We’ve Got You Covered

VIRGINIA'S MEDICAID PROGRAM

BOARD OF MEDICAL ASSISTANCE SERVICES
FY19/20 BIENNIAL REPORT
To Virginia’s Honorable Delegates and Senators:

As the recently elected Chair of the Board of Medical Assistance Services (BMAS), and member since 2015, on behalf of the BMAS, it is my privilege and honor to present to you this biennial report highlighting the work of Virginia’s Department of Medical Assistance Services (DMAS) and outlining our vision and goals for the next biennium.

This past year has presented significant challenges due to the COVID pandemic, which has threatened the health of everyone and the economic stability of our country. Virginia has not escaped these challenges. Because of the economic impact of the disease, all states and local governments have experienced far lower revenues than originally projected, as well as public health and governing challenges for which no one was fully prepared.

However, thanks to the hard work, creativity and general decency of the General Assembly and Governor, along with the outstanding leadership of Karen Kimsey and her staff, our members have not seen a loss or diminution of benefits.

Thanks to the General Assembly, the Medicaid program will cover adult dental care beginning in 2021. Additionally, the program has recognized the need to improve equity in the delivery of health care and to address the social determinants of health, such as nutrition and housing.

Finally, on a personal note, I would be remiss if I failed to mention the hard work and dedication of an outstanding staff at DMAS. It is truly an honor to be associated with the program and the agency staff.

Thank you for your support in providing the necessary resources for improving the health and well-being of our members.

Michael H. Cook, Esq.
Chair, Board of Medical Assistance Services

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Section 32.1-324 of the Code of Virginia requires the Board of Medical Assistance Services (BMAS) to submit a biennial report to the Governor and the General Assembly.
Letter from the Director

The past two years have been unlike anything I have experienced in my career at the Virginia Medicaid agency. Thanks to the courage of our Governor and state lawmakers, we were able to expand eligibility for health coverage in 2019 and welcome more than 470,000 new Virginia adults into our program. This historic achievement coincided with our agency’s 50th anniversary, and I cannot imagine a better birthday gift.

Medicaid expansion was a heavy lift, but our staff embraced the challenge with an unprecedented level of teamwork, a dedication to our members, and the sparkle that makes DMAS so special. Those heady, celebratory days were followed abruptly by the difficult and disconcerting emergence of the COVID-19 health pandemic.

Our entire staff transitioned overnight to telework, recognizing that there could be no hesitation in the face of tremendous need across the Commonwealth. Our workload quadrupled as we implemented a host of policies to ensure that our members had access to care when they needed it most. We ramped up enrollment efforts as thousands of Virginians who had lost their jobs and insurance turned to us for coverage for themselves and their families. And we worked closely with providers to help them weather the uncertainties they faced as they looked for new ways to keep their employees and patients healthy and safe.

I look back at the past two years and I am incredibly proud of our DMAS family and their amazing resilience and passion. I can’t wait to see what we will accomplish together in the next two years and beyond.

Sincerely,

Karen Kimsey
Director
Virginia Department of Medical Assistance Services

Medicaid Overview

The mission of the Virginia Department of Medical Assistance Services (DMAS) is improving the health and well-being of Virginians through access to high-quality health care coverage. In 2019, Virginia Medicaid celebrated its 50th anniversary and successfully oversaw the largest expansion in its history. Today, more than 470,000 Virginia adults are enrolled and receiving services under the new eligibility rules. The vast majority of these individuals are served through the two managed care programs, Medallion 4.0 and Commonwealth Coordinated Care Plus.

For more information on the impact of Medicaid Expansion, visit the Expansion Enrollment Dashboard (www.dmas.virginia.gov/#/dashboard) and the Expansion Access Dashboard (www.dmas.virginia.gov/#/accesdashboard).

Jean lives in Danville and regularly shares her powerful testimony about how health coverage has benefited her life. Jean had to take early retirement in July 2017 because cataracts made it impossible for her to drive at night, and she worked a second-shift job. She got her notice that she was approved for Medicaid in December 2018.

