
ASSEMBLY BILL NO. 501—COMMITTEE ON
HEALTH AND HUMAN SERVICES

(ON BEHALF OF THE DEPARTMENT OF HUMAN
RESOURCES, DIRECTOR'S OFFICE)

MARCH 24, 2003

Referred to Committee on Health and Human Services

SUMMARY—Makes various changes to provisions governing welfare and other programs of public assistance. (BDR 38-516)

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 assistance; revising provisions governing meetings of the State Welfare Board; transferring certain duties relating to the State Program for Medicaid to the Department of Human Resources and the Director of the Department; revising provisions governing the program to provide temporary assistance for needy families; requiring the Welfare Division of the Department of Human Resources to adopt regulations establishing a schedule of penalties for failure to comply with the terms of a plan for personal responsibility; revising provisions governing the determination of eligibility of qualifying relatives in a program to assist relatives with legal guardianship of children; 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 422.110 is hereby amended to read as follows:
2 422.110 1. The members of the Board shall meet *at least*
3 twice each calendar year to consider any issues related to public



* A B 5 0 1 *

1 assistance and other programs for which the Welfare Division is
2 responsible that may be of importance to members of the general
3 public, the Governor or the Welfare Division, at such places as the
4 Board, the Chairman of the Board, the State Welfare Administrator
5 or the Director deems appropriate.

6 2. Four members of the Board constitute a quorum, and a
7 quorum may exercise all the power and authority conferred on the
8 Board.

9 3. The Board shall:

10 (a) At least ~~[45]~~ 14 days before the date it holds a meeting,
11 provide public notice of the date, time and location of the meeting,
12 in addition to the notice required pursuant to NRS 241.020.

13 (b) Keep minutes of all meetings of the Board, which must
14 include records of testimony and written comments presented to the
15 Board, and file the minutes with the Welfare Division. The minutes
16 must be maintained as public records.

17 **Sec. 2.** NRS 422.215 is hereby amended to read as follows:

18 422.215 1. The State Welfare Administrator or his designated
19 representative may administer oaths and take testimony thereunder
20 and issue subpoenas requiring the attendance of witnesses before the
21 Welfare Division at a designated time and place and the production
22 of books, papers and records relative to ~~f:~~

23 ~~—(a) Eligibility] eligibility~~ or continued eligibility for public
24 assistance. ~~f; and~~

25 ~~—(b) Verification of treatment and payments to a provider of~~
26 ~~medical care, remedial care or other services pursuant to the State~~
27 ~~Plan for Medicaid.]~~

28 2. *The Director or his designated representative may*
29 *administer oaths and take testimony thereunder and issue*
30 *subpoenas requiring the attendance of witnesses before the*
31 *Department at a designated time and place and the production of*
32 *books, papers and records relative to verification of treatment and*
33 *payments to a provider of medical care, remedial care or other*
34 *services pursuant to the State Plan for Medicaid.*

35 3. If a witness fails to appear or refuses to give testimony or to
36 produce books, papers and records as required by ~~[the subpoena,]~~ *a*
37 *subpoena issued pursuant to this section,* the district court of the
38 county in which the investigation is being conducted may compel
39 the attendance of the witness, the giving of testimony and the
40 production of books, papers and records as required by the
41 subpoena.

42 **Sec. 3.** NRS 422.222 is hereby amended to read as follows:

43 422.222 The State Welfare Administrator may adopt such
44 regulations as are necessary for the administration of NRS 422.160
45 to ~~[422.2345,]~~ 422.230, inclusive, 422.2931 to ~~[422.2936,]~~



1 ~~422.29324~~, inclusive, and 422.310 to 422.3754, inclusive, and any
2 program of the Welfare Division.

3 **Sec. 4.** NRS 422.230 is hereby amended to read as follows:
4 422.230 The State Welfare Administrator shall:

5 1. Supply the Director with material on which to base proposed
6 legislation.

7 2. Cooperate with the Federal Government and state
8 governments for the more effective attainment of the purposes of
9 this chapter.

10 3. Coordinate the activities of the Welfare Division with other
11 agencies, both public and private, with related or similar activities.

12 4. Keep a complete and accurate record of all proceedings,
13 record and file all bonds and contracts, and assume responsibility for
14 the custody and preservation of all papers and documents pertaining
15 to his office.

16 5. Inform the public in regard to the activities and operation of
17 the Welfare Division, and provide other information which will
18 acquaint the public with problems relating to welfare.

19 6. Conduct studies into the causes of the social problems with
20 which the Welfare Division is concerned.

21 7. Provide leadership in the community in order that all welfare
22 activities are pointed toward the single goal of improving the public
23 welfare.

24 8. Invoke any legal, equitable or special procedures for the
25 enforcement of his orders or the enforcement of the provisions of
26 NRS 422.160 to ~~422.2345,~~ **422.230**, inclusive, 422.2931 to
27 ~~422.2936,~~ **422.29324**, inclusive, and 422.310 to 422.3754,
28 inclusive.

29 9. Exercise any other powers that are necessary and proper for
30 the standardization of state work, to expedite business, to ensure fair
31 consideration of applications for aid, and to promote the efficiency
32 of the service provided by the Welfare Division.

33 **Sec. 5.** NRS 422.2345 is hereby amended to read as follows:

34 422.2345 1. The ~~{State Welfare Administrator}~~ **Director or**
35 **his designated representative** shall:

36 (a) Promptly comply with a request from the Unit for access to
37 and free copies of any records or other information in the possession
38 of the ~~{Welfare Division}~~ **Department** regarding a provider; and

39 (b) Refer to the Unit all cases in which he suspects that a
40 provider has committed an offense pursuant to NRS 422.540 to
41 422.570, inclusive.

42 2. As used in this section:

43 (a) "Provider" means a person who has applied to participate or
44 who participates in the State Plan for Medicaid as the provider of
45 goods or services.



1 (b) "Unit" means the Medicaid Fraud Control Unit established
2 in the Office of the Attorney General pursuant to NRS 228.410.

