MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON HEALTH AND HUMAN SERVICES

Eighty-Second Session April 24, 2023

The Committee on Health and Human Services was called to order by Chair Sarah Peters at 1:30 p.m. on Monday, April 24, 2023, in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda [Exhibit A], the Attendance Roster [Exhibit B], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/82nd2023.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Sarah Peters, Chair
Assemblyman David Orentlicher, Vice Chair
Assemblywoman Cecelia González
Assemblywoman Michelle Gorelow
Assemblyman Ken Gray
Assemblyman Gregory T. Hafen II
Assemblyman Brian Hibbetts
Assemblyman Gregory Koenig
Assemblywoman Sabra Newby
Assemblywoman Duy Nguyen
Assemblywoman Angie Taylor
Assemblywoman Clara Thomas

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None



STAFF MEMBERS PRESENT:

Patrick Ashton, Committee Policy Analyst Eric Robbins, Committee Counsel David Nauss, Committee Counsel Terry Horgan, Committee Secretary Ashley Torres, Committee Assistant

OTHERS PRESENT:

Joanna Jacob, Manager, Government Affairs, Clark County
Julia Peek, Deputy Administrator, Community Health Services, Division of Public
and Behavioral Health, Department of Health and Human Services

Chair Peters:

[Roll was called. Committee rules and protocol were reviewed.] Welcome to the Assembly Committee on Health and Human Services. We have two bill hearings today. Both are our first Senate bills, and we will take these in order starting with Senate Bill 42 (1st Reprint), which revises provisions related to the funding of medical assistance to indigent persons. We welcome Ms. Jacob. You may begin when you are ready.

Senate Bill 42 (1st Reprint): Revises provisions relating to the funding of medical assistance to indigent persons. (BDR 38-398)

Joanna Jacob, Manager, Government Affairs, Clark County:

Senate Bill 42 (1st Reprint) will allow Clark County additional flexibility to spend indigent care dollars to supplement payment programs that serve to help us finance the University Medical Center of Southern Nevada (UMC), our public hospital in southern Nevada. The reason why Clark County is presenting this bill is because we pay the nonfederal share—a state match for Medicaid—for these supplemental payment programs. These are for services that UMC provides to Medicaid and uninsured patients. I know you have heard bills here before about the provider fee. This operates very similarly. Clark County puts money in that is matched at the federal level, and then it operates to reimburse UMC over and above their regular Medicaid reimbursement for a Medicaid enrollee.

I want to direct you to section 1 of the bill. This is where we are making the change. We have the authority under *Nevada Revised Statutes* (NRS) 428.295 to direct indigent care dollars to an upper payment limit program established by Medicaid. There are two in the state of Nevada that Medicaid has approved both for inpatient services and outpatient services at UMC. Ten cents of every \$100 of your property tax in Clark County goes to fund this indigent care, and then that funding is directed to the supplemental payment programs. There are also other ones that Clark County funds, but you can see here that we are authorized under the statute to fund the upper payment limit program. That program brings the Medicaid fee for service rate closer to what Medicare would pay. It pays up to the upper

payment limit of what Medicare would reimburse for a particular service. Again, we have an inpatient and outpatient program.

What we are asking here in section 1, subsection 3 is for additional authority to take advantage of some of the other supplemental payment programs that have been announced with the advent of the Affordable Care Act. As the Centers for Medicare and Medicaid Services (CMS) is unrolling various value-based programs and other supplemental payment programs, we are always looking to maximize our dollar so that we can continue to fund UMC. You can see here that we are asking for authority to contribute to any program authorized under any other supplemental payment program administered by CMS, which would provide an enhanced rate of reimbursement to any public hospital located in the county for the hospital care provided to Medicaid recipients or to make supplemental payments to the hospital.

This was amended once in the Senate, and the reason why was to add the language administered by CMS. Clark County and UMC have been working on something called a Medicaid directed payment program, which is approved by CMS through something outside of the state plan. It operates to get hospitals a higher rate of reimbursement or to enter into value-based reimbursement programs that have been promoted by the Affordable Care Act. We are working with the state Medicaid program on that. We have a Medicaid directed payment program. It operates to have the managed care companies direct value-based reimbursement programs if we meet certain objectives. That is something we are looking to do so we can contribute this funding to take advantage of that funding arrangement that will ultimately benefit UMC.

