

Report to members of the Sunset Subcommittee of the Legislative Commission

To: Assemblywoman Jauregui, and Members of the Sunset Subcommittee of the Legislative Commission

From: Charles Green, Board Member, Secretary-Treasurer post

Date: May 18, 2022

Subject: This follow-up report is at the request of this Subcommittee based on SB 98.

Senate Bill Mandate: Upon review of **SB 98** as written, including the Guidance Memorandum from the Attorney General's office dated January 19, 2021:

- The purpose of this presentation is to update the members of the Sunset Subcommittee on the “*progress in improving the function and performance of the Board*”.
- This Report is a follow-up review of the June 26, 2020, report on Status of the Nevada Homeopathic Board at that date to this Subcommittee. Under 1983 NRS 630A and 2019 SB98
- The responsibility of the Board remains: Regulate the practice of Homeopathic Medicine in the State of Nevada. The original intent of NRS 630A was to include Complementary alternative Medicine.

I. Why is the Board Here?

The Governor and members of the Legislature agreed that a separate board would regulate Health Care Professionals practicing Homeopathy and CAM.

1. In relation to SB 98 (2019)

- Compiled by the Senate to Improve the Boards Function:

SB98 Highlights

- To implement changes per NRS

- Name changed to:
Nevada Board of Homeopathic Medical Examiners
- 2. SB98 Amended Membership of the Board
- 3. Amended the powers of the President of the Board
- 4. Amended the fees related to Licensing and Certification by the Board
- 5. SB 98 disbanded the then current board, with the goal of new appointments by the Governor, leaving outgoing members in place with limited custodial responsibilities.
- 6. The new Board installed: July 9, 2021, having been reduced to six members. There are currently 4 Board Appointments and 2 vacancies remaining.

II. There is a Need!

1. 39 Years of Homeopathic Medical Services to the citizens of Nevada from 1983 to 2022
 - a. **Founding Fathers of the Homeopathic Board:** In 1981, the Nevada State Legislature enacted a statute creating an Advisory Committee to collaborate with the Nevada **State** Board of Medical Examiners, consisting of three physicians licensed under chapter 630 of NRS who practiced Homeopathy and Complementary and Alternative Medicine (CAM).
2. This Committee has continued to assist, and support the Board in matters on Homeopathy and CAM.
 - a. Recognizing that the philosophical foundation of allopathic medicine (NRS 630) is contrary to the philosophy of homeopathy and CAM, the Governor and Members of the Legislature agreed that a new Board would regulate physicians practicing Homeopathy and CAM.
3. Senate Bill 237:
 - a. Included electrodiagnosis and cell therapy, enacted in 1983.
 - b. The Nevada **State** Board of Homeopathic Medical Examiners (NVBHME) was set up under chapter 630A of NRS and chapter 630A of NAC.
4. 2019 SB 98 mandated:
 - a. Improve the function and performance of the Board.
 - b. Protect the public and serve the professional Licensees and Certificate holders.

III. Current Membership and Ongoing Recruitment

1. Licensed as Homeopathic Doctors “HMD”
 - a. 17 HMDs
2. Advanced Practitioner of Homeopathy “APH”
 - a. 24 APHs
 - i. Four new APHs certified as of December 2021
 - ii. In 2022, we have two Applicants pending APH certification upon completion of their Background Check and final Board Interview
 - iii. Awaiting receipt of Third Applicant’s documentation
3. Homeopathic Assistant
 - a. 8 HAs
4. New Application Requests are ongoing through the year

IV. Improvements to the Board’s Administrative Functions and Financial Status Update

1. Steps taken administratively to improve the Board’s function and service to all of its associated Licensees and Certified Homeopathic Healthcare professionals included:
 - a. Created and organized 15+ Binders as systematic means for easy access, sorting, filing, follow-up and updating of information pertaining to the NVBME business as follows:
 - Approved Coursework & Additional Homeopathy Research websites
 - Board Public Meetings – Position, Procedures, Protocols and Rules
 - Complaints
 - Correspondence / Email by date
 - Legislative Committee – Sunset Subcommittee
 - Licensees / Certificate Holders
 - Created a spreadsheet of all current Licensee/Certificate Holders on our role, confirming personal/business contact information (address, email, and phone) for quick reference providing

updates of Board business and supportive tools available for our associated Homeopathic healthcare professionals

- New Applicants Inquires / Status
 - Internal Follow-up Status Forms
- Nevada State Legislators
- Office of Attorney General
- State of NV Board of HME “Board Policy & By-Laws”
- Secretary Treasurer Expenses
- Timeline of Board Business
- NVBME’s Wells Fargo Bank Account
 - This included compilation, review and preparation of Wells Fargo Bank Statements and related expenditures to include in the NV Board of Homeopathic of Medical Examiners’ Annual Balance Sheets for the Legislator and the Chief of the Budget Division

