

HUMAN SERVICES

The Human Services function provides services directly to members of the public. Human Services includes the Department of Health and Human Services (DHHS), consisting of the Aging Services Division, the Division of Welfare and Supportive Services, the Division of Mental Health and Developmental Services, the Health Division, the Division of Child and Family Services, the Division of Health Care Financing and Policy; and the Department of Employment, Training and Rehabilitation, consisting of the Rehabilitation Division, the Employment Security Division, the Information Development and Processing Division and the Nevada Equal Rights Commission. Human Services also includes the Office of the Public Defender and the Indian Affairs Commission. In the 2005-07 biennium, General Fund appropriations approved by the Legislature for the Human Services function total \$1.64 billion, a 22.5 percent increase over the \$1.34 billion appropriated for the 2003-05 biennium (includes supplemental appropriations approved by the 2005 Legislature).

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DIRECTOR'S OFFICE

The Director's Office is responsible for coordinating all departmental programs, the oversight of the department's budgets, and for providing technical assistance to the various divisions. Currently, seven budget accounts are directly administered by the office, including: DHR Administration; Developmental Disabilities; Community Based Services; Healthy Nevada Fund Administration; the Blue Cross/Blue Shield Settlement budget; the Grants Management Unit that was approved by the 2003 Legislature; and the Children's Trust Account.

For the 2005-07 biennium, The Executive Budget recommended that the Director's budget be funded primarily with General Fund support. The 2005 Legislature reduced total recommended appropriations by \$64,624 and approved a total of \$2.4 million for the 2005-07 biennium, which is a 36.7 percent increase over the legislatively-approved amount for the 2003-05 biennium. The budget for the 2005-07 biennium does not include any MAXIMUS revenue, which was realized in past biennia through an independent contract to assist the department in identifying and maximizing federal revenue. Although the 2003 Legislature approved MAXIMUS revenue authority of \$3.4 million for the 2003-05 biennium, actual receipts totaled only \$350,322.

The Executive Budget recommended and the Legislature approved a new Public Information Officer position for the department to address high profile issues of interest to the public and the media. The new position will be funded entirely through a General Fund appropriation. The position was approved to ensure that requests from the public and the press are handled in a complete and timely manner and to ensure that program positions can focus on their assigned duties rather than responding to such requests.

The 2005 Legislature also approved the Governor's recommendation to provide General Fund support for the establishment of a statewide suicide prevention program. The budget includes funding for two new positions, including a Statewide Suicide Prevention Coordinator and a Suicide Prevention Trainer/Networking Facilitator. The program was established in the Director's office by the 2003 Legislature pursuant to S.B. 49, and MAXIMUS funds totaling \$142,910 in FY 2003-04 and \$172,160 in FY 2004-05 were approved to fund the office and its two positions. Because the MAXIMUS funds did not materialize during the 2003-05 biennium, the program did not become operational. Although the 2005 Legislature approved General Fund appropriations for the program totaling \$334,119 over the 2005-07 biennium, the Legislature did not approve \$18,600 recommended by the Governor in each year of the biennium to provide contract clerical support for the program. Instead, the department was directed to absorb the additional workload with its current staff.

DEVELOPMENTAL DISABILITIES

The Developmental Disabilities account provides conditional demonstration grants to the community, conducts analyses of various services and provider systems, and works to identify and fill gaps in service delivery through a matching grant from the federal Administration on Developmental Disabilities. General Funds provided to this program are used to manage housing development and home ownership opportunities for low-income people with disabilities. The Executive Budget recommended and the 2005 Legislature approved additional General Fund support of approximately \$45,000 each fiscal year as match for the annual federal developmental disabilities grant, which is anticipated to increase during the 2005-07 biennium. The federal developmental disabilities grant requires a 25 percent cash or in-kind match. The 2005 Legislature also approved the Governor's recommendation to transfer a Rehabilitation Program Specialist II position from the Community Based Services account to the Developmental Disabilities account.

COMMUNITY BASED SERVICES

The Office of Community Based Services (OCBS) provides community-based resources to people with severe disabilities who are ineligible for services through public entitlement programs or for whom services do not exist. During the 2003-05 Interim, the Legislative Committee on Persons with Disabilities made a number of recommendations concerning services provided to disabled persons, including support for OCBS to deal with increasing waiting lists for services. Based on the Legislative Committee's recommendations, The Executive Budget included an increase in General Fund support of approximately \$1.9 million in FY 2005-06 and approximately \$2.2 million in FY 2006-07 to address the waiting lists for Personal Assistance, Traumatic Brain Injury and Independent Living services.

As recommended by the Governor, the 2005 Legislature approved \$1.1 million in FY 2005-06 and \$1.5 million in FY 2006-07 to serve 44 eligible new Personal Assistance Services clients at the beginning of FY 2005-06 and 59 new eligible clients at the beginning of FY 2006-07, with an additional 15 clients becoming eligible during each of the two years. Based on revised estimates of the number of people requiring Traumatic Brain Injury and Independent Living Services, and a revised estimate of the costs to provide services to Traumatic Brain Injury clients, the 2005 Legislature reduced the appropriation included in The Executive Budget by \$458,507 over the 2005-07 biennium. The Legislature approved \$277,844 in each year of the biennium to provide Traumatic Brain Injury services for 67 additional persons and approved \$242,422 in each year of the biennium to reduce the waiting list for Independent Living Services to not more than 90 days.

Although The Executive Budget recommended General Fund appropriations of \$198,375 each year of the 2005-07 biennium to increase the hourly rate for personal assistance services from \$17 to \$18.50 as recommended by the Legislative Committee on Persons with Disabilities, the Governor's original budget did not include funding to increase the rate through the Medicaid or Aging Services Division budgets. Through a budget amendment, the Executive Branch requested approximately \$3.2 million in additional General Fund appropriations over the biennium to increase the rate for personal assistance services to \$18.50 per hour for those budgets as well. To reduce the additional General Fund appropriation needed to fund the budget amendment, the 2005 Legislature voted to phase-in the increase over the biennium by providing an increase of \$0.75 per hour in FY 2005-06 and an additional \$0.75 per hour in FY 2006-07. Phasing in the rate increase reduced the General Fund support in FY 2006-07 by \$99,187 in the Community Based Services account and by approximately \$980,000 in the Medicaid and Senior Services program accounts.

HEALTHY NEVADA FUND

Funding for the Healthy Nevada Fund is provided through a transfer from the Treasurer's Office of Tobacco Settlement Agreement funds received by the state of Nevada. Pursuant to NRS 439.620 and 439.630, the Healthy Nevada Fund receives 50 percent of the Tobacco Settlement Agreement funds received by the state. Of this amount, 20 percent is allocated for grants to reduce tobacco use, 10 percent is allocated for grants to improve the health of children, 7.5 percent is allocated for programs that improve the health and well-being of persons with disabilities, 2.5 percent is allocated for a program to extend coverage for prescription drugs and other related services to certain persons with disabilities, and 30 percent is allocated to support the senior prescription drug program (Senior Rx). The programs are administered by the Director's Office with direction from the Task Force for the Fund for a Healthy Nevada. The remaining 30 percent is allocated to the Division of Aging Services for programs that assist senior citizens with independent living.

Although The Executive Budget recommended the addition of \$4.3 million of General Fund support over the 2005-07 biennium to supplement Tobacco Settlement Agreement funding for the Senior Rx program, the 2005 Legislature reduced the General Fund support for the program to \$1.6 million over the biennium. This decrease was based on significant reductions in expenditures resulting from the transition of the program from a fully insured program to a self-insured program during FY 2004-05. Although the General Fund support for the program is reduced, the total funding for the program is sufficient to serve an average of 9,560 individuals during FY 2005-06 and 10,067 individuals during FY 2006-07. The 2005 Legislature approved the Governor's recommendation for a new Management Analyst position for the Senior Rx program. The new position will assist the department with its increased workload resulting from the change from a fully insured program to a self-insured program and will be financed through General Fund appropriations.

Due to the prescription drug benefit covered by Medicare Part D beginning January 1, 2006, the Senior Rx program will be reconfigured during the 2005-07 biennium to provide wraparound coverage for Medicare Part D beneficiaries. Through the enactment of A.B. 524, the 2005 Legislature required the department to coordinate the Senior Rx program with the Medicare Part D benefit so that each Medicare beneficiary eligible for or enrolled in such a state program maintains his present coverage for prescription drugs. The bill also requires the department to submit its plan for coordinating Senior Rx and Medicare Part D benefits to the IFC prior to its implementation.

The 2005 Legislature approved the Governor's recommendation to expend Tobacco Settlement Agreement funds totaling \$468,156 in FY 2005-06 and \$465,227 in FY 2006-07 to provide disabled persons with a prescription drug benefit. The Disability Rx program was created by the 2003 Legislature using 2.5 percent of the Tobacco Settlement Agreement funds allocated to the Healthy Nevada Fund, but the Title XIX waiver required for the program was not obtained from the federal government. Assembly Bill 495, which was enacted by the 2005 Legislature, eliminated the requirement for the waiver and allows the program to commence during FY 2005-06. The program will be initiated to provide wraparound prescription drug benefits not covered under Medicare Part D.

BLUE CROSS/BLUE SHIELD

In November 2001, the Attorney General's Office and Rocky Mountain Hospital and Medical Services, Inc. (RMHMS) agreed to a settlement of all claims regarding the merger of RMHMS with Nevada Blue Cross/Blue Shield and Colorado Blue Cross/Blue Shield and the subsequent conversion of RMHMS to a for-profit corporation. As part of the settlement, RMHMS agreed to pay the state \$3 million through a one-time payment of \$2.25 million and five annual payments of \$150,000. The 2005 Legislature approved

the Governor's recommendation to transfer the annual settlement payment of \$150,000 to the Check-Up budget, which reduced the General Fund appropriations approved for that budget by a like amount for each year of the 2005-07 biennium. Under the terms of the settlement agreement, no further settlement payments will be received after the 2005-07 biennium.

GRANTS MANAGEMENT UNIT

The Grants Management Unit was approved by the 2003 Legislature to consolidate six existing grant programs into one account. The six grant programs include: Title XX Purchase of Social Services, Family-to-Family Connection, Family Resource Centers, Community Services Block Grant, Children's Trust Account and Healthy Nevada Grants.

TITLE XX PURCHASE OF SOCIAL SERVICES

This program, established in 1974 under Title XX of the Social Security Act, provides states with funds for a wide variety of social service programs. The funds are sub-granted to state and non-state agencies for social programs. The 2005 Legislature approved the Governor's recommended federal allocation of Social Services Block Grant funds to Nevada of \$13.0 million in each year of the 2005-07 biennium, which is an increase of \$400,000 from the \$12.6 million approved for FY 2004-05. The Legislature also approved the transfer in of \$654,534 in Temporary Assistance to Needy Families (TANF) Block Grant funding for each year of the biennium for Title XX programs as recommended in The Executive Budget.

The 2005 Legislature determined that \$943,976 of the budgeted Title XX funds for the 2005-07 biennium were not allocated for expenditure in The Executive Budget. In addition, the department notified the Legislature that an additional \$1.4 million in Title XX funds would be balanced-forward from the 2003-05 biennium to the 2005-07 biennium. The Legislature approved using one-half of the \$2.3 million in unallocated Title XX funds to increase funding for grants to non-state community-based organizations over the next four years. The remaining half will be used to offset General Fund support in the Aging Services Division EPS/Homemaker account, the Division of Child and Family Services Washoe County Child Welfare Integration account and the Mental Health and Developmental Services Southern Nevada Adult Mental Health Services account during the 2005-07 biennium.

FAMILY-TO-FAMILY CONNECTION PROGRAM AND FAMILY RESOURCE CENTERS

The Family Resource Centers program was established during the 1995-97 biennium through the passage of S.B. 405 by the 1995 Legislature. The program's intent is to develop neighborhood centers, which provide a wide array of services or referrals to services for at-risk families that will promote individual and family well-being. The Family-to-Family program was initially recommended in The Executive Budget for the 1997-99 biennium and was approved by the 1997 Legislature to provide assistance to

families with newborns with positive parenting, optimal child development, healthy family structures and community support. The programs are funded primarily with General Fund revenue. The 2005 Legislature approved expenditures for the programs totaling approximately \$2.6 million in each year of the 2005-07 biennium, which is a slight reduction from the amount approved for FY 2004-05. With administrative expenditures, the funding approved by the Legislature totals approximately \$2.9 million in each year of the 2005-07 biennium.

HEALTHY NEVADA GRANTS

The Tobacco Settlement Agreement funding for grants to improve the health of children and disabled persons and grants to prevent or reduce the use of tobacco products is transferred from the Healthy Nevada Fund account to the Grants Management Unit account for allocation by the Task Force for the Fund for a Healthy Nevada. Due to the reduced availability of Tobacco Settlement Agreement funding, the budget recommended by the Governor reduced the funding available for grants to improve the health of children and disabled persons and grants to prevent or reduce the use of tobacco products from approximately \$9.6 million that was expended in FY 2003-04 to approximately \$7.3 million in each year of the 2005-07 biennium. Based on actual Tobacco Settlement Agreement collections during FY 2004-05 and unused funding remaining from previous fiscal years, the 2005 Legislature was able to increase the funding available for those grant programs by \$717,393 in FY 2005-06 and by \$94,389 in FY 2006-07.

PROBLEM GAMBLING PROGRAM

The 2005 Legislature approved the Governor's recommendation for a General Fund appropriation of \$100,000 and to authorize \$100,000 in gifts and donations revenue in each year of the biennium for the establishment of a statewide problem gambling program. The Legislature also approved S.B. 357, which creates the Revolving Account to Support Programs for the Prevention and Treatment of Problem Gambling in the state General Fund. Not more than one percent of the money in the account may be used by the department to administer the account. The remaining money in the account must be expended only to award grants of money or contracts for services to provide programs for the prevention and treatment of problem gambling.

The original funding for the account will be provided in FY 2005-06 through a transfer of an amount equal to \$1 for each slot machine that is subject to the quarterly slot license fee for restricted and nonrestricted gaming licensees and in FY 2006-07 through a transfer of an amount equal to \$2 for each slot machine that is subject to those quarterly slot license fees. The bill creates within the department an Advisory Committee on Problem Gambling, which is required to review requests for grants to provide programs for the prevention and treatment of problem gambling, to make recommendations to the director of the department regarding which applicants should receive a grant and to monitor the grants awarded by the department.

CHILDREN'S TRUST ACCOUNT

The Children's Trust Account funds organizations and agencies that provide child abuse and neglect prevention services. Revenues for the account are derived from a \$3 fee for Nevada birth and death certificates and from a federal Child Abuse Prevention and Treatment Act grant. Funds are awarded and administered by the Committee for the Protection of Children. The trust account was combined with the Grants Management Unit when it was created by the 2003 Legislature. The 2005 Legislature approved the Governor's recommendation to re-establish the account to facilitate the payment of interest on revenue in the fund as required pursuant to NRS 432.131.

DIVISION OF HEALTH CARE, FINANCING AND POLICY

The Division of Health Care Financing and Policy is responsible for administering the Medicaid and Nevada Check-Up programs, the Disproportionate Share and Intergovernmental Transfer (IGT) programs, the long-term care provider tax program, federal maximization efforts and the state's health care cost containment and data collection activities. The division's mission is to purchase and ensure the provision of quality health care services to low-income Nevadans in the most efficient manner; to promote access to health care at an affordable cost; to restrain the growth of health care costs; to review Medicaid and other state health care programs to determine potential revenue maximization; and to evaluate alternative methods of providing Medicaid services.

The 2005 Legislature approved approximately \$2.81 billion in total funding for the division over the 2005-07 biennium, an increase of approximately \$44 million when compared to the total funding recommended by the Governor. The funding includes General Fund support in the amount of approximately \$843.6 million over the 2005-07 biennium, an increase of approximately \$6.7 million when compared to the General Fund support recommended by the Governor. When compared to the 2003-05 biennium, the 2005 Legislature approved an increase of approximately \$167.3 million in General Funds to operate the division, which represents an increase of approximately 24.7 percent (includes \$23.5 million in supplemental appropriations approved for the division by the 2005 Legislature).

The increase in General Fund support approved by the 2005 Legislature for the upcoming biennium compared to the amount recommended by the Governor is a result of projected shortfalls in the Medicaid budget. The shortfalls are discussed in the Medicaid portion of this report. The increase in General Fund support for the 2005-07 biennium compared to the 2003-05 biennium is primarily related to growth in the Medicaid program. The following summarizes the primary factors that have caused growth in the Medicaid budget and the new enhancements and services approved by the Legislature for the 2005-07 biennium:

1. Caseload increases approved for the Medicaid budget required increased General Fund support of approximately \$113.6 million over the 2005-07 biennium.
2. Mandatory and discretionary rate enhancements increased General Fund support by approximately \$64.9 million over the 2005-07 biennium.
3. Expansion of health care coverage for certain uninsured individuals and employed low-income persons who do not currently qualify for Medicaid or the Check-Up programs increased General Fund support by approximately \$4.4 million over the 2005-07 biennium.
4. Re-design of the current delivery system for behavioral health services increased General Fund support by approximately \$3.4 million over the 2005-07 biennium.
5. Additional new slots to address population growth and waiting lists for the Waiver for Independent Nevadans (WIN) program, the Community Home-based Initiatives Program (CHIP) and the Adult Group Care Waiver increased General Fund support by approximately \$6.7 million over the 2005-07 biennium.

MEDICAID

Medicaid is the state-administered program for medical assistance established in 1965 with passage of Title XIX of the Social Security Act. The Medicaid program purchases or provides medical services for persons who meet certain eligibility criteria. Medicaid covers three main groups of low-income people: parents and children, the elderly and the disabled. Under federal Medicaid law, there are certain eligible groups and benefits that must be covered by states. However, states are given discretion and flexibility to determine the various categories of benefits and the eligible groups their Medicaid program will cover. Nevada has adopted both optional eligibility groups and optional benefit packages to be covered under its Medicaid plan.

The 2005 Legislature approved total funding for the Medicaid program in the amount of approximately \$2.47 billion for the 2005-07 biennium, an increase of approximately \$49.5 million when compared to the total funding recommended by the Governor. The funding includes General Fund support in the amount of approximately \$813.5 million for the 2005-07 biennium, an increase of approximately \$10.8 million when compared to the General Fund support recommended by the Governor.

During the budget review process, the division presented information to the money committees that projected a General Fund shortfall in the Medicaid budget of approximately \$28.7 million over the 2005-07 biennium when compared to General Fund support recommended by the Governor. The projected shortfall was comprised of three primary components: the projected increase in Medicaid expenditures for the 2005-07 biennium based on more recent information on caseloads and cost per eligible assumptions estimated at approximately \$8.8 million; the reduction in the Federal

Medical Assistance Percentage or FMAP (from 54.97 percent to 54.26 percent) that increased the state's match requirement by approximately \$6.2 million in FY 2006-07; and the revised estimate for the "clawback provision" of the Medicare Prescription Drug, Improvement and Modernization Act (MMA) that reduced the projected General Fund savings compared to savings included in The Executive Budget by approximately \$13.7 million.

To offset a significant portion of the shortfall, the Legislature approved numerous modifications to the Medicaid budget that reduced the projected General Fund shortfall from \$28.7 million to approximately \$9.7 million. These modifications are discussed in detail within the body of this report, and, include inflation adjustments for HMO provider rate increases, increases in drug rebate collections, additional transfers from the Intergovernmental Transfer budget and the elimination of waiver slots. The table below displays the shortfall issues discussed during the budget review process and the adjustments approved by the 2005 Legislature to mitigate the projected shortfall.

Shortfall Issue	FY 2005-06 (in millions)	FY 2006-07 (in millions)	2005-07 Total (in millions)
New MPP Projections	\$ 6.1	\$ 2.7	\$ 8.8
FMAP Change*	\$ 0.0	\$ 6.2	\$ 6.2
Clawback Re-calculation	\$ 4.4	\$ 9.3	\$ 13.7
Total Shortfall	\$ 10.5	\$ 18.2	\$ 28.7
Adjustments			
HMO Inflation	\$ (5.6)	\$ (7.4)	\$ (13.0)
IGT Transfer		\$ (1.0)	\$ (1.0)
Drug Rebates	\$ (1.6)	\$ (1.9)	\$ (3.5)
Eliminate Waiver Slots	\$ (0.5)	\$ (1.0)	\$ (1.5)
Total Adjustments	\$ (7.7)	\$ (11.3)	\$ (19.0)
Net Shortfall	\$ 2.8	\$ 6.9	\$ 9.7

*Note: Reflects the re-estimated General Fund impact of the FMAP change for FY 2006-07.

Additionally, the division presented information during the budget review process that the Medicaid and Check-Up programs would need supplemental appropriations for FY 2004-05. The shortfall in the Medicaid budget consisted of three primary components: projected Medicaid expenditures for the remainder of the fiscal year that were higher than budgeted; disputed hospital trauma claims; and estimated claims catch-up due to the problems with the implementation of the MMIS system. The shortfall in the Check-Up budget was attributed to an increase in the cost per eligible, which was higher than the budgeted cost per eligible as approved by the 2003 Legislature. To offset the projected shortfalls, the 2005 Legislature through passage of S.B. 512 approved a supplemental appropriation in the amount of \$22,771,148 for the Medicaid program and \$773,871 for the Check-Up program.

MEDICAID CASELOADS

The 2005 Legislature approved approximately \$262.5 million (\$113.6 million in General Funds) over the 2005-07 biennium for increased costs associated with caseload growth. As is customary during the legislative session, Medicaid caseloads were re-projected in March 2005. The March projections indicated overall caseloads for the 2005-07 biennium were lower than those recommended in The Executive Budget; however, caseload costs were projected to increase. The General Fund portion of the projected increase in caseload costs was estimated at approximately \$6.1 million for FY 2005-06 and \$2.7 million for FY 2006-07, for a total of \$8.8 million over the 2005-07 biennium. The projected increase in caseload costs was primarily the result of increases in the cost per eligible (CPE) assumptions, a key factor for projecting Medicaid expenditures, for a majority of the caseload categories compared to the CPE assumptions used in The Executive Budget. The projected increases in Medicaid expenditures would have been significantly greater if not for caseload reductions primarily with the TANF population and, to a lesser degree, reductions in the aged, blind and disabled non-institutional caseload.

The money committees were concerned with the division's projections since many of the increases in the CPE assumptions could not be completely supported or explained when compared to historical CPE cost trends. Additionally, it was unclear but likely the claims processing problems experienced with the implementation of the Medicaid Management Information System had to some degree impacted the CPE assumptions, as did adjustments made during the interim with the reimbursement methodology for certain providers.

In light of these uncertainties and in consideration of the significant supplemental appropriation approved to cover Medicaid expenditures for FY 2004-05, the money committees did not modify the division's March caseload projections and CPE assumptions used to project caseload costs for the 2005-07 biennium. The table below compares the Medicaid caseloads that were legislatively approved for the 2005-07 biennium to the caseloads recommended in The Executive Budget.

Gov Rec vs Leg Apprvd	FY 2006 Gov Rec	FY 2006 Leg Apprvd	Diff +/-	% Change	FY 2007 Gov Rec	FY 2007 Leg Apprvd	Diff +/-	% Change
*Recipient Total	205,372	184,024	(21,348)	(10.4%)	222,737	193,339	(29,398)	(13.2%)

*Average monthly caseload.

