

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON WAYS AND MEANS  
AND THE  
SENATE COMMITTEE ON FINANCE  
JOINT SUBCOMMITTEE ON K-12/HUMAN SERVICES**

**Seventy-Fourth Session  
February 21, 2007**

The Assembly Committee on Ways and Means and the Senate Committee on Finance, Joint Subcommittee on K-12/Human Services was called to order by Chair Sheila Leslie at 8:00 a.m., on Wednesday, February 21, 2007, in Room 3137 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/](http://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](mailto:publications@lcb.state.nv.us); telephone: 775-684-6835).

**COMMITTEE MEMBERS PRESENT:**

Assemblywoman Sheila Leslie, Chair  
Assemblyman Mo Denis  
Assemblywoman Heidi S. Gansert  
Assemblywoman Debbie Smith  
Assemblywoman Valerie E. Weber

**COMMITTEE MEMBERS EXCUSED:**

Assemblywoman Barbara Buckley

**SENATE COMMITTEE MEMBERS PRESENT:**

Senator William J. Raggio  
Senator Barbara K. Cegavske, Chair  
Senator Dina Titus  
Senator Bernice Mathews

**STAFF MEMBERS PRESENT:**

Gary Ghiggeri, Senate Fiscal Analyst  
Steve Abba, Principal Deputy Fiscal Analyst  
Laura Freed, Program Analyst  
Linda Blevins, Committee Secretary  
Patti Adams, Committee Assistant

Chairwoman Leslie opened the meeting with the Department of Health and Human Services, Health Division. Accompanying Mr. Alex Haartz, Administrator of the Health Division, were Mr. Richard Whitley, Deputy Administrator, and Ms. Amy Roukie, Administrative Services Officer IV. The Health Division was established under Chapter 232 of the Nevada Revised Statutes (NRS).



Mr. Haartz advised the Subcommittee that the Governor's recommended budget was less than previous years because the Bureau of Alcohol and Drug Abuse (BADA) had been transferred out of the Health Division. The Division was primarily federally funded, 51 percent, with General Fund providing 16 percent, and fees and other revenues contributing 33 percent to the budget. The majority of the General Fund in the Health Division's budget met maintenance of effort (MOE) requirements and was tied to a federal mandate.

Mr. Haartz continued, stating that fee revenue supported two types of accounts. One type was self-supporting accounts where budgets were fully-funded by fees, notably Budget Account (BA) 3101 and BA 3216. The second type of account was subsidized by fee revenues in which there was a balancing between General Fund and fee revenues, namely BA 3194 and BA 3208. The Division was requesting fee increases for BA 3101, BA 3153, BA 3194, and BA 3216 to support additional Full-Time Equivalent (FTE) positions. The increased fees also supported the operational costs of the new FTEs. Mr. Haartz advised the Subcommittee that the Division was considering the fee increases and those decision units as tentative proposals. The Division was currently working with a regulated industry to clarify the need for additional revenues. The Division may return to the Subcommittee at a later date to advise whether or not it was going forward with these decision units.

Chairwoman Leslie commented the Subcommittee was put in an awkward situation as the Division had not determined whether to go forward with the request. Mr. Haartz understood and agreed the Division was remiss. It was the goal of the Division to make the decisions as soon as possible. The legislative staff would be kept up-to-date on the situation. Chairwoman Leslie asked the timeframe for resolving the issue. Mr. Haartz replied the Division hoped to have an answer within two weeks.

Senator Cegavske recommended that the presentation address the budget with and without the additional fees previously mentioned. Mr. Haartz stated he was prepared to discuss the budget with both scenarios.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES, HEALTH DIVISION**  
**OFFICE OF HEALTH ADMINISTRATION (101-3223)—HEALTH-1**  
**HEALTH DIVISION SPECIAL APPROPRIATIONS (101-3225)—HEALTH-12**

Chairwoman Leslie opened the hearing on BA 3223 and BA 3225. Mr. Alex Haartz, Administrator of the Health Division, introduced Ms. Amy Roukie, Administrative Services Officer IV, and advised they were prepared to answer questions on BA 3223 for the Subcommittee. Chairwoman Leslie announced the major issue in BA 3223 was the supplemental appropriation for the Poison Control Call Center Services in the amount of \$151,668, and requested a brief overview of the number of calls the Center received on a monthly basis, where the calls originated, and the cost of each call. Mr. Haartz testified the Center averaged approximately 36,000 calls per year. There were two different cost components: the southern Nevada contract was all inclusive, whereas the remainder of the state's contract was on a per call basis. The Interim Finance Committee (IFC) directed the Health Division to release a statewide contract solicitation. That had been done, and with the assistance of the state Purchasing Division, the Health Division was in the process of negotiating a contract with Rocky Mountain Poison Control Center (RMPCC) for a single statewide contract. The effective date of the contract would be no later than July 1, 2007. In response to a question from Chairwoman Leslie regarding whether the RMPCC bid was lower, Mr. Haartz stated he did not have the

numbers available but would provide the information to Legislative Counsel Bureau (LCB) staff.

Senator Cegavske questioned how many calls were generated from the 211 service. Mr. Haartz advised he was not certain whether the Centers tracked the number of those calls. Most calls originated from individuals in their homes calling with regard to either potential exposure to poison or medications they had discovered and did not recognize. Senator Cegavske inquired whether the current 800 number could be combined with the 211 service at some point, and why Renown Medical Center in Washoe County was not paying for the service. Mr. Haartz offered to follow up on the issue of integrating the 800 number with the 211 service. In response to the second question, Mr. Haartz said Renown Medical Center was unable to continue supporting the cost and informed the Health Division of that decision. It was determined there were federal funds available for assistance and, rather than leaving Washoe County and other areas outside southern Nevada without coverage, the Division picked up the cost with appropriate federal funds. Mr. Haartz was not privy to why the County had made the decision to drop the service.

