

**MINUTES OF THE
JOINT SUBCOMMITTEE ON HUMAN SERVICES/CIPS
OF THE SENATE COMMITTEE ON FINANCE
AND THE ASSEMBLY COMMITTEE ON WAYS AND MEANS**

**Seventy-fifth Session
April 14, 2009**

The Joint Subcommittee on Human Services/CIPS of the Senate Committee on Finance and the Assembly Committee on Ways and Means was called to order by Chair Bob Coffin at 8:10 a.m. on Tuesday, April 14, 2009, in Room 3137 of the Legislative Building, Carson City, 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.

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator Bob Coffin, Chair
Senator Bernice Mathews
Senator William J. Raggio

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblywoman Sheila Leslie, Chair
Assemblyman John Ocegueda, Vice Chair
Assemblyman Morse Arberry Jr.
Assemblywoman Barbara E. Buckley
Assemblywoman Heidi S. Gansert
Assemblyman Joseph (Joe) P. Hardy
Assemblywoman Debbie Smith

STAFF MEMBERS PRESENT:

Brian M. Burke, Principal Deputy Fiscal Analyst
Michael J. Chapman, Senior Program Analyst
Gary L. Ghiggeri, Senate Fiscal Analyst
Michael Bohling, Committee Secretary

OTHERS PRESENT:

Harold Cook, Ph.D., Administrator, Division of Mental Health and Developmental Services, Department of Health and Human Services
Michael J. Willden, Director, Department of Health and Human Services

CHAIR COFFIN:

We will open the hearing on the Division of Mental Health and Developmental Services (MHDS) budgets. When considering these budgets, we should keep in mind the importance of representing the mentally ill in Nevada.

MICHAEL J. CHAPMAN (Senior Program Analyst, Fiscal Analyst Division, Legislative Counsel Bureau):

Page one of your Joint Subcommittee Human Resources/CIPs Closing List #3 ([Exhibit C](#), original is on file in the Research Library) contains an overview of the budgets we will be hearing today. The first table notes funding changes for the entire Division. We will be considering the budgets for the Southern Food Services, the Southern Nevada Adult Mental Health Services (SNAMHS), the

Northern Nevada Adult Mental Health Services (NNAMHS), the Mental Health Information System, the MHDS Administration, Substance Abuse, the Alcohol Tax Program, the Facility for the Mental Offender and the Rural Clinics. The Developmental Services budgets will be presented to the Subcommittee on May 5, 2009.

The Governor's recommended 2009-2011 biennial General Fund appropriation for the Division is \$264.1 million. This represents a decrease of \$37.3 million, or 12.4 percent, when compared to 2007-2009 biennium appropriations. The Governor recommends decreasing the number of mental health agency employees by 208.84 full-time equivalent (FTE) positions. This will be discussed in more detail in [Exhibit C](#). Before discussing the specific budgets, we will discuss the generic funding recommendations which cover several budget accounts (B/A), primarily the SNAMHS, the NNAMHS, the Lake's Crossing Center and the Rural Clinics.

The Governor's recommended changes in the Federal Medical Assistance Percentage (FMAP), noted in the table on page 2 of [Exhibit C](#), include an increase in Medicaid receipts associated with the FMAP increases projected at the time the Governor's budget was prepared. Since that time, the American Reinvestment and Recovery Act of 2009 (ARRA) has been passed and the FMAP figures have increased significantly. The last line at the bottom of the table indicates a projected FMAP increase of approximately \$8.3 million in fiscal year (FY) 2009-2010 and \$6.1 million in FY 2010-2011, in addition to the amounts recommended in the Governor's budget. Additionally, there is a retroactive provision in the ARRA adding approximately \$8 million for the Division for FY 2008-2009. Work programs have been submitted by the Division and are pending before the April 20 meeting of the Interim Finance Committee (IFC). The result of increases in Medicaid receipts and the corresponding reduction in General Fund need are reflected in [Exhibit C](#) for the mental health agencies.

Lastly, the Federal Funds Information for States (FFIS) recently released its preliminary FMAP projections for FY 2010-2011 which, if established, is projected to generate an additional \$1.1 million in Medicaid receipts. The Fiscal Staff is in the process of reviewing this information. Recommendations regarding the projected increase in FMAP funding for FY 2010-2011 will be brought forward to the Subcommittee or full committees at a later date. If the increase is accepted, Staff requests permission to change the budgets to reflect the increases.

Fiscal Staff recommends the Division's budgets be closed reflecting an increase in Medicaid Title XIX receipts, with corresponding reductions in General Fund appropriations, totaling \$8.3 million in FY 2009-2010 and \$6.1 million in FY 2010-2011, based upon the increase in FMAP resulting from the ARRA.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO CLOSE THE DIVISION'S BUDGETS REFLECTING AN INCREASE IN MEDICAID TITLE XIX RECEIPTS, TOTALING \$8.3 MILLION IN FY 2009-2010 AND \$6.1 MILLION IN FY 2010-2011 WITH CORRESPONDING REDUCTIONS IN GENERAL FUND APPROPRIATIONS;

AND TO ALLOW FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS TO THE BUDGETS REFLECTING THE INCREASES.

ASSEMBLYMAN ARBERRY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED (ASSEMBLYWOMAN BUCKLEY AND ASSEMBLYMAN OCEGUERA WERE ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. CHAPMAN:

Page 3 of [Exhibit C](#) describes an initiative presented by the Division and recommended by the Governor to enhance the Medicaid, Medicare, third-party insurance and client self-pay reimbursements in the mental health accounts. These initiatives would increase reimbursements by \$2.5 million in FY 2009-2010 and \$2.6 million in FY 2010-2011.

Throughout the budget there are elements which were developed to bring in these additional revenues. One element is to establish a centralized billing office. The Division has instituted this plan and moved eight positions from the three mental health agencies to staff a centralized billing office and are now billing on a consolidated basis.

Another element includes revising the rates charged for Medicaid and Medicare reimbursements, which have remained unchanged since 1996, to capture the full cost of services billed. The Division has increased its Medicare rates to allowable levels and increased its Medicaid rates to the Medicare levels. The Division is working on its cost allocation plan which could increase rates by as much as 20 percent or more. The plan should be completed by early summer.

The third element to maximizing revenues is improving front-end client intake and eligibility processes. This is the process in which clinicians input information to the billing system from which billing clerks retrieve the information. Part of the process is entering the information correctly as services are provided. The last element is to improve the use of the Avatar billing and client information system to ensure all services are acknowledged and recorded.

As a result of some of these initiatives, the Division has begun to experience increased revenues. The Division reports its revenues from Medicare, Medicaid and third-party receipts increased approximately \$1.9 million for the first seven months of FY 2008-2009 as compared to the same period in FY 2007-2008. During the Budget Hearing on February 12, 2009, the Division noted their projections are conservative. Since this Budget Hearing, the Division noted they could experience additional increased revenues of approximately \$455,000 in FY 2009-2010 and \$710,000 in FY 2010-2011. This is above the amount of additional revenues recommended for the SNAMHS and the NNAMHS combined.

- The first option the Subcommittee may wish to consider is to approve the Governor's recommendation to increase Medicaid, Medicare, third party

and client charge revenues by a total of \$2.5 million in FY 2009-2010 and \$2.6 million in FY 2010-2011, with corresponding reductions to General Fund appropriations.

- The second option is to approve both the Governor's recommendation to increase revenues by the amounts noted and an additional increase of \$455,000 in FY 2009-2010 and \$710,000 in FY 2010-2011, based upon recent projections provided by the MHDS, with corresponding decreases in General Fund appropriations. This recommendation appears to be reasonable to Staff.

CHAIR COFFIN:

If the Subcommittee has confidence in these projections, it makes sense to consider Option No. 2 as outlined by Staff.

SENATOR MATHEWS MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE THE GOVERNOR'S RECOMMENDATION TO INCREASE MEDICAID, MEDICARE, THIRD PARTY AND CLIENT CHARGE REVENUES BY A TOTAL OF \$2.5 MILLION IN FY 2009-2010 AND \$2.6 MILLION IN FY 2010-2011; AND TO APPROVE AN ADDITIONAL INCREASE OF \$455,000 IN FY 2009-2010 AND \$710,000 IN FY 2010-2011 WITH CORRESPONDING REDUCTIONS TO GENERAL FUND APPROPRIATIONS.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED (ASSEMBLYWOMAN BUCKLEY AND ASSEMBLYMAN OCEGUERA WERE ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. CHAPMAN:

Page 4 of [Exhibit C](#) is the recommendation to establish a centralized billing office for the SNAMHS, NNAMHS and the Rural Clinics. The Governor recommends transferring a total of eight accounting positions from those agencies to create a centralized billing office. This appears to be a reasonable recommendation and the Division has already begun to implement this action.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNITS E-900, E-901 AND E-902 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED (ASSEMBLYWOMAN BUCKLEY AND ASSEMBLYMAN OCEGUERA WERE ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. CHAPMAN:

Other closing items include medications. There was a dramatic decrease in medication funding for the SNAMHS and the NNAMHS. The recommended amounts are listed in the table on page 4 of [Exhibit C](#). As a result of this funding, the Base Budgets would include sufficient funding to meet the existing caseloads of 7,548 clients at the SNAMHS, 3,300 clients at the NNAMHS and 2,163 clients at the Rural Clinics.

The *Executive Budget* provides an increase in General Fund support for the SNAMHS and the NNAMHS of \$1,157,616 in FY 2009-2010 and \$2,370,307 in FY 2010-2011 for inflationary adjustments. This is based on an inflationary rate of 5.47 percent each year. The Division developed the rates based upon information provided by the Minnesota Multistate Contracting Alliance for Pharmacy buying consortium, through which MHDS purchases medications, and on information from the U.S. Bureau of Labor Statistics (BLS).

Fiscal Staff has evaluated the Division's sources of information utilized to develop the recommended inflation rates and compared other information developed by the Centers for Medicare and Medicaid Services (CMS) and Express Scripts, a large pharmacy benefits manager. Based upon the comparative data, the inflation rates recommended in module M-101 appear to be reasonable. The Subcommittee should note there are no inflationary adjustments for the Rural Clinics.

During the current biennium, the Division conducted an analysis of medication costs for the SNAMHS and the NNAMHS, but did not conduct a similar analysis for the Rural Clinics. The Division was reluctant to reduce base medication costs, but suggested no inflationary increases be included as a cost savings measure.

Lastly, Staff recommends a technical adjustment reducing inflationary funding for the Lake's Crossing Center, as noted in [Exhibit C](#), by \$3,450 in FY 2009 2010 and \$7,065 in FY 2010-2011.

CHAIR COFFIN:

Is it possible the Division did not consider inflationary increases of medication costs for the Rural Clinics because they expected them to close?

MR. CHAPMAN:

The Division's current actual expenditures and the difficulties they have had in keeping positions filled in the Rural Clinics have, at times, resulted in reductions in their medication costs. If the positions are filled and doctors are prescribing medications, they should have sufficient funding to serve approximately 2,100 individuals. Their current caseload in the medication clinics is approximately 1,500 to 1,600 individuals.