B. NVBHME Website access control and Security Changes

a. Activated functions currently in place

- i. Complete access to the GoDaddy Panel account including DNS Records
- ii. Achieved full access to website backend admin panel (nvbhme.org)
- iii. Updated current list of all licensees and Certificate Holders
- iv. Updated list of the four newly appointed Board members
- v. Updated license application and renewal application for HA APH and HMD
- vi. Created secure passwords using password manager applications
- vii. Renewed domain name with GoDaddy
- viii. Setup email for incoming President, Secretary Treasurer using registered website domain
- ix. Updated contact information

C. Computer Hardware and software installation

- a. Digitally uploaded current licensees and Certificate Holders files to OneDrive
- b. Purchased computer hardware and installed new software
- c. ASUS Computer laptop to perform required duties

- d. Purchased PDF scanner, used in Reno Board Office to scan active Licensees and Certificate Holders files.
- D. Placed data on the network in Microsoft one drive security protected Cloud computing. Allowing Board Executives to access and adjust if necessary active Licenses or Certificate holders' records
- E. Ongoing long term website performance improvement and updates needed for structural and functional applications from WordPress.

V. Nevada Homeopathic Board Financial Condition as of May 18, 2022.

- A. Bank Balance: \$ 41,836.18
- B. Current outstanding Balance to Office of the Attorney General is \$111,000
- C. Monthly payments of \$1,500 to OAG
- D. Licensing fees are due and collected in December/January
- E. Review of Homeopathic Board's Bank Accounts
 - a. First access to the Board office was December 2021
 - b. Review of Bank Statements revealed Embezzlement in December
 - c. Notified Wells Fargo Bank:
 - i. Placed 10 Stop payment notifications with Officer at Wells Fargo
 - ii. For Security reasons Closed Old Account/Opened New Account. We were able to have funds returned.
 - iii. Contacted Office of Attorney General and mailed comprehensive report to OAG.
- F. Board Revenue: The collection or income from Licensing and Certificate holder fees of the Nevada Board of Homeopathic Medical Examiners has had a relevant range of \$25,000 to \$35,000 over the last two decades.

IV. Review of Board History

- 1. We have read and listened online to the available Homeopathic Board's public meetings.
 - a. The Board's legal fees from the DAG office exceeded \$175,000
 - b. The hourly rate OAG had risen about 20 percent in an eight-year period
 - c. From 2014 to date, the amount of registered billable hours over time upon review have been extremely excessive.

d. The Homeopathic Board members nor the Office of the Attorney General paid tribute to the fact the Board's revenue on average annually was less than \$30,000 budgeted monthly was only \$2,500.

e. This newly appointed Board will and must continue to seek renegotiation.

2. Fiscal Year Facts

A. Develop a prospective budget plan given the Board's limited financial resources, until additional revenue is secured.

i. Annualize required legal fees as a line expense allowance for OAG legal services would allocate an allowance or annual budget of \$7,200 for legal services. In all practicality, this would be the upper limits based on the Board's current revenue stream and ability to pay.

ii. The cost of "assumed required legal representation" by the Office of the Attorney General based on revenue from "License and Certificate Holder Fees" for the Nevada Board of Homeopathic Medical Examiners exceeds reasonableness, based on total revenue projection on fifty Licensees and Certificate Holders from a GAAP accounting perspective.

iii. The four basic postulates in "generally accepted accounting principles" (GAAP) are: Cost, Revenue, Matching and Disclosure.

B. Legal expenses are not always predictable because of unforeseen events as a public body, no budgeted expense controls are in place at the Homeopathic board historically or the Attorney General's office to raise or monitor legal expenses.

C. Past Board Members nor the Office of Attorney General viewed legal services from an acceptable budget allowance perspective, legal services should be allocated in the Board's expense forecast review.

D. Conversations and contacts with the Attorney Generals have created expenses, beyond the scope of the Homeopathic Board's ability to pay for those legal services.

i. These events created by both internal and external legal conversation and prosecutorial litigation.

- ii. Upon further review of the previous years billing statements from 2014-2022, there appears to have been monetary errors on billable hours that the previous Executive Director brought to the attention of the OAG.

F. Outgoing Boards Presidents payment arrangements with OAG:

- a. The outbound Board President signed an agreement with the current OAG putting the newly appointed Board in serious financial jeopardy by setting up a course for insolvency to the new incoming board.
- b. The terms of that current financial arrangement required the Board to then forward a \$30,000 "Certified Funds" payment, with a \$1,500 monthly payment obligation for a period of 60 months. This leaves the Nevada Homeopathic Board of Medical Examiners income for operations with less than \$583 dollars monthly.
- c. Not a Sustainable amount of operating Capital!