Assemblywoman Gansert noted the contract was much less expensive for northern Nevada and inquired whether southern Nevada was using RMPCC. She also inquired whether the current provider, Oregon Health Science Center (OHSC), was given the Request for Proposal (RFP). According to Mr. Haartz, southern Nevada was historically covered by RMPCC, while the remainder of the State was covered by OHSC which also operated a nationally accredited poison control and drug information line. There was a cost differential and when the RFP was prepared, it appeared there were two methodologies that poison control centers used in contracting out their services. One method was a per capita basis, which was used by RMPCC. The other method was a per call volume estimation, which was used by OHSC. Mr. Haartz advised that although all certified poison control and drug information centers throughout the United States received the RFP, OHSC was not one of the three proposals the Division had received.

Mrs. Gansert pointed out that Renown Medical Center was never mandated to provide the poison control center but they had participated voluntarily. Mr. Haartz confirmed statute did not require those services be provided.

Senator Mathews provided a brief background of the Washoe County poison control issue and asked Mr. Haartz whether Utah had a poison control call center. Mr. Haartz replied there was a center in Salt Lake City, Utah, but they had not responded to the RFP.

Chairwoman Leslie referenced BA 3225 appropriations and pointed out that Enhancement Unit 325 (E325) was for \$480,900 in fiscal year (FY) 2008 and \$504,945 in FY 2009. She inquired whether the Health Division anticipated the RFP would generate a contract with RMPCC and whether it would fall within the budgeted amounts. Mr. Alex Haartz, Administrator of the Health Division, advised the budget account had to be built predicated on estimates from RMPCC and negotiations were still ongoing. The goal of the Division was to complete the negotiations within the next week to ten days. At the request of Chairwoman Leslie, Mr. Haartz would provide the final numbers to staff when negotiations had been completed. Chairwoman Leslie questioned whether federal grant funds were an option for funding the program. Mr. Haartz had performed an extensive analysis of federal grant availability for the program and had concluded one categorical grant, which dealt with injury prevention, could

possibly be used. The Maternal and Child Health (MCH) block grant was also a possibility. Both grants required planning and federal approval. There was a federal subsidy the Health Resources Services Administration made on behalf of the State, approximately \$132,000, which would go to the designated center to offset the state's cost. Chairwoman Leslie requested Mr. Haartz prepare a brief review of the RFP process for the Subcommittee, along with the outcome of the negotiations.

Senator Mathews asked whether the RFP process could be reopened if only one bid was received. Mr. Haartz clarified the Division had received three bids. If successful negotiations were not forthcoming, they would reevaluate the bids received and possibly reopen the RFP.

In answer to a question from Senator Titus as to whether the university medical school could assist, Mr. Haartz commented there was local interest. The Division believed it was in their best interest to contract with a certified center. If the Subcommittee directed the Division to work with the university to explore the possibilities, the Division would readily comply. Chairwoman Leslie directed the Division to study the possibility of working with the medical school and report the results to the Subcommittee.

Lawrence Sands, DO, MPH, Assistant Health Officer, Southern Nevada Health District, presented [Exhibit C](#), which outlined the importance of a poison control center to Nevada.

Continuing, Chairwoman Leslie requested Mr. Alex Haartz, Administrator of the State Health Division, address the six positions remaining in this budget despite the grant reductions in Decision Unit E600 of BA 3223. Mr. Haartz explained the decision unit dealt with the transfer of the BADA from the Health Division to the Division of Mental Health and Disability Services (MHDS). The funding for the referenced positions was needed to maintain the existing positions within the Health Division, ultimately 3.5 FTE, based on workload analysis of those positions. The positions disproportionately served the Health Division from a workload standpoint. The positions were originally supported by the Substance Abuse Prevention and Treatment (SAPT) block grant.

Chairwoman Leslie commented it appeared to the Subcommittee there was a policy matter involved as the same positions appeared in the transfer budget of the SAPTA, formerly BADA. Three of the positions were 100 percent funded by the SAPT grant. Mr. Haartz agreed there was some confusion. Within the Office of Health Administration, there were centralized functions. When reviewing the agency's 450 FTEs, 30 of those positions along with the associated workload, were SAPTA positions. While the 30 positions were 100 percent SAPT funded, the funding mechanism was similar to agency indirect funding. A disproportionate share of the workload of the positions remained within the Health Division when SAPTA transferred. Chairwoman Leslie noted the positions were federally funded, and the Health Division was now stating the positions performed other duties outside of the federal guidelines. Mr. Haartz explained the funding allowed for the positions to perform administrative functions and was not tied to specific grant duties.

In reviewing the performance indicators, Senator Cegavske asked for an explanation for the major increase in the number of Certificates of Need (CON) inquiries since the projection for FY 2006 was 40 and the actual was 160. Mr. Haartz clarified the actual count of 160 tabulated all inquiries received, both

formal and informal, such as telephone calls where a CON question was raised, whereas the projected number of 40 only counted the formal written inquiries.

Senator Cegavske also questioned the number of HMO issues reviewed which had doubled from the projected number of 30. Mr. Haartz believed the change occurred because the HMO industry wanted to expand areas of coverage within the State, and the State Board of Health was required to determine whether there was sufficient provider coverage for each of those areas.

Chairwoman Leslie moved to Decision Unit E813 which requested salary adjustments for the Division Administrator, the Executive Assistant, and the State Health Officer. It did not appear the increases were built with General Fund salary adjustment support. In response, Ms. Amy Roukie, Administrative Services Officer IV, explained E813 salary adjustments for unclassified positions were being funded by agency indirect cost allocation.

Chairwoman Leslie closed the hearing on BA 3223 and BA 3225.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES, HEALTH DIVISION**  
**OFFICE OF MINORITY HEALTH (101-3204)—HEALTH-8**

Chairwoman Leslie next reviewed BA 3204, the Office of Minority Health. One of the major issues in the budget was the addition of ongoing General Fund support. The position was originally funded through A.B. No. 580 of the 73rd Session but was a one-time appropriation. Ms. Amy Roukie, Administrative Services Officer IV, responded that the Division desired to maintain the Office as established in the 2005 Legislative Session. Chairwoman Leslie pointed out there was a technical correction needed as there were two assessment expenses in the operating expenditure category that should be in the federal grant category.

Senator Cegavske noted the performance indicators did not provide a measurement of success and recommended the Division meet with staff to determine a method to measure the success of the program.

