

# HUMAN SERVICES





## **HUMAN SERVICES**

The Human Services function provides services directly to members of the public and includes the Department of Health and Human Services (DHHS) and the Department of Employment, Training and Rehabilitation (DETR). The DHHS consists of the Division of Health Care Financing and Policy (HCFP), the Division of Mental Health and Developmental Services (MHDS), the Health Division, the Division of Welfare and Supportive Services (DWSS), the Aging and Disability Services Division, the Division of Child and Family Services (DCFS), the Office of the Public Defender and the Indian Affairs Commission. The DETR consists of the Rehabilitation Division, the Employment Security Division, the Information Development and Processing Division and the Nevada Equal Rights Commission. The 2009 Legislature approved \$1.924 billion in General Fund support for the Human Services function for the 2009-11 biennium. This represents a decrease of approximately \$2.2 million compared to the General Fund support approved by the 2007 Legislature for the 2007-09 biennium.

It should be noted that approximately \$122.7 million in funding from the American Recovery and Investment Act (ARRA) was received by the Department of Health and Human Services in FY 2008-09 and some of the General Fund savings that was generated was utilized to provide additional funds to various divisions within the department in lieu of approving supplemental appropriations recommended by the Governor in FY 2008-09. In addition, approximately \$280 million in ARRA funds was approved to be received by the Department of Health and Human Services over the 2009-11 biennium, which reduced the need for General Fund support and allowed these savings to be allocated to support other costs both inside and outside the department.

### **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

#### **DIRECTOR'S OFFICE**

The Director's Office is responsible for coordinating all departmental programs, the oversight of the department's budgets, and providing technical assistance to the various divisions. Prior to the 2009-11 biennium, eight budget accounts were directly administered by the office, including: Department of Health and Human Services Administration; Developmental Disabilities; Community Based Services; Healthy Nevada Fund Administration; the Grants Management Unit; the Children's Trust Account; the Revolving Account for the Prevention and Treatment of Problem Gambling; and the Supplemental Account for Medical Assistance to Injured Persons. The 2009 Legislature approved the Governor's recommendation to transfer the Office of Disability Services (Developmental Disabilities and Community Based Services) and the Senior Rx and Disability Rx programs from the Director's Office to the Aging and Disability Services Division and re-title the division, the Aging and Disability Services Division. The Legislature determined that the transfer of the programs would bring together common services that seniors and disabled persons most often need and would result in better coordination of services provided by the two agencies.

## **HEALTH AND HUMAN SERVICES ADMINISTRATION**

The Administration budget is funded primarily with General Fund support. The 2009 Legislature approved General Funds totaling \$2.9 million for the 2009-11 biennium in support of the Director's Office Administration budget.

The 2009 Legislature restored General Fund appropriations totaling \$26,129 in FY 2009-10 and \$130,834 in FY 2010-11 for the Nevada 211 System. The Governor had recommended eliminating General Funds for the system entirely over the 2009-11 biennium. The General Funds will be combined with \$104,705 in UnitedHealth settlement funds in FY 2009-10 to support the system and help maintain current hours of operation. The Legislature approved the Governor's recommendation for authority to receive a new Suicide Prevention Grant from the Inter-tribal Council totaling \$150,000 in each year of the 2009-11 biennium. The grant will be used to establish a program to increase awareness and education regarding youth suicide and to provide training to improve the identification of suicide risks and the appropriate response to those risks.

## **GRANTS MANAGEMENT UNIT**

The Grants Management Unit was approved by the 2003 Legislature to consolidate six existing grant programs into one account. The six grant programs include: Title XX Purchase of Social Services, Family-to-Family Connection, Family Resource Centers, Community Services Block Grant, Children's Trust Account, and Healthy Nevada Fund grants. In addition to these programs, the 2005 Legislature approved the Prevention and Treatment of Problem Gambling program, which is administered by employees of the Grants Management Unit.

- Title XX Purchase of Social Services – This program, established in 1974 under Title XX of the Social Security Act, provides states with block grant funds for a wide variety of social service programs. The funds received are then sub-granted to state and non-state agencies for social programs. The Executive Budget recommended total Title XX revenue authority of \$14.6 million for each fiscal year of the 2009-11 biennium. During its review of the distribution of Title XX funding, the 2009 Legislature identified Title XX funding totaling \$819,112 in FY 2009-10 and \$218,791 in FY 2010-11 that could be used to offset General Fund expenditures in other Department of Health and Human Services budget accounts that receive Title XX funding. These amounts include an augmentation of \$198,791 in each fiscal year of the upcoming biennium recommended for non-state agencies; \$600,321 remaining from previous fiscal years grant awards and not accounted for in The Executive Budget; and \$20,000 in each year of the biennium recommended by the Governor for transfer to the Aging and Disability Services Division for senior transportation services that continued to receive funding from a different revenue source. As a budget savings measure, the 2009 Legislature authorized the transfer of these Title XX funds to the Division of Child and Family Services to offset General Funds in a like amount recommended for children's mental health room and board expenditures during the 2009-11 biennium.

The 2009 Legislature also approved using \$200,000 in Temporary Assistance to Needy Families (TANF) Block Grant funding in each year of the 2009-11 biennium to support the Division of Child and Family Services' Domestic Violence program.

- Family-to-Family Connection and Family Resource Centers – The Family-to-Family program provides assistance to families with newborns with positive parenting, optimal child development, healthy family structures, and community support. The Family Resource Center program consists of neighborhood centers, which provide a wide array of services or referrals to services for at-risk families that promote individual and family well-being. The 2007 Legislature also approved funding to allow the Family Resource Centers to assist with child welfare cases that do not warrant investigative action by child protective services agencies so that those agencies are better able to respond to more severe cases.

The 2009 Legislature approved General Funds in the amount of \$1.4 million to support the Family-to-Family Connection and Family Resource Centers over the 2009-11 biennium. The 2009 Legislature also approved the receipt of \$170,000 in each year of the 2009-11 biennium from the Casey Family program to support the Differential Response program. The funding will support the expansion of the program in five counties and expand the evaluation component to include the new sites. Additionally, the 2009 Legislature approved the use of available UnitedHealth Settlement funds of \$170,988 in FY 2009-10 to offset General Fund expenditures for the Differential Response program.

### **INDIGENT SUPPLEMENTAL ACCOUNT**

The primary purpose of the Indigent Supplemental account is to provide reimbursement to Nevada counties for unpaid hospital charges for medical treatment of indigent persons, and to provide reimbursement to hospitals for care provided to indigent persons who have been injured in motor vehicle accidents in Nevada. The claims are funded through property tax revenues equivalent to 1 cent per \$100 of assessed value and a property tax levy of 1.5 cents on each \$100 of assessed valuation.

The Governor recommended transferring the revenues generated in the account to the Division of Health Care Financing and Policy's Intergovernmental Transfer account as a means of offsetting General Funds in the Medicaid account. The Legislature instead approved the transfer of the revenues from the Indigent Supplemental account (\$25.2 million in FY 2009-10 and \$23.0 million in FY 2010-11) to the state General Fund. The Legislature was concerned that using the property tax receipts to offset General Fund appropriations for the Medicaid program would result in Nevada being unable to take advantage of the increased Federal Matching Assistance Percentage rates provided for in the American Recovery and Reinvestment Act of 2009.

### **FUND FOR A HEALTHY NEVADA**

Revenue for the Fund for a Healthy Nevada is provided through a transfer from the Treasurer's Office of Tobacco Settlement funds received by the state of Nevada. The fund receives 50 percent of the Tobacco Settlement funds received by the state. Of this

amount, 15 percent is allocated for grants to reduce tobacco use, 10 percent is allocated for grants to improve the health of children, 10 percent is allocated for programs that improve the health and well-being of persons with disabilities, 30 percent is allocated to support the Senior Prescription Drug program (Senior Rx), and 5 percent is allocated for a program to extend coverage for prescription drugs and other related services to certain persons with disabilities (Disability Rx). The programs are administered by the Director's Office with direction from the Grants Management Advisory Board. The funding for grants to improve the health of children and disabled persons and grants to prevent or reduce the use of tobacco products is transferred to the Grants Management Unit account for allocation to various grantees. The remaining 30 percent of the total yearly tobacco settlement payment is allocated to the Aging and Disability Services Division for programs that assist senior citizens with independent living.

The 2009 Legislature approved caseload and inflationary increases for the Senior Rx and Disability Rx programs that will allow the Senior Rx program to serve up to 4,922 clients in FY 2009-10 and 5,031 clients in FY 2010-11. The funding approved will also allow the Disability Rx program to serve up to 518 clients in FY 2009-10 and 523 clients in 2010-11.

The 2009 Legislature approved Senate Bill 430, which transferred \$14.8 million of unspent funds from prior fiscal years from the Fund for a Healthy Nevada to the General Fund to offset a portion of the revenue shortfall experienced between the 74<sup>th</sup> and 75<sup>th</sup> regular sessions of the Nevada Legislature. Senate Bill 430 transferred an additional \$4.2 million from the tobacco settlement payment for FY 2008-09 to the General Fund to further reduce the General Fund shortfall, resulting in a reduction in the amount of funding available for grants during the 2009-11 biennium.

The Governor recommended and the Legislature approved the transfer of the Senior Rx and Disability Rx programs to the Aging and Disability Services Division. The Senior Rx and Disability Rx programs, and the five staff that administer them, were transferred to the Aging and Disability Services Division's Senior Rx and Disability Rx account.

#### **OFFICE OF THE STATE PUBLIC DEFENDER**

The Office of State Public Defender represents adult and juvenile indigent, criminal defendants when a court appoints the office as counsel. The office currently provides services for Carson City, Storey County, Eureka County, Lincoln County and White Pine County. The 12 remaining counties provide their own public defender services through a county public defender, or by contracting with a private attorney to provide those services.

The 2009 Legislature approved the Governor's recommendation for three new positions for the office. The positions include a Deputy Public Defender and an Administrative Assistant for the Carson City office and an Investigator for the Ely office. The positions were approved to attempt to address the performance standards adopted by the Supreme Court regarding the representation of indigent defendants in criminal and

juvenile delinquency cases. The Legislature also approved the Governor's recommendation for increased training funds that were also requested to address the court order.

### **INDIAN AFFAIRS COMMISSION**

The Nevada Indian Affairs Commission was created in 1965 to study issues affecting the social and economic welfare and well-being of Native Americans residing in Nevada. The commission, comprised of five members appointed by the Governor, serves as a liaison between the state and 27 separate tribes, bands and community councils. Although, the 2009 Legislature approved the Governor's recommendation to reduce General Fund appropriations by \$50,941 over the 2009-11 biennium, the Legislature approved grant funding in the amount of \$29,000 in each fiscal year from the Casey Family program and the Inter-Tribal suicide prevention program to restore the budget reductions recommended in The Executive Budget. The grant funds approved will restore the Executive Director position to full-time and provide additional operational funding to allow the Commission to function more effectively.

### **AGING AND DISABILITY SERVICES DIVISION**

The Aging and Disability Services Division (formerly the Division for Aging Services) serves as the primary advocate for Nevadans age 60 years and older. The 2009 Legislature approved the Governor's recommendation to consolidate Aging Services with the Office of Disability Services (ODS, previously located within the Department of Health and Human Services Director's Office). As a result, the following budgets transferred from the Directors' Office: Developmental Disabilities; Community Based Services; and IDEA Part C Compliance. In addition, the Senior Rx and Disability Rx programs, which were previously part of the Healthy Nevada Fund budget, were transferred to Aging and placed into their own budget account.

In addition to the budgets transferred as part of the consolidation of ODS with Aging, the division administers five other budget accounts: Senior Citizens' Property Tax Assistance; Tobacco Settlement Program; Home and Community Based Programs; Aging Federal Programs and Administration; and Elder Protective Services/Homemaker Programs. Funding for these budgets is a combination of state General Fund appropriations, federal funds, and tobacco settlement proceeds.

The 2009 Legislature approved approximately \$130.3 million in total funding for the Aging and Disability Services Division for the 2009-11 biennium. The General Fund support approved for the 2009-11 biennium totals \$45.4 million. In comparison, the total legislatively-approved amount for the 2007-09 biennium was \$83.9 million, with \$21.7 million of the total being General Fund appropriations. The 2009-11 amounts are significantly greater than the amounts approved for the 2007-09 biennium because of the consolidation, which added four budgets from ODS, bringing the total number of Aging and Disability Services budget accounts to nine.

If one compares these nine budgets' actual General Fund expended during FY 2007-08 (\$17.1 million) to the legislatively-approved General Fund for FY 2009-10 (\$22.4 million) and FY 2010-11 (\$23.0 million), the percentage increase is 31 percent for the first year and 3 percent in the second year of the biennium. However, if the reversions necessitated by budget reductions had not occurred in FY 2007-08, the percentage increase in General Fund from FY 2007-08 actual to FY 2009-10 legislatively approved would drop to 21.5 percent.

### **SENIOR CITIZENS' PROPERTY TAX ASSISTANCE**

The Senior Citizens' Property Tax Assistance program provides relief to eligible senior citizens who are carrying an excessive residential property tax burden in relation to their income or through rent payments, are paying a disproportionate amount of their income for property taxes. The program is funded entirely with General Funds.

The 2009 Legislature approved a decrease in the amount of funding for caseload growth from the amount recommended in The Executive Budget, based on an analysis of the expenditures incurred for the program during FY 2008-09 and the impacts of the property tax abatement legislation approved by the 2005 Legislature. These factors were not fully considered in The Executive Budget and they allowed the 2009 Legislature to reduce the General Fund appropriation by \$154,196 in FY 2009-10 and by \$259,876 in FY 2010-11 from the Governor's recommendations. Therefore, to account for demographic growth in the property tax refund program, the 2009 Legislature approved approximately \$2.4 million over the 2009-11 biennium, which is in addition to the approved base budget funding of \$4.7 million per fiscal year. The total amount of General Fund approved to sustain the property tax refund program is approximately \$11.8 million over the 2009-11 biennium.

In addition, the 2009 Legislature approved \$45,428 in FY 2009-10 for technology enhancements, with \$10,314 approved for technology enhancements in FY 2010-11. Enhancements include completion of the conversion of the senior tax database to a System Query Language server, and upgrades and new programming for the database.

### **TOBACCO SETTLEMENT PROGRAM**

This budget supports the Independent Living Grants (ILG) program, and all funding is provided by Tobacco Settlement Agreement monies. This program enhances the independent living of older Nevadans through respite care and relief for care giving, transportation options and care in the home to enable older persons to remain at home rather than in institutional placement. The total amounts legislatively approved to be sub-granted to non-profit agencies as part of the ILG program are \$4.7 million in FY 2009-10 and \$6.6 million in FY 2010-11. The amount approved for the first year of the biennium is less than the FY 2007-08 actual amount (\$5.3 million) because during the 24<sup>th</sup> Special Session, the Legislature redirected \$4.2 million from the FY 2008-09 tobacco settlement payment to the General Fund (later codified in S.B. 430, 2009 Legislature).



The 2009 Legislature approved the Governor's recommendation to transfer the Senior Rx and Disability Rx programs from the DHHS Director's Office to Aging, but disapproved the Governor's recommendation to place those programs into this budget account. Instead, the Legislature approved creating a new budget account for the Senior Rx and Disability Rx programs. The new budget account ensures that the tobacco funds in the Tobacco Settlement program will not be commingled with General Funds that support the Senior Rx and Disability Rx programs.

### **HOME AND COMMUNITY BASED PROGRAMS**

There are three federally-funded Medicaid waiver programs included in this budget, all with the objective of replacing or delaying placement of seniors into institutional care. The programs are: the Community Home-Based Initiatives Program (CHIP); the Waiver for Elderly in Adult Residential Care (WEARC); and the Assisted Living (AL) program. Originally, the 2007 Legislature approved 1,713 CHIP waiver slots, 324 WEARC slots, and 79 AL slots. However, as a result of budget reductions, the amended number of slots for FY 2008-09 was as follows: 1,241 for CHIP, 326 for WEARC (moved slots from CHIP); and 45 for AL. The adjusted FY 2008-09 caseload slots for each waiver were the result of discussions with Nevada Medicaid regarding budget reductions and the availability of funding for waiver services. In The Executive Budget, the Governor recommended the continuation of this reduced number of caseload slots for the 2009-11 biennium.

The primary issue facing the money committees involved determining a reasonable number of waiver slots for the 2009-11 biennium considering the budget reductions undertaken during the interim, the projected caseloads, and the most recent waiting lists for services.

After considerable debate and public input, the 2009 Legislature approved additional slots over what the Governor recommended, bringing the total number of caseload slots to the same number that was originally legislatively approved for FY 2007-08 (2,006) before budget reductions were made. Specifically, 239 slots were added back to CHIP, 146 slots were added back to WEARC and 9 slots were added back to AL. The additional slots approved bring the total slots for each waiver to: 1,480 CHIP slots; 472 WEARC slots; and 54 AL slots. The majority of the General Fund added back to support the additional waiver slots (approximately \$3 million) was added to the Medicaid budget. Within Home and Community Based programs, the General Fund added back was \$89,942 in FY 2009-10 and \$185,701 in FY 2010-11.

The 2009 Legislature also approved the Governor's recommendation of a General Fund enhancement of \$40,585 in FY 2009-10 and \$110,340 in FY 2010-11 to add 6 caseload slots to the Community Options for the Elderly (COPE) program in each fiscal year. The COPE program is the state-funded equivalent to the CHIP waiver, and provides similar services, but to non-Medicaid eligible clients. A subset of the COPE program is the *Nevada Revised Statutes*, Chapter 426 program. The federal Olmstead court decision ruled that Title II of the Americans with Disabilities Act prohibits the unnecessary

institutionalization of persons with disabilities. The Olmstead decision requires states to move eligible persons off waiting lists at a “reasonable pace,” which the Department of Health and Human Services (DHHS) has interpreted to mean 90 days or fewer. Services provided pursuant to NRS 426 constitute the state’s response to the Olmstead decision. *Nevada Revised Statutes* 426 services include assistance with bathing, toileting and feeding. The enhancement approved by the 2009 Legislature brings the total COPE slots to 187 at the end of FY 2009-10 and 193 at the end of FY 2010-11.

Finally, the Legislature approved a smaller reduction to the reimbursement rate for Personal Care Attendant (PCA) services than the Governor recommended. The Executive Budget recommended an hourly rate of approximately \$15.50 for PCA services, and the Legislature approved an hourly rate of \$17.00. This is a reduction from the rate that was effective for the 2007-09 biennium, which was approximately \$18.50.

### **AGING FEDERAL PROGRAMS AND ADMINISTRATION**

This budget is the division’s primary administrative account and provides for various grant programs as well as resource development, elder rights, and fiscal services for the division.

As discussed in the introductory section, the 2009 Legislature approved the Governor’s recommendation to transfer the Office of Disability Services (ODS) from the DHHS Director’s Office to Aging and create a new Aging and Disability Services Division. The objective of this merger is to provide a continuum of services for all disabled people over their lives and to bring together common services that seniors and the disabled need most often, such as in-home care, home modifications, and transportation. Senate Bill 434 formalized the merger of ODS and the Senior Rx and Disability Rx programs with Aging Services.

The Legislature also approved the Governor’s recommendation to utilize General Fund appropriations to pay for two program efforts that are no longer supportable with federal funds. First, \$28,328 was approved to partially support one Social Services Program Specialist position to oversee the Aging and Disability Resource Center program effort throughout the state. Funding this position with a combination of federal Title III-C funds, tobacco settlement funds, and state General Fund appropriations will allow work on developing the state’s system of Aging and Disability Resource Centers to continue, thereby making Nevada eligible for more funds from the federal Administration on Aging.

Second, \$209,135 in General Fund appropriations was approved to partially support 17 positions within the Ombudsman program over the 2009-11 biennium. Previously, the positions were supported (either wholly or partially) with Title XIX funds from Medicaid, but since the Centers for Medicare and Medicaid Services disallowed reimbursement for Elder Rights Advocate services for Medicaid clients during FY 2007-08, the division was forced to find other funding sources.

Finally, the Legislature approved using \$83,900 in federal stimulus funds to offset General Fund appropriations. The funding, received as part of the American Recovery and Reinvestment Act of 2009, is to be used for senior nutrition programs and community service employment for seniors.

### **ELDER PROTECTIVE SERVICES/HOMEMAKER PROGRAMS**

The Elder Protective Services (EPS) program provides protective services to prevent and remedy abuse, neglect, exploitation and isolation of elderly persons 60 years and older. Services may include investigation, evaluation, counseling, arrangement and referral for other services and assistance. The Homemaker program is part of the division's Community Based Care Unit and serves both senior citizens and younger disabled adults with case management, housekeeping, laundry, shopping, meal preparation and stand-by assistance with bathing.

The 2009 Legislature approved funding for the EPS/Homemaker budget as recommended in The Executive Budget with only minor technical adjustments. The Legislature approved the issuance of a letter of intent instructing the division to expend its federal Title XX funds and tobacco settlement funds prior to expending any of the General Fund appropriations in this budget. The letter of intent clarifies that the division's past practice of expending General Fund appropriations prior to tobacco settlement funds was an incorrect interpretation of a letter of intent issued by the 2003 Legislature.

### **DEVELOPMENTAL DISABILITIES**

The Developmental Disabilities account provides conditional demonstration grants to the community, conducts analyses of various services and provider systems, and works to identify and fill gaps in service delivery through a matching grant from the federal Administration on Developmental Disabilities. General Funds provided to this program are used to manage housing development and home ownership opportunities for low-income people with disabilities. The 2009 Legislature approved General Funds in the amount of \$156,565 in each year of the 2009-11 biennium to continue to match the annual federal developmental disabilities grant. The federal developmental disabilities grant requires a 25 percent cash or in-kind match.

### **COMMUNITY BASED SERVICES**

The Office of Community Based Services (OCBS) provides community-based resources to people with severe disabilities who are ineligible for services through public entitlement programs or for whom services do not exist. The agency provides services through its Personal Assistance Services (PAS) program, the Traumatic Brain Injury (TBI) program, the Independent Living Services program, and the Assistive Technology programs, which include a program to provide telecommunications devices for persons with communications difficulties. The 2009 Legislature approved ongoing General Fund appropriations for the office's programs totaling approximately \$15.0 million over the 2009-11 biennium. This represents an increase of 10.0 percent in ongoing

General Fund support over amounts legislatively approved for the office's programs for the 2007-09 biennium.

The 2009 Legislature approved the Governor's recommendation to provide PAS to 17 additional people in each year of the 2009-11 biennium at a cost of \$368,097 in each year. The Legislature did not approve the Governor's recommendation to reduce the reimbursement rate for PAS from approximately \$18.50 per hour to approximately \$15.50 per hour for all department programs that use such services. It was noted during the budget hearings that the provider of services for the PAS program for the Office of Disability Services also performed case management services for the clients of the program. In contrast, in the Nevada Medicaid and the Aging and Disability Services Division programs, case management services are provided by state employees. Based on this information, the Legislature approved a proposal submitted by the department to retain the \$18.50 reimbursement rate for the Office of Disability Services program and to reduce the rate for the Medicaid and the Aging and Disability Services Division programs to \$17.00 per hour, which is one-half of the reduction recommended by the Governor. The department's proposal resulted in the need for additional General Funds totaling \$593,462 in each year of the biennium for the Office of Disability Services PAS program.

