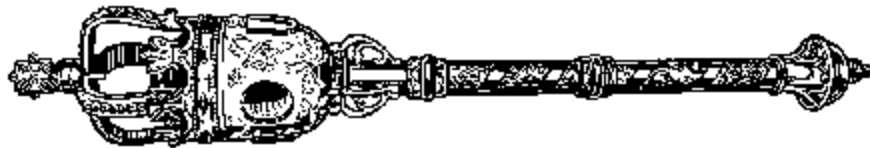


*Report of the
House Appropriations
Subcommittee*

on

Health & Human Resources



House Bill 29

House Bill 30

February 17, 2002

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

Phillip A. Hamilton, Chairman

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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.

To that end, the Subcommittee had three goals:

- to preserve existing statewide programs and services that meet critical needs of our low-income children, the elderly, and disabled citizens;
- to defer program expansions and new commitments, which were not central to preserving the safety net; and
- to restore funding for core services that serve citizens throughout the Commonwealth and that make good sense -
- both economically and from an humane point of view.

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 \$664 million is

provided through the Medicaid program to meet these needs. And, an additional \$2.2 million is available to meet enrollment growth projected in FAMIS, the children's health insurance program. The Subcommittee was also able to preserve \$38 million for children entitled to foster care and subsidized adoptions.

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). However, upon closer scrutiny, we discovered that this new funding posed an additional burden to many of our localities by modifying the distribution formula which is based on local ability to pay measures. Localities would have been required to provide 50 percent of the costs to serve mandated children and adolescents. Currently, the localities pay a statewide average of 38 percent. Under this scenario, some rural localities would have experienced increased costs of up to 33 percent in this program.

We propose restoring \$18.8 million for the CSA program so localities don't experience a dramatic change in the current funding for this program over the next year. We are proposing a slight change to the funding formula in FY 2004 for supplemental funding localities receive through the program; however, the Subcommittee recognizes the need to work with localities over the next year to ensure that the funding formula is equitable and promotes the most efficient and effective use of federal, state, and local dollars. In total, we are recommending \$156.5 million to provide needed services for at-risk youth through the CSA program.

The Subcommittee was particularly concerned about the proposed across-the-board reductions of seven and eight percent over the next biennium. In total, these reductions would have cut \$73.5 million from health and human resources. As we looked at the numbers, we found that more than one-third of the reductions were directed at community-based services for mentally disabled persons.

For the past several years, the General has made sizeable financial commitments -- about \$133 million -- to build our community mental health, mental retardation and substance abuse services system and to provide high quality care for those in our state facilities. While we recognized 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, the Subcommittee took a number of steps to preserve funding for these essential services. First, we were able to provide \$35.5 million to fund all of Virginia's 5,536 slots for home- and community-based services for mentally retarded individuals. We were also able to preserve \$27.4 million to meet a projected shortfall in Medicaid funding for mentally retarded persons served in state facilities.

Through this Committee's help, we are able to provide \$16.6 million to mitigate the proposed across-the-board reductions for community-based and facility services for the mentally disabled over the next two years. In addition, we are proposing a plan to maximize federal reimbursement for community services which will stretch our state dollars. The end result of these efforts means that reductions to our Community Services Boards will total only 1.3 percent in each of the next two years. Finally, we propose restoring \$2.1 million this year to fully fund a projected shortfall in prescription drugs for mentally disabled citizens who are served in state facilities and Community Services Boards.

I think you will agree that these combined actions will preserve the gains we have made in improving the publicly-funded system of care for Virginia's mentally disabled citizens.

Mr. Chairman, as you know we have a number of very successful community programs that are aimed at strengthening our families and preventing the need for costly medical and social services in the future. Many of these programs use the money we

provide to leverage funds from other private and public organizations.

The introduced budget attempted to preserve some of these programs replacing state dollars with federal welfare reform dollars. For others however, the programs would have to compete for a smaller pool of funding available through the welfare reform block grant. The Subcommittee was concerned that this strategy leaves some of our more successful programs vulnerable to competing demands for welfare funding, if our welfare caseloads begin to increase as our economy slows down. For others, a smaller pool of funding could have jeopardized the programs.

For this reason, the Subcommittee proposes restoring \$3.7 million in state funds and earmarking \$29.5 million in federal Temporary Assistance to Needy Families (TANF) funds for a variety of programs which fulfill the goals of welfare reform in Virginia. An additional pool of funding totaling \$24.1 million is available for discretionary state and community-based services on a competitive basis, should our welfare caseloads remain stable. By taking these actions, we were also able to leave a balance in our federal welfare reform block grant as a contingency in the event our welfare caseloads increase beyond current projections.

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 thank the entire Committee 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.

Mr. Chairmen and fellow Committee members, we commend our recommendations to you for review and judgment. It is our hope that you will adopt our recommendations.

BUDGET AMENDMENT RECOMMENDATIONS

<u>Amendment</u>	2000-02 TOTAL		
	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>FTE</u>

Health & Human Resources

HB 29 REVENUES

DMHMRSAS Special Revenue Balances	3,300,000	0
DMHMRSAS Fund Balances	1,136,000	0
	=====	=====
SUBTOTAL REVENUES	4,436,000	0

HB 29

Department of Medical Assistance Services

Estimated Adjustment to Utilization & Inflation	(4,350,000)	0
Reduce GF for Indigent Care Trust Fund	(2,000,000)	(2,000,000)
Capture 02 Balance in State-Local Hosp. Fund	Language	

Dept. of Mental Health, Mental Retardation & Sub. Abuse Services

Restore Funds for Shortfall in Pharmacy Funding	2,100,000	0
Plan for Access to Children's Services	Language	

HB 29 SUBTOTAL FOR HEALTH & HUMAN RES.	(4,250,000)	(2,000,000)
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HB 29 TOTAL REV. & EXP. FOR HHR	(8,686,000)	(2,000,000)
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Budget Amendment Recommendations

<u>Amendment</u>	2002-04 BIENNIAL TOTAL		
	General	Nongeneral	
	<u>Fund</u>	<u>Fund</u>	<u>FTE</u>

Health & Human Resources

HB 30 REVENUES

State-local hospitalization program FY 03 balances	1,200,000	0
	=====	=====
SUBTOTAL REVENUES	1,200,000	0

HB 30

Secretary of Health & Human Resources			
Plan for Improving Comprehensive Services Act	Language		
Study Inspector General Role and Placement	Language		
Office of the Inspector General-10% Reduction	(32,000)	(35,700)	
Comprehensive Services Act			
Restore 1st Year Funding & Modify 2nd Yr. Match	18,757,292		
Department for the Aging			
Defer Expansion of Pharmacy Connect	(742,000)		
Oxbow Center	(370,000)		
Va. Public Guardian & Conservator Program	(710,000)		
Norfolk Senior Center	(134,000)		
Korean Intergenerational & Multi-purpose Senior Center	(50,000)		
Jewish Family Service of Tidewater	(245,000)		
Mountain Empire Older Citizens-Pilot Project	(200,000)		
Allow Fund Transfers Between Elderly Programs	Language		
Allow Carryforward of Local Elderly Program Funds	Language		
Virginia Department of Health			
Arthur Ashe Health Center	(300,000)		
Reduce & Redirect Funds Area Health Educ. Centers	(358,139)		
EMS \$4-for-Life Funds (HB 82)	0	30,000,000	
WTA Costs for Forensic Institute Positions	50,000		
Eliminate Funds-Va. Institute for Forensic Medicine	(1,000,000)		
Reductions in Health Planning Agencies	Language		
Increase Well and On-site Sewage System Fees	(1,380,000)	1,380,000	
Annual Permit Renewal Fees for Restaurants	(1,200,000)	1,200,000	
Fan Free Clinic	(100,000)		
Va. Transplant Council Educational Activities	(75,000)		
Arlandria Health Center	(250,000)		
Louisa Co. Resource Council	(50,000)		
Olde Towne Medical Center	(40,000)		
Women's Health Virginia	(50,000)		
Virginia Health Care Foundation	(445,962)		
Chesapeake Adult General Medical Clinic	(70,000)		
Sewage Appeals Board	(25,000)		

Budget Amendment Recommendations

<u>Amendment</u>	2002-04 BIENNIAL TOTAL		
	General	Nongeneral	
	Fund	Fund	FTE

Department of Medical Assistance Services			
Special Mattress Purchasing Consortium	Language		
Authority to Meet HIPAA Requirements	Language		
Funds to Meet Enrollment Growth in FAMIS		2,206,912	4,179,907
Report on FAMIS to Youth Commission	Language		
FAMIS Coverage of Services for Pregnant Women	Language		
FAMIS Emergency Regulations Extension	Language		
Report on Medicaid to Youth Commission	Language		
Defer & Supplant GF Indigent Care at Teaching Hospita		(34,700,000)	8,675,000
Defer FY 2003 Automatic Inflation in Medicaid		(29,742,201)	(30,508,629)
Estimated Adjustment to Utilization & Inflation		(1,190,000)	(1,226,734)
Defer Re-basing Nursing Facility Rates until 7/1/03		(8,300,000)	(8,500,000)
Medicaid Provider Cost Containment Measures FY 03	Language		
Medicaid Cost Containment Measures FY 04	Language		
Partial Restoration of Pharmacy Reimbursement Cut	Language		
Maximize Federal Funds for MHMR Case Management		9,011,236	9,246,764
Maximize Federal Funds in LTC Ombudsman Prog.	Language		
Maximize Federal Funds for Chronic Care Management	Language		
Maximize Fed. Funds for Home Meals & Other Services	Language		
Authority to Continue Patient Service Intensity Sys.	Language		
Medicaid Upper Payment Limit Authority	Language		
Medicaid 34-day Supply of Medications	Language		
Reduce GF for Indigent Care Trust Fund		(4,000,000)	(4,000,000)
Capture 03 Balance in State-Local Hosp. Fund	Language		
Dept. of Mental Health, Mental Retardation & Sub. Abuse Services			
Plan for Access to Children's Services	Language		
Web-based Data on Youth Psychiatric Inpatient Svcs.	Language		
Adequate Supply of Psychiatric Beds for Youth	Language		
MHMR Restructuring (HB 995)	Language		
Adequate Supply of Res. Treatment Beds for Youth	Language		
Equal Access to Needed Medications	Language		
Revise Estimate & Location-Violent Sexual Predator Pro		(954,208)	
Evaluate Performance Outcome Measurement System		(3,459,220)	
Consumer Support and Family Involvement Pilot		(300,000)	
Monitoring of Facility Dir. Performance Agreements		(261,972)	
Transfer Funds for Medicaid MHMR Case Managemen		(9,011,236)	
Transfer Substance Abuse Funds from DCJS		389,384	
Defer Added Staff at MR Training Centers		(3,400,000)	
Department of Social Services			
Voluntary Consolidation of Local DSS Offices	Language		
Change in Locality Groupings for TANF Eligibility	Language		
Allocate Child Care Block Grant for Resource & Referra	Language		
Restore NGF Reference for Domestic Violence Service	Language		
Restore Funding for Healthy Families		3,689,820	3,209,820
Restore Funding for Dementia Training		100,000	

