MEDICAID ELIGIBILITY AND OTHER PROGRAM UPDATES SENATE FINANCE & APPROPRIATIONS COMMITTEE

Cheryl Roberts, JD
Director, Department of Medical Assistance Services

Agenda

- **DMAS overview and Agency Priorities 2023-** Cheryl Roberts, Director
- **Draft rates-** Chris Gordon, CFO
- **Unwinding Update-** Sarah Hatton, Deputy of Administration
- **Update on Weight Loss Drugs-** Dr. Lisa Stevens, Chief Medical Officer

Virginia Medicaid's Overarching Goals

Goal 1: Member-Centered
Serving members the best way possible

1. Improve maternal/child health outcomes
2. Ensure members with behavioral health needs obtain coordinated care and services
3. Support community living and independence for all older adults and people with disabilities who need help with daily activities

By

Goal 2: Innovating
To create new ways to address member and program needs

1. Explore and develop new models and services that drive outcomes
2. Foster a team of qualified and passionate public servants
3. Streamline the member journey and process from application to services to transitions
4. Use data and technology to make our program more efficient and effective

And

Goal 3: Accountable
Managing the Commonwealth's resources with integrity and measurable outcomes

1. Ensure program integrity and compliance with State and federal requirements
2. Increase accountability of contractors and partners to ensure a stable, accessible, and continuously improving program
3. Monitor fiscal integrity and accountability and manage risk

Who Do We Cover?

Medicaid plays a critical role in the lives of more than 2.2 million Virginians

Children 878,060

Pregnant Members 38.386

Older Adults 87,555

Individuals with Disabilities 152,616

Adults 892,744

Limited Benefit Individuals 155,834

Source: May 1, 2023 DMAS Enrollment Dashboard - https://www.dmas.virginia.gov/data/medicaid-famis-enrollment/

DMAS Priorities: “3 for 2023”

1. **Unwinding:** Return to Normal Medicaid Redetermination Processing
2. **Right Help, Right Now:** Behavioral Health Transformation
3. **Procurement:** Medicaid Managed Care Delivery System Re-procurement

Unwinding

As of March 2023, Virginia is responsible for redetermining Medicaid eligibility for over 2.1 million members.

A joint collaboration with the Department of Social Services (DSS).

DSS and DMAS have begun the renewal process

Asking for everyone's assistance to assist members with completing renewal packets prior to redetermination deadlines!

Right Help Right Now

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.

1: We must strive to ensure **same-day care for individuals experiencing behavioral health crises**

2: We must **relieve the law enforcement communities' burden** while providing care and **reduce the criminalization of behavioral health**

3: We must **develop more capacity** throughout the system, going beyond hospitals, especially to enhance community-based services

4: We must **provide targeted support for substance use disorder (SUD)** and efforts to prevent overdose

5: We must **make the behavioral health workforce a priority**, particularly in underserved communities

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

Source: VA HHR

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 re-procure its 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.

DMAS is currently working with a nationally recognized consultant to translate the priorities of this administration and emerging best practices into a targeted RFP that aims to move the needle in key areas, such as behavioral health.

A Medicaid managed care re-procurement process is an important and rare opportunity to leverage state purchasing power to improve the value that MCOs provide to the state and its members and provider networks.

Targeting a Summer 2023 RFP release date for Summer 2024 implementation.

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

FY24 Cardinal Care—Draft Rates and Financial Impact

Component	Acute	MLTSS
FY23 PMPM Rates	$ 387	$ 2,188
FY24 PMPM Rates	381	2,184
Amount difference	**$ -6**	**$ -4**
FY24 Forecasted Budget (Millions)	$ 7,070	$ 7,940
FY24 Actual Budget (Millions)	7,197	7,683
Amount difference (Millions)	**$ 127**	**$ -257**

Net Change from FY24 Forecast to Budget = -$130M

Cardinal Care
Virginia's Medicaid Program
Department of Medical Assistance Services

VIRGINIA'S MEDICAID PROGRAM DMAS INNOVATION • QUALITY • VALUE

FY24 Managed Care Draft Rates Summary

- Current draft rates will have an anticipated budget reduction of **$130 million**
- Draft rates do not include 33 pending budget amendments
- Delayed action on final Appropriation Act means:
  - Will cost approximately $180K to void and reprocess claims retroactive to July 1, 2023
  - Providers will need to resubmit previously submitted and paid medical claims for reprocessing at correct rates

Medicaid Continuous Coverage Requirements: Background, Preparation and Partnerships

