

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

**Eightieth Session
March 6, 2019**

The Senate Committee on Health and Human Services was called to order by Chair Julia Ratti at 4:08 p.m. on Wednesday, March 6, 2019, 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 Julia Ratti, Chair
Senator Pat Spearman, Vice Chair
Senator Joyce Woodhouse
Senator Joseph P. Hardy
Senator Scott Hammond

STAFF MEMBERS PRESENT:

Megan Comlossy, Policy Analyst
Eric Robbins, Committee Counsel
Michelle Hamilton, Committee Secretary

OTHERS PRESENT:

Vivian Leal, Volunteer Advocate, Multiple Sclerosis Society
Barry Gold, AARP Nevada
Tom Clark, Nevada Association of Health Plans
Brooke Maylath, Transgender Allies Group
Catherine O'Mara, Nevada State Medical Association
Joy Viselli
Chelsea Capurro, Health Services Coalition
Amanda Khan, Programs Director, Progressive Leadership Alliance of Nevada
Heidi Parker, Executive Director, Immunize Nevada
Will Pregman, Battle Born Progress
Michael Hillerby, Hometown Health
Maya Holmes, Healthcare Research Manager, Culinary Health Fund

Senate Committee on Health and Human Services
March 6, 2019
Page 2

Lisa Cady

Todd Ingalsbee, Professional Fire Fighters of Nevada

Shane Piccinini, Food Bank of Northern Nevada

Marlene Lockard, Retired Public Employees of Nevada; Nevada Women's Lobby

Michael Hackett, Nevada Primary Care Association; Nevada Public Health Association

Elisa Cafferata, Planned Parenthood Votes Nevada

Caroline Mello Roberson, State Director, NARAL Pro-Choice Nevada

Jared Busker, Children's Advocacy Alliance

Laura Hale, Indivisible Northern Nevada

Mike Ramirez, Las Vegas Police Protective Association

Heidi Englund, Activist, National Multiple Sclerosis Society

Robin Reedy, Executive Director, National Alliance on Mental Illness

Christine Noellert, Group Leader, Multiple Sclerosis Invincibles

Gwen Hunter

Joelle Gutman, Washoe County Health District

Jeremey Gladstone, Assistant Chief Insurance Examiner, Division of Insurance, Department of Business and Industry

Dena Schmidt, Administrator, Aging and Disability Services Division, Department of Health and Human Services

Molly Rose Lewis, NARAL Pro-Choice Nevada

Jeoff Carlson

Jesse Wadhams, Nevada Hospital Association

Mackenzie Baysinger, Human Services Network

Paul Moradkhan, Las Vegas Metro Chamber of Commerce

CHAIR RATTI:

We will open the hearing on Senate Bill (S.B.) 235. I will turn control of the meeting to Vice Chair Spearman.

SENATE BILL 235: Revises provisions relating to health insurance coverage.
(BDR 57-734)

SENATOR JULIA RATTI (Senatorial District No. 13):

This bill is important to me personally, and I know it is important to the constituents who I serve. With the state of affairs at the national level, people are particularly concerned about their access to health care, especially if they have a pre-existing condition. People are worried about being able to continue to access the care they need to maintain their health and, in some cases, survive.

What S.B. 235 does is take the provision in the Affordable Care Act (ACA) that prohibits discrimination based on health status and puts this provision into Nevada law. Put simply, if you have a pre-existing condition, an insurance provider cannot discriminate against you, charge you a higher rate or not provide coverage at all, based on that health status. Many of us were here at a time before the ACA, where this was not the case. If we should lose the coverage that we currently have at the national level in Nevada, we should not discriminate against anyone based on their health status.

VIVIAN LEAL (Volunteer Advocate, Multiple Sclerosis Society):

My name is Vivian Leal. I am a patient with multiple sclerosis (MS) for 20 years. I am also a Volunteer Advocate for the Multiple Sclerosis Society and the Lead for the Indivisibles Health Care Issue Team. This bill extends protections to patients with pre-existing conditions. Since we have the law in place at the federal level, why do we need this bill? I will read my testimony ([Exhibit C](#)) which explains why we need S.B. 235.

SENATOR RATTI:

I want to add to her testimony with my own personal story. When I was in my late twenties, I was the Executive Director of a small nonprofit for a gang prevention and intervention program. I was working with kids in a leadership position and it was a good time in my life. Unfortunately, at that time I was diagnosed with cancerous tumors on my vocal cords. It lead to 9 surgeries and 17 years of treatment to periodically remove the tumors. We could never get all the cancer and I was never able to get to a period where I was in remission for multiple years. Typically, the tumors came back every two years. Fortunately, it was a minor outpatient surgery, but seven or eight surgeries later, you could see that I may not be the ideal candidate for an insurance policy.

