

Committee in session at 7:30 a.m. Senator Floyd R. Lamb was in the Chair.

PRESENT: Senator Floyd R. Lamb, Chairman
Senator James I. Gibson, Vice Chairman
Senator Eugene V. Echols
Senator Norman D. Glaser
Senator Thomas R. C. Wilson
Senator Lawrence E. Jacobsen
Senator Clifford E. McCorkle

ABSENT:

OTHERS Mr. Ronald W. Sparks, Chief Fiscal Analyst
PRESENT: Mr. Eugene Pieretti, Deputy Fiscal Analyst
Mr. Howard Barrett, Budget Director
Dr. Ralph DiSibio, Director, Department of Human Resources
Mr. Del Frost, Administrator, Rehabilitation Division
Mr. Maynard Yasmer, Chief of Staff Services
Dr. John Carr, State Health Officer, Health Division
Mr. Paul Cohen, Administrative Services Officer
Mr. Mervin Flanders, Services to the Blind
Mr. Jack Penman, Rehabilitation Division
Mr. Richard Ham, Bureau of Alcohol and Drug Abuse
Mrs. Kathy Olson, Director, Governor's Committee
on Employment of the Handicapped
Mr. John Rice, Associated Press
Mr. Cy Ryan, United Press International

Immunization Program - Page 290

Dr. John Carr and Mr. Paul Cohen represented the Health Division.

Senator Lamb asked why there was so much Out-of-State Travel. Dr. Carr said that the federal government calls meetings about once or twice a year for the coordinator or someone in the Community Health Services Bureau to attend. There is an upcoming meeting in St. Louis.

Family Planning Project - Page 293

On Page 294 of the budget, fourth line down, under Governor Recommends, \$51,000 Title XX funds. This is being reduced by \$30,000 in both years of the biennium. The \$5,000 General Fund is the 10% match that is required so it will be reduced by 10% of what was taken out. With regard to Title XX, they are reallocating their priorities. Dr. DiSibio commented that they asked each agency to provide them with an estimate of Title XX money they will not be using.

The salary increase was for two and 1/2 new positions. The two public health nurses and the half-time account clerk. These positions were built into their federal family planning request under Title XX; they are for nurses in the Carson City Offices for the Family Clinic, and to go out into the rural areas to set up family planning clinics.

The Medical Account is for purchasing materials for the program. On Page 294 is the figure of \$50,006 for Contractual Services. These are the contracts they have for physicians.

Senator McCorkle said there seemed to be high increases in General Funding. Going back to Consumer Protection, the agency went from \$270,000 to \$466,000. That is an 80 percent increase. In VD Control, they went from 0 to \$126,000. In Emergency Medical Services they went from \$130,000 to \$400,000; that is a 300 percent increase. The Family Planning went from \$2,000 to \$63,000. Senator McCorkle questioned: What is the future of medical services here, is it like education; or are you going to keep asking and we keep absorbing the money? Where do we stop? This is a tremendous amount of money that is continually requested.

Mr. Cohen replied that the sources of funds in the first two programs are not significant increases. He said that looking at the consumer health services and adding it to the Safe Drinking Water Program match that is required, it will not appear to be a significant increase. He suggested that the Senator is seeking a combination of two budgets that are now separate. For example, on Page 269 where they asked for \$466,000; if \$278,000 from last year's appropriation is added to the Safe Drinking Water Program of \$136,000 the total is over \$415,000. That is a combination of programs.

In Emergency Medical Services, that increase was for additional staff and also included the approximately \$76,500 for ambulance upgrade. Mr. Cohen continued that the Family Planning increase is because of the request for the types of clinics they have been serving. He stated that the program manager and bureau chief requested they try to get State support to increase the services in rural areas. The true growth program of the four programs mentioned is really Family Planning, where they have asked for State money to expand the programs beyond those now in Family Planning.

Their whole philosophy now, Mr. Cohen added, is that if it isn't justifiable, and there wasn't a need for it, it never cleared their offices. They cut back because of priorities in the Executive Branch, which they have to live with.

Senator Jacobsen asked about the printing and duplicating of the agency on Page 278. The Actual is \$5,386 and went up to \$19,000. Mr. Cohen explained that this is because they are now providing the materials that are being assembled by the contractors. They supply educational materials and informational materials that go from their offices to the Washoe County Health District and the 7 existing rural programs. But they do go through the State Printing Office.

Senator Echols asked about the Data Processing. Mr. Cohen said they use Data Processing to prepare the federal reports. The Family Planning Division has their own key punch operators.

Mr. Ron Sparks asked if they are going to reduce Social Services by \$30,000 and the General Fund by \$3,000, where do they want the reduction of the program. Mr. Cohen said it will come out of the Medical category.

Senator Lamb asked what would happen if they didn't give them any General Fund money. Mr. Cohen said if it was cut out totally, they would have to just use federal funds.

Senator Gibson stated that it was his understanding in previous times this question has been raised before, that if the legislature didn't provide the 10 percent match, they would lose the Title XX.

Drug Licensing - Page 296

Mr. Cohen said they have eliminated the position shown on the next to last line on Page 296. They are going to Contractual Services because there wasn't enough for the position to do. The person has resigned and gone to another agency. Mr. Cohen added that the \$15,000 on Page 297, which is Other Contracts Services, is to go to the laboratory.

