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Attorney General Brian McKay discusses AIDs and the workplace

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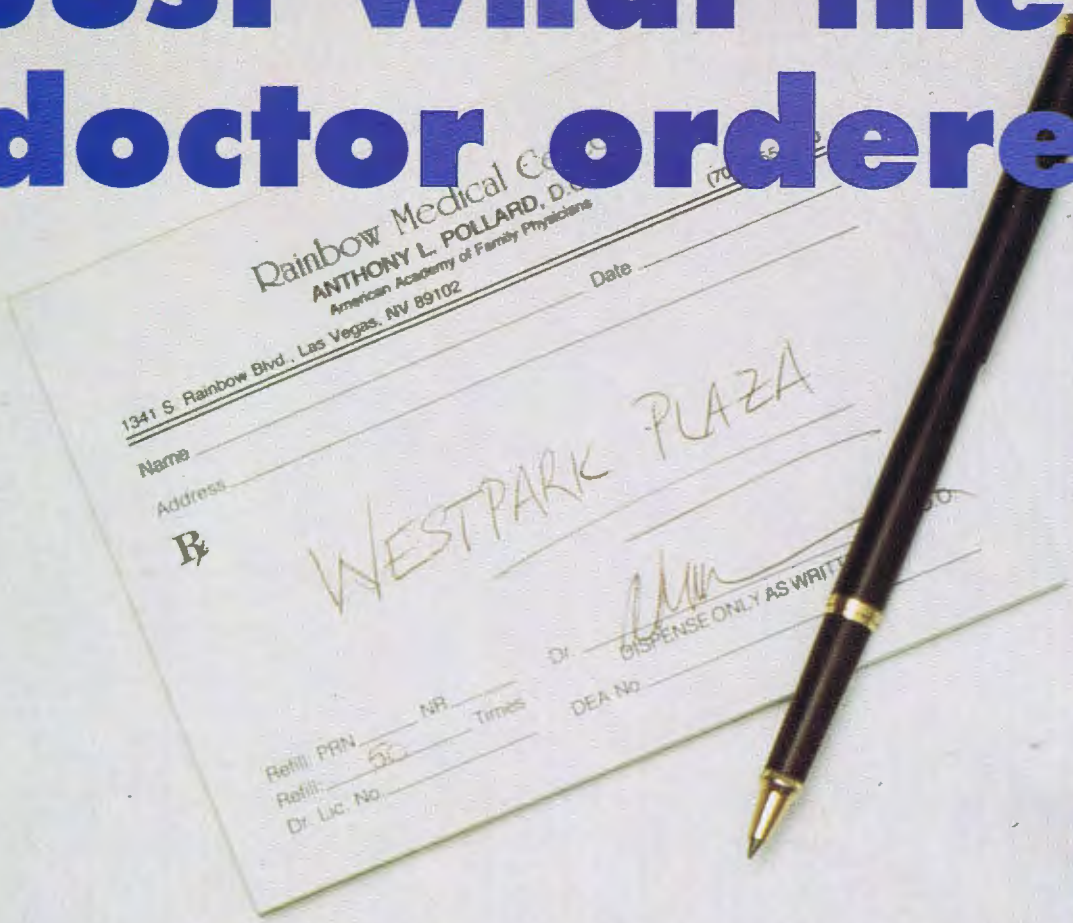

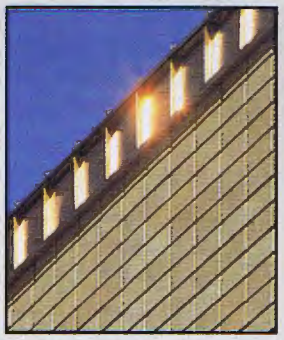

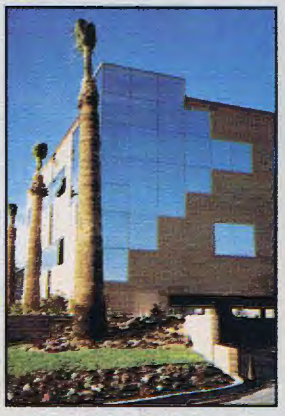

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Attorney General Brian McKay discusses the problems facing employers who must deal with AIDs in the workplace.
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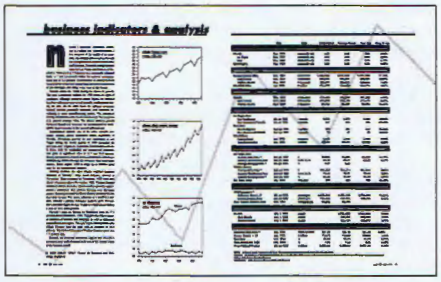
DEPARTMENTS

New this Month!



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PUBLISHER/EDITOR

Lyle E. Brennan

ASSOCIATE PUBLISHER
Chuck Dandy

ASSOCIATE EDITOR/ ART DIRECTOR
Barbara L. Moore

DIRECTOR OF LAYOUT & PHOTOGRAPHY
Michael E. Meagher

CONTRIBUTING EDITORS
Rick Chulick/Kathy Foley
Jay Goldinger/David Hofstede
Neil Nordby/John Richlin
Debra Sheehan

ACCOUNT EXECUTIVE
Chuck Dandy

DIRECTOR OF CORPORATE COMMUNICATIONS
Stacey Goff

PUBLISHER'S ASSISTANT
Marlene James

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Advertisers should contact Chuck Dandy at (702) 735-7003, or write to: **The Nevada Business Journal**, First Interstate Tower, Suite 120, 3800 Howard Hughes Pkwy, Las Vegas, Nevada 89109. Demographic information is available upon request. Circulation may vary from month to month.

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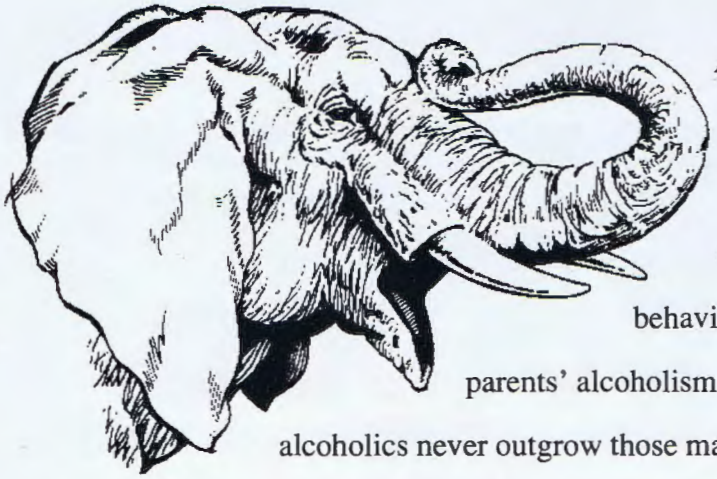
Learning to Cope with Chaos:

Adult Children of Alcoholics

Imagine an ordinary living room ... chairs, couch, coffee table, a TV set and, in the middle a LARGE, GREY ELEPHANT. The ELEPHANT stands there, shifting from one foot to another and slowly swaying from side to side. Imagine also the people that live in the house; you, along with your mother and father and maybe some sisters and brothers. People have to go through the living room many times a day and you watch as they walk through it very ... carefully ... around ... the ... ELEPHANT. No one ever says anything about the ELEPHANT. They avoid the swinging trunk and just walk around it. Since no one ever talks about the ELEPHANT, you know that you're not supposed to talk about it either. And you don't. But sometimes you wonder why nobody is saying anything or why no one is doing anything to move the ELEPHANT. After all, it's a very big elephant and it's very hard to keep walking around it all the time and people are getting very tired. You wonder if maybe there is something wrong with you. But you just keep wondering, keep walking around it, keep worrying and wishing that there was somebody to talk to about the ELEPHANT. Living in a family where drinking is a problem is a lot like living with an ELEPHANT in the living room. (From An Elephant in the Living Room *by Jill M. Hastings, M.S., and Marion H. Typpo, Ph.D.)*

continued



An estimated 28 million Americans grow up with an "elephant" in the living room, and as a result, they adopt behavior strategies to cope with their parents' alcoholism. Many of these children of alcoholics never outgrow those maladaptive behaviors, and so are later classified as adult children of alcoholics (ACOAs).

Children of alcoholics adopt strategies to help them cope with the chaos and inconsistency of the alcoholic home. Often they develop an inability to trust, an extreme need to control, an excessive sense of responsibility and a denial of feelings. The result is that children of alcoholics fill a "role" in the family, and never learn to fulfill their own individual needs and feelings.

Children of alcoholics most often assume the roles of: the family hero, an over-achiever who often becomes the family representative to the outside world; the scapegoat, who provides a focus that keeps the attention off the drinking parent by antagonizing the parents; the lost child, who learns to avoid close connections in the family, and is seen by parents as being very independent; the family mascot, who uses humor and obnoxious behavior as a way of getting attention. Because they are playing roles, a firm sense of self never develops, which results in low self-esteem, depression, isolation, guilt and difficulty maintaining satisfying relationships.

While these behaviors create problems in children, they can really wreak havoc in adults who never outgrow the behavior strategies.

"ACOAs need to realize that the survival skills they developed to help them through their childhood can become their worst enemies on the adult level if they are not modified," says Karen Maclellan, nursing supervisor, Saint Mary's adolescent chemical dependency program. "If those survival skills aren't changed, the alcoholic lifestyle will perpetuate itself."

However, because ACOAs tend to work very hard to gain approval and recognition for their work, their behavior strategies are often seen to be indicative of a larger problem. Thus, the problem is often not identifiable.

ACOAs need help so they don't perpetuate the coping behaviors learned in childhood, which result in their adopting a variety of disorders from perfectionism and workaholicism to compulsive eating, gambling, lying or talking. Once they realize that the strategies they used to get them through their early years are just coping tools, they can begin making changes in their own lives.

"I was a very angry person," Albert says. "I was angry at a lot of things, especially my parents (who were both alcoholics), but I couldn't understand why I was so angry."

As a child, Albert, who is now a chemical dependency counselor, acted out the role of family mascot.

"I basically held the family together," Albert says. "I was the family front. I did very well in school and always dressed well. I remember my aunt commenting one time on how she couldn't believe how well I was doing coming from the family environment I did."

As an adult, Albert became a fourth generation alcoholic. And at age 33, his drinking was having a negative affect on his life. He entered treatment and became clean and sober. But he still wasn't happy — something was missing.

"I was a very angry person," Albert says. "I was angry at a lot of things, especially my parents (who were both alcoholics), but I couldn't understand why I was so angry."

It wasn't until a friend gave him two tickets to a lecture on adult children of alcoholics that he realized he needed help.

"I felt as though the speaker was talking directly to me," he says.

It was after this lecture that Albert joined a six-week class, which later became a support group for adult children of alcoholics.

"Getting into recovery was important to me because I am a parent, and I realized that I wasn't able to parent the way I should," Albert says. "I didn't know how to talk to my family, and tended to be very controlling. I was always trying to control my daughter instead of being a supportive, loving parent.

"I had to learn the difference between controlling and parenting. I learned that I needed to sit down and define boundaries and rules for my daughter, then let her make her own choices based on the consequences," he says. "We are finally able to talk, because I'm not continuously hammering her or disciplining her.

"The biggest gift my recovery has given me is allowing myself to be human, to laugh and cry, and to feel," he says. "I've also finally learned to forgive myself and my parents. And for the first time, I am able to really love my parents," Albert says.

Albert's struggle with his childhood strategies is not unique. Millions of Americans, whether from alcoholic families or from families where mental illness, long-term physical disability, or extremely rigid rules exist, carry coping strategies developed in their childhood into their adult life.

continued

Characteristics of ACOAs
From: *It will Never Happen to Me*
by Claudia Black

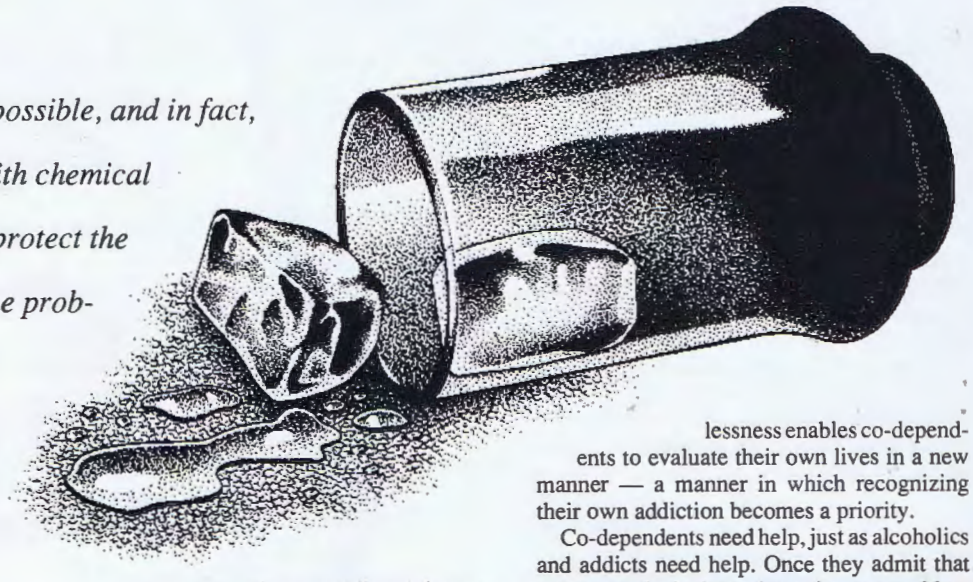
1. ACOAs fear losing control. They control their own feelings and behavior and try to control other's feelings and behaviors as well. ACOAs fear losing control because they believe their lives will get worse as a result.
2. ACOAs fear feelings, especially anger and sadness, which are feelings they've hidden from childhood and have lost the ability to express. Eventually, they exclude good feelings such as joy and happiness as well.
3. ACOAs feel guilty whenever they stand up for themselves. They have the tendency to always sacrifice their own needs in an effort to take responsibility.
4. ACOAs have an over-developed sense of responsibility. Their self-esteem comes from how others view them; therefore, they have a compulsive need to be right and perfect.
5. ACOAs fear conflict. They are frightened by angry people, and end up isolated and afraid of people in authority.
6. ACOAs are unable to relax and have fun. Having fun can be very stressful, especially if somebody is watching.
7. ACOAs live in a world of denial, and tend to deny anything that threatens them.
8. ACOAs have a very difficult time with intimate relationships. Intimacy can feel like loss of control. It also requires self-love and the ability to express one's needs, which ACOAs are unable to do.
9. ACOAs are usually more comfortable with chaos than they are with security. They become addicted to excitement, which gives them a fix of adrenalin and a feeling of power.
10. ACOAs live life as victims and are attracted by that weakness in their love, friendship and work relationships.
11. ACOAs confuse love and pity and tend to love people they can pity.
12. ACOAs are terrified by abandonment and will do anything to hold on to a relationship in order not to experience the pain of it ending.
13. ACOAs have a tendency towards psychosomatic complaints and suffer high rates of stress and medical illness.
14. ACOAs usually have a background of loss that they have never grieved for. Consequently, current losses cannot be cured until the past feelings have been allowed to emerge. As a result, they are frequently depressed.
15. ACOAs are reactors; they are very observant and consequently scan the environment for potential catastrophe.
16. Last but not least, ACOAs are survivors.

