

SENATE BILL NO. 274—COMMITTEE ON
HEALTH AND HUMAN SERVICES

MARCH 15, 2013

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions relating to contracts and agreements of the Department of Health and Human Services. (BDR 39-1082)

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

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

AN ACT relating to the Department of Health and Human Services; revising provisions governing contracts and agreements entered into by the Division of Mental Health and Developmental Services, the Division of Child and Family Services, the Division of Welfare and Supportive Services, the Aging and Disability Services Division and the Health Division of the Department of Health and Human Services with private nonprofit corporations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Division of Mental Health and Developmental Services and the Division of Child and Family Services of the Department of Health and Human Services to cooperate and execute contracts or agreements with certain governmental or private entities. These contracts or agreements may include a requirement that the Division of Mental Health and Developmental Services or the Division of Child and Family Services provide services for payment. (NRS 433.354, 433B.220) **Sections 3, 4 and 5** authorize the Division of Welfare and Supportive Services, the Aging and Disability Services Division and the Health Division of the Department to execute similar contracts or agreements. This bill authorizes such contracts or agreements to provide that the division that executed the contract or agreement will provide staff, services and resources without payment to further the contract or agreement.

This bill also authorizes such a contract or agreement entered into with a private nonprofit corporation to include provisions authorizing: (1) the division that executed the contract or agreement to conduct certain activities to ensure the welfare of its consumers and to share confidential information about consumers served under the contract or agreement; and (2) the private nonprofit corporation to



18 assign rights and obligations under the contract or agreement to the division. This
19 bill further clarifies that entering into such a contract or agreement does not waive
20 any immunity from liability or limitation on liability that is provided by law.

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

- 1 **Section 1.** NRS 433.354 is hereby amended to read as follows:
2 433.354 *1.* For the purposes of chapters 433 to 436,
3 inclusive, of NRS, the Department through the Division may
4 cooperate, financially or otherwise, and execute contracts or
5 agreements with the Federal Government, any federal department or
6 agency, any other state department or agency, a county, a city, a
7 public district or any political subdivision of this state, a public or
8 private corporation, an individual or a group of individuals. Such
9 contracts or agreements may include provisions whereby the
10 Division will ~~render~~ *provide staff, services ~~for~~ or other resources,*
11 *or any combination thereof, without payment, to further the*
12 *purposes of the contract or agreement. If the contract or*
13 *agreement includes a provision whereby the Division is paid for*
14 *the provision of staff, services or other resources,* the payment ~~for~~
15 ~~which~~ will be reimbursed directly to the Division's budget.
16 Cooperation pursuant to this section does not of itself relieve any
17 person, department, agency or political subdivision of any
18 responsibility or liability existing under any provision of law.
19 *2. If the Administrator or the Administrator's designee enters*
20 *into a contract or agreement pursuant to subsection 1 with a*
21 *private nonprofit corporation, the contract or agreement may*
22 *allow:*
23 *(a) The Division to enter and inspect any premises that are*
24 *related to services provided under the contract or agreement and*
25 *to inspect any records that are related to services provided under*
26 *the contract or agreement to ensure the welfare of any consumer*
27 *served by the private nonprofit corporation under the contract or*
28 *agreement;*
29 *(b) The Division and the private nonprofit corporation to share*
30 *confidential information concerning any consumer served by the*
31 *private nonprofit corporation under the contract or agreement;*
32 *and*
33 *(c) The private nonprofit corporation to assign rights and*
34 *obligations of the private nonprofit corporation under the contract*
35 *or agreement to the Division.*
36 *3. The State, Department and Division do not waive any*
37 *immunity from liability or limitation on liability provided by law by*
38 *entering into a contract or agreement pursuant to this section and*



1 *any such contract or agreement must include a provision to that*
2 *effect.*

3 **Sec. 2.** NRS 433B.220 is hereby amended to read as follows:

4 433B.220 *1. For the purposes of this chapter, the Department*
5 *through the Division may cooperate, financially or otherwise, and*
6 *execute contracts or agreements with the Federal Government, any*
7 *federal department or agency, any other state department or agency,*
8 *a county, a city, a public district or any political subdivision of this*
9 *state, a public or private corporation, an individual or a group of*
10 *individuals. Such a contract or agreement may include provisions*
11 *whereby the Division will ~~render~~ provide staff, services ~~to~~ or*
12 *other resources, or any combination thereof, without payment, to*
13 *further the purposes of the contract or agreement. If the contract*
14 *or agreement includes a provision whereby the Division is paid for*
15 *the provision of staff, services or other resources, the payment ~~for~~*
16 *~~which~~ will be reimbursed directly to the Division's budget.*
17 *Cooperation pursuant to this section does not of itself relieve any*
18 *person, department, agency or political subdivision of any*
19 *responsibility or liability existing under any provision of law.*

20 *2. If the Administrator or the Administrator's designee enters*
21 *into a contract or agreement pursuant to subsection 1 with a*
22 *private nonprofit corporation, the contract or agreement may*
23 *allow:*

24 *(a) The Division to enter and inspect any premises which are*
25 *related to services provided under the contract or agreement and*
26 *to inspect any records which are related to services provided under*
27 *the contract or agreement to ensure the welfare of any consumer*
28 *served by the private nonprofit corporation under the contract or*
29 *agreement;*

30 *(b) The Division and the private nonprofit corporation to share*
31 *confidential information concerning any consumer served by the*
32 *private nonprofit corporation under the contract or agreement;*
33 *and*

34 *(c) The private nonprofit corporation to assign rights and*
35 *obligations of the private nonprofit corporation under the contract*
36 *or agreement to the Division.*

37 *3. The State, Department and Division do not waive any*
38 *immunity from liability or limitation on liability provided by law by*
39 *entering into a contract or agreement pursuant to this section and*
40 *any such contract or agreement must include a provision to that*
41 *effect.*

42 **Sec. 3.** Chapter 422A of NRS is hereby amended by adding
43 thereto a new section to read as follows:

44 *1. For the purposes of this chapter, the Department through*
45 *the Division may cooperate, financially or otherwise, and execute*



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1 *contracts or agreements with the Federal Government, any federal*
2 *department or agency, any other state department or agency, a*
3 *county, a city, a public district or any political subdivision of this*
4 *State, a public or private corporation, an individual or a group of*
5 *individuals. Such a contract or agreement may include provisions*
6 *whereby the Division will provide staff, services or other*
7 *resources, or any combination thereof, without payment, to*
8 *further the purposes of the contract or agreement. If the contract*
9 *or agreement includes a provision whereby the Division is paid for*
10 *the provision of staff, services or other resources, the payment will*
11 *be reimbursed directly to the Division's budget. Cooperation*
12 *pursuant to this section does not of itself relieve any person,*
13 *department, agency or political subdivision of any responsibility or*
14 *liability existing under any provision of law.*

15 2. *If the Administrator or the Administrator's designee enters*
16 *into a contract or agreement pursuant to subsection 1 with a*
17 *private nonprofit corporation, the contract or agreement may*
18 *allow:*

19 (a) *The Division to enter and inspect any premises which are*
20 *related to services provided under the contract or agreement and*
21 *to inspect any records which are related to services provided under*
22 *the contract or agreement to ensure the welfare of any consumer*
23 *served by the private nonprofit corporation under the contract or*
24 *agreement;*

25 (b) *The Division and the private nonprofit corporation to share*
26 *confidential information concerning any consumer served by the*
27 *private nonprofit corporation under the contract or agreement;*
28 *and*

29 (c) *The private nonprofit corporation to assign rights and*
30 *obligations of the private nonprofit corporation under the contract*
31 *or agreement to the Division.*

32 3. *The State, the Department and the Division do not waive*
33 *any immunity from liability or limitation on liability provided by*
34 *law by entering into a contract or agreement pursuant to this*
35 *section and any such contract or agreement must include a*
36 *provision to that effect.*

37 **Sec. 4.** *Chapter 427A of NRS is hereby amended by adding*
38 *thereto a new section to read as follows:*

