

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

**Seventy-Fourth Session
February 26, 2007**

The Committee on Health and Human Services was called to order by Chair Sheila Leslie at 1:31 p.m., on Monday, February 26, 2007, in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, 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 Koivisto
Assemblywoman Kathy McClain
Assemblywoman Bonnie Parnell
Assemblywoman Peggy Pierce
Assemblyman Lynn D. Stewart
Assemblywoman Valerie E. Weber
Assemblywoman RoseMary Womack

GUEST LEGISLATORS PRESENT:

Speaker Barbara E. Buckley, Clark County District No. 8



STAFF MEMBERS PRESENT:

Sarah J. Lutter, Committee Policy Analyst
Patricia Evans, Committee Secretary
Katrina Zach, Committee Secretary
Olivia Lloyd, Committee Assistant

OTHERS PRESENT:

Michael J. Willden, Director, Department of Health and Human Services,
Carson City, Nevada
Jack H. Kim, Director of Legislative Programs, Sierra Health Services,
Inc., Las Vegas, Nevada
Dr. Max Jackson, Chief Medical Officer, Renown Regional Medical
Center, Reno, Nevada
Robert Gomez, Chair, Latin Chamber of Commerce, Las Vegas, Nevada
Alejandro Olivera, Private Citizen, Las Vegas, Nevada
Claudia Olivera, Private Citizen, Las Vegas, Nevada
Bill M. Welch, President/CEO, Nevada Hospital Association, Reno
Lawrence Matheis, Executive Director, Nevada State Medical Association,
Reno
Patty Elzy, Director of Legislative Affairs, Planned Parenthood, Reno,
Nevada
Samuel McMullen, Las Vegas Chamber of Commerce
Jon Sasser, Statewide Advocacy Coordinator, Washoe Legal Services and
Nevada Legal Services, Reno
Jan Gilbert, Northern Nevada Coordinator, Progressive Leadership Alliance
of Nevada, Carson City
Bobette Bond, Legislative Liaison, Health Services Coalition, Las Vegas,
Nevada
George Ross, Director, Legislative and Government Affairs, Representing
HCA Sunrise, Las Vegas, Nevada
Charles Duarte, Administrator, Department of Health and Human
Services, Carson City, Nevada
Barry Gold, Director of Government Relations, American Association of
Retired Persons (AARP), Carson City, Nevada

Chair Leslie:

[Meeting called to order.] There are two Committee BDR introductions.

BDR 54-302—Provides for regulations for regulation of certified medication aids. (Later introduced at [Assembly Bill 187](#).)

ASSEMBLYMAN HARDY MOVED TO INTRODUCE BDR 54-302.

ASSEMBLYWOMAN PIERCE SECONDED THE MOTION.

THE MOTION PASSED.

* * * * *

BDR 38-599—Makes various changes to provisions governing the licensing of certain child care facilities. (Later introduced as [Assembly Bill 188](#).)

ASSEMBLYMAN HARDY MOVED TO INTRODUCE BDR 38-599.

ASSEMBLYWOMAN KOIVISTO SECONDED THE MOTION.

THE MOTION PASSED.

Chair Leslie:

Since I am presenting a bill, I am turning the meeting over to Vice Chair Susan Gerhardt.

Vice Chair Gerhardt:

We will open the meeting on [Assembly Bill 168](#).

[Assembly Bill 168](#): Makes various changes concerning expanding health insurance to make health insurance available to more residents of Nevada. (BDR 38-1144)

Speaker Barbara E. Buckley, Clark County Assembly District No. 8:

Nevada continues to rank among the highest in the nation on the number of people uninsured. Assembly Bill 168 attempts to lower Nevada's rate of uninsured by focusing on three different population groups. These groups are: working pregnant women, employees of small businesses, and children. An uninsured pregnant woman is less likely to seek prenatal care, therefore more likely to have a low-birth-weight baby with health care problems. The second segment is for employees of small businesses. Most uninsured Nevada families are working full or part-time. This bill provides health care insurance through the Nevada Check Up program. Sixteen percent of Nevada's children are uninsured. If you are uninsured and need medical care, everyone who is insured subsidizes your rate.

Assemblywoman Weber:

If childless adults decide to have children, is there a different pot of money?

Speaker Buckley:

The employer will have coverage. The difference is how much the federal government will participate financially.

Assemblywoman Womack:

Does this cover grandparents who are raising grandchildren?

Speaker Buckley:

Yes, as long as the insurance policy allows for coverage and if the insured satisfies the related portions of the insurance policy.

Assemblywoman Womack:

Would childless employees be covered at a higher premium?

