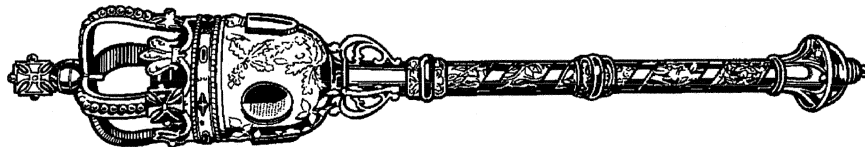


*Report of the
House Appropriations
Subcommittee*

on

Health & Human Resources



House Bill 1500

February 5, 2017

REPORT OF THE SUBCOMMITTEE
on
HEALTH & HUMAN RESOURCES

Mr. Chairman and Members of the Committee:

The Health and Human Resources Subcommittee is pleased to put before you a series of recommendations which build on our efforts last Session to provide critical services to individuals with serious mental illness who need substance abuse treatment and to improve our Medicaid program to provide high quality care to vulnerable citizens in the most cost effective manner possible. To support this effort, the Subcommittee is recommending the appropriation of \$333.4 million from the general fund over this biennium.

The Subcommittee is recommending \$6.0 million in total funds to expand access to needed behavioral health services and substance abuse treatment services to almost 3,000 individuals with incomes at or below 100 percent of the federal poverty level. In addition, the Subcommittee recommends \$5.2 million to begin phasing in same day intake and assessments at Community Services Boards for individuals in need of behavioral health services. Same day access is a recognized national best practice model for the provision of community behavioral health care to keep individuals in the community and out of more expensive crisis care.

The Subcommittee is also recommending funding to address the unprecedented opioid epidemic our Commonwealth is facing. We are recommending \$5.3 million in funding for:

- opioid treatment services to approximately 700 individuals,
- 9,000 opiate overdose reversal kits,
- 6,600 units of Narcan Nasal Spray to revive individuals who have overdosed on opiates and

- One position to coordinate the medication assisted treatment program at the Department of Behavioral Health and Developmental Services.

In addition, the Subcommittee recommends \$9.4 million to build on proven community behavioral health services, which we have funded over the past several years. Our recommendations will provide funding for:

- \$3.0 million GF for local hospital inpatient services for adults, children and geriatric patients to divert and discharge these individuals from state mental health hospitals,
- \$2.5 million for discharge assistance services for 150 individual at state mental health hospitals who are facing extraordinary barriers to community placement,
- \$2.0 million GF for permanent supportive housing for 132 individuals,
- \$1.0 million GF for detoxification services for 250 individuals, and
- \$880,000 GF to provide additional community psychiatric teams to work with nursing homes and geriatric individuals with mental illness to divert and discharge these individuals from state facilities.


The Subcommittee spent much of its time examining the Medicaid program and JLARC recommendations to better manage spending in the program. The continued growth in this program makes it paramount that we ensure that every penny we provide is wisely spent. To this end, we considered a number of budget amendments and legislation to implement JLARC recommendations to improve the fiscal management of the Medicaid program.

The Subcommittee is recommending a total of \$2.6 million and seven positions at the Department of Medical Assistance Services to help the agency to provide greater oversight, accountability and financial management of the Medicaid managed care programs and the fee-for-service program. In addition, with the Committee's support we are recommending a total of \$2.4 million to fund the fiscal impact of two bills, HB 2304 and HB 2417 which will help the agency to better oversee

Medicaid long-term services and supports and provide them with the use of modern analytical tools and actuarial analyses to better manage Medicaid spending.

Mr. Chairman, I want to thank you and the members of this Committee for the continued support for our efforts in addressing the critical health and human service needs of the Commonwealth. Now, I will ask staff to take you through our detailed recommendations, and then I hope it will be your pleasure to adopt our Subcommittee report.


