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SENATE BILL NO. 379—SENATOR ATKINSON

MARCH 17, 2015

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JOINT SPONSORS: ASSEMBLYMEN NEAL AND THOMPSON

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Referred to Committee on Health and Human Services

SUMMARY—Provides for the investigation of complaints concerning certain providers of services pursuant to the State Plan for Medicaid. (BDR 38-1019)

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.

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AN ACT relating to Medicaid; authorizing a person who becomes aware that a person with whom the Department of Health and Human Services has entered into a contract for the provision of services pursuant to the State Plan for Medicaid has committed certain violations to file a complaint with the Division of Health Care Financing and Policy of the Department; requiring the Division to investigate the complaint or notify certain governmental agencies if it determines the complaint is not frivolous; authorizing the Division to take any action authorized by law if it determines that a violation has occurred; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Existing law authorizes the Administrator of the Division of Health Care  
2 Financing and Policy of the Department of Health and Human Services to  
3 administer oaths, take testimony and issue subpoenas for the appearance of  
4 witnesses and the production of documents relating to eligibility to provide services  
5 pursuant to the State Plan for Medicaid. (NRS 422.2366) This bill authorizes any  
6 person, including a recipient of Medicaid, who becomes aware that a person with  
7 whom the Department has entered into a contract for the provision of services  
8 pursuant to the State Plan for Medicaid has violated the terms of such a contract or  
9 state or federal law to file a complaint with the Division. If the Division determines  
10 that the complaint is not frivolous, the Division is required to investigate the  
11 complaint or notify another state or federal governmental agency with jurisdiction



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12 to investigate the alleged violation. If the outcome of such an investigation  
13 indicates that a person has violated the terms of a contract with the Department for  
14 the provision of services pursuant to the State Plan for Medicaid or federal or state  
15 law or regulations, the Division is authorized to take any action authorized by law.

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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. Any person, including, without limitation, a recipient of*  
4 *Medicaid, who becomes aware that a person with whom the*  
5 *Department has entered into a contract for the provision of*  
6 *services pursuant to the State Plan for Medicaid has violated the*  
7 *terms of such a contract or federal or state law or regulations may*  
8 *file a written complaint specifying the relevant facts with the*  
9 *Division.*

10 *2. When a complaint is filed with the Division, it shall review*  
11 *the complaint. If, from the complaint, other records or relevant*  
12 *facts, it appears that the complaint is not frivolous, the Division*  
13 *shall:*

14 *(a) Investigate the complaint; or*

15 *(b) Inform any state or federal agency having jurisdiction to*  
16 *investigate the alleged violation, including, without limitation, a*  
17 *law enforcement agency.*

18 *3. If the outcome of an investigation by the Division or*  
19 *another state or federal agency indicates that a person has violated*  
20 *the terms of a contract with the Department for the provision of*  
21 *services pursuant to the State Plan for Medicaid or federal or state*  
22 *law or regulations, the Division may take any action authorized by*  
23 *law, including, without limitation, requesting that the Department*  
24 *terminate the contract or imposing administrative penalties.*

25 *4. The Division may adopt regulations to carry out the*  
26 *provisions of this section.*

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

28 232.320 1. The Director:

29 (a) Shall appoint, with the consent of the Governor,  
30 administrators of the divisions of the Department, who are  
31 respectively designated as follows:

32 (1) The Administrator of the Aging and Disability Services  
33 Division;

34 (2) The Administrator of the Division of Welfare and  
35 Supportive Services;

36 (3) The Administrator of the Division of Child and Family  
37 Services;



1 (4) The Administrator of the Division of Health Care  
2 Financing and Policy; and

3 (5) The Administrator of the Division of Public and  
4 Behavioral Health.

5 (b) Shall administer, through the divisions of the Department,  
6 the provisions of chapters 63, 424, 425, 427A, 432A to 442,  
7 inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS  
8 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, *and*  
9 *section 1 of this act*, 422.580, 432.010 to 432.133, inclusive,  
10 432B.621 to 432B.626, inclusive, 444.003 to 444.430, inclusive,  
11 and 445A.010 to 445A.055, inclusive, and all other provisions of  
12 law relating to the functions of the divisions of the Department, but  
13 is not responsible for the clinical activities of the Division of Public  
14 and Behavioral Health or the professional line activities of the other  
15 divisions.

16 (c) Shall administer any state program for persons with  
17 developmental disabilities established pursuant to the  
18 Developmental Disabilities Assistance and Bill of Rights Act of  
19 2000, 42 U.S.C. §§ 15001 et seq.

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

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

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

30 (3) Provide for communication and the coordination of those  
31 services among nonprofit organizations, agencies of local  
32 government, the State and the Federal Government;

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

35 (5) Set forth sufficient information to assist the Department  
36 in providing those services and in the planning and budgeting for the  
37 future provision of those services; and

38 (6) Contain any other information necessary for the  
39 Department to communicate effectively with the Federal  
40 Government concerning demographic trends, formulas for the  
41 distribution of federal money and any need for the modification of  
42 programs administered by the Department.

43 (e) May, by regulation, require nonprofit organizations and state  
44 and local governmental agencies to provide information regarding  
45 the programs of those organizations and agencies, excluding



1 detailed information relating to their budgets and payrolls, which the  
2 Director deems necessary for the performance of the duties imposed  
3 upon him or her pursuant to this section.

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

5 2. Notwithstanding any other provision of law, the Director, or  
6 the Director's designee, is responsible for appointing and removing  
7 subordinate officers and employees of the Department, other than  
8 the State Public Defender of the Office of State Public Defender  
9 who is appointed pursuant to NRS 180.010.

10 **Sec. 3.** This act becomes effective:

11 1. Upon passage and approval for the purpose of adopting any  
12 regulations and performing any other preparatory administrative  
13 tasks necessary to carry out the provisions of this act; and

14 2. On January 1, 2016, for all other purposes.

