

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON HEALTH AND HUMAN SERVICES**

**Seventy-Third Session
May 11, 2005**

The Committee on Health and Human Services was called to order at 1:40 p.m., on Wednesday, May 11, 2005. Chairwoman Sheila Leslie presided in Room 3138 of the Legislative Building, Carson City, Nevada, and, via simultaneous videoconference, in Room 4406 of the Grant Sawyer State Office Building, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Ms. Sheila Leslie, Chairwoman
Ms. Kathy McClain, Vice Chairwoman
Mrs. Sharron Angle
Ms. Susan Gerhardt
Mr. Joe Hardy
Mr. William Horne
Mrs. Ellen Koivisto
Mr. Garn Mabey
Ms. Bonnie Parnell
Ms. Peggy Pierce
Ms. Valerie Weber

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Senator Maggie Carlton, Clark County Senatorial District No. 2
Senator Randolph Townsend, Washoe County Senatorial District No. 4
Senator Joe Heck, Clark County Senatorial District No. 5

STAFF MEMBERS PRESENT:

Barbara Dimmitt, Committee Policy Analyst
Joe Bushek, Committee Attaché

OTHERS PRESENT:

- Lona Domenici, Coordinator, Nevada Silver Haired Legislative Forum, Legislative Counsel Bureau, State of Nevada
- Thelma Clark, President, Nevada Silver Haired Legislative Forum, Legislative Counsel Bureau, State of Nevada
- Laura Hale, Social Service Chief, Grants Management Unit, Department of Human Resources, State of Nevada
- Jan Gilbert, Legislative Advocate, representing the Progressive Leadership Alliance in Nevada, Northern Nevada Chapter, Reno, Nevada; Past Chair, Block Grant Commission
- Toby Hyman, Grants Management Unit, Family Resource Centers and Children's Trust Fund, Department of Human Resources, State of Nevada
- Mike Willden, Director, Department of Human Resources, State of Nevada
- Jeanette Belz, Legislative Advocate, representing Nevada Alliance of Addictive Disorders, Advocacy, Prevention and Treatment Services (AADAPTS), Reno, Nevada
- Frank Parenti, President, Nevada Alliance of Addictive Disorders, Advocacy, Prevention and Treatment Services (AADAPTS); Clinical Director, Bridge Counseling, Las Vegas, Nevada
- Diaz Dixon, Chief Executive Officer, Step 2, Reno, Nevada
- Aisha Hopcus, Graduate, Step 2, Reno, Nevada
- Joy Evans, Student, Step 2, Reno, Nevada
- Christine McGill, Director, Health Communities Coalition of Lyon and Storey Counties
- Belinda Thompson, Executive Director, Goshen Community Development Coalition, Las Vegas, Nevada; Chair, Nevada Substance Abuse Prevention Council
- John Bond, Program Director, New Frontier Treatment Center, Fallon, Nevada
- Sara Sheldon, Client, Bristlecone Family Resources, Reno, Nevada
- Robin Keith, President, Nevada Rural Hospitals Foundation, Reno, Nevada
- Jenny Welsh, Policy Analyst, Nevada Association of Counties (NACO), Carson City, Nevada
- Dr. Trudy Larson, Assistant Chancellor, University and Community College System of Nevada (UCCSN)

Chairwoman Leslie:

[Called the meeting to order. Roll called.] We'll open the hearing on S.B. 31.

Senate Bill 31 (2nd Reprint): Revises provisions relating to Nevada Silver Haired Legislative Forum. (BDR 38-447)

Senator Maggie Carlton, Clark County Senatorial District No. 2:

The Silver Haired Legislative Forum requested this bill to change a few technical things. In the Senate there was an amendment I did not agree with. The amendment gave the Silver Haired Legislative Forum five bill drafts. I did some research to see if that would be an appropriate thing to do, since the Forum and I had not discussed that particular issue. After my research, I decided that was not a good idea. Right now, they have the opportunity to get 21 bill drafts from the 21 Senators who appoint them to the Silver Haired Legislative Forum. As I explained on the Senate Floor, the Assembly can supply them with 42 other possible bill drafts, giving them a total of 63 possible bill drafts they can submit. I did not feel it was necessary to mandate that they be allowed five additional bill drafts. We know how precious those are and we have a lot of agencies and other entities that probably need the bill drafts more. Thank you for allowing me to present this and explain the history of the bill.

Chairwoman Leslie:

Does the second reprint have the five bill drafts in it?

Senator Carlton:

No. Those were amended out on the Senate Floor and the bill was passed out.

Chairwoman Leslie:

So, other than that, the bill just had some slight technical changes. Do you want to go ahead and tell us what those are?

Senator Carlton:

I'll have our staff person do that.

Lona Domenici, Coordinator, Nevada Silver Haired Legislative Forum, Legislative Counsel Bureau, State of Nevada:

For the record, my position as an employee of the Legislative Counsel Bureau prohibits me from supporting or opposing any legislative measure. The President of the Nevada Silver Haired Legislative Forum is unable to attend today and asked me to attend on her behalf.

The Forum supports the revisions to S.B. 31. There are four areas of changes:

1. Authorizes the president to excuse absences from the meetings.
2. Deals with the dates of the officers' terms.

3. Removes statutory requirements that meetings be held in different areas of the state.
4. Changes the dates when the Forum must submit its report.

Assemblywoman Parnell:

Why eliminate the requirement that they meet around the state? I have a little concern that we'd never get to hear from the seniors living in our most rural areas.

Lona Domenici:

It's been a fiscal issue. They don't have a lot of money. When they do have the money, they like to move around the state as much as possible. Also, travel is sometimes hard on the seniors, so if we pick different spots that are centrally located, they can come to a central location. If we don't mandate how they do it, they'll be able to be more flexible. For instance, why have a meeting in northern Nevada in the middle of winter? We want to give them the opportunity to have their meetings in places where it's easier for them to meet, and also the fiscal ramifications of it.

Assemblywoman Parnell:

Is there a way to at least assure we can have teleconferencing from, say, Elko or any other area, so they would have a way to communicate their concerns and their special needs?

Lona Domenici:

Yes, I believe so, and I think we have done that in the past. This helps us eliminate that provision so we might be able to do that even more.

Chairwoman Leslie:

I've been on teleconferences with Elko before. I think the Cooperative Extension Service has it out there as well as the community college.

Thelma Clark, President, Nevada Silver Haired Legislative Forum, Legislative Counsel Bureau, State of Nevada:

I want to thank Senator Carlton for her work in putting this bill forward and I want to thank you for hearing it, and hope you put it forward. Unless you need me to answer any questions, I don't think you need my testimony because I sent it to you.

Chairwoman Leslie:

Yes, we have your testimony. We will enter it into the record and note your support for this bill ([Exhibit B](#)). Is there anyone else who would like to testify for

or against this bill? [No response.] We'll close the hearing on S.B. 31 and open the hearing on S.B. 297.

Senate Bill 297: Makes various changes concerning family resource centers and funding of certain public welfare services. (BDR 38-168)

Laura Hale, Social Services Chief, Grants Management Unit, Department of Human Resources, State of Nevada:

[Handed out Exhibit C.] We are presenting this bill, which does a couple of things. One is to combine three advisory boards in our Grants Management Unit which was created in the last legislative session. We brought together six different funding sources, and with those funding sources came three separate advisory boards, the Block Grant Commission, the statewide governing board for FRCs [Family Resource Centers], and the Committee for the Protection of Children; in addition to the Task Force for the Fund for a Healthy Nevada. This bill would create a single grants management advisory board that would allow us to streamline that process. Most of the grants we manage are targeted to at-risk populations and have a lot of crossover supporting-type functions. With one advisory board we can cover the range of things with one group, rather than going to three separate bodies.

The bill also cleans up some language concerning the FRCs. We are working with family resource centers that are established in communities. The current language refers to "neighborhoods." The structure really doesn't involve neighborhoods; for example, in some counties we might have a single family resource center, so we changed that language to "communities" rather than neighborhoods. We also used to have two local governing boards for the FRCs; one in the south and one in the north. When we created the Grants Management Unit, we created a single statewide governing board that would allow us to save on administrative costs. Due to limited resources, we're asking FRC programs to focus on providing information, referral, and case management rather than direct services. We try to get our grantees to use other funding sources to provide direct services and then we use the FRC dollars to try to bring those things together.

Assemblyman Hardy:

Would this legislation be getting the Family Resource Centers to cut back on deliverance of services in the rural parts of Nevada, or will it help them deliver services?

