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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)	12VAC30-80-10; 12VAC30-80-20; 12VAC30-80-25; 12VAC30-80-26; 12VAC30-80-30; 12VAC30-80-32; 12VAC30-80-35; 12VAC30-80-36; 12VAC30-80-40; 12VAC30-80-50; 12VAC30-80-60; 12VAC30-80-70; 12VAC30-80-75; 12VAC30-80-80; 12VAC30-80-90; 12VAC30-80-95; 12VAC30-80-96; 12VAC30-80-97; 12VAC30-80-100; 12VAC30-80-110; 12VAC30-80-111; 12VAC30-80-115; 12VAC30-80-120; 12VAC30-80-130; 12VAC30-80-150; 12VAC30-80-170; 12VAC30-80-180; 12VAC30-80-190; 12VAC30-80-200; 12VAC30-80-300.
VAC Chapter title(s)	Methods and Standards for Establishing Payment Rates; Other Types of Care
Action title	Repeal and Replacement of Chapter 80 Reimbursement Regulations
Final agency action date	June 29, 2026
Date this document prepared	June 30, 2026

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.

This regulatory action repeals and replaces Chapter 80 of the DMAS reimbursement regulations in direct response to the mandate in the 2026 Appropriation Act, Item 291.BBBBBB which reads:

The Department of Medical Assistance Services (DMAS) shall submit final exempt regulatory packages to repeal existing provider reimbursement regulations in 12 VAC 30-70, 12 VAC 30-80, and 12 VAC 30-90 and replace them with new sections containing text that is substantially identical to the Medicaid state plan as it was in effect on March 1, 2026. Changes shall not impact any aspect of the Medicaid program or increase costs. These regulatory packages shall be promulgated according to the following schedule: Chapter 70 sections shall be submitted for executive branch review within 45 days from the enactment date of this act; Chapter 80 sections shall be submitted for executive branch review within 75 days from the enactment date of this act; Chapter 90 sections shall be submitted for executive branch review within 95 days from the enactment date of this act.

This regulatory action removes the outdated language related to provider reimbursement rates for chapter 12VAC30-80 and replaces it with text from the up-to-date State Plan.

This action repeals and replaces all of the chapter 12VAC30-80 regulations except 12VAC30-80-21, which remains in the VAC.

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.

This action is mandated by the 2026 Appropriation Act, Item 291.BBBBBB, which instructs DMAS to repeal text in 12VAC30-80-10; 12VAC30-80-20; 12VAC30-80-25; 12VAC30-80-26; 12VAC30-80-30; 12VAC30-80-32; 12VAC30-80-35; 12VAC30-80-36; 12VAC30-80-40; 12VAC30-80-50; 12VAC30-80-60; 12VAC30-80-70; 12VAC30-80-75; 12VAC30-80-80; 12VAC30-80-90; 12VAC30-80-95; 12VAC30-80-96; 12VAC30-80-97; 12VAC30-80-100; 12VAC30-80-110; 12VAC30-80-111; 12VAC30-80-115; 12VAC30-80-120; 12VAC30-80-130; 12VAC30-80-150; 12VAC30-80-170; 12VAC30-80-180; 12VAC30-80-190; 12VAC30-80-200; and 12VAC30-80-300, and replace it with text identical to the Medicaid State Plan as was in effect on March 1, 2026.

This action is exempt from the regulatory process in accordance with Va. Code 2.2-4006(A)(4)(a). DMAS is implementing these changes through a Final Exempt regulation pursuant to §2.2-4006 (A)(4)(a), as a regulation that is “[n]ecessary to conform to changes in Virginia statutory law or the appropriation act where no agency discretion is involved.

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) that the agency has “adopted final amendments” to the regulation; 3) the name of the agency taking the action; and 4) the title of the regulation. A suggested statement is, “On [insert date] the Board/Department of [insert name] adopted final amendments to the [title of regulation(s)].”

On June 29, 2026, the Department of Medical Assistance Services adopted final amendments to 12VAC30-80 reimbursement regulations.

DMAS has submitted Final Exempt changes titled Repeal and Replacement of Chapter 80 Reimbursement Regulations which repeal sections: 12VAC30-80-10; 12VAC30-80-20; 12VAC30-80-25; 12VAC30-80-26; 12VAC30-80-30; 12VAC30-80-32; 12VAC30-80-35; 12VAC30-80-36; 12VAC30-80-40; 12VAC30-80-50; 12VAC30-80-60; 12VAC30-80-70; 12VAC30-80-75; 12VAC30-80-80; 12VAC30-80-90; 12VAC30-80-95; 12VAC30-80-96; 12VAC30-80-97; 12VAC30-80-100; 12VAC30-80-110; 12VAC30-80-111; 12VAC30-80-115; 12VAC30-80-120; 12VAC30-80-130; 12VAC30-80-150; 12VAC30-80-170; 12VAC30-80-180; 12VAC30-80-190; 12VAC30-80-200; and 12VAC30-80-300.

DMAS is replacing these sections with updated text from the State Plan, and is adding the following sections to the VAC: 12VAC30-80-400; 12VAC30-80-410; 12VAC30-80-420; 12VAC30-80-430; 12VAC30-80-440; 12VAC30-80-450; 12VAC30-80-460; 12VAC30-80-470; 12VAC30-80-480; 12VAC30-80-490; 12VAC30-80-500; 12VAC30-80-510; 12VAC30-80-520; 12VAC30-80-530; 12VAC30-80-540; 12VAC30-80-550; 12VAC30-80-560; 12VAC30-80-570; 12VAC30-80-580; 12VAC30-80-590; 12VAC30-80-600; 12VAC30-80-610; 12VAC30-80-620; 12VAC30-80-630; 12VAC30-80-640; 12VAC30-80-650; 12VAC30-80-660; 12VAC30-80-670; 12VAC30-80-680; 12VAC30-80-690; 12VAC30-80-700; 12VAC30-80-710; and 12VAC30-80-720.

Although the repealed sections are being replaced with State Plan text, DMAS has made the following necessary and minor changes to the replacement regulation text: (1) fixed typographical errors found in the State Plan throughout; (2) updated outdated websites to the appropriate web address throughout; (3) removed an unnecessary sentence fragment from the State Plan appearing three times in section 12VAC30-81-280 because the text is pointing to a reference that does not exist (the fragment is: “set out on Page 3 in item __ of this attachment (see 3. below),” and removing the word “and” from the end of 12VAC30-81-210 F(8); (4) repositioning the State Plan replacement text in certain areas by subject-matter for ease of reference and thematic alignment, more specifically, moving text related to substance use disorder services into section 12VAC30-81-50 to follow text related to mental health services, and moving the case management section directly after the section for therapeutic foster care; (5) adding numbering and/or lettering

to the State Plan text throughout for added organization; and (6) updating internal references to repealed regulation sections to the new replacement regulation sections for accuracy and ease of use.

This action is exempt from the regulatory process in accordance with Va. Code 2.2-4006(A)(4)(a).

Chapter 80 Replacement Crosswalk

Old Chapter 80 Section	New Chapter 81 Section
10	10
20	20
21 (not being repealed)	N/A
25	30
26	40
30	50/60/70/80
32	50/270
35	90
36	100
40	110/340
50	120
60	130
70	140
75	210
80	150
90	160
95	230
96	200
97	--
100	170
110	190
111	180
115	220
120	240
130	250
140 (previously repealed)	--
150	260
160 (previously repealed)	--
170	280
180	290
190	300
200	310
300	320

Not found in VAC	330
Not found in VAC	340