

VIRGINIA DEPARTMENT OF HEALTH BUDGET

*Presentation to the
Senate Finance and Appropriations
Health and Human Resources Subcommittee*

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January 29, 2026**

Presentation Overview

- Introduction
- Updates:
 - Nursing Homes/OLC
 - Electronic Health System
 - Ryan White Program
- Summary of VDH's Budget
- Governor's Proposed Budget Amendments
 - Ongoing support for new Electronic Health Records System
 - Additional staff to investigate complaints in nursing homes
 - Ongoing funding to support drinking water operations

Virginia Department of Health

INTRODUCTIONS

Public Health in Virginia

- **The mission of the Virginia Department of Health (VDH) is to protect the health and promote the well-being of all people in Virginia.**
- This past weekend VDH staff once again worked to protect their fellow Virginians, this time against the threat of the winter storm. This effort reminded me of the breadth and scope of our operations:
 - Coordinating with hospitals and nursing homes
 - Ensuring that the public has safe drinking water
 - Ensuring that emergency medical services are operational around the state
 - Communicating risks such as carbon monoxide to the public
 - Analyzing trends in emergency room admissions
 - Serving as the source of truth for storm related fatalities through the Office of the Chief Medical Examiner

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UPDATES FOR THE COMMITTEE

Nursing Homes/OLC Update

OLC is operating with a significant recertification backlog driven by **capacity constraints** and **workforce certification gaps**

Total Long-Term Care (LTC) facilities statewide: 289

Facilities out of compliance with the 15.9-month recertification metric: 213 (74%)

Staffing Snapshot:

- 46 dedicated Medical Facilities Inspector (MFI) positions
 - 21 MFIs currently SMQT-certified
 - 4 supervisors SMQT-certified
 - 21 MFIs requiring SMQT certification
- Five (5) fully operational regional survey teams conducting LTC recertifications statewide
 - Each team includes both SMQT-certified and non-SMQT-certified MFIs
 - Teams remain operational through joint surveys, supervisory oversight, and workload balancing

LTC – Recertification Surveys

The current five fully operational survey teams provide a stable foundation to achieve substantial backlog reduction within 12 months.

Plan to Eliminate Backlog

- Required backlog reduction – 213 surveys over 12 months
- Required monthly completion rate – 18 recertifications per month.
- Productivity expectation – Teams complete 4 recertifications per month
- Planned statewide output – 5 teams X 4 recertifications/month = 20 per month

Priority given to

- Longest overdue facilities
- Facilities with prior enforcement history
- Facilities with multiple complaints

VDH will prepare weekly progress/status report

LTC - Complaints

1,014 pending complaints to be investigated; Additional received complaints to be triaged – 467

- Triaged as either Immediate Jeopardy (IJ); Non-IJ High; Non IJ Medium; or Low

Phase 1 (0-30 days):

All IJ and High-Risk complaints identified, escalated to survey leadership and assigned for investigation independently of recertification cycles

Phase 2 (30-90 days):

Non IJ Medium and Low Risk complaints bundled with recertification surveys for investigation

Phase 3 (90+days):

100 percent of complaints contained in electronic system

Maintain clear separation between complaint intake/data entry and survey execution

