

## 2022-24 Strategic Plan

### Department of Medical Assistance Services [602]

#### Mission, Vision, and Values

##### Mission

To improve the health and well-being of Virginians through access to high-quality health care coverage.

##### Vision

To serve all who are touched by our system with caring, integrity, and respect.

##### Values

**Service:** We are committed to serving all who are touched by our system with caring, integrity, and respect.

**Collaboration:** We value professional, respectful cooperation to achieve common goals. Everyone's input is welcome.

**Trust:** We are continuously building a culture that is honest, supportive, and fosters integrity.

**Adaptability:** We work together to anticipate and embrace change to meet Virginia's health care needs.

**Problem Solving:** We promote problem-solving processes and respond to challenges with a forward-thinking approach.

#### Agency Background Statement

The Department of Medical Assistance Services (DMAS) is one of the state agencies under the Health & Human Resources secretariat. It administers a variety of health care programs for qualifying Virginians. Medicaid, an entitlement program authorized under Title XIX of the Social Security Act, is financed by the state and federal governments and administered by the states. The Federal Medical Assistance Percentage (FMAP) rate for the Virginia Medicaid program is currently at 50%. The Children's Health Insurance Program (CHIP), authorized under Title XXI of the Social Security Act, is also jointly financed by the state and federal governments, but unlike Medicaid is not an entitlement program. Virginia's CHIP program is known as FAMIS, Family Access to Medical Insurance Security. The FMAP for FAMIS is currently at 65%. In 2019, the expansion of Medicaid provided a new comprehensive coverage option for up to Virginia adults. The Federal Medical Assistance Percentage (FMAP) rate for the Expansion population is currently at 90%.

While Medicaid was created to assist individuals with low income, eligibility for coverage in Virginia is dependent upon other criteria as well. Medicaid coverage is primarily for persons falling into particular categories, such as low-income children, pregnant women, the elderly, individuals with disabilities, and parents meeting specific income thresholds. Within federal guidelines, states set their own income and asset eligibility criteria for Medicaid, which results in a large variation in eligible populations. In Virginia, income and resource requirements vary by eligibility category.

Enrollment in Virginia's Medicaid and FAMIS programs currently totals 2,069,118 individuals, as of August 15, 2022.

#### Agency Status *(General Information About Ongoing Status of the Agency)*

Currently the Agency is implementing a number of innovations centered around coordinated care, person centered planning and trauma informed care. In its partnership with the six managed care plans that provide services individuals in the Medallion 4.0 and CCC Plus programs, DMAS is also focusing on value-based payment, data transparency and social determinants of health.

DMAS is working with the Department of Behavioral Health and Developmental Services to transform the coverage and delivery of Behavioral Health services in the Medicaid and FAMIS programs, called Project BRAVO.

DMAS is working closely with the Governor's Office and other Secretariats to play a part in the Governor's Partnership for Petersburg. DMAS has a special focus on maternal and child health and preventive care in this initiative.

DMAS recently implemented the Medicaid Enterprise System, which was a transition from the former MMIS system. The agency is continuing to make improvements to MES and enroll providers in the system.

#### Information Technology

DMAS is proud to report that on April 4, 2022 its Medicaid Enterprise System (MES) was successfully launched. The new MES essentially broke

apart and replaced the agency's older, monolithic system (based on "all-in-one" technology) with an enterprise-class, "modular" Medicaid management system. The Agency embraced the path to modularity in 2016, pursuant to standards set forth by the Centers for Medicare and Medicaid Services (CMS), which also allowed for greater flexibility and development agility while leveraging the best-in-class offerings of the marketplace.

MES is comprised of several modules that are integrated together, and which represent the complex business processes the Agency uses: Enterprise Data Warehouse System (EDWS); Appeals Information Management System (AIMS); Fiscal Agent Services (FAS); Care Management Solution (CRMS); Encounter Processing Solution (EPS); Provider Services Solution (PRSS); Pharmacy Benefit Management Solution (PBMS); and Integration Services Solution (ISS).

Since MES has gone into production, Medicaid Members, Providers, and Sister Agencies have been reaping the benefits of the business-based logic and decision making which the MES technology affords, including advanced reporting and business process automation in the areas of claims adjudication, federal reporting, provider enrollment, care management, financial management, appeals, and several other critical Agency functions. Other key features of the new MES include:

- Single Sign-on capabilities provisioned through the Identity, Credential, and Access Management (ICAM) authentication system;
- A centralized Managed File Transfer System;
- The MES Portal, where users can access any module they are approved for directly from their web browser; and
- The MES "Intranet," which is separate and apart from the public internet, and allows for secure and reliable communications between the modules with connections to public and private data centers across the country.

DMAS is now working with CMS to certify all operational modules in order to secure long-term enhanced federal funding while demonstrating the value-add to Medicaid operations in Virginia. As of today, only three modules remain un-certified (AIMS, PRSS, and CRMS). DMAS expects the MES certification effort to conclude in 2023. Additionally, DMAS is currently working on procurement options for a takeover/ replacement of its core FAS module. The module has reached the limit of allowable contractual extensions and must be re-procured. Further, the module is based on technology that is 20+ years old. As such DMAS is exploring both short and long term solutions to meet both procurement and modernization requirements.

## Workforce Development

The Department of Medical Assistance Services is a highly professional and efficient organization with an average of 10 years of service and experience. DMAS has 23 Divisions and/or Offices where the Executive Leadership Team has oversight for essential business functions within the Agency & Medicaid activities for over 2 million Members across the Commonwealth. DMAS has 543 authorized Classified positions (for SFY2023) with an average of 520 filled positions. DMAS also utilizes about 290 hourly and contract employees to supplement the agency's workforce due to pertinent agency priorities and initiatives.

DMAS is putting a greater focus on workforce engagement and development initiatives by ensuring that our workforce has the tools needed to carry out the essential business functions that directly affect the delivery of services to our Medicaid members. This includes enhancing the current business functions & streamlining operations to ensure continuity, ensuring each DMAS employee feels safe, supported, valued, and have the tools necessary to be successful in their positions and opportunities for advancement: To include attracting, developing, training, and retaining qualified employees, and effective communications internally. In SFY2022, DMAS increased employee satisfaction by 10% to 78% for 2020 gauged by employee engagement surveys. Focus Groups have been implemented to focus on areas of improvement and to receive employee feedback on an on-going basis. DMAS is still working on innovative ways to energize staff & retain staff.

However DMAS still has concerns regarding DMAS' retention of essential workforce members. Retirements and resignations could potentially have a significant impact on the agency's operations. The retention of highly-skilled employees continues to be a high goal of the Agency.

### Staffing

Authorized Maximum Employment Level (MEL)	543
Salaried Employees	494
Wage Employees	93
Contracted Employees	200

## Physical Plant

DMAS is located in a privately leased building at 600 E. Broad Street, Richmond, VA 23219.

## Key Risk Factors

**DEMOGRAPHICS** – As the number and age of persons DMAS serves increases, there are increased demands for long-term care and home and community based service programs.

**NETWORK ACCESS** – DMAS relies on its contracted health care providers to deliver services to customers. While periodically some provider groups receive increases in reimbursement, others receive only modest amounts. Even with these occasional increases, many providers are still paid well below the amounts paid by commercial insurers. Without sufficient increases, access to care may decline as providers make business decisions to no longer accept Medicaid or FAMIS patients.

**FEDERAL CHANGES** – Implementation of the Patient Protection and Affordable Care Act of 2010 (PPACA) continues to require substantial agency efforts. Virginia chose to implement the Medicaid expansion, which shall cause a significant increase in enrollment - up to 400,000.

**COORDINATION OF SERVICE** – DMAS works with 23 other state agencies, 10 of which are involved in healthcare-related activities on DMAS' behalf. One is the Virginia Department of Social Services (VDSS) that provides enrollment services for Medicaid and FAMIS applicants through 121 local departments of social services (LDSS) with costs exceeding \$100 million annually. As the agency responsible for Medicaid, DMAS is accountable to federal authorities for resolving any issues of non-performance or payment.

**EXPENDITURES** – Expenditures for the agency have increased from \$4.9 billion in SFY 2006 to nearly \$10 billion in SFY 2018. This increase has occurred despite a number of major savings and reform initiatives. In the last biennium enrollment in Medicaid/FAMIS has increased from 1,106,920 to 1,208,345 individuals and the service benefit package was enhanced as well.

## Finance

### Financial Overview

The initial appropriation in this table was established for the biennium budget in the 2022 Appropriation Act. DMAS' base budget is currently funded with approximately 39% state general funds and 69% non-general funds. The non-general funds are comprised of federal trust funds, special revenue, and dedicated special revenue. The descriptions of the non-general fund categories are listed below:

DMAS has three federal funds grants: Medicaid - Title 19 (XIX) (CFDA# 93.778), Children's Health Insurance Program (CHIP) - Title 21 (XXI) (CFDA# 93.767), and the Support Act grant Title 19 (XIX) (CFDA# 93.664). The final no-cost extension for the Support Act grant will end September 30, 2022.

DMAS has five dedicated special revenue accounts: Virginia Health Care Fund (09490), Uninsured Medical Catastrophe Fund (09105), Health Care Coverage Assessment Fund (09780), Health Care Rate Assessment Fund (09790), and the Children's Medical Security Insurance Plan (09033).

DMAS also has five special revenue accounts: State and Local Hospitalization (02044), Nursing Facility Sanctions (02104), Medicaid Intergovernmental Transfers (02207), Breast and Cervical Cancer Pharmacy & Therapeutics (02235), and DMAS Special Revenue (02602).

