BOARD OF MEDICAL ASSISTANCE SERVICES (BMAS) MEETING

Tuesday, August 27, 2019
10:00 a.m. – 12:00 p.m. BMAS Meeting

Department of Medical Assistance Services
Conference Room 7A/B
600 East Broad St. Richmond, VA 23219

Agenda

	ITEM	PRESENTER	ACTION
10:00 AM	Call to Order and Introductions	Karen S. Rheuban, M.D., Chair	
10:05 AM	Approval of June 4, 2019 Minutes	Karen S. Rheuban, M.D., Chair	Vote
10:05 AM	Healthy Birthday Virginia - Goal	Jennifer S. Lee, M.D., Director	Briefing
10:30 AM	Member Focused Initiatives Update (DMAS Stars)	Sarah Samick, Senior Policy Advisor Matthew Harrison, Program Manager	Briefing
10:40 AM	Finance Report	Tanyea Darrisaw, Budget Division Director	Briefing
11:00 AM	MES Update	Frank Guinan Director of the Enterprise Project Management Office (PM0)	Briefing
11:15 AM	Pharmacy Update	Donna Proffitt, Pharmacy Manager Dean Beuglass, Pharmacist II	Briefing
11:30 AM	Behavioral Health Redesign	Alexis Aplasca, M.D., Chief Clinical Officer, Department of Behavioral Health & Developmental Services Oketa Winn, Acting Behavioral Health Operations Supervisor	Briefing
11:45 AM	**Old Business/New Business**		
11:55 AM	**Public Comments**		Public Comment
12:00 PM	**Adjournment**		





DIRECTOR'S BRIEFING

BOARD OF MEDICAL ASSISTANCE SERVICES

August 27, 2019

JENNIFER LEE, MD
Director,
Department of Medical Assistance Services

Medicaid Milestones

- Virginia's Medicaid program **turned 50** on July 1, 2019.
- Virginia has enrolled **over 300,000** newly eligible adults as of July 25, 2019.

Provider Survey

- Virginia has about **85 PCPs per 1,000 Virginians**, ranking Virginia as average in terms of PCP per capita in the US
- **Three-quarters (75%) of PCPs in Virginia report accepting Medicaid**, with 58% reporting having panel open to accepting additional Medicaid patients prior to expansion.
  - With expansion, this percentage increased to 68% reporting a willingness to accept additional Medicaid patients.
- 15% of primary care practices reported plans to make **practice level changes** as a result of expansion, such as adding new services (13%), hiring additional personnel (32%), and extending hours (16%)

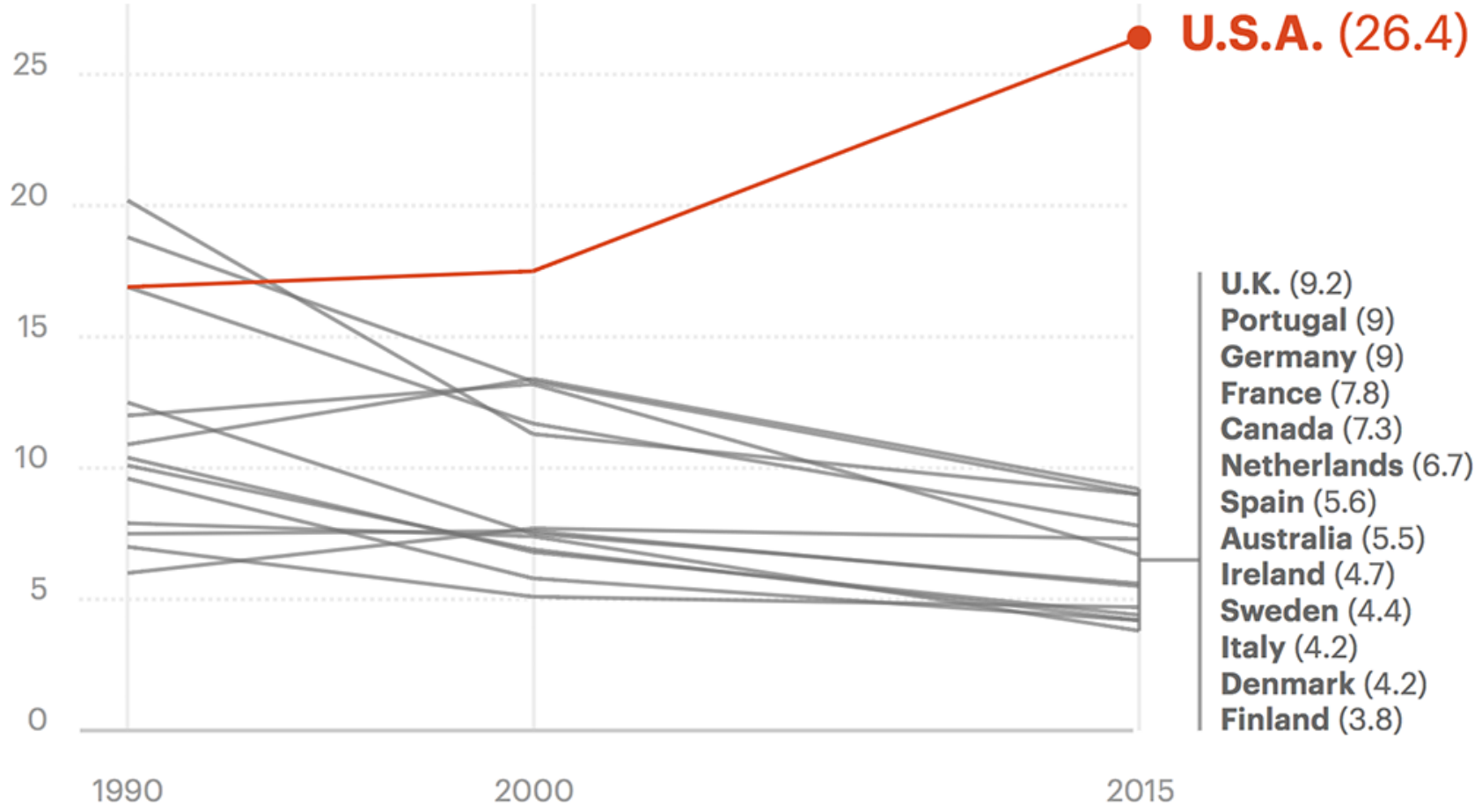
DMAS Mission & Values

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

Our Mission:
To improve the health & well-being of Virginians through access to high-quality health care coverage.

Understanding the National Experience

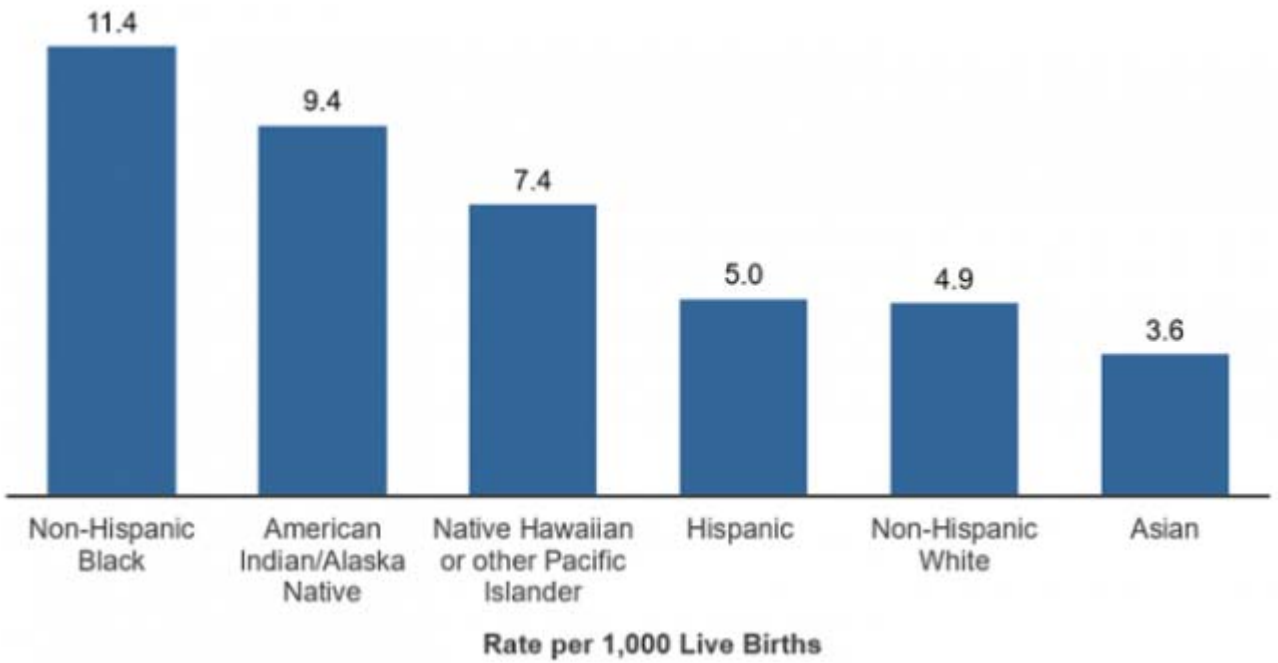
U.S. rate of maternal mortality is worse than it was 25 years ago



Source: https://www.npr.org/2017/05/12/528098789/u-s-has-the-worst-rate-of-maternal-deaths-in-the-developed-world

Disparities in Infant Mortality Rates

Infant Mortality Rates by Race and Ethnicity, 2016



African American infants across the country are twice as likely to die in the first year of life compared to Hispanic, White and Asian infants*

****Center for Disease Control and Prevention***

Governor Northam Announces Goal to Eliminate Racial Disparity in Virginia Maternal Mortality Rate by 2025

"A critical component of improving maternal health outcomes is the elimination of the racial disparity we are seeing in Virginia and across the nation...This is a worthy goal that is perfectly within reach, and I am directing leaders in my administration and in the healthcare and human services community to develop strategies to get us there by 2025...Our ultimate goal is 100 percent survival for mothers and infants so they can celebrate the first birthday together."

