



# Overview of SB 800 Health & Human Resources

(Governor's Proposed Amendments to 2024-26 Budget)

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January 23, 2025

# Overview of Health and Human Resources in SB 800

- The introduced budget proposes a net increase totaling \$857.9 million GF and \$2.3 billion NGF over the biennium. Major GF spending amendments include:
  - \$632.2 million to fully fund the projected costs of the Medicaid program;
  - \$105.4 million to fund the increasing costs of the Children's Services Act;
  - \$88.3 million for the Children's Health Insurance Programs; and
  - \$35.2 million to fund special conservators of the peace in private hospitals.

# Department of Medical Assistance Services

GF Actions for the 2024-26 Biennium (\$ in millions)	FY 2025	FY 2026	Total
Medicaid Utilization and Inflation	\$337.0	\$295.2	\$632.2
Children's Health Insurance Programs	40.9	47.5	88.4
Health Care Fund Revenue Adjustment	(48.8)	15.5	(33.3)
Involuntary Mental Commitments Medical Costs	(0.9)	(0.7)	(1.6)
Implement Seriously Mentally Ill Waiver	0.2	1.0	1.2
Reserve for Future Cost of Medicaid Initiatives	-	1.0	1.0
Fund DD Waiver and other Administrative Costs	0.2	0.6	0.8
Comply with Federal Eligibility and Processing Rules	0.7	-	0.7
Coverage for Pre-Release of Justice Involved Youth	-	0.4	0.4
Maintain Managed Care for Children in Residential Facilities	-	0.3	0.3
Virginia Task Force on Primary Care	0.3	-	0.3
Coverage for Long-Acting Injectables for Mental Illness	<u>0.0</u>	<u>0.2</u>	<u>0.2</u>
<b>Total</b>	<b>\$329.6</b>	<b>\$361.0</b>	<b>\$690.6</b>

# Department of Behavioral Health & Developmental Services

<b>GF Actions for the 2024-26 Biennium (\$ in millions)</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>Total</b>
Special Conservators of the Peace in Private Hospitals	\$0.0	\$35.2	\$35.2
Developmental Disability Services and Quality Assurance	-	4.6	4.6
Pharmaceutical Costs at State Facilities	-	3.3	3.3
Salary Alignments for Trades Positions at State Facilities	-	2.4	2.4
Part C Early Intervention Services	-	1.5	1.5
Sustain Adult Psychiatric Access Line	-	1.5	1.5
Administrative Costs of Developmental Disability Waiver Slots	0.2	1.0	1.2
Fund Crisis Co-Response Programs	-	1.2	1.2
Support the Youth Mental Health Matters Initiative	-	1.0	1.0
Additional Forensic Evaluators	-	0.8	0.8
Fund Youth Peer Support Specialists	-	0.8	0.8
Licensing Positions and Information Security Position	<u>0.0</u>	<u>0.9</u>	<u>0.9</u>
<b>Total</b>	<b>\$0.2</b>	<b>\$54.2</b>	<b>\$54.4</b>

# Department of Social Services

<b>GF Actions for 2024-26 Biennium (\$ in millions)</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>Total</b>
Enhance Child Protective Services	\$0.5	\$7.5	\$8.0
Contract Costs for Income Verification for Public Services	-	7.3	7.3
TANF Benefits and VA Initiative for Education and Work Childcare Forecast	2.0	1.8	3.8
Foster Care and Adoption Cost of Living Adjustments	-	1.5	1.5
Fund Administrative Costs of Child Support Enforcement	0.4	0.5	0.9
Enhance Electronic Identity Validation Efforts	-	0.8	0.8
Funding to Modernize the 2-1-1 System	-	0.5	0.5
Funding to Address Increased Procurement Workload	-	0.3	0.3
Child Welfare Forecast	<u>(14.3)</u>	<u>(13.0)</u>	<u>(27.3)</u>
<b>Total</b>	<b>(\$11.4)</b>	<b>\$7.2</b>	<b>(\$4.2)</b>

# Department of Health

GF Actions for 2024-26 Biennium (\$ in millions)	FY 2025	FY 2026	Total
Fund Perinatal Health Hub Pilot Program	\$0.0	\$2.5	\$2.5
Funding to Comply with Drinking Water Regulations	-	1.8	1.8
Support for the Division of Disease Prevention	-	1.0	1.0
Funding for Community Health Workers and Doulas	-	1.0	1.0
Funding for Home Care Organization Licensure Program	-	0.9	0.9
Support for IT Security Audits and Investigations	-	0.8	0.8
Rent Increases at Local Health Departments	-	0.5	0.5
Fund Electronic Health Records System	-	0.5	0.5
Establish a Large Animal Veterinary Loan Repayment Program	-	0.5	0.5
Support for Intermediate Disciplinary Actions for Care Facilities	-	0.3	0.3
Implementation of Rainwater Harvesting System Regulations	<u>0.1</u>	<u>0.1</u>	<u>0.2</u>
<b>Total</b>	<b>\$0.1</b>	<b>\$9.9</b>	<b>\$10.0</b>

# Other Health and Human Resources Agencies

<b>GF Actions for the 2024-26 Biennium (\$ in millions)</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>Total</b>
Secretary: Enhance the Collegiate Experience for DD Individuals	\$0.1	\$0.0	\$0.1
Secretary: Raise Awareness of Maternal Health Warning Signs	0.5	-	0.5
CSA: Children's Services Act Forecast	37.0	68.3	105.3
CSA: Administrative Costs	-	0.1	0.1
Disability Agencies: Reflect Administrative Costs at DARS	-	1.1	1.1
DBVI: Rehabilitation Teaching and Independent Living Program	-	0.4	0.4
VDDHH: Study Anticipated Digital Transition for Virginia Relay	<u>0.1</u>	-	<u>0.1</u>
<b>Total</b>	<b>\$37.7</b>	<b>\$69.9</b>	<b>\$107.6</b>

# Language Only Items

- Limits growth in state reimbursement for the cost of private day services under the Children's Services Act to 2.5 percent beginning in 2026.
- Medicaid Graduate Medical Education Payments for psychiatric and obstetric-gynecological residencies would increase to \$150,000 annually effective July 1, 2026.
- Changes the Medicaid reimbursement methodology for adult day health care from a daily rate to an hourly rate.
- Allows the Department of Behavioral Health and Developmental Services to make grants to any recovery residence certified by the Department.
- Allows funds provided for school-based mental health services to be used to make grants available to school divisions for mental health services in addition to establishing school-based clinics to provide mental health and primary health care.
- Combines the Long Term Employment Support Services and Extended Employment Services programs at the Department for Aging and Rehabilitative Services into one fund.
- Modifies language in Part 4 restricting the expenditure of any funds in the state budget for abortion services pursuant to only federal law, which would prohibit payment for abortion services in cases of fetal abnormality allowed under state law.