Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

PUBLISHED: 1/20/2025 6:33 AM **ORIGINAL**

Bill Number: HB 1804 **Patron:** Cohen
Bill Title: DMAS; application for medical assistance, eligibility for Medicaid Works

Bill Summary: The proposed legislation directs the Department of Medical Assistance Services (DMAS) to seek the necessary approvals from the Centers for Medicare and Medicaid Services to amend its application for medical assistance to gather all necessary information to determine an applicant's eligibility for the Medicaid Works program. Such amendments would apply to the initial application for medical assistance, applications for renewal of medical assistance, and whenever changes are reported to the Department.

Budget Amendment Necessary: Yes **Items Impacted:** 292

Fiscal Summary: The proposed legislation will require expenditures for which the agency is not currently appropriated. While the administrative cost can be estimated (reflected in tables below), the bill would also have an indeterminate impact on Medicaid services (see fiscal analysis).

General Fund Expenditure Impact:

Agency	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
DMAS (602)	-	$235,000	-	-	-	-

Nongeneral Fund Expenditure Impact:

Agency	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
DMAS (602)	-	$235,000	-	-	-	-

Fiscal Analysis: DMAS indicates that there would be a fiscal impact associated with modifying the application and renewal forms across all modalities and making changes to statewide case management systems. Assuming changes to VaCMS and CommonHelp are made in conjunction with one another, the total administrative cost of all required amendments is estimated to be $470,000 ($235,000 general fund) in FY 2026. This is expected to be a one-time cost.

DMAS reports that collecting the information necessary to make a Medicaid Works eligibility determinations may increase Medicaid enrollment. While the number of impacted individuals is not expected to be significant, there is insufficient information to determine a potential cost at this time. There is no readily available information as to how many aged, blind, and disabled individuals would want to return to work and there are complex federal rules governing this population. Should additional information become available, this statement will be updated.

Other: None