



Department of Medical Assistance Services



Future Medicaid Reforms and Integrated Care Initiatives

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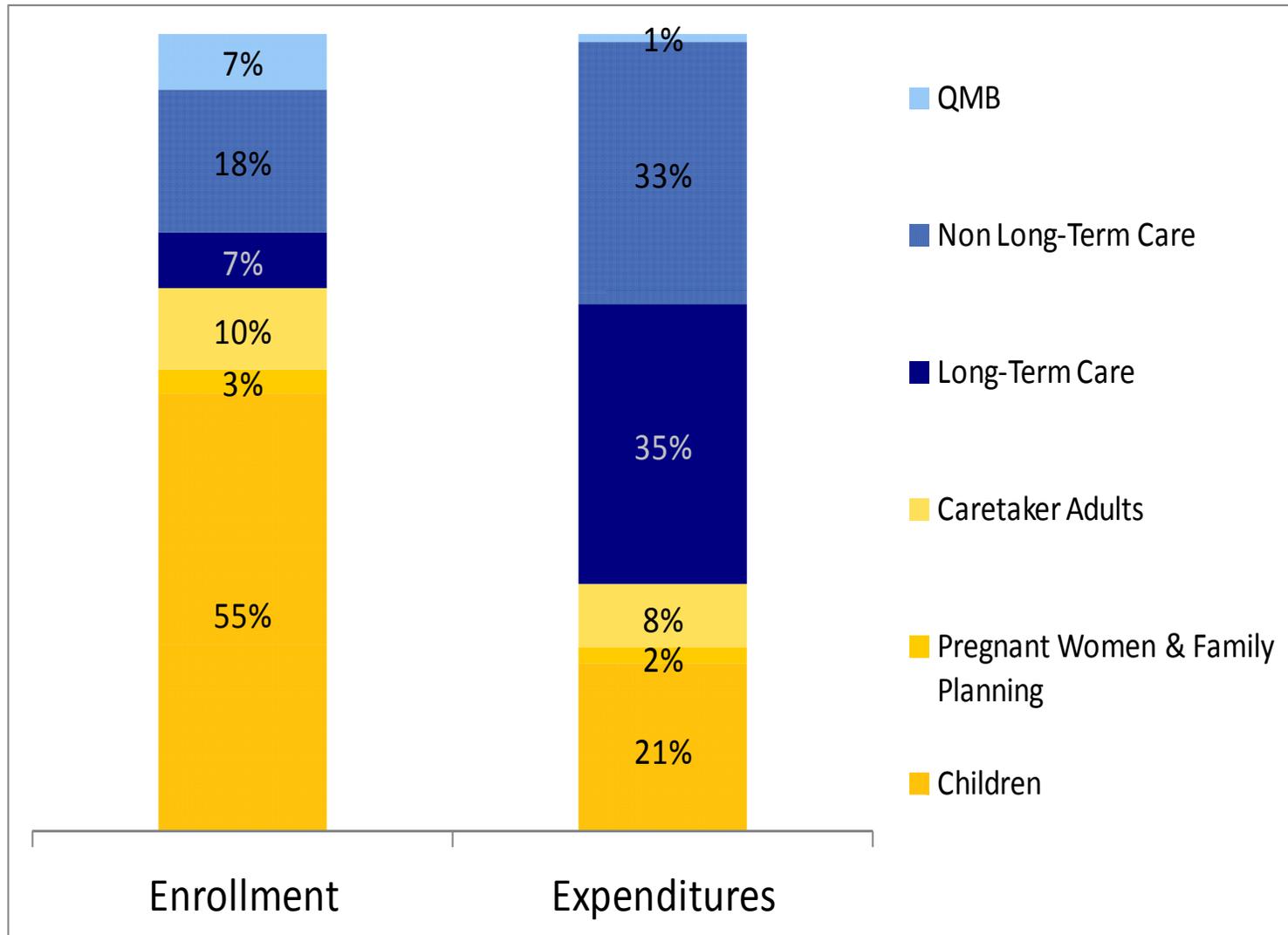
VACSB Fall Conference

October 2, 2013

Overview

- Medicaid Overview
- Review of Medicaid Reforms : Phase 1
 - Implementation of a New Behavioral Health Services Administrator
 - Virginia's Program: Commonwealth Coordinated Care
- Future Reforms: Opportunities for Your Input

