MINUTES OF THE
SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

Seventy-Seventh Session
February 26, 2013

The Senate Committee on Health and Human Services was called to order by Chair Justin C. Jones at 3:30 p.m. on Tuesday, February 26, 2013, in Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 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.

COMMITTEE MEMBERS PRESENT:

Senator Justin C. Jones, Chair
Senator Debbie Smith, Vice Chair
Senator Tick Segerblom
Senator Joseph P. Hardy
Senator Ben Kieckhefer

STAFF MEMBERS PRESENT:

Marsheilah D. Lyons, Policy Analyst
Joyce Hinton, Committee Secretary
Jackie Cheney, Committee Secretary

OTHERS PRESENT:

Valerie Wiener, Chair, Legislative Committee on Health Care's Task Force to Develop a State Plan to Address Alzheimer's Disease
Barry Gold, Director of Government Relations, AARP Nevada
Maria Mazurowski
Lauren Mazurowski
Susi Brumett
Ruth Gay, M.S., Director, Public Policy and Advocacy, Alzheimer's Association of Northern California and Northern Nevada
Jill Andrea
Connie McMullen, Publisher, Senior Spectrum Newspapers Inc.
Tom McCoy, Nevada Director of Government Relations, American Cancer Society/Cancer Action Network

Lawrence Matheis, Executive Director, Nevada State Medical Association
Cherie Jamason, President and CEO, Food Bank of Northern Nevada
Michael J. Willden, Director, Department of Health and Human Services
Jim R. Barbee, Director, State Department of Agriculture
Jodi Tyson, Three Square Food Bank

Chair Jones:
I want to recognize all of those attending today from the Alzheimer's Association. I appreciate your efforts to support those who have family members with Alzheimer's disease. My grandmothers—Nana Jones and Nana Heavener—were both afflicted with Alzheimer's disease. I am wearing purple today in their honor.

We will begin our meeting with a presentation from the distinguished former State Senator Valerie Wiener who served in the Senate for 16 years. Ms. Wiener served as chair for the interim Legislative Committee on Health Care's (LCHC) Task Force to Develop a State Plan to Address Alzheimer's Disease.

Valerie Wiener (Chair, Legislative Committee on Health Care's Task Force to Develop a State Plan to Address Alzheimer's Disease):
During the 2011-2012 interim, I served as Chair of the Assembly Concurrent Resolution No. 10 of the 76th Session CHC Task Force to Develop a State Plan to Address Alzheimer's Disease.

Late in the 2011 Session, the Alzheimer's Association requested a task force to develop a state plan to address Alzheimer's disease. The concept and plan was the result of the coordinated effort of the Alzheimer's Association and a number of different Alzheimer's advocacy groups. Paul Dugan, former Superintendent, Washoe County School District, met with then—Assemblywoman Debbie Smith about the possibility of creating the task force. Assemblywoman Smith sponsored Assembly Concurrent Resolution No. 10 of the 76th Session that directed the LCHC create a task force to develop a state plan to address Alzheimer's disease. It also required the task force to submit a report addressing its findings, its plan and any recommendations for legislation to the 77th Session of the Legislature. The measure passed both houses unanimously. It stipulated the LCHC fund the task force "to the extent money is available." There was no money available. Assemblywoman April Mastroluca, Chair of the LCHC, wanted the task force to go forward and worked with the parties involved to find a solution. The task force members ended up volunteering their time and paying their own travel expenses to participate in the creation of the state plan. The Legislative Counsel Bureau (LCB) provided staff for the task force. Assemblywoman Mastroluca directed the Alzheimer's Association to submit names of persons for appointment to the task force. The task force members appointed by the LCHC are an extraordinary group of people dedicated to helping to conquer this disease. The appointees are:

- Wendy Simons, Chief, Bureau of Health Care Quality and Compliance, Health Division, Department of Health and Human Services (DHHS). Ms. Simons is a native Nevadan, whose career in the health care industry spans 38 years;

- Dr. Charles Bernick, Associate Medical Director of the Cleveland Clinic Lou Ruvo Center for Brain Health. Dr. Bernick has been involved in the field of Alzheimer's disease research and treatment for more than 25 years. He directed the development of a statewide network of Alzheimer's disease care, with clinics in Las Vegas, Reno and Elko. Dr. Bernick participated in studies of virtually every medication now available for the Alzheimer's disease;

- Albert Chavez, Regional Director of the Alzheimer's Association, Southern Nevada Region, Desert Southwest Chapter. Mr. Chavez is a member of the Clark County Alzheimer's Action Network;

- Virginia (Gini) Cunningham, M.Ed., a retired public educator and volunteer for Humboldt County Volunteer Hospice and the Alzheimer's Association of Northern Nevada. Ms. Cunningham is a former family caregiver, who currently volunteers for Humboldt County Hospice and the Alzheimer's Association of Northern Nevada as a support group facilitator. In 2010, Gini wrote and published, "Love, Dignity and Alzheimer's—A Journey of Lessons and Learning," a book based on experiences with her mom and sister, both of whom were victims of Alzheimer's disease;

- Ruth Gay, M.S., Director, Public Policy and Advocacy for the Alzheimer's Association of Northern California and Northern Nevada. Ms. Gay is a member of the Clark County Alzheimer's Action and has worked with the Alzheimer's Association for 15 years, both directly with families and in policy and government relations;

- Sandra Owens, Ph.D., Professor, School of Social Work, University of Nevada, Las Vegas. Dr. Owens is a nationally recognized Hartford Faculty Scholar of Gerontological Social Work. She is also a volunteer and a board member of the Desert Southwest Chapter of the Alzheimer's Association; and

- I was appointed as Chair.

