

## Department of Planning and Budget 2022 Fiscal Impact Statement

**1. Bill Number:** HB910

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

**2. Patron:** Orrock

**3. Committee:** Health, Welfare and Institutions

**4. Title:** Hospital emergency department severity code data reporting.

**5. Summary:** Requires every hospital in the Commonwealth with an emergency department to report monthly to the Department of Health (the Department) the total number of visits to the hospital's emergency department and the total number of visits to the hospital's emergency department by severity code. The bill directs the Department to (i) determine the average number of hospital emergency department visits for each severity code statewide and by region for each month, (ii) identify hospitals that report a number of hospital emergency department visits for the highest severity code that is greater than the regional average for such severity code for each month, and (iii) work with such hospitals to determine why the hospital is reporting a number of emergency department visits coded at the highest severity code that exceed the regional average. The bill also requires the Department to develop guidelines for the use of severity codes in emergency departments to facilitate accurate coding of emergency department visits by severity.

**6. Budget Amendment Necessary:** Yes, item 292, program 40607.

**7. Fiscal Impact Estimates:** Preliminary, see item 8.

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2023	\$118,784	1	01000
2024	\$118,784	1	01000
2025	\$118,784	1	01000
2026	\$118,784	1	01000
2027	\$118,784	1	01000
2028	\$118,784	1	01000
2029	\$118,784	1	01000

**8. Fiscal Implications:** The provisions of this legislation would have a fiscal impact on the Virginia Department of Health. The bill includes a reporting requirement on hospitals to submit monthly data to VDH who will then analyze the data, work with hospitals, and develop guidelines for the use of severity codes in hospital emergency departments.

VDH cannot absorb the provisions of this legislation within existing resources. The State Board of Health, the State Health Commissioner, or VDH does not have the authority to increase hospital licensure fees, as those fees are set in Code of Virginia § 32.1-130. There is also no authority to levy special assessments or other fees to offset the increased expenditures. VDH would need one Program Administrative Specialist III position to perform the duties as required by this legislation.

This position would be responsible for ensuring timely submittal of emergency department severity code data, determining the statewide and regional averages, identifying outliers, and working with outlier hospitals to identify the reason for higher-than-average severity code data. This position would also help develop guidelines for accurate emergency severity coding. The annual cost for this position would be \$118,784, based on a salary of \$72,671 and a fringe benefits of \$41,087. Additionally, VDH anticipates expenditures for an office phone (\$650), computer (\$3,000), other equipment and supplies (\$600), general liability/surety/workers compensation (\$650). Any travel or information technology expenditures related to this legislation cannot be determined.

**9. Specific Agency or Political Subdivisions Affected:** Virginia Department of Health.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.