The Legislature approved funding to provide TBI services for 93 people over the 2009-11 biennium in an effort to reduce the waiting list for the program to 11 people and to decrease the average wait time to 90 days. The Governor had recommended additional General Funds totaling \$616,067 in each year of the biennium to provide TBI services to 122 people over the biennium. The office indicated that an error had occurred in calculating the additional funding necessary to provide services, and the funding included in the Governor's budget was more than was needed to eliminate the waiting list for the program completely. Reducing the number of people for which services could be provided to 93 people produced General Fund savings totaling \$197,247 over the biennium.

The Legislature also reduced the additional funding recommended by the Governor for the Independent Living program by \$605,284 in each year of the 2009-11 biennium. The Governor had recommended General Funds totaling \$1,184,424 in each year of the biennium to provide services for 712 people. Based on revised cost per case information and revised projections of caseload provided by the agency, the Legislature determined that the wait time for the program could be reduced significantly below the 6-month level projected by the agency at its budget hearing, while serving only 559 people rather than the 712 people for which funding was provided in the Governor's budget.

Through the enactment of A.B. 629, the 2007 Legislature appropriated \$2 million in General Funds to assist parents and legal guardians of children with autism in paying treatment costs. Pursuant to the provisions of A.B. 629, the funds may also be used to fund expenditures associated with the Nevada Autism Task Force created by the legislation and to provide for reasonable administrative expenses incurred by the department in administering the task force and providing assistance to parents and legal

guardians of children with autism. Although the Governor did not recommend additional funds for autism services in The Executive Budget for the 2009-11 biennium, the Legislature approved additional General Funds totaling \$3.2 million over the 2009-11 biennium to continue services for the 109 children currently being served by the program. The money committees directed that the funds should not be included in the base budget for the 2011-13 biennium as an ongoing General Fund appropriation.

### **IDEA PART C COMPLIANCE OFFICE**

The Individuals with Disabilities Education Act (IDEA) Part C Compliance Office serves as the lead agency for Nevada Early Intervention Services. The office monitors the compliance of providers with federal laws and provides ongoing technical assistance to programs providing early intervention services. The office is supported entirely with federal funds from the federal Department of Education (Part C of the Individuals with Disabilities in Education Act). The Legislature concurred with the Governor's recommendations to transfer this program out of the Department of Health and Human Services Director's Office into the Aging and Disability Services Division and make the Office of Disability Services the primary recipient of the Part C grant funds.

### **DIVISION OF HEALTH CARE FINANCING AND POLICY**

The mission of the Division of Health Care Financing and Policy is to purchase and provide quality health care service to low-income Nevadans through the Medicaid, Nevada Check Up and HIFA Medical (HIFA waiver) programs in the most efficient manner; to promote equal access to health care at an affordable cost; to restrain the growth of health care costs; and to maximize the receipt of federal revenue for the provision of health care programs.

The 2009 Legislature approved approximately \$3.4 billion in total funding for the division over the 2009-11 biennium, an increase of approximately \$75.9 million when compared to the total funding recommended by the Governor. The funding includes General Fund support in the amount of approximately \$935.2 million over the 2009-11 biennium, a decrease of approximately \$62.1 million when compared to the General Fund support recommended by the Governor. When compared to the 2007-09 biennium, the 2009 Legislature approved an decrease of approximately \$6.3 million in General Funds to operate the division for the 2009-11 biennium, which represents an decrease of less than 1.0 percent.

### **HEALTH CARE FINANCING AND POLICY ADMINISTRATION**

The Administration budget provides the administrative staff and the support services for the division, which include administration, accounting, budgeting, personnel, rates, compliance, surveillance, utilization review, provider enrollment and information technology.

The 2009 Legislature approved the Governor's recommendation for state and federal funds totaling \$1,051,532 in FY 2009-10 and \$1,251,051 in FY 2010-11 to conduct the

procurement process for a new vendor to take over the existing Medicaid Management Information System (MMIS). The takeover was recommended based on the current vendor's indication that it is leaving the MMIS business market and does not wish to rebid the Nevada MMIS and fiscal agent contract past its current term. Because the typical replacement time for a MMIS is approximately five years, the division believed it was risky to continue with a vendor that does not currently have MMIS contracts in other states and does not wish to provide the services in the future. The Legislature approved three new positions to manage the project for the division.

The 2009 Legislature also approved the Governor's recommendation to transfer the administrative expenditures and all 151 positions from the Medicaid account to the Administration account. The transfer places all administrative costs for the Medicaid program in the Administration account and leaves only medical services costs in the Medicaid account. The division indicated during its budget hearings that the transfer would simplify its reporting requirements as dictated by the Centers for Medicare and Medicaid Services (CMS) and that it would simplify the division's budgeting and accounting processes as well. The transfer of all administrative expenditures to the Administration account will also simplify the manner in which staff time is allocated among the various programs administered by the division.

The Legislature also approved the Governor's recommendation for \$414,200 in FY 2009-10 and \$215,100 in FY 2010-11 to perform audits of hospitals that receive Disproportionate Share Hospital (DSH) payments. New CMS provisions require the division to increase its oversight of annual cost reports and revenue information submitted by DSH and Upper Payment Limit (UPL) hospitals. The costs of the audits will be funded one-half with General Funds and one-half with federal Title XIX funds.

### **INTERGOVERNMENTAL TRANSFER PROGRAM**

The Intergovernmental Transfer (IGT) budget collects funds from other governmental entities to support three programs: Disproportionate Share Hospitals (DSH), Upper Payment Limit (UPL), and University of Nevada School of Medicine (UNSON) Supplemental Payments. Funds are collected in the IGT budget and then transferred to Medicaid for use as state matching funds for these programs.

- Disproportionate Share Hospital Program – The DSH program provides payments to hospitals that have a disproportionate share of uncompensated costs due to services provided to indigents and the uninsured in comparison to other hospitals. Pursuant to NRS 422.380 through NRS 422.390, Clark and Washoe Counties are required to make IGTs to the division in support of this program. Intergovernmental transfer payments in excess of the DSH match requirements are used to offset General Funds for other Medicaid expenditures.

The IGT budget as legislatively approved continues the DSH program for the 2009-11 biennium as designed and approved by the 2003 Legislature through the enactment of A.B. 297. The provisions of A.B. 297 established a long-term

methodology for distributing disproportionate share funding to qualifying hospitals. Participating hospitals will receive payments of approximately \$94.6 million for FY 2009-10 and \$95.2 million for FY 2010-11. The counties benefit indirectly from these payments by approximately \$28.3 million for FY 2009-10 and \$28.4 million for FY 2010-11 when comparing the hospital DSH payments to the amount of the IGT payments. For the 2009-11 biennium, the IGT program will generate a benefit to the state in the amount of approximately \$19.0 million for FY 2009-10 and \$19.2 million for FY 2010-11.

Although the IGT budget was approved based on the provisions of A.B. 297, the 2009 Legislature approved changes to the manner in which the IGT program will be conducted in the future. Through the enactment of S.B. 382, the 2009 Legislature eliminated the specific amounts of the intergovernmental transfers which must be made by counties to the division to fund the non-federal share of the program beginning in FY 2010-11. The bill also eliminates the specific amounts that must be paid by the division to hospitals that serve a disproportionate number of low-income patients for their uncompensated costs associated with providing services to those patients.

The bill was requested in response to a final rule issued by CMS in January of 2009. The rule requires the state to amend its State Plan for Medicaid to provide for the auditing of hospitals that receive disproportionate share payments and to ensure that any overpayments of disproportionate share payments are recovered and redistributed to eligible hospitals. The division indicates that when the State Plan is amended, CMS will likely determine that the existing methodologies included in the State Plan for distributing disproportionate share hospital payments do not comply with federal regulations and will, as a result, require the state to amend its plan to comply with current federal rules.

The bill requires the division to adopt regulations to ensure that the State Plan complies with the current federal rules before July 1, 2010. The regulations must include the procedures for determining the intergovernmental transfers of money from the counties to the division for the program, the methodology for calculating the disproportionate share payments for the hospitals, the procedures for auditing hospitals that receive payments to ensure that they were not paid more than they were entitled to receive, and the procedures for recovering overpayments and redistributing them to eligible hospitals. The bill further provides that the regulations must be adopted in accordance with the Nevada Administrative Procedure Act. The division is currently exempt from the act with respect to other regulations it adopts.

The bill provides that if CMS denies the State Plan amendment that is consistent with the regulations adopted by the division pursuant to the provisions of the bill, the division may negotiate terms which are acceptable to CMS. Before the amendment is finalized, however, it must be approved by the Interim Finance Committee.

The bill provides that the division must consider providing transitional payments for hospitals which currently receive payments that will no longer receive them under the new rules. The division must also consider increasing state revenue available for disproportionate share payments to fill any loss in revenue from counties in future biennia. The regulations will not have an impact on the state's net benefit from the disproportionate share program over the 2009-11 biennium.

- Upper Payment Limit Program – The UPL program provides payments to county-owned hospitals. Federal Medicaid law allows states the option of making supplemental payments to qualifying hospitals (county or municipal hospitals) up to the Medicare upper payment limit. The intent is to preserve access to inpatient hospitals for needy individuals by reimbursing hospitals that qualify for uncompensated or under-compensated care. Pursuant to interlocal agreements, counties make IGT payments to this budget to be used as state matching funds for the UPL payments to its hospitals. Excess IGT payments are used to offset General Funds for other Medicaid expenditures.

The budget as approved continues the UPL program without change for the 2009-11 biennium. Participating hospitals will receive payments of approximately \$30.1 million in FY 2009-10 and \$31.4 million in FY 2010-11. A provision of the ARRA that prohibits states from receiving the increased federal medical assistance percentage (FMAP) rates provided for in the ARRA if the state requires political subdivisions to pay a greater percentage of the non-federal share of payments than the respective percentage that would have been required under the Medicaid State Plan on September 30, 2008. This provision required changes to the UPL program that resulted in an increased net benefit to counties. The net benefit to counties (hospital payments less IGT payments) is approximately \$16.4 million for FY 2009-10 and \$14.8 million for FY 2010-11, while the net benefit to the state will be approximately \$2.9 million for FY 2009-10 and \$3.0 million for FY 2010-11.

- University of Nevada School of Medicine Program – During FY 2006-07, the division and UNSOM entered into an agreement that provides UNSOM supplemental payments in recognition of the gap between Medicaid reimbursement and the average private insurance reimbursement for the same services (primarily outpatient services). The agreement is designed to recognize the higher cost of providing medical services in a teaching environment. The UNSOM will provide the IGT payments to be used as the state's match to receive federal Title XIX funds that in combination will be used to make the supplemental payments. The Executive Budget included approximately \$1.7 million in each fiscal year of the 2009-11 biennium to pay the supplemental payments to UNSOM. Based on the FMAP increase provided for in the ARRA and the reduced state share for the program, the amount was reduced to approximately \$1.3 million in FY 2009-10 and \$1.5 million in FY 2010-11.



## **INCREASED QUALITY OF NURSING CARE**

The Increased Quality of Nursing care budget account was created in accordance with A.B. 395 of the 2003 Legislature, which instituted a methodology that requires the division to establish a provider tax program encompassing all freestanding long-term care facilities (except those owned by the state) in Nevada. Assembly Bill 395 stipulates that funding received via the provider tax which is used to match federal Title XIX funds must be applied to increasing reimbursement rates and cannot be used to replace existing state expenditures paid to long-term care facilities. The budget accounts for the provider tax received by the industry.

The provider tax is an established uniform rate based on the non-Medicare patient days. Since the inception of the program, the tax has been set at the equivalent of 6 percent of total annual gross revenues. For the 2007-09 biennium, the Legislature approved a reduction in the amount of provider tax to 5.5 percent beginning October 1, 2007, in order to comply with the Deficit Reduction Act (DRA), which placed restrictions on the use of provider taxes. The reduction in the provider tax rate reduces the pool of revenue available to match federal Title XIX funds, which in turn reduces the amount of funding used to increase reimbursement rates paid to long-term care facilities. Even with the rate reduction, long-term care facilities continue to receive a reimbursement rate that is significantly higher compared to the rates received prior to the implementation of the provider tax program. It is estimated long-term care facilities will receive an average per bed day rate of \$169.25 for FY 2009-10 and \$169.35 for FY 2010-11, compared to the average per bed day rate of \$121.73 received prior to the implementation of the provider tax program. The net increase (net of the tax) realized by nursing homes is anticipated to be \$23.76 in FY 2009-10 and \$24.19 in FY 2010-11.

## **NEVADA CHECK UP**

The Balanced Budget Act of 1997 created the State Children's Health Insurance Program (SCHIP) under Title XXI of the Social Security Act to enable states to initiate and expand health care coverage targeted to low-income and uninsured children. The Check Up program was approved as a stand-alone program that covers children ages birth through 18 years from families with income up to 200 percent of the federal poverty level (FPL). Eligibles pay quarterly premiums ranging from \$0 to \$80 based on their income level and family size. Services are provided under a managed care arrangement with participating HMOs in Clark and Washoe Counties and on a fee-for-service basis in areas of the state where an HMO network does not exist.

Overall, the Legislature approved total funding for the Check Up program of approximately \$89.7 million for the 2009-11 biennium, which is only slightly more than the \$89.5 million approved for the 2007-09 biennium. The Legislature approved General Fund support totaling approximately \$27.7 million over the 2009-11 biennium, which is an increase of approximately \$4.3 million when compared to the legislatively-approved amount for the 2007-09 biennium.

- Caseload – Nevada Check Up is not an entitlement program like Medicaid; therefore, enrollments can be capped and funding for caseload growth is considered an enhancement. The 2009 Legislature did not approve the Governor’s recommendation to cap enrollment in the Check Up program at 25,000 enrollees in each year of the 2009-11 biennium. The department had indicated that removing the enrollment cap was its first priority for additional funding from the Legislature. Concern was expressed during the budget hearings that capping the program during the current economic downturn would eliminate an option for families that are struggling financially to ensure that their children are provided basic health services.

Based on these concerns and updated caseload projections provided by the division, the Legislature approved an uncapped average monthly enrollment for the program of 24,753 in FY 2009-10 and 31,035 in FY 2010-11. The division indicated that enrollment in the program had decreased during the last half of FY 2007-08 and most of FY 2008-09 primarily because there were vacancies in the program’s eligibility staff positions and because processing times were increasing due to new federal requirements. Although the Legislature determined that the enrollment projections were aggressive, it approved the funding necessary to serve those projections based on the fact that uninsured children were likely to be enrolled in either the Medicaid CHAP eligibility group or the Check Up program depending on the income level of their parents. The Legislature reasoned that if the enrollment in the Medicaid CHAP eligibility group continues to increase, the projected enrollments for Check Up may not be reached. However, the Legislature noted that if the Medicaid CHAP enrollment levels off or declines over the 2009-11 biennium, it is likely that Check Up enrollments will increase as a result. The money committees noted that if an increase in the Medicaid CHAP eligibility group occurs, the funds approved for the projected Check Up enrollment could be transferred from the Check Up account to the Medicaid account to fund the enrollment growth. Removing the enrollment cap from the Check Up program increased General Fund need for the program by approximately \$2.8 million over the 2009-11 biennium.

- Budget Reduction Measures – As originally submitted, The Executive Budget recommended continuing to cap dental services for Check Up enrollees at \$600 per year. Based on the requirements included in the Children’s Health Insurance Program Reauthorization Act of 2009 (CHIPRA) for states to include dental services as a benefit under SCHIP, the Governor submitted a budget amendment, which was approved by the Legislature, to restore full dental benefits to Check Up enrollees. The Legislature went further by not approving the Governor’s recommendation to continue the elimination of non-medical vision services and orthodontia services for Check Up enrollees. The decision to restore these services resulted in the need to add General Funds totaling approximately \$350,445 over the 2009-11 biennium.
- Rate Increases – Similar to the rate increases approved in the Medicaid budget (see the Medicaid section of this report), the Legislature approved mandatory rate increases for HMOs and inflation adjustments for transportation services. The

revised mandatory increases for HMOs and non-emergency transportation rates reduced General Fund appropriations by approximately \$863,000 in FY 2009-10 and \$918,000 in FY 2010-11. During the Legislature’s review of the Governor’s recommendations, it was determined the HMO inflation rates were overstated because the actuary did not consider the 5 percent reduction in inpatient hospital rates implemented during the 2007-09 biennium. The costs of uncapping the enrollment in the Check Up program were offset significantly by the reduction in HMO and non-emergency transportation rates.

**MEDICAID**

Medicaid is the state-administered program for medical assistance. The Medicaid program purchases or provides medical services for persons who meet certain eligibility criteria. Medicaid covers three main groups of low-income people: parents and children; the elderly; and the disabled. Under federal Medicaid law, there are certain eligible groups and benefits that must be covered by states. However, states are given discretion and flexibility to determine the various categories of benefits and the eligible groups their Medicaid programs will cover. Nevada has adopted both optional eligibility groups and optional benefit packages to be covered under its Medicaid plan.

The 2009 Legislature approved total funding in the Medicaid program of approximately \$2.91 billion for the 2009-11 biennium, which is an increase of approximately \$117.8 million when compared to the total funding recommended by the Governor. The funding includes General Fund support of approximately \$867.9 million for the 2009-11 biennium, which is a decrease of approximately \$62.1 million when compared to the General Fund support recommended by the Governor.

The 2009 Legislature addressed a number of major issues during the process of reviewing the Medicaid budget for the 2009-11 biennium. From a General Fund standpoint, the most significant issue was the increase in the federal medical assistance percentage (FMAP) resulting from the American Recovery and Reinvestment Act of 2009 (ARRA). Although the Governor had included an FMAP increase in his recommended budget, ARRA included a far more generous FMAP increase than the one projected in The Executive Budget. The following table compares the FMAP increase recommended in The Executive Budget to the FMAP increase provided for in ARRA:

**Governor Recommends FMAP Compared to  
ARRA FMAP**

<b>State FY</b>	2008-09	2008-09	2008-09	2009-10	2009-10	2009-10	2009-10	2010-11	2010-11
<b>Quarter</b>	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd
<b>Ending on</b>	12/31/08	3/31/09	6/30/09	9/30/09	12/31/09	3/31/10	6/30/10	9/30/10	12/31/10
<b>Governor Rec.</b>	<b>50.00</b>	<b>52.64</b>	<b>52.64</b>	<b>52.64</b>	<b>58.00</b>	<b>58.00</b>	<b>58.00</b>	<b>58.00</b>	<b>50.00</b>
<b>ARRA</b>									
Hold Harmless	52.64	52.64	52.64	52.64	52.64	52.64	52.64	52.64	52.64
Gen. Increase	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2
Unemployment	5.09	5.09	5.09	5.09	5.09	5.09	5.09	5.09	5.09
<b>Final Total</b>	<b>63.93</b>	<b>63.93</b>	<b>63.93</b>	<b>63.93</b>	<b>63.93</b>	<b>63.93</b>	<b>63.93</b>	<b>63.93</b>	<b>63.93</b>

The Governor submitted a budget amendment to incorporate the ARRA FMAP increases in the budget. Rather than including the impact of the increased FMAP in a separate decision unit as was done in The Executive Budget for the Governor's projected FMAP increase, the amendment incorporated the adjusted FMAP rate increase provided for in the ARRA across the various decision units in the budget and included other revenue and expenditure adjustments and corrections to errors in The Executive Budget. As a result of the manner in which the budget amendment was constructed, the impact resulting from the ARRA was not easily identified during the 2009 Session; however, since the Legislative Session, the division has estimated that based on the legislatively-approved expenditures in the Medicaid budget, General Fund appropriations were approximately \$152.0 million less in FY 2009-10 and approximately \$76.4 million less in FY 2010-11 than they would have been if the same level of expenditures had been approved without the increased FMAP provided for in the ARRA.

As is customary during the Legislative Session, the division reprojected Medicaid expenditures in March. The rejections considered the most recent caseload projections, cost per eligible (CPE) data and mandatory inflation rate increases for pharmacy, managed care and transportation services. This information is used as a guide to make adjustments to the Medicaid budget as recommended by the Governor. Although the rejections of mandatory inflation increases for managed care increased Medicaid expenditures by approximately \$5.7 million in FY 2009-10 and \$5.8 million in FY 2010-11, the latest caseload projections and CPE data reduced Medicaid expenditures by approximately \$6.7 million in FY 2009-10 and \$14.3 million in FY 2010-11.

- Caseload Growth – The 2009 Legislature approved an increase in the projected caseloads for the upcoming biennium based on actual caseload history through February 2009, which indicated caseloads were trending higher than the caseload projections included in the Governor's budget. Of the total increase in caseloads noted in the table below, the Child Health Assurance Program (CHAP)-eligible caseload is projected to increase by 5,763 recipients per month for FY 2009-10 and 10,313 recipients per month for FY 2010-11.

FY 2009 (proj)	FY 2010 Gov Rec	FY 2010 Revised	Diff +/-	FY 2011 Gov Rec	FY 2011 Revised	Diff +/-
189,014	208,021	213,511	5,490	224,489	226,373	1,884

Note: Caseload totals exclude **Special Low Income Medicare Beneficiaries (SLMBs)** who are Medicare recipients with incomes between 100% - 120% of the federal poverty level. Medicaid pays the Medicare Part B medical insurance premiums only for these recipients.

Although overall caseloads are projected to increase slightly over the caseloads recommended in The Executive Budget, projected expenditures were reduced as a result of a reduction in the CPE rate for the Temporary Assistance for Needy Families (TANF)-eligible caseload group. The CPE used in the Governor's recommended budget was heavily impacted by FY 2007-08 expenditures that were

not paid until July of 2008 (FY 2008-09) because of insufficient available funding at the end of FY 2007-08.

- Mandatory Rate and Inflationary Increases – The 2009 Legislature approved approximately \$107.4 million (\$47.3 million General Funds) over the 2009-11 biennium for mandatory inflation and rate increases for pharmacy, managed care and transportation services. Adjustments to the inflation and rate increases were approved based on more recent information provided by the division’s actuary. The table below compares the mandatory inflation and rate increases recommended by the Governor to the revised increases approved by the Legislature.

Provider	Gov Rec FY 2010	Revised FY 2010	Gov Rec FY 2011	Revised FY 2011
HMOs	4.7%	2.9%	5.0%	5.0%
Transportation	5.0%	2.6%	5.0%	4.9%
Pharmacy	0.0%	0.0%	0.0%	0.0%

The division indicated that although pharmacy rates are increased annually, the Medicaid program had not experienced an increase in pharmacy CPE due to reduced pharmacy utilization. The division indicated that the implementation of the national Drug Code (NDC) requirement had not only increased drug rebates for the program, but had decreased utilization of prescription drugs as well. For these reasons the Legislature approved the Governor’s recommendation not to include funding for pharmacy inflation in either year of the 2009-11 biennium.

- Increased Rates for Pediatric Home Health Providers – Based on information presented during the budget review process indicating that recipients of pediatric home health services would be unable to access services during the upcoming biennium if rates for providers were not increased, the Legislature approved additional General Funds totaling approximately \$478,000 in FY 2009-10 and \$558,000 in FY 2010-11 to increase rates for those providers. The increase amounted to an average 40 percent increase in the rates provided for pediatric home health services, including nursing, physical therapy and occupational and speech therapy services. The increase was not included in the Governor’s recommended budget, but the Legislature determined that funding for the rate increase was necessary to ensure access to care.
- Budget Reduction Measures – The 2009 Legislature considered the Governor’s recommendation to continue five budget reduction measures that were implemented during the 2007-09 biennium and to implement five new budget reduction measures for the 2009-11 biennium.

