

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

**Seventy-Third Session
March 14, 2005**

The Committee on Health and Human Services was called to order at 1:31 p.m., on Monday, March 14, 2005. Chairwoman Sheila Leslie presided in Room 3138 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Ms. Sheila Leslie, Chairwoman
Ms. Kathy McClain, Vice Chairwoman
Mrs. Sharron Angle
Ms. Susan Gerhardt
Mr. Joe Hardy
Mr. William Horne
Mrs. Ellen Koivisto
Mr. Garn Mabey
Ms. Peggy Pierce
Ms. Valerie Weber

COMMITTEE MEMBERS ABSENT:

Ms. Bonnie Parnell (excused)

GUEST LEGISLATORS PRESENT:

None

STAFF MEMBERS PRESENT:

Barbara Dimmitt, Committee Analyst
Joe Bushek, Committee Attaché

OTHERS PRESENT:

Gary L. Stagliano, Deputy Administrator, Program and Field Operations,
Welfare Division, Department of Human Resources, State of
Nevada

Constance E. Anderson, Chief of Medicaid Services, Division of Health
Care Financing and Policy, Department of Human Resources, State
of Nevada

Jan Gilbert, Northern Nevada Coordinator, Progressive Leadership Alliance
of Nevada, Reno, Nevada

Chairwoman Leslie:

[Meeting called to order and roll taken.] We have one bill today, Committee members, and then two bills on work session that should go fairly quickly. We'll go ahead and open the hearing on A.B. 139.

Assembly Bill 139: Requires collection and reporting of certain information concerning employers of applicants for Medicaid or Children's Health Insurance Program. (BDR 38-984)

Assemblywoman Peggy Pierce, Assembly District No. 3, Clark County:

As you know, Nevada ranks fourth in the nation when it comes to the number of uninsured adults. Only Texas, Louisiana, and Mississippi have higher percentages of uninsured adults. Nevada ranks first in the nation on the percentage of uninsured adults who live in households with at least one child. In 2002, Nevada ranked second in the nation on the percentage of children not covered by either private or government health insurance. The State of Nevada is projected to spend \$837 million over the next biennium on our Medicaid and Nevada CheckUp programs. It's the second-largest expenditure in the state budget.

Assembly Bill 139 is a bill designed to shine a light on the growing costs of medical care provided to the uninsured citizens of Nevada by the State of Nevada. In reading A.B. 139, you see that it requires that the State gather information during the initial process of signing citizens up to receive Medicaid or Nevada CheckUp. This request for information usually takes place when an uninsured person goes to the emergency room for medical care for themselves or their family members. When the facility determines that the patient is qualified for a State program, he or she is then signed up. Assembly Bill 139 requires that we gather information as to the employer of the patient at this

time, as part of this initial process. I've learned in conversations with the Welfare Division and the Division of Health Finance and Policy, since the bill was drafted, that the State already gathers this information in the way that I have just described.

[Assemblywoman Pierce, continued.] The second part of A.B. 139 requires the State to now compile that information into a report. Nationwide, since 2001, the percentage of workers receiving health coverage from their employers fell from 65 percent to 61 percent in 2004. That is 5 million fewer jobs that provide health coverage. I have already reviewed Nevada's part of those numbers.

Over the interim, a special health care committee developed a plan to use untapped federal funds to help small businesses in our state provide health care coverage to their employees. We will be considering that legislation this session, and I'm totally supportive of this effort. I'm sympathetic to the fact that health care costs have gone up in the last couple of decades at a far greater rate than inflation. With that in mind, I propose an amendment to my bill that will ask for the data on only the top 25 employers whose employees are forced to turn to our state for health care to be included in this report. I strongly believe that if we are to really solve the problem of our high percentage of workers without health insurance, we must first begin to determine the cause. Why do we have such high numbers of working families who cannot afford health insurance? Do these individuals work for small businesses, or do they work for companies in our communities who have no reasonable excuse for not providing health care to their employees? We need to know if there are companies who routinely send profits out of state, but strap our counties and our state with the health care costs of their employees. If a large percentage of Nevadans accessing these services do indeed work for a few large companies, we need to know that, if we are to proceed with a comprehensive solution.

