

# OFFICE OF HEALTH AND HUMAN RESOURCES

The Honorable Bill Hazel, Secretary of Health and Human Resources



The Secretary of Health and Human Resources oversees state agencies which provide often-vital services to Virginians. Individuals with disabilities, the aging community, low-income working families, children, caregivers and the provider network are supported through the work of this Secretariat.

In addition, our agencies license health practitioners and ensure safe drinking water in the Commonwealth.

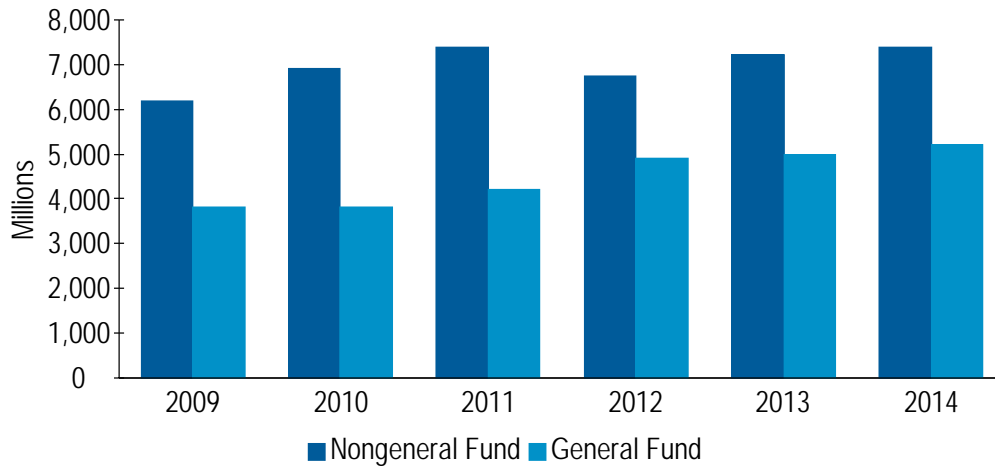
Please note: Effective July 1, 2012 the Department for the Aging was merged into the Department of Rehabilitative Services, creating the Department for Aging and Rehabilitative Services.



## Office of Health and Human Resources Includes:

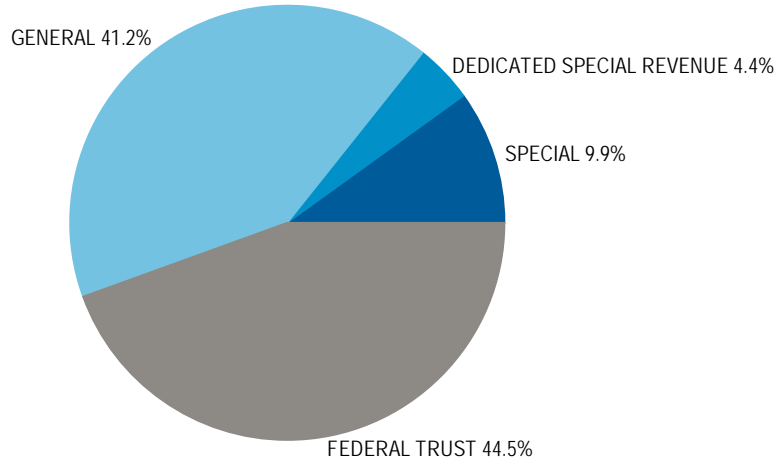
Secretary of Health and Human Resources	Mental Health Treatment Centers
Comprehensive Services for At-Risk Youth and Families	Intellectual Disabilities Training Centers
Department for the Aging	Virginia Center for Behavioral Rehabilitation
Department for the Deaf and Hard-Of-Hearing	Department for Aging and Rehabilitative Services
Department of Health	Woodrow Wilson Rehabilitation Center
Department of Health Professions	Department of Social Services
Department of Medical Assistance Services	Virginia Board for People with Disabilities
Department of Behavioral Health and Developmental Services	Department for the Blind and Vision Impaired
Grants to Localities	Virginia Rehabilitation Center for the Blind and Vision Impaired

## Office of Health and Human Resources Operating Budget History



## Financing of the Office of Health and Human Resources\*

Based on 2012-2014 Proposed Operating Budget  
\*Funds with totals less than 1% have not been included



## Secretary of Health and Human Resources

The Secretary of Health and Human Resources oversees twelve state agencies which provide often-vital services to Virginians. Individuals with disabilities, the aging community, low-income working families, children, caregivers and the provider network are supported through the work of this Secretariat. In addition, our agencies license health practitioners and ensure safe drinking water in the Commonwealth.

### Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 1,804,722	\$ 0	\$ 758,358
2010 Appropriation	\$ 1,751,650	\$ 0	\$ 758,358
2011 Appropriation	\$ 1,534,700	\$ 0	\$ 563,676
2012 Appropriation	\$ 2,180,700	\$ 0	\$ 563,676
2013 Base Budget	\$ 640,213	\$ 0	\$ 543,168
2013 Addenda	\$ 0	\$ 0	\$ 0
2013 Total	\$ 640,213	\$ 0	\$ 543,168
2014 Base Budget	\$ 640,954	\$ 0	\$ 543,168
2014 Addenda	\$ 0	\$ 0	\$ 0
2014 Total	\$ 640,954	\$ 0	\$ 543,168

### Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	6.00	0.00	6.00
2010 Appropriation	6.00	0.00	6.00
2011 Appropriation	5.00	0.00	5.00
2012 Appropriation	5.00	0.00	5.00
2013 Base Budget	5.00	0.00	5.00
2013 Addenda	0.00	0.00	0.00
2013 Total	5.00	0.00	5.00
2014 Base Budget	5.00	0.00	5.00
2014 Addenda	0.00	0.00	0.00
2014 Total	5.00	0.00	5.00

## Comprehensive Services for At-Risk Youth and Families

The mission of the Comprehensive Services Act for At-Risk Youth and Families (CSA) is to create a collaborative system of services and funding that is child-centered, family-focused and community-based when addressing the strengths and needs of troubled and at-risk youths and their families in the Commonwealth.

### Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 299,717,687	\$ 53,573,325	\$ 0
2010 Appropriation	\$ 279,208,772	\$ 53,573,325	\$ 0
2011 Appropriation	\$ 271,234,333	\$ 57,608,887	\$ 0
2012 Appropriation	\$ 270,060,815	\$ 52,607,746	\$ 0
2013 Base Budget	\$ 247,321,040	\$ 52,607,746	\$ 0
2013 Addenda	\$ (21,897,316)	\$ 0	\$ 0
2013 Total	\$ 225,423,724	\$ 52,607,746	\$ 0
2014 Base Budget	\$ 246,821,041	\$ 52,607,746	\$ 0
2014 Addenda	\$ (29,720,919)	\$ 0	\$ 0
2014 Total	\$ 217,100,122	\$ 52,607,746	\$ 0

### Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	0.00	0.00	0.00
2010 Appropriation	0.00	0.00	0.00
2011 Appropriation	0.00	0.00	0.00
2012 Appropriation	0.00	0.00	0.00
2013 Base Budget	0.00	0.00	0.00
2013 Addenda	0.00	0.00	0.00
2013 Total	0.00	0.00	0.00
2014 Base Budget	0.00	0.00	0.00
2014 Addenda	0.00	0.00	0.00
2014 Total	0.00	0.00	0.00

### Recommended Operating Budget Addenda

- Reduce appropriation to reflect anticipated caseload and program expenditures**  
 Reduces program appropriation to levels that are consistent with anticipated program expenditures.

	FY 2013	FY 2014
General Fund	\$ (21,897,316)	\$ (19,673,077)

- Transfer funds for utilization management**

Transfers funds currently earmarked in the Comprehensive Services Act program funding at agency 200 for "utilization management services" to the Office of Comprehensive Services administrative account within the Department of Social Services. These funds are currently transferred administratively pursuant to a signed memorandum of understanding. Transferring these funds will provide transparency and eliminate the need for yearly transfers. This technical amendment has no net fiscal impact.

	FY 2013	FY 2014
General Fund	\$ 0	\$ (175,000)

**Recommended Savings Addenda**

- **Reduce fraud, waste and abuse by enhancing data collection and analysis**

Reduces appropriation to reflect anticipated savings from the purchase of a comprehensive data analytics package that will become operational in FY 2013. The package will integrate multiple data systems from within and external to the Office of Comprehensive Services. The integration and analysis of data regarding services purchased with Comprehensive Services Act funds, Medicaid funds, and Title IV-E funds will enhance the agency's ability to identify potential fraud, waste and abuse as well as to identify the most effective services and cost efficient means for serving youth.

