

QUARTERLY REPORT ON THE STATUS OF THE

**FAMILY ACCESS TO MEDICAL
INSURANCE SECURITY PLAN
(FAMIS)**

Third Quarter 2005

July 1, 2005 – September 30, 2005

Virginia Department of Medical Assistance Services

TABLE OF CONTENTS

<u>SECTION</u>	<u>PAGE NUMBER</u>
EXECUTIVE SUMMARY	1
I. PURPOSE	2
II. BACKGROUND	2
III. NUMBER OF CHILDREN & PREGNANT WOMEN ENROLLED ...	3
A. CURRENT ENROLLMENT	3
B. PROGRESS TOWARD ENROLLING ALL ELIGIBLE UNINSURED CHILDREN	4
IV. FAMIS OPERATIONS	4
A. CALL CENTER ACTIVITY	4
B. APPLICATION PROCESSING	4
C. FAMIS MOMS	7
D. DMAS FAMIS PLUS UNTI	8
E. FAMIS WEBSITE	8
V. POLICIES AFFECTING ENROLLMENT	9
A. “NO WRONG DOOR”	9
B. FOUR-MONTHS WAITING PERIOD	9
C. IMPACT OF PREMIUMS AND CO-PAYMENTS	10
VI. COVERED SERVICES	10
A. TYPE OF ACCESS	10
B. DELIVERY SYSTEM	11
C. MANAGED CARE ENROLLMENT	11
VII. MARKETING AND OUTREACH	11

A. EVENTS, CONFERENCES, PRESENTATIONS AND TRAINING	12
B. BACK TO SCHOOL 2005	12
C. RETENTION INITIATIVES	12
D. CHILD HEALTH INSURANCE PROGRAM ADVISORY COMMITTEE.....	12
E. NEW PROGRAM IMPLEMENTATION.....	12
F. PUBLIC RELATIONS AND MARKETING	13
G. CONTINUING & ESPANDING PARTNERSHIPS	13
H. <i>PROJECT CONNECT</i> GRANTEES	13

VIII. COORDINATION WITH THE DEPARTMENT OF SOCIAL SERVICES **15**

A. APPLICATION PROCEDURES.....	15
B. DSS CASES PROCESSED.....	15
C. CHILD SUPPORT ENFORCEMENT OUTREACH	16
D. DSS RETENTION GRANTS	16

IX. PREMIUM ASSISTANCE PROGRAM..... **16**

X. SCHIP EXPENDITURES OF FUNDS **17**

TABLES

TABLE #1 – September 2005 CHIP Enrollment By City/County By Program	19
TABLE #2 – Enrollment in the Children’s Health Insurance Program Since the 9/1/2002 Program Changes	22
TABLE #3 – FAMIS FPL (Federal Poverty Level) Income Limits	23
TABLE #4 – FAMIS Expenditures by Type of Service	24
TABLE #5 – Medicaid Expansion Expenditures by Type of Service	26

APPENDICES

Appendix I – Joint Legislative Audit and Review Commission Recommendations	28
Appendix II – 2002, 2003, 2004, and 2005 General Assembly Legislation	30
A. 2002 Legislation.....	30
B. 2003 Legislation	30
C. 2004 Legislation	32
D. 2005 Legislation.....	33

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

EXECUTIVE SUMMARY

The Family Access to Medical Insurance Security (FAMIS) program is Virginia's State Child Health Insurance program (SCHIP) for low-income children funded under Title XXI of the Social Security Act. This quarterly report conveys the status of the FAMIS program during the third quarter of calendar year 2005 – July, August and September 2005.

