



Report of the Subcommittee on
Health and Human Resources

Senate Finance &
Appropriations Committee
Virginia General Assembly

February 18, 2024



SENATE OF VIRGINIA

Senate Finance & Appropriations Committee

**Report of the Health and Human Resources Subcommittee
The Honorable R. Creigh Deeds, Chair
February 18, 2024**

Madam Chair and Members of the Committee,

This year, the Subcommittee, with several new members, continued to work to address the many needs in the Health and Human Resources area.

I am pleased to provide the report of the Health and Human Resources Subcommittee. The Subcommittee has reviewed the Governor's proposed budget for SB 29 and SB 30, along with numerous other funding requests to address the needs of individuals receiving services from the Health and Human Resources agencies. While these recommendations continue the significant investments in behavioral health and safety net services over the past few years, I can tell you the needs far exceed the resources available.

The Subcommittee worked hard to prioritize these recommendations to meet the most critical needs. These include addressing the crisis in behavioral health, providing services to people with disabilities, ensuring access to health care, and improving the availability of health care and mental health professionals. The Subcommittee's recommendations include a net \$54.2 million in additional general fund investments in Health and Human Resources that, combined with the adopted amendments in the introduced budget, total nearly \$1.8 billion. Another \$150.0 million is included in Central Appropriations to help fund, as needed, a slower decline in Medicaid enrollment. With the end of the COVID-19 pandemic, the federal limitation that no one could be disenrolled has expired, and everyone's eligibility for Medicaid must be redetermined by April of this year.

As you all know behavioral health is a very important issue. I have worked for many years toward moving the Commonwealth to a robust community-based system that can truly meet the behavioral health needs of individuals before it develops into a crisis. I am pleased to announce the Subcommittee



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recommendations for behavioral health bring the additional investment in this budget to nearly \$130.0 million from the general fund. Building on significant investments funded by the General Assembly over the past few years, the Subcommittee continues those efforts to strengthen the community-based services for so many Virginians in need. This funding includes \$26.6 million for Community Services Boards to support workforce development, increased funding for the STEP-VA initiative, and to fund staffing for crisis stabilization units. The Subcommittee also adopts the proposed enhancements to Medicaid's behavioral health services to ensure they are evidence-based and provide the most effective treatment for individuals receiving services.

The end of the COVID-19 pandemic, and with it the loss of enhanced federal funding for Medicaid, now requires that the Commonwealth meet its commitment to funding its traditional share, which totals over \$1.2 billion general fund in the adopted amendments. The Subcommittee endorses the proposal to add 3,440 developmental disability waiver slots over the biennium but does modify the implementation to release the slots quarterly to provide time for providers to develop capacity. In addition, the Subcommittee allocates \$37.4 million from the general fund to increase developmental disability waiver rates to help support the many providers that work so hard to serve some of our most vulnerable citizens. Other Subcommittee amendments address provider rates for consumer-directed facilitators, essential durable medical equipment, and dental services.

Other recommendations include funding for safety net services, as well as investments in our child welfare system to promote alternative foster care arrangements that encourage placements with relatives.

As I conclude, let me thank the members of the Subcommittee for the time they invested in putting this report together. I sincerely appreciate the contributions and efforts of each member of the Subcommittee.

With that, I conclude my report for Health and Human Resources. I hope it will be the pleasure of the Committee to adopt our amendments.

Respectfully Submitted,

The Honorable R. Creigh Deeds, Chair

The Honorable Adam P. Ebbin

The Honorable Mark D. Obenshain

The Honorable Bryce E. Reeves

The Honorable Barbara A. Favola

The Honorable Jennifer B. Boysko

Report of the Subcommittee on Health and Human Resources
Recommended Amendments to SB 29 and SB 30, as Introduced
2024 General Assembly

