



Report of the Subcommittee on
Health and Human Resources

Senate Finance Committee
Virginia General Assembly

February 3, 2019



SENATE OF VIRGINIA

Senate Finance Committee

REPORT OF THE HEALTH AND HUMAN RESOURCES SUBCOMMITTEE

The Honorable Emmett W. Hanger, Jr., Chairman

February 3, 2019

Mr. Chairman and Members of the Committee:

Today I am pleased to provide the report of the Health and Human Resources Subcommittee. This year the Subcommittee was limited in resources but was able to redirect funding to continue to build upon the work from previous sessions, which have resulted in significant investments in areas like community behavioral health and the foster care system.

With regards to behavioral health, these recommendations adopt much of the new funding, providing \$3 million for children's crisis services and \$5 million for outpatient services, which is a key part of the STEP-VA initiative to develop a base level of community services across all Community Services Boards in the Commonwealth. In addition, these recommendations adopt \$6.5 million for direct care staffing at the state's mental health hospitals to address staffing needs due to census pressures. Furthermore, a total of \$3 million in new funding is recommended for Permanent Supportive Housing, which continues to be a priority of the Subcommittee. Budget language is also included to develop a plan to determine how best to "right-size" the state's mental health hospital system to better allocate resources toward a community-based system.

The Subcommittee recommendations include additional investments to raise Medicaid reimbursement to physicians and licensed mental health professionals in an effort to improve the workforce and coverage for these services. While the Subcommittee would like to do more in improving provider rates for a variety of services, the limited resources

available required us to focus on the most critical needs. The Subcommittee will continue to evaluate issues in provider access and address them as needed in future years.

As the members of this Committee know, the Medicaid forecast was higher than expected and requires \$463 million in additional funding from the general fund. In some good news, the Subcommittee has identified \$39 million in the forecast that is not necessary due to previous federal action to suspend an insurance tax that impacts the program. In addition, the Subcommittee has deliberated on ways to improve the overall Medicaid forecasting process and these recommendations will provide greater legislative oversight and transparency of the process. Medicaid is the largest program in the state budget, providing important services to many Virginians. Ensuring the accuracy of spending forecasts is critical not only for the program itself but for our overall budget process.

In the area of Social Services, I would like to highlight two recommendations of the Subcommittee. The first one is to provide \$1.8 million to implement the Joint Legislative Audit and Review Commission (JLARC) recommendations for improving our foster care system. While Virginia continues to have one of the better systems in the nation, the JLARC report highlighted some issues in the system and the Subcommittee recommendations include funding to ensure Virginia's foster care system continues to best serve children under the state's care. In addition, the Subcommittee recommends some start-up funding related to the new availability of federal funding for evidence-based foster care prevention services. This new federal law will eventually allow Virginia to transition many of its prevention services funded in our Children's Services Act program to evidence-based programs with a federal match.

As I conclude, let me thank all the members of the Subcommittee for their hard work and the time they invested to put this report together. I sincerely appreciate the contributions and efforts of each member of the Subcommittee to create this report.

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

Respectfully Submitted,

The Honorable Emmett W. Hanger, Jr., Chairman

The Honorable Janet D. Howell

The Honorable Thomas K. Norment, Jr.

The Honorable Stephen D. Newman

The Honorable George L. Barker

The Honorable Siobhan S. Dunnavant

The Honorable Richard H. Stuart

The Honorable Rosalyn R. Dance

Subcommittee on Health and Human Resources
 Recommended Amendments SB 1100, as Introduced
 2019 General Assembly

