

SENATE BILL NO. 207—SENATORS TAYLOR,
DOÑATE, NEAL; AND DALY

FEBRUARY 18, 2025

Referred to Committee on Health and Human Services

SUMMARY—Requires the establishment of a program of all-inclusive care for the elderly. (BDR 38-763)

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

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

AN ACT relating to health care; transferring the authority to establish and administer a program of all-inclusive care for the elderly from the Aging and Disability Services Division of the Department of Health and Human Services to the Department; requiring the Department to establish such a program; requiring the Community Advocate to provide certain services relating to the program; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing federal law authorizes a state to establish a program, commonly known as a program of all-inclusive care for the elderly or PACE program, to provide services to certain recipients of Medicare and Medicaid who are 55 years of age or older. (42 U.S.C. §§ 1395eee and 1396u-4) Existing state law authorizes the Aging and Disability Services Division of the Department of Health and Human Services to establish and administer a PACE program. (NRS 427A.255, 427A.260)

Sections 2 and 8 of this bill eliminate the authority of the Division to establish a PACE program, and **sections 2-4** of this bill remove references, in existing law to such a PACE program. Instead, **section 1** of this bill requires the Department through any of its Divisions to establish and administer a PACE program that utilizes federally-qualified health centers to provide services to persons enrolled in the PACE program. **Section 6** of this bill makes a conforming change to require the Director of the Department to administer the provisions of **section 1** in the same manner as the provisions of existing law governing Medicaid and certain other programs administered by the Department.

Existing law: (1) creates the Office of the Community Advocate within the Division; and (2) requires the Community Advocate to assist in coordinating resources and services available to aging persons within their respective



19 communities, including any PACE program established by the Division. (NRS
20 427A.300, 427A.310) **Section 4** replaces the reference to the PACE program
21 established by the Division with a reference to the PACE program established by
22 the Department pursuant to **section 1**, thereby requiring the Community Advocate
23 to provide assistance related to that PACE program. **Sections 5 and 7** of this bill
24 make conforming changes so that the PACE program created by **section 1** is treated
25 similarly to any PACE program that would have been created under the authority
26 eliminated by **section 8** for purposes relating to: (1) the division of the community
27 income, assets and obligations of a married couple into separate income for the
28 purpose of qualifying for such a program; and (2) activities of a home care
29 program, which is a program, including a PACE program, established by a state
30 agency or a local government which provides in the home personal care services,
31 personal assistance or temporary respite services to elderly persons or persons with
32 disabilities.

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

1 **Section 1.** Chapter 422 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 *1. The Department shall establish and administer a program*
4 *of all-inclusive care for the elderly, commonly known as a PACE*
5 *program. The program may be carried out solely by the*
6 *Department or any division thereof or in cooperation with another*
7 *state agency, the Federal Government or any local government.*

8 *2. A program established pursuant to subsection 1 must:*

9 *(a) Comply with the provisions of 42 U.S.C. §§ 1395eee and*
10 *1396u-4, 42 C.F.R. Part 460 and any other federal regulations*
11 *governing programs of all-inclusive care for the elderly; and*

12 *(b) Utilize federally-qualified health centers to provide services*
13 *to persons enrolled in the program and may utilize additional*
14 *facilities and providers of health care as appropriate.*

15 *3. The Department may use personnel of the Department or it*
16 *may contract with any appropriate public or private agency,*
17 *organization or institution to provide the services necessary to*
18 *administer the program described in this section, including,*
19 *without limitation, a federally-qualified health center.*

20 *4. A contract entered into with a public or private agency,*
21 *organization or institution pursuant to subsection 3 must:*

22 *(a) Include a description of the type of service to be provided;*

23 *(b) Specify the capitation rate to be paid for all-inclusive care*
24 *for the elderly and the method of payment; and*

25 *(c) Specify the criteria to be used to evaluate the provisions of*
26 *the service.*

27 *5. The Department shall:*

28 *(a) Apply to the Secretary of Health and Human Services for*
29 *any waiver of federal law or apply for any amendment of the State*



1 *Plan for Medicaid that is necessary for the Department to*
2 *establish the program required by this section.*

3 *(b) Fully cooperate in good faith with the Federal Government*
4 *during the application process to satisfy the requirements of the*
5 *Federal Government for obtaining a waiver or amendment*
6 *pursuant to paragraph (a).*

7 *(c) Adopt regulations necessary to carry out the provisions of*
8 *this section.*

9 *6. The Department may apply for, accept and expend any*
10 *federal or private grant of money or any other type of assistance*
11 *that becomes available to carry out the provisions of this section.*
12 *Any money received pursuant to this subsection must be*
13 *accounted for separately in the State General Fund.*

14 *7. As used in this section, "federally-qualified health center"*
15 *has the meaning ascribed to it in 42 U.S.C. § 1396d(l)(2)(B).*

16 **Sec. 2.** NRS 427A.260 is hereby amended to read as follows:

17 427A.260 1. The Division may use personnel of the Division
18 or it may contract with any appropriate public or private agency,
19 organization or institution ~~{to provide a program of all inclusive~~
20 ~~care for the elderly and}~~ to provide the community-based services
21 necessary to enable a frail elderly person to remain in his or her
22 home.

