AND DR. STEWART VOTING YEA AND DR. ELLERTON, DR. FILDES, MR. GRIFFIN, AND DR. HECK VOTING NAY.

- The Task Force **TOOK THE FOLLOWING ACTION:**

DR. ELLERTON MOVED TO AWARD A GRANT OF \$737,940—WITH \$276,727 BUDGETED FOR FY 2007, \$368,970 FOR FY 2008, AND \$92,243 FOR FY 2009—TO BATTELLE CENTERS FOR PUBLIC HEALTH RESEARCH AND EVALUATION FOR PURPOSES OF EVALUATING AND PROVIDING TECHNICAL ASSISTANCE TO HEALTHY NEVADA GRANTEES IN THE TOBACCO CATEGORY. DR. FILDES SECONDED THE MOTION, WHICH PASSED WITH CHAIRMAN WASHINGTON AND DR. STEWART VOTING NAY.

**REPORT ON THE STATUS OF FUNDS DEPOSITED IN ESCROW BY NON-PARTICIPATING TOBACCO MANUFACTURERS PURSUANT TO THE MASTER SETTLEMENT AGREEMENT AND AN UPDATE ON LITIGATION BETWEEN THE STATE AND PARTICIPATING TOBACCO MANUFACTURERS RELATED TO WITHHELD PAYMENTS**

- Victoria Oldenburg, Senior Deputy Attorney General, Office of the Attorney General, gave a Microsoft PowerPoint presentation titled “The Master Settlement Agreement: Payment Issues” ([Exhibit C](#)). She traced the history and the impact of the Nonparticipating Manufacturing Adjustments and its relationship to payments withheld from Nevada by participating manufacturers in April 2006.
- Chairman Washington asked if funds placed in escrow by the nonparticipating tobacco companies were available for expenditure. Ms. Oldenburg explained that nonparticipating tobacco manufacturers selling cigarettes in the State of Nevada must place a certain percentage of each unit or stick of cigarette sold into an escrow fund every year. She said these funds must remain in escrow for 25 years. The State of Nevada is a named beneficiary of the escrow account. However, the funds in the escrow are not available to the State to spend. She explained that the only way the funds could revert back to the State would be if Nevada litigated against a nonparticipating manufacturer for actions similar to the complaints brought forth in 1997-1998 concerning health-related consequences and costs associated with smoking. If the State won such a lawsuit, the funds in the escrow account could be used to satisfy any monetary judgment awarded. Otherwise, the funds will revert back to the nonparticipating manufacturer 25 years after being placed in escrow.

Ms. Oldenburg also provided an update on litigation between the State and the participating tobacco manufacturers concerning their withholding of \$4 million in payments to the State. The manufacturers justified their action on the Nonparticipating Manufacturers’ Adjustment. Ms. Oldenburg said the State initiated its lawsuit against all of the participating manufacturers, even though Phillip Morris deposited its full payment, because a claim could later be made that this company also was entitled to withhold payments.

## **REPORT ON GRANT AGREEMENTS ISSUED FOR THE 2006-2007/2007-2008 GRANT CYCLE**

- Kathy P. Brown, Social Services Program Specialist III, GMU, DHHS, presented a handout showing a listing of all the grant agreements issued by the GMU to implement allocations approved by the Task Force for the next grant cycle ([Exhibit D](#)).

## **CONSIDERATION OF PROPOSALS TO DESIGNATE ALTERNATE GRANTEES OR FISCAL AGENTS PRIOR TO ISSUING GRANT AGREEMENTS FOR THE 2006-2007/2007-2008 GRANT CYCLE**

### **Covering Kids and Families Coalition (Concerning Funding for a Statewide Effort to Increase the Number of Children Enrolled in Nevada Check-Up and Medicaid)**

- Marcia O'Malley, Executive Director, Family Ties of Nevada, and Co-Chair, Covering Kids and Families Coalition (CKFC), provided a brief history of the CKFC ([Exhibit E](#)). Ms. O'Malley suggested changing the organization receiving the grant funds as fiscal intermediary for the CKFC's project from HealthInsight to the Division of Health Care Finance and Policy (DHCFP), DHHS. The purpose of this change would be to allow the DHHS to pursue federal matching funds through the Medicaid program.
- Charles C. Duarte, Administrator, DHCFP, DHHS, concurred with the request to change the grantee. He requested that the Task Force designate the DHCFP as the grantee by October 1 and suggested that HealthInsight be identified as interim grantee for the remainder of the first quarter of the grant. Approximately \$15,000 would be needed to hire a project director before the grant funds transition to the DHCFP. Mr. Duarte said he would work with Richard S. Combs, Program Analyst, Fiscal Analysis Division, LCB, and Laura Hale, identified previously, on details related to the budget.

