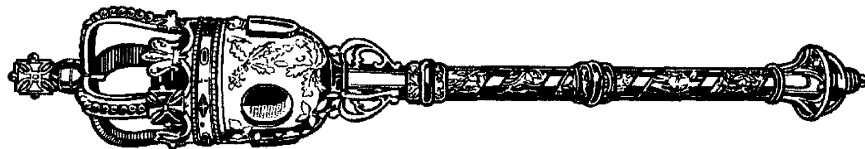


*Report of the
House Appropriations
Subcommittee*

on

Health & Human Resources



House Bill 1500

February 3, 2013

REPORT OF THE SUBCOMMITTEE

on

HEALTH & HUMAN RESOURCES

Mr. Chairman and Members of the Committee:

The Health and Human Resources Subcommittee is pleased to put before you a series of recommendations which address our ongoing efforts to provide needed services to individuals in the community with intellectual and developmental disabilities, strengthen our behavioral health care system and restore funding to shore up the safety net.

First, the Subcommittee is recommending the appropriation of \$15.4 million in total funds to address the community waiting lists for Medicaid waiver services. Specifically we are adding:

- 200 new ID waiver slots in FY 2014, and
- 50 new DD waiver slots in FY 2014.

As you know, funding for these slots is split 50/50 between the state and federal government. Along with the actions taken last Session, this will provide a total of 735 ID waiver slots and 130 DD waiver slots in FY 2014.

In addition, we are recommending \$4.0 million in total funds to restore the income eligibility threshold for individuals in our waiver programs that would have been reduced beginning January 1, 2014, based on actions last Session. This ensures that no one who is currently on a waiver will lose services.

We were also mindful of the concerns of families with loved ones currently in our state training centers who are preparing for transition into the community. We understand that there are limits in the current waiver programs that may make it difficult to transition some individuals to appropriate community placements. Consequently, we are recommending almost \$7.4 million in total funds to help meet the complex medical and behavioral health needs of individuals

transitioning into the community from institutional setting or for those who are at imminent risk of institutionalization due to their complex needs.

In addition, we are requiring the Commissioner of the Department of Behavioral Health and Developmental Services to provide us with regular reports on the progress of the plan to close state training centers and transition residents to the community. In the event that provider capacity is insufficient, we are directing the Commissioner to explore the feasibility of developing a limited number of small community group homes, intermediate care facilities or a regional support center to meet the needs of these individuals who have been in the care of the Commonwealth for most of their lives.

Mr. Chairman, I am also pleased to report that we are recommending \$4.7 million in funding for critical behavioral health services. This funding will be used to address some of the recommendations from the Governor's Taskforce on School and Campus Safety, including suicide prevention and mental health first aid training. In addition, the funding will provide mental health crisis services for children in areas of the Commonwealth that currently lack services.

The Subcommittee is recommending two actions to restore funding to preserve safety net services. First, we are recommending \$1.0 million to restore funding in FY 2014 for poison control centers. In addition, we are recommending almost \$1.0 million to restore funding to preserve access to dental services through local health departments. This level of funding shall continue through FY 2014 while the program is transitioning to a preventative model.

Finally, Mr. Chairman, the Subcommittee wrestled with the issue of Medicaid reform and expansion. In our deliberations, it seemed clear that before we expand the Medicaid program, we need to address the need to reform the existing program in order to bend the cost curve as we go forward. It makes no sense to expand a program if we are unable to meet our financial obligations for the current program in the future.

You will see a rather lengthy language amendment in the Subcommittee's report which phases in Medicaid reforms and makes expansion contingent upon federal approval for each reform phase, and a report on the implementation of reforms. More importantly, Medicaid expansion must have General Assembly approval once these contingencies are met. Further, language before you provides us with an escape clause. Namely, if the federal government does not keep its commitment for funding the current program and the expanded program, Virginia can opt out of the expansion. Mr. Chairman, I believe this is a logical and measured approach for Medicaid reform and expansion. I hope you share my opinion.

Mr. Chairman, I want to thank you and the members of this Committee for supporting our efforts in addressing the health and human service needs of the Commonwealth's most vulnerable citizens.

Now, I will ask staff to take you through our detailed recommendations, and then I hope it will be your pleasure to adopt our Subcommittee report.

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



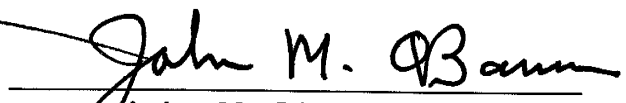
Riley E. Ingram, Chairman



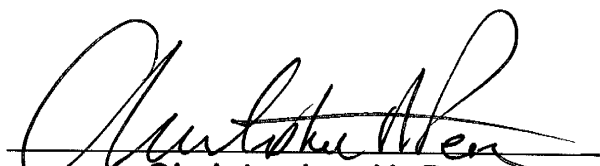
R. Steven Landes



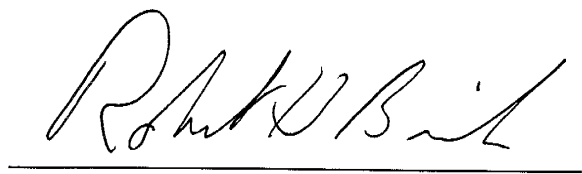
S. Chris Jones



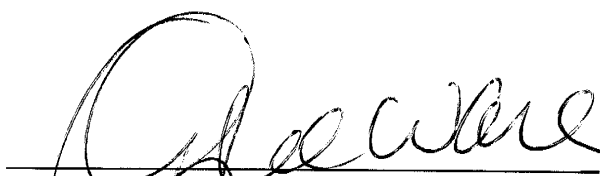
John M. O'Bannon, III



Christopher K. Peace



Robert H. Brink



Onzlee Ware



Rosalyn R. Dance

HB 1500
Amendment

2012-14 Biennium
GF NGF

FTE

HEALTH & HUMAN RESOURCES

Department Of Health

Prioritize VRSAF for the Purchase of 12 Lead ECGs for EMS Orgs.	Language	0	
HB 1383 - National Background Checks for EMS Applicants	Language	0	
Clarify Employee Bonus Language	Language	0	
Restore Funding for Local Dental Services	967,944	696,362	20.00
Restore Funding for Poison Control	1,000,000	0	
Restore TANF Funding for CHIP of Virginia	TANF	0	

Department Of Medical Assistance Services

Continue Exemption of Behavioral Health Drugs from PDL	125,000	125,000	
Add 50 Developmentally Disabled Waivers	869,800	869,800	1.00
Add 200 Intellectual Disability Waivers	6,846,800	6,846,800	1.00
Medicaid Physician & Managed Care Liaison Committee	Language	0	
Increase Medicaid Adult Day Health Care Rates	300,000	300,000	
Medicaid Audit Advisory Work Group	Language	0	
Maintain Medicaid Eligibility for Long-term Care Services	2,000,000	2,000,000	
Medicaid IME Payments for CHKD	Language	0	
Provide Funding for Exceptional Rate Inc. for Congregate Care	3,682,880	3,682,880	
Reflect One-Time Revenue from Arbitration Settlement	(21,680,000)	21,680,000	
Provide Authority for Medicaid Reform	Language	0	
Eliminate Va. Health Care Fund for Foundation for Health Innovation	(3,000,000)	3,000,000	
Adjust Medicaid Forecast for PPACA Provisions	(1,538,144)	(1,477,616)	
Report on Waiver Changes and Costs	Language	0	

