

**MINUTES OF THE JOINT MEETING OF THE  
SENATE COMMITTEE ON FINANCE  
AND THE ASSEMBLY COMMITTEE ON WAYS AND MEANS**

**Seventy-sixth Session  
May 6, 2011**

The joint meeting of the Senate Committee on Finance and the Assembly Committee on Ways and Means was called to order by Chair Steven A. Horsford at 8:00 a.m. on Friday, May 6, 2011, in Room 4100 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412E, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

**SENATE COMMITTEE MEMBERS PRESENT:**

Senator Steven A. Horsford, Chair  
Senator Sheila Leslie, Vice Chair  
Senator David R. Parks  
Senator Moises (Mo) Denis  
Senator Dean A. Rhoads  
Senator Barbara K. Cegavske  
Senator Ben Kieckhefer

**ASSEMBLY COMMITTEE MEMBERS PRESENT:**

Assemblywoman Debbie Smith, Chair  
Assemblyman Marcus L. Conklin, Vice Chair  
Assemblyman Paul Aizley  
Assemblyman Kelvin D. Atkinson  
Assemblyman David P. Bobzien  
Assemblywoman Maggie Carlton  
Assemblyman Pete Goicoechea  
Assemblyman Tom Grady  
Assemblyman John Hambrick  
Assemblyman Crescent Hardy  
Assemblyman Pat Hickey  
Assemblyman Joseph M. Hogan  
Assemblyman Randy Kirner  
Assemblywoman April Mastroluca

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Assemblyman John Ocegüera

**STAFF MEMBERS PRESENT:**

Jennifer Byers, Program Analyst  
Michael J. Chapman, Principal Deputy Fiscal Analyst  
Rick Combs, Assembly Fiscal Analyst  
Catherine Crocket, Program Analyst  
Laura Freed, Senior Program Analyst  
Mark Krmpotic, Senate Fiscal Analyst  
Rex Goodman, Principal Deputy Fiscal Analyst  
Jackie Cheney, Committee Secretary

**OTHERS PRESENT:**

Philip Weyrick, Administrative Services Officer, Health Division, Department of Health and Human Services  
Richard Whitley, M.S., Administrator, Health Division, Department of Health and Human Services  
Michael J. Willden, Director, Department of Health and Human Services  
Carol Sala, Administrator, Aging and Disability Services Division, Department of Health and Human Services

CHAIR HORSFORD:

We will begin with the budget closings for the Department of Health and Human Services (DHHS) Health Division.

LAURA FREED (Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

Please refer to the Senate Finance and Assembly Ways and Means Committees Meeting Jointly, Closing List #12, May 6, 2011 ([Exhibit C](#)). The first budget account (B/A) is 101-3190 beginning on page 1.

HUMAN SERVICES

HEALTH

HHS-HD – Health Statistics and Planning — Budget Page DHHS HEALTH-23  
(Volume II)  
Budget Account 101-3190

The major closing issue concerns vital records fee income used to offset the General Fund. Fees collected for birth and death certificates were previously established in *Nevada Revised Statutes* (NRS) 440.700. During the Twenty-sixth Special Session, the vital records fees were removed from statute and authority was granted to the DHHS Health Division to set the vital record fees by regulation. Effective October 15, 2010, a new fee schedule was approved revising the fees to be comparable with other entities such as the Southern Nevada Health District, the State of Oregon and the State of Washington. The vital records fees do not go directly to B/A 101-3190, but rather are deposited into the General Fund. The General Fund is projected to realize approximately \$1.2 million per fiscal year, assuming the program's projections for births and deaths are correct.

During the March 8, 2011, Joint Subcommittee on Human Services and Capital Improvements budget hearing, there was discussion on drawbacks and benefits to putting the fee-setting capability into regulation, rather than statute. They also discussed maintaining the General Fund in B/A 101-3190. One drawback is that it does not incentivize the Health Division to keep its fee schedule current. Richard Whitley, the Health Division Administrator, testified that he would review the fee schedules annually, and it is believed he will, but the policy needs to outlive the person. Since B/A 101-3190 does not receive the vital records fee revenue directly, there could be a time when the operating expenses exceed the benefit to the General Fund. Thus far in fiscal year (FY) 2010-2011, the General Fund has received \$783,083 from vital record fees while this account was appropriated \$810,630. The collections are \$27,547 less than what was projected to be received.

Most of the other fee-setting capabilities of the Health Division are already in regulation, such as health facility licensure fees, environmental health inspection fees and early intervention fees. Thus, this change is in alignment with the other fee setting items within the Division.

Initially, the Division requested to delete all the General Fund monies from their budget and operate on the income received from the vital records fees. The

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Governor's recommendation is to put the fee collections into the General Fund. The Division believes it can leverage its own fees if they were deposited directly into B/A 101-3190.

Three options are described on page 3 of [Exhibit C](#). Option No. 2 or Option No. 3 would incentivize the Health Division to spend its authorized revenues more wisely, but if the Committees choose Option No. 3, legislation would need to be drafted.

SENATOR LESLIE:

The Joint Subcommittee had an extensive discussion about this item. In recent years, the Health Division has improved its capabilities of reviewing and setting fees. It is time to remove the General Fund and let the Division survive on the fees collected. This creates an incentive for them to review the fees on a regular basis and ensure they are adequate to cover the costs of providing the services. I am in favor of Option No. 2.

SENATOR LESLIE MOVED TO REMOVE THE GENERAL FUND APPROPRIATIONS FROM B/A 101-3190 AND SUPPORT HEALTH PLANNING AND STATISTICS ENTIRELY WITH VITAL RECORDS FEES SET BY REGULATION, AS WELL AS FEDERAL GRANT AND REIMBURSEMENT INCOME.

ASSEMBLYWOMAN MASTROLUCA SECONDED THE MOTION.

ASSEMBLYMAN GOICOECHEA:

Choosing Option No. 2 would create a shortfall of approximately \$600,000 in the General Fund. Another concern is anytime an agency has the ability to set the amount of fees and utilize those fees, there is always an opportunity for things to get out of line.

MS. FREED:

When the fees were increased in the Twenty-sixth Special Session, they were brought up to the same amount charged for vital records in the Southern Nevada Health District. I share your concerns about the Agency having the ability to continually increase the vital records fees to cover increasing operating costs. However, the Agency is sensitive to that and there will be public pressure if the fees exceed what is currently charged in

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comparable areas. If the General Fund is removed, the Agency has a built-in incentive to keep operational costs to a minimum and also to keep fees current.

CHAIR HORSFORD:  
We will take a vote by roll call.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMEN GOICOECHEA, HAMBRICK, HARDY, HICKEY AND KIRNER VOTED NO. ASSEMBLYMEN GRADY AND OCEGUERA WERE ABSENT FOR THE VOTE.)

SENATE: THE MOTION FAILED. (SENATORS CEGAVSKE, KIECKHEFER AND RHOADS VOTED NO. SENATOR DENIS WAS ABSENT FOR THE VOTE.)

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SENATOR LESLIE:  
I will make a new motion.

SENATOR LESLIE MOVED TO APPROVE OPTION NO. 2 TO REMOVE THE GENERAL FUND APPROPRIATIONS FROM B/A 101-3190 AND SUPPORT HEALTH PLANNING AND STATISTICS ENTIRELY WITH VITAL RECORDS FEES SET BY REGULATION, AS WELL AS FEDERAL GRANT AND REIMBURSEMENT INCOME.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMEN GOICOECHEA, HAMBRICK, HARDY, HICKEY AND KIRNER VOTED NO. ASSEMBLYMEN GRADY AND OCEGUERA WERE ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED. (SENATORS CEGAVSKE, KIECKHEFER AND RHOADS VOTED NO.)

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RICK COMBS (Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

Based on the action of the Committees and the fact that all General Fund monies will be removed from B/A 101-3190, Staff recommends for at least the first biennium to allow the Agency authority to obtain an advance from the General Fund for cash flow purposes if the fee revenue is not sufficient to fund operations. This can be evaluated next Legislative Session to determine if there is a need to continue with this allowance.

ASSEMBLYWOMAN CARLTON MOVED TO ISSUE A LETTER OF INTENT TO THE HEALTH DIVISION TO ALLOW AN ADVANCE FROM THE GENERAL FUND TO B/A 101-3190 DURING THE 2011-2013 BIENNIUM IF THE REVENUE FROM THE VITAL RECORDS FEES IS INSUFFICIENT TO COVER OPERATING COSTS.

SENATOR LESLIE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMEN GRADY AND OCEGUERA WERE ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. FREED:

There are three other closing items for B/A 101-3190 described on pages 3 and 4 of [Exhibit C](#).

Other Closing Item No. 1, decision unit E-325, provides funds for the Web-enabled Vital Records Registration System, including software licenses, travel to out-of-state conferences and the purchase of shelving for the vital records vault. The Governor recommends \$29,262 for each year of the 2011-2013 biennium funded by federal reimbursement from the National Center for Health Statistics. Fiscal Staff has one adjustment on this item. The Governor recommended \$5,500 for each fiscal year to purchase software enhancements. The Division was unable to substantiate the cost increases for the software, consequently, Fiscal Staff requests approval for removing those increases from decision unit E-325.

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E-325 Deliver Public Services Directly and Efficiently — Page DHHS HEALTH-25

Other Closing Item No. 2, decision unit E-710, is replacement of computer equipment and software at a cost of \$3,574 in FY 2011-2012. This recommendation appears reasonable.

E-710 Equipment Replacement — Page DHHS HEALTH-27

Other Closing Item No. 3, decision units E-900, E-901, E-902 and E-903, transfers three programs and three positions to the newly created Biostatistics and Epidemiology budget, B/A 101-3219. If the Committees approve this new budget account, it is recommended these transfer units also be approved.

E-900 Trsfr From Health Stat & Plan to Biostat & Epid — Page DHHS HEALTH-27

E-901 Trsfr From Health Stat & Plan to Biostat & Epid — Page DHHS HEALTH-28

E-902 Trsfr From Health Stat & Plan to Biostat & Epid — Page DHHS HEALTH-28

E-903 Trsfr From Health Stat & Plan to Biostat & Epid — Page DHHS HEALTH-29

HHS-HD – Biostatistics and Epidemiology — Budget Page DHHS HEALTH-90  
(Volume II)

Budget Account 101-3219

Fiscal Staff requests authority to adjust the indirect cost assessment paid by this account, based upon the closing of B/A 101-3223.

HHS-HD – Office of Health Administration — Budget Page DHHS HEALTH-131  
(Volume II)

Budget Account 101-3223

SENATOR LESLIE MOVED TO APPROVE B/A 101-3190,  
DECISION UNITS E-325, E-710, E-900, E-901, E-902, AND E-903 AS

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ADJUSTED BY FISCAL STAFF; AND TO AUTHORIZE FISCAL STAFF TO ADJUST THE INDIRECT COST ASSESSMENT PAID BY THIS ACCOUNT, BASED UPON THE CLOSING OF THE HEALTH ADMINISTRATION, B/A 101-3223.

ASSEMBLYWOMAN MASTROLUCA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMEN GRADY AND OCEGUERA WERE ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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MS. FREED:

The overview for B/A 101-3194 begins on page 5 of [Exhibit C](#).

HHS-HD – Consumer Health Protection — Budget Page DHHS HEALTH-32  
(Volume II)

Budget Account 101-3194

There is one major closing issue described on page 6 of [Exhibit C](#). Decision unit E-690 recommends replacing General Fund revenues of \$594,760 in FY 2011-2012 and \$586,759 in FY 2012-2013 with county reimbursements for environmental health inspection and permitting services. The chart on page 6 illustrates each county's share of the total reimbursements.

E-690 Budget Reductions — Page DHHS HEALTH-36

The Division met with the Carson City Health District, Washoe County and Clark County to discuss billing those counties for environmental health services. Both Washoe and Clark County indicated an interest in absorbing the inspections with their existing county staff for facilities currently regulated by the State Health Division, including food establishments at State institutions, food, drug and cosmetic manufacturers and public pools and spas.



During the March 8, 2011, Joint Subcommittee on Human Services budget hearing, the possibility of forming a multicounty health district including Carson City, Lyon, Douglas and Storey counties was discussed. The loss of those counties from the pool of inspection assessments would mean that one-third of the total assessments would be reapportioned to the smaller counties that continued to have the State Health Division provide their environmental health service inspections.

Senate Bill (S.B.) 471 states that each county shall reimburse the Health Division in an amount determined by the Health Division for public health services provided by the State without limitation. If that bill is approved as introduced, the counties could be forced to reimburse the State, even if those other counties provided some public health services on their own. The bill does not anticipate that some counties may provide their own services.

[SENATE BILL 471](#): Revises provisions relating to public health. (BDR 40-1200)

The decision before the Committees is described on page 7 of [Exhibit C](#). Do the Committees choose to approve the Governor's recommendation to assess each county for its proportional share of environmental health inspection services for a General Fund savings of \$594,760 in FY 2011-2012, or choose not to approve the Governor's recommendation and restore the General Fund monies to this budget account?

ASSEMBLYWOMAN MASTROLUCA:

There was extensive discussion in the Subcommittee on this item. There is a desire to have the same level of quality inspections across the State, but also not to make it overly burdensome to the counties. I am still struggling with this concept. I understand the need to assess the counties, but I do not know if this is the best answer.

SENATOR LESLIE:

I am aware of the Carson City, Lyon, Douglas and Storey County proposal and believe that can be addressed during the hearings on [S.B. 471](#). I agree the quality of inspections should be the same in all counties. I do not like passing this burden to the counties; however, there are other areas of the Human Services budget where we are unloading on the counties that I dislike even more. These are difficult times with difficult choices. I will support

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approving the Governor's recommendation because there are at least four rural counties that believe they have a way to accomplish this.

CHAIR HORSFORD:

What happens if a county does not perform its own inspection or pay the State?

MS. FREED:

The State Health Division, as the ultimate health authority, would have to perform the audit and then find a way to recoup the money.

CHAIR HORSFORD:

The State will no longer have the staff or be funded to perform these inspections. How can the State do something that it is not funded to do?

MS. FREED:

There has been discussion at previous budget hearings about how the State will get reimbursed by the counties that cannot or will not pay. It was suggested holding back property tax disbursements or the Agency going to the Interim Finance Committee (IFC) for a contingency fund request, assuming there is General Fund money left in their budget. If the Agency does not have any money in the General Fund, they would not have access to the IFC Contingency Fund.

CHAIR HORSFORD:

If this budget proposal is passed, it must be with the understanding it is contingent on S.B 471 passing. Also, language must be added to the bill granting the State authority to pursue collection in cases where the county does not pay. Otherwise, we will be putting ourselves and those who need these inspections at risk.

SENATOR CEGAVSKE MOVED TO APPROVE B/A 101-3194, DECISION UNIT E-690, AS RECOMMENDED BY THE GOVERNOR TO ASSESS EACH COUNTY FOR ITS PROPORTIONAL SHARE OF ENVIRONMENTAL HEALTH INSPECTION SERVICES, WITH THE UNDERSTANDING THAT S.B. 471 AND THE NECESSARY AMENDMENTS WILL PASS.

SENATOR RHOADS SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMEN GRADY AND  
OCEGUERA WERE ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. FREED:

There are four other closing items for B/A 101-3194 outlined on page 8 of  
[Exhibit C](#).

Other Closing Item No. 1, decision unit E-914, recommends transferring  
one health program specialist to the newly created B/A 101-3219. If the  
Committees approve the Governor's recommendation to create B/A 101-3219,  
this transfer appears reasonable.

E-914 Trsfr From Cons Hlth Protection to Biostat & Epid — Page  
DHHS HEALTH-38

Other Closing Item No. 2, decision unit E-924, recommends transferring  
two positions to B/A 101-3224. The Committees approved this transfer in  
closing B/A 101-3224 on April 28, 2011. It is reasonable to approve this  
companion decision unit.

E-924 Trsfr From Cons Hlth Protect to Comm Hlth Srvcs — Page  
DHHS HEALTH-38

HHS-HD – Community Health Services — Budget Page DHHS HEALTH-140  
(Volume II)  
Budget Account 101-3224

Other Closing Item No. 3, decision unit E-710, recommends \$10,787 in  
FY 2011-2012 and \$6,098 in FY 2012-2013 for replacement of computer  
equipment and associated software costs. The equipment replacements appear  
reasonable. However, it is unclear why the General Fund would support  
technology enhancements when the Governor's recommendation is to bill the  
counties for environmental health services. Therefore, three options are offered  
as outlined on page 8 of [Exhibit C](#):

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1. Approve the Governor's recommendation to fund the replacement of equipment using General Funds,
2. Approve the Governor's recommendation to fund the replacement equipment utilizing county reimbursement funds; or
3. Disapprove the Governor's recommendation.

E-710 Equipment Replacement — Page DHHS HEALTH-37

SENATOR LESLIE:

I do not remember discussing this in the Subcommittee hearing. Why would we replace equipment for people who are not there?

MS. FREED:

The personnel would continue to be there and would continue to perform their work. The difference is, the counties would be billed for the services.

SENATOR LESLIE:

What about in areas in which the counties will be assuming the responsibility?

MS. FREED:

If the Clark County Health District recommendation goes forward, the Division would eliminate three or four environmental health positions.

SENATOR LESLIE:

Are those positions considered in this equipment replacement?

MS. FREED:

The equipment replacement related to the personnel is reasonable. The only question is whether to pay for it with General Fund monies or to add it to the county reimbursement bill.

Other Closing Item No. 4, decision unit E-720, recommends \$21,720 in FY 2011-2012 and \$4,500 in FY 2012-2013 to purchase an update to the program's field inspection software. After Fiscal Staff inquired about this recommendation, the Health Division advised that it would not be pursuing this purchase. However, the Division now wants to fund updated maintenance and

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data hosting costs which have almost doubled. Consequently, the Health Division is requesting the Committees consider adjusting decision unit E-720 to support these costs. This would revise the \$21,720 to \$19,950 in FY 2011-2012 and change \$4,500 in FY 2012-2013 to \$17,950. Do the Committees wish to fund these updated amounts and if so, pay for it with General Fund appropriation or with county reimbursement?

E-720 New Equipment — Page DHHS HEALTH-37

PHILIP WEYRICK (Administrative Services Officer, Health Division, Department of Health and Human Services):

Decision unit E-720 was originally to fund an automated data collection reporting solution. The reason the quote changed during the last two months is because the company has raised the annual software maintenance costs of the system that we are currently using.

MS. FREED:

The last item is Staff's request for permission to adjust the copier leases paid for by this budget by \$528 in each year of the 2011-2013 biennium.

SENATOR LESLIE MOVED TO APPROVE B/A 101-3194, DECISION UNITS E-914 AND E-924, AS RECOMMENDED BY THE GOVERNOR; TO APPROVE DECISION UNIT E-710 AS RECOMMENDED BY THE GOVERNOR UTILIZING COUNTY FUNDS RATHER THAN THE GENERAL FUND; TO APPROVE DECISION UNIT E-720 AS RECOMMENDED BY THE GOVERNOR UTILIZING COUNTY FUNDS RATHER THAN GENERAL FUND MONIES AND USING THE NEW UPDATED FIGURES DESCRIBED IN THE CLOSING DOCUMENT; TO AUTHORIZE STAFF TO CORRECT THE TOTAL COSTS OF THE COPIER LEASES PAID FOR BY B/A 101-3194 TO \$5,546 FOR EACH YEAR OF THE 2011-2013 BIENNIUM; AND TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AND THE NECESSARY ADJUSTMENTS TO THE HEALTH DIVISION INDIRECT COST ASSESSMENT IN ALL DECISION UNITS BASED UPON THE CLOSING ACTIONS OF THE HEALTH DIVISION ADMINISTRATION BUDGET.