The Executive Budget recommended 20 new positions (15 new positions in FY 2005-06 and 5 new positions in FY 2006-07) to address caseload growth. A majority of the new positions recommended are staff for the district offices. After taking into consideration the revised caseload projections which were significantly lower than those included in The Executive Budget and additional supporting justification provided by the division, the Legislature approved 15 and eliminated five of the 20 new positions recommended by the Governor. The 15 new positions approved are as follows:

- Four Health Care Coordinator positions to serve as case managers for the Waiver for Independent Nevadans (WIN) program;
- One Health Care Coordinator to address more onerous requirements imposed by the Centers for Medicare and Medicaid (CMS) for quality management of the division's various waiver programs;
- Three Health Care Coordinators to serve as case managers for the Katie Beckett program. The Katie Beckett program enables children with disabilities to utilize Medicaid services and remain at home, rather than placement in an institutional setting;
- Two Health Care Coordinators to serve as case managers for the Facility Outreach and Community Integration Services (FOCIS) program. The FOCIS program is intended to provide Medicaid clients with a choice to seek alternative placement in a community setting. The FOCIS program assists clients to either divert or discharge from institutional placement;
- Two Health Care Coordinators for the Care Coordination program. The Care Coordination program is primarily offered to Medicaid clients in the community, and is designed to assure the client utilizes available services with the intent of preventing institutionalization;
- One Health Care Coordinator to serve as a unit manager and maintain a supervisor to worker ratio of 1:8; and
- Two clerical positions.

RATE INCREASES

The 2005 Legislature approved approximately \$127.5 million (\$57.9 million General Funds) over the 2005-07 biennium for mandatory rate increases, a reduction in General Fund of approximately \$12.5 million when compared to the funding recommended in The Executive Budget. The mandatory rate increases are for hospice, pharmacy, federal qualified health centers, Indian Health Services, and tribal clinic providers pursuant to federal regulations. Rate increases were also approved for health maintenance organizations (HMOs) and emergency transportation providers since regular rate increases based on an actuarial determination for utilization and inflation must be provided in compliance with federal requirements.

The increases for pharmacy and HMO providers make up the largest portion of the total cost for rate increases that were legislatively approved. Pharmacy providers were approved to receive inflation rate increases of 11.6 percent for FY 2005-06 and 10.7 percent for FY 2006-07 and were based on projected inflation rates for prescription drugs published by CMS.

The Executive Budget recommended rate increases for HMO providers in the amount of 7.35 percent for FY 2005-06 and 7.75 percent for FY 2006-07. In reviewing how the rate increases recommended for HMO providers were calculated, the Legislature determined that the inflation increases for FY 2004-05, which serve as the basis for calculating the rate adjustments for FY 2005-06 and FY 2006-07, were factored in twice. Applying the inflation increases in this manner overstated the cost for the recommended

increase in rates for each FY of the 2005-07 biennium. Additionally, it was determined the inflation assumptions used in The Executive Budget to calculate the recommended rate increases for HMO providers included components such as demographics, which are not related to inflation or utilization, which when applied also overstated the cost for the recommended increases.

The Legislature approved adjustments that corrected the inflation calculation that was overstated and approved an inflation rate increase for HMO providers of 6.3 percent for each fiscal year of the 2005-07 biennium. The inflation rate increases that were approved were based on per capita expenditure data (which includes inflation and utilization factors) published by CMS for Medicaid and SCHIP programs. These two adjustments provided for the General Fund savings of approximately \$12.5 million over the 2005-07 biennium.

The 2005 Legislature approved discretionary rate increases of approximately \$15.2 million (\$6.9 million General Fund) over the 2005-07 biennium for providers of air ambulance, mental health rehabilitative services and personal care assistance services and established an all-inclusive per diem rate for home infusion therapy. Although not initially recommended in The Executive Budget, the Governor submitted a budget amendment to increase rates for personal care assistance services from \$17.00 per hour to \$18.50 per hour. The Legislature approved the Governor's request, however split the recommended rate increase incrementally over the 2005-07 biennium to reduce the impact on the budget. The additional cost was approximately \$2.4 million in General Fund over the 2005-07 biennium.

MEDICARE PRESCRIPTION DRUG, IMPROVEMENT AND MODERNIZATION ACT

With passage of the Medicare Prescription Drug, Improvement and Modernization Act (MMA), Congress established a prescription drug benefit for Medicare beneficiaries. Beginning January 1, 2006, prescription drug benefits will be available to Medicare beneficiaries under Part D. The implementation of MMA will affect states in a variety of ways, the most significant of which is that Medicaid will no longer be responsible for providing pharmacy coverage for Medicare beneficiaries also known as dual eligibles (Medicaid recipients who are also eligible for Medicare). However, MMA requires state Medicaid programs to refund a portion of their savings since states no longer have to provide pharmacy coverage back to Medicare in what is called the "clawback provision." The clawback provision is intended to help the federal government fund Part D coverage. The clawback provision requires states to refund their savings on a decreasing scale over a 10-year period, starting with 90 percent for calendar year 2006 and 88.3 percent for calendar year 2007 to 75 percent by year 2014. The clawback provision will remain at 75 percent in year 2015 and thereafter. Effective January 2006, there will no longer be federal match available for pharmacy coverage for dual eligibles, except for drugs not included in the Part D plan.

As originally submitted, The Executive Budget estimated a General Fund savings for the Medicaid program of approximately \$17.8 million over the 2005-07 biennium as a result of no longer having to provide pharmacy coverage for dual eligibles. However, during the budget review process, the division acknowledged the savings estimate was overstated and reduced the General Fund savings from \$17.8 million to approximately \$4.1 million, a reduction of \$13.7 million. In light of the significant budget impact, the Governor submitted a budget amendment requesting the Legislature's consideration to modify the Medicaid budget based on the revised clawback projections. The Legislature concurred with the division's more recent projections and the Governor's request and approved the necessary budget modifications to reduce the General Fund savings by \$13.7 million.

BEHAVIORAL HEALTH REDESIGN

The Legislature approved the Governor's recommendation for approximately \$8.1 million (\$3.4 million General Fund) over the 2005-07 biennium for the additional costs associated with modifying the current delivery system for behavioral health services. The intent of the re-design is to allow for earlier interventions for children, adults and families to avoid the escalation of undiagnosed and untreated mental illnesses. To increase access to meet unmet behavioral health needs, the redesign allows non-public providers to provide behavioral health services, establishes service levels based on the intensity of need and allows licensed clinical social workers and marriage and family therapists to provide behavioral health services under a specialty clinic model. The services that will be covered through the specialty clinic model include case management, group, individual and family therapy, psychiatric evaluations and medication management.

In addition to expanding access, the funding approved provides for two new services under the mental health rehabilitation option: peer support and family support. Peer and family support services are designed to provide client-centered treatment for individuals with mental health disorders, but also to expand preventive wrap-around services to decrease the need for inpatient and institutional care. Peer support services assist clients with accessing rehabilitative mental health or community support services for needed stabilization, preventive care or crisis intervention. The services include empathic personal encouragement, self-advocacy, self-direction training and peer mentoring. Family support services will be provided to the family if determined appropriate from the treatment planning process.

The division estimates there is an unserved population of clients equal to 20 percent of the current client caseload who are in need of behavioral health services but do not access services. The funding approved increases the utilization review of the services offered under the mental health rehab option. Utilization review for children needing services will continue to be performed by the Division of Child and Family Services (DCFS). Utilization review for adults needing services will be performed by a private contractor.

The funding approved provides for one new Health Care Coordinator position to allow the division to provide oversight to both the utilization review contractor for adults and DCFS. The new delivery system and services will begin January 2006.

MEDICAID WAIVERS

The 2005 Legislature approved approximately \$3.1 million (\$1.4 million General Fund) over the 2005-07 biennium to add a total of 80 new slots for the Waiver for Independent Nevadans (WIN) program. Additionally, the funding approved supports two new positions to provide case management services, which will address the projected waiting list for the WIN waiver and meet the requirements of S.B. 174. Senate Bill 174 was approved by the 2001 Legislature and requires state agencies that administer personal care assistance programs to immediately place and provide minimum essential personal assistance to individuals with severe disabilities. The new slots are in addition to 144 slots approved for the WIN waiver to address the projected population growth.

The funding approved by the 2005 Legislature for the new slots for the WIN waiver is approximately \$1.2 million (approximately \$515,000 General Fund) less than the amounts recommended by the Governor over the 2005-07 biennium. The reduction was based on information provided by the division during the budget review process, which indicated the projected waiting list for the upcoming biennium was overstated by 17 waiver slots.

The 2005 Legislature approved approximately \$5.3 million over the 2005-07 biennium in General Fund for new waiver slots primarily for the Community Home-Based Initiatives Program (CHIP) to address projected caseload and demographic increases and to reduce the waiting list. The amounts approved represent a General Fund reduction of approximately \$605,000 when compared to the amounts recommended by the Governor. The reduction was based on a revised caseload management plan developed by the Division for Aging Services.

The Governor recommended and the Legislature approved eliminating patient liability from the CHIP program. Currently, patient liability is assessed on recipients in the CHIP program earning over 200 percent of the Social Security Income (SSI) level. The CHIP program is the only Medicaid waiver that requires the assessment and collection of patient liability. The Legislature's approval to eliminate patient liability will establish eligibility consistency for all waiver programs.

OTHER ISSUES

The Legislature approved increasing the amount of drug rebates collected from pharmaceutical companies by \$1.6 million for FY 2005-06 and by \$1.9 million for FY 2006-07, for a total of \$3.5 million over the 2005-07 biennium. The projected increase in collections allowed for a reduction in General Fund costs by the same amount. The projected increase was based on new estimates for drug rebate collections provided by the division for FY 2004-05 that supported an increase for each fiscal year of the 2005-07 biennium.

HEALTH CARE FINANCING AND POLICY ADMINISTRATION

The Administration budget provides for the administrative staff and the support services for the Division of Health Care Financing and Policy, which includes administration, accounting, budgeting, personnel, rates, compliance, surveillance, utilization review, provider enrollment and information technology.

The Executive Budget recommended a total of 12 new positions to support the division's administrative infrastructure and to meet the federal requirements of the Payment Error Rate Measurement (PERM) program as stipulated with passage of the Improper Payments Information Act of 2002. The PERM program, which must be implemented by October 1, 2006, addresses erroneous payments and establishes more rigorous standards for the review and validation of medical and eligibility records for the Medicaid and State Children's Health Insurance Program (SCHIP) programs. The intent of PERM is to establish nationwide standards for acceptable error rates to which states will be held accountable.

The new positions recommended by the Governor include seven new positions to support the division's cost containment, information systems, budget, and, accounting units; four new positions to meet the requirements of the PERM program; and one new position to develop, prepare and manage the Health Insurance Flexibility and Accountability (HIFA) waiver, which will allow for the expansion of health care coverage using Medicaid and SCHIP funding (see HIFA Medical).

After reviewing the division's justification and prioritization for the new positions, the Legislature approved ten and eliminated two of the twelve new positions recommended in The Executive Budget. The two positions that were not approved include one management analyst for the accounting unit and a clerical position for the PERM program. The management analyst for the accounting unit was eliminated because a defined need for the position could not be demonstrated at this time. The clerical position for the PERM program was eliminated because a review of the projected workload assumptions to administer the PERM program supported three, but not four new positions.

The Legislature approved the recommendation to budget and account for federal Title XIX and Title XXI funds transferred to the Division of Welfare and Supportive Services in the administration budget versus the Medicaid budget for cost allocation purposes. This change will increase expenditures accounted for in the administration budget by approximately \$9 million each fiscal year of the 2005-07 biennium and will decrease, by a like amount, expenditures in the Medicaid budget.

HIFA MEDICAL

With passage of A.B. 493, the 2005 Legislature approved a significant expansion of health care coverage for low-income Nevadans. The expansion is based on recommendations developed during the interim by the Legislative Subcommittee to Study Health Insurance Expansion Options and was supported and funded by the Governor in The Executive Budget. The expansion requires the division to apply for a Health Insurance Flexibility and Accountability (HIFA) waiver from the Centers for Medicare and Medicaid (CMS). A HIFA waiver provides states flexibility to expand health care coverage while limiting financial risk. Under HIFA, states are allowed to cap enrollment, reduce benefits, increase cost-sharing for optional Medicaid beneficiaries and to redirect federal Title XIX and Title XXI funding to pay for services that benefit the population targeted for the expansion. The expansion will cover the following three low-income populations:

Pregnant women – Medicaid coverage will be extended to pregnant women with income levels from 133 percent of the federal poverty level (FPL) up to 185 percent of FPL. The services covered will include full Medicaid benefits for pregnancy-related costs and two months of postpartum care. The expansion, as funded, will cover approximately 2,000 pregnant women per month once the expansion is fully implemented and is capped at that level over the next five years.

Employees of Small Employers – the expansion provides a premium subsidy for health insurance coverage in an amount up to \$100 per person, per month, to employees and their spouses who work for small employers (2-50 employees) and who have household incomes less than 200 percent of FPL. The cost of coverage will be shared by the employee, the employer and the state. The employer will be responsible for at least 50 percent of the premium cost and a full benefit insurance package will be required to be eligible for the premium subsidy. Enrollment will be phased in over several years, beginning with 2,000 covered lives during the first year and increasing to 8,000 covered lives by the fourth year of the program. The Division of Welfare and Supportive Services will be responsible for determining financial eligibility and funding was approved to retain a contract vendor to evaluate and determine if the insurance package for the employee meets minimum coverage criteria, to distribute the monthly premium reimbursement check to the employee, to make eligibility re-determinations and to verify continued employment and employer participation.

Catastrophic Event Coverage – the option to provide catastrophic event coverage will allow the state to extend Medicaid eligibility to additional qualified persons with incomes up to 150 percent of FPL who have too much income to qualify for Medicaid coverage under other mandatory or optional programs. This option allows a person to spend down excess income, thereby reducing it to a level below the maximum allowed by the state's Medicaid plan. Coverage for this option will allow for a single catastrophic event (primarily hospital care from time of admission to the time of discharge) and is intended to cover as many medical situations as possible currently funded by the counties through the Indigent Accident and Indigent Supplement programs. Many details of this coverage group and the design of the program will be developed during the interim prior to the scheduled implementation date of July 2006. The Nevada Association of Counties (NACO) will determine eligibility for catastrophic event coverage. Expenditures for catastrophic coverage are capped at \$9 million per fiscal year.

To finance the expansion, the 2005 Legislature approved the Governor's recommendation to use a combination of state General Funds, proceeds received from property tax levies that currently fund the indigent supplement account, and federal Title XIX and Title XXI funds. The state General Funds and the property tax proceeds will be used in equal proportions and are accounted for in a separate budget, the HIFA Holding Account, and will only be drawn when needed. In total, the Legislature approved funding in the amount of \$62,500 for FY 2005-06 and approximately \$22.4 million for FY 2006-07 to expand health care coverage to the aforementioned groups. The Legislature also approved delaying the implementation of the pregnant women portion of the HIFA waiver until July 2006 to coincide with the implementation date for the other two coverage groups. The delay generated a General Fund savings of approximately \$2 million over the 2005-07 biennium.

NEVADA CHECK-UP

The Balanced Budget Act of 1997 created the State Children's Health Insurance Program (SCHIP) under Title XXI of the Social Security Act to enable states to initiate and expand health care coverage targeted for low-income and uninsured children. The Check-Up program was approved as a stand-alone program that covers children from birth through 18 years of age from families with income up to 200 percent of the FPL. Eligibles pay quarterly premiums ranging from \$15 to \$70 based on their income level. Services are provided under a managed care arrangement with participating HMOs in Clark and Washoe counties and on a fee-for-service basis in areas of the state where an HMO network does not exist. Enrollment in the program began in October 1998.

As originally submitted, The Executive Budget recommended capping enrollment in the Check-Up program at 30,000 children for FY 2006-07. During the budget review process it became clear the Governor's recommendation to cap enrollment needed to be lifted to address caseload increases which were projected to easily exceed the cap and in order for the proposed HIFA waiver to be considered favorably by the Centers for Medicare and Medicaid (CMS). In recognition of this concern, the Executive Budget Office submitted several budget amendments requesting the money committee's consideration to eliminate the proposed enrollment cap.

The money committees concurred with the Executive Budget Office's request to lift the enrollment cap. However, the money committees were concerned the revised caseload projections submitted by the division for consideration were overstated and were inconsistent with past and present trends when comparing the Check-Up programs caseload growth to the population of 0 to 19-year-olds in the state. In light of this concern, the Legislature approved and funded an alternative caseload projection, which allows enrollment in the Check-Up program to increase to 29,332 children per month for FY 2005-06 and 31,229 children per month for FY 2006-07. The table below displays the actual caseloads for FY 2003-04 and FY 2004-05 compared to the legislatively authorized caseloads for both fiscal years of the 2005-07 biennium.

FY 2003-04	FY 2004-05	% Diff	FY 2005-06 (Leg Apprvd)	% Diff	FY 2006-07 (Leg Apprvd)	% Diff
25,025	26,750	6.9%	29,332	9.7%	31,229	6.5%

The Legislature approved three new Family Service Specialist positions and their support costs to address current and projected caseload increases. The new positions will be located in Las Vegas, Reno and Carson City.

The Executive Budget recommended approximately \$9.4 million (approximately \$3 million in General Funds) for rate increases for HMO capitation payments and projected pharmaceutical costs with a majority of the increase attributed to rate increases recommended for HMO providers. Similar to the Medicaid budget, the inflation increases used for HMO providers for FY 2004-05, which serve as the basis for calculating the rate adjustments for FYs 2005-06 and 2006-07, were factored in twice. Applying the recommended inflation increases in this manner overstated the cost for the recommended increase in rates for each fiscal year of the 2005-07 biennium. Additionally, it was determined the inflation assumptions used in The Executive Budget to calculate the recommended rate increases for HMO providers included components such as demographics, which are not related to inflation or utilization, which when applied also overstated the cost for the recommended increases.

The 2005 Legislature approved budget modifications that corrected the inflation calculation that was overstated and approved an inflation rate increase for HMO providers of 6.3 percent for each fiscal year of the 2005-07 biennium. The inflation rate increases that were approved were based on per capita expenditure data (which includes inflation and utilization factors) published by CMS for Medicaid and SCHIP programs. The adjustments that were approved provided for a General Fund savings of approximately \$1.7 million over the 2005-07 biennium.

INCREASED QUALITY OF NURSING CARE

This budget account was created in accordance with A.B. 395 approved by the 2003 Legislature, which instituted a methodology that requires the division to establish a provider tax program encompassing all free-standing, long-term care nursing facilities (except those owned by the state). The intent of the legislation is to increase reimbursement rates for the nursing facilities that are assessed the tax. This budget accounts for the provider tax assessments received from the industry.

Per the legislation, the provider tax is a six percent assessment on total annual accrual basis gross revenues. The provider taxes received via the assessments are used as match to obtain federal Title XIX funds that are distributed back to the nursing facilities (including the tax) in the form of enhanced reimbursement rates. Assembly Bill 395 stipulates that funding received via the provider tax and matching federal Title XIX funds must be used to increase reimbursement rates only and cannot be used to replace existing state expenditures paid for nursing facilities. The average per-bed day payment is currently \$157 compared to \$121.66 per-bed day prior to the implementation of the provider tax program, an increase of \$35.34 per-bed day. The net increase (net of the tax) realized by nursing facilities is \$19.67 per-bed day. The legislation allows the division to use no more than one percent of the taxes collected to administer the provider tax program which currently supports one position.

The Legislature approved continuing the provider tax program as originally implemented with a budget modification that increased funding for the division to administer the program up to the one percent cap as allowed by A.B. 395. The budget modification increased the transfer of funding to the division's Administration budget by approximately \$206,000 over the 2005-07 biennium and offset General Fund in that budget by a like amount.

During the budget hearing process, the division indicated it is in the process of developing a rate enhancement to encourage in-state nursing home providers to care for behaviorally challenged patients. Patients with this type of disorder historically have been placed in out-of-state facilities due to the lack of willing in-state providers. The proposed rate enhancement will be developed during the interim and will be funded within the existing resources generated by the nursing home provider tax program.

INTERGOVERNMENTAL TRANSFER PROGRAM

The Intergovernmental Transfer (IGT) program collects monies primarily from public hospitals and counties pursuant to NRS 422.380 through NRS 422.390. The monies collected are utilized to help fund medical expenditures in the Medicaid program. Additionally the IGT program, in conjunction with funding approved in the Medicaid program, helps to fund hospitals that treat a disproportionate share of Medicaid recipients, indigent patients and other low-income patients.

This budget also collects intergovernmental transfers received from non-state government-owned hospitals to support the Upper Payment Limit (UPL) program which was implemented in September 2002 retroactive to January 2002. Federal Medicaid law allows states the option of making supplemental payments to qualifying hospitals (county or municipal hospitals) up to the Medicare upper payment limit. The intent is to preserve access to inpatient hospitals for needy individuals by reimbursing hospitals that qualify for uncompensated or under-compensated care.

The 2005 Legislature approved continuing the UPL program. However, modifications were approved that increased the supplemental payments made to qualifying hospitals and the net benefit to the state compared to the amounts recommended in The Executive Budget. The modifications approved were based on revisions to the methodology used for the UPL program developed by the division during the budget review process in consultation with their rate-setting consultant. The division also received verbal assurances from CMS that the revised methodology complies with federal regulations regarding the UPL program. Based on the revised methodology, qualifying hospitals will receive an increase in the estimated net benefit compared to the amounts recommended in The Executive Budget of approximately \$11 million for FY 2005-06 compared to \$6.3 million and \$12 million for FY 2006-07 compared to \$6.9 million. The estimated net benefit to the state will increase compared to the amounts recommended in The Executive Budget to \$4.1 million for FY 2005-06 compared to \$2.4 million and \$4.3 million compared to \$2.5 million for FY 2006-07.

The modifications approved by the Legislature increased the reserve in the IGT budget by approximately \$1.1 million. The increase to the reserve allowed the Legislature to transfer an additional \$1 million to the Medicaid budget for FY 2006-07, which offset the General Fund appropriation in the Medicaid budget by a like amount. The reserve in the IGT budget will remain at approximately \$6.6 million for each fiscal year of the 2005-07 biennium which is reasonable level for cash flow and as a contingency for unforeseen expenditures in the Medicaid budget.

DIVISION OF MENTAL HEALTH AND DEVELOPMENTAL SERVICES

The Division of Mental Health and Developmental Services (MHDS) is responsible for the development, administration, coordination and evaluation of state treatment and training programs for mentally ill and mentally retarded citizens. The division consists of the following programs and facilities: Northern Nevada Adult Mental Health Services; Southern Nevada Adult Mental Health Services; Lake's Crossing Facility for Mentally Disordered Offenders; Rural Clinics; Desert Regional Center; Sierra Regional Center; Rural Regional Center; and the Family Preservation Program.

The 2005 Legislature approved funding for the MHDS totaling \$516.6 million over the 2005-07 biennium, an increase of approximately \$4.2 million when compared to total funding recommended by the Governor. General Fund support for the 2005-07 biennium totals \$359.7 million, which represents an increase of 45.2 percent compared to appropriations of \$247.7 million provided during the 2003-05 biennium (includes supplemental appropriations approved by the 2005 Legislature).

