

PUBLIC MEETING NOTICE

BOARD OF TRUSTEES OF THE FUND FOR HOSPITAL CARE TO INDIGENT PERSONS
Nevada Revised Statute (NRS) 428.195
September 21, 2017 at 1:00 p.m.

ADOPTED MINUTES

ATTENDANCE: Chairman - Humboldt County Commissioner French, Eureka County Commissioner Sharkozy, Nye County Commissioner Wichman, Clark County Human Services Director Pawlak and NACO Staff (Jeff Fontaine, Dagny Stapleton, Amanda Evans)

OTHER ATTENDEES: Bill Welch, Nevada Hospital Association; Debra Sisco and Megan Sloan, Nevada Division of Healthcare Finance and Policy (DHCFP).

The meeting was called to order by Chair French at 1:03P

1. **Public Comment.** None was given
2. **Approval of Agenda.** The agenda was approved on a motion by Commissioner Sharkozy with second by Commissioner Wichman.
3. **Approval of Minutes for the March 9, 2017 Meeting of the Board of Trustees of the Fund for Hospital Care to Indigent Persons (Board).** The Minutes were approved on a motion by Commissioner Sharkozy with second by Commissioner Wichman.
4. **Update on the Status of the Fund for Hospital Care to Indigent Persons.** Jeff referenced the spreadsheet distributed to the Board the previous day which was created by the DHCFP in collaboration with the Hospital Association and NACO staff. The document includes historical data that shows actual revenues and expenses for the previous three years and projections for FY18/19 which will be important to later agenda items. He noted the increase in the Free Care Obligations which are paid by hospitals with 100 beds or more. He also noted that, as a result of the ACA, there have been virtually no determinations of medical indigency. Subsequently, SB452 repurposed the fund. He addressed the uses of the fund and noted that there was an increase to the contract to NACO for administration of the fund which was approved in the State's budget by the Legislature. He noted the supplemental payment program transfers related to items 6 & 7 and that in FY16/17 claims were approved in the amount of \$1.75million in Indigent Accident Fund claims that were legacy claims and the projection is to set aside the same amount for FY17/18 and FY18/19. He informed the Board that no claims for reimbursement were received for the meeting by the date requested, although he had since received a call from Renown that they did have some claims and Jeff informed the hospital that claims could be considered at a later meeting. Jeff mentioned that the county match line allows for counties to apply for reimbursement to offset long term care obligations for what they pay to the State for the Medicaid Match program. He noted that the rural counties have an 8 cent cap on the property tax levy that they are required to pay

the State and the cap for total indigent expense taxing levy is 9 and ½ cents. The Board has previously set aside \$2million/year for this program. The previous year the Board approved \$634,271 in claims from three counties, and therefore that was projection for upcoming years. He also informed the Board that in the last three years requests for submission of claims were made in July/August and that the Board had decided to delay the requests for these applications to better align with the county's budget review cycle. Commissioner Sharkozy inquired as to the potential for the loss of reserve funds and Jeff informed him that there is always a two million reserve that rolls over from year to year.

5. **Review and Possible Approval of a Claim from Washoe County for Reimbursement from the Fund for Hospital Care to Indigent Persons for Unpaid Charges for Hospital Care in Excess of \$25,000 which have been Incurred by a Person Certified as Indigent by the Board of County Commissioners (NRS 428.209).** Jeff informed the Board that the claim was received in May through Washoe County on behalf of Renown Regional Medical Center. He noted that while the service dates are 2012/2013 it is technically eligible for reimbursement. Jeff reminded the Board that in the past the Board has chosen not to approve Supplemental Claims, instead utilizing those funds to leverage the non-federal match for additional Medicaid dollars. Chair French noted that the age of the claim is over five years and expressed concern to opening the door for submission of aged claims. Commissioner Sharkozy moved to deny the claim and Commissioner Wichman seconded the motion which passed unanimously.

