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FIRST REPRINT

A.B. 99

ASSEMBLY BILL NO. 99—ASSEMBLYWOMAN BROWN-MAY

PREFILED FEBRUARY 1, 2023

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions governing Medicaid rates of reimbursement. (BDR 38-564)

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 to report certain information to the Legislature; providing for a study on cost-of-living increases to rates of reimbursement provided to certain providers under Medicaid; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law requires the Department of Health and Human Services to
2 administer the Medicaid program. (NRS 422.270) As a condition of receiving
3 federal financial participation in the Medicaid program of a state, existing federal
4 law requires the state to obtain the approval of the United States Secretary of
5 Health and Human Services of the state plan for Medicaid. (42 U.S.C. § 1396a)
6 Existing law requires the Division of Health Care Financing and Policy of the
7 Department to review the adequacy of Medicaid reimbursement rates every 4 years
8 and, if the current rate does not reflect the actual cost of providing the service or
9 item, calculate the rate of reimbursement that accurately reflects the actual cost of
10 providing the service or item. (NRS 422.2704) **Section 2.3** of this bill requires the
11 Division to submit a report concerning each such review to the Legislature. **Section**
12 **2.6** of this bill requires the Division to conduct a study during the 2023-2024
13 legislative interim to determine the cost to the State General Fund of providing: (1)
14 a one-time cost-of-living increase to the rates of reimbursement under Medicaid for
15 certain long-term care providers; and (2) an annual cost-of-living increase to such
16 rates of reimbursement.



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

1 **Section 1.** (Deleted by amendment.)

2 **Sec. 2.** (Deleted by amendment.)

3 **Sec. 2.3.** NRS 422.2704 is hereby amended to read as follows:
4 422.2704 **1.** On or before January 1, 2018, and every 4 years
5 thereafter, the Division shall:

6 ~~(1)~~ **(a)** Review the rate of reimbursement for each service or
7 item provided under the State Plan for Medicaid to determine
8 whether the rate of reimbursement accurately reflects the actual cost
9 of providing the service or item; and

10 ~~(2)~~ **(b)** If the Division determines that the rate of
11 reimbursement for a service or item does not accurately reflect the
12 actual cost of providing the service or item, calculate the rate of
13 reimbursement that accurately reflects the actual cost of providing
14 the service or item and recommend that rate to the Director for
15 possible inclusion in the State Plan for Medicaid.

16 **2.** *On or before January 31, 2026, and every 4 years*
17 *thereafter, the Division shall:*

18 *(a) Compile a report on the most recent reviews conducted*
19 *pursuant to subsection 1, including, without limitation, each rate*
20 *of reimbursement calculated pursuant to paragraph (b) of*
21 *subsection 1; and*

22 *(b) Submit the report to the Director of the Legislative Counsel*
23 *Bureau for transmittal to the Interim Finance Committee and the*
24 *Joint Interim Standing Committee on Health and Human*
25 *Services.*

26 **Sec. 2.6.** 1. During the 2023-2024 interim, the Division of
27 Health Care Financing and Policy of the Department of Health and
28 Human Services shall conduct a study to determine the cost to the
29 State General Fund of:

30 (a) Increasing the rates of reimbursement provided to long-term
31 care providers under Medicaid to account for any increase in the
32 cost of living that has occurred since the date on which the rate of
33 reimbursement was most recently established for such providers;
34 and

35 (b) Annually adjusting the rates of reimbursement provided to
36 long-term care providers under Medicaid to account for increases in
37 the cost of living.

38 2. On or before November 15, 2024, the Division of Health
39 Care Financing and Policy of the Department of Health and Human
40 Services shall:



1 (a) Compile a report of the results of the study conducted
2 pursuant to subsection 1 and any recommendations for legislation
3 resulting from the study; and

4 (b) Submit the report to the Director of the Legislative Counsel
5 Bureau for transmittal to the Interim Finance Committee and the
6 83rd Session of the Legislature.

7 3. As used in this section, “long-term care provider” means a
8 provider providing services pursuant to the home and community-
9 based services waiver granted pursuant to 42 U.S.C. § 1396n,
10 including, without limitation, home health services and private duty
11 nursing services.

12 **Sec. 2.9.** The provisions of subsection 1 of NRS 218D.380 do
13 not apply to any provision of this act which adds or revises a
14 requirement to submit a report to the Legislature.

15 **Sec. 3.** This act becomes effective on July 1, 2023.

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