



## EP&P Consulting, Inc.

1100 New York Ave, NW, Suite 500 East, Washington, DC 20005  
Phone (202) 628-1134 Fax (202) 628-1140 [www.eppconsulting.com](http://www.eppconsulting.com)

3030 North Third Street, Suite 200, Phoenix, AZ 85012  
Phone (602) 241-8580 Fax (602) 241-8581 [www.eppconsulting.com](http://www.eppconsulting.com)

November 11, 2005

Ms. Marsheilah Lyons  
Senior Research Analyst  
Research Division  
Legislative Counsel Bureau  
401 South Carson Street  
Carson City, Nevada 89701

Dear Ms. Lyons:

It is with pleasure that I send to you EP&P Consulting, Inc.'s proposal in response to your email RFP for the *Nevada State Health Plan* dated November 3, 2005.

We find this to be a very exciting project that will lead to the betterment of many Nevadan's lives.

Our project plan is designed to obtain the maximum input from the various stakeholders of the State's health care delivery system, and casts the Legislative Committee on Health Care in a very active role in the development of the *Plan*.

Due to the short timeframe for us to respond to the Chairman's request and the limited amount of information on what the Committee is specifically seeking, we have provided you with an approach to the project that represents our present thinking on the project. If you are favorably disposed to our proposal, we would like to discuss the specifics of the approach, work plan and timeline with you. With our approach and our team, we are confident that we will deliver to you a *Plan* that all the stakeholders can embrace within your project budget.

In our proposal we have omitted any activity related to the Capital Review Reports. We omitted this component because we are not sure that the reports form and the subsequent information from the hospitals will be compiled by the time the Committee's work plan expires. If we are in error on this point, we can include this element as we refine our approach.

We are planning to attend the Committee's meeting on Tuesday, the 15<sup>th</sup> of November at the Sawyer Building in Las Vegas.

If you need to contact me prior to Monday, November 14<sup>th</sup>, I can be reached at 602-402-2040. An additional note: our email server is scheduled to be down over the weekend,

EXHIBIT M Legislative Committee on Health Care Document consists of 61 pages.

☐ Entire document provided.

☒ Due to size limitations, pages 1-24 provided.

A copy of the complete document is available through the Research Library  
(775/684-6827 or e-mail [library@lcb.state.nv.us](mailto:library@lcb.state.nv.us)).

Meeting Date: November 15, 2005

with an uncertain restart time. If you need to email me, please send to both of the following addresses:

[pburns@eppconsulting.com](mailto:pburns@eppconsulting.com)

[pjburnsiii@aol.com](mailto:pjburnsiii@aol.com)

We wish to thank you and the Chairman for allowing us to submit this proposal and for the consideration that you will afford it.

Sincerely,

Peter Burns  
Corporate Director, Phoenix Office

Response to

**NEVADA STATE HEALTH PLAN  
RFP**

Issued by

**LEGISLATIVE COMMITTEE ON HEALTH  
CARE**

*November 11, 2005*

Submitted by:  
*EP&P Consulting, Inc.*

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## SECTION I

### EP&P's Experience and Expertise

EP&P Consulting, Inc. (EP&P) is a boutique consulting firm that has provided specialized expertise in the design, delivery, operations and financing of public sector health and social service, and as well as other public programs for over thirteen years. The founding Corporate Directors formed the company based on the desire to develop in-depth, multi-year relationships with clients. While the firm has a full complement of staff to provide our clients with a full range of analytical and research support, clients of the firm are assured continued contact with the Corporate Directors throughout each project. Since founding the firm, the Corporate Directors have established relationships with more than 36 states and several private sector clients.

#### Highlights of EP&P Experience

Over the years, EP&P has provided a wide range of services to our clients including:

- ❑ Design and implementation of *statewide reform initiatives*, including the development of Medicaid managed care programs; waivers for uninsured individuals and those with disabilities, mental illness and long-term care needs; and children's health insurance programs
- ❑ *Independent evaluations* of state and local programs, including analysis of business functions and activities, financing and information systems, program performance, and overall program management; these evaluations have been presented to state governors, legislatures, state and local agencies, stakeholder and consumer task forces, and the federal government
- ❑ Development of detailed *cost/benefit analyses and budget projections*, financial and economic analysis of program costs and trends, and development of program financing arrangements including maximization of federal funding and cost containment strategies
- ❑ *Technical assistance to states* in implementing new initiatives and improving operations, negotiating and setting reimbursement rates, developing RFPs and contracts and conducting procurements, preparing policies and procedures, developing state plan amendments, conducting surveys, defining information system implications, and developing marketing strategies
- ❑ *Strategic planning* activities for programs, state and local agencies, and corporations
- ❑ *Public representation and negotiations* on behalf of clients with stakeholder groups, providers, state legislatures, health care and other commissions, and the federal government including facilitation of public meetings and focus groups

This experience has developed the cross-cutting expertise of the firm within and across policy areas and is what sets EP&P apart in terms of our ability to successfully provide the requested scope of services within the required timeframe for our clients. We have an appreciation of both the macro-level design issues as well as the micro-level data analysis tasks that are a part of the projects that may be required by the State. We also understand the challenges of implementation and operation as well and the realities of state and local budgets.