These participants brought much in expertise but brought more in passion and compassion. Their commitment, vision and fortitude to bring this important health issue before the public was commendable.

Three working groups were formed to help the task force in a variety of areas. The working groups collected data regarding the impact of the disease on the State including: current and projected impact of Alzheimer's disease to Nevada; overall impact of younger onset versus older onset of Alzheimer's; cost of care to Nevada public and private entities; cost, availability, and capacity of in home care agencies, private memory care facilities, group homes, skilled nursing facilities, hospice, family caregivers, adult day health centers, home health and long-term care facilities; participation in clinical trials; collaboration opportunities to enhance existing research efforts; cost to Medicare, Medicaid, Veterans Assistance and private insurance; and cultural issues and considerations.

They collected information about access to services including detection; diagnosis; treatment; transportation; needs of younger onset people versus older onset; rural community challenges; socialization and support systems; education and marketing of community resources; and gaps in services and cultural issues.

They gathered information on independence and safety including: community education; guardianship; legal resources; prevention of abuse and exploitation; wandering and general safety issues; emergency preparedness; gaps in service; and cultural issues. Over 60 percent of persons with Alzheimer's are wanderers. This makes safety a big issue.

They also looked at quality of care and regulation in the following areas: regulation and oversight of providing services of skilled nursing facilities, in-home care agencies, hospice, memory care facilities, adult day care, group homes, et cetera; regulation and oversight of guardians; education and training of medical facility personnel, medical/emergency room staff, social workers and other health care providers in identification, care and discharge planning; role of higher education in quality of care; training for first responders; training for informal caregivers; training, regulation and oversight of formal caregivers; evidence based best practices and latest research; and gaps in regulation.

The task force's first meeting began with a presentation from the Principal Deputy Assistant Secretary for Planning and Evaluation of the United States Department of Health and Human Services on the recently released "National Plan to Address Alzheimer's Disease." This was an extraordinary opportunity to learn what was happening nationally.

The task force met five times between July and October 2012. We heard testimony from experts in medicine, nursing, psychology, public policy, social work and related disciplines. We also heard from family members of persons who have Alzheimer's disease and related disorders. To say that what we heard was very compelling would be an understatement.

We heard presentations from the Touro University Nevada and the Nevada System of Higher Education regarding academic programs, curriculum and training for professionals who treat Alzheimer's and other dementia-related conditions. The presentation topics included: detection and diagnosis; cultural barriers; outpatient and institutional treatment; lack of available services especially in rural areas; and a variety of other issues related to services for persons with Alzheimer's disease and other related conditions.

During our last meeting, we approved the recommendations and language that would be included in the final product, "The Nevada State Plan to Address Alzheimer's Disease" (Exhibit C). The task force was fortunate to have Casey Catlin, M.A., Doctoral Student, University of Nevada, Reno as a participant who did an outstanding job in drafting the state plan document.

Assembly Bill 80 was presented yesterday in the Assembly Committee on Health and Human Services. This bill establishes the Task Force on Alzheimer's Disease to be within the Health Division, DHHS and sets forth the membership, powers and duties of the Task Force.

ASSEMBLY BILL 80: Creates the Task Force on Alzheimer's Disease within the Health Division of the Department of Health and Human Services (BDR 40-546)

There will be two changes in the form of an amendment at the request of Assemblyman James Oscarson. First, the task force will be under the broader umbrella of the DHHS rather than the Health Division. The second item for inclusion in the amendment adds a task force member to represent the rural areas of the State.

Chair Jones:
We will now open the hearing for S.B. 86.

SENATE BILL 86: Requires the Department of Health and Human Services to allocate money for certain programs relating to persons with Alzheimer's disease and other related dementia. (BDR 40-550).

Ms. Wiener:
Senate Bill 86 would allow respite care for families caring for someone under the age of 60 with Alzheimer’s disease and other related dementia. No respite services are offered for this age group. Some families are so in need of respite they drop their loved ones at a hospital emergency room just so they can find a moment of peace in their own lives. This is not how the system should work. The impact on the families is difficult and damaging to their health and mental well-being. This bill would offer help in the form of respite care so desperately needed by informal caregivers providing care.

Senator Kieckhefer:
Are we proposing to remove the age restriction for providing respite care utilizing the funds from the Tobacco Master Settlement Agreement (MSA) funds?

Ms. Wiener:
That is correct. Five percent of the Alzheimer population is estimated to be under age 60. This population is expected to increase in number, as we get better at detecting the disease earlier. The population is small enough at this time to enable us to offer help.

Senator Hardy:
Are there MSA dollars available for this, or will dollars be taken away from something else?

Ms. Wiener:
The bill says there will be no impact on government. My understanding is it can be absorbed within the available MSA dollars.

Senator Smith:
Thank you for your excellent leadership on this project. I provided the vehicle, and you and the others did all the work.

Ms. Wiener:
I do not have anyone in my family afflicted with Alzheimer's disease, but I realize these are all our families. I can look at any body of a few and know it is highly likely that one person in that group already has Alzheimer's disease. We cannot be afraid of this anymore. We have to talk about it, work together and address it.

Barry Gold (Director of Government Relations, AARP Nevada):
I will read my prepared testimony in support of S.B. 86 (Exhibit D).

