



Impact of JLARC Studies

May 2008

The 2008 General Assembly and several executive branch agencies took significant action in response to the study recommendations reported in 2007 by the Joint Legislative Audit and Review Commission (JLARC).

ACCESS TO STATE-FUNDED BRAIN INJURY SERVICES IN VIRGINIA

As a result of concerns regarding the effectiveness and sufficiency of State-funded brain injury services, the 2006 Appropriation Act directed JLARC staff to report on the effectiveness of and access to brain injury services in the Commonwealth. The study found that State funding increases resulted in more than 1,000 persons with brain injury receiving case management services and participating in clubhouse/day programs in FY 2007, services from which they appeared to benefit. Nonetheless, approximately 150,000 Virginians could have a long-term disability as a result of a traumatic brain injury (TBI), but geography and service availability limit access, and some needed services are unavailable.

The study also found that Virginia's brain injury registry is not operating effectively, in part because of database issues. In order to eliminate duplicative reporting of brain injury data, the study recommended repealing the requirement that hospitals report all such injuries to the brain and spinal cord injury database maintained by the Department of Rehabilitative Services (DRS), that hospitals continue to report such injuries to the Virginia Statewide Trauma Registry maintained by the Virginia Department of Health (VDH), and that VDH be required to provide that information to DRS.

The study also recommended that the State develop a plan to coordinate its efforts to address the needs of returning veterans with TBI. Finally, the study found that a portion of the thousands of Virginians with neurobehavioral problems have severe behavioral problems requiring intensive treatment, but such treatment was only available in 20 beds statewide.

Actions by the 2008 General Assembly

- Senate Bill 197 (Puller) eliminated the requirement that hospitals report brain injuries to the brain and spinal cord injury database while maintaining the requirements that

hospitals report to the Statewide Trauma Registry and VDH share the reported information with DRS.

- House Bill 475 (Cox) addressed the need to monitor and coordinate access to State-level mental health services, including services for brain injury, by active and retired military personnel. General Fund appropriations totaling \$4.5 million during the two-year biennium were also approved for this effort.

EVALUATION OF CHILDREN'S RESIDENTIAL SERVICES DELIVERED THROUGH THE COMPREHENSIVE SERVICES ACT

In 2006, JLARC staff were directed to evaluate the administration of the Comprehensive Services Act (CSA) because of concerns over rising program expenditures and the adequacy of regulations protecting children's safety in residential facilities. The report concluded that closer monitoring of residential placements and better access to information about residential services could serve to control program spending. In addition, the study found that addressing gaps in the availability of community-based services and foster families could yield substantial cost savings to the State while allowing more children to be served in their homes and communities. Increasing compensation was recommended in the report as a means to partially address the recruitment and retention issues that have constrained the availability of foster families. Recommendations were also made to increase the State's investment in local program administration as a means to address children's needs in the most cost-effective manner.

The study also found that Virginia's regulatory environment did not appear to adequately protect the health and safety of children in residential facilities, and that residential services produced mixed outcomes. Although many residential providers reported exceeding minimum regulatory requirements, the report recommended stronger standards be established to ensure that all facilities would provide a level of care sufficient to promote child safety and positive outcomes.

Actions by the 2008 General Assembly

- House Bill 503 (Hamilton) required the State Executive Council (SEC) to develop a program of case management that will better monitor residential care and ultimately control associated expenditures.

- A companion to HB 503, Senate Bill 487 (Hanger) directed localities to utilize case management to monitor the progress of children placed in residential facilities.
- Senate Bill 483 (Hanger) addressed performance measures and data collection issues highlighted in the report. In particular, it requires the SEC to finalize performance standards for the CSA program and to collect information on the cost of services provided, regardless of funding source. SB 483 also requires localities to provide additional information about the children who receive CSA-funded services.
- Senate Bill 472 (Hanger) resolved that the Department of Education should no longer be the primary licensing agency for children's residential facilities and should oversee only their educational components.
- Senate Bill 479 (Hanger) directed the Office of Comprehensive Services to provide additional training for local staff regarding best practices.

Actions by the Executive Branch

- New regulations pertaining to children's residential facilities were adopted in December 2007. The new regulations address several areas of concern raised in the study by strengthening staff-to-child ratios; increasing educational, experience, and training requirements for facility staff; and requiring providers to evaluate the quality of their programs.
- Funding was allocated to increase the stipend paid to foster families.

VIRGINIA PRESCHOOL INITIATIVE (VPI): CURRENT IMPLEMENTATION AND POTENTIAL CHANGES

The 2007 General Assembly directed JLARC to study the Virginia Preschool Initiative (VPI) and the concept of universal preschool. The VPI program was designed to make preschool available for four-year-old "at-risk" children who are not otherwise served by Head Start. The program has been gradually expanded since its inception in the mid-1990s, but there has not been a statewide assessment of the program. "Universal preschool" involves making governmentally-supported preschool programs available to all children, whether at risk or not (actual participation is voluntary depending on the wishes of the parents or guardians).

