2012 Special Session I

Budget Bill - HB1300 (Chapter 2)

Department of Medical Assistance Services

Item 296	First Year - FY2011	Second Year - FY2012
Children's Health Insurance Program Delivery (44600)	**$133,634,267**	**~~$144,862,002~~ *$141,238,863***
Reimbursements for Medical Services Provided Under the Family Access to Medical Insurance Security Plan (44602)	$133,634,267	~~$144,862,002~~ *$141,238,863*
Fund Sources:		
General	$30,955,895	~~$34,631,511~~ *$33,363,412*
Dedicated Special Revenue	$15,816,098	$16,070,190
Federal Trust	$86,862,274	~~$94,160,301~~ *$91,805,261*

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 Children's Health Insurance Program.

C.

2. 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 Items 297 and 299 into this Item, to be used as state match for federal Title XXI funds.

D. Effective July 1, 2009, the Department of Medical Assistance Services shall have the authority to amend the Family Access to Medical Insurance Security Plan and related regulations to expand medical coverage to pregnant women who are over the age of 19 who are ineligible for Medicaid and have annual family income less than or equal to 200 percent of the Federal Poverty Level and to simplify the administration of the premium assistance program available to families with children eligible for FAMIS who have access to an employer-sponsored health insurance program. The medical coverage period shall apply to a woman during her pregnancy and extend no longer than the end of the month in which her 60-day postpartum period ends. Services provided during this

coverage period shall include all services in the FAMIS State Plan with the exception of the Early Periodic Screening Diagnosis and Treatment Program. The department will continue to ensure the cost effectiveness of the premium assistance program.

E. The Department of Medical Assistance Services shall have the authority to provide eligibility in the Family Access to Medical Insurance Security (FAMIS) Plan to infants born to mothers enrolled in FAMIS, for the month of birth plus two additional months, even if eligibility is not yet established for the newborn. If federal funds are not available for those months of eligibility, the department shall use state funding. 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 make the monthly capitation payment to managed care organizations for the member months of each month in the first week of the subsequent month. The department shall have the authority to implement this reimbursement schedule change effective upon passage of this act, and prior to the completion of any regulatory process undertaken in order to effect such change.

H. If any part, section, subsection, paragraph, clause, or phrase of this Item or the application thereof is declared by the United States Department of Health and Human Services or the Centers for Medicare and Medicaid Services to be in conflict with a federal law or regulation, such decisions shall not affect the validity of the remaining portions of this Item, which shall remain in force as if this Item had passed without the conflicting part, section, subsection, paragraph, clause, or phrase. Further, if the United States Department of Health and Human Services or the Centers for Medicare and Medicaid Services determines that the process for accomplishing the intent of a part, section, subsection, paragraph, clause, or phrase of this Item is out of compliance or in conflict with federal law and regulation and recommends another method of accomplishing the same intent, the Director, Department of Medical Assistance Services, after consultation with the Attorney General, is authorized to pursue the alternative method.

I. In order to maintain coverage of pregnant women to 200 percent of the Federal Poverty Level (FPL) in reaction to federal directives in the Children's Health Insurance Program Reauthorization Act (CHIPRA), the Department of Medical Assistance Services shall have authority to amend the Title XIX State Plan for Medical Assistance, the Virginia Plan for Title XXI, and/or Virginia's FAMIS MOMS waiver as necessary to provide coverage in the most cost effective manner allowed. Specifically, if required by the Centers for Medicare and Medicaid Services (CMS), the department shall have authority to extend coverage to pregnant women and their newborns, with income above 133 percent of the Federal Poverty Level (FPL) through 185 percent FPL, who have other insurance. The department shall have authority to promulgate emergency regulations to implement this amendment effective July 1, 2010.

J. The Department of Medical Assistance Services shall have authority to amend the Virginia State Plan for Title XXI of the Social Security Act and the Virginia Health Insurance Flexibility and Accountability (HIFA) Waiver to require that Family Access to Medical Insurance Security (FAMIS) and FAMIS MOMS applicants and enrollees furnish their Social Security numbers as a condition of eligibility in order to have citizenship and identity verified by the Social Security Administration, unless the applicant is otherwise exempt from this requirement. The department shall have the authority to implement this change prior to the completion of any regulatory process undertaken in order to effect such change.

K. Out of this appropriation the dedicated special fund appropriation for Children's Health Insurance Program Delivery includes $1,750,471 the first year and $2,004,563 the second year from the Virginia Health Care Fund.

L. The Department of Medical Assistance Services is directed to develop enrollment and retention provisions,

consistent with those outlined in Section 104 of the Children's Health Insurance Program (CHIP) Reauthorization Act of 2009, P.L. 111-3, and implement provisions determined to be budget-neutral, cost-effective or that would lead to an award of a CHIP performance bonus.