
ASSEMBLY BILL NO. 283—ASSEMBLYMEN MCCLAIN, KOIVISTO, PARKS, CHOWNING, CLABORN, ANDERSON, ANDONOV, ANGLE, ARBERRY, ATKINSON, BROWN, BUCKLEY, CARPENTER, CHRISTENSEN, COLLINS, CONKLIN, GEDDES, GIBBONS, GIUNCHIGLIANI, GOICOECHEA, GOLDWATER, GRADY, GRIFFIN, HARDY, HETTRICK, HORNE, KNECHT, LESLIE, MANENDO, MARVEL, MCCLEARY, MORTENSON, OCEGUERA, OHRENSCHALL, PERKINS, PIERCE, SHERER, WEBER AND WILLIAMS

MARCH 11, 2003

Referred to Concurrent Committees on Health and Human Services and Ways and Means

SUMMARY—Provides subsidies from Fund for a Healthy Nevada for coverage of limited-scope dental and vision benefits to certain senior citizens. (BDR 40-152)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to public health; providing subsidies from the Fund for a Healthy Nevada for the coverage of limited-scope dental and vision benefits within the program of subsidies for the provision of prescription drugs and pharmaceutical services to senior citizens; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** NRS 439.630 is hereby amended to read as follows:
2 439.630 1. The Task Force for the Fund for a Healthy
3 Nevada shall:
4 (a) Conduct public hearings to accept public testimony from a
5 wide variety of sources and perspectives regarding existing or
6 proposed programs that:



- 1 (1) Promote public health;
- 2 (2) Improve health services for children, senior citizens and
- 3 persons with disabilities;
- 4 (3) Reduce or prevent the use of tobacco;
- 5 (4) Reduce or prevent the abuse of and addiction to alcohol
- 6 and drugs; and
- 7 (5) Offer other general or specific information on health care
- 8 in this state.
- 9 (b) Establish a process to evaluate the health and health needs of
- 10 the residents of this state and a system to rank the health problems
- 11 of the residents of this state, including, without limitation, the
- 12 specific health problems that are endemic to urban and rural
- 13 communities.
- 14 (c) Reserve not more than 30 percent of all revenues deposited
- 15 in the Fund for a Healthy Nevada each year for direct expenditure
- 16 by the Department to pay for prescription drugs , ~~and~~
- 17 pharmaceutical services *and limited-scope dental and vision*
- 18 *benefits* for senior citizens pursuant to NRS 439.635 to 439.690,
- 19 inclusive. From the money reserved to the Department pursuant to
- 20 this paragraph, the Department shall subsidize all of the cost of
- 21 policies of health insurance that provide coverage to senior citizens
- 22 for prescription drugs , ~~and~~ pharmaceutical services *and limited-*
- 23 *scope dental and vision benefits* pursuant to NRS 439.635 to
- 24 439.690, inclusive. The Department shall consider recommendations
- 25 from the Task Force for the Fund for a Healthy Nevada in carrying
- 26 out the provisions of NRS 439.635 to 439.690, inclusive. The
- 27 Department shall submit a quarterly report to the Governor, the Task
- 28 Force for the Fund for a Healthy Nevada and the Interim Finance
- 29 Committee regarding the general manner in which expenditures
- 30 have been made pursuant to this paragraph and the status of the
- 31 program.
- 32 (d) Reserve not more than 30 percent of all revenues deposited
- 33 in the Fund for a Healthy Nevada each year for allocation by the
- 34 Aging Services Division of the Department in the form of grants for
- 35 existing or new programs that assist senior citizens with independent
- 36 living, including, without limitation, programs that provide:
 - 37 (1) Respite care or relief of family caretakers;
 - 38 (2) Transportation to new or existing services to assist senior
 - 39 citizens in living independently; and
 - 40 (3) Care in the home which allows senior citizens to remain
 - 41 at home instead of in institutional care.
- 42 The Aging Services Division of the Department shall consider
- 43 recommendations from the Task Force for the Fund for a Healthy
- 44 Nevada concerning the independent living needs of senior citizens.



- 1 (e) Allocate for expenditure not more than 20 percent of all
2 revenues deposited in the Fund for a Healthy Nevada each year for
3 programs that prevent, reduce or treat the use of tobacco and the
4 consequences of the use of tobacco.
- 5 (f) Allocate for expenditure not more than 20 percent of all
6 revenues deposited in the Fund for a Healthy Nevada each year for
7 programs that improve health services for children and the health
8 and well-being of persons with disabilities.
- 9 (g) Maximize expenditures through local, federal and private
10 matching contributions.
- 11 (h) Ensure that any money expended from the Fund for a
12 Healthy Nevada will not be used to supplant existing methods of
13 funding that are available to public agencies.
- 14 (i) Develop policies and procedures for the administration and
15 distribution of grants and other expenditures to state agencies,
16 political subdivisions of this state, nonprofit organizations,
17 universities and community colleges. A condition of any such grant
18 must be that not more than 8 percent of the grant may be used for
19 administrative expenses or other indirect costs. The procedures must
20 require at least one competitive round of requests for proposals per
21 fiscal year.
- 22 (j) To make the allocations required by paragraphs (e) and (f):
 - 23 (1) Prioritize and quantify the needs for these programs;
 - 24 (2) Develop, solicit and accept grant applications for
25 allocations;
 - 26 (3) Conduct annual evaluations of programs to which
27 allocations have been awarded; and
 - 28 (4) Submit annual reports concerning the programs to the
29 Governor and the Interim Finance Committee.
- 30 (k) Transmit a report of all findings, recommendations and
31 expenditures to the Governor and each regular session of the
32 Legislature.
- 33 2. The Task Force may take such other actions as are necessary
34 to carry out its duties.
- 35 3. The Department shall take all actions necessary to ensure
36 that all allocations for expenditures made by the Task Force are
37 carried out as directed by the Task Force.
- 38 4. To make the allocations required by paragraph (d) of
39 subsection 1, the Aging Services Division of the Department shall:
 - 40 (a) Prioritize and quantify the needs of senior citizens for these
41 programs;
 - 42 (b) Develop, solicit and accept grant applications for allocations;
 - 43 (c) As appropriate, expand or augment existing state programs
44 for senior citizens upon approval of the Interim Finance Committee;
 - 45 (d) Award grants or other allocations;



