



Voluntary Enrollment Eligibles: January 2014 NHE MEMA Adjustment and Future Adjustments

The NHE population is a combination of the NHE-Institutional and the NHE-Waiver populations. The first MEMA update, January 2014, established a baseline distribution of the NHE-I and the NHE-W eligibles, and represented a snapshot of the risk mix of eligibles at the start of the program. As auto enrollment effective dates are phased in by region, health plan specific NHE MEMA will be developed. The at-enrollment risk designation for each NHE eligible individual will be held constant for the first two years of the demonstration, until December 31, 2015. Future calculations will adjust for NHE members who leave the program, either voluntarily or because of death. The risk designation of new NHE enrollees will be held constant at the point when each is first identified as NHE eligible until there is an update. At the beginning of the third and fourth years, the NHE member risk designation will be updated to the NHE status at the beginning of the previous year or, for a new NHE member during the previous year, the NHE status at the point of NHE eligibility.

During the period used to develop the CCC rates, CY 2011-CY2012, there was a decrease in the proportion of the NHE-Institutional population and an increase in the proportion of the NHE-Waiver population. Over the period January 2011 to June 2013, the final month used to set the MEMA in the November 2013 rate report, the NHE-I population decreased approximately 14% and the NHE-Waiver population increased 18%.

The January 2014 NHE member month distribution showed a continuation of this trend. Overall, The NHE-Waiver proportion of NHE eligibles was 52.2%, up from 51.1% in June 2013. The NHE-Waiver eligible proportion was slightly higher in the Tidewater region. As of January 2014, there were approximately 5,800 NHE eligibles in the Tidewater region; of those, 54.6% were NHE-Waiver and 46.4% were NHE Institutional.

The January 2014 MEMA mix NHE distributions were used to establish revised CY 2014 CCC rates for the voluntary enrollment period for both Phase I and Phase II for each region. Those revised rates were distributed in a memo and attachments dated April 17, 2014. It is posted to the DMAS website at http://www.dmas.virginia.gov/Content_pgs/altc-enrl.aspx.

Other regions will continue to be paid the voluntary NHE rates developed with the January 2014 eligible member month distribution. Health plan specific CY 2014 NHE rates for these regions will be developed at the effective date of auto-enrollment for each region, and then again at three months after the auto-



enrollment date. The schedule for CCC implementation and the MEMA updates is shown in Table 1. It is current as of July 2014, but is subject to future revision.

Tidewater Auto Enrollees: Rates Effective July 1, 2014

The January MEMA update identified nearly 19,000 individuals in Tidewater as eligible for the CCC. As of the first Phase I effective date, July 1, 2014, approximately 9,800 are enrolled in CCC participating health plans in that region. Rates paid to the Tidewater plans for the period July 1, 2014 to July 31, 2014 will reflect the enrollment as of that date and health-plan specific MEMA calculations are developed for each health plan to reflect the NHE mix of their population. CY 2014 Tidewater rates for the Community Well population are the same for all plans in the region.

Nearly 52% of the Tidewater eligibles identified in January are enrolled in plans as of July. Enrollment penetration varies by aid category; about 40% of the NHE eligibles and 57% of the Community Well eligible enrolled. We also observe a 6% to 10% higher enrollment penetration among the under 65 eligibles, both NHE and CW, as compared to the Over 65 eligibles.

Of the 9,768 total Tidewater CCC enrollees in July 2014, approximately 23.5%, or 2,292, are in the NHE aid category. Within the NHE population, 42% are NHE-Institutional and 58% are NHE-Waiver. This is somewhat different from the Tidewater January 2014 distribution of eligibles that showed 31% as NHE, with 46% in NHE-Institutional and 54% in NHE-Waiver. This comparison is shown in Table 2.

The total enrollment numbers are expected to increase in August after DMAS refines the Intelligent Assignment process to improve the match of the health plan network providers for members who use nursing home and Adult Day Health Care services. DMAS will update the health plan specific Tidewater MEMA factors for NHE rates to be paid in August and September to reflect this additional auto enrollment.

