

SENATE BILL NO. 485—COMMITTEE ON FINANCE

MARCH 25, 2019

Referred to Committee on Finance

SUMMARY—Revises provisions relating to the education of certain children from Nevada who are patients or residents of certain hospitals or facilities. (BDR 34-397)

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 education; limiting the amount of reimbursement to which a hospital or other facility is entitled for educational services provided to certain pupils; authorizing certain hospitals or other facilities licensed in the District of Columbia or another state or territory of the United States to request reimbursement, under certain circumstances, for providing educational services to children in their care; revising the manner in which reimbursement is determined; authorizing the Department of Education, the county school districts, charter schools and the Division of Public and Behavioral Health of the Department of Health and Human Services to enter into a cooperative agreement for the provision of educational services to children with certain hospitals or other facilities licensed in another jurisdiction; making an appropriation; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Under existing law, certain hospitals and other facilities that provide residential  
2 treatment to children and also operate a licensed private school are authorized to  
3 request reimbursement from the Department of Education for the cost of providing  
4 educational services to a child who is verified to be a patient of the hospital or  
5 facility and attends the private school for more than 7 school days. Upon receiving  
6 such a request, the Department is required to determine the amount of  
7 reimbursement as a percentage of the basic support guarantee per pupil and



8 withhold that amount from the school district or charter school where the child  
9 would attend school if the child were not in the hospital or facility. (NRS 387.1225)  
10 Existing law also authorizes the Department of Education, the county school  
11 districts, charter schools and the Division of Public and Behavioral Health of the  
12 Department of Health and Human Services to enter into a cooperative agreement  
13 for the provision of educational services at certain hospitals or other facilities that  
14 are licensed by the Division. (NRS 277.0655)

15 **Section 1** of this bill limits the number of days of instruction per year for which  
16 a hospital or facility is entitled to reimbursement to the number of days of  
17 instruction in 1 school year. **Section 1** also authorizes certain hospitals and other  
18 facilities licensed in the District of Columbia or another state or territory of the  
19 United States that provide residential treatment to children who are residents of  
20 Nevada and operate an accredited educational program for those children to also  
21 seek reimbursement from the Department of Education for the cost of providing  
22 such educational services. **Section 1** removes the requirement that the amount of a  
23 reimbursement provided to a hospital or facility be withheld from the school district  
24 or charter school where the child would attend school if the child were not in the  
25 hospital or facility, except with respect to the additional amount for providing  
26 education to a pupil with a disability. **Section 1** additionally requires a hospital or  
27 facility that provides educational services to a pupil with disabilities to comply with  
28 applicable federal and state law concerning the education of pupils with disabilities  
29 to receive reimbursement. **Section 2** of this bill authorizes the Department of  
30 Education, the county school districts, charter schools and the Division of Public  
31 and Behavioral Health of the Department of Health and Human Services to enter  
32 into a cooperative agreement for the provision of educational services at certain  
33 hospitals or other facilities that are licensed in another jurisdiction, provide  
34 residential treatment to children and operate an accredited educational program.  
35 **Section 2.5** of this bill makes an appropriation to pay for the cost of auditing  
36 hospitals and facilities that receive reimbursement from the Department of  
37 Education for educational services to ensure compliance with applicable law.

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

1 **Section 1.** NRS 387.1225 is hereby amended to read as  
2 follows:

3 387.1225 1. A hospital or other facility which is licensed by  
4 the Division of Public and Behavioral Health of the Department of  
5 Health and Human Services that provides residential treatment to  
6 children and which operates a private school licensed pursuant to  
7 chapter 394 of NRS may request reimbursement from the  
8 Department for the cost of providing educational services to a child  
9 who:

10 (a) The Department verifies is a patient or resident of the  
11 hospital or facility; and

12 (b) Attends the private school for more than 7 school days.

13 2. *A hospital or other facility licensed in the District of*  
14 *Columbia or any state or territory of the United States that*  
15 *provides residential treatment and which operates an educational*  
16 *program accredited by a national organization and approved by*



1 *the Department of Education may request reimbursement from the*  
2 *Department for the cost of providing educational services to a*  
3 *child who:*

4 (a) *The Department verifies:*

5 (1) *Is a patient or resident of the hospital or facility; and*

6 (2) *Is a resident of this State;*

7 (b) *Is admitted to the hospital or facility on an order from a*  
8 *physician because the necessary treatment required for the child is*  
9 *not available in this State;*

10 (c) *Attends the accredited educational program for more than*  
11 *7 school days;*

12 (d) *Is not homeschooled or enrolled in a private school; and*

13 (e) *Has been admitted to the medical facility under the order of*  
14 *a physician to receive medically necessary treatment for a medical*  
15 *or mental health condition with which the child has been*  
16 *diagnosed.*

17 3. *A hospital or other facility that wishes to receive*  
18 *reimbursement pursuant to subsection 2 shall:*

19 (a) *Notify the school district or charter school in which the*  
20 *child is enrolled upon admitting the child to the accredited*  
21 *educational program; and*

22 (b) *Transfer any educational records of the child to the school*  
23 *district or charter school in which the child is enrolled in*  
24 *accordance with any applicable regulations adopted pursuant to*  
25 *subsection 9.*

26 4. Upon receiving a request for reimbursement ~~[ ]~~ *pursuant to*  
27 *subsection 1 or 2*, the Department shall determine the amount of  
28 reimbursement to which the hospital or facility is entitled as a  
29 percentage of the basic support guarantee per pupil ~~[and withhold~~  
30 ~~that amount from the school district or charter school]~~ *as*  
31 *determined by the school* where the child ~~[would attend school if~~  
32 ~~the child were not]~~ *was enrolled before being* placed in the hospital  
33 or facility.

