

**MINUTES OF THE MEETING OF THE
SENATE COMMITTEE ON FINANCE
AND
ASSEMBLY COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEES ON HUMAN SERVICES**

**Eighty-second Session
April 28, 2023**

The joint meeting of the Subcommittees on Human Services of the Senate Committee on Finance and the Assembly Committee on Ways and Means was called to order by Chair Rochelle T. Nguyen at 8:09 a.m. on Friday, April 28, 2023, in Room 3137 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator Rochelle T. Nguyen, Chair
Senator Marilyn Dondero Loop
Senator Heidi Seevers Gansert
Senator Robin L. Titus

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblywoman Michelle Gorelow, Chair
Assemblywoman Daniele Monroe-Moreno, Vice Chair
Assemblywoman Natha C. Anderson
Assemblywoman Jill Dickman
Assemblyman Gregory T. Hafen II
Assemblywoman Sandra Jauregui
Assemblyman Howard Watts
Assemblyman Steve Yeager

COMMITTEE MEMBERS ABSENT:

Senator Nicole J. Cannizzaro (Excused)

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STAFF MEMBERS PRESENT:

Cathy Crocket, Chief Principal Deputy Fiscal Analyst
Brody Leiser, Chief Principal Deputy Fiscal Analyst
Paul Breen, Committee Assistant
Marie Bell, Committee Secretary
Helen Wood, Committee Secretary

OTHERS PRESENT:

Dena Schmidt, Administrator, Aging and Disability Services Division,
Nevada Department of Health and Human Services
Carrie Embree, Governor's Consumer Health Advocate, Office of Consumer
Health Assistance, Aging and Disability Services Division,
Nevada Department of Health and Human Services
Herold Mark McBride, Administrator, Highland Village of Fallon
Marie Costa Nadora, Vice President, Clinical Services, Revive Health

CHAIR NGUYEN:

We are closing the budgets from the Nevada Department of Health and Human Services, Aging and Disability Services Division (ADSD).

BRODY LEISER (Chief Principal Deputy Fiscal Analyst):

There are ten budget accounts for the Division that will be recommended for closure today. Six of these were heard in the March 23, 2023, budget hearing and four budget accounts are Staff-close recommendations.

The ADSD Administration budget account (B/A) 101-3151 begins on page 3 of the Human Services Joint Subcommittee Closing List #6 ([Exhibit C](#)). There are three Major Closing Issues. All of these are new position recommendations.

HEALTH AND HUMAN SERVICES

AGING & DISABILITY SERVICES

HHS-ADSD - Administration — Budget Page DHHS-ADSD-18 (Volume II)
Budget Account 101-3151

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Major Closing Issue 1 in B/A 101-3151 is decision unit E-225. The Governor recommends approximately \$656,000 over the 2023-2025 biennium to fund five new IT positions and associated costs. The recommended positions include one IT technician IV, two IT professional II positions, one IT professional III and one IT manager I. The position duties are shown on the bottom of page 3 of [Exhibit C](#).

E-225 Efficiency & Innovation — Page DHHS-ADSD-20

The Agency has indicated that its programs and business units have grown significantly over the last 10 years and that ongoing IT support needs exceed the number of staff available. These new positions would enable IT staff to respond to and resolve backlogged work orders and allow for the completion of IT projects, including core system modernizations planned over the next few years.

The Agency indicated during the March 23, 2023, budget hearing that an analysis done by Gartner research identified the actual need was approximately 30 additional IT positions. This request is for five positions.

Do the Subcommittees wish to recommend approval of total funding of \$655,705 for B/A 101-3151 decision unit E-225 including General Fund appropriations of \$131,141 over the 2023-2025 biennium to fund five new information technology positions and associated costs as recommended by the Governor?

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 4 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE B/A 101-3151 DECISION UNIT E-225 WITH TOTAL FUNDING OF \$655,705 INCLUDING GENERAL FUND APPROPRIATIONS OF \$131,141 OVER THE 2023-2025 BIENNIUM TO FUND FIVE NEW INFORMATION TECHNOLOGY POSITIONS AND ASSOCIATED COSTS AS RECOMMENDED BY THE GOVERNOR.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. LEISER:

Major Closing Issue 2 of B/A 101-3151 decision unit E-226 is shown on page 4 of [Exhibit C](#). The Governor recommends four new human resources (HR) positions costing approximately \$407,000 over the 2023-2025 biennium. This will fund one administrative assistant, one personnel technician III, one personnel analyst I and one personnel officer II for the ADSD's HR function.

E-226 Efficiency & Innovation — Page DHHS-ADSD-20

The duties for the new positions are on page 4 of [Exhibit C](#). Demands for services have grown significantly over the last ten years. Associated staffing has nearly doubled in size; however, the Division's human resource staff has not increased proportionately. The current staffing levels have resulted in delayed recruitments, inadequate response times, limited training for supervisors and a lack of cross-training on critical tasks.

During the March 23, 2023, budget hearing, the ADSD indicated the new positions would help build career paths within the Division to help retain staff among its human resources team and provide for promotional opportunities along with increasing capacity among the Division's human resources team.

Do the Subcommittees wish to recommend approval of total funding of \$406,927 for B/A 101-3151 including General Fund appropriations of \$81,387 over the 2023-2025 biennium to fund four new human resources positions and associated costs as recommended by the Governor?

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 5 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE TOTAL FUNDING OF \$406,927 IN B/A 101-3151 DECISION UNIT E-226 INCLUDING GENERAL FUND APPROPRIATIONS OF \$81,387 OVER THE 2023-2025 BIENNIUM TO FUND FOUR NEW HUMAN RESOURCES POSITIONS AND ASSOCIATED COSTS AS RECOMMENDED BY THE GOVERNOR.

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SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. LEISER:

Major Closing Issue 3 in B/A 101-3151 decision unit E-227 is on page 5 of [Exhibit C](#). The Governor recommends approximately \$172,000 over the 2023-2025 biennium to fund a new administrative services officer position to support the ADSD's central fiscal services. The Division's workload has increased with the transfer of the Office of Consumer Health Assistance (OCHA) budget to ADSD which occurred in 2021. This new position's focus is to assist with activities associated with the Home and Community-Based Services B/A 101-3266.

E-227 Efficiency & Innovation — Page DHHS-ADSD-21

HHS-ADSD - Home and Community-Based Services — Budget Page
DHHS-ADSD-74 (Volume II)
Budget Account 101-3266

One new budget is recommended for inclusion in the ADSD along with a recommendation to split out the existing Home and Community-Based Services from one budget account into four budget accounts. This would increase the total budgets managed by the Division's Fiscal staff from 8 to 12 budget accounts.

The administrative services officer is needed to oversee ongoing budgets and allow for appropriate workload distribution among staff based on the level of complexity and time involved with each budget account that is managed by the Division.

Do the Subcommittees wish to recommend approval of total funding of \$172,183 for B/A 101-3151 including General Fund appropriations of

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\$34,436 over the 2023-2025 biennium to fund a new administrative services officer position and associated costs as recommended by the Governor.

