



Report of the Subcommittee on
Health and Human Resources

Senate Finance Committee
Virginia General Assembly

February 18, 2018



SENATE OF VIRGINIA

Senate Finance Committee

REPORT OF THE HEALTH AND HUMAN RESOURCES SUBCOMMITTEE

The Honorable Emmett W. Hanger, Jr., Chairman

Mr. Chairman and Members of the Committee:

Today I am pleased to provide the report of the Health and Human Resources Subcommittee. While the overarching issue of whether Virginia should expand Medicaid has dominated this session, there are many other important issues the Subcommittee has considered. Let me start by addressing the issue of Medicaid. The recommendations before you remove the impact of expansion from the budget along with the hospital provider assessment. I know this does not please every member of this Committee, but what I will say to you is that the conversations on this issue will not end here. I have been encouraged by the productive discussions on both sides of the aisle to understand the impact expansion would have on the Commonwealth. This has not always been the case in past years, but recent events have influenced that dialogue. I know that as we go forward in this process that such discussions will continue not only with our colleagues from the other chamber but also with the Governor.

This report does include language setting out the Subcommittee's priorities based on Senate Bill 915, which this Committee passed. As you all know, the proposed budget included \$421 million in savings to state programs from the expansion of Medicaid and by using a provider assessment on hospitals to pay for the full costs of expansion. After backfilling such savings and ensuring core

services are funded in this budget, the Subcommittee is only able to lay out what is an aspirational plan. At the heart of that plan is continuing to expand coverage to individuals truly in need, such as the mentally ill, individuals suffering with substance use disorder, and low-income individuals facing complex medical conditions.

In addition to other items in Senate Bill 915, a major priority of the Subcommittee is to eventually eliminate the Priority One wait-list for individuals with developmental disabilities. While the Subcommittee adopts the 825 waiver slots in the introduced budget, the financial challenges of the budget before us did not allow for additional slots at this time.

Now putting aside the bigger issues surrounding Medicaid, the major focus of the recommendations before you demonstrate the Subcommittee's continuing priority to address the issues in our behavioral health system. The proposed budget included \$72 million in new funding for behavioral health services and I am pleased to say that the recommendations before you preserve much of that funding. The Subcommittee recommends adopting \$7.1 million in new funding for Permanent Supportive Housing, bringing the total program to nearly \$17 million. This program has been a high priority of this Subcommittee over the past few years.

The Subcommittee recommendations also include additional investments based on the work of the Joint Subcommittee to Study Mental Health Services in the Commonwealth in the 21st Century. Additional funding to assist the mentally ill includes discharge planning at local jails, more diversion programs, expanded CIT training in rural communities, increasing the availability of telemental health services, and creating a statewide alternative transportation system for adults and

children subject to Temporary Detention Orders. While the Subcommittee would like to make even larger investments, I am pleased that we are still able to continue to focus our efforts in improving the overall community-based behavioral health system to better serve the citizens of the Commonwealth.

I would like to point out one important initiative the Subcommittee is advancing and that is bringing electronic health records to our state mental hospitals, local departments of health, and eventually even to facilities in the Department of Corrections. While having electronic health records in a facility can improve care, the recommendations of the Subcommittee work to create a statewide integrated system that will allow for better overall care of individuals, especially if they interact with different programs and agencies of state government.

While the funding challenges the Subcommittee faced limited our ability to make additional investments in other areas of Health and Human Resources, I am proud of the Subcommittee's work and the key investments we are able to make.

To that end, let me thank all the members of the Subcommittee for their hard work and the many meetings they had to attend to put this report together. We did have a new member this year, Senator Stuart, and as is required on this Subcommittee, he had little choice but to jump right in to the complex world of Health and Human Resources. I sincerely appreciate the contributions and efforts of each member of the Subcommittee to create this report.

With that Mr. Chairman, this concludes my report for Health and Human Resources. I hope it will be the pleasure of the Committee to adopt our amendments.

Respectfully Submitted,

The Honorable Emmett W. Hanger, Jr., Chairman

The Honorable Janet D. Howell

The Honorable Thomas K. Norment, Jr.

The Honorable Stephen D. Newman

The Honorable George L. Barker

The Honorable Siobhan S. Dunnavant

The Honorable Richard H. Stuart

The Honorable Rosalyn R. Dance

Subcommittee on Health and Human Resources

Recommended Amendments SB 29 and 30, as Introduced
2018 General Assembly

Line	Description	GF FY 2018	GF FY 2019	GF FY 2020	NGF FY 2018	NGF FY 2019	NGF FY 2020
1	Secretary of Health and Human Resources						
2	Eliminate Increase in Operating Budget	\$ -	\$ (75,000)	\$ (75,000)	\$ -	\$ -	\$ -
3							
4	Children's Services Act						
5	Limit Expenditure Growth in CSA Services	\$ -	\$ (3,834,046)	\$ (10,257,767)	\$ -	\$ -	\$ -
6	Workgroup for Outcome Measures for Private Day Placements			Language			
7	SB 205: Pilot Program to Use CSA Funds for Public Day Programs			Language			
8							
9	Department of Health						
10	Modify Funding and Requirements for Electronic Health Records	\$ -	\$ (1,801,500)	\$ -	\$ -	\$ -	\$ -
11	Adjust Funding for Increase in Decedent Transport Fee	\$ -	\$ (44,575)	\$ (44,575)	\$ -	\$ -	\$ -
12	Remove Funding for Meningococcal Vaccine Mandate	\$ -	\$ -	\$ (520,745)	\$ -	\$ -	\$ (1,424,030)
13	Remove Funding Increase for Free Clinics	\$ -	\$ (500,000)	\$ (500,000)	\$ -	\$ -	\$ -
14	Review Health Risks of Biosolids and Conduct Sample Testing	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -
15	Mission of Mercy (M.O.M.) Dental project	\$ -	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ -
16	Southwest Virginia Health Wagon	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -
17	Alexandria Health Department Relocation	\$ -	\$ -	\$ 1,113,421	\$ -	\$ -	\$ -
18	Adjust Appropriation and Specifications for LARC Initiative	\$ -	\$ -	\$ -	\$ -	\$ (600,000)	\$ (600,000)
19	Eliminate Earmark for Ambulance Stretcher Retention Systems			Language			
20	Moratorium and Study of Freestanding Emergency Facilities			Language			
21	Home Visiting Pilot Project			Language			
22							
23	Department of Health Professions						
24	Add Five Positions to Address Workload	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Enhance Prescription Monitoring Program	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000
26							
27	Department of Medical Assistance Services						
28	Medicaid Expansion: Restore Temporary Detention Order Savings	\$ -	\$ 1,624,715	\$ 2,784,949	\$ -	\$ -	\$ -
29	Medicaid Expansion: Restore General Fund Savings in Medicaid	Language	\$ 133,531,003	\$ 235,993,532	\$ -	\$ (889,703,816)	\$ (2,198,795,589)
30	Medicaid Expansion: Remove Administrative Funding	\$ (611,953)	\$ (12,478,986)	\$ (13,526,167)	\$ (1,111,953)	\$ (30,839,993)	\$ (28,781,384)
31	Medicaid Expansion: Remove Administrative Funding for Contracts	\$ -	\$ (2,291,849)	\$ (3,842,100)	\$ -	\$ (5,571,183)	\$ (8,802,503)
32	Adjust Health Care Fund Revenue	\$ (2,350,000)	\$ (2,300,000)	\$ (2,300,000)	\$ 2,350,000	\$ 2,300,000	\$ 2,300,000
33	Eliminate Funding for Evaluation of GAP Waiver	\$ -	\$ (85,000)	\$ (85,000)	\$ -	\$ (85,000)	\$ (85,000)
34	Suspension of Federal Insurance Tax	\$ -	\$ -	\$ (41,977,057)	\$ -	\$ -	\$ (41,977,057)
35	Remove Funding for Medallion 4.0 Managed Care Program Mailings	\$ (500,000)	\$ -	\$ -	\$ (500,000)	\$ -	\$ -
36	Eliminate Restoration of Prior Year Savings Strategy	\$ -	\$ -	\$ (250,000)	\$ -	\$ -	\$ 250,000
37	Merge Agency Call Centers	\$ -	\$ (3,750,000)	\$ (1,125,000)	\$ -	\$ (6,250,000)	\$ (3,375,000)
38	Remove Overtime Authority for Consumer-Directed Attendants	\$ -	\$ -	\$ (9,609,223)	\$ -	\$ -	\$ (9,609,223)
39	Remove Increase in Funding for External Quality Review Contractor	\$ -	\$ (301,755)	\$ (570,449)	\$ -	\$ (905,266)	\$ (1,711,348)
40	Remove Rate Increase for Consumer-Directed Personal Care Services	\$ -	\$ (4,773,196)	\$ (5,055,102)	\$ -	\$ (4,773,196)	\$ (5,055,102)
41	Eliminate Reporting and Position Related to Pharmacy Claims	\$ -	\$ (78,720)	\$ (78,720)	\$ -	\$ (78,720)	\$ (78,720)

