

**MINUTES OF THE
SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES**

**Seventy-ninth Session
February 22, 2017**

The Senate Committee on Health and Human Services was called to order by Vice Chair Julia Ratti at 3:37 p.m. on Wednesday, February 22, 2017, in Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 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.

COMMITTEE MEMBERS PRESENT:

Senator Pat Spearman, Chair
Senator Julia Ratti, Vice Chair
Senator Joyce Woodhouse
Senator Joseph P. Hardy
Senator Scott Hammond

GUEST LEGISLATORS PRESENT:

Senator Tick Segerblom, Senatorial District No. 3
Senator Yvanna D. Cancela, Senatorial District No. 10

STAFF MEMBERS PRESENT:

Megan Comlossy, Policy Analyst
Eric Robbins, Counsel
Debbie Carmichael, Committee Secretary

OTHERS PRESENT:

Denise Quirk, CEO and Clinical Director, Reno Problem Gambling Center;
Advisory Committee on Problem Gambling
Carol O'Hare, Executive Director, Nevada Council on Problem Gambling; Vice
Chair, Advisory Committee on Problem Gambling
Anthony Cabot, Advisory Committee on Problem Gambling
Leandra Cartwright, Nevada Psychiatric Association

VICE CHAIR RATTI:

Since Chair Spearman is testifying in another committee, I will open the hearing with Senate Bill (S.B.) 120.

SENATE BILL 120: Revises provisions relating to problem gambling. (BDR 40-810)

SENATOR TICK SEGERBLOM (Senatorial District No. 3):

I support S.B. 120. The industry came to us with this bill. Tony Cabot, a longtime gaming lawyer in Las Vegas, realized that this law needed to be updated. For many years, there was a program supported by the revenue from the gaming industry that provided for problem gaming. This bill brings it up-to-date financially and how the money will be disbursed. It is important to remember that Nevada, for better or worse, has been a state that relies upon businesses that are known to be addictive. We know there are going to be certain problems arising from the use of alcohol, cigarettes, gambling and possibly from marijuana. That being said, it is important that we recognize that those industries should contribute to taking care of those problems. That is what this bill does. We will be working later in the Session with issues dealing with marijuana and other drugs. However, this is at least a start in dealing with problem gambling. I hope in the future that we can increase the amount of money because it is a serious problem for a certain number of people. We know they are out there. It is not as if we did not realize this was going to happen, but we are a live-and-let-live state. We believe in letting people do what they want to do. At the end of the day when people have an issue, we should be there to support them.

SENATOR YVANNA D. CANCELA (Senatorial District No. 10):

Section 1 of S.B. 120 allows the Advisory Committee on Problem Gambling more flexibility in its membership. The membership requirements are narrowly defined. This means some advisory seats are so specific that they are left vacant because there are no appropriate people to fill them. Section 2 revises the Advisory Committee's duties. The proposed bill allows the Advisory Committee to provide advice and information to decision makers such as the Governor, the Legislature and the Department of Health and Human Services on issues and trends related to problem gambling. Section 3 allows the Chair of the Advisory Committee to appoint groups of members and nonmembers to consider specific issues and policies related to the prevalence, impact prevention and treatment of problem gambling, and to assist in developing strategic plans

to deal with those issues. Section 4 changes the funding structure for the Revolving Account to Support Programs for the Prevention and Treatment of Problem Gambling (Problem Gambling Fund). Senator Segerblom did a great job in outlining just why our State has such a commitment to making sure that while gaming is a tremendous part of our economy, we also deal with the negative ramifications. The fund receives \$2 for certain slot machine licensing fees on a quarterly basis. This bill would instead require the Nevada Gaming Commission to deposit into the Problem Gambling Fund, on a quarterly basis, the lesser of \$722,500 or the proceeds of slot machine licensing fees for the quarter. Beginning in July 2018, the amount deposited would be adjusted annually based on the consumer price index. This is a reimbursable service under Medicaid. Updating the existing funding structure for prevention and treatment of problem gambling will help the Advisory Committee truly carry out its revised duties. The reason for the change comes from the decreasing amount of slot machines we have seen throughout the gaming industry. These changes would ensure the fund remains stable so the necessary services can be offered.