Dr. Larry Gamell, Manager, Office of Minority Health, provided an overview of the Office created by A.B. No. 580 of the 73rd Session. The Office was tasked with addressing access to healthcare and healthcare quality, as well as creation of a central point for dissemination of information, both within the Department of Health and Human Services and to the general community, on health matters that concerned the minorities in Nevada. The challenge to address these tasks was accomplished by collaborating with existing community-based organizations, the health districts, and the University System to heighten the awareness of modifiable risk factors and other concerns which disproportionately affect the state's minorities. The primary goal of the Office of Minority Health was the elimination of health disparities. According to Dr. Gamell that goal addressed many areas of concern regarding minority health issues.

Chairwoman Leslie remarked that Dr. Gamell had provided an excellent description of the goal of the Office of Minority Health. Responding to a question by Chairwoman Leslie regarding activities undertaken to reach the goal, Dr. Gamell answered that initially there had been a personal assessment of what existed throughout the State and what organizations were currently working toward eliminating health disparities for minorities. In conjunction with various community groups, such as Community Partners for Better Health, an

organization that looked at health concerns among people of color, the Office examined Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/AIDS) in the State. The Office had worked with Latinos United Celebrating Health (LUCH) helping the organization do more community outreach and with University of Nevada, Las Vegas (UNLV) to research the elimination of health disparities.

Chairwoman Leslie requested Dr. Gamell provide the Subcommittee with a report outlining achievements and projected activities. Mr. Alex Haartz, Administrator of the Health Division, advised the Subcommittee that the Office had completed a minority health profile which would also be provided.

In reference to the HIV/AIDS problem, Senator Mathews said most programs were federally funded and questioned whether Dr. Gamell was able to link to those programs. Dr. Gamell explained he was attempting to collaborate with the organizations working on HIV/AIDS programs. By looking into their funding and programs, the Office assisted these organizations to have a greater impact in the communities. The Office wanted to raise awareness of what was available to the minority community.

Assemblywoman Weber commented she looked forward to seeing Dr. Gamell's report as her district consisted of one of the largest Asian/Pacific Islander groups and noted there was opportunity for outreach at various festivals. She inquired whether there was an Advisory Board for the Minority Health Division, and whether Dr. Gamell could provide a brief overview. Dr. Gamell noted the legislation that created the Office of Minority Health also authorized a nine-member advisory committee. Currently, the Office was waiting for the committee to be appointed by the Governor's office.

Assemblyman Denis inquired whether the legislation determined the makeup of the Board or whether it was the decision of the Governor. Dr. Gamell replied that as the legislation was written the Board should be made up of nine members to reflect the racial and ethnic composition of the State.

Chairwoman Leslie thanked Dr. Gamell and closed the hearing on BA 3204.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES, HEALTH DIVISION**  
**VITAL STATISTICS (101-3190)—HEALTH-14**

Chairwoman Leslie continued with BA 3190, Vital Statistics, advising the major issue was the new staff requests for the Health and Human Services Data Warehouse. Staff had provided the Subcommittee with background material on the data warehouse which would be presented at the General Government Subcommittee. Chairwoman Leslie asked Luana J. Ritch, Ph.D., Chief, Bureau of Health Planning and Statistics, for a brief overview. The Office of Vital Records provided [Exhibit D](#) for the Subcommittee. Dr. Ritch referenced Enhancement Unit 276 (E276) which added one Information Systems Specialist in FY 2008 and two Biostatisticians and an Administrative Assistant in FY 2009. According to Dr. Ritch, the positions supported the implementation of a technology investment request for the data warehouse contained in BA 1325. The duties of the Information Systems Specialist were to electronically create and maintain linkages of over 40 databases that existed within various agencies of state government. The Biostatisticians and Administrative Assistant supported the analysis and reporting of data from those linked databases.

Mr. Alex Haartz, Administrator of the Health Division, advised the Subcommittee that if the Technology Improvement Request (TIR) was not approved and funded, this decision unit would be withdrawn. This issue was discussed during interim health committee meetings as a means to have better data and a data warehouse for health planning purposes. Further, this was to serve as a web-based, on-line data warehouse that could be easily accessed for up-to-date health data.

Chairwoman Leslie suggested that instead of two Biostatisticians, it might be prudent to begin the program with one position and request an additional position in the future. Dr. Ritch explained the implementation was phased in over the biennium. Currently, the data analyst staff was categorically funded. The two additional staff would allow for the importation of data more efficiently and effectively. The two Biostatisticians would work in tandem and analyze data across the 40 databases. The two Biostatistician and the administrative assistant positions were slated to begin in FY 2009. In response to Chairwoman Leslie's question whether both positions were needed at the same time, Dr. Ritch responded that currently one to two requests for data were handled per day. The requests were put on a waiting list. Having both positions would allow for information updates and faster response times.

Mr. Haartz suggested, if the Subcommittee was interested in pursuing a phased approach, the Bureau would oblige. Chairwoman Leslie asked whether the Bureau had considered charging fees to agencies to offset the costs. Mr. Haartz had not considered the option but would review the possibility.

Chairwoman Leslie inquired what the plan was for the next biennium. Mr. Haartz stated, if it was determined there was a need to expand the data warehouse, the Bureau would study the need for additional staff.

In answer to a question from Chairwoman Leslie, Dr. Ritch explained the data warehouse was to be located within the Bureau of Health Planning and Statistics, and as chief of the Bureau, Dr. Ritch would be responsible for the oversight of the project. The Chief Biostatistician, who provided the technical and statistical oversight, was also housed within the Bureau.

Chairwoman Leslie inquired whether the Bureau anticipated an increased demand for birth certificates if the Real ID Act was implemented. Pointing out that this was related to the second TIR (electronic vital records), Mr. Haartz explained to the Subcommittee that the second TIR provided easier registration as the Bureau moved from its paper-based system. In theory, data sharing with the Department of Motor Vehicles (DMV) would be much easier, and native Nevadans should be able to easily obtain copies of their birth certificates. The data warehouse allowed the Bureau to maintain staffing levels while creating a more efficient system of record registration.

Addressing a question from Assemblywoman Smith, Dr. Ritch stated the automated registration system allowed the Bureau to implement a system where DMV could gain verification through the electronic birth registration system. Without the data warehouse, the Bureau was operating with a manual system similar to what was currently in place at the Social Security Administration. That system was very cumbersome and time-consuming.

