

MINUTES OF THE MEETING OF THE

LEGISLATIVE COMMITTEE ON HEALTH CARE

(Nevada Revised Statutes 439B.200 through 439B.240)

October 5, 1999

Las Vegas, Nevada

The first meeting of the Nevada Legislature's Committee on Health Care for the 1999-2000 interim was held on Tuesday, October 5, 1999, at 9:45 a.m., in Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. This meeting was simultaneously video conferenced to Room 1214 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. Pages 2 and 3 contain the "Meeting Notice and Agenda."

COMMITTEE MEMBERS PRESENT IN LAS VEGAS:

Assemblywoman Ellen M. Koivisto, Chairman

Senator Raymond D. Rawson, Vice Chairman

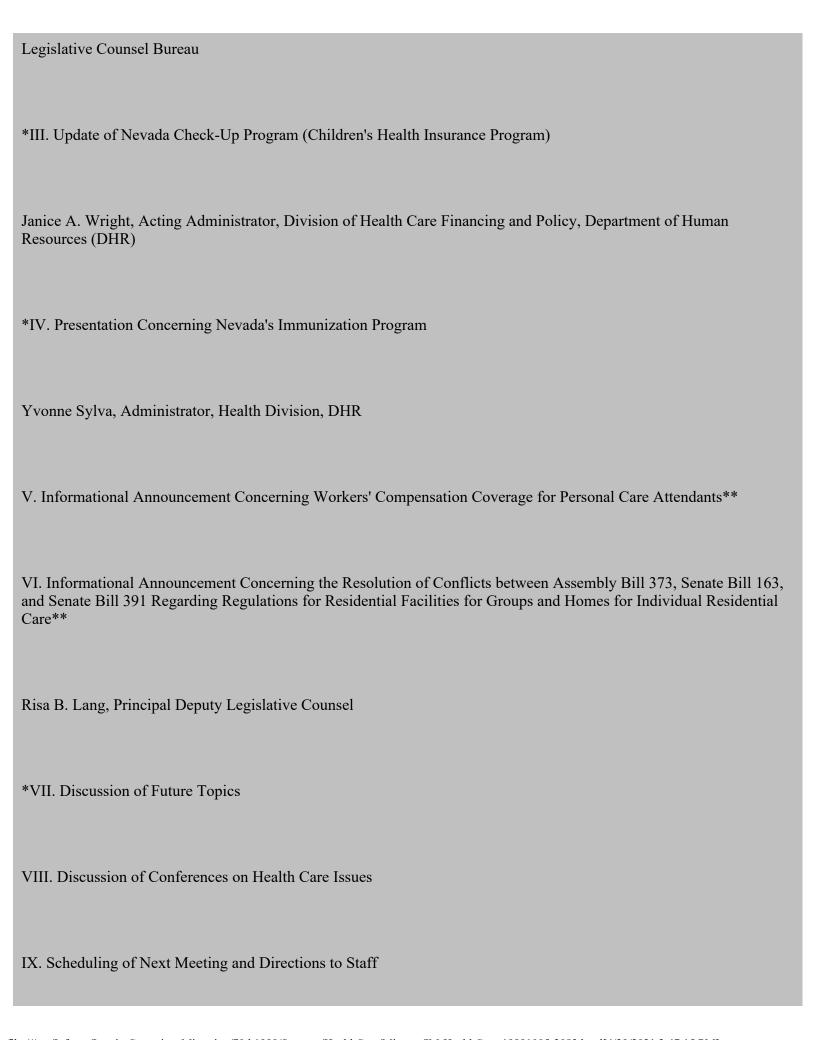
Senator Maurice E. Washington

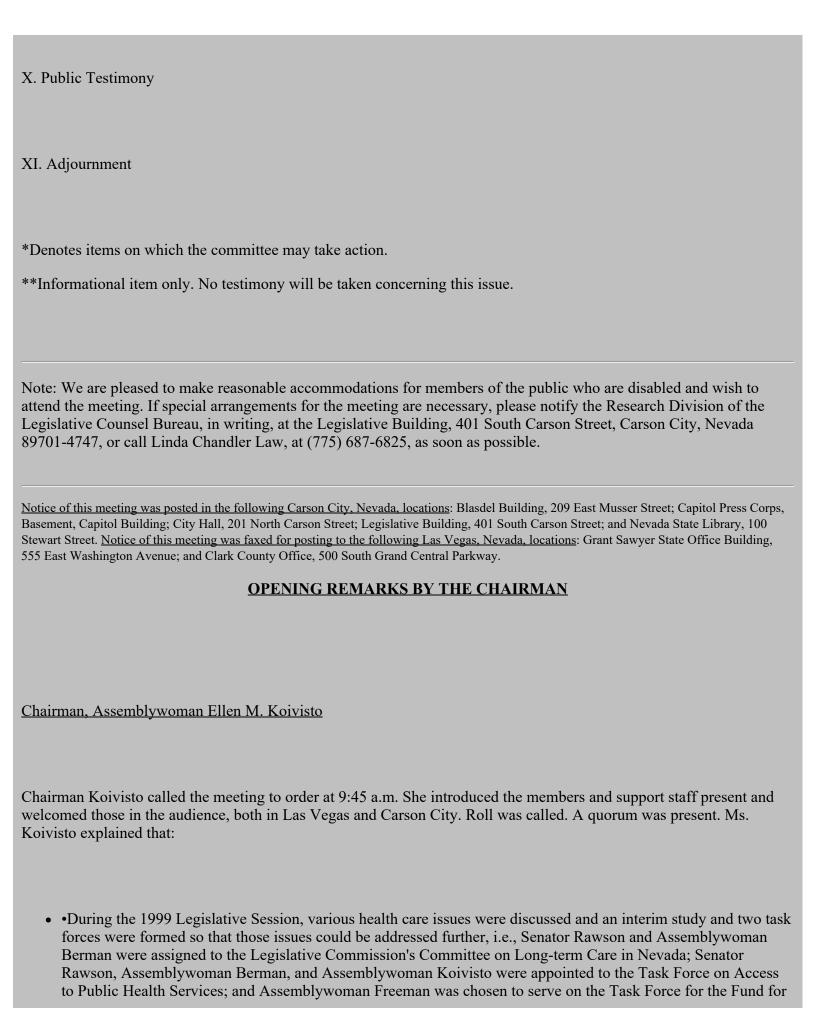
Assemblywoman Merle A. Berman

COMMITTEE MEMBERS PRESENT IN CARSON CITY:

Assemblywoman Vivian L. Freeman
Senator Bernice Mathews
LEGISLATIVE COUNSEL BUREAU STAFF PRESENT IN LAS VEGAS:
LEGISLATIVE COUNSEL BUREAU STAFF FRESENT IN LAS VEGAS.
Marla McDade Williams, Senior Research Analyst
Leslie Hamner, Senior Deputy Legislative Counsel
Linda Chandler Law, Senior Research Secretary
LEGISLATIVE COUNSEL BUREAU STAFF PRESENT IN CARSON CITY:
Risa B. Lang, Principal Deputy Legislative Counsel
All place names mentioned in these minutes are in Nevada unless otherwise noted.
MEETING NOTICE AND AGENDA
Name of Organization: Legislative Committee on Health Care
(Nevada Revised Statutes 439B.200)
Date and Time of Meeting: Tuesday, October 5, 1999
9:30 a.m.
Place of Meeting: Grant Sawyer State Office Building

Room 4401
555 East Washington Avenue
