



# VIRGINIA'S MEDICAID PROGRAM

January 26, 2023

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## AGENDA



- DMAS Overview
- 2023 DMAS Priorities
- Updates on New Initiatives
  - Nursing Facility Quality Improvement Program
  - Civil Money Penalty Reinvestment Program Funding
  - Brain Injury Services
  - Medicaid Value-Based Purchasing (VBP) Implementation

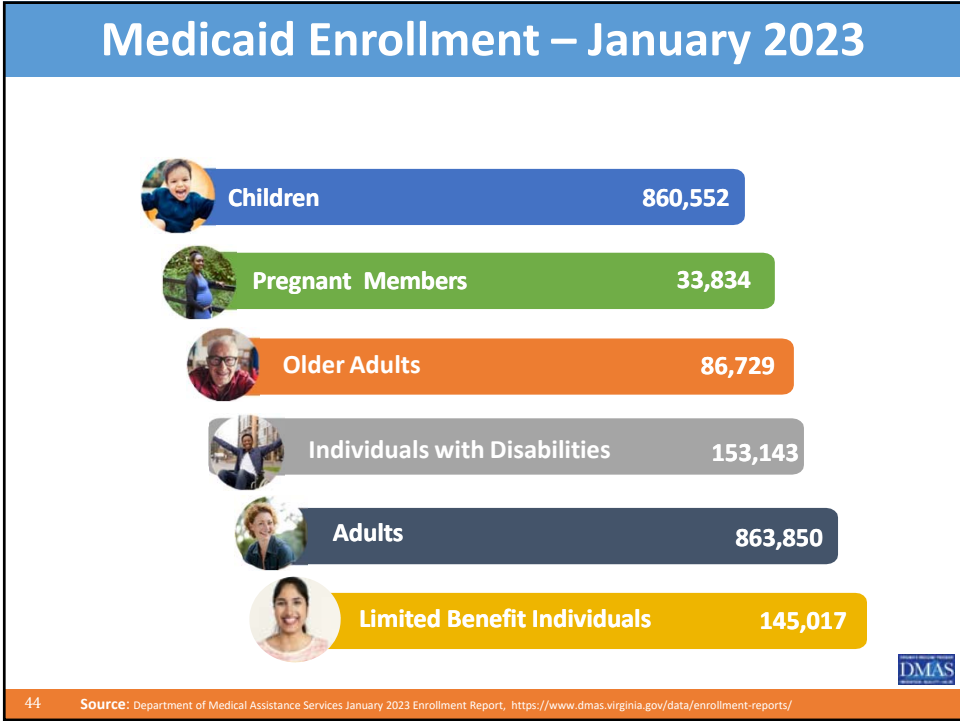
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# DMAS OVERVIEW



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## Managed Care Delivery System

Two managed care programs focus on the diverse needs of over 97% of Virginia's full-benefit Medicaid population through six statewide managed care plans:

Medallion 4.0 <span style="color: #E67E22;">1,649,122</span>	Commonwealth Coordinated Care Plus <span style="color: #E67E22;">304,790</span>
<ul style="list-style-type: none"> <li>Serves infants, children, pregnant women, and adults including most of the Medicaid expansion population.</li> <li>Primary, acute, chronic care and pharmacy services for adults and children. Also includes substance use disorder and behavioral health services. Excludes LTSS.</li> <li>Implemented statewide August 2018.</li> </ul>	<ul style="list-style-type: none"> <li>Serves older adults and individuals with disabilities as well as Medicaid-Medicare eligible.</li> <li>Full continuum of services (same as Medallion) and includes long-term services and supports (LTSS) in the community and in nursing facilities and hospice. **ID/DD services are in FFS.</li> <li>Implemented statewide January 2018.</li> </ul>

DMAS is currently working to consolidate the two programs by 2<sup>nd</sup> quarter 2023 for improved care and to serve as the foundation for the reprocurement, future growth, and innovations rebranded as Cardinal Care Managed Care.