The Federal Medical Assistance Percentage (FMAP) rate for the Virginia Medicaid program will vary over the course of the biennium for different programs:

Program	Time Period	Standard FMAP	
		Standard FMAP	Enhanced FMAP
Base Medicaid (Title XIX)	July 1, 2022 through September 30, 2022	50.00%	56.20%
Children's Health Insurance Program (Title XXI)	July 1, 2022 through September 30, 2022	65.00%	69.34%
Medicaid Expansion	July 1, 2022 through September 30, 2022	90.00%	90.00%
Base Medicaid (Title XIX)	October 1, 2022 through September 30, 2023	50.65%	56.85%
Children's Health Insurance Program (Title XXI)	October 1, 2022 through September 30, 2023	65.46%	69.79%
Medicaid Expansion	October 1, 2022 through September 30, 2023	90.00%	90.00%
Base Medicaid (Title XIX)	October 1, 2023 through June 30, 2024	51.28%	57.48%
Children's Health Insurance Program (Title XXI)	October 1, 2023 through June 30, 2024	65.90%	70.24%
Medicaid Expansion	October 1, 2023 through June 30, 2024	90.00%	90.00%

### Biennial Budget

	2023		2024	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Initial Appropriation for the Biennium	5,824,897,704	14,857,958,805	6,244,987,584	14,971,692,667
Changes to Initial Appropriation	0	0	0	0

## Revenue Summary

The Agency's total revenue consists of two types of resources: general funds (GF) and non-general funds (NGF). General fund revenues are derived from routine taxes paid by citizens and businesses in Virginia. DMAS uses this revenue to provide matching state funds required by the federal government for federal grants.

Non-general funds are obtained from federal funds, and grants are the largest single source of non-general fund revenue for DMAS. About 88% of all NGF revenue is from these federal sources. The remaining non-general revenue is from various sources such as funds returned due to cost settlements, audit collections, and pharmacy rebates.

## Agency Statistics

### Statistics Summary

The table below shows Virginia Medicaid enrollment in larger categories than found in the Customers section. Children are Virginia Medicaid's largest covered group.

The numbers in this section were reported on August 15, 2022. Enrollment data can be found on the agency's website here: <https://www.dmas.virginia.gov/data/medicaid-famis-enrollment/>

### Statistics Table

Description	Value
Grand total	2,069,118
Children	841,144
Persons with a disability or blindness	153,614
Limited benefit individuals	134,334
Aged 65 or older	85,460
Pregnant individuals	29,666

## Customers and Partners

### Anticipated Changes to Customer Base

Virginia Medicaid's customer base is large and diverse. At the start of the pandemic in March 2020, the federal government declared a public health emergency. A Maintenance of Effort was implemented under the federal public health emergency. This allowed Medicaid members to keep their coverage during the pandemic. The federal public health emergency is expected to end within the next 12 months, upon which DMAS will have to redetermine its entire member population. This, upon changing economic conditions, may cause adjustments to our eligible and enrolled populations.

### Current Customer List

Predefined Group	User Defined Group	Number Served Annually	Potential Number of Annual Customers	Projected Customer Trend
Health Professions	Medicaid Providers	98,024	0	Increase
Low-Income	Total beneficiaries / clients in Medicaid and FAMIS (Title XIX and XXI)	2,061,656	0	Increase
Low-Income	Low-income, Aged, and Disabled Virginians with Mental Health or Intellectual Disability in facilities (e.g., nursing facilities, ICF/MRs)	19,677	0	Decrease
Low-Income	Low-income, aged, or disabled Virginians with a diagnosis of HIV+	0	0	Stable

Low-Income	Recipients, seniors, and persons with disabilities who meet eligibility requirements	240,757	0	Increase
Low-Income	FAMIS MOMS – Uninsured pregnant women with income > 133% FPL and < 200% FPL**	6,374	0	Increase
Low-Income	CHIP: Uninsured children age 6 to 19 with family income between 109% and 143% FPL	96,294	0	Increase
Low-Income	CHIP: Uninsured children under 19 with family income >143% FPL (federal poverty level) and < 200% FPL*	79,051	0	Increase
Low-Income	Medicaid: Caretaker Adults	160,712	0	Increase
Low-Income	Medicaid: Pregnant women	22,318	0	Increase
Low-Income	Medicaid: Children	662,866	0	Increase
Low-Income	Medicaid: Family Planning (limited benefit)	49,329	0	Stable
Low-Income	Program of All-inclusive Care for the Elderly (PACE)	1,602	0	Increase
Low-Income	LTC in the community (waivers)	57,568	0	Increase
Low-Income	Low Income Aged Blind and Disabled not in Long Term Care	161,910	0	Increase
Low-Income	ACA Expansion: Caretaker Adults	161,700	0	Increase
Low-Income	ACA Expansion: Childless Adults	516,717	0	Increase

## Partners

Name	Description
Federal agencies	Center for Medicaid and Medicare Services (CMS); federally qualified health centers (FQHC)
Managed care and other service delivery-related contractors	Aetna, Anthem, Virginia Premier, Optima, Molina, United Health Care, Magellan, DentaQuest, ModivCare, Conduent, Maximus
Industry Associations	Virginia Community Healthcare Association (VCHA); Virginia Association of Health Plans (VAHP); Virginia Health Care Foundation (VHCF); Virginia Health Quality Center (VQHC); National Association of Medicaid Directors; Virginia Hospital and Healthcare Association (VHHA); Medical Society of Virginia
State and local entities	Virginia Department of Social Services; Virginia Department of Health; Virginia Department of Education, Virginia Department of Behavioral Health and Developmental Services, 120 Local Departments of Social Services, and 103 Local School Districts, Virginia Information Technology Agency; state legislators
Advocacy groups	Virginia Health Care Foundation (VHCF); Virginia Poverty Law Center (VPLC); provider associations
Boards and committees	Children's Health Insurance Advisory Committee (CHIPAC); Virginia Board of Medical Assistance Services (BMAS); Medicaid Managed Care Advisory Committee; Medicaid Member Advisory Committee

## Major Products and Services

As permitted under federal law, the Virginia Medicaid program covers a broad range of services. There are two types of services – those required by federal law and those that are options for the state. Virginia Medicaid covers all federally mandated services, including inpatient and outpatient and emergency hospital; physician and nurse midwife; clinic, laboratory and x-ray; transportation; family planning; nursing facility; home health; and the Early and Periodic Screening, Diagnosis, and Treatment program for children (EPSDT).

In addition to required services, Virginia Medicaid also covers several optional services, including certified pediatric nurse and family nurse practitioner services; dental care updates, primary care and behavioral health services for uninsured individuals with serious mental illness; prescription drugs; rehabilitation services either in or outside of the home (physical and occupational therapy, and speech language pathology services; hospice; certain mental health and substance abuse services; 12 months of postpartum coverage, and intermediate care facilities for individuals with developmental and intellectual disabilities and related conditions.

Medicaid members also receive coverage through home and community-based waiver programs. These waivers provide community-based long term services and supports as an alternative to institutionalization. The Commonwealth Coordinated Care Plus (CCC Plus) Waiver provides care and provides care through a variety of supports and services for successful living, including personal care, private duty nursing, respite care, adult day health services, assistive technology and environmental modifications. Virginia's three Developmental Disability Waivers (DDW) include Building Independence (BI) for individuals 18 and older, Family & Individual Support (FIS), and Community Living (CL). The DDW serves individuals with developmental disabilities, including intellectual disabilities and includes a wider array of services (approximately 32 individual services), such as congregate living, independent living and community integration options. The Program for All-Inclusive Care for the Elderly (PACE) provides an additional opportunity for members 55 and older to receive services in the community.

In addition, in 2021, DMAS implemented an array of new behavioral health services for adults and youth through Project BRAVO (Behavioral Health Redesign for Access, Value and Outcomes). Project BRAVO includes nine new behavioral health services that establish a comprehensive crisis system, and strengthen community and facility-based services that serve as discharge and diversion options for inpatient hospitalization.

## Performance Highlights

DMAS continuously strives to make the Medicaid and FAMIS programs even more cost-effective and quality-focused. DMAS has been working to eliminate disparities in its system, especially when it comes to maternal and infant health and behavioral health. Virginia Medicaid has implemented several new maternal health initiatives over the past few years, and DMAS is now focused on 1) innovation in policies and 2) upholding infrastructure.

Additionally, in the Behavioral Health space, DMAS is working with DBHDS on Project BRAVO. This project focuses on evidence-based practices to support individuals in their communities. Project BRAVO includes nine new behavioral health services that establish a comprehensive crisis system, and strengthen community and facility-based services that serve as discharge and diversion options for inpatient hospitalization.

## Selected Measures

Measure ID	Measure	Alternative Name	Estimated Trend
602.0023	Number of emergency department visits for members participating in BRAVO services		Improving
602.0029	Number of health deliveries (Baby Steps VA)		Improving
602.0031	Percentage of children and adolescents receiving well-care visits		Improving
602.0028	Percentage of deliveries of live births that has a postpartum visit 7-84 days after delivery		Improving

## Agency Goals

### • Improve the health and well being of Virginians

#### Summary and Alignment

The Department of Medical Assistance Services (DMAS) is committed to improving the health and well-being of Virginians. DMAS has several current focus areas and targeted populations for these efforts. DMAS is committed to providing access to comprehensive care for pregnant and postpartum women and their babies enrolled in any one of Virginia Medicaid's health coverage programs. In order to address this goal and address maternal disparities as it relates to Governor Northam's 2025 initiative and the 2021 Virginia Maternal Health Strategic Plan, DMAS revamped the Healthy Birthday Virginia initiative to Baby Steps VA. Through Baby Steps VA, DMAS has enhanced maternal health awareness utilizing five core teams (eligibility and enrollment, outreach and information, connections, new and improved services, and program oversight) to educate and address health disparities for Medicaid and FAMIS members. Each of these five focus areas have collaborated jointly to serve our members, health plans and providers. The contracted MCOs have undertaken a variety of initiatives aimed at improving quality outcomes in maternal health, a primary goal of the DMAS Quality Strategy. The support and partnership from the MCOs has helped to strengthen data sharing, reporting of performance measures, and improve health outcomes for members. Currently, Virginia Medicaid-covered behavioral health services reflect a crisis-oriented approach, with an overreliance on intensive treatment services and underdeveloped opportunities for prevention and early intervention in community settings. DMAS is working with the Department of Behavioral Health and Developmental Services and other stakeholders to redesign the state's behavioral health services to keep Virginians well and thriving in their communities by decreasing the reliance on state psychiatric hospital beds through sustainable Medicaid funding. The Commonwealth Coordinated Care Plus (CCC Plus) program is committed to improving care for individuals with complex care needs. This includes ensuring individuals who need long-term services and supports (LTSS) get the care that they need. DMAS works closely with state partners to offer these supports in the home and in the community. Home and Community Based Services including the Commonwealth Coordinated Care Plus Waiver, the Developmental Disabilities Waivers and the Program of All Inclusive Care for the Elderly (PACE) supports individuals to receive services in their home or community rather than in more costly institutions such as nursing facilities and Intermediate Care Facilities for Individuals with Developmental Disabilities (ICF/IIDs).