Virginia Medicaid: Enrollment v. Spending

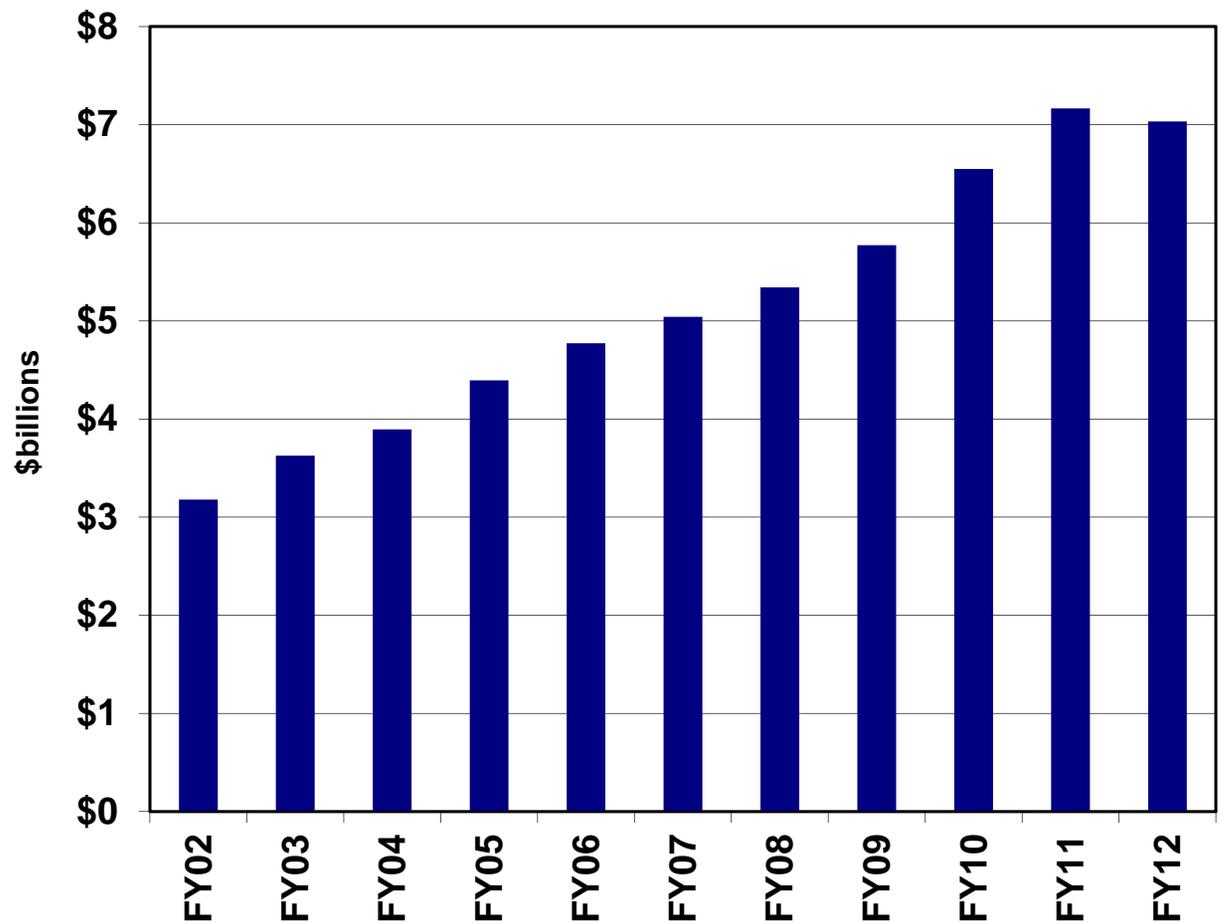


Virginia Medicaid Expenditures

Top Expenditure

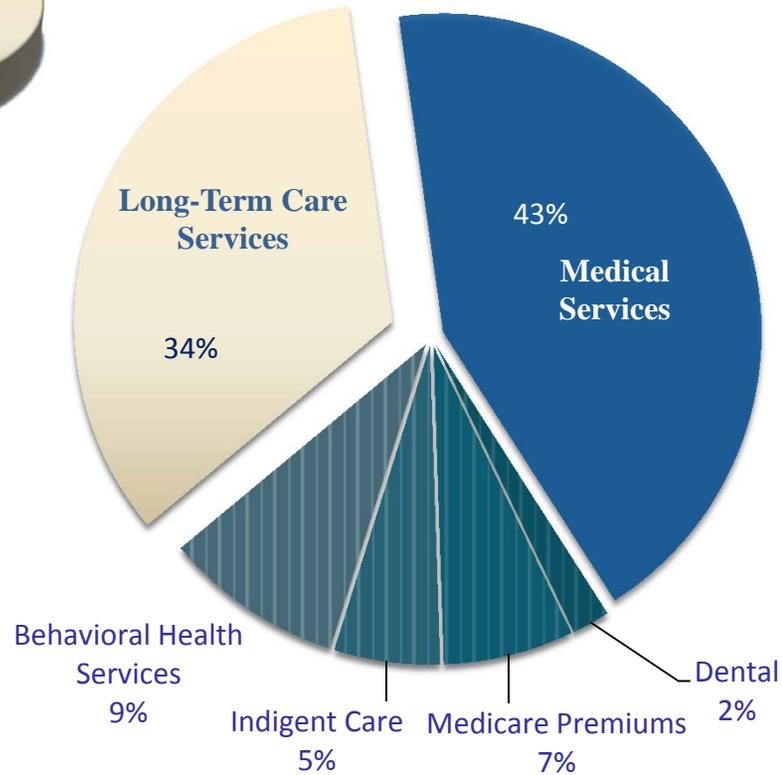
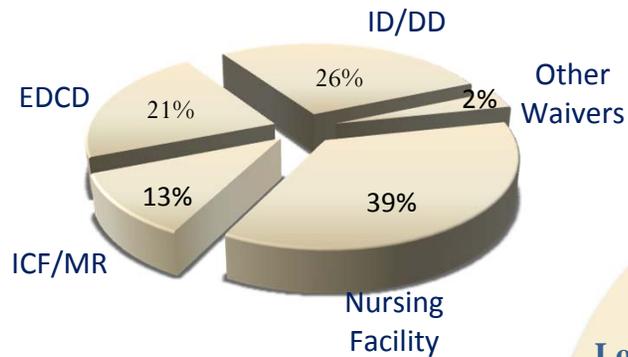
Drivers:

