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THIRD REPRINT

A.B. 182

ASSEMBLY BILL NO. 182—ASSEMBLYMEN MCCLAIN, PARKS, ALLEN, ARBERRY, ATKINSON, BOBZIEN, CLABORN, CONKLIN, DENIS, GERHARDT, GRADY, HORNE, KIHUEN, KIRKPATRICK, KOIVISTO, LESLIE, MANENDO, MARVEL, MUNFORD, OHRENSCHALL, PARNELL, PIERCE, SEGERBLOM, SMITH AND WOMACK

FEBRUARY 27, 2007

Referred to Concurrent Committees on
Health and Human Services and Ways and Means

SUMMARY—Makes various changes concerning the Fund for a Healthy Nevada and certain programs administered by the Department of Health and Human Services. (BDR 40-158)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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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 health; authorizing the Department of Health and Human Services to administer certain programs to assist certain persons with costs relating to health care and pharmaceutical services; revising the percentages of and the manner of allocating money in the Fund for a Healthy Nevada for certain programs; revising provisions governing the subsidies from the Fund for the cost of prescription drugs, pharmaceutical services and certain other benefits; revising the membership and duties of the Grants Management Advisory Committee; repealing the Task Force for the Fund for a Healthy Nevada; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 Under federal law, states may provide subsidies, prescription drugs and other
- 2 assistance to persons with the human immunodeficiency virus or acquired
- 3 immunodeficiency syndrome. (42 U.S.C. §§ 300ff-21 et seq.) **Section 1** of this bill
- 4 authorizes the Department of Health and Human Services to participate in the



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5 federal program and to administer the program in conjunction with other programs
6 already administered by the Department.

7 Under existing law, the Task Force for the Fund for a Healthy Nevada makes
8 allocations, or reserves for allocation or expenditure by the Department or the
9 Aging Services Division of the Department, certain percentages of money in the
10 Fund for a Healthy Nevada for certain programs and services. (NRS 439.630)
11 **Section 4** of this bill eliminates the role of the Task Force in making allocations of
12 money from the Fund and requires the Department to make such allocations itself.

13 Existing law establishes a program to provide subsidies for senior citizens and
14 persons with disabilities for the cost of prescription drugs and pharmaceutical
15 services and, for senior citizens, other benefits, including, without limitation, dental
16 and vision benefits. (NRS 439.635-439.690, 439.705-439.795) **Sections 4 and 5** of
17 this bill specifically add, to the extent money is available, hearing aids and other
18 hearing devices to the list of benefits available for both senior citizens and persons
19 with disabilities pursuant to these programs. **Sections 4 and 6** also make persons
20 with disabilities eligible for the same additional benefits for which senior citizens
21 are currently eligible under existing law, including, without limitation, dental and
22 vision benefits. This bill also allows certain veterans to receive such benefits if they
23 qualify as a senior citizen or person with a disability.

24 The Grants Management Advisory Committee provides assistance to the
25 Department in the allocation and administration of certain grants administered by
26 the Department. (NRS 232.383, 232.385) **Section 9** of this bill increases the
27 membership of the Advisory Committee.

28 **Section 11** of this bill repeals the Task Force for the Fund for a Healthy
29 Nevada.

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

1 **Section 1.** Chapter 439 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 *1. The Department may, to the extent that money is available,*
4 *administer a program pursuant to 42 U.S.C. §§ 300ff-21 et seq. to*
5 *provide therapeutics to treat certain persons who have been*
6 *diagnosed with the human immunodeficiency virus or acquired*
7 *immunodeficiency syndrome and to prevent the serious*
8 *deterioration of the health of such persons. The program may*
9 *include the provision of subsidies and pharmaceutical services.*

10 **2. The Director shall:**

11 *(a) Establish the criteria for eligibility for participation in the*
12 *program administered pursuant to this section, which must be in*
13 *accordance with the provisions of 42 U.S.C. §§ 300ff-21 et seq.;*
14 *and*

15 *(b) Prescribe the manner in which the program will be*
16 *administered and services will be provided.*

17 **3. The Department may use any other program administered**
18 *by the Department to facilitate the provision of subsidies and*
19 *services pursuant to this section, including, without limitation, the*
20 *provision of subsidies for pharmaceutical services to persons with*



1 *disabilities pursuant to NRS 439.705 to 439.795, inclusive. If the*
2 *Department uses another program to facilitate the provision of*
3 *subsidies and services pursuant to this section, the Department*
4 *shall not commingle the money available to carry out the*
5 *provisions of this section and the money available to carry out the*
6 *other program.*

7 **4. Money available to carry out the provisions of this section**
8 **must be accounted for separately by the Department.**

9 **Sec. 2.** NRS 439.600 is hereby amended to read as follows:

10 439.600 1. The Legislature hereby declares that its priorities
11 in expending the proceeds to the State of Nevada from settlement
12 agreements with and civil actions against manufacturers of tobacco
13 products are:

14 (a) To increase the number of Nevada students who attend and
15 graduate from Nevada institutions of higher education; and

16 (b) To assist Nevada residents in obtaining and maintaining
17 good health.

18 2. To further these priorities, the Legislature hereby declares
19 that it is in the best interest of the residents of this State that all
20 money received by the State of Nevada pursuant to any settlement
21 entered into by the State of Nevada and a manufacturer of tobacco
22 products and all money recovered by the State of Nevada from a
23 judgment in a civil action against a manufacturer of tobacco
24 products be dedicated solely toward the achievement of the
25 following goals:

26 (a) Increasing the number of Nevada residents who enroll in and
27 attend a university, college or community college in the State of
28 Nevada;

29 (b) Reducing and preventing the use of tobacco products,
30 alcohol and illegal drugs, especially by children;

31 (c) Expanding the availability of health insurance and health
32 care for children and adults in this State, especially for children and
33 for adults with disabilities;

34 (d) Assisting senior citizens *and persons with disabilities* who
35 have modest incomes in purchasing prescription drugs,
36 pharmaceutical services and, to the extent money is available, other
37 services, including, without limitation, dental and vision services ,
38 *and hearing aids or other devices that enhance the ability to hear,*
39 and assisting those senior citizens *and persons with disabilities* in
40 meeting their needs related to health care, home care, respite care
41 and their ability to live independent of institutional care; and

42 (e) Promoting the general health of all residents of the State of
43 Nevada.