I wanted to talk a little bit about the indigent care dollars. This is like the indigent caseload. At UMC, we use this funding because generally our indigent caseload is about 48.9 percent. When we checked at the beginning of this session for the patients at UMC in our total patient mix, we are largely serving Medicaid patients at 43.9 percent of that 48.9 percent. The remaining 5 percent are self-pay, when there is no other form of insurance. That is the genesis of this bill.

I did want to put something on the record because we had questions in the Senate about this. This is one source of funding. If you have been on the Assembly Committee on Health and Human Services or you sit on the Interim Finance Committee, you may have heard of something called the Indigent Accident Fund through the years. This is a separate source of funding for hospitals. There was a question about whether this bill would impact that source of funding. It does not. The Indigent Accident Fund is under NRS 428.206. It is a separate source of funding that is funded by 1.5 cents on every \$100 of valuation. That fund operates to help hospitals get reimbursed for uncompensated care if there is uncompensated care. We are leaving that funding intact. This one is meant for taking advantage of other supplemental payment programs.

I know these are very complicated arrangements, and I can definitely stand for questions. I will note that this bill passed out of the Senate unanimously. We were very happy to have

their support. I look forward to any questions you may have, and that concludes my presentation.

Chair Peters:

Thank you, Ms. Jacob. We have several questions.

Assemblywoman Thomas:

I understand that this passed out of the Senate unanimously, but I do have a question. You kept referring to UMC. What prevents Washoe from also doing this? Do they have no indigents here?

Joanna Jacob:

This statute does apply to both Clark and Washoe. If you look at it, this is dedicated for public hospitals. Clark County has entered into that arrangement for UMC because it is a public hospital. Nothing prohibits Washoe County from doing this if they wanted to support a hospital, but it is because we are the public hospital in southern Nevada. That is a long-standing arrangement we have had with UMC and the state of Nevada to try to take advantage of these supplemental payment programs to fund that indigent care.

Assemblywoman Thomas:

For my understanding and clarification, UMC is the only public hospital in the state of Nevada.

Joanna Jacob:

Yes, that is correct.

Assemblywoman Taylor:

I want to confirm the source of the funding. I know you talked about the supplemental pool that is there for indigent care. I know it says there is money that comes from the general fund for the county. Can you clear that up for me a little bit? I did not follow it.

Joanna Jacob:

If you look further up in the statute, the source of the funding is in NRS 428.285. It is your property tax valuation. It is talking about property tax in this case. If you look on your property tax bill, you will often see a breakout for indigent care. It says a minimum of one cent, and then the board of county commissioners can, through ordinance, go up to 10 cents per each \$100 valuation of your property tax in our jurisdiction. That is the source of the funding. We have gone up to 10 cents. That is the fund we use for indigent care in Clark County.

Assemblywoman Taylor:

I am sure I have seen that at some point, but mostly I pay my taxes through my mortgage. I do not get to see that or I do not dig enough to see it. Does the county have to go back to raise property taxes, or is it just from the property taxes that are already allocated to the county?

Joanna Jacob:

This is from existing property tax. This is how your property tax today is divided up and what it funds in the counties. A portion of it, the 10 cents per every \$100 valuation that we collect, is devoted to this indigent care. We are not raising taxes. This is from existing revenue, and this has been something we have been doing for many years for the upper payment limit program that we have had in place at UMC. We are looking to see if we can take advantage of some of the other newer payment programs.

Assemblywoman Taylor:

You mentioned other opportunities and other payment programs. Is that federal match monies?

Joanna Jacob:

Yes, exactly. It does operate like a federal match. I like to think of it as the provider fee that has been discussed in this Committee, and you are putting a pot of money into this program. For the directed payment program, basically you have to apply. We have been working on setting up an application, then UMC can say, Okay, we are going to hit these various value-based metrics. We are going to improve the directed payment program we are currently working on with the state, and we are going to hit certain quality metrics that are going to improve access to care. Then CMS can say, we will reimburse you at a higher rate if you meet these metrics. We can make a showing to say that if we do this, we will get a higher rate of return that comes back and is administered through the federal CMS. It is like a federal match.

