



Report of the Subcommittee on  
Health and Human Resources

(Senate Bills 29 and 30,  
as Introduced)

Senate Finance Committee  
Virginia General Assembly

February 20, 2000

## **REPORT OF THE SUBCOMMITTEE ON HEALTH AND HUMAN RESOURCES**

Mr. Chairman and Members of the Committee:

The subcommittee recommends additional appropriations of \$90 million from the general fund for health and human resources. With this funding, we can take another significant stride forward in meeting the needs of mentally disabled persons. We also recommend additional funding for health care, including the assurance that eligible poor children can continue to enroll in our recent health insurance program. Also, we continue improvements in Virginia's system of long-term care. Here are the highlights of our recommendations.

### **Services for Mentally Disabled Persons**

The subcommittee recommends a total of \$40 million in added funding for persons with mental disabilities. This year, we placed particular emphasis on children's treatment services. We also made sizeable investments in community services for adults. As you know, our public system of care continues to evolve from a facility-based to a community-based system. To that end, this subcommittee recommended, and the Senate adopted, a trust fund into which any savings in facility care would be reinvested in community services.

### **Health Care Services**

We have also attempted to address a range of health care needs, with appropriations of \$28 million from the general fund which would draw an additional \$37 million in federal funds. Our recommendations include expanded Medicaid coverage of organ transplants and certain cancer treatments. We recommend Medicaid coverage for elderly and disabled persons to 80 percent of the poverty level -- up from about 73 percent now. We recommend an increase in Medicaid rates for dental services, as a way to expand services to poor children. Funding to increase assistance for persons afflicted with AIDS/HIV and Hepatitis C is also added.

A priority of the subcommittee was to ensure that eligible poor children could continue to enroll in Virginia's new child health insurance plan. Regardless of the form that plan eventually takes, we have provided sufficient funds to meet projected enrollment into the next biennium.

### **Long-Term Care**

The subcommittee also recommends a \$66 million package of enhancements in Virginia's system of long-term care. This total includes \$21 million GF recommended in the introduced budget, \$16 million GF more recommended by this subcommittee, and \$29 million in matching federal Medicaid funds. Community and home-based services are included in our package. We also recommend rate increases intended to ensure quality of care in nursing homes and adult care residences.

### **Social Services**

Our recommendations include a \$139 million proposal for use of the federal TANF block grant on welfare reform, while maintaining a \$21 million reserve. Funding would be provided for additional child day care, assistance for families transitioning off welfare, homeless families attempting to regain self-sufficiency, and assistance for families with children at risk of abuse or neglect. This proposal also includes a 10 percent increase in TANF benefits for families -- last increased 15 years ago.

### **Conclusion**

In summary, our recommendations would meet many important needs for health and human services. We obviously were not able to meet all requests for increased funding, but this report represents a sizeable investment in our most vulnerable citizens.

Respectfully submitted,

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Chairman, William C. Wampler, Jr.

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Benjamin J. Lambert III

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Kevin G. Miller

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R. Edward Houck

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Janet D. Howell

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Kenneth W. Stolle

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Thomas K. Norment, Jr.

## HEALTH & HUMAN RESOURCES (Biennium)

<b>Services for Mentally Disabled Persons</b>	<u>GF</u>	<u>NGF</u>
<b><i>Children's Services</i></b>		
Treatment of Mentally Disabled Children	12,000,000	
Suicide Prevention Initiatives (also in VDH)	500,000	
Consultants-Part C Eligible Children	100,000	
<b><i>Community Mental Health Services</i></b>		
Additional Assertive Community Treatment Teams	4,000,000	
Residential Services for Mentally Ill	3,000,000	
Treatment of Mentally Ill in ACRs	1,000,000	
New Generation Medications	2,500,000	
<b><i>Community Mental Retardation Services</i></b>		
Residential Support Services	4,000,000	
Employment & Day Support Services	4,000,000	
Family Support and Preservation	2,000,000	
Reduce MR Waiver Co-Payments	540,500	
NVTC Community Support Center	200,000	
Commonwealth Community Trust for Disabled	90,900	
<b><i>Community Substance Abuse Services</i></b>		
Medicaid for Substance Abuse Treatment (2nd Yr.)	5,056,251	5,436,073
Women's Sub. Abuse Wraparound Services	1,000,000	
<b>Subtotal</b>	39,987,651	5,436,073
<b>Health Care</b>		
DMAS: Hospitals-Adjust for Rate Conversion	5,300,000	5,800,000
DMAS: Dental Rate Increase (15%)	2,900,000	3,100,000
DMAS: Organ Transplant Coverage for Adults	5,612,800	7,187,200
DMAS: Elderly & Disabled (to 80% of Poverty, Yr 2)	5,200,000	5,600,000
DMAS: Cover Cancer Treatments (Myeloma)	1,452,381	1,562,620
DMAS: Coverage of Colorectal Cancer Screening	842,748	906,782
DMAS: HIV Premium Assist. (to 250% of Poverty)	300,000	
VDH: AIDS Drug Assistance (to 250% of Poverty)	1,439,686	
VDH: Expand Funding for Rx Drugs in Free Clinics	900,000	
VDH: Treatment of Hepatitis C	750,000	
VDH: Drinking Water Revolving Fund-PD 1,2,3	1,250,000	
VDH: Funding for Va. Beach Health Dept.	500,000	
VDH: Orange Co.-Water Supply Assistance	500,000	
VDH: Transport Fees for Autopsies	256,000	
VDH: Suicide Prevention (also in MHMR)	200,000	
VDH: Area Health Education Centers	200,000	
VDH: Study Normal Pressure Hydrocephalus-SJ 78	75,000	
	<u>GF</u>	<u>NGF</u>
VDH: Fredericksburg Children's Dental Program	50,000	