Laura Hale:

This bill doesn't really change the funding levels or the amount of services that are offered through the rural communities. When we created the Grants Management Unit, we integrated the Family to Family and Family Resource Center Programs, and created those programs in some of the rural counties that did not have them. We currently have 18 service areas, at least one in each county. We did a funding formula that's based on demographic data, looking at various statistics like birth population, poverty statistics, child abuse statistics, and ethnic statistics, in some cases, so there's a formula based on all of that. With these programs we try to reduce child abuse statistics. So that's the basis for the funding formula and it has resulted in some changes around the state. In some places we added programs, and in some places we reduced the number of programs.

Assemblywoman McClain:

Is this outside the different little committees we've set up for the different areas?

Laura Hale:

Are you referring to the subcommittees?

Assemblywoman McClain:

Yes.

Laura Hale:

The subcommittee process we're looking at combines all of the funding sources, including the Fund for a Healthy Nevada, so that we can collectively look at things according to service areas rather than by funding formula. The Family to Family and Family Resource Center grants are based on an allocation. Those monies are designed to go to predetermined service areas so that each county, each at-risk area, will receive some kind of services. Some of our other programs that will also be in that subcommittee process are on a competitive basis.

Assemblywoman McClain:

How do these two separate things fit together? Subcommittees will still be making recommendations for the grant funding?

Laura Hale:

On the competitive grants, right.

Assemblywoman McClain:

The advisory committee will do what?

Laura Hale:

The advisory committees will be making recommendations for allocations. When it's a competitive process, we'll put out a request for application and score them and have recommendations to our advisory boards. When it's an allocation process where you have those predefined areas for service, unless there is a problem with performance, we propose that we would continue to fund those particular service providers.

Assemblywoman McClain:

This advisory committee would deal with that?

Laura Hale:

Yes. There's one advisory committee that is going to join together what is currently the Block Grant Commission, which is over Title 20, and Family to Family programs. It also brings in the statewide governing board for FRCs, which is the Family Resource Center funding, and then it also brings in the Committee for Protection of Children, which is over the Children's Trust Fund. All of the intent for those funding sources remains the same, but because there's so much commonalty between the services provided, the one board brings that all together. In addition, it works with the Task Force for the Fund for a Healthy Nevada, because they also look at some similar things. Then subcommittees with members from all of those different groups will look at particular service areas to set priorities, make allocation recommendations or decisions, and all of that.

Chairwoman Leslie:

I actually read the whole bill because I have a lot of interest in this particular area, since I helped write the legislation before I was elected. I agree, it's a good update and it's a good merging of the different advisory boards. We have volunteers serving on these little boards and I think putting them together makes a lot of sense. My concern is that we've never increased the funding for Family Resource Centers. I know the ones in Washoe County formed a collaborative and they've been trying to get money over the years through our crazy process in Washoe County and they were not successful this year. I heard recently that three of them are going to close. Is that your understanding?

Laura Hale:

They get many sources of funding, and my understanding is that closure isn't due to reduced FRC, or Family to Family funding. It is some reductions from some other sources they have.

Chairwoman Leslie:

But our funding has not increased a penny since 1997. It's never increased.

Laura Hale:

Yes, that's correct.

Chairwoman Leslie:

Are we seeing other Family Resource Centers failing? To have three close in Washoe County is just a tragedy.

Laura Hale:

We have not had other FRCs close in terms of the funding that we do through that specific program.

Chairwoman Leslie:

Yes, they're fluid, I know. They come and go in a certain sense. I hope this isn't a trend. I think it's something the Department really needs to take a closer look at, and maybe through this new advisory committee you can figure out a way to do that. We need FRCs more than ever, and having three of them close in one year is a huge red flag to me that something's not working.

Laura Hale:

Our intent, in terms of the overall funding, is to try to work with our advisory members to set up priority areas to look at needs assessments that affect all of these areas. We will target our funding as best we can to those areas. What we found is we do a lot of small grants but don't really get measurable outcomes because of that. The Washoe County FRC program is very strong and those kinds of programs we do want to support as much as we can.

Chairwoman Leslie:

I don't think it's as strong as you're saying, if three of them are closing. I don't think that's a sign of strength.

Laura Hale:

Strong in terms of the outcomes.

Chairwoman Leslie:

Right, these are excellent programs, but we're going to lose three of them. I'm very concerned, so I'll follow up with Washoe County on those items. I think the State ought to look at improving the funding. In human services there's a myth that just because you get ten grants, you're duplicating services. Yet having run programs like this for many years, the only way you can make them work is to apply everywhere. I just want to put on the record that it's not my intent that we're going to be cutting down on the actual money that flows through the programs. Hopefully the [money will] be in bigger chunks so they

can hire people, not have overlap, and make it more efficient; but I wouldn't want to see less money going to these programs.

Assemblyman Mabey:

On page 5, Line 33, it says each Family Resource Center may offer services directly through its own employees and resources or contract with social services agencies to provide services, or may do both. I don't understand why that's there when in Section 3 it states they can offer services. I don't understand that section.

Laura Hale:

The intent is for them to use the FRC dollars primarily for information and referral in case management. But because many of them do receive funding from other sources, if they're doing that as part of an overall plan for the family resource center, we want them to have the opportunity to provide direct services as well as doing information and referral. There's a range of levels of funds that go out depending on the size of the population. In the rural communities it's on the low end, and in Las Vegas it's on the high end. We have several locations in Las Vegas, so some of those who may get more, if they have the opportunity to leverage other funding and provide direct services, we support doing that. But if this is the bulk of their funding, then we really want them to be able to do that information and referral in case management.

Jan Gilbert, Legislative Advocate, representing the Progressive Leadership Alliance in Nevada, Northern Nevada Chapter, Reno, Nevada; Past Chair, Block Grant Commission:

I just wanted to come and urge your support for this bill. We feel this is going to streamline the grants management. We have been meeting for the last year to get into this mode. It's been a very positive move to look at grants across the spectrum, and be able to use our money wisely. I will tell you that there were many members who felt exactly like you do regarding the Family Resource Centers. In fact, after our last subcommittee meeting, we discussed the Family Resource Centers, and said we were going to have to come to you next legislative session and ask for more money. Some of them are operating on \$25,000. It's a small amount of money to run a Family Resource Center. They're all out there trying to get as many grants as they can from all different avenues, and it's very competitive. I'll tell you, the Title 20 alone last time was so competitive we had to turn away many, many quality programs. There's just not enough money. I would love to see the State provide more money for those very outstanding programs. Many of them, by the way, have merged with Family to Family, so they're performing services to families with infants and also families in need. I think this is an efficient way to do this, and we're all

supporting it. Both the Block Grant Commission and the statewide governing board have agreed to support S.B. 297.

Chairwoman Leslie:

I do think it's time to merge and streamline grant management and I appreciate the bill very much. I know the little Family Resource Center in Battle Mountain, I hope it's still there, is running on almost nothing. It's the only place for people in Battle Mountain to go who have a problem. We have to find a way to make it stable so they're not worried every other month whether they'll have to close their doors.

Laura Hale:

That is one of the allocated service areas and they do currently get funding in Battle Mountain for FRC and Family to Family.

Toby Hyman, Grants Management Unit, Family Resource Centers and Children's Trust Fund, Department of Human Resources, State of Nevada:

I just wanted to speak a little bit to Washoe County. I think all Family Resource Centers throughout the state need more funds. It's not just Family Resource Center funds that were cut by Washoe County and some other funding sources. The plan right now is to keep the six centers that currently exist in the Reno-Sparks area open. The staff, unfortunately, is being cut back because of lack of funds. Those areas will be served through an outreach plan through other case managers. Somebody won't be there 40 hours a week, but people will be served.

Chairwoman Leslie:

I appreciate that, Toby, but that's not the same. When people need help, they need help. I know we're going to try and make do, but that doesn't satisfy me. We have to do better than that.

Assemblywoman Parnell:

I'm looking at the bottom of page 10 and all of page 11, which is our fees that go into the Children's Trust Account. The way the current statute reads, what's not used for the review of death of children account, all reverts back to the General Fund. I don't know if it's too late this Session, but it's certainly tempting, if not now, maybe for next session, to look at that fee structure and redesign what happens to the money that's not used in that particular account. I hate to see it lost to the program.

Chairwoman Leslie:

Actually, I don't think that is the case with the Children's Trust Fund, but do you want to comment on that?

Laura Hale:

The Children's Trust Fund money does stay with the Children's Trust Fund Program, but the Family to Family and FRC Programs that are funded out of the General Fund, that money does revert every year.

Chairwoman Leslie:

Did we revert funding from that?

Laura Hale:

Typically, yes. We usually, with grants, run between 4 percent and 5 percent unspent funds, and it is just a matter of planning. You start a grant one year and it may take people time to start up, or they have staffing turnovers a lot of times. There are budgetary changes and they aren't always able to spend all that. As I said, it's usually 4 percent to 5 percent, and we'll find out a month to two months after the end of the fiscal year how much that is. For the Family to Family and FRC Programs, it reverts. For all of our other programs we will, in certain cases, allow them to carry over; or it goes back into that pot of money and we can fund it back out in the next cycle.