23 2. Any such contract must:

24 (a) Include a description of the type of service to be provided;

25 (b) ~~{For:~~

26 ~~— (1) A program of all inclusive care for the elderly, specify~~
27 ~~the capitation rate to be paid for all inclusive care for the elderly and~~
28 ~~the method of payment; and~~

29 ~~— (2) Any other community-based services, specify} *Specify*~~
30 the price to be paid for each service and the method of payment; and

31 (c) Specify the criteria to be used to evaluate the provision of the
32 service.

33 **Sec. 3.** NRS 427A.280 is hereby amended to read as follows:

34 427A.280 ~~{In addition to the program established pursuant to~~
35 ~~NRS 427A.255, the} *The* Division may initiate projects to test and
36 demonstrate various ways of providing the community-based
37 services and all-inclusive care necessary to enable a frail elderly
38 person to remain in his or her home.~~

39 **Sec. 4.** NRS 427A.310 is hereby amended to read as follows:

40 427A.310 1. The Community Advocate shall provide
41 assistance to persons who are 60 years of age or older and do not
42 reside in facilities for long-term care. The assistance must include at
43 least the:

44 (a) Coordination of resources and services available to aging
45 persons within their respective communities, including the services



1 provided through a program established pursuant to NRS 427A.250
2 or ~~[427A.255;]~~ *section 1 of this act;*

3 (b) Dissemination of information to aging persons on issues of
4 national and local interest, including information regarding the
5 services of the Community Advocate and the existence of groups of
6 aging persons with similar interests and concerns; and

7 (c) Advocation of issues relating to aging persons.

8 2. The Administrator may direct the Community Advocate to
9 provide assistance to a person who:

10 (a) Is less than 60 years of age; and

11 (b) Does not reside in a facility for long-term care.

12 **Sec. 5.** NRS 123.259 is hereby amended to read as follows:

13 123.259 1. Except as otherwise provided in subsection 2, a
14 court of competent jurisdiction may, upon a proper petition filed by
15 a spouse or the guardian of a spouse, enter a decree dividing the
16 income and resources of a married couple pursuant to this section if
17 one spouse is an institutionalized spouse and the other spouse is a
18 community spouse.

19 2. The court shall not enter such a decree if the division is
20 contrary to a premarital agreement between the spouses which is
21 enforceable pursuant to chapter 123A of NRS.

22 3. Unless modified pursuant to subsection 4 or 5, the court may
23 divide the income and resources:

24 (a) Equally between the spouses; or

25 (b) By protecting income for the community spouse through
26 application of the maximum federal minimum monthly maintenance
27 needs allowance set forth in 42 U.S.C. § 1396r-5(d)(3)(C) and by
28 permitting a transfer of resources to the community spouse an
29 amount which does not exceed the amount set forth in 42 U.S.C. §
30 1396r-5(f)(2)(A)(ii).

31 4. If either spouse establishes that the community spouse needs
32 income greater than that otherwise provided under paragraph (b) of
33 subsection 3, upon finding exceptional circumstances resulting in
34 significant financial duress and setting forth in writing the reasons
35 for that finding, the court may enter an order for support against the
36 institutionalized spouse for the support of the community spouse in
37 an amount adequate to provide such additional income as is
38 necessary.

39 5. If either spouse establishes that a transfer of resources to the
40 community spouse pursuant to paragraph (b) of subsection 3, in
41 relation to the amount of income generated by such a transfer, is
42 inadequate to raise the income of the community spouse to the
43 amount allowed under paragraph (b) of subsection 3 or an order for
44 support issued pursuant to subsection 4, the court may substitute an



1 amount of resources adequate to provide income to fund the amount
2 so allowed or to fund the order for support.

3 6. A copy of a petition for relief under subsection 4 or 5 and
4 any court order issued pursuant to such a petition must be served on
5 the Administrator of the Division of Welfare and Supportive
6 Services of the Department of Health and Human Services when
7 any application for medical assistance is made by or on behalf of an
8 institutionalized spouse. The Administrator may intervene no later
9 than 45 days after receipt by the Division of Welfare and Supportive
10 Services of the Department of Health and Human Services of an
11 application for medical assistance and a copy of the petition and any
12 order entered pursuant to subsection 4 or 5, and may move to
13 modify the order.

14 7. A person may enter into a written agreement with his or her
15 spouse dividing their community income, assets and obligations into
16 equal shares of separate income, assets and obligations of the
17 spouses. Such an agreement is effective only if one spouse is an
18 institutionalized spouse and the other spouse is a community spouse
19 or a division of the income or resources would allow one spouse to
20 qualify for services under NRS 427A.250 to 427A.280, inclusive ~~§~~
21 *, or section 1 of this act.*

22 8. An agreement entered into or decree entered pursuant to this
23 section may not be binding on the Division of Welfare and
24 Supportive Services of the Department of Health and Human
25 Services in making determinations under the State Plan for
26 Medicaid.

