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 29, 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 8:10 a.m. on Tuesday, March 29, 2011, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 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 Chairwoman
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 A. Horsford

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Mike Chapman, Principal Deputy Fiscal Analyst
Joi Davis, Senior Program Analyst
Carol Thomsen, Committee Secretary
Cynthia Wyett, Committee Assistant

Chair Mastroluca announced that at today's work session the Subcommittee would review budget accounts for the Director's Office and the Division of Mental Health and Developmental Services within the Department of Health and Human Resources.

HUMAN SERVICES
HEALTH AND HUMAN SERVICES – DIRECTOR'S OFFICE
HHS-DO-CONSUMER HEALTH ASSISTANCE (101-3204)
BUDGET PAGE DHHS DIRECTOR-30

Joi Davis, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that the first item for review was the recommendation within The Executive Budget to merge the Governor's Office of Consumer Health Assistance, budget account (BA) 1003, with the Office of Minority Health, BA 3204, and transfer the combined budgets to the Director's Office, Department of Health and Human Services (DHHS).

Ms. Davis indicated that the Governor's Office of Consumer Health Assistance (GovCha) had transitioned to the Director's Office, DHHS, in May 2010 and the Office of Minority Health (OMH) budget had transitioned to GovCha in December 2010. Through that merger, DHHS had noted improved facilitation of resources, renewed community interest, and improved outreach efforts and exposure to both programs.

Ms. Davis said DHHS had indicated that the transfer of the combined OMH and GovCha budgets to the Director's Office, newly entitled Consumer Health Assistance, budget account (BA) 3204, would enhance access to healthcare information for all consumers, streamline coordination of consumer-related information, and increase operational efficiencies. The missions and goals of GovCha and DHHS were closely aligned and the merger would allow DHHS to provide better oversight, along with the administrative, fiscal, and technical support required by GovCha. Ms. Davis said GovCha currently worked closely with other DHHS programs such as Medicaid, the State Health Insurance Assistance Program (SHIP), and the Senior Rx and Disability programs.

According to Ms. Davis, the proposal appeared to be cost-neutral because both budget accounts paid cost allocations to either the Health Division or the Department of Administration, and those would be combined into one cost-allocation assessment to the Administrative account, DHHS Director's Office, BA 3150. Ms. Davis pointed out that DHHS anticipated operational efficiencies because of the merger.

During previous budget hearings, said Ms. Davis, the Subcommittee had not heard testimony in opposition to the proposed merger and transfer of the two programs; however, concern was expressed regarding the required qualifications of the Director of GovCha when the program was transferred to DHHS. Current statutes mandated that the position must be filled by a physician, a nurse, or a physician's assistant. Ms. Davis said the proposal was to eliminate certain statutory requirements and specify new qualifications for the position. According to Ms. Davis, the duties of the Director position were not anticipated to change and the current salary appeared to be appropriate for the duties of the position.

Ms. Davis indicated that further discussion about the administration's preference would be addressed when the money committees considered bill draft request (BDR) 1157 (later introduced as Assembly Bill 519.)

The current decision before the Subcommittee was whether to merge the Office of Minority Health (OMH) with the Governor's Office of Consumer Health Assistance (GovCha), and transfer the merged budgets to the Director's Office of the Department of Health and Human Services (DHHS).

Chair Mastroluca noted that there would be no cost savings involved in the merger and transfer, but it appeared that DHHS anticipated operational efficiencies. Ms. Davis advised that no specific cost savings had been identified. The one position within OMH had moved into an office within the DHHS Director's Office; she reiterated that the transfer was cost-neutral. Chair Mastroluca asked whether the position within OMH was federally funded and Ms. Davis confirmed that it was federally funded.

Chair Mastroluca asked whether there were comments or further questions from the Subcommittee.

Senator Leslie said she did not have a problem with the merger of GovCha and OMH and the transfer to the DHHS Director's Office because of the anticipated efficiencies.

Assemblywoman Smith indicated that the Subcommittee had previously discussed the efficiencies of merging the databases of the two entities with DHHS. She stated that she had concerns about the proposal to eliminate certain statutory requirements and specify new qualifications for the Director's position; however, those concerns could be addressed when the policy bill was considered. Assemblywoman Smith believed that the Subcommittee should take action to ensure the continued integrity of both offices.

Senator Horsford said the proposal was the first of many difficult decisions facing the Subcommittee. Those who had worked diligently in the past to establish programs would now be working diligently to eliminate, merge, or consolidate those same programs. Senator Horsford said he had worked hard to establish the Office of Minority Health (OMH), which was important to many constituents because of the health disparities that existed among minority groups in areas such as diabetes, hypertension, high cholesterol, and other health issues. Senator Horsford noted there were higher disparities among certain groups, but despite the existing need, he would reluctantly agree with the merger of the Governor's Office of Consumer Health Assistance (GovCha) and the Office of Minority Health (OMH) and the transfer to DHHS.

Senator Horsford indicated that his request to DHHS was that the Department take every possible action to ensure that the focus on consumer and minority health was maintained in some fashion within the combined entity. He believed there should be some recognition of OMH in the title of the newly combined programs to ensure continued federal funding for minority health programs. Senator Horsford said he would reluctantly support the merger of GovCha and OMH, as long as a focus was maintained on minority health issues in coordination with GovCha.

Ms. Davis explained that the current recommendation for the title of the merged budgets was "Consumer Health Assistance," budget account (BA) 3204.

Chair Mastroluca agreed with Senator Horsford's comments and thought perhaps the title should include the words "minority health." She also felt it was important to acknowledge that the new office would not only provide consumer health assistance, but would also provide assistance with minority health issues. Chair Mastroluca noted that the state received federal funding for

OMH, and the title of the new program should reflect the continuance of that service.

Chair Mastroluca asked whether there were further comments or questions regarding the merger of GovCha and OMH, and there being none, the Chair asked Ms. Davis to continue her presentation.

HUMAN SERVICES
HEALTH AND HUMAN SERVICES – DIRECTOR'S OFFICE
HHS-DO-ADMINISTRATION (101-3150)
BUDGET PAGE DHHS DIRECTOR-1

Joi Davis, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that The Executive Budget recommended reducing General Funds to support the Nevada 2-1-1 system, and also recommended that the program be moved to the Governor's Office of Consumer Health Assistance (GovCha). The 2009 Legislature approved General Funds of $26,129 in fiscal year (FY) 2010 and $130,834 in FY 2011. The 2009 Legislature also authorized additional funding from UnitedHealth Settlement funds and the Casey Foundation to bring the total funding to approximately $180,000 in both years of the current biennium. The Executive Budget recommended General Funds of $31,000 per year over the 2011-2013 biennium for a total of $62,000.

Ms. Davis indicated that the agency testified at the previous budget hearing that additional funds would be available in other Department of Health and Human Services (DHHS) budgets that would bring the total support for the Nevada 2-1-1 system to $391,575 in FY 2012. The DHHS also anticipated receiving funds from United Way because the Department had spearheaded the 2-1-1 efforts nationwide; however, the availability of that funding would not be known until June 2012 when United Way made those determinations. Ms. Davis said DHHS indicated that to maintain current operation levels within the Nevada 2-1-1 system, a total of $731,000 would be needed in each year of the 2011-2013 biennium.

Ms. Davis said Fiscal Analysis Division staff had confirmed with DHHS that $67,477 was available in UnitedHealth Settlement funds, which was contained in budget account (BA) 3150 in a holding expenditure category, and could be used to support the Nevada 2-1-1 system.

Based on a request from the Subcommittee, said Ms. Davis, DHHS had researched additional funding sources to support the Nevada 2-1-1 system, such as foundation funding and other grant opportunities, but those efforts had not been successful. Ms. Davis indicated that federal legislation—the Calling for 2-1-1 Act of 2009—was currently under consideration, and passage of that legislation could provide additional funding for 2-1-1 systems across the nation.

Additionally, said Ms. Davis, during previous budget hearings, information was presented by DHHS regarding the TXT211 program that was designed to provide text alerts and other information to other 2-1-1 systems throughout the nation. The DHHS was currently in the final phases of testing that program. Ms. Davis indicated that if the TXT211 program were to go forward, the DHHS anticipated projected revenue of $24,000 to $48,000 each year of the biennium, depending upon the contractual rates. However, continued testing of the product was needed along with marketing efforts, and no funding was anticipated until fiscal year (FY) 2013.

Ms. Davis stated that if the recommendation in The Executive Budget moves forward, the hours of operation for Nevada 2-1-1 system would need to be reduced. The current hours of operation for the program were Monday-Friday from 8:00 a.m. to midnight and from 8:00 a.m. to 4:00 p.m. on weekends. She pointed out that call volume had increased by approximately 1,000 calls from calendar year 2009 to calendar year 2010.

Ms. Davis indicated that the options for consideration by the Subcommittee were:

1. Approve the Governor's recommendation of $31,000 of General Fund support in each year of the 2011-2013 biennium to support the Nevada 2-1-1 system.
2. Approve expenditure authority for the Nevada 2-1-1 system totaling $98,477 in each year of the 2011-2013 biennium, using $64,477 in UnitedHealth Settlement funds.
3. Include the use of $64,477 in UnitedHealth Settlement funds for the support of the Nevada 2-1-1 system, and restore funding to the FY 2011 level of $180,834. That option would require an additional $82,357 in General Funds for each year of the 2011-13 biennium.

Chair Mastroluca asked whether there were comments from the Subcommittee about the three options for consideration.

Assemblywoman Smith said she was glad the Nevada 2-1-1 system could be salvaged through various funding sources. Her concern was that the state would not have a continued commitment to the 2-1-1 system. The system's call volume had exceeded expectations from the very beginning and continued to increase each year. Assemblywoman Smith hoped that efforts to stabilize the funding for the 2-1-1 system would continue; she also hoped that efficiencies and cost savings could be realized through combining the databases of OMH and GovCha, thereby gaining additional General Fund support for the Nevada 2-1-1 system.

Chair Mastroluca encouraged staff to review the efficiencies to determine whether a cost savings might be realized by combining the OMH and GovCha databases and merging the two programs with the Department of Health and Human Services (DHHS).

Continuing her presentation, Ms. Davis stated the second issue for consideration by the Subcommittee was the recommended transfer of the Nevada 2-1-1 system from budget account (BA) 3150, Administration, to GovCha. The Subcommittee had expressed some concern at previous budget hearings about the synergies between GovCha and the Nevada 2-1-1 system. In response, said Ms. Davis, DHHS indicated that individuals who typically called 2-1-1 for information about housing, transportation, or utilities often had healthcare-related issues that would fall within the purview of GovCha. Additionally, DHHS indicated that the missions and activities of Nevada 2-1-1 and GovCha were interconnected, and the combined marketing efforts would provide better outreach to consumers. Ms. Davis said DHHS anticipated that with the transfer of Nevada 2-1-1 from the budget for Administration to GovCha, additional daily supervision and management could be provided.

The decision, said Ms. Davis, would be whether the Subcommittee wanted to approve the transfer of the Nevada 2-1-1 system from BA 3150, Administration, to GovCha.

Chair Mastroluca asked whether there were comments or opinions regarding the proposed transfer from the Subcommittee.

Assemblywoman Carlton said it appeared the Nevada 2-1-1 system would be combined with the Governor's Office of Consumer Health Assistance (GovCha) and the Office of Minority Health (OMH), under DHHS, and she wondered how her constituents would know where to call; she also wondered what benefits would be realized by her constituents through the merger of the three entities.

Chair Mastroluca stated that from the information presented to the Subcommittee, it appeared that constituents would not be aware that there had been a merger. The Nevada 2-1-1 system would continue to operate in the same manner, and she hoped there would be access to even more information than there had been in the past.

Assemblywoman Carlton wondered whether persons calling into the combined entity would still receive the same level of response; she wondered how the "pieces of the puzzle" would fit together.

Senator Leslie believed that combining the programs would be beneficial from an administrative perspective. She noted that budget account (BA) 3204 for the proposed "Consumer Health Assistance," entity had been included in The Executive Budget under the DHHS Director's Office. Senator Leslie said she could see some synergies, but she did not believe it was a complete fit. Many persons who called the Nevada 2-1-1 line did not have health-related issues, and she believed that the proposed merger was to enhance management. Senator Leslie stated that she had no objections to merging the programs.