Chairwoman Leslie:

I would hope not much is being reverted to the General Fund. That would really disturb me if it was a significant amount of money. We'll close the hearing on S.B. 297 and we'll open the hearing on S.B. 462.

Senate Bill 462 (2nd Reprint): Repeals, reenacts, reorganizes and revises provisions relating to Department of Human Resources and Department of Employment, Training and Rehabilitation. (BDR 38-178)

This is the DHR [Department of Human Resources] cleanup bill. I think most of the people are here on an amendment that was added in the Senate.

Mike Willden, Director, Department of Human Resources, State of Nevada:

You should have a packet we handed out to staff ([Exhibit D](#)). There are four documents I'll be using. The first contains some brief summary comments that I will make. The second is a requested amendment. The third is a financial spreadsheet dealing with the Bureau of Alcohol and Drug Abuse budget. And then finally there's a more detailed outline of the bill.

Senate Bill 462 is a bill requested by the Department of Human Resources, and it was fashioned to accomplish seven goals which are listed on my summary sheet. The first goal was dealing with the renaming of the Department and the

Welfare Division. We've previously given testimony that being known as the Department of Human Resources, everybody thinks we're the state personnel department. We take an unbelievable number of calls trying to get employer verification and inquiries about working for the State. For any other employer in the State, if you look for their HR [human resources] department, you have their personnel hiring department. We would prefer to be called the Department of Health and Human Services, which is what I believe is probably the most recognizable title nationally. There are some other names we considered, but I think that's the most recognizable.

Chairwoman Leslie:

I think our Committee would like that.

Mike Willden:

The second name change deals with the Welfare Division. Welfare reform started in the mid 1990s and we've been moving away from a lot of the traditional welfare public assistance programs, and much more into the supportive services programs. We started out with a name called Transitional and Supportive Services. That didn't go over too well. We are asking that we be approved to be known as the Welfare and Supportive Services Division. That starts the transfer. Down the road we'd like to eliminate "welfare," but we certainly recognize that that's another name that people use trying to find us in the yellow pages of the phonebook, et cetera.

We're cleaning up some of the statutes involving the Welfare Division and the Division of Health Care Financing and Policy. Before 1995, they used to be together. Their statutes were all in NRS [*Nevada Revised Statutes*] 422; now they're in different divisions but the statutes are commingled and jumbled. We're suggesting we separate those two sets of statutes into two different chapters in the NRS and our Legal staff has done a very good job doing that.

There are some minor changes regarding the Senior Citizens Property Tax Assistance Program. If you look on pages 50 and 51, Sections 150, 151, and 152, you'll see that we're basically adding a term in our use of the term "claimant." Well, a claimant is the applicant, the recipient, but the program, it actually applies to the applicant, recipient, and the spouse when we're defining when they own a mobile home or a home or something like that. Throughout the statutes, it's sometimes described as the "claimant and the spouse," and other places in the statute it only says the "claimant" so we're trying to make it consistent throughout the statute.

[Mike Willden, continued.] In Section 151, we're adding income from an IRA [individual retirement account] as "countable income," and that's current practice. So that's some minor cleanup language in that program.

Item 4 is asking to repeal the Community Services Block Grant statutes. You can find that on page 51 in the bill. It's hard to keep State statutes in synch with federal regulations. Since we have to follow federal laws and regulations in that program anyway, we would recommend repealing the State statutes.

The next issue is cleaning up some of the Division of Child and Family Services statutes. Because those have been created over time, some of their laws were placed in the Department of Human Resources Chapter. We're just cleaning them up and sticking them in one chapter so when you go looking for child welfare-related statutes, you can find them in one place.

Next, we're deleting references to the children's homes. We have not operated the Southern Nevada Children's Home or the Northern Nevada Children's Home for many years, but we've never removed them from the statutes.

Seventh on the list, on pages 66 and 67, is cleaning up what we call the appointing authority statutes. In a couple of recent personnel cases, hearing officers have made rulings that I may not be the boss of the department. There is ambiguity in some of the statutes that says I may not be the appointing authority for some of the employees that we employ. That can be problematic when we're dealing with termination of individuals and we have conflict over that termination. On pages 66 and 67 of S.B. 462, it says that the Director is the appointing authority—the hiring authority—for all employees within the Department, with three exceptions that are statutory exceptions. I do not appoint the Administrator of the Division of Mental Health and Developmental Services (MHDS). Dr. [Carlos] Brandenburg is appointed by the Governor or whoever is the Administrator of that Division. I do not appoint the Executive Director of the Indian Commission; the Governor appoints that position and has the hire/fire authority there, and I do not appoint the Public Defender. The Governor has the hire/fire authority for the Public Defender.

Chairwoman Leslie:

Can you tell me why MHDS is different? I can kind of understand the Public Defender and even the Indian Commissioner, but what is different about Mental Health?

Mike Willden:

I don't know. The statute has always said that the Mental Health Commission recommends three names to the Governor and the Governor picks from those

three names. There are a lot of statutes that say they're part of the Department, they follow all the rules of the Department, and they do. We don't have a conflict there. I am simply not the appointing authority for that Administrator's position.

Chairwoman Leslie:

It's just interesting because Mental Health clearly falls within your Department, whereas it feels as though the Public Defender and Indian Commissioner were stuck in those statutes because they didn't know where else to put them.

Mike Willden:

Yes. If you look at the Divisions of the Department, it lists Mental Health as one of the Divisions we operate, but I do not appoint the head of that; the Governor appoints that position.

Chairwoman Leslie:

What does your amendment change?

Mike Willden:

The bill drafters didn't exactly get what we were looking for. We wanted to make the three exceptions to be the Administrator of the Mental Health Division, but it says "any employee," so all the employees would be exempt from my process. So it's just the Administrator who is exempt and the same with the Indian Commission. The Commissioner is appointed by the Governor. But there's an employee within that organization that also would have appeal rights to the Department level and things like that. Really, that's important for me to say. It's just not us wanting to have the power to fire people. They have appeal rights up through the system also, and we want to ensure that they have those appeal rights up through to the Department level, and not necessarily just at one level.

Chairwoman Leslie:

That's the way it is now, correct?

Mike Willden:

Yes, it's the way we have practiced for years and years, until we had these two cases where a hearing officer said, "Mr. Willden, you might not be the appointing authority," so somebody four levels down in the organization was defined as the appointing authority and so that person's say was final. We don't want that to exist. We want to be able to have appeal rights up and down through the system. So, those are the seven points that were in the bill to start with.

Chairwoman Leslie:

Just explain to the Committee what that document is.

Mike Willden:

This is a 16-page document ([Exhibit D](#)) that goes through all 200 sections of the bill and tells you what we're doing organizationally. The first approximately 100 sections apply to reorganizing the Welfare Division. The next 50 sections deal with the Division of Health Care Financing reorganization. Then there are a couple of sections on page 3 dealing with senior property taxes. On page 4, there are several sections that deal with the Division of Child and Family Services reorganization. They just go through logically and all the way up to Section 207, and it shows you where we're moving statutes from and where they're landing to. It's a very good matrix. I think it's important to note we're not dropping anything. We've been through this several times with the bill drafters, and unless we specifically said we're repealing a section listed in the repealed sections, we're not changing any intent; we're just moving where the statutes are organized so they're easy for us to research.

The last item on my handout starts on page 73 of S.B. 462, which would be Section 189 through Section 207. The Senate voted to amend this bill to transfer the Bureau of Alcohol and Drug Abuse (BADA) from the Health Division to the Mental Health and Developmental Services bill. I testified during the Senate hearing, and I'll testify again here today, that I oppose that transfer. The Senate voted for the transfer. I want to be on the record that the reasons for my opposition are two or three simple things. I'm confident, wherever we place it in the Department, that we can make it work, whether it is in the Mental Health Division, the Health Division, or managed right out of the Director's office. My opposition is that MHDS has a lot on their plate for the next two years: the psychiatric hospital is scheduled to go online, and with huge increases in community programs, they've got to hire numerous new employees. I just don't think they can handle much more.

I don't feel comfortable that we've had a planning process. We just said, "Let's move it," and we didn't have a planning process. I know it was looked at in 1999 when Jan Evans had Assembly Bill 181 of the 70th Legislative Session. There also was a lot of discussion about BADA when it was in the Department of Employment Training and Rehabilitation (DETR). It was moved out of DETR to DHR [Department of Human Resources], and we welcomed it in DHR. There was some discussion about where it should be placed: is it a public health issue or is it a mental health-related issue? How do you deal with the treatment side; the prevention side? The decision was made to place it in the Health Division and I think it's worked well for the six years it's been there. I don't receive a lot of complaints about the Bureau. If we're going to move it, I think we need an

appropriate planning process. Moving it will have some fiscal impact on the Health Division's infrastructure in two ways, as listed in the little handout that was in my packet ([Exhibit D](#)).