EP&P has been working with state governments consistently since our inception in 1993. Even before that, all of our Corporate Directors and many of our Corporate Managers were working for various states in other capacities. We currently have consulting contracts in Nevada, Arizona, Georgia, Indiana, Louisiana, New York, Oklahoma, Ohio, Oregon, and Pennsylvania. In addition to Nevada and Arizona, we have also worked with New Mexico and Utah and therefore have an appreciation of the special challenges faced by the Western States. We have built a highly successful track record of accomplishments in health care and public policy throughout the country, and we have an excellent reputation with senior officials in Governor's Offices, Legislatures and the state and local agencies with whom we have worked.

#### Experience in Nevada

EP&P has worked on several projects for the State of Nevada over the last few years focused on health care policy, financing, and delivery of health care services.

- ❑ We are currently working with the Division of Health Care Financing and Policy in developing a HIFA waiver which will include the expansion of eligibility limits for pregnant women, a small employer premium subsidy program, and the federalization of the NACO administered Supplemental Fund for indigent health care costs.
- ❑ We previously worked with the Legislative Committee on Health Care in developing the concepts to be incorporated into the HIFA waiver. In this engagement we worked with a Technical Work Group comprised of representatives from the Department of Health and Human Services, the Nevada Hospital Association, NACO, the insurance industry, advocacy groups and unions. The consensus recommendation of this group resulted in enactment of legislation authorizing the Department to submit the HIFA waiver.
- ❑ Prior to our work related to the development of the HIFA concept, EP&P was engaged by the Nevada Legislative Council Bureau to oversee the study of indigent care costs experienced by hospitals in Nevada. This work included:
  - Working with a hospital task force to develop definitions of indigent care and the study methodology

- Compiling a quantitative analysis of indigent care cost and all revenue sources that are available to offset such costs
- Developing alternatives and recommendations for a reform of the distribution of disproportionate share hospital (DSH) payments in Nevada. In developing our recommendations for reform, we considered the differences in addressing indigent care costs through out Nevada and the needs of rural hospitals.

Our work from this engagement resulted in enactment of legislation that modified the DSH distribution formula and, we are told, minimized the necessity of the Legislature revisiting DSH distribution formula at each legislative session.

- ❑ EP&P also worked for the Department of Health and Human Services from December 2001 through August 2002 as the technical consultant for a Governor-appointed Task Force. The Task Force was charged with developing a long-term strategic rate plan for community-based services for seniors, people with disabilities, and people with mental illness. EP&P developed community service rates and a strategic transition plan. EP&P also assisted the Task Force in making recommendations for the development of a fiscal intermediary program, the creation of a waiver for services for individuals with autism, and a revamping of the delivery and payment of Targeted Case Management.
- ❑ Our firm also assisted DHCFP to implement the dental care program as part of the Medicaid managed care program in Clark County. Our work included drafting amendments to managed care contracts and conducting readiness reviews for each of the managed care organizations. In this engagement we worked closely with the Division, the managed care organizations, the dental school administration as well as representatives from UNLV.

### Other Current Projects

Some of the projects with which we are currently engaged include:

- ❑ Developing a proposal to reduce the uninsured rate in Pennsylvania within the context of existing state resources.
- ❑ Developing and negotiating approval for a HIFA waiver for the State of Louisiana to reduce the uninsured rate in that state. This particular engagement is innovative in that it seeks to secure Medicaid funding for locally developed and implemented solutions to the high uninsured rate in that state.

- ❑ Securing federal funds for services provided to youths involved with the juvenile justice system in Arizona and redeploying the increased funding to improve and expand services.
- ❑ Redesigning the Early Intervention system in Arizona to increase the availability of providers (especially in the rural areas) and to streamline the administration of the program. This activity may also evolve into a waiver request to create a separate program for special needs children.
- ❑ Re-examining the Graduate Medical Education funding formula to hospitals in Arizona to see if that mechanism is a viable strategy to increase the number of physicians in the state.
- ❑ Rate setting engagements for Medicaid services in various states covering inpatient and outpatient hospital services, as well as home and community based services for both behavioral health and developmental disabilities.
- ❑ Providing ongoing technical and consulting assistance to Medicaid programs in various states delivering acute, long term care, behavioral and/or developmental disabilities services. Our assistance includes budget analysis, operational support, interpretation of regulations and policies, program evaluations, litigation support, and special studies.

