



# Overview of Health and Human Resources in SB 29 and SB 30

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# Overview of Health and Human Resources in SB 29

- SB 29 proposes an increase of \$432.8 million GF and \$783.7 million NGF in FY 2026.
- The Medicaid forecast represents \$410.3 million GF and \$758.1 million NGF. Other significant increases include:
  - \$20.7 million GF to fund the Children's Services Act forecast;
  - \$16.2 million GF to fund the Family Access to Medical Insurance Security (FAMIS) forecast; and
  - \$4.6 million GF to fund the Health Care Fund.
- SB 29 also includes \$19.6 million GF and \$29.7 million NGF savings. Cost saving items include:
  - \$8.9 million GF savings from a decrease in the Children's Health Insurance Program forecast;
  - \$6.2 million GF savings from removing duplicative Medicaid members enrolled in other states; and
  - \$4.4 million GF savings from a decrease in the Child Welfare forecast.
- SB 29 captures \$23.1 million GF balance for Crisis Services and \$7.1 million GF balance for the Comprehensive Child Welfare Information System.
  - Capturing these balances does not affect the programs.

# SB 29: Summary of Proposed Amendments

GF Actions (\$ in millions)	FY 2026
Medicaid Utilization and Inflation	\$410.3
Children's Services Act Forecast	20.7
Family Access to Medical Insurance Security (FAMIS) Utilization and Inflation	16.2
Adjust Health Care Fund Appropriation	4.6
Fund Increase for Centralized Printing, Postage, and Courier Services	0.6
Child Welfare Forecast	(4.4)
Remove Duplicative Medicaid Members Enrolled in other States	(6.2)
Children's Health Insurance Program	(8.9)
<b>Total</b>	<b>\$432.9</b>

# SB 29 Language Only or NGF Items

- **Transfer Opioid Overdose Reversal Agent Program from the Virginia Department of Health.**
  - Proposes transferring \$8.0 million NGF in FY 2026 for the Opioid Overdose Reversal Agent Program to the Virginia Innovation Partnership Authority. The Department of Health states that they do not have the expertise to oversee the manufacturing and pharmaceutical development required in the program.
- **Restrict Taxpayer Funding for Abortion Services.**
  - Proposes modifying language to restrict taxpayer funding for abortion services to only what is allowed under federal law, commonly termed the Hyde amendment. (Federal law permits funds to be used for cases of rape, incest, or life-threatening circumstances and state law also permits funds for cases of gross fetal abnormality. This proposal would remove gross fetal abnormality as a state exemption.)
- **Clarify Funding for Latisha's House.**
  - Proposes updating language to require the agency to contract directly with Latisha's House to provide transitional housing services to female survivors of sex trafficking.

# Overview of Health and Human Resources in SB 30

- The introduced budget proposes a net increase totaling \$2.6 billion GF and \$4.9 billion NGF over the biennium. Major GF spending amendments include:
  - \$2.8 billion to fully fund the projected costs of the Medicaid program;
  - \$136.1 million to fund the increasing costs of the Children's Services Act;
  - \$100.4 million to fund the increase in the state share of the Supplemental Nutrition Assistance Program (SNAP) administrative costs;
  - \$93.6 million to fund the Health Care Fund;
  - \$80.1 million to fund the projected costs of the Family Access to Medical Insurance Security (FAMIS);
  - \$59.3 million to increase rates for developmental disability waiver services; and
  - \$32.7 million to create a centralized child protective services intake system for child abuse and neglect reports.
- The introduced budget also contains savings of \$611.4 million GF and \$1.5 billion NGF over the biennium to reflect Medicaid saving strategies, and savings of \$33.4 million GF and \$6.7 million NGF to reflect Children's Services Act savings.

# Department of Medical Assistance Services (DMAS)

GF Actions for 2026-28 Biennium (\$ in millions)	FY 2027	FY 2028	Biennium
Medicaid Utilization and Inflation	\$1,073.6	\$1,697.8	\$2.8
Health Care Fund Appropriation	41.5	52.2	93.6
Family Access to Medical Insurance Security Utilization and Inflation	31.6	48.6	80.1
Developmental Disability Waiver Services Rates	28.0	31.2	59.3
Centralized Call Center and Eligibility Operations	2.3	2.3	4.7
Medicaid Children's Health Insurance Program	(2.0)	6.7	4.7
Eliminate Automatic Inflation for Psychiatric Residential Treatment Facilities and Qualifying Addiction and Recovery Treatment Services Providers	(0.7)	(1.3)	(2.0)
Personal Care Services Oversight (Electronic Visit Verification)	(1.1)	(1.1)	(2.2)
Medical Services for Involuntary Mental Commitments	(1.1)	(2.1)	(3.2)
Preferred Drug List Changes	(1.6)	(1.6)	(3.3)
Streamline Service Facilitation	(2.1)	(2.2)	(4.4)
Supplemental Drug Rebates for Continuous Glucose Monitors	(2.4)	(2.4)	(4.8)
Remove Duplicative Medicaid Members (Enrolled in Other States)	(7.0)	(4.5)	(11.5)