Subcommittee on Health and Human Resources

Recommended Amendments SB 29 and 30, as Introduced
2018 General Assembly

Line	Description	GF	GF	GF	NGF	NGF	NGF
		FY 2018	FY 2019	FY 2020	FY 2018	FY 2019	FY 2020
42	Restore Disproportionate Share Hospital Funding for State Mental Hospitals	\$ -	\$ 453,910	\$ 635,474	\$ -	\$ 453,910	\$ 635,474
43	Graduate Medical Education Residency Slots	\$ -	\$ 200,000	\$ 1,450,000	\$ -	\$ 200,000	\$ 1,450,000
44	Review of Managed Care Programs	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000	\$ -
45	Behavioral Health Transformation	\$ -	\$ 150,000	\$ -	\$ -	\$ 150,000	\$ -
46	Supplemental Funding for UVA Medical Center and VCU Health System	\$ -	\$ -	\$ -	\$ -	\$ 10,100,000	\$ 10,500,000
47	Civil Money Penalty Funds for Quality Initiatives	\$ -	\$ -	\$ -	\$ (175,000)	\$ 500,000	\$ 500,000
48	Supplemental Payments to Chesapeake Regional Hospital	\$ -	\$ -	\$ -	\$ -	\$ 3,018,676	\$ 3,109,236
49	Priority Needs Access Program						
50	Report on Hospital Supplemental Payments						
51	Modification to Electronic Visit Verification Requirements						
52	Private Duty Nursing Medical Necessity Review						
53	Informal Appeals Decisions						
54	Consumer-Directed Agency with Choice Model						
55	Feasibility of a Primary Care Pilot in Medicaid						
56	Indirect Medical Education Payments to a Children's Hospital						
57	Modify Medicaid Forecasting and Expenditure Reporting Requirements						
58	Developmental Disability Waiver Provider Audit Provisions						
59	Training Requirements for Consumer-Directed Attendants						
60	Organizational Review and Agency Restructuring						
61	Clarify Inflation Calculation for Hospital Rebasings						
62	Incentive Plan to Redirect Temporary Detention Orders to Private Hospitals						
63	Review Rates for Residential Treatment Facilities						
64	Requirements for Supplemental Payments						
65	Tracking Pharmacy Rebates						
66	Sponsored Residential Services						
67							
68	Department of Behavioral Health and Developmental Services						
69	Medicaid Expansion: Restore Community Services Boards Savings	\$ -	\$ 16,653,864	\$ 24,980,796	\$ -	\$ -	\$ -
70	Reduce New Funding for Discharge Assistance Planning	\$ -	\$ (1,150,000)	\$ (2,300,000)	\$ -	\$ -	\$ -
71	Reduce New Funds for State Rental Assistance Program	\$ -	\$ -	\$ (1,000,000)	\$ -	\$ -	\$ -
72	Remove Funding for Community Support Teams	\$ -	\$ -	\$ (752,170)	\$ -	\$ -	\$ -
73	Remove Funding to Acquire Assisted Living Facilities	\$ -	\$ (1,750,000)	\$ (2,000,000)	\$ -	\$ -	\$ -
74	Remove Funding for Appropriation Error in Central Office	\$ (200,000)	\$ (200,000)	\$ (200,000)	\$ -	\$ -	\$ -
75	Hepatitis C Treatment Costs	\$ -	\$ (381,600)	\$ (381,600)	\$ -	\$ -	\$ -
76	Eliminate Backfill for Loss of Disproportionate Share Hospital Payments	\$ -	\$ (907,820)	\$ (1,270,948)	\$ -	\$ 907,820	\$ 1,270,948
77	Modify Implementation of Primary Care Screening	\$ -	\$ (3,720,000)	\$ (3,720,000)	\$ -	\$ -	\$ -
78	Discharge Planning at Local Jails	\$ -	\$ 1,600,000	\$ 1,600,000	\$ -	\$ -	\$ -
79	Fund Intercept Two Diversion Programs	\$ -	\$ 708,663	\$ 708,663	\$ -	\$ -	\$ -
80	CIT Training Program in Rural Communities	\$ -	\$ 657,648	\$ 657,648	\$ -	\$ -	\$ -
81	Telemental Health Pilot Program	\$ -	\$ 1,100,000	\$ 1,100,000	\$ -	\$ -	\$ -
82	Alternative Transportation for TDOs	\$ -	\$ 2,500,000	\$ 4,500,000	\$ -	\$ -	\$ -

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2018 General Assembly

Line	Description	GF FY 2018	GF FY 2019	GF FY 2020	NGF FY 2018	NGF FY 2019	NGF FY 2020
83	Best Buddies Virginia	\$ -	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -
84	Facility Studies to Improve Patient Safety	\$ -	\$ -	\$ -	\$ -	\$ 600,000	\$ -
85	Public-Private Partnership for Central Virginia Training Center			Language			
86	Electronic Health Records Requirements and Interagency Workgroup			Language			
87	Supportive Housing Services			Language			
88	Report on Bond Defeasance Costs of State Training Centers			Language			
89	Notification of Appropriation Transfers to VCBR			Language			
90	Medication Assisted Treatment Requirements			Language			
91	Special Revenue Fund Balance			Language			
92	Reporting on Waivers			Language			
93	Lease of Eastern State Hospital Land for Hope Village Project			Language			
94	Lease of Eastern State Hospital Land for Medical and Behavioral Health Facility			Language			
95							
96	Department for Aging and Rehabilitative Services						
97	Long-Term Employment Support Services	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -
98	Brain Injury Case Management Services	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -
99	Address Waiting Lists for Aging Services	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -
100	Long-Term Care Ombudsman	\$ -	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -
101	Requirements for Employment Support Services Programs and Workgroup			Language		\$ -	\$ -
102							
103	Department of Social Services						
104	Medicaid Expansion: Remove Funding for Eligibility Workers	\$ -	\$ (2,250,545)	\$ (3,642,480)	\$ -	\$ (16,879,087)	\$ (27,318,604)
105	Offset Child Support Enforcement Revenue Loss	\$ -	\$ -	\$ (200,000)	\$ -	\$ -	\$ -
106	Remove Auxiliary Grant Funds Provided for Mentally Ill Initiative	\$ -	\$ -	\$ (299,040)	\$ -	\$ -	\$ -
107	Remove New Funding for Office of Immigrant Assistance	\$ -	\$ (450,000)	\$ (300,000)	\$ -	\$ -	\$ -
108	Youth For Tomorrow	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -
109	Increase Auxiliary Grant Rate	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -
110	SB44 & SB636: Kinship Care Guardianship Program	\$ -	\$ 55,935	\$ 111,870	\$ -	\$ 24,557	\$ 49,113
111	Extend TANF Transitional Services	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ 303,187	\$ 303,187
112	Family Match Adoption Program	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -
113	FACETS Homeless Assistance Services (TANF)	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 100,000
114	Expand Community Employment and Training Programs (TANF)	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 2,000,000
115	Community Action Agencies (TANF)	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 2,000,000
116	Child Advocacy Centers (TANF)	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000
117							
118	TOTALS: HHR Budget Plan	\$ (3,661,953)	\$ 118,386,146	\$ 172,828,210	\$ 563,047	\$ (932,228,111)	\$ (2,302,545,602)
119							
120	General Assembly of Virginia						
121	Final Report of Private Day Placement Workgroup			Language			
122	Recommendations for Healthcare Policy Integration			Language			
123							

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Recommended Amendments SB 29 and 30, as Introduced
2018 General Assembly

Line	Description	GF FY 2018	GF FY 2019	GF FY 2020	NGF FY 2018	NGF FY 2019	NGF FY 2020
124	Part 3: Miscellaneous						
125	Eliminate Hospital Provider Assessment	Language	Language				

Health and Human Resources

Children's Services Act

Language

Language:

Page 240, after line 47, insert:

"N.1. The state pool of funds shall be made available to serve children and youth who transfer from an approved private school educational program to a public school special education program established and funded jointly by a local governing body and school division located within Planning District 16 pursuant to a Memorandum of Agreement for the purpose of providing special education, related services, or both, within a public day program, when (a) the public school special education program is able to provide services comparable to those for an approved private school special education program and (b) the student would require placement in an approved private school special education program but for the availability of the public school special education program.