#### EP&P Corporate Qualifications

One of the goals of the founding corporate directors of EP&P Consulting, Inc. was to develop in-depth, multi-year relationships with clients. As a result, EP&P has extensive experience in providing multiple services to a single client. For some of our clients our work has included a broad range of services including RFP development, proposal evaluation, health plan negotiations, consumer and provider surveys, operation and financial reviews, data analysis, encounter data validation, budget development, MMIS support, rate-setting, litigation support and strategic planning.

The following chart contains information on current projects or projects conducted within the past three years that indicates the breadth of experience of the firm.

	<b>Client</b>	<b>Project Description</b>	<b>Contact</b>
1.	Arizona Department of Health Services, Division of Behavioral Health Services (ADHS/DBHS)	<i>Multiple Projects (see below)</i>	



	<b>Client</b>	<b>Project Description</b>	<b>Contact</b>
1.1		Revise community-based rates	Chris Petkiewicz CFO (602) 364-4699
1.2		Maximizing federal funds by submitting a retroactive claim to CMS	Michael Fett, VP Finance Southwest Behavioral Health Svc (former ADHS/DBHS CFO) (602) 265-8338 ext. 206
1.3		Development of a Procedures Manual	Michael Fett
1.4		Encounter system analysis	Michael Fett
2.	Arizona Department of Economic Security, Division of Developmental Disabilities (ADES/DDD)	<i>Multiple Projects (see below)</i>	Primary Contact: Ric Zaharia Assistant Director (602) 542-6853
2.1		Setting community-based rates and budget forecasting	Ed Rapoport Program Administrator Business Operations (602) 542-6877
2.2		Qualified Vendor Application (RFQVA) requirements and system design and development	Antonia Valladares Administrative Services Manager Business Operations (602) 542-5258
2.3		Development of a consumer assessment tool and rate determination automation system	Ed Rapoport
2.4		Implementation of a fiscal intermediary program	Antonia Valladares
2.5		Feasibility study on a claims payment system	Ed Rapoport
3.	Arizona Health Care Cost Containment System (AHCCCS)	<i>Multiple Projects (see below)</i>	Primary Contact: Tom Betlach Deputy Director (602) 417-4483
3.1		Development of a new outpatient hospital payment methodology	Sara Harper Reimbursement Manager (602) 417-4297

	<b>Client</b>	<b>Project Description</b>	<b>Contact</b>
3.2		Update fee-for-service nursing facility rates	Sara Harper
3.3		Update fee-for-service HCBS rates	Sara Harper
3.4		Develop upper payment limit methodologies	Tom Betlach
3.5		Calculate DSH payments and assist in responses to a CMS DSH audit	Sara Harper
3.6		Litigation support related to hospital reimbursement	Sara Harper
3.7		Annual updates to fee-for-service inpatient and outpatient hospital rates	Sara Harper
3.8		Develop payment methodologies for disbursements from a trauma center fund	Shelli Silver Special Projects (602) 417-4647
3.9		Claims documentation audit of programming logic	Lori Petre Former HIPAA Project Testing Manager (602) 241-8580
3.10		Conduct a claims payment audit	David Botsko Director, OPI (602) 417-4057
3.11		Maximizing federal funds for the juvenile justice program	Debbie Wells Federal Project and Grants (602) 417-4208
3.12		Feasibility study of redesigning pharmacy purchasing	Del Swan Pharmacy Director (602) 417-4726
3.13		Redesign and pilot pre-admission screening tool for elderly and physically disabled	Diane Ross Division of Member Services (602) 417-4590
3.14		Development of a HIFA waiver	Tom Betlach
4.	Arizona – Maricopa County	<i>Multiple Projects (see below)</i>	
4.1		Litigation support on reimbursement of hospital claims	Shawn Nau Director, Health Care Mandates (602) 372-7056

	<b>Client</b>	<b>Project Description</b>	<b>Contact</b>
4.2		Develop settlement proposals for hospital claims case	Shawn Nau
4.3		Evaluation of a managed care health plan	Phyllis Biedess Health Plans Executive Director (602) 344-8980
5.	District of Columbia	Development of a HIFA waiver	Robert Maruca Senior Deputy Director DC Department of Health (202) 442-5988
6.	Florida – Palm Beach County	Development of an 1115 waiver	Debi Gavras Health Care District of Palm Beach County (561) 659-1270 ext 5735
7.	Georgia Department of Community Health Division of Medical Assistance	Rebasing inpatient hospital rates under a DRG system	Jim Connolly Director of Reimbursement Svcs (404) 657-9541
8.	Illinois Community Behavioral Healthcare Association	Strategic planning on options for changing rate structure of behavioral health services	Frank Anselmo CEO (217) 585-1600
9.	Indiana Family and Social Services Administration	Independent annual evaluation and ongoing monitoring of CHIP program	Ann Alley CHIP Director (317) 232-4390
10.	Louisiana Department of Health and Hospitals	<i>Multiple Projects (see below)</i>	
10.1		Development of a HIFA waiver	Helene Robinson Director of Research and Policy Development (225) 342-3807
10.2		Implementing an employer-sponsored insurance program	Allison Jones Director of the Louisiana Health Care Commission (225) 342-4311
10.3		Federalizing a state-funded high-risk pool	Helene Robinson