- **Enrollment Growth:** Now provide coverage to over 400,000 more members than 10 years ago (80% increase)
- **Growth in the U.S. cost of health care**
- **Growth in Specific Services:** Significant growth in expenditures for Home & Community Based LTC services and Community Behavioral Health services

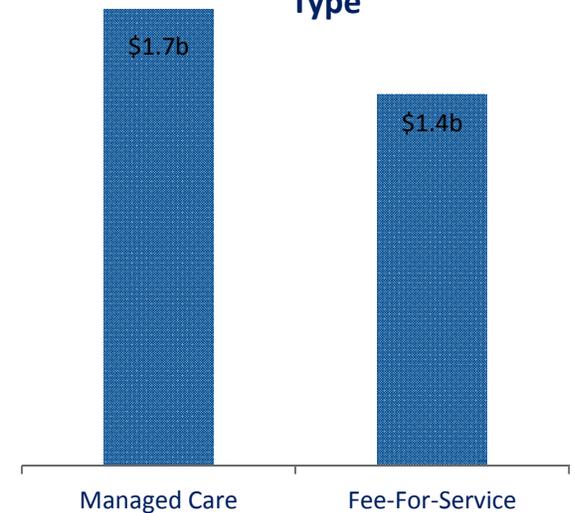


Composition of Virginia Medicaid Expenditures SFY 2012

Long-Term Care Expenditures

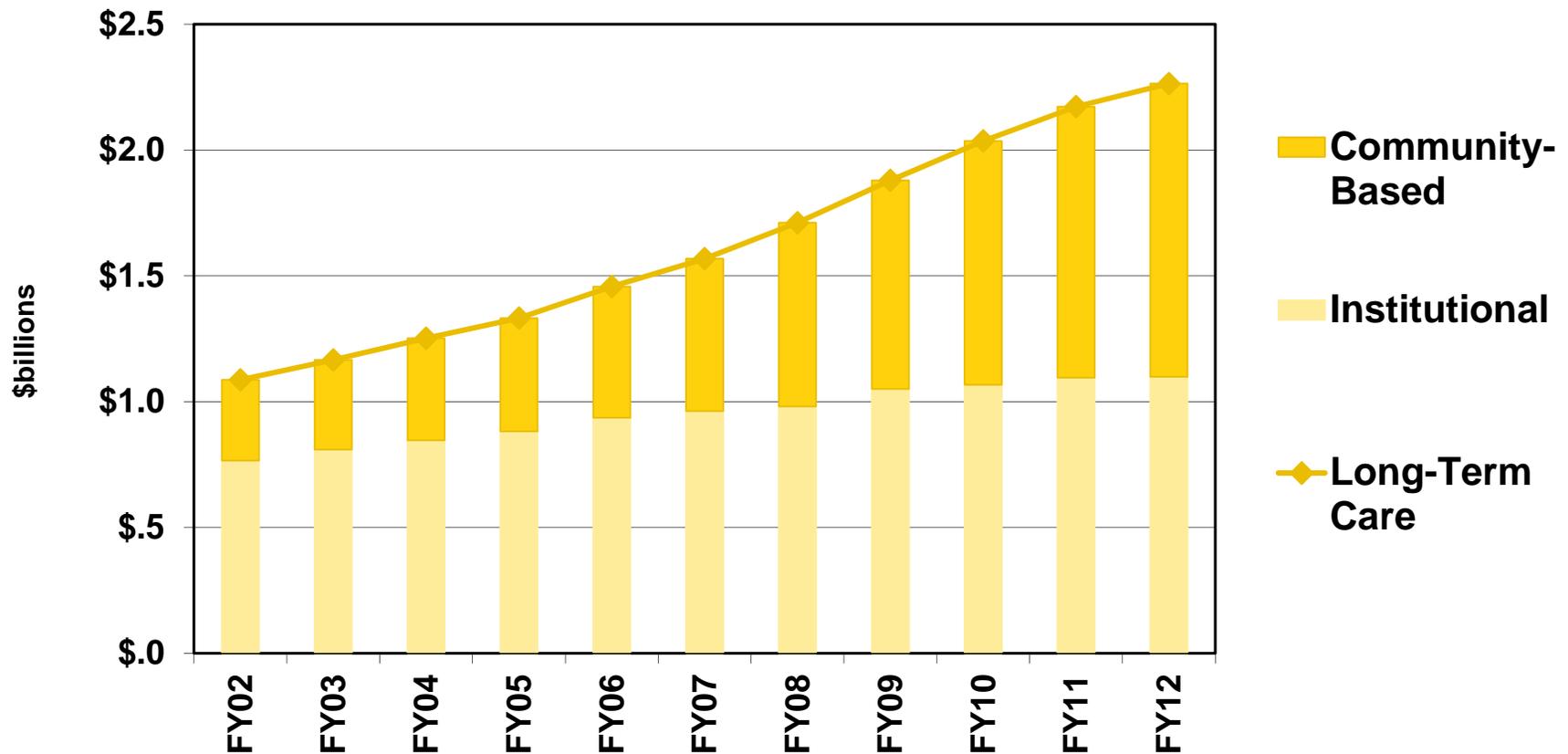


Medical Services by Delivery Type



Notes:

Virginia Medicaid Expenditures – Long Term Care Services



Notes:

Average annual growth total Long Term Care services – 8%

Average annual growth Institutional services– 4%

Average annual growth Community-Based services– 14%

Proportion of Long Term Care services paid through Community-Based care has increase from 30% in FY02 to 51% in FY12

Goals of Medicaid Reform

Improve Service Delivery

Service delivery should be efficient, cost effective, and provide quality services.



Improve Administration

DMAS should be accountable, streamlined, and transparent.



Increase Beneficiary Engagement

Individuals should be engaged in, responsible for, and active participants in their health care.



Working with CMS to Implement Reforms in Virginia

Key CMS Approvals/Support

- ☑ Medicare-Medicaid Enrollee (dual eligible) Financial Alignment
- ☑ Significant Reforms to the Managed Care Organization Contracts
- ☑ Fast Tracking Reviews of Eligibility and Enrollment Changes
- Additional Required Medicaid Reforms

Two Key Questions:

1. What Reforms Can be Implemented with the Existing Medicaid Population under Current Authority?
2. What Reforms Can be Implemented with the Existing Medicaid Population that Require Additional CMS Authority or Waivers? (*e.g., Bed Hold Days for congregate residential placements*)

Working with CMS to Implement Reforms In Virginia

- On August 15, 2013, DMAS submitted a concept paper to CMS, entitled *“Implementing Medicaid Reform in Virginia: A summary of planned reforms for review by the Centers for Medicare and Medicaid Services and interested stakeholders”*
- Contents
 - Purpose
 - Overview of the Medicaid Program
 - Existing Federal Authority for the Virginia Medicaid Program