Suggested reading — Beattie: *Co=Dependent No More!*; Black: *It Will Never Happen to Me*; Woititz: *Adult Children of Alcoholics' Struggle for Intimacy*.

Co-Dependency:

Losing Yourself to Someone Else

Loving someone to death. It is possible, and in fact, is common in families affected with chemical dependency. However, trying to protect the alcoholic by hiding or denying the problem only enables the chemically dependent person to continue drinking or taking drugs.



This "enabling" behavior is one of many behaviors exhibited by the co-dependent — anyone in a close relationship with the alcoholic or drug dependent person. Co-dependency, characterized by a set of maladaptive, compulsive behaviors learned by family members, is a technique used to survive great family emotional pain and stress. These behaviors are passed on from generation to generation whether or not alcoholism or drug dependency is present.

A disease in itself, co-dependency is common not only in alcoholic families, but in families where mental illness or long-term physical disability exists, as well as in families with extremely rigid rules.

"The result is that people fill a 'role' in the family and never learn to fulfill their own individual needs and feelings," says Timothy Coughlin, M.D., co-medical director of Saint Mary's Chemical Dependency Programs. "A firm sense of self never develops, causing co-dependents to seek approval and acceptance from others. They essentially become addicted to pleasing and taking care of others."

Basically, it boils down to three rules — don't talk, don't feel, don't trust. Co-dependents adopt a variety of disorders from perfectionism and workaholism to compulsive eating, gambling, lying, or talking. They are often overpossessive and experience anxious feelings of incompleteness or emptiness.

In an alcoholic home, for example, "helping" behavior may be exhibited by hiding bottles, replacing vodka with water, acting as counselor and attempting to solve the alcoholic's problems. Co-dependents often realize that "helping" is useless because they can't change the alcoholic/addict's behavior. However, this "helping" brings about temporary control and temporary relief. Unfortunately, the family's efforts to control give the alcoholic/addict the idea that there's no need to change anything — the family member will take care of the problems arising from the alcoholism or drug dependency. And so, the unending circle continues ... the family struggles to control the situation, but the alcoholic/addict firmly controls the family.

According to Alcoholics Anonymous and Al-Anon (a support group for families of alcoholics), the first step to recovery is the same: admit powerlessness over alcohol. This is a difficult step, because it forces co-dependents to accept the fact that they cannot control the traumatic events associated with the alcohol or drug dependency. However, admitting powerlessness enables co-dependents to evaluate their own lives in a new manner — a manner in which recognizing their own addiction becomes a priority.

Co-dependents need help, just as alcoholics and addicts need help. Once they admit that some one else's dependency is not a problem they can solve, but that dealing with their own fears and anxieties is within their control, co-dependents can begin making changes in their own lives. The fears associated with giving up attempted control in an uncontrollable situation will diminish as they adjust to the new patterns in their lives.

Co-dependents' recovery is accomplished in small steps — one day at a time.

"The process must start with this basic philosophy," says Coughlin. "Allow the alcoholic the right to be wrong, the right to hurt, and the right to get well or not. Co-dependents must concentrate on their own thinking, behavior and needs. Eventually, they learn that their feelings come from within and are not put there by someone else."

It is at this point that co-dependents can begin taking charge of themselves and controlling their own feelings.

"Remember, all growth and change is accompanied with a certain amount of temporary stress," Coughlin continues. "Co-dependents do have power and can make changes. They need to focus that energy on themselves. Despite the rules they may have learned, it is okay to talk, okay to feel and okay to trust.

"There is no shame in being co-dependent. There is shame in not asking for help."

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CAPITALISM & HEALTH CARE

Are the two compatible?

Will Northern Nevada's current health care system survive in the face of runaway costs, fierce competition and government cutbacks?

Washoe Medical Center's designation early this year as Northern Nevada's Trauma Care Facility officially ends the two-year battle between St. Mary's and Washoe Medical Center for that honor. As the participants now engage in damage control, the effects of this bitter contest on the future of Northern Nevada's health care industry remain unclear.

Recent news stories have been shedding light on some interesting dilemmas. Late last year, Nevada lawmakers began to take a closer look at Washoe Medical Center — the former county hospital turned private, not-for-profit — and the circumstances leading to its current status as the most expensive hospital in the state.

The theory behind allowing Washoe Medical Center to convert to private, not-for-profit status in 1985 was, in part, to improve competition in the Northern Nevada health care market. However, rather than competition creating the anticipated result of lower costs for a better product, it created higher costs for a duplicated product.

Legislators are now re-examining Assembly Bill 289, the health care cost-containment bill which was signed into law by former Governor Richard Bryan in 1987. The bill did have some effect on containing and lowering hospital costs but, admittedly, needs further tightening. Washoe Medical Center was exempt from having to comply with most of the provisions of the cost-containment legislation because at the time the bill was passed, their profits were relatively small.

Washoe Health Systems today has grown from a county-run hospital, which ran at and below cost, to a diversified health-care conglomerate. It was purchased from the county for $13 million and is now a medical system running several hospitals and holding assets of approximately $70 million. It offers everything from its own insurance plan to many diversified outpatient facilities.

According to state regulators, rapid corporate expansion is the principal cause of the increased patient costs. A major concern, voiced in particular by financial experts, is whether the rapid growth risks the corporation's own health and what consequences could result for the Northern Nevada community if Washoe Medical Systems were to falter. Moody's Investor Service has already considered the potential destablizing consequences of rapid growth as it reduced Washoe Med's bond rating from A to BAA1 early this year. Washoe Med's projected ratio of debts to assets for 1990 is 82 percent compared with 47.6 percent for other recently reviewed hospitals.

Washoe Med, however, is not alone in having its bond rating reduced. Last year, the national ratio comparing downgrades to upgrades was 12-to-1. The principal causes cited nationwide are expansion of services, low occupancy and the resultant high debt. Hospitals across the country have joined the competition game, adding everything from diet control centers to sports medicine for the sole purpose of attracting needed patients. At St. Mary's, a 74,000 square-foot office building signals that hospital's latest entry in the expansion competition, while Washoe Health Systems continues to implement $13.5 million worth of plans for further expansion. New facilities there will include Heartwest, a consolidation of all cardiac services into one location, an Emergency/Trauma Expansion that will implement a program for non-emergent care primarily in pediatrics, an all new Intensive Care Unit and a Women's and Children's Center. The Art of Living Institute was also initiated to offer an ongoing series of classes and workshops on health care.

BY DEBRA L. SHEEHAN

The results of Washoe Medical Center's explosive growth are reflected in an 80 percent cost increase over the past four years — 30 percent higher than the national increase of 50 percent during that same time period. To help finance their continuing expansion, Washoe Health Systems has begun a marketing campaign called Share the Caring to solicit $3.5 million worth of donations from their employees and the surrounding community. The other $10 million will be raised through bonding and hospital contribution.

The justification for corporate expansion is echoed by hospitals across the nation: to defer losses from increased indigent traffic, insufficient government Medicare/Medicaid reimbursement and the increased popularity of outpatient facilities. By utilizing outside investments and specialized programs a hospital's holding corporation can help underwrite its losses. Additionally, the acquisition of ancillary services removes the middleman which lowers costs, and provides one-stop medical shopping with the best equipment available.

Nevertheless, the spiraling cost of health care and, consequently, health care insurance has awakened many consumers to alternate health care methods. One alternative already in use is the corporate in-house clinic. Staffed with a few nurse practitioners, these clinics are able to take care of many of the employees' questions and ailments without the need for doctors and hospitals. Both the Cal Neva and John Ascuaga's Nugget in Reno and Sparks have already seen positive results with their new in-house clinics.

As for Northern Nevada's major health care providers, if the costs of underwriting extravagant new facilities or specialty programs drives the price of basic health care out of reach, consumers will be forced find alternative ways to maintain their health.

DEAN DEMING

Remsa Care flight at Washoe Medical Center's Emergency Trauma Center

MICHAEL E. MEAGHER

Sierra Health Systems: Providing Managed Care to Nevadans

Through its insurance subsidiaries, Sierra Health Services provides health insurance to more Nevadans than any other insurance company in the state. Although each of the insurance plans offered under the Sierra umbrella are different, all are based on managed care principles.

Sierra Health System defines "managed health care" as quality care delivered in an organized and cost effective manner. Managed care requires that providers, insurers and patients work together. It necessitates that all providers be accountable for both the treatment dispensed to the patient and the charges billed to the payer for this treatment. The system further demands that the care delivered be necessary, appropriate and fairly priced.

Sierra's best known insurance subsidiary is Health Plan of Nevada (HPN), the oldest and largest health maintenance organization (HMO) in the state with about 70,000 members in Southern Nevada. An HMO is a prepaid system of health care that provides comprehensive medical services to its members for a set premium. HMOs differ from traditional insurance plans by getting directly involved in the delivery of health care rather than in merely reimbursing patients for services delivered by others. HMOs place strong emphasis on preventive care since they adhere to the philosophy that it is far more cost-effective to treat a member before he or she becomes ill.

To help achieve this goal, only nominal fees, called co-payments, are charged for doctor visits. Generally, there are no deductibles to meet and few if any claim forms to fill out. To receive these added benefits and reduced costs, members of HMOs, who usually come from employer and union groups, agree to receive all of their non-emergency care from providers who contract with the HMO. In Southern Nevada, HPN contracts with more than 300 local providers.

Sierra's other insurance subsidiary is Sierra Health and Life Insurance Company, Inc. (SHL). SHL, which is licensed in 23 states, currently has ongoing operations in Nevada, New Mexico, Colorado and Arizona. Approximately 20,000 Southern Nevadans and 3,000 Northern Nevadans are insured by SHL.

SHL offers employers two dual-option managed health care insurance plans, one called Gemini and the other called Diamond. The Gemini plan is comprised of both a standard indemnity option and a preferred provider organization (PPO) option. The latter includes financial incentives if members utilize a select group of physicians and hospitals, and co-payments are used for member cost-sharing. Members can choose to receive their care under either option at any time. This allows them to increase their freedom of provider choice for some medical services and to decrease their out-of-pocket expenses for others.

The Diamond plan is similar to traditional indemnity insurance except that members pay a lower deductible and a lower percentage of co-insurance if they use contracted providers. This plan allows SHL to offer employers lower premiums since employees assume more of their own health care expenditures.

A new plan offered this year by Sierra Health Services in Southern Nevada is the Triple Option Plan (TOP). TOP was developed by teaming HPN's and SHL's product offerings together so that employers can offer their employees one plan that contains HMO, PPO, and standard indemnity-type coverages. The premium is the same for either the HMO or insurance company side, there are no quotas for enrollment in either plan, and the employer receives only one billing statement.

Finally, a brand new line of business being offered by Sierra is called Sierra Healthcare Options (SHO). The SHO product is aimed at large, self-insured businesses that need assistance in controlling their medical and administrative costs. Sierra and its affiliated companies will provide this assistance through utilization review, claims management, reinsurance coverage, and by allowing the groups access to the company's large network of contracted providers.

In addition to its insurance products, Sierra Health Services offers medical treatment to Southern Nevadans through its multi-specialty medical group, Southwest Medical Associates. Southwest is the largest multi-specialty physician group in the state with more than 70 providers who specialize in approximately 20 different medical specialities.

Sierra also owns and operates its own home health care agency and its own hospice.

MICHAEL E. MEAGHER

Dogged by steady increases in the cost of employee health care coverage, corporate America is searching for an effective antidote.

Underfunding of Hospital Care Ultimately "Taxes" Business

In some quarters, there is growing sentiment to scuttle employer-provided health insurance altogether. But before looking to the government for greater regulation, or even a global "cure" in the form of government financing of the nation's health care system, it is imperative to take a closer look at the causes of the problem. Unless the true causes of any problem are identified, work on effective solutions cannot begin.

It's time to candidly compare hospital cost increases with increases in the tab that business pays as the major private purchaser of health insurance. The gap between the two is widening, and the reason is due in no small measure to government's systematic and inequitable underfunding of hospital care.

The hard fact is that shifting the costs of underfunded public programs to business and other private payers has become an essential survival tactic for hospitals because the government's commitment to pay for care continues to fall short of public promises.

First there are the costs that hospitals must shift to private payers to cover shortfalls in Medicare and Medicaid payment. Government payment to hospitals for services provided for Medicare patients is about eight percent less than the cost of that care. In 1989 this shortfall added a "tax" in excess of $5 billion to the price tag for nongovernment payers. And Medicaid payment to hospitals. although highly variable by state, is even more inadequate.

Add to this the costs that hospitals incur caring for those who fall outside both public and private insurance programs and are unable to pay from their own resources. Nearly six of every ten people living in families with incomes below the federal poverty level are not covered by Medicaid. Coupled with the costs of providing care for an increasing number of uninsured or under-insured individuals in the working population, this translates into more than $8.3 billion in so-called unsponsored care costs for which someone must pay.

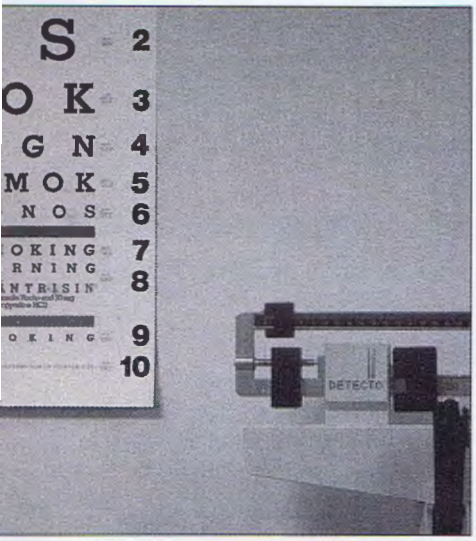
Neither Medicare nor Medicaid bears any portion of this burden. With those two sources accounting for more than one-half of a hospital's revenue potential, nongovernment payers must shoulder twice the financial load. The bottom line is an overall price markup of nearly 20 percent to private payers.

