



Virginia Department of Planning and Budget **Economic Impact Analysis**

22 VAC 30-110 Assessment in Assisted Living Facilities
Department for Aging and Rehabilitative Services
Town Hall Action/Stage: 6871/10946 Fast-Track
September 15, 2026

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order 19. The analysis presented below represents DPB’s best estimate of the potential economic impacts as of the date of this analysis.¹

Summary of the Proposed Amendments to Regulation

Following a 2025 periodic review, the Department for Aging and Rehabilitative Services (DARS) seeks to repeal provisions for Medicaid-covered Targeted Case Management (TCM) services for Auxiliary Grant (AG) recipients residing in Assisted Living Facilities (ALFs) because this language has been made obsolete by changes to Medicaid.²

Background

The Department of Medical Assistance Services (DMAS) repealed the regulations for Medicaid-covered TCM for AG participants residing in ALFs in 2025 because that service had not been used since 2011.³ Thus, DARS seeks to remove section 100 (Targeted case management for individuals receiving auxiliary grants) in its entirety as it is now obsolete. In addition, the proposed changes would also amend (i) section 10 (Definitions) to remove the definitions of “case management agency” and “targeted case management” and (ii) section 110 (Notifications) to remove a provision for individuals found ineligible for TCM to appeal the determination with DMAS. These changes would remove obsolete language and conform the regulation to current DMAS regulations and current practice.

¹ See Code § 2.2-4007.04 (A).

² See Periodic Review at <https://townhall.virginia.gov/L/ViewPReview.cfm?PRid=2597>.

³ See the Economic Impact Analysis for that action at <https://townhall.virginia.gov/L/viewstage.cfm?stageid=10594>.

Estimated Benefits and Costs

The proposed amendment would benefit readers of the regulation by removing obsolete language and eliminating the potential for confusion. The proposed changes would not create any new costs because they align this regulation with current DMAS regulations and current practice.

Businesses and Other Entities Affected

The proposed amendments are not expected to affect any businesses or other entities since TCM services have not been provided to AG recipients residing in ALFs for over ten years.

The Code requires DPB to assess whether an adverse impact may result from the proposed regulation.⁴ An adverse impact is indicated if there is any increase in net cost or reduction in net benefit for any entity, even if the benefits exceed the costs for all entities combined.⁵ The proposed changes would remove obsolete language and conform the regulation to current practice. Thus, an adverse impact is not indicated.

Small Businesses⁶ Affected:⁷

The proposed amendments would not affect small businesses.

Localities⁸ Affected⁹

The proposed amendments would not affect any locality in particular. Local governments would not be affected.

Projected Impact on Employment

The proposed amendments would not affect employment.

Effects on the Use and Value of Private Property

The proposed amendments would not affect the use and value of private property. The proposed amendments do not affect real estate development costs.

⁴ See Code § 2.2-4007.04 (D).

⁵ Statute does not define “adverse impact,” state whether only Virginia entities should be considered, nor indicate whether an adverse impact results from regulatory requirements mandated by legislation. As a result, DPB has adopted a definition of adverse impact that assesses changes in net costs and benefits for each affected Virginia entity that directly results from discretionary changes to the regulation.

⁶ Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as “a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.”

⁷ See Code § 2.2-4007.04 (A.2). and Code § 2.2-4007.1 (C).

⁸ “Locality” can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulatory change are most likely to occur.

⁹ Code § 2.2-4007.04 defines “particularly affected” as bearing disproportionate material impact.