“I read it, and I danced like [King] David danced because I’m going to be able to see again, and I’m going to be able to drive at night,” she said. “It was the happiest day of my most recent life. Health insurance is important because I’ve found being without it really is a matter of life and death.”

Jean is a member of Virginia Organizing, which worked hard to help win passage of Medicaid expansion and continues to spread the word through outreach projects in communities across the Commonwealth.

“Medicaid expansion gave me hope because now I’m learning how to take care of myself so I can have a long and healthier life to share with my children, grandchildren and my great grandchildren,” Jean said. “Everyone needs health insurance, regardless of our ability to pay, because every life is important.”
COVID-19 Response

With devastating health and economic impacts, the COVID-19 pandemic presented a multifaceted challenge to the Commonwealth, and one that the Virginia Medicaid agency is uniquely positioned to address. In the early days of the crisis, DMAS acted swiftly to develop and implement policies that strengthened access to care for our nearly 1.7 million members. The agency announced that no Medicaid member would lose coverage during the health emergency due to lapses in paperwork. Outreach initiatives reassured members that they had access to no-cost testing and treatment for COVID-19 to help address the spread of the novel coronavirus. The agency simultaneously ramped up capacity in preparation for increased enrollment volume as tens of thousands of Virginians who had lost their jobs and health insurance sought Medicaid coverage. Recognizing that a sustainable network of providers is crucial to preserving access to care for our members, DMAS launched a series of initiatives to offer targeted funding for key community-based services and greater flexibility in addressing staffing needs. Our agency continues to work closely with the Centers for Medicare and Medicaid Services (CMS) to secure increased federal funding to support our members, our providers and the Commonwealth. Virginia Medicaid has the expertise, the capacity and the commitment to successfully confront the coronavirus. During the COVID-19 health emergency and throughout the recovery in the months ahead, we want our members, our providers and our Commonwealth to know: We’ve got you covered.

WE’VE GOT OUR MEMBERS COVERED:

Virginia Medicaid responded to COVID-19 with a comprehensive set of policies that make it easier for eligible individuals to apply for coverage so they can receive prompt access to medical care, and we initiated enrollment protections so that our members do not need to worry about losing coverage due to lapses in paperwork during the health emergency.

Expanded Eligibility

- Because of new rules expanding eligibility, more than 470,000 Virginians have high-quality, no-cost health coverage during the COVID-19 health emergency.
- Tens of thousands of newly eligible adults have coverage for COVID-19 testing and treatment, as well as treatment for chronic conditions that can exacerbate the effects of the virus, including diabetes, cancer, chronic obstructive pulmonary disorder, high blood pressure, and asthma.

Access to Health Care

- No Medicaid members will lose coverage during the health emergency due to lapses in paperwork.
- Coverage continued for most Medicaid members who experienced a change in circumstances that normally would result in a loss of eligibility.
- Co-payments are suspended for all Medicaid and FAMIS covered services.
- COVID-19 testing and treatment is fully covered by Medicaid.
- No pre-approvals are needed and existing approvals are automatically extended for many critical medical services, supplies and devices.
- A 90-day supply and early refills are available for many routine prescriptions.
- Telehealth is covered and encouraged as an option to ensure access to health care.

WE’VE GOT OUR HEALTH CARE PROVIDERS COVERED:

Medicaid providers are a critical part of our state’s health care safety net for children and families, low-income older adults, and individuals with disabilities. We are working closely with our providers to respond to their needs during this evolving health emergency.

Provider Retainer Payments and Other Relief

- Virginia is offering $30 million in emergency support for primary care doctors, pediatricians and other providers who offer general health care services to Virginia Medicaid members during the COVID-19 public health crisis.
- Virginia distributed retainer payments for qualifying adult day health centers and providers that offer day services, including group day, community engagement, and community coaching.
- Virginia has also increased nursing facility reimbursement rates to support these providers as they work to protect residents who are at a high risk of serious illness from the novel coronavirus.
- Qualifying personal care workers and attendants will receive hazard pay for ensuring access to care for Medicaid members during the pandemic.
- Spouses, parents of minor children, and legal guardians of a Medicaid member can now provide and receive reimbursement for personal care services.

