



# Medicaid Innovation and Reform Commission

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October 21, 2013



## We made it!

- New modernized Eligibility system went live 10/1 as planned!
- PPACA compliant solution
- Approved by Centers for Medicare & Medicaid Services (CMS)
- New Medicaid eligibility criteria
- Income based on IRS MAGI methodology



## We made it!

- Eligibility criteria is checked real-time with Social Security Administration, IRS, Homeland Security
- Cases coordinated real-time with the federal Exchange
- New Cover Virginia call center open; enables citizens to apply for Medicaid by phone
- All 122 Local DSS offices are on-line



## Application Volume (10/1 – 10/15)

- 11,347 applications submitted across multiple benefit programs
- 5688 new Medicaid applications
  - 33.5% CommonHelp portal
  - 27.2% Cover Virginia call center
  - 39.3% Local DSS offices
- On par (97%) with typical new Medicaid application volume before ACA launched
- 450 applications transferred to the federal exchange
- No applications received from the federal exchange – feds not ready till 11/1

# Virginia Medicaid Reform Goals

## Coordinated Service Delivery

- DMAS provides a health system where services are coordinated, innovation is rewarded, costs are predictable, and provider compensation is based on the quality of the care.

## Efficient Administration

- DMAS is efficient, streamlined, and user-friendly. Tax payer dollars are used effectively and for their intended purposes.

## Significant Beneficiary Engagement

- Beneficiaries take an active role in the quality of their health care and share responsibility for using Medicaid dollars wisely.

# Status of Phase 1 Reforms

Title	Progress	Timeline/Target Date
<p><b>Dual Eligible Demonstration Pilot</b></p> <p>SFY14-16 Total Savings 50% enrollment (\$27,597,465)</p> <p>80% enrollment (\$44,028,619)</p>		<ul style="list-style-type: none"> <li>• <b>July 2013:</b> Negotiations started with identified health plans</li> <li>• <b>August 2013:</b> Began Readiness Reviews with plans</li> <li>• <b>September 2013:</b> Contracting, Rates</li> <li>• <b>October 2013:</b> Completed desk and on-site Readiness Reviews with plans</li> <li>• <b>January 2014:</b> Regional phased-in enrollment begins</li> </ul>
<p><b>Enhanced Program Integrity</b></p> <p>SFY14-16 Total Additional Savings (\$17,066,946)</p>		<ul style="list-style-type: none"> <li>• <b>Continued Enhancement Highlights:</b> <ol style="list-style-type: none"> <li>1. 145 referrals to MFCU at the OAG</li> <li>2. Prevented over \$363M in improper payments (over past two fiscal years)</li> <li>3. \$461,654 in restitution and imprisonment in some cases for fraudulent eligibility</li> <li>4. Eight separate contracts to monitor and audit provider payments</li> </ol> </li> </ul>

# Status of Phase 1 Reforms

Title	Progress	Timeline/Target Date
<p><b>Foster Care Enrollment into MCOs</b></p> <p>SFY14-16 Total Savings (\$13,940,351)</p>		<ul style="list-style-type: none"> <li>• <b>Tidewater:</b> September 1, 2013 (<b>LIVE</b>);</li> <li>• <b>Central VA:</b> November 1, 2013;</li> <li>• <b>NOVA:</b> December 1, 2013;</li> <li>• <b>Charlottesville:</b> March 1, 2014;</li> <li>• <b>Lynchburg:</b> April 1, 2014;</li> <li>• <b>Roanoke:</b> May 1, 2014; and,</li> <li>• <b>Far Southwest:</b> June 1, 2014.</li> </ul>
<p><b>Eligibility and Enrollment System</b></p> <p>SFY14-16 Total Savings (General Funds only)</p> <p>(\$22,400,000 – due to 75% FFP for eligibility functions)</p>		<ul style="list-style-type: none"> <li>• <b>October 2013</b> – New VaCMS eligibility system went live for new Medicaid/FAMIS applications; Now taking Medicaid/FAMIS applications using new financial requirements MAGI</li> <li>• <b>January 1, 2014</b> – Additional eligibility rules required to begin (e.g., coverage up to age 26 for foster care youth)</li> </ul>

