

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

**Seventy-Fourth Session
February 14, 2007**

The Committee on Health and Human Services was called to order by Chair Sheila Leslie at 1:56 p.m., on Wednesday, February 14, 2007, in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/74th/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblywoman Sheila Leslie, Chair
Assemblywoman Susan I. Gerhardt, Vice Chair
Assemblyman Bob L. Beers
Assemblyman Joseph P. (Joe) Hardy
Assemblywoman Ellen M. Koivisto
Assemblywoman Kathy McClain
Assemblywoman Bonnie Parnell
Assemblywoman Peggy Pierce
Assemblywoman Valerie E. Weber
Assemblywoman RoseMary Womack

COMMITTEE MEMBERS EXCUSED:

Assemblyman Lynn D. Stewart

GUEST LEGISLATORS PRESENT:

Assemblywoman Heidi S. Gansert, Washoe County Assembly District 25

STAFF MEMBERS PRESENT:

Sarah J. Lutter, Committee Policy Analyst, Research Division, LCB
Sherrada Fielder, Committee Secretary
Olivia Lloyd, Committee Assistant



OTHERS PRESENT:

Trudy A. Larson, M.D., University of Nevada School of Medicine,
Director of Organ and Tissue Donor Program

Charles Duarte, Administrator, Health Care Financing and Policy,
Department of Human Services

Patricia Durbin, Executive Director, Great Basin Primary Care
Association

Jon Sasser, Statewide Advocacy Coordinator, Washoe Legal
Services, Nevada Legal Services and Washoe County Senior
Law Project

[Chair called the meeting to order.]

**Assembly Bill 75: Revises the provisions governing use of money in the
Anatomical Gift Account. (BDR 40-1031)**

Assemblywoman Heidi S. Gansert, District 25, Reno, Nevada

This bill is related to the anatomical gift account. With me is Dr. Trudy Larson who will speak to the bill. This account deals with the organ and tissue donor network. It is unique in that it has its own source of funds and does not use general fund dollars. They are asking for a change related to some of their funding.

**Trudy A. Larson, MD, University of Nevada School of Medicine, Director of
Organ and Tissue Donor Program:**

Last session, the Legislature passed a bill that allowed the organ donor program to transition to the University of Nevada, School of Medicine. Before that it was in the Bureau of Consumer Affairs. The legislation created a funding mechanism to help with the education for increasing the number of donors in the State of Nevada.

We are asking for permission to use more of the Gift of Life Fund for administration. This fund is for education and is administered by one person. This year I was able to obtain grant funds to provide for the salary. As Nevada's population grows, the need for organ donors is growing. We would like to use up to 20 percent of the fund to add to the current employee's time in administering the program. This does not involve State funding, and we are not adding more employees. The funding will only add more time for the position to complete program activities.

Chair Leslie:

How much are you currently spending? What percentage?

Dr. Larson:

By statute we are only allowed to spend 5 percent. We have never paid personnel expenses from the Fund.

Chair Leslie:

It says not to exceed 5 percent.

Dr. Larson:

Actually, we have never paid any personnel expenses out of the Fund.

Chair Leslie:

Are you saying you are spending 0 percent?

Dr. Larson:

Out of the Fund on personnel, yes. I have obtained a grant that pays for the personnel costs. In moving forward, we would like to make it a self-funding mechanism. When it started out in the Bureau of Consumer Affairs, Frankie Sue Del Papa (former Nevada Attorney General) assigned funding for part of a position. When the transfer evolved it was a fund transfer, not a personnel transfer.

Chair Leslie:

Are you saying you are spending 0 percent on what this bill says?

Dr. Larson:

No. We are spending money on education, brochures and programs. The person doing this before was actually paid from Consumer Affairs.

Chair Leslie:

On page 2, section 3(b) it says "to pay the costs, not to exceed 5 percent of the average cost relating to anatomical gifts." What are you paying now?

Dr. Larson:

Zero out of the Gift of Life fund. The administrator is paid out of the grant.

Chair Leslie:

You want to go from spending nothing to up to 20 percent?

