Item 5B

CARSON CITY'S INDIGENT TAX:
CURRENT AND PROPOSED EXPENDITURES

Board of Supervisor's Retreat
February 29, 2024

- Nancy Paulson, City Manager
- Mary Jane Ostrander,
  Carson City Health and Human Services

The Fund for Hospital Care to Indigent Persons: Indigent Accident Fund (IAF)

- Created during the 1983 Legislative Session (NRS 428.175).
- Purpose - To reimburse hospitals for some expenses realized from the treatment of indigent persons injured in motor vehicle accidents in Nevada.
- Funded by a tax rate of 1.5 cents per $100 of assessed valuation levied by each county.
- Comprehensive health care reform law enacted on March 23, 2010 led to the Fund not being utilized.
- Senate Bill 452 enacted in the 2013 Legislative Session authorized additional uses of the Fund.

Senate Bill 452 in 2013 (NRS 428.206)

- The Board[1] transfers a portion of the funding to Nevada Department of Health and Human Services, Division of Health Care Financing and Policy to be included in the State Plan for Medicaid as an enhanced rate of reimbursement for hospital care provided to Medicaid recipients.
- To satisfy any portion of a county's obligation to pay the nonfederal share of expenditures for the Medicaid Match program for long term care.

[1] Board – Board of Trustees of the Fund for Hospital Care to Indigent Persons (IAF)

Distributions to Counties

- The total amount of IAF funding to be distributed to counties is determined by a % of the dollars collected through the indigent property tax assessments.
- Annual Distributions to counties are approved by the IAF Board.
- Allowed Use: To pay for a portion of a county's expenses for the Medicaid Long Term Care Program (50/50 Match) pursuant to NRS 428.285.

Carson City Indigent Property Tax

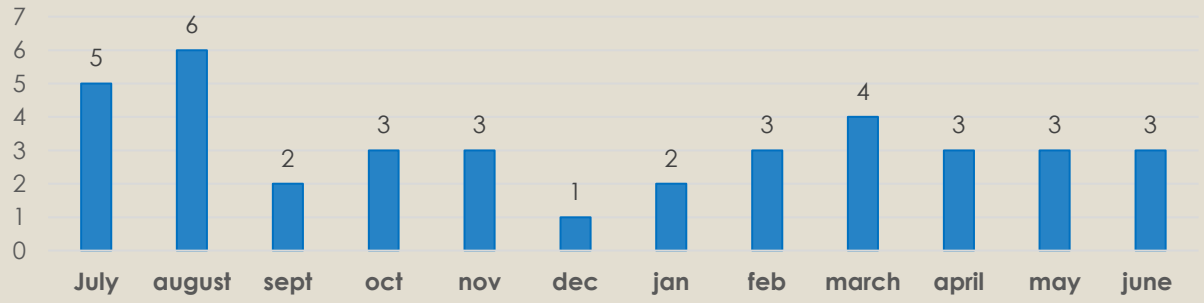
- Pursuant to NRS 428.285, Carson City established a 10 cent tax rate for Indigent Care.
- 8 cents is the max required to be remitted to the State annually for the 50/50 Match Program.
- Distributions from the IAF can now be used to cover the City's expenses for the Program freeing up property tax revenue for other indigent purposes.

Current Collaborative Services Approved

- Carson City Sober Housing Assistance Reinforces Everyone's Safety (CCSHARES): Temporary housing for participants of the Carson City Specialty Courts who do not have a safe place to live.
- Mobile Outreach Safety Team (MOST #2): Provides funding for mental health counselor in order to have a second team, and purchased a vehicle for the team.
- Crisis Intervention Training (CIT) support: Assists with supplies needed to conduct CIT trainings, along with staff training.
- Gift cards purchased, held by Human Services and distributed to MOST for use in crisis situations.
- Expanded Human Services staffing to serve indigent persons.
- Park Ranger: 30% of personnel cost to support individuals experiencing homelessness that use City parks and facilities.