- States were required to maintain enrollment of Medicaid members (enrolled as of March 18, 2020) to receive the additional 6. 2 % increase until the end of the month in which the federal Public Health Emergency (PHE) ends.
- Since March of 2020, DMAS and DSS have closely collaborated to implement flexibilities and protect needed coverage during the PHE to allow access to services. In a parallel effort, the DMAS and DSS began planning in mid-2020 for the eventual unwinding. This close partnership has continued throughout the PHE to ensure all efforts were made to utilize available resources throughout the return to normal transition
- Unwinding Taskforce: Secretary Littel convened a monthly unwinding taskforce beginning in January 2022 to include DMAS and DSS leaders and the Office of the Attorney General.
  - In July 2022, the taskforce was expanded to include Senate and House finance staff and the Department of Planning and Budget per a General Assembly mandate.
- In December 2022, the Consolidated Appropriations Act (CAA) was signed into effect decoupling the PHE from the continuous coverage requirement effective March 31, 2023:
  - Stepped down the enhanced FMAP beginning April 1ST, phasing out the enhanced match December 31, 2023.
  - CMS requires that states have an approved mitigation plan – or approval not to submit a mitigation plan by March 31, 2023. States that did not receive this approval face the loss of enhanced FMAP, restrictions on taking actions to close enrollments, and delayed redetermination timelines.
  - Virginia was one of 44 states required to submit a mitigation plan. DMAS received CMS approval on March 29, 2023.

Medicaid Renewals Monthly Update

Data as of June 7, 2023

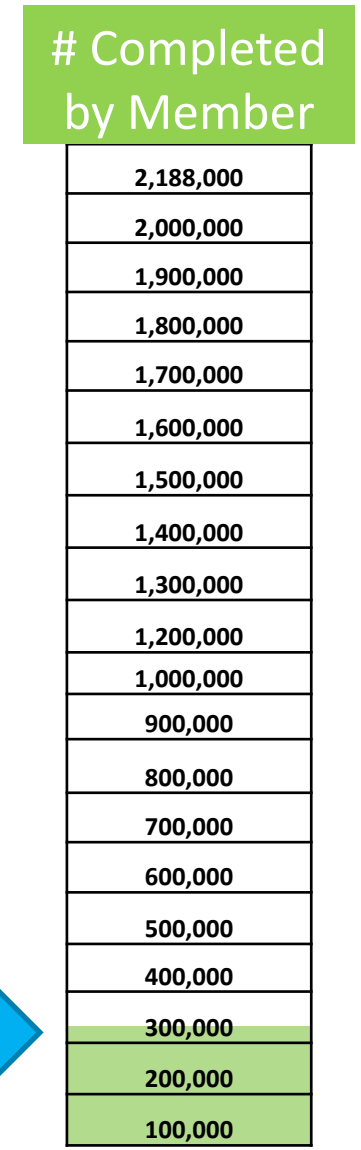
Next Automated Run: June 17th
Next mailing: June 19th

Renewals Counts by Case

Month	Total Cases Due	Automatic Renewals Completed	Paper Packets Mailed
March (Due: May)	121,604	83,776 68.9 % Success	36,488
April (Due: June)	96,521	25,541 26.5% Success	68,377
May (Due: July)	115,260	29,493 26% Success	82,872