The increased funding approved by the 2005 Legislature is projected to provide resources to serve an estimated 33,213 individuals at the end of FY 2006-07, an increase of 4,667 individuals or 16.3 percent from the 28,546 individuals served in FY 2004-05. The developmental services caseload is projected to increase to 4,533 individuals at the end of FY 2006-07, an increase of 604 individuals or 15.4 percent over the 3,929 individuals served in FY 2004-05. The 2005 Legislature also increased medication funding for the division to \$54.8 million over the 2005-07 biennium, an increase of 48.5 percent over the \$36.9 million approved in the 2003-05 biennium.

The 2005 Legislature also approved A.B. 175, which appropriates a total of \$14.9 million in support of mental health services as follows:

- \$1.7 million for an additional 90 community residential placements in Clark County;
- \$7.1 million for the division to purchase additional acute psychiatric placements in Clark County if the agency's inpatient capacity is fully exhausted;
- \$1.9 million in support of a Mental Health Court in Clark County, including supported living arrangements for an additional 75 persons;
- \$1.2 million for additional staff and supported living arrangements to expand the Mental Health Court in Washoe County;
- \$200,000 for staff and supported living arrangements for the recently established Mental Health Court in Carson City;
- \$1.8 million as one-third support for a community triage center in Clark County; and
- \$1.0 million as one-third support of a community triage center in Washoe County.

The 2005 Legislature concurred with the Governor's recommendation to fund a two-grade salary increase for the division's nursing staff in order to reduce the compensation gap between public and private sector nursing professionals. The Legislature also agreed with the Governor's recommendation to increase rates paid to supported living arrangement (SLA's) and community training center (CTC's) service providers by three percent effective July 1, 2005 and an additional five percent effective July 1, 2006. These rate increases supplement increases approved by the 2003 Legislature of seven percent in FY 2003-04 and eight percent in FY 2004-05 that resulted from studies undertaken during the 2001-03 Interim as directed by the 2001 Legislature in A.B. 513. The Legislature approved a total of \$6.9 million (\$4.3 million General Fund) to support the rate increases.

ADMINISTRATION

The 2005 Legislature approved the Governor's recommendation to continue General Fund appropriations of \$143,969 each year of the biennium for the psychiatric residency program at Northern Nevada Adult Mental Health Services. The Legislature approved General Fund appropriations totaling \$430,622 over the 2005-07 biennium to establish a similar psychiatric residency program in southern Nevada.

As recommended by the Governor, General Fund appropriations of \$1.1 million were approved for the third phase of the new client information and billing system (Avatar) that replaced the Advanced Institutional Management Software (AIMS) during the 2003-05 biennium. The Legislature approved a Budget Office amendment authorizing a new full-time Management Analyst II position to manage the billing and revenue function of the new system.

NORTHERN NEVADA ADULT MENTAL HEALTH SERVICES

The 2005 Legislature approved funding to support an additional 168 clients in the medication clinics; 43 community residential placements; 53 clients in outpatient services; and 684 clients in psychiatric ambulatory services as recommended by the Governor at a cost of \$5.1 million (\$4.7 million General Fund). A total of 29.1 FTE positions were approved supporting the projected caseload growth. The Legislature approved a Budget Office amendment to replace the existing Project Restart contract supporting the Washoe County Mental Health Court with two full-time Psychiatric Caseworkers and a 0.51 FTE Administrative Assistant in order to improve the continuity of work assignments with the district court including the ability to work directly with confidential client information. The Legislature approved the Governor's recommendation to eliminate a vacant Health Service Coordinator position and utilize the funding to add two new Consumer Services Assistants who are typically former clients that assist other clients in accessing services and enhance the agency's drop-in center/clubhouse program.

Funding was recommended by the Governor and approved by the Legislature to renovate the central kitchen (CIP 05-C07; \$1.05 million) that was deferred from the 2003-05 Interim. The Legislature also approved funding of \$1.6 million for asbestos/lead abatement and demolition of six abandoned buildings on the NNAMHS campus (CIP 05-M-42).

FACILITY FOR THE MENTAL OFFENDER

The Facility for the Mental Offender (Lake's Crossing) is Nevada's only forensic facility, whose mission is to provide statewide forensic mental health services in a secure facility to mentally disordered offenders who are referred from the court system. The agency also provides evaluation and assistance to some city and county jail facilities in the state through a contractual arrangement.

The 2005 Legislature approved a two-grade salary increase for the agency's 5 correctional officer positions and 38 forensic specialist positions; the salary increases were not included in the Governor's budget. The increase for the correctional officers was consistent with those approved for the Department of Corrections, while the increase for the forensic specialist positions is intended to keep pace with the correctional officers for similar duties performed.

RURAL CLINICS

Rural Clinics provides community-based mental health services to persons of all age groups with serious and persistent mental illnesses and mild to moderate mental health problems. The division operates 16 clinics in the 15 rural counties and northern Clark County (Mesquite).

The 2005 Legislature approved funding to support an additional 526 clients in the medication clinics; 14 community residential placements; 804 clients in outpatient counseling services; 32 clients in service coordination; and 9 clients in psychosocial rehabilitation services as recommended by the Governor at a cost of \$4.1 million (\$3.7 million General Fund). A total of 33.59 FTE positions were approved supporting the projected caseload growth. A supplemental appropriation of \$483,315 was approved by the Legislature to fund Medicaid, Insurance Recoveries and Client Charge revenue shortfalls in FY 2004-05. The 2005 Legislature also approved the Governor's recommendation to establish a new clinic in Laughlin, Nevada, including 7.51 new FTE positions, to provide mental health service to approximately 300 clients. A new tele-mental health videoconferencing system was approved in order to enhance existing services for clients in rural Nevada. However, the Legislature did not approve the Governor's recommendation to reduce psychiatrists travel costs by \$79,200 each year, which was initially contemplated to occur as a result of installing the new system.

The Governor recommended 23.01 new FTE positions in order to implement the first phase of reduced staffing ratios for outpatient counseling services (from 75:1 to 35:1) and service coordination for 616 severely emotionally disturbed (SED) youth and adolescents with General Fund appropriations of \$626,685 in FY 2005-06 and \$1.3 million in FY 2006-07. An additional 21.42 FTE positions are anticipated to be funded in the 2007-09 biennial budget. However, the 2005 Legislature approved 22.51 new FTE positions, which achieves the desired staffing ratio reductions in the 2005-07 biennium for outpatient counseling services (from 75:1 to 30:1) and service coordination for the agency's SED caseload with additional General Fund appropriations of \$26,693 in FY 2005-06 and \$36,771 in FY 2006-07 over the amounts recommended by the Governor.

SOUTHERN NEVADA ADULT MENTAL HEALTH SERVICES

The 2005 Legislature approved General Fund support totaling \$143.1 million over the 2005-07 biennium, which represents a 65.7 percent increase compared to amounts appropriated for the 2003-05 biennium (includes supplemental appropriations approved by the 2005 Legislature). A total of 256.33 new FTE positions were approved to increase the acute inpatient capacity from 131 beds to 217 beds during the 2005-07 biennium, which includes:

- 150 beds (30 psychiatric observation unit beds and 120 inpatient beds) to be located in the new Rawson-Neal Hospital currently under construction and anticipated to open in May 2006;
- 28 beds located in Building 1300 on the Desert Regional Center Campus adjacent to the current inpatient facility; and
- 39 beds in the existing inpatient facility until the scheduled completion of the final fourth "pod" of the new hospital is available for occupancy in December 2006.

General Fund appropriations totaling \$18.5 million over the 2005-07 biennium support the additional bed capacity. The 2005 Legislature also approved A.B. 204, which provides combined General Fund and general obligation bond support of \$11.3 million to construct the fourth pod to the new hospital (CIP 05-C14). Lastly, the Legislature approved a supplemental appropriation of \$2.4 million in FY 2004-05, which supports the 28 inpatient beds in Building 1300 that were approved by the IFC in August 2004.

The Legislature approved the Governor's recommendation to fund an additional 823 clients in the agency's four medication clinics; 90 residential community support placements; 139 clients in outpatient counseling services; 6,008 additional clients for psychiatric ambulatory services; and 22 clients for psychosocial rehabilitation services at a cost of \$17.3 million (\$16.8 million General Fund). A total of 96.18 new FTE positions were approved to support the increased caseloads. A new full-time Pharmacist position was approved as recommended by the Governor to fill client

prescriptions in-house at the East Las Vegas clinic in lieu of utilizing contract services; approval of the new position reduces General Fund need by \$687,861 over the 2005-07 biennium. The 2005 Legislature also approved a new Medical Director position at SNAMHS that was not included in The Executive Budget. This new position is intended to relieve the current Statewide Medical Director of the dual duties currently performed for both positions.

DEVELOPMENTAL SERVICES

The 2005 Legislature approved additional funding to support caseload increases and waiting list demands in the three regional developmental budgets: Sierra Regional Center (SRC) in the north, Desert Regional Center (DRC) in the south and the Rural Regional Center (RRC). Total funding increases \$51.3 million (\$29.6 million General Fund), or 31.2 percent, from \$164.8 million (\$88.0 million General Fund) in the 2003-05 biennium to \$216.1 million (\$117.6 million General Fund) in the 2005-07 biennium. The additional funding will support an increase in the number of mentally retarded clients served from 3,929 in FY 2004-05 to 4,533 in FY 2006-07 for service coordination, residential placements, family respite and community job and day training programs. An additional 26.61 new FTE positions will support the increased number of clients served.

In a continuing effort to place clients in a less restricted, community-supported environment, the 2005 Legislature concurred with the Governor's recommendation to eliminate ten ICF/MR beds at SRC and six ICF/MR beds at DRC. A total of 20.53 FTE positions were eliminated as a result of the bed reductions. According to the division, the individuals displaced from the eliminated beds will be transitioned into community residential placements along with jobs and day training programs. In addition, a total of 60 individuals currently residing in privately-owned institutional care facilities with funding support provided through the Medicaid budget will transition to community residential placements supported by the three regional center budgets. These actions continue the state's efforts to comply with the U.S. Supreme Court's *Olmstead* Decision.

FAMILY PRESERVATION PROGRAM

The Family Preservation Program (FPP) is a statewide program providing monthly cash assistance to low-income families who provide care in their homes for relatives with profound or severe mental retardation or children under six years of age who have developmental delays. FPP aims to strengthen and support families so that they may remain intact and limit or avoid the need for institutional care. The 2005 Legislature approved the Governor's recommendation to increase the number of families served by the program from 324 to 354 by the end of the 2005-07 biennium, and increase the monthly payment \$310 to \$350 per month. An additional 112 families currently receive

monthly cash assistance through the Temporary Aid to Needy Families (TANF) program administered by the Division of Welfare and Supportive Services. The Legislature concurred with the Governor's recommendation to support these 112 families with General Fund appropriations, and utilize the TANF funds to support community placements in the three regional center budgets.

HEALTH DIVISION

The State Health Division administers seven bureaus to protect the health of Nevadans and visitors to the state. The division operates under the guidance of a seven-member, Governor-appointed State Board of Health that enforces health laws and regulations, promotes public health education, investigates the causes of disease, and provides direct public health services in Nevada's rural counties.

In total, the 2005 Legislature approved \$345.9 million in funding for the 2005-07 biennium for the Health Division, which represents an increase of 23.6 percent over the amount approved by the 2003 Legislature. A combination of revenue sources was approved to fund the division's biennial budget, including \$51.8 million in General Fund appropriations, a 27 percent increase, \$197.6 million in federal funds, and \$96.5 million in other revenue sources.

OFFICE OF HEALTH ADMINISTRATION

The Office of Health Administration provides support functions for the entire Health Division, including the State Board of Health. Programs include administration, central business management, accounting and personnel and the division's health planning function. The 2005 Legislature approved nine new FTE positions for the Office of Health Administration to be funded entirely through the division's cost allocation plan. These positions were approved to provide support for the administration of the entire division. The positions include a Personnel Analyst, a Personnel Technician, Accounting Assistant, Management Analyst, two Information System Specialists and three Computer Network Technicians. Due to recent complications with indirect cost methodology, the Health Division requested, and the Legislature approved, four of these positions (Management Analyst, the two Information System Specialists and the Computer Network Technician) be delayed until FY 2006-07; with the understanding that the positions will not be filled unless sufficient indirect cost revenue exists to fund those positions.

The 2005 Legislature approved the Governor's recommendation for the continuation of a \$100,000 General Fund appropriation in each year of the 2005-07 biennium to support a rural mammography program intended to make mammography screenings more accessible in the rural areas.

VITAL STATISTICS

The Office of Vital Statistics serves as the official, permanent custodian of original documents, which encompasses: filing, maintaining and protecting birth and death certificates and related vital records; providing legal corrections and amendments to vital records; and maintaining an official database of vital statistics information for use in a wide variety of private and public programs both statewide and nationally.

The Executive Budget recommended state General Funds for a new Administrative Services Officer position to provide financial management support for the Bureau of Health Planning and Statistics. During the budget review process, it was determined the Bureau of Health Planning and Statistics is one of the smallest bureaus within the division and does not have the financial diversity and complexity of other division bureaus and programs. Additionally, the 2003 and 2005 Legislatures approved new fiscal positions for the administrative office to provide financial and budget support for the entire division. Based on these factors, the 2005 Legislature did not approve the new position, which provided a General Fund savings of approximately \$114,000 over the 2005-07 biennium.

CONSUMER HEALTH PROTECTION

Organizationally, the Bureau of Consumer Health Protection consists of two sections: Public Health Engineering and Environmental Health. The Public Health Engineering section is responsible for implementing the Public Water System Supervision Program authorized under the federal Safe Drinking Water Act (SDWA). It ensures that Nevada's public water systems comply with state and federal drinking water standards and enforces the requirements for surface water treatment and corrosion control.

The Environmental Health section issues permits and inspects food establishments and a wide variety of other facilities and businesses to ensure sanitary standards to protect public health are maintained in the state, excluding Clark and Washoe counties and Carson City, which have their own health departments. This section is also responsible for investigating incidents of vector transmission of disease such as the plague and hanta virus.

The Executive Budget recommended and the Legislature approved with passage of S.B. 385 the transfer of the remaining portions of the Safe Drinking Water Program and related components of the Public Health Engineering section to the Division of Environmental Protection (DEP). The transfer includes 17.5 existing positions and completes the transition to DEP of total responsibility for the Safe Drinking Water Program. The Legislature also approved a new position not included in The Executive Budget to oversee the Las Vegas office and to provide supervisory support for the branch offices located in Ely and Tonopah. The new position will be supported by fees and will improve the quality and timeliness of regulatory services provided in the southern part of the state.

HEALTH FACILITIES HOSPITAL LICENSING

The primary function of the Health Facilities budget is to license and regulate health facilities in accordance with NRS and NAC regulations and to certify health facilities that participate in Medicare/Medicaid reimbursement programs are in accordance with the federal agreements with the Centers for Medicare and Medicaid service. The Health Facilities program has the responsibility to inspect, monitor and evaluate the care and treatment services received by individuals residing in medical and group care facilities.

The 2005 Legislature approved the following four new positions for the Health Facilities Hospital Licensing program: a Health Facilities Surveyor and an Administrative Assistant to replace contractual personnel performing medical laboratory inspection and certification activities, and a new Administrative Assistant for the Carson City office and one for the Las Vegas office to provide clerical and administrative assistance.

SEXUALLY TRANSMITTED DISEASE CONTROL PROGRAM

The major function of the Sexually Transmitted Disease Control Program is to reduce the incidence and prevalence of sexually transmitted diseases in Nevada. The program emphasizes the importance of education and screening through a comprehensive program of case identification and locating, counseling, testing, treatment, referral and education. The program focuses on five principal elements: HIV prevention; HIV/AIDS surveillance and sero-prevalence monitoring; HIV/AIDS comprehensive care services, which includes drug treatment and community-based services; tracking of other reportable sexually transmitted diseases; and planning and community organization for HIV prevention and care services.

Since the 1997-99 biennium, the Legislature has appropriated approximately \$1.3 million each fiscal year to supplement federal funds to support the purchase of AIDS medications, including protease inhibitors, for the AIDS Drug Assistance Program (ADAP). Since the 1997-99 biennium, the increased availability of federal funds, other resources and the stabilization of AIDS medication costs have been sufficient to keep pace with ADAP caseload growth; therefore, the need for additional state support has not been necessary.

For the 2005-07 biennium, The Executive Budget recommended that General Fund support for the AIDS Drug Assistance Program (ADAP) be maintained at approximately \$1.3 million for each fiscal year. During the budget hearing process, the money committees determined that a waiting list for the ADAP program was likely to occur sometime during FY 2005-06 because additional federal funds were not projected to keep pace with ADAP caseload growth and the Governor did not recommend additional state support.

The money committees reviewed a number of options (including the Governor's recommendation to maintain a status quo budget) but did not consider establishing a waiting list for AIDS medications a viable option. To address the concern of establishing a waiting list, the Legislature approved additional General Fund support in the amount of \$284,549 for FY 2005-06 and \$461,783 for FY 2006-07, for a total of \$746,332 over the 2005-07 biennium. The increase in General Fund support will serve an additional 38 clients per month for FY 2005-06 and an additional 65 clients per month for FY 2006-07.

Additionally, to provide the Health Division with flexibility to manage the ADAP caseload, the Legislature approved language in the General Appropriations Act to allow the Health Division to transfer the General Fund appropriation for ADAP medications between fiscal years, with the approval of the IFC. Also, as a precautionary measure, the money committees approved a Letter of Intent encouraging the Health Division to approach the IFC to request a Contingency Fund appropriation if the various sources of funds used to purchase ADAP medications are not sufficient to meet caseload demands and a waiting list for services becomes necessary.

IMMUNIZATION PROGRAM

The purpose of the Immunization Program is to prevent the occurrence of vaccine-preventable diseases in Nevada by promoting immunizations and by providing vaccines to prevent the occurrence and transmission of diseases. State-supplied vaccines are provided free of charge to all physicians, hospitals, or clinics that agree to meet the requirements of the program.

The 2005 Legislature approved state General Funds in the amount of approximately \$1.5 million and transfers of federal Title XXI funds from the Nevada Check-Up program in the amount of approximately \$3 million for each fiscal year of the 2005-07 biennium to supplement direct federal assistance for the purchase of vaccines. The use of federal Title XXI funds in this manner reduces the need for General Fund support for vaccines to immunize this population of children. The state General Funds and Title XXI funds, in conjunction with the federal direct assistance, are projected to cover the annual vaccine needs for each fiscal year of the 2005-07 biennium.

As a precautionary measure, the money committees approved the Letter of Intent that encourages the Health Division to approach the IFC for a Contingency Fund allocation in the event vaccine usage increases or if the annual federal direct assistance grant is not sufficient to provide for the existing childhood series of immunizations. Additionally, the Letter of Intent requires the division to approach the IFC prior to implementing any modifications to the existing immunization program. The Health Division presented information during the budget hearing process that a new vaccine, Menactra, which protects against invasive meningococcal disease, may be introduced during the interim.

EARLY INTERVENTION SERVICES

The Early Intervention Services account was formerly known as the Special Children's Clinics. The clinics located in Las Vegas and Reno serve as regional centers providing comprehensive family-centered, community-based, multi-disciplinary early intervention treatment and follow-up services. The clinics provide services to families with children, from birth to age three, who have been diagnosed as developmentally delayed in the areas of cognition, communication, physical development, social/emotional development and adaptive skills. In addition, the clinics provide services to children who are at risk of becoming developmentally delayed, or may be suspected as developmentally delayed.

The 2005 Legislature approved additional General Fund support in the amount of \$2.8 million in FY 2005-06 and \$3.3 million in FY 2006-07 to address caseload issues at the clinics. The Health Division estimated that the increased funding would enable the clinics to serve an additional 360 children and reduce the waiting time for initial appointments to near the federally required 45-day limit.

In addition, the 2005 Legislature approved additional General Fund support in the amount of \$2.0 million in FY 2005-06 and \$2.2 million in FY 2006-07 to provide services to youngsters referred through the Child Abuse and Prevention Treatment Act. This funding is intended to provide services to the estimated 628 additional youngsters each year that will be referred to the clinics through this act.

Lastly, the Legislature approved the Governor's recommendation to merge the State and Community Collaborations budget account into this account.

WOMEN, INFANTS AND CHILDREN PROGRAM

The purpose of the Women, Infants and Children (WIC) program is to improve the nutritional health status of pregnant or breastfeeding women, infants or children up to age five who are low-income and a nutritional risk. The WIC program is 100 percent federally funded and provides nutrition education, supplemental foods and referral to other community-based health and social service providers.

The 2005 Legislature authorized funding to serve approximately 56,000 participants per month for FY 2005-06 and 60,000 participants per month for FY 2006-07. Additionally, the Legislature approved \$600,000 for each fiscal year of the 2005-07 biennium to continue implementation of the Electronic Benefit Transfer (EBT) card system statewide. Implementation of the EBT card system started as a pilot project in Washoe County and rollout is currently underway in Clark County. Once Washoe and Clark Counties are operational, rollout will proceed to Carson City and the remaining rural areas of the state.

BUREAU OF ALCOHOL AND DRUG ABUSE

The Bureau of Alcohol and Drug Abuse (BADA) is the designated single state agency for purposes of applying for and expending the federal Substance Abuse Prevention and Treatment Block Grant issued through the Substance Abuse and Mental Health Services Administration. The bureau plans and coordinates statewide substance abuse services delivery and provides technical assistance to programs and other state agencies, but does not provide direct substance abuse prevention or treatment services. The BADA receives nearly 75 percent of the total budgeted revenue from the federal Substance Abuse Prevention and Treatment Block Grant. The grant requires the Health Division to maintain a spending level of state funds, which is at least equal to the average of the past two years. In order to meet this Maintenance of Effort (MOE) requirement for FY 2004-05, the Legislature approved a supplemental appropriation of \$361,620 along with the transfer of \$160,000 in MAXIMUS funding. In addition, the Legislature approved additional General Fund support in the amount of \$424,178 for FY 2005-06 and \$434,189 for FY 2006-07 to meet this MOE requirement throughout the 2005-07 biennium.

DIVISION OF WELFARE AND SUPPORTIVE SERVICES

The Division of Welfare and Supportive Services is responsible for administering the delivery of cash grants and food stamps, enforcing child support, administering employment and training programs for welfare recipients, distributing child care funding and determining eligibility for Nevada's Medicaid program.

The 2005 Legislature approved approximately \$467.7 million in total funding for the division over the 2005-07 biennium, a decrease of \$10.7 million compared to the total funding recommended by the Governor. The funding approved for the division includes General Fund support in the amount of \$138.9 million over the 2005-07 biennium, a decrease of approximately \$5.5 million when compared to the General Fund support recommended by the Governor. A majority of the decrease is based on budget adjustments approved by the Legislature that reduced TANF caseload assumptions.

DIVISION OF WELFARE AND SUPPORTIVE SERVICES ADMINISTRATION

The Division of Welfare and Supportive Services Administration budget supports the administrative staff that provides oversight to the various programs administered by the division. The budget also includes support resources utilized by and provided to the division's field staff for the operation of the various programs under the division's jurisdiction.