The responsible industries in our state provide health insurance for their employees. Gaming and mining, the two largest employers in our state, routinely provide health insurance for their employees. This is the standard these industries have set. This is the standard for our state. If we have large profitable companies in our state who are not meeting this standard and, therefore, burdening our state budget with the health care costs of their employees, this Legislature has a responsibility to know the names of those companies. If there are large profitable companies who routinely pass on their business responsibilities to the taxpayers of this state, the taxpayers have a right to know of that fact, and it is the responsibility of this Legislature to gather that information and make that report public.

[Assemblywoman Pierce, continued.] Twenty-seven states currently gather this information or are in the process of beginning to gather and report this information. Every year Medicaid becomes a bigger part of state budgets, and in some states, it has surpassed education as the biggest part of the state's budget. This trend shows no sign of changing. This report will give us a broad view. No individuals will be identified in the report. There will be no personal information divulged in the report, but if we as legislators are to make decisions regarding the very dear health care dollars of our state, we need to shine a light on every part of the health care landscape. Assembly Bill 139 is an effort in that direction.

Chairwoman Leslie:

Again, so I understand your conceptual amendment, you want to amend it so that the report that comes back is just the top 25 employers?

Assemblywoman Pierce:

Yes. Originally the bill says companies with 25 or more employees. My amendment would take that out, and the report would just consist of the 25 employers who have the most number of employees utilizing state health care dollars.

Chairwoman Leslie:

How many businesses do you think there are? More than 25?

Assemblywoman Pierce:

I don't have any idea.

Chairwoman Leslie:

It would be interesting to see.

Assemblyman Mabey:

Assemblywoman Pierce, as a physician I'm concerned about one issue, and there are others. Sometimes, you'll take care of a patient. For example, when I was an obstetrician, a person would arrive in labor and deliver. They didn't have any funds and they were qualified for Medicaid. The problem is that sometimes, they wouldn't go down and fill out the information, and so they would never get on the Medicaid program. Will this become a burden? If they don't fill this out, will they not qualify for Medicaid?

Assemblywoman Pierce:

Not at all. First of all, as I said, this information is already being collected. I didn't realize that at the time that we drafted this bill. The actual asking for this

information at the time that someone signs up for a program won't change at all. If that keeps people from signing up, then that's already happening.

Chairwoman Leslie:

So really, just to further clarify, the bill just requires Medicaid or the State staff to do the analysis and report back? Nothing else changes?

Assemblywoman Pierce:

Yes, Madam Chairwoman.

Gary L. Stagliano, Deputy Administrator, Program and Field Operations, Welfare Division, Department of Human Resources, State of Nevada:

[Handed out [Exhibit B](#).] Assembly Bill 139 would require the collection and reporting of certain information concerning employers of applicants for Medicaid, or employers or persons providing financial support to Medicaid applicants. The Welfare Division, as was previously stated, does already collect information about the applicants for Medicaid services, and their employment information. We do so for eligibility verification purposes.

However, we do not collect the information about people who might have assisted applicants and record their employment information—that would be a difficulty for us—which is one of the bill's requirements. Additionally, I'm glad to hear the amendment, because the other thing that we had explored was the possibility of exchanging information with the Employment Security Department in identifying those employers that would have had 25 or fewer employees. That would have been impractical for us, because, apparently, there are some confidentiality concerns. So, the amendment's well received by us.

The only other thing is that, to ensure accurate data on the employer's names and addresses as we record them in NOMADS [Nevada Operations of Multi-Automated Data Systems], which is our eligibility system, we'd need to verify the identity of the employer we're recording. We do that for eligibility purposes. We go out and validate that information, so that is part of our collection. So, we don't really see this as having a major impact, since it's just a collection of information that we already have gathered. Again, as previously testified to, I don't think this will be an intrusion.

