MINUTES OF THE
SENATE COMMITTEE ON FINANCE

Eighty-first Session
March 29, 2021

The Senate Committee on Finance was called to order by Chair Chris Brooks at 8:05 a.m. on Monday, March 29, 2021, Online. Exhibit A is the Agenda. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Chris Brooks, Chair
Senator Moises Denis, Vice Chair
Senator Julia Ratti
Senator Nicole J. Cannizzaro
Senator Ben Kieckhefer
Senator Pete Goicoechea
Senator Scott T. Hammond
Senator Heidi Seevers Gansert

COMMITTEE MEMBERS ABSENT:

Senator Marilyn Dondero Loop (Excused)

GUEST LEGISLATORS PRESENT:

Senator Joseph P. Hardy, Senatorial District No. 12
Senator James A. Settelmeyer, Senatorial District No. 17
Assemblywoman Robin L. Titus, Assembly District No. 38

STAFF MEMBERS PRESENT:

Wayne Thorley, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Barbara Williams, Committee Secretary
Tom Weber, Committee Secretary

OTHERS PRESENT:

Phillip Burrell, Deputy Administrator, Division of Health Care Financing and Policy, Department of Health and Human Services
Linda J. Haigh, President and Founder, Adopt a Vet Dental Program
Demetrio Gonzalez, Executive Director, Adopt a Vet Dental Program
Thomas Myatt, M.D., Dental Clinic Director, Adopt a Vet Dental Program
Andrew LePeilbet, Chairman, United Veterans Legislative Council, Nevada Department of Veterans Services
Katherine Miller, Director, Department of Veterans Services
John Packham, Ph.D., Associate Dean, Office of Statewide Initiatives, School of Medicine, University of Nevada, Reno
Gerald Ackerman, Director, Nevada State Office of Rural Health, Office of Statewide Initiatives, School of Medicine, University of Nevada, Reno
Joan Hall, Nevada Rural Hospital Partners

CHAIR BROOKS:
The Committee will begin by hearing Senate Bill (S.B.) 93.

SENATE BILL 93: Revises provisions relating to Medicaid. (BDR 38-193)

SENATOR JAMES A. SETTELMEYER (Senatorial District No. 17):
Section 2 of S.B. 93 was influenced by a wheelchair-bound constituent of mine, who is mentally but not physically capable of taking care of himself. My constituent was experiencing difficulty finding a personal care assistant within the existing healthcare system. When Nevada's economy was flourishing and more healthcare services were being provided, it was difficult to find a care assistant who would accept payment under the fee schedule allowed by the Department of Health and Human Services (DHHS), Division of Health Care Financing and Policy (DHCFP), Medicaid State Plan. Medicaid's reimbursement rates are often lower than those from private insurance companies or other sources. My constituent owned his own home and was capable of maintaining employment. Because he could not find a care assistant to come to his home, he was forced to stay at a hospital for 13 months.

Senate Bill 93 requires the DHHS Director Richard Whitley to include Medicaid authorization in the State Plan for a recipient of Medicaid services to directly receive reimbursements for personal care services provided by a care assistant or an agency in the home and paid for by the recipient. This would enable my

constituent to hire care assistants without having to use a third-party company, establishing consistent home care. He can pay for care assistants at the higher rates they are seeking and then be reimbursed directly by Medicaid.

SENATOR JOSEPH P. HARDY (Senatorial District No. 12):
Section 3 of S.B. 93 addresses issues arising when individuals released from incarceration seek to reinstate their Medicaid coverage. Existing law holds that an individual's Medicaid eligibility be terminated upon incarceration. Section 3 of S.B. 93 states an individual's Medicaid eligibility must be suspended, rather than terminated, when a person is incarcerated. Suspending instead of terminating Medicaid coverage makes it easier for people to reinstate their coverage when released from incarceration. This is especially important as many people have continuous healthcare needs, and experiencing a gap in Medicaid coverage can result in a temporary loss of care.