Budget Amendment Recommendations

<u>Amendment</u>	2002-04 BIENNIAL TOTAL		
	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>FTE</u>
Department for the Rights of Virginians with Disabilities			
Transfer Funds & Positions to New Agency	(423,466)	(3,926,570)	(25.00)
Virginia Office for Protection and Advocacy			
Transfer DRVD Funds & Positions for New Agency	423,466	3,926,570	25.00
Dept. of Criminal Justice Services			
Transfer Substance Abuse Funds to DMHMRSAS	(389,384)		
HB 30 SUBTOTAL FOR HEALTH & HUMAN RES.	(69,330,678)	13,620,428	0.00
HB 30 TOTAL REV. & EXP. FOR HHR	(70,530,678)	13,620,428	0.00

Federal TANF Grant Spending Plan

	HB 30, As Introduced	
"Income"	<u>FY 2003</u>	<u>FY 2004</u>
Beginning Balance	35,009,510	17,504,755
Annual TANF Grant	158,285,000	158,285,000
Subtotal-Income	<u>193,294,510</u>	<u>175,789,755</u>
"Expenditures"		
Welfare Payments & Mandated Services	91,361,252	91,361,252
Expanded TANF Programming	27,323,500	27,323,500
Transfers to Other Block Grants	41,190,958	41,190,958
Introduced Budget: TANF for GF Substitutions	2,864,245	2,864,245
Introduced Budget: Community Eligible Services	13,049,800	13,049,800
Subtotal-Expenditures	<u>175,789,755</u>	<u>175,789,755</u>
Year-End Balance	<u>\$17,504,755</u>	<u>\$0</u>

Additions to the TANF Balance

Expanded TANF Programming	27,323,500	27,323,500
TANF for GF Substitutions	2,864,245	2,864,245
Community Eligible Services	13,049,800	13,049,800
Additional 03 Carryover Amt. from Revised Plan		858,680
Revised Year-End Balance	<u>60,742,300</u>	<u>44,096,225</u>

TANF Spending Proposal

Community Eligible Services Grants	12,049,800	12,049,800
Local Foster Care/Adoptions Staff	9,300,000	9,300,000
Hard to Serve Employment Projects	3,550,000	2,950,000
Pregnancy Prevention Projects in Health Dept.	3,000,000	3,000,000
Restore Funds for Homeless Assistance	3,000,000	3,000,000
Restore Funds for Healthy Families	2,549,820	660,000
Transportation Grants (Access to Jobs Funds)	2,500,000	2,500,000
TANF for GF in CHIP of Virginia	1,700,000	1,700,000
Local Domestic Violence Grants	1,250,000	1,250,000
TANF for GF in CSA Trust Fund Grants	1,064,245	1,064,245
Local VIEW Emergency Requests	1,000,000	1,000,000
Restore Funds for Community Action Agencies	950,000	1,000,000
Adoption Awareness Campaign	315,000	315,000
Domestic Awareness Campaign	150,000	150,000
Total TANF Spending Plan	<u>42,378,865</u>	<u>39,939,045</u>
Revised Year-End Balance	<u>18,363,435</u>	<u>4,157,180</u>

Health And Human Resources	FY 00-01	FY 01-02	
Department Of Medical Assistance	\$0	(\$4,350,000)	GF
Services	\$0	(\$4,628,328)	NGF

Language:

Page 281, line 40, strike "\$3,130,024,012" and insert "\$3,121,045,684".

Explanation:

(This amendment adjusts funds for Medicaid utilization and inflation based on estimated changes in utilization of services.)

Health And Human Resources	FY 00-01	FY 01-02	
Department Of Medical Assistance	\$0	(\$2,000,000)	GF
Services	\$0	(\$2,000,000)	NGF

Language:

Page 293, line 33, strike "\$12,000,000" and insert "\$8,000,000".

Explanation:

(This amendment reduces the general funds available for the Indigent Health Care Trust Fund which were originally intended to match hospital contributions on a 50 percent basis. The Joint Commission on Health Care completed a review of the fund in 2001 and found that hospital contributions to the fund totaled \$3.7 million instead of \$6 million reflected in the Appropriation Act. This amendment also reduces the nongeneral fund contribution by hospitals to reflect current contributions.)

Health And Human Resources	
Department Of Medical Assistance	Language
Services	

Language:

Page 294, line 39, after "3.", strike the remainder of the line.

Page 294, strike lines 40 through 43 and insert:

"Notwithstanding § 32.1-347(D), Code of Virginia, any general fund balances in the State and Local Hospitalization Program shall be deposited in the state treasury on or before June 30, 2002."

Explanation:

(This amendment deletes language requiring unexpended balances in the State and Local Hospitalization Program to remain in the program and not revert to the general fund at the end of the fiscal year. In addition, language is added to revert program balances at the end of the fiscal year to the general fund.)

Health and Human Resources Subcommittee

Item 323 #1h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 297, line 16, after "Services", insert ", the Department of Juvenile Justice,".

Page 297, line 22, after "children", insert ", including juvenile offenders,".

Page 297, line 23, after "health", insert ", substance abuse,".

Page 297, line 28, after "improvement.", insert:

"The Department of Mental Health, Mental Retardation, and Substance Abuse Services shall report the plan to the Chairmen of the Senate Finance and House Appropriations Committees by June 30 of each year."

Explanation:

(This amendment requires that the plan for services for mentally disabled children include juvenile offenders, and establishes a reporting requirement.)

Health and Human Resources Subcommittee

Item 325 #2h

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

FY 00-01

\$0

FY 01-02

\$2,100,000 GF

Language:

Page 299, line 5, strike "\$23,551,894" and insert "\$25,651,894".

Explanation:

(This amendment restores funding in the Department of Mental Health, Mental Retardation and Substance Abuse Services to address a shortfall in community and facility pharmacy funding for mentally disabled patients.)

Administration	FY 02-03	FY 03-04	
Department For The Rights Of	(\$211,733)	(\$211,957)	GF
Virginians With Disabilities	(\$709,558)	(\$709,558)	NGF

Language:

Page 58, line 3, strike "\$921,291" and insert "\$0".

Page 58, line 3, strike "\$921,515" and insert "\$0".

Page 58, line 6, strike "307,665 307,665" and insert "0 0".

Page 58, line 7, strike "401,893 401,893" and insert "0 0".

Page 58, after line 8, insert:

"Reductions in the appropriations of this item are contingent upon passage of House Bill 9."

Explanation:

(This amendment is one of four companion amendments that eliminates the agency and transfers appropriations to the newly created independent human rights agency, the Virginia Office for Protection and Advocacy, contingent upon passage of House Bill 9.)

Administration	FY 02-03	FY 03-04	
Department For The Rights Of	(\$1,013,426)	(\$1,013,426)	NGF
Virginians With Disabilities			

Language:

Page 58, line 9, strike "\$1,013,426" and insert "\$0".

Page 58, line 9, strike "\$1,013,426" and insert "\$0".

Page 58, line 10, strike "537,866 537,866" and insert "0 0".

Page 58, line 11, strike "475,560 475,560" and insert "0 0".

Page 58, line 12, strike "1,013,426 1,013,426" and insert "0 0".

Page 58, after line 13 insert:

"Reductions in appropriations of this item are contingent upon the passage of House Bill 9".

Explanation:

(This amendment is one of four companion amendments that eliminates the

agency and transfers appropriations to the newly created independent human rights agency, the Virginia Office for Protection and Advocacy, contingent upon passage of House Bill 9.)

Health and Human Resources Subcommittee

Item 88 #1h

Administration

FY 02-03

FY 03-04

Department For The Rights Of
Virginians With Disabilities

(\$240,301)

(\$240,301) NGF

Language:

Page 58, line 14, strike "\$240,301" and insert "\$0".

Page 58, line 14, strike "\$240,301" and insert "\$0".

Page 58, line 15, strike "240,301 240,301" and insert "0 0".

Page 58, line 16, strike "240,301 240,301" and insert "0 0".

Page 58, after line 17, insert:

"Reductions in the appropriations of this item are contingent upon passage of House Bill 9".

Explanation:

(This amendment is one of four companion amendments that eliminates the agency and transfers appropriations to the newly created independent human rights agency, the Virginia Office for Protection and Advocacy, contingent upon passage of House Bill 9.)

Health and Human Resources Subcommittee

Item 89 #1h

Administration

FY 02-03

FY 03-04

Department For The Rights Of
Virginians With Disabilities

-25.00

-25.00 FTE

Language:

Page 58, strike lines 18 through 26.

Page 58, line 18, insert:

"Reductions in the appropriations of this item are contingent upon the passage of House Bill 9."

Page 58, line 29, strike "1.88 1.88" and insert "0.00 0.00".

Page 58, line 30, strike "23.12 23.12" and insert "0.00 0.00".

Page 58, line 31, strike "25.00 25.00" and insert "0.00 0.00".
Page 58, line 32, strike "211,733 211,957" and insert "0 0".
Page 58, line 33, strike "307,665 307,665" and insert "0 0".
Page 58, line 34, strike "1,655,620 1,655,620" and insert "0 0".

Explanation:

(This amendment is one of four companion amendments that eliminates the agency and transfers appropriations to the newly created independent human rights agency, the Virginia Office for Protection and Advocacy, contingent upon passage of House Bill 9.)

Health and Human Resources Subcommittee

Item 298 #2h

Health And Human Resources

Secretary Of Health And Human
Resources

Language

Language:

Page 228, after line 50, insert:

"C. The Secretary of Health and Human Resources, in cooperation with state and local agencies, public and private service providers, and child advocates, shall develop and implement a plan for improving services and containing costs in the treatment and care of children under the Comprehensive Services Act for At-Risk Youth and Families. The plan shall include (i) methods for evaluating and monitoring the quality, appropriate level, and outcomes of care; (ii) strategies for increasing collection of federal reimbursement; (iii) assessment and development of negotiated statewide contracts for services purchased by state and local agencies; (iv) revised allocation methodologies, reimbursement procedures, and cost-sharing formulas for localities, if necessary; (v) coordinated collection of information among state agencies; (vi) a review of the organization and management structure; and (vii) and projections of caseloads, service needs, and costs. Service, funding, or management actions requiring statutory or appropriations revisions shall be recommended to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by October 15, 2002."

Explanation:

(This amendment is self-explanatory.)