Senator Wilson asked if their feed projections for both years of the biennium are reasonable. Mr. Cohen answered that they are comfortable knowing they have a \$30,000 check coming in.

Uranium Mills Licensing - Page 298

Dr. Carr said this was a new program they were asked to set up the machinery to implement. It is anticipated that it will pay for itself. The application and inspection fees are designed to cover the total cost.

Radioactive Material Disposal - Page 300

Senator Wilson asked if the site at Beatty was permanently dedicated, and how is it administered. Dr. Carr said this site is on federally-leased land. It can be expanded although it is currently fenced off. They have a disposal contract with a nuclear engineering company.

Senator Wilson asked if the State of Nevada has complete control of expansion and containment of that facility. Mr. Cohen said that according to the original agreement, the acreage that is now available will take care of X number of years, and any expansion has to go through the State. It is monitored primarily out of their Carson City office and the Las Vegas office, and quite extensively.

(See Handout B for the following testimony)

Dr. DiSibio said that this budget was originally placed in the Director's Office. It was taken out of the Director's Office and there was some discussion, debate and negotiations between the Director's Office and a number of their divisions, as well as the medical school with regard to where this budget should be placed. Also discussed was whether it should be contractual or whether it should be State employees. When the decision was made, the budget had already gone to print. As a result, this is an addendum to the budget. They decided to put it into Contract Services and it will be in the Health Division's budget.

Mr. Cohen said he concurred with Mr. Barrett's office that this should be a separate budget. This is actually Contractual Services. It will go to the Northern Nevada Cancer Council which is a non-profit organization; and they have requested their by-laws, their list of officers, their articles of incorporation with the Secretary of State. They have also been informed that the medical school is acting as their fiscal agent.

REHABILITATION DIVISION - Page 419

Mr. Del Frost, Administrator, Rehabilitation Division and Mr. Maynard Yasmer, Business Manager, Rehabilitation Division, presented the budget.

Mr. Frost stated that they have been successful in once again increasing the federal funds for this program by \$1 million to a \$3 million allotment now; and that has decreased the General Fund request for this budget.

Senator Lamb asked what percent it has increased the expenditures. Mr. Frost did not have the answer. He said they decreased the State funds for the next biennium by \$788,000. Mr. Yasmer added that they have had an increase in the new federal fundings, but a decrease in the State money which has netted out to 20 percent.

Mr. Frost said that from 1974 to 1978 they have had an increase in State costs for the agency. At the same time there has been a 78 percent increase in program costs. Mr. Frost commented that they have held the administrative costs down. They are projecting for the next biennium 9.1 percent for overall administration. Mr. Frost added that when they created this structure, they had 33 positions in the administrative budget; now they have 28. They have reduced by 5 positions over those years. Mr. Frost asked the Committee to move one position from the Bureau of Vocational Rehabilitation budget into this budget for the next biennium. That is the Facility Specialist position; by doing this they can spread the costs out across the other bureaus. Hopefully too, it would increase the amount of federal money going into that position.

Mr. Frost requested 2 new positions in this budget. One is an

Internal Auditor. They have made this request in the past. The reason an internal auditor is needed is that in the vocational rehabilitation programs alone they have 40 counselors who spread throughout the State and are spending money. They have the authority to actually authorize expenditures. The Division needs some way of checking on what those people are doing. At present, there is no adequate means of going in and doing program or fiscal audits on the budgets and expenditures these people are making. Mr. Frost is required by Federal law and by State law to make sure these funds are spent appropriately.

Mr. Frost said that another position they are requesting is a clerical position to improve the ratio of the administrative to clerical personnel. They have nine professional staff to two clerical staff. They requested this position last session and tried to use CETA positions, but that did not work out.

Senator Wilson asked about the Nevada Industrial Commission Rehabilitation Center in Las Vegas. He said the Center has substantial capacity for rehabilitation which is not being used. There is legislation that will mandate use by the Rehabilitation Division. Senator Wilson suggested that it will help the negotiations for use of this facility if the Rehabilitation Division can convey that to the Nevada Industrial Commission. Dr. DiSibio stated that a meeting was set up with NIC. He said they are firm on their condition that it would not be available to non-industrial patients.

Vocational Rehabilitation - Page 422

Mr. Frost stated that last year the Division rehabilitated 920 individuals. Mr. Frost added that they have reduced the State funding through the increase of federal funds by 38 percent over the present biennium. He said that they expect a 12 percent medical cost increase in this budget during the next biennium; and they have projected a 6 percent general inflationary increase.

Mr. Frost commented that they are requesting they be allowed to transfer in two rehabilitation positions from the Social Services and two clerical positions. By moving them into the general program, they can get better use out of the positions. They intend to assign those positions to the Nevada State Prison and to open an office in Hawthorne. They have doubled the caseload in Fallon and Hawthorne and cannot meet the needs of those communities.

They are also requesting an Administrative Aid position which is a clerical position in the central office. They are asking for a half-time clerical position for the Mental Health Center in Las Vegas to serve the counselors there. They are also asking for a PBX operator in the Las Vegas Center. There are fifteen programs in that Center, with over 58 personnel. At the present time when clients come in to the center, there is no way to know where to go. It is a chaotic situation and they are asking for a Senior Clerk position in Reno and a half-time clerical position.

Senator Gibson asked Mr. Frost if he considered his payroll as service-related opposed to overhead. Mr. Frost answered yes.

