

BDR 40-125 AB 263

EXECUTIVE AGENCY FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: March 27, 2023

Agency Submitting: Department of Health and Human Services, Public and Behavioral Health

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
BA 3216 HCQC Regulatory Costs (Expense)		\$21,575,979	\$21,885,354	\$43,770,708
BA 3162 Water Treatment Contract (Expense)		\$5,940	\$6,075	\$12,337
BA 3645 Water Treatment Contract (Expense)		\$5,940	\$6,075	\$12,337
Total	0	\$21,587,859	\$21,897,504	\$43,795,382

Explanation

(Use Additional Sheets of Attachments, if required)

The Division of Public and Behavioral Health reviewed BDR 40-125 and determined there is a fiscal impact. The fiscal impact could increase if mitigation is required for a facility. This BDR requires covered health care facilities to adopt and implement a building water system management plan and review the plan annually, requires regulations, and declares covered health care facilities as a public nuisance when in violation of the provisions of the bill or adopted regulations. Such a nuisance may be abated or enjoined in action by the responsible health authority. Health Care Quality and Compliance, BA 3216 (HCQC), will need eleven specialized staff for the Legionnaires' Disease program covering approximately 900 locations. This program will review facility water management plans, inspect and test covered facilities, provide abatement and mitigation as needed, conduct complaint investigations, and provide technical support. HCQC will contract with a certified Legionella laboratory for testing and with a Legionella Remediation company to remediate facilities testing positive. HCQC will seek to recover the costs for remediation from the health care facility but there may be situations where the costs may not be collected.

Northern Nevada Adult Mental Health Services (BA 3162) and Lake's Crossing Center (BA 3645) will require installation of water treatment systems to meet the requirement of the existing law authorizing the State Board of Health to adopt regulations governing the control of communicable diseases. This bill establishes certain requirements for the building water systems in covered health care facilities to limit the risk of the transmission of Legionnaires' disease. The contract at the Southern Nevada Adult Mental Health Services (BA 3161) provides insight into the expense. The contractor provides all necessary supervision, labor, materials, equipment, and tools to perform Tower/Chiller Water Treatment Service.

Name Debi Reynolds
Title Deputy Administrator

GOVERNOR'S OFFICE OF FINANCE COMMENTS

Agency's response appears reasonable.

Date Tuesday, March 21, 2023

Name Amy Stephenson
Title Director

Budget Draft Request 40-0125 - AB 263
 BA 3216

Exhibit 1

Category Type	Item of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect of Future Biennia
Expense	Personnel	0	811,251	1,117,892	2,235,784
Expense	Travel	0	26,241	33,389	66,778
Expense	Operating	0	18,203,099	18,184,241	36,368,482
Expense	Information Services	0	36,128	14,923	29,846
Expense	Cost Allocation	0	2,499,260	2,534,909	5,069,818
		0	21,575,979	21,885,354	43,770,708

State of Nevada - Budget Division
 NEBS210 - Line Item Detail & Summary
 2023-2025 Biennium (FY24-25)
 Budget Account: 3216 HHS-DPBH - HEALTH CARE FACILITIES REG
 Section A1: Line Item Detail by GL

		Item No	Description	LFN Year 1 2023-2024	LFN Year 2 2024-2025
E239 EFFICIENCY & INNOVATION EXPENDITURE					
01 PERSONNEL					
		5100	SALARIES	590,985	822,001
		5200	WORKERS COMPENSATION	14,234	10,729
		5300	RETIREMENT	103,421	143,850
		5400	PERSONNEL ASSESSMENT	2,608	2,608
		5500	GROUP INSURANCE	72,281	100,133
		5700	PAYROLL ASSESSMENT	518	518
		5750	RETIRED EMPLOYEES GROUP INSURANCE	18,377	26,140
		5800	UNEMPLOYMENT COMPENSATION	259	0
		5840	MEDICARE	8,568	11,913
			TOTAL FOR CATEGORY 01	811,251	1,117,892
03 IN-STATE TRAVEL					
		6200	PER DIEM IN-STATE	9,682	12,910
		6210	FS DAILY RENTAL IN-STATE	9,084	12,112
		6240	PERSONAL VEHICLE IN-STATE	2,675	3,567
		6250	COMM AIR TRANS IN-STATE	4,800	4,800
			TOTAL FOR CATEGORY 03	26,241	33,389
04 OPERATING EXPENSES					