During the third quarter of 2005:

- Enrollment in Virginia's SCHIP program (including the separate FAMIS program and the SCHIP Medicaid Expansion program) reached **74,521** representing a net increase of 1,334 children since the end of the previous quarter on June 30, 2005;
- Approximately **97%** of children estimated to be eligible for FAMIS Plus (Medicaid) or FAMIS were enrolled, an increase of 1% from the end of the previous quarter;
- The FAMIS Central Processing Unit (CPU) received 44,712 calls, 12,280 applications and 3,303 FAMIS cases transferred from local departments of social services;
- 11,159 children were approved by the CPU and the Department of Social Services for FAMIS;
- Approximately **75%** of enrolled children received FAMIS or Medicaid Expansion benefits through a Managed Care Organization (MCO);
- Total third quarter expenditures for medical services for children enrolled in Virginia's Title XXI program were **\$33,638,882**;
- On August 1, 2005, the FAMIS program was expanded to include coverage for pregnant women with income above the Medicaid limit and equal to or less than 150% of the Federal Poverty Limit. There were **79** women enrolled in the new FAMIS MOMS program as the quarter ended.
- Also, on August 1, 2005 the former premium assistance program available to FAMIS children with access to employer-sponsored health insurance was converted into the FAMIS *Select* program. FAMIS *Select* provides \$100 per month per child in premium assistance, up to the total cost of the family's monthly premium, if they choose to move their child out of FAMIS and into an employer-sponsored or private health plan.

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

I. PURPOSE

Item I of Section 32.1-351 of the Code of Virginia requires the Department of Medical Assistance Services (DMAS) to provide quarterly reports of the FAMIS program to the Virginia General Assembly. This report is distributed to the chairs of the following committees: House Appropriations; House Health, Welfare and Institutions; Senate Finance; Senate Education and Health; and the Joint Commission on Health Care.

DMAS must report on the following topics:

- enrollment, and policies affecting enrollment (such as the exceptions that apply to the prior insurance coverage limitation, and the provisions and impact of the premium and co-payment requirements),
- benefit levels,
- outreach efforts, and
- other topics (such as expenditure of the funds authorized for the program).

II. BACKGROUND

The Family Access to Medical Insurance Security (FAMIS) Plan was implemented as Virginia's State Child Health Insurance (SCHIP) program on August 1, 2001. The total enrollment in FAMIS and the SCHIP Medicaid Expansion group as of September 30, 2005 was **74,521** children, an increase of 1,334 over the 73,187 children who were enrolled as of the last day of the previous quarter. As of September 30, 2005, FAMIS Plus (Medicaid) and FAMIS covered an estimated **97% (419,947)** of children living below 200% of poverty in Virginia who are likely to be eligible for state-supported coverage (432,773 children). FAMIS, the SCHIP Medicaid Expansion group, and all Medicaid Families & Children groups are collectively referred to as the Virginia Child Health Insurance Program. (See Section III B for information on the estimate of uninsured children).

Virginia's State Child Health Insurance Program (SCHIP or Title XXI), includes the following program components:

- Coverage of eligible children from birth through age 18 in families with income too high for Medicaid but at or below 200% of the federal poverty level (FPL).
- A combined program consisting of both the separate FAMIS program and the SCHIP Medicaid Expansion. The Medicaid Expansion program was created in September 2002 for uninsured children ages 6 through 18 with income greater than 100% FPL but less than or equal to 133% FPL; thereby allowing all children in most families to be covered by the same program (FAMIS Plus or FAMIS) regardless of age.
- A simplified and coordinated application process for children applying for FAMIS Plus or FAMIS.
- "No wrong door" application processing and eligibility determination to increase access to the programs through the FAMIS Central Processing Unit and all local departments of social services.

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

- Comprehensive benefits including well-child and preventive services.
- Health care delivery system that utilizes managed care organizations where available.
- Subsidized health insurance premiums of eligible children with access to employer-sponsored insurance, which may enable coverage of entire families.
- As of August 1, 2005, comprehensive coverage for pregnant women through the FAMIS MOMS program with family income above the Medicaid limit (133% FPL) and equal to or below 150% FPL.

