

Department of Planning and Budget

2022 Fiscal Impact Statement

1. Bill Number: HB 1294

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: Gooditis

3. Committee: Health, Welfare and Institutions

4. Title: Personal care services; requirements for managed care organizations

5. Summary: This legislation requires the Department of Medical Assistance Services (DMAS) to include in every managed care contract a provision that (i) authorizations or reauthorizations of consumer-directed or agency-directed personal care service hours for individuals receiving services through the Commonwealth Coordinated Care Plus waiver must be required no more frequently than once every 12 months unless warranted by a substantial change in the medical needs of the service recipient and (ii) managed care organizations must not remove a provider of consumer-directed or agency-directed personal care services for individuals receiving services through the Commonwealth Coordinated Care Plus waiver from its provider network without cause, and must provide a written statement setting forth such cause to the provider prior to such removal.

6. Budget Amendment Necessary: Indeterminate, See Item 8.

7. Indeterminate Fiscal Impact

8. Fiscal Implications: DMAS reports that the proposed bill could have fiscal implications on the Medicaid program since it would limit the ability of managed care organizations to control provider networks and service authorizations. As such, DMAS maintains that there could be an adverse impact on program integrity and the quality of care, which in turn would lead to higher costs. However, there is no currently available data to quantify this expectation and any related cost cannot be calculated.

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

10. Technical Amendment Necessary: No

11. Other Comments: None