

Assembly

MINUTES

WAYS AND MEANS COMMITTEE - NEVADA STATE LEGISLATURE - 58th SESSION

February 21, 1975

Meeting was called to order by Chairman Mello at 8:00 A.M. in the Ways and Means Committee Room.

Present: Chairman Mello, Mr. Bremner, Mrs. Brookman, Mr. Dreyer, Mr. Glover, Mr. Howard, Mr. Robinson, Mr. Weise and Mr. Wittenberg.

ALSO PRESENT: John Dolan, Bill Bible, George Miller, John Duarte, Ace Martel, Wendy VanCuren, Robert Alves and Vera Murphy.

Motion to approve the minutes of February 14 and 17, 1975 was made by Mr. Robinson, Seconded by Mr. Howard. Motion passed.

John Duarte explained the budget of Child Welfare (page 351) and stated there were four categories in this budget. Unmarried mothers, Handi-capped children, Foster Home care, and Special Contract care.

In the Unmarried Mothers category he stated they handled less mothers, but the costs have gone up. 53 children are awaiting adoption each month and this is 100% state funded.

2. The Handi-capped Children is a small member program. They handle children with special education needs and care. This is also 100% state funded and the recommendation is based upon a case-load of 5 children per month at a cost of \$345 the first year of the biennium and \$380 the second year. They are finding that more and more children are being placed in institutions.
3. The Foster Home Care category takes care of neglected, abandoned or abused children who are usually placed in Welfare care by Court order. This is one-third county funded and two-thirds state funded. This category is broken down into three parts: Regular foster care (state funded); Aid to Dependent Children foster care which is matchable with federal funds; and Parolees. Parolees are children who have left training schools and gone back to the Community. This is 100% General Funded.

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The Regular Foster Care average payment is recommended to be increased to \$144 in 1976 and \$158 in 1977. Regular Institution costs have risen drastically and it is recommended this be increased to \$725 in 1976 and \$800 in 1977. The Aid to Dependent Children Family Care is recommended at \$144 in 1976 and \$158 in 1977 and the Aid to Dependent Children Family Care - Institutional is recommended at \$605 in 1976 and \$665 in 1977. These children are regularly younger. The Parolees is recommended at an increase to \$160 in 1976 and \$178 in 1977.

4. Special Contract care would maintain special foster care homes and contract with foster parents at \$450 per month over and above the regular care payment for any children in their home. These foster home parents will be specially trained to handle problem children.

George Miller stated that they courts had adjudicated delinquents to the Welfare Division and they have no facilities to care for these children. They are also given Emotionally disturbed children and they have no facilities to take care of these children and they must be sent out of town where they have special schools.

Mr. Duarte explained the Aid to Dependent Children (page 354). By furnishing financial assistance, a child can be placed in his own home or the home of relatives. The Governor is recommending an average grant of \$51.75 per month, per recipient which is an increase of 23% over the authorized amount and 15% over the amount actually being paid. This is based on a 50-50 match on assistance grants.

Chairman Mello stated there is a Supplemental of \$576,020 (A-29), AB 205. Mr. Duarte explained that the adult program was transferred to Federal Government on January 1, 1974 and is now known as Supplemental Security Income. The State must maintain a calendar year 1972 level in this program. He was speaking about the basic theory of what was previously known as the Old Age Assistance Program and that level was \$875,800.

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They had to come up during this period of time with an average payment level established through an audit by the Federal Government of what was done in the 1972 payment level for Old Age Assistance and came up at \$173.99 then opted to cash out the bonus value of Food Stamps at \$10 when then brought the average payment level of Old Age Assistance to \$183.99. The level being paid for an individual prior to January 1974 was \$175 and then by adding the \$10 bonus value of Food Stamps to the \$175, the payment level was then \$185 or \$1.01 below where the average payment level was arrived at. Also, it reflected in this category an increase per individual of \$1.01 per recipient plus \$1.62 per couple. The additional cost in this program represents the adult group care facility operation which was not directed to in the last session. At that time they alluded to the fact that there would probably be an additional \$300,000 spent each fiscal year. Because of this factor, these amounts of money were not appropriated during the last session which is one of the reasons the supplemental appropriation for the Old Age Assistance category is being asked for. The present payment for the facility is \$235 of which \$21 is personal needs for an individual at the group care facility. The rates have increased to \$260 for facility care and \$25 for personal needs. In addition to the total request, they are asking for an additional \$150,000 to make the first SSI monthly payment in July.