ASSEMBLYMAN BOBZIEN SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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ASSEMBLYMAN HARDY:

For clarification purposes, are decision units E-710 and E-720 to be paid for with General Fund monies or county reimbursement funds?

MS. FREED:

The closing document was not clear. If you choose the Governor's recommendation for decision unit E-710 or E-720, it will be paid by the counties through county reimbursements.

CHAIR HORSFORD:

The maker of the motion and the person who seconded the motion understand that the motion for decision units E-710 and E-720 will not utilize General Fund appropriations, but rather will be funded with county reimbursement and will result in General Fund savings.

MS. FREED:

The overview for B/A 101-3213 begins on page 10 of [Exhibit C](#).

HHS-HD – Immunization Program — Budget Page DHHS HEALTH-49 (Volume II)  
Budget Account 101-3213

There are two major closing issues. Decision unit E-325 recommends federal immunization grant funds of \$129,182 over the 2011-2013 biennium to fund one new health resource analyst position for the Perinatal Hepatitis B program. The detailed description can be found on page 11 of [Exhibit C](#). In summary, there are improvements to be made in tracking and education of patients with Hepatitis B as well as education of Nevada's health care facilities. This enhancement appears reasonable.

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E-325 Deliver Public Services Directly and Efficiently — Page DHHS HEALTH-51

SENATOR LESLIE:

The Subcommittee discussed this and there was a strong consensus in support of authorizing this position with the federal immunization grant funds.

SENATOR LESLIE MOVED TO APPROVE B/A 101-3213, DECISION UNIT E-325 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN MASTROLUCA SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. FREED:

The second major closing issue concerns the funding match for Title XXI of the Social Security Act. The Immunization account receives transfers of Title XXI funding from Nevada Medicaid in order to provide vaccinations for children who qualify for the Nevada Check Up program. The *Executive Budget* was created based upon a State match percentage of 32.8 percent for FY 2011-2012 and 32.44 percent for 2012-2013. Subsequent to the budget hearing, the Federal Funds Information for States released new information about the Federal Medical Assistance Percentages (FMAP) rate. The updated blended FMAP rate results in a decrease in the State match to 31.46 percent in FY 2011-2012 and for FY 2012-2013, the rate drops to 28.52 percent.

Additionally, the *Executive Budget* recommends transfers of \$1.3 million from the Nevada Check Up program, B/A 101-3178, to B/A 101-3213, rather than the \$1.57 million currently budgeted in B/A 101-3213.

HHS-HCF&P – Nevada Check-Up Program — Budget Page DHHS DHCFP-23  
(Volume II)  
Budget Account 101-3178

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As a result of decreases in both Title XXI funding and the State's matching rate, the correct General Fund match is \$579,740 in FY 2011-2012 and \$524,567 in FY 2012-2013. This is a General Fund savings of \$137,642 in FY 2011-2012 and \$171,181 in FY 2012-2013. Fiscal Staff has adjusted both the transfer revenue from the Nevada Check Up program as well as the General Fund match and has reduced the Vaccines expenditure category by an equivalent amount. Staff seeks approval for these adjustments.

SENATOR LESLIE MOVED TO APPROVE STAFF'S ADJUSTMENTS TO B/A 101-3213 IN THE TRANSFER REVENUE FROM NEVADA CHECK UP, THE AMOUNT OF GENERAL FUND MATCH AND AMOUNT OF THE VACCINE EXPENDITURE CATEGORY IN THE AMOUNTS DESCRIBED IN THE CLOSING DOCUMENT.

SENATOR RHOADS SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. FREED:

There is only one remaining closing item in B/A 101-3213. Decision unit E-710 is for replacement of computer equipment and associated software replacement in the amount of \$1,560 in federal immunization grant funds. This request appears reasonable.

E-710 Equipment Replacement — Page DHHS HEALTH-53

Staff also requests authority for making a technical adjustment for eliminating the Balance Forward revenue as well as the Reserve expenditure category totaling \$32,107 for each year of the 2011-2013 biennium. The Division made an administrative error in a carryforward of some unused Nevada Check Up monies.



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Staff recommends approval of decision unit E-710 as recommended by the Governor and seeks approval of its adjustment to eliminate the reserve from this account. Additionally, Staff requests permission to make necessary technical adjustments to the Health Division indirect cost assessment based upon the closing action in the Health Administration account.

ASSEMBLYWOMAN SMITH MOVED TO APPROVE DECISION UNIT E-710 IN B/A 101-3213 AS RECOMMENDED BY THE GOVERNOR; TO APPROVE REMOVAL OF THE RESERVE; AND TO APPROVE THE TECHNICAL ADJUSTMENTS TO THE HEALTH DIVISION INDIRECT COST ASSESSMENT BASED UPON THE CLOSING ACTION FOR B/A 101-3223.

SENATOR LESLIE SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Ms. FREED:

The next B/A is 101-3214 located on page 13 of [Exhibit C](#). There are no major closing issues with this account.

HHS-HD – WIC Food Supplement — Budget Page DHHS HEALTH-55 (Volume II)  
Budget Account 101-3214

In mid-March 2011, the economist for DHHS updated the Women, Infants and Children (WIC) caseload projections to account for new unemployment statistics. The WIC program is projected to end in FY 2010-2011 with an average total participation of 74,710 individuals, a 6 percent decrease from the original *Executive Budget* projection. For the upcoming 2011-2013 biennium, DHHS projects essentially a flat caseload growth. It appears sufficient funding exists to serve all individuals who qualify.

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Decision unit E-710 recommends replacement of computer equipment and associated software at a cost of \$6,241 each year of the 2011-2013 biennium, funded by the federal WIC grant. This recommendation appears reasonable.

E-710 Equipment Replacement — Page DHHS HEALTH-58

A reclassification was approved by IFC at its February 3, 2011, meeting changing one family services specialist II position to a program officer I. There is no fiscal impact.

Staff requests permission to make necessary adjustments to the Health Division indirect cost assessment based upon the closure actions for B/A 101-3223.

CHAIR HORSFORD:  
Are there any waiting lists in this program?

MS. FREED:  
There is no waiting list for WIC as confirmed by the Health Division.

SENATOR LESLIE MOVED TO APPROVE B/A 101-3214 AS RECOMMENDED BY THE GOVERNOR INCLUDING ALL CLOSING ITEMS AND TECHNICAL ADJUSTMENTS MADE BY FISCAL STAFF; AND GRANTS AUTHORITY TO FISCAL STAFF TO MAKE THE NECESSARY ADJUSTMENTS TO THE HEALTH DIVISION INDIRECT COST ASSESSMENT BASED UPON CLOSING ACTIONS FOR B/A 3223.

ASSEMBLYWOMAN MASTROLUCA SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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MS. FREED:

The overview for B/A 101-3215 begins on page 15 of [Exhibit C](#).

HHS-HD – Communicable Diseases — Budget Page DHHS HEALTH-60  
(Volume II)  
Budget Account 101-3215

There is only one major closing issue for this account on pages 15, 16 and 17 of [Exhibit C](#). This item concerns the funding level for the Ryan White HIV/AIDS Treatment Extension Act of 2009 caseload. The Ryan White caseload includes the Acquired Immune Deficiency Syndrome (AIDS) Drug Assistance Program, the State Pharmacy Assistance Program and the Coordination of Benefits program.

The latest projection for growth was made last summer by DHHS projecting an 8 percent growth. The table on page 16 of [Exhibit C](#) shows the current and projected yearly averages for enrollees and recipients for each of the Ryan White programs. The Governor recommends \$3.2 million in State funds per fiscal year to support the Ryan White caseloads. This represents a 6.6 percent increase over the FY 2009-2010 actual amounts of expended State funds. The Governor also recommends \$7.4 million per fiscal year in federal Ryan White Comprehensive Care grant revenue for B/A 101-3215. The Governor's funding recommendation is reasonable.

On page 17 of [Exhibit C](#), Other Closing Item No. 1, decision unit E-250, recommends elimination of a vacant federally funded position resulting in a reduction of \$131,665 over the 2011-2013 biennium. This appears reasonable.

E-250 Economic Working Environment — Page DHHS HEALTH-63

Other Closing Item No. 2, decision unit E-710, recommends \$6,500 in FY 2011-2012 for computer replacement equipment. This appears reasonable.

E-710 Equipment Replacement — Page DHHS HEALTH-65

The Governor recommends transferring three programs and five positions to the newly created Biostatistics and Epidemiology B/A 101-3219.

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If the Committees approve the creation of B/A 101-3219, the following transfer decision units in B/A 101-3215 should also be approved.

Decision unit E-911 recommends the transfer of the Hepatitis grant program to B/A 101-3219.

E-911 Trsfr From Comm Diseases to Biostatistics and Epid — Page DHHS HEALTH-65

Other Closing Item No. 3, decision unit E-912, recommends the relocation of the AIDS Surveillance program including two health resource analysts and one health program specialist to B/A 101-3219.

E-912 Trsfr From Comm Diseases to Biostatistics and Epid — Page DHHS HEALTH-66

Decision unit E-921 recommends the transfer of one administrative assistant position to B/A 101-3219.

E-921 Trsfr From Comm Diseases to Biostatistics and Epid — Page DHHS HEALTH-67

Decision unit E-926 recommends the transfer of the State General Fund portion of the Sexually Transmitted Diseases Screening program to the B/A 101-3219.

E-926 Trsfr From Comm Diseases to Biostatistics and Epid — Page DHHS HEALTH-67

Fiscal Staff requests permission to make necessary adjustments to B/A 101-3223 including matching up any transfer units between the Health Division budget accounts and making adjustments to the Health Division indirect cost assessment based upon the closure actions of B/A 101-3223.

SENATOR CEGAVSKE MOVED TO APPROVE B/A 101-3215 AS RECOMMENDED BY THE GOVERNOR; TO APPROVE THE TRANSFERS TO THE NEW B/A 101-3219; AND TO AUTHORIZE FISCAL STAFF TO MAKE THE NECESSARY ADJUSTMENTS TO THE HEALTH DIVISION INDIRECT COST ASSESSMENT BASED UPON CLOSURE ACTIONS OF

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B/A 101-3223 AS WELL AS MATCH UP ANY TRANSFER UNITS  
BETWEEN THE HEALTH DIVISION BUDGET ACCOUNTS.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

\* \* \* \* \*

MS. FREED:

Next is B/A 101-3216 beginning on page 19 of [Exhibit C](#).

HHS-HD – Health Facilities Hospital Licensing — Budget Page DHHS  
HEALTH-70 (Volume II)  
Budget Account 101-3216

Major Closing Item No. 1 is the Governor's recommendation of \$37,589 in FY 2011-2012 and \$48,789 in FY 2012-2013. to fund one new administrative assistant IV position for the Bureau of Health Care Quality and Compliance (BHCQC). The detail supporting this is on pages 21 and 22 of [Exhibit C](#). This recommendation appears reasonable.

Fiscal Staff made some technical adjustments to correctly categorize the costs of new office furniture recommended for this position from the Operating category to the Equipment category. Additionally, Staff removed duplicative expenses of \$322 for computer software from the second year of the biennium. Fiscal Staff seeks approval for these two technical adjustments.

SENATOR LESLIE:

The Subcommittee had extensive discussion on this item. The case was made that this position is needed in the office to do the paperwork and schedules so the health care regulators can spend more time in the field doing what they are

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supposed to do. I recommend approval of this position with the technical adjustments.

SENATOR LESLIE MOVED TO APPROVE ONE NEW ADMINISTRATIVE ASSISTANT IV POSITION IN B/A 101-3216 AS RECOMMENDED BY THE GOVERNOR; AND TO APPROVE THE TECHNICAL ADJUSTMENTS RECOMMENDED BY FISCAL STAFF.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MS. FREED:

Major Closing Item No. 2 for B/A 101-3216 is the Health Facilities Administrative Penalty budget account which is currently not part of the *Executive Budget*. This account receives fines and penalties for violations of health facility regulations and statutes and is governed by NRS 449.163(5). The table in the middle of page 21 of [Exhibit C](#) shows how the revenues in this account have been steadily increasing for the past five years, particularly since the Hepatitis C outbreak.

After discussion in a budget hearing about the use of these funds, it was concluded the Health Division intends to revise and clarify the language of NRS 449.163(5). Since the Health Division utilizes administrative penalties to pay operating expenses for the BHCQC, Fiscal Staff suggests it is appropriate to include this account in the *Executive Budget*. It is suggested a letter of intent be issued instructing the Health Division and the Budget Division, Department of Administration, to include B/A 101-3217 in the 2013-2015 biennial budget.

SENATOR LESLIE MOVED TO ISSUE A LETTER OF INTENT DIRECTING THE HEALTH DIVISION AND THE BUDGET OFFICE TO INCLUDE THE HEALTH FACILITIES ADMINISTRATIVE PENALTY IN THE *EXECUTIVE BUDGET* FOR THE 2013-2015 BIENNIUM.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

There are three other closing items in B/A 101-3216. Other Closing Item No. 1, decision unit E-710, recommends \$53,312 in FY 2011-2012 and \$47,015 in FY 2012-2013 to replace equipment as described on page 22 of [Exhibit C](#). The equipment appears reasonable. Fiscal Staff relocated the office furniture from the Operating category to the Equipment category and relocated 16 printers budgeted in the Operating category into the Information Services category. Staff requests approval of these technical adjustments.

#### E-710 Equipment Replacement — Page DHHS HEALTH-76

Other Closing Item No. 2, decision unit E-720, recommends \$4,192 in FY 2011-2012 and \$1,480 in FY 2012-2013 for new equipment as described in [Exhibit C](#). This request is reasonable.

#### E-720 New Equipment — Page DHHS HEALTH-76

There were two items in the Base Budget that were adjusted by Fiscal Staff. First, the medical lab certification revenue recommended by the Governor could not be substantiated as described under Other Closing Item No. 3 on page 22 of [Exhibit C](#). Staff adjusted the medical lab certification revenue down to \$926,014 in each year of the 2011-2013 biennium. Secondly, Fiscal Staff questioned the amount of the in-state travel as being too high based on the number of ongoing vacancies within the Division. Fiscal Staff reduced the amount budgeted for in-state travel by \$56,415 bringing the total down to \$206,657 for each year of the 2011-2013 biennium. Approval is requested for these adjustments.

Fiscal Staff also seeks authority to adjust this account's indirect cost assessment based on the closing of the Health Administration Account.

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SENATOR LESLIE MOVED TO APPROVE B/A 101-3216, DECISION UNIT E-710, WITH TECHNICAL ADJUSTMENTS; TO APPROVE DECISION UNIT E-720 AS RECOMMENDED BY THE GOVERNOR; TO APPROVE THE BASE BUDGET ADJUSTMENTS TO MEDICAL LAB CERTIFICATION FEE REVENUE AND DECREASES TO IN-STATE TRAVEL, AS OUTLINED IN OTHER CLOSING ITEM NO. 3; AND TO AUTHORIZE FISCAL STAFF TO ADJUST THE INDIRECT COST ASSESSMENT OF B/A 101-3216 BASED ON THE CLOSING OF B/A 101-3223.

ASSEMBLYWOMAN MASTROLUCA SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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MS. FREED:

Budget account 101-3218 begins on page 25 of [Exhibit C](#). There are three major closing issues. First, is decision unit E-326.

HHS-HD – Public Health Preparedness Program — Budget Page DHHS HEALTH-79 (Volume II)  
Budget Account 101-3218

E-326 Deliver Public Services Directly and Efficiently — Page DHHS HEALTH-83

The Governor recommends replacing \$300,000 of General Fund monies in each year of the 2011-2013 biennium with the Centers for Disease Control (CDC) Public Health Emergency Preparedness (PHEP) grant funds to pay for most of the poison control hotline costs. The total amount of the poison control contract is \$363,921. Of that, \$63,921 would remain in B/A 101-3223 and will be funded by the State General Fund. At the budget hearing on March 8, 2011, the Subcommittee expressed its concern that it was not permissible for the PHEP grant to fund these services and that the federal government had



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previously disapproved the use of federal funds for basic poison control as it did during FY 2005-2006.

The Health Division conducted subsequent discussions with CDC and persuaded them that using the PHEP grant funds for poison control was an appropriate use. The CDC approved the use of those funds for poison control and indicated they did not view it as a supplanting issue.

In moving \$300,000 of poison control expenditures into B/A 101-3218, the Governor recommends including the costs in the PHEP Bioterrorism expenditure category. There are typically several million dollars in grant expenditures made out of that category each year. Fiscal Staff suggests that to make fund tracking clear, it is preferable to separate the federal funds supporting the poison control contract from the rest of the PHEP Bioterrorism expense category.

SENATOR KIECKHEFER MOVED TO APPROVE IN B/A 101-3218 THE REPLACEMENT OF \$300,000 IN GENERAL FUND IN EACH YEAR OF THE 2011-2013 BIENNIUM WITH PHEP GRANT FUNDS TO PAY FOR MOST OF THE POISON CONTROL HOTLINE COSTS; AND TO AUTHORIZE FISCAL STAFF TO MAKE BUDGETARY ADJUSTMENTS TO MOVE THE FEDERALLY FUNDED PORTION OF THE POISON CONTROL HOTLINE COSTS TO A SEPARATE EXPENDITURE CATEGORY.

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

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

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

\*\*\*\*\*

MS. FREED:

Major Closing Issue No. 2, decision unit E-250 of B/A 101-3218, recommends the addition of one administrative assistant III position, funded by the Primary Care Office and State Health Access Program (SHAP) grants, for a total cost of \$83,196 over the 2011-2013 biennium.

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E-250 Economic Working Environment — Page DHHS HEALTH-82

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE B/A 101-3218,  
DECISION UNIT E-250.

SENATOR LESLIE SECONDED THE MOTION.

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

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

\*\*\*\*\*

MS. FREED:

In Major Closing Issue No. 3, decision units E-923 and E-523 of B/A 101-3218,  
the Governor recommends transferring \$3.2 million per fiscal year in SHAP  
grant funds from B/A 101-3220 to B/A 101-3218.

E-923 Trsfr From Chronic Disease to Public Hlth Prep — Page DHHS  
HEALTH-87

E-523 Adjusts Transfer Decision unit E-923 — Page DHHS HEALTH-83

HHS-HD – Chronic Disease — Budget Page DHHS HEALTH-108 (Volume II)  
Budget Account 101-3220

At the March 8, 2011, budget hearing, the Subcommittee asked why a program  
concerned with health insurance coverage would be transferred to the  
PHEP account. The Health Division responded that this account has brought in  
grant funds that are broader than just health preparedness. Fiscal Staff has no  
issues regarding this transfer and recommends approval.

ASSEMBLYMAN GOICOECHEA MOVED TO APPROVE THE TRANSFER  
OF THE SHAP GRANT FUNDS FROM B/A 101-3220 TO B/A 101-3218 IN  
DECISION UNITS E-523 AND E-923.

