



# WASHOE COUNTY

Integrity Communication Service

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## STAFF REPORT

**BOARD MEETING DATE:** May 13, 2025

**DATE:** Thursday, May 08, 2025

**TO:** Board of County Commissioners

**FROM:** Ryan Gustafson, Agency Director, Human Services Agency  
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**THROUGH:** Kate Thomas, Assistant County Manager

**SUBJECT:** Recommendation to approve Amendment #1 to an Interlocal Contract Between Public Agencies between the State of Nevada Department of Health and Human Services Health Care Financing and Policy and Welfare and Supportive Services Divisions and Washoe County to maintain the County Match Program, under Title XIX of the Social Security Act, assistance to individuals in long term care facilities retroactive to July 1, 2023 to June 30, 2027 to increase the total amount not to exceed amount to [\$36,969,249.75 (\$7,755,196.56 for FY24; \$9,984,089.90 for FY25; \$9,406,547.27 for FY26; \$9,823,416.02 for FY27)]; and to approve net-zero budget appropriation transfer [total \$2,873,147] in the Indigent Fund; and if approved, authorize the Director of the Human Services Agency to execute the Amendment; and direct Finance to make the necessary transfer (net impact to County budget is zero). (All Commission Districts.) **FOR POSSIBLE ACTION**

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### SUMMARY

The Human Services Agency is requesting the Board approve Amendment #1 to an Interlocal Contract Between Public Agencies between the State of Nevada Department of Health and Human Services Health Care Financing and Policy and Welfare and Supportive Services Divisions and Washoe County to maintain the County Match Program, under Title XIX of the Social Security Act, assistance to individuals in long term care facilities retroactive to July 1, 2023 to June 30, 2027 to increase the total amount not to exceed amount to [\$36,969,249.75 (\$7,755,196.56 for FY24; \$9,984,089.90 for FY25; \$9,406,547.27 for FY26; \$9,823,416.02 for FY27)]; and to approve net-zero budget appropriation transfer [total \$2,873,147] in the Indigent Fund; and if approved, authorize the Director of the Human Services Agency to execute the Amendment; and direct Finance to make the necessary transfer (net impact to County budget is zero).

**Washoe County Strategic Objective supported by this item:** Vulnerable Populations

**AGENDA ITEM #** \_\_\_\_\_

### **PREVIOUS ACTION**

On May 21, 2024, the Board approved the Fiscal Year 2025 Final Washoe County Budget which included a transfer from the Indigent Fund (F221) to the Capital Improvement Fund (F402) in the amount of \$2,965,828.

On December 19, 2023, Item 11, the Board approved an Interlocal Contract Between Public Agencies between the State of Nevada Department of Health and Human Services Health Care Financing and Policy and Welfare and Supportive Services Divisions and Washoe County to maintain the County Match Program, under Title XIX of the Social Security Act, assistance to individuals in long term care facilities retroactive to July 1, 2023 to June 30, 2027, in total amount not to exceed [\$23,706,750.47 (\$6,096,871.64 for FY24; \$5,869,959.61 for FY25; \$5,869,959.61 for FY26; \$5,869,959.61 for FY27)].

On March 22, 2023, Item 12, the Board approved an Interlocal Contract Between Public Agencies between the State of Nevada Department of Health and Human Services Health Care Financing and Policy and Welfare and Supportive Services Divisions and Washoe County to maintain the County Match Program, under Title XIX of the Social Security Act, assistance to individuals in long term care facilities retroactive to July 1, 2021 to June 30, 2023 in total amount not to exceed [\$13,152,047.50 (\$6,525,162.00 for FY22; \$6,626,885.50 for FY23)].

On March 9, 2021, Item 10, the Board approved Amendment #1 to the current Interlocal Contract Between Public Agencies between the State of Nevada Department of Health and Human Services Health Care Financing and Policy and Welfare and Supportive Services Divisions and Washoe County to maintain the County Match Program, under Title XIX of the Social Security Act, assistance to individuals in long term care facilities amending the total contract amount not to exceed [\$12,772,750.14].

On April 14, 2020 item 15, the Board approved the revised Interlocal Contract Between Public Agencies between the State of Nevada Department of Health and Human Services Health Care Financing and Policy and Welfare and Supportive Services Divisions and Washoe County to maintain the County Match Program, under Title XIX of the Social Security Act, assistance to individuals in long term care facilities retroactive to July 1, 2019 to June 30, 2021 in total amount not to exceed [\$12,525,019.94 (\$5,828,646.98 for FY20; \$6,696,372.96 for FY21.)

On October 22, 2019, Item 10, the Board approved the revised Interlocal Contract Between Public Agencies between the State of Nevada Department of Health and Human Services Health Care Financing and Policy and Welfare and Supportive Services Divisions and Washoe County to maintain the County Match Program, under Title XIX of the Social Security Act, assistance to individuals in long term care facilities retroactive to July 1, 2019 to June 30, 2021 for a projected amount of [\$5,000,000] per fiscal year.

On August 27, 2019, Item 15, the Board approved an Interlocal Contract Between Public Agencies between the State of Nevada Department of Health and Human Services Health Care Financing and Policy, and Welfare and Supportive Services Divisions and Washoe

County to maintain the County Match Program, under Title XIX of the Social Security Act, assistance to individuals in long term care facilities retroactive to July 1, 2019 to June 30, 2021 for a projected amount of [\$5,000,000] per fiscal year.