Mr. Duarte stated that if the Task Force did not approve the request to change the grantee, federal matching funds would be lost, which would decrease the total funds available to help children receive Nevada Check-Up under the CKFC's proposal.

There was general discussion regarding the prospects for receiving approval from the Centers for Medicare and Medicaid Services (CMS), United States Department of Health and Human Services, for receipt of Medicaid matching funds under this new arrangement. Mr. Duarte responded that the likelihood of the CMS approval was good, since the DHCFP was currently utilizing grant funds from the Robert Wood Johnson Foundation as matching funds for federal dollars. In response to questions from the Task Force members concerning what would happen if federal matching funds were denied, Ms. O'Malley said the DHCFP and CKFC would work with the GMU to scale down the scope of work. Ms. Hale stated that if the scope of work needed to be changed, the DHCFP would return to the Task Force for approval.



- The Task Force **TOOK THE FOLLOWING ACTION:**

SENATOR HECK MOVED TO APPROVE DESIGNATING THE DHCFP AS THE FISCAL AGENT FOR THE COVERING KIDS AND FAMILIES COALITION FOR THE PURPOSE OF PURSUING FEDERAL MATCHING FUNDS THROUGH THE MEDICAID PROGRAM. IF THE CMS DOES NOT APPROVE MATCHING FUNDS UNDER THIS ARRANGEMENT, THE TASK FORCE WILL REEVALUATE THE SITUATION. DR ELLERTON SECONDED THE MOTION.

Chairman Washington directed Mr. Duarte and Ms. O'Malley to provide a status report to Ms. Hale or Mr. Combs before the next meeting of the Task Force.

- The Chairman called for a vote on the motion.

THE MOTION PASSED UNANIMOUSLY.

**HealthSmart (Concerning Funding to Reduce Tobacco-Related Morbidity and Mortality Through Care for Pregnant Women at Washoe Pregnancy Center and Through Training of Health Care Professionals in Tobacco and Environmental Tobacco Smoke Avoidance Interventions)**

- Kathy P. Brown, identified previously, advised the Task Force that HealthSmart would no longer be the fiscal intermediary for the grant to the Washoe Pregnancy Center.
- Dr. Cher Todd, Washoe Pregnancy Center (WPC), and Darren Winkelman, Director, Carson City Health and Human Services (CCHHS), announced that HealthSmart was no longer in business. Dr. Todd proposed that the CCHHS become the fiscal intermediary for the WPC's Operation Tobacco Free Nevada and Tobacco Free Babies project.
- Ms. Hale responded to Dr. Ellerton's question about who was the actual grantee if HealthSmart was no longer the fiscal intermediary. Ms. Hale explained that the WPC had been operating the program under the direction of Dr. Todd; however, the grant funds must be allocated to a fiscal intermediary, since the WPC is not eligible for funds directly.
- Senator Heck asked why the CCHHS, located in Carson City, should be the fiscal intermediary for an entity within Washoe County. Dr. Todd responded that the WPC is the largest free-standing clinic in the State. She stated that 14 percent of the 3,300 mothers the WPC served are from the Carson City catchment area, because there are no similar services in Carson City. She also noted the WPC has expanded its scope to include a statewide component called "Operation Tobacco-Free Nevada." She said

the CCHHS would like the WPC to integrate its tobacco assessment and intervention services into the CCHHS' clinic.

- Chairman Washington asked what procedural changes would be involved in transferring the grant for the WPS' programs to the CCHHS. Ms. Hale replied that the GMU would issue a notice of grant award to the CCHHS to supersede the original notice of grant award to HealthSmart. The grant's budget and performance timelines would remain the same. Ms. Hale indicated the GMU could draft the new grant agreement to be retroactive to July 1, 2006, to allow programmatic expenses to be charged appropriately. She added that Task Force approval of revising the grant would be contingent upon the approval of the CCHHS board, which is scheduled to meet on August 3, 2006.
- Senator Heck asked what effect the proposed change would have on the indirect costs of the grant. Ms. Hale responded that changing the fiscal intermediary would not change the original budget.
- The Task Force **TOOK THE FOLLOWING ACTION:**