	FY 2013	FY 2014
General Fund	\$ 0	\$ (9,872,842)

**Department for the Aging**

The Virginia Department for the Aging fosters the independence and well-being of older Virginians and supports their caregivers through leadership, advocacy and oversight of state and community programs, and guides the Commonwealth in preparing for an aging population.

**Operating Budget Summary**

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 18,641,923	\$ 31,726,632	\$ 2,159,614
2010 Appropriation	\$ 17,530,064	\$ 31,786,632	\$ 2,159,614
2011 Appropriation	\$ 16,687,840	\$ 36,886,632	\$ 2,112,652
2012 Appropriation	\$ 16,746,999	\$ 36,886,632	\$ 2,248,202
2013 Base Budget	\$ 17,259,104	\$ 38,296,226	\$ 2,157,860
2013 Addenda	\$ 0	\$ 0	\$ 0
2013 Total	\$ 17,259,104	\$ 38,296,226	\$ 2,157,860
2014 Base Budget	\$ 17,480,147	\$ 38,296,226	\$ 2,157,860
2014 Addenda	\$ (17,480,147)	\$ (38,296,226)	\$ (2,157,860)
2014 Total	\$ 0	\$ 0	\$ 0

**Authorized Positions Summary**

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	12.00	14.00	26.00
2010 Appropriation	12.00	14.00	26.00
2011 Appropriation	12.00	14.00	26.00
2012 Appropriation	11.00	14.00	25.00
2013 Base Budget	11.00	14.00	25.00
2013 Addenda	0.00	0.00	0.00
2013 Total	11.00	14.00	25.00
2014 Base Budget	11.00	14.00	25.00
2014 Addenda	-11.00	-14.00	-25.00
2014 Total	0.00	0.00	0.00

**Recommended Operating Budget Addenda**

- **Transfer FY 2014 appropriation to reflect merger into the Department for Aging and Rehabilitative Services**

Implements reorganizations approved by the General Assembly through Chapters 803 and 835 of the 2012 Acts of Assembly.

	FY 2013	FY 2014
General Fund	\$ 0	\$ (17,480,147)
Nongeneral Fund	\$ 0	\$ (38,296,226)
Authorized Positions	0.00	-25.00

**Department for the Deaf and Hard-Of-Hearing**

The Virginia Department for the Deaf and Hard of Hearing (VDDHH) works to reduce the communication barriers between persons who are deaf or hard of hearing and those who are hearing, including family members, service providers, and the general public.

**Operating Budget Summary**

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 1,374,601	\$ 14,389,078	\$ 837,965
2010 Appropriation	\$ 1,278,736	\$ 14,389,078	\$ 837,965
2011 Appropriation	\$ 840,901	\$ 14,823,149	\$ 694,063
2012 Appropriation	\$ 840,901	\$ 14,823,149	\$ 694,063
2013 Base Budget	\$ 844,985	\$ 10,561,124	\$ 717,062
2013 Addenda	\$ 0	\$ 0	\$ 0
2013 Total	\$ 844,985	\$ 10,561,124	\$ 717,062
2014 Base Budget	\$ 844,994	\$ 10,938,174	\$ 717,062
2014 Addenda	\$ 0	\$ 0	\$ 0
2014 Total	\$ 844,994	\$ 10,938,174	\$ 717,062

**Authorized Positions Summary**

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	12.00	2.00	14.00
2010 Appropriation	12.00	2.00	14.00
2011 Appropriation	10.50	3.50	14.00
2012 Appropriation	10.50	3.50	14.00
2013 Base Budget	8.37	2.63	11.00
2013 Addenda	0.00	0.00	0.00
2013 Total	8.37	2.63	11.00
2014 Base Budget	8.37	2.63	11.00
2014 Addenda	0.00	0.00	0.00
2014 Total	8.37	2.63	11.00

## Department of Health

The Virginia Department of Health is dedicated to promoting and protecting the health of Virginians.

### Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 169,074,602	\$ 412,621,961	\$ 242,766,661
2010 Appropriation	\$ 154,191,257	\$ 413,541,356	\$ 243,110,192
2011 Appropriation	\$ 153,525,069	\$ 417,086,680	\$ 243,879,667
2012 Appropriation	\$ 153,981,240	\$ 420,617,827	\$ 249,634,157
2013 Base Budget	\$ 156,492,622	\$ 464,592,306	\$ 230,267,643
2013 Addenda	\$ 350,000	\$ 0	\$ 350,000
2013 Total	\$ 156,842,622	\$ 464,592,306	\$ 230,617,643
2014 Base Budget	\$ 152,362,687	\$ 471,381,793	\$ 229,353,475
2014 Addenda	\$ (654,414)	\$ 555,900	\$ (603,506)
2014 Total	\$ 151,708,273	\$ 471,937,693	\$ 228,749,969

### Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	1,608.00	2,067.00	3,675.00
2010 Appropriation	1,570.00	2,039.00	3,609.00
2011 Appropriation	1,554.22	2,058.78	3,613.00
2012 Appropriation	1,555.22	2,219.78	3,775.00
2013 Base Budget	1,544.00	2,215.00	3,759.00
2013 Addenda	0.00	0.00	0.00
2013 Total	1,544.00	2,215.00	3,759.00
2014 Base Budget	1,532.00	2,207.00	3,739.00
2014 Addenda	0.00	0.00	0.00
2014 Total	1,532.00	2,207.00	3,739.00

### Recommended Operating Budget Addenda

- **Address rent increases at local health departments**

Provides additional funding to address the rent increases for the Hopewell, Galax, King George, Wythe, and Suffolk local health departments.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 97,565
Nongeneral Fund	\$ 0	\$ 56,034

- **Adjust funding for changes in methodology for Oracle related charges**

Adjusts the agency's budget for the general fund share of the impact of VITA charges resulting from a planned change in the rates methodology as applied to Oracle specific costs effective July 1, 2013. Under the new methodology, Oracle costs will be charged directly to those few agencies with Oracle licenses rather than sharing the costs via standard server rates among the many agencies using the servers on which the Oracle software resides as is currently done.

	FY 2013	FY 2014
General Fund	\$ 0	\$ (62,892)

- **Correct the general fund appropriation in the second year for proton beam therapy**

Adjusts the general fund appropriation for the proton beam therapy from \$500,000 to \$510,000 in the second year. This action is contained in budget bill language.

- **Fund the local share of state employee bonus**

Provides additional general fund support for the one-time three percent bonus for state employees payable on December 1, 2012. This amendment also includes budget bill language authorizing the department to pay the entire local share of the state bonus.

	FY 2013	FY 2014
General Fund	\$ 350,000	\$ 0

- **Provide funding to continue the harmful algal bloom monitoring and response activities**

Replaces the loss of the federal U.S. Centers for Disease Control and Prevention (CDC) grant to address and respond to existing and emerging health issues associated with harmful algal blooms that occur in Virginia's Chesapeake Bay and Bay tributaries. The CDC grant will end in 2013.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 150,000

- **Replace the phone system in the Madison Building**

Provides additional general fund support in the second year to replace the telephone system at the agency's central office.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 84,837

### Recommended Savings Addenda

- **Eliminate funding for the Hemophilia Advisory Board**

This amendment implements reorganizations approved by the General Assembly through Chapters 803 and 835 of the 2012 Acts of Assembly.

	FY 2013	FY 2014
General Fund	\$ 0	\$ (714)

- **Supplant general fund appropriation for the Resource Mothers Program with federal Maternal and Child Health Block Grant**

Reduces general fund support for the Resource Mothers Program in the second year. The agency was recently awarded a federal Maternal and Child Health Block Grant, which will provide sufficient funding for the home visiting program.

		FY 2013	FY 2014
General Fund	\$	0	\$ (499,866)
Nongeneral Fund	\$	0	\$ 499,866

- **Transfer the costs for school health services to the City of Norfolk**

Converts 30 public health nurse positions to either the City of Norfolk or Norfolk School Board positions over the next three years.

		FY 2013	FY 2014
General Fund	\$	0	\$ (423,344)

## Department of Health Professions

The mission of the Department of Health Professions is to protect the public by licensing healthcare providers, enforcing standards governing their practice, and providing information to healthcare providers and the public.

### Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 0	\$ 27,265,701	\$ 17,314,741
2010 Appropriation	\$ 0	\$ 27,380,877	\$ 17,398,332
2011 Appropriation	\$ 0	\$ 27,380,877	\$ 17,450,604
2012 Appropriation	\$ 0	\$ 27,380,877	\$ 17,450,604
2013 Base Budget	\$ 0	\$ 27,283,810	\$ 17,023,638
2013 Addenda	\$ 0	\$ 0	\$ 0
2013 Total	\$ 0	\$ 27,283,810	\$ 17,023,638
2014 Base Budget	\$ 0	\$ 27,283,810	\$ 16,816,028
2014 Addenda	\$ 0	\$ 0	\$ 0
2014 Total	\$ 0	\$ 27,283,810	\$ 16,816,028

### Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	0.00	214.00	214.00
2010 Appropriation	0.00	215.00	215.00
2011 Appropriation	0.00	215.00	215.00
2012 Appropriation	0.00	215.00	215.00
2013 Base Budget	0.00	215.00	215.00
2013 Addenda	0.00	0.00	0.00
2013 Total	0.00	215.00	215.00
2014 Base Budget	0.00	215.00	215.00
2014 Addenda	0.00	0.00	0.00
2014 Total	0.00	215.00	215.00

## Department of Medical Assistance Services

To provide access to a comprehensive system of high quality and cost effective health care services to qualifying Virginians.

### Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 2,338,073,401	\$ 3,654,454,288	\$ 29,227,820
2010 Appropriation	\$ 2,416,937,883	\$ 4,351,872,172	\$ 28,755,679
2011 Appropriation	\$ 2,822,298,324	\$ 4,710,248,288	\$ 32,648,156
2012 Appropriation	\$ 3,483,587,161	\$ 4,108,627,754	\$ 35,576,046
2013 Base Budget	\$ 3,665,989,276	\$ 4,317,966,714	\$ 35,338,856
2013 Addenda	\$ (92,759,496)	\$ 180,888,368	\$ 0
2013 Total	\$ 3,573,229,780	\$ 4,498,855,082	\$ 35,338,856
2014 Base Budget	\$ 3,814,571,616	\$ 5,660,770,662	\$ 35,445,058
2014 Addenda	\$ 34,390,848	\$ (961,020,333)	\$ (534,540)
2014 Total	\$ 3,848,962,464	\$ 4,699,750,329	\$ 34,910,518

### Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	165.02	187.98	353.00
2010 Appropriation	169.02	190.98	360.00
2011 Appropriation	169.82	194.18	364.00
2012 Appropriation	175.32	203.68	379.00
2013 Base Budget	183.82	212.18	396.00
2013 Addenda	0.00	0.00	0.00
2013 Total	183.82	212.18	396.00
2014 Base Budget	183.82	212.18	396.00
2014 Addenda	8.50	8.50	17.00
2014 Total	192.32	220.68	413.00

## Recommended Operating Budget Addenda

- **Add positions associated with Department of Justice settlement**

Increases the employment level of the agency to reflect the additional administrative responsibilities from implementation of the settlement with the U.S. Department of Justice to discharge individuals into integrated community settings. The costs of these positions have already been accounted for in the appropriation of the Department of Behavioral Health and Developmental Services.

	FY 2013	FY 2014
Authorized Positions	0.00	13.00

- **Adjust funding for changes in methodology for Oracle related charges**

Adjusts the agency's budget for the general fund share of the impact of VITA charges resulting from a planned change in the rates methodology as applied to Oracle specific costs effective July 1, 2013. Under the new methodology, Oracle costs will be charged directly to those few agencies with Oracle licenses rather than sharing the costs via standard server rates among the many agencies using the servers on which the Oracle software resides as is currently done.

	FY 2013	FY 2014
General Fund	\$ 0	\$ (1,694)

- **Adjust funding for Health Care Fund**

Increases the appropriation for the Health Care Fund to reflect the latest revenue estimates. Revenue from the Master Settlement Agreement with tobacco manufacturers is slightly higher than previously estimated. Tobacco taxes are projected to be higher and Medicaid recoveries are also projected to be higher primarily due to pharmacy rebates. The 2013 amount includes the yearend cash balance from the prior year. Since it used as state match for Medicaid, the increased revenues result in a reduction in general fund support for Medicaid.

	FY 2013	FY 2014
General Fund	\$ (142,530,434)	\$ (59,966,365)
Nongeneral Fund	\$ 142,530,434	\$ 59,966,365

- **Allow electronic notices of program reimbursement to providers**

Provides authority for the agency to deliver notices of program reimbursement (NPR) by electronic means. NPRs notify providers of any rate changes or cost settlements, and provides information regarding provider appeal rights. Currently, NPRs are required to be mailed to providers. The agency would continue to mail NPRs to providers who prefer to receive notices by mail. This action is contained in budget bill language.

- **Authorize elimination of state-funded health care that duplicates coverage provided through the health benefits exchange**

Authorizes the agency to eliminate duplicative coverage for certain health care programs for populations that will now be able to access that coverage through private insurance offered through the health benefits exchange established by the Affordable Care Act. This action is contained in budget bill language.

- **Correct funding error for state teaching hospitals**

Provides funding for the teaching hospitals to correct an error in their payments for fiscal year 2014. The appropriation act includes the elimination of hospital inflation and continued prior year reductions in indigent care funding that are higher than intended due to an incorrect calculation. This amendment corrects that error and funds the two state teaching hospitals at the appropriate level.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 11,257,011

- **Develop new nursing facility reimbursement methodology**

Authorizes the agency to develop a new methodology for nursing facility reimbursement. The current system is based on the traditional cost-based model and this amendment creates a modern reimbursement system that will provide for better incentives for cost effectiveness. The budget language requires the new methodology to be budget neutral. This action is contained in budget bill language.

- **Expand web-based provider enrollment**

Directs the agency to require a web-based enrollment process, to the extent possible, for providers requesting to enroll and participate in Virginia Medicaid's fee-for-service program. This is consistent with the agency's actions to move all provider processes towards electronic web-based means. This action is contained in budget bill language.

- **Fund dual eligible financial alignment demonstration**

Provides administrative funding to implement the dual eligible financial alignment demonstration. This demonstration is a three-year integrated managed care model scheduled to be implemented by January 2014. Individuals who are eligible for Medicare and Medicaid (dual eligible) have complex health care needs and this demonstration will use a fully integrated managed care model through which dual eligible individuals will receive all Medicare and Medicaid covered benefits from one managed care plan. It will be implemented in the Central Virginia, Northern Virginia, Tidewater, and Western/Charlottesville regions starting in 2014. The program is voluntary and it is estimated that up to 70,000 dual eligible individuals may be impacted in the first year.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 650,784
Nongeneral Fund	\$ 0	\$ 1,850,891
Authorized Positions	0.00	4.00

- **Fund Family Access to Medical Insurance Security program utilization and inflation**

Increases funding for the program to reflect the latest forecast of expenditures. The increase in costs is primarily a result of the managed care rate increase in FY 2013. Last year's forecast projected a much smaller increase than the 15.6 percent increase that took effect on July 1, 2012.

	FY 2013	FY 2014
General Fund	\$ 5,109,699	\$ 15,117,916
Nongeneral Fund	\$ 9,361,845	\$ 27,799,286

- **Fund Medicaid utilization and inflation**

Provides additional funding for the increase in costs as reflected in the forecast of Medicaid expenditures. Medicaid expenditures are projected to increase 10 percent in FY 2013 and 6.5 percent in FY 2014. The federal funding in FY 2014 reflects the removal of \$1.1 billion that was added last year for the new population eligible for Medicaid on January 1, 2014, as a result of the Affordable Care Act. The Supreme Court decision made the Medicaid expansion optional, so the official forecast excludes this funding which is now a separate policy issue for the Commonwealth. The primary reason for the increase in general fund need is hospital rebasing in fiscal year 2014, hospital payments delayed from fiscal year 2012 to 2013, and the accounting of pharmacy rebates as expenditures versus revenue.

	FY 2013	FY 2014
General Fund	\$ 46,203,262	\$ 68,388,350
Nongeneral Fund	\$ 27,635,799	\$ (1,101,113,998)

- **Fund medical assistance services for low-income children inflation and utilization**

Adjusts funding for the Commonwealth's Medicaid Children's Health Insurance program. This program applies to children between the ages of 6 through 19 with family income from 100 to 133 percent of the federal poverty level. The increase in fiscal year 2014 is primarily due to expenditures being moved from Medicaid. Last year, as a result of federal health care reform, the matching rate for this population was supposed to change from 65 percent to 50 percent (Medicaid rate) and thus a portion of the program was moved over to Medicaid. The federal government has since changed their guidance and this population will still be covered at a 65 percent federal match and the expenditures are being transferred back, which reflects the increase.

