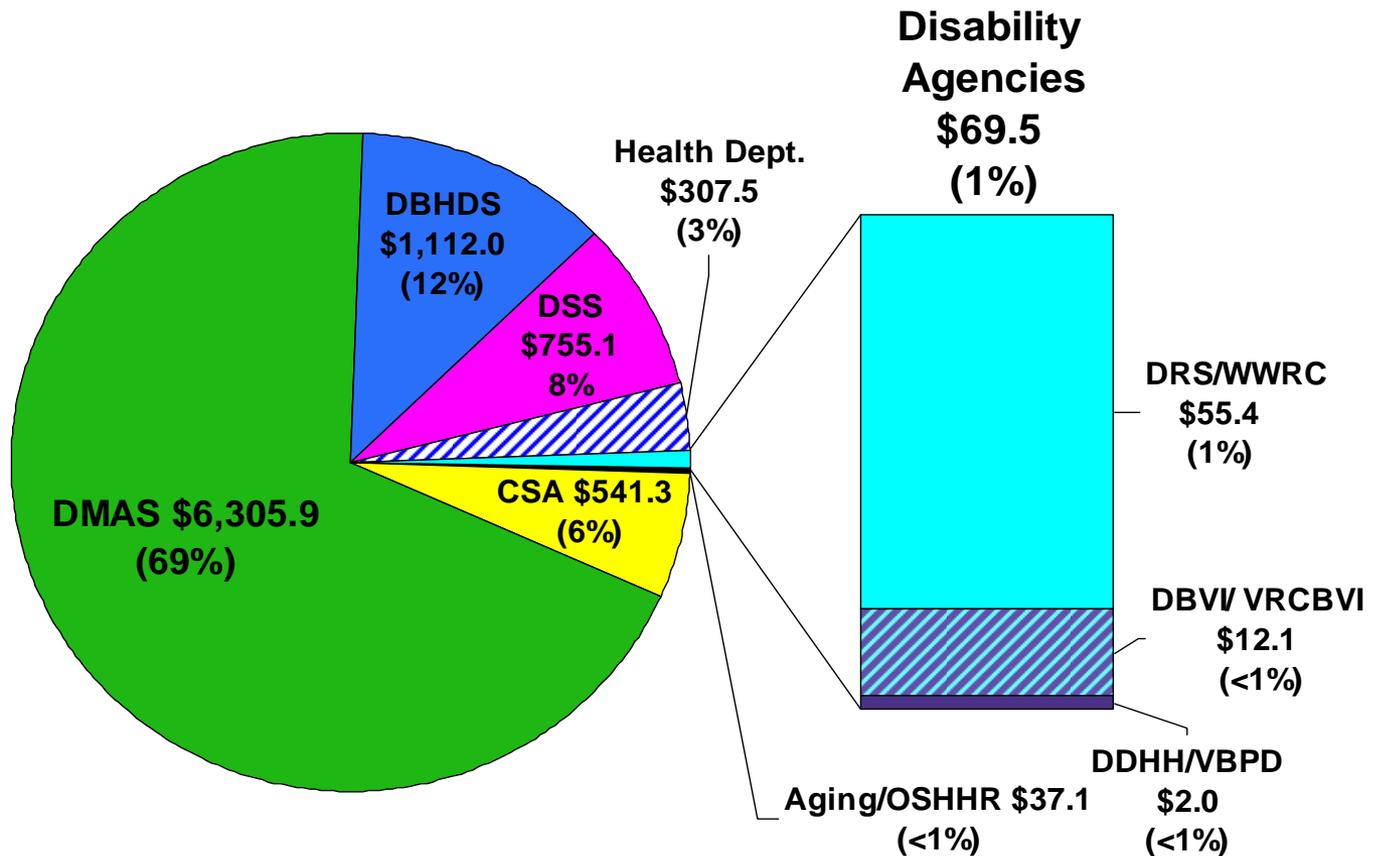


2011 Budget Actions on Disability Services

Presentation to the
Disability Commission
Susan E. Massart
Appropriations Committee Staff
May 18, 2011

Overview of 2010-12 GF Budget for Health & Human Resources (GF \$ in millions)

Total GF = \$9,128.4 million



Overview of Adopted Budget for Health & Human Resources

- Net increase of \$173.9 million GF and \$812.7 million NGF over 2010-12 biennial budget
 - Represents \$508.7 million GF in new spending offset by \$334.8 million GF in agency reductions
 - Most new federal funding represents enhanced federal Medicaid matching funds and federal funding for social services federal and state mandates
 - caseload and cost increases in existing programs
 - critical needs
 - restoration of prior year reductions

