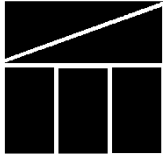


Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes Not Needed

If/when this economic impact analysis (EIA) is published in the *Virginia Register of Regulations*, notification will be sent to each member of the General Assembly (COV § 2.2-4007.04.B).



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

12 VAC 30-141 Family Access to Medical Insurance Security Plan
Department of Medical Assistance Services
Town Hall Action/Stage: 4701/7947
February 15, 2018

Summary of the Proposed Amendments to Regulation

The proposed action updates the regulation to reflect 1) the changes in federal income eligibility rules, 2) the changes in client appeal process, and 3) the current terminology, references, and processes used in practice.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

The federal Affordable Care Act (ACA) required eligibility for health coverage under all health insurance affordability programs to be based on a new Modified Adjusted Gross Income methodology. The new methodology has already been implemented in the Family Access to Medical Insurance Program (FAMIS) and FAMIS MOMS effective January 1, 2014. The proposed action updates the regulation to reflect the current methodology followed in practice.

The ACA also required changes in client appeal processes¹, which were implemented in FAMIS and FAMIS MOMS effective January 1, 2017. The proposed action also updates the regulation to reflect the current appeal processes followed in practice.

Finally, this action updates terminology, references, and processes to reflect other current practices.

No significant economic effect is expected from these updates other than improving the clarity of the regulatory language.

Businesses and Entities Affected

The proposed amendments mainly affect readers of this regulation who may have been misled by the current outdated language as to the FAMIS and FAMIS MOMS eligibility methodology and appeal rules that are in effect. There are 121 local departments of social services making eligibility determinations based on these rules. There are 69,523 individuals enrolled in FAMIS and 1,180 in FAMIS MOMS.

Localities Particularly Affected

The proposed changes do not disproportionately affect any locality more than others.

Projected Impact on Employment

No impact on employment is expected.

Effects on the Use and Value of Private Property

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

Real Estate Development Costs

No impact on real estate development costs is expected.

Small Businesses:

Definition

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.”

¹ <https://www.gpo.gov/fdsys/pkg/FR-2016-11-30/pdf/2016-27844.pdf>

Costs and Other Effects

The proposed amendments do not impose costs or other effects on small businesses.

Alternative Method that Minimizes Adverse Impact

No adverse impact on small businesses is expected.

Adverse Impacts:

Businesses:

The proposed regulation does not have an adverse impact on businesses.

Localities:

The proposed regulation does not adversely affect localities.

Other Entities:

The proposed regulation does not adversely affect other entities.

Legal Mandates

General: The Department of Planning and Budget 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 Number 17 (2014). Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the report should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5) the impact on the use and value of private property.

Adverse impacts: Pursuant to Code § 2.2-4007.04(C): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance within the 45-day period.

If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules shall be notified.