Dr. Larson:

In the past the cost was used for producing special license plate brochures and educational expenses to support the program. No personnel costs were incurred.

Chair Leslie:

Are you anticipating a change?

Dr. Larson:

Yes.

Chair Leslie:

You want to change that?

Dr. Larson:

Yes, to be able to expand it.

Chair Leslie:

You have something in mind or you would not be here asking for the change.

Dr. Larson:

What I see is that the program depends on a well-trained individual. A position has never been budgeted in the program. To make this work properly, we need a person to do this correctly.

Assemblywoman Weber:

Is the account required to provide reserves?

Dr. Larson:

There are no requirements to have reserves, but we intend to always have a sizeable reserve.

Assemblywoman Weber:

How do you determine 20 percent of the average balance of the account? Do you go by the ending Fund balance at the end of the year? Can you explain how that works? How do you plan to monitor your performance?

Dr. Larson:

We are looking at the running average over the year. The majority of funding comes from license plate sales and the Donor Fund Program. For the last two years it has been at \$45,000 per year.

Chair Leslie:

Is it 20 percent of the current year or 20 percent of the previous year?

Dr. Larson:

It would be an average balance of the preceding year. Our intention is to increase the Fund and use it for direct education.

Chair Leslie:

As long as we are going to open this door up, we could decide to make it clearer. Ms. Gansert, how do you feel about that?

Assemblywoman Gansert:

If we need to define it better, that is fine. I know the efforts are intertwined and as education expands, we will have more donors, and that is what is critical for the program.

Chair Leslie:

We do not want to create this fund to hire more people. I think we can look at clarifying the wording for the previous year.

Dr. Larson:

Yes, that would be the benchmark I would use.

Assemblyman Beers:

How much was the grant, and where does it extend to?

Dr. Larson:

The grant is a one-year grant of \$45,000 from the Trust Fund of Public Health. It was specifically for outreach to the African-American community. The effort is to increase African-American donors.

Assemblyman Beers:

How much of the grant is used for salary?

Dr. Larson:

The entire salary - it is a half-time position at an Administrative Assistant III (AAIII) level.

Assemblywoman Womack:

Does this position have a title and are there clear-cut duties? What would this staff position do?

Dr. Larson:

Yes. For the School of Medicine, we are under the State system, and have an approved position at an AAll level. It requires a medical background and was made for what we need. It has been filled, and we do not anticipate adding additional personnel. The title is Administrator. She is a program administrator, and I am the direct supervisor.

Assemblywoman Womack:

She is doing programming in addition to fundraising and other duties?

Dr. Larson:

Yes. We want to expand it to include fundraising, education, outreach, phones, and administrative work needed to keep the program operating.

Assemblywoman Womack:

That is all part of the position?

Dr. Larson:

Yes, it is.

Chair Leslie:

Any questions?

Could you provide our staff with the last five years of fiscal data on how much has been in the Fund and used for administrative expenses?

Dr. Larson:

The program started in 2002. We only have 2006 and 2007 fiscal years. Before that it was lower. The last two years represent a better projection for future years.

Chair Leslie:

Is there anyone else who would like to testify in support or against the bill? [No one]

Charles Duarte, Administrator, Health Care Financing and Policy, Department of Human Services:

With me is Deputy Administrator Mary Wherry.

This is a program statement for the Medicaid and Nevada Check-Up Program.

[Reads program overview provided ([Exhibit C](#)).]

Chair Leslie:

Before you continue, can you show us where the mistake was made?

Mr. Duarte:

It is the last bullet. It is published data I have provided to you. It is the percent of population covered by the State of Nevada. The correction is to change 11 percent to 6.7 percent.

Chair Leslie:

Does the ranking stay at 47?

Mr. Duarte:

It stays at 47.

Assemblyman Hardy:

The United States' average stays at 19 percent?

Mr. Duarte:

That was the published information we have. The information comes from the Kaiser Family Foundation, State Health Facts for 2003.