DR. ELLERTON MOVED TO TRANSFER THE GRANTEE AND FISCAL INTERMEDIARY FOR THE WASHOE PREGNANCY CENTER'S TOBACCO-FREE NEVADA/TOBACCO FREE BABIES PROJECT FROM HEALTHSMART TO CARSON CITY HEALTH AND HUMAN SERVICES, CONTINGENT UPON APPROVAL BY THE CCHHS BOARD. IF THE BOARD DOES NOT APPROVE THE PROPOSED CHANGE, THE MATTER MUST COME BEFORE THE TASK FORCE FOR FURTHER CONSIDERATION. DR. FILDES SECONDED THE MOTION. THE MOTION PASSED UNANIMOUSLY.

#### **CONSIDERATION OF PROPOSALS TO REQUIRE ADDITIONAL INFORMATION OR ASSURANCES FROM GRANTEES PRIOR TO ISSUING GRANT AGREEMENTS FOR THE 2006-2007/2007-2008 GRANT CYCLE**

##### **Carson Advocates for Cancer Care (Concerning Funding for Cancer-Related Treatment, Pharmacy Bills, and Transportation for Certain Needy Cancer Patients)**

- Kathy P. Brown, identified previously, provided recommendations (see page 3 of [Exhibit D](#)) that Carson Advocates for Cancer Care be directed to develop written policies and procedures to improve program structure.
- Dr. Ellerton said he recalled that this grant recipient did not score well on its application and did not make the original cut for candidates for grant awards.
- Chairman Washington stated he had supported funding the program because of the work it had performed in previous years. He said he considered the Carson Advocates

for Cancer Care a viable program and remained a supporter. However, he expressed agreement with Ms. Brown's recommendations for ensuring appropriate use of funds and tracking of outcomes.

- Ann Proffitt, volunteer and member, Carson Advocates for Cancer Care, discussed the recommendations made by Ms. Brown. She noted that many of the policies she recommended were in place, but not as formal written policies. She said the organization's error may have been not describing these policies in the correct format. She stated that some of the recommendations were addressed during detailed discussions with Ms. Brown and Ms. Hale, and that she would work with Ms. Brown to document the levels of tobacco use and exposure to tobacco smoke and to provide measurable outcome measures. She said the information for outcome can be obtained from files on previous recipients.
- Chairman Washington noted that funds have not yet been released for this program and asked Ms. Hale if the release could be made contingent on meeting the recommendations made by Ms. Brown. Ms. Hale replied that Ms. Brown had developed contractual language to that effect, including a time frame for compliance. She added the GMU would like to see Carson Advocates for Cancer Care receive accreditation.
- Chairman Washington asked Ms. Hale if the GMU had concerns about the program's accounting practices. She replied the GMU did not have these concerns with regard to Carson Advocates for Cancer Care.
- Chairman Washington directed the GMU staff to proceed with implementing Ms. Brown's recommendations

**Churchill Community Coalition (Concerning Funding to Prevent Initiation of Tobacco Use Among Young People and to Provide Cessation Treatment in Partnership with New Frontier)**

- Ms. Brown asked the Task Force for clarification on how the Churchill County Coalitions' grant funds should be spent. Currently, the Coalition's proposed budget allocates \$8,420 for personnel costs and \$2,076 to New Frontier for smoking cessation products. She mentioned the Coalition's program manager position is currently vacant.
- In response to a request for clarification from Dr. Ellerton, Ms. Brown said she was asking the Task Force members if they thought the program should go forward as it had in the past or if they wanted the bulk of the funds to go to New Frontier for smoking cessation.
- Debure Carlson, Board Member, Churchill Community Coalition, and Dennis Lee, Prevention Specialist, Churchill Community Coalition, made themselves available for questioning by the Task Force.

- When Chairman Washington asked for more information on how the program had been funded previously, Ms. Hale stated that the Churchill County Coalition had been funded at a limited level in the past to conduct smoking cessation activities. For the current grant cycle, the Coalition submitted an expanded application, which included funds to subcontract with New Frontier for tobacco cessation activities. Ms. Hale stated that New Frontier had been a grantee in previous grant cycles and noted that the Coalition's application for the current grant cycle did not make the cut for candidates eligible for funding, but was reconsidered and funded. Ms. Hale indicated the Task Force has the option of earmarking \$2,076 for New Frontier for smoking cessation activities and giving the balance to the Coalition for some prevention programming. She noted there would be some delay while the Coalition hired a new program manager.
- In response to questions from Dr. Fildes, Ms. Hale referred the Task Force members to page 3 of [Exhibit D](#), which shows approximately 80 percent of the funds allocated to the Coalition for personnel and fringe benefits related to the development of youth groups to work on tobacco prevention activities and approximately 20 percent allocated to New Frontier for products related to nicotine cessation.
- Dr. Fildes asked if the \$2,076 to New Frontier was just for pharmacotherapy and who would provide counseling. Ms. Carlson responded that New Frontier was an in-treatment drug and alcohol prevention program for adults, so counseling was conducted at the facility. She stated the \$2,076 was for products like nicotine patches and gum and noted that counseling would be integrated into the facility's addiction treatment process.

