

**MINUTES OF THE SUBCOMMITTEE OF THE  
SENATE COMMITTEE ON JUDICIARY**

**Seventy-Eighth Session  
March 17, 2015**

The subcommittee of the Senate Committee on Judiciary was called to order by Chair Greg Brower at 1:01 p.m. on Tuesday, March 17, 2015, in Room 2134 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.

**SUBCOMMITTEE MEMBERS PRESENT:**

Senator Greg Brower, Chair  
Senator Becky Harris, Vice Chair  
Senator Scott Hammond  
Senator Ruben J. Kihuen  
Senator Aaron D. Ford

**STAFF MEMBERS PRESENT:**

Patrick Guinan, Policy Analyst  
Cassandra Grieve, Committee Secretary

**OTHERS PRESENT:**

Bryan Nix, Program Director, Victims of Crime Program, Department of Administration

**Chair Brower:**

I will open the hearing of the Senate Subcommittee on Judiciary with Senate Bill (S.B.) 230.

**SENATE BILL 230:** Revises provisions governing the payment of compensation to certain victims of crime. (BDR 16-1038)

**Senator Greg Brower (Senatorial District No. 15):**

Under *Nevada Revised Statute* (NRS) 217.200, there is a \$100,000 cap on money awarded by the Victims of Crime Program (VOCP) to victims of crime.

Senate Bill 230 removes the limit on the total compensation amount awarded. Bryan Nix will explain how the VOCP works and how the Fund for the Compensation of Victims of Crime is administered.

**Bryan Nix (Program Director, Victims of Crime Program, Department of Administration):**

The Victims of Crime Program was set up to assist victims of violent crime who do not have resources, such as insurance or other government benefit programs, to help themselves.

I provided a report on the financial details of the Program ([Exhibit C](#)). The Fund for the Compensation of Victims of Crime is financially sound. The Fund is administered by the VOCP with oversight by the State Board of Examiners. The Fund has accrued a reserve of over \$7 million since 2009 when the Legislature last addressed this statute by raising the catastrophic injury claim cap from \$50,000 to \$100,000. In 2009, the Legislature also gave the Board the ability to approve an additional \$50,000 for a lifetime total of \$150,000 on a catastrophic injury claim.

Examples of a catastrophic injury claim is when the victim is paralyzed, loses multiple limbs or has been blinded. Claimants are victims who do not have the resources to take care of their medical bills or ongoing medical needs.

Since 2009, 18 catastrophic injury claims have been filed. Eleven claims were fully satisfied and closed; seven remain open. One claim that remains open is for Aiden Jacot, whose father, Robert Jacot, will testify today. A victim of crime, Aiden suffered significant and severe lifetime injuries. We ask the Legislature to lift the \$150,000 total cap and allow the cap to be at the discretion of the Board. Outside catastrophic injury claims, the Board has a cap of \$35,000 per claim.

If S.B. 230 passes, only minor policy adjustments will need to be made; I do not anticipate changing policies regarding the handling of claims. Any policy adjustments will be submitted to the Board for approval. The Board will continue to have oversight over the VOCP and the Fund; we are not looking to remove oversight.

In the 25 years I have presided over the Program, Aiden's claim is the first catastrophic injury claim that will eventually exceed the \$150,000 cap. He

is a child, and we want to continue helping him until another type of government benefit or support system becomes available.

The cap addressed in S.B. 230 is one of the last remaining caps the Legislature statutorily imposed upon the Program. Previously, there were caps on the amount paid for funeral benefits, etc. Over time, the Legislature has seen the wisdom in letting VOCP officers determine a victim's benefit. A victim's benefit should be based upon current rates, what other benefits may be available to the victim and how the VOCP is reimbursed by the federal government.

**Chair Brower:**

From where does the Fund get its money? What is the average amount paid by the Fund?

**Mr. Nix:**

The VOCP is funded by court-issued assessments against criminals. The Program receives some federal funding, also derived from criminal assessments. The federal government reimburses the State based on the amount the State spends on medical claims. For example, if we spend \$1 million on medical claims in a year, the federal government, through the U.S. Department of Justice, reimburses \$600,000 of that \$1 million. It appears that amount will increase to 75 percent soon, and so, using our \$1 million example, \$750,000 would come back to the State.

Between \$25 million to \$28 million in medical claims are satisfied per year, and we are able to do that with \$5 million to \$8 million from the Fund. Victims get their bills satisfied because we are experts in applying cost containment policies, such as working out fee schedules with hospitals and various other providers.

Once a medical claim is paid, regardless of the amount we pay, the claim is deemed satisfied with regard to the victim. For example, if there is a \$1 million medical bill and the hospital accepts our offer of \$25,000, a victim cannot be charged again on that claim. Ensuring a victim's medical bills are satisfied is how we are able to use our money effectively.

For the past 7 years, we were able to satisfy 100 percent of each victim's claims through these types of claim management practices.

**Chair Brower:**

It seems the Fund is able to withstand a removal of the cap and the allowance of the Board to make decisions on claims.

**Mr. Nix:**

We have over 60 pages of policy detailing how claims are paid; it is a comprehensive process. If S.B. 230 were to pass, we would not change our policy language other than to give the Board the ability to disperse more than \$50,000 on a claim like Mr. Jacot's, where there is an extended period of time. On average, claims are resolved for around \$63,000 even though we could spend up to \$100,000. Because we are able to apply various cost containment measures, we can satisfy claims for far less than the actual medical bills incurred, primarily at the hospital level.

The total amount of money spent on catastrophic injury claims in the Program in 2009 was about 4 percent of the money spent on total claims. Four percent is a minor amount considering the magnitude of the nature of these catastrophic injury claims.

**Chair Brower:**

Is there a potential downside in passing this bill?

**Mr. Nix:**

No. The Board consists of elected officials: the Governor, Attorney General and the Secretary of State. They review and vote on our expenditures quarterly and are intimately familiar with our expenditures. The Board oversees our policies, the Fund and how our claims are expended. I feel comfortable the Board is an adequate safeguard to ensure the Program keeps on track.

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**Chair Brower:**

I adjourn the meeting at 1:12 p.m.

RESPECTFULLY SUBMITTED:

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Cassandra Grieve,  
Committee Secretary

APPROVED BY:

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Senator Greg Brower, Chair

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

| EXHIBIT SUMMARY |         |   |                              |                   |
|-----------------|---------|---|------------------------------|-------------------|
| Bill            | Exhibit |   | Witness or Agency            | Description       |
|                 | A       | 1 |                              | Agenda            |
|                 | B       | 1 |                              | Attendance Roster |
| S.B. 230        | C       | 3 | Department of Administration | Letter of Support |