

## Department of Planning and Budget 2010 Fiscal Impact Statement

**1. Bill Number:** SB 697

House of Origin	<u>X</u>	Introduced	<u>  </u>	Substitute	<u>  </u>	Engrossed
Second House	<u>  </u>	In Committee	<u>  </u>	Substitute	<u>  </u>	Enrolled

**2. Patron:** McWaters

**3. Committee:** Health, Welfare and Institutions

**4. Title:** Medicaid managed care

**5. Summary:** The bill directs the Department of Medical Assistance Services (DMAS) to continue efforts to expand managed care of Medicaid recipients throughout the Commonwealth, to the extent possible. It also provides that the Department have a goal of achieving statewide managed care by July 1, 2012.

**6. No Fiscal Impact**

**7. Budget Amendment Necessary:** No.

**8. Fiscal Implications:** The bill directs DMAS to continue their efforts to expand managed care throughout the Commonwealth. Since the mandatory managed care program was implemented in 1996, DMAS has aggressively expanded the program to extend coverage over much of the state. The main area currently not covered by managed care is the Southwestern part of the state. DMAS continues to push the expansion of managed care, however, the current economic environment is impacting the managed care organizations such that there have been some minor retractions in coverage over the past year. Therefore, meeting the goal of statewide managed care by July 1, 2012 is very unlikely. Since the bill only requires DMAS to expand managed care, to the extent possible, the bill has no fiscal impact.

**9. Specific Agency or Political Subdivisions Affected:** Department for Medical Assistance Services.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

**Date:** 1/27/2010 mst

**Document:** G:\GA Sessions\2010 Session\SB697.Doc