Maria Mazurowski:
We are here to tell our story. My husband has frontotemporal dementia. He was diagnosed 2 years ago. He is only 54 years old. He started showing symptoms at age 50. I have three children—ages 22, 17 and 15. This disease affects the frontal and temporal lobes of the brain. It is a different kind of dementia than Alzheimer's disease. It affects younger people between the ages of 40 and 60. It causes compulsive behavior and poor decision-making.

My husband was the senior vice president for the largest hotel in northern Nevada. He was responsible for 700 people. He was smart, never missed a day of work and worked steady for 20 years. I did not have to work during this time, but then he got sick and lost his job. No one understood what was wrong with him. Our family found ourselves with no income, no insurance, no retirement and no savings. No one would help us because my husband was under age 60. Everywhere I asked for help, I was told he was too young.

My husband has a devastating horrible disease. My three children and I are all working and taking turns caring for him. He needs 24-hour care. He cannot be left alone for a minute. We are not eligible for respite because he is too young. He wanders at night. Our home and everything in it must be locked down—the pantry, refrigerator, garage doors, and bathrooms. We have to bathe him, shave him, shampoo his hair, brush his teeth, change his clothes and feed him. The disease progresses each month.

As we go along, we have learned about compassion. There are more and more younger people getting sick. There seems to be no warning or reason. It could happen to anyone. The loss for our family has been tremendous. My children not only lost their father, but now they have to take care of him. My son told me once that he never had a conversation with his dad, and now he never will.

Lauren Mazurowski:
I am 15 years old. I did not think I would be so emotional. My dad was diagnosed when I was 13 years old in eighth grade, but he has had this disease since I was in fifth grade. I remember the day I saw the change, and that was the last day of my childhood. From that day forward, I had to take care of my dad. Obviously, there are the emotional aspects. For example, at homecoming, all the other girls were able to take pictures with their dads. I had to stand alone because my amazing mom had to work and my brothers could not be there. My father will not be able to walk me down the aisle when I get married. The financial aspect is devastating. My mother works full time. That means we have to take care of dad. We are just “kids.” It is hard for a child to take care of a parent. We need help that we cannot get because my dad is too young. When my brother and I get home from school, we take care of dad. Many times, we go to bed without being able to do our homework. Last night, I spent a long time feeding my dad, and sometimes he does not even remember who I am.

The point is we need help. Sometimes we just want to scream or cry because we are just “kids.” This affects the whole family. Both my brothers work many hours. They should not have to be working all the time just to support us. It is hard to talk about this. It is just something that nobody should ever have to go through, especially kids. When you are considering this bill, just think about your children. If you got sick, what would your children do?

Chair Jones:
Thank you for sharing your story. We appreciate you coming here today.

Susi Brumett:
My story is different but also similar to their story. My dad is General Nathan Lindsey. He served in the United States Air force for 34 years. Here is a picture of who he was. You would not recognize him now. We first

saw signs when he was 63 years old. He is on the cusp of early-onset dementia.

It is not easy to talk about the deterioration of my dad. He was and still is my hero. Also, it is not easy to stand before you and describe a disease that has dramatically changed the course of our family forever. It is a disease so horrific and cruel that your own father does not know you anymore. He does not know his wife of 55 years. He does not know that he served his Country for 34 years. This is not a disease where diagnosis and treatment to death are quick, depending upon the type. My dad has been suffering from this disease for 14 years. The duration of this disease is long and agonizing for the families. Caregiving can be unbearable. We kept my dad at home for as long as we could.

Some of you may not have experienced this disease with family or friends. It may be hard to understand if you have never walked in these shoes. My dad was a career officer for 34 years. While in the U.S. Air Force, he worked in a world his family was not privy to know. It was off-limits to us for our own safety. It was a world where our Nation's security and freedom took precedence. My dad and my family sacrificed much for our Country's security and freedom, and we all believed once he retired, we would gain him back. However, that was not meant to be.

My father was officially diagnosed with Alzheimer's disease in 2005 at age 69. We saw the earliest signs, uncharacteristic behavior from a man who was highly intelligent, when he was age 63. After retiring from the U.S. Air Force, he did some consulting work, which took him all over the Country, but after a while, he began making excuses about why he could not go on business trips. Excuses had never been in his vocabulary before. He had verbal outbursts, an increased volume in his voice and was argumentative with my mother. He had always had an incredible vocabulary and usually corrected mine. He started using words out of context. He did not forget a word; he simply used it incorrectly. This was my first detection of something not being right. Repetitive conversation was prevalent, but there was much more. Motor, comprehension and reasoning skills ceased to exist for this highly intelligent man. After several years of consulting, my mom was told that my dad had literally forgotten to submit reimbursement claims for 3 years of consultant work. That was costly to our family.

The financial burden for caring for my dad was carried solely by my mom. Neither the U.S. Air Force nor the Veteran's Benefits Administration, U.S. Department of Veterans Affairs, provided monetary assistance. It has all been out of pocket. The caregiving has been 24 hours a day, 7 days a week for my mother. There are four children in our family. We rotated our time to assist our mother because essentially it was killing her, too. We told her: "We are losing our dad, and we do not want to lose you too." Approximately 60 percent of caregivers for Alzheimer patients die before the person they are caring for.

Our family was completely blindsided by this horrific and cruel disease, and at the time I never thought that in my thirties I would be caring for a parent, especially my own. My dad is now in a memory loss care facility. He has frontotemporal dementia just like the family you just heard. He also has Parkinson's and Alzheimer's disease.