The Legislature approved the Governor’s recommendation to continue the elimination of payments to hospitals for Graduate Medical Education during the 2009-11 biennium for a General Fund savings of \$295,929 in FY 2009-10 and \$353,113 in FY 2010-11. The Legislature also approved the Governor’s

recommendation to continue the elimination of the pediatric and obstetric enhancements for physicians in the Nevada Medicaid and Check Up programs. The elimination of the rate enhancements reduced General Fund appropriations for the division by approximately \$2.6 million in FY 2009-10 and \$3.1 million in FY 2010-11. Although physicians and other health care professionals expressed concerns regarding the impact of these reductions, the division indicated that Nevada Medicaid's physician rates still compare favorably to 2007 Medicare rates and the reimbursement rates paid in other western states.

The Legislature also approved the Governor's recommendation to continue the 5 percent reduction in inpatient hospital reimbursement rates that was implemented during the current biennium; however, the Legislature did not approve the Governor's recommendation to decrease those rates by an additional 5 percent during the 2009-11 biennium. The Legislature determined that the continuation of the 5 percent rate reduction implemented during the 2007-09 biennium was necessary based on the General Fund revenue shortfall, but the Legislature determined that any additional reductions would impact the abilities of hospitals to provide care for Medicaid recipients. The decision not to implement the second 5 percent rate reduction resulted in increased General Fund expenditures totaling approximately \$4.1 million in FY 2009-10 and \$5.6 million in FY 2010-11 in the Medicaid and Check Up budgets.

The Legislature concurred with the Governor's recommendation to continue the limitations on personal care services implemented during the 2007-09 biennium. Personal care services for bathing, grooming and dressing were limited to one hour per day and personal care services for exercise were eliminated entirely. The division indicated that it had implemented administrative provisions to ensure that people who are at risk of being placed in an institution can receive additional hours of service to enable them to live independently. The division also noted that reports provided by personal care agencies to the division reflect that the reduction in hours of service was not having any significant impact on hospital or nursing home placements for recipients of personal care services. The Legislature did not concur with the Governor's recommendation to continue the elimination of non-medical vision services for adult Medicaid recipients. The restoration of these services resulted in the need to add General Funds totaling \$419,682 in FY 2009-10 and \$516,858 in FY 2010-11 to the Medicaid budget.

The Legislature approved a budget amendment submitted by the Governor to eliminate a decision unit that would have revised the TANF/CHAP earned income disregards back to the ones in effect prior to February 2007. Because the Governor's original recommendation would have violated the maintenance of effort requirement included in the ARRA, the Legislature concurred in the elimination of the recommendation to ensure the state could receive the increased FMAP provided for in the ARRA.

The Legislature approved the Governor's recommendation to eliminate incentive payments paid to health maintenance organizations (HMO) for achieving certain health outcomes, but did not approve the Governor's recommendation to remove statutory restrictions that prevent the division from adding certain categories of drugs to the division's preferred drug list. The decision not to approve the changes to the preferred drug list resulted in the need for additional General Funds totaling approximately \$1.0 million in FY 2009-10 and \$1.2 million in FY 2010-11. Members of the money committees expressed concerns that adding the proposed classes of drugs to the preferred drug list would restrict the ability of Medicaid recipients to fill prescriptions prescribed by their doctors.

The 2009 Legislature did not approve the Governor's recommendation to reduce the reimbursement rate for personal care services from approximately \$18.50 per hour to approximately \$15.50 per hour for all department programs that use such services. It was noted during the budget hearings that the provider of services for the PAS program for the Office of Disability Services also performed case management services for the clients of the program, whereas in the Nevada Medicaid and Aging and Disability Services Division programs, case management services are provided by state employees. Based on this information, the Legislature approved a proposal submitted by the department to retain the \$18.50 reimbursement rate for the Office of Disability Services program and to reduce the rate for the Medicaid and the Aging and Disability Services Division programs to \$17.00 per hour, which is one-half of the reduction recommended by the Governor. The partial restoration of the personal care services rate for the Medicaid program resulted in the need to add General Funds totaling approximately \$1.6 million in FY 2009-10 and \$1.9 million in FY 2010-11.

- Revenues and Expenditure Offsets – The 2009 Legislature approved the Governor's recommendation to continue six measures that were implemented during the 2007-09 biennium to generate new revenues or to offset expenditures for the Medicaid program over the 2009-11 biennium. The measures include:
  - Installing clinical claims editor software for MMIS. The software identifies claims that should be denied for such reasons as billing mutually exclusive procedure codes, using an assistant surgeon when not warranted, or claiming for unlisted procedures. The 2007 Legislature approved approximately \$1.4 million in funding to procure a clinical claims editor system. The General Fund savings are projected to be \$439,418 in FY 2009-10 and \$542,187 in FY 2010-11, based on the increased FMAP resulting from the ARRA.
  - Implementing more efficient diabetic supply procurement practices. The supply procurement program uses the First Health/Provider Synergies market share purchasing power in the Medicaid market to negotiate rebates for diabetic supplies paid for by the states that participate in the program. First Health or Provider Synergies have pharmacy contracts in over one-half of the states. The General Fund savings are projected to be \$108,697 in FY 2009-10 and \$142,258 in FY 2010-11 based on the increased FMAP resulting from the ARRA.

- Implementing poly pharmacy criteria that prevent the prescription of multiple drugs in the same therapeutic class to the same recipient at the same time. The poly pharmacy criteria were implemented July 1, 2008. The General Fund savings is projected to be \$195,443 in FY 2009-10 and \$240,696 in FY 2010-11.
- Increasing rebates from physician-administered drugs. Due to a requirement in the federal Deficit Reduction Act, a National Drug Code (NDC) number is now required for all physician-administered drugs. Prior to the implementation of the NDC requirement, the state received rebates only for physician-administered brand name drugs. The General Fund savings are projected to be \$1,770,131 in FY 2009-10 and \$2,179,996 in FY 2010-11.
- Finalizing a care management and care coordination contract with APS Healthcare Midwest (APS). A clause in the contract requires that the division must realize savings of \$4 million in FY 2008-09 and \$6 million in FY 2009-10. The contract can be renewed for another two fiscal years (FY 2010-11 and FY 2011-12). Based on the current contract terms and the increased FMAP resulting from the ARRA, the General Fund savings are projected to be \$1,596,581 in FY 2009-10 and \$2,215,868 in FY 2010-11. The 2007 Legislature approved approximately \$8.5 million over the 2007-09 biennium to contract with a utilization review contractor to establish a care management and care coordination program for an estimated 4,000 Medicaid recipients not enrolled in managed care.
- Increasing County Reimbursement revenue and decreasing General Fund appropriations by \$1,758,031 in FY 2009-10 and \$1,791,226 in FY 2010-11, based on the decision made during the 2007-09 biennium to charge the counties for Medicare Part D Clawback payments for dual eligibles in the County Match aid category. When Medicare Part D was implemented on January 1, 2006, states that had been responsible for 100 percent of the costs for prescription drugs for dual-eligibles (those eligible for Medicare and Medicaid) were no longer required to cover prescription drug costs for these recipients, because those costs were covered under Medicare Part D. Because the states were no longer responsible for these costs, the Part D provisions require states to pass the savings on to the federal government in the form of a monthly Clawback payment.
- Use of Indigent Supplemental Account Funds to Offset General Funds for the Medicaid Program – The 2009 Legislature did not approve the Governor's recommendation to transfer the revenues projected for the Indigent Supplemental account (\$55.9 million over the biennium) to the division's Intergovernmental Transfer account as a means of offsetting General Funds in the Medicaid account. The Legislature instead approved the transfer of the revenues from the Indigent Supplemental account to the state General Fund. As a result of decreased property tax revenue projections, the amount transferred to the state General Fund



was reduced to \$48.2 million over the biennium. The Legislature was concerned that using the property tax receipts to offset General Fund appropriations for the Medicaid program would result in Nevada being unable to take advantage of the increased FMAP rates provided for in the ARRA.

### **HIFA MEDICAL**

With passage of A.B. 493, the 2005 Legislature approved a significant expansion of health care coverage for low-income Nevadans. The legislation required the division to apply for a HIFA waiver from the CMS. A HIFA waiver provides states flexibility to expand health care coverage while limiting financial risk through various means, such as capping enrollment and expenditures, cost-sharing, and limiting services and benefits. The expansion was intended to cover the following three coverage groups:

- Pregnant women with income levels from 134 percent of the FPL up to 185 percent of FPL.
- A premium subsidy for an Employer Sponsored Insurance Subsidy (ESI) product in an amount up to \$100 per person, per month, to employees and their spouses who work for small employers (2-50 employees) and who have household incomes less than 200 percent of FPL.
- Catastrophic event coverage to qualified indigent individuals with incomes up to 150 percent of FPL currently covered under county-based programs funded by the Indigent Supplement monies.

To fund the expansion, the 2005 Legislature approved the use of a combination of state General Funds, proceeds received from property tax levies that fund the Indigent Supplement Fund, and federal Title XXI (SCHIP) and Title XIX (Medicaid) funds. The CMS approved Nevada's HIFA waiver in November 2006, and enrollment for pregnant women began effective December 1, 2006. The approval was contingent on the division significantly reducing the original scope and design of the expansion and modifying the intended funding sources. First, CMS did not consider the proposal to cover inpatient hospitalization services (episodic care) under the catastrophic care initiative as meeting HIFA demonstration waiver's primary goal of expanding health insurance coverage. Therefore, this portion of the expansion as proposed in A.B. 493 was eliminated from the waiver. Second, the Deficit Reduction Act of 2005 approved by Congress prohibits CMS from approving any future waivers that allow a state to use Title XXI funds for health insurance coverage for non-pregnant individuals without children. This restriction limits marketing the ESI product to employees of small employers who are parents; single adults are not eligible. Additionally, CMS reinterpreted how Title XIX funds can be used under a HIFA waiver. Based on this new interpretation, if Nevada uses federal Title XIX funds to cover the expansion of health care coverage for pregnant women, the expansion will be considered an entitlement similar to other categorical eligible groups covered by Medicaid. The new interpretation from CMS limits the flexibility to fiscally manage and control costs and caseloads under the HIFA waiver by not allowing Nevada to cap pregnant women caseloads or expenditures if federal Title XIX funds are used.

The Governor recommended terminating the HIFA waiver program effective June 30, 2009, primarily because the program had to be discontinued in order to cap enrollment in the Nevada Check Up program. In approving the HIFA waiver in November 2006, CMS stipulated that the approval should not be at the expense of covering children's health care in the SCHIP program. The Legislature approved additional General Funds totaling approximately \$817,000 over the biennium to continue the HIFA waiver program throughout the 2009-11 biennium at the division's latest projected enrollment for the program. The division's projections of enrollment for the pregnant women component of the program averaged 189 women in FY 2009-10 and 227 women in FY 2010-11. The division's projections of enrollment for the ESI component of the program averaged 13 employees in FY 2009-10 and 23 employees in FY 2010-11.

The money committees received testimony from the division indicating that the HIFA waiver program will likely need to be terminated after the 2009-11 biennium as a result of the provisions of CHIPRA. Based on those provisions, if the state wishes to continue covering the health care costs of pregnant women between 133 percent of FPL and 185 percent of FPL after September 30, 2011, the state will need to cover them under the Medicaid program. The SCHIP coverage for non-pregnant adults will no longer be available at that time.

## **HEALTH DIVISION**

The State Health Division has four bureaus, plus an administrative section, to protect the health of Nevadans and visitors to the state. The division operates under the guidance of a seven-member, Governor-appointed State Board of Health that enforces health laws and regulations, promotes public health education, investigates the causes of disease, and provides direct public health services in Nevada's rural counties.

In total, the 2009 Legislature approved \$166.7 million in funding in FY 2009-10 for the Health Division, with \$173.4 million approved for FY 2010-11. The amount approved for FY 2009-10 represents an 18.6 percent increase from the actual amount expended in FY 2007-08 (\$140.6 million). This 18.6 percent increase is partly due to the \$1.3 million in General Fund budget reductions made during FY 2007-08. The legislatively-approved amount for FY 2010-11 is a 4 percent increase over the FY 2009-10 amount.

General Fund support for the Health Division for FY 2009-10 totals \$25.9 million, which is a 9 percent increase from the amount actually expended in FY 2007-08. For FY 2010-11, the approved amount of General Fund is \$28.8 million. Over 60 percent of the total General Fund within the Health Division is used to support early intervention services for children with developmental delays.

The total approved federal funding decreased slightly from the FY 2007-08 amount of \$84.2 million. For FY 2009-10, the total federal funding is \$82.3 million, and for FY 2010-11, the total federal funding authorized is \$86.2 million. The reduction in FY 2009-10 reflects the transfer of the IDEA Part C grant to the Aging and Disability Services Division effective FY 2009-10, which is discussed in more detail in the Early Intervention Services section below.

## **OFFICE OF HEALTH ADMINISTRATION**

The Office of Health Administration provides support functions for the entire Health Division, including the State Board of Health. Programs include administration, central business management, accounting, personnel and the division's health planning function.

In an effort to perform its work more efficiently, The Executive Budget recommended, and the Legislature approved, a reorganization of the Health Division's bureaus. The reorganization reduced the number of bureaus within the division from six to four. The new bureaus are listed below, with the types of programs that are now housed in them.

1. Child, Family and Community Wellness
  - Autism Screening
  - Minority Health
  - Community Health Programs (Chronic Disease, Communicable Disease, WIC, Maternal and Child Health, Immunization)
2. Frontier and Rural Public Health Services
  - Community Health Nursing
  - Frontier and Rural Health
  - Environmental Health
3. Health Care Quality and Compliance
  - Health Facility Inspection and Licensing
  - Radiological Health Inspection and Licensing
  - Medical Laboratory Inspection and Licensing
4. Health Planning, Statistics and Emergency Response
  - Emergency Medical Services Licensing (rural and frontier)
  - Public Health Preparedness
  - Vital Statistics

Early Intervention Services will be a separate program under the aegis of the Health Administration function.

A total of 30 positions were approved to transfer among Health Division budget accounts to implement the reorganization plan. Furthermore, 41.77 positions were eliminated division-wide due to the reorganization.

In the Health Administration budget, 13 positions were approved for elimination, but 13 other positions were approved to transfer in for the purpose of consolidating the fiscal and accounting services within Health Administration, under the supervision of the division's Chief Fiscal Officer.

## **HEALTH STATISTICS AND PLANNING (FORMERLY VITAL STATISTICS)**

The Office of Vital Records serves as the official permanent custodian of original documents, which encompasses: filing, maintaining and protecting birth and death certificates and related vital records; providing legal corrections and amendments to vital records; and maintaining an official database of vital statistics information for use in a wide variety of private and public programs both statewide and nationally.

The Legislature approved an amendment to The Executive Budget which corrected an erroneous recommendation that reduced General Fund support in order to balance a reduction in the Behavioral Risk Factor Survey category. The Behavioral Risk category is solely funded by federal grant monies. The amendment restored \$486,102 in state General Fund to this budget over the 2009-11 biennium. In addition, the 2009 Legislature approved General Funds of \$236,124 over the biennium to support software upgrades and maintenance, particularly for the Electronic Death Registry System. Finally, two positions that were approved by the 2007 Legislature to staff the Health and Human Services Data Warehouse (one Biostatistician and one Information Systems Specialist) were eliminated, for a General Fund savings of \$130,694 in FY 2009-10 and \$131,815 in FY 2010-11. The positions were eliminated because the data warehouse enhancement was eliminated during FY 2007-08 to realize budget reductions, and so the positions to staff it were never filled.

## **EARLY INTERVENTION SERVICES**

Early Intervention Services (EIS) works to identify infants and toddlers with, or who are at risk for, developmental delays. The program provides services and support to families with children from birth to age three, who have been diagnosed as developmentally delayed in the areas of cognition, communication, physical development, social/emotional development and adaptive skills. In addition, the clinics provide services to children who are at risk of becoming developmentally delayed.

Program services and support to families is provided by and budgeted within the Health Division. However, administration and oversight for the IDEA Part C federal grant is now operated within the Aging and Disability Services Division. The Part C compliance function provides the federal portion of EIS's funding as well as the program's regulatory structure. In FY 2007-08, the administration and compliance function was transferred from the Health Division to the Department of Health and Human Services Director's Office, in order to keep direct services and compliance separate. However, with the 2009 Legislature's approval of the consolidation of the Office of Disability Services with the Aging Services Division, the IDEA Part C Compliance budget moved to the newly created Aging and Disability Services Division, effective July 1, 2009.

To address caseload growth and the waiting list for intervention therapies, the 2009 Legislature approved a caseload enhancement of \$10.4 million over the 2009-11 biennium, of which \$6.5 million is General Fund and \$3.9 million comes from the federal American Recovery and Reinvestment Act. The enhancement is designed

to clear the waiting list for intervention therapies and add new caseload capacity to serve additional children. The Health Division calculated the waiting list at 669 children. The enhanced funding will not be used in the EIS clinics, but instead will be provided to non-profit organizations that contract with the state to provide intervention services to children. The Legislature issued a letter of intent instructing the division to report every six months on the progress made toward clearing the waiting list.

### **PUBLIC HEALTH TOBACCO FUND**

The Public Health Tobacco Fund budget exists to administer public health grants using the interest income from the Trust Fund for Public Health. The Trust Fund for Public Health was created by the 1999 Legislature, and it receives 10 percent of each annual tobacco settlement payment. The interest from that portion of the tobacco settlement payment supports various projects that promote public health in Nevada, such as smoking cessation, child health, and disease prevention.

Pursuant to Senate Bill 430 of the 2009 Legislature, \$36,827,466 was diverted from the Trust Fund for Public Health to the General Fund in order to help meet budget reduction targets. As a result, only approximately \$1.6 million remains in the Trust Fund. This amount is insufficient to generate enough interest income to operate the grant program, so the 2009 Legislature approved the elimination of the Public Health Tobacco Fund budget for the 2009-11 biennium. The money committees also issued a letter of intent instructing the Health Division to consult with Budget Division and Fiscal Analysis Division staff on whether to include the Public Health Tobacco Fund budget in its budget request for the 2011-13 biennium, based on how much principal is in the Trust Fund for Public Health at the time of budget building.

### **IMMUNIZATION PROGRAM**

The purpose of the Immunization program is to prevent the occurrence of vaccine-preventable diseases in Nevada by promoting immunizations and by providing vaccines to health care providers for uninsured and under-insured Nevadans. State-supplied vaccines are provided free of charge to all physicians, hospitals, or clinics that agree to meet the requirements of the program.

The 2009 Legislature approved the reinstatement of the Immunization Registry expansion effort that was approved by the 2007 Legislature. This approval will permit the state Program Officer position to continue to provide training and guidance to providers in using the immunization registry (known as WebIZ) and will provide funding for contract information technology workers to design and update the WebIZ database. The total cost of this enhancement is \$256,260 in FY 2009-10 and \$209,230 in FY 2010-11, half of which is funded by the General Fund, with the other half funded by the federal Immunization grant. The money committees issued a letter of intent instructing the Health Division to seek other, non-state funds that could offset some or all of the General Fund cost for this enhancement.

The 2009 Legislature approved an increased transfer of Title XXI funds from the Nevada Check Up budget from \$956,760 in FY 2007-08 to \$1.53 million for FY 2009-10 and \$1.57 million for FY 2010-11. The transfer of Title XXI funds provide for the purchase of vaccines made available to children who are enrolled in Nevada Check Up. Most of the General Fund appropriation included in the Immunization budget is used as state match for the Title XXI funds. To correspond to the increased Title XXI funding, General Fund support for vaccine purchases was approved to increase to approximately \$816,000 in FY 2009-10 and approximately \$841,000 in FY 2010-11. In comparison, approximately \$529,000 in General Fund was spent on vaccines during FY 2007-08. Total General Fund approved for this budget for FY 2009-10 is approximately \$968,000, with approximately \$969,000 approved for FY 2010-11.

### **COMMUNICABLE DISEASES (FORMERLY SEXUALLY TRANSMITTED DISEASE CONTROL)**

The major objective of the programs comprising the Communicable Diseases budget is to reduce the incidence and prevalence of HIV/AIDS and other sexually transmitted diseases. The program emphasizes the importance of education, counseling, testing, treatment and referrals to appropriate community services. Program efforts include HIV/AIDS surveillance and monitoring; HIV/AIDS comprehensive care, including drug treatment and community-based services; tracking of other reportable diseases; and planning/community organization for HIV prevention and care services.

Since the Department of Health and Human Services' projections for caseload for the AIDS Drug Assistance Program (ADAP) indicate that there may not be sufficient funding for ADAP clients' medications in the 2009-11 biennium, the Legislature approved more funding than was recommended by the Governor for the ADAP. The Legislature approved \$1.9 million for each fiscal year of the biennium to support ADAP medication costs, compared to the Governor's amended request of \$1.8 million per year. The extra funding could forestall the need for the Health Division to redirect some of its federal Ryan White grant monies to medication expenses. However, if the caseload produces a strain on the ability to serve all qualified ADAP clients who need medications, the Health Division may fund fewer sub-grants for "wraparound services" such as counseling and drug treatment in order to address the caseload needs.

In addition, the Legislature permitted the Health Division the flexibility to transfer its General Fund appropriations for ADAP medications between fiscal years of the 2009-11 biennium with the approval of the Interim Finance Committee (pursuant to Assembly Bill 562, the Appropriations Act). However, this flexibility was approved on the condition that the division present cost containment measures for the ADAP if it requests a General Fund transfer, and that the Health Division discuss the feasibility of implementing a waiting list for ADAP with all relevant stakeholders. The Legislature's instruction to hold discussions with stakeholders about the possibility of implementing cost containment measures and an ADAP waiting list is addressed in a letter of intent issued by the money committees.

Pharmaceutical company rebates are also expected to increase somewhat in the 2009-11 biennium, owing to the division's improved processes for requesting rebates from companies. Therefore, the Legislature authorized approximately \$500,000 per fiscal year in rebate revenue. This revenue also supports ADAP medication costs. In contrast, during FY 2007-08, the division received approximately \$110,000 in pharmaceutical company rebates.

### **HEALTH FACILITIES HOSPITAL LICENSING**

The primary function of the Health Facilities budget is to license and regulate health facilities in accordance with NRS and NAC regulations, and to certify that health facilities that participate in Medicare/Medicaid reimbursement programs comply with the federal agreements with the Centers for Medicare and Medicaid Services. The program also has the responsibility to inspect, monitor and evaluate the care and treatment received by individuals residing in medical and group care facilities. The program also conducts complaint investigations regarding medical facilities and coordinates with other oversight bodies, such as the Board of Medical Examiners and the Board of Pharmacy.

The 2009 Legislature approved the addition of 11 new Health Facility Surveyor positions in order to bring the time between inspections of currently regulated facilities to 18 months, except where more frequent inspections are already mandated. This enhancement was funded entirely with fee revenues, at a cost of approximately \$734,000 in FY 2009-10 and \$911,000 in FY 2010-11. Previously, many types of facilities went several years between inspections, due to the prioritization of the workload. Eighteen-month periodicity for inspections will allow the staff of the Bureau of Health Care Quality and Compliance to develop relationships with licensed facilities that can facilitate training opportunities and the ability to catch problems in the early stages, before complaints might be generated.

The 2009 Legislature also added a new facility to the list of facilities to be inspected. A.B. 123 mandates that doctors' offices where procedures requiring anesthesia are performed must receive a permit from and be inspected by the Health Division annually. Assembly Bill 123 also makes permitting and yearly inspections a requirement for Ambulatory Surgery Centers. Depending on how many doctors' offices will require permitting and inspection, approximately three additional Health Facility Surveyors may be hired to address the new workload. All new staff necessary to address the requirements of A.B. 123 will be funded with reserved fees until the new staff can be supported with fee income from the regulated facilities.