	<b>Client</b>	<b>Project Description</b>	<b>Contact</b>
10.4		Developing regional initiatives to expand health care access	Melisa Byrd Project Manager (225) 342-2025
11.	Mississippi Attorney General's Office	Litigation Support	Harold E. Pizzetta, III Special Assistant Attorney General (601) 359-3816
12.	Mississippi Division of Medicaid	Development of an 1115 waiver	Dr. Warren Jones Executive Director (601) 359-9562
13.	Mississippi Joint Legislative Committee on Performance Evaluation and Expenditure Review (PEER)	Independent review of the Medicaid program	Dr. Max Arinder PEER Committee (601) 359-1226
14.	Nevada Department of Health and Human Services	<i>Multiple Projects (see below)</i>	
14.1		Managed dental care implementation	Charles Duarte Medicaid Administrator (775) 684-3677
14.2		Technical support for Governor's task force on HCBS rates	Charles Duarte
14.3		Recommendations for implementing a HIFA waiver	Charles Duarte
15.	Nevada Legislative Council Bureau	Analysis and recommendations on indigent care costs	Senator Ray Rawson (702) 651-5591
16.	New Jersey Department of Human Services	<i>Multiple Projects (see below)</i>	
16.1		Independent assessment of MCO performance on a Medicaid physical health contract	Dr. Jill Simone Executive Director Office of Managed Health Care (609) 588-2705
16.2		Waiver development and negotiations with CMS	Ann Kohler Medicaid Director (609) 588-2600

	<b>Client</b>	<b>Project Description</b>	<b>Contact</b>
17.	New Mexico Hospitals and Health Systems Association (NMHSA)	Implementation of a HIFA waiver	Robin Hunn New Mexico Hospital and Health Systems Association (505) 254-8430
18.	New York Department of Insurance	Independent evaluation of the Healthy NY Program	Patricia Swolak Associate Insurance Attorney (518) 486-7815
19.	Ohio Office of Budget and Management	Feasibility study for the procurement of pharmacy services	Rex Plouck (614) 644-8805
20.	Ohio Department of Jobs and Family Services	<i>Multiple Projects (see below)</i>	
20.1		Development of a HIFA waiver	Barbara Edwards Medicaid Director (614) 466-4443
20.2		Study of institutional reimbursement payment systems	Trish Martin Chief of Staff (614) 644-0146
20.3		Rebasing ICF/MR rates	Mel Borkan Assistant Deputy Director (614) 995-7997
20.4		Redesign and strategic planning for delivery of Medicaid services	Hank Sellan Office of Ohio Health Plans (614) 995-7997
21.	Ohio Department of Mental Retardation and Developmental Disabilities (ODMRDD)	Support of HCBS waiver and rate redesign	Debbie Hoffine Assistant Deputy Director (614) 728-5312
22.	Oklahoma Department of Human Services, Developmental Disabilities Services Division (DDSD)	<i>Multiple Projects (see below)</i>	
22.1		HCBS program and rate analysis	Jim Nicholson Division Administrator (405) 521-6266

	<b>Client</b>	<b>Project Description</b>	<b>Contact</b>
22.2		Litigation support	Lynn Rambo-Jones Legal Divisions (405) 522-7403
23.	Oregon Department of Human Services	Waiver strategy	Jim Edge Assistant Administrator Office of Medical Assistance Programs (503) 945-5768
24.	Pennsylvania Office of Health Care Reform	<i>Multiple Projects (see below)</i>	
24.1		Develop strategies for retaining and increasing employer-based health care coverage	Greg Howe Governor's Office of Health Care Reform (717) 705-6624
24.2		Optimize current resources to efficiently provide publicly funded health care	Greg Howe
24.3		Strategies for reducing the cost of health care coverage	Greg Howe
24.4		Strategies for increasing the quality of health care	Greg Howe
25.	Rhode Island Division of Developmental Disabilities	Development of an RFP for procurement of a specialized MMIS for people with disabilities	Lynda Kahn Executive Director (401) 462-3234
26.	Utah Department of Human Services	Identify ways to streamline eligibility for long-term care services and identify best practices	Donna Riley Project Manager (801) 538-4608

## **SECTION II**

### **EP&P's Method and Approach**

The Request for Proposals outlines the following tasks for the contractor:

1. Examine and evaluate six components of the Nevada health care system
2. Identify areas of high priority need within each of the components
3. Review capital improvement reports submitted by hospitals
4. Prepare a report outlining recommended action items to address the needs for each component with 5 and 10 year time horizons (including cost estimates)

The RFP advises the contractor to work collaboratively with stakeholders in the Nevada health care system and review health care indicators and existing plans.