Source: January 2023 DMAS Enrollment Dashboard - <https://www.dmas.virginia.gov/data/medicaid-famis-enrollment/>

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## Nursing Facility Enrollment & Expenditures

<b>TOTAL Nursing Facility Member Count (January 1, 2023)</b>	<b>18,478</b>
CCCPLUS	17,467
FFS	1,011

### FY2022 Expenditures

**NF Claims =**  
\$1,278,025,378.64

**Non-NF Claims\* =**  
\$120,754,398.15

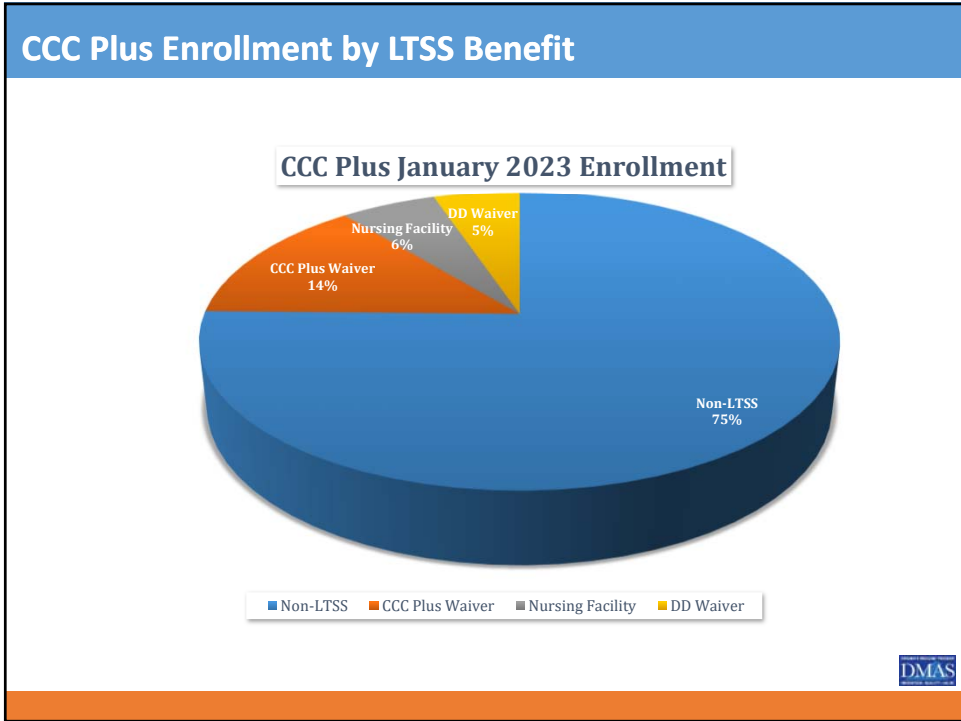
### FY2022 Supplemental Payments

**Cash SFY22 =**  
\$15,690,419

**Accrual =**  
\$15,543,122

\* Other costs incurred by NF members was calculated using logic established by DMAS Provider Reimbursement

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# 2023 PRIORITIES

VIRGINIA'S MEDICAID PROGRAM  
**DMAS**  
INNOVATION • QUALITY • VALUE

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## DMAS 3 for 2023

1. **“Unwinding”** Return to Normal Medicaid Processing
2. **“Right Help, Right Now”** Behavioral Health Transformation
3. **“Procurement”** Managed Care Delivery System being procured



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## “Unwinding” – Return to Normal Processing



**Effective March 2023**, Virginia will be responsible for redetermining Medicaid eligibility for over 2.1 million members over a 12-month period. It also includes FMAP tiering change.



Preparations for this work began in 2020 through a joint HHR effort in close collaboration with the Department of Social Services (DSS).



DMAS expects approximately 14% of members to transition off the Medicaid program due to no longer meeting program requirements.