#### Objectives

#### » CCC Plus Managed Care

##### Description

Commonwealth Coordinated Care Plus (CCC Plus) is a Medicaid managed long-term services and support program that serves over 296,000 individuals as of July 2022. CCC Plus uses an integrated delivery model, across a comprehensive range of health services, to assist members with complex care needs. CCC Plus strives to improve health care quality, access and efficiency for its members through contracted managed care organizations. Enrollment in the program is required for qualifying individuals, who benefit from the person-centered care management program. CCC Plus members include individuals with disabilities, age 65 and older, Medicare recipients, individuals with long-term services and supports through a nursing facility or home and community based waiver, and the medically complex.

##### Objective Strategies

- Person-centered care management includes a comprehensive health risk assessment and individualized care plan for newly enrolled members.
- MCOs must pay providers on a timely basis, consistent with the claims payment procedure in the DMAS/MCO contract.
  - Measures
    - ◆ Long Term Care rebalancing efforts in Commonwealth Coordinated Care Plus. Number of CCC Plus waiver member compared to the number of Long Term Care members receiving home and community based services.

» **Improve maternal and infant health outcomes by strategically aligning initiatives across programmatic areas including eligibility and enrollment, outreach, healthcare connections, policy, and program oversight.**

*Description*

The Department of Medical Assistance Services (DMAS) is committed to providing access to comprehensive care for pregnant and postpartum women and their babies enrolled in any one of Virginia Medicaid's health coverage programs. To achieve this, DMAS has developed a team to support program initiatives and advance innovation in maternal and reproductive health.

*Objective Strategies*

- Streamline newborn and maternity enrollment
- Increase enrollment for eligible pregnant individuals earlier in their pregnancy for access to prenatal coverage by engaging with internal and external stakeholders and sharing information with members
- Engage with providers, community stakeholders, hospitals and state agencies to support maternity enrollment and postpartum care
- Develop and/or improve services and policies
- Utilize data and reports to monitor and improve programs
- Implement community doula program
  - Measures
    - ◆ Number of health deliveries (Baby Steps VA)
    - ◆ Percentage of children and adolescents receiving well-care visits
    - ◆ Percentage of deliveries of live births that has a postpartum visit 7-84 days after delivery
    - ◆ Percentage of members receiving preventive care services

» **Improve coordination of care for youth in foster care with acute behavioral needs**

*Description*

Youth in foster care make up a large percentage of those youth participating in Psychiatric Residential Treatment Facility and Therapeutic Group Home Services. Over the last 6 months, DMAS has been a critical partner in the Governor's Safe & Sound Taskforce, which has made significant progress towards solutions for youth in foster care who are displaced from family and congregate care settings and sleeping in offices and hotels. One of the system of care needs identified through this taskforce has been for greater care coordination for youth in residential settings, and elimination of the bifurcated system created by the MCO carve out of psychiatric residential services for youth.

*Objective Strategies*

- Carve Residential Services for youth into Managed Care and revise the IACCT process to align with this change in collaboration with stakeholders.
  - Measures
    - ◆ Percentage of children and adolescents receiving well-care visits

» **Long Term Services and Supports: Ensure individuals needing long-term services and supports can receive these benefits in home and community settings including the Program of All-Inclusive Care for the Elderly (PACE) versus institutional facilities.**

*Description*

Given the high and increasing cost of institutional care, along with promoting person centered practices, DMAS is focused on strengthening strategies to encourage the use of less costly and less restrictive home and community based placement services and the Program of All-Inclusive Care for the Elderly (PACE).

*Objective Strategies*

- DMAS will work with the screening team to provide Medicaid members options on how to receive care in the community versus a facility setting.
  - Measures

- ◆ Long Term Care rebalancing efforts in Commonwealth Coordinated Care Plus. Number of CCC Plus waiver member compared to the number of Long Term Care members receiving home and community based services.

• **Improve access to high quality health care coverage**

**Summary and Alignment**

As noted above, DMAS is improving Virginians' access to quality health care through our managed care programs and other initiatives like Project BRAVO and the ARTS Program. The agency is enhancing access to care through the Medallion 4.0 managed care program that is focused on increasing primary care visits as well as promoting preventive and coordinated care for enrolled members. Medallion 4.0 also includes coverage for community mental health rehabilitation services, and is promoting the prevention of obesity, asthma, and other chronic conditions. Both CCC Plus and Medallion 4.0 will increase the quality of member care by enhancing care to pregnant women and infants via expanded case management), as well as enhanced oral health, and the addition of trauma informed care. Virginia's historical Medicaid-covered behavioral health services have reflected a crisis-oriented approach, with an overreliance on intensive treatment services and underdeveloped opportunities for prevention and early intervention in community settings. Over the last several years, DMAS has worked in close partnership with the Department of Behavioral Health and Developmental Services and other stakeholders to develop and a long-term vision for building a continuum of care that is evidence-based, trauma-informed, person-focused and cost-effective in addressing the needs of Medicaid members. Project BRAVO (Behavioral Health Redesign for Access, Value and Outcomes) seeks to redesign behavioral health services to keep Virginians well and thriving in their communities by increasing focus on community-based services that support diversion and discharge from acute levels of institutional and congregate care. In the last year, DMAS has implemented a preliminary set of services towards this vision, including a suite of comprehensive crisis services aligned with the Commonwealth's implementation of 9-8-8, the universal behavioral health crisis line. Bringing our continuum of care into the 21st century is critical to address rising levels of behavioral health needs emerging from the COVID-19 pandemic, an unprecedented behavioral health workforce crisis, and the vulnerability of historical services to fraud, waste, and abuse. Project BRAVO follows the lead of the implementation of the ARTS program, and underscores the comprehensive goal of improving access to high-quality care across services for mental health and substance use disorders. While ARTS began with the goal of addressing the impacts of the opioid epidemic, it continues to evolve to expand and address the ongoing drug overdose death rates that remain at dangerous and unprecedented levels. For example, ARTS has recently expanded its Outpatient Based Opioid Treatment model to become an Outpatient Based Addiction Treatment model to allow the flexibility to address other substance use problems which require attention at the same level of care.

**Objectives**

» **BEHAVIORAL HEALTH: Decrease opioid overdose fatalities for Medicaid members.**

*Description*

DMAS created the ARTS benefit to address the opioid epidemic that is impacting thousands of Virginians every year through overdoses and fatalities. By implementing the ARTS benefit, DMAS expanded access to care through substantial increases in the supply and utilization of number of addiction treatment providers and services for Medicaid members. This considerably impacted SUD prevalence and treatment rates across the state, as more individuals are eligible for Medicaid through expansion, as well as more providers identifying members in need and engaging into treatment.. DMAS continues to perform outreach to community advocates, member groups and health care providers to increase access to and use of SUD services to lessen the impact of the opioid and other drug overdose crisis in Virginia.

*Objective Strategies*

- Continue to monitor and expand access to ARTS to members across the commonwealth through greater integration within behavioral and physical health systems of care

*Measures*

- ◆ Number of opioid overdose fatalities for Medicaid members

» **Ensure Quality and Access to Home and Community Based Services**

*Description*

Improving the quality of and access to the Home and Community Based Services under the CCC Plus and DD waivers.

*Objective Strategies*

- DMAS will review identified settings in the Statewide Transition Plan (STP) and verify compliance through validation and revalidation reviews. Reviews will be conducted consistent with the STP stipulations.

*Measures*

- ◆ Long Term Care rebalancing efforts in Commonwealth Coordinated Care Plus. Number of CCC Plus waiver member compared to the number of Long Term Care members receiving home and community based services.

» **Redetermine Medicaid members' eligibility upon the end of the federal Public Health Emergency**

*Description*

As a result of the COVID-19 pandemic, the Secretary of Health and Human Resources declared a Federal Public Health Emergency (PHE). The COVID-19 PHE, which has been in effect since March 18, 2020, has been renewed every 90 days and is currently scheduled to expire on October 13, 2022. To provide fiscal relief to states and ensure access to health care during the pandemic, the Families First Coronavirus Act authorized a 6.2 percentage point increase to the regular Medicaid match rate. As a condition of receiving the enhanced match, states must meet what is called the Maintenance of Effort (MOE) requirements, which applies to all individuals who were enrolled in

or who became eligible for Medicaid on or after March 18, 2020. The continuous coverage requirement prevents states from taking any adverse action on Medicaid enrollments. This means a member's coverage cannot be reduced or terminated during the federally declared PHE unless they meet a strict set of exceptions. As a result, enrollment in the Commonwealth's Medicaid program has surpassed 2 million, and increase from 1.5 million members at the start of the pandemic. Beginning in the month after the month in which the PHE ends, DMAS and the Department of Social Services (DSS) will be responsible for the redetermination of all Medicaid members, resulting in the largest redetermination of Medicaid members in the history of Virginia's program. DMAS has robust planning efforts underway although there is still uncertainty as to when the continuous coverage requirements will end.

#### *Objective Strategies*

- DMAS currently plans to approach unwinding of the federal continuous coverage requirement by taking 12 months to initiate all redetermination work, and an additional two months for any clean up work. Important considerations will include the local DSS workloads and ensuring workers are able to complete all redeterminations timely and accurately the first time; decreasing the need to repeat work and mitigating audit risks and the likelihood for an increase in member appeals.
- DMAS has developed a robust member outreach plan to update and communicate the unwinding plans as information is received from federal partners. DMAS is collaborating with stakeholders across the Commonwealth to include sister agencies, schools, health plans, community partners and providers to ensure a smooth transition. Detailed stakeholder and member communication and outreach plans have been developed and are currently underway for both digital platforms and physical mailings.

#### *Measures*

### » **Telehealth**

#### *Description*

DMAS covers a range of clinical, behavioral health and other services delivered by telehealth as a way to facilitate timely access to services statewide. Since 2020, the number of covered services, range of telehealth modalities, and utilization of services delivered by telehealth has expanded significantly to include: telemedicine (real-time audio-visual communications), remote patient monitoring (collection/transmission of patient information across space for the purposes of monitoring and management of physiologic and therapeutic data), store-and-forward (asynchronous transmission of medical information across space), audio-only and other information technologies to facilitate assessment, diagnosis, intervention, consultation, and supervision.