 - Reforming Virginia’s Medicaid Program
 - Next Steps for Virginia

Virginia Must Implement Medicaid Reform in Three Phases

- **Phase 1: Advancing Current Reforms**
 - **Dual Eligible Demonstration**
 - Enhanced Program Integrity
 - Foster Care
 - New Eligibility and Enrollment System
 - **Behavioral Health**
 - Veterans

Virginia's Dual Eligible Demonstration: Commonwealth Coordinated Care



- Demonstration beginning January 1, 2014 and running through December 31, 2017
- Will provide high-quality, person-centered care for Medicare-Medicaid beneficiaries that is focused on their needs and preferences
- Blends Medicare's and Medicaid's services and financing to streamline care and eliminate cost shifting

Who Pays for Services in Virginia?

MEDICARE

- ▶ Hospital care
- ▶ Physician & ancillary services
- ▶ Skilled nursing facility (SNF) care (up to 100 days)
- ▶ Home health care
- ▶ Hospice
- ▶ Prescription drugs
- ▶ Durable medical equipment

MEDICAID

- ▶ Nursing facility (once Medicare benefits exhausted)
- ▶ Home- and community-based services (HCBS)
- ▶ Hospital once Medicare benefits exhausted
- ▶ Optional services: personal care, select home health care, rehabilitative services, some behavioral health
- ▶ Some prescription drugs not covered by Medicare
- ▶ Durable medical equipment not covered by Medicare

The Problem for the U.S. & Virginia

- Medicare and Medicaid are not designed to work together resulting in an inefficient, more costly delivery system
- At the national level, we are spending 39% of Medicaid funds on 15% of the Medicaid population
- Individuals and providers have to navigate two complex systems of support

The Solution:

Commonwealth Coordinated Care

- Provides high-quality, person-centered care for Medicare-Medicaid enrollees that is focused on their needs and preferences
- Blends Medicare's and Medicaid's services and financing to streamline care and eliminate cost shifting

Commonwealth Coordinated Care

- Creates one accountable entity to coordinate delivery of primary, preventive, acute, behavioral, and long-term services and supports
- Promotes the use of home- and community-based behavioral and long-term services and supports
- Supports improved transitions between acute and long-term facilities

Who is Eligible?