It is time to change our mindset, attitude and understanding of Alzheimer's and other forms of dementia. It is not a disease limited to the elderly and seniors. It is affecting younger people, and the results are devastating on those families, as you have heard. Most people believe they will never get a senior's disease before they become a senior. With some forms of cancer, there is hope. With Alzheimer's and other forms of dementia, there is no hope. There is no remission, and there is no cure. Alzheimer's changes families forever. Sometimes caregivers cannot afford to work while they pay someone to care for their loved one. The problems are compounded when someone has early-onset dementia and there are small children at home. I know several people whose husbands have early-onset dementia as young as age 53. In one case, there is a 5-year-old child at home. Many times, expenses must be paid for out of pocket which can instantly wipe out anything they have saved.

We need proactive legislation to provide caregivers the means to care for loved ones without bankrupting them or the insurance industry. Instead of putting this issue on the back burner until some other day, we must face reality. Dementia is not going away. Unfortunately, Alzheimer's is the disease of the future. It is not going to get better soon. This disease will become one of the largest consumers of medical expenses for families in Nevada over the next 10, 20 or even 30 years. It deserves our attention now. If we do not do something to prepare, educate, fund and become proactive now, this disease will demand our attention in the future.

Ruth Gay, M.S. (Director, Public Policy and Advocacy, Alzheimer's Association of Northern California and Northern Nevada):
You have heard much today about S.B. 86. I urge you to support this bill.

I have had the pleasure and honor of working with many families who are afflicted with early-onset dementia, often called younger-onset Alzheimer's disease. We are seeing and hearing today a manifestation of our growing understanding of this disease and our ability to do a better job of diagnosing it in younger people. Nevada will experience an increase in people with Alzheimer's disease partly because the number of older people living in the State are estimated to increase by 100 percent by 2025. We know that Nevada's population grew 35 percent between 2000 and 2010, while the Nation's population grew less than 10 percent. We also know 12 percent of Nevadans are age 65 or older. As Senator Wiener said, about 5 percent of the 29,000 with Alzheimer's disease or dementia in Nevada are under age 65. It is hard to get diagnoses of this disease, and it could take many years. Because of this, the numbers may be much higher.

Younger-onset people face many challenges. They could lose a job and sometimes insurance. They may have been the main breadwinners. If a person is working and is then demoted or changes jobs multiple times before losing the job, it can change the status for disability. There are many aspects. We know this bill will only address one small piece, but that piece would allow people to get a break from caregiving for short periods. This may be enough to allow them to continue being caregivers rather than having to place someone in a caregiving facility.

I urge you to pass this bill and thank you for your attention and compassion in this area.

Jill Andrea:
I am a 24/7 caregiver for my husband who has Alzheimer's disease. He was diagnosed at age 60. He is now 70 years old. Ten years ago, this disease was perceived as shameful. My husband was a writer for his whole life. He has 12 published books. He did poetry and stories and was active in academia. One does not plan for these things. Having this disease was almost a stigma. He lost most of his friends. When I talked him into moving to Reno to be treated or possibly diagnosed, he was scared. He put it off for a while. He had been active in the school writing programs until he lost his ability to write. He could not

write anymore because he could not remember that he had written the day before. Every day he wrote the same five or six sentences.

I cannot tell you how much pain and horrible suffering I went through trying to understand what was going on with him and trying to care for him. People never believe this will happen to them. The caregivers desperately need respite to be able to face another day. If there are respite programs for people over age 60, why is it not available for people like those who spoke today? It is no different for them than the caregivers providing care for people over age 60. My husband and I have a 48-year marriage and a 50-year relationship. He is not the same person and has not been for 5 or 6 years.

It does not make sense not to provide respite care for all ages. Age has nothing to do with it. The disease has everything to do with it.

Connie McMullen (Publisher, Senior Spectrum Newspapers Inc.):
I am a publisher and own a paper called, "Generation Boomer." Alzheimer's is the disease of the future, and unfortunately, the numbers are escalating at a fast pace. I have worked hard volunteering my time for the State for the past 12 years. I sit on a grants management committee and the Strategic Plan Accountability Committee. I have worked on out-of-state placements. Many of us have advocated for respite care for a long time. I hope today is the day that we can make some good decisions. Please pass S.B. 86.

SENATOR KIECKHEFER MOVED TO DO PASS S.B. 86.

SENATOR SMITH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Jones:
I will now open the hearing for S.B. 81.

SENATE BILL 81: Allows certain physicians to dispense cancer drugs donated for use in the Cancer Drug Donation Program. (BDR 40-500)

Marsheilah D. Lyons (Policy Analyst):
As a staff member of the LCB, I may not advocate for or oppose any legislation that comes before this body. However, I served as the policy analyst for the LCHC this past interim session. This effort came out of that LCHC. Therefore, I will be presenting a brief history of how the issue came before the committee.

The 2009 Session of the Nevada Legislature enacted the Cancer Drug Donation Program—codified in *Nevada Revised Statute*s (NRS) 457.450. The program allows participating pharmacies to accept cancer medications used for cancer treatment. The drugs may be redistributed to Nevada residents who are being treated for cancer. Participation in the program is voluntary, and any pharmacy that chooses to participate may elect to quit at any time.

