

Department of Planning and Budget

2001 Fiscal Impact Statement

1. Bill Number HB2585

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Byron

3. Committee Health, Welfare & Institutions

4. Title Community Policy and Management Teams; power and duties.

5. Summary/Purpose:

This bill authorizes a Community Policy and Management Team (CPMT), upon approval of the participating governing bodies, to contract with another Community Policy and Management Team to purchase care coordination services.

6. Fiscal Impact Estimates are:

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2001	\$0		
2002	\$18,991,580	0	GF
2002	\$11,153,785	0	Local Funds

7. Budget amendment necessary: Yes, Item, 293.10

8. Fiscal implications: This bill allows a local CPMT to contract with another CPMT to perform care coordination services. This bill represents the first time since the initiation of the CSA provisions that would allow administrative services to be funded with CSA pool funds. Since this bill will require a contractual relationship between two CPMT's, it is anticipated that only the second year of the biennium (FY02) will be impacted. However, if a local government presently has entered into an agreement for coordination services with another CPMT in error, there could be an additional cost in FY01. For example, in 1999 the CSA reversed a locality's attempt to charge over \$4 million in local care coordination charges to the pool fund. It is estimated that in FY02 the CSA will serve a total of 15,579 children. Based on statistical data (December 2000) housed in the service fee directory, the average hourly cost of care coordination services (case management/service coordination services) is \$129 per hour. On average, it is projected each case will receive 15 hours of care coordination (case management) service each year for a total case cost of \$1,935 annually with an aggregate state share percentage of 63%. The FY02 GF need is 15,579 children @ \$1,935 per year with the state participation rate of 63% = \$18,991,580. The local cost will be approximately \$11,153,785 statewide.

9. Specific agency or political subdivisions affected:

Local Governments
Comprehensive Services Act

10. Technical amendment necessary: Yes, existing language in *Code of Virginia* § 2.1-757 (d) would need to be modified or stricken.

11. Other comments: *Code of Virginia* § 2.1-757 (d) requires that each participating agency (including schools, social services, community services board, etc) will be responsible for providing care coordination services that are within that particular agency's scope of responsibility and which are funded separately and apart from the CSA. If the administrative cost associated with service coordination were shifted to the CSA pool funds, an offsetting reduction in administrative local funding could be realized in participating agencies.

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cc: Secretary of Health and Human Resources

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