-Governor Northam

Healthy Birthday Virginia

By the year 2025, we want all of our mothers and their babies to celebrate the child's first birthday together, healthy and happy.

Healthy Birthday Virginia Strategies

- **Streamline enrollment** of pregnant women and enroll them in care sooner
- **Increase access** to treatment for expecting mothers with substance use disorder
- **Strengthen data sharing** and reporting of performance measures with MCOs and other state agencies

Ensuring Continuity of Coverage

- Technology upgrades will enable pregnant/postpartum women to **automatically transition** between Medicaid eligibility categories.
- This efficiency improvement will begin on **September 1, 2019**.
- DMAS will host **focus groups** on the pregnant/postpartum Medicaid experience in the fall.

DMAS STARS: Support Team for Application Response

Matt Harrison, Manager

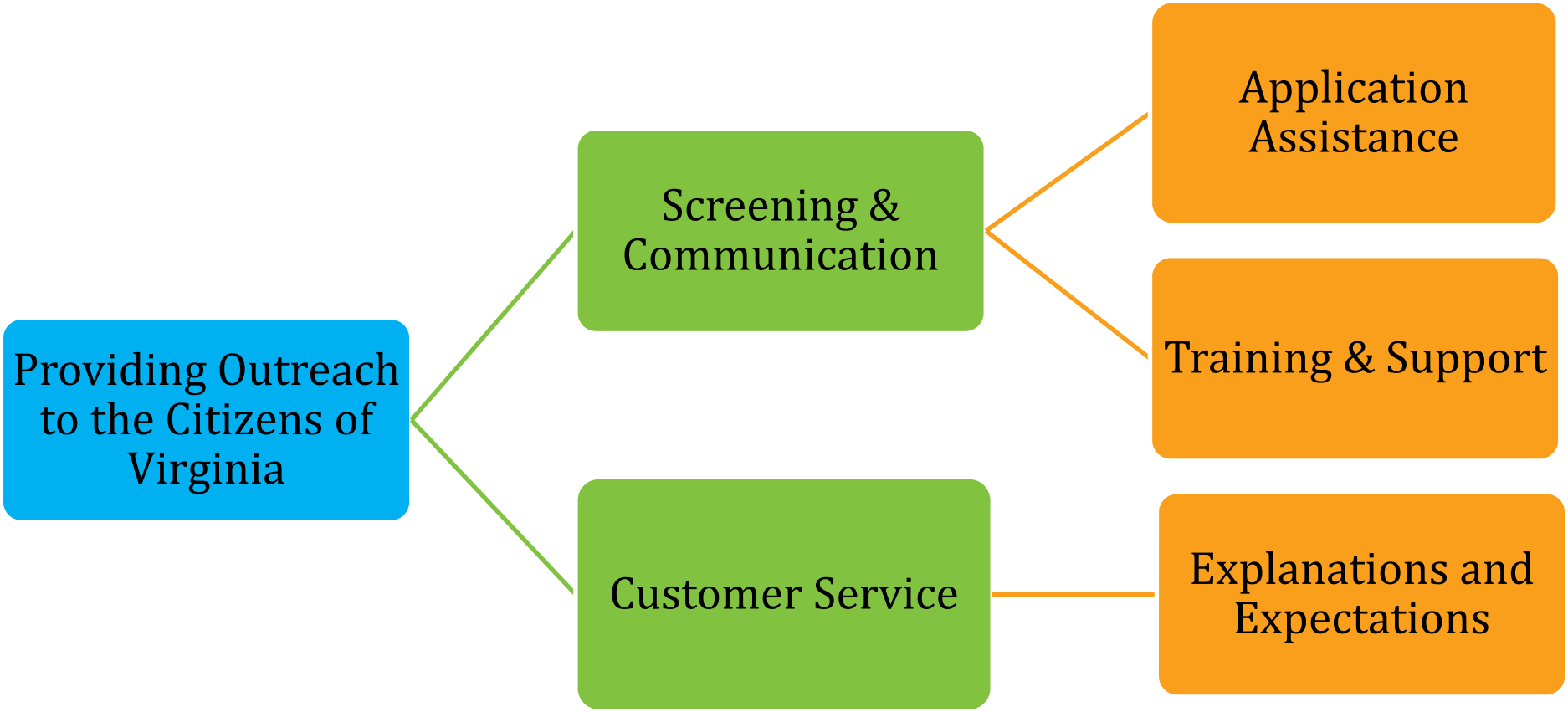
Sarah Samick, Senior Policy Advisor for Administration

Who are the DMAS STARs?

- The Support Team for Application Response (STARs) began with a four day event held at CARITAS in December 2018. DMAS staff members assisted the clients of CARITAS with the CommonHelp applications.
- Prior to the CARITAS/DMAS collaboration; only 1% of the clients at CARITAS had medical insurance. At the completion of the event, 99% of the clients are now insured.
- Based on the success of the CARITAS events, organizations throughout Central Virginia expressed interest in collaborating with DMAS to host similar outreach events.
- With the support of EMT, the STARs is now an official employee outreach committee at DMAS that has partnered with many community organizations; 12 and counting!

How STARs Help

Application Assistance & Community Engagement



STAR Facts

Participation/Stats

- The DMAS STARs have participated in 18 outreach events providing outreach/application assistance to 515 Virginia citizens
- 50 DMAS employees across 12 divisions have participated in events

Stakeholder Relationships

- The DMAS STARs are in planning stages with the Virginia Department of Social Services, the Virginia Department of Health, Central Virginia Legal Society, and the Virginia Center for Interfaith Public Policy to collaborate and provide multi-faceted events that address member needs beyond Medicaid

Application Training & Support

- CommonHelp application training has been provided to staff members at three organizations; Liberation Veteran Services, The Salvation Army, and CARITAS
- CARITAS CEO and staff member both spoke at DMAS Spring Agency meeting regarding Medicaid Expansion, DMAS STARs, and the meaning of having access to care

DMAS Partnerships

- CARITAS – The Healing Place
- The Salvation Army
- AME Zion Hood Temple Church
- Commonwealth Catholic Charities
- Richmond Faith and Community Engagement Day
- Cross Over Healthcare Ministry
- Stop the Violence Event Petersburg
- Governor's 2020 Census Event
- Richmond Redevelopment Housing Authority
- Moments of Hope
- First Independent Methodist Church Community Day
- Liberation Veteran Services
- Virginia Housing Authority
- Central Virginia Legal Aid Society

Upcoming STAR Events

McShin Foundation – 14th Annual Recovery Fest	September 7th
Virginia Housing Authority (Partnership with Central Virginia Legal Aid Society)	September 20th
Cross Over Ministry Health Fair	September (TBD)
Moments of Hope Outreach	Monthly Ongoing Mobile Foodbank Events
CARITAS	Quarterly ongoing enrollment events


ccc
Commonwealth
Catholic Charities


lenovo

Praise for STARs

"Just wanted to thank you and all of the team members for your time and excellent service today. You certainly helped many people apply for benefits, as well as answering Medicaid recipient's questions. We all appreciate all of you volunteering to help and looking forward to seeing you again next month."

-Maureen Bednar, Moments of Hope

"It is great to be able to see the entire spectrum of Medicaid from helping folks apply to working with encounters which is the record of folks having received services. This has given me a more comprehensive understanding of Medicaid and DMAS."

-George Banks, DMAS Division of Integrated Care

"Thank you very much for being so organized and having great training materials! The opportunity to shadow and ask questions made it easier as a nervous first time volunteer. Thanks for making it a positive experience for everyone involved."

