

Agenda

Department of Medical Assistance Services (DMAS)

July 21, 2021

10:00AM – 12:00PM

Virtual:

<https://covaconf.webex.com/covaconf/j.php?MTID=m1014d633b81747cb8bd41cf7bb84015d>

Meeting number: 161 050 7198

Password: ppDjaiPn822

Join by phone:

+1-517-466-2023 US Toll, +1-866-692-4530 US Toll Free

Access code: 161 050 7198

- **Opening Remarks** (10 Minutes)
 - Ellen Montz, Chief Deputy
 - Chris Gordon, Deputy for Finance & Technology

- **Expenditure Review** (20 Minutes)
 - Tanyea Darrisaw, Director, Budget
 - Rob Chapman, Chief Economist

- **Bringing Expenditures in Line with Resources** (10 Minutes)
 - Tanyea Darrisaw, Director, Budget
 - Rob Chapman, Chief Economist

- **Changes in Managed Care Programs or Contracts with MCOs** (10 Minutes)
 - Cheryl Roberts, Deputy of Programs & Operations
 - Tammy Whitlock, Deputy of Complex Care

- **Utilization and Other Trends in Managed Care Programs** (20 Minutes)
 - Ellen Montz, Chief Deputy

- **Questions & Closing Remarks** (40 Minutes)

Reasonable accommodations for this presentation will be provided upon request for persons with disabilities, and limited English proficiency. Please notify the DMAS Civil Rights Coordinator at (804) 482-7269, or at civilrightscoordinator@dmas.virginia.gov, at least five (5) business days prior to the meeting to make arrangements.



MEDICAID EXPENDITURES

EXTERNAL FINANCIAL REVIEW COUNCIL

JULY 21, 2021

Tanyea Darrisaw, Budget Director
Rob Chapman, Chief Economist

Agenda

1. 2021 State Fiscal Year End Close

- Preliminary comparison of Medicaid forecast: actual expenditures

2. Fluctuation Analysis

- +/- 10% variance and drivers

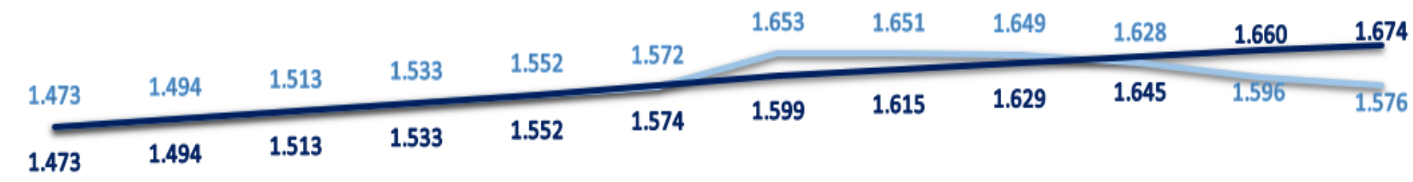
3. Year-over-year Forecast Fund Comparison

- FY2021 vs FY2020

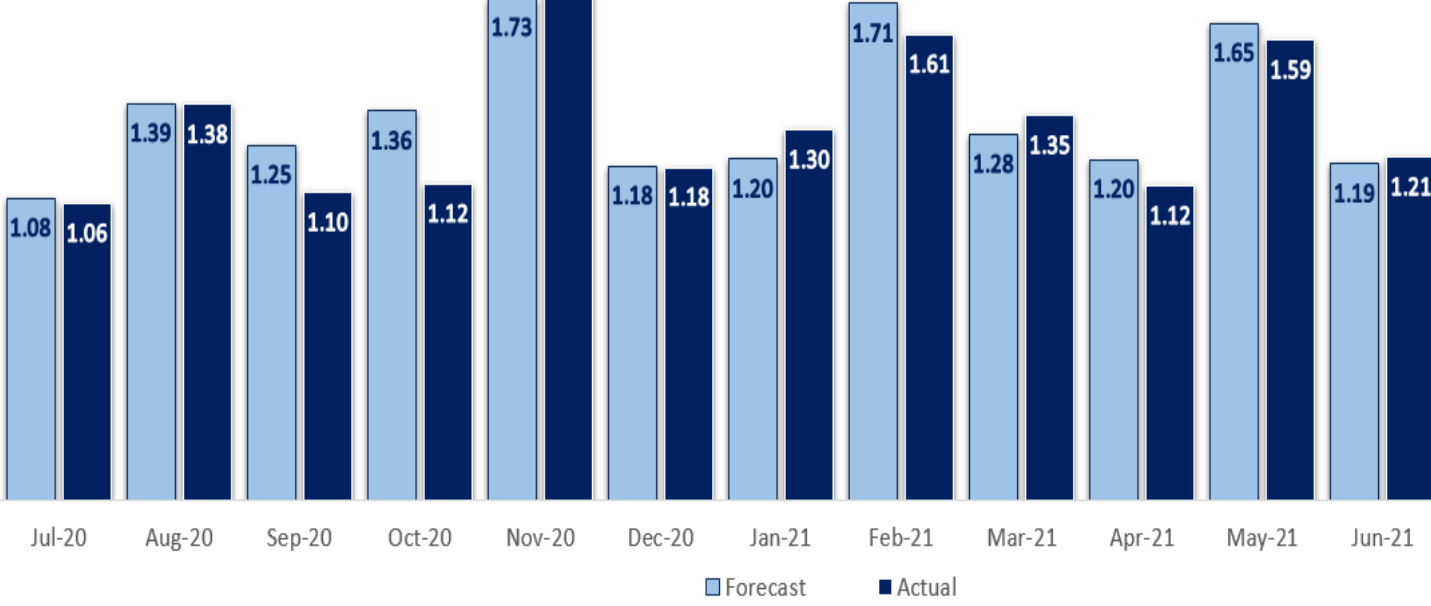
DMAS Forecast vs. Actuals – State Fiscal Year 2021

TOTAL Medicaid

Total Medicaid Enrollment
millions



Total Medicaid Expenditures
\$billions



June 2021



Enrollment

Forecast: 1,575,918
Actual: 1,673,723



Expenditure

Forecast: \$1,189,087,954
Actual: \$1,210,746,970

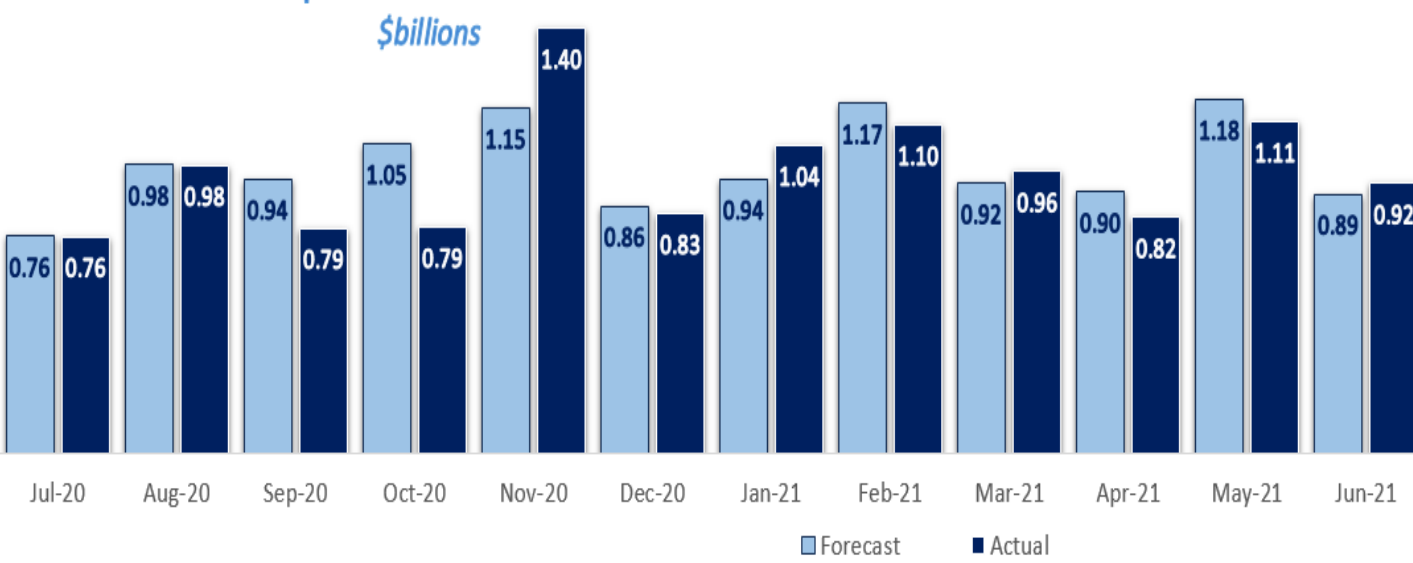
DMAS Forecast vs. Actuals – State Fiscal Year 2021