Sec. 3. NRS 439.620 is hereby amended to read as follows:

439.620 1. The Fund for a Healthy Nevada is hereby created in the State Treasury. The State Treasurer shall deposit in the Fund:

(a) Fifty percent of all money received by this State pursuant to any settlement entered into by the State of Nevada and a manufacturer of tobacco products; and

(b) Fifty percent of all money recovered by this State from a judgment in a civil action against a manufacturer of tobacco products.

2. The State Treasurer shall administer the Fund. As administrator of the Fund, the State Treasurer:

(a) Shall maintain the financial records of the Fund;

(b) Shall invest the money in the Fund as the money in other state funds is invested;

(c) Shall manage any account associated with the Fund;

(d) Shall maintain any instruments that evidence investments made with the money in the Fund;

(e) May contract with vendors for any good or service that is necessary to carry out the provisions of this section; and

(f) May perform any other duties necessary to administer the Fund.

3. The interest and income earned on the money in the Fund must, after deducting any applicable charges, be credited to the Fund. All claims against the Fund must be paid as other claims against the State are paid.

4. ~~[Upon receiving a request from the]~~ *The* State Treasurer or the Department *may submit to the Interim Finance Committee a request* for an allocation for administrative expenses from the Fund pursuant to this section. ~~[, the Task Force for the Fund for a Healthy Nevada shall consider the request within 45 days after receipt of the request. If the Task Force approves the amount requested for allocation, the Task Force shall notify the State Treasurer of the allocation. If the Task Force does not approve the requested allocation within 45 days after receipt of the request, the State Treasurer or the Department, as applicable, may submit its request for allocation to the Interim Finance Committee.]~~ Except as otherwise limited by this subsection, the Interim Finance Committee may allocate all or part of the money so requested. The annual allocation for administrative expenses from the Fund ~~[, whether allocated by the Task Force or the Interim Finance Committee must not exceed:]~~ *must:*

(a) Not ~~[more than]~~ *exceed* 2 percent of the money in the Fund, as calculated pursuant to this subsection, each year to pay the costs incurred by the State Treasurer to administer the Fund; *and*



(b) Not ~~more than~~ *exceed* ~~[2.025]~~ *5* percent of the money in the Fund, as calculated pursuant to this subsection, each year to pay the costs incurred by the Department, including, without limitation, the Aging Services Division of the Department, to carry out its duties set forth in NRS ~~[439.625 and]~~ 439.630, ~~;~~

~~—(c) Not more than 1.5 percent of the money in the Fund, as calculated pursuant to this subsection, each year to pay the costs incurred by the Department]~~ to administer the provisions of NRS 439.635 to 439.690, inclusive ~~;~~, and

~~[(d) Not more than 0.125 percent of the money in the Fund, as calculated pursuant to this subsection, each year to pay the costs incurred by the Department to administer the provisions of]~~ NRS 439.705 to 439.795, inclusive.

➔ For the purposes of this subsection, the amount of money available for allocation to pay for the administrative costs must be calculated at the beginning of each fiscal year based on the total amount of money anticipated by the State Treasurer to be deposited in the Fund during that fiscal year.

5. The money in the Fund remains in the Fund and does not revert to the State General Fund at the end of any fiscal year.

6. All money that is deposited or paid into the Fund is hereby appropriated to the Department ~~[and, except as otherwise provided in paragraphs (e) to (f), inclusive, and (j) of subsection 1 of NRS 439.630, may only be expended pursuant to an]~~ *for expenditure or* allocation ~~[made by the Task Force for the Fund for a Healthy Nevada.]~~ *in accordance with the provisions of NRS 439.630.* Money expended from the Fund ~~[for a Healthy Nevada]~~ must not be used to supplant existing methods of funding that are available to public agencies.

Sec. 4. NRS 439.630 is hereby amended to read as follows:

439.630 1. The ~~[Task Force for the Fund for a Healthy Nevada]~~ *Department* shall:

(a) Conduct *, or require the Grants Management Advisory Committee created by NRS 232.383 to conduct,* public hearings to accept public testimony from a wide variety of sources and perspectives regarding existing or proposed programs that:

(1) Promote public health;

(2) Improve health services for children, senior citizens and persons with disabilities;

(3) Reduce or prevent the use of tobacco;

(4) Reduce or prevent the abuse of and addiction to alcohol and drugs; and

(5) Offer other general or specific information on health care in this State.



(b) Establish a process to evaluate the health and health needs of the residents of this State and a system to rank the health problems of the residents of this State, including, without limitation, the specific health problems that are endemic to urban and rural communities.