	FY 2013	FY 2014
General Fund	\$ (240,471)	\$ 20,913,558
Nongeneral Fund	\$ 960,290	\$ 41,770,479

- **Fund medical services for involuntary mental commitments**

Adjusts funding for the costs of hospital and physician services for persons subject to an involuntary mental commitment. The most recent forecast of expenditures projects lower growth than last year's estimates.

	FY 2013	FY 2014
General Fund	\$ (1,301,552)	\$ (754,777)

- **Increase federal appropriation for electronic health record incentive payments**

Provides federal appropriation for incentive payments to hospitals and physicians for the development of electronic health records. This program is fully funded by the federal government. For FY 2014, the payments are estimated at \$48.8 million, which is \$28.8 million higher than the current appropriation. This is a technical adjustment to ensure adequate appropriation is available to make payments to providers.

	FY 2013	FY 2014
Nongeneral Fund	\$ 0	\$ 28,810,945

- **Increase special fund appropriation for third party liability contractor**

Provides nongeneral fund appropriation for the administrative costs of the third party liability (TPL) contractor. The Department of Medical Assistance Services (DMAS) uses a contractor to recover payments from third parties (i.e. private insurance) that should have paid for medical care provided by Medicaid. DMAS uses a contingency contract for TPL, so increased revenue recovered results in higher payments to the contractor.

	FY 2013	FY 2014
Nongeneral Fund	\$ 400,000	\$ 500,000

- **Modify allowable deductions for dental expenses**

Provides authority for the agency to limit deductions for incurred dental expenses in the long-term care patient pay calculation to limits generally allowed under private dental insurance coverage plans. Medicaid allows deductions for incurred medical and dental expenses as part of the calculation of recipient responsibility for payment toward the cost of their long-term care. This amendment allows for reasonable limits similar to standard dental insurance plans to reduce unnecessary cost-shifting to the Medicaid program. This action is contained in budget bill language.

- **Modify minimum occupancy requirement for nursing facility reimbursement**

Reduces the minimum occupancy requirement, from 90 to 88 percent, that is used in the reimbursement methodology. The minimum occupancy requirement is a cost control strategy that encourages nursing facilities to maintain high occupancy and therefore have lower costs per patient day. Currently, 35 percent of nursing facilities in the state have an average occupancy below 90 percent. This action changes the minimum to the statewide average occupancy in order to reflect the state's actions over the last decade to limit institutional care by providing more services to individuals in their home or community.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 916,624
Nongeneral Fund	\$ 0	\$ 916,624



- **Modify residential treatment center reimbursement methodology for institutions for mental disease**

Changes the reimbursement methodology for residential treatment centers and freestanding psychiatric facilities, which are Institutions for Mental Disease (IMDs), in order to implement the necessary changes resulting from the agency's loss of an IMD audit appeal. These changes are a result of special limitations that are being imposed as a result of a court case. This action is contained in budget bill language.

- **Provide authority to modify the eligibility determination process to comply with federal law**

Allows the agency to modify aspects of the eligibility determination process to be in compliance with mandated provisions of the federal Patient Protection and Affordable Care Act (PPACA). These changes include include all aspects of the Modified Adjusted Gross Income (MAGI) methodology, the ability to accept telephonic applications, real-time application assistance, and customer service. This action is contained in budget bill language.

- **Provide exceptional rates for qualifying community placements**

Authorizes higher congregate care rates in the Medicaid Intellectual Disability waiver for individuals with high needs coming out of state facilities or at imminent risk of institutionalization. This rate increase will be narrowly targeted to include individuals who are at the highest level of intensity, are moving to a home with no more than four individuals and have intensive behavioral or medical needs. This action is in response to the U.S. Department of Justice settlement requirement to discharge individuals into integrated community settings. This action is contained in budget bill language.

- **Reflect Medicaid impact of state inmate inpatient hospital costs**

Reflects the impact on Medicaid from coverage of inpatient hospital services for Department of Corrections inmates that are 65 and over, disabled or pregnant that otherwise qualify for Medicaid. In accordance with federal policy, Medicaid is only allowed to cover an inmate's medical care while they are a "patient" in a medical institution.

		FY 2013	FY 2014
General Fund	\$	0	\$ 1,387,885
Nongeneral Fund	\$	0	\$ 1,387,885

## Recommended Savings Addenda

- **Capture savings from lower cost of eligibility review contract**

Captures savings from lower costs for the vendor to conduct the Payment Error Rate Measurement (PERM) eligibility review and to establish a permanent quality assurance eligibility project. Funding was provided in the 2012 Appropriation Act for the PERM program. Using the competitive procurement process, the agency has negotiated a contract for this project that will result in lower costs than originally budgeted.

		FY 2013	FY 2014
General Fund	\$	0	\$ (1,110,987)
Nongeneral Fund	\$	0	\$ (1,110,987)

- **Maintain disproportionate share hospital payments at FY 2013 funding level**

Maintains disproportionate share hospital (DSH) payments at the FY 2013 level. As required by law, DSH funding is rebased every three years as part of rebasing for hospital payments. Estimates of the DSH rebasing include a significant increase in qualifying hospitals and high Medicaid utilization, that combined, result in a considerable increase in DSH payments to hospitals. Considering the state has a federal allotment that is fully utilized, the impact of the DSH rebasing must be budget neutral until the DSH methodology is modified to reflect the current situation.

		FY 2013	FY 2014
General Fund	\$	0	\$ (21,746,159)
Nongeneral Fund	\$	0	\$ (21,746,159)

- **Maximize cost allocation**

Captures savings by supplanting general fund with federal funds based on an updated submission of the agency's federally approved cost allocation plan.

		FY 2013	FY 2014
General Fund	\$	0	\$ (304,817)
Nongeneral Fund	\$	0	\$ 304,817

- **Reduce personnel costs**

Reduces salary and wage personnel costs by managing vacancies. Positions will be filled permanently as funds are available with critical work shifted to existing staff during any times of delay.

		FY 2013	FY 2014
General Fund	\$	0	\$ (356,481)
Nongeneral Fund	\$	0	\$ (356,481)

## Department of Behavioral Health and Developmental Services

The Department of Behavioral Health and Developmental Services provides leadership and service to implement and improve Virginia's system of quality treatment and prevention

services and supports for individuals and families whose lives are affected by mental health or substance use disorders or by intellectual disability. It seeks to promote dignity, choice, recovery, and the highest possible level of participation in work, relationships, and all aspects of community life for individuals receiving services.

### Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 29,311,041	\$ 15,857,712	\$ 28,292,504
2010 Appropriation	\$ 26,544,818	\$ 16,073,067	\$ 30,567,327
2011 Appropriation	\$ 27,206,176	\$ 17,623,486	\$ 18,211,234
2012 Appropriation	\$ 29,155,444	\$ 16,860,486	\$ 19,403,542
2013 Base Budget	\$ 35,356,739	\$ 29,087,147	\$ 20,264,227
2013 Addenda	\$ 3,185,982	\$ 43,482	\$ 220,464
2013 Total	\$ 38,542,721	\$ 29,130,629	\$ 20,484,691
2014 Base Budget	\$ 33,075,480	\$ 25,587,147	\$ 20,686,403
2014 Addenda	\$ 3,568,201	\$ 19,186	\$ 747,039
2014 Total	\$ 36,643,681	\$ 25,606,333	\$ 21,433,442

### Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	228.85	9.40	238.25
2010 Appropriation	195.85	10.40	206.25
2011 Appropriation	184.85	10.40	195.25
2012 Appropriation	197.85	10.40	208.25
2013 Base Budget	201.85	10.40	212.25
2013 Addenda	7.00	3.00	10.00
2013 Total	208.85	13.40	222.25
2014 Base Budget	205.85	10.40	216.25
2014 Addenda	9.00	1.00	10.00
2014 Total	214.85	11.40	226.25

### Recommended Operating Budget Addenda

- Adjust funding for changes in methodology for Oracle related charges**

Adjusts the agency's budget for the general fund share of the impact of VITA charges resulting from a planned change in the rates methodology as applied to Oracle specific costs effective July 1, 2013. Under the new methodology, Oracle costs will be charged directly to those few agencies with Oracle licenses rather than sharing the costs via standard server rates among the many agencies using the servers on which the Oracle software resides as is currently done.

