



**COMMONWEALTH of VIRGINIA**  
*Department of Medical Assistance Services*

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August 26, 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: Temporary Restrictions on Discretionary Spending and Professional Development

This report is submitted in compliance with Item 317 FF of Chapter 1289 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. Upon expiration of the enhanced FMAP, DPB is authorized to re-allot funding for those quarters for which assumed enhanced FMAP is not available”.*

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 2021 and 2022 by recalculating the allocation between General Funds, Provider Rate Assessment, and Federal Funds for Items 312, 313, and 315 for the 2020 Appropriation Act. The estimate assumes the items unallotted in Item 317.10 are not included. 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) with continued coverage through October 31, 2020.

This report makes no assumption about the end of the state of emergency and carries the enhanced FMAP through the entire biennium. Currently, the emergency expires July 25, 2020 with eligibility for enhanced FMAP through September 30, 2020. DMAS projects an average quarterly general fund savings of \$142 million for fiscal year 2021 and \$177 million for fiscal year 2022.

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 FY2021 Summary

TOTAL BY SERVICE AREA and FUND						
FY2021 Q1: Quarter Ending September 30, 2020						
General Funds	VA Health Care Fund	Coverage Rate Assessment	Provider Rate Assessment	Federal Funds		
01000	09490	09780	09790	10000	TOTAL	
FAMIS: 44602	(2,492,931)	-	-	3,334,773	841,842	
MEDICAID: 45607	(1,355,311)	-	-	1,355,311	-	
MEDICAID: 45608	(2,061,346)	-	-	2,061,346	0	
MEDICAID: 45609	(95,538,695)	(2,821,152)	-	(13,593,555)	197,237,318	85,283,917
MEDICAID: 45610	(24,219,710)	-	-	24,219,710	0	
MEDICAID: 45611	-	-	5,427,309	48,845,785	54,273,094	
MCHIP: 46601	(1,985,204)	-	-	3,466,740	1,481,537	
<b>TOTAL</b>	<b>(127,653,197)</b>	<b>(2,821,152)</b>	<b>5,427,309</b>	<b>(13,593,555)</b>	<b>280,520,984</b>	<b>141,880,390</b>

TOTAL BY SERVICE AREA and FUND						
FY2021 Q2: Quarter Ending December 31, 2020						
General Funds	VA Health Care Fund	Coverage Rate Assessment	Provider Rate Assessment	Federal Funds		
01000	09490	09780	09790	10000	TOTAL	
FAMIS: 44602	(2,280,219)	-	-	3,586,642	1,306,424	
MEDICAID: 45607	(1,355,311)	-	-	1,355,311	-	
MEDICAID: 45608	(2,061,346)	-	-	2,061,346	0	
MEDICAID: 45609	(82,661,343)	(2,821,152)	-	(13,593,555)	213,760,314	114,684,264
MEDICAID: 45610	(24,219,710)	-	-	24,219,710	0	
MEDICAID: 45611	-	-	7,433,698	66,903,278	74,336,975	
MCHIP: 46601	(1,659,863)	-	-	3,828,455	2,168,592	
<b>TOTAL</b>	<b>(114,237,792)</b>	<b>(2,821,152)</b>	<b>7,433,698</b>	<b>(13,593,555)</b>	<b>315,715,056</b>	<b>192,496,255</b>

TOTAL BY SERVICE AREA and FUND						
FY2021 Q3: Quarter Ending March 31, 2021						
General Funds	VA Health Care Fund	Coverage Rate Assessment	Provider Rate Assessment	Federal Funds		
01000	09490	09780	09790	10000	TOTAL	
FAMIS: 44602	(2,623,173)	-	-	2,819,857	196,684	
MEDICAID: 45607	(1,355,311)	-	-	1,355,311	-	
MEDICAID: 45608	(2,061,346)	-	-	2,061,346	0	
MEDICAID: 45609	(126,147,606)	(2,821,152)	-	(13,593,555)	159,623,113	17,060,801
MEDICAID: 45610	(24,219,710)	-	-	24,219,710	0	
MEDICAID: 45611	-	-	1,107,675	9,969,076	11,076,751	
MCHIP: 46601	(2,226,472)	-	-	2,551,441	324,969	
<b>TOTAL</b>	<b>(158,633,618)</b>	<b>(2,821,152)</b>	<b>1,107,675</b>	<b>(13,593,555)</b>	<b>202,599,855</b>	<b>28,659,206</b>