(c) ~~[Reserve]~~ *Allocate* not more than 30 percent of ~~[all]~~ *available* revenues ~~[deposited in the Fund for a Healthy Nevada each year]~~ for direct expenditure by the Department to pay for prescription drugs, pharmaceutical services and, to the extent money is available, other benefits, including, without limitation, dental and vision benefits *and hearing aids or other devices that enhance the ability to hear*, for senior citizens pursuant to NRS 439.635 to 439.690, inclusive. From the money ~~[reserved to the Department]~~ *allocated* pursuant to this paragraph, the Department may subsidize any portion of the cost of providing prescription drugs, pharmaceutical services and, to the extent money is available, other benefits, including, without limitation, dental and vision benefits *and hearing aids or other devices that enhance the ability to hear*, to senior citizens pursuant to NRS 439.635 to 439.690, inclusive. The Department shall consider recommendations from the ~~[Task Force for the Fund for a Healthy Nevada]~~ *Legislative Committee on Health Care* in carrying out the provisions of NRS 439.635 to 439.690, inclusive. The Department shall submit a quarterly report to the Governor, ~~[the Task Force for the Fund for a Healthy Nevada and]~~ the Interim Finance Committee, *the Legislative Committee on Health Care and any other committees or commissions the Director deems appropriate* regarding the general manner in which expenditures have been made pursuant to this paragraph. ~~[and the status of the program.]~~

(d) ~~[Reserve]~~ *Allocate, by contract or grant, for expenditure* not more than 30 percent ~~[minus \$350,000 of all]~~ *of available* revenues ~~[deposited in the Fund for a Healthy Nevada each year]~~ for allocation by the Aging Services Division of the Department in the form of grants for existing or new programs that assist senior citizens with independent living, including, without limitation, programs that provide:

- (1) Respite care or relief of ~~[family]~~ *informal* caretakers;
- (2) Transportation to new or existing services to assist senior citizens in living independently; and
- (3) Care in the home which allows senior citizens to remain at home instead of in institutional care.

➔ The Aging Services Division of the Department shall consider recommendations from the ~~[Task Force for the Fund for a Healthy Nevada]~~ *Legislative Committee on Health Care* concerning the independent living needs of senior citizens.



(e) ~~[Reserve not more than]~~ *Allocate* \$200,000 of all revenues deposited in the Fund ~~[for a Healthy Nevada]~~ each year for ~~[allocation]~~ *direct expenditure* by the Director to:

(1) Provide guaranteed funding to finance assisted living facilities that satisfy the criteria for certification set forth in NRS 319.147; and

(2) Fund assisted living facilities that satisfy the criteria for certification set forth in NRS 319.147 and assisted living supportive services that are provided pursuant to the provisions of the home and community-based services waiver which are amended pursuant to NRS 422.2708.

➔ The Director shall develop policies and procedures for ~~[allocating money which is reserved]~~ *distributing the money allocated* pursuant to this paragraph. *Money allocated pursuant to this paragraph does not revert to the Fund at the end of the fiscal year.*

(f) ~~[Reserve \$150,000 of all revenues deposited in the Fund for a Healthy Nevada each year, if available, for allocation by the Aging Services Division of the Department in the form of contracts or grants for existing or new programs that provide dental benefits to persons who are domiciled in this State and are 62 years of age or older:]~~

~~—— (1) Who satisfy the residency requirement set forth in subsection 2 of NRS 439.665; and~~

~~—— (2) Whose incomes are not over the amounts set forth in subsection 2 of NRS 439.665, as adjusted pursuant to the provisions of that section.~~

~~—— (g)]~~ *Allocate*, by contract or grant, for expenditure not more than 20 percent of ~~[all]~~ *available* revenues ~~[deposited in the Fund for a Healthy Nevada each year]~~ for programs that prevent, reduce or treat the use of tobacco and the consequences of the use of tobacco.

~~[(h)]~~ *(g)* *Allocate*, by contract or grant, for expenditure not more than 10 percent of ~~[all]~~ *available* revenues ~~[deposited in the Fund for a Healthy Nevada each year]~~ for programs that improve health services for children.

~~[(i)]~~ *(h)* *Allocate*, by contract or grant, for expenditure not more than 7.5 percent of ~~[all]~~ *available* revenues ~~[deposited in the Fund for a Healthy Nevada each year]~~ for programs that improve the health and well-being of persons with disabilities. In making allocations pursuant to this paragraph, the ~~[Task Force]~~ *Department* shall, to the extent practicable, allocate the money evenly among the following three types of programs:

(1) Programs that provide respite ~~[for persons caring]~~ *care or relief of informal caretakers* for persons with disabilities;

(2) Programs that provide positive behavioral supports to persons with disabilities; and



(3) Programs that assist persons with disabilities to live safely and independently in their communities outside of an institutional setting.

~~[(j) Reserve]~~

(i) *Allocate* not more than 2.5 percent of ~~[a]] available~~ revenues ~~[deposited in the Fund for a Healthy Nevada each year]~~ for direct expenditure by the Department to subsidize any portion of the cost of providing prescription drugs, ~~[and]~~ pharmaceutical services *and, to the extent money is available, other benefits, including, without limitation, dental and vision benefits and hearing aids or other devices that enhance the ability to hear*, to persons with disabilities pursuant to NRS 439.705 to 439.795, inclusive. The Department shall consider recommendations from the ~~[Task Force for the Fund for a Healthy Nevada]~~ *Legislative Committee on Health Care* in carrying out the provisions of NRS 439.705 to 439.795, inclusive.

~~[(k)]~~ (j) Maximize expenditures through local, federal and private matching contributions.

~~[(l)]~~ (k) Ensure that any money expended from the Fund ~~[for a Healthy Nevada]~~ will not be used to supplant existing methods of funding that are available to public agencies.

~~[(m)]~~ (l) Develop policies and procedures for the administration and distribution of contracts, grants and other expenditures to state agencies, political subdivisions of this State, nonprofit organizations, universities, state colleges and community colleges. A condition of any such contract or grant must be that not more than 8 percent of the contract or grant may be used for administrative expenses or other indirect costs. The procedures must require at least one competitive round of requests for proposals per biennium.