DENISE QUIRK (CEO and Clinical Director, Reno Problem Gambling Center; Chair, Advisory Committee on Problem Gambling):

I am grateful for the opportunity to present S.B. 120, on behalf of the Advisory Committee on Problem Gambling and its Legislative Subcommittee, led by Tony Cabot. This bill addresses two aspects of *Nevada Revised Statutes* (NRS) 458A, revising the membership and duties of the Advisory Committee on Problem Gambling, and updating the funding mechanism to support comprehensive programs to reduce the impact of problem gambling in Nevada. I have provided my written testimony ([Exhibit C](#)) to the Committee.

CAROL O'HARE (Executive Director, Nevada Council on Problem Gambling; Vice Chair, Advisory Committee on Problem Gambling):

The Nevada Council on Problem Gambling is a nonprofit organization whose mission is to generate awareness, promote education and advocate for quality treatment and support services for problem gambling in Nevada. We are Nevada's designated State affiliate of the National Council on Problem Gambling and we do not take a position for or against legal gaming. Our vision is to work with all stakeholders to provide sustainable programs and services to prevent or reduce the impact of problem gambling in our State. In this capacity, we have over 30 years of experience working with people and organizations from all areas of interest including health and human services, education, the addiction recovery community, research, public policy and the gaming industry. The State

can be proud of what has been accomplished over the last decade through the leadership and support of the Department of Health and Human Services, the Advisory Committee on Problem Gambling and the many people who care so deeply about this important community health issue. That is really what this is all about, people. The comprehensive services that will be further supported and sustained through the changes provided in S.B. 120 will serve the people in the communities who need, want and deserve our help. Those people include the individuals who cannot stop gambling on their own and their family members, who often are suffering in silence.

There is the at-risk population including youth, seniors, veterans, the homeless and individuals recovering from other addictions or mental illness, and the professionals who are dedicated to serving these populations to improve the health and wellness of our communities. Also included are students from all levels in our education system and the educators, advisors, and institutions who invest in their learning and development. All these people benefit from the problem gambling prevention, education, treatment, research and workforce development initiatives that we are working so hard to provide. By increasing and stabilizing the funding formula and updating the membership criteria and duties of the Advisory Committee on Problem Gambling as proposed in S.B. 120, you will be taking critical next steps to support and sustain a comprehensive services delivery system that our State has already so wisely invested in building for the people of Nevada. I want to mention one more important group of people who are also stakeholders in these important efforts. They are the many men and women who are successfully recovering from a gambling disorder who deserve to live in a community that rejects stereotypes and stigma, and instead welcomes, supports and celebrates their personal recovery and their valuable contributions as members of our society.

I am honored to speak publicly before you as a professional in the field, but I am also humbled and blessed to be able to do so openly as a person in long-term recovery from gambling addiction. For so many in recovery, this is not something they may feel is comfortable or safe to do in our State. However, I know firsthand that the work being done in this State is beginning to break through the bias and stigma to create an environment that gives everyone an opportunity and the tools to change their lives and the lives of others who may be affected by problem gambling.

ANTHONY CABOT (Advisory Committee on Problem Gambling):

I will talk about the funding mechanism and why it needs attention. I have presented the Increase Funding for Problem Gambling Services talking points ([Exhibit D](#)) to the Committee. In 2005, the Legislature took the initiative to fund the problem gambling reserves and create the Advisory Committee to help determine the most productive use of the money. The money for problem gambling comes from the gross gaming revenues. Under the old law, the amount was calculated based on the number of slot machines in Nevada. In 2005, according to David Schwartz at the University of Nevada, Las Vegas Center for Gaming Research, Nevada had 206,012 slot machines. Based on the formula, those 206,012 slot machines resulted in \$1.6 million annual funding for problem gambling. I was not involved at the time, but the thought was slot machines are always going to increase in numbers in Nevada and the increase will keep with the industry and that will keep up with the funding for problem gambling. Unfortunately, that has not been the case. The number of slot machines in Nevada has taken a dramatic decline in the past 12 years. Last year Nevada was down to 167,629 slot machines, which is a decrease of 50,000 machines. The decline has devastated the funding for problem gambling treatment and prevention. The Department of Health and Human Services, in consultation with the Advisory Committee on Problem Gambling, has come to understand the resources and the needs of the State as they relate to the treatment and prevention of problem gambling.