3 **Sec. 6.** NRS 422.287 is hereby amended to read as follows:

4 422.287 1. As part of the health and welfare programs of this
5 state, the ~~Welfare Division or the~~ Division of Health Care
6 Financing and Policy *or any other division designated by the*
7 *Director* may provide prenatal care to pregnant women who are
8 indigent, or may contract for the provision of that care, at public or
9 nonprofit hospitals in this state.

10 2. The ~~Welfare Division or the~~ Division of Health Care
11 Financing and Policy *or any other division designated by the*
12 *Director* shall provide to each person licensed to engage in social
13 work pursuant to chapter 641B of NRS, each applicant for Medicaid
14 and any other interested person, information concerning the prenatal
15 care available pursuant to this section.

16 3. The ~~Welfare Division or the~~ Division of Health Care
17 Financing and Policy *or any other division designated by the*
18 *Department* shall adopt regulations setting forth criteria of
19 eligibility and rates of payment for prenatal care provided pursuant
20 to the provisions of this section, and such other provisions relating
21 to the development and administration of the Program for Prenatal
22 Care as the ~~State Welfare Administrator~~ *Director* or the
23 Administrator of the Division of Health Care Financing and Policy,
24 as applicable, deems necessary.

25 **Sec. 7.** NRS 422.2931 is hereby amended to read as follows:

26 422.2931 The State Welfare Administrator and the Welfare
27 Division shall administer the provisions of NRS 422.160 to
28 ~~422.2345, 422.230,~~ inclusive, 422.2931 to ~~422.2936, 422.29324,~~
29 inclusive, and 422.310 to 422.3754, inclusive, subject to
30 administrative supervision by the Director.

31 **Sec. 8.** NRS 422.29314 is hereby amended to read as follows:

32 422.29314 1. The ~~Welfare Division~~ *Department* shall
33 provide public assistance pursuant to:

34 (a) The program established to provide Temporary Assistance
35 for Needy Families;

36 (b) Medicaid; or

37 (c) Any program for which a grant has been provided to this
38 state pursuant to 42 U.S.C. §§ 1397 et seq.,
39 to a qualified alien who complies with the requirements established
40 by the ~~Welfare Division~~ *Department* pursuant to federal law and
41 this chapter for the receipt of benefits pursuant to that program.

42 2. As used in this section, "qualified alien" has the meaning
43 ascribed to it in 8 U.S.C. § 1641.

44 **Sec. 9.** NRS 422.29318 is hereby amended to read as follows:

45 422.29318 1. The Welfare Division ~~shall:~~ *may:*



1 (a) Periodically evaluate recipients of public assistance pursuant
2 to this chapter to identify recipients who are victims of domestic
3 violence.

4 (b) Refer a recipient who it determines is a victim of domestic
5 violence to appropriate counseling or other supportive services
6 available in the community in which the recipient resides.

7 2. Except as otherwise provided in this subsection, the Welfare
8 Division shall not disclose to any person other than the victim that a
9 determination of domestic violence has been made pursuant to this
10 section. The Welfare Division may disclose the information to the
11 Secretary of Health and Human Services or his designee for the
12 purposes of including that information in the Federal Parent Locator
13 Service established pursuant to 42 U.S.C. § 653.

14 **Sec. 10.** NRS 422.2932 is hereby amended to read as follows:
15 422.2932 1. Except as otherwise provided in subsection 3, as
16 a condition to the receipt of public assistance, a recipient must:

17 (a) Ensure that each dependent child for whom the recipient is
18 receiving assistance has received the standard immunizations
19 established for children by the regulations adopted pursuant to
20 NRS 439.550.

21 (b) Within 6 months after the determination of his eligibility for
22 public assistance, submit to the Welfare Division, in the manner
23 specified in NRS 432A.230 and 432A.260 for admission to a child
24 care facility, proof that each dependent child for whom the recipient
25 is receiving assistance has received those standard immunizations.

26 2. The Welfare Division shall advise each recipient of the
27 availability of those standard immunizations through clinics for the
28 immunization of children held pursuant to NRS 439.535.

29 3. The Welfare Division shall waive the requirements of
30 subsection 1 if the failure to immunize a dependent child is because
31 of a religious belief or medical condition and the recipient submits
32 to the Welfare Division a written statement of that fact in the
33 manner specified in NRS 432A.240 or 432A.250 for admission to a
34 child care facility.

35 4. A head of a household that is receiving benefits pursuant to
36 the program to provide Temporary Assistance for Needy Families
37 who does not comply with the requirements of this section:

38 (a) Shall be deemed to have failed to comply with the terms of
39 the plan for personal responsibility signed by the head of the
40 household pursuant to NRS 422.3724; and

41 (b) Is subject to the penalties prescribed ~~[(in)]~~ *by the Welfare*
42 *Division pursuant to* NRS 422.3736 for failing to comply with the
43 terms of that plan.



1 **Sec. 11.** NRS 422.2935 is hereby amended to read as follows:
2 422.2935 1. Except as otherwise provided in this section and
3 to the extent it is not prohibited by federal law and when
4 circumstances allow, the ~~{Welfare Division}~~ *Department* shall
5 recover benefits correctly paid for Medicaid from:
6 (a) The undivided estate of the person who received those
7 benefits; and
8 (b) Any recipient of money or property from the undivided
9 estate of the person who received those benefits.
10 2. The ~~{Welfare Division}~~ *Department* shall not recover
11 benefits pursuant to subsection 1, except from a person who is
12 neither a surviving spouse nor a child, until after the death of the
13 surviving spouse, if any, and only at a time when the person who
14 received the benefits has no surviving child who is under 21 years of
15 age or is blind or permanently and totally disabled.
16 3. Except as otherwise provided by federal law, if a transfer of
17 real or personal property by a recipient of Medicaid is made for less
18 than fair market value, the ~~{Welfare Division}~~ *Department* may
19 pursue any remedy available pursuant to chapter 112 of NRS with
20 respect to the transfer.
21 4. The amount of Medicaid paid to or on behalf of a person is a
22 claim against the estate in any probate proceeding only at a time
23 when there is no surviving spouse or surviving child who is under
24 21 years of age or is blind or permanently and totally disabled.
25 5. The ~~{State Welfare Administrator}~~ *Director or his designee*
26 may elect not to file a claim against the estate of a recipient of
27 Medicaid or his spouse if he determines that the filing of the claim
28 will cause an undue hardship for the spouse or other survivors of the
29 recipient. The ~~{State Welfare Administrator}~~ *Director* shall adopt
30 regulations defining the circumstances that constitute an undue
31 hardship.
32 6. Any recovery of money obtained pursuant to this section
33 must be applied first to the cost of recovering the money. Any
34 remaining money must be divided among the Federal Government,
35 the Department and the county in the proportion that the amount of
36 assistance each contributed to the recipient bears to the total amount
37 of the assistance contributed.
38 7. Any recovery by the ~~{Welfare Division}~~ *Department* from
39 the undivided estate of a recipient pursuant to this section must be
40 paid in cash to the extent of:
41 (a) The amount of Medicaid paid to or on behalf of the recipient
42 after October 1, 1993; or
43 (b) The value of the remaining assets in the undivided
44 estate,
45 whichever is less.



