

## **Department of Planning and Budget 2016 Fiscal Impact Statement**

**1. Bill Number:** SB19

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Stanley

**3. Committee:** Education and Health

**4. Title:** Telemedicine; pilot program.

**5. Summary:** Directs the Department of Health, in partnership with a hospital licensed in the Commonwealth, to establish a three-year telemedicine pilot program designed to reduce patient use of emergency department facilities for the treatment of low-acuity conditions. The bill requires the Department to report the results of the pilot program to the State Board of Health and to the General Assembly by October 1, 2019.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Preliminary, see item #8.

**8. Fiscal Implications:** The fiscal impact that this bill would have on the Commonwealth cannot be determined without specific information regarding the structure and infrastructure of the clinic. While the costs of treatment would necessarily cover facility fees and health service provider fees, the ability to determine these costs is difficult. There are a large number of varying diagnoses that are evident at Emergency Departments that could presumably be served by primary health care providers which creates uncertainty when determining costs. This makes it difficult to determine the average cost for services.

The agency has stated that it is difficult to determine the needs of the clinic as they are dependent on the needs of the pilot community. There currently is no data that captures the number, frequency, conditions, or high volume times that the Emergency Department is utilized and therefore the agency cannot project or determine clinic needs based on existing data.

**9. Specific Agency or Political Subdivisions Affected:** Department of Health.

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

**11. Other Comments:** None.