



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

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**12 VAC 30-60; 120; 141 – Standards Established and Methods Used to Assure High Quality Care; Waivered Services; Family Access to Medical Insurance Security Plan  
Department of Medical Assistance Services  
December 5, 2013**

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### **Summary of the Proposed Amendments to Regulation**

The proposed changes repeal the Medallion primary care case management regulations which have been obsolete since July 2012 due to expansion of managed care services statewide.

### **Result of Analysis**

The benefits likely exceed the costs for all proposed changes.

### **Estimated Economic Impact**

The Medallion program used to pay a small monthly fee to the primary care providers for their case management services provided to enrollees located outside the managed care coverage areas. The cost of case management services is included in the monthly capitation fee paid to the managed care organizations. As of July 2012, Virginia Medicaid has reached statewide coverage for managed care services. Thus, there is no longer a need for these regulations to continue to exist as they are currently obsolete. No significant economic impact is expected from the repeal of these regulations other than reducing the obsolete regulatory language in the Virginia Administrative Code.

### **Businesses and Entities Affected**

As these regulations have been obsolete since July 2012, no businesses and entities will be directly affected.

### **Localities Particularly Affected**

The proposed repeal of these regulations apply throughout the Commonwealth.

## **Projected Impact on Employment**

No significant effect on employment is expected.

## **Effects on the Use and Value of Private Property**

No significant effect on the use and value of private property is expected.

## **Small Businesses: Costs and Other Effects**

The proposed changes do not create any costs or other affects for small businesses.

## **Small Businesses: Alternative Method that Minimizes Adverse Impact**

The proposed changes do not have an adverse impact on small businesses.

## **Real Estate Development Costs**

No significant effect on real estate development costs is expected.

## **Legal Mandate**

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.04 of the Administrative Process Act and Executive Order Number 14 (10). Section 2.2-4007.04 requires that such economic impact analyses include, but need not be limited to, a determination of the public benefit, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. Further, if the proposed regulation has an adverse effect on small businesses, Section 2.2-4007.04 requires that such economic impact analyses include (i) an identification and estimate of the number of small businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a statement of the probable effect of the regulation on affected small businesses; and (iv) a description of any less intrusive or less costly alternative methods of achieving the purpose of the regulation. The analysis presented above represents DPB's best estimate of these economic impacts.