WE’VE GOT THE COMMONWEALTH COVERED:

Like many states, Virginia has faced a sudden, unprecedented budget impact due to COVID-19. DMAS has worked closely with CMS to secure increased federal funding through emergency waivers and other opportunities to support our providers and reduce strain on the state budget. Virginia is committed to ensuring that these federal provider funds are used to prepare for, prevent the spread of, and respond to COVID-19 in communities that are most at risk for the spread of infection.
Medicaid Member Advisory Committee (MAC)

The Medicaid Member Advisory Committee (MAC) was established in 2019 to provide a formal method for Medicaid members’ voices to be included in the DMAS decision-making process and to inform DMAS change management strategies. The MAC consists of a diverse group of Medicaid members and authorized representatives of members from around the Commonwealth. At the time of its establishment, there was only one other such advisory committee in the entire country. Eight of the original MAC members committed to two one-year terms of service (2019 thru 2020), while the ninth member was able to commit for a one-year term (2019). DMAS is recruiting for Committee members for the 2021 term.

The MAC reports to the Director of DMAS. The committee, while advisory to the Director, is not an advocacy or lobbying group. The Committee has proven to be instrumental in providing feedback and making suggestions on program improvements.

The MAC meets quarterly, and meetings are open to the public. In 2019, members met in person at the DMAS agency offices to hear presentations and discuss a variety of topics with agency leaders and staff, as well as key partners. Due to the COVID-19 health emergency, members met virtually in 2020.

Topics covered by the MAC included Medicaid application and renewal forms, website content, Medicaid services, telehealth, electronic visit verification, communication, managed care organizations, and health coverage policies and procedures.

For more information about the MAC, please see https://www.dmas.virginia.gov/#/memberAdvisory.

Diversity and Inclusion: Creating Our Legacy of Service Together

Diversity and inclusion are critical to DMAS, and we believe our differences drive our unique insights, innovation, and success. Our employees, members, and stakeholders are our most important assets, and we take our shared responsibility to create and maintain a fair and inclusive workplace very seriously. Our members and stakeholders come from all walks of life, and so do we. We value all of our differences regardless of race, ethnicity, sex, gender, sexual orientation, veteran status, culture, disability or socioeconomic status.

In 2019, DMAS established a Diversity, Equity, and Inclusion Council to create a more welcoming and inclusive workplace where everyone can learn from each other and ensure that each person feels valued and respected. The goals of the council include:

- Encouraging and supporting agency initiatives that maximize workplace diversity, equity, and inclusion.
- Collecting and using data to continuously learn, adapt, and improve all policies and procedures.
- Addressing programmatic and systems of inequity, and exploring how the council can best address bias in the workplace.
- Organizing and engaging staff in events that celebrate and educate about all cultures represented within the agency.
- Providing and encouraging DEI training for all staff.
- Validating diversity through opportunities for staff discussions and other small-group interactions.

James has two important motivations for joining the Medicaid Member Advisory Committee.

“I am a parent of a son with special needs and the son-in-law of a person with physical disabilities,” he said.

James’s son was diagnosed with autism at age 2 and with schizoaffective disorder at age 13. Both his son, now 22, and mother-in-law receive Medicaid waiver services. James learned to navigate Medicaid through his experiences with the program in both Maryland and now Virginia, which have different processes and procedures.

“I learned to ask a lot of questions,” he said.

James serves on the new advisory group that recommends improvements to the Medicaid program.

“I got tired of being on the sidelines,” he said. “I want to be part of the solution, to be a voice for those who don’t have one. This is a work in progress. We are ordinary people who are working to make Medicaid better and clearer. People should have more access to health care and easier access to information. We find simple, better ways to assist others and make the process easier. I feel what we’re doing is making an impact.”

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Health Equity

Over our 50-year history, Virginia Medicaid has proudly served as an agent for health equity, providing coverage and access to quality care for populations who have historically faced barriers when seeking health care. In addition to our response to the COVID-19 health emergency, we are pursuing improvements in health equity through innovations in maternal and infant health, as well as behavioral health.