III. NUMBER OF CHILDREN & PREGNANT WOMEN ENROLLED

A. Current Enrollment

Information on the number of children enrolled in the Children’s Health Insurance Program and the number of pregnant women enrolled in the FAMIS MOMS program as of September 30, 2005, is shown in the table below.

PROGRAM	INCOME	# Enrolled as of 9-30-05	% of Total Enrollment
FAMIS - Children < 19 years	> 133%, ≤ 200% FPL	41,828	10%
MEDICID Expansion – Children 6-18 years	> 100%, ≤ 133% FPL	32,693	8%
	SCHIP Subtotal	74,521	18%
MEDICAID - Children < 21 years	≤ 133% FPL	345,426	82%
	Total Children	419,947	100%
FAMIS MOMS	133%, ≤ 150% FPL	79	N/A

Source: VaMMIS (Virginia Medicaid Management Information System) 10-01-05

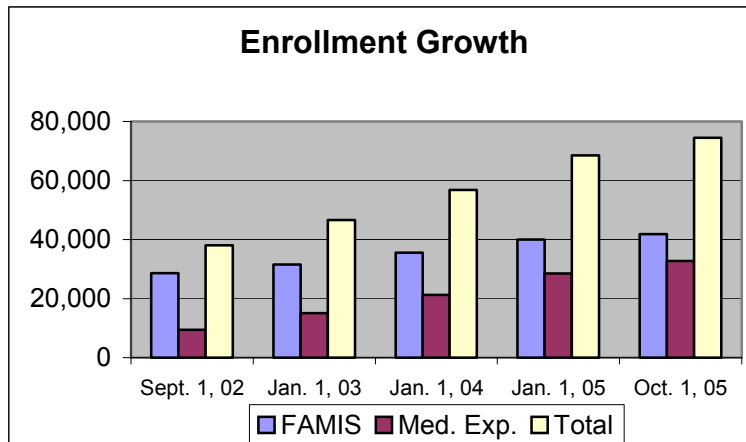
Table #1, attached to this report, displays the September 2005, enrollment of children by each city and county in Virginia. It also shows the estimated number of remaining eligible but uninsured children by locality, which is discussed below, in section B.

Enrollment of new children into Virginia’s Title XXI program (FAMIS and SCHIP Medicaid Expansion) has been increasing steadily since September 1, 2002. The steady increase in enrollment is the result of aggressive outreach efforts at the State and local level, as well as the implementation of programmatic improvements outlined in Section V.

See Table #2 at the end of this report for the monthly program enrollment numbers since September 1, 2002.

Below is a graph that compares FAMIS and SCHIP Medicaid Expansion enrollment of children from September 1, 2002 (implementation of program changes), January 1, 2003, January 1, 2004, January 1 2005, and end of third quarter 2005.

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**



B. Progress Toward Enrolling All Eligible Uninsured Children

The estimated number of children potentially eligible for FAMIS and FAMIS Plus was revised in December 2003, using actual poverty level data by locality instead of estimated poverty level data. The new estimate showed that **432,773** children living in Virginia are potentially eligible for coverage. As of September 30, 2005, FAMIS Plus and FAMIS covered approximately **97%** (419,947) of these uninsured children. Approximately 12,700 children in Virginia, who are potentially eligible for FAMIS or FAMIS Plus are not yet enrolled and do not have other health insurance.

IV. FAMIS OPERATIONS

The FAMIS Central Processing Unit (CPU) was established in August 2001 to provide a statewide call center and application-processing site and is administered by ACS Inc., under contract to DMAS. A one-year extension of the FAMIS CPU contract was implemented in January 2005.

A. Call Center Activity

The following table shows the call volume at the CPU for the third quarter of 2005:

MONTH	Incoming Calls Received	Incoming Calls Answered	Abandon Rate	Total Outbound Calls
July 2005	11,324	11,032	2.6%	3,204
August 2005	15,590	14,871	4.6%	3,138
September 2005	17,798	17,069	4.1%	3,768
Totals	44,712	42,972	3.8%	10,110

Source: ACS Monthly Report September 2005.