Social Services - Page 428

Mr. Frost said that they are requesting a 50 percent decrease in funding for it. They are requesting to remove four positions from this budget into the general program. This bureau provides social services to the Welfare eligibles who also are eligible for their program.

Independent Living - Page 441

Mr. Frost said that they are operating under a new Federal law. This is an extension of the requirement of the 1973 Rehabilitation

Act to emphasize services to the severely disabled. This program allows them to provide pre-vocational type services to people who are so severely handicapped that they can't get into the mainstream rehabilitation program. But they need to be taught independent living skills. Mr. Frost commented that they have no way of estimating what they will need in this program. He is asking for matching funds for this program after Congress approves it.

Services To The Blind - Page 430

Mr. Frost stated that this program provides services to the blind and severely visionally impaired. It is the same kind of program as the Bureau of Vocational Rehabilitation, but specialized. They are requesting one new clerical position in the Las Vegas office.

Senator Lamb asked why the Out-of-State Travel had increased so. Mr. Frost stated that Mr. Merv Flanders, chief of this bureau, is required to attend various federal policy meetings on the Supplementary Security Income program, the Disability Insurance program, etc. He is also President of the National Council of State Agencies for the Blind, which requires him to travel.

Senator Lamb asked Mr. Frost if he was familiar with S.B. 139. Mr. Frost replied that he was, it is to increase their revolving fund.

Senator Echols asked Mr. Frost about his request of a regular appropriation of \$745,000 which was reduced to actually less than there is in the Work Program. Mr. Frost said one of the reasons for a decrease in State funds was a result of the increase in federal funds.

Mr. Yasmer added that they shifted a greater percentage of the federal formula monies that they split between the Bureau of Services to the Blind and Vocational Rehabilitation. They shifted a greater percentage to the blind services.

Senator Echols asked what equipment they requested. Mr. Frost said that most of the dictating equipment and typewriters in their agency are about eleven years old and have reached a point where they are costing more to maintain than to replace.

Social Services For The Blind - Page 434

Mr. Frost stated that this program is administered by the Bureau of Services of the Blind for the Welfare Division. Senator Jacobson asked about their Contractual Services. Mr. Frost said that in this budget is shows \$231 Actual in 1977-78 and they are asking for \$8,520. That is for medical consultation.

Bureau of Alcohol and Drug Abuse - Page 436

Mr. Frost stated they do not know how much money is going to be received from the federal government because they increase it during the biennium. They will come up with a new program, with new monies, and it looks to the Committee like they have added federal funds during the course of the biennium; and all they have done is received the money.

Senator Lamb asked what they do with the federal funds when they get them. Mr. Frost replied that they put them into the program and spend according to the federal guidelines. Senator Lamb asked how much more it increases the effectiveness of the program. Mr. Frost said that it does. They either take the money and implement a whole new program; or take the money and distribute it to community programs.

Mr. Frost went on to say that this program administers all the State and federal funds authorized by the legislature and the federal government for the treatment for rehabilitation and prevention programs in alcohol and drug abuse. They are also responsible for

providing on-site visitations to all community programs at least four times a year. They do all the certification on personnel and facilities throughout the State. They work with the Bureau of Health Facilities and the Fire Marshal. They provide technical assistance to 27 different community programs that are in existence right now, in developing grant applications for federal funds. They also help them rebuild their own programs for serving people. They provide funds for them. There is an overall increase in the next biennium of 8 percent in this budget and the State fund increase for the next biennium is 9 percent.

Mr. Dick Ham, Chief of the Bureau of Alcohol and Drug Abuse, stated that the 1973 or 1975 Nevada legislature adopted a law which provided that a person could not be arrested for drunkenness; they could only be held. If they were committing a crime they could, of course, be arrested for committing a crime. For the act of being drunk they could not be arrested, just held for a period of time up to 48 hours for their own protection. This is what they mean by Civil Protective Custody, which the budget shows \$190,000 for. That is the Civil Protective Custody grant from the National Institute of Alcohol Abuse and Alcoholism to the State of Nevada. They, in turn, route those monies to facilities to do detoxification for people in civil protective custody.

Senator Echols asked for a breakdown of figures for the different districts. Mr. Ham said that 58 percent of the total dollars (federal and State) go into Clark County. Twenty-three percent of the dollars go to Washoe County, and the balance of the State receives 19 percent.

Special Appropriation for Alcohol and Drug Abuse - Page 440

Mr. Frost presented the budget and a handout (see Attachment B). There were no questions.

Homebound Industries - Page 442

Mr. Frost said that this program was a 100 percent federal program. They are trying to make it a self-sustaining program. It provides work opportunities for the older blind, and people who are confined at home because of blindness, in rural Nevada. They have been providing various types of employment for assembly type projects that have produced \$30,000 in revenues during the last year. They expect to earn \$10,000 per month with these contracts. This is a program that, if it is not self-sustaining, they will just shut it down.

Senator Lamb asked why their travel is up. Mr. Frost explained there is a lot of travel to the rural areas supplying these clients with their supplies.

Bureau of Disability Adjudication - page 444

Mr. Frost explained that this is another totally federally-funded program. It is the Social Security Disability Insurance Adjudication program. The Social Security District offices receive claims or applications from people who want to apply for Social Security Disability Insurance. They process these claims for them. They adjudicate their claims. They determine whether or not the person is eligible.