For these programs, the upper payment limit I mentioned pays us more, and we have fee-for-service Medicaid. It is usually long-term care or disabled, and we can say under the upper payment program that we can bring that reimbursement up to Medicare, so we get extra there. It is increased federal match, yes. Then through the directed payment program, if we meet those metrics, we can see a rate of return that is in addition to the regular Medicaid billing rate. It is bringing more federal dollars into the state, and it is devoted to increasing and maintaining access to care.

Assemblywoman Taylor:

It seems like what they really do is give, as you just said, more access to care for those who are indigent and those who need it.

Assemblyman Hafen:

Assemblywoman Taylor stole my question on how these funds are going to be used. Thank you for addressing that. It does alleviate my concern on the state being on the hook for this.

I do have some concerns that have been brought up in other committee hearings related to UMC's hiring practices. I want assurance that these monies are going to be properly used to help the people who it needs to help and not some of these questionable practices that have been mentioned in our other hearings. I have concerns there based on what we have heard in other hearings, and I am not seeing safeguards in here that help alleviate those concerns. Maybe you could help me understand that this is really going to go to the people who need this assistance, and it is going to do the good. I think the intent is there. I absolutely agree that we need to do this, but I do have reservations with some of the current practices at UMC.

Joanna Jacob:

I look at it like this—the upper payment limit that is in the existing law today is directed toward services that are ultimately rendered at UMC. Before I was at the county and before the passage of the Affordable Care Act, the county had always funded UMC. There was a significant concern for many years that they were operating in the red, and we want to make sure that those doors stay open because, as we noted, they are the public hospital serving our community.

I think the safeguard that you have is through the state of Nevada and our Medicaid. These are contractual. These are contracts designed for services at UMC. For example, for the indigent care and the upper payment limit, it is an intergovernmental transfer. We partner with the state. It is defined by contract, and that goes to the Board of Examiners. That is reviewed by both our Board of County Commissioners and the Board of Examiners for approval of those intergovernmental transfers of funding from Clark County to the state. This other program we are talking about, the directed payment program, is enhancing reimbursement rates to the services that we have already rendered to patients in the hospital. I think that is what we are designed to do. Ultimately, we want to make sure that UMC continues to be funded and that we can continue delivering services that we provide at UMC.

Assemblywoman Newby:

I was wondering about the indigent care tax, the 10 cents. Does that all go towards medical care? I recall that there used to be some portion that was for financial support for indigent individuals through social services. Is that a different tax?

Joanna Jacob:

This is actually throughout NRS Chapter 428. Yes, there is separate funding in a different chapter—I cannot remember which one it is—for supporting indigent care as well. This source of funding, the 10 cents I am referring to, also supports long-term care in our community. For the Committee's edification, Clark County pays the nonfederal share. Instead of the state paying, we pay some of the match for Medicaid for long-term care. We divide it up a number of ways as we administer these supplemental payment programs—long-term care that goes to support the community and the hospital system as a whole as well. That is a separate source of funding. Like I mentioned, the indigent care for hospitals is a separate source of funding and is throughout NRS Chapter 428. I would be happy to provide the breakout for you after the hearing if you would like.

Chair Peters:

Are there any other questions from the Committee? Seeing none, we will move to testimony. We will take support testimony first. We will start here in Carson City, then move to Las Vegas and the phones. Is there anybody in Carson City who would like to provide support testimony on Senate Bill 42 (1st Reprint)? Seeing no one, and seeing no one come to the table in Las Vegas, we will check the public line for support testimony on Senate Bill 42 (1st Reprint). [There was no one.] Is there anyone who would like to testify in opposition in Carson City or Las Vegas? Seeing no one, we will move to the phones. [There was no one.] We will move to neutral testimony. Is there anybody in Carson City or Las Vegas who would like to provide neutral testimony? Seeing no one, we will move to the phones. [There was no one.]

Final remarks have been waived by Ms. Jacob, which brings us to the end of the bill hearing on <u>Senate Bill 42 (1st Reprint)</u>. We will move into the bill hearing for <u>Senate Bill 44 (1st Reprint)</u>, which revises provisions related to dental and oral health care. Welcome, Ms. Peek. You may begin when you are ready.

