MINUTES OF THE
SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

Seventy-Seventh Session
March 7, 2013

The Senate Committee on Health and Human Services was called to order by Chair Justin C. Jones at 3:30 p.m. on Thursday, March 7, 2013, in Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E 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

OTHERS PRESENT:

Jeff Fontaine, Nevada Association of Counties
Jerrie C. Tipton, Chair, Board of Commissioners, Mineral County
Mary Walker, Carson City; Douglas County; Lyon County; Storey County
Laurie Squartsoff, Administrator, Division of Health Care Financing and Policy, Department of Health and Human Services
Jon Sasser, Legal Aid Center of Southern Nevada; Washoe Legal Services
Erik Schoen, Executive Director, Human Services Network
Giulian Grasso
Jeffrey Grasso
Steven Dalton, Osteopathic Medical Student, Touro University Nevada

Chair Jones:
We will proceed with Senate Bill (S.B.) 3.

SENATE BILL 3: Revises provisions governing the amount of money allocated for medical assistance to indigent persons in certain counties. (BDR 38-263)

Jeff Fontaine (Nevada Association of Counties):
Senate Bill 3 is a Mineral County bill, but it does apply to the 15 rural counties in our State. I would like to provide some background to this bill.

For many years, Nevada counties have provided the match for Medicaid funding. This funding is for long-term care or nursing home care for individuals who have an income of between 156 percent and 300 percent of the federal supplemental security income (SSI) benefit rate. That equates to $1,100 to $2,130 per month. The rural counties have small property tax bases, and they have large senior populations. Senior populations often have lower incomes. The matching fund cost has had a disproportionate impact on these counties' budgets. It has also had an impact on the counties that have a large concentration of institutions such as nursing homes that care for these individuals.

In 2002, the Rural Health Task Force convened to address the long-term care issue for the rural counties. The Task Force was concerned that if a county could not pay the match, millions of dollars of federal Medicaid funds would be lost because Medicaid requires the match for the program. All counties participate. That concern still exists today. The Task Force recommended that counties be held harmless for those Medicaid match costs that exceed what the counties generate in an 8-cent property tax. The recommendation has been in place for some time. The 8-cent tax was recommended because statutes authorized counties to levy certain amounts in property tax. The maximum amount they can levy for indigent services is 11.5 cents of property taxes with 2.5 cents going directly to the fund for medical assistance to indigent persons commonly known as the Indigent Accident Fund. That leaves the counties with 9 cents in property tax. With the 8-cent cap in place, the counties have 1 cent of property tax to pay for other indigent medical services they have been mandated to provide.

In 2011, the Legislature approved an additional $14.5 million in costs for long-term care for the current biennium. The majority of that goes to Clark and

Washoe Counties and not to rural counties. This gives you an idea of the magnitude of the cost shift to the counties for that program. In addition to making up the difference for the cost shift, in the first year of this biennium, the income threshold was lowered to 142 percent and again lowered to 136 percent from the 156 percent. Therefore, the counties are required to pay for more people. For the first time, the counties were also required to pay for the cost of community- and home-based waivers. There is no longer a cap in place for the counties. The counties are required to pay the bills sent to them for services provided. Other cost shifts for health and human services amounted to a little over $11 million for the rural counties.

We are seeing something that was expected—the cumulative impact of these cost shifts have forced some counties to eliminate all of their other health and human services efforts. In some cases, they have to use revenues from unrelated programs to pay these cost assessments to the State. There is not an option for the counties to use in-kind services or to provide some of these services in lieu of making those payments. The counties assume the funding of the state's Medicaid program. This increase in share of unlimited liabilities is threatening the fiscal stability of some of our counties.

Using fiscal year (FY) 2011-2012 expenses and FY 2012-2013 revenue projections, S.B. 3 would apply to four counties: Carson City, Lincoln County, Mineral County and White Pine County. These are projections, and other counties may be added or some of these counties may not be impacted. Senate Bill 3 seeks to restore an 8-cent cap for the counties' liability for long-term care and the Medicaid match program by putting it into statute. We have an amendment (Exhibit C) which clarifies that the cap only applies to long-term care—not to the overall services counties are required to provide.

This has been a difficult bill in terms of the legal aspects. We would request working with your staff counsel to make sure what we propose is in the right section of the chapter of *Nevada Revised Statutes* and the language is accurate.

Chair Jones:
About the amendment, I know there was a substantial fiscal note on the bill. Does the amendment address the concerns raised in the fiscal note?

Mr. Fontaine:
I spoke to the Director of the Department of Health and Human Services (DHHS). He thinks the amendment will address the concern; if not, we will make sure it does.

