

Mr. Robinson continued by saying that although the subcommittee took no vote, he felt that all their questions were answered and that he felt SB 194 to be a pretty complete bill. He mentioned some problems discussed off the record regarding personality conflicts between the Insurance Division and one hospital administrator but felt these problems would be resolved.

Mr. Chaney brought up the matter of the Ways and Means Committee's approval of the bill. Mr. Robinson stated that Mr. Koszinski, chairman of the Ways and Means subcommittee investigating the Human Resources Department, had advised him that they were interested in the \$63,000 per annum cost of the Insurance Division investigating applications for Certificates of Need and might amend the budget in this regard. He thought they also had in mind sending a Letter of Intent to the Council as to how they should pay out the funds. Mr. Weise stated that the Insurance Division budget shows this amount as income to the Division.

Mr. Robinson pointed out that both Mr. Rottman and Mr. Trounday were in agreement with the bill. Another consideration to leaving the recommendations in the Insurance Division was the fact that if they were done "in-house", additional staff and auditors would have to be hired at greater expense than is incurred now.

Mr. Weise pointed out that he was at first concerned with the impact of the \$63,000 coming from the Human Resources budget and going into the Insurance Division budget where it could be used for this purpose or to cover other expenses of the Insurance Division. He felt that these concerns were pretty well answered and that he agrees with Mr. Robinson's conclusion. He felt that the committee should "go with" the bill and leave the monitoring of the internal mechanics to the hospitals and HSAs.

Mr. Dreyer complimented the subcommittee on their complete coverage of the bill as did the Chairman.

Chairman Chaney called on Mr. Ross for a report on proposed amendments to AB 474. Mr. Ross was not present at the time but was expected momentarily. The meeting recessed briefly.

Mr. Ross explained that the amendment prepared by the Bill Drafters' Office, (BDR 40 1240) was prepared before he was in receipt of a letter from John H. Carr, State Health Officer. (The proposed amendments are attached as Exhibit "C". Dr. Carr's letter is attached as Exhibit "D".) Dr. Carr's recommendations, as a result, are not included in the amendments. Mr. Ross felt that the first change on line 6 is ambiguous because the present line 6 reads: "any party who applies". He said an individual could have two parents; if only one applies, he would be the only one whose financial ability would be checked. He suggested changing it to read: "of the parent of a crippled child for whom an application is made". Other changes would include removing the word "families"

and replacing it with the word "parent". Since a "guardian" is not financially responsible for the raising of a child, this word should be deleted. "Guardian" could also include an aunt or uncle raising a child.

Mr. Weise asked Dr. Carr how many cases there were where the crippled children were orphans. Dr. Carr said very few, under 5% or 10%. Mr. Ross pointed out that the Bill Drafter's proposed amendment also includes the term "stepparent" which he felt was inappropriate and suggested its deletion.

Mr. Weise moved to adopt the amendments as discussed and that Mr. Chaney hold the bill for these amendments. Mr. Kissam asked if the entire committee was in agreement with the deletion of the word "stepparent". Mr. Ross seconded the motion. The motion to adopt the proposed amendments to AB 474 was unanimously approved. Mr. Weise moved to pass AB 474 as amended. Mr. Ross seconded the motion. The motion was unanimously approved.

Mr. Bennett moved to pass SB 194; Mr. Robinson seconded the motion. The motion was unanimously approved.

Mr. Kissam asked for committee introduction of a bill relating to orthopedic devices such as wheelchairs. He stated that he has questions regarding the bill, but feels it has no fiscal impact. Mr. Ross moved for a committee introduction; Mr. Dreyer seconded the motion. The motion was unanimously approved. (The proposed legislation is BDR 1353).

