

**MINUTES OF THE  
SENATE COMMITTEE ON COMMERCE AND LABOR**

**Seventy-fourth Session  
May 16, 2007**

The Senate Committee on Commerce and Labor was called to order by Chair Randolph J. Townsend at 8:10 a.m. on Wednesday, May 16, 2007, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412E, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator Randolph J. Townsend, Chair  
Senator Warren B. Hardy II, Vice Chair  
Senator Joseph J. Heck  
Senator Michael A. Schneider  
Senator Maggie Carlton

**STAFF MEMBERS PRESENT:**

Gloria Gaillard-Powell, Committee Secretary  
Kelly S. Gregory, Committee Policy Analyst  
Wil Keane, Committee Counsel  
Scott Young, Committee Policy Analyst  
Lori Johnson, Committee Secretary

**OTHERS PRESENT:**

Jack Kim, Sierra Health Services, Incorporated  
Robert A. Ostrovsky, Employers Insurance

CHAIR TOWNSEND:

We will begin with a discussion on Assembly Bill (A.B.) 145. Does anyone have any information about the amendments that Assemblyman Hardy has requested for A.B. 145?

**ASSEMBLY BILL 145 (2nd Reprint):** Revises provisions governing the assignment of benefits for health insurance. (BDR 57-1068)

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JACK KIM (Sierra Health Services Incorporated):

We have been working on revising some of the technical language. The current language would impact insurance companies who are already complying with the assignment of benefit laws. There is also a problem with the way it was drafted because it applies to different statutes depending on the section of the bill. I talked with Josh Griffin who represents St. Rose Dominican Hospital and they are still working on it as of now.

CHAIR TOWNSEND:

Thank you for that information. Senator Schneider, what about A.B. 234? This is the bill that was originally about the Board of Homeopathic Medical Examiners and then the Board's information was taken out and a study was requested. There was also a question about where the Nevada Institutional Review Board (NIRB) belongs.

**ASSEMBLY BILL 234 (1st Reprint)**: Eliminates the Nevada Institutional Review Board. (BDR 54-646)

SENATOR SCHNEIDER:

What we need to do is to take the NIRB out of the Board of Homeopathic Medical Examiners. The Assembly has rolled all of our bills into the interim study, including the stem cell bill. I asked if we could also develop the Complementary and Integrative Medicine Bill. We should hold the bill and see what happens.

SENATOR HARDY:

Is that an independent study or did they make it a subcommittee for the interim?

SENATOR SCHNEIDER:

It will be a subcommittee under the Legislative Committee on Health Care. I told the Speaker of the Assembly that we had designated the committee to be three Republicans and three Democrats and she agreed to that suggestion.

CHAIR TOWNSEND:

Mr. Young, do you know if by statute, an interim committee, in this case the Health Committee, needs our approval to create a subcommittee?

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WIL KEANE (Committee Counsel):

"I believe they can create their own subcommittee."

CHAIR TOWNSEND:

Senator Heck, I know you had a problem with A.B. 491.

**ASSEMBLY BILL 491 (1st Reprint)**: Makes various changes concerning the clinical education of a student in a school of nursing. (BDR 54-1339)

SENATOR HECK:

Yes, I had the most angst over this bill which was presented by Mr. Hillerby on behalf of the nursing schools. They requested the State Board of Nursing do the background check for the nursing students. Some hospitals are asking that these students have this done before they do their clinical training. It was suggested that this request was due to the Joint Commission on Accreditation of Healthcare Organizations' requirement, but I checked and that is not the case, it is just corporate policy for some hospitals. My concern was if by singling out student nurses, will we affect other allied health care students, as well as medical students who are currently not required to undergo background checks before their training in the hospital?

I spoke with Mr. Hillerby and if this is already a requirement in some hospitals, it would probably be permissible for the Board to do this. The issue was that different hospitals required another background check and if the Board of Nursing did the background check for students, then two years later they would not have to get another background check done. I think this is a policy issue that should be included in the bill unless that exception is made.

SENATOR CARLTON:

I had the same concerns with a student having to get multiple background checks for different hospitals. If we go with not requiring another check two years later we should at least ask them to resubmit fingerprints just to make sure nothing had occurred in that two-year time frame.

CHAIR TOWNSEND:

Proceeding with A.B. 496, this bill has to do with a certificate of mailing and acceptance of workers' compensation claims.

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**ASSEMBLY BILL 496 (1st Reprint)**: Makes various changes concerning workers' compensation. (BDR 53-897)

CHAIR TOWNSEND:

If I remember correctly, we were not concerned with the notification if they were going to receive benefits, but it was important to receive notification if their claim was denied, therefore starting a paper trail.

ROBERT A. OSTROVSKY (Employers Insurance):

The first issue was about the notice provision and I have spoken to the sponsor of the bill. He is willing to accept the requirement of a notice of mailing on all denials of claims. He was not concerned about acceptance letters since they will automatically be receiving their benefits.

The second issue was trying to solve the option of having two doctors to pick from in rural areas when there are not two doctors available. I offered an amendment, but I have not heard back yet. The amendment would set up a new 30-mile rule. If there were not enough doctors within that range, we would not be in violation. You could also do that by county size. I think it is solvable, but I have not had a reply.

CHAIR TOWNSEND:

Can someone contact him so we can move on this bill?

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CHAIR TOWNSEND:

Since we have no further bills to work on until amendments have been processed, we will adjourn the Senate Committee on Commerce and Labor at 8:42 a.m.

RESPECTFULLY SUBMITTED:

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Lori Johnson,  
Committee Secretary

APPROVED BY:

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Senator Randolph J. Townsend, Chair

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