CHAIR COFFIN:

During the 25th Special Session of the Legislature, we discovered we had made an unnecessary reduction to medication funding in the 24th Special Session of the Legislature. Are we now confident funding for medication inventories is adequate?

MR. CHAPMAN:

Over the last 18 months, the Division has presented a complex evaluation of their medication costs and used those amounts to develop the recommendations in the Governor's budget. Medications costs appear to have stabilized and caseloads are fluctuating less, although caseloads are increasing in northern Nevada. The amounts projected by the Agency are representative of what the needs will be for the next two years.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNIT M-101 AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE STAFF TO MAKE TECHNICAL ADJUSTMENTS REDUCING INFLATIONARY FUNDING FOR THE LAKE'S CROSSING CENTER BY \$3,450 IN FY 2009-2010 AND \$7,065 IN FY 2010-2011.

SENATOR MATHEWS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED (ASSEMBLYWOMAN BUCKLEY AND ASSEMBLYMAN OCEGUERA WERE ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. CHAPMAN:

The final items on page 5 of [Exhibit C](#), which require no action from the Subcommittee, pertain to capital improvement projects recommended by the Governor. On April 6, 2009, the State Public Works Board submitted a revised Capital Improvement Program (CIP) which includes the construction of a consolidated services facility on the NNAMHS campus in Sparks. This would require State funds of \$56.9 million.

The revised CIP recommendation also incorrectly designates a new 36-bed acute care psychiatric hospital for children and adolescents for the MHDS. The MHDS confirmed with Fiscal Staff this is a project sought by the Division of Child and Family Services (DCFS).

Page 6 of [Exhibit C](#) begins with an overview of the Southern Food Service account, B/A 101-3159. The main closing issue is the elimination of this account.

HUMAN SERVICES

MENTAL HEALTH AND DEVELOPMENTAL SERVICES

HHS - Southern Food Service – Budget Page MHDS-1 (Volume II)
Budget Account 101-3159

The Governor recommends eliminating this budget account and transferring the costs for meals and food services to the SNAMHS, the Desert Regional Center (DRC) and the Desert Willow Treatment Center (DWTC), which will be responsible for paying the cost for meals directly from their respective budgets.

Currently, the budget is staffed with three registered dietician positions. Decision unit E-901 would transfer meal costs, a registered dietician III position, and a registered dietician II position to the SNAMHS. Decision unit E-903 transfers meal costs and a registered dietician II position to the DWTC. Decision unit E-902 transfers only meal costs to the DRC. This will leave the DRC without a dietician position from the Southern Food Service account. The Governor recommends reclassifying a vacant physical therapist position to a registered dietician III in the DRC account to satisfy its meal planning needs for that agency.

E-901 Transfers Out to BA 3161– Page MHDS-4

E-902 Transfers Out to BA 3279– Page MHDS-4

E-903 Transfer from BA 3159 to BA 3646– Page MHDS-5

Information provided by the Division indicates there has been an increase in inpatient beds associated with the Rawson-Neal Hospital and annex facilities during the last two biennia, an average turnover rate of 15 to 20 new patients each day and an increased rate of metabolic disorder problems related to newer medications and digestive disorders.

Based upon the increased activity experienced in the SNAMHS' three inpatient facilities and bed capacity, as well as the medical issues noted by the administrator, the recommendation to transfer two of the dieticians to SNAMHS appears to be reasonable.

CHAIR COFFIN:

It makes sense; additional patients will make a dietician's job more difficult.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNITS E-901, E-902 AND E-903 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN GANSERT SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED (ASSEMBLYWOMAN BUCKLEY AND ASSEMBLYMAN OCEGUERA WERE ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. CHAPMAN:

The last item in this account does not require a closing action. The Division's current one-year food-services contract for the southern agencies, effective July 1, 2008 to June 30, 2009, calls for a per meal rate of \$4.32 in FY 2009-2010 and \$4.49 in FY 2010-2011. However, the DWTC opted out of the MHDS food-services contract and entered into its own contract with another vendor, which provides meals at an average cost of \$3.51 per meal. As a result of the DWTC opting out of the MHDS contract, the meal prices at the SNAMHS and the DRC will increase to \$4.82 in FY 2009-2010 and \$5.02 in

FY 2010-2011 due to the tiered pricing structure incorporated into the current contract.

While the Agency intends to re-evaluate its food-services contract, the original contract was recently extended by one year to June 30, 2010. The Division notes the amendment to extend the contract was necessary due to concerns there was insufficient time to prepare a request for proposal (RFP), obtain responses, select a vendor, and prepare a contract prior to June 30, 2009, which could potentially cause a disruption in meal services to SNAMHS and DRC.

The Subcommittee may wish to recommend issuing a letter of intent for the Division to reevaluate its current and amended food-services contracts and consider issuing another RFP well in advance of the expiration of the current food-services contract on June 30, 2010.

CHAIR COFFIN:

We should send a letter of intent to this Agency to reevaluate food services contracts.

CHAIR LESLIE:

I agree. We should issue a letter of intent requesting the Division to reevaluate food service options. Despite what we heard in the previous hearing, it appears they extended the contract for another year.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO ISSUE A LETTER OF INTENT REQUESTING THE DIVISION TO REEVALUATE FOOD-SERVICE CONTRACTS.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED (ASSEMBLYWOMAN BUCKLEY AND ASSEMBLYMAN OCEGUERA WERE ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. CHAPMAN:

Page 8 of [Exhibit C](#) begins with an overview of B/A 101-3161 for the SNAMHS. There are a number of closing issues in this budget on which the Subcommittee will need to take action.

HHS -Southern Nevada Adult Mental Health Services – Budget Page MHDS-7
(Volume II)
Budget Account 101-3161

The additional increase in the FMAP due to the ARRA is \$574,428 in FY 2009-2010 and \$393,326 in FY 2010-2011. There are a number of decision units in this account recommended by the Governor which decrease General Fund appropriations by a combined total of \$8.25 million in FY 2009-2010 and \$8.3 million in FY 2010-2011.

The first decision unit is M-160 which eliminates 4.51 positions approved by the 2007 Legislature and held vacant during the current biennium to achieve budget savings. Four of those positions were approved for the expansion of the Program for Assertive Community Treatment (PACT) program and the .51 FTE mental health counselor position was approved to support an additional 85 clients in the Supported Living Arrangement (SLA) program. Although the half-time position is reduced, there is no recommendation to reduce the SLA placements in southern Nevada.

M-160 Position Reductions Approved in 07-09 – Page MHDS-10

In response to follow-up questions regarding the cost of the PACT, the Division identifies a FY 2007-2008 cost per-client day in the PACT of \$40.25 at the SNAMHS and \$35.54 at the NNAMHS, which is substantially less than the daily cost of inpatient care at either of those facilities. The Division reported in its response the average hospital utilization for existing PACT clients decreased from 52 days to 21 days per year at the SNAMHS, and from 58 days to 12 days per year at the NNAMHS.

The Division identifies restoration of the 4 PACT positions as Priority No. 12 on the FMAP add-back list. This suggestion is not included in the 16 top priority items on the Department's add-back list.

One option for the Subcommittee to consider is to approve the Governor's recommendation to eliminate the four positions approved by the 2007 Legislature. Staff suggests elimination of the .51 FTE mental health counselor is reasonable.

The other option is to restore the 4 positions to support 48 clients in the PACT as suggested by the Division. If this option is selected, General Funds of approximately \$235,974 in FY 2009-2010 and \$237,678 in FY 2010-2011 will need to be added to the SNAMHS budget.

CHAIR COFFIN:

Would the SNAMHS be expected to support the same number of placements with four fewer staff members?

MR. CHAPMAN:

The elimination of the 4 positions would not eliminate 48 clients from the program because, due to budget reductions, expansion of the program was never initiated during the current biennium.

CHAIR COFFIN:

If the PACT can reduce the length of a patient's stay in the acute care center at the SNAMHS and the NNAMHS, that would make sense. However, the expansion of the program did not make it to the Department's top 16 priorities on the add-back list.

CHAIR LESLIE:

I am a fan of the PACT program because it serves the most difficult to serve clients on an ongoing basis and helps them to maintain their situation in the community. The statistics cited related to the decrease in hospitalization time

are dramatic. The PACT clearly saves us money and is the right thing to do for these hard-to-serve clients.

The discussion we had during the Work Session was whether or not to add these positions back because of our other budget priorities within the MHDS budgets and the economic crisis within the State. Before we learned we have an additional \$500-million budget shortfall, we planned to consider adding back these positions if we could obtain funding for them.

If we eliminate these positions, they will not return. I understand these positions are vacant and were never filled due to the budget crisis, so we are not taking clients away from services. I would reluctantly agree to approve the Governor's recommendation to eliminate these four positions in the hope they will be approved when the economy improves.

CHAIR COFFIN:

If we add the positions, will the SNAMHS and the NNAMHS have greater savings?

CHAIR LESLIE:

My impression is there is no direct correlation to savings.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNIT M-160 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED (ASSEMBLYWOMAN BUCKLEY AND ASSEMBLYMAN OCEGUERA WERE ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

MR. CHAPMAN:

An overview of decision unit E-606 is described on page 10 of [Exhibit C](#). The first element of this decision unit eliminates 3.51 facility- and administrative-support positions which were approved by the 2007 Legislature to support the 26-bed expansion in the old hospital. These positions were not filled during the 2007-2009 biennium due to budget shortfalls. The Division notes while these positions are needed, they are not critical to the operation of the Agency. Based upon this information, the recommendation to eliminate these 3.51 positions appears to be reasonable.

E-606 Staffing and Operating Reductions – Page MHDS-12

The second element of this decision unit eliminates 4.04 vacant senior psychiatrist positions due to continuing difficulties in filling the positions. This reduces General Fund salary and fringe costs by \$823,412 in FY 2009-2010 and \$825,028 in FY 2010-2011. The Governor recommends utilizing most of the savings from the eliminated psychiatrist positions,

\$717,261 each year, to purchase contract psychiatrist and nursing services. In response to the Subcommittee's questions, the Division notes the recommended funding would support 4,946 hours of contract psychiatrist services, or the equivalent of approximately 2.4 senior psychiatrist positions. As the Subcommittee is aware, the SNAMHS has a long history of difficulty in recruiting and retaining senior psychiatrists. The recommendation would allow the Division more flexibility pertaining to utilizing psychiatrists depending on the census at the hospital and outpatient services, as well as the acuity level of the clients. Based upon this information, the recommendation to eliminate the 4.04 senior psychiatrist positions appears to be reasonable.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNIT E-606 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN GANSERT SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED (ASSEMBLYWOMAN BUCKLEY AND ASSEMBLYMAN OCEGUERA WERE ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. CHAPMAN:

Decision unit E-607 recommends changes in staffing at the inpatient facilities on the SNAMHS campus. The Governor recommends eliminating 96.81 positions which are outlined on the bottom of page 10 of [Exhibit C](#). The Subcommittee discussed this decision unit extensively during the Budget Hearing and the Work Session on March 24, 2009. A table indicating the Governor's recommended staffing ratios for psychiatric nurses and mental health technicians is at the top of page 11.