39 1. *For the purposes of this chapter, the Department through*
40 *the Division may cooperate, financially or otherwise, and execute*
41 *contracts or agreements with the Federal Government, any federal*
42 *department or agency, any other state department or agency, a*
43 *county, a city, a public district or any political subdivision of this*
44 *State, a public or private corporation, an individual or a group of*
45 *individuals. Such a contract or agreement may include provisions*



1 *whereby the Division will provide staff, services or other*
2 *resources, or any combination thereof, without payment, to*
3 *further the purposes of the contract or agreement. If the contract*
4 *or agreement includes a provision whereby the Division is paid for*
5 *the provision of staff, services or other resources, the payment will*
6 *be reimbursed directly to the Division's budget. Cooperation*
7 *pursuant to this section does not of itself relieve any person,*
8 *department, agency or political subdivision of any responsibility or*
9 *liability existing under any provision of law.*

10 2. *If the Administrator or the Administrator's designee enters*
11 *into a contract or agreement pursuant to subsection 1 with a*
12 *private nonprofit corporation, the contract or agreement may*
13 *allow:*

14 (a) *The Division to enter and inspect any premises which are*
15 *related to services provided under the contract or agreement and*
16 *to inspect any records which are related to services provided under*
17 *the contract or agreement to ensure the welfare of any consumer*
18 *served by the private nonprofit corporation under the contract or*
19 *agreement;*

20 (b) *The Division and the private nonprofit corporation to share*
21 *confidential information concerning any consumer served by the*
22 *private nonprofit corporation under the contract or agreement;*
23 *and*

24 (c) *The private nonprofit corporation to assign rights and*
25 *obligations of the private nonprofit corporation under the contract*
26 *or agreement to the Division.*

27 3. *The State, the Department and the Division do not waive*
28 *any immunity from liability or limitation on liability provided by*
29 *law by entering into a contract or agreement pursuant to this*
30 *section and any such contract or agreement must include a*
31 *provision to that effect.*

32 **Sec. 5.** Chapter 439 of NRS is hereby amended by adding
33 thereto a new section to read as follows:

34 1. *For the purposes of this chapter, the Department through*
35 *the Health Division may cooperate, financially or otherwise, and*
36 *execute contracts or agreements with the Federal Government,*
37 *any federal department or agency, any other state department or*
38 *agency, a county, a city, a public district or any political*
39 *subdivision of this State, a public or private corporation, an*
40 *individual or a group of individuals. Such a contract or agreement*
41 *may include provisions whereby the Health Division will provide*
42 *staff, services or other resources, or any combination thereof,*
43 *without payment, to further the purposes of the contract or*
44 *agreement. If the contract or agreement includes a provision*
45 *whereby the Health Division is paid for the provision of staff,*



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1 *services or other resources, the payment will be reimbursed*
2 *directly to the Health Division's budget. Cooperation pursuant to*
3 *this section does not of itself relieve any person, department,*
4 *agency or political subdivision of any responsibility or liability*
5 *existing under any provision of law.*

6 *2. If the Administrator or the Administrator's designee enters*
7 *into a contract or agreement pursuant to subsection 1 with a*
8 *private nonprofit corporation, the contract or agreement may*
9 *allow:*

10 *(a) The Health Division to enter and inspect any premises*
11 *which are related to services provided under the contract or*
12 *agreement and to inspect any records which are related to services*
13 *provided under the contract or agreement to ensure the welfare of*
14 *any consumer served by the private nonprofit corporation under*
15 *the contract or agreement;*

16 *(b) The Health Division and the private nonprofit corporation*
17 *to share confidential information concerning any consumer*
18 *served by the private nonprofit corporation under the contract or*
19 *agreement; and*

20 *(c) The private nonprofit corporation to assign rights and*
21 *obligations of the private nonprofit corporation under the contract*
22 *or agreement to the Health Division.*

23 *3. The State, the Department and the Health Division do not*
24 *waive any immunity from liability or limitation on liability*
25 *provided by law by entering into a contract or agreement pursuant*
26 *to this section and any such contract or agreement must include a*
27 *provision to that effect.*

28 **Sec. 6.** This act becomes effective upon passage and approval.

