

Assembly

MINUTES OF WAYS AND MEANS COMMITTEE — NEVADA STATE LEGISLATURE
54TH SESSION MARCH 28, 1967

Meeting was called to order by Chairman Glaser at 10:15 AM.

Present; Glaser, Mello, Bowler, Harris, Ashworth, Young, Howard, Jacobsen
Absent: Tyson

Mr. Young moved that the budget for the Health Division - Bureau of Health Facilities on Page 187 be reopened.

Mr. Bowler seconded the motion.

Motion passed unanimously.

Mr. Young moved that the position of Training and Consultant Coordinator and the position of Construction Specialist be deleted from the budget; that the Professional Services be lowered from \$8360 to \$1500 for both years; that the Workshops and Seminar Courses be deleted from the budget; that everything under the Equipment Detail be deleted with the exception of the file cabinet \$65 the first year; and that the in-state travel be lowered from \$11,000 to \$4,000 both years.

Mr. Mello seconded the motion.

Motion passed unanimously.

Mr. Bowler moved that the budget for the Health Division - Preventive Medical Services on Page 174 be reopened.

Mr. Jacobsen seconded the motion.

Motion passed unanimously.

Mr. Ashworth moved that the new position of Public Health Nurse be included in the budget.

Mr. Howard seconded the motion.

Motion passed unanimously.

There was discussion on the Mobil Coordinator. No further action taken on it.

Mr. Bowler moved that the budget be approved as amended.

Mr. Mello seconded the motion.

Motion passed unanimously.

Page 369 Plant Industry

Mr. Howard moved that the Bearcat Tractor for Livestock Scale at \$4200 be included and the purchase of the 5 ton truck on Page 368 be authorized for \$4000.

Mr. Mello seconded the motion.

Motion passed unanimously.

Mr. Young moved that the budget as amended be approved.

Mr. Mello seconded the motion.

Motion passed unanimously.

SB 34: Amends provisions relating to group insurance for state officers and employees.

The Senate amended the bill with respect to the committee having to do with the insurance program by adding 2 more members selected by the Board of Directors. The problem with the current program is the cost is constantly rising because of the employees dropping out of the program because of great expense. The poor risks have stayed and the good

risks have dropped it. This bill providing for state payment of the premium for the employee, assuring 90% participation, would cost an additional \$150,000 each fiscal year. The extra cost is not so much the raise in premium from \$6 to \$8.54, but the **increase in participation** from 53% to 90 or 100%. This has no relation to NIC; this is strictly for health, whereas NIC pertains to injury on the job. Also, this is not compulsory.

Mr. Bowler expressed concern over the counties and cities wanting this if we allow it for the state. He recognizes the problem of what we should do with the taxpayers' money.

Mr. Barrett read a partial list of the payments of the counties and cities on their level of group insurance. (A few: Carson City \$5.75, Las Vegas \$7.32, Elko \$6.33 Ormsby County \$6.20, City of Reno \$14.18, Clark County \$6.22) So, a number of local governments are paying more than the \$8.54, some less, but most reasonably close to it.

Mr. Bowler brought up the question of a safeguard on the premium of \$8.54 for the state. It developed that the state would pay this amount even if the premium were to increase in another year; the employee would be responsible for the difference. It was also commented that the above figures were inclusive of employee dependents in many cases, whereas the bill only covers the employee himself. Mr. Bowler further stated that the carrier is not concerned with where the money comes from. If the employee becomes dissatisfied again with putting money into this if the premium is raised, he would again drop it.

Mr. Young moved that SB 34 be reported out with a Do Pass.
Mr. Mello seconded the motion.

Mr. Young said this would be a benefit in lieu of the salary increase.

Mr. Howard agreed the state employees should receive this benefit; however, he is against it for the school districts and University where salaries run as high as \$13,000

Mr. Bowler expressed his agreement with Mr. Howard. He said the program for the state employees is indeed needed and is in dire jeopardy at the present time.

Mr. Barrett said the University is included in the group plan but the county - school employees are not. The major benefit, he agreed, is with the lower income employee.

Mr. Ashworth moved that the bill be amended to restrict the state's paying the \$8.54 to those employees with an income of less than \$7000.

Mr. Harris seconded the motion.

Motion killed.