The average number of calls received per month for the third quarter was 14,904 with an average abandon rate of 3.8% per month. The average volume increased 16.6% from last quarter's average monthly volume of 12,779.

B. Application Processing

On February 1st, 2005, the contractor (ACS) and DMAS implemented the E-Application on the FAMIS website. FAMIS applicants can now complete and submit a FAMIS application electronically directly to the CPU. The E-application continues to meet the needs of families as

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

shown by the 56% increase in applications submitted over the web in this quarter versus last quarter. Unfortunately, the denial rate of the e-application also continues to remain high, primarily due to the lack of acceptance of an electronic signature. In 2006, plans are to implement the second phase of the electronic application with the following enhancements:

- Acceptance of electronic signature
- Electronic submission/verification of income
- Interface of the web application with the Contractor's eligibility system

The contractor (ACS) received a total of 12,280 applications (electronic, mailed and faxed combined) for the third quarter, with an average monthly volume of 4,093 new, redetermination and renewal applications. E-applications averaged 849 per month, which represents 21% of all application sources. The CPU averaged 1,101 cases transferred from local DSS offices monthly during the third quarter of 2005. The number of applications received at the CPU and the number of DSS cases transferred, represent a 17.7% increase from end of the prior quarter.

The CPU Eligibility Team ended the quarter processing applications in an average of 11.6 business days from receipt of the completed application.

The following table shows the number of applications received by the CPU in the third quarter of 2005 by type of application:

Month	New	Re-app	Redetermin -ation	Renewal	TOTAL
July 2005	1,293	445	51	1,176	2,965
August 2005	2,031	627	145	1,551	4,354
September 2005	2,839	685	160	1,277	4,961
Total	6,163	1,757	356	4,004	12,280

Source: ACS Monthly Report September 2005.

Application type definitions for the above table follow:

- New – A “new” application is one received from an applicant who has never applied, or from an applicant more than 93 days after FAMIS coverage was canceled.
- Re-app – A “re-application” is one received from an applicant within 93 days after FAMIS coverage was canceled.
- Redetermination – A “redetermination” application is one received from an enrolled applicant family that reports a change in the family's income and/or size.
- Renewal – A “renewal” application is the annual application filed by an enrolled family to certify their eligibility for another twelve-month coverage period.

The following table shows the number of applications (families) and number of children approved for FAMIS by the CPU and DSS combined, and the number of applications (families) and number of children denied FAMIS by the CPU:

MONTH	Applications Approved	Children Approved	Applications Denied	Children Denied
July 2005	2,039	3,302	1,721	2,311
August 2005	2,509	3,904	1,851	2,288
September 2005	2,549	3,953	2,311	3,003
Totals	7,097	11,159	5,883	7,602

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

Source: ACS Monthly Report – September 2005.

In addition, 3,568 children were ineligible for FAMIS because they appeared eligible for FAMIS Plus and were referred to the FAMIS Plus unit for processing. Actions on FAMIS Plus likely referrals appear below in the DMAS FAMIS Plus unit section of this report.

The following table shows the number of children denied FAMIS by the CPU in the third quarter of 2005, by denial reason:

DENIAL REASONS	July	August	September	TOTALS
Ineligible immigration status	59	36	67	162
Income is over the limit	464	567	642	1,673
Unauthorized applicant	2	1	6	9
Has or dropped other health insurance	412	179	228	819
FAMIS Plus/Medicaid enrolled	N/A*	241	263	504
Not a Virginia resident	0	0	0	0
Over age 19	17	18	19	54
State employee benefits available	12	28	20	60
New & Re-app – Incomplete application	1,019	874	1,246	3,139
Renewal – Incomplete application	326	344	512	1,182
Total denial reasons	2,311	2,288	3,003	7,602**

* New denial reason added August 2005, FAMIS Plus/Medicaid enrolled children were previously counted as having other insurance in July.