Government payment policies thus significantly confound the issue of the true cost of hospital care. For years, the real annual growth rate in resources directed to hospital care has been held to less than two percent. That two percent in additional resources has gone in large measure to underwrite new and needed technology, to address personnel shortages, and to cover the service needs of an inpatient population that is more acutely ill.

Indeed, a well-kept secret is that the proportion of the nation's gross national product directed to hospital care has remained at about 4.3 percent since 1982. In addition, the growth rate of the cost of hospital care has been consistent with that of the general economy.

Hospitals are committed to the continued efficient use of health care resources and to working together with business to address the problem of health care affordability. It is time for business and hospitals to carry a common message that we seek fair government, not big government.

BY CAROL M. MCCARTHY, PH.D., J.D.
President, American Hospital Association



MICHAEL E. MEAGHER

Health Care & Cost Containment at UMC

Increasing health care premiums and employee demands for low co-payments are placing a heavy financial burden on business owners striving to provide workers with high-quality medical insurance.

To answer a growing cry for health care cost containment, University Medical Center has taken an aggressive role in negotiating favorable hospital rates through preferred provider agreements (PPAs) as an alternative to other forms of health care coverage.

"A preferred provider agreement negotiated directly by a business with University Medical Center or through a third-party administrator can save an employer 20 to 35 percent on hospital charges," UMC Marketing Director Kathryn Silver explained recently. "Savings to a business depend on the type of hospital services used and the number of employees utilizing the medical center," she added.

A preferred provider agreement with UMC establishes the hospital as the health care provider for a particular business's employees. PPAs can be exclusive (requiring that employees use only one hospital), semi-exclusive or open-ended. The greatest savings to an employer would result from an exclusive PPA.

UMC has currently negotiated about 60 PPAs with local employers and employee groups. Those agreements cover nearly 30,000 workers plus their family members.

Another element that can be included in a PPA is wellness programming which may include services such as health screenings and employee health education. "These services are being utilized to contain health care costs," said Silver. "Many businesses have adopted the philosophy that one of the best ways to control health care costs is to keep their employees healthy.

According to Silver, UMC's goal through its preferred provider program is to keep employers' health care costs contained as much as possible, thereby lowering the premium for employee health care coverage.

"Most importantly," explained Silver, "is that UMC is accomplishing this goal while maintaining the highest quality health care standards in Nevada."

Some employers have taken advantage of a contractual relationship between a third-party administrator and a group of physicians. This arrangement, called a preferred provider organization (PPO), allows employers to also receive discounted physician services for their employees.

Another advantage of a relationship with a preferred provider organization is that it allows employees to choose their physician from a much broader base than that offered by most health maintenance organizations (HMOs).

"Employees appreciate having a say in choosing the physician who is making decisions about their health care," said Silver. "This gives them confidence in their physician and increases their satisfaction with their health care coverage."

In another cost-cutting measure, "UMC has also begun providing employee physicals for local businesses at a flat rate, depending on the comprehensiveness of the exam. Typically, the savings is 25 to 30 percent," said Silver.

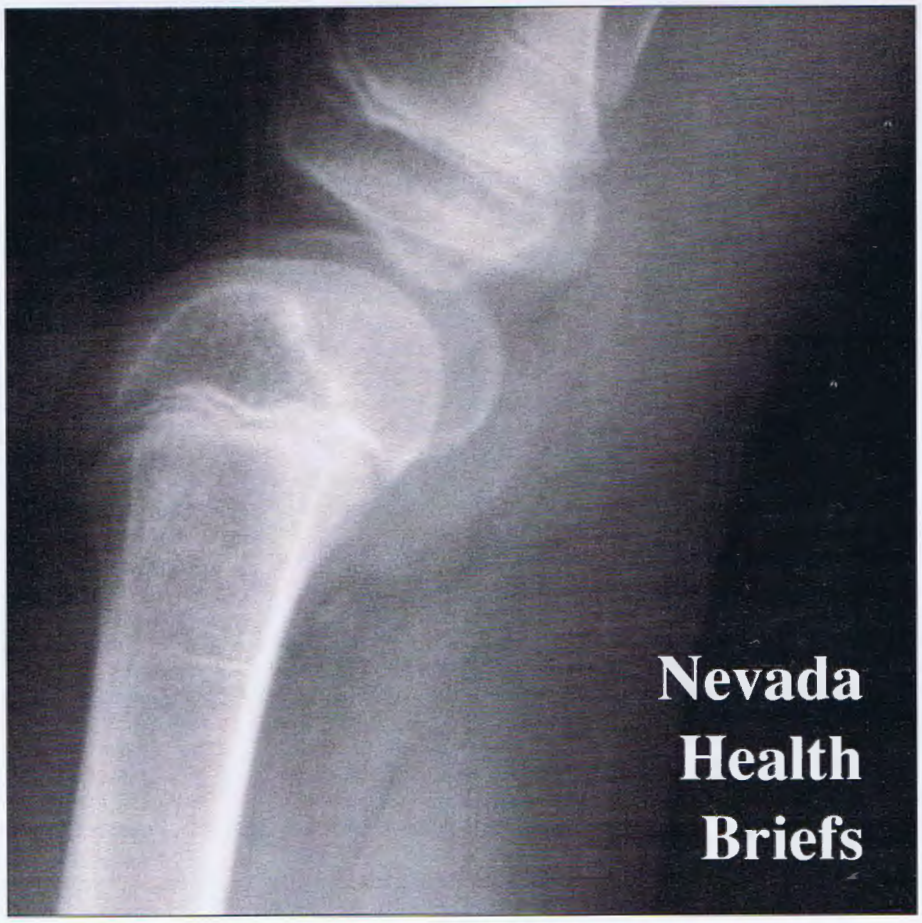
The physicals are conducted in UMC's Quick Care Center, another service that has helped businesses overcome the growing cost of health care. Quick Care offers an alternative to the emergency department for the treatment of minor illness and injuries. Significantly, the charges in Quick Care Center are about half that of most emergency departments.

The Quick Care Center has its own X-ray machine, casting room for treating minor broken bones and laboratory equipment capable of performing many routine tests. These facilities allow staff members to provide each patient with timely, efficient care. Quick Care is located on the Medical Center campus and a second office will soon be open at the Lakes.

"Employee confidence in any health care program is a part of its success," Silver added. "We know that Southern Nevadans have confidence in the medical services provided at UMC," she said. "University Medical Center has long been setting the pace of medical excellence in our community."

Founded in 1931 as a 20-bed hospital, UMC today is licensed for 451 beds, has more than 500 physicians on staff and employs hundreds of nurses, technicians, therapists and other highly trained personnel.

UMC recently became the home of Nevada's first kidney transplant program (the first procedure was performed on Christmas Day, 1989). The hospital is also Southern Nevada's major trauma center, houses the state's only burn care center, and is Nevada's major teaching hospital.



American Lung Association announces new smoke-free program

The American Lung Association (ALA) of Nevada recently introduced a comprehensive program targeting new parents who smoke and the health care professionals who serve them. Entitled "A Healthy Beginning," this program is the latest member of ALA's Smoke-Free Family, following efforts to reach the pregnant smoker with "Smoking and Pregnancy Kits" and "Freedom From Smoking For You and Your Baby" self-help guide and audiotape. Programs are currently offered in Las Vegas and Reno.

"A Healthy Beginning" focuses on new parents. If the pregnant woman has been able to stop smoking during pregnancy, the message is to stay off cigarettes to protect her child from the harmful effects of passive smoking. If the woman was not able to stop smoking during pregnancy, she should quit now to avoid exposing her baby to passive smoking.

The program defines passive smoking, tells how and where it occurs, and offers hints and materials to motivate parents to quit — a worksheet, a "smoke free area" tent card and poster, and a coupon for an "I'm a Born Nonsmoker" bib.

The mother is not the only focus; all family members, friends and care givers who smoke are educated on the harmful effects of passive smoking on children. The program stresses that passive smoking is not just the smoke that is blown in a child's face. Rather, even when the smoker leaves a room, an area, or a car, the passive smoke remains to harm the child who is exposed to it.

Both the American Lung Association, and the American Academy of Pediatrics have issued statements on the health hazards of passive smoking around children. Infants and young children can suffer adverse health effects from inhaling tobacco smoke from others around them.

Nearly all children are exposed to some amounts of passive smoking, however, the greatest exposure occurs around parents or other care givers who smoke.

The children of parents who smoke have an increased frequency of hospitalization for bronchitis and pneumonia during the first year of life, compared with the children of nonsmokers. Children of smokers also have an increased frequency of acute respiratory illness and infections, including chest illness before two years of age and physician-diagnosed bronchitis, tracheitis, laryngitis and a greater number middle ear infections, when compared with children of nonsmokers.

In conjunction with "A Healthy Begin-

ning", the American Lung Association offers physicians a program to help them counsel new parents on the health hazards of passive smoking to their babies.

To obtain a copy of "A Healthy Beginning" contact the American Lung Association of Nevada. In Reno, call 825-5864 and in Las Vegas, 454-2500.

Stress Center opens in Las Vegas

The first diagnostic and treatment program for stress related illness has opened in Las Vegas. The Stress Center, directed by psychiatrist, Jack Jurasky, M.D., and clinical psychologist, James Chalker, Ph.D., opened recently in the Alexander Dawson Building on East Flamingo.

According to Chalker, stress has emerged as the disease of the '90s and its health consequences are shared by millions of Americans. Symptoms of stress related illness include insomnia, headaches, weight gain or loss, anxiety, muscle tension and gastric disorders.

Patients at the Stress Center are initially evaluated to determine the magnitude of the stress illness and its primary causes.

"Our model used to evaluate stress is quite specific," Jurasky explained. "Stress equals the demands on your life, minus your support systems such as spouse or family, compounded by your own resistance and lack of time. And, of course, your overall state of health affects or is effected by your reaction."

While psychologists for years have studied life situations such as divorce, business and financial changes, parenting, death of family members, etc., and their probable degree of producing a stress reaction, some people tend to cope much better than others.

"Unfortunately, most often stress is a 'good guys' illness," Chalker says. "Usually stress sufferers are success-oriented, responsible, honorable people who find themselves in very pressured situations. Their value and belief systems do not allow them to ease up. Rather, they just keep pressing harder and worrying more about why things are not working the way they want."

The treatment methods at the Stress Center are different from the traditional psychotherapeutic approach. Relaxation training for stress management is the focus.

"Most of our patients just don't know how to relax," Jurasky advised. "By combining relaxation training and biofeedback in a controlled setting, they learn to reduce stress, anxiety and related illness."

The Stress Center features state-of-the-art equipment including the Discovery I chamber, a self-contained module designed to isolate the patient for biofeedback relaxation training.

St. Mary's cholesterol checks proven accurate

A recent study published in the *Journal of the American Medical Association* said that up to 25 percent of cholesterol tests were highly inaccurate and some widely available portable testing machines had unacceptably high error rates. This study concerns cholesterol screenings performed outside a laboratory in a community-type setting. The screens were performed on blood samples obtained through finger sticks that measure an overall level of blood serum cholesterol.

Cholesterol checks offered by Saint Mary's Corporate Health Services offer precise, accurate results that consistently fall within five percent of the target value. The National Cholesterol Education Program (NCEP) has established guidelines that call for a five percent or less variance. By 1992 the committee wants less than a three percent error ratio.

"Saint Mary's complies with the current standards set by the NCEP," says Joe Wells, laboratory chemistry supervisor. "We have a very small margin of error."

Nevada has some of the strictest regulations on cholesterol testing in the nation. The state of Nevada requires a medical technologist to operate the equipment and interpret the results. The finger stick must be done by a phlebotomist, a person trained and certified in obtaining blood specimens. Only highly skilled licensed medical professionals are present at community screenings. Saint Mary's uses a portable Kodak Ektachem DT-60 blood chemistry analyzer to perform cholesterol screenings. The Ektachem analyzer was chosen for its portability, ease of use, and excellent accuracy and precision.

When compared to two competitive analyzers, the Ektachem rates high in correlation of accuracy to more sophisticated blood chemistry analyzers found in clinical laboratories. The Ektachem provides a print-out with an identification number to assure results getting to the right person.

Saint Mary's medical technologists are thoroughly trained on the Ektachem equipment before performing any cholesterol screenings. During this training they learn how the equipment works and what protocol to follow to assure accurate results.

New infusion therapy allows faster release of hospitalized patients

Home infusion therapy (HIT), offered by Carson-Tahoe Hospital, is a technological advance in health care that is helping to bring the hospitalized patient home quicker than was possible before.

Gary Horne, R.Ph. — manager of Carson-Tahoe Hospital's Home Infusion Therapy Services, says that HIT is an intravenous therapy program that gives physicians an alternative treatment program for patients who are clinically stable but still require additional professional services. HIT includes antibiotic, parenteral nutrition, enteral nutrition, pain management, hydration and other intravenous therapies.

Home infusion therapy coordinates medication compounding by registered pharmacists and skilled nursing by registered nurses with the patient's personal physician to bring the three aspects of the HIT program together as a complete health care team working for the best possible outpatient treatment.

The program is designed to meet today's economic demands while making sure the physician is in control of the treatment process and quality. All patient assessment, education and home evaluations are documented for physician review. In addition to these services, HIT conducts insurance prequalification procedures to let both patient and physician know the extent of insurance coverage. Direct third-party billing is a standard service provided by Carson-Tahoe Hospital's HIT team.

According to Horne, the key ingredient to a successful HIT program is education. He says that informed, educated patients aid in their own recovery by working on their therapy in between visits from the HIT team.

Reciprocal health care agreement signed in four states

Reciprocal health care agreements affecting over one million people have been signed between Preferred Health Network (PHN) of California and similar preferred provider organizations (PPOs) in four other states.

States involved are Arizona, Nevada, Oregon, and Washington. Richard M. Mastaler, president and CEO, said the agreements enable PHN members to access hospitals and physicians in other states and receive discounted rates and provider services. Similarly, members of other participating PPOs will have identical privileges in California.

He said the agreements will be of particular benefit to insured groups with members in more than one state, and to members who may require medical attention while traveling on business or on vacation.

Mastaler said PHN is pursuing similar agreements in other western states. PHN is the nation's largest for-profit managed health care company co-owned by hospitals and physicians with 770,000 subscribers in California.

The completed agreements between PHN

and other groups, by state, are: Arizona – Samaritan Physician Network, Inc., which includes the state's largest hospital network, operated by Samaritan Health Services; Nevada – Preferred HealthCare Network; Oregon – Vantage Preferred Provider Organization; and Washington – Sound Health of Washington.

