



NEVADA MEDICAID – 2026-2027 BUDGET PRIORITIES FACT SHEET

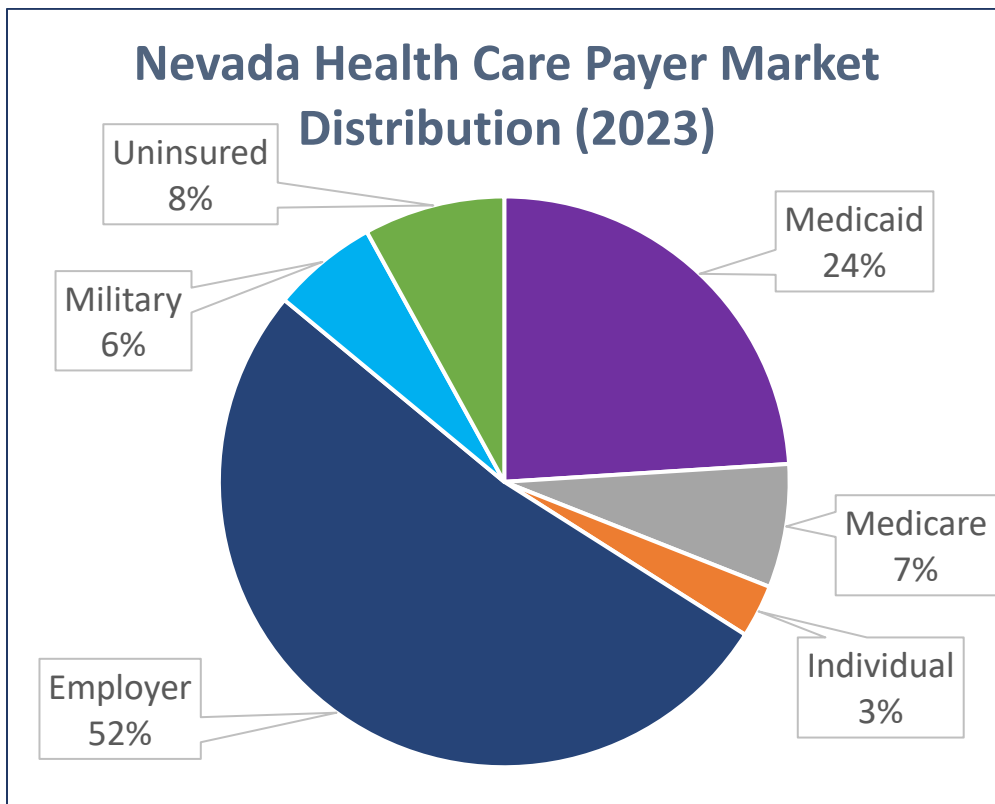
STATE OF NEVADA DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF HEALTH CARE FINANCING AND POLICY

Governor’s Proposed Budget for Nevada Medicaid & Health Care Programs

The State’s budget process begins with the establishment of the Governor's Executive Budget. It is a cooperative effort between State agencies and the Governor’s Finance Office. Nevada operates on a biennial budget cycle. That means once every two years lawmakers approve a new operating budget that will fund the State for the next two fiscal years. For more information on the Governor’s Executive Budget, visit budget.nv.gov/StateBudget/2026-2027/2026-2027/.

This fact sheet includes a summary of the major 2026-27 budget enhancement for Nevada Medicaid (Department of Health and Human Services, Division of Health Care Financing and Policy).

Background: Nevada Medicaid is state and federal taxpayer-funded health insurance that covers a core set of benefits for members at little to no cost. About 1 in 4 Nevadans are members, nearly half of them are children who rely on Medicaid as a payer of last resort. Nevada Medicaid makes up about a quarter of Nevada’s health insurance market and is the largest source of federal funds for health care in the state. Nevada Medicaid creates payment policies and models that drive the state health care system’s performance. For more information, write to CommunityAndProvider@DHCFP.nv.gov



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A new department called the Nevada Health Authority

“This new authority will capitalize on the broad and strong purchasing power of the State when it comes to health insurance. Leveraging that power enables us to cut a better deal for taxpayers while offering better insurance options for Medicaid members, those Nevadans enrolled in the exchange, and state employees.”

- Governor Lombardo’s 2025 State of the State Address.

Governor Joe Lombardo’s budget proposal to the 83rd Nevada Legislature is to split the Department of Health and Human Services to create the Nevada Health Authority to:

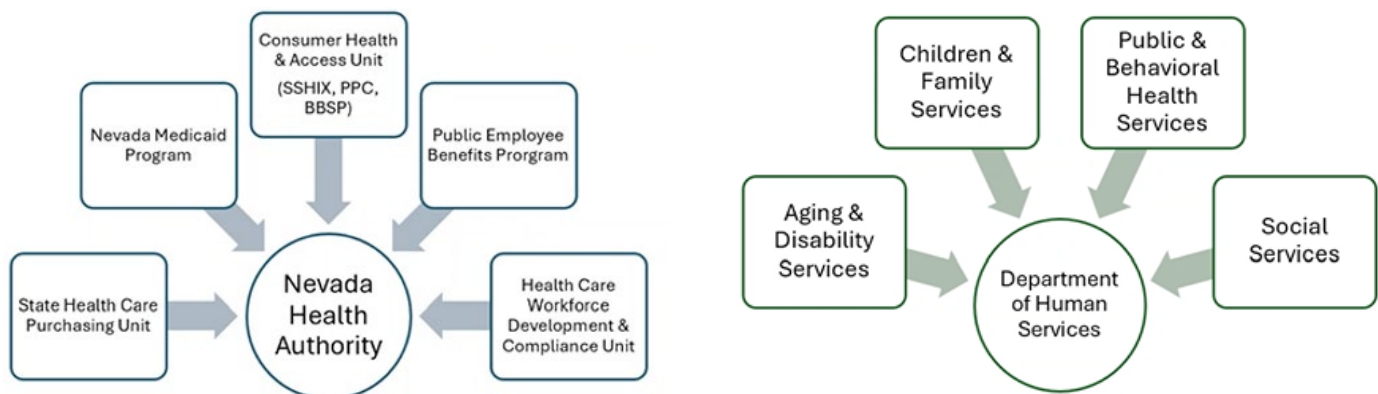
- Maximize purchasing power.
- Reduce taxpayer costs.
- Leverage federal resources.
- Promote healthy living.
- Improve member services.
- Support sustainable & responsive healthcare systems.