27 9. As used in this section, "community spouse" and
28 "institutionalized spouse" have the meanings respectively ascribed
29 to them in 42 U.S.C. § 1396r-5(h).

30 **Sec. 6.** NRS 232.320 is hereby amended to read as follows:

31 232.320 1. The Director:

32 (a) Shall appoint, with the consent of the Governor,
33 administrators of the divisions of the Department, who are
34 respectively designated as follows:

35 (1) The Administrator of the Aging and Disability Services
36 Division;

37 (2) The Administrator of the Division of Welfare and
38 Supportive Services;

39 (3) The Administrator of the Division of Child and Family
40 Services;

41 (4) The Administrator of the Division of Health Care
42 Financing and Policy; and

43 (5) The Administrator of the Division of Public and
44 Behavioral Health.



1 (b) Shall administer, through the divisions of the Department,
2 the provisions of chapters 63, 424, 425, 427A, 432A to 442,
3 inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS
4 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, *and*
5 *section 1 of this act*, 422.580, 432.010 to 432.133, inclusive,
6 432B.6201 to 432B.626, inclusive, 444.002 to 444.430, inclusive,
7 and 445A.010 to 445A.055, inclusive, and all other provisions of
8 law relating to the functions of the divisions of the Department, but
9 is not responsible for the clinical activities of the Division of Public
10 and Behavioral Health or the professional line activities of the other
11 divisions.

12 (c) Shall administer any state program for persons with
13 developmental disabilities established pursuant to the
14 Developmental Disabilities Assistance and Bill of Rights Act of
15 2000, 42 U.S.C. §§ 15001 et seq.

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

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

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

26 (3) Provide for communication and the coordination of those
27 services among nonprofit organizations, agencies of local
28 government, the State and the Federal Government;

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

31 (5) Set forth sufficient information to assist the Department
32 in providing those services and in the planning and budgeting for the
33 future provision of those services; and

34 (6) Contain any other information necessary for the
35 Department to communicate effectively with the Federal
36 Government concerning demographic trends, formulas for the
37 distribution of federal money and any need for the modification of
38 programs administered by the Department.

39 (e) May, by regulation, require nonprofit organizations and state
40 and local governmental agencies to provide information regarding
41 the programs of those organizations and agencies, excluding
42 detailed information relating to their budgets and payrolls, which the
43 Director deems necessary for the performance of the duties imposed
44 upon him or her pursuant to this section.

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



1 2. Notwithstanding any other provision of law, the Director, or
2 the Director's designee, is responsible for appointing and removing
3 subordinate officers and employees of the Department.

4 **Sec. 7.** NRS 608.560 is hereby amended to read as follows:

5 608.560 1. "Home care program" means a program
6 established by a state agency or a local government which provides
7 in the home personal care services, personal assistance or temporary
8 respite services to elderly persons or persons with disabilities.

9 2. The term includes, without limitation:

10 (a) Any program established under the State Plan for Medicaid
11 which provides, in the home, the services described in subsection 1.

12 (b) Any program established pursuant to NRS 427A.250 to
13 427A.280, inclusive ~~H~~, or *section 1 of this act*.

14 (c) The program established pursuant to NRS 422.396.

15 (d) The program established pursuant to NRS 427A.793.

16 **Sec. 8.** NRS 427A.255 is hereby repealed.

17 **Sec. 9.** 1. This section becomes effective upon passage and
18 approval.

19 2. Sections 1 to 8, inclusive, of this act become effective:

20 (a) Upon passage and approval for the purpose of adopting any
21 regulations and performing any other preparatory administrative
22 tasks that are necessary to carry out the provisions of this act; and

23 (b) On January 1, 2026, for all other purposes.

TEXT OF REPEALED SECTION

427A.255 Program of all-inclusive care for the elderly: Establishment and administration; requirements; regulations.

1. In addition to any program established pursuant to NRS 427A.250, the Division may establish and administer a program of all-inclusive care for the elderly, commonly known as a PACE program. The program may be carried out solely by the Division or in cooperation with another state agency, the Federal Government or any local government.

2. A program established pursuant to subsection 1:

(a) Must comply with the provisions of 42 U.S.C. § 1396u-4, 42 C.F.R. Part 460 and any other federal regulations governing programs of all-inclusive care for the elderly; and

(b) May be established in any county in this State.

3. The Division may adopt regulations necessary to establish and administer the program.



4. If the Division wishes to establish a program pursuant to subsection 1, the Director shall submit to the Secretary of Health and Human Services any amendment to the State Plan for Medicaid necessary to enable the Division to establish the program and to revise the program from time to time.

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