- Total unduplicated participants: 15
- Average length of stay: 153 days
- 2,548 beds available/year
- $3,200 average cost per person for housing per year
- Covers rent at no more than $48,000/annually. Participants with income pay a portion.

NUMBER OF TENANTS MONTHLY
July 1, 2022 – June 30 2023



Carson City Sober Housing Assistance Reinforces Everyone's Safety

CCSHARES

2nd Mobility Outreach Safety Team (MOST)

In 2021, the Board of Supervisors approved funding the mental health counselor in order to create a 2nd Mobility Outreach Safety Team (MOST)

MOST was unable to respond to 300 mental health crisis calls last year

The Indigent Tax used for:

- Materials and training for CIT.
- Gift cards that MOST can carry with them when needed to de-escalate a situation.

Mobility Outreach Safety Team (MOST) Statistics

October 1, 2022 – September 30, 2023

MOST #1

Calls for service	326
Consumer Contacts	904
Internal Referrals	680
Community Referrals	195
Arrests	0

MOST #2

Calls for service	289
Consumer Contacts	988
Internal Referrals	329
Community Referrals	0
Arrests	1

CARSON CITY HOUSING PLAN - SURVIVE

SURVIVE: Street Outreach Partnership with Karma Box

CARSON KARMA CORP

- Funded by Emergency Solutions Grant and Indigent Tax
- Will solicit for material donation for clean-up projects
- Collaborate with MOST, CCHHS, and non-profits serving homeless
- Will give "Responsible Giving" presentations

Current Cost – FY24

Total Cost:	$ 49,515 – start up
ESG[1]:	$ 20,325
Indigent Tax:	**$ 29,190**

[1]Emergency Solutions Grant

CARSON CITY HOUSING PLAN SURVIVE – FY23 - FY24

SURVIVE: Emergency Sheltering - 12 individuals

Funded by Emergency Solutions Grant, Account for Affordable Housing Trust Fund and Indigent Tax.

Currently, CCHHS is managing 10 rooms.

Costs:	$ 8,850/month; 106,200/annual
ESG[1]:	$ 20,000 per year
AAHTF[2]:	$ 20,000 per year
Indigent Tax:	**$ 66,200 per year**

[1]Emergency Solutions Grant
[2]Account for Affordable Housing Trust Fund

CARSON CITY HOUSING PLAN STABILIZE - FY23 – FY24

STABILIZE: Transitional Housing 10 individuals

- Funded by HUD's Group Living Program grant through the Rural Nevada Continuum of Care.
- Match requirements 25% which is met with case management, Community Health Worker, and Social Worker (Some or all personnel costs are paid with Indigent Tax).
- Started with 3 two-bedroom apartments; Success - Two participants took over the lease independently. Since then 2 more apartments have been added.

50% HAVE MOVED INTO PERMANENT HOUSING

MEALS ON WHEELS

Meals on Wheels Waitlist
2/9/2024

Priority	Quantity	Avg. wait days
High	6	30
Medium	13	180-270
Low	32	365+

Demographics (low-income only)

MEALS ON WHEELS

CURRENT FUNDING 10/1/2023 TO 9/30/2024	
TOTAL GRANT FUNDING	$ 554,483
DIRECT PROGRAM EXPENSES	$ 684,277
GAP IN FUNDING FOR PROGRAM COSTS	$ 129,794
INDIGENT TAX FUNDING REQUEST	$ 73,342

OUTDOOR LOCKERS

- **Security of belongings (out of our landscape)**
- **Increase engagement with welfare services**
- **Improved mental health and self-esteem**
- **Decrease stigma**
- **Higher likelihood of becoming housed as a result of being engaged with services**
- **Improve physical health as a result of being engaged with services**
- **Lowered risk of being a victim of violence.**
- **Cost projected to be $5,000 to $10,000 installed**

Cost for sets of lockers varies. Work with facilities to have durable lockers at a reasonable cost.