Business Enterprise Contingency Fund - Page 447

Mr. Frost presented this budget. Senator Lamb asked what the function was. Mr. Frost answered that this was operated by the Services to the Blind Bureau. It provides employment opportunities for the blind. They have 17 snack bar stands statewide. The average income for a year is \$12,934. This is a self-sustaining program. They charge each stand a certain percent of their profit. They set that money aside to build new stands and renovate and remodel old stands.

Governor's Committee on Employment of the Handicapped - Page 448

This office has a staff of three and its purpose is to create employment opportunities for handicapped people. They work with employers throughout the State, developing employment opportunities. They also advise on removing physical barriers to the handicapped.

There are thirteen members of the board. They are required by federal law to have an advisory committee for the vocational rehabilitation programs. That committee was abolished and this committee serves in that capacity and reducing the costs.

S.B. 138 Changes amount in vocational rehabilitation revolving fund.

Senator Glaser moved "Do Pass".

Seconded by Senator Gibson.

Motion carried unanimously.

S.B. 139 Changes amount in services to the blind revolving fund.

Senator Gibson moved to amend and "Do Pass".

(\$15,000 more)

Seconded by Senator Glaser.


Motion carried unanimously

Meeting adjourned at 9:30 a.m.

Respectfully submitted,


Carol Lee Chavez, Secretary

APPROVED:


Floyd R. Lamb, Chairman

A G E N D A

Senate Committee on

Finance

Date Thursday, February 22, 1979

Time 8:00 a.m.

Room 231

Bills or Resolutions
to be considered

Subject

Counsel
Requested*

Budget Page 419-450

SB 138 SB 139

Vocational Rehabilitation Division

CANCER CONTROL BUDGET
HEALTH DIVISION
DEPARTMENT OF HUMAN RESOURCES

PRESENTATION

The purpose of the Cancer Control Budget is to establish a Cancer Registry for Northern Nevada to coordinate with the Southern Nevada Tumor Registry. Cancer data of all sites on living and deceased patients will be submitted to the State Department of Vital Statistics for a State-wide Cancer Registry. Salaries and fringe benefits of the Northern Cancer Council staff are included. Five pilot studies for research on the causes of Cancer in Nevada are included. Collection of this data in coordination with the studies being conducted by the State of Utah Medical School may enable Nevada Legislators and Congressmen to determine if the Radiation fallouts from the Atomic Test Site in Southern Nevada did cause Nevada, Arizona and Utah residents to contract Leukemia, or other radiation induced cancers.

CANCER CONTROL BUDGET
 HEALTH DIVISION
 DEPARTMENT OF HUMAN RESOURCES

2.5 FTE's	<u>79-80</u> <u>REQUEST</u>	<u>80-81</u> <u>REQUEST</u>
Salaries	\$32,500	\$34,450
Costs	4,875	6,201
TOTAL SALARIES	<u>\$37,375</u>	<u>\$40,651</u>
Out-of-State	875	875
In-State	7,000	7,000
 <u>Operating Expenses</u>		
Office Supplies	\$ 1,700	\$ 1,700
Communications	1,200	1,200
Postage	500	500
Printing & Duplicating	1,000	1,000
Contract Services	<u>21,600</u>	<u>21,600</u>
	\$26,000	\$26,000
<u>Equipment</u>	-0-	-0-
 (Office Equipment & Rent furnished by University Med. School)		
 <u>Grants</u>		
4 sub-grants @\$2,000 each	<u>8,000</u>	<u>8,000</u>
	\$79,250	\$82,526

REPORT TO NEVADA STATE LEGISLATURE

ON

AB 334 SPECIAL APPROPRIATION

1977 LEGISLATIVE SESSION

ALLOCATIONS FROM FY 78 LEGISLATIVE APPROPRIATION
REPORT TO NEVADA STATE LEGISLATURE 60TH SESSION

EXHIBIT
628

<u>GRANTEE</u>	<u>ALLOCATION</u>	<u>DESCRIPTION OF PROJECT</u>	<u>TARGET POPULATION SERVED</u>	<u>SERVICES PROVIDED</u>
<u>Washoe County</u>				
Omega House	\$ 26,938	Provides funding to increase number of juveniles served by the Omega Youth Daycare Center	51 juvenile clients	Continuing academic education, individual and family counseling/education, probation support services, skills and career development
Northern Area Substance Abuse Council	3,500	Provides audio/visual prevention/education services in Washoe County	4,000 participants (estimate)	Community, school, and media workshops and seminars in substance abuse education
Alcohol Rehabilitation Association	Original 37,230 only 11,538 allotted due to closure.	Project was designed to provide additional outpatient, residential and detox services to adults in Washoe County	139 clients served (estimate)	Adult outpatient, residential and detoxification services and treatment
<u>Rural Nevada</u>				
Elko Council on Alcohol and Drug Abuse	22,099	Provides Criminal Justice Interface in Elko County and Nevada Youth Training Center	50 criminal justice system clients	Combines treatment of substance abuse problems with specialized rehabilitation and services for juvenile and adult public offenders with substance abuse caused disfunctions
<u>Clark County</u>				
North Las Vegas Community Alcoholism Program	19,929	Provides funding for a community alcoholism services center in North Las Vegas	396 clients and family members	Information, referral and/or direct counseling services to substance abusers, their families and the immediate community
Alcohol Program of Southern Nevada	36,358	Provides centralization of detoxification entry services to CPC clients	105 Las Vegas Metro referrals	Provides Las Vegas Metro Police with central entry and referral of all appropriate CPC cases
TOTAL MONIES ALLOCATED FY 78	<u>\$120,362</u>			