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 6 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE IN B/A 101-3151 DECISION UNIT E-227 TOTAL FUNDING OF \$172,183 INCLUDING GENERAL FUND APPROPRIATIONS OF \$34,436 OVER THE 2023-2025 BIENNIUM FOR A NEW ADMINISTRATIVE SERVICES OFFICER POSITION AND ASSOCIATED COSTS AS RECOMMENDED BY THE GOVERNOR.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. LEISER:

The next Major Closing Issue for B/A 101-3151 is the Coronavirus State Fiscal Recovery Funds shown on page 6 of [Exhibit C](#). In October 2022, the Interim Finance Committee (IFC) approved \$7.5 million in American Rescue Plan Act (ARPA), Coronavirus State Fiscal Recovery Funds to fund the modernization and integration of the ADSD's case management data system. The Governor's recommended budget includes approximately \$1.9 million in each fiscal year (FY) of the 2023-2025 biennium to continue this project based on revised projections and information received through the Office of the Governor, Office of Finance (GFO).

Fiscal staff recommends a technical adjustment to align funding in this budget for the Division's case management data systems. The technical adjustment would result in \$5.3 million of authority in FY 2023-2024 and \$2.2 million in FY 2024-2025.

Do the Subcommittees wish to recommend approval of ARPA Coronavirus State Fiscal Recovery Funds of \$5.3 million in FY 2023-2024 and \$2.2 million in

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FY 2024-2025 for B/A 101-3151 to continue previously approved funding for the modernization and integration of the ADSD's case management data systems based upon updated information provided by the GFO?

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 6 OF [EXHIBIT C](#) FOR B/A 101-3151 TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE ARPA CORONAVIRUS STATE FISCAL RECOVERY FUNDS OF \$5.3 MILLION IN FY 2023-2024 AND \$2.2 MILLION IN FY 2024-2025 TO CONTINUE PREVIOUSLY APPROVED FUNDING FOR THE MODERNIZATION AND INTEGRATION OF THE ADSD'S CASE MANAGEMENT DATA SYSTEMS BASED UPON UPDATED INFORMATION PROVIDED BY THE OFFICE OF THE GFO.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. LEISER:

There are nine Other Closing Items for B/A 101-3151 as listed on page 7 of [Exhibit C](#). Other Closing Items 1 through 7 include decision units E-228, E-230, E-805, E-901, E-903, E-905 and E-906 concerning travel, IT, and position transfers.

E-228 Efficiency & Innovation — Page DHHS-ADSD-21

E-230 Efficiency & Innovation — Page DHHS-ADSD-22

E-805 Classified Position Changes — Page DHHS-ADSD-22

E-901 Transfers Fr Admin to Planning, Advocacy & Comm Grants — Page DHHS-ADSD-23

E-903 Transfers Fr Home & Community-Based Svc to Admin — Page DHHS-ADSD-24

E-905 Transfers Fr Home & Community-Based Svc to Admin — Page DHHS-ADSD-24

E-906 Transfers Fr Data Analytics to Administration — Page DHHS-ADSD-25

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Other Closing Item 8 decision unit E-506, on page 7 of [Exhibit C](#), is to align cost allocated revenues and expenditures associated with a management analyst position recommended to be transferred in. Other Closing Item 9 decision unit E-816 on page 7 of [Exhibit C](#) is a recommendation to increase the salary of the unclassified Chief of Elder Rights attorney position from \$99,797 to \$107,676 to align the compensation of that position with other attorney positions in State service. The salary for this position will be considered when the 2023 Pay Bill is discussed and considered.

E-506 Adjustments to Transfers in E-906 — Page DHHS-ADSD-22
E-816 Unclassified Position Changes — Page DHHS-ADSD-23

Fiscal staff recommends Other Closing Items 1 through 7 and item 9 for B/A 101-3151 be closed as recommended by the Governor with the unclassified salary noted in Other Closing Item 9 to be determined when the 2023 Pay Bill is considered, and Other Closing Item 8 for B/A 101-3151 be closed with the noted technical adjustments, and requests authority to make other technical adjustments as necessary.

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 8 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF B/A 101-3151 DECISION UNITS E-228, E-230, E-805, E-901, E-903, E-905 AND E-906 IN OTHER CLOSING ITEMS 1 THROUGH 7 AND ITEM 9 DECISION UNIT E-816 AS RECOMMENDED BY THE GOVERNOR WITH THE UNCLASSIFIED SALARY NOTED IN OTHER CLOSING ITEM 9 TO BE DETERMINED WHEN THE 2023 PAY BILL IS CONSIDERED; APPROVE OTHER CLOSING ITEM 8 DECISION UNIT E-506 WITH THE NOTED TECHNICAL ADJUSTMENTS; AND GRANT FISCAL STAFF AUTHORITY TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. LEISER:

The Senior Rx and Disability Rx B/A 262-3156 begins on page 9 of [Exhibit C](#). Major Closing Issue 1 decision units M-200 and M-201 are caseload adjustments. The Governor recommends decreasing Healthy Nevada Funds by \$7,280 over the 2023-2025 biennium to fund projected caseload changes for the Senior Rx and Disability Rx program. This program provides a subsidy of up to \$37 per month to help offset the Medicare Part D prescription drug plan premium.

HHS-ADSD - Senior Rx and Disability Rx — Budget Page DHHS-ADSD-27
(Volume II)
Budget Account 262-3156

M-200 Demographics/Caseload Changes — Page DHHS-ADSD-28
M-201 Demographics/Caseload Changes — Page DHHS-ADSD-28

The monthly average caseload for the Senior Rx and Disability Rx program has decreased and is projected to continue to decrease under the current model due to individuals qualifying for other programs and from members changing to Medicare Part D Plans with \$0 premiums.

The Medicare Part D plan has been expanded with regard to pharmaceutical assistance through federal funds contributing to the decline in caseloads. Senate Bill (S.B.) 4, which is currently in the Assembly Committee on Health and Human Services, would provide more flexibility and enable the ADSD to adapt the assistance program to address the pharmaceutical needs of a broader population. If S.B. 4 moves forward, it may expand the population that is eligible for the subsidy.

SENATE BILL 4: Revises provisions governing certain programs to pay for prescription drugs, pharmaceutical services and other benefits.
(BDR 40-220)

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The table at the bottom of page 10 of [Exhibit C](#) includes updated caseload projections calculated in March 2023 using actual caseload data through February 2023. The table shows monthly average caseload projections of 512 in FY 2023-2024 and 516 in FY 2024-2025.

The updated caseload decision units M-200 and M-201 in B/A 262-3156 result in a net reduction of just over \$12,000 compared to the costs recommended in the Executive Budget. This reduction would support a monthly caseload of 512 in FY 2023-2024 and 516 individuals in FY 2024-2025. The funding is based on providing an average subsidy of \$25.25.

M-200 Demographics/Caseload Changes — Page DHHS-ADSD-28

M-201 Demographics/Caseload Changes — Page DHHS-ADSD-28

Do the Subcommittees wish to recommend approval to decrease Healthy Nevada Funds by \$10,331 in FY 2023-2024 and \$9,336 in FY 2024-2025 in B/A 262-3156 to align the Senior Rx and Disability Rx program's caseload with the March 2023 projections, based on an average subsidy of \$25.25 per month?