Line	Description	GF FY 2024	GF FY 2025	GF FY 2026	NGF FY 2024	NGF FY 2025	NGF FY 2026
1	Secretary of Health and Human Resources						
2	Remove New Position and Outdated Language	\$	(130,000)	\$ (130,000)	\$	-	\$ -
3	Report on Crisis Funding			Language			
4	Report on Certified Community Behavioral Health Clinic Model			Language			
5	Inventory and Review of Call Centers			Language			
6	Transfer FACCT Position to HHR			Position			
7	Department of Health						
8	Green County Reservoir Project	\$	3,000,000	\$ -	\$	-	\$ -
9	Free and Charitable Clinics	\$	750,000	\$ 750,000	\$	-	\$ -
10	Prescription Drug Affordability Board (SB 274)	\$	303,650	\$ 745,300	\$	-	\$ -
11	Staffing for the Office of the Chief Medical Examiner	\$	500,000	\$ 500,000	\$	-	\$ -
12	Virginia Health Workforce Development Authority	\$	500,000	\$ 500,000	\$	-	\$ -
13	Healthier757 Public Health Literacy	\$	500,000	\$ 500,000	\$	-	\$ -
14	Human Donor Milk Regulation (SB 499)	\$	425,000	\$ 45,000	\$	-	\$ -
15	Adler Hospice	\$	300,000	\$ 300,000	\$	-	\$ -
16	Cost Analysis of PFAS/Copper EPA Rules	\$	500,000	\$ -	\$	-	\$ -
17	Virginia Community Health Centers	\$	250,000	\$ 250,000	\$	-	\$ -
18	Local Health Department Rent Increases	\$	171,120	\$ 171,120	\$	-	\$ -
19	Increase Pediatric Sickle Cell Funding	\$	145,000	\$ 145,000	\$	-	\$ -
20	Increase Adult Sickle Cell Funding	\$	75,000	\$ 75,000	\$	-	\$ -
21	Forensic Examiner Training for Sexual Assault	\$	125,000	\$ 15,000	\$	-	\$ -
22	Rx Partnership	\$	50,000	\$ 50,000	\$	-	\$ -
23	Southwest Virginia Graduate Medical Education Consortium	\$	50,000	\$ 50,000	\$	-	\$ -
24	Center for Health Innovation Team-based Initiative	\$	-	\$ 30,000	\$	-	\$ -
25	Adjust Behavioral Health Loan Repayment Program	\$	(1,500,000)	\$ (1,500,000)	\$	-	\$ -
26	Maintain Level Funding for ALS Assistance	\$	(750,000)	\$ -	\$	-	\$ -
27	Opioid Overdose Reversal Agent Program	\$	-	\$ -	\$	8,000,000	\$ 8,000,000
28	Naloxone Distribution			Language			
29	Inventory and Review of Agency Fees			Language			
30	Adjust Revenue Retention			Language			
31	Trauma Center Fund			Language			
32	Enhance Financial Controls and Monitoring			Language			
33	Department of Health Professions						
34	Additional Position for Impact of Legislation	\$	-	\$ -	\$	140,750	\$ 140,750
35	Department of Medical Assistance Services						
36	Increase Developmental Disability Waiver Rates	\$	17,551,660	\$ 19,881,581	\$	18,235,350	\$ 20,312,477
37	Comprehensive Children's Health Care Coverage Program (SB 231)	\$	-	\$ 12,375,295	\$	-	\$ -
38	Increase Dental Rates	\$	5,787,835	\$ 5,526,584	\$	10,385,496	\$ 10,956,911
39	Consumer-directed Facilitation Services Rates	\$	5,031,326	\$ 5,037,493	\$	5,926,564	\$ 5,920,397
40	Durable Medical Equipment Rates (For Certain Products)	\$	2,422,941	\$ 2,425,910	\$	2,956,023	\$ 2,953,054