E-607 Staffing and Operating Reductions – Page MHDS-13

In developing the recommended staffing ratios for decision unit E-607, the Division administrator compared the overall staffing ratio of the two Nevada inpatient hospitals to a state hospital in Anchorage, Alaska, with similar characteristics, as well as the cost-per-day of state hospitals in New Mexico, South Dakota and Montana. The staffing ratios at private facilities were also considered in Nevada and other parts of the country. The recommendation would reduce the staff-to-bed ratio from approximately 2.4 to 2.1, which is comparable to other similar facilities.

As noted during the March 24 Work Session, Fiscal Staff, with the assistance of the National Conference of State Legislatures (NCSL) research resources, was not able to identify a national staffing ratio standard to evaluate the recommended staffing ratios for the SNAMHS. Additional information obtained with the assistance of NCSL noted the Joint Commission also does not specify staffing ratios when accrediting a facility, due to the difference in facility logistics, acuity levels of the clients, staffing patterns and the various skill levels of the direct care providers at each facility.

The Division identified the restoration of the 17.51 positions recommended for elimination in the Governor's budget as Priority No. 2 on the FMAP add-back list. Of these positions, 16.51 are mental health technicians and 1 position is a psychiatric nurse IV. The Division indicates this restoration will improve the technician-to-bed ratio from 1:8, as recommended in decision unit E-607, to 1:7 days and evenings, and from 1:10 as recommended to 1:8 at night.

During the Work Session, the Subcommittee discussed the restoration of these 17.51 positions and expressed its preference to restore them. Restoring these positions requires additional General Funds of \$836,080 in FY 2009-2010 and \$844,696 in FY 2010-2011.

If the restoration of these positions is approved, the Subcommittee may wish to recommend issuing a letter of intent for the Division to submit semi-annual status reports to the IFC identifying both the positive and negative impacts experienced by the SNAMHS associated with inpatient staffing reductions, including a comparative history of investigations involving client and/or staff altercations for each reporting period due to the safety concerns noted during the Budget Hearing.

CHAIR COFFIN:

Since the SNAMHS is located in a residential neighborhood, staffing is important to prevent escapes and to care for the patients. The restoration of these positions seems reasonable.

CHAIR LESLIE:

The census is high in this hospital and it is almost always filled to capacity. We have had significant problems at the SNAMHS, although the Agency indicates rape, and other violent situations, are not because of a low staff to patient ratio. We need to be prudent in terms of protecting the patients and staff. Since the hospital is usually full, eliminating 98 positions is excessive. I hope restoring 17.51 positions is enough to fill the needs of the SNAMHS. The Department has done an analysis and I trust they know what they need.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE THE RESTORATION OF 17.51 POSITIONS TO THE 96.81 POSITIONS RECOMMENDED FOR ELIMINATION IN DECISION UNIT E-607; AND TO ISSUE A LETTER OF INTENT REQUESTING THE DIVISION TO SUBMIT SEMI-ANNUAL STATUS REPORTS TO THE IFC IDENTIFYING POSITIVE AND NEGATIVE IMPACTS EXPERIENCED BY THE SNAMHS ASSOCIATED WITH THE INPATIENT STAFFING REDUCTIONS WHICH IS TO INCLUDE A COMPARATIVE HISTORY OF INVESTIGATIONS INVOLVING CLIENT AND/OR STAFF ALTERCATIONS DUE TO SAFETY CONCERNS FOR EACH REPORTING PERIOD.

ASSEMBLYMAN ARBERRY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED (ASSEMBLYWOMAN BUCKLEY WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. CHAPMAN:

Decision unit E-610 recommends eliminating ten mental health technicians from the Rawson-Neal Hospital and utilizing the savings to fund contract technicians. In response to the Subcommittee's concern regarding quality and training of mental health technicians, the Division indicated it intends to use a combination of certified nursing assistants and mental health technicians who receive the same orientation and training courses as State staff. The Division further indicated the CMS and the Joint Commission certifications require contract staff to be trained no differently than State staff. Based upon information provided by the Division, this recommendation appears reasonable.

E-610 Staffing and Operating Reductions – Page MHDS-13

ASSEMBLYMAN ARBERRY:

We are recommending utilizing contract mental health technicians, but full-time employees tend to have a greater desire to help the patients. The contract employees do not have a connection to the patients and may not give the same quality of service as full-time employees. Why are we considering replacing State staff with contract staff if it will not save the State any money?

HAROLD COOK, PH.D. (Administrator, Division of Mental Health and Developmental Services, Department of Health and Human Services):

Decision unit E-610 is not intended to be a money-saving enhancement. The purpose of this decision unit is to provide services to the hospital locations in which services are needed. When we have regular staff, they are well attuned to the unit and shift to which they are assigned. The difficulty within the system we currently have is reassigning staff members to other areas or shifts when their current assignment is of a less-essential nature. Contract staff would be hired to work 40 hours each week, but we will have the option and flexibility of changing their assignments as needed to adequately staff areas based on acuity and census.

CHAIR COFFIN:

Dr. Cook, if this decision unit is approved, will we be losing any incumbent staff?

DR. COOK:

We are in the process of assessing whether or not any incumbent staff would be eliminated. We have 10 to 15 positions which are filled and could result in layoff by the end of June, if we do not lose positions through attrition. We are moving incumbents into other positions. Some individuals have indicated they will be leaving as a result of potential changes to the retirement system. Even with the elimination of these ten positions, we anticipate having few mental health technician positions in jeopardy of layoff.

CHAIR LESLIE:

I am concerned with the training issue. What is the turnover rate among contract employees?

DR. COOK:

We currently have no contract mental health technicians, so I cannot answer your question. I anticipate we could use some of the same people we currently employ. One of the advantages of contracting for labor is instead of having 10 full-time State employees, we could have 20 contract employees spread throughout the Agency.

CHAIR LESLIE:

If you have 20 contract employees, you will not have the consistency, training, or orientation necessary to provide the same level of care your full-time State employees can provide. In this economic environment, we need to protect jobs.

MICHAEL J. WILLDEN (Director, Department of Health and Human Services):

There are three options when it comes to staffing; the first is State FTEs, with which we have difficulties in changing shift assignments; the second is 100-percent contract staffing; the third is to allow flexibility in using our contract with the AccuStaff employment agency to fill vacancies. We use AccuStaff contract employees frequently in our early intervention services. There are budgeted contractors and State FTEs, but when we have vacancies, we use our AccuStaff contract to bring in trained replacements we can assign to units which need additional staff.

CHAIR COFFIN:

In January, the data you submitted indicated there were seven incumbents in these ten positions.

DR. COOK:

The last time I inquired, we had between 15 and 20 incumbents in positions which are possibly subject to layoff. Since that time, we have had a few people leave and several transfers to the DRC. At this point, we have approximately ten positions subject to layoff. Today, the Subcommittee voted to approve an add back for 15 mental health technician positions. If that add back is approved, we will probably have no layoffs.

ASSEMBLYMAN ARBERRY:

I support Mr. Willden's position.

CHAIR LESLIE:

Mr. Willden, please clarify your position concerning this decision unit. Do you suggest using the money only when there is no incumbent in the position?

MR. WILLDEN:

If the funding is budgeted as FTEs, they will be category 01 personnel. If we opt to use contract labor, they will be in category 08 in our budget. In some of the other agencies, we contract with AccuStaff to fill short- and long-term vacancies and designate certain positions to those contracts.

CHAIR LESLIE:

Are you suggesting using all of this funding for AccuStaff contracts?

MR. WILLDEN:

If we leave these positions as State FTEs, we would like the flexibility to use salary savings from vacancies to fund AccuStaff contracts. The MHDS prefers to have flexibility for these ten positions.

CHAIR COFFIN:

An action to accept the Governor's recommendation will give the MHDS the flexibility it requests and should not result in any layoffs. My concern is based on professional and experienced staff leaving because they are difficult to train and replace.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNIT E-610 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN ARBERRY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. CHAPMAN:

Decision unit E-653 eliminates 17.54 positions due to the continued closure of the North Las Vegas outpatient clinic. The clinic was closed in February 2008, approximately the same time the downtown clinic opened. The Division administrator indicated approximately 90 percent of the 1,200 clients who previously obtained services at the North Las Vegas clinic are obtaining services at the downtown Las Vegas clinic location, approximately three miles from the closed North Las Vegas site. The administrator noted the other 10 percent of the North Las Vegas clinic clients are seeking services from either the East Sahara Avenue clinic or West Charleston Boulevard clinic.

E-653 Program Limits or Rate Reductions – Page MHDS-13

The Division identifies the restoration of the 17.54 positions as Priority No. 4 on the FMAP add-back list. It is Priority No. 13 on the Department's list of top 16 add-back priorities. The Division's suggestion seeks to restore the positions to serve the North Las Vegas caseload absorbed in the other four clinics operated by SNAMHS.

During the March 24 Work Session, the Subcommittee requested the Division to identify a solution as an alternative to restoring the full complement of 17.54 positions. In response, the Division provided a priority listing of the 17.54 positions, which is summarized, including cumulative cost and a brief justification, in the table which begins on page 12 of [Exhibit C](#).

- The first option for the Subcommittee to consider is to approve the Governor's recommendation to eliminate funding, including 17.54 positions, resulting from the continued closure of the

North Las Vegas clinic in order to achieve General Fund savings of \$2 million each year.

- The second option is restoring the 17.54 positions. This would require General Fund appropriations of approximately \$1,854,025 in FY 2009-2010 and \$1,861,674 in FY 2010-2011, as estimated by the Division, to be added to the SNAMHS budget. The Division notes average current wait times for initial intake is 15 to 20 working days, with a 75-day wait for a follow-up appointment. If the 17.54 positions were restored, the Division estimates the follow-up appointment wait time would be reduced to 30 to 45 days.
- As a third option, the Division administrator suggests restoring two senior psychiatrist, four psychiatric nurse and director of nursing positions as a compromise. If this option is chosen, additional General Funds of approximately \$897,393 in FY 2009-2010 and \$899,434 in FY 2010-2011 will need to be added to the SNAMHS budget. Additional information from the Division notes that the restoration of two psychiatrist and four nursing positions would allow the Agency to meet the demands of approximately 800 to 1,000 individuals in the remaining outpatient clinics in Las Vegas.

If the second or third options are approved, Fiscal Staff requests authority to make technical adjustments for personnel-related costs which are not factored into the amounts shown in the table. This is for personnel-related costs including a bond, Attorney General Tort claim assessment and calculating vacancy savings not factored into costs.

CHAIR LESLIE:

I suggest we consider Option No. 3, which includes restoring two senior psychiatrist, four psychiatric nurse and director of nursing positions as a compromise. The Department made a good case for why they are not considering opening the North Las Vegas clinic due to another clinic being located within three miles. The pressure of additional clients at nearby clinics is intense and we need to reduce the wait time for services. People should not have to wait three weeks for an initial appointment or several months for a follow-up appointment.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO RESTORE TWO SENIOR PSYCHIATRIST, FOUR PSYCHIATRIC NURSE AND DIRECTOR OF NURSING POSITIONS TO DECISION UNIT E-653; AND TO APPROVE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS REQUESTED.

SENATOR RAGGIO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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ASSEMBLYWOMAN BUCKLEY:

I would like to readdress decision unit E-607. It is difficult to retain nurses to work at our State facilities. Concerning the 96.81 positions proposed to be eliminated from the Rawson-Neal Hospital, will the two licensed practical nurse (LPN) positions be transferred to other State positions?