Base Medicaid

Base Medicaid Enrollment



Base Medicaid Expenditures



June 2021



Enrollment

Forecast: 1,073,446
Actual: 1,118,500

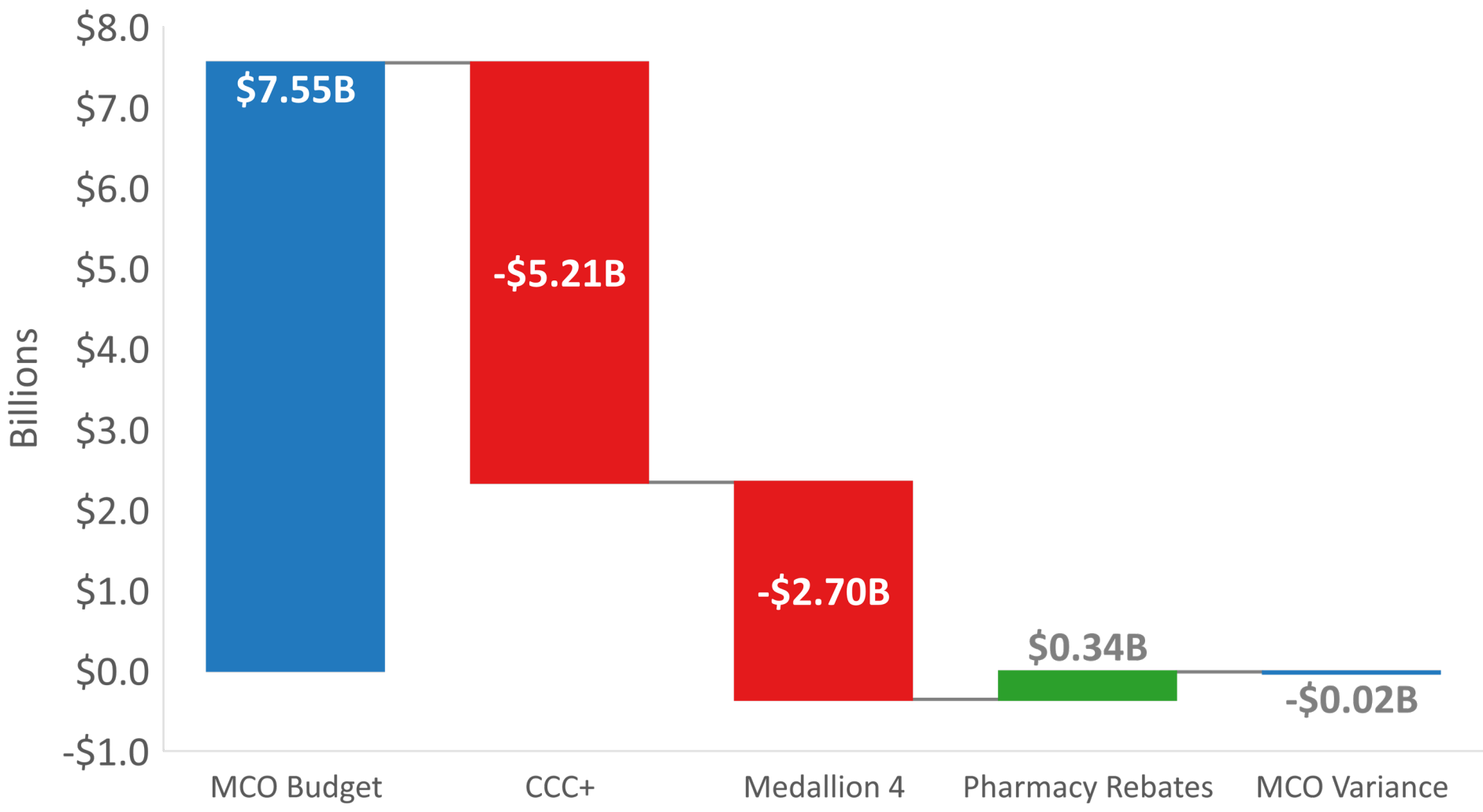


Expenditure

Forecast: \$891,945,958
Actual: \$923,792,655

Base Medicaid: MCO

FY21 MCO Budget-to-Actuals



MCO YOY Trends – FY20 profit ratio

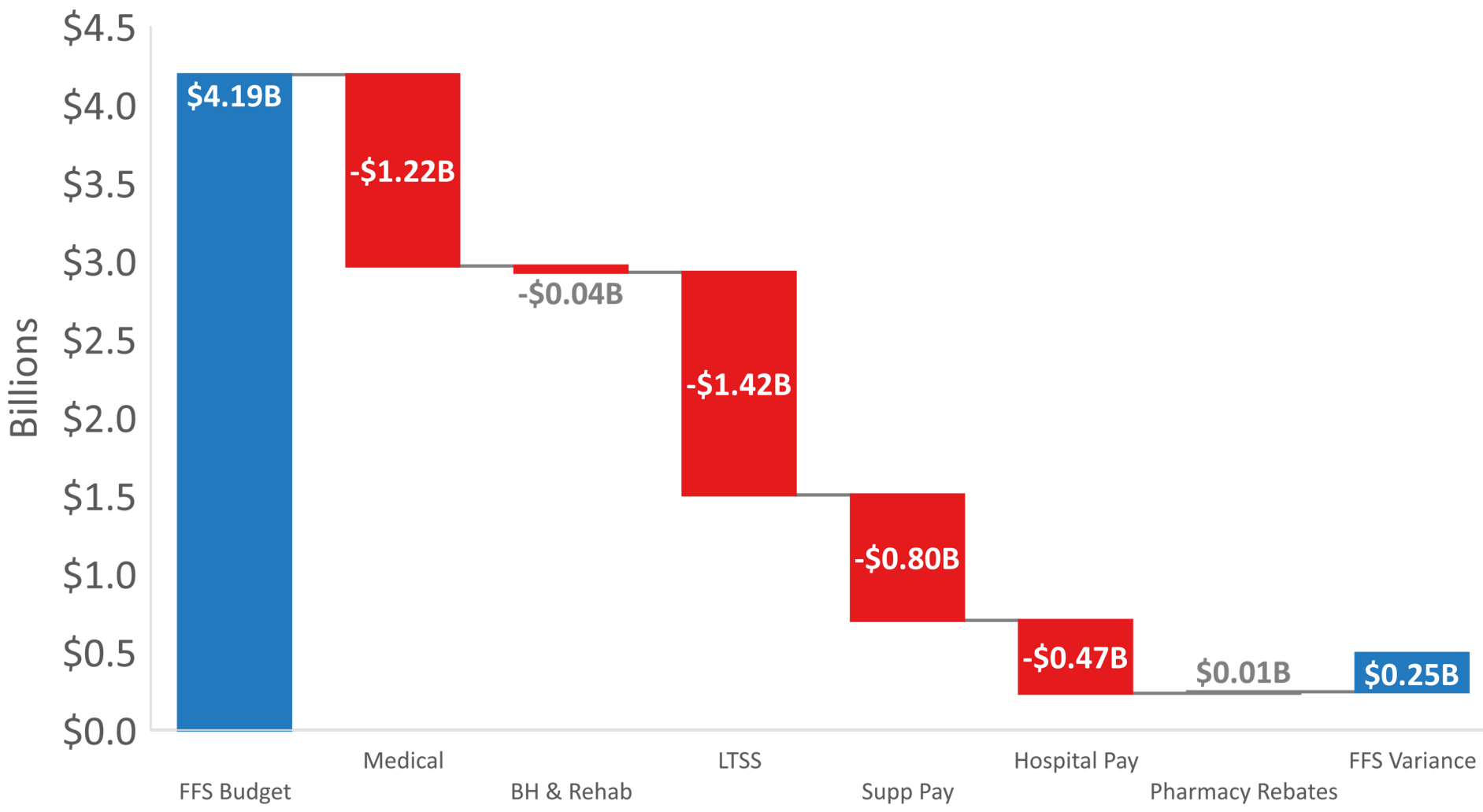
Base Medicaid

2020 Profit Ratio					
AETNA	ANTHEM	MAGELLAN	OPTIMA	UNITED	VAPREMIER
3.88%	7.08%	4.47%	2.50%	6.60%	5.28%



Base Medicaid: FFS

FY21 FFS Budget-to-Actuals



DMAS Forecast vs. Actuals – State Fiscal Year 2021

Medicaid Expansion

Medicaid Expansion Enrollment

millions



Medicaid Expansion Expenditures

\$billions



June 2021



Enrollment

Forecast: 502,472
Actual: 555,223

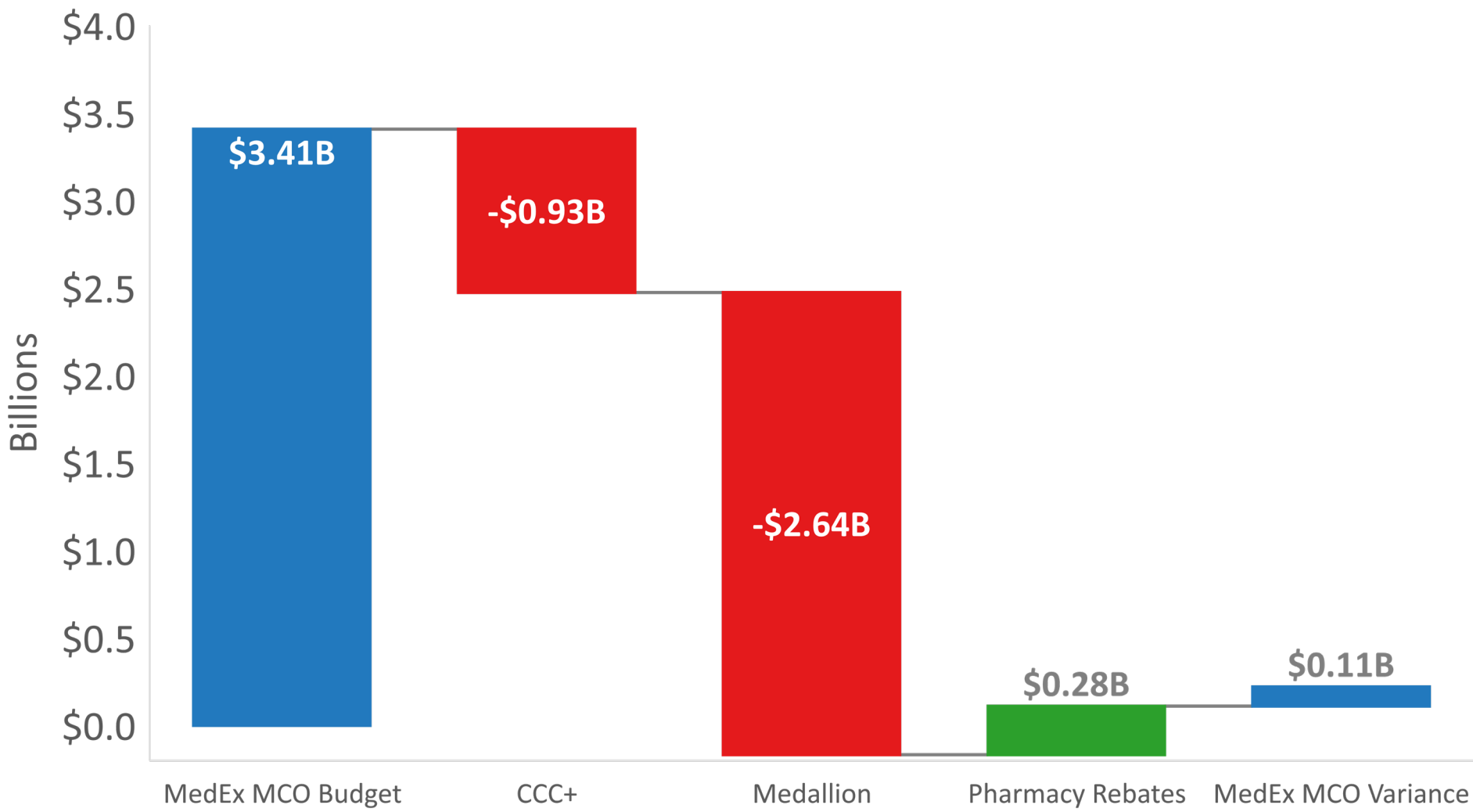


Expenditure

Forecast: \$297,141,997
Actual: \$286,954,315

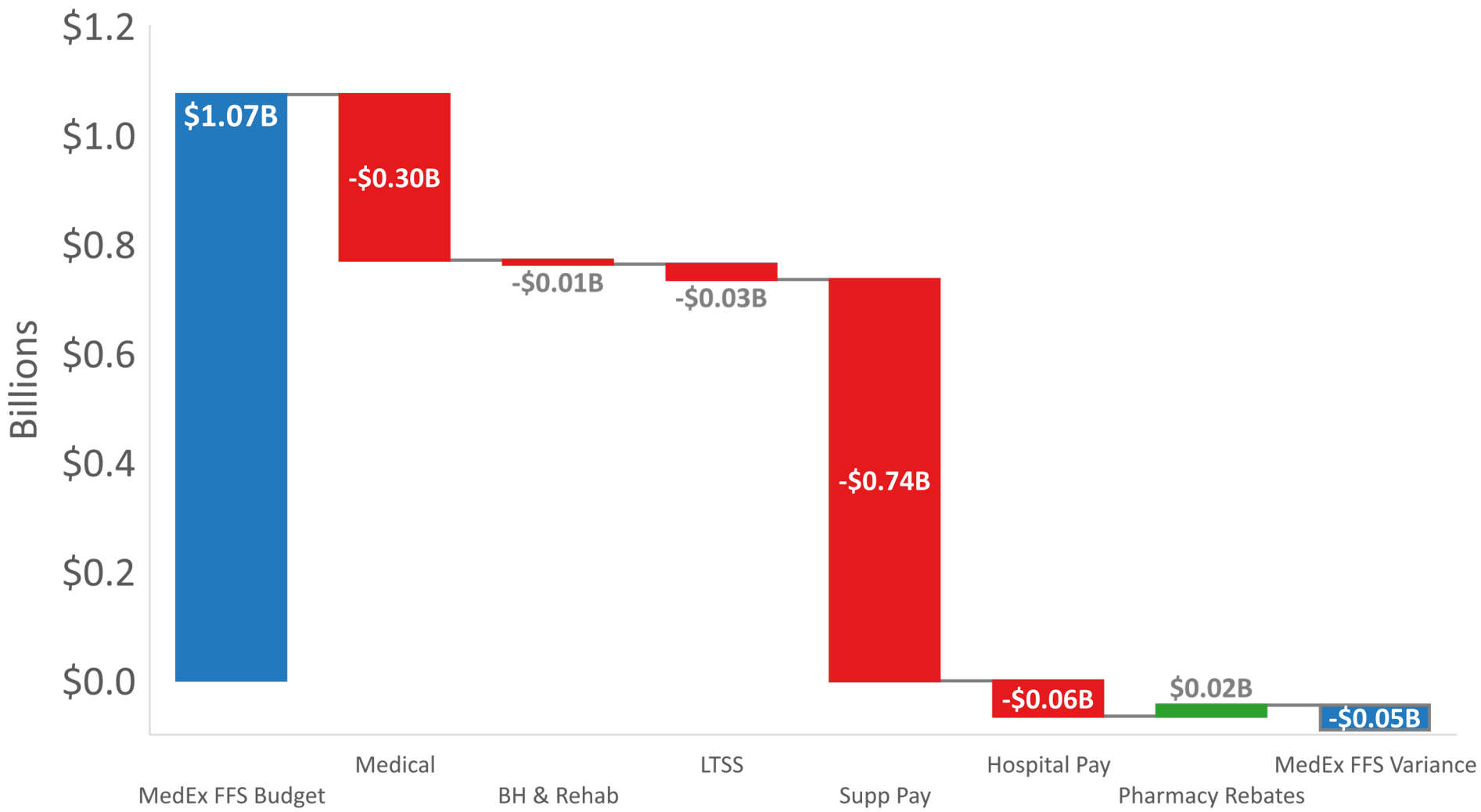
Medicaid Expansion: MCO

FY21 MedEx MCO Budget-to-Actuals



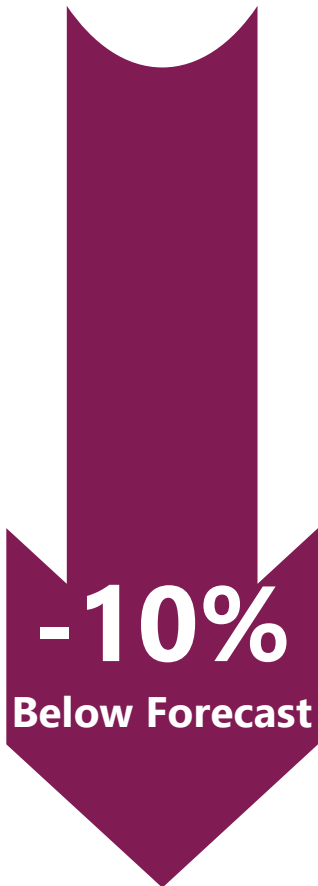
