



**Report of the
Subcommittee on
Health and Human Resources**

(Amendments to SB 700, as Introduced)

**Senate Finance Committee
Virginia General Assembly**

February 6, 2005



SENATE OF VIRGINIA

Senate Finance Committee

REPORT OF THE SUBCOMMITTEE ON HEALTH AND HUMAN RESOURCES

Mr. Chairman and Members of the Committee:

For the second year in a row, it gives me great pleasure to come before you and detail the investments – the “strategic investments” – the subcommittee has made in health and human services.

We believe this budget begins to pay some of the bills in the drawer you like to talk about. Have we paid them all? Of course not; but we like to think that this budget makes a good faith effort to ensure that when the Commonwealth makes a promise, especially a promise to someone as vulnerable as an MR waiver recipient, that we will honor our word.

To that end, this budget renews our commitment to individuals on the mental retardation waiver program by increasing the rates paid to their caregivers by changes in inflation, a statement to recipients and providers that we are very serious about our commitment that services are delivered. In that same vein, we raised dental rates under the Medicaid and FAMIS programs by 30 percent to improve the woefully inadequate participation of dentists in our programs and ensure that children receive the services we promised and the care they need.

While this budget is all about access, it is also about innovation. As we struggle with the high cost of delivering health care, we are compelled to think of more efficient and effective ways to deliver services. This budget includes funding to strengthen the health safety net, to develop smaller, community-based crisis intervention programs, and to harness the expertise available in our state mental retardation training centers to expand dental and psychiatric services in underserved communities.

Finally, this budget is about protecting one of the Commonwealth's most precious assets – its children. Accordingly, we aim to further the development of child advocacy centers statewide and guarantee adequate funding for child welfare services.

Mentally Disabled Persons

This budget continues an effort begun last year to invest in community-based services for the mentally disabled to comply with the Supreme Court's Olmstead Decision.

- We provided an additional \$2.2 million to allow for the development of six crisis intervention programs to address the statewide demand for temporary detention order (TDO) beds but also to fill a vacuum in our continuum of care for the mentally disabled.
- We also included \$1.0 million to adapt two well-developed national models to Virginia to address the needs of children and adolescents whose parents are so desperate for help that some consider giving up custody to ensure their children receive the mental health and behavioral treatment they need.

Services for Children

The subcommittee takes serious its responsibility to ensure the health, safety, and welfare of Virginia's children.

- We doubled funding for the Performance Improvement Plan to comply with federal law but more importantly to increase the frequency and quality of the interaction between children, families, and caseworkers to monitor the child's safety and well-being now and in the future. Even with this infusion of funding, we readily acknowledge much more needs to be done.

- We also provide \$1.3 million to extend access to Child Advocacy Centers statewide, so that children who have suffered the horrors of abuse are not victimized again by our current systems.

Infrastructure Improvements

It has becoming increasingly clear that inadequate Medicaid rates are affecting access to care. What good is an MR waiver if a provider cannot be found? And what good are dental services for children if a dentist is not there to provide care? While we cannot address all provider rate issues, we did target specific services to remedy the most immediate problems. Accordingly,

- We agree with the Governor's decision to boost rates paid for obstetrical services but we felt an additional 5 percent was necessary.
- We also added funding to increase dental rates by 30 percent above current levels.
- We included an additional 8 percent for emergency room physicians to increase their rates by 10 percent in FY 2006.
- We provided funding to raise personal and adult day care rates by an additional 5 percent to add 10 percent to their payments effective July 1, 2005.
- We also increased nursing home reimbursements by \$1.00 per day.
- We added funding to pay hospitals 77 percent of their Medicaid costs for inpatient hospital services.
- Finally, we increased the maximum rate for auxiliary grant homes by an additional \$35 each month.

Conclusion

The last two years we have made extraordinary efforts to guarantee the delivery of critical services to the elderly, disabled, and indigent. We believe that this budget furthers that goal. This committee has never wavered from its obligation to provide a safety net for the most vulnerable among us. We need that support now, and in the future. Make no mistake about it; we are in this for the long haul. And we are confident that these short-term investments will pay long-term dividends -- for all of us.

Respectfully Submitted,

The Honorable William C. Wampler, Jr., Chairman

The Honorable Benjamin J. Lambert III

The Honorable R. Edward Houck

The Honorable Janet D. Howell

The Honorable Kenneth W. Stolle

The Honorable H. Russell Potts, Jr.

