

**EXECUTIVE AGENCY**  
**FISCAL NOTE**

**AGENCY'S ESTIMATES**

Date Prepared: April 1, 2017

Agency Submitting: Department of Health and Human Services, Health Care Financing and Policy

<b>Items of Revenue or Expense, or Both</b>	<b>Fiscal Year 2016-17</b>	<b>Fiscal Year 2017-18</b>	<b>Fiscal Year 2018-19</b>	<b>Effect on Future Biennia</b>
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

This bill would require that an insurer cover chronic conditions without the medical management that a prior authorization or precondition provides. The types of treatment and the intensity of treatment needed for any given chronic condition may change over time. Implementing public policy that bypasses the current process of prior authorization for all previously authorized procedures, devices, medications or other treatments may result in inappropriate and/or unnecessary interventions and/or prolonged treatment for Nevada Medicaid recipients. An analysis of this population's service expenditures would need to correlate the universe of services for a diagnosis code inclusive of historical prior authorizations and accumulated pharmacological expenses. The provisions of this bill have a fiscal impact to the State and to contracted entities that cannot be determined due to the inability to capture utilization management for such conditions.

Name Karen Salm

Title ASO IV

**GOVERNOR'S OFFICE OF FINANCE COMMENTS**

Date Monday, March 27, 2017

The agency's response appears reasonable.

Name Nikki Hovden

Title Exec. Branch Budget Officer