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## Actions in Preparation for Unwinding

<p><b>State &amp; Local DSS</b></p> <ul style="list-style-type: none"> <li>✓ Coordination &amp; collaboration</li> <li>✓ Overtime</li> <li>✓ Retraining</li> <li>✓ Recruiting</li> </ul> <p><b>VaCMS &amp; MES Updates</b></p> <ul style="list-style-type: none"> <li>✓ 20 changes implemented</li> <li>✓ 3 changes in progress</li> <li>✓ 30% of redeterminations</li> </ul> <p><b>Data</b></p> <ul style="list-style-type: none"> <li>✓ Working with Contractor and other sources to get up-to-date financial information for prioritization</li> </ul> <p><b>Cover Virginia</b></p> <ul style="list-style-type: none"> <li>✓ Discussing a CoverVA contract modification to handle calls and non-complex cases</li> </ul>	<p><b>Member Outreach &amp; Engagement</b></p> <ul style="list-style-type: none"> <li>✓ Correction of out of state addresses</li> <li>✓ &gt;1 million letters mailed</li> <li>✓ Digital ad campaign</li> </ul> <p><b>Provider and Stakeholder Engagement</b></p> <ul style="list-style-type: none"> <li>✓ CMS approved toolkits</li> <li>✓ Trainings</li> <li>✓ Ambassador program</li> <li>✓ March Summit</li> </ul> <p><b>MCO Engagement</b></p> <ul style="list-style-type: none"> <li>✓ Address updates and outreach campaigns</li> <li>✓ Assistance with transitions</li> </ul> <p><b>SCC/State Based Exchange</b></p> <ul style="list-style-type: none"> <li>✓ Coordination/collaboration with State Based Exchange in preparation for Fall 2023 transition</li> </ul>
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## Behavioral Health Transformation

Governor Youngkin launched a multi-year, statewide initiative emphasizing the “Right Help, Right Now” in December 2022.

**An aligned approach to BH that provides access to timely, effective, and community-based care to reduce the burden of mental health needs, developmental disabilities, and substance use disorders on Virginians and their families**

<p><b>1: We must strive to ensure same-day care for individuals experiencing behavioral health crises</b></p>	<p><b>2: We must relieve the law enforcement communities’ burden while providing care and reduce the criminalization of behavioral health</b></p>	<p><b>3: We must develop more capacity throughout the system, going beyond hospitals, especially to enhance community-based services</b></p>	<p><b>4: We must provide targeted support for substance use disorder (SUD) and efforts to prevent overdose</b></p>	<p><b>5: We must make the behavioral health workforce a priority, particularly in underserved communities</b></p>	<p><b>6: We must identify service innovations and best practices in pre-crisis prevention services, crisis care, post-crisis recovery and support and develop tangible and achievable means to close capacity gaps</b></p>
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Source: Governor Youngkin’s “Right Help, Right Now” Behavioral Health Transformation Plan, published December 14, 2022

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## Behavioral Health Transformation

### DMAS is:

- **Working** to provide effective and accessible services to both children and adult covered by Medicaid.
- **Seeking** opportunities to use managed care contracts and procurement to identify and implement innovations and best practices including outcomes-based payment and MCO performance incentives.
- **Focusing** on targeted collaboration with sister state agencies, MCOs, and community partners.



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Source: Governor Youngkin's "Right Help, Right Now" Behavioral Health Transformation Plan, published December 14, 2022.

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## Managed Care Procurement

To continue to build on the foundation and strengths of Virginia's Medicaid managed care, and maximize program enhancements for members and providers, DMAS is seeking to procure a managed care delivery system in 2023.



In October 2022 it was announced that DMAS is seeking to use this procurement to drive innovation and strengthen quality and accountability in its managed care program.



Feedback was solicited from a variety of stakeholders including the Medicaid Managed Care Advisory Committee, the Member Advisory Committee, CHIPAC and other provider groups and associations. Stakeholder input is ongoing.