Jerrie C. Tipton (Chair, Board of Commissioners, Mineral County):
Mineral County has a population of about 4,590. The population over the age of 65 is 22.7 percent compared to 12.5 percent for the State. We have a huge population that uses the long-term care service. In Mineral County, 21.9 percent of the people are below the poverty level. Statewide, that population is 12.9 percent. We have the second-lowest total property values in Nevada. One cent of property assessment generates $8,980. We had to use FY 2012-2013 tax revenue to pay off the bills we received in FY 2011-2012 from the State.

Mineral County's long-term care account has $69,000 of tax revenue. I have a bill of $295,568.34 from the DHHS (Exhibit D). Last year, we ended up taking money from our general fund. Exhibit D shows our preliminary numbers from Mineral County tax rate for this year. We cannot go any higher. I had to take the 2 cents from the school last year. We cannot afford the services. Using FY 2012-2013 tax revenue to pay FY 2011-2012 bills is only going to make things worse for Mineral County.

Chair Jones:
How are the other three counties doing?

Ms. Tipton:
I cannot tell you exactly, but they probably are not far behind Mineral County.

Mr. Fontaine:
The remaining three counties are Carson City, Lincoln County and White Pine County. It is projected they are collectively over their 8-cent tax rate by about $218,000. In Lincoln County, it is about $46,000. In White Pine County, it is about $22,400.

Mary Walker (Carson City; Douglas County; Lyon County; Storey County):
We support S.B. 3 and the amendment. We also support other amendments needed to address the fiscal note.

The ability for these rural counties to pay for the Medicaid match long-term care program has been a problem for over 20 years. I have been in local government finance for about 26 years, and we have always had that problem. The problem grew to a crescendo in 2000. Several counties could not make the Medicaid match program. We were told by the State that if one county did not make the match program, there would not be a Medicaid match program. The State would lose about $20 million of federal money for long-term care patients. This is a critical program not only for the counties but also for the State.

I led the Nevada Association of Counties effort for a year in 2002, trying to find a resolution to this problem. After a year, we came up with the 8-cent cap. We reported to the State that the counties had revenues based on 11.5 cents, of which 2.5 cents had to go toward the Indigent Accident Fund for hospital bills, leaving 9 cents for our indigent funding. We proposed to use 8 of the 9 cents for the Medicaid match. That would be everything we had. We could have kept 1 cent for the county to pay for other hospital bills, indigent ambulance bills and indigent doctor bills.

I worked with DHHS Director Michael Willden, and with the Director of the Budget Division, Department of Administration. We were able to get the cap into the Executive Budget. The 8-cent cap from 2003 until 2011 has been a proven mechanism. Once put into the law, it worked. The insecurity of the counties not being able to pay these long-term care bills was resolved.

If we do not pay these bills, our elderly people are going to be out in the street. That risk is unconscionable. For the State, the amount of money involved with this cap is very small, but it ensures the $20 million of federal money to keep these people in long-term care beds.

Stabilizing the long-term care program and ensuring we can make these payments are critical. In rural Nevada, many of the long-term care facilities are local hospitals. This stabilization would ensure that the rural hospitals are paid. If they do not get paid, they will close. There are many domino effects. We would appreciate your support of S.B. 3. We would be happy to work with everyone to make this bill as good and strong as we can make it.

Senator Kieckhefer:
Is the exact language that was taken out last Session in the original draft of the bill or in the amendment?

Ms. Walker:
From 2003 to 2011, that language was never put into statute. It was just put into the Executive Budget and retained.

Senator Kieckhefer:
So there was never a statutory cap.

Ms. Walker:
That is correct.

Laurie Squartsoff (Administrator, Division of Health Care Financing and Policy, Department of Health and Human Services):
I prepared testimony (Exhibit E) on S.B. 3.

Jon Sasser (Legal Aid Center of Southern Nevada; Washoe Legal Services):
I am concerned that this tug-of-war between the State and the counties over funding will cause our clients—the low-income folks who rely on these programs—to get hurt.

I want to explain how nursing home care and community-based services are paid. In the Medicaid program, there is a state option to cover people in institutions with incomes up to 300 percent of the SSI level. The State did not put up the full State share for many years. The counties explained to the State that they were losing money because they were paying for all the people in the nursing homes, and they were not getting their due federal assistance. The county match programs were then created. The State paid its match up to 156 percent of the SSI income level. The counties put up the State share. There are people in nursing homes whose income is higher than 300 percent of the SSI level but lower than their nursing home bills. If your income is $2,000 a month and your nursing care bill is $3,000 per month, the county pays the difference. If you cut back on one of these programs, you put strain on the other program.

The counties must pay for all their indigent programs and county general assistance programs within the limitations of the property tax cap. All of the programs are intertwined. I am uncomfortable with putting a cap in the legislation without knowing who will make up the difference. Will the State step in and make up the difference? People are going to be in nursing homes. Community alternatives also have to be covered. I want assurance that the

low-income people in the middle are not hurt by this squeeze between the counties and the State.

