

Department of Planning and Budget

2020 Special Session I - Fiscal Impact Statement

1. **Bill Number:** SB 5116

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

2. **Patron:** McDougale

3. **Committee:** Education and Health

4. **Title:** Nursing homes, certified nursing facilities, and assisted living facilities; electronic monitoring.

5. **Summary:** The proposed legislation requires the Department of Medical Assistance Services (DMAS) to implement an electronic visit verification system to confirm delivery of in-home services by providers of consumer-directed personal care, respite care, or companion services through the Commonwealth Coordinated Care Plus waiver program, Developmental Disability waiver program, or the Early and Periodic Screening Diagnosis and Treatment program and creates an exception to the requirement that providers of such services use the electronic visit verification system for providers who reside in the home of the person receiving services.

6. **Budget Amendment Necessary:** Yes

7. **Fiscal Impact Estimates:** Preliminary

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2021	\$507,042	General
	\$563,958	Nongeneral
2022	\$315,000	General
	\$315,000	Nongeneral
2023	\$315,000	General
	\$315,000	Nongeneral
2024	\$315,000	General
	\$315,000	Nongeneral
2025	\$315,000	General
	\$315,000	Nongeneral
2026	\$315,000	General
	\$315,000	Nongeneral

8. **Fiscal Implications:** As required by Appropriation Act language (Paragraph HHH., Item 313, Chapter 1289, 2020 Virginia Acts of Assembly), DMAS has an established electronic visit verification (EVV) system that meets the requirements of subsection A of this bill. However, DMAS does not currently allow exemptions for live-in caregivers, as required by subsection B of this bill.

A similar proposal, to exempt live-in caretakers, was included in the conference report passed by the 2020 General Assembly. However, the funding for this action was ultimately unallotted and the associated authority nullified (Item 317.10, Chapter 1289). Further, the introduced budget bill (HB 5005/SB 5015) before the 2020 Special Session includes an amendment that would make this reduction permanent.

This legislation is necessary to authorize EVV in the Code of Virginia and subsequently direct DMAS to exempt live-in caretakers. This would require additional funds as described in Line 7 above in order to make implement this legislation.

As such, a budget amendment is necessary to remove this item from the list of reductions in Central Appropriations, which would reinstate the authority contained in the budget. DMAS estimates that the cost of providing the required exemption to be \$1,071,000 total funds (\$507,042 general fund) in FY 2021 and \$630,000 total funds (\$315,000 general fund) in each year thereafter. These amounts are based on the department's experience implementing similar program changes and feedback from managed care vendors. These estimates assume enhanced federal matching dollars (56.2 percent) through December 31, 2020.

9. Specific Agency or Political Subdivisions Affected:

Department of Medical Assistance Services

10. Technical Amendment Necessary: No

11. Other Comments: None