

**LOCAL GOVERNMENT
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: March 19, 2015

Agency Submitting: Local Government

Items of Revenue or Expense, or Both	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Effect on Future Biennia
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

See attached.

Name Michael Nakamoto

Title Deputy Fiscal Analyst

The following responses from local governments were compiled by the Fiscal Analysis Division. The Fiscal Analysis Division can neither verify nor comment on the figures provided by the individual local governments.

Local Government Responses
S.B. 250 / BDR 57 - 687

City/County: Carson City Approved by: Nickolas A. Providenti, Finance Director Comment: This would have a fiscal impact to Carson City but the amount is unknown at this time.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

City/County: Churchill County Approved by: Eleanor Lockwood, County Manager Comment: It is anticipated that any impacts from the passage of BDR 57-687 would be minimal.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: Clark County Approved by: David Dobrzynski, Assistant Director of Finance Comment: Potential fiscal impact cannot be determined. Anticipated impact should be minor.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: Elko County Approved by: Cash A. Minor, Assistant County Manager/CFO Comment: Has Impact				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$30,000	\$0	\$30,000

City/County: Esmeralda County Approved by: Karen Scott, Auditor/Recorder Comment: No Impact				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: Humboldt County Approved by: Sondra Schmidt, Comptroller Comment: This could cause the cost of our health insurance premiums to increase but there is no way to determine what those costs would be since we have a private company that provides our health insurance coverage.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: Washoe County Approved by: Liane Lee , Government Affairs Manager Comment: Minimal impact.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: White Pine County Approved by: Elizabeth Frances, Finance Director Comment: Adding new requirements for pharmacy services will result in increased cost for health insurance premiums. The exact amount cannot be determined. This will have an adverse impact on the County in the form of increased cost for employee benefits.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

City/County: City of Henderson Approved by: Mike Cathcart, Business Operations Manager Comment: The fiscal impact to the City of Henderson would only be marginal and does not rise to the level of filing a fiscal note.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: City of Las Vegas Approved by: Michelle Thackston, Administrative Secretary Comment: This bill will create administrative challenges for insurance carriers and pharmacists as the bill mandates prescription fills in non-standard amounts. Any cost savings the this Bill may have on the City will likely be offset with increased administrative cost.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: **City of Reno**

Approved by: Ryan High, Budget/Strat. Initiatives Mgr.

Comment: After initial review, the City of Reno anticipates that this legislation may require additional administrative work to manage prescriptions; if these administrative costs are passed on to the City, it is anticipated that these costs will be minimal.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

City/County: **City of Sparks**

Approved by: Jeff Cronk, Financial Services Director

Comment: The provisions of this bill will likely have an impact, but the data available is too limited to be able to determine the cost impact at this time.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: **Las Vegas Metropolitan Police Department**

Approved by: Rich Hoggan, Chief Financial Officer

Comment: LVMPD does not directly provide employee health coverage. Rather, our plan is administered either by an independent Health and Welfare Trust or by an employee association. Therefore, we are not able to state a direct employer employer impact.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Carson City School District**

Approved by: Andrew J Feuling, Director of Fiscal Services

Comment: No Impact

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: **Clark County School District**

Approved by: Nikki Thorn, Deputy CFO

Comment: CCSD reviewed this draft in two areas 1) one from workers compensation and 2) from the health insurance standpoint of all eligible employees. From the workers compensation, CCSD does not expect any impact. CCSD does expect impact as it relates to all eligible employees. The issue with the way the draft is written is the health plan would have to pay to have the Rx system functionality built to accommodate pro-rata copays. This could ultimately increase premium costs, although CCSD does not have an accurate determination of how much the increase would be. Additionally, due to the way CCSD contracts are negotiated, CCSD pays a set amount per month for health care for employees and the remainder of the monthly premium is borne by the employee. So in the event that premiums increase, which is a very real possibility, the insured employees could actually bear much of the additional costs.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

School District: **Douglas County School District**

Approved by: HOLLY LUNA, CFO, BUSINESS SERVICES

Comment: 1. This BDR creates an administrative burden where no problem currently exists. While not always the case, generally a smaller prescription drug order costs less than a larger one. This bill will result in higher administrative costs charged by PBMs which will be passed onto consumers as higher premiums- or through higher drug costs charged by drug manufacturers to make up for any real or perceived loss of revenue.

2. This bill is effective for plans that are sold or delivered on or after January 1, 2016. By the time the bill is enacted, all small group and individual plans for 2016 will already have been submitted for approval. If this bill is approved, it needs to be effective no earlier than January 1, 2017.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Humboldt County School District**

Approved by: David Jensen, Superintendent

Comment: Unable to calculate as potential impact would be determined by the insurance company.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: Lincoln County School District Approved by: Steve Hansen, Superintendent Comment: Insurance cost go up. This is an estimated 12% increase on premiums in addition to normal yearly increases.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$10,125	\$20,250	\$0

School District: Lyon County School District Approved by: Philip Cowee, Director of Finance Comment: The fiscal impacts of BDR 57-687 cannot be determined until the renewal period commences. The fiscal impacts could also be immaterial based on the impact to the plan and loss ratio.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: Nye County School District Approved by: Kerry Paniagua, Executive Secretary Comment: No Impact				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: Pershing County School District Approved by: Dan Fox, Superintendent Comment: It appears there could be a fiscal impact on the district, however, our insurance broker could not get the insurance companies to estimate what that cost might be.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: Storey County School District Approved by: Robert Slaby, Superintendent Comment: No Impact				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: Washoe County School District Approved by: Lindsay E. Anderson, Director of Government Affairs Comment: No Impact				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: White Pine County School District Approved by: Paul Johnson, CFO Comment: Unable to determine impact. Financial changes caused from health insurance changes would require valuation from an actuary or underwriter. The impact of the change would depend upon the profile of the eligible participants, claims history and changes proposed in this BDR.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

The following cities, counties and school districts did not provide a response: Douglas County, Eureka County, Lander County, Lincoln County, Lyon County, Mineral County, Pershing County, Nye County, Storey County, Boulder City, City of Elko, City of Mesquite, City of North Las Vegas, Churchill County School District, Elko County School District, Esmeralda County School District, Eureka County School District, Lander County School District, and Mineral County School District.