PROPOSED ALLOCATIONS OF LEGISLATIVE APPROPRIATION FY 79

679
EXHIBIT

<u>NEW PROJECTS GRANTEE</u>	<u>ALLOCATION</u>	<u>PROJECT DESCRIPTION</u>	<u># OF PERSONS EXPECTED TO BENEFIT FROM PROJECT</u>	<u>SERVICES PROVIDED</u>
<u>Washoe County</u>				
Pyramid Lake Paiute Tribe	\$ 25,000	Provides substance abuse counseling and vocational adjustment programming to Reservation residents of Pyramid Lake	150 clients	Substance abuse outpatient counseling and education combined with a work incentive program and living skills development
Centro De Informacion Latino Americano	25,000	Provides bilingual substance abuse services in Washoe County	300 clients and family members	Community awareness/education presentations direct outpatient counseling, information and referral to the Spanish speaking population of Washoe County
<u>Rural Counties</u>				
Carson Regional Council on Alcohol and Drug Abuse	7,200	Provides audio/visual treatment and training services	320 participants in 1st year of project	Video equipment, tapes and attendant materials to be used for staff training and in individual and group therapy adjunctive to other treatment modalities i.e., job skills and seeking, personal development
Elko and Tonopah Councils on Alcohol and Drug Abuse	14,000	Provides required match to Federal funding for Community Service Alternative Program	360 court ordered referrals	Provides residential and outpatient treatment and rehabilitative services in combination with court ordered restitution by community service to public offenders whose crime is related to substance abuse.
<u>Clark County</u>				
Operation Bridge	32,077	Provides statewide toll free hot line	24,000	24 hour toll free number for information and referral relevant to substance abuse inquiries and/or problems

PROPOSED ALLOCATIONS OF LEGISLATIVE APPROPRIATION FY 79

NEW PROJECTS
GRANTEE

ALLOCATION

PROJECT DESCRIPTION

OF PERSONS EXPECTED
TO BENEFIT FROM PROJECT

SERVICES PROVIDED

Allotments for Continuation Programming

Provision has been made to continue the following programs as described in FY 78 allocation report.

Omega Youth \$ 26,904

Elko Criminal Justice 29,564

North Las Vegas Community Alcohol Program 19,893

PROPOSED TOTAL OF ALL ALLOCATIONS FY 79 - \$179,638

TOTAL BIENNIUM - \$300,000

STATE OF NEVADA
DEPARTMENT OF HUMAN RESOURCES

RALPH R. DISIBIO, Ed.D., DIRECTOR

ROBERT LIST, GOVERNOR



DEL FROST, ADMINISTRATOR

REHABILITATION DIVISION
ADMINISTRATIVE OFFICE
KINKEAD BUILDING, FIFTH FLOOR
505 EAST KING STREET
STATE CAPITOL COMPLEX
CARSON CITY, NEVADA 89710

2/22

February 28, 1979

Senator Floyd Lamb
Nevada State Legislature
Carson City, NV 89701

COMMITTEE QUESTIONS ON REHABILITATION SERVICES

Attachments enclosed respond to those questions raised by the Committee during presentation of the Rehabilitation Division's budget. For your convenience, I have stated the issues as raised by the committee members.

1. Estimate of savings if Vocational Rehabilitation clients could utilize NIC facility in Las Vegas. (See Attachment #1).
2. What is "social" cost of maintaining clients while receiving Vocational Rehabilitation services? What are the savings to the state once Vocational Rehabilitation programs are completed? What is the reduction in cost of services needed by client following the Vocational Rehabilitation services? (See Attachment #2).
3. Identify which positions in the Bureau of Disability Adjudication's budget that are vacant. Provide confirmation of the mentioned disagreement with the Federal Government on filling positions as per the contract with them. (See Attachment #3).
4. Provide data on services rendered by drug and alcohol programs relative to success of those programs. (See Attachment #4).

Thank you again for your interest in Rehabilitation services. Should you have further questions on the programs, feel free to contact me at your convenience.


DEL FROST, ADMINISTRATOR

DF/1kf
Attachments

cc: Senator McCorkle
Senator Echols

EXHIBIT

666

STATE OF NEVADA
DEPARTMENT OF HUMAN RESOURCES

~~STATE OF NEVADA DEPARTMENT OF HUMAN RESOURCES~~ RALPH R. DIGIBIO, Ed.D., DIRECTOR
~~STATE OF NEVADA DEPARTMENT OF HUMAN RESOURCES~~
DEL FROST, ADMINISTRATOR

ROBERT LIGT. GOVERNOR



REHABILITATION DIVISION
ADMINISTRATIVE OFFICE
KINKEAD BUILDING, FIFTH FLOOR
505 EAST KING STREET
STATE CAPITOL COMPLEX
CARSON CITY, NEVADA 89710

February 22, 1979

TO: Senator Clifford E. McCorkle
FROM: Del Frost, Administrator

ADVANTAGES OF REHABILITATION DIVISION PARTICIPATION IN THE NIC
JEAN HANNA CLARK REHABILITATION CENTER

In responding to your questions regarding the subject matter, I can first assure you that other legislators have expressed similiar concerns. As a result, legislation is currently being drafted which will mandate an annual cooperative agreement between NIC and the Rehabilitation Division. The agreement requirements included in the bill draft provide for the sharing of all resources, including all facilities, reimbursed as applicable, at medicaid rates.