-Katie Hill, DMAS Division of Integrated Care

"We both enjoyed the time and were really impressed with DMAS. The leadership, warmth, and compassion were a joy to witness. I know they are lucky to have servant leaders like yourselves and we are remain grateful they shared you w us. We appreciate our partnership and look forward to future endeavors with you and DMAS. "

-Karen O'Brien, COO, CARITAS





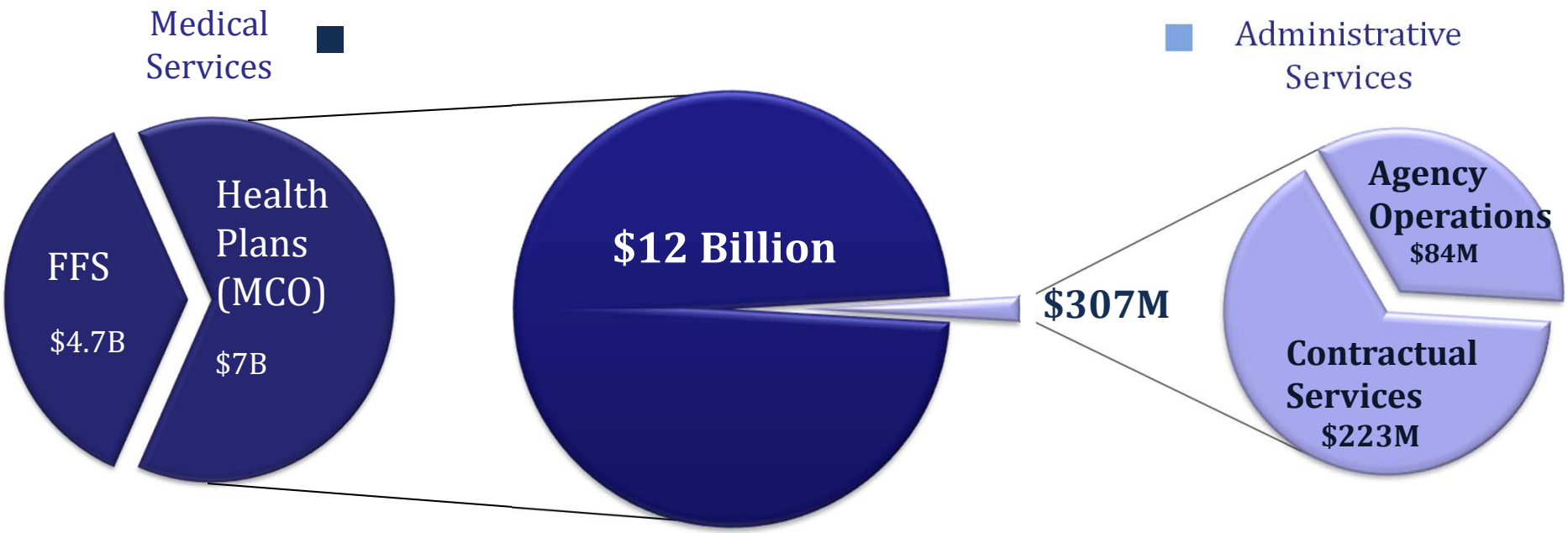
DMAS
BUDGET BRIEFING:
FY19 YEAR END REVIEW

