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Exempt Action: Final Regulation Agency Background Document

Agency name	Department of Medical Assistance Services
Virginia Administrative Code (VAC) Chapter citation(s)	12VAC30-10-430, 12VAC30-20-500, 12VAC30-50-328, 12VAC30-130-800, 12VAC30-130-810, and 12VAC30-130-820
VAC Chapter title(s)	Medicaid quality control, Definitions, PACE enrollment and disenrollment, and Definitions
Action title	Medicaid Enterprise System (MES) Updates
Final agency action date	3/6/23
Date this document prepared	3/6/23

This information is required for executive branch review pursuant to Executive Order 19 (2022) (EO 19), any instructions or procedures issued by the Office of Regulatory Management (ORM) or the Department of Planning and Budget (DPB) pursuant to EO 19. In addition, this information is required by the Virginia Registrar of Regulations pursuant to the Virginia Register Act (§ 2.2-4100 et seq. of the Code of Virginia). Regulations must conform to the Regulations for Filing and Publishing Agency Regulations (1 VAC 7-10), and the *Form and Style Requirements for the Virginia Register of Regulations and Virginia Administrative Code*.

Brief Summary

Provide a brief summary (preferably no more than 2 or 3 paragraphs) of this regulatory change (i.e., new regulation, amendments to an existing regulation, or repeal of an existing regulation). Alert the reader to all substantive matters. If applicable, generally describe the existing regulation.

The Department of Medical Assistance Services (DMAS) is making technical updates to several of the agency's regulations to reflect the department's transition of several key information management functions handled through the Virginia Medicaid Management Information System (VAMMIS) to a new technology platform called the Medicaid Enterprise System (MES). The MES replaced the department's VAMMIS on April 4, 2022.

The VAMMIS was a monolithic system that had several significant constraints, including outdated systems capabilities and increased operational costs to meet the demand of the aging platform. The MES is a modular, interoperable solution that enables DMAS to deliver better and timelier

services in support of its mission to improve the health and well-being of Medicaid members through access to high-quality health care coverage. This action will ensure the regulations align with both the Centers for Medicare and Medicaid Services’ (CMS’) standards and DMAS’ Medicaid information technology framework and practices.

Mandate and Impetus

Identify the mandate for this regulatory change and any other impetus that specifically prompted its initiation (e.g., new or modified mandate, internal staff review, petition for rulemaking, periodic review, or board decision). For purposes of executive branch review, “mandate” has the same meaning as defined in the ORM procedures, “a directive from the General Assembly, the federal government, or a court that requires that a regulation be promulgated, amended, or repealed in whole or part.”

The Code of Virginia § 32.1-325, grants to the Board of Medical Assistance Services the authority to administer and amend the Plan for Medical Assistance and to promulgate regulations. The Code of Virginia § 32.1-324, grants the Director of the Department of Medical Assistance Services the authority of the Board when it is not in session.

DMAS is making technical updates to several of the agency’s regulations to reflect the department’s transition of several key information management functions handled through the VAMMIS to a new technology platform called the MES. The technical updates are in response to a CMS initiative intended to foster integrated business and IT transformation across the Medicaid enterprise to improve the administration of the Medicaid program and to move toward modular systems that offer consistent, reliable and secure operations with greater opportunity for innovation.

As a result, this regulatory package revises references to MMIS to MES in 12VAC 30-10-430, 12VAC30-20-500, 12VAC30-50-328, 12VAC 30-130-800, 12VAC30-130-810 and 12VAC30-130-820.

Statement of Final Agency Action

Provide a statement of the final action taken by the agency including: 1) the date the action was taken; 2) the name of the agency taking the action; and 3) the title of the regulation.

On March 6, 2023, DMAS adopted final exempt amendments to the “Medicaid Enterprise System Updates” regulatory action.

DMAS has submitted Final Exempt changes to make technical changes to 12VAC 30-10-430, 12VAC30-20-500, 12VAC30-50-328, 12VAC 30-130-800, 12VAC30-130-810 and 12VAC30-130-820. Pursuant to the Code of Virginia § 2.2-4006(A)(3), this final exempt regulatory action is exempt from Article 2 of the Administrative Process Act.