On September 11, 1978, a cooperative agreement was, finally, accomplished. Subsequently, an NIC attorney determined that the current statutes, NRS 616.222 and NRS 616.223 disallow use of the Rehabilitation Center by non-industrially injured persons. We were therefore refused information on fee schedules and referral procedures.

The following facts respond to your questions:
Without a fee schedule, it is difficult to report exact savings to the Rehabilitation Division, however:

1. In Southern Nevada alone, in 1978, we spent \$86,996.84 on 1,247 persons, for Diagnostics/Evaluations.

These services are available at the NIC Center; it makes sense to pay such monies to another state agency rather than to private vendors.

2. In the same period, the Division spent \$200,444.43, Statewide, for 2,590 clients needing this service. The NIC Center is a Statewide Center.
3. Restoration Services, available at the NIC Center, in 1978 cost the Division \$260,846.82 for 670 clients in Southern Nevada, and \$363,825.61 Statewide for 1084 clients.

EXHIBIT

667

Senator Clifford McCorkle
February 22, 1979

4. The Rehabilitation Division therefore has a potential referral base of over 1000 clients in Southern Nevada, and over 2000 on a State-wide basis.
5. \$59,981.80 of cumulative monies are being spent for Rehabilitation Division clients who are sent out of State for services reportedly available at the NIC Center; this figure involves only 27 clients.
6. Rehabilitation Division computer-identified NIC cases in the last 16 months amounted to only 206 shared clients; however,
 - a. NIC clients are generally referred by other sources; there are, therefore, many more NIC clients served by this Division than the 206.
 - b. 87% of the cases sampled of verified NIC clients received services directly related to the NIC injury. The reasons for our provision of services varied from length of time for NIC hearings to limits by NIC as to the length of time allowed their clients to be re-trained (rehabilitated).

The average cost per case for the sampled cases through January of this year, was \$1086.70.

Questions asked by other legislators, and respective answers are as follows:

1. What is the reported capacity of the NIC Center? NIC reports a capability of 250 clients per day.
2. How many persons are being served currently? 108 reported, unverified.
3. Would Rehabilitation Division clients' use of the Center prevent services to NIC clients in need of same? The proposed legislation will provide that the annual cooperative agreement specify the number of clients respective agencies will serve.
4. Would Rehabilitation clients spend longer periods of time in the Center than NIC clients? No. It would be the same length of stay, since they will be served by the same physicians for disabilities that are the same.

Senator McCorkle, it appears imperative that the statutes be changed to assure our disabled citizens maximum cooperation and maximum utilization of resources between and by the two agencies who are responsible for serving handicapped citizens in need of obtaining or retaining employment.

I would think that employers would prefer substantial sums of reimbursement to their NIC fund, rather than to carry the burden of costs for the Center alone.

Please let me know if you have additional questions.

Based on a rather complex cost/benefit model developed by the West Virginia Rehabilitation Research and Training Center, the figures for Nevada were computed for Fiscal Year 1977. Three types of benefit are delineated:

1. Benefit to Society - The total increase in client income attributable to the Vocational Rehabilitation program.
2. Benefit to Government - Total amount the government gets back in taxes and reduced benefits such as Public Assistance.
3. Benefit to Client - Total income less amount paid in taxes and lost in other benefits such as Public Assistance.

The benefit cost ratios are:

1. Benefit to Society = 17.9 (for every dollar expended the return is \$17.90 over the productive life of the client).
2. Benefit to Government = 3.6
3. Benefit to Client = 14.3

So for Fiscal Year 1977 when Nevada Bureau of Vocational Rehabilitation rehabilitated 996 at a cost of \$2,794,628, the total government benefit (State and Federal) will be \$10,060,660.

RD:es:kk
3/1/79

EXHIBIT

Attachment #3

Program Statement

The Bureau of Disability Adjudication is a 100% federally funded program administered by contract with the Social Security Administration. The Bureau makes medical determinations on all applications for disability benefits under the Social Security Disability Insurance (SSDI) Program and the Supplemental Security Income (SSI) Program. Under the disability provisions of the two programs, persons who are otherwise qualified and have a physical and/or mental impairment of sufficient severity to preclude substantial gainful activity for twelve consecutive months could be entitled to benefits. The data gathered by the Bureau is forwarded to the Social Security Administration whereupon it is merged with the applicant income information from the Social Security District Office to generate payments to the disabled.

Workload Statistics

Year	Cases Reviewed
1975-76	5,826
1976-77	7,168
1977-78	6,343

Federal predictions show that 7,005 cases in fiscal year 1978-79, 7,293 cases in fiscal year 1979-80, and 7,295 cases in fiscal year 1980-81 will be processed.

