

Medicaid in Virginia

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Agenda

- Medicaid Overview & Forecast
- Eligibility Renewal/Unwinding
- Governor's Introduced Budget



Medicaid Overview

Our Mission & Values

To improve the health and well-being of Virginians through access to high-quality health care coverage



Service



Collaboration



Trust



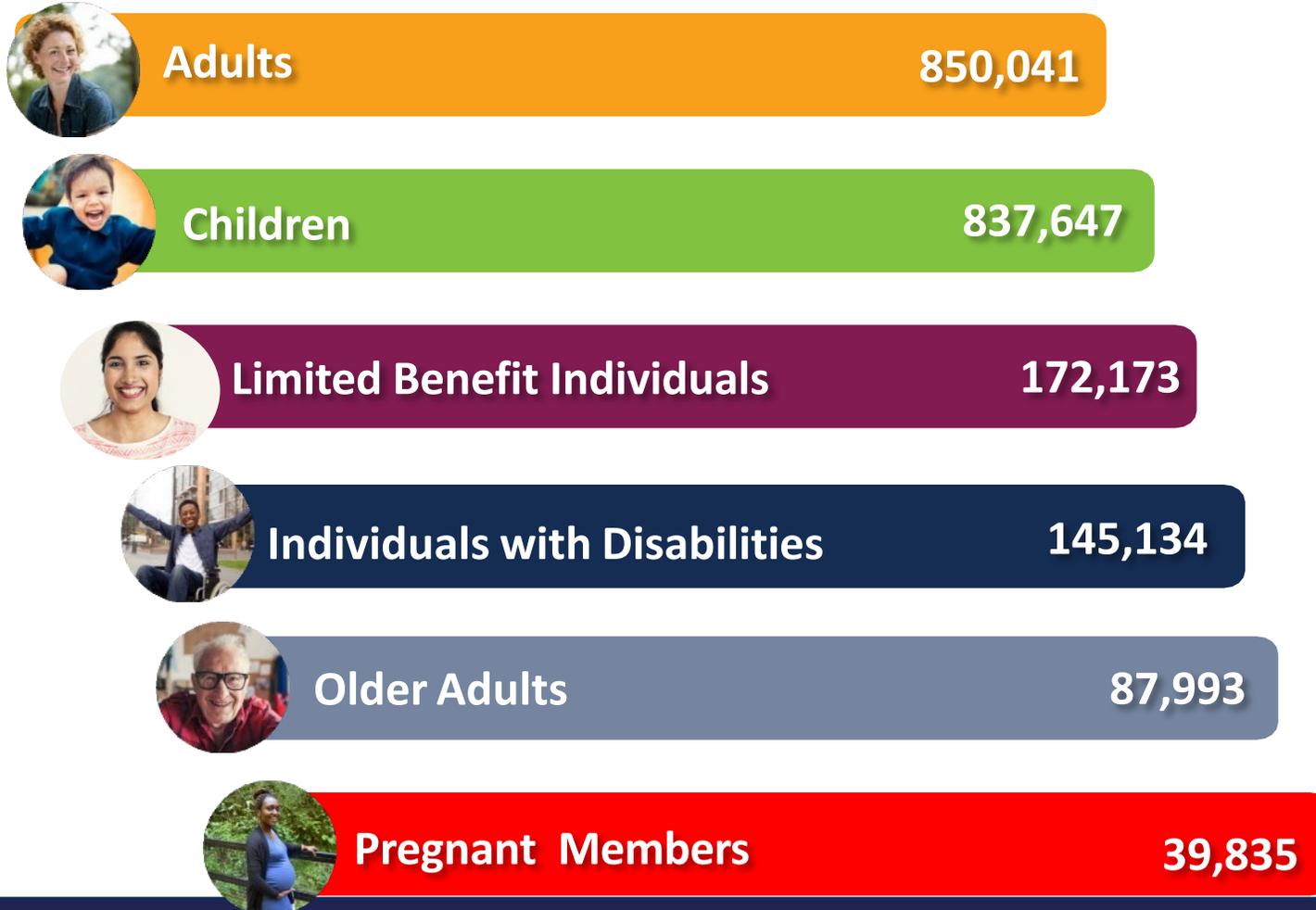
Adaptability



**Problem
Solving**

Who Do We Cover?