The July Tidewater rates are presented in the attached exhibits that revise the Tidewater columns in the original Exhibits 5-6.,

Exhibit 5a presents the Tidewater NHE blending using the July 2014 Tidewater enrollment distribution. The PMPM values are the same as those in Exhibit 5a in the November 2013 CCC report. The updated weighted average for Tidewater NHE is \$3,397.88 PMPM. Because the July 2014 enrollee mix includes a higher proportion of the lower cost NHE-Waiver population, this is a decrease of approximately \$25 PMPM from the Tidewater voluntary NHE rate of \$3,688.50.



Exhibit 5b summarizes the NHE blended rates by health plan and adds the CY 2014 Tidewater rates for Community Well. The weighted average uses the July 2014 enrollment mix.

The first year 1% savings percentage adjustment in Exhibit 5c is applied to the revised base rates and the adjusted results are presented in Exhibit 5d.

The Enhanced Medicare PCP Supplemental Payments shown in Exhibit 5e are weighted by the July 2014 member month distribution. Overall weighted average Tidewater PCP supplemental payment is \$1.56 PMPM.

The rates for Tidewater CCC health plans for July 2014 are presented in Exhibit 5f. The rates for health plans are shown in the first three columns and are compared to the regional average. The regional average that reflects the age and aid code mix of enrollees is \$1,019.31 PMPM, with a weighted average NHE PMPM of \$3,365.91. The Tidewater weighted average Community Well PMPM is \$299.89.

Exhibit 5g shows the July 2014 Tidewater enrollment member month distribution.



Table 1

**Virginia Medicaid
 CY 2014 Dual Demonstration Capitation Rate Development
 MEMA: NHE-Institutional and NHE-Waiver Eligibles
 Schedule for Healthplan MEMA Updates**

Region	Effective Dates	
	Auto Enrollment	Three Month Actual
Phase I		
Tidewater	July 2014	
	August 2014	October 2014
Central VA	September 2014	December 2014
Phase II		
SW/Roanoke	October 2014	January 2015
W/Charlottesville	October 2014	January 2015
NOVA	November 2014	February 2015

Three month actual will be rebased to CCC rates developed for CY 2015.



Table 2
Virginia Medicaid
CY 2014 Dual Demonstration Capitation Rate Development
Tidewater MEMA: Comparison of Voluntary and Auto Enrollment
January 2014 Member Month Eligibles and July 2014 Enrollees

		Tidewater				July 2014
		January 2014		July 2014		% Eligibles Enrolled
MEG	Age Group	Eligibles	% Distribution	Enrolled	% Distribution	
Nursing Home Eligible	Age 21 - 64	1,387	7.3%	619	6.3%	44.6%
	Age 65 and Over	4,415	23.4%	1,673	17.1%	37.9%
Nursing Home Eligible Total		5,803	30.7%	2,292	23.5%	39.5%
Community Well	Age 21-64	7,352	38.9%	4,538	46.5%	61.7%
	Age 65 and Over	5,741	30.4%	2,938	30.1%	51.2%
Community Well Total		13,093	69.3%	7,476	76.5%	57.1%
Total		18,896	100.0%	9,768	100.0%	51.7%

Virginia Medicaid
CY 2014 Dual Demonstration Capitation Rate Development
Historical Fee-For-Service Data
Blending of Nursing Home Eligible - Institutional and Nursing Home Eligible - Waiver
Tidewater Base Rates Effective July 1, 2014 - July 31, 2014

Exhibit 5a

		Tidewater			
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Average
CY 2014 Base Capitation Rates					
Nursing Home Eligible Institutional	Age 21-64	\$4,951.40	\$4,951.40	\$4,951.40	\$4,951.40
	Age 65 and Over	\$4,718.43	\$4,718.43	\$4,718.43	\$4,718.43
	Average	\$4,761.99	\$4,753.94	\$4,758.37	\$4,757.71
Nursing Home Eligible Waiver	Age 21-64	\$2,508.76	\$2,508.76	\$2,508.76	\$2,508.76
	Age 65 and Over	\$2,367.61	\$2,367.61	\$2,367.61	\$2,367.61
	Average	\$2,420.61	\$2,412.15	\$2,416.15	\$2,416.08