This was before ACA. I was fortunate not because I had a spouse with a reliable job with insurance. I love my husband, but he is a musician and sound engineer, and that does not necessarily lend itself to strong insurance coverage. What I had was a board member, who worked for the nonprofit and also worked in the insurance industry. When I decided to leave the gang alternative partnership and start my own business as a consultant to other nonprofits, he pulled me aside and said, "Do not ever let your coverage lapse. If you do, there is a good chance you will no longer be insurable". With that serious warning in mind, my husband and I dug deep and purchased what is known as a Health Insurance Portability and Accountability Act, guaranteed policy. This was an

acknowledgement that I had a pre-existing condition and I could get coverage, but I would pay significantly more for that coverage. At that time as an Executive Director I was making \$28,000 a year, and maybe I got up to \$32,000, but I believe the policy cost me \$1,200 a month. My husband, who was healthy, paid for a catastrophic policy at a much lower rate. If that board member had not pulled me aside at a time when I thought I was invincible, I would probably have been one of those folks without insurance.

We do not want to go back to that time. This bill just ensures that the protections that are currently in the ACA are extended to all Nevadans, even if we lose those protections at the federal level.

ERIC ROBBINS (Committee Counsel):

For those not familiar with how Title 57 of *Nevada Revised Statutes* (NRS) is laid out, there are separate chapters for each type of health insurance. For example, individual, market, group, each have their own chapter. There are several sections of this bill that do essentially the same thing for each type of health insurance. Those are sections 1, 6, 9, 13, 14, 18, 23 and 24.

I will begin by discussing what the bill as drafted does, then I will go into the amendments. Those sections require an insurer to offer and issue a health plan regardless of the health status of any person or any dependent of the person. They prohibit insurers from denying, limiting or excluding a benefit based on health status, or requiring an insured to pay a higher premium, deductible, copay or coinsurance, based on health status or genetic information. To sum this up, this bill prevents discrimination based on health status in three different areas: the issuance of a plan, the benefits offered under a plan and the cost associated with the plan.

I will go over the first proposed amendment ([Exhibit D](#)), which was submitted by Senator Ratti. This amendment does two things. The bill as drafted discusses the different type of policies using the respective terms used in those chapters. This amendment takes those respective terms out and replaces them with the term "health benefit plan" to ensure uniformity of applicability across insurance types. The amendment defines the term "health benefit plan" in each of those chapters in the same manner as defined in NRS 687B.470. What this definition does is exclude all benefit types that are not subject to the requirements of the ACA concerning pre-existing conditions.

The second thing the amendment does is add subsection 4 to all the sections that deal with group plans. What subsection 4 does is authorize group health plans to maintain wellness programs under the same conditions as such programs are authorized under the ACA. Subsection 4 will not be added to section 1 of the bill, which deals with individual plans, because wellness programs based on health status are not currently permitted under the ACA regulations for individual plans.

There is an amendment from the Nevada Association of Health Plans ([Exhibit E](#)) that would clarify that group health plans are issued to groups, not individuals. Just to note, NRS 0.039 defines the term "person", which is currently used in those chapters to refer to individual people and any nongovernmental entity. This change would be for clarification and not be a substantive change.

The rest of S.B. 235 maintains conforming type changes. In sections 3-5, 7, 10-12, 15-17, 20, 21 and 29, it removes partially duplicative or unnecessary provisions from existing law. Sections 2 and 22 make other conforming changes. In section 19, it makes this section applicable to Medicaid Managed Care plans. In sections 25 and 26, it makes those changes applicable to insurance plans provided by local government employers for their employees and also to the Public Employee Benefits Program, which provides coverage for State employees. Local governments can enter into a contract to have their employees covered by this as well. Sections 8 and 22 make other changes to ensure the applicability to all intended plans for which the ACA currently provides these protections. In section 27, it removes a provision of existing law that allows a grandfathered group plan under the ACA to exclude claims for certain pre-existing conditions. This is because grandfathered group plans are now subject to all provisions of the ACA concerning pre-existing conditions. This just conforms to federal changes.

SENATOR RATTI:

All of these amendments are the result of meetings with stakeholders over the past several weeks to ensure that this bill conforms to, does no more than, but only does what is in the ACA.