Respectfully Submitted by the House Appropriations Subcommittee on Health & Human Resources:



Riley E. Ingram, Chairman



R. Steven Landes



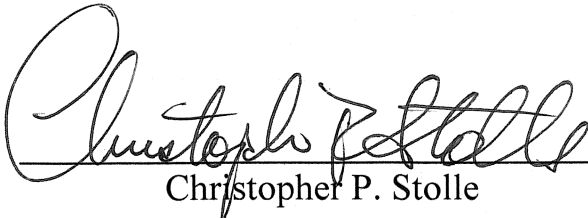
John M. O'Bannon, III



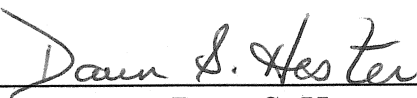
Christopher K. Peace



T. Scott Garrett



Christopher P. Stolle



Daun S. Hester



Mark D. Sickles

HB 1500
Health and Human Resources Amendments

2016-18 Biennium
GF NGF

FTE

Front Page Revenues

Eliminate DBHDS Licensing Fee Revenue (300,000)

General Assembly of Virginia

Joint Subcommittee on Medicaid and Federal Health Care Reform Language

Joint Commission on Health Care

Public Awareness of Psychiatric Medication Risks Language

Eastern Virginia Medical School

EVMS Transfer to DMAS Language

HEALTH AND HUMAN RESOURCES SECRETARIAT

Secretary of Health and Human Resources

Eliminate Funding for Statewide Gap Analysis of MH System (4,500,000)

Plan to Restructure Behavioral Health System 500,000

Children's Services Act

Implementation Plan to Transfer CSA Funding for Students with Disabilities to DOE Language

Department of Health

Restore Funds for Physician Loan Repayment Program 300,000

Eliminate RSAF Set-Aside for 12-Lead EKG Monitors Language

Electronic Death Registration System Requirements Language

Eliminate Funding for Meningococcal Vaccine (482,505) (1,319,458)

Restore Funding for Federal Food Programs (130,455) 57,744,831

Eliminate Increase in Restaurant Inspection Fee 4,291,077 (3,176,817)

Eliminate Use of TANF for Long Acting Reversible Contraceptives (6,000,000)

Southwest Virginia Graduate Medical Education Consortium Language

Eliminate Licensing Fee for Shellfish Facilities 116,000 (116,000)

Restore Funding for Purchase of Soil Scientist Services 200,000

ED Care Coordination Technology Solution 370,000 3,330,000

Fund Fiscal Impact of HB 1467 Neonatal Abstinence Syndrome 52,000

Department of Health Professions

Prescription Drug Monitoring Program Demonstration Program 25,000

Add Positions for Board of Pharmacy 12.00

Department of Medical Assistance Services

Restore Prohibition on Personal Attendant Overtime (8,535,844) (8,535,844)

