

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON HEALTH AND HUMAN SERVICES**

**Seventy-Ninth Session  
May 3, 2017**

The Committee on Health and Human Services was called to order by Chairman Michael C. Sprinkle at 12:38 p.m. on Wednesday, May 3, 2017, in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/App/NELIS/REL/79th2017](http://www.leg.state.nv.us/App/NELIS/REL/79th2017).

**COMMITTEE MEMBERS PRESENT:**

Assemblyman Michael C. Sprinkle, Chairman  
Assemblyman Richard Carrillo  
Assemblyman Chris Edwards  
Assemblyman John Hambrick  
Assemblyman William McCurdy II  
Assemblywoman Brittney Miller  
Assemblyman James Oscarson  
Assemblyman Tyrone Thompson  
Assemblywoman Robin L. Titus  
Assemblyman Steve Yeager

**COMMITTEE MEMBERS ABSENT:**

Assemblywoman Teresa Benitez-Thompson (excused)  
Assemblywoman Amber Joiner, Vice Chair (excused)

**GUEST LEGISLATORS PRESENT:**

Senator Yvanna D. Cancela, Senate District No. 10  
Senator Patricia Farley, Senate District No. 8

**STAFF MEMBERS PRESENT:**

Marsheilah Lyons, Committee Policy Analyst  
Mike Morton, Committee Counsel  
Kailey Taylor, Committee Secretary  
Trinity Thom, Committee Assistant



**OTHERS PRESENT:**

Michael Hackett, representing Nevada Primary Care Association; and Nevada Public Health Association  
Alanna Bondy, Intern, American Civil Liberties Union of Nevada  
Bradley Mayer, representing Southern Nevada Health District  
Catherine M. O'Mara, Executive Director, Nevada State Medical Association  
Karen England, representing Nevada Family Alliance  
Melissa Clement, representing Nevada Right to Life  
Janine Hansen, State President, Nevada Families for Freedom  
Lynn Chapman, State Vice President, Nevada Eagle Forum  
Veronica Galas, Clinical Services Manager, Carson City Health and Human Services  
Mendy Elliot, representing Capitol Partners; and the Nevada Osteopathic Medical Association  
Lea Tauchen, representing Retail Association of Nevada  
Tray Abney, Director of Government Relations, The Chamber, Reno-Sparks-Northern Nevada  
Paul Moradkhan, representing Las Vegas Metro Chamber of Commerce  
Nick Vassiliadis, representing the Nevada Resort Association  
Nick Vander Poel, representing American AVK Company; and International Test Solutions  
Brian McAnallen, Government Affairs Manager, Office of Administrative Services, City of Las Vegas  
Steve Smith, representing Las Vegas Fire and Rescue; and Nevada Fire Chiefs Association  
Todd Ingalsbee, Legislative Representative, Professional Fire Fighters of Nevada  
Rudy Moertl, Private Citizen, Mesquite, Nevada  
Melissa Lewis, Administrative Services Officer III, Medicaid Services, Division of Health Care Financing and Policy, Department of Health and Human Services  
Kelly Crompton, Government Affairs Officer, Office of Administrative Services, City of Las Vegas  
David Marlon, Chief Executive Officer, Solutions Recovery of American Addictions Center Corporations  
James L. Wadhams, representing Anthem Insurance Company

**Chairman Sprinkle:**

[Roll was called. Committee rules and protocol were explained.] We will be taking bills out of order today. We will begin with Senate Bill 122 (1st Reprint). I will open the hearing on Senate Bill 122 (1st Reprint).

**Senate Bill 122 (1st Reprint): Establishes a program to provide grants for family planning services. (BDR 40-630)**

**Senator Yvanna D. Cancela, Senate District No. 10:**

Senate Bill 122 (1st Reprint) is straightforward. It establishes the Account for Family Planning in the State General Fund. The Account is administered by the Division of Public and Behavioral Health (DPBH) of the Department of Health and Human Services (DHHS). Money in the Account must be used to award grants to local governmental entities and nonprofit organizations to provide family planning services recommended by the Centers for Disease Control and Prevention (CDC) and the Office of Population Affairs of the United States Department of Health and Human Services.

For clarity, I would like to read into the record how the CDC defines family planning. It includes: providing contraception to help women and men plan and space births, prevent unintended pregnancies, and reduce the number of abortions; offering pregnancy testing and counseling; helping clients who want to conceive by providing basic infertility services; providing preconception health services to improve infant and maternal outcomes; improving women's and men's health; providing sexually transmitted disease (STD) screening; providing treatment services to prevent tubal infertility; and improving the health of men, women, and infants.

Grants must be awarded on a community's need for family planning services. The local government or nonprofit's ability to deliver the services effectively would also be taken into account. In addition, services must be provided to people who would otherwise have difficulty obtaining them due to income, insurance status, lack of transportation, or similar circumstances. Services funded by the grants may include family planning counseling; referrals through appropriate agencies; distributing drugs, contraceptive devices, and similar products; and providing or referring people to preconception health services or for testing and treatment of sexually transmitted infections (STIs). These services must be provided without regard to religion, race, color, national origin, physical and mental disability, age, sex, gender identity or expression, sexual orientation, number of previous pregnancies, or marital status.

The bill requires local governmental entities and nonprofit organizations that receive a grant to provide certain information to people to whom they provide family planning counseling, and requires any personally identifiable information regarding a person who receives services to be confidential.

Finally, S.B. 122 (R1) authorizes DPBH to apply for and accept gifts, donations, bequests, grants, and other sources of money for deposit into the Account. I would like to end by sharing a small piece of an article that came out earlier this year describing the need for family planning in our rural communities. Unfortunately, family planning has been underfunded at the federal level and we, in Nevada, have a real need where our clinics have received less and less money. We have clinics in Lovelock, Ely, Panaca, Hawthorne, Battle Mountain, Tonopah (but not Pahrump), Yerington, Fallon, Winnemucca, as well as in Reno and Las Vegas. Unfortunately, because of the way that funding has happened, Winnemucca and Lovelock share a nurse. In cash-strapped communities, they are now picking up the tab that was once there by federal funds. In Lyon County, we have four defunded clinics, with

three nurses. We have a partially funded Nye County clinic where there are two clinics with just two nurses and every other county has one clinic with one nurse. We know that this not only affects our urban communities, but especially affects our rural communities, which is why this bill is so important.