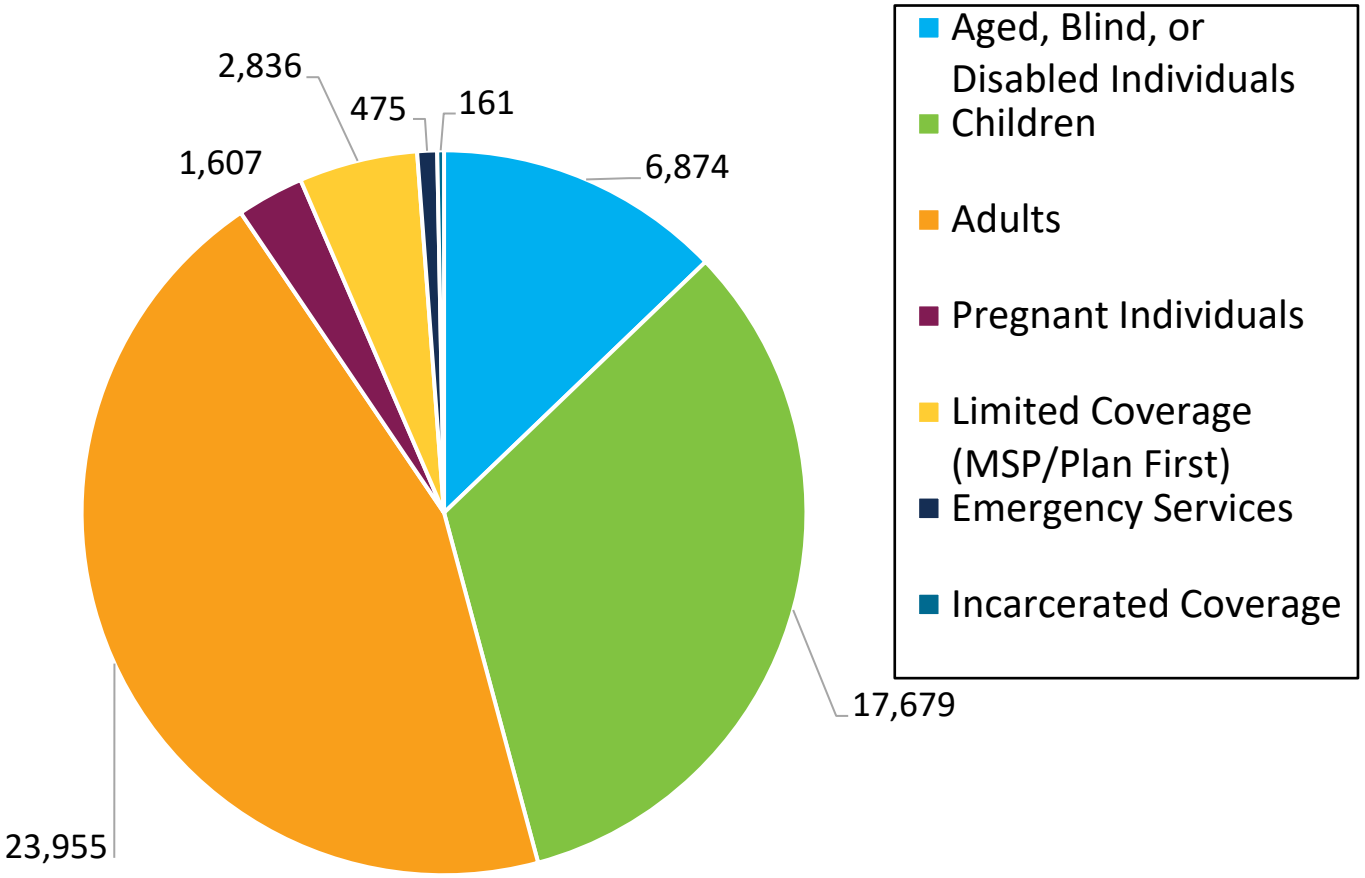
- Per federal guidance, April 30th, 2023, was the first month states were permitted to close eligibility.
- Renewals that are unable to be completed through the automated process are mailed two months prior to the month in which the renewal is due.
- Prior to the COVID-19 Public Health Emergency, on average:
  - 64,000 cases were due each month
  - 32,000 or 50% were completed through the automated process
  - 32,000 cases were manually processed across 120 local agencies.

341,813 Renewals Completed



Closures by Eligibility Grouping

53,587 closures have occurred through May 31, 2023.

