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**OPENING REMARKS FOR
SENATOR RAYMOND D. RAWSON
SENATE BILL 188
MARCH 26, 2003**

(INTRODUCTORY REMARKS)

SENATE BILL 188 IS A BILL THAT WAS REQUESTED BY THE LEGISLATIVE COMMITTEE ON HEALTH CARE DURING THE 2001-2002 INTERIM. AS YOU KNOW, DURING THAT TIME, THE MEDICAL MALPRACTICE ISSUE WAS AT A CRISIS LEVEL IN OUR STATE.

WE HEARD TESTIMONY A NUMBER OF TIMES ABOUT THE IMPENDING CRISIS WITH THE COST OF MALPRACTICE COVERAGE FOR PHYSICIANS IN NEVADA. THESE ISSUES WERE ESPECIALLY SEVERE FOR CERTAIN SPECIALTY PHYSICIANS SUCH AS OBSTETRICIANS, EMERGENCY ROOM PHYSICIANS, INCLUDING TRAUMA SURGEONS, AND OTHERS WHO ARE OFTEN INVOLVED IN INTENSE CARE OF PATIENTS.

WHEN IT WAS CLEAR THAT THE STATE OF NEVADA HAD A RESPONSIBILITY TO ADDRESS THE CRISIS, THE GOVERNOR CALLED A SPECIAL SESSION OF THE LEGISLATURE. WE THEN MADE SOME CHANGES IN THE STATE'S LIABILITY LAWS IN AN ATTEMPT TO PROVIDE ALTERNATIVES FOR PHYSICIANS TO SECURE MALPRACTICE COVERAGE.

EXHIBIT L Senate Committee on Finance

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THIS BILL INCLUDES ADDITIONAL PROVISIONS FOR US TO ENSURE THAT SYSTEMS ARE IN PLACE TO ASSIST OBSTETRICIANS WITH THEIR LIABILITY COVERAGE BECAUSE THE CRISIS IS NOT OVER FOR THEM. I DON'T MEAN TO SAY THAT THE CRISIS IS OVER FOR THE OTHER SPECIALTY PHYSICIANS, BUT THE BILL YOU HAVE BEFORE YOU IS ONE SMALL STEP TOWARD ENSURING THAT WOMEN IN NEVADA HAVE ACCESS TO AN OBSTETRICIAN TO CARRY THEM THROUGH THEIR PREGNANCIES AND TO DELIVER THEIR BABIES. WE HAVE A PUBLIC HEALTH OBLIGATION TO ENSURE THAT BABIES ARE GIVEN EVERY OPPORTUNITY TO THRIVE, AND PRENATAL CARE ACCESS IS ESSENTIAL TO THEIR OVERALL HEALTH.

WE HAVE AN EXISTING PROGRAM THAT IS ADMINISTERED BY AN OFFICE OF THE UNIVERSITY OF NEVADA SCHOOL OF MEDICINE, WHICH CURRENTLY HAS FUNDING TO ASSIST RURAL HEALTH CARE PROVIDERS WITH THEIR MALPRACTICE PREMIUMS. THE RURAL OBSTETRICAL ACCESS PROGRAM HAD \$165,000 TO AWARD TO QUALIFYING PHYSICIANS IN FISCAL YEAR 2002. THE PROGRAM REPORTED TO THE HEALTH CARE COMMITTEE THAT FOR THE FISCAL YEAR ENDING JUNE 30, 2002, IT HAD REQUESTS TOTALING \$333,847 FOR PREMIUM ASSISTANCE AND ANOTHER \$550,273 IN OTHER OBSTETRICAL SUPPORT NEEDS.

ADDITIONALLY, AS AN EXAMPLE, MR. CHAIRMAN, OF HOW THIS PROGRAM MIGHT WORK, I'D LIKE TO TAKE A MOMENT TO DISCUSS

A RECENT LAS VEGAS NEWSPAPER STORY. ON JANUARY 10, 2003, THE PAPER REPORTED THAT DR. FRIEDA FLEISCHER, A LAS VEGAS OBSTETRICIAN, QUIT PRACTICING OBSTETRICS BECAUSE HER PREMIUMS WERE INCREASING FROM \$30,000 TO \$80,000. THIS \$50,000 INCREASE IN HER PREMIUMS CAUSED HER TO QUIT DELIVERING BABIES, AND THERE ARE OTHER OBSTETRICIANS WHO WILL BE FACING SIMILAR PREMIUM INCREASES IN THE NEXT YEAR.