Senator Heck asked Ms. Hale if the reason New Frontier was not a grantee in the recent years related to its past performance. Ms. Hale commented there had been some problems with accuracy and timeliness when New Frontier subcontracted its fiscal reporting to another entity. She said other issues involved outcome measures. She noted that when substance abuse treatment facilities were funded to provide tobacco cessation service, it sometimes appeared that Healthy Nevada funds ended up subsidizing other facility services.

- Responding further, Ms. Carlson stated the requested amount of \$8,420 will fund the tobacco prevention specialist, a part-time position that would lead the Students Working Against Tobacco (SWAT) team. Ms. Carlson also confirmed the tobacco funds have supported such a position in the past.
- Chairman Washington asked if funds should be withheld until the staff person has been hired. Ms. Hale replied that most grant funds were released on a reimbursement basis. A grantee is reimbursed only when expenses have been documented as being allowed by the grant. The Task Force receives quarterly updates on the status of each grant.

**CONSIDERATION OF PROPOSALS TO AUTHORIZE TRANSITIONAL FUNDING ARRANGEMENTS FOR STATE AGENCY GRANTEE PENDING SUBMISSION TO THE INTERIM FINANCE COMMITTEE ON SEPTEMBER 12, 2006, FOR APPROVAL TO AWARD GRANT AGREEMENTS FOR THE 2006-2007/2007-2008 GRANT CYCLE, AS REQUIRED BY SUBSECTION 6 OF NRS 439.630**

- Laura Hale, identified previously, noted the DHHS must by law submit any grants recommended by the Task Force that would augment or expand State program agencies to the Interim Finance Committee (IFC) for its approval prior to awarding the funds. She noted this requirement has created timing problems; for example, the DHHS could not meet the IFC's deadline for its June 13, 2006, meeting because the Task Force had not yet awarded grants. Thus, several grants involving State programs cannot be funded until the IFC meets on September 12, 2006.

Ms. Hale stated it would be possible to use Title XX funds in lieu of Healthy Nevada funds to fund the grantees in question temporarily. She submitted a handout describing a proposal to transfer Healthy Nevada funds back to the Title XX account once the IFC approval has been received ([Exhibit F](#)).

- The Task Force **TOOK THE FOLLOWING ACTION:**

DR. ELLERTON MOVED TO TRANSFER FUNDS FROM THE FUND FOR A HEALTHY NEVADA TO TITLE XX TO REIMBURSE TITLE XX FOR FUNDS SPENT FOR TEMPORARY SUPPORT OF GRANT PROGRAMS REQUIRING THE APPROVAL OF THE INTERIM FINANCE AUTHORITY. DR. STEWART SECONDED THE MOTION, WHICH PASSED UNANIMOUSLY.

**UPDATE ON THE STATEWIDE SURVEY OF SENIOR CITIZENS PERFORMED BY THE CANNON SURVEY CENTER, UNLV**

- Laura Hale, identified previously, provided an update on the status of a statewide survey of senior citizens conducted by the Cannon Survey Center, University of Nevada, Las Vegas (UNLV). She indicated that the report would be delayed due to computer problems, but should be available for the September 2006 meeting.

**PRESENTATION AND DISCUSSION OF THE RESULTS OF A SURVEY TO ASSESS THE EFFECTIVENESS OF THE SUBCOMMITTEE PROCESS**

- Laura Hale, identified previously, discussed the results of a survey the GMU distributed to grant applicants, Task Force members, GMAC members, and other stakeholders ([Exhibit G](#)).

## **WORK SESSION—DISCUSSION AND ACTION ON POSSIBLE RECOMMENDATIONS OF THE TASK FORCE FOR THE FUND FOR A HEALTHY NEVADA TO THE 74TH SESSION OF THE NEVADA STATE LEGISLATURE**

The “Work Session Document” ([Exhibit H](#)) has been prepared by the staff of the Task Force for the Fund for a Healthy Nevada to assist the members of the Task Force in making decisions during the work session.