Health and Human Resources Subcommittee

Health And Human Resources

Secretary Of Health And Human Resources

Language

Language:

Page 228, after line 50, insert:

"C. The Secretary of Health and Human Resources, in cooperation with the Department of Mental Health, Mental Retardation and Substance Abuse Services, the Office of the Inspector General, the Office for Protection and Advocacy, and mental health advocates, shall examine the role and responsibilities of the Office of the Inspector General and make recommendations regarding the future role and placement of the Inspector General in the mental health system. Actions requiring statutory or appropriations revisions shall be recommended to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by October 31, 2002."

Explanation:

(This amendment is self-explanatory.)

Health And Human Resources

Secretary Of Health And Human Resources

FY 02-03

(\$16,000)
(\$17,850)

FY 03-04

(\$16,000) GF
(\$17,850) NGF

Language:

- Page 228, line 3, strike "\$996,823" and insert "\$962,973".
- Page 228, line 3, strike "\$998,309" and insert "\$964,459".
- Page 225, line 23, strike "110,000" and insert "100,000".
- Page 225, line 24, strike "110,000" and insert "100,000".
- Page 228, line 44, strike "50,000" and insert "45,000".
- Page 228, line 45, strike "178,508" and insert "160,658".
- Page 228, line 46, strike "50,000" and insert "45,000".
- Page 228, line 47, strike "178,508" and insert "160,658".

Explanation:

(This amendment reduces funding for the Office of the Inspector General by ten percent in each year.)

Health And Human Resources	FY 02-03	FY 03-04	
Comprehensive Services For At-Risk Youth And Families	\$12,139,715	\$6,617,577	GF

Language:

Page 229, line 7, strike "\$165,123,270" and insert "\$177,262,985".

Page 229, line 7, strike "\$173,259,512" and insert "\$179,877,089".

Page 229, line 25, strike "93,722,781" and insert "77,678,804".

Page 229, line 27, strike "100,342,479" and insert "81,752,781".

Page 229, line 34, strike "23,132,031" and insert "14,573,180".

Page 229, line 35, strike "23,479,011" and insert "14,791,777".

Page 229, line 42, strike "70,590,750" and insert "63,105,624".

Page 229, line 43, strike "76,863,468" and insert "66,691,004".

Page 230, line 6, strike "35,073,393" and insert "63,811,084".

Page 230, line 8, strike "36,220,756" and insert "61,678,030".

Page 231, line 57, strike "d", and insert "c".

Page 232, line 8, strike "for Fiscal Year 2002 Carryforward Expenditures".

Page 232, line 9, strike "Expenditures" and insert: "State Pool of Funds".

Page 232, line 15, strike "under this item" and insert:

"from the state pool of funds in this item and fiscal year 2002 carryforward expenditures submitted prior to September 30, 2003".

Page 232, line 16, strike "as well as" and insert:

", supplemental Medicaid reimbursements under paragraph C 2 a in this item, and".

Page 232, line 17, strike "3", and insert "4".

Page 232, line 19, strike "Fiscal Year 2003 and Fiscal Year".

Page 232, line 20, strike "2004" and insert:

"for second year non-Medicaid supplemental reimbursements under paragraph C 2 a in this item".

Page 232, line 21, strike "fifty percent of the total local".

Page 232, line 22, strike "projected program expenditures", and insert:

"the local match in paragraph D 2 of this Item plus ten percent".

Page 232, line 23, strike "the non-Medicaid allocations, supplemental".

Page 232, line 24, strike "allocations, and administrative allocations." and insert:

"second year supplemental non-Medicaid reimbursements."

Page 232, line 28, strike "2,000,000 from the general fund each year," and insert:

"1,500,000 from the general fund the first year and \$1,750,000 from the general fund the second year,".

Page 232, line 32, strike "3", and insert "2".

Page 233, after line 6, insert:

"H. The State Executive Council, in conjunction with the Department of Planning and Budget, shall develop performance standards to include, but not limited to, use of federal funds for state and local support of the Comprehensive Services Act. The performance standards shall be implemented no later than September 30, 2002. Effective July 1, 2003, reimbursements from paragraph C 2 a in this item, shall be contingent upon meeting minimum performance standards."

Explanation:

(This amendment restores funding and current local match rates for the Comprehensive Services Act (CSA) program in the first year. The introduced budget would have required localities to pay 50 percent of CSA costs for non-Medicaid expenditures. It also restores a portion of the funding in the second year, but modifies the local match rates for non-Medicaid supplemental expenditures to require localities to pay 10 percent above the match rate for their initial CSA allocations. Language is added for the State Executive Council to develop performance standards and to make future supplemental reimbursements contingent upon meeting minimum performance standards.)

Health and Human Resources Subcommittee

Item 301 #17h

Health And Human Resources

FY 02-03

FY 03-04

Department For The Aging

(\$105,000)

(\$605,000) GF

Language:

Page 233, line 26, strike "\$24,135,900" and insert "\$24,030,900".

Page 233, line 26, strike "\$24,135,900" and insert "\$23,530,900".

Page 233, line 17, before "Included" insert "A.".

Page 233, line 17, after line 25, insert:

"B. The Department shall assess the current operations of the Virginia Public Guardian and Conservator Program to determine how the goals of the program can be attained on a voluntary basis. In conducting this assessment the Department shall work with the Virginia State Bar and the Virginia Bar Association to develop alternatives which would not incur additional general fund obligations."

Page 233, line 49, strike "500,000" and insert "400,000".

Page 233, line 50, "and \$500,000 the second year,".

Page 234, line 3, strike "and".

Page 234, line 4, strike "\$100,000 the second year".

Page 234, strike lines 7 through 14.

Explanation:

(This amendment requires the Department for the Aging to examine the Virginia Public Guardian and Conservator Program and to work groups to determine how the goals of the program can be accomplished without the use of state funding. Funding for the local programs is reduced by \$100,000 the first year and funding for the Advisory Board is eliminated. Funding for the entire program is eliminated in the second year.)

Health and Human Resources Subcommittee Item 301 #18h

Health And Human Resources	FY 02-03	FY 03-04	
Department For The Aging	(\$185,000)	(\$185,000)	GF

Language:

Page 233, line 26, strike "\$24,135,900" and insert "\$23,950,900".

Page 233, line 26, strike "\$24,135,900" and insert "\$23,950,900".

Page 233, strike lines 45 through 48.

Explanation:

(This amendment eliminates funding for Oxbow Center in Wise County.)

Health and Human Resources Subcommittee Item 301 #19h

Health And Human Resources	FY 02-03	FY 03-04	
Department For The Aging	(\$67,000)	(\$67,000)	GF

Language:

Page 233, line 26, strike "\$24,135,900" and insert "\$24,068,900".

Page 233, line 26, strike "\$24,135,900" and insert "\$24,068,900".

Page 234, strike lines 15 through 17.

Explanation:

(This amendment eliminates funding for the Norfolk Senior Center.)

Health and Human Resources Subcommittee

Item 301 #20h

Health And Human Resources	FY 02-03	FY 03-04	
Department For The Aging	(\$25,000)	(\$25,000)	GF

Language:

Page 233, line 26, strike "\$24,135,900" and insert "\$24,110,900".

Page 233, line 26, strike "\$24,135,900" and insert "\$24,110,900".

Page 234, strike lines 18 through 21.

Explanation:

(This amendment eliminates funding for the Korean Intergenerational and Multi-purpose Senior Center in Richmond.)

Health and Human Resources Subcommittee

Item 301 #21h

Health And Human Resources	FY 02-03	FY 03-04	
Department For The Aging	(\$122,500)	(\$122,500)	GF

Language:

Page 233, line 26, strike "\$24,135,900" and insert "\$24,013,400".

Page 233, line 26, strike "\$24,135,900" and insert "\$24,013,400".

Page 234, strike lines 22 through 25.

Explanation:

(This amendment eliminates funding for the Jewish Family Service of Tidewater.)

Health and Human Resources Subcommittee

Item 301 #22h

Health And Human Resources	FY 02-03	FY 03-04	
Department For The Aging	(\$100,000)	(\$100,000)	GF

Language:

Page 233, line 26, strike "\$24,135,900" and insert "\$24,035,900".

Page 233, line 26, strike "\$24,135,900" and insert "\$24,035,900".

Page 234, strike lines 26 through 31.

Explanation:

(This amendment eliminates funding for the Mountain Empire Older Citizens Inc.)

for a companion care pilot project.)

Health and Human Resources Subcommittee

Item 301 #23h

Health And Human Resources

Department For The Aging

FY 02-03

(\$371,000)

FY 03-04

(\$371,000) GF

Language:

Page 233, line 26, strike "\$24,135,900" and insert "\$23,764,900".

Page 233, line 26, strike "\$24,135,900" and insert "\$23,764,900".

Explanation:

(This amendment defers expansion of the Pharmacy Connect program.)

Health and Human Resources Subcommittee

Item 303 #1h

Health And Human Resources

Department For The Aging

Language

Language:

Page 235, line 24, strike "15" and insert "25".

Explanation:

(This amendment authorizes the Director of the Department of Planning and Budget, at the request of the Commissioner of Department for the Aging, to transfer up to 25 percent of funds from one category of elderly services to another, as allowed under federal regulation. No transfers from services to administration would be permitted. Currently, up to a 15 percent transfer is authorized.)

Health and Human Resources Subcommittee

Item 303 #2h

Health And Human Resources

Department For The Aging

Language

Language:

Page 235, after line 31, insert:

"E. Area Agencies on Aging shall have the authority to carry forward 25 percent

of the agency's federal funds."

Explanation:

(This amendment is self-explanatory.)

Health and Human Resources Subcommittee

Item 305 #2h

Health And Human Resources

FY 02-03

FY 03-04

Department Of Health

\$50,000

\$0 GF

Language:

Page 236, line 4, strike "\$13,931,441" and insert "\$13,981,441".

Explanation:

(This amendment provides funding to cover Workforce Transition Act costs associated with the elimination of two positions for the Virginia Institute of Forensic Science and Medicine. Funding provided to the Institute was grant dollars that were not intended to be used to hire additional staff in the Health Department. A companion amendment in Item 308 eliminates grant funding for the Institute.)

Health and Human Resources Subcommittee

Item 306 #5h

Health And Human Resources

FY 02-03

FY 03-04

Department Of Health

(\$100,000)

(\$258,139) GF

Language:

Page 236, line 16, strike "\$2,944,059" and insert "\$2,844,059".

Page 236, line 16, strike "\$2,944,059" and insert "\$2,685,920".

Page 237, line 10, strike "1,158,139" and insert "1,058,139".

Page 237, line 11, strike "1,158,139" and insert "1,058,139".

Page 237, line 14, strike "health" and insert:

"the recruitment, training, continuing education, practice support and recruitment of health care professionals for medically underserved areas and areas with medically underserved populations."