Presentation to:
Board of Medical Assistance Services

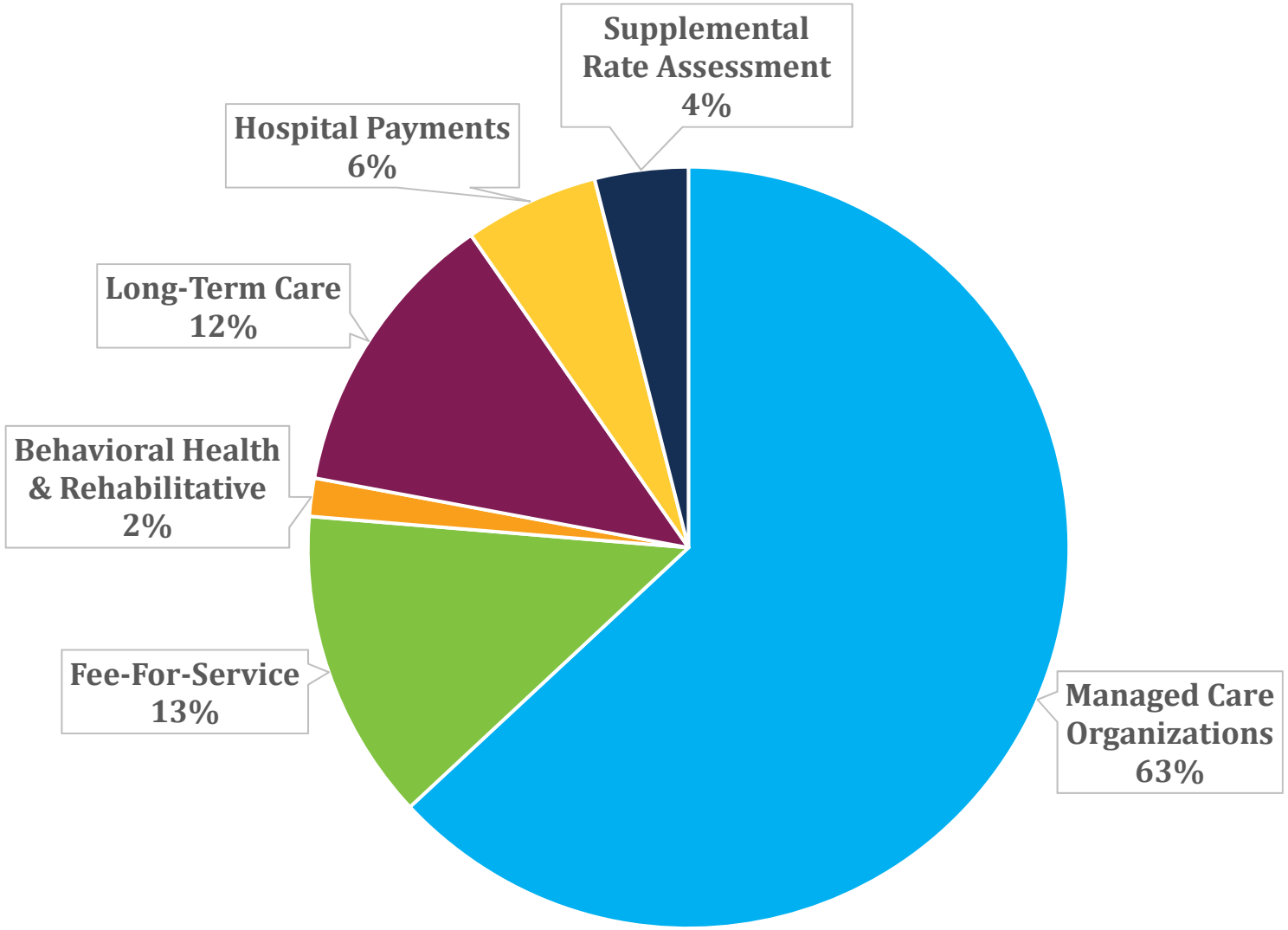
Tanyea Darrisaw
Budget Director

August 27, 2019

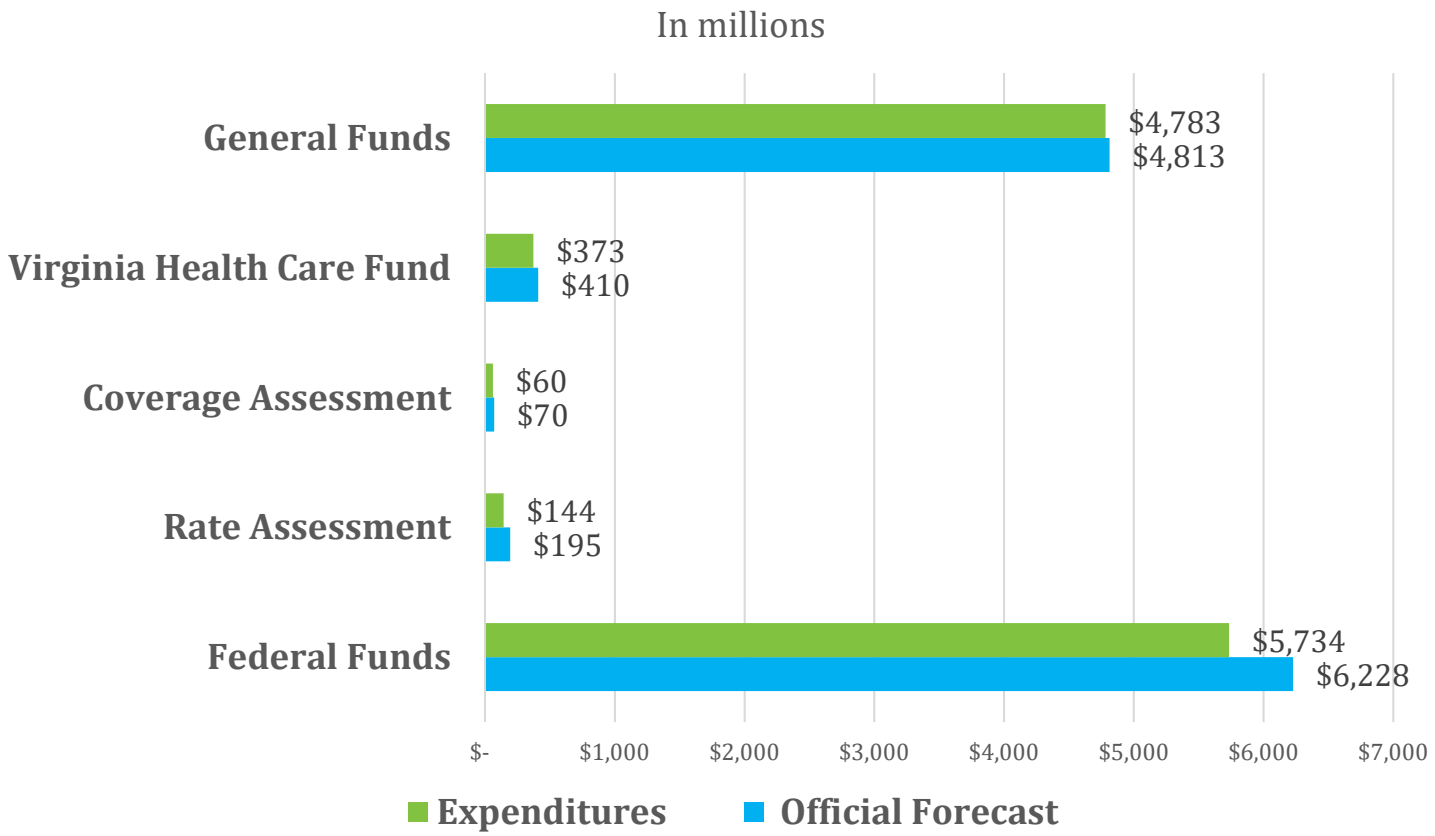
DMAS Expenditures – State Fiscal Year 2019 $12B



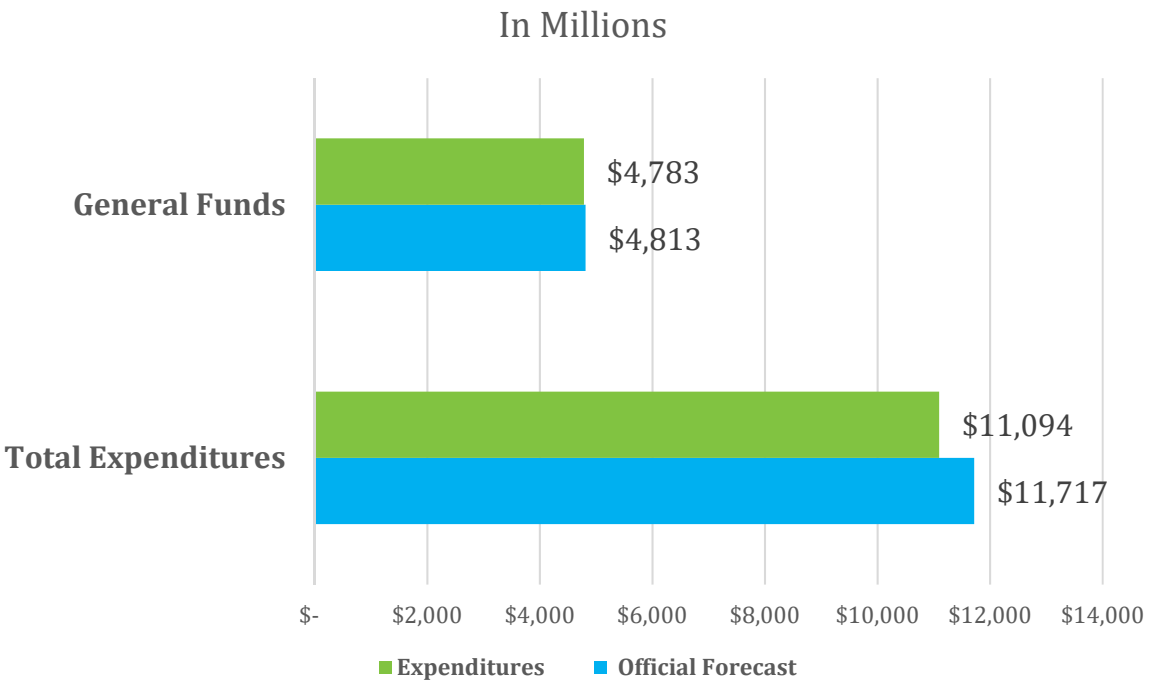
Fiscal Year 2019 Medical Expenditures by Category



Fiscal Year 2019 Medicaid Expenditures By Fund



Fiscal Year 2019 General Fund Medical Expenditures



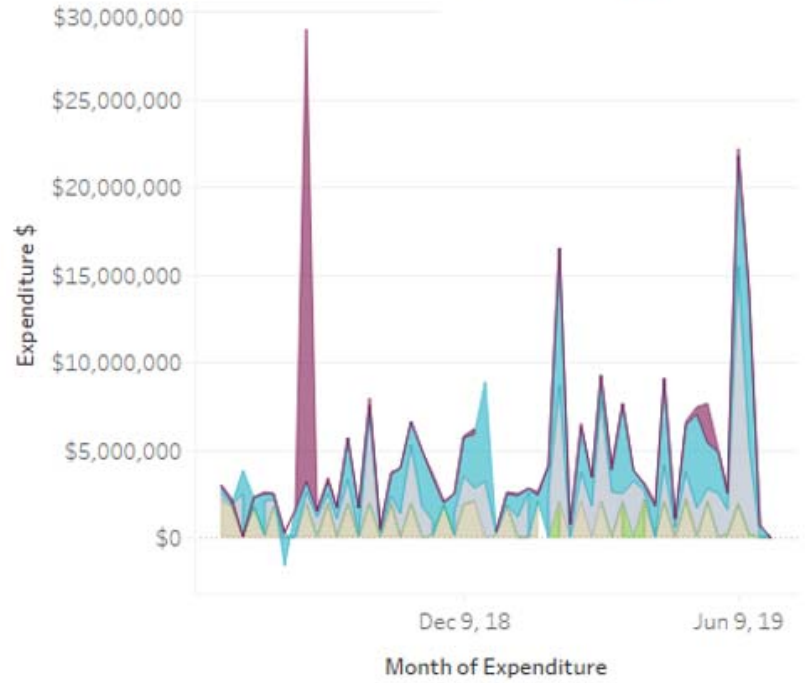
Fiscal Year 2019 Administrative Expenditures

VA Department of Medical Assistance Services Administrative Expenditures

Fiscal Year	Fund Type	Major Category	Sub-Category	Expenditure Code	Deputy	Division
2019	All	All	All	All	All	All

Major Category Trends

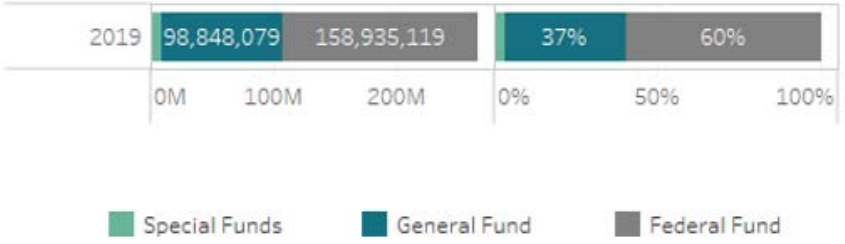
Journal Date
1/1/2016 to 6/30/2019



State Fiscal Year Expenditures

	2019	
Grand Total	100%	$266,992,551
Contractual Services	35%	$94,654,130
Information Technology	33%	$88,047,407
Salaries & Benefits	18%	$49,363,287
Agency Operations	13%	$34,181,784
Professional Development	0%	$745,942

Expenditures by Fund Type



Fiscal Year 2019 Year End Results


Budget What We Spend
Spend What We Budget
COLLABORATION
PROBLEM-SOLVING
ADAPTABILITY
TRUST
SERVICE
VIRGINIA'S MEDICAID PROGRAM
DMAS
BUDGET
DIVISION

MES OVERVIEW FOR BMAS

August 27, 2019

MES Program

What is MES?

- In 2015, CMS mandated that states with Medicaid Management Information Systems (MMIS) coming up for renewals, move to modular solutions. DMAS released modular RFPs in 2016.

- The transformation to a Medicaid Enterprise System (MES) has resulted in multiple projects with multiple vendors.

- Virginia is a national leader in moving toward modular solutions for Medicaid systems.

MES Program

MES Accomplishments

- DMAS has successfully implemented module solutions for Pharmacy Benefit Management and for Encounter Processing Solution. These two applications have been certified by CMS in December 2018. This is a requirement for modular Solutions.