Las Vegas, Nevada
Note: Some members of the committee may be attending the meeting, and other persons may observe the meeting and provide testimony, through a simultaneous video conference conducted at the following location:
Legislative Building
Room 1214
401 South Carson Street
Carson City, Nevada
AGENDA
I. Opening Remarks by the Chairman
Assemblywoman Ellen M. Koivisto
ASSOCIATION WORKER LINES IN THE RESERVE AND ADDRESS OF THE PROPERTY OF THE PRO
II. Background Information Regarding the Committee on Health Care
A. Marla McDade Williams, Senior Research Analyst
Legislative Counsel Bureau
B. Risa B. Lang, Principal Deputy Legislative Counsel





a Healthy Nevada, which was funded by Assembly Bill 474 (the Tobacco Settlement).

- One of the most urgent issues to be discussed by the Committee on Health Care, in an effort to find solutions, is the availability of health care assistance in rural Nevada, including the shortage of hospitals, clinical facilities, doctors, and other medical services.
- Services to and the treatment of persons who are mentally ill or affected by mental retardation should be explored.
- The feasibility and desirability of a statewide health insurance program for residents who are not otherwise able to obtain insurance should be investigated.
- One of the ongoing responsibilities of the Committee on Health Care is to review health care regulations promulgated by executive branch agencies.
- The committee may specifically review the state regulations that deal with patient classification and health facility staffing to ensure proper patient care.