SENATOR HARDY:

The federal government is participating in the cost of the ACA, what is the State's share now with the ACA and what will it be if the ACA goes away?

SENATOR RATTI:

I want to make clear this is not a mandate to have a certain level of benefits. This is not about adding benefits; the essential benefits do not change. All this states is that you cannot discriminate against a person who is participating in a health plan based on their health status. I would make an argument this bill does not add any significant cost to Nevada.

The true cost to Nevada from the ACA came when we decided as a State to expand coverage to a population. If we were to lose the ACA, we would need to react quickly, because the budget implications of losing the federal match dollars that allowed us to expand that population would be significant. Currently, there is a scaling down of the federal match dollars. It started as 100 percent and the percentage declines each year and what the State needs to contribute grows a little each year. There is no direct relationship between that and what is proposed in this bill.

SENATOR WOODHOUSE:

We can take that issue to our fiscal staff to make sure there are no costs.

SENATOR HARDY:

I heard S.B. 235 would allow every Nevadan to have coverage. Is that true?

SENATOR RATTI:

No, that is not true. This bill protects against discrimination based on a pre-existing condition. You cannot be denied coverage and your coverage cannot be more expensive because of your health status. This does not open up coverage for another class of beneficiaries; it does not add insurance for anyone who is not currently covered. If you have a pre-existing condition, you cannot be discriminated against in terms of being offered coverage or how expensive that coverage will be.

SENATOR HARDY:

Does that apply to group plans and individual plans?

SENATOR RATTI:

It applies to everything to which the ACA applies.

SENATOR HARDY:

Do we know what we are paying for the Medicaid expansion? What is the cost if the ACA goes away?

SENATOR RATTI:

This bill does not deal with the Medicaid expansion. That is one of the many aspects of the ACA. Another aspect of the ACA is protections for people who have pre-existing conditions. This bill does not touch any other aspect of the ACA other than pre-existing conditions. We know that if the ACA was to go away, if this bill was in place, the folks who have a pre-existing condition would not be affected.

VICE CHAIR SPEARMAN:

We will ask for anyone to testify in support of S.B. 235.

BARRY GOLD (AARP Nevada):

I am the Director of Government Affairs for AARP Nevada. AARP is all about access to quality affordable health care. I forget the exact statistic, but approximately 50 percent of people over 50 years of age have a pre-existing condition. If people cannot get insurance then they do not have access to health care. If the health care does not cover what they need, then it is not quality and if providers can charge people more because they have a pre-existing condition then it certainly is not affordable. On behalf of our 348,000 members across the State, we support this bill.

TOM CLARK (Nevada Association of Health Plans):

We support S.B. 235 and look forward to working with Senator Ratti as we resolve a few minor issues within this bill.

BROOKE MAYLATH (Transgender Allies Group):

I think it is important to look at who defines the term, pre-existing conditions. I will give you a specific example as it relates to the transgender community. Approximately ten years ago there was a transgender woman who paid for her own surgery and had support from her company and co-workers. She was playing on the company's softball team in the women's league when she slid into second base and broke her leg. She submitted a claim to her insurance company. The insurance company replied:

You have a pre-existing condition. If you had not transitioned because of your gender dysphoria, you would have not been

playing on the women's softball team, and you would not have slid into second base and you would not have broken your leg. Therefore, your broken leg is not covered because it is the result of a pre-existing condition.

These are the kinds of things we need to make sure do not happen to Nevadans. I would like to draw your attention to the number one pre-existing condition used in the past to deny coverage, and that is pregnancy.

CATHERINE O'MARA (Nevada State Medical Association):

We support this bill. I want to share some information with the Committee. Currently 27 percent of adults ages 18–64 have some kind of pre-existing condition. Before the ACA, they would likely be declined coverage. In Nevada that number is 25 percent. The three main areas where coverage is denied is pregnancy, mental health and substance abuse. However, a Kaiser Family Foundation Study from 2015 looked at the medical underwriting in the individual market prior to the ACA. It looked at the list of the most common declinable conditions: HIV/AIDS, heart disease, cancer, Alzheimer's, dementia, epilepsy, diabetes, hemophilia, hepatitis C, kidney disease, lupus, MS, obesity, organ transplant, Parkinson disease, and pending surgery or hospitalization. We are talking about a lot of conditions used to deny coverage. This impacts not just patient care, but continuity of care. For example, even if a treatment had begun, that treatment would not be covered if a person changed jobs or obtained different insurance. This bill is important for Nevada patients.