The Honorable Emmett W. Hanger, Jr.

2005 Subcommittee Report on Health and Human Resources

		GF	NGF	GF	NGF	GF	NGF
		FY 2005	FY 2005	FY 2006	FY 2006	Biennium	Biennium
1 JHC	HIV Prevention and Treatment Services Study	\$0	\$0	\$0	\$0	Language	\$0
2 JLARC	Study of Medicaid Home & Community Based Care	\$0	\$0	\$0	\$0	Language	\$0
3 JLARC	Study of Assisted Living Regulations	\$0	\$0	\$0	\$0	Language	\$0
4 SHHR	Report on the Housing Needs of Persons w/ Disabilities	\$0	\$0	\$0	\$0	Language	\$0
5 CSA	Custody Relinquishment Report	\$0	\$0	\$0	\$0	Language	\$0
6 Aging	Bay Aging Area Agency on Aging	\$0	\$0	\$90,000	\$0	\$90,000	\$0
7 Aging	Redirect Guardianship Funding for MI & MR	\$0	\$0	\$0	\$0	Language	\$0
8 DHHS	Technology Assistance Program	\$0	\$0	\$250,000	\$0	\$250,000	\$0
9 VDH	Area Health Education Centers (Nursing)	\$0	\$0	\$200,000	\$0	\$200,000	\$0
10 VDH	Roanoke City Health Department	\$0	\$0	\$187,500	\$0	\$187,500	\$0
11 VDH	Drug-resistant Tuberculosis	\$0	\$0	\$80,000	\$0	\$80,000	\$0
12 VDH	Virginia Immunization Information System (NGF)	\$0	\$0	\$0	\$320,000	Language	\$320,000
13 VDH	Revise Audit Requirements for Health Planning Agencies	\$0	\$0	\$0	\$0	Language	\$0
14 VDH	JCHC - Virginia Association of Free Clinics	\$0	\$0	\$778,600	\$0	\$778,600	\$0
15 VDH	Electronic Medical Records Pilot Project	\$0	\$0	\$240,000	\$0	\$240,000	\$0
16 VDH	Northern Neck Free Health Clinic	\$0	\$0	\$200,000	\$0	\$200,000	\$0
17 VDH	Virginia Transplant Council	\$0	\$0	\$40,000	\$0	\$40,000	\$0
18 VDH	Newborn Screening Program (SB 1237)	\$0	\$0	\$25,000	\$0	\$25,000	\$0
19 VDH	VA Health Care Foundation/Health Safety Net Initiative	\$0	\$0	\$1,500,000	\$0	\$1,500,000	\$0
20 DMAS	JCHC - Report on Disease Management Program	\$0	\$0	\$0	\$0	Language	\$0
21 DMAS	Transfer to the Department of Health Professions	\$0	\$0	\$0	\$0	Language	\$0
22 DMAS	Uninsured Medical Catastrophe Fund	\$0	\$0	\$250,000	\$0	\$250,000	\$0
23 DMAS	Revise Funding for Involuntary MH Commitment Fund	(\$2,738,799)	\$0	\$0	\$0	(\$2,738,799)	\$0
24 DMAS	Medicaid P&T Committee Composition	\$0	\$0	\$0	\$0	Language	\$0
25 DMAS	Medicaid P&T Committee Drug Reviews	\$0	\$0	\$0	\$0	Language	\$0
26 DMAS	Medicaid P&T Committee Report Due	\$0	\$0	\$0	\$0	Language	\$0
27 DMAS	Provide Authority for Hospital Adjustment Factor	\$0	\$0	\$0	\$0	Language	\$0
28 DMAS	Pharmacy Dispensing Fee	\$0	\$0	\$500,000	\$500,000	\$500,000	\$500,000
29 DMAS	Medicaid Day Support Waiver	\$0	\$0	\$0	\$0	Language	\$0
30 DMAS	JCHC - Exempt Certain Drugs from Medicaid PDL	\$0	\$0	\$0	\$0	Language	\$0
31 DMAS	Increase Mental Retardation Waiver Rates by 3.5%	\$0	\$0	\$5,804,167	\$5,804,167	\$5,804,167	\$5,804,167
32 DMAS	Report on Medicaid Rates for Dialysis Services	\$0	\$0	\$0	\$0	Language	\$0
33 DMAS	Increase for Emergency Room Physicians by 8%	\$0	\$0	\$800,000	\$800,000	\$800,000	\$800,000
34 DMAS	Chronic Kidney Disease Awareness & Management	\$0	\$0	\$0	\$0	Language	\$0
35 DMAS	Medicaid Effect - Auxiliary Grant Program	\$0	\$0	\$1,202,338	\$1,202,338	\$1,202,338	\$1,202,338