1 **Sec. 12.** NRS 422.29353 is hereby amended to read as
2 follows:

3 422.29353 1. Except as otherwise provided in this section,
4 the ~~{Welfare Division}~~ *Department* shall, to the extent that it is not
5 prohibited by federal law, recover from a recipient of public
6 assistance, the estate of the recipient, the undivided estate of a
7 recipient of Medicaid or a person who signed the application for
8 public assistance on behalf of the recipient an amount not to exceed
9 the amount of public assistance incorrectly paid to the recipient, if
10 the person who signed the application:

11 (a) Failed to report any required information to the ~~{Welfare~~
12 ~~Division}~~ *Department* that the person knew at the time he signed the
13 application; or

14 (b) Failed to report to the ~~{Welfare Division}~~ *Department* within
15 the period allowed by the ~~{Welfare Division}~~ *Department* any
16 required information that the person obtained after he filed the
17 application.

18 2. Except as otherwise provided in this section, a recipient of
19 incorrectly paid public assistance, the undivided estate of a recipient
20 of Medicaid or a person who signed the application for public
21 benefits on behalf of the recipient shall reimburse the ~~{Division or}~~
22 appropriate state agency for the value of the incorrectly paid public
23 assistance.

24 3. The ~~{State Welfare Administrator}~~ *Director* or his designee
25 may, to the extent that it is not prohibited by federal law, determine
26 the amount of, and settle, adjust, compromise or deny a claim
27 against a recipient of public assistance, the estate of the recipient,
28 the undivided estate of a recipient of Medicaid or a person who
29 signed the application for public assistance on behalf of the
30 recipient.

31 4. The ~~{State Welfare Administrator}~~ *Director or his designee*
32 may, to the extent that it is not prohibited by federal law, waive the
33 repayment of public assistance incorrectly paid to a recipient if the
34 incorrect payment was not the result of an intentional
35 misrepresentation or omission by the recipient and if repayment
36 would cause an undue hardship to the recipient. The ~~{State Welfare~~
37 ~~Administrator}~~ *Director* shall, by regulation, establish the terms and
38 conditions of such a waiver, including, without limitation, the
39 circumstances that constitute undue hardship.

40 **Sec. 13.** NRS 422.29355 is hereby amended to read as
41 follows:

42 422.29355 1. The ~~{Welfare Division}~~ *Department* may, to
43 the extent not prohibited by federal law, petition for the imposition
44 of a lien pursuant to the provisions of NRS 108.850 against real or
45 personal property of a recipient of Medicaid as follows:



1 (a) The ~~Welfare Division~~ *Department* may obtain a lien
2 against a recipient's property, both real or personal, before or after
3 his death in the amount of assistance paid or to be paid on his behalf
4 if the court determines that assistance was incorrectly paid for the
5 recipient.

6 (b) The ~~Welfare Division~~ *Department* may seek a lien against
7 the real property of a recipient at any age before his death in the
8 amount of assistance paid or to be paid for him if he is an inpatient
9 in a nursing facility, intermediate care facility for the mentally
10 retarded or other medical institution and the ~~Welfare Division~~
11 *Department* determines, after notice and opportunity for a hearing
12 in accordance with its regulations, that he cannot reasonably be
13 expected to be discharged and return home.

14 2. No lien may be placed on a recipient's home pursuant to
15 paragraph (b) of subsection 1 for assistance correctly paid if:

16 (a) His spouse;

17 (b) His child who is under 21 years of age or blind or
18 permanently and totally disabled as determined in accordance with
19 42 U.S.C. § 1382c; or

20 (c) His brother or sister who is an owner or part owner of the
21 home and who was residing in the home for at least 1 year
22 immediately before the date the recipient was admitted to the
23 medical institution,
24 is lawfully residing in the home.

25 3. Upon the death of a recipient the ~~Welfare Division~~
26 *Department* may seek a lien upon his undivided estate as defined in
27 NRS 422.054.

28 4. The ~~State Welfare Administrator~~ *Director or his designee*
29 shall release a lien pursuant to this section:

30 (a) Upon notice by the recipient or his representative to the
31 ~~Administrator~~ *Director or his designee* that the recipient has been
32 discharged from the medical institution and has returned home;

33 (b) If the lien was incorrectly determined; or

34 (c) Upon satisfaction of the claim of the ~~Welfare Division.~~
35 *Department.*

36 **Sec. 14.** NRS 422.2936 is hereby amended to read as follows:

37 422.2936 Each application for Medicaid must include:

38 1. A statement that any assistance paid to a recipient may be
39 recovered in an action filed against the estate of the recipient or his
40 spouse; and

41 2. A statement that any person who signs an application for
42 Medicaid and fails to report:

43 (a) Any required information to the ~~Welfare Division~~
44 *Department* which he knew at the time he signed the application; or



1 (b) Within the period allowed by the ~~Welfare Division,~~
2 *Department*, any required information to the ~~Welfare Division~~
3 *Department* which he obtained after he filed the
4 application,
5 may be personally liable for any money incorrectly paid to the
6 recipient.

7 **Sec. 15.** NRS 422.362 is hereby amended to read as follows:
8 422.362 "Cardholder" means the person named on the face of a
9 Medicaid card to whom or for whose benefit the Medicaid card is
10 issued by the ~~Welfare Division,~~ *Department*.

