

Office of Regulatory Management
Economic Review Form

Agency name	Department of Medical Assistance Services
Virginia Administrative Code (VAC) Chapter citation(s)	12VAC30-50
VAC Chapter title(s)	Amount, Duration, and Scope of Medical and Remedial Care Services
Action title	Preventive Services
Date this document prepared	July 31, 2024
Regulatory Stage (including Issuance of Guidance Documents)	Fast-Track

Cost Benefit Analysis

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>This regulatory change allows DMAS to amend coverage of preventive services for adult, full Medicaid individuals who are not enrolled in the Patient Protection and Affordable Care Act (PPACA) to align with the preventive services coverage provided under the PPACA.</p> <p>Historically, coverage for preventive services has been available to all Medicaid and Family Access to Medical Insurance Security (FAMIS) children and to Medicaid expansion adults. In addition, Managed Care Organizations (MCOs) have offered coverage for many preventive services as enhanced benefits to adults in all eligibility categories to ensure consistency and to support overall wellness goals. The state budget that took effect July 1, 2022, established preventive services as standard Medicaid benefits, ensuring that all full benefit adult Medicaid members have equitable access to preventive care.</p> <p>In SFY 2023, preventive services costs totaled \$26,334,383 (\$4,020,152 General Funds). This is the added cost. Savings from improved health outcomes are not included and may not fall within the same fiscal year.</p> <p>DMAS is not aware of any quantifiable direct benefits at this time. From a qualitative perspective, access to preventive services helps reduce the risk of developing serious health problems and helps detect illnesses at an early stage when treatment is likely to work best, among other things.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) In SFY 2023, preventive services costs totaled \$26,334,383 (\$4,020,152 General Funds)	(b)
(3) Net Monetized Benefit	Undefined.	
(4) Other Costs & Benefits (Non-Monetized)	DMAS is not aware of any other quantifiable costs or benefits.	
(5) Information Sources	DMAS' Fiscal and Budget Divisions.	

Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

(1) Direct & Indirect Costs &	The changes being made by this regulatory action are non-discretionary.
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Benefits (Monetized)		
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non- Monetized)		
(5) Information Sources		

Table 1c: Costs and Benefits under Alternative Approach(es)

(1) Direct & Indirect Costs & Benefits (Monetized)	The changes being made by this regulatory action are non-discretionary.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non- Monetized)		
(5) Information Sources		

Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs &	Local partners will not incur any direct costs or benefits of the regulatory changes contained in the regulatory action.
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Benefits (Monetized)		
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) DMAS is not aware of any quantifiable direct or indirect costs.	(b) DMAS is not aware of any quantifiable direct or indirect benefits.
(3) Other Costs & Benefits (Non-Monetized)		
(4) Assistance		
(5) Information Sources	DMAS' Budget Division.	

Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	Families will not incur any direct costs as a result of the regulatory change. In terms of benefits, access to preventive services can help reduce the risk of developing serious health problems and can help detect illnesses at an early stage when treatment may be more effective.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) DMAS is not aware of any direct or quantifiable indirect costs.	(b) DMAS is not aware of any quantifiable direct or indirect benefits.
(3) Other Costs & Benefits (Non-Monetized)		
(4) Information Sources	DMAS' Budget Division.	

Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>DMAS is not aware of any quantifiable direct costs at this time.</p> <p>DMAS is also not aware of any quantifiable direct benefits at this time.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Other Costs & Benefits (Non-Monetized)	<p>DMAS is not aware of any other costs or benefits at this time.</p>	
(4) Alternatives	<p>Because the changes being made by this regulatory action are non-discretionary, there are not alternatives for DMAS to consider.</p>	
(5) Information Sources	<p>DMAS' Budget Divisions.</p>	

Changes to Number of Regulatory Requirements

Table 5: Regulatory Reduction

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
12VAC30-50-140	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	18	0	0	0
	(D/R):	12	0	0	0
Grand Total of Changes in Requirements:					(M/A): 0 (D/A): 0 (M/R): 0 (D/R): 0

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
12VAC30-50-220	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	6	0	3	-3
	(D/R):	3	0	0	0
Grand Total of Changes in Requirements:					(M/A): 0 (D/A): 0 (M/R): -3 (D/R): 0