Many people are incarcerated for drug possession, requiring medicinal detoxification. Upon release, if a person is unable to have Medicaid pay for detox drugs such as buprenorphine, the person can be caught with illegal detox drugs and be detained once again. If a person's Medicaid coverage is terminated, he or she must reapply, which is very time intensive. Suspending instead of terminating Medicaid eligibility for incarcerated people will decrease recidivism and improve these people's health and the health of their families.

SENATOR SEEVERS GANSERT:
Is there a way to suspend a person's Medicaid coverage instead of terminating it? Once someone begins receiving Medicaid, how often must he or she check his or her eligibilty to receive these benefits? How often do ex-prisoners have their Medicaid coverage terminated?

SENATOR HARDY:
Medicaid staff have figured out how to suspend rather than terminate coverage. Inmates do not receive a high salary while working in prison, qualifying them for Medicaid coverage. It can take a while for a person to start receiving Medicaid benefits after qualifying for coverage. Suspending instead of terminating a person's Medicaid coverage will enable the person to start receiving benefits immediately upon reapplying.

If a prisoner who previously received Medicaid benefits before being incarcerated goes to the hospital while in prison, the prisoner's

Medicaid coverage is reinstated once the prisoner receives hospital services. The State is responsible for paying all of a prisoner's healthcare costs, except when the prisoner is admitted to a hospital. Medicaid is the default payer once a prisoner enters a hospital.

SENATOR SEEVERS GANSERT:
It will be helpful for prisoners who are incarcerated for a long while to have their Medicaid coverage suspended instead of terminated. This will help them start receiving benefits again quickly once they are released from incarceration.

CHAIR BROOKS:
The fiscal note submitted by the DHCFP for S.B. 93 covers additional services provided in section 2, not the new process identified in section 3. Is there no fiscal note associated with section 3 of S.B. 93 because Medicaid staff have started suspending coverage rather than terminating it?

SENATOR HARDY:
Correct. The Americans with Disabilities Act of 1990 was amended in 2008 to include the impairment of digestive, bowel and bladder bodily functions as additional disabilities. Taking care of people with impaired digestive, bowel and bladder systems is difficult and expensive work. Having a care assistant provide healthcare services to these people in their homes is cheaper than having a disabled person enter a hospital for 13 months. If S.B. 93 is not passed, the financial impact of not allowing self-directed personal care services will be much greater than the effect shown in the fiscal note.

PHILLIP BURRELL (Deputy Administrator, Division of Health Care Financing and Policy, Department of Health and Human Services):
Section 3 of S.B. 93 will not have a fiscal impact on the DHCFP, as it requires the DHHS to suspend and then reinstate Medicaid eligibility for a recipient who is incarcerated. Capitation payments for recipients in managed care are paid for a complete month, and suspension of eligibility midmonth will not result in a partial-month recoupment of the capitation payment.

SENATOR KIECKHEFER:
The calculation used to determine the fiscal impact of S.B. 93 is based entirely on the population receiving services under the Nevada Medicaid Home and Community Based Services Waiver program. Are any Medicaid recipients who receive personal care assistance services outside of the waiver program

impacted by S.B. 93? Does S.B. 93 only apply to people who qualify for the waiver program?

MR. BURRELL:
Medicaid recipients who do not qualify for the waiver program will be impacted by S.B. 93, but these people were not accounted for in the fiscal note.

SENATOR KIECKHEFER:
Are you saying that members of Medicaid's fee-for-service population receiving personal care services will be impacted by S.B. 93? Were these people accounted for in the fiscal note?

MR. BURRELL:
Recipients of the waiver program are the only population accounted for in the fiscal note.

SENATOR KIECKHEFER:
The fiscal note accounts for waiver recipients. Will no other Medicaid recipients be financially impacted?

MR. BURRELL:
They will not. Section 2 of S.B. 93 requires the DHCFP to allow for a self-directed model for personal care services (PCS). Potential recipients of this program include waiver recipients who are receiving attendant care services. The DHCFP would use a contracted fiscal intermediary to assist recipients in managing the budget for their self-directed PCS. The contractual costs would include an initiation fee of $54.25 and an ongoing monthly fee per recipient of $49.45. These rates are based on the Arizona Health Care Cost Containment System rates for a similar program.