# Status of Phase 1 Reforms

Title	Progress	Timeline/Updates
<p><b>Access to Veterans Benefits for Medicaid Recipients</b></p> <p>SFY14-16 Total Savings</p> <p>Minimal at this time</p>		<ul style="list-style-type: none"> <li>Assisting veterans to obtain benefits and avoid Medicaid expenditures when services are more appropriately funded by the Federal Government.</li> <li>To establish the program -DMAS, VDVS and VDSS have together developed an MOU, interagency data transfer and internal procedures to get the program up and running.</li> <li>Now transferring quarterly data match files with federal government to link applicants with federal services when available</li> </ul>
<p><b>Behavioral Health Services</b></p> <p>SFY14-16 Total Savings (\$133,960,168)</p>		<ul style="list-style-type: none"> <li><b>December 2013:</b> Implement strengthened regulations to improve integrity and quality</li> <li><b>December 2013:</b> Implement new Behavioral Health Services Administrator (Magellan)</li> </ul>





# Status of Phase 2 Reforms

Title	Progress	Timeline/Target Date
<b>Commercial Like Benefit Package</b>		<ul style="list-style-type: none"> <li>• Weekly discussions with CMS for transition to a Commercial (“alternative”) benefit package in 2014</li> <li>• <b>July 2014:</b> Managed Care Benefit Package Contract Revision to implement commercial benefit package</li> </ul>
<b>Cost Sharing and Wellness</b>		<ul style="list-style-type: none"> <li>• <b>July 2013</b> Managed Care Changes               <ul style="list-style-type: none"> <li>•Chronic Care and Assessments (2013)</li> <li>•Wellness Programs (2013)</li> <li>•Maternity Program Changes (2013)</li> </ul> </li> </ul>
<b>Limited Provider Networks and Medical Homes</b>		<ul style="list-style-type: none"> <li>• <b>July 2013</b> Managed Care Changes               <ul style="list-style-type: none"> <li>• Medallion Care Partnership System (MCSP)</li> </ul> </li> <li>• <b>October 2013:</b> Addition of Kaiser Health Plan (medical home model)</li> </ul>

# Status of Phase 2 Reforms

Title	Progress	Timeline/Target Date
Quality Payment and Incentives	Green	<ul style="list-style-type: none"> <li>• <b>July 2013 (for MCOs):</b> Program implemented to establish the baseline target</li> <li>• <b>July 2014:</b> quality withholds begin</li> </ul>
Parameters to Test Innovative Pilots	Yellow	<ul style="list-style-type: none"> <li>• <b>Summer 2013:</b> Provided claims data to GMU to assist with VCHI pilots</li> <li>• <b>August 15, 2013:</b> Sent proposal to CMS</li> <li>• <b>September 2013:</b> Ongoing conversations with CMS &amp; conversations with VCHI regarding potential pilots</li> <li>• <b>October 2013:</b> Workgroups established with CMS to establish authority</li> </ul>

