

Department of Planning and Budget 2023 Fiscal Impact Statement

1. **Bill Number:** HB 1512

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. **Patron:** Adams

3. **Committee:** Passed Both Houses

4. **Title:** Medical assistance services; durable medical equipment, complex rehabilitation technology

5. **Summary:** The enrolled bill directs the Board of Medical Assistance Services to amend the state plan for medical assistance services to include a provision for payment of medical assistance for the initial purchase or replacement of complex rehabilitative technology manual and power wheelchair bases and related accessories. The Board must also adopt emergency regulations to implement the provisions of the bill. In addition, the amended bill would not become effective unless an appropriation effectuating its purposes is included in a general appropriation act passed in 2023 by the General Assembly that becomes law.

6. **Budget Amendment Necessary:** Yes, Item 304.

7. **Fiscal Impact Estimates:** Preliminary

Expenditure Impact:

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Fund</i> |
|--------------------|----------------|-------------|
| 2024 | \$ 1,272,060 | General |
| | \$ 1,335,690 | Nongeneral |
| 2025 | \$ 1,272,060 | General |
| | \$ 1,335,690 | Nongeneral |
| 2026 | \$ 1,272,060 | General |
| | \$ 1,335,690 | Nongeneral |
| 2027 | \$ 1,272,060 | General |
| | \$ 1,335,690 | Nongeneral |
| 2028 | \$ 1,272,060 | General |
| | \$ 1,335,690 | Nongeneral |
| 2029 | \$ 1,272,060 | General |
| | \$ 1,335,690 | Nongeneral |
| 2030 | \$ 1,272,060 | General |
| | \$ 1,335,690 | Nongeneral |

8. **Fiscal Implications:** The proposed legislation would implement findings from a workgroup (HB 241) originating from the 2022 General Assembly. Specifically, the workgroup was tasked with studying “the overall cost of and options for the provision of medical assistance

to cover and reimburse complex rehabilitation technology (CRT) manual and power wheelchair bases and related accessories for qualified individuals who reside in nursing facilities.” The work group surveyed Virginia nursing facilities to get an estimate as to the potential demand for wheelchairs among Medicaid members. A need of 50 wheelchairs was identified from the survey of 33 responding facilities. At an expected average cost of \$6,884.46 per wheelchair, the average cost per facility is estimated to be \$10,431 (50 wheelchairs * \$6,884 cost / wheelchair = \$344,223 total cost / 33 responding facilities). Assuming this sample size is reflective of the population (nursing facilities vary greatly in capacity), total cost estimate for 250 nursing facilities is \$2,607,750 annually (\$10,431 average cost / facility * 250 nursing facilities).

Cost estimate assumes flat growth based on historical population trends for nursing facility member population (year-over-year annual growth for FY 2019 through FY 2022 ranges from -2.5 percent to 1.3 percent).

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

10. Technical Amendment Necessary: No

11. Other Comments: None