VDH will prepare weekly progress/status report

LTC – Budget Amendments

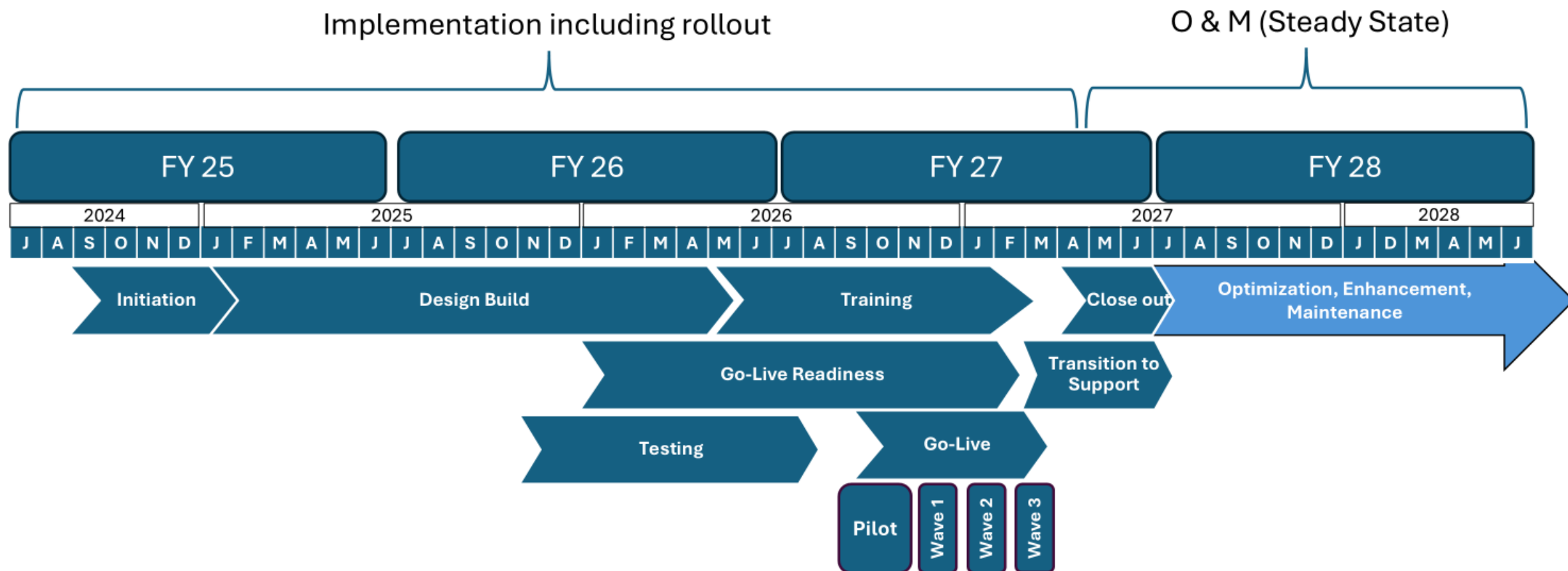
- Introduced Budget: Address nursing home complaints backlog
 - Provides support for two medical facility inspectors to address the backlog of complaints regarding nursing homes.
 - FY27 - \$ 291,627 GF
 - FY28 - \$ 291,627 GF
- VDH request to implement the plan described: Six additional medical facility inspectors beyond what is in the introduced budget. (in addition to the two new positions above) These positions would
 - FY27 - \$750,373
 - FY28 - \$750,373

VDH Electronic Health Record Update

Background:

- VDH does not have an Electronic Health Records system and currently maintains patient files in paper records. This need was accentuated by COVID response demands.
- VDH was appropriated \$30 million in ARPA funds to implement a system in 2022.
- VDH has contracted with Oracle Health for its cloud based Cerner Millenium as the most suitable application.
- Goals:
 - Improve clinical efficiency and effectiveness of clinical services
 - Ensure delivery of high quality services