Assistance to the Aged and Blind (page 355) is funded by all state dollars. This budget combines the Old Age Assistance program and the Aid to the Blind program. The State Hold Harmless Payment is the amount the state spent in 1972 that has to be maintained. They had an adjusted payment level of \$183.99 per individual and the Federal SSI payment is \$146 so this is a gap between the \$146 and the \$183.99. Once a payment has been reached in that gap of \$875,258, the State owes nothing for these recipients up to \$183.99. This is what is known as Hold Harmless. The APL Supplement is the \$1.01 or the \$1.62 multiplied by the projected number of recipients. The All State Supplement is the difference between the 15% increase recommended by the Governor to a new level of \$212.75 per individual and \$343 per couple. The Adult Group Care Facility Supplement is the difference between the individual rate and the upper rate allowable under the Adult Group Care Facility. This is \$275 with a \$25 incidental amount.

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Wendy VanCuren, Secretary of the Northern Chapter of Adult Group Care Facility Association, stated that she is concerned about the continued care of the people in the Group care facilities. She stated there are 21 facilities throughout the State with 538 Group Care people. Mr. Robert Alves from Reno stated that he has approached the Welfare Division and the Governor and were told there were no funds. The two operations in Reno have gone in the red as have many of the other facilities. Vera Murphy, Las Vegas, stated that in 1961 they received \$150 per month per person and in 1970 they still received \$150 per month. They have not had a cost of living increase at all. They now received \$194 per month, but none of this money is from the State. George Miller stated that this group is in need of money but have not threatened to put people out in the street and have the desire to take care of these people.

The Medical Care Unit (page 357) was explained by Mr. Duarte. The primary responsibility is for medical assistance for categorically related people; such as, recipients of ADC, Child Welfare program, and the SSI program. The budget represents administration units for the administration of the medical funds; such as, hospital care, physician care and dentistry care.

One New Position is being requested and that is a Utilization Review Officer who would develop and maintain a current utility review plan which provides Title XIX to review, control and monitor capabilities according to HEW. He will look at the utilization review from a recipient standpoint, facility standpoint or a vender standpoint. He would review the types of medical provided or care given by the vender and whether they are buying the proper care for the patient.

The Out of State travel expense is due to the fact that Mr. Kelso is on the Advisory Commission of APWA which necessitates taking trips to consult in the over all directions of the Medi-Caid program. The In-State travel is for medical review transportation to check on the various facilities and for people traveling on the administrative part of the program.

The Contractual Services are contracts with the Health Division for certification of nursing homes. Have contracts with Dentists, Optometrists and Psychiatrists to help administer the program.

The Fiscal Agent Charges were explained. They have a contract with Nevada Blue Shield plan for actual payment process of bills from providers of care. The estimate is based on the number of bills anticipated. The increase shown in the second year of the biennium is based on an anticipated increase in charges.

Mr. Duarte stated that a big item of the budget is the Medical payments themselves.

Mr. Duarte then explained the Medical Care Unit (page 360). He stated that the 1973-74 figures are actual figures shown on a cash basis. These are primarily distributed in the Aid categories.

The Welfare Division - Medical Care Unit was also explained. The Physician services cost frequency are broken down into five categories: Surgery, Radiology, Pathology, Medicine and Anesthesiology. Mr. Duarte stated that four of the categories are not happy with the formula used for payment, but they have never put anything in writing. The three anesthesiologists in Las Vegas have stated that they want their Usual and Customary fees. He stated that the anesthesiologists have told him that other vendors (plumbers, electricians, etc.) get paid the on-going rate by the State and felt the doctors should also receive the on-going rate. Mr. Robinson stated that Welfare is only a small part of a physician's practice and felt they had a civic duty to the community. Mr. George Miller stated that the Usual and Customary fee is not the actual fee paid as they cannot pay more than Medi-Care pays. He stated the normal amount paid is 75-80% of what is billed. The recommended increase for payment is a basic 5%. Except in dentistry, they are recommending an increase of 15%, Optometry, 25%, Other Practices (Podiatrists, Psychologists, etc.) 20%.

Ace Martel explained the Food Stamp Program. This is the largest program operated by Welfare. They are anticipating 13,000 cases in 1976 and 12,000 in 1977. He stated that if the load goes beyond control and they do not have the staff to handle it, they will have 25,000 cases instead of the normal 17,000. Without the proper staff, they will have to cancel out investigating cases and just handle the sign-in sheet. He stated they have no recourse to meet the load. Mr. Bible stated that their recourse would be Interim Finance. Mr. Martel stated that there is some mis-use and selling of food stamps but there is nothing that can be done about it. The legal costs would be too high. They do have identification cards, but the supermarkets do not check them. He also stated that the states want an accountability of the food stamps, but the federal government does not.

The meeting adjourned at 10:00 A.M.