- Nevada Health Authority Mission -

Promote access to safe, quality, affordable health care by developing a sufficient provider workforce; securing affordable coverage; and supporting more effective, efficient, and responsive health care systems through new value-based strategies. Ensure long-term sustainability of state programs by minimizing financial burden of health care on state budget, Nevadans, and public employees, through aligned, across-market cost containment measures; federal resource maximization; and innovative state purchasing and contracting strategies.

Consolidate similarly aligned agencies/programs within the new Nevada Health Authority:

- Silver State Health Insurance Exchange (SSHIX)
- Indigent Hospital Care Fund
- Battle Born State Plans (BBSP)
- Office of Analytics
- Public Employee Benefit Program
- Medicaid Provider Oversight and Audits
- Bureau of Health Care Quality and Compliance
- Governor’s Council on Developmental Disabilities
- Patient Protection Commission (PPC)



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Budget priorities to improve Nevada Medicaid and drive health care innovation

Information in parentheses refers to the item in the [Governor's Executive Budget for the 2026-2027 Biennium](#).

Improve Access to Care



Address Health Care Workforce Gaps (E-262) – This budget request will provide new revenue from increased prescription drug rebates that Nevada Medicaid generates in SFY27 from the implementation of a Single Prescription Drug List in 2026 to support new efforts by Medicaid to address the state's gaps in the health care workforce. This is achieved by matching new rebate dollars with federal Medicaid funds to support special reimbursement methods designed to support workforce initiatives.

Improve Access to Non-Emergency Medical Transportation (E-253) – This budget request is for new state investments to improve access to the transportation benefit for Medicaid recipients by establishing a more accountable and transparent model for Medicaid payments to contracted vendor(s) and providers of these services.

Strengthen the State's Mental Health Care System



Mobile Crisis System (E-258) - Increased funding to strengthen mobile crisis response system.

Assertive Community Treatment (ACT) (E-260) - Increases funding to develop a new reimbursement methodology to support expanded access to these services.

Community Paramedicine (E-266) - Rate reform and increases in reimbursement to build out this service line in Nevada.

Behavioral Health Complex Add-On & Quality Increase (E-275) - Rate increase for Behaviorally Complex Care Program tied to new quality initiative for skilled nursing facilities that accept recipients with complex behavioral health needs and meet certain quality standards for this population.

Partial Hospitalization Program (PHP) (E-271) - Rate increases to address rate deficiencies noted in the Quadrennial Rate Review.

Day Treatment (E-272) - Rate increases to address rate deficiencies noted in the Quadrennial Rate Review.

First Episode Psychosis Program (E-274) - Medicaid reimbursement for first episode psychosis treatment.

Inpatient Psychiatric/Detoxification Rate Increase (E-273) - Funds an increase to inpatient psychiatric and detox services in an acute hospital or freestanding psychiatric hospital.

Prescription Drug Rebate Maximization



Single Preferred Drug List (E-252) - This request funds staff and a vendor to implement a single preferred drug list across all Medicaid programs to:

- reduce administrative burden for providers, patients, and pharmacies;
- maximize rebates by selecting drugs with the lowest cost or maximum rebate potential;
- improve rebate transparency for more accurate cost management; and
- reduce disruptions for patients who may switch between health plans.

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Fill Gaps in Dental Care



New Adult Dental Coverage (E-267) - Funds basic dental coverage for adults in Medicaid. A fiscal impact analysis from an actuarial vendor found dental benefits for adults to be cost-effective, leading to anticipated savings. Once members are covered for dental, this adult population is projected to reduce its use of high-cost emergency or inpatient care, leading to improvements in the health of members with chronic conditions like diabetes and heart disease.

Increase Access to Medicaid for Uninsured and Eligible



Modernize Medicaid Eligibility and Enrollment (E-301) - This request funds staff and vendor support to modernize Medicaid eligibility and enrollment in real-time through the Silver State Health Insurance Exchange online platform. Recipients will still be notified of other social services programs with member file transfer to the Division of Welfare and Supportive Services for eligibility for these programs. Additional benefits include:

- Removal of unintended stigma of the existing welfare eligibility system for Medicaid recipients.
- Allows Medicaid managed care recipients to “shop” when selecting a plan.
- State would be eligible for 90/10 federal/state matching funding for implementation and 75/25 federal/state matching funds for ongoing operations.

Streamlining Existing Laws: 2025 Agency Bill Requests



Assembly Bill 36: Clarifies state law and timeline for provider appeals.

Assembly Bill 42: Reduces timeline and simplifies administration of state and federal mandates.

Senate Bill 9: Clarifies third-party payment requirements under federal law for prior authorizations.

Questions and feedback are welcome. Please reach out to:

CommunityAndProvider@dncfp.nv.gov