Mr. Dreyer asked the committee for reconsideration of AB 33 which clarifies the authority of state personnel to inspect health and care facilities and which the committee indefinitely postponed March 3. He stated that he had received a call from an ombudsman who felt that this authority was very important. Mr. Weise suggested that the witness appear before the committee before they decide whether or not to reconsider the bill. Mr. Robinson felt that the committee should first decide whether or not to reconsider the bill, call a hearing and then hear the witness. He said he didn't care for the bill even with proposed amendments.

Mr. Ross stated that at this point he would not be in favor of reconsideration of AB 33 but that he would be willing to hear what a witness has to say. Mr. Bennett pointed out that the rules can be suspended and the bill approved for reconsideration by 1/2 of the member instead of the usual 2/3.

Chairman Chaney announced that the witness would be invited to speak before the committee at their next meeting. The meeting was adjourned at 10:19 a.m.

Respectfully submitted,

PHYLLIS BERKSON, Secretary

Ex. "7"



STATE OF NEVADA
HEALTH PLANNING AND RESOURCES

CAPITOL COMPLEX
ROOM 604, KINKEAD BUILDING
505 E. KING STREET

CARSON CITY, NEVADA 89710

TELEPHONE (702) 885-4720

MIKE O'CALLAGHAN
GOVERNOR

ROGER S. TROUNDAY
DIRECTOR

MYRL NYGREN
ADMINISTRATOR

March 25, 1977

MEMORANDUM

TO: ASSEMBLYMAN ROBERT E. ROBINSON

FROM: MYRL NYGREN, ADMINISTRATOR *M.N.*

SUBJECT: COPY OF LETTER TO DARRELL D. LUCE
ADDITIONAL FINANCIAL INFORMATION THE OFFICE OF HEALTH PLANNING
WOULD OBTAIN FROM THE INSURANCE DIVISION

Attached for your information is a copy of our letter to Mr. Darrell L. Luce as you requested in our meeting March 24, 1977.

Also for your information, we are attaching lists of financial information we will be requesting from the Insurance Division. Pages 1 through 6 will be information requested each time a Certificate of Need/1122 Review is requested. Pages 7 through 11 will be information requested on an annual basis.

MN:mk

Ex. A



STATE OF NEVADA
HEALTH PLANNING AND RESOURCES

CAPITOL COMPLEX
ROOM 604, KINKEAD BUILDING
505 E. KING STREET
CARSON CITY, NEVADA 89710
TELEPHONE (702) 885-4720

MIKE O'CALLAGHAN
GOVERNOR
ROGER S. TROUNDAY
DIRECTOR

MYRL NYGREN
ADMINISTRATOR

March 25, 1977

Mr. Darrell D. Luce
Christian Science Committee on
Publication for Nevada
1717 East Charleston Boulevard
Las Vegas, Nevada 89104

Dear Mr. Luce:

Assemblyman Robert E. Robinson has requested me to reply to your March 21, 1977 letter to Assemblyman Lonie Chaney, Chairman of the Health and Welfare Committee.

Your request to amend SB 194, page 6, line 22 refers to NRS 449.260 which defines facilities that are eligible to receive Title XVI (Hill Burton) funds for construction and/or modernization. To include the language of NRS 449.070 as you requested, would act to exclude institutions where patients rely solely on spiritual means for healing from being eligible for Title XVI funds. I do not feel this is what you intended or would desire.

If your concern is that these institutions should be exempted from Certificate of Need and 1122 Review, this is assured in NRS 439A.100 (see page 4, lines 9 through 26). "Health Facility" refers to those health and care facilities licensed in accordance with NRS 449 and as you have already noted, 449.070 provides the necessary exemption.

I hope this letter has answered your concerns. Should you have further questions regarding this matter, or any other portion of SB 194, please feel free to contact me at your convenience.

