

Department of Planning and Budget 2019 Fiscal Impact Statement

1. Bill Number: SB1072

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: Peake

3. Committee: Rehab and Social Services

4. Title: Training center; clarifies definition

5. Summary: Defines "training center" as a regional facility operated by the Department of Behavioral Health and Developmental Services that is certified by the Centers for Medicare and Medicaid Services (CMS) as an intermediate care facility for individuals with intellectual disability (ICF/IID). The bill provides that ICF/IID certification does not preclude additional CMS certifications as appropriate.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: See 8 Below.

8. Fiscal Implications: This bill appears to limit the definition of "training centers" to regional certified ICFs/ID facilities, which could remove Hiram Davis Medical Center (HDMC) from the facilities that DBHDS currently utilizes as training centers for individuals with intellectual and developmental disabilities who have skilled nursing level needs. HDMC currently has both ICF/ID and skilled nursing level beds. It is the only DBHDS facility that is currently defined as a training center that also has skilled nursing beds.

§ 37.2-837, Code of Virginia, allows individuals who are residing in training centers to choose to continue to receive care in a "training center", although it does not prevent DBHDS from transferring a resident to another training center elsewhere in the state. DBHDS has identified five individuals at Central Virginia Training Center (CVTC) who will soon require the level of medical care which could be provided either in the community or by HDMC. CVTC is scheduled to close in 2020.

It is unclear if this legislation precludes HDMC from being defined as a "training center" because it is not considered "regional" and/or individuals are given skilled nursing level care, however, in the event it is determined that it no longer meets the definition, DBHDS would no longer be able to use HDMC for individuals who 1. need skilled nursing level of care, and 2. choose to stay in a "training center". Because no other training center has skilled nursing beds, and the individuals no longer meet the conditions for ICF/ID level of care, then DBHDS will no longer receive Medicaid reimbursement for these individuals and must find a way to provide a skilled nursing level of care. DBHDS estimates that there are five individuals at CVTC who will require skilled nursing level of care within the next 18 months.

While the ultimate impact of this bill is dependent both on whether HDMC can still be used, the timing of any necessary moves, and the choices of the individuals residing at CVTC, DBHDS has provided a potential special fund revenue loss of \$1,522,050 per year (\$834 per day for 365 days for five individuals) at CVTC. If there is loss of revenue, half of the loss could be offset by transferring the general fund match budgeted for these individuals as Medicaid match at the Department of Medical Assistance Services to DBHDS. Because CVTC is slated to close in 2020, any revenue loss to CVTC would be temporary; however, the bill may require that Southeastern Virginia Training Center create skilled nursing level beds for those individuals after CVTC closes, which would likely have additional costs.

If this bill is not interpreted to preclude DBHDS from transferring individuals to HDMC, then there is no impact.

9. Specific Agency or Political Subdivisions Affected: Department of Behavioral Health and Developmental Services

10. Technical Amendment Necessary: No.

11. Other Comments: None