The “Work Session Document” contains a summary of major recommendations, as designated by the Chairman for inclusion in the work session that have been presented to the Task Force in public hearings and correspondence for its consideration. For purposes of this “Work Session Document,” the recommendations are not preferentially ordered. Individuals or entities proposing the recommendations may be referenced in parentheses.

The possible actions listed in the document do not necessarily have the support or opposition of the Task Force. Rather, these possible actions are compiled and organized so the members may review them to decide if they should be adopted, changed, rejected, or given further consideration. Possible actions available to the Task Force include the following: (1) amending the *Nevada Revised Statutes* (NRS); (2) drafting a resolution; (3) writing a letter; or (4) including a statement or finding in the final report.

### ***RECOMMENDATION NO.: 1 Clarify Authority to Allocate Funds for Evaluation and Other Technical Functions***

**Submit a bill draft request (BDR) to amend *Nevada Revised Statutes* (NRS) 439.630 to authorize the Task Force to allocate funds—separate from those allocations required by paragraphs (g), (h), and (i) of subsection 1—to “support data development, needs assessments, evaluation and related technical assistance.”**

- The Task Force **TOOK THE FOLLOWING ACTION:**

SENATOR HECK MOVED TO ADOPT RECOMMENDATION NO. 1.  
DR. FILDES SECONDED THE MOTION, WHICH PASSED  
UNANIMOUSLY.

### ***RECOMMENDATION NO. 2: Increase the Cap on Administrative Expenses***

**Submit a BDR to amend Paragraph (b), subsection 4, of NRS 439.620 to increase from 2.025 percent to 3.375 percent the amount of money in the Fund for a Healthy Nevada that may be used each year to pay the costs incurred by the DHHS, including, without limitation, the Aging Services Division, to carry out its duties as set forth in NRS 439.625 and 439.630.**

- Mike Torvinen, Deputy Director, Fiscal Services, DHHS, gave an explanation of a document ([Exhibit I](#)) depicting Tobacco Settlement revenues available for each Healthy Nevada program administered by the DHHS and comparing the impact of various increases in the statutory percentage cap on administrative expenditures with the DHHS' projected administrative costs for Fiscal Year (FY) 2007/2008.

Mr. Torvinen added that without drastic reductions of support for the Task Force, the ability of the DHHS to meet its administrative obligations for programs funded by the Fund for a Healthy Nevada would be severely hampered. He said the GMU's duties had increased recently, due to a recommendation in an LCB audit for more site visits to grantees. Mr. Torvinen added that the DHHS' original recommendation to the Task Force called for a 5 percent increase in administrative expenditures for all programs funded by the Fund for a Healthy Nevada. Such an increase would change the statutory cap specified in NRS 439.620(4)(b)—which pertains only to programs funded through the Task Force—from 2.025 percent to 3.375 percent. Based on a revised analysis, however, Mr. Torvinen said the DHHS was recommending raising the cap on combined administrative expenses to 4 percent. He indicated that this increase would result in a 2.7 percent cap under NRS 439.620(4)(b).

- Chairman Washington entertained a motion on the recommendation, noting that the proposal for increasing administrative funds would need to go before the Legislature, where the DHHS would have to make its case to justify the administrative costs.
- The Chairman called for a motion.

DR. ELLERTON MOVED TO RAISE THE CAP ON ADMINISTRATIVE EXPENSES TO 2.7 PERCENT. THE MOTION FAILED FOR A LACK OF A SECOND.

***RECOMMENDATION NO. 3: Eliminate the Requirement for a Biennial Competitive Application Process***

**Submit a BDR to delete the last sentence of Paragraph (m), subsection 1, of NRS 439.630, which provides that the procedures developed by the Task Force for the administration and distribution of contracts, grants, and other expenditures “must require at least one competitive round of requests for proposals per biennium.”**

- Ms. Hale explained the reason for removing this language. She stated that in recent years, the GMU had proposed to allow existing grantees that demonstrated acceptable performance to submit limited applications during subsequent grant cycles, instead of the full application required of new grantees. She explained that the limited applications would update the grantee's budget and timeline. Ms. Hale reminded the members that the Task Force and the GMAC voted not to approve this concept at their joint meeting on January 5, 2006. She indicated that one concern expressed was that

removing existing grantees from the full competitive process would be seen as an entitlement; others were concerned that the process would result in fewer new applicants.