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Line	Description	GF FY 2024	GF FY 2025	GF FY 2026	NGF FY 2024	NGF FY 2025	NGF FY 2026
41	Nursing Facility Value-based Payment Inflation		\$ 2,104,219	\$ 2,104,219		\$ 2,507,480	\$ 2,507,480
42	Medicaid Reimbursement for Remote Patient Monitoring		\$ 1,371,052	\$ 1,371,052		\$ 7,660,526	\$ 7,660,526
43	Increase Medicaid Rates for Therapeutic Group Homes		\$ 866,840	\$ 867,905		\$ 1,017,065	\$ 1,016,000
44	Evaluation of Medicaid Eligibility Determination		\$ 500,000	\$ -		\$ 500,000	\$ -
45	Long-Acting Injectables Coverage		\$ 177,789	\$ 177,906		\$ 1,274,312	\$ 1,274,094
46	Coverage for Human Donor Milk (SB 499)		\$ 254,275	\$ 4,129,996		\$ 745,725	\$ 4,498,733
47	Community Health Worker Services Benefit Design		\$ 125,000	\$ -		\$ 125,000	\$ -
48	Peer Mentoring Services Rate Increase		\$ 8,500	\$ 8,500		\$ 8,500	\$ 8,500
49	Health Care Fund Adjustment		\$ (19,080,000)	\$ (22,900,000)		\$ 19,080,000	\$ 22,900,000
50	Developmental Disability Waiver Slots (Phase-In)		\$ (18,766,987)	\$ (18,884,554)		\$ (19,570,149)	\$ (19,452,582)
51	Ensure Oversight of Managed Care Reprourement Implementation	Language	\$ (516,602)	\$ (676,502)		\$ (1,273,398)	\$ (1,613,498)
52	Violence Prevention Services Benefit Design			Language			
53	Guidelines for Collaborative Care Model			Language			
54	Psychiatric Residential Treatment Facility Inflation			Language			
55	Diabetes Prevention Program			Language			
56	Process for Reimbursing FQHCs for Changes in Scope of Services			Language			
57	Workgroup on Medicaid for Healthcare Services Provided in Jails			Language			
58	Standardization of CSB Billing Requirements			Language			
59	Modify External Financial Review Committee Requirements			Language			
60	Disproportionate Share Hospital Workgroup			Language			
61	Supplemental Payments Requirements			Language			
62	Third Party Liability Positions			Positions			
63	Fiscal Agent Services System			Language			
64	Establish Plan for Eating Disorder Treatment Services			Language			
65	Department of Behavioral Health and Developmental Services						
66	Community Services Board Workforce Development		\$ 7,500,000	\$ 7,500,000		\$ -	\$ -
67	STEP-VA Inflation Adjustment		\$ 3,319,123	\$ 3,319,123		\$ -	\$ -
68	Crisis Stabilization Unit Staffing		\$ 2,500,000	\$ 2,500,000		\$ -	\$ -
69	Prince William Youth Crisis Receiving Center		\$ 2,250,000	\$ 2,250,000		\$ -	\$ -
70	Transcranial Magnetic Simulation Pilot Program (SB 636)		\$ 1,720,000	\$ 1,512,000		\$ -	\$ -
71	State Rental Assistance Program		\$ 1,000,000	\$ 1,000,000		\$ -	\$ -
72	Provider Capacity for Developmental Disability Waiver Services		\$ 1,000,000	\$ -		\$ -	\$ -
73	Restore Partial Funds to Maintain CVTC		\$ 500,000	\$ 500,000		\$ -	\$ -
74	Bridge Behavioral Health		\$ 300,000	\$ 300,000		\$ -	\$ -
75	Credentialing Database for Youth Mental Health Services		\$ (1,000,000)	\$ (1,000,000)		\$ -	\$ -
76	Mental Health Workforce Initiatives		\$ (595,876)	\$ (645,876)			
77	Alternative Placements to State Psychiatric Facilities			Language			
78	Oversight of Recovery Residences			Language			
79	CSB Report on Positions and Compensation			Language			
80	Review of CSB Performance Contracts			Language			

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Line	Description	GF FY 2024	GF FY 2025	GF FY 2026	NGF FY 2024	NGF FY 2025	NGF FY 2026
81	STEP-VA Report on Unmet Needs			Language			
82	Report on STEP-VA Benchmarks and Performance			Language			
83	Flexible Use of Children's Mental Health Funding			Language			
84	Department for Aging and Rehabilitative Services						
85	Brain Injury Programs	\$	775,000	\$	775,000	\$	-
86	Centers for Independent Living	\$	500,000	\$	500,000	\$	-
87	Guardianship Training (SB 291)	\$	228,083	\$	160,864	\$	-
88	Council for Aging Executive Director	\$	150,000	\$	150,000	\$	-
89	Department of Social Services						
90	Training Academy for Social Services Employees	\$	844,524	\$	844,524	\$	663,554
91	Driver's License Program for Foster Care Youth	\$	250,000	\$	250,000	\$	-
92	Redirect New Funding for Fatherhood Programs	\$	(1,500,000)	\$	(2,500,000)	\$	-
93	Redirect Funding for Advanced Contact with Medicaid Recipients	\$	(50,000)	\$	-	\$	(50,000)
94	Adjust Kinship Care Funding	\$	-	\$	-	\$	-
95	Lighthouse Community Center	\$	-	\$	-	\$	310,000
96	Community and Employment Training Grants	\$	-	\$	-	\$	(1,750,000)
97	Two-Generation/Whole Family Pilot	\$	-	\$	-	\$	-
98	Administration of Percentage of Income Payment Program	Language		Language			
99	Enhance Commonhelp and Planning for VaCMS System						
100	Opioid Abatement Authority						
101	COAR Reporting Requirement						
102	Set Out Administrative Budget and Guidance on Grants						
103	Other Health and Human Resources						
104	Miscellaneous Language Amendments						
105							
106	Total Health and Human and Resources	\$	22,793,472	\$	31,357,440	\$	56,892,798
107							
108	Part 4: General Provisions						
109	Clarifies that Payment for Medical Services be Consistent with Law						

Item 279 #4s

Health and Human Resources	FY24-25	FY25-26	
Department of Health	\$250,000	\$250,000	GF

Language:

Page 310, line 4, strike "\$29,665,423" and insert "\$29,915,423".
 Page 310, line 4, strike "\$26,415,423" and insert "\$26,665,423".
 Page 311, line 15, strike the first "\$2,800,000" and insert "\$3,050,000".
 Page 311, line 15, strike the second "\$2,800,000" and insert "\$3,050,000".