The Legislature also approved one new Biostatistician position, funded by fees, to identify trends in the inspection data that will assist in policy development and decision-making for the Bureau of Health Care Quality and Compliance. The Legislature disapproved the Governor's recommendation to add one new Management Analyst position to this budget, since the new Biostatistician, in coordination with bureau and division management, would be expected to develop program guidance and policy for Health Facility Surveyors.

## **EMERGENCY MEDICAL SERVICES**

The Emergency Medical Services (EMS) program establishes and enforces standards for the provision of quality pre-hospital emergency care, the operation of ambulance services, certification of EMS personnel and licensure of attendants. The program also supports the emergency medical services system in all counties except Clark by providing technical assistance, consultation and training to EMS personnel. The EMS budget is funded by General Fund appropriations and licensure fees.

An Executive Branch audit completed during FY 2007-08 (Audit 08-03) recommended that the Medical Marijuana Registry program, authorized under NRS 453A, be moved from the Department of Agriculture to the Health Division. This transfer to the Health Division was recommended by the Governor and the Marijuana Registry program was recommended to be placed into the EMS budget. The Medical Marijuana Registry provides cards enabling chronically ill persons or their designated caregivers to purchase or possess certain amounts of marijuana. The 2009 Legislature approved the formal transfer of the program from the Department of Agriculture to the Health Division, via the approval of Assembly Bill 538. However, instead of locating Medical Marijuana within EMS, the program was established in the Medical Marijuana budget account, which was added to The Executive Budget. In addition, one existing Administrative Assistant position was transferred from the EMS budget to the Medical Marijuana budget to administer the registry. The position is to be funded by registration and application fees. Since the transferred position was previously funded by General Fund appropriations, the transfer saved approximately \$97,000 in General Fund over the 2009-11 biennium.

## **DIVISION OF WELFARE AND SUPPORTIVE SERVICES**

The Division of Welfare and Supportive Services is responsible for administering the delivery of cash grants and food stamps, enforcing child support, administering employment and training programs for welfare recipients, distributing child care funding, and determining eligibility for Nevada's Medicaid program.

The 2009 Legislature approved \$569.7 million in total funding for the division over the 2009-11 biennium, an increase of \$18.6 million when compared to the total funding recommended by the Governor. The funding approved for the division includes General Fund support in the amount of \$147.1 million over the 2009-11 biennium, a decrease of approximately \$13.2 million when compared to the General Fund support recommended by the Governor, and an increase of \$2.0 million when compared to the General Fund support approved for the 2007-09 biennium.

## **WELFARE AND SUPPORTIVE SERVICES ADMINISTRATION**

The Division of Welfare and Supportive Services Administration budget supports the administrative staff that provides oversight to the various programs administered by the division. The budget also includes support resources utilized by and provided to the division's field staff for the operation of the various programs under the division's jurisdiction.



To improve efficiency in the division's field offices and expand the application for public assistance online, the Legislature approved transfers of \$1.6 million in federal Supplemental Nutritional Assistance Program (SNAP) and Title XIX funding to support a technology investment request (TIR) in the Information Technology Projects account of the Department of Administration. To provide product management support and development for the TIR, the Legislature approved eight of the nine new information technology positions recommended by the Governor. In approving these positions, the Legislature approved accelerated start dates to allow the positions to participate in training as soon as they are hired and to better coordinate the timeframes the positions will work with the implementation vendor.

The Legislature approved the Governor's recommendation to add two Quality Control Specialist positions to address caseload increases associated with SNAP case review requirements, and one Hearing Officer to address the impact of caseload increases on federally-mandated hearings.

The Legislature supported increases in the cost of electronic benefit transfers (EBT) each year associated with increases in SNAP and Temporary Assistance for Needy Families (TANF) cases, as recommended by the Governor, with revisions provided by the division. In supporting increases in EBT costs, the Legislature approved the addition of federal SNAP American Recovery and Reinvestment ACT (ARRA) funds of \$651,992 in FY 2009-10 and \$217,331 in FY 2010-11 in lieu of General Funds as recommended.

To reduce its reliance on master service agreement (MSA) contract expenses, the Legislature supported the Governor's recommendation to add 13 Information Technology positions, with offsetting reductions in MSA contractors. In considering this recommendation, the Legislature supported a revision in the timeframe under which the MSA contractors would overlap with state positions from six months to four months resulting in savings of approximately \$400,000 over the biennium.

The Governor recommended the elimination of 12 positions from the Administration account, including 4 Information Technology positions. Upon closer review by the Legislature, it was determined that elimination of the Information Technology positions would affect the ability of the division to meet federal mandates relative to the NOMADS system. Therefore, the Legislature supported the elimination of 8 positions, excluding the Information Technology positions. To address the increase in the cost by not supporting the Governor's recommendation, the Legislature approved the elimination of an Auditor and Telecommunications Coordinator in lieu of two Administrative Assistant positions to generate additional savings.

#### **TEMPORARY ASSISTANCE FOR NEEDY FAMILIES**

The Temporary Assistance for Needy Families (TANF) budget provides funding for cash assistance for eligible recipients, which is time limited; supports the employment and training programs and services administered by the division designed to help clients prepare for and find work; and provides a wide variety of services for families and individuals to support and maintain self-sufficiency.

Federal funding to support the TANF program is allocated to states in the form of a capped block grant that covers cash assistance, welfare employment and training, and the administrative costs associated with providing these services. Temporary Assistance for Needy Families has provided states the flexibility to design their own self-sufficiency programs for welfare recipients in conformance with the capped funding, time limitations on program eligibility and work requirements. The TANF program requires work in exchange for time-limited assistance. Temporary Assistance for Needy Families is intended to provide assistance to needy families so dependent children can be cared for in their own home or in the home of a relative by furnishing financial assistance on a temporary basis.

- Funding – Nevada will continue to receive its annual TANF Block Grant of approximately \$44 million each year. Supplemental grants, which were previously anticipated to be phased out beginning October 1, 2008, pursuant to the Deficit Reduction Act of 2005, were extended until September 30, 2010. Nevada receives an annual supplemental grant of approximately \$3.7 million for its high population growth. Beginning in FY 2010-11, Nevada will lose \$2.8 million in federal TANF funding and \$3.7 million each fiscal year thereafter. The TANF Block Grant is allocated between the Division of Welfare and Supportive Services Administration and Field Services budgets. The TANF Block Grant funds are also allocated to other divisions within the Department of Health and Human Services to support TANF-eligible programs.

The 2009 Legislature approved total funding (state and federal) to support the TANF budget in the amount of \$53.2 million in FY 2009-10 (\$24.6 million General Fund) and \$57.4 million (\$24.6 million General Fund) for FY 2010-11, a decrease of \$2.4 million when compared to the funding recommended by the Governor over the 2009-11 biennium.

The Governor's budget assumed an unspent balance of TANF funding of \$15.1 million at the end of the 2007-09 biennium. The balance of unspent TANF funding is projected by the Governor to be depleted at the end of the 2009-11 biennium due to TANF-related expenditures exceeding available resources in each year of the 2009-11 biennium. Based on the projected depletion of the TANF reserve, the Governor recommended General Funds, in lieu of TANF, of \$4.4 million in FY 2009-10 and \$7.5 million in FY 2010-11 to provide cash assistance payments. Under the ARRA, Nevada qualifies for Emergency Contingency TANF funding of \$18.0 million over the 2009-11 biennium, based on actual and projected caseload increases in each quarter over the two-year period beginning October 1, 2008. Based on the anticipated receipt of ARRA funds, the Legislature supported removal of General Funds, in lieu of TANF, with Emergency Contingency TANF funding by the same amounts.

Based on the lack of available TANF funds, the Legislature concurred with the Governor's recommendation to reduce the transfer of TANF funds to Clark and Washoe counties by \$3.6 million each year. Funding of \$1.2 million each year would continue to assist in funding child protective services in each county.

In approving the Governor's recommendation, the Legislature was concerned with the possible impact on child protective services in Clark County that are funded with TANF funds and the resulting affect on investigation caseloads and emergency response units established with county child protective services staff if those positions were eliminated. To address the reduction of TANF funds, the Legislature supported the inclusion of language in the General Appropriations Act (A.B. 562, 2009 Legislature) to provide flexibility to Clark and Washoe counties to utilize state General Funds, to the extent other monies are not available, for child protective services.

Based on the Legislature's actions in the TANF account, a reserve of approximately \$1.2 million is projected at the end of the 2009-11 biennium. In estimating the TANF reserve, the Legislature excluded the TANF supplemental grant in FY 2010-11 totaling \$2.8 million, since the grant is not approved for continuation beyond September 30, 2010.

- Caseloads** – The 2007 Legislature approved funding that would support TANF caseloads at 13,699 average monthly recipients in FY 2007-08 and 13,919 in FY 2008-09. For FY 2007-08, actual average monthly TANF recipients totaled 20,522, which was greater than the approved caseload by 6,823 average monthly recipients. Based on revised caseload projections presented by the division, the 2009 Legislature approved funding that would support TANF caseloads at 25,873 average monthly recipients in FY 2009-10, for a decrease of 2,551 average monthly recipients compared to totals included in The Executive Budget, and 29,376 average monthly recipients in FY 2010-11, for an increase of 89 average monthly recipients compared to the totals included in The Executive Budget. The table below displays the TANF caseloads used in constructing The Executive Budget compared to the TANF caseloads approved by the Legislature over the 2007-09 biennium.

<b>Fiscal Year</b>	<b>Governor Recommended*</b>	<b>Legislature Approved*</b>	<b>Difference+/-*</b>
2009-10	28,424	25,873	(2,551)
2010-11	29,287	29,376	89

\*Average monthly recipients

- Cash Grants** – The Executive Budget recommended and the 2009 Legislature approved retaining cash assistance grants at their existing levels over the 2009-11 biennium. The monthly cash assistance grant for a three-person household is currently \$383 for a TANF recipient without public housing, and \$306 for a TANF recipient with public housing. The 2009 Legislature approved retaining the cash assistance grant for recipients in the Kinship Care program at \$534 per month for a single child age 12 and under, and \$616 per month for a single child 13 years of age and older.

- New Employees of Nevada (NEON) – The 2009 Legislature approved approximately \$3.6 million over the 2009-11 biennium to meet stricter work participation rates mandated by the Personal Responsibility and Work Opportunity Act of 1996 (PRWORA). The PRWORA requires adults in families receiving assistance (unless exempted) to participate in countable work activities that are federally defined. States must achieve minimum work participation rates for both TANF and TANF two-parent families. The NEON program provides assessments, testing, education, training, treatment, counseling and employment referral services to TANF parents and non-custodial parents of TANF children. The Legislature concurred with the Governor's recommendation to increase TANF funding by \$53,335 in FY 2009-10 and \$73,247 in FY 2010-11 to provide NEON program services to additional participants projected over the biennium.

### **ASSISTANCE TO AGED AND BLIND**

The Supplemental Security Income (SSI) program was created by Congress effective January 1, 1974, and is administered by the Social Security Administration (SSA). States were given the option to make payments in addition to the amount paid by the federal government. Nevada has paid state supplements to the aged and blind since the beginning of the program, but has never supplemented payments to the disabled. The purpose of the program is to provide supplemental income to low-income aged and blind individuals and provide adult group care facilities with supplements that enable individuals to avoid institutionalization. The state supplement for the aged is \$36.40 per month and the supplement for the blind is \$109.30 per month. The Division of Welfare and Supportive Services contracts with the SSA for the determination of eligibility and the issuance of the state supplement. The federal and state supplemental payments for the aged and blind are combined into one benefit check and are issued on a monthly basis by the SSA.

The 2009 Legislature approved General Fund support for the aged and blind in the amount of \$15.7 million over the 2009-11 biennium, an increase of \$1.8 million when compared to the 2007-09 biennium. The increase is \$122,680 more than recommended by the Governor, and will cover the additional costs for projected caseload and the additional processing fee assessed by the SSA for determining eligibility and administering the issuance of state supplemental payments. The money committees, through a letter of intent, requested the Division of Welfare and Supportive Services report to the IFC prior to implementing the annual federal SSI cost-of-living increase. This will allow the IFC an opportunity to review and fully understand the criteria the division uses when determining how to best implement the annual SSI cost-of-living increase.

### **WELFARE AND SUPPORTIVE SERVICES FIELD SERVICES**

The Division of Welfare and Supportive Services Field Services budget provides for the salaries, operating expenses and support costs for the staff that determines eligibility for the TANF, Food Stamp and Medicaid programs, as well as the staff that supports the employment and training education programs administered by the division.

In addition to 478 new positions to address projected increases in public assistance cases, the Governor recommended the elimination of 114.5 positions, which included the elimination of 105.5 existing positions and 9 positions associated with the closure of the Yerington, Winnemucca and Hawthorne offices. Instead of eliminating existing positions as recommended, the Legislature approved the reduction of 118 of the 478 new positions and did not approve the closure of the Yerington, Winnemucca and Hawthorne offices. The Legislature approved the modification of start dates for the remaining new positions to better meet the increasing caseloads during the early part of the biennium.

Based on efficiencies anticipated in field offices and the availability of online public assistance applications by January 2011 resulting from implementation of the technology investment request, the Legislature did not support the addition of 87 of the 478 new positions recommended to start in FY 2010-11. The Legislature also did not support the addition of 15 new lead and supervisory positions, based on the ratio of lead and supervisory positions to staff included in the existing budget.

With the changes in positions recommended by the Legislature, a total of 258 new positions would be included in the Field Services budget to address projected caseloads over the biennium. The Legislature approved the addition of 245 of the new positions as intermittent positions, which will provide the opportunity for the division to reduce its workforce toward the end of the 2009-11 biennium once benefits resulting from the technology investment request are realized. Intermittent positions will provide the division flexibility to address fluctuations in workload associated with processing public assistance applications. A total of 13 new permanent supervisory positions are recommended to be retained in the budget.

The Legislature supported the Governor's recommendation to add 10 new Administrative Assistant positions to the customer service unit to address increased telephone call volume and longer wait times for citizens contacting the division by telephone.

To assist in meeting federally mandated quality control requirements on projected increases in public assistance cases, the Legislature concurred with the Governor's recommendation to add three Administrative Assistant positions. In approving this recommendation, the Legislature approved the establishment of the positions as intermittent positions to provide flexibility to the division in reducing its workforce once benefits from implementation of the TIR are realized.

The Legislature did not support the Governor's recommendation to close the Owens field office in Las Vegas as recommended by the Governor. The Legislature restored funding for the Owens office and also the Professional Development Center in Las Vegas, where staff training is presently conducted. To offset cost increases associated with the restoration of these offices, funding for new leased building space was eliminated by the Legislature.

## **CHILD SUPPORT ENFORCEMENT**

The Child Support Enforcement program provides five basic services: location of absent parents, establishment of parentage, establishment of child support orders, collection of support payments, and enforcement of private medical insurance. In Nevada, the Child Support Enforcement program is administered by the Division of Welfare and Supportive Services and jointly operated by the division and county district attorneys. The Child Support Enforcement budget is funded with a portion of the child support collections the state is allowed to retain, which is used to match federal Title IV-D funds. The state share of collections supports all non-federal expenditures; no General Fund support is provided in this budget.

The Legislature supported the Governor's recommendation to provide funding of approximately \$1.0 million over the biennium to fund a technology investment request to conduct a study to identify alternative solutions and estimate costs for modernizing the child support enforcement software application residing on NOMADS. In approving this recommendation, the Legislature was concerned with the size and cost of the recommendation that might result from the study. Based on this, the money committees approved a letter of intent to the division to tailor the study in such a way as to identify solutions that could be funded from resources within the program with the potential use of ARRA funds.

The ARRA temporarily repeals the prohibition on using federal child support enforcement incentive funds as match to draw down additional child support funds for child support programs. The repeal is effective through September 30, 2010. Approximately \$1.0 million of additional federal funding would be received in Nevada as a result of applying state incentive funding to the non-federal portion. The ARRA provides federal funding of \$9.3 million to Nevada as a result of applying county federal incentive funding. The money committees requested, via letter of intent, that the division report to the Interim Finance Committee (IFC) on the proposed use of federal funds received under the ARRA prior to their expenditure, and that the division submit a plan for expenditure of the ARRA funds subject to IFC approval.

## **CHILD ASSISTANCE AND DEVELOPMENT**

The Child Assistance and Development budget provides for all child care related expenditures for TANF recipients, former TANF recipients, non-TANF eligible clients who are at risk of losing employment due to a lack of assistance with child care, and low-income non-TANF eligible clients.

The Legislature did not concur with the Governor's recommendation to convert child care eligibility and support services from the University of Nevada, Las Vegas (UNLV) as recommended by the Governor. The Legislature recommended continuation of UNLV contract with additional federal funding of \$110,992 each year for additional quality assurance services to be provided by the UNLV, and additional federal funding of \$256,832 in FY 2009-10 and \$259,101 in FY 2010-11 to provide for security services and rent at a leased facility to house education staff employed by the UNLV. The Legislature expressed its desire for the division to identify a community-based provider

to provide child care services similar to the range of services provided by the community-based provider in northern Nevada. The money committees issued a letter of intent for the division to report back to the IFC on its efforts in identifying and contracting with a community partner to provide comprehensive child care services in southern Nevada over the biennium.

The Legislature approved revised child care caseload projections resulting in increases in subsidy payments greater than the levels recommended by the Governor for New Employees of Nevada (NEON) and at-risk cases over the 2009-11 biennium. To address funding for increased child care caseloads, the Legislature concurred with an amendment from the Governor to add approximately \$14.3 million in ARRA child care funds over the biennium. To provide full funding for NEON and at-risk cases the Legislature also approved the use of \$1.2 million in reserves, the redirection of \$1.9 million from quality assurance funding, and the redirection of \$1.9 million in discretionary child care funding. As a result of redirecting discretionary child care funding, a maximum of 2,500 discretionary child care cases would be funded over the biennium, which would result in the establishment of a waiting list for child care services. The Legislature directed the division to increase funding for discretionary child care cases if additional funding becomes available or if caseloads are not realized at their projected levels.

### **ENERGY ASSISTANCE**

The Energy Assistance program provides payments for eligible households, which can either be applied to the heating provider, the cooling provider, or split between them. Funding is provided through a combination of Low Income Home Energy Assistance Program (LIHEAP) block grant funds and Universal Energy Charges established by the 2001 Legislature and collected from certain electric and gas utilities.

In order to remain within existing funding levels for Universal Energy Charges and federal LIHEAP block grant funds the Governor recommended reductions of \$2.7 million in FY 2009-10 and \$4.4 million in FY 2010-11 resulting in reductions in the payments of benefits from the program. The Executive Budget also recommended a decrease in the average payment per case from \$903 in FY 2007-08 to \$559 in each year of the 2009-11 biennium. Based on revised projections of available funding, the Legislature supported modifications to the budget, which eliminated the reduction recommended by the Governor in FY 2009-10 and reduced the decrease in funding in FY 2010-11 from \$4.4 million to \$697,006. The modifications to the budget approved by the Legislature result in all projected households served under the program in FY 2009-10 and approximately 4,000 un-served households in FY 2010-11.

### **DIVISION OF MENTAL HEALTH AND DEVELOPMENTAL SERVICES**

The Division of Mental Health and Developmental Services (MHDS) is responsible for the development, administration, coordination and evaluation of state treatment and training programs for mentally ill and mentally retarded citizens. The division consists of the following programs and facilities: Northern Nevada Adult Mental Health Services

(NNAMHS); Southern Nevada Adult Mental Health Services (SNAMHS); Lake's Crossing Facility for Mentally Disordered Offenders; Rural Clinics; Desert Regional Center; Sierra Regional Center; Rural Regional Center; the Family Preservation Program; and the Substance Abuse Prevention and Treatment Agency (SAPTA).

The 2009 Legislature approved funding for MHDS totaling \$705.4 million over the 2009-11 biennium, an increase of approximately \$10.9 million when compared to total funding of \$694.5 million recommended by the Governor. General Fund support for the 2009-11 biennium totals \$465.7 million, which represents a decrease of 6.5 percent compared to appropriations of \$498.3 million provided over the 2007-09 biennium. For the division as a whole, the Governor recommended reducing the number of positions from 1,918.6 to 1,693.26 or 225.34 positions. The 2009 Legislature restored a total of 31.48 positions, primarily at SNAMHS and Rural Clinics, for a legislatively-approved staffing level of 1,724.74 positions.

Funding for mental health services approved by the 2009 Legislature is projected to provide resources to serve an estimated 15,067 unduplicated individuals at the end of FY 2010-11, an increase of 366 individuals or 2.5 percent from the 14,701 individuals served as of January 31, 2009. The developmental services caseload is projected to increase to 5,517 individuals at the end of FY 2010-11, an increase of 387 individuals or 11.4 percent over the 5,130 individuals currently budgeted through FY 2008-09.

With the passage of the federal American Recovery and Reinvestment Act of 2009 (ARRA), the Legislature approved additional Medicaid reimbursements for services totaling \$16.0 million in FY 2009-10 and \$8.5 million in FY 2010-11, which is \$8.3 million and \$6.1 million more, respectively, than the amounts recommended by the Governor. In addition, the ARRA included a retroactive provision which provides the MHDS with additional reimbursements of \$8.0 million in FY 2008-09. The additional Medicaid reimbursements are utilized to reduce General Fund support in the division's budgets.

The 2009 Legislature also approved medication funding totaling \$47.4 million in the 2009-11 biennium, which includes an inflation adjustment of \$3.51 million. This funding level represents a decrease of approximately \$20.6 million, or 30.3 percent, when compared to medication funding approved by the 2007 Legislature. The money committees noted the reductions, primarily at SNAMHS and NNAMHS, were achieved by diverting more Medicaid and Medicare-eligible clients from state pharmacies to retail pharmacies, increased usage of free medications, and better management of inventory costs and formulary utilization.

### **MENTAL HEALTH AND DEVELOPMENTAL SERVICES ADMINISTRATION**

The 2009 Legislature approved the Governor's recommendation to continue General Fund appropriations for the psychiatric residency program of \$155,860 each year in northern Nevada and \$250,574 each year in southern Nevada, as well as transferring General Fund support of \$100,000 each year for the cost of operating the suicide prevention hotline to the Department of Health and Human Services Director's



Office of Suicide Prevention. The Legislature also approved the Governor's recommendation eliminating six positions. The six positions eliminated include the Medical Director position for northern Nevada, whose duties will be absorbed by the statewide Medical Director; a Quality Assurance Specialist position, currently funded by the Center for Mental Health Services block grant with the savings used to fund a Management Analyst position currently supported by General Fund; and three Health Program Specialists and an Administrative Assistant responsible for disaster response and hospital evacuation planning and training are eliminated due to a reduction in funding from the federal Health Resources and Services Administration grant transferred from the Health Division.

The 2009 Legislature also approved the Governor's recommendation to implement various initiatives in the mental health agencies to enhance reimbursements from Medicaid, Medicare, and third-party insurance and client co-pays, including the establishment of a central billing office. The central billing office, already implemented in FY 2008-09, was created by transferring a total of eight accounting positions responsible for billing at SNAMHS (four positions), NNAMHS (two positions) and Rural Clinics (two positions) in order to effectuate more efficient and consistent billing practices and procedures. Based upon early results of the various initiatives implemented, the Legislature approved increasing revenue collections beyond those recommended by the Governor from \$2.51 million to \$2.97 million in FY 2009-10 and from \$2.61 million to \$3.32 million in FY 2010-11.