Recently DMAS established a Health Equity workgroup and identified 11 key short-term goals and seven additional goals in the categories of Member Engagement & Communications; Policies and Services; and Data, Quality & Measurement. The workgroup has also identified several programmatic initiatives to address, including behavioral health and maternal mortality.

The long-term goal of the work group is to develop agency-wide strategies to ensure that DMAS provides access to quality services for all eligible Virginians. This goal includes the development of a framework for how health equity applies to the agency's new initiatives in addressing social determinants of health, such as housing and food insecurity.

Finance and Technology

DMAS’s base budget is currently funded with approximately 31% state general funds and 69% non-general funds. The non-general funds are comprised of Federal Funds (largest source), the Provider Coverage Assessment Fund, the Provider Payment Rate Assessment Fund, the Virginia Health Care Fund, the FAMIS Trust Fund and other special funds. The Federal Medical Assistance Percentage (FMAP) rate for the Virginia Medicaid program is currently 50%. Pursuant to the Families First Coronavirus Response Act, Virginia received an enhanced FMAP of an additional 6.2% for January 2020 through June 2020. DMAS uses general funds to provide matching state funds required by the federal government for federal funding.

Medicaid in Virginia is administered efficiently. The majority of the DMAS budget pays for services for enrollees. Only 1.8% percent of total expenditures for FY 2020 were allocated toward administrative expenses.

For the first time, DMAS created a unique budget for each of its 51 work areas, allowing for even closer monitoring of administrative costs across the agency. Meanwhile, Finance and Technology continues to work hard on the implementation of the Medicaid Enterprise System (MES). Five out of eight new modules to support Medicaid operations are operational and in use. The final phase of the MES effort is to finish the remaining modules and ensure all of the modules are linked to one another.

Much of 2020 has been dedicated to transitioning DMAS to a remote workforce in the face of the COVID-19 pandemic. DMAS was the first state agency to transition to 100% telework and was able to stand up a Continuity of Operations Plan (COOP) site within twenty four hours. Simultaneously, the agency has enrolled over 170,000 new Medicaid Members; an average of 750 new Medicaid members each day, since the State of Emergency was declared.

As a result of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, over $220 million has been allocated thus far as additional support for Virginia’s Medicaid members and providers during the COVID-19 pandemic. DMAS is working to ensure these funds are distributed as intended. Of the funds, $85 million is being made available to help cover COVID-19 related expenses for hospitals and adult day support centers. DMAS paid additional support to nursing homes and specialized care providers in response to COVID-19 by way of reimbursement for COVID related expenses and through rate increases.

Additionally, the agency is currently in process of operationalizing the distribution of $73.1 million in the hazard pay to personal care aides and attendants who provided services to Medicaid members during the height of the pandemic. In addition, the agency continues to procure and distribute personal protective equipment to both Medicaid members and providers.

Karen was among the first Virginia adults to obtain health coverage through Medicaid expansion on January 1, 2019. Before that date, she had no coverage for most of her health needs, which included diabetes, high blood pressure and a thyroid condition. In the past, she had to be admitted to the hospital every six to eight months and could not continue to work as a special education teacher.

Before her coverage began, Karen often went without some of the 15 medications she takes. Through expansion, she obtained coverage for her prescriptions, and she was able to obtain a new glucose monitoring system. Karen also had a care coordinator through the Commonwealth Coordinated Care Plus program. “All of that has been phenomenal in terms of quality of life,” she said. “It has changed my life significantly. I just feel there is a breath of air that we can take now that my prescriptions are covered.”

As her health improved, Karen returned to her job and no longer requires Medicaid coverage.

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Thank You!

We want to extend a heartfelt thank you to all of our partners and advocates. More than 400,000 adults are now enrolled and receiving health services because of expanded eligibility rules that took effect in January 2019. It is because of you and your hard work that we were able to reach this enrollment milestone together.

We could never envision that we would reach this milestone amid a historic health emergency, but the timing is a reminder of the importance of state leaders’ decision to expand this vital program. Your dedication to our members and your commitment to the mission and values of the Virginia Medicaid program inspire all of us here at DMAS.

We could not have done this without you!