



Nevada SAGE Commission

Spending and Government Efficiency

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PRESS RELEASE

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Nevada SAGE Commission's First 90-Day Report To Governor Includes 11 Recommendations

Reno, Nevada, September 30, 2008 -- The first set of recommendations from the Nevada Spending and Government Efficiency (SAGE) Commission was delivered to Governor Jim Gibbons at the State Capitol today. The recommendations represent as much as \$500 million in potential savings or enhanced revenue opportunities over a five-year period if all recommendations are acted upon. First year of implementation savings or enhanced revenue potential after implementation costs is an estimated \$81 million.

SAGE Commission Chairman Bruce James met with Governor Gibbons this morning to present and review the 11 separate SAGE recommendations on actions that can be taken immediately by the Governor or that can be put before the Legislature during its 2009 session. SAGE recommendations, approved unanimously by the Commission at its September 25, 2008 meeting in Las Vegas, include proposals relating to the Department of Health & Human Services, Department of Corrections, Department of Motor Vehicles, state printing contracts and a revised workweek schedule for all non-essential state offices.

“The Nevada SAGE Commission has done a tremendous job in their first 90 days. They have given me recommendations that can be implemented which will not only save the state of Nevada money immediately, but will continue to save money for years to come. Many of these recommendations have already been incorporated into the budget planning process,” the Governor said. “I thank the Commission for its hard work on these first recommendations and I look forward to seeing what they will propose in the coming months.”

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“This first set of recommendations is the result of our staff and commissioners working closely with the appointed heads of several agencies as well as reviewing reports to previous governors and issues previously addressed by the Legislature on which no action or incomplete action was taken,” SAGE Commission Chairman Bruce James noted.

“One of our first actions was to contact all members of the Governor’s cabinet to solicit their ideas for ways their departments or agencies could operate more efficiently. Our request did not seek identification of specific budget cuts. Instead, we asked for suggestions of how their respective Departments could perform essential services for Nevada's citizens for less money by making changes in procedures or processes.

“The Commission has carefully considered each of these 11 recommendations and we believe each one is worthy of immediate consideration. Our conservative estimate, if all recommendations were acted on, is potential first year savings of approximately \$81 million after start-up costs and five-year savings of close to \$500 million.” James concluded.

Included in this first 90-day report to the Governor are the following recommendations:

- Centralizing the billing for third party pay services in Mental Health and Developmental Services.
- Evaluating staffing ratios in state operated psychiatric facilities.
- Implementing Managed Care for the Aged, Blind and Disabled (ABD) groups in the Medicaid program in Clark and Washoe Counties, and expanding Managed Care to women and children in four rural counties (Carson, Douglas, Lyon and Storey).
- Acquiring Distributive School Funding (DSA) for the Nevada Youth Training Facility in Elko, in keeping with the approach at other facilities in this category.
- Completing the downsizing of the DMV night shift while maintaining the goal of a five-day turnaround on automobile titles.
- Identifying and coordinating the activities of all departments, agencies and institutions of the Executive Department that administer or provide funding to local governments for drug and alcohol abuse programs.

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- Establishing a program for discounted local digital printing, copying, finishing and delivery services for taxpayer supported government agencies throughout the State.
- Examining ways to use the Indigent Accident Fund and Supplemental Relief Fund to obtain matching federal funds for the Medicaid and Nevada Check Up programs.
- Identifying the most cost-effective solution to updating the DMV auto insurance verification program with the goal of reducing the number of uninsured motorists in Nevada to 10% or less from the current level of 17-19%.
- Closing the Nevada State Prison in Carson City immediately and reassigning inmates and staff to other facilities.
- Evaluating a four-day, 10-hour workweek for all non-critical Nevada State employees.

The full September 30, 2008 SAGE Commission Report to the Governor, including explanations and potential savings/enhanced revenue estimates is available on the SAGE Commission website (www.sagenevada.org).

Charged by Governor Gibbons to objectively assess the structure of Nevada's government operations and make recommendations formulated to improve citizen services and reduce costs, the Spending and Government Efficiency (SAGE) Commission is studying the structure and functions of most state departments. The SAGE Commission expects to make recommendations to the Governor every 90 days during its two-year lifespan.

The Commission has already created several task forces and identified others to conduct in-depth studies on specific areas of interest ranging from personnel and human services to earmarked taxes and fees. SAGE Commission task forces are composed of individual commissioners, industry experts and state employees for each area of consideration. Task forces work in cooperation with the SAGE Commission executive staff. The SAGE Commission meets monthly, alternating meeting locations between Reno and Las Vegas.

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