Department of Behavioral Health & Developmental Services

Suicide Prevention Funding	650,000	0	
Preplan Sexual Violent Predator Facility	Language	0	
Report on Training Center Transitions	Language	0	
HB 1672 - Pilot Prog. for Use of Naloxone for Opiate Overdoses	10,000	0	
Part C Program - Delay Data System Development	(750,000)	0	
Increase Funding for Part C - Early Intervention Services	750,000	0	
Children's Mental Health Crisis Services	450,000	0	
Mental Health First Aid Training	1,850,000	0	
Northern Virginia Mental Health Institute Beds	Language	0	
HB 1751 - Va. Ctr. for Behavioral Rehabilitation Savings	(14,228)	0	

Department of Aging and Rehabilitative Services

Dementia Services Coordinator	100,000	0	
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Department Of Social Services

Capture Balance in Auxiliary Grant Program	Language	0	
Provide Information on Independent Living Services	Language	0	
HB 1743 - Independent Living Services for Youth	117,559	0	
Redirect TANF Spending on Family Engagement Activities	Language	0	
Adoption Services	(1,828,734)	828,734	
Restore TANF Funding for Healthy Families	TANF	0	

HB 1500 Amendment	2012-14 Biennium GF NGF	FTE
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Department Of Social Services (continued)

TANF for Visions of Truth Community Development	TANF	0
Clarify Use of Funding for Kindergarten Readiness Assessments	Language	0
Reflect Eligibility System Contract Costs	(1,300,000)	0
Delay DSS Customer Portal for Prisoner Reentry	(165,000)	0

Part 3: Interfund Transfers

Transfer Arbitration Settlement from Tobacco Settlement Foundation	Language	0
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TOTAL FOR HEALTH & HUMAN RESOURCES	(10,556,123)	38,551,960	22.00
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Health and Human Resources Subcommittee

Item 290 #1h

Health And Human Resources

Department Of Health

Language

Language:

Page 251, after line 50, insert:

"G. The Commission of Health shall work with the State EMS Advisory Board to prioritize funding from the Virginia Rescue Squad Assistance Fund to provide grants to local EMS organizations to purchase 12 lead electrocardiograph (ECG) monitors for ambulances."

Explanation:

(This amendment adds language to require the Commissioner of Health to work with the State Emergency Medical Services (EMS) Advisory Board to prioritize funding from the Virginia Rescue Squad Assistance Fund (VRSAF) for grants to local EMS organizations to purchase 12 lead electrocardiograph (ECG) monitors for ambulances to identify a patient who is suffering from a severe and often fatal heart attack known as a ST-segment elevation myocardial infarction.)

Health and Human Resources Subcommittee

Item 290 #2h

Health And Human Resources

Department Of Health

Language

Language:

Page 251, after line 50, insert:

"G. Out of this appropriation, \$90,000 the second year from the Virginia Rescue Squad Assistance Fund shall be provided for national background checks on persons applying to serve as a licensed provider in a licensed emergency medical services agency, pursuant to House Bill 1383, as passed by the 2013 General Assembly."

Explanation:

(This amendment allocates \$90,000 the second year from the Virginia Rescue Squad Assistance Fund for the implementation of House Bill 1383 to provide national background checks on persons applying for positions as a licensed provider in licensed emergency medical services agencies.)

Health and Human Resources Subcommittee

Item 296 #1h

Health And Human Resources

Department Of Health

Language

Language:

Page 256, line 36, after "cost", insert:

"of the state and local share".

Page 256, line 37, after "employees", insert:

"in the local health departments".

Explanation:

(This amendment revises the language included in the introduced bill requiring the agency to pay the local share of the one-time bonus for state employees. The amended language clarifies that the department is required to pay only the local and state share of the bonus for health department employees.)

Health and Human Resources Subcommittee

Item 296 #2h

Health And Human Resources

Department Of Health

FY 12-13

FY 13-14

\$0

\$967,944 GF

\$0

\$696,362 NGF

0.00

20.00 FTE

Language:

Page 254, line 50, strike "\$229,391,026" and insert "\$231,055,332".

Page 256, line 24, after "F." insert "1."

Page 256, after line 34, insert:

"2. Out of this appropriation \$967,944 from the general fund and \$696,362 from nongeneral funds shall be used to provide access to dental services though local health departments. This level of funding shall continue to provide access to the current level of providers while the program is transitioning to a preventative model .

3. The Department of Health, in consultation with the Department of Medical Assistance Services, shall continue its work with the advisory committee to develop and implement a comprehensive targeted plan for transitioning the current dental model to a prevention only model. The preventative dental model report shall consider at least the following: (i) the appropriate level of funding for a sustainable preventive model to begin July 1, 2014, while ensuring the safety net is secure and trained personnel are in place, (ii) the need to focus on those areas of the

Amendments to House Bill 1500, as Introduced

Commonwealth in the most need of these dental services, including those areas with higher risk factors including a concentration of diabetic and free lunch populations and a higher than average Medicaid-eligible population, and (iii) a review of dental program revenues and expenditures, including the development of evaluation metrics to assist in ensuring efficient and effective use of funding and services .

4. The Commissioner of Health shall convene the advisory committee meeting no later than April 30, 2013 and additional meetings as agreed on by the stakeholders, and issue a final report from the advisory committee to the Chairmen of the House Appropriations and Senate Finance Committees no later than October 1, 2013."

Explanation:

(This amendment restores \$967,944 from the general fund and \$696,362 from nongeneral funds the second year and 20 positions to provide for additional time to plan the closure of state-supported dental clinics and restructure services to be consistent with a preventative model of service. Budget language is also included requiring the continued planning for this transition with an advisory committee and a report on these efforts to restructure dental services by October 1, 2013 to the money committee chairmen.)

Health and Human Resources Subcommittee

Item 297 #1h

Health And Human Resources	FY 12-13	FY 13-14	
Department Of Health	\$0	\$1,000,000	GF

Language:

Page 256, line 42, strike "\$12,497,162" and insert "\$13,497,162".

Page 259, line 25, after "year", insert:

"and \$1,000,000 the second year".

Page 259, after line 31, insert:

"The State Health Commissioner shall work with the poison control centers to ensure continued statewide coverage of poison control services through the existing centers."

Explanation:

(This amendment adds \$1,000,000 the second year to restore funding to poison control centers. Chapter 3, 2012 Special Session 1, Virginia Acts of Assembly provides \$500,000 from the general fund in the first year only for the operation of two poison control centers located in Virginia. Currently one poison control center contracts with a poison control center located in Washington D.C. to provide these services to Virginia residents located in Northern Virginia. This amendment

provides continued funding for the operation of the poison control centers.)

Health and Human Resources Subcommittee

Item 297 #2h

Health And Human Resources

Department Of Health

Language

Language:

Page 256, line 47, after "fund", insert:

"and \$410,000 the second year from the Temporary Assistance to Needy Families block grant".