Note that although the effective date for section 2 of S.B. 93 is July 1, 2021, a start date of January 1, 2022, was used for the fiscal impact analysis because any change to a waiver service must be approved by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS). Significant changes cannot be retroactive. Additionally, a 30-day public notice is required for any change to a waiver application. It will also take time to get the fiscal intermediary contract in place prior to starting the PCS program.

CHAIR BROOKS:
The Committee will now hear S.B. 185.

SENATE BILL 185: Makes an appropriation to the Department of Veterans Services to provide financial assistance and support for the Adopt a Vet Dental Program. (BDR S-381)

LINDA J. HAIGH (President and Founder, Adopt a Vet Dental Program):
The Adopt a Vet Dental Program (AAVD) has recruited 125 dental professionals who have donated over $7 million in services. This has provided lifesaving dental care to over 1,352 low-income veterans in northern and central Nevada. There is no other program like the AAVD in the U.S. that harnesses the goodwill and skills of dental professionals to help low-income veterans at this capacity.

Of the 95,000 veterans in Nevada, 90 percent do not qualify for Nevada Department of Veterans Services (NDVS) dental care. Of this 90 percent, many are impoverished low-income veterans who are unable to pay for critical and life-threatening dental needs. For many, the AAVD is their last hope of ever living a life without excruciating pain and constant worry the next infection may take their life. Veterans need your help. They are not asking for a luxury. They who were willing to give everything to our Nation are asking for a second chance to live with dignity.

The AAVD's mission is to provide critical dental care to Nevada's low-income veterans in dire need. For the past 11 years, we have had the privilege of doing just that. The AAVD has incredible help from retired volunteer dentists, volunteer specialists, grantors and donors. Most importantly, the AAVD has received appropriations from the State for approximately four years. Because the U.S. Department of Veterans Affairs (VA) qualifications for dental care are so restrictive, 90 percent of our veterans do not qualify for these services. This has led to an epidemic of oral health disease among Nevada's veterans. The AAVD targets low-income veterans who do not qualify and cannot afford to see a dentist.

In northern Nevada, there is a large number of veterans going to the VA Sierra Nevada Health Care System. However, northern Nevada does not have a school similar to the University of Nevada, Las Vegas' School of Dental Medicine in southern Nevada. Veterans can go to the Dental School's clinic five days per week for low-cost dental care. Additionally, low-income veterans can go to the

clinic once a month for dental care at no cost. This clinic can accommodate approximately 65 veterans at one time for dental treatment. In northern and central Nevada, the AAVD is the only viable option for our low-income veterans. Nearly all of the AAVD's referrals come from the VA, but we receive no financial assistance from them.

To date, 1,352 low-income Nevada veterans have received full mouth dental restoration and/or emergency dental care from the AAVD. This includes 220 veterans living in Nevada's rural areas and 69 women veterans. These are two of Nevada's most underserved veteran populations. The AAVD has 125 volunteer dental professionals who have donated over $7 million dollars in dental services, and we would not be able to have this program without them. They now serve veterans in 14 counties within northern and central Nevada.

The AAVD's veterans' dental clinic at Truckee Meadows Community College was started in 2017 to assist the AAVD's volunteer community dentists, as we could not keep up with the demand of veterans needing dental care. The clinic keeps the AAVD's waitlist to around 100 veterans, significantly reducing the wait time for veterans. The clinic also allows the AAVD to care for veterans with severe post-traumatic stress disorder, veterans who have experienced sexual trauma while in the military and other veterans who can be better treated in an open environment setting.

DEMETRIO GONZALEZ (Executive Director, Adopt a Vet Dental Program):
As a combat veteran and a member of the National Gold Star Family Registry, I understand the sacrifices and numbness that comes from combat fatigue and losing those closest to you. After 25 years and multiple tours as a combat medic, I have seen and felt the physical and emotional scars attached to such circumstances.