Restore Language Prohibiting Medicaid Expansion Language

Supplemental Hospital Payments Program Language

Supplemental Medicaid Payments to Certain Teaching Hospitals Language

Revise IME Payments for CHKD Language

Restore FY 18 Inflation for CHKD Medicaid Payments 1,374,722 1,374,722

Modify Supplemental Payment Method. for Public Nursing Homes Language

Increase Nursing Facility Payments 3,260,683 3,260,683

Modify Peer Group for Danville, Pittsylvania Nursing Homes 1,603,910 1,603,910

HB 1500 Health and Human Resources Amendments	2016-18 Biennium		FTE
	GF	NGF	
Medicaid Appeals	Language		
Medicaid Pharmacy Liaison Committee Meetings and Input	Language		
MCO Reporting on Medicaid Pharmacy Claims	76,427	76,427	1.00
Add 144 DD Waiver Slots	Language		
Expand GAP Program Eligibility to 100% for Seriously Mentally Ill	2,965,688	2,965,688	
Medicaid Cap on Managed Care Organization Profits	125,000	125,000	
Improve Medicaid's Capitation Rate-Setting Process	482,502	482,502	2.00
Medicaid Improvements in Long-Term Services & Supports Screening	687,500	687,000	4.00
HB 2304 Long-Term Care Requirements of DMAS	478,394	478,394	14.00
HB 2417 Medicaid Fraud Prevention & Prepayment Analytics	742,000	742,000	
Adjust Medicaid Forecast to Reflect Expenditures	(3,714,911)	(3,714,911)	
Medicaid Recoveries	(1,000,000)	(1,000,000)	
Capture Unsubscribed Funds for New Medicaid Medical Residencies	(500,000)	(500,000)	
Department of Behavioral Health and Developmental Services			
Regulation of Providers	Language		
Eliminate Authority for Licensing Fee for Adult Services	Language		
DD Waiver Reporting Requirements	Language		
Eliminate Position for Processing Licensing Fees	(75,000)		(1.00)
Site Assessment Work CVTC	430,000		
Special Olympics Healthy Athlete Program	10,000		
Expand Supportive Housing for Mentally Ill	2,000,000		
Medication Assisted Treatment	Language		
Federal Grant for Community Substance Abuse Treatment	(5,278,750)	5,278,750	
Same Day Access Savings from GAP Expansion	(2,820,928)		
Department for Aging and Rehabilitative Services			
Restore Funds for Centers for Independent Living	200,000		
Restore Funds for Long-Term Employment Support Services	400,000		
Increase Funding for Brain Injury Services	375,000		
Restore & Add Funds for Care Coordination for Older Virginians	490,000		
Restore Pharmacy Connect Program	145,834		
Eliminate Funding for Adult Services Case Mgmt. System Operations	(440,000)		
Department of Social Services			
Technical - Transfer Funds for 2-1-1 System to Admin. Budget	111,000		
Reform Locality Groupings for TANF Program	90,000	2,500,000	
Increase TANF Benefit Payments by 2.5 Percent	0	2,005,343	
Provide TANF Child Support Supplement Payment	0	4,800,000	
TANF Balance	Language		
HB 2092 Review of Records for Eligibility for Public Assistance	55,000	55,000	
Child Advocacy Centers Funding	401,500	(401,500)	
TANF Funds for Local Community Wealth Building Programs	0	5,000,000	
Restore Funds for VA Alzheimer's Association Chapters	70,000		
Technical Transfer of Funds to Administrative Budget	(111,000)		

HB 1500 <u>Health and Human Resources Amendments</u>	2016-18 Biennium		FTE
	<u>GF</u>	<u>NGF</u>	
Northern Virginia Family Services	0	200,000	
HB 2207 Food Stamp Program Replacement of EBT Care	101,315	101,315	1.00
HB 2092 Review of Records for Eligibility for Public Assistance	20,000	20,000	
Total for Health & Human Resources	(5,063,841)	68,092,035	33.00

Part 4. Services and Clients

Restore Language Prohibiting Service Increases without Appropriation	Language
Authorize Transfers for Supplemental Medicaid Payments	Language

TANF Budget**HB 1500 Recommendations****FY 2017****FY 2018****TANF Program (Mandated Services)**

Income Benefits	36,615,108	40,926,014
VIEW Employment Services	13,612,144	13,612,144
VIEW Child Care Services	7,234,225	7,234,225
Caseload Reserve	2,000,000	2,000,000
TANF State/Local Operations	53,568,212	53,568,212
Mandated Services Subtotal	\$113,029,689	\$117,340,595

Expanded Services (Discretionary Activities)

Healthy Families/Health Start	9,035,501	9,035,501
Community Action Agencies	4,250,000	4,250,000
Domestic Violence Grants	3,346,792	3,346,792
EITC Grants	185,725	185,725
Comprehensive Health Investment Project	2,400,000	2,400,000
Boys and Girls Clubs	1,000,000	1,000,000
Resource Mothers	1,000,000	1,000,000
Northern Virginia Family Services (NVFS)	0	400,000
Child Advocacy Centers (CACs)	0	829,500
Virginia Early Childhood Foundation (VECF)	0	1,250,000
Modify Locality Groupings		2,500,000
Increase TANF Benefits by 2.5%	0	2,005,343
Child Support Supplement		4,800,000
Community Wealth Building, Employment & Training	0	10,000,000
Expanded Services Subtotal	\$21,218,018	\$43,002,861

Other Spending (Block Grant Transfers)

At-Risk Child Care	12,857,212	16,601,336
Head Start Wraparound	2,500,000	2,500,000
Local Staff Support	6,405,502	6,405,502
Comprehensive Services Act Transfer	9,419,998	9,419,998
Other Spending Subtotal	\$31,182,712	\$34,926,836

Total TANF Budget**\$165,430,419****\$195,270,292**

Annual Grant

158,285,172

158,285,172

Prior Year Balance

99,130,367

91,985,120

Cumulative Balance**\$91,985,120****\$55,000,000**

Legislative Department

General Assembly of Virginia

Language

Language:

Page 12, after line 13, insert:

"T.1. The Chairmen of the House Appropriations and Senate Finance Committees shall each appoint four members from their respective committees to a Joint Subcommittee to respond to federal health care changes, provide ongoing oversight of the Medicaid and children's health insurance programs and oversight of Health and Human Resources agency data, information, operations and activities to ensure continuity during the transition between administrations. The members of the Joint Subcommittee shall elect a chairman and vice chairman annually.