Line	Description	GF FY 2019	GF FY 2020	NGF FY 2019	NGF FY 2020
1	Secretary of Health and Human Resources				
2	Workgroup on Impact of Uninsured Use of Emergency Rooms for Dental Issues		Language		
3	Modify Electronic Health Records Workgroup		Language		
4					
5	Children's Services Act				
6	Delay Report on Study of Private Day Rates		Language		
7	Implementation of Outcome Measures for Private Day Schools		Language		
8					
9	Department of Health				
10	SB 1216: Provide Support for the All Payer Claims Database	\$ -	\$ 1,150,000	\$ -	\$ -
11	Fund Adult and Pediatric Traumatic Brain Injury Demonstration	\$ -	\$ 450,000	\$ -	\$ -
12	Lead Test Sampling Plans and Water Sampling Results Tracking	\$ -	\$ 50,000	\$ -	\$ -
13	Modify ED Care Coordination Program to Track TDOs in Emergency Departments	\$ -	\$ 50,000	\$ -	\$ -
14	Reduce New Funding for Hampton University Proton Therapy Foundation	\$ (4,500,000)	\$ -	\$ -	\$ -
15	Delay Funding Electronic Health Records and Develop Implementation Plan	\$ -	\$ (4,201,500)	\$ -	\$ -
16	Remove New Funding for Purchase of Childhood Vaccines	\$ -	\$ (1,461,742)	\$ -	\$ -
17	Reduce Support for Riverside Shore Memorial Hospital Obstetrics Program	\$ -	\$ (600,000)	\$ -	\$ -
18	Eliminate New Earmark for Eastville Community Health Center	\$ -	\$ (795,000)	\$ -	\$ -
19	Eliminate Funding to Establish a State Overdose Fatality Review Team	\$ -	\$ (256,248)	\$ -	\$ -
20	Eliminate Funding for Office of Attorney General Charges	\$ (200,000)	\$ -	\$ -	\$ -
21	Remove General Fund Support for Certificate of Public Need	\$ (168,982)	\$ -	\$ -	\$ -
22	Eliminate Additional Funding for Virginia Neonatal Perinatal Collaborative	\$ -	\$ (50,000)	\$ -	\$ -
23	Modify the Long Acting Reversible Contraception Initiative		Language		
24					
25	Department of Health Professions				
26	Enhance Drug Disposal Awareness		Language		
27					
28	Department of Medical Assistance Services				
29	Increase Certain Physician Rates to 70 Percent of Medicare Rates	\$ -	\$ 4,185,199	\$ -	\$ 11,060,494
30	Increase Rates for Licensed Mental Health Professionals	\$ -	\$ 2,645,706	\$ -	\$ 4,560,751
31	Add 10 Developmental Disability Reserve Waiver Slots	\$ -	\$ 375,000	\$ -	\$ 375,000
32	Medicaid Funding for All Payer Claims Database	\$ -	\$ 87,500	\$ -	\$ 262,500
33	Medicaid Telehealth Site Facility Fee	\$ -	\$ 23,215	\$ -	\$ 27,529
34	Medicaid Forecast Adjustment for Suspension of Insurance Tax	\$ -	\$ (38,900,000)	\$ -	\$ (38,900,000)

Subcommittee on Health and Human Resources

Recommended Amendments SB 1100, as Introduced

2019 General Assembly

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35	Remove Unneeded General Fund for Certain Administrative Costs	\$ (1,680,143)	\$ (10,240,286)	\$ -	\$ -
36	Eliminate Expanded Preventative Services Coverage for Adults	\$ -	\$ (3,531,444)	\$ -	\$ (3,556,428)
37	Remove New Funding for Enrollment Broker Services	\$ (708,750)	\$ (896,333)	\$ (708,750)	\$ (896,333)
38	Remove First Year Funding for Training for Personal Care Attendants	\$ (500,000)	\$ -	\$ (500,000)	\$ -
39	Remove New Funding for Cover Virginia Call Center Contract	\$ -	\$ (440,410)	\$ -	\$ (1,321,230)
40	Medicaid Forecasting Oversight and Workgroup		Language		
41	Managed Care Rate Setting Oversight		Language		
42	Notification Requirement of Federal Deferrals and Disallowances		Language		
43	Partial Reversion of Carryforward Balance		Language		
44	Plan for Behavioral Health Services Realignment		Language		
45	Improve Medicaid Eligibility Screening Services		Language		
46	Designation of Schools as Telehealth Sites		Language		
47	Certain Language Not Set Out		Language		
48	Managed Care Notification and Training Requirements for Certain Providers		Language		
49	Modify Provisions in Managed Care Programs to Balance Commonwealth's Risk		Language		
50	SB 1352: Transfer Funding to New Office of Medicaid Fiscal Oversight		Language		
51	Carryforward Limitation in Medicaid		Language		
52	Modify DSH Methodology for TDO Utilization		Language		
53	Requirement to Provide Renewals Data to Managed Care Organizations		Language		
54	Fiscal Impact Review of Medicaid Program Changes		Language		
55	Reporting on Agency Organization		Language		
56					
57	Department of Behavioral Health and Developmental Services				
58	Permanent Supportive Housing	\$ -	\$ 1,000,000	\$ -	\$ -
59	Psychiatric Emergency Pilot Program	\$ -	\$ 500,000	\$ -	\$ -
60	Remove First Year Funding for Naloxone Kits	\$ (1,600,000)	\$ -	\$ -	\$ -
61	Reduce Additional Funding Provided for Direct Care Staff at State Hospitals	\$ -	\$ (1,500,000)	\$ -	\$ -
62	Redirect Crisis Funding to Support Outpatient Services	\$ -	\$ (1,000,000)	\$ -	\$ -
63	Plan for Right Sizing Mental Health Hospital System		Language		
64	Review of Public-Private Partnerships for CVTC and Crisis System		Language		
65	Lease of Eastern State Hospital Land for Hope Village Project		Language		
66	Designate Behavioral Health Trust Fund Appropriation		Language		
67	Appalachian Telemental Health Initiative Carryforward		Language		
68	DD Waiver Individualized Supports Budget Program		Language		