Chair Mastroluca asked whether there were further questions regarding the Nevada 2-1-1 system, and there being none, the Chair asked Ms. Davis to continue her presentation.

HUMAN SERVICES
HEALTH AND HUMAN SERVICES – DIRECTOR'S OFFICE
HHS-DO-GRANTS MANAGEMENT UNIT (101-3195)
BUDGET PAGE DHHS DIRECTOR-16

Joi Davis, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that The Executive Budget recommended elimination of the funding for the Family to Family (F2F) program, which would result in a General Fund savings of $2.5 million over the biennium. The Governor recommended using a portion of those savings to restore the funding for the Differential Response (DR) program and Family Resource Centers (FRCs) to the fiscal year (FY) 2011 level. Ms. Davis stated that The Executive Budget also recommended funding the DR program and FRCs with tobacco funds in FY 2013.

Ms. Davis said the Grants Management Unit indicated there were currently 20 F2F programs statewide, with 18 programs operating within FRCs and 2 stand-alone programs. Based on the recommendation in The Executive Budget to eliminate the direct funding for F2F programs, the agency indicated that the two stand-alone programs would close and the F2F program located within the FRC in Pershing County would also close. Additionally, said Ms. Davis, three current F2F programs that were colocated in FRCs would provide no F2F services whatsoever, and 13 FRCs indicated they would attempt to continue some F2F services, but that might result in the elimination or reduction of other services.

Ms. Davis stated that in response to inquiries by Fiscal Analysis Division staff regarding loss of infrastructure costs related to the elimination of the F2F program, the agency indicated that the elimination of funding would require 12 FRCs to significantly reduce their physical space, operating hours, staff hours, and programs and outreach efforts would be eliminated.

Ms. Davis reported that the Subcommittee had requested information regarding the number of clients served through the F2F program, and the following information had been provided to Fiscal Analysis Division staff:

- The Family to Family (F2F) program served 8,474 clients in Clark County; 1,344 clients in Washoe County; and 4,409 clients in rural Nevada, for a total of 14,227 clients.
- The Family Resource Centers (FRCs) served 14,620 clients in Clark County; 5,173 clients in Washoe County; and 8,128 clients in rural Nevada, for a total of 27,921 clients.
- The Differential Response (DR) program served 403 clients in Clark County; 281 clients in Washoe County; and 369 clients in rural Nevada, for a total of 1,053 clients.

Ms. Davis indicated that the Subcommittee had heard testimony from several recipients of F2F services at the previous budget hearing who had expressed concern about the proposed elimination of the program. Fiscal Analysis Division staff had asked the agency to identify other programs that provided services similar to those provided by F2F, and the agency reported that the following 17 family support programs throughout the state provided similar services:

- Advocates to End Domestic Violence
- Boys Town Nevada
- Churchill County School District

- Churchill County Department of Family Services
- Child Assault Prevention Project of Washoe County
- Children's Cabinet
- Committee to Aid Abused Women
- Community Action Against Rape
- Family and Child Treatment of Southern Nevada
- Head Start
- Henderson Allied Community Advocates
- Nevada Early Intervention Services
- Nevada Parents Encouraging Parents
- Maternal and Child Health
- Salvation Army
- Wells Family Resource and Cultural Center
- Women, Infants and Children

Ms. Davis stated that she had discussed the option with the agency of using the budget savings that were redirected to the FRCs and the DR program to provide minimal funding to the F2F program. The agency indicated that minimal funding would not benefit the F2F program or allow program services to continue at a meaningful level and would actually be detrimental to the FRCs and the DR program.

The Subcommittee had also inquired about the possibility of local municipalities supporting the DR program because some of those functions were used to assess possible child abuse cases before those cases rose to the level of investigative need. Ms. Davis said the agency indicated that Washoe County had provided some support through the Children's Cabinet; however, the Grants Management Unit had not approached other welfare agencies for that purpose. Ms. Davis noted that the agency advised that all three municipalities provided considerable support through staff time for program and policy development, for staffing cases, and for training.

Ms. Davis said there were three options for consideration by the Subcommittee:

1. Approve the recommendation in The Executive Budget to eliminate $2.5 million for the F2F program over the 2011-13 biennium and use a portion of those savings, $471,149 each year, to increase funding for the FRCs and the DR program.
2. Restore General Funds for the F2F program to ensure base level funding, which would require additional General Funds of $1.24 million in each year of the 2011-2013 biennium.

3. Restore General Funds sufficient to maintain the F2F program at a level below its current funding. The Subcommittee could determine the amount of funding to be restored.

Chair Mastroluca believed the options available for consideration by the Subcommittee were the beginning of the "theme" for remaining budget conversations, which was how to justify cutting funding for front-end services that would result in more being spent in the long run.

Senator Leslie asked for additional information about the elimination of the F2F program and the closure of the FRC in Pershing County. Ms. Davis advised that the closure of the FRC was based on the Governor's proposal to eliminate F2F funding. The agency had reported that both the F2F program and the FRC from which it operated in Pershing County would close.

Senator Leslie said she was not aware that eliminating the funding for the F2F program would cause the closure of the FRC in Pershing County. She asked a representative from the Department of Health and Human Services (DHHS) to come forward and address the issue.

Betty Weiser, Social Services Program Specialist, Family to Family (F2F), Grants Management Unit, DHHS, explained that Pershing County received a very small amount of overall funding, and eliminating approximately half of that funding would mean that the county could not maintain the FRC. In addition, said Ms. Weiser, the FRC was supported through school district funding and Even Start funding, but the Even Start funding was also being eliminated and the FRC would close with or without the F2F funding.

Senator Leslie asked where the FRC was located, and Ms. Weiser replied that the FRC was located at the Pershing County School District office in Lovelock. Senator Leslie noted that the families in Pershing County had no other programs, and she asked whether some type of program or FRC would be funded. Ms. Weiser explained that the Grants Management Unit had entered into dialogue with other community entities in Pershing County to determine what programs could be offered through the FRC if state funding remained at approximately $6,000 to $7,000 annually.

Senator Leslie opined that there were not many community agencies located in Pershing County, and it appeared that the total funding for the FRC and the F2F program was approximately $14,000. Ms. Weiser said to be exact, Pershing County currently received $20,726 in funding for both the FRC and the F2F program. The FRC portion of that funding was $9,006.

Assemblywoman Smith said she was unaware that the elimination of Even Start funding would have such a significant effect on funding for FRCs, and she thanked Ms. Weiser for that clarification.

Chair Mastroluca asked Fiscal Analysis Division staff to submit information to the Subcommittee that itemized the funding for the various F2F programs, particularly the cost of the two stand-alone facilities, the program in Pershing County, and the three F2F programs collocated within FRCs that would no longer be able to provide services. Ms. Davis stated she would provide that information.

Senator Horsford asked Fiscal Analysis Division staff to also provide a more specific breakdown of the affect of the F2F funding elimination for the programs in Clark County, Washoe County, and the rural counties. He opined that for some communities the F2F program and FRCs provided the only available services, and the Subcommittee should be aware of the effect that funding elimination would have on the counties. Senator Horsford said he would like that breakdown not only for the F2F program and FRCs, but for all programs where elimination of funding was recommended. He also asked that staff identify which facilities would be eliminated so he would be aware of the areas that would be affected through the elimination of funding for programs.

Chair Mastroluca noted that the agency had not approached other welfare agencies such as the Clark County Department of Social Services and the Division of Child and Family Services, Rural Child Welfare, to provide fiscal support for the Differential Response (DR) program, and she asked whether that was correct. Ms. Davis said that was correct. Ms. Davis indicated that Washoe County had provided some direct funding support for the DR program through the Children's Cabinet, but all three entities provided considerable support through staff time for program and policy development, the staffing of cases, and training.

Chair Mastroluca stated that the Subcommittee would like additional information from Clark County and the Division of Child and Family Services about possible support for the DR program. She realized that it was a relatively new program, but it had enjoyed some level of success. The question was whether funding should be eliminated from programs that provided services to help families deal with issues before children had to be removed from their homes.

Chair Mastroluca asked whether there were further questions or comments from the Subcommittee regarding the Family to Family and Differential Response programs, and there being none, the Chair asked Ms. Davis to continue her presentation.

HUMAN SERVICES
HEALTH AND HUMAN SERVICES – DIRECTOR'S OFFICE
HHS-DO-INDIGENT SUPPLEMENTAL ACCOUNT (628-3244)
BUDGET PAGE DHHS DIRECTOR-39

Joi Davis, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that The Executive Budget recommended that the property tax proceeds in the Indigent Supplemental Account (ISA), budgeted at approximately $19.6 million in fiscal year (FY) 2012 and approximately $19.8 million in FY 2013, be redirected to the State General Fund to offset revenue shortfalls, rather than used to reimburse Nevada counties for indigent hospital care.

Ms. Davis said the Subcommittee had requested claim information from the Department of Health and Human Services (DHHS), and in response to that request, the following summary of claims billed and paid was provided:

- Total billed in FY 2008 - $96,569,621
- Total paid in FY 2008 - $25,136,196
- Total billed in FY 2009 - $6,141,383
- Total paid in FY 2009 - $3,651,050
- Total billed in FY 2010 - $7,952,079
- Total paid in FY 2010 - $1,387,431

Ms. Davis explained that funds totaling $112.6 million had been swept from BA 3244 since December 2008 to meet General Fund shortfalls.

According to Ms. Davis, the Subcommittee had heard testimony from representatives of the University Medical Center in Las Vegas and the Nevada Hospital Association that indicated the recommendation to redirect revenues from BA 3244 would continue to severely affect the quality and quantity of the services provided and the programs offered at hospitals throughout the state.

Ms. Davis pointed out that The Executive Budget had inadvertently excluded a $96,246 transfer from BA 3244 to the Health Insurance Flexibility and Accountability (HIFA) holding account for fiscal year (FY) 2012 for continued support of that program through November 30, 2011. Fiscal Analysis Division staff had received a budget amendment from the Budget Division to include that transfer funding, and that amendment would be included when the budget was closed.

Ms. Davis stated that the Budget Division and the Fiscal Analysis Division would come to an agreement in early April 2011 regarding property tax projections, which could change the figures in BA 3244.

The decision to be made by the Subcommittee, said Ms. Davis, was whether to approve the Governor's recommendation to redirect property tax proceeds of approximately $19.5 million in FY 2012 and approximately $19.8 million in FY 2013 to offset General Fund revenue shortfalls, rather than reimburse counties for indigent hospital care costs.

Assemblyman Goicoechea commented that the counties clearly did not like the idea of the state sweeping the revenue from the ISA, but without those funds there would be a $40 million "hole" in the state's budget for the upcoming biennium.

Chair Mastroluca advised Fiscal Analysis Division staff that Senator Horsford would like to receive information from each hospital about the effect of sweeping the funding from the ISA, including the balance owed and future losses.

Senator Leslie believed that the Subcommittee should look at claims for FY 2010, which she opined would be helpful. Chair Mastroluca agreed, and because the total amount paid was not equal to the total amount billed, it appeared that each hospital would carry over the unpaid amount, and she requested that information.

Chair Mastroluca asked whether there were further comments or questions from the Subcommittee regarding the Indigent Supplemental Account, and there being none, the Chair asked Ms. Davis to continue her presentation.

HUMAN SERVICES
HEALTH AND HUMAN SERVICES – DIRECTOR'S OFFICE
HS-DO-HEALTHY NEVADA FUND (262-3261)
BUDGET PAGE DHHS DIRECTOR-41

Joi Davis, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that The Executive Budget recommended using $6.4 million in tobacco settlement funds designated for tobacco-cessation grants and the Trust Fund for Public Health, to offset the General Fund need for other Department of Health and Human Services (DHHS) programs in fiscal year (FY) 2013.

Ms. Davis explained that tobacco settlement funds received in April 2012 would yield approximately $2.6 million for tobacco-cessation grants to be awarded by the Grants Management Advisory Committee in FY 2013. However, because of budget reduction measures put into place over the current biennium, funding for tobacco-cessation grants had been eliminated in FY 2012. Ms. Davis said the Governor recommended using the $2.6 million to offset the General Fund need for the Grants Management Unit's Differential Response (DR) program and for Family Resource Centers (FRCs) in FY 2013.

