

Department of Planning and Budget 2018 Fiscal Impact Statement

1. Bill Number: HB 832

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

2. Patron: Bell, Richard P.

3. Committee: Health, Welfare and Institutions

4. Title: Certificate of public need; exception.

5. Summary: Authorizes the State Health Commissioner to accept, review, and issue a certificate of public need for open heart services in Planning District 8, provided that certain conditions are met. The bill provides that the Commissioner shall not deny the application on the basis of the economic or service volumes impact on existing providers.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: See item 8.

8. Fiscal Implications: This bill would not have a fiscal impact on the Virginia Department of Health.

The Department of Medical Assistance Services (DMAS) does not anticipate increased utilization for open heart surgery as a result of this bill, but if the COPN results in excess capacity there could be increased per unit costs for open heart surgery. Increased per unit cost eventually would be reflected in Medicaid inpatient hospital reimbursement rates, though the impact on Medicaid rates of a single additional program would probably be minor. Access to open heart surgery may increase for Medicaid recipients, but it is unlikely to be significant. DMAS cannot quantify the net fiscal impact of these open heart services, but it is likely to be negligible because it is limited to open heart surgery in Planning District 8 (Northern Virginia).

9. Specific Agency or Political Subdivisions Affected: The Virginia Department of Health and Department of Medical Assistance Services.

10. Technical Amendment Necessary: No.

11. Other Comments: None.