JOY VISELLI:

I am speaking for my daughter and granddaughter ([Exhibit F](#)) written testimony in support of S.B. 235.

CHELSEA CAPURRO (Health Services Coalition):

I am here on behalf of the Health Services Coalition. We are in support of this bill.

AMANDA KHAN (Programs Director, Progressive Leadership Alliance of Nevada):

I am the Programs Director of the Progressive Leadership Alliance of Nevada. As many as one in every two people in this Country have had at least one pre-existing medical condition. Many more will develop such conditions over the course of their lives. Supporting S.B. 235 means that no matter what happens at the federal level, no Nevadan will have to worry about being discriminated

against because of health status. I take this issue personally, because I suffer from asthma, which is a pre-existing condition.

HEIDI PARKER (Executive Director, Immunize Nevada):

We are in support of S.B. 235, as there is a clear connection between health coverage and being able to access life-saving vaccines. The current coverage under the ACA recommends vaccines be covered with no copayments or cost sharing when provided by in-network providers in group and individual plans. This has contributed to increased access to vaccines across Nevada. Insurance coverage without barriers, such as restrictions on pre-existing conditions, is vital to keeping our communities protected from vaccine preventable diseases.

WILL PREGMAN (Battle Born Progress):

We are in support of S.B. 235. This is an essential bill to protect pre-existing conditions and prevent discrimination against the 25 percent of the folks mentioned in the Kaiser Family Foundation Study who have a pre-existing condition in Nevada. These Nevadans face an existential risk should the *Texas v. United States* case fail its appeal and the ACA is struck down. Those pre-existing conditions mentioned before are life or death scenarios and need to be covered. In the current environment, there has been federal sabotage of the ACA that makes those with pre-existing conditions vulnerable, particularly when one gets suckered into short-term junk insurance plans that do not cover essential conditions.

MICHAEL HILLERBY (Hometown Health):

I am here on behalf of Hometown Health in support of S.B. 235. We also support the continuance of the wellness discounts.

MAYA HOLMES (Healthcare Research Manager, Culinary Health Fund):

We represent approximately 130,000 lives. We support S.B. 235.

LISA CADY:

My name is Lisa Cady and I am reading testimony ([Exhibit G](#)) for Lysa Buonanno, who could not be here because of health conditions.

TODD INGALSBEE (Professional Fire Fighters of Nevada):

We are here in support of S.B. 235. We had one outstanding issue as it relates to our retiree plans. Currently, our retiree plans are not subject to ACA and we are going to continue to work with Senator Ratti.

Senate Committee on Health and Human Services
March 6, 2019
Page 10

SHANE PICCININI (Food Bank of Northern Nevada):

Access to health care and the cost of health care are the single biggest threats to food security that our clients face. For this reason, we support S.B. 235.

MARLENE LOCKARD (Retired Public Employees of Nevada; Nevada Women's Lobby):

I am here representing the Retired Public Employees of Nevada and the Nevada Women's Lobby. Both entities support S.B. 235.

MICHAEL HACKETT (Nevada Primary Care Association; Nevada Public Health Association):

I am here representing the Nevada Primary Care Association and the Nevada Public Health Association. Both organizations are in support of S.B. 235.

ELISA CAFFERATA (Planned Parenthood Votes Nevada):

We support S.B. 235 in the interest of public health benefits.

CAROLINE MELLO ROBERSON (State Director, NARAL Pro-Choice Nevada):

I am the State Director of NARAL Pro-Choice Nevada. I am here to testify ([Exhibit H](#)) in support of S.B. 235. I would like to note that before the ACA, pregnancy was considered a pre-existing condition that would have prevented any expectant parent, male or female, from obtaining coverage in all but five states. Many individual health insurance carriers considered a previous caesarean section to be a reason to deny an application. We are glad those days are over and this legislation is part of protecting a right that all Nevadans deserve.

JARED BUSKER (Children's Advocacy Alliance):

The Children's Advocacy Alliance facilitates Nevadans Together for Health Access, which is comprised of healthcare advocates working to increase access to quality health care for the benefit of all Nevadans by protecting and supporting crucial elements of the ACA. This bill has been identified as one of their top priorities.

LAURA HALE (Indivisible Northern Nevada):

I am one of 1,595 members of Indivisibles Northern Nevada ([Exhibit I](#)) in support of S.B. 235. I have yet to see a survey that said people were not concerned about coverage for pre-existing conditions. It seems like every year

since the ACA was introduced those numbers go up and more people want this coverage.

