

COMMITTEE ON HEALTH AND WELFARE

Minutes of Meeting -- March 17, 1971

Chairman Walker called the meeting to order at 5 p.m.

Members present: Chairman Walker
 Senator Hug
 Senator Young

Absent: Senator Hecht
 Senator Herr

Guests: Orville Wahrenbrock, Health, Welfare & Rehabilitation
 Sharon Greene, Ex. Director, Nev. Hospital Asso.
 Anne Roberts, League of Women Voters
 Mrs. Jean Peavy, Nurses Association
 Mrs. Dorothy Button, Nevada Nurses Asso.
 Mrs. Eileen George and Mr. Ed Logan, Legislative
 Council Comm.-Nevada Hospital Association
 Jack McGlade, State Comprehensive Health planning
 Sister M. Dominga, Nevada Hospital Asso.
 Mildred Sebbas, Pershing General Hospital, Lovelock
 Clara Barnett, Adm. Lyon Health Center, Yerington and
 Nevada Hospital Association

S.B. 326 Proposed by the Committee on Health and Welfare
 Establishes state comprehensive health planning agency

Mr. Wahrenbrock passed out copies of the changes he felt should be proposed and discussed them with the Committee.

Sharon Greene made comments on the bill which are attached.

There was considerable discussion about the possibility of a conflict between Section 1 and Section 3. Sister Dominga suggested that by deleting Section 3 you would have no conflict and it would not hurt the bill.

Mrs. Button passed out written testimony to the Committee which is attached.

Mrs. Sebbas and Mrs. Barnett offered their support for the bill as representatives from the small counties.

Sister Dominga felt the planning agency would be valuable in supplying information to State Agencies when there is a need for certain services as well as preventing an oversupply of services that the public would end up paying for.

There was considerable discussion on the eleven-member advisory council and whether all of them would be required to appear for hearings. It was decided to specify how many members of the Council would be required at the hearings.

The meeting adjourned at 6:05 p.m.

The Nevada Hospital Association supports S. B. 326 because we believe the personal and economic benefits to be derived by Nevadans as a result of this bill's potential enactment is as great as any bill before this Legislature. With the proper amendments, this bill will:

1. Conserve dollars now expended for hospital and medical services.
2. Provide a better distribution of facilities, and consequently increase the availability of health care.
3. Reduce the direct demand upon the state government for construction and operational dollars of state health facilities.
4. Reduce county tax loads as they relate to health services.
5. Reduce the welfare costs by reducing the cost that is paid to the providers of health care services.
6. Provide Nevada with a health care system which has continuity and unison of effort.

The health industry, which is the nation's third largest, is fast moving into the realm of the utilities. The reasons are very simple:

1. The demand for consumer dollars has hit an unprecedented level. (\$70 million in 1970)
2. The distribution of services alone precludes their availability to all our citizens.
3. Traditional laws of supply and demand in the free enterprise system do not contribute towards expected economies.

In very simple terms, the health industry needs to plan and this bill can provide that mechanism.

This Senate in 1965 passed a bill that was sponsored by Senator Monroe which was concerned with comprehensive health planning for hospitals tied to licensure. In those days we referred to this concept as area wide planning. Unfortunately that bill died in committee in the Assembly. One year later the Federal Government got into the act and enacted the Partnership in Health Act, which gave birth to comprehensive health planning as we know it today. Presently seventeen states have comprehensive health planning legislation. Bills are pending in the Legislatures of twelve other states, including Nevada.

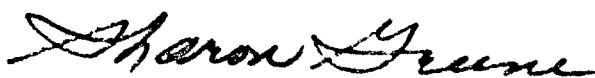
The general feeling is this - competition created through over supply of hospital beds does not create any more economies than the franchising of two electric or gas companies for the same area. The capital investment required and realities of operational economics can only result in a higher cost to the consumer when two hospitals serving the same geographic area are allowed to create facilities that exceed the demand.

Without this bill, the effective return to the public of benefits for the tax dollars spent will be minimal if not non-existent. Currently the Comprehensive Health Planning Agency in Clark County is having little effect upon the health facilities or services.

Continued

Their recommendations are almost totally ignored unless the recommendations happen²⁷ to be consistent with the goals of the facility, service organization, or commission. It is nothing more than an exercise in futility of effort and a waste of tax dollars when you establish a planning agency without authority.

We urge the Senate Finance Committee and the Assembly Ways & Means Committee to appropriate the necessary funds to establish this agency, which constitutes 25% of the total budget with the balance available through Federal funds.