#### *Objective Strategies*

- DMAS will ensure telehealth coverage policies continue to increase access to high-quality services in a cost-effective manner, with mechanisms in place to monitor utilization.

#### *Measures*

### » **BEHAVIORAL HEALTH: Reduce the burden on state psychiatric hospitals and emergency departments through expansion of enhanced, high-quality community-based services and further development of our comprehensive crisis system.**

#### *Description*

Project BRAVO (Behavioral Health Redesign for Access, Value and Outcomes) is an interagency strategic initiative that seeks to enhance the existing Medicaid behavioral health services to develop a robust continuum of care that is evidence-based, trauma-informed, person-centered and cost-efficient. Project BRAVO involves engaging stakeholders in defining innovative services, setting fair rates that are commensurate with current costs of delivery, and working with locality-based public-private coalitions to bring our behavioral health system into the 21st century and address the ongoing mental health and opioid crises.

#### *Objective Strategies*

- Collaboration with DBHDS and the Regional Crisis Hubs to develop interoperability for the data platform with Medicaid MCOs
- Collaboration with Medicaid MCOs to strengthen networks of mobile response teams and crisis receiving centers for regions/localities with greatest challenges in access to care.
- Continue enhancing services and changing policies and contracts related to our system of care with a focus on children, adolescents and transitional aged youth (18-21) with behavioral health needs

#### *Measures*

- ◆ Number of emergency department visits for members participating in BRAVO services

### • **Promote better health outcomes through prevention-based strategies and improved quality of care.**

#### **Summary and Alignment**

Although DMAS does not directly provide health care services, the agency plays a significant role in ensuring that those who are eligible for its services receive quality health care. The agency believes that a focus on care coordination and prevention-based strategies will reap positive health benefits for its members and sound fiscal benefits for taxpayers. Care coordination and preventive care are key components of the CCC Plus and Medallion 4.0 managed care programs. Both programs are adding new levels of service that address social determinants of health that have a significant impact on members' overall health and quality of life, such as access to food, stable housing and other community resources.

#### **Objectives**

## » Vaccines

### Description

DMAS covers both routine childhood, adolescent and adult vaccinations and seasonal vaccinations as a cornerstone to coverage of preventive services. Coverage aligns with recommendations of the nationally recognized Advisory Committee on Immunization Practices. State plan coverage of adult vaccinations for all Medicaid members began in 2022. DMAS also covers COVID-19 vaccines in alignment with national recommendations.

### Objective Strategies

- DMAS will promote uptake of routine childhood, adolescent and adult routine and seasonal vaccinations.
- DMAS will promote uptake of COVID-19 vaccinations by providing information and facilitating access.
- Partner with MCOs to inform members of importance of immunizations and follow up with members who are missing key immunizations
- Partner with VDOE and VDH are back to school and other school/community events to promote the importance of immunizations

#### Measures

- ◆ Childhood immunization status- combination 3

## » Preventive care

### Description

In addition to coverage of routine vaccinations, DMAS covers broad-based well-care services for its members, as well as a variety of condition-specific preventive services that are “Grade A” or “Grade B” recommendations made by the United States Preventive Services Task Force (USPSTF). State plan coverage of USPSTF-recommended services for all Medicaid adults began in 2022.

### Objective Strategies

- DMAS will promote utilization of well-care services and Grade A and B USPSTF-recommended services.
- Implement preventive care services for non-expansion Medicaid adults.
- Improve the utilization of preventive services and screenings for children enrolled in Medicaid and FAMIS

#### Measures

- ◆ Percentage of children and adolescents receiving well-care visits
- ◆ Percentage of members 18-75 with diabetes who had poor HbA1c control
- ◆ Percentage of members receiving preventive care services

## » Improve the oral health and utilization of appropriate care for adults enrolled in the Medicaid programs.

### Description

In 2021, DMAS expanded dental coverage to more than 750,000 adult Medicaid members. Adult members currently eligible for full Medicaid benefits will have more services and provider choices under the initiative approved in the state budget. Oral health is an integral part of overall health. Research indicates that poor oral health is linked to high blood pressure, as well as pregnancy and birth complications.

### Objective Strategies

- DMAS will promote utilization of dental visits by adults covered by Medicaid in member communications
- Work with the dental benefit administrator to increase the use of adult dental services for their members.
- Work with dental administrator to expand dental provider network

#### Measures

- ◆ Percentage of adults receiving dental care

## • Enhance the delivery of health care services by improving communication and relationships with members, customers and partners.

### Summary and Alignment

Effective communication is vital to ensure that DMAS partners understand the administrative and legal aspects of benefits and services, as well as the outcomes DMAS is striving to achieve on behalf of its members. Equally important is the dissemination of information to providers and to eligible and enrolled individuals who ultimately benefit from these important services. DMAS implemented a Medicaid Member Advisory Committee (MAC) to enhance its understanding of members' healthcare experiences. The MAC consists entirely of Medicaid members and their representatives. MAC participants provide valuable insight that is enhancing DMAS services and operations. The MAC ensures Medicaid members have a voice in the agency's decision-making processes and help to advise the DMAS director and agency leadership through change management and program improvements. In partnership with the Virginia Department of Social Services (VDSS) and with input from external stakeholders completed an overhaul of all Medicaid member notices to include revisions for clarity, readability,

and information flow; automated system translation into the top five languages reported in the Commonwealth, which accounts for over 99% of the languages spoken/read by Medicaid members; the addition of supplements advising of free language assistance services and audio and visual aids, language taglines, non-discrimination language. In 2022, DMAS will continue into the second phase of improving member communications to include releasing new Medicaid member letters and notifications generated by DMAS and a revised Medicaid application. DMAS will also be working to complete the implementation of a system change in the DMAS owned Medicaid enrollment system to allow for automated translation of all DMAS generated letters and notifications into the top five languages spoken in the state. DMAS published a Language and Disability Access Plan ("Plan") in April 2021. The Plan serves as a guide for how DMAS ensures access to Medicaid program information and services for those with limited English proficiency and individuals with disabilities. The Plan also lists strategic initiatives to demonstrate DMAS' commitment to better serving these populations. One of the Plan's strategic initiatives is to launch a stakeholder workgroup, with quarterly meetings to begin in early 2023. The Plan is posted on the DMAS website, which also includes a link to the agency's non-discrimination statement and a description of how to receive language access services or disability accommodations. DMAS continues to examine ways to provide easy-to-understand information about the appeal process. An appeal portal - the Appeals Information Management System ("AIMS") – went live in May 2021. Through the portal, Medicaid applicants, beneficiaries, and providers can file appeals online, upload documents, and track the status of their case. The DMAS Appeals Division revised its website content (<https://www.dmas.virginia.gov/appeals/>) to include information about AIMS. The website also includes material describing the appeal process, links to appeal forms, and lists how to contact the Appeals Division. Project BRAVO has integrated numerous efforts to increase communication and transparency in the implementation of enhanced behavioral health services, and the SUPPORT ACT allowed for considerably improved communication and engagement with providers through a large menu of provider trainings that have reached thousands of participants. The BRAVO effort has benefited from strong stakeholder relationships and integration of member perspectives to meet the DMAS goal of developing an evidence-based, trauma-informed, person-centered and cost-effective system of care.

#### Objectives

##### » Gather feedback from and improve communications with Medicaid members, stakeholders, and the public.

###### *Description*

The Virginia Medicaid program serves over 2 million members making the need for collaboration with external stakeholders and clear communication a critical component of the program's management.

###### *Objective Strategies*

- The agency will engage its members, providers, and other stakeholders through a variety of activities including a financial dashboard, quarterly member advisory committee meetings, quarterly language and disability access workgroup meetings, and a Medicaid expansion dashboard.
- The agency will continue to accept appeal requests through all available methods, but will promote the benefits of using AIMS.
- The agency will complete and implement revised Medicaid member letters and notifications generated by DMAS.
- The agency will complete revisions to the Medicaid application.

###### *Measures*

##### » Improve communication and engagement with providers.

###### *Description*

The BRAVO process has included enhanced communication about policy changes through use of youtube videos that provide an overview and rationale for proposed manual changes to support comprehension by providers and laypeople who may be less familiar with policy manual or regulatory jargon. The behavioral health team has also partnered with stakeholders and MCOs to conduct a pilot community summit on BRAVO services in the Winchester-Frederick area; this event was an all-day in-person retreat that involved the local hospital system, CSB, DSS, law enforcement, private providers, courts and judges, community organizations, private businesses and legislators to discuss community needs and goals for access to behavioral healthcare.

###### *Objective Strategies*

- Project BRAVO implementation team will begin learning collaborative groups of stakeholders involved in the provision and participation of enhanced services to seek feedback in the continuous improvement process of these services.
- Behavioral Health teams will partner with MCOs to do outreach and education to mental health providers on substance use disorder awareness, stigma and treatment referral processes to break down practice silos between these two service areas.
- Behavioral Health teams will partner with other stakeholders and MCOs to replicate the community summit pilot in Winchester to empower locality problem-solving around access to care issues.

###### *Measures*

##### • Maintain a system of internal controls that adequately protects resources from fraud, waste and abuse.

###### **Summary and Alignment**

As a state agency that receives state and federal taxpayer dollars, it is imperative for DMAS to have strong financial stewardship of these dollars and robust internal controls to deter and detect fraud, waste and abuse. It is critical for the organization to maintain strict compliance with accepted financial standards to protect these resources. DMAS will continue to rigorously examine the way it operates to reduce waste and prevent fraud and abuse. To assist in maintaining stakeholder trust, the organization will also continue to identify ways to increase its

transparency.

**Objectives**

» **Ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements, and ensure that the organization has adopted appropriate internal controls and best practices for deterring and detecting fraud, waste and abuse.**

*Description*

Ensure that all medical and administrative funds and other resources that support Virginia Medicaid programs are managed effectively and that financial and personnel resources are used in a manner consistent with applicable state and federal requirements.