Sincerely,

Myrl Nygren
Administrator

MN:mk

cc: Assemblyman Robert E. Robinson
Assemblyman Lonie Chaney, Chairman
Health and Welfare Committee

ANALYSIS OF FINANCIAL RATIOS (Required under NRS 449)

A. Profitability Ratios

Ratio #

- 1. (3) gross profit/income (percent)
- 2. (4) net profit/income (percent)
- 3. (5) net profit/net worth (percent)
- 4. (6) net profit/working capital (percent)

B. Liquidity Ratios

Ratio #

- 1. (1) current assets/current liabilities (times)
- 2. (2) cash & receivables/current liabilities (times)

C. Activity Ratios

Ratio #

- 1. (9) accounts receivable/average income per day (days)
- 2. (10) net income/inventory (times)
- 3. (7) net income/net worth (times)
- 4. (8) net income/working capital (times)
- 5. (11) fixed assets/net worth (percent)
- 6. (12) current liabilities/net worth (percent)
- 7. (14) inventory/working capital (percent)
- 8. (15) current liabilities/inventory (percent)
- 9. (17) accounts receivable/income (percent)
- 10. (18) non-receivables/income (percent)

D. Leverage Ratios

Ratio #

- 1. (13) debt/net worth (percent)
- 2. (16) debt/working capital (percent)

Ratio relationship of departmental unit cost to patient days.
Or, what is the unit cost per patient day in the department.

Administrative Expense = \$
Patient days

Nursing Expense = \$
Patient days

Obstetrical Expense = \$
Patient days

Dietary Expense = \$
Patient days

Maintenance Expense = \$
Patient days

Housekeeping Expense = \$
Patient days

Pharmacy Expense = \$
Patient days

Central Supply Expense = \$
Patient days

Laboratory Expense = \$
Patient days

Radiology Expense = \$
Patient days

Emergency Room Expense = \$
Patient days

Medical Records Expense = \$
Patient days

Surgery Expense = \$
Patient days

Ratio relationship by department to total operating expense.
Or, what is the percent of operating expense each separate
department represents.

<u>Administrative Expense</u>	=	%
<u>Operating Expense</u>		
<u>Nursing Expense</u>	=	%
<u>Operating Expense</u>		
<u>Obstetrical Expense</u>	=	%
<u>Operating Expense</u>		
<u>Dietary Expense</u>	=	%
<u>Operating Expense</u>		
<u>Maintenance Expense</u>	=	%
<u>Operating Expense</u>		
<u>Housekeeping Expense</u>	=	%
<u>Operating Expense</u>		
<u>Pharmacy Expense</u>	=	%
<u>Operating Expense</u>		
<u>Central Supply Expense</u>	=	%
<u>Operating Expense</u>		
<u>Laboratory Expense</u>	=	%
<u>Operating Expense</u>		
<u>Radiology Expense</u>	=	%
<u>Operating Expense</u>		
<u>Emergency Room Expense</u>	=	%
<u>Operating Expense</u>		
<u>Medical Records Expense</u>	=	%
<u>Operating Expense</u>		
<u>Surgery Expense</u>	=	%
<u>Operating Expense</u>		

INFORMATION NEEDED FOR CERTIFICATE OF NEED

Further delineation of the in depth financial data request in addition to what the Insurance Division is collecting under its statute NRS 449.440-530.

1. Narrative summary of project.

- a. Beds including total at completion.
- b. services.
- c. Modernization, addition and new site.

2. Estimate of project cost.

- a. Cost breakdown to include these:
 - Construction
 - Initial cost during construction (not reimbursed by 3rd party payers).
 - Land acquisition and site development.
 - Soil survey and investigation findings.
 - Equipment
 - 1) movable
 - 2) fixed
 - Material testing
 - Architect fee
 - Engineering fee
 - Supervisor (owners cost allowance)
 - Performance and payment bonds
 - Contingency (included in all costs or separate)
 - Inflation factor (included in all costs or separate)

Project Costs

- Trustee fee
- Legal fee
- Printing expense
- Registration
- State tax
- Title and recording
- Rating fee
- Feasibility study
- State/local inspection fees
- Loan insurance fees
- Interest (during construction)
- Reserves related to public bond issue
- Temporary relocation expenses
- Pre-opening expenses
- Working capital build-up
- Operating expense
- Interest and principal amortization

Bond Issue Costs

3. Is project financed in whole or in part by debt? If so what are terms of debt?

- a. Interest
- b. Payment period
- c. Restrictions on additional debt
- d. Pre-payment stipulations

Are non-debt funds actually committed or reasonably certain to be available? Substantiate availability of grants, contributions and retained earnings.