Senate Bill 44 (1st Reprint): Revises provisions related to dental and oral health care. (BDR 38-221)

Julia Peek, Deputy Administrator, Community Health Services, Division of Public and Behavioral Health, Department of Health and Human Services:

I want to thank you for the opportunity to present today on <u>Senate Bill 44 (1st Reprint)</u> on your first day of hearing Senate bills. I will provide a brief overview of <u>Senate Bill 44 (1st Reprint)</u>, and then I am happy to answer any questions you may have. As background, I wanted to remind the members that the Division of Public and Behavioral Health was directed, through a letter of intent in 2019, to secure sustainable funding and diversification for the State Program for Oral Health and specifically the salaries of the State Dental Health Officer and the State Public Health Dental Hygienist. This bill helps ensure that we can keep that commitment. I have provided a copy of that letter of intent [Exhibit C].

<u>Senate Bill 44 (1st Reprint)</u> is designed to improve the hiring and retention of our State Dental Health Officer and State Public Health Dental Hygienist as well as streamline the management of the State Program for Oral Health. If passed, this bill would take effect on July 1, 2023.

In sections 1 and 2, we request changes to allow the Director to appoint the State Dental Health Officer and State Public Health Dental Hygienist. We also request that the references to "Division" be replaced with "Department." Please note that we request the residency requirements remain and that the appointment of both positions will be based on education, training, and experience. We would like the licensure requirements to be permissive for both positions to allow greater flexibility to recruit and retain people in the positions. This will mimic the current requirements of our Chief Medical Officer at the Division of Public and Behavioral Health, and they must have certain education with permissive language for the licensure as well.

For both positions, we request the removal of the language that requires the positions to devote all their time to the office and limit any ability to hold another business or vocation outside of the role for profit. We have been challenged to recruit these positions based on salary, and we have to support them. Removal of this language will allow the individual to continue to work outside of the time devoted to this role. This is even more important for our State Public Health Dental Hygienist because we are only able to support this position part-time.

Within sections 3 and 4, we request the replacement again of "Division" for "Department," and that relates to the oversight of the Advisory Committee on the State Program for Oral Health. We request that the Director, not the Division Administrator, appoint the members of the Advisory Committee and also submit the report. Within sections 5 and 6, we again would like to replace "Division" with "Department" and "Administrator" with "Director" as it relates to the administration of the State Program for Oral Health more broadly.

Sections 7 and 8 outline the role of the Legislative Counsel and department or agency for updating language accordingly in *Nevada Revised Statutes* (NRS) and *Nevada Administrative Code*. That provides a summary of the bill. I am happy to answer questions if you have any.

Chair Peters:

We have a couple of questions for you.

Assemblyman Nguyen:

I did not see it changed in the amendment, and I apologize if I missed it during your presentation. The State Public Health Dental Hygienist is not required to hold an active license. Is there reasoning behind that?

Julia Peek:

As it is written now in statute, both positions are required to hold licensure. The way we are going to have it is permissive. The only change we made through amendment is for the State Dental Health Officer. The dentist must meet the educational requirements for licensure. If it is helpful, I can read to you the requirements of licensure if you have any questions about that, but it is permissive for both. We specify that they have to have the education for the dentist.

Assemblyman Nguyen:

I want to make sure that as we create positions that direct the industry and the health sector, that we, in my opinion, would be better served if they are actively licensed so that they can be understanding of all the continuing education that is required and of the changes that are happening in the industry. As you know, with technology and innovation—whether oral, preventative, or any type of health—things are moving fast for a state officer who directs an agency. They should be actively licensed. When they make a policy recommendation, they would understand the same pain their fellow licensees would, and they can figure out how to mitigate it or how to make it better. That is my suggestion. Even though the language is

permissive, I would encourage that somehow we put that it is an active license so we can focus on efficiency and innovation and how we direct our state initiative.

Julia Peek:

I will say that when we do recruitment, we can certainly indicate that you get additional points or greater oversight by the agency with that. I will note that the Advisory Committee on the State Program for Oral Health also actively advises the two positions on what is going on, and they have a lot of dentists and dental hygienists who present to that committee. These positions will still be required to be very active and work with the Board of Dental Examiners on continuing education, training, et cetera. I will say, it has been incredibly difficult to recruit based on how the statute is currently written. The State Public Health Dental Hygienist position was vacant for six months. The State Dental Health Officer was vacant for 15 months. As written right now, it is very difficult to recruit. However, we can always put additional qualifiers on and give them, like I said, extra points during the application process. Limiting us by what is in NRS has made it extremely difficult to find somebody who would take the position.