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 11 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE IN B/A 262-3156 DECISION UNITS M-200 AND M-201 DECREASING HEALTHY NEVADA FUNDS BY \$10,331 IN FY 2023-2024 AND \$9,336 IN FY 2024-2025 TO ALIGN THE SENIOR RX AND DISABILITY RX PROGRAM'S CASELOAD WITH THE MARCH 2023 PROJECTIONS, BASED ON AN AVERAGE SUBSIDY OF \$25.25 PER MONTH.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. LEISER:

Major Closing Issue 2 for the Subcommittees is on page 11 of [Exhibit C](#). The Governor recommends consolidation of the Senior Rx and Disability Rx program expenditure categories in B/A 262-3156 decision unit E-229. The ADSD indicated that consolidation of these two expenditure categories would allow the ADSD more flexibility to meet the expenditure needs of the program.

E-229 Efficiency & Innovation — Page DHHS-ADSD-29

Do the Subcommittees wish to recommend approval of the Governor's recommendation to combine the Senior Rx and Disability Rx program expenditure categories into a single category?

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 11 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN DECISION UNIT E-229 OF B/A 262-3156 TO COMBINE THE SENIOR RX AND DISABILITY RX PROGRAM EXPENDITURE CATEGORIES INTO A SINGLE CATEGORY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. LEISER:

There are two Other Closing Items in B/A 262-3156 decision units M-800 and E-800 on page 12 of [Exhibit C](#). Fiscal staff recommends Other Closing Items 1 and 2 be closed as recommended by the Governor and requests authority to make technical adjustments as necessary.

M-800 Cost Allocation — Page DHHS-ADSD-29

E-800 Cost Allocation — Page DHHS-ADSD-30

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ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 12 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES THAT OTHER CLOSING ITEMS 1 AND 2 FOR B/A 262-3156 DECISION UNITS M-800 AND E-800 BE APPROVED AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. LEISER:

The Consumer Health Assistance B/A 101-3204 begins on page 13 of [Exhibit C](#). Major Closing Issue 1 is the recommended funding source change. The Governor's budget recommends in the base budget and decision units M-100, M-300, E-490 and E-491 additional General Fund appropriations of \$449,000 over the 2023-2025 biennium to replace multiple interdepartmental transfer revenue sources that were previously allocated to support a portion of ongoing personnel and associated operating costs.

HHS-ADSD - Consumer Health Assistance — Budget Page DHHS-ADSD-43
(Volume II)
Budget Account 101-3204

M-100 Statewide Inflation — Page DHHS-ADSD-43
M-300 Fringe Benefits Rate Adjustment — Page DHHS-ADSD-45
E-490 Expiring Grant/Program — Page DHHS-ADSD-46
E-491 Expiring Grant/Program — Page DHHS-ADSD-47

This would include offsetting revenue transferred from the Silver State Health Insurance Exchange, the Division of Public and Behavioral Health (DPBH), Health Care Facilities, and the DPBH Behavioral Health Prevention and

Treatment budgets. This is revenue that will not be received due to a decreased workload and a decrease in associated billable activities.

The table on page 14 of [Exhibit C](#) reflects the revenue approved in the current biennium. *Nevada Revised Statutes* (NRS) 232.458 provides that costs of OCHA that have no available funding source must be provided by direct legislative appropriation from the General Fund. Fiscal staff's recommendation to replace funds is due to a decline or a shift away from billable activities OCHA can no longer recover through transfers from other agencies.

While actual staff time has shifted from billable activities, OCHA continues to provide consumers with the appropriate referrals for services. There was a discussion during the budget hearing that part of the shift in staff's time is attributable to the implementation of A.B. No. 469 of the 80th Session. That bill prohibits a consumer from being balance-billed under certain circumstances. Through subsequent regulations, the Agency has designated employees of OCHA to conduct arbitration for medically necessary emergency service claims of less than \$5,000.

The Office of Consumer Health Assistance indicated approximately 20 percent of staff time is attributed to arbitration efforts. *Nevada Revised Statutes* 439(B).754 provides a means for OCHA to bill for the costs of certain arbitrator claims; however, NRS 353.249 requires all monies collected by the State be deposited in the General Fund unless a specific statute authorizes OCHA to retain the funds. While OCHA is billing and collecting revenues associated with the arbitration services, it does not have statutory authority to retain those revenues. Those revenues revert to the General Fund.

The Office of Consumer Health Assistance has indicated a substantial amount of staff time is being spent conducting arbitration for medically necessary emergency service claims of less than \$5,000. These revenue collections are new in FY 2022-2023. There is volatility with this revenue source. The Agency projected collecting approximately \$310,000 in FY 2022-2023; however, looking at revenue collections through the end of March 2023 and annualizing those amounts, Fiscal staff calculates the revenue to be approximately \$182,000 per year. While that may be a conservative estimate, it is based on actual collections and annualizing those amounts through FY 2022-2023.

Absent a statutory change that would authorize OCHA to retain the arbitration charge revenue to recover its costs associated with arbitrator claims, OCHA would have to continue to collect and then revert the funds to the General Fund at the end of the fiscal year. Accordingly, if the arbitration charge revenue is deposited to the General Fund, General Fund appropriations would be needed to support a portion of the ongoing personnel costs in this budget.

The Subcommittees could consider recommending a committee bill draft request (BDR) be introduced to authorize OCHA to retain revenue collected to recover costs associated with certain arbitrator claims and reduce the level of General Fund appropriations needed in this budget.

A supplemental appropriation, detailed on page 17 of [Exhibit C](#), is included in the Governor's recommended budget. As recommended, the supplemental appropriation is just under \$32,000. Based on updated projections, the supplemental appropriation may need to be increased to approximately \$183,000 for FY 2022-2023.

If a recommendation is made by the Subcommittees to have legislation drafted to allow OCHA to retain these arbitration charge revenues in its budget, the legislation could be drafted in a manner that would provide transitory language allowing the Agency to collect FY 2022-2023 revenues and may reduce or eliminate the need for that supplemental General Fund appropriation.

The two options for the Subcommittees to consider on page 16 of [Exhibit C](#) are Option A, to approve the General Fund appropriation recommended by the Governor and to offset the removal of the interdepartmental transfers; or Option B, to recommend a BDR, allowing OCHA to retain those arbitration charge revenues, which would reduce the amount of General Fund appropriations otherwise needed or recommended for the upcoming biennium. The amounts in Option B are based on the annualization of the FY 2022-2023 collections to date of approximately \$182,000 per year.

The Subcommittees may wish to consider one of the following options: Option A, to recommend approval of General Fund appropriations of \$449,065 over the 2023-2025 biennium to replace revenue previously transferred from the Silver State Health Insurance Exchange, DPBH healthcare

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facilities, and DPBH Behavioral Health Prevention and Treatment budgets, to support a portion of ongoing OCHA personnel and associated operating costs; or Option B, to recommend approval of arbitration charge revenue of \$364,232 and General Fund appropriations of \$84,833 over the 2023-2025 biennium to replace revenue previously transferred from the Silver State Health Insurance Exchange, DPBH healthcare facilities, and DPBH behavioral health prevention and treatment budgets, to support a portion of ongoing OCHA personnel and associated operating costs in the upcoming biennium, contingent on enabling legislation to retain arbitration charge revenue in this budget.

If Option B is recommended, the Subcommittees should also recommend enabling legislation be drafted to facilitate the recommendation to authorize OCHA to retain revenue collected in FY 2022-2023 and going forward to recover costs associated with certain arbitrator claims.

SENATOR TITUS:

Does the OCHA still operate the 211 Program?