4. Project annual cash flow requirements over life at debt.

- a. What sources at revenue are to be used to finance costs?
- b. Are projected revenues sufficient to finance debt service requirements?
- c. Provide 3 year historical profit/loss and balance sheets.
Provide 3 year projected profit/loss and balance sheets.
Provide historical utilization figures.
Provide projected utilization figures.

Example:

<u>Construction Period</u>		<u>Completed Facility Operation</u>		
1977	1978	1979	1980	1981

- Admissions
- Patient days
- Number of acute care beds
- Percent of occupancy
- Average length of stay/days
- Outpatient visits
- Emergency visits

Example: On the following page is a Debt Service Cash Flow Schedule.

DEBT SERVICE CASH FLOW SCHEDULE

Year	Source of Funds						Use of Funds				Cash Excess (Shortage) after use of cash.	Additional funds from invested cash (6%)	Annual cash Excess	
	Depreciation			Amortization		Donations	Total Funds	Principal Payments	Land Purchase	Equipment Purchases				Total Payments
	Building Structure	Building Service Equipment	Movable Equipment	Finance & Legal Fees	Preopening Expense									
1	\$117,500	\$157,000	\$60,000	\$9,130	\$20,000	\$50,000	\$419,690	-	\$13,750	-	\$13,750	\$399,880	-	\$399,880
2	117,500	157,000	70,000	9,130	20,000	50,000	423,630	-	15,500	100,000	115,500	308,130	\$23,992	332,122
3	117,500	157,000	80,000	9,130	20,000	50,000	433,630	-	17,500	100,000	117,500	316,130	43,920	360,050
4	117,500	157,000	90,000	9,130	20,000	50,000	443,630	108,800	19,750	100,000	228,500	215,080	65,523	280,603
5	117,500	157,000	100,000	9,130	20,000	50,000	453,630	115,200	22,250	100,000	237,450	216,180	82,359	298,539
6	117,500	157,000	110,000	9,130	-	100,000	493,630	128,000	25,000	100,000	253,000	240,630	100,271	340,901
7	117,500	157,000	120,000	9,130	-	100,000	503,630	140,800	28,250	100,000	269,050	234,580	120,725	335,305
8	117,500	157,000	130,000	9,130	-	100,000	513,630	160,000	31,750	100,000	291,750	221,880	142,044	363,924
9	117,500	157,000	140,000	9,130	-	100,000	523,630	172,800	36,000	100,000	308,800	214,830	163,879	378,709
10	117,500	157,000	150,000	9,130	-	100,000	533,630	192,000	40,250	100,000	332,250	201,380	186,601	387,981
11	117,500	157,000	100,000	9,130	-	100,000	483,630	217,600	-	100,000	317,600	166,030	209,880	375,910
12	117,500	157,000	100,000	9,130	-	100,000	483,630	230,400	-	100,000	330,400	153,230	232,435	385,665
13	117,500	157,000	100,000	9,130	-	100,000	483,630	262,400	-	100,000	362,400	121,230	255,575	376,805
14	117,500	157,000	100,000	9,130	-	100,000	483,630	285,000	-	100,000	388,000	95,630	278,183	373,813
15	117,500	157,000	100,000	9,130	-	100,000	483,630	313,600	-	100,000	413,600	70,030	300,612	370,642
16	117,500	157,000	100,000	9,130	-	100,000	483,630	352,000	-	100,000	452,000	31,630	322,850	354,480
17	117,500	157,000	100,000	9,130	-	100,000	483,630	384,000	-	100,000	484,000	(370)	344,119	343,749
18	117,500	157,000	100,000	9,130	-	100,000	483,630	428,800	-	100,000	528,800	(45,170)	364,744	319,574
19	117,500	157,000	100,000	9,130	-	100,000	483,630	473,600	-	100,000	573,600	(89,970)	383,919	293,949
20	117,500	157,000	100,000	9,130	-	100,000	483,630	518,400	-	100,000	618,400	(134,770)	401,556	266,786
21	117,500	-	100,000	9,130	-	100,000	326,630	576,000	-	100,000	676,000	(349,370)	417,563	68,193
22	117,500	-	100,000	9,130	-	100,000	326,630	633,600	-	100,000	733,600	(406,970)	421,654	14,684
23	117,500	-	100,000	9,140	-	100,000	326,640	704,000	-	100,000	804,000	(477,360)	422,535	(54,825)
Total	\$2,702,500	\$3,140,000	\$2,350,000	\$210,000	\$100,000	\$2,050,000	\$10,552,500	\$6,400,000	\$250,000	\$2,200,000	\$8,850,000	\$1,702,500	\$5,284,939	\$6,987,439