MIKE RAMIREZ (Las Vegas Police Protective Association):

I am here representing the Las Vegas Police Protective Association and I am also a member of the Nevada Law Enforcement Coalition which has 10,000 members. We are here to support S.B. 235.

HEIDI ENGLUND (Activist, National Multiple Sclerosis Society):

I am an MS activist and a retired State of Nevada employee; medically retired due to MS. I am here to testify ([Exhibit J](#)) in support of S.B. 235.

ROBIN REEDY (Executive Director, National Alliance on Mental Illness):

I am the Executive Director for the National Alliance on Mental Illness here in Nevada. I think it is important to note that 50 percent of all chronic, serious mental health conditions begin by the age of 14 and 75 percent by the age of 24. If we lose our pre-existing conditions it will be devastating for those people and their families. I am in support of S.B. 235 and I hope that a parity bill can follow.

CHRISTINE NOELLERT (Group Leader, Reno Multiple Sclerosis Indivisibles):

My name is Christine Noellert and I have had MS for 16 years. I am the founder and have managed the Reno MS Indivisibles support group for the past seven years ([Exhibit K](#)). I am here to support S.B. 235.

GWEN HUNTER:

I want to share my experience working next to someone who is going through cancer treatment. I worked with Karen at the county. Soon after she started working, she was diagnosed with breast cancer. She went through her treatment while working, taking sick leave to get treatments and coming back to work so she would not lose her job and her insurance. To go through the threat of not being able to have insurance cover her condition, if she had to get coverage someplace else, is not okay. I support S.B. 235.

JOELLE GUTMAN (Washoe County Health District):

I am here on behalf of the Washoe County Health District. Access to health care is an important social determinant, and it affects quality of life and life expectancy. We support S.B. 235.

VICE CHAIR SPEARMEN:

Do you have any closing remarks?

SENATOR RATTI:

I want to emphasize this bill is very narrow in scope. It does one important thing; it makes sure we do not discriminate against people who have a pre-existing condition when offering them coverage or pricing that coverage. My sincere hope is that we protect the ACA and we protect all the elements that come from the ACA, and that we improve it and make sure the other issues brought up here today get addressed. At a minimum, if we lose the ACA, we cannot go back to a place where having a pre-existing condition means that you can no longer access health care.

SENATOR HARDY:

Why do some subsections say "shall offer" and other subsections say "that offers"?

MR. ROBBINS:

The first subsection requires the insurer to offer and issue the plan regardless of health status. Any insurer that is required by the ACA to issue a health plan is also required by the bill to issue a plan regardless of health status.

SENATOR HARDY:

Do all of those chapters deal with the insurer, who is already covered under the ACA?

MR. ROBBINS:

That is correct.

SENATOR HARDY:

Why do they use different language when they get to the other subsections?

MR. ROBBINS:

The second and third subsections deal with an insurer who already has issued a plan to someone. Once they issue that plan, they cannot limit someone's benefits based on their health status or deny them a benefit under the covered plan that they have already purchased based on their health status. The third subsection says that once you sell someone a plan and they are covered under

the plan, the insurer cannot increase the prices for someone who has bought the plan based on their health status.

SENATOR HARDY:

This does not require any insurance company to do something they do not already do?

MR. ROBBINS:

That is correct. The intent of this bill is to conform to the ACA. Everything under the bill is congruent with the ACA and no one is required to do anything more than they are required to do under the ACA.

SENATOR HARDY:

I have heard it said, "With this bill I will finally be able to get insurance". Will somebody new be able to get insurance through this bill?

SENATOR RATTI:

No, this bill does not expand any categories of beneficiaries. All it does is say, if a plan is being offered that is covered by the ACA, that person cannot be discriminated against by their health status.

SENATOR HARDY:

This is revenue neutral to the State now and will remain that way unless the ACA goes away?

SENATOR RATTI:

That would be my understanding.

SENATOR HARDY:

Is that why the fiscal note is zero?

SENATOR RATTI:

That is why the fiscal note is zero. I would like to add for the record, a large number of lawyers have looked at this. There are many folks who are in the business of offering these plans. It has been their sincere intent that we are not sweeping in anything new that is not already covered by the ACA. You saw from the testimony today, none of them testified in opposition. We may have to create another modest amendment, just to make absolutely certain this remains. What this bill does is something important. If we lose the ACA and we are

forced into a discussion of what is best for the State of Nevada to ensure people have access to health care, it will not be done on the backs of people who have pre-existing conditions.