Sharon Greene
Executive Director



STATE OF NEVADA
DEPARTMENT OF HEALTH, WELFARE, AND REHABILITATION
DIVISION OF HEALTH
CARSON CITY, NEVADA 89701

March 2, 1971

Mr. David R. Brandsness
Administrator
Sunrise Hospital
P. O. Box 14157
Las Vegas, Nevada 89101

Dear Mr. Brandsness:

In reviewing hospital facilities construction plans in the Las Vegas area, it is apparent that the number of beds planned for the area exceeds the projected need. The current State Plan for Construction of Hospitals and Medical Facilities indicates a need for 201 additional hospital beds in Clark County.

We have found that the Public Health Service formula for determining bed need has been reasonably accurate, since it is based on current utilization plus projected populations.

Since you are considering construction of new hospital beds, we urge you to evaluate the impact your proposed addition would have upon the entire community: too many hospital beds suddenly in the Las Vegas area.

We recommend that you coordinate your plans and program through the Clark County Comprehensive Health Planning Agency.

Sincerely,

A handwritten signature in cursive script, appearing to read "John H. Carr".

John H. Carr, M. D.
State Health Officer

JHC/b

cc: Otto Ravenholt, M. D.

Sunrise Hospital
MEDICAL CENTER

3186 MARYLAND PARKWAY, LAS VEGAS, NEVADA 89109

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March 5, 1971

John H. Carr, M.D.
State Health Officer
State of Nevada
Division of Health
Carson City, Nevada 89701

Dear Doctor Carr:

I received your letter of March 2, 1971, and am somewhat confused after reading it. It would seem to me that your letter would have been a great deal more appropriate six to twelve months ago. I wish to point out that at this time, I do not have any quarrel with the Public Health Service formula of determining bed need, and I also agree it is reasonably accurate.

I believe our Community is in need of an additional 201 hospital beds, however, as it relates to Sunrise Hospital, I wish to point out that the Comprehensive Health Planning Agency did approve our project last Spring. We actually started construction in November and are currently well underway. The status of the construction should be readily available from members of your own Department since we have been working closely with them.

I am acutely aware of the problems created by surplus hospital beds in a Community. I would further suggest that if you are truly interested in this problem, that you seek the Minutes of the Comprehensive Health Planning Agency for the past four months. Considerable discussion, fact finding, and evaluations have been made concerning not only Sunrise Hospital, but other facilities within our area. Unfortunately, at this point there is not any mechanism to insure compliance by any agency with the Planning Agency's recommendations. I think this is most readily pointed out by the actions concerning the Four Seasons Nursing Home and the Clark County Commission's actions of January.

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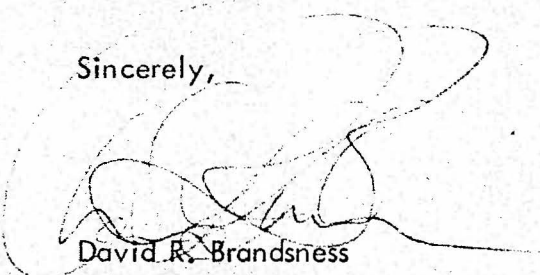
John H. Carr, M.D.

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The Administration and Medical Staff of Sunrise Hospital are most anxious to promote and cooperate with our Planning Agency. However, we do not have any intention of being the sole voluntary participant.

After you have reviewed the aforementioned data, I am sure you will approve the amending of Senate Bill 326 to provide the necessary "teeth". It is my understanding a Committee Hearing regarding this Bill will be held on March 11 at 1:30 P.M. If members of the Department of Health and Welfare are truly interested in safeguarding the communities of Nevada from the unnecessary expense that results from over-building of hospitals, they will provide strong support for amendments which would tie licensure and Title XIX reimbursement to Comprehensive Health Planning Agency's recommendations.

Sincerely,



David R. Brandsness
Administrator

cc: Sister Dominga
Sharon Greene

TESTIMONY PREPARED FOR SENATE COMMITTEE ON HEALTH AND WELFARE ON SB 326

By Dorothy J. Button, R.N.

My name is Dorothy Button. I live at 1590 Hillside Drive in Reno, Nevada. I am chairman of the Nevada Nurses' Association Committee on Legislation.

Nevada Nurses' Association is the professional organization of Registered Nurses. In 1970 our association had 601 members. Membership in the Association is voluntary.

We support the principle of comprehensive health planning. We believe comprehensive health planning is essential if we are to avoid duplication, overlapping and fragmentation of health services and if we are to meet the greatest number of health needs for the greatest number of Nevadans. We believe that comprehensive health planning is involved in determining ^{health manpower} the needs for Nevada. We think the time is past when schools to prepare health professionals as well as ancillary health workers are begun before feasibility studies have been done to demonstrate a need for the workers who are being prepared. We believe that comprehensive health planning should enable us to utilize health manpower at the highest level of its skills, not at the lowest level of its skills. We think the discontinuity which has occurred in Nevada's Comprehensive Health Planning is not desirable; therefore, we hope that you will pass legislation at this session which establishes and funds a state comprehensive health planning agency. Thank you.