

ASSEMBLY BILL NO. 97—COMMITTEE ON
HEALTH AND HUMAN SERVICES

(ON BEHALF OF THE LEGISLATIVE COMMITTEE
ON HEALTH CARE)

PREFILED JANUARY 24, 2019

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions relating to certain expenditures of money for public health. (BDR 40-529)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

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

AN ACT relating to public health; placing certain restrictions on grants and other allocations of money by the Department of Health and Human Services and its divisions to certain entities for health care or related services; providing for the allocation of certain money to address public health needs; making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law establishes the Department of Health and Human Services and
2 four divisions within the Department to administer various public health and
3 welfare programs for the State. The Department administers the State Plan for
4 Medicaid and the Children's Health Insurance Program and allocates money for
5 certain other purposes relating to health care and public health. (NRS 422.963) The
6 Division of Health Care Financing and Policy of the Department performs certain
7 duties relating to the State Plan for Medicaid and the Children's Health Insurance
8 Program. (NRS 422.061-422.064, 422.270-422.27485) The Division of Public and
9 Behavioral Health of the Department administers provisions of law relating to
10 public health. (NRS 435.005-435.390, 439.010, 439.155-439.180, 439.255-
11 439.265, 439.630) The Aging and Disability Services Division of the Department
12 administers certain programs to serve elderly persons and persons with disabilities.
13 (NRS 427A.040-427A.120) **Sections 2, 5 and 6** of this bill prohibit the Department
14 and each of the divisions of the Department from granting or otherwise allocating
15 money to a federally qualified health center or other entity for the purpose of
16 providing health care or related services if a member of the executive board of the
17 entity or a person responsible for the daily operation, administration or



18 management of the entity has been convicted of certain crimes. **Section 4** of this
19 bill makes a conforming change. **Section 3** of this bill establishes an account from
20 which the Division of Public and Behavioral Health is required to allocate money to
21 the public health districts of this State and itself in proportion to the percentage of
22 the population represented by each to address needs relating to public health.
23 **Section 7** of this bill makes an appropriation to that account.

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

1 **Section 1.** Chapter 439 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 and 3 of this act.

3 **Sec. 2. 1.** *The Division shall restrict grants and allocations*
4 *of money to a federally qualified health center and any other*
5 *entity for the purpose of providing health care or related services*
6 *to the same extent and in the same manner as set forth in section 5*
7 *of this act for grants and allocations of money.*

8 **2.** *A federally qualified health center or other entity that*
9 *receives a grant or other allocation of money pursuant to*
10 *subsection 1 shall restrict any subgrants and other allocations of*
11 *that money to the same extent and in the same manner as set forth*
12 *in section 5 of this act for subgrants and allocations of money.*

13 **3.** *As used in this section, "federally qualified health center"*
14 *has the meaning ascribed to it in 42 C.F.R. § 405.2401.*

15 **Sec. 3. 1.** *The Account for Public Health Improvement is*
16 *hereby created in the State General Fund. The Division shall*
17 *administer the Account.*

18 **2.** *On December 31 of each year, the Division shall allocate*
19 *money in the Account:*

20 *(a) To each health district established pursuant to NRS*
21 *439.361 to 439.410, inclusive, in an amount equal to the*
22 *percentage of the population of this State over which the health*
23 *district has jurisdiction for public health matters; and*

24 *(b) For any area for which a health district has not been*
25 *established, to itself in an amount equal to the percentage of the*
26 *population of this State that resides in that area.*

27 **3.** *Each entity to which money is allocated pursuant to*
28 *subsection 2 shall:*

29 *(a) Evaluate the health and public health needs of residents of*
30 *the area for which the entity has been allocated money; and*

31 *(b) Determine the level of priority of the public health needs*
32 *described in paragraph (a) and expend the money received*
33 *pursuant to subsection 2 to address those needs in accordance*
34 *with those levels of priority.*



1 **4. An entity to which money is allocated pursuant to**
2 **subsection 2 shall not use the money to supplant money that the**
3 **entity would otherwise spend on services relating to public health.**

4 **5. The Division may apply for and accept gifts, grants,**
5 **bequests and donations from any source for deposit in the**
6 **Account.**

7 **6. The interest and income earned on the money in the**
8 **Account, after deducting any applicable charges, must be credited**
9 **to the Account. All claims against the Account must be paid as**
10 **other claims against the State are paid.**

11 **7. Any money remaining in the Account at the end of each**
12 **fiscal year does not revert to the State General Fund and the**
13 **balance in the Account must be carried forward to the next fiscal**
14 **year.**

15 **Sec. 4.** NRS 232.320 is hereby amended to read as follows:

16 232.320 1. The Director:

17 (a) Shall appoint, with the consent of the Governor,
18 administrators of the divisions of the Department, who are
19 respectively designated as follows:

20 (1) The Administrator of the Aging and Disability Services
21 Division;

22 (2) The Administrator of the Division of Welfare and
23 Supportive Services;

24 (3) The Administrator of the Division of Child and Family
25 Services;

26 (4) The Administrator of the Division of Health Care
27 Financing and Policy; and

28 (5) The Administrator of the Division of Public and
29 Behavioral Health.

30 (b) Shall administer, through the divisions of the Department,
31 the provisions of chapters 63, 424, 425, 427A, 432A to 442,
32 inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS
33 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, **and**
34 **section 5 of this act**, 422.580, 432.010 to 432.133, inclusive,
35 432B.621 to 432B.626, inclusive, 444.002 to 444.430, inclusive,
36 and 445A.010 to 445A.055, inclusive, and all other provisions of
37 law relating to the functions of the divisions of the Department, but
38 is not responsible for the clinical activities of the Division of Public
39 and Behavioral Health or the professional line activities of the other
40 divisions.

