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# VIRGINIA STATE BUDGET

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2004 Special Session I

## Budget Bill - HB5001 (Introduced)

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

Department of Medical Assistance Services

Item 322	First Year - FY2005	Second Year - FY2006
<b>Administrative and Support Services (47900)</b>	<b>\$75,013,771</b>	<b>\$75,013,728</b>
General Management and Direction (47901)	\$61,991,271	\$61,991,228
Computer Services (47902)	\$13,022,500	\$13,022,500
Fund Sources:		
General	\$28,901,605	\$28,901,562
Special	\$50,000	\$50,000
Federal Trust	\$46,062,166	\$46,062,166

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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, 2004, and continuing throughout the biennium.

B. Out of this appropriation, \$50,000 in special fund revenue is appropriated in each year of the biennium to the Department of Medical Assistance Services for the administration of the disbursement of civil money penalties levied against and collected from Medicaid nursing facilities for violations of rules identified during survey and certification as required by federal law and regulation. Based on the nature and seriousness of the deficiency, the Agency or the Centers for Medicare and Medicaid Services may impose a civil money penalty, consistent with the severity of the violations, for the number of days a facility is not in substantial compliance with the facility's Medicaid participation agreement. Civil money penalties collected by the Commonwealth must be applied to the protection of the health or property of residents of nursing facilities found to be deficient. Penalties collected are to be used for (1) the payment of costs incurred by the Commonwealth for relocating residents to other facilities; (2) payment of costs incurred by the Commonwealth related to operation of the facility pending correction of the deficiency or closure of the facility; and (3) reimbursement of residents for personal funds or property lost at a facility as a result of actions by the facility or individuals used by the facility to provide services to residents. These funds are to be administered in accordance with the revised federal regulations and law, 42 CFR 488.400 and the Social Security Act § 1919(h), for Enforcement of Compliance for Long-Term Care Facilities with Deficiencies. Any special fund revenue received for this purpose, but unexpended at the end of the fiscal year, shall remain in the fund for use in accordance with this provision.

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. 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.

E. 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 as well as the Department of Planning and Budget, on an annual basis. Annual reports are due no later than 45 days after the end of the previous fiscal year.

F. 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.