Mr. Barrett said it would be possible to word it to exclude professional employees at the University. This probably would exclude about 450. He did not know whether there was an Educators Insurance Program at the University as in some places.

Mr. Ashworth said we are talking about an additional cost of government for government employees. This \$8.54 would amount to a yearly increase for each of \$102. This benefit may not be comprehended by the employee.

Mr. Bowler said we may have a moral obligation to work something out for the state employee because the present program is in jeopardy. Possibly we could delete 5% - University - covering some of the objections and still help the people who need it.

SB 34 held for recommendations of Mr. Howard, Mr. Bowler, and Mr. Barrett relative to deleting the professional employees at the University.

Page 303 Department of Commerce

Mr. Ashworth moved that this budget be approved as amended (with the legal analyst replaced by a Deputy Attorney General)

Mr. Mello seconded the motion.

Motion passed unanimously.

AB 380: Changes fees and charges of insurance commissioner

It was determined that this bill had been killed in the Banking Committee.

Meeting adjourned at 11:05 AM.

Meeting resumed at 11:45 AM.

SB 216: Provides industrial insurance coverage for athletes at the University of Nevada and Nevada Southern.

Mr. Pozzi was present to discuss this with committee. He quoted statistics from a Memorandum dated March 16, a copy of which is attached and part of minutes. Presently the total insurance is paid out of the Athletics Fund - the policy has a \$250 deductible. This proposed bill would cover broken ankles, etc. - nothing major. There would be 110 students covered at Nevada Southern (no football or ski program) and 267 at Reno. This proposed bill would have no deductible, extend coverage to pick up temporary total disability, death benefits, so much a month, and permanent disability. The additional cost in premium would be \$597 per year, however with broader coverage. Total premium would be \$2100.10. There is a precedent for the proposed bill - the State of Wyoming. The highschool type insurance is restricted against University participation. (Univ. smaller participation - expense prohibitive)

Mr. Bowler moved that SB 216 be reported out with a DO PASS.

Mr. Howard seconded the motion.

Motion passed unanimously.

Assignment for floor: Mr. Jacobsen

Page 305 Insurance Division - Department of Commerce

There was discussion of including the rate analyst and Chief Investigator.

Mr. Young moved the budget be approved as the Governor recommends.

Mr. Jacobsen seconded the motion.

Motion passed unanimously.

Page 308 Insurance Division Sgate Fire Marshal

It was decided to hold this for Mrs. Tyson.

Mr. Bowler said there was arguement for one man to substantiate and support the fire marshalls within the various departments. He questioned whether we were interfering with home rule.

There was discussion as to this affecting (lowering) the insurance rates. Mr. Jacobsen and Mr. Bowler said that the rates are determined by many things such as amount of equipment owned, mileage from nearest fire hydrant, mileage from nearest fire station, modern-ness of station, source of water supply, structure of building, etc.

TO C. E. [unclear]
FROM _____
SUBJECT SB 216

ACCOUNT NO. 237
CLAIM NO. _____
DATE March 16, 1967

U of N

Participants -

Football	70
Skiing	12
Boxing	20
Baseball	25
Basketball	35
Wrestling	15
Track	35
Gymnastics	15
Cross Country	10
Tennis	10
Golf	8
Rifle	12
Total	267

AKU. Southern
participants 110 approx. monthly

267 Athletes

Season 3.5 months,

Total man months per year - (267 X 3.5 = 935)

Rate \$5.50 per man per month

935 X \$5.50 = \$5,143 per year

compared to \$4,594

\$ 597 per year premium

9

	<u>Total Losses</u>	<u>Insurance Cost</u>	<u>Clms Pd by Insurance Co.</u>	<u>Out of Pocket Cost to Univ.</u>
1962-63	1513	890	0	\$2,408
1963-64	5331	971	3,606	2,696
1964-65	4468	984	1,613	3,839
1965-66	3984	2110	1,514	4,580

Total 4 years - \$15,296

Average \$ 3,824

Total last 3 years - \$13,783

Average last 3 yrs \$ 4,594

Deductible = 1 - \$250. *Present policy*

NIC - broader coverage

1. Temporary total disability
2. Death benefits
3. p.p. \$60 per mo. 120 - 180

FILED
MINUTES

March 30, 1967

Mr. Quentin Emery, Administrator
Welfare Division
Department of Health & Welfare
Carson City, Nevada

Dear Quentin:

I am enclosing an analysis by Mrs. Catherine Callahan of the impact that AB 380, Aid to the Blind, would have on the Title 19 indigent level if the aid to the blind was raised to \$125.00 per month.