Medicaid is available to Virginians who meet specific income thresholds and other eligibility criteria



Medicaid and CHIP Authority



Medicaid and CHIP (FAMIS) are joint federal and state programs authorized under Title XIX and Title XXI of the Social Security Act



Implementation requires authorization by the Governor and General Assembly, and funding through the Appropriation Act



Federal guidance and oversight is provided by the Centers for Medicare and Medicaid Services (CMS)



State programs are based on a CMS-approved “State Plan” and Waivers



DMAS is designated as the single state agency within the Governor’s administration to operate the Medicaid program in Virginia

Finance Overview

FY24 Current Appropriation

	FY24 Appropriation (In Millions)	
Title XIX Base Medicaid & Medicaid Expansion	\$	21,888.0
Title XXI: Children's Health Insurance Program		336.5
Administration		338.4
American Rescue Plan Act		39.0
Temporary Detention Orders		15.4
Insurance Premiums for HIV-Positive Individuals		0.5
Uninsured Medical Catastrophe		0.3
Total	\$	22,872.0

What is the Forecast in Medicaid in FY24-FY26?



Cost Containment Levers	FY24	FY25	FY26
Enrollment	<ul style="list-style-type: none"> -13.3% Base decrease -146,941 Base members Unwinding Case mix 	<ul style="list-style-type: none"> 2.4% Base Growth 23,070 Base members Case mix 	<ul style="list-style-type: none"> 2.4% Base Growth 23,496 Base members Case mix
Rates	<ul style="list-style-type: none"> <u>11</u> Base capitation payments Increase in MCO Rates Inflation adjustments Enhanced FMAP Ending 	<ul style="list-style-type: none"> <u>12</u> Base capitation payments 5.9% Increase MCO rates Inflation adjustments Lower FMAP (3 quarters) 	<ul style="list-style-type: none"> <u>12</u> Base capitation payments 4.7% Increase MCO rates Inflation adjustments Lower FMAP (4 quarters)
Services	<ul style="list-style-type: none"> Utilization increasing 	<ul style="list-style-type: none"> Utilization increasing 	<ul style="list-style-type: none"> Utilization increasing
Net GF Need (Surplus)	(\$126 million)	\$175 million	\$539 million
Net Coverage Assessment	\$99 million	\$86 million	\$147 million



Eligibility Renewal “Unwinding” Updates



Impact of Returning to Renewal Processes (Unwinding)



As of March 2023, Virginia restarted Medicaid eligibility redeterminations for over 2.1 million members. As of **January 2024**, we have completed over 70% of the redeterminations.



Preparations and execution are a joint HHR effort to ensure the process is efficient and no member falls through the cracks.



DMAS expects some members to transition out of the Medicaid program due to no longer meeting program requirements.