The Medicare Modernization Act of 2003 established a prescription drug benefit that will begin in January 2006. The Division of Welfare and Supportive Services is required to establish and determine eligibility for two new categories of Medicare Part D. Those categories include a full premium subsidy program for people with incomes below 135 percent of poverty who meet a certain resource test and a partial premium subsidy for Medicare-eligible individuals with incomes between 135 and 150 percent of federal poverty levels. To support the establishment of policies and procedures and to manage these new categories, the Governor recommended and the Legislature approved one new Program Specialist position.

In response to a federal requirement under the Improper Payments Information Act of 2002, which requires Medicaid agencies to perform reviews of Medicaid claims, services and eligibility beginning October 1, 2005, the Governor recommended two new positions for the Division of Welfare and Supportive Services to perform Medicaid eligibility reviews. The division indicated during testimony that upon the release of final regulations in August 2005, as many as 30 positions may be required to comply with the mandate. The Legislature supported the Governor's recommendation to add 2 positions to comply with the mandate but was concerned over the potential to add 30 positions once final regulations are released. The money committees approved a Letter of Intent to express that implementation of this mandate should be limited to resources approved in the Division of Welfare and Supportive Services Administration budget during the 2005-07 biennium.

The 2005 Legislature approved A.B. 493, which requires the Department of Health and Human Services to apply for a Medicaid waiver pursuant to the Health Insurance Flexibility and Accountability (HIFA) demonstration project. Under the HIFA waiver, the Division of Welfare and Supportive Services will be responsible for determining eligibility for expanded Medicaid coverage for pregnant women and children up to 185 percent of FPL and determining eligibility for health insurance for employees of small employers. To assist with meeting the requirements of the HIFA waiver beginning July 2006, the Legislature approved the Governor's recommendation to increase funding by \$425,039 in FY 2005-06 and \$37,634 in FY 2006-07 to provide for contract programming and support costs to make required system changes.

The 2003 Legislature approved funding of \$125,000 in the Department of Administration, Budget and Planning Division to contract for an external study to restructure the state's information technology services. The study included the recommendation to transfer positions directly responsible for supporting the Nevada Operations of Multi-Automated Data System (NOMADS) from the Department of Information Technology to the Division of Welfare and Supportive Services. The 2005 Legislature approved the Governor's recommendation to transfer 33 positions along with associated funding from the Department of Information Technology, which directly support NOMADS.

DIVISION OF WELFARE AND SUPPORTIVE SERVICES FIELD SERVICES

The Division of Welfare and Supportive Services Field Services budget provides for the salaries, operating expenses and support costs for the staff that determine eligibility for the TANF, Food Stamp and Medicaid programs, as well as the staff that support the employment and training education programs administered by the division.

To determine eligibility for pregnant women and children up to 185 percent of FPL and health insurance for employees of small employers under the HIFA waiver, the Governor-recommended 11 new positions over the 2005-07 biennium. The Legislature was supportive in successfully implementing the HIFA waiver, but was concerned over the need for new positions given the approval of 135.5 new positions by the 2003 Legislature to address increased caseloads compared with the drop in TANF caseloads experienced during the 2003-05 biennium. In light of this concern, the 2005 Legislature reduced the Governor's recommendation by eight positions and approved three positions solely to support eligibility determinations for health insurance for employees of small employers.

The Governor recommended 11 new positions based on requirements placed on the division, through the Medicare Modernization Act of 2003, to determine eligibility for two new categories of Medicare Part D. Review of regulations released by the federal government during the 2005 Legislative Session indicated the impact of the Medicare Modernization Act would be much less onerous than anticipated. Based on this information, the Legislature did not approve the Governor's recommendation to add 11 new positions during the 2005-07 biennium.

The Legislature approved the Governor's recommendation to relocate the Charleston Avenue and Henderson field offices in southern Nevada. The Legislature did not support the addition of new modular furniture totaling \$160,000 for the Henderson office.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

The Temporary Assistance for Needy Families (TANF) budget provides funding for cash assistance for eligible recipients, which is time limited; supports the employment and training programs and services administered by the division designed to help clients prepare for and find work; and provides a wide variety of services for families and individuals to support and maintain self-sufficiency.

The Personal Responsibility Work Opportunity Reconciliation Act (PRWORA) of 1996 replaced the Aid to Families with Dependent Children (AFDC) program, an open-ended federal entitlement, with the TANF program. Federal funding to support the TANF program is now allocated to states in the form of a capped block grant that covers cash assistance, welfare employment and training and the administrative costs associated with providing these services. TANF has provided states the flexibility to design their own self-sufficiency programs for welfare recipients in conformance with the capped

funding, time limitations on program eligibility and work requirements. The 1997 Legislature, with passage of A.B. 401 and S.B. 356, enacted legislation to conform state law with the PRWORA requirements and authorized a number of welfare reform initiatives unique to Nevada. The TANF program requires work in exchange for time-limited assistance. TANF is intended to provide assistance to needy families so dependent children can be cared for in their own home or in the home of a relative by furnishing financial assistance on a temporary basis.

TANF FUNDING

The federal block grant that is allocated to Nevada is approximately \$44 million each fiscal year of the 2005-07 biennium. In addition, Nevada has been designated as a high population-growth state and will receive supplemental funding of approximately \$3.7 million in each year of the 2005-07 biennium. The total amount of federal TANF funding available in each fiscal year of the 2003-05 biennium is approximately \$47.7 million. The TANF Block Grant is allocated between the Division of Welfare and Supportive Services' TANF, Division of Welfare and Supportive Services Administration and Field Services budgets. The TANF Block Grant funds are also allocated to other divisions within the Department of Health and Human Services to support TANF-eligible programs.

The 2005 Legislature approved total funding (state and federal) to support the TANF budget in the amount of \$45 million (\$24.6 million General Fund) for FY 2005-06 and \$46.3 million (\$24.6 million General Fund) for FY 2006-07, a reduction of \$8.7 million compared to the funding recommended by the Governor over the 2005-07 biennium. The amount of state General Funds approved for the 2005-07 biennium was reduced by approximately \$2.8 million when compared to the General Fund support recommended by the Governor. The reductions were primarily based on adjustments made for TANF caseloads for each fiscal year of the 2005-07 biennium.

The 2003 Legislature approved General Fund appropriations in excess of funding received from the TANF Block Grant and the required Maintenance of Effort (MOE) of \$8.3 million in FY 2003-04 and \$23.2 million in FY 2004-05. As a result of lower-than-budgeted TANF caseloads experienced in FY 2003-04, the division was able to revert the majority of its General Fund appropriation and carry forward \$12 million in unspent TANF funding into FY 2004-05. The Governor recommended expenditure of the estimated balance of TANF carry forward funds of \$8.0 million during the 2005-07 biennium. Based on decreases in TANF caseload projections and corresponding revisions to the division's cost allocation, the division estimates a balance of approximately \$11.0 million in unspent TANF funding to be available by the end of the 2005-07 biennium.

TANF CASELOADS

The money committees, during the 72nd Session and the 20th Special Session, approved funding that would support TANF caseloads at 31,021 average monthly recipients for FY 2003-04 and 33,249 average monthly recipients for FY 2004-05. For FY 2003-04, actual average monthly TANF recipients totaled 24,675, which was lower than the approved caseload level by 6,346 average monthly recipients. The 2005 Legislature approved funding that would support TANF caseloads at 21,006 average monthly recipients in FY 2005-06 for a decrease of 3,238 average monthly recipients compared to totals included in The Executive Budget and 21,770 average monthly recipients in FY 2006-07 for a decrease of 3,421 cases compared with totals included in The Executive Budget. The table below displays the TANF caseloads used in constructing The Executive Budget compared to the TANF caseloads approved by the Legislature over the 2005-07 biennium.

Fiscal Year	Governor Recommended*	Legislature Approved*	Difference+/-*
2005-06	24,244	21,006	(3,238)
2006-07	25,191	21,770	(3,421)

* Average monthly recipients.

TANF CASH GRANTS

The Executive Budget recommended and the 2005 Legislature approved retaining cash assistance grants at their existing levels over the 2005-07 biennium. The monthly cash assistance grant for a three-person household is currently \$348 for a TANF recipient without public housing, \$272 for a TANF recipient with a public housing allowance, and \$535 for non-needy caretakers. The cash assistance grant for recipients in the Kinship Care program was restored to their previous levels on July 1, 2004 to \$534 per month for a single child under age 12 and \$616 per month for a single child over 13 years of age.

NEW EMPLOYEES OF NEVADA

The 2005 Legislature approved a total of approximately \$4.0 million over the 2003-05 biennium to meet stricter work participation rates mandated by the Personal Responsibility and Work Opportunity Act of 1996 (PRWORA). The PRWORA requires adults in families receiving assistance (unless exempted) to participate in countable work activities that are federally defined. States must achieve minimum work participation rates for both TANF and TANF two-parent families. The New Employees of Nevada (NEON) program provides assessments, testing, education, training, treatment, counseling and employment referral services to TANF parents and non-custodial parents of TANF children. The Legislature concurred with the Governor's recommendation to add TANF funding of \$346,426 in each year of the 2005-07 biennium to provide vocational skills and development for NEON participants

through community colleges in Nevada to provide skills to function primarily in office and retail settings and the Culinary Academy to provide training in the hotel and tourism industry. The money committees issued a Letter of Intent for the division to report to the IFC on performance indicators reflecting the effectiveness of funding provided for vocational and skills development services.

CHILD SUPPORT ENFORCEMENT

The Child Support Enforcement program provides five basic services: location of absent parents, establishment of parentage, establishment of child support orders, collection of support payments and enforcement of private medical insurance. In Nevada, the Child Support Enforcement program is administered by the Division of Welfare and Supportive Services and jointly operated by the division and county district attorneys. The Child Support enforcement budget is funded with a portion of the child support collections the state is allowed to retain, which are used to match federal Title IV-D funds. The state share of collections supports all non-federal expenditures and no state General Fund support is provided to in the Child Support Enforcement budget.

The Legislature did not concur with the Governor's recommendation to decrease funding to reflect the realignment of Child Support Enforcement Specialist positions to Family Services Specialist positions. Since this recommendation resulted in decreases in position grade and salary for a number of positions, the Legislature directed that an occupational study be conducted by the Department of Personnel prior to consideration by the Legislature.

ASSISTANCE TO AGED AND BLIND

The Supplemental Security Income (SSI) program was created by Congress effective January 1, 1974, and is administered by the Social Security Administration (SSA). States were given the option to make payments in addition to the amount paid by the federal government. Nevada has paid state supplements to the aged and blind since the beginning of the program, but has never supplemented payments to the disabled. The purpose of the program is to provide supplemental income to low-income aged and blind individuals and provide adult group care facilities with supplements that enable individuals to avoid institutionalization. The state supplement for the aged is \$32.52 per month and the supplement for the blind is \$109.97 per month. The Division of Welfare and Supportive Services contracts with the SSA for the determination of eligibility and the issuance of the state supplement. The federal and state supplemental payments for the aged and blind are combined into one benefit check and are issued on a monthly basis by the SSA.

The 2005 Legislature approved General Fund support for the aged and blind budget in the amount of \$13.6 million over the 2005-07 biennium, an increase of \$740,133 when compared to the 2003-05 biennium. The increase is approximately \$200,000 more than recommended by the Governor and will cover the additional costs for projected

caseload and the additional processing fee assessed by the SSA for determining eligibility and administering the issuance of state supplemental payments. The Legislature approved a state-funded increase of \$41 per month to the supplement paid to group care operators based on annual increases in the consumer price index since 1987. This increase resulted in additional General Fund appropriations of approximately \$205,000 in each year of the biennium. The money committees, through a Letter of Intent, requested the Division of Welfare and Supportive Services report to the IFC prior to implementing the annual federal SSI cost-of-living increase. This will allow the IFC an opportunity to review and fully understand the criteria the division uses when determining how to best implement the annual SSI cost-of-living increase.

CHILD ASSISTANCE AND DEVELOPMENT

The Child Assistance and Development budget provides for all child care related expenditures for TANF recipients, former TANF recipients, non-TANF eligible clients who are at risk of losing employment due to a lack of assistance with child care and low income non-TANF eligible clients.

The 2005 Legislature concurred with the Governor's recommendation to fund the development and implementation of the Nevada Child Care System to replace the private child care management system currently used by program contractors with increased federal funds of approximately \$2.5 million in FY 2005-06 and \$400,000 in FY 2006-07.

ENERGY ASSISTANCE

The Energy Assistance program provides payments for eligible households, which can either be applied to the heating provider, the cooling provider, or split between them. Funding is provided through a combination of Low Income Assistance Block Grant funds and Universal Energy Charges established by the 2001 Legislature and collected from certain electric and gas utilities.

The Governor recommended an increase in the percentage of administrative expenses allowed on Universal Energy Charges distributed from the Fund for Energy Assistance and Conservation from three percent to seven percent to meet administrative expenses associated with projected increases in caseload. Much discussion occurred during committee hearings regarding the effectiveness of the Energy Assistance program and possible modifications in the distribution of Universal Energy Charges between the Division of Welfare and Supportive Services and Housing Division, as well as allowable uses of funds by the Division of Welfare and Supportive Services. Ultimately, the 2005 Legislature approved the Energy Assistance budget as recommended by the Governor with proposed increases in administrative expenses in excess of the three percent allowance provided for in statute and increases in Universal Energy Charge funding of \$6.3 million in FY 2005-06 and \$6.4 million in FY 2006-07 to address projected increases in households receiving assistance. The money committees also

issued a Letter of Intent directing the division to report on the number of households receiving state assistance through the Energy Assistance program. The 22nd Special Session of the Legislature approved an increase in the administrative percentage from three percent to five percent through passage of A.B. 3.

DIVISION FOR AGING SERVICES

The Division for Aging Services serves as the primary advocate for Nevadans aged 60 years and older. The division administers five budget accounts: Aging Older Americans Act; Senior Services Program; Elder Protective Services/Homemaker Programs; Aging Services Grants; and Senior Citizens' Property Tax Assistance. Funding is a combination of state, federal and Tobacco Settlement Agreement funds for independent living grants that support statewide senior programs.

The 2005 Legislature approved approximately \$76.8 million in total funding for the division during the 2005-07 biennium, an increase of 3.7 percent when compared to the total funding approved for the 2003-05 biennium. The General Fund support approved for the 2005-07 biennium totals \$19.9 million, an increase of 16.9 percent when compared to the funding approved for the 2003-05 biennium.

AGING SERVICES GRANTS

The Aging Services Grants budget supports the Independent Living Grants program. All funding is provided from Tobacco Settlement Agreement monies. This program enhances the independent living of older Nevadans through respite care and relief for care giving, transportation options and care in the home to enable older persons to remain at home rather than in institutional placement.

The 2005 Legislature approved increases in Tobacco Settlement Agreement funds of \$136,061 in FY 2005-06 over amounts recommended by the Governor, based on revised revenue estimates by the State Treasurer's office.

The Legislature recommended reductions in the transfer of Tobacco Settlement Agreement funds to the Senior Services Program by \$311,631 in FY 2005-06 and \$315,228 in FY 2006-07, which represents one-half of the amount recommended by the Governor. Decreases in Tobacco Settlement Agreement transfers correspond with the intent of the 2003 Legislature to look to revenue sources other than Tobacco Settlement Agreement funds to fund ongoing programs of the Aging Services Division.

AGING OLDER AMERICANS ACT

The Aging Older Americans Act budget is the primary administrative account and provides for grants and resource development, elder rights and fiscal services for the division.

The 2005 Legislature approved General Fund support in the amount of \$666,997 in each year of the 2005-07 biennium to provide social services and nutrition services for seniors. The Executive Budget recommended and the 2005 Legislature approved funding at this level to continue state support of rural senior centers at the 1989 “hold harmless” level.

The Legislature also approved increases in transfers from the Taxicab Authority of \$57,738 in FY 2005-06 and \$49,338 in FY 2006-07 to support the Senior Ride program, which subsidizes taxicab rides for senior citizens and permanently disabled persons.

SENIOR SERVICES PROGRAM

The 2005 Legislature supported the Governor’s recommendation to add Medicaid Title XIX funding of \$822,561 in FY 2005-06 and approximately \$1.1 million in FY 2006-07 to add four new positions (one Administrative Assistant, two Social Workers and one Social Work Supervisor) to address 144 additional Community Home Based Care Initiative Program (CHIP) cases per month in FY 2005-06 and an additional 41 cases per month in FY 2006-07. The Governor originally recommended seven additional positions to provide additional CHIP waiver slots to serve 160 clients that were on a waiting list. However, based on revised caseload projections provided by the Division for Aging Services, the Legislature reduced the number of CHIP waiver slots, which in turn reduced the number of new positions needed to administer the additional waiver slots from seven to four.

The Legislature concurred with the Governor’s recommendation to add General Funds of \$97,920 in FY 2005-06 and \$127,296 in FY 2006-07 to provide for personal assistance services for state-only CHIP clients. The Legislature also approved the Governor’s recommendation to eliminate patient liability co-payments from the CHIP Medicaid waiver, which reduced General Fund support by approximately \$168,000 in each year of the 2005-07 biennium.

An increase in the rate for personal assistance services contractors from \$17 to \$18.50 per hour was approved by the Legislature. In approving the increase, the Legislature adopted a phased-in approach by implementing a 75-cent per hour increase in FY 2005-06 and a 75-cent per hour increase in FY 2006-07.

EPS/HOMEMAKER PROGRAMS

The Elder Protective Services (EPS) program provides protective services to prevent and remedy abuse, neglect, exploitation and isolation of elderly persons 60 years and older. Services may include investigation, evaluation, counseling, arrangement and referral for other services and assistance. EPS provides alternative solutions for seniors at risk of neglect who otherwise may have to be institutionalized.

The 2005 Legislature approved the Governor's recommendation to add two Social Work Supervisor positions, one in Reno and one in Las Vegas, to reduce the supervisor-to-staff ratio for the Social Services Managers in those offices. The Legislature's approval was based on an understanding that the new supervisors would not carry caseloads and that the Social Workers currently serving as lead staff would return to carrying full caseloads and associated duties.

Two additional EPS Social Worker positions recommended by the Governor were also approved by the Legislature to reduce caseload ratios from 30:1 to 25:1 to improve the quality and availability of services for at-risk adults and elderly persons who are abused, neglected or exploited. The 25:1 ratio is the caseload recommended by the National Association of Adult Protective Services Administrators.

The Legislature approved the addition of \$475,335 in FY 2005-06 and \$468,477 in FY 2006-07 in unallocated Title XX monies to reduce General Fund appropriations recommended in the Governor's budget. The Homemaker program has historically been funded with Title XX monies and Elder Protective Services is also eligible for Title XX funding.

SENIOR CITIZENS PROPERTY TAX ASSISTANCE

The Senior Citizens Property Tax Assistance program provides relief to eligible senior citizens who are carrying an excessive residential property tax burden in relation to their income and through rent payments, pay a disproportionate amount of their income for property taxes.

The 2005 Legislature approved General Fund amounts of \$85,943 in FY 2005-06 and \$23,512 in FY 2006-07 in excess of the amounts recommended by the Governor based on revised estimates for projected growth in eligible claimants and average refund amounts anticipated for eligible seniors.

DIVISION OF CHILD AND FAMILY SERVICES

The Division of Child and Family Services (DCFS) provides a wide array of services to children and adolescents and is organized into three major program areas: Child Welfare Services; Children's Mental/Behavioral Health Services; and Juvenile Justice Services. The division is responsible for child protective and child welfare service delivery in rural Nevada and oversight of urban county-operated child protective and child welfare services programs; children's mental/behavioral health treatment and residential services in urban Nevada; and statewide juvenile justice services including state-operated youth training centers and youth parole.

The money committees made numerous adjustments to the budgets within the DCFS, which resulted in a decrease of \$4.2 million in General Fund support over the 2005-07 biennium to \$192.9 million compared to the Governor's recommendation of \$197.1 million. General Fund support as approved by the 2005 Legislature for the 2005-07 biennium reflects a 15.9 percent increase from the level as approved by the 2003 Legislature for the 2003-05 biennium (\$166.4 million).

CHILD AND FAMILY SERVICES ADMINISTRATION

This account is the central administrative account of DCFS and contains the unclassified Administrator, the division's four unclassified Deputy Administrators, central fiscal, accounting and personnel staff, and, until FY 2005-06, the caseworker staff for Child Welfare, Foster Care and Adoption programs. The 2005 Legislature approved major changes in this budget, which include the transfer out of 85.57 FTE existing child welfare positions and associated costs to the Youth Community Services budget, which was renamed Rural Child Welfare. The division's reorganization, also referred to as the division's budget realignment process, was recommended to align positions, programs and expenditures with the appropriate regional budget account. The Legislature approved numerous decision units recommended in The Executive Budget, which transferred existing positions and expenditures between various budget accounts.

The Governor recommended and the Legislature approved a total of 23 new positions in this budget. Included in the 23 new positions are 15 new positions to reduce the child welfare staff-to-client ratio in the Rural Region from 1:28 to 1:22 in FY 2005-06 and to 1:19 in FY 2006-07. The Executive Budget recommended and the Legislature approved the transfer out of the 15 new positions to the division's Rural Child Welfare budget.

The Legislature also approved six new positions recommended in the budget for a performance-based contracting and monitoring unit. The positions are proposed to establish a strategic plan and use performance measures to improve services. The Performance Based Contracting Unit is a component of the department's proposal to restructure higher levels of care by the redesign of mental health residential treatment services. The department and division submitted this concept during the Legislative Session and indicated that no formal budgetary adjustments were required, but requested flexibility during the 2005-07 biennium to potentially move positions and funds between agencies and budgets within the department. The Legislature approved this concept, which resulted in specific language in the General Appropriations Act (A.B. 576) and also approved a Letter of Intent to the division requiring quarterly progress reports to the IFC on the status of the redesign effort.

The Legislature also approved two new FTE positions recommended in the budget to develop in-house expertise in cost allocation issues. A new Administrative Services Officer III and Management Analyst III will allow the division to amend its cost allocation plan as needed and optimize federal revenue. The Legislature eliminated General Fund support for the positions and substituted federal funds for their cost based on the

assumption that additional federal Title IV-E revenue could be earned through the efforts of the new positions. As part of the division's reorganization and budget realignment process, the Governor recommended and the Legislature approved the transfer in of 11 FTE existing regulatory oversight positions from the Clark County Integration budget and one existing position from Southern Nevada Child and Adolescent Services. The total net positions approved in this budget account are reduced from 160.61 FTE in FY 2004-05 to 86.51 FTE in both years of the 2005-07 biennium.

The 2005 Legislature also approved A.B. 580, which provides a \$200,000 General Fund appropriation to the Legislative Commission to contract with an independent consultant to study and evaluate the health, safety, welfare and civil or other rights of children who are under the care of certain governmental entities or private facilities. Foster homes are not included as a governmental entity or private facility. The consultant is required to: review and evaluate complaints filed by or on behalf of a child; review guidelines, policies and procedures used by governmental entities and private facilities concerning the treatment of children; and perform unannounced site visits and on-site inspections.