According to Ms. Davis, the Subcommittee had expressed concern regarding the elimination of tobacco-cessation grants, considering the source of tobacco settlement funds. Ms. Davis stated that in response DHHS testified and provided follow-up information that indicated it had been successful in obtaining federal grants from the Centers for Disease Control and Prevention (CDC) to continue its tobacco-cessation efforts. Ms. Davis said DHHS reported that approximately $1.3 million in CDC grants had been awarded over the past three fiscal years, and those funds had typically been subgranted to maintain the Nevada Tobacco Users' Helpline. Although CDC funding was not certain, DHHS anticipated that CDC grants would continue.

Ms. Davis indicated that the funding allocated to the Trust Fund for Public Health was $3.8 million in FY 2013. The Executive Budget recommended using that funding to offset General Funds in the Autism and Traumatic Brain Injury programs that were currently administered by the Department's Aging and Disability Services Division and to offset funding for the Family Preservation Program administered by the Department's Division of Mental Health and Developmental Services in FY 2013.

Ms. Davis said the funding for the Trust Fund for Public Health had been swept over three fiscal years, and that funding had been used to conduct studies on health-related topics, expand outreach for children with special healthcare needs, provide testing and treatment, and provide oral healthcare services to uninsured, low-income children and seniors.

According to Ms. Davis, the Department of Administration had submitted bill draft request (BDR) 1170 (later introduced as Senate Bill 421), which would eliminate the Trust Fund for Public Health. The redirection of tobacco settlement funds was recommended by the Governor to free up General Funds for a portion of the costs of the proposed Silver State Works (SSW) program for the Division of Welfare and Supportive Services.

Ms. Davis stated that the options for consideration by the Subcommittee were:

1. Approve the Governor's recommendation to use $6.4 million in tobacco settlement funds designated for tobacco-cessation grants and the Trust Fund for Public Health to offset General Fund need for other DHHS programs in FY 2013.
2. Not approve the Governor's recommendation, which would require an additional $6.4 million in General Funds for those identified DHHS programs, or a reduction in funding of $6.4 million for those programs.

Senator Leslie said there were so many budget needs that the Subcommittee might be forced to use tobacco settlement funds to address those needs. However, Senator Leslie found it problematic that the Governor had determined which programs should receive the tobacco settlement funding, such as the SSW program. That was not how the budget process worked, said Senator Leslie, and if there were savings within budget accounts it was up to the Legislature to determine where and how those savings should be expended. Senator Leslie said she would consider diversion of tobacco settlement funds to address needs as prioritized by the Subcommittee, but she would not consider elimination of the Trust Fund for Public Health to use that funding for the SSW program.

Chair Mastroluca agreed with Senator Leslie. She also had concerns about diverting the funding for the Trust Fund for Public Health to the SSW program. The Subcommittee would consider some additional very serious budget cuts in its work session today where Chair Mastroluca believed the funding could be better used.

Chair Mastroluca asked whether there were other comments or questions from the Subcommittee regarding the Healthy Nevada Fund, and there being none, the Chair asked Ms. Davis to continue her presentation.

HUMAN SERVICES
HEALTH AND HUMAN SERVICES – DIRECTOR'S OFFICE
HS-DO-PUBLIC DEFENDER (101-1499)
BUDGET PAGE DHHS DIRECTOR-43

Joi Davis, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that the Office of the State Public Defender currently provided services to five counties: Carson City, Eureka, Lincoln, Storey, and White Pine. Pursuant to statute, those counties were required to notify the Public Defender by March 1 of each odd-numbered year whether or not they would retain the services of the Public Defender's Office. According to Ms. Davis, the agency had been notified that Lincoln County would opt out of the services of the Public Defender's Office for the 2011-2013 biennium.

Ms. Davis indicated that the issue was included for the Subcommittee's information and no action was required at the present time. The agency proposed the elimination of a vacant attorney position within the Ely office to adjust for Lincoln County opting out. That position became vacant on February 5, 2011, and the position costs would be $113,593 in fiscal year (FY) 2012 and $115,135 in FY 2013. The agency had provided a proposed revised budget that would readjust the county fees paid by the remaining four counties, which would result in a reduction of General Funds of approximately $2,000 in each year of the upcoming biennium and a reduction in county fees of $111,490 in FY 2012 and $113,125 in FY 2013.

With no further questions or testimony forthcoming regarding the Public Defender budget, Chair Mastroluca indicated that concluded the review of the budget accounts within the Director's Office of the Department of Health and Human Services (DHHS). Chair Mastroluca thanked Ms. Davis for her presentation.

Chair Mastroluca stated that the next budget accounts for review by the Subcommittee were those within the Division of Mental Health and Developmental Services, DHHS.

Mike Chapman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, advised the Subcommittee that The Executive Budget recommended an overall funding reduction for the 2011-2013 biennium of 12.5 percent for the Division of Mental Health and Developmental Services (MHDS), with a General Fund reduction of 13.9 percent. Mr. Chapman stated that he would commence with discussion of the decision units that required additional review by the Subcommittee in budget account (BA) 3161, BA 3162, and BA 3648.

HUMAN SERVICES
MENTAL HEALTH AND DEVELOPMENTAL SERVICES
HHS-MHDS-SOUTHERN NEVADA ADULT MENTAL HEALTH SERVICES (101-3161)
HHS-MHDS-NORTHERN NEVADA ADULT MENTAL HEALTH SERVICES (101-3162)
HHS-MHDS-RURAL CLINICS (101-3648)

Decision Unit Enhancement (E) 600—Eliminate the State's One-Third Funding Support for Community Triage Centers—Budget Pages DHHS MHDS-73, 88):

Mike Chapman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, said the first issue for consideration by the Subcommittee was the recommended elimination of the state's one-third General Fund support for community triage centers (CTCs). The Executive Budget recommended the elimination of $1.25 million each year of the 2011-2013 biennium for CTCs, which represented the state's one-third share of support for Clark County at $750,000 per year and for Washoe County at $500,000 per year. Mr. Chapman said local governments and hospitals combined to make up the remaining two-thirds funding support for WestCare Nevada to operate CTCs in the two urban areas of the state.

Mr. Chapman stated that during the budget hearing on February 17, 2011, the Division of Mental Health and Developmental Services (MHDS) noted that only a small portion of the individuals seen at CTCs were referred to the Division's mental health services. The Division reported that approximately 200, or 4.7 percent, of the 4,245 individuals seen at the CTC in Clark County had been referred to or were already clients of Southern Nevada Adult Mental Health Services (SNAMHS). Only 14 of the 703 individuals seen at the CTC in Washoe County during the first seven months of fiscal year (FY) 2011 were referred to or were already clients of Northern Nevada Adult Mental Health Services (NNAMHS).

Mr. Chapman stated that after the February 17, 2011, budget hearing Fiscal Analysis Division staff learned of a recent meeting between CTC stakeholders and MHDS staff to discuss the closure of CTCs, as well as the Governor's recommendation to fund contract nonmedical transportation services for clients from local hospital emergency rooms in Clark County to SNAMHS inpatient facilities.

As the Subcommittee might recall, said Mr. Chapman, The Executive Budget recommended approximately $1.27 million in fiscal year (FY) 2012 and $1.75 million in FY 2013 to fund the contract transportation service. The information available to Fiscal Analysis Division staff regarding the meeting indicated that the stakeholders had developed systems to move individuals from hospital emergency rooms to SNAMHS inpatient facilities. Mr. Chapman stated that it appeared there was a preference by stakeholders to redirect the funding recommended in The Executive Budget for the contract transportation service to restore the state's one-third funding for community triage centers (CTCs).

According to Mr. Chapman, the options for consideration by the Subcommittee were:

1. Approve the Governor's recommendation to eliminate the General Fund support of $1.25 million each year for CTCs in Clark and Washoe Counties and increase the General Fund support by $1.27 million in FY 2012 and $1.75 million in FY 2013 for contract transportation of individuals from local emergency rooms to SNAMHS inpatient facilities.
2. Redirect the General Funds recommended for contract transportation services to instead restore the state's one-third support for CTCs in Clark and Washoe Counties. If that option was considered at budget closing, there would be net reductions in General Fund expenditures of $22,000 in FY 2012 and $502,000 in FY 2013.
3. Approve the Governor's recommendation to eliminate General Funds of $1.25 million each year supporting CTCs and not approve the Governor's recommendation for increased General Funds of $1.27 million in FY 2012 and $1.75 million in FY 2013 to support contract transportation of individuals from local emergency rooms to SNAMHS inpatient facilities. If that option was chosen, net reductions in General Fund expenditures of $3.02 million would occur over the 2011-2013 biennium.

Senator Leslie indicated that option number 2 would be her choice. She stated that she had spoken to some CTC stakeholders about the aforementioned meeting that was held in Clark County, and she believed that it made sense to eliminate the funding for the proposed contract transportation service and restore the state's one-third support to CTCs. Senator Leslie opined that if the state failed to provide its portion of the funding, other stakeholders would drop out and there would be no CTCs, which meant that even more individuals would end up in hospital emergency rooms, jails, and prisons. Senator Leslie believed that CTCs were a good investment, and the Subcommittee should do everything possible to maintain the funding for CTCs.

Chair Mastroluca asked Mr. Musgrove to come forward and provide additional information to the Subcommittee regarding the aforementioned stakeholders meeting that took place in Clark County regarding CTCs.

Dan Musgrove, representing The Valley Health System and the City of North Las Vegas, indicated that he also had permission from lobbyist Bill Welch to speak on behalf of the Nevada Hospital Association, as well as permission to speak for local governmental entities regarding community triage centers (CTCs). He explained that additional meetings had taken place in southern Nevada and the consensus was that all entities would endorse option number 2, which would continue the state's one-third funding support for CTCs.

Mr. Musgrove said the stakeholder's concern had always been that if the state began removing bits and pieces of the program, the effect would be much greater than imagined. Eliminating the state's portion of funding would eliminate beds at CTCs, along with 22 beds at the Rawson-Neal Psychiatric Hospital and the outpatient staff. The various entities in southern Nevada believed that the effect of that action on the area's hospitals and jails would be extremely severe. Mr. Musgrove stated that the action would also affect the first responders who worked in the community and attempted to locate appropriate placement for individuals.

Mr. Musgrove indicated that the stakeholders hoped that CTCs would remain open and felt that the funding for the proposed transportation service should instead be used to maintain the operation of CTCs. Funding CTCs would cost less than funding the transportation service, which would result in a savings to the State General Fund.

Mr. Musgrove reiterated that stakeholders would support option number 2, and he voiced appreciation for the work of Fiscal Analysis Division staff in meeting with stakeholders and discussing the options that stakeholders believed would be in the best interest of the communities in northern and southern Nevada.

Senator Leslie asked how the transportation issue could be addressed; she noted that WestCare had vehicles that were used for transporting clients. Mr. Musgrove stated that WestCare would provide transportation for clients, and the hospitals were somewhat willing to fund other means of transportation to entities such as the inpatient facility at SNAMHS. Mr. Musgrove said the concept of a contract transportation service was a good idea, but the stakeholders would rather have the issue of transportation addressed when economic times were better, and there was sufficient funding for all programs.

Senator Leslie agreed and thanked Mr. Musgrove and the stakeholders for their work on the issue of funding CTCs.

Chair Mastroluca asked whether there were further comments or questions regarding CTCs, and there being none, the Chair asked Mr. Chapman to continue his presentation.

Decision Unit Enhancement (E) 660—Eliminate Psychosocial Rehabilitation Services—Budget Pages DHHS MHDS-61, 74, 91:

Mike Chapman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that The Executive Budget recommended discontinuing psychosocial rehabilitation services (PSR). That would impact approximately 300 individuals in Clark County through Southern Nevada Adult Mental Health Services (SNAMHS), 90 individuals in Washoe County through Northern Nevada Adult Mental Health Services (NNAMHS), and 35 individuals in rural Nevada through Rural Clinics. Elimination of PSR would reduce General Funds by $808,450 in fiscal year (FY) 2012 and $820,951 in FY 2013. Mr. Chapman said the recommendation would also eliminate 12.5 full-time equivalent (FTE) positions, composed primarily of counselor positions.

