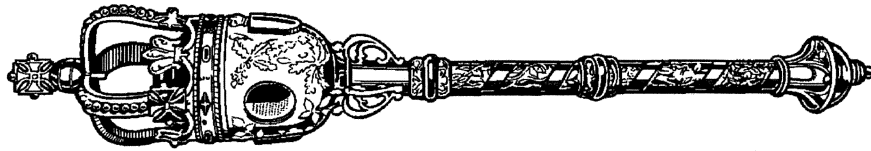


*Report of the
House Appropriations
Subcommittee*

on

Health & Human Resources



*House Bill 29
&
House Bill 30*

February 17, 2008

REPORT OF THE SUBCOMMITTEE
on
HEALTH & HUMAN RESOURCES

Mr. Chairmen and Members on the Committee:

Many of you know that the work of the Subcommittee on Health and Human Resources is challenging even during robust economic times. The needs of Virginia's most vulnerable citizens are far greater than the resources we have to address them. But, in these times of economic retrenchment, the challenge to preserve the safety net of services for mentally and physically disabled persons, low-income children, and the frail elderly is even more difficult.

The declining revenue growth we are experiencing and the need to balance the budget have made it critical to ensure that we are spending every dollar wisely and that we can continue to serve those who are in greatest need for health and human services.

Due to the diligence and hard work of the Subcommittee, I know you will be pleased that the Subcommittee was able to preserve funding for health care for low-income children, families, frail elderly, and disabled persons. Almost \$328 million is provided through the Medicaid program to meet these needs. And an additional \$23.6 million is available to meet enrollment growth projected in FAMIS and Medicaid SCHIP, the children's health insurance programs. The Subcommittee was also able to preserve \$10.5 million for children entitled to foster care and subsidized adoptions.

Despite these actions, we are mindful of the strain these mandatory programs put on the general fund, particularly in hard times. For this reason the Subcommittee is recommending a number of actions that curb the growth of program costs, implement efficiencies and restructure how we approach funding in the future.

In total, we are recommending \$105 million in savings for the Medicaid program over the biennium.

The introduced budget provided needed dollars to meet the rising costs of serving at-risk youth entitled to care under the Comprehensive Services Act (CSA). Increasing concerns over the rapid growth in CSA and the magnitude of this growth resulted in a proposal to provide financial incentives for localities to develop and use community based services over more expensive residential placements for children. While we support the concept of serving children in our communities whenever possible, the Subcommittee felt that the financial penalties for the use of residential care were too burdensome, particularly in small and rural localities that currently lack community programs to address the complex needs of these children.

Instead we are proposing a more gradual approach to changing local behavior in developing and using community services. We are proposing language to increase the state share of CSA funding for community-based services over the next two years from a statewide average of about 64 percent to 76 percent. At the same time the state share for residential services would decline from a statewide average of about 64 percent to 56 percent. To address the concerns of small and rural localities, we are proposing no change in the match rates for residential services up to the first \$200,000 in expenditures.

The Subcommittee recognizes that this change does not address the continued rapid rise in special education day placements and the effect of individualized education plans on the ability of local teams to influence service decisions and control costs. In addition, it may not address the issues surrounding judicial decisions that override the recommendations of the local teams. Therefore, we are proposing language for the Secretary of Health and Human Resources to convene a work group look at these issues, as well as to look at the impact of the financial incentives on the delivery of services to children and to explore other methods for improving the delivery of high quality, cost effective services to children. In total

we are recommending an additional \$153.9 million to fund CSA in the next biennium.

Mr. Chairman, for the past several years, the General Assembly has made sizeable financial commitments to build our community mental health, mental retardation and substance abuse services system. Nevertheless, the tragedy at Virginia Tech last spring highlighted some glaring weakness in our mental health system. While we recognize that the current state of our revenues requires everyone to tighten their belts and become more efficient, balancing the budget by cutting services for our most vulnerable mentally disabled citizens just does not make sense.

Consequently, with the support of the Chairman and members of this Committee, the Subcommittee took a number of steps to shore up these essential services. I'm please to report that we are able to recommend an additional \$93.3 million in general fund dollars for services to individuals with mental disabilities.

A major component of our recommendations focuses on the legislation we passed earlier this Session to respond to the Virginia Tech tragedy. To address the treatment needs of individuals in crisis or who will meet the new criteria for mental health treatment set forth in the legislation, we are recommending \$33.9 million for services. As part of this funding, we are asking the Commissioner of Mental Health, Mental Retardation and Substance Abuse Services to convene a work group to allocate this funding across services and agencies to address the fiscal impact of the legislation and the need to improve the delivery of emergency mental health services. We are also recommending \$5.8 million over the biennium to address the critical need for children's mental health clinicians across the state, and \$1.9 million to enhance oversight of the delivery of services and training for law enforcement officers who are often the first responders to individuals in crisis.

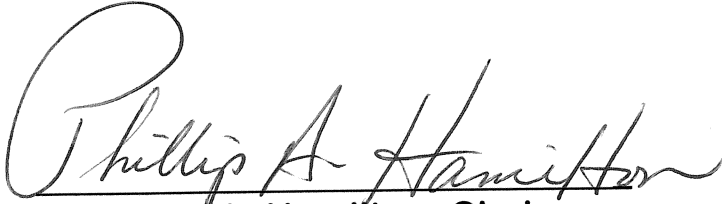
The Subcommittee is also recommending \$38.1 million over the biennium to continue our commitment to address the waiting list for mental retardation waiver slots. This funding will allow us to

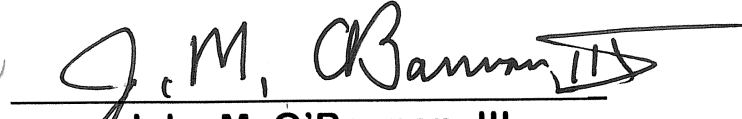
provide an additional 800 mental retardation waiver slots over the biennium. To ensure that providers are available to care for these individuals, we are recommending a 3.6 percent rate increase for congregate living services and \$3.2 million for start-up costs.