The Legislative Commission is required to appoint a Subcommittee to oversee the consultant, who shall provide, at a minimum, quarterly activity reports and a final written report to the Subcommittee by December 15, 2006. Upon acceptance of the final report, the Subcommittee shall forward a copy to the Legislative Commission, who on or before February 5, 2007, shall submit a copy to the 74th Session of the Nevada Legislature.

CLARK COUNTY INTEGRATION

This budget was established during the 2001-03 biennium, solely for the costs related to the integration of child welfare services. The Executive Budget recommended and the Legislature approved the renaming of this budget account from Child Welfare Integration to Clark County Integration. The approved budget contains cost estimates for the continuation of child welfare integration for Clark County and totals \$37.1 million in FY 2005-06 and \$40.8 million in FY 2006-07. The General Fund portion of the approved budget in FY 2005-06 is \$21.7 million, a decrease of 36.7 percent compared to FY 2004-05. In FY 2006-07, the General Fund total of \$23.9 million is a 10.6 percent increase over FY 2005-06. The approved expenditures consist of salary costs, including those for DCFS positions that have been transferred to Clark County, related operating costs, and placement costs for foster care and adoption services.

The Executive Budget recommended and the Legislature approved a total of 52 new FTE positions in this budget account. For Clark County, the Legislature approved 34 new FTE positions including: 24 new positions to reduce the foster care caseload staff-to-client ratio from 1:28 to 1:25 in FY 2005-06 and to 1:22 in FY 2006-07; 9 new FTE for projected caseload increases in Foster Care Licensing; and 1 new FTE for

projected caseload increases in the Interstate Compact on the Placement of Children unit. The Legislature also approved the Governor's recommendation of approximately \$3.7 million over the biennium for projected caseload increases for foster care placements and for adoption subsidies in Clark County.

For Washoe County, the Legislature approved 18 new FTE positions, including 6 new FTE for projected foster care caseload increases and 12 new FTE to reduce the foster care caseload staff-to-client ratio to the same ratios as those approved for Clark County. The Executive Budget also recommended the transfer out of the 18 new positions for Washoe County as well as all related ongoing costs associated with integration to a new budget account to isolate those costs. The Legislature approved that transfer.

In approving the new positions for both Clark and Washoe Counties, the Legislature implemented a phase-in schedule, which reflects slight two to three-month delays in the start dates for approximately one-half of the new staff. The phase-in schedule was adopted since caseload projections will likely gradually increase over the biennium, and to match the recommendation in the budget for new staff for DCFS for the rural region, which similarly were recommended to be phased in.

Several recommendations to transfer out existing staff to other DCFS accounts as part of the division's budget realignment process were also approved. A total of 11 existing FTE Regulatory Oversight staff were transferred to the division's Administration budget, 10 FTE existing Rural Match-up positions and associated costs were transferred to the division's Rural Child Welfare budget and two FTE existing positions were transferred to UNITY, the division's information systems budget.

WASHOE COUNTY INTEGRATION

This is a new account recommended by the Governor and approved by the 2005 Legislature to isolate the costs of child welfare integration for Washoe County into a separate budget account. Approved costs reflect the transfer in of expenditures from other division budgets as part of the division's reorganization and budget realignment process. Legislatively-approved General Fund support totals \$9.1 million in FY 2005-06 and \$10.1 million in FY 2006-07.

The Executive Budget recommended and the Legislature approved a total of \$3.47 million over the biennium for projected caseload increases in Foster Care Placement and Adoption Subsidies costs. The projected caseload increases are based upon population estimates from the State Demographer. A total of \$783,588 was also approved over the biennium for six new FTE staff to accommodate the projected caseload increases. The new staff were recommended by the Governor with an October 1, 2005 start date and include one supervisor, four caseworkers and one clerical position. Similar to closing actions in the Clark County Integration budget, the Legislature implemented a phase-in schedule, which reflects a two-month delay in the start dates for three of the new staff.

The Legislature also approved 12 new positions to reduce the foster care staffing ratio. A total of \$1.19 million was approved over the biennium for six new FTE in FY 2005-06 and six additional FTE in FY 2006-07 to reduce the foster care staffing ratio from 1:28 to 1:25 in FY 2005-06 and from 1:25 to 1:22 in FY 2006-07. In FY 2005-06, the Legislature delayed three of the six new staff recommended for two months until December 1, 2005. In FY 2006-07, the six additional new staff were recommended for a July 1, 2006 start date; however, the Legislature delayed the positions for three months until October 1, 2006, to mirror similar recommendations and closing actions in the budget.

The Governor recommended and the Legislature approved the transfer in of adjusted base budget costs from the Clark County Integration budget. The recommended amounts total \$12.12 million in FY 2005-06 and \$12.40 million in FY 2006-07 and represent ongoing child welfare integration costs for Washoe County. The Legislature modified the revenue to support the adjusted base expenditures by approving additional Title XX Purchase of Social Services funding in the amount of \$54,348 in FY 2005-06 and \$57,776 in FY 2006-07, resulting in a corresponding decrease in General Fund appropriations.

UNITY/SACWIS

The UNITY/SACWIS budget represents the division's compliance with a federal mandate to automate foster care and adoption information systems. The Statewide Adoption and Child Welfare Information System (SACWIS) project, now referred to as Unified Nevada Information Technology for Youth (UNITY), began in FY 1994-95 with business process re-engineering (BPR) and became fully operational statewide in September 2003. The Legislature approved this budget primarily as recommended by the Governor with minimal technical adjustments to the statewide cost allocation and computer hardware amounts. The approved budget funds 43 FTE positions and provides for the continuing operation of the system during the 2005-07 biennium.

The approved General Fund amount of \$3.05 million in FY 2005-06 is a 6.8 percent increase over FY 2004-05. In FY 2006-07, the approved amount is \$3.0 million. The Governor recommended and the Legislature approved the transfer in of a total of 12 FTE positions and associated costs from the Department of Information Technology based on a recommendation from the Information Technology Optimization Study Oversight Committee. The positions were assigned to UNITY during the 2003-05 biennium. The Legislature also approved the transfer in of 2 FTE positions and mainframe costs associated with Clark County utilization of UNITY from the Clark County Integration budget as part of the division's budget realignment process. Also approved is a total of \$791,215 over the 2005-07 biennium for replacement of the division's network hardware and for software upgrades.

CHILD CARE SERVICES BUREAU

The Child Care Services Bureau is responsible for licensing and monitoring child care facilities caring for five or more children not licensed by local entities. Facilities include child care centers, pre-schools, group care homes, institutions and outdoor youth programs. The bureau is also responsible for licensing, monitoring and providing technical assistance to family foster and group foster care homes to reduce the risk of harm to children placed in care.

The 2005 Legislature approved this budget primarily as recommended by the Governor, which includes the transfer out of four FTE Foster Care Social Worker positions and associated costs to the Rural Child Welfare budget as part of the division's budget realignment process. General Fund support for the budget was eliminated for the 2005-07 biennium, primarily due to the transfer out of the existing Social Worker positions and additional federal Child Care Development Block Grant funds approved for this budget. The Legislature also approved one new Child Care Surveyor II position to assume the child care licensing caseload for Carson City.

RURAL CHILD WELFARE

The Executive Budget recommended and the Legislature approved a title change for this account from Youth Community Services to Rural Child Welfare. Historically, this budget had contained only funding for the placement costs of children in the division's care because of abuse, neglect or behavioral/emotional problems. Adoption subsidies for the Rural Region are also paid from this account to adoptive parents of special needs children. The approved budget reflects major changes through the division's reorganization and budget realignment process. In addition to placement related expenses, the budget for the 2005-07 biennium now contains all positions and associated costs for Rural Child Welfare responsibilities. The approved budget continues to reflect foster care placement costs and subsidized adoption costs for the Rural Region, as well as the cost of all higher level placements statewide. The 2005 Legislature approved the budget substantially as recommended by the Governor, which includes General Fund support for FY 2005-06 of \$12.7 million, which represents a 40 percent increase over FY 2004-05. For FY 2006-07, the General Fund amount of \$13.9 million represents a 10 percent increase when compared to the FY 2005-06 amount.

The Legislature approved funding recommended in the budget for provider rate increases for higher levels of care, residential group care and non-residential services. The increases total \$4.6 million over the biennium, and affect Level I through Level III group care, therapeutic foster care and wraparound service providers. The Legislature also approved projected caseload increases in higher level group care placements statewide. In FY 2005-06, the approved budget totals nearly \$1.3 million to accommodate an additional 45 cases over the ending FY 2003-04 total monthly caseload of 437. In FY 2006-07, an additional 24 cases are projected for a total of 69 new cases over the biennium totaling \$2.0 million.

The caseload distribution for higher levels of care group placement is 73 percent Clark County, 16 percent Washoe County and 11 percent rural Nevada. The average cost per case is \$2,350 per month. As noted earlier in the discussion of the division's administration budget, higher levels of care placement expenditures may also be affected by the division's proposal to redesign mental health residential treatment services. The Legislature approved a total of \$355,669 over the biennium for a projected 12 percent annual increase in rural adoption subsidy cases. The increase will provide for 15 new cases in FY 2005-06, for a total of 140 subsidies, with an additional 17 subsidies in FY 2006-07, for a total of 157 subsidies. The average monthly subsidy for the rural region is \$510 per month.

The Legislature also approved 15 new FTE positions (13 in FY 2005-06 and 2 additional in FY 2006-07) to reduce the child welfare staff-to-client ratio in the Rural Region from 1:28 to 1:22 in FY 2005-06 and to 1:19 in FY 2006-07. Legislative approval included a revised phase-in schedule requested by the division designed to assist in the recruitment and retention of Social Workers in the Rural Region. The Legislature further approved issuing a Letter of Intent to the division requesting semi-annual reports to IFC on the progress of hiring the new Social Worker positions and also on the status of Social Worker vacancies in the rural region. Additionally, the division must seek and receive IFC approval prior to utilizing alternative position classifications or downgrading Social Worker positions.

In addition, The Executive Budget recommended and the Legislature approved the transfer in of 100.57 FTE existing staff from several of the division's budgets, including: 4 FTE positions from the Child Care Licensing budget; 10 FTE Rural Match-up positions from the Clark County Integration budget; 85.57 FTE from the division's Administration budget; and 1 FTE position from Northern Nevada Child and Adolescent Services. All transfers are related to the division's budget realignment process.

The Legislature also approved A.B. 580 (Section 51), which, among other things, extends Medicaid coverage for independent foster youth. Prior to this legislation, children who were discharged from foster care at 18 years of age or "aging out" of the foster care system were not eligible for Medicaid health care benefits. This legislation requires the Director of the Department of Human Services to include in the State Plan for Medicaid a requirement that certain former foster children who were in foster care on their 18th birthdays retain eligibility for Medicaid until they reach 21 years of age.

TRANSITION FROM FOSTER CARE

This budget account was established to administer funds for assisting youth transitioning out of foster care at 18 years of age. Assembly Bill 94, passed by the 2001 Legislature, authorized county recorders to charge and collect additional fees, a portion of which is deposited to this account. The funds may be used to provide assistance to youth with training costs, housing assistance and medical insurance and can also be granted to non-profit organizations or used to match federal funds.

The 2005 Legislature approved the budget as recommended by the Governor, which estimates collecting slightly over \$1.3 million in each year of the biennium and expending approximately \$1.8 million each year by utilizing a portion of the reserve balance. Of the \$1.8 million, approximately 53 percent is recommended for Clark County, 25 percent for Washoe County, 13 percent for rural Nevada, and 9 percent for Indian tribes.

WRAPAROUND IN NEVADA

The 2005 Legislature created a new budget account to track the costs of the Wraparound in Nevada Program (WIN) separately. The WIN Program was approved by the 17th Special Session as part of child welfare integration and was designed to serve children in the foster care system with Severe Emotional Disturbance (SED). It is an alternative to traditional mental health services and is an intensive intervention program that provides a high-risk child experiencing emotional or behavioral challenges with a “wrap” of support designed to stabilize the child and family. The Governor recommended the transfer of costs related to the WIN program from the Clark County Integration budget to the Northern Nevada and Southern Nevada Child and Adolescent Services’ budgets as part of the division’s budget realignment process and also recommended the continuation of the program with contract employees. Total continuation costs for the program were recommended at \$1.54 million for Northern Nevada Child and Adolescent Services in each year of the biennium, and \$2.98 million for Southern Nevada Child and Adolescent Services in each year of the biennium.

The Legislature did not approve the Governor’s recommendation and instead created a separate new budget account for the WIN Program. Additionally, the Legislature approved the conversion of the program from contract employees to state employees and added a total of 66 new FTE state positions to support the program. For the Northern and Rural Regions, 26 new positions were added, while 40 new positions were added for the Southern Region. The Legislature added a total of \$482,350 in additional General Fund support over the 2005-07 biennium to support the conversion of the program from contract to state employees. The Legislature felt that the high turnover of contract employees, which averaged 34 percent statewide and as high as 44 percent in the rural region, was adversely affecting the effectiveness of the program. Division representatives indicated that the approved funding would support WIN services for an ongoing caseload of 500 foster children in each year of the 2005-07 biennium.

REVIEW OF DEATH OF CHILDREN

This is a new budget account created as a result of the passage of A.B. 381 of the 2003 Legislative Session. The budget is funded with a \$1 increase (from \$8 to \$9) for a certified copy of a certificate of death. The legislation revised provisions governing multi-disciplinary teams, which review selected cases of death of children under 18 years of age and make recommendations for improvements to policies, practices and laws, which support the safety of children and prevent future deaths of children. The Administrator of DCFS is required to establish an Executive Committee that is charged with developing statewide protocols and distributing an annual report, which must include statistics and recommendations on improving laws, regulatory or policy changes.

The Executive Budget recommended collecting and expending \$150,105 in FY 2005-06 and \$147,705 in FY 2006-07 in revenue from the sale of certified copies of a certificate of death. The Legislature increased revenue and expenditure authority in FY 2006-07 by \$2,400 to match the estimated amount of \$150,105 in FY 2005-06. The approved budget supports a spending plan for multi-disciplinary team and Executive Committee activities including: operating costs; equipment; travel; support activities, including meeting coordination, minutes and report compilation; analysis and data entry; public education, including media campaigns, TV and radio advertisements; and training.

VICTIMS OF DOMESTIC VIOLENCE

The Victims of Domestic Violence budget is primarily funded by the collection of \$20 on each marriage license sold in the state by county clerks. The budget is also funded through an assessment of a \$5 fee for Justices of the Peace celebrating a marriage and Commissioners of Civil Marriages solemnizing a marriage. The program provides grants to non-profit agencies on a statewide basis to provide direct services to victims of domestic violence including shelter, crisis phone access, emergency assistance, advocacy, hospital accompaniment and counseling. There are no positions in this budget.

The Governor recommended a decrease in grant expenditures from \$3.25 million expended in FY 2003-04 to \$2.93 million in each year of the 2005-07 biennium. The Legislature did not approve the Governor's recommendation and instead closed this budget by increasing the amount available for grants to \$3.25 million in each year of the biennium, the same level as the actual expenditures in FY 2003-04. The increase to grants of \$322,603 each year was offset by a reduction in the reserve category. Based on the adjustments, the reserve category balance is \$505,104 each year, approximately the same amount authorized in each year of the 2003-05 biennium.

COMMUNITY JUVENILE JUSTICE PROGRAMS

This budget serves as a pass-through account for federal Office of Juvenile Justice and Delinquency Prevention (OJJDP) funds that are allocated to judicial districts for community-based delinquency prevention programs. The budget also contains the Community Corrections Block Grant program (primarily supported by General Fund) added by the 1997 Legislature, which provides funding to the nine judicial districts to implement programs that reduce or limit commitments to the state. The 2005 Legislature approved this budget as recommended by the Governor, with the exception of several technical adjustments, which reduced General Fund support by \$1,381 over the 2005-07 biennium. The approved budget continues the Community Corrections Partnership Block Grant program at \$666,195 (\$626,195 General Fund and \$40,000 federal OJJDP) in each year of the 2005-07 biennium, the same amount approved in each year of the 2003-05 biennium.

JUVENILE ACCOUNTABILITY BLOCK GRANT

The Juvenile Accountability Block Grant account was established in FY 1998-99 to accept grant funds from the federal OJJDP. With the exception of minor technical adjustments, the 2005 Legislature approved this budget as recommended by the Governor. The grant requires that 75 percent of the funds be passed through to Nevada's judicial districts for programs that reduce juvenile delinquency. A total of 20 percent of the grant is discretionary and is transferred to the Summit View Youth Correctional Center budget to assist in the cost of operations. The amount approved for Summit View support is \$99,140 in each year of the 2005-07 biennium, a reduction from the \$292,365 approved for each year of the 2003-05 biennium. The remaining five percent of the grant is retained in this budget to fund salary and related costs. The approved budget reflects a reduced grant award of \$495,700 (federal FY 2004) and results in the reduction of positions from 2.51 FTE in FY 2004-05 to 1.51 FTE in FY 2005-06 and no FTE positions in FY 2006-07. The budget for the 2003-05 biennium reflected an annual grant award of \$1.95 million (federal FY 2002).

YOUTH ALTERNATIVE PLACEMENT

The Youth Alternative Placement budget primarily contains funding payments to the China Spring Youth Camp in Douglas County and the Spring Mountain Youth Camp in Clark County. County Participation Fee revenue collection authority is also contained in this account and represents fees assessed to and collected from all counties except Clark for the operation of the China Spring Youth Camp. The Governor recommended a flat budget of approximately \$2.7 million in each year of the 2005-07 biennium. The recommended amount continued funding support at FY 2004-05 levels for the China Spring Youth Camp, the Aurora Pines Girls Facility and the Spring Mountain Youth Camp in each year of the 2005-07 biennium. The Legislature approved the Governor's recommendation of \$341,809 each year in General Fund support for the Spring Mountain Youth Camp.

Regarding the budget for the China Spring Youth Camp and the Aurora Pines Girls Facility, the Legislature approved the Governor's recommendation to continue expenditure levels in each year of the 2005-07 biennium at the FY 2004-05 approved level of approximately \$2.4 million. However, the Legislature modified the Governor's recommendation by restoring the historical funding ratio of 36.8 percent General Fund and 63.2 percent county funds to the revenue mix that supports those expenditures. The historical funding ratio had been in effect from FY 1989-90 through FY 2002-03. The ratio changed in the 2003-05 biennium due to a request by China Spring representatives to fund program increases with 100 percent county funds. That request was ultimately recommended by the Governor and approved by the 2003 Legislature. The Governor had recommended continuation of the FY 2004-05 ratio of 29.6 percent state funds and 70.4 percent county funds in each year of the 2005-07 biennium. The cost for the Legislature to restore the historical ratio to the Governor's recommended budget was \$169,341 in each year of the 2005-07 biennium in additional General Fund support, for a total of \$338,682 over the biennium. County Participation Funds were reduced by the same amounts.

Additionally, the 22nd Special Session of the Nevada Legislature passed S.B. 1, which provided funding for enhancements requested by Douglas County representatives for the China Spring and Aurora Pines Girls Facility budgets. The requested enhancements totaled \$461,502 in FY 2005-06 and \$527,563 in FY 2006-07 and will provide for merit salary increases, holiday pay, utility and food cost increases, and the addition of six new FTE staff. The new positions were requested to achieve a 1:10 staffing ratio during waking hours and to maintain a 1:20 ratio during sleeping hours.

Senate Bill 1 provides for the General Fund portion of the enhancement request, which by utilizing the historical ratio of 36.8 percent state General Funds, totals \$169,833 in FY 2005-06 and \$194,143 in FY 2006-07 or \$363,976 over the biennium. The remainder of costs over the biennium totaling \$625,089 will be supported with county funds.

JUVENILE CORRECTIONAL FACILITY

The Juvenile Correctional Facility budget funds the operation of the Summit View Youth Correctional Center, a secure male juvenile correctional facility for serious and chronic offenders, located near Nellis Air Force Base. The 96-bed facility opened on June 1, 2000. The private contractor who was retained to operate the facility chose to cease operating the facility in March 2002. The facility was essentially "mothballed" from March 2002 until January 2004 when the state resumed operation of the facility with state employees. The legislatively-approved budget for the 2005-07 biennium is primarily a continuation budget reflecting full operation with 86 FTE existing employees; no new positions were recommended by the Governor or added by the Legislature.

The Executive Budget recommended approximately \$1.3 million in each year of the biennium for debt retirement on the construction costs of the facility. Due to savings realized from refinancing, the Legislature reduced the entire recommended amount of \$1.27 million in FY 2005-06 with the exception of \$500 for required trust fee expenses. In FY 2006-07, the recommended amount of \$1.28 million was reduced, leaving \$178,711 for the balance of the debt retirement payment, plus \$500 for the trust fee. The actions resulted in corresponding General Fund savings of \$2.37 million over the 2005-07 biennium.

Based upon a recalculation of projected overtime costs for the 2005-07 biennium, the Legislature increased General Fund support for overtime pay by a total of \$90,537 over the amounts recommended in the budget. Additionally, the amount recommended for Private Contractor Placements was reduced from \$109,500 each year to \$54,750 each year, resulting in a General Fund reduction. The adjusted amount will provide for one placement for 365 days in each year of the biennium. The Legislature also approved a two-grade salary increase recommended in the budget for all classified correctional personnel, including the Assistant Superintendent, Head Group Supervisors, Assistant Head Group Supervisors, Group Supervisor II, III, and IVs and Correctional Nurses. A total of \$151,446 in General Fund support recommended by the Governor in each year of the 2005-07 biennium for additional psychiatric and prescription medication services for the youth population was also approved.

CALIENTE YOUTH CENTER

The Caliente Youth Center is a co-educational juvenile residential correctional facility that serves youth between the ages of 12 and 18 and has a capacity of 140 youth. Currently, four of the seven housing units are for males, with the remaining three housing units dedicated to females. The Governor recommended and the 2005 Legislature approved, 12 new FTE staff (10 Group Supervisor II positions, a Training Officer I and an Administrative Assistant II) to enhance the direct care staff-to-client ratio from 1:10 during waking hours to 1:8. The current 1:16 sleeping hours ratio remains in effect. The United States Department of Justice recommended the approved ratio as a follow-up to a Civil Rights for Institutionalized Persons Act (CRIPA) investigation at the Nevada Youth Training Center (NYTC) in Elko in early February 2002. The new positions are in addition to 19 new FTE staff approved by the 2003 Legislature which were similarly recommended by the Governor to enhance the direct care staff-to-client ratio and to provide health care coverage for evenings, weekends and holidays.

The Legislature also approved a two-grade salary increase recommended in the budget for all classified correctional personnel, including the Assistant Superintendent, Head Group Supervisors, Assistant Head Group Supervisors, Group Supervisor II, III, and IVs and Correctional Nurses. The Governor recommended \$209,071 in FY 2005-06 for facility maintenance, which was approved by the Legislature and includes the replacement of carpet and lighting fixtures. The Legislature also reduced overtime pay

from the recommended amount of \$168,719 in each year of the biennium to \$101,201 in FY 2005-06 and to \$103,214 in FY 2006-07 for a total reduction of \$133,023 over the biennium. The adjustment was based upon a recalculation of projected overtime costs and resulted in a reduction of General Fund support.

