

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

**Seventy-Sixth Session
March 16, 2011**

The Assembly Committee on Ways and Means and the Senate Committee on Finance, Joint Subcommittee on Human Services/CIP was called to order by Chair April Mastroluca at 7:36 a.m. on Wednesday, March 16, 2011, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/76th2011/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblywoman April Mastroluca, Chair
Assemblywoman Debbie Smith, Vice Chair
Assemblyman David P. Bobzien
Assemblywoman Maggie Carlton
Assemblyman Pete Goicoechea
Assemblyman Cresent Hardy
Assemblyman Joseph M. Hogan

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator Sheila Leslie, Chair
Senator Barbara K. Cegavske
Senator Steven Horsford

STAFF MEMBERS PRESENT:

Rick Combs, Assembly Fiscal Analyst

Mike Chapman, Principal Deputy Fiscal Analyst
Rex Goodman, Principal Deputy Fiscal Analyst
Catherine Crocket, Program Analyst
Jennifer Byers, Program Analyst
Anne Bowen, Committee Secretary
Cynthia Wyett, Committee Assistant

Chair Mastroluca opened the Joint Subcommittee on Human Services/CIP.

HUMAN SERVICES
HEALTH AND HUMAN SERVICES-DIRECTOR'S OFFICE
HHS-DD-DEVELOPMENTAL DISABILITIES (101-3154)
BUDGET PAGE DHHS DIRECTOR-11

Carol Sala, Administrator, Aging and Disability Services Division (ADSD), Department of Health and Human Services (DHHS), introduced Brenda Berry, Administrative Services Officer (ASO), ADSD, DHHS, and Tina Gerber-Winn, Deputy Administrator of Programs, ADSD, DHHS.

Ms. Sala referred to the Division's handout, [Exhibit C](#), "Budget Presentation to Joint Subcommittee on Human Services/CIP." [Exhibit C](#) began with an overview of the Division which indicated funding sources, key staff contact information, and full-time equivalents (FTEs). The second tab was labeled Key Issues and was found on pages 16 and 17 of [Exhibit C](#). Ms. Sala said the Key Issues would be discussed under corresponding budget accounts.

Ms. Sala explained the next tabs in [Exhibit C](#) were for each of nine budget accounts. Each budget account contained a brief description of the activities, an outline of the decision units in the budget, the performance indicators, and caseload charts.

All budget accounts with staff reflected the proposed 5 percent salary reduction and the suspension of merit salary increases and longevity pay. All budget accounts with staff also included decision unit Enhancement (E) 275 related to the Carson City phone system and decision unit E710 for replacement equipment.

During the 2009 Session the Aging Services Division (ASD) and the Office of Disability Services (ODS) were combined to create the Aging and Disability Services Division (ADSD). Ms. Sala said the merger resulted in the Division having nine budget accounts, with several budget accounts containing similar

services. The Governor's recommended budget included numerous E900 decision units that appeared in most of the budget accounts.

According to Ms. Sala, the purpose of the E900 decision unit was to create greater efficiency within the Division. All staff tracked activities back to the appropriate cost pool using a comprehensive time-tracking system based on the Division's approved cost allocation plan. The reorganization would provide greater coordination of services to persons with similar needs and would streamline administrative functions.

Ms. Sala explained three program budget accounts would be consolidated into budget account (BA) 3266, Community Based Services. All administrative functions would be moved into BA 3151, Aging and Disability Services Division Federal Programs and Administration, leaving the Division with only six budget accounts.

Ms. Sala referred to page 18 of [Exhibit C](#). She stated BA 3154, Developmental Disabilities, provided the fiscal support for the Governor's [Nevada] Council on Developmental Disabilities. The Governor's recommended budget moved the fiscal responsibility of BA 3154 to the Department of Health and Human Services making the Department responsible for oversight of the Council.

Prior to the consolidation of the Aging Services Division with the Office of Disability Services, the Governor's Council on Developmental Disabilities was collocated with the Office of Disability Services (ODS). Ms. Sala said when the Office of Disability Services merged with the Aging Services Division, the Governor's Council on Developmental Disabilities remained structurally under the Department of Health and Human Services, which was by federal definition the designated state agency. The new Aging and Disability Services Division accepted the fiscal responsibility of the Council. The federal Administration on Developmental Disabilities (ADD) was aware that fiscal responsibilities would remain at ADSD through fiscal year (FY) 2010 and FY 2011. The ADD was also aware that fiscal responsibilities would be transferred back to the Director's office of DHHS once the 2011 Legislature approved the transfer.

Chair Mastroluca requested the Division submit information in writing from the federal government to Fiscal staff and Ms. Sala agreed.

Chair Mastroluca asked why the original shift from the Director's Office of DHHS to ADSD was made.

Ms. Sala replied the shift that was now being proposed moved the fiscal section back to DHHS since DHHS was the designated state agency for the Council. She opined that the Council needed to be in a nondirect service provider agency. When the consolidation of ASD and ODS occurred in 2009, the Council was colocated with ODS and the plan was to move the Council physically when ODS moved. Ms. Sala said it made sense for the Council's management to be in one place and because day-to-day operations had stayed under the direction of the Department of Health and Human Services, the fiscal piece should be transferred to permit one person to oversee the entire program and business practices.

Chair Mastroluca closed the hearing on budget account (BA) 3154 and opened the hearing on budget account (BA) 3156.

HUMAN SERVICES

AGING AND DISABILITY SERVICES

HHS-ADSD-SENIOR RX AND DISABILITY RX (262-3156)

BUDGET PAGE DHHS ADSD-1

Carol Sala, Administrator, Aging and Disability Services Division (ADSD), Department of Health and Human Services (DHHS), said budget account (BA) 3156 began on page 21 of [Exhibit C](#). Budget account 3156 administered the Senior Rx and Disability Rx programs, relying primarily on tobacco settlement funds and a small contribution of General Fund.

Senior Rx and Disability Rx were targeted toward low-income seniors and person with disabilities and provided premium payments for Medicare subsidy programs and coverage in the Medicare Part D gap. Base funding was aligned with projected tobacco settlement receipts allocated to the Division.

Ms. Sala said Senior Rx and Disability Rx were authorized under statute and when the priorities- and performance-based budgeting activities were analyzed, the programs were given a medium priority.

In budget account (BA) 3156, funding was continued for Senior Rx and Disability Rx. Ms. Sala said the projected available funding was approximately \$5 million for fiscal year (FY) 2012 and \$6.9 million for FY 2013.

Ms. Sala directed the attention of the Joint Subcommittee to page 21 of [Exhibit C](#), which showed figures that had been adjusted to the October 14, 2010, spreadsheet entitled, "Fund for a Healthy Nevada Report of

Funds Received and Allocated.” The Governor recommended budget reflected the agency request budget which used the August 24, 2010, spreadsheet. There was an increase of \$201,996 for FY 2012 and \$5,680 for FY 2013.

Assemblyman Goicoechea said he wanted to be sure he was clear regarding caseload. He said the Senior Rx average monthly caseload appeared to be going from approximately 7,300 down to 1,100 and wondered whether that was a reflection of the funding available.

Ms. Sala stated there were other factors involved. The 7,300 caseload had been projected, but with healthcare reform many clients who were on the program were shifted to the low-income subsidy through Medicare. Funding had also been reduced for FY 2012 because of the sweeps that occurred in the 26th Special Session (2010). Ms. Sala said while there was less money, there were also other factors, and the Division had to prioritize who was receiving the program because prescription drug prices had increased, and consumers were entering the Medicare Part D gap sooner. There were higher costs per person, per member, per month than previously.

Assemblyman Goicoechea commented that it was essentially a revenue problem.

Ms. Sala acknowledged that was correct, but the Division had also focused on how individuals could get better service under the low-income subsidy program.

Senator Leslie commented that in past sessions the Division had used demographer’s estimates, but noted that methodology was no longer being used.

Brenda Berry, Administrative Services Officer 3, Aging and Disability Services Division (ADSD), Department of Health and Human Services (DHHS), said that in past sessions the Division had used the prescription percentage of increase for inflation to determine what prescriptions would cost if recipients were in the gap.

Senator Leslie said she was asking about the population projections and thought demographer’s estimates had been used as a basis.

Ms. Berry explained that had been correct when the Division had a reserve. After the reserve was swept, the Division had to use a number based on the amount of money available.

Senator Leslie asked whether the Division was going to put people on waiting lists and what would happen if the Division's projections were too low.

Tina Gerber-Winn, Deputy Administrator, Aging and Disability Services Division (ADSD), Department of Health and Human Services (DHHS), responded that the Division had established a waiting list for Senior Rx and Disability Rx. She explained that for traditional coverage for Senior Rx there were approximately 41 applicants waiting, and for Senior Rx Part D coverage there were approximately 221 applicants waiting. She further stated there was also a waiting list for Disability Rx with 22 applicants, and Disability Rx Part D, with 43 applicants.

Senator Leslie asked what the Division was estimating the size of the waiting lists would be in a year.

According to Ms. Gerber-Winn, the Division had attempted to establish a drop-off rate and an application submittal rate and had difficulty projecting those figures. She explained that Division staff had looked at each application on the wait-lists and attempted to refer people to other coverage and to assess what would be the best plan for the individual as they waited.