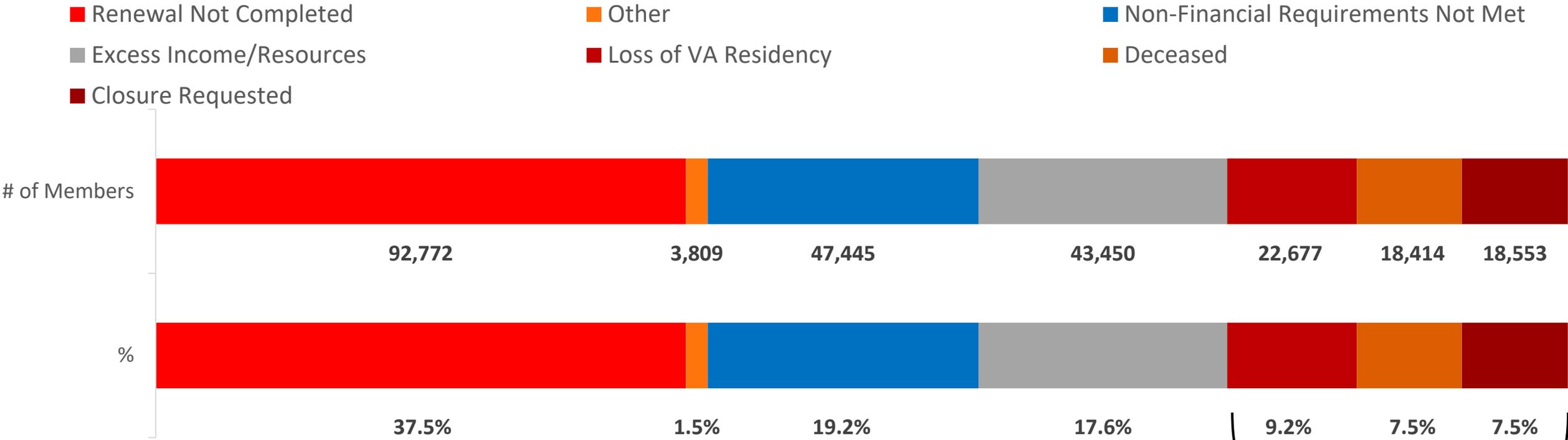


If Medicaid members need information or assistance on renewal – call Cover Virginia (833-5CALLVA).

Where are we now?

- We are on track.
- 1.52 million Medicaid members have been completed.
 - 1.28 million remain covered (58.9% of those completed)
 - 247,120 disenrolled (11.4% of those completed)
- We successfully enhanced our automated eligibility process.
- Virginia has met or exceed federal requirements and reporting and have received no penalties.
- Procedure closure rate is the 7th lowest in the country.
- DMAS continues to place special emphasis on vulnerable populations:
 - Disabled/elderly
 - People with language and access needs
 - Children (reevaluated all children to ensure proper redetermination)

