2004 Special Session I

Budget Bill - HB5001 (Chapter 4)

Department of Medical Assistance Services

Item 324

	First Year - FY2005	Second Year - FY2006
Family Access to Medical Insurance Security Plan (44600)	**$73,345,685**	**$81,708,260**
Family Access to Medical Insurance Security Plan Payments (44602)	$66,877,854	$75,240,429
Family Access to Medical Insurance Security Plan Administration (44603)	$6,467,831	$6,467,831
Fund Sources:		
General	$13,016,245	$15,471,698
Dedicated Special Revenue	$12,548,382	$12,548,382
Federal Trust	$47,781,058	$53,688,180

Authority: Title 32.1, Chapter 13, Code of Virginia.

A. Pursuant to Chapter 679, Acts of Assembly of 1997, the State Corporation Commission shall annually, on or before June 30, 1998, and each year thereafter, calculate the premium differential between: (i) 0.75 percent of the direct gross subscriber fee income derived from eligible contracts and (ii) the amount of license tax revenue generated pursuant to subdivision A 4 of § 58.1-2501 for the immediately preceding taxable year and notify the Comptroller of the Commonwealth to transfer such amounts to the Family Access to Medical Insurance Security Plan Trust Fund as established on the books of the Comptroller.

B. As a condition of this appropriation, revenues from the Family Access to Medical Insurance Security Plan Trust Fund, shall be used to match federal funds for the State Children's Health Insurance Program.

C. Every eligible applicant for health insurance as provided for in Title 32.1, Chapter 13, Code of Virginia, shall be enrolled and served in the program. To the extent that appropriations in this Item are insufficient, the Director, Department of Planning and Budget shall transfer general fund appropriations from Item 325 into this Item, to be used as state match for federal Title XXI funds.

D. The Department of Medical Assistance Services shall amend its Family Access to Medical Insurance Security Plan and related regulations to cover school-based transportation for children in special education. The transportation covered is from home to school and the return trip or transportation to a non-school location on days the child has a covered service such as physical therapy. This change is subject to approval by the Centers for Medicare and Medicaid Services. The Department’s payment for transportation will be the federal share of the payment only, which is consistent with the Department’s coverage of other services for children in special education. School divisions shall document to the Department the non-federal matching funds. The Department shall promulgate emergency regulations to implement this amendment within 280 days or less from the enactment of this act.

E. The Department shall amend the Family Access to Medical Insurance Security Plan and related regulations to require prior authorization of prescription drugs for non-institutionalized recipients when more than nine unique

prescriptions have been prescribed within a period as determined by the Department. The Department shall promulgate emergency regulations to implement this amendment within 280 days or less from the enactment of this act.

F. The Department of Medical Assistance Services shall have the authority to amend the Family Access to Medical Insurance Security Plan to ensure that school-based rehabilitation services shall not be subject to any prior authorization requirements. The Department shall promulgate emergency regulations to implement this amendment within 280 days or less from the enactment of this act.

G. The Department of Medical Assistance Services shall have the authority to amend the Family Access to Medical Insurance Security Plan and related regulations to cover additional medical services for special education students and to revise referral and prior authorization requirements for services provided to special education students by school division providers. The Department shall have authority to enact emergency regulations under § 2.2-4011 of the Administrative Process Act, to effect this provision.

H. The Department of Medical Assistance Services shall have the authority to amend the Family Access to Medical Insurance Security Plan and related regulations to establish separate payment rates for state and local government providers based on an evaluation of costs incurred. The Department shall have authority to enact emergency regulations under § 2.2-4011 of the Administrative Process Act, to effect this provision.

I. The Department of Medical Assistance Services shall amend its Family Access to Medical Insurance Security Plan to include coverage of certain mental health services including intensive in-home services, case management services, day treatment, and twenty-four-hour emergency response. The services shall be provided in the same manner and with the same coverage and service limitations as they are provided to children under the State Plan for Medical Assistance Services. The Office of Comprehensive Services for At-Risk Youth and Families shall transfer $454,565 in general fund dollars in each year of the biennium to the Department in order to fund this initiative. 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 amend the Family Access to Medical Insurance Security Plan and related regulations to modify the reimbursement methodology used to reimburse for generic drug products. The new methodology shall reimburse for the product cost based on a Maximum Allowable Cost list to be established by the Department. Such amendments shall be effective within 280 days or less from the enactment of this act.