Senate Bill 120 proposes to accomplish two things on the funding side. It removes tying the amount of funding to the slot machines, as it no longer makes sense. No one suspected that player preferences would change resulting in a decrease in the funding. The other thing the bill does is to set an amount that is consistent with the strategic plan that Nevada has in place to deal with problem gambling.

VICE CHAIR RATTI:

Senator Cancela, is there a proposed amendment for S.B. 120?

SENATOR CANCELA:

I am not aware of an amendment.

MS. QUIRK:

There is a proposed amendment ([Exhibit E](#)).

VICE CHAIR RATTI:

Can you tell the Committee about the amendment?

MS. QUIRK:

There was a language error when the members of the Advisory Committee on Problem Gambling were discussing specifically which individuals would be appropriate to nominate to this Committee. The proposed amendment corrects the error.

MR. CABOT:

In S.B. 120, there were two regular members who are certified as problem gambling counselors pursuant to NRS 641C. The proposed amendment changes the language to two qualified mental health professionals pursuant to NRS 458A, one of whom is a practicing certified problem gambling counselor pursuant to NRS 641C. There is more flexibility. Both people do not have to be certified as gambling addiction counselors, but both have to be qualified mental health professionals.

SENATOR HARDY:

How is the gaming license assessed?

MR. CABOT:

All the gaming taxes are collected by the Nevada Gaming Commission. A certain amount is allocated to the problem gambling reserve. The rest goes to the General Fund or other specified funds as set forth in the *Nevada Revised Statutes*. Rather than saying \$2 per slot machine, we came up with a number that is necessary to properly fund the strategic plan.

SENATOR HARDY:

Where is the money going now, and what is not funded to make up the \$700,000?

MR. CABOT:

The money collected now from all the gaming license fees is allocated pursuant to the NRS. The amount is equal to \$2 per slot machine, per quarter. That comes up to a certain amount on a quarterly basis. Senate Bill 120 proposes to replace the process with a fixed number. The existing number would be approximately \$350,000. Under the proposed bill, the amount increases to

\$700,000. The rest of the gaming license fees goes to the General Fund, but could go to other funds as well.

SENATOR HARDY:
Where does the \$400,000 difference go?

MR. CABOT:
Right now, there is a fixed amount of money that goes into the Problem Gambling Fund, which is approximately \$300,000 per quarter. The proposed bill will set the amount at a higher number. Rather than the money going into the General Fund or a different fund, it will go to the Problem Gambling Fund.

SENATOR HARDY:
Where does the money go now?

MR. CABOT:
It goes to the General Fund.

VICE CHAIR RATTI:
I looked it up in the revenue manual and it is my understanding the portion that does not go to the Problem Gambling Fund goes into the General Fund. It will be confirmed before the hearing.

LEANDRA CARTWRIGHT (Nevada Psychiatric Association):
The Nevada Psychiatric Association (NPA) supports S.B. 120. The NPA appreciates the sponsors for amending the bill to allow mental health professionals who are not necessarily certified in problem gambling but do have mental health and addiction expertise to sit on the Advisory Committee on Problem Gambling. Problem gambling also tends to be comorbid with other addictions, so NPA thinks it is important to have a broader perspective.

VICE CHAIR RATTI:
Seeing no further discussion, I will close the hearing on S.B. 120 and turn the meeting over to Chair Spearman.

CHAIR SPEARMAN:
Senate Bill 46 will not be included in today's work session due to a possible amendment. It will be rescheduled for a future work session. I will open the work session on S.B. 28.

SENATE BILL 46: Revises provisions governing background checks of operators, employees and certain adult residents of a child care facility. (BDR 38-131)

SENATE BILL 28: Requires an annual review of certain rates paid by Medicaid in this State. (BDR 38-373)

MEGAN COMLOSSY (Policy Analyst):

I will read the summary of the bill from the work session document ([Exhibit F](#)).

SENATOR HARDY:

Does this bill have a fiscal note?