DR. COOK:

Within the State employment system, LPN positions are relatively rare and I am unaware of any vacancies to which we can transfer the two LPN positions. If there are incumbents in those two LPN positions, they will be facing layoff at the end of the fiscal year.

ASSEMBLYWOMAN BUCKLEY:

Please determine whether or not these two positions are currently filled and inform the Subcommittee of your findings.

MR. CHAPMAN:

According to the information I received in February 2009, one position was vacant and the other was occupied.

ASSEMBLYWOMAN BUCKLEY:

What is the status of the 26 psychiatric nursing positions?

DR. COOK:

At this time, we do not face any layoffs in nursing positions in southern Nevada. We have enough vacancies to accommodate the number of positions eliminated.

ASSEMBLYWOMAN BUCKLEY:

I would like confirmation on whether or not one or both of the LPN positions are currently filled. Good nurses in the employ of the State are a precious commodity we do not want to lose. We often experience difficulties in hiring doctors and nurses and I want to ensure we do not lose them. We will never get them back if they go to the private sector and earn more money.

MR. CHAPMAN:

Item 2 on page 14 of [Exhibit C](#) recommends a 4-bed reduction to the 26 beds approved by the 2007 Legislature for building 3A of the North Las Vegas outpatient clinic. During the adjusted Base Budget review, it was noted bed capacity was reduced from 26 beds to 22 beds by directive from the Bureau of Licensure and Certification (BLC) after an inspection in February 2008. While food costs were adjusted in the Agency's Base Budget to reflect the reduced number of beds, it is not clear if any funding or cost reductions recommended in the 2009-2011 budget incorporate other cost adjustments associated with the four-bed reduction.

The Division indicates while there are fewer beds, the staffing ratio changes recommended in module E-607 will affect the 22-bed facility. With a turnover of 15 to 20 clients per day in all three facilities, the four-bed reduction has a minimal impact on operational costs such as laundry, building maintenance and utilities. Based upon the information provided by the Division, it appears no further adjustment to operating costs is warranted.

Other closing items include decision unit M-425 for deferred maintenance. The Governor recommends General Fund appropriations of \$15,469 in FY 2009-2010 to fund items of deferred maintenance, including replacing carpet with vinyl flooring in high-traffic areas of the Rawson-Neal Hospital, as well as carpet cleaning throughout the facility. This recommendation appears to be reasonable.

M-425 Deferred Facilities Maintenance – Page MHDS-11

Decision unit E-251 recommends additional medical service-charge revenue of \$32,000 each year to fund training for eight health information coordinators responsible for medical records to become certified coding specialists by the American Health Information Management Association (AHIMA). The Agency currently has 13.51 health information coordinator positions authorized. Information provided the Division indicates an estimated cost of \$3,500 for each individual. In response to Fiscal Staff's questions, the Division noted the cost and associated revenues could be reduced by \$500 in FY 2009-2010 and \$25,000 in FY 2010-2011.

E-251 Working Environment and Wage – Page MHDS-11

The next item is decision unit E-710, which is for standard replacement equipment including 157 desktop computers without monitors, 28 laptop computers, 6 network color printers, 20 local laser jet printers, maintenance for 6 Ethernet switches and antivirus software. This also includes various clinical and maintenance equipment, including a golf cart for campus travel, refrigerators for medications, two heating and air conditioning compressors for Building 3 and a portable air conditioning unit for the pharmacies. Based upon information provided by the Division, the recommendation appears reasonable.

E-710 Replacement Equipment – Page MHDS-16

Decision unit E-730 recommends purchasing a 48-inch lawnmower with grass-catching and mulching attachments, as well as two 21-inch lawnmowers, grass trimmers and lawn blowers, which will allow the Agency to eliminate its current lawn maintenance contract. The recommendation reduces General Fund appropriations by \$8,600 in FY 2009-2010, with continued savings of \$19,800 each year thereafter. This recommendation appears reasonable.

E-730 Maintenance of Buildings and Grounds – Page MHDS-17

In decision units E-901 and E-500, the Governor recommends transferring the funding responsibility for meal costs to the SNAMHS, including two dietician positions. Decision unit E-500 realigns the revenue sources and expenditure costs to the appropriate sources.

E-901 Trans from Southern Food Service to SNAMHS– Page MHDS-18

E-500 Adjustments - Transfers In – Page MHDS-12

Lastly, decision unit E-903 recommends transferring salary and position costs for the second Agency medical director position from the Administration budget

to the SNAMHS account to better align costs in the proper cost center. This recommendation appears to be reasonable to Staff.

E-903 Trans from MHDS Administration to SNAMHS– Page MHDS-18

The decision before the Subcommittee is whether or not to approve the Governor's other closing recommendations, as well as the Staff recommendation to reduce the training for health information coordinator staff by \$500 in FY 2009-2010 and \$25,000 in FY 2010-2011.

Additionally, Staff is recommending three technical adjustments. Staff recommends acknowledging receipt of \$125,000 in FY 2009-2010 of UnitedHealth Settlement funds, with an offsetting reduction to the General Fund not included in the *Executive Budget*, to support the community triage center operated by the WestCare Health System.

Staff recommends technical adjustments to the Base Budget and decision unit M-101 to correctly align pharmacy revenues received from Rural Clinics and the DCFS, based upon recommended medication costs in the respective agencies.

M-101 Inflation - Agency Specific – Page MHDS-9

Lastly, Fiscal Staff requests authority to make adjustments to salary and fringe benefits based on actions which may be taken by the 2009 Legislature, as well as to make technical adjustments for final assessments for the Department of Information Technology, Attorney General, Statewide Cost Allocation Plan, and similar items.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNITS M-425, E-251, E-710, E-730, E-901, E-500 AND E-903 AS RECOMMENDED BY THE GOVERNOR; TO APPROVE STAFF'S RECOMMENDATION TO REDUCE THE COSTS FOR TRAINING HEALTH INFORMATION COORDINATORS; AND TO ALLOW FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS OUTLINED ON PAGE 15 OF THE CLOSING DOCUMENT.

ASSEMBLYWOMAN BUCKLEY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

CHAIR COFFIN:

We will leave decision unit E-607 open and close the SNAMHS before closing the hearing. We will now discuss the NNAMHS budget.

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Budget Account 101-3162

MR. CHAPMAN:

Starting on pages 16 and 17 of [Exhibit C](#) are the budget closing sheets for B/A 101-3162. Page 17 notes the additional Medicaid receipts resulting from the ARRA changes in the FMAP. Included in the major closing issues are five decision units which reduce General Fund appropriations by \$2.6 million each year.

Decision units M-160 and E-633 reduce appropriations by \$1.6 million in FY 2009-2010 and \$1.7 million in FY 2010-2011 by eliminating a total of 21.04 positions and associated operating costs approved by the 2007 Legislature for caseload increases in the medication clinics, psychiatric ambulatory services and the Reno Mobile Outreach program. A total of 15.02 positions are recommended for elimination in decision unit M-160 and 6.02 positions are recommended to be eliminated in decision unit E-633. Four existing heat plant specialist positions and one heating, ventilating and air-conditioning position, which were approved for continuation by the 2007 Legislature, are included for elimination in decision unit M-160.

M-160 Position Reductions Approved in 07-09 – Page MHDS-24

E-633 Eliminate or Reduce New Prog Not Yet Implemented – Page MHDS-27

During the February 12 Budget Hearing, the Subcommittee expressed concern regarding the growing caseload for the medication clinics at NNAMHS, yet the *Executive Budget* did not include funding to support any caseload growth for this service. The Base Budget includes funding to support medications for 3,300 clients annually.

The Division has suggested a request for \$300,000 each year to fund additional medication costs for the medication clinics as Priority No. 8 on the Division FMAP add-back list. However, this suggestion is not included in the Department's top 16 priority items for add-back consideration.

Based upon the current average cost of medications included in the Base Budget, the \$300,000 additional funding each year would support approximately 200 additional clients in the medication clinics. Additionally, the Division's FMAP add-back Priority No. 11 seeks to add back 3.49 positions recommended for elimination in support of the medication clinics. However, this suggestion is not included in the Department's top 16 priority items for add-back consideration. Because of the increase in caseloads the NNAMHS is experiencing and projecting in FY 2009-2010 and FY 2010-2011, filling these positions would be of assistance to them.

In response to questions posed by the Subcommittee during the March 24 Work Session, the Division was asked to prioritize the request for \$300,000 each year for medication costs compared to the restoration of 3.49 positions. The Division indicated the \$300,000 each year was a higher priority. The Subcommittee's preference was to add General Funds of \$300,000 each year for increased medication funding.

- The first option the Subcommittee may wish to consider is to approve the Governor's recommendation to eliminate a total of 21.04 positions

approved by the 2007 Legislature, primarily in support of caseload growth in the medication clinics and in psychiatric ambulatory services, in order to achieve General Fund savings totaling \$1.6 million in FY 2009-2010 and \$1.7 million in FY 2010-2011 as indicated in decision units M-160 and E-633.

- The second option, as suggested by the Division, is to add back General Funds of \$300,000 each year to fund medication costs for approximately 200 additional individuals, which is approximately 84 fewer individuals than projected in FY 2009-2010 and 125 fewer than projected in FY 2010-2011.
- The third option is to restore the 3.49 positions in support of the medication clinic and the co-occurring disorders program. If this option is chosen, Fiscal Staff seeks authority to make minor technical adjustments for position costs, vacancy savings and position-related assessments.

Lastly, the Subcommittee may chose to consider some combination of the second and third options.

CHAIR LESLIE:

Even though it is not in the top 16 priorities of Department's add-back list, the medication funding add back is important to consider. We have cut the Division's overall funding for medications by millions of dollars and have not built any growth into the NNAMHS budget. If there is no growth in medications, we will have severely mentally ill people coming into clinics and we will not have the funding to provide medications to serve them. If we do not add back the \$300,000 patients will have to wait longer for medications. This is the time period they are more likely to be hospitalized and/or become involved in the criminal justice system. What will happen if we do not restore this \$300,000 in funding for medications?

DR. COOK:

That is a difficult question to answer. If we continue to increase caseload in northern Nevada, we will have a situation in which we would have problems administering medications. This could mean placing patients on wait lists and they will not be able to promptly receive medications. We could work with the doctors to change prescribing patterns to use less expensive medications or provide fewer medications. We could also increase our efforts in patient assistance programs. The \$300,000 in medication funding gives us a measure of comfort against having to ration medication in the future.

CHAIR LESLIE:

I do not want to ration medication to severely mentally ill people. It is a matter of public safety as well as their personal safety. I suggest restoring \$300,000 each year to fund medication costs. Is there a connection between the 3.49 positions recommended for elimination in support of the medication clinics and the co-occurring disorders program Substance Abuse Prevention and Treatment Agency (SAPTA) budget?

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DR. COOK:

No. The 3.49 positions recommended for elimination are in the NNAMHS co-occurring disorders program.

CHAIR LESLIE:

Is the position recommended for elimination assigned to the co-occurring disorders program?

