

Department of Planning and Budget 2011 Fiscal Impact Statement

1. Bill Number: HB 2192

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

2. Patron: Ebbin

3. Committee: Health, Welfare and Institutions

4. Title: Medicaid coverage for resident alien pregnant women and children

5. Summary: This bill authorizes the Department of Medical Assistance Services (DMAS) to provide Medicaid coverage to otherwise eligible non-citizen children up to age 21 and pregnant women who meet the definition of a lawfully residing alien pursuant to Section 214 of the federal Children's Health Insurance Program Reauthorization Act (CHIPRA) of 2009.

6. Budget Amendment Necessary: Yes, Item 297, Service Area 45609 and Item 300, Service Area 49901.

7. Fiscal Impact Estimates: Final.

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2012	\$956,809	-	General
2012	\$988,309	-	Federal
2013	\$1,150,204	-	General
2013	\$1,150,204	-	Federal
2014	\$1,164,548	-	General
2014	\$1,164,548	-	Federal
2015	\$1,177,195	-	General
2015	\$1,177,195	-	Federal
2016	\$1,190,845	-	General
2016	\$1,190,845	-	Federal
2017	\$1,205,611	-	General
2017	\$1,205,611	-	Federal

8. Fiscal Implications: The bill would expand health care coverage for pregnant women and increase the number of children covered under Medicaid.

The state's Medicaid program currently pays for only the labor and delivery costs (emergency services) for lawfully residing resident alien women who do not meet current Medicaid alien status requirements. The Department of Medical Assistance Services (DMAS) estimates approximately 938 deliveries are paid for each year at an average cost of \$3,252. This bill

provides full-benefit Medicaid coverage for these women, providing coverage during their entire pregnancy and up to two months after the birth. DMAS projects the average monthly enrollment of pregnant women is expected to increase by 468, with a monthly average cost of \$892. The cost of full pregnancy care minus the cost of the labor and deliveries that are currently covered results in an annual cost of \$1,957,104. The first year amount assumes only 80 percent of the cost to factor in a lag resulting from this policy change. This results in a FY 2012 impact of \$1,565,683 (\$782,842 GF). FY 2013 costs are estimated to be \$2,249,924 (\$1,124,962 GF) .

Virginia Medicaid currently covers eligible non-citizen children through age 18. This bill expands the coverage to age 21. DMAS estimates approximately 22 individuals, aged 19 and 20, would be eligible with this bill. The costs per year are based on their eligibility category (\$6,426 for Low Income Families with Children, \$11,021 for Foster Care and \$19,007 for disabled individuals). This population is estimated to grow three percent annually and the cost per enrollee growth is calculated separately resulting in medical costs of \$271,306 (\$135,653 GF) in FY 2012 and \$292,821 (\$146,410 GF) in FY 2013.

The fiscal impact estimates also include an administrative impact on DMAS. In FY 2012, the agency will have estimated one-time costs of \$63,000 (with a 75 percent federal match) to make system changes to the Medicaid Management Information System. In addition, the agency estimates additional enrollment-related costs (estimated at \$9.50 per enrollee per month) for various contractual expenditures (i.e. prior authorization and claims costs).

Detail of Fiscal Impact Estimates:

Fiscal Year	Medical Costs	Administrative Costs	Total Costs	Fund Source
2012	\$918,495	\$38,314	\$956,809	GF
	\$918,495	\$69,814	\$988,309	Federal
2013	\$1,124,962	\$25,242	\$1,150,204	GF
	\$1,124,962	\$25,242	\$1,150,204	Federal
2014	\$1,136,599	\$27,949	\$1,164,548	GF
	\$1,136,599	\$27,949	\$1,164,548	Federal
2015	\$1,149,189	\$28,006	\$1,177,195	GF
	\$1,149,189	\$28,006	\$1,177,195	Federal
2016	\$1,162,810	\$28,035	\$1,190,845	GF
	\$1,162,810	\$28,035	\$1,190,845	Federal
2017	\$1,177,548	\$28,063	\$1,205,611	GF
	\$1,177,548	\$28,063	\$1,205,611	Federal

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 1/28/11

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