Explanation:

(This amendment restores \$410,000 from the federal Temporary Assistance to Needy Families block grant the second year to the Comprehensive Health Improvement Program (CHIP) of Virginia. Last year, the budget for CHIP of Virginia was reduced by \$105,318 the first year and \$832,956 second year. Partial restoration of funding will allow CHIP to continue providing evidence-based services to low-income, pregnant women, and young children in 27 localities. The program has demonstrated improved birth outcomes, child health, school readiness, and parental work capacity. CHIP of Virginia is a statewide network of local public/private partnerships.)

Health and Human Resources Subcommittee

Item 307 #1h

Health And Human Resources

FY 12-13

FY 13-14

Department Of Medical Assistance

\$0

\$125,000 GF

Services

\$0

\$125,000 NGF

Language:

Page 263, line 15, strike "\$8,033,837,513" and insert "\$8,034,087,513".

Page 267, line 23, strike "2013" and insert "2014".

Explanation:

(This amendment adds \$125,000 from the general fund and a like amount of matching federal Medicaid funds the second year to continue the current exemption of antidepressant, antianxiety and antipsychotic medications used to treat mental illness from the Medicaid Preferred Drug List (PDL) through fiscal year 2014.)

Amendments to House Bill 1500, as Introduced

Health and Human Resources Subcommittee

Item 307 #2h

Health And Human Resources	FY 12-13	FY 13-14	
Department Of Medical Assistance	\$0	\$869,800	GF
Services	\$0	\$869,800	NGF
	0.00	1.00	FTE

Language:

Page 263, line 15, strike "\$8,033,837,513" and insert "\$8,035,577,113".

Page 277, line 47, strike "55" and insert "105".

Explanation:

(This amendment provides funding to add 50 Medicaid home and community-based waiver slots in the second year for individuals with developmental disabilities to reduce the current waiting list of individuals. This funding supports an addition to the 80 new slots that are expected to be added in fiscal year 2014 based on actions contained in Chapter 3, 2012 Special Session I Virginia Acts of Assembly.)

Health and Human Resources Subcommittee

Item 307 #3h

Health And Human Resources	FY 12-13	FY 13-14	
Department Of Medical Assistance	\$0	\$6,846,800	GF
Services	\$0	\$6,846,800	NGF
	0.00	1.00	FTE

Language:

Page 263, line 15, strike "\$8,033,837,513" and insert "\$8,047,531,113".

Page 277, line 44, strike "150" and insert "350".

Explanation:

(This amendment provides funding to add 200 Medicaid home- and community-based waiver slots in the second year for individuals with intellectual disabilities. This funding supports an addition to the 535 new slots that are expected to be added in fiscal year 2014 based on actions contained in Chapter 3, 2012 Special Session I Virginia Acts of Assembly.)

Health and Human Resources Subcommittee

Item 307 #4h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 280, after line 14, insert:

"JJJJ. Effective July 1, 2013, the Department of Medical Assistance Services shall establish a Medicaid Physician and Managed Care Liaison Committee including, but not limited to, representatives from the following organizations: the Virginia Academy of Family Physicians; the American Academy of Pediatricians – Virginia Chapter; the Virginia College of Emergency Physicians; the American College of Obstetrics and Gynecology – Virginia Section; Virginia Chapter, American College of Radiology; the Psychiatric Society of Virginia; the Virginia Medical Group Management Association; and the Medical Society of Virginia. The Committee shall also include representatives from each of the Department's contracted managed care organizations and a representative from the Virginia Association of Health Plans. The Committee will work with the department to investigate the implementation of quality, cost-effective health care initiatives, to identify means to increase provider participation in the Medicaid program, to remove administrative obstacles to quality, cost-effective patient care, and to address other matters as raised by the Department or members of the committee. The committee shall meet semi-annually, or more frequently if requested by the department or members of the Committee. The department, in cooperation with the committee, shall report on the committee's activities annually to the Board of Medical Assistance Services and to the Chairmen of the House Appropriations and Senate Finance Committees and the Department of Planning and Budget no later than October 1 each year."

Explanation:

(This amendment adds language directing the Department of Medical Assistance Services to establish a Medicaid Physician and Managed Care Liaison Committee to ensure access to quality, cost-effective care through the Medicaid program.)

Health and Human Resources Subcommittee

Item 307 #5h

Health And Human Resources

FY 12-13

FY 13-14

Department Of Medical Assistance
Services

\$0
\$0

\$300,000 GF
\$300,000 NGF

Language:

Amendments to House Bill 1500, as Introduced

Page 263, line 15, strike "\$8,033,837,513" and insert "\$8,034,437,513".

Page 280, after line 14, insert:

"JJJJ. Out of this appropriation, \$300,000 from the general fund and \$300,000 from nongeneral funds the second year shall be used to increase reimbursement rates for adult day health services provided through Medicaid home- and community-based waiver programs by \$5.00 per unit. The department shall have the authority to implement this reimbursement change effective July 1, 2013, and prior to the completion of any regulatory process undertaken in order to effect such change."

Explanation:

(This amendment provides \$300,000 from the general fund and \$300,000 from matching federal Medicaid funds to provide a \$5.00 per unit increase in the Medicaid waiver reimbursement rate for adult day health services. Adult day health care is much less expensive than alternative care in a nursing facility for which these clients qualify. Providers of adult day health care report a gap of \$18.13 per client per day between actual costs and Medicaid reimbursement, which must be made up through contributions from individuals, churches, corporations, and foundations. These services are almost exclusively provided to Medicaid waiver recipients. This amendment will increase the statewide rate paid for Medicaid adult day health care services from \$50.10/unit to about \$55.10/unit in Northern Virginia and from \$45.65/unit to about \$50.65/unit in the rest of the state. A "unit" represents 6 or more hours in a day.)

Health and Human Resources Subcommittee

Item 307 #6h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 280, after line 14, insert:

"JJJJ. The Department of Medical Assistance Services shall establish a work group of representatives of providers of home- and community-based care services to continue improvements in the audit process and procedures for home- and community-based utilization and review audits. The Department of Medical Assistance Services shall report on any revisions to the methodology for home- and community-based utilization and review audits, including progress made in addressing provider concerns and solutions to improve the process for providers while ensuring program integrity. In addition, the report shall include

Amendments to House Bill 1500, as Introduced

documentation of the past year's audits, a summary of the number of audits to which retractions were assessed and the total amount, the number of appeals received and the results of appeals. The report shall be provided to the Chairmen of the House Appropriations and Senate Finance Committees by December 1 of each year."

Explanation:

(This amendment adds language directing the agency to establish an ongoing work group to continue improving the home- and community-based utilization and review audit process in order to reduce the number of retractions that are subsequently overturned on appeal.)

Health and Human Resources Subcommittee

Item 307 #7h

Health And Human Resources	FY 12-13	FY 13-14	
Department Of Medical Assistance	\$0	\$2,000,000	GF
Services	\$0	\$2,000,000	NGF

Language:

Page 263, line 15, strike "\$8,033,837,513" and insert "\$8,037,837,513".

Page 276, strike lines 45 through 51.

Page 277, strike lines 1 through 8.