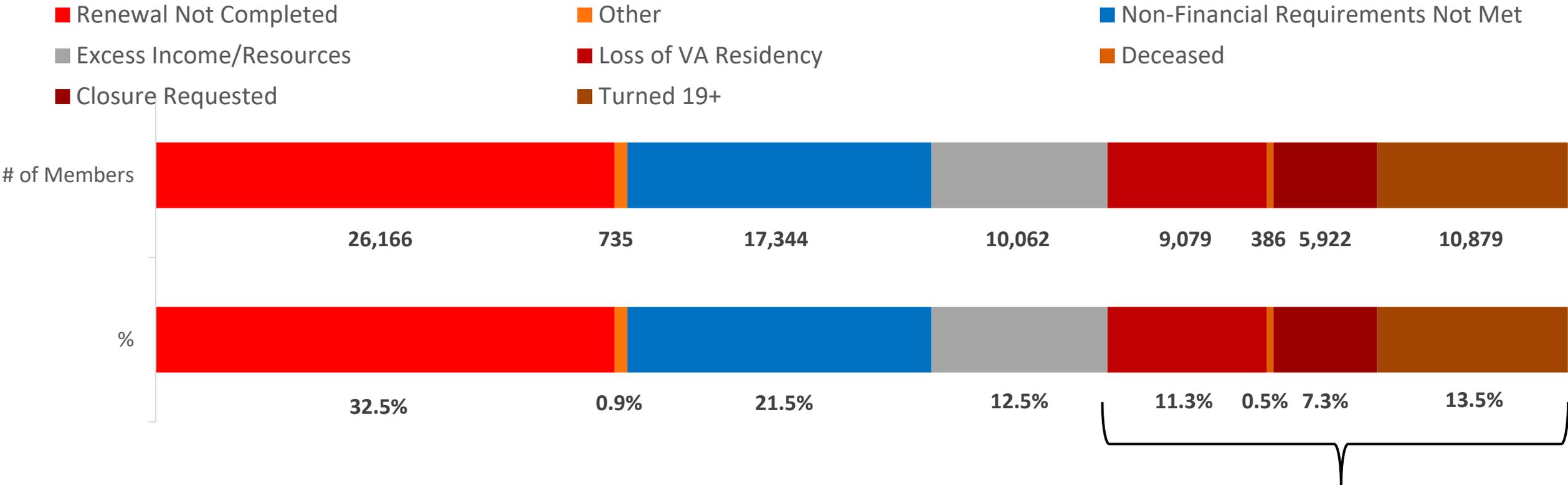
Top Closure Reasons



Total Closures as of 01/11/2024: 247,120
 Procedural closures: 92,772 members or 37.5%. Non-Procedural Closures: 154,348 members or 62.5%.

59,644 or 23% of closures have occurred for reasons not related to unwinding.

Children's Coverage Groups: Coverage Losses



Total Children's Coverage Group Closures as of 01/11/2024: 80,573
 Procedural closures: 26,166 members or 32.5%. Non-Procedural Closures: 154,348 members or 51%

26,266 or 32.6% of closures have occurred for reasons not related to unwinding.



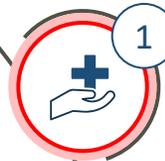
Cardinal Care Managed Care

Cardinal Care Managed Care Background

- The Cardinal Care Managed Care program provides comprehensive health care services for 1.8 million Virginians receiving Medicaid and CHIP through five contracted health plans.
- DMAS is taking a bold approach to improve the Cardinal Care Managed Care program with three steps:
 - Defining the transformation goals for the program
 - Creation of Cardinal Care Managed Care – A consolidation of the two programs formerly known as Commonwealth Coordinated Care Plus and Medallion 4.0
 - Reprourement of the Cardinal Care Managed Care delivery system

The Goals of CCMC are focused to drive member-centric transformation in Virginia's Medicaid system

10 Top GOALS of CCMC Procurement



1

Ensure Virginians covered by Medicaid have appropriate access to quality health care in every community.



2

Focus on behavioral health services and outcomes for members through integrated health care targeting prevention, treatment, crisis and recovery as part of the *Right Help. Right Now.* initiative.



3

Enhance maternal and child health outcomes through strategic initiatives that increase member engagement and provide appropriate and timely access to services across geographic and ethnic populations.



