2004 Session

Budget Bill - HB29 (Chapter 943)

Bill Order » Office of Health and Human Resources » Item 322

Department of Medical Assistance Services

Item 322	First Year - FY2003	Second Year - FY2004
Administrative and Support Services (47900)	**$124,272,764**	~~**$125,482,888**~~ ***$124,079,389***
General Management and Direction (47901)	$111,250,264	~~$112,460,388~~ *$111,056,889*
Computer Services (47902)	$13,022,500	$13,022,500
Fund Sources:		
General	$45,932,261	~~$50,259,932~~ *$49,556,433*
Special	$50,000	$50,000
Federal Trust	$78,290,503	~~$75,172,956~~ *$74,472,956*

Authority: Title 32.1, Chapters 9 and 10, Code of Virginia; P.L. 89-87, as amended, Title XIX, Social Security Act, Federal Code.

A. By November 15 of each year, the Department of Planning and Budget, in cooperation with the Department of Medical Assistance Services, shall prepare and submit a forecast of Medicaid expenditures, upon which the Governor's budget recommendations will be based, for the current and subsequent two years to the Chairmen of the House Appropriations and Senate Finance Committees. The forecast shall detail the number of new nursing home beds expected to be added each year and the resulting impact on the Medicaid budget. In addition, the Department of Medical Assistance Services shall submit accuracy reports of the forecast in relation to the agency's actual expenditure activity to the Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees. These reports shall be submitted on a quarterly basis, commencing October 15, 2002, and continuing throughout the biennium.

B. Omitted.

C. The Department of Medical Assistance Services, to the extent permissible under federal law, shall enter into an agreement with the Department of Mental Health, Mental Retardation and Substance Abuse Services to share Medicaid claims and expenditure data on all Medicaid-reimbursed mental health, mental retardation and substance abuse services, and any new or expanded mental health, mental retardation and substance abuse services that are covered by the State Plan for Medical Assistance. The information shall be used to increase the effective and efficient delivery of publicly funded mental health, mental retardation and substance abuse services.

D. If implementation of the new Medicaid Management Information System is delayed to the point that it is unlikely to receive Centers for Medicare and Medicaid Services (CMS) certification and the resulting retroactive adjustment in federal financial participation from 50 percent to 75 percent for claims processing prior to the end of the fiscal year that the system is first implemented, the Department of Accounts shall provide an interest-free treasury loan to the Department of Medical Assistance Services to address any remaining cost associated with

implementation and certification of the new system. Such loan shall be repaid from the retroactive payment by CMS for the additional 25 percent match for claims processing. However, prior to requesting a treasury loan, the Department shall explore other financing strategies during the implementation period of this project and, in consultation with the Department of Planning and Budget, shall select the most viable option for ensuring completion of this project.

E. In order to maximize other revenue sources, the Department of Medical Assistance Services (DMAS), in cooperation with the Department of Mental Health, Mental Retardation and Substance Abuse Services (DMHMRSAS), the Virginia Association of Community Services Boards (VACSB), the Virginia Network of Private Providers (VNPP), and other stakeholders shall examine the feasibility of utilizing federal Medicaid funds to the maximum extent allowable to finance capital and operational start-up costs for community facilities serving adults and children with mental disabilities. This project shall include a review of the actions of other states to maximize federal revenue to offset community facility start-up costs. A report shall be submitted, through the Secretary of Health and Human Resources, to the Governor and Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2002.

F. Out of the amounts appropriated for the Medical Assistance Services program, the Department is authorized to expend up to $546,000 the first year and $327,860 the second year from the general fund to comply with the federal Health Insurance Portability and Accountability Act regulations related to Privacy and Transaction Standard and Code Sets.

G. The Director of the Department of Medical Assistance Services shall report to the Chairmen of the House Appropriations and Senate Finance Committees, and the Joint Commission on Health Care, by November 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.

H. As needed, the Department of Medical Assistance Services shall transfer funds appropriated for the Medical Assistance Services program to the Administrative and Support Services program to fund increased expenditures as a result of any contractual changes between the Department and companies providing non-emergency transportation services for Medicaid recipients.

I. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to add “stretcher vans” as a mode of non-emergency medical transportation. The Department shall promulgate emergency regulations to implement this amendment within 280 days or less from the enactment of this act.

J. The Department of Medical Assistance Services shall monitor the impact of all new prior authorization requirements implemented in the fee-for-service program for Family Access to Medical Insurance Security (FAMIS) and Medicaid services that take effect on or after July 1, 2003. The Department shall maintain data including the number of service denials, the number of prior authorization requests submitted, the number of requests approved and denied, the number of appeals from prior authorization denials, the outcome of those appeals, and all associated administrative costs. Such information shall be reported to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees on an annual basis. The first annual report for fiscal year 2004 shall be submitted no later than 45 days after the end of the fiscal year.

K. In addition to any regional offices that may be located across the Commonwealth, any statewide, centralized call center facility that operates in conjunction with a brokerage transportation program for persons enrolled in Medicaid or the Family Access to Medical Insurance Security plan shall be located in Norton, Virginia.