SECTIONS 2, 3, AND 4 OF S.B. 188 ARE DESIGNED TO ASSIST PHYSICIANS LIKE DR. FLEISCHER BY GIVING THEM PARTIAL RELIEF WITH THEIR MALPRACTICE PREMIUMS. WE CANNOT AFFORD TO LOSE ANOTHER OBSTETRICIAN IN THE STATE.

A SECOND PART OF THESE SECTIONS IS DESIGNED TO PROVIDE RELIEF TO COMMUNITY CLINICS AND HEALTH CARE PROVIDERS WHO PROVIDE UNCOMPENSATED CARE. AS NOTED EARLIER, THE RURAL OBSTETRICAL ACCESS PROGRAM RECEIVED REQUESTS TOTALING \$516,345 FOR UNCOMPENSATED CARE FROM A FUND THAT ONLY HAS A TOTAL AMOUNT TO AWARD OF \$165,000.

important long. whether we fund the bill or not
MOVING ON WITH THE BILL, SECTION 5 SIMPLY CODIFIES THE ACTIVITIES OF THE OFFICE OF RURAL HEALTH THAT IS CURRENTLY ESTABLISHED IN THE SCHOOL OF MEDICINE. THE OFFICE OF RURAL HEALTH IS FUNDED BY STATE GENERAL FUND DOLLARS AND WAS INITIALLY ESTABLISHED BY THE LEGISLATURE IN 1977 WITHIN THE SCHOOL OF MEDICINE OF THE UNIVERSITY OF

NEVADA AT THE RENO CAMPUS. THE OFFICE PROVIDES TECHNICAL ASSISTANCE ACTIVITIES TO RURAL AND FRONTIER COMMUNITIES IN THE AREA OF HEALTH SERVICES DELIVERY, AND THE OFFICE ALSO ASSISTS COMMUNITIES TO DEVELOP STRATEGIES AND RESOURCES FOR COMMUNITY-BASED RECRUITMENT AND RETENTION OF HEALTH CARE PRACTITIONERS.

ALTHOUGH THE MEMBERS OF THIS COMMITTEE AND THE STATE'S LEGISLATORS RECOGNIZE THIS OFFICE WHEN WE APPROVE THE EXECUTIVE BUDGET, WE MAY HURT THE ABILITY OF THE OFFICE AND ITS STAFF TO OBTAIN GRANT AND FOUNDATION FUNDING. WE DO SO BECAUSE THERE IS NO STATUTE TO POINT TO THAT SAYS THE OFFICE IS AN OFFICIAL AGENCY OF THE STATE OF NEVADA.

SECTION 5 TAKES THIS NEXT STEP BY "OFFICIALLY" ESTABLISHING THE OFFICE IN THE *NEVADA REVISED STATUTES*. THE DUTIES OF THE OFFICE ARE TO "ADMINISTER MATTERS RELATING TO THE DELIVERY OF HEALTH CARE SERVICES TO RURAL AND FRONTIER AREAS" OF THE STATE, AND THE LANGUAGE IN THE BILL DOES NOT ADD ANY NEW PROGRAMS OR SERVICES TO THE RESPONSIBILITIES OF THE EXISTING OFFICE.

SECTION 6 OF THE BILL DOES THE SAME THING THAT SECTION 5 DOES BY OFFICIALLY ESTABLISHING THE AREA HEALTH EDUCATION CENTER PROGRAM, WHICH IS ALSO KNOWN AS AHEC, AND WHICH IS AN EXISTING PARTNER AGENCY WITH THE OFFICE

OF RURAL HEALTH. THE AHEC'S FUNCTION IS TO SUPPORT EDUCATION AND TRAINING PROGRAMS FOR STUDENTS STUDYING TO BE PRACTITIONERS OR MEDICAL RESIDENTS WHO WILL BE, OR WHO ARE, PROVIDING HEALTH CARE SERVICES IN MEDICALLY UNDERSERVED AREAS IN THIS STATE, INCLUDING URBAN AND RURAL AREAS.