#### Preliminary Understanding of the Issues

Based on our experience and our understanding of the Nevada health care system we have identified a preliminary list of considerations that are likely of interest to the Committee. While the list is not exhaustive, we believe that the time and resource constraints of the project dictate that the contractor concentrate on major issues. Therefore the list identifies what are likely to be the most pressing issues facing the system. Our list includes the following considerations by component:

##### *Health Care Facilities*

Our assumption for this component is that the Committee would like to examine hospitals, rural health clinics and federally qualified health centers.

It seems to us that one of the most pressing issues that faces Nevada is the state's low ranking of hospital beds per 1,000 population (47<sup>th</sup>), combined with the extraordinary population growth that has occurred in the state. This population growth is expected to continue and therefore serious capacity issues are looming. While Nevada has been adding hospital capacity in the last few years, the sprawling growth in southern Nevada may necessitate adding even more capacity.

In addition to the capacity issue, the public is clearly frustrated with rapidly increasing hospital charges and costs. These are not simple issues, and the plan should include strategies that can mitigate these increases. It is likely that these strategies will not focus exclusively on hospitals, but will involve alternative facilities such as rural health clinics and FQHCs, decreasing the amount of uncompensated care in the system, and increasing the supply of primary care, specialty and other health professionals.

### *Health Care Professionals*

With respect to health care professionals, the state also has a supply problem. Statistics indicate that the state also ranks low in physicians per 100,000 population (47<sup>th</sup>) and we understand there are similar shortages among the nursing and dental professions.

Strategies for addressing these shortages will necessarily involve stakeholders beyond the professions themselves. Professional schools may have to be expanded, residency programs created, and incentives provided by all payors, including the state. These types of strategies not only involve the agreement and cooperation of many stakeholders, they require time. Nevada's rapid growth will only increase the seriousness of these issues.

### *Insurance Coverage*

Unfortunately, Nevada ranks high among the states in terms of the percentage of the population that is uninsured (7<sup>th</sup>). This high level of uninsured has ripple effects throughout the entire health care system. Lack of insurance often delays care, which compounds the severity of health problems, which in turn increases the intensity of services that must be provided. The increased intensity results in increased costs, which, if uncompensated, results in cost shifting. The cost shifting increases charges and reimbursement requirements which burdens the providers, the insured population and governmental payors.

Nevada is pursuing some initiatives through its proposed HIFA waiver to mitigate the uninsured level and encourage more employer sponsored insurance. Other strategies may be appropriate including insurance reform, the development of lower cost group policies and further expansion of coverage initiatives that can attract federal funds.

### *Pharmaceutical Coverage*

Pharmaceuticals have been increasing in price faster than most, if not all other components of the health care system. It is also an area that is in greatest flux with the implementation of the Medicare Part D program and the current congressional debate on pricing, importing and rebates. Throughout the country there are various strategies that are being pursued by both payors and state governments. Strategies should be examined that would result in slowing the costs of these increases, and while we understand that DHHS has undertaken significant initiatives, the health care delivery system as a whole may be able to bring other strategies to Nevada. If these increases are not mitigated, insurance costs will increase as well, with the result being erosion of health care coverage.

### *Health Professional Education*

While Nevada has a medical school, a nursing school and a new dental school, the question remains as to whether these programs are large enough to address the growth that has occurred in the state, let alone the growth that will occur in the future.



Altering the supply of health professionals through expanded education programs is both an expensive and time consuming proposition. Nevada does have an opportunity to support expanded residency programs through Medicaid Graduate Medical Education, but the costs of starting new programs cannot be funded through that program. Expanding health professional education, like the strategies for all the other components of the system, will require cooperation of all the stakeholders in the system, not the least of which are the teaching hospitals.

### *Public Health System*

As with the measures outlined above, Nevada ranks low in the country in terms of Medicaid recipients as a percentage of the poverty population (49<sup>th</sup>). Since the poverty population is the segment of the population that is most likely without health insurance, this low penetration level contributes to uncompensated care expenditures in the state. Additionally, this low penetration level (and the lack of associated federal funds) contributes to the low ranking that Nevada has with respect to federal funds received by the state as measured on a per capita basis and on a per dollar of state tax revenue basis (both 50<sup>th</sup>).