Michael J. Willden, Director, Department of Health and Human Services:

This is a subsidy for employees of small businesses, not an insurance plan. The business already has a health insurance plan that is offered to their employees. A business is required to pay a minimum of 50 percent of that cost ([Exhibit C](#)). Assembly Bill 168 would allow a subsidy for childless couples also.

Assemblywoman Leslie:

Will back-filling or the inclusion of childless adults help with implementation?

Michael J. Willden:

This would help with marketing and outreach.

Assemblywoman Pierce:

Will this bill have to be negotiated with the federal government?

Michael J. Willden:

Yes.

Assemblyman Beers:

Has there been a study as to what the eventual savings could be?

Michael J. Willden:

I am unable to quote a specific savings, but I can give you some information when we get back to the office. Assembly Bill 168 outlines three expansion categories. These categories have already been outlined by Speaker Buckley. Costs are about \$9,000 a year per pregnancy and about 1,000 pregnant women would be covered annually under that section of the bill. There will be some administrative costs.

Assemblyman Stewart:

Do you have a ballpark figure of the cost to the small businessman per employee, per month?

Michael J. Willden:

When we were in the interim committee, there were plans in the \$300 to \$400 monthly plan range and that is per employee. The employer covers half of that amount and the employee is assumed to be covering the other half, with or without the \$100 subsidy.

Jack H. Kim, Sierra Health Services Inc.:

Cost is dependent on the plan coverage. Fifty percent is the minimum contribution. Some administrative costs can be cut.

Assemblywoman Parnell:

Since Nevada Check Up has flattened out, is there more that we can do to raise participation?

Michael J. Willden:

A lot of outreach has been done through the Covering Kids Coalition. We need to keep a full-court press on outreach and move to an automatic enrollment that interfaces with some known databases. The free lunch program is one of the databases.

Assemblywoman Pierce:

Is there any anticipation that this program could be approved by the federal government in less than two years?

Michael J. Willden:

We know how to deal with the childless couples. This is the same path most states have traveled.

Dr. Max Jackson, Chief Medical Officer, Renown Regional Medical Center:

Access to quality prenatal care results in improved outcomes for mother and child. It substantially lowers medical cost. Health problems for this health care group include diabetes, hypertension, obesity, mental disorders, substance abuse, and epilepsy. Pregnancy complication rates are higher for the teenaged person.

Assemblywoman Leslie:

How cooperative would hospitals be in enrolling pregnant women who qualify under this guideline?

Max Jackson:

Hospitals would be highly motivated. There is stress on health care personnel when they see women come in late in their pregnancy with disorders that could have been addressed earlier in the pregnancy.

Assemblyman Beers:

Do you see an eventual cost savings in this program?

Max Jackson:

If you look at the long-term investment, there is a substantial savings.

Robert Gomez, Chair, Latin Chamber of Commerce, Las Vegas:

The small business owner is at a competitive disadvantage trying to recruit quality individuals. Larger competitors often have health benefit packages available for the employees and their families. A hospital plan equals employee retention, which leads to product quality.

Alejandro Olivera, Private Citizen, Las Vegas, Nevada:

This is a great opportunity and the only way we can afford insurance coverage.

Claudia Olivera, Private Citizen, Las Vegas, Nevada:

It is essential to have healthy employees in order to continue to grow.

Assemblywoman Leslie:

Have you actually enrolled in this plan? Were you able to include your single employees?

Claudia Olivera:

Not yet, because this is a new program. Today's cost is prohibitive.

Bill M. Welch, President/CEO, Nevada Hospital Association:

Most patients who enter an emergency room are uninsured or underinsured and do not have access to primary care providers other than an emergency room. Emergency costs are absorbed by all patients using emergency services. If a patient could be redirected to an appropriate setting for care, the cost would be reduced significantly. Secondly, this Bill would free up the use of our over-crowded emergency rooms. It would assist in accessing health care providers at an earlier stage, rather than the end stage of a medical condition. Enhancing consumer information should not add to administrative costs. [We have provided support for the consumer information health care. ([Exhibit D](#)).]

Lawrence Matheis, Executive Director, Nevada State Medical Association, Nevada Healthcare Reform Project:

How do we identify what in the system blocks people from accessing and staying on benefits? In a couple of years, most people will not have private sector coverage. Most people will be covered by one public program or another as the baby boomers move into Medicaid. The ability of Nevada's health care system to meet the growing needs of a growing population is partially driven by how much compensation goes into the system to improve private coverage, public coverage for pregnant women, coverage for the working poor. These are monies Nevada taxpayers have already put into the national pool.

Patty Elzy, Director of Legislative Affairs, Planned Parenthood:

Expanded health care access and coverage for children, pregnant women, and employees of small business employers is the way to help address the uninsured rate in Nevada. The result will be better health outcomes and will save taxpayer money.