Collaborative partner - The Salvation Army has an outdoor area they are willing to contribute.

Start Up Essentials

Staff spends a lot of time going to thrift stores for donations for furnishing a home.

These boxes can offer the basic kitchen items, microwave, toaster, vacuum, pillow, and other basic items.

Cost for a box of essentials: $407.81/each

Collaborative partners may assist with cleaning detergents, hygiene products, and linens.

Future Idea – Human Services Van and Driver

1. Karma Box Street Outreach
2. Carson Karma Corps Community Clean-up Crew Transportation
3. Emergency Sheltering Supply Pick-up/Drop-off
4. GLP Program Supply Pick-up/Drop-off
5. Human Services and Community Action Outreach
6. Emergency Shelter Room Inspections/Home Visits
7. GLP Apartment Inspections/Home Visits
8. ESG/AAHTF Home Inspections
9. Community Health Worker - Client Medical/Dental Appointment Companion

INDIGENT TAX - CURRENT AND PROPOSED EXPENDITURES					
	FY 24	FY 25	FY 26	FY 27	FY 28
REVENUE					
Current Balance	$ 1,360,000	$ 1,456,171	$ 1,080,180	$ 811,135	$ 515,452
Revenue (FY 25-28 Based on 4 Year Average Disbursements)	$ 712,325	$ 489,500	$ 489,500	$ 489,500	$ 489,500
Revenue Total	$ 2,072,325	$ 1,945,671	$ 1,569,680	$ 1,300,635	$ 1,004,952
EXPENSES					
Human Services Positions (Community Health Worker, Social Worker) - 100% - vacancies in 2023/2024[1]	$ (149,500)	$ (240,014)	$ (252,015)	$ (264,615)	$ (277,846)
Human Services - Office Specialist; Accounting Technicians - Part Time	$ (44,900)	$ (46,247)	$ (47,634)	$ (49,063)	$ (50,535)
MOST #2 – Mental Health Counselor - 100%	$ (108,900)	$ (114,345)	$ (120,062)	$ (126,065)	$ (132,369)
MOST #2 - Vehicle[2]	$ (68,000)				
Park Ranger - 30%	$ (21,284)	$ (22,348)	$ (23,466)	$ (24,639)	$ (25,871)
Carson City Housing Plan					
Survive - Outreach Program/Carson Karma Corp	$ (29,190)	$ (29,190)	$ (30,650)	$ (33,714)	$ (37,086)
Stabilize - CCShares (collaboration with Specialty Courts)	$ (48,000)	$ (48,000)	$ (48,000)	$ (48,000)	$ (48,000)
Stabilize - up to 0.5 FTE Housing Case Manager	$ (39,290)	$ (41,255)	$ (43,317)	$ (45,483)	$ (47,757)
Survive - Emergency Sheltering - 10 rooms	$ (66,200)	$ (66,200)	$ (69,510)	$ (69,510)	$ (72,986)
CIT/MOST Training	$ (8,000)	$ (5,000)	$ (5,000)	$ (5,000)	$ (5,000)
MOST Gift Cards	$ (2,500)	$ (2,500)	$ (2,500)	$ (2,500)	$ (2,500)
NEW - Start-up Essentials (5/annually)	$ (2,050)	$ (2,050)	$ (2,050)	$ (2,050)	$ (2,050)
NEW - Meals on Wheels[3]	$ (18,340)	$ (73,342)	$ (73,342)	$ (73,342)	$ (73,342)
NEW - Lockers - Initial / Maintenance	$ (10,000)		$ (1,000)		$ (1,000)
Proposed for the Future - Van/Driver		$ (175,000)	$ (40,000)	$ (41,200)	$ (42,436)
	$ (616,154)	$ (865,491)	$ (758,546)	$ (785,183)	$ (818,778)
Revenue - Expenses	$ 1,456,171	$ 1,080,180	$ 811,135	$ 515,452	$ 186,174