Explanation:

(This amendment restores \$2.0 million from the general fund and \$2.0 million in federal Medicaid matching funds in the second year and eliminates language in the budget which would have reduced the eligibility limit for Medicaid long-term care services in fiscal year 2014. Currently, elderly or disabled individuals with incomes up to 300 percent of the federal Supplemental Security Income (SSI) payment level (\$2,094 per month) may be eligible for Medicaid long-term care services. Chapter 3, 2012 Special Session I Virginia Acts of Assembly reduces this eligibility limit to 267 percent of the SSI payment level effective January 1, 2014, resulting in fewer individuals qualifying for Medicaid funded nursing home care or long-term care waiver services.)

Health and Human Resources Subcommittee

Item 307 #8h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 280, after line 14, insert:

"JJJJ. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to calculate an indirect medical education (IME) factor for Virginia freestanding children's hospitals with greater than 50 percent Medicaid utilization in 2009 already eligible for IME in a manner similar to Type One hospitals. Total payments for IME in combination with other payments for such freestanding children's hospitals may not exceed the federal uncompensated care cost limit that disproportionate share hospital payments are subject to. The Department shall have the authority to implement these reimbursement changes effective July 1, 2013, and prior to completion of any regulatory process undertaken in order to effect such change."

Explanation:

(This amendment adds language to ensure continuation of Children's Hospital of the King's Daughters' (CHKD) ability to receive Medicaid reimbursement to cover its uncompensated care costs. This amendment protects Virginia's only freestanding children's hospital from cuts to the disproportionate share hospital (DSH) payment program directed through the federal Patient Protection and Affordable Care Act (PPACA). With greater than 50 percent of its inpatient days covered by Medicaid, CHKD's Medicaid utilization is double the next closest provider, resulting in the receipt of more than half of Virginia's DSH funds that are allocated to private hospitals. This amendment would not require additional funding from the state based on current DSH policy. This amendment significantly increases the amount of authorized indirect medical education (IME) funding to substitute for most or all of the DSH funds allocated to CHKD. It also provides that CHKD will continue to be reimbursed up to the federal uncompensated care cost limit.)

Health and Human Resources Subcommittee

Item 307 #9h

Health And Human Resources	FY 12-13	FY 13-14	
Department Of Medical Assistance	\$0	\$3,682,880	GF
Services	\$0	\$3,682,880	NGF

Language:

Page 263, line 15, strike "\$8,033,837,513" and insert "\$8,041,203,273".

Page 279, line 7, strike "through June 30, 2014" .

Page 279, line 9, strike "living".

Amendments to House Bill 1500, as Introduced

Page 279, strike lines 10 and 11 and insert:

"currently residing in an institution and unable to transition to integrated settings in the community due to the need for services that cannot be provided within the maximum allowable rate, or individuals whose needs present imminent risk of institutionalization and enhanced waiver services are needed beyond those available within the maximum allowable rate. The department".

Explanation:

(This amendment provides the \$3.7 million from the general fund and \$3.7 million in federal Medicaid matching funds the second year for a congregate care rate increase authorized in the introduced budget. Language is modified to ensure the rate increase is used to meet the complex medical or behavioral needs of individuals currently residing in an institution and unable to transition to the community due to the need for services that cannot be provided within the maximum allowable rate, or individuals whose exceptional needs present imminent risk of institutionalization and for whom enhanced waiver services are needed beyond that provided through the existing maximum rates. Language eliminates the proposed sunset for the rate increase. It is anticipated that efforts to redesign Medicaid intellectual and developmental disability waiver programs will incorporate this funding to ensure that the appropriate services are available to meet the complex medical or behavioral needs of individuals transitioning from institutions to the community or those who are at imminent risk of institutionalization.)

Health and Human Resources Subcommittee

Item 307 #10h

Health And Human Resources	FY 12-13	FY 13-14
Department Of Medical Assistance	(\$21,680,000)	\$0 GF
Services	\$21,680,000	\$0 NGF

Language:

Page 264, line 16, strike "\$423,940,204" and insert "\$445,620,204".

Page 280, after line 14, insert:

"JJJJ. Contingent upon the Commonwealth not receiving the expected revenue in fiscal year 2013 from the arbitration settlement with tobacco companies as part of the Master Settlement Agreement, the Director, Department of Planning and Budget, is authorized to appropriate from the unappropriated general fund balance in this act, and, if necessary, transfer general fund appropriation from the second year to the first year to backfill the shortage of up to \$21,680,000 in general fund for the Medicaid program."

Explanation:

(This amendment reflects the increased revenue in fiscal year 2013 from the Master Settlement Agreement (MSA) with tobacco manufacturers as a result of a recent tentative agreement. Many states have been involved in arbitration for some time over a dispute with tobacco companies regarding non-participating manufacturer adjustments. In December 2012, 17 states entered into a preliminary settlement with tobacco companies. If approved by the arbitration panel in late January 2013, Virginia will receive a one-time increase in revenue as a result of previously withheld payments being released from escrow. The Office of the Attorney General projects Virginia's MSA payment will be \$172 million for fiscal year 2013, which is \$52.2 million higher than currently projected. Of this amount 41.5 percent will be deposited to the Health Care Fund, which is used as state match for Medicaid. Therefore, \$21.7 million of general fund will be offset in fiscal year 2013 with Health Care Fund revenue.)

Health and Human Resources Subcommittee

Item 307 #11h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 280, after line 14, insert:

"JJJJ.1. The Department of Medical Assistance Services shall seek federal authority through any necessary waiver(s) and/or State Plan authorization under Titles XIX and XXI of the Social Security Act to implement a comprehensive value-driven, market-based reform of the Virginia Medicaid/FAMIS programs. The reform shall be phased-in to incorporate current efforts to improve service delivery and health care outcomes of selected Medicaid populations and services and ensure federal approval is obtained in order to implement such changes.

2. In the first phase, the Department of Medical Assistance Services shall reform the Virginia Medicaid/FAMIS service delivery model for all recipients subject to a Modified Adjusted Gross Income (MAGI) methodology for program eligibility and any other recipient categories not excluded from the Medallion II managed care program. The reformed service delivery model shall include principles of commercial health insurance, including but not limited to benefit design and participant cost-sharing, and shall encourage the development and implementation of

value-based, coordinated purchasing. To administer this reformed delivery model, the department shall contract with qualified health plans to offer recipients a Medicaid benefit package adhering to these principles, as well as those included under paragraph RR.e. of this item guiding the care coordination of nontraditional behavioral health services. This reformed service delivery model shall be mandatory, to the extent allowed under the relevant authority granted by the federal government, for all relevant recipients in the Medicaid/FAMIS programs. Additional services such as, nontraditional behavioral health services, offered to relevant recipients outside of the reformed delivery model shall be included, with federal approval, when deemed by the department to be cost-effective for the Commonwealth.

3. In the second phase, the Department of Medical Assistance Services shall reform the Virginia Medicaid service delivery model to include all remaining Medicaid populations in a managed and coordinated delivery system, including those receiving long-term care as well as Medicaid enrollees who are dually eligible for Medicaid and Medicare who reside in regions of the Commonwealth that were not included in the dual-eligible managed care system demonstration program proposed under the Medicare-Medicaid Alignment Initiative with the Centers for Medicare and Medicaid Services.