Returning to the previously discussed Biostatistician position, Senator Cegavske inquired whether the Bureau would be able to find qualified candidates for the position and whether the position required a degree. Dr. Ritch advised there

were currently several staff in the biostatistician series and staff performing similar functions in the health resource analyst series. Generally the biostatistician series held a degree in mathematics, biostatistics, or epidemiology. There was a national demand for individuals who held these skills.

Senator Cegavske temporarily took over duties of Chairwoman Leslie and closed the hearing on BA 3190.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES, HEALTH DIVISION**  
**CANCER CONTROL REGISTRY (101-3153)—HEALTH-20**

Moving to BA 3153, Cancer Control Registry, Chairwoman Cegavske advised the Subcommittee there were no major issues within the budget, but the base budget assumed a fee increase which needed to be justified. According to Mr. Alex Haartz, Administrator of the state Health Division, if fee revenue was not increased, staff would have to be reduced to trim expenditures. Chairwoman Cegavske and Mr. Haartz discussed whether the hospitals were supportive of the fee increase. Mr. Haartz reported there were two types of fees in the budget which were identified in statute. There was one fee when the Registry did the abstracting and a different fee when the hospital did their own record abstracting.

Continuing, Chairwoman Cegavske noted there was a request for replacement of ten desktop computers, but there were only nine FTEs in the budget. Mr. Haartz noted the budget was incorrect because the technology equipment needed consisted of five desktop computers, two laptop computers, and two printers. He would provide the information to staff.

Chairwoman Cegavske closed the hearing on BA 3153.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES, HEALTH DIVISION**  
**ENVIRONMENTAL PUBLIC HEALTH TRACKING SYSTEM (101-3203)—**  
**HEALTH-25**

Chairwoman Cegavske next moved to BA 3203, Environmental Public Health Tracking System. Mr. Alex Haartz, Administrator of the Health Division, commented the budget was an example of a rare instance when the Health Division was not successful in continuing the federal grant that supported this program. The money was totally expended within the grant period and this budget account was eliminated for the upcoming biennium.

Chairwoman Cegavske closed the hearing on BA 3203 and opened the hearing on BA 3194.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES, HEALTH DIVISION**  
**CONSUMER HEALTH PROTECTION (101-3194)—HEALTH-27**

In BA 3194, Consumer Health Protection, Chairwoman Cegavske questioned the need for five additional Environmental Health Specialists and one Grants and Project Analyst. Mr. Stanley Marshall, Chief, Bureau of Health Protection Services, explained the additional staff requested in Decision Unit E250 was in response to increased workload. At the request of the Chairwoman, Mr. Alex Haartz, Administrator of the Health Division, further explained the Environmental Health staff inspected food establishments, maintained public health sanitation in the 14 counties without health departments, and performed plan reviews.



With respect to State mandates, Mr. Marshall noted that Chapters 446, 444, and 432 of the Nevada Revised Statutes (NRS) addressed mandates for the permitting and periodic inspection of food establishments; noncompliant, high-risk establishments; institutional facilities; school facilities and gymnasiums; individual septic disposal systems; childcare facilities; and pools and spas. There was also an unfunded federal mandate under the Child Nutrition and Women, Infants, and Children (WIC) Reauthorization Act of 2004 requiring school kitchen inspections and an interagency contract with the Nevada Division of Environmental Protection (NDEP) for permitted landfill inspection.

Chairwoman Cegavske noted there was a performance indicator for school facilities, and questioned whether the Environmental Health Section (EHS) was responsible for the inspection of fast-food that was brought into a school. Mr. Marshall confirmed that EHS was responsible. In answer to Chairwoman Cegavske's question regarding FY 2006 projected numbers, Ms. Amy Roukie, Administrative Services Officer IV, apprised the Subcommittee there were three new performance indicators for FY 2006. These were added in response to a directive to inspect the non-kitchen portion of school facilities. Consequently, the numbers were not in the previous biennial budget request and were shown as zero in the FY 2006 projections.

According to Mr. Haartz, the projected inspections of food establishment in FY 2006, which included temporary establishments at farmer's markets and festivals, as well as fixed locations; investigation of complaints which ranged from food establishments to sewage spills; permitting of septic pumpers; and emergency responses to highway spills and resultant truck inspections, utilized 27,966 man hours. When divided by 1,412 hours per year, the required staff would be 20 environmental health specialists. The Agency was authorized only 15 of those positions. Mr. Haartz believed this justified the addition of five FTEs to continue the inspections. This number did not take into account the growth factor for FY 2008 and FY 2009. If these fee-funded positions were not approved, there would have to be a prioritization and realignment of workload.

Assemblywoman Weber inquired whether the inspection of correctional kitchen facilities fell under the auspices of EHS and how often they were inspected. Mr. Haartz replied inspections of the general sanitation of the facilities were performed annually, and the legislative staff was provided with the inspection reports. It was the responsibility of the Department of Corrections to take the corrective actions required.

Chairwoman Cegavske explained that the Subcommittee needed to know how the state mandates differed from standards the EHS had developed. Mr. Haartz apprised the Subcommittee that first and foremost the EHS complied with the state mandates, and complaint investigation was the only activity outside of those mandates.

Chairwoman Cegavske set a goal of February 28, 2007, as the date the EHS would provide the Subcommittee with updated information on the proposed fee increases. Mr. Haartz would see that the EHS complied with the request.

Senator Cegavske turned the meeting over to Chairwoman Leslie who questioned whether the EHS had received support from the food service industry. Mr. Marshall remarked the goal was to have consensus. Although the

letters from the casino industry were supportive, an outreach program was needed to establish the support of the regulated community.

Addressing a question from Assemblywoman Gansert regarding the fees charged for inspections, Mr. Haartz replied that the fees varied by size and type of industry.

Chairwoman Leslie noted the anticipated revenue numbers used when the budget was built showed fee revenues of \$1.5 million in FY 2008 and \$1.6 million in FY 2009, but the numbers should be closer to \$2.1 million. Ms. Roukie explained the total fee revenue combined license revenue and fees into a single category. Total fee revenue was \$1.49 million in FY 2008 and \$1.60 million in FY 2009. Chairwoman Leslie expressed confusion over these budget numbers, and requested the EHS meet with staff to provide clarification.