### **NORTHERN NEVADA ADULT MENTAL HEALTH SERVICES**

Northern Nevada Adult Mental Health Services (NNAMHS) provides psychiatric and psychological services to the seriously and chronically mentally ill population in northern Nevada, including a 50-bed inpatient hospital, service coordination and residential support services.

The 2009 Legislature concurred with the Governor's recommendation to eliminate a total of 36.15 positions as follows:

- Three positions approved for FY 2008-09 medication caseload increases, as well as a half-time position supporting two counselor positions in the Reno Mobile Outreach program were eliminated. These positions were not filled during the 2007-09 interim period in order to achieve mandated budget reductions.
- A total of 12.53 positions approved by the 2007 Legislature to support FY 2008-09 caseload increases for psychiatric ambulatory services were eliminated. These positions were also not filled during the 2007-09 interim period.
- Another 13.11 positions were eliminated by modifying the inpatient beds-to-staff ratios in the Dini-Townsend Hospital.
- Five positions were eliminated as a result of the closure of the old steam-heat plant on the NNAMHS campus.
- Two Psychiatric Caseworker positions, one assigned to service coordination and the other designated to assist clients with employment opportunities and on-campus canteen operations, were eliminated due to ongoing difficulties in recruitment and retention.

The 2009 Legislature approved the Governor's recommendation to eliminate funding for seven supported living arrangements that were approved by the 2007 Legislature for FY 2008-09, but were not provided in order to meet budget reductions. The Legislature also realized General Fund savings of \$246,805 in FY 2009-10 by including United Health Settlement Funds that were not recommended in The Executive Budget. Lastly, the 2009 Legislature approved state funding of \$484,207 in support of a capital improvement project (09-M34) to install a panic alarm system in the Dini-Townsend Hospital.

### **FACILITY FOR THE MENTAL OFFENDER**

The Facility for the Mental Offender (Lake's Crossing Center) is Nevada's only forensic facility. Lake's Crossing Center's mission is to provide statewide forensic mental health services in a secure facility to mentally disordered offenders who are referred from the court system. The agency also provides evaluation and assistance to some city and county jail facilities in the state through a contractual arrangement.

The 2009 Legislature approved the Governor's recommendation to eliminate 6 positions approved by the 2007 Legislature, as well as a 6-bed reduction in the Dini-Townsend annex due to facility space and design issues. The elimination of funding for 6 beds leaves the agency with a 70-bed capacity in the 2009-11 biennium. However, the elimination of the positions as well as the bed reduction leaves Lake's Crossing Center with a combined 80 nursing and forensic positions, which is consistent with the historic staffing ratios for this agency. Lastly, the Legislature approved funding for 1.51 Psychiatric Caseworker positions to support the conditional release program approved in S.B. 380 by the 2007 Legislature, but not filled in order to meet mandated budget reductions.

### **RURAL CLINICS**

Rural Clinics provides community-based mental health services to persons of all age groups with serious and persistent mental illnesses and mild to moderate mental health problems. The division operates 21 clinics in the 15 rural counties and portions of Clark County (Laughlin and Mesquite).

The 2009 Legislature did not approve the Governor's recommendation to close 11 of the 21 clinics, which included the elimination of 23.28 positions throughout the state. Instead, the Legislature approved an alternative plan that restructures the way Rural Clinics provides services and restores 9 of the 11 clinics slated for closure (Battle Mountain, Caliente, Fernley, Hawthorne, Lake Tahoe, Lovelock, Moapa, Silver Springs and Tonopah). However, the clinic in Dayton, closed in September 2008, will remain closed and funding for the Wendover clinic was eliminated. The alternative plan involves a net add-back of 7.47 positions achieved through a combination of restoring and reclassifying certain positions recommended for elimination in The Executive Budget; eliminating other positions that were not targeted for elimination in The Executive Budget; and the creation of six new positions. Additionally, the alternative plan includes increased funding support for contract psychiatrists, nurses

and counselors to supplement state positions in order to maintain access to mental health services in rural communities. In order to implement the plan, the Legislature restored General Fund appropriations of \$250,000 in FY 2009-10 and \$758,005 in FY 2010-11, as well as authorized the use of Title XX Social Services funds of \$773,362 in FY 2009-10 and \$168,882 in FY 2010-11 provided through the Fernley Flood Relief Act.

Lastly, the Legislature concurred with the Governor's recommendation to eliminate two Mental Health Counselor positions approved by the 2005 Legislature to support outpatient counseling caseload growth at the time, but have remained vacant due to difficulties in recruiting. The savings from the eliminated positions will be utilized to purchase contract counseling services, primarily in the Elko area.

### **SOUTHERN NEVADA ADULT MENTAL HEALTH SERVICES**

The Southern Nevada Adult Mental Health Services (SNAMHS) operates out of four sites in Clark County including the main campus located on West Charleston Boulevard to provide psychiatric and psychological services to the seriously and chronically mentally ill. Funding for a total of 234 inpatient beds was approved by the 2009 Legislature: 160 acute inpatient beds and a 30-bed psychiatric observation unit in the Rawson-Neal Hospital; 22 low-acuity beds in building 3A; and 22 beds in the former inpatient facility (Stein Hospital building 3).

While the Governor recommended several budget reduction initiatives that would eliminate a total of 136.41 positions, the 2009 Legislature approved several staffing adjustments which reduced the number of eliminated positions to 111.9 by restoring 24.51 positions as noted in the following summary:

- Approved the Governor's recommendation to eliminate 4.51 positions approved by the 2007 Legislature to support the expansion of the Program for Assertive Community Treatment (PACT) and service coordination for 85 community supported living arrangements.
- Approved the Governor's recommendation to eliminate a Maintenance Repair Specialist, a Personnel Technician, an Information Technology Technician and a half-time Accounting Assistant approved by the 2007 Legislature to meet administrative and facility support needs.
- Approved the Governor's recommendation to eliminate 4.04 Senior Psychiatrist positions and 10 Mental Health Technicians, and utilize the savings to purchase contract psychiatrist and technician services.
- In lieu of approving the Governor's recommendation to eliminate 96.81 positions supporting the inpatient facilities by modifying the beds-to-staff ratios, the Legislature restored 17.51 of these positions in order to better strengthen the agency's ability to ensure adequate client care and safety.
- The Legislature did not approve the Governor's recommendation to eliminate 17.54 positions associated with the closure of the North Las Vegas clinic, but instead restored 7 of these positions which will aid SNAMHS in better staffing its remaining outpatient facilities in the Las Vegas valley.

The 2009 Legislature also approved using United Health Settlement funds that were available, however not budgeted, which provided for a General Fund saving of \$125,000 in FY 2009-10. Lastly, two Dietician positions as well as meal costs were transferred from the Southern Food Services budget as the account was eliminated as recommended by the Governor.

### **SUBSTANCE ABUSE PREVENTION AND TREATMENT AGENCY**

The Substance Abuse Prevention and Treatment Agency (SAPTA), formerly known as the Bureau of Alcohol and Drug Abuse (BADA), is the designated single state agency for purposes of applying for and expending the federal Substance Abuse Prevention and Treatment Block Grant issued through the Substance Abuse and Mental Health Services Administration. The bureau plans and coordinates statewide substance abuse services delivery and provides technical assistance to programs and other state agencies, but does not provide direct substance abuse prevention or treatment services. The SAPTA will receive nearly 50 percent of the total budgeted revenue from the federal Substance Abuse Prevention and Treatment Block Grant. The grant requires MHDS to maintain a spending level of state funds (maintenance of effort), which is at least equal to the average of the past two years.

The 2009 Legislature approved the Governor's recommendation to reduce General Fund support for prevention grants to community coalitions by \$502,172 each year, or 16.7 percent when compared to FY 2008-09 funding of \$3.0 million. In addition, General Fund support for the co-occurring disorders treatment program was reduced by \$427,308 each year, or 22.3 percent when compared to FY 2008-09 funding of \$1.9 million. A Health Program Specialist, approved by the 2007 Legislature in support of the co-occurring disorders program but not filled during the 2007-09 biennium, was also eliminated.

The Governor recommended General Fund reductions of \$401,556 in FY 2009-10 and \$374,068 in FY 2010-11 for substance abuse treatment services, and \$100,000 each year for methamphetamine education programs. However, the 2009 Legislature considered treatment services more critical to assisting individuals with substance abuse issues and did not approve the recommended funding reductions for these services. Instead, the Legislature redirected funding in the amount of \$401,556 in FY 2009-10 and \$374,068 in FY 2010-11 from methamphetamine education programs to restore treatment services. The approval to redirect funding to restore treatment services reduced funding available for methamphetamine education programs from \$1 million annually to \$498,444 in FY 2009-10 and \$528,932 in FY 2010-11.

### **DEVELOPMENTAL SERVICES**

The Developmental Services agencies of the division provide service coordination, family support/respite, community residential services and jobs and day training to individuals with developmental disabilities and related conditions statewide.

The 2009 Legislature approved additional funding to support caseload increases and waiting list demands in the three regional developmental budgets: Sierra Regional Center (SRC) in the north; Desert Regional Center (DRC) in the south; and the Rural Regional Center (RRC). The Legislature approved total funding of \$301.8 million over the 2009-11 biennium compared to \$272.2 million over the 2007-09 biennium, an increase of \$29.6 million. Of this total, General Fund support increased to \$161.96 million over the 2009-11 biennium, an increase of \$1.18 million or 0.7 percent. For developmental services agencies, the increased Medicaid reimbursements resulting from the passage of the ARRA replaced General Fund support by \$13.0 million over the 2009-11 biennium. The funding levels approved did not support any new positions, and in fact, the number of positions serving individuals with developmental disabilities was reduced by 12.01 positions. However, the Legislature approved appropriations totaling approximately \$4.2 million over the 2009-11 biennium to support an additional 254 clients in residential supports and 61 additional clients in jobs and day training placements.

While the 2009 Legislature approved the majority of the Governor's recommendations to reduce funding for various programs in the three regional center budgets, funding for two programs were restored:

- General Fund appropriations of \$180,600 in each fiscal year were restored to provide monthly allotments of \$1,075 to 14 families eligible to participate in the self-directed autism program.
- General Fund appropriations of \$216,150 in FY 2009-10 and \$266,150 in FY 2010-11 were restored in order to maintain funding to families eligible to participate in the purchase of services and respite program.

The Legislature approved the Governor's recommendations to reduce funding for the following programs:

- Eliminate 1.51 custodial positions, as well as an Administrative Assistant at SRC, that are no longer needed due to a combination of clients no longer living permanently on campus and previous reductions in agency staff located on campus. In addition, 9 positions – 3 at DRC and 6 at SRC – were eliminated that were originally approved by the 2007 Legislature in order to establish crisis prevention intervention teams at the respective agencies.
- Eliminate a contract with the University of Nevada, Reno, Center for Excellence in Developmental Disabilities, which provided for the collection of personal outcome interview and quality improvement data, as well as reducing a contract with the Council on Quality Leadership used for training and consulting with agency staff on accreditation issues.
- Reduce funding for 49 families, effective January 2009, who participated in the self-directed fiscal intermediary program by decreasing eligibility in the program from 500 percent to 300 percent of federal poverty level. In addition, the monthly allocations to Level 1 families participating in the program that were reduced by \$198 during the 2007-09 biennium to achieve budget savings will continue at the reduced amount during the 2009-11 biennium.

The 2007 Legislature approved the transition of 18 individuals from private institutional facilities funded in the Medicaid budget to community placements funded in the DRC budget. However, the transition of 12 of these individuals was delayed during the 2007-09 biennium in order to achieve savings in the DRC budget. The 2009 Legislature formally approved the Governor's funding recommendation to eliminate the transition of these 12 placements from institutional placements to community living arrangements.

### **FAMILY PRESERVATION PROGRAM**

The Family Preservation Program (FPP) is a statewide program providing monthly cash assistance to low-income families who provide care in their homes for relatives with profound or severe mental retardation or children under six years of age who have developmental delays. The FPP aims to strengthen and support families so that they may remain intact and limit or avoid the need for institutional care. The 2009 Legislature approved the Governor's recommendation to provide monthly allotments to 33 additional families, from 466 families at the end of FY 2008-09 to 528 families by the end of the 2009-11 biennium, and maintain the payment of \$374 per month per family.

### **DIVISION OF CHILD AND FAMILY SERVICES**

The Division of Child and Family Services (DCFS) provides a wide array of services to children and adolescents and is organized into three major program areas, Child Welfare Services, Children's Mental/Behavioral Health Services, and Juvenile Justice Services. The division is responsible for child protective and child welfare service delivery in rural Nevada and oversight of urban county-operated child protective and child welfare services programs; children's mental/behavioral health treatment and residential services in urban Nevada; and statewide juvenile justice services including state-operated youth training centers and youth parole.

The money committees made adjustments to the budgets within the DCFS, which resulted in a decrease of \$1.3 million in General Fund support over the 2009-11 biennium to \$253.8 million compared to the Governor's recommendation of \$255.1 million. General Fund support as approved by the 2009 Legislature for the 2009-11 biennium reflects an 9.5 percent increase from the level as approved by the 2007 Legislature for the 2007-09 biennium.

Adjustments were made to several budgets to reflect increased federal medical assistance percentages (FMAP) in each year of the 2009-11 biennium based on provisions of the American Recovery and Reinvestment Act of 2009 (ARRA). The adjustments allowed for the replacement of General Fund support with federal funds, which provided reductions in General Funds of approximately \$3.0 million in FY 2009-10 and \$2.6 million in FY 2010-11.

## **CHILD AND FAMILY SERVICES ADMINISTRATION**

This account is the central administrative account of DCFS and contains the unclassified Administrator, the division's four unclassified Deputy Administrators, and the central fiscal, accounting and personnel staff of the division.

With minor exceptions, the 2009 Legislature approved the recommendations of the Governor, including General Funds of \$580,185 in FY 2009-10 and \$689,865 in FY 2010-11 for caseload increases in children's mental health residential treatment placements for children that are not in the division's custody. The replacement of federal funding with General Funds and other federal funding sources was approved for mental health residential treatment services and child welfare administrative services that have become ineligible for federal reimbursement or for which reimbursement has decreased due to changes in federal regulations. The Legislature also approved the Governor's recommendation to eliminate four vacant administrative positions in this budget as well as four positions funded by the State Infrastructure Grant, which will expire in FY 2009-10.

The 2009 Legislature approved several bills relating to child welfare including A.B. 227, which provides authority for licensed non-governmental entities to perform the functions of foster care agencies. Such entities are now authorized to assist the child welfare authorities in their jurisdiction to screen, recruit, license, and train providers of family foster care, specialized foster care, and group foster care. The Legislature also approved A.B. 103 which codifies in statute the activities of a child welfare specialist position under the duties of the Legislative Auditor. The activities of this position were established by the 2007 Legislature in A.B. 629 and include the conducting of performance audits of governmental and private facilities for children to determine whether such facilities adequately protect the health, safety, and welfare of children in the facilities and whether the facilities respect the civil and other rights of children in their care.

## **COMMUNITY JUVENILE JUSTICE PROGRAMS**

This budget serves as a pass-through account for federal Office of Juvenile Justice and Delinquency Prevention (OJJDP) funds that are allocated to judicial districts for community-based delinquency prevention programs. The budget also contains the Community Corrections Block Grant program, supported by the General Fund, which provides funding to the nine judicial districts to implement programs that reduce or limit commitments to the state.

The 2009 Legislature approved General Funds of \$466,904 in each year of the 2009-11 biennium in addition to the amounts recommended by the Governor to increase the Community Corrections Block Grant. With reductions in beds at the three state juvenile correctional facilities recommended by the Governor, the Legislature supported increased funding for diversionary programs in this budget. The Legislature also approved the elimination of one Program Officer position, as recommended by the Governor, due to reductions in projected federal grant revenue.

## **CLARK COUNTY INTEGRATION**

This account was established by the 2005 Legislature to isolate the state's portion of costs of child welfare services in Clark County. The 2009 Legislature approved approximately \$152.6 million for Clark County for child welfare integration over the 2009-11 biennium, composed of approximately \$87.1 million of General Fund monies, \$53.4 million of federal funding, and \$12.1 million of interagency transfers and other funding. Caseload growth of foster care placements and adoption subsidies and ten new caseworker positions to manage foster care placements in Clark County accounted for an increase of approximately \$18.4 million. Also approved was the conversion of approximately \$7.6 million from federal funding to General Funds to offset projected revenue shortfalls related to reductions in the percentage of child welfare costs that are eligible for federal reimbursement, due to the passage of the federal Deficit Reduction Act of 2005. The Legislature also appropriated \$1.6 million per year to the Interim Finance Committee's Contingency Fund that the division may request, upon submittal of a federally certified plan, to fund an increased daily foster care rate for children in sibling groups in which one sibling requires a higher level of care placement. The money committees did not appropriate this funding directly to the division's budgets because a daily rate had not yet been developed that was certified by federal authorities to ensure federal reimbursement for a portion of the total cost.

The Legislature approved the Governor's recommendation to transfer funding and responsibility for oversight of children's mental health residential treatment placements from the DCFS's Rural Child Welfare budget to Washoe and Clark Counties' Integration budgets. Revenues, including General Funds, federal funds, and child support payments collected through the Division of Welfare and Supportive Services, were transferred to Clark County to support the costs for an average of 393 residential treatment placements per month. The transferred funding totals approximately \$13.7 million (\$8.9 million of General Funds).

Three new positions were approved to support paperwork requirements associated with claiming federal Supplemental Security Income (SSI) and/or Social Security Survivor Benefits for children in the county's custody. The three positions are projected to generate additional federal revenues in the amount of \$2.2 million in each year of the 2009-11 biennium through their claiming activities which, after funding personnel and operating expenses, will reduce General Funds required in this budget by approximately \$2.0 million per year.

## **WASHOE COUNTY INTEGRATION**

This account was established by the 2005 Legislature to isolate the state's portion of costs for child welfare services in Washoe County. Similar to the increases approved in the Clark County Integration budget, the 2009 Legislature approved approximately \$3.8 million over the 2009-11 biennium (\$2.3 million of General Funds) in the Washoe County Integration budget for caseload growth in foster care placements and adoption subsidies. Two new positions were funded at a cost of \$235,245 over the 2009-11 biennium (\$156,185 of General Funds) to support the increased number of adoptions finalized by the county.



As mentioned in relation to the Clark County Integration budget, the 2009 Legislature approved the transfer of funding and responsibility for oversight of children's mental health residential treatment placements from the DCFS's Rural Child Welfare budget to Clark and Washoe Counties' Integration budgets. The transfer of funding to the Washoe County Integration budget totals approximately \$4.7 million (\$2.7 million of General Funds) over the 2009-11 biennium. Adjustments were also applied to implement furlough days and freezes of merit increases and longevity pay for state-funded positions in the counties' budgets.

### **UNITY/SACWIS**

The UNITY/SACWIS budget represents the division's compliance with a federal mandate to automate foster care and adoption information systems. The Statewide Adoption and Child Welfare Information System (SACWIS) project, now referred to as Unified Nevada Information Technology for Youth (UNITY), began in FY 1994-95 with business process reengineering and became fully operational statewide in September 2003.

The 2009 Legislature approved the elimination of four positions as recommended by the Governor, one Master Information Technology Professional, one Program Officer, and two Information Technology Technician positions, to produce budgetary savings. The Legislature also approved a recommended reduction in FY 2010-11 in the division's cost allocated portion of expenses for data circuits used to connect to the state Silvernet and Internet. The Department of Information Technology was approved to install a wireless microwave antenna system around Carson City by which state agencies, including Department of Health and Human Services agencies, will be able to connect to the Silvernet and Internet for a one-time equipment cost and eliminate ongoing circuit expenses paid to telecommunications vendors.

### **YOUTH ALTERNATIVE PLACEMENT**

The Youth Alternative Placement budget primarily contains funding for payments to the China Spring Youth Camp and Aurora Pines Girls Facility in Douglas County and the Spring Mountain Youth Camp in Clark County. County participation fee revenue collection authority is also contained in this account and represents fees assessed to and collected from all counties except Clark for the operation of the China Spring and Aurora Pines facilities.

The Governor recommended and the Legislature approved a flat budget of approximately \$3.7 million in each fiscal year of the 2009-11 biennium to continue funding at the FY 2008-09 levels for the three facilities. Funding for the China Spring Youth Camp and Aurora Pines Girls Facility was approved based upon the historical funding ratio of 36.8 percent General Fund and 63.2 percent county funds.

### **JUVENILE CORRECTIONAL FACILITY**

The Juvenile Correctional Facility budget funds the operation of the Summit View Youth Correctional Center, a secure male juvenile correctional facility for serious and chronic

offenders, located near Nellis Air Force Base. The 96-bed facility opened on June 1, 2000. The private contractor who was retained to operate the facility chose to cease operating the facility in March 2002. The facility was essentially “mothballed” from March 2002 until January 2004 when the state resumed operation of the facility with state employees.

The Legislature approved the Governor’s recommendation to eliminate half (48) of the beds at the Summit View Youth Correctional Center as well as 24 Group Supervisor positions. The division indicated that it has seen a 16 percent reduction in placements to the state’s youth correctional facilities in each of the last two years (2007 and 2008) and was maintaining each facility in FY 2008-09 at the reduced population that the Governor recommended for the 2009-11 biennium. The elimination of beds and positions allowed approximately \$1.6 million per year in General Funds to be reduced from this budget. The Legislature also approved funding for agency-specific inflation in this budget, as well as additional adjustments related to the reduced bed capacity and staffing, including costs of employee physicals, lab fees, and replacement equipment.

### **CHILD CARE SERVICES BUREAU**

The Child Care Services Bureau is responsible for licensing and monitoring child care facilities caring for five or more children not licensed by local entities. Facilities include child care centers, pre-schools, group care homes, institutions and outdoor youth programs. The bureau is also responsible for licensing, monitoring and providing technical assistance to family foster and group foster care homes to reduce the risk of harm to children placed in care.

The Legislature approved funding for four new Child Care Development Surveyor positions related to the return of child care facility licensing responsibilities to the division from the city of Las Vegas. The Executive Budget included General Funds for these additional expenses but the Legislature approved a budget amendment to change the General Funds to Child Care Development Block Grant funds, transferred from the Division of Welfare and Supportive Services, to produce a General Fund savings of \$241,984 in FY 2009-10 and \$223,364 in FY 2010-11. The Legislature also recommended the reduction of General Fund support in the 2009-11 biennium because grant and fee revenues, together with the budget’s accumulated reserve, will be adequate to support program activities.

### **CALIENTE YOUTH CENTER**

The Caliente Youth Center is a coeducational juvenile residential correctional facility that serves youth between the ages of 12 and 18 and has a capacity of 140 youth. In recent years, four of the seven housing units have housed male youth, with the remaining three housing units dedicated to female youth.

The Legislature approved the Governor’s recommendation to close one residential unit for females at the Caliente Youth Center (20 beds) and eliminate ten positions. The Executive Budget recommended eliminating nine Group Supervisor positions

related to this closure, but the division indicated in budget hearings that a total of ten positions could be eliminated. The Legislature approved the transfer of \$200,000 per year in General Funds to the Lincoln County School District related to this closure, as recommended by the Governor, but also approved additional reductions totaling \$160,476 per year related to utilities expenses and employee holiday pay that were not recommended for elimination. The Legislature approved the elimination of a Licensed Psychologist position which the division indicated had historically been difficult to fill and approved the use of the savings from this position for a contract for psychologist services.