Would you comment on her figures and also prepare an analysis of your own which would indicate a medical indigent level, under Title 19, based on \$125.00 per month?

Sincerely yours,

Norman D. Glaser, Chairman
Ways and Means Committee

NDG:pb
Enc.

NEVADA FEDERATION OF THE BLIND
P. O. Box 710
Las Vegas, Nevada

To the Ways and Means Committee:

Relationship of AB 380 to Title XIX Requirements

At the hearings on March 16, on this bill, Mr. Emery did not give the basic figures for the standards for the Medically Indigent on Title XIX. We can, therefore, only go by the figures he did give, compared with the facts we have on the grants actually received by the blind and by making a comparison with the program as already operating in other states. We therefore attach a letter from the Division for the Blind in the Department of Social Welfare in California, and their scale for the Medically Indigent.

As may be seen by the attached figures, a raise in the Aid to the Blind grant would raise the amount for an individual by possibly \$300, but for the family figure of \$3840, it would probably be even less. This is because the rise in the cost of rent, utilities and other household expenses is in inverse ratio to the number of persons in the family.

If California, , starting at a base figure of \$35.50, reaches a family of four figure of \$3900, as shown by the scale, then our base figure of \$105, if raised to \$125, would reach a figure of around \$3800 rather than \$5000 as indicated by Mr. Emery.

NEVADA FEDERATION OF THE BLIND
Legislative Committee

K. O. Knudson, Chairman, Las Vegas
Catherine Callahan, Reno
Carl Clontz, Hawthorne

(1) Monthly

<i>Number of Persons</i>	<i>Effective March 1, 1966 Amount</i>	<i>Effective January 1, 1967 Amount</i>
1	\$167	\$169
2	277	281
(adult spouses or 1 adult and 1 child)		
3	297	303
4	317	325
5	337	347
6	357	369
7	377	391
For each additional person over 7, add:	20	22

(2) Quarterly

<i>Number of Persons</i>	<i>Effective March 1, 1966 Amount</i>	<i>Effective January 1, 1967 Amount</i>
1	\$501	\$507
2	831	843
3	891	909
4	951	975
5	1,011	1,041
6	1,071	1,107
7	1,131	1,173
For each additional person over 7, add:	60	66

4651 Mead Avenue
Sacramento, Calif. 95822
March 24, 1967

Miss Catherine Callahan
422 Roberts
Reno, Nevada

Dear Catherine:

In response to your phone request of last evening, I attach a copy of Health & Welfare Regulation 50033, which sets the maintenance requirements for 'medically needy' under Title XIX, insofar as California is concerned.

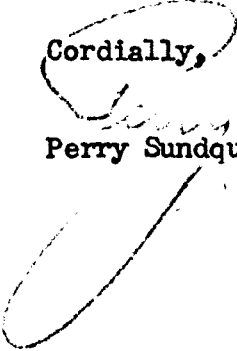
The maintenance figure for a single person, \$169, was arrived at by taking the basic minimum allowance for Aid to the Blind of \$135.50 and adding the maximum additional amount allowed for rent for a single person living alone, or \$33.

Thus, from the figures in the Regulation for two and more, the amounts were arrived at through negotiations with the officials of the Federal Department of Health, Education and Welfare. However, Nevada could certainly secure just as favorable consideration as California in any such negotiations.

As I understand the way the Nevada Aid to Blind law is now being administered, no allowance is being made for any special needs, but rather the amount of aid plus non-exempt income has recently been set as \$100, the floor to aid in your law. If that floor were raised to \$125 a month, then the maintenance need for a 'medically needy' individual would be \$125, for two persons, \$237, etc., going up the scale for the added number of persons in the household. Each of the figures would be lower for Nevada than in the enclosed scale, since we start here in California with a base of \$169 for an individual living alone, while you would start with a base of only \$125, provided your amendment to the law is successful.

I hope this will be helpful to you.

Cordially,


Perry Sundquist