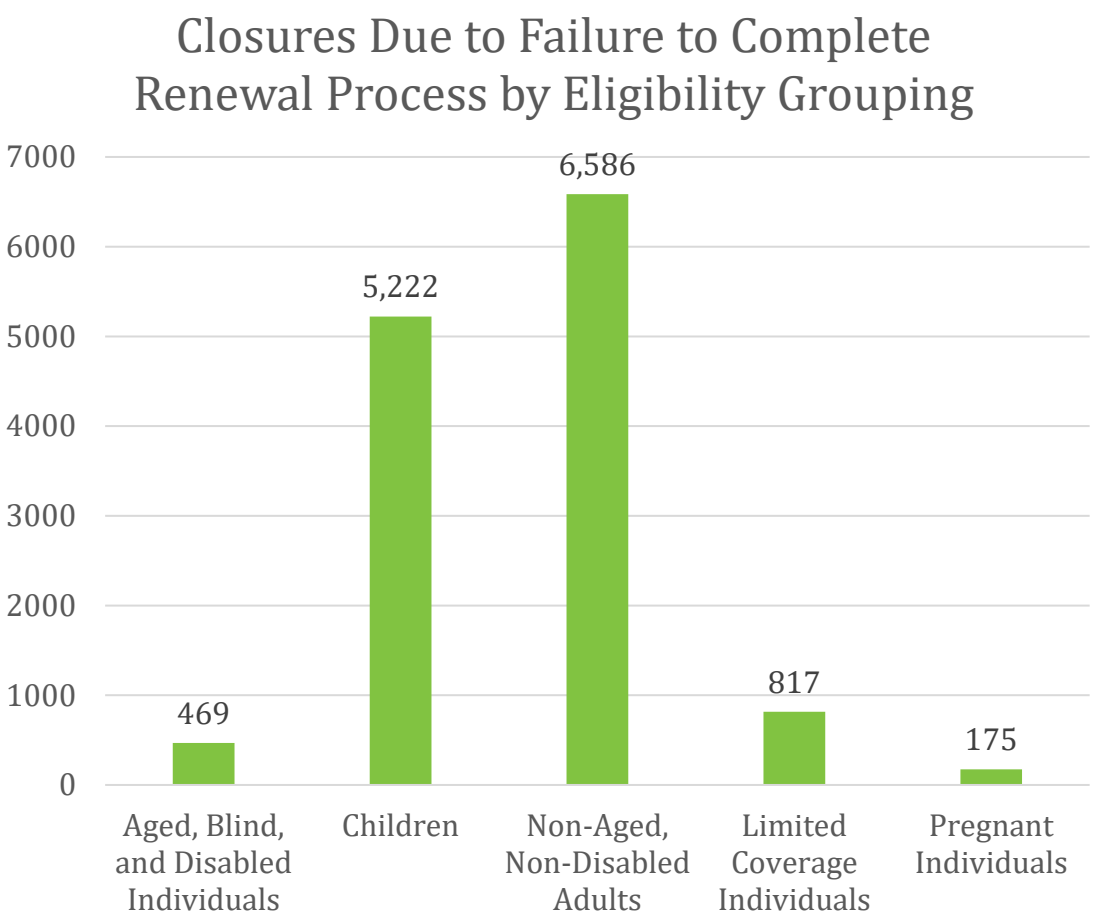


Top Trends by Coverage Group

- 39% (21,054) of **all** closures to date occurred due to a deceased status, loss of Virginia residency, or due to the member's request for closure.
- 72% of the 6,874 **aged, blind, and disabled adults** with coverage closed to date occurred due to a deceased status (4,160) or a loss of Virginia residency (780).
  - 682 closures occurred due to the end of an income spenddown
  - 469 closures occurred due to failure to complete the renewal process.
- 32% of **children** with coverage closed to date occurred due to a loss of Virginia residency (3,471) or a cancellation of coverage was requested by the case head (2,231).
  - (27%) 4,869 closures occurred due to no longer met non-financial requirements. This typically occurs when an individual turns age 19 and does not meet eligibility for other coverage groups.
  - (30%) 5,222 closures occurred due to failure to complete the renewal process.
- 39% of **non-disabled/non-aged adults (19 to 64-year-olds)** with coverage closed to date occurred due to loss of Virginia residence (3,314), deceased status (1,961), and cancellation of coverage requested by the recipient (4,043).
  - 37% (6,586) closures occurred due to failure to complete the renewal process.
  - (17%) 3,063 closures occurred due to excess income.

Closures due to Failure to Complete the Renewal Process

To date, 13,269 or 25% of closures have occurred due to the individual failing to complete the renewal process. DMAS has partnered with the six Medicaid managed care plans and implemented an internal process for fee-for-service members to help prevent loss of coverage due to not completing the renewal process. The state is unable to refer individuals to the Federally Facilitated Marketplace for an evaluation in a subsidized plan when the renewal process is not completed.



Efforts to Prevent Procedural Closures

- ✓ Outreach to all individuals through all modalities (email, text, phone, and mail) each month to notify households with a renewal due that the renewal form has been mailed.
- ✓ Outreach to all individuals that have not completed their renewal through all modalities warning of coverage loss if renewal is not completed.
- ✓ Outreach to all individuals closed due to failure to complete the renewal packet to offer assistance with completing renewal and notifying individuals of 90-day grace period.
- ✓ Outreach to all individuals scheduled to closed for a non-procedural reason (excess income) offering assistance with transitioning to a qualified health plan.
- ✓ An additional layer of outreach occurs to aged, blind, and disabled individuals by phone to offer additional assistance with completing the renewal process.
- ✓ Data exchange with the Department of Blind and Visually Impaired/DMAS/health plans to ensure resources are in place to provide assistance.
- ✓ DMAS implemented a system change to allow providers to view an individual's renewal date to help remind those who present in person of the importance of completing the process.
- ✓ DMAS stood up a dedicated unit for Application Assisters and Authorized Representatives at Cover Virginia to provide a dedicated call center and email option to advocates and care takers.