Medicaid Expansion: FFS

FY21 MedEx FFS Budget-to-Actuals



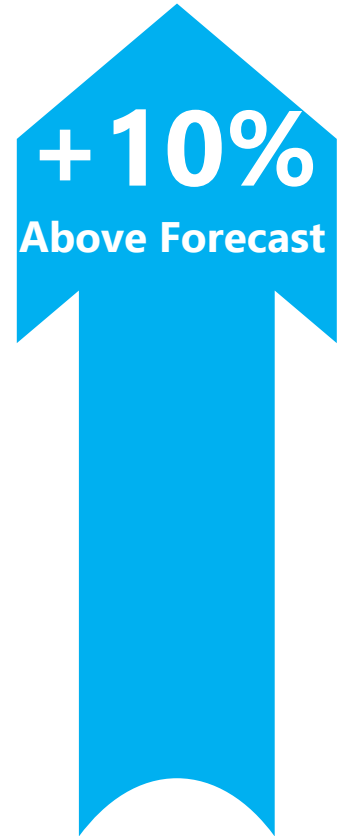
Medicaid Accuracy Report – Preliminary June 2021

Fluctuation Analysis: Base Medicaid



- **MH Case Management and MH Residential Services, Nursing Facility, Inpatient & Outpatient Hospital, All Other**
- **FFS Rx Rebates (*Current Year*)**
- **Hospital Payments**

- **Clinic Services**
- **Transportation**



Medicaid Accuracy Report – Preliminary June 2021

Fluctuation Analysis: Medicaid Expansion

- Hospital Payments
- Pharmacy (*Point of Sale*)
- FFS Rx Rebates (*Current Year*)
- Clinic Services, Behavioral Health & Rehabilitative Services
- MCO Pharmacy Rebates (*Current Year*)
- Supplemental Rate Assessment Payments
- Transportation

-10%

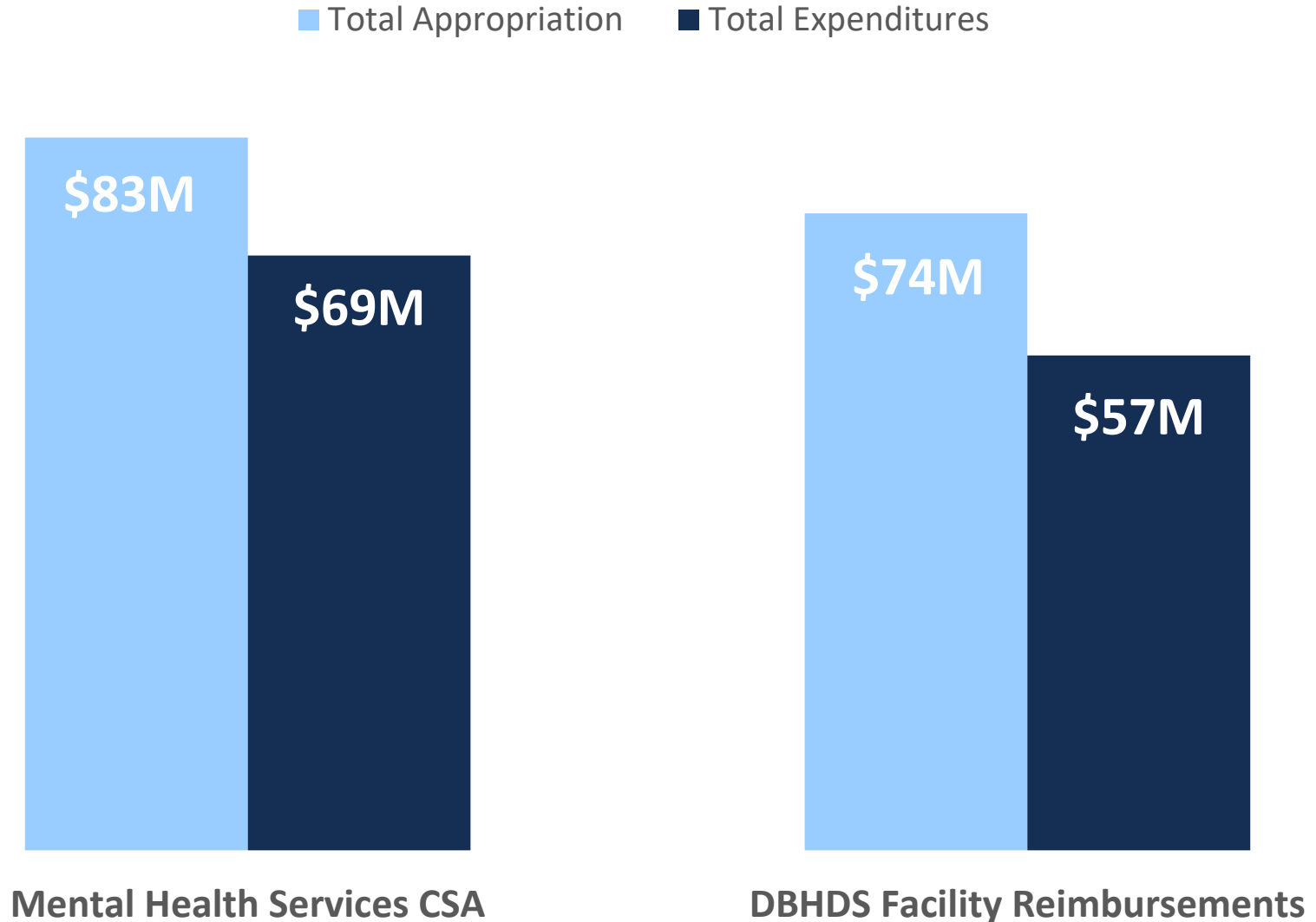
Below Forecast

+10%

Above Forecast

Medicaid Accuracy Report – Preliminary June 2021

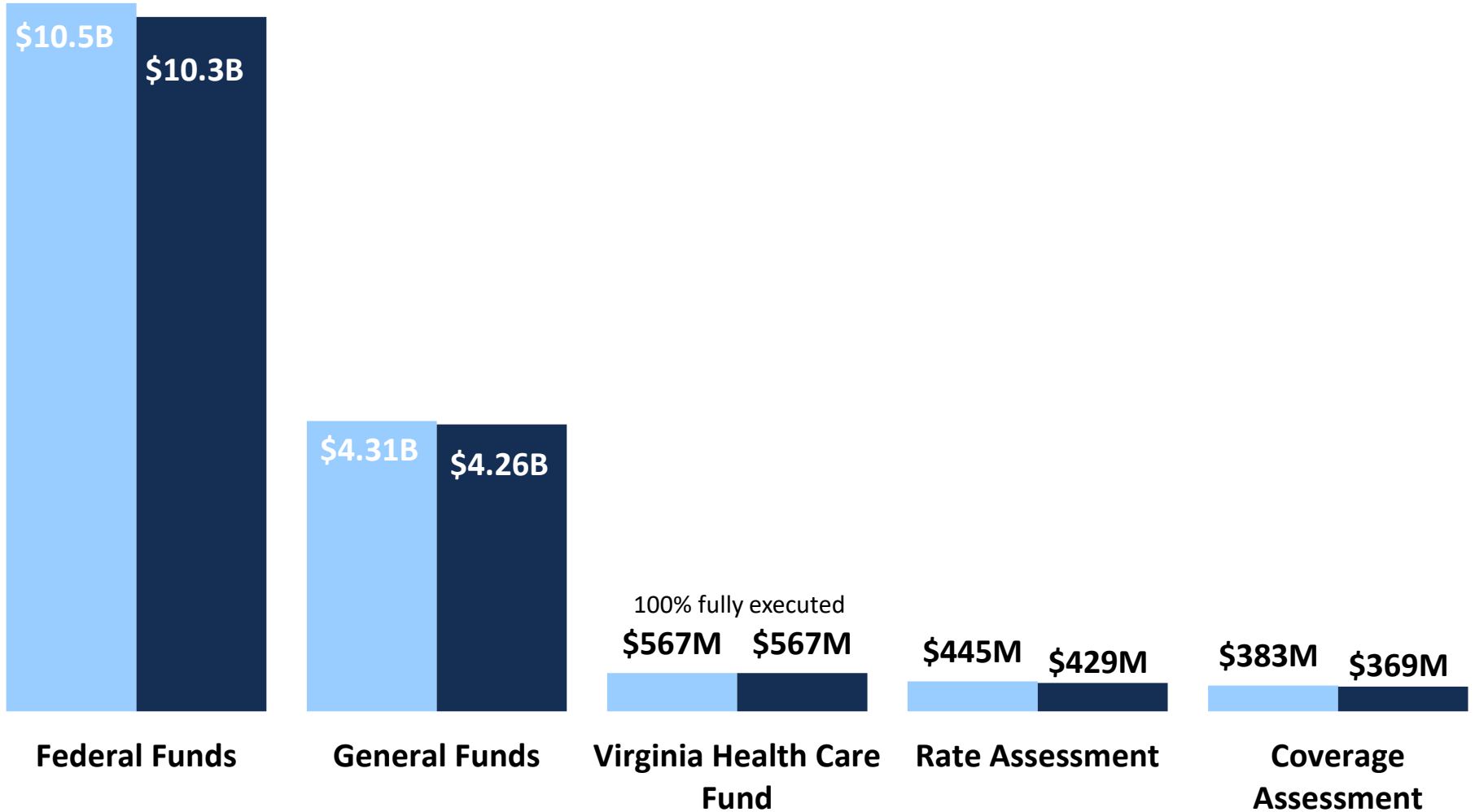
Other Medicaid Services Not Included in Official Forecast