Date of Hearing _____
Who Testified _____
Date Budget Closed _____

	1977-78 ACTUAL	1978-79 WORK PROGRAM	1979-80			1980-81		
			AGENCY REQUEST	GOVERNOR RECOMMENDS	LEG. AP.	AGENCY REQUEST	GOVERNOR RECOMMENDS	LEG. AP.
BAL FWD FROM OLD YR	\$ 12,333	\$ 7,258						
BAL FWD TO NEW YR	\$ 7,258							
PR YR PERSONNEL REBATE	\$ 36							
FED DISABILITY DET	\$ 1,020,734	\$ 1,055,191	\$ 1,305,993	\$ 1,290,724		\$ 1,351,928	\$ 1,339,337	
REIMBURSEMENT	\$ 1,527							
SALARY ADJUSTMENT		\$ 70,800						
TOTAL FUNDS AVAILABLE	\$ 1,027,372	\$ 1,133,249	\$ 1,305,993	\$ 1,290,724		\$ 1,351,928	\$ 1,339,337	

EXISTING POSITIONS

ADMINISTRATOR										
CH DISABIL ADJUDICATE	1.00	25,348	1.00	25,445	1.00	25,445	1.00	25,445	1.00	25,445
ASST CH BUR/DIS ADJUD	1.00	23,071	1.00	23,160	1.00	23,160	1.00	23,160	1.00	23,160
ADMINISTRATIVE SEC I	1.00	13,291	1.00	13,342	1.00	13,342	1.00	13,342	1.00	13,342
MEDICAL CONSULTANTS										
SR PHYSICIAN RANGE C	1.00	43,299	1.00	43,466	1.00	43,466	1.00	43,466	1.00	43,466
SR PHYSICIAN RANGE B	1.00	41,524	1.00	41,684	1.00	41,684	1.00	41,684	1.00	41,684
SR PHYSICIAN RANGE A	.50	18,862	.50	19,881	.50	19,881	.50	20,876	.50	20,876
QUALITY ASSURANCE SEC										
QUALITY ASSUR SPEC	1.00	19,153	1.00	19,226	1.00	19,226	1.00	19,226	1.00	19,226
REHAB COUNSELOR	1.00	13,574	1.00	14,257	1.00	14,257	1.00	14,894	1.00	14,894
VOCATIONAL SECTION										
REHAB COUNSELOR	1.00	18,283	1.00	18,354	1.00	18,354	1.00	18,354	1.00	18,354
SSI SECTION										
UNIT SUPVR/DIS ADJUDIC	1.00	21,021	1.00	21,102	1.00	21,102	1.00	21,102	1.00	21,102
REHAB COUNSELOR	7.00	118,552	7.00	122,010	7.00	122,010	7.00	124,126	7.00	124,126
SSA SECTION										
UNIT SUPVR/DIS ADJUDIC	1.00	21,021	1.00	21,102	1.00	21,102	1.00	21,102	1.00	21,102
REHAB COUNSELOR	4.00	84,768	4.00	86,331	4.00	86,331	4.00	87,709	4.00	87,709