DR. COOK:

The position recommended for elimination in the co-occurring disorders program is a substance abuse counselor.

CHAIR LESLIE:

Given the State's financial crisis, we will have to get by with the people we have. If we do not have the funding for the medications, however, it would be a potential disaster.

SENATOR RAGGIO:

Is the \$600,000 required for medication over the biennium an item the Division could request from the IFC for contingency funding? This may be a better alternative.

CHAIR COFFIN:

We would still have to appropriate money to the Contingency Fund and should earmark it for this purpose.

SENATOR RAGGIO:

There is an amount scheduled to be provided for the Contingency Fund. We generally do not earmark contingency funding for specific purposes and I would not suggest earmarking funds for medications.

CHAIR LESLIE:

I would go along with the Division requesting medication funds from the IFC as long as Dr. Cook will go on record stating the Division will not ration medications.

DR. COOK:

We would certainly not ration medications if there is any other choice. The option to request supplemental funding from the IFC would be taken before the rationing of medications. At my first appearance before the IFC in 1999, I requested supplemental funding for medications and was told to by the IFC to "Never come back and do this again." If I have your permission, I will request supplemental funding for medication if it is needed.

ASSEMBLYWOMAN BUCKLEY:

As we discussed our spending priorities, we leaned toward eliminating the 21 positions and restoring funding for medication. I prefer to leave the medication funding in the budget and proceed with the other reductions, which have much greater cost savings. I worry about the reluctance some agencies have toward requesting supplemental funding from the IFC. Is the medication funding on the Department's add-back list?

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MR. CHAPMAN:

The \$300,000 funding for medication each year is Priority No. 8 on the Division's add-back list, but it did not appear on the Department's top 16 priorities.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNITS M-160 AND E-633 AND TO RESTORE \$300,000 EACH YEAR IN MEDICATION FUNDING TO THE BUDGET.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

ASSEMBLY: THE MOTION FAILED. (ASSEMBLYWOMAN GANSERT, ASSEMBLYMAN HARDY AND ASSEMBLYMAN OCEGUERA VOTED NO. ASSEMBLYMAN ARBERRY WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED. (SENATOR RAGGIO VOTED NO)

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ASSEMBLYWOMAN BUCKLEY MOVED TO RECOMMEND TO THE FULL COMMITTEE TO SEND A LETTER OF INTENT STATING THE DIVISION CAN APPEAR BEFORE THE IFC TO REQUEST MEDICATION FUNDING IF CURRENT FUNDING IS INSUFFICIENT.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

SENATOR MATHEWS:

What is the purpose of medicating people? Is the purpose to get the medication to a certain level in a patient's blood and keep it there? If so, how do you ration medication?

DR. COOK:

The purpose of medicating individuals is to reduce their symptoms by providing the necessary medication. In psychiatry, we primarily determine the efficacy of the medications by behavioral observation. For some medications, we analyze blood levels frequently.

In the 1990s, the Division rationed medications by examining the prescribing patterns of physicians. Some physicians have more expensive prescribing patterns than others and may prescribe two antipsychotic drugs in situations in which another physician will only prescribe one.

SENATOR MATHEWS:

What will be the unintended consequences if a medication-dependent patient begins skipping medication for days or weeks at a time due to rationing?

DR. COOK:

We would not change an individual's dosage for a particular medication. What could change is prescribing multiple medications for the same symptoms.

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SENATOR MATHEWS:

If a person is prescribed Lithium to treat manic depression, what are the consequences of skipping medication? Will that person go into a deep depression after a few days?

DR. COOK:

Skipping medication or reducing an individual's dosage would not be a part of the rationing. Rationing could mean placing people on waiting lists so they do not receive any medication.

SENATOR RAGGIO:

Nobody here is endorsing the concept of rationing by reducing dosages or anything else which would be inappropriate from a medical standpoint. We are trying to develop a budget limited to essential services with the funding available. This item is not on the Department's list of top 16 priorities. If it gets to the point at which medication funding is needed, the Department can request supplemental funding from the IFC. The funding needed may be less than \$600,000.

SENATOR MATHEWS:

I want the record to show the consequences of skipping prescribed medications.

ASSEMBLYWOMAN GANSERT:

Would the Division have a problem coming to the IFC to ensure there will be no need to ration medications with the proposed letter of intent?

DR. COOK:

I would have no issue with coming to the IFC to request supplemental funding to avoid rationing medication.

ASSEMBLYWOMAN BUCKLEY:

We are considering adding back funds to provide medication for 200 individuals, which will still be 84 fewer than the number of individuals projected to need medication in FY 2009-2010. In prior budgets, we asked the Division to work with the Office for Consumer Health Assistance to attempt to obtain free medications offered by some of the pharmaceutical companies in an effort to reduce costs.

We have made it clear we do not want the Division to ration medications and we should proceed with the proposed letter of intent. I would prefer to appropriate the medication funding. Nobody likes to make these decisions, but we must balance the budget. In our spending priorities for the Department of Health and Human Services, we restored approximately \$40 million in funding to the Department's budget after analyzing safe staffing patterns and medications. If we had not restored this funding, we would have unsafe staffing levels at the mental health hospitals, rationing of medications and would have to discontinue providing health insurance to pregnant women and children.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ARBERRY WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED. (SENATOR COFFIN VOTED NO.)

MR. CHAPMAN:

The next major closing issue is decision unit E-607. The Governor recommends eliminating 13.11 positions supporting inpatient facilities, based upon decreasing the staff-to-bed ratio for various positions. This recommendation is similar to the staffing reductions proposed at the Rawson-Neal Hospital in the SNAMHS budget. Of these 13.11 positions, 7.60 positions are vacant, with the remaining 5.51 positions filled as of April 3, 2009. The recommendation reduces General Fund appropriations by \$716,422 in FY 2009-2010 and \$722,903 in FY 2010-2011.

E-607 Staffing and Operating Reductions – Page MHDS-26

During the February 12 Budget Hearing, the Division noted staffing could be reduced due to the inpatient census averaging between 65 and 80 percent of capacity. Information provided by the Agency notes an average monthly census of 25 patients in the 40-bed hospital and 5.4 patients in the 10-bed psychiatric observation unit. The Division did not identify the restoration of any of the 13.11 positions recommended for elimination as an add-back priority item. During the March 24 Work Session, the Subcommittee's initial determination was to accept the Governor's recommendation to eliminate the 13.11 positions.

CHAIR LESLIE:

Due to the low census in the northern hospital, we should approve the Governor's recommendation to eliminate these positions.

ASSEMBLYMAN HARDY MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNIT E-607 AS RECOMMENDED BY THE GOVERNOR.

SENATOR MATHEWS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ARBERRY WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED. (SENATOR COFFIN WAS ABSENT FOR THE VOTE.)

MR. CHAPMAN:

Decision unit E-631 reduces appropriations by \$89,529 in FY 2009-2010 and \$90,502 in FY 2010-2011 by eliminating two vacant psychiatric caseworker positions. These positions have been vacant since March and April 2008, respectively. During the February 12 Budget Hearing, the Division noted there have been difficulties in keeping these positions filled, and the workload is currently being absorbed by other Agency staff. Based upon this information, it appears these positions, while necessary, are not critical to the operations of the Agency.

E-631 Eliminate or Reduce New Prog Not Yet Implemented – Page MHDS-26

SENATOR MATHEWS MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNIT E-631 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ARBERRY WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED. (SENATOR COFFIN WAS ABSENT FOR THE VOTE.)

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MR. CHAPMAN:

Decision unit E-632 reduces appropriations by \$160,920 each year by eliminating funding for seven Supported Living Arrangements (SLA) community placements. This represents 50 percent of the FY 2008-2009 caseload growth of 15 placements approved by the 2007 Legislature. These placements were not filled during FY 2008-2009 in order to meet budget shortfalls. During the March 24 Work Session, the Subcommittee's initial determination was to approve the Governor's recommendation to eliminate funding for the seven SLA placements due to other budget priorities. The Subcommittee suggested the placements be considered for possible add back should sufficient funding become available.

E-632 Eliminate or Reduce New Prog Not Yet Implemented – Page MHDS-27

SENATOR MATHEWS MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNIT E-632 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ARBERRY WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED. (SENATOR COFFIN WAS ABSENT FOR THE VOTE.)

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MR. CHAPMAN:

First on the list of other closing items is decision unit E-250. The Governor recommends General Fund appropriations of \$9,609 in FY 2009-2010 and \$9,896 in FY 2010-11 for additional security coverage on the NNAMHS campus, as well as at the Linden Street outpatient clinic. This recommendation appears reasonable to staff.

E-250 Working Environment and Wage – Page MHDS-25

In decision unit E-251, the *Executive Budget* recommends additional medical service charge revenue of \$24,000 each fiscal year to fund training for six health information coordinators responsible for medical records to become certified coding specialists. Based upon the information provided by the Division in support of its initiatives to improve reimbursement revenues, the recommendation appears to be reasonable as revised by the Agency. Fiscal Staff has included in this closing sheet reductions in medical service charge revenues and training expenditures of \$3,000 in FY 2009-2010 and \$20,500 in FY 2010-2011.

E-251 Working Environment and Wage – Page MHDS-25

Decision unit E-710 recommends General Fund appropriations of \$197,305 in FY 2009-2010 and \$6,417 in FY 2010-2011 for replacement equipment, including 44 desktop computers without monitors, 7 laptop computers with docking stations, 2 network color printers, 8 network laser jet printers, 10 local color printers, 11 Ethernet 24-port switches with maintenance and 91 surge protectors with battery backup units. Based upon the information provided by the Division, the recommendation for replacement equipment appears to be reasonable.

E-710 Replacement Equipment – Page MHDS-30

Fiscal Staff recommends technical adjustments to the Base Budget acknowledging receipt of UnitedHealth settlement funds of \$319,000 in FY 2009-2010. This is to support \$125,000 of the cost of operating the community triage center in Reno. The other \$194,000 supports the Reno Mobile Outreach program approved in the 2007 Legislative Session. The adjustments would be to reduce General Fund appropriation by \$246,805 in FY 2010-2011 and increase the program costs for the Reno Mobile Outreach program by \$72,195 in a separate category.

Fiscal Staff recommends technical adjustments to the Base Budget and decision unit M-101 to correctly align pharmacy revenues received from the Rural Clinics, the Lake's Crossing Center and the Division of Child and Family Services, based upon recommended costs for medications in the respective agencies.

M-101 Inflation - Agency Specific – Page MHDS-23

On page 21 of [Exhibit C](#), Fiscal Staff recommends technical adjustments to correct salary and fringe benefits for a .50 FTE consumer services assistant position which was incorrectly entered into the Nevada Executive Budget System. This correction does not add General Fund appropriations, but it increases the block-grant funds to support this position.

ASSEMBLYMAN HARDY MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNITS E-250, E-251 AND E-710 AS RECOMMENDED BY THE GOVERNOR; TO APPROVE STAFF'S RECOMMENDATION TO REDUCE FUNDING FOR MEDICAL SERVICE CHARGE REVENUES AND TRAINING EXPENDITURES; AND TO APPROVE STAFF'S RECOMMENDED TECHNICAL ADJUSTMENTS.