		GF	NGF	GF	NGF	GF	NGF
		FY 2005	FY 2005	FY 2006	FY 2006	Biennium	Biennium
36 DMAS	Adjust Appropriation from Va Health Care Foundation	\$11,000,000	(\$11,000,000)	\$5,600,000	(\$5,600,000)	\$16,600,000	(\$16,600,000)
37 DMAS	Adjust Funding for Medicaid Forecast	(\$3,714,133)	(\$3,714,133)	(\$3,893,500)	(\$3,893,500)	(\$7,607,633)	(\$7,607,633)
38 DMAS	Medicaid Fraud Recovery - VHCF Offset	\$0	\$0	(\$750,000)	\$750,000	(\$750,000)	\$750,000
39 DMAS	Increase Inpatient Hospital Rates by 1%	\$0	\$0	\$3,516,400	\$3,516,400	\$3,516,400	\$3,516,400
40 DMAS	Increase Personal Care Rates by 5% (NGF)	\$0	\$0	\$0	\$6,556,154	\$0	\$6,556,154
41 DMAS	Increase Nursing Homes Rates by \$1.00/day (NGF)	\$0	\$0	\$0	\$6,600,000	\$0	\$6,600,000
42 DMAS	Increase Obstetrical Services Rates by 5% (NGF)	\$0	\$0	\$0	\$4,317,804	\$0	\$4,317,804
43 DMAS	Increase Pediatric Service Rates 5% (NGF)	\$0	\$0	\$0	\$6,074,562	\$0	\$6,074,562
44 DMAS	Increase Dental Service Rates by 20% (NGF)	\$0	\$0	\$0	\$11,116,856	\$0	\$11,116,856
45 DMAS	HIV Premium Assistance Program	\$0	\$0	\$100,000	\$0	\$100,000	\$0
46 MHMR	Adjust Funding for Office of the Inspector General	\$0	\$0	(\$215,142)	\$0	(\$215,142)	\$0
47 MHMR	Report on Public ICF/MR System	\$0	\$0	\$0	\$0	Language	\$0
48 MHMR	JCHC - Legal and Medical Exam's for Participation	\$0	\$0	\$100,000	\$0	\$100,000	\$0
49 MHMR	Reduce Funding for Celebrating Special Children	\$0	\$0	(\$150,000)	\$0	(\$150,000)	\$0
50 MHMR	Establish Crisis Stabilization Services	\$0	\$0	\$2,200,000	\$0	\$2,200,000	\$0
51 MHMR	Retention of Substance Abuse Services	\$500,000	\$0	\$1,000,000	\$0	\$1,500,000	\$0
52 MHMR	CSB/BHA Demonstration Projects for Children	\$0	\$0	\$1,000,000	\$0	\$1,000,000	\$0
53 MHMR	Regional Community Support Centers	\$0	\$0	\$400,000	\$0	\$400,000	\$0
54 DRS	Long-term Employment Support Services	\$0	\$0	\$250,000	\$0	\$250,000	\$0
55 DRS	Independent Living Associates, Inc.	\$0	\$0	\$0	\$0	Language	\$0
56 DRS	Centers for Independent Living	\$0	\$0	\$250,000	\$0	\$250,000	\$0
57 DSS	Caregiver Grant Program	\$0	\$0	\$400,000	\$0	\$400,000	\$0
58 DSS	Birmingham Green Adult Care Residence	\$0	\$0	\$250,000	\$0	\$250,000	\$0
59 DSS	Increase for Community Action Agencies	\$0	\$0	\$500,000	\$0	\$500,000	\$0
60 DSS	Screening of TANF Recipients for Domestic Violence	\$0	\$0	\$0	\$0	Language	\$0
61 DSS	Child Support Supplement	\$0	\$0	\$0	\$0	Language	\$0
62 DSS	Performance Improvement Plan Funding	\$0	\$0	\$3,000,000	\$0	\$3,000,000	\$0
63 DSS	Virginia Baptist Home for Children	\$0	\$0	\$0	\$0	Language	\$0
64 DSS	Replace Title IV-E Funding for Healthy Families	\$0	\$0	\$750,000	\$0	\$750,000	\$0
65 DSS	Child Advocacy Center Initiative	\$0	\$0	\$1,250,000	\$0	\$1,250,000	\$0
66 DSS	Increase Auxiliary Grant by \$35 to \$979/month	\$0	\$0	\$2,958,480	\$0	\$2,958,480	\$0
67 DSS	COY-Healthy Marriage & Stable Families Initiative Grant:	\$0	\$0	\$0	\$0	Language	\$0
68 DSS	COY-Promotion of Information & Referral System	\$0	\$0	\$0	\$0	Language	\$0
69 DBVI	Newsline Reading Service for the Blind	\$0	\$0	\$50,000	\$0	\$50,000	\$0
70 Part IV	Medicaid Appropriation Transfers	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL, Subcommittee Report on HHR		\$5,047,068	(\$14,714,133)	\$30,713,843	\$38,064,781	\$35,760,911	\$23,350,648

