



April 19, 2024

Governor Joe Lombardo  
State Capitol Building  
101 N. Carson Street  
Carson City, NV 89701

Dear Governor Lombardo,

We are writing to ask for your help in a situation that is compromising the hospice care many Nevada seniors are receiving today.

When Nathan Adelson Hospice was founded in Las Vegas in 1978, by Irwin Molasky and a group of visionary community members, our vision was that no one should end the journey of life alone, afraid, or in pain. It has been our honor and privilege to serve nearly 85,000 people in the 45 years since, regardless of their ability to pay. As the only non-profit hospice provider in Southern Nevada, we are proud that we have earned a reputation as the premier choice for patients and families in our service area.

While we have never been the sole provider of hospice care and palliative services and we welcome quality competition, we have become profoundly concerned about the state of hospice service in the Clark County area. In the last 10 years, we have seen a significant increase in licensed hospices, along with an increase in questionable, unethical, and potentially illegal practices by other hospice providers. Licensure practices and weak oversight of hospice agencies have created opportunities for large-scale fraud and abuse in the Medicare and Medicaid programs nationwide.

Over the last two years, the number of Medicare-certified hospices operating in Nevada has doubled from 61 to 129, with most of these in the Las Vegas area. Today, Nevada has the second-highest number of hospices per 100,000 Medicare beneficiaries in the country. We believe this rapid growth has been fueled in large part by neighboring states cracking down on bad practitioners, which led them to relocate here. There have been several investigative articles, including one published by the Los Angeles Times and one by ProPublica, that outline detailed fraud and abuse cases. These articles have led to legislation, including an extant moratorium on hospices in California.

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The hospice business has some of the biggest returns for the least amount of effort of any sector in American health care, which has drawn the attention of private equity, and operators with questionable experience and ethics. Medicare pays providers a set rate per patient per day, which is supposed to include specific care, such as a nurse visit at least twice a month, visits by certified nursing assistants, and visits from a social worker. The payments are made regardless of how much care is actually delivered, which can lead to abuse. Since most hospice care takes place at home and there is little oversight, keeping overhead low for these owners and operators is not difficult.

The core mission of hospice is to allow people a peaceful, pain-free death. This explosion of new hospice operators in a number of states who provide in-home care only has become a larger force in the provision of end-of-life care, causing many patients and families to suffer needlessly. The impacts on these patients and their families is truly heartbreaking, and no one who calls themselves a healthcare provider should ever do what has been done with some patients in our community.

The trouble is that our regulatory system over these providers of healthcare is complaint driven. The hard fact is that most people don't want to go through a formal complaint process when they are dealing with loved ones experiencing the end of life transition. First, most don't even realize they are being taken advantage of, and they have no understanding of what they should expect to receive when they enroll in hospice care. Secondly, they have just dealt with the death of a loved one and they just are done with dealing with all of it. Frankly, they only want to grieve and move on. Nevada's elderly are being taken advantage of, whether they know it or not.

**With that being said, our interactions with State staff have been excellent. But again, they** can really only respond to complaints and have investigated those complaints that we are aware of. Nathan Adelson Hospice has engaged Dan Musgrove with Strategies 360 and Bill Welch, former President of the Nevada Hospital Association, to help our executive and legislative bodies understand this growing issue. We have met with the following individuals: Cody Phinney, Kyle Devine, Jeanne Hesterlee and Dena Schmidt with DHHS. We have had previous meetings with your former Chief of Staff, Ben Kieckhefer and Ali Genco, and very recent meetings with Michawn Rich and Sonny Vinuya, who brought along members of the AG's staff. We have also spoken with Senator Fabian Donate, Chair of the Interim Committee on Health and Human Services, as well as a number of his committee members. This committee has invited us to present to their committee. We appreciate the attention that all parties are paying to this issue.

Governor, we believe that immediate action needs to be taken to protect Nevadans and could be done through Executive Order. We propose that Nevada take the action that California has already implemented: a moratorium on new hospice business licenses, until we can get a better handle on this issue through legislation and regulatory authority.



It is critical that the state and local governments direct attention to this issue before the problem worsens and more Nevadans find themselves without the comfort and care they should have every reason to expect in their most vulnerable moments. A comprehensive compliance approach aimed at hospice providers is good “medicine” and essential to protecting patients, compliant hospice organizations, and the Medicare program generally. Collaboration will be key to understanding both what has already happened and how to forge the best path forward, and we stand ready to assist in any way possible.

Sincerely,

*Dennis L Kennedy*

Dennis L Kennedy (Apr 19, 2024 11:00 PDT)

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Dennis L. Kennedy, Chairman of the Board of Trustees

and

*Karen Rubel*

Karen Rubel (Apr 19, 2024 09:57 PDT)

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Karen Rubel, President and CEO, Nathan Adelson Hospice

CC: Tick Segerblom, Chair, Clark County Board of Commissioners  
Carolyn Goodman, Mayor, City of Las Vegas  
Michelle Romero, Mayor, City of Henderson  
Pamela Goynes-Brown, Mayor, City of North Las Vegas