VICE CHAIR SPEARMAN:

We will close the hearing for S.B. 235.

CHAIR RATTI:

We will open the hearing for Senate Bill 192.

SENATE BILL 192: Revises provisions relating to health care. (BDR 53-781)

SENATOR PATRICIA SPEARMAN (Senatorial District No. 1):

This bill does two things. First, it establishes the minimum level of healthcare benefits an employer must offer in order to be able to pay the lower minimum wage under *The Constitution of the State of Nevada*. Second, it creates the Office of the Ombudsman for hospital patients within the Aging and Disability Services Division of the Department of Health and Human Services to advocate for the health, safety, welfare and rights of hospital patients. I do have a conceptual amendment ([Exhibit L](#)) that I will discuss later. It should eliminate the fiscal note.

The Constitution of the State of Nevada created a two-tier minimum wage in Nevada. The lower rate is the same as the federal minimum wage, currently \$7.25 per hour; this rate applies if the employer provides health benefits. The higher tier is \$1 more per hour and applies if the employer does not offer health benefits. *The Constitution of the State of Nevada* defines health benefits as, "Health insurance available to the employee for the employee and the employee's dependents at the total cost to the employee for premiums of not more than 10 percent of the employee's gross taxable income from the employer". However, in 2018 the Nevada Supreme Court was asked to clarify the definition of "health benefits". In the case *MDC Restaurants, LLC v. The Eighth Judicial Dist. Court of the State of Nevada in and for County of Clark*, the Supreme Court determined *The Constitution of the State of Nevada* minimum wage amendment,

Requires an employer who pays one dollar per hour less in wages
to provide a benefit in the form of health insurance at least

equivalent to the one dollar per hour wages that the employee would otherwise receive.

Senate Bill 192 seeks to further clarify the definition of health benefits and to clearly identify what an employer must offer in order to provide the lower minimum wage.

In section 1 of the bill, it outlines the specific requirements the health benefits must meet in order to qualify as health benefits under Article 15, section 16 of *The Constitution of the State of Nevada*. It also clarifies hospital indemnity insurance, which pays while you are in the hospital, or fixed indemnity insurance, which pays a set rate. For example, \$50 if you need x-rays does not qualify as health benefits under *The Constitution of the State of Nevada*.

These changes eliminate any question regarding what qualifies as health benefits under *The Constitution of the State of Nevada* and ensures that Nevadans who are paid the lowest minimum wage have access to appropriate, affordable, health insurance coverage.

I have heard from several of my constituents who work at a job and receive the lower wage, were offered a plan known as a "skinny plan". This plan has a low premium, but many of them do not cover prescriptions or any pre-existing conditions. Some people might be attracted to them, but when they need coverage, they really do not have anything. What S.B. 192 intends to do is clarify what a health benefit plan should be.

JEREMEY GLADSTONE (Assistant Chief Examiner, Division of Insurance, Department of Business and Industry):

The proposed bill specifies the minimum requirement for health benefits that must be offered to an employee in private employment for the purpose of determining the minimum wage that may be paid per hour. The benefits offered must match the essential health benefits for the ACA, including those required to be included in an individual or group health insurance plan pursuant to NRS 688, NRS 689A and NRS 689B, and provide at least a 60 percent actual value, such as a bronze plan in the ACA. Employer group plans do not have to offer essential health benefits, specifically those large employer group plans for 50 or more employees. This bill would require all employer plans utilizing the lower minimum wage to offer the essential health benefits of the ACA, which includes pediatric, dental and orthodontia.

Senate Committee on Health and Human Services
March 6, 2019
Page 16

SENATOR HARDY:

Are you testifying neutral on this bill?

MR. GLADSTONE:

I am neutral on S.B. 192, I am here to provide information to the Committee members.

CHAIR RATTI:

The essential health benefits as defined in the ACA, is this the standard used to decide who can pay \$7.25 per hour compared to \$8.25 per hour?

MR. GLADSTONE:

That is correct. Currently, individual and small group plans that fall under the ACA have to adhere to the ACA; however, if you are a large employer and have over 50 employees, then you would not have to meet those same requirements.

CHAIR RATTI:

This does not mandate that large employers meet the essential health benefits; however, if you do not meet the essential health benefits, then you do not qualify for the lower minimum wage. Is that correct?

MR. GLADSTONE:

That is my understanding of the bill.

SENATOR SPEARMAN:

The health benefit plan is defined in NRS 687B.470. This is a bill to make sure that people who are paying that lower wage have the parameters that must be met.