- MES is about 70% complete. A June 2020 implementation date is targeted.

- Single Sign-on capability is being rolled out by the System Integrator and has been part of the new Fraud and Abuse System implemented in April 2019.

MES Modules

MES is made up of software solutions called modules. Each module will stand alone to manage specific business needs and will also contribute to make up a complete Medicaid management solution. Modules exchange data through a Integrated Services Solution (ISS) module (not shown), that includes a single-sign-on feature. Once the user signs on through ISS, they can access MES modules in accordance with their security level.

Medicaid Enterprise System

Member (OPSS)

Provider (PRSS)

Encounters (EPS)

Care (CRMS)

Payments (PPMS)

Data (EDWS)

Pharmacy (PBMS)

Appeals

Medicaid Business Processes Supported by MES

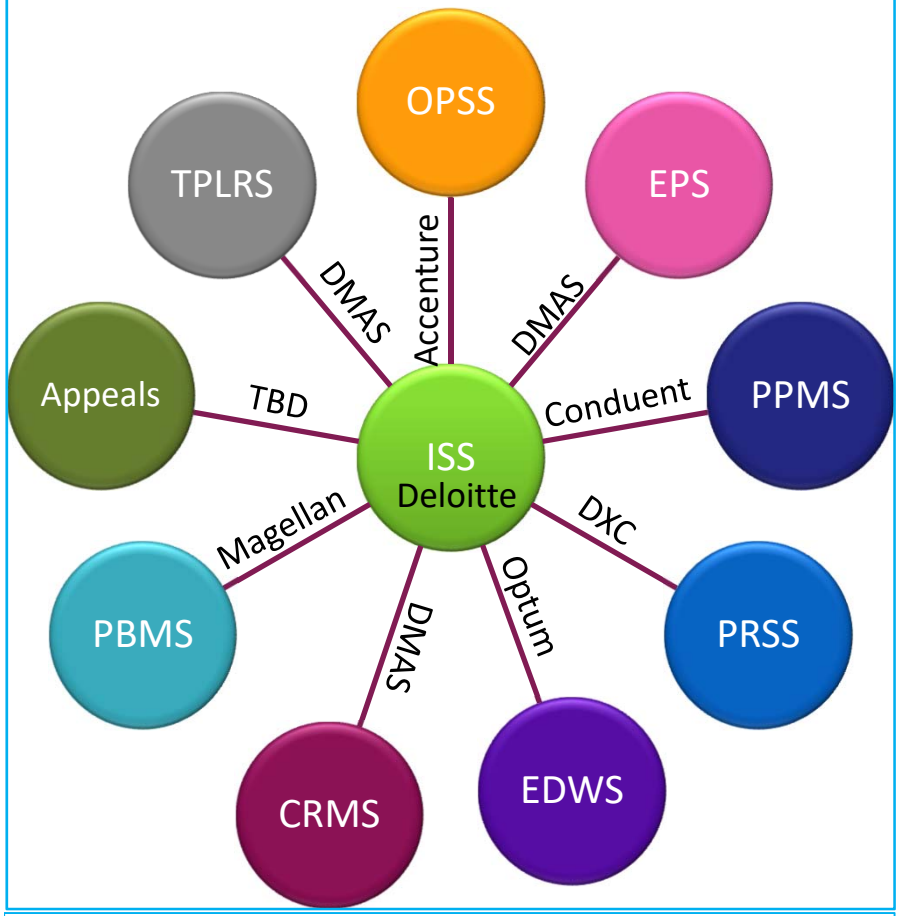
Virginia Medicaid maintains a comprehensive system to manage many complex business processes to administer the Medicaid program. These processes are essential for DMAS to carry out its mission to improve the health and well being of Virginians through access to high-quality health care coverage

- The current Medicaid Management Information System (MMIS), will soon transition to the Medicaid Enterprise System (MES)
- MES will include all of the complex processes that are in the MMIS but will use a *highly-configurable, modular design*
- The MES IT platform will support both current and future Medicaid program initiatives
- The MES modular design will provide improved efficiencies, use data industry standards and technologies, and will support flexibility, adaptability, and rapid response to program changes.
- The Center for Medicare and Medicaid Services (CMS) requires all States to follow the Medicaid Information Technology Architecture (MITA) framework.
- MES will need to be certified by CMS to secure enhanced federal funding for systems development (90% match) and systems maintenance (75% match). The enhanced federal match is available indefinitely as long as the systems meet the CMS applicable program requirements.

Medicaid Processes

- Medicaid eligibility and enrollment
- Provider screening and enrollment
- Claims payment for fee-for service (FFS)
- Managed care assignment and capitation payments
- Payments to FFS contractors (i.e., dental, behavioral health, and transportation)
- Encounter claims for managed care and encounters of FFS contractors on behalf of DMAS (dental, BH, transportation, etc.)
- Interface with other Contractor systems (eligibility, enrollment broker, service authorization, DBHDS, VDSS, LDSS, DOC, jails, etc.)
- Care management processes to ensure continuity of care
- Fraud, waste, and abuse detection and monitoring processes
- Cost avoidance and recovery processes
- Data management
- Quality of care and financial reporting
- and much more. . .

MES Projects



MES Modules	Project Name	Project Manager
	Integrated Services Solution (ISS)	Ajay Rohatgi
	Operations Services Solution & Plan Management (OPSS)	Umakanth Pandurangaiah
	Provider Services Solution (DXC)	Carla Russell
	Payment Processing Management Solution (PPMS)	Ajay Rohatgi
	Encounter Processing Solution (EPS)	Patricia Williams
	Care Management Solution (CRMS)	Deepa Harsh
	Enterprise Data Warehouse Solution, including FADS (EDWS)	Umakanth Pandurangaiah
	Pharmacy Benefit Management Solution (PBMS)	Tammy Eck
	Third Party Liability System (TPLRS)	Tammy Eck
	Appeals, Provider and Member	Tammy Eck
CMS Certification: Cindi Bencivenni, Patricia Williams	Enterprise End to End Testing (EE2E)	Bill Adams
Business Liaison: Pam Dummit, Fred McGregor	MES Training & Communications	Bill Adams, Limor Spalt
MES Deliverables Manager: Susan Kurowsky	Encounter Processing Solution (EPS)	Christopher Crowder
VITA PMD Representative: Patrick Reynolds		

PHARMACY PROGRAM

Office of the Chief Medical Officer
Department of Medical Assistance Services
Commonwealth of Virginia