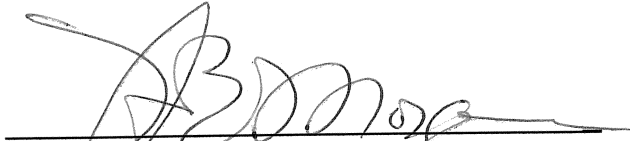
Mr. Chairman, the Subcommittee also considered proposals to improve the child welfare system this Session. While I think that we all can agree that children are best served in families that love and care for them, for some children, unfortunately, foster care becomes the only way to protect them from the horrors of abuse and neglect. For many children in Virginia, children are placed in institutional residential settings, not as a last resort, but often because there are no foster care families available in which to place the child. To encourage the participation of families in foster care, we are recommending that family foster care rates be increased by 25 percent over the biennium. Further, to ensure the safety of children in foster care and to facilitate their eventual permanent placement with families, we are recommending \$2.0 million to increase foster care visitations by local case workers.

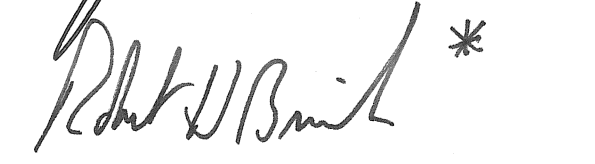
Mr. Chairman, this is probably the toughest Subcommittee assignment a member of this Committee can have. The decisions we make truly touch the lives of citizens who often do not have a voice, but have tremendous needs. I would like to thank the members of the Subcommittee for their hard work this Session and I would like to you for your efforts to mitigate the proposed reductions and preserve our safety net programs. The details of the Subcommittee's recommendations are contained in the attachments, and staff will walk you through them.


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


Phillip A. Hamilton, Chairman

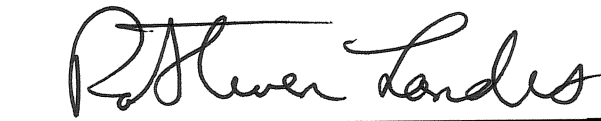

John M. O'Bannon, III


Harvey B. Morgan

 *
Robert H. Brink


M. Kirkland Cox

 *
Mamy E. BaCote


R. Steven Landes

 *
Rosalyn R. Dance

* EXCEPT 4-5.04#3L (NS)

Amendment

**FY 2008
General
Fund**

2008-2010 Biennium		
General Fund	Nongeneral Fund	FTE

Health & Human Resources

HB 29

Comprehensive Services For At-Risk Youth And Families

CSA Work Group Language

Department Of Medical Assistance Services

Revise Involuntary Mental Commitment Payments (659,958)

Revise Estimate of FAMIS Payments (583,121)

Revise Estimate of Medicaid Payments (5,656,589)

Medicaid Offset-Tobacco Strategic Contrib. Payment to VHCF (3,757,385)

Eliminate Funds for NoVa PACE Program (250,000)

Revise Estimate of Medicaid SCHIP Payments (1,216,678)

Central Appropriations

Capture Balances in Health Department Immunization Program Language

Capture Balances in DSS for Auxiliary Grant Program Language

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(12,123,731)

HB 30

Secretary Of Health And Human Resources

Auxiliary Grants for Pilot House Program for MH Consumers Language

Transfer of Adult Services & Licensing Language

Comprehensive Services For At-Risk Youth And Families

CSA Match Rates, Incentives and Exemptions 6,049,676

CSA-Improve Use of Medicaid (2,000,000)

TANF for GF in CSA Trust Fund Grant Programs (965,579)

Department For The Aging

Pilot Care Coordination Program Language

Department Of Health

Patient Advocate Foundation 500,000

Free Clinic Funding 50,000

Level Fund Office of Minority Health & Public Policy (311,074) (2.00)

Regional Health Planning Agencies (299,764)

TANF for GF in Partners in Prevention Program (382,500)

TANF for GF in Teen Pregnancy Prevention Programs (455,000)

Funding for E-Health Records Grants (650,000)

TANF for GF in Comp. Health Investment Project of Va. (1,070,945)

Level Fund Virginia Health Care Foundation (3,000,000)

Va. Dental Health Foundation (100,000)

Redirect Funds for Domestic Violence (576,000)

Level Fund Shellfish Sanitation Program (216,320)

Restructuring of Emergency Services Advisory Councils Language

HB 1543 -COPN to Increase Nursing Home Beds in Certain Facilities Language

Modify Language to Mirror Funds for OB Pilot Projects Language

Department Of Medical Assistance Services

Add 650 MR Waiver Slots 30,874,350 30,874,350

MR Waiver Congregate Care 3.6% Rate Increase 10,000,000 10,000,000

Exempt Behavioral Health Drugs from Medicaid PDL 2,000,000 2,000,000

Revise Estimate of Involuntary Mental Commitment Payments (1,319,916)

FAMIS Moms Eligibility (2,571,965) (4,776,507)

FAMIS Coverage of Non-Eligible Infants (90,221)

Revise Estimate of FAMIS Payments (1,166,242) (2,165,878)

Medicaid Inflation Adjustment for Hospital Reimbursements (37,701,321) (37,701,321)

Nursing Home Rebasing (21,505,544) (21,505,544)

Revise Estimate of Medicaid Payments (16,313,178) (16,313,178)

Medicaid Offset-Tobacco Strategic Contrib. Payment to VHCF (7,514,770) 7,514,770

Adjust Virginia Health Care Fund Revenue for Merck Settlement (6,684,208) 6,684,208

Level Fund Acute & Long-term Care Services Integration (598,888) (648,888) (2.00)

Uninsured Medical Catastrophe Fund (150,000)

VirginiaShare Health Insurance Program (7,787,022)

Revise Estimate of Medicaid SCHIP Payments (2,433,356) (4,519,090)

Medicaid Incentives for Healthy Lifestyles Language

Realign Medicaid Rates for Supported Employment Language

Adjust Dates for Reporting on Drug Pricing Changes in Medicaid Language

<u>Amendment</u>	FY 2008 General <u>Fund</u>	2008-2010 Biennium		
		General <u>Fund</u>	Nongeneral <u>Fund</u>	<u>FTE</u>