[1]Salary savings due to vacancies

[2]Purchased and in use

[3]FY24 reflects 3 months of funding

Thank you

Nevada Association of Counties
304 South Minnesota Street
Carson City, NV 89703
(775) 883-7863

www.nvnaco.org

December 15, 2023

Nikki Aaker, Director
Carson City Health & Human Services
1050 E. William St.
Carson City, NV 89701

Ms. Aaker,

This letter is to officially notify you that the Board for the Fund for Hospital Care to Indigent Persons (IAF Board), as authorized by NRS 428.206, approved funds to be distributed to each Nevada county to use to pay for a portion of each county's expenses for the Medicaid Long Term Care Program (your county's "Medicaid match" assessment). At their meeting on October 9, 2023, the IAF Board approved a distribution of these funds for counties that included $712,325.44 to Carson City in FY24.

These funds will be paid directly to Carson City on a quarterly basis. Per the DHHS Division of Healthcare Finance and Policy the Q1 distribution was sent on November 20, 2023. Should you not receive the quarterly payments please let us know.

Per NRS 428.286, please ensure that these funds are utilized to pay all, or a portion of the assessment charged to your county for the State's nonfederal share of the Long-Term Care Program pursuant to NRS 422.727.

Should you have any questions please don't hesitate to contact me.

Sincerely,

Vinson

Vinson Guthreau
Executive Director
Nevada Association of Counties

cc: file
NACO Board Commissioner
County Manager
County Fiscal Officer

Senate Bill No. 452–Committee on
Health and Human Services

CHAPTER.....

AN ACT relating to public welfare; allowing the Board of Trustees of the Fund for Hospital Care to Indigent Persons to commit money from the Fund to obtain higher rates of reimbursement for hospital care provided to recipients of Medicaid at certain hospitals; allowing the Board to further commit money from the Fund to satisfy the obligation of counties to pay certain matching funds for the nonfederal share of expenditures for certain persons who receive long-term care; revising provisions governing the payment by boards of county commissioners of certain amounts for the provision of care to indigent persons; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the Fund for Hospital Care to Indigent Persons and requires that money in the Fund be used to reimburse or partially reimburse hospitals for certain unpaid charges for hospital care. (NRS 428.175) The Fund is administered by a Board of Trustees. (NRS 428.205) **Section 2** of this bill allows the Board to enter into an agreement with the Division of Health Care Financing and Policy of the Department of Health and Human Services to transfer money from the Fund to the Division to be used to provide enhanced rates of reimbursement for hospital care provided to recipients of Medicaid or to make supplemental payments to the hospital for the provision of such hospital care through increased federal financial participation and to satisfy any portion of the obligation of a county to pay the nonfederal share of certain expenditures relating to long-term care. Once such an agreement is entered into and any enhanced rate of reimbursement or supplemental payments are approved by the Federal Government, the Board must continue to provide money pursuant to the agreement until the Federal Government approves reverting to the previous rate of reimbursement or payments.

Section 3 of this bill creates the Hospital Assessment Account in the Fund for Hospital Care to Indigent Persons. If an agreement is entered into between the Board of Trustees of the Fund for Hospital Care to Indigent Persons and the Division of Health Care Financing and Policy pursuant to **section 2**, certain hospitals may be required to pay an annual assessment for deposit into the Account in an amount determined by the Board. **Section 3** provides that any money remaining in the Account at the end of a fiscal year that has not been committed for expenditure is reimbursed to each hospital that paid an assessment in proportion to the amount paid by the hospital.

Existing law requires the board of county commissioners of each county to establish a tax rate of at least 6 cents and not more than 10 cents on each $100 of assessed valuation for deposit into a fund for medical assistance to indigent persons. Existing law designates that the equivalent of 1 cent of the amount collected is to be remitted to the State Controller and credited to the Supplemental Account for Medical Assistance to Indigent Persons. (NRS 428.285) **Section 7** of this bill instead requires that money to be credited to the Intergovernmental Transfer Account in the State General Fund.

