

SENATE BILL NO. 54—COMMITTEE ON
HEALTH AND HUMAN SERVICES

(ON BEHALF OF THE DIVISION OF HEALTH
CARE FINANCING AND POLICY)

PREFILED DECEMBER 15, 2010

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions governing the Fund to Increase
the Quality of Nursing Care. (BDR 38-444)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in **bolded italics** is new; matter between brackets **[omitted material]** is material to be omitted.

AN ACT relating to nursing facilities; revising provisions governing
the Fund to Increase the Quality of Nursing Care; and
providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, each nursing facility that is licensed in this State is required to pay a fee to the Division of Health Care Financing and Policy of the Department of Health and Human Services in an amount determined by the Division. (NRS 422.3775) The fees collected by the Division are required to be deposited in the Fund to Increase the Quality of Nursing Care and used to increase rates paid to nursing facilities for providing services to Medicaid recipients and to administer the assessment of the fees. Existing law prohibits the money in the Fund from being used to replace existing state expenditures paid to nursing facilities. (NRS 422.3785) This bill removes that prohibition.

Existing law further provides that if federal law or regulation prohibits the money in the Fund from being used in the manner specified by statute, the rates must be set at certain amounts. (NRS 422.3785) This bill instead provides that in such circumstances, the rates must be changed to the rates provided by the Division.



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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 422.3785 is hereby amended to read as follows:

422.3785 1. There is hereby created in the State Treasury the Fund to Increase the Quality of Nursing Care, to be administered by the Division.

2. The Fund to Increase the Quality of Nursing Care must be a separate and continuing fund, and no money in the Fund reverts to the State General Fund at any time. The interest and income on the money in the Fund, after deducting any applicable charges, must be credited to the Fund.

3. Any money received by the Division pursuant to NRS 422.3755 to 422.379, inclusive, must be deposited in the State Treasury for credit to the Fund to Increase the Quality of Nursing Care, and must be expended, to the extent authorized by federal law, to obtain federal financial participation in the Medicaid Program, and in the manner set forth in subsection 4.

4. Expenditures from the Fund to Increase the Quality of Nursing Care must be used only:

(a) To increase the rates paid to nursing facilities for providing services pursuant to the Medicaid Program ; ~~and may not be used to replace existing state expenditures paid to nursing facilities for providing services pursuant to the Medicaid Program;~~ and

(b) To administer the provisions of NRS 422.3755 to 422.379, inclusive. The amount expended pursuant to this paragraph must not exceed 1 percent of the money received from the fees assessed pursuant to NRS 422.3755 to 422.379, inclusive, and must not exceed the amount authorized for expenditure by the Legislature for administrative expenses in a fiscal year.

5. If federal law or regulation prohibits the money in the Fund to Increase the Quality of Nursing Care from being used in the manner set forth in this section, the rates paid to nursing facilities for providing services pursuant to the Medicaid Program must be changed ~~to~~:

~~—(a) Except as otherwise provided in paragraph (b), to the rates paid to such facilities on June 30, 2003; or~~

~~—(b) If the Legislature or the Division has on or after July 1, 2003, changed the rates paid to such facilities through a manner other than the use of expenditures from the Fund to Increase the Quality of Nursing Care;~~ to the rates provided for by the ~~Legislature or the~~ Division.



1 **Sec. 2.** This act becomes effective upon passage and approval.