Health & Human Resources

Department Of Mental Health, Mental Retardation And Substance Abuse Services

Start-up for Mental Retardation Waiver Slots	3,200,000		
Transfer Funding for Office of Community Integration to VBPD	(303,200)		
Children's Mental Health Services	Language		
Allocation of Funding for Mental Health Services Funding	Language		
Remove Obsolete Budget Language	Language		
Western State Hospital Innovative Partnerships	Language		
Correct Embedded Language for Conditional Release Services	Language		
Compliance with Relevant Laws and Supreme Court Decisions	Language		

Department of Rehabilitative Services

Woodrow Wilson Food Service Operations	(200,000)		
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Department Of Social Services

Local Domestic Violence Programs	400,000		
HB 1174-Office of Immigrant Assistance	400,000		2.00
HB 1257-Intensive Monitoring for Child Support Delinquent Payers	20,830		
Quality Rating System	(4,661,691)		
Child Care Workforce Scholarships	(3,985,180)		
Pilot Reentry Programs	(1,074,274)		
Consolidation of Small Local DSS Offices	(1,000,000)		
Update Auxiliary Grant Program Spending	(2,000,000)		
Child Welfare Recruitment & Retention	(6,942,255)		
Child Welfare Worker Training	(4,356,357)		
Reduce Office of Newcomer Services Grants	(500,000)		
TANF for GF in Centers for Employment and Training	(314,298)		
Central Virginia Foodbank	(62,000)		
Level Fund Early Childhood Foundation	(2,000,000)		
TANF for GF in Healthy Families Program	(2,000,000)		
TANF for GF in Community Action Agencies	(1,671,840)		
Eliminate TANF & GF for Community Programs	(187,000)	(187,000)	
Neighborhood Assistance Act Tax Credit Balances	Language		
Impact Analysis of Screened Family Day Home Provider List	Language		
TANF Balances	Language		

Virginia Board For People With Disabilities

Funding for Office of Community Integration	303,200		
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Part 4: General Provisions

No State, Nongeneral or Special Funds for Abortion Services	Language		
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HB 30 TOTAL

=====	=====	=====
(93,323,852)	(30,744,078)	(2.00)

Federal TANF Block Grant	HB 30 Introduced Budget		House Proposal	
	FY 2009	FY 2010	FY 2009	FY 2010
Balance from Prior Year	15,750,273	7,898,987	15,750,273	8,085,987
Resources				
Annual TANF Grant	158,285,000	158,285,000	158,285,000	158,285,000
Supplemental TANF Awards				
Total Resources:	158,285,000	158,285,000	158,285,000	158,285,000
Total Available Resources	174,035,273	166,183,987	174,035,273	166,370,987
VIP/VIEW Mandated Core Benefits & Services				
TANF Income Benefits	46,327,070	46,327,070	46,327,070	46,327,070
TANF UP	-	-	-	-
TANF Child Support Supplement	7,800,000	7,800,000	7,800,000	7,800,000
VIEW Employment Services*	3,475,332	3,475,332	3,475,332	3,475,332
VIEW Child Care Services*	3,420,644	3,420,644	3,420,644	3,420,644
Child Support Disregard	-	-	-	-
Subtotal:	61,023,046	61,023,046	61,023,046	61,023,046
Administrative Activities				
State Administration	2,450,607	2,450,607	2,450,607	2,450,607
Information Systems	3,247,580	3,247,580	3,247,580	3,247,580
Local Direct Service Staff and Operations	30,549,000	30,549,000	30,549,000	30,549,000
Local Eligibility Staff and Operations	12,168,977	12,168,977	12,168,977	12,168,977
Repay Feds Past Title IV-A Collections				
Subtotal:	48,416,164	48,416,164	48,416,164	48,416,164
Expanded TANF Programming				
Employment Advancement for TANF Participants	5,850,000	5,850,000	5,850,000	5,850,000
Local Foster Care/Adoptions Staff	-	-	-	-
Homeless Assistance and Prevention (DHCD)	4,910,128	4,910,128	4,910,128	4,910,128
Local Domestic Violence Grants	1,062,500	-	1,062,500	-
Centers for Employment and Training	637,500	-	637,500	314,298
Domestic Awareness Campaign	127,500	-	127,500	-
Child Advocacy Centers	300,000	100,000	300,000	100,000
Teenage Pregnancy Prevention Programs (VDH)	1,675,000	-	1,675,000	837,500
Resource Mothers (VDH)	176,800	-	176,800	-
St Paul's College Project	85,000	-	-	-
People, Inc.	42,500	-	-	-
Community Action Agencies	3,397,859	-	3,397,859	1,671,840
Healthy Families/Health Start	4,139,820	-	4,139,820	2,000,000
Comprehensive Health Investment Project	2,141,890	-	2,141,890	1,070,945
Comprehensive Services Act Trust Fund	965,579	-	965,579	965,579
United Community Ministries	38,250	-	-	-
Pre-K Program Funding	-	14,908,318	-	-
Subtotal:	25,550,326	25,768,446	25,384,576	17,720,290
Transfers to other Block Grants				
CCDF Transfer - Craig County Day Care	21,250	-	-	-
CCDF Transfer - Address Child Care Shortfall	8,800,000	8,800,000	8,800,000	8,800,000
CCDF Transfer - Expand At-Risk Child Care	6,000,000	6,000,000	6,000,000	6,000,000
CCDF Transfer - Head Start Wraparound	2,500,000	2,500,000	2,500,000	2,500,000
SSBG Transfer - Local Staff Support	4,405,502	4,405,502	4,405,502	4,405,502
SSBG Transfer - Comprehensive Services Act	9,419,998	9,419,998	9,419,998	9,419,998
SSBG Transfer - VHCF (Fredericksburg Dental)	-	-	-	-
SSBG Transfer - VHC Foundation	-	-	-	-
Subtotal:	31,146,750	31,125,500	31,125,500	31,125,500
Total Obligations:	166,136,286	166,333,156	165,949,286	158,285,000
TANF Reserve (Carryforward to next year)	7,898,987	(149,169)	8,085,987	8,085,987

Amendments to House Bill 29, as Introduced

Health and Human Resources Subcommittee

Item 279 #1h

Health And Human Resources

Comprehensive Services For
At-Risk Youth And Families

Language

Language:

Page 121, after line 40, insert:

"O. The Secretary of Health and Human Resources shall establish a work group to prepare for changes in state and local match rates for the Comprehensive Services Act program. The work group shall include representatives from the Virginia Association of Counties, Virginia Municipal League, Virginia League of Social Services Executives, Virginia Association of Community Service Boards, the Virginia Coalition of Private Providers, the Virginia Association of School Superintendents, the Department of Education, the Department of Juvenile Justice, and the Office of the Executive Secretary of the Supreme Court. The work group will examine the impact of proposed match rate changes on local and state administration of the program, reporting requirements, service development and delivery, quality assurance, utilization management, and care coordination to ensure that children continue to receive appropriate and cost effective services.