Page 237, strike lines 15 through 18.

Page 237, line 20, strike "and \$158,139 the".

Page 237, line 21, strike "second year".

Page 237, line 21, strike "are" and insert "is".

Page 237, line 29, strike "and \$68,239 the second year".
Page 237, line 31, strike "and".
Page 237, line 32, strike "\$49,900 the second year".
Page 237, line 35, strike "and \$40,000 the".
Page 237, line 36, strike "second year".
Page 237, line 46, strike the first "200,000" and insert "180,000".
Page 237, line 46, strike the second "200,000" and insert "180,000".
Page 237, line 48, strike the first "150,000" and insert "135,000".
Page 237, line 48, strike the second "150,000" and insert "135,000".
Page 237, line 49, strike "150,000" and insert "135,000".
Page 237, line 49, strike "150,000" and insert "135,000".
Page 237, line 50, strike "150,000" and insert "135,000".
Page 237, line 51, strike the first "100,000" and insert "90,000".
Page 237, line 51, strike the second "100,000" and insert "90,000".
Page 237, line 53, strike the first "100,000" and insert "90,000".
Page 237, line 53, strike the second "100,000" and insert "90,000".
Page 237, line 54, strike "100,000" and insert "90,000".
Page 237, line 55, strike "100,000" and insert "90,000".
Page 237, line 56, strike "100,000" and insert "90,000".
Page 237, line 57, strike "100,000" and insert "90,000".
Page 237, line 58, strike the first "100,000" and insert "90,000".
Page 237, line 58, strike the second "100,000" and insert "90,000".
Page 238, line 5, strike "each year" and insert ", 2002".
Page 238, after line 11, insert:

"5. The Department of Health shall assess the activities of the Statewide AHEC Program and the need for continued state funding for the statewide office and the Centers for the Advancement of Generalist Medicine at the University of Virginia and the Medical College of Virginia. The Department shall report its findings to the Governor and Chairmen of the House Appropriations and Senate Finance Committees by October 15, 2002."

Explanation:

(This amendment reduces funding for the Area Health Education Centers (AHECs) by ten percent each year. In addition, funding is eliminated for the Statewide AHEC office and the Centers for the Advancement of Generalist Medicine at the teaching hospitals in the second year. Language is added to redirect the activities of the AHECs to focus more specifically on recruitment and retention, practice support, and training of health care professionals in medically underserved areas or areas with medically underserved populations. Language also requires the Health Department to

assess the activities of the Statewide AHEC program and the need for continued state funding for the statewide office and the Centers located at the teaching hospitals.)

Health and Human Resources Subcommittee

Item 307 #3h

Health And Human Resources

FY 02-03

FY 03-04

Department Of Health

\$15,000,000

\$15,000,000 NGF

Language:

Page 238, line 39, strike "\$12,618,943" and insert "\$27,618,943".

Page 238, line 39, strike "\$12,618,943" and insert "\$27,618,943".

Explanation:

(This amendment adds special fund revenue for emergency medical services (EMS). The source of funds would be a \$2.00 increase in the current "\$2.00 for Life" surcharge on drivers' licenses for EMS, adopted in House Bill 82.)

Health and Human Resources Subcommittee

Item 308 #1h

Health And Human Resources

FY 02-03

FY 03-04

Department Of Health

(\$500,000)

(\$500,000) GF

Language:

Page 239, line 32, strike "\$5,860,735" and insert "\$5,360,735".

Page 239, line 32, strike "\$5,860,735" and insert "\$5,360,735".

Page 239, strike lines 40 through 43.

Explanation:

(This amendment eliminates funding for the Virginia Institute of Forensic Science and Medicine. A companion amendment in Item 305 provides \$50,000 for Work Force Transition Act costs associated with the elimination of this funding. A portion of the funds for the Institute were used to hire two full-time positions in the Medical Examiner's Office to provide training for the Institute.)

Health and Human Resources Subcommittee

Item 310 #5h

Health And Human Resources

FY 02-03

FY 03-04

Department Of Health (\$50,000) (\$50,000) GF

Language:

Page 240, line 2, strike "\$48,219,157" and insert "\$48,169,157".

Page 240, line 2, strike "\$48,219,157" and insert "\$48,169,157".

Page 240, strike lines 34 through 37.

Explanation:

(This amendment eliminates funding for the Fan Free Clinic for AIDS related services.)

Health and Human Resources Subcommittee

Item 310 #6h

Health And Human Resources

FY 02-03

FY 03-04

Department Of Health

(\$150,000)

(\$150,000) GF

Language:

Page 240, line 2, strike "\$48,219,157" and insert "\$48,069,157".

Page 240, line 2, strike "\$48,219,157" and insert "\$48,069,157".

Page 240, strike lines 26 through 29.

Explanation:

(This amendment eliminates funding for the Arthur Ashe Health Center in Richmond.)

Health and Human Resources Subcommittee

Item 311 #2h

Health And Human Resources

Department Of Health

Language

Language:

Page 241, strike lines 11 through 14 and insert:

"A. This appropriation includes \$755,687 the first year and \$755,687 the second year from the general fund for the health planning fund in accordance with §32.1-122.06, Code of Virginia. The funding may be reduced by up to \$227,000 the first year and \$227,000 the second year as part of reductions reflected in Item 506 of this act."

Explanation:

(This amendment substitutes language authorizing, but not requiring, cuts in funding for regional health planning agencies.)

Health and Human Resources Subcommittee Item 312 #6h

Health And Human Resources	FY 02-03	FY 03-04	
Department Of Health	(\$37,500)	(\$37,500)	GF

Language:

Page 241, line 48, strike "\$6,377,932" and insert "\$6,340,432".
Page 241, line 48, strike "\$6,377,932" and insert "\$6,340,432".
Page 242, strike lines 36 through 39.

Explanation:

(This amendment eliminates funding for educational activities of the Virginia Transplant Council.)

Health and Human Resources Subcommittee Item 312 #7h

Health And Human Resources	FY 02-03	FY 03-04	
Department Of Health	(\$125,000)	(\$125,000)	GF

Language:

Page 241, line 48, strike "\$6,377,932" and insert "\$6,252,932".
Page 241, line 48, strike "\$6,377,932" and insert "\$6,252,932".
Page 242, strike lines 40 through 45.

Explanation:

(This amendment eliminates funding for the Arlandria Health Center for Women and Children.)

Health and Human Resources Subcommittee Item 312 #8h

Health And Human Resources	FY 02-03	FY 03-04	
Department Of Health	(\$25,000)	(\$25,000)	GF

Language:

Page 241, line 48, strike "\$6,377,932" and insert "\$6,352,932".

Page 241, line 48, strike "\$6,377,932" and insert "\$6,352,932".
Page 242, strike lines 46 through 50.

Explanation:

(This amendment eliminates funding for the Louisa County Resource Council.)

Health and Human Resources Subcommittee Item 312 #9h

Health And Human Resources	FY 02-03	FY 03-04	
Department Of Health	(\$20,000)	(\$20,000)	GF

Language:

Page 241, line 48, strike "\$6,377,932" and insert "\$6,357,932".
Page 241, line 48, strike "\$6,377,932" and insert "\$6,357,932".
Page 242, strike lines 51 through 53.

Explanation:

(This amendment eliminates funding for the Olde Towne Medical Center in Williamsburg.)

Health and Human Resources Subcommittee Item 312 #10h

Health And Human Resources	FY 02-03	FY 03-04	
Department Of Health	(\$25,000)	(\$25,000)	GF

Language:

Page 241, line 48, strike "\$6,377,932" and insert "\$6,352,932".
Page 241, line 48, strike "\$6,377,932" and insert "\$6,352,932".
Page 243, strike lines 1 through 9.

Explanation:

(This amendment eliminates funding for the Women's Health Virginia for an annual conference on women and girls' health.)

Health and Human Resources Subcommittee Item 314 #2h

Health And Human Resources	FY 02-03	FY 03-04	
Department Of Health	(\$690,000)	(\$690,000)	GF

\$690,000 \$690,000 NGF

Language:

Page 245, after line 47, insert:

"D. Notwithstanding Title 32.1 of the Code of Virginia, the Commissioner of Health shall increase, by no more than \$50, those existing fees associated with the application for a construction permit for private wells, on-site sewage systems, and alternative discharging systems."

Explanation:

(This amendment allows the State Health Commissioner to increase the state fees for well inspections and septic inspections to cover a larger portion of the costs associated with permit issuance.)

Health and Human Resources Subcommittee

Item 314 #5h

Health And Human Resources

FY 02-03

FY 03-04

Department Of Health

(\$600,000)

(\$600,000) GF

\$600,000

\$600,000 NGF

Language:

Page 245, after line 47, insert:

"D. The Commissioner of Health is authorized to develop, in consultation with the regulated entities, a plan and specification review fee and an annual permit renewal fee, each not to exceed \$55 per year, to be collected from all establishments, except K-12 public schools, that are subject to inspection by the Department of Health pursuant to §§ 35.1-13-14 and 35.1-16-17, of the Code of Virginia; however, any such establishment that is subject to any health permit fee, application fee, inspection fee, risk assessment fee or similar fee imposed by any locality as of January 1, 2002 shall be subject to this annual permit renewal fee only to the extent that the Department of Health fee and the locally-imposed fee, when combined, does not exceed \$55. This fee structure shall be subject to the approval of the Secretary of Health and Human Resources."

Explanation:

(This amendment assesses an annual permit renewal fee on food establishments that are inspected by the Virginia Department of Health to offset the costs of those inspections. The fee is also charged to new establishments receiving their initial inspection and permit.)

Health and Human Resources Subcommittee

Item 314 #6h

Health And Human Resources	FY 02-03	FY 03-04	
Department Of Health	(\$222,981)	(\$222,981)	GF

Language:

Page 244, line 45, strike "\$162,300,062" and insert "\$162,077,081".

Page 244, line 45, strike "\$162,385,062" and insert "\$162,162,081".

Page 245, line 7, strike "2,229,810", and insert "2,006,829".

Page 245, line 8, strike "2,229,810", and insert "2,006,829".

Explanation:

(This amendment reduces funding for the Virginia Health Care Foundation by 10 percent in each year.)

Health and Human Resources Subcommittee

Item 314 #7h

Health And Human Resources	FY 02-03	FY 03-04	
Department Of Health	(\$35,000)	(\$35,000)	GF

Language:

Page 244, line 45, strike "\$162,300,062" and insert "\$162,265,062".

Page 244, line 45, strike "\$162,385,062" and insert "\$162,350,062".

Page 245, strike lines 44 through 47.

Explanation:

(This amendment eliminates funding for the Chesapeake Adult General Medical Clinic.)

