

Assembly

0725

GOVERNMENT AFFAIRS COMMITTEE

MINUTES OF THE MEETING

April 10, 1975

MEMBERS PRESENT: CHAIRMAN DINI
VICE-CHAIRMAN MURPHY
ASSEMBLYMAN CRADDOCK
ASSEMBLYMAN HARMON
ASSEMBLYMAN MAY
ASSEMBLYMAN MOODY
ASSEMBLYMAN SCHOFIELD
ASSEMBLYMAN FORD
ASSEMBLYMAN YOUNG

ALSO PRESENT: Assemblyman Coulter
Assemblyman Robinson
Bob Broadbent
Thalia Dondero

(The following bill was discussed at this meeting:
A.B. 453).

Mr. Dini called the meeting to order at 8:00 A.M.

Mr. Coulter asked if the committee would introduce a bill dealing with property ownership requirements in city charters. He stated that there had been some problems in Reno. Mr. Coulter stated that he had a memorandum dated April 7, 1975 from the Legislative Counsel Bureau which he referred to. A copy of the memorandum is attached to the minutes of this meeting and made a part hereof.

Mr. Dini stated that the committee would discuss the matter.

Dr. Robinson testified on A.B. 453, which places control of certain county hospitals in board of county commissioners and creates hospital advisory board. He stated that they were presenting this bill as an effort to solve problems that are being faced by Souther Nevada Memorial Hospital. He stated that it was a very good institution and that it is having financial difficulties and they feel that the major portion of the difficulties are because of the political formation of the hospital. see attachment

He stated that the lack of direct financial control by the present Board of Trustees has lead to this difficulty. They feel that elected county officials such as county commissioners would have a direct responsibility for it and would be financially and politically responsible to the electorate and would take a closer look.

Mr. Broadbent testified next. He stated that he had been on the board for two years. About 4 months ago the Board of County Commissioners adopted unanimously a resolution indicating that they would like to have legislation to either get the county commissioners in or out of the hospital. This bill should either be passed or the county commissioners should be separated from the hospital. The board consists of 5 elected trustees from districts and 3 members from the county commission. Mr. Broadbent stated that the board who is responsible for the hospital should be responsible for the expenditures as well as for the assets. He stated that the county commissioners do not have the authority to control expenditures. He stated that there would be some tough decisions to make in order to get the hospital in a sound fiscal position. He stated that he was not in favor of an advisory board. He stated that the present board has taken the advisory board position on fiscal affairs. He stated that it was his hope that you either give it to the county commission or give it to a separate autonomous board.

Mr. Young stated that this bill does not do that.

Mrs. Ford stated that it is giving all of the control to the county commissioners.

Mr. Broadbent stated that the advisory board would be making recommendations and if those recommendations were taken everything would be fine. He stated that medical care is expensive. He stated that the hospital was run down. He stated that they will recommend a capital expenditure.

Mrs. Ford asked without an advisory board, or even with it, who would advise.

Mr. Broadbent stated that there was a medical staff that was created by the by-laws.

Mr. Broadbent stated that the county commission job is a full time job in Clark county.

Thalia Dondero, Clark County Commissioner and member of the Hospital Board of Trustees testified next. She stated that she has served as the chairman of the joint conference committee which is made up from 2 members from the board and the administrator. This group has been having weekly meetings to discuss hospital problems and it has been very effective. She stated that they had not as yet drawn any conclusions. The problems are going to have to be solved quickly to get the hospital out of trouble. It would take another several months of full time study. She stated that this is the only county hospital, and that the hospital needs a new form of government. She stated that the board could be run like the airport board or the water district board.

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She stated that certain things needed to be done in the bill.

She stated that it would be nice to have a group of experts on the board. She stated that it does not give terms of office nor does it state how they will be removed. She stated that there are certain things that need to be done in the bill. The hospital board has to be one thing or another and whether or not it could be run independently like the water board she does not know. It should be run without public revenues. Other hospitals operate that way. They are appointed by the county commissioners and that might solve the problem.

Mr. Dini pointed out that the bill stated that they shall serve at the pleasure of the board. Mr. Dini stated that he thought that the definition of what the hospital advisory board shall do was weak.

Mr. Dini asked what the complications were if we allow the county commissioners to take over. He asked if this would be supported. Miss Dondero stated that she thought that they would support it. She stated that much of the support has to come from the county commission monies and we have to have more money to run the hospital. She stated that some how when new programs are put in and new contracts given out, the control has to be with the county commissioners.

Mr. May stated that the present 7 member board of county commissioners works like the legislature with regard to subcommittees.

Mrs. Ford stated that she thought that there was a lot of value in giving the hospital to the county commission. There are a lot of weaknesses in the bill. She stated that she agreed with Mr. Dini. She stated that there was no understructure in the bill.

Miss Dondero stated that it has to be spelled out.

Mr. Ashworth stated that Dr. Robinson had given his viewpoint. As far as he was concerned he would have no objection to eliminating the advisory board and giving it to the county commissioners.