Testimony presented to the LCHC recognizes that very few pharmacies have elected to participate, and a limited number of cancer patients have taken advantage of the program. Presenters indicated that a lack of funding limited the opportunities to educate physicians, pharmacies, medical providers and cancer patients about the availability. The LCHC was encouraged to consider revising the program, and one of the suggested revisions was to authorize dispensing practitioners, in addition to pharmacies, to redistribute donated drugs. This proposed legislation is before you as S.B. 81.

Tom McCoy (Nevada Director of Government Relations, American Cancer Society/Cancer Action Network):
We were instrumental in getting the original bill passed in 2009. My role here today is to respond to any questions you may have regarding the change expanding who can dispense these drugs and how it may change the outcome of the program making it more beneficial to Nevadans.

Lawrence Matheis (Executive Director, Nevada State Medical Association):
We supported the creation of the program. It made sense to recycle cancer drugs rather than throw them away when people pass away. Some drugs have been recycled in the nursing home setting, but the program has not been successful in the outpatient setting. The cancer and infectious disease physicians are responsible for administering cancer drugs and monitoring the reactions. These physicians know if their patients need help and should be part

of this program. They may also have patients who have had a family member die, and who may be willing to contribute drugs to the program. It is worth trying this program with the changes proposed in S.B. 81. We commit to educating the community so they understand the program and its benefits. We can also work with the State Board of Pharmacy to encourage more of the pharmacies to participate.

Senator Hardy:
Can we implement this upon passage without regulation changes?

Ms. Lyons:
I would defer the question to the Legislative Counsel, Legal Division, LCB. I know parameters and a process for dispensing physicians is already in the NRS. Any physician interested in doing this would probably have to go through that process to become a dispensing physician.

Senator Kieckhefer:
It seems the State Board of Pharmacy primarily administers the program through the regulations. Do the regulations hamper the implementation of this program, or are there other things preventing it from being successful?

Ms. Lyons:
The State Board of Pharmacy has indicated their support of the measure. With regard to your specific questions on hindrances, this recommendation came from the State Board of Pharmacy. They believe the use of the donated drugs would increase if physicians had the ability to redistribute the drugs. According to the testimony presented to the LCHC, their issues related to the costs some of the pharmacies incurred without being able to recoup those costs—the pharmacies are able to charge the patient a minimal fee of no more than $10. All the participating pharmacies are located in Clark County.

These are privately owned smaller pharmacies. Some of these pharmacies focus primarily on cancer patients. The State Board of Pharmacy made this recommendation because they believe allowing the doctors to dispense the recycled medications would increase the use of the program.

SENATOR HARDY MOVED TO DO PASS S.B. 81.

SENATOR SEGERBLOM SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Senator Smith:
I am happy to support the passage of S.B. 81. We must keep working at this until we find a solution. I had my father in my home when he passed away from cancer. I sat with my father-in-law as he passed away from cancer. I clearly remember hating to bag up all those expensive drugs and not being able to do anything with them. We must keep trying until we find the right mechanism to be able to recycle these drugs.

Chair Jones:
We will now move on to a presentation on the State of Nevada Food Security Plan.

Cherie Jamason (President and CEO, Food Bank of Northern Nevada):
You may be wondering why a food security plan for the State is important, what it is about and what we may expect. I have given you an information packet titled, "Food Insecurity in the State of Nevada" (Exhibit E) that provides specific information.

Nevada has never had a food security plan in the past. Hunger in Nevada has more or less been invisible until recently. Most of us know of someone who has lost a home or a job, and along with that comes the difficulty in feeding one's family. It is a little known fact that one in four children in this State lives in a home where three meals a day are not reliably provided. This year, about 228,000 children are eligible for free or reduced-price meals at school. That is a little more than 50 percent of the children residing in the State.

Hungry children do not look much different from other children. They are smaller than they should be for their age. They are frequently ill, they miss school and they struggle because they cannot concentrate in school—costing us in the area of our education investment. They live in families where the adults sometimes skip meals so the children can eat. This does not help the grown-ups in the family be good parents or good employees. Families may be too embarrassed to ask for help or unwilling to admit they cannot feed their families. Many jobs do not pay the wages required to cover a family's basic needs, and food is usually the item that suffers.

Almost one-third of Nevadans live on a wage low enough to be eligible for the Supplemental Nutrition Assistance program (SNAP), Division of Welfare and Supportive Services, DHHS. Almost 50 percent of those who are food insecure are not eligible for SNAP; Women, Infants and Children benefits; and free school lunch because their income is just a few dollars over the allowable amount to be eligible.

Child hunger is a significant issue in Nevada. Food insecurity among children grew 2 percent per year for 3 consecutive years. Today, 28 percent of Nevada children are food insecure. This public health disaster will seriously compromise the future of this State. Children who do not receive adequate nutrition, especially between the ages of 0 and 3, suffer irreversible deficits in their physical and brain development. These deficits cannot be fixed, no matter how much they get to eat later in life. These children will always struggle in school, struggle socially and struggle with employers because of their inadequate education. They will grow up at significant risk of not being able to feed their own families. It is a vicious cycle that is very preventable. This is the primary reason we need a food security plan.

We also need a food security plan because there are federal nutrition programs which are not being utilized. An accessible plan with wise oversight will make better use of existing programs for improving food security. It will bring funding for additional jobs and new resources to improve the Nevada economy. It will improve economic stability in our farming families and make Nevada-grown food more accessible. These are worthy goals, and we have the tools to make them a reality.

