

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

**Seventy-Fourth Session
April 9, 2007**

The Committee on Health and Human Services was called to order by Chair Sheila Leslie at 1:34 p.m., on Monday, April 9, 2007, in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 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 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

STAFF MEMBERS PRESENT:

Sarah J. Lutter, Committee Policy Analyst
Bonnie Borda Hoffecker, Committee Manager
Patricia Evans, Committee Secretary
Olivia Lloyd, Committee Assistant



OTHERS PRESENT:

Janet J. Berry, District Judge, Second Judicial District Court, Washoe County

Vicki Robinson, Manager, Insurance Services, City of Las Vegas

Lawrence P. Matheis, Executive Director, Nevada State Medical Association

Fred L. Hillerby, representing the Nevada State Board of Nursing

Elizabeth McMenamin, Director of Government Affairs, Retail Association of Nevada

Mary Liveratti, Deputy Director, Programs, Department of Health and Human Services

Joyce Buckingham, Executive Director, Ron Wood Family Resource Center

Robert Desruisseaux, Aging and Disability Resource Center Project Manager, Division for Aging Services, Department of Health and Human Services

Jack Mayes, Executive Director, Nevada Disability Advocacy and Law Center

Lisa Foster, representing High Sierra Industries

Luis Valera, University of Nevada, Las Vegas

Larry O'Brien, President, Saint Mary's Regional Medical Center

Jeremy Aguero, Principal, Applied Analysis

Allan Dobson, representing Renown Regional Medical Center

Chris Bosse, Government Relations Officer, Renown Health

Joseph E. Jasmon, Executive Vice President, Chief Operating Officer, Saint Mary's Regional Medical Center

T. Brian Callister, Chief Financial Officer, Sierra Hospitals, LLC.

Chair Leslie:

[Meeting called to order. Roll Called.] Assembly Bill 225 will not be heard today. We will begin with Assembly Bill 490.

Assembly Bill 490: Revises provisions governing the sealing of records concerning a person's admission to a hospital or mental health facility under certain circumstances. (BDR 39-1376)

Janet J. Berry, District Judge, Second Judicial District Court, Washoe County:

I contacted Assemblywoman Leslie when it came to my attention, as a trial judge, that the records of involuntary civil commitments are public record. Privacy related to mental health records and medical records is of great concern. [Read from prepared text ([Exhibit C](#)).] Because there is an expectation of privacy when we pursue medical treatment, particularly important mental health treatment, I would hope this Committee would give serious consideration to those expectations.

Chair Leslie:

The way the bill is drafted, it looks like it would automatically seal records. In Section 1, subsection 2, there are some exceptions which can be court ordered. The court order would allow law enforcement to view those records. The records cannot be sealed if someone wants to get a concealed firearm permit, because Federal law would prevail in this instance. Judge Berry, does this meet your intent?

Janet Berry:

Yes, my primary concern is for the person who finds himself in this system, and who often does not understand it. These are important safeguards. It is important that law enforcement be able to access these records. Likewise, for a citizen who is in a position where background checks may be necessitated. That citizen should be able to sign an employment waiver so their employer would not have to come to court and file a formal petition to get through that process. We see this regularly. A defendant will sign the appropriate waiver so the court can read all of the mental health records in preparation for sentencing. The language in this bill may be broadened to allow a citizen to give up that privilege. These safeguards address the issues related to the criminal justice system.

Chair Leslie:

Are there any questions for Judge Berry? Do we have someone in Las Vegas?

Vicki Robinson, Manager, Insurance Services, City of Las Vegas:

[Read from prepared text ([Exhibit D](#)).]

Chair Leslie:

Your first suggestion is to refer to *Nevada Revised Statute* (NRS) as it refers to hospitalization for mental illness. The second issue is the waiver of rights. The third issue is an exception for those people who are filing for a concealed weapon permit. Would not the waiver of rights cover that issue? A background check is administered for all policemen and firemen.

Assemblyman Hardy:

It could be a problem if we had to get a court order to get our own records. It should be amended so doctors and hospitals are able to get medical records with permission of the individual. I do not see anything in the bill which would allow us to obtain records after the person has died.

