# MINUTES OF THE SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

# Eighty-first Session April 8, 2021

The Senate Committee on Health and Human Services was called to order by Chair Julia Ratti at 3:37 p.m. on Thursday, April 8, 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 Julia Ratti, Chair Senator Pat Spearman, Vice Chair Senator Dallas Harris Senator Joseph P. Hardy Senator Ben Kieckhefer

## **GUEST LEGISLATORS PRESENT:**

Senator James Ohrenschall, Senatorial District No. 21 Senator James A. Settelmeyer, Senatorial District No. 17

# **STAFF MEMBERS PRESENT:**

Megan Comlossy, Policy Analyst Eric Robbins, Counsel Vickie Polzien, Committee Secretary

# OTHERS PRESENT:

Joanna Jacob, Clark County

Brigid Duffy, Clark County Office of the District Attorney

Beth Slamowitz, Senior Policy Advisor on Pharmacy, Department of Health and Human Services

Kendra Bertschy, Public Defender's Office, Washoe County

Aaron Ford, Attorney General

Jessica Adair, Chief of Staff, Office of the Attorney General

Stephanie Woodard, Psy.D., Senior Advisor on Behavioral Health, Division of Public and Behavioral Health, Department of Health and Human Services

Robin Reedy, National Alliance on Mental Illness

Mary Walker, Carson City; Douglas County; Carson Tahoe Health System

Senate Committee on Health and Human Services

April 8, 2021

Page 2

Omar Saucedo, AT&T

Jennifer Claypool

Jamie Rodriguez, Washoe County

Christina Cappello, American Foundation for Suicide Prevention

Gerard Keegan, Cellular Telecommunications and Internet Association

Rachelle L. Pellissier, Crisis Support Services of Nevada

Elizabeth MacMenamin, Retail Association of Nevada

Andre Wade, Silver State Equality

John "Rob" Phoenix, Huntridge Family Clinic

KayLynn Bowman

Leana Ramirez

Kenneth Kunke, Nevada Pharmacy Alliance

Christopher Reynolds, Southern Nevada Health Consortium

Matt Robinson, Southern Nevada Health District

DuAne Young, Deputy Administrator, Division of Health Care Financing and Policy, Department of Health and Human Services

Jeanette Belz, Otsuka America Pharmaceutical, Inc.

Franco Reyna, National Kidney Foundation

Cindy Vallette, American Kidney Fund

Regan Comis, Anthem Blue Cross

Beth Handler, M.P.H., Deputy Director, Programs, Department of Health and Human Services

Tina Dortch, Program Manager, Office of Minority Health and Equity, Department of Health and Human Services

Bailey Bortolin, Nevada Coalition of Legal Service Providers

Timothy Burch, Administrator of Human Services, Department of Family Services, Clark County

DaShun Jackson, Children's Advocacy Alliance

Amber Howell, Washoe County

Kathryn Roose, Deputy Administrator, Quality and Oversight, Division of Child and Family Services, Department of Health and Human Services

#### CHAIR RATTI:

I will open the work session on Senate Bill (S.B.) 201.

<u>SENATE BILL 201</u>: Requires licensing of pharmaceutical sales representatives. (BDR 54-444)

MEGAN COMLOSSY (Policy Analyst):

I will read the summary of the bill and the amendment from the work session document (Exhibit B).

# **SENATOR HARDY:**

I do not see how this is going to decrease the cost of medicines or care; I will be voting no.

#### CHAIR RATTI:

I will entertain a motion on S.B. 201.

SENATOR HARRIS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 201.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS HARDY AND KIECKHEFER VOTED NO.)

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I will close the work session on S.B. 201 and open the work session on S.B. 274.

<u>SENATE BILL 274</u>: Revises provisions relating to commercially sexually exploited children. (BDR 38-705)

#### Ms. Compossy:

I will read the summary of the bill and the amendments from the work session document (Exhibit C).

# JOANNA JACOB (Clark County):

We worked in collaboration with the State and Washoe County on this measure. The biggest amendment deletes the sections in the bill that would have provided for the involuntary commitment process. This is because the receiving centers proposed in the bill are permissive. The sections proposed on involuntary commitment need some additional work. We are going to continue to work on that issue together during the Interim.

Section 3 proposes moving the "receiving center" definition to *Nevada Revised Statutes* (NRS) 424 from NRS 432A, which is more the foster care section of the law.

Section 6, subsection 2, paragraph (a) considers alternative placements in addition to the receiving center. There is a great deal of work going on by child welfare agencies on the issue of handling cases of children experiencing commercial and sexual exploitation. There is green language throughout where we have added alternative placements.

There are deletions to section 30 of the original bill as to the involuntary commitment process. The changes to NRS 432C.010 in the newly renumbered section 16 were proposed to work on our screening process for children who are victims of commercial sexual exploitation. The amendments were proposed to give us more flexibility.

We were looking to see if we could leverage any federal dollars or available funding to help assist child welfare agencies with the shift away from juvenile justice. Language in the amendment was designed to align processes allowing us to build, where available, access to federal Title IV-E of the Social Security Act funding.

The change at the end of the bill delays the implementation date where we relocate the responsibility from the juvenile justice system to our child welfare agencies.

# **SENATOR RATTI:**

Flexibility in creating receiving centers as a concept may be a tool we want to use. Greater flexibility to use some of the existing tools and momentum in the child welfare movement will better connect us to Title IV-E funds as a funding source along with Medicaid and local funding. It is about ensuring we get it right on Title IV-E funding because this bill is about taking children out of the juvenile justice system and getting them into the child welfare system if they have been victims of sexual exploitation.

#### Ms. Jacob:

We are looking for all available funding sources.

#### SENATOR KIECKHEFER:

I am curious about the removal of the involuntary commitment provisions starting with section 18. Can you speak to why that has been struck out?

# BRIGID DUFFY (Clark County Office of the District Attorney):

I made the determination to support pulling those sections of the bill at this time because work needs to go into those sections as far as getting a consensus. There was some opposition during the hearing on the bill from community stakeholders with the original language. If we get the date pushed out to 2023, we could come together during the Interim and create a solid involuntary commitment that protects the child's due process rights and allows for review hearings.

For the most part, this was a timing issue. If the bill passes and the date is pushed out to 2023, we should get this done during the Interim and make a solid plan.

# SENATOR KIECKHEFER:

What is the report pursuant to NRS 432C.110 in the newly renumbered section 17, subsection 1, paragraph (c)? This seems like a significant expansion of an agency's responsibilities.

# Ms. Jacob:

The report under NRS 432C.110 is when we receive outside reports of any time any person knows or has reasonable cause to believe a child is possibly the victim of commercial sexual exploitation. This is upon referral from outside of our child welfare agency, and the report is given to our child welfare agency.

#### SENATOR KIECKHEFER:

I just wanted to make sure this was not a general report of abuse or neglect; that it was more specific, and we were not doing a massive expansion.

#### **SENATOR HARRIS:**

During the hearing on <u>S.B. 274</u>, I expressed my concerns around the term "receiving center" and reiterate those concerns. Language matters, and what is important is that we take the model, not necessarily having to keep the name. I encourage the sponsors to continue thinking about something more person-centered.

#### CHAIR RATTI:

I will entertain a motion on S.B. 274.

SENATOR SPEARMAN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 274.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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# CHAIR RATTI:

I will close the work session on S.B. 274 and open the work session on S.B. 275.

**SENATE BILL 275**: Revises provisions relating to the human immunodeficiency virus. (BDR 40-220)

# Ms. Comlossy:

I will read the summary of the bill and the amendments from the work session document (Exhibit D).

## SENATOR KIECKHEFER:

I have concerns about the broad changes we are making to the county health authorities' ability to isolate and quarantine people as it relates to communicable disease in an infection of AIDs and what that might do to their ability to fight global pandemics or other crises that may arise. We have not had any discussion about this.

I have continued concerns about the change in burden on testing for our first responders. I appreciate the intent of the bill and the effort to decriminalize and destignatize HIV infections but worry about other applications.

# CHAIR RATTI:

I will entertain a motion on S.B. 275.

SENATOR SPEARMAN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 275.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR KIECKHEFER VOTED NO.)

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## CHAIR RATTI:

I will close the work session on S.B. 275 and open the work session on S.B. 309.

<u>SENATE BILL 309</u>: Establishes a reinvestment advisory committee in certain larger counties. (BDR 38-956)

#### Ms. Comlossy:

I will read the summary of the bill and the amendments from the work session document (Exhibit E).

# CHAIR RATTI:

I will entertain a motion on S.B. 309.

SENATOR SPEARMAN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 309.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR KIECKHEFER VOTED NO.)

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#### CHAIR RATTI:

I will close the work session on S.B. 309 and open the work session on S.B. 318.

SENATE BILL 318: Makes various changes relating to improving access to governmental services for persons with limited English proficiency. (BDR 40-955)

#### Ms. Comlossy:

I will read the summary of the bill and the amendments from the work session document (Exhibit F).

#### CHAIR RATTI:

I will entertain a motion on S.B. 318.

SENATOR SPEARMAN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 318.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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# CHAIR RATTI:

I will close the work session on S.B. 318 and open the work session on S.B. 326.

<u>SENATE BILL 326</u>: Revises provisions relating to providers of health care. (BDR 54-614)

# Ms. Comlossy:

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

# CHAIR RATTI:

I will entertain a motion on S.B. 326.

SENATOR KIECKHEFER MOVED TO DO PASS S.B. 326.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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#### CHAIR RATTI:

I will close the work session on S.B. 326 and open the work session on S.B. 329.

**SENATE BILL 329**: Revises provisions relating to competition in health care markets. (BDR 40-998)

# Ms. Comlossy:

I will read the summary of the bill and the amendments from the work session document (Exhibit H).

## **SENATOR HARDY:**

I looked at this from the aspect of a rural hospital trying to figure out how to stay alive, and when someone comes in to siphon off the gravy, it becomes problematic. From a Statewide perspective, I will be voting no.

## CHAIR RATTI:

I will entertain a motion on S.B. 329.

SENATOR HARRIS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 329.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS HARDY AND KIECKHEFER VOTED NO.)

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## CHAIR RATTI:

I will close the work session on S.B. 329 and open the work session on S.B. 340.

**SENATE BILL 340**: Revises provision relating to the wages and working conditions of certain employees. (BDR 53-573)

# Ms. Comlossy:

I will read the summary of the bill and the amendments from the work session document (Exhibit I).

# CHAIR RATTI:

I will entertain a motion on S.B. 340.

SENATOR SPEARMAN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 340.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS HARDY AND KIECKHEFER VOTED NO.)

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#### CHAIR RATTI:

I will close the work session on S.B. 340 and open the work session on S.B. 380.

**SENATE BILL 380**: Revises provisions governing the reporting of data concerning the prices of prescription drugs. (BDR 40-445)

#### Ms. Comlossy:

I will read the summary of the bill and the amendments from the work session document (Exhibit J).

# CHAIR RATTI:

There were significant conversations following the hearing on  $\underline{S.B.~380}$ , and there is a lengthy amendment.

BETH SLAMOWITZ (Senior Policy Advisor on Pharmacy, Department of Health and Human Services):

Under the general amendment, there is an additional definition for rebate.

Section 5 has been deleted in its entirety.

In section 6, subsection 2, paragraph (b), the number of units has been redefined as volume in wholesale acquisition cost units. Paragraph (f) adds the aggregate total amount of rebates and deletes the statement of discounts and other price concessions. Paragraph (h) adds the term aggregate and deletes the total amount of rebates and discounts, dispensing fees and other fees.

Sections 7 and 8 were removed in their entirety.

Section 10 remained the same as the original conceptual amendment heard during the hearing on April 6.

Section 11 remained the same as the original conceptual amendment heard during the hearing on April 6. There were formatting changes only.