Existing law requires certain hospitals to provide a certain amount of free care to indigent inpatients. If the hospital does not meet its obligation, the hospital must pay an assessment in an amount determined by the Director of the Department of Health and Human Services. The assessment is paid to the county in which the hospital is located and is used to pay other hospitals in the county for the treatment of indigent inpatients by those hospitals. (NRS 439B.340) **Section 9** of this bill removes the specific limitation on the use of the money collected from assessments. In addition, **section 7** requires the board of county commissioners of each county to remit to the State Controller for credit to the Supplemental Account for Medical Assistance to Indigent Persons an amount equal to the amount collected from hospitals as assessments to meet their obligation to provide free care.

Existing law requires the board of county commissioners of each county to include in its final budget each year an allocation of money for medical assistance to indigent persons. **Section 8** of this bill instead makes the allocation apply to any assistance to indigent persons. In addition, **section 8** allows the board of county commissioners in a county whose population is 100,000 or more (currently Clark and Washoe Counties) to allocate money from its fund for medical assistance to indigent persons to make an intergovernmental transfer of money to the Division of Health Care Financing and Policy.

EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~[omitted material]~~ is material to be omitted.

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

Section 1. Chapter 428 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. ***1. The Board of Trustees of the Fund for Hospital Care to Indigent Persons may enter into an agreement with the Division of Health Care Financing and Policy of the Department of Health and Human Services whereby:***

(a) The Board agrees to transfer an agreed upon amount of money each year from the Fund to the Division;

(b) The Division agrees to use the money so transferred 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 the hospital for the provision of such hospital care through increased federal financial participation and to satisfy any portion of the obligation of a county to pay the nonfederal share of expenditures pursuant to NRS 422.272;

(c) The Division agrees to return any money transferred to the Division pursuant to the agreement if the Federal Government does not approve the enhanced rate of reimbursement or supplemental payments included in the State Plan;

(d) The Board agrees to continue to transfer not less than the same amount of money as the previous year if the State Plan is approved by the Federal Government until the Board has requested the Division to exclude the enhanced rate of reimbursement or supplemental payments from the State Plan and the Federal Government approves the State Plan without such enhanced rates or supplemental payments; and

(e) The Division agrees to exclude the enhanced rate of reimbursement or supplemental payments from the State Plan when it is next submitted to the Federal Government for approval if so requested by the Board.

2. Any money transferred from the Fund to the Division pursuant to this section must not be used to replace or supplant funding available from other sources for the same purpose.

Sec. 3. ***1. The Hospital Assessment Account, to be administered by the Board, is hereby created in the Fund. The interest and income earned on money in the Account, after deducting any applicable charges, must be credited to the Account.***

2. If an agreement is entered into pursuant to section 2 of this act, each hospital in this State, other than a hospital certified as a critical access hospital by the Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services, may be required by the Board to pay an annual assessment for deposit into the Account in an amount determined by the Board to be adequate to provide reimbursement or partial reimbursement to hospitals for uncompensated hospital care based upon the amount paid from the Account during the immediately preceding year.

3. Any money remaining in the Account at the end of a fiscal year that has not been committed for expenditure must be reimbursed to each hospital that paid an assessment pursuant to this section for that fiscal year in an amount proportional to the amount of the assessment paid by the hospital compared to the total amount of assessments collected.

4. Any assessments required pursuant to this section must be paid at such times as are established by the Board and must be deposited with the State Treasurer for credit to the Account.

Sec. 4. NRS 428.115 is hereby amended to read as follows:

428.115 As used in NRS 428.115 to 428.255, inclusive, ***and sections 2 and 3 of this act,*** unless the context otherwise requires, the words and terms defined in NRS 428.125 to 428.165, inclusive, have the meanings ascribed to them in those sections.

