

Department of Planning and Budget 2019 Fiscal Impact Statement

1. Bill Number: SB 1226

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

2. Patron: Chase

3. Committee: Education and Health

4. Title: Community paramedics; State Board of Health to adopt regulations governing practice

5. Summary: The proposed legislation requires the State Board of Health to adopt regulations governing the practice of community paramedics. The bill requires an applicant for licensure as a community paramedic to submit evidence that the applicant (i) is currently certified as an emergency medical services provider and has been certified for at least three years, (ii) has successfully completed a community paramedic training program that is approved by the Board or accredited by a Board-approved national accreditation organization and that includes clinical experience provided under the supervision of a physician or EMS agency, and (iii) has obtained Community Paramedic Certification from the International Board of Specialty Certification. The bill requires a community paramedic to practice in accordance with protocols and supervisory standards established by an operational medical director and to provide services only as directed by a patient care plan developed by the patient's physician, nurse practitioner, or physician assistant and approved by the community paramedic's supervising operational medical director.

The bill exempts a community paramedic providing services in accordance with the provisions of the bill from licensure as a home health organization. The bill requires the State Board of Medical Assistance Services to include in the state plan for medical assistance services a provision for the payment of medical assistance for home health services provided by a certified community paramedic exempt from licensure as a home health organization.

6. Budget Amendment Necessary: Yes

7. Fiscal Impact Estimates: Preliminary

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2019	\$4,189	General
	\$12,566	Federal
2020	\$101,354	General
	\$912,186	Federal
2021	-	-
2022	-	-

2023	-	-
2024	-	-
2025	-	-

- 8. Fiscal Implications:** The proposed bill would allow for the payment of medical assistance by community paramedics under Medicaid. Community paramedicine is a relatively new healthcare delivery model allowing paramedics and emergency medical technicians (EMTs) to operate in expanded roles by assisting with public health, primary healthcare and preventive services

Since the proposal allows DMAS to cover services provided by a community paramedic in a different manner than under current law, the bill could increase cost of the program if recipients utilize these services more often than visits to primary care providers. However, the ability of community paramedics to perform urgent maintenance tasks, such as post-discharge medication adherence and lab specimen collection, could decrease hospitalizations, readmissions and emergency room visits. Therefore, any specific fiscal estimate with regard to utilization is indeterminate. However, in general, DMAS expects that any additional cost for these expanded services would be offset by decreases in emergency department costs.

DMAS maintains that this bill would necessitate an update its Medicaid Management Information System to implement these benefit changes effective July 1, 2019. DMAS estimates that it would require 200 hours of work to update tables and perform the associated testing at a cost of \$16,755 total funds (\$4,189 general fund) for fiscal year 2019.

DMAS is in the process of developing the Medicaid Enterprise Systems to replace the current MMIS. DMAS reports that the bill would require changes to this new system including configuring new benefit contracts, benefit plans, covered services, and benefit rules and accumulators. Modifications to the scope of work would also include linking existing benefit frameworks and modifications to member enrollment processes, member revalidation monthly reports, and cost sharing as well as updating provider types, enrollment wizard, and relevant business rule sets. DMAS estimates SB 1226 would increase design and development of the new MES by \$1,013,540 total funds (\$101,354 general fund) in fiscal year 2020. Subject to federal approval, DMAS assumes that any additional MMIS cost would be covered with 90 percent federal funds.

- 9. Specific Agency or Political Subdivisions Affected:**

Department of Medical Assistance Services
Virginia Department of Health

- 10. Technical Amendment Necessary:** None

- 11. Other Comments:** No