Assemblyman Hardy:

We have updated for the State but not the nation? I am staggered that 19 percent of the nation is on Medicaid.

Chair Leslie:

That's not too different than before, is it?

Mr. Duarte:

No, it varies from state to state. In 2003 our statistic is 1.7 percent.

Chair Leslie:

If you consider our population growth, that makes sense.

Mr. Duarte:

That makes sense.

Chair Leslie:

I would like to point out that this is new data.

Mr. Duarte:

In the last nine years, we have been 51st in per capita-based spending.

Chair Leslie:

I have been asked why Nevada has not been more aggressive in covering all their children, and with a 51st ranking, we only cover 6 percent when others are covering 20 percent. Do you have any thoughts on that?

Mr. Duarte:

Mr. Sasser is going to provide you with many options to consider. Mike Willden, Director of Department of Health and Human Services, says that if you look at public health coverage as a pyramid, we have the bottom tier covered with blocks. To fill up the second tier will take money. Rather than jumping to the top, we need to look at making some effort at filling in the second tier.

Chair Leslie:

So the states that are covering 20 percent or more are applying more options, ones that our State has declined? Is that correct?

Mr. Duarte:

That is correct.

Chair Leslie:

What are the reasons for that?

Mr. Duarte:

There are many reasons, but most states have a smaller transitory population. If we were to do any outreach efforts, it would have to be sustained and media based. We cannot only rely on safety-net providers and mailers.

Assemblyman Hardy:

I am looking at our numbers and the national numbers. It would be wiser to look at 2007 and look at the coverage by employers. We have a good unemployment rate, which decreases our pool of Medicaid.

Mr. Duarte:

We have done that work. Nevada's employer base, employment-sponsored base, covers 62 percent of the population. That is above the national average. The problem we have is that the public sector has not stepped up to provide additional coverage. Larger employers are filling in the gap, and we cannot count on that for too long because there are a growing number of small businesses not offering coverage. I anticipate that the uninsured coverage in Nevada will continue to grow.

Chair Leslie:

Our gaps are the public programs like Medicaid and Nevada Check-Up.

Mr. Duarte:

Trends and demographics are not good for Nevada, but also for the nation overall.

Assemblywoman Weber:

On the disability portion, there is a difference between Nevada disability and on the national level. What causes those numbers to be so diametrically opposed?

Mr. Duarte:

It is based on Nevada's increased growth over the decade. One other key point is that periodic screening and diagnosis is mandatory for anyone under 21 who is on Medicaid. They need to be provided with any medically-necessary services. We have to provide it by law. They get all the optional benefits the State can provide.

[Continues reading program overview ([Exhibit C](#)).]

Assemblyman Hardy:

Are we meeting the dental-care need now?

Mr. Duarte:

Yes. The latest statistics show that the Las Vegas HMO program has increased our utilization rate. More children are accessing dental services. We are also implementing it in Washoe County.

[Continues reading program overview ([Exhibit C](#)).]

There is a State Children's Health Insurance Program (SCHIP) reauthorization going through Congress where there may be severe limitations on the funds. We are working with the Governor's staff in Washington and congressional representatives on addressing Nevada's programs.

Assemblywoman Weber:

Do we know how the program enrollment is going on Assembly Bill No. 493 of the 73rd Session? Does it last for five years?

Mr. Duarte:

Yes, we only started to implement the program in December 2006. We do not have an individual assigned to this, but are planning a mail-out to households throughout Nevada.

Assemblywoman Weber:

So it is just getting started?

Mr. Duarte:

Yes.

Chair Leslie:

Are there any questions about Medicaid?

Assemblywoman Koivisto:

In the past we have had to return Check-Up money to the federal government because we did not use it. Where are we in that situation? Are we reaching all the children we need to reach or are we not using all the federal dollars?

Mr. Duarte:

We are not reaching all the children. There is still much work to get children enrolled. Congress has a bill that will eliminate \$12 billion from our federal allotment. Two to three years down the road, we may not have adequate funding for the programs.