~~[(n)]~~ (m) To make the allocations required by paragraphs (f), (g) ~~[.]~~ and (h) : ~~[and (i):]~~

(1) ~~[Prioritize and quantify]~~ *Review and consider the prioritized list of* the needs for these programs ~~[.]~~ *submitted by the Legislative Committee on Health Care pursuant to NRS 439B.220;*

(2) Develop, solicit and accept applications for allocations;

(3) *Review and consider the recommendations of the Grants Management Advisory Committee submitted pursuant to NRS 232.385;*

(4) Conduct annual evaluations of programs to which allocations have been awarded; and

~~[(4)]~~ (5) Submit annual reports concerning the programs to the Governor, ~~[and]~~ the Interim Finance Committee ~~[.]~~, *the Legislative Committee on Health Care and any other committees or commissions the Director deems appropriate.*

~~[(o)]~~ (n) Transmit a report of all findings, recommendations and expenditures to the Governor, ~~[and]~~ each regular session of the



Legislature ~~[]~~, *the Legislative Committee on Health Care and any other committees or commissions the Director deems appropriate.*

2. The ~~[Task Force]~~ *Department* may take such other actions as are necessary to carry out its duties.

~~3. [The Department shall take all actions necessary to ensure that all allocations for expenditures made by the Task Force are carried out as directed by the Task Force.~~

~~—4.—~~ To make the allocations required by ~~[paragraphs (d) and (f)]~~ *paragraph (d)* of subsection 1, the Aging Services Division of the Department shall:

(a) Prioritize and quantify the needs of senior citizens for these programs;

(b) Develop, solicit and accept grant applications for allocations;

(c) As appropriate, expand or augment existing state programs for senior citizens upon approval of the Interim Finance Committee;

(d) Award grants, contracts or other allocations;

(e) Conduct annual evaluations of programs to which grants or other allocations have been awarded; and

(f) Submit annual reports concerning the allocations made by the Aging Services Division pursuant to ~~[paragraphs]~~ *paragraph (d)* ~~[and (f)]~~ of subsection 1 to the Governor, ~~[and]~~ the Interim Finance Committee ~~[]~~, *the Legislative Committee on Health Care and any other committees or commissions the Director deems appropriate.*

~~[5.]~~ 4. The Aging Services Division of the Department shall submit each proposed grant or contract which would be used to expand or augment an existing state program to the Interim Finance Committee for approval before the grant or contract is awarded. The request for approval must include a description of the proposed use of the money and the person or entity that would be authorized to expend the money. The Aging Services Division of the Department shall not expend or transfer any money allocated to the Aging Services Division pursuant to this section to subsidize any portion of the cost of providing prescription drugs, ~~[and]~~ pharmaceutical services *and other benefits, including, without limitation, dental and vision benefits and hearing aids or other devices that enhance the ability to hear*, to senior citizens pursuant to NRS 439.635 to 439.690, inclusive, or to subsidize any portion of the cost of providing prescription drugs, ~~[and]~~ pharmaceutical services *and other benefits, including, without limitation, dental and vision benefits and hearing aids or other devices that enhance the ability to hear*, to persons with disabilities pursuant to NRS 439.705 to 439.795, inclusive.

~~[6.—The Department, on behalf of the Task Force, shall submit each allocation proposed pursuant to paragraph (g), (h) or (i) of subsection 1 which would be used to expand or augment an existing~~



~~state program to the Interim Finance Committee for approval before the contract or grant is awarded. The request for approval must include a description of the proposed use of the money and the person or entity that would be authorized to expend the money.}]~~

5. A veteran may receive benefits or other services which are available from the money allocated pursuant to this section for senior citizens or persons with disabilities to the extent that the veteran does not receive other benefits or services provided to veterans for the same purpose if the veteran qualifies for the benefits or services as a senior citizen or a person with a disability, or both.

6. As used in this section, "available revenues" means the total revenues deposited in the Fund for a Healthy Nevada each year minus \$200,000.

Sec. 5. NRS 439.665 is hereby amended to read as follows:

439.665 1. The Department may:

(a) Enter into contracts with private insurers who transact health insurance in this State to subsidize the cost of prescription drugs, pharmaceutical services and, to the extent money is available, other benefits, including, without limitation, dental and vision benefits ~~}]~~ *and hearing aids or other devices that enhance the ability to hear,* for senior citizens by arranging for the availability, at a reasonable cost, of policies of health insurance that provide coverage to senior citizens for prescription drugs, pharmaceutical services and, to the extent money is available, other benefits, including, without limitation, dental and vision benefits ~~}]~~ *and hearing aids or other devices that enhance the ability to hear;* or

(b) Subsidize the cost of prescription drugs, pharmaceutical services and, to the extent money is available, other benefits, including, without limitation, dental and vision benefits ~~}]~~ *and hearing aids or other devices that enhance the ability to hear,* for senior citizens in any other manner.

2. Within the limits of the money available for this purpose in the Fund for a Healthy Nevada, a senior citizen who is not eligible for Medicaid and who is eligible for a subsidy that is made available pursuant to subsection 1 is entitled to an annual grant from the Fund to subsidize the cost of prescription drugs, pharmaceutical services and, to the extent money is available, other benefits, including, without limitation, dental and vision benefits ~~}]~~ *and hearing aids or other devices that enhance the ability to hear,* if he has been domiciled in this State for at least 1 year immediately preceding the date of his application and ~~}]~~ *except as otherwise provided in subsection 5:*

(a) If the senior citizen is single, his income is not over \$21,500; or



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(b) If the senior citizen is married, his household income is not over \$28,660.

➡ The monetary amounts set forth in this subsection must be adjusted for each fiscal year by adding to each amount the product of the amount shown multiplied by the percentage increase in the Consumer Price Index from December 2002 to the December preceding the fiscal year for which the adjustment is calculated.

3. The subsidy granted pursuant to this section must not exceed the annual cost of prescription drugs, pharmaceutical services and *to the extent money is available*, other benefits , *including, without limitation, dental and vision benefits and hearing aids or other devices that enhance the ability to hear*, provided to the senior citizen.

4. A subsidy that is made available pursuant to subsection 1 must provide for:

(a) A copayment of not more than \$10 per prescription drug or pharmaceutical service that is generic as set forth in the formulary of the insurer or as set forth by the Department; and

(b) A copayment of not more than \$25 per prescription drug or pharmaceutical service that is preferred as set forth in the formulary of the insurer or as set forth by the Department.