Section 13, subsection 2, paragraph (a) was removed. The units were defined in subsection 2, paragraphs (b) and (c) as wholesale acquisition cost units. Paragraphs (d) and (e) were removed; paragraph (f) adds the term aggregate in

terms of aggregate amount of all rebates and deletes discounts and other price concessions. Paragraphs (k), (l), (m) and (n) add the term aggregate. Paragraphs (p), (q), (r) and (s) were removed.

Section 16, subsection 5 was deleted due to the deletion of section 5, and subsection 12 was deleted due to section 7 being deleted.

Ms. Comlossy mentioned the changes to section 18 not noted in this amendment.

## CHAIR RATTI:

We missed an amendment attached to the work session document, <u>Exhibit J</u>, where the fees were set at \$30,000, a significant raise from the fees in the existing law of \$5,000. This amendment would take it back to \$5,000.

Everything Ms. Slamowitz went through shows a significant scaling back of the bill while leaving in some important concepts. These include expanding to the drugs of significant cost at \$40 per wholesale acquisition price and 10 percent increase that year so we could do additional transparency work on another class of drugs and continue to advance what we know as a State about how drug pricing is changing. It does include retail pharmacy benefit managers (RPBMs) and wholesalers with some transparency requirements.

The transparency requirements are more modest and have less registration requirements. It removes insurers. We crosswalked with the all-payer claims database (APCD) bill that was heard, so we will initially get that information from the APCD. If that does not turn out to be the case as we are standing up this new system, we would come back in a subsequent session to have that conversation. It appears the transparency requirements of the APCD make the insurance requirements in this bill unnecessary.

It will make it less expensive as the fiscal notes were significant.

#### SENATOR KIECKHEFER:

Section 10 changes which medications now have to be reported; I read it as this is all drugs that meet those two triggers—a cost of more than \$40 and an increase by 10 percent in a year. Is that correct?

#### CHAIR RATTI:

The law stays the same for asthma and diabetes drugs. When I speak of an additional class, I should say an additional group of drugs. Instead of being defined by disease, those drugs would be defined by the wholesale acquisition cost and the increase of 10 percent in a year. The bill started out with all drugs and narrowed down to those.

## SENATOR KIECKHEFER:

Do we know how many reports are expected?

## Ms. SLAMOWITZ:

It is difficult to determine. The list of drugs we look at will be determined by the wholesale acquisition cost which must be more than \$40 for a course of therapy; section 10, subsection 1, paragraphs (a) and (b) define a course of therapy. There must also be a 10 percent increase over one year or twice the net 10 percent increase over two years. It will significantly increase the number of manufacturers we will receive reports from. In addition, the bill adds wholesalers as well as RPBMs, so we will have three reporting groups: wholesalers, manufacturers and RPBMs.

We were looking at potentially double to triple the amount of reports, but it will be difficult until we go through the first reporting cycle to see what comes in. Obviously, prices change daily, if not hourly. That list may look different today than it will look a month from now.

#### SENATOR KIECKHEFER:

Where did you say the definition of a course of therapy was?

# Ms. SLAMOWITZ:

In section 10, subsection 1, paragraphs (a) and (b) define a course of therapy as either the recommended daily dosage units of a prescription to its prescribing label as approved by the federal Food and Drug Administration (FDA) for 30 days or the recommended daily dosage units of a prescription drug pursuant to its prescribing label as approved by the FDA for a normal course of treatment that is less than 30 days. So a bottle of eye drops might not be a 30-day supply, it might be a 5-day supply. What the FDA label calls for would be a course of therapy.

#### SENATOR KIECKHEFER:

For instance, it may be an antibiotic you take for a week.

#### Ms. SLAMOWITZ:

Yes, it would be based on what the FDA has approved as far as the indication and the course of treatment whether it be once a day or twice a day for 10 or 14 days.

## **SENATOR SPEARMAN:**

I am equating that to someone who is an asthmatic who takes steroids. If you have a bad asthma attack in February and another one in July, the course of therapy would be whenever they prescribe those steroids to help expand the lungs. Is that correct?

# Ms. SLAMOWITZ:

Yes. The course of therapy would be determined by the package label or insert. People take steroids for many indications. If the normal course of therapy for a particular steroid states you should take it twice a day, we would look at what is required in terms of a 30-day supply of that particular medication, if it falls into the pricing parameters.

## CHAIR RATTI:

I will entertain a motion on S.B. 380.

SENATOR HARRIS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 380.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS HARDY AND KIECKHEFER VOTED NO.)

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#### SENATOR KIECKHEFER:

I do not see what is going to be a deluge of data to the State driving cost savings to patients. Have we seen that through data we are already collecting on asthma and diabetes medications? Other bills not to be processed that came out of the Interim study may have had direct patient impact. I am not sure where our goals are on this.

## ERIC ROBBINS (COUNSEL):

Section 10 of the amendment in the work session document, <u>Exhibit J</u>, appeared to delete the existing language about the list of drugs essential for treating asthma and diabetes and replaced that with the new criteria. Chair Ratti, you mentioned it was your impression you thought we kept the asthma and diabetes language. Can I get clarification on the Committee's intent?

## CHAIR RATTI:

Our intent is to keep the asthma and diabetes language.

## Ms. SLAMOWITZ:

Asthma and diabetes language would be cast with the same net, so that is why the first statement under section 10, subsection 1 was deleted. This is looking at the entire universe of drugs and basing the requirements of the list on cost versus indication. The diabetes and asthma medications that fall under those cost requirements would be included on this list.

## CHAIR RATTI:

If they do not cost \$40 or more for the wholesale acquisition price or have not gone up by 10 percent, would we not require the reporting in that year?

## Ms. Slamowitz:

The requirements that exist in legislation where we use the Consumer Price Index (CPI) would be similar. The same drugs would not fall on the list as they would fall under the requirements for the \$40 wholesale acquisition cost and the 10 percent increase. It is a cleaner way to look at the cost of the drug than the CPI because the CPI does not take into account all consumers.

# CHAIR RATTI:

That was my misunderstanding, Mr. Robbins; the way it is written in the amendment is the intent.

I will close the work session on S.B. 380 and open the work session on S.B. 391.

**SENATE BILL 391:** Revises provisions relating to dentistry. (BDR 40-455)

# Ms. Comlossy:

I will read the summary of the bill and the amendments from the work session document (Exhibit K).

#### CHAIR RATTI:

The amendment received after the hearing on April 1 ensures the positions relating to oral health were clearly defined and aligned with the status of the dental health officers similarly to the status of chief medical officer. For our dental hygienists, the language allows them to have outside work. I would like to note our dental hygienist works part time for the State, and statute disallows her from having additional work outside of her part-time job with the State.

#### SENATOR KIECKHEFER:

We have three amendments and propose to adopt all three?

# Ms. Comlossy:

It is the intent to adopt all three as they are each separate and distinct.

## CHAIR RATTI:

I will entertain a motion on S.B. 391.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED S.B. 391.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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#### CHAIR RATTI:

I will close the work session on S.B. 391 and open the work session on S.B. 396.

**SENATE BILL 396**: Revises provisions relating to the purchasing of prescription drugs. (BDR 38-443)

#### Ms. Comlossy:

I will read the summary of the bill and the amendments from the work session document (Exhibit L).

#### CHAIR RATTI:

We had a two-line conceptual amendment to the bill, and there was confusion about which part of NRS we were getting to. I asked Mr. Robbins to do Proposed

Amendment 3226 which is part of the work session document, <u>Exhibit L</u>. This should give greater clarity to removing the barriers to the different versions of coalitions partnering with each other to increase the purchasing leverage when it comes to pharmaceuticals.

## SENATOR KIECKHEFER:

The pieces incorporated into section 1 of the amendment are what we said were allowed by a different piece of statute, and the provisions in section 3.3 are what we need to do. Is this correct?

# CHAIR RATTI:

I asked Ms. Slamowitz, Ms. Comlossy, Mr. Robbins and Senator Donate to make sure we were all talking about the same thing. This is the result of that conversation.

## SENATOR KIECKHEFER:

I was under the impression the State could enter into collaborative agreements with other states and territories and not need that piece of the proposed bill.

# Ms. SLAMOWITZ:

When we discussed this, we realized the express authority is there for public entities within the State to collaborate with other public entities within as well as outside the State. The reason for the amendment within section 3.3 is to allow those public entities to collaborate with other private entities.

#### Mr. Robbins:

Section 1 says the same thing as section 3.3 but applies to Medicaid. There are specific statutes governing the purchase of prescription drugs by Medicaid. If Medicaid wanted to participate, we would have to go into those statutes. This is a conforming change to what is in section 3.3. The change from the existing language in section 1 states we are allowing them to collaborate with one or more public or private entities in Nevada, the District of Columbia and other states and territories.

#### **SENATOR HARDY:**

Part of our intent is to save people money. Is this going to save patients and Medicaid money?

#### CHAIR RATTI:

The testimony from Dr. Trevor Douglass during the hearing on the bill shows they are getting to a point where they have enough lives to have leverage in purchasing. They are starting to see this turning into a reduction in the cost of pharmaceuticals to the members of the coalition. If Medicaid was a member of the coalition and could pay less for each of those pharmaceuticals, the assumption is it will lower the cost for that Medicaid recipient or increase the amount of benefits that Medicaid recipients can get because there is more money in the Medicaid pool.

If it is cheaper for these agencies to buy prescription drugs, then it should result in a lower cost for the end user. Because we are talking about insurance plans, whether it ends up being a lower cost on that drug or a lower deductible, or the general cost of their health insurance lowers, that is the idea.

## **SENATOR HARDY:**

I did not hear that the patient was going to save money.

## CHAIR RATTI:

Since there is no profit motive for public agencies, they will either save money or get more services because it does go back into the plan.

## SENATOR SPEARMAN:

The more the coalitions grow, the more the savings could be for those who participate.

#### SENATOR KIECKHEFER:

I would suggest that Dr. Douglass's primary testimony was that the coalitions save most of their money by addressing rebates and other issues we are not addressing in this bill.

#### Ms. SLAMOWITZ:

I would like to clarify that Dr. Douglass stated the coalitions negotiate additional rebates, and this is how purchasers save money on drugs. They have those negotiations with the manufacturers.

For Medicaid, we have statutory rebates that are federal rebates, and then we have supplemental rebates we negotiate with the manufacturers to further lower the cost of those drugs. The preferred drug list is created off placement based on those negotiations.

The driving force—the more lives to leverage with those manufacturers—creates that rebate pool to lower the cost of drugs for your entire membership. Those rebates are most important.

Within the State, there is expressed authority that if Medicaid wanted to join an entity outside the State with the Northwest Prescription Drug Consortium, it already has a solution for managed care organizations (MCOs). It does not have a solution for fee-for-service since we have both in the State. There is no opportunity for Medicaid to join the Northwest Prescription Drug Consortium because of that. We could look at collectively working with other entities within the State.

Oftentimes, when Medicaid gets pulled into it, it gets muddy because of the federal requirements. The intent of this bill is to allow other public and private entities to work cooperatively to reduce the cost of drugs to leverage those rebates through negotiations based on the increased number of participants.

## SENATOR KIECKHEFER:

Dr. Douglass indicated coalitions captured 100 percent of that rebate minus a fixed administrative cost for the RPBM administration. He had indicated that was where a primary piece of their savings came from.

# CHAIR RATTI:

I will entertain a motion on S.B. 396.

SENATOR SPEARMAN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 396.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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#### CHAIR RATTI:

I will close the work session on S.B. 396 and open the work session on S.B. 376.

**SENATE BILL 376**: Revises provisions relating to child welfare. (BDR 38-503)

Ms. Comlossy:

I will read the summary of the bill and the amendments from the work session document (Exhibit M).

KENDRA BERTSCHY (Public Defender's Office, Washoe County):

The intention of the amendment is to provide clarification on what we should do with the different dispositions. Only the dispositions substantiated are those reported to the Central Repository for Nevada Records of Criminal History. When employers request records to see what is substantiated, we want to ensure only substantiated dispositions released to those employers.