Samuel P. McMullen, Las Vegas Chamber of Commerce:

This has been a primary challenge for small business. Surveys have shown it is a dollar and cents issue. Please clarify the language of coverage for a single person.

Jon L. Sasser, Statewide Advocacy Coordinator, Washoe Legal Services and Nevada Legal Services:

Assembly Bill 168 is among the solutions to help meet the needs of the uninsured.

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

The Progressive Leadership Alliance of Nevada (PLAN) applauds the amount of matching money which would be infused into the system that otherwise would not be spent here.

Bobette Bond, Legislative Liaison, Health Services Coalition:

This has importance for the large business employer also. Every dollar that is negotiated by the large employer subsidizes everyone who does not have insurance. To the degree that this bill helps to cover the uninsured, it is a great benefit to the large employers.

Vice Chair Gerhardt:

Is there any opposition to this bill? Any comment? The meeting is closed on A.B. 168. I will open the hearing on Assembly Bill 146.

Assembly Bill 146: Requires the Department of Health and Human Services to establish a program to increase public awareness of health care information concerning the hospitals in this State. (BDR 40-687)

Assemblywoman Leslie:

Assembly Bill 146 is about transparency. Transparency equals informed consumer choice. The general concept of Transparency is in price and quality. With Transparency, the consumer will be able to use federal indicators that have been approved to compare infection rates and quality of care. This information will be presented with appropriate caveats so that the limitations of this information are clearly explained. There must be systems that are controlled by standards on comparable data. [PowerPoint Video was presented. ([Exhibit E](#))]

Vice Chair Gerhardt:

Another component of the Transparency website is consumer protection.

Assemblywoman McClain:

Will this information reflect the "sticker shock" price or what is actually settled?

Assemblywoman Leslie:

The "sticker shock" price is what the hospital industry calls the bill charges. Websites are using "sticker shock" prices, enabling the consumer to compare bill charges.

Assemblywoman McClain:

The public needs to know which price they are paying.

Assemblywoman Weber:

Is the charge rate negotiated prior to a procedure being done?

Assemblywoman Leslie:

What is seen on the website is not the negotiated rate, rather are the bill charges.

Assemblyman Hardy:

The negotiated rate will be less than the bill price.

Assemblywoman Parnell:

Billing agencies are another concern for consumers. These agencies are unable and unauthorized to negotiate billing concerns.

George Ross, representing HCA Sunrise:

Sunrise has been working on a system to inform patients about out-of-pocket costs. A positive aspect of using the joint commission data is that it includes risk factors, which means it is risk adjusted. The amount charged for a procedure may be income dependent. Sunrise would suggest this Transparency system would be used to look at all elements of delivery and quality in the cost of health care.

Jon Sasser:

Legal services programs are small, non-profit employers that will be beneficially impacted by A.B. 146.

Bill Welch:

Providing easier access to information for consumers of health care will help the consumer to make the complex decisions concerning health care. The Nevada Hospital Association has initiated efforts toward dealing with Transparency. The PowerPoint video presentation is the program that is being used in many of the states that have Transparency in place. The patient safety committee has been working on developing a consumer-friendly quality measurement Transparency package that could be linked to the financial Transparency.

Charles Duarte, Administrator, Department of Health and Human Services:

While A. B. 146 appears to be good public policy, there is some language that appears to be overly broad [Comment on A. B. 146 ([Exhibit F](#))]. Since the requirements of this bill are not in the Governor's budget, a source of funds will be necessary to implement the provisions of this bill.

Barry Gold, Director of Government Relations, AARP, Nevada:

Although it is clear that all consumers are expected to bear more responsibility for making informed health care choices, very little systematic information exists about the state of health care quality. Transparency in the health care industry is crucial to consumer confidence in informed choice.

Vice Chair Gerhardt:

Does anyone else wish to speak? Seeing none, this meeting is adjourned.

[Meeting adjourned at 3:36 p.m.]

RESPECTFULLY SUBMITTED:

Patricia Evans
Committee Secretary

APPROVED BY:

Assemblywoman Sheila Leslie, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Health and Human Services

Date: February 26, 2007

Time of Meeting: 1:30 p.m.

Bill	Exhibit	Witness / Agency	Description
***	A	*****	Agenda
***	B	*****	Attendance Roster
A.B. 168	C	Mike Willden, Director, Nevada State Department of Health and Human Services	Expand coverage for pregnant women and children.
A.B. 168	D	Bill Welch, The Nevada Hospital Association	Support for consumer information about health care.
A.B. 168	E	Sheila Leslie, Chair, Committee on Health and Human Resources	Transparency Websites.
A.B. 146	F	Charles Duarte, Administrator, Division of Health Care Financing and Policy	Comment on A.B. 146.