Erik Schoen (Executive Director, Human Services Network):
The Human Services Network consists of about 60 health and human service providers throughout the Truckee Meadows and beyond. I am also the deputy director of the Community Chest. We are a small, rural social service and social justice organization in Virginia City. We also provide services all the way out to Silver Springs. We work with communities in Tonopah and a handful of other communities in rural Nevada. I would like to echo Jon Sasser's concerns. In the rural areas, we do not have much to work with. Many of the people are barely making it. Please keep in mind as you craft the legislation that the vulnerable should not be left even more vulnerable.

SENATOR KIECKHEFER MOVED WITHOUT RECOMMENDATION AND REREFER S.B. 3 TO THE SENATE COMMITTEE ON FINANCE

SENATOR SMITH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Chair Jones:
We will now hear S.B. 53, S.B. 80 and Senate Concurrent Resolution (S.C.R.) 4.

SENATE BILL 53: Revises various provisions relating to vital statistics. (BDR 40-312)

SENATE BILL 80: Makes various changes to provisions governing dairy products and dairy substitutes. (BDR 51-460)

SENATE CONCURRENT RESOLUTION 4: Encourages the Department of Health and Human Services and the Commissioner of Insurance to work with health care providers and insurers to develop a patient-centered medical home model of care. (BDR R-507)

Marsheilah D. Lyons (Policy Analyst):
Senate Bill 53 heard on March 5 relates to vital statistics. Several updates were made. These were provisions for record keeping for the State Registrar of Vital Records. No amendments were considered for that measure.

SENATOR HARDY MOVED TO DO PASS S.B. 53.

SENATOR SEGERBLOM SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

*****

Ms. Lyons:
On March 5, the Committee heard S.B. 80. This bill modernizes laws governing dairy products in this State. Senator Settelmeyer sponsored this bill. There were no amendments proposed for this measure.

SENATOR HARDY MOVED TO DO PASS S.B. 80.

SENATOR SEGERBLOM SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

*****

Ms. Lyons:
Senate Concurrent Resolution 4 encourages the DHHS and the Commissioner of Insurance, to develop a patient-centered medical home model of care. On February 28, S.C.R. 4 was heard by this Committee. At that hearing, the Committee discussed the presentation concerning patient-centered medical homes published on August 29, 2012, by the Legislative Committee on Health Care. No amendments were presented for this measure.

SENATOR HARDY MOVED TO ADOPT S.C.R. 4.

SENATOR SMITH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

*****

Chair Jones:
We will now open the hearing for S.B. 115.

SENATE BILL 115: Revises provisions relating to safety equipment for certain skateboarders. (BDR 40-474)

Senator Hardy:
Senate Bill 115 came up because a father, Jeffrey Grasso, called me and asked if I could carry a bill that would require children to wear helmets when they rode longboard skateboards.

Section 7 of this bill requires parents or guardians of minors to make them wear protective headgear when operating a longboard, and it sets penalties for noncompliance.

Being a physician, I see the problems when there are head injuries. In Las Vegas, we have Giulian Grasso and his family. Giulian is a person who sustained a head injury as a result of a longboard accident. They can tell their story.

Giulian Grasso:
On April 22, 2012, I suffered a traumatic brain injury from riding a longboard down a hill in Boulder City. It could have only been changed if I were wearing a helmet. That is why this bill needs to be passed—to save the lives of children. My father would like to speak.

Jeffrey Grasso:
In January 1968, we mandated seat belts in cars. In 1984, New York was the first state to mandate using seat belts. I grew up in a time when I would jump from the front of the car to the back of the car without any seat belts. Now we would not think twice about using seat belts because of the laws created to protect us. Sometimes our arrogance as humans defeats our ability to think correctly.

I say that because as parents, we told Giulian and all of our children to please wear the helmets, please wear the helmets, please wear the helmets. Sometimes you need legal precedence to tell them it is against the law not to do this. It can be just as we did with seat belts and drugs. We are at an 85 percent to 95 percent usage rate with seat belts throughout the Country. This is because of the law.

Traumatic brain injury is something that happens to over 5 million people in the United States yearly. Two million of the 5 million will suffer from traumatic brain injury that will require them to have lifelong medical or rehabilitation services. Over $25 billion is spent taking care of these traumatic brain injuries. Approximately 35,000 traumatic brain injuries occur throughout the Country on skates and longboards. If we had legislation that required people to wear helmets, it would give parents more authority to make their children do it. We are not going to save everybody. However, the doctors at the University Medical Center of Southern Nevada in Las Vegas said that Giulian's brain injury could have very possibly been prevented if he had been wearing a helmet.