Mr. Jack R. Petitti testified next. He stated that he is the chairman of the county commissioners. He feels that we do not have to have the advisory board. He stated that they have hired a comptroller this week. They are actively seeking a strong administrator for the hospital. They need a full time administrator. He stated that the hospital had to be run like the airport. They need input. He stated that they could get that from the doctors, staff and nursing staff. These things can be presented to the administrator. He can see no reason for an advisory board. If they do need help financially, they do have people and accountants to call on.

Mr. Dini asked what the financial picture was.

Mr. Petitti stated that there are \$1,500,000 of past due bills. The majority of these bills are overdue for over six months. He stated that this has crept up over the years. It is not a good situation. They do have gaming tax from slot machines in the county. If this could be made countywide, it would probably generate another 1-1/2 million dollars.

Dr. Ravenhoe testified next. Dr. Ravenhoe stated that 50% of the revenues are from private insurance. 30% is made up from title 18 and 19 which are medicare and medicade. 20% remains uncovered. That 20% is the amount to which the county contributes \$1,000,000 which they classify as county indigents plus emergency room plus mental holds. The other 15% is the gap.

Dr. Ravenhoe stated that the two years ago it was 1/2 million dollars. Last year it was one million dollars.

He stated that Washoe Medical Center has just re-constructed. It is now two times the size as Southern Nevada. It has been 22 years since a bond issue has been passed to improve the hospital. In the last 4 or 5 years competitors have come on the scene. They compete for the private physician and patients. Memorial is left with the open door obligations for taking care of the sick and injured.

Good collections come from careful preadmittances.

In Washoe Medical Center 85% are pre-admitted. 15% are emergency room. At Southern Memorial over 50% are out of the emergency room. The amount of money coming into the capital fund is not really what is needed.

Mr. Young asked if the total occupancy was down.

Dr. Ravenhoe stated no. He stated that the hospital provides the service first and then collects.

Mr. Ashworth asked how they were going to come out of short term bonds. The slot machines are to pay for that. He stated that they had not passed the bond issue. He asked if they thought if we should be trying to expand that facility in view of the fact that it is being used as a county hospital.

Dr. Ravenhoe stated that he does not think it should be expanding. It should be reconstructing.

Mr. Ashworth asked how much it would cost. Dr. Ravenhoe stated that it would be about 8 or 9 million dollars.

Mr. Ashworth stated that \$8,000,000 can do a lot of building.

Dr. Ravenhoe stated that it could create some 250 new beds.

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Mr. Ashworth asked how they proposed to accomplish this and Dr. Ravenhoe stated that he did not have an answer.

Mr. Young stated that they had built a new one in Elko and that it was very small.

Mr. Schofield asked what percentage of accounts receivable Dr. Ravenhoe felt were collectible.

Dr. Ravenhoe replied 25 to 40%.

Mr. Ashworth stated that he would be concerned if the accounts receivable increased greatly. He stated that the uncollectable accounts receivable is the problem and that Dr. Ravenhoe had alluded to that. Mr. Ashworth stated that there is definitely a problem there. Everyone thinks the county is responsible for the county and if so lets make it responsible.

Mr. Jack Close testified next. He stated that he has concern. He is a registered physical therapist. He stated that he was a staff member. He stated that he feels that it is a time-consuming job. He does not feel that the county commissioners at present have the time to give to the hospital because they are so involved in their other responsibilities. He stated that he was speaking in favor of an advisory board.

Mrs. Ford stated that this is not an advisory board, but rather an appointed board. She referred to the Library Trustees.

Mr. Craddock asked what the vacancy factor in Sunrise was over the other hospitals.

Mr. Close stated that he did not know.

Dr. Zumpt, Chief of Staff testified next. One of the things that they have asked for is that they establish a more permanent board rather than have turnover. This bill does that. This bill identifies the responsibilities of the hospital with the county commissioners. He referred to a resolution of the executive committee and to a report that was given, which had indicated that the critical problems at the hospital have been eliminated in supplies and material. They do not feel it is a problem now.

Mrs. Ford asked which of the proposals presented did Dr. Zumpt and the medical staff like most. The appointed board or complete control with the county commission, not an advisory board.

Dr. Zumpt stated that he did not understand the board's functions with regard to the water district. He feels that the administration of the hospital basically should lie in the area of administration. The Board of Trustees should have the power to assist the administrator.

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Miss Sharon Greene testified next. She stated that they support the bill and that Mr. Close was right. The Board of Trustees is a full time job. There is not another hospital that allows the board of Trustees to have as much management as Southern Nevada does.

She referred to Mr. Olgren at Washoe Medical Center. Miss Greene stated that there is not another elected board of trustees that has the ability or the education. She stated that it would be very important if you give it to the county commissioners that their roll be definitely defined. She stated that another concern was the 200,000 population base in the bill. She stated that Washoe County does not want to be placed in this law.

Mr. Dini stated that this concluded the testimony and that this bill would be submitted to a subcommittee.

There being no further business to come before the meeting, the meeting adjourned.