[Mike Willden, continued.] The Health Division will lose roughly \$1 million in funds for indirect support. You can argue that the Health Division will lose it and Mental Health would gain it, and that's a true statement. The indirect rate on the BADA block grant supports a significant amount of IT [information technology] structure within the Health Division that would be lost, about \$500,000 over the biennium. It also helps pay for six administrative support staff members. Arguments can be made that those staff can be released from their Health Division duties and hired on by Mental Health, and that can work. It's a lot of work to unbundle and rebundle on very short notice. Those are my general reasons for opposing the transfer; however, if it's the Committee's will to pass S.B. 462, we'll make it work. But I don't think we've had an appropriate planning process.

Chairwoman Leslie:

Those are appropriate comments. I just want to make it clear from the beginning that no one is suggesting that the Health Division has done a poor job with these services. I think we're going to hear some testimony that substance abuse and mental health need to be better integrated, and that's why they should be moved. I remember arguing with Jan Evans about where it should be placed back in 1999. At that time, I thought it should be with mental health. I still think it should be with mental health. I'm very open to what you're saying about a planning process and whether we're ready to go in one day from health to mental health. I think you raised some very valid points. Most states put them together. I've dealt for many, many years with substance abuse programs and mental health programs and I see the overlap. I know this is an unpopular position with many of my colleagues, but I thought that in 1999, I still think it in 2005, but I do appreciate what you're saying.

Mike Willden:

Nationally, it is split. I think in 24 states BADA is housed in the mental health organization, and in 26 it's not.

Chairwoman Leslie:

Would you say that the trend is more towards putting them together now? That's my sense of it, but I haven't seen any numbers. From conferences I go to, the reading I do, and the people I talk to, my sense is that people are moving more towards putting them together.

Mike Willden:

Just looking at a couple of year's data, I would say that's probably true.

Assemblywoman Weber:

Was this a recommendation from an interim study? I would like to find out how this amendment ended up in this bill.

Mike Willden:

It was not part of an interim study. The genesis was discussions with Senator Cegavske and myself, as the Department Director, about some of her concerns, desires, and that the co-occurring disorder issue be integrated within Mental Health and Developmental Services.

Senator Randolph Townsend, Senatorial District No. 4, Washoe County:

One of the reasons I support this change is very simple. In the discussion Mr. Willden just had in which he answered the question about why he was opposed to the transfer, he mentioned it had to do with planning, history, and a number of other things. Not once was a consumer, a patient, or a client discussed. That's the problem. That's the problem we found out on the President's Commission [on Mental Health]. It's all about the bureaucracy. It has to be about the patient or the client. It's about recovery. All you have to do is read this document. I spent 18 months of my life helping with this. I was honored to do so, and I was shocked at what I found. Fragmentation is one of the underlying problems of providing services to people whether they have alcohol and substance abuse problems, mental health problems, or a co-occurring disorder.

Now, having said that, let me quote from some of the testimony we did have right here in this building. This comes from Dr. Steve Graybar, a clinical psychologist at the counseling and testing center at the University of Nevada, Reno, and member of the Board of Psychological Examiners. Dr. Graybar said, "Co-morbidity is so common that it must be viewed as the rule rather than the exception." People not exhibiting a simple mental health issue or a simple substance abuse issue are frequent enough to justify two systems. I can go on and on but with me is my colleague, Dr. Heck, who can specifically address the issues of co-morbidity. This Committee has worked extremely hard trying to not only manage the issue, but also to provide funding for those who don't seem to ever have a voice—the people with mental health problems and mental retardation. To not think about the patient or the client does an injustice. No one is here saying that BADA has done a bad job or the Division of Health has done a bad job. I've never heard that anywhere. The question is, how do we provide better services? We talked about whether the money transfers with them. We'll deal with the money issues, as we have in the past. This group, no

matter which Body it was in, stepped up, dollar-wise. I am really troubled that we don't concentrate on why we're here. We're here because of people who have needs. We're here to provide the best service possible. If it can be done better by being under Mental Health Services, then that's where it belongs. If this Committee decides that's not right, or it's not the right time, I respect that, and you'll never hear a complaint out of me. I think we need to concentrate on our patients and our clients, because they're the ones who need our help.

Senator Joe Heck, Senatorial District No. 5, Clark County:

In my professional experience, 80 to 90 percent of the patients I treat with mental health problems have a co-occurring addiction problem and I'm sure, Madam Chair, in your professional experience, you probably run the same numbers. Yet our system is extremely fragmented, in that it is very difficult for an individual who has a co-occurring disorder to find a one-stop treatment. You are going to one place for addiction treatment and counseling, and to another place for your mental health counseling. It is this fragmentation that leads to the high recidivism rate that we see among people with co-occurring disorders. One of the very reasons that this change is opposed by DHR is one of the very reasons we are pushing it. There is a huge restructuring going on within the Mental Health Division, especially in southern Nevada. This year, both Houses and both parties have shown their commitment to providing comprehensive mental health services to the people of our state. So what time would be better to make a move to integrate BADA into the Mental Health Division than when we are already restructuring the program? We feel that this is the time that the move should be made.

The fragmentation was underscored, probably indirectly, by some of the drug and alcohol counselors themselves when they appeared before the Senate Commerce and Labor Committee earlier this Session, trying to get an endorsement to be able to provide mental health counseling services under their LDAC [Licensed Drug and Alcohol Counselor] licensure, because they know that they would like to provide these services. Unfortunately, that didn't pan out because of technical reasons and the idea of endorsements crossing boards, but they recognize that this fragmentation exists themselves. It is very important to integrate this, especially in southern Nevada where we have a mental health crisis with co-occurring disorders. There may be a large portion of mental health patients with addictions. Should addictions be treated as mental illness or as something else? That's a personal matter that has been argued in many circles. We'll point out, though, that addictions are part of the DSM-3 psychiatric mental health illness criteria. Whether you believe it should be treated as mental illness or something else is really not the issue here. The argument has been, "But what about those people who truly just have an addiction who are now going to be stigmatized by having to receive mental health services?" I don't

think there's a stigma attached with this. What we're doing is moving a program to a location where we think it will better serve the majority of the people requiring its services. We're not attempting to stigmatize someone who just has a drug or alcohol problem with the label of having a mental illness.

[Senator Heck, continued.] In conclusion, it was the opinion of the Senate that this was the right time, because of the renewed commitment to providing comprehensive mental health and because of the restructuring process that the Mental Health Division will be going through, to move the Bureau of Alcohol and Drug Abuse to Mental Health to provide those with co-occurring disorders the best, most efficient treatment possible.

Chairwoman Leslie:

Is it an immediate transfer, or did you build in a year's planning time?

Senator Heck:

It actually is not addressed. One suggestion was to put it into an interim committee and have them study it. Well, it's been looked at and we didn't feel an interim study was necessary. I don't think anybody would expect that on July 1, when the bill goes into effect, BADA is suddenly going to pick up all their people and equipment and move to Mental Health. Obviously, whatever time would be necessary to make a smooth transition would be permitted. But the time frame of the actual transition was not addressed in the amendment.

Assemblywoman McClain:

It's a little late in the Session to be doing this now. It impacts budgets, and it impacts a whole lot of planning, personnel, and everything. I tend to agree with Mr. Willden that Mental Health has got a ton of stuff they've got to be doing over the next couple of years. Personally, I don't know that we need an interim study, but I think maybe it could be looked at over the next couple of years, and be considered again in the next regular session.

Chairwoman Leslie:

I think that's one of the options under consideration for this Committee, whether to refer it to the interim Health Committee, not a special interim study, and make it an item of discussion. I think that's going to be one of the choices we have.

Assemblywoman Parnell:

I think the worst thing we could do is to approve the transfer and not be guaranteed that we have the staff and the appropriate funding for it to be done correctly. The last thing we want to see is for the transfer to take place and then almost set it up for failure. We cannot afford to do that. I think it's

extremely important that we have the foundation in place before we start moving things.

Chairwoman Leslie:

Dr. Heck, do you want to react to that?

Senator Heck:

I would agree. We don't want to move the Department on a moment's notice and set a very successful program up for failure. That's certainly not the intent. While the amendment was silent on it, our intent would be to accomplish the transfer of duty, whatever the transitional process would be.

Chairwoman Leslie:

So, the way S.B. 462 the bill is written, it's left up to Mike Willden to decide when it would happen?