2. The Joint Subcommittee shall monitor, evaluate and respond to federal legislation that repeals, amends or replaces the Affordable Care Act (ACA), Medicaid (Title XIX of the Social Security Act), or the Children's Health Insurance Program (Title XXI of the Social Security Act). The joint subcommittee shall recommend actions to be taken by the General Assembly to address the impact of any such federal legislation that would impact health care coverage now available to Virginians. Furthermore, the subcommittee shall evaluate federal changes for opportunities to improve Virginia's Medicaid and other health insurance programs.

3. The Joint Subcommittee shall provide ongoing oversight of initiatives and operations of the Virginia Medicaid and children's health insurance programs. The joint subcommittee will examine progress made in implementing changes to: (i) Medicaid managed care programs, including managed long-term supports and services (the Commonwealth Coordinated Care Plus program) and changes to the Medallion program; (ii) Medicaid waiver programs including the Medicaid waivers serving individuals with developmental disabilities; (iii) changes to the Medicaid Enterprise System; and (iv) initiatives and programmatic changes designed to increase efficiency and effectiveness, as well as to prevent fraud and abuse.

4. The Joint Subcommittee may request and examine programmatic data from agencies with the Health and Human Resources Secretariat to assist in ensuring continuity during the transition between administrations. Such programmatic data may include statutory and regulatory authority, descriptive program information, performance and outcome measures, success in achieving program outcomes, funding levels and processes to ensure efficient and effective use of resources across the Secretariat.

5. The Joint Subcommittee may seek support and technical assistance from staff of the House Appropriations and Senate Finance Committees, the staff of the Joint Legislative Audit and Review Commission, and the staff of the Department of Medical Assistance Services. Other state agency staff shall provide support upon request."

Committee Approved Amendments to House Bill 1500, as Introduced

Explanation:

(This amendment adds language creating a joint subcommittee of the House Appropriations and Senate Finance Committees to respond to federal health care changes, provide oversight of the Medicaid and children's health insurance programs, and provide oversight of Health and Human Resources agency operations during transitions between administrations.)

Item 30 #1h

Legislative Department

Joint Commission on Health Care

Language

Language:

Page 21, after line 5, insert:

"The Joint Commission on Health Care shall examine and identify strategies to ensure that the public is made fully aware of the risks and concerns related to the use of psychiatric medications that have dramatically increased over the last 25 years. The Commission shall identify methods (i) to raise awareness of risks related to the mental and physical health side effects of Attention Deficit Hyperactivity Disorder (ADHD) medication use and risks from potential drug addiction from ADHD medication use; (ii) to compile and track statistics regarding the number of children in Virginia schools who are diagnosed with ADHD or other categories such as "specific learning disabilities, other health impairment, multiple disorder, and emotional disturbances" in the most effective means possible; (iv) used by other states and countries to limit antipsychotic use and the best methods for developing similar systems in the Commonwealth, including approaches and interventions which focus on treatment, recovery, and legal penalties; (v) to identify the incidence and prevalence of prescribing anti-psychotics for off-label use by general physicians and psychiatrists for treatment of ADHD for which there is no FDA indication. The Joint Commission on Health Care shall submit its analysis to the Chairmen of the House Appropriations and Senate Finance Committees by November 30, 2017."

Explanation:

(This amendment adds language directing the Joint Commission on Health Care to examine and identify strategies to increase public awareness of the risks and concerns related to the use of psychiatric medications used to treat Attention Deficit Hyperactivity Disorder (ADHD) and other disorders.)

Item 247 #1h

Education

Eastern Virginia Medical School

Language

Committee Approved Amendments to House Bill 1500, as Introduced

Language:

Page 226, after line 37, insert:

"H. Eastern Virginia Medical School is hereby authorized to transfer funds to the Department of Medical Assistance Services to fully fund the state share for Medicaid supplemental payments to the primary teaching hospitals affiliated with Eastern Virginia Medical School. These Medicaid supplemental fee-for-service and/or capitation payments to managed care organizations are for the purpose of securing access to hospital services in Eastern Virginia. The funds to be transferred must comply with 42 CFR 433.51."