Respectfully submitted,



Barbara Gomez
Committee Secretary

ASSEMBLY

AGENDA FOR COMMITTEE ON GOVERNMENT AFFAIRS
THURSDAY,

2- 0724

Date April 10, 1975 Time 8:00 A.M. Room 214

Bills or Resolutions
to be considered

Subject

Counsel
requested*

A.B. 453

Places control of certain county
hospitals in board of county commissioners
and creates hospital advisory board.

NOTIFY: Mr. Broadbent, Mr. Ashworth
County Hospital Board in Las Vegas (Dr. Rosen)

STATE OF NEVADA
LEGISLATIVE COUNSEL BUREAU

LEGISLATIVE BUILDING
CARSON CITY, NEVADA 89701



LEGISLATIVE COMMISSION
LAWRENCE E. JACOBSEN, Assemblyman, Chairman
INTERIM FINANCE COMMITTEE
FLOYD R. LAMB, Senator, Chairman

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ARTHUR J. PALMER, Director

PERRY P. BURNETT, Legislative Counsel
EARL T. OLIVER, Legislative Auditor
ARTHUR J. PALMER, Research Director

April 7, 1975

M E M O R A N D U M

TO: Assemblyman Steven A. Coulter
FROM: J.C. Smith, Office of Research
RE: Property and Residency Requirements

The following cities have property ownership or taxpayer provisions in their city charters:

Mayor and Councilmen

- | | |
|------------------|--|
| Effective 1971 | 1) Carlin Charter--(a) Resident of the city for at least 2 years. (b) Registered voters within the city and taxpayers on real property located within the city for at least 2 years prior to their election. |
| Approved 4/1/69 | 2) Carson City Charter--6 month residency. Registered voter and taxpayer on real property located within the city. |
| Effective 7/1/73 | 3) Elko City Charter--2 year resident. Registered voters, taxpayers for 2 years. |
| Effective 1971 | 4) Henderson City Charter--3 year resident. Registered voters and taxpayer. |
| Effective 1971 | 5) North Las Vegas City Charter--2 year residents (of wards). Two year registered voters. Taxpayers for 2 years. |
| | 6) Reno City Charter--Ward resident or 6 months if running at large. Registered voters, taxpayers (no time). |

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- In effect until July, 1975 7) Sparks City Charter--Councilmen, 3 year residency, taxpayers. Mayor, 5 years residency, taxpayer.
- Effective 1971 8) Yerington City Charter--6 month residency. Registered voters and taxpayers.

Incorporation by General Law

NRS 266

NRS 266.175, Mayor, qualified electors and taxpayers.

NRS 266.220, Councilmen, qualified electors and taxpayers.

Cities of Ely, Fallon, Lovelock, Winnemucca.

There appear to be constitutional questions involved in the above qualifications. We will send pertinent information in this regard as soon as it has been researched.

JCS/jd

REPEAL 450.180 AND SUBSTITUTE THE FOLLOWING
NEW LANGUAGE IS UNDERLINED AND OLD IN PARENTHESES

2-0734

The board of hospital trustees shall have the power:

1. (To appoint a suitable superintendent or matron, or both, and necessary assistants, and to fix their compensations.
2. To employ physicians, surgeons and internes, either full-time or part-time, as the board determines necessary, and to fix their compensations.
3. To remove such appointees and employees.
4. To control the admission of physicians, surgeons and internes to the staff by promulgating appropriate rules, regulations and standards governing such appointments.)

NEW LANGUAGE

N. R. S. 450.180 Powers of Board of Hospital Trustees

The board of hospital trustees shall have and exercise the following powers:

1. To have and use a corporate seal and alter it at pleasure.
2. To sue and be sued in all courts and places and in all actions and proceedings whatever.
3. To purchase, receive, have take, hold, lease, use and enjoy property of every kind and description within the limits of the county, and to control, dispose of and convey the same.
4. To exercise the right of eminent domain for the purpose of acquiring real or personal property of every kind necessary to the exercise of any of the powers.
5. To administer any trust declared or created for hospitals of the county and received by gift, devise, or bequest and hold in trust or otherwise, property situated in this state or elsewhere, and where not otherwise provided, dispose of the same for the benefit of such hospitals.
6. To employ such officers, employees, and professional persons, as the board deems necessary to carry on properly the business of the hospital.
7. To prescribe the duties and powers of the hospital administrator, secretary and other officers, employees, and professional persons of any such hospitals; to determine the number of and appoint all such officers, employees and professional persons, and to fix their compensation, which officers, employees and professional persons, shall hold their offices or positions at the pleasure of the boards.

N.R.S. 450.180 -- NEW LANGUAGE (Continued)

- 8. To do any and all things which an individual might do which is necessary for and to the advantage of a hospital.
- 9. To establish, maintain and operate one or more Clinic sites situated within the territorial limits of the district.
- 10. To do any and all other acts and things necessary to carry out the provisions of this act.
- 11. To control the admission of physicians, surgeons, interns and residents to the staff by promulgating appropriate rules, regulations and standards governing such appointments.

(Repeal N.R.S. 450.200)