

**Meeting of the Board of Medical Assistance Services  
600 East Broad Street, Conference Rooms 7A/B  
Richmond, Virginia**

**April 16, 2019  
Minutes**

**Present:**

Karen S. Rheuban, M.D.  
Chair  
Peter R. Kongstvedt, M.D.  
Vice Chair  
Raziuddin Ali, M.D.  
Michael H. Cook, Esq.  
Alexis Y. Edwards  
Maureen Hollowell  
Kannan Srinivasan  
Rebecca E. Gwilt, Esq

**Absent:**

Cara L. Coleman, JD, MPH  
Patricia T. Cook, M.D.  
Vilma T. Seymour

**DMAS Staff:**

Chethan Bachireddy, Acting Chief Medical Officer  
Mukundan Srinivisan, Division Director, Information  
Management  
Joanna Fowler, DMAS Senior Policy Advisor  
Brian McCormick, Division Director, Policy, Planning &  
Innovation  
Dan Plain, Division Director, Health Care Services  
Christina Nuckols, Media Relations Manager  
Jacob Wieties, Division Director, Office of Data Analytics  
Rusty Walker, Division Director, Value-Based Purchasing  
Abrar Azamuddin, Legal Counsel  
Craig Markva, Manager, Division Director, Office of  
Communications, Legislation & Administration  
Nancy Malczewski, FOIA Coordinator  
Brooke Barlow, Public Relations Specialist, Office of  
Communications, Legislation & Administration

**Speakers:**

Jennifer S. Lee, M.D., Director  
Karen Kimsey, Chief Deputy Director  
Rachel Pryor, Deputy Director for Administration  
Chris Gordon, Chief Financial Officer  
Cheryl Roberts, Deputy Director of Programs  
Tammy Whitlock, Deputy Director of Complex Care  
Ellen Montz, Ph.D., Chief Health Economist  
Ivory Banks, Chief of Staff

**Public Comment:**

Gayl Brunk, VACIL President & Executive Director

**Guests:**

See Sign Up Sheets (attached)

### **CALL TO ORDER**

Dr. Karen S. Rheuban called the Board meeting to order at 10:04 a.m. Dr. Rheuban noted this is the first Board meeting of the new year. Other members, DMAS staff and attendees were asked to introduce themselves.

Dr. Rheuban noted that there are three board members up for renewal. Dr. Rheuban stated that we received notice from the Governor's office that we will need to delay the election of new officers at this time.

### **APPROVAL OF MINUTES FROM SEPTEMBER 25, 2018 MEETING**

Dr. Rheuban asked that the Board review and approve the Minutes from the September 25, 2018 meeting. Peter Kongstvedt made a motion to accept the minutes and Mr. Cook seconded. The vote was 8-yes (**Edwards, Ali, M. Cook, Hollowell, Kongstvedt, Rheuban, Gwilt and Srinivasan**); and 0-no.

### **DIRECTOR'S REPORT AND UPDATE ON MEDICAID EXPANSION**

DMAS Director Dr. Jennifer Lee announced Mamie White's retirement. Dr. Lee thanked Craig, Nancy and Brooke for pulling together the meeting. Introduction of new members on the executive team were made: Chris Gordon, Chief Financial Officer; Rachel Pryor, Deputy Director of Administration; Dr. Chethan Bachireddy, Acting Chief Medical Officer and Ivory Banks, Chief of Staff.

Dr. Lee shared that since our last meeting DMAS' big initiative has been Medicaid expansion and as of today, DMAS has enrolled over 263,000 Virginians into the program since January 1, 2019. Dr. Lee discussed rising health care costs nationally for the privately insured largely due to escalating drug and hospital prices and that Medicaid is not immune to these trends.

### **UPDATE ON MEDICAID EXPANSION AND THE COMPASS (1115) WAIVER**

Karen Kimsey, Chief Deputy Director, provided an overview of Medicaid expansion and the 1115 Waiver (known as the Virginia Creating Opportunities for Medicaid Participants to Achieve Self Sufficiency (COMPASS) Demonstration).