DENA SCHMIDT (Administrator, Aging and Disability Services Division, Nevada Department of Health and Human Services):

The 211 Program is operated under ADSD. It is not specific to the OCHA.

SENATOR TITUS:

One of the unintended consequences of legislation we passed in the Eightieth Session was about surprise billing; if you disagreed with the bill, you could go to arbitration. Is the arbitration you are doing between the insurance company and the provider, and not the consumer?

Ms. SCHMIDT:

That is correct.

SENATOR TITUS:

How did OCHA assume that responsibility?

Ms. SCHMIDT:

The statute assigned the responsibility of arbitration to OCHA.

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SENATOR TITUS:

Who pays the fee? Are you collecting the fee if somebody goes to arbitration?
Are the fees collected from both the insurance companies and the providers?
How do you decide who collects the fees?

Ms. SCHMIDT:

The statute outlines the process. The person who loses pays the fees.

SENATOR TITUS:

Are you seeing more arbitration going forward?

Ms. SCHMIDT:

That is correct.

CHAIR NGUYEN:

This is the first fiscal year we have seen this. Is my understanding correct that we do not know if there is an increase because we only have one year to compare?

Ms. SCHMIDT:

The Office of Consumer Health Assistance was established after the Eighty-first Session. The caseload projections related to arbitration come in waves, but the caseload has seen a steady increase. There are times when cases will drop off and then increase again. There has been quite a bit of volatility with the number of arbitrations received.

CHAIR NGUYEN:

Is it fair to say that because this is so new, we are still trying to get an idea of what this might look like in the future?

Ms. SCHMIDT:

Yes. And there is national legislation going through that makes changes to the process. We anticipate it will have a direct impact on our processes.

SENATOR SEEVERS GANSERT:

Do you bill the arbitration per hour? How do you figure out what to charge back?

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Ms. SCHMIDT:

We time track everyone who works on the arbitration process. We bill according to the average amount of time it takes to do an arbitration.

SENATOR SEEVERS GANSERT:

Is that a dollar per hour rate?

Ms. SCHMIDT:

We have a set dollar per hour rate.

SENATOR SEEVERS GANSERT:

Do you know what your average time is for arbitration?

Ms. SCHMIDT:

We had 63 percent of our staff time spent on main program activities for about 17 percent of their time. I do not have the actual rate we charge, but I will follow up with you.

SENATOR SEEVERS GANSERT:

I know we are looking at Options A or B, but why not put everything into the General Fund account? We put court fee assessments in the General Fund. Now we are looking at using the assessments and making up the difference with General Fund monies.

CHAIR NGUYEN:

We have not heard S.B. 4 yet, which revises requirements on prescription drugs, pharmaceutical services and other benefits. I am sure that is part of the discussion we will have on what the State's policy should be on fines and fees.

CARRIE EMBREE (Governor's Consumer Health Advocate, Office of Consumer Health Assistance, Aging and Disability Services Division, Nevada Department of Health and Human Services):

The time spent on arbitrations is about 20 percent of staff time. The hourly rate is \$135 per hour.

SENATOR SEEVERS GANSERT:

What is the average time you spend on a case?

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MS. EMBREE:

The time varies, but it averages out. It is about 20 percent or about four hours or so.

SENATOR TITUS:

From the time somebody applies for arbitration, how long does it take to complete? We worry about payments to providers and the delay in payments. If someone goes to arbitration, are they looking at a year or more before their case gets settled? I know it is a new program, but how quickly are you able to settle?

MS. EMBREE:

It takes approximately 96 business days from the time the application is received to get through the determination process.

CHAIR NGUYEN:

I would accept a motion to recommend Option B, which is the approval of arbitration charge revenue of \$364,232 and General Fund appropriations of \$84,833 over the 2023-2025 biennium to replace revenue previously transferred from the Silver State Health Insurance Exchange, DPBH healthcare facilities, and the DPBH behavioral health prevention and treatment budgets to support a portion of ongoing OCHA personnel and associated operating costs in the 2023-2025 biennium, contingent on enabling legislation to retain arbitration charge revenue in this budget.

The Subcommittees should also recommend that enabling legislation be drafted to facilitate the recommendation to authorize OCHA to retain revenue collected in FY 2022-2023 and going forward to recover costs associated with certain arbitrator claims.

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 16 OF [EXHIBIT C](#) FOR B/A 101-3204 IN THE BASE BUDGET AND DECISION UNITS M-100, M-300, E-490 AND E-491 TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE ARBITRATION CHARGE REVENUE OF \$364,232 AND GENERAL FUND APPROPRIATIONS OF \$84,833 OVER THE 2023-2025 BIENNIUM TO REPLACE REVENUE PREVIOUSLY TRANSFERRED FROM THE SILVER STATE HEALTH

INSURANCE EXCHANGE, DPBH HEALTH CARE FACILITIES, AND DPBH BEHAVIORAL HEALTH PREVENTION AND TREATMENT BUDGETS TO SUPPORT A PORTION OF ONGOING OCHA PERSONNEL AND ASSOCIATED OPERATING COSTS IN THE UPCOMING BIENNIUM, CONTINGENT ON ENABLING LEGISLATION TO RETAIN ARBITRATION CHARGE REVENUE IN THIS BUDGET; IT IS ALSO RECOMMENDED TO THE FULL COMMITTEES THAT ENABLING LEGISLATION BE DRAFTED TO FACILITATE THE RECOMMENDATION TO AUTHORIZE OCHA TO RETAIN REVENUE COLLECTED IN FY 2022-2023 AND GOING FORWARD TO RECOVER COSTS ASSOCIATED WITH CERTAIN ARBITRATOR CLAIMS.

SENATOR DONDERO LOOP SECONDED THE MOTION.

SENATOR SEEVERS GANSERT:

We should be consistent. This is a growing program. It is going to get bigger when people recognize they can arbitrate. We should make sure we have the General Fund appropriations to support them and then put the income they receive in the General Fund. This is the same process we have for the courts.

CHAIR NGUYEN:

Fiscal staff, please clarify. I think we would have to use General Fund appropriations to supplement this program. But having enabling legislation would also allow us to retain the revenue from FY 2022-2023.

MR. LEISER:

The legislation recommended under Option B would include transitory language that would allow for the revenues to be retained in FY 2022-2023 and possibly reduce or eliminate the need for the supplemental General Fund appropriation that is recommended in B/A 101-3204.

If Option B is not chosen, then General Fund appropriations would be needed to fully fund the budget as recommended by the Governor. The revenues are associated with direct services being provided by OCHA and would be to recover costs for personnel performing those services in this budget.

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The statutes that allow for arbitration services do not specify that OCHA is the only Agency that could perform arbitration. If additional agencies performed arbitration, the legislation would also be drafted in a manner that would allow any other agencies in the future that performed these specific services and charged for these services to retain the revenues associated with the services to recoup costs in the budget for those services.

SENATOR TITUS:

I just want to make sure we can provide these services as required by statute. I am still concerned about the funding. It is interesting that entities and agencies, other than OCHA, would perform the arbitration. I am not quite sure what that opens us up to.

For now, I will oppose this. The program is new and inconsistent with how we have looked at some other situations.

MR. LEISER:

There would still be General Fund appropriations included in the budget to ensure they have sufficient resources to carry out their duties. If the projected non-General Fund revenues do not come in at the levels that are budgeted and OCHA has a shortfall, they would have access to the IFC contingency account to receive an allocation.

