

Assembly

HEALTH & WELFARE COMMITTEE MINUTES

MARCH 21, 1973

MEMBERS PRESENT: BENNETT, CRADDOCK, WITTENBERG, McNEEL,
HICKEY

MEMBERS ABSENT: FRY AND GETTO

GUESTS: Roger Trounday, Dept. of Health & Welfare
James L. Murphy, CPA
O. A. Wahrenbrock, Dept. of Health & Welfare
Thomas A. Wilson, State Comp. Health Planner
Myrl Nygren, Health Division
Sharon Greene, Nevada Hospital Assn.

Chairman Bennett called the meeting to order at 8:10 a.m.
for further discussion on AB 422.

James L. Murphy stated he had been a certified public accountant for 19 years, had a number of hospitals as clients, and was familiar with hospital cost finding. He thinks there are a couple of problems with the bill. In smaller counties the hospitals have elected boards which are responsible to the people and have control on rate setting. In the nursing home area he has worked with Welfare Department, and they have worked out a cost finding system which is adequate and the rates are quite controlled. In private or non-profit hospitals the competition and bed vacancies tend to keep the rates down. All hospitals are under control of State and Federal agencies and also Medicare.

Mr. Murphy feels that to find a CPA knowledgeable in the area to serve on the proposed commission would be very difficult since he would probably have hospitals as clients and would therefore have a financial interest. Regarding the proposed \$500 fee to apply for a rate increase, he knows of one hospital where that fee would cost them in excess of \$1 a day. Additional costs in preparation would add another dollar or two, so just to get a rate increase would add approximately \$3 per day. The cost to hospitals for filling out all required forms is already very great. The bill provides only controls for room and board, and the ancillary services run better than 50% of total revenue. He checked one hospital account and found that from 1967 to 1972 salaries were up 83%, food costs up 635%, and other expenses up 106%.

Mr. McNeel stated all he was asking for in the bill was a 5-man board of consumers to whom the hospitals would have to justify their rate increases. Everyone else has to justify an increase in price. He was requiring no additional forms to fill out. He questioned Mr. Murphy about the

Assembly

Health & Welfare Comm. Minutes March 21, 1973 Page 2

number of CPAs in the State. Mr. Murphy said, "325 to 400". Mr. McNeel felt that out of that number he could find one to serve on the commission who would be competent and not have a financial interest in a hospital. He also said the \$500 fee could be reduced if necessary, but anyone requesting a rate increase should be able to pay something. Also, if they have to pay a fee they might be a little more careful about applying for a rate increase without ample justification.

Mr. Craddock questioned Mr. Murphy concerning the "bounties" paid by hospitals to doctors to place patients in their hospitals. Mr. Murphy knew of no such instances and said in all the audits he had made he had never seen a payment to a doctor under such circumstances.

Sharon Greene stated that with 72 institutions within the State there is no way a 5-man board could handle applications without a full time staff.

Mr. McNeel said all commissions within State depend on expert opinion and input from expert studies and records and he felt they would be readily available.

Mr. Wilson of Comprehensive Health Planning said that if he is to take his manpower and staff to help the Commission he wants it in the budget and clear legislative authority to offer such information. The bill operates under the assumption that state agencies will provide expertise and they are unable to do this under present conditions.

This concluded discussion on AB 422.

AB 546. Roger S. Trounday, Director of Department of Health, Welfare and Rehabilitation, stated this was a "clean up" bill to designate the Department as the sole agency responsible for rehabilitation of the blind. This was left out and it is necessary they get included to comply with Federal Government requirements for a single state agency for blind program.

Committee Action:

AB 422: Mr. McNeel moved "Do Pass". Seconded by Mr. Bennett.
 Yes votes: Bennett, Hickey, McNeel
 No votes: Craddock
 Not voting: Wittenberg

Not sufficient majority of "yes" votes to pass bill.

Assembly

Health & Welfare Comm. Minutes March 21, 1973 Page 3

AB 546 - Wittenberg moved "Do pass". Seconded by Craddock.
Unanimously passed.

Meeting adjourned at 8:50 a.m.

Respectfully submitted,

Jane Dunne

ASSEMBLY

AGENDA FOR COMMITTEE ON HEALTH & WELFARE
Wednesday

14

Date March 21, 1973 Time 8:00 a.m. Room 240

Bills or Resolutions
to be considered

Subject

Counsel
requested*

AB 546

Designates department of health, welfare
and rehabilitation as sole agency responsible
for rehabilitation of the blind.

*Please do not ask for counsel unless necessary.

57TH NEVADA LEGISLATURE

HEALTH AND WELFARE COMMITTEE
LEGISLATION ACTION

DATE March 21, 1973

SUBJECT AB 546

MOTION:

Do Pass Amend Indefinitely Postpone Reconsider

Moved By Mr. Wittenberg Seconded by Mr. Craddock

AMENDMENT:

Moved By _____ Seconded By _____

AMENDMENT:

Moved By _____ Seconded By _____

VOTE:

	MOTION		AMEND		AMEND	
	Yes	No	Yes	No	Yes	No
Bennett, M.	<input checked="" type="checkbox"/>					
Craddock, R.	<input checked="" type="checkbox"/>					
Hickey, T.	<input checked="" type="checkbox"/>					
Wittenberg, A.	<input checked="" type="checkbox"/>					
Fry, L.						
Getto, V.						
McNeel, R.	<input checked="" type="checkbox"/>					

TALLY:

Original Motion: Passed Defeated Withdrawn

Amended & Passed _____ Amended & Defeated _____

Amended & Passed _____ Amended & Defeated _____

Attach to Minutes March 21, 1973
(Date)