TOTAL BY SERVICE AREA and FUND						
FY2021 Q4: Quarter Ending June 30, 2021						
General Funds	VA Health Care Fund	Coverage Rate Assessment	Provider Rate Assessment	Federal Funds		
01000	09490	09780	09790	10000	TOTAL	
FAMIS: 44602	(2,683,476)	-	-	2,683,476	-	
MEDICAID: 45607	(1,355,311)	-	-	1,355,311	-	
MEDICAID: 45608	(2,061,346)	-	-	2,061,346	0	
MEDICAID: 45609	(133,620,237)	(2,821,152)	-	(13,593,555)	150,034,943	-
MEDICAID: 45610	(24,219,710)	-	-	24,219,710	0	
MEDICAID: 45611	-	-	-	-	-	
MCHIP: 46601	(2,326,107)	-	-	2,326,107	-	
<b>TOTAL</b>	<b>(166,266,187)</b>	<b>(2,821,152)</b>	<b>-</b>	<b>(13,593,555)</b>	<b>182,680,894</b>	<b>0</b>

TOTAL BY SERVICE AREA and FUND						
FY2021 Summary						
General Funds	VA Health Care Fund	Coverage Rate Assessment	Provider Rate Assessment	Federal Funds		
01000	09490	09780	09790	10000	TOTAL	
FAMIS: 44602	(10,079,799)	-	-	12,424,749	2,344,950	
MEDICAID: 45607	(5,421,244)	-	-	5,421,244	-	
MEDICAID: 45608	(8,245,385)	-	-	8,245,385	0	
MEDICAID: 45609	(437,967,880)	(11,284,607)	-	(54,374,219)	720,655,689	217,028,982
MEDICAID: 45610	(96,878,839)	-	-	96,878,839	0	
MEDICAID: 45611	-	-	13,968,682	125,718,139	139,686,821	
MCHIP: 46601	(8,197,646)	-	-	12,172,743	3,975,098	
<b>TOTAL</b>	<b>(566,790,794)</b>	<b>(11,284,607)</b>	<b>13,968,682</b>	<b>(54,374,219)</b>	<b>981,516,788</b>	<b>363,035,850</b>

TOTAL BY PROGRAM and FUND						
FY2021 TOTAL						
General Funds	VA Health Care Fund	Coverage Rate Assessment	Provider Rate Assessment	Federal Funds		
01000	09490	09780	09790	10000	TOTAL	
MEDICAID	(548,513,349)	(11,284,607)	13,968,682	(54,374,219)	956,919,296	356,715,803
CHIP	(18,277,445)	-	-	-	24,597,492	6,320,048
<b>TOTAL</b>	<b>(566,790,794)</b>	<b>(11,284,607)</b>	<b>13,968,682</b>	<b>(54,374,219)</b>	<b>981,516,788</b>	<b>363,035,850</b>

## EFMAP Analysis FY2022 Summary

TOTAL BY SERVICE AREA and FUND						
FY2022 Q1: Quarter Ending September 30, 2021						
General Funds	VA Health Care Fund	Coverage Rate Assessment	Provider Rate Assessment	Federal Funds		
01000	09490	09780	09790	10000	TOTAL	
FAMIS: 44602	(2,821,041)	-	-	2,821,041	-	
MEDICAID: 45607	(1,448,203)	-	-	1,448,203	-	
MEDICAID: 45608	(2,058,876)	-	-	2,058,876	0	
MEDICAID: 45609	(143,938,733)	(8,463,455)	(14,273,233)	166,675,420	(0)	
MEDICAID: 45610	(25,215,031)	-	-	25,215,031	0	
MEDICAID: 45611	(2,516,983)	-	-	2,516,983	-	
MCHIP: 46601	-	-	-	-	-	
<b>TOTAL</b>	<b>(177,998,868)</b>	<b>(8,463,455)</b>	<b>-</b>	<b>(14,273,233)</b>	<b>200,735,556</b>	<b>(0)</b>