In addition, an amendment clarifies three other forms of disposition, other than the substantiated, have the same legal affect. We do not want to run into an issue in the future where someone thinks having one of the other dispositions is makes it worse for his or her dependency case.

SENATOR JAMES OHRENSCHALL (Senatorial District No. 21): I consider the amendments friendly and believe they improve the bill.

#### CHAIR RATTI:

I will entertain a motion on S.B. 376.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED S.B. 376.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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# CHAIR RATTI:

I will close the work session on S.B. 376.

#### **SENATOR HARRIS:**

I will open the hearing on S.B. 390.

**SENATE BILL 390**: Provides for the establishment of a statewide suicide prevention and mental health crisis hotline. (BDR 39-635)

SENATOR JULIA RATTI (Senatorial District No. 13):

Both components in this bill have the opportunity to move the needle in our behavioral health and substance use disorder space. Two things have happened recently that we have been working a long time to ensure. The first is that in January, the 988 number, a project that many behavioral health advocates have put hours into developing across the Nation, was approved and ready to go at the national level. The 988 number becomes a behavioral health hotline based on our National Suicide Prevention Lifeline similar to 911, after being under development for many years. The federal regulatory process is done, and it us up to us as a State to implement it.

The next component has taken a significant amount of work and many hands to make the labor light. Nevada was significantly impacted by the opioid crisis. People on this Committee, former and current Governors, and former and current Attorneys General, have put time and energy into addressing the impact of the opioid epidemic on the State and ensuring those who contributed to that opioid epidemic be held accountable.

# AARON FORD (Attorney General):

I am here today to speak about principles, underlying remediation and the status of the opioid litigation as we discuss <u>S.B.</u> 390.

The Bureau of Consumer Protection, in conjunction with an outside contingency counsel hired as a result of Governor Steve Sisolak's declaration of findings on January 29, 2019, has been working on numerous fronts in Nevada collectively known as the opioids litigation. More than 60 defendants in our litigation help remediate the harms, risks and effects of the opioid epidemic in Nevada and throughout our Country. Remediating the harm caused by the influx of opioids into communities throughout Nevada is paramount. The development of the proposed amendment (Exhibit N) and the document from Johns Hopkins Bloomberg School of Public Health on Principles for the Use of Funds From the Opioid Litigation (Exhibit O) were used as a guide.

The Principles for the Use of Funds From the Opioid Litigation, <u>Exhibit O</u>, is a consensus document supported by a number of national organizations such as the American Medical Association. The guiding principles are to first, use the funds to supplement rather than supplant existing State spending; second, use funds to support programs supported by evidence-based interventions; third, use the funds

to support investments in youth prevention; fourth, use the funds with a focus on racial equity; and fifth, report to the public as to which programs are being funded.

While my team and I have been focused on the litigation, the Department of Health and Human Services (DHHS) has designed this in a way best able to allocate the funds according to the five principles. The DHHS conducts needs assessments and regularly coordinates with stakeholders, treatment providers, Nevada agencies and others to administer funds for a variety of other health issues.

My team continues to fight on a multitude of litigation fronts. These fronts began with the McKinsey & Company \$573 million settlement in the State's opioid litigation currently pending in the Eighth Judicial District Court in Clark County. However, the fronts also include the national litigation, national settlement negotiations and recent developments in bankruptcy-related matters all related to opioids.

McKinsey & Company is a global consulting firm that advised Purdue Pharma, among others, on "turbocharging" opioid sales, even as the drug manufacturer knew patients were becoming addicted to OxyContin and other opioids. McKinsey & Company agreed to a multistate settlement with attorneys general and fellow colleagues from 49 states, 5 territories and the District of Columbia. Nevada did not participate in that settlement for a number of reasons, one of which is that Nevada considers itself one of the hardest-hit states for the opioid epidemic. We have favorable laws in Nevada that protect our citizens differently than residents of other states would have been protected. We would have gotten far less under this settlement had we entered into the multistate settlement than we did going in on our own.

Nevada negotiated its own deal with McKinsey & Company and reached a \$45 million settlement. This settlement does not include cities and counties because Nevada does not have the authority to settle or sue on behalf of its political subdivisions for this type of litigation. The lawsuit the Office of the Attorney General is pursuing is purely for damages the State has incurred. It is not representing any county or municipality in this litigation; it is all State-related damages. The monies we brought in relate to those issues. Several municipalities within our State have their own litigation happening, and they will be receiving funds when those lawsuits are won.

As with all litigation in Nevada and nationally, the Covid-19 pandemic slowed down the progress of the Office of the Attorney General's case. Despite this, our State agencies have continued to cooperate with the Office of the Attorney General to collect discovery, even as most people were working from home. Discovery—a process in litigation where documents, depositions and things of that nature are exchanged between the parties—is an important component and ongoing through this pandemic. Some of that discovery includes ongoing document collection, review and production of those documents. It also includes a review of the defendant's documents and the filing and arguing of discovery motions before the special master assigned to this case. We are starting to move forward with beginning depositions which were also delayed due to the pandemic.

We have filed an amended complaint in this lawsuit naming additional defendants and causes of action that bring the total number of defendants in our lawsuit to 61. Some of these newly added defendants are Johnson and Johnson; Janssen; Noramco; Actavis; Allergan Finance LLC; Cephalon, Inc.; Watson Laboratories Inc.; CVS TN Distribution; Longs Drugs Stores; and American Drug Stores LLC. Additionally, a second amended complaint contains detailed allegations to support the Nevada False Claims Act cause of action as well as additional allegations regarding the conduct of some of the national retail pharmacies.

There is ongoing national litigation in federal court which is known as multidistrict litigation. Opioid cases that end up being filed or drug into federal court, not in Nevada's case, are sent to Ohio for a federal judge to oversee the multidistrict litigation for discovery. That judge, Judge Dan Aaron Polster, has postponed several upcoming trial dates. One trial set in West Virginia has a May trial date, and it appears that trial will go forward. That trial is against three distributors, not the 61 defendants we have named.

Along with national litigation comes discussions around national settlement negotiations. You may have heard or read about discussions between some defendants who have been negotiating with a handful of attorneys general in an attempt to reach a settlement with all states. McKinsey & Company was an example of that. These discussions have been happening for over a year, and from what has been publicly announced, the following proposals have been discussed.

A \$21 billion deal from distributors McKesson, Amerisource Health Services LLC and Cardinal Health proposed payout over an 18-year period and an additional \$5 billion from Johnson and Johnson. That is one conversation around the national

settlements taking place. While there is no agreement on how this money will be distributed, in my estimation Nevada's total share would not be enough to address or remediate the harms caused by its opioid epidemic. Nevada's Office of the Attorney General is continuing to monitor these discussions, but we are moving forward with our own litigation.

The opioid-related bankruptcies add a new wrinkle to this conversation. Purdue Pharma, a defendant in our litigation, filed a chapter 11 reorganization under the U.S. Bankruptcy Code, and a plan was filed earlier this month. Details described in that plan are being negotiated. On April 21, there will be a hearing in New York where the bankruptcy court is expected to approve the disclosure statement, the voting procedures and ballots for a deadline to vote on the plan set for July 14.

Key terms of the proposed plan have \$4.3 billion currently allocated to claims of nonfederal government claims—that is states, cities and counties. That amount of money will be distributed over a 10-year period and used for opioid abatement purposes only. The allocation amounts for the states, including the cities and counties, have not yet been determined. Cities, counties and states in which they are located will have conversations around ways to divide the money, and Nevada is no different in that regard.

The Office of the Attorney General will continue to participate in a creditors committee before the bankruptcy court for the purposes of staying abreast and pursuing our ends in bankruptcy court.

#### SENATOR RATTI:

If every case fell our way and things went well for Nevada on all of these cases, can you give us a sense of scale of the estimated dollars?

#### **ATTORNEY GENERAL FORD:**

We have experts who are working on the report and discovery process and are not prepared to detail the exact numbers until the report has been released. I will say that it is in the billions. We need to let the experts continue to work on the report.

#### **SENATOR RATTI:**

You referred to some cases taking place this month and a trial for the three distributors scheduled in May. Do you have an idea of how long it will take for Nevada, and the Nation, to make its way through all of this litigation?

## ATTORNEY GENERAL FORD:

We had anticipated a trial date for Nevada's litigation for early this year. We should have been in January, but the Covid-19 pandemic pushed it back. We are looking at going to trial possibly mid-year 2022, depending on what the trial schedule looks like in that regard. Our trial could take months. At this juncture, we anticipate we will have some resolution within the next two years in our State case where we have our 61 defendants who have been sued.

The bankruptcy cases are a little more difficult for us to estimate. Purdue Pharma and the posture of bankruptcy cases make us think differently about how we engage with our fellow attorneys general and municipalities within the State. The bankruptcy courts are different relative to the litigation components. The reorganization plan put out recently will have movement on it on April 21 with ballots going out in July. This means they are moving toward some level of finalization in the Purdue Pharma bankruptcy case. I would anticipate seeing things close to finality there as it progresses.

I do not know the trial schedule for West Virginia but would anticipate if it begins in May, four to five months may be the time frame for those cases. The Oklahoma case took several months before it came to a verdict in favor of Oklahoma against Johnson and Johnson 18 months ago.

#### SENATOR KIECKHEFER:

What is the difference between what is part of the State litigation and settlements and what local governments are doing on their own? Local governments have been doing some actions independently. In <u>S.B. 390</u>, all of the money collected is being subgranted to the local governments and nonprofits. If they are doing their own litigation, I doubt they are going to subgrant it to us.

#### ATTORNEY GENERAL FORD:

The State litigation is purely brought forward on behalf of the State. These are causes of action to Medicaid, for example, that directly relate to State damages. We purposefully did not name any causes of action that would bring in the City of Reno, Washoe County, Clark County, Las Vegas or Elko. As you have indicated, they have their own pieces of litigation, and their damages are calculated according to how their experts have calculated them. I will leave the policy of how the funds are distributed to the policy makers.

To the extent there is some overlap, it will take some determination on the policy makers' part as to how those issues will be addressed. We will be talking to the municipalities that have their own respective pieces of litigation, some of which are caught up in bankruptcy issues or the multidistrict litigation, to determine how we can work together. As a general matter, every dollar we bring in as the Office of the Attorney General is a State dollar recovered under a lawsuit brought for the State, not for any county or municipality.

# JESSICA ADAIR (Chief of Staff, Office of the Attorney General):

Without getting too far into the bill, that is the wisdom of the amendment. These are State dollars. As the distributor of the funds, DHHS can ensure we are not supplanting funds already distributed by the State and local governments. This will ensure we use that funding mechanism with the appropriate State and local partnerships, ensuring we are not double-dipping with this funding, and that local county governments with their own funding are not using State dollars in a way that is inappropriate.

That is the benefit of DHHS being the distributor and working closely with local county health boards to ensure that does not happen. In addition to some of the cities and counties having their own lawsuits, some tribal entities in the State have their own lawsuits related to opioid litigation. That will be another important partnership with State and local governments as we distribute this funding.

#### VICE CHAIR SPEARMAN:

Can you explain again about the disbursement of funds once the cases are resolved, specifically about the communities hardest hit, making sure the dollars distributed are commensurate with what they need to recover?

# **ATTORNEY GENERAL FORD:**

The intent of this bill is to ensure the distribution of the opioid funds is to help abate things that have resulted due to the opioid epidemic. I am confident that equity issues will be taken into consideration.

#### **SENATOR RATTI:**

The proposed amendment, Exhibit N, was submitted on April 8. The first version of S.B. 390 came about quickly because the McKinsey & Company settlement with \$45 million coming to us happened as we were coming into Session. As I started to learn more about where we were in the process of the opioid settlement and the

billions of dollars that could be coming to the State, it felt important we develop the legislative framework, knowing we would be in Session.