Sec. 5. NRS 428.175 is hereby amended to read as follows:

428.175 1. The Fund for Hospital Care to Indigent Persons is hereby created as a special revenue fund for the purposes described in NRS 428.115 to 428.255, inclusive ~~[.]~~ ***, and sections 2 and 3 of this act.***

2. Except as otherwise provided in subsection 3, money collected or recovered pursuant to NRS 428.115 to 428.255, inclusive, ***and sections 2 and 3 of this act*** and the interest earned on the money in the Fund must be deposited for credit to the Fund.

3. Any money paid by a county pursuant to NRS 428.255 must be accounted for separately in the Fund and must be used to reimburse or partially reimburse a hospital for unpaid charges for hospital care pursuant to NRS 428.115 to 428.255, inclusive, ***and sections 2 and 3 of this act*** as other claims against the Fund are paid.

4. Claims against the Fund must be paid on claims approved by the Board.

Sec. 6. NRS 428.205 is hereby amended to read as follows:

428.205 The Board shall administer the Fund and for that purpose may:

1. Enter into all necessary contracts and agreements.

2. Purchase appropriate insurance to cover that portion of a claim for which the Fund is liable and which exceeds an amount agreed upon by the Board and the insurer.

3. Employ personnel as necessary and prescribe their compensation and working conditions.

4. Enter into agreements ~~[with the Department of Administration]~~ to obtain the services of consultants, attorneys, auditors, accountants, actuaries and managers of risk.

5. Rent, lease, purchase or otherwise procure or receive real or personal property.

6. Adopt regulations necessary for carrying out the provisions of NRS 428.115 to 428.255, inclusive ~~[.]~~ ***, and sections 2 and 3 of this act.***

Sec. 7. NRS 428.285 is hereby amended to read as follows:

428.285 1. The board of county commissioners of each county shall establish a tax rate of at least 6 cents on each $100 of assessed valuation for the purposes of the tax imposed pursuant to subsection 2. A board of county commissioners may increase the rate to not more than 10 cents on each $100 of assessed valuation.

2. In addition to the levies provided in NRS 428.050 and 428.185 and any tax levied pursuant to NRS 450.425, the board of county commissioners shall levy a tax ad valorem at a rate necessary

to produce revenue in an amount equal to an amount calculated by multiplying the assessed valuation of all taxable property in the county by the tax rate established pursuant to subsection 1, and subtracting from the product the amount of unencumbered money remaining in the fund on May 1 of the current fiscal year.

3. For each fiscal year beginning on or after July 1, 1989, the board of county commissioners of each county shall remit to the State Controller from the money in the fund an amount of money equivalent to 1 cent on each $100 of assessed valuation of all taxable property in the county for credit to the ~~[Supplemental]~~ ***Intergovernmental Transfer*** Account ~~[.]~~ ***in the State General Fund.***

4. ***Not later than January 1, 2014, and not later than January 1 of each year thereafter, the board of county commissioners of each county shall remit to the State Controller an amount equal to the amount collected by the board of county commissioners pursuant to NRS 439B.340 for the previous fiscal year for credit to the Supplemental Account.***

5. The tax so levied and its proceeds must be excluded in computing the maximum amount of money which the county is permitted to receive from taxes ad valorem and the highest permissible rate of such taxes.

Sec. 8. NRS 428.295 is hereby amended to read as follows:

428.295 1. For each fiscal year the board of county commissioners shall, in the preparation of its final budget, allocate money for ~~[medical]~~ assistance to indigents pursuant to this chapter.

2. In a county whose population is less than 700,000, the amount allocated must be calculated by multiplying the amount allocated for that purpose for the previous fiscal year by 104.5 percent.