During intense patrols, there was no such thing as an eight-hour workday, scheduled meals, consistent sleep patterns or knowing how the day or night would end. What we did know is we had to be alert, awake and "to always have our head on a swivel." There is no organized way to do this, and 99 percent of the time most people had some type of tobacco in their mouths for days on end to stay awake. Usually water was replaced with extreme doses of caffeine through different caffeinated drinks. This was not ideal, but under those circumstances, it is what kept us awake and going. Soon healthy meals were replaced with caffeinated drinks and tobacco. These unhealthy patterns

become solace and refuge once soldiers return to the U.S. This has caused a significant dental crisis among our veterans.

On every homecoming I remember the support I personally was greeted with, especially when I escorted my brother's body back from Afghanistan to my parents. To this day, this is not what breaks my heart the most. Of all patients the AAVD treats, 70 percent are veterans of the Vietnam War. They were not greeted or treated as I was during my homecomings. The heart-wrenching memories and stories these veterans share with the AAVD is enough to make anyone scream in anguish about how these men and women were treated. Even today, these same men and women are denied basic dental care at VA sites. The funds the AAVD has received from the State have allowed it to remedy the hurt feelings of abandonment veterans often feel from their country. When we complete their dental work and they look at themselves in the mirror, and are in tears because they are confused at whom they are looking, it is enough to have faith in humanity once again. I am asking for continued support for this program and to continue allowing the AAVD to transform veterans' lives.

During the Covid-19 pandemic, most veterans have not been able to connect with other veterans. The only time many veterans have contact with other people is when they come to the AAVD to receive dental services. The AAVD has done whatever it could during the Covid-19 pandemic to provide dental care services to veterans. Additional successes of the AAVD's programs are detailed on pages 1 and 2 of the Adopt a Vet Dental Program's Testimony (Exhibit B). I invite the Committee to visit AAVD's clinics while it processes veterans to hear the success stories of Nevada's veterans.

THOMAS MYATT, M.D. (Dental Clinic Director, Adopt a Vet Dental Program):
I was an oral surgeon in Reno for over 40 years, and upon retirement I have been devoting most of my time to the AAVD. The veterans entering the AAVD's clinics are often in the worst shape I have ever seen due to being financially compromised and not being able to receive dental treatment in the private sector. Most veterans entering the AAVD's dental clinics have not had dental work completed in decades. Many veterans come into the AAVD with comorbidities such as heart disease, diabetes, chronic pulmonary obstruction and obesity. Furthermore, many veterans cannot eat properly as they have broken or missing teeth, dental abscesses, dental infection and periodontal disease. Many veterans experience a social stigmatization, covering their mouths to hide their teeth.

Most of the AAVD's work is dental extractions, partial dental restorations and the placement of dental crowns and bridges. We try to save veterans' teeth whenever possible, restoring their mouths' function and their smiles. Many veterans have severe dental infections and are on the verge of entering a hospital before coming into the AAVD's clinics. Sometimes, the AAVD has to perform tracheotomies to save patients' lives. I ask the Committee to continue funding the AAVD so more lives can be saved and improved.

MS. HAIGH:
Receiving State funding has made an incredible impact on helping the AAVD save and transform the lives of Nevada's veterans. Once we can get them out of pain and suffering from decayed teeth, it improves their overall health. When we restore their smile, it gives them the confidence to become productive members of the community by volunteering and/or seeking employment.

The AAVD is asking for your consideration to continue funding at $250,000 per year during the 2021-2023 biennium. This is 37.7 percent of the AAVD's total two-year projected budget. These unrestricted funds are essential for the continuation of the AAVD, as most foundations and grants do not cover the cost for staff salaries, administration and operational expenses. The AAVD is funded from budget account 101-2560.

SPECIAL PURPOSE AGENCIES

DEPARTMENT OF VETERANS SERVICES

NDVS - Office of Veterans Services — Budget Page VETERANS-7 (Volume III)
Budget Account 101-2560

State funding has given the AAVD the ability to treat more veterans in a timely manner. The AAVD started receiving State funding on July 1, 2017. Since then, our joint efforts have provided dental care to 460 low-income veterans, and we want to thank you for helping to give them a better quality of life. Together, we have become the solution to the overwhelming challenge of oral health disease among Nevada's low-income veterans. Thank you for supporting S.B. 185.