Senator Leslie inquired as to what type of factors would be used to prioritize who received Senior Rx and Disability Rx.

Ms. Gerber-Winn replied that the Division had considered the number of prescriptions that an individual was using as a possibility. The Division had also considered such factors as higher risk for health problems because of use of prescription drugs, income, or applicant eligibility for other programs under Medicare, savings plans, or low-income subsidies.

Senator Leslie asked how the Division determined what the caseload would be for Medicare Part D.

Ms. Gerber-Winn replied that the Division did not have a prescribed methodology. The system had been first come, first served, and in the past the Division had been able to assess that and had not had to ascribe to a method.

Senator Leslie commented that it appeared as though numbers were being picked to match a budget number, and she was afraid there were going to be many seniors and persons with disabilities who would be hurt.

Chair Mastroluca requested information about the 3.4 percent inflation rate used to calculate costs.

Ms. Berry explained the Division used the same 3.4 percent rate that Medicaid used for prescriptions.

Senator Leslie requested that the Division provide Fiscal staff with a more complete analysis of waitlist times and projections.

Chair Mastroluca closed the hearing on budget account 3156 and opened the hearing on budget account 2363.

HUMAN SERVICES

AGING AND DISABILITY SERVICES

HHS-ADSD-SENIOR CITIZENS' PROPERTY TAX ASSISTANCE (101-2363)

BUDGET PAGE DHHS ADSD-8

Carol Sala, Administrator, Aging and Disability Services Division (ADSD), Department of Health and Human Services (DHHS), stated that budget account (BA) 2363 was located on page 28 of [Exhibit C](#). Budget account 2363 administered the Senior Citizens' Property Tax Assistance program which provided relief to eligible senior citizens who were carrying an excessive residential property tax burden in relation to their income. The program also provided relief to senior citizens, who through rent payments, paid a disproportionate amount of income for property taxes.

The funding for the program was 100 percent General Fund. Ms. Sala referred to [Exhibit C](#) on page 29, where decision unit Enhancement (E) 600 through E604 of the Governor's recommended budget eliminated the program. She said there would have to be a change to statute to eliminate the program. Eliminating this program would result in eliminating two positions which were currently vacant. Ms. Sala remarked that in fiscal year (FY) 2010, 16,272 seniors received rebate checks with an average of \$335 per rebate.

Chair Mastroluca requested the Division outline the scenarios used to determine the elimination of the program.

Ms. Sala said approximately 18 months ago the Division had begun examining the Senior Citizens' Property Tax Assistance program to determine possible options. The first option was to eliminate the program. Another option was to

eliminate refunds to renters which constituted approximately 9,500 of the people receiving rebate checks. The Division also considered eliminating refunds to seniors with income above the federal poverty level which was about 13,000 of the 16,000 people that received tax rebate checks. Ms. Sala said the Division also looked at combinations, for instance, eliminating those above the federal poverty level who were also renters. The Division also considered eliminating refunds to persons owning any other property because the statute allowed them to own other property in addition to their primary residence. The Division also considered changing the minimum refund paid from \$5 to \$50. Ms. Sala said the last thing considered was using an eligibility threshold of 150 percent of poverty.

Ms. Sala explained that when building the Division's budget there had been some difficult choices. When considering what the most critical needs were within the Division, Elder Protective Services was the program that was critically understaffed, especially since taking over the Clark County Senior Advocate Program. Because of minimal funding, the Division had to look at making other cuts to be able to grow the Elder Protective Services program. Ms. Sala said at that time the decision was made to eliminate the Senior Citizens' Property Tax Assistance program because that freed up \$5.6 million each year of the biennium. That funding was placed in Elder Protective Services where the need was most critical.

Chair Mastroluca asked whether in the past the Division had received more applications than it was able to fill.

Ms. Sala said last year the Division received close to 18,000 applications and once they were processed 16,272 applications were eligible for the program.

Chair Mastroluca referred to applicants who had not received the rebate and asked whether it was because the program did not have the money or because the applicant was not eligible.

Ms. Sala replied that applicants who did not receive the rebate had not been eligible. She continued and said, the way the current program was structured, per statute, the Division had to give a rebate check to anyone that applied and was found eligible.

Chair Mastroluca asked whether the Division had prepared caseload projections for the next biennium. Ms. Sala replied that in the past the Division had used the demographic growth to prepare projections.

Chair Mastroluca requested that the Division share the caseload growth figures with Fiscal staff.

Senator Cegavske asked for clarification regarding renters, recipients in nursing homes, and recipients that owned additional property who were receiving rebate checks. She said she was curious about how that affected the Division and the program.

Ms. Sala said the way the statute was written, someone could live in their home and get the rebate but also own another piece of property somewhere else. According to statute, the nonresidential property could be worth up to \$30,000 of assessed value.

Senator Cegavske commented that someone in a nursing home or renting property was not supposed to be receiving the rebate. Ms. Sala pointed out that according to statute renters could receive the rebate, and that category constituted approximately 9,500 people.

Senator Cegavske said she did not understand how living in a nursing home justified qualifying for a rebate from the Senior Citizens' Property Tax Assistance program.

According to Ms. Sala, the premise was that renters were paying a portion of the rent to the owner who then had to pay property taxes, which was how the statute was written.

Senator Horsford said the Legislative Committee for the Fundamental Review of the Base Budgets of State Agencies had considered redirecting the Senior Citizens' Property Tax Assistance program to the counties, since the counties administered it and received the property tax. The Senator wondered why shifting the services to the counties had not been considered among the other options.

Ms. Sala said there had been discussions about shifting the responsibility for the program to the counties because it might be easier for a senior to have a reduced property tax bill from the county of residence rather than paying \$500 to their county in property taxes and then waiting for a \$350 rebate from the state out of the General Fund. It would be a shift to reduced property tax revenue for the counties. Ms. Sala said she believed there were counties where

that would work and other counties where it would not, because some counties were very short on revenue.

Senator Horsford requested that the Division provide Fiscal staff with the work performed regarding the option of shifting the program to the counties. He said shifting the program should be considered as an alternative rather than eliminating the assistance altogether.

Senator Leslie wondered whether people understood that the program was slated to be eliminated.

Ms. Sala replied that the Division received letters every day from seniors who were aware of the program elimination.

Chair Mastroluca left the dais and handed the gavel to Chair Leslie.

Chair Leslie commented that many seniors counted on receiving the rebate to help them "bridge the gap."

Chair Leslie closed the hearing on budget account (BA) 2363 and opened the hearing on BA 3140.

HUMAN SERVICES

AGING AND DISABILITY SERVICES

HHS-ADSD TOBACCO SETTLEMENT PROGRAM (262-3140)

BUDGET PAGE DHHS ADSD-14

Carol Sala, Administrator, Aging and Disability Services Division (ADSD), Department of Health and Human Services (DHHS), stated budget account (BA) 3140 began on page 32 of [Exhibit C](#).

Ms. Sala explained that BA 3140 was the budget account that supported the Independent Living Grants (ILG) of the Fund for a Healthy Nevada. The ILGs were used to help seniors remain in their homes through payment to community providers. Total funding was provided by tobacco settlement funds. Projected available funding for fiscal year (FY) 2012 was \$3.9 million and for FY 2013 was \$5.4 million. Ms. Sala noted that the figures were adjusted to the October 14, 2010, spreadsheet, from when the budget had been built on the August 24, 2010, spreadsheet, which resulted in an increase of approximately \$173,000 for FY 2012.

According to Ms. Sala, funding for FY 2012 was significantly less because of the funding sweeps from the Fund for a Healthy Nevada, authorized during the 26th Special Session (2010).

Chair Leslie asked Ms. Sala to describe the effect on grantees after the funding sweep of the Fund for a Healthy Nevada during the 26th Special Session.

Ms. Sala said there had been a significant effect. Usually the program had approximately \$5 million to grant, but after the funding sweep it was decreased to approximately \$2.1 million. Ms. Sala said some very difficult decisions had to be made and the Division was still getting calls from grantees that were no longer funded. She said the Division focused on the essential services model that was developed in 2009 where services that targeted those most at risk were funded. She said there were quite a few grantees that were no longer funded. For example, in Washoe County the SAFE (Special Advocates for Elders) Program had previously received Independent Living Grant (ILG) money, approximately \$98,000, and that program was no longer funded.

Chair Leslie asked whether programs that were cut would be funded again.

Ms. Sala replied that with the priority system now in place, they probably would not be funded.

Chair Leslie requested a description of the SAFE program for the new members of the Joint Subcommittee.

Ms. Sala explained that SAFE stood for Special Advocates for Elders and was a program that started in Washoe County through the court system and it was somewhat like the CASA [Court Appointed Special Advocates] program for children. The program was run by volunteers who were assigned to a ward that was under guardianship. The SAFE volunteers became an advocate for that ward and were a liaison between the guardian and the court system. Ms. Sala said the SAFE program had been valuable because many seniors once under guardianship had no voice and no advocate.

Chair Leslie said she had discussed the loss of funding for the SAFE program with a judge in Washoe County, and it was not clear that the program could continue without state funding. She further commented that the SAFE program was started to help vulnerable, exploited seniors and she considered it to be an essential program. Chair Leslie said she wanted people to understand what the effect of the loss of the program was in real terms, and in real terms, there

were going to be seniors who could not advocate for themselves who were going to be isolated, exploited, and perhaps abused.