Chair Leslie:

Any other questions? [None]

Patricia Durbin, Executive Director, Great Basin Primary Care Association:

[Provided written testimony, ([Exhibit D](#)), and a PowerPoint presentation – Report on "Nevada's Medically Uninsured Populations," and document on "Uninsured People in Nevada Estimates and Trends ([Exhibit E](#)).]

Our Association represents Community Health Centers, Tribal Health Clinics and other safety net providers throughout Nevada. Our community health center organizations are federally designated health centers and tribal health clinics operating 45 service delivery sites – providing more than 250,000 patient visits a year to approximately 90,000 underserved people, most of whom are uninsured or are using Medicaid, Nevada Check-Up, and Medicare.

It continues to be the position of our Association that a clear understanding of who is without insurance in Nevada is crucial in determining the best ways to address Nevada's high uninsured rate. In cooperation with the Nevada Division of Health Care Financing and Policy, our Association began publishing The Report on Nevada's Medically Uninsured Populations. We now have a comprehensive picture of the uninsured in our state for every year since 1998. Our most recent publication was released just last week and while the results were not surprising, I must admit they were a little unsettling.

Recently, the U.S. Census Bureau ranked Nevada as eighth in the nation for the highest uninsured percentage based over a three-year average. Previously, we were ranked fourth. I would like to be able to give a word of encouragement that we actually have an improved status when compared to our sister states. However, the percentage difference between third and eighth is virtually insignificant. We tied with other areas three through eight.

Chair Leslie:

Is this including children or adults?

Ms. Durbin:

This is everybody, including adults.

Today we present the 2007 edition of the report covering the period 1998-2005, ([Exhibit E](#)). You have each been provided with a hard copy of the report and we invite you to review the raw data and the Estimates and Trends. I ask you to turn to the tab named "Table 1 – All." This table reflects, under the last column for "July 2006," that 17.1 percent, or approximately 450,000 people, had no insurance any part of the year. At your leisure, we invite you to explore the three tables of raw data: The first table includes data for all income levels, the second isolates the data for 100-200 Federal Poverty Level, and the third for under 100 percent Federal Poverty Level. Each indicates the uninsured percentages and number by age, race and ethnicity, and has been categorized by counties.

Assemblyman Hardy:

The numbers you are referring to as Hispanic are 32.0 percent, but they are not a race but an ethnicity. Which race are they in? Are they in the white, the black, the American Indian, the Eskimo?

Ms. Durbin:

The way the study was done, they are separated out from the races.

Assemblyman Hardy:

They are not a race though. If everybody has a race, which one got the Hispanic population?

Ms. Durbin:

It would be according to how the Census Bureau recorded the race. It is Hispanic origin.

Assemblyman Hardy:

If the Hispanic origin is included in the white, does it reflect more on the minority status than we see here?

Ms. Durbin:

I will clarify that and get back to the Committee. In looking at the trends and the wording it would be included in the white.

Assemblywoman McClain:

We did a survey of individuals age 50 and over, and 6 percent had no health insurance. Of that 6 percent, 83 percent were between 50 and 64. The years when you start falling apart and have no health insurance. We will have many in that age group where a crisis is looming.

Ms. Durbin:

As we reviewed the report, we discovered several key points which we would like to share with you. One is to be clear in the definition used by the United States Census Bureau in the study. "Any coverage during a year means you are insured." This means a person must be without insurance health coverage for an entire year to be determined uninsured. This is different than having insurance sometime during the year.

Most of the comparisons found within the report address and highlight percentages. If we look at the percentages across the raw data on the tables, it could seem there has not been a great deal of change. While these percentages are significant, we would like to move beyond them and talk about real numbers. Percentages do not matter nearly as much as the number of people seeking access to quality and affordable health care and having limited resources to pay for it.

In the year 2000, approximately 350,000 were uninsured the entire year, while in 2006, approximately 450,000 were uninsured the entire year. Regardless of what percentage of the population the numbers represent, it is easy to see that almost 100,000 more persons are uninsured. That is over one-third more than six years ago.