2. A child or youth shall be eligible for funding through the state pool if that child or youth transfers from an approved private school educational program to a public school special education program established and funded jointly by a local governing body and school division located within Planning District 16 pursuant to a Memorandum of Agreement for the purpose of providing special education, related services, or both, within a public day program, when (i) the public school special education program is able to provide services comparable to those for an approved private school special education program and (ii) the student would require placement in an approved private school special education program but for the availability of the public school special education program.

3. In the case of a child or youth in a public school education program that is being funded from the state pool, the school division is not eligible to include the child or youth in ADM.

4. The appropriation in this item meets the requirements of the second enactment of Senate Bill 205."

Explanation:

(This amendment provides authority to allow the state pool of funds under the Children's Services Act be made available to serve children and youth who transfer from an approved private school educational program to a public school special education program in a school division located within Planning District 16 for the purpose of providing special education services in a public day program. Funding will be provided if the public school special education program is able to provide services comparable to those for an approved private school special education program and the student would otherwise require placement in an approved private school special education program but for the availability of the public school special education

program.)

Item 282 #3s

Health and Human Resources

Children's Services Act

Language

Language:

Page 240, after line 47, insert:

"N. The Office of Children's Services shall coordinate with the Department of Education to facilitate a workgroup to include private providers, including the Virginia Association of Independent Specialized Education Facilities, the Virginia Council for Private Education, the Virginia Association of Independent Schools, the Southern Association of Colleges and Schools, the Virginia Coalition of Private Provider Associations, and the Virginia Association of Community Services Boards, local school divisions, stakeholder groups, and parent representatives to identify and define outcome measures to assess students' progress in private day placements that may include assessment scores, attendance, graduation rates, transition statistics, and return to the students' home schools. The agencies shall ensure that the number of members from each group (i.e representatives of private providers, parents, local governments, and other stakeholders are each considered their own group) are proportionally represented on the workgroup. The Office of Children's Services and Department of Education shall report recommendations to the Chairmen of the House Education and Appropriations Committees and the Senate Education and Health and Finance Committees by November 1, 2018.)

Explanation:

(This amendment directs the Office of Children's Services along with the Department of Education to facilitate a workgroup with stakeholders to develop outcome measures to assess students' progress in private day placements. A report with recommendations shall be submitted by November 1, 2018.)

Item 286 #1s

Health and Human Resources

Department of Health

Language

Language:

Page 243, strike lines 3 through 6.

Explanation:

(This amendment eliminates budget language directing \$840,000 from the Rescue Squad

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Assistance Fund each year for the purchase of new ambulance stretcher retention systems. These funds will be allocated by the general distribution to non-profit EMS organizations as defined in § 46.2-694 A 13 b (iii) of the Code of Virginia.)

Item 289 #1s

Health and Human Resources

FY18-19

FY19-20

Department of Health

\$100,000

\$0 GF

Language:

Page 244, line 15, strike "\$91,938,115" and insert "\$92,038,115".

Page 245, after line 4, insert:

"G. Out of this appropriation, \$50,000 the first year from the general fund shall be used for the Virginia Department of Health (VDH) to design and conduct a pilot epidemiological study of the human health effects of land application of biosolids. In designing and conducting the pilot study, VDH shall contract with third parties, such as researchers at Virginia institutions of higher education, as needed. VDH shall be assisted by the Virginia Department of Environmental Quality as needed. Following completion of the pilot study, VDH shall submit its findings and a proposed design for a full-scale epidemiological study, if needed, to the Senate Finance, and Agriculture, Conservation, and Natural Resources Committees; and the House Appropriations, and Agriculture, Chesapeake, and Natural Resources Committees.

H. Out of this appropriation, \$50,000 the first year from the general fund shall be used for the Virginia Department of Health (VDH) to perform sample testing of Class B biosolids that are land applied in Virginia to determine their pathogen content. VDH shall use test results to inform its epidemiological pilot study and assessment of aerosol infection risks."

Explanation:

(This amendment provides \$50,000 the first year from the general fund and language directing the Virginia Department of Health to review health risks from the land application of biosolids. In addition, this amendment provides another \$50,000 the first year from the general fund for the Virginia Department of Health to test Class B biosolids that are applied in Virginia for pathogen content. This funding is a recommendation from a 2017 JLARC report, Land Application of Biosolids and Industrial Residuals.)

Item 290 #1s

Health and Human Resources

Department of Health

Language

Language:

Page 245, after line 47, insert:

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"F. Between July 1, 2018, and July 1, 2019, no person shall establish a new emergency facility that includes, as part of such facility, a dedicated emergency department as defined in 42 C.F.R. § 489.24(b) that operates as a department of a hospital subject to requirements of the federal Emergency Medical Treatment and Labor Act (42 U.S.C. § 1395dd) and is located off the main hospital campus. The Joint Commission on Administrative Rules shall be directed to study the need to regulate freestanding dedicated emergency departments as medical care facilities projects subject to review and approval under Virginia's Certificate of Public Need program and to report back to the General Assembly by November 30, 2018. In conducting its study, the Commission shall review (i) the payor and consumer cost of care in freestanding emergency departments versus physician office and urgent care office settings, (ii) the impact of freestanding emergency department placement on existing hospitals in the area, and (iii) other methods of transparency that protect consumers, such as pre-admission disclosure of visit cost and signage. For purposes of this section, a "new emergency facility" shall mean that the developer of the proposed facility did not initiate construction by July 1, 2018 or have a formal plan of construction (as that term is used in § 32.1-102.1, Code of Virginia) in place by February 15, 2018."

Explanation:

(This amendment imposes a one-year moratorium on the construction of freestanding emergency room departments to provide time for the Joint Commission on Administrative Rules (JCAR) to study the need to regulate such facilities under Virginia's Certificate of Public Need program. JCAR will review the cost of care in freestanding emergency departments compared to other settings, their impact on other hospitals collocated nearby, and transparency for consumers to ensure they are fully informed of the costs of using such facilities. JCAR shall report back to the General Assembly by November 30, 2018.)

	Item 297 #1s	
Health and Human Resources	FY18-19	FY19-20
Department of Health	(\$1,801,500)	\$0 GF

Language:

Page 254, line 4, strike "\$26,093,899" and insert "\$24,292,399".

Page 255, after line 31, insert:

"E.1. Out of this appropriation, \$4,201,500 the second year from the general fund is provided to the Virginia Department of Health for the costs of participating in the electronic health records system platform being implemented by the Department of Behavioral Health and Developmental Services (DBHDS). The department shall contract with the vendor for which DBHDS has contracted for electronic health records. The appropriation provided for this purpose, shall be used by the department to begin implementation of an electronic health records system for local health departments. The department shall begin to phase-in the system for local health departments after July 1, 2019, based on a schedule developed as part of an

interagency workgroup coordinating with the vendor. The appropriation may also be used for the costs of adding additional modules to the system to meet the unique needs of local health departments.

2. The department shall utilize the cost estimates developed by the interagency workgroup in conjunction with the Department of Planning and Budget. The Department of Planning and Budget is authorized to transfer a portion of the appropriation provided in paragraph E.1. to the Department of Corrections, if funding is available, based on the determination by the interagency workgroup of the costs for implementing electronic health records in local health departments in the second year."

Explanation:

(This amendment reduces \$1.8 million the first year from the general fund provided in the introduced budget to fund an electronic health records system. Funding of \$4.2 million the second year from the general fund remains for the Virginia Department of Health to cover the costs of participating in the electronic health records system platform that will be implemented by the Department of Behavioral Health and Developmental Services (DBHDS). Implementation for local health departments will begin in the second year after the platform is implemented at DBHDS. If the funding in FY 2020 is more than sufficient to cover the costs for local health departments then the Department of Planning and Budget is authorized to transfer funding to the Department of Corrections to begin the roll-out of the system in their facilities.)

	Item 299 #1s		
Health and Human Resources	FY18-19	FY19-20	
Department of Health Professions	5.00	5.00	FTE

Language:

Explanation:

(This amendment adds five positions each year in the Department of Health Professions to manage the increases in workload across the Health Regulatory Boards that license health professionals, enforce standards of practice, and provide information to health care practitioners and the public. Funding for all five positions is provided through nongeneral funds included in budget for the agency.)