4.a. The Department of Medical Assistance Services shall seek federal approval of the necessary waiver(s) and/or State Plan authorization under Titles XIX and XXI of the Social Security Act to reform the Virginia Medicaid/FAMIS service delivery model as set forth in paragraphs 2 and 3 of this item. The department shall have authority to implement necessary changes when feasible after federal approval and prior to the completion of any regulatory process undertaken in order to effect such change.

b. Upon federal approval of the necessary waiver(s) and/or State Plan authorization to reform the Virginia Medicaid/FAMIS service delivery model and federal approval of the implementation of a dual-eligible managed care system proposed under the Medicare-Medicaid Alignment Initiative with the Centers for Medicare and Medicaid Services, the Department of Medical Assistance Services shall provide a report to the General Assembly on the specific waiver and/or State Plan changes that have been approved, plans for implementation of such changes, and associated cost savings or cost avoidance to Medicaid/FAMIS expenditures.

5. Contingent upon completion of the provisions contained in paragraphs 4.a. and b.,

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the department may seek approval from the General Assembly to amend the State Plan for Medical Assistance under Titles XIX of the Social Security Act, and any amendments thereto, to provide coverage of individuals in Virginia meeting criteria as specified under Section 2001(a) of the Patient Protection and Affordable Care Act (P.L. 111-148), as amended by the Health Care and Education and Reconciliation Act of 2010 (P.L. 111-152). Such coverage shall also utilize a service delivery model which incorporates the principles of commercial health insurance, including but not limited to benefit design, reasonable limits on non-essential benefits such as transportation, and promotion of patient responsibility through reasonable cost-sharing and active engagement in health and wellness activities to improve health and control costs. Such reform shall encourage the development and implementation of value-based, coordinated purchasing. The department shall contract with qualified health plans to offer recipients a benefit package adhering to these principles as well as those included under paragraph RR.e. of this item guiding the care coordination of nontraditional behavioral health services. Upon approval by the General Assembly, the department shall have authority to implement the provisions of this paragraph no earlier than July 1, 2014.

6.a. In the event that the provisions in paragraph 5 become effective, and increased federal medical assistance percentages for newly eligible individuals is reduced below those included in 42 U.S.C. § 1396d(y)(1)[2010] of the PPACA, the Department of Medical Assistance Services shall begin the process of disenrolling individuals who became eligible consistent with the expansion of eligibility up to 133 percent of poverty.

b. In the event that the provisions in paragraph 5 become effective, and the methodology for calculating the federal medical assistance percentage for Title XIX of the Social Security Act is modified through federal law or regulation from the methodology in effect on January 1, 2013, resulting in a reduction in federal medical assistance, the Department of Medical Assistance Services shall begin the process of disenrolling individuals who became eligible consistent with the expansion of eligibility up to 133 percent of poverty.

KKKK.1. The Director of the Department of Medical Assistance Services shall continue to make improvements in the provision of health and long-term care services under Medicaid/FAMIS that are consistent with evidence-based practices and delivered in a cost effective manner to eligible individuals.

2. In order to effect such improvements and ensure that reform efforts are cost

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effective relative to current forecasted Medicaid/FAMIS expenditure levels, the Department of Medical Assistance Services shall develop a five-year consensus forecast of expenditures and savings associated with the Virginia Medicaid/FAMIS reform efforts by September 1 of each year in conjunction with the Department of Planning and Budget, and with input from the House Appropriations and Senate Finance Committees.

3. The Department shall develop an estimate of the cost to develop, launch and effectively oversee the reform initiatives, including the cost of collecting and analyzing data to assess spending and evaluate outcomes of reform efforts. This estimate shall be provided to the Director, the Department of Planning and Budget for consideration by the Governor in his executive budget and amendments to the Appropriation Act."

Explanation:

(This amendment adds language to implement a comprehensive Virginia Medicaid/FAMIS reform incorporating principles of commercial benefit packages, and value-based, coordinated purchasing to encourage the appropriate use of high value services, adoption of healthy lifestyles, and adherence to evidence-based treatment guidelines. Language provides for phasing in reforms beginning with enrollees not excluded from the current Medallion II managed care program and continuing with enrollees who are not currently included in the Medallion II program, including those receiving long-term care services and those who are dually eligible for Medicaid and Medicare and who are not currently slated to participate in the proposed dual-eligible managed care system demonstration program.

Language requires the Department of Medical Assistance Services (DMAS) to seek necessary federal waiver(s) and/or State Plan amendments to implement Medicaid/FAMIS service delivery system reforms and report on those changes approved by the federal government, as well as plans for implementing reforms.

Language allows DMAS to seek Medicaid expansion of Medicaid to individuals with incomes up to 133 percent of the federal poverty level pursuant to the federal Patient Protection and Affordable Care Act, contingent upon federal approval of specific reforms, implementation of reforms and approval by the General Assembly. Further, expansion is also contingent on the continued financial commitment of the federal government for the Medicaid expansion as specified in the law and any modifications to the existing methodology for calculating the federal medical assistance for the existing Medicaid program, which results in a reduction in federal

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financial participation. Language also incorporates program service delivery reforms for the Medicaid expansion population.

Budget language directs that individuals who enroll in the program if Medicaid is expanded be disenrolled if the federal government reduces the enhanced Medicaid match rates to the Commonwealth below those specified in the federal law or changes the existing method of calculating federal financial participation for the current Medicaid program if it results in a reduction.

Finally, language requires the Department to continue to make improvements in Medicaid/FAMIS to ensure the delivery of appropriate, cost effective services. In addition, the Department is required to conduct a five-year forecast of the expenditures and savings associated with Medicaid/FAMIS reform, along with cost estimates to develop, implement and effectively oversee reform initiatives.)

Health and Human Resources Subcommittee

Item 307 #12h

Health And Human Resources	FY 12-13	FY 13-14	
Department Of Medical Assistance	(\$3,000,000)	\$0	GF
Services	\$3,000,000	\$0	NGF

Language:

Page 264, line 16, strike "\$423,940,204" and insert "\$426,940,204".

Explanation:

(This amendment eliminates the diversion of Virginia Health Care Fund monies from the Virginia Medicaid program to fund the Virginia Foundation for Health Innovation in fiscal year 2013. Revenues in the Virginia Health Care Fund are used as a portion of the state's match for the Virginia Medicaid program. The Fund is made up of a portion of the Master Tobacco Settlement Agreement (41.5 percent of tobacco settlement revenues), tobacco taxes, and Medicaid recoveries. The introduced budget would have reserved \$3.0 million of the fund for this foundation.)

Health and Human Resources Subcommittee

Item 307 #13h

Health And Human Resources	FY 12-13	FY 13-14	
Department Of Medical Assistance	\$0	(\$1,538,144)	GF
Services	\$0	(\$1,477,616)	NGF

Language:

Page 263, line 15, strike "\$8,033,837,513" and insert "\$8,030,821,753".

Explanation:

(This amendment recognizes savings to the Medicaid general fund forecast by \$1.5 million the second year to recognize savings due to provisions related to the availability of subsidized private health insurance offered through a Health Benefits Exchange included in the federal Patient Protection and Affordable Care Act (PPACA). Language contained in the introduced budget would eliminate certain Medicaid and FAMIS program offerings to certain populations with incomes above 133 percent of the federal poverty level that will be eligible for subsidized coverage available through a Health Benefits Exchange. Continued coverage would remove disincentives for subsidized private health care coverage through publicly-offered alternatives. Language in the introduced budget allows for a smooth transition from the public coverage to the extent possible.)