		July 2014 Enrollment Distribution			
Nursing Home Eligible Institutional	Age 21-64	7.8%	6.5%	7.0%	7.1%
	Age 65 and Over	33.7%	36.2%	33.9%	34.9%
	Total	41.5%	42.7%	40.9%	41.9%
Nursing Home Eligible Waiver	Age 21-64	22.0%	18.1%	20.3%	19.9%
	Age 65 and Over	36.5%	39.2%	38.8%	38.1%
	Total	58.5%	57.3%	59.1%	58.1%

		Blended CY 2014 Base Capitation Rates			
Nursing Home Eligible	Age 21-64	\$3,145.97	\$3,156.21	\$3,135.08	\$3,148.03
	Age 65 and Over	\$3,495.85	\$3,496.87	\$3,463.65	\$3,490.33
	Average	\$3,391.83	\$3,413.13	\$3,373.83	\$3,397.88

Virginia Medicaid
CY 2014 Dual Demonstration Capitation Rate Development
Historical Fee-For-Service Data
Summary of Tidewater Base Capitation Rates Effective July 1, 2014 - July 31, 2014

Exhibit 5b

MEG	Age Group	Tidewater			
		HealthKeepers	Humana	Virginia Premier	Regional Average
Nursing Home Eligible	Age 21-64	\$3,145.97	\$3,156.21	\$3,135.08	\$3,148.03
	Age 65 and Over	\$3,495.85	\$3,496.87	\$3,463.65	\$3,490.33
	Average	\$3,391.83	\$3,413.13	\$3,373.83	\$3,397.88
Community Well	Age 21-64	\$357.46	\$357.46	\$357.46	\$357.46
	Age 65 and Over	\$215.02	\$215.02	\$215.02	\$215.02
	Average	\$304.24	\$294.00	\$310.09	\$301.48
Weighted Average		\$ 1,019.80	\$ 1,086.49	\$ 931.85	\$ 1,028.03

Note:

Weighted Averages are based on July 2014 Enrollment Distribution

Virginia Medicaid
CY 2014 Dual Demonstration Capitation Rate Development
Dual Demonstration Program First Year Savings Percentage Adjustment

Exhibit 5c

	Adjustment Value	Source
First Year Savings Percentage	1.0%	Provided by DMAS

Virginia Medicaid
CY 2014 Dual Demonstration Capitation Rate Development
Historical Fee-For-Service Data
Summary of Tidewater Base Capitation Rates Effective July 1, 2014 - July 31, 2014
With 1% Savings Percentage

Exhibit 5d

MEG	Age Group	Region			
		HealthKeepers	Humana	Virginia Premier	201407 Average
Nursing Home Eligible	Age 21-64	\$3,114.51	\$3,124.65	\$3,103.73	\$3,116.55
	Age 65 and Over	\$3,460.89	\$3,461.90	\$3,429.02	\$3,455.43
	Average	\$3,357.91	\$3,379.00	\$3,340.10	\$3,363.91
Community Well	Age 21-64	\$353.88	\$353.88	\$353.88	\$353.88
	Age 65 and Over	\$212.87	\$212.87	\$212.87	\$212.87
	Average	\$301.20	\$291.06	\$306.99	\$298.47
Weighted Average		\$ 1,009.60	\$ 1,075.63	\$ 922.53	\$ 1,017.75

Note:

Weighted Averages are based on July 2014 Enrollment Distribution

**Virginia Medicaid
 CY 2014 Dual Demonstration Capitation Rate Development
 Enhanced Medicare PCP Supplemental Payments**

Exhibit 5e

MEG	Age Group	Tidewater with Accomack and Northampton
Nursing Home Eligible	Age 21-64	\$1.80
	Age 65 and Over	\$2.08
	Average	\$2.00
Community Well	Age 21-64	\$1.27
	Age 65 and Over	\$1.65
	Average	\$1.42
Weighted Average		\$ 1.56

Note:

Weighted Averages are based on July 2014 Enrollment Distribution

Virginia Medicaid
CY 2014 Dual Demonstration Capitation Rate Development
Historical Fee-For-Service Data
Summary of Tidewater Base Capitation Rates Effective July 1, 2014 - July 31, 2014
With Medicare Enhanced PCP Supplemental Payment and 1% Savings Percentage

Exhibit 5f

MEG	Age Group	Tidewater			
		HealthKeepers	Humana	Virginia Premier	Regional Average
Nursing Home Eligible	Age 21-64	\$3,116.31	\$3,126.44	\$3,105.53	\$3,118.35
	Age 65 and Over	\$3,462.97	\$3,463.97	\$3,431.09	\$3,457.50
	Average	\$3,359.91	\$3,381.01	\$3,342.09	\$3,365.91
Community Well	Age 21-64	\$355.16	\$355.16	\$355.16	\$355.16
	Age 65 and Over	\$214.52	\$214.52	\$214.52	\$214.52
	Average	\$302.61	\$292.50	\$308.39	\$299.89
Weighted Average		\$ 1,011.15	\$ 1,077.21	\$ 924.05	\$ 1,019.31

Note:

Weighted Averages are based on July 2014 Enrollment Distribution

**Virginia Medicaid
 CY 2014 Dual Demonstration Capitation Rate Development
 Member Months of Eligibles
 July 2014 Member Month Distribution**

Exhibit 5g

		Tidewater				
MEG	Age Group	HealthKeepers	Humana	Virginia Premier	Regional Total %	Regional Total MM
Nursing Home Eligible	Age 21 - 64	6.9%	6.2%	5.5%	6.3%	619
	Age 65 and Over	16.3%	19.2%	14.7%	17.1%	1,673
Nursing Home Eligible Total		23.2%	25.4%	20.3%	23.5%	2,292
Community Well	Age 21-64	48.1%	41.4%	53.2%	46.5%	4,538
	Age 65 and Over	28.7%	33.2%	26.5%	30.1%	2,938
Community Well Total		76.8%	74.6%	79.7%	76.5%	7,476
Total		100.0%	100.0%	100.0%	100.0%	9,768

**Virginia Medicaid
CY 2014 Dual Demonstration Capitation Rate Development
County Listing by Region**

Exhibit 6

Phase I			Phase II		
Central Virginia	Tidewater		Northern Virginia	Southwest/ Roanoke	Western/ Charlottesville
Amelia County	Lunenburg County	Chesapeake City	Alexandria City	Alleghany County	Albemarle County
Brunswick County	Mecklenburg County	Gloucester County	Arlington County	Bath County	Augusta County
Caroline County	Middlesex County	Hampton City	Culpeper County	Bedford City	Buckingham County
Charles City County	New Kent County	Isle of Wight County	Fairfax City	Bedford County	Charlottesville City
Chesterfield County	Northumberland County	James City County	Fairfax County	Botetourt County	Fluvanna County
Colonial Heights City	Nottoway County	Mathews County	Falls Church City	Buena Vista City	Greene County
Cumberland County	Petersburg City	Newport News City	Fauquier County	Covington City	Harrisonburg City
Dinwiddie County	Powhatan County	Norfolk City	Loudoun County	Craig County	Louisa County
Emporia City	Prince Edward County	Poquoson City	Manassas City	Floyd County	Madison County
Essex County	Prince George County	Portsmouth City	Manassas Park City	Franklin County	Nelson County
Franklin City	Richmond City	Suffolk City	Prince William County	Giles County	Orange County
Fredericksburg City	Richmond County	Virginia Beach City		Henry County	Rockingham County
Goochland County	Southampton County	Williamsburg City		Highland County	Staunton City
Greensville County	Spotsylvania County	York County		Lexington City	Waynesboro City
Hanover County	Stafford County	Accomack County		Martinsville City	
Henrico County	Surry County	Northampton County		Montgomery County	
Hopewell City	Sussex County			Patrick County	
King George County	Westmoreland County			Pulaski County	
King William County				Radford City	
King and Queen County				Roanoke City	
Lancaster County				Roanoke County	
				Rockbridge County	
				Salem City	
				Wythe County	