11 **Sec. 16.** NRS 422.363 is hereby amended to read as follows:
12 422.363 "Medicaid card" means any instrument or device
13 evidencing eligibility for receipt of Medicaid benefits that is issued
14 by the ~~Welfare Division,~~ *Department* for the use of a cardholder in
15 obtaining the types of medical and remedial care for which
16 assistance may be provided under the Plan.

17 **Sec. 17.** NRS 422.366 is hereby amended to read as follows:
18 422.366 1. A person who:

19 (a) Steals, takes or removes a Medicaid card from the person,
20 possession, custody or control of another without the cardholder's
21 consent; or

22 (b) With knowledge that a Medicaid card has been so taken,
23 removed or stolen, receives the Medicaid card with the intent to
24 circulate, use or sell it or to transfer it to a person other than the
25 ~~Welfare Division,~~ *Department* or the cardholder,
26 is guilty of a category D felony and shall be punished as provided in
27 NRS 193.130. In addition to any other penalty, the court shall order
28 the person to pay restitution.

29 2. A person who possesses a Medicaid card without the
30 consent of the cardholder and with the intent to circulate, use, sell or
31 transfer the Medicaid card with the intent to defraud is guilty of a
32 category D felony and shall be punished as provided in NRS
33 193.130. In addition to any other penalty, the court shall order the
34 person to pay restitution.

35 3. A person who has in his possession or under his control two
36 or more Medicaid cards issued in the name of another person is
37 presumed to have obtained and to possess the Medicaid cards with
38 the knowledge that they have been stolen and with the intent to
39 circulate, use, sell or transfer them with the intent to defraud. The
40 presumption established by this subsection may be rebutted by clear
41 and convincing evidence. The presumption does not apply to the
42 possession of two or more Medicaid cards if the possession is with
43 the consent of the ~~Welfare Division,~~ *Department*.



1 **Sec. 18.** NRS 422.3722 is hereby amended to read as follows:
2 422.3722 1. The Welfare Division shall ~~not provide benefits~~
3 ~~to an applicant therefor until it makes~~ *make* an assessment of the
4 skills, prior work experience and employability of each member of
5 the applicant's household.

6 2. The assessment required pursuant to subsection 1 must
7 include ~~a determination~~ *an evaluation* of whether the members of
8 the household ~~require~~ *need additional services, including, without*
9 *limitation*, job training, child care, treatment for the abuse of alcohol
10 or drugs, mental health services or any other services . ~~deemed~~
11 ~~necessary by the Welfare Division.~~

12 3. The applicant must, as a condition to the receipt of those
13 benefits, cooperate with the Welfare Division in making the
14 assessment required pursuant to subsection 1.

15 4. If the assessment required pursuant to subsection 1 indicates
16 that a member of the household may require mental health services,
17 the Welfare Division shall refer that member of the household to a
18 person professionally qualified in the field of psychiatric mental
19 health.

20 5. As used in this section, "person professionally qualified in
21 the field of psychiatric mental health" has the meaning ascribed to it
22 in NRS 433.209.

23 **Sec. 19.** NRS 422.3724 is hereby amended to read as follows:

24 422.3724 1. The Welfare Division shall, with the
25 participation of the head of a household who is applying for
26 benefits, establish a written plan for personal responsibility for the
27 household. The plan for personal responsibility must be based on the
28 assessment made pursuant to NRS 422.3722 ~~and~~ *and 42 U.S.C. §*
29 *608.*

30 2. In addition to the requirements set forth in 42 U.S.C. § 608,
31 the plan required pursuant to subsection 1 must:

32 (a) Identify the role of each member of the household and his
33 obligations pursuant to the plan;

34 (b) Be signed by the head of the household within 60 days after
35 he is determined to be eligible for benefits; and

36 (c) Specify a date, not later than 24 months after the date the
37 plan becomes effective, upon which the plan will expire.

38 3. The Welfare Division shall *periodically* review the plan
39 required pursuant to subsection 1 ~~not less than once every 6~~
40 ~~months~~ to determine whether the needs of the household have
41 changed. The Welfare Division may, with the participation of the
42 head of the household, amend the plan as it deems appropriate.

43 4. If a member of the household is an unmarried parent who is
44 less than 18 years of age, the plan required pursuant to subsection 1
45 must include a provision which:



1 (a) Requires the head of the household to ensure that the
2 unmarried parent attends training to learn the skills necessary to care
3 for the child; and

4 (b) Encourages the head of the household to ensure that the
5 unmarried parent participates in a program which provides mentors
6 for unmarried parents who are less than 18 years of age.

7 **Sec. 20.** NRS 422.3732 is hereby amended to read as follows:

8 422.3732 1. Subject to the provisions of 42 U.S.C. § 607(e),
9 the Welfare Division shall require each head of a household who is
10 not suffering from a hardship described in subsection 7 of NRS
11 422.374 to perform work:

12 (a) Within a reasonable time after the Welfare Division
13 determines that the head of the household is capable of finding and
14 performing work; or

15 (b) Not later than the date on which the head of the household
16 has received benefits for 24 months, regardless of whether those
17 months are consecutive or cumulative,
18 whichever occurs earlier.

19 2. A head of a household who does not comply with the
20 requirements of this section:

21 (a) Shall be deemed to have failed to comply with the terms of
22 the plan for personal responsibility signed by him pursuant to NRS
23 422.3724; and

24 (b) Is subject to the penalties prescribed ~~[(a)]~~ *by the Welfare*
25 *Division pursuant to* NRS 422.3736 for the failure to comply with
26 the terms of that plan.

27 3. The State Welfare Administrator shall adopt regulations
28 setting forth the activities that will constitute work for the purposes
29 of this section.