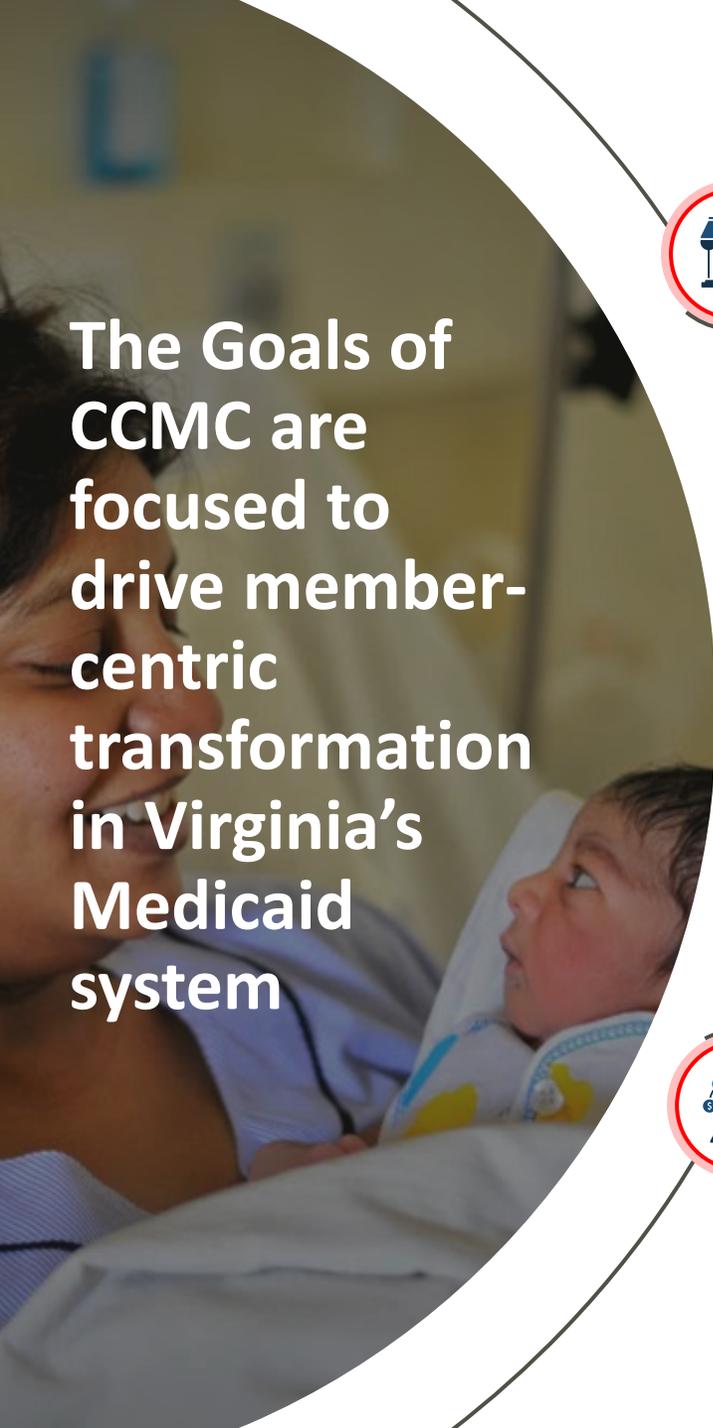
4

Strengthen provider access, adequacy, and availability through streamlined administrative and payment processes, training, and monitoring.



5

Support members with high risk factors through case management and other resources to support health-related social needs in the community.



The Goals of CCMC are focused to drive member-centric transformation in Virginia's Medicaid system

DEFINING GOALS



6

Provide support to children and youth in foster care with a dedicated health plan and services to meet their medical and behavioral health needs.



7

Improve access to appropriate services and supports for members receiving LTSS to enable them to live in the setting of their choice and promote their wellbeing and quality of life.



8

Drive innovation and operational excellence with a focus on value based payment arrangements and improved outcomes.



9

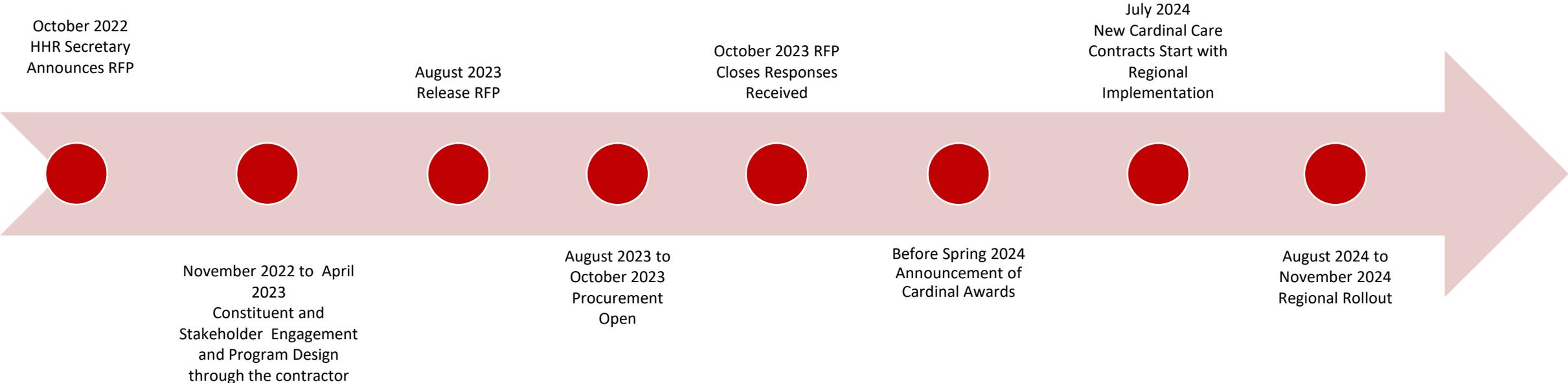
Increase Virginia's financial protections through quality driven withholds and tighter limits on MCO profits.