# DMAS (Continued)

GF Actions for 2026-28 Biennium (\$ in millions)	FY 2027	FY 2028	Biennium
Adult Dental Benefit (\$2,000 Annual Cap for Adults Only)	(\$9.9)	(\$13.7)	(\$11.5)
GLP-1 Preferred Rebate	(6.5)	(19.4)	(25.9)
Maternity Services for Individuals who do not Qualify for Medicaid based on Citizenship Status (FAMIS Prenatal)	(13.2)	(16.3)	(29.5)
Standardize Hourly Limits Across Home and Community-Based Waivers (56 Hours a Week Limit Added to the Developmental Disability Waivers)	(21.0)	(23.8)	(44.8)
Administrative Inefficiencies in Managed Care	(22.0)	(23.8)	(44.8)
Applied Behavioral Analysis Services Limitations (20 Hours per Week; Required Diagnosis)	(30.8)	(36.8)	(67.6)
Crisis Services Utilization (Mobile Crisis – Four-Hour Limit per Incident and Network Changes; Eliminates Crisis Stabilization Service)	(49.1)	(58.9)	(108.0)
Eliminate Biennial Inflation for Medical Assistance Providers (Hospitals, Nursing Facilities, Etc.)	(74.0)	(164.1)	(238.2)
<b>Total</b>	<b>\$932.3</b>	<b>\$1,466.7</b>	<b>\$2,399.0</b>

# SB 30 DMAS Language Only Items

- Prohibits supplemental payments to hospitals that close labor and delivery units after January 1, 2026.
- Authorizes Ballad Health System supplemental payments through indirect medical education.
- Delays implementation of the redesigned behavioral health services until January 1, 2027.
- Delays single pharmacy benefit manager system until January 1, 2027.
- Modifies nursing facility value-based purchasing program to ensure that payments are only provided to those facilities that demonstrate a sufficiently high quality of care.
- Improves long-term services and supports screenings with language requiring DMAS and the Department of Health to create an assessment tool for children under the age of 18 to utilize long-term services and supports screenings and ensure statewide application of screening criteria.
- Requires hospitals receiving rate assessment payments to contract with all Medicaid managed care organizations.
- Authorizes a new grant cycle of 21 graduate medical education residencies funded within existing appropriation.

# Department of Behavioral Health & Developmental Services (DBHDS) (and Grants to Localities)

GF Actions for 2026-28 Biennium (\$ in millions)	FY 2027	FY 2028	Biennium
Transfer Data Service Support from CSBs to Central Office	\$1.6	\$1.6	\$3.2
Transfer State Hospital Discharge Transportation Funding to State Facilities	1.2	1.2	2.3
Service Dogs of Virginia (Passthrough)	0.3	-	-
Grants to Localities: Transfer Data Service Support from CSBs to Central Office	(1.2)	(1.2)	(2.3)
Grants to Localities: Transfer State Hospital Discharge Transportation Funding to State Facilities	(1.6)	(1.6)	(3.2)
Appropriate NGF for Virginia 988 Suicide and Crisis Lifeline Service	(2.7)	(2.7)	(5.4)
<b>Total</b>	<b>(\$2.4)</b>	<b>(\$2.7)</b>	<b>(\$5.4)</b>

# SB 30 DBHDS Language Only Items

- Allows for the extension of the current electronic health records contract to ensure continuation of services for individuals treated by state mental health and developmental disability facilities.
- Amends language for earmarked appropriation for adolescent substance use disorder treatment to allow funds to be utilized for more levels of care.
- Creates language that allows for payments to community services boards (CSB) for jail diversion and discharge programs to be provided on a reimbursement basis, rather than 24 equal installments to CSBs throughout the fiscal year, regardless of whether there have been any grant expenditures, as current language requires.
- Modifies Marcus Alert funding by removing the requirement that each program receive \$600,000 and allows for program funding flexibility.
- Amends language to allow for flexibility in payments to CSBs by allowing them to be made in accordance with performance contracts.