**Assemblywoman Titus:**

Thank you for presenting the bill. As the county health officer for Lyon County, I understand the importance of our community health nurses, the incredible great work they do, and how underfunded they are. Having said that, I have a couple of questions. In your bill, section 5, subsection 4, paragraph (c), subparagraph (3) it talks about provisions of Program Policy Notice 2014-01 prohibiting a grantee from requiring the consent of parents or guardians for the provisions of services to a minor. Does this already exist in federal regulation? That is not a statute; it is a regulation. In federal regulation, there already is a component that if you use these services, you cannot require parental consent. That is how I am reading that. Is that how you are reading it?

**Senator Cancela:**

That is how I am reading that. The intent is to match state law with federal law.

**Assemblywoman Titus:**

Currently, do we require parental consent for minors to receive services through our public health nurses?

**Senator Cancela:**

I would have to get back to you on that. I do not know if that is actually in statute or not.

**Assemblywoman Titus:**

That is what I am trying to clarify. I support the concept of applying for grants, but I am questioning whether this bill, in its passage, would then require that we, as a state, offer these services and we cannot require parental consent. If you could clarify that, that would be great.

**Senator Cancela:**

I would be happy to do my homework and get back to you on that. The language specifically says that there would be an encouragement to have families involved and have family participation as part of these services. The intent is to make sure that we mirror federal law, but not by overriding state law.

**Chairman Sprinkle:**

We will open it up for testimony in support of Senate Bill 122 (R1).

**Michael Hackett, representing Nevada Primary Care Association; and Nevada Public Health Association:**

Both of these organizations strongly support Senate Bill 122 (R1). In addition, both of these organizations support efforts that ensure safety net services are available to medically

underserved populations and efforts that reduce or eliminate financial barriers and other social determinants of health such as age, geography, and education. On behalf of the Primary Care Association and its community health centers, we are committed to helping women in this state delay pregnancy until they are ready. Currently, we do not have the capacity to serve the overwhelming need for family planning services, especially in the rural areas, as has been identified by the bill sponsors. In those communities that do not have a community health center, the state's community health nurse program is often the only option for low-income residents. As part of its mission to achieve health equity in Nevada, Senate Bill 122 (R1) is very much in line with several of the Nevada Public Health Association's priorities, including the support of evidence-based programs and policies to prevent sexually transmitted diseases and teen pregnancy. We also support protecting and promoting reproductive rights and access to reproductive health services.

[([Exhibit C](#)) and ([Exhibit D](#)) were submitted as additional testimonies in support of Senate Bill 122 (R1).]

In addition, Kevin Dick, the District Health Officer for Washoe County Health District, asked me to put on the record their support for Senate Bill 122 (R1). He submitted a letter indicating his support in which he pointed out the health and economic benefits of family planning programs, including higher graduation rates, lower use of federal and state assistance programs, and overall better health outcomes ([Exhibit E](#)).

I would also like to express support for Senate Bill 122 (R1) on behalf of Charles Duarte and the Community Health Alliance. In closing, investing in family planning is an investment in public health and safety net infrastructure, an investment that will reduce unintended births, lower costs of Medicaid, and make more resources available to invest in the health of children born to mothers who are ready to raise them.

**Alanna Bondy, Intern, American Civil Liberties Union of Nevada:**

American Civil Liberties Union of Nevada is supportive of this bill. This is an excellent reproductive freedom bill and will not just help women. The services outlined in the bill are wide-ranging, from STI testing and treatment to access to contraceptives and family planning counseling. Low-income people and people in rural areas are usually less able to access the full range of available family planning services, resulting in unplanned pregnancies and other health issues stemming from lack of access to reliable reproductive care. This bill provides Nevadans with the fundamental freedom and the practical ability to decide when and how to start a family. No one should have fewer choices in family planning decisions merely because they have fewer dollars in their pocket or live in a certain area of the state. For these reasons, we urge your support of S.B. 122 (R1).

**Bradley Mayer, representing Southern Nevada Health District:**

We are in support of S.B. 122 (R1). Last year, the Southern Nevada Health District saw almost 5,000 patients for family planning services that we provide. This bill is so important because we get money from Title X grants from the federal government to deal with family planning services, but those funds are declining and, in this uncertain environment we are in,

they continue to decline further. We urge your support of this measure so that we can continue to serve our population. We know there is a social and economic cost with unintended pregnancies, and this is a situation where an ounce of prevention is worth a pound of cure. We urge your support and thank you for your time.

**Catherine M. O'Mara, Executive Director, Nevada State Medical Association:**  
We want to lend our support for this bill and for the grant program. Thank you.

**Chairman Sprinkle:**

Is there anyone here in opposition to Senate Bill 122 (R1)?

**Karen England, representing Nevada Family Alliance:**

Similar to Assemblywoman Titus, we are very concerned with the provision in here that excludes parents. If we are talking about Nevada funding, I do not know why we are going out of our way to put in some federal health and human services language that excludes parents. We have this long list of things that have consequences, such as sterilization for women. Then we say you cannot even notify the parents of these minors before they access all of these different types of birth control that could have some very serious side effects and health concerns for our minors. I do not think that the state should be giving money away to organizations and policies that get in the way of parental rights, especially when it comes to something as serious as sterilization, a circumstance in which a minor could get that done without having parental consent or notification that it took place. We oppose this bill.

**Melissa Clement, representing Nevada Right to Life:**

While we are in support of the basic thrust of this bill in that yes, we want to see important services provided to our rural areas, there are some parts of the bill that concern us greatly. Mrs. England has already discussed one of the most important issues that we have, which is the parental notification involved concerning sterilization, surgical sterilization, implantable rods, and intrauterine devices (IUD). All of these things have lifelong impacts on children, and we know that underage children oftentimes do not have long-term reasoning ability to see what could potentially happen in the future. That is why parental involvement is so important in decisions like this. Along those same lines, I would like to point out that the Office of Population Affairs of the United States Department of Health and Human Services is a political appointment. As Assemblywoman Titus pointed out, these are regulations we are talking about, rather than federal laws. You are limiting your ability to provide good policy decisions by codifying it, even if it is superseded or revoked at a later date.