Medicaid Accuracy Report – Preliminary June 2021

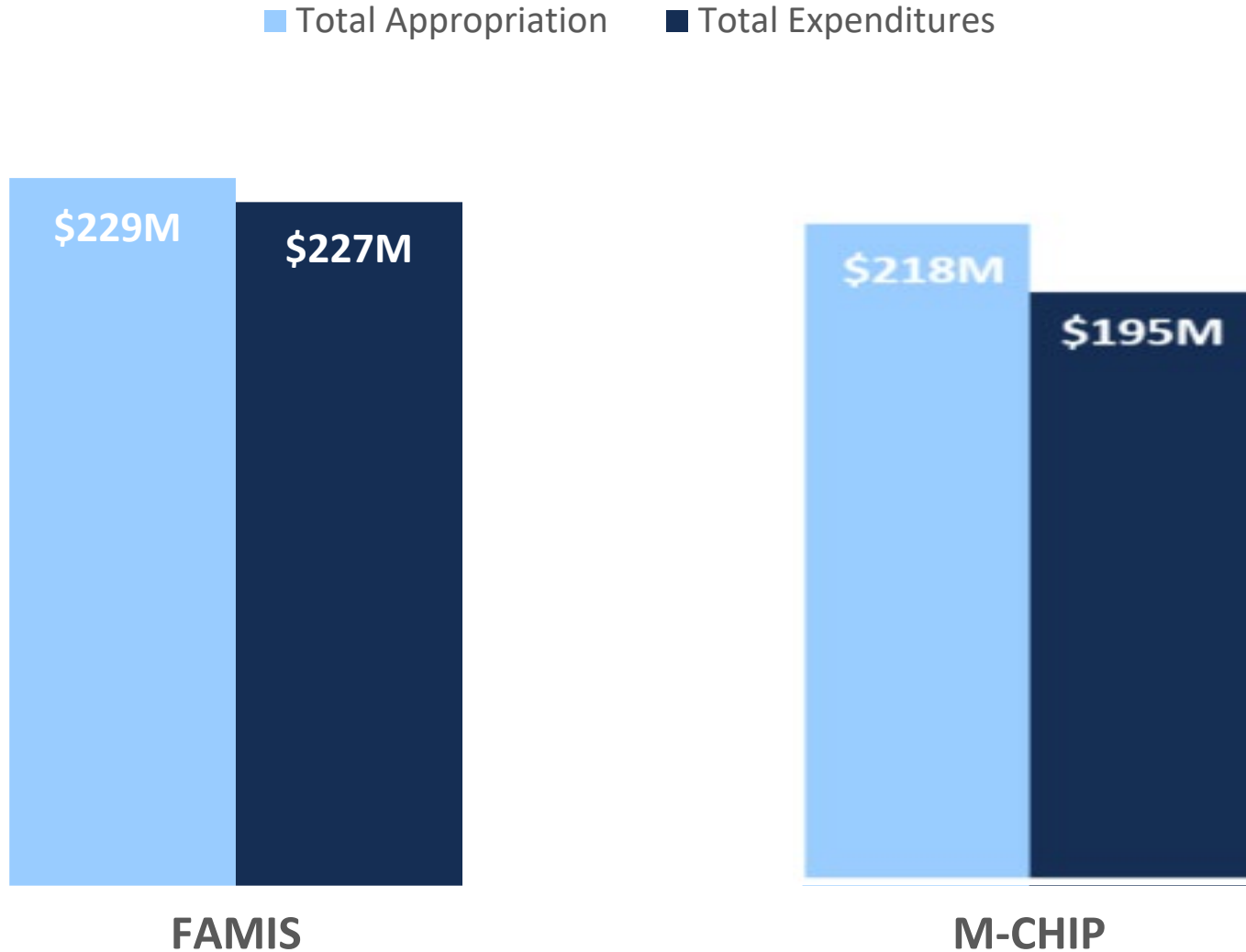
TOTAL by Fund

■ Total Appropriation ■ Total Expenditures



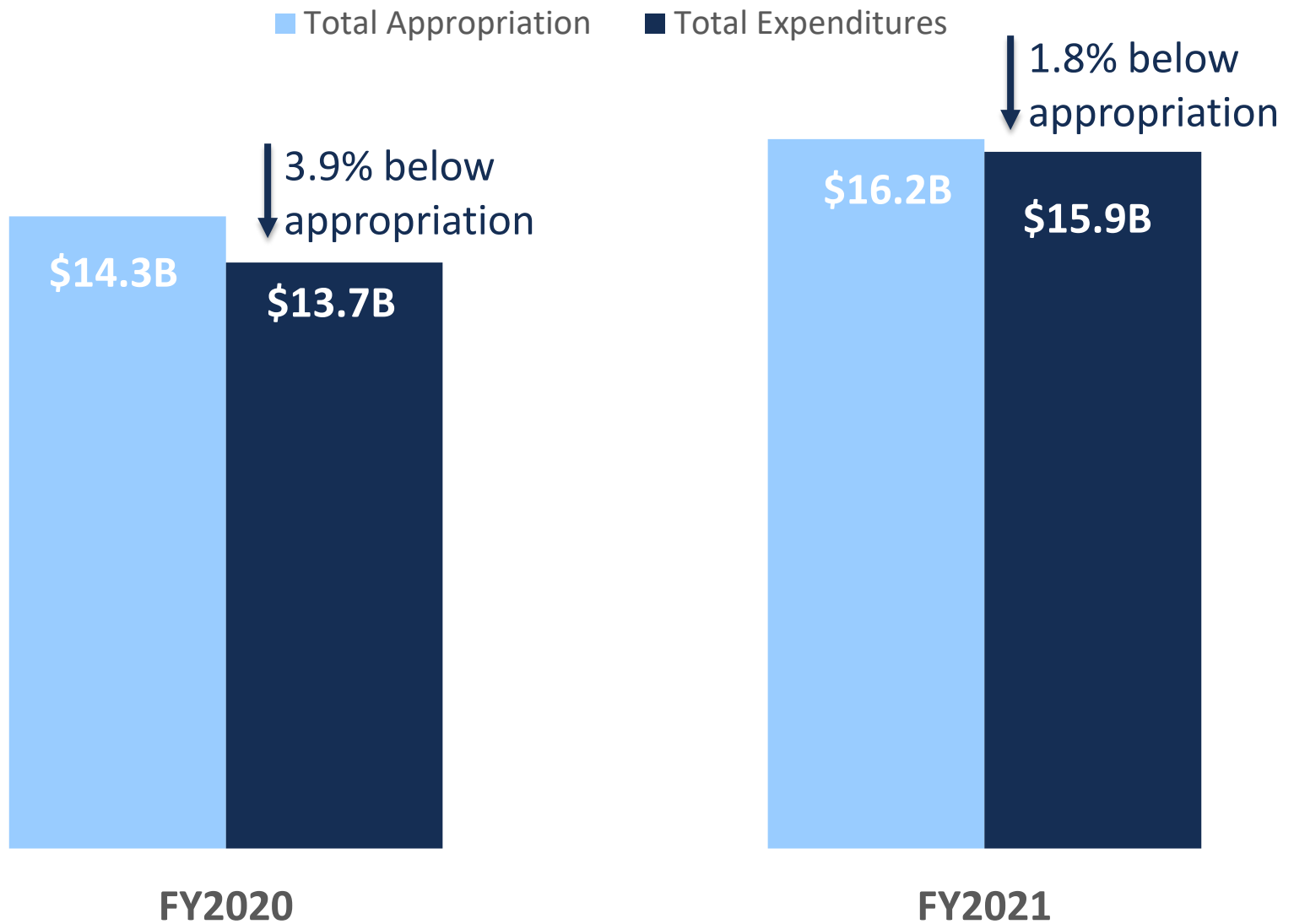
CHIP Forecast vs. Expenditure Review

Preliminary June 2021



Medicaid Accuracy Report

YOY Comparison



Key Takeaways



FY21 Year End Appropriation: Actual

<1.8% below appropriation



Virginia Health Care Fund

100% fully executed, remaining balance \neq appropriation



22GA Forecast Development

“Big” forecast for Biennium

MANAGED CARE CONTRACT AND PROGRAM UPDATES AND CHANGES EFFECTIVE 7/1/2021

Managed Care Contract Changes

- Managed Care Contract changes were made based on the Governor and General Assembly (GA) directives, program clarifications and operation changes.
- All revisions are considered to have no fiscal impact unless funding was explicitly provided in the budget process.
- Contract language was reviewed and approved by:
 - MCOs,
 - DMAS Leadership,
 - Office of the Attorney General, and
 - Dept. of Planning and Budget.
- Contracts and rates pages were signed by MCOs and Director Kimsey and sent to CMS

Contract Changes from Governor and General Assembly

Budget Actions:

- **Center for Medicaid and Medicare Services (CMS) Regulatory Clarifications – final rules clarifications**
- **Behavioral Health Enhancement (Project BRAVO)*** – Adds three new behavioral health services.
- **Smoking Cessation** – Adds coverage for all remaining adult Medicaid members.
- **Sick Leave** - Adds sick leave pay for consumer-directed personal care, respite and companion care providers effective.
- **Doula Services** – Adds group of prenatal and postpartum services provided by licensed doulas. **Going live spring of 2022.**
- **Telehealth/Telemedicine** – Revised and clarified telehealth/telemedicine services to reflect program changes and GA directives.

Contract Changes from Governor and General Assembly

Budget Actions:

- **Unborn Child Benefit (FAMIS)** - Coverage for expectant mothers regardless of citizenship status, up to 60 days postpartum.
- **Durable Medical Equipment (DME) Provider Reimbursement**
- Sets MCO reimbursement for DME services to minimum of 90% of the FFS rate.
- **Payment for Covid-19 Vaccine Administration** – Updated language to reflect DMAS payments to MCOs for administration of the Covid-19 vaccine.
- **12 Month Contraceptives**
- **Adult Dental*** - New benefit through DBA and MCOs must cover transportation to services.
- **Mental Health Provider Terminations Reporting** - MCO reporting requirements related to mental health providers

Clarifications and Contract Alignment:

- **Provider Enrollment into Medicaid** - Operational requirements for new PRSS module to include CURES Act compliance.
- **Model Of Care Member Risk Stratification** – Clarification of requirements (CCC Plus Only).
- **Care Review Management System (CRMS)** - Operational requirements for implementation.
- **CCC Plus and M4 contract Alignment** - Telemedicine/telehealth, dental, some of compliance, and mental health parity sections aligned.
- **Pharmacy and Contracting Program** - Ensuring MCOs maintain separate programs.