- Full benefit Medicare-Medicaid Enrollees including but not limited to:
 - Participants in the Elderly and Disabled with Consumer Direction Waiver; and
 - Residents of nursing facilities
- Age 21 and Over
- Live in designated regions (Northern VA, Tidewater, Richmond/Central, Charlottesville, and Roanoke)

Who is Not Eligible?

- Individuals not eligible include those in:
 - The ID, DD, Day Support, Alzheimer's Technology Assisted HCBS Waivers
 - MH/ID facilities
 - ICF/IDs
 - PACE (although they can opt in)
 - Long Stay Hospitals
 - The Money Follows the Person (MFP) program

Virginia's Strategies to Address Needs

Enhanced Care Management

- DMAS working with Stakeholders to design care management, including expectations, levels of care management, how to best manage care for subpopulations (e.g., chronic conditions, dementia, behavioral health needs, etc.), how to structure transition programs in hospitals and NFs
- Behavioral “Health Homes” for individuals with SMI with MCOs partnering with the CSBs (Could also be ID)
- Encouraging MCOs to link/sub-contract with different providers for care coordination (e.g., CSBs, adult day care centers, NFs)

Virginia's Strategies to Address Needs

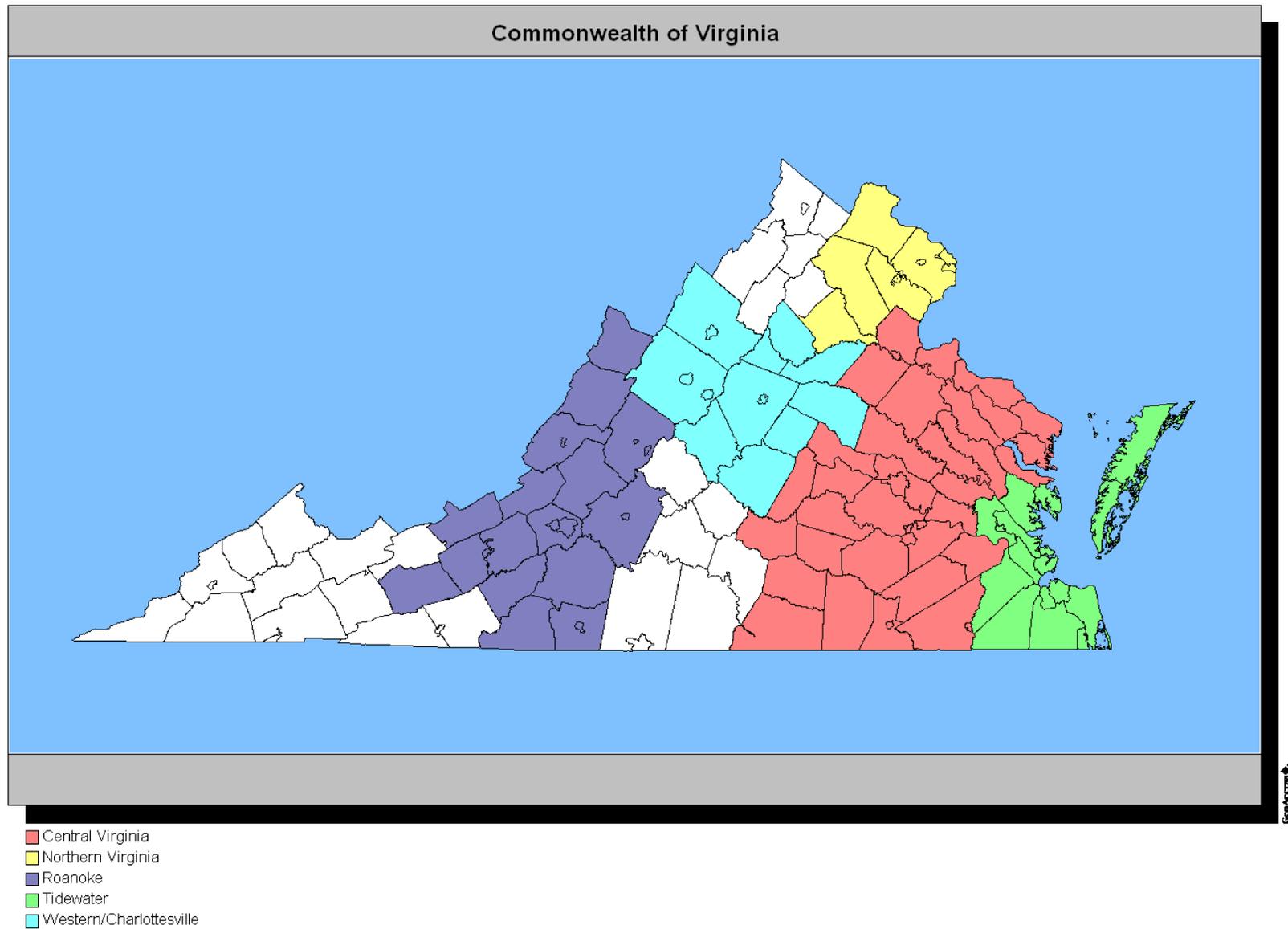
- Develop strong consumer protections (e.g., external ombudsman, grievances and appeals)
- Ensure individuals only have to make one call to receive all their Medicaid and Medicare funded services – 24/7 help lines
- Provide access to disease & chronic care management services that could improve overall health conditions and/or slow down decline
- Develop strong quality improvement programs, measures and monitoring
- Use existing community systems to strengthen services and supports
- Rate Development; method for applying savings adjustments