Additionally, the bill was amended in the Senate Finance Committee, so a lot of this new language was not discussed in the Senate Committee on Health and Human Services. The big concern for me is that if you are going to provide a wide array of family planning choices, why eliminate the organic natural family planning, which would involve thermometers, charting, and stuff like that. Why was that taken out? Thank you for the opportunity to speak.

**Janine Hansen, State President, Nevada Families for Freedom:**

We have several issues with this bill, but I do want to say first that we do not oppose money going to the rural communities in order to provide these services. We do object to money going to Planned Parenthood, which is the largest abortion purveyor in the nation and has gone several times to the United States Supreme Court to oppose parental notification and parental consent, which we think is vital. Two sessions ago, Nevada enacted *Nevada Revised Statutes* (NRS) 126.036 [Senate Bill 314 of the 77th Session], which states: "The liberty interest of a parent in the care, custody and management of the parent's child is fundamental right." This only confirms what the United States Supreme Court has said in numerous decisions. I will not read them all; I will just share a couple of quotes with you from Supreme Court decisions. The first is from *Pierce v. Society of Sisters*, 268 U.S. 510, 45 S. Ct. 571, 69 L. Ed. 1070, 1925 U.S.:

The child is not the mere creature of the State; those who nurture him and direct his destiny have the right, coupled with the high duty, to recognize and prepare him for additional obligations.

The second one is from *Moore v. East Cleveland*, 431 U.S. 494, 97 S. Ct. 1932, 52 L. Ed. 2d 531, 1977 U.S.:

Our decisions establish that the Constitution protects the sanctity of the family precisely because the institution of the family is deeply rooted in this Nation's history and tradition. It is through the family that we inculcate and pass down many of our most cherished values, moral and cultural.

There are many others, which I will not spend the time to share with you today. We know that in Nevada, the Planned Parenthood in Washoe County does abortion referrals, and the Planned Parenthood in southern Nevada provides for chemical abortions. Once again, we object to money going to them.

As others have stated, I also have significant problems with the language on page 3, starting on line 37. This bill seeks to put this permanently in Nevada law. It says that even if this regulation is rescinded federally, that whether or not it is superseded or revoked, it will stay in Nevada law. This is a huge violation of parental rights and is absolutely obscene in my opinion. Providing such services as sterilization and others, without any parental knowledge or consent is a violation of parental rights and even of the child who deserves the care of their parent. To put this in the bill, which was not in the original bill, to preclude not only consent, but even notification, really violates the principle of parental rights. We hope that you will recognize that this is an attempt to take away the most basic and fundamental of parental rights. Not only in this, but also last session we had a lot of discussion about giving notification to parents of an impending abortion. This is designed to preclude that. We know family planning, in its definition, includes abortion. We hope that you will consider removing this portion of the bill and seeing that nonprofits do not include Planned Parenthood, which is antithetical to families.

**Lynn Chapman, State Vice President, Nevada Eagle Forum:**

I would like to start by saying that the bill talks about counseling. I think counseling is very important, but I am not sure if this would include places like Crisis Pregnancy Center and Casa de Vida for counseling for women and young ladies. I, too, was going to talk about the language on page 3, line 37. We are very concerned about families and about our children. I will tell you another reason why it is very scary not to have the parents involved. Back in the '90s, we had a woman that came from Minnesota to speak about her daughter. Her daughter went to school one morning, she came home from school and was not feeling quite right. She went to bed and in the middle of the night, she woke up hemorrhaging. They rushed her to the hospital and they had to do emergency surgery. It turned out the school counselor had taken her in to have an abortion and her parents knew nothing of it. They ended up with a bill of \$50,000 to pay. When the panel asked why the insurance did not pay, the woman reminded the panel that number one, the insurance was never told beforehand; and number two, the parents knew nothing of the surgery so the insurance company said it was not responsible and it was not paying a dime. The parents were left with this huge bill for their child. If you are in the rural communities or in the city, people cannot afford stuff like that. They have insurance to take care of their families, not to have the schools and/or others take our children and do with them as they wish, including having a procedure while not informing the parents. That is very dangerous. Thank you.

**Chairman Sprinkle:**

Is there anyone else in opposition? [There was no one.] Is there anyone neutral to this bill?

**Veronica Galas, Clinical Services Manager, Carson City Health and Human Services:**

I want to talk about family planning as being more than just birth control. Family planning allows for recommended spacing of pregnancies and can delay unintended pregnancies for those not ready to start or add to the size of their family. Healthy spacing leads to healthier babies and healthier pregnancies. Family planning assists men and women who are ready to start a family now or anticipate having a family in the future to be at their healthiest. Family planning allows for discussion, identification and referrals of depression, domestic violence, alcohol, tobacco, and other drug abuse. Family planning allows for discussions with teens regarding parental involvement, resisting coercive sex, and the effects of alcohol and drugs on decision-making. Family planning allows for the identification and treatment of sexually transmitted diseases and the early diagnosis of human immunodeficiency virus (HIV).

Community members find family planning clinics a place where they can share personal health information that at times they do not share with their primary care providers. In 2014, in Carson City, out of the 25 medical primary care providers, Carson City Health and Human Services diagnosed 45 percent of the cases of chlamydia, the most common sexually transmitted diseases in our community. Even though we are one provider in the community, we are diagnosing 45 percent through our family planning programs. In Douglas County, 33 percent of all reported positive chlamydia cases are diagnosed through the family planning clinic, not through the 22 private providers in the community. People do not always share with their primary care providers some of their personal and private information that



you might assume is being shared. In Carson City and Douglas County, family planning clinics identify a disproportionately larger percentage of the most common STDs than do primary medical facilities. When people have timely, affordable access to high-quality family planning care and education, they are more likely to improve their economic security, care for their families, and achieve optimal health. Family planning is ultimately about improving health, social, and economic outcomes for Nevada residents. Thank you. [The witness submitted prepared text that included additional testimony ([Exhibit F](#)).]