	Item 299 #2s		
Health and Human Resources	FY18-19	FY19-20	
Department of Health Professions	\$300,000	\$300,000	NGF

Language:

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Page 255, line 47, strike "\$33,408,207" and insert "\$33,708,207".

Page 255, line 47, strike "\$33,408,207" and insert "\$33,708,207".

Explanation:

(This amendment provides \$300,000 each year from nongeneral funds to enhance the Prescription Monitoring Program to provide significantly better reporting capabilities for all users and less expensive access for integrated prescribing and dispensing systems.)

	Item 303 #1s	
Health and Human Resources	FY18-19	FY19-20
Department of Medical Assistance Services	\$3,018,676	\$3,109,236 NGF

Language:

Page 257, line 34, strike "\$10,983,034,643" and insert "\$10,986,053,319".

Page 257, line 34, strike "\$12,657,131,076" and insert "\$12,660,240,312".

Page 273, after line 36, insert:

"7. The department shall amend the State Plan for Medical Assistance to implement a supplemental outpatient payment for Chesapeake Regional Hospital based on the difference between reimbursement with rates using an adjustment factor of 100 percent minus current authorized reimbursement subject to the outpatient Upper Payment Limits for non-state government owned hospitals. The department shall include in its contracts with managed care organizations a minimum fee schedule for Chesapeake Regional Hospital consistent with inpatient and outpatient rates using an adjustment factor of 100 percent. The department shall adjust capitation payments to Medicaid managed care organizations to fund this minimum fee schedule. Both the contract changes and capitation rate adjustments shall be compliant with 42 C.F.R. 438.6(c)(1)(iii) and subject to CMS approval. Prior to submitting the State Plan Amendment or making the managed care contract changes, Chesapeake Regional Hospital shall enter into an agreement with the department to transfer the non-federal share for these payments. The department shall have the authority to implement these reimbursement changes consistent with the effective date(s) approved by CMS. No payments shall be made without CMS approval."

Explanation:

(This amendment provides \$3.0 million the first year and \$3.1 million the second year from federal funds to make supplemental Medicaid payments to Chesapeake Regional Medical Hospital. This hospital is affiliated with a local government, which allows the hospital to make an intergovernmental transfer to the Department of Medical Assistance Services to be used as the state share for the supplemental Medicaid payments to the hospital and therefore have no impact on the general fund.)

Item 303 #4s

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 278, after line 4, insert:

"PPP. For the period beginning September 1, 2016 until 180 days after publication and distribution of the Development Disabilities Waiver provider manual by the Department of Medical Assistance Services (DMAS), retraction of payment from Developmental Disabilities Waivers providers following an audit by DMAS or one of its contractors is only permitted when the audit points identified are supported by the Code of Virginia, regulations, DMAS general provider manuals, or DMAS Medicaid Memos in effect during the date of services being audited."

Explanation:

(This amendment adds language to prevent the Department of Medical Assistance Services (DMAS) from retracting payments due to audit fundings of Medicaid Developmentally Disabled (DD) Waiver providers until up to 180 days after the DD Waiver provider manual is published, unless the audit points are supported by the Code of Virginia, regulations, DMAS general provider manuals, or DMAS Medicaid Memos in effect during the date of services being audited.)

Item 303 #5s

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 277, line 21, strike "Elderly and Disabled with".

Page 277, line 22, strike "Direction (EDCD)" and insert "CCC Plus Waiver".

Page 277, after line 30, insert:

"3. Nothing stated above shall apply to respite services provided by a DBHDS licensed provider in a DBHDS licensed program site such as a group home, sponsored residential home, supervised living, supported living or similar facility/location licensed to provide respite."

Page 277, line 31, strike "3" and insert "4".

Explanation:

(This amendment modifies budget language included in the introduced budget that directs the Department of Medical Assistance Services to implement electronic visit verification (EVV) as

mandated in the federal 21st Century Cures Act. The federal law only required EVV for personal care services whereas the budget also requires it for companion and respite services. EVV is not intended to be used to verify service provided at a location other than the individual's home. This budget language clarifies implementation of EVV does not apply to a provider who does periodic service within their regular program setting (respite provided in a group home, a sponsored residential home, or the Reach Program).

Item 303 #7s

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 278, after line 4, insert:

"PPP.1. The Department of Medical Assistance Services shall work with stakeholders to review and adjust medical necessity criteria for Medicaid-funded nursing services including private duty nursing, skilled nursing, and home health. The department shall adjust the medical necessity criteria to reflect advances in medical treatment, new technologies, and use of integrated care models including behavioral supports. The department shall have the authority to amend the necessary waiver(s) and the State Plan under Titles XIX and XXI of the Social Security Act to include changes to the medical necessity criteria. The adjustments to these services shall meet the needs of members and maintain budget neutrality by not requiring any additional expenditure of general fund beyond the current projected appropriation for such nursing services.

2. The department shall have authority to implement these changes effective no later than October 1, 2018. The department shall also have authority to promulgate any emergency regulations required to implement these necessary changes within 280 days or less from the enactment date of this Act. The department shall submit a report and estimates of any projected cost savings to the Chairmen of the Senate Finance Committee and House Appropriations Committee 30 days prior to implementation of such changes.

3. The department shall work with stakeholders to review changes to services covered, provider qualifications, rates and rate methodologies for private duty nursing services and make recommendations to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2018."

Explanation:

(This amendment authorizes the the Department of Medical Assistance Services (DMAS) to review and adjust the medical necessity criteria for private duty nursing services as a part of Medicaid home and community-based services (HCBS) waivers and the Medicaid Early, Periodic Screening, Diagnosis and Treatment (EPSDT) benefit. The medical necessity criteria for private duty nursing services for individuals in HCBS waivers and those who use the EPSDT benefit has not been evaluated for many years. This review is necessary to ensure that

DMAS is applying updated medical necessity criteria that reflects the advances in medical treatment, new technologies, and use of integrated care models that allow medically complex individuals to live longer, healthier lives in their homes and communities. It will also ensure this service is being utilized in a clinically appropriate and cost effective manner for all Medicaid and FAMIS members and that lower costs services such as skilled nursing, home health nursing, personal care, and behavioral supports are utilized when clinically appropriate.)

Item 303 #8s

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 264, line 8, after "request." insert "except as provided herein".

Page 264, line 9, after "request," insert "or, in the case of a joint agreement to stay the appeal decision as detailed below, within the time remaining after the stay expires and appeal timeframes resume,".

Page 264, line 13, after "Virginia." insert "The Department of Medical Assistance Services and the provider may jointly agree to stay the deadline for the informal appeal decision or for the formal appeal recommended decision of the Hearing Officer for a period of up to sixty (60) days to facilitate settlement discussions. If the parties reach a resolution as reflected by a written settlement agreement within the sixty-day period, then the stay shall be extended for such additional time as may be necessary for review and approval of the settlement agreement in accordance with law."

Page 267, after line 30 insert:

"vii. Clarify that settlement proposals may be tendered during the appeal process and that approval is subject to the requirements of Virginia Code § 2.2-514. The amended regulations shall develop a framework for the submission of the settlement proposal and state that the Department of Medical Assistance Services and the provider may jointly agree to stay the deadline for the informal appeal decision or for the formal appeal recommended decision of the Hearing Officer for a period of up to sixty (60) days to facilitate settlement discussions. If the parties reach a resolution as reflected by a written settlement agreement within the sixty-day period, then the stay shall be extended for such additional time as may be necessary for review and approval of the settlement agreement in accordance with law."

Explanation:

(This amendment implements a recommendation of the Department of Medical Assistance Services' appeals workgroup created in the 2017 Appropriation Act. The amendment allows an extension for appeals decisions in order to facilitate early settlement discussions between the agency and providers.)

Health and Human Resources	FY18-19	FY19-20	
Department of Medical Assistance Services	\$10,100,000	\$10,500,000	NGF

Language:

Page 257, line 34, strike "\$10,983,034,643" and insert "\$10,993,134,643".

Page 257, line 34, strike "\$12,657,131,076" and insert "\$12,667,631,076".

Page 271, line 41, after "XX.1." insert "a."