We are thrilled the Governor's Office called for creation of a state plan to address food security. Nevada will be one of a dozen states with such visionary thinking. Both food banks are proud to participate in its creation, along with key State agencies. As a result, we can expect healthier children who are better nourished. This may reduce some of the need for subsidized medical care. We can expect a stronger food system through the development of agriculture products. The initial strategic plan including work group goals, milestones, target dates and responsible parties are outlined in my presentation about the Food Security In Nevada; Lead, Feed, Grow and Reach Action Plans (Exhibit F).

Building food security and ending hunger is our business. Between the two food banks, Three Square in the south and The Food Bank of Northern Nevada, we distributed more than 32 million pounds of food last year—about 27 million meals—and we leveraged about 8 million more by helping people get connected to SNAP benefits.

The food pantries only provide about 20 percent of the hunger solution. Programs administered by the State make up the other 80 percent. Mr. Willden, Director, DHHS; and Mr. Barbee, Director, State Department of Agriculture; will explain the plan and process.

Michael J. Willden (Director, Department of Health and Human Services):
Four documents have been provided to the Committee for review: DHHS Director's Office (Exhibit G); Nevada's Plan for Action (Exhibit H); Food Security in Nevada (Exhibit I); and the Supplemental Nutrition Assistance Program (Exhibit J).

Many of our community partners have been promoting healthy lifestyles for years. Some of the programs paid for from the director's office Grants Management Advisory Committee (GMAC) dollars to promote nutrition and fitness are listed on page 2 of Exhibit G. The expenditures range from $281,351 in fiscal year (FY) 2007-2008 to $1,100,000 in FY 2012-2013. In recent budget committee hearings, we have proposed spending approximately $2.3 million per year of the Tobacco Master Settlement Agreement funding for food security in FY 2013-2014 and FY 2014-2015.

Page 3 of Exhibit G list factors that have affected how we got to this point. Many things came to a head over the last couple of years through the Governor's Office. The Governor implemented priorities and performance-based budgeting. To identify priorities and a plan to work towards overall improvement, the Governor identified eight core functions of government with corresponding objectives for each. Human services and health are the ones that fall into the jurisdiction of DHHS. The Nevada Food Security Plan (NFSP) fits under the hunger objective—how do we reduce the hunger or increase food security or decrease food insecurity?

Over the last year, the GMAC, the Nevada Commission on Aging, DHHS, and the Nevada Commission on Services for Persons with Disabilities, DHHS, conducted statewide community needs assessments to identify funding priorities. The results of the GMAC community needs assessment are shown on page 4 of Exhibit G. In the survey of providers and community members, food ranked first on the priority list.

As illustrated on page 5 of Exhibit G, the DHHS Grants Management Unit (GMU) contracted with Social Entrepreneurs, Inc. to lead a strategic planning process involving multiple State departments and representatives of the food safety network. The three entities included were the State Department of Agriculture (SDA) to consolidate certain food programs, the Division of Welfare and Supportive Services, DHHS, to improve SNAP and the GMU to grant $2.3 million for hunger projects for the upcoming biennium.

Information about food security, how it is measured, and some of the gaps are delineated on page 6 of Exhibit G. Over the last 4-5 years, Nevada experienced a 50 percent increase in households that have food insecurity. This is the primary benchmark used to measure improvement.

The key principles of the NFSP are listed on page 7 of Exhibit G. The economic development opportunities are an important aspect. This is not just about finding poor people and getting them onto public assistance. The economic impact in the SNAP, school lunch programs, the commodity food programs and agriculture is significant. Mr. Barbee from the NDA will discuss this in more detail today.

The NFSP identifies four function groups with primary objectives listed on pages 8 and 9 of Exhibit G. The “Lead Group” establishes the systems and positions promoting the policy agenda. The NFSP includes 15 strategies around the recommendations made by leadership. The “Feed Group’s” emphasis is maximizing participation in the federal nutrition programs like SNAP, commodity foods and the school lunch programs. One of their goals is to establish a “one-stop-shopping” system so people can get easy access to healthy and nutritious meals. The “Grow Group” has seven strategies to get people nutritious food with emphasis on food grown in Nevada. The "Reach Group" is focused on models of purchase and technologies to connect and share data.

The three main benchmarks used to measure the success of the NFSP are illustrated on pages 10 and 11 of Exhibit G. First is the food insecurity rate. Food insecurity grew from 8 percent in 2005 to 15 percent in 2010, which equates to the 50 percent growth previously mentioned. Nevada is ranked 32nd in the Nation regarding food insecurity.

The next item titled, "Very Low Food Security," has three indicators surveyed by the U.S. Department of Agriculture (USDA) Economic Research Service. These are measurable over time in all 50 states in the Nation. Nevada indicators look similar to the Nation's, but there will be efforts made in our plan for improvement.

The last benchmark is SNAP Participation. The U.S. Department of Agriculture Economic Research Service measures these indicators. The eligible population is determined through census information. The SNAP participation compared to the census data shows the good job Nevada is doing or is not doing in linking eligible families to SNAP. Nevada has 61 percent of the potentially eligible population receiving SNAP benefits compared to the Nation's 72 percent. A target for most states is 80-85 percent. Nevada's SNAP participation ranks 47th in the Nation.

The proposed plan for spending the $2.3 million from the Fund for a Healthy Nevada, DHHS, GMU, is described on page 12 of Exhibit G. The two hunger projects include: 1) A "one-stop shop" system to increase access to food and other services for food insecure Nevadans; and 2) A plan for increasing the number of services, providers and places within communities and neighborhoods to access federal nutrition programs.