Chair Leslie requested information about performance indicators 1 and 3 and why the Division was not able to meet its targets in fiscal year (FY) 2010.

Ms. Sala explained that performance indicator 1, percent of programs receiving an annual fiscal monitoring, was projected for 90 percent and actually reached 75 percent. Three auditors statewide were responsible for auditing all of the Division's grants. The Division had approximately 225 to 250 grantees that were audited on an annual basis. Ms. Sala said some grantees were having more difficulties, so the Division auditors focused on the grantees that might have performance issues or fiscal issues.

Performance indicator number 3 had to do with program visits. Ms. Sala said that performance indicator pertained to grants analysts performing site visits on grantees. An annual visit was performed, and if a grantee needed technical assistance, the specialists would return for another site visit.

Chair Mastroluca returned and took up the gavel.

Chair Mastroluca asked whether it would make more sense to have performance indicator 3 read, "percent of programs requiring more than one site visit." Ms. Sala agreed that made more sense and said she appreciated the suggestion.

Chair Mastroluca closed the hearing on budget account (BA) 3140 and opened the hearing on BA 3146.

HUMAN SERVICES

AGING AND DISABILITY SERVICES

HHS-ADSD-HOME AND COMMUNITY BASED PROGRAMS (101-3146)

BUDGET PAGE DHHS ADSD-16

Carol Sala, Administrator, Aging and Disability Services Division (ADSD), Department of Health and Human Services (DHHS), explained that budget account (BA) 3146 started on page 34 of [Exhibit C](#). She said BA 3146 contained programs that most people were familiar with. The account contained the Community Home-based Initiatives Program (CHIP) [now known as the Home and Community Based Waiver for the Frail Elderly], the Waiver for the Elderly in Adult Residential Care (WEARC), and the Assisted Living waiver (AL), and a small state General Fund program called the Community Service

Options Program for the Elderly (COPE) that mirrored the Medicaid (CHIP) waiver. The premise behind the programs was to shift Medicaid dollars from institutional to community-based care and provide services at a much lower cost to seniors to keep them at home where most of them wanted to be. Ms. Sala said the recipients could receive homemaker chore service, adult daycare, adult companion service, and the personal emergency response system, as well as some respite for their primary caregiver.

The Division had case managers who were social workers that assessed the client for services, wrote the plan of care, coordinated the services with the community providers, provided the oversight, performed the quality management, made monthly contacts to assess whether needs were changing, and rewrote the plan of care, if needed. Division social workers carried a caseload of 50 clients, with 45 of those being ongoing cases. Ms. Sala noted the social workers always had five or more applicants in process because the turnover rate was significant.

Funding for budget account (BA) 3146 was a combination of Medicaid Title XIX, state General Fund, and some tobacco settlement funds.

In the Governor's recommended budget all Medicaid-waiver caseloads were held flat over the biennium and the Community Service Options Program for the Elderly (COPE), which was the state-funded program, was decreased to 96 slots per month over the biennium. Ms. Sala pointed out the caseload charts for the four programs in BA 3146 on pages 38 through 43 of [Exhibit C](#).

Chair Mastroluca asked whether there would be any loss in the 82 positions that were being transferred.

Ms. Sala explained that there were no changes other than the decrease in slots in the COPE program, but there was no addition or decrease of staff. Ms. Sala said staff was being moved into BA 3266 (Community Based Services), which would become the direct service budget account. There was no growth in the program, and Ms. Sala said she believed this was the first time there was no demographic growth in the program.

Chair Mastroluca asked whether the Division anticipated that holding the caseload flat would increase wait times.

Ms. Sala said she believed it would. The Division had performed some projections and currently, the CHIP (Community Home-based Initiatives

Program) Medicaid had a waitlist of 175 applicants and COPE (Community Service Options Programs for the Elderly) had a waitlist of 3 applicants. Ms. Sala said, traditionally, the Assisted Living waiver (AL) had not had a waitlist because it was difficult to get into the program.

Chair Mastroluca asked what the average wait time was.

Ms. Sala said the average wait time in days was CHIP Medicaid at 53 days, COPE at 53 days, Assisted Living at 20 days and the WEARC was 56 days. According to Ms. Sala, those figures were accurate as of February 1, 2011.

Chair Mastroluca asked whether the Assisted Living Waiver (AL) caseload was below the budgeted amount.

Ms. Sala acknowledged that it was and commented that the budgeted amount was 54 and there were currently 32 participants. She further said the AL program had been difficult for applicants to qualify for. Silver Sky, in Las Vegas, was the only facility that met the definition of an assisted living residence for the program, and because of certain Silver Sky income requirements, it had been difficult to get applicants qualified. Ms. Sala said the caseload had stayed at 54 for a couple of reasons, the anticipation of the Deer Springs opening and the maintenance of eligibility criteria that came because Medicaid took American Recovery and Reinvestment Act of 2009 (ARRA) funds. The Centers for Medicare and Medicaid Services (CMS) required the Division's waivers not to decrease because a decrease would jeopardize the receiving ARRA funds. Ms. Sala explained the Division had to keep caseloads at the level they were set at the time that ARRA was enacted.

Chair Mastroluca asked whether the number of social workers the Division was budgeted for would be sufficient for the number of projected slots.

Ms. Sala responded that the number of social workers would be sufficient and the Division had a standard formula for how many social workers were needed for the size of the caseload.

Chair Mastroluca referred to the Community Service Options Program for the Elderly Persons (COPE) and asked why the Division was keeping the same number of slots for the next biennium instead of reducing the number of slots.

Ms. Sala explained that in the Division's budget, COPE had been previously budgeted for 125 slots but had been reduced to 96 over the biennium based on

the fact that there had not been a waitlist for that program. She added that in the last year and a half COPE had been restructured, and eligibility and asset limits narrowed down. The Nevada Commission on Aging had been used as a public workshop, and then it made the decision on what levels to set. Ms. Sala noted that because eligibility had been tightened, there had not been as much demand for the program.

Chair Mastroluca requested information about performance indicators 2, 3, and 6.

Ms. Sala explained that performance indicator number 2 was related strictly to the COPE program, which was state-funded. The Division had projected to put 20 persons on the program that met the highest priority and could not feed, toilet, or bathe themselves. Ms. Sala indicated one person had met those criteria, therefore the performance indicators showed only one.

Chair Mastroluca asked whether filling slots in the COPE program had been an issue in the past.

Ms. Sala explained that after the United States Supreme Court decision in *Olmstead v. L.C.*, 527 U.S. 581 (1999) (*Olmstead*) the statute changed and those persons who were most at risk were targeted. Ms. Sala was not certain whether there were many persons who actually fit the criteria of *Olmstead*. The Division targeted people that were in nursing homes and wanted to leave and return to the community. Ms. Sala was not sure why there was not more demand, but those persons were the priority with the Division.

Chair Mastroluca wondered whether the projected level should stay at 20 because the slots were not being filled. She emphasized that she was not in favor of elimination of the program because there was an obvious need, but questioned whether 20 slots were necessary.

Ms. Sala agreed to examine previous performance indicators and provide those numbers to the Joint Subcommittee.

Ms. Sala explained that performance indicator number 6 projected the number of persons moving into the Assisted Living waiver (AL), which provided 12 slots. However, as Ms. Sala previously stated, getting people into the AL program had been difficult, and therefore only three new applicants had qualified.

Chair Mastroluca said she would like to see the history of the new waivers and how many the Division was averaging.

Senator Horsford said he wanted to take a slightly different approach. He thanked Ms. Sala for the information because it was easy to follow from a budget standpoint.

He said he also wanted to talk about the budget without the numbers and graphs but from a policy standpoint of shifting from home- and community-based services. Senator Horsford said all the best practices indicated that resources should be placed where quality of care was achieved and where the quality of life was maintained. He opined the policy of those decisions seemed to be against those best practices.

Ms. Sala said that she agreed with the argument that community-based care was more cost effective and a better use of dollars than institutional care. According to Ms. Sala, Medicaid for institutional care was a mandatory payment source, whereas waivers were an optional service. Ms. Sala said she did not know how to change that philosophy or mindset.

Senator Horsford commented that there was evidence that showed the state would save money by placing individuals into home- and community-based services, improving their quality of life and improving their care. However, those services continued to be cut while institutional care was guaranteed.

In response to a question from Senator Horsford regarding the Deer Springs facility on Decatur and Deer Springs Way in Las Vegas, Ms. Sala explained that the assisted living facility was not completed and the opening had been delayed.

Ms. Sala explained that the Assisted Living waiver (AL) was different from other waivers because even when slots were available, part of the problem was that for anyone eligible for Medicaid, their maximum income per month was approximately \$2,200. She restated previous testimony that the way the two facilities in Las Vegas had set up the apartment mix, there were only two apartments set aside for those persons at 30 percent of adjusted median income. The Division could not get applicants that fit into the 50 percent and the 60 percent adjusted income category. Ms. Sala said the Division had struggled with this waiver because they were told to fill the slots, but when a client was eligible the two 30 percent apartments were already filled.

Senator Horsford said as he understood it because home- and community-based waivers were not fully funded in the budget as a whole, there were fewer funded slots for eligible participants.