Ms. Hale explained that the option under consideration during the work session would establish a staggered application process. Full competitive grant applications would be required of all grantees in two of the four grant categories in one grant cycle. The grantees from the other two categories would submit full applications during the next grant cycle. She stated that this alternating arrangement would halve the workload entailed in reviewing applications, providing technical assistance to applicants, and scoring applications. Ms. Hale also noted that grantees would have an opportunity to plan for a four-year cycle. Grantees that performed well during an initial two-year grant cycle would be allowed to submit a limited application for the subsequent grant cycle. Ms. Hale added that the limited application would still need to comply with the priorities and guidelines recommended by the Subcommittees and adopted by the Task Force and the GMAC.

- Dr. Ellerton expressed his opposition to changing the statute. He noted the Task Force is charged with distributing funds under statutory guidance and criteria. He also noted that the proposal under consideration called for removing statutory language, but did not specify details of any substitute arrangement.
- Senator Washington announced that Recommendation Nos. 3 and 5 would be discussed together, to determine if the BDRs could be combined.

***RECOMMENDATION NO. 4: Eliminate the Requirement for Approval by the Interim Finance Committee of Certain Proposed Allocations***

**Submit a BDR to delete subsection 6 of NRS 439.630, which requires the DHHS to submit certain allocations proposed by the Task Force to the Interim Finance Committee for its approval prior to issuing a contract or grant. This requirement applies to allocations that the Task Force has proposed to make from the Tobacco Control, Children’s Health, or Disability categories and that “would be used to expand or augment an existing State program.”**

- The Task Force **TOOK THE FOLLOWING ACTION:**

**DR. ELLERTON MOVED TO ACCEPT RECOMMENDATION NO. 4.  
DR. FILDES SECONDED THE MOTION, WHICH PASSED  
UNANIMOUSLY.**

***RECOMMENDATION NO. 5: Streamline Grant Application and Review Processes***



**Submit a Bill Draft Request to amend paragraph (m) of subsection 1 of NRS 439.630 to:**

- 1. Provide that the existing requirement for “at least one competitive round of requests for proposals per biennium” applies only to: (1) applicants that were not funded from the Fund for a Healthy Nevada in the previous biennium; and (2) applicants funded from the Fund during the previous biennium that the Task Force has determined: (a) are not carrying out the contract or grant adequately or (b) are not within a priority area identified for funding by the Task Force; and**
  - 2. Provide that the existing requirement that the Task Force establish policies and procedures for the administration and distribution of funding must include policies and procedures for:**
    - Setting priorities within each program category;**
    - Reducing or eliminating funding to grantees and recipients of contracts that operate programs no longer within the priority areas;**
    - Reducing funding, with regard to a specific program, to grantees and recipients of contracts that received funding for that program from the Fund for a Healthy Nevada during the previous biennium;**
    - Encouraging grantees and recipients of contracts to leverage funding from different sources and become self-sustaining; and**
    - Setting a minimum level of funding for grants and contracts.**
- Dr. Ellerton asked if a grantee competed and was awarded a grant for a program that the Task Force determined was no longer a priority two years later, how would the grant be taken away from the grantee when it submitted its application for a noncompeting renewal? He suggested combining Recommendation Nos. 3 and 5, since they related to the same statute, but to specify that four-year grants with a noncompeting renewal at the two-year point must indicate what could happen to the grant at the time of noncompetitive renewal. Senator Heck concurred and requested confirmation that if the four-year cycle were implemented, the Task Force would be resetting priorities every four years for that particular category to allow the noncompetitive renewals to continue until the next competitive round.
  - Ms. Hale confirmed this was the concept. The only change she could see changing was a Subcommittee developing additional best practices or models to strengthen outcome measures, but the overall priorities would not change.

