

## Department of Planning and Budget 2017 Fiscal Impact Statement

1. **Bill Number:** HB 2209S1

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

2. **Patron:** O'Bannon

3. **Committee:** Finance

4. **Title:** Emergency Department Care Coordination Program established.

5. **Summary:** Establishes the Emergency Department Care Coordination Program in the Department of Health to provide a single, statewide technology solution that connects all hospital emergency departments in the Commonwealth to facilitate real-time communication and collaboration between physicians, other health care providers, and other clinical and care management personnel for patients receiving services in hospital emergency departments, for the purpose of improving the quality of patient care services.

6. **Budget Amendment Necessary:** Yes.

7. **Fiscal Impact Estimates:**

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2018	370,000	0	General
2018	3,330,000	0	Nongeneral
2019	370,000	0	General
2019	3,330,000	0	Nongeneral
2020	370,000	0	General
2020	3,330,000	0	Nongeneral
2021	370,000	0	General
2021	3,330,000	0	Nongeneral
2022	370,000	0	General
2022	3,330,000	0	Nongeneral
2023	370,000	0	General
2023	3,330,000	0	Nongeneral

8. **Fiscal Implications:** This bill as amended would have a fiscal impact on the Commonwealth. The bill establishes the Emergency Department Care Coordination Program. The Commissioner of Health may enter into a contract to create, operate, maintain, and administer the program. The Department of Health (VDH) will contract with a vendor that will provide a single, statewide technology solution that builds upon the existing Encounter Alerts infrastructure. The new solution will to connect all hospital emergency departments in

the Commonwealth to each other in order to facilitate real-time communication and collaboration among physicians, other health care providers and clinical and care management personnel for patients receiving services in hospitals emergency departments, for the purpose of improving the quality of patient care services.

In order to meet the provisions of the bill, the agency would need \$370,000 GF in FY 2018 to contract for services. VDH will coordinate with the Department of Medical Assistance Services (DMAS) to seek HITECH matching funds, which will be used to draw down \$3,330,000 in federal HITECH 90-10 funds for a total budget of \$3.7 million in FY18, \$100,000 GF of which will be reserved for VDH to oversee the contract. The Department of Health shall coordinate with the Department of Medical Assistance Services to seek additional eligible federal matching funds that support provider electronic health record implementation and integration in order to meet the provisions of the bill.

Implementation of this initiative is contingent upon the receipt of HITECH matching funds, and neither VDH, DMAS, nor its contractor will be obligated to implement the program without HITECH matching funds. In the event HITECH matching funds are not approved, the \$370,000 appropriated to the Department of Health in this item in FY 2018 shall revert to the General Fund.

**9. Specific Agency or Political Subdivisions Affected:** Virginia Department of Health and the Department of Medical Assistance Services.

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

**11. Other Comments:** SB 1561, introduced by Senator Dunnavant, is a companion bill.