ASSEMBLYWOMAN BUCKLEY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ARBERRY WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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DR. COOK:

With respect to the two LPN positions discussed in decision unit E-607 of B/A 101-3161, one is vacant and the other has an incumbent occupying the position.

ASSEMBLYWOMAN BUCKLEY:

During my discussion with Dr. Cook and Mr. Willden, I was advised the grade level of these positions is equivalent to some of the higher levels of mental health technician positions. I recommend we keep the financial target we previously passed, but allow the Division to work with our Staff should they want to achieve vacancy savings to avoid layoffs. This would allow us to achieve more rational decisions while maintaining the same financial target.

ASSEMBLYWOMAN BUCKLEY MOVED TO REOPEN B/A 101-3161.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ARBERRY WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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ASSEMBLYWOMAN BUCKLEY MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNIT E-607 AT THE PREVIOUSLY TARGETED SUMS APPROVED BY THE SUBCOMMITTEE; TO ALLOW THE DIVISION TO MAKE JOB CLASSIFICATION CHANGES TO ACHIEVE VACANCY SAVINGS AND AVOID LAYOFFS; AND TO REQUIRE THE DIVISION TO SUBMIT EXACT LINE ITEMS OF THE CHANGES TO THE LEGISLATIVE COUNSEL BUREAU'S FISCAL STAFF.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ARBERRY WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR COFFIN:

Budget account 101-3161 is reclosed and we will begin discussions on B/A 101-3164.

HHS - Mental Health Information System – Budget Page MHDS-33 (Volume II)
Budget Account 101-3164

MR. CHAPMAN:

The closing sheets for B/A 101-3164 begin on page 22 of [Exhibit C](#). Decision unit E-681 brings in an additional \$62,702 each year in Title XIX Medicaid receipts and is recommended to fully annualize the maintenance and licensing costs for the automated Pyxis Pharmacy Dispensing System. The Agency's Base Budget includes \$361,638 in General Fund support for the system. The additional \$62,702 in Title XIX funds provides the supplemental funding needed to fully support annualized contract costs of \$424,340 each year. This recommendation appears reasonable to Staff.

E-681 New Revenues or Expenditure Offsets – Page MHDS-36

In decision unit E-710, the Governor recommends General Fund appropriations of \$61,549 in FY 2009-2010 and \$69,264 in FY 2010-2011 for replacement equipment, including two application/database servers; nine printer/file servers; two 24-port Ethernet switches with maintenance coverage; ten uninterruptable power supply units for Pyxis pharmacy dispensing machines; and antivirus software. Module E-710 also includes four desktop workstations, funded with federal Data Infrastructure Grant proceeds of \$6,844 each year.

E-710 Replacement Equipment – Page MHDS-37

Fiscal Staff's review noted the recommended server replacements are due to the manufacturer's warranties expiring after three years. At Staff's request, the Division obtained a quote which would extend the warranty an additional year on the two application/database servers and seven of the nine printer/file servers at a cost of \$18,913. This would defer the replacement of servers scheduled in FY 2009-2010 to FY 2010-2011, and defer the replacement of servers scheduled in FY 2010-2011 to FY 2011-2012.

This adjustment reduces General Fund need by \$31,647 in FY 2009-2010 and \$7,715 in FY 2010-2011. Based upon the information provided by the Division, Fiscal Staff recommends the purchase of the extended one-year warranty for the servers scheduled for replacement, which delays the replacement of the affected servers by one year.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNIT E-681 AS RECOMMENDED BY THE GOVERNOR; TO APPROVE E-710 AS RECOMMENDED BY FISCAL STAFF; AND TO AUTHORIZE STAFF TO MAKE NECESSARY TECHNICAL ADJUSTMENTS.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ARBERRY WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR COFFIN:

Budget account 101-3164 is closed and we will begin discussions on B/A 101-3168.

HHS - MHDS Administration – Budget Page MHDS-52 (Volume II)
Budget Account 101-3168

MR. CHAPMAN:

The overview of the MHDS Administration budget begins on page 24 of [Exhibit C](#). The first closing issue for consideration is the elimination of the northern Nevada medical director position as recommended in decision unit E-607.

E-607 Staffing and Operating Reductions – Page MHDS-56

The Division is currently funded for four medical director positions: one position for northern Nevada; two for southern Nevada, one assigned inpatient responsibilities and the other assigned outpatient responsibilities; and a statewide medical director assigned to oversee all medical-related policies and procedures.

The Governor recommends eliminating the northern Nevada medical director position to achieve desired budget reductions, with General Fund savings for salary and associated costs of \$170,755 in FY 2009-2010 and \$170,856 in FY 2010-2011. The position has been vacant since March 2008.

The second medical director position in southern Nevada was recently established by eliminating a senior psychiatrist position, approved by the IFC on January 24, 2008, to address the continuing increase in responsibilities associated with the growth of both inpatient and outpatient services at the SNAMHS.

During the Budget Hearing, the Division administrator was questioned regarding the elimination of the position and indicated the statewide medical director position would assume direct responsibilities for the NNAMHS, the Lake's Crossing Center and the Rural Clinics. The statewide medical director position would also represent the Division on medical matters before the Legislature; other divisions and State departments; and the Division's interests before national organizations. During the Work Session held on March 24, the Subcommittee's preference was to approve the Governor's recommendation.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNIT E-607 AS RECOMMENDED BY THE GOVERNOR.

SENATOR MATHEWS SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ARBERRY WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. CHAPMAN:

The second item on page 25 is the elimination of a quality assurance position recommended in decision unit E-606. The Governor recommends eliminating this position, currently funded with Center for Mental Health Sciences (CMHS) block grant funds, and using the grant fund savings to fund a management analyst position currently supported by General Fund appropriations.

E-606 Staffing and Operating Reductions – Page MHDS-56

In response to the Subcommittee's questions and additional information provided to Fiscal Staff, the Division administrator indicated the other three quality assurance specialists in the administration office, as well as the specialists located in the three agencies, will absorb the responsibilities for service utilization management and investigations.

The management analyst position will absorb duties for compliance with the Health Insurance Portability and Accountability Act, as well as quality assurance monitoring and training. During the Budget Hearing on February 12, the Division administrator indicated utilizing the block grant funds to support the management analyst position was acceptable under the terms of the grant.

Based upon the information and testimony provided by the Division, the recommendation to eliminate the quality assurance position and shift the CMHS block grant funding to support the management analyst position is reasonable.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNIT E-606 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ARBERRY WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. CHAPMAN:

Other closing items include decision units E-225, E-608, E-710, E-903 and E-904. In decision unit E-225, the Governor recommends General Fund appropriations of \$19,056 in FY 2009-2010 and \$19,532 in FY 2010-2011 to support contract services with a billing-solutions clearinghouse company. This is a part of the Division's overall initiative to enhance regulation compliance with

all third-party payers, such as Medicaid and Medicare; verify national provider identifier and consumer subscriber numbers are correct; and verify diagnosis codes are valid and correct, which reduces billing errors and resulting claim denials. The Division began using the services in FY 2008-2009 which has reduced the claims rejection as well as the turnaround for reimbursements from approximately six weeks to approximately ten days. The recommendation for increased funding to support the billing clearinghouse contract appears reasonable.

E-225 Eliminate Duplicate Effort – Page MHDS-54

Decision unit E-608 eliminates three health program specialist positions and an administrative assistant position supported by the federal Health Resources and Services Administration (HRSA) grant transferred from the Health Division. The grant is used for disaster response planning, training and hospital evacuation planning. The Division anticipates this grant funding to be significantly reduced from \$355,988 in FY 2008-2009 to approximately \$100,000 each year in the 2009-2011 biennium. Due to the expectation the HRSA grant will be reduced in the 2009-2011 biennium, the recommendation appears reasonable.

E-608 Staffing and Operating Reductions – Page MHDS-57

Decision unit E-710 is the Governor's recommendation for General Fund appropriations of \$52,444 to purchase replacement equipment. Based upon replacement standards, these recommendations appear to be reasonable. Included in module E-710 is funding of \$2,000 each year for wide-area network (WAN) supplies; however, expenditures in this account average \$728 in even-numbered fiscal years and there are no expenditures in odd-numbered years. Fiscal Staff recommends reducing appropriations for WAN supplies by \$1,272 in FY 2009-2010 and \$2,000 in FY 2010-2011 to reflect funding needs based upon historical expenditures.

E-710 Replacement Equipment – Page MHDS-59

Decision unit E-903 is the Governor's recommendation to transfer funding for the southern Nevada medical director position from the Administration account to the SNAMHS account to better reflect the Agency's cost in the proper budget. This recommendation appears reasonable to staff.

E-903 Trans from MHDS Administration to SNAMHS– Page MHDS-61

Decision unit E-904 is the Governor's recommendation to transfer General Fund appropriations of \$100,000 each year supporting the Suicide Prevention Hotline from the MHDS to the Health and Human Services Director's Office of Suicide Prevention to better reflect the costs of the program in one cost center. On April 2, 2009, the Subcommittee approved the Governor's recommendation to transfer the funding for the Suicide Prevention Hotline from MHDS to the DHHS Director's Office.

E-904 Transfer Out Suicide Prevention to 3150– Page MHDS-62

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNITS E-225, E-608, E-710, E-903 AND E-904 AS RECOMMENDED BY THE GOVERNOR; WITH THE REDUCTIONS RECOMMENDED BY FISCAL STAFF; AND TO ALLOW FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR MATHEWS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN ARBERRY WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR COFFIN:

Budget account 101-3168 is closed and we will begin discussions on B/A 101-3170.

HHS – Substance Abuse Prevention & Treatment Agency – Budget Page
MHDS-64 (Volume II)
Budget Account 101-3170

MR. CHAPMAN:

An overview of the SAPTA budget is on page 27 of [Exhibit C](#). Major closing issues begin on page 28.

The 2007 Legislature approved increased General Fund appropriations of \$14.1 million in support of various initiatives including replacement of federal prevention funds, increased substance abuse treatment support, the fight against methamphetamine usage and a pilot program for co-occurring disorders. In response to revenue shortfalls, the SAPTA reduced its appropriations supporting these initiatives by a total of \$265,000 in FY 2007-2008 and \$1.4 million in FY 2008-2009. The Governor's budget recommends continuation of General Fund reductions of \$1.5 million each year of the biennium in four decision units.

Decision units M-160 and E-630 reduce the General Fund appropriations approved by the 2007 Legislature by \$1.4 million each year in four different program areas:

- The first program recommended for reduced General Fund appropriations is treatment services. The 2007 Legislature approved increased funding of \$1.5 million in FY 2007-2008 and \$2.3 million in FY 2008-2009 to serve an estimated 1,417 additional individuals. The *Executive Budget* recommends reductions in General Fund support of \$401,556 in FY 2009-2010 and \$374,068 in FY 2010-2011. This represents an approximately 7.7-percent reduction in Base Budget funding, resulting in recommended funding of \$4.6 million and \$4.7 million, respectively, to support treatment services provided by community providers.

In response to the Subcommittee's questions, the Agency notes as of February 25, 2009, there were 83 individuals awaiting treatment services: 5 individuals for intensive outpatient services, 27 for regular outpatient services, and 51 for residential services.