A straw man proposal of how the distribution of funds may work is shown on page 13 of Exhibit G. The key elements of the plan are to increase access, collaboration, education, outreach and sustainability. We plan to increase the efficiencies of our assets and do a better job of guiding people to those assets. We are placing an overall emphasis on increasing public awareness. A statewide Food Policy Advisory Council will be appointed to help govern this effort.

There are 360,000 Nevadans receiving SNAP benefits. Approximately $44 million in benefits are issued per month—$518 million per year—which equates to a billion dollars of economic impact in Nevada. This is at 61 percent of participation. If we reached 80 percent participation, the economic impact would increase by 25-30 percent. This is significant.

Jim R. Barbee (Director, State Department of Agriculture):
The NDA represents part of the fix in the NFSP. The mission of the NDA is to promote sustainable agriculture and natural resources and protect food, fiber, human health and safety in the environment through effective service, regulatory action and agriculture literacy. The NDA has always been involved in food from the production side.

A recent agriculture study recognized agriculture in Nevada as a $5.3 billion industry in terms of an economic multiplier that employs over 60,000 people. One of the items the study identified is a large gap between production, agriculture and processing. The NDA is proposing a consolidation of food and nutrition personnel into one division within the NDA. This will help close some of those gaps and create some economic activity beneficial to Nevada.

I have provided the Committee with three reference documents: "Consolidation of Nevada Food and Nutrition Systems White Paper" (Exhibit K); "Nevada Department of Agriculture Food Security in Nevada" (Exhibit L); and "Food and Nutrition Merger Fiscal Savings" (Exhibit M).

A food strategy team began discussions in an initial meeting on April 30, 2012. During this meeting, we looked for duplication and inefficiencies occurring in agencies involved in food. Thereafter, the NDA was a participant in the ongoing meetings of the food security work groups. One of the outcomes was the proposal to move the Child Nutrition, Commodity Food and the State Dairy Commission into the NDA to create one food and nutrition voice.

I will briefly discuss how the NDA will be supporting the lead goals discussed by Mr. Willden. The NDA would support these goals through a new education and promotion unit located within the director's office focused on protection and promotion of agriculture in Nevada, page 4 of Exhibit L. This food and nutrition unit will include a position responsible for agriculture literacy, a public information officer, an agriculture marketing coordinator, and an agriculture research person. We will determine where the agriculture industry is in the

State, where it is continuing to grow, and where it connects with food security in Nevada.

Under Lead Goal 2, discussed on page 5 of Exhibit L, NDA will work directly with agriculture producers and through the merger will more effectively connect food security partners with local production in their community. This will enable us to provide more local produce into the school systems and food banks. This in turn creates some economic activity.

The NDA will focus on food and nutrition issues through a division, where the merger will create a "one-stop-shop" for producers, processors and consumers, Feed Goal 1 and 2 on page 6 of Exhibit L. The NDA food and nutrition division will allow those staff to focus on food and program needs without other duties being assigned. Additionally, resources will be in-house related to local producers and retailers. All staff members and normal interfaces made in the course of one's work would be under one agency umbrella, Grow Goal 1 on page 7 of Exhibit L.

The food and nutrition staff's first assignment will be to work with DHHS and food banks to study existing program overlaps. They will create and implement a strategic plan of distribution that includes cooperators, Reach Goal 1 on page 8 of Exhibit L. This will examine what we are doing, how we are doing it and how we can improve.

The NDA is researching ways to facilitate more agencies' systems via mobile applications and new consolidated data systems. This goal is timely considering our desire to create greater staff efficiency through technology advancement. We are already looking for ways to use applications in the inspection systems.

The new NDA Food and Nutrition Division would be part of the NFSP, focused on child nutrition, food distribution, food safety and the State Dairy Commission. The program benefits expected through the merger are listed on page 10 of Exhibit L. We will be working toward increasing the food security for Nevada. We will increase fresh produce served to children in the school lunch programs. Much of the food currently served is prepackaged and highly processed food. The goal is to get fresh food products into the schools. Although this will not be easy, there are USDA grants and other opportunities to pursue. We will focus our efforts to improve this area. Other program benefits are greater communications with private-nonprofits, agency staff, federal partners, the public and producers. This has already begun. We will be supporting the goals of the USDA. There will be consolidated fiscal management and communications. Nevada is implementing a trending model already implemented in New Jersey, Texas and Florida. A commodity child nutrition program has existed in the agriculture departments in 12 other states. Dairy facility inspection under the jurisdiction of agriculture is very common. We will be able to benefit from economy of scale and align our core activities around food and nutrition within the agency rather than in multiple agencies.

The benefit to the industry is discussed on page 11 of Exhibit L. Increased economic activity is expected through increased production of local foods. We can utilize school districts' purchasing power to work with companies outside the State relative to processing. We will try to bring more of those processing businesses into Nevada. The agriculture study identified this as a significant gap. Nevada is sending its agriculture products to other states for processing and then is buying processed food from outside the State. Nevada's economy and food security will improve if Nevada products are processed within Nevada. Increasing our overall program focus and increasing the numbers fed will increase economic activity.

The fiscal benefits realized are summarized on page 13 of Exhibit L. The Exhibit M spreadsheets, along with the Exhibit K white paper, provide detail information about how the merger creating the NDA Food and Nutrition Division will benefit the State. Ultimately, we will realize $1.1 million in savings. Merging the three programs under one administrator will result in efficiencies in communication and coordination. There will be more efficient use of State property. We will move several non-State property leases into State properties. There will be greater connectivity between producers and school districts, Senior Farmers' Market Nutrition Program and food banks. Merging five agencies into two will result in increased food safety and traceability. Increased interaction between NDA and USDA will improve overall coordination.