SECTION 9 ESTABLISHES THE MEDICAL EDUCATION COUNCIL OF NEVADA WITHIN THE SCHOOL OF MEDICINE. THIS IS A NEW FUNCTION FOR THE SCHOOL, AND SENATE BILL 305, WHICH IS MY PERSONAL BILL, SEEKS TO DO THE SAME THING.

don't mention on this subject →

ought to make to this

ON THE FEDERAL LEVEL, THE COUNCIL ON GRADUATE MEDICAL EDUCATION, OR COGME, PROVIDES ONGOING ASSESSMENTS OF PHYSICIAN WORKFORCE TRENDS, TRAINING ISSUES AND FINANCING POLICIES, AND RECOMMENDS APPROPRIATE FEDERAL AND PRIVATE SECTOR EFFORTS ON THESE ISSUES. THE COGME ADVISES AND MAKES RECOMMENDATIONS TO THE SECRETARY OF THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES AND TO SELECTED COMMITTEES OF THE U.S. SENATE AND THE U.S. HOUSE OF REPRESENTATIVES. FURTHER, THE STATE OF UTAH HAS A MEDICAL EDUCATION COUNCIL THE MISSION OF WHICH IS TO ENSURE THAT UTAH HAS AN ADEQUATE, WELL-TRAINED CLINICAL HEALTHCARE WORKFORCE TO MEET THE NEEDS OF THE CITIZENS OF THE STATE AND THE REGION.

SECTION 9 OF THIS BILL WILL UNDERTAKE SIMILAR EFFORTS FOR THE STATE OF NEVADA. BY HAVING A STATEWIDE, SYSTEMATIC METHOD OF GATHERING WORKFORCE DATA, WE WILL BE ABLE TO PLAN FOR OUR FUTURE WORKFORCE NEEDS. WE DO THIS IN A PIECEMEAL FASHION RIGHT NOW, AND IT HASN'T BEEN EFFICIENT FOR US TO APPROPRIATELY PLAN FOR OUR WORKFORCE NEEDS.

ANOTHER DUTY OF THE COUNCIL WILL BE TO ADMINISTER FUNDING FOR GRADUATE MEDICAL EDUCATION. GRADUATE MEDICAL EDUCATION IS DEFINED AS THE MEDICAL TRAINING A PHYSICIAN RECEIVES IN A CLINICAL SETTING, SUBSEQUENT TO HAVING EARNED HIS M.D. DEGREE, THAT QUALIFIES THE PHYSICIAN TO BE CERTIFIED AND LICENSED TO PRACTICE IN A GIVEN AREA OF MEDICINE.

IF I MAY, FOR A MOMENT, TALK ABOUT THIS ISSUE AND HOW IT IS CARRIED OUT IN UTAH, IT MAY HELP THE COMMITTEE UNDERSTAND THE INTENT OF SECTION 9 TO ESTABLISH THE MEDICAL EDUCATION COUNCIL.

WHEN THE STATE OF UTAH ESTABLISHED ITS COUNCIL, HEALTH CARE PROVIDERS, INDUSTRY LEADERS, THE UTAH MEDICAL ASSOCIATION, THE UTAH HOSPITAL ASSOCIATION, STATE POLICYMAKERS, THE GOVERNOR, AND LEGISLATIVE LEADERS RECOGNIZED THE NEED FOR CHANGES IN THE WAY FEDERAL GRADUATE MEDICAL EDUCATION FUNDS ARE RECEIVED AND

DISTRIBUTED. THEY ALL SUPPORTED THE CREATION OF THE UTAH MEDICAL EDUCATION COUNCIL FOR DEVELOPING RATIONAL POLICY FOR FUNDING GRADUATE MEDICAL EDUCATION, AND ENSURING QUALITY AND CAPACITY OF THE PHYSICIAN WORKFORCE. THE COUNCIL'S CHARGE WAS TO "TRANSFORM THE CURRENT CHAOS INTO A COORDINATED PROCESS THAT EVALUATES AND RATIONALIZES GRADUATE MEDICAL EDUCATION FROM A STATE PERSPECTIVE."

THE MISSION OF THE UTAH COUNCIL IS TO PROVIDE THE STATE OF UTAH WITH AN APPROPRIATE NUMBER AND MIX OF EDUCATED AND TRAINED PROFESSIONALS WHO CAN OPTIMALLY PROVIDE THE FULL SPECTRUM OF HEALTH CARE SERVICES NEEDED BY THAT STATE'S POPULATION. TOWARD THAT END, THE UTAH MEDICAL EDUCATION COUNCIL SUBMITTED A WAIVER APPLICATION TO THE FEDERAL GOVERNMENT (HCFA, WHICH IS NOW THE CENTERS FOR MEDICARE AND MEDICAID SERVICES, U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES), FOR A DEMONSTRATION PROJECT TO RATIONALIZE AND STABILIZE GRADUATE MEDICAL EDUCATION FUNDING. THE PROJECT WILL ASSURE THAT FUNDING WILL SUPPORT QUALITY CLINICAL TRAINING OF THE NUMBER AND MIX OF HEALTH PROFESSIONALS THAT UTAH NEEDS BASED ON WORKFORCE PLANNING.