Mr. Chapman said PSR assisted individuals recovering from mental illness in improving their abilities to perform daily living and social activities, as well as improving employment-related skills through education and training. In response to questions after the February 17, 2011, budget hearing the Division of Mental Health and Developmental Services noted that clients would be assisted in accessing similar services offered by the Bureau of Vocational Rehabilitation (BVR) of the Department of Employment, Training and Rehabilitation (DETR).

The decision for the Subcommittee was whether to approve the Governor's recommendation to eliminate the funding for PSR to achieve General Fund savings. Mr. Chapman said if the Governor's recommendation was not approved, General Funds totaling $808,450 in FY 2012 and $820,951 in FY 2013 would need to be added to the three regional mental health accounts.

Senator Leslie asked whether the canteen at NNAMHS was included in the budget account for the Division. Mr. Chapman believed the canteen was included in the Division's budget account. Senator Leslie wondered whether Dr. Cook could provide additional information. Senator Leslie said she was struggling with the recommendation to eliminate funding for PSR even though BVR offered several programs for the mentally ill. Senator Leslie pointed out that the canteen provided a place for individuals recovering from mental illness to gather during the day.

Harold Cook, Ph.D., Administrator, Division of Mental Health and Developmental Services (MHDS), explained that the canteen was included in the budget for MHDS. The Division proposed to close the canteen, which was housed within the Drop-in Center. He noted that the Drop-in Center was not part of the closure and would remain open, but the canteen, which was a work-development site on the NNAMHS campus, would close. Dr. Cook explained that the canteen at SNAMHS had only remained open for approximately one year after the Rawson-Neal Psychiatric Hospital had opened and was no longer functional.

Senator Leslie asked Dr. Cook to provide the Subcommittee with the specific amount of money needed to fund the work-development positions within the canteen at NNAMHS. Senator Leslie noted that the Drop-in Center would remain open, and she asked what budget account supported the Center.

Dr. Cook replied that the Drop-in Center was part of the Division's Consumer Assistance Program. Senator Leslie thanked Dr. Cook and informed Mr. Chapman that she would like additional information regarding the canteen at NNAMHS. She believed that the canteen was very valuable and provided a place for individuals to gather and also provided work-development opportunities.

Chair Mastroluca asked about the percentage of cuts to MHDS budgets versus other Department of Health and Human Services (DHHS) budget accounts; it appeared that MHDS was funded 100 percent through the General Fund. She asked Mr. Chapman to provide the percentage of budget cuts within MHDS as compared to other budget cuts within DHHS.

Chair Mastroluca asked whether there were further comments or questions about the recommendation to discontinue psychosocial rehabilitation services, and there being none, the Chair asked Mr. Chapman to continue his presentation.

Decision Unit Enhancement (E) 661—Reduce Outpatient Counseling Services Budget Pages DHHS MHDS-61, 75, 92:

Mike Chapman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that The Executive Budget recommended a reduction in outpatient counseling services for approximately 1,461 persons statewide, including 875 persons in Clark County at Southern Nevada Adult Mental Health Services (SNAMHS), 456 persons in Washoe County at Northern Nevada Adult Mental Health Services (NNAMHS), and 130 persons in rural Nevada through Rural Clinics. Mr. Chapman further explained that there were approximately 19 Rural Clinics throughout the 15 rural counties and a portion of Clark County.

Mr. Chapman noted that at the February 17, 2011, budget hearing, Dr. Cook had testified that fewer individual outpatient counseling sessions would be offered because of the recommended budget reduction, but there would be a corresponding increase in group counseling services. The Subcommittee requested information verifying the Division of Mental Health and Developmental Services' (MHDS's) statement that group therapy treatments were a preferred, evidence-based method for outpatient services.

Mr. Chapman stated that in response, the Division noted that the preferred intervention for the persistent severely mentally ill, beyond medication management, were forms of psychosocial education, direct assistance involving access to housing, public assistance, and vocational readiness training. The Division also noted that focused psychosocial education groups helped clients deal with topics such as thinking errors, emotional regulation, symptom management, socialization issues, medication management, and employment and had been shown to achieve positive outcomes over relatively short periods of time.

Mr. Chapman stated that the Subcommittee also requested information about how group therapy would be a successful form of treatment for individuals who could not cope well in groups and for those who displayed aggressive tendencies toward others. In its response to Fiscal Analysis Division staff, the Division noted that group facilitators screened and worked with prospective clients to prepare individuals prior to attending their first group counseling meeting. The Division also noted that disruptive clients would be asked to leave the group and might be allowed to rejoin or they might be placed in a different group.

Mr. Chapman indicated that the decision for the Subcommittee was whether to approve the Governor's recommendation to reduce outpatient counseling services to achieve a General Fund savings. If the Governor's recommendation was not approved, General Funds totaling $957,551 in fiscal year (FY) 2012 and $959,898 in FY 2013 would need to be added to the three regional mental health accounts.

Senator Leslie believed the Subcommittee should explore the "middle ground" that would perhaps mitigate the recommendation to reduce funding for individual outpatient counseling services. The Division had done a very good job in recent years by initiating evidence-based group counseling, but Senator Leslie believed that some clients could not function well in a group setting. There had to be some type of safety net for those individuals whose behavior was so disruptive they were asked to leave group counseling. Senator Leslie said that happened quite often and was not a rare occurrence, and it was hoped those individuals would eventually find a group that could provide the needed services.

Senator Leslie pointed out that psychosocial education, one of the Division's preferred interventions, was being considered for elimination. She opined that eliminating all services for the severely mentally ill would impede their ability to become functional members of society. Senator Leslie asked that the Division work with Fiscal Analysis Division staff to develop options for consideration by the Subcommittee prior to closing the MHDS budgets. She hoped some funding could be restored for individual outpatient counseling. Senator Leslie asked for more details and stated she was not comfortable with the recommendation to reduce funding for outpatient counseling.

Assemblywoman Carlton agreed with the statements made by Senator Leslie. She stated that funding front-end services for the mentally ill would ultimately save money in the long run, because those individuals would not become involved in the criminal justice system and/or require admittance to psychiatric hospitals. Assemblywoman Carlton opined that there were many things that could go wrong that would affect individual families when there was a lack of available programming. She would support Senator Leslie's idea of identifying the "middle ground," and perhaps continuing the funding for some individual outpatient counseling.

Assemblywoman Carlton also believed that some persons required individual counseling to become successful. It was important to provide programming for the severely mentally ill before they became involved in the criminal justice system.

Chair Mastroluca echoed Senator Leslie's and Assemblywoman Carlton's comments. The outpatient counseling service was provided for persistent severely mentally ill clients who needed more than a "one-time" fix and required more in-depth programs. Chair Mastroluca also believed that funding front-end services would ultimately save the state money.

Chair Mastroluca asked whether there were further comments or questions regarding the recommendation to reduce outpatient counseling services, and there being none, the Chair asked Mr. Chapman to continue his presentation.

Decision Unit Enhancement (E) 668—Reduce Supported Living Arrangements Budget Pages DHHS MHDS-63, 76, 94:

Mike Chapman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that The Executive Budget recommended a reduction in supported living arrangements (SLAs) equivalent to 272 placements statewide: 201 at Southern Nevada Adult Mental Health Services (SNAMHS), 35 at Northern Nevada Adult Mental Health Services (NNAMHS), and the entire 36 placements currently authorized for Rural Clinics. The recommendation would reduce General Funds by $3.6 million in fiscal year (FY) 2012 and $3.5 million in FY 2013.

Mr. Chapman stated that during the February 17, 2011, budget hearing the Subcommittee requested information regarding the policies and guidelines the Division had in place to ensure that funding for SLAs was used efficiently. In response, the Division noted that policy guidelines provided each eligible person with reasonable expenditures for housing, utilities, and food, which were taken into consideration along with the individual's income availability and the level of need for assistance.

Mr. Chapman said the Division further noted that its policy mandated an application for assistance through the U.S. Department of Housing and Urban Development (HUD), low-income energy assistance, equal-pay plans for utilities, food stamps, and other available community resources. The Division policy also required that each SLA was developed with a service coordinator, that each was reviewed quarterly and adjusted as necessary, that the client was contacted at least once per month, and that provider contracts were audited to ensure billed services had been provided and not duplicated.

Mr. Chapman stated that the recommendation in The Executive Budget represented an average General Fund cost of $13,800 annually for each SLA at SNAMHS, $13,248 annually at NNAMHS, and $8,676 annually at Rural Clinics.

The decision before the Subcommittee, said Mr. Chapman, was whether to approve the Governor's recommendation to reduce supported living arrangement services to achieve General Fund savings. If the Governor's recommendation was not approved, General Funds totaling $3.6 million in FY 2012 and $3.5 million in FY 2013 would need to be added to the three regional mental health accounts.

Senator Horsford asked for a breakdown by county for Rural Clinics to determine the effect of eliminating SLAs on specific locations.

Chair Mastroluca requested information about the total number of persons accessing SLAs statewide and whether there was a current waiting list. She also asked how the reductions would be made and what criteria would be used by the Division to prioritize clients.

Mr. Chapman said there were approximately 1,300 SLA placements currently funded in the base budget for the Division of Mental Health and Developmental Services (MHDS), and he would provide a regional breakdown. The elimination of 272 placements would result in approximately 1,000 SLA placements available statewide. Mr. Chapman said he could not recall whether waitlists existed for the SLA program.

Chair Mastroluca asked Mr. Chapman to provide that information to the Subcommittee. She also requested information about the criteria used to prioritize clients and whether that criteria would change because of the reduction in placements. She wondered whether the criteria would be more need-based or simply be the next client on the list.

Assemblywoman Carlton also wondered about the criteria used to prioritize clients and whether the criteria would be based on region or on need, no matter where the client resided. It appeared that 70 percent of the clients resided in southern Nevada, and Assemblywoman Carlton asked how the criteria would be applied.

Mr. Chapman said when slots had been added to the SLA program in the past, the Division would develop caseload projections that addressed the need in each region. For example, SNAMHS would run a caseload projection and develop the request for a certain number of placements in southern Nevada, and similarly the same analysis would be conducted by NNAMHS and Rural Clinics. Mr. Chapman was not aware of the criteria that would be used to eliminate the 272 placements statewide, but he would research the issue and provide that information to the Subcommittee.

Senator Leslie opined that it would be foolish to cut SLA placements because it would cost more money when clients had to be hospitalized or were placed in jails and prisons. Senator Leslie said it was her recollection that there was not a waiting list for SLA placements because when the housing was full, persons simply moved on to other programs. There were many persons who met the criteria for housing, and it was simply a matter of determining whether the next client on the list still remained in the community. Senator Leslie said she would have a very difficult time cutting the number of SLA placements because of the tremendous effect that action would have on the entire mental health system.

Assemblyman Goicoechea asked why there was a $5,000 difference in the cost of SLA placements in urban and rural areas of the state. Mr. Chapman explained that housing costs in urban areas was significantly higher and persons often required more extensive services. The SLA placements in rural areas were based on assistance with utilities and rent.

Chair Mastroluca asked whether there were further comments or questions regarding the recommendation to reduce supported living arrangements, and there being none, the Chair asked Mr. Chapman to continue his presentation.

Decision Unit Enhancement (E) 666—Assess Counties for Mental Health Court Budget Pages DHHS MHDS-63, 75, 94:

Mike Chapman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that The Executive Budget recommended a reduction in General Fund of $3 million in each year of the biennium with corresponding increases in reimbursements from counties for the cost of providing Mental Health Court services. That recommendation would shift

$1.68 million to Clark County, $1.2 million to Washoe County, and approximately $113,000 to Carson City for reimbursement.

Mr. Chapman explained that Mental Health Court provided counseling, administrative staffing, supportive living arrangements for the clients who participated in the program, as well as medication support.

In response to questions from the Subcommittee, Mr. Chapman stated that Mental Health Courts in Clark and Washoe Counties had provided statistical information regarding the number of participants and associated recidivism rates. Clark County reported that a total of 97 individuals were currently participating in Mental Health Court and the overall cost of $1.68 million would equate to $47 per day per active client. Mr. Chapman stated that the cost to Washoe County would be slightly less at approximately $40 per day per client for the 83 participants in that county's Mental Health Court.