August 27, 2019

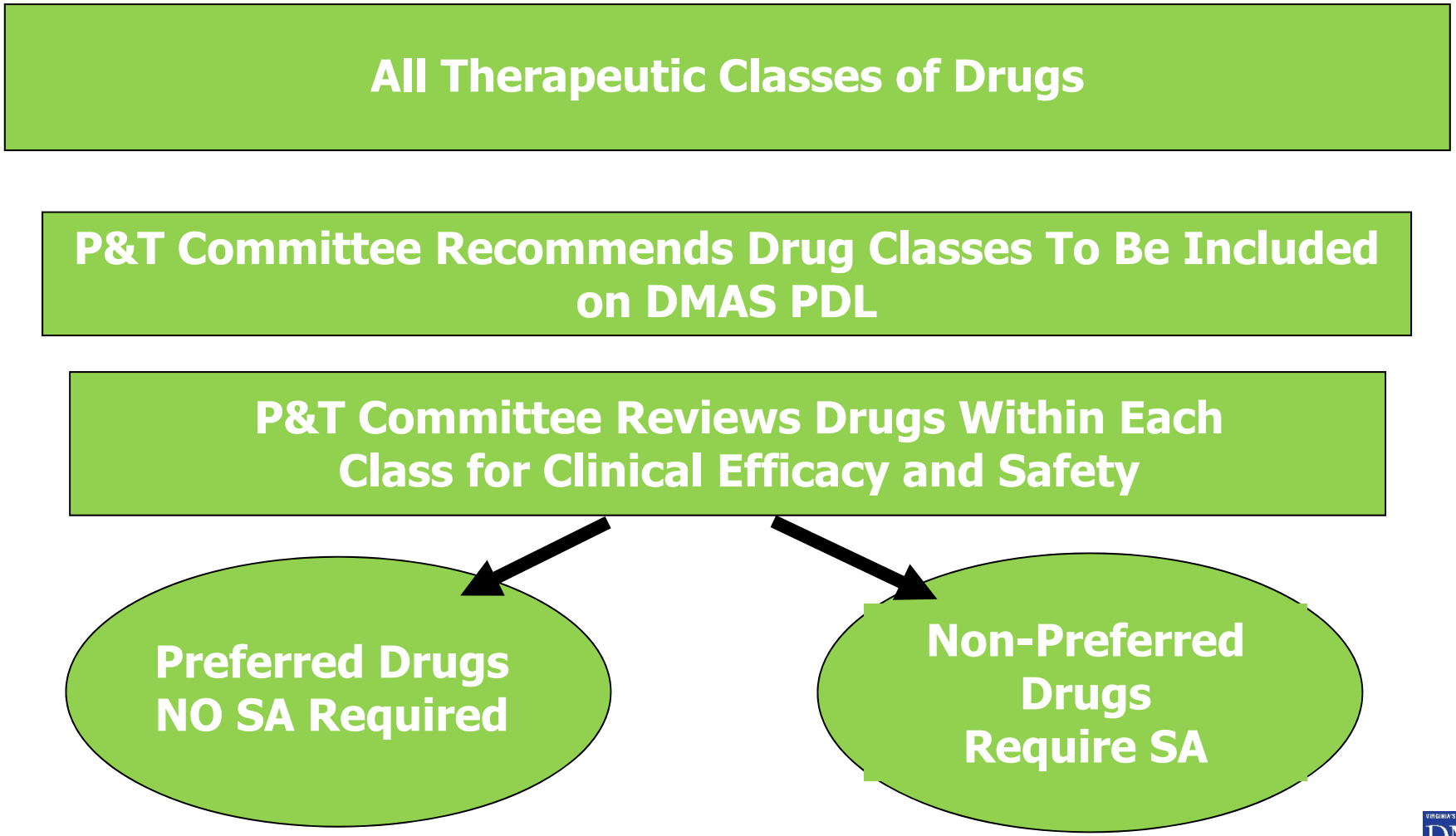
Medicaid Drug Benefit

- Defined by Social Security Act 1927 (the Act)
  - Medicaid programs are required to cover all drugs that are
    - FDA approved
    - Medically necessary
    - Manufactured by a pharmaceutical company participating in the Medicaid Drug Rebate Program
  - The Act allows Medicaid program to develop preferred drug lists (PDLs) and exclude drugs from the PDL as long as a service authorization (SA) process is established

Preferred Drug List (PDL) Program

- Implemented January 2004
- Select drug classes are subject to the PDL program
- Currently, 91 drug classes on the FFS PDL
- Decisions regarding the PDL and service authorization criteria are made by DMAS' Pharmacy and Therapeutics (P&T) Committee.
- The P&T Committee is an "advisory" committee to the Agency
- "Preferred" drug are selected based on safety and clinical efficacy first, then on cost effectiveness

Preferred Drug List



Medicaid Drug Rebates

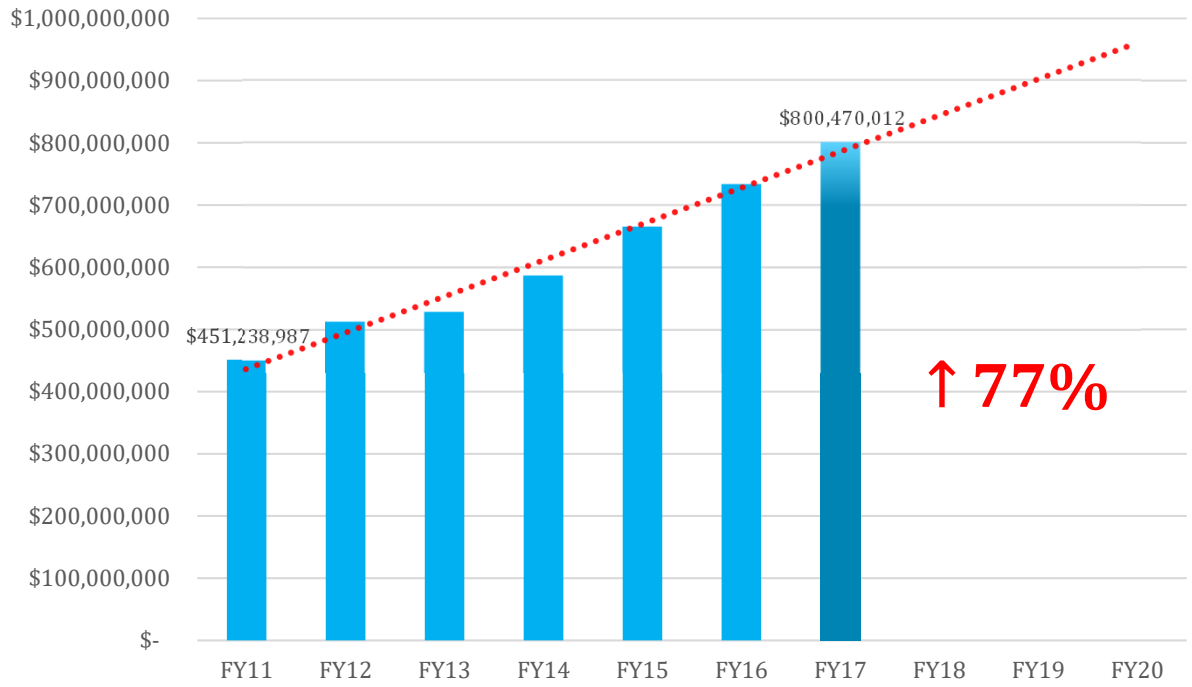
- **Federal Rebates** are collected on all FFS and MCO drug utilization
- **Supplemental Rebates** are collected on **select** PDL preferred drugs
  - Negotiated "above and beyond" federal rebate
  - Supplemental rebates are offered on many but not all preferred drugs
- Both Federal and Supplemental Rebates are shared with the Federal government according to the State's FMAP.
- **$600 million in drug rebates collected annually**

The Common Core Formulary (CCF)

- Common Core Formulary (CCF)
  - Includes all preferred drugs on the DMAS' PDL
  - No additional prior authorizations or step therapy requirements
- DMAS MCOs must cover all PDL "preferred drugs"
  - Provides continuity of care for patients
  - Decreases administrative burdens for prescribers
  - Unprecedented support from the medical community including MSV, VAFP, RAM
- DMAS MCOs are contractually required to follow the CCF and capitation rates adjusted accordingly
- Allows DMAS to collect additional supplemental drug rebates on MCO drug utilization in select drug classes

DMAS Drug Spend 2011-17 Includes FFS & MCOs

- Prescription drug costs are the fastest growing segment of US healthcare spending
- Since 2011, DMAS drug spend has risen at a compound annual rate (CAGR) of 10.02%



Strategies to Combat Escalating Drug Spend

- DMAS PDL & Common Core Formulary
- Innovative Drug Coverage & Financing Reforms
  - Alternative Drug Pricing Models (Value Based Purchasing) focused on underlying value drug provides with respect to effectiveness
- Cost-Effective Pharmacy Benefit Delivery Model Evaluation

Cost-Effective Pharmacy Benefit Delivery Model Evaluation

- Report to evaluate and determine the most cost-effective pharmacy benefit delivery model for Virginia Medicaid
  - Mandated pass-through reimbursement by PBMs contracted to MCOs
  - Carve-out pharmacy benefit from Managed Care
  - Require PBM/MCO pharmacy reimbursement align with FFS (CMS approved state plan amendment rates)
- December 1, 2019 – findings reported to House Appropriations and Senate Finance

BEHAVIORAL HEALTH REDESIGN

Developing an Evidence-Based, Trauma-Informed, Prevention-Focused System

August 27th, 2019

VIRGINIA'S MEDICAID PROGRAM DMAS INNOVATION • QUALITY • VALUE

Virginia Department of Behavioral Health & Developmental Services

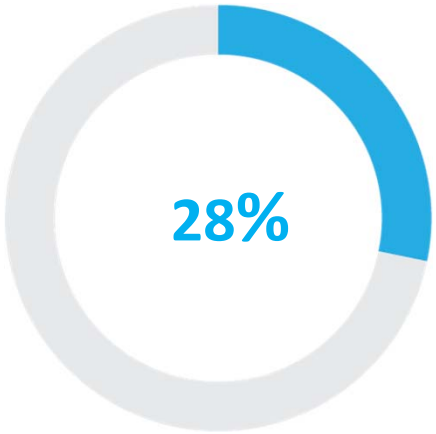
Why Redesign? Why Now?

