Medicaid Reform in Virginia: Progress Update

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 Secretary of Health and Human Resources
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Status of Phase 1 Reforms

Title	Progress	Timeline/Target Date
Dual Eligible Demonstration Pilot **SFY14-16 Total Savings 50% enrollment ($27,597,465)** **80% enrollment ($44,028,619)**		• **July 2013:** Negotiations started with identified health plans • **August 2013:** Began Readiness Reviews with plans • **September 2013:** Contracting, Rates • **October 2013:** Completed desk and on-site Readiness Reviews with plans • **January 2014:** Regional phased-in enrollment begins
Enhanced Program Integrity **SFY14-16 Total Additional Savings ($17,066,946)**		•**Continued Enhancement Highlights:** 1. 145 referrals to MFCU at the OAG 2. Prevented over $363M in improper payments (over past two fiscal years) 3. $461,654 in restitution and imprisonment in some cases for fraudulent eligibility 4. Eight separate contracts to monitor and audit provider payments

Status of Phase 1 Reforms

Title	Progress	Timeline/Target Date
Foster Care Enrollment into MCOs SFY14-16 Total Savings ($13,940,351)		• **Tidewater**: September 1, 2013 (**LIVE**); • **Central VA**: November 1, 2013 (**LIVE**); • **NOVA**: December 1, 2013 (**LIVE**); • **Charlottesville**: March 1, 2014; • **Lynchburg**: April 1, 2014; • **Roanoke**: May 1, 2014; and, • **Far Southwest**: June 1, 2014.
Eligibility and Enrollment System SFY14-16 Total Savings (General Funds only) ($22,400,000 – due to 75% FFP for eligibility functions)		• **October 2013** – New VaCMS eligibility system went live for new Medicaid/FAMIS applications; Now taking Medicaid/FAMIS applications using new financial requirements MAGI • **January 1, 2014** – Additional eligibility rules required to begin (e.g., coverage up to age 26 for foster care youth)

Status of Phase 1 Reforms

Title	Progress	Timeline/Updates
Access to Veterans Benefits for Medicaid Recipients **SFY14-16 Total Savings** **Minimal at this time**		• Assisting veterans to obtain benefits and avoid Medicaid expenditures when services are more appropriately funded by the Federal Government. • 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. • Now transferring quarterly data match files with federal government to link applicants with federal services when available
Behavioral Health Services **SFY14-16 Total Savings** **($133,960,168)**		• **December 2013:** Implement strengthened regulations to improve integrity and quality • **December 2013:** Implement new Behavioral Health Services Administrator (Magellan)

Status of Phase 2 Reforms

Title	Progress	Timeline/Target Date
Commercial Like Benefit Package		• Weekly discussions with CMS for transition to a Commercial ("alternative") benefit package in 2014 • **July 2014:** Managed Care Benefit Package Contract Revision to implement commercial benefit package

Cost Sharing and Wellness		• **July 2013** Managed Care Changes
		  •Chronic Care and Assessments (2013)
		  •Wellness Programs (2013)
		  •Maternity Program Changes (2013)

Limited Provider Networks and Medical Homes		• **July 2013** Managed Care Changes • Medallion Care Partnership System (MCSP) • **November 2013**: Addition of Kaiser Health Plan (medical home model)

Status of Phase 2 Reforms

Title	Progress	Timeline/Target Date
Quality Payment and Incentives		• **July 2013 (for MCOs):** Program implemented to establish the baseline target • **July 2014:** quality withholds begin
Approval to Test Innovative Pilots		• **Summer 2013:** Provided claims data to GMU to assist with VCHI pilots • **August 15, 2013:** Sent proposal to CMS • **September 2013:** Ongoing conversations with CMS & conversations with VCHI regarding potential pilots • **October 2013:** Workgroups established with CMS to establish authority • **November 2013:** Working with CMS on specifics.

Phase 2: Approval to Test Innovative Pilot Models

- Due to an unprecedented level of interest in health care and delivery system innovation DMAS is working with CMS to obtain approval to implement smaller pilot programs that test reforms on a rapid-cycle basis.

- DMAS is currently working with CMS for authority to implement a specific pilot model where DMAS may contract with a limited-network, known as "**Centers of Excellence**."

- DMAS also plans to test pilot models identified this winter through the Virginia Center for Health Innovation and its **State Innovation Model** grant submission.

- The Pilot Model concept was initially described in **Implementing Medicaid Reform in Virginia:** *A summary of planned reforms for review by the Centers for Medicare and Medicaid Services and interested stakeholders* (http://www.dmas.virginia.gov/Content_atchs/atchs/va-ppacsa6.pdf)

Phase 2: Approval to Test Innovative Pilot Models

Centers for Excellence

- Combining state-of-the-art technology and highly regarded physicians with multidisciplinary care, low-wait times, patient outreach, and a patient-friendly facility (e.g., VCU's Virginia Coordinated Care)

- **Required flexibility from CMS:** Ability to waive *Statewideness*, *Comparability of Services,* and *Freedom of Choice*

- **Assurance Standards:** Quality, Utilization, Access, Continuity of Care, Beneficiary Information, Provider Capacity Standards
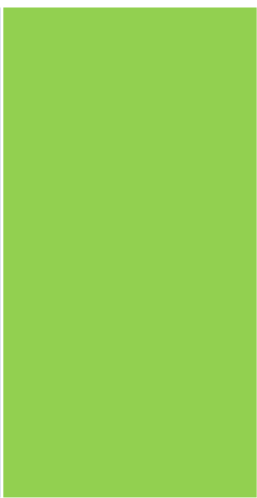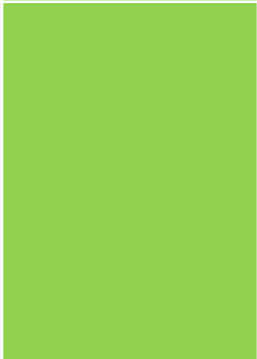
Virginia Center for Health Innovation (VCHI)

- Action Strategies include
  - Patient-Centered Care
  - Prenatal and Early Childhood Health
  - Physical and Behavioral Health Integration
  - Care Transitions
  - Medication Management
  - Value-Based Insurance Design

VIRGINIA HEALTH INNOVATION PLAN

Status of Phase 3 Reforms

Title	Progress	Timeline/Target Date
ID/DD Waiver Redesign		• **October 2013** - First Phase of DBHDs Study completed • **July 2014** –ID/DD Waiver Renewal Due/ Redesign; second phase of DBHDS study to be complete • **July 2015-** Additional revisions to the ID/DD Waiver systems implemented as needed
All HCBC Waiver Enrollees in Managed Care for Medical Needs		• **October 2014** • Home and community-based waiver services remain out of managed care and provided through fee-for-service

Status of Phase 3 Reforms

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

Potential Virginia Model: Private Option for Low-Income Adults

Eligible Adults → **Entry into Private Market** → **Health Plan** → **Commercial Benefits**