5. The Department may waive the eligibility requirement set forth in subsection 2 regarding household income upon written request of the applicant or enrollee based on one or more of the following circumstances:

(a) Illness;


(b) Disability; or

(c) Extreme financial hardship, when considering the current financial circumstances of the applicant or enrollee.

➡ An applicant or enrollee who requests such a waiver shall include with that request all medical and financial documents that support his request.

6. If the Federal Government provides any coverage for:

(a) Prescription drugs and pharmaceutical services; or

(b) Other benefits, including, without limitation, dental or vision benefits  *or hearing aids or other devices that enhance the ability to hear*,

➡ for senior citizens who are eligible for a subsidy pursuant to subsections 1 to 5, inclusive, the Department may, upon approval of the Legislature, or the Interim Finance Committee if the Legislature is not in session, change any program established pursuant to NRS 439.635 to 439.690, inclusive, and otherwise provide assistance with prescription drugs, pharmaceutical services and, to the extent money is available, other benefits, including, without limitation, dental and vision benefits *and hearing aids or other devices that*



1 *enhance the ability to hear*, for senior citizens within the limits of
2 the money available for this purpose in the Fund . ~~{for a Healthy~~
3 ~~Nevada.}~~

4 7. The provisions of subsections 1 to 5, inclusive, do not apply
5 to the extent that the Department provides assistance *with*
6 *prescription drugs, pharmaceutical services and other benefits,*
7 *including, without limitation, dental and vision benefits and*
8 *hearing aids or other devices that enhance the ability to hear*, for
9 senior citizens pursuant to subsection 6.

10 8. *A veteran may receive assistance with prescription drugs,*
11 *pharmaceutical services and other benefits, including, without*
12 *limitation, dental and vision benefits and hearing aids or other*
13 *devices that enhance the ability to hear, pursuant to this section to*
14 *the extent that the veteran does not receive other services or*
15 *benefits provided to veterans for the same purpose if the veteran*
16 *qualifies for the assistance as a senior citizen.*

17 **Sec. 6.** NRS 439.745 is hereby amended to read as follows:

18 439.745 1. The Department may:

19 (a) Enter into contracts with private insurers who transact health
20 insurance in this State to subsidize the cost of prescription drugs ,
21 ~~{and}~~ pharmaceutical services *and, to the extent money is available,*
22 *other benefits, including, without limitation, dental and vision*
23 *benefits and hearing aids or other devices that enhance the ability*
24 *to hear*, for persons with disabilities by arranging for the
25 availability, at a reasonable cost, of policies of health insurance that
26 provide coverage to persons with disabilities for prescription drugs ,
27 ~~{and}~~ pharmaceutical services ~~{}~~ *and, to the extent money is*
28 *available, other benefits, including, without limitation, dental and*
29 *vision benefits and hearing aids or other devices that enhance the*
30 *ability to hear;* or

31 (b) Subsidize the cost of prescription drugs , ~~{and}~~
32 pharmaceutical services *and, to the extent money is available, other*
33 *benefits, including, without limitation, dental and vision benefits*
34 *and hearing aids or other devices that enhance the ability to hear,*
35 for persons with disabilities in any other manner.

36 2. Within the limits of the money available for this purpose in
37 the Fund for a Healthy Nevada, a person with a disability who is not
38 eligible for Medicaid and who is eligible for a subsidy for the cost of
39 prescription drugs , ~~{and}~~ pharmaceutical services *and other*
40 *benefits, including, without limitation, dental and vision benefits*
41 *and hearing aids or other devices that enhance the ability to hear*
42 that is made available pursuant to subsection 1 is entitled to an
43 annual grant from the Fund to subsidize the cost of prescription
44 drugs , ~~{and}~~ pharmaceutical services ~~{}~~ *and other benefits,*
45 *including, without limitation, dental and vision benefits and*



1 *hearing aids or other devices that enhance the ability to hear*, if he
2 has been domiciled in this State for at least 1 year immediately
3 preceding the date of his application and ~~and~~ *except as otherwise*
4 *provided in subsection 5:*

5 (a) If the person with a disability is single, his income is not
6 over \$21,500; or

7 (b) If the person with a disability is married, his household
8 income is not over \$28,660.

9 ➔ The monetary amounts set forth in this subsection must be
10 adjusted for each fiscal year by adding to each amount the product
11 of the amount shown multiplied by the percentage increase in the
12 Consumer Price Index from December 2002 to the December
13 preceding the fiscal year for which the adjustment is calculated.

14 3. The subsidy granted pursuant to this section must not exceed
15 the annual cost of prescription drugs, ~~and~~ *pharmaceutical services*
16 *and, to the extent money is available, other benefits, including,*
17 *without limitation, dental and vision benefits and hearing aids or*
18 *other devices that enhance the ability to hear*, provided to the
19 person with a disability.

20 4. A subsidy that is made available pursuant to subsection 1
21 must provide for:

22 (a) A copayment of not more than \$10 per prescription drug or
23 pharmaceutical service that is generic as set forth in the formulary of
24 the insurer or as set forth by the Department; and

25 (b) A copayment of not more than \$25 per prescription drug or
26 pharmaceutical service that is preferred as set forth in the formulary
27 of the insurer or as set forth by the Department.

28 5. The Department may waive the eligibility requirement set
29 forth in subsection 2 regarding household income upon written
30 request of the applicant or enrollee based on one or more of the
31 following circumstances:

32 (a) Illness;

33 (b) Disability; or

34 (c) Extreme financial hardship, when considering the current
35 financial circumstances of the applicant or enrollee.

36 ➔ An applicant or enrollee who requests such a waiver shall include
37 with that request all medical and financial documents that support
38 his request.