DMAS awarded a contract Boston Consulting Group to assist with the development of the managed care RFP and identifying opportunities for innovation, best practices, and program enhancements.

*The target dates is to release RFP in Spring/Summer 2023 for go-live date of July 2024.*



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Source: Governor's Introduced Budget, 2023 Appropriation Act Item 308 (GG)

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## Managed Care Procurement

Objective: Build a best-in-class RFP that advances Virginia's Medicaid program goals through a rigorous procurement process

<p><b>RFP to advance DMAS goals</b></p> <p>Build a <b>best-in-class managed care RFP</b> that will <b>drive managed care program goals</b>, ensure <b>best value</b> for the state, and enable DMAS to <b>increase accountability for MCOs</b> for performance</p> <p><b>Foundational focus</b></p> <p>Continue to promote transparency, data analytics, compliance monitoring and oversight within the program.</p>		<p><b>Emerging outcomes &amp; program objectives</b></p> <p><b>Advance the Commonwealth's priorities</b> such as <b>improving behavioral health and population health outcomes</b></p> <p><b>Provide member-centered, holistic care</b> that meaningfully engages and addresses unique needs of all members</p> <p>Enhance <b>availability and accessibility of care</b> across all care settings; promote community integration and a <b>balanced LTSS delivery system</b></p> <p>Strategically leverage <b>new technologies, payment models, and best practices for accountability and impact</b></p>
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Source: Governor's Introduced Budget, 2023 Appropriation Act Item 308 (GG)

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NEW INITIATIVES UPDATE

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## Nursing Facility Quality Improvement Program

- Based on a recommendation from the JCHC, the Virginia General Assembly directed DMAS to create a quality improvement program for nursing facilities.
- Dedicated NF QI program manager started 10/25/22
  - Researching QIPs in Other States
  - Conducting Environmental Scan to Identify Stakeholders
  - Gaining an Understanding of the Virginia Gold Program
  - Examining the Current State of Quality in Virginia's NFs



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## Nursing Facility Quality Improvement Program

- QIPs in Other States. DMAS is talking with these states and continuing to identify other potential models:
  - Texas
  - Kansas
  - Missouri
  - Illinois
- Stakeholder engagement
  - Convening a Workgroup
  - Conversations with Nursing Facilities
  - To join the conversation, email [Courtney.Richter@dmas.virginia.gov](mailto:Courtney.Richter@dmas.virginia.gov)



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## Civil Money Penalty Reinvestment Program

- Collection of penalties imposed against NFs deemed non-compliant. Funds are then reinvested into projects that improve the quality of life and/or care for residents of NFs.
- Reinvested approx. \$3,000,000 in 9 projects beginning in SFY 23 and spanning up to three years.
- RFA to be issued by the end of January. Proposals for new projects due by end of February 2023.
- More information including funding parameters and past projects can be found at:  
<https://www.dmas.virginia.gov/for-providers/long-term-care/programs-and-initiatives/civil-monetary-penalty/>



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## Brain Injury Services


- 2022 Virginia General Assembly authorized the implementation of a new Targeted Case Management Service in the Medicaid program for individuals with severe traumatic brain injury.
  - The Appropriation Act supported this bill by issuing funds in the DMAS medical budget targeted for the implementation of the service.
- The legislature approved DMAS to convene a workgroup with relevant stakeholders to assess and estimate costs for a potential brain injury services waiver and to develop a facility based neuro-rehabilitation service option.
  - DMAS was given administrative funding to support this item, the funds are to be used to implement a rate study for the services identified by the DMAS workgroup.