The work group shall also consider future actions to improve the quality of care, maximize cost effectiveness, and achieve administrative efficiencies in the program such as, (i) the feasibility of using a managed care approach to coordinate care, and provide utilization management and quality assurance of services; (ii) participation of community service boards in providing care coordination and monitoring of emotionally disturbed and behaviorally challenged children receiving services through CSA; (iii) better communication, cooperation and coordination in the development of individualized education plans and plans of care for children in special education receiving services through CSA; and (iv) better communication and coordination with court service units, Juvenile and Domestic Relations Court judges, and the Department of Juvenile Justice on the plans of care for "Children in Need of Services" as defined under the interagency guidelines on foster care services or children at risk for residential placement through an order by a judge of the Juvenile and Domestic Relations Court. Materials related to or used by the work group shall be considered public documents under the Virginia Freedom of Information Act and not covered under the exemption for Governor's working papers."

Explanation:

Amendments to House Bill 29, as Introduced

(This amendment requires the Secretary of Health and Human Resources to establish a work group to prepare for the implementation of a system of financial incentives to localities to use community-based services in lieu of residential services, when appropriate, for children in CSA.)

Amendments to House Bill 30, as Introduced

Health and Human Resources Subcommittee

Item 282 #1h

Health And Human Resources

Secretary Of Health And Human
Resources

Language

Language:

Page 250, after line 7, insert:

"C. The Secretary of Health and Human Resources, in cooperation with the Department of Mental Health, Mental Retardation and Substance Abuse Services and the Department of Social Services, shall identify and report on the specific programmatic, regulatory and statutory changes that would be required to develop and implement a pilot housing program to allow for the portability of auxiliary grants to pay for housing of consumers who receive case management services from a community services board or behavioral health authority and who are currently receiving auxiliary grants. The report shall include detailed information on eligibility, the number of consumers to be served, financing, program monitoring and quality assurance, as well as information on the roles and responsibilities of state agencies, community services boards, local departments of social services, and local governments in determining eligibility, administering the program, providing case management and other support services, and the continued provision of financial support through local matching funds. The programmatic framework shall be developed to be budget neutral. The Secretary shall provide the report to the Governor and the General Assembly by December 1, 2008."

Explanation:

(This amendment directs the Secretary of Health and Human Resources to provide a report on the specific programmatic, regulatory and statutory changes needed to develop and implement a budget neutral housing program on a pilot basis which would allow mentally disabled consumers to use Auxiliary Grant payments for housing arrangements other than assisted living facilities.)

Health and Human Resources Subcommittee

Item 282 #5h

Health And Human Resources

Secretary Of Health And Human
Resources

Language

Language:

Amendments to House Bill 30, as Introduced

Page 250, after line 7, insert:

"C. The Secretary of Health and Human Resources, in cooperation with the Commissioners of the Department for the Aging and the Department of Social Services, shall review the report on the feasibility of transferring adult programs from the Virginia Department of Social Services to the Virginia Department for the Aging and develop a plan detailing the steps necessary to effect such a transfer of responsibilities by July 1, 2010. The plan shall provide detailed information on how such a transfer would occur; the personnel to be transferred and associated agency costs and savings; the fiscal impact of moving, including equipment needs and office space; a timeline of how these responsibilities could be transferred in a phased in approach to reduce the fiscal impact of this action; and the statutory and regulatory framework needed to effect such a transfer of responsibilities. The Secretary shall report on the plan to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2008."

Explanation:

(This amendment directs the Secretary of Health and Human Resources, in cooperation with the Commissioner of the Departments of Aging and Social Services, to develop a detailed plan to transfer adult services and adult services licensing from the Department of Social Services to the Department for the Aging by fiscal year 2011.)

Health and Human Resources Subcommittee

Item 283 #2h

Health And Human Resources	FY 08-09	FY 09-10	
Comprehensive Services For At-Risk Youth And Families	\$941,381	\$5,108,295	GF

Language:

Page 250, line 13, strike "\$357,127,702" and insert "\$358,069,083".

Page 250, line 13, strike "\$376,859,856" and insert "\$381,968,151".

Page 253, line 40, after "locality.", insert:

"The Secretary shall establish a work group to implement the changes in state and local match rates for the Comprehensive Services Act program. The work group shall include representatives from the Virginia Association of Counties, Virginia Municipal League, Virginia League of Social Services Executives, Virginia Association of Community Service Boards, the Virginia Coalition of Private Providers, the Virginia Association of School Superintendents, the Department of Education, the Department of Juvenile Justice, and the Office of the Executive

Amendments to House Bill 30, as Introduced

Secretary of the Supreme Court. The work group will examine the impact of the match rate changes on local and state administration of the program, reporting requirements, service development and delivery, quality assurance, utilization management, and care coordination to ensure that children continue to receive appropriate and cost effective services.