Senator Heck:

I think the bill is effective on July 1, 2006. The specific amendment is silent about the BADA transfer.

Chairwoman Leslie:

We can look at that part.

Assemblyman Hardy:

I agree with the bill in general, and I agree with transferring BADA to the Mental Health Division. It's the exception if a person who gets involved with drugs and alcohol to the point of abuse or addiction does not have a mental illness. Traditionally what happens is you have a problem; you don't know what to do; you take a drug, and it works. You say, "That was wonderful," and you keep taking it. Pretty soon you're taking it in order to get rid of the problem you created by taking the drug. They do have to be together. That person does have to go to the same place and get the same help given by the same people. We really do have to move that way, and I think an orderly transition would be the way to do it.

Chairwoman Leslie:

We have a lot of people in the room who signed in, in opposition to the bill.

Jeanette Belz, Legislative Advocate, representing Nevada Alliance of Addictive Disorders, Advocacy, Prevention and Treatment Services (AADAPTS), Reno, Nevada:

These are the folks or organizations that are able to get BADA money and provide services directly to people with drug and alcohol addiction problems. In

deference to the Committee, we have limited the amount of testimony that you're going to be getting today. When there is no specific reference in a bill to when a particular provision takes effect, the effective date would be October 1. That would essentially give the Department three months to accomplish this transfer. We are proposing an amendment, which is being submitted right now ([Exhibit E](#)). What it does is reverse the amendment that was presented on the floor in the Senate. As Mike [Willden] alluded, there were many discussions in your comparable Committee in the Senate regarding what to do with this particular concept. Although the Committee voted to study it in the interim, there was a Floor amendment presented that removed the study and included the amendment to do the BADA transfer.

[Jeanette Belz, continued.] If this concept were put to an interim committee or to the Interim Health Committee, we would welcome the opportunity to make our arguments there as well. Based on discussion this afternoon, I think there are plenty of arguments on both sides that should be considered.

Frank Parenti, President, Nevada Alliance of Addictive Disorders, Advocacy, Prevention and Treatment Services (AADAPTS); Clinical Director, Bridge Counseling, Las Vegas, Nevada:

[Handed out [Exhibit F](#).] Obviously, I'm here to oppose this portion, but based on testimony that was already provided, I do want to have an opportunity to speak to the points that were made, as a front-line provider of addiction services for 20 years.

Chairwoman Leslie:

What is your reaction to the testimony presented today and why do you think this is a bad idea?

Frank Parenti:

I'm new to Nevada. I'm from New York state originally and I've been here in Nevada working with treatment programs for about the same amount of time that this issue has been prevalent, including 1999 when the change was made. I have a point of reference with how BADA was run and how welcome community providers were to interact with the State agency. It didn't always look good, but after that move, and after they identified all the problems, I noticed they had a Director for BADA in place who was welcoming and promoting this partnership between the public and private sectors. They created an advisory committee which helped move people towards best practices, so we could make sure people were getting the most effective treatments possible. That's all worked very well. The way things are working right now, "If it isn't broke, don't fix it," comes to mind. Everything is working well. The amount of money BADA has been able to leverage, and the federal dollars that have been

secured to provide services for adolescents for treatment and prevention, is significant. That impacts what's going on in my community a tremendous amount.

[Frank Parenti, continued.] The other issue is whether it should be a mental health or public health issue. Alcoholism is a public health issue, statewide and nationwide. The number one drug of choice for admission into treatment is still alcohol, and that is a health issue. This is where my concern comes in. We're talking about SMIs [severely mentally ill], and I agree 100 percent with Dr. Heck. I'm sure 70 to 80 percent is the rate of co-occurring disorders for the SMI population. A schizophrenic who's also using methamphetamine is someone with a co-occurring disorder from the mental health perspective. That's rare when it comes to treatment services. According to the Health Division data, 90 percent of the clients that access services for substance abuse treatment do not have a mental health issue; not a severe mental illness, but just a mental health issue. I'll tell you for sure, we have an epidemic in Las Vegas right now with methamphetamine. Susan Klein-Rothschild with the Division of Family Services told me that 85 percent of the children removed from their parents' homes are removed because of substance use, not mental illness. Those people will come to my agency and we will treat them. They do have a co-occurring disorder, because now they're depressed because their children were taken away from them. Now they have a meth problem. They didn't have a problem before they moved to Las Vegas with drugs, and they probably didn't have any family history of substance abuse. This is something very unique and very specific, and if we're going to throw out percentages, we have to be very careful. There are a lot of people in this room who have successfully completed treatment and I'm sure none of them would consider themselves mentally ill. They suffered from an addictive disorder and they resolved it. Under the DSM Senator Heck referenced, they're in sustained full remission just like you would be from cancer. That's a health issue.

We're asking that this not be moved because we know that Mental Health has a lot going on right now. We work with them all the time. We make referrals for somebody that comes to our office who we understand needs medication to treat their mental illness. That doesn't happen on the addiction side. You're not going to use medication to treat the addictive disorder, the majority of the time. There are isolated incidents where that may be the case, but we're looking at apples and oranges. It's all fruit, but it's very different. We have to be very careful not to say that, because 90 percent of our people don't have an addictive disorder, that we're negating the fact that 80 percent of the mental health people do have an addictive disorder. Which came first? And I would have to disagree with some of the comments made. This is somewhat overblown when it comes to co-occurring disorders such as somebody

experiencing anxiety because they lost their job because they had a positive drug test. That's a little bit different from that schizophrenic client or that psychotic client that requires medication and just happened to self-medicate on the street. In conclusion, I think that this is a bad idea because there's an opportunity for us to miss out on the number one underlying issue with substance abuse treatment, and that is prevention. I am serving 500 clients in my agency who have children, and we know those children are at risk for abusing drugs because they were exposed to it. Prevention and early intervention are things Mental Health doesn't offer. That's something unique to substance abuse treatment in terms of preventing this problem. We're experiencing an epidemic now. If we don't start preventing this with our children, we're going to have an even more severe problem than we already do with methamphetamine in Las Vegas. I'm just asking that you accept the recommendations we're making to amend S.B. 462 as it was originally intended.

Assemblyman Hardy:

You're saying if we move BADA to Mental Health, the federal leverage goes away, the prevention goes away, and BADA goes away. I don't see BADA going away, I don't see federal leverage going away, and I don't see prevention going away. Why the doom and gloom? Is there something I'm not seeing in this?

Frank Parenti:

I want to apologize if it came across as gloom and doom. I'm just trying to make a clear distinction between our populations. According to the Mental Health and Developmental Services web-site, the biennial report posted that the highest priority for mental health services has been to provide services to consumers with serious mental illness. That's their priority. Ninety percent of our clients don't suffer from severe mental illness. That's where the fear is. If you're going to be treating a priority population, then obviously you're going to leverage every available resource, including the resources that many of the members here have leveraged for mental health, and for beds in this hospital. What's going to happen to the 90 percent of our clients? We have 2000 people that had to wait more than 30 days for treatment last year. That's significant. We are hoping, if things remain the way they are, that we can address that issue. We don't want to have to deal with the 90 percent of people primarily suffering from substance abuse issues being moved under a system that's primarily going to address serious mental illness. That's where the fear is. I'm not saying that you can't leverage the services; I'm not saying you can't leverage dollars. I'm saying that the priority population shifts.

Assemblyman Hardy:

In most programs, most agencies, and most divisions, there's a budget process that protects part of that budget for a given program. That's how we usually budget things. What I hear you speaking of is the fear that BADA is going to go away or be decreased in some way, so we'll do away with prevention. I think the Chair of this Committee has gone on the record as recognizing that we do have an obligation for prevention. We are committed to it. I do have some clinical experience, and my clinical experience has shown me that many people have many co-occurring disorders. We can say that once we got them sober they didn't have a problem, except that they lost their job and they're depressed; sometimes there is a chicken and an egg effect here. I don't think anybody on this Committee wants to do away with BADA, wants to do away with prevention, or wants to do away with money. I don't think that's where we're coming from.

Assemblywoman Gerhardt:

Is there some concern by throwing these entities together that if a client is not assigned a mental health diagnosis, perhaps they won't get the alcohol or drug abuse treatment they need; that those things are going to be coupled?

Frank Parenti:

Yes, that is the issue. We have a priority of service for substance abuse. It starts with pregnant women and IV [intravenous] drug users, and then any other issue that comes up, which means we have a very limited amount of time in which to respond to a request for service from that priority population. If Mental Health and Developmental Services are saying their priority population is the severely mentally ill population, then yes, obviously our question would be, what's the purpose of the move if not to locate under one roof in order to provide these co-occurring services? We're just asking that you look at this for what it is, which is two diverging yet similar paths. We don't want to get too far off the track and only treat a smaller percentage of the population. The percentage of people in the country that has used drugs versus the percentage of people that would be considered severely mentally ill—you're talking about a pretty big gap. We all know somebody who has been touched by alcohol or drug abuse. Maybe we all know somebody who has a mental health issue that's severe, but not at the same rate. This is where the concern comes in. What do we do if that's the priority population; if that's the shift? If we had \$16 million for BADA to distribute for us to provide treatment, I can't imagine how much we could do.