NEVADA YOUTH TRAINING CENTER

The Nevada Youth Training Center at Elko is a 24-hour residential treatment facility for male youth between 12 and 18 years of age. At capacity, the center can accommodate 160 youth and provides educational and remedial programs, counseling services, rehabilitative training and recreational activities. The center operates an accredited junior/senior high school. The Governor recommended, and the 2005 Legislature approved, 15 new FTE staff (13 Group Supervisor II positions, a Training Officer I and a Personnel Technician III) to enhance the direct care staff-to-client ratio from 1:10 during waking hours to 1:8 and to provide necessary staff support. The United States Department of Justice recommended the approved ratio as a follow-up to a Civil Rights for Institutionalized Persons Act (CRIPA) investigation conducted at the Training Center in Elko in early February 2002. The new positions are in addition to 23 new FTE staff approved by the 2003 Legislature that were also recommended by the Governor to enhance the direct care staff-to-student ratio and to provide health care coverage for evenings, weekends and holidays. The Governor recommended one new Academic Teacher for the center's accredited Junior/Senior High School for students with disabilities, which was similarly approved by the Legislature.

The Legislature also approved a two-grade salary increase recommended in The Executive Budget for all classified correctional personnel, including the Assistant Superintendent, Head Group Supervisors, Assistant Head Group Supervisors, Group Supervisor II, III, and IVs and Correctional Nurses. The Governor recommended \$500,000 in FY 2005-06 for deferred facility maintenance, which was approved by the Legislature and will provide for sidewalk renovation on the facility's campus. The Legislature approved \$135,868 in General Fund support recommended for equipment replacement including two vans, a sedan, washers, dryers, kitchen equipment and lawn and grounds maintenance equipment. The Legislature also reduced overtime pay from the recommended amount of \$428,849 for the biennium to \$209,452 for a total reduction of \$219,397 over the biennium. The adjustment was based on a recalculation of projected overtime costs and resulted in a reduction in General Fund support. The Legislature also approved CIP C-35, which provides \$3.83 million in state funding for the completion of remodeling of the gymnasium and multi-purpose building.

YOUTH PAROLE SERVICES

Youth Parole Services provides supervision, counseling, residential and aftercare services to youth (male and female) released from the Summit View Youth Correctional Center, the Nevada Youth Training Center at Elko, the Caliente Youth Center, the China Spring Youth Camp (state commitments), youth committed to out-of-state programs, and delinquent youth who require inpatient mental health treatment. Offices are

maintained in Las Vegas, Reno, Fallon and Elko. The 2005 Legislature approved this budget substantially as recommended by the Governor, which included the elimination of three FTE positions in FY 2006-07, from 39.02 to 36.02 FTE, based on the expiration of the federal Going Home grant. No new positions were recommended in the budget. The Legislature also approved the transfer in of Youth Parole placement costs from the Rural Child Welfare budget as part of the division's budget realignment process. The approved funding totals \$1.2 million in each year of the 2005-07 biennium, with \$905,265 consisting of General Fund each year. The funding provides for out-of-home care or alternative placements for paroled youth or youth who have been committed to the division's custody and cannot return to their caretakers.

The Executive Budget also recommended and the Legislature approved, the continuation of contract services funding for the Transitional Community Reintegration (TCR) program at \$833,887 in each year of the 2005-07 biennium. This program was added by the 1997 Legislature as an alternative program to assist in relieving overcrowding in both local juvenile detention facilities and state operated training centers and provides day treatment and residential services. The Legislature also passed S.B. 43, which adopts a revised Interstate Compact on Juveniles. The new compact retains cooperation among states in tracking and supervising juveniles who move across state borders. It also establishes an Interstate Commission to administer the compact and the Nevada State Council for Interstate Juvenile Supervision, which has policymaking and oversight authority concerning operation of the compact in Nevada. The Senate Committee on Finance issued a Letter of Intent to the division authorizing them to approach the IFC for funding for a required new position at the time the compact is enacted by 35 states. The legislation becomes effective on July 1, 2006 or upon enactment of the Interstate Compact for Juveniles into law by the 35th jurisdiction, whichever is later.

NORTHERN NEVADA CHILD AND ADOLESCENT SERVICES

Northern Nevada Child and Adolescent Services (NNCAS) provides a continuum of mental health services to emotionally disturbed children, adolescents and their families. Programs for Washoe County, Carson City and northern Nevada rural counties include outpatient counseling, day treatment, intensive treatment homes and inpatient services. General Fund support increases from \$2.2 million in FY 2004-05 to \$3.1 million in FY 2005-06, a 43.5 percent increase. In FY 2006-07, the approved amount is \$3.04 million. The 2005 Legislature approved the Governor's recommendation to add 9.04 FTE staff to address waiting lists for Outpatient and Early Childhood caseloads. For Outpatient Services (between 6 and 17 years of age) four new positions were approved and for Early Childhood Services (between birth and 6 years of age) three new positions were approved. Two .51 FTE Accounting Assistant positions and two .51 FTE Administrative Assistant positions were also approved to provide support to the clinical positions. The Legislature approved three new FTE staff recommended in the budget to provide utilization review for the Medicaid Rehabilitation Mental Health Services Program, as well as a two-grade salary increase for Psychiatric Nurse positions.

The Executive Budget recommended the transfer in of \$1.5 million in each year of the 2005-07 biennium in WIN expenses from the Clark County Integration budget as part of the division's budget realignment process. The recommendation proposed continuing the WIN Program with contract employees. The Legislature did not approve this recommendation and instead approved the conversion of the WIN Program from contract employees to state employees. The approved budget adds 26 FTE new state employees (compared to 23 contract employees) and associated operating and non-residential treatment services costs. The Legislature approved a separate budget account to identify more clearly the costs of the WIN Program. The Legislature also approved the transfer in of \$212,880 in General Fund in each year of the biennium in Mental Health Placement expenditures from the Rural Child Welfare budget for children that are ineligible for Medicaid or the Nevada Checkup Program. Additionally, the Legislature approved a total of \$263,087 in General Fund support over the biennium as recommended by the Governor for deferred facilities maintenance including building envelope (exterior) sealing and weatherproofing and carpet replacement.

SOUTHERN NEVADA CHILD AND ADOLESCENT SERVICES

Southern Nevada Child and Adolescent Services (SNCAS) provides a comprehensive continuum of behavioral health care services for emotionally disturbed children and adolescents from birth through 18 years of age. Programs include outpatient counseling, day treatment, intensive treatment homes and inpatient services. Legislatively-approved General Fund support increases from \$8.0 million in FY 2004-05 to \$8.8 million in FY 2005-06, a 10.6 percent increase. In FY 2006-07, a total of \$9.4 million was approved in state funding, which represents an additional 6.6 percent increase over FY 2005-06. The increase is primarily due to the transfer in of programs and expenses from other division budget accounts as part of the division's budget realignment process and from a large transfer in of General Fund from the Division of Health Care, Financing and Policy.

The Executive Budget recommended and the Legislature approved 11.51 FTE new positions for projected waiting lists for Children's Clinical Services and Early Childhood Services. For Children's Clinical Services (children and adolescents 6 through 17 years of age) six FTE clinical staff were approved, and for Early Childhood Services (birth to 6 years of age), four FTE positions were approved. An Accounting Assistant III and a .51 FTE Program Assistant II were also approved to provide support to the clinical positions.

Additionally, five new FTE positions recommended by the Governor were approved to provide utilization review for the Medicaid Rehabilitation Mental Health Services Program. The Legislature also approved a two-grade salary increase for Psychiatric Nurse positions and the restoration of a .51 FTE Psychiatric Caseworker II position that

was transferred to Clark County through child welfare integration. The Budget Division submitted an amendment requesting the restoration of the position. The Legislature also approved the transfer in of 7.51 FTE existing positions from the division's Administration budget recommended by the Governor as part of the division's budget realignment process.

The Executive Budget recommended the transfer in of nearly \$3 million annually for WIN expenses from the Clark County Integration budget as part of the division's budget realignment process. The recommendation proposed continuing the WIN Program with contract employees. The Legislature did not approve this recommendation and instead approved the conversion of the WIN Program from contract employees to state employees. The approved budget adds 40 FTE new state employees (compared to 40 contract employees) and associated operating and non-residential treatment services costs. The Legislature approved a separate budget account to identify more clearly the costs of the WIN Program. The Legislature also approved the transfer in of \$2.1 million in FY 2005-06 and \$2.3 million in FY 2006-07 in General Fund support from the Division of Health Care, Financing and Policy recommended by the Governor to provide the match for Medicaid funds for eligible services provided to children and adolescents. The Legislature also approved the transfer in of \$261,600 in General Funds in each year of the biennium in Mental Health Placement expenditures from the Rural Child Welfare budget for children that are ineligible for Medicaid or the Nevada Checkup Program.

The Legislature concurred with the Governor's recommendation to provide \$279,173 in General Fund support over the 2005-07 biennium for projected inflationary increases in prescription drug prices for patients at the 56-bed Desert Willow Treatment Center and \$225,629 in General Fund support over the 2005-07 biennium for deferred facilities maintenance including carpet replacement and HVAC maintenance. The Governor also recommended and the Legislature approved a total of \$906,584 in General Fund support over the biennium to continue the implementation of the new AVATAR billing system, which was approved during the 2003 Session. The approved funding is included in the Department of Administration's Information Technology Project budget. Approximately one-half of the approved amount (\$457,300) is for the implementation of the Clinician Workstation component of AVATAR for SNCAS. This component is scheduled to be implemented at NNCAS in FY 2004-05. The remainder of costs consists of software licensing costs and interface programming costs with the UNITY system. The Legislature also approved CIP-M21, which provides \$446,626 in state funding for a back-up generator for the HVAC system at the Desert Willow Treatment Center.

STATE PUBLIC DEFENDER

The Office of the State Public Defender represents indigent criminal defendants when a court appoints the office as counsel. The office currently provides services for Carson City, Storey County, Humboldt County, Pershing County, Eureka County, Lincoln County and White Pine County. The ten remaining counties provide their own public defender services through a county public defender or by contracting with a private attorney to provide those services. The office also handles appeals for state prison inmates whose habeas corpus post-conviction petitions have been denied. The office is funded through a combination of General Funds and reimbursements from the counties that use the services of the office. Each county's share of the costs for the office is based on the services rendered to that county and the state share is based on the costs of prison cases, post-conviction cases, and appellate and administrative functions of the office.

Due to an oversight in The Executive Budget, post-conviction relief expenditures, which are required to be funded with General Fund appropriations, were funded partially with county fee revenues. Although a budget amendment was submitted to increase the General Fund appropriation for the budget by \$397,029 in each year of the biennium, the Legislature determined that the state has been subsidizing services provided by the office that should be paid by the counties. Time records provided by the office indicate that on average, the office has spent approximately 80 percent of its time on duties that should be funded by the counties and approximately 20 percent of its time on duties that should be funded by the state.

Because the Public Defender was statutorily required, not later than December 1, 2004, to provide the counties participating in the office's services with an estimate of the cost for those services during the 2005-07 biennium, the Legislature decided to fund non post-conviction relief expenditures for FY 2005-06 using an allocation percentage of 53 percent county fees and 47 percent General Funds. For FY 2006-07 the Legislature applied an allocation percentage of 65 percent county fees and 35 percent General Funds. The money committees issued a Letter of Intent notifying the counties using the services of the office that they will be expected to fund fully the services they receive from the office during the 2007-09 biennium.

DEPARTMENT OF EMPLOYMENT, TRAINING AND REHABILITATION

The Department of Employment, Training and Rehabilitation (DETR) is comprised of the Director's Office and four divisions: Employment Security, Equal Rights, Information Development and Processing and Rehabilitation. The department is responsible for providing employment, training and rehabilitation services that meet the needs of Nevada's citizens, employers, employees and job seekers, to maximize independence, self-sufficiency and participation in the workforce. The primary funding sources for the

department are federal funds from the U.S. Departments of Labor, Education, and Health and Human Services; the Social Security Administration; a .05 percent surcharge on wages paid by Nevada employers; and interest and forfeitures of employer unemployment taxes.

For the 2005-07 biennium, total funding approved for the department is \$254.7 million, which represents an approximate 2.3 percent decrease from the amount approved for the 2003-05 biennium. General Fund support for the department totals \$10.1 million, an increase of 5.4 percent when compared to the funding approved for the 2003-05 biennium. The budget reductions are primarily related to expected reductions in federal funding for the administration of the Unemployment Insurance Program and to align expected revenue and expenditure authority for the other federally funded programs administered by the Employment Security Division.

ADMINISTRATION

The department's administrative account consists of the Director's Office, Human Resources, Financial Management, Office Services, Public Information and Auditing and provides management and support services to the other agencies within the department. The 2005 Legislature approved funding in this account for two new positions, a Maintenance Repair Worker and a Supply Technician, to support the southern Nevada operations of the department, including servicing the new Las Vegas administrative building that is projected to be completed in FY 2005-06. The 2005 Legislature approved the department's recommendation for the elimination of nine vacant positions to reduce the administrative cost allocation to the Employment Security Division due to the projected reduction in federal funding for the division.

INFORMATION DEVELOPMENT AND PROCESSING DIVISION

The Information Development and Processing Division consists of two units: the Research and Analysis Bureau and the Information Technology Bureau. The Research and Analysis Bureau is the primary source of labor market and economic information for the department, including state and local labor force, employment, occupational, career, general economic and demographic information. The Information Technology Bureau is responsible for the department's mainframe and server-based application development, system administration and operation, personal computer and network operations and maintenance, and information technology planning for the department.

The 2005 Legislature approved the department's recommendation for the elimination of seven vacant positions to reduce the administrative cost allocation to the Employment Security Division due to the projected reduction in federal funding for the division. Funding of approximately \$2.0 million over the biennium was approved by the 2005 Legislature for computer hardware, software and network infrastructure for the division. In approving the funding, the Legislature reduced the Governor's recommended funding level by \$206,600 for duplicative software license costs and network infrastructure costs. In addition, the Legislature concurred with the Governor's

recommendation to provide funding of \$138,315 for an additional computer server and software licensing costs to accommodate growth in data warehousing applications within the department. The computer server will also serve as a test and backup host machine for the unemployment insurance data verification system and the one-stop operation system applications.

EQUAL RIGHTS COMMISSION

The Nevada Equal Rights Commission investigates and resolves complaints of discrimination in employment, housing and public accommodations related to race, religion, age, gender, disability, national origin or ancestry. Funding for this account is primarily from a General Fund appropriation with additional funding provided through a contract with the federal Equal Employment Opportunity Commission (EEOC) for a specific number of intakes and case closures for employment discrimination cases.

The Executive Budget recommended authorizing funding of \$201,250 over the 2005-07 biennium from the federal Department of Housing and Urban Development (HUD) for the Nevada Equal Rights Commission to accept and investigate HUD housing discrimination complaints. The Legislature expressed concerns regarding the reallocation of existing staff currently responsible for investigation of employment discrimination complaints and the potential impact on the timeliness of processing those complaints. The Legislature was also concerned about the adequacy of the resources that the federal government would provide if the state entered into a contract to assume the responsibility for investigating housing discrimination complaints. As a result, the Legislature approved replacing the federal HUD revenues with federal EEOC revenues with the existing staff continuing to be dedicated to investigating employment discrimination cases. The Legislature did approve A.B. 5 in the 22nd Special Session, which requires legislative approval for the commission to enter into contracts or memorandums of understanding with the federal government to investigate and enforce laws relating to fair housing.

REHABILITATION ADMINISTRATION

The Rehabilitation Division is comprised of three bureaus: Vocational Rehabilitation, Services to the Blind and Visually Impaired, and Disability Adjudication. The division also includes the Client Assistance Program and the Office of Disability Employment Policy, which was established by the 2003 Legislature from the former Governor's Committee on Employment of People with Disabilities.

The 2005 Legislature approved the reclassification of the bureau chiefs of the Bureau of Services to the Blind and Visually Impaired and the Bureau of Vocational Rehabilitation to Deputy Administrators for the Rehabilitation Division as recommended in an occupational group study performed by the Department of Personnel and reflected in The Executive Budget. Although not recommended by the Governor, the Legislature approved the transfer of these two positions to the Rehabilitation Administration account to recognize the responsibilities each of the Deputy Administrators would have for

managing the program services and operations functions within both bureaus. In addition, the 2005 Legislature approved A.B. 28, which transferred the statutorily defined powers and duties of the two former bureau chiefs to the Rehabilitation Division Administrator position.

BUREAU OF DISABILITY ADJUDICATION

The Bureau of Disability Adjudication is responsible for providing medical disability decisions to individuals in Nevada who file claims for disability benefits under the federal Social Security Administration's Disability Insurance and Supplemental Security Income Disability programs. The bureau also conducts evidentiary hearings for those disability beneficiaries who are recommended for benefits termination.

The 2005 Legislature concurred with the Governor's budget recommendation to add 17 new positions, funded by the federal Social Security Administration, to address projected growth in caseloads for disability determinations. In approving the recommendation, the Legislature eliminated an existing Administrative Aid position that had been vacant since it was established in September 2002. In addition, the Legislature approved an increase of approximately \$1.4 million in funding for contract medical consultants and medical examinations related to the projected increase in the disability determination caseload. In approving this funding, the Legislature modified the Governor's budget recommendation to reflect an average caseload for the new adjudicator positions of 560 cases per year, thereby aligning with the actual average caseload experienced in FY 2003-04. The Legislature also approved the Governor's recommendation for additional funding for inflationary increases in medical consultants and medical examinations but did not approve the recommended increase in client medical travel costs.

BUREAU OF VOCATIONAL REHABILITATION

The Bureau of Vocational Rehabilitation provides rehabilitation services to eligible individuals with disabilities to assist them in preparing for and obtaining employment and self-sufficiency. In considering additional funding for the Bureau of Vocational Rehabilitation, the 2005 Legislature expressed concerns relative to the agency's inability during previous fiscal years to fully utilize federal funds awarded. Based on these concerns, the Legislature approved increasing the authorization for receipt of federal funds by approximately \$1.6 million as recommended by the Governor, but appropriated the required General Fund matching funds of \$427,510 to the IFC. The Legislature included language in the General Appropriations Act that authorizes the IFC to allocate these funds only upon expenditure of all matching funds within the Bureau of Vocational Rehabilitation account that are included in the base budget.

In order to fully fund the position reclassifications included in the occupational group study of rehabilitation positions performed by the Department of Personnel, the Legislature approved additional funds in the amount of \$227,251 over amounts recommended in The Executive Budget.

BUREAU OF SERVICES TO THE BLIND AND VISUALLY IMPAIRED

The Bureau of Services to the Blind and Visually Impaired provides services to persons who are blind, deaf/blind and/or severely visually impaired to assist them in achieving employment, independent living and self-sufficiency. The Bureau also administers the Blind Business Enterprise program statewide. Similar to the Bureau of Vocational Rehabilitation, the 2005 Legislature expressed concerns about the agency's ability to utilize fully the federal funds awarded. Therefore, the Legislature appropriated the \$154,802 in General Fund matching monies over the base budget amount that was recommended by the Governor to the IFC for allocation during the biennium as needed.

In order to fully fund the position reclassifications included in the occupational group study of rehabilitation positions performed by the Department of Personnel, the Legislature approved additional funds in the amount of \$42,229 over the Governor's budget recommendation for this item. The Legislature concurred with the Governor's recommendation to approve funding of \$703,350 in FY 2005-06 and \$484,125 in FY 2006-07 for expansion of the Blind Business Enterprise program. The funding will provide for additional training for blind vendors, the remodel of three existing blind vendor facilities, and the addition of four new blind vendor facilities during the 2005-07 biennium.

EMPLOYMENT SECURITY DIVISION

The Employment Security Division (ESD) is responsible for programs that pay unemployment insurance (UI) benefits, collect UI premiums, and provide job placement services and labor market information to employers and job seekers. In the division's administrative account, the 2005 Legislature authorized funding of approximately \$106 million for the 2005-07 biennium consisting primarily of federal funds. The Legislature reduced the Governor's budget recommendations for the division's administrative account by approximately \$9.2 million for the 2005-07 biennium primarily as a result of information provided by the department addressing the expected reductions in federal funds for programs administered by the division. The budget reductions include the elimination of 33.53 vacant positions and the reduction of funding in the amount of \$1.25 million for each year of the biennium for hiring intermittent positions. The division is budgeted \$150,000 in each year of the biennium to hire intermittent positions as needed to accommodate short-term increases in workload. In addition, due to the projected decrease in federal funds the Legislature approved the transfer of approximately \$1.1 million over the biennium from the ESD Special Fund for the purchase of recommended replacement equipment, in lieu of additional budget reductions.

CAREER ENHANCEMENT PROGRAM

The Career Enhancement Program is funded through a .05 percent surcharge on wages paid by Nevada employers and provides re-employment services and training programs to enhance the skills of both employed and unemployed individuals in the state. To address projected increases in the number of skilled workers needed in Nevada, the Legislature concurred with the Governor's recommendation to add ten new positions phased-in over the 2005-07 biennium to provide employment and training services. In addition, the Legislature approved an additional \$1 million annually to expand the amount of funding available for employed and unemployed workers for skills enhancement training. Due to the savings generated for the Unemployment Trust Fund, the Legislature approved the Governor's recommendation to provide funding from reserves of \$400,000 in each year of the biennium for ten intermittent positions to continue the re-employment services program. Federal funds previously available for this program were set to expire at the end of FY 2004-05.

EMPLOYMENT SECURITY SPECIAL FUND

As recommended by the Governor, the 2005 Legislature approved funding of approximately \$1.3 million for furnishings and equipment for the new Las Vegas administrative building for the department and funding of \$150,475 for moving staff, communications and equipment into the new building. In addition, the Legislature approved \$919,000 for building maintenance of agency-owned buildings, reducing the Governor's recommendation by \$35,600 for projects related to the Incline Village building that the department proposed to sell.

The 2005 Legislature did not approve funding of approximately \$1.5 million for completion of the second phase of the rewrite of the Unemployment Insurance Contributions Automated Reporting System. The department indicated it would suspend the remainder of the project until after deployment of the Internet employer registration and tax and wage reporting modules in July 2005 and review options for completion of the system with submittal to the 2007 Legislature of any proposal for enhancements to the system.

**Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)**

2005 Legislature

2004 - 05 Work Program	2005 - 06 Governor Recommended	2005 - 06 Legislature Approved	2006 - 07 Governor Recommended	2006 - 07 Legislature Approved
HUMAN SERVICES				
DHHS - DIRECTORS OFFICE				
DHHS ADMINISTRATION	3,016,326	1,663,216	1,746,814	1,692,145
GENERAL FUND	888,852	1,239,187	1,199,704	1,259,685
BALANCE FORWARD	42,159			
FEDERAL FUND		20,000	145,000	125,000
INTER AGENCY TRANSFER	2,085,315	404,029	402,110	432,460
DEVELOPMENTAL DISABILITIES	560,588	706,099	712,001	686,053
GENERAL FUND	108,561	163,567	169,469	163,766
BALANCE FORWARD	5,653			
FEDERAL FUND	446,374	462,340	462,340	462,356
INTER AGENCY TRANSFER		80,192	80,192	59,931
COMMUNITY BASED SERVICES	9,032,964	9,567,072	9,199,731	8,906,891
GENERAL FUND	2,906,951	4,809,509	4,445,758	5,149,749
BALANCE FORWARD	3,130,088	2,938,406	2,938,406	2,091,960
FEDERAL FUND	1,324,124	555,341	553,527	372,789
INTER AGENCY TRANSFER	366,288	364,973	364,096	393,622
OTHER FUND	1,305,513	898,843	897,944	898,771
HEALTHY NEVADA FUND	19,105,364	18,194,814	16,971,646	20,877,277
GENERAL FUND	2,128,180	2,130,424	782,302	2,132,050
INTER AGENCY TRANSFER		979	979	1,986
OTHER FUND	16,977,184	16,063,411	16,188,365	18,743,241
DHHS BCBS SETTLEMENT	225,000	150,000	150,000	150,000
BALANCE FORWARD	75,000			
OTHER FUND	150,000	150,000	150,000	150,000
DHHS, GRANTS MANAGEMENT UNIT	30,310,382	28,372,500	30,506,369	28,385,290
GENERAL FUND	2,859,663	2,975,857	2,991,242	2,977,966
BALANCE FORWARD	194,049		1,392,305	985,207
FEDERAL FUND	16,505,561	16,628,066	16,627,899	16,627,972
INTER AGENCY TRANSFER	10,751,109	8,668,577	9,394,923	8,679,352
OTHER FUND		100,000	100,000	100,000
DHHS, CHILDREN'S TRUST ACCOUNT	1,623,758	845,625	943,761	746,209
BALANCE FORWARD	918,259	225,880	319,064	109,332
OTHER FUND	705,499	619,745	624,697	636,877
SUB-FUNCTION RECAP				
DHHS - DIRECTORS OFFICE	63,874,382	59,499,326	60,230,322	61,443,865
GENERAL FUND	8,892,207	11,318,544	9,588,475	11,683,216
BALANCE FORWARD	4,365,208	3,164,286	4,649,775	2,201,292
FEDERAL FUND	18,276,059	17,665,747	17,788,766	17,463,117
INTER AGENCY TRANSFER	13,202,712	9,518,750	10,242,300	9,567,351
OTHER FUND	19,138,196	17,831,999	17,961,006	20,528,889

**Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)**

2005 Legislature

	2004 - 05 Work Program	2005 - 06 Governor Recommended	2005 - 06 Legislature Approved	2006 - 07 Governor Recommended	2006 - 07 Legislature Approved
HUMAN SERVICES					
HEALTH CARE FINANCING & POLICY					
HEALTH CARE FINANCING & POLICY	6,914,359	19,050,061	19,486,425	19,496,964	19,650,929
GENERAL FUND	1,818,670	2,012,925	1,841,115	2,057,555	1,875,589
BALANCE FORWARD	51,557				
FEDERAL FUND	3,125,364	14,985,588	15,268,282	15,462,817	15,591,694
INTER AGENCY TRANSFER	64,952	399,308	589,454	459,818	534,850
OTHER FUND	1,853,816	1,652,240	1,787,574	1,516,774	1,648,796
HCF&P, NEVADA MEDICAID, TITLE XIX	1,151,085,687	1,171,821,358	1,198,868,270	1,248,934,303	1,271,404,643
GENERAL FUND	344,402,930	382,802,612	384,919,350	419,842,446	428,556,825
BALANCE FORWARD	3,914,951	2,382	2,382	2,382	2,382
FEDERAL FUND	688,862,952	687,326,996	700,968,808	725,936,306	729,973,889
INTER AGENCY TRANSFER	88,791,632	78,631,280	89,320,463	79,707,559	89,072,835
OTHER FUND	25,113,222	23,058,088	23,657,267	23,445,610	23,798,712
HCF&P, HIFA MEDICAL		1,021,109	62,500	32,258,646	22,402,699
FEDERAL FUND		619,732	31,250	20,519,812	14,333,023
INTER AGENCY TRANSFER		401,377	31,250	11,738,834	8,069,676
INCREASED QUALITY OF NURSING CARE	16,590,847	17,763,009	17,763,009	17,867,262	17,763,488
BALANCE FORWARD	2,803,730	1,372,787	1,372,787	1,400,000	1,296,226
OTHER FUND	13,787,117	16,390,222	16,390,222	16,467,262	16,467,262
HCF&P, NEVADA CHECK-UP PROGRAM	35,112,016	40,580,181	37,905,925	45,412,963	42,856,762
GENERAL FUND	10,407,391	11,154,833	10,255,282	12,653,439	11,804,595
BALANCE FORWARD	5,198				
FEDERAL FUND	22,813,066	27,995,786	26,159,405	31,323,242	29,443,308
INTER AGENCY TRANSFER	225,000	157,116	156,189	163,836	162,762
OTHER FUND	1,661,361	1,272,446	1,335,049	1,272,446	1,446,097
HCF&P, HIFA HOLDING ACCOUNT		695,237	413,677	12,053,411	8,359,944
GENERAL FUND		347,619	206,839	6,026,706	4,179,972
INTER AGENCY TRANSFER			206,838		4,179,972
OTHER FUND		347,618		6,026,705	
HCF&P INTERGOVERNMENTAL TRANSFER	81,362,120	71,292,556	78,339,106	72,448,972	79,374,544
BALANCE FORWARD	5,186,142	5,807,865	5,807,865	6,084,812	5,238,618
OTHER FUND	76,175,978	65,484,691	72,531,241	66,364,160	74,135,926
SUB-FUNCTION RECAP					
HEALTH CARE FINANCING & POLICY	1,291,065,029	1,322,223,511	1,352,838,912	1,448,472,521	1,461,813,009
GENERAL FUND	356,628,991	396,317,989	397,222,586	440,580,146	446,416,981
BALANCE FORWARD	11,961,578	7,183,034	7,183,034	7,487,194	6,537,226
FEDERAL FUND	714,801,382	730,928,102	742,427,745	793,242,177	789,341,914
INTER AGENCY TRANSFER	89,081,584	79,589,081	90,304,194	92,070,047	102,020,095
OTHER FUND	118,591,494	108,205,305	115,701,353	115,092,957	117,496,793

**Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)
2005 Legislature**

	2004 - 05 Work Program	2005 - 06 Governor Recommended	2005 - 06 Legislature Approved	2006 - 07 Governor Recommended	2006 - 07 Legislature Approved
HUMAN SERVICES					
MENTAL HEALTH AND DEVELOPMENTAL SERVICES					
MHDS ADMINISTRATION	6,151,564	6,293,008	6,516,805	6,334,744	6,813,555
GENERAL FUND	2,328,910	2,417,962	2,643,158	2,406,642	2,878,864
FEDERAL FUND	3,353,488	3,353,364	3,345,807	3,363,080	3,354,603
INTER AGENCY TRANSFER	469,166	521,682	527,840	565,022	580,088
NORTHERN NV ADULT MENTAL HEALTH SE	25,245,376	30,982,927	30,635,952	33,428,468	32,976,008
GENERAL FUND	20,949,266	25,593,010	25,278,073	27,470,108	27,071,862
FEDERAL FUND	859,146	1,432,074	1,432,074	1,445,678	1,445,678
INTER AGENCY TRANSFER	2,837,556	3,495,882	3,463,844	4,047,281	3,993,067
OTHER FUND	599,408	461,961	461,961	465,401	465,401
LAKES CROSSING CENTER	5,676,007	6,117,022	6,233,903	6,596,973	6,706,927
GENERAL FUND	5,574,740	5,852,083	5,773,903	6,237,355	6,145,661
INTER AGENCY TRANSFER		169,244	364,305	263,923	465,571
OTHER FUND	101,267	95,695	95,695	95,695	95,695
RURAL CLINICS	11,232,454	14,824,983	14,597,197	17,167,518	16,899,633
GENERAL FUND	7,701,585	11,349,786	11,179,017	13,383,748	13,171,568
FEDERAL FUND	531,177	398,142	398,142	425,184	425,184
INTER AGENCY TRANSFER	2,260,193	2,536,933	2,479,916	2,756,881	2,701,634
INTERIM FINANCE	20,000				
OTHER FUND	719,499	540,122	540,122	601,705	601,247
SOUTHERN NEVADA ADULT MENTAL HEAL'	61,261,631	74,624,387	73,207,839	98,905,298	97,200,933
GENERAL FUND	47,034,444	61,951,996	60,489,757	84,309,875	82,653,712
FEDERAL FUND	2,486,383	2,516,297	2,516,297	3,570,277	3,570,277
INTER AGENCY TRANSFER	11,063,286	10,075,812	10,121,503	10,926,089	10,877,887
INTERIM FINANCE	500,000				
OTHER FUND	177,518	80,282	80,282	99,057	99,057
DHHS, SOUTHERN FOOD SERVICE	1,301,062	1,492,968	1,490,251	1,893,723	1,890,644
INTER AGENCY TRANSFER	1,301,062	1,492,968	1,490,251	1,893,723	1,890,644
SIERRA REGIONAL CENTER	25,776,923	29,152,064	29,771,911	32,211,363	33,339,460
GENERAL FUND	14,106,365	16,258,823	16,653,684	17,879,851	18,759,781
INTER AGENCY TRANSFER	11,523,037	12,742,349	12,967,335	14,180,633	14,428,800
OTHER FUND	147,521	150,892	150,892	150,879	150,879
DESERT REGIONAL CENTER	53,490,951	57,893,096	58,906,219	62,618,205	66,148,714
GENERAL FUND	27,866,635	30,248,541	30,905,933	32,811,430	35,351,553
INTER AGENCY TRANSFER	25,174,770	27,343,172	27,698,903	29,505,392	30,495,778
OTHER FUND	449,546	301,383	301,383	301,383	301,383
FAMILY PRESERVATION PROGRAM	1,104,396	1,799,351	1,799,351	1,907,149	1,907,149
GENERAL FUND	1,104,396	1,799,351	1,799,351	1,907,149	1,907,149
RURAL REGIONAL CENTER	9,974,489	12,097,281	12,800,318	14,307,543	15,147,875
GENERAL FUND	5,556,937	6,862,146	7,253,576	8,114,365	8,656,819
INTER AGENCY TRANSFER	4,377,990	5,235,135	5,546,742	6,193,178	6,491,056
OTHER FUND	39,562				

**Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)
2005 Legislature**

	2004 - 05 Work Program	2005 - 06 Governor Recommended	2005 - 06 Legislature Approved	2006 - 07 Governor Recommended	2006 - 07 Legislature Approved
MENTAL HEALTH AND DEVELOPMENTAL SERVICES					
MENTAL HEALTH INFORMATION SYSTEM	668,427	896,995	829,814	894,878	814,354
GENERAL FUND	422,722	656,106	590,871	646,921	569,125
BALANCE FORWARD	607				
FEDERAL FUND	167,200	142,000	142,000	142,000	142,000
INTER AGENCY TRANSFER	77,898	98,889	96,943	105,957	103,229
SUB-FUNCTION RECAP					
MENTAL HEALTH AND DEVELOPMENTAL	201,883,280	236,174,082	236,789,560	276,265,862	279,845,252
GENERAL FUND	132,646,000	162,989,804	162,567,323	195,167,444	197,166,094
BALANCE FORWARD	607				
FEDERAL FUND	7,397,394	7,841,877	7,834,320	8,946,219	8,937,742
INTER AGENCY TRANSFER	59,084,958	63,712,066	64,757,582	70,438,079	72,027,754
INTERIM FINANCE	520,000				
OTHER FUND	2,234,321	1,630,335	1,630,335	1,714,120	1,713,662

**Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)
2005 Legislature**

	2004 - 05 Work Program	2005 - 06 Governor Recommended	2005 - 06 Legislature Approved	2006 - 07 Governor Recommended	2006 - 07 Legislature Approved
HUMAN SERVICES					
HEALTH DIVISION					
OFFICE OF HEALTH ADMINISTRATION	3,383,749	5,450,697	5,221,569	5,575,452	5,484,138
GENERAL FUND	594,472	607,303	603,726	611,104	606,826
BALANCE FORWARD	78,928	78,928	78,928	228,928	276,974
FEDERAL FUND	473,186	744,181	722,615	744,181	722,615
INTER AGENCY TRANSFER	2,218,132	4,020,254	3,816,269	3,991,208	3,877,692
OTHER FUND	19,031	31	31	31	31
VITAL STATISTICS	1,201,993	1,297,593	1,227,594	1,342,538	1,258,945
GENERAL FUND	700,371	757,258	687,565	784,147	700,886
FEDERAL FUND	501,622	526,972	526,666	530,966	530,634
INTER AGENCY TRANSFER		13,363	13,363	27,425	27,425
CANCER CONTROL REGISTRY	1,268,872	932,866	932,866	914,620	914,650
BALANCE FORWARD	159,109	155,490	155,490	135,244	135,274
FEDERAL FUND	1,013,999	662,376	662,376	662,376	662,376
OTHER FUND	95,764	115,000	115,000	117,000	117,000
ENVIRONMENTAL PUBLIC HEALTH TRACKII	539,780	514,939	514,939	510,427	510,427
FEDERAL FUND	539,780	514,939	514,939	510,427	510,427
HEALTH AID TO COUNTIES	100				
GENERAL FUND	100				
CONSUMER HEALTH PROTECTION	4,334,971	1,862,864	1,879,042	1,912,239	1,949,937
GENERAL FUND	1,284,277	915,923	873,968	934,947	895,012
BALANCE FORWARD	740				
FEDERAL FUND	1,019,844				
INTER AGENCY TRANSFER	781,378	62,510	50,015	92,861	82,958
OTHER FUND	1,248,732	884,431	955,059	884,431	971,967
RADIOLOGICAL HEALTH	2,042,727	2,130,266	2,130,266	2,055,056	2,076,566
GENERAL FUND	100				
BALANCE FORWARD	282,077	530,097	530,097	454,241	475,751
FEDERAL FUND	294,752	322,222	322,222	322,220	322,220
INTER AGENCY TRANSFER	224,051	53,032	53,032	53,680	53,680
OTHER FUND	1,241,747	1,224,915	1,224,915	1,224,915	1,224,915
HEALTH RADIOACTIVE & HAZARDOUS WAS	11,861,150	11,398,383	11,398,383	11,324,079	11,324,075
BALANCE FORWARD	11,349,664	11,058,155	11,058,155	10,983,851	10,983,847
OTHER FUND	511,486	340,228	340,228	340,228	340,228
HEALTH FACILITIES HOSPITAL LICENSING	7,582,178	7,950,918	9,118,316	7,995,528	8,828,507
BALANCE FORWARD	2,635,521	2,810,681	2,810,681	2,719,987	2,832,999
FEDERAL FUND	1,577,978	1,589,701	2,757,099	1,588,573	2,307,960
INTER AGENCY TRANSFER	1,043,960	1,043,962	1,043,962	1,043,960	1,044,540
OTHER FUND	2,324,719	2,506,574	2,506,574	2,643,008	2,643,008

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Summary of Appropriations and Authorizations (Detail)
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	2004 - 05 Work Program	2005 - 06 Governor Recommended	2005 - 06 Legislature Approved	2006 - 07 Governor Recommended	2006 - 07 Legislature Approved
HEALTH DIVISION					
COMMUNITY HEALTH SERVICES	3,569,115	3,756,910	3,721,390	3,711,182	3,676,969
GENERAL FUND	225,735	285,472	260,161	264,990	237,153
BALANCE FORWARD	198,802	148,802	148,802	89,635	94,378
FEDERAL FUND	1,998,572	2,005,516	2,004,385	2,007,343	2,006,101
INTER AGENCY TRANSFER	347,382	411,267	402,189	443,361	433,484
OTHER FUND	798,624	905,853	905,853	905,853	905,853
HEALTH COMMUNICABLE DISEASE CONTR	5,650,967	5,278,700	5,276,319	5,297,133	5,294,448
GENERAL FUND	825,030	801,288	798,779	806,593	803,793
BALANCE FORWARD	3,884				
FEDERAL FUND	4,822,053	4,465,459	4,465,572	4,475,323	4,475,436
INTER AGENCY TRANSFER		11,953	11,968	15,217	15,219
SEXUALLY TRANSMITTED DISEASE CONTR	11,734,893	12,498,818	12,781,897	12,496,189	12,955,634
GENERAL FUND	1,545,215	1,544,251	1,826,629	1,549,887	2,009,235
BALANCE FORWARD	255,661				
FEDERAL FUND	9,934,017	10,852,675	10,853,376	10,841,832	10,841,929
INTER AGENCY TRANSFER		2,444	2,444	5,022	5,022
OTHER FUND		99,448	99,448	99,448	99,448
IMMUNIZATION PROGRAM	5,945,806	7,633,204	7,633,816	7,772,889	7,773,501
GENERAL FUND	1,557,492	1,497,534	1,497,534	1,497,534	1,497,534
BALANCE FORWARD	464				
FEDERAL FUND	3,631,058	3,029,432	3,030,044	3,028,915	3,029,527
INTER AGENCY TRANSFER	756,792	3,106,238	3,106,238	3,246,440	3,246,440
MATERNAL CHILD HEALTH SERVICES	6,579,223	6,883,164	6,851,676	6,957,832	6,924,141
GENERAL FUND	1,283,727	1,312,510	1,290,372	1,315,706	1,291,918
BALANCE FORWARD	55,456				
FEDERAL FUND	2,875,494	3,304,862	3,304,862	3,314,197	3,314,197
INTER AGENCY TRANSFER	100,000	66,466	57,116	74,569	64,666
OTHER FUND	2,264,546	2,199,326	2,199,326	2,253,360	2,253,360
DHHS, EARLY INTERVENTION SERVICES	13,109,597	19,856,310	18,868,184	20,328,807	19,633,410
GENERAL FUND	8,568,135	14,180,962	13,192,827	14,528,244	13,832,844
BALANCE FORWARD	44,832				
FEDERAL FUND	1,436,332	4,820,576	4,820,576	4,828,908	4,828,908
INTER AGENCY TRANSFER	3,047,554	842,083	842,092	958,966	958,969
OTHER FUND	12,744	12,689	12,689	12,689	12,689
DHHS, STATE & COMMUNITY COLLABORAT	3,262,325				
BALANCE FORWARD	9				
FEDERAL FUND	3,260,816				
INTER AGENCY TRANSFER	1,500				
WIC FOOD SUPPLEMENT	35,877,125	44,488,879	44,489,283	46,881,110	46,881,514
BALANCE FORWARD	51,521				
FEDERAL FUND	26,484,371	31,226,795	31,227,199	33,619,026	33,619,430
OTHER FUND	9,341,233	13,262,084	13,262,084	13,262,084	13,262,084

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	2004 - 05 Work Program	2005 - 06 Governor Recommended	2005 - 06 Legislature Approved	2006 - 07 Governor Recommended	2006 - 07 Legislature Approved
HEALTH DIVISION					
DHHS, EMERGENCY MEDICAL SERVICES	833,509	835,128	848,115	864,302	902,623
GENERAL FUND	758,385	766,082	779,069	785,830	824,151
BALANCE FORWARD	18,552	18,552	18,552	18,552	18,552
INTER AGENCY TRANSFER		9,154	9,154	18,580	18,580
OTHER FUND	56,572	41,340	41,340	41,340	41,340
HEALTH ALCOHOL & DRUG REHABILITATIO	22,179,713	22,761,167	22,761,167	22,537,593	22,537,593
GENERAL FUND	3,530,430	3,650,278	3,650,278	3,674,808	3,674,808
BALANCE FORWARD	21,425				
FEDERAL FUND	18,610,610	19,066,340	19,066,340	18,803,422	18,803,422
INTER AGENCY TRANSFER		22,892	22,892	37,721	37,721
OTHER FUND	17,248	21,657	21,657	21,642	21,642
HEALTH ALCOHOL TAX PROGRAM	1,157,478	1,203,741	1,203,741	1,152,386	1,152,386
BALANCE FORWARD	369,478	369,478	369,478	296,432	296,432
OTHER FUND	788,000	834,263	834,263	855,954	855,954
HEALTH PUBLIC HEALTH TOBACCO FUND	657,986	727,316	727,346	957,510	957,540
OTHER FUND	657,986	727,316	727,346	957,510	957,540
PUBLIC HEALTH PREPAREDNESS PROGRA	21,142,065	13,655,302	13,655,720	13,656,625	13,657,043
BALANCE FORWARD	10,168				
FEDERAL FUND	21,006,513	13,655,302	13,655,720	13,656,625	13,657,043
INTER AGENCY TRANSFER	109,865				
OTHER FUND	15,519				
SUB-FUNCTION RECAP					
HEALTH DIVISION	163,915,322	171,117,165	171,241,629	174,243,497	174,694,047
GENERAL FUND	20,873,469	26,318,861	25,460,908	26,753,790	26,374,160
BALANCE FORWARD	15,536,291	15,170,183	15,170,183	14,926,870	15,114,207
FEDERAL FUND	99,480,997	96,787,348	97,933,991	98,934,334	99,632,225
INTER AGENCY TRANSFER	8,630,614	9,665,618	9,430,734	10,009,010	9,866,396
OTHER FUND	19,393,951	23,175,155	23,245,813	23,619,493	23,707,059

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Summary of Appropriations and Authorizations (Detail)
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	2004 - 05 Work Program	2005 - 06 Governor Recommended	2005 - 06 Legislature Approved	2006 - 07 Governor Recommended	2006 - 07 Legislature Approved
HUMAN SERVICES					
DIVISION OF WELFARE & SUPPORTIVE SERVICES					
DWSS ADMINISTRATION	28,946,285	26,947,769	27,446,359	27,180,320	27,455,074
GENERAL FUND	8,282,894	8,050,583	7,505,399	7,987,812	7,627,690
FEDERAL FUND	17,054,444	16,189,998	16,998,606	16,576,093	17,206,578
INTER AGENCY TRANSFER	3,507,922	2,487,409	2,722,575	2,396,636	2,401,027
OTHER FUND	101,025	219,779	219,779	219,779	219,779
DWSS FIELD SERVICES	58,099,736	61,612,398	60,542,076	64,545,169	62,906,537
GENERAL FUND	22,601,659	19,592,918	21,207,018	25,309,116	21,658,280
BALANCE FORWARD	345,235				
FEDERAL FUND	27,598,158	32,857,248	27,418,627	28,386,815	28,433,779
INTER AGENCY TRANSFER	7,554,684	9,157,995	11,912,194	10,845,001	12,810,241
OTHER FUND		4,237	4,237	4,237	4,237
DWSS TANF	67,355,946	49,155,055	44,996,108	50,879,132	46,290,015
GENERAL FUND	42,668,032	24,607,852	24,607,852	27,383,588	24,607,852
FEDERAL FUND	25,917,621	24,547,203	20,388,256	23,495,544	21,682,163
INTER AGENCY TRANSFER	-1,229,707				
CHILD SUPPORT ENFORCEMENT PROGRAM	10,225,401	10,073,634	10,083,585	10,437,788	10,440,963
BALANCE FORWARD	545,911	925,913	925,913	1,099,224	1,093,960
FEDERAL FUND	5,918,280	5,704,720	5,711,288	5,811,459	5,817,028
INTER AGENCY TRANSFER	1,008,684				
OTHER FUND	2,752,526	3,443,001	3,446,384	3,527,105	3,529,975
CHILD SUPPORT FEDERAL REIMBURSEMENT	23,808,907	25,352,621	25,352,621	26,557,874	26,557,874
BALANCE FORWARD	5,000				
FEDERAL FUND	23,803,907	25,352,621	25,352,621	26,557,874	26,557,874
ASSISTANCE TO AGED AND BLIND	6,565,400	6,582,790	6,693,286	6,809,498	6,916,508
GENERAL FUND	6,565,400	6,582,790	6,693,286	6,809,498	6,916,508
CHILD ASSISTANCE AND DEVELOPMENT	34,357,899	36,280,700	36,153,610	39,131,938	39,010,876
GENERAL FUND	9,033,701	9,033,701	9,033,701	9,033,701	9,033,701
BALANCE FORWARD	1,433,406			2,836,114	2,841,463
FEDERAL FUND	23,890,792	27,246,999	27,119,909	27,262,123	27,135,712
ENERGY ASSISTANCE - DWSS	13,393,815	18,367,210	18,362,193	18,546,585	18,541,077
BALANCE FORWARD	1,807,469				
FEDERAL FUND	3,325,406	5,150,920	5,167,949	5,212,690	5,219,857
OTHER FUND	8,260,940	13,216,290	13,194,244	13,333,895	13,321,220
SUB-FUNCTION RECAP					
DIVISION OF WELFARE & SUPPORTIVE SERVICES	242,753,389	234,372,177	229,629,838	244,088,304	238,118,924
GENERAL FUND	89,151,686	67,867,844	69,047,256	76,523,715	69,844,031
BALANCE FORWARD	4,137,021	925,913	925,913	3,935,338	3,935,423
FEDERAL FUND	127,508,608	137,049,709	128,157,256	133,302,598	132,052,991
INTER AGENCY TRANSFER	10,841,583	11,645,404	14,634,769	13,241,637	15,211,268
OTHER FUND	11,114,491	16,883,307	16,864,644	17,085,016	17,075,211