Moving ahead to Decision Unit E260, Chairwoman Leslie advised Mr. Haartz that the Subcommittee had received information the EHS staff was receiving continuing education credits for their jobs. Mr. Haartz explained that there was a requirement that environmental health specialists be registered, but there was no licensing board. If there was a conference where the specialists could obtain continuing education credits, it was allowed. Chairwoman Leslie pointed out that it appeared the Agency was requesting \$62,000 the first year and \$65,000 the second year to fund continuing education. Ms. Roukie responded that over time one of the deficiencies in this budget was a requirement to provide continuing education to maintain the Certificate of Registration as Environmental Health Specialists mandated in the 2005 Legislative Session. Additionally, there had been a limitation on travel and training dollars in BA 3194. This BA had lost the flexibility for travel and training when the federally funded Public Water System Supervision Program (PWSSP) was moved to the Nevada Division of Environmental Protection (NDEP), making it necessary to request an enhancement to support travel activities. Chairwoman Leslie asked for background information on the issue so staff could review.

Chairwoman Leslie questioned the software purchase requested in Decision Unit E590. What products and services were included in the request and what was the ongoing cost for maintenance? Ms. Roukie explained the software was needed for a Technology Improvement Request (TIR) approved three years ago. The application was to be used by the environmental health staff in performing inspections in the field and providing real-time information to those being inspected. The inspection report could be printed and distributed in the field. At this time the EHS did not have a mechanism for gathering data and uploading it into a software application used to retrieve statistical information on environmental inspections. The ongoing cost for maintenance was built into the TIR.

Chairwoman Leslie noted there was travel included with the replacement equipment in Decision Unit E710 and asked for an explanation. Ms. Roukie stated that was an error and would be corrected.

Chairwoman Leslie closed the hearing on BA 3194.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES, HEALTH DIVISION**  
**RADIOLOGICAL HEALTH (101-3101)—HEALTH-34**

Continuing with BA 3101, DHHS Radiological Health, Chairwoman Leslie asked Mr. Stanley Marshall, Chief, Bureau of Health Protection Services, for

justification of the additional FTEs requested under Decision Unit E250. Mr. Marshall advised the purpose of Decision Unit E250 was to add four technical staff due to increased workload and mandated activities. Additional requirements came to Nevada because of a Nuclear Regulatory Commission (NRC) agreement with the State since September 11, 2001. The requirements from NRC necessitated increased security for licensed radioactive material users. There was now an enhanced inspection element and additional activities associated with machine-produced radiation.

Chairwoman Leslie directed Mr. Marshall to provide the Subcommittee with written documentation from the NRC showing the connection between the mandate and the request. She additionally requested a background sheet that showed the methodology for justification of the 14 positions, both due to NRC requirements and from the increased licensing requirements. Furthermore, if 14 additional positions were needed per the Division's calculations, why were only four radiological inspection positions requested? Ms. Amy Roukie, Administrative Services Officer IV, explained the positions requested were based on anticipated regulated community and industry growth. The Division was conservative with the request because E250 was supported by fees. Discussion ensued with Mr. Alex Haartz, Administrator of the Health Division, after which Chairwoman Leslie determined it was necessary for the Division's staff to meet with LCB staff to clear up the confusion with the calculations.

Chairwoman Leslie questioned the need for an additional Public Service Intern position. Mr. Haartz responded that a strategy to address recruitment and retention problems was to partner with the universities. The Division wanted to create an entry-level position for graduates who did not meet the minimum qualifications set by state Personnel. After receiving training, the intern can be hired as a full-time employee. Chairwoman Leslie stated it was a good theory, but the Subcommittee needed to know if the interns were actually being hired by the Division. Mr. Haartz stated they had hired the interns in the past, especially for the professional level positions which required one year of paid experience. Typically, college graduates did not have the year of paid experience required by state Personnel unless they had been in an intern position. Chairwoman Leslie asked for documentation that would show this strategy was working.

In reference to the Transportation Security Administration (TSA), Senator Mathews inquired whether the Division had the responsibility of the oversight of the airport X-ray equipment. Mr. Marshall said that the TSA, not the Division, was responsible for that equipment, but the Division maintained a working relationship with the TSA. Senator Mathews expressed concern over emissions from the equipment and dangers for the individuals operating the equipment who did not wear detection badges. Mr. Haartz agreed that was a legitimate concern, but the TSA was responsible, not the Division.

Moving on to fee increases, Senator Cegavske pointed out the number of X-ray machine operators who caused unnecessary radiation exposure to patients, workers, and the general public, was 93, yet the number of facilities violating the guidelines was 55. She asked whether the Division had a penalty or fee assessed when an individual or facility was not in compliance. Mr. Marshall stated the regulations in statute under Chapter 459 of the Nevada Revised Statutes and the Nevada Administrative Code (NAC) did not have criminal or civil penalties attached. The enforcement was to apply escalated inspections after a violation was discovered. Mr. Haartz further explained that a facility could have their license revoked if they were repeat offenders.

Chairwoman Leslie advised that in the past the Division had received General Funds, but last biennium the funding source had switched to fees and other revenues. If, in fact, the fees were increased, the Subcommittee wanted to confirm that General Fund money would not be required. Mr. Haartz stated that the negotiations currently underway with the industry would provide the answer to that question. If the NRC were to take over the inspection and licensing, it would be costly to the Nevada industry, and inspections would not be timely.

Continuing with E225, replacing the Agency vehicle with a motor pool vehicle, Chairwoman Leslie believed that it was more cost effective for the Division to purchase the requested vehicle with fees or federal funds and contract with State Motor Pool to maintain the vehicle. Ms. Roukie said that option was being considered.