CHAIR BROOKS:
Senate Bill 185 came from the Legislature's Legislative Committee on Senior Citizens, Veterans and Adults with Special Needs. I thank the AAVD for advocating for Nevada's veterans.

SENATOR HARDY:
I have been involved with S.B. 185 for some time, and I am impressed by how the AAVD improves the mental and physical health of Nevada's veterans.

CHAIR BROOKS:
The Committee will now hear public comment for S.B. 185.

ANDREW LEPEILBET (Chairman, United Veterans Legislative Council, Nevada Department of Veterans Services):
I represent veterans wounded in combat, Military Order of the Purple Heart recipients and 70,000 disabled veterans in Nevada. Senate Bill 185 is absolutely essential to helping underprivileged veterans in the State. In addition to Vietnam veterans, Nevada has many young veterans back from military tours who need assistance reintegrating into society.

KATHERINE MILLER (Director, Department of Veterans Services):
Since 2015, essential dental care for low-income veterans has been identified as a critical need during the meetings of the NDVS' Veterans Legislative Symposia. This is because most veterans are not eligible for the VA's dental health services. In the past, the NDVS has administered State appropriations for the AAVD. The NVDS has the ability to do so again if S.B. 185 is passed.

CHAIR BROOKS:
The Committee will now hear S.B. 233.

SENATE BILL 233: Makes an appropriation relating to health services in underserved areas. (BDR S-931)

SENATOR JOSEPH P. HARDY (Senatorial District No. 12):
Senate Bill 233 enables medical providers to better assist medically-underserved populations in Nevada. The University of Nevada, Reno's (UNR) School of Medicine, Office of Statewide Initiatives (OSI), Nevada State Office of Rural Health, Nevada Health Service Corps (NHSC) helps place medical practitioners in areas of need, and will benefit from obtaining matching federal funding.

ASSEMBLYWOMAN ROBIN L. TITUS (Assembly District No. 38):
Assembly District No. 38 encompasses Churchill County and most of Lyon County, with the exception of Dayton. Nevada ranks near the bottom in most healthcare rankings. One of these rankings is provider-to-patient ratios, which is especially prominent in rural and underserved urban areas. Nevada does not have enough doctors to meet the needs of all the State's patients. Senate Bill 233 offers a solution for increasing Nevada's provider-to-patient ratios. With requirements, financial assistance for health programs works.

I grew up in a loving, but very poor family from Smith Valley. I made it through college by working three jobs and obtaining scholarships. I was able to work nights once I entered the UNR School of Medicine, but when I started my clinical rotations I was too busy to continue working.

Family practitioners in small towns receive the lowest reimbursement rates for services among all medical fields. I would not have been able to pay for my student loans if I began practicing family medicine in Smith Valley without the support of the NHSC. I even thought about joining the military to help me pay off my debt. As such, I contacted Lyon County's Board of Commissioners and they agreed to pay my tuition during the last three years of my schooling and to provide me with a stipend. This enabled me to return to Smith Valley to practice medicine upon graduation. In return, I was required to practice medicine in Nevada's rural areas for three years. I ended up practicing medicine in rural Nevada for 36 years.

To enable me to work in Carson City, I hired a medical school graduate from UNR who grew up in Gardnerville and a physician assistant from Yerington to run my medical office. Both of my medical providers were assisted by the NHSC program. The testimony submitted by John Packham and Gerald Ackerman for S.B. 233 (Exhibit C) described how the NHSC program started in 1989. Page 2 of Exhibit C provides a picture of where medical practitioners assisted by the NHSC are practicing medicine in Nevada. The NHSC has far-reaching and positive effects all over State, especially in underserved rural areas.

SENATOR HARDY:
We are looking into several federal grants whose matching funds can be used to support the NHSC. Page 2 of Exhibit C shows the 13 counties that have received grants from the NHSC. The NHSC provides loans to medical providers

in exchange for agreeing to work in a medical provider shortage area of the State. The NHSC program works well and we want to keep it going.

