

COMMONWEALTH of VIRGINIA

Office of the Attorney General Richmond 23219

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MEMORANDUM

TO: BRIAN MCCORMICK

Regulatory Coordinator

Virginia Department of Medical Assistance Services

FROM: USHA KODURU

Assistant Attorney General

DATE: November 17, 2004

SUBJECT: Final regulations to conform and clarify MEDALLION II regulations

I have reviewed the attached final regulations to revise and update existing MEDALLION II regulations due to changes in federal law, to clarify existing regulations and to conform to changes made to other Medicaid managed care programs. You have asked the Office of the Attorney General to review and determine if the Department of Medical Assistance Services ("DMAS") has the legal authority to promulgate these final regulations and if the proposed regulations comport with state and federal law.

It appears that the changes to the proposed regulations, which are incorporated in the attached final regulations, are changes with "substantial impact," and could necessitate an additional comment period, as explained below. Please note that Virginia Code § 2.2-4013(B) requires that all changes to the proposed regulations be highlighted in the final regulations, and it appears that this requirement has been fulfilled. Also, pursuant to § 2.2 -4013(C), if the Governor finds that one or more changes with substantial impact have been made to the proposed regulation, he *may* (but is not required to) direct DMAS to provide additional thirty days to solicit additional public comment on the changes. In addition, Virginia Code § 2.2-4007(K) requires the agency to solicit additional public comment, *if* it receives requests from at least twenty-five persons for an opportunity to submit oral and written comments on the changes to the regulations and if one or more changes with substantial impact were made to the proposed regulation.

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If you have any questions, please contact me at 225-2741.

Attachment

cc: Kim F. Piner, Esquire