Decision Unit E261 requested increased Out-Of-State Travel for conferences and training. Chairwoman Leslie requested justification for the increase. Mr. Marshall advised the conferences were unique opportunities to meet with counterparts in other states. Chairwoman Leslie asked that examples of the conferences and justifications be provided to LCB staff and closed the hearing on BA 3101.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES, HEALTH DIVISION**  
**HEALTH RADIOACTIVE & HAZARDOUS WASTE (101-3152)–HEALTH-42**

Moving to BA 3152, Chairwoman Leslie stated there were no major issues with the budget account. Decision Unit E225 was the same as previously discussed in BA 3101.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES, HEALTH DIVISION**  
**HEALTH FACILITIES HOSPITAL LICENSING (101-3216)–HEALTH-46**

Chairwoman Leslie next discussed BA 3216, Health Facilities Hospital Licensing, requesting information on the 17 new positions that were recommended. According to Chairwoman Leslie, the Division came before IFC in September 2006 when five health surveyor positions were restored because of the workload. The Division needed to provide justification for requesting ten additional surveyor positions. Ms. Pam Graham, Chief, Bureau of Licensure and Certification, confirmed the positions were approved at IFC and two of the five positions had been filled. The Bureau had projected that through the biennium additional health surveyor positions were necessary to complete the mandated workload. Chairwoman Leslie asked whether the workload had decreased resulting in filling only two of the five positions. Ms. Graham explained the five positions were requested for workload associated with new facilities approved during the 2005 Legislative Session. The Bureau had not, as yet, licensed those activities, such as personal care attendants and transitional living facilities for offenders released from correctional settings.

Mr. Alex Haartz, Administrator of the Health Division, further explained that the Bureau had tried to anticipate the number of new facilities that would be licensed and the resultant workload. For example, during the fiscal year the Bureau anticipated 13,000 man hours of work related to the initial licensing of new facilities or facilities changing ownership. Another example was that approximately 224 new facilities would request state licensing in calendar year 2007, and approximately 38 facilities would change ownership. All 262 of these facilities required inspection under Chapter 449 of the Nevada Revised

Statutes. The basic methodology for requesting positions was to anticipate the workload by type. Mr. Haartz and Chairwoman Leslie agreed the Bureau must work with the staff to determine the need and the methodology to be used. According to Mr. Haartz, even if the fee increases were approved, the Bureau must look at the type of industry and the workload for that industry to determine which fees should be increased. Chairwoman Leslie understood; however, because the time was limited for the legislative session, the Bureau must decide which fees will be increased or decreased so budgets could be adjusted accordingly.

Senator Mathews expressed concerns that only two of the requested positions had been filled, and yet the Bureau was requesting additional positions. Additional positions might not be needed if the authorized positions were filled. Mr. Haartz advised that based upon projected workload the Bureau could predict the total number of FTEs needed. Ms. Graham added that even though there were vacancies, especially in Las Vegas, the Bureau was paying overtime for staff and believed that, even after filling the authorized positions, additional staff would be necessary. Senator Mathews advised she was not questioning the quality of the Division figures, only that there were positions not filled and the Bureau was requesting 17 additional positions. Ms. Amy Roukie, Administrative Services Officer IV, interjected that Decision Unit E807 provided a two pay-grade increase to nurses in the Bureau which might help with recruitment. Chairwoman Leslie commented that the Subcommittee's goal was to provide the staff that was needed, but the need was not clear for this budget account. Mr. Haartz said he would expeditiously meet with legislative staff to provide any information needed that would clarify the issue.

Continuing on to E328, Chairwoman Leslie asked for justification for the two additional administrative assistants requested and the division of duties for administrative staff. Ms. Graham responded there was one administrative services officer and two support staff statewide. The Bureau had, therefore, been unable to fully manage the fiscal responsibilities and timely reporting requirements. Unlike some bureaus, the support staff was assigned specific duties related to facility type and did not provide strictly clerical support or strictly fiscal duties. Although Ms. Graham did not have the specific ratio of staff to support personnel, the Bureau needed designated staff to perform clerical duties. Chairwoman Leslie asked for the Bureau to provide overtime information to substantiate the request. Mr. Haartz stated that since the positions were funded through an increase in fees, there was a possibility the positions would not be requested. Chairwoman Leslie reiterated that the Subcommittee needed additional information on historical overtime worked by the Bureau Chief and the Administrative Services Officer (ASO) on fiscal management projects to support the E328 request. Mr. Haartz agreed to provide the information. Chairwoman Leslie then asked whether the Bureau considered moving the information technology position under E328 to the Health Administration budget. Mr. Haartz clarified that the position was under BA 3216 because the position was covered by fees to perform specific duties for that budget only. If the other decision units did not come to fruition, all of the positions under E328 would be reevaluated. Chairwoman Leslie informed Mr. Haartz that the Subcommittee needed the Bureau to prioritize the need for the new positions and review the issue of Motor Pool vehicle funding as discussed previously in other budgets.

Public comments were received from Mr. Bill Welch, President and CEO, Nevada Hospital Association (NHA), and Mr. Charles Perry, Executive Director, Nevada Health Care Association (NHCA). Mr. Welch provided the Subcommittee with

[Exhibit E](#), prepared testimony. Mr. Welch announced that NHA fully supported the functions of the Bureau of Licensure and Certifications. The functions provided were critical to services in Nevada. It was noted the hospital and other health care facilities pay an extraordinary amount of licensure and certification fees. According to Mr. Welch, the fees were some of the highest in the nation. Ultimately these costs were passed on to the consumer. For example, Medicare paid 89 percent of the actual cost of the services and Medicaid paid 79 percent of cost. If the functions could be funded through the General Fund, the NHA was willing to work with the Division and the Legislature as needed. Chairwoman Leslie asked Mr. Welch whether NHA had met with the Division to go over the projections. Mr. Welch advised he had met with Mr. Haartz to review the global fee projections and had determined the added cost was approximately \$1,400 to \$1,500 per facility.

Mr. Charles Perry, Executive Director, Nevada Health Care Association (NHCA), represented skilled nursing and intermediate care nursing facilities in Nevada. Mr. Perry provided written testimony attached as [Exhibit F](#). Mr. Perry agreed with the previous testimony given by Mr. Welch, and also supported the Division. The NHCA had not met with Mr. Haartz and had no knowledge of the amount of the proposed fee increases. Chairwoman Leslie requested that Mr. Perry and Mr. Welch work with the Division to determine what was needed in regard to fee increases, and what their support would be. Mr. Perry commented the NHCA was aware of the predicament the Division was facing and was more than willing to work with the Division.