SENATOR HARDY:

If a person is making minimum wage, would they not already be on Medicaid? Would this supplant the Medicaid coverage?

SENATOR SPEARMAN:

I am not an expert in that. I think the Medicaid threshold is 138 percent of poverty level.

Senate Committee on Health and Human Services
March 6, 2019
Page 17

DENA SCHMIDT (Administrator, Aging and Disability Services Division, Department of Health and Human Services):
Medicaid covers 138 percent of the poverty level in Nevada.

SENATOR HARDY:

How much does a person make at \$7.50 per hour working for a year full-time and has one child? Where do they fall in the Medicaid eligibility chart?

Ms. SCHMIDT:

I cannot answer your question; it has been a while since I have done eligibility.

SENATOR HARDY:

Does Medicaid cover dental and all the other health benefits?

Ms. SCHMIDT:

I feel uncomfortable speaking on behalf of my sister agency, but I will do my best. Medicaid does provide dental care for children, not for adults. Any medically necessary service is covered under the Medicaid program.

SENATOR HARDY:

Would this bring the minimum wage on par with Medicaid for medical coverage?

SENATOR SPEARMAN:

A person making \$7.25 an hour would gross \$15,080 per year.

SENATOR HARDY:

If they made this, would they be below the Medicaid threshold?

SENATOR SPEARMAN:

I am not going to say "yes" or "no". I would defer to someone who actually administers the Medicaid program.

Ms. SCHMIDT:

[Exhibit L](#) is a conceptual amendment. It removes the creation of the Office of the Ombudsman for hospital patients and instead requires the hospitals to provide patients with information regarding their rights and responsibilities. What we have found is that people do not know their rights and who to call when they have a complaint.

SENATOR HARDY:

Does this apply to anyone who goes into the hospital?

SENATOR SPEARMAN:

Over the last year, I had four or five instances where a patient called about things that were out of sorts. One instance was a transgender woman, who had been shot and was in a rehabilitation center. She had some wounds that needed tended to and they refused to treat her. Her mother, who lived out of State, came so that she could change the bandages. This rehabilitation center did not stop some of their employees from rummaging through her personal things. She witnessed one of the custodians rummaging through her purse and pushed the button for someone to come and no one came. The most egregious thing that happened to her was instead of them listing her by her gender identity, which had been legally changed, they had her listed by her previous name.

One of the pastors went in to visit her and heard her story. He picked up the phone and called me. I spoke to her and asked to speak to the person in charge of the rehabilitation center. The staff really did not have the time to talk to me. I picked up the phone and called the Director of the Department of Health and Human Services. It is really surprising how people react when they are confronted with the agency that administers their license. Looking further into this instance, this lady was not the only one. There was no one there to advocate for her. When I get these kinds of calls, and I have gotten about five or six, I wonder who else is out there. The purpose of the Ombudsman is to make sure there is someone to advocate for the patient and make sure these types of things do not happen. I feel that if we are going to improve the hospital delivery system in Nevada, we have to make sure that patients have an advocate. We can implement S.B. 192 with the conceptual amendment, [Exhibit L](#), and not have a fiscal note.

MOLLY ROSE LEWIS (NARAL Pro-Choice Nevada):

I am speaking on behalf of the 45,000 members of NARAL Pro-Choice Nevada in support of S.B. 192.

MS. MAYLATH:

My name is Brooke Maylath and I represent the Transgender Allies Group out of Reno. We are in support of S.B. 192. The stories told by Senator Spearman are not unusual. Every patient needs an advocate to work for them when they are hospitalized. Everyone needs support. I also receive weekly questions from my

community; where can I get care, who is going to treat me properly or how can I file a complaint? I am overwhelmed by these calls, because there is such a need.

MS. CAFFERATA:

My name is Elisa Cafferata and I represent Planned Parenthood Votes Nevada. We are here in support. I want to speak to the minimum wage policy. I think when the State adopted this policy there was an expectation of a level of coverage that would accompany the change in the minimum wage. I think this brings the policy in line with everyone's expectations.

JEOFF CARLSON:

My name is Jeoff Carlson and I am here from Las Vegas representing myself and my neighbors. I am a veteran and my first experience with an Ombudsman was in the service. I can tell you firsthand, as a patient or an individual with an issue, having one person you know you can go to who will advocate on your behalf is invaluable. I support the Ombudsman portion of S.B. 192. I hope the amendment will do enough for those patients.