Ms. Sala explained that if the 54 slots for the Assisted Living waiver were not needed, that funding could be shifted into other waivers. When Medicaid took the American Recovery and Reinvestment Act of 2009 (ARRA) funds there were 54 slots written into the Assisted Living waiver (AL) that the Centers for Medicare and Medicaid Services (CMS) had to approve, and it ruled the state could not go below that number.

Senator Horsford said that choosing to fund growth for home- and community-based services, would provide available funds to put an eligible senior participant, based on availability, in a home- or community-based setting. He said he did not support the policy to cut optional services for home- and community-based services that had proven to be best practices and that improved the quality of care and the quality of life for seniors and instead put them in institutional care.

Chair Mastroluca closed the hearing on budget account (BA) 3146 and opened the hearing on BA 3151.

HUMAN SERVICES

AGING AND DISABILITY SERVICES

HHS-ADSD-FEDERAL PROGRAMS AND ADMINISTRATION (101-3151)

BUDGET PAGE DHHS ADSD-25

Carol Sala, Administrator, Aging and Disability Services Division (ADSD), Department of Health and Human Services (DHHS), said budget account (BA) 3151 started on page 44 of [Exhibit C](#) and was the administration budget account, which contained the resource development unit, elder rights, fiscal services, information technology (IT) units, and all other administrative functions. The Community Resource Development Unit and Elder Rights Unit handled grants administration and worked with seniors in the community. The unit also managed federal, state, and tobacco settlement Independent Living grants to support the community providers for the services provided by grantees. Ms. Sala said the Elders Rights Unit was established under Title VII of the Older Americans Act and state statutes.

The responsibilities of the Division in BA 3151 included the statewide repository for elder abuse reports, coordination of legal services development, ombudsman

functions for institutionalized seniors, and benefits counseling under SHIP (State Health Insurance Assistance Program). Budget account 3151 was a combination of General Fund and federal funding. The federal funds were received from the Administration on Aging under the Older Americans Act of 1965. According to Ms. Sala, the Division also received some funding from the Department of Labor for Title V, which was the senior employment program, and from the Centers for Medicare and Medicaid Services for the State Health Insurance Assistance Program (SHIP), which was Medicare counseling. The Division also received funding from the Taxicab Authority to operate the Senior Ride program in Clark County.

Budget account 3151 contained decision unit Enhancement (E) 275, which would provide funding to replace the telephone system in the Carson City ADSD office. Ms. Sala said the system was antiquated and costly to fix at \$85 per hour. The technicians had been salvaging parts from antiquated phone systems to fix the Division's phone system.

Decision unit E326 on page 45 of [Exhibit C](#) established a volunteer component to the State Long-Term Care Ombudsman Program (SLTCOP). Under the Older Americans Act, the Division was required to provide ombudsmen to make timely and regular access to long-term care residents. Nevada had 47 licensed skilled nursing facilities and 588 residential facilities for groups and Homes for Individual Residential Care (HIRC), which were the licensed facilities for two persons or less. The total bed capacity was over 12,000 and most of those beds were used for frail, dependent, and elderly residents.

Ms. Sala said the Division proposed to incorporate volunteers into the HIRC program to increase the program's effectiveness and improve the status of those long-term care clients through a consistent presence. Currently, the ombudsmen were able to provide only a minimum number of noncompliant-related visits to the skilled nursing facilities. The volunteers would visit the group homes, inform residents of their rights, and take complaints. Ms. Sala said the volunteer ombudsmen would be expected to focus on resident's needs, desires, and concerns. The Divisions' goal was to recruit volunteers who would maintain the same integrity that was characteristic of a paid ombudsman. Through this decision unit the Division would provide liability insurance to volunteers, provide background checks, reimburse the volunteers for mileage, and provide identification badges.

Chair Mastroluca asked who would be supervising the volunteers.

Ms. Sala said the present ombudsman supervisor, who was located in the Reno office, would supervise the volunteers. There was also a designated state long-term care ombudsman located in the Las Vegas office. There was Division staff already in place that would oversee the volunteers, and Ms. Sala commented that most states' ombudsman programs were run through volunteers; Nevada was one of the few states that had paid ombudsmen.

Chair Mastroluca asked how the 25 proposed volunteers would be divided statewide and how the volunteers would be recruited.

Ms. Sala explained the Division would look at the number of facilities statewide, but Clark County had the greatest number of nursing homes and group homes. Ms. Sala said the Division would focus on where the greatest need was, and because the majority of the population was in the Las Vegas area, most volunteers would be placed there.

Chair Mastroluca said according to the performance indicators it appeared that the Division was anticipating a large number of investigative complaints in 2011, which would drop in 2012. She wondered whether that decrease was being attributed to the proposed volunteers.

Ms. Sala explained that one of the things the Division changed a couple of years ago was the definition between a complaint and an activity. As far as performance indicator number 2 was concerned, the number of activities completed would be increased because of the volunteers. Ms. Sala said an activity could be making their presence known, telling the facility about resident's rights, and telling them what the ombudsmen do, whereas a complaint was actually a response to an issue that a resident brought up.

Chair Mastroluca said an activity appeared to be more of a visit, and Ms. Sala agreed that was correct.

Senator Leslie asked whether Las Vegas volunteers would be supervised from the Reno office.

Tina Gerber-Winn, Deputy Administrator, Aging and Disability Services Division (ADSD), Department of Health and Human Services (DHHS), advised that the supervisor in the northern part of the state was devising the program structure, including training, oversight, and background-check methodology. Ms. Gerber-Winn continued that once the volunteers were in place, ombudsmen

would use the volunteer staff to assist them in monitoring their assigned facilities.

Senator Leslie requested that the Division explain the difference between what the volunteers were going to be doing and what an ombudsman with Elder Protective Services was doing.

Ms. Sala responded to the Senator's question by explaining that, historically, the ombudsmen went to facilities, and Elder Protective Service workers strictly performed investigations in the community. Formerly, an ombudsman would investigate an elder abuse report in a facility, but the federal Administration on Aging had said Nevada was out of compliance with the Older Americans Act. Ms. Sala stated the ombudsmen are supposed to be advocates which put them in a conflicting role when they were no longer advocating and instead they were investigating. Presently, the ombudsmen were setting up resident councils, family councils, and doing more of the advocacy, and the Elder Protective Service workers were going into facilities and performing investigations. Ms. Sala said the two functions were separate.

Senator Leslie wondered whether volunteers saw evidence of abuse or neglect would the procedure be for them to notify Elder Protective Services. Ms. Sala agreed that would be the correct procedure.

Senator Leslie commented that she was more comfortable with that distinction as long as investigating abuse, neglect, exploitation, and isolation were covered because she thought those were priorities.

According to Ms. Sala, complaints investigated by ombudsmen were problems such as the person was not happy with the food or did not like the time that they were getting up in the morning and believed no one was listening to them. The ombudsmen worked as the advocate for residents and would inform the facility about problems. The ombudsmen also did frequent training with the facilities regarding resident rights.

Chair Mastroluca reiterated her question about how volunteers would be recruited.

Ms. Sala explained that the Division would probably begin by talking to community providers and retirement groups. The Nevada Chapter of the National Association of Social Workers had members who were retired social

workers, there were teachers groups, and there were retirees looking for places to volunteer.

In response to a question from Senator Cegavske, Ms. Sala said decision unit Enhancement (E) 328, as shown on page 46 of [Exhibit C](#), added an income eligibility component along with an administrative assistant 1 and a program officer 2 to the Senior Ride program. Currently there was no eligibility screening process for persons who purchased taxicab vouchers. The Senior Ride program allowed persons aged 60 and older, and others with permanent disabilities to purchase vouchers, which allowed them to use taxicabs at a discounted rate. The program was only available in Clark County and was funded through a 15-cent surcharge placed on every taxicab ride in Clark County. Ms. Sala said the surcharge went into the Taxicab Authority fund and was then transferred to the Aging and Disability Services Division. She further stated there was no similar program in the north.

Assemblyman Bobzien asked how the Division was planning to implement the new eligibility requirements for the Senior Ride program.

According to Ms. Sala the first thing needed would be additional staff. Currently the program was run by an administrative assistant 1 and an administrative assistant 2. Depending on when a program officer 2 was hired, Ms. Sala said setting an eligibility process in place would take a couple of months. She acknowledged the Division would need to do outreach to the communities about the changes in eligibility. Because currently there was no eligibility component and the Division had limited resources, it was difficult to target the low-income, at-risk population. The program was presently structured so that anyone could purchase a coupon book of \$20 worth of taxi ride coupons for \$10; however, adherence to means-tested eligibility requirements might require a sliding fee-scale system.

Assemblyman Bobzien wondered how many people would no longer be able to purchase the coupon books if proof of eligibility was required.

Ms. Sala said because there was no eligibility component enforced, the Division kept no records except the name and address of purchasers.

Ms. Sala commented that one of the discussions had concerned using the Nevada Commission on Aging as a public meeting to provide options and eligibility requirements for the Senior Ride program.

Assemblyman Bobzien asked what would happen to demand when eligibility requirements were installed.

Ms. Sala responded that the Division had no data and no ability to determine who was accessing the program.

Assemblyman Bobzien wondered how the Division was able to project revenue without any data.