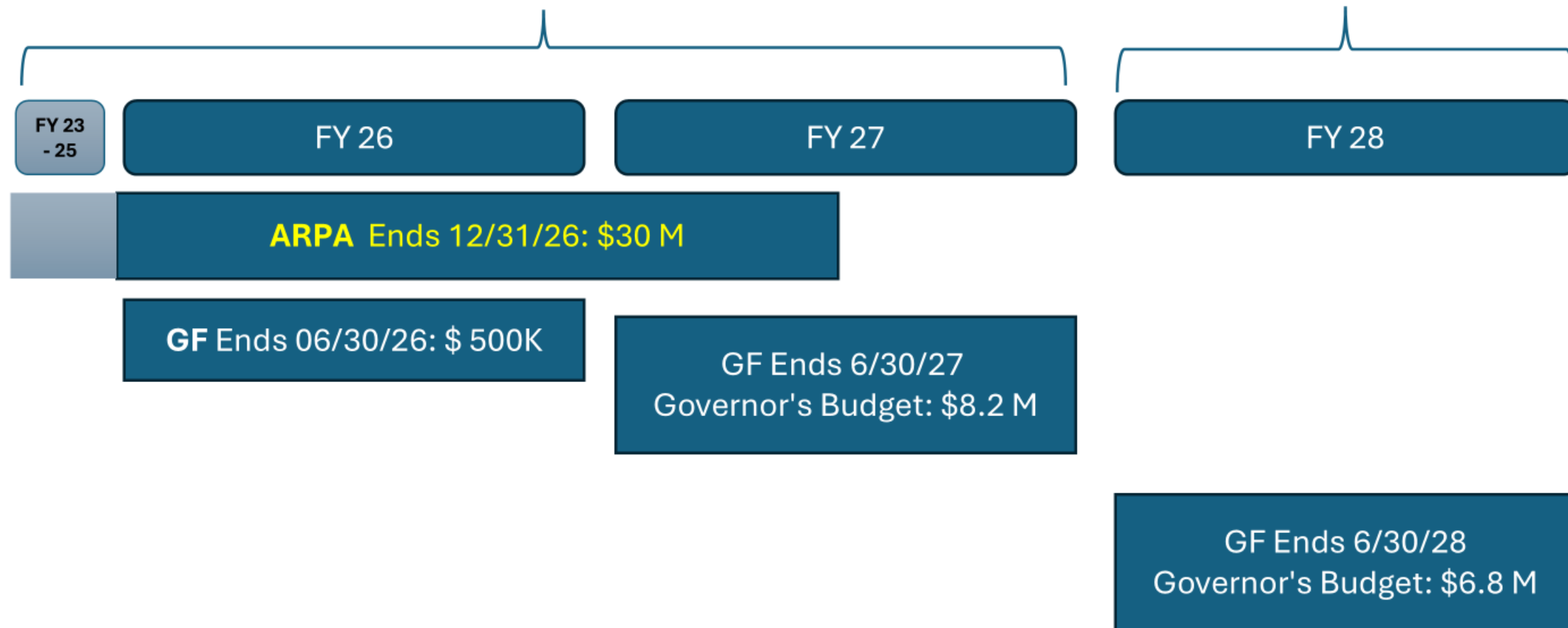
VDH Electronic Health Record High Level Timeline



VDH Electronic Health Record Budget

Implementation including rollout

Operations & Maintenance (Steady State)



EHR – Budget Amendments

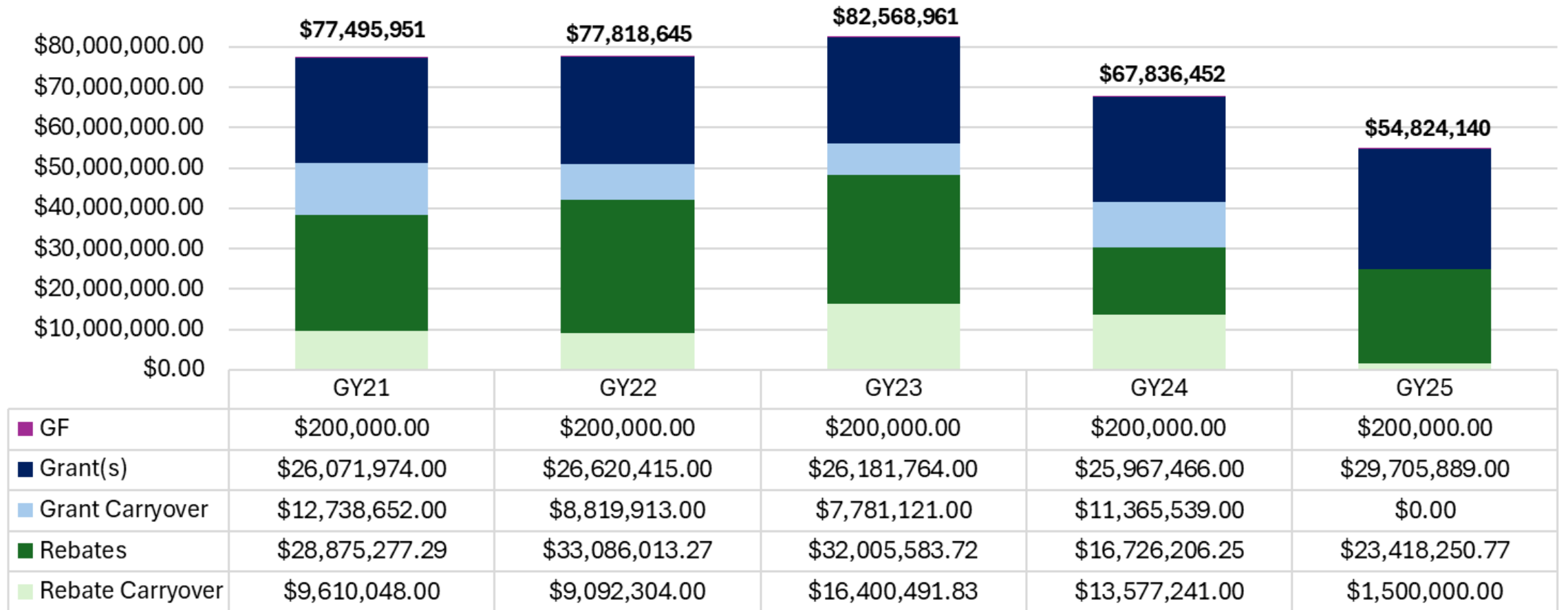
- Provide support to complete and sustain an electronic health record system across all local health districts
 - **FY27 - \$ 8,247,355 GF**
 - **FY28 - \$ 6,814,008 GF**
- This includes software license costs, hardware costs, IT support to maintain the system, and staff to operate and train others on the use of the system.