Since that time, we have done a significant amount of work with DHHS, the counties and the Office of the Attorney General to develop a framework that makes sense. The amendment, <a href="Exhibit N">Exhibit N</a>, is a much better thought-out document. I am working collaboratively on the settlement framework while Assemblywoman Jill Tolles, Assembly District No. 25, is working on reconstituting something similar to the opioid task force we used to have. We are broadening it as we understand while opioids have been a significant focus, all of the people who work within substance abuse disorder will tell you the shift is moving more toward heroin and multiuse drugs. We need to have the broader conversation about substance use disorder and prevention.

The proposed amendment, <u>Exhibit N</u>, is the product of the working group that collaboratively worked to establish the best way to accomplish this.

A significant amount of money is coming our way. Immediately, there will be a lot of people with many ideas on how we can spend this money. Because most of the settlements will have some restricting language about how they can be used, we need to make sure we are using the money in the way intended. A significant quantitative and qualitative needs assessment that is the first step. It is important the analysis be based on meaningful data about impact.

In addition to data, analytics and things we will need to bring together, section 9, subsection 1, paragraph (a) of the proposed amendment, Exhibit N, states that:

The needs assessment shall include a focus on health equity and identifying disparities across all racial and ethnic populations, geographic regions, and specific populations including veterans, pregnant women and parents with dependent children, LGBTQ, youth, and individuals or families involved in the criminal justice, juvenile justice, and child welfare systems.

An awakening in this Country has led us to understand that Covid-19 has shone a light on when we have bad things happen, such as an opioid epidemic. The impact to subpopulations is not the same. As we are understanding the impact to everyone, we want to understand the disparate impact to certain populations. That is built in up front in the needs assessment.

Section 9, subsection 1, paragraphs (b) and (c) speak to taking that needs assessment and establishing Statewide priorities based on that needs assessment. This will look at available data, the analysis of the disparate impact on communities of color, community stakeholder input and engagement consultation with subject matter experts as they are the people who focus in this area. This is the process to moving toward these priorities. We are making sure there is outreach to groups who are impacted by the opioid crisis including those listed in paragraph (c).

We could not name the substance use task force Assemblywoman Tolles is working on because it is not yet in the law. If the timing works at the end of Session, we will amend this bill to add that task force as it is the intent that the task force is working on some of this and can share the information it has from a broader lens.

Section 9, subsection 2 states what will be done at the conclusion of the needs assessment to work together to develop a plan for funding. The lawsuits are on the impact to the State. In reality, every individual lives in a neighborhood, in a city, in a county, in a state. When we work collaboratively with both the county and the State looking at their respective resources, we can effect a better impact.

Should the county have the resources from its lawsuit to build a transitional housing property and the State puts some of these dollars into Medicaid to leverage the services to be provided in that facility, you might see the two partners collaborating in that way to alleviate one of the significant impacts of the opioid epidemic: a dramatic increase in homelessness.

The intent of section 9, subsection 2, paragraph (b) is that the State can keep the money and distribute it to State items and also subgrant it if that makes sense. We will continue to work on this to ensure we have that language as tight as possible. The State may also use up to 8 percent to manage administrative expenses or other indirect costs.

Those wishing to apply for this money will need to have understood the needs assessment, know the priorities and know they are meeting those priorities. Required reporting will be sent to the Governor, the Office of the Attorney General, regional behavioral health boards, directors, Legislative Counsel Bureau, Interim Committees and the Legislature.

#### VICE CHAIR SPEARMAN:

Would prevention programs qualify? We know that families, particularly students, who live in a household where opioids are prevalent have been touched by this crisis. Their learning has been truncated, and socially, there are a number of things they cannot do. Is there any way for us to talk about prevention?

#### SENATOR RATTI:

Each settlement will come with its own restrictions baked into the language. That is the first piece; the second would be the data and needs assessment.

# Ms. Adair:

We need to attack this epidemic at every point from prevention to remediation, where people are currently experiencing problems, to wraparound supports for families. Attorney General Ford mentioned a document earlier published by the Johns Hopkins Bloomberg School of Public Health, <a href="Exhibit O">Exhibit O</a>, and those guiding principles. Those principles are to spend money to save lives, use evidence to guide spending, invest in youth prevention, focus on racial equity and develop a fair and transparent process for deciding where to spend the funding.

When it comes to State-specific settlements, the Office of the Attorney General gets the opportunity to guide the development of those settlement terms. That is another benefit to a State settlement versus a national multistate settlement where we have to work with everyone to come up with that settlement agreement.

Prevention is an important principle and should be something this Committee should ensure is in the text of the bill to codify that.

STEPHANIE WOODARD, PSY.D. (Senior Advisor on Behavioral Health, Division of Public and Behavioral Health, Department of Health and Human Services):

Prevention is one of the five primary guides used to develop this section of the legislation. In section 9, subsection 2, paragraph (a), <u>Exhibit N</u>, see "Plans must include strategies to address overdose prevention, disparities in access to care, and youth prevention." We do not want to be overly prescriptive in what needs to be in all of the plans driven by the needs assessment and community level outreach. We did want to ensure all of the plans addressed at least those three primary issues.

#### VICE CHAIR SPEARMAN:

The other issue is cultural competency. The money will come with its own requirements, but to the extent possible, the State would make sure that

organizations of people who are participating in this have some level of cultural competency; otherwise, it will not work, especially in Black, Indigenous and People of Color (BIPOC) communities or in rural and frontier communities. You are talking about different cultures where people understand things differently, talk differently and have someone who has similar lived experience or understands the lived experiences of other cultures.

## **SENATOR RATTI:**

We made sure the analysis talked about inequities and built in engagement for a broad and diverse group of individuals, including those with lived experience. I do not know if we have pulled in cultural competency as part of the plan, but we can easily do that.

## SENATOR KIECKHEFER:

I am trying to understand the process for distributing the money. The way I read section 9, subsection 2, the State and different local government agencies and tribes may develop plans following the needs assessments. Is it a competitive grant process to fund them?

#### SENATOR RATTI:

The needs assessment would be performed and the plan created, and then section 9, subsection 1, paragraph (g), subparagraphs (1), (2) and (3),  $\frac{\text{Exhibit N}}{\text{Exhibit N}}$ , explain this process.

The idea is the needs assessment develops the plan, the plan performs the granting as well as the ongoing living work that comes out of the substance use task force.

## SENATOR KIECKHEFER:

I am confused by what the language in section 9, subsection 2, paragraph (a),  $\frac{\text{Exhibit N}}{\text{N}}$ , says about the establishment of the process to allocate the funding for the priorities and projects.

#### Dr. Woodard:

We worked closely with the counties to find a way to develop equitable distribution of these funds while the State has the ability to retain some of these funds for statewide programming. They are not competitive grants based on population and/or impact to those direct communities in addition to what we would consider a base.

We heard earlier these dollars may not come in all at once. They will likely come in a staggered fashion, and some of the settlements may actually be protracted over the course of several years. Not knowing how much money we may have to use, this seemed like the best way to move forward depending on how much money is in the account, what is determined for investments and what is determined to be distributed to the communities.

# SENATOR KIECKHEFER:

We have the Fund for a Healthy Nevada. I worry creating the Nevada Fund for Healthy Communities would have us duplicating our efforts.

## **SENATOR RATTI:**

The original intent was all capital, so it was just going to be the healthy Nevada fund capital account. Part of the premise of the bill is that we have the internal capacity in terms of grant allocation and distribution. For things we do on a Statewide impact, we either collaborate with the counties or subgrant to counties and nonprofits with our Behavioral Health Block Grants. The State Health and Human Services workforce is a combination of people who facilitate the work of other people and some who do direct services.

Philosophically, the concept is more the flow through and facilitating the work of people because every individual lives in a neighborhood, in a city, in a county, in a state. If there are concerns around that, we can strengthen the language to say the State can consider its own needs in addition to the needs of the counties and come up with the correct name for the fund.

#### Dr. Woodard:

To Senator Kieckhefer's earlier question, we will be requiring counties and tribes that receive opioid recoveries to inform us and ensure it is incorporated in developing and improving their plans. We want those plans to be updated no less than every three years knowing we may be having dollars distributed for a considerable period of time.

#### VICE CHAIR SPEARMAN:

There is not enough diversity to comment on the things that need to happen in various communities by those determining who will receive the grant and how much they will receive. Representation matters to the extent possible to make sure it is representative of county to county, state to state; what does that look like?

#### SENATOR RATTI:

That is woven well within the document. We can take another look at it from the decision-making lines and ensure we are checking all of the boxes.

I will move on to the second part of this bill. We now have the final approval on the establishment of the 988 national suicide prevention and mental health crisis hotline. Part of the continuum of care for behavioral health and substance use disorder is a focus on crisis and what kind of a response individuals in crisis need.

Today when people are in crisis, they are most likely to call 911 and get the operator who will ask them if the call is for police, fire or medical. If you are in a behavioral health or substance use crisis, often those are not the correct questions. This is a national movement to divert behavioral health crisis calls out of the 911system and more appropriately received by a behavioral health crisis system built off the National Suicide Prevention Lifeline model.

## Dr. Woodard:

I will be sharing a slide presentation on the 988 line (Exhibit P). There is a specific section in the bill that addresses the National Suicide Prevention Lifeline which will soon be known as the three-digit number 988. National guidelines have been developed for a coordinated crisis continuum of care. Essentially, this coordinated crisis system of care ensures when individuals are in crisis, he or she has someone to talk to, someone to respond to them, somewhere to go, and the services and supports provided are based on best practices. These guidelines have been the foundation of the work Nevada has undergone Statewide and regionally over the past three years.

Slide 2 of the presentation, <u>Exhibit O</u>, explains 988. In 2020, the Lifeline nationally fielded nearly 2.4 million calls. Nevada's lifeline had 83,000 contacts in 2019. Over 19,000 of those contacts were from Nevada, and 9,000 of those contacts were text messages from youth under the age of 18. These crisis calls and texts were from all over the State: 25 percent from Washoe County, 31 percent from Clark County, 18 percent from the rural counties and 26 percent of the calls from unknown locations; but from Nevada.

With an easy-to-remember and dialed number like 988, the lifeline hopes to reach many more individuals in emotional crisis. By July 2022 when people have an urgent mental health need, they will call 988.

Slide 3 covers the 988 call projections. In order for the 988 line to be operational within states, we are essentially changing the ten-digit telephone number for the National Suicide Prevention Lifeline to the three-digit number. There is a projected number of increased calls. Nationally, these calls are projected from anywhere between 6 million and 13 million to high projections from 12 million to 41 million over the course of 5 years.

The reason for the increased call projections is the calls will include not only existing lifeline calls served by 988 but calls diverted from other existing crisis lines, 911 and potential new callers in the community who choose to call 988 should they be in a behavioral health crisis. These call projections are essential when Nevada is determining how to grow our 988 call center. We are awaiting our State-specific projected call estimate. This will be essential in our planning and preparation for going live in July 2022.

Slide 4 explains how 988 is the foundation for crisis care. There are gaps within the crisis system in our communities. We have spoken with this Committee and the Interim Committees around the need for crisis services. Primarily, we rely on 911 which triggers the emergency response through emergency medical services (EMS) and law enforcement, sometimes with tragic outcomes. The ideal crisis system would match the right intervention to the right person, at the right place and at the right time. It is estimated that approximately 80 percent of individuals who call a crisis line have their issues resolved over the phone. Without such services, individuals may forego the care they need or unnecessarily use high-cost services such as emergency rooms.

In 2020 when we did the mapping, we found there were still significant gaps in the capabilities of Nevada's crisis call line that will need to be addressed in the implementation planning for the 988 system. In Nevada on any given day, we have more than 90 individuals waiting in emergency rooms for inpatient care, many of whom could be and should be better served within other care settings. In 2020 alone, we had just under 18,000 visits to emergency rooms by individuals who had a diagnosis of either suicide attempt or ideation.

