

May 18, 2015

Attention DMAS Stakeholders:

The Department of Medical Assistance Services (DMAS) appreciates your support and cooperation with the significant reforms that the department has undertaken in the past few years. Our work isn't finished and we continue to look to each of you, as our trusted stakeholders and partners, as we continue to design, develop, and implement initiatives and programs to better serve the citizens of the Commonwealth.

We are proud of all DMAS has accomplished in the past few years, and want to share with you the next iteration of program and policy enhancements. While this notice is lengthy, it is important that we share as much detail as possible as these enhancements will have a far reaching impact across the Medicaid stakeholder community.

Over the next couple of years, DMAS will move the majority of the remaining Medicaid fee-for-service populations into coordinated and integrated managed care models. These populations include individuals with full Medicaid and Medicare benefits, called dual eligibles, who are not enrolled in the [Commonwealth Coordinated Care Program \(CCC\)](#); and individuals who receive full Medicaid and long-term services and supports (LTSS) either through an institution or through one of DMAS' six (6) home and community based services (HCBS) waivers. Please note, at this time the expansion of Medicaid managed care for individuals enrolled in the Day Support for Persons with Intellectual Disabilities (DS); Intellectual Disabilities (ID); and, Individual and Family Developmental Disabilities Support (DD) Waivers is being considered for their acute and primary care services, **only**.

While DMAS is exploring the feasibility of managed or integrated care models for the ID, DD, and DS Waivers, these individuals will continue to receive their home and community-based LTSS through Medicaid fee-for-service until the Department of Behavioral Health and Developmental Services (DBHDS) completes the redesign of these Waivers.

DMAS has been directed by the Virginia General Assembly to transition these populations into managed care so the Commonwealth can take advantage of the benefits of managed care as a delivery model, including: (1) increased access due to larger and more comprehensive provider networks and network management; (2) accountability; (3) administrative benefits DMAS has not been able to replicate (care management, nurse and other call lines, maternity and education programs); (4) budget predictability through capitated payments; (5) focused quality improvement programs; and, (6) tighter and more complex medical management.

Many of you played, and continue to play, a significant role in helping DMAS develop the Commonwealth Coordinated Care (CCC) program which was implemented in March 2014, and integrates medical, behavioral health, and LTSS while combining Medicaid and Medicare funding. Approximately 66,000 full-benefit duals are eligible for the CCC program, though only 27,000 have chosen to enroll in the program. While DMAS continues to work in the CCC demonstration regions to improve provider and individual participation, DMAS needs to take additional steps to transition these individuals into managed care.

DMAS is developing initiatives (as described in the table below) to transition the remaining FFS populations and services into managed care. These initiatives will permit an additional 107,000 individuals to benefit from managed care.

<b>Transitioning Remaining Medicaid FFS Populations into Mandatory Managed Care</b>	
<p><b><i>Proposed Phase I:</i></b>  <b>Enroll Individuals Who Are Eligible for the CCC Program but Choose Not to Participate in CCC Into Mandatory Managed Care</b></p> <p><b>Timeframe: Summer 2016</b></p>	<p><b><i>Proposed Phase II:</i></b>  <b>Enroll Remaining Duals and LTSS Populations into a Mandatory Managed Care Program</b></p> <p><b>Timeframe: Mid 2017</b></p>
<ul style="list-style-type: none"> <li>• Transition approximately 37,000 CCC eligible individuals who have chosen not to participate in CCC into a mandatory managed care program for Medicaid services.</li> <li>• Includes primary and acute, LTSS, and behavioral services coordinated by a CCC health plan (Anthem, Humana and Virginia Premier).</li> <li>• Provides care coordination with the goal of improving health outcomes.</li> <li>• Individuals will continue to have the option to enroll in CCC.</li> <li>• This program will be phased-in regionally.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop and implement a new managed care program for the remaining LTC populations and services.</li> <li>• Includes primary and acute, LTSS, and behavioral services. The health plans will be selected through a competitive procurement process.</li> <li>• There are two general populations to transition into a new Medicaid managed care program coordinated by a health plan.</li> <li>• Approximately 50,000 dual eligibles that are currently not in the CCC demonstration regions or are currently excluded from CCC (such as children and individuals in select home and community based waivers).               <ul style="list-style-type: none"> <li>○ Approximately 20,000 non-dual eligibles who receive LTSS either in an institution or through one of DMAS’ six home and community based care waivers.</li> <li>○ At this time the expansion of Medicaid managed care for individuals enrolled in the DS, ID, and, DD Waivers is being considered for their acute and primary care services, only. While DMAS is exploring the feasibility of managed care models for the ID, DD, and DS Waivers, these individuals will continue to receive their HCBS through Medicaid fee-for-service until DBHDS completes the redesign of these waivers.</li> </ul> </li> <li>• This program will be phased-in regionally.</li> </ul>

DMAS will continue to provide updates to Stakeholders on these initiatives. We are also seeking public comment about the proposed design and implementation for these initiatives. The *Opportunity for Public Comment* notice is posted on the [DMAS homepage](#) under, “What’s New.” Future updates and public comment documents will also be posted to the DMAS website for review. As stakeholders, DMAS also needs your help in assuring that accurate information about these initiatives is shared especially to dispel inaccurate perceptions that come to your attention. Thank you for your dedication and continued service on behalf of all individuals who benefit from Virginia’s Medicaid programs. DMAS looks forward to working together!