Ms. Sala explained that when the Taxicab Authority transferred money from the sale of coupon books to the Division, it projected how many books could be sold per month. After determining demand from previous revenues, the Division would set the amount of books a consumer could purchase per month. Ms. Sala said currently each person was allowed to purchase four books per month, but the Division recalculated every month, and if the demand was not there, the amount of books available for purchase by each person could be increased. She said it was a constant projection program to ensure the Division was living within its budget authority, while getting the coupon books out to consumers.

Chair Mastroluca requested that Ms. Sala talk about the cost savings or efficiencies that would be achieved with the consolidation of fiscal and administrative positions.

According to Ms. Sala, there was no cost savings: the consolidation was more for efficiency purposes. She further said, when the Division built budgets and fund-mapped, the process was labor intensive because there were direct services in budget account (BA) 3266, in BA 3146, and in BA 3252. Over the years it had become cumbersome to build budgets with administrative pieces in each of those budget accounts. Ms. Sala maintained that fewer budget accounts would make budget processes more efficient and aid fiscal staff by not having to manage several different budget accounts.

Chair Mastroluca asked whether any employees' duties would change or would they just be moved into a different budget account for more streamlining.

Ms. Sala replied that the plan was to have all direct service workers placed in budget account (BA) 3266, which would be called Community Based Services. All administration or support staff would be placed in BA 3151, which had historically been the administrative budget account. Ms. Sala emphasized that no employees' duties would change.

Chair Mastroluca asked what the new budget account would be called and Ms. Sala said budget account (BA) 3266 would be called Community Based Services. Budget account (BA) 3146 was called Home and Community Based Programs. When the Division was consolidated with the Office of Disability Services, it came with BA 3266, Community Based Services and the Division already had Home and Community Based Services. Ms. Sala said the new consolidated budget account was cleanup left over from the consolidation in the last session.

Senator Horsford commented that it might seem trivial, but dropping the word "Home" from Home and Community Based was a policy decision.

Senator Horsford continued, and said it was not just about the naming; the mission of ADSD was for individuals to lead independent, meaningful, and dignified lives, and if all that was done was to put individuals in institutional care, he did not think the state was meeting its mission. While Senator Horsford knew that was not the Division's intent, he was concerned about dropping "Home" from Home and Community Based because it meant something.

Chair Mastroluca commented that removing "Home" from the budget title might seem like it was just another title, but it was the way that title looked to our communities regarding prioritization of services.

Ms. Sala said she appreciated and was sensitive to the word "Home".

Senator Horsford noted there were no cost savings in BA 3151 and asked what efficiencies were realized other than the budget efficiencies of consolidation.

Ms. Sala said the efficiencies were realized in the way staff time would be used.

Senator Horsford asked for clarification and wondered whether the purpose of the account consolidation was for cost savings, program efficiency, administrative efficiency, or to reduce duplication. He believed the consolidation was for administrative efficiency.

Ms. Sala responded by noting that after the agency consolidation, two separate accounts provided similar services to different populations. The consolidation of the accounts would allow an eligible client to be notified of the services

available upfront, and the Division could then decide on the back end which program would best serve the client's needs.

Chair Mastroluca closed the hearing on budget account (BA) 3151 and opened the hearing on BA 3252.

HUMAN SERVICES

AGING AND DISABILITY SERVICES

HHS-ADSD-EPS/HOMEMAKER PROGRAMS (101-3252)

BUDGET PAGE DHHS ADSD-43

Carol Sala, Administrator, Aging and Disability Services Division (ADSD), Department of Health and Human Services (DHHS), referred to budget account (BA) 3252 on page 52 of [Exhibit C](#), which contained the Title XX Homemaker program and the Elder Protective Services program. The budget account was comprised of Title XX funds, state General Fund, and some tobacco settlement funds. Ms. Sala said the Title XX Homemaker program had been scaled back when program policies were realigned. Title XX also funded Elder Protective Services.

Decision unit Enhancement (E) 325, Elder Protective Services, was the biggest decision unit in BA 3252 and was shown on page 54 of [Exhibit C](#). The Division was proposing to add 11 social workers, 2 social work supervisors, and 2 elder rights specialists. Ms. Sala said the plan was that the elder rights specialists were lower paid professional staff that would address the self-neglect cases, allowing social workers to focus on exploitation and abuse cases.

Chair Mastroluca asked whether the need for more employees was because of the state taking over Clark County's Elder Protective Services (EPS) program.

Ms. Sala said that was correct and added that the Division had worked with a national leader in Elder Protective Services after receiving the Clark County program. Ms. Sala said she was concerned with bringing best practices to the Division, especially with the high level of cases that social workers were carrying, which at one point was 77 clients per caseworker. When the Division took over the Clark County EPS program, it became a statewide program. Ms. Sala said there were ancillary services that the Clark County EPS program provided such as mini mental health evaluations and temporary assistance to displaced seniors. She said a policy decision had been made that a statewide program needed to be operated the same statewide because you could not tell a senior in the north that we have that program in the south, but not in the north.

The national standard for caseload per caseworker was recommended to be 25, but the Division was looking at 40 cases per elder protective services worker.

Chair Mastroluca asked Ms. Sala to describe the difference between the level of service a caseworker could provide when they were carrying 59 cases instead of the 40 that the Division was requesting.

Ms. Sala explained that when a social worker received a report of elder abuse, for instance, they were required to respond within three working days. The 59-client current caseload not only included new investigations, but current clients with problems to resolve. The caseworkers needed to develop a relationship with the client which usually took time to develop. Sometimes the abuse or exploitation was by a family member, so the client might not want to talk at first. The social worker needed to develop the relationship and find out what was occurring. In the case of exploitation the social worker also needed the time to investigate the situation.

Ms. Sala said when social workers were routinely assigned 77 cases she advised the Budget Division from the perspective that there were about 20 workdays in a month. As a result, 10 of those days would be spent in the field, and the other 10 days involved footwork and investigation. That meant there were just 10 days to see 77 clients, which came to about 7.7 persons per day to visit, with 8 hours in a day. Ms. Sala emphasized that schedule was not only physically impossible; it was placing social workers at risk. She said some of the situations social workers were walking into were appalling and dangerous because there was no time to investigate before going into the field.

Chair Mastroluca questioned how the Division arrived at the charges for services to Clark County for 2010 after taking over the Elder Protective Services (EPS) program when the state did not take over the program until May of 2010.

Tina Gerber-Winn, Deputy Administrator, Aging and Disability Services Division (ADSD), Department of Health and Human Services (DHHS), said the Division had some caseload information from Clark County, and the Division used the last half of 2010 plus the Clark County data to prepare a projection.

Senator Leslie asked what the methodology for billing the counties was based upon.

Ms. Sala explained the Division had used as a percentage the number of cases initiated in the previous year.

Senator Leslie asked why the Division was not being consistent and why it was not basing charges to the counties on a percentage of people in a certain age range.

Ms. Sala explained that the statistics collected pertained to actual cases in each county, but the Division had access to population numbers by county and how many seniors were above a certain age.

Senator Leslie expressed concern that the counties were not being treated consistently, which led to her second point, whether the Division held discussions with the counties about how to pay for programs the state was charging them for.

According to Ms. Sala, there had been no discussion with the counties when the budget was being built.

Senator Leslie wondered whether there would be an option for Clark County to withdraw from the agreement with the state to take over the Elder Protective Services program if the agreement was not what the county had anticipated.

Ms. Sala said that discussion had not occurred.

Senator Leslie commented that this was a major area and what were at risk were seniors, one of the most vulnerable populations.

In response to a question from Senator Leslie regarding the reduction of slots in the Elder Protective Services (EPS) and Homemaker programs, Ms. Sala referred to page 53 of [Exhibit C](#), which demonstrated the Homemaker program reductions. The program was legislatively approved at 637 slots for fiscal year (FY) 2010 and FY 2011 but was being reduced to 320 slots for the 2011-2013 biennium. Ms. Sala said the reduction was for the traditional Homemaker program, which provided services to those 60 and older and the younger disabled, but there would still be a component of the Homemaker program included with the Older Protective Services program.

Chair Mastroluca closed the hearing on budget account (BA) 3252 and opened the hearing on BA 3266.

HUMAN SERVICES

AGING AND DISABILITY SERVICES

HHS-ADSD-COMMUNITY BASED SERVICES (101-3266)

BUDGET PAGE DHHS ADSD-53

Carol Sala, Administrator, Aging and Disability Services Division (ADSD), Department of Health and Human Services (DHHS), referred to page 62 of [Exhibit C](#), which demonstrated that budget account (BA) 3266 would become the direct services budget account. The positions that transferred into BA 3266 would perform the same functions, and there would be no change in positions. Ms. Sala reiterated that the function of the account was for accurate time-tracking back to the appropriate cost pool.

Ms. Sala said there was no decrease in the 165 slots for the PAS (Personal Assistance Services) program for the younger disabled. The Traumatic Brain Injury Services (TBI) program would serve 86 recipients over the biennium, and the Independent Living (IL) program would serve 18 clients per month.

Ms. Sala informed the Joint Subcommittee that the Division had received a letter of notification from St. Mary's Regional Medical Center (St. Mary's) that they were discontinuing as the contractor for the PAS program effective July 1, 2011. The Division would have to consider options to manage the PAS program without St. Mary's being the provider.