Chairwoman Leslie:

Can you tell us where in the bill—you said something about it being a problem for people who assisted the applicant?

Gary Stagliano:

Currently, on page 2 of the bill draft, subsection (b), line 7, it requires, if the applicant is not employed at the time of the application is made, the name and business address of each employer of every person who provides any financial support for the applicant. Again, we capture information about the applicant and other household members, not those who might have assisted, and especially not the employment information of those who might have assisted.

Chairwoman Leslie:

You wouldn't have that. You're suggesting we take that out.

Gary Stagliano:

I'm telling you that it's difficult for the Division to collect that.

Chairwoman Leslie:

He's on line 7, Section 1, subsection 1(b). If the applicant is not employed at the time, the bill requires you to collect everybody who provides any financial information for the applicant; that would be difficult. Ms. Pierce, do you have a comment on that?

Assemblywoman Pierce:

I'm looking at it. I can work on that. I'm willing to work on that.

Assemblyman Mabey:

That may show that this person's receiving more assistance and, maybe, wouldn't qualify for Medicaid. So I would think, for the person's sake, that might be best deleted.

Chairwoman Leslie:

We'll give Ms. Pierce the opportunity to work on that, to clarify that section.

Constance E. Anderson, Chief of Medicaid Services, Division of Health Care Financing and Policy, Department of Human Resources, State of Nevada:

[Handed out [Exhibit C.](#)] Assembly Bill 139 would require each applicant for Medicaid and the Children's Health Insurance Program to disclose the name and business address of his employer on the application for assistance. Nevada CheckUp is within my scope of responsibility within the Nevada State Health Insurance Program. My colleagues in the Welfare Division have already spoken to the Medicaid requirements and the impact of A.B. 139. My testimony relates only to the impact on Nevada CheckUp program requirements. While the Nevada CheckUp application and the associated database currently captures the name of the recipient's employer, the database designed would require modification to capture the address, which is a minor modification to the

existing database. It will be incorporated into the design of the new database, which is scheduled for implementation approximately July 1, 2005.

[Constance Anderson, continued.] Nevada CheckUp can provide the report requested by A.B. 139. However, there may be some limitations in its accuracy and completeness, because of federal regulation prohibiting mandatory reporting of certain information by parents of children enrolled in Nevada CheckUp.

Jan Gilbert, Northern Nevada Coordinator, Progressive Leadership Alliance of Nevada (PLAN), Reno, Nevada:

We support this piece of legislation and feel that information that we get on these programs is helpful when we advocate for the programs. We often hear that we don't need social services or we don't need this program. This information gathering will be helpful in multitude of ways. The other thing that I also feel is you, as a Body, gave a tax break to businesses that provided health care. This is on the other side, looking at businesses that do not. I think it is information that can be gathered that can be helpful at looking at how our systems work, so I urge you to support it.

Assemblyman Hardy:

I'm intrigued, looking at the opposite way that we would report. If we find the 25 companies and three, four, five, or ten of them are not paying "their fair share," what do we do then? Have we had discussions about that? Do we put their name in the paper, or what do we do? Where is this going?

Jan Gilbert:

Well, Assemblyman Hardy, I don't know how we would utilize this information, but I think the public needs to know this. I think it's important. I go out and I speak about providing services for low income people, and I hear a lot of, "Well, why do we have to do that?" We've been trying to get parents covered under the CheckUp program. Nevada CheckUp only covers children of working parents. It's an insurance-styled program. We've tried to get adults or pregnant women covered under that program, and we reach a wall. I think information out there on this would be beneficial for those of us who advocate, to put pressure on businesses to say, "You don't want to support social services, yet you don't want to provide the services that the government is providing." Like Mike Willden said, some of our State employees could be eligible for some of these programs. Administrative assistants don't make enough money to pay if they have two or three children. They can't provide health care for their children. It's very possible they could be on CheckUp. So I just think information is good. When we put out our living wage report a few years back, it was very interesting to us how difficult it was to gather this information. So that would be my response.

