Status of DMAS Projects on Veterans and Inmates

Presentation to House Appropriations

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Veterans Benefit Enhancement Program

Item 310.H of the 2012 Appropriation Act directed DMAS to report on the feasibility and potential savings to the Medicaid program of an initiative, in cooperation with the Department of Veterans Services, to assist veterans, who also happen to be Medicaid members, in accessing veteran benefits through the federal government.

	Proposal	FY 2013-2014 Biennium			
		MEL	GF	NGF	Total Funds
Dept Veteran's Affairs	Funding to fill 2 vacant positions to partner with DMAS to identify Virginia veterans receiving Medicaid benefits and work with them to determine whether they are eligible for disability and compensation benefits and medical care through the U.S. Dept of Veterans Affairs.		$256,136	$0	$256,136
DMAS	MEL and funding for staff to implement Veterans Initiative	3.0	$272,500	$272,500	$545,000
DMAS	Assumed Savings from Enrolling Veterans in Federal Health Care Programs		($5,942,000)	($5,942,000)	($11,884,000)

Veterans Benefit Enhancement Program

- Program intent is to assist veterans with obtaining benefits and funding to which they are entitled and to cost avoid Medicaid expenditures more appropriately funded by the Federal Government

- While DMAS is lead for financial purposes; VDVS is the necessary lead for contacting veterans and passing information back to DMAS

Veterans Benefit Enhancement Program

- DMAS, VDVS and VDSS over the last 12 months have worked together in developing the necessary Memorandum of Understanding , interagency data transfer and internal procedures to get the program up and running
  - Update: All three agencies are working together to further define roles and responsibilities to streamline processes, leverage resources and expand knowledge and expertise
  - DMAS hired a dedicated VBEP supervisor in August 2013

Veterans Benefit Enhancement Program

- The veteran outreach process is based on the VDSS PARIS data match with the Federal Government. The file process is currently quarterly and VDSS anticipates the process to go monthly at some point in the future.

  – Update : VDSS has successfully transmitted 3 quarterly files to date and data has been passed to VDVS.

Veterans Benefit Enhancement Program

- VDVS began outreach to veterans in January 2013

  Note: VDVS must have the consent of the veteran to work on their behalf.

  – Outreach is conducted primarily through phone calls. Approximately 1/3 of all members have phone numbers on file but the success rate and response has been very limited.

  – Most veterans contacted are hesitant to discuss veteran programs and their benefits with VDVS agents.

  – As a result, DMAS and VDVS agreed that setting up several pilots to introduce VDVS agents and the VBEP program was necessary.

Veterans Benefit Enhancement Program

- DMAS and VDVS agreed upon multiple pilots to be conducted over the course of a 4-month period beginning August 1, 2013.
- The first two pilots which involve the mailing of a postcard and flyer to known veterans commenced on schedule.
- The pilot programs are intended to measure and improve the success rate in reaching and connecting with veterans for the VBEP Program.
- The interim report on these pilots is due to DMAS on 10/01/2013.

Veterans Benefit Enhancement Program

- DMAS Third Party Liability Unit is utilizing the return file data to enter health care coverage that was previously unreported by individuals receiving Medicaid coverage.
  - Update: DMAS TPL unit reported that of the 418 veterans, who may be eligible for Tricare, 209 were receiving benefits and only 89 remain active in MMIS today. Most members identified through the match have already had TPL input into our MMIS from our contractor. Therefore, only $24,773.72 in additional Medicaid claims met the criteria for recovery. Our Contractor HMS has already recovered over $7,662 leaving only $17,112 in outstanding claims to recover.

Inmates: Background

- Federal Financial Participation (FFP) in Medicaid (federal matching of state expenditures) is prohibited for individuals who are considered to be inmates in a public institution, such as an individual who is incarcerated

- However, the Centers for Medicare and Medicaid Services (CMS), issued guidance several years ago indicating that an exception to the prohibition of FFP is permitted when an inmate becomes an inpatient in a medical institution (i.e. becomes an inpatient in a hospital)

Inmates: Background

- Accordingly, FFP is available for any Medicaid covered services provided to an "inmate" while an inpatient in a hospital provided the services are covered under the State Plan for Medical Assistance and the "inmate" is Medicaid eligible
  - FFP is not available for services provided at a hospital, clinic or physician's office when provided to the inmate on an outpatient basis
  - FFP is not available for medical care provided to an inmate taken to a prison hospital or dispensary

