

Senate Bill No. 241—Senators Titus, Goicoechea, Hansen, Donate;
Krasner, Lange, Nguyen and Stone

Joint Sponsors: Assemblymen Hafen; and Koenig

CHAPTER.....

AN ACT relating to Medicaid; requiring the State Plan for Medicaid to provide coverage for certain services provided by a critical access hospital; prescribing the rate of reimbursement for such services under Medicaid; making appropriations to and authorizing certain expenditures by the Division of Health Care Financing and Policy of the Department of Health and Human Services; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires the Director of the Department of Health and Human Services to develop and the Department to administer a State Plan for Medicaid, which includes a list of specific medical services required to be provided to Medicaid recipients. (NRS 422.063, 422.270) **Section 1** of this bill requires the Director to include in the State Plan for Medicaid, to the extent that federal financial participation is available, a requirement that the State pay the nonfederal share of expenditures for outpatient services and swing-bed services provided at a critical access hospital. **Section 1** also requires Medicaid to reimburse a critical access hospital for such services at a rate equal to the actual cost of providing the services or the amount charged by the critical access hospital for the services, whichever is less. **Section 2** of this bill makes a conforming change to indicate that the provisions of **section 1** will be administered in the same manner as the provisions of existing law governing the State Plan for Medicaid. **Section 2.5** of this bill makes appropriations to and authorizes expenditures by the Division of Health Care Financing and Policy of the Department for providing such cost-based reimbursement under Medicaid to critical care hospitals.

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

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

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

1. The Director shall include in the State Plan for Medicaid, to the extent that federal financial participation is available, a requirement that the State must:

(a) Pay the nonfederal share of expenditures for outpatient services and swing-bed services provided by a critical access hospital; and



(b) Reimburse a critical access hospital for the services described in paragraph (a) at a rate equal to the actual cost to the critical access hospital of providing the services or the amount charged by the critical access hospital for the services, whichever is less.

2. As used in this section:

(a) "Critical access hospital" means a public or private hospital which has been certified as a critical access hospital by the United States Secretary of Health and Human Services pursuant to 42 U.S.C. § 1395i-4(e).

(b) "Swing-bed services" means services as described in 42 C.F.R. § 482.58.

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

232.320 1. The Director:

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

Sec. 2.5. 1. There is hereby appropriated from the State General Fund to the Division of Health Care Financing and Policy of the Department of Health and Human Services for providing cost-based reimbursement under Medicaid to critical access hospitals pursuant to this act the following sums:

For the Fiscal Year 2023-2024	\$280,015
For the Fiscal Year 2024-2025	\$683,550

2. Expenditure of the following sums not appropriated from the State General Fund or the State Highway Fund is hereby authorized by the Division of Health Care Financing and Policy of the



Department of Health and Human Services for the same purpose as set forth in subsection 1 the following sums:

For the Fiscal Year 2023-2024	\$745,037
For the Fiscal Year 2024-2025	\$1,724,067

3. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 20, 2024, and September 19, 2025, respectively, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 20, 2024, and September 19, 2025, respectively.

4. As used in this section, "critical access hospital" has the meaning ascribed to it in section 1 of this act.

Sec. 3. 1. This section becomes effective upon passage and approval.

2. Section 2.5 of this act becomes effective on July 1, 2023.

3. Sections 1 and 2 of this act become effective:

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

(b) On January 1, 2024, for all other purposes.