Page 272, after line 10, insert:

"b. The department shall adjust capitation payments to Medicaid managed care organizations for the purpose of securing access to Medicaid hospital services for the qualifying private hospital partners of Type One hospitals (consisting of state-owned teaching hospitals). The department shall revise its contracts with managed care organizations to incorporate these supplemental capitation payments, and provider payment requirements. DMAS shall enter into a transfer agreement with any Type One hospital whose private hospital partner qualifies for such supplemental payments, under which the Type One hospital shall provide the state share in order to match federal Medicaid funds for the supplemental payments to the private hospital partner. The department shall have the authority to implement these reimbursement changes consistent with the effective date approved by the Centers for Medicare and Medicaid Services (CMS). No payment shall be made without approval from CMS."

Page 273, after line 36, insert:

"7.a. There is hereby appropriated a sum-sufficient nongeneral funds for the department to pay the state share of supplemental payments for nursing homes owned by Type One hospitals (consisting of state-owned teaching hospitals) as provided in the State Plan for Medical Assistance Services. The total supplemental payment shall be based on the difference between the Upper Payment Limit of 42 CFR § 447.272 as approved by CMS and all other Medicaid payments subject to such limit made to such nursing homes. DMAS shall enter into a transfer agreement with any Type One hospital whose nursing home qualifies for such supplemental payments, under which the Type One hospital shall provide the state share in order to match federal Medicaid funds for the supplemental payments. The department shall have the authority to implement these reimbursement changes consistent with the effective date in the State Plan amendment approved by CMS and prior to completion of any regulatory process in order to effect such changes.

b. The department shall adjust capitation payments to Medicaid managed care organizations to fund a minimum fee schedule compliant with requirements in 42 C.F.R. § 438.6(c)(1)(iii) at a level consistent with the State Plan amendment authorized above for nursing homes owned by Type One hospitals (consisting of state-owned teaching hospitals). The department shall revise its contracts with managed care organizations to incorporate these supplemental capitation payments and provider payment requirements. DMAS shall enter into a transfer agreement with any Type One hospitals whose nursing home qualifies for such supplemental payments, under

which the Type One hospital shall provide the state share in order to match federal Medicaid funds for the supplemental payments. The department shall have the authority to implement these reimbursement changes consistent with the effective date approved by CMS. No payment shall be made without approval from CMS."

Explanation:

(This amendment provides an authority for the Commonwealth's two state teaching hospitals, VCU Health System and UVA Medical Center, to maintain federal supplemental funding by adapting the payment methodology to address the move of the state's Medicaid program from fee-for-service to a managed care delivery system. The teaching hospitals will provide the state share in order to match federal Medicaid funds, such that no general fund expenditure is needed.)

Item 303 #13s

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 278, after line 4, insert:

"PPP. Effective July 1, 2018, the Department of Medical Assistance Services shall explore and utilize private sector technology based platforms and service delivery options to allow qualified, licensed providers to deliver the Consumer-Directed Agency with Choice model in the Commonwealth of Virginia. The department shall work with stakeholders to develop and implement this model of care, and shall submit a status report to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2018. The department shall have the authority to amend the necessary waiver(s) and the State Plan under Title XIX of the Social Security Act to make the necessary changes. Such changes shall include the services covered, provider qualifications, medical necessity criteria, and reimbursement methodologies and rates. The department shall have the authority to promulgate emergency regulations to implement these changes within 280 days or less from the enactment date of this Act."

Explanation:

(This amendment directs the Department of Medical Assistance Services to explore and utilize private sector technology based platforms and service delivery options to allow qualified, licensed providers to deliver the Consumer-Directed Agency with Choice model in the Commonwealth of Virginia in order to improve quality outcomes, reduce potential for fraud, waste and abuse, and increase efficiency. The department is required to submit a status report to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2018.)

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 278, after line 4, insert:

"PPP.1. Subject to appropriation by the General Assembly, it is the intent that the following high priority items in the Health and Human Resources Secretariat be considered for future implementation:

- (i) That the Department of Medical Assistance Services (Department) shall amend the Medicaid demonstration project (Project Number 11-W-00297/3) to (i) increase the income eligibility from 100 to 138 percent of the federal poverty level; (ii) expand program eligibility to individuals with a diagnosis of mental illness, substance use disorder, or a life-threatening or complex chronic medical condition; (iii) include in the benefit package inpatient hospital and emergency room services; and (iv) include the demonstration project in the Commonwealth Coordinated Care Plus managed care program. Such demonstration program shall be known as the Priority Needs Access Program. The total number of individuals enrolled in the Priority Needs Access Program as a result of the increase in income eligibility pursuant to clause (i) or the expansion of program eligibility pursuant to clause (ii) shall not exceed 20,000 individuals.
 - (ii) The Department of Medical Assistance Services shall amend the Community Living waiver to add 144 new waiver slots.
 - (iii) The Department of Medical Assistance Services shall amend the Family and Individual Support waiver to add 1,847 new waiver slots.
 - (iv) The Department of Medical Assistance Services shall amend the Building Independence waiver to add 305 new waiver slots.
 - (v) The Department of Medical Assistance Services shall ensure that children in the Medicaid and FAMIS programs are screened for adverse childhood experiences.
2. The language in paragraph PPP.1. does not provide an appropriation to meet the requirements of the second enactment clause of Senate Bill 915."

Explanation:

(This amendment provides that it is the General Assembly's intent, subject to future appropriation, to increase coverage to currently unserved populations in need of behavioral health treatment, fund waiver slots for individuals on waiting lists for Medicaid waiver services, and other safety net programs reflected in Senate Bill 915. The bill creates the Priority Needs Access Program which modifies the existing Medicaid GAP waiver to: (i) include individuals with income up to 138 percent of the federal poverty level; (ii) add inpatient and emergency room hospital benefits; (iii) add qualifying diagnoses of mental illness, substance use disorder, or life-threatening or complex medical conditions; and (iv) moves the waiver population into Medicaid managed care. In addition, it provides for 2,296 Medicaid waiver slots to eliminate the Priority One waiting list for disabled individuals in need of services. Lastly, it includes

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language to ensure that children in Medicaid and FAMIS are being screened for adverse childhood experiences. These items are all subject to appropriation and will not take effect until an appropriation is provided for these purposes.)

Item 303 #17s

Health and Human Resources	FY18-19	FY19-20	
Department of Medical Assistance Services	(\$2,300,000) \$2,300,000	(\$2,300,000) \$2,300,000	GF NGF

Language:

Page 258, line 33, strike "\$452,219,143" and insert "\$454,519,143".

Page 258, line 34, strike "\$591,819,016" and insert "\$594,119,016".

Explanation:

(This amendment reduces \$2.3 million general fund each year to reflect an increase in Medicaid recoveries for the Health Care Fund, which is used as state match for the Medicaid program. Higher revenues to the fund reduce the general fund need for Medicaid and likewise any increase in revenue results in additional general fund needed to fully fund the state match for Medicaid. Based on the the last few months of tobacco tax revenues, the decrease reflected in the introduced budget will likely be less than projected. This amendment reflects a slightly higher revenue estimate that reflects \$2.3 million each year in revenue to the Health Care Fund.)

Item 307 #1s

Health and Human Resources	FY18-19	FY19-20	
Department of Medical Assistance Services	\$500,000	\$500,000	NGF

Language:

Page 278, line 50, strike "\$289,665,273" and insert "\$290,165,273".

Page 278, line 50, strike "\$284,228,621" and insert "\$284,728,621".

Page 282, line 55, after "appropriation," strike "\$1,000,000" and insert \$1,500,000".

Page 282, line 55, after "and" strike "\$1,000,000" and insert \$1,500,000".

Page 283, strike lines 20 through 22 and insert:

"2. No funds from the civil money penalty special fund shall be used for administrative costs."

Page 283, line 23, strike "\$325,000" and insert "\$1,000,000".

Page 283, line 24, strike "\$325,000" and insert "\$1,000,000".

Explanation:

(This amendment increases the appropriation by \$500,000 each year from the fund where civil monetary penalties assessed on nursing facilities are deposited. By federal law and regulation, these funds can only be used to protect the health of nursing facility residents. The Department of Medical Assistance Services is finalizing an application procedure for special projects aimed at improving the quality of care in nursing facilities. However, the current appropriation related to special projects (\$325,000 per year) is limited. The additional funds will provide flexibility in project scope or quantity. There are sufficient cash balances to support this added appropriation. The introduced budget included \$175,000 each year for administrative costs which is a policy change over the use of the fund. Considering the limited funding available and the importance of having a reserve for addressing emergency situations, this amendment redirects the administrative appropriation to be used for special projects and clarifies that the fund is not to be used to pay administrative costs)

Item 307 #5s

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 279, line 13, after "included in the forecast.", insert "Effective June 30, 2020, for such rebasing calculations, the inflation updates applied between the base year and the applicable rate year shall be based on regulation-directed third party published inflation rates not affected by any prior or current budgetary action to adjust or defer updates to said rates".