Legislative Department

Joint Legislative Audit And Review
Commission

Language

Language:

Page 16, after line 29, insert:

"E. The Joint Legislative Audit and Review Commission (JLARC) shall examine the adequacy of Virginia Medicaid reimbursement rates to health care providers. The review shall include an examination of the impact of reimbursement levels on access to care for the Medicaid recipient population. This review shall cover Home and Community-based Care Providers. The Department of Medical Assistance Services shall cooperate fully as requested by JLARC and its staff. JLARC shall report its findings and recommendations to the Chairmen of the Senate Finance and House Appropriations Committees by November 1, 2005."

Explanation:

(This language amendment directs JLARC to review the adequacy of Medicaid reimbursement rates for home and community-based care services.)

Legislative Department

Joint Legislative Audit And Review
Commission

Language

Language:

Page 16, after line 29, insert:

"E. The Joint Legislative Audit and Review Commission (JLARC) shall examine the impact of new assisted living regulations on the cost of providing services, access to providers, and tangible improvements in the quality of care delivered. The Department of Social Services shall cooperate fully as requested by JLARC and its staff. JLARC shall report its findings and recommendations to the Chairmen of the Senate Finance and House Appropriations Committees by November 1, 2005."

Explanation:

(This language amendment requires JLARC to review the impact of the regulatory changes included in Senate Bill 1183 on providers of assisted living services and the quality of care provided in these settings.)

Health And Human Resources

Department For The Aging

Language

Language:

Page 280 strike line 29.

Page 280, after line 41, insert:

“3. Out of this appropriation, \$150,000 the second year from the general fund shall be used to expand services under the Public Guardian and Conservator Program to individuals with mental illness and/or mental retardation who are 18 years of age and older.”

Explanation:

(This amendment earmarks \$150,000 from the introduced budget to establish three guardianship programs specifically targeted to individuals 18 years of age and older who have been assessed as needing guardianship due to mental illness or mental retardation.)

Health And Human Resources

FY 04-05

FY 05-06

Department Of Health

\$0

\$25,000 GF

Language:

Page 290, line 10, strike "\$35,517,401" and insert "\$35,542,401".

Page 291, after line 5, insert:

"E. Out of this appropriation, \$25,000 from the general fund the second year shall be used for the expansion of the Newborn Screening Program. Fee revenues sufficient to fund the cost of the program expansion shall be transferred annually from the Division of Consolidated Laboratory Services."

Explanation:

(This amendment provides \$25,000 GF the second year to the Department of Health to proceed with the expansion of the newborn screening program envisioned in Senate Bill 1237. The types of activities undertaken by the Department of Health include education, diagnosis, follow-up, medical management, and treatment. A comprehensive newborn screening program will help identify serious problems at birth

that if detected may prevent future costs. The Division of Consolidated Laboratory Services will be required to raise the cost of the newborn screening kit by approximately \$18.00 to implement the costs of the expansion. The expansion of the newborn program is a recommendation of the Joint Commission on Health Care.)

Health and Human Resources Subcommittee

Item 314 #6s

Health And Human Resources

FY 04-05

FY 05-06

Department Of Health

\$0

\$1,500,000 GF

Language:

Page 291, line 7, strike "\$168,266,071" and insert "\$169,766,071".