MS. KHAN:

My name is Amanda Khan and I am the Programs Director for the Progressive Leadership Alliance. I am here to express support for S.B. 192. Nevada needs minimum qualifications that will ensure employees are able to take advantage of the health insurance policies offered by their employers when they need them. Patients need to be certain that when they are receiving care, their health, safety, welfare and rights are being protected. Creating the Office of the Ombudsman for hospital patients ensures that, if needed, a patient has an advocate to look out for their quality of care.

JESSE WADHAMS (Nevada Hospital Association):

I am here representing the Nevada Hospital Association. I would like to speak to the Ombudsman portion of the bill. With the conceptual amendment, [Exhibit L](#), the Nevada Hospital Association can support S.B. 192.

MR. HACKETT:

I am here on behalf of Nevada Public Health Association. We are here in support of the bill with the conceptual amendment, [Exhibit L](#). We support efforts that protect essential health benefits and we appreciate the emphasis on wellness and prevention in this bill.

Senate Committee on Health and Human Services
March 6, 2019
Page 20

MR. PICCININI:

My name is Shane Piccinini and I am here to represent the Food Bank of Northern Nevada. We support the bill.

MS. LOCKHARD:

My name is Marlene Lockard representing the Nevada Women's Lobby and the Retired Public Employees of Nevada. We also support this bill.

MR. BUSKER:

I am Jared Busker representing the Children's Advocacy Alliance and we support the bill.

MACKENZIE BAYSINGER (Human Services Network):

My name is Mackenzie Baysinger here on behalf of the Human Services Network. We support this bill.

CHAIR RATTI:

Is there anyone in opposition to S.B. 192?

PAUL MORADKHAN (Las Vegas Metro Chamber of Commerce):

We have spoken with Senator Spearman; however, we have concerns with S.B. 192. Our concerns are rooted in section 1 of the bill. I do want to clarify the Las Vegas Metro Chamber of Commerce does not advocate the use of a "skinny plan". We would recommend S.B. 192 be amended to state that insurance plans conform with Nevada insurance laws given that it would provide flexibility, instead of having to rewrite the essential health benefit provisions. We would recommend tying this to NRS 689B. We believe this would give greater flexibility to the State, the Legislature and the Insurance Commissioner.

CHAIR RATTI:

Do you have any closing remarks?

SENATOR SPEARMAN:

I sent Mr. Moradkhan's concerns to the Legislative Counsel Bureau. I spoke to the Division of Insurance to make sure what we had in the bill actually comported to what is in law with respect to the essential elements. I will continue to work with them.

I am a veteran. I was medically retired and I will have health insurance until the day I die. There are a lot of people who do not have health insurance and for those people, a cold that turns into pneumonia can be fatal. This is especially true for those working one or more jobs, and we know this to be the case for many Nevadans. I feel that it is appropriate to make sure that whatever health benefits are offered, they are benefits these people can use. Many plans do not make sense. This bill is an attempt to align with *The Constitution of the State of Nevada*. When the two-tier system was put in *The Constitution of the State of Nevada* there were certain expectations, and up until this point those expectations have not been met. People who work for a living and are doing the best they can need our help and health insurance should not be a privilege; it is a right.

Remainder of page intently left blank; signature page to follow.

Senate Committee on Health and Human Services
March 6, 2019
Page 22

CHAIR RATTI:

We are going to close the hearing for S.B. 192. Seeing no public comment, we are adjourned at 5:44 p.m.

RESPECTFULLY SUBMITTED:

Michelle Hamilton,
Committee Secretary

APPROVED BY:

Senator Julia Ratti, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	1		Agenda
	B	10		Attendance Roster
S.B. 235	C	2	Vivian Leal / National Multiple Sclerosis Society	Written Testimony
S.B. 235	D	3	Eric Robbins	Senator Ratti's Proposed amendment
S.B. 235	E	1	Nevada Association of Health Plans	Proposed amendment
S.B. 235	F	1	Joy Viselli	Written Testimony
S.B. 235	G	1	Lysa Buonanno	Written Testimony
S.B. 235	H	1	Caroline Mello Roberson / NARAL Pro-Choice Nevada	Written Testimony
S.B. 235	I	1	Laura Hale / Indivisible Nevada	Written Testimony
S.B. 235	J	1	Heidi Englund / National Multiple Sclerosis Society	Written Testimony
S.B. 235	K	2	Christine Noellert / Reno Multiple Sclerosis Invincibles	Written Testimony
S.B. 192	L	1	Senator Pat Spearman	Conceptual Amendment