Explanation:

(This amendment clarifies how inflation updates will be applied during rebasing calculations beginning in the 2020-22 biennium to ensure that prior-year, temporary modifications or limitations on inflation updates imposed for providers in state budgets are not perpetuated into the future when rebasing calculations are made by the department. This clarification does not affect the calculation of inflation for inpatient hospital services during the 2018-20 biennium, which will be rebased in fiscal year 2020. The introduced budget contains an additional \$21.9 million the first year and \$48.3 million the second from the general fund and a like amount of federal Medicaid matching funds to reflect inflationary adjustments and rebasing of hospital rates during the 2018-20 biennium.)

Item 307 #8s

Health and Human Resources

FY18-19

FY19-20

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Department of Medical Assistance Services	(\$3,750,000)	(\$1,125,000)	GF
	(\$6,250,000)	(\$3,375,000)	NGF

Language:

Page 278, line 50, strike "\$289,665,273" and insert "\$279,665,273".

Page 278, line 50, strike "\$284,228,621" and insert "\$279,728,621".

Page 282, strike lines 37 through 42 and insert:

"3.a. The Secretary of Health and Human Resources shall convene an interagency workgroup of the Department of Medical Assistance Services (DMAS), the Department of Social Services (DSS), and the Department of Planning and Budget (DPB) to evaluate the programmatic, operational and fiscal impact of consolidating the Cover Virginia call center with the call center operated by DSS. The workgroup shall develop an implementation plan and funding adjustments, that may be needed, to implement a consolidated call center.

b. Effective, July 1, 2019, the Department of Social Services shall assume the responsibilities of the Cover Virginia call center. As part of this consolidation the department shall amend its contract with its current call center vendor to expand to include the scope of work necessary to incorporate the work of the Cover Virginia call center. This scope of work shall include the continued operation of the centralized processing unit. The Department of Social Services shall consider and evaluate the potential for the unit to process eligibility for other benefit programs.

c. The Department of Planning and Budget (DPB) is authorized to transfer appropriation in this item provided for the Cover Virginia call center to the Department of Social Services to fund the increase in contract costs for the operation of the consolidated call center. If the additional costs of the consolidated call center are lower than the existing appropriation at the Department of Medical Assistance Services, then DPB shall unallot the difference and any general fund appropriation remaining at year-end shall revert to the general fund.)

Explanation:

(This amendment reduces \$3.8 million general fund and \$6.3 million nongeneral fund the first year and \$1.1 million general fund and \$3.4 million nongeneral fund the second year that was provided in the introduced budget to reprocur the Cover Virginia call center contract. The current contract expires June 30, 2019, and the agency's procurement strategy is to bring on a new vendor in FY 2019 and operate dual call centers until the new vendor is fully operational. The second year funding is to cover expected higher costs for the new contract. This amendment eliminates the funding and directs the Departments of Medical Assistance Services and Social Services, which also operates a call center, to merge the two call centers into one thereby eliminating the additional funding needs through efficiencies of the merger. The language directs that the central processing unit shall continue as part of the new call center contract and that the Department of Social Services shall evaluate the potential of the unit to process eligibility for other benefit programs. The Department of Planning and Budget is authorized to transfer appropriation from DMAS to DSS in order to implement the merger.)

Item 307 #10s

Health and Human Resources	FY18-19	FY19-20	
Department of Medical Assistance Services	(\$78,720)	(\$78,720)	GF
	(\$78,720)	(\$78,720)	NGF
	-1.00	-1.00	FTE

Language:

Page 278, line 50, strike "\$289,665,273" and insert "\$289,507,833".

Page 278, line 50, strike "\$284,228,621" and insert "\$284,071,181".

Page 284, strike lines 9 through 22.

Explanation:

(This amendment eliminates \$78,720 from the general fund and \$78,720 from matching federal Medicaid funds each year and one position, and language directing the Department of Medical Assistance Services (DMAS) to require quarterly reports from the managed care companies on details related to pharmacy claims. The language only requires the reporting through FY 2019 so the need for the position is unnecessary in the second year. In addition, the report submitted to the Chairmen of the House Appropriations and Senate Finance Committees on the implementation of this initiative on December 1, 2017, did not reflect any significant patterns. The report was only based on the first quarter of data but the agency will still be collecting a full year of data through the end of FY 2018, which should be sufficient to draw any conclusions and therefore there is no need to continue the initiative into FY 2019.)

Item 307 #12s

Health and Human Resources

Department of Medical Assistance Services Language

Language:

Page 279, line 10, after "Committees." insert:

"In addition to the expenditure forecast, the Department of Medical Assistance Services shall provide a breakout that shows forecasted expenditures by caseload/utilization, inflation, and policy changes. An enrollment forecast for the same forecast period shall also be submitted with the expenditure forecast."

Page 279, line 11, after "regulations." insert "The forecast shall only include expenditures for medical services in Program 45600 and shall exclude administrative expenditures."

Page 279, line 29, after "finalization.", insert:

"The departments shall provide at this meeting a complete list of all policy and manual adjustments along with the estimated amounts of each adjustment by fiscal year that will be included in the Medicaid forecast due November 1."

Page 279, line 30, after "B." insert "1."

Page 279, line 31, after "service" strike the remainder of the line.

Page 279, line 32, strike "quarter" and insert "that".

Page 279, after line 36, insert:

"2. The Department of Medical Assistance Services shall submit a quarterly report summarizing managed care encounter data by service category in a format similar to the report in paragraph B.1. This quarterly report shall be submitted to the Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees no later than 30 days after the end of each quarter.

3. The Department of Medical Assistance Services shall report on the expenditures for the prior fiscal year that ended on June 30, that includes the expenditures for each policy adjustment made in the Medicaid and FAMIS programs adopted by the General Assembly in the past session(s). Each policy adjustment adopted in a General Assembly Session shall be included in the report for five fiscal years beginning from the first year the policy impacted expenditures in the Medicaid and FAMIS programs. The report shall detail the expenditures of each adjustment separately and show the impact by fiscal year. The report shall be submitted to the Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees by October 1 of each year."

Explanation:

(This amendment adds additional information to be included in the annual November 1 forecast of Medicaid expenditures. The amendment also eliminates an unnecessary quarterly report and replaces it with a report on managed care expenditures in Medicaid to improve reporting on program spending. In addition, an annual report is created to track the costs or savings of all policy adjustments made to the Medicaid and FAMIS programs for at least five-years in order to provide better data on how those changes impact expenditure trends over time.)

Item 307 #14s

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 284, after line 22, insert:

"V. The Department of Medical Assistance Services shall, prior to the end of each fiscal quarter, determine and properly reflect in the accounting system whether pharmacy rebates received in the quarter are related to fee-for-service or managed care expenditures and whether or not the rebates are prior year recoveries or expenditure refunds for the current year. All pharmacy rebates for the quarter determined to be prior year revenue shall be deposited to the Virginia Health Care Fund before the end of the fiscal quarter. The department shall create and use a separate revenue source code to account for pharmacy rebates in the Virginia Health Care Fund."

Explanation:

(This amendment directs the Department of Medical Assistance Services to improve tracking of pharmacy rebates which will allow better monitoring of overall Medicaid expenditures throughout the year.)

Item 308 #1s

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 285, line 22, after "\$25,000,000." insert: "On July 1, 2019, the State Comptroller shall transfer any balance in excess of \$20,000,000 from the special revenue fund."

Explanation:

(This amendment adjusts the limit on cash the Department of Behavioral Health and Developmental Services is allowed to maintain each year in the special revenue fund. As the revenues to the fund decline over time due to reduced revenues from Medicaid as a result of the closure of the training centers, the limit on the balance should also be reduced.)

Item 310 #1s

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 288, after line 25, insert:

"R. The Department of Behavioral Health and Developmental Services shall accept a proposal, in accordance with Chapter 22.1 of Title 56, Code of Virginia, from a private hospital to provide the necessary level of care for the residents at the Central Virginia Training Center, which could include either intermediate care or a nursing facility level of care. The department shall provide to the private hospital all relevant information, including financial information, capital assets of the training center, operational details, and information regarding the current medical and long-term care needs of the residents, in accordance with federal law, and any other information the private hospital requests to properly develop a proposal. The proposal submitted may include the leasing of state property and buildings on the site of the current training center with a primary focus on the newer facilities, and other buildings as necessary, or may include other facility options offsite from the current training center. If the proposal is financially feasible for the private hospital and meets the requirements of Chapter 22.1 of Title 56, Code of Virginia, the Secretary of Health and Human Resources shall, after reviewing the proposal,

direct the department to approve the project. If the project is approved, the department shall notify the Chairmen of the House Appropriations and Senate Finance Committees within 15 days of such approval with details regarding the project, and any operational, financial and legal impacts associated with it."