	FY 2013	FY 2014
General Fund	\$ 0	(120,652)

- Enhance financial oversight, audit and quality management capacity**

Adds positions to the finance and audit sections of the agency's central office. These positions are expected to provide for more effective and efficient budget, management, accounting and reimbursement functions related to system funds from all sources including state, federal, grants and special fund collections. In addition, funding is included for contractual services to enhance the department's capacity to improve the quality of services provided.

	FY 2013	FY 2014
General Fund	\$ 185,982	\$ 893,929
Nongeneral Fund	\$ 43,482	\$ 173,929
Authorized Positions	10.00	10.00

- Increase allocation for Early Intervention (Part C) services and enhance tracking software**

Increases funding for the Early Intervention program. In the first year, up to \$750,000 will be used to update and enhance the data collection and accountability system associated with the program.

	FY 2013	FY 2014
General Fund	\$ 3,000,000	\$ 3,000,000

- Provide additional funds for electronic health records implementation**

Provides funds for additional on-site staff at state facilities to implement the federally-mandated electronic health records project. The positions are necessary to ensure that facilities are in compliance with federal requirements so that the state may continue to collect Medicaid and Medicare revenues.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 375,000
Authorized Positions	0.00	4.00

- Transfer funds to the statewide Office of the Inspector General**

Transfers funds appropriated for the department's Office of the Inspector General to the newly formed statewide Office of the Inspector General.

	FY 2013	FY 2014
General Fund	\$ 0	(355,076)
Nongeneral Fund	\$ 0	(154,743)
Authorized Positions	0.00	-4.00

### Recommended Savings Addenda

- Reduce expenditures in the central office**

Reduces funds for travel, organizational memberships and supplies in the central office.

	FY 2013	FY 2014
General Fund	\$ 0	(225,000)

## Grants to Localities

The Department of Behavioral Health and Developmental Services provides leadership and service to implement and improve Virginia's system of quality treatment and prevention services and supports for individuals and families whose lives are affected by mental health or substance use disorders or by intellectual disability. It seeks to promote dignity, choice, recovery, and the highest possible level of participation in work, relationships, and all aspects of community life for individuals receiving services.

### Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 236,957,432	\$ 62,104,242	\$ 0
2010 Appropriation	\$ 227,360,416	\$ 66,604,242	\$ 0
2011 Appropriation	\$ 230,150,268	\$ 62,139,242	\$ 0
2012 Appropriation	\$ 268,950,268	\$ 62,174,242	\$ 0
2013 Base Budget	\$ 286,147,318	\$ 62,224,242	\$ 50,000
2013 Addenda	\$ 0	\$ 0	\$ 0
2013 Total	\$ 286,147,318	\$ 62,224,242	\$ 50,000
2014 Base Budget	\$ 256,397,318	\$ 62,274,242	\$ 100,000
2014 Addenda	\$ 6,800,000	\$ 0	\$ 0
2014 Total	\$ 263,197,318	\$ 62,274,242	\$ 100,000

### Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	0.00	0.00	0.00
2010 Appropriation	0.00	0.00	0.00
2011 Appropriation	0.00	0.00	0.00
2012 Appropriation	0.00	0.00	0.00
2013 Base Budget	0.00	0.00	0.00
2013 Addenda	0.00	0.00	0.00
2013 Total	0.00	0.00	0.00
2014 Base Budget	0.00	0.00	0.00
2014 Addenda	0.00	0.00	0.00
2014 Total	0.00	0.00	0.00

### Recommended Operating Budget Addenda

- **Carry forward funds associated with implementation of settlement agreement**

Adds language that carries forward from the first year to the second year any unspent funds associated with implementation of the settlement agreement with the federal Department of Justice. All of the funds for implementation of this agreement were appropriated in FY 2013. If these funds are not carried forward, there will be no funding available in FY 2014 to meet the requirements.

- **Create crisis services for intellectually and developmentally disabled children**

Provides funds for mobile crisis, in-home and psychiatric services in accordance with the settlement agreement with the federal Department of Justice.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 1,250,000

- **Expand adult crisis services for the intellectually and developmentally disabled**

Provides additional funds for adult crisis services required by the settlement agreement with the federal Department of Justice. Although the amounts appropriated in the previous general assembly session include funds for adult crisis, the amounts have been determined to be insufficient to fully implement the program as required.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 3,800,000

- **Expand Discharge Assistance Program (DAP)**

Provides funds for the Discharge Assistance Program (DAP) to assist in discharging individuals from the state hospitals that are deemed clinically ready for discharge but face barriers that impede transition. Increasing use of discharge programs will reduce utilization and census pressure at state facilities.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 750,000

- **Provide funds for children's mental health crisis services**

Builds on existing funds for children's mental health services. The additional funding may be used for crisis services, child psychiatry, case management, in-home services or other services as deemed appropriate by the commissioner.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 1,000,000

- **Remove out-dated language for start-up funds**

Strikes language associated with funds that were eliminated during previous budget reductions. Waiver start-up funds may be available as part of implementation of the settlement agreement with the federal Department of Justice. This action is contained in budget bill language.

## Mental Health Treatment Centers

The Department of Behavioral Health and Developmental Services provides leadership and service to implement and improve Virginia's system of quality treatment and prevention services and supports for individuals and families whose lives are affected by mental health or substance use disorders or by intellectual disability. It seeks to promote dignity, choice, recovery, and the highest possible level of participation in work, relationships, and all aspects of community life for individuals receiving services.

## Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 237,107,171	\$ 100,108,517	\$ 259,016,676
2010 Appropriation	\$ 227,401,068	\$ 95,108,517	\$ 258,225,710
2011 Appropriation	\$ 227,224,336	\$ 95,188,367	\$ 234,488,485
2012 Appropriation	\$ 216,530,118	\$ 95,582,567	\$ 228,426,920
2013 Base Budget	\$ 206,390,290	\$ 95,800,495	\$ 227,775,783
2013 Addenda	\$ 0	\$ 0	\$ 0
2013 Total	\$ 206,390,290	\$ 95,800,495	\$ 227,775,783
2014 Base Budget	\$ 205,790,290	\$ 95,800,495	\$ 227,175,783
2014 Addenda	\$ (848,584)	\$ 0	\$ (10,113)
2014 Total	\$ 204,941,706	\$ 95,800,495	\$ 227,165,670

## Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	3,888.00	756.00	4,644.00
2010 Appropriation	3,776.00	757.00	4,533.00
2011 Appropriation	3,786.00	757.00	4,543.00
2012 Appropriation	3,759.00	765.00	4,524.00
2013 Base Budget	3,759.00	765.00	4,524.00
2013 Addenda	0.00	0.00	0.00
2013 Total	3,759.00	765.00	4,524.00
2014 Base Budget	3,759.00	765.00	4,524.00
2014 Addenda	0.00	0.00	0.00
2014 Total	3,759.00	765.00	4,524.00

## Recommended Operating Budget Addenda

- Correct program distribution for community pharmacy funds**

Transfers appropriation between state facility programs to avoid administrative transfers. This net zero transfer has no fiscal impact.

- Support continued operation of bed capacity at Northern Virginia Mental Health Institute**

Provides funds to maintain operation of beds at Northern Virginia Mental Health Institute. These funds are a continuation of funds provided in the first year and will keep the beds operational through the biennium.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 700,000

## Recommended Savings Addenda

- Reduce expenditures across mental health facilities**

Reduce funds for discretionary expenditures at mental health facilities. The reductions will not reduce the number of direct care workers currently providing care to facility residents.

	FY 2013	FY 2014
General Fund	\$ 0	\$ (1,548,584)

## Intellectual Disabilities Training Centers

The Department of Behavioral Health and Developmental Services provides leadership and service to implement and improve Virginia's system of quality treatment and prevention services and supports for individuals and families whose lives are affected by mental health or substance use disorders or by intellectual disability. It seeks to promote dignity, choice, recovery, and the highest possible level of participation in work, relationships, and all aspects of community life for individuals receiving services.

## Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 42,680,426	\$ 206,486,507	\$ 218,708,955
2010 Appropriation	\$ 37,498,132	\$ 206,486,507	\$ 218,708,955
2011 Appropriation	\$ 33,663,419	\$ 219,562,507	\$ 196,632,974
2012 Appropriation	\$ 30,788,419	\$ 219,562,507	\$ 183,757,974
2013 Base Budget	\$ 32,123,078	\$ 230,307,057	\$ 217,701,517
2013 Addenda	\$ 0	\$ 0	\$ 0
2013 Total	\$ 32,123,078	\$ 230,307,057	\$ 217,701,517
2014 Base Budget	\$ 32,123,078	\$ 230,307,057	\$ 217,701,517
2014 Addenda	\$ 0	\$ 0	\$ 0
2014 Total	\$ 32,123,078	\$ 230,307,057	\$ 217,701,517

## Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	2,541.00	1,849.00	4,390.00
2010 Appropriation	2,519.00	1,849.00	4,368.00
2011 Appropriation	2,419.00	1,849.00	4,268.00
2012 Appropriation	2,219.00	1,849.00	4,068.00
2013 Base Budget	2,219.00	1,849.00	4,068.00
2013 Addenda	0.00	0.00	0.00
2013 Total	2,219.00	1,849.00	4,068.00
2014 Base Budget	2,219.00	1,849.00	4,068.00
2014 Addenda	0.00	0.00	0.00
2014 Total	2,219.00	1,849.00	4,068.00

## Virginia Center for Behavioral Rehabilitation

The Department of Behavioral Health and Developmental Services provides leadership and service to implement and improve Virginia's system of quality treatment and prevention services and supports for individuals and families whose lives are affected by mental health or substance use disorders or by intellectual disability. It seeks to promote dignity, choice, recovery, and the highest possible level of participation in work, relationships, and all aspects of community life for individuals receiving services.

### Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 16,341,011	\$ 0	\$ 6,462,074
2010 Appropriation	\$ 15,875,024	\$ 0	\$ 7,265,116
2011 Appropriation	\$ 15,743,277	\$ 0	\$ 12,557,793
2012 Appropriation	\$ 32,552,584	\$ 0	\$ 15,646,554
2013 Base Budget	\$ 27,264,911	\$ 0	\$ 21,691,081
2013 Addenda	\$ 0	\$ 0	\$ 0
2013 Total	\$ 27,264,911	\$ 0	\$ 21,691,081
2014 Base Budget	\$ 28,237,999	\$ 0	\$ 22,854,996
2014 Addenda	\$ 0	\$ 0	\$ 0
2014 Total	\$ 28,237,999	\$ 0	\$ 22,854,996

### Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	400.00	0.00	400.00
2010 Appropriation	400.00	0.00	400.00
2011 Appropriation	400.00	0.00	400.00
2012 Appropriation	441.00	0.00	441.00
2013 Base Budget	449.00	0.00	449.00
2013 Addenda	0.00	0.00	0.00
2013 Total	449.00	0.00	449.00
2014 Base Budget	475.50	0.00	475.50
2014 Addenda	0.00	0.00	0.00
2014 Total	475.50	0.00	475.50

## Recommended Operating Budget Addenda

### • Transfer funds between programs

Transfers appropriation within program codes so that funds expended for education and instruction can be properly recorded. This net zero transfer has no fiscal impact.

## Department for Aging and Rehabilitative Services

In partnership with older Virginians and Virginians with disabilities and their families, the Department for Aging and Rehabilitative Services provides leadership and advocacy for the highest quality state and community programs that promote independence and employment opportunities to empower individuals for full inclusion into society, and guides the Commonwealth in preparing for an aging population.

### Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 27,838,245	\$ 119,300,867	\$ 53,355,883
2010 Appropriation	\$ 24,916,544	\$ 119,595,760	\$ 53,355,883
2011 Appropriation	\$ 22,372,342	\$ 121,495,760	\$ 75,663,953
2012 Appropriation	\$ 23,254,067	\$ 121,495,760	\$ 76,162,821
2013 Base Budget	\$ 26,839,735	\$ 135,934,558	\$ 65,449,945
2013 Addenda	\$ 0	\$ 0	\$ 0
2013 Total	\$ 26,839,735	\$ 135,934,558	\$ 65,449,945
2014 Base Budget	\$ 26,840,163	\$ 135,934,558	\$ 65,449,945
2014 Addenda	\$ 18,452,625	\$ 38,296,226	\$ 2,869,773
2014 Total	\$ 45,292,788	\$ 174,230,784	\$ 68,319,718

### Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	114.75	589.25	704.00
2010 Appropriation	91.75	589.25	681.00
2011 Appropriation	91.75	589.25	681.00
2012 Appropriation	92.75	590.25	683.00
2013 Base Budget	91.75	593.25	685.00
2013 Addenda	0.00	0.00	0.00
2013 Total	91.75	593.25	685.00
2014 Base Budget	91.75	593.25	685.00
2014 Addenda	20.00	12.00	32.00
2014 Total	111.75	605.25	717.00

## Recommended Operating Budget Addenda

- **Adjust funding for changes in methodology for Oracle related charges**

Adjusts the agency's budget for the general fund share of the impact of VITA charges resulting from a planned change in the rates methodology as applied to Oracle specific costs effective July 1, 2013. Under the new methodology, Oracle costs will be charged directly to those few agencies with Oracle licenses rather than sharing the costs via standard server rates among the many agencies using the servers on which the Oracle software resides as is currently done.

	FY 2013	FY 2014
General Fund	\$ 0	(220)

- **Transfer administration of adult services programs from the Department of Social Services**

Implements reorganizations approved by the General Assembly through Chapters 803 and 835 of the 2012 Acts of Assembly.

	FY 2013	FY 2014
General Fund	\$ 0	1,033,682
Authorized Positions	0.00	9.00

- **Transfer appropriation for tax-checkoff donations to the proper fund**

Transfers appropriation to the proper fund to account for donations from the state tax-checkoff on income returns for transportation services for the elderly.

- **Transfer FY 2014 appropriation to reflect merger of the Departments for the Aging and Rehabilitative Services**

Implements reorganizations approved by the General Assembly through Chapters 803 and 835 of the 2012 Acts of Assembly.

	FY 2013	FY 2014
General Fund	\$ 0	17,419,163
Nongeneral Fund	\$ 0	38,296,226
Authorized Positions	0.00	23.00

## Woodrow Wilson Rehabilitation Center

The Woodrow Wilson Rehabilitation Center provides people with disabilities comprehensive, individualized services to realize optimal personal independence and employment.

## Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 6,002,646	\$ 20,835,886	\$ 21,385,689
2010 Appropriation	\$ 5,139,861	\$ 20,835,886	\$ 21,385,689
2011 Appropriation	\$ 4,961,555	\$ 20,835,886	\$ 19,724,805
2012 Appropriation	\$ 4,811,206	\$ 20,835,886	\$ 19,774,922
2013 Base Budget	\$ 4,856,457	\$ 21,098,757	\$ 19,754,222
2013 Addenda	\$ 0	\$ 0	0
2013 Total	\$ 4,856,457	\$ 21,098,757	\$ 19,754,222
2014 Base Budget	\$ 4,856,457	\$ 21,095,757	\$ 19,751,222
2014 Addenda	\$ 495	\$ 0	0
2014 Total	\$ 4,856,952	\$ 21,095,757	\$ 19,751,222

## Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	114.67	244.33	359.00
2010 Appropriation	101.67	244.33	346.00
2011 Appropriation	101.67	244.33	346.00
2012 Appropriation	101.67	244.33	346.00
2013 Base Budget	91.67	221.33	313.00
2013 Addenda	0.00	0.00	0.00
2013 Total	91.67	221.33	313.00
2014 Base Budget	91.67	221.33	313.00
2014 Addenda	0.00	0.00	0.00
2014 Total	91.67	221.33	313.00

## Recommended Operating Budget Addenda

- **Adjust funding for changes in methodology for Oracle related charges**

Adjusts the agency's budget for the general fund share of the impact of VITA charges resulting from a planned change in the rates methodology as applied to Oracle specific costs effective July 1, 2013. Under the new methodology, Oracle costs will be charged directly to those few agencies with Oracle licenses rather than sharing the costs via standard server rates among the many agencies using the servers on which the Oracle software resides as is currently done.

	FY 2013	FY 2014
General Fund	\$ 0	(244)

- **Provide assistance for the general fund portion of agency Line of Duty Act costs**

Provides additional funding to cover the general fund share of Line of Duty Act costs for state agencies.

	FY 2013	FY 2014
General Fund	\$ 0	739

## Department of Social Services

People helping people triumph over poverty, abuse and neglect to shape strong futures for themselves, their families, and communities.

### Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 380,279,227	\$ 1,417,475,684	\$ 115,659,879
2010 Appropriation	\$ 387,238,581	\$ 1,449,900,233	\$ 113,769,605
2011 Appropriation	\$ 379,562,717	\$ 1,539,376,280	\$ 113,561,654
2012 Appropriation	\$ 375,576,936	\$ 1,517,793,080	\$ 113,561,653
2013 Base Budget	\$ 389,979,751	\$ 1,500,740,684	\$ 120,525,349
2013 Addenda	\$ (7,742,727)	\$ 1,656,962	\$ (97,548)
2013 Total	\$ 382,237,024	\$ 1,502,397,646	\$ 120,427,801
2014 Base Budget	\$ 386,803,033	\$ 1,465,401,084	\$ 120,565,330
2014 Addenda	\$ (5,559,532)	\$ 12,869,153	\$ 1,507,229
2014 Total	\$ 381,243,501	\$ 1,478,270,237	\$ 122,072,559

### Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	389.31	1,272.19	1,661.50
2010 Appropriation	376.21	1,260.29	1,636.50
2011 Appropriation	376.21	1,260.29	1,636.50
2012 Appropriation	398.21	1,282.29	1,680.50
2013 Base Budget	403.21	1,291.29	1,694.50
2013 Addenda	2.00	6.00	8.00
2013 Total	405.21	1,297.29	1,702.50
2014 Base Budget	403.21	1,291.29	1,694.50
2014 Addenda	-3.00	14.00	11.00
2014 Total	400.21	1,305.29	1,705.50

### Recommended Operating Budget Addenda

- Add funding and require the Virginia Early Childhood Foundation to pilot kindergarten readiness assessments**

Provides general fund for the Virginia Early Childhood Foundation. In addition, language is added that requires the foundation to work with public and private partners to develop recommendations for a kindergarten readiness assessment tool and subsequent pilot project(s). The pilot assessments will be available for use, on a voluntary basis, by Smart Beginnings initiatives and local school divisions. The assessment tools will allow for a better understanding of the range of skills children have as they enter kindergarten and progress through the school year.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 750,000

- Adjust child welfare funding**

Revises foster care and adoption subsidy program budgets to meet the anticipated expenditures for the 2012-2014 biennium. Based on biennial expenditure trends and the impact of recent child welfare policy changes, this amendment captures a \$5.3 million general fund savings associated with a decline in Title IV-E Foster Care expenditures, while covering an anticipated \$1.7 million general fund shortfall in adoption subsidies. In addition, funding is moved between service areas to improve the transparency of child welfare appropriations.

	FY 2013	FY 2014
General Fund	\$ (1,794,544)	\$ (1,794,544)
Nongeneral Fund	\$ 92,344	\$ 92,344

- Adjust funding for changes in methodology for Oracle related charges**

Adjusts the agency's budget for the general fund share of the impact of VITA charges resulting from a planned change in the rates methodology as applied to Oracle specific costs effective July 1, 2013. Under the new methodology, Oracle costs will be charged directly to those few agencies with Oracle licenses rather than sharing the costs via standard server rates among the many agencies using the servers on which the Oracle software resides as is currently done.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 151,428

- Adjust support for the unemployed parent assistance program**

Captures surplus appropriation based on a revised projection of the estimated 2012-2014 biennial costs associated with the unemployed parent cash assistance program. The unemployed parent program provides support to eligible low-income two-parent families to ensure that their most basic subsistence needs are met. This reduction will not have any programmatic impact.

	FY 2013	FY 2014
General Fund	\$ (1,146,771)	\$ (823,636)

- Adjust Temporary Assistance for Needy Families (TANF) budget**

Updates appropriation to properly account for the anticipated cost of providing mandated TANF benefits. Benefits include cash assistance payments, employment services and child care. The amendment also budgets the anticipated cost of administering the program that will be borne by local departments of social services.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 0
Nongeneral Fund	\$ (3,626,182)	\$ 3,726,898

- **Appropriate new centralized child care systems support**

Moves appropriation within the agency to reflect the implementation of the Virginia Case Management System (VaCMS); a web-based, comprehensive integrated child care management system that became operational in FY 2012. Functions previously performed by local departments will now be performed by central office staff. This amendment transfers funding between service areas and adds five positions to support new central responsibilities.

	FY 2013	FY 2014
Nongeneral Fund	\$ 0	\$ 0
Authorized Positions	0.00	5.00

- **Appropriate resources for a foster care hearings and appeals process**

Provides funding and positions to address the added workload of creating a new foster care hearings and appeals process. In response to federal findings, the Department of Social Services has proposed legislation to create a hearings and appeals process for children receiving foster care services. This amendment augments staff and resources in the existing Appeals and Fair Hearings unit which will be required to take on the additional caseload generated by the legislative proposal.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 77,267
Nongeneral Fund	\$ 0	\$ 77,267
Authorized Positions	0.00	2.00

- **Augment management support for the modernization of eligibility systems**

Provides resources to enhance the management and programmatic support of the agency's eligibility systems modernization effort. The additional funding will allow agency to dedicate subject matter experts to system development without having an adverse impact on current services. These resources are only provided until the completion of the modernization project or the end of FY 2017, whichever comes first.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 522,286
Nongeneral Fund	\$ 0	\$ 1,924,019
Authorized Positions	8.00	8.00

- **Create prisoner re-entry information technology interface**

Provides one-time funding to create an interface between the Department of Corrections (DOC) systems and the department's customer portal to support prisoner re-entry. The proposed interface aims to assist people previously incarcerated to gain access to social service support programs in a timely manner. A companion amendment is included in DOC.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 165,000

- **Execute executive branch reorganization legislation**

Implements reorganizations approved by the General Assembly through Chapters 803 and 835 of the 2012 Acts of Assembly. This action accounts for the consolidation of the Advisory Board on Child Abuse and Neglect with the Family and Children's Trust Fund and the elimination of the Child Day Care Council.

	FY 2013	FY 2014
General Fund	\$ 0	\$ (108,003)
Nongeneral Fund	\$ 0	\$ (11,171)

- **Improve financial oversight of foster care spending**

Dedicates funding and ten positions to improve the agency's on-going financial oversight of child welfare programs and meet federal standards. The department is currently facing a federal financial review of its Title IV-E foster care program that could cost the state up to \$18 million. This amendment augments the existing review unit staff with five new positions as well as moving four vacant positions internally. Funding for seven of these positions is provided with the agency supporting the remaining three with existing resources.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 318,868
Nongeneral Fund	\$ 0	\$ 260,892
Authorized Positions	0.00	5.00

- **Increase the number of foster care children adopted**

Provides funding to implement pilot programs that increase the number of foster care children adopted in the Commonwealth. One million dollars is dedicated to providing parents who adopt foster care children with an initial payment of up to \$1,000 per child to offset expenses associated with welcoming a child into their home. In addition, the department will work with external organizations to provide on-going supportive services and improve efforts to recruit parents.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 2,000,000
Nongeneral Fund	\$ 0	\$ 350,000

- **Move utilization management services funding**

Transfers funds currently earmarked in the Comprehensive Services Act program funding at agency 200 for "utilization management services" to the Office of Comprehensive Services administrative account within the Department of Social Services. These funds are currently moved administratively pursuant to a signed memorandum of understanding. Transferring these funds will provide transparency and eliminate the need for administrative action each year. This technical amendment has no net fiscal impact.

	FY 2013	FY 2014
General Fund	\$ 0	\$ 175,000



- **Provide funding for child welfare family engagement activities**

Adds funding to initiate family engagement activities in local departments of social services. Family engagement is a core tenet of child welfare transformation and this funding will allow localities to continue to improve outcomes for children like timely permanency, reduced recidivism, increased placements in family settings and improved well-being.

		FY 2013		FY 2014
Nongeneral Fund	\$	0	\$	600,000

- **Provide funding for local retiree health insurance credit**

Provides funding for the retiree health insurance credit for local social services employees. The Code of Virginia provides for the health insurance credit for retired local social services employees and states that the cost of the credit shall be borne by the Commonwealth.

		FY 2013		FY 2014
General Fund	\$	198,588	\$	198,588
Nongeneral Fund	\$	190,800	\$	190,800

- **Transfer adult services to the Department of Aging and Rehabilitative Services (DARS)**

Implements reorganizations approved by the General Assembly through Chapters 803 and 835 of the 2012 Acts of Assembly.