- The second program recommended for reduced General Fund appropriations is methamphetamine education. The 2007 Legislature approved funding of \$1 million each year to establish and administer methamphetamine education programs. These funds were to be granted to the 13 community prevention coalitions which manage the prevention grant programs. The Agency notes a reduction in admissions to the SAPTA-funded treatment facilities for methamphetamine use from 44 percent in FY 2006-2007 to 37 percent in FY 2008-2009. The Governor recommends a reduction of \$100,000 in appropriations for this program each year of the biennium.
- The third program recommended for reduced General Fund appropriations is prevention grants. The 2007 Legislature approved General Fund support of \$2.3 million in FY 2007-2008 and \$3 million in FY 2008-2009 to replace federal State Incentive Grant funds which expired in FY 2007-2008. The *Executive Budget* continues some of the funding in the 2009-2011 biennium, but federal funding is expected to be fully depleted in FY 2010-2011.

The *Executive Budget* recommends reductions of \$502,172 in each year of the 2009-2011 biennium, or approximately 16.7 percent, resulting in recommended funding of \$2.5 million each year to support 13 community coalitions and 58 separate drug prevention programs. The Agency notes the recommended reduction will result in 1,350 fewer individuals receiving prevention services.

The fourth program recommended for reduced General Fund appropriations is the co-occurring disorders program. The 2007 Legislature approved General Fund appropriations of \$1 million in FY 2007-2008 and \$2 million in FY 2008-2009 to initiate a pilot program serving up to 90 adults and adolescents with both mental illness and substance abuse issues. The funding was reduced by \$95,149 in FY 2007-2008 and \$438,231 in FY 2008-2009 to meet budget reduction efforts. A health program specialist position approved to support the program was not filled to meet budget reduction efforts and is eliminated in decision unit M-160.

M-160 Position Reductions Approved in 07-09 – Page MHDS-66

E-630 Eliminate or Reduce New Program Not Yet Implemented – Page MHDS-68

The Governor recommends reducing treatment costs by \$427,308 each year, or approximately 22.3 percent, resulting in recommended funding of \$1.5 million each year. The reduced funding in the 2009-2011 biennium will reduce the number of clients receiving services by approximately 30 to 35 individuals each year, to 240 individuals.

During the March 24 Work Session, the Subcommittee discussed the Division's FMAP add-back list, in which Priority No. 10 is to restore 25 percent of the

recommended funding reduction each year for the treatment, prevention, methamphetamine education and co-occurring disorders programs, and to fully restore the \$100,000 for methamphetamine education in FY 2009-2010. However, this suggestion is not included in the Department's top 16 priority items for add-back consideration.

The Subcommittee's preference during the Work Session was to restore 100 percent of the funding reduction for treatment services which amounts to \$401,556 in FY 2009-2010 and \$374,068 in FY 2010-2011. Additionally, the Subcommittee expressed interest in restoring some funding for the other programs, but did not specify any amounts for potential restoration.

CHAIR COFFIN:

Much has happened in the last two years with the apparent success of these treatment and education programs.

MR. CHAPMAN:

There are four options the Subcommittee may wish to consider concerning these decision units:

- The first option is to approve the Governor's recommendation to reduce funding for treatment programs by \$401,556 in FY 2009-2010 and \$374,068 in FY 2010-2011; to reduce funding for prevention grant programs by \$502,172 each year; to reduce funding for methamphetamine education programs by \$100,000 each year; and to reduce funding for co-occurring disorders treatment programs by \$427,308 each year.
- The second option, as discussed by the Subcommittee during the March 24 Work Session, is to consider restoring funding for treatment services. If this option is chosen, General Fund appropriations of \$401,556 in FY 2009-2010 and \$374,068 in FY 2010-2011 will need to be added back to the SAPTA account. If this option is approved, the wait time for services would remain at approximately 19 days and the Agency would maintain treatment services for approximately 9,800 individuals in FY 2009-2010 and 10,200 in FY 2010-2011.
- The third option is to consider restoring 25 percent of the funding for the prevention, methamphetamine education and co-occurring disorders programs, as suggested by the Division during the March 24 Work Session. If this option is chosen, additional General Funds of \$257,370 each year would need to be added to the SAPTA budget. If approved, prevention services to 338 individuals at a cost of \$125,543 each year would be restored; an additional \$25,000 each year would be made available to the 13 prevention coalitions for methamphetamine education; and approximately 8 additional individuals with co-occurring disorders would be able to obtain treatment services each year, at a cost of \$106,827 annually.
- The fourth option for the Subcommittee to consider is approving a combination of the second and third options.

CHAIR LESLIE:

I do not like the idea of going backwards with these programs. With all we accomplished in the 2007 Legislature, we are still only serving a fraction of the people who need substance abuse services in Nevada. Given our fiscal crisis, I lean toward restoring all or part of the treatment services. In my experience, there are nearly triple the number of people waiting for service in Reno than indicated by the Agency. They fall off of the waiting list and end up in jail. Treatment should be the highest priority.

I could accept the Governor's recommended reduction by \$100,000 in the methamphetamine education program. This leaves a significant amount of funding in place.

I would not want to reduce the prevention grants by \$502,172, because we have seen good results. Elsewhere in this budget, we will have an opportunity to redistribute block grant funding restoring \$60,000 each year.

The co-occurring disorders program is a great program which just got started and I would not like to reduce its funding, but if we have funding for the treatment, at least people would be served by that program. People would not receive the full benefit of the co-occurring disorders program, but they would be receiving some treatment. My recommendation is to make restoring the treatment funding a top priority.

CHAIR COFFIN:

People should consider this funding similar to law enforcement funding because it will help to prevent crimes in which people could be harmed. People who use drugs will satisfy their cravings by committing burglaries and robberies, so funding drug abuse prevention and treatment will help reduce the crime rate.

ASSEMBLYMAN HARDY:

When Howard Skolnik, Director, Department of Corrections, indicated the crime rate was dropping because of the recession, during the March 5 hearing on Human Services and Capital Improvements, it was counterintuitive to what I expected. I cannot say we can tie the crime rate to drug abuse or drug abuse prevention.

CHAIR COFFIN:

You cannot draw a linear relationship between drug abuse prevention and treatment and the reduction in the crime rate, but I do not believe it is all due to the recession.

ASSEMBLYWOMAN BUCKLEY MOVED TO RECOMMEND TO THE FULL COMMITTEE TO RESTORE GENERAL FUND APPROPRIATIONS, OF \$401,556 IN FY 2009-2010 AND \$374,068 IN FY 2010-2011, TO THE SAPTA ACCOUNT FOR TREATMENT SERVICES RECOMMENDED FOR REDUCED FUNDING IN DECISION UNITS M-160 AND E-630 OF THE GOVERNOR'S BUDGET.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

ASSEMBLYWOMAN GANSERT:

This item is not on the Department's list of their highest 16 funding priorities. We are leaving \$900,000 in the methamphetamine education budget and I would prefer to reallocate some of that funding toward treatment services. In this way, we can offset the restoration of General Fund appropriations or eliminate them altogether.

ASSEMBLYWOMAN BUCKLEY:

I would be amenable to Assemblywoman Gansert's suggestion. We have attempted not to cut people off from existing treatment services. We can achieve zero fiscal impact by funding the treatment services from the methamphetamine education budget. This will leave funding in the methamphetamine education program and allow us to fund treatment services.

MR. CHAPMAN:

As recommended by the Governor, there would be \$900,000 each year available for methamphetamine education programs after the proposed \$100,000 a year reduction. If we reduce methamphetamine education funding to cover the restoration of funding for the treatment services, the remaining funds for methamphetamine education programs would be approximately \$500,000 in FY 2009-2010 and \$525,000 in FY 2010-2011.

ASSEMBLYWOMAN BUCKLEY:

Based on Assemblywoman Gansert's suggestion, I would like to amend my motion.

ASSEMBLYWOMAN BUCKLEY MOVED TO RECOMMEND TO THE FULL COMMITTEE TO TRANSFER APPROPRIATIONS OF \$401,556 IN FY 2009-2010 AND \$374,068 IN FY 2010-2011 FROM THE METHAMPHETAMINE EDUCATION PROGRAM BUDGET TO THE BUDGET FOR TREATMENT SERVICES; AND TO ALLOW FISCAL STAFF TO MAKE ANY NECESSARY TECHNICAL ADJUSTMENTS.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

MR. CHAPMAN:

On page 30 of [Exhibit C](#), decision unit E-614 would eliminate a vacant 0.49 FTE administrative assistant position from the Carson City office. The Agency indicates the duties this position performed have been absorbed by other administrative staff within the office. This recommendation appears reasonable to staff.

E-614 Staffing and Operating Reductions – Page MHDS-67

Decision unit E-615 would eliminate an additional health program specialist position currently funded by Substance Abuse and Prevention and Treatment

(SAPT) block grant funds. By eliminating the position, the Governor's budget reduces the grant fund revenues in this account. The Agency notes elimination of the position was intended to allow the savings to be redirected to the statewide coalitions to sustain SAPT block grant funding. Fiscal Staff recommends modifying the Governor's budget by transferring the savings to the grant program rather than reducing the grant fund revenues and taking the vacancy savings.

E-615 Staffing and Operating Reductions – Page MHDS-68

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNITS E-614 AND E-615 AS RECOMMENDED BY THE GOVERNOR; AND TO TRANSFER THE SAPT BLOCK GRANT FUNDING AS RECOMMENDED BY FISCAL STAFF.

ASSEMBLYMAN ARBERRY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

MR. CHAPMAN:

Other closing items include decision unit E-715 for replacement equipment. This decision unit requests federal Substance Abuse and Mental Health Services Administration funds to support replacement equipment. This recommendation appears reasonable to staff.

E-715 Replacement Equipment – Page MHDS-70

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNIT E-715 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN OCEGUERA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

CHAIR COFFIN:

Budget account 101-3170 is closed and we will begin discussions on B/A 101-3255.

HHS - Alcohol Tax Program – Budget Page MHDS-73 (Volume II)
Budget Account 101-3255

MR. CHAPMAN:

Page 32 of [Exhibit C](#) contains the overview of B/A 101-3255, the Alcohol Tax Program. There are no major closing issues in this account. The Governor's recommended budget reflects increases in liquor tax revenues of 0.23 percent from FY 2008-2009 work program to FY 2009-2010, and an additional 3.45 percent from FY 2009-2010 to FY 2010-2011. The Technical Advisory Committee to the Economic Forum projected increases in the 15-cent collections of 1.4 percent and 2.5 percent, respectively, for the same time periods. The Subcommittee should note the projected FY 2008-2009 work program amount is a 6.8-percent increase when compared to FY 2007-2008 actual revenues, while the Economic Forum updated its FY 2008-2009 projection, reflecting a 1-percent decrease. However, year-to-date revenues for this account are approximately 6.1 percent higher when compared to the same seven-month period last year.

While this account can be closed as recommended by the Governor, Fiscal Staff requests authority to adjust liquor tax revenues and corresponding alcohol program expense authority to more closely align with the projected increases in overall state alcohol tax receipts to be determined by the Economic Forum on May 1, 2009.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE B/A 101-3255 AS RECOMMENDED BY THE GOVERNOR; AND TO ALLOW FISCAL STAFF AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS AS DESCRIBED ON PAGE 32 OF THE CLOSING DOCUMENT.