The work group shall also consider future actions to improve the quality of care, maximize cost effectiveness, and achieve administrative efficiencies in the program, such as (i) the feasibility of using a managed care approach to coordinate care and provide utilization management and quality assurance of services; (ii) participation of community service boards in providing care coordination and monitoring of emotionally disturbed and behaviorally challenged children receiving services through CSA; (iii) better communication, cooperation and coordination in the development of individualized education plans and plans of care for children in special education receiving services through CSA; and (iv) better communication and coordination with court service units, Juvenile and Domestic Relations Court judges, and the Department of Juvenile Justice on the plans of care for "Children in Need of Services" as defined under the interagency guidelines on foster care services or children at risk for residential placement through an order by a judge of the Juvenile and Domestic Relations Court. Materials related to or used by the work group shall be considered public documents under the Virginia Freedom of Information Act and not covered under the exemption for Governor's working papers."

Page 253, line 43, strike "25 percent" and insert:

"5 percent. Beginning July 1, 2009, the local match rate for foster care services for each locality shall be reduced by 25 percent below the fiscal year 2007 base rate".

Page 253, line 46, strike "50 percent" and insert:

"20 percent below the fiscal year 2007 base rate".

Page 253, line 47, strike "and in subsequent years,"

Page 253, line 48, strike "55" and insert "25".

Page 253, line 49, after "rate.", insert:

"Beginning July 1, 2009, and in subsequent years, the local match rate for each locality shall be 50 percent below the fiscal year 2007 base rate."

Page 253, strike lines 50 and 51.

Page 253, line 52, strike "by 24 percent." and insert:

"d. Localities shall review their caseloads for those individuals who can be served appropriately by community based services and transition those cases to the community for services."

Page 253, line 53, strike "2010" and insert "2009".

Amendments to House Bill 30, as Introduced

Page 253, line 53, after "rate", insert "for residential services".

Page 253, line 54, strike "40" and insert "15".

Page 253, line 54, after "rate", insert:

"after a locality has incurred a total of \$200,000 in residential care expenditures".

Page 253, line 56, strike "50" and insert "20".

Page 254, line 1, after "rate", insert:

"after a locality has incurred a total of \$200,000 in residential care expenditures".

Explanation:

(This amendment requires the Secretary of Health and Human Resources to establish a work group to assist in the implementation of a system of financial incentives to localities to use community-based services in lieu of residential services for children in CSA. Language raises the state share of funding in CSA for community-based services by 20 percent for the first six months of fiscal year 2009 and 25 percent for the second six months of fiscal year 2009 and by 50 percent beginning in fiscal year 2010. The state share of funding for CSA foster care services is increased by 5 percent in fiscal year 2009 and 25 percent in fiscal year 2010. In addition, language lowers the state share of funding for residential services as an incentive to promote a system of community-based care for children in CSA by 15 percent beginning January 1, 2009 and by 20 percent beginning in fiscal year 2010, after the first \$200,000 in residential care expenditures. Language is added to require localities to review their caseloads for those individuals who can be served in the community and to transition these cases to the community for services.)

Health and Human Resources Subcommittee

Item 283 #12h

Health And Human Resources

FY 08-09

FY 09-10

Comprehensive Services For
At-Risk Youth And Families

\$0

(\$2,000,000) GF

Language:

Page 250, line 13, strike "\$376,859,856" and insert "\$374,859,856".

Page 288, line 6, after "MM.", insert "1."

Page 288, after line 39, insert:

"M.2. Community Policy and Management Teams shall use Medicaid-funded services whenever available. Effective July 1, 2010, pool funds shall not be spent for any service that can be funded through Medicaid for Medicaid eligible children and youth.

Amendments to House Bill 30, as Introduced

Explanation:

(This amendment requires Community Policy and Management Teams (CPMTs) to use Medicaid funded services whenever they are available for the appropriate treatment of children and youth receiving CSA services. It also prohibits the use of state pool funds for CSA for services that can be funded through Medicaid for Medicaid eligible children and youth. Currently, some localities do not use appropriate Medicaid-funded services when available, resulting in increased general fund costs for the CSA program. A general fund savings in fiscal year 2010 of \$2.0 million is expected to be achieved with this change.)

Health and Human Resources Subcommittee

Item 284 #1h

Health And Human Resources

Department For The Aging

Language

Language:

Page 257, line 31, after "Aging", insert:

", Bay Aging, Senior Services of Southeastern Virginia, and Valley Program for Aging Services".

Page 257, line 35, after "coordination.", insert:

"The Virginia Department for the Aging, in collaboration with the four pilot Area Agencies on Aging, shall analyze the resulting impact in these pilot agencies and determine if this model of service delivery is an appropriate and beneficial use of these funds. The Virginia Department for the Aging shall report the result of this analysis to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by June 30, 2008."

Explanation:

(This amendment authorizes expansion of the Peninsula Agency on Aging Senior Outreach to Services (SOS) Pilot to include Bay Aging, Senior Services of Southeastern Virginia, and Valley Program for Aging Services. This program provides mobile, brief intervention and service linking to coordinate care for the elderly population it serves. Expansion of the pilot will increase care coordination services to elderly individuals and provide additional data to determine the feasibility of expanding the SOS option to all Area Agencies on Aging currently utilizing these funds. Language also requires the Department for the Aging to report the results of this analysis to the Governor and Chairmen of the House Appropriations and Senate Finance Committees.)

Amendments to House Bill 30, as Introduced

Health and Human Resources Subcommittee

Item 290 #1h

Health And Human Resources

Department Of Health

Language

Language:

Page 261, after line 26, insert:

"E. Notwithstanding any other provision of law or regulations, the Board of Health shall not modify the geographic service areas of designated regional emergency medical services councils in effect on January 1, 2008, or make such modifications a criterion in approving or renewing applications for such designation or receiving and disbursing state funds.

Explanation:

(This amendment restricts the Board of Health from redistricting the regional emergency medical services councils to serve different geographical areas than are currently served by the councils. Further, the Board is precluded from making redistricting a condition of designation as a council or renewal of such designation, or as a condition of receiving state funding.)

Health and Human Resources Subcommittee

Item 294 #2h

Health And Human Resources

Department Of Health

Language

Language:

Page 263, after line 47, insert:

"E. The Commissioner of Health may issue a Certificate of Public Need approving an application for an increase of 30 licensed nursing home beds in Planning District 13 for each nursing home that has reported to the Virginia Health Information an average annual occupancy rate of 99 percent or higher for fiscal years 2006 and 2007, provided that the application is filed on or before December 1, 2008, and the approved additional nursing home beds are not put into service prior to July 1, 2009."