ASSEMBLYMAN WATTS:

I am in support of the proposed motion. Other agencies that provide services or investigatory work have time and effort billing to cover the costs of OCHA. I see the ability to retain these funds. The charges to conduct this work are consistent with other agencies. It is a little different than the conversations we have had about court assessments and general fines divvied up among different agencies.

ASSEMBLYWOMAN GORELOW MOVED TO RESCIND THE ORIGINAL MOTION AND THE SECOND TO THE PREVIOUS MOTION AND DEFER DECISION UNITS M-100, E-490 AND E-491 FOR B/A 101-3204 TO THE FULL COMMITTEES.

SENATOR DONDERO LOOP SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. LEISER:

Major Closing Issue 2 in B/A 101-3204 is on page 16 of [Exhibit C](#). The Governor recommends General Fund appropriations of \$162,000 over the 2023-2025 biennium to fund improvements to the OCHA case management system. These system improvements are needed to meet new statutory reporting requirements from A.B. No. 469 of the 80th Session and require the Agency to conduct and report annually regarding arbitration services.

Enhancement unit E-226 in B/A 101-3204 would include system configuration and report updates to allow for automation and more effective case management workflows, data capture and reporting capabilities. The Agency indicated that IT staff would provide ongoing maintenance and support for the system and implement future in-house enhancements beyond the upcoming biennium.

E-226 Efficiency and Innovation — Page DHHS-ADSD-46

Do the Subcommittees wish to recommend approval of General Fund appropriations of \$81,000 in B/A 101-3204 in each year of the 2023-2025 biennium as recommended by the Governor to fund one-time costs for improvements to the OCHA case management system?

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 17 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE GENERAL FUND APPROPRIATIONS OF \$81,000 IN EACH YEAR OF THE 2023-2025 BIENNIUM IN B/A 101-3204 DECISION UNIT E-226 AS RECOMMENDED BY THE GOVERNOR TO FUND ONE-TIME COSTS FOR IMPROVEMENTS TO THE OFFICE OF CONSUMER HEALTH ASSISTANCE CASE MANAGEMENT SYSTEM.

SENATOR DONDERO LOOP SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. LEISER:

There are five Other Closing Items for B/A 101-3204 on page 17 of [Exhibit C](#). These include decision units E-228, E-800, M-800, E-904 and E-906. Fiscal staff recommends all Other Closing Items be closed as recommended by the Governor with Other Closing Item 5 contingent upon future action of the Subcommittees to recommend the approval of, and transfers in, the new planning advocacy and community grants budget with authority for Fiscal staff to make technical adjustments as necessary.

E-228 Efficiency & Innovation — Page DHHS-ADSD-46

E-800 Cost Allocation — Page DHHS-ADSD-47

M-800 Cost Allocation — Page DHHS-ADSD-43

E-904 Transfers Fr Home & Community-Based Services to OCHA — Page DHHS-ADSD-47

E-906 Trans for OCHA to Planned Advocacy & Comm Grants — Page DHHS-ADSD-48

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 17 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OTHER CLOSING ITEMS 1 THROUGH 5 FOR B/A 101-3204 DECISION UNITS E-228, E-800, M-800 AND E-904 AS RECOMMENDED BY THE GOVERNOR, WITH OTHER CLOSING ITEM 5 DECISION UNIT E-906 CONTINGENT UPON FUTURE ACTION OF THE SUBCOMMITTEES TO RECOMMEND THE APPROVAL OF AND TRANSFERS IN THE NEW PLANNING, ADVOCACY AND COMMUNITY GRANTS BUDGET, WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CATHY CROCKET (Chief Principal Deputy Fiscal Analyst):
The Early Intervention Services B/A 101-3208 begins on page 19 of [Exhibit C](#).
There are four Major Closing Issues in this budget.

HHS-ADSD - Early Intervention Services — Budget Page DHHS-ADSD-58
(Volume II)
Budget Account 101-3208

Major Closing Issue 1 is Caseload Adjustments decision units M-200 and M-201 on page 19 of [Exhibit C](#). The Governor recommends a net decrease in funding of approximately \$141,000 over the 2023-2025 biennium to fund projected caseload changes and associated staffing adjustments for the Early Intervention Services program.

M-200 Demographics/Caseload Changes — Page DHHS-ADSD-60
M-201 Demographics/Caseload Changes — Page DHHS-ADSD-60

The table on page 20 of [Exhibit C](#) provides updated caseload projections calculated in March 2023, consistent with other Department of Health and Human Services programs. The monthly average caseload is projected to increase from 3,593 children in FY 2022-2023 to 3,787 children in FY 2024-2025. This is an increase of 5.4 percent over the 2023-2025 biennium.

The updated caseload projections are slightly higher for each year in the 2023-2025 biennium than in the Executive Budget. Service costs associated with caseload changes, based on the updated projections, are \$1.5 million in FY 2023-2024 and \$1.7 million in FY 2024-2025.

There are also associated staffing adjustments in decision units M-200 and M-201 in B/A 101-3208. The updated caseload projections and associated staffing ratios drive the elimination of 11 vacant positions including 7 developmental specialist III caseworker positions and 4 developmental

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specialist IV supervisor positions. Staffing costs associated with these adjustments will decrease by \$2 million over the 2023-2025 biennium.

The table on page 21 of [Exhibit C](#) summarizes funding recommended by the Governor and the funding based on the updated caseload projections. The total funding for the updated caseload projections and staffing adjustments is \$1.2 million over the 2023-2025 biennium.

The Agency received a notice from one of its community providers in southern Nevada that it will be terminating services within 30 days. The providers current caseload of 218 children would need to be placed with other service providers. While there is some capacity in the community provider network, the Agency estimates approximately 100 children may need to be placed on the State clinic caseload to ensure continuity of services with the existing approved staffing ratio. A caseload of 100 additional children requires approximately five caseworkers.

The Agency has 18 vacant caseworker positions. Given the staffing vacancies, the Agency and the GFO agree no staffing adjustments are necessary at this time. If the Agency fills existing caseworker positions and is unable to manage the caseload, then the GFO indicates it will work with the Agency to propose a solution during the Interim, which may include a work program request to the IFC or a contingency account request.

Do the Subcommittees wish to recommend approval in B/A 101-3208 of net funding of \$552,655, including \$619,069 in General Fund appropriations in FY 2023-2024 and \$694,477, including \$744,749 in General Fund appropriations in FY 2024-2025, to support Early Intervention Services caseload changes, including the elimination of 11 vacant positions over the biennium in the M-200 and M-201 decision units based on the March 2023 caseload projections?

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 22 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE B/A 101-3208 NET FUNDING OF \$552,655, INCLUDING \$619,069 IN GENERAL FUND APPROPRIATIONS IN FY 2023-2024 AND \$694,477, INCLUDING \$744,749 IN GENERAL FUND APPROPRIATIONS

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IN FY 2024-2025, TO SUPPORT EARLY INTERVENTION SERVICES CASELOAD CHANGES, INCLUDING THE ELIMINATION OF 11 VACANT POSITIONS OVER THE BIENNIUM IN THE M-200 AND M-201 DECISION UNITS BASED ON THE MARCH 2023 CASELOAD PROJECTIONS.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. CROCKET:

Major Closing Issue 2, Service Model change, is on page 22 of [Exhibit C](#). The Governor recommends in decision unit E-240 of B/A 101-3208 combining the Early Intervention Services (EIS) caseload service cost categories to eliminate the 50/50 split service model between State and community providers. This is a revenue neutral change to the current service model to allow for flexibility and parent choice in selecting service providers.