39 6. If the Federal Government provides any coverage ~~of~~
40 ~~prescription~~ *for:*

41 (a) *Prescription* drugs and pharmaceutical services ; or

42 (b) *Other benefits, including, without limitation, dental or*
43 *vision benefits or hearing aids or other devices that enhance the*
44 *ability to hear,*



1 ➔ for persons with disabilities who are eligible for a subsidy
2 pursuant to subsections 1 to 5, inclusive, the Department may, upon
3 approval of the Legislature, or the Interim Finance Committee if the
4 Legislature is not in session, change any program established
5 pursuant to NRS 439.705 to 439.795, inclusive, and otherwise
6 provide assistance with prescription drugs , ~~[and]~~ pharmaceutical
7 services *and, to the extent money is available, other benefits,*
8 *including, without limitation, dental and vision benefits and*
9 *hearing aids or other devices that enhance the ability to hear,* for
10 persons with disabilities within the limits of the money available for
11 this purpose in the Fund . ~~[for a Healthy Nevada.]~~

12 7. The provisions of subsections 1 to 5, inclusive, do not apply
13 if the Department provides assistance with prescription drugs , ~~[and]~~
14 pharmaceutical services *and other benefits, including, without*
15 *limitation, dental and vision benefits and hearing aids or other*
16 *devices that enhance the ability to hear,* for persons with
17 disabilities pursuant to subsection 6.

18 8. *A veteran may receive assistance with prescription drugs,*
19 *pharmaceutical services and other benefits, including, without*
20 *limitation, dental and vision benefits and hearing aids or other*
21 *devices that enhance the ability to hear, pursuant to this section to*
22 *the extent that the veteran does not receive other services or*
23 *benefits provided to veterans for the same purpose if the veteran*
24 *qualifies for the assistance as a person with a disability.*

25 Sec. 7. (Deleted by amendment.)

26 Sec. 8. NRS 439B.220 is hereby amended to read as follows:

27 439B.220 1. The Committee may:

28 ~~[1-]~~ (a) Review and evaluate the quality and effectiveness of
29 programs for the prevention of illness.

30 ~~[2-]~~ (b) Review and compare the costs of medical care among
31 communities in Nevada with similar communities in other states.

32 ~~[3-]~~ (c) Analyze the overall system of medical care in the State
33 to determine ways to coordinate the providing of services to all
34 members of society, avoid the duplication of services and achieve
35 the most efficient use of all available resources.

36 ~~[4-]~~ (d) Examine the business of providing insurance, including
37 the development of cooperation with health maintenance
38 organizations and organizations which restrict the performance of
39 medical services to certain physicians and hospitals, and procedures
40 to contain the costs of these services.

41 ~~[5-]~~ (e) Examine hospitals to:

42 ~~[(a)]~~ (1) Increase cooperation among hospitals;

43 ~~[(b)]~~ (2) Increase the use of regional medical centers; and



~~{(e)}~~ (3) Encourage hospitals to use medical procedures which do not require the patient to be admitted to the hospital and to use the resulting extra space in alternative ways.

~~{6-}~~ (f) Examine medical malpractice.

~~{7-}~~ (g) Examine the system of education to coordinate:

~~{(a)}~~ (1) Programs in health education, including those for the prevention of illness and those which teach the best use of available medical services; and

~~{(b)}~~ (2) The education of those who provide medical care.

~~{8-}~~ (h) Review competitive mechanisms to aid in the reduction of the costs of medical care.

~~{9-}~~ (i) Examine the problem of providing and paying for medical care for indigent and medically indigent persons, including medical care provided by physicians.

~~{10-}~~ (j) Examine the effectiveness of any legislation enacted to accomplish the purpose of restraining the costs of health care while ensuring the quality of services, and its effect on the subjects listed in ~~{subsections 1 to 9-}~~ paragraphs (a) to (i), inclusive.

~~{11-}~~ (k) Determine whether regulation by the State will be necessary in the future by examining hospitals for evidence of:

~~{(a)}~~ (1) Degradation or discontinuation of services previously offered, including without limitation, neonatal care, pulmonary services and pathology services; or

~~{(b)}~~ (2) A change in the policy of the hospital concerning contracts,

↳ as a result of any legislation enacted to accomplish the purpose of restraining the costs of health care while ensuring the quality of services.

~~{12-}~~ (l) Study the effect of the acuity of the care provided by a hospital upon the revenues of the hospital and upon limitations upon that revenue.

~~{13-}~~ (m) Review the actions of the Director in administering the provisions of this chapter and adopting regulations pursuant to those provisions. The Director shall report to the Committee concerning any regulations proposed or adopted pursuant to this chapter.

~~{14-}~~ (n) Identify and evaluate, with the assistance of an advisory group, the alternatives to institutionalization for providing long-term care, including, without limitation:

~~{(a)}~~ (1) An analysis of the costs of the alternatives to institutionalization and the costs of institutionalization for persons receiving long-term care in this State;

~~{(b)}~~ (2) A determination of the effects of the various methods of providing long-term care services on the quality of life of persons receiving those services in this State;



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~~[(e)]~~ (3) A determination of the personnel required for each method of providing long-term care services in this State; and

~~[(d)]~~ (4) A determination of the methods for funding the long-term care services provided to all persons who are receiving or who are eligible to receive those services in this State.

~~[(5)]~~ (o) Evaluate, with the assistance of an advisory group, the feasibility of obtaining a waiver from the Federal Government to integrate and coordinate acute care services provided through Medicare and long-term care services provided through Medicaid in this State.

~~[(6)]~~ (p) Evaluate, with the assistance of an advisory group, the feasibility of obtaining a waiver from the Federal Government to eliminate the requirement that elderly persons in this State impoverish themselves as a condition of receiving assistance for long-term care.

~~[(7)]~~ (q) Conduct investigations and hold hearings in connection with its review and analysis.