A Healthy Body Starts With A Healthy Mouth

IMPACTS BEYOND THE MOUTH

Growing evidence connects a healthy mouth with a healthy body. Here are some examples showing why oral health is about much more than a smile:

High Blood Pressure

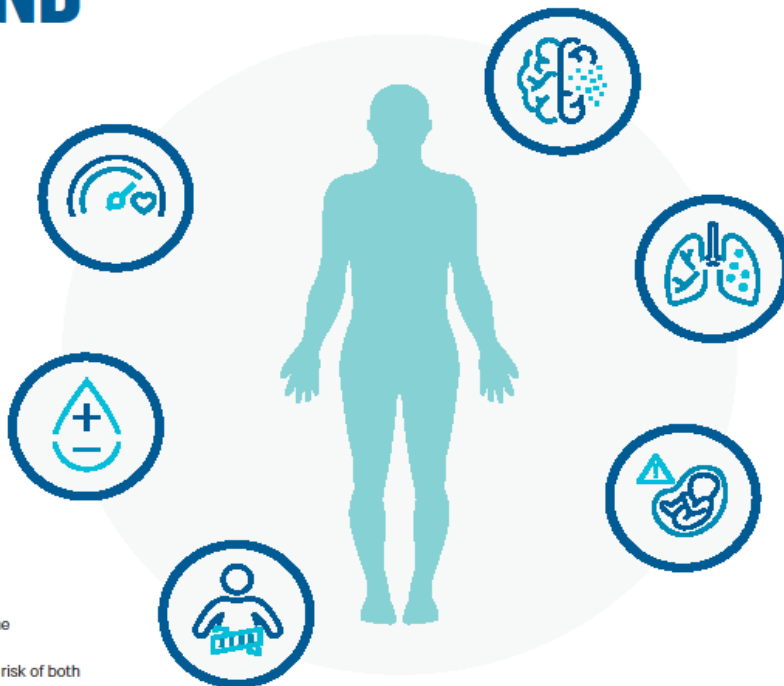
- Putting off dental care during early adulthood is linked to an increased risk of having high blood pressure.¹
- Patients with gum disease are less likely to keep their blood pressure under control with medication than are those with good oral health.²

Diabetes

- Untreated gum disease makes it harder for people with diabetes to manage their blood glucose levels.³
- Diabetes raises the risk of developing gum disease by 86%.⁴

Obesity

- Brushing teeth no more than once per day was linked with the development of obesity.⁵
- Frequent consumption of sugar-sweetened drinks raises the risk of both obesity⁶ and tooth decay among children⁷ and adults.⁸



Dementia

- Having 10 years of chronic gum disease (periodontitis) was associated with a higher risk of developing Alzheimer's disease.⁹
- Researchers report that uncontrolled periodontal disease "could trigger or exacerbate" the neuroinflammatory phenomenon seen in Alzheimer's disease.¹⁰

Respiratory Health

- Research shows that improving oral hygiene among medically fragile seniors can reduce the death rate from aspiration pneumonia.¹¹
- Patients with ventilator-associated pneumonia (VAP) who engaged in regular toothbrushing spent significantly less time on mechanical ventilation than other VAP patients.¹²
- Improving veterans' oral hygiene reduced the incidence of hospital-acquired pneumonia (HAP) by 92%, preventing about 136 HAP cases and saving 24 lives.¹³

Adverse Birth Outcomes

- Gum disease among pregnant women is associated with preterm births, low birthweight babies and preeclampsia, a pregnancy complication that can cause organ damage and can be fatal.¹⁴

DentaQuest.
Partnership
for Oral Health Advancement.

SOURCES

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SUGGESTED CITATION:

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NEW Adult Dental Services – Overview

Covers 750,000 adults

- Services began July 1, 2021
- New Benefit package was designed that supports preventive, maintenance and restorative services
- Worked with Dental Advisory Group, Health Catalyst, Virginia Dental Association and subgroups on program
- Denta Quest is ready and was reviewed by independent audit
- Extensive provider recruitment efforts included targeted populations
- Strong communication plan including Governor letter, member mailings and press coverage .
- Well received by members
- Challenges :
 - Budgeted Forecast amount
 - Recruitment as it relates to Rate Insufficiency

Adult Dental 2021- Benefit Coverage Chart

Specialty Area	Description	Services Covered	Limitations
Diagnostic and Preventive Care	Services that are used to detect and recognize caries and periodontal disease. Up to three routine cleanings may be permissible	Exams, Routine cleanings, X-rays	<ul style="list-style-type: none"> Non routine X-rays such as imaging and cone beam technology would require prior authorization
Restorative Care	Specialty allows dentists to restore teeth to proper function	Fillings and crowns	<ul style="list-style-type: none"> Crowns are covered when a root canal is done while member is under the adult dental program Bridges
Endodontics	Specialty allows dentists to perform root canals on teeth that have sound below the gum structure (root) yet the above gum structure is compromised (decay or trauma)	Root canals Pulpal Debridement	<ul style="list-style-type: none"> Endodontic retreatment and surgical procedures that have a questionable success rate
Periodontics	Specialty focuses on keeping gums and the bone below the gums healthy.	Scaling and Root Planing Gingivectomies Periodontal maintenance procedures	<ul style="list-style-type: none"> Periodontal flap procedures, crown lengthening procedures, bone replacement grafts
Dentures and Partials	Specialty focuses on replacing teeth with removal appliances	Dentures, Partials, and Repair procedures	<ul style="list-style-type: none"> Partials are covered as a part of a definitive treatment plan
Oral Surgery	Specialty routinely extracts teeth and performs extractions requiring surgical methods such as removing bone	Extractions Alveoplasty	<ul style="list-style-type: none"> Non-tooth extraction procedures Surgery necessitated by trauma Implants
Adjunctive General Services	This area while not a specialty is important in that it allows coding for anesthesia services and many other dental procedures not listed elsewhere.	Anesthesia Services	<ul style="list-style-type: none"> Non anesthesia services may require prior authorization

Behavioral Health Redesign for Access, Value and Outcomes

Vision

Implement fully-integrated behavioral health services that provide a full continuum of care to Medicaid members. This comprehensive system will focus on access to services that are:



High Quality

Quality care from quality providers in community settings such as home, schools and primary care



Evidence-Based

Proven practices that are preventive and offered in the least restrictive environment



Trauma-Informed

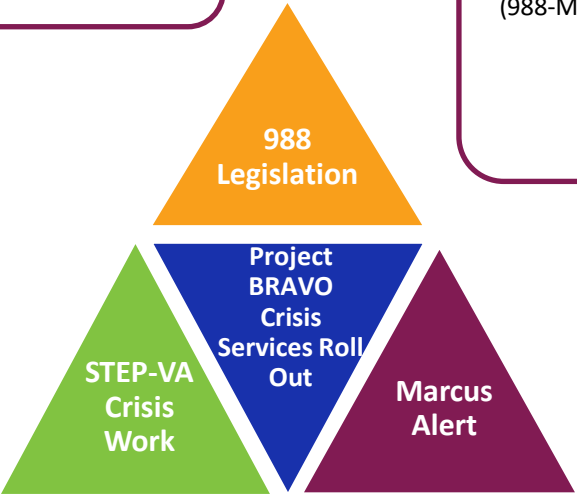
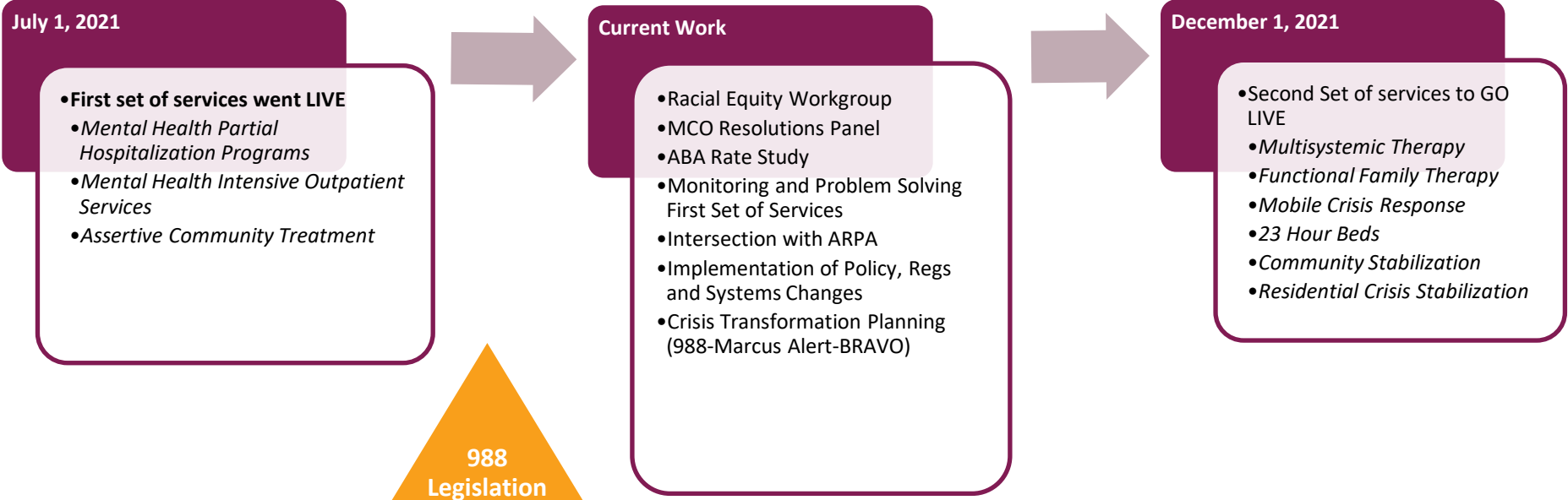
Better outcomes from best-practice services that acknowledge and address the impact of trauma for individuals



Cost-Effective

Encourages use of services and delivery mechanism that have been shown to reduce cost of care for system

BRAVO TIMELINE & STATUS



	Fiscal Year 21-22		
	Initial Budget Projection	Reduction Due to Timeline	Final Budget Allocation
General Fund	\$10,273,553	-\$10,062,988	\$210,565
Non-General Funds	\$14,070,322	-\$38,332	\$14,031,990
TOTAL FUNDS	\$24,343,875	-\$10,024,656	\$14,242,555

Questions?



