

Department of Planning and Budget 2012 Fiscal Impact Statement

1. Bill Number: HB 920

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

2. Patron: Brink

3. Committee: Health, Welfare and Institutions

4. Title: Medicaid Managed Care Ombudsman

5. Summary: The bill establishes the Office of the Medicaid Managed Care Ombudsman within the Department of Medical Assistance Services (DMAS) to promote and protect the interests of covered persons under managed care programs of the Department. The duties of the Ombudsman include assisting persons receiving Medicaid furnished by managed care programs in understanding their rights and the processes available to them under their managed care plan, developing information on the types of managed care programs available in Virginia, and monitoring and providing information to the General Assembly on managed care issues.

6. Budget Amendment Necessary: Yes, Item 310, Service Area 49901.

7. Fiscal Impact Estimates: Final.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2012	-	-	-
2012	-	-	-
2013	\$105,631	1.0	GF
2013	\$105,631	1.0	NGF
2014	\$105,631	1.0	GF
2014	\$105,631	1.0	NGF
2015	\$105,631	1.0	GF
2015	\$105,631	1.0	NGF
2016	\$105,631	1.0	GF
2016	\$105,631	1.0	NGF
2017	\$105,631	1.0	GF
2017	\$105,631	1.0	NGF
2018	\$105,631	1.0	GF

- 8. Fiscal Implications:** This bill will establish the Office of the Medicaid Managed Care Ombudsman within the Department of Medical Assistance Services. Currently, DMAS' contracted enrollment broker provides most of the services the bill designates as duties of the Ombudsman. These DMAS-contracted enrollment broker services are separate and apart from the managed care organizations and are available online through a website or via telephone to a call center.

Based on a similar program at the Department for the Aging, DMAS estimates it would require two full-time staff to support the Office of the Medicaid Managed Care Ombudsman. DMAS estimates administrative costs for these additional positions and associated travel of \$211,262 (\$105,631 GF) and an increase in the agency's position level of two in FY 2013 and beyond.

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

- 10. Technical Amendment Necessary:** No.

- 11. Other Comments:** None.

Date: 1/18/12

Document: G:\GA Sessions\2012 Session\HB920.DOC