Page 293, after line 7, insert:

"G. Of this appropriation, \$1,500,000 from the general fund the second year shall be transferred to the Virginia Health Care Foundation to increase the capacity of the Commonwealth's health safety net providers to expand services to unserved or underserved Virginians. These funds may be used to underwrite service expansions and/or increase the number of patients served at existing sites or at new sites."

Explanation:

(This amendment provides \$1.5 million from the general fund the second year to the Virginia Health Care Foundation to increase the capacity of Virginia's health safety net providers including but not limited to primary care clinics, free clinics, and hospitals that seek to expand services or increase the number of individuals served in unserved or underserved regions of the Commonwealth.)

Health and Human Resources Subcommittee

Item 322 #5s

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 298, after line 46, insert:

"K. Out of this appropriation, the Department of Medical Assistance Services shall transfer \$119,000 each year to the Department of Health Professions to continue operations of the Certified Nurse Registry. This transfer shall discontinue on July 31, 2006."

Explanation:

(This amendment requires the Department of Medical Assistance Services (DMAS) to continue providing a general fund transfer to the Department of Health Professions each year of the biennium. Beginning in FY 2007, the Department of Health Professions will have raised fees sufficient enough to fund the current operations of the certified nurse registry and the required transfer from DMAS will cease.)

Health and Human Resources Subcommittee

Item 326 #6s

Health And Human Resources

Department Of Medical Assistance Services

Language

Language:

Page 319, line 46, after "services", insert:

", to include a continuum of day services, including day support and prevocational services."

Explanation:

(This amendment clarifies legislative intent that the day support waiver program being developed by the Department of Medical Assistance Services include a continuum of services for mentally retarded individuals such as day support and prevocational services. These services are intended to assist individuals with mental retardation in gaining independence by receiving an array of support services appropriate to meet their needs.)

Health and Human Resources Subcommittee

Item 326 #14s

Health And Human Resources

Department Of Medical Assistance Services

FY 04-05

FY 05-06

\$0

\$5,804,167 GF

\$0

\$5,804,167 NGF

Language:

Page 301, line 51, strike "\$4,730,530,852" and insert "\$4,742,139,186".

Page 319, line 18, after "III." insert "1."

Page 319, line 20, strike everything after "year".

Page 319, line 21, strike everything before "shall".

Page 319, after line 24, insert:

"2. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to annually adjust the rates paid for the community-based Medicaid mental retardation waiver program to account for changes in the Consumer Price Index beginning July 1, 2005. Notwithstanding this paragraph, \$10,504,167 from the general fund and \$10,504,167 from nongeneral funds the second year shall be used to increase the rates paid for the community-based Medicaid mental retardation waiver program effective July 1, 2005. Beginning November 1, 2005 and each year thereafter, the Department shall report to the Chairmen of the Senate Finance and House Appropriations Committees on the effectiveness of this provision in attracting and retaining qualified personnel."

Explanation:

(This amendment provides funding for a 6.5 percent increase for mental retardation (MR) waiver providers on July 1, 2005. Last year, the General Assembly approved a three percent rate increase for MR waiver providers. This amendment provides \$5.8 million from the GF and \$5.8 million from federal matching funds the second year for an additional 3.5 percent increase. This increase is part of a long-term plan to provide adequate reimbursement rates for MR waiver providers to guarantee service to individuals on the MR waiver program.)

Health and Human Resources Subcommittee

Item 326 #44s

Health And Human Resources

FY 04-05

FY 05-06

Department Of Medical Assistance
Services

\$11,000,000
(\$11,000,000)

\$5,600,000 GF
(\$5,600,000) NGF

Language:

Page 317, line 55, strike "\$292,117,084" and insert "\$281,117,084".

Page 317, line 56, strike "\$310,432,161" and insert "\$304,832,161".

Explanation:

(This amendment adds \$11.0 million GF and reduces \$11.0 million NGF the first year and adds \$5.6 million GF and reduces \$5.6 million NGF the second year to reflect lower than anticipated cigarette tax revenues to the Virginia Health Care Fund. Because the fund's revenues are used to pay for projected Medicaid spending, a reduction in projected revenue to the fund requires the addition of general fund support to preserve current services for Medicaid clients.)

Health and Human Resources Subcommittee

Item 326 #46s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	(\$3,714,133)	(\$3,893,500)	GF
Services	(\$3,714,133)	(\$3,893,500)	NGF

Language:

Page 301, line 51, strike "\$4,342,397,019" and insert "\$4,334,968,753".
 Page 301, line 51, strike "\$4,730,530,852" and insert "\$4,722,743,852".