#### Medicaid Expansion

Located on the DMAS website is an interactive "expansion dashboard" that is updated weekly (<http://dmas.virginia.gov/#/dashboard>) which shows enrollment by locality/region. DMAS is working with the Department of Corrections (DOC), Department of Juvenile Justice (DJJ), and

regional jails, and has created a specialized unit at Cover Virginia to handle applications for this critical population. DMAS is working with the Department of Behavioral Health and Developmental Services (DBHDS) and the Community Services Boards (CSBs) who are aware of individuals eligible for Medicaid. Individuals that age out (18-19) of base Medicaid is a specific population that we can target to help them become aware of the new benefit. Prior to the program going live, DMAS had to demonstrate network adequacy for access to care in all areas related to this population and this was reviewed and approved by the Centers for Medicare and Medicaid Services (CMS).

#### 1115 Waiver

In her overview of the 1115 COMPASS Waiver Program, Ms. Kimsey emphasized the Housing and Employment Supports for High-Need enrollees, which is a recognition that these individuals need additional support to have the necessary training to gain the experience they need to find and maintain a job and housing. DMAS received over 1,800 comments that were shared with CMS who also posted their own public comment period. DMAS is now in active negotiations with CMS for an approval of the Waiver. The timeframe seems to be moving a little bit further out and DMAS anticipates an approval sometime this summer. DMAS is closely tracking and watching all court decisions and pending litigation in other states. DMAS is moving forward to be operationally ready and available in terms of design and implementation of the COMPASS Waiver once the Waiver is approved by CMS.

### **UPDATE ON GENERAL ASSEMBLY LEGISLATIVE REPORTS, TELEHEALTH AND NEW MEDICAID MEMBER ADVISORY COMMITTEE**

Rachel Pryor, Deputy Director of Administration, shared that the top theme for the 2019 General Assembly this year was financial transparency. There were a couple of budget provisions that became law that will require DMAS to seek additional oversight from the Department of Planning and Budget (DPB) for contract modification changes. DMAS will have quarterly meetings with stakeholders on the forecast throughout the year. There was some debate during the General Assembly session on opioids and balanced billing, commercial marketplace plan issues and telehealth. What happened in this year's session is a reflection of what is happening at the federal level.

DMAS has recognized that we need to lift up telehealth here at DMAS and have a cross agency working group so as new policies come available from the federal level or state level DMAS will have the infrastructure in place and a standardized process on how to develop and implement telehealth-related decisions.

DMAS has created a Medicaid Member Advisory Committee (MAC) to help us understand how members actually receive and interact with the Medicaid program. What DMAS is trying to do is look at the members' journey and see the problems through their eyes and target solutions to those problems. Outreach and enrollment is a great example. DMAS has learned over and over that people do not know that those benefits are available to them and improve the Medicaid

program through their feedback. The first meeting of the MAC was April 1, 2019 and sixteen (16) members from different areas of Virginia were in attendance. DMAS received valuable feedback and identified topics to focus on such as outreach and enrollment, application processing time, the 10-day deadline to return your verification, and standardization across health care plans. The next meeting is June 5, 2019 at 10:00 a.m.

### **FINANCE UPDATE AND PROGRESS ON NEW FINANCIAL REFORMS**

Chris Gordon, Chief Financial Officer, stated that DMAS finances are the most complex in Virginia. DMAS wants to be the best Medicaid finance agency in the nation. Sharing financial information and data is now accessible to all DMAS employees and soon will be to external stakeholders. DMAS will have a financial dashboard in real time. Internal Financial Review Committee (IFRC) has met three times this year and did not exist previously. External Financial Review Committee (EFRC) will have that data later in May.

DMAS has contracted with an external actuarial firm, Milliman, to review DMAS' forecasting and rate-setting processes. Milliman has completed their work and is now in the process of gathering those recommendations which should be completed at the end of this month. Those recommendations will be the pillar on which DMAS develops concrete action plans to meet the transformational objectives.

DMAS launched a new Division of Federal Reporting, comprised of employees from budget and fiscal divisions, which will focus on executing forms for CMS. DMAS is going to change how rate setting and forecasting is done.

DMAS is seeing increases in enrollment however Medicaid spending per enrollee is much lower than commercial private insurance or Medicare. Virginia's Medicaid program is one of the slimmest and most efficient forms of healthcare across the nation. This is because DMAS is effective stewards of public dollars.