VDH: Women's Health Virginia	20,000	
DMAS: Child Health Ins.-Projected Enrollment	13,489,296	27,096,094
DMAS: Child Hlth.-Transfer Funds from Medicaid	(13,489,296)	(14,515,482)
<b>Subtotal</b>	<b>27,748,615</b>	<b>36,737,214</b>
<b>Long-Term Care</b>		
DSS/DMAS: Homes for Adults (to \$815/mo.)	8,584,522	2,690,510
DMAS: Nursing Home Direct Care	2,800,000	3,000,000
DMAS: Personal Care (to \$11.25/hr in 2nd yr.)	1,000,000	1,100,000
Aging: Respite Care Incentive Grants (SB 518)	1,000,000	
Aging: In-Home Care for Elderly	750,000	
DSS: Chore/Companion Services for Elderly	750,000	
Aging: Home-Delivered Meals for Elderly	750,000	
Aging: Mtn. Empire "Pharmacy Connect"	371,000	
Aging: Adult Day Care in SWVA	50,000	
Aging: Guardianship for Elderly	28,500	
DSS: Family Caregivers Grant Program	Ec. Cont.	
<b>Subtotal</b>	<b>16,084,022</b>	<b>6,790,510</b>
<b>Rehabilitative and Social Services</b>		
DRS: Long-Term Employment Supports	1,000,000	
DRS: Centers for Independent Living	1,000,000	
DRS: A/C Dorm at W.W. Rehab Ctr (Capital Outlay)	2,250,000	
Deaf: Outreach Services	400,000	
DSS: Expand Community Action in Unserved Areas	800,000	
DSS: Domestic Violence Services	750,000	
DSS: Added Staff-Foster Care & Adoptions	206,394	
DSS: Richmond One-to-One Youth Mentoring	200,000	
DSS: Pilot CPS Program-Differential Response	100,000	
DSS: No Local Penalty for Food Stamp Errors	88,888	
Independent Disabled Rights Agency (SB 709)	200,000	
<b>Subtotal</b>	<b>6,995,282</b>	
<b>HHR Total Increases</b>	<b>90,815,570</b>	<b>48,963,797</b>
<b>General Fund Savings</b>		
Healthy Families Initiatives (Add TANF \$)	(1,000,000)	2,000,000
CHIP Health Care Project (Add TANF \$)	(500,000)	1,000,000
Underutilized Targeted Job Grants (Add TANF \$)	(1,125,000)	150,000
Revised Projection-Invol. Mental Commit. Fund	(1,800,000)	
Revised Projection-General Relief	(1,500,000)	
Delayed Start-Civil Commitment of Sexual Predators	(3,019,928)	
<b>GF Decreases</b>	<b>(8,944,928)</b>	<b>3,150,000</b>

**Federal TANF Grant Recommendations**  
(\$ in millions)

<b>Available Funds</b>	<b>Bien.</b>
	<b>Total</b>
Total New Spending Proposed in Introduced Budget	94.4
FY 02 Year-End Unused TANF Funds (Revised Forecast)	65.8
<b>Total</b>	<b><u>160.2</u></b>

<b>Spending Proposals</b>	<b>FY 01</b>	<b>FY 02</b>	<b>Total</b>
Expand Child Care Subsidies	26.5	26.5	53.0
Offset for Federal SS Block Grant Cuts	13.0	13.0	26.0
Grants for Hard-to-Serve (GED prep, ESL, SA treat, Other)	10.0	10.0	20.0
"Opportunity Knocks" Youth Jobs	0.5	0.5	1.0
Economic Improvement Program	0.2	0.2	0.4
Personal Computers/Net Access Pilot Project	0.5		0.5
TANF 10% Cost of Living Increase	8.7	7.9	16.6
DHCD: TANF for Housing Continuum	6.0	6.0	12.0
Pre- and Post-TANF Services	5.0	5.0	10.0
Use Regional Collaboratives \$ in Base for Pre- and Post-	(5.0)	(5.0)	(10.0)
Expansion of Domestic Violence Services	1.5	1.5	3.0
Community Action Agencies	1.0	1.0	2.0
Expansion of Healthy Families Program	1.0	1.0	2.0
Expansion of CHIP (Comp. Health Investment Proj.)	0.5	0.5	1.0
TANF for Food Banks	0.5	0.5	1.0
St. Paul's College Pilot Project	0.2	0.2	0.4
Child Advocacy Centers	0.1	0.1	0.2
Targeted Jobs Grants (Saves GF) (+ \$50,000 in FY 00)	0.05	0.05	0.1
<b>Total</b>	<b><u>70.2</u></b>	<b><u>69.0</u></b>	<b><u>139.2</u></b>
<b>FY 02 Year-End Balance</b>			<b><u>21.0</u></b>