



Economic Impact Analysis Virginia Department of Planning and Budget

**12 VAC 30-10; 20 – State Plan Under Title XIX of the Social Security Act Medical Assistance Program; General Provisions; Administration of Medical Assistance Services
Department of Medical Assistance Services
March 31, 2008**

Summary of the Proposed Amendments to Regulation

The proposed changes will clarify and update the regulations to more closely reflect the estate recovery practices currently followed in accordance with the Centers for Medicare and Medicaid guidance document titled “State Medicaid Manual.”

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

The proposed changes will clarify and update the regulations to more closely reflect the estate recovery practices currently followed in accordance with the Centers for Medicare and Medicaid guidance document titled “State Medicaid Manual.” These changes include reorganizing the regulations and adding clarifying definitions and language.

According to Department of Medical Assistance Services, none of the proposed changes will change the estate recovery practices currently followed in practice, but the changes are expected to increase the clarity of the regulations. Consequently, no significant economic effect is expected other than avoiding the potential confusions and communication costs that may have otherwise occurred from less clear language.

Businesses and Entities Affected

Approximately, 10 estate recovery cases per year are estimated.

Localities Particularly Affected

The proposed 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 regulations are not expected to create any significant costs or other effects on small businesses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed regulations are not expected to create any significant 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.H of the Administrative Process Act and Executive Order Number 36 (06). Section 2.2-4007.H requires that such economic impact analyses include, but need not be limited to, 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 adverse effect on small businesses, Section 2.2-4007.H 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.