SENATOR LESLIE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYWOMAN CARLTON ABSTAINED FROM THE VOTE. ASSEMBLYMAN GRADY WAS ABSENT FOR THE VOTE.)

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

\* \* \* \* \*

MS. FREED:

There are five other closing items in B/A 101-3218. The detailed description for these items is located on pages 28 and 29 of [Exhibit C](#). Other Closing Item No. 1, decision unit E-251, recommends two new health preparedness evaluators. These positions were approved by IFC at its meeting on February 3, 2011. On April 26, 2011, the Budget Office reported completion of its class specification review of the new positions.

Fiscal Staff has adjusted this decision unit to reflect the class specifications approved by the Department of Personnel, as well as the position control numbers assigned to each position, and requests approval for these adjustments.

E-251 Deliver Public Services Directly and Efficie — Page DHHS HEALTH-82

Other Closing Item No. 2 recommends the transfer of four positions and program funding from B/A 101-3218, decision units E-904, E-905, E-906 and E-910, to the new B/A 101-3219.

E-904 Trsfr From Public Hlth Prep to Biostat & Epid — Page DHHS HEALTH-85

E-905 Trsfr From Public Hlth Prep to Biostat & Epid — Page DHHS HEALTH-86

E-906 Trsfr From Public Hlth Prep to Biostat & Epid — Page DHHS HEALTH-86

E-910 Trsfr From Public Hlth Prep to Biostat & Epid — Page DHHS HEALTH-87

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If the Committees approve the new B/A 101-3219, these transfer units should also be approved.

Other Closing Item No. 3, decision unit E-925, recommends transferring one health program specialist to B/A 101-3222 This is a reasonable request.

E-925 Trsfr From Public Hlth Prep to Mat Child Hlth Srvcs — Page DHHS HEALTH-88

HHS-HD – Maternal Child Health Services — Budget Page DHHS HEALTH-119  
(Volume II)  
Budget Account 101-3222

Other Closing Item No. 4, decision unit E-710, recommends \$11,994 in FY 2011-2012 for replacement of computer equipment with technical adjustments described on page 29 of [Exhibit C](#).

E-710 Equipment Replacement — Page DHHS HEALTH-85

Finally, under Other Closing Item No. 5 on page 29 of [Exhibit C](#), there is an informational item regarding 800 MHz radios. The Health Division has budgeted \$48,895 in each fiscal year to pay the Department of Transportation for 800 MHz radios for rural emergency medical services and hospitals. The Division intends to negotiate a billing arrangement for the rural agencies during the 2011-2013 biennium and the 2013-2015 budget request will reflect a cost allocation plan.

Fiscal Staff added a new decision unit, E-737, to reflect the addition of one new position approved by IFC on February 3, 2011. The IFC approved a health program manager position that the Department of Personnel later classified as a quality assurance specialist. The costs for this position are paid by the Public Health Infrastructure Grant which was also added to B/A 101-3218.

ASSEMBLYMAN HARDY MOVED TO APPROVE B/A 101-3218, DECISION UNITS E-904, E-905, E-906, E-910, AND E-925 WITH THE ADJUSTMENTS NOTED FOR NEW POSITIONS IN DECISION UNITS E-251 AND E-737 AND THE REPLACEMENT COMPUTER EQUIPMENT IN DECISION UNIT E-710; AND TO AUTHORIZE FISCAL STAFF TO ADJUST

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THE INDIRECT COST ASSESSMENT PAID BY B/A 101-3218 BASED  
UPON THE CLOSING ACTIONS OF B/A 101-3223.

SENATOR LESLIE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYWOMAN CARLTON  
ABSTAINED FROM THE VOTE. ASSEMBLYMAN GRADY WAS ABSENT  
FOR THE VOTE.)

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

BUDGET CLOSED.

\* \* \* \* \*

MS. FREED:

Biostatistics and Epidemiology, B/A 101-3219, is a new account recommended  
by the Governor for the 2011-2013 biennium.

HHS-HD – Biostatistics and Epidemiology — Budget Page DHHS HEALTH-90  
(Volume II)  
Budget Account 101-3219

The overview for B/A 101-3219 begins on page 31 of [Exhibit C](#). As part of the Health Division's 2009 reorganization, certain public health statistical positions were programmatically grouped but not consolidated within the budget. Consequently, the funding transfers and cost allocations have been complicated. In response, the Governor recommends the establishment of this new account and the transfer in of 19 positions and 11 different programs from other health program budget accounts. The position transfers are summarized on the chart on page 37 of [Exhibit C](#). The position and program relocations total approximately \$4.4 million in each year of the 2011-2013 biennium. However, the total amount of funding recommended for this account is approximately \$3.8 million per fiscal year, due to the budget reductions in Major Closing Item No. 2.

The Division intends that the biostatisticians transferred into the Office of Health Statistics and Surveillance, which will be housed in this new account, will collect and clean the core public health data sets, while the epidemiology staff transferred into this account will use that data to develop public health action plans. The Fiscal Analysis Division recommends approval of this step of the reorganization effort as necessary, both programmatically and fiscally through decision units E-900 through E-914, E-917, E-918, E-921, E-922, E-926, E-500, E-501, E-502, E-507, E-508, E-510, E-511, E-512, E-513, E-514, E-517, E-518, E-521, E-522 and E-526.

E-900 Trsfr From Health Stat & Plan to Biostat & Epid — Page DHHS HEALTH-96

E-901 Trsfr From Health Stat & Plan to Biostat & Epid — Page DHHS HEALTH-97

E-902 Trsfr From Health Stat & Plan to Biostat & Epid — Page DHHS HEALTH-97

E-903 Trsfr From Health Stat & Plan to Biostat & Epid — Page DHHS HEALTH-98

E-904 Trsfr From Public Hlth Prep to Biostat & Epid — Page DHHS HEALTH-98

E-905 Trsfr From Public Hlth Prep to Biostat & Epid — Page DHHS HEALTH-99

E-906 Trsfr From Public Hlth Prep to Biostat & Epid — Page DHHS HEALTH-99

E-907 Trsfr From Admin to Biostatistics & Epidemiology — Page DHHS HEALTH-100

E-908 Trsfr From Mat Child Hlth to Biostatistics & Epid — Page DHHS HEALTH-100

E-909 Trsfr From Mat Child Hlth to Biostatistics & Epid — Page DHHS HEALTH-101

E-910 Trsfr From Public Hlth Prep to Biostat & Epid — Page DHHS HEALTH-101

E-911 Trsfr From Comm Diseases to Biostatistics and Epid — Page  
DHHS HEALTH-102

E-912 Trsfr From Comm Diseases to Biostatistics and Epid — Page  
DHHS HEALTH-102

E-913 Trsfr From Comm Diseases to Biostatistics and Epid — Page  
DHHS HEALTH-103

E-914 Trsfr From Cons Hlth Protection to Biostat & Epid — Page  
DHHS HEALTH-103

E-917 Trsfr From Chronic Disease to Biostatistics & Epid — Page  
DHHS HEALTH-104

E-918 Trsfr From Chronic Disease to Biostatistics & Epid — Page  
DHHS HEALTH-104

E-921 Trsfr From Comm Diseases to Biostatistics & Epid — Page  
DHHS HEALTH-105

E-922 Trsfr From Mat Child Hlth to Biostatistics & Epid — Page  
DHHS HEALTH-105

E-926 Trsfr From Comm Diseases to Biostatistics & Epid — Page  
DHHS HEALTH-106

E-500 Adjustment to Transfer E-900 — Page DHHS HEALTH-90

E-501 Adjustment to Transfers E-901 and E-909 — Page DHHS HEALTH-91

E-502 Adjustment to Transfer E-902 — Page DHHS HEALTH-91

E-507 Adjustment to Transfer E-907 — Page DHHS HEALTH-91

E-508 Adjustment to Transfer E-908 — Page DHHS HEALTH-92

E-510 Adjustment to Transfer E-910 — Page DHHS HEALTH-92

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E-511 Adjustment to Transfer E-911 — Page DHHS HEALTH-92

E-512 Adjustment to Transfer E-912 — Page DHHS HEALTH-93

E-513 Adjustment to Transfer E-913 — Page DHHS HEALTH-93

E-514 Adjustment to Transfer E-914 — Page DHHS HEALTH-93

E-517 Adjustment to Transfer E-917 — Page DHHS HEALTH-94

E-518 Adjustment to Transfer E-918 — Page DHHS HEALTH-94

E-521 Adjustment to Transfer E-904 and E-921 — Page DHHS HEALTH-94

E-522 Adjustment to Transfer E-922 — Page DHHS HEALTH-95

E-526 Adjustment to Transfer E-926 — Page DHHS HEALTH-95

SENATOR LESLIE:

There was extensive discussion during the Subcommittee meetings about this reorganization and the need for a new budget account. I was satisfied with the explanation and support the approval of this item.

SENATOR LESLIE MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION TO CREATE A NEW BIOSTATISTICS AND EPIDEMIOLOGY B/A 101-3219 INCLUDING DECISION UNITS E-900 THROUGH E-914, E-917, E-918, E-921, E-922, E-926, E-500, E-501, E-502, E-507, E-508, E-510, E-511, E-512, E-513, E-514, E-517, E-518, E-521, E-522 AND E-526.

SENATOR KIECKHEFER SECONDED THE MOTION.

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



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

\* \* \* \* \*

MS. FREED:

The second major closing issue for B/A 101-3219 is regarding budget reductions for tuberculosis (TB) and sexually transmitted disease (STD) control. Decision unit E-690 recommends elimination of approximately \$1.2 million in State General Fund monies over the 2011-2013 biennium resulting from the transfer of TB treatment costs to the counties.

#### E-690 Budget Reductions — Page DHHS HEALTH-95

Currently, the Health Division reimburses the county health districts for treatment of persons with TB. The chart on page 33 of [Exhibit C](#) shows the subgrants and other funding sources. The State General Fund and the federal funds come through the State Health Division to the Southern Nevada Health District, Washoe County District Health Department, Carson City Health and Human Services, Community Health Nursing for the rural areas and the State Public Health Lab.

The General Fund only provides approximately 31 percent of the total funding for TB in Clark County and 21 percent of the funding in Washoe County. For the rural counties, the local funds are the largest supporter of TB treatment. Federal and local support for TB would continue to be provided. Page 34 of [Exhibit C](#) illustrates, by county, the possible annual TB treatment costs.

The counties will not be billed for this service directly. Instead they will be mandated to provide the service pursuant to S.B. 471. This bill changes the responsibility for TB treatment from the Health Division to the local health authorities. The bill requires the counties to reimburse the Health Division for services provided. If the counties choose not to treat TB, the Health Division will provide the services and bill the responsible county.

In decision unit E-691, the Governor recommends eliminating \$7,380 in General Fund monies each year of the 2011-2013 biennium eliminating the State support of the STD program. This is a small budget reduction because the

majority of support for the STD program is provided by the federal STD grant. There are no budget reductions for the urban areas because they already provide their own STD screening and treatment and receive federal STD grant funds. The chart on page 35 of [Exhibit C](#) shows the estimated annual budget reduction for each county.

#### E-691 Budget Reductions — Page DHHS HEALTH-96

In both E-690 and E-691, the State is not requiring reimbursement for these services, but rather is eliminating the funding in anticipation of the counties assuming the cost. Senate Bill 471 states that the local health authority, not the Health Division, may treat STDs in this State or establish clinics for that purpose.

If the Committees approve these reductions, Fiscal Staff requests the authority to reconcile these reductions with the interdepartmental transfers of state TB and STD support to Community Health Nursing, B/A 101-3224. There would be \$6,715 in each year of unmatched STD revenue and \$2,892 in unmatched TB revenue budgeted in that account if these reductions are approved. Fiscal Staff requests authority to remove those revenues from B/A 101-3224.

CHAIR HORSFORD:

Is there an implementation plan for making this transfer to the counties?

RICHARD WHITLEY, M.S. (Administrator, Health Division, Department of Health and Human Services):

The Division has met with the counties regarding an implementation plan. As Ms. Freed described, the Division subsidizes the counties with treatment dollars. The counties do not want to take on this responsibility. They are, however, informed about the Division's intent as proposed in the Governor's budget. The system for assuring treatment is already in place. The burden of paying for it is the addition. The statutes for testing, identifying and reporting to the State are already in place. This proposal simply removes the General Fund appropriation that subsidizes the treatment. The State would continue to monitor the activities because TB is a reportable disease. The role of State government is to ensure the services are provided. The mechanisms are in place for us to monitor and ensure residents and visitors in Nevada who are positive for TB are tested and treated appropriately.

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CHAIR HORSFORD:

It is not just TB that I am concerned about. I am concerned about agreements, time lines and a written implementation plan for every item being transferred to the counties.

SENATOR LESLIE:

I share Chair Horsford's concerns.

The rural areas do not have health authorities. Who will be doing the TB testing and reporting in the rural areas?

MR. WHITLEY:

It will be done by the Community Health Nursing program under the State Health Division.

SENATOR LESLIE:

Is this strictly a cost issue to the rural areas?

MR. WHITLEY:

Yes, that is correct.

SENATOR LESLIE:

I noticed every state except Washington contributes to TB testing. If this is passed, Nevada and Washington will be the only two states that do not contribute to TB testing.

MR. WHITLEY:

That is correct.

CHAIR HORSFORD:

What about the implementation plans?

MR. WHITLEY:

I can talk about the overall implementation plan.

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CHAIR HORSFORD:

I am not looking for a verbal presentation. I am looking for a written implementation plan agreed to by the participating parties including time lines and specifics for how this will work.

SENATOR LESLIE:

Can the Director of the DHHS respond to this?

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

This can be done. There have been several ongoing meetings with the counties. There is still a lot of tension because the counties do not want to assume fiscal responsibility. There are two groups of services. One is where the counties are asked to fund the services the State is providing. Then there are the programs where the funding is being eliminated, such as STD and TB where the counties have to find a way to absorb the costs. Most of the tension and frustration has been caused by not knowing for sure if this is going to happen. Some have said they want to see if this passes before they spend time on a detailed plan. The Department has begun to put together the billing mechanisms and the policy and procedures including time frames for expecting reimbursement and what will occur if payment is not received.

SENATOR LESLIE:

After today, the budgets will be closed and everyone can move forward with their implementation plans.

MR. WILLDEN:

We have been looking forward to closing budgets so we will know what the final determination is and we can begin to work on those plans. There are approximately 18 different services discussed throughout the budget process which can be affected by the final determinations.

ASSEMBLYMAN AIZLEY:

Does each county have a facility for treating TB patients?

MR. WHITLEY:

Yes. In Clark, Washoe and Carson City Counties, the testing and treatment is done by the local health departments. In the remainder of the State, the public

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health nursing clinics under the State Health Division provide the testing and the treatment.

CHAIR HORSFORD:

Now that there is an understanding that a written implementation plan will be prepared, I will entertain a motion.

SENATOR LESLIE:

I think this is one we will have to accept.

SENATOR LESLIE MOVED TO APPROVE B/A 101-3219, DECISION UNITS E-690 AND E-691; AND TO AUTHORIZE FISCAL STAFF TO RECONCILE THESE REDUCTIONS WITH THE INTERDEPARTMENTAL TRANSFERS OF STATE TB AND STD SUPPORT TO B/A 101-3224.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MS. FREED:

The final item in B/A 101-3219 concerns the Trauma Registry under Major Closing Item No. 3 on page 35 of [Exhibit C](#). The Trauma Registry was established by the 1987 Legislature pursuant to NRS 450B.238 to collect data on persons who sustain a physical injury caused by accident or by violence. Hospitals are required to submit to the Health Division quarterly reports that describe trauma information for patients treated at the hospital. State personnel to support this program have been paid with General Fund monies or indirect cost assessment revenue. The last dedicated trauma registry position is recommended to transfer out of B/A 101-3223 into B/A 101-3222 for the 2011-2013 biennium, to be supported with federal grant revenue.

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HHS-HD – Office of Health Administration — Budget Page DHHS HEALTH-131  
(Volume II)  
Budget Account 101-3223

HHS-HD – Maternal Child Health Services — Budget Page DHHS HEALTH-119  
(Volume II)  
Budget Account 101-3222

In discussing ways the Agency can economize, Fiscal Staff inquired about the usefulness of the Trauma Registry and whether it is still needed. It was concluded the reported data is not being utilized currently and that there are other public health injury data sets where stakeholders may obtain the same trauma data to serve their needs. Therefore, Fiscal Staff suggests, and the Health Division concurs, that \$31,956 in FY 2011-2012 and \$28,907 in FY 2012-2013 be eliminated from B/A 101-3233 and be used elsewhere to offset budget reductions.

If the Committees choose to eliminate this General Fund, hospitals should not be required to report trauma data quarterly and NRS 450B.238 would need to be repealed. The Health Division would need to work with the Legislative Counsel Bureau Legal Staff to draft the necessary legislation.

ASSEMBLYWOMAN CARLTON:

If the hospital reporting is eliminated, where will the trauma data be available?

MS. FREED:

It is included in other public health data sets. To get specific data for Nevada the hospitals may need to report to someone else in place of the Trauma Registry.

SENATOR CEGAVSKE MOVED TO APPROVE THE ELIMINATION OF THE TRAUMA REGISTRY IN B/A 101-3223 FOR A GENERAL FUND SAVINGS OF \$31,956 IN FY 2011-2012 AND \$28,907 IN FY 2012-2013; AND TO AUTHORIZE FISCAL STAFF TO ADJUST THE INDIRECT COST ASSESSMENT PAID BY B/A 101-3219 BASED UPON THE CLOSING ACTIONS FOR B/A 101-3223.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

\* \* \* \* \*

MS. FREED:

The overview for B/A 101-3220 begins on page 38 of [Exhibit C](#).

HHS-HD – Chronic Disease — Budget Page DHHS HEALTH-108 (Volume II)  
Budget Account 101-3220

The major closing issue is decision unit E-250 on page 39 of [Exhibit C](#) relating to the Women's Health Connection (WHC) program.

E-250 Economic Working Environment — Page DHHS HEALTH-111

The Governor recommends the elimination of seven vacant positions in order to fund a contract to perform the medical billing and other services for WHC. The Division plans to transition services to a vendor in order to leverage federal funds designated for specific women's health screening purposes. The goal is to find a provider through the request for proposal (RFP) process who will be able to negotiate more favorable rates so persons who qualify for the WHC program can receive increased primary care. The Division proposes to commence vendor management of the WHC on July 20, 2011. This recommendation is less about saving funding than it is about providing more holistic care for WHC participants, though it may be possible to reduce the 40 percent administrative allowance and redirect these savings to clinical services.

SENATOR KIECKHEFER:

I did not serve on the Subcommittee and was hoping to hear more detail about this but, if this would result in more comprehensive care, it appears to be a good decision.

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SENATOR LESLIE:

I was on the Subcommittee and although there was a substantial amount of testimony, I do not have a solid understanding of this, either. Are services being provided now?

MS. FREED:

The services provided now are only specific screening services such as pelvic exams, clinical breast exams and mammograms. The plan is to expand this by leveraging more federal dollars, enabling more holistic care.