**Chairman Sprinkle:**

Is there anyone else neutral to S.B. 122 (R1) here or in southern Nevada? [There was no one.] Are there closing comments?

**Senator Cancela:**

In the short research that I have done, I will address some of the issues that have been brought up. There is no requirement today for notification to parents. This was a big debate that was had last session and maybe something this body wants to take up at another time. This bill would not change the status quo; it is merely an extension of the status quo. There are requirements on family planning organizations in four situations. The first is in the event of what is called sexual seduction, where someone who is fifteen years old brings in a partner who is eighteen; they have to report that because it is illegal. Additionally, they are required to report lewdness with a child; if there is child abuse or neglect; and certain STDs. Therefore, there are some reporting requirements. The intent of the bill is to encourage family participation as done in the status quo and not to in any way change what is currently in statute.

I will end by saying that it is frustrating that the discussion around family planning ends up just discussing abortion. The intent of the bill and the way the bill was amended was to make sure it is clear that none of the funding goes towards abortion and that funding goes towards low-income women and family health in places in our state where the only available services are family planning practitioners. The intent is to make sure that regardless of what happens at the federal level with family planning funds that Nevada is prepared to meet the needs that exist today, and continue to grow, throughout all areas of our state.

I think this is a very common sense approach that allows us to make sure we are prepared to care for our most vulnerable populations at times when they need it the most, whether it is through prenatal services or through basic STD screenings. This bill allows us to prepare ourselves to meet those needs.

[([Exhibit G](#)) was submitted but not discussed and will become part of the record.]

**Chairman Sprinkle:**

I will close the hearing on Senate Bill 122 (1st Reprint) and open the hearing on Senate Bill 366 (1st Reprint).

**Senate Bill 366 (1st Reprint): Makes various changes relating to Medicaid.  
(BDR 38-927)**

**Senator Yvanna D. Cancela, Senate District No. 10:**

Senate Bill 366 (1st Reprint) started as a much bigger bill. It was amended in the Senate, and you have an amendment before you today to clarify some of the language ([Exhibit H](#)). The intent of this bill is to give us the ability to have better data on Medicaid and to create a space within the Department of Health and Human Services (DHHS) where we can have innovation on Medicaid so that we are making sure that those dollars are being spent as efficiently and as creatively as possible.

The first part of the bill, in section 2 of the mock-up in front of you, has a couple of changes that are meant to clarify what the bill does. It allows for a report to be published annually as opposed to biannually, as originally issued, of employers who have 50 or more employees. The Department of Health and Human Services would publish an online list of employers based on how many full-time employees they have on Medicaid, ranked from the most employees on Medicaid to the least.

The next part of the bill, in sections 4 and 5, talks about how the Advisory Committee on Medicaid Innovation Council would function. It would exist within DHHS and would specifically look at three different sections. The first is the manner in which to create or expand public or private prescription purchasing coalitions. Second is the manner in which to encourage access to employer-based health insurance plans, including without limitation: coordinating coverage provided by the State Plan for Medicaid and private health insurance which may be provided by an employer to a person eligible for Medicaid; and providing assistance to a person who is eligible for Medicaid to allow the person to purchase private health insurance. Lastly, it will look at opportunities to apply to the Secretary of the United States Department of Health and Human Services for certain waivers pursuant to federal code. The intent is to maximize our ability to use the Medicaid dollars we receive in a way that benefits the most number of Nevadans.

**Assemblyman Edwards:**

Could you give me an example of what kind of information you expect is missing and the information that you are seeking out? What are we not collecting, or what do we think we do not know about?

**Senator Cancela:**

This list is compiled already. It exists within the Executive Branch, but it is not published online or given to the Legislature or Governor. All that the bill would say is to take the list with the data that currently exists and make it more available to decision-makers.

**Assemblyman Edwards:**

When it is identifying actual companies, is it actually using company names and addresses?

**Senator Cancela:**

Yes, it would. It is not just companies on the list, it also encompasses public sector employers. It would look at all employers in the state and would rank them based on how many employees they have on Medicaid.

**Assemblyman Edwards:**

I am concerned that might lead to some companies being very queasy about having employees on Medicaid if it is going to make them look bad or not help their brand.

**Senator Cancela:**

The intent is not at all to make these employers look bad. The idea is to understand that if there is a situation in which we do not have the best health care available to folks, is there a discussion about people on Medicaid that are not reaching full-time work and are stuck in part-time work? How do we move people who are working full-time off Medicaid to have the best health insurance possible?

**Assemblyman Edwards:**

I just want to make sure it does not lead to a situation where their competition starts using it against them. We can still figure that out without having the list online.

**Chairman Sprinkle:**

You touched upon the one question that I did have in regard to what the intent is of using this information. Is there anything else that comes to mind as to how this information would be beneficial, as you said, to us, to policymakers, and to the Office of the Governor?

**Senator Cancela:**

The first is to understand whether something is happening in the private sector that is not allowing for people to access good health benefits, because we have high numbers of people that are working full-time who are on Medicaid. That question would be answered using this data. If so, we should be looking at what is happening in the private sector. Are costs too high? Are benefits not being offered that actually match what people need? We can have a better discussion about what kind of coverage exists in the private sector.

The other piece is to see if there are situations where folks are being kept in certain job situations that prevent them from moving off Medicaid. Is something happening in the private sector where folks are not able to get to the point where they can afford health care despite having full-time work? Is there something that can be done to address that? The intent is to have more information, and if after a biennium, we see that this information never gets used, I would be happy to come back and say the data did not get used to make meaningful policy. In that case, we can discontinue the distribution. But, the reality is the data exists today; it is just a question of whether it would be beneficial to us, as policymakers, to have it in front of us.

**Chairman Sprinkle:**

We will open it up for testimony in support of Senate Bill 366 (1st Reprint).