Explanation:

(This amendment allows the Commissioner of Health to issue additional Certificates of Public Need approving an increase of 30 licensed nursing home beds in Planning District 13 for nursing homes that are close to capacity under certain circumstances, pursuant to House Bill 1532.)

Amendments to House Bill 30, as Introduced

Health and Human Resources Subcommittee

Item 297 #3h

Health And Human Resources

Department Of Health

Language

Language:

Page 272, line 4, strike "\$145,000" and insert "\$150,000".

Page 272, line 5, strike "\$145,000" and insert "\$150,000".

Explanation:

(This amendment reflects the actual embedded appropriation amount funded in the introduced budget for prenatal, obstetrics, and pediatric pilot projects in Northern Neck and Emporia.)

Health and Human Resources Subcommittee

Item 306 #3h

Health And Human Resources

FY 08-09

FY 09-10

Department Of Medical Assistance

\$1,000,000

\$1,000,000 GF

Services

\$1,000,000

\$1,000,000 NGF

Language:

Page 276, line 1, strike "\$5,521,541,169" and insert "\$5,523,541,169".

Page 276, line 1, strike "\$5,818,036,403" and insert "\$5,820,036,403".

Page 281, after line 32, insert:

"7. The Department of Medical Assistance Services shall exempt antidepressant and antianxiety medications used for the treatment of mental illness from the Medicaid Preferred Drug List program."

Page 281, line 33, strike "7." and insert "8."

Explanation:

(This amendment adds language to continue the current exemption of antidepressant and antianxiety medications used to treat mental illness from the Medicaid Preferred Drug List. Funding is also restored that was reduced in the introduced budget from the estimated savings of including these medications in the Medicaid Preferred Drug List program.)

Health and Human Resources Subcommittee

Item 306 #4h

Amendments to House Bill 30, as Introduced

Health And Human Resources	FY 08-09	FY 09-10	
Department Of Medical Assistance	\$5,000,000	\$5,000,000	GF
Services	\$5,000,000	\$5,000,000	NGF

Language:

Page 276, line 1, strike "\$5,521,541,169" and insert "\$5,531,541,169".

Page 276, line 1, strike "\$5,818,036,403" and insert "\$5,828,036,403".

Page 289, after line 18, insert:

"RR. Out of this appropriation, \$5,000,000 the first year and \$5,000,000 the second year from the general fund and \$5,000,000 the first year and \$5,000,000 the second year from nongeneral funds shall be used to increase reimbursement rates paid to providers of congregate residential group home services for individuals in the Mental Retardation Home and Community-based Waiver Program shall be increased by 3.6 percent effective July 1, 2008."

Explanation:

(This amendment provides an additional \$5.0 million in the first year and \$5.0 million in the second year from the general fund and a like amount of matching federal Medicaid funds to increase reimbursement for congregate residential group home services for individuals served through the Medicaid mental retardation (MR) home and community-based waiver program by 3.6 percent beginning in fiscal year 2009.)

Health and Human Resources Subcommittee

Item 306 #10h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 289, after line 18, insert:

"RR. The Department of Medical Assistance Services (DMAS) shall develop a plan to amend the State Plan for Medical Assistance or submit a research and demonstration project waiver pursuant to Section 1115 of Title XIX of the Social Security Act, as amended, to implement a system of monetary incentives for Medicaid recipients to make healthy decisions and to engage in self-management of their healthcare, and the deposit of incentive funds in enhanced benefits accounts to be accessed by enrollees to purchase healthcare services or items that are not covered under Virginia Medicaid and which will assist enrollees in being personally

Amendments to House Bill 30, as Introduced

responsible for their own healthcare. The plan shall include the development of necessary changes in funding, law or regulations for the implementation of the changes. The plan is to be submitted to the Governor, the Secretary of Health and Human Resources, the Joint Commission on Health Care, and the Chairmen of the House Appropriations and Senate Finance Committees by October 30, 2008, for consideration in the development of amendments to the 2008-10 Appropriations Act."

Explanation:

(This amendment directs the Department of Medical Assistance Services to develop a plan to implement a program through Medicaid which would incentivize Medicaid recipients to make healthy decisions which positively impact their health. Language is added to allow for the development of either State Plan amendments or a waiver program to implement the program. Such incentives should assist the Medicaid program in avoiding future health care costs. Wellness programs are estimated to return approximately \$3 to \$8 for every dollar invested in the program.)

Health and Human Resources Subcommittee

Item 306 #15h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 289, after line 18, insert:

"RR. The Department of Medical Assistance Service shall realign the rates paid for individual supported employment provided under the Medicaid home- and community-based waivers to the same level paid by the Department of Rehabilitative Services (DRS) to employment services organizations. The Department shall implement this change effective July 1, 2008, and subsequently whenever the DRS rates for employment services organizations are changed. The Department shall modify state regulations to make this change permanent."

Explanation:

(This amendment adds language to realign Medicaid rates paid for funds to individual supported employment services provided by home- and community-based Medicaid waiver service providers so they are consistent with supported employment rates currently established by the Department of Rehabilitative Services for services provided to disabled individuals who are not eligible for Medicaid-reimbursed services. This change would increase access to supported employment services and

Amendments to House Bill 30, as Introduced

diminish the need for other Medicaid-funded waiver services. The fiscal impact of this change is budget neutral due to the offset in costs of more expensive waiver services for these individuals.)

Health and Human Resources Subcommittee

Item 306 #26h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 282, line 54, strike "By November 15, 2008" and insert:

"Upon the later of April 15, 2008, or 90 days after the effective date of the regulation that the United States Secretary of Health and Human Services must promulgate under Section 6001(c)(3) of the 'Deficit Reduction Act of 2005,' Pub. L. No. 109-171".

Page 283, line 1, strike "may" and insert "shall".

Page 283, line 1, after "recommendations" insert:
"concurrently with the report".