Washoe Med's information system named best in nation

Washoe Medical Center's computer system was recently named the best hospital information system in the country by Shared Data Research (SDR) and the American Hospital Association (AHA). Washoe Medical Center's hospital information system was the winner for hospitals with 500 or more beds, competing against 738 other hospitals, followed by Baylor University Medical Center, Dallas, in second place and Forsyth Memorial Hospital, Winston-Salem, North Carolina, in third. The award was announced in the January 20, 1990, issue of *Hospitals* magazine.

SDR selected Washoe Medical Center as the overall winner in its class because of the number of applications the hospital added to its system since 1988 — without a drastic budget increase or increasing its information systems staff. SDR noted that Washoe Med's information systems department also found a unique and cost-effective way to integrate hospital software applications already on the market, modifying them to work together and provide expanded capability.

Sierra Health Services reports profitable year

Sierra Health Services, Inc. (AMEX: SIE) reported results for the fourth quarter and twelve months ended December 31, 1989.

Revenues for the quarter ended December 31 were $35.8 million compared with $36.6 million for the last three months of 1988. Fourth quarter earnings for 1989 were $0.9 million or $.15 per share compared to a net loss of $7.5 million, or $(1.30) per share, for the fourth quarter of 1988.

For the twelve months ended December 31, 1989, revenues totaled $136.7 million. Net income for the year was $3.2 million, or $0.56 per share. This compares to revenues of $143.0 million and a net loss of $7.0 million, or $(1.23) per share, for 1988.

Effective December 31, 1988, the company discontinued HMO operations in Northern Nevada. Pro-forma comparisons from continuing operations represent an increase of

revenues for the fourth quarter of $4.6 million or 15 percent and $27 million or 25 percent year-to-date for the same periods one year ago.

The 1989 earnings reflected no significant provision for income taxes due to the utilization of certain net operating loss carry forwards available to the company. The year-to-date earnings above have been adjusted to reflect a $300,000 reduction of federal income taxes as a result of a restatement of deferred income taxes which were reported in the first quarter of 1989.

"I am extremely pleased to report that 1989 was our most profitable year ever," said Anthony M. Marlon, M.D., chairman, president and chief executive officer. Marlon attributed Sierra's success in 1989 to a number of factors including: the discontinuance of the unprofitable Northern Nevada HMO, product diversification, favorable hospital and provider contracts, sufficient premium increases, effective utilization review, and the continued improvement of Sierra's managed care procedures.

In other news, the company announced that it has reached an agreement in principle to extend its hospital contract with Humana Hospital Sunrise in Las Vegas through 1997. The current contract expires in 1992. The contract extension must be approved by the boards of directors of both organizations before the agreement can be finalized.

"I believe we have entered 1990 on very solid ground, from both a financial and operational point of view," Marlon added.

Employers taking new tack for retiree health coverage

Until just recently, an employee winding up his career with a large United States company could look forward to substantial employer-paid health plan coverage during his retirement — whether he worked for the company for five or 35 years. However, such "one-size-fits-all" employer-sponsored plans could soon become history.

Under severe pressure on a number of fronts, companies are revising the way that they deliver health benefits to their retirees. Retiree health benefit plans are increasingly taking on many of the the aspects of traditional pension plans. Rapidly mounting costs, as well as upcoming accounting rule changes, have compelled most large American companies to revisit the design of these plans and ultimately to change them. The two biggest shifts involve the employer's commitment to absorb health care cost increases and the use of service-related benefits.

Under traditional plans, the employer absorbed all increases. Now, many employers limit their cost to a defined dollar amount. And, until just recently, an employee could

retire after only a few years with the company and obtain the same full health coverage as a 30-year veteran of the firm, but today the short-service employee is more likely to receive comparatively lower benefit levels than his long-service co-worker.

To better manage retiree health costs, many large companies have initiated so-called defined dollar benefit (DDB) plans. Under a DDB plan, an employer makes a specific contribution to retiree health insurance. The company offers to pay, for instance, $500 a year for a retiree's health insurance premium rather than pay 80 percent of the expenses. Such payments could amount to as much as perhaps $750 for a 30-year retiree, or as little as $125 for a retiree with as few as five years with the company.

Proposed accounting rule changes have been the catalyst for employers to redesign their retiree health plans. If adopted in 1992 as expected, the new rules would compel employers to book a liability on their balance sheets if these benefits are not funded in advance. Other trends that have spurred employers to take action have been the relentless rise in health costs as well as the greying of the population, producing a rapid escalation in the number of retired workers.

SIIS adopts cost-cutting monitoring program

A medical monitoring program adopted by SIIS should save several million dollars a year by focusing on quality of care.

A contract signed recently with HCX, Inc., is projected to save as much as $3.5 million during the first year of operation in Northern Nevada. If the program proves successful, it will be expanded to the entire state.

HCX's CareScan program monitors the progress of SIIS claimants who sustain an orthopedic injury. Many of the cases being followed are injuries to the back, which are frequently costly and of long duration.

As in all workers' compensation cases, the injured worker sees his or her personal physician for treatment. At the same time, CareScan employees ask the worker questions about the injury, treatment and recovery status. This information is compared to recognized medical standards of care and recovery.

Cases deviating significantly receive a review by medical analysts. Where a potential problem is identified, the injured worker may be referred to an independent medical evaluator (IME) or may receive some other appropriate form of medical intervention. The IME's findings are sent to the treating physician, the claims examiner and employer. CareScan physicians and medical analysts work to change the course of treatment through persuasion, conversation and influence.

This program has proven successful in other states. Using Maryland as an example, the time lost from back injuries was reduced 41 percent. There was a 28 percent reduction in medical payments due to the program's ability to get claimants back to work expediently.

Notices are now going out to workers who sustain an injury covered by CareScan. They are told their case will be monitored, an expert second opinion will be provided if necessary, and their treatment will be compared with the standards of leading orthopedic physicians.

While the trend for workers' compensation costs is up because of higher fees paid to medical providers, SIIS continues to search for ways to control expenses. One example is a recent contract with a medical equipment supplier which will save policyholders several hundred thousand dollars annually.

Access to health care named top issue for small business

Access to health care was named the number one priority of small business leaders throughout the United States who participated in National Small Business United's Leadership and Federal Issues Retreat, held earlier this year in Palm Springs.

According National Small Business United (NSBU) President Karl Kreiger, NSBU supports many innovative means of broadening both individual and small business access to health care.

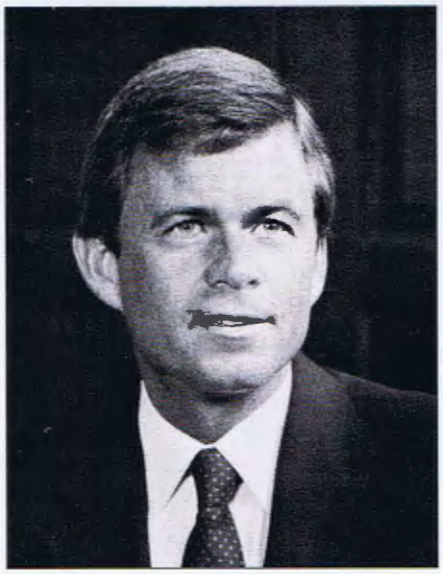
"The problems facing this country in the area of health care are manifold and complex," states Kreiger. "They include the interlinking spiral of health care and insurance costs, the high rate of uninsured in this country and the conflict of finding a solution to one aspect of the problem without worsening another."

Among the measures that NSBU recommends to increase health care access are: the creation of risk pools for the uninsured; the pre-emption of state-mandated coverages; greater ease (via ERISA amendments) for small business to consort to competitively buy health care; the replacement of individual underwriting with a community-based standard; and a move toward the full deductibility of health insurance costs of the self-employed.

In addition, small business owners re-asserted their opposition to federal mandates which would require all businesses to provide health care coverage to all employees, voting this item seventh in their top ten priorities.

"NSBU opposes health mandates in the strongest possible terms," states Kreiger. "These solutions ignore the essential problems of health care — mainly its cost — while imposing enormous burdens which would be devastating for many small businesses."

As Nevada businesses face the challenges of the next decade, the influence of the AIDS epidemic will require new policies and practices that govern the workplace. These new policies will undoubtedly undergo numerous variations in evolution as the courts are asked to resolve the many conflicts that will arise between those infected with the virus and those who are fearful of transmission in the workplace.



by Brian McKay, Attorney General

While it would be an insurmountable task to provide a comprehensive roadmap of the legal maze that will inevitably develop, it is possible to highlight at least some of the legal pitfalls businesses may encounter.

To place these issues in context, it is important to understand that it is unlikely that many will be able to avoid the possibility of an AIDS carrier in their work force. As of January 30, there were 462 reported AIDS cases in Nevada. Of that number, 435 are males and 27 are females. Sixty-one percent of these reported cases, or 280, have died. Of those diagnosed as having AIDS, 335 or 72 percent reside in Clark County; 88 or 19 percent reside in Washoe County; and 39 or nine percent reside in the rural counties. For comparative purposes, there are 121,645 cumulative AIDS cases in the United States as of January 31. Of that number, 60 percent, or 72,578, have died.

Medical experts project that the actual number of people with the AIDs virus who are most likely asymptomatic could equal ten times the number of actual cases reported. They suggest there may be as many as 4,620 cases in Nevada, or more than a million nationwide.

Additionally, the amount of time from when a person becomes infected to when he or she actually develops symptoms ranges anywhere from six months to six years. Some studies suggest that the asymptomatic period may be even longer. With these facts in mind, consideration of possible workplace conflicts becomes increasingly necessary.

It is reasonably clear at this juncture that the federal judiciary considers a person with AIDS to be handicapped under the Vocational Rehabilitation Act of 1973. This means that if your business is subject to this Act, it is unlawful for you as an employer to discriminate against a person with AIDS. Further, it is unlawful to discriminate against a person you think may have AIDS but who is asymptomatic.

Under the Vocational Rehabilitation Act, it is unlawful to fire an employee who has AIDS unless the employee is too ill to perform his job responsibilities after an attempt at reasonable accommodation. Nevada also has laws against employment discrimination. Like the federal law, it does not apply to all employers.

Another legal question to consider is whether an employer could justify termination of an employee who has AIDS to prevent a walkout by co-workers. Given such a scenario, I believe a court likely would find that such justification is not legally supportable. Employers have a responsibility to comply with all employment laws. Accordingly, an employee cannot lawfully demand the dismissal of a co-worker because he or she has, or is believed to have, AIDS.

One additional legal pitfall an employer should be cognizant of concerns the permissibility of asking prospective employees whether they have AIDS or have ever tested positive for the AIDS virus.

If it is clear that an employer cannot discriminate against an employee because he has AIDS, it is axiomatic that to ask a prospective worker these questions is asking for trouble. Similarly, it would be improper to ask any prospective employee if they have any handicaps. That is not to say that an employer cannot inquire whether the applicant has any physical limitations that may require reasonable accommodation to perform the duties of the job.

If in doubt about your rights as an employer or the rights of a person with the AIDS virus, it is best to seek the advice of legal counsel familiar with these issues. This advice might save you monetarily in the long-run, and more importantly, assist you in both complying with the law and responding compassionately to those who need your help and fairness.

As medical experts search for a cure for this deadly and costly disease, employers will have to handle related complications that arise in the workplace on a case-by-case basis. In every situation, empathy and respect for the privacy of the infected worker, as well as education of the general work force about the disease, will abet greatly an employer's efforts to maintain harmony in the workplace.

by Jay Goldinger

To Insure or Not to Insure, That is the Question

Probably one of the most perplexing — and personal — issues anyone has to address is how much insurance he or she needs. With today's complex tax laws, no investor can afford to overlook the role that life insurance can play in estate planning and in the transfer of assets to his or her beneficiaries. Here are just a few of the questions that have crossed my desk in recent weeks.

Q. Are there different kinds of life insurance companies? Is there an advantage to dealing with one type over another?

A. Life insurance companies can be divided into two categories — mutual life insurance companies and regular life insurance companies. The former are owned by the actual policyholders while ownership of the latter is in the hands of shareholders of the corporate stock, as with any company that issues shares and trades on the various exchanges. Obviously, it is difficult to make a blanket statement about which type of insurance company is best — a lot may depend on your individual situation — but if you're asking which is the easiest and most efficient, from an organizational standpoint, I'd probably say mutual life insurance companies. Since policyholders, rather than outside shareholders, have the say in determining the direction of the company, accountability, therefore, falls within that single entity.

Q. How are insurance companies rated? Is there any way to find out more about the company to help me decide if I feel comfortable investing with them?

A. The safest insurance companies are rated A+ by A.M. Best & Company, an independent rating service for the insurance industry. These highly rated insurance companies guarantee deposits by placing a minimum of $1.03 into a reserve fund for every $1.00 on deposit. A.M. Best examines the financial statements and investment portfolios provided by each insurance company in order to rate them. Obviously, A.M. Best can only base their rating on the information that is disclosed, so it is possible for errors or over-ratings to occur. Before you decide to take out a policy with any insurance company, be sure to write to them and request information that will show you the composition of their investment portfolio — what percentage is in short or long-term government securities, what portion is in blue chip stocks, what part is invested in lower rated or "junk" corporate bonds.

Q. I'm concerned that when I die, much of my estate will go to pay the various taxes and other expenses associated with death. How much is actually lost, generally, from an individual's estate?

A. Studies have shown that from an individual's gross estate, total settlement costs (estate and inheritance taxes, income and property taxes, probate, appraisal, legal and accounting fees, medical and funeral expenses) can siphon off between 15 percent and 60 percent, with the average around 50 percent.

Q. One thing that scares me is the possibility that my heirs will be forced to sell assets — portfolio holdings, real estate, the family business — at a considerable loss in order to pay death taxes and expenses? How soon must death taxes be paid after one passes away?

A. Death taxes are due and payable in cash within nine months after the taxpayer's death. The liquidity necessary to prevent a forced sale of family assets can be provided by life insurance if the ownership of that life insurance (and its proceeds) are excluded from the estate of the insured. The family will then have cash available to pay taxes and expenses without increasing the estate or being forced to liquidate assets. Policy ownership can be removed from the estate by establishing an irrevocable trust as owner of the policy. The premiums for the contract are paid with cash gifts made by the insured or family members, and if those annual gifts are under $10,000, there is no gift tax due. If the policy premiums are above that amount, a split-dollar agreement with an irrevocable life insurance trust can be used. Dividing the ownership of a life insurance policy between two parties under a split-dollar agreement can be an effective tool for dividing the cash flow necessary to support a policy.