6. **Approval of an Amendment to the Interlocal Contract with the Division of Health Care Financing and Policy of the Department of Health and Human Services dated June 7, 2016 to transfer from the Fund an Amount Equal to the Reduction in State Savings Received in the Inpatient Non State Government Owned Upper Payment Limit Supplemental Payment Due to the Increase in the Indigent Accident Fund State Share Above \$14,745,692 Per Year and to Authorize the Executive Director of the Nevada Association of Counties to Sign the Contract Amendment on Behalf of the Board of Trustees. The Amendment Extends the Termination Date from June 30, 2019 to June 30, 2022 and Increases the Maximum Amount Transferred from \$3,100,000 to \$6,200,000.** Jeff informed the Board that the contract was initiated in 2016 to address ways to fully utilize the free care obligation fund balance. It was determined that the way the state budget works with Interlocal transfers that it was necessary to make an adjustment in the existing contract to allow for the transfer of the funds to maximize the Medicaid Match program to make the State whole. Debra Sisco (DHCFP) clarified that the need for fund replacement is actually tied to recipient funds and that if they do not need the full amount of projected transfers they will not ask for the funds. Chair French noted that the contract is based on current reality and inquired as to how changes to the ACA and the potential repeal of the individual mandate could affect federal funding. Ms. Sisco informed the Board that any changes would be brought back to the Board. Commissioner Sharkozy inquired if that had anything to do with the county's obligations and Jeff noted that it was a possibility and that the counties' obligation to provide indigent medical services had been lessened by the ACA and the individual mandate. He noted that the fund was instituted and designed to be the payer of last resort and the implementation of the ACA had allowed for the expansion of the fund for other

uses, however it is not possible to determine exact impacts until Congress acts on the issue. Mr. Pawlak requested clarification that the amount is reflected in the supplemental payment line of the budget and it was clarified by Ms. Sisco that was true. The item was approved on a motion by Commissioner Wichman with second by Commissioner Sharkozy.

7. **Approval of Amendment Number 2 to the Interlocal Contract with the Division of Health Care Financing and Policy of the Department of Health and Human Services dated May 12, 2015 and Amended January 12, 2016 and to Authorize the Executive Director of the Nevada Association of Counties to Sign the Contract Amendment on Behalf of the Board of Trustees. The Amendment Extends the Termination Date from December 31, 2017 to June 30, 2022 and Increases the Maximum Amount the Board Agrees to Transfer from the Fund from \$48,482,768 to \$213,269,522 to the Division for the Division to Include in the State Plan for Medicaid an Enhanced Rate of Reimbursement for Hospital Care Provided to Recipients of Medicaid or to Make Supplemental Payments to Hospitals for the Provision of Such Hospital Care through Increased Federal Financial Participation.** Jeff informed the Board that this contract authorizes payments under the Supplemental Payment program to leverage non-federal Medicaid Match dollars. Ms. Sisco informed the Board that it is roughly a 3-1 increase in Medicaid dollars received through the match program. Jeff reminded the Board that it has been their policy in the past to maximize the fund for those purposes. He also noted what the actual payments are apportioned is not something that NACO is involved with and Ms. Sisco informed the Board that the formulas and actual payments can be found on the DHCFP website. Mr. Pawlak asked for clarification on the amounts and noted that the amounts match the budget line items and Ms. Sisco clarified that the worksheet was prepared to include both amounts and that the yearly transfer amount on the worksheet matches the line item. The item was approved on a motion by Commissioner Wichman with second by Mr. Pawlak.
8. **Public Comment.** Mr. Welch from the Hospital Association thanked the Board for the support of the program and the support it provides the hospitals. He noted that Clark and Washoe County have a good understanding of how the IAF program works but that rural hospitals don't have a good understanding of the program for claims and think that they are liable for payment. Chair French noted that it would be good to have a round table discussion to ensure that the rural counties understand the program. Jeff informed the Board that Dagny would be taking over the position of NACO's Executive Director at the end of the month and that he has been spending a lot of time with her on the intricacies of the funds and the program. He noted the long history of the program and that has been a great partnership between NACO, the Hospital Association and the State and the benefits provided. He expressed appreciation to the Board and stated that he will be willing to assist with any questions regarding the program going forward.

The meeting was adjourned at 1:52P.