- Senator Washington stated that bullet points 1, 3, 4, and 5 of Recommendation No. 5 could be added to Recommendation No. 3 with a caveat relating to Dr. Ellerton's concern.
- Senator Heck stated that bullet 2 was critical. He suggested the Task Force be required to set some guidelines for the Subcommittees to ensure uniformity in how they operate when evaluating grants. He also recommended that if paragraph 1 from Recommendation No. 5 were removed, it should be replaced with Recommendation No. 3, as this would bring cohesiveness and consistency in the operating procedures.
- Chairman Washington acknowledged Ms. Hamner's remark that when the Task Force is setting the policies for the Subcommittees, the Subcommittees are dealing with Task Force funding only and not with program funding.
- Barbara S. Dimmitt, Senior Research Analyst, Research Division, Legislative Counsel Bureau, asked Dr. Ellerton to rephrase how he would like the language to read in the modification of Recommendation No. 3.
- Dr. Ellerton indicated that the language of the bill should include differentiating from competing and noncompeting renewals. A portion of Recommendation No. 5 could be used to establish guidelines for the policy as to what happens at each of those points and times. Chairman Washington noted that bullet point 1 would be eliminated.
- The Task Force **TOOK THE FOLLOWING ACTION:**

DR. ELLERTON MOVED TO APPROVE BULLET POINT NO. 2 OF RECOMMENDATION NO. 5; SUBSTITUTE RECOMMENDATION NO. 3 FOR BULLET POINT NO. 1 OF RECOMMENDATION NO. 5; AND ADD LANGUAGE REQUIRING THE TASK FORCE TO ESTABLISH GUIDELINES FOR UNIFORMITY IN SUBCOMMITTEE OPERATIONS. SENATOR HECK SECONDED THE MOTION, WHICH PASSED UNANIMOUSLY.

***RECOMMENDATION NO. 6: Consider Proposed Statutory Changes and Other Proposed Actions that May Arise from Deliberations on Agenda Item XI, "Presentation and Discussion of the Results of a Survey to Assess the Effectiveness of the Subcommittee Process"***

This item was not discussed, because no proposed statutory changes or other proposed actions arose from deliberations on Agenda Item XI.

***RECOMMENDATION NO. 7: Support a Statewide Wellness Program to Prevent Chronic Disease***

Write a letter to the Legislative Committee on Health Care supporting the concept of investing in wellness programs to prevent chronic disease; describing examples of grant allocations made by the Task Force for the 2006-2007/2007-2008 Grant Cycle that are designed to reduce chronic disease; and indicating willingness to consider ways the Task Force may be able to participate in a proposed Statewide Chronic Disease Grant Program in the future.

- Ms. Dimmitt noted that Recommendation No. 7 was presented by Donald Kwalick, M.D., Chief Health Officer, Clark County Health District. For a copy of the letter from Dr. Kwalick asking the Task Force to support the concept of investing in wellness programs to prevent chronic diseases, refer to Tab B of the Work Session Document ([Exhibit H](#)).

The members discussed the need for a statewide wellness program. Chairman Washington recommended sending a letter to the Legislative Committee on Health Care (NRS 439B.200) recommending this proposal be considered in their wellness programs.

- The Task Force **TOOK THE FOLLOWING ACTION:**

DR. ELLERTON MOVED TO FORWARD TO THE MEMBERS OF THE LEGISLATIVE COMMITTEE ON HEALTH CARE A LETTER FOR CONSIDERATION OF WELLNESS PROGRAMS FOR PREVENTION OF CHRONIC DISEASES. DR. STEWART SECONDED THE MOTION, WHICH PASSED UNANIMOUSLY.

***RECOMMENDATION NO. 8: Support Efforts to Improve Oral Health Care in Nevada***

Write a letter to the Legislative Committee on Health Care concerning the work of the Strategic Plan Accountability Committee (SPAC) for Seniors. The letter should concur with the SPAC's identification of oral health care as a priority issue in Nevada, especially in rural and underserved areas, and express support for the SPAC's recommendations for increasing access to affordable oral health care. These recommendations include the following proposals:

1. Explore avenues to stimulate workforce development in the field of oral health care.
2. Fund expansion of Senior Rx to cover dental care for seniors.
3. Extend Medicaid to cover preventive and restorative oral health care for adults.

#### **4. Increase current grant funds for dental care.**

- Ms. Dimmitt noted that Recommendation No. 8 came from Connie McMullen, Chair, SPAC for Seniors. This committee was established by law to ensure that the State is working to implement strategic plans for a variety of health care issues. Ms. McMullen highlighted Oral Health Care as a priority issue in Nevada. Ms. Dimmitt said Ms. McMullen submitted a number of proposed actions, although none called for a specific BDR. She added that most of these proposals were congruent with Task Force responsibilities, but some were beyond the purview of the Task Force.
- Dr. Ellerton expressed his approval as long as oral health was identified as a priority issue for seniors.
- The Task Force **TOOK THE FOLLOWING ACTION:**

DR. ELLERTON MOVED TO DRAFT A LETTER OF SUPPORT FOR IDENTIFYING ORAL HEALTH AS A PRIORITY FOR SENIORS TO THE LEGISLATIVE COMMITTEE ON HEALTH CARE. MR. GRIFFIN SECONDED THE MOTION, WHICH PASSED UNANIMOUSLY.