We know from some of the mapping done that our rural areas have significant access-to-care issues. Because of this limitation, law enforcement is often used to transport—sometimes five individuals in seven hours—to urban areas to ensure individuals being seen by a behavioral health professional. By expanding access to

988 and the additional crisis services, we can ensure individuals are served adequately in their community whenever possible.

The overutilization of emergency services within EMS and law enforcement continues to resolve costly use of critical public safety resources, lengthy wait times and sometimes a mismatch of intervention to needs.

Slide 5 reviews the National Suicide Hotline Designation Act of 2020 and what it requires. The National Suicide Designation Act passed in 2020 and became a law in October 2020. We need to go live and have that rolled out by July 16, 2022. We anticipate significant growth in the number of calls projected to the 988 line, so we need to prepare our system to answer those calls and do the critical work of connecting those individuals to additional care should it be needed. That additional care may be community-based providers, mobile crisis teams or crisis stabilization centers.

At the federal level, legislation authorizes states to establish a fee, and that fee will be established in a fund. That fund should be sequestered to be obligated and expended only in support of 988 and crisis services. We are looking at a go-live date of July 16, 2022, regardless of whether we generate additional funding or not.

Slide 6 reviews the guiding principles of the 988 line. These include making sure 988 is universally available by call, text or chat. Chat is an extension of what is already available through our crisis support services. We want to ensure these calls are consistently responded to with services in line with best practices and a localized response.

Slide 7 shows the national landscape of crisis legislation. Nevada is not the only state proposing legislation. We have two states that have signed similar bills into law, Washington and Virginia. Three states have bills passed through at least 1 house, and 14 additional states have introduced legislation based on some of the model legislation developed at the national level.

Slides 8 and 9 cover the 8 core elements for the implementation plan. In tangent to this legislation, 49 other states have been granted a planning grant. At the national and federal levels, they see the importance of states preparing to go live in July 2022. We are implementing the planning grant which requires us to establish an implementation plan to be submitted by August. Each of the eight core elements

must be addressed in the plan. The plan will be addressing the elements listed on Slides 8 and 9.

Additional resources are shown on Slide 10 should any Committee members want to refer to the community mapping I identified earlier. We did some lengthy community mapping by state and by region, including looking at all assets and gaps across the entire crisis continuum of care.

#### SENATOR RATTI:

The proposed amendment, <u>Exhibit N</u>, changes the mental health crisis to behavioral health crisis to be more inclusive in the language. Bottom line, this bill seeks the authority to raise the fee authorized in federal legislation. Once the 988 line goes live, call volume will increase. Our lifeline is operational now, but if the resources do not keep up with the volume of calls, people will wait to have their calls answered when they are experiencing suicidal ideation. That is the worst possible outcome.

We do not get to choose when it goes live. We have the planning grant to which the State is processing data and analysis of how many calls may merit a fee that makes sense. Rather than putting a dollar amount on that fee in statute, it is allowed in regulatory process because we do not want to under-shoot or overshoot the law.

Today's 911 fees in our State range from \$.45 to \$1.25 per month. This range is because 911 is driven at the county level. Counties have different rates they have assessed. Other states' fees have been in the 30-cent range. Rather than guessing, the regulatory process would allow for a look at the data to decide what we need and set the fee. National campaigns to promote the 988 number will create an influx of calls, so it is important we turn the 988 line on and ensure sure we have the resources to respond to these calls.

Utah just passed its bill. In addition to establishing a rate, the state did a \$16 million allocation to do the interoperability work that could get everyone ready for 911 and 988. We are not asking for that at this point, but we are asking to not leave the lifeline hanging without the resources it needs once it is live.

#### SENATOR KIECKHEEER:

Is it possible for this first allocation of settlement funds from the Office of the Attorney General to fund the stand-up of the 988 line so we can see the volume and get a better idea the ongoing resource needs?

# SENATOR RATTI:

The 988 fee money is less about the stand-up and more about the ongoing operating costs. This is more about the first-tier money the Crisis Support Services of Nevada would need to add extra staff to answer additional calls, texts and chats. While there could be a large amount of money coming our way, it is not necessarily sustainable ongoing money.

Analysis based on the \$45 million settlement would have come to us. Language in that \$45 million settlement directs where money should go for the opioid impact, and we would have to make the argument that everything in the crisis response system has that nexus to the opioid impact.

It is unknown where that allocation will go. Dr. Woodard and I have discussed stand-up dollars and the American Rescue Plan. In terms of one-shot monies, particularly on interoperability between 911 and 988, I will vote for everything we need to spend that money on.

This is about the ongoing dollars, year in and year out, the actual services to be provided through the phone lines, and any excess can trickle down to the mobile outreach teams and stabilization centers.

#### SENATOR KIECKHEEER:

How much funding do we allocate toward this now?

#### Dr. Woodard:

Through the Bureau of Behavioral Health Wellness and Prevention, Crisis Support Services of Nevada receives just under \$1.1 million. The intent going forward is the funds generated through fees, and the fund would not supplant, but supplement those funds. We continue to commit funding as long as it is available, including eligible federal grants we applied for and used to help the Crisis Support Services of Nevada to do that work.

#### SENATOR KIECKHEFER:

Is there an anticipated reduction in 911 workload?

#### **SENATOR RATTI:**

Initially, no. There is hope that over time that would happen. The front end of this will be more about collaboration and interoperability, so there may potentially be more work for 911. We need them to update their protocols to triage calls appropriately to do a handoff to the 988 team when the calls come in to them. On the front end, and until enough of the public gets trained to call 988, they will have the same workload; they will just be routing the calls to a different place.

#### VICE CHAIR SPEARMAN:

Is 8 percent of the funding going to be used for administrative purposes?

## **SENATOR RATTI:**

Up to 8 percent will be used for administrative purposes.

## Dr. Woodard:

We added the standard 5 percent administrative cap; the 8 percent are the indirect fees. If we are providing grant funds to any entities, they can charge no more than 8 percent in indirect fees to those costs.

#### VICE CHAIR SPEARMAN:

It will be important for staff to look like the people we serve. If we do not state this in the bill, it is easy to overlook. Diversity in the staff is crucial.

The language barrier and 911 have been an issue happening in several areas where I live. If there is a way to identify the most prominent languages for an area, that would be helpful, unless the calls go into a central location and are then passed on to specific places. What can we anticipate in terms of language challenges?

# **SENATOR RATTI:**

This is building off the suicide crisis lifeline already in place. Language access is a significant part of the work they have done. It is baked into the bill, and as you stated, not every language is available all of the time. Because we are talking about suicide crisis response, in many cases that has been anticipated.

A directive about staff would put human resources policy into a bill that I am neither sure would fit in nor sure what we could do in terms of mandating diversity for staff. In many of the efforts you are working on, we will make that a priority. I am unsure we can tie it to a specific program. Adding input and decision makers on all stakeholder engagement can be tackled in this.

#### SENATOR HARDY:

If we recognize the power faith-based organizations have, even if they "aren't" the employee but the power in knowing about 988, we will get at what we are doing. If we do not have the trust of faith-based organizations, the look-alikes, we lose instead of gain. To look-alike, sound-alike, worship alike and be alike are critical for the process. Whether they are hired or not, they need to be involved.

# **SENATOR RATTI:**

They are explicitly referenced on the opioid settlement planning and stakeholder engagement process. There are no details in the bill about the 988 rollout, but faith-based organizations would be part of the strategy.

ROBIN REEDY (National Alliance on Mental Illness):
I will read from my written testimony (Exhibit Q) in support of S.B. 390.

MARY WALKER (Carson City; Douglas County; Carson Tahoe Health System): I am representing Carson City, Douglas County and Carson Tahoe Health System in support of <u>S.B. 390</u>. There is also a written statement (<u>Exhibit R</u>) in support of S.B. 390 from Alan Garrett, President and CEO of Carson Tahoe Health.

<u>Senate Bill 390</u> is the best opportunity I have seen in many years for the State working in partnership with local government, healthcare providers and many nonprofit stakeholders to fund and improve mental health services in Nevada. Often, mental health programs are the last to be funded and the last to expand services. With <u>S.B. 390</u>, significant advances can be made to help people with these needs on the ground, not only with opioid funding but with the implementation of a suicide prevention lifeline.

I appreciate the thoughtful approach to developing a comprehensive grant system as provided in <u>S.B. 390</u> and its proposed amendment, <u>Exhibit N</u>. This bill has several checks and balances including reporting requirements and limitations to the use of the funding, which will mean there is an effort to ensure every dollar will count.

### OMAR SAUCEDO (AT&T):

By way of standing in support of <u>S.B. 390</u>, AT&T provides traditional landline service, voice and wireless service—essentially, all the areas of voice service in Nevada. We have seen numerous 988 bills to fund suicide prevention and mental health crisis operations introduced in other states. As a result of the new federal

law, some states have elected to implement a surcharge similar to what is proposed in <u>S.B. 390</u>, while other states have paid for the program with general fund dollars. We hope to continue to work with the bill sponsor to ensure the surcharge funding base is equitable and includes technologies as similar bills in Colorado, Idaho and Kansas have considered and passed.

In an effort to ensure transparency, we respectfully encourage an ongoing process for consumer dollars collected under this surcharge being periodically reviewed and adjusted based on the actual direct cost of the crisis centers that respond to these 988 calls. Likewise, once we have worked through the implementation and start-up costs, it would be reasonable to expect the surcharge could be adjusted downward based on the ongoing budget needs.

It is important to note the federal 988 law provides specific language as to what surcharge funds can be used for under this act. This is relevant because voice and wireless services are regulated at the federal level, not the state level. The states' authority here is narrowly defined.

As the bill makes its way through the legislative process, we would appreciate the opportunity to take part in any working group or stakeholder meeting and in any task force charged with the implementation of this important program.

### JENNIFER CLAYPOOL:

I support <u>S.B. 390</u>. I have been a volunteer on the National Suicide Prevention Lifeline and a caller to the lifeline. I know what a valuable resource it can be. When you are in the deepest, darkest time of your life, trying to remember a ten-digit phone number can be almost impossible.

Once the 988 line is operational, many people in the frontier and rural parts of Nevada may want to help but cannot get to the crisis centers where the calls will come in. Moving forward, it is my hope there will be plans to implement rural crisis centers for those individuals to receive and provide help.

JAMIE RODRIGUEZ (Washoe County): Washoe County supports <u>S.B.</u> 390.

CHRISTINA CAPPELLO (American Foundation for Suicide Prevention):

The American Foundation for Suicide Prevention supports <u>S.B. 390</u>. We are the leading national not-for-profit organization exclusively dedicated to saving lives and

bringing hope to those affected by suicide. Our local Nevada chapter carries out this mission across the State through research, education, advocacy and support efforts.

I stand in support of <u>S.B. 390</u> as a survivor of suicide loss and in support of my loved ones, including my mother, who have struggled with their mental health and have called the National Suicide Prevention Lifeline. While factors leading an individual to attempt suicide are complex, many of the impacts of Covid-19 are associated with increased risk of suicide including social disconnection, anxiety, depression, substance use, loss, grief and lack of access to physical and mental health care.

We do not yet know the impact on suicide rates. There could be increases in suicide risk if community cohesion diminishes and less attention is paid to intentional social connections, proactive resilience and mental health self-care, and the importance of engaging mental health treatment. Statewide crisis call centers and crisis response services need more resources and funding to build capacity and response to growing community crisis needs.

Soon, callers experiencing a suicide or mental health crisis will call 988 instead of 911 to receive appropriate care and mitigate unnecessary law enforcement involvement. Reliance on law enforcement often means people suffering from mental illnesses are put through an expensive and traumatizing revolving door as they shuttle between jails, emergency rooms and the streets.

Ms. Jacob:

Clark County supports S.B. 390.

GERARD KEEGAN (Cellular Telecommunications and Internet Association): I will read from written testimony (Exhibit S) in neutral to S.B. 390.