41 (c) Shall administer any state program for persons with
42 developmental disabilities established pursuant to the
43 Developmental Disabilities Assistance and Bill of Rights Act of
44 2000, 42 U.S.C. §§ 15001 et seq.



1 (d) Shall, after considering advice from agencies of local
2 governments and nonprofit organizations which provide social
3 services, adopt a master plan for the provision of human services in
4 this State. The Director shall revise the plan biennially and deliver a
5 copy of the plan to the Governor and the Legislature at the
6 beginning of each regular session. The plan must:

7 (1) Identify and assess the plans and programs of the
8 Department for the provision of human services, and any
9 duplication of those services by federal, state and local agencies;

10 (2) Set forth priorities for the provision of those services;

11 (3) Provide for communication and the coordination of those
12 services among nonprofit organizations, agencies of local
13 government, the State and the Federal Government;

14 (4) Identify the sources of funding for services provided by
15 the Department and the allocation of that funding;

16 (5) Set forth sufficient information to assist the Department
17 in providing those services and in the planning and budgeting for the
18 future provision of those services; and

19 (6) Contain any other information necessary for the
20 Department to communicate effectively with the Federal
21 Government concerning demographic trends, formulas for the
22 distribution of federal money and any need for the modification of
23 programs administered by the Department.

24 (e) May, by regulation, require nonprofit organizations and state
25 and local governmental agencies to provide information regarding
26 the programs of those organizations and agencies, excluding
27 detailed information relating to their budgets and payrolls, which the
28 Director deems necessary for the performance of the duties imposed
29 upon him or her pursuant to this section.

30 (f) Has such other powers and duties as are provided by law.

31 2. Notwithstanding any other provision of law, the Director, or
32 the Director's designee, is responsible for appointing and removing
33 subordinate officers and employees of the Department, other than
34 the State Public Defender of the Office of State Public Defender
35 who is appointed pursuant to NRS 180.010.

36 **Sec. 5.** Chapter 422 of NRS is hereby amended by adding
37 thereto a new section to read as follows:

38 *1. The Department and the Division shall not grant or*
39 *otherwise allocate money to a federally qualified health center or*
40 *any other entity for the purpose of providing health care or related*
41 *services, including, without limitation, services pursuant to the*
42 *State Plan for Medicaid, if a member of the executive board or a*
43 *person responsible for the daily operation, administration or*
44 *management of the center or other entity has been convicted of a*
45 *crime listed in paragraph (a) of subsection 1 of NRS 449.174. The*



1 *Department or Division, as applicable, shall require, as a*
2 *condition of receiving a grant or allocation of money described in*
3 *this subsection, the recipient to attest under penalty of perjury that*
4 *it meets the requirements of this subsection.*

5 2. *A federally qualified health center or other entity to which*
6 *the Department or the Division grants or otherwise allocates*
7 *money pursuant to subsection 1 shall not subgrant or otherwise*
8 *allocate that money to another federally qualified health center or*
9 *any other entity for the purpose of providing health care or related*
10 *services, including, without limitation, services pursuant to the*
11 *State Plan for Medicaid, if a member of the executive board or a*
12 *person responsible for the daily operation, administration or*
13 *management of the center or entity has been convicted of a crime*
14 *listed in paragraph (a) of subsection 1 of NRS 449.174. A federally*
15 *qualified health center or other entity to which the Department or*
16 *the Division grants or otherwise allocates money pursuant to*
17 *subsection 1 shall require, as a condition of receiving a grant or*
18 *allocation of money described in this subsection, the recipient to*
19 *attest under penalty of perjury that it meets the requirements of*
20 *this subsection.*

21 3. *As used in this section, "federally qualified health center"*
22 *has the meaning ascribed to it in 42 C.F.R. § 405.2401.*

23 **Sec. 6.** Chapter 427A of NRS is hereby amended by adding
24 thereto a new section to read as follows:

25 1. *The Division shall restrict grants and allocations of money*
26 *to a federally qualified health center and any other entity for the*
27 *purpose of providing health care or related services to the same*
28 *extent and in the same manner as set forth in section 5 of this act*
29 *for grants and allocations of money.*

30 2. *A federally qualified health center or other entity that*
31 *receives a grant or other allocation of money pursuant to*
32 *subsection 1 shall restrict any subgrants and other allocations of*
33 *that money to the same extent and in the same manner as set forth*
34 *in section 5 of this act for subgrants and allocations of money.*

35 3. *As used in this section, "federally qualified health center"*
36 *has the meaning ascribed to it in 42 C.F.R. § 405.2401.*

37 **Sec. 7.** 1. There is hereby appropriated from the State
38 General Fund to the Account for Public Health Improvement created
39 by section 3 of this act the sum of \$15,000,000 to be allocated by
40 the Division of Public and Behavioral Health of the Department of
41 Health and Human Services in accordance with that section.

42 2. Any remaining balance of the appropriation made by
43 subsection 1 must not be committed for expenditure after June 30,
44 2021, by the entity to which the appropriation is made or any entity
45 to which money from the appropriation is granted or otherwise



1 transferred in any manner, and any portion of the appropriated
2 money remaining must not be spent for any purpose after
3 September 17, 2021, by either the entity to which the money was
4 appropriated or the entity to which the money was subsequently
5 granted or transferred, and must be reverted to the State General
6 Fund on or before September 17, 2021.

7 **Sec. 8.** Insofar as they conflict with the provisions of such an
8 agreement, the amendatory provisions of this act do not apply
9 during the current term of any agreement concerning a grant,
10 subgrant or other allocation of money entered into before July 1,
11 2019, but apply to any extension or renewal of such an agreement
12 and to any agreement entered into on or after July 1, 2019.

13 **Sec. 9.** This act becomes effective on July 1, 2019.