Explanation:

(This amendment is self-explanatory.)

		Item 284 #2h
Health and Human Resources	FY16-17	FY17-18
Secretary of Health and Human Resources	\$0	\$500,000 GF

Language:

Page 262, line 4, strike "\$5,228,516" and insert "\$5,728,516".

Page 264, after line 10, insert:

"F.1. It is the intent of the General Assembly that the Department of Behavioral Health and Developmental Services (DBHDS) transform its system of care into a model that embodies best practice and state-of-the art services by treating, where appropriate, individuals in the community. As part of this effort, DBHDS state hospitals shall be structured to ensure high quality care, efficient operation, and sufficient capacity to serve those individuals needing state hospital care.

2. Out of this appropriation, \$500,000 from the general fund the second year shall be provided to the Office of the Secretary of Health and Human Resources (OSHHR) to prepare an implementation plan for the financial realignment of Virginia's public behavioral health system. This plan shall include (i) a timeline and funding mechanism to eliminate the extraordinary barriers list in state hospitals and to maximize the use of community resources for individuals discharged or diverted from state facility care, (ii) sources for bridge funding, to ensure continuity of care in transitioning patients to the community, and to address one-time, non-recurring expenses associated with the implementation of these reinvestment projects; (iii) state hospital appropriations that can be made available to community services boards to expand community mental health and substance abuse program capacity to serve individuals who are discharged or diverted from admission, (iv) financial incentive for community services boards to serve individuals in the community rather than state hospitals, (v) detailed state hospital employee transition plans that identify all available employment options for each affected position, including transfers to vacant positions in either DBHDS facilities or community services boards, (vi) legislation and Appropriation Act language

Committee Approved Amendments to House Bill 1500, as Introduced

needed to achieve financial realignment, and (vii) matrices to assess performance outcomes.

3. In developing the plan, the OSHHR shall seek input from and participation by DBHDS, community services boards and behavioral health authorities, individuals receiving services and their family members, other affected state agencies, local governments, private providers and other stakeholders. OSHHR shall present the implementation plan to the Chairmen of the House Appropriations and Senate Finance Committees and the Chairman of the Joint Subcommittee to Study Mental Health Services in the Commonwealth in the 21st Century by September 1, 2017."

Explanation:

(This amendment adds language directing the Secretary of Health and Human Resources to prepare an implementation plan for the financial realignment of Virginia's public behavioral health system to further the goals of transforming the system of care into one that incorporates best practices and state-of-the-art services by treating individuals in the community where appropriate, while ensuring state hospitals are structured to ensure high quality care, efficient operation and sufficient capacity to serve those individuals in need of state hospital care. Language specifies the details of the plan and requires that it be reported to the Chairmen of the House Appropriations and Senate Finance Committees and the Chairman of the Joint Subcommittee to Study Mental Health Services in the Commonwealth in the 21st Century by September 1, 2017.)

Item 291 #1h

Health and Human Resources

Department of Health

Language

Language:

Page 272, after line 13, insert:

"D. The state teaching hospitals shall work with the Department of Health and Division of Vital Records to fully implement use of the Electronic Death Registration System (EDRS) for all deaths occurring within any Virginia state teaching hospital's facilities. Full implementation shall occur and be reported, by Division of Vital Records, to the Chairmen of the House Appropriations and Senate Finance Committees by April 15, 2018, in alignment with the Division of Vital Records plan to promulgate and market the EDRS."

Explanation:

(This amendment requires the state teaching hospitals to work with the Department of Health and Division of Vital Records to fully implement use of the Electronic Death Registration System (EDRS) for all deaths occurring within any Virginia state teaching hospital's facilities. Full implementation shall occur and be reported, by Division of Vital Records, to the Chairmen of the House Appropriations and Senate Finance Committees by April 15,

Committee Approved Amendments to House Bill 1500, as Introduced

2018, in alignment with Vital Records plans to promulgate and market the EDRS.)

Item 296 #1h

Health and Human Resources

Department of Health

Language

Language:

Page 278, line 55, after "Virginia." strike the remainder of the line.

Page 278, strike line 56.

