

## Department of Planning and Budget 2011 Fiscal Impact Statement

**1. Bill Number:** SB 1286

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

**2. Patron:** McWaters

**3. Committee:** Education and Health

**4. Title:** Medicaid managed care

**5. Summary:** The bill directs the Department of Medical Assistance Services (DMAS) to continue efforts to expand managed care of Medicaid recipients throughout the Commonwealth, to the extent possible. It also provides that the department have a goal of achieving statewide managed care by July 1, 2012.

**6. Budget Amendment Necessary:** No.

**7. No Fiscal Impact**

**8. Fiscal Implications:** The bill directs DMAS to continue their efforts to expand managed care throughout the Commonwealth. Since the mandatory managed care program was implemented in 1996, DMAS has aggressively expanded the program to extend coverage over much of the state. The main area currently not covered by managed care is the Southwestern part of the state. Although the financial condition of the participating health plans has improved in 2010 over 2009, it is not clear to what extent health plans will have sufficient interest in expanding operations to areas without Medicaid managed care coverage, especially in far Southwest Virginia. Since the bill only requires DMAS to expand managed care, to the extent possible, the bill has no fiscal impact.

**9. Specific Agency or Political Subdivisions Affected:** Department of Medical Assistance Services.

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

**11. Other Comments:** None.

**Date:** 1/26/11

**Document:** G:\GA Sessions\2011 Session\SB1286.Doc  
c: Secretary of Health and Human Resources