670

EXHIBIT

SOCIAL SECURITY DISABILITY ADJUDICATION - Continued
254-3264

	1977-78		1978-79		1979-80			1980-81		
	ACTUAL		WORK PROGRAM		AGENCY REQUEST	GOVERNOR RECOMMENDS	LEG. AP.	AGENCY REQUEST	GOVERNOR RECOMMENDS	LEG. AP.
SR PHYSICIAN RANGE C	1.00	43,299	1.00	43,460	1.00	43,460	1.00	43,460	1.00	43,460
REHAB SPEC I	1.00	13,574	1.00	11,672	1.00	11,672	1.00	12,200	1.00	12,200
REHAB COUNSELOR	1.00	13,291	1.00	16,951	1.00	16,951	1.00	17,753	1.00	17,753
CLERICAL SECTION										
SUPERVISING ADMINV AID	1.00	9,106	1.00	9,529	1.00	9,529	1.00	9,946	1.00	9,946
FO/ST SUPERVISOR I	1.00	12,261	1.00	12,874	1.00	12,874	1.00	13,342	1.00	13,342
ADMINV AID II RANGE 8 (1 position frozen)	11.00	96,424	11.00	103,426	11.00	103,426	11.00	107,062	11.00	107,062
FO/ST OPERATOR II	1.00	9,841	1.00	10,316	1.00	10,316	1.00	10,777	1.00	10,777
FO/ST OPERATOR I	1.00	9,335	1.00	9,956	1.00	9,956	1.00	10,422	1.00	10,422
TOTAL EXISTING	39.50	39,500	39.50	39,500	39.50	39,500	39.50	39,500	39.50	39,500
TOTAL SALARY-PAYROLL	\$	534,013	\$	648,903	\$	607,592	\$	679,457	\$	679,457
INDUSTRIAL INSURANCE	\$	3,904	\$	11,056	\$	8,950	\$	10,466	\$	10,466
PENSIONMENT	\$	20,652	\$	21,912	\$	20,100	\$	17,400	\$	17,400
PERSONNEL ASSESSMENT	\$	5,453	\$	5,890	\$	5,890	\$	5,890	\$	5,890
GROUP INSURANCE	\$	1,230	\$	20,314	\$	15,000	\$	20,000	\$	20,000
PAYROLL ASSESSMENT	\$	1,211	\$	1,298	\$	1,300	\$	1,300	\$	1,300
UNEMPLOYMENT COMP	\$	1,121	\$	2,596	\$	2,600	\$	2,700	\$	2,700
OVERTIME (INC-HOLIDAY)	\$	4,941	\$		\$		\$		\$	
LONGEVITY	\$	475	\$	1,650	\$	1,506	\$	1,836	\$	1,836
TERMINAL ANNUAL LEAVE	\$	2,807	\$		\$		\$		\$	
TOTAL SALARY-PAYROLL	\$	604,807	\$	743,605	\$	764,890	\$	767,440	\$	763,171
TOTAL OUT-OF-STATE TRAVEL	\$	4,303	\$	1,715	\$	3,613	\$	3,829	\$	3,829
TOTAL IN-STATE TRAVEL	\$	1,626	\$	6,417	\$	1,338	\$	1,418	\$	1,418
OFF SUPPLIES & EXPENSE	\$	3,013	\$	3,069	\$	3,316	\$	3,532	\$	3,532
OPERATING SUPPLIES	\$	64	\$	661	\$	321	\$	341	\$	341
COMMUNICATIONS EXPENSE	\$	36,382	\$	43,182	\$	40,068	\$	42,685	\$	42,685
PRINT DUPLICATING COPY	\$	5,778	\$	6,260	\$	6,379	\$	6,795	\$	6,795
INSURANCE EXPENSE	\$	457	\$	410	\$	463	\$	490	\$	490
CONTRACTUAL SERVICES	\$	13,033	\$	17,337	\$	13,868	\$	14,700	\$	14,700
OTHER CONTRACT SERVICE	\$	15,925	\$	12,432	\$	17,291	\$	18,329	\$	18,329
EQUIPMENT REPAIR	\$		\$	97	\$		\$		\$	
STATE OWNED BLDG RENT	\$	24,273	\$	27,534	\$	26,923	\$	28,146	\$	25,903
OTHER BUILDING RENT	\$	463	\$	475	\$	490	\$	520	\$	520
ADV PUBLIC REL EXPENSE	\$	20	\$	30	\$	80	\$	100	\$	100
STIPENDS AND TRAVEL	\$	4,046	\$	1,914	\$	4,371	\$	4,655	\$	4,655
BLDGS & GRDS SERVICES	\$	35	\$	767	\$	40	\$	45	\$	45
QUES AND REGISTRATICNS	\$	121	\$	350	\$	1,180	\$	1,280	\$	1,200
TOTAL OPERATING EXP	\$	103,750	\$	114,548	\$	114,790	\$	113,107	\$	121,618
EQUIPMENT	\$		\$	2,860	\$	870	\$	870	\$	
MEDICAL DETERMINATIONS	\$	240,658	\$	144,052	\$	257,345	\$	274,160	\$	274,160
TRAINING	\$		\$	9,184	\$	5,015	\$	5,316	\$	5,316
TRAIN OUT OF ST TRAVEL	\$	486	\$		\$		\$		\$	

EXHIBIT

D. Coordination

Present Language --

1. As may be agreed upon by the State agency and the Secretary, the State agency will provide such facilities, employ such qualified personnel, and provide such medical consultative services as are necessary to develop expeditiously evidence with respect to disability determinations. Such personnel shall be subject to the jurisdiction of the State agency.

Modification Language --

1. As may be agreed upon by the State agency and the Secretary, the State agency will provide such facilities, employ such qualified personnel, and provide such medical consultative services as are necessary to develop expeditiously evidence with respect to disability determinations. Such personnel shall be subject to the jurisdiction of the State agency. To the extent that Federal funds are authorized by the Secretary under G.2, the State agency shall apply no restrictions such as a freeze on personnel hiring, a prohibition against overtime work or other curtailment of facilities, needed to carry out the provisions of this agreement in a satisfactory manner, unless such restrictions are required by State law.

Explanation --

The last sentence is optional.

EXHIBIT

672

ATTACHMENT 4

An area percentage breakdown of the Bureau of Alcohol and Drug Abuse allocations shows Clark County receiving 58%, Washoe County 23%, and approximately 19% to the Balance of State.

Approximately 5,000 persons were served by our programs in the 78 fiscal year at an estimated \$360 per client. Among statistics of note during that period was a statewide average of 82% of clients referred for residential treatment of alcohol problems completing successfully, and a recidivism rate of only 35% among clients undergoing detoxification from alcohol. Pre-treatment arrest stats show 3,636 offenses while post-treatment stats show that figure lowered by 91%. Women accounted for 32% of clients served, 27% of clients were under the age of 18.

A major need identified in FY 78 stats was increased vocational services to substance abuse clients. Fully 64% of clients admitted to residential, outpatient or daycare treatment were unemployed.

While no Bureau funded substance abuse program admits clients on the basis of ability to pay for services, a major consideration in treatment admittance is the client's willingness to accept responsibility in his/her own treatment process both programmatically and financially. Aside from being theoretically sound, this is necessitated by the fact that of the total overall operational budget required for service provision by our programs, BADA funding is generally minimal. Among the means developed for client contri-

bution to cost of treatment are sliding scale fees for counseling, reimbursement (in residential programs) for room and board, and volunteer services to the program.

Programs are required to match treatment dollars allocated them by the Bureau by 15 to 50%, and have provided for additional operating expenses by developing outside means of self-support i.e., business enterprise, consultation services, etc. During the past fiscal year Bureau funded programs provided an average of 67% of the total funds required for overall operations.

County and other local allocations account for some program support. Federal formula dollars for treatment are computed on the amount of State funds appropriated for substance abuse.