1 (e) Conduct annual evaluations of programs to which grants or
2 other allocations have been awarded; and

3 (f) Submit annual reports concerning the grant program to the
4 Governor and the Interim Finance Committee.

5 5. The Aging Services Division of the Department shall submit
6 each proposed grant which would be used to expand or augment an
7 existing state program to the Interim Finance Committee for
8 approval before the grant is awarded. The request for approval must
9 include a description of the proposed use of the money and the
10 person or entity that would be authorized to expend the money. The
11 Aging Services Division of the Department shall not expend or
12 transfer any money allocated to the Aging Services Division
13 pursuant to this section to subsidize any portion of the cost of
14 policies of health insurance that provide coverage to senior citizens
15 for prescription drugs and pharmaceutical services pursuant to NRS
16 439.635 to 439.690, inclusive.

17 6. The Department, on behalf of the Task Force, shall submit
18 each allocation proposed pursuant to paragraph (e) or (f) of
19 subsection 1 which would be used to expand or augment an existing
20 state program to the Interim Finance Committee for approval before
21 the grant is awarded. The request for approval must include a
22 description of the proposed use of the money and the person or
23 entity that would be authorized to expend the money.

24 **Sec. 2.** NRS 439.665 is hereby amended to read as follows:

25 439.665 1. The Department shall enter into contracts with
26 private insurers who transact health insurance in this state to arrange
27 for the availability, at a reasonable cost, of policies of health
28 insurance that provide coverage to senior citizens for prescription
29 drugs , ~~and~~ pharmaceutical services ~~and~~ *and limited-scope dental*
30 *and vision benefits.*

31 2. Within the limits of the money available for this purpose in
32 the Fund for a Healthy Nevada, a senior citizen who is not eligible
33 for Medicaid and who purchases a policy of health insurance that is
34 made available pursuant to subsection 1 is entitled to an annual
35 grant from the ~~Trust~~ Fund to subsidize the cost of that insurance,
36 including premiums and deductibles, if he has been domiciled in this
37 state for at least 1 year immediately preceding the date of his
38 application and his household income is not over \$21,500.

39 3. The subsidy granted pursuant to this section must not exceed
40 the annual cost of insurance that ~~provides coverage for prescription~~
41 ~~drugs and pharmaceutical services.~~ *is made available pursuant to*
42 *subsection 1*, including premiums and deductibles.

43 4. A policy of health insurance that is made available pursuant
44 to subsection 1 must provide for:



1 (a) A copayment of not more than \$10 per prescription drug or
2 pharmaceutical service that is generic as set forth in the formulary of
3 the insurer; and
4 (b) A copayment of not more than \$25 per prescription drug or
5 pharmaceutical service that is preferred as set forth in the formulary
6 of the insurer.
7 5. The Department may waive the eligibility requirement set
8 forth in subsection 2 regarding household income upon written
9 request of the applicant if the circumstances of the applicant's
10 household have changed as a result of:
11 (a) Illness;
12 (b) Disability; or
13 (c) Extreme financial hardship based on a significant reduction
14 of income, when considering the applicant's current financial
15 circumstances.
16 An applicant who requests such a waiver shall include with that
17 request all medical and financial documents that support his request.
18 6. If the Federal Government provides any coverage *for dental*
19 *or vision benefits or coverage* of prescription drugs and
20 pharmaceutical services for senior citizens who are eligible for a
21 subsidy pursuant to subsections 1 to 5, inclusive, the Department
22 may, upon approval of the Legislature, or the Interim Finance
23 Committee if the Legislature is not in session, change any program
24 established pursuant to NRS 439.635 to 439.690, inclusive, and
25 otherwise provide assistance with prescription drugs , ~~and~~
26 pharmaceutical services *and limited-scope dental and vision*
27 *benefits* for senior citizens within the limits of the money available
28 for this purpose in the Fund for a Healthy Nevada.
29 7. The provisions of subsections 1 to 5, inclusive, do not apply
30 ~~if~~ *to the extent that* the Department provides assistance ~~with~~
31 ~~prescription drugs and pharmaceutical services~~ for senior citizens
32 pursuant to subsection 6.