UTILIZATION TRENDS IN MANAGED CARE

July 21, 2021

Ellen Montz, PhD

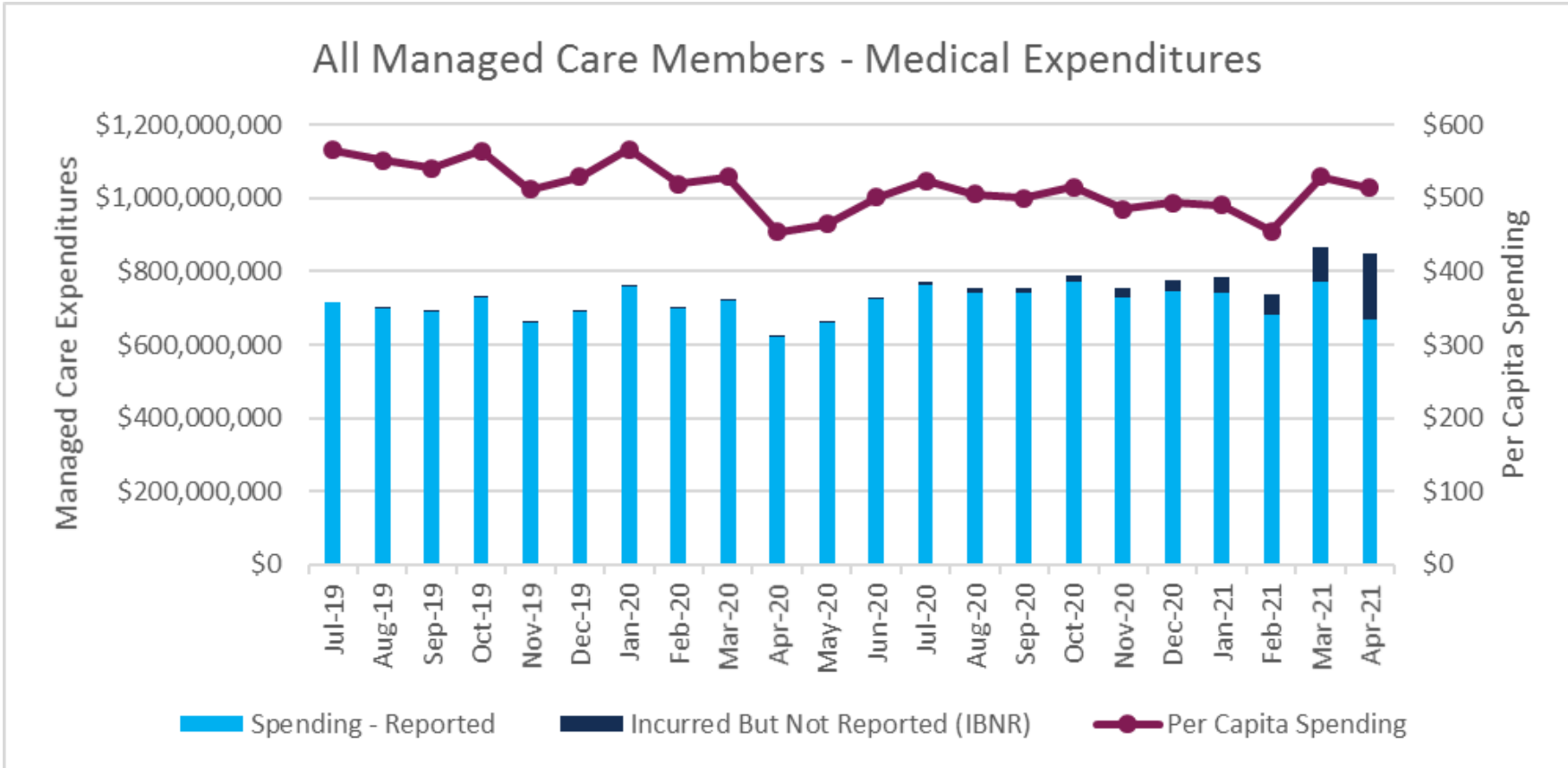
Chief Deputy

Chief Health Economist

Department of Medical Assistance

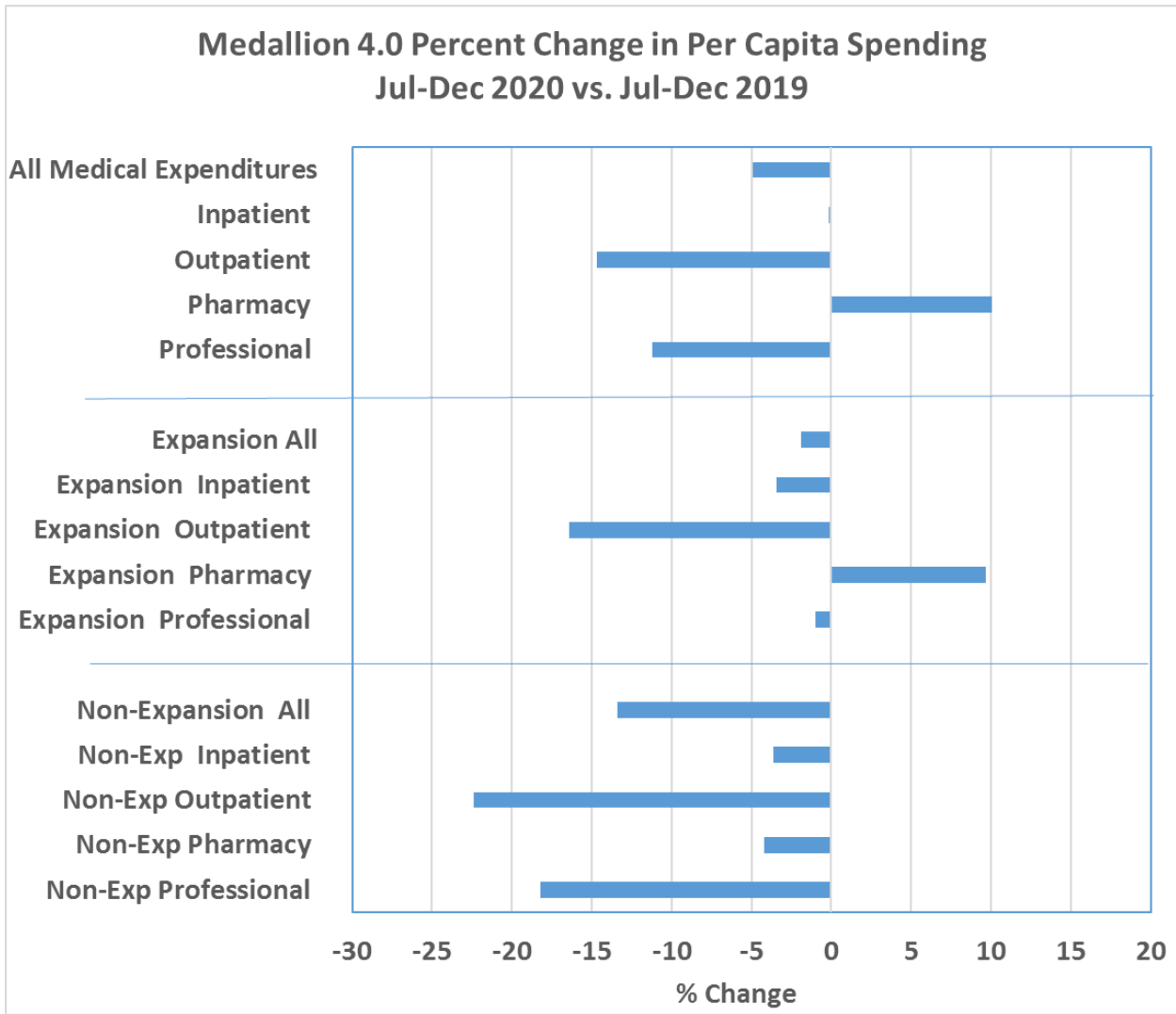
Services

Managed Care Medical Expenditures

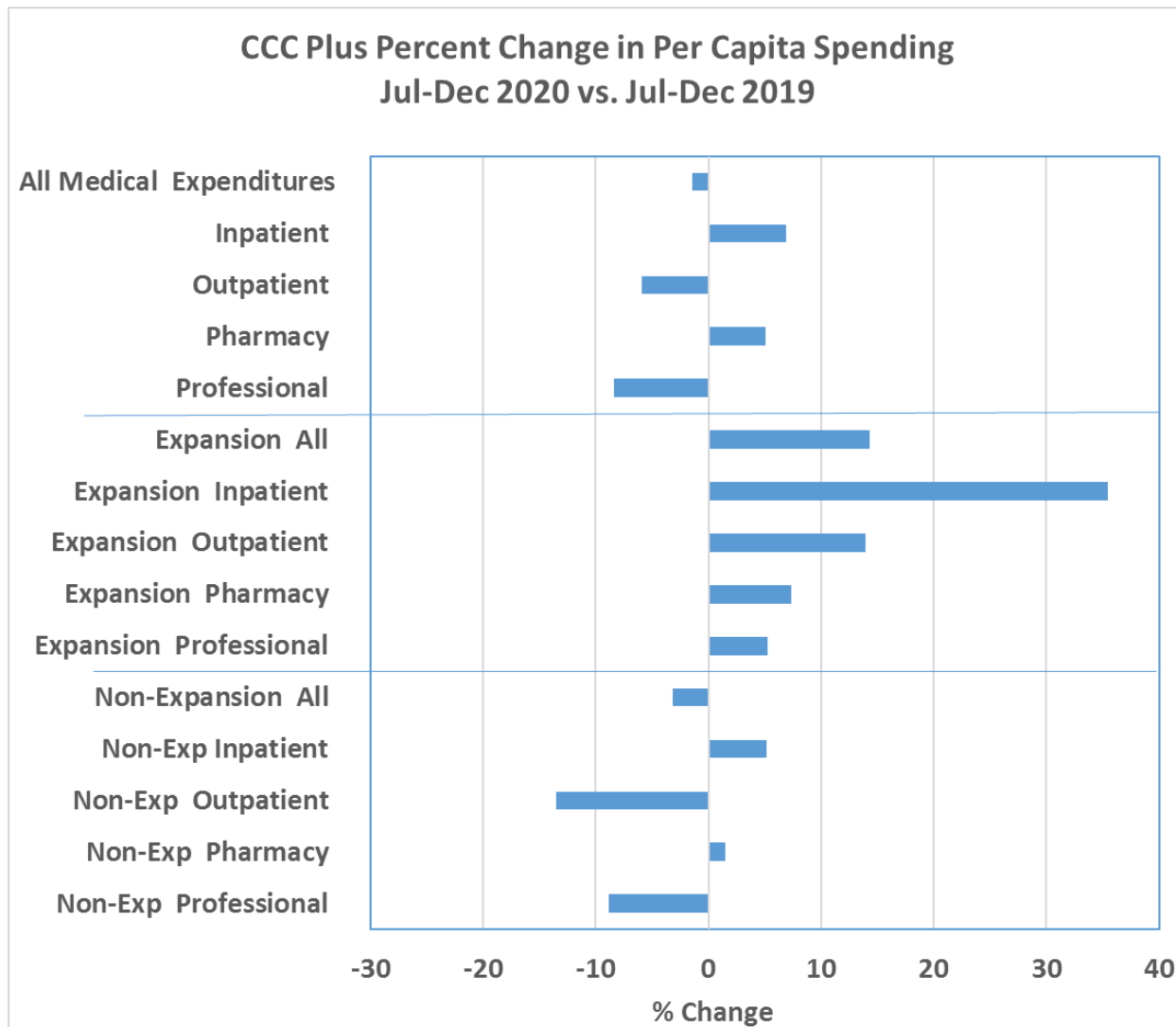


Note: INBR refers to estimated "incurred but not reported" expenditures as of May 2021

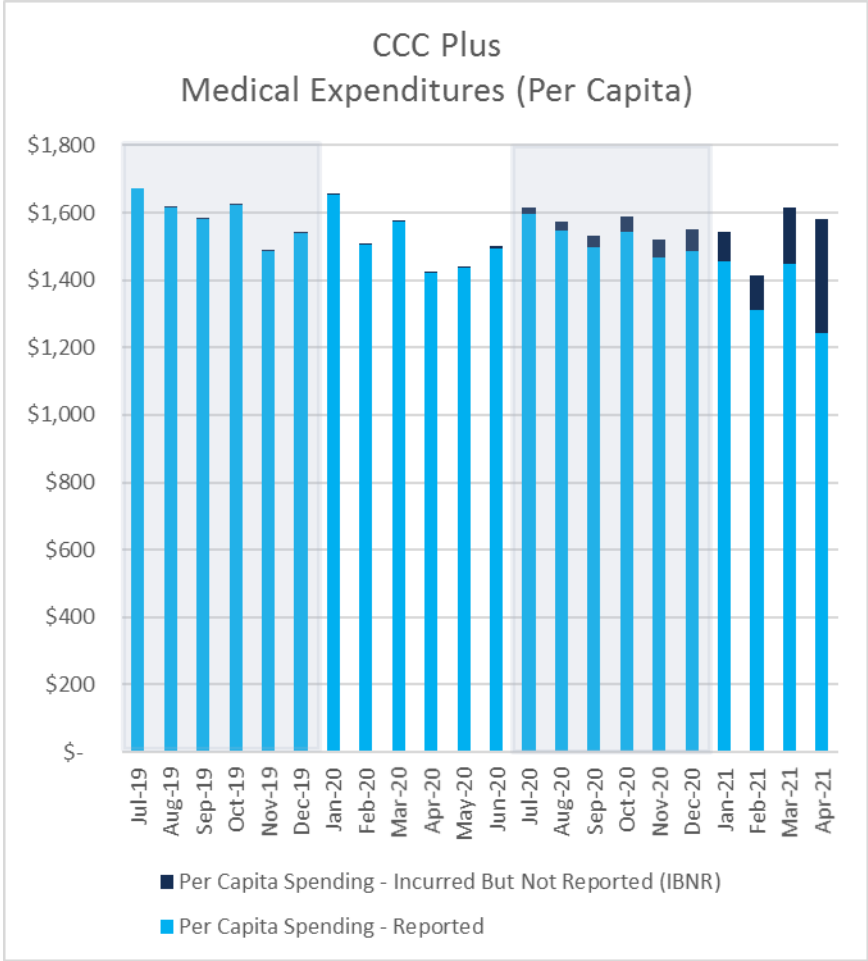
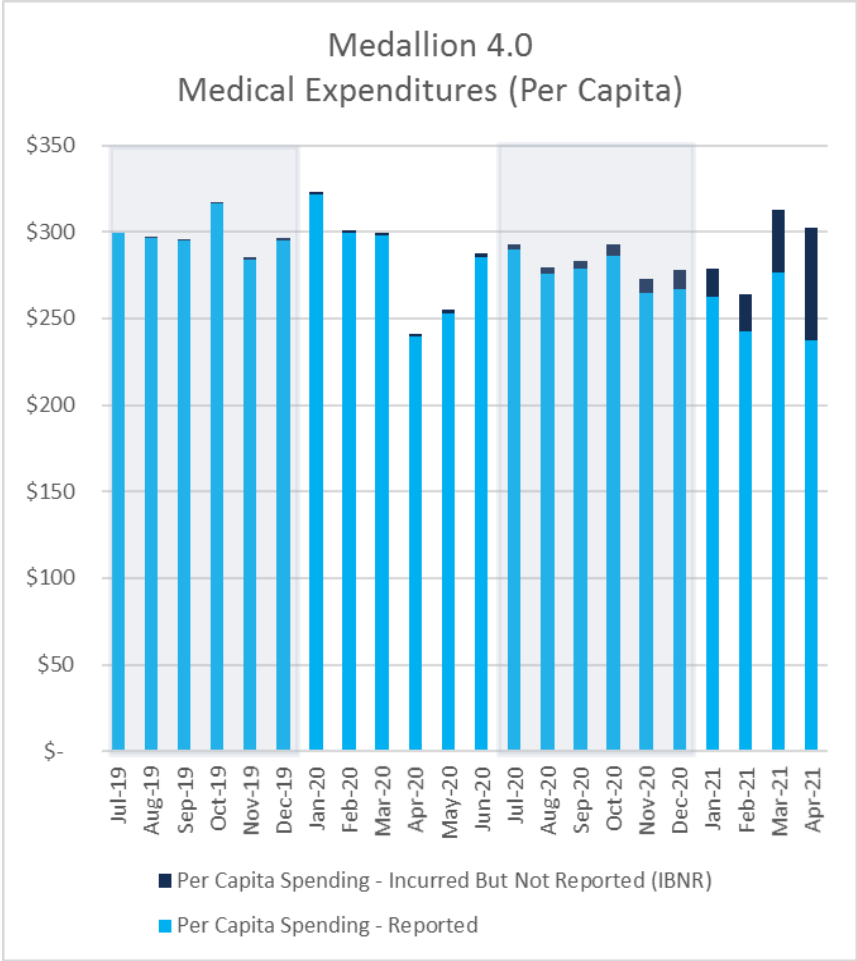
Medallion 4.0 – Jul-Dec 2020 vs. Jul-Dec 2019