Explanation:

(This amendment reduces forecasted Medicaid spending by \$3.7 million GF the first year and \$3.9 million GF the second year and an equal amount of federal matching funds. This change reduces forecasted Medicaid spending from the general fund by 4.2 percent from \$183 million to \$175 million for the biennium.)

Health and Human Resources Subcommittee

Item 326 #47s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$0	(\$750,000)	GF
Services	\$0	\$750,000	NGF

Language:

Page 317, line 56, strike "\$310,432,161" and insert "\$311,182,161".

Explanation:

(This amendment reduces the general fund appropriation to the Medicaid program by \$750,000 and increases the appropriation from the Virginia Health Care Fund by \$750,000 in anticipation of future Medicaid recoveries. A companion amendment to Item 50 adds three FTEs within the Medicaid Fraud Control Unit in the Office of the Attorney General to pursue additional fraud recoveries. Additional revenues to the Virginia Health Care Fund mean that general fund spending can be reduced by the same amount. Budget language is adjusted to reflect the addition appropriation from the fund the second year.)

Health and Human Resources Subcommittee

Item 326 #48s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$0	\$34,665,376	NGF

Services

Language:

Page 301, line 51, strike "\$4,730,530,852" and insert "\$4,765,196,228".

Page 317, line 34, strike "\$3" and insert "\$4".

Page 317, line 44, strike "\$9,740,987" and insert "\$16,340,987".

Page 317, line 56, strike "\$310,432,161" and insert "\$327,832,161".

Page 319, line 39, strike "\$3,000,000" and insert "\$9,556,154".

Page 319, line 42, strike "five" and insert "ten".

Page 320, line 32, strike "ten" and insert "thirty".

Page 321, after line 16, insert:

"VVV. Out of this appropriation, \$4,317,804 the second year from nongeneral funds shall be used to increase Medicaid reimbursement paid for obstetrical services by five percent effective. The Department of Medical Assistance Services shall promulgate emergency regulations to implement this amendment within 280 days or less from the enactment date of this act."

"WWW. The Department shall amend the State Plan for Medical Assistance governing Medicaid physician reimbursements to raise payments for pediatric services by five percent effective July 1, 2005. Out of this appropriation, \$6,074,562 from nongeneral funds the second year shall be used to increase Medicaid reimbursement paid for pediatric. The Department of Medical Assistance Services shall promulgate emergency regulations to implement this amendment within 280 days or less from the enactment date of this act."

Explanation:

(This amendment adjusts anticipated revenues to the Virginia Health Care Fund upward by \$17.4 million the second year to reflect revenue expected from the passage of Senate Bill 1332. This amendment appropriates \$17.3 million from the fund to increase Medicaid reimbursement rates generating additional federal matching funds of \$17.3 million effective July 1, 2005.

a. This amendment provides \$3.3 million from the Virginia Health Care Fund and \$3.3 million from federal Medicaid matching funds to increase the rates paid for personal care services by ten percent under Medicaid community-based waiver programs from \$14.05/hour to \$15.46/hour in northern Virginia and \$11.93/hour to \$13.12/hour in the rest of the state. The 2004 General Assembly provided funding for a five percent increase effective July 1, 2005; this additional funding will permit a 10 percent increase.

b. This amendment provides \$3.3 million from the Virginia Health Care Fund and \$3.3 million from federal Medicaid matching funds to increase Medicaid payments for nursing facility services by one dollar per patient per day effective July 1, 2005. The 2004 General Assembly provided a \$3.00 per day increase for nursing homes effective July 1, 2005.

c. This amendment provides \$2.2 million from the Virginia Health Care Fund and \$2.2 million from federal Medicaid matching funds to increase Medicaid payments for obstetrical services by five percent effective July 1, 2005. The introduced budget includes funding for a 35 percent increase for obstetrical services.

d. This amendment provides \$3.0 million from the Virginia Health Care Fund and \$3.0 million from federal Medicaid matching funds to increase Medicaid payments for pediatric services by five percent effective July 1, 2005.

e. This amendment provides \$5.6 million from the Virginia Health Care Fund and federal Medicaid matching funds to increase Medicaid and FAMIS reimbursement rates for children's dental services by 30 percent effective July 1, 2005. The introduced budget included funding to increase dental services by 10 percent. All children enrolled in FAMIS and FAMIS Plus (Medicaid) are eligible for comprehensive dental care, however, only 25 percent of these children actually see a dentist each year.)

