

LOCAL GOVERNMENT
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: March 15, 2017

Agency Submitting: Local Government

Items of Revenue or Expense, or Both	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	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
A.B. 249 / BDR 38 - 858

City/County: City of Henderson Approved by: Mike Cathcart, Business Operations Manager Comment: No fiscal impact to the City of Henderson.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: City of Las Vegas Approved by: Michelle Thackston, Administrative Assistant Comment: No Impact				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: City of Sparks Approved by: Jeff Cronk, Financial Services Director Comment: No Impact				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: City of Reno Approved by: Tillery Williams , Management Analyst Comment: No anticipated fiscal impact to the City of Reno.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: Carson City Approved by: Nancy Paulson, CFO Comment: No significant fiscal impact to Carson City.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: Churchill County

Approved by: Eleanor Lockwood, County Manager

Comment: BDR 38-858 requires Medicaid and all insurance plans to provide certain contraception benefits. Some of these benefits are required as part of the Affordable Care Act (ACA), which means they do not really need to be state law (unless there is concern that those benefits will be eroded at the federal level). There are also some extra requirements that circumvent procedures insurance companies use to try to control prescription costs. Changing the term "contraceptive" to "hormone replacement therapy", may open up the requirements for insurance companies to cover costs for items they currently do not cover. If BDR 387-858 were to pass, it is difficult to determine the fiscal impact to local government, however, if there are requirements for insurance companies to cover prescription drugs that they may not otherwise, we would anticipate these costs to be passed on in the form of medical premium increases of approximately 1% – 2% percent per year. A 1% increase to Churchill County's insurance premiums is equivalent to \$17,141. We estimate the fiscal impact between \$17,000 to \$34,000 per year.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$25,000	\$25,000	\$25,000

City/County: Clark County

Approved by: David Dobrzynski, Asst Director of Finance

Comment: The Affordable Care Act requires certain contraceptive drugs, devices and services to be covered by every health insurance plan without charging copays, coinsurance or a higher deductible. This bill would make those requirements Nevada law. It would require coverage of additional forms of contraception, including up to a 12-month supply of contraceptives or a therapeutic equivalent, insertion or removal of a contraceptive device and voluntary sterilization for men and women. A health insurance plan would no longer be allowed to require a program of step therapy or prior authorization for benefits included in this bill.

It is estimated the additional cost of providing the benefits included in this bill would be 0.2% per year. Since this bill would not be in effect until January 1, 2018, there will be no fiscal impact for the remainder of FY2017. Utilizing 2016 claims data and adjusting for inflation and the rising cost of health care, the total fiscal impact from the effective date of this bill through the end of FY2019 (18 months) would be nearly \$236,000.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$77,300	\$158,500	\$326,573

City/County: Esmeralda County

Approved by: Karen Scott, Auditor

Comment: Passage of this may increase insurance premiums paid by employer.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: Humboldt County Approved by: Gina Rackley, Comptroller Comment: No Impact				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: Washoe County Approved by: Jamie Rodriguez , Management Analyst Comment: While Washoe County health plans currently meet all the ACA requirements, the bill would add several new requirements outside of those listed in ACA. However at this time there is no way for us to quantify what those changes would cost in order to determine the fiscal impact, but it would have a fiscal impact on Washoe County.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

School District: Clark County School District Approved by: Dillon Kay, Assistant Budget Director Comment: Does not appear to have a material impact on CCSD. There are already some zero cost contraceptive drugs in insurance plans due to the healthcare law. As well, we have a prescription copay structure for the plans that probably would not affect any future premiums materially if the bill passes.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: Douglas County School District Approved by: KLewis, Director of Human Resources Comment: The impact of this bill is difficult to determine however we believe it to be minimal under current ACA plans. Should the regulations of ACA change, the impact may be greater				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: Humboldt County School District Approved by: David Jensen, Superintendent Comment: Changes to required components of an existing insurance plan will likely lead to an increase in the premium cost. As a result, we are not able to determine what the extent of fiscal impact will be at this time.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: Lincoln County School District Approved by: Pam Teel, Superintendent Comment: Not clear on impact				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: Lyon County School District Approved by: Shawn Heusser, Director of Finance Comment: No Impact				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: Nye County School District Approved by: Kelly Wood, Executive Secretary Comment: Nye County School District already provides this. No fiscal impact.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: Pershing County School District Approved by: Russell D. Fecht, Superintendent Comment: May have an impact to insurance rates - cannot determine at this time.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **White Pine School District**

Approved by: Paul Johnson, CFO

Comment: Any bill that affects health costs will impact health insurance premiums and the amount that local governments must pay for employees. The impact however can not be determined at this time.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Washoe County School District**

Approved by: Lindsay E. Anderson, Director of Government Affairs

Comment: No Impact

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

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