



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

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**12 VAC 30-60 – Standards Established and Methods Used to Assure High Quality Care  
Department of Medical Assistance Services  
April 24, 2013**

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

The Board of Medical Assistance Services (Board) proposes to incorporate into these regulations guidance material concerning the interpretation and application of the Uniform Assessment Instrument when an individual 21 years of age or younger is being evaluated for long term care services, either nursing facility or home and community based services.

### **Result of Analysis**

The benefits likely exceed the costs for all proposed changes.

### **Estimated Economic Impact**

Effective June 29, 1994, the Board adopted the current criteria and standards set out in 12 VAC 30-60-300 and 60-303 regarding individuals' assessments for long term care services. The purpose of that action was to establish an equitable, consistent, and uniform set of standards to be applied throughout localities statewide to determine which individuals qualified for Medicaid coverage of their long term care services.

These standards and criteria are still in use today and are not being changed by this action. For an individual to be determined eligible for nursing facility care, he must need help with a specified part of his Activities of Daily Living (ADLs) and must also have medical or nursing needs. For an individual to be determined as eligible for community-based care services, he also must need help with a specified part of his ADLs, also have medical or nursing needs, and be at risk of nursing facility placement within 30 days of the assessment in the absence of community services.

ADLs are defined as personal care tasks, such as bathing, dressing, toileting, transferring, eating/feeding. An individual's degree of independence in performing these activities is part of determining his appropriate level of care and service needs.

Based on the ages and developmental stages of infants and young children, they may not be able to perform any or very many of the ADLs for themselves but still be normal and healthy. In other words, a normal, healthy infant's degree of dependence in performing personal care tasks should not qualify him to receive Medicaid-covered long term care services.

In light of the fact that infants and children with disabilities are living longer and requiring more services, the Department of Medical Assistance Services has developed guidance material in a document for use by preadmission screening teams and hospital-based screening teams. The Board proposes to incorporate this guidance document by reference into these regulations.

The guidance is expected to reduce confusion and perhaps save time for preadmission teams. Since the criteria are not changing, there is not expected to be either a net increase or decrease in the number of individuals deemed eligible. Thus, adding the proposed language to these regulations should produce a net benefit.

### **Businesses and Entities Affected**

The proposed amendment affects 122 pre-admission screening teams and 90 hospitals. The screening teams consist of community teams (representative from local Departments of Social Services and the nurse and medical director from the local health departments) and acute care teams (hospital discharge planning staff and the hospital physician who discharges the patient).

### **Localities Particularly Affected**

The proposed amendments do not disproportionately affect particular localities.

### **Projected Impact on Employment**

The proposal amendments are unlikely to significantly affect employment.

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

The proposed amendments are unlikely to significantly affect the use and value of private property.

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

The proposed amendments are unlikely to significantly affect small businesses.

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

The proposed amendments are unlikely to significantly affect small businesses.

## **Real Estate Development Costs**

The proposed amendments are unlikely to significantly affect real estate development costs.

## **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.