Health and Human Resources Subcommittee

Item 334 #5s

Health And Human Resources	FY 04-05	FY 05-06	
Grants To Localities	\$0	\$2,200,000	GF

Language:

Page 327, line 34, strike "\$232,879,878" and insert "\$235,079,878".

Page 330, after line 3, insert:

"R. Of this appropriation, \$3.3 million from the general fund the second year shall be used to address the increased demand for and reduced availability of acute, in-patient services and to assist communities in responding to the lack of available in-patient psychiatric beds for persons detained on a "Temporary Detention Order" (TDO). These funds shall be used to establish six, 6-bed community-based, crisis stabilization units in designated regions determined by the Commissioner."

Explanation:

(This amendment provides an additional \$2.2 million from the general fund the second year to establish six crisis stabilization programs in areas of the Commonwealth experiencing severe shortages of available inpatient treatment beds. The introduced budget included \$1.1 million for two locations. Crisis stabilization services have proven effective in assisting individuals in crisis, providing needed stabilization and treatment, and averting more costly hospital placements. These programs will increase the availability of less restrictive, recovery-oriented, 24-hour programs as alternatives to in-patient psychiatric hospitalization. These units would provide intensive intervention, stabilization and/or residential services for individuals who would otherwise be voluntarily or involuntarily (TDO) admitted to a psychiatric hospital.)

Health and Human Resources Subcommittee

Item 334 #12s

Health And Human Resources

FY 04-05

FY 05-06

Grants To Localities

\$0

\$1,000,000 GF

Language:

Page 327, line 34, strike "\$232,879,878" and insert "\$233,879,878".

Page 330, after line 3, insert:

“R. Out of this appropriation, \$1.0 million from the general fund the second year shall be used to establish two demonstration projects based on evidence-based “systems of care” models for children and adolescents with behavioral health needs.”

Explanation:

(This amendment adds \$1.0 million from the general fund the second year to implement nationally-tested and evidence-based models of effective community treatment through two demonstration projects that will serve children with serious emotional disturbances and other related conditions. This amendment provides funding to establish two demonstration projects in localities to develop a community-based system of care model designed to meet the behavioral health-related needs of individual children and require localities to arrange all behavioral health services in a continuum of care. Each pilot project will serve approximately 150-200 children, children whose needs are currently unmet by existing programs. Ultimately, this model should make the current CSA system more effective, serve kids otherwise not served, and make better use of resources because of an anticipated reduction in the use of high cost residential care.)

Health And Human Resources	FY 04-05	FY 05-06	
Mental Retardation Training Centers	\$0	\$400,000	GF

Language:

Page 332, line 48, strike "\$127,413,047" and insert "\$127,813,047".

Page 333, after line 5, insert:

"Out of this appropriation, \$400,000 from the general fund in the second year shall be used to establish two Regional Community Support Centers. The centers shall be located at the Southwest Virginia Training Center and the Central Virginia Training Center."

Explanation:

(This amendment provides \$400,000 from the general fund the second year to establish two new regional community support centers. The centers, patterned after the regional center located at the Northern Virginia Training Center, will provide services that are unavailable in local communities including but not limited to dental, behavioral health, psychiatric care, program coordination, and clinic services. It is estimated that, on average, 400 individuals will be served through each center.)

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Social Services	\$0	\$3,000,000	GF

Language:

Page 344, line 33, strike "\$155,928,117" and insert "\$158,928,117".

Page 346, after line 20, insert:

"L. Of this appropriation, \$5.7 million from the general fund and \$1.0 million from nongeneral funds the second year shall be used to enhance the provision of child welfare services pursuant to the federal Performance Improvement Plan. Funds appropriated under this item shall be provided to local departments of social services for the direct provision of child and family services. Local departments of social services may use funds appropriated under this item for the purchase of child and family services. The allocation of this appropriation under this item shall be jointly determined by the Department of Social Services and the Virginia League of Social Services Executives."

Explanation:

(This amendment adds \$3.0 million GF the second year to enhance funding for child welfare services pursuant to the federally-required performance improvement plan. The introduced budget included \$2.7 million from the general fund to meet the plans requirements. Including federal and local matching funds, the combined annual funding for the plan will exceed \$8.1 million each year and allow local departments of social services to improve the quality and quantity of face-to-face interactions between caseworkers, parents and children.)