Medicare-Medicaid Enrollees in Virginia eligible for Commonwealth Coordinated Care

- Approximately 78,600 Medicare-Medicaid Enrollees

Region	Nursing Facility	EDCD Wavier	Community Non-waiver	Total
Central VA	4,430	3,762	16,135	24,327
Northern VA	1,935	1,766	12,952	16,653
Tidewater	3,031	2,492	12,575	18,098
Charlottesville	1,477	842	4,427	6,747
Roanoke	2,833	1,355	8,583	12,771
Total	13,706	10,217	54,672	78,596

Dual Demonstration Service Areas



Benefits for Virginia

- Eliminate cost shifting between Medicare and Medicaid and achieve cost savings for States and CMS
- Reduce avoidable, duplicative or unnecessary services
- Streamline administrative burden with a single set of appeals, auditing and marketing rules, and quality reporting measures
- Promotes and measures improvements in quality of life and health outcomes
- Slows the rate of both Medicare and Medicaid cost growth

Covered Services

- All services covered now by Medicaid and Medicare will be covered including:
 - Pharmacy (Part D and those OTC covered by Medicaid)
 - Nursing home services
 - ED/CD Waiver services (including CD services)
 - PPL will be acting as the fiscal agent for all health plans
- Carved Out Services
 - Targeted Case Management
 - Emergency Dental

Benefits for Individuals and Families

- One system of coordinated care
- Person-centered service coordination and case management
- One ID card for all care
- 24 hour/7 days a week, toll free number for assistance
- Disease and chronic care management (if applicable)
- Health plans may add supplemental/enhanced services, such as dental care, vision and hearing
- One appeals process
- Consumer protections (180 day service auth honored, keep physician even if out of network)
- No co-pays (except w/Part D or pt. pay for LTC services)

Role of Targeted Case Management

Care Coordination By Plans

- Available to all members
- Includes HRA (done within 60 days of enrollment for vulnerable pops)
- Plan of Care to incorporate but not duplicate TCM
- Plans may contract with CSBs to provide overall care coordination (health homes)

Targeted Case Mgmt.

- Continue to be provided by CSBs & paid by Magellan
- Only those who qualify
- Assessment by CSBs
- Plan of Care
- Must be included in the Interdisciplinary Care Team

Benefits for Providers

- One card for each member
- May participate with multiple Medicare/Medicaid Plans but will not have multiple authorization and payment processes between Medicaid and Medicare
- Initial authorization periods will be honored for up to 6 months; also members can stay with physicians for that period of time if they aren't in the health plan's network
- Centralized appeal process

Commonwealth Coordinated Care

Enrollment Timeline

- Central Virginia/Richmond and Tidewater areas:
 - February 2014: Voluntary enrollment begins
 - March 2014: Coverage for those who voluntarily enroll begins
 - May 2014: Automatic enrollment begins
 - July 2014: Coverage for those automatically enrolled begins
- Northern Virginia, Roanoke, Charlottesville areas:
 - May 2014: Voluntary enrollment begins
 - June 2014: Coverage for those who voluntarily enroll begins
 - August 2014: Automatic enrollment begins
 - October 2014: Coverage for those automatically enrolled begins

Outreach and Education

- Stakeholder engagement
- Dedicated website
- Trainings to providers and local agencies
- Educational materials such as presentations, toolkits, fact sheets, FAQs, public service announcements
- Working with community partners to educate and inform
- Partnering with Virginia Insurance Counseling Assistance program (VICAP) counselors and Virginia's Long-Term Care Ombudsman Program

In the coming weeks....

