

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: HB 1098

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Guzman

3. Committee: -

4. Title: Obesity prevention and other obesity-related services; payment of medical assistance

5. Summary: The substitute bill directs the Department of Medical Assistance Services (DMAS) to establish a workgroup composed of relevant stakeholders to study and provide recommendations related to the payment of medical assistance for obesity prevention and other obesity-related services, including (i) the types of obesity prevention and other obesity-related services for which federal matching funds are available, (ii) the cost to the Commonwealth of providing medical assistance for such obesity prevention and other obesity-related services for eligible individuals, and (iii) any federal approvals or other actions necessary to allow for the payment of medical assistance for obesity prevention and other obesity-related services. The bill requires the Department to report its findings and recommendations to the Governor and the Chairmen of the House Committees on Appropriations and Health, Welfare and Institutions and the Senate Committees on Finance and Appropriations and Education and Health by November 1, 2022.

6. Budget Amendment Necessary: Yes

7. Fiscal Impact Estimates: Preliminary

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2023	\$73,707	General
	\$73,707	Nongeneral
2024	-	-
2025	-	-
2026	-	-
2027	-	-
2028	-	-
2029	-	-

8. Fiscal Implications: The Department of Medical Assistance Services (DMAS) reports that the agency does not have sufficient in house expertise to meet the requirements of this bill. As such, the agency assumes that a contractor, at a one-time cost of \$147,414 (\$73,707 general fund), with programmatic and actuarial knowledge would be hired to develop the necessary benefit and pricing information. DMAS based this estimate on the historical cost

of similar efforts. While the workgroup required in the substitute bill may require additional agency resources, it is assumed that existing staff can provide the necessary support.

9. Specific Agency or Political Subdivisions Affected:

Department of Medical Assistance Services

10. Technical Amendment Necessary: No

11. Other Comments: None