Explanation:

(This amendment eliminates language in the Appropriation Act that states the Southwest Virginia Graduate Medical Education Consortium (GMEC) is a program of the University of Virginia (UVA) at Wise. GMEC is becoming an independent entity and is terminating its formal relationship with UVA at Wise.)

Item 306 #2h

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 301, unstrike lines 31 through 36.

Page, 301, strike lines 37 through 50.

Explanation:

(This amendment restores language contained in Chapter 780, 2016 Acts of Assembly which conditions expansion of Medicaid pursuant to the federal Patient Protection and Affordable Care Act (PPACA) upon an appropriation by the General Assembly. Language is eliminated which provides authority to expand Medicaid pursuant to the PPACA on or after October 1, 2017. A companion amendment in Part 4 eliminates any language changes which would allow for such an expansion without an appropriation by the General Assembly.)

Item 306 #9h

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 304, line 46, after "3." insert "a."

Committee Approved Amendments to House Bill 1500, as Introduced

Page 305, after line 7 insert:

"b. If by June 30, 2017 DMAS has not secured CMS approval to use a minimum fee schedule pursuant to 42 C.F.R. § 438.6(c)(1)(iii) for local government-owned nursing homes participating in Commonwealth Coordinated Care Plus (CCC Plus) at the same level as and in lieu of the supplemental Medicaid payments authorized in Section RRR.3.a., then DMAS shall: (i) exclude Medicaid recipients who elect to receive nursing home services in local government-owned nursing homes from CCC Plus; (ii) pay for such excluded recipient's nursing home services on a fee-for-service basis, including the related supplemental Medicaid payments as authorized herein; and (iii) prohibit CCC Plus contracted health plans from in any way limiting Medicaid recipients from electing to receive nursing home services from local government-owned nursing homes."

Explanation:

(This amendment adds language related to supplemental Medicaid payments for local government-owned nursing homes. Currently five local -government owned nursing homes provide Department of Medical Assistance Services (DMAS) with funding to draw down matching federal funds for reimbursement for services provided to Medicaid recipients. A portion of the matching federal funds are retained by DMAS as Certified Public Expenditure Revenues. New federal regulations prevent Medicaid from making supplemental payments to these facilities when the Department of Medical Assistance Services (DMAS) implements its managed long-term care services and supports program (CCC Plus) on July 1, 2017. This language would allow DMAS to exempt residents admitted to these facilities from the CCC Plus program, similar to how DMAS treats Virginia's veteran nursing facilities. Language would prohibit CCC Plus contracted health plans from limiting Medicaid recipients from choosing to receive nursing home services from these facilities.)

Item 306 #19h

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 296, after line 18, insert:

"vii. Clarify that the informal appeals agent shall have the ability to close an informal appeal based on a settlement between the parties up to \$250,000, notwithstanding § 2.2-514 of the Code of Virginia. For settlements of \$250,000 or greater, such settlement shall be subject to § 2.2-514 of the Code of Virginia."

Page 296, after line 21, insert:

"3. The Department of Medical Assistance Services shall convene a working group with representatives from the provider community, and the legal community, and the Office of Attorney General to develop a plan to avoid or adjust retractions or for non-material breaches of the Provider Participation Agreement when the provider has substantially complied with

Committee Approved Amendments to House Bill 1500, as Introduced

the Provider Participation Agreement. The plan shall include an assessment of any administrative financial impact that implementation of such plan would have on the Department and an analysis of any implications for the Department's efforts to combat fraud, waste, and abuse. The working group shall report on the status of this plan to the Chairmen of the House Appropriations and Senate Finance Committees no later than December 1, 2017."

Explanation:

(This amendment adds language regarding the Medicaid appeals process to (i) amend regulations to clarify that the informal appeals agent shall have the ability to close an informal appeal based on settlement between the parties up to \$250,000; and (ii) direct the agency to convene a working group to plan to avoid or adjust retractions of Medicaid payments develop and implement a plan to avoid retraction for non-material breaches of the Provider Participation Agreement when the provider has substantially complied with it; and (iii) require the agency to report on the status of the plan to avoid retractions to the Chairmen of House Appropriations and Senate Finance Committees.)