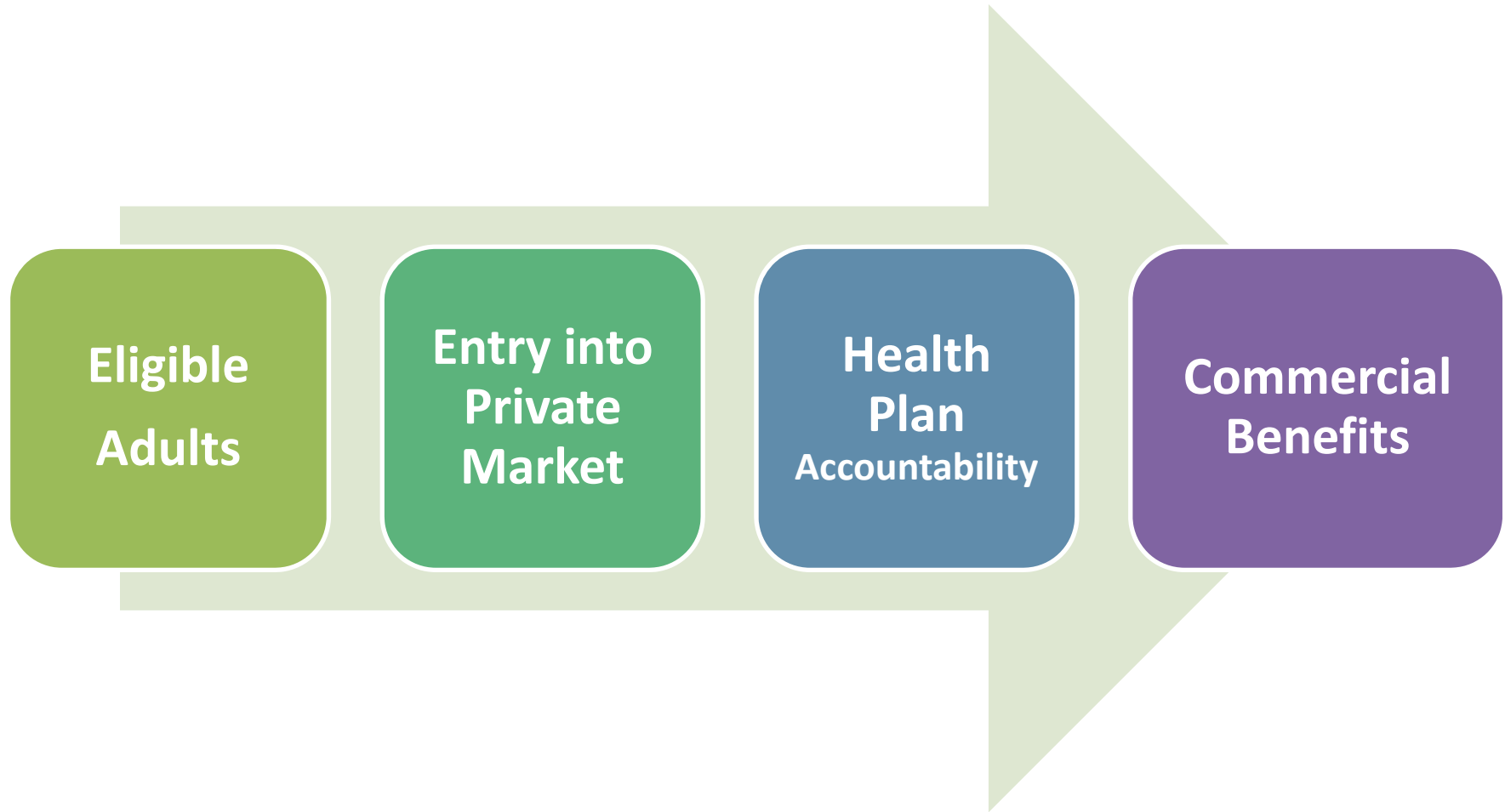
# Status of Phase 3 Reforms

Title	Progress	Timeline/Target Date
<b>ID/DD Waiver Redesign</b>		<ul style="list-style-type: none"> <li>• <b>October 2013</b> - First Phase of DBHDS Study completed</li> <li>• <b>July 2014</b> –ID/DD Waiver Renewal Due/ Redesign; second phase of DBHDS study to be complete</li> <li>• <b>July 2015-</b> Additional revisions to the ID/DD Waiver systems implemented as needed</li> </ul>
<b>All HCBC Waiver Enrollees in Managed Care for Medical Needs</b>		<ul style="list-style-type: none"> <li>• <b>October 2014</b></li> <li>• Home and community-based waiver services remain out of managed care and provided through fee-for-service</li> </ul>

# Status of Phase 3 Reforms

Title	Progress	Timeline/Target Date
<b>All Inclusive Coordinated Care for LTC Beneficiaries</b> (coordinated delivery for all LTC services)		<b>July 2016</b>
<b>Statewide Medicare-Medicaid (Duals) Coordinated Care, including children</b>		<b>July 2018</b>

# Potential Virginia Model: Private Option for Low-Income Adults



# Potential Virginia Model: Private Option for Low-Income Adults



- In Virginia, it is estimated that 395,000 uninsured adults earn less than 133% of the federal poverty level (FPL).
- At an estimated 69% take up rate, that would include coverage for roughly 248,000 adults.

# Potential Virginia Model: Private Option for Low-Income Adults



- Contracted enrollment broker facilitates enrollee's health plan selection
- Choice of available health plans
- Mandatory enrollment in a health plan
- **Future Option:**
  - Plan selection via the Health Insurance Marketplace

# Potential Virginia Model: Private Option for Low-Income Adults



- Assured access to providers- statewide coverage
- Full financial risk using a capitated payment
- Ability to financially incent high-quality and high-performance (Phase 2 Reforms Included)

## Future Options:

- Premium assistance (similar to capitated payment)
- Health Savings Accounts



# Potential Virginia Model: Private Option for Low-Income Adults



- Use of Virginia's Approved Benchmark Plan: Anthem Key Care 30 Benefit Package (the largest small group plan in Virginia)
- Medicaid payment rates
- Provide wraparound services:
  - Transportation to medical providers with limits
  - Community behavioral health services
- Beneficiary Responsibility:
  - Cost sharing for enrollees with income over 100% FPL
  - Wellness incentives for all