		FY 2013		FY 2014
General Fund	\$	0	\$	(1,033,682)
Authorized Positions		0.00		-9.00

- **Use Temporary Assistance for Needy Families (TANF) to replace general fund**

Accounts for additional maintenance of effort (MOE) funds thereby allowing Temporary Assistance for Needy Families (TANF) dollars to supplant current general fund spending. The department has identified additional statewide expenditures that can be counted towards the federal MOE requirement. The federal government requires states to maintain a minimum level of spending on TANF eligible populations. This new MOE allows the agency to replace current general fund budgeted for TANF benefits with surplus TANF dollars associated with declining caseloads.

		FY 2013		FY 2014
General Fund	\$	(5,000,000)	\$	(5,000,000)
Nongeneral Fund	\$	5,000,000	\$	5,000,000

## Recommended Savings Addenda

- **Account for auxiliary grant balances**

Captures expected general fund balances in the auxiliary grant program. Due to fewer individuals participating in the auxiliary grant program, it is anticipated that there will be a surplus in FY 2014. This amendment secures this funding with no impact on clients or services.

		FY 2013		FY 2014
General Fund	\$	0	\$	(500,000)

- **Supplant funding for Community Action Agencies**

Substitutes general fund provided to Community Action Agencies with federal Temporary Assistance for Needy Families (TANF) dollars.

		FY 2013		FY 2014
General Fund	\$	0	\$	(500,000)
Nongeneral Fund	\$	0	\$	500,000

- **Supplant funding for Healthy Families of Virginia**

Substitutes a portion of the general fund dollars provided to Healthy Families of Virginia with federal Temporary Assistance for Needy Families (TANF) dollars.

		FY 2013		FY 2014
General Fund	\$	0	\$	(158,104)
Nongeneral Fund	\$	0	\$	158,104

## Virginia Board for People with Disabilities

To create a Commonwealth that advances opportunities for independence, personal decision-making, and full participation in community life for individuals with developmental and other disabilities.

## Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 304,058	\$ 1,796,765	\$ 663,953
2010 Appropriation	\$ 319,058	\$ 1,811,765	\$ 663,953
2011 Appropriation	\$ 162,964	\$ 1,811,765	\$ 767,664
2012 Appropriation	\$ 162,964	\$ 1,811,765	\$ 767,664
2013 Base Budget	\$ 177,927	\$ 1,821,658	\$ 782,089
2013 Addenda	\$ 0	\$ 0	\$ 0
2013 Total	\$ 177,927	\$ 1,821,658	\$ 782,089
2014 Base Budget	\$ 179,494	\$ 1,821,658	\$ 782,089
2014 Addenda	\$ (586)	\$ 0	\$ 0
2014 Total	\$ 178,908	\$ 1,821,658	\$ 782,089

### Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	0.75	9.25	10.00
2010 Appropriation	0.75	9.25	10.00
2011 Appropriation	0.75	9.25	10.00
2012 Appropriation	0.75	9.25	10.00
2013 Base Budget	0.75	9.25	10.00
2013 Addenda	0.00	0.00	0.00
2013 Total	0.75	9.25	10.00
2014 Base Budget	0.75	9.25	10.00
2014 Addenda	0.00	0.00	0.00
2014 Total	0.75	9.25	10.00

### Recommended Operating Budget Addenda

- **Adjust funding for changes in methodology for Oracle related charges**

Adjusts the agency's budget for the general fund share of the impact of VITA charges resulting from a planned change in the rates methodology as applied to Oracle specific costs effective July 1, 2013. Under the new methodology, Oracle costs will be charged directly to those few agencies with Oracle licenses rather than sharing the costs via standard server rates among the many agencies using the servers on which the Oracle software resides as is currently done.

	FY 2013	FY 2014
General Fund	\$ 0	(\$586)

## Department for the Blind and Vision Impaired

The mission of the Department for the Blind and Vision Impaired (DBVI) is to provide services and resources which empower individuals who are blind, vision impaired or deafblind to achieve their desired levels of employment, education, and personal independence.

### Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 6,588,350	\$ 35,194,288	\$ 14,803,169
2010 Appropriation	\$ 6,351,857	\$ 35,194,288	\$ 14,803,169
2011 Appropriation	\$ 5,875,255	\$ 37,185,638	\$ 14,358,494
2012 Appropriation	\$ 5,936,072	\$ 37,304,330	\$ 14,417,840
2013 Base Budget	\$ 5,956,564	\$ 44,803,865	\$ 17,878,233
2013 Addenda	\$ 0	\$ 0	\$ 0
2013 Total	\$ 5,956,564	\$ 44,803,865	\$ 17,878,233
2014 Base Budget	\$ 6,318,796	\$ 44,803,865	\$ 17,878,233
2014 Addenda	\$ (506,441)	\$ 120,000	\$ 42,800
2014 Total	\$ 5,812,355	\$ 44,923,865	\$ 17,921,033

### Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	100.40	63.60	164.00
2010 Appropriation	100.40	63.60	164.00
2011 Appropriation	100.40	63.60	164.00
2012 Appropriation	100.40	63.60	164.00
2013 Base Budget	98.80	65.20	164.00
2013 Addenda	0.00	0.00	0.00
2013 Total	98.80	65.20	164.00
2014 Base Budget	98.80	65.20	164.00
2014 Addenda	0.00	0.00	0.00
2014 Total	98.80	65.20	164.00

### Recommended Operating Budget Addenda

- **Account for enhanced Standards of Quality support of blind and visually impaired students**

Reflects the provision of enhanced support for blind and visually impaired students that will now be included in the Standards of Quality model. The funding currently provided by the Department of Blind and Vision Impaired to support a portion of teacher salaries will no longer be necessary. A companion amendment is included in direct aid to public education.

	FY 2013	FY 2014
General Fund	\$ 0	(\$502,662)

- **Adjust funding for changes in methodology for Oracle related charges**

Adjusts the agency's budget for the general fund share of the impact of VITA charges resulting from a planned change in the rates methodology as applied to Oracle specific costs effective July 1, 2013. Under the new methodology, Oracle costs will be charged directly to those few agencies with Oracle licenses rather than sharing the costs via standard server rates among the many agencies using the servers on which the Oracle software resides as is currently done.

	FY 2013	FY 2014
General Fund	\$ 0	(\$3,779)

- **Adjust nongeneral fund appropriation**

Provides the necessary nongeneral fund appropriation to reflect anticipated expenditures. Specifically, \$185,000 is transferred between fund groups (federal to special) and service areas (19102 to 19101) to account for accounting changes to the braille textbook program. In addition, \$120,000 of endowment funding (0715), which is provided by the Board for the Blind and Vision Impaired, is appropriated for special pilot and demonstration projects.

	FY 2013	FY 2014
Nongeneral Fund	\$ 0	\$ 120,000

- **Specify spending policy for vocational rehabilitation services**

Adds language requiring the agency to gain approval from the Department of Planning and Budget before increasing its vocational rehabilitation spending above the current federal award. This action is contained in budget bill language.

### Virginia Rehabilitation Center for the Blind and Vision Impaired

The mission of the Virginia Rehabilitation Center for the Blind and Vision Impaired (VRCBVI) is to empower blind, vision impaired and deafblind citizens of Virginia to achieve optimum vocational, educational, and social independence.

#### Operating Budget Summary

	General Fund	Nongeneral Fund	Personnel Costs
2009 Appropriation	\$ 163,988	\$ 2,292,657	\$ 1,781,532
2010 Appropriation	\$ 139,823	\$ 2,316,822	\$ 1,781,532
2011 Appropriation	\$ 136,936	\$ 2,306,822	\$ 1,675,561
2012 Appropriation	\$ 136,936	\$ 2,306,822	\$ 1,675,561
2013 Base Budget	\$ 156,377	\$ 2,429,623	\$ 1,769,670
2013 Addenda	\$ 0	\$ 0	0
2013 Total	\$ 156,377	\$ 2,429,623	\$ 1,769,670
2014 Base Budget	\$ 156,377	\$ 2,429,623	\$ 1,769,670
2014 Addenda	\$ 0	\$ 0	0
2014 Total	\$ 156,377	\$ 2,429,623	\$ 1,769,670

#### Authorized Positions Summary

	General Fund	Nongeneral Fund	Total Positions
2009 Appropriation	0.00	26.00	26.00
2010 Appropriation	0.00	26.00	26.00
2011 Appropriation	0.00	26.00	26.00
2012 Appropriation	0.00	26.00	26.00
2013 Base Budget	0.00	26.00	26.00
2013 Addenda	0.00	0.00	0.00
2013 Total	0.00	26.00	26.00
2014 Base Budget	0.00	26.00	26.00
2014 Addenda	0.00	0.00	0.00
2014 Total	0.00	26.00	26.00

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