3. ***In a county whose population is 100,000 or more, the board of county commissioners may allocate money from its fund for medical assistance to indigent persons to make an intergovernmental transfer of money to the Division of Health Care Financing and Policy of the Department of Health and Human Services in accordance with the regulations adopted pursuant to NRS 422.390.***

4. When, during any fiscal year, the amount of money expended by the county for any program of medical assistance for those persons eligible pursuant to this chapter exceeds the amount allocated for that purpose in its budget, the board of county commissioners shall, to the extent that money is available in the

fund, pay claims against the county from the fund for that purpose.

Sec. 9. NRS 439B.340 is hereby amended to read as follows:

439B.340 1. Before September 30 of each year, each county in which hospitals subject to the provisions of NRS 439B.300 to 439B.340, inclusive, are located shall provide to the Department a report showing:

(a) The total number of inpatients treated by each such hospital who are claimed by the hospital to be indigent;

(b) The number of such patients for whom no reimbursement was provided by the county because of the limitation imposed by subsection 3 of NRS 439B.320;

(c) The total amount paid to each such hospital for treatment of such patients; and

(d) The amount the hospital would have received for patients for whom no reimbursement was provided.

2. The Director shall verify the amount of treatment provided to indigent inpatients by each hospital to which no reimbursement was provided by:

(a) Determining the number of indigent inpatients who received treatment. For a hospital that has contracted with the Department pursuant to subsection 4 of NRS 428.030, the Director shall determine the number based upon the evaluations of eligibility made by the employee assigned to the hospital pursuant to the contract. For all other hospitals, the Director shall determine the number based upon the report submitted pursuant to subsection 1.

(b) Multiplying the number of indigent inpatients who received each type of treatment by the highest amount paid by the county for that treatment.

(c) Adding the products of the calculations made pursuant to paragraphs (a) and (b) for all treatment provided.

➥ If the total amount of treatment provided to indigent inpatients in the previous fiscal year by the hospital was less than its minimum obligation for the year, the Director shall assess the hospital for the amount of the difference between the minimum obligation and the actual amount of treatment provided by the hospital to indigent inpatients. If a decision of a county regarding the indigent status of one or more inpatients is pending appeal before the Director or upon receiving satisfactory proof from a hospital that the decision is pending appeal before a court having general jurisdiction in the county pursuant to subsection 4 of NRS 439B.330, the Director shall defer assessing the hospital the amount that may be offset by

the determination on appeal until a final determination of the matter is made.

3. If the Director determines that a hospital has met its obligation to provide treatment to indigent inpatients, the Director shall certify to the county in which the hospital is located that the hospital has met its obligation. The county is not required to pay the hospital for the costs of treating indigent inpatients until the certification is received from the Director. The county shall pay the hospital for such treatment within 30 days after receipt of the certification to the extent that money was available for payment pursuant to NRS 428.050, 428.285 and 450.425 at the time the treatment was provided.

4. The Director shall determine the amount of the assessment which a hospital must pay pursuant to this section and shall notify the hospital in writing of that amount on or before November 1 of each year. The notice must include, but is not limited to, a written statement for each claim which is denied indicating why the claim was denied. Payment is due 30 days after receipt of the notice, except for assessments deferred pursuant to subsection 2 which, if required, must be paid within 30 days after the court hearing the appeal renders its decision. If a hospital fails to pay the assessment when it is due the hospital shall pay, in addition to the assessment:

(a) Interest at a rate of 1 percent per month for each month after the assessment is due in which it remains unpaid; and

(b) Any court costs and fees required by the Director to obtain payment of the assessment and interest from the hospital.

5. Any money collected pursuant to this section must be paid to the county in which the hospital paying the assessment is located . ~~[for use in paying other hospitals in the county for the treatment of indigent inpatients by those hospitals.]~~ The money received by a county from assessments made pursuant to this section does not constitute revenue from taxes ad valorem for the purposes of NRS 354.59811, 428.050, 428.285 and 450.425, and must be excluded in determining the maximum rate of tax authorized by those sections.

Sec. 10. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.

Sec. 11. This act becomes effective upon passage and approval.