Senator Leslie asked what reason St. Mary's gave for discontinuing the management of the PAS program.

According to Ms. Sala, the reason St. Mary's gave for not renewing the contract was that it was no longer able to provide the necessary matching funds and could not contain and cover the program costs at the established per hour reimbursement rate of \$18.50. St. Mary's identified the client, performed the assessment, wrote the plan of care, and provided the direct services for the hourly reimbursement rate.

Senator Leslie noted the PAS program had more comprehensive case management than other programs. She asked how much money was set aside for the program and whether it was the intention of the Division to protect that money and those client services by folding it into another program.

Ms. Sala replied that the PAS program would not be folded into another program, but the Division was considering options. One of the options would be to issue a request for proposal (RFP) for other contractors. She said the other option would be to run the program internally, keeping the PAS program separate.

Ms. Sala referred to decision unit Enhancement (E) 327 on page 64 of [Exhibit C](#), the Autism Program and said the program was previously a one-shot in the 2007 session that provided services to 64 children. The Division of Aging and Disability Services had received one-shot funding in 2009 to serve 110 children. The Division was proposing to establish the program without one-shot funding so it would be an ongoing program. Ms. Sala said the Division was requesting a new position with the program so it could receive the attention that it needed. Requested funding was at the fiscal year (FY) 2010 base amount and would allow for an average monthly caseload of 83 children.

Senator Cegavske said she had been having meetings with parents of autistic children and one of the questions was about the possibility of consolidating the various autism programs into one agency. The Senator said she did not know how many autism programs were operating, but wondered whether the Aging and Disability Services Division would be interested in managing the combined programs.

Ms. Sala advised the Joint Subcommittee there were three autism programs, one in the Health Division through their early intervention program, the Autism Treatment Assistance Program (ATAP) with the Aging and Disability Services Division, and a program through the Mental Health and Developmental Services (MHDS) Division. She said the various divisions had been meeting and discussing the feasibility of a consolidation of autism programs. Ms. Sala said she would provide Senator Cegavske with the information that was available.

Mary Liveratti, Deputy Director, Programs, Department of Health and Human Services (DHHS), added that DHHS had been holding meetings with all three entities to determine how the programs could be consolidated. Ms. Liveratti reminded the Joint Subcommittee the Autism Program under MHDS would be discontinued.

Ms. Liveratti continued and said one of the problems with a consolidation would be that the autism program in the Health Division under Early Intervention Services was Part C of the IDEA (Individuals with Disabilities Education Act). Because that program had numerous requirements attached to it, Ms. Liveratti

said it was difficult to carve that piece out, but discussions were being held with the Health Division in hope of a resolution.

Chair Mastroluca referred to decision unit Enhancement (E) 327, the Autism Program and the decreased caseload. She wondered how the decreased caseload would affect the waiting list for the program.

Ms. Sala said the waitlist would increase. Currently the autism program had 215 children on the waitlist before the decrease from 110 slots to 83 slots.

Chair Mastroluca asked whether the Division would still need another position with the reduced caseload.

Ms. Sala said if decision unit Enhancement (E) 327 was approved as requested, it carved off money for the new position and reduced the caseload.

In response to a question from Chair Mastroluca, Ms. Sala said E 690, the funding for autism and traumatic brain injury, proposed to redirect funding from the tobacco settlement funds in FY 2013 to replace General Fund.

Chair Mastroluca noted the funds were being redirected for FY 2013 and asked what would happen after that.

Ms. Sala replied funding would have to be built into the Division's budget for the 2013-2015 biennium to continue the program.

Chair Mastroluca asked whether there was a plan already in place, and Ms. Sala said there was not.

Chair Mastroluca asked whether the entire FY 2013 cost of the Autism Enhancement Program was being supported by tobacco settlement funds.

Brenda Berry, Administrative Services Officer (ASO), Aging and Disability Services Division (ADSD), Department of Health and Human Services (DHHS), explained tobacco settlement funds covered the direct service cost, not the administrative cost. The direct service cost was \$1.4 million for Traumatic Brain Injury (TBI) and \$1.3 million for the Autism Program.

Chair Mastroluca asked where the administration cost was coming from, and Ms. Berry said General Fund.

Chair Mastroluca asked how many applicants were currently on the waitlist for Personal Assistance Services, Traumatic Brain Injury Services (TBI), and Independent Living Services (IL).

Ms. Sala said the Independent Living (IL) program currently had a waitlist of 218 applicants, the PAS (Personal Assistance Services) program currently had a waitlist of 81 applicants, and TBI had a waitlist of 5 applicants.

Chair Mastroluca asked whether the PAS program currently had open slots.

Ms. Sala said she believed there were open slots, but with St. Mary's being the only provider when the program hit capacity, it could not add more applicants because it did not have the staff. Ms. Sala said there were 161 persons on the program currently and the program was budgeted for 165 persons.

Chair Mastroluca closed the hearing on budget account (BA) 3266 and opened the hearing on BA 3276.

HUMAN SERVICES

AGING AND DISABILITY SERVICES

HHS-ADSD-IDEA PART C COMPLIANCE (101-3276)

BUDGET PAGE DHHS ADSD-69

Carol Sala, Administrator, Aging and Disability Services Division (ADSD), Department of Health and Human Services (DHHS), provided an overview of budget account (BA) 3276, IDEA Part C Compliance. She said the Aging and Disability Services Division was responsible for the oversight component of the Nevada Early Intervention Services. The ADSD staff monitored the early intervention programs that were provided at the Health Division and other community providers and was responsible for writing the state plan, oversight, the annual on-site monitoring visits, and many other tasks that the federal government required. Ms. Sala said BA 3276 was completely federally funded, and the base budget would continue with eight full-time equivalents (FTEs) and associated costs.

Chair Mastroluca asked how many applicants were currently on the waitlist for the program.

Ms. Sala said she did not have that information because the program was managed by the Health Division and ADSD was only responsible for compliance.

Chair Mastroluca asked whether the Division was responsible, as the compliance agency, for finding more therapists to provide services.

Tina Gerber-Winn, Deputy Administrator, Aging and Disability Services Division (ADSD), Department of Health and Human Services (DHHS), explained that the Division monitored contracts and assisted with corrective action plans, which could include ways to facilitate recruitment.

Chair Mastroluca closed the hearing on budget account (BA) 3276 and opened the hearing on BA 3101.

HUMAN SERVICES
HEALTH DIVISION
HHS-HD-RADIOLOGICAL HEALTH (101-3101)
BUDGET PAGE-DHHS HEALTH-1

Marla McDade Williams, Deputy Administrator, Health Division, Department of Health and Human Services (DHHS), submitted [Exhibit D](#), "Nevada State Health Division Agency Budget Highlights SFY 12/13." Ms. Williams read the following statement into the record:

The Agreement in Principle (AIP) funding is an agreement that was executed between the National Nuclear Security Administration and the State of Nevada. We were one of three state agencies that participated formally in the agreement. As a result of hepatitis C, and consolidation of our regulatory functions in the Health Division, one area where we have tried to ensure that we are meeting our obligations to the citizens of the State of Nevada is in ensuring that we take care of our enforcement responsibilities; and that we do not branch out into enforcement responsibilities of other areas. In reviewing the requirements under the AIP, it is clear that there was no regulatory responsibility identified for the Health Division in the Agreement in Principle. Also, in discussions with the Division of Environmental Protection, in the Department of Conservation and Natural Resources, we identified that there were duplication of activities. I believe your staff has had correspondence from the administrator from that division identifying where those overlaps occurred. That was one piece of it. The second piece of it is that we had intended to not renew our partnership in the agreement at the expiration of the five-year period which would have been

June 2011. Unfortunately, there was miscommunication internally, and the grant funding was not sought for this current fiscal year. That put us in the position of withdrawing from the agreement prematurely, but it is what happened in that respect. I think, in summary, there was no regulatory function involved in the Agreement in Principle. We fully intend to execute the regulatory responsibilities for radiation control within our jurisdiction which is awarded to us with our agreement status on behalf of the Nuclear Regulatory Commission.

Chair Mastroluca asked whether the Health Division had access to the Nevada Test Site (Nevada National Security Site) to conduct samplings to ensure worker safety.

Ms. Williams replied the sampling at the Nevada National Security Site was performed by the Division of Environmental Protection.

Chair Mastroluca referred to the AIP grant and asked whether the Health Division had lost funding because of the miscommunication with the National Nuclear Security Administration.

Ms. Williams acknowledged that the Health Division had lost \$229,000 in funding as a result of the miscommunication. She said Fiscal staff may have received a copy of the AIP grant agreement that outlined the responsibilities of the Health Division. She noted the first three responsibilities duplicated the work of the Division of Environmental Protection in assessing potential public health impacts. The next six duplicated sampling activities. The other responsibilities included education and emergency response. Ms. Williams pointed out that emergency response was the responsibility of the Division of Emergency Management. She said that the responsibilities in the agreement were not regulatory functions and that the agreement made clear that the Health Division had no authority in regard to radiation control.

Chair Mastroluca asked how the Health Division determined that other divisions were better suited or should be responsible for those activities when there were federal dollars available to the Health Division to continue those programs.