*Objective Strategies*

- DMAS will continuously evaluate its Medicaid programs to ensure that they are operating as efficiently and effectively as possible. To achieve this, DMAS will: -Maintain an internal financial scorecard to measure expenditures to budget -Maintain an external dashboard on utilization of finances to support Medicaid
- In addition to external dashboards available on the agency’s website, the agency will continue to provide transparency in its forecast and rate-setting processes by holding quarterly meetings with staff from various legislative committees as well as the Joint Legislative Audit and Review Commission, the Department of Planning and Budget, and the Secretary of Health and Human Resources to review key policy changes.
- The Fiscal division incorporates separation of duties to protect against fraud. This includes segregation of duties across cash management, accounts receivable and accounts payable.
- The Third-Party Liability (TPL) unit of the Fiscal Division is responsible for ensuring that Medicaid is the payer of last resort and works to recoup claim payments that are paid by Medicaid if it is determined that a third-party insurer is responsible for covering the claim. TPL works with MCOs, insurance companies, the Office of the Attorney General (OAG) and attorneys to identify Medicaid members who receive a settlement from a third-party insurance provider for claims paid by Medicaid.
- Financial policies should include appropriate guidance on the use of fund balances to ensure the agency is appropriately spending down available funding in the Virginia Health Care Fund when appropriate. The effective use of these funds will reduce the amount of General Fund dollars required to cover expenditures.

*Measures*

- ◆ Average cost per member by program
- ◆ Medical Loss Ratio for each MCO
- ◆ Number of unresolved state audit findings
- ◆ Percentage accuracy of agency budget forecast for periods not impacted by unknown PHE extensions
- ◆ Percentage accuracy of agency budget forecast
- ◆ Percentage of retaining classified critical workforce members

**Supporting Documents**

Title	File Type
-------	-----------

**Reimbursements for Medical Services Related to Involuntary Mental Commitments [32107]**

**Description of this Program / Service Area**

An Involuntary Mental Commitment, also known as a Temporary Detention Order (TDO), is the detainment of an individual who (a) has been determined to be mentally ill and in need of hospitalization, (b) presents an imminent danger to self or others as a result of the mental illness or is so seriously mentally ill as to be substantially unable to care for self, and (c) is incapable of volunteering or unwilling to volunteer for treatment. A magistrate issues the TDO. The duration of the order shall not exceed 72 hours prior to a commitment hearing. If the 72-hour period terminates on a Saturday, Sunday, or legal holiday, such persons may be detained until the next business day.

DMAS ensures that all other available payment resources, including Medicaid, have been exhausted prior to payment by this program, which is funded only through state funds. DMAS determines the allowable eligibility period for the client who is under an involuntary mental commitment and enrolls the client in the involuntary mental commitment program. Once this is completed, DMAS processes and adjudicates claims for the allowable services provided to clients under an involuntary mental commitment.

**Mission Alignment and Authority**

Va. Code 37.2-809

This service area is in line with DMAS' mission to provide access to a comprehensive system of high quality and cost effective health care services to qualifying Virginians. By ensuring that appropriate services are provided to eligible persons, DMAS provides access to needed care for this population of clients.

**Products and Services**

**Description of Major Products and Services**

Operations (Enrollment & Member Services) – Determination of the involuntary mental commitment eligibility and enrollment for providers and clients

Operations (Provider Enrollment, Services and Reimbursement) – Determination of the per diem rate of reimbursement for all services provided

Operations (Health Care Services) – Coverage for involuntary mental commitment services

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
Reimbursements for Medical Services Related to Involuntary Mental Commitments	Chapter 2 Item 302		Required	15,654,501	0

**Anticipated Changes**

No significant changes are anticipated for this program.

**Factors Impacting**

The number of clients placed under an involuntary mental commitment may be affected by efforts change and improve services through Project BRAVO.

**Financial Overview**

The initial appropriation in the table was established for the biennium budget included in the 2022 Special Session budget bill.

Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	15,654,501	0	15,654,501	0
Changes to Initial Appropriation	0	0	0	0

## Supporting Documents

Title File Type

### Service Area Plan

#### Grants for Improving The Quality of Health Services [40703]

#### Description of this Program / Service Area

Financial assistance for health research. Funding for this service area is 100% federal funds. The grant for these funds was sunset in June 2022.

#### Mission Alignment and Authority

Va. Code 32.1-325

This service area is in line with DMAS' mission to provide access to a comprehensive system of high quality and cost effective health care services to qualifying Virginians by ensuring that appropriate health services, information, and records are available.

#### Products and Services

##### Description of Major Products and Services

##### Anticipated Changes

##### Factors Impacting

#### Financial Overview

The initial appropriation in the table was established for the biennium budget included in the 2022 Special Session budget bill.

Funding for this program is provided at 100% federal funds.

Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	0	0	0	0
Changes to Initial Appropriation	0	0	0	0

## Supporting Documents

Title File Type

## Service Area Plan

### Reimbursements for Medical Services Provided Under the Family Access to Medical Insurance Security Plan [44602]

#### Description of this Program / Service Area

The Family Access to Medical Insurance Security (FAMIS) program is Virginia's Title XXI Children's Health Insurance Program (CHIP) for uninsured children living below 200% of the federal poverty level (FPL). FAMIS provides access to comprehensive health care services for qualifying children through a managed care benefit plan modeled on the previous state-employee health plan, Key Advantage; and through a Medicaid "look-alike" benefit plan for fee-for-service enrollees.

DMAS also operates the FAMIS MOMS program for uninsured pregnant women living below 200% FPL, as well as FAMIS Select, a small premium assistance program for FAMIS-eligible children who have access to employer-sponsored health insurance through a family member.

#### Mission Alignment and Authority

Va. Code 32.1-351

FAMIS provides access to a comprehensive system of high quality and cost effective health care services to uninsured children whose families earn too much to qualify for Medicaid but too little to afford private health insurance. This coverage is also now available to children of eligible low-income state employees.

#### Products and Services

##### Description of Major Products and Services

Coverage of comprehensive health care services through managed care or fee-for-service delivery models

Marketing and outreach services to promote enrollment

Application processing and enrollment

Claims processing and payment

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
Reimbursements for Medical Services Provided Under the Family Access to Medical Insurance Security Plan	Title XXI of the Social Security Act and Va. Code 32.1, Chap. 13 Chapter 2 Item 303	42 CFR, Part 457	Required	93,570,583	220,990,070

#### Anticipated Changes

Congress passed an extension of federal CHIP funding in 2018, first through federal fiscal year (FFY) 2023 in the HEALTHY KIDS Act, which was incorporated into the January 22, 2018 continuing resolution, and for an additional four years, through FFY 2027, in the Bipartisan Budget Act of 2018.

#### Factors Impacting

Federal and state appropriations and regulations impact the nature and scope of the services that can be provided through FAMIS. Unlike Medicaid, CHIP is not an entitlement program.

#### Financial Overview

Effective in FFY 2023, Virginia's Federal Medical Assistance Participation (FMAP) rate for this program area will increase from 65% to 65.46%. In addition, for the duration of the COVID-19 federal public health emergency (PHE), a 4.34 percentage point enhancement is added to this rate, bringing total Title XXI FMAP to 69.34% as of Q4 of FFY2022.

Non-general funds are comprised of Federal Funds and the FAMIS Plan Trust Fund.

Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	93,570,583	220,990,070	99,463,242	231,169,342
Changes to Initial Appropriation	0	0	0	0

**Supporting Documents**

**Title** **File Type**

## Service Area Plan

### CHIP Health Services Initiatives for Family Access to Medical Insurance Security Medical Services [44636]

#### Description of this Program / Service Area

A CHIP Health Services Initiative (HSI) funds a subset of the fee-for-service (FFS) medical costs for the FAMIS Prenatal program, authorized under the federal unborn child option for coverage of the mother in cases where the infant when born will be a U.S. citizen eligible for Medicaid or FAMIS.

#### Mission Alignment and Authority

Va. Code 32.1-351

FAMIS provides access to comprehensive, high quality, and cost-effective health care services to uninsured children whose families earn too much to qualify for Medicaid but too little to afford private health insurance. Pursuant to Item 303.H, under the federal CHIP unborn child option, FAMIS includes health coverage for the mother if, upon birth, the child will be a U.S. citizen eligible for Medicaid or FAMIS.

#### Products and Services

##### Description of Major Products and Services

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
CHIP Health Services Initiatives for Family Access to Medical Insurance Security Medical Services	Title XXI of the Social Security Act and Va. Code 32.1, Chap. 13 Chapter 2 Item 303		Required	610,387	1,333,576

#### Anticipated Changes

Congress passed an extension of federal CHIP funding in 2018, first through federal fiscal year (FFY) 2023 in the HEALTHY KIDS Act, which was incorporated into the January 22, 2018 continuing resolution, and for an additional four years, through FFY 2027, in the Bipartisan Budget Act of 2018.

#### Factors Impacting

Federal and state appropriations and regulations impact the nature and scope of the services that can be provided through FAMIS. Unlike Medicaid, CHIP is not an entitlement program.

#### Financial Overview

The initial appropriation in the table was established for the biennium budget included in the 2022 Special Session budget bill.

Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	610,387	1,333,576	309,369	574,542
Changes to Initial Appropriation	0	0	0	0

#### Supporting Documents

<b>Title</b>	<b>File Type</b>
--------------	------------------

**Service Area Plan**

**Payments for Graduate Medical Education Residencies [45606]**

**Description of this Program / Service Area**

\$4,350,000 the first year and \$4,350,000 the second year from the general fund and \$4,350,000 the first year and \$4,350,000 the second year from nongeneral funds shall be used for supplemental payments to fund graduate medical education for 5 residents who began their residencies in July 2018; 16 residents who began their residencies in July 2019; 30 residents who began their residencies in July 2020; 22 residents who began their residencies in July 2021; 20 residents who began their residencies in July 2022, and 10 psychiatric residents who began their residencies in July 2022.