Mr. Chapman said one issue that had not been fully explored during the previous budget hearing, and would require additional follow-up, was the Division's plan to assess or bill the counties for Mental Health Court services. He stated he would work with the Division to devise a billing plan and report back to the Subcommittee when the budget was closed.

Mr. Chapman stated that the decision to be made by the Subcommittee was whether to approve the Governor's recommendation to assess the respective counties for Mental Health Court services to achieve General Fund savings. If the Governor's recommendation was not approved, General Funds totaling $3 million each year would need to be added to the three regional mental health accounts.

Senator Leslie disclosed that she was employed by the specialty court system, but her salary was paid by Washoe County rather than the state.

Senator Leslie remarked that the state was constitutionally mandated to provide services for the mentally ill. The Subcommittee heard previous testimony from Washoe County Senior District Court Judge Peter I. Breen and Clark County District Court Judge Jackie Glass that those counties would more than likely suspend the activities of Mental Health Court because of budget constraints. Senator Leslie pointed out that 100 percent of the persons who participated in Mental Health Court in Clark County, Washoe County, and Carson City also categorically qualified for state mental health services.

Senator Leslie said if Mental Health Courts were eliminated, 100 percent of those individuals would still require treatment through the MHDS budget, which the Governor recommended cutting by 12 percent. The state would not gain financially by assessing the counties for Mental Health Court costs if that program was eliminated. Senator Leslie said it did not make sense to her to expect the counties to assume financial responsibility for Mental Health Court.

Chair Mastroluca commented that at a cost of $40 to $47 per day per person, she was unaware of other services that would keep clients who participated in Mental Health Court out of jail, out of higher levels of care, or out of more expensive care.

Chair Mastroluca asked Judge Glass to come forward and address the Subcommittee.

The Honorable Jackie Glass, District Judge, Eighth Judicial District Court, thanked Chair Mastroluca for allowing her to address the issue of Mental Health Court. Judge Glass agreed with statements made earlier today. From her earlier conservation with Clark County, Judge Glass stated that if the state ceased to provide funding for Mental Health Court, there would no longer be a program in Clark County effective July 1, 2011. Judge Glass stated that services would end at that time for the approximately 100 clients involved in the program, and those clients would then be involved in the regular court system, and would continue to need assistance with day-to-day living.

Judge Glass opined that Mental Health Court cost the state less up front as opposed to paying more in the long run. One thing that was very important to remember in the decision to fund Mental Health Courts, other than it being the right decision to make to stop the revolving door for individuals in the criminal justice system, was the public safety aspect of the program. Judge Glass explained that when persons were involved in Mental Health Court and taking their medications, receiving treatment, and were being supervised at the level required by the program, they would no longer be stealing cars, breaking into homes, forging checks, and hurting family members or others in the community.

Judge Glass said it was very important from a financial standpoint of being more cost-effective now and from a public safety aspect, that these programs continue to be funded by the state.

Senator Leslie stated that Judge Glass would like the Subcommittee to view a brief film clip from the security camera in her courtroom in the Eighth Judicial District Court, which depicted an incident involving a Mental Health Court participant. The film clip would be illustrative and help the Subcommittee understand what the judges faced in their courtrooms. Senator Leslie said individuals such as the person depicted in the film clip would eventually be released back to the community, and without proper supervision, a place to live, or access to treatment, those persons would again act out in the community and again be arrested. Senator Leslie opined that it was truly a revolving door, as pointed out by Judge Glass. She believed that the effectiveness of Mental Health Court saved the state a great deal of money.

Judge Glass stated that the film clip had been shown on the Internet over the past week and depicted the hearing for a woman who was on the court's competency calendar who had not gone to see the second of two physicians as instructed by Judge Glass. The woman had been instructed by Judge Glass that if she failed to see the second doctor, she would be remanded to custody.

When the woman appeared in Judge Glass' courtroom, she had not seen the doctor, but had gone to the doctor's office and created a disturbance. When the woman was advised that she would be remanded to custody, Judge Glass said she became very agitated and wrapped her legs around the neck of the court's marshal; it took three of the court's marshals to restrain the woman in Judge Glass' courtroom. The film clip clearly showed that the woman suffered from serious mental illness and was in need of treatment. The film clip was also very illustrative of what could happen when mentally ill persons were not treated in the community.

Judge Glass played the film clip for the Subcommittee's review. She stated she had received calls from persons around the country because the clip had played on the Internet. Judge Glass said the woman's behavior continued to be disruptive as she was removed from the courtroom. The incident in Judge Glass' courtroom was a prime example of the type of clients the courts dealt with on a regular basis, particularly when mentally ill persons went untreated.

Judge Glass thanked the Subcommittee for allowing her to play the film clip today. Chair Mastroluca stated that the clip had given the Subcommittee some insight into what occurred in Mental Health Court.

Senator Leslie thanked Judge Glass and voiced appreciation for the hard work of the judges in dealing with mentally ill persons and ensuring that they received the necessary treatment. Senator Leslie said the mentally ill needed help and did not purposefully act out.

Chair Mastroluca asked Mr. Ortiz to come forward and advise the Subcommittee about whether Clark County had made a decision regarding the funding for Mental Health Court.

Alex Ortiz, representing Clark County, stated that the County had not yet made a decision about the funding for its Mental Health Court because it was also contemplating budget cuts. He pointed out that the county was considering the imposition of 2 percent salary and benefit cuts, and as the Legislature progressed and the county absorbed the effect of state budget cuts, such as sweeping county funds, Clark County would also have to consider additional budget cuts.

Chair Mastroluca noted that Ms. Gianoli was now present and could advise the Subcommittee about whether Washoe County could continue funding for its Mental Health Court.

Lisa Gianoli, representing Washoe County, said the county was underway in its budget preparation, and if all issues were approved as recommended in The Executive Budget, Washoe County was facing an approximate $25 million shortfall in each year of the biennium. Ms. Gianoli indicated that Washoe County had instructed its departments to cut budgets by 25 percent to accommodate that shortfall. Ms. Gianoli reiterated that a final decision had not been made regarding funding for Mental Health Court, but the reality was that Washoe County might not have the funds to continue that program.

Chair Mastroluca asked whether there were additional questions or comments from the Subcommittee regarding assessing counties for reimbursement for Mental Health Court, and there being none, the Chair asked Mr. Chapman to continue his presentation.

Decision Unit Enhancement (E) 662—Reduce the PACT program (One Team) Budget Page DHHS MHDS-92

Mike Chapman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated The Executive Budget recommended the elimination of one of the two Program for Assertive Community Treatment

(PACT) teams at Southern Nevada Adult Mental Health Services (SNAMHS), along with 8.51 full-time equivalent (FTE) positions.

Mr. Chapman advised that PACT teams served the severely mentally ill population. The elimination of one team would affect 75 persons with a repetitive history of using hospital services or experiencing repeated law enforcement contact, and who generally required a higher level of service coordination to ensure programs were followed and medications were used properly.

According to Mr. Chapman, during the February 17, 2011, budget hearing the Division noted that program participants would continue to be served in medication clinics, because there was no reduction in funding for medications. The Division also indicated that persons would also be referred to the Bureau of Vocational Rehabilitation (BVR) within the Department of Employment, Training and Rehabilitation for employment and job training opportunities.

The decision for the Subcommittee, said Mr. Chapman, was whether to approve the Governor's recommendation to eliminate one PACT team at SNAMHS to achieve General Fund savings. If the Governor's recommendation was not approved, General Funds of $483,862 in fiscal year (FY) 2012 and $487,853 in FY 2013 would need to be added to the SNAMHS account.

Chair Mastroluca said it was her understanding that the model used for the PACT team was very basic, and she wondered whether there was some way that the Subcommittee could salvage the PACT team placing fewer persons on the teams. The PACT teams interacted with as many as 75 individuals on a daily basis, and without PACT teams, the county's first responders would be required to address that gap in service. Chair Mastroluca recognized that it was not an exceptionally large amount of money, but every dollar counted within the budget accounts for the Division of Mental Health and Developmental Services (MHDS).

Chair Mastroluca asked Mr. Chapman to work with MHDS to ascertain whether there was another PACT team model that would reduce the expenses by eliminating some positions.

Assemblyman Goicoechea asked how many persons were included on a PACT team. Chair Mastroluca said it appeared there were 8.5 persons on each team.

Mr. Chapman said it was his understanding that the PACT teams operated on a 24-hour basis. The teams were developed with a more intense staffing ratio of counselors and psychologists because the clients served by the teams often required around-the-clock supervision. Mr. Chapman said when the PACT teams were developed, they were designed to assist up to 75 individuals and the staffing ratio was based on 24/7 monitoring of the activities of those persons. Mr. Chapman believed that PACT team positions had been cut in the past, and one team had been eliminated by the 2009 Legislature. Mr. Chapman stated he would work with the Division to determine whether there were alternatives to eliminating one PACT team.

Assemblywoman Carlton commented that there had been previous discussion about the ability to hire persons at the level required by the PACT teams, such as licensed psychologists and senior psychiatrists. Assemblywoman Carlton opined that it would be unwise to cut those filled positions because replacing those individuals would be very difficult.

Chair Mastroluca asked whether there were further comments or questions regarding the elimination of the PACT team, and there being none, the Chair asked Mr. Chapman to continue his presentation regarding the budget for Southern Nevada Adult Mental Health Services (SNAMHS).

Mr. Chapman indicated that The Executive Budget also recommended eliminating two filled senior physician positions and three senior psychiatrist positions, two of which were filled and one of which was vacant. That action would generate a General Fund savings of approximately $1 million in each year of the biennium. Mr. Chapman stated that the Governor also recommended using $800,000 of that savings each year to outsource or contract internal medicine services to maintain medical services at the inpatient facilities at SNAMHS. Mr. Chapman explained the outsourced or contract positions would be medical doctors rather than psychiatrists.

According to Mr. Chapman, the Governor’s recommendation would establish a new expenditure category entitled “General Medicine Services” to separately track those expenditures. In response to inquiries by Fiscal Analysis Division staff, the Division indicated that using contract physicians would provide flexible physician services at all hours of the day or night, and on weekends and holidays for admissions, treatment, and release of patients under the care of SNAMHS. Mr. Chapman said the Division also had issues regarding recruitment and retention of medical doctors.

Mr. Chapman stated that during the March 10, 2011, budget hearing the Subcommittee asked the Division how it arrived at the figure of $800,000 per year for funding internal medicine services. The Division's response was that the funding would support one medical/medicine physician at a cost of approximately $175,000 annually, four advanced-practice nurses and/or physician assistants at a cost of approximately $100,000 annually, with the remaining funding used to cover overhead costs such as malpractice insurance of $150,000 and management fees and profit to the vendor of approximately $75,000 each year.

Mr. Chapman stated that after the March 10, 2011, budget hearing, Fiscal Analysis Division staff had requested additional information from the Division of Mental Health and Developmental Services (MHDS) to ascertain the basis for developing those costs, as well as the staffing plan or matrix for each contracted position. Mr. Chapman said the response from MHDS was not expected until March 31, 2011, and he would provide that information to the Subcommittee when the budget was closed.

At prior budget hearings, the Subcommittee had expressed concern about switching from state positions to contract positions for medical services, and Mr. Chapman said one option the Subcommittee might consider was retaining the two senior physician positions and eliminating the three senior psychiatrist positions. That funding could then be used to support contract services for internal medicine; he noted that option had not yet been discussed with MHDS.

Chair Mastroluca asked whether the Governor's recommendation included contract physicians. Mr. Chapman said the Governor's recommendation would eliminate five positions and use that funding to support contract staff.

Chair Mastroluca asked how that recommendation differed from the Division's recommendation. Mr. Chapman explained that the aforementioned option was a suggestion from Fiscal Analysis Division staff and had not yet been discussed with MHDS. That option was suggested as a possible alternative, given the high level of concern previously voiced by the Subcommittee about shifting from state to contract positions. Mr. Chapman stated that there had been significant testimony at previous budget hearings from MHDS about the difficulty in recruiting and retaining medical doctors for a variety of reasons, such as the pay, the hours, and the working conditions.

Mr. Chapman said it was his understanding that MHDS had used the funding from the three senior psychiatrist positions to contract with four medical doctors to supplement the two current senior staff positions at SNAMHS. The contracted medical doctors were used to fill the gaps after normal business hours, on weekends and holidays, and for vacation coverage.