Health and Human Resources Subcommittee

Item 307 #14h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 280, after line 14, insert:

"JJJJ. The Department of Medical Assistance Services, in cooperation with the Department of Behavioral Health Services shall report on proposed changes to the Medicaid Section 1915 (c) waiver programs that provide home- and community-based services to individuals with intellectual and developmental disabilities. The report shall provide information on any changes to the service delivery mode, benefit design, payment system reforms to ensure the delivery of the most appropriate services at the lowest cost, and the ability to meet the needs of individuals receiving waiver services. The report shall also include information on stakeholder input in the waiver changes. The Department shall provide a preliminary report no later than June 1, 2013 to the Chairmen of the House Appropriations and Senate Finance Committees and a final report prior to the submission of the waiver to the federal Centers for Medicare and Medicaid Services."

Explanation:

(This amendment adds language directing the that Department of Medical

Amendments to House Bill 1500, as Introduced

Assistance Services, in cooperation with the Department of Behavioral Health Services shall report on proposed changes to redesign, simplify, and streamline Medicaid home- and community-based waivers for individuals with intellectual and developmental disabilities no later than June 1, 2013. Currently, Virginia has three waivers -- the Intellectual Disability (ID), Day Support (DS) and Individual and Family Developmental Disabilities Supports (DD) Waivers to "target" services to individuals with developmental disabilities, including intellectual disability. Each waiver was originally designed to meet the specific needs of the individuals with ID or DD. Many states have reviewed the administration and array of waiver services available to individuals with DD, including ID, and designed a single comprehensive waiver which better meets the unique needs of these individuals. More recently, some states have begun to redesign their waiver programs to incorporate principles of value-based, coordinated purchasing with incentives for consumers and providers to maintain or improve health and deliver the most appropriate services at the lowest cost.)

Health and Human Resources Subcommittee

Item 314 #1h

Health And Human Resources	FY 12-13	FY 13-14
Department Of Behavioral Health And Developmental Services	\$0	\$650,000 GF

Language:

Page 283, line 39, strike "\$60,026,435" and insert "\$60,676,435".

Explanation:

(This amendment adds funding to provide a comprehensive statewide suicide prevention program effort. It provides \$650,000 from the general fund the second year for the Department of Behavioral Health and Developmental Services (DBHDS) to implement a statewide program of public education, evidence-based training, health and behavioral health provider capacity-building, and related suicide prevention activity in collaboration with the Departments of Health, Education, Veterans Services, Aging and Rehabilitative Services, and other partners. This is the recommendation of the Governor's Taskforce on School and Campus Safety.)

Health and Human Resources Subcommittee

Item 314 #2h

Health And Human Resources

Department Of Behavioral Health
And Developmental Services

Language

Language:

Page 285, after line 18, insert:

“M. Out of this appropriation, \$250,000 the first year from the general fund is designated for the Department to preplan the construction/renovation of the Virginia Center for Behavioral Rehabilitation II (VCBR II) facility on state-owned property in and around the current VCBR site. The project options shall include costs for any relocation of current services as well as re-purposing of current facilities. The Department shall report the options for this project to the Chairmen of the House Appropriations and Senate Finance Committees by October 15, 2013. If an agreement on an option is reached by the Secretary of Health and Human Resources and the Chairmen of the House Appropriations and Senate Finance Committees, the Secretary of Finance is authorized to allocate up to \$1,000,000 from the Central Capital Planning Fund established under § 2.2-1520, Code of Virginia for detailed planning of this project.”

Explanation:

(This amendment adds language designating \$250,000 the first year from the general fund for the Department of Behavioral Health and Developmental Services to preplan the construction/renovation of a facility to house and treat sexually violent predators who are civilly committed. The current Virginia Center for Behavioral Rehabilitation (VCBR) is projected to be at operational capacity during fiscal year 2015.)

Health and Human Resources Subcommittee

Item 314 #3h

Health And Human Resources

Department Of Behavioral Health
And Developmental Services

Language

Language:

Page 285, after line 18, insert:

"M.1. The Commissioner of the Department of Behavioral Health and

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Developmental Services (DBHDS) shall provide quarterly reports to the House Appropriations and Senate Finance Committees on progress in implementing the plan to close state training centers and transition residents to the community. The reports shall provide the following information on each state training center: (i) the number of authorized representatives who have made decisions regarding the long-term type of placement for the resident they represent and the type of placement they have chosen, (ii) the number of authorized representatives who have not yet made such decisions; (iii) provider capacity in the region in which each training center is located by type of service to meet the needs of individuals choosing community placement, (iv) barriers to discharge, and (v) the general fund and nongeneral fund cost of the services provided to individuals transitioning from training centers, including the cost of any wrap-around services being provided, and (vi) the use of increased Medicaid reimbursement for congregate residential services to meet exceptional needs of individuals transitioning from state training centers in fiscal year 2014, provided in item 307, paragraphs BBB.1. and BBB.2.

2. The department shall convene quarterly meetings with authorized representatives, families, and service providers in Health Planning Regions I, II, III and IV to provide a mechanism to (i) promote routine collaboration between families and authorized representatives, the department, community services boards, and private providers, (ii) ensure the successful transition of training center residents to the community, and (iii) gather input on Medicaid waiver redesign to better serve individuals with intellectual and developmental disability.

3. In the event that provider capacity cannot meet the needs of individuals transitioning from training centers to the community, the department shall work with community services boards and private providers to explore the feasibility of developing (i) a limited number of small community group homes or intermediate care facilities to meet the needs of residents transitioning to the community, and/or (ii) a regional support center to provide specialty services to individuals with intellectual and developmental disabilities whose medical, dental, rehabilitative or other special needs cannot be met by community providers. The Commissioner shall report on these efforts to the House Appropriations and Senate Finance Committees as part of his quarterly report, pursuant to paragraph 1."

Explanation:

(This amendment adds language requiring the Commissioner of the Department of Behavioral Health and Developmental Services to provide quarterly reports to the House Appropriations and Senate Finance Committees to determine how many residents of state training centers are choosing community placements, the existence of provider capacity in the health planning region in which the training center is

Amendments to House Bill 1500, as Introduced

locates, barriers to discharge, and costs to transition individuals into the community including additional Medicaid reimbursement for congregate residential services to meet the complex medical or behavioral needs of individuals transitioning from state training centers. Language also requires the Department to convene quarterly meetings with families, authorized representatives, community services boards and private providers to provide a mechanism for communication and collaboration to ensure successful transition to the community. Finally, language requires the agency to work with community services boards and private providers to explore the feasibility of developing a limited number of small group homes, intermediate care facilities or regional support centers if provider capacity cannot meet the needs of individuals transitioning from training centers to the community.)

Health and Human Resources Subcommittee

Item 314 #4h

Health And Human Resources

FY 12-13

FY 13-14

Department Of Behavioral Health
And Developmental Services

\$0

\$10,000 GF

Language:

Page 283, line 39, strike "\$60,026,435" and insert "\$60,036,435".