**Mission Alignment and Authority**

32.1, Chapters 9-10, VA Code

**Products and Services**

**Description of Major Products and Services**

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
Payments for Graduate Medical Education Residencies	Title 32.1, Chapter 9 and 10, Code of Virginia		Required	4,350,000	4,350,000

**Anticipated Changes**

**Factors Impacting**

**Financial Overview**

Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	4,350,000	4,350,000	4,350,000	4,350,000
Changes to Initial Appropriation	0	0	0	0

**Supporting Documents**

**Title** **File Type**

## Service Area Plan

### Reimbursements to State-Owned Mental Health and Intellectual Disabilities Facilities [45607]

#### Description of this Program / Service Area

This service area reimburses facilities owned and operated by the Department of Behavioral Health and Development Services (DBHDS) for medically necessary services provided to Medicaid eligible recipients residing in these facilities. Virginia's public mental health, intellectual disability and substance abuse services system is comprised of 16 state facilities and 40 locally-run community services boards (CSBs). The CSBs and facilities serve children and adults who have or who are at risk of mental illness, serious emotional disturbance, intellectual disabilities, or substance use disorders. DMAS works in partnership with the DBHDS to ensure that services are medically necessary and provide the most appropriate setting, as well as that reimbursement rates are sufficient to help maintain the financial viability of these facilities.

#### Mission Alignment and Authority

Va. Code 32.1-326

DMAS is helping to ensure that a comprehensive system of high quality and cost effective health services are provided to qualifying Virginians in DBHDS managed facilities, a vulnerable population, by processing and reimbursing all appropriate Medicaid funding available.

#### Products and Services

##### Description of Major Products and Services

Coverage of Mental Health and Mental Retardation Health Care Services; Rate Setting/Cost Analysis; Provider Enrollment; Claims Payments; Prior Authorization

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
Reimbursements to State-Owned Mental Health and Intellectual Disabilities Facilities	Title 32.1, Chapters 9 and 10, Code of Virginia; P.L. 89-97, as amended, Title XIX, Social Security Act, Federal Code		Required	26,925,625	26,925,625

#### Anticipated Changes

A recent settlement between Virginia and the U.S. Department of Justice, regarding compliance with the ADA and the Olmstead decision, requires that Virginia continue to focus on the needs of individuals with developmental disabilities and provide for appropriate services and slots to promote community integration. The Settlement has been extended to December 2023 and during that period there will continue to be changes and requirements, including but not limited to ongoing allocation of waiver slots in the DDW. As community integration has increased, the ongoing census in state ICFs decreases so that now there are only 75 beds available at the state level. Privately owned ICFs will continue to develop and have heightened scrutiny to ensure that individuals are provided choice between community based care and institutional care.

#### Factors Impacting

Federal regulations limit the types of individuals who are eligible to receive Medicaid coverage in Institutions for Mental Disease (IMD). Virginia's state mental health facilities qualify as IMDs. The Code of Federal Regulations (CFR) prohibits covering individuals between age 22 through age 64 while residing in an IMD. This does not apply to individuals diagnosed with Intellectual Disabilities. Total reimbursement to the facilities is limited by State appropriations.

#### Financial Overview

The initial appropriation in the table was established for the biennium budget included in the 2022 Special session budget bill.

Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	26,925,625	26,925,625	30,817,929	30,817,929

Changes to Initial Appropriation	0	0	0	0
----------------------------------	---	---	---	---

## Supporting Documents

Title	File Type
-------	-----------

## Service Area Plan

### Reimbursements for Behavioral Health Services [45608]

#### Description of this Program / Service Area

This service area reimburses providers, both public and private, for the treatment of mental illness, including long-term serious mental illness and short term acute problems. Medicaid covers outpatient services, inpatient services under certain circumstances, and community-based mental health rehabilitative services to individuals who meet specified criteria for each service. DMAS is in a partnership with DBHDS, the CSBs, and community providers, and advocates continuing work to ensure access to needed mental health services in the most appropriate setting.

#### Mission Alignment and Authority

Va. Code 32.1-326

By providing coverage for mental health services we are ensuring needed medical care for a vulnerable population.

#### Products and Services

##### Description of Major Products and Services

Coverage of Behavioral Health Care Services; Establishment of policies and standards and dissemination of information; Rate Setting and Financial Analysis; Claims processing and payment

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
Behavioral Health Services	Title XIX of the Social Security Act, Va. Code 32.1-325 Chapter 2 Item 304	42 CFR, Part 431	Required	24,750,127	24,830,063

#### Anticipated Changes

Current efforts are aimed at utilization management and care coordination.

#### Factors Impacting

Federal regulations, Virginia's State Plan and the Code of Virginia all address mental health services covered by Medicaid. In recent years, there has been a significant increase in the number of mental health providers enrolled to participate in the Medicaid program. This increased access and utilization, however, has not resulted in significant quality improvements. DMAS implemented and enforces strict marketing requirements to disallow inappropriate solicitation of recipients into treatment programs. New regulations are under development with stakeholders to address program eligibility for adults. One such regulations package were signed by the Governor, will be published on June 27, 2016, and will be effective July 27, 2016. The necessary state plan amendment SPA must be filed with CMS by September 30, 2016.

#### Financial Overview

The initial appropriation in the table was established for the biennium budget included in the 2022 Special session budget bill.

##### Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	24,750,127	24,830,063	24,269,165	24,349,101
Changes to Initial Appropriation	0	0	0	0

#### Supporting Documents

Title	File Type
-------	-----------



**Reimbursements for Medical Services [45609]**

**Description of this Program / Service Area**

This service area represents expenditures associated with coverage of general medical services in the Title XIX Medicaid program. General medical services include inpatient and outpatient hospital services, physician and clinic services, prescribed drugs, lab and x-ray services, dental, transportation services, as well as many others. General medical services are provided through two delivery models – capitated managed care and fee-for-service.

**Mission Alignment and Authority**

Va. Code 32.1-325

By providing coverage of general medical services, DMAS promotes access to a comprehensive system of high quality and cost effective health care services to our customers.

**Products and Services**

**Description of Major Products and Services**

Coverage of General Medical Services; Rate Setting/Cost Analysis; Provider Enrollment; Claims Payments; Capitation Payments to Contracted Health Plans; Prior Authorization; Special provider Reimbursement Projects (e.g. Revenue Maximization, Teaching Hospital DSH)

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
Medical Services (getting server error on this table)	Title XIX of the Social Security Act and Va. Code 32.1, Chap. 9 Chapter 2 Item 304	42 CFR, Part 431	Required	0	0

**Anticipated Changes**

DMAS is expanding eligibility for the Medicaid program under the Patient Protection and Affordable Care Act. The new population shall consist of adults aged 19-64 who earn from 100-138% of the federal poverty level. In light of Medicaid Expansion most customer groups are expected to significantly increase. Many enrollees currently served in the Family Planning waiver and the GAP waiver shall be moved into the Medicaid Expansion population. Enrollment in the Family Planning waiver is expected to decrease, while the GAP waiver shall be discontinued.

The availability of subsidized private coverage offered through the FFM necessitates that DMAS examine the need for current programs offering some level of coverage to individuals in the income range who will be eligible for the subsidized private coverage, such as certain current enrollees in Plan First and FAMIS MOMS. Changes to these programs based on the broader PPACA reform may also impact the covered population for DMAS going forward.

In addition, there are several additional factors that will have an impact on Virginia Medicaid in the future including: (i) an increase in the number of beneficiaries age 65 and older; (ii) an increase in the number of persons with disabilities seeking services; (iii) health care reform and funding; (iv) new technology requirements, such as: electronic prescriptions, and electronic health records; and (iv) continued growth in overall program enrollees and costs.

**Factors Impacting**

The following factors will impact the services provided within this service area:

- Federal policy changes and Medicaid reform initiatives
- Health care cost inflation
- Impact of low reimbursement on provider participation
- Managed care penetration by geographic area and population type
- Legislative initiatives/priorities
- Budgetary/resource restraints
- Growing emphasis on cost containment and program integrity

**Financial Overview**

The initial appropriation in the table was established for the biennium budget included in the 2022 Special session budget bill. The Medicaid program is funded with a mixture of state and federal funds.

Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	4,357,353,829	6,826,086,379	4,719,283,907	6,935,083,121
Changes to Initial Appropriation	0	0	0	0

**Supporting Documents**

**Title** **File Type**

**Reimbursements for Long-Term Care Services [45610]**

**Description of this Program / Service Area**

Provide access to a system of high-quality facility and community-based long-term services and supports for seniors and persons with disabilities to ensure health, safety, and welfare.

**Mission Alignment and Authority**

Va. Code 32.1-325

By assisting seniors and persons with disabilities to obtain high-quality, cost-effective long-term services and supports in the least restrictive environment that meets their needs, the Commonwealth saves money over more costly and more restrictive placements.

**Products and Services**

**Description of Major Products and Services**

Coverage of Long-Term Care & Waiver Programs (Nursing facility care; Home and community-based services); Rate Setting/Cost Analysis; Provider Enrollment; Claims Payments; Prior Authorization

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
Long Term Services and Supports	Title XIX of the Social Security Act and Va. Code 32.1, Chap. 9	42 CFR, Part 431	Required	0	0
Nursing Facility	Social Security Act Section 1902 and Va. Code 31.1-325	42 CFR, Part 483, Subpart B	Required	0	0
CCC Plus Waiver	§ 1915(c) waivers of the Social Security Act (42 USC § 1396n)	42 CFR § 441.300	Discretionary	0	0
DD Waivers	§ 1915(c) waivers of the Social Security Act (42 USC § 1396n)	42 CFR § 441.300	Discretionary	0	0
Program of All-Inclusive Care for the Elderly (PACE)	Social Security Act Section 1934 and Va Code 321-330.3	42 CFR, Part 460	Discretionary	0	0

**Anticipated Changes**

**Nursing Facility:**

DMAS has a robust Civil Money Penalty Reinvestment Program. In SFY 2022, DMAS with CMS approval funded ten programs. In SFY 2023 an additional six programs are funded.

**CCC Plus Waiver:**

DMAS will submit waiver amendments to CMS to permanently allow legally responsible individuals to be reimbursed to provider personal care services when no other provider is available.

DMAS will complete the renewal of the CCC Plus Waiver; the renewal will provide federal approval for 5 years.

**DD Waivers:**

- DMAS will submit wavier amendments to allow the usage of telehealth modalities in a number of DDW services to begin July 2022.
- DMAS will submit the waiver renewal in 2023 for one of the DDWs
- DMAS will be finalizing the final compliance stages of the HCBS Final Rule requirements issued in 2013 in 2023.