Janet Berry:

Currently, you can sign waivers. A privilege is held by the person who has the information. We receive medical records, and the physicians receive the

waivers. Almost every report I receive from the physician states the waiver has been signed by the patient. Those records are maintained under seal within our criminal files for mental health proceedings. It would be a good idea to add that a person may choose to sign a waiver so this information can be released without a court order.

Chair Leslie:

The waiver issue is already in statute. We may not need to repeat it. We are closing the hearing on Assembly Bill 490. This is the time the Committee works on the bills. We do not take testimony. If clarification is needed, I may call on someone to come forward. We will begin with Assembly Bill 187.

Assembly Bill 187: Provides for regulation of certified medication aides.
(BDR 54-302)

Sarah J. Lutter, Committee Policy Analyst:

[Read from prepared text ([Exhibit E](#)).]

Chair Leslie:

This bill came to us as a recommendation of the Legislative Committee on Health Care.

Assemblywoman Gerhardt:

Have we had any testimony on this point?

Sarah J. Lutter:

The question was raised during testimony. There is a very low incidence of errors reported from other states.

Chair Leslie:

It means you would have a Certified Nursing Assistant (CNA) with an additional certificate.

Assemblywoman Weber:

New Mexico has had Certified Medication Aides (CMA) since 1991. The error rate is only about 1 percent.

Assemblyman Hardy:

The error rate would be higher if you did not have the CMA. The person who is dedicated to one job is less likely to make errors.

Assemblywoman Womack:

This will add another person to the institution's floor staff. If CMAs are supervised, and they have earned additional credits each time they recertify, I am comfortable with this bill.

Assemblyman Beers:

Page 3, Section 8, subsection 2(a) through subsection 2(g) lists the types of medical administration the CMA would be doing.

Assemblywoman Parnell:

Who is the supervising nurse? Who is responsible?

Chair Leslie:

It would be a registered nurse or a licensed practical nurse.

Lawrence P. Matheis, Executive Director, Nevada State Medical Association:

The supervising nurse would be accountable. Liability would be the facility, and also the prescribing practitioner.

Assemblyman Hardy:

The intent is to improve access to care.

Chair Leslie:

Mr. Hillerby, if the CMA makes a mistake while being supervised by a Registered Nurse (RN), who would be responsible?

Fred L. Hillerby, representing the Nevada State Board of Nursing:

The license of the RN who would be supervising would be subject to discipline, but not revocation of the license.

Assemblywoman Parnell:

What supervising nurse would be willing to do this?

Chair Leslie:

We will continue discussion on Wednesday. Committee members who have concerns contact Mr. Hillerby. We will move to Assembly Bill 232.

Assembly Bill 232: Requires the State Board of Pharmacy to make available to consumers certain information relating to pharmacies and the prices of commonly prescribed prescription drugs. (BDR 54-856)

Sarah J. Lutter, Committee Policy Analyst:

[Read from prepared test ([Exhibit F](#)).]

Elizabeth McMenamin, Director of Government Affairs, Retail Association of Nevada (RAN):

The conceptual amendment looks good to us.

Assemblyman Hardy:

If we use brand names, we should have a cross-reference to the generic equivalent.

Chair Leslie:

The intent was to include the generic names in the top 100 brands.

ASSEMBLYWOMAN PIERCE MOVED TO AMEND AND DO
PASS AS AMENDED ASSEMBLY BILL 232.

ASSEMBLYWOMAN GERHARDT SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Leslie:

We will open hearing on Assembly Bill 293.

Assembly Bill 293: Makes an appropriation to the Legislative Fund for the
Legislative Auditor to enter into a contract with a consultant to conduct a
performance audit of agencies which provide child welfare services.
(BDR S-706)

Sarah J. Lutter, Committee Policy Analyst:

[Read from prepared text ([Exhibit G](#)).]

Assemblywoman Gerhardt:

Are we complying with the current policies and procedures on how often children are seen by a consultant? If more frequent visits are appropriate, that should be noted in the amendment.

Assemblywoman Weber:

The work session document refers to Assembly Bill 292. Is this a technical error?

Sarah J. Lutter:

This is a technical error. It is A.B. 293.