### **VICTIMS OF DOMESTIC VIOLENCE**

The Victims of Domestic Violence budget has historically been funded primarily by the collection of a \$20 fee on each marriage license sold in the state by county clerks, and an assessment of a \$5 fee for Justices of the Peace celebrating a marriage, and Commissioners of Civil Marriages solemnizing a marriage. The program provides grants to non-profit agencies on a statewide basis to provide direct services to victims of domestic violence including shelter, crisis phone access, emergency assistance, advocacy, hospital accompaniment and counseling. There are no positions in this budget.

The 2009 Legislature approved this budget largely as recommended by the Governor, but did not approve increased revenue related to the receipt of Treasurer's interest disbursements on the balance of funding in this account. A bill draft request was submitted to allow this budget to receive the interest accrued on the balance of funding in the budget, but the bill draft request was subsequently combined with another bill (A.B. 515) and that bill was not approved. The Legislature did pass S.B. 14 however, which increases the fee on marriage licenses sold in the state from \$20 to \$25, and establishes a \$5 fee on certified copies of marriage licenses sold or abstracts of marriage licenses certified. The additional revenues projected to be generated by S.B. 14 and collected in this account total approximately \$1.6 million per year. The Legislature also approved the addition of \$200,000 per year in Temporary Assistance to Needy Families funds to this account as recommended by the Department of Health and Human Services.

### **RURAL CHILD WELFARE**

Historically, this budget contained only funding for the placement costs of children in the division's care because of abuse, neglect or behavioral/emotional problems. Adoption subsidies for the rural region were also paid from this account to adoptive parents of special needs children. The 2005 Legislature approved a title change for this account from Youth Community Services to Rural Child Welfare and introduced major changes through the division's reorganization and budget realignment process. In the 2007-09 biennium, this budget contained all positions and associated costs for Rural Child Welfare responsibilities, including foster care placement costs and subsidized adoption costs, as well as the costs of all higher-level placements statewide.

The 2009 Legislature approved the Governor's recommendation to transfer funding and oversight of children's mental health residential treatment placements (higher-level placements) from this budget to the Clark and Washoe County Integration budgets, totaling approximately \$18.4 million (\$12.9 million of General Funds) over the 2009-11 biennium.

The Legislature approved the Governor's recommendation for funding caseload growth in mental health residential treatment placements for children in the division's custody, as well as growth in foster care placements and adoption subsidies. Additional General Funds in the amount of \$29,280 in FY 2009-10 and \$139,183 in FY 2010-11 were added, however, due to errors in the method the division used to calculate growth in adoption subsidies. The Legislature also approved the replacement of federal funding with General Funds in this budget due to certain mental health residential treatment services and child welfare administrative services becoming ineligible for federal reimbursement, or for which reimbursement has decreased due to changes in federal regulations.

The Legislature approved two new positions to increase the claiming of federal Social Security benefits for all children in the division's custody. With the additional federal revenues projected to be generated by this activity, the Governor recommended and the Legislature approved eight new Family Support Worker positions. The Legislature recommended a letter of intent however, to instruct the division to report to the Interim Finance Committee prior to hiring the eight new Family Support Worker positions, to ensure that the new federal revenue is being generated as projected. The Legislature did not approve the Governor's recommendation to close the division's office in Hawthorne.

#### **TRANSITION FROM FOSTER CARE**

This budget account was established to administer funds for assisting youth transitioning out of foster care at 18 years of age. Assembly Bill 94, passed by the 2001 Legislature, authorized county recorders to charge and collect an additional fee of \$1 on documents, instruments, notices, or deeds processed and deposit those fees to this account. The funds may be used to provide assistance to youth with training costs, housing assistance and medical insurance, and can also be granted to non-profit organizations or used to match federal funds. The 2009 Legislature approved adjustments to this budget to reflect a revised division estimate of additional funding balanced forward from FY 2008-09 in the amount of \$137,097, and approved corresponding adjustments to revenues and expenditures in each year of the 2009-11 biennium. The total expenditures approved were divided among the child welfare jurisdictions in the state with approximately 72 percent approved for Clark County, 21 percent for Washoe County, 5 percent for Rural Nevada, and 2 percent for Indian tribes.

#### **REVIEW OF DEATH OF CHILDREN**

This budget account was created as a result of the passage of A.B. 381 of the 2003 Legislative Session. The budget is funded by a \$1 fee added to the cost of

certified copies of death certificates issued. The legislation revised provisions governing multi-disciplinary teams, which review selected cases of death of children under 18 years of age and make recommendations for improvements to policies, practices, and laws that support the safety of children and prevent future deaths of children. The Administrator of the DCFS is required to establish an executive committee that is charged with developing statewide protocols and distributing an annual report, which must include statistics and recommendations on improving laws, regulatory or policy changes.

The 2009 Legislature approved this budget as recommended by the Governor with projected revenues of \$133,599 in FY 2009-10 and \$137,604 in FY 2010-11. Expenditures in this budget were recommended and approved at reduced levels based on the lower projected revenues over the 2009-11 biennium. The approved budget continues to support a spending plan for the multi-disciplinary team and executive committee activities including: operating costs; equipment; travel; support activities; analysis and data entry; public education; and training.

### **NEVADA YOUTH TRAINING CENTER**

The Nevada Youth Training Center (NYTC) at Elko is a 24-hour residential treatment facility for male youth between 12 and 18 years of age. At capacity, the center can accommodate 160 youth and provides educational and remedial programs, counseling services, rehabilitative training and recreational activities. The center operates an accredited junior/senior high school.

The Legislature approved the Governor's recommendation to close one residential unit (20 beds) at NYTC and eliminate ten positions. The Governor had recommended the elimination of five Group Supervisor positions with this closure, but the division testified that ten positions could be eliminated to maintain consistency with the closures at the other youth correctional facilities.

The Legislature did not concur with the Governor's recommendation to transfer funding for the high school located at NYTC to the Elko County School District. The Legislature determined that the savings associated with transferring the school's operations were minimal and the school district indicated that it did not support the proposed transfer. The rejection of this recommendation resulted in the restoration of General Funds in this budget in the amount of \$922,028 in FY 2009-10 and \$930,532 in FY 2010-11; however, the elimination of a budget amendment in the Distributive School Account budget and other budget reductions offset the add-back. The Legislature also approved the elimination of one Administrative Assistant position, as recommended by the Governor.

### **YOUTH PAROLE SERVICES**

Youth Parole Services provides supervision, counseling, residential and aftercare services to youth (male and female) released from the Summit View Youth Correctional Center, the Nevada Youth Training Center at Elko, the Caliente Youth Center, the China

Spring Youth Camp (state commitments), youth committed to out-of-state programs, and delinquent youth who require inpatient mental health treatment. Offices are maintained in Las Vegas, Reno, Fallon and Elko.

The 2009 Legislature approved funding for four additional Youth Parole Counselor positions that were not included in The Executive Budget. The Legislature chose to add the positions to help mitigate the impact of the reduction in beds available at the state's youth correctional facilities. The Legislature approved the Governor's recommendation to add one new position to support increased federal reporting requirements for youth in the state's custody. The Legislature also added funding for one new position to support the Interstate Compact on Juveniles, which was added to Nevada Revised Statutes by the 2003 Legislature, but did not become federal law until 2008. The Legislature approved additional General Funds recommended by the Governor in the amount of \$857,703 per year to offset reductions in Medicaid reimbursement for mental health placement expenses.

### **WRAPAROUND IN NEVADA**

The Wraparound in Nevada (WIN) budget account was created by the 2005 Legislature to track the costs of the program separately from the division's other children's mental health budgets. The WIN program is designed to serve children in the foster care system with severe emotional disturbance. It is an alternative to traditional mental health services, and is an intensive intervention program that provides a high-risk child experiencing emotional or behavioral challenges with a "wrap" of support designed to stabilize the child and family.

The 2009 Legislature approved all items in this budget as recommended by the Governor with the exception of the FMAP related savings, which were increased due to the provisions of the American Recovery and Reinvestment Act. The Legislature also requested that the division begin reporting on a performance indicator that reflects the functional assessment scores of children in the program, to help measure the success of the program.

### **NORTHERN NEVADA CHILD AND ADOLESCENT SERVICES**

Northern Nevada Child and Adolescent Services provide a continuum of mental health services to emotionally disturbed children, adolescents and their families. Programs for Washoe County, Carson City and northern Nevada rural counties include outpatient counseling, day treatment, intensive treatment homes and inpatient services.

The 2009 Legislature approved the elimination of two part-time positions that were approved by the 2007 Legislature to implement a new therapeutic day treatment classroom for children. The program was not implemented due to budget reductions. The Legislature approved the elimination of a special expenditures category for the Project Crisis program. The division indicated that the activities of Project Crisis are now integrated with the division's other activities, and there was no need to differentiate the expenditures from the others in the budget.

## **SOUTHERN NEVADA CHILD AND ADOLESCENT SERVICES**

Southern Nevada Child and Adolescent Services provide a comprehensive continuum of behavioral health care services for emotionally disturbed children and adolescents from birth through 18 years of age. Programs include outpatient counseling, day treatment, intensive treatment homes and inpatient services.

The Legislature approved, with adjustments, the Governor's recommendation to transfer one Registered Dietician position and the contract for food service at the Desert Willow Treatment Center from the Division of Mental Health and Developmental Services. The Legislature approved the elimination of five positions related to a unit for co-occurring disorders at the Desert Willow Treatment Center that was approved by the 2007 Legislature but not implemented due to budget reductions. The Legislature approved the Governor's recommendation to convert contract janitorial services at the division's West Charleston campus to three part-time state positions. The reclassification of two positions and combination of two part-time positions into one full-time position were also approved.

Additionally, the 2009 Legislature approved a capital improvement project to plan and construct a new 36-bed children's acute psychiatric hospital in Las Vegas, at a cost of \$22.8 million. The new hospital will allow acute care services to be separated from residential care services at the existing Desert Willow Treatment Center, as required by federal Medicaid regulations.

## **DEPARTMENT OF EMPLOYMENT, TRAINING AND REHABILITATION**

The mission of the Department of Employment, Training and Rehabilitation (DETR) is to connect Nevada's businesses with a qualified workforce and to encourage equal employment opportunities. The department consists of the Director's Office and centralized administrative services, the Employment Security Division, the Rehabilitation Division, the Research and Analysis Bureau, Information Development and Processing Division, and the Nevada Equal Rights Commission. The department is the lead state agency responsible for the administration of the Workforce Investment Act in Nevada.

Funding for the department consists of federal funds from the U.S. Departments of Labor and Education, the Social Security Administration, a surcharge of 0.05 percent on wages paid by Nevada employers, and interest on, and forfeitures of, employer contributions. General Funds are provided to the Equal Rights Commission to supplement contract payments from the federal Equal Employment Opportunity Commission. General Funds are also provided to the Vocational Rehabilitation program and its administration and to the Bureau of Services to the Blind and Visually Impaired primarily to match federal Section 110 funding.

For all DETR accounts combined, the Legislature approved total funding of \$345.4 million in the 2009-11 biennium, an increase of \$62.6 million or 22.1 percent above the amounts legislatively approved for the 2007-09 biennium. The bulk of the increase resulted from federal revenue increases, including \$23.51 million in American Recovery and Reinvestment Act (ARRA) funds added for the 2009-11 biennium. The Legislature approved General Fund appropriations of \$9.9 million over the 2009-11 biennium, which is a decrease of 14.9 percent from the \$11.6 million approved over the 2007-09 biennium.

Through Senate Bill 423, the 2009 Legislature approved General Fund and Highway Fund appropriations to the Interim Finance Committee for utility inflation. However, inflationary adjustments were not recommended by the Governor for the DETR budget accounts that are funded with other revenue sources. The Legislature approved adjustments to include utility inflation in DETR budget accounts with funding to be provided by non-General Fund sources.

### **INFORMATION DEVELOPMENT AND PROCESSING DIVISION**

The Information Development and Processing Division is responsible for the department's mainframe and server-based application development, system administration and operation, personal computer and network operations and maintenance, and information technology planning for the department.

The Legislature approved the Governor's recommendation for two new Information Technology positions to manage the increased workload for the oversight of the JobConnect offices that are no longer supported by NevadaWorks. Also, the Legislature approved two additional Information Technology professionals that were not included in The Executive Budget to provide support and maintenance of the existing contribution and benefits systems and to address the increased demands resulting from the high level of unemployment claims.

### **RESEARCH AND ANALYSIS BUREAU**

The Research and Analysis Bureau is the primary source of labor market and economic information for the department, including state and local labor force, employment, occupation, career, general economic and demographic information.

As recommended by the Governor, the Legislature established, for each year of the 2009-11 biennium, federal funding of \$900,000 for a federal-state partnership, along with the Bureau of Labor Statistics, to develop a framework for consistency in the development, improvement and delivery of employment projections. The department indicated that Nevada will serve as the fiscal agent for this new partnership with funding provided by the U.S. Department of Labor. Projects for development, improvement or delivery of data will be assigned to whichever of the 15 states or federal partners is best suited for the project. Nevada will transfer the requisite funding to the assignee.



## **EQUAL RIGHTS COMMISSION**

The Nevada Equal Rights Commission investigates and resolves complaints of discrimination in employment, housing and public accommodations related to race, religion, age, gender, disability, national origin or ancestry. Funding for this account is primarily from a General Fund appropriation. Additional funding is provided through a contract with the federal Equal Employment Opportunity Commission for a specific number of intakes and case closures for employment discrimination cases. The Commission consists of five members appointed by the Governor.

In the Equal Rights Commission budget, the Governor recommended, and the Legislature approved, the establishment of a self-supporting, federally-funded program to investigate and resolve housing discrimination complaints. However, passage of Assembly Bill 559 was required to align the state fair housing statutes with federal provisions and to enact the budget actions approved by the Legislature. Assembly Bill 559 did not pass and as a result, the program will not move forward.

The Legislature approved the Governor's recommendation to eliminate a Compliance Investigator as a budget reduction measure continued from the 2007-09 biennium. To address reduced contract revenue in FY 2010-11, the Legislature also approved the elimination of an Administrative Assistant position. However, the Legislature did not approve the Governor's recommendation to eliminate a second Compliance Investigator position in FY 2010-11 since it appeared that sufficient federal funding would be available to support that position.

## **REHABILITATION DIVISION**

The Rehabilitation Division is comprised of three bureaus: Vocational Rehabilitation, Services to the Blind and Visually Impaired, and Disability Adjudication. The division also includes the Client Assistance program.

The Bureau of Vocational Rehabilitation provides rehabilitation services to eligible individuals with disabilities to assist them in preparing for and obtaining meaningful employment and self-sufficiency. The Bureau of Services to the Blind and Visually Impaired provides services to persons who are blind, deaf/blind and/or severely visually impaired to assist them in achieving employment, independent living and self-sufficiency. The bureau also administers the Blind Business Enterprise program statewide. The Bureau of Disability Adjudication is responsible for providing medical disability decisions to individuals in Nevada who file claims for disability benefits under the federal Social Security Administration's Disability Insurance and Supplemental Security Income Disability programs. The bureau also conducts evidentiary hearings for those disability beneficiaries who are recommended for benefits termination.

## **BUREAU OF VOCATIONAL REHABILITATION**

A significant portion of the Bureau of Vocational Rehabilitation's activities are supported by federal Section 110 funds and the state is required to provide a 21.3 percent match.

Historically, the primary source of the state match was General Funds. However, the federal Rehabilitation Services Administration advised the department that approximately \$700,000 of the administrative expenses of the Blind Business Enterprise program could be used as match for the Section 110 funds in addition to, or in lieu of, state General Fund.

As recommended by the Governor, the Legislature combined the additional match with General Fund reductions of \$309,024 in FY 2009-10 and \$325,709 in FY 2010-11, resulting in approximately \$1.2 million additional Section 110 funding available in the Vocational Rehabilitation account annually. The adjustment netted additional funding for case services in the amount of \$928,380 in FY 2009-10 and \$866,732 in FY 2010-11. With the additional Section 110 funding, the department anticipates that the case services provided in the 2009-11 biennium will be 12 percent to 13 percent higher than the 2007-09 biennium.

As a General Fund reduction measure, The Executive Budget recommended the elimination of three Vocational Rehabilitation positions. However, the alternate source of match enabled the Legislature to approve an amendment that restored the positions without additional General Funds.

As recommended by the Governor, the Legislature approved the transfer of an Administrative Assistant and two Management Analysts to the Rehabilitation Administration budget account to align the positions to the appropriate funding source for the nature and scope of work performed.

#### **BUREAU OF SERVICES TO THE BLIND AND VISUALLY IMPAIRED**

Similar to the Bureau of Vocational Rehabilitation, additional Section 110 funding will be available for case services for the blind and visually impaired because of the utilization of the Blind Business Enterprise expenditures as match. As recommended by the Governor, the Legislature approved General Fund reductions of \$77,157 in FY 2009-10 and \$81,329 in FY 2010-11. Section 110 funding was increased by \$309,352 in FY 2009-10 and \$298,109 in FY 2010-11. The adjustments netted additional funding for case services in the amount of \$232,195 for FY 2009-10 and \$216,780 in FY 2010-11.

As a budget reduction measure, the Governor recommended the elimination of two positions in the Bureau of Services to the Blind and Visually Impaired. However, the identification of the alternate source of match enabled the Legislature to approve an amendment that restored the positions without the addition of General Funds.

As recommended by the Governor, the Legislature approved the transfer of a Management Analyst to the Rehabilitation Administration budget account to align the position to the appropriate funding source. The Legislature also approved the Governor's recommendation to increase a half-time position to full-time in conjunction with the elimination of a half-time position in the Blind Business Enterprise program.

Finally, the Legislature approved a budget amendment for the purchase of two Braille machines that had been requested by the agency but were not included in the Governor's original recommendations.

### **BLIND BUSINESS ENTERPRISE PROGRAM**

The Legislature approved the Governor's recommended budget for the Blind Business Enterprise program, which included renovation of the three blind vendor facilities at Hoover Dam and the construction of new facilities at the Red Rock Conservation Area and at the Clark County shooting park. Because an agreement had not been finalized on the Red Rock facility at the time of budget closings, the money committees approved a letter of intent requiring the department to submit an informational item to the Interim Finance Committee if a new location is chosen.

### **EMPLOYMENT SECURITY DIVISION**

The Employment Security Division is responsible for programs that pay Unemployment Insurance (UI) benefits, collect UI premiums, and provide job placement services and labor market information to employers and job seekers. The division also oversees the claimant/employer appeals process and provides training through the Career Enhancement program.

The Legislature approved a budget amendment to provide four new positions and programming costs associated with implementing the alternate base period for unemployment benefits enacted in Assembly Bill 469 of the 2009 Session. The Legislature's approval included a modification of the amendment to allow the positions required for implementation to begin on July 1, 2009, rather than July 1, 2010.

The Legislature approved the Governor's recommendations for 12 new positions including: 3 positions to create a workforce transformation unit; 5 positions to address workload and national trends in the misclassification of workers for tax-rate manipulation; 1 position as a result of the division assuming responsibilities for the northern and rural JobConnect systems; 1 position to assist the administrator and executive staff in research, logistical and analytical support and the conversion of a contract attorney and a legal secretary to state positions. The Legislature did not approve programmer charges that were recommended for a rate methodology change for businesses with common ownership since legislation allowing for that change was not approved.

Finally, the Legislature approved a budget amendment to increase the budgeted amount for intermittent positions to meet the current high level of unemployment filings from the original recommendation of \$3.8 million per year to \$5.0 million each year.

During budget hearings, the division testified that Nevada's Unemployment Insurance Trust Fund is expected to be depleted by late September or early October of 2009. The division anticipates that Nevada will borrow approximately \$100 million each month from the federal government to pay benefits.

## **CAREER ENHANCEMENT PROGRAM**

The Career Enhancement program provides re-employment services and training programs to enhance the skills of both employed and unemployed individuals in the state. The program is funded through a 0.05 percent surcharge on wages paid by Nevada employers. Based on revised projections provided by the department, the Legislature reduced wage assessment revenues by \$590,000 in FY 2009-10 and \$1.2 million in FY 2010-11 as compared to the Governor's recommendations.

To return individuals to work more quickly and to expand employment and training assistance, the Legislature approved five new permanent and ten intermittent Workforce Service Representatives. The Legislature revised the funding source for these enhancements for FY 2009-10 and the first three months of FY 2010-11 in order to utilize Wagner-Peyser funding made available through the ARRA.

The Legislature approved the Governor's recommendation to add eight Workforce Service Representatives for the Re-employment Services program. The program reconnects UI claimants with the employment and training services provided through the state's workforce investment system. The Legislature again modified the funding source for FY 2009-10 and the first three months of FY 2010-11 to Wagner-Peyser funds authorized under the ARRA.

Assembly Bill 338 of the 2009 Legislature expanded the allowable use of program funding to provide grants to nonprofit entities for loans to veterans and senior citizens to start small businesses.

## **EMPLOYMENT SECURITY SPECIAL FUND**

The Employment Security Special Fund is used to pay costs of administering employment security programs that may not be charged against federal grants. The sources of revenue for this fund are all interest and forfeitures collected from employers for non-payment or late payment of unemployment taxes. Federal funds for special projects are also included in this account.

The Legislature approved the Governor's recommendation to continue into Phase II of the UI modernization project to replace the 30-year old unemployment tax and benefit systems. The Legislature approved \$11.6 million in FY 2009-10 and \$10.4 million in FY 2010-11 to implement the business and technology solution identified during Phase I of the project, which was conducted over the 2007-09 biennium. The project is funded with federal Reed Act funds.

The Legislature also approved the Governor's recommendation of approximately \$2.1 million over the biennium to support the maintenance and repair of DETR-owned buildings. The Legislature made a \$58,768 reduction from the recommended amount to remove the State Public Works Board design, plan check, project management and inspection of the slurry seal for three parking lots.

