

*Report of the
House Appropriations
Subcommittee*

on

Health & Human Resources



*House Bill 29
&
House Bill 30*

February 20, 2000

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**Respectfully Submitted by the House Appropriations Subcommittee
on Health & Human Resources:**

Franklin P. Hall, Chairman

Robert S. Bloxom

Harvey B. Morgan

Phillip A. Hamilton

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A. Victor Thomas

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REPORT OF THE SUBCOMMITTEE

on

HEALTH & HUMAN RESOURCES

Mr. Chairmen and Members of the Committee:

When we began our work this Session, the Subcommittee on Health and Human Resources focused its efforts on continuing progress to address the long-term care needs of Virginia's vulnerable elderly, and of our mentally and physically disabled citizens. In addition, we wanted to continue efforts to provide basic health care to low-income children and indigent persons.

I am pleased to report that the actions of House members over the past week have enabled us to make a substantial commitment to health-related needs of vulnerable Virginians. The Subcommittee recommends to you more than \$65 million in the next biennium for health-related purposes with about \$57 million of this amount coming from Virginia's share of the national Tobacco Settlement. This funding will provide better health care for our frail elderly, medical services and prescription drugs for aged, disabled, and indigent persons, and mental health care for seriously mentally disabled individuals.

You will recall that last year, we began to shore up our system of long-term care. While we made progress, we knew at the time that we were not dealing with a one-time shot. Rather, a sustained commitment will be required to properly care for our frail elderly citizens in long-term care facilities and those who are able to stay at home in our communities. The recommendations that we offer today put the Commonwealth on the path to building a long-term care system that we can be proud of -- one that combines high quality health care to our elderly and disabled, and uses dollars effectively to provide that care. Again, with your help, the Subcommittee was able to dedicate more than \$50 million to this effort.

As you know, over the past two years, the General Assembly has made a sizeable financial commitment to providing high quality care for mentally disabled Virginians, about \$174 million. But again, I must say that the job is far from done. We must continue to improve upon our efforts in the coming biennium. To that end, the Governor committed about \$23.8 million in his proposed budget, for which we are grateful. But the Health and Human Resources Subcommittee believes that additional strides need to be made in reaching individuals in the community who are waiting for services. Therefore, we offer recommendation that would add \$14.4 million over the biennium for this purpose. Mr. Chairman, we are hopeful that together with the legislation you sponsored this Session establishing a Trust Fund for the mental health and mental retardation system, we are truly on our way to transforming the system of care for mentally disabled Virginians.

Finally, the Subcommittee is proposing a number of initiatives aimed at helping people to become more self-sufficient and achieve economic stability, using the federal

Temporary Assistance to Needy Families block grant. These initiatives include transitional services to stabilize homeless families and help them secure jobs, child day care subsidies, transportation to work, and employment services.

I would like to thank the members of the Subcommittee for their hard work this Session. The details of the Subcommittee's recommendations are contained in the attachments, and staff will walk you through them.

Mr. Chairmen and fellow Committee members, we commend our recommendations to you for review and judgment. It is our hope that you will adopt our them through this Subcommittee report.

BUDGET AMENDMENT RECOMMENDATIONS

<u>Amendment</u>	House Bill 29 <u>FY 00</u>	General Fund <u>FY 01</u> <u>FY 02</u>	
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Health & Human Resources

REVENUES

Medicaid Recoveries	(3,700,000)		(2,000,000)
Savings due to Increased Rev. from ABC Profits	(345,000)	(692,000)	(692,000)
Special Revenue Balances	(4,000,000)		
	(8,045,000)	(692,000)	(2,692,000)
SUBTOTAL REVENUES	(8,045,000)	(692,000)	(2,692,000)

HB 29

HHR Sec. Agency Balances for Contingency	(97,000)		
Health: Northern Virginia Dental Clinic	25,000		
DMAS: Estimate Invol. Civil Commit. Fund	(1,800,000)		
DMHMRSAS: Delays in Acute Care Pilots	(1,500,000)		
DSS: Estimated Use of General Relief	(1,000,000)		
Plan for Structure & Funding of MHMRSAS	Language		
Cont. Approp. For Health Care of Displaced Wkrs.			
	(4,372,000)		
HB 29 SUBTOTAL	(4,372,000)		

HB 30

Jt. Commission on Health Care			
Study Health Workforce Issues		Language	
Jt. Leg. Audit & Review Commission			
Study of Academic Health Centers		500,000	
Department of Personnel & Training			
Va. Cancer Registry Pos. & Class. Study		Language	
Department for the Rights of Virginians with Disabilities			
Transfer Functions to New Human Rights Agency		(236,706)	(237,755)
Department of Housing and Community Development			
TANF for Homeless Family Services			
Secretary of Finance			
Study Rising Use & Cost of Pharmaceuticals		Language	
Secretary of Health & Human Resources			
Plan for Information & Referral Svs.		Language	
Department for the Aging			
Support for Aging Commissions		(75,000)	(75,000)
Long-Term Care Database		Language	
In-home care		250,000	500,000
Home-delivered Meals		200,000	400,000
Transportation for the Elderly		200,000	400,000
Care Coordination		150,000	300,000
Respite Care Incentive Grants		500,000	0
AAA Fee-for-Service Programs		Language	