Q. Doesn't the Unlimited Marital Deduction solve the problem of paying estate taxes?

A. When Congress gave us the Unlimited Marital Deduction in 1981 through the Eco-

nomic Recovery Tax Act (ERTA), many people thought this got rid of the estate tax burden. Actually, the problem was not eliminated but only postponed until death of BOTH spouses. This provides couples with increased flexibility during their lifetime but it places a substantial tax burden on their estate and its beneficiaries. Many people then use a survivorship life insurance policy, which pays at the death of the second spouse, to provide the necessary estate liquidity, as mentioned in the question above. Unlike traditional life insurance, which provides protection on the life of a single insured, survivorship life insurance covers two lives with proceeds payable at the second death. Some of the advantages of this type of insurance include lower premiums that are more effective than two policies, easier medical underwriting standards due to second death payouts and lower "economic benefit" reportable for income taxes in a split dollar plan as discussed above. Additionally, payments to beneficiaries can be spread out rather than paid all at once and are generally not subject to probate. Survivorship life insurance can be put to use in a number of situations: an employer can self-insure or absorb the loss of one key individual but not two; a child working in a family business can own a policy on his/her aging parents for purchase of that business; heirs can be provided with substitute values when estate assets are used to fund a charitable remainder trust.

Q. How can I determine the right amount of life insurance I need? Is there a rule of thumb I can follow to figure out what amount I should buy without approaching an insurance salesperson for a "hard sell?"

A. There is no simple way to answer this question. You should remember, first of all, that some people do not need life insurance — children, single people without dependents, those individuals who have achieved the financial means to allow their dependents to maintain an acceptable standard of living in the event of their premature death. According to the American Council on Life Insurance, in 1988 the average amount of life insurance for those households that had coverage was $81,200. Dow Jones Irwin recently published an eight-step guide to help you determine the right amount of life insurance for you and your family. Check with your local library or bookstore for a copy of *How to Buy the Right Insurance at the Right Price*, but keep in mind this guide provides only general answers dealing with auto, life, health and other types of insurance. You will need to take into consideration all aspects of your particular situation to determine the role life insurance could play in passing along assets to your designated beneficiaries.

Jay Goldinger is an investment counselor with Capital Insight in Beverly Hills, California, specializing in bonds, money market instruments, and U.S. and international investments. He also pens the weekly Moneywatch *column in the* Las Vegas Review Journal. *Write to Jay with your questions at P.O. Box 4092, Beverly Hills, CA 90213-4092. Be sure to include your address and phone number. You will receive a personal reply and a published response in an upcoming edition of the* Nevada Business Journal.

by Richard Chulick

Can You Risk Not Having a Will?

Many individuals do not have an estate plan for a variety of reasons: complexity, cost, indecision, or merely procrastination. Even if a more complex estate plan with its accompanying documents is not in place, every individual, at the very least, should have a will.

The basic document in an estate plan is a will, and it is essential for the proper administration of one's estate and the distribution of estate assets. Some of the important reasons why a will is considered a critical estate planning document are outlined below.

Avoiding Intestacy

A will is a means of avoiding intestacy. If an individual dies intestate (having made no valid will), property is disposed of according to the intestacy laws of the state of residence at the time of death. The obvious reason to avoid intestacy is that the state's pattern of distribution may differ significantly from the wishes of the decedent. For example, in some states the surviving spouse will receive half of all intestate property, while the children will receive the remainder. By creating a will, an individual can determine and control the actual distribution pattern.

Designating an Executor

A will gives the individual an opportunity to designate an executor, who will be responsible for the administration of the estate following the individual's death. This is important for two reasons:

- The individual creating the will can personally select the person or institution preferred to be the executor.
- A provision can be included in the will to waive the bond requirement to act as executor.

The waiver of the bond requirement will result in a cost savings, since a premium must be paid to secure the bond. Without a will, a court may appoint an administrator who can be a complete stranger, not familiar with you or your wishes.

Guardianship for Minors

If an individual has minor children, a will provides the opportunity to designate a guardian to provide care and shelter to the children until they reach the age of majority. The appointment of a guardian is important because it permits the individual creating the will to personally select the guardian. Of course, if there is a surviving spouse, guardianship appointments may appear irrelevant, assuming that the surviving spouse would serve as a guardian. Even so, successor guardianship appointments can be made in a will to cover the possibility of simultaneous death or inability of the surviving spouse to act as guardian.

In addition, a guardianship of the estate will be imposed for the benefit of minor children. A will permits the bond required for the guardian of the estate to be waived. Moreover, assets held under a guardianship will be required to be distributed once the minor child attains majority age — typically age 18. Since distributions at such an early age are often viewed as undesirable, trust provisions can be incorporated into a will to cover this contingency.

Distribution Death Provisions

Another advantage of a will is that specific bequests of property can be made to designated beneficiaries. This is particularly relevant for assets that have sentimental value, such as personal property including jewelry, items of clothing and other valuables, or to make monetary payments of specific amounts to certain family members.

Of course, one of the most important provisions in the will is the clause that directs the distribution of assets. Assets can be provided in special situations, such as for children from a previous marriage or for children with special needs, or unmarried individuals who have no children can direct the distribution of assets. This clause is crucial for married couples in determining the level of tax savings by indicating the portion of assets to be distributed to the surviving spouse.

Simultaneous Death Provisions

A will can be used by married individuals to overcome the simultaneous death presumption under state law. This type of provision is useful in a situation where there is insufficient evidence to determine which spouse predeceased the other in a common accident. The simultaneous death provision in a will would specify the survivor in such a situation. It is particularly useful in resolving questions relating to the ultimate distribution of the property of both spouses, including assets owned as joint tenants. In addition, the values of the spouses' estates can be equalized to minimize estate taxes by taking advantage of each spouse's unified credit.

Because of the importance of these estate planning considerations, every individual, whether married or single and regardless of the size of the estate, should have a will.

Your attorney and tax advisor can provide more detailed information and should be consulted before any action is taken.

Richard Chulick is a tax partner with the firm of Deloitte & Touche.

business indicators & analysis

Nevada's economic expansion continues at a robust rate. Unemployment, a key measure of the health of an economy, has trended downward as Nevada has strengthened its record of economic performance. Reported unemployment rates for Las Vegas and Reno as of December 1989 stood at 3.9 percent on a seasonally adjusted basis — a full 1.4 percent below the national unemployment rate of 5.3 percent. Continuation of unemployment rates at lower levels may signal some increased occurences of job shortages and rising wage rates in the future.

Nevada enters the 1990s pacing the nation in growth. The state's economic outlook for 1990 shows no signs of weakness, although month-to-month figures for selected business indicators may reveal periodic readjustment during the year. On the other hand, the national economic outlook remains guardedly optimistic with weakness developing in some manufacturing sectors. The consensus among economists calls for continued weak (but positive) U.S. growth through 1990. The slower national growth forecasts should not, however, be accompanied by measurable improvements in the overall inflation rate.

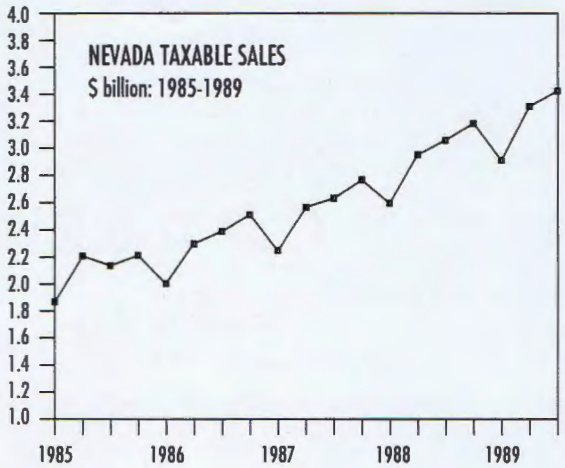
Construction activity, one of the more variable economic sectors, shows continued robust expansion in Nevada. Permitting activity for new residences in Las Vegas during the fourth quarter of 1989 exceeded the previous year's figure by 42 percent. Construction activity in Reno, both for residential and commercial purposes, also grew at significant rates of 15.7 and 44.0 percent. Strong construction activity fuels expenditures with larger multiplying effects through the economy than most other sectors. Many expect 1990 to shape up as another good year for the construction industry.

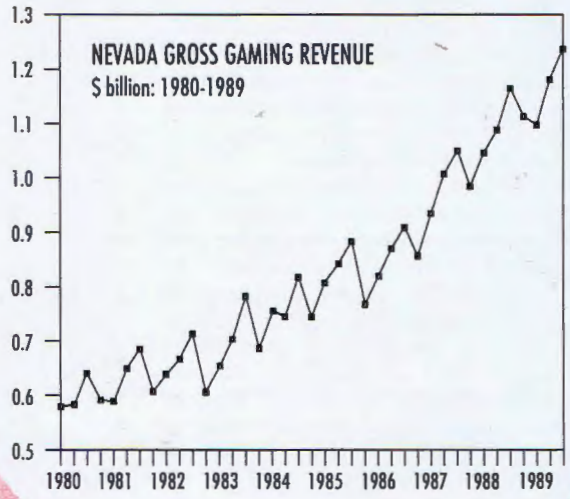
Gaming revenue, the most closely watched business indicator of Nevada's large resort industry, slowed in November. State revenues for November, 1989 were only about 1.9 percent above November, 1988. Washoe County (which in recent years has shown modest growth) experienced a welcomed 10.6 percent increase over the same period. Gaming revenue for Clark County declined for the first time in over five years, although at a small 0.3 percent. Nevada's gaming economy analysts view November's monthly figure for Las Vegas as a short pause during a year of very solid growth.

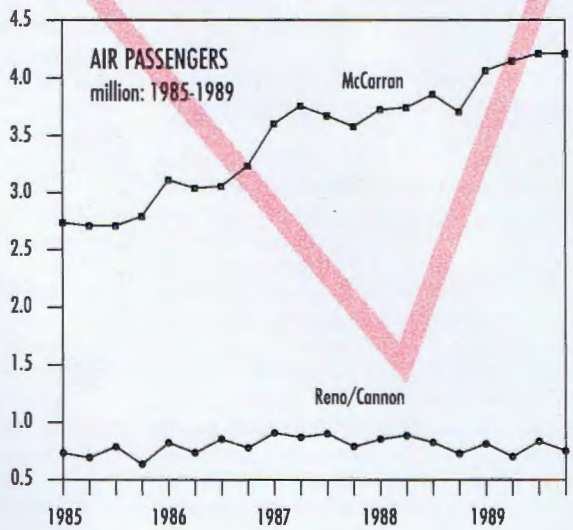
Nevada's sales tax figures for December were up 17.2 percent above December, 1988. This growth reflects greater numbers of tourists and residents, as well as increased expenditures per capita. The Las Vegas Metropolitan area (Clark County) lead the state with an increase of 24.0 percent. The Reno Metro area (Washoe County) grew at a 7.7 percent rate.

Overall, the business indicators suggest that Nevada's economy may well continue to be one of the nation's best in the months ahead.

R. Keith Schwer, UNLV, Center for Business and Economic Research







	Date	Units	Latest Period	Previous Period	Year Ago	Chng Yr Ago
UNEMPLOYMENT						
Nevada	Dec. 1989	seasonally adj.	4.00	5.00	4.00	0.00%
Las Vegas	Dec. 1989	seasonally adj.	3.90	4.90	4.00	-2.50%
Reno	Dec. 1989	seasonally adj.	3.90	4.50	3.70	5.41%
United States	Dec. 1989	seasonally adj.	5.30	5.30	5.30	0.00%
RETAIL ACTIVITY						
Nevada Taxable Sales	Dec. 1989	$ thousand	1,418,585	1,134,826	1,210,508	17.19%
Clark County	Dec. 1989	$ thousand	822,686	666,607	663,434	24.00%
Washoe County	Dec. 1989	$ thousand	280,479	215,069	260,466	7.68%
U.S. Retail Sales	Jan. 1990	$ million	146,392	144,058	139,970	4.59%
GROSS GAMING REVENUE						
Nevada	Nov. 1989	$ thousand	374,451	416,344	367,355	1.94%
Clark County	Nov. 1989	$ thousand	274,523	305,711	275,601	-0.39%
Washoe County	Nov. 1989	$ thousand	60,764	66,207	54,934	10.61%
CONSTRUCTION ACTIVITY						
Las Vegas Area						
New Residences	4th qtr 1989	# permits	2,994	2,973	2,108	42.03%
New Commercial Permits	4th qtr 1989	# permits	167	183	396	-57.83%
Reno Area						
New Residences	2nd qtr 1989	# permits	480	286	415	15.66%
New Commercial Permits	2nd qtr 1989	# permits	72	37	50	44.00%
United States						
Housing Starts	Jan. 1990	thousand	1,625	1,254	1,659	-2.05%
Total Construction	Jan. 1990	$ billion	424.00	416.60	423.00	0.24%
HOUSING SALES						
Las Vegas Area						
Average Sales Price (1)	3rd qtr 1989	$	95,500	92,363	83,365	14.19%
Average Cost/Square Foot	3rd qtr 1989	$ per sq. ft.	59.91	60.69	62.18	-3.65%
Average Mortgage Rate (2)	4th qtr 1989	%	9.47	9.68		
Washoe County						
Average Sales Price (1)	2nd qtr 1989	$	139,462	134,174	131,960	5.69%
Average Cost/Square Foot	2nd qtr 1989	$ per sq. ft.	78.61	78.57	75.93	3.53%
Average Mortgage Rate (2)	2nd qtr 1989	%	10.34	10.60	10.20	1.37%
U.S. Home Sales	Jan. 1990	thousand	589	634	704	-16.34%
TRANSPORTATION						
Total Passengers (3)						
McCarran Airport, LV	4th qtr 1989	passengers	4,220,563	4,221,985	3,723,296	13.36%
Cannon Airport, Reno	4th qtr 1989	passengers	751,195	829,356	728,620	3.10%
State Taxable Gasoline Sales	Oct. 1989	thousand gal.	54,243	54,444		
POPULATION ESTIMATES						
Nevada	July 1, 1989	people		1,198,400	1,124,650	6.56%
Clark County	July 1, 1989	people		733,180	681,440	7.59%
Washoe County	July 1, 1989	people		251,130	244,490	2.72%
NATIONAL ECONOMY						
Consumer Price Index (4)	Jan. 1990	1982-84=100	127.40	126.10	121.10	5.20%
Money Supply — M1	Jan. 1990	$ billion	794.70	794.80	785.80	1.13%
Prime Rate	Feb. 1990	%	10.00	10.50	10.50	-4.76%
Three-Month U.S. T-Bill	Feb. 1990	%	7.76	7.64	8.48	-8.49%
Gross National Product	4th qtr 1989	$ billion	5,337.60	5,281.00	5,017.30	6.38%

NOTES: (1) houses, condos, townhouses; (2) 30 yr. FHA; (3) enplaned/deplaned passengers; (4) all urban consumers

SOURCES: Nevada Dept. of Taxation; Nevada Employment Security Dept.; UNLV, Center for Business and Economic Research; UNR, Bureau of Business and Economic Research; US Dept. of Commerce; US Federal Reserve.

