



Dear Administrator Suzanne Bierman and Policy Director DuAne L. Young,

Thank you for the opportunity to submit written comments to inform the process to implement a public option as authorized by SB420. As a group of community and advocacy organizations committed to improving access to health care in Nevada, we appreciate the opportunity to provide feedback to state officials on this important effort.

As you are aware, access to health insurance remains a significant issue for Nevada consumers. Without health insurance, families often forgo care, resulting in worse or untreated conditions, or end up with medical bills they can't afford to pay. This is the case even as large for-profit hospitals and major national health plan companies operating in our state continue to report sizable profits and healthy operating margins year-over-year.

Fortunately, the public option gives the Governor and state officials an opportunity to refocus Nevada's healthcare system on patient outcomes and needs. Depending on the success of a public option in reducing consumer premiums, the state may also be eligible to receive new federal funding to bolster healthcare infrastructure that is sorely lacking in Nevada, including primary and preventative care and behavioral and mental healthcare.

As you prepare a 1332 waiver application and gather information for the actuarial analysis, we hope you will take into careful consideration the effects of several key provisions in SB420. For example, in sections 12 and 13, new state powers have been established to compel health care providers and health plan companies to participate in the public option. These state powers are leveraged through the state's existing agreements with health care providers (via Medicaid and public employee health plan networks) and health plan companies (via contracts in Medicaid managed care).

Section 12 also provides state officials with new purchasing and contracting authority for the individual health insurance market that is tied to the state's Medicaid managed care procurement. The impact of this new authority should be an important factor in the waiver application and actuarial analysis in addition to the public option's statewide procurement that

will take place simultaneously with the state's next Medicaid managed care procurement. We feel it is critically important to finally have a statewide network of providers so that a Nevadan can access in-network care no matter which part of the state they are in when they need care.

Furthermore, with this new authority state officials have an opportunity to promote or require value-based payment arrangements in provider networks for the public option and possibly in Medicaid. These arrangements could include a mix of shared savings, shared risk, global capitation, and/or bundle payment designs. The state could also encourage or require plans to make new investments in strategies for addressing our state's chronic workforce shortages in primary care, mental health, and substance use treatment. For example, the state could provide preference in the procurement to plans proposing strategies like concierge care, outsourced health professionals, incentives for primary care or psychiatric medical residents, or other innovative models for improving access to remote and rural areas.

SB420 also sets a premium target for the public option in section 10 and sets a rate floor for provider reimbursement in the public option of no lower than Medicare rates. It will be important to consider the impact of these requirements on public option premiums in addition to Nevada's unique health insurance market. For example, Nevada's ranks among the dozen of states with the highest uninsured rates in the country according to the [Kaiser Family Foundation](#). With a higher proportion of uninsured individuals, Nevada should have a greater potential to attract more uninsured people to the public option than people who are privately insured.

Furthermore, a reduction in the uninsured rate with a public option should help save Nevada health care providers in lower uncompensated care costs and reduced consumer medical debt. These savings, over time, should be considered in the actuarial analysis and waiver for the public option as they will likely help offset potential realignment in reimbursement rates to certain provider types who may be paid inflated rates under the current market conditions.

Thank you again for the opportunity to provide initial comments for implementation of SB420. We look forward to the upcoming public meetings and to working with you, other state officials and stakeholders on successfully implementing SB420.

Yours,
New Day Nevada
Committee To Protect Healthcare
Battle Born Progress
Silver State Equality
Make It Work Nevada
OneAPIA Nevada
Make The Road Nevada
Faith in Action Nevada
Progressive Leadership Alliance of Nevada
For Our Future Nevada