Health and Human Resources Subcommittee

Item 314 #8h

Health And Human Resources	FY 02-03	FY 03-04	
Department Of Health	(\$12,500)	(\$12,500)	GF

Language:

Page 244, line 45, strike "\$162,300,062" and insert "\$162,287,562".

Page 244, line 45, strike "\$162,385,062" and insert "\$162,372,562".

Page 245, line 40, strike "25,000", and insert "12,500".

Page 245, line 41, strike "25,000", and insert "12,500".

Explanation:

(This amendment reduces funding for the Sewage Appeals Review Board.)

Health and Human Resources Subcommittee

Item 322 #3h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 249, after line 7, insert:

"E. Out of the amounts appropriated for the Medical Assistance Services program, the Department is authorized to expend up to \$546,000 in general funds in fiscal year 2003 and \$327,860 in general funds in fiscal year 2004 to comply with the federal Health Insurance Portability and Accountability Act regulations related to Privacy and Transaction Standard and Code Sets."

Explanation:

(This amendment authorizes the Department of Medical Assistance Services to use a portion of its funding to comply with federal requirements under the Health Insurance Portability and Accountability Act (HIPAA). For example, under HIPAA the Department will have to modify its systems to exchange necessary data with the federal Medicare program for recipients who are dually eligible for both the Medicare and Medicaid programs.)

Health and Human Resources Subcommittee

Item 322 #4h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 249, after line 7, insert:

"E. The Department of Medical Assistance Services shall report to the Chairmen of the House Appropriations and Senate Finance Committee, and the Joint Commission on Health Care by September 1, 2002, on the feasibility of establishing a purchasing

consortium to provide for a discounted price on the purchase of mattresses designed to prevent and to treat pressure ulcers."

Explanation:

(This budget amendment is self-explanatory. This is a recommendation of the Joint Commission on Health Care.)

Health and Human Resources Subcommittee

Item 324 #1h

Health And Human Resources

FY 02-03

FY 03-04

Department Of Medical Assistance
Services

\$1,049,850
\$1,995,756

\$1,157,062 GF
\$2,184,151 NGF

Language:

Page 249, line 19, strike "\$63,310,011" and insert "\$66,355,617".

Page 249, line 19, strike "\$66,019,086" and insert "\$69,360,299".

Explanation:

(This amendment provides additional funds to support the projected enrollment growth of eligible Virginia children in the Family Access to Medical Insurance Security (FAMIS) Plan.)

Health and Human Resources Subcommittee

Item 324 #5h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 249, after line 43, insert:

"C. The Department shall continue outreach efforts to enroll a greater number of children eligible for participation in the Family Access to Medical Insurance Security (FAMIS) program and shall report annually on its progress to the Commission on Youth by December 1."

Explanation:

(This amendment is self-explanatory.)

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 249, after line 43, insert:

"C.1. The Department of Medical Assistance Services shall develop the necessary changes to the Family Access to Medical Insurance Security (FAMIS) Plan to provide prenatal, delivery, and postpartum services for eligible pregnant women upon the adoption or enactment of federal regulations or law allowing states to provide such covered services. The Department shall develop the necessary amendments to the budget needed to provide such coverage if it is allowed prior to the 2003 Session of the General Assembly.

2. If such regulations or laws are not enacted prior to the 2003 Session of the General Assembly, the Department of Medical Assistance Services shall prepare a waiver request to be submitted to the Centers for Medicare and Medicaid Services to permit the use of Title XXI funding to provide such coverage, and submit the necessary amendments to the Governor's 2003 introduced budget to provide for such coverage beginning July 1, 2003."

Explanation:

(This amendment is self-explanatory.)

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 249, after line 43, insert:

"C. Notwithstanding the provisions of § 2.2-4011, Code of Virginia, the authority of the Department to issue emergency regulations for the Family Access to Medical Insurance Security Plan (FAMIS) shall be extended through July 31, 2003."

Explanation:

(This amendment extends the time period for issuance of emergency regulations for the FAMIS program. The regulations currently in place expire on July 1, 2002 and final regulations have not yet been completed. This provides additional time to finalize regulations for the program. If the emergency regulations are not extended, the regulations will revert to those in existence for the former Children's Medical Security Insurance Plan.)

Health and Human Resources Subcommittee

Item 325 #23h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 257, after line 7, insert:

"HH. The Department shall continue outreach efforts to enroll a greater number of children eligible for participation in the Medicaid program and shall report annually on its progress to the Commission on Youth by December 1."

Explanation:

(This amendment is self-explanatory.)

Health and Human Resources Subcommittee

Item 325 #37h

Health And Human Resources

Department Of Medical Assistance
Services

FY 02-03

FY 03-04

\$0	(\$34,700,000)	GF
\$0	\$8,675,000	NGF

Language:

Page 249, line 44, strike "\$3,553,124,057" and insert "\$3,527,099,057".
 Page 251, line 55, strike "45,403,000" and insert "41,403,000".
 Page 251, line 56, strike "44,141,364" and insert "45,141,364".
 Page 252, line 3, strike "105,685,600" and insert "74,985,600".
 Page 252, line 4, strike "79,950,400" and insert "88,625,400".

Explanation:

(This amendment reduces general fund dollars for indigent care at the state teaching hospitals in fiscal year 2004 and supplants a portion of this funding with nongeneral fund dollars.)

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 257, after line 7, insert:

"HH.1. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance Services to generate \$9,300,000 in savings in fiscal year 2003 through three revisions to its pharmacy benefits program as provided in this paragraph. Of this amount, expenditure reductions will include \$4,579,320 from the general fund and \$4,720,680 from nongeneral funds. The amendments to the State Plan shall become effective within 280 days from the enactment of this act.

2. Of the total amount, a reduction of \$1,821,880 from the general fund and \$1,878,120 from nongeneral funds shall be generated by defining the Virginia Maximum Allowable Cost based on the availability in Virginia of generic drugs, which (i) are included in the Centers for Medicare and Medicaid Services' state drug rebate program, (ii) have been approved by the Federal Food and Drug Administration; and (iii) are included in the Approved Products with Therapeutic Equivalence Evaluations as generically equivalent.

3. Of the total amount, a reduction of \$1,181,760 from the general fund and \$1,218,240 from nongeneral funds shall be generated by pricing the specialty therapeutic drug, anti-hemophilia factor, according to guidelines for best pricing established by the Department after review of market factors and appropriate volume purchasing discounting.

4. Of the total amount, a reduction of \$1,575,680 from the general fund and \$1,624,320 from nongeneral funds shall be generated by reducing program payments made on behalf of recipients with other sources of insurance coverage."

JJ. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance Services governing Medicaid reimbursement to hospitals, nursing homes, and managed care organizations to generate a total of \$13,200,000 in savings in fiscal year 2003, which will include expenditure reductions of \$6,499,680 from the general fund and \$6,700,000 from nongeneral funds. Of this total amount, a reduction of \$3,299,080 from the general fund and \$3,400,920 in nongeneral funds shall be achieved through reduced payments to hospitals; a reduction of \$2,708,200 from the general fund and \$2,791,800 from nongeneral funds shall be achieved through reduced

payments to managed care organizations; and a reduction of \$492,400 from the general fund and \$507,600 from nongeneral funds shall be achieved through reduced payments to nursing homes. Such amendments to the State Plan shall become effective within 280 days from the enactment of this act."

Explanation:

(This amendment implements cost containment measures in the Medicaid program. The first three paragraphs direct the Department of Medical Assistance Services to generate savings for the program by employing several activities to better manage pharmacy expenditures. Additional language directs the Department to generate savings by identifying third party liability for recipient benefits. Language also directs the Department to reduce reimbursements to: hospitals by \$6.7 million, managed care organizations by \$5.5 million and nursing homes by \$1.0 million in fiscal year 2003.)

Health and Human Resources Subcommittee

Item 325 #41h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 257, after line 7, insert:

"HH. In order to maximize Medicaid revenue, The Department of Medical Assistance Services (DMAS), shall amend its State Plan for Medical Assistance to use general fund appropriations for the Virginia Department for the Aging for the Ombudsman Program, as leverage to generate additional Medicaid monies to provide Ombudsman services through the Virginia Area Agencies on Aging to Medicaid recipients residing in nursing facilities and in home and community based services waivers. DMAS shall implement the necessary regulatory changes to be consistent with federal approval of this State Plan amendment to become effective within 280 days or less from the enactment date of this Act."

Explanation:

(This amendment requires that DMAS, the Virginia Area Agencies on Aging (AAAs), and the Virginia Department for the Aging work together to identify and implement the best method for gaining access to federal Medicaid funds for the Commonwealth's Ombudsman Program, while allowing the AAAs to continue to provide adequate services.)

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 257, after line 7, insert:

"HH. Contingent upon approval by the Centers for Medicaid and Medicare Services for a Research and Demonstration 1115 Waiver for the management of chronic care conditions of elderly and disabled persons through the Virginia Area Agencies on Aging, the Department of Medical Assistance Services shall promulgate emergency regulations to become effective within 280 days or less from the enactment date of this Act. The Department of Medical Assistance Services shall implement these necessary regulatory changes to be consistent with federal approval of this waiver. The Department shall report on its efforts to obtain approval of the waiver and any necessary budget amendments required to implement the waiver to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2002."

Explanation:

(This amendment requires the Department of Medical Assistance Services to seek federal approval for waiver to provide Medicaid reimbursement for the management of chronic care conditions in the community by the Virginia Area Agencies on Aging. Language is added for the Department to report back to the General Assembly on the status of its waiver request and any necessary budget amendments needed to implement the waiver.)

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 257, after line 7, insert:

"HH. In order to maximize Medicaid revenue, the Department of Medical Assistance Services (DMAS), shall use general fund appropriations transferred by the Virginia Department for the Aging as match for federal Medicaid funds to be used to provide home-delivered meals and environmental modifications to eligible Medicaid recipients

through a model home- and community-based services waiver. The individuals eligible for the model waiver shall be limited to recipients of the Elderly and Disabled Waiver. DMAS shall implement the necessary regulations, providing for these new services, target population, service reimbursement methodology, and utilization control requirements, to be consistent with federal approval of this waiver within 280 days of the enactment of this Act. The Department shall report on its efforts to obtain approval of the waiver and any necessary budget amendments required to implement the waiver to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2002."

Explanation:

(This amendment requires that DMAS, the Virginia Area Agencies on Aging (AAAs), and the Department for the Aging (VDA) provide in-home services to certain low-income Virginians who meet nursing facility screening criteria through a Medicaid waiver for home- and community-based services and who are recipients of the Elderly and Disabled Waiver. The AAAs and VDA will continue to provide adequate services to non-waiver clients. The waiver will be a model waiver of no more than 200 slots and services will be provided in specific regions of the Commonwealth. Home-delivered meals shall be no more than two meals per day and environmental modifications would be capped at no more than \$2,000 total cost per client. Environmental modifications must delay or prevent institutionalization and may include the installation of ramps and grab bars, widening of door ways, etc. The modifications must be of direct medical or remedial benefit to the individual but cannot be improvements to the home which are of general utility. Language is added to require DMAS to report back to the General Assembly on the status of its waiver request and any necessary budget amendments needed to implement the waiver.)