Language and Disability Access:
Effective Communication During Medicaid Unwinding

- Unwinding online toolkits and materials
  - Available in English, Spanish, Arabic, Amharic, Urdu, Vietnamese, Dari, Pashto
  - Accessible to screen readers
  - Include notices informing individuals of the availability of free language assistance services and auxiliary aids and services, and how to request those services
- Return to Normal Enrollment Town Halls / Listening Sessions
  - Communication Access Real-Time Translation (CART) services available
  - Include notices informing individuals of the availability of free language assistance services and auxiliary aids and services, and how to request those services

Language and Disability Access:
Effective Communication During Medicaid Unwinding

- Call Centers
  - Equipped to take teletypewriters (TTY) calls
  - Interpreting services available in all languages
- Fee for service renewal reminders messaging
  - Through text messages, emails, and robocalls
  - Available in non-English languages
- Recently updated eligibility notices
  - Automated translation into top five languages spoken by Medicaid recipients accounting for 99.2% of members
  - Available in non-English languages: Spanish, Arabic, Amharic, Urdu, Vietnamese
  - Include a notice supplement with language taglines accounting for top 17 languages spoken in the Commonwealth and a non-discrimination notice

Information and Resources

- **Member and Stakeholder Resources and Material** can be found on the Cover Virginia, Cubre Virginia, and DMAS websites. The Return to Normal Enrollment page on each site contains toolkits, information, and resources for members, providers, and other stakeholders. to learn more about Virginia's preparation and important updates.
  - DMAS Website: https://www.dmas.virginia.gov/covid-19-response/
  - Cover Virginia Website: https://coverva.dmas.virginia.gov/return-to-normal-enrollment/
  - Cubre Virginia Website: https://cubrevirginia.dmas.virginia.gov/return-to-normal-enrollment/

- **The Renewal Status Dashboard** can be found on the DMAS site under the Data tab that tracks the progress toward redetermining Virginia's Medicaid population on a monthly basis.
  - The dashboard can be found at https://www.dmas.virginia.gov/data/return-to-normal-enrollment/eligibility-redetermination-tracker/

- **Legislator Resources and Information** can be found on the DMAS website at: https://www.dmas.virginia.gov/about-us/legislative-office-resources/
  - New dashboards are available which provide enrollment data by Virginia State House and Senate districts as well as Congressional districts.

Thank you to all partners across the Commonwealth who are working to support the efforts to ensure a smooth transition back to normal processing.

Background

- **69.9% Americans are either obese or overweight**
- **34.2% of Virginia Adults were obese in 2021**

- Weight loss of 5% to 10% of your starting body weight may help improve your health by lowering blood sugar, blood pressure, and triglyceride levels.
- Weight management medications aren't for everyone with a high BMI.
- Some people will need weight management medications to assist with weight loss and decrease risk of developing or suffering the consequences of obesity.
- Medications should not replace physical activity or healthy eating habits as a way to lose weight.

Sources: CDC,NIH,Mayo Clinic, DMAS

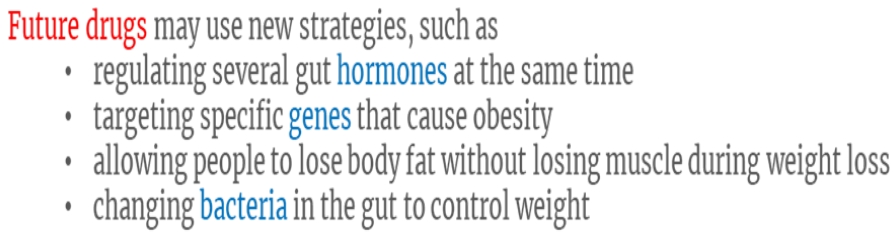
Economic Impact of Obesity and Return on Investment (ROI)

- Annual obesity-related medical care costs in the United States, in 2019 dollars, were estimated to be nearly $173 billion.
- Annual nationwide productivity costs of obesity-related absenteeism range between $3.38 billion ($79 per individual with obesity) and $6.38 billion ($132 per individual with obesity).[10]

June 2023: DMAS Updates
Service Authorization for Wt Loss Medications

Service Authorizations Updates ensure Accessibility and Appropriateness of treatment.

- Prescriber to certify that the condition of obesity is disabling and life threating per SSA Publication 64-039 and General Regulation 18 VAC 85-20-90
- Updated Auth Criteria for GLP1 medications to Class 3 obesity, all of the other weight loss medications will maintain criteria at class 1
- Tried and fail other legacy weight loss legacy medications
- Requesting documentation of nutrition/exercise management programs
- Renewal criteria (documentation of tx success) remains



Weight Loss Medication Management Milestones Timeline