30 **Sec. 21.** NRS 422.3734 is hereby amended to read as follows:

31 422.3734 1. ~~[(a)]~~ *Except as otherwise provided in this*
32 *section, if* the plan for personal responsibility signed by the head of
33 a household pursuant to NRS 422.3724 includes a requirement that
34 the head of the household complete a program of job training, the
35 Welfare Division may exempt the head of the household from that
36 requirement upon determining that:

37 (a) The head of the household:

38 (1) Is ill or physically incapacitated;

39 (2) Must care for an ill or incapacitated member of his
40 household;

41 (3) Is receiving payments or is awaiting approval for the
42 receipt of payments pursuant to the Supplemental Security Income
43 Program;

44 (4) Is a single custodial parent of a child who is less than 1
45 year of age;



- 1 (5) Is not a recipient of benefits but receives benefits on
- 2 behalf of a member of his household who is a dependent;
- 3 (6) Is a person who is:
- 4 (I) Sixty years of age or older;
- 5 (II) The caretaker of a child; and
- 6 (III) A relative, other than a parent, of that child; or
- 7 (7) Is pregnant and has been deemed unable to work by her
- 8 physician; or
- 9 (b) Any other good cause exists to exempt the head of the
- 10 household from the requirement to complete the program of job
- 11 training.

12 2. A head of a household may not claim the exemption
 13 prescribed in subparagraph (4) of paragraph (a) of subsection 1 for
 14 more than 12 months during his lifetime, regardless of whether
 15 those months are consecutive or cumulative.

16 *3. The Welfare Division shall not exempt a head of a*
 17 *household pursuant to this section if the exemption would violate*
 18 *a requirement of federal law or a condition to the receipt of*
 19 *federal money.*

20 **Sec. 22.** NRS 422.3736 is hereby amended to read as follows:

21 422.3736 1. Except as otherwise provided in this section:

22 (a) If the Welfare Division determines that the head of a
 23 household has not complied with the terms of the plan for personal
 24 responsibility signed by the head of the household pursuant to NRS
 25 422.3724 or the agreement of cooperation signed by the head of the
 26 household pursuant to NRS 422.3726, the Welfare Division shall
 27 notify him that if his failure to comply does not cease within 30 days
 28 after he is notified of the failure to comply, the benefits provided to
 29 his household will be reduced pursuant to paragraph (b).

30 (b) The Welfare Division shall ~~f:~~

31 ~~—— (1) If the failure to comply has not ceased within the period~~
 32 ~~prescribed in paragraph (a), reduce for 1 month the total amount of~~
 33 ~~the benefits provided to the household by one third or by an amount~~
 34 ~~equal to the total amount of the benefits provided to the household~~
 35 ~~divided by the number of members of the household, whichever is~~
 36 ~~greater;~~

37 ~~—— (2) If the failure to comply has not ceased by the end of the~~
 38 ~~period of reduction required by subparagraph (1), reduce for 1~~
 39 ~~month the total amount of benefits provided to the household by~~
 40 ~~two thirds or by an amount equal to the total amount of the benefits~~
 41 ~~provided to the household divided by the number of members of the~~
 42 ~~household, whichever is greater; and~~

43 ~~—— (3) If the failure to comply has not ceased by the end of the~~
 44 ~~period of reduction required by subparagraph (2), discontinue~~



1 ~~providing benefits to the household for 3 months or until the failure~~
2 ~~to comply ceases, whichever occurs last.~~

3 ~~—(c) If the Welfare Division resumes providing benefits to a~~
4 ~~household whose benefits were discontinued pursuant to~~
5 ~~subparagraph (3) of paragraph (b), and the Welfare Division later~~
6 ~~determines that the head of the household has again failed to comply~~
7 ~~with the terms of the plan for personal responsibility or the~~
8 ~~agreement of cooperation, the Welfare Division shall:~~

9 ~~—(1) Reduce for 1 month the total amount of the benefits~~
10 ~~provided to the household by one third or by an amount equal to the~~
11 ~~total amount of the benefits provided to the household divided by~~
12 ~~the number of members of the household, whichever is greater;~~

13 ~~—(2) If the failure to comply has not ceased by the end of the~~
14 ~~period of reduction required by subparagraph (1), reduce for 1~~
15 ~~month the total amount of benefits provided to the household by~~
16 ~~two thirds or by an amount equal to the total amount of the benefits~~
17 ~~provided to the household divided by the number of members of the~~
18 ~~household, whichever is greater; and~~

19 ~~—(3) If the failure to comply has not ceased by the end of the~~
20 ~~period of reduction required by subparagraph (2), discontinue~~
21 ~~providing benefits to the household for 6 months or until the failure~~
22 ~~to comply ceases, whichever occurs last.~~

23 ~~—(d) If the Welfare Division resumes providing benefits to a~~
24 ~~household whose benefits were discontinued pursuant to~~
25 ~~subparagraph (3) of paragraph (c), and the Welfare Division later~~
26 ~~determines that the head of the household has again failed to comply~~
27 ~~with the terms of the plan for personal responsibility or the~~
28 ~~agreement of cooperation, the Welfare Division shall:~~

29 ~~—(1) Reduce for 1 month the total amount of the benefits~~
30 ~~provided to the household by one half; and~~

31 ~~—(2) If the failure to comply has not ceased by the end of the~~
32 ~~period of reduction required by subparagraph (1), permanently~~
33 ~~terminate the household's benefits.] *adopt regulations establishing*~~
34 *a schedule of progressive penalties pursuant to which the benefits*
35 *to the household will be reduced because of the failure of the head*
36 *of the household to comply with the terms of the plan.*

37 2. The Welfare Division shall not reduce, discontinue or
38 terminate any benefits pursuant to this section if the reduction,
39 discontinuance or termination would violate a requirement of
40 federal law or a condition to the receipt of federal money.

41 **Sec. 23.** NRS 422.392 is hereby amended to read as follows:

42 422.392 1. The Department, through a division of the
43 Department designated by the Director, ~~[shall]~~ *may* establish and
44 administer a program to provide supportive assistance to qualifying



1 relatives of children who provide care for and obtain the legal
2 guardianship of those children.