Expanding Medicaid is not necessarily a goal unto itself, but if the state does want to decrease the level of the uninsured in the state, expanding Medicaid is an option that leverages state funds through the program's matching feature. Additionally, Medicaid can be used for Graduate Medical Education expenses and to offset local government spending for indigent care.

To be sure, we are not recommending an expansion, merely indicating that such an expansion is one strategy that could be used in a state health plan to address some of the state's needs.

### *Special Considerations for Rural Areas of Nevada*

While the six components of the health care system pose challenges for Nevada as a whole, they pose special challenges for rural Nevada. The low density of the population outside of the two urban areas requires that health facilities receive special consideration in funding formulas and rate systems. It also means that providers are difficult to attract, and it restricts the availability of insurance. As the plan is compiled, the contractor and the Committee should pay special attention to the needs and priorities of these areas of the state.

### The Need for a Nevada Plan

We present our preliminary impressions of the Nevada health care system to illustrate how strategies will have to be developed across various components of the system. We believe that the plan that emerges from this engagement must represent the views and beliefs of the Committee and the system's stakeholders. We view our impressions as

“conversation starters” and our role as one of facilitator, resource and staff. We firmly believe that in order for the plan to have any viability, it must represent the views of these groups, and not only the view of the hired consultants. Therefore, we plan on having a considerable level of participation from the various stakeholder groups in the system, and the Committee to be an active participant in the planning process and not merely the recipient of the final report.

As a result of this view, we have developed a three phase work plan to achieve the results desired by the Committee.

### The EP&P Approach to the Project

Our three phase approach will include the facilitation of assessments of the health care system by stakeholders from each component identified by the Committee, background research on overarching issues, and finally, the distillation of issues, strategies and timelines for the Committee’s consideration.

### *Mini-Plans*

In order to solicit the views of the component members, we intend to construct a survey instrument. The instrument will pose both specific and open ended questions that may require data collection, consensus building, strategy development and prioritization by component members in order to complete. In short, we seek to have each group develop its own “mini-plan.” However, each plan will not just be focused on the issues and needs for that component. We will also seek to have members of each component identify influences from each of the other components of the system that they believe present threats or opportunities for their own group. When identifying these influences, we will ask the members of each component to identify potential strategies to enhance or mitigate these outside influences. Once each of the “mini-plans” is compiled, we will review, integrate and compile the various plans as a resource guide for the Committee.

At the present time, we see the potential list of stakeholders that could be involved in the development of these mini-plans to include:

- ❑ Nevada Hospital Association
- ❑ Rural Hospital Association
- ❑ University Medical Center
- ❑ Washoe Medical Center
- ❑ Nevada Association of Health Plans
- ❑ Clark County, Washoe County and NACO
- ❑ Department of Health and Human Services
- ❑ The Department of Insurance
- ❑ Nevada Medical Association
- ❑ Nevada Nursing Association (?)
- ❑ Nevada Dental Association
- ❑ University of Nevada Medical School

- ❑ University of Nevada Nursing School
- ❑ University of Nevada Dental School
- ❑ The Health Services Coalition
- ❑ The Culinary Workers Union
- ❑ The Service Workers Union
- ❑ Appropriate consumer groups

We would hope to consult with the Committee to pare down or consolidate the list so that it will not be unwieldy to manage, but remain open to expanding it to ensure broad representation.

We would hope that the groups that testify before the Committee would use the survey outline of issues to guide their testimony to the Committee. In doing so, both the Committee and the groups would have a structure for conveying and collecting information.

### *Background Research*

While these mini-plans are being developed (and it is anticipated that to a large measure each group will be responsible for developing its own plan), EP&P will be developing background information on over-arching issues. We see this research covering two major topics: indicators/statistics/trends and a review of existing plans that have already been prepared.

The first component of the research will compile existing information such as population, employment, economic and growth forecasts. For population, we will compile existing forecasts of the state's population that extend five, ten and twenty years in the future. For employment, we will seek forecasts of the number and type of jobs that can be expected over the same time horizon, and to determine some reasonable estimate as to whether those jobs will come with or without health insurance benefits. We would also seek out forecasts of the various sectors of the Nevada economy on the same time horizon. Finally, for growth forecasts, we will consult with various planning departments to determine the anticipated geographic growth corridors.

Given the limited time and resources of the project, it is not possible to perform original forecasts for this component of research. We will seek out existing sources for this information, and if not available, interview experts in the state in order to get impressions of the environment that the Committee's plan will have to address.

The research will address trends in the health care market. We will document past trends in health insurance coverage as well as numbers of physicians, dentists, hospital beds and similar information.