- Continued negotiation with three health plans (readiness reviews, rate setting, determining network adequacy)
- Development of the three-way contract between CMS, Virginia and the health plans
- Continued outreach and education to all stakeholders

Another Key Step Toward Medicaid Reform: Implementation of a Behavioral Health Services Administrator

- The contract was awarded to Magellan Health Services and in May 2013 and will be implemented December 1, 2013.
- The contract with Magellan fulfills the directive to improve several program areas including:
 - The coordination of care for individuals receiving behavioral health services with acute and primary services and
 - The value of behavioral health services purchased by the Commonwealth of Virginia

Purpose

- To improve access to quality behavioral health services and the value of behavioral health services purchased by the Commonwealth.
- Magellan will administer a comprehensive care coordination model which is expected to reduce unnecessary expenditures (including work with Medicaid MCOs and CCC Program Plans)
- Promotion of more efficient utilization of services
- Development and monitoring of progress towards outcome-based quality measures

Covered Services

Non-Traditional & Traditional

- EPSDT In-Home Behavioral Services
- Community Mental Health Rehabilitation Services (includes Intensive In Home, Therapeutic Day Treatment, and Mental Health Supports)
- Targeted Case Management
- Treatment Foster Care Case Management
- Residential Treatment (Levels A, B & C)
- Substance Abuse Services
- Inpatient and Outpatient Psychiatric Services (such as individual, group and family therapy)

Services NOT Covered

- Inpatient and outpatient psychiatric services for members enrolled in a Managed Care Organization are excluded
- Behavioral health services for individuals enrolled in the Commonwealth Care Coordination Demonstration (except for MH and Substance Abuse Case Management)

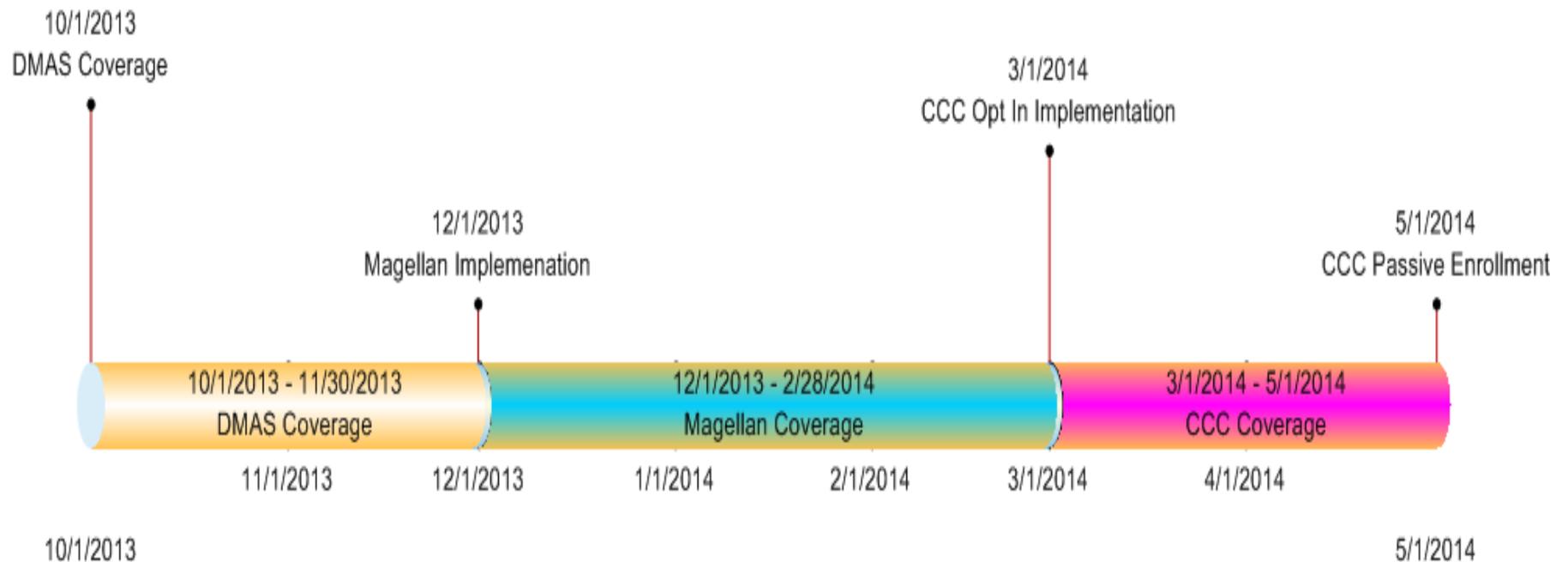
BH Services Covered by Magellan

	FFS	Medallion II	CCC Program
Inpatient	x		
Outpatient	x		
CMHRS	x	X –carved out	
MH/SA Case Mgmt.	x	X-carved out	X-carved out

Benefits to Members & Providers

- Centralized call center to provide eligibility, benefits, referral and appeal information
- Provider recruitment, issue resolution, network management, and training
- Quality Assurance, Improvement and Outcomes program
- Service authorization
- Member outreach, education and issue resolution
- Claims processing and reimbursement of behavioral health services that are currently carved out of managed care

Coverage of Behavioral Health Services for CCC Enrollees



Status of Implementation

Implementation is actively underway!