Total project cost: -\$8,760,000
 Debt: \$6,400,000
 Debt ratio: 73%
 Terms: construction - 20 years, 10%
 land - 10 years, 12%

5. Does the lender stipulate investment of excess depreciation to fund debt?
Will principal invest cash excess generated by depreciation, interest, donations,
etc. to fund debt?

STEP 5: EVALUATE SOURCES OF REVENUE TO FINANCE CAPITAL COSTS

Questions:

- if reimbursement is one source of funds, are the costs allowable under Medicare, Medicaid, Blue Cross and other cost-based reimbursement contracts covering the applicant yes no
- are there any maximums on allowable costs yes no
- have 3rd-party payers been informed of possible increases in reimbursement rates yes no
- have possible rate and/or charge increases been reviewed (if required by state and federal law) yes no
- if the service must currently be certified under a federal program—e.g., hemodialysis by Medicare, neonatal intensive care by CCS—has certification been granted yes no
- if donations are one source of funds, does the applicant have a successful past history of fund-raising yes no
- which other organizations may be raising funds in the community for similar purposes at the same time (list)
- if a revenue bond is one source of funds, have past revenues been adequate for operations and debt repayment. rev. = colat. for bond. yes no
- if a general obligation bond is one source of funds, is the tax base solid yes no
- has depreciation been used by the applicant to cover operating, education, or research costs or is it now being used yes no
- will future depreciation be used to pay off principal yes no
- in general, are the proposed sources of funds stable yes no