The final component of the research will be a review and extraction of salient points from existing plans that have been prepared by state agencies and other organizations. At the present time we are unsure of the extent of these plans, and while we realize that the

Committee will be reviewing the plans, we anticipate using some of the information from these past efforts in the final report.

### *Compiling the Plan*

As indicated above, as the mini-plans are developed, we would begin compiling them into a report. This would involve the use of our judgment as to major and minor issues, the Committee's interest based upon the interactions of the Committee with witnesses during the public hearings, our assessment as to the time horizon appropriate for the issue or action plan, and the refinement of strategies. During this process we would perform "ballpark" cost estimates so as to inform the Committee of the resource requirements of the strategy.

During this phase of the project, we anticipate that some or all of the plan components would be presented in the form of issue papers rather than a comprehensive report. Given that the Committee has already set its meeting schedule, these reports can either be commented on by Committee members via email, or the Committee (or a sub-committee) may wish to schedule additional meetings.

At the conclusion of a review of the six component parts and the Committee's consideration and comments on the issue papers, a comprehensive report would be prepared. It is anticipated that this would be considered in draft form by the Committee for discussion, and that the Committee would express its disposition to each element of the plan. Based on the Committee's feedback the final plan would be compiled.

Our approach to this project anticipates considerable involvement by the various stakeholders in the system. We feel this essential to producing a plan that is relevant, achievable, and can improve the health care system in the state of Nevada.

### SECTION III

#### EP&P's Project Team

EP&P Consulting, Inc. (EP&P) has assembled a very senior project team with substantial experience required for the Committee's project.

- ❑ Our project team is *experienced in all aspects of strategic planning*, including executive strategic planning, analyzing environmental factors, assessing entities' strengths and weaknesses, goal setting, analyzing data; and preparing and facilitating meetings, developing action plans and communicating plans to constituencies.
- ❑ Our project team has *in-depth functional knowledge and expertise* in health care and social service programs, state government, public policy making and economic and demographic trends.
- ❑ Our project team has experience in *working with state governmental agencies and legislative bodies* throughout the United States.
- ❑ Our proposed project team *brings together a broad range of knowledge and experience* including an in-depth knowledge of state and federal health programs including Medicaid and SCHIP, managed care programs, behavioral health programs, and long-term care programs.
- ❑ Our proposed project team is supported by additional staff within the firm with *specialized expertise and experience* that may be needed from time to time.

The individuals considered to be available key staff for this project are as follows:

- ❑ Peter Burns, Corporate Director – Phoenix Office
- ❑ Yvonne Powell, Corporate Director
- ❑ Steve Abele, Senior Consultant
- ❑ Gretchen Engquist, Technical Advisor
- ❑ Linda Huff Redman, Subcontractor
- ❑ Charline Franz, Subcontractor

#### Key Personnel Brief Biographies

##### *Peter Burns, M.B.A., Corporate Director of the Phoenix Office*

Mr. Burns has over 25 years of experience in public policy with specialties in the areas of healthcare, finance, forecasting, administration, operations, strategic planning and legislation. During his public policy career, Mr. Burns has been a senior advisor for three governors, a state budget director, the director of a statewide in-house management consulting office, the chief research economist for a legislative body, and a tax manager for a Fortune 500 corporation. Mr. Burns' expertise and experience extends across a wide range of state

programs at various levels, from conceptualization and policy development to program planning, budgeting, and accounting to program review and evaluation.

Mr. Burns has brought his financial, forecasting, operations, and budgeting skills to a variety of projects at EP&P Consulting since 1998. Mr. Burns has participated in nearly all of the projects for Arizona's AHCCCS program to maximize federal funding. He has prepared or directed the preparation of analysis of program changes, including enrollment and financial projections for KidsCare, Arizona's Section 1115 waiver amendment to expand coverage to all persons below 100% of the federal poverty level, Arizona's HIFA waivers, Oregon's Section 1115/HIFA amendment, New Mexico's HIFA proposal, a HIFA waiver study for Nevada, and a Section 1115 feasibility study for the Health Care District of Palm Beach County. He has prepared caseload and financial projections and is currently negotiating with Centers for Medicare and Medicaid Services for Louisiana's HIFA demonstration. He has served as the Project Director on EP&P's multi-year engagement with Arizona's ADES/DDD to transition their rate setting methodologies for payment of services to providers of services to people with developmental disabilities.

*Yvonne Lutz Powell, M.P.P., Corporate Director*

Ms. Powell is one of the founding Corporate Directors of EP&P. She has worked in the area of public sector delivery of healthcare, specifically with Medicaid and Medicare financing and service delivery, for over 20 years. During the past ten years, she has specialized in the design, financing, implementation, and evaluation of healthcare reform initiatives, including 1115, 1915(b), and 1915(c) waivers in states across the nation.