Health and Human Resources Subcommittee

Item 325 #44h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 256, line 48, after "GG.", insert "1."

Page 256, line 44, strike "11" and insert "10".

Page 256, after line 47, insert:

"2. Changes to the Medicaid reimbursement methodology for pharmacy services shall include pharmaceutical expenditure management initiatives which shall

generate savings estimated at \$3,050,000 from the general fund and \$3,144,151 from nongeneral funds the first year and \$3,350,000 from the general funds and \$3,421,781 from nongeneral funds the second year which shall be used to implement the changes to the Medicaid reimbursement methodology for pharmacy services. The following pharmaceutical expenditure management initiatives shall be implemented to achieve these savings: (i) drug utilization review messaging for all brand name medically necessary pharmaceuticals, particularly those which are identified as high use and high cost items; (ii) implementation of utilization management strategies, including increasing the recipient copayment to \$2.00 for brand name prescription drugs; and (iii) implementation of a prescription drugs fraud and abuse prevention program.

"3. All savings realized in excess of the anticipated cost containment projections contained in paragraph GG 2 above and in excess of the estimated at \$10,400,000 that the department is expected to realize from its expanded disease management initiatives proposed in this act, shall be applied to the pharmacy budget. A portion of the savings shall be applied to provide increased reimbursements to health care provider participating in disease management initiatives."

Explanation:

(This amendment adds language to restore a portion of pharmacy reimbursement rate reduction that was contained in the introduced budget through the use of several pharmaceutical expenditure management activities. The introduced budget proposed to decrease the maximum reimbursement for pharmaceutical products to the Average Wholesale Price (AWP) minus 11 percent, while this amendment would partially restore reimbursement to AWP minus 10 percent. These products were previously reimbursed at the AWP minus nine percent. Language is added to apply additional cost savings realized from pharmaceutical expenditure management activities to increase Medicaid reimbursement to providers participating in disease management initiatives.)

Health and Human Resources Subcommittee

Item 325 #45h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 257, after line 7, insert:

"HH. The Department of Medical Assistance Services shall generate general fund

savings of \$11,500,000 in fiscal year 2004 through various cost containment measures. Such measures may include, but need not be limited to: (i) more efficient service delivery systems; (ii) additional utilization review and health care cost management strategies; (iii) revisions to the current level of benefits and covered services; (iv) revisions to current reimbursements for services provided to Medicaid recipients; and (v) other cost-saving strategies as appropriate. The Department shall involve the affected provider communities, advocacy groups, and other interested parties in determining the actions to be taken in generating such savings. The Department shall report its findings and recommendations to the Governor, and the Chairmen of the Senate Finance and House Appropriations Committees no later than October 1, 2002. No cost containment measures shall be enacted for fiscal year 2004 unless such measures are approved by the General Assembly during the 2003 Session."

Explanation:

(This amendment adds language to allow the Department of Medical Assistance Service to identify additional cost savings in the Medicaid program and implement them with involvement of provider and advocacy groups, contingent upon approval by the 2003 General Assembly.)

Health and Human Resources Subcommittee

Item 325 #46h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 257, after line 7, insert:

"HH. The Department of Medical Assistance Services shall amend the State Plan of Medical Assistance Services to allow the Department to continue using the most recent Patient Intensity Rating System (PIRS) data available, to establish rates on or after July 1, 2002, in the event the Resource Utilization Groups reimbursement method is not in effect as of July 1, 2002. This amendment shall become effective within 280 days or less of enactment of this act."

Explanation:

(This amendment provides the Department of Medical Assistance Services flexibility to continue using its current system for assessing patient service intensity for nursing home reimbursement in the event the new method for gauging resource

utilization to reimburse nursing homes is not ready to be implemented on July 1, 2002.)

Health and Human Resources Subcommittee

Item 325 #47h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 257, after line 7, insert:

"HH. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance Services to reimburse state government-owned providers the maximum amount allowed under federal laws and regulations. This amendment shall become effective consistent with approval by the federal Centers for Medicare and Medicaid Services of the related State Plan amendment. The Department shall have authority to enact emergency regulations under § 2.2-4011 of the Administrative Process Act, to effect this provision."

Explanation:

(This amendment provides authority to the Department of Medical Assistance Services to reimburse state government-owned Medicaid providers at the upper payment limit allowed by the federal government for Medicare services.)

Health and Human Resources Subcommittee

Item 325 #48h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 257, after line 7, insert:

"HH. The State Plan for Medical Assistance Services shall be amended pursuant to the Administrative Process Act, § 2.2-4000 et seq. of the Code of Virginia, to place appropriate limits on the supply of medication to provide a maximum of a thirty-four day supply per prescription per patient. For prescription orders whose quantity exceeds a 34-day supply, refills may be dispensed in sufficient quantity to fulfill the prescription order within the limits of federal and state laws and regulations. The

Department of Medical Assistance Services shall promulgate emergency regulations to implement the amendment, to become effective within 280 days or less from the enactment of this act."

Explanation:

(This amendment is self-explanatory.)

Health and Human Resources Subcommittee

Item 325 #49h

Health And Human Resources	FY 02-03	FY 03-04	
Department Of Medical Assistance	\$4,495,120	\$4,516,116	GF
Services	\$4,633,880	\$4,612,884	NGF

Language:

Page 249, line 44, strike "\$3,323,003,655" and insert "\$3,332,132,655".

Page 249, line 44, strike "\$3,553,124,057" and insert "\$3,562,253,057".

Page 250, line 43, strike "38,814,667" and insert "43,309,787".

Page 250, line 43, strike "40,012,845" and insert "44,646,725".

Page 250, line 45, strike "40,601,148" and insert "45,117,264".

Page 250, line 45, strike "41,471,114" and insert "46,083,998".

Page 250, line 50, after "services.", insert:

The Director of the Department of Medical Assistance Services shall increase payment rates in the first year and the second year to Community Services Boards for "State Plan Option" mental health and mental retardation case management rates by \$50 per month for each service type."

Explanation:

(This amendment increases federal Medicaid reimbursement to local community services boards for case management services for mentally disabled persons. A companion amendment in Item 332 transfers general fund dollars from the Department of Mental Health, Mental Retardation and Substance Abuse Services to match available federal Medicaid funds.)

Health and Human Resources Subcommittee

Item 325 #50h

Health And Human Resources	FY 02-03	FY 03-04	
Department Of Medical Assistance	(\$13,676,787)	(\$16,065,414)	GF
Services	(\$14,098,979)	(\$16,409,650)	NGF

Language:

Page 249, line 44, strike "\$3,323,003,655" and insert "\$3,295,227,889".

Page 249, line 44, strike "\$3,553,124,057" and insert "\$3,520,648,993".

Page 257, after line 7, insert:

"HH. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance Services governing Medicaid reimbursement to hospitals, nursing facilities, home health facilities, outpatient hospitals, outpatient rehabilitation agencies, and federally qualified health centers and rural health clinics to defer the automatic inflation increase in fiscal year 2003. Such amendments to the State Plan shall become effective within 280 days from the enactment of this act."

Explanation:

(This amendment defers for one year the automatic inflation adjustment provided to hospitals, nursing facilities, home health facilities, outpatient hospitals, outpatient rehabilitation agencies, and federally qualified health centers and rural health clinics. The introduced budget assumed an automatic inflation adjustment of approximately three percent in fiscal year 2003 for these Medicaid providers. These providers would receive an automatic inflation adjustment in fiscal year 2004.)

Health and Human Resources Subcommittee

Item 325 #51h

Health And Human Resources

FY 02-03

FY 03-04

Department Of Medical Assistance
Services

(\$8,300,000)
(\$8,500,000)

\$0 GF
\$0 NGF

Language:

Page 249, line 44, strike "\$3,323,003,655" and insert "\$3,306,203,655".

Page 257, after line 7, insert:

"HH. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance Services governing Medicaid reimbursement to nursing facilities to defer the rebasing of reimbursement rates until July 1, 2003. Such amendments to the State Plan shall become effective within 280 days from the enactment of this act."

Explanation:

(This amendment defers for one year rebasing the reimbursement rate for nursing facilities. The introduced budget assumed that these rates would be rebased effective July 1, 2002. These reimbursement rates would be rebased beginning in fiscal year 2004.)

Health and Human Resources Subcommittee

Item 325 #52h

Health And Human Resources	FY 02-03	FY 03-04	
Department Of Medical Assistance	(\$1,190,000)	\$0	GF
Services	(\$1,226,734)	\$0	NGF

Language:

Page 249, line 44, strike "\$3,323,003,655" and insert "\$3,320,586,921".

Explanation:

(This amendment adjusts funds for Medicaid utilization and inflation based on estimated changes in utilization of services.)

Health and Human Resources Subcommittee

Item 326 #1h

Health And Human Resources	FY 02-03	FY 03-04	
Department Of Medical Assistance	(\$2,000,000)	(\$2,000,000)	GF
Services	(\$2,000,000)	(\$2,000,000)	NGF

Language:

Page 257, line 8, strike "\$12,000,000" and insert "\$8,000,000".

Page 257, line 8, strike "\$12,000,000" and insert "\$8,000,000".

Explanation:

(This amendment reduces the general funds available for the Indigent Health Care Trust Fund which were originally intended to match hospital contributions on a 50 percent basis. The Joint Commission on Health Care completed a review of the fund in 2001 and found that hospital contributions to the fund totaled \$3.7 million instead of \$6 million reflected in the Appropriations Act. This amendment also reduces the nongeneral fund contribution by hospitals to reflect current contributions.)

Health and Human Resources Subcommittee

Item 328 #1h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 258, line 15, after "3." strike the remainder of the line.

Page 258, strike lines 16 through 19, and insert:

"Notwithstanding Section 32.1-347(D) of the Code of Virginia, any general fund balances in the State and Local Hospitalization Program shall be deposited in the state treasury on or before June 30, 2003."

Explanation:

(This amendment deletes language requiring unexpended balances in the State and Local Hospitalizations program to remain in the program and not revert to the general fund at the end of the fiscal year. In addition, language is added to revert program balances at the end of the fiscal year to the general fund.)

Health and Human Resources Subcommittee

Item 329 #4h

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

Language

Language:

Page 262, line 45, after "Services", insert ", the Department of Juvenile Justice".

Page 262, line 48, strike "and".

