

**EXECUTIVE AGENCY  
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: March 28, 2017

Agency Submitting: Business and Industry, Division of Insurance

Items of Revenue or Expense, or Both	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Effect on Future Biennia
Expense (Expense)		\$208,862	\$94,293	\$188,586
Total	0	\$208,862	\$94,293	\$188,586

Explanation

(Use Additional Sheets of Attachments, if required)

Subsection 2 of AB355 requires the DOI to register facilities or providers that would be those providing behavioral and mental health services and related medical services primarily to vulnerable persons, are satisfactorily managed by a board of directors, as determined by the Commissioner; and have satisfactory programs of internal controls and compliance as determined by the Commissioner. The Life & Health Section ("L&H") would be responsible for developing a process for registering these providers and facilities and maintaining a registry database. The L&H section would work in consultation with IT staff as needed to develop this database. The L&H section would need to work in consultation with the other state agencies which license these providers and facilities. The L&H section would also be responsible for updating the provider and facility data to ensure the accuracy of the registry. The L&H section would be responsible for supporting the Commissioner in the selection of a standard as outlined in subsection 1 of AB355. Selection of a standard could be combined with the current practice for establishing Network Adequacy standards with the Network Adequacy Advisory Council providing a recommendation and the Commissioner selecting the final standard. L&H staff would be responsible for assisting the Council and the Commissioner with researching and compiling any supporting information or data which may be needed to address the standards required by AB355. The cost of the annual determination by the Commissioner of a network plan is accessed against the carrier so any cost for the additional analysis outlined in AB355 would be passed onto the carrier. The L&H section anticipates a significant fiscal impact as a result of AB355 and a need for the following staff and resources; one MAIII, one AA4 and an outside contractor for IT services for 3-6 months to develop the registry database, support and maintenance. Additional software/hardware costs may be required.

Name Laurie Squartsoff

Title Deputy Commissioner

**GOVERNOR'S OFFICE OF FINANCE COMMENTS**

The agency's response appears reasonable.

Date Tuesday, March 28, 2017

Name Paul Nicks

Title Exec. Branch Budget Officer

## Section A1: Line Item Detail by GL

Budget Account: 3813 B&amp;I - INSURANCE REGULATION

Item No	Description	Actual 2015-2016	Work Program 2016-2017	W57 Year 1 2017-2018	W57 Year 2 2018-2019
<b>E225</b>	<b>EFFICIENT AND RESPONSIVE STATE GOVERNMENT</b>				
	<b>EXPENDITURE</b>				
<b>01</b>	<b>PERSONNEL SERVICES</b>				
5100	SALARIES	0	0	35,197	48,452
5200	WORKERS COMPENSATION	0	0	835	873
5300	RETIREMENT	0	0	9,855	13,567
5400	PERSONNEL ASSESSMENT	0	0	251	260
5500	GROUP INSURANCE	0	0	6,687	8,891
5700	PAYROLL ASSESSMENT	0	0	85	83
5750	RETIRED EMPLOYEES GROUP INSURANCE	0	0	936	1,236
5800	UNEMPLOYMENT COMPENSATION	0	0	43	70
5840	MEDICARE	0	0	510	703
	TOTAL FOR CATEGORY 01	0	0	54,399	74,135
<b>04</b>	<b>OPERATING</b>				
7020	OPERATING SUPPLIES	0	0	240	120
7050	EMPLOYEE BOND INSURANCE	0	0	2	2
7054	AG TORT CLAIM ASSESSMENT	0	0	99	97
705A	NON B&G - PROP. & CONT. INSURANCE	0	0	4	6
7110	NON-STATE OWNED OFFICE RENT	0	0	6,818	9,090
7255	B & G LEASE ASSESSMENT	0	0	79	123
7292	EITS 18-19 ELIM (OLD EITS VOICEMAIL)	0	0	85	85
7295	EITS 18-19 ELIM (OLD EITS STATE PHONE LINE)	0	0	322	322
7460	EQUIPMENT PURCHASES < \$1,000	0	0	180	0
8371	COMPUTER HARDWARE <\$5,000 - A	0	0	48	0
	TOTAL FOR CATEGORY 04	0	0	7,877	9,845
<b>05</b>	<b>EQUIPMENT</b>				
8241	NEW FURNISHINGS <\$5,000 - A	0	0	2,258	0
	TOTAL FOR CATEGORY 05	0	0	2,258	0
<b>26</b>	<b>INFORMATION SERVICES</b>				
7060	CONTRACTS	0	0	124,000	0
7533	EITS EMAIL SERVICE	0	0	350	349
7554	EITS INFRASTRUCTURE ASSESSMENT	0	0	196	212
7556	EITS SECURITY ASSESSMENT	0	0	94	129
7558	EITS 18-19 ELIM (OLD EITS VIRTUAL SERVER)	0	0	9,571	9,579
7771	COMPUTER SOFTWARE <\$5,000 - A	0	0	7,217	44
8371	COMPUTER HARDWARE <\$5,000 - A	0	0	2,900	0
	TOTAL FOR CATEGORY 26	0	0	144,328	10,313

State of Nevada - Budget Division  
Line Item Detail & Summary  
2017-2019 Biennium (FY18-19)

Item No	Description	Actual 2015-2016	Work Program 2016-2017	W57 Year 1 2017-2018	W57 Year 2 2018-2019
	TOTAL EXPENDITURES FOR DECISION UNIT E225	0	0	208,862	94,293
	TOTAL REVENUES FOR BUDGET ACCOUNT 3813	0	0	0	0
	TOTAL EXPENDITURES FOR BUDGET ACCOUNT 3813	0	0	208,862	94,293

## Develop System

	Units	Count	Rate	Total	Comments
<b><u>MSA Contracts</u></b>					
Sr. Programmer/Analyst	Hours	1040	\$ 100.00	\$ 104,000.00	Software Developer approx. 8 person months.
Database Administrator	Hours	160	\$ 125.00	\$ 20,000.00	DBA design & build database
<b><u>Software</u></b>					
SQL Server 2016 w/ 10 CALs	Licenses	1	\$ 2,859.00	\$ 2,859.00	Database software
SAP Crystal Reports	Licenses	4	\$ 589.44	\$ 2,357.76	Reporting
Visual Studio Professional 2015	Licenses	2	\$ 472.00	\$ 944.00	Developer licenses
<b>System Total</b>				<b>\$ 130,160.76</b>	
<b><u>EITS Server Hosting</u></b>					
EITS virtual server YR1	EITS monthly Charge	20	\$ 478.57	\$ 9,571.40	Server for hosting system. Monthly charge by EITS for 1 virtual server.
EITS virtual server YR1	EITS monthly Charge	20	\$ 478.96	\$ 9,579.20	Server for hosting system. Monthly charge by EITS for 1 virtual server.
				<b>\$ 139,732.16</b>	