Inmates: Background

- Item 388 of the 2013 Appropriation Act states:

  J. **The Department of Corrections shall coordinate with the Department of Medical Assistance Services and the Department of Social Services to establish procedures to enroll eligible inmates in Medicaid.** To the extent possible, the Department of Corrections shall work to identify potentially eligible inmates on a proactive basis, prior to the time inpatient hospitalization occurs. Procedures shall also include provisions for medical providers to bill the Department of Medical Assistance Services, rather than the Department of Corrections, for inmate inpatient medical expenses. Given the multiple payor sources associated with inpatient and outpatient health care services, beginning July 1, 2013, the Department of Corrections and the Department of Medical Assistance Services shall consult with the applicable provider community to ensure that administrative burdens are minimized and payment for health care services is rendered in a prompt manner. The Departments of Medical Assistance Services and Corrections shall provide a joint report on the implementation of this initiative and the expected cost savings to the Commonwealth. Copies of this report shall be provided to the Secretaries of Health and Human Services and Public Safety, and to the Chairmen of the House Appropriations and Senate Finance Committees, by October 1, 2013.

Inmates: Background

- Item 69 of the 2013 Appropriation Act states:

  L. **The Compensation Board shall work with local and regional jails to determine the number of local-responsible offenders hospitalized off-site, the costs for such hospitalization, and the numbers of such hospitalized local-responsible offenders who are either 65 years of age or older, blind, disabled, or pregnant in order to determine the population of local-responsible offenders who may be eligible for enrollment in Medicaid.** The Departments of Medical Assistance Services and Social Services shall provide any assistance necessary to the Compensation Board in determining the eligibility of those local-responsible offenders for Medicaid enrollment and the process that would be necessary for localities who choose to enroll eligible local-responsible offenders in Medicaid. The Compensation Board, with any necessary assistance from the Departments of Medical Assistance Services and Social Services, shall provide a report on the number of local-responsible offenders who could be enrolled in Medicaid to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2013.

Inmates: Background

- Relative to the language in Item 388 J, the 2013 Appropriation Act reduced expenditures for inmate medical care at the Department of Corrections by $2.75 million GF the second year to reflect this new initiative effective July 1, 2013. This amendment was not dependent upon any expansion of Medicaid pursuant to the Affordable Care Act

  – To fund the Medicaid impact, the 2013 Act transferred $1.4 million GF (and appropriated a like amount of federal matching funds) the second year to DMAS

Inmates: Background

- The language in Item 69 L did not have any appropriation associated with it, as it appears to be intended to identify the potential impact of using Medicaid eligibility to offset costs at local and regional jails

IMPORTANT NOTE: This change in approach between DOC and DMAS is somewhat limited based on current eligibility rules in Medicaid - particularly the lack of eligibility for childless adults. To the extent the PPACA-optional Medicaid expansion is implemented in Virginia Medicaid, the potentially-eligible population of “inmates” would be significantly higher, with concomitant increases in potential General Fund savings given the advantageous FFP under the PPACA expansion.

Inmates: Status

- DMAS, VDSS and DOC have developed procedures for submitting completed applications to specific local departments of social services across the state so that an eligibility determination can be completed
  - applications will only be submitted and evaluated for individuals who meet a Medicaid covered group definition as a pregnant woman, individual age 65 and older, or as someone who has been determined to be blind or disabled according to Social Security criteria
- Applications will be submitted after the individual has left the hospital
  - If all eligibility requirements are met, the individual will be enrolled for a “closed” period of coverage (begins on the date of the inpatient admission and ends with the date of discharge from the hospital)

Inmates: Status

- Once eligibility has been determined and the individual has been enrolled for this limited period of coverage, the providers will bill the Medicaid program for the services that were provided
  - Reimbursement will be made under existing Medicaid methodologies/rates (i.e. no separate reimbursement policies for these individuals)
- DMAS and the Compensation Board are working together per Item 69.L, however, it does not appear that data exists (in an automated fashion) that would allow the type of estimation of potential costs as done for DOC
  - issues identified will be articulated in the report due to the General Assembly in November