#### **PUBLIC COMMENT**

- Paula Berkeley, NV Network Against Domestic Violence, made the following comments and suggestions for the Task Force to consider in the overall process of allocating funds from the Fund for a Healthy Nevada:
  1. Allow organizations to apply for grants over more extended periods of time.
  2. Prevent State agencies from applying for Healthy Nevada funds. Nonprofit organizations look at this money as a one-time opportunity to request funds from the State. State agencies have an opportunity to apply for funds through the budget process and the IFC.
  3. Avoid putting too much detail in the statutes, so the Task Force can be flexible and creative.
  4. Reevaluate the concept of establishing four categories and setting fixed priorities, because flexibility and creativity may be reduced.

Ms. Berkeley concluded that nonprofit organizations are only trying to create and provide services to those in need, reiterating that it is important not to lose sight of this because of legislative detail.

**CONSIDERATION OF PROPOSED SCHEDULE FOR 2006-2007 OF MEETINGS OF THE TASK FORCE, MEETINGS OF SUBCOMMITTEES COMPRISED OF MEMBERS OF THE TASK FORCE AND THE GMAC, AND MEETINGS HELD JOINTLY BY THE TASK FORCE AND THE GMAC**

- Ms. Dimmitt gave an overview of a proposed schedule of upcoming meetings.
- Ms. Hale provided more specific information on proposed Task Force and subcommittee meetings and agendas ([Exhibit J](#)).
- Ms. Dimmitt mentioned the Task Force's meeting in the spring of 2007 would not be scheduled earlier than June 14, 2007.

## ADJOURNMENT

There being no further business to come before the Task Force, the meeting was adjourned at 1:56 p.m.

Respectfully submitted,

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Jeannie Claussen  
Senior Research Secretary

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Barbara S. Dimmitt  
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 Barbara S. Dimmitt, Senior Research Analyst, Research Division, Legislative Counsel Bureau (LCB).

Exhibit B is a document titled “Agenda Item IV – Applications for Tobacco Control Evaluation Technical Assistance Task Force Member Scores and Comments,” submitted by Laura Hale, Chief, Grants Management Unit (GMU), Department of Health and Human Services (DHHS).

Exhibit C is a Microsoft Power Point presentation titled “The Tobacco Master Settlement Agreement: Payment Issues and Nonparticipating Manufacturing Adjustment,” dated July 13, 2006, submitted by Victoria Oldenburg, Senior Deputy Attorney General, Office of the Attorney General.

Exhibit D is a document titled “Agenda VI – Report on Grant Agreements Issued for FY07,” submitted by Kathy P. Brown, Social Services Program Specialist III, GMU, DHHS.

Exhibit E is a document titled “Task Force for the Fund for Healthy Nevada Update Covering Kids and Families,” dated July 13, 2006, submitted by Marcia O’Malley, Executive Director, Family Ties of Nevada, and Co-Chair, Covering Kids and Families Coalition.

Exhibit F is a document titled “Agenda Item IX – Proposal to Transfer State Grants from Fund for a Healthy Nevada to Title XX,” submitted by Laura Hale, Chief, GMU, DHHS.

Exhibit G is a memorandum to the Task Force Members for the Fund for a Healthy Nevada, titled “Survey to Assess the Effectiveness of the Subcommittee Process (Agenda Item XI),” dated July 10, 2006, submitted by Laura Hale, Chief, GMU, DHHS.

Exhibit H is a “Work Session Document” titled “Task Force for the Fund for a Healthy Nevada (*Nevada Revised Statutes 439.625*),” dated July 13, 2006, prepared by Barbara S. Dimmitt, Senior Research Analyst, Research Division, LCB.

Exhibit I is a document covering Administrative CAP Computations and Line Charts titled “Department of Health and Human Services Tobacco Settlement Administrative Funds Available Fiscal Year 2007,” submitted by Mike Torvinen, Deputy Director, Fiscal Services, DHHS.

Exhibit J is a document titled “Proposed Schedule for Task Force, GMAC, and Subcommittee Meetings” submitted by Laura Hale, Chief, GMU, DHHS.

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.