

SENATE BILL NO. 364—SENATORS TOWNSEND, MATHEWS, SCHNEIDER,
CARLTON, JAMES, AMODEI AND PORTER

MARCH 16, 2001

JOINT SPONSORS: ASSEMBLYMEN LESLIE, GIBBONS, PARKS, BROWER,
GIUNCHIGLIANI AND WILLIAMS

Referred to Committee on Finance

SUMMARY—Establishes developmental services commission. (BDR 38-931)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Contains Appropriation not included in Executive
Budget.

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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 public welfare; establishing the developmental services commission;
prescribing its powers and duties; making an appropriation; and providing other
matters properly relating thereto.

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

- 1 **Section 1.** Chapter 422 of NRS is hereby amended by adding thereto
2 the provisions set forth as sections 2 to 7, inclusive, of this act.
3 **Sec. 2.** *As used in sections 2 to 6, inclusive, of this act,*
4 *“commission” means the developmental services commission.*
5 **Sec. 3. 1.** *The developmental services commission, consisting of*
6 *seven members, is hereby created. The goals of the commission are to:*
7 *(a) Oversee the development of tools for the standardized assessment*
8 *of clients and the standardization of the allocation of available fiscal*
9 *resources for developmental services.*
10 *(b) Facilitate a standardized method for the individualized assessment*
11 *of each client’s needs and application of a variable schedule of rates of*
12 *reimbursement indexed to those particular needs.*
13 *(c) Encourage the provision of appropriate care in the most cost-*
14 *effective manner by facilitating a competitive business environment with*
15 *multiple providers of service.*
16 *(d) Facilitate the development of sufficient public policies to prevent*
17 *avoidable litigation regarding the rights of the developmentally disabled.*



1 (e) Ensure objectivity in the determination of rates of reimbursement
2 that are based on objective and applicable factors and consideration of
3 information from the public and private sectors supplied in an open and
4 public forum.

5 (f) Facilitate the development of a schedule for timely reviews of each
6 individual case to determine the current needs of the client and a method
7 for adjusting, if necessary, the charges for the level of service depending
8 on the progress of the client.

9 (g) Facilitate the viability of the businesses that provide these services
10 as a preferred alternative to institutionalized placement.

11 2. The commission consists of:

12 (a) Two members appointed by the governor who represent business
13 and have knowledge and experience in analyzing costs concerning the
14 provision of medical services.

15 (b) Three members appointed by the commission on mental health
16 and developmental services of the department who represent private
17 providers of services for persons with physical or developmental
18 disabilities, one of whom provides residential services for the
19 developmentally disabled, one of whom provides training and
20 employment and one of whom provides services to the physically
21 disabled.

22 (c) One member appointed by the director who is an employee of the
23 division of health care financing and policy and has knowledge and
24 experience concerning Medicaid programs.

25 (d) One member appointed by the director who is employed by the
26 division of mental health and developmental services of the department
27 and has knowledge and experience concerning the provision of services
28 for persons with developmental disabilities, but who is not directly
29 involved in the administration of the division.

30 3. After the initial terms, the term of each member of the commission
31 is 4 years. A vacancy occurring in the membership of the commission
32 must be filled in the same manner as the original appointment.

33 4. A majority of the members of the commission constitutes a
34 quorum.

35 5. The governor may remove a member of the commission for good
36 cause.

37 6. The director of the legislative counsel bureau shall provide
38 administrative and clerical support for the commission, related fiscal
39 analysis and any facilities or other services required by the commission
40 to carry out its duties.

41 Sec. 4. 1. The commission shall:

42 (a) At its first meeting, and annually thereafter, elect a chairman and
43 a vice chairman from among its members.

44 (b) Hold at least six meetings during the first year and at least four
45 meetings each year thereafter.

46 (c) Adopt rules of practice for its management and government.

