

SENATE BILL NO. 29—COMMITTEE ON
HEALTH AND HUMAN SERVICES

(ON BEHALF OF THE PATIENT PROTECTION COMMISSION)

PREFILED NOVEMBER 13, 2024

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions relating to Medicaid.
(BDR 38-450)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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 development and implementation of a system of reimbursement for services provided under Medicaid through certain accountable care organizations; requiring a survey of providers of health care who participate in Medicaid; providing for certain increases to the rates of reimbursement under Medicaid for services provided by physicians and advanced practice registered nurses; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law requires the Department of Health and Human Services to
2 administer Medicaid. (NRS 422.270) **Section 2** of this bill requires the Department
3 to develop and implement a system of reimbursement for services provided under
4 the Medicaid program through an accountable care organization that focuses on
5 providing high-quality primary care and is improving health outcomes and
6 lowering costs. **Section 2** defines “accountable care organization” to mean a group
7 of providers of health care, medical facilities and other persons providing health
8 services who have entered into a partnership to coordinate care and utilize
9 innovative approaches to deliver care to a specified population.
10 **Section 3** of this bill requires the Division of Health Care Financing and Policy
11 of the Department to biennially survey providers of health care who participate in
12 Medicaid to solicit recommendations for improving the manner in which providers
13 request and receive reimbursement from Medicaid and the utilization of providers
14 under Medicaid. **Section 4** of this bill makes a conforming change to indicate that
15 the provisions of **sections 2 and 3** of this bill will be administered in the same
16 manner as the provisions of existing law governing Medicaid.



17 **Section 5** of this bill requires the Department to request an amendment to the
18 State Plan for Medicaid to increase the rates of reimbursement for physicians and
19 advanced practice registered nurses.

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 the provisions set forth as sections 2 and 3 of this act.

3 **Sec. 2. 1.** *To the extent that federal financial participation*
4 *is available, the Department shall develop and implement a system*
5 *of reimbursement for services provided to recipients of Medicaid*
6 *through an accountable care organization that focuses on*
7 *providing high-quality primary care. The system must include,*
8 *without limitation, incentive payments and other value-based*
9 *payment arrangements.*

10 2. *The Department shall:*

11 (a) *Apply to the Secretary of Health and Human Services for*
12 *any waiver or apply for any amendment of the State Plan for*
13 *Medicaid that is necessary for the Department to receive federal*
14 *funding to develop and implement the system required by this*
15 *section.*

16 (b) *Fully cooperate in good faith with the Federal Government*
17 *during the application process to satisfy the requirements of the*
18 *Federal Government for obtaining a waiver or amendment*
19 *pursuant to paragraph (a).*

20 3. *An accountable care organization that wishes to*
21 *participate in the system developed and implemented pursuant to*
22 *subsection 1 must demonstrate to the Department that the*
23 *accountable care organization is providing services in a manner*
24 *that improves health outcomes and lowers costs compared to*
25 *persons who provide the same services through other models of*
26 *providing health care.*

27 4. *As used in this section:*

28 (a) *“Accountable care organization” means a group of*
29 *providers of health care, medical facilities and other persons*
30 *providing health services who have entered into a partnership to*
31 *coordinate care and utilize innovative approaches to deliver care*
32 *to a specified population.*

33 (b) *“Medical facility” has the meaning ascribed to it in*
34 *NRS 449.0151.*

35 (c) *“Provider of health care” has the meaning ascribed to it in*
36 *NRS 629.031.*



1 **Sec. 3. 1. Each biennium, the Division shall survey**
2 **providers of health care who participate in Medicaid to solicit**
3 **recommendations for improving:**

4 **(a) The manner in which providers of health care request and**
5 **receive reimbursement from Medicaid; and**

6 **(b) The utilization of providers of health care who participate**
7 **in Medicaid.**

8 **2. As used in this section, "provider of health care" has the**
9 **meaning ascribed to it in NRS 629.031.**

10 **Sec. 4.** NRS 232.320 is hereby amended to read as follows:

11 232.320 1. The Director:

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

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

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

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

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

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

25 (b) Shall administer, through the divisions of the Department,
26 the provisions of chapters 63, 424, 425, 427A, 432A to 442,
27 inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS
28 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, **and**
29 **sections 2 and 3 of this act**, 422.580, 432.010 to 432.133, inclusive,
30 432B.6201 to 432B.626, inclusive, 444.002 to 444.430, inclusive,
31 and 445A.010 to 445A.055, inclusive, and all other provisions of
32 law relating to the functions of the divisions of the Department, but
33 is not responsible for the clinical activities of the Division of Public
34 and Behavioral Health or the professional line activities of the other
35 divisions.

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

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



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

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

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

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

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

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

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

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

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

28 **Sec. 5.** 1. On or before January 1, 2026, the Department of
29 Health and Human Services shall submit to the United States
30 Secretary of Health and Human Services a request to amend the
31 State Plan for Medicaid to increase the rates of reimbursement
32 which are provided on a fee-for-service basis pursuant to the State
33 Plan for Medicaid for services provided by a physician or advanced
34 practice registered nurse:

35 (a) Except as otherwise provided in paragraph (b), by at least 8
36 percent if the services are provided:

37 (1) In a county whose population is less than 100,000; or

38 (2) In any other county pursuant to a value-based payment
39 arrangement;

40 (b) By at least 11 percent if the services are provided:

41 (1) In a county whose population is less than 100,000; and

42 (2) Pursuant to a value-based payment arrangement; and

43 (c) By at least 5 percent, in all other cases.



1 2. The request submitted pursuant to subsection 1 must be
2 supported using methods for determining rates of reimbursement
3 that are accepted by the Secretary.

4 3. The Department of Health and Human Services shall ensure
5 that a managed care organization that provides health services to
6 recipients of Medicaid under the State Plan for Medicaid pays at
7 least the rates of reimbursement established pursuant to subsection 1
8 for services described in that subsection.

9 4. As used in this section, "managed care organization" has the
10 meaning ascribed to it in NRS 695G.050.

11 **Sec. 6.** 1. This section and section 5 become effective upon
12 passage and approval.

13 2. Sections 1 to 4, inclusive, of this act become effective:

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

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