Assemblyman Nguyen:

Perfect. Thank you for that.

Chair Peters:

I am thinking along the same lines. Are there similar positions in the state where they are required to have active licenses or not? I do not know if you have that information in front of you.

Julia Peek:

The other clinical position we have is the Chief Medical Officer and that was revised. It is found in NRS 439.085. It is the highest position within our agency. That was switched to may have licensure—again, permissive—but they have to be a physician or administrative physician who has a master's degree. Again, focusing on the education, not necessarily the licensure and practicing in real time. That is the position that is clinical in our agency that we reference. If a clinician is offering direct care in the agency, they obviously would be licensed because they are providing direct care. But these are administrative-type positions.

Chair Peters:

Thank you for that. I was thinking that we had other areas where it was not really feasible to have an active license because your full-time job is really doing the administration work.

Assemblywoman Taylor:

You mentioned there are changes you are recommending, I think by the Board, and that it makes it hard to recruit. We know how hard it is right now for just about everybody to recruit. How does this align with other states for their state directors in similar positions?

Julia Peek:

We do have a report, and I will quote some of it. It is the 2022 Synopsis of State Dental Public Health Programs. I can provide it as an exhibit [the report was not provided as an exhibit]. It is a great report to go over. That is where the Association of State and Territorial Dental Directors outlines what type of clinician they have. I do not know if they specifically talk to licensure requirements, but we can certainly reach out to them and see if it was a question included in their survey. If it is helpful, 43 states, or 84 percent, have a full-time dental director. Again, it does not specify necessarily the type of licensure, if it is required, and/or the type of education that is required. I can certainly go back and ask if they have that and follow up with the Committee Chair.

[Exhibit D] was not discussed during the hearing but was submitted in support of Senate Bill 44 (1st Reprint) and will become part of the record.]

Assemblywoman Taylor:

Thank you, I appreciate it.

Chair Peters:

Are there any other questions from the Committee before we move into testimony? Seeing none, we will move into support testimony in our physical locations and then go to the phones. Is there anyone in Carson City or Las Vegas who would like to provide support testimony on Senate Bill 44 (1st Reprint)? Seeing no one, is there anyone on the public line for support testimony on Senate Bill 44 (1st Reprint)? [There was no one.] Is there anyone in opposition in Carson City or Las Vegas who would like to provide testimony today? Seeing no one, is there anyone on the public line for opposition testimony to Senate Bill 44 (1st Reprint)? [There was no one.] We will move to neutral testimony. Is there anyone in Carson City or Las Vegas who would like to provide neutral testimony on Senate Bill 44 (1st Reprint)? Seeing no one, is there anyone on the public line for neutral testimony on Senate Bill 44 (1st Reprint)? [There was no one.]

Ms. Peek has waived closing remarks, so we will close the hearing on <u>Senate Bill 44 (1st Reprint)</u>. That being our last hearing today, we will close our hearings and move into public comment, which is our last item on the agenda. We will start here in Carson City and move to Las Vegas and then the phones. [There was none.] We have a bill hearing scheduled for Wednesday. With that, this meeting is adjourned [at 2:03 p.m.].

	RESPECTFULLY SUBMITTED:
	Terry Horgan Recording Secretary
	Traci Dory Transcribing Secretary
APPROVED BY:	
Assemblyman David Orentlicher, Vice Chair DATE:	

EXHIBITS

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

Exhibit C is a letter dated September 12, 2019, signed by Joyce Woodhouse, Chair, Senate Committee on Finance, and Maggie Carlton, Chair, Assembly Committee on Ways and Means, submitted by Julia Peek, Deputy Administrator, Community Health Services, Division of Public and Behavioral Health, Department of Health and Human Services, regarding Senate Bill 44 (1st Reprint).

Exhibit D is written testimony dated April 21, 2023, submitted by Caryn Solie, Legislative Committee, Nevada Dental Hygienists Association, in support of Senate Bill 44 (1st Reprint).