COMPILED BY: UNLV, Center for Business and Economic Research

Nevada Hotel & Gaming Briefs

New general manager named at Hacienda

Sahara Resorts announced the appointment of Tom Peacock to general manager of the Hacienda Resort Hotel and Casino.

Peacock most recently served as corporate director of administrations and has a broad background in personnel administration. Of his most recent appointment, Peacock says, "It will be an important challenge to participate in the continuing development of the Hacienda into one of the finest full-service hotel casinos in Las Vegas. This year we will see tremendous changes and challenges at the Hacienda, and the opportunity to share these challenges with the Hacienda staff will be rewarding."

The Hacienda, a Sahara Resorts property, is currently undergoing expansion and renovation which will include the addition of nearly 400 new guest rooms and almost double the current casino space. Two new restaurants, and a complete remodeling of existing facilities is also planned.

Marketing association donates to UNLV scholarship fund

The Southern Nevada Chapter of the Hotel Sales Marketing Association (HSMA) has donated $11,500 to a scholarship fund for the hotel college at UNLV.

Danielle Imming and Tom Jones of HSMA presented the donation to university official Patti Shock during ceremonies at the school.

Imming is president of the chapter and Jones is chairman of the board of directors. Shock is chairman of the Department of Hospitality, Administration and Tourism at UNLV's William F. Harrah College of Hotel Administration.

According to Imming, the scholarship money will be available only to qualified students who are U.S. citizens. Imming said the chapter has been making contributions to the UNLV scholarship fund since 1983 and has provided more than $40,000 to students seeking financial assistance in the hotel program.

"We are proud of the UNLV students and of our industry," Imming said. "We feel that those of us who are part of the hotel business should give something to the men and women who are the executives of the future.

"We recognize that major hotel corporations are willing to pay for the construction of classrooms and libraries, but the students are sometimes left out of the resource link to higher education."

HSMA is a national organization of hotel sales executives consisting of regional chapters that conduct educational programs for its members and actively contribute to community projects.

Boyd Group executive named to council at Judicial College

Charles E. Huff, vice president, secretary and general counsel for The Boyd Group, has been named to the Council for the Future of The National Judicial College in Reno.

Huff, 44, has served as a deputy district attorney for Clark County. He founded his own law firm with Bill Boyd, now chairman of the board of The Boyd Group, in 1975. Huff joined The Boyd Group in 1986 and continues in private practice.

The Council for the Future of The National Judicial College was established to assure the financial stability and growth of the school. The college was established by the American Bar Association in 1963 to provide instruction for judges from all over the country. More than 18,000 judges have completed course work at the school.

"As a practicing attorney and legal counsel for The Boyd Group, I know the pervasive challenges that judges face in the courts today," said Huff. "The National Judicial College helps prepare the judiciary to meet these challenges — not only for today, but for the future as well."

Huff will join judges, lawyers and prominent citizens who will meet regularly for long-term planning sessions. Frank J. Fahrenkopf, Jr., the former chairman of the Republican National Committee and a graduate of the University of Nevada, Reno, will be the council's chairman.

The Boyd Group owns and manages five Southern Nevada hotel-casinos — the California, Sam Boyd's Fremont, Sam's Town and Stardust in Las Vegas, and Sam's Town Gold River in Laughlin. It is the largest family-owned gaming company in the nation.

Guglielmino appointed senior VP at Caesars

Don Guglielmino, formerly vice president of public relations and advertising at Caesars Palace, has been named senior vice president of development for the Las Vegas resort. Since joining the Caesars organization in May 1985, Guglielmino has worked with the company's upper management to spearhead the resort's award-winning advertising programs and international public relations operations.

As senior vice president of development, Guglielmino, 34, is responsible for special projects, promotions and business development with short-term priorities focused on the Caesars Palace Olympic (north) Casino.

Prior to his employment at Caesars Palace, from 1980 to 1985, Guglielmino was director of advertising and public relations for the Tropicana Hotel/Casino in Las Vegas.

Innovative scholarship program announced by Harvey's

Despite the need in today's labor market to place people in job training programs, it is still uncommon to see business and academia working together for their mutual benefit. It's this kind of joint venture, however, by Harvey's Resort Hotel/Casino and Lake Tahoe Community College, which experts feel will prove valuable and long-lasting.

Combining resources and crossing the state line between California and Nevada is the basis for the program called "Learn and Earn at Lake Tahoe." It combines a commitment of employment at Harvey's with the benefits of a two-year college degree for up to 120 students. In addition, the educational costs — representing a financial commitment of $41,500 in scholarships during a three-year period — are picked up by Harvey's.

"Our objective is to recruit potential employees in their twenties and above who are willing to commit themselves to Harvey's for a period of time," said Tom Evans, Harvey's vice president, human resources.

Of the 120 positions, 20 will be designated for established Harvey's employees who live either in Nevada or California. The remaining

100 slots will be filled by California residents.

In exchange for the scholarship consideration, the "Learn and Earn" students will be asked to sign an agreement with Harvey's. The agreement will outline terms of employment (full-time, minimum of 40 hours weekly during summer and fall), grade point average (at least a C average) and terms of resignation or cancellation from the program.

Bally sells slots to the Soviets

Bally Manufacturing Corporation (BLY:NYSE) announced the purchase of Bally System 5000 slot machines by the Soviet Union. The top-of-the-line equipment will initially be installed in the Sheremetyevo Airport in Moscow and will serve as the forerunner for expanded Bally distribution opportunities in the Soviet Union.

In commenting on the purchase, Bally Manufacturing President Roger N. Keesee, said, "We are extremely pleased to participate in the development of the gaming industry in the Soviet Union. The sale of the systems to the Soviet Union is key in that it represents significant growth opportunities for the company."

Added Keesee, "Our participation also signals a commitment on Bally's part to continually identify profitable market segments."

Bally Manufacturing is a world leader in the leisure industry with four casino hotels, a nationwide network of fitness centers, and a complete line of gaming equipment, fitness products and lottery products and services.

Construction underway on Santa Fe Hotel and Casino in Las Vegas

The Santa Fe Resort Hotel and Casino is under construction, with completion expected by the end of this year. The brand new facility will feature Nevada's only public ice arena, a 60 lane state-of-the-art bowling center, two restaurants and complete casino facilities including a race and sports book.

The Santa Fe, located in the northwest section of Las Vegas, will be owned and operated by Sahara Casino Partners, L.P., the master limited partnership which currently owns and operates the Sahara and Hacienda hotel-casinos in Las Vegas, and the Pioneer Hotel and Gambling Hall in Laughlin, Nevada.

"We're building something that everyone can use," said Paul Lowden, chairman of Sahara Resorts the managing general partner of Sahara Casino Partners. "The ice arena and bowling center are the kinds of amenities that people in the area wanted in the new property, so we've accommodated their requests."

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EXECUTIVE SUITE

Marnell named director of administration for Lake Las Vegas

Transcontinental Properties, Inc. has promoted Angela Marnell to director of administration for its $3.5 billion Lake Las Vegas destination resort community in Henderson, Nevada.

Marnell joined Transcontinental Properties, Inc. in June of 1989, serving as contract administrator, bookkeeper and office manager. She served in a similar capacity at the Monterey Peninsula Herald in Monterey, Calif. and the Robert Louis Stevenson College Preparatory School in Pebble Beach, Calif. Prior to that, Marnell had a seven-year career in operations and administration with AT&T.

Marnell has been involved in fund-raising and support programs for early deafness detection in newborns and housing for battered women.

Transcontinental Properties, Inc. is a Scottsdale-based investor/developer primarily engaged in land development. Transcontinental Properties, Inc. and its affiliates have properties in various stages of development in Arizona, Hawaii, Indiana, Illinois, Nevada and Puerto Rico.

B of A Nevada appoints marketing director

Bank of America Nevada announced that David Huckaby has joined the bank as director of marketing.

In this newly created position, Huckaby, 39, will manage advertising, marketing and product development activities for Bank of America Nevada's 14 offices. Based in Reno, he reports to Philip J. Horan, chairman of Bank of America Nevada.

"Dave has 17 years of experience in the Nevada banking market and will be a key player in expanding the range of services we offer," said Horan.

Born and raised in Ely, Huckaby graduated from the University of Colorado's Bank Marketing Association in 1983.

Dante C. Pistone

Southwest Gas names new director of corporate communications

Dante C. Pistone has been promoted to director of corporate communications for Southwest Gas Corporation.

Formerly manager of public and community relations for the company, Pistone will direct Southwest's public and media relations activities as well as its employee communications.

Pistone has worked for Southwest since 1984. In 1987, he was transferred to the corporate headquarters in Las Vegas and promoted to manager of public and community relations.

Prior to joining Southwest, he served as a public information officer for Sierra Pacific Power Company in Reno, and before that as press secretary to former Nevada Rep. James Santini.

His professional and community involvement includes: participation in the 1989-90 Leadership Las Vegas program; serving as president-elect of the Desert Sands Chapter of the Public Relations Society of America; memberships in the Nevada State Press Association, the Nevada Broadcasters Association, the Las Vegas Chamber of Commerce and St. Joseph, Husband of Mary Catholic Church.

Gifford named loan review manager for FIB of Nevada

Ron L. Gifford, vice president and former manager of special credits in Southern Nevada, has been named loan review manager for First Interstate Bank of Nevada.

"Loan review becomes increasingly important in a market that is growing as rapidly as Nevada," said Donald D. Snyder, chairman and chief executive officer. "Ron will be responsible for reviewing credits to ensure proper account management, and will review the procedures, practices, policy compliance and follow-up actions necessary to validate the soundness of the credit granting process.

Gifford joined First Interstate Bank of Nevada in 1979 as a branch manager in Reno. He has since held positions as corporate finance officer, real estate loan production manager, manager of corporate real estate services and head of corporate banking in Southern Nevada. He was named vice president in 1983.

Dain Bosworth appoints Clark as associate VP

Dain Bosworth Inc. has named Katrina L. Clark an associate vice president/investment officer at the company's Las Vegas office.

Clark has been in the financial services industry since 1971 and has been a registered representative since 1977.

As associate vice president/investment officer, Clark will assist individual and corporate clients with a wide range of financial services including stocks, corporate and tax-exempt bonds, options, mutual funds, life insurance/annuities and retirement programs.

Dain Bosworth Inc., a full-service investment banking firm and member of the New York Stock Exchange, is a subsidiary of Inter-Regional Financial Group (IFG).

Phil Satre

Satre named to Commission on Tourism

Phil Satre, president and chief executive officer of Harrah's Hotels and Casinos, has been named to the Nevada Commission on Tourism by Governor Bob Miller.

Satre, 40, will fill the seat of resigning commissioner Barrie Brunet. Brunet's three-year term on the seven-member state tourism board expires in June.

In his ten years with Harrah's, Satre has served in several management positions. He was elected president and CEO for the company in 1984. Prior to joining Harrah's he worked as an attorney in a Reno law office.

Satre holds a Bachelor of Arts in psychology from Stanford University and received his law degree from the University of California, Davis.

Satre is also a director of the National Judicial College in Reno and a member of the Governor's Blue Ribbon Legislative Task Force and of the Reno City Charter Committee.

He also serves as a director of the Sierra Nevada Museum of Art and is the general chair for the United Way of Northern Nevada and the Sierra.

In 1989, the University of Nevada Board of Regents named him a "Distinguished Nevadan". That same year, he received the "Humanitarian of the Year" award from the National Conference of Christians and Jews for the Northern Nevada Region.

Primerit Bank announces senior level changes

PriMerit Bank's board of directors recently announced several organizational changes at the corporate management level. The announcement was made by Kenny C. Guinn, chairman of the board and chief executive officer of PriMerit Bank.

"The past several years have provided us with unprecedented profitability and significant opportunities for growth," said Guinn. "Because of this, we have decided to realign our corporate management structure to better meet our new challenges."

Charles E. Dixon, previously executive vice president-corporate real estate, was named executive vice president-real estate lending and development. Dixon joined PriMerit Bank in 1975. Since that time he has managed several areas including property management, loan service, administrative services and corporate real estate. A graduate of Mississippi State University, Dixon is active in numerous community and professional organizations.

Dan J. Cheever, senior vice president and treasurer, has been named chief financial officer/treasurer. As the bank's chief financial strategist, Cheever's responsibilities include planning and forecasting, as well as investments, borrowing, asset/liability management and a variety of accounting functions.

Before joining PriMerit Bank last year, Cheever was senior vice president-treasurer of Silverado Banking S&L in Denver for eight years. Previously, he was assistant controller of Empire Savings in Denver.

Thomas W. Schalk, previously senior vice president and director of audit, was appointed senior vice president-administration. His responsibilities include a number of corporate and administrative services functions.

Prior to joining PriMerit Bank in 1984, Schalk's 12-year professional career included positions with American Airlines, Inc., Peat, Marwick, Mitchell, & Company and the Internal Revenue Service, where he served as a field agent.

Jorge L. Mendez recently joined PriMerit Bank as senior vice president-corporate lending. He will organize and direct a new department devoted to corporate and non-real-estate-secured commercial lending. Mendez has more than 15 years of corporate lending experience, including positions with The Arizona Bank (now Security Pacific-Arizona) and Merabank in Phoenix.

A graduate of the University of Nebraska, Mendez has served as an instructor with Robert Morris Associates in Phoenix.

Jeffrey Guinn, previously assistant vice president-major loans, was named vice president-major loans and corporate real estate. In this new position, Guinn is responsible for major loan production and related functions. Guinn joined PriMerit Bank in 1987 as a loan officer in single-family construction.

Prior to joining PriMerit Bank, Guinn worked for Valley Bank of Nevada — most recently as assistant vice president and commercial loan officer. He graduated from Arizona State University in 1983 with a degree in economics.

PriMerit Bank recently opened new branches in Sun City Summerlin and in Mesa, Arizona. It is also establishing a regional loan origination center in Phoenix.