SENATOR CEGAVSKE MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION FOR B/A 101-3220, DECISION UNIT E-250, TO ELIMINATE SEVEN STATE POSITIONS AND UTILIZE THE SAVED FEDERAL FUNDS TO OBTAIN A CONTRACTOR TO RUN THE WOMEN'S HEALTH CONNECTION PROGRAM.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

CHAIR HORSFORD:

I will be opposing the motion. This is a policy decision, not a budgetary one. The Committees are being asked to make policy to meet a target goal. I am not comfortable making a decision on this without a policy review and discussion occurring first.

SENATOR CEGAVSKE:

I am confident there are private nonprofits out there such as the Volunteers in Medicine of Southern Nevada that could participate in providing these services.

CHAIR HORSFORD:

It is my experience those types of agencies generally do not have adequate resources to respond to the demand.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMEN AIZLEY, CARLTON, HOGAN AND MASTROLUCA VOTED NO.)



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SENATE: THE MOTION FAILED. (SENATORS DENIS, HORSFORD, LESLIE, PARKS, AND VOTED NO.)

\* \* \* \* \*

CHAIR HORSFORD:  
Is there another motion to be made on the Senate side?

SENATOR LESLIE MOVED TO REJECT THE GOVERNOR'S RECOMMENDATION FOR B/A 101-3220, DECISION UNIT E-250, TO ELIMINATE SEVEN STATE POSITIONS AND UTILIZE THE SAVED FEDERAL FUNDS TO OBTAIN A CONTRACTOR TO RUN THE WOMEN'S HEALTH CONNECTION PROGRAM.

SENATOR PARKS SECONDED THE MOTION.

SENATE: THE MOTION CARRIED. (SENATORS CEGAVSKE, KIECKHEFER AND RHOADS VOTED NO.)

\* \* \* \* \*

CHAIR HORSFORD:  
There are now two opposing motions resulting in disagreement between the Senate and Assembly on this item. Therefore, this budget cannot be closed. This item will be revisited later.

MS. FREED:  
There are seven other closing items in B/A 101-3220 listed on pages 39 through 41 of [Exhibit C](#). Other Closing Item No. 1, decision unit E-251 recommends elimination of a grant funded management analyst II position. This appears reasonable.

E-251 Economic Working Environment — Page DHHS HEALTH-111

Other Closing Item No. 2 of B/A 101-3220, decision E-325, recommends adding \$600,000 per fiscal year to support the Colorectal Screening grant. That grant was approved by IFC on September 10, 2010. This appears reasonable.

E-325 Deliver Public Services Directly and Efficiently — Page DHHS  
HEALTH-112

Other Closing Item No. 3, decision unit E-326, recommends \$13,628 in FY 2011-2012 transferred from the Aging and Disability Services Division for the Chronic Disease Self Management program. This is a reasonable request.

E-326 Deliver Public Services Directly and Efficiently — Page DHHS  
HEALTH-112

Other Closing Item No. 4, decision unit E-327, recommends that \$398,802 in each fiscal year of Preventive Health and Health Services Block Grant (PHHS) be consolidated into B/A 101-3220. This will allow the Division to more closely manage the entire block grant funding stream, since the funds are currently included in three separate Health Division budget accounts. From this budget account, various PHHS projects would be funded. This request appears reasonable.

E-327 Deliver Public Services Directly and Efficiently — Page DHHS  
HEALTH-113

Other Closing Item No. 5 in B/A 101-3220, decision unit E-710, recommends \$18,102 in FY 2011-2012 and \$1,496 in FY 2012-2013 to replace 13 desktop computers plus associated software and 1 laptop computer. Fiscal Staff questioned this as being an excessive amount of equipment. The Division purchased new computers for all the staff except one during FY 2011-2012. Therefore, Fiscal Staff has eliminated all but one of the requested desktop computers. Fiscal Staff requests approval for the technical changes to reduce the amount of replacement equipment.

E-710 Equipment Replacement — Page DHHS HEALTH-115

Other Closing Item No. 6, decision units E-917 and E-918, recommends the transfer of two positions to the newly created B/A 101-3219. As previously discussed, if the Committees approve the new B/A 101-3219, these transfer units should be approved.

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E-917 Trsfr From Chronic Disease to Biostatistics & Epid — Page DHHS  
HEALTH-116

E-918 Trsfr From Chronic Disease to Biostatistics & Epid — Page DHHS  
HEALTH-116

Other Closing Item No. 7, decision unit E-923, recommends transferring SHAP to the Public Health Preparedness account, B/A 101-3218, for a reduction of \$3.2 million per fiscal year from this account. Since the Public Health Preparedness account has already been closed, this companion decision unit should also be approved.

E-923 Trsfr From Chronic Disease to Biostatistics & Epid — Page DHHS  
HEALTH-117

SENATOR LESLIE MOVED TO APPROVE OTHER CLOSING ITEM NOS. 1 THROUGH 5 IN B/A 101-3220 INCLUDING DECISION UNITS E-251, E-325, E-326 AND E-327, WITH ADJUSTMENTS NOTED FOR REPLACEMENT EQUIPMENT IN E-710, AS WELL AS OTHER CLOSING ITEM NOS. 6 AND 7, DECISION UNITS E-917, E-918 AND E-923 CONTINGENT UPON THE COMMITTEES' CLOSING ACTIONS IN B/A 101-3218 AND THE NEW B/A 101-3219 AND, TO AUTHORIZE FISCAL STAFF TO ADJUST THE HEALTH DIVISION'S INDIRECT COST ASSESSMENT IN B/A 101-3220, BASED UPON THE CLOSING ACTIONS OF THE HEALTH ADMINISTRATION BUDGET ACCOUNT.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\*\*\*\*\*

MS. FREED:

Maternal Child Health Services, B/A 101-3222, is located on page 42 of [Exhibit C](#).

There are two major closing items concerning the General Fund appropriation for the Base Budget for the Children with Special Health Care Needs program (CSHCN) and the Prenatal and Postnatal Program. A detailed explanation is provided on pages 43 and 44 of [Exhibit C](#).

As outlined under Major Closing Item No. 1, Fiscal Staff has questioned the increased amount of General Fund appropriations for both CSHCN and the Prenatal and Postnatal Program as being necessary to continue to receive the Maternal Child Health (MCH) block grant. For the 2009-2011 biennium, the 2009 Legislature approved expenditure authority for the CSHCN program of \$208,534 in FY 2009-2010 and \$212,883 in FY 2010-2011. However, only \$105,330 was expended on CSHCN in FY 2009-2010.

In the Prenatal and Postnatal Program, Major Closing Item No. 2, the General Fund support of subgrants to health districts and community partners for maternal and child health screenings and capacity-building was increased to \$295,899 in FY 2011-2012 and \$287,775 in FY 2012-2013. However, as of May 4, 2011, the Health Division has only spent \$174,885 so far in FY 2010-2011. As with the CSHCN program, the General Fund pays for services to further the achievement of the overall MCH goals. However, it remains an open question whether the proposed amount of General Fund appropriation is necessary to obtain the MCH funding.

Considering the history and the information provided, there is not adequate justification to substantiate the request for increased General Fund appropriation. Fiscal Staff does not doubt the General Fund is useful to furthering program goals, but questions whether the amount of General Funds requested is necessary to receive the Maternal and Child Health Program (MCH) block grant monies.

Staff is recommending the Committees authorize a letter of intent instructing the Health Division to work with the Fiscal Analysis Division to determine the correct amount of State match for the MCH block grant and which State revenue sources should be tapped to support that match for the CSHCN Program and the Prenatal and Postnatal Program. If the Committees wish to offset budget reductions elsewhere in the *Executive Budget*, it may consider reducing the General Fund for CSHCN in the Base Budget to the FY 2009-2010 level of \$105,330 for each year of the 2011-2013 biennium.

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SENATOR LESLIE:

I support the letter of intent and I am comfortable in reducing the General Fund as recommended by Staff.

ASSEMBLYWOMAN CARLTON:

I have served on the Maternal and Child Health Advisory Board for the last ten years. I am familiar with the policy portion of this. It has become clear, however, that a fiscal person needs to be added to this Board. I plan to work toward achieving that goal.

SENATOR LESLIE MOVED TO REDUCE THE GENERAL FUND AUTHORITY FOR THE CSHCN PROGRAM IN THE BASE BUDGET TO THE FY 2009-2010 LEVEL OF \$105,330 FOR EACH YEAR OF THE 2011-2013 BIENNIUM IN B/A 101-3222; AND TO ISSUE A LETTER OF INTENT INSTRUCTING THE HEALTH DIVISION TO WORK WITH THE FISCAL ANALYSIS DIVISION TO DETERMINE THE CORRECT AMOUNT OF STATE MATCH FOR THE MCH BLOCK GRANT AND WHICH STATE REVENUE SOURCES SHOULD BE TAPPED TO SUPPORT THAT MATCH FOR THE CSHCN AND PRENATAL AND POSTNATAL PROGRAMS.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. FREED:

There are four other closing items in this budget beginning on page 44 of [Exhibit C](#).

Other Closing Item No. 1 is metabolic screening fee income and contract payments. The Governor recommends approximately \$1.94 million in FY 2011-2012 and \$1.83 million in FY 2012-2013 to perform metabolic screenings for newborns in Nevada. The Division's calculations are predicated on an assumed 5 percent decline in the birth rate in both years of the upcoming

biennium. The most recent birth statistics for FY 2009-2010 shows the number of births used to calculate the amounts in the *Executive Budget* are overstated. The revised numbers are illustrated on the chart on page 45 of [Exhibit C](#).

Fiscal Staff recommends decreasing the contract costs by \$44,628 in FY 2011-2012 and \$23,027 in FY 2012-2013. To adjust the revenues to balance the contract expense decrease and the projected birth rate decrease, the screening fee revenue increases by \$24,210 in FY 2011-2012 and \$8,477 in FY 2012-2013. Fiscal Staff requests approval of these technical changes.

Other Closing Item No. 2, decision unit E-710, recommends \$8,436 in FY 2011-2012 and \$1,910 in FY 2012-2013 to replace computer equipment and associated software. This appears reasonable.

E-710 Equipment Replacement — Page DHHS HEALTH-125

In Other Closing Item No. 3, decision units E-908, E-909 and E-922 are transfers to the new B/A 101-3219. As previously discussed, if the Committees approve B/A 101-3219, these transfer units should also be approved.

E-908 Trsfr From Mat Child Hlth to Biostatistics & Epid — Page DHHS HEALTH-125

E-909 Trsfr From Mat Child Hlth to Biostatistics & Epid — Page DHHS HEALTH-126

E-922 Trsfr From Mat Child Hlth to Biostatistics & Epid — Page DHHS HEALTH-127

Other Closing Item No. 4, decision units E-920, E-520, E-925 and E-525, recommends the transfer in of two positions from the Health Administration and Public Health Preparedness accounts as described on page 46 of [Exhibit C](#).

E-920 Trsfr From Admin to Maternal Child Health Services — Page DHHS HEALTH-126

E-520 Adjustments to Transfer E-920 — Page DHHS HEALTH-122

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E-925 Trsfr From Public Hlth Prep to Mat Child Hlth Srvs — Page DHHS  
HEALTH-127

E-525 Adjustments to Transfer E-925 — Page DHHS HEALTH-123

These requests appear reasonable to Staff. Staff requests authority to adjust the indirect cost assessment based upon the closing of the Health Administration account. Authority is also requested to correct the amount of federal Core Injury Prevention revenue to align it with the grant award of \$125,185 in each year of the 2011-2013 biennium. Finally, Staff removed a one-time expenditure for regulation promulgation from the Base Budget and seeks approval for that reduction.

SENATOR LESLIE MOVED TO APPROVE ALL OTHER CLOSING ITEMS FOR B/A 101-3222 INCLUDING DECISION UNITS E-710, E-908, E-909, E-922, E-920, E-520 E-925 AND E-525 WITH THE TECHNICAL ADJUSTMENTS RECOMMENDED BY FISCAL STAFF; TO AUTHORIZE FISCAL STAFF TO ADJUST B/A 101-3222 INDIRECT COST ASSESSMENT BASED UPON THE CLOSING OF THE HEALTH ADMINISTRATION ACCOUNT; TO AUTHORIZE FISCAL STAFF TO CORRECT THE AMOUNT OF FEDERAL CORE INJURY PREVENTION REVENUE TO ALIGN IT WITH THE GRANT AWARD OF \$125,185 IN EACH YEAR OF THE BIENNIUM; AND TO APPROVE FISCAL STAFF'S REMOVAL OF A ONE-TIME EXPENDITURE FOR REGULATION PROMULGATION FROM THE BASE BUDGET.

ASSEMBLYMAN BOBZIEN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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MS. FREED:

The overview for the Office of Health Administration, B/A 101-3223, is located on page 47 of [Exhibit C](#).

HHS-HD – Office of Health Administration — Budget Page DHHS HEALTH-131  
(Volume II)  
Budget Account 101-3223

There are three major closing issues. In Major Closing Issue No. 1, decision unit E-250, the Governor recommends \$127,901 in FY 2011-2012 and \$173,169 in FY 2012-2013 for the addition of one budget analyst III, one management analyst III and one administrative assistant II to help with the fiscal management and budget preparation workload as described on page 48 of [Exhibit C](#). These additional positions appear justified to Fiscal Staff.

E-250 Economic Working Environment — Page DHHS HEALTH-133

SENATOR LESLIE MOVED TO APPROVE DECISION UNIT E-250 OF  
B/A 101-3223.

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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

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MS. FREED:

As discussed in the closing document for B/A 101-3218, the Governor recommends replacing \$300,000 in General Fund monies in each year of the upcoming biennium with federal PHEP grant funds to pay for most of the cost of poison control hotline services. Since the Committees have already approved this decision in B/A 101-3218, it is recommended it also be approved in decision unit E-326 of B/A 101-3223, as outlined in Major Closing Issue No. 2.



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E-326 Deliver Public Services Directly and Efficiently — Page DHHS  
HEALTH-135

SENATOR LESLIE MOVED TO APPROVE DECISION UNIT E-326 OF  
B/A 101-3223.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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

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The third major closing issue for B/A 101-3223 is decision unit E-600. The Governor recommends eliminating \$50,000 per year in General Fund support of the Mammoan, thereby reducing the overall funding from \$175,000 to \$125,000 for each year of the 2011-2015 biennium. The *Executive Budget* would continue the \$75,000 in United Health Settlement funds in both years of the upcoming biennium and the State appropriations will be reduced from \$100,000 to \$50,000 per fiscal year. The chart on page 49 of [Exhibit C](#) illustrates the historical funding progression and the reduction to the General Fund.

E-600 Budget Reductions — Page DHHS HEALTH-135

CHAIR HORSFORD:

I am not in support of this reduction.

ASSEMBLYWOMAN MASTROLUCA MOVED TO REJECT THE  
GOVERNOR'S RECOMMENDATION FOR REDUCING THE GENERAL FUND  
SUPPORT IN THE 2011-2013 BIENNIUM FOR THE MAMMOAN IN  
DECISION UNIT E-600 OF B/A 101-3223.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

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ASSEMBLYMAN AIZLEY:

Is the current amount of money for the Mammovan sufficient to meet the needs?

MS. FREED:

It depends on how the need is defined. It is important to know the Mammovan has corporate partners. Nevada Health Centers operates it. The State supports only part of what they get for operation of the Mammovan. The van goes from community to community and does meet the needs for those communities, but the van cannot go to every community. The emphasis is getting to the uninsured and geographically isolated women.

CHAIR HORSFORD:

The van increases the possibility that more women will get access and be served.

ASSEMBLYMAN GOICOECHEA:

I was a member of the Nevada Rural Health Centers Board for a number of years. This is not the only Mammovan operating in the State, especially in the rural areas.

MS. FREED:

I want to clarify what is being rejected in the motion. As I understand it, the \$75,000 revenue from the United Health Settlement will remain, but there will be an addback of \$50,000 per year in General Funds. Is this correct?

CHAIR HORSFORD:

Yes, that is correct. The rationale is we are trying to maintain the level of State support. The United Health Settlement money is additional funds that will be ending in two years.

SENATOR KIECKHEFER:

In summary, we are keeping the United Health Settlement funding and adding General Funds on top of that.

CHAIR HORSFORD:

Yes, that is correct.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMEN GRADY, HICKEY AND KIRNER VOTED NO.)

SENATE: THE MOTION CARRIED. (SENATORS CEGAVSKE, KIECKHEFER AND RHOADS VOTED NO.)

MS. FREED:

There are seven other closing items for B/A 101-3223. The detailed explanations are located on pages 50 and 51 of [Exhibit C](#).

In Other Closing Item No. 1, the Health Division has provided its new provisional indirect cost assessment rates to be used for FY 2011-2012 and FY 2012-2013. Fiscal Staff requests authority to adjust each account within the Health Division for these new indirect cost rates.

In Other Closing Item No. 2, decision unit E-275, the Governor recommends \$81,488 over the 2011-2013 biennium to support hardware maintenance contracts for the Division's videoconferencing system in the amount of \$26,380 per year and the virtual server at \$14,364 per year. Fiscal Staff requested quotes for the hardware maintenance payments, but the Health Division has not provided them. Without proper substantiation for the cost of the maintenance contracts, the Fiscal Analysis Division does not recommend approval of decision unit E-275.

E-275 Best Use of Technology — Page DHHS HEALTH-133

Decision unit E-276 recommends \$18,822 to pay for the Department of Information Technology (DoIT) programmers to upgrade the Health Division's intranet. This request is reasonable.

E-276 Best Use of Technology — Page DHHS HEALTH-134

Other Closing Item No. 3, decision unit E-325, recommends the addition of \$6,308 for each year of the 2011-2013 biennium to increase in-state travel funds for senior Health Division management and information technology staff. This recommendation appears reasonable.

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E-325 Deliver Public Services Directly and Efficiently — Page DHHS  
HEALTH-134

Other Closing Item No. 4, decision unit E-710, recommends \$142,811 in FY 2011-2012 and \$138,211 in FY 2012-2013 to replace computer equipment. Fiscal Staff requests approval to eliminate one port switch from this enhancement as explained on page 51.

E-710 Equipment Replacement — Page DHHS HEALTH-136

Other Closing Item No. 5, decision unit E-907, recommends transferring one State biostatistician position to the new B/A 101-3219. Since this new account has already been approved, this transfer should also be approved.

E-907 Trsfr From Admin to Biostatistics & Epidemiology — Page  
DHHS HEALTH-137

Other Closing Item No. 6, decision unit E-920, recommends transferring one health resource analyst position to B/A 101-3222. This recommendation appears reasonable.

E-920 Trsfr From Admin to Maternal Child Health Services — Page  
DHHS HEALTH-137

Other Closing Item No. 7 is regarding the Base Budget. The Budget Office permitted the Health Division to add funding for helpdesk software licenses into the Base Budget. However, the \$16,998 in FY 2011-2012 and \$9,180 in FY 2012-2013 is not supported by the vendor documentation provided. The vendor documentation only supports \$6,743 per year. Therefore, Fiscal Staff recommends reducing the cost for helpdesk software licenses and assurance to \$6,743 per year in the Base Budget and seeks approval for this adjustment.