SENATOR MATHEWS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

CHAIR COFFIN:

Budget account 101-3255 is closed and we will begin discussions on B/A 101-3645.

HHS - Facility for the Mental Offender – Budget Page MHDS-98 (Volume II)
Budget Account 101-3645

MR. CHAPMAN:

Page 33 of [Exhibit C](#) contains an overview of the Facility for the Mental Offender budget, otherwise known as the Lake's Crossing Center.

The first major closing issue is decision unit M-160. This decision unit reduces General Fund appropriations by \$333,816 in FY 2009-2010 and \$336,647 in FY 2010-2011 by eliminating six vacant positions, including four forensic specialist positions, one licensed psychologist position and one information technology technician position. These positions were held open during the 2007-2009 biennium to achieve budget reductions.

M-160 Position Reductions Approved in 07-09 – Page MHDS-100

The next major closing issue is decision unit E-609. The 2007 Legislature approved funding to continue support for the 20-bed annex in the Dini-Townsend Hospital, which was approved during the 2005-07 biennium by the IFC in response to a lawsuit by the Nevada Disability Advocacy and Law Center regarding due-process issues. When the lawsuit was filed, Lake's Crossing was at its 56-bed capacity for a period of time, which prevented timely court-ordered admissions to the facility. However, subsequent to the addition of the 20 beds, the average census at Lake's Crossing has not approached the 76-bed capacity. Monthly reports submitted by the Agency indicate an average daily census of 56 clients in FY 2007-2008 and 49.7 clients through December in FY 2008-2009. Decision unit E-609 reduces appropriations by \$77,785 in FY 2009-2010 and \$79,373 in FY 2010-2011 by eliminating food, operating and medication costs for six beds located in the Dini-Townsend annex which, in combination with the six eliminated positions noted above, reduces the Agency's capacity from 76 beds to 70 beds.

E-609 Staffing and Operating Reductions – Page MHDS-101

Eliminating the four forensic positions will still leave the Agency with a combined 80 nursing and forensic positions, which is consistent with the historic staffing ratio used for this Agency. Additionally, the Division noted during testimony the facility design of the annex unit in the Dini-Townsend Hospital is not conducive to maintaining 20 clients due to space and room design issues.

Based upon the current census data and the testimony by the Agency regarding the facility design of the Dini-Townsend annex potentially affecting client and staff safety, the Governor's recommendation appears to be reasonable.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNITS M-160 AND E-609 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. CHAPMAN:

Other closing items include decision units E-250 and E-710. In decision unit E-250, the Governor recommends General Fund appropriations of \$16,000 in FY 2009-2010 and \$8,000 in FY 2010-2011 to fund activities associated with obtaining accreditation by the Joint Commission. The Division notes the activities would include hospital and staffing surveys. The Joint Commission will make staff available to the Agency to conduct these surveys.

E-250 Working Environment and Wage – Page MHDS-101

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During the February 12 Budget Hearing, the Division administrator testified the Agency has been seeking accreditation for several years, and wishes to proceed with the goal of meeting certain building and staffing standards. However, the Division administrator further testified that while this goal may not be attainable this biennium, he would still like to have enough funding in place to ask for the necessary resources if the economy improves.

The Subcommittee may wish to consider approving the Governor's recommendation for additional General Funds to fund accreditation services. Based upon information provided by the Division with updated activities and price quotes from the Joint Commission, if the Subcommittee chooses to approve the Governor's recommendation, the Division could reduce the amount required from \$16,000 to \$12,870 in FY 2009-2010 and from \$8,000 to \$3,595 in FY 2010-2011.

Another option to consider is deferring the goal of obtaining accreditation from the Joint Commission, generating savings of \$16,000 in FY 2009-2010 and \$8,000 in FY 2010-2011.

SENATOR MATHEWS:

Is this budget tied to the University of Nevada, Reno School of Medicine?

GARY L. GHIGGERI (Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

No.

CHAIR LESLIE:

Accreditation is a good goal, but I am disturbed to hear accreditation still may not occur if we appropriate the funding. If accreditation is not a sure thing, I would prefer to defer this goal until the next biennium.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE NOT TO APPROVE DECISION UNIT E-250.

SENATOR MATHEWS SECONDED THE MOTION.

SENATOR MATHEWS:

I agree with Assemblywoman Leslie. Because we have reduced funding in so many areas, achieving accreditation would be difficult.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. CHAPMAN:

In decision unit E-710, the Governor recommends General Fund appropriations of \$49,347 in FY 2009-2010 and \$4,611 in FY 2010-2011 for replacement equipment. The recommendation for replacement equipment appears to be reasonable.

E-710 Replacement Equipment – Page MHDS-103

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNIT E-710 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN BUCKLEY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

MR. CHAPMAN:

The 2007 Legislature approved, in S.B. No. 380 of the 74th Session, funding for 1.51 FTE positions to establish a conditional release program. However, while the Agency did not fill the positions due to budget reductions during the 2007-2009 biennium, the *Executive Budget* continues funding for the program, including the 1.51 positions in the Base Budget for the 2009-2011 biennium. The Agency indicated justification to fill the two positions had been submitted in order to recruit and staff the 1.51 positions effective July 1, 2009. No closing action is required on this issue.

CHAIR LESLIE:

This is a critical program and I want to see these positions filled. We should take the Division at their word these positions will be filled and implement this program.

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO GRANT FISCAL STAFF AUTHORITY TO MAKE ADJUSTMENTS TO SALARY AND FRINGE BENEFITS BASED ON ACTIONS TAKEN BY THE 2009 LEGISLATURE; AND TO MAKE TECHNICAL ADJUSTMENTS FOR FINAL ASSESSMENTS FOR THE DEPARTMENT OF INFORMATION TECHNOLOGY, ATTORNEY GENERAL, STATEWIDE COST ALLOCATION PLAN, AND SIMILAR ITEMS IN B/A 101-3645.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

CHAIR COFFIN:

Budget account 101-3645 is closed and we will begin discussions on B/A 101-3648.

MR. CHAPMAN:

Page 36 of [Exhibit C](#) contains an overview of the Rural Clinics budget. There are 3 decision units, M-160, E-606 and E-607, which close 11 of the Agency's 21 rural clinics. There was extensive discussion of these decision units during the February 12 Budget Hearing and at the March 24 Work Session.

As a result of the working group, the Division has developed a draft alternative plan restoring funding to continue operation of 9 of 11 clinics in rural Nevada. This issue is Priority No. 1 on the Division's list for add-back funding and No. 2 on the Department's top 16 priority list. The bottom of page 37, and continuing on page 38 of [Exhibit C](#), contains various elements of the alternative plan. The plan continues the closure of the Dayton clinic, which closed in September 2008, and closure of the clinic in Wendover. The Fernley clinic, also closed in September 2008, would reopen effective July 1, 2009.

To support the continued operation of the 9 clinics, the plan calls for a reorganization of the Agency's staff and restores funding to the budget for a net total of 7.47 positions. If the alternative plan is approved, the Agency's budget would be reduced from 179.95 positions to 160.14 positions.

The plan includes funding to support costs for contract psychiatrists, clinicians and nurses, which total \$695,150 in FY 2009-2010 and \$665,667 in FY 2010-2011. Estimated General Fund appropriations of \$250,000 in FY 2009-2010 and \$758,055 in FY 2010-2011 are needed to support the alternative plan.

In addition, the Division has identified a portion of additional Title XX Social Services block grant funds allocated to Nevada in support of the Fernley Flood Relief Act in the amount of \$773,362 in FY 2009-2010 and \$168,882 in FY 2010-2011. The Division notes this funding is available to assist up to 128 clients in the Fernley flood zone for 15 months between July 1, 2009, and September 30, 2010. After the availability of the Title XX block grant funds expires in September 2010, the Division recommends reducing services at the Fernley clinic to the pre-flood caseload level of 64 clients.

During the March 24 Work Session, the Subcommittee expressed willingness to accept the Division's alternative plan to retain 9 clinics in lieu of accepting the Governor's recommendation to close 11 clinics. There were questions regarding how staff would be placed in those various clinics as well as the services to be provided. Page 40 of [Exhibit C](#) contains a table displaying the clinical staffing recommendations by the Division as well as the services provided at each of the clinics. There are currently discussions to initiate a contract with the Utah Valley Mental Health facility for mental health services in the West Wendover community.

Page 41 of [Exhibit C](#) contains a table summarizing the two new decision units recommended by the MHDS, E-326 and E-327, which would implement this plan. Decision unit E-326 is the Fernley clinic add back which would bring Title XX funding for FY 2009-2010 and FY 2010-2011. The restoration of the remainder of the clinics is accomplished through decision unit E-327. In summary, the General Fund impact would be approximately \$250,000 in FY 2009-2010 and \$758,055 in FY 2010-2011. If these clinics were to remain

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open beyond this biennium, they would require annual General Fund appropriations of approximately \$1 million.

CHAIR COFFIN:

I am concerned about closing the Dayton clinic. The people in Wendover will be covered by Utah Valley Mental Health.

ASSEMBLYWOMAN BUCKLEY:

I recently went to Dayton with a number of my colleagues and discussed this issue. The people we spoke with were concerned about budget reductions, but pragmatic and supportive of the Legislature in its attempts to work out the budget issues.

ASSEMBLYWOMAN BUCKLEY MOVED TO RECOMMEND TO THE FULL COMMITTEE APPROVAL OF THE ALTERNATIVE PLAN RECOMMENDED BY THE MHDS TO CLOSE THE DAYTON AND WENDOVER CLINICS; TO RESTORE GENERAL FUND APPROPRIATIONS OF APPROXIMATELY \$250,000 IN FY 2009-2010 AND \$758,055 IN FY 2010-2011 TO THE BUDGET AS OUTLINED IN PROPOSED DECISION UNITS E-326 AND E-327 TO CONTINUE OPERATION OF NINE CLINICS IN RURAL NEVADA.

ASSEMBLYMAN ARBERRY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MR. CHAPMAN:

Decision unit E-325 eliminates two vacant mental health counselor positions to fund contract counseling services for individual, family and group therapy, primarily in Elko.

E-325 Services at Level Closest to People – Page MHDS-109

Decision unit E-710 recommends General Fund appropriations of \$23,880 in FY 2009-2010 and \$11,183 in FY 2010-2011 for replacement equipment.

E-710 Replacement Equipment – Page MHDS-113

ASSEMBLYWOMAN LESLIE MOVED TO RECOMMEND TO THE FULL COMMITTEE TO APPROVE DECISION UNITS E-325 AND E-710 AS RECOMMENDED BY THE GOVERNOR; AND TO ALLOW FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN GANSERT SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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SENATE: THE MOTION CARRIED UNANIMOUSLY.

CHAIR COFFIN:
Budget account 101-3648 is closed. There being no further business before the Subcommittee, the meeting is adjourned at 10:59 a.m.

RESPECTFULLY SUBMITTED:

Michael Bohling,
Committee Secretary

APPROVED BY:

Senator Bob Coffin, Chair

DATE:_____

Assemblywoman Sheila Leslie, Chair

DATE:_____