Ex. B

Name of Institution: _____

Name of Institution: _____

Analyst: _____

Date: _____

LARGE HOSPITAL

Mean

Mean

X (1)	$\frac{\text{Current Assets}}{\text{Current Liab.}}$					X (15)	$\frac{\text{Current Liab.}}{\text{Inventory}}$			
X (2)	$\frac{\text{Cash \& Rec.}}{\text{Current Liab.}}$					X (16)	$\frac{\text{Debt}}{\text{Working Capital}}$			
X (3)	$\frac{\text{Gross Profit}}{\text{Income}}$					X (17)	$\frac{\text{Accts. Rec.}}{\text{Income}}$			
X (4)	$\frac{\text{Net Profit}}{\text{Income}}$					X (18)	$\frac{\text{Non-rec.}}{\text{Income}}$			
X (5)	$\frac{\text{Net Profit}}{\text{Net Worth}}$					X (19)	$\frac{\text{Debt}}{\text{Assets}}$			
X (6)	$\frac{\text{Net Profit}}{\text{Working Capital}}$					R (20)	$\frac{\text{Assets}}{\text{Debt}}$			
X (7)	$\frac{\text{Income}}{\text{Net Worth}}$					X (21)	$\frac{\text{Profit}}{\text{Assets}}$			
X (8)	$\frac{\text{Income}}{\text{Working Capital}}$					Av. length stay (or) use rate	$\frac{\text{Inpatient days}}{\text{Hospital Beds}}$			
ays (9)	$\frac{\text{Accounts Rec.}}{\text{Av. Inc. per day}}$					Occupancy rate	$\frac{\text{Inpatient days}}{\text{Beds x 365}}$			
X (10)	$\frac{\text{Income}}{\text{Inventory}}$					Cost per bed	$\frac{\text{Income}}{\text{Total Beds}}$			
X (11)	$\frac{\text{Fixed Assets}}{\text{Net Worth}}$						$\frac{\text{Income}}{\text{Pt. Admissions}}$			
X (12)	$\frac{\text{Current Liab.}}{\text{Net Worth}}$						$\frac{\text{Inventory}}{\text{Pt. Day}}$			
X (13)	$\frac{\text{Debt}}{\text{Net Worth}}$						$\frac{\text{Optg. Expenses}}{\text{Pt. Day}}$			
X (14)	$\frac{\text{Inventory}}{\text{Working Capital}}$						$\frac{\text{Adm. Expenses}}{\text{Tot. Optg. Exp.}}$			

Ex. B

Case #: _____

Name of Institution: _____

Analyst: _____

Date: _____

SMALL HOSPITAL

Year	Non-receivables	Current Assets	Current Liabilities	Semi-private Room rate	Total Assets	Optg. Expense	Accounts Receivable	Occupancy Rate	Operating Income	Patient Days
				Mean	Mean	Inventory	Equipment	# beds	# doctors	# nurses
Current Ratio										
Non-rec. I										
I TA										
Acct. Rec. Current Assets						Inv. + pa-day \$				
Op. Exp. I						Beds. Nurses				
Equip. Total Asset						Equipment pa-day				
Optg. Exp. pa-day						I Beds				
Inpatient Charges						Pa-day doctors				
Inv. I						Pa-day nurses				

DATA REQUIREMENTS FOR FINANCIAL FEASIBILITY REVIEW

<u>Provider</u>	<u>Datum</u>	<u>Purpose</u>	<u>Source</u>	<u>Review Step</u>
Non-profit hospital	1. Total estimated project cost	Determine anticipated investment.	Applicant	1
	2. Project cost breakdown	Assess completeness of cost estimate.	Applicant	1
	3. Local "going rate" for major capital elements such as land, construction, equipment	Compare applicant estimates with local conditions.	Local press, architects, contractors, real estate, suppliers, etc.	1
	4. Sources of revenue for total estimated project cost	Determine sources of capital and their relative importance.	Applicant	2
	5. Sources, terms and interest rates of debt instruments, as available	Determine total and annual debt service. Assess potential influence on management financial autonomy.	Applicant	3
	6. Amortization schedules	Determine debt service when interest rate not known.	Agency	3
	7. Debt service cash flow schedule, including amortized planning and pre-opening expenses	Show yearly debt service and cost recovery. Assess adequacy of projected revenues.	Applicant	4
	8. Characteristics of projected revenue sources	Assess adequacy and reliability of projected revenues.	Applicant certifying authority (Medicare, etc.) contracting HMO, third party payers, foundations and donors, bond authorities	5
	9. Audited income statement - 3 previous fiscal years	Determine past net income/deficit history. Determine past use of depreciation.	Applicant	6
	10. Audited balance sheet - 3 previous fiscal years.	Assess general financial condition. Calculate debt, current and quick ratios.	Applicant	6
	11. Projected income statement with supporting population and utilization assumptions—during construction and 2 years of operation	Assess future income status. Assess cost and utilization assumptions.	Applicant	6
	12. Projected cash flow schedule for proposed project—during construction and 2 years of operation	Assess cost and utilization assumptions. Determine break-even point.	Applicant	6
	13. Utilization projections demonstrating need for the project	Compare projections used to estimate need and financing.	Applicant	7

EX. 6

<u>Provider</u>	<u>Datum</u>	<u>Purpose</u>	<u>Source</u>	<u>Review Step</u>
Other non-profit health facility.	Same as hospital, 1 - 13.			