Chair Leslie:

It should be A.B. 293 throughout.

ASSEMBLYWOMAN GERHARDT MOVED TO AMEND AND
DO PASS AS AMENDED ASSEMBLY BILL 293.

ASSEMBLYWOMAN PIERCE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Leslie:

The bill automatically goes to Ways and Means since it has a concurrent referral. The last bill today is Assembly Bill 410.

Assembly Bill 410: Makes certain changes relating to the immunization of children. (BDR 40-877)

Sarah J. Lutter:

[Read from prepared text ([Exhibit H](#)).]

Chair Leslie:

The only objection was from people who did not seem to like immunizations. The objections did not concern the registry, and they did not propose a specific amendment. The bill asks to study the feasibility to allow people to buy immunizations at a reduced price.

ASSEMBLYWOMAN GERHARDT MOVED TO DO PASS
ASSEMBLY BILL 410.

ASSEMBLYWOMAN WOMACK SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Assemblywoman Parnell:

Why does A.B. 187 require a two-thirds majority? The only thing I can see in the text of the bill is we are adding CMAs to the license, but it does not change the amount of the license.

Assemblyman Hardy:

Inasmuch as they are a self-sustaining institution, they are going to have an increased workload. There will be another fee increase to that new category. It is a new fee on a new position.

Chair Leslie:

The hearing is open on Assembly Bill 367.

Assembly Bill 367: Requires employment of outreach coordinators to provide education and information relating to resources available for adults with disabilities. (BDR 38-847)

Assemblywoman Womack:

[Read from prepared text ([Exhibit I](#)).]

Mary Liveratti, Deputy Director, Programs, Department of Health and Human Services:

When the bill was written, we added a fiscal note for about \$327,000 over the biennium. There is a revision of the fiscal note ([Exhibit J](#)). The cost would be about \$69,000 over the biennial period. The social work interns would provide the outreach efforts. We have scaled back some of the other support functions.

Joyce Buckingham, Executive Director, Ron Wood Family Resource Center:

Ron Wood is one of 18 family resource centers and 22 delivery areas in Nevada. We are tasked to provide information, services, referrals, and case management to individuals in need. Assembly Bill 367 would assist individuals with disabilities through outreach and education. This would be a partnership between family resource centers, associated agencies, and the community. Each family resource center would accommodate an out-reach representative on a rotating basis.

Assemblywoman McClain:

Is there one director who is over all the resource centers?

Joyce Buckingham:

No. Each resource center has an independent director. We fall under the Grants Management Unit for Resource Centers.

Assemblywoman McClain:

This question is for Assemblywoman Womack. The amendment requires the director to employ a 30-hour per week administrator.

Assemblywoman Womack:

The administrator would be responsible for the two outreach coordinators, assemble the educational material, and the informational and educational classes. There would be one out-reach coordinator in the North, and one in the south.

Chair Leslie:

Who would the outreach coordinators work for?

Assemblywoman Womack:

They would work directly for the family resource center.

Chair Leslie:

They would work for which one of the 18 family resource centers?

Joyce Buckingham:

They would work for the resource centers in the north.

Chair Leslie:

Their paychecks would come from the Ron Wood Family Resource Center.

Joyce Buckingham:

Correct.

Chair Leslie:

What about southern Nevada?

Joyce Buckingham:

We have one paid individual, the administrator, who would be stationed in the north. One intern would be stationed in the north, the other in the south.

Assemblywoman McClain:

How would this work with 211, and the Nevada Care Connection?

Assemblywoman Womack:

They would be part of the referral system. As they go out into the community, 211 and other programs would be part of the information they would carry with them.

Assemblywoman McClain:

My concern is the other way around. Would they comply with 211? The 211 system is the pinnacle in this instance because it is state-wide, and it is an easy number to remember. Family resource centers would have to make sure that information they are giving out is correct.

Joyce Buckingham:

Currently, we use 211 and their informational database.

Assemblyman Stewart:

The southern coordinator would cover only Clark County?

Assemblywoman Womack:

The southern outreach coordinator would cover all the rural areas including Clark County.

Assemblyman Stewart:

Does the bill need to address a distinct division of responsibility?