Explanation:

(This amendment requires the Department of Medical Assistances Services to estimate the savings included in the Medicaid forecast as a result of implementation of "Average Manufacturer Price" pursuant to the federal Deficit Reduction Act of 2005 on April 15, 2008, or 90 days after the effective date of regulations have been issued. This amendment also requires the Department to make recommendations regarding the pharmacy dispensing fees based on the impact in local pharmacy reimbursements, instead of making these recommendations permissive.)

Health and Human Resources Subcommittee

Item 306 #30h

Health And Human Resources

Department Of Medical Assistance
Services

FY 08-09

(\$3,757,385)
\$3,757,385

FY 09-10

(\$3,757,385)
\$3,757,385

GF

NGF

Language:

Page 283, line 4, after "V", insert "1."

Page 283, line 6, strike "298,607,021" and insert "302,364,406".

Page 283, line 6, strike "302,677,095" and insert "306,434,480".

Amendments to House Bill 30, as Introduced

Page 283, after line 7, insert:

"2. Notwithstanding any other provision of law, the State Comptroller shall deposit 100 percent of the Commonwealth's allocation of the Strategic Contribution Fund payment pursuant to the Master Settlement Agreement with tobacco product manufacturers into the Virginia Health Care Fund."

Explanation:

(This amendment modifies language in the Department of Medicaid Assistance Services to direct a new stream of payments the Commonwealth is expected to receive pursuant to the Master Settlement Agreement with tobacco product manufacturers to be deposited into the Virginia Health Care Fund. The Master Settlement Agreement requires that a Strategic Contribution Fund payment be made to states beginning in 2008 and continuing through 2017. These Strategic Contribution Fund payments are intended to reflect the level of the contribution each state made toward final resolution of their lawsuit against the tobacco companies. Virginia's payments are estimated to be approximately \$6.3 million annually. Language directs that 100 percent of the Strategic Contribution Fund payments to Virginia be provided to the Virginia Health Care Fund to offset general fund costs in the Medicaid program. The amendment reduces the general fund by \$3.8 million each year in the Virginia Medicaid program and adds a commensurate amount of nongeneral funds each year from the Virginia Health Care Fund.)

Health and Human Resources Subcommittee

Item 315 #1h

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

Language

Language:

Page 298, strike lines 58 through 60.

Page 299, strike lines 1 through 18.

Page 299, line 19, strike "Y" and insert "X".

Page 299, line 24, strike "Z" and insert "Y".

Explanation:

(This amendment deletes budget language requiring a study on the Mental Retardation waiver that has already been completed.)

Amendments to House Bill 30, as Introduced

Health and Human Resources Subcommittee

Item 315 #6h

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

Language

Language:

Page 299, after line 30, insert:

"AA. The Commissioner of the Department of Mental Health, Mental Retardation and Substance Abuse Services shall ensure that any contracts and agreements related to the renovation and construction of a new facility for Western State Hospital shall consider innovative partnerships and agreements to involve private sector support."

Explanation:

(This amendment is self-explanatory.)

Health and Human Resources Subcommittee

Item 316 #1h

Health And Human Resources

Grants To Localities

FY 08-09

\$1,600,000

FY 09-10

\$1,600,000 GF

Language:

Page 299, line 40, strike "\$309,436,879" and insert "\$311,036,879".

Page 299, line 40, strike "\$316,936,879" and insert "\$318,536,879".

Page 305, after line 46, insert:

"NN. Out of this appropriation, \$1,600,000 each year from the general fund shall be used for start-up funding for the establishment of community residential services to support the Mental Retardation Home and Community-Based Waiver Program. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall manage the distribution of these funds to Community Services Boards to support public and private sector implementation of service plans for individuals enrolled for those services under the expanded community waivers."

Explanation:

(This amendment provides start-up funding for 800 new mental retardation waiver slots over the biennium to assist individuals who are in need of community residential services. Funding may be used for home or vehicle modifications, furniture, clothing, and bedding or other one-time costs.)

Amendments to House Bill 30, as Introduced

Health and Human Resources Subcommittee

Item 316 #20h

Health And Human Resources

Grants To Localities

Language

Language:

Page 305, strike lines 13 through 31.

Page 305, line 32, strike "MM." and insert "II."

Page 305, after line 46, insert:

"JJ. Out of this appropriation, \$13,300,000 the first year and \$20,600,000 the second year from the general fund shall be used to provide emergency services, crisis stabilization services, case management, and inpatient and outpatient mental health services for individuals who are in need of emergency mental health services or who meet the criteria for mental health treatment set forth pursuant to House Bill 559, 2008 Session of the General Assembly. Funding provided in this item shall be used to offset the fiscal impact of (i) establishing and providing mandatory outpatient treatment, pursuant to House Bill 499, 2008 Session of the General Assembly; (ii) attendance at involuntary commitment hearings by the independent evaluator designated by the community services board and community services board staff who have completed the prescreening report, pursuant to House Bill 560, 2008 Session of the General Assembly; and (iii) court-appointed counsel for indigent petitioners in involuntary commitment proceedings, pursuant to House Bill 267, 2008 Session of the General Assembly.

The Commissioner of Mental Health, Mental Retardation and Substance Abuse Services, in cooperation with the Virginia Association of Community Services Boards, the Office of the Executive Secretary of the Supreme Court, the Department of Medical Assistance Services, and the Virginia Hospital and Healthcare Association, shall implement a process for determining the allocation of funding in this item. The allocation process shall include an estimate of the number of consumers expected to utilize services, a method for distributing the funding across agencies and services to address the mental health treatment needs of consumers with mental illness, funding needed to support the involuntary commitment process at the Supreme Court, and an estimate of the impact of treatment costs on the Involuntary Mental Commitment fund at the Department of Medical Assistance Services. The Commissioner shall report on the assumptions and process used to allocate funding in this item across agencies and service categories, as well as the amount of the allocations, to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by September 1, 2008."