TOTAL BY SERVICE AREA and FUND						
FY2022 Q2: Quarter Ending December 31, 2021						
General Funds	VA Health Care Fund	Coverage Rate Assessment	Provider Rate Assessment	Federal Funds		
01000	09490	09780	09790	10000	TOTAL	
FAMIS: 44602	(2,821,041)	-	-	2,821,041	-	
MEDICAID: 45607	(1,448,203)	-	-	1,448,203	-	
MEDICAID: 45608	(2,058,876)	-	-	2,058,876	0	
MEDICAID: 45609	(143,938,733)	(8,463,455)	(14,273,233)	166,675,420	(0)	
MEDICAID: 45610	(25,215,031)	-	-	25,215,031	0	
MEDICAID: 45611	(2,516,983)	-	-	2,516,983	-	
MCHIP: 46601	-	-	-	-	-	
<b>TOTAL</b>	<b>(177,998,868)</b>	<b>(8,463,455)</b>	<b>-</b>	<b>(14,273,233)</b>	<b>200,735,556</b>	<b>(0)</b>

TOTAL BY SERVICE AREA and FUND						
FY2022 Q3: Quarter Ending March 31, 2022						
General Funds	VA Health Care Fund	Coverage Rate Assessment	Provider Rate Assessment	Federal Funds		
01000	09490	09780	09790	10000	TOTAL	
FAMIS: 44602	(2,821,041)	-	-	2,821,041	-	
MEDICAID: 45607	(1,448,203)	-	-	1,448,203	-	
MEDICAID: 45608	(2,058,876)	-	-	2,058,876	0	
MEDICAID: 45609	(142,043,686)	(8,463,455)	(14,273,233)	164,780,373	(0)	
MEDICAID: 45610	(25,215,031)	-	-	25,215,031	0	
MEDICAID: 45611	(2,516,983)	-	-	2,516,983	-	
MCHIP: 46601	-	-	-	-	-	
<b>TOTAL</b>	<b>(176,103,821)</b>	<b>(8,463,455)</b>	<b>-</b>	<b>(14,273,233)</b>	<b>198,840,509</b>	<b>(0)</b>

TOTAL BY SERVICE AREA and FUND						
FY2022 Q4: Quarter Ending June 30, 2022						
General Funds	VA Health Care Fund	Coverage Rate Assessment	Provider Rate Assessment	Federal Funds		
01000	09490	09780	09790	10000	TOTAL	
FAMIS: 44602	(2,821,041)	-	-	2,821,041	-	
MEDICAID: 45607	(1,448,203)	-	-	1,448,203	-	
MEDICAID: 45608	(2,058,876)	-	-	2,058,876	0	
MEDICAID: 45609	(142,043,686)	(8,463,455)	(14,273,233)	164,780,373	(0)	
MEDICAID: 45610	(25,215,031)	-	-	25,215,031	0	
MEDICAID: 45611	(2,516,983)	-	-	2,516,983	-	
MCHIP: 46601	-	-	-	-	-	
<b>TOTAL</b>	<b>(176,103,821)</b>	<b>(8,463,455)</b>	<b>-</b>	<b>(14,273,233)</b>	<b>198,840,509</b>	<b>(0)</b>

TOTAL BY SERVICE AREA and FUND						
FY2021 Summary						
General Funds	VA Health Care Fund	Coverage Rate Assessment	Provider Rate Assessment	Federal Funds		
01000	09490	09780	09790	10000	TOTAL	
FAMIS: 44602	(11,284,165)	-	-	11,284,165	-	
MEDICAID: 45607	(5,792,813)	-	-	5,792,813	-	
MEDICAID: 45608	(8,235,506)	-	-	8,235,506	0	
MEDICAID: 45609	(571,964,836)	(33,853,821)	(57,092,930)	662,911,586	(1)	
MEDICAID: 45610	(100,860,125)	-	-	100,860,125	0	
MEDICAID: 45611	(10,067,933)	-	-	10,067,933	-	
MCHIP: 46601	-	-	-	-	-	
<b>TOTAL</b>	<b>(708,205,378)</b>	<b>(33,853,821)</b>	<b>-</b>	<b>(57,092,930)</b>	<b>799,152,128</b>	<b>(1)</b>

TOTAL BY PROGRAM and FUND						
FY2021 TOTAL						
General Funds	VA Health Care Fund	Coverage Rate Assessment	Provider Rate Assessment	Federal Funds		
01000	09490	09780	09790	10000	TOTAL	
MEDICAID	(686,853,280)	(33,853,821)	(57,092,930)	777,800,030	(1)	
CHIP	(21,352,099)	-	-	21,352,099	-	
<b>TOTAL</b>	<b>(708,205,378)</b>	<b>(33,853,821)</b>	<b>-</b>	<b>(57,092,930)</b>	<b>799,152,128</b>	<b>(1)</b>