**Mendy Elliot, representing Capitol Partners; and the Nevada Osteopathic Medical Association:**

I cannot speak to all of the sections of the bill, but we really appreciate section 4 creating an Advisory Committee on Medicaid Innovation. A lot of issues relate to Medicaid reimbursement, and anything the state can do to be proactive in that regard in any type of determination of how we move forward with Medicaid in the future, and the impact on not only Nevadans, but on our physicians as well, is most appreciated. We want to thank the sponsor for the bill.

**Chairman Sprinkle:**

Is there anyone else here or in southern Nevada willing to speak in support? [There was no one.] Is there anyone in opposition to Senate Bill 366 (1st Reprint)?

**Lea Tauchen, representing Retail Association of Nevada:**

Our concerns are actually specific to section 2. In regard to section 2, subsection 1 (a), we are seeking clarity as to how the portion of the report that determines whether the employer offers health benefits is being determined. We are interested to know if the business is reporting that information or if it is being acquired from another source. Additionally, we are concerned about subsection 3. This requires the report be published on the Department's website. We understand the necessity of the report, and we do not dispute its creation or that the report is submitted to decision-makers. We are worried about the public shaming aspects, similar to what has already been addressed by the Committee. We do not believe that serves the purpose of the bill. We appreciate the bill sponsor's work on this bill, and her availability and willingness to work with the business community.

**Tray Abney, Director of Government Relations, The Chamber, Reno-Sparks-Northern Nevada:**

I will "ditto" Ms. Tauchen's response, and I will characterize this as friendly opposition. Senator Cancela has been wonderful to work with on this. We have the same concern about how to get this information from thousands of businesses with over 50 employees in the state. It is more about the specifics of how to carry this out. The website piece is problematic as well. Again, we are working with the Senator and appreciate her.

**Paul Moradkhan, representing Las Vegas Metro Chamber of Commerce:**

I want to reiterate the comments of my colleagues and thank Senator Cancela for her willingness to help address our concerns, specifically to the reporting component of the website and so forth. Thank you.

**Chairman Sprinkle:**

Thank you, I appreciate the brevity. Is there anyone else in opposition?

**Nick Vassiliadis, representing the Nevada Resort Association:**

We have some concerns for the same reasons others mentioned. We really appreciate the sponsor's working with us, and I think we can all get there. Thank you.

**Chairman Sprinkle:**

Is there anyone else here or in southern Nevada in opposition?

**Nick Vander Poel, representing American AVK; and International Test Solutions:**

We are in support of the concept of the committee study, however, we find the website problematic. Hopefully, we can work with the bill sponsor as it relates to that. Thank you.

**Chairman Sprinkle:**

Is there anyone speaking in neutral to this bill? [There was no one.] Senator, you may come back for closing comments.

**Senator Cancela:**

I appreciate the comments on how the list is compiled based on how an employer offers health benefits. I will look into that and make sure there is an easy way to do that. I am happy to not have the report online as long as it is available to the Legislature and the Governor. That way, I think we have a bill that folks can get behind. I will bring forward an amendment for the Committee to consider.

**Chairman Sprinkle:**

You can work with Assemblywoman Titus and others. It sounds like many people are willing to work with you on this. Once that is done, get back to me. That would be great. I will close the hearing on Senate Bill 366 (1st Reprint). I will open the hearing on Senate Bill 60 (1st Reprint).

**Senate Bill 60 (1st Reprint): Revises provisions governing Medicaid payments for ground emergency medical transportation services. (BDR 38-411)**

**Brian McAnallen, Government Affairs Manager, Office of Administrative Services, City of Las Vegas:**

Senate Bill 60 (1st Reprint) is the product of a federal program that is designed to move federal dollars to public agencies that provide Medicaid transports. In the City of Las Vegas, through our fire and rescue department, we do a number of Medicaid transports. This would be the opportunity to use federal dollars to help supplement those costs. After the first reprint, we attempted to make sure the bill language met with some concerns from the state agency, specifically, the Division of Health Care Financing and Policy in the Department of Health and Human Services, to make sure this is a voluntary or permissive program.

In Las Vegas sits Chief Steve Smith, former Fire Chief from Clark County. He has been a consultant to the Fire Chiefs Association as well as the City of Las Vegas. We have been working for over 2 1/2 years to build toward this program. I would be remiss if I did not call out all of the efforts of the state agency and the staff at the state agency, some of which have turned over during this time. Many folks came together to try to build this program. When we first started heading down the idea of this bill, we were operating under a memorandum of understanding (MOU) with the agencies through the state Fire Chiefs Association, of which we are all a part, which would set this program up for statewide implementation and

allow departments that met the qualifications to be able to receive these dollars. What you have in front of you is an amendment that we are offering to our own bill from the City of Las Vegas that would take the first reprint further and put more voluntary language in there ([Exhibit I](#)). We have come a long way in this process and have been operating under a memorandum of understanding.

Our whole goal here was to put down the parameters of the program and to make sure there were provisions within the bill that said if those federal dollars were to dissipate or dry up, the state would be held harmless, and so there would not be a budgetary impact to the state. That is some of our intent. I will ask Chief Smith to weigh in on the process with the Fire Chiefs Association. We are continuing to work on a memorandum of understanding for other pieces of the bill because there are kind of two different programs established in here—a fee-for-service provision and the managed care organizations.

**Steve Smith, representing Las Vegas Fire and Rescue; and Nevada Fire Chiefs Association:**

I have been involved with this project since the proposed legislation in 2015 and the memorandum of understanding that was agreed to between Nevada Fire Chiefs and state Medicaid. All phases of the memorandum of understanding have been implemented with the Centers for Medicare and Medicaid Services (CMS) approval of the State Plan Amendments (SPA) for the Medicaid ground transportation portion that is on the fee-for-service side. A part of that MOU also covered the managed care section, which CMS has decided to terminate, effective June 30, 2017. That was the purpose of this bill—to put us in place so we have a program that helps us cover the cost of managed care recipients. We provide that service to not only the City of Las Vegas, but Henderson Fire Department also provides service to managed care providers. They also would benefit from this legislation.

**Brian McAnallen:**

We are continuing to work with the state agency in the Division in hopes to establish other pieces of this bill through memorandums of understanding. While we are having a great deal of progress, I would certainly like to keep this bill alive as we move through the process. We might be able to accomplish things offline.