Explanation:

(This amendment directs the Department of Behavioral Health and Developmental Services to accept a proposal, in accordance with the Public-Private Education Facilities and Infrastructure Act of 2002, from a private hospital that would provide the necessary level of care for the residents at the Central Virginia Training Center.)

Item 311 #2s

Health and Human Resources	FY18-19	FY19-20	
Department of Behavioral Health and Developmental Services	(\$1,750,000)	(\$2,000,000)	GF

Language:

Page 288, line 27, strike "\$10,460,077" and insert "\$8,710,077".
 Page 288, line 27, strike "\$12,010,077" and insert "\$10,010,077".
 Page 288, strike lines 47 through 53.

Explanation:

(This amendment removes \$1.8 million the first year and \$2.0 million the second year from the general fund for an initiative in the introduced budget to acquire two assisted living facilities and associated support teams to help address the capacity issues facing state mental health hospitals. This amendment removes the funding for the assisted living facilities. A corresponding amendment in Item 310 removes the funding for the community support teams.)

Item 312 #1s

Health and Human Resources	FY18-19	FY19-20	
Grants to Localities	\$1,600,000	\$1,600,000	GF

Language:

Page 289, line 11, strike "\$436,026,655" and insert "\$437,626,655".
 Page 289, line 11, strike "\$436,626,367" and insert "\$438,226,367".
 Page 292, after line 52, insert:
 "KK. Out of this appropriation, \$1,600,000 the first year and \$1,600,000 the second year from the general fund is provided for discharge planning at jails for individuals with serious mental illness. Funding shall be used to create staff positions in Community Services Boards and will

be implemented at two jails with a high percentage of inmates with serious mental illness."

Explanation:

(This amendment provides \$1.6 million from the general fund each year for Community Services Boards to provide discharge planning services at two jails with a high percentage of inmates with serious mental illness. Discharge planning includes linking inmates with serious mental illness to community providers for treatment and housing and other needed services as they transition from jails to the community. This is a recommendation of the Joint Subcommittee to Study Mental Health Services in the Commonwealth in the 21st Century.)

Item 312 #2s

Health and Human Resources	FY18-19	FY19-20	
Grants to Localities	\$708,663	\$708,663	GF

Language:

Page 289, line 11, strike "\$436,026,655" and insert "\$436,735,318".

Page 289, line 11, strike "\$436,626,367" and insert "\$437,335,030".

Page 292, after line 52, insert:

"KK. Out of this appropriation, \$708,663 the first year and \$708,663 the second year from the general fund is provided to establish an Intercept 2 diversion program in up to three rural communities. The funding shall be used for staffing and to provide access to treatment services."

Explanation:

(This amendment provides \$708,663 from the general fund each year to establish a diversion program in up to three rural communities modeled after the Sequential Intercept Model which focuses on diverting individuals with serious mental illness from incarceration. This amendment specifically directs the establishment of an Intercept 2 diversion program in up to three rural communities. The Intercept 2 model focuses on diverting individuals with behavioral health issues away from detention in jails, through prompt identification of individuals with behavioral health issues through initial screenings and by linking individuals to community-based treatment services through cross-agency partnerships. This is a recommendation of the Joint Subcommittee to Study Mental Health Services in the Commonwealth in the 21st Century.)

Item 312 #3s

Health and Human Resources	FY18-19	FY19-20	
Grants to Localities	\$657,648	\$657,648	GF

Language:

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Page 289, line 11, strike "\$436,026,655" and insert "\$436,684,303".

Page 289, line 11, strike "\$436,626,367" and insert "\$437,284,015".

Page 291, line 32, after "T." insert "1."

Page 291, after line 38, insert:

"2. Out of this appropriation, \$657,648 the first year and \$657,648 the second year from the general fund is provided for grants to establish CIT training programs in six rural communities."

Explanation:

(This amendment provides \$657,648 from the general fund each year to establish CIT training programs in six rural communities. This is a recommendation of the Joint Subcommittee to Study Mental Health Services in the Commonwealth in the 21st Century.)

Item 312 #4s

Health and Human Resources

FY18-19

FY19-20

Grants to Localities

\$1,100,000

\$1,100,000

GF

Language:

Page 289, line 11, strike "\$436,026,655" and insert "\$437,126,655".

Page 289, line 11, strike "\$436,626,367" and insert "\$437,726,367".

Page 292, after line 52, insert:

"KK. Out of this appropriation, \$1,100,000 the first year and \$1,100,000 the second year from the general fund is provided to establish the Appalachian Telemental Health Initiative, a telemental health pilot program."

Explanation:

(This amendment provides \$1.1 million from the general fund each year to establish the Appalachian Telemental Health Initiative, a telemental health pilot program to increase the availability of telemental health services in emergency settings in Southwest Virginia. Funding would be used to establish a telemental health provider directory, make training available for a broad spectrum of mental health providers, develop the technology infrastructure and support, and extending an evidence-based program focused on managing patients with addiction disorders. This is a recommendation of the Joint Subcommittee to Study Mental Health Services in the Commonwealth in the 21st Century.)

Item 312 #5s

Health and Human Resources

Grants to Localities

Language

Language:

Page 292, line 34, after "ensure that" strike the remainder of the line and insert:

"at least 20 percent of the funding shall be used for non-narcotic, non-addictive, prescription drug treatment regimens for individuals who are: (i) on probation; (ii) in an institution, prison, or jail; or (iii) not able for clinical or other reasons to participate in buprenorphine or methadone based drug treatment regimens."

Page 292, strike line 35.

Explanation:

(This amendment requires that 20 percent of the \$5.0 million in general fund provided each year for medication assisted treatment must be used for non-narcotic drug treatment regimens for individuals who are: (i) on probation; (ii) in an institution, prison, or jail; or (iii) not able for clinical or other reasons to participate in buprenorphine or methadone based drug treatment regimens.)

	Item 312 #6s	
Health and Human Resources	FY18-19	FY19-20
Grants to Localities	\$200,000	\$200,000 GF

Language:

Page 289, line 11, strike "\$436,026,655" and insert "\$436,226,655".

Page 289, line 11, strike "\$436,626,367" and insert "\$436,826,367".

Page 314, after line 34, insert:

"L. Out of this appropriation, \$200,000 the first year and \$200,000 the second year from the general fund shall be provided to the Department of Behavioral Health and Developmental Services to contract with Best Buddies Virginia to expand inclusion services for people with intellectual and developmental disabilities to the Richmond and Virginia Beach areas of the state."

Explanation:

(The amendment provides \$200,000 each year from the general fund to support Best Buddies, which is a non-profit organization established as part of a volunteer movement that creates opportunities for one-to-one friendships, integrated employment, and leadership development for people with intellectual and developmental disabilities. Best Buddies currently serves 38 schools and 2,448 students in Virginia. This funding will allow the organization to expand its inclusion services to Richmond and Virginia Beach areas to as many as 20 additional high schools to serve up to 500 additional students.)

	Item 328 #2s	
Health and Human Resources		

Virginia Center for Behavioral Rehabilitation

Language

Language:

Page 296, after line 24, insert:

"D. Within five days of any appropriation transfer to the Virginia Center for Behavioral Rehabilitation from any other sub-agency within the Department of Behavioral Health and Developmental Services, the Department of Planning and Budget shall notify the Chairmen of the House Appropriations and Senate Finance Committees. The notice shall include the amount, fund source and reason for the transfer with an explanation of why the funding being transferred has no impact on the sub-agency from which it is transferred."

Explanation:

(This amendment requires notice to the General Assembly money committees of appropriation transfers to the Virginia Center for Behavioral Rehabilitation.)

	Item 329 #1s		
Health and Human Resources	FY18-19	FY19-20	
Department for Aging and Rehabilitative Services	\$250,000	\$250,000	GF

Language:

Page 296, line 40, strike "\$109,535,116" and insert "\$109,785,116".

Page 296, line 40, strike "\$109,535,116" and insert "\$109,785,116".

Page 297, line 31, after "appropriation," strike "\$6,044,568" and insert "\$6,294,568".

Page 297, line 31, after "first year and" strike "\$6,044,568" and insert "\$6,294,568".