Chairwoman Leslie:

That was a good answer, and we're just saying it's going to be embarrassing if the State of Nevada is the first name on the list. Hopefully not, but I think it's good information for policymakers to have. Maybe there won't be 25 businesses. Maybe there will be two. We'll go ahead and close the hearing on A.B. 139, and we'll move to our work session document. We will start with A.B. 117.

Assembly Bill 117: Makes appropriation to Aging Services Division of Department of Human Resources for establishment of pilot program to provide assistance to senior citizens for vision care. (BDR S-445)

Barbara Dimmitt, Committee Policy Analyst, Legislative Counsel Bureau (LCB):

I'm not here to advocate in support of any measure. This appropriates \$200,000 to the Aging Services Division of the Department of Human Resources. The purpose is to establish a pilot program for assistance to senior citizens for vision care. At the time of the hearing on March 9, testimony was received in support of this legislation. There was no testimony in opposition and no amendment proposed.

Chairwoman Leslie:

Thank you, Ms. Dimmitt. Discussion on A.B. 117?

ASSEMBLYWOMAN McCLAIN MOVED TO DO PASS
ASSEMBLY BILL 117.

ASSEMBLYWOMAN KOIVISTO SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Parnell was not present for the vote.)

Chairwoman Leslie:

The bill will actually get re-referred to Ways and Means. Let's move to our second bill in our work session document, A.B. 127.

Assembly Bill 127: Provides subsidies from Fund for a Healthy Nevada for coverage of limited-scope dental and vision benefits to certain senior citizens. (BDR 40-714)

Barbara Dimmitt, Committee Policy Analyst, Legislative Counsel Bureau (LCB):

This bill provides subsidies from the Fund for a Healthy Nevada for coverage of limited-scope dental and vision service to senior citizens. During the testimony on the bill, Michael Willden, Director of Department of Human Resources (DHR), testified that the bill appeared to mandate, rather than authorize, the use of tobacco settlement reserves currently reserved for the Senior Rx program to pay for the vision and dental benefits. He expressed concern regarding this stating that, at this time, the State was having to supplement the Senior Rx program with General Fund revenues in order to increase its enrollment, and he indicated that he didn't want the DHR to see new services added at the expense of the prescription drug program.

Assemblywoman McClain had indicated that it was her intent to authorize these revenue expenditures, and so she has submitted a proposed amendment to paragraph (c), which begins on line 13 of page 3. What she proposes to do is restore the existing language, which says that the 30 percent of revenues from the tobacco settlement monies be used for prescription drugs and pharmaceutical services, and then to the extent that sufficient funds are available, they could also be used for other services, including the dental and vision benefits.

Assemblywoman McClain also had testified that the Aging Services Division had some concerns about one portion of the bill that was going to make it difficult or impossible for them to use a certain type of pilot program that they had begun developing, and this was, again, something Ms. McClain wanted to amend. So, she's deleted the reference to limited-scope dental and vision benefits from the language on page 5, beginning on line 36. That would just remain as it is.

Chairwoman Leslie:

Ms. McClain, do those amendments meet your approval? Is that what you intended?

Assemblywoman McClain:

I think that will take care of it, because we're not mandating it. It's not a \$6 million hit, so I think that will take care of it.

Chairwoman Leslie:

Okay. Other comments on this adjusted amendment or the bill?

ASSEMBLYWOMAN KOIVISTO MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 127.

ASSEMBLYMAN HORNE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Parnell was not present
for the vote.)

Chairwoman Leslie:

This meeting is adjourned [at 1:56 p.m.].

RESPECTFULLY SUBMITTED:

Joe Bushek
Committee Attaché

APPROVED BY:

Assemblywoman Sheila Leslie, Chairman

DATE: _____

EXHIBITS

Committee Name: Committee on Health and Human Services

Date: March 14, 2005

Time of Meeting: 1:30 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
139	B	Gary Stagliano, Deputy Administrator, Nevada State Welfare Division	Written Testimony
139	C	Constance Anderson, Chief, Medicaid, and Nevada Check Up	Written Testimony