E-240 Efficiency & Innovation — Page DHHS-ADSD-65

The cost per child differs between the State and community providers. The program pays community providers a monthly capitated rate of \$565 per child served. The monthly cost per child receiving services through State clinics is approximately \$270 with additional overhead cost for personnel and operating costs. The caseload may continue to shift to more children receiving services from community providers. Therefore, due to the potential shift between the provider service models, the long-term cost of this recommendation is unknown.

The EIS program has operated under the split service delivery model since 2013 when the Legislature approved the program to split the caseload equally between the State and community providers to transition more caseload from the State clinic to community providers. The State would continue to support

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the needs of rural and medically fragile children. The Agency does not anticipate any significant changes to the current program including roles, responsibilities and oversight.

The Agency indicated during the March 2023 budget hearing that the EIS program is challenged with fitting the caseload under the 50/50 split. It expects the elimination of the split to improve the efficiency of the overall system to ensure service needs are met and to support more timely services. It would allow the program to see what the true need is regarding parental choice in providers.

Due to uncertainty of future caseload shifts and the current staffing shortages affecting the timely delivery of services, the Subcommittees may wish to recommend a letter of intent be issued to the Agency to report semiannually to the IFC during the 2023-2025 biennium on the status of the EIS program. This should include the number of children receiving services from the State clinic and community providers, the costs incurred by each caseload, the cost per child served, projected caseloads, State clinic staffing needs, and the Agency's and community providers, abilities to meet timelines and service needs.

Do the Subcommittees wish to recommend approval of the Governor's recommendation for B/A 101-3208 to combine the State clinic and community providers caseload service cost categories into a single category, to eliminate the required 50/50 split service delivery model, and to recommend issuing a letter of intent to the Agency to report on a semiannual basis to the IFC during the 2023-2025 biennium on the status of the Early Intervention Services program?

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 23 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION FOR B/A 101-3208 DECISION UNIT E-240 TO COMBINE THE STATE CLINIC AND COMMUNITY PROVIDERS CASELOAD SERVICE COST CATEGORIES INTO A SINGLE CATEGORY, TO ELIMINATE THE REQUIRED 50/50 SPLIT SERVICE DELIVERY MODEL, AND TO RECOMMEND ISSUING A LETTER OF INTENT TO THE AGENCY TO REPORT ON A SEMI-ANNUAL

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BASIS TO THE INTERIM FINANCE COMMITTEE DURING THE
2023-2025 BIENNIUM ON THE STATUS OF THE EARLY INTERVENTION
SERVICES PROGRAM.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. CROCKET:

Major Closing Issue 3, Community Provider Rate Increase, is on page 23 of [Exhibit C](#). The Governor recommends in B/A 101-3208 decision unit E-231 General Fund appropriations of \$10.4 million over the 2023-2025 biennium to increase the rate paid to EIS community providers. This would be a 40.7 percent increase in the monthly rate paid to providers from \$565 to \$794.88. This is based on the results of a study of provider payment rates for service providers and is recommended to cover the total cost per child served.

E-231 Efficiency & Innovation — Page DHHS-ADSD-64

The Agency indicates the recommended rate reflects the total revenue needed to cover provider costs, regardless of payer. This is a change from the current practice wherein providers receive a monthly per child payment from the program and retain any payments received from private insurance or Medicaid.

The EIS program also receives funding from the federal Individuals with Disabilities Education Act Part C grant, which has a maintenance of effort requirement. All General Fund appropriations added to this budget and expended must be continued in successive fiscal years for the State to remain in compliance with the grant.

During the March 2023 budget hearing, the payment mechanism was discussed whereby the comprehensive monthly rate paid per child is adjusted to account for any payments received from other payers. The Agency indicated this is

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laid out in the existing provider agreements but has not previously been implemented due to lack of data. There was a caseload adjustment applied to this decision unit and the costs are slightly less compared to the Executive Budget.

Do the Subcommittees wish to recommend approval of the Governor's recommendation for B/A 101-3208 decision unit E-231 of General Fund appropriations of \$5.1 million in each year of the 2023-2025 biennium for an increase in the rate paid to Early Intervention Services community providers from \$565 to \$794.88 per child per month, based on the updated March 2023 caseload projections?

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 24 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE GENERAL FUND APPROPRIATIONS FOR B/A 101-3208 DECISION UNIT E-231 OF \$5.1 MILLION IN EACH FISCAL YEAR OF THE 2023-2025 BIENNIUM TO FUND THE GOVERNOR'S RECOMMENDATION FOR AN INCREASE IN THE RATE PAID TO EARLY INTERVENTION SERVICES COMMUNITY PROVIDERS FROM \$565 TO \$794.88 PER CHILD PER MONTH BASED ON THE MARCH 2023 UPDATED CASELOAD PROJECTIONS.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. CROCKET:

Major Closing Issue 4 on page 24 of [Exhibit C](#) is the State Clinic Cost Per Child Adjustment. The Governor recommends in B/A 101-3208 decision unit E-226 General Fund appropriations of approximately \$977,000 over the upcoming biennium to adjust the cost per child receiving services through the State clinics. This would fund an 8.3 percent increase in the monthly cost per child served. The cost adjustment is based on the annual inflation rate for

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the 12 months ending April 2022. This has been adjusted for caseload updates. The updated projections result in a slightly different cost recommended by the Governor.

E-226 Efficiency & Innovation — Page DHHS-ADSD-62

Do the Subcommittees wish to recommend approval of General Fund appropriations of \$504,547 in FY 2023-2024 and \$519,801 in FY 2024-2025 for B/A 101-3208 decision unit E-226 to fund the Governor's recommendation for an 8.3 percent increase in the monthly cost per child receiving State clinic-provided services, as adjusted, from \$270 to \$292.41 per child per month, based on the updated March 2023 caseload projections?

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 25 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES GENERAL FUND APPROPRIATIONS FOR B/A 101-3208 DECISION UNIT E-226 OF \$504,547 IN FY 2023-2024 AND \$519,801 IN FY 2024-2025 TO FUND THE GOVERNOR'S RECOMMENDATION FOR AN 8.3 PERCENT INCREASE IN THE MONTHLY COST PER CHILD RECEIVING STATE CLINIC-PROVIDED SERVICES, AS ADJUSTED, FROM \$270 TO \$292.41 PER CHILD PER MONTH, BASED ON THE MARCH 2023 UPDATED CASELOAD PROJECTIONS.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. CROCKET:

There are seven Other Closing Items on page 25 of [Exhibit C](#) for B/A 101-3208 which appear reasonable. This includes decision units E-225, E-227, E-228, E-229, E-230, E-800 and M-800. Fiscal staff recommends all Other Closing Items be closed as recommended by the Governor and requests authority to make further technical adjustments as necessary.