Ms. Williams addressed one piece of the funding and said the Radiation Control program, like other inspection programs, was primarily supported by fees generated from licensees. There had been ongoing meetings with the

Division of Environmental Protection to identify where the responsibilities crossed over and where the Health Division could gain efficiency in the system.

Chair Mastroluca asked when the last time the fees had been reviewed for accuracy.

Ms. Williams responded that she believed it was in 2003. She further stated it was part of the overall Health Division's objective to ensure that it reviewed all of the fee-funded agencies to ensure that the fees being collected were adequate for the oversight and that the Health Division was not overcharging licensees for those activities.

Chair Mastroluca asked what the agency considered a reasonable reserve level for budget account (BA) 3101.

Philip Weyrick, Administrative Services Officer (ASO), Health Division, Department of Health and Human Services (DHHS), responded that at least a six-month reserve in BA 3101 was reasonable.

Chair Mastroluca closed the hearing on budget account (BA) 3101 and opened the hearing on BA 3152.

HUMAN SERVICES
HEALTH DIVISION
HHS-HD-HEALTH RADIOACTIVE AND HAZARDOUS WASTE (251-3152)
BUDGET PAGE DHHS HEALTH-14

Chair Mastroluca announced that there were no questions from the Joint Subcommittee regarding budget account (BA) 3152.

Chair Mastroluca closed the hearing on BA 3152 and opened the hearing on BA 3153.

HUMAN SERVICES
HEALTH DIVISION
HHS-HD-CANCER CONTROL REGISTRY (101-3153)
BUDGET PAGE DHHS HEALTH-17

Chair Mastroluca requested that the Division discuss the addition of two positions, a business process analyst and a biostatistician.

Marla McDade Williams, Deputy Administrator, Health Division, Department of Health and Human Services (DHHS) stated the two positions had been approved by a federal funding award for that program. The positions were intended to help with quality control initiatives.

Chair Mastroluca wondered what would happen to the positions if decision units Enhancement (E) 670, E671, E672 were not approved by the Legislature.

Philip Weyrick, Administrative Services Officer (ASO), Health Division, Department of Health and Human Services (DHHS), explained that the requested positions were 100 percent federally funded and there was sufficient federal funding in the grant regardless of other decision units.

Chair Mastroluca asked why the new biostatistician position was not being moved into budget account (BA) 3219 (Biostatistics and Epidemiology) with the other biostatisticians.

Richard Whitley, Administrator, Health Division, Department of Health and Human Services (DHHS), explained that the same thing occurred with the Cancer Control Registry that occurred with Health Care Quality and Compliance. The biostatistician did not just serve the collective data oversight but also served the program, and in this case, the program had a quality improvement component. Mr. Whitley said the program had to actually work with the extractors of data to ensure the data elements were collected. The only position available to the program related to data was in the Department of Personnel's biostatistician series. It would appear that all biostatistician positions might categorically go together, but functionally they did not. The biostatistician position in BA 3153 had a quality assurance piece which was essential to the program, and Mr. Whitley emphasized that it was essential that the quality of the data be routinely examined.

Assemblywoman Smith said she was interested in the Macro International contract status and the backlog. She was also interested in what was needed to receive more current data because, from what she could ascertain, the state was still receiving data from 2008. Assemblywoman Smith said it concerned her that the state was so far behind in modernization and technology.

Mr. Whitley said the program for data collection was guided by the CDC (Centers for Disease Control and Prevention), which used a national model for data collection and resulted in completed data that was at least two years behind. Mr. Whitley said while he did not discount the need for more timely

data, based on federal guidelines the data was not considered complete until the two-year lag. Timeliness was not the only consideration, but also the quality of the data. He noted Nevada would be the "gold standard" of data collection again in 2011. The state had improved, partly through the Macro International contract, to get a usable abstraction, which was the challenge in the program.

Ms. Whitley said it was preferable that hospitals did their own abstractions and submitted the data, but hospitals could pay the Health Division to actually perform abstractions. According to Mr. Whitley, it was difficult recruiting abstractors as that job series classification was not competitive with the private sector. Macro International had been contracted for data collection, and as a result of that contract, the Health Division had been able to meet the gold standard for 2011.

Assemblywoman Smith asked whether there was a backlog with Macro International, and Mr. Whitley replied the company was working on completion for this year, but he would not characterize it as a backlog.

Assemblywoman Smith asked how other states acquired more recent data, because she did not know how valuable it was to have information that was two and three years old.

Mr. Whitley said states with more robust data systems usually provided more General Fund for data collection. Mr. Whitley added the only real-time reporting available was for communicable diseases that were reportable by labs and physicians.

Assemblywoman Smith requested information regarding what other states might do in this area for a more long-term approach. She commented that she was interested in seeing what the state needed to do to be more current with information, but appreciated what the Health Division was doing with what it had.

Chair Mastroluca requested clarification that the data development that Nevada was currently performing was within state and federal statutes and Nevada was not at risk of losing funding.

Mr. Whitley assured the Subcommittee that Nevada was in compliance with the CDC grant and with the national guidelines. He said he believed what Assemblywoman Smith was concerned with was the usefulness of the data beyond the federal program. According to Mr. Whitley, the opportunity existed

for Nevada to compile more current data, and he offered to provide an overview of what policies and resources were used in other states with more robust data.

Mr. Whitley noted that UNLV (University of Nevada, Las Vegas) had hired a cancer epidemiologist, and the Health Division had been working with UNLV to acquire expert analysis, thereby making better use of the data.

Chair Mastroluca closed the hearing on budget account (BA) 3153 and opened the hearing on BA 3208.

HUMAN SERVICES

HEALTH DIVISION

HHS-HD-EARLY INTERVENTION SERVICES (101-3208)

BUDGET PAGE DHHS HEALTH-41

Chair Mastroluca requested Health Division staff discuss caseload growth in budget account (BA) 3208.

Philip Weyrick, Administrative Services Officer (ASO), Health Division, Department of Health and Human Services (DHHS), said the caseload growth was from a series of projections from the IDEA Part C program in the Aging and Disability Services Division in conjunction with Ellen Crecelius, who was a management analyst 4 for the Department of Health and Human Services (DHHS). The caseload was projected from actual data in June 2010, and was updated in November 2010, with data through September 2010, for the Governor recommended budget.

Chair Mastroluca referred to programs run by the Health Division and the programs run by private providers or nonprofit providers and said she understood there was a waitlist for the state clinic, but there did not appear to be waitlists for the private providers. She asked whether that was correct, and Mr. Whitley replied that was correct.

Chair Mastroluca asked how many children were on the waitlist through the state program.

Mary E. Wherry, Director, Clinical Services, Health Division, Department of Health and Human Services (DHHS) said there were 71 children waiting for speech and language pathology treatment, 3 waiting for feeding, and 3 waiting for intensive behavioral services. The Division had recently been able to find additional speech and language providers in the community and the waitlist had

gone from approximately 245 children waiting for speech and language pathology treatment down to 71 children. Ms. Wherry said the goal was to have no waiting list by June 2011.

Chair Mastroluca asked whether the state program or using outside providers was more cost effective.

Ms. Wherry explained that community partners were paid what the Division's costs were; there was no mechanism to determine whether the community partners were making a profit or whether their costs were less. One of the reasons the Division was requesting additional fiscal staff in budget account (BA) 3223 (Office of Health Administration) was to have an employee work with the community partners and analyze budget expenditures for the state program in comparison to the community partners' actual costs.

In response to a question from Senator Cegavske, Ms. Wherry said the 30-day consent was a parental consent, but the 30-day time frame was one that Nevada chose back in 2004-2005 when the IDEA act was reauthorized. Ms. Wherry further said the Health Division had asked the IDEA staff what the average time frame was nationwide.

Chair Mastroluca closed the hearing on BA 3208 and opened the hearing on BA 3224.

HUMAN SERVICES

HEALTH DIVISION

HHS-HD-COMMUNITY HEALTH SERVICES (101-3224)

BUDGET PAGE DHHS HEALTH-140

Chair Mastroluca requested an update on the discussions regarding the public health nursing services between Douglas County and Lyon County and the Carson City Health Department.

Mary E. Wherry, Director, Clinical Services, Health Division, Department of Health and Human Services (DHHS), said there had been ongoing discussions between the counties, and she had informed the counties about the loss of federal funding and provided a transparency that had not been available in the past. Carson City had assumed the epidemiology and public health preparedness activities for Lyon and Douglas Counties for the past two years. Ms. Wherry said there had been some interest in having Lyon County and Douglas County join with Carson City for a regionalized public health authority.

The counties were considering costs and whether there would be sufficient funds to keep their clinics open. Ms. Wherry said the counties had asked the Division whether the determination could be slowed down because more time was needed to perform a good analysis.

Senator Horsford said he was not clear about what “slowing down” the discussion meant because services that might be redirected under the Governor’s budget could be provided through a regional health authority.

Richard Whitley, Administrator, Health Division, Department of Health and Human Services (DHHS) commented that his impression from the counties was that they were not in a position to make a decision at this time because they were still considering all the variables. The Health Division wanted to provide information and assistance to the counties so they could see the opportunity and benefit for local control. Mr. Whitley said there clearly seemed to be an opportunity for improved coordination and by “slowing down” he believed the Health Division was indicating that all assets and problems were being considered. The Health Division was meeting regularly with the counties’ representatives, and Mr. Whitley said he had a meeting scheduled with Mary Walker to discuss the current status.