3 2. As a condition to the provision of any supportive assistance
4 pursuant to this section:

5 (a) The child must:

6 (1) Have been placed in the care of his qualifying relative for
7 not less than 6 months; and

8 (2) If he is 14 years of age or older, consent to the legal
9 guardianship; *and*

10 (b) The qualifying relative must:

11 (1) Reside in this state;

12 (2) Have attained such a minimum age as the Department
13 specifies by regulation;

14 (3) Verify his relationship to the child; and

15 (4) File for and obtain court approval of the legal
16 guardianship and comply with any requirements imposed by the
17 court. ~~}; and~~

18 ~~—(c) The Department must determine that the personal and
19 criminal history of the qualifying relative is satisfactory.]~~

20 3. The supportive assistance provided pursuant to this section
21 ~~[must]~~ *may* include, within the limitations of available funding:

22 (a) Reimbursement of all or a portion of the legal fees incurred
23 by the qualifying relative to establish the legal guardianship;

24 (b) Payments of not more than the amount that the Department
25 would provide to a foster parent if the child had been placed in
26 foster care;

27 (c) Assistance with:

28 (1) Child care;

29 (2) Respite care; and

30 (3) Transportation; and

31 (d) Any other assistance the Department deems appropriate.

32 4. The Department shall adopt such regulations as are
33 necessary to carry out the provisions of this section.

34 *5. As used in this section, unless the context otherwise
35 requires, "qualifying relative" means a person specified in 45
36 C.F.R. § 233.90(c)(1)(v)(A).*

37 **Sec. 24.** NRS 108.860 is hereby amended to read as follows:

38 108.860 1. A petition for the imposition of a lien must be
39 signed by or on behalf of the ~~[State Welfare Administrator]~~ *Director*
40 *of the Department of Human Resources, or his designee*, or the
41 Attorney General and filed with the clerk of the court, who shall set
42 the petition for hearing.

43 2. Notice of a petition for the imposition of a lien must be
44 given by registered or certified mail, postage prepaid, at least 10
45 days before the date set for hearing or other action by the court.



1 Each such notice must be addressed to the intended recipient at his
2 last address known to the ~~Administrator;~~ *Director or his designee*,
3 receipt for delivery requested. The ~~Administrator;~~ *Director or his*
4 *designee* shall cause the notice to be published, at least once a week
5 for 3 successive weeks, in one newspaper published in the county,
6 and if there is no newspaper published in the county, then in such
7 mode as the court may determine, notifying all persons claiming any
8 interest in the property of the filing of the petition, the object and the
9 location, date and time of the hearing.

10 3. Notice of a petition for the imposition of a lien must be
11 given to:

- 12 (a) Each person who has requested notice;
- 13 (b) The person who is receiving or has received benefits for
14 Medicaid;
- 15 (c) The legal guardian or representative of a person who is
16 receiving or has received benefits for Medicaid, if any;
- 17 (d) Each executor, administrator or trustee of the estate of a
18 decedent who received benefits for Medicaid, if any;
- 19 (e) The heirs of such a decedent known to the ~~Administrator;~~
20 *Director or his designee*; and
- 21 (f) Each person who is claiming any interest in the property or
22 who is listed as having any interest in the subject property,
23 and must state the filing of the petition, the object, and the time set
24 for hearing.

25 4. At the time appointed, or at any other time to which the
26 hearing may be continued, upon proof being made by affidavit or
27 otherwise to the satisfaction of the court that notice has been given
28 as required by this chapter, the court shall proceed to hear the
29 testimony in support of the petition. Each witness who appears and
30 is sworn shall testify orally.

31 5. The court shall make findings as to the appropriateness of
32 the lien and the amount of the lien.

33 6. At the time of the filing of the petition for imposition of a
34 lien the ~~Administrator;~~ *Director or his designee* shall file a notice
35 of pendency of the action in the manner provided in NRS 14.010.

36 7. Upon imposition of the lien by the court, the ~~Administrator;~~
37 *Director or his designee* shall serve the notice of lien upon the
38 owner by certified or registered mail and file it with the office of
39 the county recorder of each county where real property subject to
40 the lien is located.

41 8. The notice of lien must contain:

- 42 (a) The amount due;
- 43 (b) The name of the owner of record of the property; and
- 44 (c) A description of the property sufficient for identification.



1 9. If the amount due as stated in the notice of lien is reduced by
2 a payment, the ~~Administrator~~ *Director or his designee* shall
3 amend the notice of lien, stating the amount then due, within 20
4 days after receiving the payment.

5 **Sec. 25.** NRS 108.870 is hereby amended to read as follows:
6 108.870 The ~~State-Welfare-Administrator~~ *Director of the*
7 *Department of Human Resources or his designee* may, to the
8 extent not prohibited by 42 U.S.C. § 1396p(b), foreclose upon a lien
9 for money owed to the Department of Human Resources as a result
10 of the payment of benefits for Medicaid by action in the district
11 court in the same manner as for foreclosure of any other lien.

12 **Sec. 26.** NRS 146.070 is hereby amended to read as follows:
13 146.070 1. If a person dies leaving an estate the gross value
14 of which, after deducting any encumbrances, does not exceed
15 \$50,000, and there is a surviving spouse or minor child or minor
16 children of the decedent, the estate must not be administered upon,
17 but the whole estate, after directing such payments as may be
18 deemed just, must be, by an order for that purpose, assigned and set
19 apart for the support of the surviving spouse or minor child or minor
20 children, or for the support of the minor child or minor children, if
21 there is no surviving spouse. Even if there is a surviving spouse, the
22 court may, after directing such payments, set aside the whole of the
23 estate to the minor child or minor children, if it is in their best
24 interests.

25 2. If there is no surviving spouse or minor child of the decedent
26 and the gross value of a decedent's estate, after deducting any
27 encumbrances, does not exceed \$50,000, upon good cause shown,
28 the court shall order that the estate not be administered upon, but the
29 whole estate be assigned and set apart in the following order:

30 (a) To the payment of funeral expenses, expenses of last illness,
31 money owed to the Department of Human Resources as a result of
32 payment of benefits for Medicaid and creditors, if there are any; and

33 (b) Any balance remaining to the claimant or claimants entitled
34 thereto pursuant to a valid will of the decedent, and if there is no
35 valid will, pursuant to intestate succession.

36 3. Proceedings taken under this section, whether or not the
37 decedent left a valid will, must not begin until at least 30 days after
38 the death of the decedent and must be originated by a petition
39 containing:

40 (a) A specific description of all the decedent's property.

41 (b) A list of all the liens and mortgages of record at the date of
42 the decedent's death.

43 (c) An estimate of the value of the property.

44 (d) A statement of the debts of the decedent so far as known to
45 the petitioner.