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## Traumatic Brain Injury (TBI) Project Update

As of: January 18, 2023




**Budget Processes**

- GA Report Completed  
<https://rga.lis.virginia.gov/Published/2022/RD630>




**Rate Development**

- Contracted with Guidehouse December 2022
- Ongoing Rate Model Reimbursement Development and Stakeholder Engagement



**Targeted Case Management (TCM)**

- Ongoing CMS Technical Assistance and Research Support Through CMS Contractor, New Editions\*




**Waiver Development**

- Ongoing Workgroup Sessions
- Exploring Alternate Institutional Placement Options
- Selection of Waiver Services

Key Tasks and Milestones	% Complete	Expected Completion
All TCM Service Requirements Defined	100%	November 2022
TCM Population Definition Completed	50%	January 2023
Alternative Eligibility Definitions Agreed upon (ABI, SCI, TBI, etc.)	50%	January 2023
Service location visits and research	70%	February 2023
Selection of Waiver Services	80%	January 2023
TCM Reimbursement and Operational Structures Finalized	90%	January 2023
Waiver Authority Planning	100%	January 2023

\*New Editions assists the Centers for Medicare & Medicaid Services (CMS) in the national implementation of regulations related to home and community-based services (HCBS)



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## Medicaid Value-Based Purchasing (VBP) Implementation


In 2021, the Virginia General Assembly directed the Department to develop a unified, value-based purchasing (VBP) program for NFs under Medicaid to begin by July 1, 2022.

What

- The Value-Based Purchasing Program (VBP) provides rewards for performance and improvement among eligible Nursing Facilities (NF).

Why



- To support appropriate staffing and improve the quality of care furnished to Medicaid members in nursing facilities (NF) across Virginia.




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## VBP Implementation

### Performance Measure & Weights, Program Years 1 and 2

Domain	Measure	Description	Weight
	<b>Days without Minimum RN Staffing</b>	Facility reported RN staffing hours each day within a quarter. Required standards addressed 42 CFR§ 483.35(b).	20%
	<b>Total Nurse Staffing, Case-Mix Adjusted</b>	Total nurse staffing hours per resident day within a quarter, adjusted for case-mix.	20%
	<b>Number of Hospitalizations per 1,000 Long-Stay Resident Days</b>	Number of unplanned inpatient admissions or outpatient observation stays that occurred during a one-year period among long-stay residents.	15%
	<b>Number of Outpatient Emergency Department Visits per 1,000 Long-Stay Resident Days</b>	Number of all-cause outpatient ED visits occurring in a one-year period while the individual is a long-term NH resident.	15%
	<b>Percentage of long-stay High-Risk Residents with Pressure Ulcers</b>	Percentage of long-stay, high-risk residents with Stage II-IV or unstageable pressure ulcers.	15%
	<b>Percentage of long-stay Residents with a Urinary Tract Infection (UTI)</b>	Percentage of long-stay residents who have had a UTI within the past 30 days.	15%

The NF VBP program uses existing measures from federal data sources to reduce additional reporting burden on Nursing Facilities. Please see the program methodology for more information regarding data sources.



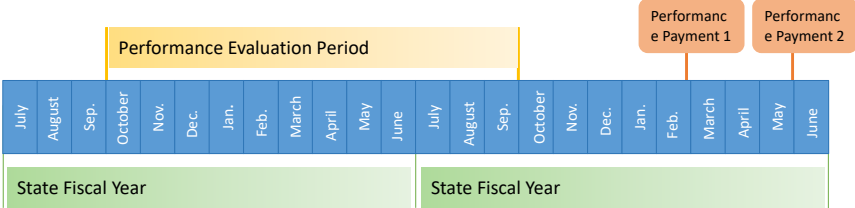
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## VBP Implementation

### NF VBP Program Timeline Overview

- ✓ The performance period for NF VBP is October 1 through September 30.
  - Program Year 1 Performance Period is October 1, 2021 – September 30, 2022.
  - Program Year 2 Performance Period is October 1, 2022 – September 30, 2023.
- ✓ The performance payments are made in February and May
  - Program Year 1 Performance Payments will be initiated in February and May of 2023.





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