**Assemblywoman Titus:**

It was brought to my attention after this was heard in the Senate, that there might be complications with what federal regulations allow. I would just like to give you the opportunity to clarify those concerns. That is because of managed care organizations where you negotiate a contract and negotiate a fee. From a provider standpoint, we are not then allowed to bill for more than we have negotiated. That is prohibited. There are some concerns that this bill is contrary to what federal regulations have established.

**Brian McAnallen:**

You are correct. That is what I was attempting to refer to. I believe the agency will testify in neutral, but they will have some qualifying statements to make. There are some federal provisions, which expire on June 30, 2017. That is one of the reasons why we had

put the date as July 1, 2017. We are hoping to have a program worked out. One of the MOUs I was referring to with those managed care organizations was to provide that service. You are absolutely right in your statements and comments about that being the guideline for those dollar amounts and those reimbursements that would be negotiated. That is what we are attempting to do. That is one of the reasons we are able to continue having those conversations. In the end, this bill may not be necessary.

**Assemblywoman Titus:**

If the federal law proceeds and you get these MOUs, this bill will not be needed, is that correct?

**Brian McAnallen:**

That would be our hope.

**Assemblyman Thompson:**

Say that there is an indigent person on Medicaid and there is a need for emergency medical technician services. It happens all of the time. Is there anywhere in the proposed amendment, should this be accepted, that is looking at whether it is medically necessary and a substantiated emergency? When University Medical Center used to be the only indigent hospital, that is where people went if they had a basic cold. Are there any measures in this amendment that states it has to be medically necessary or defines an emergency?

**Brian McAnallen:**

I will continue looking through the bill to see if there are specific points that spell out those types of requirements. I would suggest that I think the bill is more of an umbrella in nature and would allow those specific elements to be defined through the State Plan Amendment and through the relationships with the providers, which in this case would be Las Vegas Fire and Rescue and those parameters. We could not bill for something that would not meet requirements of the federal definitions and the federal guidelines. But, I do not believe we spell out that level of specificity in the bill.

**Steve Smith:**

The bill does not weight that out, but the government entity would have to provide all of the medical information to the State for their review before the payment is approved. Again, there is a review process of all services we would provide. We still would provide that service. We submit the data to the State and they will review it. In the agreements that we currently have with the managed care organization providers, it is clearly written that it has to be medically necessary. It is not in the law, but it is in the contracts I have reviewed with the managed care organizations that the City of Las Vegas currently has with their managed care providers.

**Assemblyman Thompson:**

You gave an example of the City of Las Vegas. Will this affect counties or other cities? Will they be able to design the contract according to how Mr. Smith stated? That is just the negotiating factor with the Department of Health and Human Services.

**Brian McAnallen:**

In order to establish this program through CMS there are established parameters for this program, and public providers of emergency transport have to meet specific qualifications to be a part of this program. Currently, it is just the City of Las Vegas and Henderson that meet those requirements and definitions at the moment. However, we put together the MOU through the Fire Chiefs Association that would broadly allow for other departments and agencies if they met those categories and number of transports. It is not limited just to us by design; it just happens to be that by practice and operation we are the only providers that fall under that category. It would be our hope that more providers throughout the state would also fall under this program. Certainly, that is one of the reasons why collectively, through the Fire Chiefs Association that represents fire departments throughout the state, they ended up becoming the lead on this.

To further that, in the 2015 Legislative Session, a bill draft came out, Assembly Bill 331 of the 78th Legislative Session, sponsored by former Assemblywoman Marilyn Kirkpatrick. It was designed along the same lines of the bill in front of you. As we were working with the agency through developing the idea of an MOU, we pulled that bill back as it was against deadlines. We brought this forward as one of the City of Las Vegas' three bill draft requests, just to ensure that the program was operational. As we were going through this, we were still in the throes of getting it up and running and getting the certification from CMS through the State Plan Amendments. Our goal with this was to make sure that the pieces of the program were there. That is another reason why as things are falling together, we have the MOUs—we have been working with the state agency, and in the end, this bill may be able to go away. That would certainly be our hope, but in the meantime, that is why it is here in front of you.

**Chairman Sprinkle:**

Thank you. Is there anyone here in support of Senate Bill 60 (1st Reprint)?

**Todd Ingalsbee, Legislative Representative, Professional Fire Fighters of Nevada:**

We support Senate Bill 60 (1st Reprint). We think if the language is worked out, we can increase some funding for not only our two municipalities, but all across the state.

**Rudy Moertl, Private Citizen, Mesquite, Nevada:**

We are experiencing some budgetary constraints because of the lack of funding for Medicaid and Medicare emergency services that our fire department provides. Therefore, I am in strong support of this bill.

**Chairman Sprinkle:**

Is there anyone in opposition to this bill here or in southern Nevada? [There was no one.] Is there anyone neutral to Senate Bill 60 (1st Reprint)?

**Melissa Lewis, Administrative Services Officer III, Medicaid Services, Division of Health Care Financing and Policy, Department of Health and Human Services:**

The current reprint would allow the director of the Department of Health and Human Services to implement a program to increase reimbursement to governmental entities and



Indian tribes providing emergency transportation. The method of this reimbursement is already approved and operating under certified public expenditures for the fee-for-service recipients and the enhanced capitation payment for managed care recipients. As previously stated, this agreement is currently documented through an MOU and pending interlocal agreements. This bill would increase the level of Medicaid reimbursement to eligible ground emergency transportation providers for their services. It allows the enhancement of capitation payments for the ground emergency transportation providers in an amount actuarially sound to the extent permissible under federal law. The federal managed care regulations prohibit the payment of an enhanced rate to emergency transportation vendors, effective July 1, 2017. Currently, this bill has a fiscal note of \$0; however, while approving this one bill may not put the state at risk of exceeding the political subdivision threshold, in combination with other bills, it does have the potential for the threshold to be exceeded. The Division of Health Care Financing and Policy is closely monitoring all bills that request contributions to ensure the threshold is not met. In the event the threshold is exceeded, the State of Nevada would not be eligible for enhanced federal medical assistance percentage for any Medicaid-eligible services. The largest impact would be the federal medical assistance percentage associated with the Affordable Care Act's newly eligible population, which would represent a loss of 95 percent in January to December 2017, to a loss of approximately 65 percent, or approximately \$300 million.