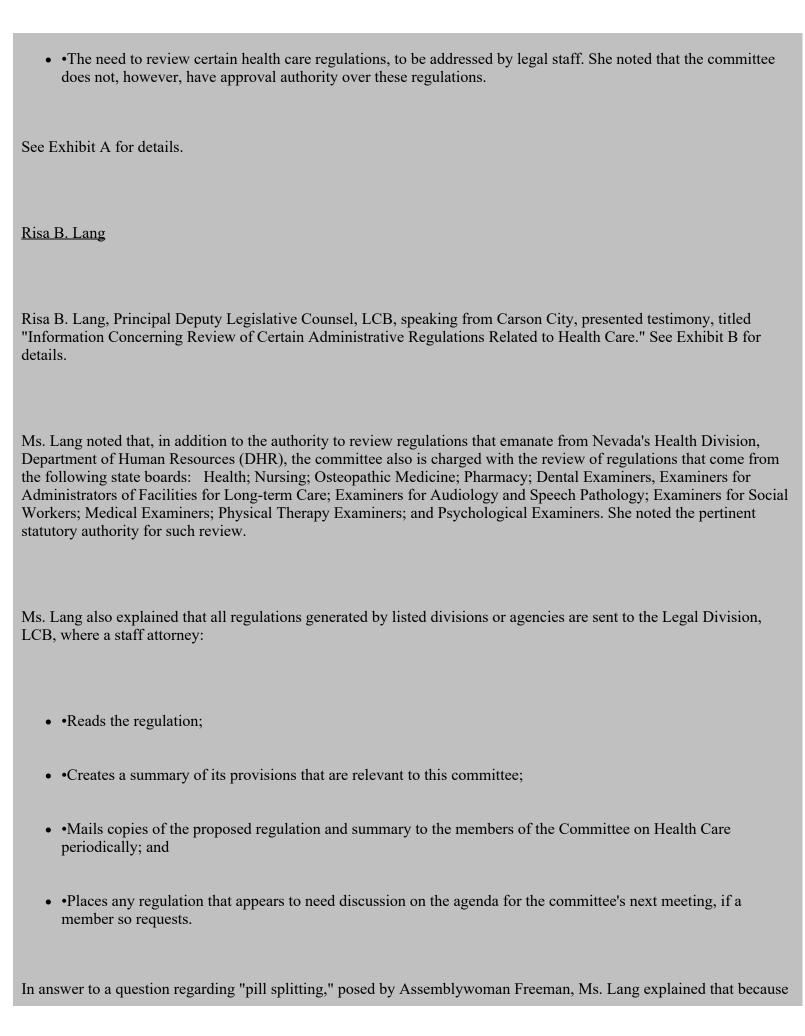
The committee, in her view, has a great deal of work to do during this interim.