Subcommittee on Health and Human Resources
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Line	Description	GF FY 2019	GF FY 2020	NGF FY 2019	NGF FY 2020
69	Reporting and Data on Community Services Board Revenue Impacts		Language		
70	Regional Mental Health Coordination Pilot Program		Language		
71	Waiver Slots Priority for Falls Church Residents in the Miller House		Language		
72	Waiting List Priority for Children of Parents in Military and Foreign Service		Language		
73					
74	Department for Aging and Rehabilitative Services				
75	Remove New Funding for Adult Protective Services	\$ -	\$ (100,000)	\$ -	\$ -
76	Allocation Methodology for Extended Employment Services Funding		Language		
77	Flexible Funding for Area Agencies on Aging		Language		
78					
79	Virginia Board for People with Disabilities				
80	Position Level Increase	\$ -	\$ -	\$ -	\$ -
81					
82	Department for the Blind and Vision Impaired				
83	Remove New Funding for Vocational Rehabilitation Services	\$ -	\$ (625,500)	\$ -	\$ -
84					
85	Department of Social Services				
86	SB 1339: Improvements to the Foster Care System	\$ -	\$ 1,843,751	\$ -	\$ 1,311,612
87	Family First Prevention Services Act Support for Implementation	\$ -	\$ 611,000	\$ -	\$ -
88	TANF Benefits Rate Increase of Five Percent	\$ -	\$ 300,000	\$ -	\$ 3,200,000
89	SB 1253: Credit Report Freeze for Foster Care Youth	\$ -	\$ 176,133	\$ -	\$ 241,897
90	SB 1257: Clergy Requirement as Mandatory Reporters	\$ -	\$ 142,264	\$ -	\$ -
91	SB 1661: Child Abuse and Neglect Sex Trafficking Assessments	\$ -	\$ 80,151	\$ -	\$ 20,359
92	SB 1145: TANF VIEW Child Care Transitional Services	\$ -	\$ 39,698	\$ -	\$ 1,026,398
93	Two-Generation/Whole Family Pilot Project	\$ -	\$ -	\$ -	\$ 2,250,000
94	Northern Virginia Family Services	\$ -	\$ -	\$ -	\$ 500,000
95	Technical: Correction to Child Support Fees	\$ -	\$ -	\$ -	\$ 145,816
96	Remove Funding for Catastrophic Disaster Shelter Supplies	\$ -	\$ (4,250,000)	\$ -	\$ -
97	Remove Unneeded General Fund for Certain Administrative Costs	\$ -	\$ (1,050,000)	\$ -	\$ -
98	SB 1286: Increase Auxiliary Grants Slots for Supportive Housing		Language		
99	Develop Comprehensive Plan for the TANF Program		Language		
100	Review of Foster Care Children in Congregate Care		Language		
101	Foster Care Recruitment and Strategic Plan		Language		
102	TOTALS: HHR Budget Plan	\$ (9,357,875)	\$ (56,188,846)	\$ (1,208,750)	\$ (19,691,635)

Subcommittee on Health and Human Resources
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Line	Description	GF FY 2019	GF FY 2020	NGF FY 2019	NGF FY 2020
103					
104	General Assembly of Virginia				
105	Develop Innovative Options to Redesign the Individual Insurance Market	\$ -	\$ 250,000	\$ -	\$ -
106					
107	Part 3: Miscellaneous				
108	Certain Items Not Set Out		Language		

Item 282 #1s

Health and Human Resources

Children's Services Act

Language

Language:

Page 296, line 12, strike "July" and insert "October".