**Chairman Sprinkle:**

I will allow for questions.

**Assemblywoman Titus:**

It becomes effective July 1, not expires?

**Melissa Lewis:**

The federal managed care regulations are in effect. Because we have new contracts with our managed care organizations that are starting on July 1, the regulation takes effect with those four new contracts.

**Assemblywoman Titus:**

We need the clarification for the legality of this bill. This bill is against current federal regulations, but might be okay in the future, is that correct?

**Melissa Lewis:**

The pass-through payments are prohibited by federal regulations. I am not aware of that being changed in the future.

**Assemblyman Thompson:**

Are there models in other states where this works effectively?

**Melissa Lewis:**

I am not aware of any other state pursuing pass-through payments at this point in time.

**Chairman Sprinkle:**

Is there anyone else in neutral? [There was no one.] Are there closing remarks?

**Kelly Crompton, Government Affairs Officer, Office of Administrative Services, City of Las Vegas:**

We have three bills circulating right now, so I will be closing for Brian McAnallen. We will continue to work with the agency to resolve any problems. They have worked with us to get the bill where it is today. We are aware of two different regions where this is working: in Northern California and Washington.

**Steve Smith:**

Oregon and Washington have similar legislative language that has been approved. They are working through the process to have their fee-for-service approved by CMS through the SPA process, but they also have the managed care element in their bill identified. They are in a similar situation as we are, trying to get direction from CMS to determine what is allowable.

**Chairman Sprinkle:**

Thank you for bringing this bill. It appears that there are a lot of moving parts and a fair amount of unanswered questions. I am going to put a hold on this bill as far as any further processing until I hear back from the parties to update me. Keep in mind we are running out of time. We will close the hearing on Senate Bill 60 (1st Reprint) and open the hearing on Senate Bill 262 (1st Reprint).

**Senate Bill 262 (1st Reprint): Revises provisions concerning payments for treatment relating to mental illness or the abuse of alcohol or drugs. (BDR 57-455)**

**Senator Patricia Farley, Senate District No. 8:**

Senate Bill 262 (1st Reprint) requires that every payment made pursuant to a health insurance policy for treatment related to mental health, alcohol, or drug abuse, be made directly to the provider of the treatment, including out-of-network providers. Network plan and out-of-network providers are defined in section 1 of the bill. A licensed clinical and alcohol and drug abuse counselor is included in those providers that must be directly reimbursed for providing such treatment. The measure expressly allows such providers to refund to the person receiving the treatment any amounts that the person paid to the provider. Further, the bill provides that an insured person is entitled to reimbursement for such treatment if it is received in a hospital or other medical facility that is licensed by the Division of Public and Behavioral Health, or the Department of Health and Human Services, and is accredited by the Joint Commission or the Commission on Accreditation of Rehabilitation Facilities (CARF) International. A program for the treatment of alcohol and drug abuse must be part of the accredited activities. Much like the Joint Commission, which accredits and certifies almost 21,000 health care organizations and programs in the United States, CARF International is an independent, nonprofit accreditor of health and human services and currently accredits more than 50,000 programs and services in 25,000 locations. Accreditation by the Joint Commission and CARF International means health and human

service providers have met certain standards of quality. Further, this bill extends these requirements of benefits provided through self-insurance by the Board of Public Employees Benefits Program and employers who provide benefits through individual groups and blanket health insurance policy. I urge your support of this important measure.

**David Marlon, Chief Executive Officer, Solutions Recovery of American Addictions Center Corporations:**

Thank you for your service. I call S.B. 262 (R1) "Do not pay the patient post-addiction treatment." I have seen dozens of claims where the insurance company, instead of paying the facility post-drug treatment, sends the check directly to the claimant or the beneficiary, despite an assignment of benefits having been completed, and the insurers make the check payable to the newly recovering person. I have also talked to patients who are in our facility. I have called the insurance carrier on behalf of patients and told them we are getting ready to discharge this person and asked them not to send the check to the client's mailbox because it is dangerous. The insurance agent tells us that the agreements they have with the company requires them to do this. It is dangerous and bad. I simply want to testify in support of this.

**Senator Farley:**

We have submitted well over 25 letters in support of this. I am sure you are getting emails from providers and others who have experienced this as well. There is a friendly conceptual amendment that I was made aware of this morning ([Exhibit J](#)). Conceptually, I agree with the opposition, but we still need to agree to the language, so that will be forthcoming to the Committee.

**Chairman Sprinkle:**

I am curious why this is so specific to just drug and alcohol abuse?

**Senator Farley:**

That could be more because of my personal experience and my experience in working with some of these organizations and looking at some of the problems they are facing. From a personal experience, I have a family member that was given quite a bit of money 35 to 40 days into recovery, and I saw what happened with that. When I started reaching out to different addiction counselors and providers, I found out that my situation and the experience I was having was not uncommon and that they faced this all of the time with people 35 days out of recovery receiving significantly sized checks from the insurer. That leads to potentially bad decision-making by the beneficiary, maybe even an overdose.

As I moved further in my conversations with the providers, the mental health community also jumped on board and said, "Hey let me send these checks to these folks when the benefits have been legally assigned to the provider," but the insurer does not honor those assignments. They send the check to the beneficiary because they do not want to encourage these organizations to not contract with them. Then we have all sorts of problems and setbacks in treatment and/or harm. Mr. Marlon has a couple of really sad cases where it resulted in overdose and death, financial harm, and they still end up owing the provider.

That is where this was focused. I did meet with the providers to start talking about this, and from there other folks have started to reach out to different legislators to talk about these issues, specifically in addiction and mental health.

**Chairman Sprinkle:**

I certainly appreciate the intent behind that. Is it your feeling that this is not a concern with other health care providers outside of drug and alcohol abuse?