Item 306 #26h

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 305, after line 27, insert:

"6. a. The Department of Medical Assistance Services shall promulgate regulations to make supplemental Medicaid payments to the primary teaching hospitals affiliated with an Liaison Committee on Medical Education (LCME) accredited medical school located in Planning District 23 that is a political subdivision of the Commonwealth and an LCME accredited medical school located in Planning District 5 that has a partnership with a public university. The amount of the supplemental payment shall be based on the reimbursement methodology established for such payments in Attachments 4.19-A and 4.19-B of the State Plan for Medical Assistance and/or the department's contracts with managed care organizations. The department shall have the authority to implement these reimbursement changes consistent with the effective date in the State Plan amendment or the managed care contracts approved by the Centers for Medicare and Medicaid (CMS) and prior to completion of any regulatory process in order to effect such changes. No payment shall be made without approval from CMS.

c. Funding for the state share for these Medicaid payments is authorized in Item 247 and Item 4-503."

Explanation:

(This amendment adds language providing the Department of Medical Assistance Services

Committee Approved Amendments to House Bill 1500, as Introduced

(DMAS) with the authority to implement supplemental Medicaid payments to teaching hospitals affiliated with an accredited medical school in Planning District 23 and Planning District 5 based on the departments reimbursement methodology established for such payments and/or its contracts with managed care organizations. The state's share of funding for the supplemental payments shall be provided by the accredited medical schools, Eastern Virginia Medical School and the Virginia Tech/Carilion School of Medicine. Companion amendments in Item 247 and 4-5.03b3 authorize the transfer of funds from these schools to DMAS for this purpose.)

Item 306 #28h

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 287, line 18, after "Committee", insert:
"meeting at least semi-annually,"

Page 287, line 19, after "appropriate.", insert:

"The department shall solicit input from the Pharmacy Liaison Committee regarding pharmacy provisions in the development and enforcement of all managed care contracts."

Explanation:

(This amendment adds directing the agency to meet with the Pharmacy Liaison Committee at least semi-annually and solicit input regarding pharmacy provisions in the development and enforcement of all managed care contracts.)

Item 306 #37h

Health and Human Resources

FY16-17

FY17-18

Department of Medical Assistance
Services

\$0
\$0

\$2,965,688 GF
\$2,965,688 NGF

Language:

Page 284, line 40, strike "\$9,714,745,576" and insert "\$9,720,676,952".

Page 306 line 26, after "2016", insert:

"and from 80 to 100 percent of the federal poverty level effective July 1, 2017".

Page 306 line 27, before "The department", insert:

"Effective July 1, 2017, the department shall amend the Medicaid demonstration project to include the provision of addiction recovery and treatment services."

Explanation:

(This amendment adds \$3.0 million the second year from the general fund and a like amount

Committee Approved Amendments to House Bill 1500, as Introduced

of federal matching Medicaid funds to modify the income eligibility criteria for the Medicaid demonstration waiver program for adults with serious mental illness in Medicaid from 80 to 100 percent of the federal poverty level. The waiver provides primary care, outpatient medical services, and prescription drugs, along with a robust set of behavioral health services to adults with serious mental illness. In addition, language adds addiction recovery and treatment services to the services provided through the waiver.)

Item 311 #1h

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 316, line 27, unstrike:

"of or renewal of a license, denial of a application for an initial license or".

Page 316, line 28, unstrike "renewal of a license,".

Page 316, line 39, after "application", insert:

"for the purpose of increasing capacity to process licensing applications."

Explanation:

(This amendment restores the requirement that the Department of Behavioral Health and Developmental Services post all renewals and denials for an initial or renewal license in order to ensure transparency in the licensing process. In addition, the language directs that the new nonrefundable fee for an initial and renewal license application for adult behavioral health and developmental services licenses be used to increase the capacity to process licenses to address backlogs in processing applications.)

Item 311 #2h

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 315, strike lines 36 through 41.

Explanation:

(This amendment eliminates language in the introduced budget which authorizes the Department of Behavioral Health and Developmental Services to promulgate emergency regulations to establish a licensing fee per application for all adult behavioral health and developmental services licensed by the agency. A companion amendment in Item 313 eliminates the funding and one position to collect and process these fees. Revenue assumed

Committee Approved Amendments to House Bill 1500, as Introduced

from the fees is also eliminated in Item 0.)

Item 313 #5h

Health and Human Resources	FY16-17	FY17-18
Department of Behavioral Health and Developmental Services	\$0	\$430,000 GF

Language:

Page 317, line 36, strike "\$77,986,064" and insert "\$78,416,064".