Page 262, line 49, insert:

"and representatives from community policy and management teams representing various regions of the Commonwealth".

Page 262, line 51, after "children", insert ", including juvenile offenders,".

Page 262, line 52, after "health", insert ", substance abuse,".

Page 262, line 57, after "improvement.", insert:

"The plan shall also examine funding restrictions of the Comprehensive Services Act which impede rural localities from developing local programs for children who are often referred to private day and residential treatment facilities for services and make recommendations regarding how rural localities can improve prevention, intervention, and treatment for high-risk children and families, with the goal of broadening treatment options and improving quality and cost effectiveness. The Department of Mental Health, Mental Retardation, and Substance Abuse Services shall report the plan to the Chairmen of the Senate Finance and House Appropriations Committees by June 30 of each year."

Explanation:

(This amendment requires that the plan for services for mentally disabled children include juvenile offenders and establishes a reporting requirement. Language is also added to broaden the scope of a integrated policy and plan for improving access by children to mental health and mental retardation treatment services, and services provided under the Comprehensive Services Act. It includes local community policy and management teams (CPMTs) from various regions in the development of the plan.)

Health and Human Resources Subcommittee

Item 329 #7h

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

Language

Language:

Page 263, after line 6, insert:

"K. The Department of Mental Health, Mental Retardation and Substance Abuse Services, in conjunction with the Virginia Hospital and Healthcare Association and private providers, shall examine the feasibility and cost of developing a web-based system for providing daily updated information on licensed and available acute psychiatric inpatient beds for children and adolescents. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall report its finding and recommendations to the Committee Studying Treatment Options for Offenders with Mental Illness or Substance Abuse Disorders by September 30, 2002. All agencies of the Commonwealth shall provide assistance to the Department of Mental Health, Mental Retardation and Substance Abuse Services upon request. The Department shall complete its work by November 30, 2002, and shall submit its written findings and recommendations to the Governor and the 2003 Session of the General Asembly."

Explanation:

(This amendment is self-explanatory.)

Health and Human Resources Subcommittee

Item 329 #8h

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

Language

Language:

Page 263, after line 6, insert:

"K. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall identify and create opportunities for public-private partnerships and develop the incentives necessary to establish and maintain an adequate supply of acute care psychiatric beds for children and adolescents, while acknowledging the Commonwealth's responsibility to serve this population."

Explanation:

(This amendment is self-explanatory.)

Health and Human Resources Subcommittee

Item 329 #12h

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

Language

Language:

Page 259, strike lines 32 through 56.

Page 260, strike lines 1 through 58.

Page 261, strike lines 1 through 62.

Page 262, strike lines 1 and 2 and insert:

"D.1. For the purpose of considering any restructuring of the system of mental health services involving existing state mental health facilities, the Commissioner shall establish a state and community consensus and planning team consisting of Department staff and representatives of the jurisdictions served by the facility, including local government officials, consumers, family members of consumers, advocates, facility employees, community services boards, public and private service providers, licensed hospitals, state-operated hospitals, local health department staff, local social services staff, sheriffs' office staff, and other interested citizens. In addition, the members of the House of Delegates and the Senate representing the jurisdictions served by the affected facility may serve on the community consensus and planning team for that facility. Each community consensus and planning team, in collaboration with the Commissioner, shall develop a plan that addresses (i) the types,

amounts, and locations of new and expanded community services that would be needed to successfully implement the closure or conversion of the facility to any use other than the provision of mental health services including a six-year projection of the need for inpatient psychiatric beds and related community mental health services; (ii) the development of a detailed implementation plan designed to build community mental health infrastructure for current and future capacity needs; (iii) the creation of new and enhanced community services prior to the closure of any facility or its conversion to any use other than the provision of mental health services; (iv) the transition of state facility patients to community services in the locality of their residence prior to institutionalization or the locality of their choice; and (v) the resolution of issues relating to the restructuring implementation process, including employment issues related to state facility employee transition planning and appropriate transitional benefits; and (vi) a six-year projection comparing the cost of the current structure and the proposed structure.

2. The Commissioner shall ensure that each plan includes the following components: (i) a plan for community education; (ii) a plan for the implementation of required community services, including state-of-the-art practice models and any models required to meet the unique characteristics of the area to be served, which may include models for rural areas; (iii) a plan for assuring the availability of adequate professional treatment staff in the affected community, including specific strategies for transferring qualified state facility employees to community services; (iv) a plan for assuring the development, funding, and implementation of individualized discharge plans pursuant to § 37.1-197.1 for individuals discharged as a result of the closure or conversion to any use other than the provision of mental health services; and (v) a provision for suspending implementation of the plan if the total general funds appropriated to the Department for state facility and community services decrease in any year of plan implementation by more than ten percent from the year in which the plan was approved by the General Assembly.

3. The Joint Commission on Health Care shall make a recommendation to the General Assembly on the plan no later than six months prior to the date of the proposed closure or conversion of the facility to any use other than the provision of mental health services.

4. Upon approval of the plan by the General Assembly and the Governor, the Commissioner shall ensure that the plan components required by paragraph D 2 are in place, and may thereafter perform all tasks necessary to implement the closure or conversion of the facility to any use other than the provision of mental health services

of the affected facility.

5. Any funds saved by the closure or conversion of the facility to any use other than the provision of mental health services and not allocated to individualized services plans for patients being transferred or discharged as a result of the closure or conversion to any use other than the provision of mental health services shall be invested in the Mental Health Trust Fund established in Chapter 17 (§ 37.1-258 et seq.) of the Code of Virginia.

6. Nothing in this section shall prevent the Commissioner from leasing unused, vacant space to any public or private organization.

7. The Secretary of Health and Human Resources shall facilitate coordination among the Virginia Department of Housing and Community Development, the Virginia Housing Development Authority, and the federal Department of Housing and Urban Development in order to ensure that adequate housing options are available for individuals transitioning to community services.

8. The Secretary of Health and Human Resources shall coordinate the efforts of the Department of Medical Assistance Services and the Department of Mental Health, Mental Retardation and Substance Abuse Services in seeking the maximum Medicaid service options and potential Medicaid waivers from the federal Centers for Medicaid and Medicare Services.

9. The Secretaries of Commerce and Trade, Administration, Education, Transportation, and Public Safety shall assist the Secretary of Health and Human Resources in developing strategies to provide transition services and appropriate transition benefits to any affected state facility employees and to assist any affected local communities with economic development opportunities and transportation needs."

Explanation:

(This amendment provides for the restructuring state facilities for the care of mentally disabled persons, pursuant to House Bill 995.)

Mental Retardation And Substance
Abuse Services

Language:

Page 263, after line 6, insert:

"K. The Department of Mental Health, Mental Retardation and Substance Abuse Services, in cooperation with the Virginia Department of Juvenile Justice, where appropriate, shall identify and create opportunities for public-private partnerships and develop the incentives necessary to establish and maintain an adequate supply of residential beds for the treatment of juveniles with mental health treatment needs, including those who are mentally retarded, aggressive, or sex offenders, and those juveniles who need short-term crisis stabilization short of psychiatric hospitalization."

Explanation:

(This amendment is self-explanatory.)

Health and Human Resources Subcommittee

Item 329 #16h

Health And Human Resources

FY 02-03

FY 03-04

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

(\$150,000)

(\$150,000) GF

Language:

Page 258, line 45, strike "\$18,181,672" and insert "\$18,031,672".

Page 258, line 45, strike "\$18,430,744" and insert "\$18,280,744".

Page 262, line 3, strike "250,000" and insert "100,000".

Page 262, line 4, strike "250,000" and insert "100,000".

Explanation:

(This amendment reduces funds for the Consumer Support and Family Involvement Pilot Project.)

Health and Human Resources Subcommittee

Item 329 #17h

Health And Human Resources

FY 02-03

FY 03-04

Department Of Mental Health,
Mental Retardation And Substance

(\$130,986)

(\$130,986) GF

Abuse Services

Language:

Page 258, line 45, strike "\$18,181,672" and insert "\$18,050,686".

Page 258, line 45, strike "\$18,430,744" and insert "\$18,299,758".

Page 262, strike lines 29 through 39.

Explanation:

(This amendment reduces funds for monitoring and enforcing facility director performance agreements.)

Health and Human Resources Subcommittee

Item 330 #1h

Health And Human Resources

FY 02-03

FY 03-04

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

(\$257,610)

(\$257,610) GF

Language:

Page 263, line 7, strike "\$1,608,277" and insert "\$1,350,667".

Page 263, line 7, strike "\$1,608,277" and insert "\$1,350,667".

Explanation:

(This amendment postpones the implementation of the Performance and Outcome Measurement System (POMS) in the central office to assess its effectiveness.)

Health and Human Resources Subcommittee

Item 331 #2h

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

Language

Language:

Page 264, after line 5, insert:

"D. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall ensure equal and medically necessary access to new atypical,

antipsychotic medications funded in this item."

Explanation:

(This amendment is self-explanatory.)

Health and Human Resources Subcommittee

Item 331 #3h

Health And Human Resources

FY 02-03

FY 03-04

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

\$0

(\$954,208) GF

Language:

Page 263, line 14, strike "\$20,787,157" and insert "\$19,832,949".

Page 264, after line 5, insert:

"3. The Department shall prepare a revised estimate of the cost of locating and implementing a treatment program for the civil commitment of violent sexual predators on the grounds of a facility currently providing comprehensive and intensive forensic treatment services to violent mentally disabled patients. The estimate shall be submitted to the Department of Planning and Budget by September 1, 2002."

Explanation:

(This amendment requires the Department of Mental Health, Mental Retardation and Substance Abuse Services to revise their estimate of the cost for the confinement and treatment of violent sexual predators in a facility currently providing comprehensive and intensive forensic services to violent mentally disabled patients. The introduced budget assumed confinement and treatment on the Western State Hospital campus in Staunton, which includes the Commonwealth Center for Children and Adolescents.)

Health and Human Resources Subcommittee

Item 334 #1h

Health And Human Resources

FY 02-03

FY 03-04

Grants To Localities

(\$1,472,000)

(\$1,472,000) GF

Language:

Page 264, line 28, strike "\$241,093,202" and insert "\$239,621,202".

Page 264, line 28, strike "\$241,093,202" and insert "\$239,621,202".

Explanation:

(This amendment postpones the implementation of the Performance and Outcome Measurement System (POMS) in community services boards to assess its effectiveness.)

Health and Human Resources Subcommittee

Item 334 #4h

Health And Human Resources

FY 02-03

FY 03-04

Grants To Localities

\$194,692

\$194,692 GF

Language:

Page 264, line 28, strike "\$241,093,202" and insert "\$241,287,894".

Page 264, line 28, strike "\$241,093,202" and insert "\$241,287,894".