Mr. Chapman said there had been significant discussion at the March 10, 2011, budget hearing about the Division's initiative to pursue a request for proposal (RFP) to contract with a medical management vendor to completely outsource its medical doctor and psychiatrist staffing. That was a new initiative for the Division, and Mr. Chapman cautioned the Subcommittee that the MHDS initiative was not to be confused with the Governor's recommendation to eliminate the five positions and outsource the internal medicine doctor positions. The initiative and RFP, set for release in April 2011, would evaluate the alternative of eliminating all physician positions, both medical doctors and psychiatrists, at SNAMHS and completely outsourcing those positions. Mr. Chapman stated the initiative was not included in The Executive Budget and should be considered by the Legislature at some point in the future. According to Mr. Chapman, Fiscal Analysis Division staff did not anticipate receipt of a budget amendment regarding the issue.

Mr. Chapman stated that the options for consideration by the Subcommittee were:

1. Approve the Governor's recommendation to eliminate two senior physicians and three senior psychiatrists and use $800,000 of the savings from those position eliminations to outsource for internal medicine services.
2. Consider retaining two senior physician positions and approve the Governor's recommendation to eliminate three senior psychiatrist positions. That option would add back approximately $370,000 and reduce the outsource contract from $800,000 each year to approximately $430,000 each year. That option would not require additional General Fund revenue.
3. Not approve the Governor's recommendation to eliminate the five positions, which would require General Funds of $175,192 in fiscal year (FY) 2012 and $185,270 in FY 2013 to be added to the SNAMHS budget account.

Chair Mastroluca asked that Mr. Chapman provide the information regarding the positions in a chart format. The Chair asked Dr. Cook whether MHDS had given further thought to outsourcing the internal medicine services. The Subcommittee had previously questioned the initiative and the RFP, and Chair Mastroluca asked for additional input.

Harold Cook, Ph.D., Administrator, Division of Mental Health and Developmental Services (MHDS), asked whether there were questions specific to the RFP process or the initiative. Chair Mastroluca stated that the Subcommittee would like to know how MHDS viewed the RFP versus the Governor's recommendation.

Dr. Cook explained that MHDS was still in the process of writing the RFP. The completion of the RFP would result in the elimination of all state medical doctor positions and MHDS would contract with a medical management company. Dr. Cook said he had considered the proposal put forth by Mr. Chapman to maintain two internal medicine doctors and use funding from the three psychiatrist positions for contract services. The proposal included in The Executive Budget was for only one medical doctor, and Dr. Cook believed that was all that was needed. The MHDS would then contract for mid-level practitioners, such as advanced-practice nurses to provide medical treatment.

Dr. Cook stated that the existing salary scale for a senior physician topped out at $155,000, which was a reasonable salary if all MHDS expected was for that physician to provide clinical services. However, the expectation for the one medical doctor position on staff was that the position would supervise five mid-level practitioners and function as the medical director. Dr. Cook did not believe that $155,000 would be sufficient to attract a highly qualified individual to provide that service.

Assemblywoman Smith asked who would supervise the other medical personnel if MHDS contracted with a medical management vendor; she wondered whether other personnel would interact with the contract doctors.

Dr. Cook explained that nursing staff in the Division's facilities and clinics were supervised by supervisory nurses, including the director of nursing. He stated that physicians had no supervisory role over the nursing staff.

Assemblywoman Smith asked whether the interaction between medical staff and nursing staff would change, and Dr. Cook replied that it would not change.

Assemblywoman Carlton referred to the Division's response for the breakdown in funding that depicted $175,000 per year for a medical/medicine physician; $100,000 per year for four advanced-practice nurses or physician assistants; the overhead costs of $150,000 per year for medical malpractice insurance; and management fees and profit for the vendor of $75,000 per year. Assemblywoman Carlton said rather than a recommendation to pay current physicians a higher salary, the budget would include a profit for the medical management vendor. She wondered why the $75,000 could not be used to revamp the current system to include a full-time medical director and a part-time on-call doctor who could help supervise the advanced-practice nurses or physician assistants.

Dr. Cook explained that he would like to do that; however, he had no control over the pay and benefits for any position. The funding for positions was part of the budget process and was also governed by the Department of Personnel. Dr. Cook said he would like to have the flexibility to provide competitive pay for physicians, along with incentive or on-call pay, which were integral to the successful retention of medical staff.

Chair Mastroluca said she was struggling with the concept of a medical management vendor. Her concern was that the concept was not being considered as a policy decision by the Legislature. Chair Mastroluca assumed that once the RFP process was underway, MHDS would approach the Interim Finance Committee (IFC) to move forward with the initiative. Chair Mastroluca reiterated that she felt the use of a vendor was a policy decision that should be made by the Legislature rather than the Department of Health and Human Services (DHHS).

Dr. Cook explained that MHDS currently contracted with multiple medical management vendors; that had been done to secure staff to fill vacancies when MHDS had been unable to hire staff. Dr. Cook stated that MHDS currently had five contracts with medical management companies. The difference with the current proposal was that MHDS was proposing to contract all staff rather than part of the staff through one agency.

Chair Mastroluca opined that it was not a bad idea, but her concern was with the way the proposal was being handled.

Chair Mastroluca asked whether there were further questions or comments about the Governor's recommendation to eliminate positions at SNAMHS and outsource internal medicine services, and there being none, the Chair asked Mr. Chapman to continue his presentation.

Decision Unit Enhancement (E) 667—Eliminate Mobile Outreach Safety Team Budget Page DHHS MHDS-76

Mike Chapman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that The Executive Budget recommended elimination of the Mobile Outreach Safety Team (MOST) in Washoe County, which included two mental health counselors and associated operating costs. That would result in General Fund savings of $139,946 in fiscal year (FY) 2012 and $139,482 in FY 2013.

Mr. Chapman stated that MOST had been established by the 2007 Legislature to assist emergency first responders in the community who came into contact with individuals who either appeared to be or were known to be mentally ill. The program had a somewhat slow start after the 2007 Legislature because of budget reductions; however, some UnitedHealth Settlement funds were directed toward MOST and the program commenced in FY 2009.

According to Mr. Chapman, after the February 17, 2011, budget hearing the Division submitted information that indicated in FY 2010, MOST had made 473 initial contacts and approximately 520 follow-up visits with individuals who experienced psychiatric symptoms while in the community. Of the 473 initial contacts, 164 individuals were identified as being homeless and 118 individuals received emergency dispositions. The remaining individuals were treated on site, thus preventing the need for further involvement with law enforcement or the further use of hospital resources.

Mr. Chapman stated that the decision for consideration by the Subcommittee was whether to approve the Governor's recommendation to eliminate the Mobile Outreach Safety Team (MOST), including two mental health counselor positions, to achieve General Fund savings. If the Governor's recommendation was not approved, General Funds of approximately $140,000 each year would need to be added back to the Northern Nevada Adult Mental Health Services account.

Senator Leslie hoped that the Subcommittee could find a way to sustain the funding for MOST because it was a state-of-the-art program and an innovative way to help individuals remain in the community. Senator Leslie said MOST worked with law enforcement and saved lives. She pointed out that an investment of $140,000 a year in General Funds would result in lower hospital costs, which were over $500 per day.

Chair Mastroluca asked whether there were further comments or questions regarding elimination of the funding for MOST, and there being none, the Chair asked Mr. Chapman to continue his presentation.

HUMAN SERVICES
MENTAL HEALTH AND DEVELOPMENTAL SERVICES
HHS-MHDS-FACILITY FOR THE MENTAL OFFENDER (101-3645)
BUDGET PAGE DHHS MHDS-104

Mike Chapman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that The Executive Budget recommended eliminating a total of 21.49 positions at the Lakes Crossing facility. Decision unit Maintenance (M) 160 would eliminate 12 positions that had been held vacant over the 2009-2011 biennium. Decision unit Enhancement (E) 603 would eliminate 9.49 positions and would result in the closure of 4 additional beds at the Dini-Townsend Hospital annex operated by Lakes Crossing. Mr. Chapman said decision unit E603 would also reduce the operating costs for the 4 beds and would reduce the total inpatient bed capacity from 70 to 66. There had been some discussion at previous budget hearings regarding the current census at the Lakes Crossing Facility, which was reported to have been as high as 60 patients. Mr. Chapman said the concern was about reducing the capacity and how that would affect the clients, as well as the safety of the staff and the facility.

Mr. Chapman stated that during the March 10, 2011, budget hearing, MHDS commented that the census at Lakes Crossing was averaging in the low 60s, and at the current time the facility was able to meet the seven-day intake standard for accepting referrals into the facility. However, if court referrals increased, the facility would have difficulty meeting that seven-day intake standard. Mr. Chapman stated that the administrator of MHDS commented during the budget hearing that if the census significantly increased, some individuals might be required to sleep on mats in recreation areas, as had been done in the past.

Mr. Chapman said the decision for consideration by the Subcommittee was whether to approve the Governor's recommendation to eliminate 12 positions that were held vacant during the current biennium and eliminate the additional 9.49 positions along with the operating costs that resulted from the four-bed reduction at the Dini-Townsend Hospital annex. If the Governor's recommendation to eliminate 9.49 positions and the operating costs resulting from the four-bed reduction were not approved, General Funds of $656,225 in fiscal year (FY) 2012 and $666,491 in FY 2013 would need to be added to the budget account for the Lakes Crossing facility.

Senator Cegavske believed that two units had originally been built at the Dini-Townsend Hospital, but one was originally used for administration rather than housing patients.

Harold Cook, Ph.D., Administrator, Division of Mental Health and Developmental Services (MHDS), indicated that the Dini-Townsend Hospital was built with two 40-bed pods, which were divided into two 20-bed units, and one 10-bed psychiatric observation unit. The Hospital opened with one 40-bed pod for inpatient services, and the other pod was used for administration and meeting rooms. Dr. Cook indicated that half of the administrative pod had eventually been turned into the Lakes Crossing annex.

Senator Cegavske asked when the annex had opened. Dr. Cook believed the Lakes Crossing annex had opened in 2006. Senator Cegavske asked about the number of beds in the annex, and Dr. Cook replied that there were a total of 20 beds in that unit, but the annex could not be used to house 20 patients from Lakes Crossing because of the nature of the clientele from that facility.

Chair Mastroluca commented that bed capacity at Lakes Crossing was part of the "three-legged stool," that included Mental Health Court, outpatient mental health services, and available inpatient beds. She opined that the system was teetering, and it was difficult to fathom the effect of funding only one leg of that "stool." Chair Mastroluca believed that the Subcommittee should consider the entire process when reviewing the budgets within MHDS because it was a very delicate balance. She pointed out that it was imperative to the communities that the state provided accessible mental health services.

Senator Leslie agreed with Chair Mastroluca's comments. She stated she was concerned that the recommendation would cut too deeply into the budget for Lakes Crossing; she was also concerned about staff safety because only the most difficult mentally ill persons were housed at Lakes Crossing. Cutting funding for front-end outpatient counseling services, rehabilitation services, and housing would only add to the pressure on the Lakes Crossing facility because more mentally ill persons would end up in trouble without those services. As noted in the video presented earlier by Judge Glass, one small incident could quickly escalate into a violent situation and the person could be remanded to Lakes Crossing.

Senator Leslie realized that difficult choices had to be made, and if such a choice had to be made within the budgets for MHDS, she would rather take a chance and fund front-end prevention services, housing, and outpatient services, thereby keeping people out of the criminal justice system and reducing crime. Senator Leslie was concerned about the recommendation, and perhaps the Legislature should advise MHDS and the Department of Health and Human Services that if the census began to increase at Lakes Crossing, MHDS should approach the Interim Finance Committee and report the situation immediately.

Senator Leslie thought perhaps the Legislature should request a quarterly report from MHDS regarding Lakes Crossing so it could monitor the status of that facility. She commented that some competency judges had a very "short fuse," and it was the judges who controlled the capacity at Lakes Crossing. If no services were available and commitment was the only way to secure a competency report, the census at Lakes Crossing could increase very quickly. Senator Leslie pointed out that the facility could not refuse to accept persons remanded from the courts.

Chair Mastroluca asked whether there were further comments or questions regarding the Lakes Crossing Facility, and there being none, the Chair asked Mr. Chapman to continue his presentation.