**Senator Farley:**

Through this process, I became aware that it is a big concern with other providers. I have chosen to limit the scope because those are contractual issues, and this is a situation of personal harm. These are situations where people potentially may overdose or physically become ill. That is why, in agreement with the carriers, I kept it narrowed to these two areas because we are talking about a vulnerable population. But, yes, I have been approached to widen the scope.

**Chairman Sprinkle:**

I am aware that there may be some type of potential amendment. Is that friendly?

**Senator Farley:**

Conceptually, it is friendly. In regards to verbiage, we need to work on that, and all of us have agreed to sit down with the Legislative Counsel Bureau and make sure that we can work on the language. I see us working together in a friendly manner.

**Assemblyman Thompson:**

In section 1, subsection 2, it says that the person can receive the refund of how much they paid into it. Do you have concerns with that piece?

**Senator Farley:**

That is some of the language that we are looking at to make sure there is a time frame around that. We will work through that in the amendment.

**Assemblyman Thompson:**

How significant are these refunds? Are we looking at \$50 or \$5,000?

**Senator Farley:**

You are looking at thousands of dollars. We are going to put a time limit on that of about 45 days. That is what has been proposed. My guess would be that would be the range of dollar amounts.

**Assemblyman Thompson:**

It might be worthwhile to add a joint reimbursement process with the sponsor or person helping the patient through this.

**Senator Farley:**

Can you explain a little more?

**Assemblyman Thompson:**

If you are having reluctance to giving it directly to the person, they usually have a sponsor. This could be a great opportunity for the sponsor to work with the person. There may be some sort of way to jointly receive that money, a type of payee method in which the beneficiary is not completely taken out of the loop, but where we are building up to when they can have that responsibility.

**Senator Farley:**

In the cases where we can get a power of an attorney or something similar, that would be smart. I will consider that suggestion. Obviously, having been through this process on several occasions, I hear what you are saying.

**Chairman Sprinkle:**

Thank you. Is there anyone in support of Senate Bill 262 (1st Reprint) here or in southern Nevada? [There was no one.] Is there anyone in opposition?

**James L. Wadhams, representing Anthem Insurance Company:**

Senator Farley did refer to me as friendly. Even though we appear in opposition, we are friendly with the Senator and the concept. We understand it and identify very clearly with the risk of money ending up in the hands of a person who is in that delicate stage of recovery. We appear in opposition because we have been trying to work on language. We have been doing this for most of the session.

The issue I would like to bring before the Committee is the whole notion of assignments of benefits. Attached to the amendment submitted ([Exhibit J](#)) are existing laws. This is what is utilized when people check into hospitals or physician offices. They execute an assignment of benefits. Insurance companies covered by Nevada law are obligated to honor those assignments of benefits. The hospital will take an assignment, a physician will take an assignment; so in those cases, the money is paid directly to those physicians. I understand that Mr. Marlon has identified cases where that does not occur and he feels like the statutory direct payment is necessary.

What we have suggested, in a rough form, is some language to be added to the bill that ensures issues similar to those that Assemblyman Thompson raised—that anyone who has advanced those fees is entitled to the repayment from the provider. When the payer pays the provider, there has to be protection and refunds where prepayments have been made. This is basically protecting the payer who pays that party, so that they cannot be sued again under the contract for not following the contract or following the statute. These are not issues and controversy. There is this language that needs to be developed that would ensure that those protections are in there.

Again, we understand the concept that Senator Farley is trying to address. I think it is particularly unique because of the delicacy of the psychological state of people coming out of episodes where they are in recovery. While I am appearing in opposition, we are asking to continue to work with Senator Farley and Mr. Marlon to see if we can bring back language that will make sure all parties are protected.

**Chairman Sprinkle:**

Thank you. Is there anyone else in opposition? [There was no one.] Is there anyone neutral? [There was no one.]

**Senator Farley:**

I just want to thank the Committee for taking the time to hear this bill. We will work expeditiously to get the amendment to you for consideration.

**Chairman Sprinkle:**

I will close the hearing on Senate Bill 262 (1st Reprint). Is there anyone wishing to come forward for public comment here or in southern Nevada? [There was no one.] Thank you all for your attention. This meeting is adjourned [at 2:03 p.m.].

RESPECTFULLY SUBMITTED:

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Kailey Taylor  
Committee Secretary

APPROVED BY:

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Assemblyman Michael C. Sprinkle, Chairman

DATE: \_\_\_\_\_

## EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a written letter in support of [Senate Bill 122 \(1st Reprint\)](#), dated May 3, 2017, authored by Nancy E. Hook, Executive Director, Nevada Primary Care Association.

[Exhibit D](#) is a written letter in support of [Senate Bill 122 \(1st Reprint\)](#), dated May 2, 2017, authored by John Packham, Ph.D., Chair, Advocacy and Policy Committee, Nevada Public Health Association.

[Exhibit E](#) is a written letter in support of [Senate Bill 122 \(1st Reprint\)](#), dated May 2, 2017, authored by Kevin Dick, District Health Officer, Washoe County Health District.

[Exhibit F](#) is a written letter in support of [Senate Bill 122 \(1st Reprint\)](#), dated May 2, 2017, authored and presented by Veronica Galas, Clinical Services Manager, Carson City Health and Human Services, and co-authored by Nicki Aaker, Clinical Director, Carson City Health and Human Services.

[Exhibit G](#) is a written letter in support of [Senate Bill 122 \(1st Reprint\)](#), dated May 2, 2017, authored by Liz Figueroa, Vice President for Public Affairs, Planned Parenthood Mar Monte.

[Exhibit H](#) is Proposed Amendment 4303 to [Senate Bill 366 \(1st Reprint\)](#), submitted by Senator Yvanna D. Cancela, Senate District No. 10.

[Exhibit I](#) is a proposed amendment to [Senate Bill 60 \(1st Reprint\)](#), submitted by Brian McAnallen, Government Affairs Manager, Office of Administrative Services, City of Las Vegas.

[Exhibit J](#) is a proposed amendment, with exhibits, to [Senate Bill 262 \(1st Reprint\)](#), submitted by James L. Wadhams, representing Anthem Insurance Company.