Under phase 2, if approved, there will be a review of programs and staff assignments and a cross training of staff to increase productivity. We will be working with DHHS to review NRS 583 to determine if there are items that fit better under the NDA such as pre-restaurant or pre-retail. We will evaluate whether additional reorganization items would improve performance.

Jodi Tyson (Three Square Food Bank):
I represent the Three Square Food Bank in Las Vegas. I was a member of the Lead Nevada Committee that looked at the policy strategies to increase food security in Nevada.

More than 70 percent of the population who are food insecure primarily live in Clark County where Three Square Food Bank provides services. Our strength in southern Nevada is our network of 200 agencies working together to provide services to approximately 100,000 people every month.

Due to reduced USDA funding, the food banks are receiving less emergency foods through The Emergency Food Assistance Program, USDA. As our needs continue to grow and our resources are less, the strategies listed in the NFSP will be critical.

We must provide services in a way that not only improves food security by having more food in the pantry but also helps people find ways to improve self-sufficiency through their own resources. The Three Square Food Bank does this by referring people to services that help relieve financial burdens and increase discretionary funds available for food. Some of our most valuable partnerships include Job Connect and the Department of Employment, Training and Rehabilitation. Shaun Donovan, United States Secretary for Housing and Urban Development, once said, "The first line of defense for families during the recession has been unemployment benefits paired with SNAP benefits." Three Square recently began helping people obtain financial guidance and achieve financial literacy. We refer distressed homeowners to mortgage counseling resources that may help reduce mortgages and stop home foreclosures.

The partnerships developed and the referral role of the food banks is not only important for families to gain food security but can also be beneficial in helping with the rollout of the Affordable Care Act. Considering we have 200 agency partners and are touching 100,000 lives every month, we have an opportunity to be of great service in making people aware of their potential eligibility under the Affordable Care Act. About 41 percent of people who visited our food pantries in the last several years have said that they have unpaid medical bills. Sometimes they have had to choose between paying for medical services and paying for food. The strategies used in developing the NFSP have built the foundation for how we can work together on the upcoming health care issues.

Senator Hardy:
I have a question for Mr. Barbee regarding the farmer's market. Can you please bring us up to date on what we are doing to streamline the coordination among the regulatory entities involved?

Mr. Barbee:
The statutes that affect farmer's markets are located in both the Health Division, DHHS and the NDA. We are trying to address this through the consolidation process. For example, the State Dairy Commission has environmental inspectors, and the Health Division, DHHS, has environmental inspectors. We are looking closely at how to improve the process from farm to fork and farm to school in a more organized manner without jeopardizing public safety.

We are looking at things on a larger economic scale. In the beef industry, almost 400,000 head of steers are raised in Nevada per year but are then sent to out-of-state processors. This is a huge loss in economic activity. We replace that consumption item by purchasing all that beef from out-of-state processors. Through the merger discussed today, we will be in better contact with the large out-of-state processors and will try to entice them into doing business in Nevada. It would be beneficial to everyone. This is particularly true on the food security side because we would not have to transport out and transport in. There is a multiplier effect in the agriculture industry. Bringing processing into the State opens new Nevada agriculture markets. It is easy to keep California dairy cows happy by shipping Nevada hay over to them because hay will tolerate that time on the road. Produce must have some means of being processed locally to be able to be put into the market in a reasonable amount of time without losing the profit margin.

Chair Jones:
I have a question for Director Willden. What will the primary outreach method be to increase SNAP participation?

Mr. Willden:
The Affordable Care Act (ACA) will generate new SNAP eligibles. As people apply for health care through the ACA with the single application process, they will also be processed for SNAP.

Funds are being requested in the money committees for information technology systems to support a Web-based application process. This will improve access.

The other piece is our network of community partners we are continuing to expand. We have been working with the food banks, family resource centers and others about their roles in outreach, education and helping with processing applications. This has worked well in the past.

Chair Jones:
There being no further business before this Committee, this hearing is adjourned at 5:21 p.m.

RESPECTFULLY SUBMITTED:

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Jackie Cheney,
Committee Secretary

APPROVED BY:

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Senator Justin C. Jones, Chair

DATE:______________________________________

EXHIBITS

Bill	Exhibit		Witness / Agency	Description
	A	1		Agenda
	B	7		Attendance Roster
S.B. 86	C	44	Valerie Wiener	The Nevada State Plan to Address Alzheimer's Disease
S.B. 86	D	1	Barry Gold	AARP Comments
	E	12	Cherie Jamason	Food Insecurity in the State of Nevada
	F	32	Cherie Jamason	Food Security in Nevada; Lead, Feed Grow and Reach Action Plans
	G	13	Michael J. Willden	DHHS Director's Office Food Security in Nevada, Nevada's Action Plan
	H	5	Michael J. Willden,	Food Security in Nevada Nevada's Plan for Action
	I	38	Michael J. Willden	Food Security In Nevada; Nevada's Plan for Action
	J	12	Michael J. Willden	Supplemental Nutrition Assistance Program
	K	11	Jim Barbee	Consolidation of Nevada Food and Nutrition Systems, White Paper
	L	16	Jim Barbee	Nevada Department of Agriculture Food Security in Nevada
	M	1	Jim Barbee	Food and Nutrition Merger Fiscal Savings