The study concluded that VPI is a quality program which increases the preparedness of at-risk children for elementary school. VPI met most quality standards. Also, based on classroom observations

by JLARC staff, classrooms appeared to provide a positive academic and social experience for students. VPI students do well in pre-kindergarten and kindergarten literacy tests, and kindergarten teachers and elementary school principals see at-risk pre-kindergarten graduates performing well. Data limitations meant that conclusions could not be drawn about the long-term success of VPI graduates. The study also noted that the estimated per-pupil cost for quality preschool in urban and suburban school divisions is greater than the \$5,700 used by the State in determining State and local cost shares. Statewide, the typical per-pupil amount reported by school divisions for providing high-quality preschool was \$6,790.

With regard to universal preschool, JLARC staff found that there is a lesser body of compelling evidence relating to the benefits of preschool for children who are not at risk than for children who are at risk. Overall, available studies suggest that preschool can benefit children who are not at risk, but to a lesser extent than the benefit for at-risk children. The study concluded that Virginia's current focus for VPI—placing a priority on the children who have the greatest needs and can benefit the most—appears to be appropriate.

Actions by the Governor and 2008 General Assembly

- The Governor's budget bill proposed that applicants for VPI funding could certify a per-pupil amount between \$5,700 and the \$6,790 amount that was shown as an option in the JLARC report. Under this proposal, the State would provide its share of the cost of the certified amount.
- The State budget as approved increased the per-pupil amount for VPI from \$5,700 to \$6,000. To further increase participation, the approved budget also capped the required local share of the \$6,000 cost at 50 percent.
- Funding was provided in the approved budget to pay a State share of 3,646 additional slots in FY 2009 (compared to FY 2008 participation levels), and to pay a State share of 1,029 additional slots in FY 2010 (compared to FY 2009).

INTERIM REVIEW OF THE RESULTS OF ABUSIVE DRIVER FEES IN VIRGINIA AND OTHER STATES

In October 2007, the Chairman of the Joint Commission on Transportation Accountability requested that JLARC staff conduct an interim review of civil remedial fees, also known as abusive driver fees. These fees, which were assessed on persons convicted of certain driving and motor vehicle-related offenses, had been in place

since July 1, 2007. The Chairman desired that JLARC staff assess any possible effects that the fees may have had on driving behavior and State revenues, and to also include information on the effects of similar fees in other states.

The study reached four main conclusions. First, a great deal of uncertainty existed among law enforcement officers and judges regarding which offenses were subject to the fees. Second, data on arrest rates showed that the fees did not have a discernible deterrent effect upon driving behavior. Third, revenue projections were based on some uncertain assumptions and the original estimate of \$65 million in annual revenues could be off by as much as \$28 million in either direction. Fourth, because the penalty for non-payment was suspension of driving privileges, more than 300,000 suspension orders could be issued to Virginia drivers in the first two years after the fees were imposed.

Actions by the 2008 General Assembly

- Senate Bill 1 (Houck) and House Bill 1243 (Hugo) repealed the abusive driver fees.

EVALUATIONS OF PROPOSED MANDATED HEALTH INSURANCE BENEFITS

The *Code of Virginia* requires JLARC to provide staff assistance to the Special Advisory Commission on Mandated Health Insurance Benefits. JLARC staff are to evaluate the social and economic costs and benefits of proposed health insurance mandates. In 2007, JLARC staff evaluated three proposed mandates requiring coverage of the human papillomavirus (HPV) vaccine, second opinions for primary malignant brain tumor patients at NCI Comprehensive Cancer Centers, and prosthetic devices. JLARC staff also evaluated two proposals to repeal the mandated offer for high-dose chemotherapy (HDC) with an autologous bone marrow transplant (ABMT) or stem cell transplant (SCT) for breast cancer.

The JLARC staff evaluations found evidence to support the mandate proposals in two areas. The prosthetics mandate is consistent with the role of health insurance and would establish a minimum level of coverage for individuals requiring prostheses. The repeal of the HDC-ABMT/SCT mandate is appropriate because recent research has determined that HDC-ABMT/SCT provides no additional benefit over conventional chemotherapy and is rarely used in the treatment of breast cancer.

The JLARC staff evaluations concluded that neither the proposed HPV mandate nor the second opinions mandate is necessary.

There is already widespread coverage of the HPV vaccine, though it may be prudent to monitor insurance coverage levels for the vaccine. Medical experts indicated that it is not necessary to gain access to a Comprehensive Cancer Center to obtain a high-quality second opinion for primary malignant brain tumor patients. It appears that strengthening the clinical trials mandate may be a more effective approach to address the concerns of these patients.

Actions by the Special Advisory Commission on Mandated Health Insurance Benefits

- The Special Advisory Commission voted to recommend the adoption of the prosthetics mandate and the repeal of the HDC-ABMT/SCT mandate. The Advisory Commission voted not to recommend the adoption of either the HPV or the second opinions mandate.

Actions by the 2008 General Assembly

- Senate Bill 785 (Blevins) repealed the HDC-ABMT/SCT mandate.
- House Bill 252 (O'Bannon) mandating coverage of second opinions for primary malignant brain tumor patients at NCI Comprehensive Cancer Centers was stricken from the docket.
- No bill mandating coverage of the HPV vaccine was proposed during the 2008 Session.
- Senate Bill 645 (Ticer) mandating coverage of prosthetic devices was continued to the 2009 Session. SB 645 incorporates Senate Bill 13 (Edwards).

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