

ASSEMBLY BILL NO. 108—ASSEMBLYMAN OSCARSON

PREFILED FEBRUARY 7, 2017

Referred to Committee on Health and Human Services

SUMMARY—Provides for the periodic review of Medicaid reimbursement rates. (BDR 38-209)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to Medicaid; requiring the Division of Health Care Financing and Policy of the Department of Health and Human Services periodically to review Medicaid reimbursement rates; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law requires: (1) the Department of Health and Human Services to
2 administer Medicaid; and (2) the Director of the Department to adopt the State Plan
3 for Medicaid. (NRS 422.063, 422.270) This bill requires the Division of Health
4 Care Financing and Policy of the Department to review the adequacy of Medicaid
5 reimbursement rates every 4 years. If the Division finds that the rate of
6 reimbursement for a service or item does not accurately reflect the actual cost
7 of providing the service or item, this bill requires the Division to calculate the rate
8 of reimbursement that accurately reflects the actual cost of providing the service or
9 item and recommend that rate to the Director for possible inclusion in the State
10 Plan for Medicaid.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 422 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 *On or before January 1, 2018, and every 4 years thereafter, the*
4 *Division shall:*

5 *1. Review the rate of reimbursement for each service or item*
6 *provided under the State Plan for Medicaid to determine whether*



1 *the rate of reimbursement accurately reflects the actual cost of*
2 *providing the service or item; and*

3 *2. If the Division determines that the rate of reimbursement*
4 *for a service or item does not accurately reflect the actual cost of*
5 *providing the service or item, calculate the rate of reimbursement*
6 *that accurately reflects the actual cost of providing the service or*
7 *item and recommend that rate to the Director for possible*
8 *inclusion in the State Plan for Medicaid.*

9 **Sec. 2.** NRS 232.320 is hereby amended to read as follows:

10 232.320 1. The Director:

11 (a) Shall appoint, with the consent of the Governor,
12 administrators of the divisions of the Department, who are
13 respectively designated as follows:

14 (1) The Administrator of the Aging and Disability Services
15 Division;

16 (2) The Administrator of the Division of Welfare and
17 Supportive Services;

18 (3) The Administrator of the Division of Child and Family
19 Services;

20 (4) The Administrator of the Division of Health Care
21 Financing and Policy; and

22 (5) The Administrator of the Division of Public and
23 Behavioral Health.

24 (b) Shall administer, through the divisions of the Department,
25 the provisions of chapters 63, 424, 425, 427A, 432A to 442,
26 inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS
27 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, *and*
28 *section 1 of this act*, 422.580, 432.010 to 432.133, inclusive,
29 432B.621 to 432B.626, inclusive, 444.002 to 444.430, inclusive,
30 and 445A.010 to 445A.055, inclusive, and all other provisions of
31 law relating to the functions of the divisions of the Department, but
32 is not responsible for the clinical activities of the Division of Public
33 and Behavioral Health or the professional line activities of the other
34 divisions.

35 (c) Shall administer any state program for persons with
36 developmental disabilities established pursuant to the
37 Developmental Disabilities Assistance and Bill of Rights Act of
38 2000, 42 U.S.C. §§ 15001 et seq.

39 (d) Shall, after considering advice from agencies of local
40 governments and nonprofit organizations which provide social
41 services, adopt a master plan for the provision of human services in
42 this State. The Director shall revise the plan biennially and deliver a
43 copy of the plan to the Governor and the Legislature at the
44 beginning of each regular session. The plan must:



- 1 (1) Identify and assess the plans and programs of the
2 Department for the provision of human services, and any
3 duplication of those services by federal, state and local agencies;
4 (2) Set forth priorities for the provision of those services;
5 (3) Provide for communication and the coordination of those
6 services among nonprofit organizations, agencies of local
7 government, the State and the Federal Government;
8 (4) Identify the sources of funding for services provided by
9 the Department and the allocation of that funding;
10 (5) Set forth sufficient information to assist the Department
11 in providing those services and in the planning and budgeting for the
12 future provision of those services; and
13 (6) Contain any other information necessary for the
14 Department to communicate effectively with the Federal
15 Government concerning demographic trends, formulas for the
16 distribution of federal money and any need for the modification of
17 programs administered by the Department.
18 (e) May, by regulation, require nonprofit organizations and state
19 and local governmental agencies to provide information regarding
20 the programs of those organizations and agencies, excluding
21 detailed information relating to their budgets and payrolls, which the
22 Director deems necessary for the performance of the duties imposed
23 upon him or her pursuant to this section.
24 (f) Has such other powers and duties as are provided by law.
25 2. Notwithstanding any other provision of law, the Director, or
26 the Director's designee, is responsible for appointing and removing
27 subordinate officers and employees of the Department, other than
28 the State Public Defender of the Office of State Public Defender
29 who is appointed pursuant to NRS 180.010.
30 **Sec. 3.** This act becomes effective on July 1, 2017.