RACHELLE L. PELLISSIER (Crisis Support Services of Nevada):

Crisis Support Services of Nevada was established in 1966 as an all-volunteer, 24-hour suicide prevention hotline to address the high rate of suicide in Nevada. Crisis Support Services is one of the longest running crisis call centers in the Nation and the lifeline call center for the entire State. Any calls from Nevada area codes from the lifeline number 800-273-8255 come into our facility. We are also one of only nine national call centers that receives calls from other regions when their call centers are overwhelmed.

When 988 is implemented, all calls from Nevada will come into our facility. It will allow Nevadans in a behavioral health crisis to easily access crisis intervention services because they will not have to find and call a ten-digit number. For too long, our system of mental health crisis services has been underfunded and undervalued. It is time to meet this challenge with the evidence-based crisis intervention and care systems the 988 crisis line will provide.

Senate Bill 390 will allow us the vital funding sources we need to provide the crisis intervention Nevadans need and deserve. Our answer rate of lifeline calls is approximately 80 percent, and the queue time averages 65 seconds. In a crisis, 65 seconds is a lifetime. When 988 is implemented, it is estimated the call volume will increase up to 30 percent. If we do not fund the system through this bill, we will not have the appropriate resources to address this increase in volume which means answer rates will plummet and wait times will increase. We will not have the resources to help implement the vital mobile teams and crisis stabilization centers across the State.

Crisis Support Services of Nevada supports S.B. 390.

#### SENATOR RATTI:

We have been in contact with AT&T that asked us about including additional lines. Our legal counsel looked into it, and the authorizing language at the federal level only calls out cell lines; therefore, that is what we can include. AT&T has worked on this in other states and will provide me with additional information to see if it gets a different assessment. We would ultimately like to include all lines as this would generate additional revenue and keep the fee lower for everyone else.

VICE CHAIR SPEARMAN:

I will close the hearing on S.B. 390.

### CHAIR RATTI:

I will open the hearing on S.B. 325.

**SENATE BILL 325**: Establishes provisions relating to preventing the acquisition of human immunodeficiency virus. (BDR 54-632).

SENATOR JAMES A. SETTELMEYER (Senatorial District No. 17):

<u>Senate Bill 325</u> and the proposed amendment (<u>Exhibit T</u>) seek to allow pharmacists to prescribe a protocol authorizing pharmacists to dispense drugs that prevent the

acquisition of the human immunodeficiency virus (HIV) and set forth the ability for them to do such things as testing and other matters.

We are experiencing a healthcare shortage in Nevada, and we need more doctors. This bill seeks to try to bring in another avenue for individuals to receive drugs for preventing the acquisition of HIV.

# ELIZABETH MACMENAMIN (Retail Association of Nevada):

In Nevada, we experience the lack of health care or the ability for some to receive health care. Throughout the Covid-19 pandemic, community pharmacies have been granted an increased authority to provide enhanced access to essential medicines and clinical care, for example, the testing and immunizations they have been providing throughout the Covid-19 pandemic.

Effective deliveries of these care services have further underscored the value that a pharmacist and pharmacy team offer to best meet the healthcare needs of their communities. An estimated 1.1 million people are living with HIV in the United States, and 14 percent, 1 in 7 people, are unaware they are infected. Community pharmacies provide affordable quality healthcare services and can improve access to HIV testing and preventative medications for those who need it while at the same time addressing the health disparities we have in Nevada.

The number of HIV infections disproportionately affect minority populations, including Black and Latino individuals which represent 69 percent of all new HIV diagnoses. Pharmacists and their staffs are standing ready to provide expanded, timely and convenient access to HIV testing and prevention through increasing access to and use of the pre-exposure prophylactic (PrEP) or post-exposure prophylactic (PEP).

Nevada law should be modernized to enable pharmacists to provide public health services to its citizens. Twelve states have taken steps to expand access. This information is included in the pre-exposure prophylaxis articles (<a href="Exhibit U">Exhibit U</a>), Secondary HIV Prevention by the U.S. Department of Veterans Affairs (<a href="Exhibit V">Exhibit V</a>) and state information (<a href="Exhibit W">Exhibit W</a>).

# ANDRE WADE (Silver State Equality):

The HIV virus weakens a person's immune system by destroying cells that fight disease and infection. Although there is no effective cure for HIV, it can be managed and controlled through medication. There are various modes of

transmission for HIV such as sex and drug injection equipment. However, there are ways in which HIV transmission can be prevented by the use of medication such as PrEP, which has about a 99 percent effective rate, or PEP, which has about a 90 percent effective rate depending on the mode of transmission.

A five-year Ending the HIV Epidemic: A Plan for America was developed in response to the guidance provided by the Centers for Disease Control and Prevention (CDC). Nevada has been unquestionably impacted by the HIV epidemic with the highest rate of new infections in the western United States. Furthermore, large racial ethnic disparities exist in HIV transmission, particularly among the Black population as mentioned previously.

Four pillars defined by the CDC include diagnose, treat, prevent and respond. Focus groups across the State were conducted by the End the HIV Epidemic group to allow people to weigh in on shaping the plan to end HIV in Nevada. In these focus groups, access to acknowledge PrEP and PEP has been identified as an important strategy. A strength related to prevention includes the trust people have in local community clinics and organizations.

A goal for the Ending the HIV Epidemic Plan is to prevent new HIV transmission by using proven interventions including PrEP and PEP. Senate Bill 325 will help increase access to medication and services that can prevent the transmission of HIV by enabling pharmacists to provide medication to consumers. Today's law should fully recognize the ability of a pharmacist to order, administer, bill and be reimbursed for FDA-authorized tests. It would be a game changer for Nevada if consumers could access medications like PrEP and PEP with a single visit to the pharmacy without the need for authorization.

JOHN "ROB" PHOENIX (Huntridge Family Clinic):
I will read from my written testimony (Exhibit X) in support of S.B. 325.

# **SENATOR HARDY:**

I look at the pre- and post-exposure medications much like the Plan B One-Step morning after pill. The pharmacist does not need to make a diagnosis. One issue missing in the bill is follow-up care. If we get a positive test, the person ought to be under the care of someone. Pre- and post-exposure is vital.

It is critical that the pharmacist is in a position to make this happen. I do not want a person waiting for the next day, or days to follow, when you are supposed to see

your doctor in order to get a prescription. I want to make sure this is available for either or all partners who have been exposed. This is a critical option for people to have access to.

### KAYLYNN BOWMAN:

As a licensed pharmacist, I support <u>S.B. 325</u>. I have practiced for 14 years in Nevada. The legislation proposed in this bill will prove timely and equitable access to HIV preventative care in Nevada. We are experiencing a time where pharmacists can provide improved access to care that is convenient, private and affordable. Through a grant with Ryan White Part A Program, I work with patients living with HIV by providing medication adherence counseling, health education and risk reduction classes, along with wellness checks.

Making HIV preventative care through neighborhood pharmacies easily accessible to all persons in Nevada will help stop the spread of HIV. Pharmacists follow State protocols for immunizations and analoxum therapies and are skilled and capable of providing other clinical services, such as access to birth control and HIV preventive therapies. Pharmacists can order and perform laboratory testing and provide necessary drug therapy for preventing the acquisition of HIV.

This legislation also supports the requirement for public and private health plans including Medicaid to cover HIV prevention drug therapies, any related laboratory testing, prescribing and dispensing by a pharmacist at an equal rate of that by a physician, physician assistant or advanced nurse practitioner for similar services. It will also advance the profession of pharmacy in Nevada which will in turn improve the health of our patients.

### LEANA RAMIREZ:

I will read from my written testimony (Exhibit Y) in support of S.B. 325.

KENNETH KUNKE (Nevada Pharmacy Alliance):

I will read from my written testimony (Exhibit Z) in support of S.B. 325.

CHRISTOPHER REYNOLDS (Southern Nevada Health Consortium):

The Southern Nevada Health Consortium supports <u>S.B. 325</u>. This organization works to combat stigma around HIV by ending the HIV epidemic through community education and linkage to services. The HIV virus remains a significant public issue in Nevada as we rank fifth in the Nation for the number of individuals

newly diagnosed with HIV. There are people living with HIV in all 17 counties in Nevada.

One of the goals of the federal Ending the HIV Epidemic Plan is the reduction of new infections by 75 percent by 2025 and 90 percent by 2030. The Plan focuses on the 50 local areas that account for more than half of new diagnoses in the Country, and Clark County is one of the 48 counties listed. One of the ways to reduce those infections is to create access to PrEP which has shown to be over 99 percent effective in preventing the sexual transmission of HIV when taken as prescribed. Access to PrEP is an issue this bill helps to address. Nevada has a significant shortage of primary care providers, yet the majority of Americans live within five miles of a pharmacy and are able to access those services.

In addition to dispensing medications and ensuring patient safety, today's pharmacists are taking a larger role as medical counselors, educators and advocates, and have a greater accessibility in the community. It sometimes takes weeks to months to get an appointment with a medical provider; it is much easier to access and speak with a pharmacist. Unlike an appointment with a doctor, you have more than 15 minutes to address your issues.

As one of the more than 10,500 people living with HIV in Nevada, I would love to have had access to medications to prevent my HIV diagnosis. I would urge you to consider the changing role of pharmacists as a member of the medical care team, Nevada's role in ending the HIV epidemic and how eliminating the barrier of access to PrEP can impact the thousands of Nevadans at risk of acquiring HIV.

### MATT ROBINSON (Southern Nevada Health District):

The Southern Nevada Health District is neutral on <u>S.B. 325</u> and generally believes that any effort to expand access to preventative medicines should be embraced. It is critical that during the regulation creation process the proper standards of care protocols be adopted by the State Board of Pharmacy as is called for in the bill.

DUANE YOUNG (Deputy Administrator, Division of Health Care Financing and Policy, Department of Health and Human Services):

The Division of Health Care Financing and Policy recognizes there is a fiscal note. This is a budget-neutral initiative since it would transfer the cost of visits that would regularly occur under a primary care physician, advance practice registered nurse or physician assistant to a pharmacist. Transferring that to the pharmacist has no initial cost. However, there is a fiscal note for system upgrades.

The Division has taken steps to remove that fiscal note because the cost can be absorbed in other areas as similar bills would establish this provider type. We have notified the sponsor of this and taken the steps to remove that.

# CHAIR RATTI:

I will entertain a motion on S.B. 325.

SENATOR SPEARMAN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 325.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

### CHAIR RATTI:

I will close the hearing on S.B. 325 and open the hearing on S.B. 341.

SENATE BILL 341: Revises provisions relating to health care. (BDR 40-62)

SENATOR PAT SPEARMAN (SENATORIAL DISTRICT No. 1):

As Mr. James Baldwin said, "Not everything that is faced can be changed, but nothing can be changed until it is faced."

This bill is an effort to face systemic racism and structures of racial discrimination in Nevada and elsewhere that create generational poverty and perpetual, debilitating, economic, educational health hardships for people of color. Today, I received notice that the CDC agrees with Nevada. On Thursday, the CDC called racism a serious threat to public health thus becoming the latest and largest United States-based health agency to single out racism as having a profound and negative impact on communities of color and contributing to disproportionate mortality rates among people of color.

This bill is designed to not just recognize this exists but to ensure we are doing everything possible we can to correct it. The CDC also noted that communities of color suffered disproportionately in terms of contracting and becoming fatalities in Covid-19.

A friend of mine told me that people of European decent caught a cold with Covid-19, but people in BIPOC communities contracted pneumonia. With this bill, we can put things in place to address this.

The conceptual amendment (Exhibit AA) addresses the biggest sections of the bill. Originally, we said it would delete sections 6, 7, 12, 13, 14 and 15 of the bill. We are deleting the requirement for a task force and making changes in how these programs are funded.

It is critical we do this while focusing on making good changes; now is the time to act.