### **UPDATE ON MEDALLION 4.0 AND COMMONWEALTH COORDINATED CARE (CCC) PLUS**

Cheryl Roberts, Deputy Director of Programs, stated that DMAS completed procurement of the Medallion 4.0 program, which affected 750,000 Virginians. The Medallion 4.0 program is considered the traditional Medicaid program or fee-for-service program. The regional implementation and the alignment with the CCC Plus program have the same regions and plans. Medallion 4 consists of women, children, adults and Medicaid expansion populations.

The goal and expectation of Medallion 4.0 is to improve the quality of life and health outcomes for enrolled individuals by member choice and access, member focused programs and member engagement and use of services.

Data shows that 40% of members are using the website or the app to make a plan choice or see the provider directory.

New and ongoing initiatives include a new contract and rate process. The new contract will be online by the end of the month. There is a new Quality Strategy and Office of Quality and Population Health. DMAS is focusing on Foster Care, CDC Project and Cross Agency Collaborations and Project. DMAS has about 5,000 kids in foster care and another 5,000 in adoption. DMAS is using YouTube as an education and community support tool for the eligibility workers.

DMAS is one of twenty-six (26) states working on CDC issues and our projects include smoking cessation and asthma. Under Medicaid, smoking cessation is covered only for pregnant women. It is also covered for all members in the expansion population.

For Virginia's NASHP project, DMAS is one of eight (8) states picked to work on maternity and opioids. DMAS plans to marry the maternity program with the ARTS program to see the interventions that improve the members' lives.

Plan oversight includes validation of MCO contract requirements, on-site and internal operational reviews, quarterly reviews, financial oversight and data, reporting and dashboards.

There are three delivery systems for expansion: Medallion, CCC Plus and Fee for Service.

Tammy Whitlock, Deputy Director of Complex Care, shared that CCC Plus has about 236,000 members. This includes individuals living in nursing facilities, individuals on the CCC Plus waiver and also individuals in one of the three DD waivers for non-waiver services.

A CCC Plus waiver issue arose last year which was a change in policy from CMS in which DMAS was required to utilize EPSDT guidelines and medical necessity criteria for any child in the waiver (CCC Plus and DD Waiver) for three services: personal care, private duty nursing (PDN) and assisted technology. This policy change was implemented with the renewal of the DD Waivers. DMAS had a strong implementation which was fully implemented in September 2018, and provided guidance to the health plans on how to handle. With PDN and Assisted Technology there wasn't much change; the big change occurred on the personal care side. For EPSDT the guidance is very strong on the medical necessity. It is not a waiver focus. On the waiver side for personal care, the point of the waiver is to keep children and adults out of institutions. That is not the goal of EPSDT. DMAS expressed concern about this. DMAS had an 11.7% decrease of cases in the number of hours and we had a 4.6% increase in the number of hours. DMAS received a lot of comments and complaints and appeals. DMAS strongly pushed back to CMS and, in early March, we received guidance from CMS that we could change the policy back to the way we had it before. This means children who are in the CCC Plus waiver and the DD Waivers, as of May 1<sup>st</sup> will now be looked at under the waiver criteria. The health plans will be able to look at those cases with the waiver criteria in mind and work to avoid

institutionalization. DMAS is very excited to switch this policy back. DMAS is sending an amendment to CMS this week. DMAS does not anticipate any issues with the amendment getting approved.

### **UPDATES FROM THE CHIEF HEALTH ECONOMIST AND THE OFFICE OF DATA ANALYTICS (ODA)**

Ellen Montz, PhD, Chief Health Economist, shared that her job and her team's job is to provide timely, actionable data analysis, policy development and recommendations and program evaluation in services of the agency goals.

