

Department of Planning and Budget 2020 Fiscal Impact Statement

1. Bill Number: HB 902

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

2. Patron: Sickles

3. Committee: Health, Welfare, and Institutions

4. Title: Long-term care services and supports; preadmission screenings

5. Summary: The proposed legislation provides that every individual who applies for community or institutional long-term care services and supports as defined in the state plan for medical assistance services may choose to receive services in a community or institutional setting. Further, individuals may choose the setting and provider of long-term care services and supports from a list of approved providers. The bill also changes requirements related to the performance of such long-term care services and supports screenings.

6. Budget Amendment Necessary: Yes, Item 317.

7. Fiscal Impact Estimates: Preliminary

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2020	-	-
2020	-	-
2021	\$612,500	General
2021	\$787,500	Nongeneral
2022	-	-
2022	-	-
2023	-	-
2023	-	-
2024	-	-
2024	-	-
2025	-	-
2025	-	-
2026	-	-
2026	-	-

8. Fiscal Implications: The proposal would require the Department of Medical Assistance Services (DMAS) to accept the results of the Minimum Data Set (MDS) assessment protocol for an individual who applies for Long-Term Services and Supports (LTSS) and is receiving skilled nursing services that are not covered by Medicaid in an institutional setting following discharge from an acute care hospital. As such, DMAS has indicated that the agency would have a number of one-times costs associated with incorporating the MDS assessment tool as required by the bill.

- DMAS indicates that the current Medicaid Management Information System (MMIS) and the new Medicaid Enterprise System (MES) would need to be modified to ensure availability and timely access to reliable MDS data. The agency estimates that the necessary changes would have a one-time cost of \$350,000 (\$87,500 general fund) based on other comparable integration projects.
- DMAS maintains that the existing on-line Medicaid LTSS screening training would need to be updated to incorporate the MDS protocol. The agency does not currently have any experience or expertise with the MDS data. Typically, MDS is used to justify the continuation of care as opposed to qualifying a patient. As such, DMAS is expecting to have one-time expenses, estimated at \$750,000 (\$375,000 general fund), associated with modifying the current screening training, updating the manual and revising the curriculum. This estimate is based on the cost of the current contract with VCU.
- DMAS estimates that \$300,000 (\$150,000 general fund) would be needed to hire a contractor to 1) examine MDS data and determine how to utilize MDS data across community-based, hospital, and nursing facility screening programs, 2) provide technical assistance during the transition, and 3) study alternate pre-admission screening tools as required by the legislation.

9. Specific Agency or Political Subdivisions Affected:

Department of Medical Assistance Services

Department of Health

Department of Social Services

Department of Aging and Rehabilitative Services

Department of Behavioral Health and Developmental Services

10. Technical Amendment Necessary: No

11. Other Comments: This bill is a companion to SB 902.