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Explanation:

(This amendment deletes language in the introduced budget which allocates specific amounts of new funding for community mental health services between services for grants to localities. Language is added pooling the new funding for mental health services and directing the Commissioner of the Department of Mental Health, Mental Retardation and Substance Abuse Services central office to ensure the funding is appropriately allocated among services and agencies to address the emergency mental health needs for individuals projected to utilize services and for those who meet the criteria for mental health treatment pursuant to House Bill 559, 2008 Session of the General Assembly, as well as to ensure the funding addresses the fiscal impact of new mental health legislation passed by the 2008 General Assembly. The Commissioner of Mental Health, Mental Retardation and Substance Abuse Services is required to work with interested parties in implementing the process for determining the allocation of funding for mental health service categories. The Commissioner is required to report on the assumptions and process guiding the funding allocation and the amounts allocated for these services to the Governor and General Assembly by September 1, 2008.)

Health and Human Resources Subcommittee

Item 316 #21h

Health And Human Resources

Grants To Localities

Language

Language:

Page 305, line 42, after "provide services to", insert:
"mandated and nonmandated".

Page 305, line 46, after "communities", insert:

"or who have been referred for services through family assessment and planning teams through the Comprehensive Services Act for At-Risk Youth and Families".

Explanation:

(This amendment modifies language guiding the use of new funding for children's mental health services to ensure access to outpatient clinician services for children referred to community services boards for treatment by family assessment and planning teams through the Comprehensive Services Act program.)

Health and Human Resources Subcommittee

Item 325 #3h

Amendments to House Bill 30, as Introduced

Health And Human Resources

Mental Retardation Training
Centers

Language

Language:

Page 308, after line 43, insert:

"D. The Commissioner of Mental Health, Mental Retardation, and Substance Abuse Services shall comply with all relevant state and federal laws and Supreme Court decisions that govern the discharge of residents from state mental retardation training centers and the granting of mental retardation waiver slots."

Explanation:

(This language amendment requires the Department of Mental Health, Mental Retardation, and Substance Abuse Services to comply with the 1998 Supreme Court's Olmstead decision, the Code of Virginia, and Federal Medicaid regulations regarding the discharge of individuals from Southeastern Virginia Training Center to the mental retardation waiver program.)

Health and Human Resources Subcommittee

Item 339 #3h

Health And Human Resources

FY 08-09

FY 09-10

Department Of Social Services

\$0

(\$1,000,000) GF

Language:

Page 318, line 38, strike "\$346,819,432" and insert "\$345,819,432".

Page 319, after line 27, insert:

"F. Beginning July 1, 2008, the Commissioner of Social Services shall work with localities with 2007 provisional population estimates of 20,000 or less to begin consolidating administrative operations with neighboring localities to achieve general fund savings of \$1,000,000 the second year in administrative reimbursements to single jurisdiction local social services departments."

Explanation:

(This amendment requires the Commissioner of Social Services to work with localities to achieve administrative savings of \$1.0 million in fiscal year 2010 by consolidating the administrative operations of single jurisdiction local departments of social services in localities with 2007 provisional population estimates of less than 20,000. Based on the 2007 provision population data, 45 localities with populations less than 20,000 operate a single jurisdiction local department of social services.

Amendments to House Bill 30, as Introduced

Efficiencies can be achieved through the consolidation of administrative activities.)

Health and Human Resources Subcommittee

Item 346 #1h

Health And Human Resources

Department Of Social Services

Language

Language:

Page 329, after line 6, insert:

"F. Notwithstanding any other provision of law, the Gloucester-Mathews Free Clinic, which was unable to participate in the Neighborhood Assistance Program for the period beginning July 1, 2007, because their application was made after the deadline, may use the balance of their allocation of tax credits as of June 30, 2007, for any donations that would otherwise be eligible for a tax credit, made during the period July 1, 2007, through December 31, 2007."

Explanation:

(This amendment adds language to permit a neighborhood organization, the Gloucester-Mathews Free Clinic, to make available to donors any remaining balance of its fiscal year 2006-2007 allocation of tax credits, because the organization was ineligible to participate under the Neighborhood Assistance Act in fiscal year 2007-2008 solely because the organization submitted its proposal for tax credits after the due date. The organization would be allowed to make the tax credits available for donations made between July 1, 2007, and December 31, 2007, to a program conducted by the organization, which would have been eligible for an allocation of tax credits had the organization's proposal been submitted by the due date.)

Health and Human Resources Subcommittee

Item 346 #6h

Health And Human Resources

Department Of Social Services

Language

Language:

Page 329, after line 6, insert:

"F. The Department of Social Services shall assess the financial and regulatory impact of implementing a screened family day home provider registry for individuals who wish to offer their services as family day home providers in the Commonwealth, and who are not required to be licensed or regulated pursuant to this chapter or regulated by local ordinance pursuant to § 15.2-914, Code of Virginia, and who may

Amendments to House Bill 30, as Introduced

wish to voluntarily apply to be included in the registry and may authorize the Department to disclose information contained in the registry. As part of its impact analysis, the Department shall examine the cost to family day home providers for inclusion on the registry. The Department shall submit a copy of this analysis to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by October 1, 2008."

Explanation:

(This amendment is self-explanatory.)

Health and Human Resources Subcommittee

Item 349 #1h

Health And Human Resources

Department Of Social Services

Language

Language:

Page 331, line 9, strike "15,978,524" and insert "15,750,273".

Page 331, line 10, strike "8,231,996" and insert "8,085,987".

Page 331, line 10, strike "280,840" and insert "8,085,987".

Explanation:

(This amendment modifies language in the introduced budget to reflect the federal Temporary Assistance to Needy Families (TANF) block grant balances in fiscal years 2008, 2009 and 2010, based on changes made in companion amendments in items 140, 283, 297, 341, and 344. and updated calculations of TANF grant spending.)

Health and Human Resources Subcommittee

Item 4-5.04 #3h

Special Conditions and Restrictions on Expenditures

Good and Services

Language

Language:

Page 521, after line 16, insert:

"i. MEDICAL SERVICES: No expenditures from general, special or other nongeneral fund sources may be made out of any appropriation by the General Assembly for providing abortion services, except as otherwise required by federal statute. However, nothing herein shall prevent a physician from providing medical assistance to preserve the life of a pregnant woman provided that every possible

Amendments to House Bill 30, as Introduced

measure shall be taken to preserve the life of the unborn child of the pregnant woman."

Explanation:

(This amendment is self-explanatory.)