47 (d) Compare and review the methods used in other states for
48 determining rates and assessments generally as a basis for developing an
49 appropriate methodology for determining rates of reimbursement for



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1 *services provided to persons with developmental disabilities who are*
2 *eligible for Medicaid that is specifically suited for application to the*
3 *services contracted for by the department.*

4 *(e) Hold public hearings to receive public testimony from providers,*
5 *governmental representatives and other interested persons regarding the*
6 *cost factors that are related to the provision of legally required care to*
7 *ensure that the recommended rates for reimbursement accurately reflect*
8 *the required costs of providing these services.*

9 *(f) Establish recommended rates of reimbursement for each service*
10 *provided in this state to persons with developmental disabilities who are*
11 *eligible for Medicaid and review those rates at least biennially.*

12 *2. The commission may:*

13 *(a) Conduct investigations in connection with carrying out its duties.*

14 *(b) Recommend to the legislature any appropriate legislation.*

15 **Sec. 5.** *1. Each member of the commission is entitled to receive the*
16 *per diem allowance and travel expenses provided for state officers and*
17 *employees generally for each day or part thereof that the member is*
18 *engaged in the business of the commission.*

19 *2. Each member of the commission who is an employee of the State*
20 *of Nevada must be relieved from his duties without loss of compensation*
21 *for a period that is sufficient to ensure that he may, in the most efficient*
22 *manner practicable, prepare for and attend each meeting of the*
23 *commission and perform any work required to carry out the business of*
24 *the commission. A state agency shall not require an employee who is a*
25 *member of the commission to make up or take annual or compensatory*
26 *time for any period during which the employee is relieved from his duties*
27 *pursuant to the provisions of this section.*

28 **Sec. 6.** *1. The commission shall:*

29 *(a) Submit to the interim finance committee a quarterly report*
30 *concerning the activities, progress and determinations of the commission*
31 *concerning the development of the proposed rate of reimbursement for*
32 *each service provided to persons with developmental disabilities who are*
33 *eligible for Medicaid;*

34 *(b) Not later than June 30th of each even-numbered year, submit to*
35 *the interim finance committee a final biennial report of its activities,*
36 *including recommendations for the rate of reimbursement for each*
37 *service provided to persons with developmental disabilities who are*
38 *eligible for Medicaid; and*

39 *(c) Not later than January 15th of each odd-numbered year, submit to*
40 *the budget subcommittee of the legislative commission created pursuant*
41 *to NRS 218.6824 an informational report that includes a comparison of*
42 *the rates of reimbursement recommended by the commission in its*
43 *biennial report with the corresponding rates of reimbursement*
44 *recommended in the governor's proposed budget.*

45 *2. If, after reviewing the final biennial report submitted pursuant to*
46 *paragraph (b) of subsection 1, the interim finance committee determines*
47 *that the report is reflective of the purpose and duties assigned to the*
48 *commission, the interim finance committee shall transmit the biennial*
49 *report to the governor.*



1 **Sec. 7.** 1. There is hereby appropriated from the state general fund
2 to the legislative fund created by NRS 218.085 the sum of \$200,000 for the
3 expenses of the developmental services commission, including the
4 expenses related to contracting with a facilitator and experts who will assist
5 the commission in carrying out its duties.

6 2. Any remaining balance of the appropriation made by subsection 1 of
7 this act must not be committed for expenditure after June 30, 2003, and
8 reverts to the state general fund as soon as all payments of money
9 committed have been made.

10 **Sec. 8.** As soon as practicable after the effective date of this act, the
11 members of the developmental services commission must be appointed as
12 follows:

13 1. One member appointed pursuant to paragraph (a) of subsection 2 of
14 section 3 of this act to a term that expires on September 30, 2003;

15 2. One member appointed pursuant to paragraph (b) of subsection 2 of
16 section 3 of this act to a term that expires on September 30, 2003;

17 3. The member appointed pursuant to paragraph (c) of subsection 2 of
18 section 3 of this act to a term that expires on September 30, 2003;

19 4. One member appointed pursuant to paragraph (a) of subsection 2 of
20 section 3 of this act to a term that expires on September 30, 2005;

21 5. Two members appointed pursuant to paragraph (b) of subsection 2
22 of section 3 of this act to terms that expire on September 30, 2005; and

23 6. The member appointed pursuant to paragraph (d) of subsection 2 of
24 section 3 of this act to a term that expires on September 30, 2005.

25 **Sec. 9.** This act becomes effective upon passage and approval.