ASSEMBLYMAN HARDY MOVED TO APPROVE OTHER CLOSING ITEMS NOS. 1 THROUGH 7 IN B/A 101-3223 INCLUDING DECISION UNITS E-276, E-325, E-710, E-907 AND E-920 WITH THE ADJUSTMENTS NOTED FOR INDIRECT COST ASSESSMENT REVENUE, DELETION OF E-275, ADJUSTMENT OF E-710 AND ELIMINATION OF INCREASES IN THE BASE BUDGET FOR HELPDESK SOFTWARE LICENSES.

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SENATOR PARKS SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED. (SENATORS CEGAVSKE AND LESLIE  
WERE ABSENT FOR THE VOTE.)

BUDGET CLOSED.

\* \* \* \* \*

MS. FREED:

Budget account 101-3235 is located on page 53 of [Exhibit C](#).

HHS-HD – Emergency Medical Services — Budget Page DHHS HEALTH-150  
(Volume II)  
Budget Account 101-3235

The major closing issue is the county reimbursements for emergency medical services (EMS) licensure. The Governor originally recommended replacing General Fund appropriations with reimbursements from the counties, except Clark County, for EMS licensure and certification duties performed by the State. The recommendation would have generated General Fund savings totaling \$752,723 in FY 2011-2012 and \$755,653 in FY 2012-2013. The chart on page 55 of [Exhibit C](#) shows what each county's share of the reimbursements would be. On April 27, 2011, the Governor submitted Budget Amendment No. A00309 which restores the General Fund support of EMS duties to B/A 101-3235.

The decision to be made by the Committees is whether to approve the Governor's original recommendation to bill the counties for EMS services or accept Budget Amendment No. A00309.

SENATOR LESLIE:

The Subcommittee had much discussion on this item. I agree with the Governor's budget amendment. Beyond the burden it would create on the counties, it is important to maintain the structure, accountability and

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consistency in doing the EMS licensure and certification the same in every county.

SENATOR LESLIE MOVED TO ACCEPT BUDGET AMENDMENT NO. A00309 THEREBY ELIMINATING THE COUNTY REIMBURSEMENTS FROM B/A 101-3235 AND RESTORING GENERAL FUND APPROPRIATIONS OF \$752,723 IN FY 2011-2012 AND \$755,653 IN FY 2012-2013.

ASSEMBLYWOMAN MASTROLUCA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATORS PARKS AND RHOADS WERE ABSENT FOR THE VOTE.)

\* \* \* \* \*

MS. FREED:

There are eight other closing items in B/A 101-3235. A detailed explanation can be found on pages 56 through 58 of [Exhibit C](#).

Other Closing Item No. 1, decision unit E-251, moves \$15,063 in FY 2011-2012 from the Reserve category to the EMS Grants category to provide more training subgrants for volunteer firefighters and other rural EMS personnel. Since the Committees voted to restore General Funds to B/A 101-3235, Fiscal Staff requests authority to eliminate the Reserve category and fund map the Certification Fee revenue to the EMS Grants expenditure category. Staff also recommends reducing the overall Certification Fee revenue to \$23,908 in FY 2011-2012 and \$25,358 in FY 2012-2013.

E-251 Economic Working Environment — Page DHHS HEALTH-152

Other Closing Items Nos. 2 and 3, decision units E-325 and E-326, are about restocking the supplies for the EMS trailers and training trailers. The Governor's recommendations are reasonable.

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E-325 Deliver Public Services Directly and Efficiently — Page DHHS  
HEALTH-152

E-326 Deliver Public Services Directly and Efficiently — Page DHHS  
HEALTH-153

Other Closing Item No. 4, decision unit E-680, recommends formalizing the accounting for certification fees by adding revenue and expenditure authority of \$2,250 in FY 2011-2012 and \$3,700 in FY 2012-2013 to B/A 101-3235. These revenues are used to provide training grants to volunteer EMS personnel. The history and explanation of the use of these fees is provided on page 57 of [Exhibit C](#).

E-680 New Revenue or Expenditure Offsets — Page DHHS HEALTH-154

This decision unit appears reasonable to Staff, but Staff requests permission to eliminate the Reserve category and place all Certification fee revenue into the EMS Grants category since the Committees voted to restore the General Fund for EMS licensure in B/A 101-3235.

Other Closing Item No. 5, decision unit E-681, recommends the addition of \$300,000 in United Health Settlement funds in FY 2011-2012 to be used for grants to volunteer EMS organizations. This is a reasonable request.

E-681 New Revenue or Expenditure Offsets — Page DHHS HEALTH-155

In Other Closing Item No. 6, decision unit E-710, the Governor recommends \$7,651 in FY 2011-2012 and \$5,048 in FY 2012-2013 for computer replacement equipment plus associated software. The Health Division advised that regular license revenue, and not certification fee revenue, should fund this decision unit. Fiscal Staff corrected the revenue source for this enhancement to be permit fees instead of certification fees, and with this technical adjustment, this enhancement is reasonable.

E-710 Equipment Replacement — Page DHHS HEALTH-155

Other Closing Item No. 7, decision unit E-720, recommends \$36,000 in each year of the 2011-2013 biennium. This recommendation appears reasonable.

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E-720 New Equipment — Page DHHS HEALTH-156

Other Closing Item No. 8 pertains to a reduction in the Base Budget. Fiscal Staff has eliminated an increase in operating expenses and reduced the amount of Land/Equipment Rentals authority to \$728 for each year of the 2011-2013 biennium as described on page 58 of [Exhibit C](#). Approval for this technical adjustment is requested.

Fiscal Staff requests authority to adjust B/A 101-3235 indirect cost assessment based upon the closing of B/A 101-3223.

ASSEMBLYWOMAN SMITH MOVED TO APPROVE B/A 101-3235 INCLUDING BUDGET AMENDMENT NO. A00309; TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS RESULTING FROM THE RESTORATION OF GENERAL FUNDS AS DESCRIBED IN THE CLOSING DOCUMENT; TO APPROVE DECISION UNITS E-251, E-325, E-326, E-680, E-681, AND E-720; TO APPROVE DECISION UNIT E-710 WITH THE CORRECTION OF THE FUNDING SOURCE; TO AUTHORIZE FISCAL STAFF TO ADJUST B/A 101-3235 INDIRECT COST ASSESSMENT BASED UPON THE CLOSING ACTIONS OF B/A 101-3223; AND TO APPROVE THE REDUCTION TO STORAGE RENT EXPENSES IN THE BASE BUDGET.

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

\*\*\*\*\*

JENNIFER BYERS (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

Budget Account 101-4547 is located on page 59 of [Exhibit C](#). This account was previously heard and all items have been closed except decision unit E-737 on page 62 of [Exhibit C](#).



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HHS-HD – Marijuana Health Registry — Budget Page DHHS HEALTH-158  
(Volume II)  
Budget Account 101-4547

E-737 New Programs — Page DHHS HEALTH-162

The Governor recommends transferring \$700,000 each year of the 2011-2013 biennium to B/A 101-3170 to provide priority access for assessments and treatment to families referred by child welfare agencies. This recommendation appears reasonable.

HHS – MHDS – Substance Abuse Prev & Treatment Agcy — Budget Page  
DHHS MHDS-19 (Volume II)  
Budget Account 101-3170

CHAIR HORSFORD:  
What will happen two years from now?

MS. BYERS:  
My understanding is if the revenues come in as projected in B/A 101-3170, there will be \$700,000 to continue funding this item each year in the future.

CHAIR HORSFORD:  
Is that the intended policy?

PHILIP WEYRICK (Administrative Services Officer, Health Division, Department of Health and Human Services):  
Based on the revised fee projections, we are expecting the \$700,000 per year will be available.

ASSEMBLYWOMAN MASTROLUCA:  
This has been reviewed several times. Because of where the money is coming from, it is reasonable to make this transfer and use it for the purpose described.

ASSEMBLYWOMAN MASTROLUCA MOVED TO APPROVE  
B/A 101-4547, DECISION UNIT E-737, AS RECOMMENDED BY THE  
GOVERNOR.

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SENATOR LESLIE SECONDED THE MOTION.

MR. COMBS:

The reason Ms. Byers only addressed decision unit E-737 in B/A 101-4547 is because all other items were previously closed on this account. Only this item was remaining.

ASSEMBLYWOMAN SMITH:

I want to clarify that this money will be used only for treatment. An RFP will be done to establish a provider for the services.

ASSEMBLYWOMAN MASTROLUCA:

I want to add that the treatment is specifically for families where DHHS Child and Family Services has removed a child because the parents have issues with drug and alcohol abuse. The intent is to treat these parents faster and reduce the time their children are in foster care.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

\* \* \* \* \*

CATHERINE CROCKET (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

Budget account 101-3154 is located on page 63 of [Exhibit C](#).

HEALTH AND HUMAN SERVICES DIRECTOR'S OFFICE

HHS-DO – Developmental Disabilities — Budget Page DHHS Director-11  
(Volume II)

Budget Account 101-3154

There is one major closing issue in this account. The Governor recommends transferring the Developmental Disabilities account from the Aging and Disabilities Services Division (ADSD) to the DHHS Director's Office. This

reverses the decision of the 2009 Legislature which approved the transfer of this program from the DHHS Director's Office to ADSD. The Agency indicates the program oversight of the Governor's Council on Developmental Disabilities staff is provided by DHHS. It is cumbersome for ADSD to provide fiscal functions to Developmental Disabilities, while supervision is provided by the Director's Office. Additionally, the federal Administration on Developmental Disabilities has instructed the DHHS Director's Office to provide the Governor's Council on Developmental Disabilities fiscal management and personnel services.

ASSEMBLYMAN HARDY MOVED TO APPROVE THE TRANSFER OF  
B/A 101-3154 TO THE DHHS DIRECTOR'S OFFICE.

SENATOR LESLIE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MS. CROCKET:

There is one other closing item, decision unit E-710, recommending \$2,164 over the 2011-2013 biennium to replace computer equipment. This recommendation is reasonable.

#### E-710 Equipment Replacement — Page DHHS DIRECTOR-14

The budget, as recommended by the Governor, has slightly understated the State match resulting in the need for additional General Fund appropriation of approximately \$1,100 in each year of the 2011-2013 biennium. Fiscal Staff requests authority to make this technical adjustment and also authority to make necessary technical adjustments for final internal cost allocations.

SENATOR LESLIE MOVED TO APPROVE B/A 101-3154, DECISION UNIT  
E-710, AND AUTHORIZE FISCAL STAFF TO MAKE THE TECHNICAL  
ADJUSTMENTS AS NOTED IN THE CLOSING DOCUMENT.

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ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

\* \* \* \* \*

Ms. CROCKET:

The overview for B/A 262-3156 is located on page 65 of [Exhibit C](#).

#### AGING AND DISABILITY SERVICES

HHS-ADSD – Senior RX and Disability RX — Budget Page DHHS ADSD-1  
(Volume II)  
Budget Account 262-3156

There are two major closing issues in B/A 262-3156. The first item concerns the reorganization of the Aging and Disability Services Division. The Governor recommends the consolidation of fiscal and administrative positions in B/A 101-3151 by transferring three fiscal and administrative positions and their associated costs from B/A 262-3156, decision units, E-902, E-907 and E-922, to B/A 101-3151.

E-902 Trans Base from SR RX/Disability RX to ADSD Admin — Page  
DHHS ADSD-5

E-907 Trans E-710 from SR RX/Disability RX to ADSD Admin — Page  
DHHS ADSD-6

E-922 Trans E-275 from SR RX/Disability RX to ADSD Admin — Page  
DHHS ADSD-6

HHS-ADSD – Federal Programs and Administration — Budget Page DHHS  
ADSD-25 (Volume II)  
Budget Account 101-3151

SENATOR LESLIE MOVED TO APPROVE TRANSFERRING POSITIONS AND THEIR ASSOCIATED COSTS FROM B/A 262-3156, DECISION UNITS E-902, E-907 AND E-922 TO B/A 101-3151 TO CONSOLIDATE FISCAL AND ADMINISTRATIVE POSITIONS IN B/A 101-3151 AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MS. CROCKET:

Major Closing Item No. 2 in B/A 262-3156 concerns the Senior Medical Prescription Rx and Disability Rx caseload account. The caseloads for the 2011-2013 biennium were projected using the amount of Healthy Nevada Funds available. This represents a change from the methodology used for previous biennia. Previously, the caseload was based on the State Demographer's forecasted changes in the population. The Agency indicates the amount of Healthy Nevada Funds available is not sufficient to support caseloads as calculated.

The Division did not apply demographic growth factors when determining caseload. Consequently, Fiscal Staff has calculated the number of eligible seniors for the programs based upon the number of clients either currently enrolled or on the wait list for these programs and used the State Demographer's growth projections for the State's population for age 60 and older. This was done to be consistent with the methodology applied by the Agency in past bienniums. Part D Gap coverage was not calculated using demographic growth since demographic growth is largely unrelated to the Part D Gap caseload. The ADSD has been unable to develop a reasonable basis to project Part D Gap caseload due, in part, to the number of different Part D plans enrollees can choose and variability of how many enrollees enter the coverage gap in each year.

The first chart on page 67 of [Exhibit C](#) shows the FY 2009-2010 actual caseload for Senior Rx and Disability Rx, the legislatively approved FY 2010-2011 caseload, the Governor's recommended caseload for the 2011-2013 biennium along with Fiscal Staff's demographic caseload projects.

The second chart on page 67 of [Exhibit C](#) shows wait list time has increased significantly from FY 2009-2010 to FY 2010-2011 for the Senior Rx and Disability Rx programs. Page 68 of [Exhibit C](#) shows wait list projections for the 2011-2013 biennium. The remainder of page 68 and page 69 provides additional information affecting the caseload and cost projections for the upcoming biennium.

The conclusion is that based upon the demographic caseload projections, revised inflation rate and the actual amount of tobacco settlement funding available in FY 2011-2012, Fiscal Staff has completed revised caseloads projections. The complete methodology, as well as charts showing the revisions, is shown on page 69 of [Exhibit C](#).

The Committees may wish to choose one of two options:

1. Approve the Governor's recommended funding of approximately \$3.9 million in FY 2011-2012 and approximately \$6 million in FY 2012-2013 and caseloads as determined by the amount of tobacco settlement funding available, rather than demographic growth projections, or
2. Approve funding of approximately \$4.4 million in FY 2011-2012 and approximately \$5.7 million in FY 2012-2013 to align caseloads with the maximum amount of tobacco settlement funding available in FY 2011-2012 and demographic caseload projections for FY 2011-2012 and FY 2012-2013.

ASSEMBLYWOMAN MASTROLUCA:

I recommend the second option so we are actually funding the demographic caseload projections versus the available tobacco settlement funding.

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CHAIR HORSFORD:

Can you please also include in the motion the issuance of a letter of intent instructing the agency to develop a reasonable basis for projecting Part D Gap coverage for the Senior Rx and Disability Rx programs?

ASSEMBLYWOMAN MASTROLUCA MOVED TO APPROVE FUNDING B/A 262-3165 SENIOR RX AND DISABILITY RX PROGRAMS WITH APPROXIMATELY \$4.4 MILLION IN FY 2011-2012 AND APPROXIMATELY \$5.7 MILLION IN FY 2012-2013 TO ALIGN CASELOADS WITH THE MAXIMUM AMOUNT OF TOBACCO SETTLEMENT FUNDING AVAILABLE AND USING DEMOGRAPHIC CASELOAD PROJECTIONS; AND TO ISSUE A LETTER OF INTENT INSTRUCTING THE AGENCY TO DEVELOP A REASONABLE BASIS FOR PROJECTING PART D GAP COVERAGE FOR THE SENIOR RX AND DISABILITY RX PROGRAMS.

ASSEMBLYMAN BOBZIEN SECONDED THE MOTION.

SENATOR DENIS:

If we do not do this, it will cost more in the long run. If people do not get help timely, the medical issues and costs can escalate.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMEN GOICOECHEA, GRADY, HARDY AND HAMBRICK VOTED NO.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\*\*\*\*\*

Ms. CROCKET:

There are three other closing issues in B/A 262-3156. Other Closing Item No. 1, decision unit E-275, recommends \$271 for the 2011-2013 biennium to establish voice mail for five positions. This recommendation is reasonable.

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Other Closing Item No. 2, decision unit E-710, recommends \$3,246 over the 2011-2013 biennium to replace computer equipment. This is a reasonable request.

E-710 Equipment Replacement — Page DHHS ADSD-4

Other Closing Item No. 3, decision unit E-800, recommends \$263,251 over the 2011-2013 biennium to align the Division's cost allocation with the Governor's recommended reorganization of ADSD. This recommendation is reasonable.

E-800 Cost Allocation — Page DHHS ADSD-5

Staff requests authority to make necessary technical adjustments for the final internal cost allocations and requests authority to match up the General Fund transfers from the Health Division's Communicable Diseases account to the Senior Rx and Disability Rx programs in order to pay for part of the State Pharmacy Assistance Program.

SENATOR LESLIE MOVED TO APPROVE OTHER CLOSING ITEMS NO. 1 THROUGH 3 IN B/A 262-3156 INCLUDING DECISION UNITS E-275, E-710 AND E-800 AS RECOMMENDED BY THE GOVERNOR; TO AUTHORIZE STAFF TO MAKE THE NECESSARY TECHNICAL ADJUSTMENTS FOR THE FINAL INTERNAL COST ALLOCATIONS; AND TO AUTHORIZE FISCAL STAFF TO MATCH UP THE GENERAL FUND TRANSFERS FROM THE HEALTH DIVISION'S COMMUNICABLE DISEASES ACCOUNT TO THE SENIOR RX AND DISABILITY RX PROGRAMS IN ORDER TO PAY FOR PART OF THE STATE PHARMACY ASSISTANCE PROGRAM.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

\*\*\*\*\*



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CHAIR HORSFORD:

We will move to B/A 262-3140, page 75 of [Exhibit C](#).

HHS-ADSD – Tobacco Settlement Program — Budget Page DHHS ADSD-14  
(Volume II)  
Budget Account 262-3140

MS. CROCKET:

The major closing item in B/A 262-3140 is the budgeted amounts for Independent Living Grants (ILG). The table on page 76 of [Exhibit C](#) displays the Governor's recommended funding along with the available amount of tobacco settlement funds. The Governor recommended approximately \$3.5 million in FY 2011-2012, but approximately \$4.1 million became available. The Committees may wish to approve one of the following options:

1. Approve ILGs of approximately \$3.5 million in FY 2011-2012 and approximately \$5.1 million in FY 2012-2013, as recommended by the Governor and use the remaining \$557,550 available in FY 2011-2012 to offset General Fund monies for other DHHS programs; or
2. Approve ILGs of approximately \$4.1 million in FY 2011-2012 and approximately \$5.1 million in FY 2012-2013, to align FY 2011-2012 grants with the amount of tobacco settlement funding available, per the DHHS April 2011 reconciliation.

Fiscal Staff requests authority to make necessary technical adjustments for final internal cost allocations.

SENATOR LESLIE:

This is good news that there is additional money available for the ILGs. I prefer the second option utilizing all the additional funds for the ILG program.

