



COMMONWEALTH of VIRGINIA
Department of Medical Assistance Services

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December 1, 2017

MEMORANDUM

TO: The Honorable Thomas K. Norment
Co-Chairman, Senate Finance Committee

The Honorable Emmett W. Hanger, Jr.
Co-Chairman, Senate Finance Committee

The Honorable Stephen D. Newman
Chairman, Senate Education and Health

The Honorable S. Chris Jones
Chairman, House Appropriations Committee

The Honorable Robert Orrock, Sr.
Chairman, House Health, Welfare and Institutions

FROM: Cynthia B. Jones *Cynthia B. Jones*

SUBJECT: Status of the Report on the Estimated Costs of the State/Local Hospitalization Program

Section 32.1-345 of the Code of Virginia states the Director of the Department of Medical Assistance Services shall report each year by December 1 to the Senate Committees on Education and Health and Finance and the House Committees on Health, Welfare and Institutions and Appropriations on the estimates of the costs of the State/Local Hospitalization Program, based on trend analyses of the estimated costs of the actual local per capita demand. Attached is the 2017 report.

Should you have any questions or need additional information, please feel free to contact me at (804) 786-8099.

CBJ/

pc: The Honorable William A. Hazel, Jr., MD, Secretary of Health and Human Resources

Annual- State/Local Hospitalization Program Report- FY 2017

A Report to the Virginia General Assembly

December 1, 2017

Report Mandate:

Section 32.1-345 of the Code of Virginia- The Director of Medical Assistance Services shall report each year by December 1 to the Senate Committees on Education and Health and Finance and the House Committees on Health, Welfare and Institutions and Appropriations on the estimates of the costs of the State/Local Hospitalization Program, based on trend analyses of the estimated costs of the actual local per capita demand.

The State/Local Hospitalization Program

Section 32.1-345 of the Code of Virginia requires the Department of Medical Assistance Services (DMAS) to report on the estimated costs of the State/Local Hospitalization (SLH) program to the Senate Committees on Education and Health and Finance, and the House Committees on Health, Welfare and Institutions and Appropriations. The current Appropriation Act does not include funding for the SLH Program; therefore, there is no basis to compile the referenced report until funding may be restored.

About DMAS and Medicaid

DMAS' mission is to ensure Virginia's Medicaid enrollees receive high quality and cost effective health care.

Medicaid plays a critical role in the lives of over a million Virginians, providing health care for those most in need. Medicaid enrollees include children, pregnant women, parents and care takers, older adults and individuals with disabilities. Virginians must meet income thresholds and other eligibility criteria before qualifying to receive Medicaid benefits.

Medicaid covers primary and specialty health care, inpatient care, and behavioral health and addiction and recovery treatment services. Medicaid also covers long term services and supports, making it possible for thousands of Virginians to remain in their homes or to access residential and nursing home care.

Quick Medicaid facts:

- Covers 1 in 8 Virginians
- Covers 1 in 3 births and 33% of children
- Supports 2 in 3 nursing facility residents

Virginia Medicaid and Children's Health Insurance Program (CHIP) are administered by the Department of Medical Assistance Services (DMAS) and are jointly funded by Virginia and the federal government under the Title XIX and Title XXI of the Social Security Act. Virginia generally receives \$1 of federal matching funds for every \$1 Virginia spends on Medicaid.