Explanation:

(This amendment adds \$250,000 from general fund each year for the Long Term Employment Support Services (LTESS) program. LTESS provides a full array of employment support services to meet the needs of individuals with significant disabilities to maintain employment.)

	Item 329 #3s		
Health and Human Resources	FY18-19	FY19-20	
Department for Aging and Rehabilitative Services	\$500,000	\$500,000	GF

Language:

Page 296, line 40, strike "\$109,535,116" and insert "\$110,035,116".

Page 296, line 40, strike "\$109,535,116" and insert "\$110,035,116".

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Page 297, line 52, after "appropriation," strike "5,433,981" and insert "5,933,981".

Page 297, line 52, after "first year and" strike "5,433,981" and insert "5,933,981".

Explanation:

(The amendment provides \$500,000 from the general fund each year to fund specialized community based case management services to people with moderate to severe brain injuries across the Commonwealth, including those in unserved and underserved areas. According to estimates from the Brain Injury Association of Virginia, there are nearly 800 individuals with moderate to severe brain injury in the Southern, Piedmont, Northwest, Middle Peninsula, and Northern Neck who lack access to state funded core safety net services. These funds would be used to develop specialized brain injury case management funds in those areas, and provide additional funds to existing programs to address waitlists.)

	Item 330 #1s	
Health and Human Resources	FY18-19	FY19-20
Department for Aging and Rehabilitative Services	\$500,000	\$500,000 GF

Language:

Page 298, line 37, strike "\$35,559,218" and insert "\$36,059,218".

Page 298, line 37, strike "\$35,559,218" and insert "\$36,059,218".

Explanation:

(This amendment adds \$500,000 each year from the general fund to address the waiting list for services available through local Area Agencies on Aging. Funds may be used for homemaker, personal care, chore services, and home-delivered meals to allow older Virginians to remain in their homes and communities and delay more costly out of home placements.)

	Item 334 #1s	
Health and Human Resources	FY18-19	FY19-20
Department for Aging and Rehabilitative Services	\$300,000	\$300,000 GF

Language:

Page 301, line 10, strike "\$6,620,474" and insert "\$6,920,474".

Page 301, line 10, strike "\$6,620,474" and insert "\$6,920,474".

Explanation:

(This amendment provides \$300,000 each year from the general fund to the Department for

Aging and Rehabilitative Services to expand the Long-Term Care Ombudsman Program. The staffing standard set in the Code of Virginia provides for one ombudsman for every 2,000 licensed nursing home and adult care residence beds in the community. This funding provides support to continue efforts to make progress toward meeting the staffing standard. This level of staffing has been recommended by the National Institute of Medicine.)

Item 346 #1s

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$50,000	\$50,000	GF
	\$303,187	\$303,187	NGF

Language:

Page 312, line 17, strike "\$42,314,789" and insert "\$42,667,976".

Page 312, line 17, strike "\$42,314,789" and insert "\$42,667,976".

Page 306, after line 25, insert:

"O.1. The Department of Social Services shall use funds from the federal Temporary Assistance to Needy Families (TANF) Block Grant to extend transitional services from 12 months to up to 24 months for Virginia's Initiative for Employment, Not Welfare (VIEW) recipients enrolled in an accredited post-secondary program for an industry-recognized license or certificate program, associate's degree, or other college certification program. Transitional services shall terminate upon completion of the program.

2. Out of this appropriation, \$50,000 the first year and \$50,000 the second year from the general fund is provided for the extension of transitional services from 12 months to up to 24 months for Virginia's Temporary Assistance for Needy Families Unemployed Parent (TANF-UP) program for recipients enrolled in an accredited post-secondary program for an industry-recognized license or certificate program, associate's degree, or other college certification program.

3. The Department of Social Services shall establish policies for the extension of transitional services that are consistent with current VIEW policies."

Explanation:

(This amendment provides \$50,000 from the general fund and \$303,187 from the federal Temporary Assistance for Needy Families (TANF) block grant each year to extend transitional services for 12 months up to 24 months for individuals who participate in the Virginia Initiative for Employment Not Welfare (VIEW) program and who are enrolled in an accredited post-secondary program for an industry recognized license or certificate program, associates degree or other college certification program. Transition services would terminate upon completion of the program.)

Item 346 #2s

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$2,000,000	\$2,000,000	NGF

Language:

Page 312, line 17, strike "\$42,314,789" and insert "\$44,314,789".

Page 312, line 17, strike "\$42,314,789" and insert "\$44,314,789".

Page 314, line 13, strike the first "7,500,000" and insert "9,500,000".

Page 314, line 13, strike the second "7,500,000" and insert "9,500,000".

Page 314, after line 20, insert:

"2. Out of the amounts provided in paragraph 1, \$2,000,000 the first year and \$2,000,000 the second year from the Temporary Assistance to Needy Families (TANF) block grant that shall be provided for a second round of grant recipients in the Employment for TANF Participants Program who did not receive awards dated June 22, 2017."

Page 314, line 21, strike "2" and insert "3".

Page 314, line 30, strike "3" and insert "4".

Explanation:

(This amendment adds \$2.0 million each year from the federal Temporary Assistance for Needy Families (TANF) block grant for a second round of grant recipients in the Employment for TANF Participants Program who did not receive awards dated June 22, 2017. This program is designed to move low-income individuals out of poverty through obtaining and retaining competitive employment with the prospect of a career path and wage growth.)

Item 346 #3s

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$2,000,000	\$2,000,000	NGF

Language:

Page 312, line 17, strike "\$42,314,789" and insert "\$44,314,789".

Page 312, line 17, strike "\$42,314,789" and insert "\$44,314,789".

Page 312, line 45, strike the first "4,250,000" and insert "6,250,000".

Page 312, line 45, strike the second "4,250,000" and insert "6,250,000".

Explanation:

(This amendment provides \$2.0 million from nongeneral funds in additional support for Community Action Agencies through the federal Temporary Assistance to Needy Families block grant to continue developing the organizational capacity to meet new federal organizational and performance management standards as well as technological hardware and software tools and training to meet new data requirements.)

Item 346 #4s

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$100,000	\$100,000	GF

Language:

Page 312, line 17, strike "\$42,314,789" and insert "\$42,414,789".

Page 312, line 17, strike "\$42,314,789" and insert "\$42,414,789".

Page 314, after line 34, insert:

"L. Out of this appropriation, \$100,000 the first year and \$100,000 the second year from the general fund shall be provided to contract with Youth for Tomorrow (YFT) to provide comprehensive residential, education, and counseling services to at-risk youth of the Commonwealth of Virginia who have been sexually exploited, including victims of sex trafficking. The contract shall require YFT to provide individual assessments/individual service planning, individual and group counseling, room and board, coordination of medical and mental health services and referrals, independent living services for youth transitioning out of foster care, active supervision, education, and family reunification services. Youth for Tomorrow shall submit monthly progress reports on activities conducted and progress achieved on outputs, outcomes and other functions/activities during the reporting period. On October 1 of each year, YFT shall provide an annual report to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees that details program services, outputs, and outcomes."

Explanation:

(This amendment adds \$100,000 each year from the general fund for Youth for Tomorrow. Language specifies the services to be required in the contract with the organization and requires monthly progress reports and an annual report that details program services, outputs, and outcomes.)

Item 346 #5s

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$300,000	\$300,000	NGF

Language:

Page 312, line 17, strike "\$42,314,789" and insert "\$42,614,789".

Page 312, line 17, strike "\$42,314,789" and insert "\$42,614,789".

Page 313, line 30, strike the first "825,000" and insert "1,250,000".

Page 313, line 30, strike the second "825,000" and insert "1,250,000".

Explanation:

(This amendment provides an additional \$300,000 each year from Temporary Assistance to

Needy Families (TANF) nongeneral funds for Child Advocacy Agencies to expand to two additional sites located in Buchanan/Tazewell and Manassas/Manassas Park, and six satellite centers located in the Counties of Smyth, Lee, Dickenson, Shenandoah, Carroll, and Patrick. Added sites have been developed to meet the needs of areas with high rates of child abuse and increases in requests for services.)

Item 3-5.15 #1s

Adjustments and Modifications to Tax Collections

Provider Assessment

Language

Language:

Page 468, strike lines 33 through 51.

Page 469, strike lines 1 through 13.

Explanation:

(This amendment eliminates the proposed provider assessment on hospitals in the introduced budget that would be applied to more than offset the state share of costs of implementing the expansion of Medicaid pursuant to the Affordable Care Act.)