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1 (e) The names and residences of the heirs and devisees of the
2 decedent and the age of any who is a minor and the relationship of
3 the heirs and devisees to the decedent, so far as known to the
4 petitioner.

5 4. The clerk shall set the petition for hearing and the petitioner
6 shall give notice of the petition and hearing in the manner provided
7 in NRS 155.010 to the decedent's heirs and devisees and to the
8 ~~{State-Welfare-Administrator}~~ *Director of the Department of*
9 *Human Resources*. If a complete copy of the petition is not
10 enclosed with the notice, the notice must include a statement setting
11 forth to whom the estate is being set aside.

12 5. No court or clerk's fees may be charged for the filing of any
13 petition in, or order of court thereon, or for any certified copy of the
14 petition or order in an estate not exceeding \$2,500 in value.

15 6. If the court finds that the gross value of the estate, less
16 encumbrances, does not exceed the sum of \$50,000, the court may
17 direct that the estate be distributed to the father or mother of a minor
18 heir or devisee, with or without the filing of any bond, or to a
19 custodian under chapter 167 of NRS, or may require that a general
20 guardian be appointed and that the estate be distributed to the
21 guardian, with or without bond, as in the discretion of the court is
22 deemed to be in the best interests of the minor. The court may direct
23 the manner in which the money may be used for the benefit of the
24 minor.

25 **Sec. 27.** NRS 146.080 is hereby amended to read as follows:

26 146.080 1. If a decedent leaves no real property, nor interest
27 therein, nor mortgage or lien thereon, in this state, and the gross
28 value of the decedent's property in this state, over and above any
29 amounts due to the decedent for services in the Armed Forces of the
30 United States, does not exceed \$20,000, a person who has a right to
31 succeed to the property of the decedent pursuant to the laws of
32 succession for a decedent who died intestate or pursuant to the valid
33 will of a decedent who died testate, on behalf of all persons entitled
34 to succeed to the property claimed, or the ~~{State-Welfare~~
35 ~~Administrator}~~ *Director of the Department of Human Resources* or
36 public administrator on behalf of the State or others entitled to the
37 property, may, 40 days after the death of the decedent, without
38 procuring letters of administration or awaiting the probate of the
39 will, collect any money due the decedent, receive the property of the
40 decedent, and have any evidences of interest, indebtedness or right
41 transferred to the claimant upon furnishing the person,
42 representative, corporation, officer or body owing the money,
43 having custody of the property or acting as registrar or transfer agent
44 of the evidences of interest, indebtedness or right, with an affidavit



1 showing the right of the affiant or affiants to receive the money or
2 property or to have the evidence transferred.

3 2. An affidavit made pursuant to this section must state:

4 (a) The affiant's name and address, and that the affiant is
5 entitled by law to succeed to the property claimed;

6 (b) The date and place of death of the decedent;

7 (c) That the gross value of the decedent's property in this state,
8 except amounts due to the decedent for services in the Armed
9 Forces of the United States, does not exceed \$20,000, and that the
10 property does not include any real property nor interest therein, nor
11 mortgage or lien thereon;

12 (d) That at least 40 days have elapsed since the death of the
13 decedent, as shown in a certified copy of the certificate of death of
14 the decedent attached to the affidavit;

15 (e) That no petition for the appointment of a personal
16 representative is pending or has been granted in any jurisdiction;

17 (f) That all debts of the decedent, including funeral and burial
18 expenses, and money owed to the Department of Human Resources
19 as a result of the payment of benefits for Medicaid, have been paid
20 or provided for;

21 (g) A description of the personal property and the portion
22 claimed;

23 (h) That the affiant has given written notice, by personal service
24 or by certified mail, identifying the affiant's claim and describing
25 the property claimed, to every person whose right to succeed to the
26 decedent's property is equal or superior to that of the affiant, and
27 that at least 14 days have elapsed since the notice was served or
28 mailed;

29 (i) That the affiant is personally entitled, or the Department of
30 Human Resources is entitled, to full payment or delivery of the
31 property claimed or is entitled to payment or delivery on behalf of
32 and with the written authority of all other successors who have an
33 interest in the property; and

34 (j) That the affiant acknowledges an understanding that filing a
35 false affidavit constitutes a felony in this state.

36 3. If the affiant:

37 (a) Submits an affidavit which does not meet the requirements
38 of subsection 2 or which contains statements which are not entirely
39 true, any money or property the affiant receives is subject to all
40 debts of the decedent.

41 (b) Fails to give notice to other successors as required by
42 subsection 2, any money or property the affiant receives is held by
43 the affiant in trust for all other successors who have an interest in
44 the property.



1 4. A person who receives an affidavit containing the
2 information required by subsection 2 is entitled to rely upon that
3 information, and if the person relies in good faith, the person is
4 immune from civil liability for actions based on that reliance.

5 5. Upon receiving proof of the death of the decedent and an
6 affidavit containing the information required by this section:

7 (a) A transfer agent of any security shall change the registered
8 ownership of the security claimed from the decedent to the person
9 claiming to succeed to ownership of that security.

10 (b) A governmental agency required to issue certificates of
11 ownership or registration to personal property shall issue a new
12 certificate of ownership or registration to the person claiming to
13 succeed to ownership of the property.

14 6. If any property of the estate not exceeding \$20,000 is
15 located in a state which requires an order of a court for the transfer
16 of the property, or if the estate consists of stocks or bonds which
17 must be transferred by an agent outside this state, any person
18 qualified pursuant to the provisions of subsection 1 to have the
19 stocks or bonds or other property transferred may do so by obtaining
20 a court order directing the transfer. The person desiring the transfer
21 must file a petition, which may be ex parte, containing:

22 (a) A specific description of all the property of the decedent.

23 (b) A list of all the liens and mortgages of record at the date of
24 the decedent's death.

25 (c) An estimate of the value of the property of the decedent.

26 (d) The names, ages of any minors, and residences of the
27 decedent's heirs and devisees.

28 (e) A request for the court to issue an order directing the transfer
29 of the stocks or bonds or other property if the court finds the gross
30 value of the estate does not exceed \$20,000.

31 (f) An attached copy of the executed affidavit made pursuant to
32 subsection 2.