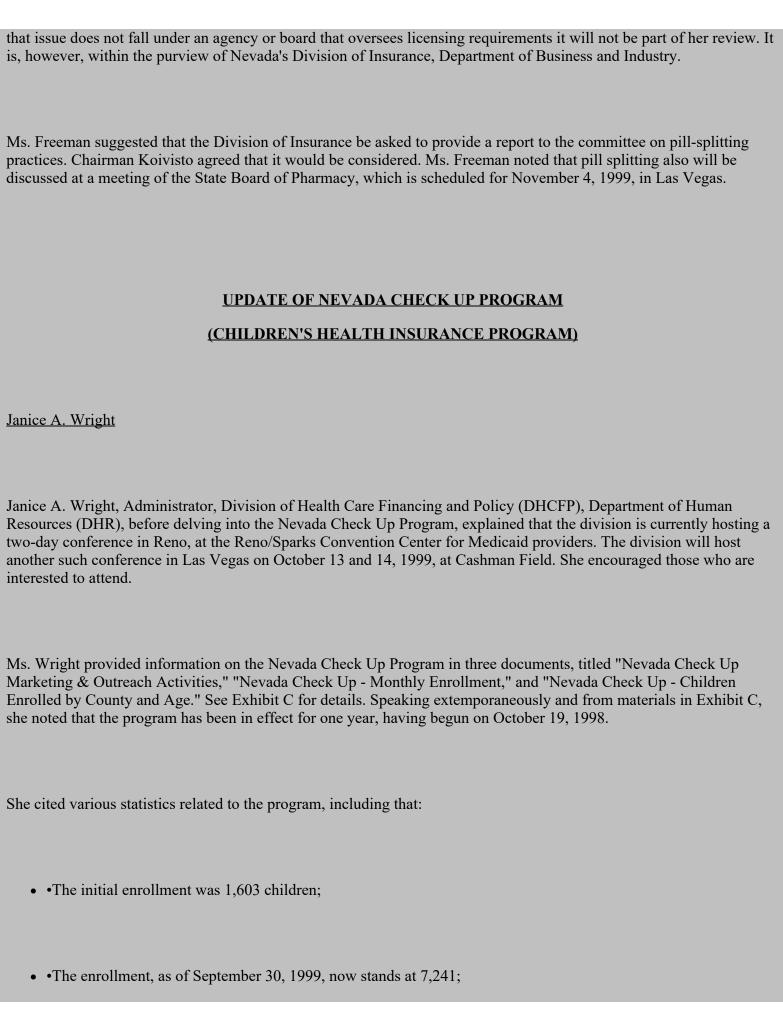
BACKGROUND INFORMATION REGARDING THE COMMITTEE ON HEALTH CARE

Marla McDade Williams

Marla McDade Williams, Committee Policy Analyst, Research Division, Legislative Counsel Bureau (LCB), provided a review of:

- The statutory authority for and the duties of the committee, Nevada Revised Statutes (NRS) 439B.200;
- The three mandated reports and related activities that are set forth in statute;
- Reports mandated during the 1999 Legislative Session; and





• • Another 500 children have applied for the program and have been approved; and
• • The families of those 500 children will select a health maintenance organization, make a premium payment, and become enrolled as of November 1, 1999.
The program's demographics reflect that, of the children enrolled:
• •53 percent reside in Clark County;
• •20 percent reside in Washoe County; and
• •27 percent reside in the rural areas of the state.
Ethnically:
• •49 percent are white;
• •28 percent are Hispanic;
• •8 percent are Afro American;
• •2 percent are Native American; and
• •13 percent are of other racial backgrounds, including Asian.
Age groups:
• •3 percent are under the age of one year;
• •32 percent are between the ages of 1 and 6;

• •45 percent are between the ages of 7 and 13; and
• •20 percent are between the ages of 14 and 18.
She also noted that:
• •27.5 percent of enrollees are receiving benefits under "fee-for-service" arrangements.
• •72.5 percent of enrollees are receiving benefits under managed care organization programs.
• More than 500,000 applications have been distributed throughout the state, of which 400,000 were given out by the 17 school districts that were authorized by the State Department of Education to distribute information about the program in conjunction with sending out applications for the free and reduced lunch program.
• •Other referrals have been made through the Women, Infants and Children (WIC) clinics and welfare district offices.
• Today, approximately 9,000 families have submitted written requests for applications for the program, and thos families were informed about the program through schools, friends and relatives, Medicaid, welfare offices, health care providers, social services, WIC, or other state agencies.
Ms. Wright explained that she recently attended a Robert Wood Johnson Foundation (RWJF) conference. At that meeting, as a representative of Nevada's "Covering Kids Statewide Coalition" (which is funded by an RWJF grant), she had the opportunity to join with hundreds of people representing various community-based organizations across the nation. Many of those who attended are not bureaucrats but are active in local neighborhoods. Those people took vital information home with them to use at the local level to benefit children. The organizers of the RWJF conference were excited by the Nevada Check Up Program and its track record to date.
She also noted that the DHCFP is working closely with representatives of the various Native American tribes to enroll children in the Nevada Check Up Program.
Through community involvement, children have become informed and excited about the program. She also described other collaborative efforts, innovations in the field of child health, and the need to streamline the Nevada Check Up process.

Ms. Wright explained that:	
• •The DHCFP and other state agencies have agreed to work on a Medicaid referral process that will include an eligibility worker from the welfare office, for instance, who will work at the Nevada Check Up office. That we enable those who qualify to have a "one-stop-shopping" location, which will provide a wide range of eligibility information for various state assistance programs, e.g., Medicaid and Nevada Check Up.	ill
• •A pilot program is being developed with the Paiute tribe in Yerington to make applications available outside main state office, through the mail or on-line (in English or Spanish), which should make it easier for working families to enroll their children in Nevada Check Up Program, thereby eliminating some barriers.	
• • The Internet web site is www.nevadacheckup.com , and that web site has links to other services that might be important to families.	
The DHCFP is creating a "children's hall of fame" and an animated character, who will be known as "Dr. CH to stimulate the interest of school-aged children.	(IP
Ms. Wright reviewed the marketing and outreach programs being used by Nevada Check Up to aggressively enroll a many uninsured children as possible through creative strategies. See Exhibit C for details on the national and statew collaborative efforts that have been undertaken and the innovative and streamlined processing that has been develop	ide
In response to questions from the committee, Ms. Wright explained:	
•The number of children enrolled in the Nevada Check Up Program varies from month to month; however, the program has grown steadily;	<u>e</u>
• Eligibility is reviewed annually, in contrast to the monthly redetermination process required by Medicaid, and Nevada Check Up redeterminations are being done currently for those children who have been in the program from its inception through June 1999;	
• More than 5,000 applications for redetermination have been received, 72 percent of those have been processed date, and the balance should be completed by the end of October 1999;	ed 1