Ms. COMLOSSY:

Yes, there is a fiscal note for fiscal years (FY) 2017-2018. The amount proposed is \$169,000 for FY 2017-2018. For FY 2018-2019, the amount is \$200,000 and the effect on future biennia is \$369,000.

CHAIR SPEARMAN:

I will close the work session on S.B. 28.

SENATOR HARDY MOVED TO DO PASS AND REREFER S.B. 28 TO THE SENATE COMMITTEE ON FINANCE.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR SPEARMAN:

I open the work session on S.B. 91.

SENATE BILL 91: Revises provisions relating to drug donation programs. (BDR 40-271)

Ms. COMLOSSY:

I will read the summary of the bill from the work session document ([Exhibit G](#)).

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CHAIR SPEARMAN:

The Committee received a letter ([Exhibit H](#)) in opposition to S.B. 91. I will close the work session on S.B. 91.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 91 WITH TWO PROPOSED AMENDMENTS.

SENATOR RATTI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR SPEARMAN:

I open the work session on S.B. 92.

SENATE BILL 92: Revises provisions relating to the Task Force on Alzheimer's Disease. (BDR S-270)

Ms. COMLOSSY:

I will read the summary of the bill from the work session document ([Exhibit I](#)).

CHAIR SPEARMAN:

I will close the work session on S.B. 92.

SENATOR HARDY MOVED TO DO PASS S.B. 92.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR SPEARMAN:

I open the work session on S.B. 95.

SENATE BILL 95: Requires an analysis of the adequacy of Medicaid reimbursement rates for personal care services. (BDR S-368)

Ms. COMLOSSY:

I will read the summary of the bill from the work session document ([Exhibit J](#)).

CHAIR SPEARMAN:

There is a fiscal note of \$51,308 for FY 2017-2018. I will close the work session on S.B. 95.

SENATOR RATTI MOVED TO DO PASS AND REREFER S.B. 95 TO THE SENATE COMMITTEE ON FINANCE.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR SPEARMAN:

I open the work session on S.B. 96.

SENATE BILL 96: Requires a comparative analysis of the rates of reimbursement paid by Medicaid for certain services. (BDR S-369)

Ms. COMLOSSY:

I will read the summary of the bill from the work session document ([Exhibit K](#)).

CHAIR SPEARMAN:

This bill has a fiscal note of \$100,016 for FY 2017-2018. I will close the work session on S.B. 96.

SENATOR WOODHOUSE MOVED TO DO PASS AND REREFER S.B. 96 TO THE SENATE COMMITTEE ON FINANCE.

SENATOR HAMMOND SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR SPEARMAN:
I open the work session on S.B. 123.

SENATE BILL 123: Revises provisions relating to the State Long-Term Care
Ombudsman. (BDR 38-507)

Ms. COMLOSSY:
I will read the summary of the bill from the work session document ([Exhibit L](#)).

CHAIR SPEARMAN:
I will close the work session on S.B. 123.

SENATOR RATTI MOVED TO DO PASS S.B. 123.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR SPEARMAN:

Having no further business on the agenda, I adjourn this Committee at
4:56 p.m.

RESPECTFULLY SUBMITTED:

Debbie Carmichael,
Committee Secretary

APPROVED BY:

Senator Pat Spearman, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	2		Agenda
	B	6		Attendance Roster
S.B. 120	C	2	Denise Quirk/Reno Problem Gambling Center; Advisory Committee on Problem Gambling	Testimony
S.B. 120	D	3	Anthony Cabot/Advisory Committee on Problem Gambling	Increase Funding for Problem Gambling Services talking points
S.B. 120	E	7	Denise Quirk/Reno Problem Gambling Center; Advisory Committee on Problem Gambling	Proposed amendment
S.B. 28	F	1	Megan Comlossy	Work session document
S.B. 91	G	2	Megan Comlossy	Work session document
S.B. 91	H	2	Sedrick Spencer/Celgene	Letter of opposition
S.B. 92	I	1	Megan Comlossy	Work session document
S.B. 95	J	1	Megan Comlossy	Work session document
S.B. 96	K	1	Megan Comlossy	Work session document
S.B. 123	L	1	Megan Comlossy	Work session document