



COMMONWEALTH of VIRGINIA
Department of Medical Assistance Services

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May 8, 2020

MEMORANDUM

TO: The Honorable Janet D. Howell
Chairman, Senate Finance Committee

The Honorable Luke Torian
Chairman, House Appropriations Committee

Daniel Timberlake
Director, Department of Planning and Budget

FROM: Karen Kimsey *KK*
Director, Department of Medical Assistance Services

SUBJECT: Estimate of impact of enhanced FMAP on Medical Assistance Programs

This report is submitted in compliance with Item 307 II of Chapter 1283 of the 2020 Acts of Assembly.

“Within 10 days of the enactment of this Act, the Department of Medical Assistance Services (DMAS) shall generate an estimate of the annual impact of enhanced federal Medical Assistance Percentages (FMAP), associated with federal H.R. 6021, the Families First Coronavirus Response Act (FFCRA), on all medical assistance programs as appropriated in this Act. The agency shall report these estimates by fiscal year, fiscal quarter, service area and fund detail, to the Department of Planning and Budget (DPB) and the Chairs of the House Appropriations and Senate Finance and Appropriation Committees within the required timeframe. DPB is authorized to unallot an amount of state funds equal to the general fund savings identified in the DMAS report.”

The attached report calculates the impact of the enhanced Federal Medical Assistance Percentages (FMAP) of 6.2% provided by Sec. 6008 (a) of federal Public Law (P.L.) 116-127, the Families First Coronavirus Response Act. The enhanced FMAP is contingent on Virginia meeting “maintenance of effort requirements” described in Sec. 6008 (b) of P.L. 116-127. This report calculates the impact of the enhanced FMAP on fiscal year 2020 by recalculating the allocation between General Funds, Provider Rate Assessment, and Federal Funds for Items

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302, 303, and 305 for the 2019 Appropriation Act. This recalculation is based on the increased 6.2% for Federal funds minus the estimated costs to meet the maintenance of effort requirements in Sec. 6008 (b).

This report also provides a preliminary estimate of the impact of the increased FMAP on items 312, 313, and 315 in House Bill (HB) 30 covering fiscal years 2021 and 2022. The estimate assumes the items unallotted in Item 317.10 are not included. This report makes no assumption about the end of the state of emergency and carries the enhanced FMAP through the entire biennium. DMAS will provide an updated analysis of fiscal years 2021 and 2022, including an estimate of the cost to meet the Sec. 6008 (b) maintenance of effort requirements, as part of the report required by Item 317 FF in HB 30, after approval by the Governor.

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

KK/
Enclosure

pc: The Honorable Daniel Carey, M.D., Secretary of Health and Human Resources

EFMAP Analysis FY2020 Summary

FY2020 Summary of Re-Enrolled Budget

	General Funds 01000	VA Health Care Fund 09490	Provider Rate Assessment 09790	Federal Funds 10000	TOTAL
FAMIS: 44602	(4,307,825)			4,307,825	0
MEDICAID: 45607	(3,662,768)			3,662,768	0
MEDICAID: 45608	(2,685,711)			2,685,711	0
MEDICAID: 45609	(270,267,181)		(29,079,337)	299,346,519	0
MEDICAID: 45610	(44,909,601)			44,909,601	0
MCHIP: 46601	(4,436,056)			4,436,056	0
TOTAL	(\$330,269,142)	\$0	(\$29,079,337)	\$359,348,479	\$0

FY2020 Summary of COVID 19 Maintenance of Effort

	General Funds 01000	VA Health Care Fund 09490	Provider Rate Assessment 09790	Federal Funds 10000	TOTAL
FAMIS: 44602	206,737			872,264	1,079,001
MEDICAID: 45607	0			0	0
MEDICAID: 45608	0			0	0
MEDICAID: 45609	10,982,100			14,091,189	25,073,289
MEDICAID: 45610	0			0	0
MCHIP: 46601	156,022			658,291	814,313
TOTAL	\$11,344,859	\$0	\$0	\$15,621,744	\$26,966,603

FY2020 TOTAL BY SERVICE AREA and FUND

	General Funds 01000	VA Health Care Fund 09490	Provider Rate Assessment 09790	Federal Funds 10000	TOTAL
FAMIS: 44602	(4,101,088)			5,180,089	1,079,001
MEDICAID: 45607	(3,662,768)			3,662,768	0
MEDICAID: 45608	(2,685,711)			2,685,711	0
MEDICAID: 45609	(259,285,081)		(29,079,337)	313,437,708	25,073,289
MEDICAID: 45610	(44,909,601)			44,909,601	0
MCHIP: 46601	(4,280,034)			5,094,347	814,313
TOTAL	(\$318,924,283)	\$0	(\$29,079,337)	\$374,970,223	\$26,966,603

FY2020 TOTAL BY PROGRAM and FUND

	General Funds 01000	VA Health Care Fund 09490	Provider Rate Assessment 09790	Federal Funds 10000	TOTAL
TOTAL MEDICAID	(310,543,161)		(29,079,337)	364,695,788	25,073,289
TOTAL CHIP	(8,381,122)			10,274,436	1,893,314
TOTAL	(\$318,924,283)	\$0	(\$29,079,337)	\$374,970,223	\$26,966,603

Preliminary EFMAP Analysis FY2021 and FY2022 Summary

TOTAL BY SERVICE AREA and FUND

	Preliminary FY2021 Summary of Re-Enrolled Budget					Preliminary FY2022 Summary of Re-Enrolled Budget				
	General Funds	VA Health Care	Provider Rate	Federal Funds	TOTAL	General Funds	VA Health Care	Provider Rate	Federal Funds	TOTAL
	01000	Fund 09490	Assessment 09790	10000		01000	Fund 09490	Assessment 09790	10000	
FAMIS: 44602	(10,701,949)			10,701,949	0	(11,284,165)			11,284,165	0
MEDICAID: 45607	(5,421,244)			5,421,244	0	(5,792,813)			5,792,813	0
MEDICAID: 45608	(8,245,385)			8,245,385	0	(8,235,506)			8,235,506	0
MEDICAID: 45609	(533,026,574)	(11,284,607)	(54,374,219)	598,685,401	0	(571,964,836)	(33,853,821)	(57,092,930)	662,911,587	0
MEDICAID: 45610	(96,878,839)			96,878,839	0	(100,860,125)			100,860,125	0
MCHIP: 46601	(9,246,034)			9,246,034	0	(10,067,933)			10,067,933	0
TOTAL	(\$663,520,026)	(\$11,284,607)	(\$54,374,219)	\$729,178,852	\$0	(\$708,205,378)	(\$33,853,821)	(\$57,092,930)	\$799,152,129	\$0

TOTAL BY PROGRAM and FUND

	Preliminary FY2021 TOTAL					Preliminary FY2022 TOTAL				
	General Funds	VA Health Care	Provider Rate	Federal Funds	TOTAL	General Funds	VA Health Care	Provider Rate	Federal Funds	TOTAL
	01000	Fund 09490	Assessment 09790	10000		01000	Fund 09490	Assessment 09790	10000	
MEDICAID	(643,572,043)	(11,284,607)	(54,374,219)	709,230,869	0	(686,853,280)	(33,853,821)	(57,092,930)	777,800,031	0
CHIP	(19,947,983)	0	0	19,947,983	0	(21,352,099)	0	0	21,352,099	0
TOTAL	(\$663,520,026)	(\$11,284,607)	(\$54,374,219)	\$729,178,852	\$0	(\$708,205,378)	(\$33,853,821)	(\$57,092,930)	\$799,152,129	\$0