JOHN PACKHAM, PH.D. (Associate Dean, Office of Statewide Initiatives, School of Medicine, University of Nevada, Reno):
In addition to working at the UNR School of Medicine, I am Co-Director of the OSI Nevada Health Workforce Research Center. Many of the programs overseen by the OSI deal with workforce initiatives. While the OSI has made gains regarding insurance coverage and improving Nevadans' access to healthcare resources, if there is not a medical provider in the area, access to health care is impeded. Approximately 1.8 million Nevadans reside in a primary care shortage area, with 1.4 million in Clark County, which is 60 percent of Nevada's population. Approximately 1.4 million Nevadans reside in a dental care shortage area, which is nearly half of the State's population. Additionally, the OSI estimates 2.8 million reside in a mental health professional shortage area which is 100 percent of Clark County's population.

Nevada has enacted policies to attract health practitioners to the State and has developed effective strategies to keep them here. The NHSC greatly helps the State attract and keep health practitioners.

GERALD ACKERMAN (Director, Nevada State Office of Rural Health, Office of Statewide Initiatives, School of Medicine, University of Nevada, Reno):
The School of Medicine receives annual State appropriations of $250,000. The amount of awards the School of Medicine is eligible to apply for was increased to $500,000 a few years ago, thanks to the help of Senator Hardy. With matching federal funds, the School of Medicine receives approximately $1 million annually to apply towards assisting health professionals in Nevada. Benefits that students receive from the NHSC are described on page 1 of Exhibit C. Students sign up for two years of service through the NHSC and receive $50,000 in stipends. After two years, if students continue to have eligible debt and the NHSC has available resources, students can apply for the NHSC's year-to-year loan forgiveness program. The NHSC has enabled students to complete the program and pay their loans off establishing themselves in Nevada to practice medicine.

Due to the opioid crisis Nevada faced two years ago, many mental health professionals were added to the NHSC program. Additionally, the NHSC licensed professionals to work in alcohol abuse and treatment programs.

Eligible sites to receive support from the NHSC include small rural hospitals, federally qualified health centers and rural health clinics. To participate in the NHSC program, facilities must accept the sliding-scale reimbursement rates of Nevada Medicaid and CMS Medicare. Organizations must pay the NHSC providers working at their sites prevailing wages, and not reduce their salary because the providers are receiving loan repayment services. Participants in the NHSC program during the 2019-2021 biennium are shown on page 2 of Exhibit C. The NHSC has had a very positive impact on the State's health care system.

Senator Julia Ratti and the DHHS director recently informed the NHSC about additional funding it can apply for. These funding sources do not require the NHSC to provide additional matching funds and would be a great opportunity to continue the NHSC program. It will hurt the NHSC program if S.B. 233 is not passed, as we will not have State matching funds or enough financial backing to remain competitive with other states when applying for additional funding.

ASSEMBLYWOMAN TITUS:
Since its inception in 1989, the NHSC program has made a positive impact on the health outcomes of Nevadans.

CHAIR BROOKS:
The Committee will now hear public comment.

JOAN HALL (Nevada Rural Hospital Partners):
Loans provided through the NHSC have historically assisted in recruiting healthcare providers to Nevada. This has increased access to health care in the State's most underserved communities. Medical providers receiving loans through the NHSC must accept Medicare patients, Medicaid patients and patients without insurance. Every penny of funding provided by the NHSC goes towards the payment of student loans, and there is no administrative fee. Please support S.B. 233.

CHAIR BROOKS:
Seeing no further public comment, this meeting is adjourned at 9:07 a.m.

RESPECTFULLY SUBMITTED:

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Tom Weber,
Committee Secretary

APPROVED BY:

_____
Senator Chris Brooks, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	**Exhibit Letter**	**Begins on Page**	**Witness / Entity**	**Description**
	A	1		Agenda
	B	1	Demetrio Gonzalez / Adopt a Vet Dental Program	Adopt a Vet Dental Program Testimony
	C	1	Assemblywoman Robin L. Titus	S.B. 233 Testimony
	C	2	Senator Joseph P. Hardy	S.B. 233 Testimony
	C	1	Gerald Ackerman / Nevada Health Service Corps	S.B. 233 Testimony