Assemblyman Hardy:

Do we have a count of how many providers we have per capita on the Safety Net as well as on the whole? I suspect we are behind on all of our providers because of the Safety Net. We have more people and fewer numbers of caregivers in the 2000 per capita compared to the 2006 numbers. This compounds the burden.

Ms. Durbin:

You are correct. I do not have the number with me, but we will be able to provide you the information on the specific provider count. I do have figures here on the Safety Net for the clinics and what they are providing. There is a symposium coming up that will have a new study and we can then provide you with the new data on provider recruitment and retention situation. We know it is a serious problem in Nevada.

Assemblywoman Weber:

What is the United States average? If we are at 17 percent, what is the United States average?

Ms. Durbin:

The United States average on uninsured is at 20 percent as shown on page 17 of my report. That figure is through 2005, and is based on the definition of being uninsured the entire year.

Chair Leslie:

So that definition works for both the United States and Nevada average?

Ms. Durbin:

Yes. In this study it does.

Chair Leslie:

So some years are worse and some years are even worse. It does not look as bad on the chart as it does in our ranking.

Ms. Durbin:

Now we are eighth.

Chair Leslie:

It does not look as bad on the chart as it seems by our ranking.

Ms. Durbin:

The problem is consistent across the nation. We are seeing the numbers rise as well.

Chair Leslie:

I want you to go ahead and finish your presentation as we have to stop by 3:30 p.m.

Ms. Durbin:

On page 18 in the trend analysis, you see that in the "Medicaid Coverage: Nevada Versus US, 1987-2005," Mr. Duarte gave the same general information that Nevada is behind the national average in Medicaid and that we are 51st in the nation for per capital in expenditures. We cannot get any worse. I am concerned that we may not be making the necessary effort to get any better. The Governor's new budget does not contain adequate funding to close this gap, and, as far as we can see, the Legislature has very few bills addressing Medicaid's inadequate funding. While outreach programs work diligently to assist qualified applicants to navigate the Medicaid and Nevada Check-Up systems, many eligible residents still have not signed up. And, an online interactive application would decrease Nevada's enrollment challenges. Our neighboring states – Arizona and California and others have accomplished this. In today's world of advanced technology, we can do this.

On page 30 of the trend analysis, we question why is there a considerable difference between the people who have access to health care plans and the people who actually use them. While unemployed people are more likely to be uninsured (unless they qualify for Medicaid), we find that the percent unemployed in Nevada is consistently lower than the U.S. and has been trending downward. We have fewer people out of work and more people uninsured. Being employed no longer guarantees having a health care plan. In 2005, 71 percent of all United States firms offered health care, but only 52 percent of employees participated, perhaps due to higher premiums and copays. The type of job matters – white-collar and blue-collar workers follow the U.S. pattern, but only 45 percent of service workers were offered health care coverage in 2005 and only 27 percent participated. Nevada has a high percentage of service workers.

The size of the firm matters – 59 percent of firms with 1 to 99 workers offered health care versus 84 percent of firms with 100 or more workers. Over 94 percent of all business establishments in Nevada are even smaller, having 1 to 49 employees.

It is nothing new in reporting that Hispanics are three times more likely to be uninsured than non-Hispanic white people (US Census Bureau terms), and the number of Hispanic residents is increasing in Nevada every year.

On page 25 of the trend analysis, you can see the comparison of the various ethnic and racial groups in terms of uninsured rates. Hispanic populations average above 30 percent and black populations (U.S. Census Bureau terminology) above 20 percent. We still do not have adequate policies or programs to change that in Nevada. It is time to articulate a plan for closing the

insurance gap, particularly with Hispanics. Well over 50 percent of the patients served by the Community Health Centers in Nevada are of Hispanic ethnicity and there are too few of those to meet the growing need. Great Basin Primary Care Association's Access Health Program, a pilot project in Clark County, has created a network of providers for uninsured members to receive significant discounts for medical services. Over 90 percent of the program's members are Hispanic. This pilot program cannot expand to meet the demanding growth of our underserved population without an influx in resources. And, of course, there are many other safety-net providers and stakeholders across our state working to meet the growing need. At this point, none of us can do it alone or together – without some help.

