

SENATE BILL NO. 154—COMMITTEE ON
HEALTH AND HUMAN SERVICES

(ON BEHALF OF THE LEGISLATIVE COMMITTEE
ON HEALTH CARE)

MARCH 1, 2021

Referred to Committee on Health and Human Services

SUMMARY—Makes changes related to Medicaid coverage of certain treatments administered at institutions for mental diseases. (BDR 38-451)

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

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

AN ACT relating to Medicaid; requiring the Department of Health and Human Services to apply for a waiver to receive federal funding for coverage of the treatment of the substance use disorder of a person in an institution for mental diseases; authorizing the Department to apply for a waiver to receive federal funding for coverage of the treatment of certain mental health conditions of persons in an institution for mental diseases; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing state law requires the Director of the Department of Health and
2 Human Services to develop and adopt a State Plan for Medicaid which includes,
3 without limitation, a list of specific medical services required to be provided to
4 Medicaid recipients. (NRS 422.063, 422.270-422.27495) Existing law authorizes
5 the Director of the Department, under certain circumstances, to seek a waiver of
6 certain provisions of federal law governing Medicaid to enable the State to receive
7 federal funding for certain Medicaid coverage. (NRS 422.270-422.27495) Existing
8 federal law prohibits federal payment for services provided to patients residing in
9 an institution for mental diseases. (42 U.S.C. § 1396d) **Section 1** of this bill
10 requires the Department to apply for a waiver to receive federal funding for
11 coverage of the treatment of the substance use disorder of a person in an institution
12 for mental diseases. **Section 1** also authorizes the Department to apply for a waiver
13 to receive federal funding for coverage of the treatment of an adult with a serious



14 mental illness or a child with a serious emotional disturbance in an institution for
15 mental diseases. **Section 2** of this bill makes a conforming change to indicate that
16 **section 1** of this bill will be administered in the same manner as existing law
17 governing Medicaid.

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

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

3 *1. The Department shall apply to the Secretary of Health and*
4 *Human Services for a waiver granted pursuant to 42 U.S.C. §*
5 *1315 that authorizes the Department to receive federal funding to*
6 *include in the State Plan for Medicaid coverage for the treatment*
7 *of the substance use disorder of a person who is in an institution*
8 *for mental diseases.*

9 *2. The Department may apply to the Secretary of Health and*
10 *Human Services for a waiver granted pursuant to 42 U.S.C. §*
11 *1315 that authorizes the Department to receive federal funding to*
12 *include in the State Plan for Medicaid coverage for the treatment*
13 *of an adult with a serious mental illness or a child with a serious*
14 *emotional disturbance in an institution for mental diseases.*

15 *3. The Department shall cooperate with the Federal*
16 *Government in obtaining:*

17 *(a) A waiver pursuant to subsection 1; and*

18 *(b) Any waiver for which the Department applies pursuant to*
19 *subsection 2.*

20 *4. As used in this section:*

21 *(a) "Adult with a serious mental illness" means a person who*
22 *is at least 18 years of age and has been diagnosed within the*
23 *immediately preceding 12 months as having a mental, behavioral*
24 *or emotional disorder as defined in the most recent version of the*
25 *Diagnostic and Statistical Manual of Mental Disorders published*
26 *by the American Psychiatric Association, other than an addictive*
27 *disorder, intellectual or developmental disability, irreversible*
28 *dementia or a substance use disorder, which interferes with or*
29 *limits one or more major life activities of the person.*

30 *(b) "Child with a serious emotional disturbance" means a*
31 *person who is less than 18 years of age and has been diagnosed*
32 *within the immediately preceding 12 months as having a mental,*
33 *behavioral or emotional disorder as defined in the most recent*
34 *version of the Diagnostic and Statistical Manual of Mental*
35 *Disorders published by the American Psychiatric Association,*
36 *other than a disorder designated as a Code V disorder in the*
37 *Manual, a developmental disability or a substance use disorder,*



1 *which substantially interferes with or limits the person from*
2 *developing social, behavioral, cognitive, communicative or*
3 *adaptive skills or his or her activities relating to family, school or*
4 *community. The term does not include a person with a disorder*
5 *which is temporary or is an expected response to a stressful event.*

6 (c) *“Developmental disability” has the meaning ascribed to it*
7 *in NRS 435.007.*

8 (d) *“Institution for mental diseases” has the meaning ascribed*
9 *to it in 42 U.S.C. § 1396d(i).*

10 (e) *“Intellectual disability” has the meaning ascribed to it in*
11 *NRS 435.007.*

12 **Sec. 2.** NRS 232.320 is hereby amended to read as follows:

13 232.320 1. The Director:

14 (a) Shall appoint, with the consent of the Governor,
15 administrators of the divisions of the Department, who are
16 respectively designated as follows:

17 (1) The Administrator of the Aging and Disability Services
18 Division;

19 (2) The Administrator of the Division of Welfare and
20 Supportive Services;

21 (3) The Administrator of the Division of Child and Family
22 Services;

23 (4) The Administrator of the Division of Health Care
24 Financing and Policy; and

25 (5) The Administrator of the Division of Public and
26 Behavioral Health.

27 (b) Shall administer, through the divisions of the Department,
28 the provisions of chapters 63, 424, 425, 427A, 432A to 442,
29 inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS
30 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, *and*
31 *section 1 of this act*, 422.580, 432.010 to 432.133, inclusive,
32 432B.6201 to 432B.626, inclusive, 444.002 to 444.430, inclusive,
33 and 445A.010 to 445A.055, inclusive, and all other provisions of
34 law relating to the functions of the divisions of the Department, but
35 is not responsible for the clinical activities of the Division of Public
36 and Behavioral Health or the professional line activities of the other
37 divisions.

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

42 (d) Shall, after considering advice from agencies of local
43 governments and nonprofit organizations which provide social
44 services, adopt a master plan for the provision of human services in
45 this State. The Director shall revise the plan biennially and deliver a



1 copy of the plan to the Governor and the Legislature at the
2 beginning of each regular session. The plan must:

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

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

7 (3) Provide for communication and the coordination of those
8 services among nonprofit organizations, agencies of local
9 government, the State and the Federal Government;

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

12 (5) Set forth sufficient information to assist the Department
13 in providing those services and in the planning and budgeting for the
14 future provision of those services; and

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

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

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

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

30 **Sec. 3.** This act becomes effective on July 1, 2021.