Explanation:

(This amendment transfers funds for substance abuse treatment in Hampton, Roanoke, and Martinsville local jails into the Department of Mental Health, Mental Retardation, and Substance Abuse Services. A companion amendment transfers the funds from the Department of Criminal Justice Services.)

Health and Human Resources Subcommittee

Item 334 #7h

Health And Human Resources

FY 02-03

FY 03-04

Grants To Localities

(\$4,495,120)

(\$4,516,116) GF

Language:

Page 264, line 28, strike "\$241,093,202" and insert "\$236,598,082".

Page 264, line 28, strike "\$241,093,202" and insert "\$236,577,086".

Explanation:

(This amendment transfers general funds to the Department of Medical Assistance Services to maximize federal reimbursement for mental health and mental retardation services. A companion amendment in Item 325 appropriates the general funds and matching federal funds.)

Health And Human Resources

FY 02-03

FY 03-04

Mental Retardation Training Centers

(\$1,700,000)

(\$1,700,000) GF

Language:

Page 268, line 50, strike "\$123,322,267" and insert "\$121,622,267".

Page 268, line 50, strike "\$123,306,215" and insert "\$121,606,215".

Explanation:

(This amendment defers funding for adding staff at the mental retardation training centers. The introduced budget provided this additional funding for part-time, contract and wage staff at four mental retardation training centers.)

Health And Human Resources

Department Of Social Services

Language

Language:

Page 274, strike lines 18 through 25 and insert:

"E. It is the intent of the General Assembly that the Commissioner of the Department of Social Services shall work with localities that seek to voluntarily merge and consolidate their respective local departments of social services. No funds appropriated under this act shall be used to require a locality to merge or consolidate local departments of social services."

Explanation:

(This amendment strikes language requiring consolidation of local departments of social services and substitutes language that permits voluntary consolidation.)

Health And Human Resources

Department Of Social Services

Language

Language:

Page 275, after line 39, insert:

"F.1. The State Board of Social Services shall adopt necessary regulations by which local boards of social services may request changes in their locality grouping, which is used to determine the amount of payment for the Temporary Assistance to Needy Families (TANF) program. The State Board shall establish criteria by which all such requests will be evaluated. Such criteria shall include, but not be limited to: (i) a comparison of shelter costs in the petitioning locality with the shelter costs in adjacent localities; (ii) assuring that the Department of Social Services has the funding available to make any increased payments which result from the change before the approval of any request; and (iii) assuring that the locality has sufficient funding to cover any increased costs that may result from a change in locality grouping in the General Relief program. The State Board shall establish regulations that specify the criteria that will be used in evaluating local board requests within 280 days of the effective date of this act.

2. If the State Board approves a local board's request to be reclassified into a locality grouping with lower standards of assistance, (1) such reclassification shall be limited to the TANF and general relief programs and (2) the State Board may require that such reclassification be phased-in by providing that eligibility and the amount of benefits in cases open at the time of such reclassification shall continue to be determined using the standards in effect in the former locality grouping at the time of the reclassification."

Explanation:

(This amendment provides a mechanism that localities can use to request a change in the standards of assistance for calculating TANF benefits so that variations among similarly situated localities are minimized. The current standards have not been updated in more than 20 years. Currently localities are grouped into three categories for determining TANF assistance. Group I localities have an assistance standard of \$298 per month for a three-person household and include rural counties and small cities. Group II localities have an assistance standard of \$390 per month for a three-person household and consist of suburban counties and cities. Group III localities have an assistance standard of \$447 per month and include counties and cities in Northern Virginia. Changes in population and economic growth have made the three groupings problematic. For example, Spotsylvania and Stafford Counties are still included as Group I localities, while Virginia Beach is included as a Group II locality. Waynesboro and Charlottesville are included as Group III localities. Language is also added to limit the change to the TANF and Food Stamp programs and to allow the State Board to require that existing recipients be held harmless from benefit reductions.)

Health And Human Resources	FY 02-03	FY 03-04	
Department Of Social Services	\$900,000	\$2,789,820	GF
	\$2,549,820	\$660,000	NGF

Language:

Page 276, line 38, strike "\$98,341,431" and insert "\$101,791,251".

Page 276, line 38, strike "\$111,683,945" and insert "\$115,133,765".

Page 278, after line 3, insert:

"I. Out of this appropriation shall be provided \$900,000 from the general fund and \$2,789,820 from federal Temporary Assistance to Needy Families (TANF) grant the first year and \$2,549,800 from the general fund and \$660,000 from the federal TANF grant the second year for Healthy Families Virginia sites."

Explanation:

(This amendment restores general funds and earmarks federal TANF funds for Healthy Families Virginia. This funding was eliminated in the development of the 2002-04 biennium base budget for the Department of Social Services.)

Health And Human Resources	
Department Of Social Services	Language

Language:

Page 284, after line 23, insert:

"O. Out of this appropriation shall be provided \$500,000 the first year and \$500,000 the second year from the Child Care Development Fund to contract with a network of child care resource and referral agencies to provide assistance to working parents in locating and identifying child care programs and to collect, maintain and disseminate information about child care in accordance with the 2002/2003 CCDF Plan for Virginia."

Explanation:

(This amendment earmarks funding from the federal Child Care Development Fund out of the four percent set-aside for quality enhancement to support the creation of a statewide system for child care resource and referral.)

Health And Human Resources

Department Of Social Services

Language

Language:

Page 284, line 14, after "Services,", insert:

"increased nongeneral fund revenues from Chapter 887, Acts of Assembly of 1993, estimated at".

Page 284, line 15, after "year", strike "from nongeneral funds,".

Explanation:

(This amendment restores language in the introduced budget to reference the source of nongeneral funds for domestic violence services as the funds generated from the marriage license tax surcharge.)

Health And Human Resources

Department Of Social Services

FY 02-03

\$50,000

FY 03-04

\$50,000 GF

Language:

Page 284, line 24, strike "\$11,611,143" and insert "\$11,661,143".

Page 284, line 24, strike "\$11,611,143" and insert "\$11,661,143".

Explanation:

(This amendment restores funding to the Department of Social Services to continue dementia-specific training of long-term care workers dealing with Alzheimer's disease and related disorders, in cooperation with the Virginia Alzheimer's Association Chapters. This funding was eliminated in the development of the 2002-04 biennium base budget for the Department of Social Services.)

Public Safety

Department Of Criminal Justice Services

FY 02-03

(\$194,692)

FY 03-04

(\$194,692) GF

Language:

Page 318, line 21, strike "\$74,492,703" and insert "\$74,298,011".

Page 318, line 21, strike "\$74,532,703" and insert "\$74,338,011".

Explanation:

(This amendment transfers funds in the Department of Criminal Justice Services to the Department of Mental Health, Mental Retardation and Substance Abuse Services (DMHMRSAS) to continue funding for three substance abuse treatment programs in Hampton, Roanoke, and Martinsville. A companion amendment in Item 334 appropriates this funding from DMHMRSAS for these programs.)

Health and Human Resources Subcommittee

Item 531.1 #1h

Independent Agencies

FY 02-03

FY 03-04

Virginia Office for Protection and
Advocacy

\$211,733
\$709,558

\$211,957 GF
\$709,558 NGF

Language:

Page 382, after line 14 insert:

§1-142. VIRGINIA OFFICE FOR PROTECTION AND ADVOCACY

"531.1. Social Services Research, Planning,
and Coordination (45000)

\$921,291

\$921,515

Fund Sources: General
Special
Federal Trust

\$211,733
\$307,665
\$401,893

\$211,957."
\$307,665
\$401,893

Authority: Title 51.5, Chapter 8, Code of Virginia

Appropriations in this item are contingent upon passage of House Bill 9."

Explanation:

(This amendment is one of four companion amendments to establish a new independent human rights agency, contingent upon passage of House Bill 9. Four other companion amendments in Items 86-89 eliminate funding for the Department for the Rights of Virginians with Disabilities.)

Health and Human Resources Subcommittee

Item 531.2 #2h

Independent Agencies	FY 02-03	FY 03-04	
Virginia Office for Protection and Advocacy	\$1,030,482	\$1,030,482	NGF

Language:

Page 382, after line 14, insert:

"531.2. Protection Services (45300)	\$1,030,482	\$1,030,482	
Fund Sources: Federal Trust	\$1,030,482	\$1,030,482."	

Authority: Title 51.5, Chapter 8, Code of Virginia

Appropriations in this item are contingent upon the passage of House Bill 9."

Explanation:

(This is one of four companion amendments that transfers funding and positions to a new independent human rights agency contingent upon passage of House Bill 9. Four other companion amendments eliminate funding and positions for the Department for the Rights of Virginians with Disabilities. Additional federal appropriations totaling \$17,056 in each year is added for expenses of the new governing board.)

Health and Human Resources Subcommittee Item 531.3 #3h

Independent Agencies	FY 02-03	FY 03-04	
Virginia Office for Protection and Advocacy	\$240,301	\$240,301	NGF

Language:

Page 382, after line 14 insert:

"531.3. Individual Care Services (45500)	\$240,301	\$240,301	
Fund Sources: Federal Trust	\$240,301	\$240,301."	

Authority: Title 51.5, Chapter 8, Code of Virginia

Appropriations in this item are contingent upon passage of House Bill 9."

Explanation:

(This amendment is one of four companion amendments to establish a new independent human rights agency, contingent upon passage of House Bill 9. Four other companion amendments in Items 86-89 eliminate funding for the Department

for the Rights of Virginians with Disabilities.)

Health and Human Resources Subcommittee

Item 531.4 #4h

Independent Agencies

Virginia Office for Protection and
Advocacy

FY 02-03

25.00

FY 03-04

25.00 FTE

Language:

Page 382, after line 14 insert:

"531.4.

\$2,715,907

\$2,706,898

Fund Sources: General

\$735,566

\$726,557."

Special

\$307,665

\$307,665

Federal Trust

\$1,672,676

\$1,672,676

Included in the federal trust appropriations are amounts estimated at \$78,705 the first year and \$78,705 the second year to pay for statewide indirect cost recoveries of this agency. Actual recoveries of statewide indirect costs up to the level of these estimates shall be exempt from payments into the general fund, as provided in § 4-2.03 of this act. Amounts recovered in excess of these estimates shall be deposited into the general fund.

Appropriations in this item are contingent upon passage of House Bill 9.

Total for Virginia Office for Protection and Advocacy

General Fund Positions 1.88 1.88

Nongeneral Fund Positions 23.12 23.12

Position Level 25.00 25.00

Explanation:

(This amendment is one of four companion amendments to establish a new independent human rights agency, contingent upon passage of House Bill 9. Four other companion amendments in Items 86-89 eliminate funding for the Department for the Rights of Virginians with Disabilities.)