The Office of Data Analytics has hired a Director of Data Analytics, Jacob Wieties. Jacob and his team are focused on moving toward analytic maturity, moving away from simply reporting out pieces of data and actually pulling information from that data. In doing so, that requires a workforce who is able to perform these analytic tasks and Jacob is very involved in restructuring his office and hiring additional staff to make sure that ODA is running at full capacity. Another important component is having the data in one place and having the tools to use to perform the analytic analysis. We have talked about this in the past but DMAS is in the process of standing up an enterprise data warehouse. DMAS is almost at launch of the data warehouse. DMAS is going to be doing analytics and reports for program policy financial analysis operations and management, which will include forty plus dashboards that will have information on utilization, costs, quality and outcomes. DMAS will be taking the data and dashboards, and developing greater reporting and outcome reporting for the public.

A second priority is Value Based Purchasing. Rusty Walker is the new Director of Value Based Purchasing division. His future work will be focused on using financial and non-financial incentives to drive value in our Medicaid program. Value Based Purchasing looks differently in Medicaid than it does in other agencies. Medicaid is a very efficient program but that does not mean there is not value to get from that, particularly in our outcome space. DMAS views getting value out of Medicaid differently than those in the privately insured and Medicare space.

DMAS has a new clinical efficiencies program. DMAS has evaluated the managed care plan levels on preventable utilizations, hospital visits, ED visits, hospital re-admissions, and from this DMAS will be developing performance measures to track MCO and hospital specific performance. As we move forward, DMAS is going to tie payments to actual performances on readmissions and other preventable hospitalizations.

Finally, DMAS has a new program in CCC Plus, which is a discrete incentives program and here we simply incentivize transitions into the community.

## **WORKFORCE INITIATIVES AND ORGANIZATIONAL TRANSFORMATION AND THE NEW DIVERSITY COUNCIL**

Ivory Banks, Chief of Staff, is making sure staff have tools and training to follow through on the agency's initiatives. DMAS is working on more effective recruitment and retention to ensure we have adequate staffing and. That involves competitive salaries, and increased usage of retention incentives, such as retention bonuses, tuition reimbursement, loan repayments or teleworking, to attract talent.

DMAS is also increasing professional development opportunities for staff. DMAS administered an employee engagement survey where we heard from staff who said they would like more professional development opportunities. We have invested in performance management, conflict management, meeting management, presentations skills, calendar management, project management and public speaking. DMAS is also sending staff to conferences, seminars and professional presentations. DMAS is going to continue those efforts including trainings on Excel - beginner, intermediate and advanced - which helps with project management.

Ms. Banks also led the creation of a Diversity Council There are thirty staff members on this council who have volunteered and are from all different cultures, age ranges and backgrounds. The council meets monthly and will be encouraging new agency initiatives to maximize workplace diversity and initiate projects that increase the visibility of DMAS as a diverse workforce where we celebrate and support each other. The council charter is in the planning phase.

Karen Kimsey, Chief Deputy, stated that DMAS has made many changes over the year, but one of the things we need to do is make sure our organization is aligned with our mission and goals. DMAS is going to take an organizational review as a whole. DMAS has brought in a vendor that can do a full review of the agency. DMAS has chosen Center for Health Care Strategies (CHCS), which is a non-profit group that looks at best practices for Medicaid agencies across the country.

CHCS will conduct a comprehensive review of the DMAS organizational structure and functions and aid the department in the consolidation of managed care programs, provide a blueprint to the Department for change to ensure the organizational transformation achieves lasting impact, and is accepted throughout all areas in DMAS and provide tools and support for leadership to instill the Mission and Values of DMAS throughout the Department.

### **NEW BUSINESS/OLD BUSINESS**

Dr. Rheuban thanked the entire team who stepped in for Mamie. Michael Cook proposed a resolution to thank Mamie for her wonderful service, not just to BMAS but also to DMAS and the Commonwealth. All in favor.

### **PUBLIC COMMENT**

Gayle Brunk, VACIL President and VAIL Executive Director, spoke about current experiences with fiscal agents and managed care companies, and the impact on individuals with disabilities and providers of Medicaid waivers.

### **REGULATORY ACTIVITY SUMMARY**

The Regulatory Activity Summary is included in the Members' books to review at their convenience (see attached).

### **ADJOURNMENT**

Maureen Hollowell made a motion to adjourn the meeting at 12:30 p.m. Mr. Cook seconded. The vote was **7-yes (Ali, M. Cook, Hollowell, Kongstvedt, Rheuban, Gwilt and Srinivasan); and 0-no.**