Assemblywoman Gerhardt:

One other concern that I'd like clarification on is this idea of stigma. We heard the suggestion that there was no stigma with mental health disorders. As someone who is in the industry, could you respond to that?

Frank Parenti:

I think it was minimized. If you have a mental illness, it's not a major issue, and I disagree. There are people in this audience who had an addiction issue that they resolved. They're not mentally ill, and to label somebody as mentally ill is very dangerous. To label an adolescent accessing service as mentally ill is something I think would prohibit people from potentially accessing services.

Chairwoman Leslie:

My problem with that statement is you're assuming that, because somebody goes to get substance abuse services just because it is located under BADA, under mental health, they're going to be labeled as mentally ill. I think that's a big leap that's not necessarily true at all.

Frank Parenti:

I agree on some level. It is a big leap. But, then we know what we're working with now and how few people that are actually in recovery will even step up and say they're in recovery because of the stigma associated with that, which is daunting.

Chairwoman Leslie:

I think there's stigma on both sides and some of your testimony today I think is very stigmatizing towards people with mental illness.

Diaz Dixon, Chief Executive Officer, Step 2, Reno, Nevada:

[Handed out [Exhibit G](#).] Senator Townsend's testimony was right on the money. Although I'm in opposition to what he was saying, it is truly about the client. I will agree wholeheartedly with Madam Chair that, when we're talking about being afraid of the stigma, you have to be careful because then you're stigmatizing people with mental health issues and that's not the intent at all. We really have to focus on the distinct difference between someone who has serious mental health issues, versus someone who may have overlapping co-occurring issues, versus the person who comes in for treatment. The reason why they're there is a substance abuse issue that is chronic and is detrimental to their lifestyle. A lot of the women who come into our program are either pregnant or they're in a reunification process with their children, and most of them are battling substance abuse issues along with poverty at the same time; two things that don't go well together at all, let alone stand alone with them. What we have to take into consideration with these particular clients is when

they're looking for employment. When I worked at DETR [Department of Employment, Training and Rehabilitation], I learned that there are great stigmas out there. There are people who see mental health, or someone who's accessing mental health services, and have heavy preconceived notions. It's those preconceived notions that often keep people from being successful, whether it's with mental health or substance abuse. These women in our program are striving to get clean and sober, and it's hard enough for them as it is. If we have people who come in to Step 2 who have severe mental health issues that I think my staff is not capable of handling, we make sure we make the appropriate referrals so they're getting the service they need. That's generally outside the scope of practice which my counselors are capable of handling, and we work in collaboration with other services.

[Diaz Dixon, continued.] I am here today opposing the amendment, that portion of S.B. 462, that would transfer BADA under Mental Health Services for a great fear of being lost. Now when we have our meetings, it is not uncommon for Alex Haartz or someone else to come into even a small meeting, listen, and give us feedback. We feel like we're really going in a good direction. We're heard, our clients' needs are being met, and they're fighting for us. So there are great fears when we talk about changes on this level. It's about the client. It's not about us, it's not about systems, and it's not about how money is going to be transferred. Ultimately it's about the services we're providing to people who live in our state.

Aisha Hopcus, Graduate, Step 2, Reno, Nevada:

In 1992, I graduated from the Step 2 program. I was a pregnant mother on drugs. Today I'm sitting here before you, supporting my child, I still take advantage of every BADA resource, and I am five years into recovery. I am against this move.

Joy Evans, Student, Step 2, Reno, Nevada:

I am a graduating senior in high school. When I was younger, I got in a crazy phase, experimenting with drugs and alcohol. With the help of my family, church, friends, and resources from the community, I was able to pull through that phase. I'm happy to say I'm going to be graduating this summer and, hopefully, going to Truckee Meadows Community College to become a nurse. I have my son, he's 1-month old, and I'm married now. Over the last few years I've volunteered with Bridge House and I'm always ready to help other youths facing these struggles. I'm very supportive of BADA because of the way it helps people, and, while I admit that I did need help at one time, I don't consider myself mentally ill, nor anybody else in my situation, and I don't like to be labeled that way. My problem is that of drugs, and I think that it works better

keeping BADA totally separate from the Mental Health Division. I support the amendment made by the Nevada AADAPTS.

Christine McGill, Director, Health Communities Coalition of Lyon and Storey Counties:

I have three quick points to make. We are the other spectrum of BADA and we do prevention. The Counties of Lyon and Storey are rural, and many times BADA money is the only thing that keeps the light on for many of our prevention programs. We have used the public health model to assess our communities, to bring in programming, and right now we're doing the State Incentive Grant. All over the state, 43 new programs are going on right now. We are in our first year of that new program so we are very nervous about any kinds of changes. We would just like to get the programs up and going and secure before we start seeing changes. If it sounds like we're a little gun shy, our Coalition had a change like this at the federal level. One of our federal funders changed departments. They promised that no interruption of services or funds would occur, but we had a six-month lapse. That meant after-school programs in our communities didn't run, so you can understand that we're concerned.

I'm really happy to say that prevention is finally working here in Nevada. In Nevada, the percentage of students who tried marijuana for the first time at the age of 13 was 21 percent. For Nevada in 2003, it was 12 percent. We have lots of data here for you that show prevention is now working in Nevada. It's so exciting. We're finally doing things right for kids. We just want to make sure that continues.

Belinda Thompson, Executive Director, Goshen Community Development Coalition, Las Vegas, Nevada; Chair, Nevada Substance Abuse Prevention Council:

[Handed out [Exhibit H](#).] Please read the testimony that's been presented to you by me on behalf of the Prevention Council. In 1999, the Bureau of Alcohol and Drug Abuse was charged with actually revamping what was going on in the fields of prevention and treatment. I pulled some of the goals and objectives that were stated in the amendment, and one of the stated objectives was the formulation of operation of a comprehensive state plan for alcohol and drug abuse programs, which included a survey of the need for prevention and treatment of alcohol and drug abuse, a survey of the facilities needed to provide services, and a plan for the development and distribution of services and programs throughout the state. This is something that is being done on a statewide level utilizing the ten coalitions that the Bureau of Alcohol and Drug Abuse currently funds. Those ten coalitions have established collaborations and networks with other community-based nonprofit organizations, and also with

unconventional in-kind donations from businesses, corporations, casinos, moms, and dads.

[Belinda Thompson, continued.] When we talk about the process of community-building, that is prevention. Prevention is the one thing that the Bureau of Alcohol and Drug Abuse has really been able to bring to the forefront, and it's also the one thing that many people have left out of their conversations today. When we sit here and talk about clients, what about the children? I'm not hearing anyone talk about the children. There are over 455 children who access just one substance abuse prevention program within our geographic area. That's 455 children, multiplied by two parents, and multiplied again by extended family. That's an extreme amount of outreach. What happens to those children should this move take place? What happens to the parents who will not allow their children to access prevention services? That is, if prevention services are designed to even be implemented under this current move, because nowhere does it discuss the field of prevention. We talk about treatment, we talk about mental health issues and prevention in young adults, but youth are consistently left out of the conversation. We have two grants that our state has received which are specifically designed to address those points. We have a state epidemiology work group that's working cohesively to identify what's going on in that community and what the problem is in that community. As a result, everyday citizens have an opportunity to come to the table and talk about those, and understand that they have a place at the table and that their voice will be heard. When you have providers here talking about how much they appreciate the opportunity to work within a Bureau (BADA), the staff, and the members who actually effectively run it, that's saying something. We have many, many people within our communities who are moms and dads who access those same services. They feel as though they have an opportunity to access government, that government actually has a face, and that it's a face of compassion. They feel that because that's what has trickled down through this process of building from the bottom up, not the top down. I would ask that you take the opportunity to read through our material and consider the children, because we've talked about everybody else, but what about the children?

Chairwoman Leslie:

I just want to repeat something that Dr. Hardy said. Nobody is talking about getting rid of prevention. I hope you know that about me; that I would never let that happen. That's not even on the table.

Belinda Thompson:

We participated in the amendment to S.B. 462, and at that time we heard we would be allowed the opportunity to have interim studies occur before the process of even talking about moving the Bureau of Alcohol and Drug Abuse.

Chairwoman Leslie:

I think that is a reasonable thing to argue about.