SENATOR LESLIE MOVED TO APPROVE FOR B/A 262-3140 ILGS OF APPROXIMATELY \$4.1 MILLION IN FY 2011-2012 AND APPROXIMATELY \$5.1 MILLION IN FY 2012-2013 ALIGNING FY 2011-2012 GRANTS WITH THE AMOUNT OF TOBACCO SETTLEMENT FUNDING AVAILABLE PER THE DHHS APRIL 2011 RECONCILIATION; AND TO AUTHORIZE FISCAL STAFF TO MAKE THE

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NECESSARY TECHNICAL ADJUSTMENTS FOR FINAL INTERNAL COST  
ALLOCATIONS.

ASSEMBLYMAN BOBZIEN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

\* \* \* \* \*

MS. CROCKET:  
Budget Account 101-3146 begins on page 77 of [Exhibit C](#).

HHS-ADSD – Home & Community Based Programs — Budget Page DHHS  
ADSD-16 (Volume II)  
Budget Account 101-3146

There are three major closing issues in B/A 101-3146. First, is the previously discussed Division reorganization. Budget account 101-3146 would be eliminated as a result of consolidating fiscal and administrative positions into B/A 101-3151 and B/A 101-3266. A summary of the recommended consolidations for B/A 101-3151 is shown on page 81 of [Exhibit C](#) and on page 94 for B/A 101-3266.

HHS-ADSD – Community Based Services — Budget Page DHHS ADS-53  
(Volume II)  
Budget Account 101-3266

A total of 82 positions and their associated equipment and costs in B/A 101-3146, are recommended to be transferred as noted in decision units E-900, E-906, E-912, E-915, E-921 and E-924. A summary of the transfers is shown on the chart on page 78 of [Exhibit C](#).

E-900 Trans Base from HCB Programs to ADS Fed Program — Page DHHS  
ADSD-20

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E-906 Trans E-710 from HCB Programs to ADSD Fed Program — Page DHHS  
ADSD-20

E-912 Trans Base from HCB Programs to Comm Based Srvcs — Page DHHS  
ADSD-21

E-915 Trans E-710 from HCB Programs to Comm Based Svcs — Page DHHS  
ADSD-22

E-921 Trans E-275 from HCB Programs to ADSD Fed Program — Page DHHS  
ADSD-22

E-924 Trans E-275 from HCB Programs to Comm Based Svcs — Page DHHS  
ADSD-23

If the Committees wish to approve the consolidation of fiscal and administrative positions within B/A 101-3151, decision units E-900, E-906 and E-921 should be approved.

If the Committees wish to approve the consolidation of program positions within B/A 101-3266, decision units E-912, E-915 and E-924 should be approved.

SENATOR LESLIE MOVED TO APPROVE THE ELIMINATION OF B/A 101-3146 AND TO CONSOLIDATE FISCAL AND ADMINISTRATIVE POSITIONS PLUS ASSOCIATED EQUIPMENT AND COSTS INTO B/A 101-3151 AND B/A 101-3266 AS SET FORTH IN B/A 101-3146, DECISION UNITS E-900, E-906, E-921, E-912, E-915 AND E-924.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

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CHAIR HORSFORD:

This meeting will break at 11:07 a.m. and will reconvene upon adjournment of the Joint Committee on Commerce, Labor and Energy.

This meeting is reconvened and brought back to order at 6:10 p.m.

MS. CROCKET:

Please refer to page 78 of [Exhibit C](#), Major Closing Item No. 2 for B/A 101-3146. The *Executive Budget* does not recommend any caseload increases for the three federally funded Medicaid waiver programs. Refer to the narrative and the charts on page 79 of [Exhibit C](#) for more information about caseload projections and wait times.

Do the Committees wish to approve the Governor's recommendation to hold caseload slots flat for federally funded Medicaid waiver programs for the 2011-2013 biennium?

SENATOR RHOADS MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION TO HOLD CASELOAD SLOTS FLAT FOR THE FEDERALLY FUNDED MEDICAID WAIVER PROGRAMS IN B/A 101-3146.

SENATOR CEGAVSKE SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MS. CROCKET:

Major Closing Item No. 3 for B/A 101-3146 is on page 79 of [Exhibit C](#) regarding a decrease in the Community Options for the Elderly (COPE) Waiver program. The *Executive Budget* recommends reducing COPE monthly caseload slots from 125 for FY 2009-2010 to 96 slots in each year of the 2011-2013 biennium.

Do the Committees wish to approve the Governor's recommendation to reduce the COPE budget caseload from 125 to 96?

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SENATOR LESLIE MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION FOR B/A 101-3146 TO REDUCE THE COPE BUDGETED CASELOAD TO 96 SLOTS IN EACH YEAR OF THE 2011-2013 BIENNIUM.

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Ms. CROCKET:

There are two other closing items in B/A 101-3146. Other Closing Item No. 1, decision unit E-275, recommends approximately \$1,139 over the 2011-2013 biennium to establish voice mail for 21 positions. This requests appears reasonable.

E-275 Best Use of Technology — Page DHHS ADSD-18

Other Closing Item No. 2, decision unit E-710, recommends approximately \$52,292 over the 2011-2013 biennium to replace computer equipment. This request appears reasonable.

E-710 Equipment Replacement — Page DHHS ADSD-19

Fiscal Staff requests authority to make the necessary technical adjustments for final internal cost allocations.

SENATOR LESLIE MOVED TO APPROVE B/A 101-3146, DECISION UNITS E-275 AND E-710 AS RECOMMENDED BY THE GOVERNOR; AND TO AUTHORIZE FISCAL STAFF TO MAKE THE NECESSARY TECHNICAL ADJUSTMENTS FOR FINAL INTERNAL COST ALLOCATIONS.

ASSEMBLYMAN HAMBRICK SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

\* \* \* \* \*

Ms. CROCKET:  
Budget Account 101-3151 begins on page 81 of [Exhibit C](#).

HHS-ADSD – Federal Programs and Administration — Budget Page DHHS  
ADSD-25 (Volume II)  
Budget Account 101-3151

There are four major closing issues. Major Closing Issue No. 1 is the reorganization of ADSD. The Governor recommends the consolidation of fiscal and administrative positions for ADSD into B/A 101-3151. Twenty-four positions would be transferred to B/A 101-3151 from four other accounts as shown in the chart on page 82 of [Exhibit C](#).

This consolidation would allow the Division to streamline the application of the cost-allocation plan and maximize federal funds. This would allow the Division to bill any employee's time to a greater range of cost pools. The Agency indicates the duties of the transferred positions would not change. This reorganization is modeled after the Division of Health Care Financing and Policy's budget account which places administrative costs and program costs in separate budget accounts. No General Fund savings would result from this consolidation. The consolidation is accomplished via 19 decision units listed on page 83 of [Exhibit C](#).

E-900 Trans Base from HCB Programs to ADSD Fed Program — Page DHHS  
ADSD-34

E-906 Trans E-710 from HCB Programs to ADSD Fed Program — Page DHHS  
ADSD-36

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E-921 Trans E-275 from HCB Programs to ADSD Fed Program — Page DHHS  
ADSD-38

E-902 Trans Base from SR RX/Disability RX to ADSD Admin — Page DHHS  
ADSD-35

E-502 Adjustments to Transfers in E-902 — Page DHHS ADSD-30

E-907 Trans E-710 from SR RX/Disability RX to ADSD Admin — Page DHHS  
ADSD-36

E-507 Adjustments to Transfers in E-907 — Page DHHS ADSD-31

E-922 Trans E-275 from SR RX/Disability RX to ADSD Admin — Page DHHS  
ADSD-39

E-522 Adjustments to Transfers in E-922 — Page DHHS ADSD-32

E-903 Trans Base from EPS/Homemaker to ADSD Admin — Page DHHS  
ADSD-35

E-503 Adjustments to Transfers in E-903 — Page DHHS ADSD-31

E-908 Trans E-710 from EPS/Homemaker to ADSD Admin — Page DHHS  
ADSD-37

E-923 Trans E-275 from EPS/Homemaker to ADSD Admin — Page DHHS  
ADSD-39

E-909 Trans Base from Comm Based Srvcs to ADSD Admin — Page DHHS  
ADSD-37

E-509 Adjustments to Transfers in E-909 — Page DHHS ADSD-31

E-911 Trans E-710 from Comm Based Srvcs to ADSD Admin — Page DHHS  
ADSD-38

E-511 Adjustments to Transfers in E-911 — Page DHHS ADSD-32

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E-926 Trans E-275 from Comm Based Srvcs to ADSD Admin — Page DHHS  
ADSD-39

E-526 Adjustments to Transfers in E-926 — Page DHHS ADSD-32

Replacement computer equipment transferred from Community Based Services in decision unit E-911 did not match the Agency's replacement schedule for FY 2011-2012. Staff has completed technical adjustments to correct the discrepancy and requests authority to reduce transfers from Community Based Services by \$1,082 in FY 2011-2012.

SENATOR LESLIE:

There was extensive discussion about this in the Subcommittee. The Subcommittee was generally in favor of the consolidation.

SENATOR LESLIE MOVED TO APPROVE THE GOVERNOR'S RECOMMENDATION TO CONSOLIDATE FISCAL AND ADMINISTRATIVE POSITIONS WITHIN B/A 101-3151 INCLUDING TRANSFERRING IN TO B/A 101-3151 24 POSITIONS FROM OTHER ADSD ACCOUNTS VIA DECISION UNITS E-900, E-906, E-921, E-902, E-502, E-907, E-507, E-922, E-522, E903, E-503, E-908, E-923, E-909, E-509, E-911, E-511, E-926 AND E-526; AND TO AUTHORIZE FISCAL STAFF TO REDUCE TRANSFERS FROM THE COMMUNITY BASED SERVICES BY \$1,082 IN FY 2011-2012.

SENATOR CEGAVSKE SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. CROCKET:

The second major closing issue in B/A 101-3151 is the Senior Ride Program, decision unit E-328, described on page 84 of [Exhibit C](#).



E-328 Deliver Public Services Directly and Efficiently — Page DHHS ADSD-30

The Governor recommends additional transfers from the Taxicab Authority of \$292,463 over the 2011-2013 biennium to add an income eligibility component to the Senior Ride Program. The eligibility requirements would change from current requirements, which specify no income level restriction, to restricting eligibility to people with income at or below 400 percent of the federal poverty level (FPL).

Two positions would be added to manage the additional administrative duties creating a total of four positions dedicated to this program. An additional module would need to be added to the Agency's information system to track and monitor the program. Funding for two temporary workers to assist with the initial application process and data entry is also recommended.

Currently, Clark County individuals aged 60 and older and persons with permanent disabilities can purchase coupon books good for \$20 in taxicab fare for \$10. Approximately 3,600 coupon books are sold per month. Because no income information has been collected at this time, the Agency cannot determine how many clients would be served per month after this income eligibility component is added. Demand could surge among lower income groups and taper off among those seniors with larger incomes.

The income eligibility component would create a sliding fee scale, basing the coupon book cost on individual income. Without history of operating such a program, the Agency is unable to determine the fiscal impact of the fee change. The proposed sliding fee scale is presented in a table on page 85 of [Exhibit C](#). The ADSD anticipates operating the income eligibility component of the Senior Ride program between January 2012 and April 2012. The second chart on page 85 of [Exhibit C](#) illustrates the timeline for the various components of the program implementation plan.

If this is approved, given that ADSD is unable to project the number of people who would purchase coupon books or the amount of the coupon book sales revenue, the Committees may wish to issue a letter of intent directing the Agency to report information on the Senior Ride Program to IFC.

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The Governor's recommended budget includes a merit salary increase for the two positions added in decision unit E-328. Staff has completed technical adjustments reducing transfers from the Taxicab Authority by \$2,408 in FY 2012-2013 to eliminate the merit increases and requests authority for this adjustment.

ASSEMBLYWOMAN MASTROLUCA:

There was much discussion in the Subcommittee about this. The most difficult part is not having information to use as a basis for projections. The proposed sliding fee scale makes sense, but the letter of intent requiring collection and reporting of information will assist in making better educated decisions on this program in the future.

ASSEMBLYWOMAN MASTROLUCA MOVED TO APPROVE ADDITIONAL TRANSFERS FROM THE TAXICAB AUTHORITY OF \$292,463 OVER THE 2011-2013 BIENNIUM FOR B/A 101-3151; TO APPROVE ADDING AN INCOME ELIGIBILITY COMPONENT AND TWO POSITIONS TO THE SENIOR RIDE PROGRAM; TO ISSUE A LETTER OF INTENT DIRECTING ADSD TO REPORT INFORMATION ON THE SENIOR RIDE PROGRAM TO IFC; AND TO AUTHORIZE FISCAL STAFF TO MAKE THE NOTED TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

ASSEMBLYMAN GOICOECHEA:

How will income eligibility be established?

CAROL SALA (Administrator, Aging and Disability Services Division, Department of Health and Human Services):

The Agency would set up an application process. Currently, there is no application for this program. Income information would be collected as part of the application process.

ASSEMBLYMAN HAMBRICK:

Is there a fiscal note with this?

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Ms. SALA:

The transfer of the \$292,463 from the Taxicab Authority will cover all the costs for operating this program.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Ms. CROCKET:

The third major closing issue in B/A 101-3151 concerns volunteers for the Long-Term Care Ombudsman Program, decision unit E-326.

E-326 Deliver Public Services Directly and Efficiently — Page DHHS ADSD-30

The Governor recommends additional General Funds of \$10,422 in each year of the 2011-2013 biennium to add a volunteer component to this program. This would pay for background checks, training manuals, mileage reimbursement, supplies and liability insurance for 25 volunteers in each year of the 2011-2013 biennium. The volunteers would supplement the State Long-Term Care Ombudsman Program's paid staff and result in more expeditious responses to complaints.

SENATOR RHOADS MOVED TO APPROVE B/A 101-3151, DECISION UNIT E-326, AUTHORIZING AN ADDITIONAL GENERAL FUND APPROPRIATION OF \$10,422 IN EACH YEAR OF THE 2011-2013 BIENNIUM TO ADD A VOLUNTEER COMPONENT TO THE STATE LONG-TERM CARE OMBUDSMAN PROGRAM.

ASSEMBLYMAN ATKINSON SECONDED THE MOTION.

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

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SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MS. CROCKET:

The fourth major closing issue for B/A 101-3151 is Budget Amendment No. A00267 regarding the Senior Medicare Patrol (SMP). This amendment transfers the SMP program from B/A 101-1037 to B/A 101-3151, including \$452,010 in SMP federal grant funding over the 2011-2013 biennium. Additionally, \$284,268 in Medicare Fraud Prevention expansion grant funding in FY 2011-2012 would be added. Two SMP positions would be transferred to ADSD supported entirely by federal funding from the Medicaid Fraud account. The ADSD indicates the SMP program would integrate well with existing ADSD programs, such as the State Health Insurance Assistance program, and reduce duplicated efforts by providing resources through one agency.

AG – Medicaid Fraud — Budget Page ELECTED-82 (Volume I)  
Budget Account 101-1037

SENATOR LESLIE MOVED TO ACCEPT BUDGET AMENDMENT NO. A00267 TRANSFERRING THE SMP PROGRAM AS WELL AS THE MEDICARE FRAUD EXPANSION GRANT FROM B/A 101-1037 TO B/A 101-3151.

ASSEMBLYMAN CONKLIN SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MS. CROCKET:

Other Closing Item No. 1, decision unit E-275, B/A 101-3151, recommends \$49,735 over the 2011-2013 biennium to replace the telephone system for the Division's Carson City office. Approximately \$3,670 in long-distance costs

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would be saved by replacing the system. This recommendation appears reasonable.

E-275 Best Use of Technology — Page DHHS ADSD-29

Staff requests authority to complete technical adjustments related to long-distance expenditure reductions in B/A 262-3156, B/A 101-3266 and B/A 101-3151.

Other Closing Item No. 2, decision unit E-710, recommends \$118,904 over the 2011-2013 biennium for replacement of computer equipment as described on page 86 of [Exhibit C](#). This request is reasonable.

E-710 Equipment Replacement — Page DHHS ADSD-34

Staff requests authority to make necessary technical adjustments for final internal cost allocations and authority to correct the transfers of Senior Ride revenue between B/A 101-3151 and B/A 245-4130.

B&I – Taxicab Authority — Budget Page B&I-241 (Volume II)  
Budget Account 245-4130

SENATOR LESLIE MOVED TO APPROVE B/A 101-3151, DECISION UNITS E-275 AND E-710 AS RECOMMENDED BY THE GOVERNOR, TO AUTHORIZE FISCAL STAFF TO COMPLETE TECHNICAL ADJUSTMENTS RELATED TO LONG-DISTANCE EXPENDITURE REDUCTIONS IN B/A 262-3156, B/A 101-3266 AND B/A 101-3151; TO AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS FOR FINAL INTERNAL COST ALLOCATIONS; AND TO CORRECT THE TRANSFERS OF SENIOR RIDE REVENUE BETWEEN B/A 101-3151 AND 245-4130.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

\* \* \* \* \*

MS. CROCKET:

The overview for B/A 101-3252 begins on page 88 of [Exhibit C](#).

HHS-ADSD – EPS/Homemaker Programs — Budget Page DHHS ADSD-43  
(Volume II)  
Budget Account 101-3252

There are four major closing issues in B/A 101-3252. Major Closing Item No. 1 relates to the Division reorganization. Four positions would be transferred from B/A 101-3252 to B/A 101-3151. Fifty-four positions would be transferred from B/A 101-3252 to B/A 101-3266. The chart on page 89 of [Exhibit C](#) illustrates these transfers. The transfer of the positions and associated equipment and costs is accomplished with the following eight decision units.

E-903 Trans Base From EPS/Homemaker to ADSD Admin — Page DHHS  
ADSD-48

E-908 Trans E-710 from EPS/Homemaker to ADSD Admin — Page DHHS  
ADSD-48

E-923 Trans E-275 from EPS/Homemaker to ADSD Admin — Page DHHS  
ADSD-50

E-916 Trans Base from EPS/Homemaker to Comm Based Srvcs — Page DHHS  
ADSD-49

E-919 Trans E-325 from EPS/Homemaker to Comm Based Srvcs — Page DHHS  
ADSD-49

E-920 Trans E-710 from EPS/Homemaker to Comm Based Srvcs — Page DHHS  
ADSD-50

E-925 Trans E-275 from EPS/Homemaker to Comm Based Srvcs — Page DHHS  
ADSD-51

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E-930 Trans E-690 from EPS/Homemaker to Comm Based Srvcs — Page DHHS  
ADSD-51

Staff requests authority to delete transfers to B/A 101-3266 if the Committees do not approve the consolidation of program positions within that account.

SENATOR LESLIE MOVED TO APPROVE THE TRANSFERS OF STAFF AND ASSOCIATED COSTS AND EQUIPMENT FROM B/A 101-3252 TO B/A 101-3151 AND B/A 101-3266 AS SET FORTH IN DECISION UNITS E-903, E-908, E-923, E-916, E-919, E-920, E-925 AND E-930 OF B/A 101-3252; AND TO AUTHORIZE FISCAL STAFF TO DELETE TRANSFERS TO B/A 101-3146 IF THE COMMITTEES DO NOT APPROVE THE CONSOLIDATION OF PROGRAM POSITIONS WITHIN THAT ACCOUNT.