Mr. Chapman stated that he would discuss the issues that required Subcommittee review within the budget accounts for the three Regional Centers, budget account (BA) 3167, BA 3279, and BA 3280.

HUMAN SERVICES
MENTAL HEALTH AND DEVELOPMENTAL SERVICES
HHS-MHDS-RURAL REGIONAL CENTER (101-3167) – BUDGET PAGE DHHS MHDS-48
HHS-MHDS-DESERT REGIONAL CENTER (101-3279 – BUDGET PAGE DHHS MHDS-38
HHS-MHDS-SIERRA REGIONAL CENTER (101-3280) – BUDGET PAGE DHHS MHDS-29

Mike Chapman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that The Executive Budget recommended elimination of the Self-Directed Autism program, which would affect a total of 174 families: 107 at Desert Regional Center (DRC), 38 at Sierra Regional Center (SRC), and 29 at the Rural Regional Center (RRC). Of the 174 families, 113 currently received assistance through Temporary Assistance for Needy Families (TANF) funding that was transferred from the Division of Welfare and Supportive Services (DWSS). Mr. Chapman indicated that TANF funding within the DWSS budget account was recommended for reduction, which would eliminate the transfer of TANF funds to the Division of Mental Health and Developmental Services (MHDS). Mr. Chapman said the remaining 61 families received financial assistance through the General Fund in the amount of $828,573 each year of the biennium.

The MHDS indicated that the families would transition into residential support programs to take advantage of other services and treatment options. Mr. Chapman said MHDS noted that some individuals might be placed on waiting lists because individuals who were at risk of institutionalization or who had been on the waiting list longer would be served first, as mandated by the federal Home and Community-Based Waiver administered by the Division of Health Care Financing and Policy, Department of Health and Human Services (DHHS).

Mr. Chapman stated that in response to questions posed by the Subcommittee during the March 10, 2011, budget hearing, MHDS indicated that various stakeholders had met with DHHS representatives to develop a "one-path" plan.

Mr. Chapman said the Subcommittee should keep in mind that the Self-Directed Autism program within MHDS was separate from the autism program available through the Department's other entities.

Mr. Chapman indicated that the decision before the Subcommittee at budget closing would be whether to approve the Governor's recommendation to eliminate the Self-Directed Autism program to achieve General Fund savings. If the Governor's recommendation to eliminate General Fund support for 61 families in the program was not approved, General Funds of $828,573 each year would need to be added to the three regional center budget accounts. Also, additional General Funds of $1.38 million each year would be required to serve the other 113 families in the program who were currently supported with TANF funds.

Senator Cegavske asked for an update regarding the possibility of consolidating the autism programs under one entity. There had been previous discussion of consolidating those programs, and she wondered whether further information was available. Senator Cegavske was unaware whether that consolidation would be addressed through legislation or whether it could be done internally by DHHS.

Chair Mastroluca explained that there were currently three bills regarding autism being considered by the Assembly, and those bills would be heard by the Assembly Committee on Health and Human Services. At least one of those bills addressed the issue of combining the autism programs.

Mary Liveratti, Deputy Director, Programs, DHHS, explained that the Department had been working with representatives from the Division of Mental Health and Developmental Services (MHDS), the Health Division's Early Intervention Services, and the Aging and Disability Services Division (ADSD) about consolidation of the autism programs. Ms. Liveratti said it had been decided that the 174 children already enrolled in the Self-Directed Autism program at MHDS would remain in that program to promote continuity of care. Ms. Liveratti stated that the approximately 200 children on that program's waiting list would be offered the opportunity to be considered for the Autism Treatment Assistance program (ATAP) through ADSD. Ms. Liveratti advised the Subcommittee that those children could not be moved to ATAP without parental permission.

Senator Cegavske said she simply wanted to know how far along DHHS was in combining the programs. Ms. Liveratti said DHHS was moving forward with merging the programs and had worked with Early Intervention Services' staff within the Health Division to initiate a pilot project. There were some federal requirements that had to be addressed under the Individuals with Disabilities Education Act (IDEA), Part C, which provided funding for the Early Intervention Services program. Ms. Liveratti further explained that DHHS was working with its Divisions to give parents a choice about relocating their children to available programs, either the Early Intervention Services program or ATAP.

Senator Cegavske asked whether the services provided by ATAP would be available through Early Intervention Services. Ms. Liveratti stated that the serviced offered under ATAP were the same as those offered through the current Self-Directed Autism program offered by MHDS. The one difference was that the MHDS program could serve autistic children and adults throughout their lifetime. However, said Ms. Liveratti, the main services such as applied behavioral analysis and other therapies needed by the children were offered through ATAP.

Senator Cegavske thanked Ms. Liveratti and said she looked forward to hearing more about the pilot autism program.

Chair Mastroluca stated there were other issues within the budget accounts for the three Regional Centers specific to autism, and she asked Mr. Chapman to continue his presentation, after which the Subcommittee could discuss the pertinent issues.

Mr. Chapman stated that The Executive Budget recommended elimination of the Self-Directed Family Support program. The program provided financial assistance to 230 low-income families with children under the age of 18 in their homes to purchase direct services such as speech, behavioral therapies, and adaptive skill development training. The program was comprised of two funding elements similar to the Self-Directed Autism program, and the Governor's recommendation would eliminate the transfer of Temporary Assistance for Needy Families (TANF) funds that supported 135 families and would eliminate the General Funds of $550,875 each year that supported the remaining 95 families.

In response to questions from the Subcommittee, said Mr. Chapman, MHDS noted that family members would be less equipped to obtain therapies and training, and there might be an increase in more costly out-of-home placements. The MHDS also noted that families would be offered assistance with Supported Living Arrangements (SLAs) or respite services; however, given the demand for those services, some individuals might be placed on waiting lists.

Mr. Chapman said the decision for the Subcommittee was whether to approve the Governor's recommendation to eliminate the Self-Directed Family Support program to achieve General Fund savings. If the Governor's recommendation to eliminate General Funds for 95 families participating in the program were not approved, General Funds of $550,875 each year would need to be added to the budget accounts for the three regional centers. Additional General Funds of $751,402 each year would be required to serve the remaining 113 families in the program who were currently supported with TANF funding.

Chair Mastroluca said she could not understand how the state would save money by paying for the most expensive back-end services or by putting families in the position of paying for the most expensive services available, rather than funding front-end programs and services. Chair Mastroluca wondered how the state was being fiscally prudent by taking such action. Families also had to face budget cuts, and preventive care was much less expensive than hospital care. Chair Mastroluca said the recommended budget cuts would eliminate the front-end services that were most needed by families, but the state would eventually be required to provide more expensive services in the long run.

Continuing his presentation, Mr. Chapman stated that The Executive Budget recommended eliminating 4.51 full-time equivalent positions that provided behavioral health services and crisis intervention services at the three regional centers. Those positions supported mental health treatment and counseling services, along with providing psychoeducational support for individuals with developmental disabilities who had intensive behavioral problems and their families so they could live safely in the community. In addition, said Mr. Chapman, those positions also assisted community partners when individuals were disruptive within their supportive living arrangements (SLAs).

In response to questions from the Subcommittee, said Mr. Chapman, MHDS noted that the position eliminations would result in the discontinuance of psychosocial group therapy and counseling sessions, but individuals would still have access to remaining staff and service coordinators for resolving issues with contract providers.

Mr. Chapman stated that the decision for review by the Subcommittee was whether to approve the Governor's recommendation to reduce funding for behavioral health and crisis intervention services, including 4.51 FTE counselor positions. If the Governor's recommendation was not approved, General Funds of $264,530 in fiscal year (FY) 2012 and $258,688 in FY 2013 would need to be added to the three regional center budgets.

Senator Leslie commented that the recommended cuts to the MHDS budget continued to be horrendous. She believed that the recommendation to reduce funding for behavioral health and crisis intervention services would be a significant mistake. Senator Leslie opined that the Subcommittee should work to prioritize the cuts and consider the possibility of continued funding for some prevention services.

Chair Mastroluca asked Mr. Chapman to continue his presentation.

Mr. Chapman stated that the last topic for review under the budget accounts for the three regional centers was the Governor's recommendation to shift the costs for service coordination provided to developmentally disabled children under the age of 18 from state funds to reimbursement from the counties where the child resided. The information provided by MHDS regarding the number of children affected by the shift was as follows:

Desert Regional Center:

- 1,120 children served
- 25 service coordinator positions
- $3,161,290 General Fund cost for FY 2012
- $3,307,429 General Fund cost for FY 2013

Sierra Regional Center:

- 299 children served
- 7 service coordinator positions
- $1,685,899 General Fund cost for FY 2012
- $1,637,502 General Fund cost for FY 2013

Rural Regional Center:

- 126 children served
- 3 service coordinator positions
- $889,602 General Fund cost for FY 2012
- $864,199 General Fund cost for FY 2013

Mr. Chapman said the total number of children affected would be 1,545, and those statistics had been compiled from October 2010 caseload information. Mr. Chapman advised that the population fluctuated from time to time because of the various required services. In addition, said Mr. Chapman, the funding also supported 35 service coordinator positions within the three regional centers and included respite and clinical services.

Mr. Chapman stated that the Governor's recommendation to assess the counties the cost of services to developmentally disabled children was based upon *Nevada Revised Statutes* (NRS) 435.010, which stated that the board of county commissioners of the various counties would make provisions for the support, education, and care of children with mental retardation and children with related conditions. Mr. Chapman said NRS 435.010 further stated that the counties were empowered to make all necessary contracts and arrangements for the provision of services. Lastly, subsection 3 of NRS 435.010 further noted that this section, along with NRS 435.020 and NRS 435.030 supplemented the services which other political subdivisions and agencies of the state were required by law to provide and did not supersede or relieve the responsibilities of such political subdivisions or agencies.

At the March 10, 2011, budget hearing the Subcommittee referred MHDS to NRS 436.230, which provided that expenditures made by counties for county programs, including services to persons with mental retardation and persons with related conditions, must be reimbursed by the state pursuant to NRS 436.240 through NRS 436.320.

Mr. Chapman provided the following information to the Subcommittee:

- NRS 436.240 specified that a service operated within a county program must be directed to at least one of the mental health services listed, which included mental retardation and related conditions.
- NRS 436.250 specified the criteria for reimbursement eligibility is based upon a county establishing one or more services provided for in NRS 436.240. The statute also required the submission of a proposed expenditure plan annually to the Division Administrator who would determine compliance with the standards established in NRS Chapter 436 and set the amount subject to state reimbursement.
- NRS 436.260 provided for reimbursement of expenditures.
- NRS 436.270 provided that money provided by direct legislative appropriation for purposes of reimbursement as provided in NRS 436.230 to NRS 436.260 must be allotted to the governing body. Reimbursements would equal 90 percent of the total proposed expenditures as reflected in the plan submitted to the Division Administrator pursuant to NRS 436.250, subject to the governing body of the county submitting evidence to the Division Administrator that 10 percent of the total proposed expenditures had been raised and budgeted by the county for a county program.

Mr. Chapman stated that Fiscal Analysis Division staff had requested additional information from MHDS after the budget hearing, seeking the Division's interpretation of NRS 436.230, et al., and whether the Division had previously used any of its legislatively approved appropriations to reimburse counties pursuant to a plan for proposed expenditures as outlined in NRS Chapter 436. However, said Mr. Chapman, the response from MHDS had not yet been received, and he would present that information to the Subcommittee at budget closing.

Mr. Chapman advised the Subcommittee that the Fiscal Analysis Division had sought the advice of the Legal Division of the Legislative Counsel Bureau (LCB), to evaluate the provisions of NRS Chapter 435 and NRS Chapter 436 regarding county and state responsibilities for payment of services for individuals with mental retardation and related conditions.

The decision for the Subcommittee, said Mr. Chapman, was whether to approve the Governor's recommendation to assess the counties for services provided by MHDS to children under the age 18 with mental retardation. If the Governor's recommendation was not approved, General Funds of $5.74 million in fiscal year (FY) 2012 and $5.81 million in FY 2013 would need to be added to the budget accounts for the three regional center accounts.

