





## **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 CY 2014 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 in the Central Virginia region was similar to the statewide average. As of January 2014, there were approximately 7,600 NHE eligibles in the Central Virginia region; of those, 52.9% were NHE-Waiver and 47.1% were NHE-Institutional.

The January 2014 MEMA revised the CY 2014 CCC NHE rates for the voluntary enrollment period for both Phase I and Phase II. 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](http://www.dmas.virginia.gov/Content_pgs/altc-enrl.aspx).

Southwest/Roanoke, Western/Charlottesville and the Northern Virginia 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 September 2014,



but is subject to future revision. CY 2015 PMPM values for NHE-I and NHE-W will be substituted for the CY 2014 PMPM values when recalculating the NHE blend for each region effective January 1, 2015.

### **Central Virginia Auto Enrollees: Rates Effective September 1, 2014**

The January MEMA update identified 22,345 individuals in Central Virginia as eligible for the CCC. As of the first Phase I effective date, September 1, 2014, there were 11,348 enrollees in CCC participating health plans in that region. Rates paid to the Central Virginia plans for the next three months will reflect the enrollment as of September 1 and health-plan specific MEMA calculations are developed for each health plan to reflect the NHE mix of their population. The September revision uses the CY 2014 Central Virginia rates for the Community Well population for all plans in the region and is updated to reflect each plan mix of Community Well enrollees Under and Over 65 years.

There were 11,348 Central Virginia CCC enrollees in September 2014. This is about 51% of the Central Virginia eligibles identified in January. Enrollment penetration varies by aid category; about 38% of the NHE eligibles and 57% of the Community Well eligibles enrolled. There is a higher enrollment penetration of the Under 65 compared to the Over 65 eligibles. Within the NHE population there is a 5% higher penetration of the Under 65. Within the CW population, there is an 11% higher enrollment penetration among the Under 65 eligibles compared to the Over 65 eligibles.

Of the total Central Virginia CCC enrollees in September 2014, approximately 38.3%, or 2,917, are in the NHE aid category. Within the NHE population, 40.6% are NHE-Institutional and 59.4% are NHE-Waiver. This is different from the Central Virginia January 2014 distribution of eligibles. The January snapshot showed 34% as NHE, and a NHE mix that was 47% in NHE-Institutional and 53% in NHE-Waiver. This comparison is shown in Table 2.

The September Central Virginia rates are presented in the attached exhibits and revise the Central Virginia columns in the November 2013 report Exhibits 5-6.

- Exhibit 5a presents the Central Virginia NHE blending using the September 2014 Central Virginia enrollment distribution. The PMPM values used for the weighting are the same as those in Exhibit 5a in the November 2013 Duals Demonstration report. The updated weighted average for Central Virginia NHE is \$3,387.47 PMPM. Because the September 2014 enrollee mix includes a lower proportion of the higher cost NHE-Institutional population, this is a decrease of \$163 PMPM from the January Central Virginia voluntary NHE rate of \$3,550.32 PMPM. Anthem HealthKeepers has a higher proportion of NHE-I and both Humana and VA Premier have a lower proportion of NHE-I relative to the January benchmark.



- Exhibit 5b summarizes the NHE blended rates by health plan and adds the CY 2014 Central Virginia rates for Community Well. The weighted average uses the September 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 September 2014 member month distribution. Overall weighted average Tidewater PCP supplemental payment is \$1.60 PMPM.
- The rates for Central Virginia CCC health plans for September 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 Central Virginia enrollees is \$1,121.04 PMPM. The weighted average for NHE PMPM is \$3,355.77 PMPM and the weighted average for Community Well is \$347.98 PMPM.

Exhibit 5g shows the September 2014 Central Virginia 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
<b>Phase I</b>		
<b>Tidewater</b>	July 2014 August 2014	October 2014
<b>Central VA</b>	September 2014	December 2014
<b>Phase II</b>		
<b>SW/Roanoke</b>	October 2014	January 2015
<b>W/Charlottesville</b>	October 2014	January 2015
<b>NOVA</b>	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  
 Central Virginia MEMA: Benchmark and Voluntary and Auto Enrollment  
 Member Months: January Eligibles Compared to September 2014 Enrollees**

		Central Virginia				
		January 2014		September 2014		
MEG	Age Group	Eligibles	% Distribution	Enrolled	% Distribution	% Jan Eligibles
<b>Nursing Home Eligible</b>	Age 21 - 64	1,578	7.3%	669	23.0%	42.4%
	Age 65 and Over	6,040	23.4%	2,247	77.0%	37.2%
<b>Nursing Home Eligible Total</b>		7,618	30.7%	2,917	25.7%	38.3%
<b>Community Well</b>	Age 21-64	8,265	38.9%	5,136	60.9%	62.1%
	Age 65 and Over	6,461	30.4%	3,296	39.1%	51.0%
<b>Community Well Total</b>		14,726	69.3%	8,431	74.3%	57.3%
<b>Total</b>		22,345	100.0%	11,348	100.0%	50.8%