Responding to a question from Mrs. Gansert regarding the \$1,400 to \$1,500 fee increase, Mr. Welch stated the fee varied. There was a flat fee per hospital and the fee was shifted so that the rural hospitals had a smaller flat fee, while the urban hospitals had a larger flat fee. There was also a fee per bed, which could be increased by 5 percent to 10 percent or more.

Chairwoman Leslie closed the hearing on BA 3216.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES, HEALTH DIVISION**  
**COMMUNITY HEALTH SERVICES (101-3224)—HEALTH-57**

Moving on to Budget Account (BA) 3224, Community Health Services, Chairwoman Leslie referenced the staffing increase under Decision Unit E325 for community health nurses. Ms. Deborah McBride, Chief, Bureau of Community Health, stated E325 restored five existing community health nurses to provide public health services, such as immunization and sexually transmitted disease control services, to the communities of Yerington, Fallon, Elko, Carson City, and Winnemucca. Chairwoman Leslie inquired whether Carson City had assumed those responsibilities when that city formed its own health district. Ms. McBride confirmed that was correct, but there was still a position based in Carson City which served as a traveling backup for the rural community health nurses. Mr. Alex Haartz, Administrator of the Health Division, agreed with Ms. McBride but noted the possible discontinuation of the federal Preventive Health and Health Services Block Grant was a concern because that grant supported a portion of the community health nurse positions. The President's budget had eliminated the grant, but Congress had maintained the grant to date. The grant for Nevada averaged approximately \$300,000 per year.

Mr. Haartz continued and said the Division was requesting General Fund money not because of the block grant, but because of the nature of the fees. These were public health services provided to individuals who did not have the ability

to pay. Mr. Haartz noted that in prior years, when a vacancy occurred, the Division kept the vacant position unfilled to keep budget costs down. The preventative health grant funded a portion of the costs. The request for General Funds under E325 was to replace a portion of fee revenue that was budgeted but uncollectible. Chairwoman Leslie remarked the Subcommittee needed to take a closer look at the issue.

Addressing a question from Chairwoman Leslie, Ms. Amy Roukie, Administrative Services Officer IV, stated the Division had maintained vacancies of five or more at different times to keep the budget solvent and support the needed activities. Coverage had been provided for some areas by opening clinics one day rather than five days in each community. Naturally this limited access to services. Chairwoman Leslie opined the performance indicators appeared to be good considering the reduction of hours. Ms. McBride explained the Division utilized nurses from other areas and asked them to travel to the clinics to provide services. Mr. Haartz noted the rural nurses were very dedicated, the Division was paying overtime, and access to services was reduced. Chairwoman Leslie further inquired whether Mr. Haartz was confident the Division was doing everything possible to seek whatever funding was available for the program. Mr. Haartz offered the Division had recently installed new software for the program to assist with scheduling and billing. He hoped the new system would generate more revenues for the Division.

Turning to the next item, E710, Chairwoman Leslie questioned whether the replacement of 13 desktop computers with associated software in each year of the biennium was being supported by General Fund or grants, and what programs the funding request supported. Ms. Roukie noted, based on the budget summary, that General Fund appropriation would be utilized for this decision unit. In previous years, alternative funding had been used to replace computers. The Division was willing to look at alternative funding for the computers.

Decision Unit E900 recommended the transfer of one Disease Control Specialist position from Communicable Disease Control (BA 3220) to BA 3224. Chairwoman Leslie asked whether the funding sources were stable and would the Division continue funding this position with the tuberculosis grant or the immunization grant. Ms. McBride advised the position was only moved into the nursing program to align the duties and responsibilities with the appropriate budget account.

Chairwoman Leslie inquired whether the children who visited the clinics were enrolled with Nevada Check Up and other programs available. Mr. Haartz advised that the community health nurses had all enrollment and access information and explored every program for which a child might be eligible.

Addressing a question from Assemblyman Denis whether the Hispanic population had created any particular challenges in the rural communities, Ms. McBride stated there was nothing outside of the ordinary. Translators were available when needed, and staff was available at the main office in Carson City if needed. Mr. Haartz noted the Division would provide Mr. Denis data on the Hispanics being served in the rural communities.

Pointing out that a technical adjustment was needed in the budget, Ms. Roukie noted the motor pool vehicle schedule was not in the adjusted base. There were eight federally funded vehicles used by the community health nurses but maintained in this budget. Staff had been advised that a technical adjustment

would be made. The total was \$80,000 for the biennium. The Budget Division had been requested to provide the addendum to staff immediately.

Chairwoman Leslie closed the hearing on BA 3224.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES, HEALTH DIVISION**  
**COMMUNICABLE DISEASE CONTROL (101-3220) – HEALTH-65**

Chairwoman Leslie next addressed BA 3220, Communicable Disease Control, stating there were no major issues, but noted performance indicator 2 showed a significant increase, 190 percent more women diagnosed with a pre-cancerous condition or cervical cancer, and wondered whether that was reflecting a program change through the Women's Health Connection program. Ms. Deborah McBride, Chief, Bureau of Community Health, advised more women were being screened through the program, and consequently, the numbers were increased.

Chairwoman Leslie closed the hearing on BA 3220 and opened the hearing on BA 3215.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES, HEALTH DIVISION**  
**SEXUALLY TRANSMITTED DISEASE CONTROL (101-3215) – HEALTH-73**

Pointing out the major issue of AIDS Drug Assistance Program (ADAP) in BA 3215, Sexually Transmitted Disease Control, Chairwoman Leslie acknowledged that the work of the Bureau had helped to stabilize the caseload numbers. Ms. Deborah McBride, Chief, Bureau of Community Health, testified that the Bureau saw substantial monetary savings through the Medicare Part D Program that went into effect in May 2006. There had been a client load of approximately 850, and many of those moved to Medicare Part D. According to Ms. McBride, the current active caseload was 390. Chairwoman Leslie noted the existing budget appeared to be adequate. Mr. Alex Haartz, Administrator of the Health Division, stated that the ability to shift program funds between years was extremely beneficial. Chairwoman Leslie stated the Subcommittee would consider that option.