Joyce Buckingham:

The perimeters are already drawn.

**Robert Desruisseaux, Aging and Disability Resource Center Project Manager,
Division for Aging Services, Department of Health and Human Services:**

[Read from prepared text ([Exhibit K](#)).]

Jack Mayes, Executive Director, Nevada Disability Advocacy and Law Center:

I would like to support the collaboration that is included in A.B. 367. The need for information is especially great in Las Vegas. There are certain populations that feel more comfortable communicating one-on-one with an outreach worker.

Lisa Foster, representing High Sierra Industries:

High Sierra Industries serves clients with a wide range of mental and physical disabilities. Our clients would benefit from someone who would help coordinate their services.

Luis Valera, University of Nevada, Las Vegas:

The Family Resource Center (FRC) already has the infrastructure in place to provide the service, so the cost would be minimal.

Chair Leslie:

Would anyone else like to testify in favor or against A.B. 367? We will close the hearing on A.B. 367. We will open the hearing on Assembly Bill 97.

Assembly Bill 97: Revises provisions governing certain contracts between insurers and hospitals. (BDR 40-857)

Larry O'Brien, President, Saint Mary's Regional Medical Center:

[Read from prepared text ([Exhibit L](#)).]

Jeremy Aguero, Principal, Applied Analysis:

Competitive economic issues are complicated. [Read from prepared text ([Exhibit M](#)).]

Chair Leslie:

We will hear from the opponents of A.B. 97.

Fred L. Hillerby, representing Renown Health:

This bill seeks to end preferred provider networks. For over 20 years, we have been using these providers in Nevada, trying to get our arms around escalating health care costs. State law requires health plans to have at least two cost containment provisions. Preferred Provider Networking is one that is used by health plans to get some control. This is not only a cost issue, it is also a way to deal with quality. This bill is saying we should no longer have preferred provider contracting for hospitals in Washoe County. It is about market share. Renown Health is the parent company for some health care enterprises. This bill would prohibit a health plan from having an exclusive arrangement with its hospital. Provider networks are large, and people have a lot of choices within those networks. One of the issues this committee knows well is the problem with the uninsured. Many of the uninsured are working, but are unable to afford health insurance. As a system, we are looking for a way to provide affordable health care, so we can help address the uninsured problem.

Allan Dobson, representing Renown Regional Medical Center:

[Read from prepared text ([Exhibit N](#)).]

Chris Bosse, Government Relations Officer, Renown Health:

Renown Health is the only locally-owned private not-for-profit health system in Washoe County. [Read from prepared text ([Exhibit O](#)).]

Chair Leslie:

Assemblywoman Parnell, is there anything you would like to ask?

Assemblywoman Parnell:

My concern is for the people who need access to health care. I represent Carson City, and we have had nothing but problems. I take exception that this is just about market share. I used the following scenario when I went before the Public Employees' Benefits Board (PEBP). If I were a 30 year old, pregnant lady living in one of the homes out near Red Hawk, Spanish Springs, I would probably want to go Northern Nevada Medical Center (NNMC). It has to be about my situation, my choice, and the access to the nearest hospital. I am not going to get caught up in the market share theory. What it comes down to is who is providing patient choice. We seem to forget that. What exactly creates

the difference between the northern and southern areas? Is it a result of southern Nevada having fewer exclusive contracts?

Jeremy Aguero:

The calculation is based on the number of competitors and their relative market share. It is a practical standpoint, because people have fewer choices, and therefore greater concentration in one particular area, or a limited number of competitors within a relatively concentrated market.

Assemblywoman Parnell:

One of the reasons you can keep an exclusive contract is that it reduces the cost. Is that a reality of the market place?

Jeremy Aguero:

It is difficult to tell. The reality is if you control 100 percent of the market, you may be able to reduce your relative cost because you have greater volume with which to spread the capital and operating expenditure. The answer to that question is "yes." As you move closer to a monopoly, I do not think an economist will suggest that a monopoly condition is going to reduce cost, increase competition, or increase investment.

Chair Leslie:

We have a conceptual amendment to be addressed.

Chris Bosse:

[Referred to prepared text ([Exhibit O](#)).]