E239 EFFICIENCY & INNOVATION EXPENDITURE		Item No	Description	LFN Year 1 2023- 2024	LFN Year 2 2024-2025
		7020	OPERATING SUPPLIES	1,417	1,890
		7044	PRINTING AND COPYING - C	652	869
		7045	STATE PRINTING CHARGES	137	183
		7050	EMPLOYEE BOND INSURANCE	42	42
		7054	AG TORT CLAIM ASSESSMENT	1,281	1,281
		705A	NON B&G - PROP. & CONT. INSURANCE	359	479
		7060	CONTRACTS	144,000	144,000
		7061*	CONTRACTS - A	18,000,000	18,000,000
		7080	LEGAL AND COURT	1,600	0
		7110	NON-STATE OWNED OFFICE RENT	19,805	26,406
		7255	B & G LEASE ASSESSMENT	224	308
		7285	POSTAGE - STATE MAILROOM	634	845
		7289	EITS PHONE LINE AND VOICEMAIL	1,858	2,478
		7290	PHONE, FAX, COMMUNICATION LINE	257	342
		7291	CELL PHONE/PAGER CHARGES	2,763	3,684
		7296	EITS LONG DISTANCE CHARGES	126	167
		7980	OPERATING LEASE PAYMENTS	950	1,267
		8241	NEW FURNISHINGS <\$5,000 - A	26,994	0
			TOTAL FOR CATEGORY 04	18,203,099	18,184,241
	26	INFORMATION SERVICES			
		7547	EITS BUSINESS PRODUCTIVITY SUITE	2,350	3,134
		7554	EITS INFRASTRUCTURE ASSESSMENT	3,391	3,391
		7556	EITS SECURITY ASSESSMENT	1,325	1,325
		7771	COMPUTER SOFTWARE <\$5,000 - A	7,073	7,073
		8371	COMPUTER HARDWARE <\$5,000 - A	21,989	0
			TOTAL FOR CATEGORY 26	36,128	14,923
	82	DIVISION COST ALLOCATION			
		7001	SOURCE OF FUNDS ADJ	2,499,260	2,534,909
			TOTAL FOR CATEGORY 82	2,499,260	2,534,909
			TOTAL EXPENDITURES FOR DECISION UNIT E239	21,575,979	21,885,354
			TOTAL REVENUES FOR BUDGET ACCOUNT 3216	0	0
			TOTAL EXPENDITURES FOR BUDGET ACCOUNT 3216	21,575,979	21,885,354

*Using SNHD data , we estimate that 40% of the 900 covered health care facilities test positive. Abatement costs can vary, but SNHD noted around \$50,000, and we

E239 EFFICIENCY & INNOVATION EXPENDITURE	Item No	Description	LFN Year 1 2023- 2024	LFN Year 2 2024-2025
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paid \$50,000 X 360 yearly that would be \$18,000,000. The remediation is the responsibility of the facility, but many will not be able to afford it, for example the two bed residential homes. This amount would create the ability for the health authority to fund those costs by contracting with professional abatement contractors.

The HCQC staff would be needed to conduct the additional compliance activities. That is checking to ensure all of this testing and abatement is completed.

Section A: Position Detail

Budget Account: 3216 HHS-DPBH - HEALTH CARE FACILITIES REG

Type	Description	PCN	Class	Gd Step	Add Gd	Anv Mo	St	End	Ret Cd	FTE Actual	FTE WP	FTE Y1	FTE Y2 MI	2023-2024		2024-2025		
														Salary	Benefits	Salary	Benefits	
E239 EFFICIENCY & INNOVATION																		
010 100% FEES																		
4	ENVIRONMENTAL SERVICES MANAGER	000179	10565	40-7	0	10	10-23	6-25	1	0.00	0.00	1.00	1.00	Y SUM	62,607	22,073	87,191	29,632
4	ENVIRONMENTAL SCIENTIST 4	000180	10545	38-7	0	10	10-23	6-25	1	0.00	0.00	1.00	1.00	Y SUM	57,183	20,837	79,610	27,955
4	ENVIRONMENTAL SCIENTIST 3	000181	10525	36-7	0	10	10-23	6-25	1	0.00	0.00	1.00	1.00	Y SUM	52,355	19,706	72,800	26,478
4	ENVIRONMENTAL SCIENTIST 3	000182	10525	36-7	0	10	10-23	6-25	1	0.00	0.00	1.00	1.00	Y SUM	52,355	19,706	72,800	26,478
4	ENVIRONMENTAL SCIENTIST 3	000183	10525	36-7	0	10	10-23	6-25	1	0.00	0.00	1.00	1.00	Y SUM	52,355	19,706	72,800	26,478
4	ENVIRONMENTAL SCIENTIST 3	000184	10525	36-7	0	10	10-23	6-25	1	0.00	0.00	1.00	1.00	Y SUM	52,355	19,706	72,800	26,478
4	ENVIRONMENTAL SCIENTIST 3	000185	10525	36-7	0	10	10-23	6-25	1	0.00	0.00	1.00	1.00	Y SUM	52,355	19,706	72,800	26,478
4	ENVIRONMENTAL SCIENTIST 3	000186	10525	36-7	0	10	10-23	6-25	1	0.00	0.00	1.00	1.00	Y SUM	52,355	19,706	72,800	26,478
4	ENVIRONMENTAL SCIENTIST 3	000187	10525	36-7	0	10	10-23	6-25	1	0.00	0.00	1.00	1.00	Y SUM	52,355	19,706	72,800	26,478
4	ENVIRONMENTAL SCIENTIST 3	000188	10525	36-7	0	10	10-23	6-25	1	0.00	0.00	1.00	1.00	Y SUM	52,355	19,706	72,800	26,478
4	ENVIRONMENTAL SCIENTIST 3	000189	10525	36-7	0	10	10-23	6-25	1	0.00	0.00	1.00	1.00	Y SUM	52,355	19,706	72,800	26,478
TOTAL FOR LINE ITEM POSITION GROUP 010										0.00	0.00	11.00	11.00		590,985	220,264	822,001	295,889
TOTAL FOR DECISION UNIT E239										0.00	0.00	11.00	11.00		590,985	220,264	822,001	295,889
TOTAL FOR BUDGET ACCOUNT 3216										0.00	0.00	11.00	11.00		590,985	220,264	822,001	295,889