Ms. Powell's project management in recent years has focused primarily on large, multi-year engagements. Ms. Powell is the Corporate Director leading multi-year evaluations of Indiana's Title XXI program, which includes an annual evaluation report to the legislature and updating a monitoring manual, and of New York's Healthy NY program, which includes member and employer surveys. She is also assisted Utah in examining all processes being used by the State to determine eligibility and assessment for long-term care services and to identify differences, commonalities, and best practices in Utah and nationally. In addition, Ms. Powell is identifying various opportunities to simplify and streamline the financial eligibility and physical and functional assessment processes in state-funded programs and services as well as exploring the idea of a coordinated entry point for the consumer of long-term care services. Ms. Powell also led a project for ADES/DDD in which EP&P prepared and sent a national survey to states to collect information about how states use assessment tools to measure the support needs of individuals with developmental disabilities. From the survey results, EP&P prepared a report that analyzed the assessment tools utilized by states.

For the Nevada Department of Human Resources, Ms. Powell worked to identify rates and rate methodologies for a wide range of home and community based services to people with disabilities (physical and developmental), seniors, and children. These include supported living arrangements, personal assistance, group home and assisted living, day training centers, adult day health, outpatient rehabilitation, therapy services, autism services, and case management. As project manager, Ms. Powell worked closely with a Rates Task Force

comprised of providers and state representatives. She assisted the Task Force in reporting to a Steering Committee comprised of state agency leaders and legislators.

*Steve Abele, M.A. Senior Consultant*

As a member of the EP&P Consulting team, Mr. Abele brings over six years of experience in the health care industry and expertise in revenue performance monitoring, performance improvement, admitting and patient financial services in large tertiary care settings. He has worked with small to medium-sized hospitals to optimize processes, implement measurements to determine service profitability, and define utilization issues. He has also monitored and measured outsourced patient financial service functions including overseeing charge capture and patient and physician relations. Mr. Abele also has experience in general accounting, budgeting, cost accounting, and strategic planning. He possesses an in-depth knowledge of billing and collection procedures relating to managed care reimbursement. Mr. Abele was heavily involved in developing a HIFA waiver option for the state of Nevada and is currently assisting in the preparation of the waiver for submittal to CMS.

*Gretchen Engquist, Ph.D., Technical Advisor*

One of EP&P's founders, Dr. Engquist specializes in the design and implementation of health, behavioral health and long-term care reform initiatives. For over twenty years, Dr. Engquist has been involved with the Medicaid program and is known nationally for her work in program design; program financing and funding strategies; reimbursement and rate setting; policy development; and development, implementation and evaluation of waiver programs. Many of her projects have included work in the examples of services under the program review and evaluation, program consultation, statistics, healthcare practices, strategic planning, and healthcare research categories.

Prior to her position at EP&P, Dr. Engquist was a partner at KPMG Peat Marwick and prior to that she was the Medicaid Director for the State of Missouri. As Medicaid Director, she developed, under a section 1115 waiver, a mandatory managed care system in Kansas City. She was also a Project Director for the National Governors' Association Center for Policy Research, and Research Director for the National Public Health Program Reporting System. Earlier, Dr. Engquist was a Congressional Science and Engineering Fellow, and a staff member to both the U.S. Senate Committee on Human Resources (Senator Jacob Javits) and the North Carolina Legislature, focusing on a series of health, economic, and planning issues.

*Linda Huff Redman, Ph.D., Subcontractor*

Dr. Redman has been a management consultant 1996. During that time she has advised public and private agencies on a broad range of health-care related issues. Prior to that she was Deputy Director of the Arizona Health Care Cost Containment System Administration following her position there as Executive Administrator for the Office of Policy and Intergovernmental Relations. She had also held earlier positions as Special Assistant to the President of the Arizona State Senate and as a Senate Health and Welfare Committee Research Analyst.

*Charline Franz, Subcontractor*

Ms. Franz has been a management consultant since 1997, advising public and private entities in a broad range of areas. Previously she had been Director of Client Services for Express Scripts, Inc., during which time Ms. Franz was responsible for all client-related, start-up activities for a new pharmacy benefits mail order site in Tempe, Arizona. Prior to that she had held the position of Executive Assistant, Human Resources, Office of the Governor of Arizona, in which she oversaw budget and policy development for the Departments of Health Services, Economic Development, AHCCCS, and Juvenile Corrections. She has also held positions as Vice President of Government Relations for the Arizona Hospital and Health Care Association and as Coordinator of Intergovernmental Activities for the Arizona Department of Health Services.

Resumes

Detailed resumes for the proposed key staff follow.