On January 9, 2018, Item 14, the Board approved an Interlocal Contract Between Public Agencies between the State of Nevada Department of Health and Human Services Health Care Financing, and Policy and Welfare and Supportive Services Divisions and Washoe County to maintain the County Match Program, under Title XIX of the Social Security Act, assistance to individuals in long term care facilities retroactive to July 1, 2017 to June 30, 2019 for a projected amount of [\$5,000,000] per fiscal year.

### **BACKGROUND**

In accordance with NRS 439B, hospitals with 100 or more beds, located in a county where there are at least two hospitals operating that have 100 or more beds, will be assessed an annual amount of inpatient hospital care that must be provided to patients deemed as “Indigent”. The Division of Health Care Financing and Policy (DHCFP) assesses this annual amount equal to 0.6 % of the net revenue for the hospital’s preceding fiscal year.

Nevada Revised Statutes [Chapter 428 – INDIGENT PERSONS](#) sets out the duty for county commissioners to “*provide care, support and relief to the poor, indigent, incompetent and those incapacitated by age, disease, accident or motor vehicle crash, lawfully resident therein, when those persons are not supported or relieved by their relatives or guardians, by their own means, or by state hospitals, or other state, federal or private institutions or agencies.*” And as required by NRS 428.015, the Washoe County Board of County Commissioners has established ordinances to assist in carrying out this goal. Washoe County Code Section 45.050, entitled “Indigent Care Assistance Program” assigns to the Human Services Agency the obligation to “*provide a service delivery system to meet the medical and health care needs of eligible program applicants. For each fiscal year, the board shall, in preparation of its final budget, allocate money for assistance to eligible program applicants pursuant to NRS 428.295.*”

The County Match program (NRS 428.285(4) and 422.272) is a joint county/state/federal program in which the state Medicaid program expands eligibility for services and the county agrees to pay the non-federal share of the resulting payment for these Medicaid services. This agreement reduces the county’s fiscal responsibility for these services from 100% of the cost of services to roughly 40% of the applicable Medicaid rate for services (i.e. leveraging 60% to federal matching funds.)

HSA is therefore requesting approval to execute Amendment #1 to the Interlocal Contract with DHCFP and to redirect unobligated budget authority to support immediate needs. The Human Services Agency (HSA) FY25 adopted budget includes a \$2,965,828 transfer to the Capital Improvement Fund (402) from the Indigent Tax Levy Fund (221) for anticipated construction work needed for the leased buildings located at the Our Place campus (\$495,635 identified for Our Place – Building 2A and \$2,470,192 million identified for the Our Place – CrossRoads transfer to public works).

As the building improvements have taken longer than anticipated, HSA is proposing and is requesting approval to redirect this funding to support their immediate needs. Based on ongoing discussions with the State of Nevada, the nursing home match expenditures are projected to increase and total \$9,806,797 for FY25, which is approximately \$3,000,000 over the FY25 adjusted budget.

Amendment #1 to the Interlocal Contract was received by the Human Services Agency on April 15, 2025; therefore, retroactive approval is requested.

### **FISCAL IMPACT**

There is no additional fiscal impact as Human Services Agency is reducing the FY25 budgeted transfer from the Indigent Fund to the Capital Improvement Fund and instead, reappropriating the funds within the Indigent Fund.

If approved, the FY25 budget will be adjusted as follows:

<b>Fund/Function</b>	<b>Department/ Expenditure</b>	<b>Cost Object(s) GL Accounts</b>	<b>Budget Change</b>
<b>Indigent Fund (221)/ Welfare</b>			
Indigent Assistance	Nursing Home Match	210100-710725	2,873,147.00
Indigent Assistance	Crossroads - Transfer to Public Works	221220-814092	(2,873,147.00)
Net Total appropriation adjustment			-0.00-

### **RECOMMENDATION**

Recommendation to approve Amendment #1 to an Interlocal Contract Between Public Agencies between the State of Nevada Department of Health and Human Services Health Care Financing and Policy and Welfare and Supportive Services Divisions and Washoe County to maintain the County Match Program, under Title XIX of the Social Security Act, assistance to individuals in long term care facilities retroactive to July 1, 2023 to June 30, 2027 to increase the total amount not to exceed amount to [\$36,969,249.75 (\$7,755,196.56 for FY24; \$9,984,089.90 for FY25; \$9,406,547.27 for FY26; \$9,823,416.02 for FY27)]; and to approve net-zero budget appropriation transfer [total \$2,873,147] in the Indigent Fund; and if approved, authorize the Director of the Human Services Agency to execute the Amendment; and direct Finance to make the necessary transfer (net impact to County budget is zero).

### **POSSIBLE MOTION**

Should the Board agree with staff's recommendation, a possible motion would be: *"Move to approve Amendment #1 to an Interlocal Contract Between Public Agencies between the State of Nevada Department of Health and Human Services Health Care Financing and Policy and Welfare and Supportive Services Divisions and Washoe County to maintain the County Match Program, under Title XIX of the Social Security Act, assistance to individuals in long term care facilities retroactive to July 1, 2023 to June*

*30, 2027 to increase the total amount not to exceed amount to [\$36,969,249.75 (\$7,755,196.56 for FY24; \$9,984,089.90 for FY25; \$9,406,547.27 for FY26; \$9,823,416.02 for FY27)]; and to approve net-zero budget appropriation transfer [total \$2,873,147] in the Indigent Fund; and if approved, authorize the Director of the Human Services Agency to execute the Amendment; and direct Finance to make the necessary transfer (net impact to County budget is zero).”*