34 5. If *the request for reimbursement is made pursuant to*  
35 *subsection 1*, the child is a pupil with a disability ~~[ ]~~ *and the*  
36 *hospital or facility is in compliance with the Individuals with*  
37 *Disabilities Education Act, 20 U.S.C. §§ 1400 et seq., NRS 388.417*  
38 *to 388.5243, inclusive, and any regulations adopted pursuant*  
39 *thereto*, the hospital or facility is also entitled to a corresponding  
40 percentage of the statewide multiplier included in the basic support  
41 guarantee per pupil pursuant to NRS 387.122 ~~[ ]~~ *which is withheld*  
42 *from the school district or charter school where the child was*  
43 *enrolled before being placed in the hospital or facility.* The  
44 Department shall distribute the money withheld from the school  
45 district or charter school to the hospital or facility.



~~3.1~~ 6. For the purposes of subsection ~~2.1~~ 4 and 5, the amount of reimbursement to which the hospital or facility is entitled must be calculated on the basis of the number of school days the child is a patient or resident of the hospital or facility and attends the private school ~~1.1~~ or accredited educational program, as applicable, excluding the 7 school days prescribed in paragraph (b) of subsection 1 ~~1.1~~ or paragraph (c) of subsection 2, as applicable, in proportion to the number of days of instruction scheduled for that school year by the board of trustees of the school district or the charter school, as applicable.

~~4.1~~ 7. A hospital or other facility is not entitled to reimbursement for days of instruction provided to a child in a year in excess of the minimum number of days of free school required by NRS 388.090.

8. If a hospital or other facility requests reimbursement from the Department for the cost of providing educational services to a pupil with a disability pursuant to subsection 1 or 2, the school district or charter school in which the child is enrolled shall be deemed to be the local educational agency for the child for the purposes of the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400 et seq., NRS 388.417 to 388.5243, inclusive, and any regulations adopted pursuant thereto.

9. The Department shall adopt any regulations necessary to carry out the provisions of this section ~~1~~.

~~5.1~~, which may include, without limitation, regulations to:

(a) Prescribe a procedure for the transfer of educational records pursuant to subsection 3;

(b) Carry out or ensure compliance with the requirements of subsections 4 and 5 concerning reimbursement for educational services provided to a pupil with a disability; and

(c) Require the auditing of a hospital or other facility that requests reimbursement pursuant to this section to ensure compliance with any applicable provisions of federal or state law.

10. The provisions of this section must not be construed to authorize reimbursement pursuant to this section of a hospital or facility for the cost of health care services provided to a child.

11. As used in this section:

(a) "Hospital" has the meaning ascribed to it in NRS 449.012.

(b) "Private school" has the meaning ascribed to it in NRS 394.103.

Sec. 2. NRS 277.0655 is hereby amended to read as follows:

277.0655 1. The Department of Education, the county school districts of the various counties, charter schools and the Division of Public and Behavioral Health of the Department of Health and Human Services may enter into cooperative agreements for the



1 provision of educational services at any hospital or other facility  
2 which is licensed ~~by~~ :

3 (a) *By* the Division that provides residential treatment to  
4 children and which operates a private school licensed pursuant to  
5 chapter 394 of NRS ~~4~~; or

6 (b) *In the District of Columbia or any state or territory of the*  
7 *United States that:*

8 (1) *Meets the requirements of 42 C.F.R. §§ 441.151 to*  
9 *441.156, inclusive;*

10 (2) *Provides residential treatment to children; and*

11 (3) *Operates an educational program accredited by a*  
12 *national organization and approved by the Department of*  
13 *Education.*

14 2. The authorization provided by subsection 1 includes the  
15 right to pay over money appropriated to a county school district or  
16 charter school for the education of a child placed in such a hospital  
17 or facility.

18 3. As used in this section, "hospital" has the meaning ascribed  
19 to it in NRS 449.012.

20 **Sec. 2.5.** 1. There is hereby appropriated from the State  
21 General Fund to the Department of Education:

22 (a) Forty thousand dollars for virtual auditing of hospitals or  
23 other licensed facilities that receive reimbursement for educational  
24 services pursuant to NRS 387.1225, as amended by section 1 of this  
25 act.

26 (b) Seventy two thousand dollars for in-person auditing of  
27 hospitals or other licensed facilities that receive reimbursement for  
28 educational services pursuant to NRS 387.1225, as amended by  
29 section 1 of this act.

30 2. Any remaining balance of the appropriation made by this  
31 section must not be committed for expenditure after June 30, 2021,  
32 by the entity to which the appropriation is made or any entity to  
33 which money from the appropriation is granted or otherwise  
34 transferred in any manner, and any portion of the appropriated  
35 money remaining must not be spent for any purpose after  
36 September 17, 2021, by either the entity to which the money was  
37 appropriated or the entity to which the money was subsequently  
38 granted or transferred, and must be reverted to the State General  
39 Fund on or before September 17, 2021.

40 **Sec. 3.** This act becomes effective:

41 1. Upon passage and approval for the purposes of entering into  
42 cooperative agreements pursuant to section 2 of this act,  
43 adopting regulations and performing any other preparatory  
44 administrative tasks that are necessary to carry out the provisions of  
45 this act; and



1      2. On July 1, 2019, for all other purposes.

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