Ryan White Program Update

- Historically, the VDH received sufficient funding through various funding streams to provide services for HIV care.
- The amount of rebates received in grant years 2024 and 2025 were less than projected.
- The VDH quickly responded by:
 - Reduced the number of RWHAP B direct service providers (from 27 down to 14)
 - Decreased subawards (funding) to the remaining providers
 - Reduce the number of RWHAP B services (from 21 down to 7)
- Future rebate revenue totals are uncertain.

Ryan White Program Resources GY21-GY25

Ryan White Total Available Resources by Funding Area and Grant Year



Ryan White Program VDH Response

- Researching additional funding sources.
 - Applied for and received ADAP Supplemental Funding award (\$3.8M)
 - Applied for ADAP Emergency Relief Funding (pending)
 - Evaluating processes to optimize rebate recovery
- Looking at measures to contain costs that ensures Virginia Medication Assistance Program (VA MAP) remains available to clients.
 - Remaining compliant to RWHAP B Payor of Last Resort requirement
 - Assisting in enrollment in Virginia Medicaid
- Looking at ways to assist clients and providers in finding additional resources and sharing that information.



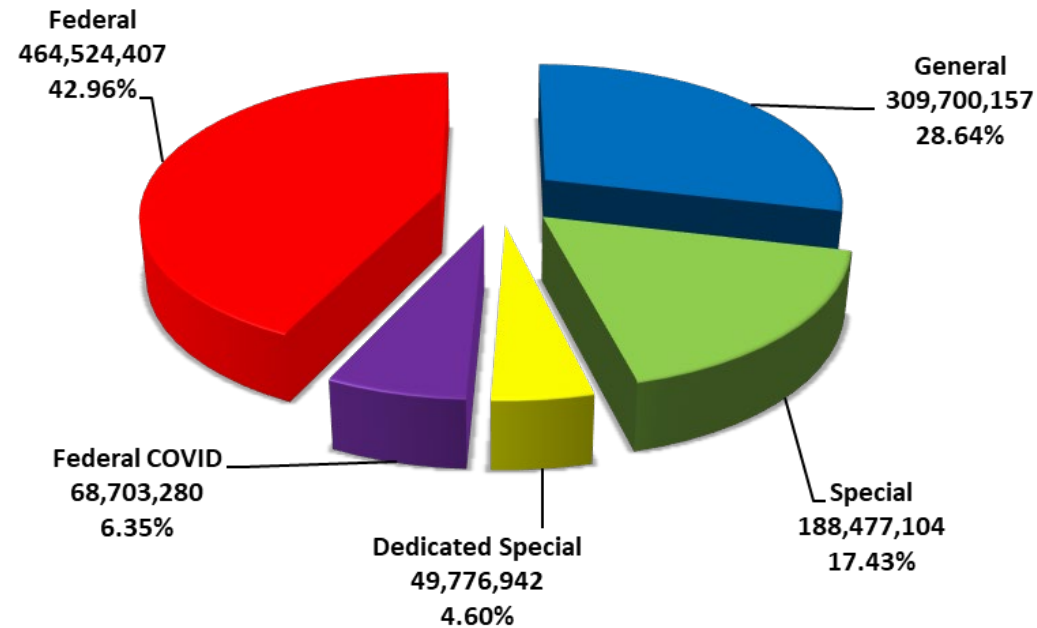
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Funding Streams, Budget & Staffing Levels