~~[(8)]~~ (r) Apply for any available grants and accept any gifts, grants or donations to aid the Committee in carrying out its duties pursuant to this chapter.

~~[(9)]~~ (s) Direct the Legislative Counsel Bureau to assist in its research, investigations, review and analysis.

~~[(20)]~~ (t) Recommend to the Legislature as a result of its review any appropriate legislation.

2. The Committee shall:

(a) Prioritize the needs for the programs for the receipt of awards of money pursuant to paragraphs (f), (g) and (h) of subsection 1 of NRS 439.630 and deliver to the Department and the Grants Management Advisory Committee created by NRS 232.383 a list of those priorities; and

(b) Make recommendations to the Aging Services Division of the Department concerning the independent living needs of senior citizens for purposes of allocating money pursuant to paragraph (d) of subsection 1 of NRS 439.630.

Sec. 9. NRS 232.383 is hereby amended to read as follows:

232.383 1. The Grants Management Advisory Committee is hereby created within the Department.

2. The Advisory Committee consists of the following ~~[(1)]~~ 15 members appointed by the Director:

(a) A superintendent of a county school district ~~[(1)]~~ or his designee;

(b) A director of a local agency ~~[(providing)]~~ which provides services for abused or neglected children ~~[(1)]~~

~~[(c) A representative of a community organization involved with], or his designee;~~



1 (c) *A member who possesses knowledge, skill and experience*
2 *in the provision of services to* children;

3 (d) A representative of a department of juvenile justice services;

4 (e) A member who possesses knowledge, skill and experience in
5 the provision of services to senior citizens;

6 (f) Two members who possess knowledge, skill and experience
7 in finance or in business generally;

8 (g) A representative of the Nevada Association of Counties;

9 (h) ~~[A representative of a broad-based nonprofit organization]~~ A
10 *member* who possesses knowledge, skill and experience in
11 ~~[collaborating with the community and in]~~ building partnerships
12 between the public sector and the private sector; ~~[and]~~

13 (i) Two members of the public who possess knowledge of or
14 experience in the provision of services to persons or families who
15 are disadvantaged or at risk ~~[]~~;

16 (j) *A member who possesses knowledge, skill and experience in*
17 *the provision of services to persons with disabilities;*

18 (k) *A member who possesses knowledge, skill and experience*
19 *in the provision of services relating to the cessation of the use of*
20 *tobacco;*

21 (l) *A member who possesses knowledge, skill and experience in*
22 *the provision of health services to children; and*

23 (m) *A representative who is a member of the Nevada*
24 *Commission on Aging, created by NRS 427A.032, who must not be*
25 *a Legislator.*

26 3. *An entity who employs a member of the Advisory*
27 *Committee is not eligible to receive a grant. This subsection does*
28 *not prohibit an entity that serves solely as the fiscal agent for a*
29 *recipient of a grant from employing a member of the Advisory*
30 *Committee.*

31 ~~[3-]~~ 4. The Director shall ensure that, insofar as practicable, the
32 members whom he appoints reflect the ethnic and geographical
33 diversity of this State.

34 ~~[4-]~~ 5. After the initial terms, each member of the Advisory
35 Committee serves for a term of 2 years. Each member of the
36 Advisory Committee continues in office until his successor is
37 appointed.

38 ~~[5-]~~ 6. Each member of the Advisory Committee who is not an
39 officer or employee of this State or a political subdivision of this
40 State is entitled to receive a salary of not more than \$80 per day,
41 fixed by the Director, while engaged in the business of the Advisory
42 Committee.

43 ~~[6-]~~ 7. While engaged in the business of the Advisory
44 Committee, each member of the Advisory Committee is entitled to



1 receive the per diem allowance and travel expenses provided for
2 state officers and employees generally.

3 ~~[7-]~~ 8. A majority of the members of the Advisory Committee
4 constitutes a quorum for the transaction of business, and a majority
5 of a quorum present at any meeting is sufficient for any official
6 action taken by the Advisory Committee.

7 ~~[8-]~~ 9. A member of the Advisory Committee who is an officer
8 or employee of this State or a political subdivision of this State must
9 be relieved from his duties without loss of his regular compensation
10 so that he may prepare for and attend meetings of the Advisory
11 Committee and perform any work necessary to carry out the duties
12 of the Advisory Committee in the most timely manner practicable.
13 A state agency or political subdivision of this State shall not require
14 an officer or employee who is a member of the Advisory Committee
15 to:

16 (a) Make up the time he is absent from work to carry out his
17 duties as a member of the Advisory Committee; or

18 (b) Take annual leave or compensatory time for the absence.

19 ~~[9-]~~ 10. The Advisory Committee shall:

20 (a) At its first meeting and annually thereafter, elect a Chairman
21 from among its members;

22 (b) Meet at the call of the Director, the Chairman or a majority
23 of its members as necessary, within the budget of the Advisory
24 Committee, but not to exceed six meetings per year; and

25 (c) Adopt rules for its own management and government.

26 **Sec. 10.** NRS 232.385 is hereby amended to read as follows:

27 232.385 The Grants Management Advisory Committee created
28 by NRS 232.383 shall:

29 1. Review all requests received by the Department for awards
30 of money from agencies of the State or its political subdivisions and
31 nonprofit community organizations or educational institutions which
32 provide or will provide services to persons served by the programs
33 administered by the Department;

34 2. Submit recommendations to the Director concerning each
35 request for an award of money that the Advisory Committee
36 believes should be granted, including, without limitation, the name
37 of the agency, nonprofit community organization or educational
38 institution that submitted the request;

39 3. Adopt policies setting forth criteria to determine which
40 agencies, organizations and institutions to recommend for an award
41 of money;

42 4. Monitor awards of money granted by the Department to
43 agencies of the State or its political subdivisions, and nonprofit
44 community organizations or educational institutions which provide
45 or will provide services to persons served by the programs



administered by the Department ~~H~~, *including, without limitation, awards of money granted pursuant to NRS 439.630;*

5. Assist the staff of the Department in determining the needs of local communities and in setting priorities for funding programs administered by the Department; and

6. Consider funding strategies for the Department, including, without limitation, seeking ways to avoid unnecessary duplication of the services for which awards of money to agencies of the State or its political subdivisions and nonprofit community organizations or educational institutions are granted, and make recommendations concerning funding strategies to the Director.