Chair Mastroluca asked when Mr. Chapman expected a response from the Legal Division. Mr. Chapman said he did not have a specific date, but hoped to receive the information within the next two weeks. Chair Mastroluca believed that the Subcommittee should review that information prior to making decisions about how to move forward with the recommendation to transition funding to the counties for developmentally disabled children under the age of 18.

Chair Mastroluca noted that the recommendation included a significant amount of General Fund revenue, and it appeared that neither the state nor the counties would benefit. The bottom line, said Chair Mastroluca, was that families needed to be served.

With no further comments forthcoming regarding the budget accounts for the three regional centers, Chair Mastroluca asked Mr. Chapman to continue his presentation regarding the issues pertaining to the budget for the Substance Abuse Prevention and Treatment Agency.

HUMAN RESOURCES
MENTAL HEALTH AND DEVELOPMENTAL SERVICES
HHS-MHDS-SUBSTANCE ABUSE PREVENTION AND TREATMENT AGENCY (101-3170)
BUDGET PAGE DHHS MHDS-19

Mike Chapman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that The Executive Budget recommended a total General Fund reduction of $2.7 million each year of the biennium for the

Substance Abuse Prevention and Treatment Agency (SAPTA), which would reduce funding for prevention, treatment services, and services provided to persons with co-occurring disorders.

Decision Unit Enhancement (E) 660—Co-occurring Disorders
Budget Page DHHS MHDS-22:

Mr. Chapman indicated that The Executive Budget recommended reducing General Funds by $1.02 million in each year of the biennium for co-occurring disorders, which was the equivalent of providing services to 174 persons. The 2007 Legislature approved General Fund appropriations of $1 million for fiscal year (FY) 2008 and $2 million for FY 2009 to begin the service as a pilot program. The 2009 Legislature continued the program at a reduced funding level of $1.5 million in each year of the biennium. Mr. Chapman stated that if the Governor's current recommendation was approved, funding would decrease from the FY 2011 work program amount of $1.5 million to $476,070 in FY 2012 and $475,712 in FY 2013, which represented a decrease of approximately 68 percent.

Mr. Chapman noted that at the March 10, 2011, budget hearing the Agency indicated it would shift some persons currently receiving treatment for co-occurring disorders through SAPTA to federal Substance Abuse Prevention and Treatment (SAPT) block grant funding. Mr. Chapman stated that Fiscal Analysis Division staff had requested information regarding the number of placements that could be shifted to SAPT block grant funding, but that response had not yet been received.

Senator Leslie asked what the Division meant by shifting individuals seeking treatment services for co-occurring disorders to federal SAPT block grant funding and whether those persons would be placed on a waiting list for services. Senator Leslie wondered whether persons shifted to federal SAPT block grant funding would simply receive whatever treatment options might be available.

Mr. Chapman said SAPTA would not totally disregard those persons, but rather would shift them to treatment services available through federal SAPT block grant funds. However, the question remained regarding what would happen to those persons in the event of federal funding cuts.

Senator Leslie agreed, and she asked whether the services available through the federal block grant were for co-occurring disorders. Mr. Chapman believed that the persons currently receiving services from SAPTA would be offered the same level of service with federal block grant funding through a combination of mental health therapies and counseling that dealt with substance abuse.

Senator Leslie requested clarification from a representative of SAPTA.

Deborah McBride, Health Bureau Chief, Substance Abuse Prevention and Treatment Agency (SAPTA), MHDS, explained that the Agency planned to shift persons to federal block grant funding. Ms. McBride said SAPTA was moving toward a more integrated system of care, and rather than providing only substance abuse treatment services, the Agency would also provide treatment for co-occurring disorders.

Senator Leslie asked whether such treatment would be available for everyone. Ms. McBride replied that SAPTA would provide services for co-occurring disorders for as many persons as possible. Senator Leslie understood that the program for co-occurring disorders was not new, and she wondered whether SAPTA planned to train substance abuse counselors to also provide mental health counseling. Ms. McBride explained that over the past few years many dual-licensed clinicians had been hired, so certified staff had increased within many of the provider treatment programs funded through SAPTA.

Chair Mastroluca stated that the Subcommittee would need additional information and clarification from Fiscal Analysis Division staff and SAPTA about the proposed General Fund reduction in decision unit E660 and the proposal to shift persons to federal funding through the SAPT block grant.

Chair Mastroluca asked Mr. Chapman to continue his presentation.

Decision Unit Enhancement (E) 661—Prevention Grants
Budget Page DHHS MHDS-22:

Mike Chapman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that The Executive Budget recommended a reduction in General Fund appropriations by $112,000 each year of the biennium, which was the equivalent of providing prevention services to 301 adolescents at an average cost of $372 per person. Those adolescents would then participate in direct-service programs provided by community coalitions throughout the state. The Substance Abuse Prevention and

Treatment Agency (SAPTA) noted that the General Fund reduction might cause an increase in adolescents seeking treatment solutions, which were more costly than prevention services at an average of $5,833 per person.

Mr. Chapman stated that the 2009 Legislature approved General Funds of $2.5 million in each year of the biennium in support of prevention grants to community coalitions over the 2009-2011 biennium; however, fiscal year (FY) 2010 appropriations were reduced by $214,777 as a budget savings measure approved by the 26th Special Session (2010).

If the Governor's recommendation was approved, said Mr. Chapman, funding would decrease from the FY 2011 work program amount of $2.5 million to $2.17 million in each year of the biennium, or an approximate 13 percent decrease.

Chair Mastroluca asked Mr. Chapman to continue his presentation.

Decision Unit Enhancement (E) 691—Treatment Services
Budget Page DHHS MHDS-24:

Mike Chapman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, said The Executive Budget recommended a reduction in General Funds by $1.59 million in each year of the biennium, which was the equivalent of providing treatment services to 273 persons at an average cost of $5,833 per person. Because of the recommendation, the Substance Abuse Prevention and Treatment Agency (SAPTA) noted that wait times for access to treatment programs would increase and might result in persons choosing not to wait or not to seek any treatment whatsoever.

Mr. Chapman stated that the 2007 Legislature approved increased General Fund appropriations for treatment services of $1.5 million in fiscal year (FY) 2008 and $2.3 million in FY 2009, which established a work program amount of $5.1 million. There had been a recommendation during the 2009 Legislature to further reduce funding in treatment services; however, the money committees had chosen to instead restore that money and reduce funding for methamphetamine education grants.

If the Governor's recommendation was approved, said Mr. Chapman, funding would decrease from the FY 2011 work program amount of $5.1 million to $3.6 million in each year of the biennium, or a 29 percent decrease.

Mr. Chapman said the decision for the Subcommittee at budget closing would be whether to approve the Governor's recommendation to reduce funding for co-occurring disorder treatment, prevention services, and substance abuse treatment services within the SAPTA account to achieve General Fund savings. If the Governor's recommendation was not approved, General Funds would need to be added to the account, depending upon the Legislature's priorities for services provided by SAPTA.

Senator Leslie asked whether information had been received about why the Department of Health and Human Services (DHHS) had selected such odd percentages, such as a 13 percent decrease in prevention services versus a 29 percent decrease in treatment services.

Mr. Chapman stated that he had asked DHHS for information, but he had not yet received a response, and he would provide that information to the Subcommittee at budget closing.

Senator Leslie said she was concerned about budget cuts for treatment services. She pointed out that Nevada suffered from the worst substance abuse problem in the nation and had one of the most poorly funded treatment budgets. Senator Leslie stated that she also believed in prevention, but if she was forced to pick today between funding treatment or prevention services, it would be very difficult for her to cut the treatment budget by more than twice the amount of the cut for the prevention budget.

Chair Mastroluca asked whether there were additional questions or comments, and there being none, the Chair asked Mr. Chapman to continue his presentation.

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Mike Chapman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that The Executive Budget recommended transferring $700,000 in each year of the biennium in what was termed "excess" licensure and registration fees collected by the Health Division's Medical Marijuana Registry program to the Substance Abuse Prevention and Treatment Agency (SAPTA) to provide priority assessments to families referred to child welfare agencies because of substance abuse issues.

According to Mr. Chapman, the funding was directed to a newly established funding category within the SAPTA account and was not intended to supplant budget reductions in other program areas. The recommended funding would serve approximately 120 persons annually with assessment and treatment services. Mr. Chapman said Senate Bill No. 343 of the 75th Session (2009) required the Director of the Department of Health and Human Services (DHHS) to provide priority access in each state plan for parents referred by child welfare service agencies to help preserve or reunify families.

Mr. Chapman indicated that Fiscal Analysis Division staff had expressed concern at the March 10, 2011, budget hearing regarding the validity of the 91 percent increase in fee and licensure revenues projected for the Medical Marijuana Registry for the 2011-2013 biennium. In addition to the recommendation to transfer fee revenues to SAPTA, the Governor also recommended three new positions in the Medical Marijuana Registry account that would also be supported by the increased fee revenues. Mr. Chapman pointed out that if those fee revenues failed to materialize, the concern was whether there would be sufficient funding to support either the positions within the Health Division or the transfer of funds at the recommended level to SAPTA, or some combination thereof.

According to Mr. Chapman, Fiscal Analysis Division staff recently received updated information that revised the fee and licensure revenue projections in the Medical Marijuana Registry account. Fiscal Analysis Division staff had not had the opportunity to fully review the recently provided information, but the analysis would maintain the $700,000 annual funding transfer to SAPTA. Mr. Chapman stated that Fiscal Analysis Division staff would continue to work with the Health Division and SAPTA to evaluate the reasonableness of the revised revenue projections and would present options for consideration by the Subcommittee at budget closing hearings for both agencies.

Chair Mastroluca said she was still concerned about the validity of the transfer of $700,000 from the Medical Marijuana Registry to SAPTA. She believed that decisions pertaining to the SAPTA budget should be held until there was some assurance regarding that funding.

Chair Mastroluca asked whether there were further comments or questions from the Subcommittee regarding the SAPTA budget account or other Division of Mental Health and Developmental Services (MHDS) budget accounts that had been discussed at today's hearing, and there being none, the hearing was closed.

Chair Mastroluca opened public comment and asked whether there were persons who wished to testify before the Subcommittee regarding the budget accounts within MHDS.

Jan Gilbert, representing the Progressive Leadership Alliance of Nevada, said it was difficult to know where to begin with the budget cuts that had been discussed today. Ms. Gilbert indicated that she was a member of the Grants Management Advisory Committee, which had worked very hard to comingle the Family to Family (F2F) program with Family Resource Centers, along with the funding. If the Subcommittee approved the recommended budget cuts, it would set the program up for failure. The objective of the two programs was to work with families in the area of prevention, and without state funding some Family Resource Centers might be forced to close.

Ms. Gilbert believed that the programs for child abuse prevention could be lost through elimination of the $2 million for the F2F program. Those programs were in every community throughout the state, even though some rural communities had very little funding and the programs were spread very thin. From its inception, the F2F program had suffered severe budget cuts, said Ms. Gilbert, until the program was finally comingled with Family Resource Centers to become more cost-effective. The combined programs had done an excellent job, even with less funding, and now the state was asking the programs to do the same amount of work with half the funding.

Ms. Gilbert said there were many families throughout the state who had benefitted from the program, and she urged the Subcommittee to determine some way to save the F2F program. Ms. Gilbert said she would be happy to pay more taxes, and she hoped that everyone paid more taxes to support the programs that the Legislature was struggling to fund because of budget cuts.

Chair Mastroluca thanked Ms. Gilbert, and asked whether there was further public comment to come before the Subcommittee from persons in Carson City or Las Vegas. There being none, the Chair adjourned the hearing at 10:52 a.m.

The following exhibits were submitted to the Subcommittee to be made part of the record of the hearing:

- Exhibit C: Letter from Bruce Arkell, Nevada Senior Advocates, regarding the Nevada 2-1-1 system.
- Exhibit D: Letter from Dianne Farkas, Family to Family Connection, regarding the Family to Family Program.

RESPECTFULLY SUBMITTED:

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Carol Thomsen
Committee Secretary

APPROVED BY:

April Mastroluca
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Assemblywoman April Mastroluca, Chair

DATE: ______________________

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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 29, 2011** **Time of Meeting:** **8:10 a.m.**

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
	C	Bruce Arkell, NV Senior Advocates	Letter regarding 2-1-1 system
	D	Dianne Farkas, F2F program	Letter in support of F2F program