BUDGET AMENDMENT RECOMMENDATIONS

<u>Amendment</u>	<u>House Bill 29</u> <u>FY 00</u>	<u>General Fund</u>	
		<u>FY 01</u>	<u>FY 02</u>

Department of Health

Physician Scholarship & LoanProgram	500,000	500,000
Dentist Scholarship & LoanProgram	Language	
Study Fund Distribution for EMS	Language	
Transport Fees for Autopsies	0	128,000
Pneumonia & Flu Vaccines-Employees of Nursing Homes	40,000	40,000
Cancer Registry (HB 603)	15,000	25,000
Report on Statewide Provider Database	Language	
Audits of Regional Health Planning Agencies	Language	
Free Clinics-Pharmacy Funding	819,000	0
Comm. Health Clinics-Pharmacy Funding	475,000	0
Transfer CHIP of Virginia Funding to DSS	(1,642,544)	(1,642,544)
Study of Normal Pressure Hydroceph.(HJR 45)	150,000	0
Arlandria Health Center	25,000	25,000
Organ & Tissue Donor Registry (HB 1257)	53,450	50,000
Suicide Prevention Initiatives	50,000	50,000
Treatment for Phenylketonuria (HB 542)	186,936	184,939
Increase Funding for Local Health Dept. Services	2,200,000	2,200,000
Local Health Dept Facility Improvements	480,507	459,506
Virginia Beach Health Department	200,000	200,000
Certified Nurse Assistant Training	Language	
Outpatient Level Data (HB 1203)	0	100,000

Department of Health Professions

Collect Nursing Workforce Data (HB 1249)	88,000	88,000
Additional Regulatory Staff	0	0

Department of Medical Assistance Services

Re-estimate Invol. Civil Commitment Fund	(1,800,000)	(1,800,000)
Re-estimate Medicaid Forecast	(5,300,000)	0
Personal Care Rate Increase	2,200,000	2,200,000
Adult Care Residences-Assisted Living	0	2,233,768
Increase Medically Needy Income Limits by CPI	0	500,000
Increase Categorically Need Income Limits	1,278,938	1,278,938
MR Group Home Rate Increase	1,100,000	2,200,000
Indigent Care-Univ. Virginia Med. Center	2,000,000	0
Indigent Care-Elim. Study of Local Contribution	Language	
Nursing Facilities Reimbursement (HB 839)	0	30,519,900
Nursing Facilities Reimbursement	Language	0
HIV Premium Assistance (HB 982)	300,000	300,000
Bone Marrow Transplants (HB 1405)	792,726	659,655
Hospital Payment Adjustment	7,000,000	0
Plan-Support Work for Disabled	Language	
Report on Telemedicine Pilot Projects	Language	
Dental Exclusion-Commercial Managed Care	Language	
Study of Burial Set-Aside Rates	Language	
Study Nursing Home Rates for TBI & ABI Units	Language	

BUDGET AMENDMENT RECOMMENDATIONS

<u>Amendment</u>	House Bill 29 <u>FY 00</u>	General Fund	
		<u>FY 01</u>	<u>FY 02</u>
Department of Medical Assistance Services			
Expand Enrollment of Qualified Medicare Ben.		Language	
Retrospective Review of New Generation Meds.		Language	
Partial Carve Out of MHMRSAS Services		Language	
Department of Mental Health, Mental Ret. & Sub. Abuse Svcs.			
Food Inventory Reducation to 7 Days		(196,658)	(196,658)
Treatment for Sexually Violent Predators		(671,558)	(2,348,370)
Combine Psychiatrist Recruit. With Other Recruit. Programs		(500,000)	(500,000)
Evaluate Human Rights Advocates		Language	
MHMR Surplus Land Sales		Language	
Closure of MHMR Facilities		Language	
MR Residential Services		650,000	650,000
MR Day Support and Vocational Svcs.		1,000,000	1,000,000
Family Support		200,000	200,000
NVTC Community Support Program		100,000	100,000
Virginia Autism Resource Center		50,000	50,000
Added Community Psychiatrists		625,000	1,250,000
Residential Services for Mentally Ill		1,400,000	1,400,000
New Medications		1,000,000	1,000,000
PACT Teams		2,100,000	0
Children's Services-Nonmandated CSA Children		1,000,000	1,000,000
Keeping Our Kids At Home Pilot Project		36,500	36,500
Report on JLARC ACR Recommendations		Language	
Dept. of Rehab. Services			
Long-term Employment Support		800,000	800,000
Virginia Assistive Technology Loan Fund		500,000	0
Personal Assistance Services		400,000	400,000
Centers for Independent Living		250,000	250,000
New Center for Ind. Living-Harrisonburg		50,000	50,000
Consumer Services Fund		100,000	100,000
Long-term Rehabilitative Case Mgmt.		50,000	50,000
Brain Injury Services		150,000	150,000
Department of Social Services			
Reduce Benefit Payments for New MOE Activities		(800,000)	(800,000)
Estimated Utilization of General Relief		(1,000,000)	(1,000,000)
Adult Care Residences Rate Increase to 810/mo		0	4,920,000
Caregivers Grant		1,500,000	0
Adult Protective Services		300,000	300,000
Companion Care/Chore Svcs. for Elderly		200,000	200,000
Domestic Violence Services		100,000	100,000
Maximize Federal Child Day Care Funding		300,000	300,000
Increase TANF for Child Day Care		0	0
Craig County Day Care Center		25,000	25,000
Extend Transitional Svcs. 12 mos. (HB 986)			
TANF Cost of Living Adjustment		0	0