Explanation:

(This amendment provides \$10,000 from the general fund the second year for the Department of Behavior Health and Developmental Services to implement the provisions of House Bill 1672 which requires the development of pilot programs for training members of the public in the identification of opiate overdose and administration of naloxone to counteract the effects of opiate overdose.)

Health and Human Resources Subcommittee

Item 315 #1h

Health And Human Resources

FY 12-13

FY 13-14

Grants To Localities

(\$750,000)

\$750,000 GF

Language:

Page 285, line 34, strike "\$348,371,560" and insert "\$347,621,560".

Page 285, line 35, strike "\$325,471,560" and insert "\$326,221,560".

Page 286, line 15, strike "10,203,366" and insert "9,453,366".

Page 286, line 16, strike "10,203,366" and insert "10,953,366".

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Explanation:

(The introduced budget added \$2.3 million from the general fund the first year and \$3.0 million from the general fund the second year to address a waiting list for Part C early intervention services for infants and toddlers. In addition, the introduced budget provided \$750,000 from the general fund the first year to update a data collection system for the Part C program. This amendment removes \$750,000 the first year from the general fund for the data collection system and provides this funding in the second year to address the waiting list for services. Prompt service delivery is critical in order to ensure that infants and toddlers with disabilities develop to their full potential and avoid the need for special education services when they enter school. Last year, 15,676 infants were served at an average cost of \$3,936 per child.)

Health and Human Resources Subcommittee

Item 315 #2h

Health And Human Resources

FY 12-13

FY 13-14

Grants To Localities

\$0

\$450,000 GF

Language:

Page 285, line 35, strike "\$325,471,560" and insert "\$325,921,560".

Page 288, line 50, strike "2,750,000" and insert "3,200,000".

Explanation:

(This amendment provides an additional \$450,000 from the general fund the second year for child psychiatry and crisis response services for children requiring mental health services. The introduced budget added \$1.0 million from the general fund the second year for children's mental health crisis services to expand funding from three to five health planning regions in the Commonwealth. This additional funding will help to bridge gaps to provide services statewide.)

Health and Human Resources Subcommittee

Item 315 #3h

Health And Human Resources

FY 12-13

FY 13-14

Grants To Localities

\$0

\$1,850,000 GF

Language:

Page 285, line 35, strike "\$325,471,560" and insert "\$327,321,560".

Explanation:

(This amendment provides \$1.9 million from the general fund the second year to provide mental health first aid training and certification on how to recognize and respond to mental or emotional distress. Training will target school personnel, clergy, health professionals, community agency personnel, military and veteran service organizations and advocates, and other first responders and “gatekeepers” who have extensive public contact. Funding will be used to cover the cost of personnel dedicated to this activity, training and certification, and manuals and certification for all those receiving the training. Mental Health First Aid is a 12-hour interactive course that teaches the risk factors and warning signs and symptoms of depression, anxiety disorders, trauma, psychotic disorders, eating disorders, and substance use disorders. MHFA builds an understanding of how these illnesses affect people, provides an overview of common treatments, and teaches basic skills for providing help to someone who may be experiencing symptoms. This is recommendation of the Governor's Taskforce on School and Campus Safety .)

Health and Human Resources Subcommittee

Item 319 #1h

Health And Human Resources

Mental Health Treatment Centers

Language

Language:

Page 290, line 19, strike "up to 13 beds through fiscal year 2014" and insert:
"at least 123 beds".

Explanation:

(This amendment modifies language in the introduced budget to clarify that the additional funding provided to Northern Virginia Mental Health Institute in fiscal year 2014 shall be used to continue the operation of at least 123 beds at the facility. The introduced budget provided \$700,000 the second year from the general fund to continue operating 13 beds that were restored in fiscal year 2013 in Chapter 3, 2012 Special Session I, Virginia Acts of Assembly .)

Health and Human Resources Subcommittee

Item 329 #1h

Health And Human Resources

Virginia Center For Behavioral
Rehabilitation

FY 12-13

\$0

FY 13-14

(\$14,228) GF

Language:

Page 293, line 44, strike "\$8,976,635" and insert "\$8,962,407".

Explanation:

(This amendment reflects savings to the Virginia Center for Behavioral Rehabilitation from the passage of House Bill 1751 which adds employees who provide control, care, or treatment of sexually violent predators committed to the custody of the Department of Behavioral Health and Developmental Services to the list of workers for which simple assault, and assault and battery would be a Class 6 felony.)

Health and Human Resources Subcommittee

Item 332 #1h

Health And Human Resources

FY 12-13

FY 13-14

Department For Aging And
Rehabilitative Services

\$0

\$100,000 GF

Language:

Page 298, line 42, strike "\$18,332,476" and insert "\$18,432,476".

Explanation:

(This amendment provides \$100,000 the second year from the general fund for a Dementia Services Coordinator in the Department for Aging and Rehabilitative Services. The position would review existing program and work with agencies to create a more effective service delivery system, identify service gaps, and reduce duplication and overlap. In addition, the position will provide coordination and support for the Alzheimer's and Related Disorder Commission activities, support the Aging and Disability Resource Centers, and coordinate with brain injury programs.)

Health and Human Resources Subcommittee

Item 340 #1h

Health And Human Resources

Department Of Social Services

Language

Language:

Page 306, after line 29, insert:

"F. The Director, Department of Planning and Budget, shall, on or before June 30,

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2013, unallot \$500,000 from the general fund in this item, which reflects unused balances in the auxiliary grants program."

Explanation:

(This amendment captures \$500,000 in balances from the general fund in fiscal year 2013 which reflects the unused balance in the auxiliary grants program.)

Health and Human Resources Subcommittee

Item 341 #1h

Health And Human Resources

Department Of Social Services

Language

Language:

Page 307, after line 30, insert:

"The Commissioner, Department of Social Services, shall ensure that local departments that provide independent living services to persons between 18 and 21 years of age make certain information about and counseling regarding the availability of independent living services is provided to any person who chooses to leave foster care or who chooses to terminate independent living services before his twenty-first birthday. Information shall include the option for restoration of independent living services following termination of independent living services, and the processes whereby independent living services may be restored should he choose to seek restoration of such services in accordance with § 63.2-905.1 of the Code of Virginia."

Explanation:

(This amendment adds language to direct the Commissioner to ensure that local departments of social services provide information and counseling about the availability of independent living services to persons ages 18 to 21, including information about the ability to have services restored within 60 days following the termination of services.)

Health and Human Resources Subcommittee

Item 341 #2h

Health And Human Resources

Department Of Social Services

FY 12-13

\$0

FY 13-14

\$117,559 GF

Language:

Page 306, line 31, strike "\$175,237,067" and insert "\$175,354,626".

Explanation:

(This amendment adds \$117,559 from the general fund the second year to provide independent living services to individuals between the age of 18 and 21 who were in the custody of a local department of social services immediately prior to a commitment to the Department of Juvenile Justice, are in the process of transitioning from a commitment, and have requested independent living services. Funding is contingent upon final passage of House Bill 1743.)

Health and Human Resources Subcommittee

Item 341 #3h

Health And Human Resources

Department Of Social Services

Language

Language:

Page 307, strike lines 15 through 17.

Page 307, line 18, strike "H" and insert "G".