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E-225 Efficiency & Innovation — Page DHHS-ADSD-62
E-227 Efficiency & Innovation — Page DHHS-ADSD-62
E-228 Efficiency & Innovation — Page DHHS-ADSD-63
E-229 Efficiency & Innovation — Page DHHS-ADSD-63
E-230 Efficiency & Innovation — Page DHHS-ADSD-64
E-800 Cost Allocation — Page DHHS-ADSD-65
M-800 Cost Allocation — Page DHHS-ADSD-61

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 26 OF [EXHIBIT C](#) TO RECOMMEND APPROVAL TO THE FULL COMMITTEES ALL OTHER CLOSING ITEMS FOR B/A 101-3208 INCLUDING DECISION UNITS E-225, E-227, E-228, E-229, E-230, E-800 AND M-800 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. CROCKET:

The Autism Treatment Assistance Program B/A 101-3209 begins on page 29 of [Exhibit C](#). There are two Major Closing Issues in this budget.

HHS-ADSD-Autism Treatment Assistance Program — Budget Page
DHHS-ADSD-67 (Volume II)
Budget Account 101-3209

Major Closing Issue 1 in B/A 101-2309 decision units M-200, M-201 and M-203 relates to caseload adjustments. The Governor recommends net funding totaling \$2.6 million over the 2023-2025 biennium to fund projected caseload changes and associated staffing adjustments for the Autism Treatment Assistance Program. The table on page 30 of [Exhibit C](#) displays the Governor's recommended caseload and updated caseload projections. The

recommendations include adjustments for standard demographic caseload growth as well as a decision unit to eliminate the waitlist. The monthly average caseload is projected to increase from 995 children in FY 2022-2023 to 1,237 children in FY 2024-2025, representing an increase of 24.3 percent.

M-200 Demographics/Caseload Changes — Page DHHS-ADSD-68
M-201 Demographics/Caseload Changes — Page DHHS-ADSD-69
M-203 Demographics/Caseload Changes — Page DHHS-ADSD-69

There are also adjustments to staffing levels based on the projected caseload changes. Decision unit M-201 eliminates five vacant developmental specialist III caseworker positions, and one filled developmental specialist IV position. The budget is funded with five developmental specialist IV positions, and all five existing supervisor positions are filled.

The Agency has requested to retain the filled developmental specialist IV position that would otherwise be eliminated based on the projected caseload. The Agency indicates these positions can be difficult to fill due to the level of experience and responsibility within the program. Retaining the supervisor position with the current incumbent would reduce the approved supervisor-to-caseworker ratio temporarily from 1:7 to 1:6 with the intent to return to the 1:7 ratio in the future as caseload changes continue.

Decision unit M-203 adds four new developmental specialist III caseworker positions. Overall, the staffing adjustments result in a net decrease of one position over the biennium.

The updated caseload service costs and staffing adjustments are shown on page 31 of [Exhibit C](#). The amount of funding recommended by the Governor and the updated caseload projections indicate \$2.1 million of total funding is required over the biennium.

Do the Subcommittees wish to recommend approval of net funding for B/A 101-3209 of \$966,366, including \$1 million in General Fund appropriations and a \$47,746 decrease in federal funds in FY 2023-2024, and \$1.2 million total funding, including \$1.2 million in General Fund appropriations and a \$18,215 decrease in federal funds in FY 2024-2025, to support projected

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caseload changes for the Autism Treatment Assistance Program, including associated staffing adjustments and the elimination of the waitlist over the 2023-2025 biennium in decision units M-200, M-201 and M-203 based on the updated March 2023 caseload projections and retaining one casework supervisor position that is currently filled?

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 32 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE NET FUNDING OF \$966,366 IN FY 2023-2024 AND \$1.2 MILLION IN FY 2024-2025 FOR B/A 101-3209 DECISION UNITS M-200, M-201 AND M-203 TO SUPPORT PROJECTED CASELOAD CHANGES FOR THE AUTISM TREATMENT ASSISTANCE PROGRAM, INCLUDING ASSOCIATED STAFFING ADJUSTMENTS AND ELIMINATION OF THE WAITLIST OVER THE 2023-2025 BIENNIUM, BASED ON THE MARCH 2023 UPDATED CASELOAD PROJECTIONS, AND RETAINING ONE CASEWORK SUPERVISOR POSITION THAT IS CURRENTLY FILLED.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. CROCKET:

Major Closing Issue 2 on page 32 of [Exhibit C](#) is for one new psychological development counselor position. The Governor recommends funding in B/A 101-3209 decision unit E-225 of \$192,416 over the 2023-2025 biennium to fund a new position and associated costs to provide clinical oversight and facilitate eligibility determinations.

E-225 Efficiency & Innovation — Page DHHS-ADSD-71

The primary duties of this position include conducting clinical level diagnostic assessments and adaptive testing for eligibility purposes, reviewing eligibility criteria, reviewing intake cases and verifying eligibility determinations.

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The Agency indicated the wait time for children to begin receiving services for autism is critical, and lengthy wait times can impact a child's development. The Agency believes this additional position would help get children to services more quickly.

Do the Subcommittees wish to recommend approval to the full Committees of \$192,416 including \$157,831 in General Fund appropriations for B/A 101-3209 decision unit E-225 over the 2023-2025 biennium to fund one psychological development counselor position and associated costs?

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 32 OF [EXHIBIT C](#) TO RECOMMEND APPROVAL TO THE FULL COMMITTEES IN B/A 101-3209 DECISION UNIT E-225 OF \$192,416 THAT INCLUDES \$157,831 IN GENERAL FUND APPROPRIATIONS OVER THE 2023-2025 BIENNIUM TO FUND ONE NEW PSYCHOLOGICAL DEVELOPMENT COUNSELOR POSITION AND ASSOCIATED COSTS.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. CROCKET:

There are three Other Closing Items for B/A 101-3209 on page 33 of [Exhibit C](#) which appear reasonable. These include decision units E-230, E-800 and M-800. Fiscal staff recommends all Other Closing Items for B/A 101-3209 to be closed as recommended by the Governor and requests authority to make technical adjustments as necessary.

E-230 Efficiency and Innovation — Page DHHS-ADSD-71
E-800 Cost Allocation — Page DHHS-ADSD-72
M-800 Cost Allocation — Page DHHS-ADSD-70

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ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 33 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OTHER CLOSING ITEMS FOR B/A 101-3209 DECISION UNITS E-230, E-800 AND M-800 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. CROCKET:

The Facility Outreach and Community Integration Services (FOCIS) and Money Follows the Person (MFP) B/A 101-3271 begins on page 35 of [Exhibit C](#). The [Executive Budget](#) recommends a new standalone budget within the ADSD for these existing programs. This would be facilitated through a transfer from the Division of Health Care Financing and Policy, including 13 existing positions and funding of \$3.6 million in FY 2023-2024 and \$1.9 million in FY 2024-2025.

HHS-ADSD - FOCIS and MFP — Budget Page DHHS-ADSD-103 (Volume II)
Budget Account 101-3271

The table on page 36 of [Exhibit C](#) lists the decision units and associated funding to facilitate the creation of this budget account. They include E-503, E-902, E-903 and E-904.

E-503 Adjustments - Transfer in E-903 — Page DHHS-ADSD-103
E-902 Trans from Health Care Fin & Policy to FOCIS and MFP — Page
DHHS-ADSD-104

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E-903 Trans from Health Care Fin & Policy to FOCIS and MFP — Page
DHHS-ADSD-104
E-904 Transfer from Nevada Medicaid to ADSD FOCIS — Page
DHHS-ADSD-105

During the March 2023 budget hearing, the Agency discussed how their work aligns with the objectives of the FOCIS and MFP programs to support individuals in achieving their goals of transitioning from institutional care to community settings. The Agency stated it is better suited to coordinate with other programs to help individuals transition to the community.