Sec. 11. NRS 439.625 is hereby repealed.

Sec. 12. Any money allocated or reserved for direct expenditure pursuant to paragraph (f) of subsection 1 of NRS 439.630 on or before June 30, 2007, that is unspent and returned must be allocated, on and after July 1, 2007, in accordance with the amendatory provisions of paragraph (c) of subsection 1 of NRS 439.630.

Sec. 13. 1. The term of the member of the Grants Management Advisory Committee who is a representative of a:

(a) Broad-based nonprofit organization who possesses knowledge, skill and experience in collaborating with the community and in building partnerships between the public sector and the private sector expires on June 30, 2007.

(b) Community organization involved with children expires on June 30, 2007.

2. The Director of the Department of Health and Human Services shall appoint one member to the Grants Management Advisory Committee pursuant to NRS 232.383, as amended by section 9 of this act, who:

(a) Possesses knowledge, skill and experience in the provision of services to persons with disabilities whose term begins on July 1, 2007, and expires on June 30, 2008.

(b) Possesses knowledge, skill and experience in the provision of services relating to the cessation of the use of tobacco whose term begins on July 1, 2007, and expires on June 30, 2009.

(c) Possesses knowledge, skill and experience in the provision of health services to children whose term begins on July 1, 2007, and expires on June 30, 2009.

(d) Is a member of the Nevada Commission on Aging whose term begins on July 1, 2007, and expires on June 30, 2008.

(e) Possesses knowledge, skill and experience in the provision of services to children begins on July 1, 2007, and expires on June 30, 2008.



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(f) Possesses knowledge, skill and experience in building partnerships between the public sector and the private sector begins on July 1, 2007, and expires on June 30, 2009.

Sec. 14. The Legislative Committee on Health Care shall examine and review the allocations of money from the Fund for a Healthy Nevada pursuant to NRS 439.630 to determine whether the allocations reflect the needs of this State and the residents of this State. The examination and review must consider whether the money allocated for programs that prevent, reduce or treat the use of tobacco and the consequences of the use of tobacco should be reduced and determine whether such money should be allocated directly to the Health Division of the Department of Health and Human Services and the district boards of health in counties whose population is 50,000 or more.

Sec. 15. Notwithstanding the provisions of this act, an award of money granted by the Task Force for the Fund for a Healthy Nevada pursuant to NRS 439.630 on or before June 30, 2007, remains in effect and the Grants Management Advisory Committee shall monitor the award of money pursuant to NRS 232.385.

Sec. 16. This act becomes effective on July 1, 2007.

TEXT OF REPEALED SECTION

439.625 Task Force for Fund: Creation; membership; selection and term of Chairman and Vice Chairman; compensation of members; relief from regular duties of member who is officer or employee of local government; administrative support and technical assistance.

1. The Task Force for the Fund for a Healthy Nevada is hereby created. The membership of the Task Force consists of:

(a) Three members appointed by the Majority Leader of the Senate, one of whom must be a Senator and one of whom must be a member of a nonprofit organization dedicated to health issues in this State;

(b) Three members appointed by the Speaker of the Assembly, one of whom must be an Assemblyman and one of whom must be a member of a nonprofit organization dedicated to health issues in this State; and

(c) Three members appointed by the Governor, one of whom must have experience with and knowledge of matters relating to health care.



↪ Each member appointed pursuant to this subsection must be a resident of this State and must not be employed in the Executive or Judicial Branch of State Government. Each person who appoints members pursuant to this subsection shall ensure that insofar as practicable, the members whom he appoints reflect the ethnic and geographical diversity of this State.

2. At its first meeting on or after July 1 of each odd-numbered year, the Task Force shall select the Chairman and Vice Chairman of the Task Force from among the legislative members of the Task Force. Each such officer shall hold office for a term of 2 years or until his successor is selected. The chairmanship of the Task Force must alternate each biennium between the houses of the Legislature.

3. For each day or portion of a day during which a member of the Task Force who is a Legislator attends a meeting of the Task Force or is otherwise engaged in the work of the Task Force, except during a regular or special session of the Legislature, he is entitled to receive the:

(a) Compensation provided for a majority of the members of the Legislature during the first 60 days of the preceding session;

(b) Per diem allowance provided for state officers and employees generally; and

(c) Travel expenses provided pursuant to NRS 218.2207.

↪ The compensation, per diem allowances and travel expenses of the legislative members of the Task Force must be paid from the Legislative Fund.

4. Members of the Task Force who are not Legislators serve without salary, except that they are entitled to receive travel expenses provided for state officers and employees generally. The travel expenses of:

(a) A member of the Task Force who is an officer or employee of a local government thereof must be paid by the local government that employs him.

(b) Each remaining member of the Task Force must be paid from the Legislative Fund.

5. Each member of the Task Force who is an officer or employee of a local government must be relieved from his duties without loss of his regular compensation so that he may perform his duties relating to the Task Force in the most timely manner practicable. A local government shall not require an officer or employee who is a member of the Task Force to:

(a) Make up the time he is absent from work to fulfill his obligations as a member of the Task Force; or

(b) Take annual leave or compensatory time for the absence.

6. The Legislative Counsel Bureau and the Department shall provide such administrative support to the Task Force as is required



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to carry out the duties of the Task Force. The State Health Officer shall provide such technical advice and assistance to the Task Force as is requested by the Task Force.

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