ASSEMBLYWOMAN MASTROLUCA SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\*\*\*\*\*

Ms. CROCKET:

Major Closing Item No. 2, decision unit E-325, on page 89 of [Exhibit C](#) recommends additional General Funds of \$802,701 in FY 2011-2012 and \$1 million in FY 2012-2013 to add 15 positions over the 2011-2013 biennium to the Elder Protective Services (EPS) program. The additional positions result in a total of 35 social workers dedicated to the EPS program.

E-325 Deliver Public Services Directly and Efficiently — Page DHHS ADSD-45

In May 2010, Clark County transferred all EPS investigations to ADSD. This enhancement is intended to provide sufficient EPS staff to handle the additional caseload and to adjust the caseload per worker to a manageable amount as explained on page 90 of [Exhibit C](#).

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Decision unit E-325 also includes \$114,217 for essential services, some of which the Agency indicates were previously provided by Clark County. The Governor's original recommendation to bill the counties for EPS services provided by the State includes billing for the additional General Fund costs in this decision unit.

Do the Committees wish to approve the Governor's recommendation to add 15 EPS positions for an additional General Fund cost of \$802,701 in FY 2011-2012 and \$1 million in FY 2012-2013?

SENATOR LESLIE:

Major Closing Item No. 2 and Major Closing Item No. 3 with the budget amendment seem to be related. Can you describe Major Closing Item No. 3 before we vote?

MS. CROCKET:

Major Closing Item No. 2 adds 15 positions for EPS. Originally the EPS costs were going to be billed to the counties.

Major Closing Item No. 3, decision unit E-690, originally recommended replacing General Fund appropriations of \$1 million in FY 2011-2012 and \$1.2 million in FY 2012-2013 with county reimbursements. The Division would retain responsibility for the EPS program, but would bill counties for services provided by the State.

E-690 Budget Reductions — Page DHHS ADSD-47

Budget Amendment No. A00320 received by the Fiscal Analysis Division on April 27, 2011, recommends eliminating decision unit E-690, thereby funding EPS with General Funds of \$2.2 million over the 2011-2013 biennium. The amendment also eliminates decision unit E-930 which transfers the county reimbursement revenue to the Community Based Services in B/A 101-3266 as part of the Division's consolidation of program positions within that account. Refer to pages 90 and 91 of [Exhibit C](#) for a detailed description of Major Closing Item No. 3.

E-690 Budget Reductions — Page DHHS ADSD-47



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E-930 Trans E-690 from EPS/Homemaker to Comm Based Srvcs — Page DHHS  
ADSD-51

SENATOR LESLIE:

Is it correct to say Budget Amendment No. A00320 adds the positions and results in not billing the counties for any of the EPS as previously planned?

Ms. CROCKET:

Decision unit E-325 adds the 15 positions. The budget amendment is a separate issue. Budget Amendment No. A00320 replaces the county reimbursements with General Fund monies for all EPS services.

SENATOR LESLIE:

This is important. Nevada has had a poor record regarding seniors being exploited. I prefer to have EPS as one system and I am afraid billing the counties will result in things falling apart. I agree with the Governor on this. We should approve Major Closing Item No. 2 and accept the budget amendment in Closing Item No. 3.

SENATOR LESLIE MOVED TO APPROVE B/A 101-3252, MAJOR CLOSING ITEM NO. 2 INCLUDING DECISION UNIT E-325 WHICH ADDS 15 EPS POSITIONS; TO APPROVE CLOSING ITEM NO. 3, OPTION A WHICH ACCEPTS BUDGET AMENDMENT NO. A00320 RESULTING IN ELIMINATION OF DECISION UNIT E-690 AND E-930 AND FUNDS EPS WITH A GENERAL FUND RESTORATION OF \$2.2 MILLION OVER THE 2011-2013 BIENNIUM.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. CROCKET:

Major Closing Item No. 4 concerns the Homemaker Services program as described on page 92 of [Exhibit C](#). The Governor recommends a Homemaker Services caseload of 320 slots per month for the 2011-2013 biennium. This is a 50 percent reduction from the legislatively approved caseload of 637 slots per month for the current biennium. This represents a continuation of the reductions approved by the Twenty-sixth Special Session. Four social workers would be transferred from Homemaker Services caseloads to EPS caseloads to support the increase in EPS caseloads as previously discussed. The ADSD has recently revised its eligibility requirements for the homemaker program to ensure services are targeted to those at risk of institutionalization. This has resulted in a reduced caseload. The caseload for FY 2010-2011 has averaged 150 per month, or 53 percent below the 320 slots recommended by the Governor. Do the Committees wish to approve 320 homemaker slots per month, as recommended by the Governor?

SENATOR CEGAVSKE MOVED TO APPROVE B/A 101-3252  
MAJOR CLOSING ISSUE NO. 4 APPROVING 320 HOMEMAKER SLOTS  
PER MONTH AS RECOMMENDED BY THE GOVERNOR.

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Ms. CROCKET:

There are two other closing items on page 93 of [Exhibit C](#). Other Closing Item No. 1, decision unit E-275, recommends \$271 over the 2011-2013 biennium to establish voice mail for five positions. This appears reasonable.

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Other Closing Item No. 2, decision unit E-710, recommends \$26,986 over the 2011-2013 biennium for replacement of computer equipment in accordance with the DoIT replacement schedule. This request is reasonable.

E-710 Equipment Replacement — Page DHHS ADSD-47

Staff requests authority to make necessary technical adjustments for final internal cost allocations.

SENATOR LESLIE MOVED TO APPROVE B/A 101-3252,  
DECISION UNITS E-275 AND E-710 AS RECOMMENDED BY THE  
GOVERNOR.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Ms. CROCKET:

Next is B/A 101-3266 beginning on page 94 of [Exhibit C](#).

HHS-ADSD – Community Based Services — Budget Page DHHS ADSD-53  
(Volume II)  
Budget Account 101-3266

There are five major closing issues in this account. Major Closing Issue No. 1 is the Division reorganization. As previously discussed, the Governor recommends transferring 121 positions to B/A 101-3266 from other ADSD accounts and transfers out three positions to B/A 101-3151. Refer to the charts on pages 95 and 96 of [Exhibit C](#) for the detail about these transfers. The transfers are accomplished via the following decision units.

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E-512 Adjustments to Transfers — Page DHHS ADSD-57

E-519 Adjustments to E-919 — Page DHHS ADSD-57

E-516 Adjustments to Transfers — Page DHHS ADSD-57

E-909 Trans Base from Comm Based Srvcs to ADSD Admin — Page DHHS  
ADSD-61

E-911 Trans E-710 From Comm Based Srvcs to ADSD Admin — Page DHHS  
ADSD-61

E-912 Trans Base from HCB Programs to Comm Based Srvcs — Page DHHS  
ADSD-62

E-915 Trans E-710 from HCB Programs to Comm Based Srvcs — Page DHHS  
ADSD-62

E-916 Trans Base from EPS/Homemaker to Comm Based Srvcs — Page DHHS  
ADSD-63

E-919 Trans E-325 from EPS/Homemaker to Comm Based Srvcs — Page DHHS  
ADSD-63

E-920 Trans E-710 from EPS/Homemaker to Comm Based Srvcs — Page DHHS  
ADSD-64

E-924 Trans E-275 from HCB Programs to Comm Based Srvcs — Page DHHS  
ADSD-64

E-925 Trans E-275 from EPS/Homemaker to Comm Based Srvcs — Page DHHS  
ADSD-65

E-926 Trans E-275 from Comm Based Srvcs to ADSD Admin — Page DHHS  
ADSD-65

E-930 Trans E-690 from EPS/Homemaker to Comm Based Srvcs — Page DHHS  
ADSD-66

Consolidating these program positions within B/A 101-3266 will allow the Division to streamline its cost allocation plan and maximize federal funds. There would also be some efficiencies realized with cross utilization of staff resulting in improved service delivery. However, transparency could be lost with regard to personnel expenditures. Positions could potentially be redirected from one program to another at any time, without approval of the Legislature or IFC. In response to Fiscal Staff inquiries, ADSD provided quarterly internal reports including details of employee time and total expenditures related to each programmatic area within ADSD. The tracking reports and financial reporting systems the Agency has in place appear to address the transparency concerns raised as long as these reports are readily available.

The ten programs listed at the bottom of page 96 and top of page 97 of [Exhibit C](#) would reside in the consolidated B/A 101-3266.

If the Committees approve the consolidation of program positions, the Committees may wish to issue a letter of intent instructing the Agency to report data relating to the number of hours of work for each program area, as well as expenditures for each program area for all budget accounts within ADSD, to IFC on a quarterly basis beginning October 1, 2011.

SENATOR LESLIE:

The Subcommittee reviewed this extensively. We need to trust that this will work. However, there does need to be a letter of intent requiring the reporting of information.

SENATOR LESLIE MOVED TO APPROVE THE TRANSFER OF 121 POSITIONS TO B/A 101-3266 AND THE TRANSFER OUT OF 3 POSITIONS TO B/A 101-3151 VIA DECISION UNITS E-909, E-911, E-926, E-912, E-512, E-915, E-924, E-916, E-516, E-919, E-519, E-920, E-925 AND E-930; AND TO ISSUE A LETTER OF INTENT INSTRUCTING ADSD TO REPORT EMPLOYEE TIME TRACKING AND PROGRAM EXPENSE DATA ON A QUARTERLY BASIS TO IFC BEGINNING OCTOBER 1, 2011.

SENATOR KIECKHEFER SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Ms. CROCKET:

Major Closing Item No. 2 includes B/A 101-3266, decision unit E-327 and Budget Amendment Nos. A00314, A00318 and A00319 concerning the Autism Treatment Assistance Program (ATAP). A detailed description is located on pages 97 through 100 in [Exhibit C](#).

E-327 Deliver public Services Directly and Efficiently — Page DHHS ADSD-56

The ATAP was previously funded with one-shot appropriations by the 2007 and 2009 Legislatures to provide evidence-based behavioral therapy services to children with autism.

The Governor originally recommended, in decision unit E-327, additional General Funds of \$1.25 million in FY 2011-2012 and \$1.26 million FY 2012 2013 to continue ATAP in the 2011-2013 biennium. As described on pages 97 and 98 of [Exhibit C](#), each child would receive an allotment of \$1,048 per month to be used for services. The proposed funding would decrease the ATAP caseload from the current legislatively approved 110 children per month to 83 per month. As of February 2011 there are 215 children on the wait list. The average wait time is approximately five months, with a maximum wait time of approximately three and one-half years.

Decision unit E-327 also recommends adding one social services program specialist to manage ATAP. The Agency does not currently have a staff member dedicated to managing ATAP.

The Governor has submitted three budget amendments related to ATAP to increase funding to B/A 101-3266 via transfers from other DHHS divisions.

Budget Amendment No. A00314 amends decision unit E-327 by reallocating \$94,579 over the 2011-2013 biennium from the Autism expenditure category to the Operating and Information Technology expenditure categories. This would pay for the development of a new data base information system as well as add two new contract case managers and related operating expenditures. A total of four contracted case managers would be dedicated to ATAP with a caseload of approximately 40 each.

Budget Amendment No. A00318 adds General Fund appropriation of \$1.7 million over the 2011-2013 biennium to ATAP. The same amount of General Fund is recommended by the Governor for elimination from the Mental Health and Disability Services (MHDS) Self-Directed Autism program which is currently funded with federal Temporary Assistance for Needy Families (TANF) funding and General Fund monies. This budget amendment would restore the General Fund portion of the MHDS Self-Directed Autism program only serving 61 families per month. The Governor recommends eliminating the TANF portion of funding which provides services to 113 families per month.

Budget Amendment No. A00319 adds General Fund monies totaling \$608,529 over the 2011-2013 biennium to ATAP. The funding would be transferred from B/A 101-3208 as described on page 98 of [Exhibit C](#).

HHS-HD – Early Intervention Services — Budget Page DHHS HEALTH-41  
(Volume II)  
Budget Account 101-3208

The funding redirected to ATAP was identified as an addback priority by the Governor. This would increase the ATAP funding to \$4.8 million over the 2011-2013 biennium, a 92 percent increase from the Governor's original recommended funding of \$2.5 million. The ATAP caseload would increase from the 83 children per month to 155 children per month in FY 2011-2012 and 160 children per month in FY 2012-2013.

There are three bills pending related to autism. Assembly Bill (A.B.) 315 establishes ATAP within ADSD as the primary autism program within DHHS. Assembly Bill 316 requires ADSD to designate a standard protocol for the assessment and evaluation of persons with autism who receive services through certain public programs. Assembly Bill 345 establishes ATAP within ADSD and

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makes an appropriation of \$1.5 million to provide services to those on the waiting list for ATAP, or the waiting list for autism services at Desert Regional Center, Sierra Regional Center or Rural Regional Center.

**ASSEMBLY BILL 315**: Establishes the Autism Treatment Assistance Program.  
(BDR 38-986)

**ASSEMBLY BILL 316 (1st Reprint)**: Establishes provisions relating to persons with autism. (BDR 38-260)

**ASSEMBLY BILL 345**: Revises provisions relating to services for persons with autism. (BDR 38-26)

The Committees may wish to approve one of the options or combinations of options as described on page 99 of [Exhibit C](#).

Acceptance of Budget Amendment Nos. A00318 and A00319 would constitute a policy decision to consolidate state autism services in ADSD's ATAP.

If the Committees approve the Governor's budget as amended, the Committees may wish to issue a letter of intent to the Agency, given the difficulty in projecting ATAP wait-list and wait time information. The Committees may wish to instruct the Agency to report caseload and wait-list data to IFC on a quarterly basis, beginning October 1, 2011.

CHAIR HORSFORD:

I appreciate Staff mentioning that those budget amendments constitute a policy decision. The legislative intent needs to be made clear about the investments that are being made. I hope whatever is decided today will be consistent with the policy that may be passed in the pending bills.

ASSEMBLYWOMAN MASTROLUCA MOVED TO APPROVE B/A 101-3266, DECISION UNIT E-327, AS RECOMMENDED BY THE GOVERNOR; TO ACCEPT BUDGET AMENDMENT NO. A00314 TO ADD A DATA COLLECTION MODULE AND TWO CONTRACT CASE MANAGERS TO B/A 101-3266; TO ACCEPT BUDGET AMENDMENT NO. A00318 RESTORING \$1.7 MILLION THAT WAS ELIMINATED FROM THE MHDS ACCOUNTS TO B/A 101-3266; AND TO ISSUE A LETTER OF



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INTENT TO ADSD TO REPORT QUARTERLY ATAP DATA TO IFC  
BEGINNING OCTOBER 1, 2011.

SENATOR LESLIE SECONDED THE MOTION.

SENATOR KIECKHEFER:

Why was Budget Amendment No. A00319, transferring \$608,529 from Early Intervention Services (EIS), B/A 101-3208, to B/A 101-3266, not included in the motion?

ASSEMBLYWOMAN MASTROLUCA:

It is more of a policy decision. I believe parents need to have the option of accessing the EIS program versus the ATAP program.

SENATOR KIECKHEFER:

The Agency has indicated that families will still have the option of accessing autism services through EIS. This does not exclude people from getting autism services through EIS.

MS. FREED:

You are correct. There is nothing preventing families from accessing EIS. If a child qualifies for ATAP and EIS, the family can choose one; or access some services in one and other services in the other.

CHAIR HORSFORD:

My concern is if Budget Amendment No. A00319 is approved, transferring \$608,529 from the EIS account to ATAP, the services available through EIS would be reduced.

SENATOR KIECKHEFER:

The EIS Account, B/A 101-3208, is one of the few budgets that has had significant increases over the past couple of Legislative Sessions. If we are trying to direct families with children who have autism to ATAP as the primary program for autism services, identifying funding through EIS that could help bolster that program is worthwhile. I would personally like to see Budget Amendment No. A00319 included in the motion.

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ASSEMBLYWOMAN SMITH:

I want to make sure that if the EIS transfer of funds to ATAP is done, parents can still access EIS.

ASSEMBLYMAN BOBZIEN:

This is a policy issue requiring more discussion and clarification. The ATAP can be a one-stop program if the family's only challenge is a child with autism. However, it may not be a one stop for parents who go to ATAP for autism and then have other developmental issues where they need EIS.

SENATOR LESLIE:

Remember there are still pending bills. I am comfortable supporting the motion on the table. This is complicated and there will be further discussion. There are legitimate concerns that have been brought up on both sides.

CHAIR HORSFORD:

If additional money is needed for autism, the Governor should have proposed adding more without taking money away from the EIS program.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY

\* \* \* \* \*

Ms. CROCKET:

Major Closing Item No. 3, B/A 101-3266, decision unit E-690, recommends redirecting the funding of the autism and traumatic brain injury (TBI) programs in FY 2012-2013 from General Fund to tobacco settlement fund monies for a General Fund savings of \$2.7 million in FY 2012-2013.

E-690 Budget Reductions — Page DHHS ADSD-59

Staff understands this funding would come from the Trust Fund for Public Health as set forth in NRS 439.605. The entire autism enhancement and budget amendments are not included in this replacement of General Funds with tobacco settlement funds. It only includes the enhancement in decision unit E-327 as

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originally put forth by the Governor. It does not include \$77,403 in personnel and non-caseload operating costs. It only replaces the autism expenditure category with tobacco settlement monies. In closing B/A 262-3261, the Committees approved the Governor's recommendation to use \$2.7 million in tobacco settlement funds for this purpose. Do the Committees wish to approve decision unit E-690, thereby replacing \$2.7 million in General Fund monies with tobacco settlement funds for the TBI and autism programs in FY 2012-2013 consistent with its decision in closing B/A 262-3261.

HHS-DO – Healthy Nevada Fund — Budget Page DHHS DIRECTOR-41  
(Volume II)  
Budget Account 262-3261

SENATOR LESLIE MOVED TO APPROVE B/A 101-3266, DECISION UNIT E-690, REPLACING \$2.7 MILLION IN GENERAL FUND MONIES WITH TOBACCO SETTLEMENT FUNDS FOR THE TBI AND AUTISM PROGRAMS IN FY 2012-2013.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

MS. CROCKET:

Major Closing Issue No. 4 for B/A 101-3266 recommends General Fund monies totaling \$3 million over the 2011-2013 biennium to provide critical post-acute rehabilitation to TBI survivors who have no payer source. This is intended to provide services to 43 people each year or an average of three people each month. The Agency indicates that five people are currently on the TBI wait list. Do the Committees wish to approve General Fund monies of \$3 million over the 2011-2013 biennium to provide TBI services to 86 individuals over the 2011-2013 biennium?

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ASSEMBLYWOMAN MASTROLUCA MOVED TO APPROVE GENERAL FUND MONIES OF \$3 MILLION OVER THE 2011-2013 BIENNIUM TO PROVIDE TBI SERVICES TO 86 INDIVIDUALS OVER THE 2011-2013 BIENNIUM IN B/A 101-3266.

SENATOR KIECKHEFER SECONDED THE MOTION.  
ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN HARDY WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Ms. CROCKET:

The Governor recommends \$2.9 million over the 2011-2013 biennium, including General Fund monies of \$2.7 million, for B/A 101-3266 to provide Independent Living services (IL) to an average of 18 clients per month. Currently, 218 people are on the wait list with an average wait time of approximately ten and one-half months.