A brief discussion ensued between Ms. Amy Roukie, Administrative Services Officer IV, and Chairwoman Leslie regarding pharmaceuticals and the 8 percent inflation factor. Ms. Roukie indicated the Bureau used the Medicaid projected pharmaceutical rate. According to Ms. McBride, no new medications were considered at this time, and the Bureau did not know what was coming in the next year. Chairwoman Leslie noticed an increase in the monthly drug cost from \$941 per client to \$1,027 per client. Ms. McBride suggested it was possibly due to a combination of inflation and the addition of an expensive drug. At the request of Chairwoman Leslie additional information will be provided. Additionally, Chairwoman Leslie questioned why General Fund for the AIDS medications was increased in the base budget rather than in maintenance or enhancement decision units. Mr. Haartz advised it would be reviewed, and LCB staff would be notified of the explanation.

Chairwoman Leslie advised that Maintenance Unit 300 (M300) contained an error. It was noted the fringe benefits increases were funded within the AIDS medication category. Ms. Roukie was aware of the error, and staff had been advised to make an adjustment to the appropriate revenue streams.

Chairwoman Leslie closed the hearing on BA 3215.



**DEPARTMENT OF HEALTH AND HUMAN SERVICES, HEALTH DIVISION**  
**IMMUNIZATION PROGRAM (101-3213)—HEALTH-79**

Moving to BA 3213, Immunization Program, Chairwoman Leslie noted the Division was requesting two FTEs under E400 for the Immunization Registry. Ms. Deborah McBride, Chief, Bureau of Community Health, apprised the Subcommittee that at 68.4 percent, Nevada was 49<sup>th</sup> in the nation in the immunization of two-year-old children. The two positions requested were a Health Program Specialist and an Administrative Assistant to assist with the establishment of the Immunization Registry. Chairwoman Leslie asked whether the goal would be to have more children immunized. Mr. Alex Haartz, Administrator of the Health Division, explained the decision unit had three purposes:

1. Provide funding to the Health Division to have dedicated staff to market, promote, and manage the Immunization Registry.
2. Provide funding to Southern Nevada Health District for dedicated registry staff to market, promote, and provide a help desk function.
3. Provide funding to Washoe County District Health Department for dedicated registry staff to market, promote, and provide a help desk function.

Chairwoman Leslie agreed one person performing this task was clearly not enough, and additional support was necessary. She questioned whether contract staff for Washoe and Clark Counties would provide incentives to participate in the registry.

Mr. Haartz maintained that having help desk assistance that medical providers could contact for support with inputting and accessing a child's record would be a benefit. Obviously a registry was only as good as the data and was of no benefit unless it was used. Mr. Haartz continued, stating that a budget item was incorrect. Under the expenditures, the line item showing "vaccines" should be "contracts." At the request of the Chairwoman, the Subcommittee would be provided a written overview explaining the direction the decision unit was taking.

Addressing a question from Chairwoman Leslie, Mr. Haartz apprised the Subcommittee that although the Division had used various funding sources over the years, he was not aware of specific registry funding available. The Division would research availability. It appeared the federal government had shifted support toward providing resources for the purchase of vaccines and away from support for immunization programs.

Chairwoman Leslie inquired whether it was possible to coordinate efforts with the non-profit organizations as the two coalitions in the State had expressed similar interests in the registry program. Ms. Leslie directed the Division to gather additional information on this prospect.

Assemblyman Denis asked what would determine whether or not a provider used the database as the participation was voluntary. Mr. Haartz responded to Mr. Denis' question by explaining that while some medical providers were very technologically savvy and recognized the value of the registry, others were either not accepting of modern technology or perceived the database as added workload because each provider had to input the information.

Assemblywoman Gansert was aware the State provided some vaccines to children through Nevada Check Up but inquired how often the formulary was reviewed to determine whether new vaccines or combination vaccines were available. Mr. Haartz explained when a new vaccine was U.S. Food and Drug Administration (FDA) approved, the Advisory Committee for Immunization Practices reviewed the vaccine and added it to the vaccine schedule, if appropriate. This was done routinely. A large combination vaccine was currently under review by the FDA. If approved, this vaccine would reduce the number of visits to the clinic for vaccination purposes.

Chairwoman Leslie expressed concern the transfer of the Title XXI match money to Nevada Check Up did not appear to match projections. Also there was a decrease of 34 percent in the first year and 31 percent in the second year from the base year. The Subcommittee was extremely concerned there would be a shortage in this area. Ms. Amy Roukie, Administrative Services Officer IV, responded the Division had attempted to accurately project what was needed for the Nevada Checkup match and for the Title XXI money. The fund map rate had changed, but the impact to the Nevada Check Up population was small. A projection of the vaccines needed was prepared by age group based on the number of vaccines required per age, per child, and projected enrollment. There was a decrease in the total amount of funding available, but the Division believed the figures were reflective of what was needed for the immunization budget.

Chairwoman Leslie voiced further concerns that Nevada was 49th in the nation for child vaccinations, yet there were significant decreases for vaccine purchases. To avoid a shortage, Chairwoman Leslie requested the Division meet with staff to re-examine the budget calculations.

There being no public comment, the meeting was adjourned at 10:36 a.m.

RESPECTFULLY SUBMITTED:

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Linda Blevins  
Committee Secretary

APPROVED BY:

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Assemblywoman Sheila Leslie, Chair

DATE: \_\_\_\_\_

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Senator Barbara K. Cegavske, Chair

DATE: \_\_\_\_\_

EXHIBITS			
Committee Name: <u>Assembly Committee on Ways and Means/Senate Committee on Finance Joint Subcommittee on K-12/Human Services</u>			
Date: <u>February 21, 2007</u>		Time of Meeting: <u>8:00 a.m.</u>	
Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Sign-In Sheet
	C	Lawrence Sands, DO, Southern Nevada Health District	Letter on Poison Control
	D	Luana Ritch, PhD, Bureau of Health Planning and Statistics	Vital Records Registry
	E	Bill Welch, President, Nevada Hospital Association	Testimony
	F	Charles Perry, CEO, Nevada Health Care Association	Testimony