**Factors Impacting**

The Department's focus on care coordination across all areas of the Medicaid program will affect the delivery of long term care services.

**CCC Plus Waiver:**

The on-going federal Public Health Emergency (PHE) will impact how the services are delivered. Certain flexibilities granted by CMS through the Appendix K: Emergency Preparedness and Response and COVID 19 Addendum cannot be ended prior to the end of the PHE.

**DD Waivers:**

Consistent with CCC+ waiver, the on-going federal Public Health Emergency (PHE) will impact how the services are delivered. Certain flexibilities granted by CMS through the Appendix K: Emergency Preparedness and Response and COVID 19 Addendum cannot be ended prior to the end of the PHE

**Brain Injury Waiver:**

2022 Appropriation Act, Item #308 CC.1. CC.1. directs DMAS, in conjunction with relevant stakeholders, shall convene a workgroup to develop a plan for a neurobehavioral science unit and a waiver program for individuals with brain injury and neuro-cognitive disorders.

**Financial Overview**

The initial appropriation in the table was established for the biennium budget included in the 2022 Special session budget bill.

Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	1,127,454,490	1,128,621,436	1,169,669,912	1,171,858,484
Changes to Initial Appropriation	0	0	0	0

**Supporting Documents**

**Title** **File Type**

**Insurance Premium Payments for HIV-Positive Individuals [46403]**

**Description of this Program / Service Area**

This service area ensures that HIV clients are able to maintain their medication protocol. The program provides reimbursement for health insurance premium payments to ensure that those approved individuals are able to maintain and utilize their private health insurance. In order to qualify, an individual must (1) be a resident of Virginia; (2) be able to provide documentation from a physician verifying disability within three months due to HIV+ diagnosis; (3) have family income no greater than 250% of the poverty level; (4) have countable liquid assets no more than \$10,000; (4) not be eligible for Medicaid; and (5) be eligible for and have availability of continuing health insurance. DMAS staff determines eligibility for the program and assumes the responsibility of providing health insurance premium payment in a timely manner.

**Mission Alignment and Authority**

Va. Code 32.1-330.1

By providing financial assistance for recipients' health insurance premiums, the program enables recipients to maintain maximum comprehensive health care benefits and deflect the expenses away from the Medicaid program. If these individuals do not maintain their private health insurance coverage they will likely become Medicaid eligible due to the significant costs for HIV pharmacy products.

**Products and Services**

**Description of Major Products and Services**

Financial assistance for health insurance premiums

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
Insurance Premium Payments for HIV-Positive Individuals	VA Code 32.1-330.1 Chapter 2 Item 305		Required	556,702	0

**Anticipated Changes**

The Department does not anticipate any changes to the products and services.

**Factors Impacting**

The services provided by the HIV Unit are extremely important to eligible enrollees and is limited only by funding options. There has always been a waiting list. There is a growing need for insurance continuation for this population as the drug therapies improve. Complicating this situation is the fact that premiums for commercial insurance have been increasing yearly at double-digit rates.

**Financial Overview**

The initial appropriation in the table was established for the biennium budget included in the 2022 Special Session budget bill.

Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	556,702	0	556,702	0
Changes to Initial Appropriation	0	0	0	0

**Supporting Documents**

Title File Type

Reimbursements from the Uninsured Medical Catastrophe Fund [46405]

Description of this Program / Service Area

This service area provides payment for medical services to eligible, uninsured Virginians diagnosed with a life-threatening medical catastrophe. Eligibility is based on income, legal residency in the Commonwealth of Virginia, life threatening injury or illness and an approved treatment plan. Applications are taken on a first come, first served basis and funding is expended until appropriation is exhausted.

Mission Alignment and Authority

Va. Code 32.1-324.3

Individuals determined eligible for services under the program are provided access to life-saving health care services.

Products and Services

Description of Major Products and Services

Life-saving health care services based on Medicaid rates; eligibility determination, treatment plan approval, and determination of treatment plan costs.

Contract with providers for services approved on the treatment plan; verify services rendered and initiate payment to the provider.

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
Reimbursements from the Uninsured Medical Catastrophe Fund	VA Code 32.1-324.3; budget bill Chapter 2 Item 305		Required	22,500	40,000

Anticipated Changes

The department does not anticipate any product or service changes.

Factors Impacting

There a number of administrative and operational factors that affect the products and services of the UMCF, including application requirements, provider agreements and requirements, payment methodology, regulatory restrictions and limited funding.

Financial Overview

The initial appropriation in the table was established for the biennium budget included in the 2022 Special Session budget bill.

This program is 100% State funded.

Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	225,000	40,000	225,000	40,000
Changes to Initial Appropriation	0	0	0	0

Supporting Documents

Title File Type

**Reimbursements for Medical Services Provided to Low-Income Children [46601]**

**Description of this Program / Service Area**

The extension of Medicaid eligibility for children ages 6-19 and 100-133% FPL is part of Virginia’s Title XXI Children’s Health Insurance Program (CHIP). Prior to this CHIP-funded expansion of Medicaid eligibility, children under age 6 with family income up to 133% FPL could qualify for Medicaid benefits, but children from ages 6 to 19 would only qualify for Medicaid if their family income was less than or equal to 100% FPL. While children from ages 6 to 19 with income between 100-133% FPL might qualify for the FAMIS program instead, this meant that children in the same family would be enrolled in different programs and families would have to navigate two different systems of care.

Effective September 2002, children in Virginia’s Title XXI program are split into two groups – Family Access to Medical Insurance Security (FAMIS) for uninsured children aged 0-19 with income above the cutoff for Medicaid but less than or equal to 200% FPL, and the CHIP Medicaid program for children age 6-19 with income from 100-133% FPL. Children covered by the CHIP Medicaid program receive full Medicaid benefits but are funded with the enhanced Title XXI match rate.

**Mission Alignment and Authority**

Va. Code 32.1-325

The CHIP Medicaid program carries out the mission of DMAS by providing access to a comprehensive system of high quality and cost effective health care services to uninsured children age 6 to 19 with income between 100% FPL and 133% FPL.

**Products and Services**

**Description of Major Products and Services**

Coverage for comprehensive health care services through managed care or fee-for-service delivery models; Marketing and outreach to promote enrollment; Application processing and enrollment; Claims payment

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
Reimbursements for Medical Services Provided to Low-Income Children (46601)	Title 32.1, Chapters 9, 10 and 13, Code of Virginia; P.L. 89-97, as amended, Titles XIX and XXI, Social Security Act, Federal Code.		Required	84,680,147	164,227,210

**Anticipated Changes**

Congress passed an extension of federal CHIP funding in 2018, first through federal fiscal year (FFY) 2023 in the HEALTHY KIDS Act, which was incorporated into the January 22, 2018 continuing resolution, and for an additional four years, through FFY 2027, in the Bipartisan Budget Act of 2018.

**Factors Impacting**

Federal and state appropriations and regulations impact the nature and scope of the services that can be provided through the CHIP Medicaid Expansion.

**Financial Overview**

The initial appropriation in the table was established for the biennium budget included in the 2022 Special Session Appropriation Act. The Medicaid expansion program is covered with a mixture of state and federal funds. On the federal level this program is covered through the Title XXI CHIP program that provides an enhanced federal match rate. The FMAP (Federal Medical Assistance Participation) rate for this program area increased to 88% effective October 1, 2015 from 65%.

Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	84,680,147	164,227,210	93,072,041	178,446,968

Changes to Initial Appropriation	0	0	0	0
----------------------------------	---	---	---	---

### Supporting Documents

Title	File Type
-------	-----------

**Program Plan**

**Medical Assistance Management Services (Forecasted) [496]**

**Description of this Program / Service Area**

Amounts appropriated in this area shall fund administrative expenditures associated with contracts between the department and companies providing dental benefit services, consumer-directed payroll services, claims processing, behavioral health management services and disease state/chronic care programs for Medicaid and FAMIS recipients.

**Mission Alignment and Authority**

These contracts are essential to the functioning of the Medicaid program. Contracts providing services such as dental benefits or claims processing are essential to the Medicaid program and creating a healthier Virginia.

**Products and Services**

**Description of Major Products and Services**

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
Medicaid payments for enrollment and utilization related contracts (49601)	Title 32.1, Chapters 9 and 10, Code of Virginia; P.L. 89-97, as amended, Titles XIX and XXI, Social Security Act, Federal Code. Chapter 2 Item 307		Required	12,706,041	33,630,279
CHIP payments for enrollment and utilization related contracts (49632)	Title 32.1, Chapters 9 and 10, Code of Virginia; P.L. 89-97, as amended, Titles XIX and XXI, Social Security Act, Federal Code. Chapter 2 Item 307		Required	1,686,713	898,594

**Anticipated Changes**

**Factors Impacting**

**Financial Overview**

The initial appropriation in the table was established for the biennium budget included in the 2022 Special Session Appropriation Act.

**Biennial Budget**

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	14,392,754	34,528,873	14,392,754	33,028,873
Changes to Initial Appropriation	0	0	0	0

**Supporting Documents**

Title	File Type
-------	-----------

**Service Area Plan**

**Medicaid payments for enrollment and utilization related contracts [49601]**

**Description of this Program / Service Area**

Amounts appropriated in this area shall fund administrative expenditures associated with contracts between the department and companies providing dental benefit services, consumer-directed payroll services, claims processing, behavioral health management services and disease state/chronic care programs for Medicaid and FAMIS recipients.

**Mission Alignment and Authority**

Title 32.1, Chapters 9 and 10

These contracts are essential to the functioning of the Medicaid program. Contracts providing services such as dental benefits or claims processing are essential to the Medicaid program and creating a healthier Virginia.

**Products and Services**

**Description of Major Products and Services**

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
Medicaid payments for enrollment and utilization related contracts (49601)	Title 32.1, Chapters 9 and 10, Code of Virginia; P.L. 89-97, as amended, Titles XIX and XXI, Social Security Act, Federal Code. Chapter 2 Item 307		Required	12,706,041	33,630,279

**Anticipated Changes**

**Factors Impacting**

**Financial Overview**

The initial appropriation in the table was established for the biennium budget included in the 2022 Special Session Appropriation Act.

Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	12,706,041	33,630,279	12,706,041	32,130,279
Changes to Initial Appropriation	0	0	0	0

**Supporting Documents**

**Title** **File Type**

**CHIP payments for enrollment and utilization related contracts [49632]**

**Description of this Program / Service Area**

Amounts appropriated in this area shall fund administrative expenditures associated with contracts between the department and companies providing dental benefit services, consumer-directed payroll services, claims processing, behavioral health management services and disease state/chronic care programs for Medicaid and FAMIS recipients.

**Mission Alignment and Authority**

These contracts are essential to the functioning of the Medicaid program. Contracts providing services such as dental benefits or claims processing are essential to the Medicaid program and creating a healthier Virginia.

**Products and Services**

**Description of Major Products and Services**

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
CHIP payments for enrollment and utilization related contracts (49632)	Title 32.1, Chapters 9 and 10, Code of Virginia; P.L. 89-97, as amended, Titles XIX and XXI, Social Security Act, Federal Code. Chapter 2 Item 307		Required	1,686,713	898,594

**Anticipated Changes**

**Factors Impacting**

**Financial Overview**

The initial appropriation in the table was established for the biennium budget included in the 2022 Special Session Appropriation Act.

Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	1,686,713	898,594	1,686,713	898,594
Changes to Initial Appropriation	0	0	0	0

**Supporting Documents**

**Title** **File Type**

**Administrative and Support Services [499]**

**Description of this Program / Service Area**

This service area includes the manpower, administrative support, policy and research and contractual services necessary to successfully operate the Agency's programs and activities.

**Mission Alignment and Authority**

Va. Code 32.1-325

By performing the functions within this service area, DMAS is able to provide access to a comprehensive system of high quality and cost effective health care services to our customers to qualifying Virginians.

**Products and Services**

**Description of Major Products and Services**

- Financial Services – Fiscal and accounting services
- Policy Analysis – Policy and research services
- Information Management – Computer support services
- Program Integrity – Quality assurances services including provider and recipient audits
- Program Operations – Provider enrollment, claims processing and reimbursement services
- Appeals – Client and provider appeals of audits and other agency decisions
- Human Resources – Personnel services and training
- Integrated Care and Behavioral Health
- Communications and Legislative Liaison – Information dissemination services and legislative coordination services
- Budget
- Contract Management
- Compliance, Security, and Internal Auditing – Services to ensure the integrity of data and information
- Long Term Care – Services for the aged population and individuals with disabilities
- Marketing and Enrollment Services – Providing health related services for children and pregnant women
- Innovation and Strategy

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
General Management and Direction (49901)	Title 2.2, Chapter 26, Code of Virginia Chapter 2 Item 308		Required	67,925,604	208,635,536
Information Technology	Title 2.2, Chapter 26, Code of Virginia			0	0
Administrative Support for the Family Access to Medical Insurance Security Plan (49932)	Title 2.2, Chapter 26, Code of Virginia		Required	5,572,955	11,239,603
CHIP Health Services Initiatives [49936]	Title 2.2, Chapter 26, Code of Virginia			875,000	1,625,000

**Anticipated Changes**

The Department must remain flexible and adapt to new programs and priorities to maintain the quality and timeliness of all recipient services. Sufficient funding and staffing resources are vital for the agency to maintain these services.

**Factors Impacting**

Projects related to the work of DMAS operational areas determine the work that is performed in the administrative divisions. Changes in administrative services are the result of significant operational projects, including Medicaid Reform and Electronic Health Records.

**Financial Overview**

The initial appropriation in the table was established for the biennium budget included in the 2022 Special Session Appropriation Act.

Biennial Budget

	<b>2023 General Fund</b>	<b>2023 Nongeneral Fund</b>	<b>2024 General Fund</b>	<b>2024 Nongeneral Fund</b>
Initial Appropriation for the Biennium	74,373,559	221,500,139	72,923,062	215,338,637
Changes to Initial Appropriation	0	0	0	0

**Supporting Documents**

**Title** **File Type**

## Service Area Plan

### General Management and Direction [49901]

#### Description of this Program / Service Area

This service area includes the manpower, administrative support, policy and research and contractual services necessary to successfully operate the Agency's programs and activities.

#### Mission Alignment and Authority

Va. Code 32.1-325

By performing the functions within this service area, DMAS is able to provide access to a comprehensive system of high quality and cost effective health care services to our customers to qualifying Virginians.

#### Products and Services

##### Description of Major Products and Services

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
General Management and Direction (49901)	Title 2.2, Chapter 26, Code of Virginia Chapter 2 Item 308		Required	67,925,604	208,635,536

#### Anticipated Changes

The Department must remain flexible and adapt to new programs and priorities to maintain the quality and timeliness of all recipient services. Sufficient funding and staffing resources are vital for the agency to maintain these services.

#### Factors Impacting

Projects related to the work of DMAS operational areas determine the work that is performed in the administrative divisions. Changes in administrative services are the result of significant operational projects, including Medicaid Reform and Electronic Health Records.

#### Financial Overview

The initial appropriation in the table was established for the biennium budget included in the 2022 Special Session Appropriation Act.

Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	67,925,604	208,635,536	66,694,145	202,880,818
Changes to Initial Appropriation	0	0	0	0

#### Supporting Documents

<b>Title</b>	<b>File Type</b>
--------------	------------------

## Service Area Plan

### Information Technology Services [49902]

#### Description of this Program / Service Area

This service area includes the manpower, administrative support, policy and research and contractual services necessary to successfully operate the Agency's programs and activities.

#### Mission Alignment and Authority

Va. Code 32.1-325

#### Products and Services

##### Description of Major Products and Services

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
Information Technology	Title 2.2, Chapter 26, Code of Virginia			0	0

#### Anticipated Changes

#### Factors Impacting

#### Financial Overview

The initial appropriation in the table was established for the biennium budget included in the 2022 Special Session Appropriation Act.

Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium				
Changes to Initial Appropriation				

#### Supporting Documents

Title File Type

## Service Area Plan

### Administrative Support for the Family Access to Medical Insurance Security Plan [49932]

#### Description of this Program / Service Area

This service area includes expenses associated with administration of Virginia's CHIP program, Family Access to Medical Insurance Security Plan (FAMIS).

#### Mission Alignment and Authority

Va. Code 32.1-351

#### Products and Services

##### Description of Major Products and Services

Administrative support funded under this item includes marketing and outreach services to promote enrollment.

Products / Services					
Product / Service	Statutory Authority	Regulatory Authority	Required Or Discretionary	GF	NGF
Administrative Support for the Family Access to Medical Insurance Security Plan (49932)	Title 2.2, Chapter 26, Code of Virginia		Required	5,572,955	11,239,603

#### Anticipated Changes

Congress passed an extension of federal CHIP funding in 2018, first through federal fiscal year (FFY) 2023 in the HEALTHY KIDS Act, which was incorporated into the January 22, 2018 continuing resolution, and for an additional four years, through FFY 2027, in the Bipartisan Budget Act of 2018.

#### Factors Impacting

Federal and state appropriations and regulations impact the nature and scope of what can be funded with CHIP administrative dollars and within the CHIP federal allotment.

CHIP administrative expenditures are subject to a 10% cap, meaning that up to 10% of a state's total CHIP spending can be used for CHIP state plan administrative expenses. (A state may also use up to 10 percent of its total CHIP spending for certain allowable activities such as outreach and HSIs, after it covers CHIP state plan administrative expenses.)

#### Financial Overview

Effective in FFY 2023, Virginia's Federal Medical Assistance Participation (FMAP) rate for this service area increases from 65% to 65.46%. In addition, for the duration of the COVID-19 federal public health emergency (PHE), a 4.34 percentage point enhancement is added to this rate, bringing total Title XXI FMAP to 69.34% as of Q4 of FFY2022.

##### Biennial Budget

	2023	2023	2024	2024
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Initial Appropriation for the Biennium	5,572,955	11,239,603	5,353,917	10,832,819
Changes to Initial Appropriation	0	0	0	0

#### Supporting Documents

Title	File Type
-------	-----------

**CHIP Health Services Initiatives [49936]**

**Description of this Program / Service Area**

Provides funding for the three Poison Control centers serving Virginia as part of a CHIP Health Services Initiative to draw down enhanced federal matching dollars.

**Mission Alignment and Authority**

Va. Code 32.1-351

CHIP Health Services Initiatives (HSIs) are projects or programs funded with federal Title XXI dollars that improve the health of low-income children. Pursuant to Item 308.U of the Appropriations Act, Virginia’s Poison Control HSI leverages federal funding at the enhanced CHIP match rate to provide funding for Virginia’s three Poison Control Centers.

**Products and Services**

**Description of Major Products and Services**

CHIP Health Services Initiative (HSI) allowing CHIP federal funds matched with state GF under the DMAS/CHIP budget item to fund Virginia’s three poison control centers.

**Anticipated Changes**

Congress passed an extension of federal CHIP funding in 2018, first through federal fiscal year (FFY) 2023 in the HEALTHY KIDS Act, which was incorporated into the January 22, 2018 continuing resolution, and for an additional four years, through FFY 2027, in the Bipartisan Budget Act of 2018.

**Factors Impacting**

Federal and state appropriations and regulations impact the nature and scope of the services that can be provided through FAMIS. Unlike Medicaid, CHIP is not an entitlement program.

CHIP HSIs are funded out of the administrative portion of a state’s CHIP allotment and are subject to the 10% CHIP administrative cap. A state may use up to 10 percent of its total CHIP spending for certain allowable activities such as outreach and HSIs, after it covers CHIP state plan administrative expenses.

**Financial Overview**

Effective in FFY 2023, Virginia’s Federal Medical Assistance Participation (FMAP) rate for this program area will increase from 65% to 65.46%. In addition, for the duration of the COVID-19 federal public health emergency (PHE), a 4.34 percentage point enhancement is added to this rate, bringing total Title XXI FMAP to 69.34% as of Q4 of FFY2022.

Biennial Budget

	2023 General Fund	2023 Nongeneral Fund	2024 General Fund	2024 Nongeneral Fund
Initial Appropriation for the Biennium	875,000	1,625,000	875,000	1,625,000
Changes to Initial Appropriation	0	0	0	0

**Supporting Documents**

Title	File Type
-------	-----------