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	2008-2009 Work Program	2009-2010 Governor Recommends	2009-2010 LEGISLATIVELY APPROVED	2010-2011 Governor Recommends	2010-2011 LEGISLATIVELY APPROVED
<b>HUMAN SERVICES</b>					
<b>HEALTH AND HUMAN SERVICES - DIRECTORS OFFICE</b>					
<b>HHS - ADMINISTRATION</b>	3,978,922	1,926,821	2,081,466	1,944,739	2,105,836
GENERAL FUND	1,478,574	1,388,164	1,392,721	1,389,976	1,514,392
BALANCE FORWARD	201,390				
FEDERAL FUND	246,859	131,848	137,358	131,764	134,960
INTER-AGENCY TRANSFER	448,202	256,809	246,637	272,999	256,484
OTHER FUND	1,603,897	150,000	304,750	150,000	200,000
REVERSIONS					
<b>HHS - GRANTS MANAGEMENT UNIT</b>	33,111,891	31,977,136	32,718,166	31,965,157	32,104,968
GENERAL FUND	3,902,285	3,713,415	3,547,862	3,692,744	3,697,120
BALANCE FORWARD	34,441				
FEDERAL FUND	17,749,386	18,831,177	19,437,958	18,829,413	18,837,309
INTER-AGENCY TRANSFER	11,124,569	9,296,230	9,252,633	9,302,944	9,257,615
OTHER FUND	301,210	136,314	479,713	140,056	312,924
REVERSIONS					
<b>HHS - DIRECTOR'S OFFICE - PROBLEM GAMBLING</b>	2,183,099	1,674,977	1,606,207	1,890,124	1,842,082
BALANCE FORWARD	452,842			200,000	200,000
OTHER FUND	1,730,257	1,674,977	1,606,207	1,690,124	1,642,082
<b>HHS - CHILDREN'S TRUST ACCOUNT</b>	1,560,146	987,697	987,697	992,308	992,308
BALANCE FORWARD	786,207	300,000	300,000	300,000	300,000
OTHER FUND	773,939	687,697	687,697	692,308	692,308
<b>INDIGENT SUPPLEMENTAL ACCOUNT</b>	30,184,011		25,474,982		23,303,820
BALANCE FORWARD	1,655,059				
OTHER FUND	28,528,952		25,474,982		23,303,820
<b>HHS - HEALTHY NEVADA FUND</b>	15,144,804	6,900,964	7,060,873	6,903,250	7,061,244
GENERAL FUND	388,726				
INTER-AGENCY TRANSFER	251,755				
OTHER FUND	14,504,323	6,900,964	7,060,873	6,903,250	7,061,244
REVERSIONS					
<b>HHS - PUBLIC DEFENDER</b>	2,665,016	2,666,269	2,702,454	2,700,503	2,744,873
GENERAL FUND	1,223,260	1,214,768	1,202,728	1,223,234	1,213,209
INTER-AGENCY TRANSFER	23,829				
OTHER FUND	1,417,927	1,451,501	1,499,726	1,477,269	1,531,664
REVERSIONS					
<b>INDIAN AFFAIRS COMMISSION</b>	207,934	158,592	190,687	158,029	190,602
GENERAL FUND	191,225	158,592	161,687	158,029	161,602
INTER-AGENCY TRANSFER	6,709		14,000		14,000
OTHER FUND	10,000		15,000		15,000
REVERSIONS					

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	2008-2009 Work Program	2009-2010 Governor Recommends	2009-2010 LEGISLATIVELY APPROVED	2010-2011 Governor Recommends	2010-2011 LEGISLATIVELY APPROVED
<b>TOTAL HEALTH AND HUMAN SERVICES - DIRECTORS OFFICE</b>	89,035,823	46,292,456	72,822,532	46,554,110	70,345,733
GENERAL FUND	7,184,070	6,474,939	6,304,998	6,463,983	6,586,323
BALANCE FORWARD	3,129,939	300,000	300,000	500,000	500,000
FEDERAL FUND	17,996,245	18,963,025	19,575,316	18,961,177	18,972,269
INTER-AGENCY TRANSFER	11,855,064	9,553,039	9,513,270	9,575,943	9,528,099
OTHER FUND	48,870,505	11,001,453	37,128,948	11,053,007	34,759,042
REVERSIONS					
<b>AGING SERVICES</b>					
<b>HHS - AGING FEDERAL PROGRAMS AND ADMINISTRATION</b>	15,811,643	15,251,615	16,176,555	15,294,175	15,467,799
GENERAL FUND	3,629,400	3,559,279	3,533,225	3,587,692	3,666,716
BALANCE FORWARD	79,847				
FEDERAL FUND	9,869,475	9,866,550	10,729,552	9,870,167	9,898,527
INTER-AGENCY TRANSFER	1,789,237	1,395,055	1,483,047	1,403,522	1,469,762
OTHER FUND	443,684	430,731	430,731	432,794	432,794
REVERSIONS					
<b>HHS - IDEA PART C COMPLIANCE</b>	740,878	3,892,516	5,857,760	3,892,543	5,860,537
BALANCE FORWARD	11,659				
FEDERAL FUND		3,892,516	5,857,760	3,892,543	5,860,537
INTER-AGENCY TRANSFER	729,219				
			6,013,913		6,424,496
GENERAL FUND			103,137		103,284
INTER-AGENCY TRANSFER			672,768		792,844
OTHER FUND			5,238,008		5,528,368
<b>HHS - SENIOR CITIZENS' PROPERTY TAX ASSISTANCE</b>	5,446,351	5,882,322	5,722,845	6,234,781	5,970,797
GENERAL FUND	5,439,534	5,882,322	5,722,845	6,234,781	5,970,797
BALANCE FORWARD					
INTER-AGENCY TRANSFER	6,817				
REVERSIONS					
<b>HHS - TOBACCO SETTLEMENT PROGRAM</b>	9,382,979	11,134,305	4,942,087	13,644,766	6,924,849
GENERAL FUND		107,908		107,654	
INTER-AGENCY TRANSFER		672,768		792,844	
OTHER FUND	9,382,979	10,353,629	4,942,087	12,744,268	6,924,849
<b>HHS - HOME &amp; COMMUNITY BASED PROGRAMS</b>	11,644,281	8,279,602	9,124,284	8,402,130	9,281,868
GENERAL FUND	1,927,999	3,544,345	3,706,388	3,634,789	3,895,775
BALANCE FORWARD					
INTER-AGENCY TRANSFER	9,705,596	4,735,257	5,417,896	4,767,341	5,386,093
OTHER FUND	10,686				
REVERSIONS					
<b>HHS - DEVELOPMENTAL DISABILITIES</b>	698,390	626,259	626,259	626,259	626,259
GENERAL FUND	172,068	156,565	156,565	156,565	156,565
FEDERAL FUND	461,811	469,694	469,694	469,694	469,694
INTER-AGENCY TRANSFER	64,511				
REVERSIONS					

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	2008-2009 Work Program	2009-2010 Governor Recommends	2009-2010 LEGISLATIVELY APPROVED	2010-2011 Governor Recommends	2010-2011 LEGISLATIVELY APPROVED
<b>HHS - EPS/HOMEMAKER PROGRAMS</b>	3,774,962	3,296,460	3,340,275	3,336,904	3,395,287
GENERAL FUND	400,181	36,455	80,270	76,899	135,282
INTER-AGENCY TRANSFER	3,374,781	3,260,005	3,260,005	3,260,005	3,260,005
REVERSIONS					
<b>HHS - COMMUNITY BASED SERVICES</b>	11,802,296	11,416,737	12,472,990	10,755,406	12,091,018
GENERAL FUND	7,080,067	7,602,974	9,078,290	7,597,070	9,116,014
BALANCE FORWARD	2,645,337	1,922,192	1,353,706	1,236,933	927,100
FEDERAL FUND	568,757	479,924	481,054	480,003	481,400
INTER-AGENCY TRANSFER	381,599	341,059	341,059	342,127	342,127
OTHER FUND	1,126,536	1,070,588	1,218,881	1,099,273	1,224,377
REVERSIONS					
<b>TOTAL AGING SERVICES</b>	59,301,780	59,779,816	64,276,968	62,186,964	66,042,910
GENERAL FUND	18,649,249	20,889,848	22,380,720	21,395,450	23,044,433
BALANCE FORWARD	2,736,843	1,922,192	1,353,706	1,236,933	927,100
FEDERAL FUND	10,900,043	14,708,684	17,538,060	14,712,407	16,710,158
INTER-AGENCY TRANSFER	16,051,760	10,404,144	11,174,775	10,565,839	11,250,831
OTHER FUND	10,963,885	11,854,948	11,829,707	14,276,335	14,110,388
REVERSIONS					
<b>HEALTH CARE FINANCING &amp; POLICY</b>					
<b>HCF&amp;P - ADMINISTRATION</b>	23,826,935	81,753,826	82,282,794	88,441,478	89,011,897
GENERAL FUND	1,657,264	20,664,278	18,826,750	19,595,000	20,088,372
BALANCE FORWARD	138,663		2,299,587	2,299,587	2,307,446
FEDERAL FUND	19,661,095	58,456,881	58,514,362	64,072,139	64,132,155
INTER-AGENCY TRANSFER	591,623	320,496	329,924	320,496	329,668
OTHER FUND	1,778,290	2,312,171	2,312,171	2,154,256	2,154,256
REVERSIONS					
<b>HCF&amp;P - HIFA HOLDING ACCOUNT</b>	681,199		551,234		665,686
GENERAL FUND	340,597		275,617		332,843
INTER-AGENCY TRANSFER	340,602		275,617		332,843
REVERSIONS					
<b>HCF&amp;P - INTERGOVERNMENTAL TRANSFER PROGRAM</b>	91,503,537	110,668,417	82,662,607	111,730,968	86,744,878
BALANCE FORWARD	9,761,589				
INTER-AGENCY TRANSFER	1,500,000				
OTHER FUND	80,241,948	110,668,417	82,662,607	111,730,968	86,744,878
<b>HCF&amp;P - INCREASED QUALITY OF NURSING CARE</b>	24,279,065	23,086,154	23,086,154	23,130,374	23,130,374
BALANCE FORWARD	4,509,719	900,000	900,000	900,000	900,000
OTHER FUND	19,769,346	22,186,154	22,186,154	22,230,374	22,230,374
<b>HCF&amp;P - NEVADA CHECK-UP PROGRAM</b>	43,749,552	41,174,383	39,312,368	42,809,694	50,434,556
GENERAL FUND	11,577,747	13,010,524	12,246,671	13,563,988	15,491,558
BALANCE FORWARD	2,714				
FEDERAL FUND	29,156,245	26,089,065	24,709,421	27,170,912	32,027,290
INTER-AGENCY TRANSFER	787,677	200,000	207,544	200,000	208,847
OTHER FUND	2,225,169	1,874,794	2,148,732	1,874,794	2,706,861
REVERSIONS					

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	2008-2009 Work Program	2009-2010 Governor Recommends	2009-2010 LEGISLATIVELY APPROVED	2010-2011 Governor Recommends	2010-2011 LEGISLATIVELY APPROVED
<b>HCF&amp;P - NEVADA MEDICAID, TITLE XIX</b>	1,270,525,089	1,358,877,068	1,417,801,800	1,430,824,385	1,489,685,302
GENERAL FUND	472,252,568	421,692,587	384,604,822	508,308,233	483,315,080
BALANCE FORWARD	2,359,375	2,299,587			
FEDERAL FUND	667,494,370	774,655,475	909,998,644	759,727,200	873,288,585
INTER-AGENCY TRANSFER	104,258,192	129,984,177	102,207,519	131,858,614	106,334,010
OTHER FUND	24,160,584	30,245,242	20,990,815	30,930,338	26,747,627
REVERSIONS					
<b>HCF&amp;P - HIFA MEDICAL</b>	1,829,140	399,717	1,529,963		1,906,582
GENERAL FUND		399,717			
FEDERAL FUND	1,197,355		995,701		1,258,915
INTER-AGENCY TRANSFER	631,785		534,262		647,667
<b>TOTAL HEALTH CARE FINANCING &amp; POLICY</b>	1,456,394,517	1,615,959,565	1,647,226,920	1,696,936,899	1,741,579,275
GENERAL FUND	485,828,176	455,767,106	415,953,860	541,467,221	519,227,853
BALANCE FORWARD	16,772,060	3,199,587	3,199,587	3,199,587	3,207,446
FEDERAL FUND	717,509,065	859,201,421	994,218,128	850,970,251	970,706,945
INTER-AGENCY TRANSFER	108,109,879	130,504,673	103,554,866	132,379,110	107,853,035
OTHER FUND	128,175,337	167,286,778	130,300,479	168,920,730	140,583,996
REVERSIONS					
<b>HEALTH DIVISION</b>					
<b>HHS - OFFICE OF HEALTH ADMINISTRATION</b>	5,277,167	5,304,555	4,946,365	5,273,133	4,895,132
GENERAL FUND	1,716,503	1,055,291	1,064,945	1,057,949	1,069,907
BALANCE FORWARD				90,056	118,574
FEDERAL FUND	252,739				
INTER-AGENCY TRANSFER	3,269,894	4,249,264	3,856,420	4,125,128	3,706,651
INTERIM FINANCE					
OTHER FUND	38,031		25,000		
REVERSIONS					
<b>MARIJUANA HEALTH REGISTRY</b>	154,659		57,891		58,523
BALANCE FORWARD	65,519				
OTHER FUND	89,140		57,891		58,523
<b>HHS - RADIOLOGICAL HEALTH</b>	3,979,800	4,516,885	4,516,885	5,167,342	5,141,549
BALANCE FORWARD	867,265	1,192,214	1,192,214	1,782,011	1,756,218
FEDERAL FUND	518,358	584,370	584,370	555,460	555,460
INTER-AGENCY TRANSFER	104,431	153,242	153,242	154,351	154,351
OTHER FUND	2,489,746	2,587,059	2,587,059	2,675,520	2,675,520
<b>HHS - HEALTH RADIOACTIVE &amp; HAZARDOUS WASTE</b>	13,818,215	9,694,995	9,694,995	9,621,653	9,623,135
BALANCE FORWARD	13,241,039	9,411,478	9,411,478	9,278,113	9,279,595
OTHER FUND	577,176	283,517	283,517	343,540	343,540
<b>HHS - CANCER CONTROL REGISTRY</b>	1,058,688	1,096,936	1,096,936	1,141,433	1,137,090
BALANCE FORWARD	324,555	338,055	338,055	396,022	391,679
FEDERAL FUND	617,133	624,331	624,331	610,861	610,861
OTHER FUND	117,000	134,550	134,550	134,550	134,550



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<b>HHS - HEALTH STATISTICS AND PLANNING</b>	1,612,475	1,388,355	1,662,229	1,395,607	1,673,716
GENERAL FUND	967,157	590,384	840,149	596,935	852,045
BALANCE FORWARD	23,035	23,035	23,035		
FEDERAL FUND	570,207	537,080	554,226	555,969	579,969
INTER-AGENCY TRANSFER	34,669	228,417	235,380	233,264	232,263
OTHER FUND	17,407	9,439	9,439	9,439	9,439
REVERSIONS					
<b>HHS - CONSUMER HEALTH PROTECTION</b>	3,380,504	2,806,976	2,841,651	2,778,752	2,825,656
GENERAL FUND	1,036,963	758,152	776,142	734,197	760,519
INTER-AGENCY TRANSFER	711,531	763,491	756,791	764,264	756,796
OTHER FUND	1,632,010	1,285,333	1,308,718	1,280,291	1,308,341
REVERSIONS					
<b>HHS - OFFICE OF MINORITY HEALTH</b>	284,787	264,138	266,969	261,408	265,186
GENERAL FUND	128,870	118,507	118,764	117,471	118,317
FEDERAL FUND	155,917	145,631	148,205	143,937	146,869
REVERSIONS					
<b>HHS - EARLY INTERVENTION SERVICES</b>	20,709,971	22,871,589	23,164,719	25,632,939	25,984,888
GENERAL FUND	15,315,094	18,310,025	16,635,651	21,069,145	19,458,045
FEDERAL FUND	4,352,902	644,949	644,949	644,949	644,949
INTER-AGENCY TRANSFER	1,041,975	3,758,698	5,726,202	3,760,928	5,723,977
OTHER FUND		157,917	157,917	157,917	157,917
REVERSIONS					
<b>HHS - PUBLIC HEALTH TOBACCO FUND</b>	1,866,789	1,212,452		1,213,089	
OTHER FUND	1,866,789	1,212,452		1,213,089	
<b>HHS - IMMUNIZATION PROGRAM</b>	6,435,593	4,971,852	4,981,911	4,956,140	4,969,307
GENERAL FUND	1,398,272	968,794	967,590	970,713	969,931
BALANCE FORWARD	33				
FEDERAL FUND	2,964,965	2,474,521	2,487,857	2,411,226	2,427,833
INTER-AGENCY TRANSFER	2,072,323	1,528,537	1,526,464	1,574,201	1,571,543
REVERSIONS					
<b>HHS - WIC FOOD SUPPLEMENT</b>	46,017,759	57,464,712	57,530,049	61,588,266	61,659,780
BALANCE FORWARD	70,117	69,923	69,923	69,923	69,923
FEDERAL FUND	32,678,010	42,344,881	42,410,218	46,237,806	46,309,320
OTHER FUND	13,269,632	15,049,908	15,049,908	15,280,537	15,280,537
<b>HHS - COMMUNICABLE DISEASES</b>	14,650,652	14,413,602	14,750,186	14,385,879	14,729,158
GENERAL FUND	1,805,620	2,093,764	2,110,383	2,097,507	2,092,653
BALANCE FORWARD	9,179	9,501		9,501	
FEDERAL FUND	12,670,843	12,137,143	12,139,505	12,106,094	12,136,137
OTHER FUND	165,010	173,194	500,298	172,777	500,368
REVERSIONS					
<b>HHS - HEALTH FACILITIES HOSPITAL LICENSING</b>	12,615,229	11,673,806	11,648,806	10,823,412	10,977,795
BALANCE FORWARD	4,686,609	4,686,498	4,686,498	3,595,480	3,774,863
FEDERAL FUND	1,845,479	1,928,359	1,928,359	1,965,007	1,965,007
INTER-AGENCY TRANSFER	1,067,743	1,055,866	1,030,866	1,076,022	1,051,022
OTHER FUND	5,015,398	4,003,083	4,003,083	4,186,903	4,186,903

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<b>HHS - PUBLIC HEALTH PREPAREDNESS PROGRAM</b>	15,659,742	12,507,949	12,579,360	12,572,273	12,646,105
FEDERAL FUND	15,659,742	12,428,090	12,499,503	12,491,739	12,565,580
INTER-AGENCY TRANSFER		79,859	79,857	80,534	80,525
<b>HHS - CHRONIC DISEASE</b>	5,427,692	5,197,413	5,221,484	5,158,151	5,197,043
GENERAL FUND	805,030	787,838	788,432	784,818	785,827
BALANCE FORWARD		583	583	583	583
FEDERAL FUND	4,615,838	4,408,992	4,432,469	4,372,750	4,410,633
INTER-AGENCY TRANSFER	6,824				
REVERSIONS					
<b>HHS - MATERNAL CHILD HEALTH SERVICES</b>	7,422,772	6,972,953	6,763,002	7,164,632	6,783,419
GENERAL FUND	1,287,690	1,069,081	1,000,054	1,056,100	1,013,476
BALANCE FORWARD	100,137	100,137	100,137		
FEDERAL FUND	3,270,988	2,121,693	2,450,894	2,103,588	2,452,534
INTER-AGENCY TRANSFER	116,727	42,308	42,886	43,479	44,190
OTHER FUND	2,647,230	3,639,734	3,169,031	3,961,465	3,273,219
REVERSIONS					
<b>HHS - COMMUNITY HEALTH SERVICES</b>	4,600,948	3,797,518	3,875,492	3,804,735	3,774,309
GENERAL FUND	714,539	863,260	798,775	894,466	831,900
BALANCE FORWARD	113,149	138,915		138,915	
FEDERAL FUND	1,443,765	1,147,536	1,195,568	1,136,139	1,187,580
INTER-AGENCY TRANSFER	787,752	757,354	765,491	755,094	765,215
OTHER FUND	1,541,743	890,453	1,115,658	880,121	989,614
REVERSIONS					
<b>HHS - HEALTH DIVISION SPECIAL APPROPRIATIONS</b>	67,323				
BALANCE FORWARD					
OTHER FUND	67,323				
REVERSIONS					
<b>HHS - EMERGENCY MEDICAL SERVICES</b>	1,206,753	1,122,061	1,057,977	1,120,835	1,055,189
GENERAL FUND	948,548	884,475	844,099	884,654	846,056
BALANCE FORWARD	22,776	13,244	13,244	6,400	6,400
FEDERAL FUND	162,805	162,805	162,805	162,805	162,805
INTER-AGENCY TRANSFER	31,284	23,712		26,976	
OTHER FUND	41,340	37,825	37,829	40,000	39,928
REVERSIONS					
<b>TOTAL HEALTH DIVISION</b>	166,247,518	167,278,747	166,656,907	174,059,679	173,396,980
GENERAL FUND	26,124,286	27,499,571	25,944,984	30,263,955	28,798,676
BALANCE FORWARD	19,523,413	15,983,583	15,835,167	15,367,004	15,397,835
FEDERAL FUND	81,779,691	81,690,381	82,263,259	85,498,330	86,155,537
INTER-AGENCY TRANSFER	9,245,153	12,640,748	14,173,599	12,594,241	14,086,533
INTERIM FINANCE					
OTHER FUND	29,574,975	29,464,464	28,439,898	30,336,149	28,958,399
REVERSIONS					

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<b>WELFARE DIVISION</b>					
<b>WELFARE - ADMINISTRATION</b>					
GENERAL FUND	28,667,885	30,404,672	29,975,121	28,113,881	28,989,147
BALANCE FORWARD	7,964,887	7,991,668	7,526,679	8,048,817	8,147,190
FEDERAL FUND	360,950		259,124		129,562
INTER-AGENCY TRANSFER	17,989,406	19,172,125	19,220,421	17,592,192	18,216,993
OTHER FUND	2,158,116	2,812,338	2,520,216	2,059,172	2,045,158
REVERSIONS	194,526	428,541	448,681	413,700	450,244
<b>WELFARE - TANF</b>					
GENERAL FUND	50,429,254	55,908,098	53,151,740	57,021,543	57,375,747
BALANCE FORWARD	24,607,852	28,930,185	24,565,852	32,101,519	24,565,852
FEDERAL FUND	25,821,402	24,462,845	28,585,888	22,404,956	32,809,895
REVERSIONS					
<b>WELFARE - ASSISTANCE TO AGED AND BLIND</b>					
GENERAL FUND	7,281,468	7,666,123	7,736,983	7,997,622	8,049,442
<b>WELFARE - FIELD SERVICES</b>					
GENERAL FUND	69,661,826	67,055,853	70,523,616	81,223,663	78,436,155
BALANCE FORWARD	24,741,051	22,598,795	23,503,303	28,043,717	26,125,308
FEDERAL FUND	1,643,154				
INTER-AGENCY TRANSFER	29,671,492	31,347,501	34,928,849	37,526,210	38,872,935
OTHER FUND	13,606,129	12,986,974	12,062,945	15,507,361	13,406,218
REVERSIONS		122,583	28,519	146,375	31,694
<b>WELFARE - CHILD SUPPORT ENFORCEMENT PROGRAM</b>					
BALANCE FORWARD	15,711,321	14,064,147	15,651,970	13,759,600	13,772,333
FEDERAL FUND	3,005,402	1,924,466	1,924,466	1,921,514	1,748,788
OTHER FUND	7,700,671	7,185,682	8,773,505	6,913,574	7,099,033
REVERSIONS	5,005,248	4,953,999	4,953,999	4,924,512	4,924,512
<b>WELFARE - CHILD SUPPORT FEDERAL REIMBURSEMENT</b>					
BALANCE FORWARD	27,665,607	28,127,745	39,510,770	30,567,549	30,567,549
FEDERAL FUND	61,908	61,240	61,240	61,240	61,240
OTHER FUND	27,602,297	28,059,311	39,442,336	30,499,115	30,499,115
REVERSIONS	1,402	7,194	7,194	7,194	7,194
<b>WELFARE - CHILD ASSISTANCE AND DEVELOPMENT</b>					
GENERAL FUND	54,603,167	49,910,863	51,293,430	49,927,046	48,811,561
BALANCE FORWARD	9,033,701	8,453,594	8,453,594	8,461,590	8,461,590
FEDERAL FUND	10,346,567	9,370,431	3,879,303	9,378,617	1,291,041
REVERSIONS	35,222,899	32,086,838	38,960,533	32,086,839	39,058,930
<b>WELFARE - ENERGY ASSISTANCE PROGRAM</b>					
BALANCE FORWARD	18,826,329	15,564,080	18,268,168	13,834,638	17,597,150
FEDERAL FUND		300,000	300,000	300,000	300,000
OTHER FUND	6,465,551	3,743,173	5,694,825	3,732,676	6,698,040
REVERSIONS	12,360,778	11,520,907	12,273,343	9,801,962	10,599,110

