SUMMARY—Revises provisions relating to the compensation for positions in the Medicaid Fraud Control Unit within the Office of the Attorney General. (BDR 18-584)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: Contains Appropriation from the State General Fund not included in the Executive Budget.

Effect on the State Highway Fund: No.

AN ACT relating to the Office of the Attorney General; requiring the Governor to include in the biennial proposed executive budget certain money for the compensation for positions in the Medicaid Fraud Control Unit within the Office that are in the unclassified service of the State; requiring the Administrator of the Division of Human Resource Management of the Department of Administration to conduct a survey regarding the compensation for positions in the Unit in the classified and unclassified service of the State; requiring the Administrator to adjust the pay plan for employees in the classified service of the State based on the survey under certain circumstances; making appropriations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing federal law and regulations generally require each state to establish a state Medicaid fraud control unit to investigate and prosecute violations or offenses relating to state plans for

Medicaid. To maintain federal funding for such units, the units are required under existing federal law and regulations to be certified annually for compliance with federal regulations, policies and performance standards. (42 U.S.C. § 1396b; 42 C.F.R. Part 1007) Existing state law requires the Attorney General to establish within his or her office the Medicaid Fraud Control Unit. (NRS 228.410) **Section 1** of this bill requires the Governor to include in the biennial proposed executive budget a sufficient amount of money to ensure that the compensation for the positions in the Medicaid Fraud Control Unit that are in the unclassified service of the State are comparable with the compensation for similar positions in the state Medicaid fraud control units established in nearby states and within the unclassified service of the State.

Section 2 of this bill requires the Administrator of the Division of Human Resource Management of the Department of Administration, on or before September 1, 2027, to: (1) conduct a survey to evaluate the compensation for all positions in the Medicaid Fraud Control Unit in the classified and unclassified service of the State in comparison with the compensation for similar positions in the state Medicaid fraud control units established in nearby states and within the classified or unclassified service of the State, as applicable; and (2) prepare and submit a report of the results of the study to the Governor and the Director of the Legislative Counsel Bureau for transmittal to the Interim Finance Committee.

Existing law requires the Administrator to prepare a pay plan for the employees in the classified service of the State. (NRS 284.175) **Section 3** of this bill requires the Administrator, before October 1, 2027, to adjust in that pay plan, if different, the grade and step level of compensation for each position in the Medicaid Fraud Control Unit that is in the classified service of the State to

the grade and step level of compensation determined for such a position in the survey conducted pursuant to **section 2**. **Section 3** makes any such adjustments effective on October 1, 2027. **Sections 4 and 5** of this bill make appropriations for Fiscal Years 2027-2028 and 2028-2029 to pay the costs of any increases in compensation for the positions in the Medicaid Fraud Control Unit that are in the classified and unclassified service of the State as a result of the survey conducted pursuant to **section 2**.

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

Section 1. Chapter 228 of NRS is hereby amended by adding thereto a new section to read as follows:

The Governor shall include in the biennial proposed executive budget of the State a sufficient amount of money to ensure that the compensation for the positions in the Medicaid Fraud Control Unit established within the Office of the Attorney General pursuant to NRS 228.410 that are in the unclassified service of the State are comparable with the compensation for similar positions in the state Medicaid fraud control units established in nearby states and within the unclassified service of the State.

Sec. 2. On or before September 1, 2027, the Administrator of the Division of Human Resource Management of the Department of Administration, in consultation with the Office of the Attorney General, shall:

1. Conduct a study to evaluate the compensation for all positions in the Medicaid Fraud Control Unit established within the Office of the Attorney General pursuant to NRS 228.410 that are in the classified and unclassified service of the State in comparison with the compensation for similar positions:

(a) In state Medicaid fraud control units established in nearby states; and

(b) Within the classified or unclassified service of the State, as applicable; and

2. Prepare and submit a report of the results of the study conducted pursuant to subsection 1 to the Governor and the Director of the Legislative Counsel Bureau for transmittal to the Interim Finance Committee.

Sec. 3. 1. Notwithstanding the provisions of subsection 2 of NRS 284.175, the Administrator of the Division of Human Resource Management of the Department of Administration shall, before October 1, 2027, adjust in the pay plan for employees in the classified service of the State that is adopted pursuant to NRS 284.175, if different, the grade and step level of compensation for each position in the Medicaid Fraud Control Unit established within the Office of the Attorney General pursuant to NRS 228.410 that is in the classified service of the State to the grade and step level of compensation determined for such a position in the survey conducted pursuant to section 2 of this act.

2. Any adjustments to the pay plan made pursuant to subsection 1 become effective on October 1, 2027.

3. As used in this section:

(a) "Grade" means the designated salary range for a classification of employees.

(b) "Step" means the rate of pay within a grade.

Sec. 4. 1. There is hereby appropriated from the State General Fund to the State Board of Examiners to carry out the provisions of section 3 of this act the following sums:

For the Fiscal Year 2027-2028.....$192,597

For the Fiscal Year 2028-2029.....$192,597

2. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 15, 2028, and September 21, 2029, respectively, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 15, 2028, and September 21, 2029, respectively.

Sec. 5. 1. There is hereby appropriated from the State General Fund to the State Board of Examiners to meet any deficiencies between the amount otherwise appropriated or authorized by the 84th Session of the Nevada Legislature for the compensation for positions in the Medicaid Fraud Control Unit established within the Office of the Attorney General pursuant to NRS 228.410

that are in the unclassified service of the State and the level of compensation determined for such positions in the survey conducted pursuant to section 2 of this act, notwithstanding any provision of law to the contrary, the following sums:

For the Fiscal Year 2027-2028.....$153,050

For the Fiscal Year 2028-2029.....$153,050

2. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 15, 2028, and September 21, 2029, respectively, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 15, 2028, and September 21, 2029, respectively.

Sec. 6. 1. This section and section 2 of this act become effective upon passage and approval.

2. Sections 1, 3, 4 and 5 of this act become effective on July 1, 2027.