A wholly-owned subsidiary of Southwest Gas Corporation, PriMerit Bank, a federal savings bank, has assets of $2.8 billion and 31 retail banking offices in Nevada and Arizona.

Nevada Cooperative Extension faculty receive awards

National recognition for exceptional programming has been given to six Nevada Cooperative Extension faculty. The award recipients were recognized for 1989 programs in youth development and family resource management.

A 1989 Florence Hall Award was given to Youth Development Specialist Carla Fitzgerald, Human Development Specialist Glenna Gaudy and Family Resource Management Specialist Mary Peters for their foster youth program, "You're On Your Own." The team of southern area faculty was one of three recipients of this national award.

Fitzgerald, Gaudy and Peters were also given the highest national and regional awards by the National Association of Extension Home Economists (NAEHE) for their financial management program.

The National Association of Extension 4-H Agents (NAEA-4A) gave national recognition to extension faculty. Bob Norris, southern area director, Program Assistant Gini Mitchell and Fitzgerald were awarded first place in the Direct Mail Piece national category.

The national and regional NAEA-4A "team" award for Excellence in Teen Programming was given to Fitzgerald, Gaudy and Peters (southern area faculty) for their foster youth program.

Northeast area 4-H Specialist Marilyn Goad also received the national NAEA-4A "individual" award for Excellence in Teen Programming for her "Teen Teacher" Program.

Nevada Briefs

Reno/Sparks business leaders surveyed

How do wage rates in the Reno/Sparks area affect your firm's business strategy to expand or relocate? If Nevada did levy a business tax, to which government agency or program would you like to see the proceeds go? What specific training programs would your firm use if they were available?

Business leaders in the Reno/Sparks area are answering these and 25 other questions relating to the local business climate in a comprehensive survey now being conducted by the Economic Development Authority of Western Nevada (EDAWN).

"This is the most important survey we will undertake this year as it will assist and guide educators businessmen and public officials to the specific concerns of the community," said Norman Dianda, EDAWN president.

Nearly 1,000 business and industry leaders have been asked to spend about 30 minutes to complete the comprehensive survey which deals with questions about quality of life as well as cooperation of governmental officials and the permitting process.

EDAWN's business retention and expansion committee will analyze data from the survey and "obtain empirical evidence of what is needed in the community to make it a better place to do business," Dianda said.

The data will depict how companies view the available workforce, what training programs are desired and what experiences companies have had with the various governmental agencies," said Dianda.

All individual results will remain confidential, yet the aggregate data from the survey will be public information. EDAWN expects a 30 to 40 percent return on the questionnaire.

"A comprehensive analysis of this region's concerns will be profitable to all involved," Dianda said. Survey participants will receive results in a report form.

Other survey sponsors include Truckee Meadows Community College, Sierra Pacific Resources and the Nevada State Job Training Office in association with the Sparks Community Chamber of Commerce, the Greater Reno-Sparks Chamber of Commerce and the University of Nevada-Reno's Bureau of Business and Economic Research.

Summa Corporation opens Summerlin Parkway

The first tri-level interchange in Southern Nevada and the new Summerlin Parkway were officially opened and presented to representatives of the state and local government today by John Goolsby, president of Summa Corporation.

Goolsby noted that Summa is looking to the future in making transportation improvements. "We are hoping this parkway and interchange will help meet some of the future transportation needs of the people living in the northwest side of the city," he commented.

In accepting the properties, Las Vegas Mayor Ron Lurie said, "The expansion of the interchange at U.S. 95 and Rainbow Boulevard and the addition of Summerlin Parkway are examples of the benefits to be gained when the city and state work hand-in-hand with representatives of the private sector such as Summa Corporation."

The Summerlin Parkway is a new four-mile limited access roadway designed to accommodate westbound traffic to and from the Summerlin development. The parkway will move traffic from the upgraded interchange to Town Center Drive, an arterial road designed to receive traffic from the parkway and distribute it to local streets within the community.

"Town Center Drive connects the Summerlin Parkway with Lake Mead Boulevard providing much needed relief to the residents of the Sun City Village and students and parents at the Meadows School in Summerlin. The parkway and improved interchange effectively place Summerlin within ten minutes of downtown Las Vegas," Goolsby said.

The newly constructed three-level interchange is a steel girder fly-over bridge constructed with 500 tons of steel. Approximately 70,000 square yards of new paving and more than 4,000 cubic yards of concrete were used to build the ramps and roadways. In all, construction required some 300,000 cubic yards of excavation.

"This is very much a cooperative effort," Goolsby commented. "We have been delighted at the cooperation we have received from the state and local agencies with whom we have worked over the past three years and we look forward to ongoing cooperative relationship with those agencies."

Summa Corporation is one of the largest regional real estate investment and development companies. The Las Vegas-based corporation is owner and developer of approximately 26,000 acres located in Nevada and Southern California. The Summerlin community, one of the properties under development by Summa, is located on the western side of Las Vegas. When completed, this 23,000-acre master-planned community will be home to some 200,000 residents.

Lake Las Vegas progress report

Completion of the Lake Las Vegas Dam will reportedly be ahead of the original 1992 target date, although the dam will not be finished in 1990 as recently anticipated.

Construction on the dam for the Lake Las Vegas project has slowed due to extremely hard materials encountered in excavating the dam foundation. Construction is continuing simultaneously at three areas of the project including the service spillway, dam core trench, and the bypass overflow weir.

Four weeks after the diversion of the Las Vegas Wash, the two 84-inch bypass pipelines were shut off one at a time and reinspected. During this inspection, it was noted that the crack repairs performed prior to the diversion were successful. Greater wear than expected was observed in the invert of the pipelines which is presently thought to be a result of the rock and sand washed through the pipelines immediately after the diversion. Any necessary maintenance work will be performed during the next planned shutdown.

UNLV Geoscience Professor Dr. Steve Rowland has had his class on the site studying the old Las Vegas Wash streambed. Dr. Rowland is the author of several published articles on the geology of this region.

In cooperation with the National Park Service, Lake Las Vegas funded the application of "Eonite" on a section of an old road off the paved highway across Park Service property near the North Shore Road bridge. The purpose of this experiment was to test the results of the "Eonite" application which is designed to replace the dark "desert varnish" disturbed by the unauthorized traffic.

After almost a year of observation the test appears to have been successful. Lake Las Vegas anticipates utilizing this material to replace the natural surface appearance of areas excavated for the construction.

Valley Bank announces agreement to purchase Comstock Bank branch

Valley Bank of Nevada and Comstock Bank announced that they have reached an agreement in which Valley Bank will purchase Comstock Bank's branch located in Dayton, Nevada.

When consummated, the acquisition will be Valley Bank's first facility in the Dayton area. The Dayton branch is located approximately 12 miles east of Carson City.

Comstock Bank opened its Dayton facility in 1982 and is currently the only financial institution serving the financial needs of the Dayton community. The Dayton branch has approximately $4 million in total deposits which Valley Bank is acquiring. Valley is also assuming the lease agreement at the existing branch facility.

Robert N. Barone, Comstock Bank's chairman and chief executive officer, says his bank's decision to sell the Dayton branch reflects Comstock's determination to serve larger population centers. "We feel that Comstock Bank can redirect its resources to its metropolitan markets where they can be used to expand the bank's services and market presence," Barone said.

Barone added that Comstock Bank's board of directors believe that the Dayton area will continue to enjoy excellent banking services after the sale is completed.

Ernie Martinelli, Valley Bank's vice chairman of the board, says Valley Bank is excited about the opportunity to move into the Dayton area and begin serving the financial needs of a strong and growing community. "Our friends at Comstock Bank have done an excellent job in Dayton over the last eight years, and we expect to continue to offer customers the same friendly, personalized service they've come to expect from a small town bank," Martinelli said. "As Nevada's largest state-chartered bank, we will be in a position to offer customers even greater services and conveniences statewide."

Martinelli added that Valley Bank will continue with its plans to build a new branch on property the bank recently purchased. The new facility is expected to be completed in early fall of this year and will be a full-service branch with a drive thru automated teller machine that will provide customers with 24-hour banking services. Martinelli says the Dayton branch will also offer customers 9 a.m. to 6 p.m. weekday hours and 9 a.m. to 1 p.m. Saturday banking hours.

Valley Bank has over $2.9 billion in total assets and 57 branches throughout Nevada. The bank also has 179 ATMs statewide, the most ATMs of any other Nevada bank, and currently employs more than 2,000 people.

Edwin Skonicki, president of Citibank Nevada, center, presents a donation to Larry Tuntland, chairman of the Nevada Development Authority, right, as Tom Hartley, NDA fund-raising chairman, looks on. Citibank, which came to the Las Vegas Valley with assistance from NDA, is a major supporter of NDA's efforts. NDA, a non-profit organization, works to diversify Southern Nevada's economy by attracting new industry to the area and often acts as a liaison between prospective new companies and local public officials and businesses.

New study reveals subsiding noise contours at Reno Cannon

Skies over Reno Cannon International Airport are quieter, according to a study released by the Airport Authority of Washoe County. The Noise Contour Update for 1989, prepared for the authority by Coffman Associates, shows that 1989 noise levels around the airport are actually lower than they were in 1987.

Acreage affected by aircraft noise has been greatly reduced since 1987. The total number of acres above the 65 dB-Ldn (decibel) contour has shrunk from 14,628 acres in 1987 to 7,155 acres in 1989, a 51 percent reduction.

More importantly, the number of people living in noise impacted areas has been cut significantly. In 1987, 24,700 residents lived in the 65 dB-Ldn contour, while in 1989, that number was reduced to 12,637 residents, a decrease of 48 percent.

The study cites two main reasons for the improving noise situation:

- First, 70 percent of the 1989 airline traffic at Reno Cannon International Airport was of the quiet Stage III technology, as opposed to just 30 percent in 1987. The 70 percent Reno average compares to a national mix of 45-50 percent. Furthermore, of the Stage III aircraft at Reno, the majority are Boeing 737-300's and British Aerospace 146's, which are two of the quietest jet aircraft in operation today.
- Second, the number of airline operations at Reno dropped 22 percent from 1987 to 1989. In 1989, there were 44,852 airline operations, while in 1987, there were 57,600 operations. The reduction in flights was due mainly to airline mergers and consolidations, which eliminated many duplicated flights.

Executive Director Robert C. White says the new noise study is good news for the community. "It is obvious that the noise environment is improving," White says. "Even as airlines add flights, there should be little impact on the noise contours since most new flights will likely use quiet, Stage III aircraft."

Conference to focus on emerging trends in commercial real estate

The Building Owners and Managers Association (BOMA) International's 83rd Annual Convention will be held at the Las Vegas Hilton, June 23-27. Over 3,000 commercial real estate professionals world wide are expected to attend the industry's largest and longest-running convention devoted exclusively to office building professionals.

The convention will feature several influential speakers who will discuss the managerial, financial, and environmental challenges that the industry must meet in the new decade. The Resolution Trust Corporation's Executive Director David Cooke, will deliver a long-

awaited presentation on how the RTC is progressing with surplus properties from the failed savings and loans, and how building managers can benefit.

Frank Feather, global futurist and author of *G-Forces: Reinventing The World*, will examine 33 global driving forces of the '90s. Feather will address the implications of increasingly rapid socio-economic and techno-political change, showing what the future trends and emerging issues inherent to such change mean to commercial real estate. Mayor Ed Koch, known as "the man who restored fiscal integrity to New York City," will deliver the keynote presentation on the future of America's cities and their infrastructures.

Workshops and seminars will be offered along several career paths to meet the diverse needs of the many professional disciplines associated with the office building industry. Featured seminars this year include: the impact of the office environment on employee productivity; the pros and cons of contracting for maintenance services; compelling building amenities; designing the new office building; environmental concerns; and personal and professional development. In addition, a half-day seminar will be offered on emergency preparedness and response. A one-day program specifically designed for leasing agents and brokers is planned for June 25.

Over 350 exhibits will showcase the latest technological innovations and services at The Office Building Show, held concurrently. A first-ever business center will allow attendees to conduct business while at the event.

Founded in 1907, BOMA International has 103 federated associations in the United States, Canada, Australia, Great Britain, Japan, New Zealand and around the world. Its 7,200 members own or manage over five billion square feet of North American office space. BOMA International has been a leader in adult continuing education in the commercial real estate field for 80 years.

Governor announces job training program

Governor Bob Miller announced that $85,739 has been allocated to Arrow Electronics, Inc. for the purpose of training Nevadans for positions in their Sparks facility.

The funds were made available through Nevada's Quick Start program — a program that benefits new industries interested in locating in Nevada by offsetting the high costs of hiring and training new employees. "This program has generated an excellent spirit of cooperation between the companies and state and local agencies," said Governor Miller. "The companies meet with local agencies to develop a job training plan that meets their needs and provides jobs for Nevadans."

Arrow Electronics, Inc. is one of the world's two largest distributors of electronic components, systems and related products. In addition to its North American operations, Arrow has established an international distribution network with a wholly-owned operation in the U.K., a joint venture in Japan, and a 40 percent interest in Spoerle Electronic, the largest electronics distributor in West Germany. "We intend to open a state-of-the-art, 85,000 square-foot distribution center in Sparks," said Don E. Burton, Arrow's vice president, operations. "This warehouse will utilize portable computer terminals with FM transmitters to assist employees in picking and storing products. The handheld devices will interface with the company's proprietary VAX computer system in New York on a realtime basis. The use of the very latest system technology allows the company to maintain its position at the cutting edge of customer service."

The Nevada Employment and Security Department is assisting with recruitment and screening of candidates. Instructors from Truckee Meadows Community College and Arrow will conduct classes on site at the company's facility.

The coordinating agency for Nevada's Quick Start program is the State Job Training Office. Its responsibilities include fund disbursement, collecting payments for trainees funded by other JTPA training programs, delegating the development of a training package, and ensuring coordination of the participating agencies — Nevada Commission on Economic Development, Nevada Employment Security Department, Truckee Meadows Community College, and Job Opportunities in Nevada (JOIN).

The Nevada Commission on Economic Development reviews all requests and makes the final decision on which businesses will be recommended for funding. State Job Training Office Director Barbara Weinberg works directly with each of the agencies. The office administers funds and monitors job training programs throughout the state.

Elks team with welfare division to assist needy children

Governor Bob Miller announced the State Welfare Division and the Nevada Elks Association have entered into a partnership to provide emergency shelter care for abused and neglected children. The partnership is called "Project SAFE Haven." Governor Miller said, "The Elks Association is known throughout Nevada for their charitable causes. Their assistance to abused and neglected children will be of great benefit for the entire state."