For-profit provider.	Same as hospital, 1 - 13.			
----------------------	---------------------------	--	--	--

<u>Provider</u>	<u>Datum</u>	<u>Purpose</u>	<u>Source</u>	<u>Review Step</u>
HMO	Same as hospital, 1 - 10, plus:			
	11. Catastrophic liability experience over past three years.	Assess impact of unexpectedly high costs on plan.	Applicant	5
	12. Reinsurance coverage over life of loan, or if internally financed, over accepted period of depreciation.	Assess plan's management of potentially high, unexpected costs.	Applicant	5
	13. Projected income statement with supporting membership assumptions - 3 coming fiscal years.	Assess future income status.	Applicant	6
	14. Projected cash flow schedule including membership and premium rate assumptions - 3 years.	Assess cost, membership and premium assumptions.	Applicant	6
	15. Membership projections.	Compare marketing/growth projections with financial projections.	Applicant	7

ASSEMBLY ACTION

SENATE ACTION

ASSEMBLY / SENATE AMENDMENT DRAFT

Ex.C

Amendments to Assembly / Senate

Adopted
 Lost
 Date: _____
 Initial: _____
 Occurred in
 Not concurred in
 Date: _____
 Initial: _____

Adopted
 Lost
 Date: _____
 Initial: _____
 Concurred in
 Not concurred in
 Date: _____
 Initial: _____

Bill / Joint Resolution No. 474 (BDR 43-1247)
 Proposed by Committee on Health and Welfare

977 Amendment No 530 A



Amend section 1, page 1, delete line 6 and insert:

"of [any parent who applies for corrective treatment] the parent of a crippled child for whom an application is made to determine whether".

Amend section 1, page 1, line 10, delete "family" and insert "parent".

Amend section 1, page 1, line 14, delete "Family resources," and insert "Resources of the parent,"

Amend section 1, page 1, line 19, delete "Family" and insert "Household".

Form 1a (Amendment Blank)

3044A

Drafted by LP:ml Date 3-23-77.

To Journal (3) CFB

EX. C

Amendment No. 530A to Assembly Bill No. 474 (BDR 40-1240) Page 2

Amend section 1, page 1, after line 20, insert:

"4. As used in this section, "parent" means a natural parent, adoptive parent or stepparent."



JOHN H. CARR, M.D., M.P.H., F.A.A.P.
STATE HEALTH OFFICER
PHONE (702) 885-4740

STATE OF NEVADA
DEPARTMENT OF HUMAN RESOURCES
DIVISION OF HEALTH
CAPITOL COMPLEX
CARSON CITY, NEVADA 89710

March 23, 1977

MEMORANDUM

TO: Assemblyman Robert L. Weise
Assemblyman Ian R. Ross
Committee on Health and Welfare

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

SUBJECT: Suggested Amendment to A.B. 474, per Request
of Chairman Chaney

I don't know how to deal with the wording of line 10 of the original bill involving "family," so I deleted "family of" and substituted "parents, guardians or other persons responsible for."

Additionally, in line 10 of the original bill I inserted "total" between "the" and "cost" and deleted "or any part thereof" in line 11.

With the above changes, A.B. 474 would now read, from lines 9 through 13:

9 crippled child at state expense when it is determined that
the (parents of the child are indigent) parents, guardians
or other persons responsible for the child are unable to pay
the total cost of this treatment. A determination of ability
to pay and eligibility for payment at state expense shall be
based on the following factors:

(The remainder would be the same.)

If you have questions or would like a meeting, please let me know. My telephone number is 4740.

JHC/bws

cc: Chairman Chaney