Fred Hillerby:

We are talking about choice for the insured versus access for the uninsured. Through our preferred provider contracting, we are able to have enough patients to generate the money to cover care to indigents and people without insurance ([Exhibit P](#)). Every hospital in our community would have to take care of a proportionate share that matches their market share of the indigent. If you do not meet your goal, you pay. You put that money into a pool and the hospitals in the community who are taking care of more than their proportionate care can draw from that pool.

Assemblywoman Gerhardt:

Who owns Renown Health?

Fred Hillerby:

Renown Health is a community owned hospital. About 20 years ago, we came to this body and asked for legislation that allowed us to convert from a county

hospital to a private not-for-profit. Our board is made up of citizens from the community.

Assemblywoman Gerhardt:

Where was the \$51 million reinvested?

Fred Hillerby:

The \$51 million was invested in specialized services. We are adding emergency department rooms.

Assemblywoman Gerhardt:

Specialized care is not something everyone can access. If Renown Health is community owned, not all of the community has access to that facility.

Fred Hillerby:

It is available to everyone. Not everyone has insurance for which Renown Health is their preferred provider.

Assemblywoman Gerhardt:

I am not talking about the indigent, only about those who are insured. There is a difference in perception. What I am hearing is that this does not occur. You receive 100 percent of the DSH funds. According to your figures, you are doing 85 percent of the care, but you are receiving 100 percent of the money. Why are some of the hospitals not receiving their portion of those funds?

Fred Hillerby:

The formula for how the Disproportionate Share Hospitals (DSH) money gets distributed is set in statute. It is for the hospital that does the disproportionate share. It is not set up to divide between hospitals. Washoe County puts up \$1.5 million. In exchange for that, we get \$4.6 million for disproportionate share. For the \$1.5 million, Washoe County is relieved of any obligation to pay for in-patient care for their otherwise qualified county indigents.

Assemblywoman Weber:

Are both Renown Health and Saint Mary's Medical Center structurally set up as not-for-profit?

Fred Hillerby:

Both hospitals are not-for-profit.

Assemblywoman Weber:

According to Internal Revenue Service (IRS) rules, anything over 10 percent profit has to be put back into the hospital.

Fred Hillerby:

They are equal.

Joseph E. Jasmon, Executive Vice President, Chief Operating Officer, Saint Mary's Regional Medical Center:

[Read from prepared text ([Exhibit Q](#)).]

T. Brian Callister, Chief Financial Officer, Sierra Hospitals, LLC:

This is about patient care. This is about not transferring people to doctors that do not know them. This is about having a choice to see the doctor you want to see, to go to the facility you choose. The physicians of Washoe County have had this as a big issue for many years. Choice improves patient care.

[Additional documents ([Exhibit R](#)) provided to Committee by Brandt Wright. No testimony.]

Chair Leslie:

We will close the hearing on A.B. 97. Committee members, I will be polling you individually to get your thoughts on this bill.

[Meeting adjourned at 4 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: April 9, 2007

Time of Meeting: 1:30 p.m.

Bill	Exhibit	Witness / Agency	Description
	A	*****	AGENDA
	B	*****	ATTENDANCE ROSTER
AB 490	C	Judge Janet J. Berry	Privacy Rights
AB 490	D	Vicki Robinson	Prepared Text
AB 187	E	Sarah J. Lutter	Prepared Text
AB 232	F	Sarah J. Lutter	Prepared Text
AB 293	G	Sarah J. Lutter	Prepared Text
AB 410	H	Sarah J. Lutter	Prepared Text
AB 367	I	Assemblywoman Womack	Amendment to the Bill
AB 367	J	Mary Liveratti	Budget Projection
AB 367	K	Robert Desruisseaux	Prepared Text
AB 97	L	Larry O'Brien	Prepared Text
AB 97	M	Jeremy Aguero	Prepared Text
AB 97	N	Allen Dobson	Prepared Text
AB 97	O	Chris Bosse	Prepared Text
AB 97	P	Fred Hillerby	Prepared Text
AB 97	Q	Joseph Jasmon	Prepared Text
AB 97	R	Brandt Wright, Northern Nevada Medical Center	Additional Documents