I do not want to be just the bearer of bad news this afternoon. I want to share with you that I believe we have a number of opportunities before us to meet this challenge. One of the most significant of these is the Community Health Center Movement and the impact it has and can have on the health care of Nevada's uninsured population.

According to the National Association of Community Health Centers' report, Making Every Dollar Count, health centers save the Medicaid program at least 30 percent in annual spending for health center Medicaid beneficiaries. By expanding the Community Health Centers in Nevada, we will save \$2 for every \$1 invested. The Community Health Centers are a unique model of health care. Approximately 26 percent of revenues that support them are from federal grants and an additional 31 percent from other revenues. Leveraging every dollar invested is a smarter way of spending. In 2004, Nevada's health system and taxpayers wasted expenditures on avoidable emergency room visits of approximately \$113 million. When patients have an established health care home, they have improved odds for good health. They receive continuous primary health care services that reduce the risk of new health problems and manage chronic disease. These result in fewer hospitalizations and visits to the emergency room, and reduce the need for specialty care services. As time is limited today, we would appreciate the opportunity to share more information about the Community Health Center Movement as you work to address the challenges of the rising uninsured in Nevada.

I welcome any questions.

Chair Leslie:

Thank you for sharing the information. Any questions for Ms. Durbin? [None]

**Jon Sasser, Statewide Advocacy Coordinator, Washoe Legal Services,
Nevada Legal Services and Washoe County Senior Law Project:**

Thank you for this opportunity to share my thoughts regarding the problem of the uninsured and potential ways to make progress. My hope remains that the Federal Government offers a comprehensive solution in the near future. For the purpose of this presentation, I will assume no federal response and also that the Committee is more interested in incremental change rather than sweeping reform such as "single payer", "play or pay" or a mandate that every citizen be required to have health insurance, such as the one that Massachusetts adopted last year.

At a minimum, I would hope that two goals could be achieved over the next 10 years: 1) a reduction in the percentage of Nevadans without health insurance to at least the national average; and 2) compliance with the Olmstead decision of the US Supreme Court by providing services to people with disabilities in the community rather than in institutions.

We would all agree that simply "throwing money at a problem" is not effective. There, is of course, a need for targeted planning of any public expenditures and accountability for results. That being said, however, I think achieving the above goals will require a major increase in public expenditures/commitment for public health programs.

[Written testimony provided ([Exhibit F](#)).]

Chair Leslie:

Do we know why the premiums are so low?

Mr. Sasser:

Yes. It is because many have not put their re-enrollment back in or have not responded. I can provide you with more information if needed.

Chair Leslie:

Yes, I would be interested in seeing an analysis.

Mr. Sasser:

[Continues testimony that includes recommendations to improve on the uninsured issue.]

Chair Leslie:

Opens the floor for public comment. [None]

We meet again on Monday. We do not have a bill yet. It will be posted with a bill draft request to meet the posting requirements. The topic is homelessness. We will be having many people here for the tent city this weekend, who will be attending the meeting Monday afternoon.

[Meeting adjourned at 3:34 p.m.]

RESPECTFULLY SUBMITTED:

Sherrada Fielder
Committee Secretary

APPROVED BY:

Assemblywoman Sheila Leslie, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Health and Human Services

Date: February 14, 2007

Time of Meeting: 1:30 p.m.

Bill	Exhibit	Witness / Agency	Description
*****	A	*****	Agenda
*****	B	*****	Sign-In Sheet
*****	C	Charles Duarte, Administrator, Division of Health Care Policy and Financing, Department of Human Resources	Overview of Medicaid and Nevada Check-Up
*****	D	Patricia Durbin, Executive Director, Great Basin Primary Care	Written Testimony
*****	E	Patricia Durbin, Executive Director, Great Basin Primary Care	PowerPoint Presentation and Document on "Uninsured People in Nevada Estimates and Trends"
*****	F	Jon Sasser, Legal Services	Written Testimony