- Provider forums being held weeks of September 16th and 23rd throughout the State
- Community forums also being held for stakeholders and members
- Credentialing packets have been mailed and behavioral health providers are starting to enroll
- Magellan is hiring Virginia staff – 99 positions being filled.

Virginia Must Implement Medicaid Reform in Three Phases

- **Phase 2: Improvements in Current Managed Care and FFS programs**
 - Commercial like benefit packages and service limits
 - Cost sharing and wellness
 - Coordinate Behavioral Health Services
 - Limited Provider Networks and Medical Homes
 - Quality Payment Incentives
 - Managed Care Data Improvements
 - Standardization of Administrative Processes
 - Health Information Exchange
 - Agency Administration Simplification
 - Parameters to Test Pilots

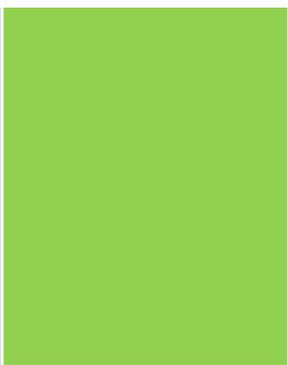
Virginia Must Implement Medicaid Reform in Three Phases

- **Phase 3: Coordinated Long Term Care**
 - Move remaining populations and waivers into cost effective and coordinated delivery models
 - Report due to 2014 General Assembly on design and implementation plans

Status of Phase 1 Reforms

Title	Progress	Timeline/Target Date
Dual Eligible Demonstration Pilot	6 th State in the Nation to have signed MOU with CMS	<ul style="list-style-type: none"> • July 2013 - Negotiations started with selected health plans • August 2013 - Readiness Reviews start • September/October 2013 - Contracting, Rates • March 2014 –Regional phased-in enrollment begins
Enhanced Program Integrity		Ongoing
Foster Care Enrollment into MCOs		September 2013 – Begin expansion to Central, Tidewater, and Northern Virginia Spring 2014 – Rest of the state

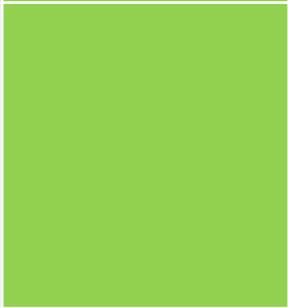
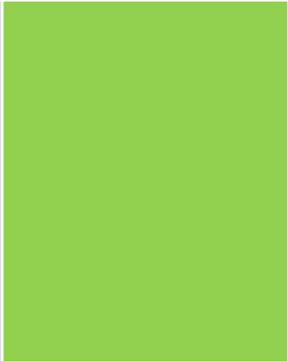
Status of Phase 1 Reforms

Title	Progress	Timeline/Target Date
Eligibility and Enrollment System		<ul style="list-style-type: none"> • October 2013 – New VaCMS eligibility system goes live for new Medicaid/FAMIS; Begin taking Medicaid/FAMIS applications based on new financial requirements MAGI • January 1, 2014 - Eligibility based on MAGI rules required to begin
Access to Veterans Benefits for Medicaid Recipients		Ongoing
Integrity and Quality of Medicaid Funded Behavioral Health Services		December 2013 – Implementation of strengthened regulations and a new Behavioral Health Services Administrator (Magellan)

Status of Phase 2 Reforms

Title	Progress	Timeline/Target Date
Commercial Like Benefit Package		<ul style="list-style-type: none"> • July 2014 for MCOs and FFS
Cost Sharing and Wellness		<ul style="list-style-type: none"> • July 2014 for MCOs and FFS
Limited Provider Networks and Medical Homes	July 2014 for FFS	<ul style="list-style-type: none"> • July 2013 for MCOs
Quality Payment and Incentives		<ul style="list-style-type: none"> • July 2013 (for MCOs) – Program implemented to establish the baseline target • SFY 2015 quality withholds begin
Parameters to Test Innovative Pilots		<ul style="list-style-type: none"> • July 2014 for MCOs and FFS

Status of Phase 3 Reforms

Title	Progress	Timeline/Target Date
Medicare-Medicaid (Duals) Enrollees Demonstration		<ul style="list-style-type: none"> • January 2014
ID/DD Waiver Redesign		<ul style="list-style-type: none"> • October 2013 - First Phase of DBHDs Study completed • July 2014 –ID/DD Waiver Renewal Due/Redesign
All HCBC Waiver Enrollees in Managed Care for Medical Needs (waiver services remain out)		October 2014
PACE Program for ID/DD or other Pilot Programs (Health Homes)		Beginning July 2015

Status of Phase 3 Reforms

Title	Progress	Timeline/Target Date
All Inclusive Coordinated Care for HCBC Waiver Clients, now including all HCBC waiver services		July 2016
Complete Medicare- Medicaid (Duals) Coordinated Care across the State, including children		July 2018

Opportunities for Input!!

- We want to hear what you think would be opportunities to develop enhanced care coordination models for individuals you support
 - Health Home models
 - PACE-like models
 - Managed care models
 - Other innovations