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<b>TOTAL WELFARE DIVISION</b>	272,846,857	268,701,581	286,111,798	282,445,542	283,599,084
GENERAL FUND	73,628,959	75,640,365	71,786,411	84,653,265	75,349,382
BALANCE FORWARD	15,417,981	14,171,205	6,424,133	14,176,439	3,530,631
FEDERAL FUND	150,473,718	146,057,475	175,606,357	150,755,562	173,254,941
INTER-AGENCY TRANSFER	15,764,245	15,799,312	14,583,161	17,566,533	15,451,376
OTHER FUND	17,561,954	17,033,224	17,711,736	15,293,743	16,012,754
REVERSIONS					
<b>MENTAL HEALTH AND DEVELOPMENTAL SERVICES</b>					
<b>HHS - MHDS ADMINISTRATION</b>	8,907,129	7,381,924	7,444,423	7,383,056	7,460,096
GENERAL FUND	3,546,681	2,572,023	2,612,319	2,572,975	2,622,121
BALANCE FORWARD					
FEDERAL FUND	4,281,096	4,060,437	4,069,528	4,060,436	4,071,864
INTER-AGENCY TRANSFER	1,079,352	734,465	747,577	734,646	751,112
OTHER FUND		14,999	14,999	14,999	14,999
REVERSIONS					
<b>HHS - SOUTHERN FOOD SERVICE</b>	2,084,428				
INTER-AGENCY TRANSFER	2,084,428				
<b>HHS - SOUTHERN NEVADA ADULT MENTAL HEALTH SERVICES</b>	115,043,449	94,011,855	96,646,176	95,294,884	98,173,927
GENERAL FUND	94,971,557	79,523,734	81,338,883	81,158,024	83,325,234
BALANCE FORWARD	189,010				
FEDERAL FUND	3,942,955	7,413,088	7,530,636	7,394,983	7,514,845
INTER-AGENCY TRANSFER	15,600,528	6,889,342	7,464,637	6,556,575	7,146,926
OTHER FUND	339,399	185,691	312,020	185,302	186,922
REVERSIONS					
<b>HHS - NORTHERN NEVADA ADULT MENTAL HEALTH SVCS</b>	43,432,873	34,953,666	35,341,205	35,245,703	35,606,984
GENERAL FUND	36,657,399	30,083,769	29,904,777	30,379,606	30,438,116
BALANCE FORWARD	157,839				
FEDERAL FUND	1,460,860	1,461,763	1,473,715	1,471,694	1,469,672
INTER-AGENCY TRANSFER	4,728,316	3,156,091	3,346,670	3,142,310	3,382,103
OTHER FUND	428,459	252,043	616,043	252,093	317,093
REVERSIONS					
<b>HHS - MENTAL HEALTH INFORMATION SYSTEM</b>	2,171,028	1,897,809	1,878,866	1,936,378	1,945,907
GENERAL FUND	1,517,461	1,501,879	1,481,301	1,538,407	1,545,899
BALANCE FORWARD	36,889				
FEDERAL FUND	323,044	142,200	142,200	142,200	142,200
INTER-AGENCY TRANSFER	293,634	253,730	255,365	255,771	257,808
REVERSIONS					
<b>HHS - FAMILY PRESERVATION PROGRAM</b>	2,319,305	2,260,842	2,260,842	2,335,268	2,335,268
GENERAL FUND	2,319,305	2,260,842	2,260,842	2,335,268	2,335,268
REVERSIONS					

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<b>HHS - RURAL REGIONAL CENTER</b>	17,462,005	16,013,234	16,163,930	16,572,381	16,750,638
GENERAL FUND	10,963,863	9,428,489	8,751,840	10,241,088	9,726,331
BALANCE FORWARD	1,424				
INTER-AGENCY TRANSFER	6,496,718	6,584,745	7,412,090	6,331,293	7,024,307
INTERIM FINANCE					
REVERSIONS					
<b>HHS-SUBSTANCE ABUSE PREVENTION &amp; TREATMENT AGENCY</b>	30,183,585	30,197,642	30,323,491	29,087,093	29,221,918
GENERAL FUND	12,048,716	10,541,432	10,578,467	10,569,728	10,608,678
BALANCE FORWARD	161,486				
FEDERAL FUND	16,884,902	18,600,486	18,687,817	17,458,482	17,552,530
INTER-AGENCY TRANSFER	909,461	790,163	790,163	790,163	790,163
OTHER FUND	179,020	265,561	267,044	268,720	270,547
REVERSIONS					
<b>HHS - ALCOHOL TAX PROGRAM</b>	1,292,023	1,275,719	1,275,719	1,295,060	1,295,060
BALANCE FORWARD	260,650	242,023	242,023	225,719	225,719
OTHER FUND	1,031,373	1,033,696	1,033,696	1,069,341	1,069,341
<b>HHS - DESERT REGIONAL CENTER</b>	86,047,017	93,735,281	93,991,954	98,257,539	98,456,396
GENERAL FUND	53,153,934	51,920,764	47,154,253	58,050,791	53,891,423
BALANCE FORWARD	246,454				
INTER-AGENCY TRANSFER	32,429,304	41,645,075	46,668,259	40,037,306	44,395,531
OTHER FUND	217,325	169,442	169,442	169,442	169,442
REVERSIONS					
<b>HHS - SIERRA REGIONAL CENTER</b>	36,985,971	36,852,717	37,149,696	39,062,464	39,268,790
GENERAL FUND	22,422,315	21,454,523	19,870,154	24,010,289	22,559,263
BALANCE FORWARD	25,770				
INTER-AGENCY TRANSFER	14,516,678	15,398,194	17,279,542	15,052,175	16,709,527
OTHER FUND	21,208				
REVERSIONS					
<b>HHS - FACILITY FOR THE MENTAL OFFENDER</b>	10,942,530	9,806,930	9,966,985	9,827,623	10,034,010
GENERAL FUND	10,114,277	9,551,017	9,711,072	9,571,710	9,778,097
BALANCE FORWARD	9,048				
INTER-AGENCY TRANSFER	656,878				
OTHER FUND	162,327	255,913	255,913	255,913	255,913
REVERSIONS					
<b>HHS - RURAL CLINICS</b>	17,970,450	14,862,287	16,168,205	14,938,476	16,235,077
GENERAL FUND	13,976,717	11,870,943	12,305,393	11,922,888	12,940,806
BALANCE FORWARD	46,564				
FEDERAL FUND	432,126	475,145	1,253,354	476,382	657,122
INTER-AGENCY TRANSFER	3,121,930	2,095,559	2,181,548	2,097,162	2,177,318
OTHER FUND	393,113	420,640	427,910	442,044	459,831
REVERSIONS					

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<b>TOTAL MENTAL HEALTH AND DEVELOPMENTAL SERVICES</b>	374,841,793	343,249,906	348,611,492	351,235,925	356,784,071
GENERAL FUND	261,692,225	230,709,415	225,969,301	242,350,774	239,771,236
BALANCE FORWARD	1,135,134	242,023	242,023	225,719	225,719
FEDERAL FUND	27,324,983	32,153,119	33,157,250	31,004,177	31,408,233
INTER-AGENCY TRANSFER	81,917,227	77,547,364	86,145,851	74,997,401	82,634,795
INTERIM FINANCE					
OTHER FUND	2,772,224	2,597,985	3,097,067	2,657,854	2,744,088
REVERSIONS					
<b>CHILD &amp; FAMILY SERVICES</b>					
<b>HHS - CHILDREN, YOUTH &amp; FAMILY ADMINISTRATION</b>	22,213,865	22,340,054	24,098,051	21,544,504	23,338,903
GENERAL FUND	7,369,245	8,322,354	9,202,025	8,675,466	10,177,323
BALANCE FORWARD	143,343				
FEDERAL FUND	12,228,322	11,724,082	11,775,080	10,583,508	10,646,991
INTER-AGENCY TRANSFER	2,097,774	2,113,618	2,940,946	2,105,530	2,334,589
INTERIM FINANCE					
OTHER FUND	375,181	180,000	180,000	180,000	180,000
REVERSIONS					
<b>HHS - COMMUNITY JUVENILE JUSTICE PROGRAMS</b>	2,911,726	2,784,739	3,251,643	2,804,587	3,267,493
GENERAL FUND	729,205	698,761	1,165,665	698,761	1,165,665
BALANCE FORWARD	583,072	602,753	602,753	620,491	616,493
FEDERAL FUND	1,575,907	1,473,760	1,473,760	1,473,760	1,473,760
OTHER FUND	23,542	9,465	9,465	11,575	11,575
REVERSIONS					
<b>HHS - WASHOE COUNTY INTEGRATION</b>	28,165,137	29,484,520	29,498,582	30,805,547	30,481,491
GENERAL FUND	14,503,827	14,720,421	14,278,544	16,208,575	15,321,327
FEDERAL FUND	11,496,725	12,296,311	12,614,762	12,173,803	12,650,465
INTER-AGENCY TRANSFER	1,840,712	1,741,487	1,878,975	1,696,868	1,783,398
OTHER FUND	323,873	726,301	726,301	726,301	726,301
REVERSIONS					
<b>HHS - CLARK COUNTY INTEGRATION</b>	65,188,995	74,478,786	73,593,157	80,613,810	78,987,025
GENERAL FUND	39,589,209	42,766,732	41,313,906	48,057,086	45,767,772
FEDERAL FUND	21,752,610	25,640,689	26,207,886	26,485,359	27,147,888
INTER-AGENCY TRANSFER	3,505,203	3,456,846	3,456,846	3,456,846	3,456,846
OTHER FUND	341,973	2,614,519	2,614,519	2,614,519	2,614,519
REVERSIONS					
<b>HHS - UNITY/SACWIS</b>	6,286,889	5,532,138	5,543,134	5,470,123	5,498,486
GENERAL FUND	3,341,037	2,898,831	2,904,705	2,865,465	2,880,615
FEDERAL FUND	2,656,580	2,524,506	2,529,496	2,496,596	2,509,467
INTER-AGENCY TRANSFER	289,272	108,801	108,933	108,062	108,404
REVERSIONS					
<b>HHS - YOUTH ALTERNATIVE PLACEMENT</b>	3,702,597	3,702,597	3,702,597	3,702,597	3,702,597
GENERAL FUND	1,704,979	1,704,979	1,704,979	1,704,979	1,704,979
OTHER FUND	1,997,618	1,997,618	1,997,618	1,997,618	1,997,618

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<b>HHS - JUVENILE CORRECTIONAL FACILITY</b>	8,240,221	5,973,965	6,085,145	6,023,581	6,162,322
GENERAL FUND	7,643,558	5,790,027	5,901,207	5,827,160	5,965,901
BALANCE FORWARD	10,350				
INTER-AGENCY TRANSFER	586,313	183,938	183,938	196,421	196,421
REVERSIONS					
<b>HHS - CHILD CARE SERVICES</b>	1,163,129	1,332,905	1,348,288	1,366,660	1,390,625
GENERAL FUND	67,037	295,409	100	278,580	100
BALANCE FORWARD	81,812	99,056	99,056	165,502	160,013
INTER-AGENCY TRANSFER	985,190	889,330	1,200,022	873,468	1,181,402
OTHER FUND	29,090	49,110	49,110	49,110	49,110
REVERSIONS					
<b>HHS - CALIENTE YOUTH CENTER</b>	8,713,492	7,794,830	7,728,303	7,866,595	7,832,392
GENERAL FUND	7,994,790	7,574,617	7,508,090	7,632,711	7,598,508
BALANCE FORWARD	59,469				
INTER-AGENCY TRANSFER	659,233	220,213	220,213	233,884	233,884
OTHER FUND					
REVERSIONS					
<b>HHS - VICTIMS OF DOMESTIC VIOLENCE</b>	3,243,705	2,215,230	2,411,414	2,324,071	2,513,834
BALANCE FORWARD	133,320	189,661	189,661	490,160	490,160
INTER-AGENCY TRANSFER			200,000		200,000
OTHER FUND	3,110,385	2,025,569	2,021,753	1,833,911	1,823,674
<b>HHS - RURAL CHILD WELFARE</b>	22,171,965	16,234,263	16,508,955	16,817,529	17,344,289
GENERAL FUND	11,624,946	8,059,243	8,210,407	8,617,150	8,884,636
BALANCE FORWARD	214,927				
FEDERAL FUND	6,043,566	4,309,554	4,433,082	4,334,913	4,594,187
INTER-AGENCY TRANSFER	3,523,508	3,780,430	3,780,430	3,780,430	3,780,430
OTHER FUND	765,018	85,036	85,036	85,036	85,036
REVERSIONS					
<b>HHS - CHILD WELFARE TRUST</b>	151,724	737,467	737,467	736,986	736,986
BALANCE FORWARD	18,498	6,382	6,382	3,418	3,418
FEDERAL FUND	131,639	730,504	730,504	733,189	733,189
OTHER FUND	1,587	581	581	379	379
REVERSIONS					
<b>HHS - TRANSITION FROM FOSTER CARE</b>	2,131,430	1,552,121	1,689,218	1,082,977	1,220,074
BALANCE FORWARD	982,060	789,263	926,360	458,225	595,322
OTHER FUND	1,149,370	762,858	762,858	624,752	624,752
<b>HHS - REVIEW OF DEATH OF CHILDREN</b>	277,773	261,266	261,266	246,495	246,495
BALANCE FORWARD	129,727	127,667	127,667	108,891	108,891
OTHER FUND	148,046	133,599	133,599	137,604	137,604
<b>HHS - NEVADA YOUTH TRAINING CENTER</b>	11,462,390	8,866,246	9,834,221	8,943,829	9,961,868
GENERAL FUND	10,364,454	8,553,691	9,457,573	8,631,274	9,585,220
BALANCE FORWARD	51,395				
INTER-AGENCY TRANSFER	1,046,541	312,555	376,648	312,555	376,648
REVERSIONS					

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<b>HHS - YOUTH PAROLE SERVICES</b>	7,236,734	6,428,684	6,837,686	6,458,521	6,945,620
GENERAL FUND	6,597,524	6,352,668	6,761,670	6,382,505	6,869,604
BALANCE FORWARD	319,993				
FEDERAL FUND					
INTER-AGENCY TRANSFER	182,396				
INTERIM FINANCE					
OTHER FUND	136,821	76,016	76,016	76,016	76,016
REVERSIONS					
<b>HHS - WRAPAROUND IN NEVADA</b>	5,258,104	4,465,850	4,570,890	4,505,050	4,638,367
GENERAL FUND	3,146,056	2,631,672	2,450,723	2,803,448	2,680,202
INTER-AGENCY TRANSFER	2,112,048	1,834,178	2,120,167	1,701,602	1,958,165
REVERSIONS					
<b>HHS - NORTHERN NEVADA CHILD &amp; ADOLESCENT SERVICES</b>	8,520,998	7,364,025	7,524,327	7,417,543	7,622,672
GENERAL FUND	3,517,412	3,007,875	2,810,875	3,212,852	3,088,616
INTER-AGENCY TRANSFER	4,940,423	4,280,116	4,637,418	4,128,657	4,458,022
OTHER FUND	63,163	76,034	76,034	76,034	76,034
REVERSIONS					
<b>HHS - SOUTHERN NEVADA CHILD &amp; ADOLESCENT SERVICES</b>	24,944,458	22,665,743	23,051,937	22,832,716	23,360,307
GENERAL FUND	10,854,527	9,651,452	8,705,555	10,437,091	9,758,662
INTER-AGENCY TRANSFER	13,365,551	12,073,094	13,405,185	11,437,813	12,643,833
OTHER FUND	724,380	941,197	941,197	957,812	957,812
REVERSIONS					
<b>TOTAL CHILD &amp; FAMILY SERVICES</b>	231,985,332	224,215,429	228,276,281	231,563,721	235,251,846
GENERAL FUND	129,047,806	123,028,732	122,376,024	132,033,103	131,449,130
BALANCE FORWARD	2,727,966	1,814,782	1,951,879	1,846,687	1,974,297
FEDERAL FUND	55,885,349	58,699,406	59,764,570	58,281,128	59,755,947
INTER-AGENCY TRANSFER	35,134,164	30,994,606	34,509,721	30,032,136	32,712,042
INTERIM FINANCE					
OTHER FUND	9,190,047	9,677,903	9,674,087	9,370,667	9,360,430
REVERSIONS					
<b>EMPLOYMENT, TRAINING AND REHABILITATION</b>					
<b>DETR - ADMINISTRATION</b>	4,516,632	4,470,628	4,847,867	4,532,218	4,942,025
BALANCE FORWARD	138,997	218,341	218,341	218,341	260,577
FEDERAL FUND	36,534				
INTER-AGENCY TRANSFER	4,341,101	4,252,287	4,629,526	4,313,877	4,681,448
<b>DETR - INFORMATION DEVELOPMENT AND PROCESSING</b>	7,893,453	8,190,489	9,002,708	8,164,660	9,096,356
BALANCE FORWARD	174,512	269,979	269,979	269,979	366,178
FEDERAL FUND		27,775	28,194	27,358	27,882
INTER-AGENCY TRANSFER	7,718,941	7,892,735	8,704,535	7,867,323	8,702,296
<b>DETR - RESEARCH &amp; ANALYSIS</b>	3,530,250	3,731,486	3,814,177	3,713,904	3,841,377
BALANCE FORWARD	142,561	184,341	184,341	171,591	204,755
FEDERAL FUND	2,028,772	2,270,144	2,326,784	2,269,354	2,333,894
INTER-AGENCY TRANSFER	1,358,917	1,277,001	1,303,052	1,272,959	1,302,728



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<b>DETR - EQUAL RIGHTS COMMISSION</b>	1,842,672	1,674,968	1,697,581	1,583,298	1,686,993
GENERAL FUND	1,269,311	949,668	969,734	1,067,320	1,091,947
BALANCE FORWARD				5,141	5,143
FEDERAL FUND	494,437	724,500	727,047	510,037	589,103
INTER-AGENCY TRANSFER	78,870				
OTHER FUND	54	800	800	800	800
REVERSIONS					
<b>DETR - REHABILITATION ADMINISTRATION</b>	1,098,238	1,358,773	1,405,770	1,365,672	1,433,200
GENERAL FUND	24,213	2,792	2,786	2,809	2,791
BALANCE FORWARD	51,387	68,653	68,653	68,653	85,398
FEDERAL FUND	264,080	194,700	203,769	195,579	205,411
INTER-AGENCY TRANSFER	746,024	1,092,628	1,130,562	1,098,631	1,139,600
OTHER FUND	12,534				
<b>DETR - DISABILITY ADJUDICATION</b>	13,787,115	13,016,095	14,370,748	13,104,800	14,764,353
FEDERAL FUND	13,787,115	13,016,095	14,370,748	13,104,800	14,764,353
OTHER FUND					
<b>DETR - VOCATIONAL REHABILITATION</b>	17,831,079	17,337,853	20,734,852	17,270,812	17,620,972
GENERAL FUND	3,324,848	2,857,375	2,887,156	2,843,042	2,879,554
BALANCE FORWARD	232,435	289,836	289,836	289,836	289,836
FEDERAL FUND	14,106,765	14,182,405	17,549,623	14,129,697	14,443,345
INTER-AGENCY TRANSFER	167,031	8,237	8,237	8,237	8,237
REVERSIONS					
<b>DETR - SERVICES TO THE BLIND &amp; VISUALLY IMPAIRED</b>	5,290,666	4,925,682	5,628,073	4,909,575	5,088,612
GENERAL FUND	1,229,817	999,065	1,012,086	994,741	1,010,689
BALANCE FORWARD	45,054	77,358	77,358	77,357	67,632
FEDERAL FUND	3,903,290	3,831,323	4,520,694	3,819,569	3,992,385
INTER-AGENCY TRANSFER	112,505	17,936	17,935	17,908	17,906
REVERSIONS					
<b>DETR - BLIND BUSINESS ENTERPRISE PROGRAM</b>	5,316,394	4,502,847	4,502,847	4,219,311	4,217,399
BALANCE FORWARD	2,762,851	2,892,911	2,892,911	2,599,053	2,597,141
FEDERAL FUND	663,543				
OTHER FUND	1,890,000	1,609,936	1,609,936	1,620,258	1,620,258
<b>DETR - CLIENT ASSISTANCE PROGRAM</b>	189,651	177,410	185,203	178,331	186,815
FEDERAL FUND	189,651	177,410	185,203	178,331	186,815
<b>DETR - EMPLOYMENT SECURITY</b>	57,198,113	53,925,678	76,949,253	53,657,478	57,665,072
BALANCE FORWARD	521,262	1,074,238	1,074,238	1,074,414	1,074,414
FEDERAL FUND	54,635,630	50,345,890	73,556,342	50,072,145	54,254,657
INTER-AGENCY TRANSFER	1,501,645	1,991,683	1,804,806	1,995,297	1,820,379
OTHER FUND	539,576	513,867	513,867	515,622	515,622

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<b>DETR - CAREER ENHANCEMENT PROGRAM</b>	22,360,434	20,996,830	21,486,429	20,397,880	19,513,635
BALANCE FORWARD	8,330,434	7,330,987	7,330,987	6,120,915	6,367,445
FEDERAL FUND			1,476,201		401,194
INTER-AGENCY TRANSFER	15,000	411,602	15,000	376,969	15,000
OTHER FUND	14,015,000	13,254,241	12,664,241	13,899,996	12,729,996
<b>DETR - EMPLOYMENT SECURITY - SPECIAL FUND</b>	12,181,296	21,207,355	21,186,802	18,886,533	19,532,330
BALANCE FORWARD	8,856,011	7,872,299	7,872,299	6,722,647	7,396,841
FEDERAL FUND	1,370,106	11,652,399	11,631,846	10,445,297	10,416,900
OTHER FUND	1,955,179	1,682,657	1,682,657	1,718,589	1,718,589
<b>TOTAL EMPLOYMENT, TRAINING AND REHABILITATION</b>	153,035,993	155,516,094	185,812,310	151,984,472	159,589,139
GENERAL FUND	5,848,189	4,808,900	4,871,762	4,907,912	4,984,981
BALANCE FORWARD	21,255,504	20,278,943	20,278,943	17,617,927	18,715,360
FEDERAL FUND	91,479,923	96,422,641	126,576,451	94,752,167	101,615,939
INTER-AGENCY TRANSFER	16,040,034	16,944,109	17,613,653	16,951,201	17,687,594
OTHER FUND	18,412,343	17,061,501	16,471,501	17,755,265	16,585,265
REVERSIONS					
<b>HUMAN SERVICES</b>					
GENERAL FUND	1,008,002,960	944,818,876	895,588,060	1,063,535,663	1,029,212,014
BALANCE FORWARD	82,698,840	57,912,315	49,585,438	54,170,296	44,478,388
FEDERAL FUND	1,153,349,017	1,307,896,152	1,508,699,391	1,304,935,199	1,458,579,969
INTER-AGENCY TRANSFER	294,117,526	304,387,995	291,268,896	304,662,404	291,204,305
INTERIM FINANCE					
OTHER FUND	265,521,270	265,978,256	254,653,423	269,663,750	263,114,362
REVERSIONS					
<b>TOTAL FOR HUMAN SERVICES</b>	2,803,689,613	2,880,993,594	2,999,795,208	2,996,967,312	3,086,589,038
Less: INTER-AGENCY TRANSFER	294,117,526	304,387,995	291,268,896	304,662,404	291,204,305
<b>NET HUMAN SERVICES</b>	2,509,572,087	2,576,605,599	2,708,526,312	2,692,304,908	2,795,384,733