CCC Plus – Jul-Dec 2020 vs. Jul-Dec 2019

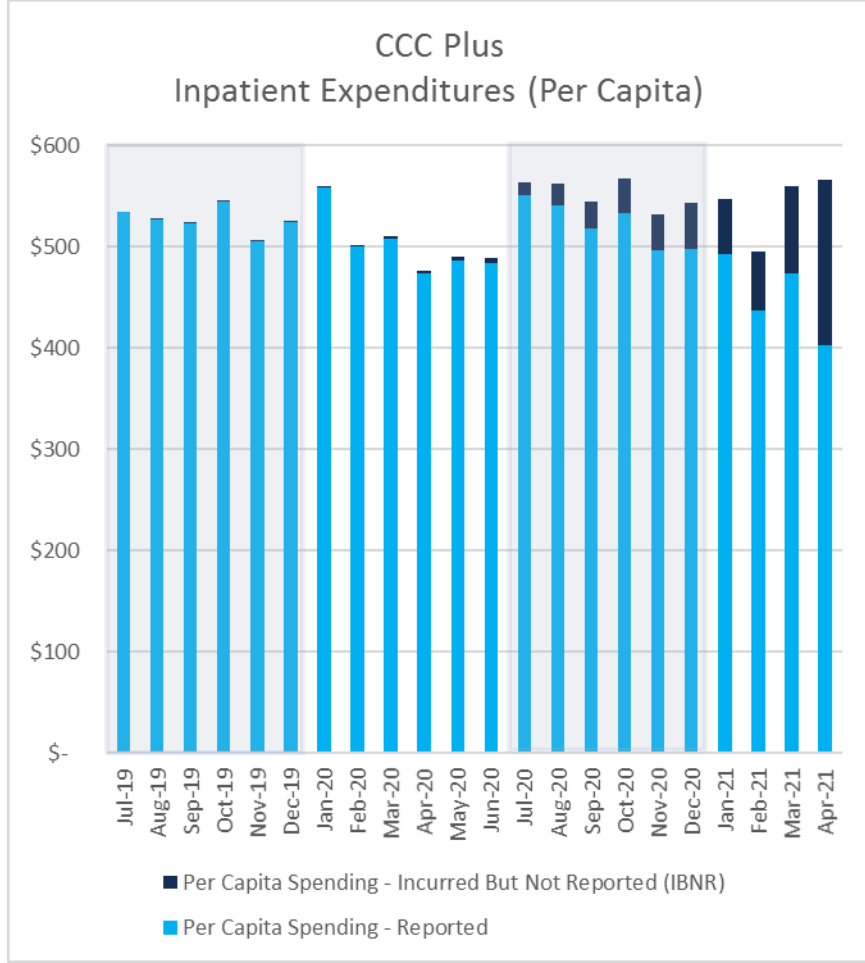
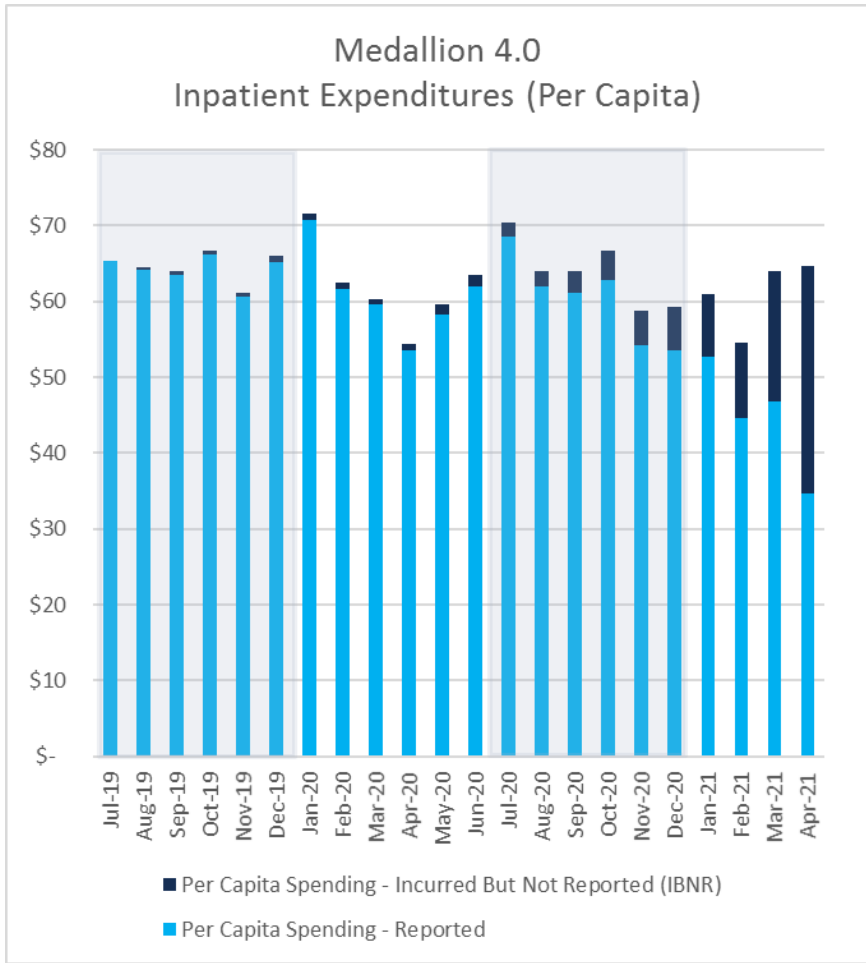


Medical Expenditures by Program



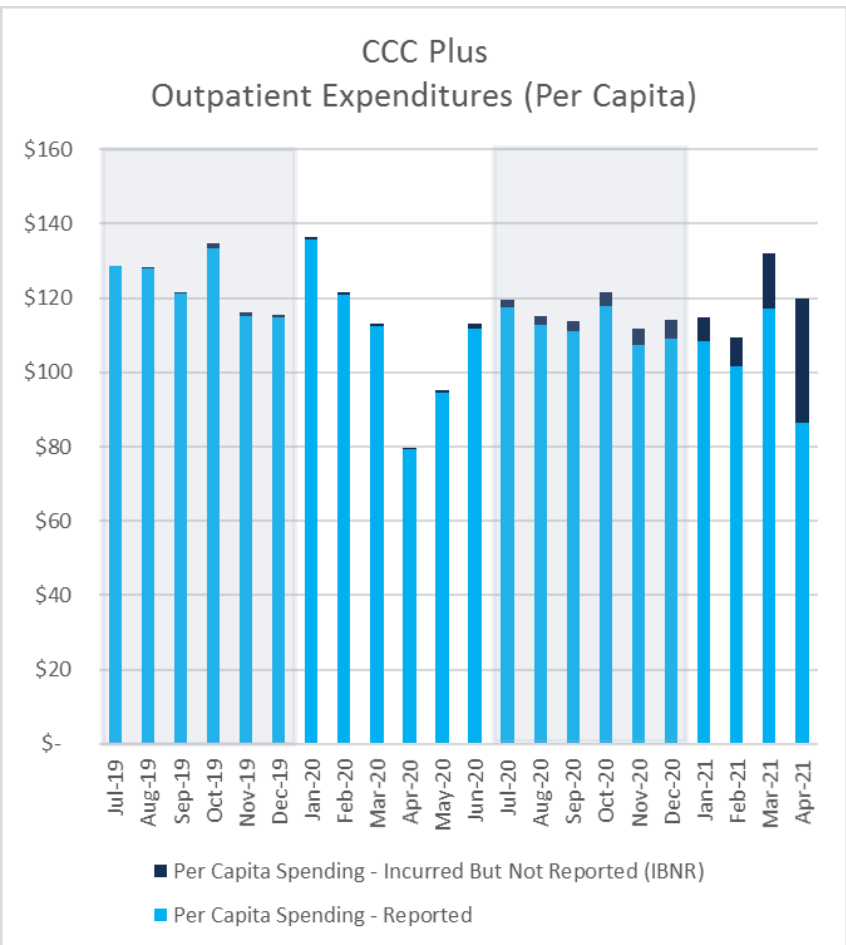
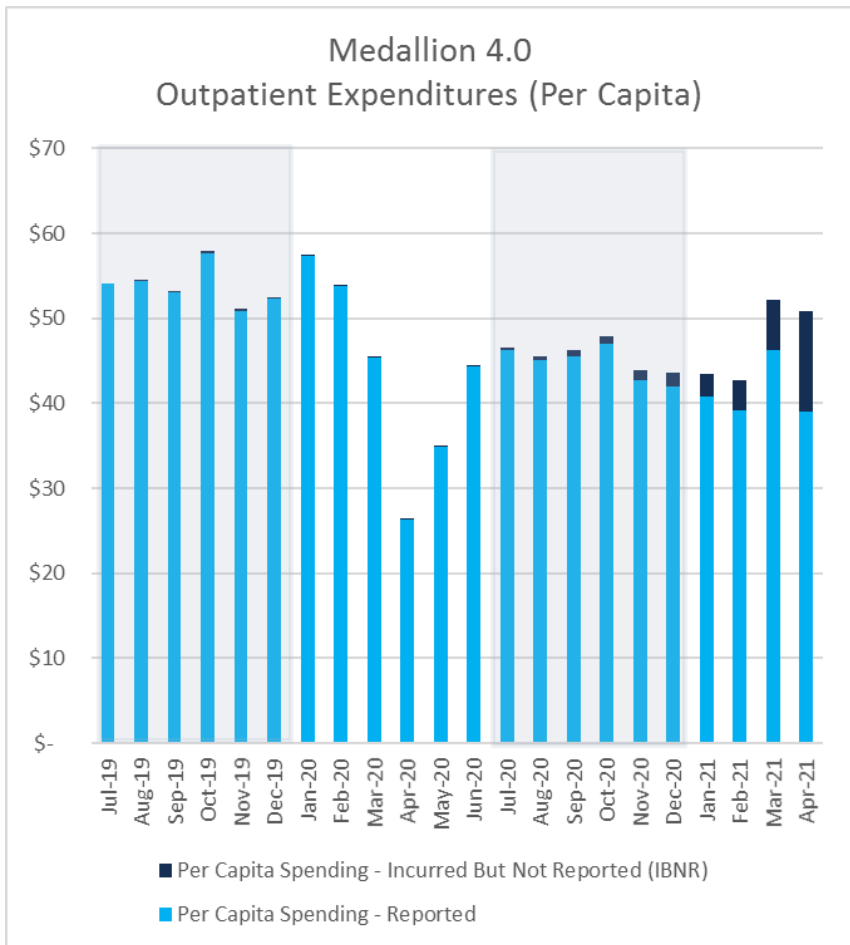
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Inpatient