Do the Subcommittees wish to recommend approval to the full Committees of the transfer of the FOCIS and MFP programs from the Division of Health Care Financing and Policy to ADSD in a new standalone B/A 101-3271 as recommended by the Governor in decision units E-503, E-902, E-903 and E-904 with authority for Fiscal staff to make technical adjustments as necessary?

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 37 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES IN B/A 101-3271 DECISION UNITS E-503, E-902, E-903 AND E-904 THE TRANSFER OF THE FACILITY OUTREACH AND COMMUNITY INTEGRATION SERVICES AND THE MONEY FOLLOWS THE PERSON PROGRAMS FROM THE DIVISION OF HEALTH CARE FINANCING AND POLICY TO THE AGING AND DISABILITY SERVICES DIVISION IN A NEW STANDALONE BUDGET AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. CROCKET:

Page 39 of [Exhibit C](#) starts the section of Staff-closed budgets.

The Commission for Persons Who Are Deaf B/A 101-1006 is shown on page 39 of [Exhibit C](#). There are no Major Closing Issues or Other Closing Items. There are no decision units in this budget.

HHS-ADSD - Commission For Persons Who Are Deaf — Budget Page
DHHS-ADSD-14 (Volume II)
Budget Account 101-1006

The Tobacco Settlement Program B/A 262-3140 is shown on page 41 of [Exhibit C](#). There are no Major Closing Issues. There are two Other Closing Items concerning cost allocation adjustments in decision units E-800 and M-800, which appear reasonable.

HHS-ADSD - Tobacco Settlement Program — Budget Page DHHS-ADSD-15
(Volume II)
Budget Account 262-3140

M-800 Cost Allocation — Page DHHS-ADSD-16
E-800 Cost Allocation — Page DHHS-ADSD-16

The Communication Access Services B/A 101-3206 is shown on page 43 of [Exhibit C](#). There are five Other Closing Items which appear reasonable concerning travel, equipment replacement and cost allocation in decision units E-225, E-227, E-710, E-800 and M-800.

E-225 Efficiency & Innovation — Page DHHS-ADSD-52
E-227 Efficiency & Innovation — Page DHHS-ADSD-53
E-710 Equipment Replacement — Page DHHS-ADSD-53
E-800 Cost Allocation — Page DHHS-ADSD-53
M-800 Cost Allocation — Page DHHS-ADSD-52

HHS-ADSD - Communication Access Services — Budget Page DHHS - ADSD-50
(Volume II)
Budget Account 101-3206

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The Applied Behavior Analysis B/A 101-3207 is shown on page 45 of [Exhibit C](#). There are no Major Closing Issues or Other Closing Items within this budget. There are no decision units.

HHS-ADSD - Applied Behavior Analysis – Budget Page DHHS-ADSD-56
(Volume II)
Budget Account 101-3207

Fiscal staff is responsible for developing recommendations for these budgets. To assist with the closing, Fiscal staff has identified budgets that are recommended to be closed as recommended by the Governor. Fiscal staff requests these budgets be closed with authority for Fiscal staff to make technical adjustments as necessary.

ASSEMBLYWOMAN GORELOW MOVED AS SHOWN ON PAGE 47 OF [EXHIBIT C](#) TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE CLOSING B/A 101-1006, B/A 262-3140, B/A 101-3206 AND B/A 101-3207 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR NGUYEN:
We will continue with Public Comment.

HEROLD MARK MCBRIDE (Administrator, Highland Village of Fallon):
I am the campus administrator of Highland Village of Fallon in Fallon, Nevada. We are nonprofit and serve the underserved population in rural Nevada. Our services are skilled nursing, assisted living and independent living.

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I am asking for your support for additional Medicaid funding for our nursing homes. The financial and workforce challenges have been primarily impactful in our communities. We do everything we can to provide quality health care. We have found ourselves in a situation where month to month, we pay out of pocket for expenses to provide care. Increased costs in labor, rent, food and utilities have significantly impacted our operations, especially in the wake of the pandemic.

Nevada's current Medicaid reimbursement rates have not matched up to the cost for quite some time. There have been only two Medicaid increases in the last 20 years. In addition, staffing challenges were an unfortunate reality even before the pandemic; they worsened as our elderly population increased, particularly in skilled nursing. We support roughly 115 direct care and non-direct care staff, which is a mix of W-2 employees and costly Agency staff.

With fewer Agency staff in the workforce and fewer trained caregivers, as a 24 hours a day, 7 days a week operation, we are forced to make up the difference to provide the needed care. The shortages might be from the staff we have lost, someone who has not returned to the workforce, or someone who might be on sick leave. For whatever reason, we still need to make up that difference to the rural and underserved communities, our most vulnerable population. To provide adequate funding, it is imperative we receive additional Medicaid funding so we can keep our doors open.

In many cases, without the additional Medicaid funding, facilities are closing in state after state. We want to lead the charge and provide the highest quality care, not just for Nevada but Nationwide.

This is a crisis. Thousands of our seniors are counting on you to help fix this. An additional rate increase, on top of the 5 percent in the Governor's recommended budget, is not only needed but necessary. I respectfully ask you to approve this funding.

MARIE COSTA NADORA (Vice President, Clinical Services, Revive Health):

I am the Vice President of Clinical Services for Revive Health Senior Care and a board member of the Philippine Nurses Association of Nevada. Revive Health

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Senior Care manages three nursing homes with approximately 373 residents in northern Nevada.

I am here today to request you approve the additional Medicaid rate increase to help Nevada seniors. The cost of supplies and services has doubled and sometimes tripled since the pandemic. Nevada's chronically low Medicaid reimbursement rates have not kept up with this cost.

Staffing shortages are also a challenge. Fortunately, our facilities do not use agencies. Instead, we allow large amounts of overtime which is the primary reason for burnout to our caregivers. Offering competitive salaries and benefits is the primary way to recruit new caregivers, but this only adds to our overinflated operating costs. Nevada's low Medicaid reimbursement rates put us further on a financial brink.

Our industry takes care of lives. It can be your mother, your father, other family, or friends. It is not like retail where we can shut down the doors when there is not enough staff. Care must go on. At this pace, nursing homes could start closing their doors leaving Nevada seniors without the care they need.

We appreciate the proposed 5 percent increase in the Governor's budget, but additional funding is essential. Nevada seniors and caregivers are struggling, and we need your help. I respectfully ask that you increase the Medicaid reimbursement rates for nursing homes.

Remainder of page intentionally left blank; signature page to follow.

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CHAIR NGUYEN:
This meeting is adjourned at 9:20 a.m.

RESPECTFULLY SUBMITTED:

Helen Wood,
Committee Secretary

APPROVED BY:

Senator Rochelle T. Nguyen, Chair

DATE: _____

Assemblywoman Michelle Gorelow, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Introduced on Minute Report Page No.	Witness / Entity	Description
	A	1		Agenda
	B	1		Attendance Roster
	C	2	Fiscal Staff / Human Services Joint Subcommittee	Human Services Joint Subcommittee Closing List #6, dated April 28, 2023