Belinda Thompson:

Here we are today sitting here, none of us even had an opportunity to do what we're doing today, which is to voice our opinion about why this should not be allowed. Every agency and organization has problems, but do you just completely shift the focus of them?

Chairwoman Leslie:

I'm saying that is a very valid argument, but to infer that people want to get rid of prevention, that's not going to happen. If we need more planning time, absolutely; that is a great argument to make. Maybe at the end of the planning time people would say, "You know what; it is better left where it is." That's a good argument to make, but I don't want people inferring that through this transfer anyone, on any side of this argument, is talking about getting rid of prevention.

Belinda Thompson:

I do greatly respect what you've done in the field, and for the field. The question and the concern arise because there's no language that even represents the field of prevention in any of this. Nowhere are we even mentioned, or acknowledged. We've consistently been treated as though we are stepchildren, but our primary job is to make sure that children do not use drugs to begin with. We have to stop it before it even starts, but nowhere are we even discussed. We're discussed as a sidebar issue that will be taken care of once it's gotten to that point. But we represent a vast number of the members of our communities, and those are the people we're here today to speak for.

John Bond, Program Director, New Frontier Treatment Center, Fallon, Nevada:

One of the things I see is that we, in our assessment process and what we have gained through the Bureau of Alcohol and Drug Abuse, are addressing the mental health issues of addicts better than the Mental Health Department could address those issues. We're finally using the ASAM [American Society of Addiction Medicine] scales and the placement criteria so that we don't have 28-day programs and 30-day programs. We're basing it on the client's needs. We have a psychiatrist who visits our organization on a monthly basis. Out of our 20 to 24 clients, there are only 3 or 4 who see him on a monthly basis, so those SMIs do not exist in our population at the level that people would like to think. Everybody has mental health issues, but most addicts' mental health issues are not chronic clinical issues; they're situational, temporary issues. Once the person gets sober and uses the tools they learn in our centers, those mental health issues diminish. The depression goes away.

[John Bond, continued.] Things are working right now with us. I have 15 years in the business and I am finally seeing the clinical aspects elevated to the level they need to be to deal with co-occurring disorders in our treatment centers. [I disagree with moving it to] the Mental Health realm. In Fallon they're stretched out until October for appointments. Our people would go to Family Mental Health and say, "We'd like to see a mental health specialist," and they would tell you, "We can get you in to see a specialist in October," whereas, our people can see a psychiatrist in our center about mental health issues relating to substance abuse next week.

Sara Sheldon, Client, Bristlecone Family Resources, Reno, Nevada:

I'm against the amendment, only because I was a youth in rehab for drugs. I had a very bad drug and alcohol problem. When I went to that rehab, I don't think there was anybody else who could have helped me as much as they did. If they put mental health in with it, I think things would get unbalanced. In my own perspective, mental health people have more problems because they're medicated. As for us, we tried to medicate ourselves to feel good, not because we had to. I graduated almost a year ago from a youth rehab. I'm 18 now. I live on my own. I would have never been able to do it if it wasn't for the people actually looking out for the youth. They do look out for the youth, because I'm one that they did look out for.

I'm against the amendment because I don't see how they can put mental health in with people who have an addiction that they caused on their own. I come from parents who did alcohol and drugs, so I see how that goes, but I don't classify them as mental health people. I see them as drug users, but they brought that upon themselves. I brought that upon myself, but I don't see a mental health issue being brought upon yourself; it could be genetic. I just don't see it all being classified as the same.

Chairwoman Leslie:

We'll close the hearing on S.B. 462 and open the hearing on S.B. 235.

Senate Bill 235: Revises provisions relating to procedure for dissolution of hospital districts in certain smaller counties. (BDR 40-960)

Robin Keith, President, Nevada Rural Hospitals Foundation, Reno, Nevada:

I had the pleasure of chairing the Governor's Task Force to Develop a Strategic Plan for Rural Health Care in Nevada. It was through that experience that my perspective broadened beyond just hospitals, and the stability of the whole health care delivery system became more of an issue in my own mind. That is what makes this bill important. I'd like to give you just a very brief background about the genesis of this bill, a very short summary of the bill, and then if you'd like to go through it section by section, I'm certainly prepared to do that.

I'll start with some background and context. This bill applies in counties of 400,000 people or fewer, thus it does not apply to UMC [University Medical Center], which isn't a district hospital anyway. The only district hospitals that exist in Nevada are in rural counties. We have eight of them. Current law contains about two sentences that describe how a county would go about dissolving a hospital district. Those two sentences basically say that after a hearing, the county commissioners can—by resolution—dissolve the district. That law was put into place in 1999 as part of a much larger discussion about how a rural hospital's debts would be handled were it to become insolvent and need to be either sold or closed. This bill doesn't address the financial aspects of that at all. What's in the existing law is quite satisfactory, and doesn't need any adjustment.

What we are trying to do with S.B. 235 is add some procedures to the process of dissolving a district if that should become necessary in the county commission's mind. We absolutely agree that the decision to dissolve a district is properly within the purview of the county commissions. We are seeking a more meaningful process through which a well-founded decision can be made. The Nevada Revised Statutes already contain a process for dissolving general improvement districts. What this bill does is lift that process out of Chapter 318 and copy it over into Chapter 450, which deals with hospitals. In addition to the language from Chapter 318, the bill adds some general criteria that county commissions would use to evaluate whether or not a hospital was necessary, and how residents of a county would get health care if no hospital existed in the area.

I will go through this bill in a little bit more detail. The meat of the bill is in Sections 1 through 6 on pages 1 through 3. The rest of the bill integrates that meat into related sections of Chapter 450, and adds corresponding language for districts that cross county lines. You'll see throughout the bill that it talks about if it's one county, it's this; and then copies that language and says, if it's two counties, we do the same thing but in a different way. On Page 1, line 4, Section 2, it says that the bill applies in counties with less than 400,000 people. Lines 5 through 10 roughly provide the authority for the

county commission to dissolve the district. Lines 11 through 15 speak about what happens if the debts of the hospitals are paid, and if the hospital is not needed.

[Robin Keith, continued.] On page 2, starting with subsection 3, on line 4, the criteria to which I earlier referred are listed. These are the things that a county commission would review to determine whether or not a hospital district was needed. These include an analysis of whether the district is capable of providing sufficient health care services in an economical manner, and how the basic needs of health care for residents of the county would be met if the district was dissolved. Line 15 mentions whether or not there have been substantial changes in the financial status of the district during the immediately preceding two years, and on line 18, whether or not there's been an increased tax burden on the residents of the county or the district during the preceding two years. Subsection 4 on line 21 starts the copy-over of the dissolution process for general improvement districts, basically saying that a notice of intent and hearing would be issued.

On line 30 we start Section 3, which is an important section, because this gives the residents of the county an opportunity to voice their opinion about whether the district should be dissolved or not. If a majority of residents of the district protest dissolution of the district in writing, the county cannot dissolve the district. If less than a majority protest, then the county has the option of going ahead and dissolving it, or going forward with a hearing and then making the appropriate decision. Section 6, page 3, line 35 allows for collection of any of the hospital district's debts before it is dissolved. That section is in there to avoid passing the payment of those debts back on to taxpayers.

The balance of the bill is about integrating the language into other sections of NRS 450, and as I said, dealing with districts that cross county lines. Then on page 4, Section 8, line 23, you will see stricken the existing language about how districts are dissolved. In conclusion, current law does not provide a comprehensive process and includes no criteria that would lead a county commission to an informed decision. The proposed legislation is modeled after an existing process that already is in statute for general improvement districts, and the bill seeks to add criteria and a process that would lead to an informed decision and give the community an opportunity for substantive input into the decision.

**Jenny Welsh, Policy Analyst, Nevada Association of Counties (NACO),
Carson City, Nevada:**

NACO is in full support of this bill. We believe this will help with the dissolution process if it is deemed necessary for the hospital district.

Chairwoman Leslie:

Robin, are any of our rural hospitals on the brink of dissolving?

Robin Keith:

Not to my knowledge. I will share with the Committee that one of the sparks for this bill happened about a year ago when there was an unfortunate remark made in a county where resource allocation had become an issue. There was discussion between the hospital and the county about how taxes would be distributed and who got what rate. The disagreement disintegrated into a comment by a County Commissioner, who said, "Fine, we'll just dissolve the district." That comment brought this forward and we thought that they should have the authority, but there should be a meaningful process.

Chairwoman Leslie:

I was wondering where this came from; it makes sense. We'll close the hearing on S.B. 235.

ASSEMBLYMAN HARDY MOVED TO DO PASS SENATE BILL 235.

ASSEMBLYWOMAN WEBER SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Pierce and Assemblywoman McClain were not present for the vote.)

Chairwoman Leslie:

Let's go back to S.B. 31. There was no opposition to that bill and no controversy.