33 If the court finds that the gross value of the estate does not exceed
34 \$20,000 and the person requesting the transfer is entitled to it, the
35 court may enter an order directing the transfer.

36 **Sec. 28.** NRS 147.070 is hereby amended to read as follows:

37 147.070 1. A claim for an amount of \$250 or more filed with
38 the clerk must be supported by the affidavit of the claimant that:

39 (a) The amount is justly due (or if the claim is not yet due, that
40 the amount is a just demand and will be due on the day of).

41 (b) No payments have been made thereon which are not
42 credited.

43 (c) There are no offsets to the amount demanded to the
44 knowledge of the claimant or other affiant.



1 2. Every claim filed with the clerk must contain the mailing
2 address of the claimant. Any written notice mailed by a personal
3 representative to the claimant at the address furnished is proper
4 notice.

5 3. When the affidavit is made by any other person than the
6 claimant, the reasons why it is not made by the claimant must be set
7 forth in the affidavit.

8 4. The oath may be taken before any person authorized to
9 administer oaths.

10 5. The amount of interest must be computed and included in
11 the statement of the claim and the rate of interest determined.

12 6. Except as otherwise provided in subsection 7, the court may,
13 for good cause shown, allow a defective claim or affidavit to be
14 corrected or amended on application made at any time before the
15 filing of the final account, but an amendment may not be made to
16 increase the amount of a claim after the time for filing a claim has
17 expired.

18 7. The court shall allow the ~~[Welfare Division of the]~~
19 Department of Human Resources to amend at any time before the
20 filing of the final account a claim for the payment of benefits for
21 Medicaid that the ~~[Division]~~ *Department* identifies after the original
22 claim has been filed.

23 **Sec. 29.** NRS 228.410 is hereby amended to read as follows:

24 228.410 1. The Attorney General has primary jurisdiction to
25 investigate and prosecute violations of NRS 422.540 to 422.570,
26 inclusive, and any fraud in the administration of the Plan or in the
27 provision of medical assistance pursuant to the Plan. The provisions
28 of this section notwithstanding, the ~~[Welfare Division]~~ *Department*
29 *of Human Resources* and the Division of Health Care Financing
30 and Policy of the Department of Human Resources shall enforce the
31 Plan and any regulations adopted pursuant thereto.

32 2. For this purpose, the Attorney General shall establish within
33 his office the Medicaid Fraud Control Unit. The Unit must consist
34 of a group of qualified persons, including, without limitation, an
35 attorney, an auditor and an investigator who, to the extent
36 practicable, have expertise in nursing, medicine and the
37 administration of medical facilities.

38 3. The Attorney General, acting through the Medicaid Fraud
39 Control Unit:

40 (a) Is the single state agency responsible for the investigation
41 and prosecution of violations of NRS 422.540 to 422.570, inclusive;

42 (b) Shall review reports of abuse or criminal neglect of patients
43 in medical facilities which receive payments under the Plan and,
44 when appropriate, investigate and prosecute the persons responsible;



1 (c) May review and investigate reports of misappropriation of
2 money from the personal resources of patients in medical facilities
3 that receive payments under the Plan and, when appropriate, shall
4 prosecute the persons responsible;

5 (d) Shall cooperate with federal investigators and prosecutors in
6 coordinating state and federal investigations and prosecutions
7 involving fraud in the provision or administration of medical
8 assistance pursuant to the Plan, and provide those federal officers
9 with any information in his possession regarding such an
10 investigation or prosecution; and

11 (e) Shall protect the privacy of patients and establish procedures
12 to prevent the misuse of information obtained in carrying out the
13 provisions of this section.

14 4. When acting pursuant to NRS 228.175 or this section, the
15 Attorney General may commence his investigation and file a
16 criminal action without leave of court, and he has exclusive charge
17 of the conduct of the prosecution.

18 5. As used in this section:

19 (a) "Medical facility" has the meaning ascribed to it in
20 NRS 449.0151.

21 (b) "Plan" means the State Plan for Medicaid established
22 pursuant to NRS 422.271.

23 **Sec. 30.** NRS 422.391 and 422.393 are hereby repealed.

24 **Sec. 31.** A Medicaid card issued by the Welfare Division of
25 the Department of Human Resources before October 1, 2003, shall
26 be deemed to have been issued by the Department of Human
27 Resources.

28 **Sec. 32.** 1. Any regulations adopted by the Welfare Division
29 of the Department of Human Resources and the State Welfare
30 Administrator relating to the administration of the State Plan of
31 Medicaid which are transferred to the Department of Human
32 Resources and the Director of the Department of Human Resources
33 pursuant to the provisions of this act remain in force until amended
34 by the Department or the Director, as appropriate. Such regulations
35 may be enforced by the Department of Human Resources or the
36 Director, as appropriate.

37 2. Any contracts or other agreements entered into by the
38 Welfare Division of the Department of Human Resources or the
39 State Welfare Administrator relating to the State Plan for Medicaid,
40 the responsibility for which is transferred to the Department of
41 Human Resources and the Director of the Department of Human
42 Resources pursuant to the provisions of this act, are binding upon
43 the Department and the Director, as appropriate. Such contracts or
44 other agreements may be enforced by the Department or the
45 Director, as appropriate.



1 **Sec. 33.** This act becomes effective upon passage and approval
2 for the purpose of adopting regulations and on October 1, 2003, for
3 all other purposes.

TEXT OF REPEALED SECTIONS

422.391 “Qualifying relative” defined. As used in this section and NRS 422.392 and 422.393, unless the context otherwise requires, “qualifying relative” means a person specified in 45 C.F.R. § 233.90(c)(1)(v)(A).

422.393 Applicant to supply fingerprints; exchange of information; report from Federal Bureau of Investigation.

1. An applicant for the receipt of supportive assistance provided pursuant to NRS 422.392 shall submit to the Department a complete set of his fingerprints and written permission authorizing the Department to forward those fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report to enable the Department to determine whether the criminal history of the applicant is satisfactory.

2. The Department may exchange with the Central Repository or the Federal Bureau of Investigation any information respecting the fingerprints submitted.

3. When a report from the Federal Bureau of Investigation is received by the Central Repository, it shall immediately forward a copy of the report to the Department.