HHR Major Spending Initiatives

- \$172.7 million GF additional mandatory spending over the biennium for programs such as Medicaid and FAMIS (children's health insurance) as well as additional federal requirements related to program operations
- \$71.9 million GF to transition individuals from state intellectual disability training centers into the community and build community capacity to serve individuals with intellectual disability, developmental disability and mental illness in need of care
 - \$30.0 million GF to fund the Behavioral Health and Developmental Disabilities Trust Fund
 - \$13.4 million GF to restore funding for respite care hours provided to Medicaid home- and community waiver recipients
 - \$9.0 million GF for 275 additional intellectual disability Medicaid waiver slots
 - \$2.2 million GF for 150 additional developmental disability Medicaid waiver slots
- \$70.3 million GF in to restore or mitigate reductions to Medicaid provider rates contained in the Chapter 874 (2010 Appropriation Act)
 - Includes \$14.4 million GF to partially restore rates to providers of Medicaid home- and community-based waiver services
- \$16.8 million GF to address the treatment needs of an increasing number of sexually violent predators committed to the Virginia Center for Behavioral Rehabilitation (VCBR)

HHR Major Spending Reductions

- \$140.8 million GF in forecast changes to Medicaid and FAMIS and other adjustments to align appropriations with projected spending (e.g., pharmacy rebates, involuntary mental health commitments, child welfare, unemployed parents program, etc.)
- \$160.4 million GF by replacing general fund monies with other resources (enhanced federal Medicaid matching funds, federal block grant funds, etc.)
- \$17.8 million GF through various Medicaid budget reduction strategies
- \$15.8 million GF in agency administrative reductions and efficiencies

Medicaid Restorations Using FMAP Affecting Individuals with Disabilities

- The budget adopted during the 2010 Session included language to restore funding for a number of Medicaid reductions contingent upon the extension of Federal Medical Assistance Percentage (FMAP) by six additional months from January 1, 2011 through June 30, 2011.
- Congressional extension of enhanced FMAP last summer provided \$265.6 million to restore funding to Medicaid eligibility changes enacted in the 2010 Session and any other items required by federal law or rules
- Funding used to restore most contingent Medicaid reductions for 9 months in FY 2011

Budget Item (Federal \$)	FY 2011	FY 2012
Freeze enrollment in Medicaid waivers in 2011	\$3,159,959	\$13,310,010
Eligibility reduction of SSI Group from 300 to 250%	\$14,232,161	\$72,881,622
Inflation increase of medically needy income limits	\$0	\$563,081
Eligibility reduction for Aged, Blind and Disabled	\$0	\$36,167,138
Optometry services	\$296,861	\$418,500
Restore Medicaid waiver rates (Oct.-June 2011)	\$12,602,378	-
Restore limit on respite care hours to 720 hrs./year	\$4,956,586	-
Restore funds for Centers for Independent Living	\$352,091	-
Total	\$17,688,981	\$123,340,351

Additional 2011 Session Medicaid Restorations Affecting Individuals with Disabilities

Budget Item (GF \$ only)	FY 2011	FY 2012
Partially Restore Medicaid waiver rates	FMAP	\$14,369,028
Partially restore limit on respite care hours to 480 hrs. per year	FMAP	\$13,419,186
150 Developmentally Disabled Waiver slots	-	\$2,183,700
Podiatry services	-	\$487,500
Total	-	\$30,459,414

- Budget language also requires expansion of Medicaid managed/coordinated care
 - Care coordination for elderly and disabled waiver recipients (Oct. 2011)
 - Medallion II for all Medicaid waiver recipients (January 2012)
 - Care coordination for individuals dually eligible for Medicaid and Medicare (April 2012)
 - Chronic kidney disease health home program (April 2012)
 - Care coordination for individuals in need of behavioral health services (July 2012)

2011 Session Restorations and Initiatives in the Department of Rehabilitative Services

Budget Item (GF \$ only)	FY 2011	FY 2012
Restorations from Ch. 874 (2010 Appropriations Act):		
Brain injury services	-	\$194,931
Centers for Independent Living	-	\$160,000
Restorations from 2011 Introduced Budget:		
Long-term employment support services	-	\$192,372
Long-term rehabilitation case management services	-	\$188,279
Extended employment support services	-	\$106,328
Other Initiatives:		
Disability determination services (GF match)	\$200,000	\$200,000
Didlake vocational services	-	\$200,000
Transfer Office of Community Integration from VBPD	-	\$147,452