State of Nevada
BAV Schedule: Vendor Services

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Exhibit 3

Budget Period: 2023-2025 Biennium (FY24-25)

Budget Account: 3216 HHS-DPBH - HEALTH CARE FACILITIES REG

Version: LFN 24-25 FISCAL NOTES

Schedule: VENDOR SERVICES

Decision Unit: E239 EFFICIENCY & INNOVATION

DU	Catg	GL	Vendor Name	Actual	Work Prog.	Year1	Year2
E239	04	7060	ELITE LABS	0.00	0.00	144,000.00	144,000.00
E239	04	7061	LEGIONELLA REMEDIATIONS COMPANY	0.00	0.00	18,000,000.00	18,000,000.00
E239	04	7980	XEROX CORPORATION	0.00	0.00	950.00	1,267.00

Exhibit 4

Section A1: Line Item Detail by GL

Budget Account: 3162 HHS-DPBH - NO NV ADULT MENTAL HEALTH SVCS

Item No	Description	Actual 2021-2022	Work Program 2022-2023	W03 Year 1 2023-2024	W03 Year 2 2024-2025
E250	INFRASTRUCTURE, ENERGY & ENVIRONMENT				
EXPENDITURE					
07	MAINT OF BUILDINGS & GROUNDS				
7061	CONTRACTS - A	0	0	5,940	6,075
	TOTAL FOR CATEGORY 07	0	0	5,940	6,075
	TOTAL EXPENDITURES FOR DECISION UNIT E250	0	0	5,940	6,075
	TOTAL REVENUES FOR BUDGET ACCOUNT 3162	0	0	0	0
	TOTAL EXPENDITURES FOR BUDGET ACCOUNT 3162	0	0	5,940	6,075

State of Nevada
BAV Schedule: Vendor Services

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Budget Period: 2023-2025 Biennium (FY24-25)

Budget Account: 3162 HHS-DPBH - NO NV ADULT MENTAL HEALTH SVCS

Version: W03 WORKING VERSION 03

Schedule: VENDOR SERVICES

DU	Catg	GL	Vendor Name	Actual	Work Prog.	Year1	Year2
E250	07	7061	TBD	0.00	0.00	5,940.00	6,075.00

Section A1: Line Item Detail by GL

Budget Account: 3645 HHS-DPBH- LAKES CROSSING CENTER

Item No	Description	Actual 2021-2022	Work Program 2022-2023	W04 Year 1 2023-2024	W04 Year 2 2024-2025
E250	INFRASTRUCTURE, ENERGY & ENVIRONMENT				
EXPENDITURE					
07	MAINT OF BUILDINGS & GROUNDS				
7061	CONTRACTS - A	0	0	5,940	6,075
	TOTAL FOR CATEGORY 07	0	0	5,940	6,075
	TOTAL EXPENDITURES FOR DECISION UNIT E250	0	0	5,940	6,075
TOTAL REVENUES FOR BUDGET ACCOUNT 3645					
		0	0	0	0
TOTAL EXPENDITURES FOR BUDGET ACCOUNT 3645					
		0	0	5,940	6,075

State of Nevada
BAV Schedule: Vendor Services

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Budget Period: 2023-2025 Biennium (FY24-25)
Budget Account: 3645 HHS-DPBH- LAKES CROSSING CENTER
Version: W04 WORKING VERSION 4
Schedule: VENDOR SERVICES

DU	Catg	GL	Vendor Name	Actual	Work Prog.	Year1	Year2
E250	07	7061	TBD	0.00	0.00	5,940.00	6,075.00

Facility Costs for Water Treatment Systems (BDR 40-125)

Exhibit 6

Facility	SFY23	SFY24	SFY25	SFY26	SFY27
BA 3162 - NNAMHS	-	5,940	6,075	6,137	6,200
BA 3645 - LCC	-	5,940	6,075	6,137	6,200
Total	-	11,881	12,150	12,274	12,399

Facility Calculations (BDR 40-125)

	SFY24	SFY25	SFY26	SFY27
SNAMHS Contract costs for water testing and treatment	\$ 41,583	\$ 42,526	\$ 42,526	\$ 42,526
Note: Amounts are based on actual contract with Broadbent Associates				
Number of SNAMHS buildings covered under the contract	7	7	7	7
Cost per building/units	\$ 5,940	\$ 6,075	\$ 6,137	\$ 6,200
BA 3162				
NNAMHS (Dini-Townsend Hospital)	\$ 5,940	\$ 6,075	\$ 6,137	\$ 6,200
BA 3645				
Lake's Crossing Center	\$ 5,940	\$ 6,075	\$ 6,137	\$ 6,200