Sections 2 and 17 require the Division of Public and Behavioral Health (DPBH) of DHHS to apply for grants from the federal government and other sources to support the provisions of health care, promote the well-being, behavioral health and emotional well-being in communities with a higher risk of problems.

Before Governor Steve Sisolak issued the executive order, a number of things were happening in BIPOC communities. Those things were exacerbated by Covid-19. We had more illness and, as mentioned previously, mental and behavioral emotional health issues. Organizations in the community were picking up the slack. We had one funeral home owner and director, who is a counselor, and some pastors, who were fielding questions of sadness that came about from Covid-19, trying to reassure people that everything would be alright.

We pieced together things that would help get the community through this epidemic. A pastor, Pastor Robert Fowler of the Victory Missionary Baptist Church, whose presence in the community was so large many people considered him their pastor, passed away suddenly. The day we got the news, I was attempting to make contact with the pastoral staff to see if there was anything I could do but was unable to help out. While on the phone with one of our United States Senators, the pastoral senior staff said they were struggling because all of the members were asking what they should do, but they were having problems too and did not know where to turn.

<u>Senate Bill 341</u> is designed to ensure we are focusing on the needs of the BIPOC communities as they have been hit harder than anywhere else and to ensure monies that come into the State are distributed proportionately to those who have been affected.

JEANETTE BELZ (Otsuka America Pharmaceutical, Inc.):

Chronic kidney disease is the ninth-leading cause of death in the United States. An estimated 37 million people in the United States have chronic kidney disease, and over 40,000 people in Nevada are living with the disease. Early chronic kidney disease has no signs or symptoms and without early detection can progress to kidney failure. If a person has high blood pressure, heart disease, diabetes or a family history of kidney failure, the risk of kidney disease is greater. In Nevada, 10.7 percent of all adults have diabetes, and nearly 33 percent have high blood pressure. The prevalence of diabetes, heart disease and hypertension is higher for African Americans who develop kidney failure at a rate of nearly 4 to 1 compared to Caucasians. Hispanics have a 30 percent higher risk of developing kidney failure. Almost 19.5 percent of the people in Nevada waiting for a kidney identify as African American. In 2019, less than 7 percent of them received a kidney.

Although dialysis is a life-extending treatment, the best and most effective treatment for kidney failure is a kidney transplant. The waitlist in Nevada for a deceased donor kidney is 5 to 7 years; nationally, 12 people die every day waiting.

If chronic kidney disease is detected early and managed appropriately, the individual can receive treatment sooner to protect the kidneys, and deterioration of kidney function can be slowed and even stopped. The risk of associated cardiovascular complications and other complications can also be reduced.

It is imperative to provide support to those with kidney disease in light of the Covid-19 pandemic, the increased risk of infection to patients with preexisting conditions and Covid-19 patients acquiring acute kidney disease.

These are the reasons support is needed for the establishment of the Kidney Disease Prevention and Education Task Force. There are two main charges for the Task Force in the bill. First, to create health education programs and recommendations to increase awareness of and examine chronic kidney disease, transplantations, living and deceased kidney donations, and the existing disparity in the rates of those afflicted between Caucasians and minorities.

Second, to develop a sustainable plan to raise awareness and early detection, promote health equity and reduce the burden of kidney disease throughout the State. This will lead to educating the public about the disease, especially for our more vulnerable populations, resulting in cost savings for the healthcare system and improved quality of life.

The DHHS is supportive of the public health focus of this proposal. Although there may be some cost, an opportunity for short-term investments has long-term benefits for the State and Nevadans.

Donna Spearman waited as long as she could to testify today in support of <u>S.B. 341</u>. She is a chronic kidney disease patient and wholeheartedly believes in the benefits of supporting this Task Force.

FRANCO REYNA (National Kidney Foundation):

I will read from my written testimony (Exhibit AB) in support of S.B. 341.

CINDY VALLETTE (American Kidney Fund):

I will read from my written testimony (Exhibit AC) in support of S.B. 341.

### **SENATOR SPEARMAN:**

Donna Spearman did tell me she wanted to testify today. She has been on dialysis for three years now. Some may remember when she was helping me out administratively. Her stage 3 kidney failure was advancing to stage 4, and she had to stop.

Kidney disease is a horrible thing for families to go through. One of my younger brothers was diagnosed with stage 3 kidney disease and recently passed away. He also had high blood pressure and had been diagnosed with diabetes.

Kidney disease, kidney failure, diabetes and high blood pressure are prevalent in BIPOC communities. In 2017 and early 2018, I was getting a checkup at a military hospital, and the doctor had me do some lab testing. At the third visit, she told me I was at a prediabetic stage and had to lose some weight. I had gained weight due to the steroids I was taking for asthma. I immediately changed my food intake and was able to lose weight which brought me back from the brink.

This is something we can control and help reduce if we focus on it. We keep talking about doing something about mental, emotional and physical health in BIPOC communities. If we do nothing, it is like someone yelling your house is on fire and not calling the fire department.

#### CHAIR RATTI:

Looking at the conceptual amendment, <u>Exhibit AA</u>, there are four items. Item 1 deletes sections 6, 7, 12, 13, 14, and 15. Those sections of the bill are identical to

another bill which passed out of the Senate Government Affairs Committee today. If both of these bills pass and get amended in any other form as we go through the process, the potential is there for a conflict. It is my understanding you wanted to amend out these sections to avoid that conflict, is that correct?

### SENATOR SPEARMAN:

That is correct.

#### CHAIR RATTI:

Item 2, <u>Exhibit AA</u>, deletes the sections relating to the Kidney Disease Prevention and Education Task Force and Fund including sections 3, 4, 5, 18 and 19. Based on your testimony, you would like to strike that part of the amendment and keep the Task Force in, correct?

### **SENATOR SPEARMAN:**

The Task Force is where the fiscal note came in. If we delete the Task Force, it is my understanding the fiscal note will go away, and we can proceed with grant funding from the government and other appropriate agencies.

#### CHAIR RATTI:

If you delete those sections, there will not be a Task Force.

### SENATOR SPEARMAN:

I understand.

#### CHAIR RATTI:

Do you want to leave those sections in and keep the Task Force, or do you want to pull those sections out and take out the Task Force?

### SENATOR SPEARMAN:

Take out the Task Force.

# Ms. Belz:

I did speak to DHHS, and it indicated not all of the fiscal note was related to the Task Force, only a portion. If the Task Force is removed, it takes out about half of the fiscal note. Also, DHHS said there would be some opportunity to talk about whittling that down, perhaps based on some changes in expectations of the Task Force, like frequency of meetings, scope of material they would look at as well as some other things. There would still be a fiscal note, but I cannot speak to

how large it would be. The DHHS said it was an important public policy from a public health standpoint, and there would be an opportunity to talk about that. My impression is that it would not remove the fiscal note, just make it smaller.

### SENATOR SPEARMAN:

We talked about section 2, applying for available grants from the government and other sources. Whatever we have to do to eliminate the fiscal note, scaling back some things and adding others, I am willing to do it.

This bill is extremely important, and I do not want to take out the portion about kidney disease education. At the same time, we are talking about part of the problem that led to susceptibility for Covid-19 and for increased mortality rates among BIPOC communities. I do not know what money may come to Nevada, or what has already come. If we take out the items where the fiscal note would stand, it is my hope that DHHS and DPBH would look at how these communities have been ravaged by Covid-19 and provide something proactive so when the next pandemic hits, the same communities do not have to pay the same price.

### CHAIR RATTI:

Sections 3 and 4 clarify the grant process. The original language in the bill was from "any source, including without limitation," which left the impression that DHHS would need to apply for any grant that dropped in its lap whether appropriate for the State or not. By modifying that language to "and other sources" instead of "any," that removes the other part of the fiscal note.

My understanding is that sections 3 and 4 remove the fiscal note related to the grant writing process, and sections 3, 4, 5, 18 and 19 are related to the Task Force.

To clarify, to remove the grant writing portion of the fiscal note, you would like to keep items 3 and 4 on the amendment, as in that modifier changing it to "and other sources," so DHHS is still directed to write grants but not necessarily every grant that comes its way, is that correct?

SENATOR SPEARMAN:

That is correct.

#### SENATOR KIECKHEEER:

If we are instituting a new competitive grant process, work goes along with this that DHHS may want to look at. The creation of a new account, and the fact that funds going into that account are based on the legislation, would revert to the State General Fund and carry forward; that is something we do not usually do. Section 8, subsection 1 of the bill creates a new Minority Health and Equity Account in the General Fund. For the purposes of whether the bill goes to Senate Finance, some provisions in this will have to be discussed by the Finance Committee regardless of the provisions we just discussed.

# CHAIR RATTI:

Senator Spearman, I would leave the Task Force in the bill. As indicated by Ms. Belz, there is opportunity for a conversation about the degree of the fiscal note and what Senator Kieckhefer has mentioned.

# **SENATOR SPEARMAN:**

Creating the new account was something brought to me by the Director of the Office of Minority Health and Equity. It was designed to make sure the Office has what is needed to attack these diseases. We can keep that in the bill and justify the request if it should go to Finance.

I want to ensure these communities get what they should. This bill is a result of being frustrated last Session because of no way to get money targeted to these communities, and people are dying.

#### CHAIR RATTI:

Item 1 of the conceptual amendment deletes sections 6, 7, 12, 13, 14 and 15 as they are replicated in another bill.

Item 2 will be put back into the bill. Everything having to do with the Task Force will be added back.

Items 3 and 4 direct DHHS to apply for grants, but not just any grant available, and this removes the fiscal note.

# SENATOR HARDY:

If we passed this bill in Senate Government Affairs without a fiscal note and we put a fiscal note on it, we have not lost anything except the bill will have to go to

the Finance Committee. We need not be afraid of a fiscal note because we have another avenue if something comes up.

### CHAIR RATTI:

The sections in item 1 being removed are something different. They have language that talks about how the State appropriates money specifically to health care and makes decisions to ensure the money is correctly appropriated to impact disparate communities of color. The sections being removed have not been part of the discussion so far. This separate concept now lives in two bills that we are attempting to make into one bill.

#### SENATOR KIECKHEFER:

My understanding of the proposed amendment, <u>Exhibit AA</u>, as revised by the sponsor, leaves in sections 16 and 17 which have to do with behavioral health care and managed care. We have not talked about those.

#### SENATOR SPEARMAN:

The concern from the MCOs is the word strategies, and what strategies speak to. We need to come up with a way to not only treat what is happening now but to have the strategy make sure we reduce the incidence. If another word would give them comfort, I am willing to use that.

### SENATOR KIECKHEFER:

What is your intent with the language in the bill?

#### SENATOR SPEARMAN:

The intent is to ensure this bill, along with the bill that passed out of Senate Government Affairs, speaks to the inadequacies of the healthcare system we experienced last year. Prior to Covid-19, the healthcare system was still failing BIPOC communities.

The intent is that physical, emotional and behavioral health in BIPOC communities becomes a priority. That includes making sure we identify the issues and strategies to help us treat what is here now and reduce the incidence of those diseases at a later date.

# REGAN COMIS (Anthem Blue Cross):

Anthem Blue Cross is neutral on <u>S.B. 341</u>. With regard to section 16 of the bill, we have had a discussion with Senator Spearman and will continue to work on this.

BETH HANDLER, M.P.H. (Deputy Director, Programs, Department of Health and Human Services):

The conceptual amendment, <u>Exhibit AA</u>, which includes the deletion of sections 6, 7, 12, 13, 14 and 15, is related to the Task Force. We did talk about how the Task Force could be reinstated within the bill.

The revisions to sections 2 and 17 include the language that removes the "any source, including, without limitation" and adds "and other sources" following the reference to the federal government. This would allow us to remove the fiscal note submitted by DPBH.

#### CHAIR RATTI:

By putting the Task Force back in the bill, the fiscal note associated with that would stay with the bill, correct?

# Ms. Handler:

The understanding is that there is staffing within the agency to help support the Task Force. The agency would still want to revisit that language.

