

Department of Planning and Budget 2023 Fiscal Impact Statement

1. Bill Number: HB1452

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☒ Substitute ☐ Enrolled

2. Patron: Robert D. Orrock, Sr.

3. Committee: Finance and Appropriations

4. Title: Appointment of sworn unit investigators to Medicaid Fraud Control Unit.

5. Summary: Allows the Attorney General to designate up to 30 persons in the Medicaid Fraud Control Unit as sworn unit investigators, sworn only to enforce the provisions of the article. The bill defines sworn unit investigators as law-enforcement officers. All sworn unit investigators will remain subject to the federal requirements authorizing State Medicaid Fraud Control Units.

6. Budget Amendment Necessary: Yes, Item 62.

7. Fiscal Impact Estimates: Indeterminate – See Item 8.

7a. Expenditure Impact:

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i> |
|--------------------|----------------|------------------|-------------|
| 2024 | \$6,225 | 0 | Special |
| | \$18,675 | | Federal |
| 2025 | \$6,225 | 0 | Special |
| | \$18,675 | | Federal |
| 2026 | \$6,225 | 0 | Special |
| | \$18,675 | | Federal |
| 2027 | \$6,225 | 0 | Special |
| | \$18,675 | | Federal |
| 2028 | \$6,225 | 0 | Special |
| | \$18,675 | | Federal |
| 2029 | \$6,225 | 0 | Special |
| | 18,675 | | Federal |
| 2030 | \$6,225 | 0 | Special |
| | \$18,675 | | Federal |

8. Fiscal Implications: This legislation would allow the Attorney General to designate up to 30 employees in the Medicaid Fraud Control Unit as sworn unit investigators. The bill defines sworn unit investigators as law-enforcement officers eligible for the Line of Duty Act (LODA) benefits. The VRS Board certified LODA premium per eligible employee for fiscal year 2024 is \$830. The Office of the Attorney General and Department of Law (OAG) will need approximately an additional \$24,900 nongeneral fund appropriation to cover the LODA premiums per year. The Medicaid Fraud Control Unit is funded through federal grants as

well as settlement funds, the funding split is approximately 75% federal to 25% special funds (from prior settlements).

The Department of Human Resource Management (DHRM) indicates, the addition of 30 Medicaid Fraud Control Unit sworn unit investigators should not have a fiscal impact to DHRM's Office of Workers' Compensation (OWC) and the unit at the OAG assigned to litigate workers' compensation cases. There may be an impact on the OAG's overall workers' compensation premium by reclassifying these positions to law-enforcement officers; however, the fiscal impact to the premium cannot be determined.

Depending on the demographics and experience of the 30 sworn unit investigators, their eligibility for LODA benefits may impact future LODA premium rates for the Line of Duty Death and Health Benefits Fund. The impact to LODA premiums is indeterminate at this time.

Virginia State Police indicates this bill should not present a significant fiscal impact.

- 9. Specific Agency or Political Subdivisions Affected:** The Office of the Attorney General and Department of Law; The Virginia Retirement System; The Department of Human Resource Management; Virginia State Police

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 2/22/2023