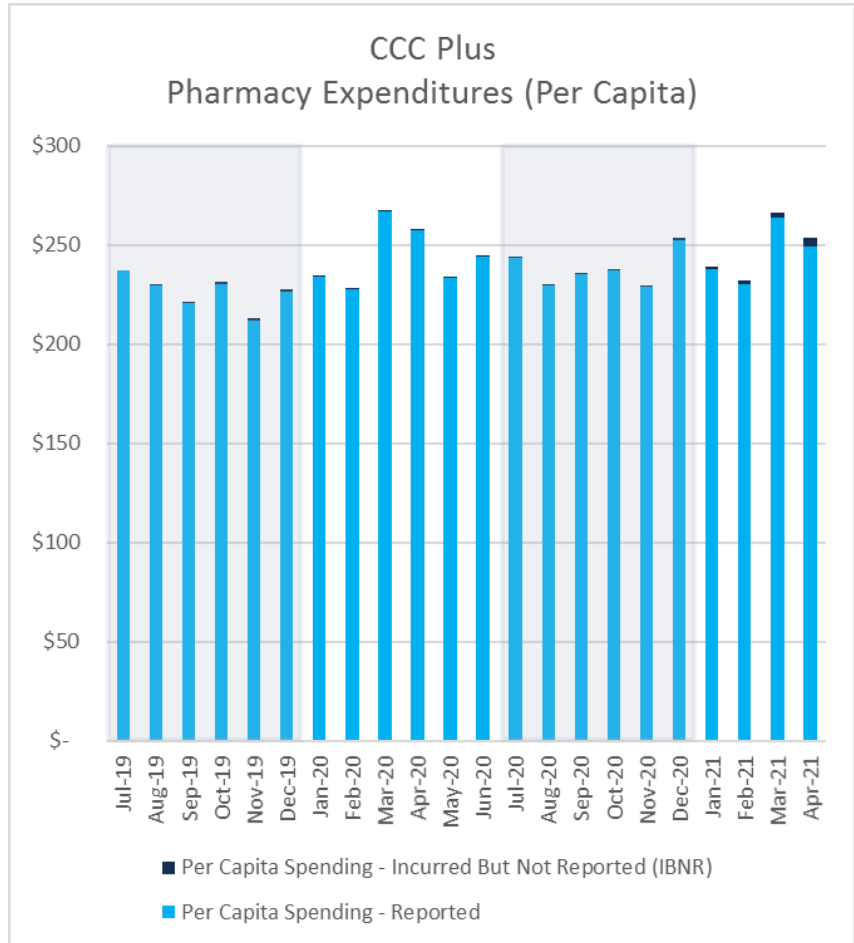
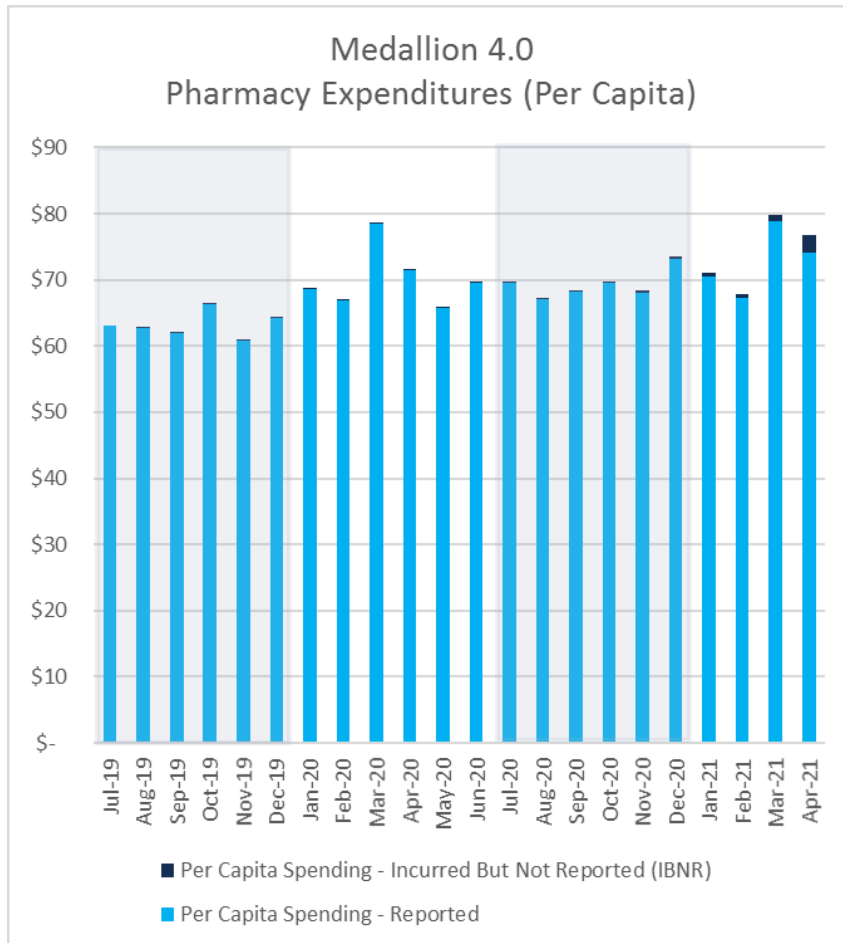
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Outpatient



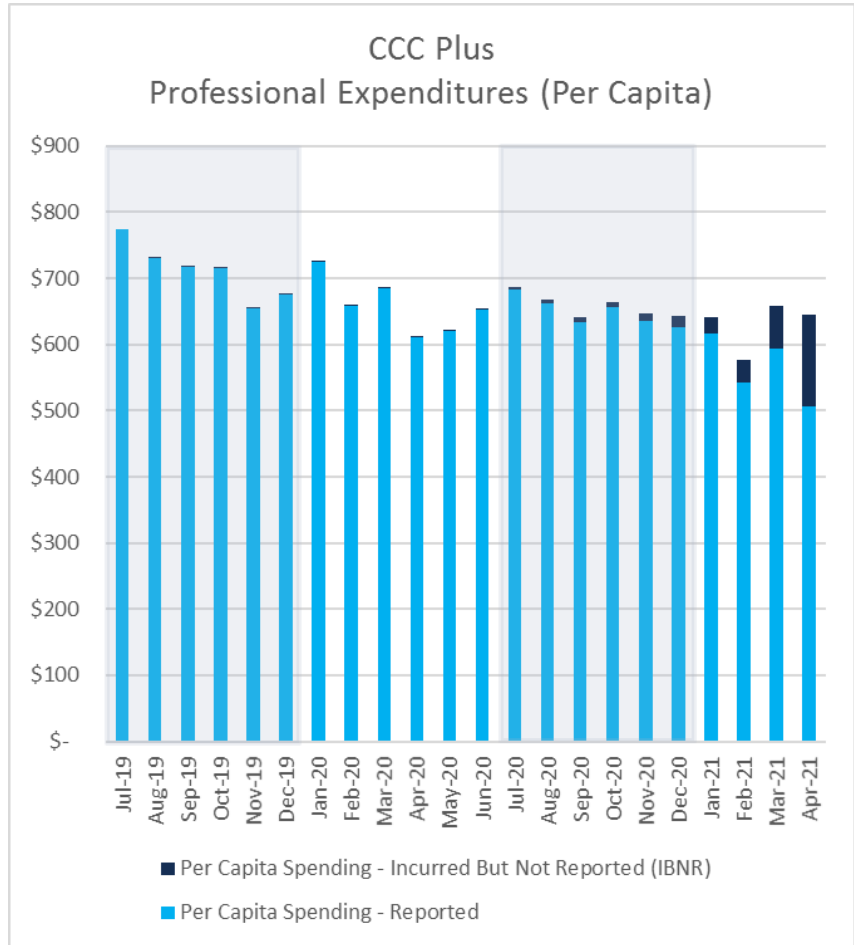
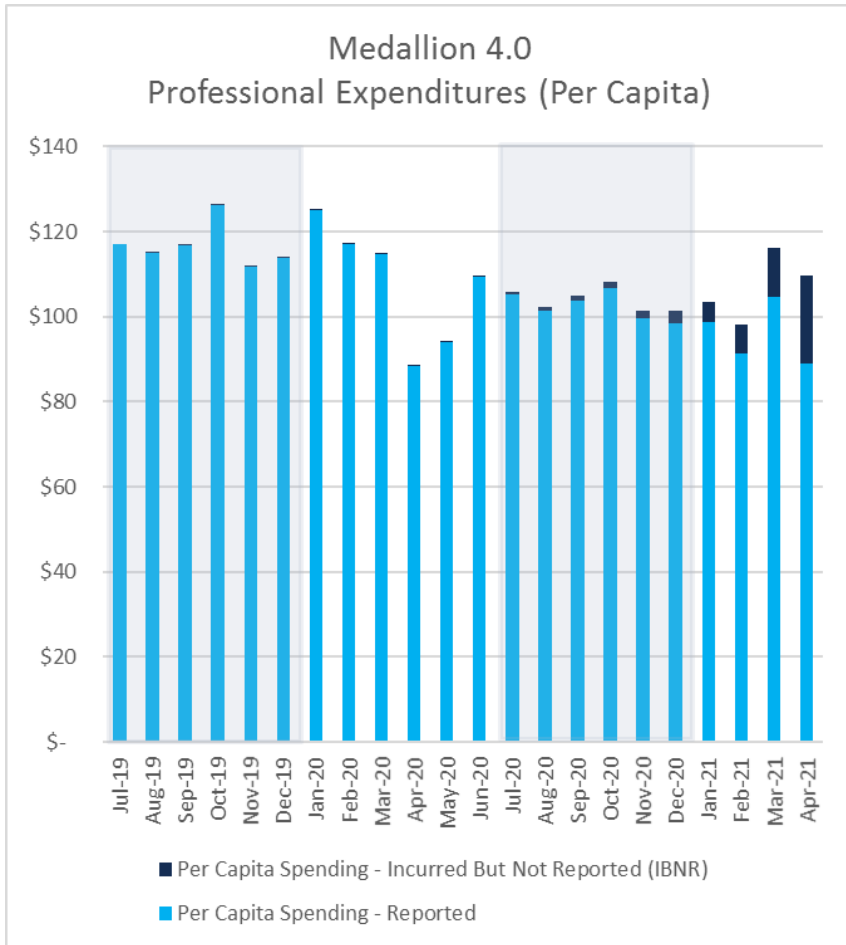
Note: INBR refers to estimated “incurred but not reported” expenditures as of May 2021

Pharmacy



Note: INBR refers to estimated “incurred but not reported” expenditures as of May 2021

Professional Services



Note: INBR refers to estimated “incurred but not reported” expenditures as of May 2021