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SENATE BILL NO. 1352

Offered January 9, 2019

Prefiled January 8, 2019

A BILL to amend and reenact § 32.1-323.2, to amend the Code of Virginia by adding in Title 32.1 a chapter numbered 10.1, consisting of sections numbered 32.1-331.18 through 32.1-331.21, and to repeal § 32.1-323.1 of the Code of Virginia, relating to creation of the Office of Medicaid Fiscal Oversight and Accountability.

Patrons—McDougle, Black and Dunnivant; Delegate: Peace

Referred to Committee on Education and Health

Be it enacted by the General Assembly of Virginia:

1. That § 32.1-323.2 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Title 32.1 a chapter numbered 10.1, consisting of sections numbered 32.1-331.18 through 32.1-331.21, as follows:

§ 32.1-323.2. Elimination of waiting lists for certain waivers.

It is the intent of the General Assembly to eliminate the waiting lists for services pursuant to the Intellectual Disability Medicaid Waiver and the Individual and Family Developmental Disabilities and Support Medicaid Waiver.

In furtherance of this intent, beginning with the fiscal year starting July 1, 2010, and for each fiscal year thereafter, the Department of Medical Assistance Services shall add (i) at least 400 additional funded slots per fiscal year for the Intellectual Disability Medicaid Waiver, and (ii) at least 67 additional funded slots per fiscal year for the Individual and Family Developmental Disabilities and Support Medicaid Waiver, until the waiting lists for the Intellectual Disability Medicaid Waiver and the Individual and Family Developmental Disabilities and Support Medicaid Waiver have been eliminated.

In addition, the Governor shall develop a plan to eliminate the waiting lists for services provided to individuals on the Intellectual Disability Medicaid Waiver and the Individual and Family Developmental Disabilities and Support Medicaid Waiver by the 2018-2020 biennium. The plan shall include provisions to reduce the total number of individuals on the waiting list for the Intellectual Disability Medicaid Waiver by 10 percent in the 2008-2010 biennium. The Governor shall submit the plan to the chairman of the Joint Commission on Health Care, and the chairmen of the House Appropriations and Senate Finance Committees by October 1, 2009.

The Department of Medical Assistance Services shall work with the Department of Planning and Budget Office of Medicaid Fiscal Oversight and Accountability to incorporate additional costs pursuant to this section in the estimate of Medicaid expenditures required pursuant to § 32.1-323.1 § 32.1-331.20.

CHAPTER 10.1.

OFFICE OF MEDICAID FISCAL OVERSIGHT AND ACCOUNTABILITY.

§ 32.1- 331.18. Office of Medicaid Fiscal Oversight and Accountability established.

There is hereby established as an independent agency of the Commonwealth, exclusive of the legislative, executive, or judicial branches of government, the Office of Medicaid Fiscal Oversight and Accountability, which shall include a Director, for the purpose of providing fiscal oversight and accountability for the costs of the state's Medicaid program.

§ 32.1-331.19. Appointment, qualifications, and salary of Director.

A. The Office of Medicaid Fiscal Oversight and Accountability shall be under the immediate supervision and direction of a Director, who shall be a person of good reputation, particularly as to honesty and integrity. The Director shall be appointed by the Governor, subject to confirmation by the General Assembly if in session when the appointment is made, and if not in session, then at its next succeeding session.

B. The Director shall receive a salary as provided in the general appropriations act.

C. The Director shall devote his full time to the performance of his official duties and shall not be engaged in any other profession or occupation.

§ 32.1-331.20. Powers and duties of Director.

The Director of the Office of Medicaid Fiscal Oversight and Accountability shall have the power and duty to:

1. Operate and manage the Office of Medicaid Fiscal Oversight and Accountability and employ such personnel as may be required to carry out the provisions of this chapter;

2. Make and enter into contracts and agreements as may be necessary and incidental to carry out the provisions of this chapter, and apply and accept grants from the United State government and

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59 agencies and instrumentalities thereof, and any other source, in furtherance of the provisions of this  
60 chapter;

61 3. Prepare a monthly budget variance report on the Medicaid program with explanation on any  
62 variance between expenditures and budget. Such report shall be submitted to the Governor and the  
63 Chairmen of the House Committee on Appropriations and the Senate Committee on Finance by the  
64 fifteenth day of each month;

65 4. By November 1 of each year, prepare and submit an estimate of Medicaid expenditures for the  
66 current year and a forecast of such expenditures for the next two years to the Governor, the Department  
67 of Planning and Budget, the Department of Medical Assistance Services, the House Committee on  
68 Appropriations, the Senate Committee on Finance, and the Joint Legislative Audit and Review  
69 Commission. Such forecast shall be known as the Official Medicaid Forecast. The Governor's budget  
70 recommendations shall be based on the Official Medicaid Forecast;

71 5. By November 1 of each year, brief the Secretary of Finance, Secretary of Health and Human  
72 Resources, the Director of the Department of Planning and Budget, the Director of the Department of  
73 Medical Assistance Services, and the appropriate staff of the House Committee on Appropriations and  
74 Senate Committee on Finance on the Official Medicaid Forecast;

75 6. Employ staff actuaries or contract with a reputable actuarial firm, with experience in Medicaid  
76 managed care, to develop annual projections for growth in managed care rates that shall be used in  
77 preparation of the Official Medicaid Forecast;

78 7. Develop and publish the actuarially sound capitation rates for the Commonwealth's Medicaid  
79 managed care programs;

80 8. Review and determine the fiscal impact of any amendment to the state plan adopted pursuant to  
81 § 32.1-325, amendment to any federal waivers, regulatory changes, or managed care contract changes  
82 proposed by the Department of Medical Assistance Services. If the Director of the Office of Medicaid  
83 Fiscal Oversight and Accountability determines that any such change would have a fiscal impact for  
84 which no legislative appropriation was provided in the current general appropriation act, such change  
85 shall not become effective unless and until a specific appropriation is provided by the General  
86 Assembly;

87 9. By October 15 of each year, prepare and submit a report regarding the fiscal impact of any  
88 policy changes implemented for the Medicaid program in the Commonwealth in the prior fiscal year.  
89 The report shall include the original amount budgeted for the policy change and the actual expenditures  
90 or savings related to the policy change. The report shall also track specific policy changes for 10 years  
91 following the date of implementation of each change. The Director shall submit the report to the  
92 Governor, the Director of the Department of Planning and Budget, the Director of the Department of  
93 Medical Assistance Services, and the Chairmen of the House Committee on Appropriations and the  
94 Senate Committee on Finance.

95 **§ 32.1-331.21. Other state agencies to provide assistance.**

96 The Department of Medical Assistance Services, the Department of Social Services, and all other  
97 agencies of the Commonwealth, their staff, and employees shall provide the Office of Medicaid Fiscal  
98 Oversight and Accountability with all necessary information and data, in a timely manner, for the  
99 performance of its duties.

100 **2. That § 32.1-323.1 of the Code of Virginia is repealed.**

101 **3. That the Department of Planning and Budget is hereby authorized and directed to transfer**  
102 **funds appropriated to the Department of Medical Assistance Services for the fiscal year beginning**  
103 **July 1, 2019, sufficient and adequate to provide for the operation of the Office of Medicaid Fiscal**  
104 **Oversight and Accountability as created by this act.**