- More children apply for the program at the beginning of each school year as a result of parents updating immunizations and becoming aware of the need for insurance; and
- <u>It is anticipated that, through outreach and marketing activities, the number of applications will continue to increase.</u>

Responding to questions from the panel, Ms. Wright noted:

- There are seven full-time individuals working in the state office; six full-time contract workers are dedicated to the Nevada Check Up office (the number of which may vary according to work load); and a number of support staff, who assist the program;
- <u>An assessment is underway to determine how reorganizing staff might redirect the efforts of full-time employees to best serve current needs;</u>
- There is authority and latitude, within the division's budget, to hire staff as necessary;
- Although the backlog of applications was a problem, new applications as well as redeterminations are now being processed in a more timely manner;
- <u>In some instances</u>, the determination of eligibility has been delayed due to application insufficiencies or lack of information available from families:
- •It is anticipated that 10,000 children will be enrolled in the program by February or March 2000;
- The budget provides for a maximum number of participants, 11,750; however, the Governor noted that no child would be turned away from the program;
- <u>Should the program have more than 11,750 eligible enrollees that were budgeted, it would be necessary change eligibility levels, increase premiums, or create a waiting list (the least desirable approach); and</u>
- Compared to other states, Nevada's program has been a great success.

Further, Ms. Wright, when questioned about delays in the processing of some applications, explained:

- When complete information is received, it normally takes two to three weeks to make an eligibility determination.
- Nevada's state plan, which was approved by the Health Care Financing Administration (HCFA), United States Department of Health and Human Services, requires the verification of two months' income to ensure that a family's income is less than 200 percent of the federal poverty level.
- Some states allow for self-reporting of income, and that does not require a family to produce proof of household income.

Ms. Wright agreed to provide staff with copies of the application form and program requirements and policies utilized in the Nevada Check Up Program as well as other related information, including the:

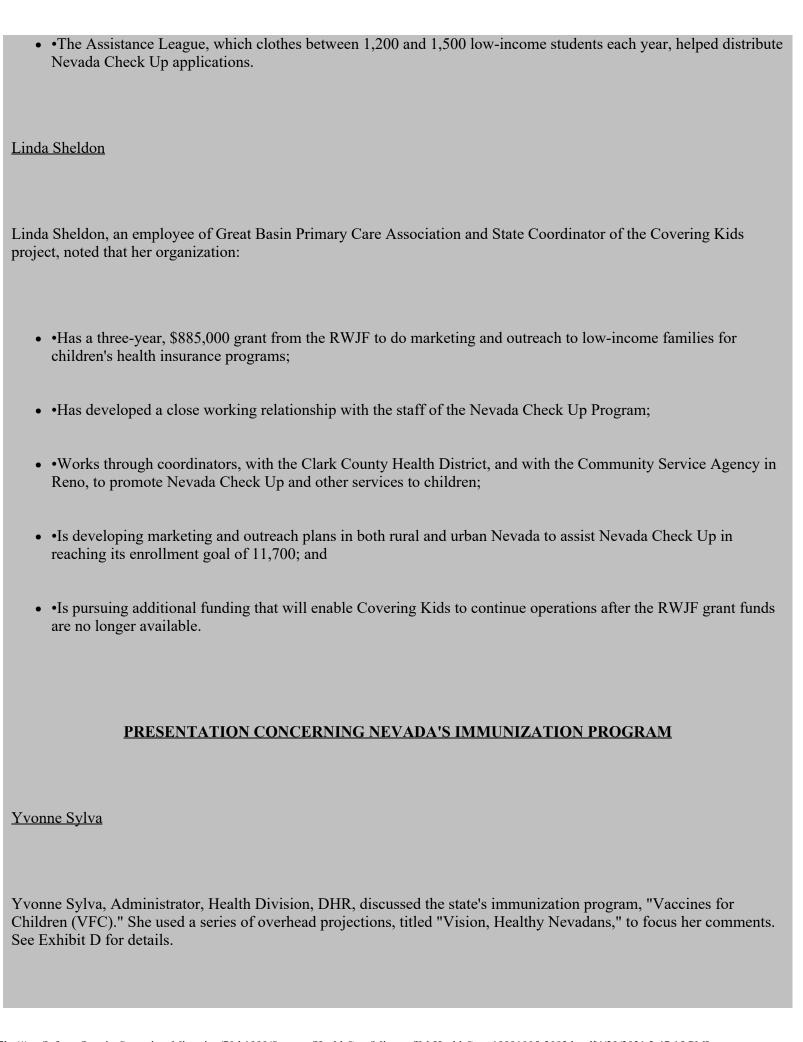
- Effect of removing the proof of income provisions in the state's plan;
- Number of uninsured children in Nevada;
- Number of children living in poverty in the state; and
- <u>Status of the advisory committee authorized in Senate Bill 10 of the 1999 Session (Chapter 351, Statutes of Nevada 1999).</u>