Explanation:

(This amendment provides an additional \$250,000 each year from the general fund to the Virginia Community Healthcare Association (VCHA). The funding will be used to enable Federally Qualified Health Centers to continue providing comprehensive medical, dental, and mental health services to areas throughout Virginia.)

Item 288 #2s

Health and Human Resources	FY24-25	FY25-26	
Department of Medical Assistance Services	\$5,031,326	\$5,037,493	GF
	\$5,926,564	\$5,920,397	NGF

Language:

Page 319, line 23, strike "\$23,331,209,172" and insert "\$23,342,167,062".
 Page 319, line 23, strike "\$24,879,038,632" and insert "\$24,889,996,522".
 Page 348, after line 43, insert:
 "WWW. Effective July 1, 2024, the Department of Medical Assistance Services shall have the authority to update the rates for consumer-directed facilitation services based on the most recent rebasing estimates as follows: Consumer Directed (CD) Management Training shall be increased to \$90.14 per hour in Northern Virginia and to \$80.91 per hour in the rest of the state; CD Initial Comprehensive Visit shall be increased to \$360.54 per visit in Northern Virginia and to \$323.64 per visit in the rest of the state; CD Routine Visit shall be increased to \$112.67 per visit in Northern Virginia and to \$101.14 per visit in the rest of the state; and CD Reassessment Visit shall be increased to \$180.27 per visit in Northern Virginia and to \$161.82 per visit in the rest of the state. The department shall have the authority to implement these changes prior to completion of any regulatory process to effect such change."

Explanation:

(This amendment adds funding each year to increase rates for Medicaid consumer-directed service facilitation training and visits to reflect recommendations contained in

the most recent report on rebasing of Medicaid developmental disability Medicaid waiver services. While most of the rates were updated as of July 1, 2022, rates for service facilitation were not updated. A service facilitator is a Medicaid-enrolled provider who is responsible for supporting the individual enrolled in Medicaid waivers and the family/caregiver by ensuring the development and monitoring of the Consumer-Directed Services Individual Service Plan, providing employee management training, and completing ongoing review activities as required by the Department of Medical Assistance Services for consumer-directed companion, personal assistance, and respite services.)

	Item 288 #9s		
Health and Human Resources	FY24-25	FY25-26	
Department of Medical Assistance Services	\$5,787,835 \$10,385,496	\$5,526,584 \$10,956,911	GF NGF

Language:

Page 319, line 23, strike "\$23,331,209,172" and insert "\$23,347,382,503".

Page 319, line 23, strike "\$24,879,038,632" and insert "\$24,895,522,127".

Page 345, line 27, after "BBBB.", insert "1."

Page 345, after line 31, insert:

"2. Effective July 1, 2024, the Department of Medical Assistance Services shall have the authority to increase Medicaid Title XIX and CHIP Title XXI reimbursement rates for dental services by three percent. The department shall have the authority to implement these changes prior to completion of any regulatory process undertaken in order to effect such change."

Explanation:

(This amendment provides funding each year to increase Medicaid and children's health insurance program reimbursed dental services by three percent. Rates for dental services were increased by 30 percent in fiscal year 2023. It is the intent that upon enrolling of the bill the amounts needed in Items 287 and 290 shall be allocated as appropriate to reflect the increase in dental rates for the children's health insurance programs, know as FAMIS and Medicaid CHIP.)

	Item 288 #12s		
Health and Human Resources	FY24-25	FY25-26	
Department of Medical Assistance Services	\$866,840 \$1,017,065	\$867,905 \$1,016,000	GF NGF

Language:

Page 319, line 23, strike "\$23,331,209,172" and insert "\$23,333,093,077".

Page 319, line 23, strike "\$24,879,038,632" and insert "\$24,880,922,537".

Page 348, after line 43, insert:

"WWW. Effective July 1, 2024, the Department of Medical Assistance Services (DMAS) shall have the authority to amend the State Plan for Medical Assistance to increase the per diem rates paid to therapeutic group homes (TGH) that accept children requiring early and periodic screening, diagnosis, and treatment (EPSDT) services by 50 percent."