TINA DORTCH (Program Manager, Office of Minority Health and Equity, Department of Health and Human Services):

I will read from my written testimony (<u>Exhibit AD</u>) in the neutral position on S.B. 341.

# CHAIR RATTI:

I will entertain a motion on S.B. 341.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED S.B. 341.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

# CHAIR RATTI:

I will close the hearing on <u>S.B. 341</u> and open the hearing on <u>S.B. 397</u>.

**SENATE BILL 397**: Revises provisions relating to certain persons who remain in foster care beyond the age of 18 years. (BDR 38-502)

SENATOR JAMES OHRENSCHALL (Senatorial District No. 21):

I will read from my written testimony on <u>S.B. 397</u> (<u>Exhibit AE</u>) and the proposed amendment (Exhibit AF).

### Ms. Duffy:

The Clark County amendment, <u>Exhibit AF</u>, is a product of discussions with child welfare agencies and legal services. This amendment will ensure we are meeting federal requirements to bring down federal matching funds to support the program and assist children aging out of foster care.

Section 1 clarifies the State Division of Child and Family Services is the entity that will establish a Title IV-E program for the State. The original bill had an individual accounting agency seemingly and potentially in control of that.

Section 2 adds the term "young adult." This will respect the fact that these people are no longer children but are young adults between the ages of 18 to 21 years, who choose to participate in a plan of extended support services. If they initially decline to participate in that plan, they may choose to come back between the ages of 18 to 21 years to once again participate in the plan.

This section also defines extended support services and lays out the criteria the plan must include, such as education, employment and vocational training, unless the young adult is unable to participate in these areas due to a medical or cognitive issue.

Section 4 adds new language to participate as a young adult in an extended support service program as this program will be Title IV-E reimbursable, which is the federal funding we will use. For Clark and Washoe Counties, it is 100 percent General Fund to support children aging out of foster care. This bill will change that allowing us to pull in Title IV-E federal money much needed by the State.

Section 7 will make the program Title IV-E reimbursable.

Section 1 has the agency creating the plan. Section 2 allows for the direct payment of money to foster homes, supervised independent living placement, which can be with relatives or fictive kin, and other Title IV-E placements approved by the federal

government. This can also be from payments made directly to a vendor of apartments or condominiums for mortgage payment, or other providers of housing or independent living services. We may also pay the funds directly to the young adult.

If the payments go to a vendor or independent living placement, they may be in full or a partial payment. That would mean if rent is \$500 a month and the payment is \$775, we could pay \$500 a month to the provider of placement, and the balance would go to the young adult. If the plan is for the young adult to get the payments directly, he or she must get the full payment.

The newly added section 7, subsection 4 allows that young adult to alternate between the three types of payments. If you have children or young adults in your life who move out and you provide them with \$500 a month to pay their bills and you find out they are not using the money appropriately, they may need to be brought back into the household. Or perhaps they have come upon a hard time and would rather have someone pay for their basic needs. There are on- and off-ramps in order to help young adults become independent.

Section 8 is mostly conforming language to add the term "young adult" in place of "child" and "extended youth support services plan" in place of "jurisdiction."

In section 8, subsection 4, paragraph (c), we are ensuring young adults retain their legal decision-making authority as adults. Even though they remain under court jurisdiction and child welfare agencies are still in those young adults' lives, at the suggestion of our legal aid services, we wanted to make clear they have their own decision-making authority. They are 18- to 21-year-olds; at some point, we have to let go and let them make their own decisions.

Section 8 also ensures our young adults, who have either made an initial decision not to participate in the plan of extended support services or at some point between the ages of 18 to 21 may have been terminated from that plan for not meeting the requirements, are able to re-establish the plan. If the young adults want to get back into the system, the statute will require the child welfare agency or a contracted agency to assist them. In Clark County, we have Step Up offering assistance. We may also refer them to the legal aid service agencies that would represent young adults.

Section 9 is conforming to the new terms of "young adult" and "extended support services."

Section 10 creates the judicial review process which is a requirement for the federal Title IV-E program. This section would provide for notice of the review hearing to young adults and the attorney for them. However, it would not require that the young adult attend the review hearing. It also allows for a court to appoint a panel to conduct the annual review.

A panel would not be in a traditional courtroom setting. Experts would sit around a table talking about ensuring we are providing the correct services, have input from the young adult's attorney, and that plan would be reviewed for the reasonable efforts the agency is providing to support the youth into adulthood.

This amendment, Exhibit AF, changes the original bill to create one program with on- and off-ramps for youth aged 18 to 21. When we were 18 to 21 years old, I am sure we all had our struggles financially trying to find our way in life and reaching out to our parents or family members for help. We want to do the same for children aging out of the foster care system. It is one program that has children who need to be working, going to school or a vocational program and then having that support as they transition to self-sufficiency at the age of 21.

BAILEY BORTOLIN (Nevada Coalition of Legal Service Providers):
Our program, Step Up, the contracted team that works through the County, works well, is something we are proud of and makes a big difference in children's lives.

As Senator Ohrenschall mentioned, this started in 2011 before there was a federal option to extend foster care. States are doing this in a wide variety of models, and we have looked at those models. Nevada should be proud of what it has been doing and the service work provided to these children when they turn 18 years old.

We have worked hard to make sure we can draw down that 35 percent match from the Title IV-E funds and not jeopardize what we are doing to serve these children. It is our intent to continue to do this work. There are some improvements in this bill to the way the structure worked previously. Not every child who reaches the age of 18 wants to sign up to stay in the foster care system and continue to receive help. They may regret that choice, and right now they do not have the option to come back if they walk away.

Respect language in the bill ensures we are treating these children as young adults, respecting their autonomy and assisting them to the best of our abilities. This has been a team effort, but we have something that has been thoroughly thought through.

### SENATOR KIECKHEFER:

If we set aside Title IV-E funds shifting to this program, is this better for our children than the one we now run?

TIMOTHY BURCH (Administrator of Human Services, Department of Family Services, Clark County):

We do believe it is because of the on- and off-ramp modality mentioned earlier, as well as what would fully round out what we are calling extended youth support services. This does allow us to provide more types of services because of the reinvestment of the Title IV-E dollars. Youth from the Children's Advocacy Alliance who toured during the last Legislative Session testified about how they wished they would have had the instructed support at 19 and 20 years old after they had made the decision not to engage in the program. We feel this meets that goal for them.

# DASHUN JACKSON (Children's Advocacy Alliance):

The Children's Advocacy Alliance supports <u>S.B. 397</u>. For many youth and young people entering the foster care system, additional support and guidance is needed to ensure the success of transitioning into adulthood. This bill would allow many of the young people who enter the system at no fault of their own to gain the additional support.

Many young people who age out of the foster care system are left without family and a strong support system to rely on. This bill will give them the additional time to find and develop a support system to help them avoid homelessness or entering into the correctional system.

Young people who have experienced foster care are like many of us who were not ready to enter the adult world at the age of 18. If we were not ready, why would we expect them to be at 18 years old after having faced traumatic life adversities?

# AMBER HOWELL (Washoe County):

Washoe County is in the neutral position on <u>S.B. 397</u> due to the impact of the fiscal note. We appreciate the work done to get to the conceptual amendment, <u>Exhibit AF</u>.

KATHRYN ROOSE (Deputy Administrator, Quality and Oversight, Division of Child and Family Services, Department of Health and Human Services):

The Division of Child and Family Services is in the neutral position on <u>S.B. 397</u>. We like having one program, doing what is best for the young adults aging out of the foster care system and look forward to continuing to work with Senator Ohrenschall and the stakeholders.

# **SENATOR OHRENSCHALL:**

I will read from my closing statement, Exhibit AE.

# CHAIR RATTI:

I will entertain a motion on S.B. 397.

SENATOR HARRIS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 397.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

### CHAIR RATTI:

I will close the hearing on <u>S.B. 397</u>. I asked our Counsel to look into the federal authorization to raise the rates in <u>S.B. 390</u> and if we would be able to pull in landlines as was requested in some of our public testimony this afternoon.

### Mr. Robbins:

The current language of the bill is based on a federal law and what federal law authorizes in terms of a surcharge. Federal law only authorizes the surcharge on mobile lines, but it appears this is to get around a preemption issue that would otherwise prevent states from imposing a surcharge on mobile lines. That preemption issue is not applicable to landlines as far as I can tell. It does seem it would work to expand the surcharge to landlines.

To clarify, are we including the amendment we spoke about earlier in the vote?

# CHAIR RATTI:

Yes. The motion I am looking for on <u>S.B. 390</u> is amend and do pass to include expanding the lines to be included in the surcharge to landlines.

SENATOR SPEARMAN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 390.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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April 8, 2021 Page 60				
CHAIR RATTI: Seeing no public comment, the meeting is adjourned at 8:37 p.m.				
	RESPECTFULLY SUBMITTED:			
	Vickie Polzien,			
	Committee Secretary			
APPROVED BY:				
Senator Julia Ratti, Chair	_			
DATE:				

Senate Committee on Health and Human Services

EXHIBIT SUMMARY						
Bill	Exhibit Letter	Begins on Page	Witness / Entity	Description		
	Α	1		Agenda		
S.B. 201	В	1	Megan Comlossy	Work Session Document		
S.B. 274	С	1	Megan Comlossy	Work Session Document		
S.B. 275	D	1	Megan Comlossy	Work Session Document		
S.B. 309	Е	1	Megan Comlossy	Work Session Document		
S.B. 318	F	1	Megan Comlossy	Work Session Document		
S.B. 326	G	1	Megan Comlossy	Work Session Document		
S.B. 329	Н	1	Megan Comlossy	Work Session Document		
S.B. 340	I	1	Megan Comlossy	Work Session Document		
S.B. 380	J	1	Megan Comlossy	Work Session Document		
S.B. 391	K	1	Megan Comlossy	Work Session Document		
S.B. 396	L	1	Megan Comlossy	Work Session Document		
S.B. 376	М	1	Megan Comlossy	Work Session Document		
S.B. 390	N	1	Attorney General / Aaron Ford	Conceptual Amendment		
S.B. 390	0	1	Attorney General / Aaron Ford	Principles for the Use of Funds from Opioid Litigation		
S.B. 390	Р	1	Stephanie Woodard / Division of Public and Behavioral Health, Department of Health and Human Services	988 Presentation		
S.B. 390	Q	1	Robin Reedy / NAMI	Support Statement		
S.B. 390	R	1	Mary Walker / Carson City; Douglas County; Carson Tahoe Health System	Support Statement of Alan Garrett / Carson Tahoe Health		
S.B. 390	S	1	Gerard Keegan / Cellular Telecommunications	Neutral Statement		

			and Internet Association	
S.B. 325	Т	1	Senator James A. Settelmeyer	Proposed Amendment
S.B. 325	U	1	Liz MacMenamin / Retail Association of Nevada	Pre-exposure Prophylaxis Articles
S.B. 325	V	1	Liz MacMenamin / Retail Association of Nevada	Secondary HIV Prevention by U.S. Department of Veterans Affairs
S.B. 325	W	1	Liz MacMenamin / Retail Association of Nevada	State Information
S.B. 325	Х	1	John "Rob" Phoenix / Huntridge Family Clinic	Support Testimony
S.B. 325	Υ	1	Leana Ramirez	Support Testimony
S.B. 325	Z	1	Kenneth Kunke / Nevada Pharmacy Alliance	Support Testimony
S.B. 341	AA	1	Senator Pat Spearman	Conceptual Amendment
S.B. 341	AB	1	Franco Reyna / National Kidney Foundation	Support Statement
S.B. 341	AC	1	Cindy Vallette / American Kidney Fund	Support Statement
S.B. 341	AD	1	Tina Dortch / Office of Minority Health and Equity	Neutral Testimony
S.B. 397	AE	1	Senator James Ohrenschall	Written Remarks
S.B. 397	AF	1	Senator James Ohrenschall	Proposed Amendment