Medicaid is the largest payer of behavioral health services in Virginia

40th in the country for overall access to mental health care

41st in the country for mental health workforce supply

(mentalhealthamerica.net)



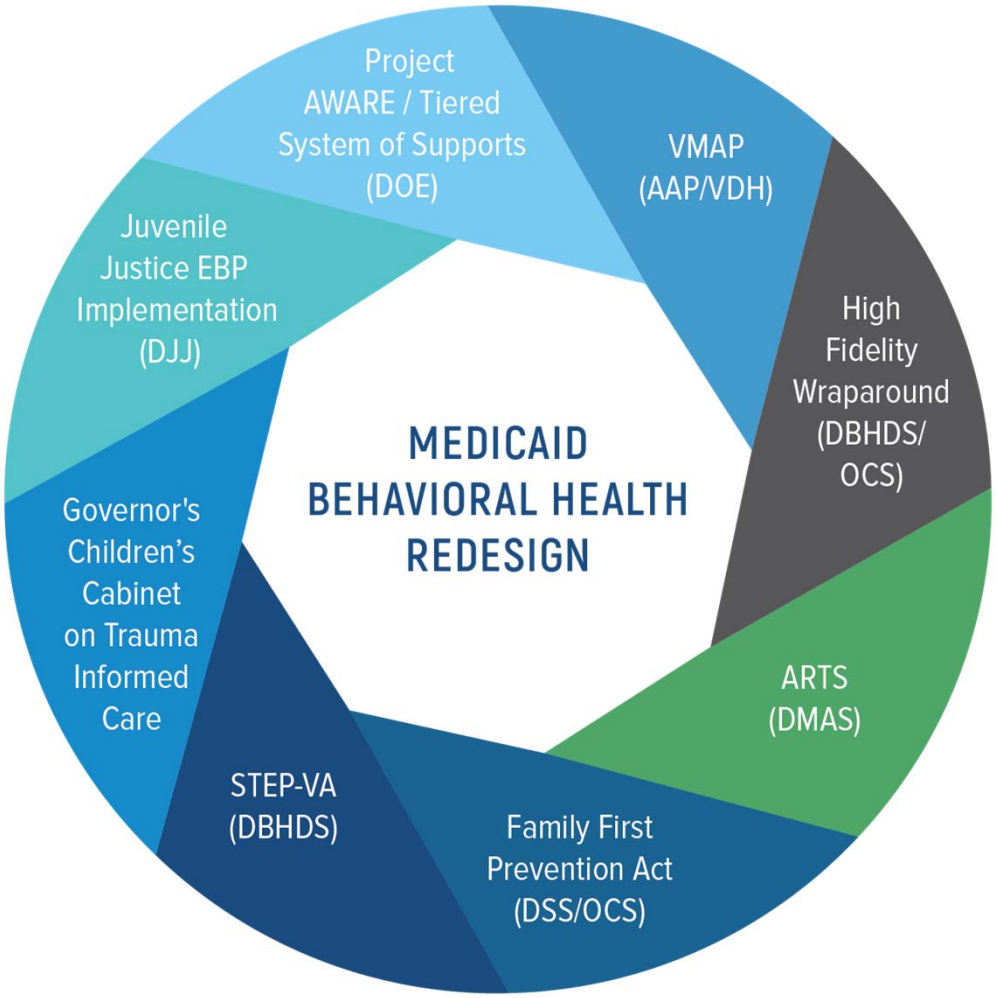
of Medicaid members had either a primary or secondary behavioral health diagnoses

The Vision for Redesign

Develop an evidence-based, trauma-informed, cost-effective continuum of care

- Support and enhance other behavioral health-related initiatives across the Commonwealth and bring them together within a comprehensive, aligned plan. All of these initiatives share the following goals:
  - *Assure effective and efficient use of resources for our Commonwealth's most vulnerable citizens*
  - *Keep Virginians well and thriving in their communities*
  - *Improve behavioral health services and outcomes for members in current and expansion populations*
  - *Meet people's needs in environments where they already seek support such as schools and physical health care settings*
  - *Invest in prevention and early intervention services that promote resiliency and buffer against the effects of adverse childhood experiences*

Redesign Brings Alignment Across BH Efforts



- Redesign helps to better leverage Medicaid dollars to support cross-secretariat priorities and programs

STEP-VA and Redesign

STEP-VA

Working to improve access, consistency and quality across all 40 CSBs

Behavioral Health Redesign

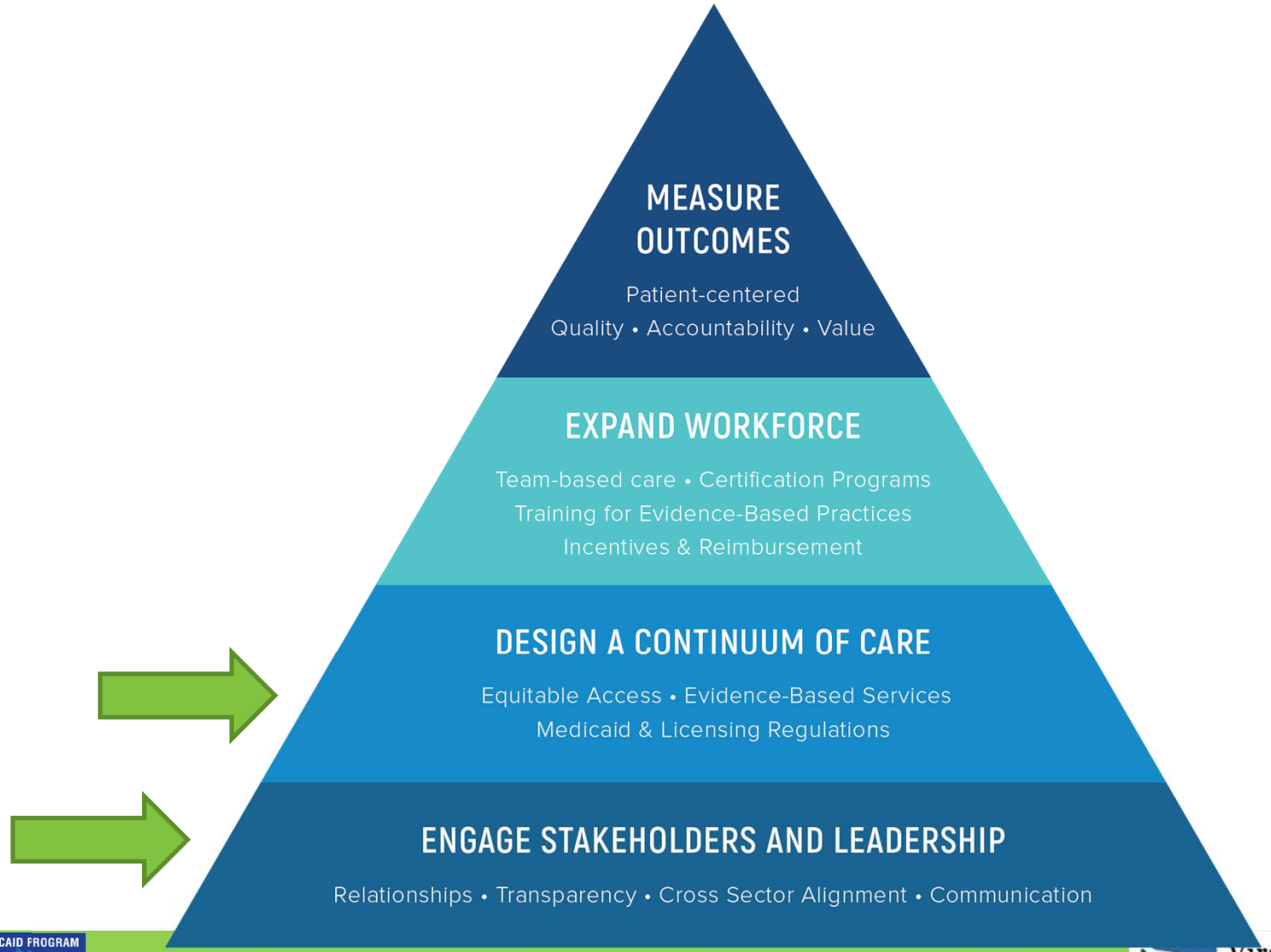
Works to establish comprehensive services, standards, and rates and support workforce development in a across the ENTIRE service system