She also explained that approximately 46,000 children are uninsured in Nevada, according to Census Bureau, United States Department of Commerce, data; and, of those, it is estimated that 17,000 of them may be eligible for Nevada Check Up. The balance, whose household income is less than 100 percent of the federal poverty level, would qualify for Medicaid.

Mrs. Freeman stated that, in her opinion:

- <u>The state made a commitment to the children of Nevada when the Nevada Check Up program was initiated, and she questioned what will happen when the number of qualifying applicants exceeds the budgeted funding level.</u>
- An effort should be made in the marketing and outreach part of the program to men.

• It would be interesting to see how supportive businesses are of low-income families and their children.
The Legislature should provide additional funding for more school nurses, who could work in collaboration with the Nevada Check Up Program to benefit Nevada's children.
• There are families who do not have access to computers and, therefore, cannot take advantage of the on-line program information.
As. Wright, resuming her testimony, promised to provide additional information prior to the committee's next meeting, which is scheduled for December 14, 1999.
Ed Fend
Ed Fend, a member of the American Association of Retired Persons, speaking from Carson City, noted that he is active in the Nevada Check Up Program. He expressed concerns about the plan's:
• • Arbitrary funding level, i.e., 11,700 children;
• •Inability to serve the 17,000 children who might ultimately qualify for the program;
• •Inability to obtain additional federal funding to cover services for the remainder of those who might qualify; and
• •On-line system accessibility.
Ie explained that:
• •A new project, called Computer Corps, is being established to provide computer access for seniors and high school students who otherwise would not have access to on-line services. That project reaches certain outlying areas, provides volunteers to teach computer skills, and makes computers available to trainees at a cost of \$250. I a trainee cannot afford the price, funds are available to defray the cost.



Ms. Sylva noted that the immunization program has 16 full-time employees and a budget of about \$5 million, of which approximately 25 percent is generated from the State General Fund. She also reviewed the program's:
• •Mission, i.e., the prevention and eradication of vaccine-preventable diseases;
• •Functions;
• •Partnerships with private and public groups;
• •Funding; and
•Vaccine delivery to participating providers.
She also furnished information and statistics concerning the:
• Approved childhood immunization schedule;
• •Number of providers in the state;
•Number of doses administered; and
• • Results of immunization efforts.
Ms. Sylva, referring to Exhibit D, illustrated the:
• Immunization levels for two-year-old children, which increased from 34.7 percent in 1990 to 78.5 percent in 1998 and now compare favorably with the national average 81 percent;
• Vaccine-preventable disease rates for 1990 through 1998, many of which are at record lows;
• •Funding levels for immunizations, 1996 through 2000;

• Funding levels compared to the number of doses, which reflect a funding shortfall beginning in 1998; and
• Comparison of federal and state funding, Fiscal Year (FY) 1996 through FY 2000.
actors that contribute to the funding shortfall for immunizations include:
• •Population increases;
• •The relatively static level of funding available for vaccines;
• •Increases in the number of vaccine providers;
• •Inclusion of new vaccines and vaccine programs;
• •Increased vaccine costs;
• Expanded use of varicella (chicken pox) vaccine (initiated in 1997); and
• • The cyclical nature of funding.
As. Sylva, elaborating on the use of varicella vaccine, said approximately 1,600 doses were given in 1997 compared with 27,000 in 1998, and noted that this is a very expensive vaccine. Therefore, starting at a "zero" cost in 1997, the resent cost is \$1.3 million, far more than any other vaccine.
Contributions to the VFC program have decreased, from 41 cents on the dollar in 1998 to 39 cents on the dollar this ear, based on an assessment of activity in the state compared with the national average. The federal contribution varies ear to year based on a similar assessment and funding cycles.
Whether sufficient funds will be available to accommodate necessary immunization levels in the year 2000, will depend in several factors, including, among other things:

• •The availability of federal vaccine money;
•Any additional money obtainable from other federal programs; and
•Any remaining balance from the State General Fund allocation.
Responding to questions from the members, Ms. Sylva said:
• • The number of doses projected for 1999 is 643,000.
• The cost to fully immunize a child from birth to school entry is \$186.80 (including \$46.25 for Diphtheria, Tetanus, Pertussis; \$20.80 for Haemophilus Influenza, Type B; \$27.96 for Inactivated Polio; \$29.38 for Measle Mumps, Rubella; \$35.41 for Varicella/Chicken Pox; and \$27.00 for Hepatitis B).
• The costs of vaccinations have increased and decreased over time, partly due to emphasis being placed on difference types of vaccine, e.g., Hepatitis B, following outbreaks of that disease, or as new vaccines become available.
• Based on the availability of federal funding, the agency will request additional money from Nevada's Interim Finance Committee to continue the immunization program at current levels. The level of state funding is not directly tied to or dependent upon federal funding levels.
• The cost of vaccine doses can change dramatically, usually becoming more expensive, when multiple vaccines are combined into one product.
• •As the number of doses administered has increased over time, the funding for the program has leveled off.
Ms. Sylva agreed to provide information on the component of cost directly attributable to adult vaccinations.
See also "General Background Information Concerning Immunization Issues," compiled by the Research Division, LCB, that is included as Exhibit E.

INFORMATIONAL ANNOUNCEMENT CONCERNING

WORKERS' COMPENSATION COVERAGE FOR PERSONAL CARE ATTENDANTS

Chairman Koivisto said that she had received a memorandum from Jon Sasser, in which he explained:

- How workers' compensation for personal care assistants (PCAs) was handled in the past; and
- •How difficult it was for many of those workers to pay the related premiums from their generally low wages.

She referred to an editorial from the September 30, 1999, issue of the *Reno Gazette-Journal*, titled "State agencies are solving aides' problem," which was written by Nevada State Senator Randolph J. Townsend (see Exhibit F), in which he describes what steps have been taken to address workers' compensation issues for PCAs. The Division of Insurance has developed an arrangement whereby a PCA may secure coverage by making a 10 percent deposit followed by nine equal payments, without interest or service charges, that will total \$500 per year, if the plan is approved.

In conclusion, Chairman Koivisto noted that the Committee on Workers' Compensation is exploring other options this interim, including what might happen if a PCA cannot afford the \$500 premium outlined in Exhibit F. She also said she will request a report from the Workers' Compensation committee.

INFORMATIONAL ANNOUNCEMENT CONCERNING

THE RESOLUTION OF CONFLICTS BETWEEN ASSEMBLY BILL 373,

SENATE BILL 163, AND SENATE BILL 391

REGARDING REGULATIONS FOR

RESIDENTIAL FACILITIES FOR GROUPS

AND HOMES FOR INDIVIDUAL RESIDENTIAL CARE

Risa B. Lang, from Carson City, briefly discussed the resolution of conflicting statutory provisions within the above noted bills, which were passed during the 1999 Session. Upon review of legislative intent, the following actions were taken, specifically:

- Homes for individual residential care, facilities that accommodate two or fewer persons who meet certain criteria, are to be licensed in the manner set forth in S.B. 163; therefore, during codification, A.B. 373 was amended to conform to pertinent provisions of S.B. 163.
- Senate Bill 391 made reference to residential facilities for groups that apparently relied on facility definitions included in A.B. 373, as amended; however, subsequently, A.B. 373 was further amended and the definition provisions were eliminated. Accordingly, it was necessary to amend S.B. 391 to ensure it was consistent with legislative intent; therefore, during codification, S.B. 391 was amended to include a definition of certain residential homes for groups.

Finally, Ms. Lang, explained that the amendments that were made to resolve those conflicts were reviewed by the Office of the Attorney General and the State Board of Health, and the necessary changes have been codified and appear in the latest edition of the NRS. Also, those changes must be submitted to the 2001 Session for ratification.

DISCUSSION OF FUTURE TOPICS

Paul Gowins

Paul Gowins, member of the state's Independent Living Advisory Council, Department of Employment, Training and Rehabilitation, discussed issues of concern to the disabled. He noted that over the past years the disabled community has questioned the efficiency of service delivery. He explained that the workers' compensation crisis that the PCAs faced not only affected those service workers but also directly and negatively impacted the members of the disabled community who utilized those services. He requested that the committee discuss the following items at future meetings:

- •How personal care services are delivered in Nevada;
- What is the most effective and progressive way for those services to be delivered in the state;
- • The updating of PCA regulations to better address system design and systems delivery to avoid crises; and
- The benefits of providing the most efficient and best services to those who need them.