VDH Funding & Staffing - FY 2026

FY2026 Appropriations

Total \$1,081,181,890

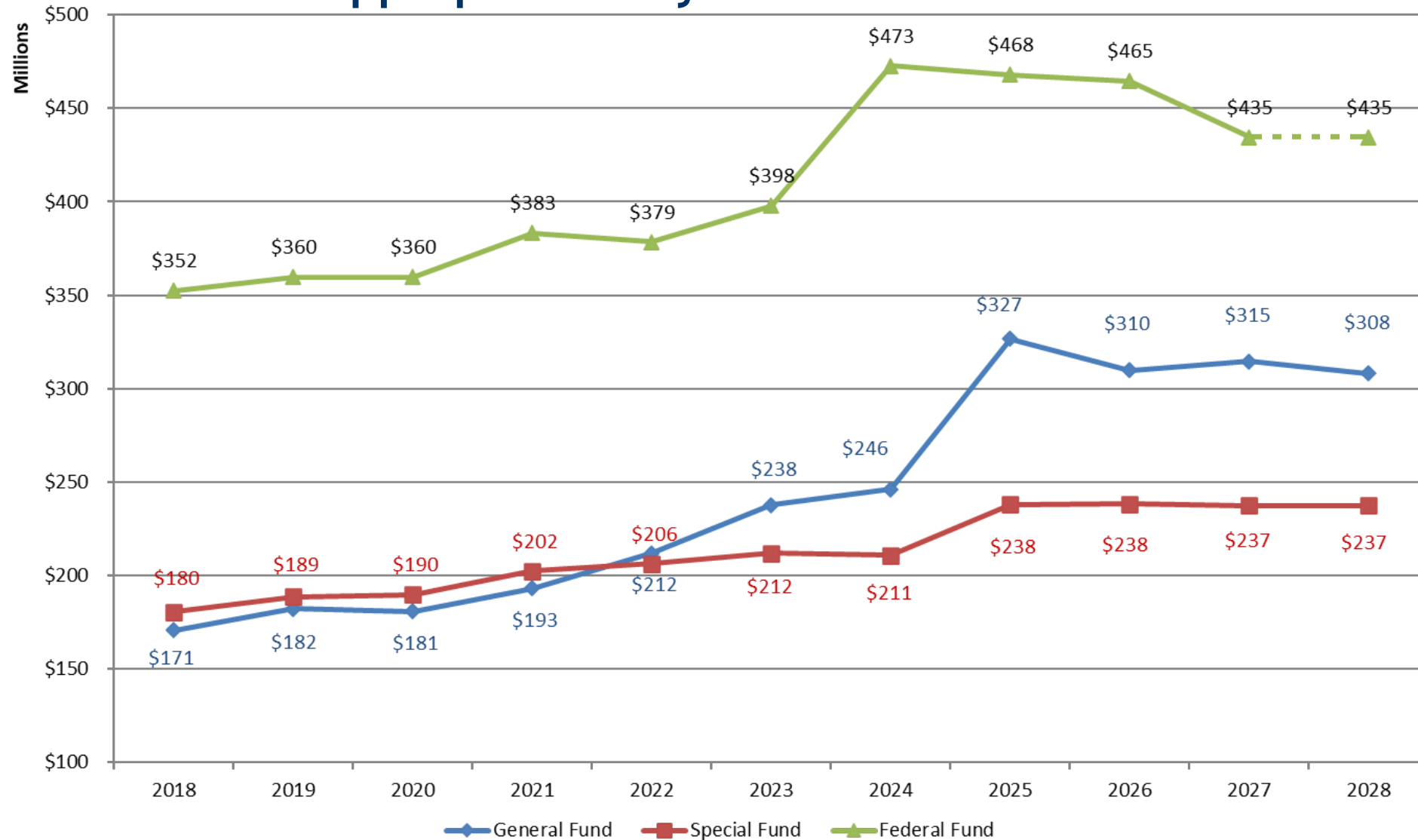


FTEs

GF:	1,615.5	(41.56%)
NGF:	2,271	(58.44%)
Total:	3,886.5	

Governor's Introduced Biennial Budget	FY27		FY28	
	GF	NGF	GF	NGF
Base Appropriation	309,700,157	771,481,733	309,700,157	771,481,733
Central Appropriation Distribution	6,626,416	9,170,077	6,626,416	9,170,077
Technical Changes	(3,567,200)	(12,000,000)	(3,567,200)	(12,000,000)
Reduce Federal Appropriation		(80,135,696)		(91,457,280)
TANF Swap	(7,400,000)	7,400,000	(7,400,000)	7,400,000
Transfer Overdose reversal agent program		(8,000,000)		(8,000,000)
New Funding / Appropriation	9,264,895	423,335	2,794,833	423,335
Proposed Budget	314,624,268	688,339,449	308,154,206	677,017,865
Total Proposed Budget	1,002,963,717		985,172,071	
Authorized Positions	1,615.5	2,271.0	1,615.5	2,271.0
Proposed New Positions	2.0	-	2.0	-
Maximum Employment Level	1,617.5	2,271.0	1,617.5	2,271.0
Total MEL	3,888.5		3,888.5	

Virginia Department of Health Appropriation by Fund 2018 - 2028



- The federal appropriations illustrated above **do not include any COVID, ARRA, or H1N1** funding.
- The FY21 increase is about 50% Ryan White and the rest is largely due to central appropriation. FY24 is the DWRSF from the Infrastructure Bill.



FY 2026 Budget Amendments

Improving Compliance

Budget Amendments (Recap)

- Address nursing home complaints backlog
 - Provides support for two medical facility inspectors to address the backlog of complaints regarding nursing homes.
FY27 - \$ 291,627 GF
FY28 - \$ 291,627 GF
- Provide support to complete and sustain an electronic health record system across all local health districts
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Budget Amendments

- **Reduce excess General Fund in the Office of Drinking Water**

Reduces excess general fund appropriation in the Office of Drinking Water. Current general fund is used as match to draw down federal Drinking Water State Revolving Funds. The match requirement for the federal grant will be fulfilled on June 30, 2027. A portion of funding will remain to support Office of Drinking Water operations.

