

ASSEMBLY BILL NO. 514—COMMITTEE ON
HEALTH AND HUMAN SERVICES

(ON BEHALF OF THE JOINT INTERIM STANDING COMMITTEE
ON HEALTH AND HUMAN SERVICES)

MARCH 24, 2025

Referred to Committee on Health and Human Services

SUMMARY—Provides for Medicaid coverage of certain mental health services. (BDR 38-350)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to Medicaid; requiring Medicaid to provide coverage for certain community-based living arrangement services; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law requires the Department of Health and Human Services to
2 administer Medicaid. (NRS 422.270) **Section 1** of this bill requires the Director of
3 the Department to include under Medicaid coverage for care provided through a
4 therapeutic group home to recipients of Medicaid who have serious mental
5 illnesses. **Section 1** defines the term “therapeutic group home” to mean a provider
6 of community-based living arrangement services that supports independent,
7 community-based living for persons with serious mental illnesses. **Section 2** of this
8 bill makes a conforming change to require the Director to administer the provisions
9 of **section 1** in the same manner as the provisions of existing law governing the
10 State Plan for Medicaid.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 422 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 *1. To the extent that federal financial participation is*
4 *available, the Director shall include under Medicaid coverage for*



1 *care provided through a therapeutic group home to recipients of*
2 *Medicaid who have serious mental illnesses.*

3 **2. The Department shall:**

4 (a) *Establish a method for providing the coverage described in*
5 *subsection 1.*

6 (b) *Apply to the Secretary of Health and Human Services for*
7 *any waiver of federal law or apply for any amendment of the State*
8 *Plan for Medicaid that is necessary for the Department to receive*
9 *federal funding to provide the coverage described in subsection 1.*

10 (c) *Fully cooperate in good faith with the Federal Government*
11 *during the application process to satisfy the requirements of the*
12 *Federal Government for obtaining a waiver or amendment*
13 *pursuant to paragraph (b).*

14 **3. As used in this section:**

15 (a) *“Community-based living arrangement services” has the*
16 *meaning ascribed to it in NRS 449.0026.*

17 (b) *“Therapeutic group home” means a provider of*
18 *community-based living arrangement services that supports*
19 *independent, community-based living for persons with serious*
20 *mental illnesses.*

21 **Sec. 2.** NRS 232.320 is hereby amended to read as follows:

22 232.320 1. The Director:

23 (a) Shall appoint, with the consent of the Governor,
24 administrators of the divisions of the Department, who are
25 respectively designated as follows:

26 (1) The Administrator of the Aging and Disability Services
27 Division;

28 (2) The Administrator of the Division of Welfare and
29 Supportive Services;

30 (3) The Administrator of the Division of Child and Family
31 Services;

32 (4) The Administrator of the Division of Health Care
33 Financing and Policy; and

34 (5) The Administrator of the Division of Public and
35 Behavioral Health.

36 (b) Shall administer, through the divisions of the Department,
37 the provisions of chapters 63, 424, 425, 427A, 432A to 442,
38 inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS
39 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, *and*
40 *section 1 of this act*, 422.580, 432.010 to 432.133, inclusive,
41 432B.6201 to 432B.626, inclusive, 444.002 to 444.430, inclusive,
42 and 445A.010 to 445A.055, inclusive, and all other provisions of
43 law relating to the functions of the divisions of the Department, but
44 is not responsible for the clinical activities of the Division of Public



1 and Behavioral Health or the professional line activities of the other
2 divisions.

3 (c) Shall administer any state program for persons with
4 developmental disabilities established pursuant to the
5 Developmental Disabilities Assistance and Bill of Rights Act of
6 2000, 42 U.S.C. §§ 15001 et seq.

7 (d) Shall, after considering advice from agencies of local
8 governments and nonprofit organizations which provide social
9 services, adopt a master plan for the provision of human services in
10 this State. The Director shall revise the plan biennially and deliver a
11 copy of the plan to the Governor and the Legislature at the
12 beginning of each regular session. The plan must:

13 (1) Identify and assess the plans and programs of the
14 Department for the provision of human services, and any
15 duplication of those services by federal, state and local agencies;

16 (2) Set forth priorities for the provision of those services;

17 (3) Provide for communication and the coordination of those
18 services among nonprofit organizations, agencies of local
19 government, the State and the Federal Government;

20 (4) Identify the sources of funding for services provided by
21 the Department and the allocation of that funding;

22 (5) Set forth sufficient information to assist the Department
23 in providing those services and in the planning and budgeting for the
24 future provision of those services; and

25 (6) Contain any other information necessary for the
26 Department to communicate effectively with the Federal
27 Government concerning demographic trends, formulas for the
28 distribution of federal money and any need for the modification of
29 programs administered by the Department.

30 (e) May, by regulation, require nonprofit organizations and state
31 and local governmental agencies to provide information regarding
32 the programs of those organizations and agencies, excluding
33 detailed information relating to their budgets and payrolls, which the
34 Director deems necessary for the performance of the duties imposed
35 upon him or her pursuant to this section.

36 (f) Has such other powers and duties as are provided by law.

37 2. Notwithstanding any other provision of law, the Director, or
38 the Director's designee, is responsible for appointing and removing
39 subordinate officers and employees of the Department.

40 **Sec. 3.** 1. This section becomes effective upon passage and
41 approval.

42 2. Sections 1 and 2 of this act become effective:

43 (a) Upon passage and approval for the purpose of adopting any
44 regulations and performing any other preparatory administrative
45 tasks that are necessary to carry out the provisions of this act; and



1 (b) On July 1, 2026, for all other purposes.

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