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	2004 - 05 Work Program	2005 - 06 Governor Recommended	2005 - 06 Legislature Approved	2006 - 07 Governor Recommended	2006 - 07 Legislature Approved
HUMAN SERVICES					
AGING SERVICES					
AGING SERVICES GRANTS	10,101,530	5,597,845	5,733,906	5,570,570	5,803,494
INTER AGENCY TRANSFER	10,101,530	5,597,845	5,733,906	5,570,570	5,803,494
AGING OLDER AMERICANS ACT	13,174,645	13,740,244	13,692,151	13,962,656	13,919,317
GENERAL FUND	3,002,643	3,122,846	3,073,905	3,141,412	3,106,435
BALANCE FORWARD	175,858				
FEDERAL FUND	8,614,700	9,050,068	9,019,768	9,192,882	9,161,825
INTER AGENCY TRANSFER	1,099,996	1,277,639	1,316,885	1,338,671	1,373,664
OTHER FUND	281,448	289,691	281,593	289,691	277,393
SENIOR SERVICES PROGRAM	11,022,420	10,167,667	10,006,808	11,361,909	10,993,791
GENERAL FUND	1,726,630	1,467,937	1,807,646	1,510,575	1,899,264
INTER AGENCY TRANSFER	9,157,549	8,695,711	8,195,143	9,847,315	9,090,508
OTHER FUND	138,241	4,019	4,019	4,019	4,019
EPS/HOMEMAKER PROGRAMS	2,972,555	3,349,764	3,307,598	3,473,734	3,434,415
GENERAL FUND	157,425	531,485	13,984	622,569	114,773
INTER AGENCY TRANSFER	2,815,130	2,818,279	3,293,614	2,851,165	3,319,642
SENIOR CITIZENS' PROPERTY TAX ASSISTANCE	4,521,504	4,746,156	4,830,041	5,100,293	5,121,471
GENERAL FUND	4,197,507	4,744,271	4,743,619	5,096,442	5,117,620
BALANCE FORWARD	323,997		84,537		
INTER AGENCY TRANSFER		1,885	1,885	3,851	3,851
SUB-FUNCTION RECAP					
AGING SERVICES	41,792,654	37,601,676	37,570,504	39,469,162	39,272,488
GENERAL FUND	9,084,205	9,866,539	9,639,154	10,370,998	10,238,092
BALANCE FORWARD	499,855		84,537		
FEDERAL FUND	8,614,700	9,050,068	9,019,768	9,192,882	9,161,825
INTER AGENCY TRANSFER	23,174,205	18,391,359	18,541,433	19,611,572	19,591,159
OTHER FUND	419,689	293,710	285,612	293,710	281,412

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Summary of Appropriations and Authorizations (Detail)**

2005 Legislature

	2004 - 05 Work Program	2005 - 06 Governor Recommended	2005 - 06 Legislature Approved	2006 - 07 Governor Recommended	2006 - 07 Legislature Approved
HUMAN SERVICES					
CHILD & FAMILY SERVICES					
CFS JUVENILE JUSTICE PROGRAMS	3,046,315	2,240,353	2,240,353	2,243,789	2,243,789
GENERAL FUND	707,605	708,251	707,605	708,340	707,605
BALANCE FORWARD	5,929				
FEDERAL FUND	2,332,781	1,532,102	1,532,748	1,535,449	1,536,184
CHILD AND FAMILY SERVICES ADMINISTRA	19,480,409	14,685,203	14,069,661	14,867,345	14,248,080
GENERAL FUND	6,871,462	4,516,494	4,346,423	4,480,483	4,273,381
FEDERAL FUND	10,873,898	9,092,592	8,651,249	9,103,372	8,697,751
INTER AGENCY TRANSFER	1,582,479	1,064,668	1,060,540	1,271,798	1,265,499
OTHER FUND	152,570	11,449	11,449	11,692	11,449
CLARK COUNTY INTEGRATION	57,221,797	37,185,525	37,079,026	40,887,583	40,762,895
GENERAL FUND	34,182,919	21,719,029	21,639,307	23,978,491	23,933,768
FEDERAL FUND	15,725,414	11,730,251	11,703,474	12,998,247	12,918,283
INTER AGENCY TRANSFER	6,482,814	3,120,912	3,120,912	3,291,503	3,291,502
OTHER FUND	830,650	615,333	615,333	619,342	619,342
WASHOE COUNTY INTEGRATION		17,871,266	17,805,638	19,425,296	19,321,834
GENERAL FUND		9,214,623	9,115,923	10,175,724	10,085,729
FEDERAL FUND		7,091,300	7,078,175	7,513,906	7,468,553
INTER AGENCY TRANSFER		1,383,268	1,429,465	1,553,591	1,585,477
OTHER FUND		182,075	182,075	182,075	182,075
UNITY/SACWIS	5,384,335	5,808,064	5,768,276	5,716,043	5,676,957
GENERAL FUND	2,855,834	3,069,230	3,049,869	3,001,074	2,980,404
FEDERAL FUND	2,463,054	2,642,229	2,628,806	2,601,910	2,587,376
INTER AGENCY TRANSFER	65,447	96,605	89,601	113,059	109,177
CHILD CARE SERVICES	1,128,377	945,019	915,712	987,061	956,460
GENERAL FUND	303,036	1,412		49,099	
FEDERAL FUND	185,233				
INTER AGENCY TRANSFER	618,323	918,251	890,356	911,275	929,773
OTHER FUND	21,785	25,356	25,356	26,687	26,687
RURAL CHILD WELFARE	26,057,603	32,732,152	32,566,958	34,588,901	34,533,842
GENERAL FUND	9,049,788	12,834,414	12,672,649	13,867,686	13,934,385
BALANCE FORWARD	102,598	40,127	40,127	40,127	40,127
FEDERAL FUND	5,536,554	6,398,669	6,395,240	6,681,254	6,687,379
INTER AGENCY TRANSFER	11,266,663	13,353,094	13,353,094	13,893,986	13,766,103
OTHER FUND	102,000	105,848	105,848	105,848	105,848
TRANSITION FROM FOSTER CARE	3,579,776	3,420,777	3,420,777	2,993,038	2,993,038
BALANCE FORWARD	2,225,776	2,083,704	2,083,704	1,655,965	1,655,965
OTHER FUND	1,354,000	1,337,073	1,337,073	1,337,073	1,337,073
CHILD DEATHS REVIEW	281,700	150,105	150,105	147,705	150,105
BALANCE FORWARD	131,700				
OTHER FUND	150,000	150,105	150,105	147,705	150,105
CHILD WELFARE TRUST	1,276,547	350,185	350,185	370,919	370,919
BALANCE FORWARD	942,702	183,091	183,091	196,945	196,945
OTHER FUND	333,845	167,094	167,094	173,974	173,974

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	2004 - 05 Work Program	2005 - 06 Governor Recommended	2005 - 06 Legislature Approved	2006 - 07 Governor Recommended	2006 - 07 Legislature Approved
CHILD & FAMILY SERVICES					
VICTIMS OF DOMESTIC VIOLENCE	4,104,009	3,760,242	3,760,273	4,082,845	3,760,273
BALANCE FORWARD	1,004,009	505,104	505,104	827,707	505,104
OTHER FUND	3,100,000	3,255,138	3,255,169	3,255,138	3,255,169
CHILD ABUSE AND NEGLECT	349,287	234,643	234,643	239,085	239,085
FEDERAL FUND	349,287	234,643	234,643	239,085	239,085
DCFS - JUVENILE ACCOUNTABILITY BLOCK	2,181,667	1,266,471	1,266,465	1,181,604	1,183,630
GENERAL FUND		4			
BALANCE FORWARD	1,662,367	756,138	756,138	673,789	675,792
FEDERAL FUND	495,700	496,661	496,674	495,700	495,700
INTER AGENCY TRANSFER		9			
OTHER FUND	23,600	13,659	13,653	12,115	12,138
YOUTH ALTERNATIVE PLACEMENT	2,697,931	2,697,931	2,697,931	2,697,931	2,697,931
GENERAL FUND	1,039,521	1,039,521	1,208,862	1,039,521	1,208,862
OTHER FUND	1,658,410	1,658,410	1,489,069	1,658,410	1,489,069
C&FS - JUVENILE CORRECTIONAL FACILITY	5,206,289	7,095,379	5,721,524	7,395,396	6,193,803
GENERAL FUND	4,771,541	6,524,572	5,150,314	6,724,549	5,522,904
INTER AGENCY TRANSFER	434,748	570,807	571,210	670,847	670,899
CALIENTE YOUTH CENTER	6,243,483	7,509,971	7,320,896	7,721,396	7,513,058
GENERAL FUND	6,031,929	6,890,687	6,705,209	6,995,928	6,791,668
INTER AGENCY TRANSFER	211,554	619,284	615,687	725,468	721,390
NEVADA YOUTH TRAINING CENTER	8,153,390	9,983,637	9,719,243	9,972,208	9,677,949
GENERAL FUND	7,754,782	9,083,502	8,818,602	8,927,786	8,633,471
BALANCE FORWARD	10,747				
INTER AGENCY TRANSFER	387,861	900,135	900,641	1,044,422	1,044,478
YOUTH PAROLE SERVICES	4,482,900	6,172,114	6,118,963	6,073,597	6,019,001
GENERAL FUND	4,462,541	5,361,274	5,313,316	5,429,575	5,391,313
FEDERAL FUND		229,824	229,029	20,985	
INTER AGENCY TRANSFER		348,369	343,971	390,390	395,041
OTHER FUND	20,359	232,647	232,647	232,647	232,647
NORTHERN NEVADA CHILD & ADOLESCENT	6,346,133	9,361,894	7,688,224	9,445,996	7,792,556
GENERAL FUND	2,162,036	4,181,995	3,101,915	4,084,253	3,042,393
FEDERAL FUND		307		1,283	
INTER AGENCY TRANSFER	4,042,126	5,062,890	4,472,153	5,233,758	4,624,493
OTHER FUND	141,971	116,702	114,156	126,702	125,670
SOUTHERN NEVADA CHILD & ADOLESCENT	18,884,768	24,374,990	20,938,829	25,128,333	21,664,848
GENERAL FUND	7,982,397	11,007,018	8,827,313	11,519,338	9,411,117
BALANCE FORWARD		24,818	24,818	24,818	24,818
FEDERAL FUND	487,852				
INTER AGENCY TRANSFER	9,610,740	12,805,911	11,549,455	13,008,648	11,653,384
OTHER FUND	803,779	537,243	537,243	575,529	575,529
WRAPAROUND IN NEVADA			4,742,445		5,040,033
GENERAL FUND			3,082,590		3,276,022
INTER AGENCY TRANSFER			1,659,855		1,764,011

**Nevada Legislative Counsel Bureau
Summary of Appropriations and Authorizations (Detail)**

2005 Legislature

	2004 - 05	2005 - 06	2005 - 06	2006 - 07	2006 - 07
	Work Program	Governor Recommended	Legislature Approved	Governor Recommended	Legislature Approved
SUB-FUNCTION RECAP					
CHILD & FAMILY SERVICES	176,106,716	187,845,921	184,576,127	196,166,071	193,040,086
GENERAL FUND	88,175,391	96,152,026	93,739,897	100,981,847	99,193,022
BALANCE FORWARD	6,085,828	3,592,982	3,592,982	3,419,351	3,098,751
FEDERAL FUND	38,449,773	39,448,578	38,950,038	41,191,191	40,630,311
INTER AGENCY TRANSFER	34,702,755	40,244,203	40,056,940	42,108,745	41,821,227
OTHER FUND	8,692,969	8,408,132	8,236,270	8,464,937	8,296,775
PUBLIC DEFENDER					
DHHS, PUBLIC DEFENDER	2,232,840	2,723,992	2,705,862	2,760,185	2,732,672
GENERAL FUND	1,125,707	1,247,434	1,593,255	1,249,140	1,356,751
INTER AGENCY TRANSFER		87,796	78,912	103,367	96,535
OTHER FUND	1,107,133	1,388,762	1,033,695	1,407,678	1,279,386
SUB-FUNCTION RECAP					
PUBLIC DEFENDER	2,232,840	2,723,992	2,705,862	2,760,185	2,732,672
GENERAL FUND	1,125,707	1,247,434	1,593,255	1,249,140	1,356,751
INTER AGENCY TRANSFER		87,796	78,912	103,367	96,535
OTHER FUND	1,107,133	1,388,762	1,033,695	1,407,678	1,279,386
INDIAN COMMISSION					
INDIAN AFFAIRS COMMISSION	133,879	162,469	184,615	166,121	187,888
GENERAL FUND	133,879	157,284	155,458	158,814	156,615
INTER AGENCY TRANSFER		5,185	29,157	7,307	31,273
SUB-FUNCTION RECAP					
INDIAN COMMISSION	133,879	162,469	184,615	166,121	187,888
GENERAL FUND	133,879	157,284	155,458	158,814	156,615
INTER AGENCY TRANSFER		5,185	29,157	7,307	31,273

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Summary of Appropriations and Authorizations (Detail)
2005 Legislature**

	2004 - 05 Work Program	2005 - 06 Governor Recommended	2005 - 06 Legislature Approved	2006 - 07 Governor Recommended	2006 - 07 Legislature Approved
HUMAN SERVICES					
DETR - DIRETOR'S OFFICE					
DETR, ADMINISTRATION	3,920,110	4,322,626	3,892,263	4,408,523	3,936,646
BALANCE FORWARD	21,722	21,722	21,722	21,722	21,722
INTER AGENCY TRANSFER	3,898,388	4,300,904	3,870,541	4,386,801	3,914,924
DETR, INFORMATION DEVELOPMENT AND F	7,236,263	8,184,409	7,529,889	8,027,395	7,464,746
BALANCE FORWARD	62,633	62,633	62,633	62,633	62,633
FEDERAL FUND	113,005				
INTER AGENCY TRANSFER	7,060,625	8,121,776	7,467,256	7,964,762	7,402,113
DETR, RESEARCH & ANALYSIS	3,329,070	3,669,044	3,630,237	3,725,734	3,685,966
BALANCE FORWARD	144,952	105,358	105,358	105,071	105,071
FEDERAL FUND	2,052,107	2,464,510	2,425,703	2,496,988	2,457,220
INTER AGENCY TRANSFER	1,132,011	1,099,176	1,099,176	1,123,675	1,123,675
DETR, EQUAL RIGHTS COMMISSION	1,718,509	1,943,440	1,883,205	1,966,716	1,908,924
GENERAL FUND	1,148,296	1,202,696	1,177,495	1,156,346	1,132,085
FEDERAL FUND	566,719	711,250	680,201	764,250	734,711
INTER AGENCY TRANSFER		25,728	21,530	41,523	36,930
OTHER FUND	3,494	3,766	3,979	4,597	5,198
SUB-FUNCTION RECAP					
DETR - DIRETOR'S OFFICE	16,203,952	18,119,519	16,935,594	18,128,368	16,996,282
GENERAL FUND	1,148,296	1,202,696	1,177,495	1,156,346	1,132,085
BALANCE FORWARD	229,307	189,713	189,713	189,426	189,426
FEDERAL FUND	2,731,831	3,175,760	3,105,904	3,261,238	3,191,931
INTER AGENCY TRANSFER	12,091,024	13,547,584	12,458,503	13,516,761	12,477,642
OTHER FUND	3,494	3,766	3,979	4,597	5,198

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	2004 - 05 Work Program	2005 - 06 Governor Recommended	2005 - 06 Legislature Approved	2006 - 07 Governor Recommended	2006 - 07 Legislature Approved
HUMAN SERVICES					
REHABILITATION DIVISION					
DETR, REHABILITATION ADMINISTRATION	482,631	534,180	654,390	543,899	631,929
BALANCE FORWARD	26,283	26,283	26,283	26,283	26,283
INTER AGENCY TRANSFER	456,348	507,897	628,107	517,616	605,646
DETR, DISABILITY ADJUDICATION	11,275,940	12,384,574	12,102,479	13,788,034	13,306,053
FEDERAL FUND	11,275,940	12,384,574	12,102,479	13,788,034	13,306,053
DETR, VOCATIONAL REHABILITATION	16,245,647	14,691,016	14,484,954	15,563,295	15,336,165
GENERAL FUND	2,616,493	2,859,677	2,764,764	3,023,257	2,923,603
BALANCE FORWARD	165,789	166,334	166,334	166,334	166,334
FEDERAL FUND	13,455,117	11,627,760	11,523,898	12,314,214	12,194,303
INTER AGENCY TRANSFER	8,248	37,245	29,958	59,490	51,925
DETR, OFFICE OF DISABILITY EMPLOYMENT	269,520	259,142	257,035	260,254	258,271
GENERAL FUND	19,214	21,922	21,742	22,157	21,988
FEDERAL FUND	70,505	104,724	103,877	106,392	105,602
INTER AGENCY TRANSFER	179,801	132,496	131,416	131,705	130,681
DETR, CLIENT ASSISTANCE PROGRAM	162,041	166,997	165,689	156,915	154,524
FEDERAL FUND	162,041	166,997	165,689	156,915	154,524
DETR, SERVICES TO THE BLIND & VISUALLY IMPAIRED	4,082,153	4,239,441	4,101,450	4,308,301	4,161,807
GENERAL FUND	1,022,490	1,059,600	1,006,906	1,061,136	1,007,524
BALANCE FORWARD	22,094	22,094	22,094	22,094	22,094
FEDERAL FUND	3,037,569	3,145,100	3,059,803	3,199,121	3,106,239
INTER AGENCY TRANSFER		12,647	12,647	25,950	25,950
DETR, BLIND BUSINESS ENTERPRISE PROGRAM	3,110,848	2,685,522	2,685,522	2,217,384	2,132,396
BALANCE FORWARD	1,799,203	1,303,501	1,303,501	835,363	750,375
OTHER FUND	1,311,645	1,382,021	1,382,021	1,382,021	1,382,021
SUB-FUNCTION RECAP					
REHABILITATION DIVISION	35,628,780	34,960,872	34,451,519	36,838,082	35,981,145
GENERAL FUND	3,658,197	3,941,199	3,793,412	4,106,550	3,953,115
BALANCE FORWARD	2,013,369	1,518,212	1,518,212	1,050,074	965,086
FEDERAL FUND	28,001,172	27,429,155	26,955,746	29,564,676	28,866,721
INTER AGENCY TRANSFER	644,397	690,285	802,128	734,761	814,202
OTHER FUND	1,311,645	1,382,021	1,382,021	1,382,021	1,382,021

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Summary of Appropriations and Authorizations (Detail)
2005 Legislature**

	2004 - 05 Work Program	2005 - 06 Governor Recommended	2005 - 06 Legislature Approved	2006 - 07 Governor Recommended	2006 - 07 Legislature Approved
HUMAN SERVICES					
EMPLOYMENT SECURITY DIVISION					
DETR, EMPLOYMENT SECURITY	65,361,246	57,536,438	53,065,438	57,743,285	52,975,343
BALANCE FORWARD	233,628	160,129	160,129	160,129	160,129
FEDERAL FUND	62,853,630	55,309,252	50,265,327	55,508,786	50,219,340
INTER AGENCY TRANSFER	1,690,683	1,564,358	2,137,283	1,570,586	2,092,090
OTHER FUND	583,305	502,699	502,699	503,784	503,784
DETR, CAREER ENHANCEMENT PROGRAM	16,153,118	15,187,650	15,187,650	14,725,513	14,665,304
BALANCE FORWARD	5,666,808	4,564,983	4,564,983	3,522,846	3,462,637
OTHER FUND	10,486,310	10,622,667	10,622,667	11,202,667	11,202,667
DETR, EMPLOYMENT SECURITY - SPECIAL I	26,839,332	8,033,889	8,033,889	5,247,422	6,365,777
BALANCE FORWARD	10,470,151	6,693,889	6,693,889	3,807,422	4,925,777
FEDERAL FUND	14,221,181				
OTHER FUND	2,148,000	1,340,000	1,340,000	1,440,000	1,440,000
SUB-FUNCTION RECAP					
EMPLOYMENT SECURITY DIVISION	108,353,696	80,757,977	76,286,977	77,716,220	74,006,424
BALANCE FORWARD	16,370,587	11,419,001	11,419,001	7,490,397	8,548,543
FEDERAL FUND	77,074,811	55,309,252	50,265,327	55,508,786	50,219,340
INTER AGENCY TRANSFER	1,690,683	1,564,358	2,137,283	1,570,586	2,092,090
OTHER FUND	13,217,615	12,465,366	12,465,366	13,146,451	13,146,451
FUNCTION RECAP					
TOTAL HUMAN SERVICES	2,343,943,919	2,385,558,687	2,403,441,459	2,575,758,258	2,576,298,405
GENERAL FUND	711,518,028	777,380,220	773,985,219	868,732,006	865,983,787
INTERIM FINANCE	520,000				
OTHER FUND	195,224,998	191,667,858	198,810,094	202,739,869	203,307,161
BALANCE FORWARD	61,199,651	43,163,324	44,733,350	40,699,942	41,667,507
FEDERAL FUND	1,122,336,727	1,124,685,596	1,122,438,861	1,190,607,218	1,179,620,950
INTER AGENCY TRANSFER	253,144,515	248,661,689	263,473,935	272,979,223	285,719,000
TOTAL HUMAN SERVICES	2,343,943,919	2,385,558,687	2,403,441,459	2,575,758,258	2,576,298,405
LESS: INTER AGENCY TRANSFER	253,144,515	248,661,689	263,473,935	272,979,223	285,719,000
NET: HUMAN SERVICES	2,090,799,404	2,136,896,998	2,139,967,524	2,302,779,035	2,290,579,405