Explanation:

(This amendment removes language providing \$600,000 the second year from the federal Temporary Assistance for Needy Families (TANF) block grant for child welfare family engagement activities. This funding is redirected to companion amendments in Item 297 and Item 343 to restore funding for evidenced-based community programs working with at-risk families to prevent child abuse, improve child health and wellness, improve parenting practices, and promote self-sufficiency in low-income families.)

Health and Human Resources Subcommittee

Item 341 #4h

Health And Human Resources

Department Of Social Services

FY 12-13

FY 13-14

\$0

(\$1,828,734) GF

\$0

\$828,734 NGF

Language:

Page 306, line 31, strike "\$175,237,067" and insert "\$174,237,067".

Page 307, line 18, after "appropriation," strike the remainder of the line.

Page 307, line 19, strike "\$350,000 from federal funds" and insert:

"\$171,266 from the general fund and \$1,178,734 from federal funds the second

year".

Page 307, strike lines 21 through 23.

Page 307, line 24, delete "3" and insert "2".

Page 307, line 24, strike "\$1,000,000 from the general fund and available federal funds" and insert:

"\$171,266 from the general fund and \$828,734 from nongeneral funds".

Page 307, line 27, delete "4" and insert "3".

Page 307, after line 30, insert:

"I. Out of this appropriation, \$32,829,644 the first year and \$32,829,644 the second year from the general fund and \$7,000,000 the first year and \$7,000,000 the second year from nongeneral funds shall be provided for special needs adoptions.

J. Out of this appropriation \$32,485,408 the first year and \$32,485,408 the second year from the general fund and \$32,485,408 the first year and \$32,485,408 the second year from nongeneral funds shall be provided for Title IV-E adoption subsidies ."

Explanation:

(This amendment reduces \$1.0 million from the general fund the second year for a new initiative to provide parents adopting foster care children with a \$1,000 recognition payment, which would have been provided in addition to current adoption subsidy payments. The amendment also supplants \$828,734 million in general fund dollars the second year with available federal funds to support recruitment of adoptive parents and ongoing supportive services to adoptive families to increase the number of adoptions of children in state foster care. Language is added which sets out amounts appropriated over the 2012-2014 biennium for special needs adoptions and adoption subsidies, totaling \$32.8 million from the general fund and \$7.0 million in nongeneral funds each year for special needs adoptions and \$32.5 million from the general fund and \$32.5 million from the nongeneral fund each year for adoption subsidies.)

Health and Human Resources Subcommittee

Item 343 #1h

Health And Human Resources

Department Of Social Services

Language

Language:

Page 308, line 47, strike "work with public and private partners to" and insert:

"allocate \$250,000 to Elevate Early Education for the purpose of implementing a pilot program for a kindergarten readiness assessment. Elevate Early Education shall

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use the state funds in conjunction with any available private matching funds to procure the rights to an assessment instrument for use in the pilot program."

Page 308, strike lines 48 through 51.

Page 308, line 52, strike "matter experts, to develop a pilot design and appropriate metrics."

Explanation:

(This amendment clarifies the intended use of additional funding provided to the Virginia Early Childhood Foundation.)

Health and Human Resources Subcommittee

Item 343 #2h

Health And Human Resources

Department Of Social Services

Language

Language:

Page 308, line 26, strike "\$601,896" and insert "\$791,896"

Page 308, line 27, strike "\$2,633,605" and insert "\$2,823,605".

Explanation:

(This amendment adds \$190,000 from the federal Temporary Assistance to Needy Families block grant the second year to partially restore funding for Healthy Families Virginia. Since 2010, state funding for the program has been reduced from \$5.4 million to \$3.2 million. Five programs have closed and eight programs have merged due to budget reductions. Healthy Families Virginia is the Commonwealth's largest evidence-based early childhood home visiting service delivery model as defined by the federal Department of Health and Human Services. This public-private partnership contracts with the Department of Social Services to provide evidence-based preventive services for at-risk families from before birth to age five.)

Health and Human Resources Subcommittee

Item 343 #3h

Health And Human Resources

Department Of Social Services

Language

Language:

Page 309, after line 36, insert:

"K. Out of this appropriation, \$25,000 the second year from the federal Temporary to Needy Families block grant shall be provided to the Visions of Truth Community

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Development Corporation to support self-sufficiency programs for at-risk youth."

Explanation:

(This amendment provides \$25,000 the second year from the federal Temporary Assistance to Needy Families block grant general for Visions of Truth Community Development Corporation to support the STRIVE program, which targets at-risk youth to promote self-sufficiency, through educational attainment and job readiness skills.)

Health and Human Resources Subcommittee

Item 345 #1h

Health And Human Resources	FY 12-13	FY 13-14	
Department Of Social Services	(\$4,400,000)	\$3,100,000	GF

Language:

Page 310, line 15, strike "\$120,507,125" and insert "\$116,107,125".

Page 310, line 16, strike "\$84,867,609" and insert "\$87,967,609".

Page 311, line 29, strike "\$6,400,000" and insert "\$2,000,000".

Page 311, line 29, strike "\$4,400,000" and insert "\$7,500,000".

Explanation:

(This amendment captures \$1.3 million the first year from the general fund from contract delays in implementing the new eligibility determination system in the Department of Social Services. In addition, \$3.1 million from the general fund is transferred from the first year to the second year to more accurately reflect projected expenditures for the systems development.)

Health and Human Resources Subcommittee

Item 345 #2h

Health And Human Resources	FY 12-13	FY 13-14	
Department Of Social Services	\$0	(\$165,000)	GF

Language:

Page 310, line 16, strike "\$84,867,609" and insert "\$84,702,609".

Page 311, strike lines 48 through 50.

Explanation:

(This amendment delays funding for the Department of Social Services' customer portal to create an interface between the Department of Corrections systems for prisoner re-entry. Currently, implementation of the new eligibility modernization

system is slightly behind schedule due to the delay in the contract award. This portal would build off of the new system.)

Health and Human Resources Subcommittee

Item 3-1.01 #1h

Transfers

Interfund Transfers

Language

Language:

Page 483, after line 4, insert:

"PP. On or before June 30, 2013, the State Comptroller shall transfer \$4,437,000 from the Virginia Tobacco Settlement Fund to the general fund from the arbitration settlement with tobacco companies as part of the Master Settlement Agreement ."

Explanation:

(This amendment transfers \$4.4 million in fiscal year 2013 in increased revenue in fiscal year 2013 from the Master Settlement Agreement (MSA) with tobacco manufacturers as a result of a recent tentative agreement. Many states have been involved in arbitration for some time over a dispute with tobacco companies regarding non-participating manufacturer adjustments. In December 2012, 17 states entered into a preliminary settlement with tobacco companies. If approved by the arbitration panel in fiscal year 2013, Virginia will receive a one-time increase in revenue as a result of previously withheld payments being released from escrow. The Office of the Attorney General projects Virginia's MSA payment will be \$172 million for fiscal year 2013, which is \$52.2 million higher than currently projected. Of this amount 8.5 percent will be deposited to the Virginia Tobacco Settlement Fund. This additional funding shall be transferred to the general fund to be used for cancer research and to fund the costs associated with the enforcement efforts in the Office of the Attorney General related to the 1998 Tobacco Master Settlement Agreement.)