Page 321, after line 22, insert:

"C. Out of this appropriation, \$430,000 from the general fund the second year is provided for an environmental site assessment for the Central Virginia Training Center. The Department of Behavioral Health and Developmental Services shall work with the Department of Environmental Quality to complete the site assessment. It is the intent of the General Assembly that the Division of Land Protection and Revitalization complete the site assessment and report on the required remediation activities and associated costs no later than November 1, 2017. In developing the estimated costs for remediation, the use of labor from the Department of Corrections shall be required."

Explanation:

(This amendment adds \$430,000 from the general fund the second year and directs the Department of Behavioral Health and Developmental Services work with the Department of Environmental Quality's Division of Land Protection and Revitalization to undertake environmental site assessment work for the Central Virginia Training Center. Remediation activities shall use labor from the Department of Corrections.)

Item 315 #7h

Health and Human Resources

Grants to Localities

Language

Language:

Page 326, line 9, after "opioids.", insert:

"In expending this amount, the department shall ensure that preferred drug classes shall include non-narcotic, non-addictive, injectable prescription drug treatment regimens."

Explanation:

(This amendment adds language clarifying that the funding provided to increase access to medication assisted treatment for individuals with substance use disorders should be used to include certain drug classes.)

Item 342 #5h

Health and Human Resources	FY16-17	FY17-18
Department of Social Services	\$0	\$4,800,000 NGF

Language:

Page 339, line 57, strike "\$262,036,010" and insert "\$266,836,010".

Page 343, after line 10, insert:

"I. Out of this appropriation, the Department of Social Services shall use \$4,800,000 the second year from the federal Temporary Assistance to Needy Families (TANF) block grant to provide to each TANF recipient with two or more children in the assistance unit a monthly TANF supplement equal to the amount the Division of Child Support Enforcement collects up to \$200, less the \$100 disregard passed through to such recipient. The TANF child support supplement shall be paid within two months following collection of the child support payment or payments used to determine the amount of such supplement. For purposes of determining eligibility for medical assistance services, the TANF supplement described in this paragraph shall be disregarded. In the event there are sufficient federal TANF funds to provide all other assistance required by the TANF State Plan, the Commissioner may use unobligated federal TANF block grant funds in excess of this appropriation to provide the TANF supplement described in this paragraph."

Explanation:

(This amendment adds \$4.8 million the second year from the Temporary Assistance to Needy Families (TANF) block grant and language to require the Department of Social Services to provide TANF recipients with two or more children a monthly TANF supplemental payment equal to any child support payments received on their behalf up to \$200 less the \$100 disregard passed through to such recipient. This amount would not be counted in determining eligibility for Medicaid.)

Item 4-5.03 #1h

Special Conditions and Restrictions on Expenditures

Services and Clients

Language

Language:

Page 556, line 40, unstrike "made an appropriation for the cost of".

Page 556, line 40, strike "authorized".

Explanation:

(This amendment restores language that prohibits agencies from altering factors which may

increase the number of eligible recipients for its authorized services or payments, or altering factors which may increase the unit cost of benefit payments within its authorized services unless the General Assembly has made an appropriation for the cost of such change. In addition, it eliminates a change to allow for such changes if the General Assembly gives its authorization.)

Item 4-5.03 #2h

Special Conditions and Restrictions on Expenditures

Services and Clients

Language

Language:

Page 557, line 29, after "3." insert "a)".

Page 557, after line 36, insert:

"b) Virginia Tech/Carilion School of Medicine is hereby authorized to transfer funds to the Department of Medical Assistance Services to fully fund the state share for Medicaid supplemental payments to the teaching hospital affiliated with the Virginia Tech/Carilion School of Medicine. These Medicaid supplemental fee-for-service and/or capitation payments to managed care organizations are for the purpose of securing access to Medicaid hospital services in Western Virginia. The funds to be transferred must comply with 42 CFR 433.51."

Explanation:

(This amendment adds language authorizing Virginia Tech/Carilion School of Medicine to transfer funds to the Department of Medical Assistance Services (DMAS) for the state match for supplemental Medicaid payments to the teaching hospital affiliated with the medical schools. A companion amendment in Item 306 authorizes DMAS to promulgate regulations to effect such payments.)