BUDGET AMENDMENT RECOMMENDATIONS

<u>Amendment</u>	House Bill 29 <u>FY 00</u>	General Fund <u>FY 01</u> <u>FY 02</u>	
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Department of Social Services

Pre- and Post-TANF Services

Reduce TANF Spending in Intro. Budget

TANF for Centers for Employment Training 0 0

TANF to Expand Healthy Families 0 0

Use of IV-E Funding for Healthy Families Lanugage

Community Action Agencies 500,000 500,000

Eliminate Food Stamp Charge Back to Localities Lanugage 88,888

Transfer & Expand CHIP of Virginia Funding 1,642,544 1,642,544

Accomack County Local DSS Office Space 125,000 125,000

Northampton Local DSS Office Space 125,000 125,000

Dementia Training for Nursing Home Staff/Inspectors 90,000 90,000

Training for Adult Care Res. Operators Language

Adult Home Licensing Protocols Lanugage

Department for the Visually Handicapped

Talking Book Library Svcs. for the Blind 50,000 50,000

Department of Information Technology

Norton Relay Center Language

Independent Agencies

Virginia Office for Advocacy & Protection 587,357 587,755

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HB 30 SUBTOTAL **(24,834,000)** **24,687,841** **54,133,066**

GRAND TOTAL

BUDGET AMENDMENT RECOMMENDATIONS

Nongeneral Fund			2000-02 BIENNIAL TOTAL		
<u>FY 01</u>	<u>FY 02</u>	<u>FTE</u>	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>FTE</u>

			(5,700,000)		
			(1,729,000)		
			(4,000,000)		
			-----	-----	-----
			(11,429,000)	0	
			(97,000)		
			25,000		
			(1,800,000)		
			(1,500,000)		
			(1,000,000)		
			Language		
			Language		
			-----	-----	-----
			(4,372,000)	0	
			Language		
			500,000		
			Language		
(1,633,674)	(1,634,257)	(21.00)	(474,461)	(3,267,931)	(21.00)
5,000,000	5,000,000		0	10,000,000	
			Language		
			Language		
			(150,000)		
			Language		
			750,000		
			600,000		
			600,000		
			450,000		
			500,000		
			Language		

BUDGET AMENDMENT RECOMMENDATIONS

Nongeneral Fund			2000-02 BIENNIAL TOTAL		
<u>FY 01</u>	<u>FY 02</u>	<u>FTE</u>	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>FTE</u>
			1,000,000		
			Language		
			Language		
			128,000		
			80,000		
			40,000		
			Language		
			Language		
			819,000		
			475,000		
(100,000)	(100,000)		(3,285,088)		
			150,000		
			50,000		
			103,450		
			100,000		
			371,875		
			4,400,000		
			940,013		
			400,000		
			Language		
			100,000		
			176,000		
664,000	664,000	9.00	0	1,328,000	9.00
			(3,600,000)		
			(5,300,000)		
			4,400,000		
			2,233,768		
			500,000		
			2,557,876		
			3,300,000		
2,150,239	0		2,000,000	2,150,239	
			Language		
			30,519,900		
			Language		
			600,000		
			1,452,381		
7,525,835	0		7,000,000	7,525,835	
			Language		
			Language		
			Language		
			Language		
			Language		