Senator Horsford requested testimony from Mary Walker about the counties prospective.

Mary Walker, representing Carson City, Douglas County, Lyon County, and Storey County, informed the Joint Subcommittee that the counties were considering ways to help the state and provide some services on a regional basis, which would improve service and would be less costly for the consumer. Ms. Walker said one of the things that had caught them off guard was the Governor’s budget. There were 13 areas in the Governor’s budget, which totaled \$7 million a year, which shifted services and costs to these four counties.

According to Ms. Walker, the counties could not provide all services within three months. The counties needed more information regarding the budget and total costs. While the counties were considering services they could begin by July 1, 2011, and in the future, there would have to be a phase-in period.

Chair Mastroluca closed the hearing on budget account (BA) 3224.

Chair Mastroluca noted that the last budget account, Consumer Health Assistance Services, budget account (BA) 3204, had been covered in a previous budget hearing.

Chair Mastroluca announced that public comment would be by topic and would begin with aging issues. She requested comments be succinct and invited written submissions to the Subcommittee.

Barry Gold, Director of Government Relations, AARP Nevada read the following testimony into the record:

If I say nothing else, I would like to thank Majority Leader Horsford for articulating the home- and community-based services versus nursing home policy problem and debate so well. The CHIP program HCBS (Home- and Community-Based Services) costs about \$14,000 per year and nursing homes are over \$65,000 per year. There are many things AARP Nevada is concerned about and everyone on the Joint Subcommittee has raised the concerns and asked appropriate questions. However, there is one thing that has not been mentioned that I need to highlight and that is the significant overlap in the Aging and the Medicaid budgets. That has not been mentioned today. We have heard that the waiver slots are so-called protected, that they are being held level, that they are flat; they are not reduced. However, the funding for services, the actual provider rates for the services for people in those waiver slots is said to be reduced by 15 percent in the Medicaid budget. That is something we did not hear today, so the waiver slots while the number is the same, the funding for the services is said to be reduced. You do not hear that when you hear the two different budgets presented. Many of the small providers may not be able to continue to serve, especially in the rural areas, and if the providers cannot serve the people and provide these services to keep people in their homes, we know what is going to happen to these people. We know that many of them will be forced out of these waivers into the nursing homes where number one, they do not want to be, and number two, it is not fiscally prudent to keep them. So we say we want to provide home- and community-based services, understand it is the best practice, yet we are actually cutting and reducing the funding for these services.

Senator Leslie asked whether Mr. Gold had any specifics about the rural areas that were likely to be underserved.

Mr. Gold said he did not have those statistics.

Bruce Arkell, representing Nevada Senior Advocates, maintained the key issue was the need to maintain community-based services instead of Medicaid. Community-based services would not cover everyone, but would cover the really low-income to put them into community- and home-based services. Mr. Arkell said one of the problems with essential services was there were 16 or 17 of them identified in the state plan, which effectively meant there were no essential services, and included almost anything that wanted funding.

Mr. Arkell said one of the things that he had worked on personally for the last 25 years was the overlap in information databases that existed in state government. Currently, Nevada had a 2-1-1 system and also had one that was being put together in the aging and disability services. Mr. Arkell said while the money in these programs was not large, they were extremely expensive in the context of time and effort to maintain. His suggestion was that the Aging and Disability Resource Center (ADRC) program be moved into the new Health Division where the 2-1-1 system was being placed in the Director's Office. Mr. Arkell submitted [Exhibit E](#), "2011 Legislative Policy 1."

Senator Leslie commented that an essential service was the one that you were receiving, and it was difficult to say what was an essential service and what was not an essential service.

Janice Ayers, President, Nevada Senior Corps Association, and Director of the Nevada Rural Counties Retired and Senior Volunteer (RSVP) Program, submitted [EXHIBIT F](#), "Testimony for Aging and Disability Services Division."

Connie McMullen, Chair, Strategic Plan Account Ability Committee for Seniors, read her statement into the record ([Exhibit G](#)).

Chair Mastroluca stated the Subcommittee would hear testimony regarding autism.

Senator Leslie recognized former Nevada First Lady Dawn Gibbons in attendance at the meeting and commented that she had been a leader in autism programs.

Jan Crandy, Commissioner, Nevada Commission on Autism Spectrum Disorders, commented regarding cuts in the budget for autism. Ms. Crandy submitted [Exhibit H](#), "Children Receiving Funding"; [Exhibit I](#), "Autism Treatment Assistance Program (ATAP) Outcomes"; and [Exhibit J](#), "Changes in Test Scores."

Gail Crow, Private Citizen, read her testimony ([Exhibit K](#)) into the record.

Korri Ward, Private Citizen, read her testimony ([Exhibit L](#)) into the record and also submitted [Exhibit M](#), "Nevada and Olmstead—A Continuous Examination."

Ralph Toddre, Commissioner, Nevada Commission on Autism Spectrum Disorders, read his testimony ([Exhibit N](#)) into the record.

Brian M. Patchett, President/CEO, Easter Seals Southern Nevada, testified regarding autism and early intervention and submitted [Exhibit O](#) for the record.

Marci Pettingill, Private Citizen, read her testimony ([Exhibit P](#)) into the record.

Kendra Brooks Rickard, Ph.D., President-elect, Nevada Association for Behavior Analysis, read her testimony ([Exhibit Q](#)) into the record.

Lisa Gianoli, representing Washoe County, testified that Washoe County was also concerned about having the time to analyze the programs that were proposed to be shifted or billed back to the counties.

Alex Ortiz, representing Clark County, concurred with the comments of both Lisa Gianoli and Mary Walker regarding the impact to the counties. He also stated that Clark County Social Services had been providing elder protective services for over 30 years and transferred those responsibilities to the Aging and Disability Services Division on July 1, 2010. He noted it had been a three-year transition period to accommodate the transfer. Before the transfer, Clark County Social Services handled approximately 60 to 65 cases per caseworker, with caseloads continuing to increase every year.

Mr. Ortiz asked the Subcommittee to carefully consider the consequences of allowing the budget to go forward as presented. He maintained Clark County had already contributed as much as possible to help close Nevada's gaping budget hole, and the additional cost shift would have lasting detrimental effects on the poorest, most frail, and most vulnerable of Clark County's residents.

Todd Abbott, Private Citizen, testified in opposition to cuts to the autism program.

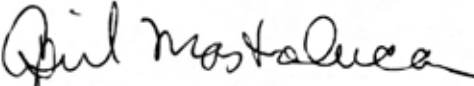
Written testimony was submitted for the record by Sherrie Olson ([Exhibit R](#)); Kristin Merwin ([Exhibit S](#)); Jennifer M. Avina ([Exhibit T](#)); Darla McDermott ([Exhibit U](#)); Michelle Tombari ([Exhibit V](#)); Sharon Quiroz ([Exhibit W](#)); and Antonio Quiroz ([Exhibit X](#)).

Chair Mastroluca adjourned the meeting at 11:13 a.m.

RESPECTFULLY SUBMITTED:

Anne Bowen
Committee Secretary

APPROVED BY:



Assemblywoman April Mastroluca, Chair

c
DATE: _____

Senator Sheila Leslie, Chair

DATE: _____

EXHIBITS

Committee Name: Assembly Committee on Ways and Means/Senate Committee on Finance Joint Subcommittee on Human Services/CIP

Date: March 16, 2011

Time of Meeting: 7:36 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Guest sign-in
	C	Carol Sala, Administrator, Aging and Disability Services Division, DHHS	Budget Presentation
	D	Marla McDade Williams, Deputy Administrator, Health Division, DHHS	Agency Budget Highlights, SFY 2012-2013
	E	Bruce Arkell, Nevada Senior Corps	2011 Legislative Policy 1
	F	Janice Ayres, President, Nevada Senior Corps and Director RSVP	Written Testimony
	G	Connie McMullen, Chair, Strategic Plan Account Ability Committee for Seniors	Written Testimony
	H	Jan Crandy, Commissioner, Nevada Commission on Autism Spectrum Disorders	Funding chart
	I	Jan Crandy, Commissioner, Nevada Commission on Autism Spectrum Disorders	Autism Treatment Assistance Program (ATAP) Outcomes
	J	Jan Crandy, Commissioner, Nevada Commission on Autism Spectrum Disorders	Changes in Test Scores over a One-Year Period Without Treatment
	K	Gail Crow	Written Testimony
	L	Korri Ward	Written Testimony
	M	Korri Ward	Nevada and Olmstead-A Continuous Examination
	N	Ralph Toddre, Commissioner, Nevada Commission on Autism	Written Testimony

		Spectrum Disorders	
	O	Brian M. Patchett, President/CEO, Easter Seals Southern Nevada	Services Provided by Easter Seals Southern Nevada
	P	Marci Pettingill	Written Testimony
	Q	Kendra Brooks Rickard, Ph.D., President-elect, Nevada Association for Behavior Analysis	Written Testimony
	R	Sherrie Olson	Written Testimony
	S	Kristin Merwin	Written Testimony
	T	Jennifer M. Avina	Written Testimony
	U	Darla McDermott	Letter
	V	Michele Tombari	Written Testimony
	W	Sharon Quiroz	Written Testimony
	X	Antonio Quiroz	Written Testimony