I have been a police officer for the past 14 years. I have seen enough people get hurt. This is a good law. There is no reason we should not try to protect our most valuable resource, our children.

Senator Kieckhefer:
Section 8 of this bill discusses the business of renting longboards. It states "shall provide a protective helmet." What is the scenario if the person just does not want to take it? If a business just has the helmets available for rent, does that meet the requirement of this bill?

Senator Hardy:
You cannot make a person wear a helmet.

Senator Kieckhefer:
Could the person still rent the longboard if he or she did not take the helmet?

Senator Hardy:
If I were the person renting the longboard, I would say the price of the helmet is included in the rental of the board.

Senator Kieckhefer:
Would they still be able to give the person the longboard if he or she did not take the helmet?

Senator Hardy:
The person is not required to take the helmet, but the person who rents the longboard is required to provide it.

Chair Jones:
I admire the idea of this bill. I just do not understand why it addresses longboards as opposed to other wheeled devices, skateboards, scooters and bikes.

Senator Hardy:
Trying to pass legislation on all the wheeled devices was too high of a hill to climb. The longboards are more stable and go faster than the other devices, creating a greater risk. Giulian was hurt on a longboard. This is why we started with the longboards.

Chair Jones:
Do you have any studies showing that longboards are more dangerous than traditional skateboards?

Senator Hardy:
Skateboards are not in the research that I have done. Skateboards have their own challenges. Giulian's traumatic brain injury was such that he was critical for many days. On the day 8, the doctor told his family to make a decision to let him go. His family said they were going to fight. They got a different doctor. Giulian fought for 62 days, on to 95 days and then in continual rehabilitation. He is learning to walk again. He can talk, and he has a firm handshake. He wants to get back to the place where he can run in his combat boots and swim again, as his older brother does. He is a fighter. He should have been dead.

Steven Dalton (Osteopathic Medical Student, Touro University Nevada):
I am a third-year osteopathic medical student at Touro University Nevada in Las Vegas. I am serving a health policy clerkship with Assemblyman Andy Eisen and Senator Hardy.

In reference to intracranial pressure, the normal ranges fall between 7 and 15 mm Hg when a person is lying down. When a person stands up, the pressure becomes negative. Very small changes in those elevations can lead to things like confusion, vision disturbances, headache and the ultimate extreme of blacking out when the person hangs upside down. Extended elevation of that pressure will lead to coma and death. At levels of 20 mm Hg, it is recommended to reduce the pressure through either repositioning or medical intervention.

A second measure is the degree of midline shift. I provided you with two slides (Exhibit F). Slide 1 is an image of a normal brain scan where everything is on center and there is a nice strong fibrous sheath running down the midline of the skull.

In slide 2 of Exhibit F, you see an exaggerated, but close to 10 mm example of a severe midline shift. That seems to be caused by the white substance on the side. That is blood pooling into the space where the brain rests. Studies have categorized acute traumatic head injuries into levels of no shift, 5 mm midline shift and 10 mm or more midline shift. Those in the category of 10 mm or more midline shift are usually caused by a severe head injury, and 81 percent of those in this category had extremely poor prognosis.

Chair Jones:
The idea of preventing traumatic head injury is important. I am just not sure why we are limiting it to longboards. Several other states have adopted or are considering broader legislation that includes helmet requirements for bicycles, scooters, skateboards and skates.

Would you consider a requirement that a helmet be used for a broader category of wheeled devices?

Senator Hardy:
I would consider that a friendly amendment.

To follow Steven Dalton's testimony, Giulian's intracranial pressure was in the 60s. His midline shift was 11, and he had lifesaving surgery to decrease that.

Mr. J. Grasso:
I appreciate the idea of broadening the category. In my research, Laguna Beach, California, adopted an ordinance that required helmets for any wheeled device. This applies to minors under the age of 18 and has the same punitive financial penalty of $10. I support the amendment.

In Boulder City, where we live, we saw a 70 percent to 80 percent helmet usage after Giulian's accident.

Chair Jones:
We will close the hearing on S.B. 115. We are adjourned at 4:21 p.m.

RESPECTFULLY SUBMITTED:

Joyce Hinton,
Committee Secretary

APPROVED BY:

Senator Justin C. Jones, Chair

DATE:

EXHIBITS				
Bill	**Exhibit**		**Witness / Agency**	**Description**
	A	1		Agenda
	B	7		Attendance Roster
S.B. 3	C	2	Jeff Fontaine	Proposed Amendments to SB3
S.B. 3	D	2	Jerrie C Tipton	County Match Invoice
S.B. 3	E	2	Laurie Squartsoff	2013 Testimony Form
S.B. 115	F	2	Steven Dalton	Normal CT Image of the Head