ASSEMBLYMAN MABEY MOVED TO DO PASS SENATE BILL 31.

ASSEMBLYWOMAN KOIVISTO SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Pierce and Assemblywoman McClain were not present for the vote.)

Chairwoman Leslie:

Let's go ahead and do S.B. 297, which is the Family Resource Center cleanup bill. Any discussion on S.B. 297? There's nothing controversial and no testimony against it.

ASSEMBLYWOMAN PARNELL MOVED TO DO PASS
SENATE BILL 297.

ASSEMBLYWOMAN WEBER SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Pierce and
Assemblywoman McClain were not present for the vote.)

Chairwoman Leslie:

We won't take up S.B. 462. If you'd like to talk to me individually about that bill, I'd be happy to chat with you about it.

Let's go to our Work Session. You should have a work session document. Please turn to tab C ([Exhibit I](#)).

Senate Bill 193 (1st Reprint): Makes various changes concerning Committee on Anatomical Dissection established by University and Community College System of Nevada and distribution and treatment of dead bodies. (BDR 40-51)

Barbara Dimmitt, Committee Policy Analyst, Legislative Council Bureau:

This bill revises the composition and duties of the Committee on Anatomical Dissection within the University System, and extends the regulatory authority of this Committee concerning persons and entities that are deemed eligible to receive dead bodies for the purpose of medical study and training. This is not the same as transplants; these are dead bodies used for study. As you will recall, Dr. Larson testified that there was an amendment needed to this bill regarding the fees. Because the Governor is not disposed to sign things that deal with new fees, she has submitted a revision to the amendment that she provided to the Committee on its May 4 hearing. If you'll turn past the work session document, this amendment amends Section 6, subsection 2 of the bill. The current practice is for the Committee to charge a fee to these various institutions in support of the Committee's administration of the regulations. The current fee would remain the same for everybody that has to do with education.

If there are any commercial entities that wish to accept dead bodies for the purposes that are covered by the Committee, then they would be subject to an additional fee of \$200 to support the Committee's administration.

Chairwoman Leslie:

Dr. Larson, I was reading the mockup, and is it \$200 per body or a \$200 flat fee?

Dr. Trudy Larson, Assistant Chancellor, University and Community College System of Nevada (UCCSN):

We already charge a fee of \$960 for the institutions. All that does is cover expenses. We would propose, in addition to that fee, that an additional \$200 is tacked on to assist in keeping the costs down for our educational and public facilities.

Chairwoman Leslie:

I am still confused about whether it's per year or per body.

Trudy Larson:

It is per body.

Assemblywoman Koivisto:

Maybe I missed this when we heard the bill, but who pays that fee?

Trudy Larson:

Basically this is the institution. So, for instance, if TMCC [Truckee Meadows Community College] needs a cadaver for their nursing program, they would request one. The fee for that particular body would be \$960 and that covers just the expenses for receiving the body, preparing the body, getting it all ready, the transportation, all the paperwork that's necessary, and then for the transport to the individual institutions. That just covers expenses, and the institutions themselves pay that cost right now.

Assemblyman Hardy:

Is there a rationale for why we're not using the word "cadaver?" I look at that, and I wonder which body they're talking about, and if that body is alive or dead. I'm just wondering if it would be cleaner if we just said "cadaver." There has got to be a rationale for that.

Trudy Larson:

I don't know how to answer you. That language was put in there 30 years ago when this was first crafted. My suspicions are that this was a broader and plainer definition and that "cadaver" would require more conversation. Some of

these do not come as whole bodies. Some of them are an arm for a particular course, or a leg. I think this was just meant to be plain and not worry people. When does a body actually become a cadaver?

Chairwoman Leslie:

Is that the only amendment we had, or was there another one?

Assemblyman Hardy:

We also put the word "or" in a certain place, and that was included in what you were comfortable with.

Barbara Dimmitt:

After we considered this, Mr. [Larry] Mathias proposed that the language "shall be a licensed physician and" instead of an "or." So we'll have eight members instead of nine, one of whom will be a licensed physician, and one of whom will be a licensed osteopathic physician. Each of them will be clearly appointed by their own respective associations.

Chairwoman Leslie:

That is on page 2, so it's both amendments.

ASSEMBLYMAN HARDY MOVED TO AMEND AND DO PASS
SENATE BILL 193 WITH BOTH AMENDMENTS.

ASSEMBLYMAN MABEY SECONDED THE MOTION.

Assemblywoman Weber:

On the top of page 2, did we get any indication regarding the fee from the Governor's Office?

Trudy Larson:

Yes, I did. I got confirmation in writing from Mike Hillerby, representing the Governor's Office, that this was very acceptable since it is truly voluntary in terms of people paying the fee.

THE MOTION CARRIED UNANIMOUSLY.

Chairwoman Leslie:

We will take up one more bill today. It is tab A ([Exhibit I](#)).

Senate Bill 36 (1st Reprint): Makes various changes concerning animals trained to assist or accommodate persons with disabilities. (BDR 38-694)

Barbara Dimmitt, Committee Policy Analyst, Legislative Council Bureau:

The Committee heard testimony that indicated that an amendment to Section 12 of the bill still did not accomplish its purpose. In addition, there were questions raised regarding the appropriateness of a penalty for conviction of the offense of fraudulently misrepresenting an animal as a service animal. With those and other possible issues to consider, the subcommittee did meet, and the report of the subcommittee is right behind the work session document ([Exhibit I](#)). The amendment that the Committee did come up with is at the very end.

This is the DETR [Department of Employment, Training, and Rehabilitation] recommendation. They feel the wording will conform to fair housing laws and allow them to proceed with the contract that they're trying to develop with the federal government. Before that, the Committee decided to eliminate the class E felony and make it a misdemeanor with a fine of \$500.

Chairwoman Leslie:

Ms. Gerhardt, is that correct? There are two amendments to the bill, one changing the felony to the misdemeanor, and the second amendment being the very last page which is the fair housing?

Assemblywoman Gerhardt:

That's correct.

Assemblywoman Weber:

I was part of the interim study when we talked about service animals, and this is more complex than meets the eye. I believe we were able to come to some conclusion on these amendments, but I really have a greater appreciation for this more than ever. It may be back for more revisions as we get more clarification regarding the housing issue.

Chairwoman Leslie:

I think the subcommittee came up with a good resolution. Mr. Horne, you're satisfied we'll get this past the Judiciary Committee without a problem? Do you think it's reasonable as a misdemeanor? That's much more reasonable, I think, than a felony. I like the subcommittee's work.

ASSEMBLYWOMAN GERHARDT MOVED TO AMEND AND DO PASS SENATE BILL 36 WITH THE AMENDMENTS RECOMMENDED BY THE SUBCOMMITTEE.

ASSEMBLYMAN HORNE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywoman Pierce was not present for the vote.)

Senate Bill 118 (1st Reprint): Makes various changes concerning county coroners. (BDR 40-747)

[Not heard.]

Senate Bill 254 (1st Reprint): Makes various changes relating to child care facilities operated by businesses as auxiliary service provided for their customers. (BDR 38-1127)

[Not heard.]

Senate Bill 280 (1st Reprint): Authorizes certain entities to transport allegedly mentally ill person to mental health facility or hospital for emergency admission. (BDR 38-1131)

[Not heard.]

Senate Bill 282 (1st Reprint): Makes various changes concerning certain facilities for persons released from prison. (BDR 40-622)

[Not heard.]

Assembly Committee on Health and Human Services

May 11, 2005

Page 39

Chairwoman Leslie:

This meeting is adjourned [at 3:41 p.m.].

RESPECTFULLY SUBMITTED:

Joe Bushek
Recording Attaché

Paul Partida
Transcribing Attaché

APPROVED BY:

Assemblywoman Sheila Leslie, Chairwoman

DATE: _____

EXHIBITS

Committee Name: Committee on Health and Human Services

Date: May 11, 2005

Time of Meeting: 1:40 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
S.B. 31	B	Thelma Clark / Nevada Silver Haired Legislative Forum	Written testimony
S.B. 297	C	Laura Hale / Grants Management Unit	Written Testimony
S.B. 462	D	Mike Willden/Department of Human Resources	Proposed Amendment and information packet
S.B. 462	E	Jeanette Belz / AADAPTS	Proposed Amendment
S.B. 462	F	Frank Parenti / AADAPTS	Written Testimony
S.B. 462	G	Diaz Dixon / Step 2	Written Testimony
S.B. 462	H	Belinda Thompson / Goshen Community Development Coalition	Handout in support of amendment proposed by Nevada AADAPTS
S.B. 36 S.B. 118 S.B. 193 S.B. 254 S.B. 280 S.B. 282	I	Barbara Dimmitt / LCB	Work Session Document