10

Expand the use of data analytics, compliance monitoring and oversight for increased accountability.

CARDINAL CARE MANAGED CARE PROCUREMENT MILESTONES





Governor's Introduced Budget

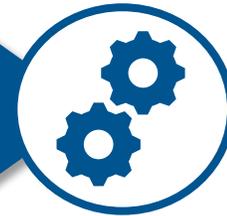


Governor's 2024 Budget Overview

Services and Supports



Financial/ Technical Items



Governor's Introduced Budget

Services and Supports



	FY2025		FY2026	
	GF	NGF	GF	NGF
Add Developmental Disability Waiver Slots (288 L.4)	50,045,297	52,187,065	100,208,162	104,256,563
Ensure Medicaid Behavioral Health Services are Evidence-based and Trauma-informed (288 XX)	500,000	500,000	-	-
Fund the Modification of Waiver Service Limits (288 XX)	549,756	597,222	549,756	597,222
Implement Telehealth Service Delivery Options for Developmental Disability Waivers (288 UUUU)	-	-	-	-
Improve Access to Peer Recovery Support Services (288 VVVV)	-	-	-	-
Reduce Reliance on Contractual Staff (292 CC)	-	-	-	-
Improve the Identification of Alternative Health Care Coverage Eligibility (292 FF)	-	-	-	-

Governor's Introduced Budget

Services and Supports



	FY2025		FY2026	
	GF	NGF	GF	NGF
Replace Fiscal Agent Services System (292 DD)	1,000,000	8,000,000	2,200,000	19,800,000
Eliminate Medicaid Coverage of Drugs for Weight-Loss (288 TTTT)	(4,060,985)	(9,996,258)	(4,765,823)	(11,644,460)
Provide Authorization and Funding for Changes in the Managed Care Contract Re-procurement (288 T)	516,602	1,273,398	676,502	1,613,498
Make Technical Clarification to Coverage of Prevention Services for Adults (288 ZZZ)	(251,690)	251,690	(258,609)	258,609
Adjust Medicaid Appropriation for Facilities to Reflect Anticipated Costs (288 A)	(2,618,703)	(1,267,155)	(2,584,681)	(1,301,177)
Provide Funding to Support Graduate Medical Education Residencies (288 UU)	1,000,000	1,000,000	1,000,000	1,000,000

Governor's Introduced Budget

Services and Supports



	FY2025		FY2026	
	GF	NGF	GF	NGF
Improve Third-party Liability Recoveries (288 AA)	-	-	-	-
Align Outpatient Rehabilitation Reimbursement Methodology with Industry Standards (288 SSSS)	-	-	-	-
Authorize the Removal of Obsolete Supplemental Payment Language (288 LL)	-	-	-	-
Implement Supplemental DSH Pool (288 MM)	-	-	-	-

Governor's Introduced Budget

Financial/Technical Items



	FY2024 (Caboose)		FY2025		FY2026	
	GF	NGF	GF	NGF	GF	NGF
Fund Medicaid Utilization and Inflation (304/288)	(125,883,727)	(226,020,739)	175,061,715	2,701,200,980	538,941,216	3,784,771,616
Adjust Virginia Health Care Fund Appropriation (304 C.1/288 C)	28,500,955	(28,500,955)	255,509,925	(255,509,925)	253,409,925	(253,409,925)
Fund Family Access to Medical Insurance Security Program Utilization and Inflation (303/287)	1,078,661	9,164,472	19,647,848	44,659,305	27,309,014	59,432,008
Fund Medical Assistance Services for Low-Income Children Utilization and Inflation (303/290)	(10,826,039)	(15,063,968)	(11,090,611)	(14,654,599)	(4,591,555)	(2,122,746)
Adjust Funding for Medical Services for Involuntary Mental Commitments (302/286)	(3,648,607)	-	(2,366,962)	-	(780,525)	-