Explanation:

(This amendment authorizes the Department of Medical Assistance Services to rebase rates for therapeutic group home providers accepting children requiring early and periodic screening, diagnosis, and treatment (EPSDT) services. There is only one such provider in the Commonwealth serving approximately 70 Virginia-Medicaid children. This population of children have both a mental health or psychiatric diagnosis and an intellectual or developmental disability and require staffing and services not provided elsewhere.)

			Item 297 #2s
Health and Human Resources	FY24-25	FY25-26	
Grants to Localities	\$1,000,000	\$1,000,000	GF

Language:

Page 366, line 22, strike "\$770,858,749" and insert "\$771,858,749".

Page 366, line 22, strike "\$772,417,277" and insert "\$773,417,277".

Page 369, after line 45, strike the first "\$16,185,533" and insert "\$17,185,533".

Page 369, after line 45, strike the second "\$16,185,533" and insert "\$17,185,533".

Explanation:

(This amendment provides and additional \$1.0 million each year from the general fund to support the State Rental Assistance Program (SRAP) which provides rental subsidies for individuals with intellectual or developmental disabilities. SRAP was created in 2016 to bring Virginia into compliance with the Olmstead Settlement Agreement to ensure adults with intellectual and developmental disabilities live independently in the community. Currently, SRAP has enough funds to assist about 1,000 individuals to secure and maintain independent housing.)

			Item 297 #4s
Health and Human Resources	FY24-25	FY25-26	
Grants to Localities	\$3,319,123	\$3,319,123	GF

Language:

Page 366, line 22, strike "\$770,858,749" and insert "\$774,177,872".

Page 366, line 22, strike "\$772,417,277" and insert "\$775,736,400".

Page 372, after line 27, insert:

"TT. Out of this appropriation, \$3,319,123 the first year and \$3,319,123 the second year from the general fund shall be provided to account for inflation in the cost to implement and deliver services associated with the six steps of STEP-VA."

Explanation:

(This amendment provides \$3.3 million each year from the general fund to account for inflation in the cost to implement and deliver services associated with the six steps of STEP-VA which did not receive funding adjustments through previous budget actions. This request is in addition to the \$8.7 million included in the current budget to address inflation in the first three steps of STEP-VA. Of this amount, \$1.8 million is for crisis services, \$401,874 for military veterans, \$480,558 for peer services, \$181,424 for case management, \$150,250 for psychological rehab, and \$329,802 for care coordination.)

Item 314 #1s

Health and Human Resources

FY24-25

FY25-26

Department for Aging and
Rehabilitative Services

\$775,000

\$775,000 GF

Language:

Page 377, line 42, strike "\$107,095,959" and insert "\$107,870,959".

Page 377, line 42, strike "\$107,095,959" and insert "\$107,870,959".

Page 379, line 23, strike the first "\$7,746,719" and insert "\$8,521,719".

Page 379, line 23, strike the second "\$7,746,719" and insert "\$8,521,719".

Page 379, after line 39, insert:

"5. Of this amount, \$775,000 the first year and \$775,000 the second year from the general fund shall be used for workforce retention for brain injury service providers."

Page 379, line 40, strike "5" and insert "6".

Page 379, line 43, strike "6" and insert "7".

Explanation:

(This amendment provides \$775,000 each year from the general fund for workforce retention to ensure quality accessible services for people living with brain injury. State contracted brain injury providers report high attrition and difficulty filling open positions because of non-competitive salaries and benefits. This funding will support currently existing state contracted brain injury service providers.)

Item 314 #2s

Health and Human Resources	FY24-25	FY25-26	
Department for Aging and Rehabilitative Services	\$500,000	\$500,000	GF

Language:

Page 377, line 42, strike "\$107,095,959" and insert "\$107,595,959".

Page 377, line 42, strike "\$107,095,959" and insert "\$107,595,959".

Page 379, line 9, strike the first "\$7,180,502" and insert "\$7,680,502".

Page 379, line 9, strike the second "\$7,180,502" and insert "\$7,680,502".

Explanation:

(This amendment provides \$500,000 each year from the general fund to support Centers for Independent Living to provide independent living services including skills training, advocacy, information and referral, peer mentoring, and transition to people with significant disabilities. Transition services includes youth services, services to people trying to transition from nursing facilities and other institutions, and services to prevent institutionalization. Funding is needed to meet increasing requests for these services and increased cost of doing business including rent, fuel and transportation.)