Explanation:

(This amendment modifies language in the budget delaying a final report on a study of private day special education rates from July 2019 to October 2019.)

Item 307 #8s

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 350, after line 9, insert:

"Y. The Department of Medical Assistance Services shall provide data by the first day of each month, to each managed care organization, that includes the renewal dates for each member enrolled in their plan that will occur in the next 60 days. The department shall work with the managed care organizations to develop processes to reduce the number of renewals lapsing each year for Medicaid and FAMIS enrollees."

Explanation:

(This amendment requires the Department of Medical Assistance Services to submit renewal data for managed care plan members in Medicaid and FAMIS to assist the managed care organizations in reducing the number of enrollees who have lapsed coverage during the year due to disenrollment that occurs as part of the annual eligibility renewal process in Medicaid or FAMIS.)

Item 307 #10s

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 350, after line 9, insert:

"Y. The Department of Medical Assistance Services shall, within 15 days of receiving a deferral of federal grant funds or a disallowance letter, notify the Director, Department of Planning and Budget, and the Chairmen of the House Appropriations and Senate

Finance Committees of such deferral or disallowance. The notice shall include the amount of the deferral or disallowance and a detailed explanation of the federal rationale for the action. Any federal documentation received by the department shall be attached to the notification."

Explanation:

(This amendment requires the Department of Medical Assistance Services to notify the Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees of any federal deferral of grant funds for disallowances.)

Item 310 #1s

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 356, after line 19, insert:

"Z. The Department of Behavioral Health and Developmental Services and the Department of Medical Assistance Services shall not require waiver providers or Community Services Boards to use the proposed individualized supports budget process for the Developmental Disability Waiver without the explicit authorization of the General Assembly through legislation or authorizing budget language."

Explanation:

(This amendment adds language prohibiting the Departments of Behavioral Health and Developmental Services and Medical Assistance Services from requiring waiver providers or Community Services Boards use an individualized supports budget process for the Medicaid Developmental Disability waiver program without explicit authorization from the General Assembly.)

Item 310 #5s

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 356, after line 19, insert:

"Z. The Department of Behavioral Health and Developmental Services shall prepare a plan to "right size" the state hospital system, including appropriate capacity and distribution of capacity, and the steps to transition from the current system to the right-sized system. The department shall submit the plan to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by September 15, 2019."

Explanation:

(This amendment directs the Department of Behavioral Health and Developmental Services to prepare a plan to "right size" the state hospital system, including appropriate capacity and distribution of capacity, and the steps to transition from the current system to the right-sized system. This is a recommendation of the Joint Subcommittee Studying Mental Health Services in the Commonwealth in the 21st Century.)

Item 344 #1s

Health and Human Resources

Department of Social Services

Language

Language:

Page 383, after line 38, insert:

"P. The Department of Social Services shall develop a foster care recruitment and retention strategic plan with assistance from a workgroup of local department directors, foster parents, and local child placing agencies. The strategic plan shall include funding needs and federal funding that could be leveraged and any department staffing needs to implement the plan. The strategic plan shall be based on data on the availability of foster families and specific needs of children in foster care. The department shall submit the strategic plan to the Governor and the General Assembly by November 1, 2019."

Explanation:

(This amendment directs the Department of Social Services to develop a foster care recruitment and retention strategic plan. The department will submit the strategic plan to the Governor and the General Assembly by November 1, 2019. This is a JLARC recommendation from a study of the foster care system.)

Item 344 #2s

Health and Human Resources

Department of Social Services

Language

Language:

Page 383, after line 38, insert:

"P. The Department of Social Services shall immediately review all cases of children in congregate care without a clinical need to be there and assist local departments in finding appropriate family-based settings. The department shall certify completion of the reviews by June 30, 2020, and by letter notify the General Assembly as such."

Explanation:

(This amendment directs the Department of Social Services to immediately review all cases of children in congregate care without a clinical need to be there and to assist local departments in finding appropriate family-based settings. The department will certify completion of the reviews by June 30, 2020. This is a recommendation from JLARC's report on the foster care system.)