BUDGET AMENDMENT RECOMMENDATIONS

Nongeneral Fund			2000-02 BIENNIAL TOTAL		
<u>FY 01</u>	<u>FY 02</u>	<u>FTE</u>	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>FTE</u>
			Language		
			Language		
			Language		
			(393,316)		
			(3,019,928)		
			(1,000,000)		
			Language		
			Language		
			Language		
			1,300,000		
			2,000,000		
			400,000		
			200,000		
			100,000		
			1,875,000		
			2,800,000		
			2,000,000		
			2,100,000		
			2,000,000		
			73,000		
			Language		
			1,600,000		
			500,000		
			800,000		
			500,000		
			100,000		
			200,000		
			100,000		
			300,000		
			(1,600,000)		
			(2,000,000)		
			4,920,000		
			1,500,000		
			600,000		
			400,000		
			200,000		
			600,000	650,000	
325,000	325,000		0	40,000,000	
20,000,000	20,000,000		50,000		
12,756,379	10,461,409		0	23,217,788	
9,523,152	9,208,514		0	18,731,666	

BUDGET AMENDMENT RECOMMENDATIONS

Nongeneral Fund			2000-02 BIENNIAL TOTAL		
<u>FY 01</u>	<u>FY 02</u>	<u>FTE</u>	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>FTE</u>
7,000,000	7,000,000		0	14,000,000	
(15,000,000)	(15,000,000)		0	(30,000,000)	
1,000,000	1,000,000		0	2,000,000	
1,100,000	1,100,000		0	2,200,000	
			Lanugage		
			1,000,000		
			88,888		
1,000,000	1,000,000		3,285,088	2,000,000	
			250,000		
			250,000		
			180,000		
			Language		
			Lanugage		
			100,000		
			Language		
1,633,674	1,634,257		1,175,112	3,267,931	26.00
=====	=====	=====	=====	=====	=====
51,310,931	39,024,666	(12.00)	80,021,558	93,803,528	14.00
			64,220,558	93,803,528	14.00

COMPREHENSIVE SERVICES ACT

Mr. Chairmen and Members of the Committee:

Let me start by thanking the Chairmen of the Committee for forming a work group to deal with the Comprehensive Services Act (CSA). Members of the former CSA Subcommittee had worked very hard over the interim on issues confronting CSA, and having their expertise available helped the Health and Human Resources Subcommittee tremendously. I would like to thank Delegates Bloxom, Hall, and Phillips for their service on the work group.

A number of our Subcommittee recommendations address the state management of the CSA program, and reflect passage by the House of House Bill 1510. This bill, which was developed through the efforts of the Secretary of Health and Human Resources, the localities, and the work group, gives the Secretary of Health and Human Resources lead responsibility for the CSA program. Consistent with this legislation, the Subcommittee recommends that funding for the program be transferred from the Education Secretariat to the Health and Human Resources Secretariat.

CSA continues to experience budgeting problems. The Department of Planning and Budget and the Office of Comprehensive Services believe that the amount added to the program in House Bill 29, as introduced, will not be sufficient to fund current year costs of the program. Therefore, we are recommending that an additional \$12.8 million be moved to the current fiscal year from the second year of the next biennium to cover these costs. A study of the forecasting and budgeting for the program is recommended in House Bill 30, and we have asked the Director of the Department of Planning and Budget to report to the General Assembly this fall on the proper level of funding for the program for the 2000-02 biennium.

In addition, we are recommending several amendments to assist localities. These amendments include: (i) a consistent definition of foster care to ensure that only children receiving treatment services go through the local teams; (ii) a web-based system for reporting data; (iii) training for localities on the use of Medicaid for CSA serv-

ices; and, (iv) allocations based on the latest fiscal year expenditures or the average of the past three years, whichever is more favorable to the locality.

Mr. Chairmen, I hope it will be the pleasure of the Committee to adopt the Subcommittee's report regarding CSA. I would ask the staff to walk through the detail of the amendments.

Budget Amendment Recommendations

<u>Amendment</u>	2000-02 BIENNIAL TOTAL		
	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>FTE</u>
Comprehensive Services Act (CSA)			
HB 1510-Move from Education Secretariat	(198,921,230)	(80,955,004)	
HB 1510-Move to Health and Human Resources	186,177,637	80,955,004	
Move Portion Year 2 Amount to HB29	Incorporated Above		
Develop Web-based System for Reporting Data	Incorporated Above		
Consistent Definition of Foster Care	Incorporated Above		
Change Allocation Method-3 year Average	Incorporated Above		
Study of Forecasting/Budgeting for Program	Incorporated Above		
Department of Medical Assistance Services			
Referrals Conformed to Code	Language		
Training of Local Teams	Language		
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	\$ (12,743,593)	\$ -	-
<u>HB29</u>			
Comprehensive Services Act			
Additional Funding for Budget Shortfall	12,841,093		
Authority for Authorizing Supplements	Language		
Consistent Definition of Foster Care	Language		
Department of Medical Assistance Services			
Referrals Conformed to Code	Language		
Training Plan for Local Teams	Language		
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	\$ 12,841,093	\$ -	-
Net Spending for CSA	97,500		