Mr. Gowins also asked the committee to revisit:
• •A Medicaid choices waiver plan, to develop reliable data on the numbers of persons affected; and
• •A Medicaid buy-in program, especially as it would relate to and impact upon the state's working-disabled population.
He also noted that the Governor's office has agreed to explore those Medicaid issues.
Chairman Koivisto asked Mr. Gowins to work with staff to include those topics on future agendas. Senator Washington questioned whether recent changes made, especially pertaining to PCAs, have improved the situation. Mr. Gowins answered that improvement has been made; however, there are still important issues to be addressed, e.g., having a backup system for PCAs and further delineation of what attendants are allowed to do.
Mr. Gowins concluded that:
• •Ms. Wright's staff has been working on these issues and regulations are being updated, but more needs to be done.
• The division is limited in what it can do, and that is where the committee can help with policy guidance.
• •He would provide information about what has been done to address the concerns of the disabled citizens of the state and what can be done to improve access to and the effectiveness of various programs.
Mary Jean Thompson
Mary Jean Thompson, speaking from Carson City and representing the Northern Nevada Center for Independent Living asked that, in addition to the topics mentioned by Mr. Gowins, the committee consider discussing the use of a provider agency, which could potentially eliminate the problems with staffing, insurance, and so forth for PCAs.

She noted that there has been improvement in the PCA situation over the past year, but it has come slowly and only through the efforts of a variety of groups and agencies. Because state agencies and policies are involved, change is more deliberate.

In answer to a question from Mrs. Freeman, Ms. Wright explained that the current Medicaid pay rate for PCAs is \$9.48 per hour. The 1999 Legislature did, however, approve a rate increase for a few selected providers, including PCAs, to \$14.50, effective July 1, 2000. Therefore, several agencies have indicated that they will be interested in becoming a provider of PCA services at that time.

Mrs. Freeman suggested the formation of a subcommittee on rural health and said she would be willing to serve on such a subcommittee. She also questioned what had been done on the issues of staffing levels and whistleblower protection provisions. Ms. McDade Williams responded by describing the work that has been done since the close of the 1999 Session on regulations that affect staffing levels. Senator Mathews requested a report on the status of those two issues as they apply to nurses and hospitals. Chairman Koivisto noted that whistleblower protection might be dealt with in union contracts; however, the issue should be revisited. Ms. McDade Williams indicated her understanding that the proposed regulations affecting staffing levels were satisfactory to both the hospitals and nurses and did not include whistleblower protection.

Mrs. Freeman said that she was contacted by members of the state's Alzheimer's Association, who will be testifying before the Legislative Commission's Committee on Long-term Care in Nevada, and she questioned whether that issue should also be discussed at a future meeting of this committee. Chairman Koivisto said that would be considered.

DISCUSSION OF CONFERENCES ON HEALTH CARE ISSUES

Assemblywoman Freeman noted that delivery of rural health services is included within the scope of the committee, and a conference on that topic is scheduled to be held in New Orleans, Louisiana, in May 2000.

Chairman Koivisto said she would consider authorizing members to attend that and other conferences. See Exhibit G, "List of Health Care Conferences," provided by Ms. McDade Williams. Members who are interested in attending a conference should contact the chairman and staff before making final arrangements, she concluded.

SCHEDULING OF NEXT MEETING AND DIRECTIONS TO STAFF

Marla McDade Williams
Senior Research Analyst
Approved by:
Assemblywoman Ellen M. Koivisto
Chairman
Date:
<u>LIST OF EXHIBITS</u>
Exhibit A is the written testimony of Marla McDade Williams, Committee Policy Analyst, Research Division, Legislative Counsel Bureau (LCB), titled "Remarks before the Legislative Committee on Health Care."
Exhibit B is the written testimony of Risa B. Lang, Principal Deputy Legislative Counsel, LCB, titled "Information Concerning Review of Certain Administrative Regulations Related to Health Care."
Exhibit C includes three documents, titled "Nevada Check Up Marketing & Outreach Activities," "Nevada Check Up - Monthly Enrollment," and "Nevada Check Up - Children Enrolled by County and Age," provided by Janice A. Wright Administrator, Division of Health Care Financing and Policy, Department of Human Resources (DHR).
Exhibit D is a copy of a series of overhead projections, titled "Vision, Healthy Nevadans," submitted by Yvonne Sylva Administrator, Health Division, DHR.