WE NEED THE SAME COOPERATIVE EFFORT IN NEVADA TO ENSURE THAT FEDERAL DOLLARS THE STATE RECEIVES ARE TARGETED

WHERE THEY NEED TO BE AND THAT THEY ARE USED IN THE MOST EFFICIENT MANNER POSSIBLE.

SECTIONS 10 THROUGH 13 AMEND THE *NEVADA REVISED STATUTES* RELATING TO THE NEVADA HEALTH SERVICE CORPS. THE LEGISLATURE ESTABLISHED THIS PROGRAM IN 1989, AND THE CHANGES WILL BROADEN THE TYPES OF PRACTITIONERS THAT MAY BENEFIT FROM THE LOAN REPAYMENT PROGRAM. CURRENTLY, THE PROGRAM IS LIMITED TO PHYSICIANS.

FINALLY, SECTIONS 14 THROUGH 17 IDENTIFY THE APPROPRIATIONS THAT WILL ALLOW THE SCHOOL OF MEDICINE TO EXPAND ITS PROGRAMS AND THAT WILL FUND THE ONE NEW INITIATIVE THAT IS CONTAINED IN THIS BILL FOR THE MEDICAL EDUCATION COUNCIL.

SECTION 14 ADDRESSES THE EXPANSION OF THE DELIVERY OF CLINICAL SERVICES TO RESIDENTS WHO NEED OBSTETRICAL SERVICES. THIS SECTION FURTHER AUTHORIZES THE OFFICE TO DEVELOP A DATABASE TO MONITOR AND ANALYZE THE DELIVERY OF OBSTETRICS SERVICES AND BIRTH OUTCOMES, AND IT IDENTIFIES THE CRITERIA A PROVIDER MUST MEET TO BE ELIGIBLE FOR THE MALPRACTICE SUBSIDIES. THE SECTION APPROPRIATES \$4.3 MILLION AND \$3.9 MILLION RESPECTIVELY OVER THE BIENNIUM.

SECTION 15 OF THE BILL APPROPRIATES \$204,150 AND \$162,600 TO THE OFFICE OF RURAL HEALTH FOR WORKFORCE DATA COLLECTION, AND SECTION 16 APPROPRIATES \$2 MILLION AND APPROXIMATELY \$1.1 MILLION FOR THE OPERATIONS OF THE AREA HEALTH EDUCATION CENTERS. FINALLY, SECTION 17 APPROPRIATES \$269,550 AND \$233,200 OVER THE BIENNIUM FOR THE MEDICAL EDUCATION COUNCIL.

MR. CHAIRMAN, THIS CONCLUDES MY PRESENTATION FOR SENATE BILL 188. THERE ARE OTHERS IN THE AUDIENCE WHO MAY WISH TO ADDRESS THE BILL, AND I'M AVAILABLE FOR QUESTIONS.

W32934

Births by County of Residence and by Attendant at Births,
Nevada, 1999

	Attendant at Birth							Total
	M.D.	D.O.	C.N.M.	Other Midwife	Other	Unknown		
Clark	697	1	3	9	30	0	740	
Douglas	349	0	0	0	5	0	354	
Elko	19,154	190	764	490	170	38	20,806	
Esmeralda	262	0	1	4	13	1	281	
Eureka	445	71	106	3	5	12	642	
Humboldt	5	0	0	0	0	0	5	
Lander	14	1	1	0	0	0	16	
Lincoln	293	1	0	0	1	0	295	
Lyon	90	7	7	0	1	0	105	
Mineral	25	0	1	2	1	3	32	
Nye	362	2	0	1	14	1	380	
Pershing	47	0	0	0	0	0	47	
Storey	297	1	8	7	4	0	317	
Washoe	67	0	0	1	0	0	68	
White Pine	11	0	0	0	0	0	11	
Nevada Total	4,374	14	191	101	39	3	4,722	
Out of State	66	0	1	14	8	1	90	
Total	26,558	288	1,083	632	291	59	28,911	
	300	3	7	4	10	0	324	
	26,858	291	1,090	636	301	59	29,235	

→ 27,000

NV Vital Stats.
Hardy says he
thinks it's 24,000 -
but doesn't have
Citation

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