State Psychiatric Bed Crisis Context for Redesign

Redesign Provides Solutions instead of Band Aids

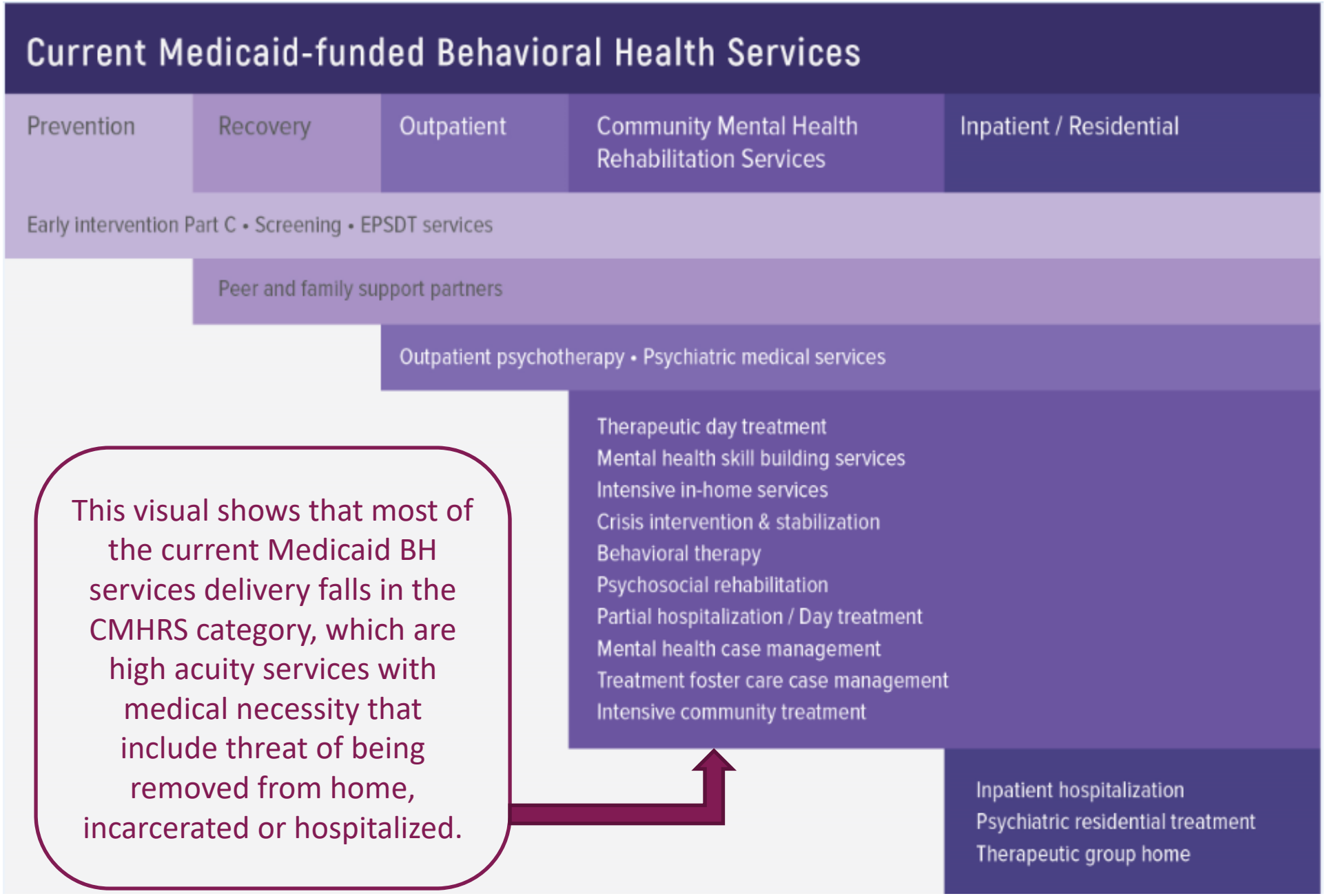
- There has been significant financial investment in state psychiatric facilities to cover workforce, safety, discharge assistance planning funds, architectural & engineering needs, yet state psychiatric facilities continue to be at 95-100% capacity
- Lack of alternative crisis services have contributed to the increasing number of temporary detention orders
- Over **200 people** on extraordinary barriers list who cannot be discharged due to lack of appropriate behavioral health services in the community
- Without Redesign, DBHDS will continue to need large amounts of General Funds that provide temporary band aids
- **Phase 1 of BH Redesign proposes development of step down levels of care from inpatient** such as partial hospitalization, intensive outpatient treatment, and assertive community treatment – services that could meet the needs of individuals on the extraordinary barriers list

Medicaid System Redesign Fundamentals



VIRGINIA'S MEDICAID PROGRAM
DMAS
INNOVATION • QUALITY • VALUE

Virginia Department of Behavioral Health & Developmental Services


Current Medicaid-funded Behavioral Health Services
Prevention
Recovery
Outpatient
Community Mental Health Rehabilitation Services
Inpatient / Residential
Early intervention Part C • Screening • EPSDT services
Peer and family support partners
Outpatient psychotherapy • Psychiatric medical services
Therapeutic day treatment
Mental health skill building services
Intensive in-home services
Crisis intervention & stabilization
Behavioral therapy
Psychosocial rehabilitation
Partial hospitalization / Day treatment
Mental health case management
Treatment foster care case management
Intensive community treatment
Inpatient hospitalization
Psychiatric residential treatment
Therapeutic group home
This visual shows that most of the current Medicaid BH services delivery falls in the CMHRS category, which are high acuity services with medical necessity that include threat of being removed from home, incarcerated or hospitalized.

Continuum of Behavioral Health Services Across the Life Span

Promotion & Prevention	Recovery Services	Outpatient & Integrated Care	Intensive Community Based Support	Intensive Clinic-Facility Based Support	Comprehensive Crisis Services	Group Home & Residential Services	Inpatient Hospitalization

Behavioral Therapy Supports >>>> <<<< Case Management* >>>> <<<< Recovery & Rehabiliation Support Services*

Home visitation • Comprehensive family programs • Early childhood education
Screening & assessment* • Early intervention Part C

Permanent supportive housing • Supported employment • Psychosocial rehabilitation*
Peer and family support services* • Independent living and recovery/resiliency services

Outpatient psychotherapy* • Tiered school-based behavioral health services
Integrated physical & behavioral health* • Psychiatric medical services*

Intermediate/ancillary home-based services • Multisystemic therapy • Functional family therapy
High fidelity wraparound • Intensive community treatment • Assertive community treatment

Intensive outpatient programs • Partial hospitalization programs

Mobile crisis* • Crisis intervention*
Crisis stabilization* • Peer crisis support*

Therapeutic group homes
Psychiatric residential treatment

Psychiatric inpatient hospitalization

Phase 1

INTEGRATED PRINCIPLES/MODALITIES

- Trauma informed care
- Universal prevention / early intervention
- Seamless care transitions
- Telemental health

*Key STEP-VA service alignment

This visual is the comprehensive set of services should Redesign be fully implemented

VIRGINIA'S MEDICAID PROGRAM DMAS INNOVATION • QUALITY • VALUE

Virginia Department of Behavioral Health & Developmental Services

Proposed Phased Implementation

Phase 1
January 2021

Partial Hospitalization Program

Intensive Outpatient Program

Program of Assertive Community Treatment

Comprehensive Crisis Services

Multisystemic Therapy*

Functional Family Therapy*

The top 3 services with the largest expenditures will be fully replaced in later phases:

* Intensive In Home Therapy
** Therapeutic Day Treatment
*** Mental Health Skill Building

Phase 2

Behavioral Therapy

Home Visitation

Comprehensive Family Programs

High Fidelity Wraparound*

Case Management

Phase 3

School Based Behavioral Health Services**

Independent Living and Recovery/Resiliency Services***

Integrated Primary Care/Behavioral Health

Outpatient Psychotherapy

Phase 4

Psychosocial Rehabilitation Services

Intermediate Ancillary Home Based Services*

Intensive Community Treatment

DMAS & DBHDS intend to monitor the implementation impact of phase 1 and make successive <u>requests</u> for more phases based on outcomes achieved and fiscal impact predicted for each phase moving forward.

Why start with these services in Phase 1?

- High quality, high intensity services that may meet the needs for step-down from or alternative to state psychiatric admission
- **Considers services that currently exist and are licensed in Virginia** *BUT* are not covered by Medicaid or the service is not adequately funded through Medicaid therefore limits accessibility
- Considers services that align with STEP-VA (Crisis services)
- Demonstrated cost-efficiency and value demonstrated in other states

Partial Hospitalization Program (PHP)
Intensive Outpatient Program (IOP)
Program of Assertive Community Treatment (PACT)
Comprehensive Crisis Services
Multisystemic Therapy (MST)
Functional Family Therapy (FFT)

PHP and IOP for mental health are not covered by Medicaid

PACT

- Largely available in the CSB system but needs exceed availability of the service
- Needs a more robust rate to allow for:
  - Expansion of service
  - Adherence to evidence-based model

MST and FFT are not covered by Medicaid

- Only accessible for DJJ / CSA referral
- Have been identified as an EBP for Families First Implementation

1115 Serious Mental Illness Waiver Opportunity

- *Redesign will support this application*
  - Allows states to draw down federal Medicaid matching $ for psychiatric inpatient and residential facilities with greater than 16 beds
  - DMAS already has 1115 ARTS waiver for SUD residential and inpatient treatment - would expand to SMI diagnoses
  - Would infuse new federal $ to pay for an adult psychiatric residential treatment benefit creating new capacity and alternatives to TDOs
  - Could result in GF savings - **state psychiatric hospitals could bill Medicaid (at 90% federal match/10% provider assessment for expansion and 50/50 for traditional) instead of using 100% GF dollars**

DMAS must first implement behavioral health redesign to demonstrate comprehensive community-based mental health continuum available before CMS will consider waiver application (similar to ARTS)

The Future for the Commonwealth:

- *A comprehensive spectrum of behavioral health services*
  - **Build upon existing statewide behavioral health transformative initiatives** and create sustainability and expansion for evidence based services
  - **Integration of trauma-informed care principles** across the continuum to empower individuals to build resiliency and overcome the impact of adverse experiences so that they can lead meaningful, productive lives in our communities
  - **Develop a robust children's behavioral health system** to address prevention and early intervention of mental health problems to allow each child the chance to reach their full developmental potential