The Elks are donating $52,000 each year for a two-year period to support the costs of emergency shelter care homes and have

agreed to assist in recruiting homes to provide interim care for children. "Unofficial statistics for calendar year 1989 indicate there are more than 15,000 reports of child abuse and neglect, an increase of 50 percent over 1988," said Linda Ryan, welfare administrator.

Project SAFE Haven will provide the additional emergency shelter care beds needed to keep up with the increased incidence of child abuse and neglect. Emergency shelter care is short-term care for children removed from their current surroundings until long range plans can be made.

Legislature pursues alternative dispute options

An interim committee of the Nevada Legislature, established during the waning days of the 1989 session to study alternative methods of resolving disputes, recently put questions to the Nevada Trial Lawyers regarding ways to provide alternatives to disputes in civil cases.

At the request of State Senator Sue Wagner, who chairs the interim committee, NTLA was asked to provide information and input on an alternative dispute resolution which, if passed in the 1991 legislative session, would create pilot programs in Washoe and Clark counties for resolving certain civil cases through arbitration or mediation.

"In creating an alternative dispute resolution, the Legislature could reduce insurance rates by eliminating some of the formality and expense of trials," said Harold G. Albright, spokesman for the NTLA. "In that spirit we support the creation of a program which gives consumers an alternative by which settlements, such as personal injury, can be expedited quickly and, in most cases, for less cost."

EPA, DOE, UNLV enter into agreement on minority engineering

The U.S. Environmental Protection Agency (EPA), U.S. Department of Energy (DOE), and the University of Nevada, Las Vegas (UNLV), have entered into an agreement to provide training for students in UNLV's Minority Engineering Program.

The goal of the cooperative agreement is recognition of society's need for engineers, and with emphasis on minorities traditionally under-represented in the profession. This program is a "first" for UNLV and the two federal agencies supporting it.

EPA and DOE will provide UNLV students with training projects and assignments associated with environmental issues and research problems. Students will also receive stipends for participating in the EPA-initiated program.

The agreement was announced by Robert Snelling, acting director of EPA's Environmental Monitoring Systems Laboratory Las Vegas; Nick Aquilina, manager of DOE's Nevada Operations Office, Las Vegas; and Dr. William Wells, dean, Howard R. Hughes College of Engineering, UNLV.

Hunter Douglas opens fabrication plant in Las Vegas

Hunter Douglas, the world's largest window coverings manufacturer, has recently opened a vertical blind fabrication plant and customer service center in Las Vegas. Madden Enterprises, a subsidiary of Hunter Douglas, will operate the 4,800 square-foot facility to service window covering retailers in Las Vegas and Southern Nevada, Southern Utah and Northwest Arizona.

"Both Hunter Douglas and Madden knew the only way to keep up with the tremendous growth in Clark County and Southern Utah was to open a full-time fabrication and customer service facility," said Ron Briggs, regional sales manager for Nevada, Utah and Idaho. "By opening in Las Vegas, we are able to provide delivery in our own vans, as well as fast manufacturing and delivery times, and more." Briggs will start van delivery to St. George in the near future.

Prior to opening in Las Vegas, Briggs and his staff were located in Salt Lake City, Utah, and all fabrication was done in California. Tania Harden, Madden's Salt Lake City Office Manager has relocated to Las Vegas and will continue in that position.

Vucanovich announces major contract for NTS

Congressman Barbara Vucanovich (R-NV) announced that Raytheon/F&S of Nevada has been selected to negotiate with the Department of Energy on a contract of up to $625 million over a five-year period. The contract is to provide management, operations and technical services, and logistical support at the Nevada Test Site and in the Pacific.

"This major new contract under negotiation is a very positive indication for the future of the Nevada Test Site and the many citizens of Southern Nevada who are employed there," Vucanovich said. "I have been assured by the managers of Raytheon that, in addition to new jobs, there will be an effort to provide continuity and to protect jobs for those who worked for the previous contractor.

"I believe that a federal contract of this magnitude is a good step for the economy of the state," she concluded.

Bears Loosen Grip on Stocks

Nevada stocks took a break from their recent wild gyrations, as the bear's legs weakened considerably last month. The effect was bullish indeed for the *Nevada Business Journal* Stock Index, which scaled 4.07 percent to 2165.40, as gainers surpassed losers 12 to ten.

Investors clearly were more patient with ailing First Interstate, as it reversed its southerly course and traveled $3.25 a share higher to $37.88. The reason: Kohlberg Kravis Roberts bought an additional 4.5 percent stake as part of First Interstate's recent public offering. In addition, KKR signed a two-year standstill agreement with the banking concern. As a result, First Interstate was the largest dollar-gainer in our state last month.

Sierra Health Services added 13 cents to $7.50. The HMO posted fourth-quarter net income of $.9 million vs. a net loss of $7.5 million during the year-earlier period.

Circus Circus Enterprises was also popular with investors last month, as it stretched $1.88 a share to $49.88. Bear Stearns' analyst Steve Eisenberg reiterated his "buy" recommendation for the casino operator and has placed a $68-a-share near-term target for the company's stock price.

Sierra Health Services added 13 cents to $7.50. The HMO posted fourth-quarter net income of $.9 million vs. a net loss of $7.5 million during the year-earlier period.

In closing, Nevada Power said it will sell another 1.5 million newly issued shares at $22.75 each. Nevada Power, which tumbled 88 cents for the period to $22.75, said net proceeds will be used primarily for construction purposes.

NEVADA BUSINESS JOURNAL STOCK INDEX

Exch	Company	Ticker Symbol	Closing Price 02/12/89	Closing Price 03/12/90	Net Chnge in Period	% Chnge in Period	P/E Ratio	Annual Dividend Rate	Annual Dividend Yield	Annual High	Annual Low
OTC	Amserv	AMSR	6.00	6.00	0.00	0.00	13	0.00	0.00	7.63	4.25
OTC	Blockbuster Ent.	BV	15.75	15.63	-0.13	-0.79	26	0.00	0.00	21.63	12.13
OTC	Cadema Corp. (L)	CDMA	0.31	0.44	0.13	39.94	-3	0.00	0.00	1.19	0.25
NYS	Circus Circus	CIR	48.00	49.88	1.88	3.91	20	0.00	0.00	57.00	32.63
ASE	Elsinore Corp.	ELS	0.50	0.50	0.00	0.00	-1	0.00	0.00	0.88	0.25
NYS	First Interstate Bank (L)	I	34.63	37.88	3.25	9.39	-10	3.00	7.92	70.38	32.75
OTC	First Western Financial	FWES	5.63	6.50	0.88	15.56	6	0.36	5.54	9.25	4.88
NYS	Golden Nugget	GNG	23.25	26.13	2.88	12.37	-20	0.00	0.00	34.00	17.50
OTC	Hytek Microsystems (L)	HTEK	0.38	0.28	-0.09	-25.07	—	0.00	0.00	2.50	0.28
OTC	Int'l Game Technology	IGAM	29.00	30.00	1.00	3.45	15	0.00	0.00	32.63	20.88
NYS	Jackpot Enterprises (L)	JACK	8.38	8.63	0.25	2.99	13	0.28	3.25	17.25	7.38
OTC	MarCor Development	MAAR	7.75	7.25	-0.50	-6.45	26	0.00	0.00	16.25	6.63
NYS	Nevada Power	NVP	23.63	22.75	-0.88	-3.70	13	1.56	6.86	25.88	19.25
NYS	Sahara Casino Partners (L)	SAH	8.75	8.25	-0.50	-5.71	75	1.12	13.58	9.25	8.00
OTC	Sahara Resorts	SHRE	25.38	27.00	1.63	6.40	73	0.00	0.00	38.00	23.75
OTC	Sands Regent	SNDS	13.50	14.00	0.50	3.70	11	0.00	0.00	16.50	11.00
NYS	Showboat Inc.	SBO	7.63	7.75	0.13	1.64	13	0.08	1.03	15.63	7.25
ASE	Sierra Health Service	SIE	7.38	7.50	0.13	1.69	16	0.00	0.00	9.63	2.13
NYS	Sierra Pacific Resources	SRP	23.50	23.50	0.00	0.00	11	1.84	7.83	25.63	22.38
NYS	Southwest Gas	SWX	17.13	17.00	-0.13	-0.73	8	1.40	8.24	20.38	16.50
OTC	Syntech International	SYNE	0.50	0.84	0.34	68.80	—	0.00	0.00	2.50	0.25
OTC	United Gaming Inc.	UGAM	9.88	9.38	-0.50	-5.06	14	0.00	0.00	15.50	8.13
OTC	Vacation Spa Resorts	VSPA	0.13	0.09	-0.03	-24.80	2	0.00	0.00	0.16	0.09
OTC	Valley Capital Corp.	VCCN	29.88	26.25	-3.63	-12.13	8	0.80	3.05	36.00	22.00
OTC	Vanderbilt Gold (L)	VAGO	2.38	1.63	-0.75	-31.58	-18	0.00	0.00	3.63	1.44
OTC	Vita Plus Industries	VPII	0.09	0.09	0.00	0.00	—	0.00	0.00	0.50	0.06

NOTE: Frontier Savings was delisted from NASDAQ

KEY: (H) = New high in period; (L) = New low in period; d = Deficit; NYS = New York Stock Exchange; ASE = American Stock Exchange; OTC = Over The Counter; (s) = Reflects stock split
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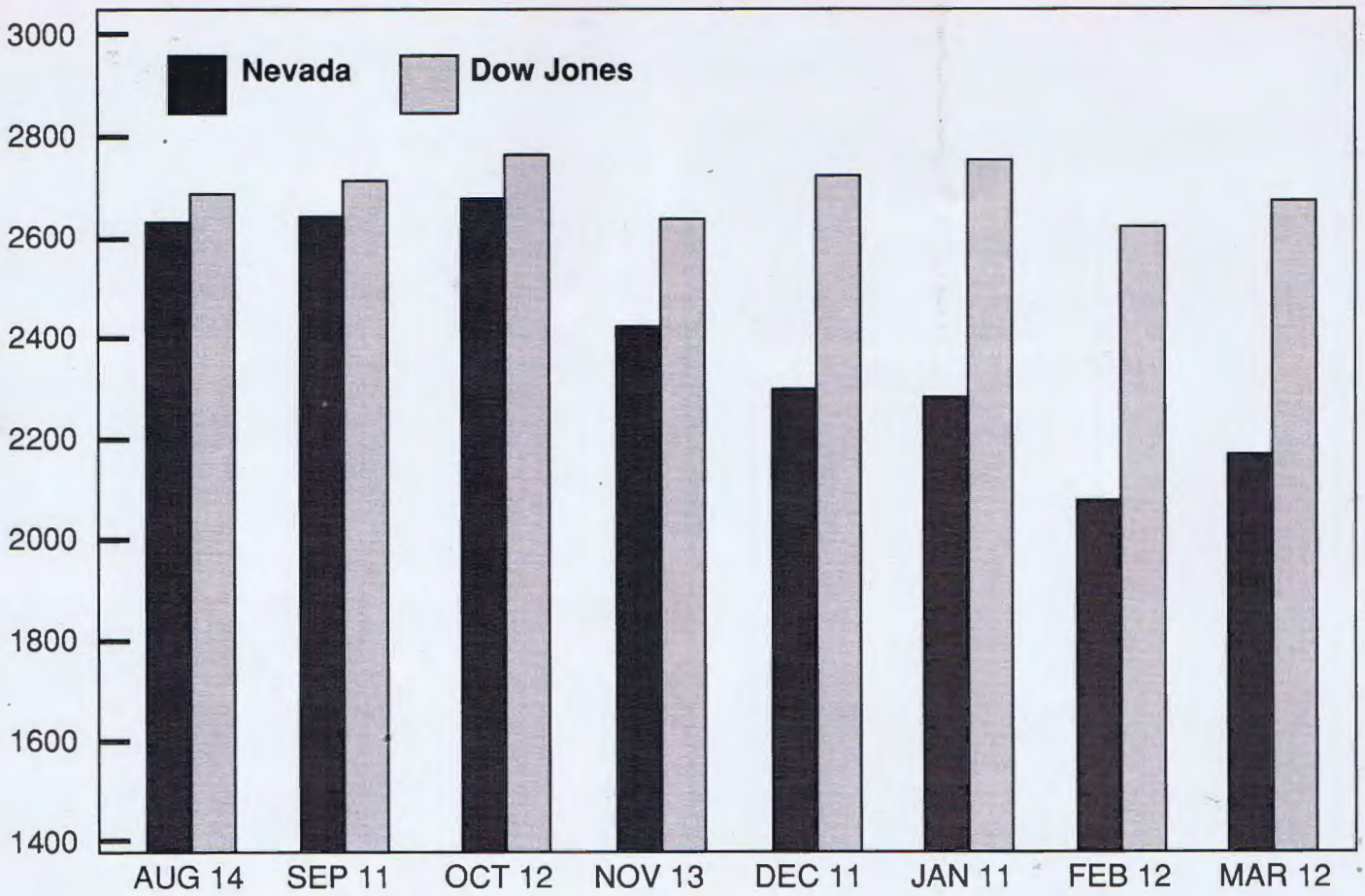

CLOSING QUOTES FOR BAR CHART (Above)

Date	Nevada	Dow Jones
08/14	2619.56	2677.92
09/11	2629.35	2704.41
10/12	2673.05	2759.84
11/13	2418.53	2625.61
12/11	2293.26	2728.54
01/11	2822.03	2760.67
02/12	2080.77	2619.14
03/12	2165.40	2686.71

MARKET DIARY

Advances	12
Declines	10
Unchanged	4
New Highs	0
New Lows	6

MOST ACTIVE ISSUES

Largest Dollar Gainer	First Interstate	$3.25
Largest Dollar Loser	Valley Capital Corporation	–$3.63
Largest Percentage Gainer	Syntech International	68.80%
Largest Percentage Loser	Vanderbilt Gold	–31.58%

INDICES

	Close 02/12/89	Close 03/12/89	Net Change in Period	Percent Change in Period
Nevada Business Journal Stock Index	2080.77	2165.40	84.63	4.07
Dow Jones Industrial Average	2619.14	2686.71	67.57	2.58
N.Y.S.E. Composite	182.55	186.51	3.96	2.17
Standard & Poor's 500-Stock Index	330.08	338.67	8.59	2.60
NASDAQ OTC Composite	426.38	436.56	10.18	2.39

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Located in the heart of the downtown financial district the complex will be built on two beautifully landscaped city blocks and will feature top of the line Class "A" office accommodations set in an elegant and professional environment.

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Future plans call for an adjoining 300 room business hotel which will make the Minami Tower complex a complete business destination facility.

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