FY28 - (\$ 4,536,715) GF

This leaves \$1,928,085 for future ODW operations support in FY2029 and beyond.

Budget Amendments

Title	Summary	FY 27 GF	FY 27 NGF	FY 28 GF	FY28 NGF
Supplant general fund with Temporary Assistance for Needy Families block grant funds for discretionary activities	Supplants general fund with Temporary Assistance for Needy Families block grant funds for discretionary activities.	(\$7,400,000)	\$7,400,000	(\$7,400,000)	\$7,400,000
Transfer Opioid Overdose Reversal Agent Program to the Virginia Innovation Partnership Authority	Transfers the Opioid Overdose Reversal Agent Program to the Virginia Innovation Partnership Authority.		(\$8,000,000)		(\$8,000,000)
Support rent increases at local health department facilities	Provides funding to offset increased rental costs at the following local health department facilities: Roanoke City, Salem, West Piedmont, Eastern Shore, New River, Lord Fairfax, Central Shenandoah, Prince William, Chickahominy, Henrico, Piedmont, Mount Rogers, Southside, Alexandria, Virginia Beach, and Richmond City.	\$655,913	\$423,335	\$655,913	\$423,335
Extend Northern Virginia Firefighter Occupational Screening Pilot Program	Extends and provides a total of \$500,000 in one-time funding for the Northern Virginia Firefighter Occupational Screening Pilot Program to continue cancer screenings for firefighters. The program is nearing the end of its pilot period and this funding allows the pilot to continue for an extra year.	\$70,000		(\$430,000)	
Adjust appropriation to reflect agency operations	Adjusts appropriation to better align with operations and expenditures.		(\$80,135,696)		(\$91,457,280)

Budget Amendments (Language only)

Title	Summary
Restrict taxpayer funding for abortion services	Prevents expenditures from general or nongeneral fund sources to be used for providing abortion services, except as otherwise required by federal law.
Remove carryforward language for the Office of the Chief Medical Examiner	Removes language allowing the Office of the Chief Medical Examiner to carry forward general fund appropriation for salaries or unfilled positions.

Questions

Thank You!