SENATOR CEGAVSKE MOVED TO APPROVE \$2.7 MILLION OVER THE 2011-2013 BIENNIUM IN B/A 101-3266 TO PROVIDE IL SERVICES TO 18 PEOPLE PER MONTH OVER THE 2011-2013 BIENNIUM.

ASSEMBLYMAN HAMBRICK SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

Ms. CROCKET:

Major Closing Item No. 5 for B/A 101-3266 recommends General Fund appropriations totaling \$6.4 million over the 2011-2013 biennium to provide personal assistance services (PAS) in-home care as described on pages 101 and

102 of [Exhibit C](#). The Governor's recommended budget was expected to fund PAS for 165 people per month.

Since then, St. Mary's Regional Medical Center has informed ADSD it will no longer be the PAS provider for ADSD. The Agency advised Staff that an RFP for a single source provider for PAS is not a viable option, as an RFP takes from 6 to 12 months to complete and St. Mary's will be terminating PAS on June 18, 2011. This would result in a lapse in services for individuals receiving PAS. Additionally, there are several programmatic concerns about utilizing a single vendor. This includes the absence of other nonprofit providers for PAS services, a limit of client choice in vendors, and a conflict of interest of a for-profit agency both determining eligibility and providing care. The ADSD is currently pursuing a multivendor contract for PAS. Under the multivendor contract, ADSD would assume the intake, eligibility determination, needs assessment and administrative tasks related to PAS.

The ADSD provided Fiscal Staff with a cost-neutral approach to provide PAS under a multivendor contract model. Expenditures totaling \$755,928 over the 2011-2013 biennium would be redirected from the PAS category to personnel, operating, travel, equipment and information technology categories to fund the administrative aspects of the program in ADSD. The Agency indicates six positions are needed to manage the PAS program, including four social workers, one social work supervisor and one administrative assistant at a cost of approximately \$674,149 over the 2011-2013 biennium. A new data information module would need to be developed at a cost of \$81,779 to allow staff to track outcomes and forecast program information.

To partially defray costs of hiring additional case managers, the Agency would collect copayments from clients. Assuming the same level of copayment collections by St. Mary's as have occurred in the past, it is estimated \$240,000 in copayment revenue would be collected over the 2011-2013 biennium. The \$240,000 would directly offset the \$755,928 cost associated with administering the PAS program. Additionally, ADSD currently pays St. Mary's \$1.50 for every hour of PAS provided over what is paid to Medicaid providers. These monies would be redirected to fund PAS caseload and ADSD PAS providers would be paid the Medicaid rate of \$17 per hour.

The result of ADSD assuming administration of the PAS program is a reduction in the amount of funding available to provide PAS services. The PAS caseload would decrease from the Governor's recommended 165 slots to 150 slots for both years of the 2011-2013 biennium to maintain the same level of General Fund appropriation as recommended in the *Executive Budget*. To maintain the 165 slots, an additional \$260,626 in FY 2011-2012 and \$255,302 in FY 2012-2013 is required.

Do the Committees wish to approve one of the options on page 102 of [Exhibit C](#)?

SENATOR LESLIE:

This is all new information. We know St. Mary's has decided it will no longer administer the PAS program. The wait list includes 81 people with a maximum wait-list time of 1,146 days with 73 percent having to wait more than 90 days. That is an incredible wait time. That is probably why the Governor originally recommended increasing the caseload to 165 people per month. Has the Agency heard from any entity interested in administering this program as a good will gesture? Has there been any discussions with St. Mary's about possibly continuing this service if they are paid more?

MS. SALA:

St. Mary's is not interested in continuing. To secure a sole source, the Agency would have to go through the RFP process. The RFP process is taking a minimum of 6 months and could take as long as 12 months to complete the process through the State Purchasing Division. The ADSD currently has 28 personal assistance services agencies under contract providing in-home care services under COPE. These entities are qualified to provide PAS. The ADSD has contacted the 28 agencies, and 27 have responded expressing an interest in becoming a contractor for the PAS program. The Agency has drafted a possible contract addendum for these agencies. These are direct service providers who go out and provide the care. One of these is an Intermediary Service Organization (ISO) and we are hoping to get another. The ISO has a component where the client can hire their neighbor or whoever they want to become their provider. This is a nice feature that has been offered by St. Mary's in the past. The Agency wants to maintain this option for the clients.

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Regarding the management of the program, St. Mary's identified the clients, assessed eligibility, determined the plan for care and provided the service. St. Mary's is a nonprofit organization.

SENATOR LESLIE:

Do the clients understand what is going on?

MS. SALA:

The clients are aware. The Nevada Commission on Services for Persons with Disabilities had this on their agenda a couple of weeks ago. The chair, Paul Gowins, has expressed concern about possibly not having as many ISOs available in the future. As previously mentioned, the Agency is in agreement that the ISOs are valuable and is trying to ensure they will be included in the future plans. Mr. Gowins does understand that it was St. Mary's decision to not go forward as the provider of PAS.

CHAIR HORSFORD:

The fact that St. Mary's is discontinuing services effective June 18, 2011, why is it not possible to do a sole-source contract with a provider?

MS. SALA:

The sole-source process is a lengthy process and we have not had anyone come forward that is willing to be a sole-source provider. There is an issue of not-for-profit versus a for-profit entity assuming this responsibility. As previously mentioned, St. Mary's was identifying the client, determining their eligibility, writing the plan of care which determines how many hours will be provided and then providing those hours of services. Although St. Mary's is a nonprofit entity, there have been no checks and balances in the process. These processes need to be kept separate with the next provider.

CHAIR HORSFORD:

It is also not acceptable to not have services after June 18, 2011. I understand there are entities that might step up to assume the responsibilities, but then you also have your expertise in being able to identify potential providers who, if approached, may respond. Has that been pursued?

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Ms. SALA:

The ADSD PAS program manager began researching the options as soon as word was received that St. Mary's would be ending their participation. Analysis and review was done to determine what could be done to ensure no interruption of services. After reviewing the RFP process with State Purchasing, the Agency determined the proposal before you was the best option for avoiding interruption of services.

CHAIR HORSFORD:

Action needs to be taken by the Committees to restore funding, but ADSD needs an interim plan with a bridge until another provider can be secured.

Ms. SALA:

The Agency does have a plan. The current COPE provider contracts could be amended through the Board of Examiners to assume responsibility for the direct services. Internally, the ADSD social workers who currently manage the Community Home-Based Initiatives Program and COPE caseloads are gearing up to take on the additional PAS clients in the interim.

SENATOR KIECKHEFER:

We need to continue providing services with no interruption for those who have been receiving services. In terms of managing the program, 199 slots have been authorized and only 159 are filled. How can this happen when there is a waiting list?

Ms. SALA:

St. Mary's has been struggling with trying to get up to the 199 filled slots. They were hovering around 123 clients at one point, increased to 128 clients and then 140 clients. The Agency put pressure on them to increase the numbers last fall and into January and February 2011. They started processing more cases and increased the number to the current 152 cases. Then, the Agency received notice that St. Mary's will no longer be participating in the program effective June 18, 2011.

SENATOR KIECKHEFER:

There needs to be an emphasis for increasing the caseload up to the authorized amount. I select Option B until the Agency can come up with a better plan at some point.



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ASSEMBLYMAN KIRNER:

I do not understand why we are constantly pushing to get up to the authorized number to be served and yet there are so many on the waiting list, including some who have been waiting for over 1,000 days.

ASSEMBLYMAN COMBS:

St. Mary's was covering the PAS program with the resources they were willing and able to provide. Even though the State may have had more slots available, those were the numbers St. Mary's was able to serve.

SENATOR KIECKHEFER MOVED TO APPROVE AN ADJUSTMENT TO B/A 101-3266 MOVING INTAKE, ELIGIBILITY DETERMINATION, NEEDS ASSESSMENTS AND ADMINISTRATIVE TASKS FOR THE PAS PROGRAM TO ADSD; TO APPROVE ADDING SIX POSITIONS TO ADSD TO PERFORM THESE FUNCTIONS; AND TO REDUCE THE PAS SLOTS FROM 165 RECOMMENDED BY THE GOVERNOR TO 150 IN FY 2011-2012 AND 151 IN FY 2012-2013 WITH NO NET FISCAL IMPACT TO B/A 101-3266.

SENATOR LESLIE SECONDED THE MOTION.

ASSEMBLYMAN MASTROLUCA:

Is it possible to include a letter of intent asking the Division to look for another provider and if they can find one, come back to IFC to see if we can find a better way to fund this? This is a valuable resource for those using it.

SENATOR KIECKHEFER:

I am happy to include the letter of intent in the motion.

SENATOR CEGAVSKE:

Are all the people currently on the PAS waiting list cleared as qualified for the services?

Ms. CROCKET:

They have not been fully qualified. The eligibility determination is done when they are processed for services.

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SENATOR CEGAVSKE:

This waiting list does not indicate how many eligibles are waiting for services. Once the eligibility determination is made there could be some number less.

CHAIR HORSFORD:

You have to get on a list to find out if you are eligible. Are you suggesting there is not a need?

SENATOR CEGAVSKE:

I am not suggesting there is not a need. I am saying the waiting list is not an accurate number of those who are eligible and waiting for services.

CHAIR HORSFORD:

I do not think it can be accurate. If someone thinks they are eligible for the service, they sign up and then they have to wait until someone does the eligibility determination.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. CROCKET:

There are three other closing items for B/A 101-3266 described on pages 102 and 103 of [Exhibit C](#). Other Closing Item No. 1, decision unit E-275, recommends \$488 to establish voice mail for 9 positions. This appears reasonable.

E-275 Best Use of Technology — Page DHHS ADSD-56

Other Closing Item No. 2, decision unit E-710, recommends \$4,328 over the 2011-2013 biennium for replacement computer equipment in accordance with DoIT's replacement schedule. The backup documentation provided by the Agency indicated that two replacement computers can be eliminated from the request. Staff has completed these technical adjustments, reducing the funding by \$2,164 over the 2011-2013 biennium.

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E-710 Equipment Replacement — Page DHHS ADSD-60

Other Closing Item No. 3, decision unit E-801, recommends \$247,004 over the 2011-2013 biennium to align the Division's cost allocation with the Governor's recommended reorganization of ADSD. This appears reasonable to staff.

E-801 Cost Allocation — Page DHHS ADSD-60

Fiscal Staff requests authority to make necessary technical adjustments for final internal cost allocations.

SENATOR LESLIE MOVED TO APPROVE B/A 101-3266, DECISION UNITS E-275, E-710 AND E-801 WITH TECHNICAL ADJUSTMENTS MADE TO E-710; AND TO AUTHORIZE FISCAL STAFF AUTHORITY TO MAKE NECESSARY TECHNICAL ADJUSTMENTS FOR FINAL INTERNAL COST ALLOCATIONS.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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The individuals with Disabilities Education Act (IDEA) Part C Office serves as the designated lead agency for Nevada Early Intervention Services. The overview for B/A 101-3276 begins on page 104 of [Exhibit C](#).

HHS-ADSD – IDEA Part C Compliance — Budget Page DHHS ADSD-69  
(Volume II)

Budget Account 101-3276

There are no major closing issues for this account. There are two other closing issues. Closing Item No. 1, decision unit E-275, recommends \$162 over the

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2011-2013 biennium to establish voice mail for three positions. This appears reasonable.

E-275 Best Use of Technology — Page DHHS ADSD-71

Other Closing Item No. 2, decision unit E-710, recommends federal IDEA grant funds of approximately \$2,164 over the 2011-2013 biennium to replace computer equipment in accordance with the DoIT replacement schedule. This appears reasonable.

E-710 Equipment Replacement — Page DHHS ADSD-72

Fiscal Staff requests authority to make necessary technical adjustments for final internal cost allocations.

ASSEMBLYMAN HOGAN MOVED TO APPROVE B/A 101-3276, DECISION UNITS E-275 AND E-710; AND TO AUTHORIZE FISCAL STAFF TO MAKE THE NECESSARY TECHNICAL ADJUSTMENTS FOR FINAL INTERNAL COST ALLOCATIONS.

SENATOR LESLIE SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Ms. CROCKET:

The overview for B/A 101-2363 regarding the senior citizen's property tax assistance begins on page 71 of [Exhibit C](#). This program is funded entirely through General Fund appropriations.

HHS-ADSD – Senior Citizens' Prop Tax Assistance — Budget Page DHHS  
ADSD-8 (Volume II)  
Budget Account 101-2363

The Governor recommends elimination of the program for a General Fund savings of \$5.7 million in each year of the 2011-2013 biennium. Two vacant positions would be eliminated. Senate Bill 423, currently in the Senate Committee on Finance, would eliminate the program which offers refunds to both homeowners and renters who qualify.

[SENATE BILL 423](#): Revises provisions concerning assistance to certain older persons and persons with physical disabilities. (BDR 38-1167)

At the budget hearing on March 16, 2011, the Joint Subcommittee on Health and Human Services and Capital Improvements received seven possibilities for restoring some portion of the Senior Citizens' Property Tax Assistance program. The chart on page 72 of [Exhibit C](#) shows these options with the potential savings, potential annual expenditures and the number of recipients affected based on data from actual refunds paid during FY 2010-2011. The Agency indicated at the April 7, 2011, Work Session, that Option No. 4, which restores refunds to homeowners with incomes below FPL at a General Fund cost of \$557,600 over the 2011-2013 biennium, would be its priority. All seven options would require statutory changes to be implemented.

The Subcommittee expressed an interest in accepting the options the Agency had explored to redirect the Senior Citizens' Property Tax Assistance program to the counties. The Agency indicated that it explored three options to redirect the program to the counties, including transferring the current program and associated funding, and requiring the counties to provide funding or having the counties adopt another type of program.

The chart on page 73 of [Exhibit C](#) shows FY 2010-2011 refund amounts by county as provided by the Agency. This could reflect an approximation of the amount each county would be responsible for each year of the upcoming biennium should the program transfer to the counties. The chart represents only the costs of the refunds and does not include any administrative costs the counties would incur related to administering the program.

Redirecting the Senior Citizens' Property Tax Assistance program to the counties or billing the counties for the tax refunds would require statutory changes. There is no structure in place for the counties to assume the program and Staff is not aware of any discussions taking place between ADSD and the

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counties regarding redirecting the program. As the Committees are aware, numerous State services are redirected to the counties in the *Executive Budget*, and many State agencies have struggled to develop equitable billing methodologies.

Additionally, Fiscal Staff is not aware of any discussions that have taken place regarding the constitutionality of restructuring the Senior Citizens' Property Tax Assistance program. Article 10, Section 1, of the Nevada Constitution indicates that the rate of assessment and taxation shall be uniform and equal. Any changes to the program would need to meet this standard. The Committees may wish to approve one of the four options listed on page 73 of [Exhibit C](#).

CHAIR HORSFORD:  
None of the options are very good.

SENATOR KIECKHEFER:  
I have had concerns about the eligibility requirements for this program since the beginning. If we are trying to keep some of the program for those in need, I would only support Option No. 4 that eliminates assistance to renters and people above FPL. That is all I would be interested in keeping.

CHAIR HORSFORD:  
Where did the estimate of \$250,000 General Fund addback come from?

Ms. CROCKET:  
That would be cost related to the positions required to administer the program within ADSD.

CHAIR HORSFORD:  
Would the counties provide the rebate and the State administer the program?

Ms. CROCKET:  
That is correct, under Option No. 4.

CHAIR HORSFORD:  
What would the cost be to the counties?

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MS. CROCKET:

The approximate refund amounts per county are shown on the chart on page 73 of [Exhibit C](#).

ASSEMBLYWOMAN MASTROLUCA:

I thought Senator Kieckhefer said he would change the program criteria but Option No. 4 does not say that.

SENATOR KIECKHEFER:

If we are looking at the options on page 73 of [Exhibit C](#), Option No. 2 refers back to the previous page 72 where there are options listed to maintain some semblance of the program. I was talking about Option No. 4 on page 72.

ASSEMBLYWOMAN MASTROLUCA:

Are you saying your choice would be Option No. 2 on page 73 with Option No. 4 on page 72?

SENATOR KIECKHEFER:

That is correct.

CHAIR HORSFORD:

Senator Kieckhefer's motion is to reject the Governor's recommendation and choose Option No. 4 on page 72 which would eliminate the assistance to renters and people with income above FPL.

SENATOR KIECKHEFER MOVED TO REJECT THE GOVERNOR'S  
RECOMMENDATION FOR B/A 101-2363 AND ELIMINATE THE REFUND  
TO RENTERS AND PERSONS WITH INCOME ABOVE FPL.

SENATOR RHOADS SECONDED THE MOTION.

SENATOR LESLIE:

I want to support the motion, but how much General Fund money will this cost?

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MARK KRMPOTIC (Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

On page 72 of [Exhibit C](#), Option No. 4 would generate annual savings of \$5.1 million and require a General Fund restoration of approximately \$550,000 each year to implement this option.

MS. FREED:

Mr. Krmpotic is correct. It would cost about \$1.5 million over the 2011-2013 biennium, but that is the refund expenditures. The staff costs would need to be restored as well.

CHAIR HORSFORD:

I support the motion. I think we need to maintain something but also need to prioritize who gets the assistance.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYMAN HAMBRICK VOTED NO. ASSEMBLYMAN HARDY WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. CROCKET:

There are two other closing issues for B/A 101-2363. Other Closing Item No. 1, decision unit E-275, recommends \$109 in General Fund monies over the 2011-2013 biennium to establish voice mail for two persons. This is a reasonable request.

E-275 Best Use of Technology — Page DHHS ADSD-10

Decision unit E-603 eliminates this decision unit if the Tax Assistance program is eliminated. Fiscal Staff recommends deleting decision unit E-603 since the Committees approved continuation of the Senior Citizens' Property Tax Assistance program.

E-603 Budget Reductions — Page DHHS ADSD-11



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Other Closing Item No. 2, decision unit E-710, recommends \$1,082 in FY 2011-2012 to replace computer equipment in accordance with DoIT.

#### E-710 Equipment Replacement — Page DHHS ADSD-12

Decision unit E-604 eliminates this decision unit if the Senior Citizens' Property Tax Assistance program is eliminated. Fiscal Staff requests authority to delete decision unit E-604 since the Committees have approved continuation of the program.

#### E-604 Budget Reductions — Page DHHS ADSD-11

Fiscal Staff requests authority to make necessary technical adjustments for final internal cost allocations.

ASSEMBLYWOMAN SMITH MOVED TO APPROVE B/A 101-2363, DECISION UNITS E-275 AND E-710; TO APPROVE THE ELIMINATION OF DECISION UNITS E-603 AND E-604; AND TO APPROVE TECHNICAL ADJUSTMENTS FOR FINAL INTERNAL COST ALLOCATIONS. SENATOR LESLIE SECONDED THE MOTION.

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

SENATE: THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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CHAIR HORSFORD:

As there is no further business, this meeting is adjourned at 7:34 p.m.

RESPECTFULLY SUBMITTED:

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Jackie Cheney,  
Committee Secretary

APPROVED BY:

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Senator Steven A. Horsford, Chair

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

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Assemblywoman Debbie Smith, Chair

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

<u>EXHIBITS</u>			
Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
	C	Laura Freed	Senate Finance and Assembly Ways and Means Committees meeting Jointly Closing List #12