# Department of Social Services (DSS)

GF Actions for 2026-28 Biennium (\$ in millions)	FY 2027	FY 2028	Biennium
State Share of Supplemental Nutrition Assistance Program Administrative Costs	\$43.0	\$57.4	\$100.4
Centralized Child Protective Services Intake System for Child Abuse and Neglect Reports	14.6	18.1	32.7
State Oversight Mechanisms for Local Departments of Social Services	0.7	2.7	3.4
Overtime for Child Protective Services Priority Response for Children Under the Age of Three	0.2	0.2	0.4
Increase the Salary Minimum for Local Departments of Social Services Family Services Employees	3.5	3.5	7.0
Supplemental Nutrition Assistance Program Quality Assurance Team	1.1	1.3	2.4
Supplemental Nutrition Assistance Program Quality Control Reviewer Staff Salaries	0.6	0.6	1.2
Centralized Printing, Postage, and Courier Services	0.6	0.6	1.2
TANF and VIEW Forecast	(1.0)	(1.0)	(2.0)
Remove SNAP Overissuance Settlement Funding and Edit Language	(1.3)	(1.3)	(2.6)
Supplant GF with TANF	(2.2)	(2.2)	(4.4)
Child Welfare Forecast	(2.8)	(2.9)	(5.7)
Underutilization of the Relative Maintenance Payment Program	(6.0)	(6.0)	(12.0)
<b>Total</b>	<b>\$51.0</b>	<b>\$71.0</b>	<b>\$122.0</b>

# Department of Health (VDH)

GF Actions for 2026-28 Biennium (\$ in millions)	FY 2027	FY 2028	Biennium
Electronic Health Record Maintenance	\$8.2	\$6.8	\$15.1
Rent Increases at Local Health Departments	0.7	0.7	1.3
Nursing Home Complaint Backlog	0.3	0.3	0.6
Northern Virginia Firefighter Occupational Screening Pilot Program	0.1	(0.4)	(0.4)
Office of Drinking Water Excess GF Needed for Federal Match	-	(4.5)	(4.5)
Supplant GF with TANF	(7.4)	(7.4)	(14.8)
<b>Total</b>	<b>\$1.9</b>	<b>(\$4.5)</b>	<b>(\$2.7)</b>

# Other Health and Human Resources Agencies

GF Actions for 2026-28 Biennium (\$ in millions)	FY 2027	FY 2028	Biennium
CSA: Children's Services Act Forecast	\$49.6	\$86.5	\$136.1
DARS: Vocational Rehabilitation State Match Dollars	1.0	1.0	2.0
DARS: Long Term Care Ombudsman funding to Area Agencies on Aging	0.4	0.4	0.8
DARS: Realign Personal Assistance Services Program Rates	-	0.0	0.1
DARS: Adjust Appropriation to Reflect Agency Operations	(0.3)	(0.3)	(0.6)
CSA: Elimination of Automatic Inflation for Residential Treatment Providers	(1.3)	(2.4)	(3.7)
CSA: Limit Private Day Services Rate Growth to 2.5 Percent	(3.4)	(3.7)	(7.1)
CSA: Reduce Community-Based Services Match	<u>(10.8)</u>	<u>(11.8)</u>	<u>(22.6)</u>
<b>Total</b>	<b>\$35.2</b>	<b>\$69.7</b>	<b>\$105.0</b>

# SB 30 Other Language Only Items

- **Virginia Department for the Deaf and Hard of Hearing (VDDHH):**
  - Adds 1.0 position to hire a full-time sign language interpreter using existing general fund appropriation and savings from contract interpreter spending.
  - Converts 2.0 currently vacant regional specialist wage positions in Central Virginia into 1.0 full-time position to assist in recruitment and retention.
- **The Department of Health (VDH):**
  - Proposes modifying language to restrict taxpayer funding for abortion services to only what is allowed under federal law, commonly termed the Hyde amendment. (Federal law permits funds to be used for cases of rape, incest, or life-threatening circumstances and state law also permits funds for cases of gross fetal abnormality. This proposal would remove gross fetal abnormality as a state exemption.)
- **Department of Aging and Rehabilitative Services (DARS):**
  - Increases the administrative cost recovery cap for Long-Term Employment Support Services (LTESS) and Extended Employment Services (EES) using existing appropriation to support actual program management costs.
  - Updates the existing minimum general fund allocation for Centers for Independent Living (CILs) to reflect the actual amount of general fund appropriated to the agency as state support for CILs.