Source: ACS Monthly Report September 2005.

7,944 children were disenrolled from FAMIS in the third quarter 2005. The table below shows the number by month and reason. Some children were disenrolled for more than one reason.

DISENROLLMENT REASON	July	August	September	TOTAL
Renewal incomplete	1,338	1,561	1,913	4,812
Ineligible immigration status	0	1	1	2
Income is over the limit	156	192	217	565
Child moved out of home	0	2	2	4
Has other health insurance	11	14	13	38
No longer a Virginia resident	45	43	71	159
Over age 19	64	60	58	182
State employee benefits available	6	5	6	17
Requested by applicant	44	39	38	121
Appeal denied	0	0	0	0
Death	0	0	0	0
Fraud	0	0	0	0
Cannot locate family	5	4	0	9
DMAS request	3	6	6	15
Child incarcerated	0	0	0	0
Child in institution for treatment of mental diseases	0	0	0	0
<i>FAMIS Plus/Medicaid enrolled*</i>	<i>666</i>	<i>676</i>	<i>703</i>	<i>2,045</i>
Number of children disenrolled	2,338	2,603	3,029	7,970

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

* Children enrolled in FAMIS who were found eligible for FAMIS Plus were disenrolled from FAMIS and enrolled in FAMIS Plus; they did not lose coverage during this process.

Source: ACS Monthly Report September 2005.

C. FAMIS MOMS

On August 1st, 2005 the new FAMIS MOMS program for pregnant women with income between 134% and 150% FPL was implemented. FAMIS MOMS is administered by the FAMIS CPU, which incorporates all customer service and eligibility determinations within the FAMIS operations process.

During the last two months of this quarter, 471 applications were received at the CPU that included a pregnant woman applying.

The following table shows the number of pregnant women approved for FAMIS MOMS by the CPU and DSS combined, and the number of pregnant women denied FAMIS MOMS by the CPU. The remainder of applications received, 58%, were still pending additional verifications or in process as the quarter ended.

MONTH	FAMIS MOMS Approved	FAMIS MOMS Denied
July 2005	N/A	N/A
August 2005	22	21
September 2005	36	38
Totals	58	59

The following table shows the number of FAMIS MOMS denied FAMIS by the CPU in the third quarter of 2005, by denial reason:

DENIAL REASONS	July	August	September	TOTALS
Ineligible immigration status	0	2	7	9
Income is over the limit	0	17	24	41
Unauthorized applicant	0	0	0	0
Has other health insurance	0	2	6	8
FAMIS Plus/Medicaid enrolled *	0	0	1	1
Not a Virginia resident	0	0	0	0
State employee benefits available	0	0	0	0
New & Re-app – Incomplete application	0	0	0	0
Renewal – Incomplete application	0	0	0	0
Total denial reasons	0	21	38	59
<i>FAMIS Plus Likely(Pregnant teen)</i>	<i>0</i>	<i>5</i>	<i>4</i>	<i>9</i>
<i>Medicaid Pregnant Woman Likely</i>	<i>0</i>	<i>30</i>	<i>41</i>	<i>71</i>
Total referred	0	35	45	80

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

An additional 71 pregnant women were denied FAMIS MOMS because they appeared eligible for Medicaid and were referred to the FAMIS Plus unit for processing. A total of 9 FAMIS MOMS were also referred to the DMAS FAMIS Plus unit for evaluation as FAMIS Plus likely because they were under age 19. Actions on Medicaid PG Woman likely referrals appear below in the Section D of this report.

D. DMAS FAMIS Plus Unit

The DMAS FAMIS Plus Unit consists of an Eligibility Supervisor, five Eligibility Workers, and three clerical workers, and is located at the FAMIS CPU. The Unit receives Child and Pregnant Woman Health Insurance applications from the CPU after the CPU screens the applications and finds that the applicants are likely to be eligible for FAMIS Plus or Medicaid for Pregnant Woman. The Unit determines the eligibility for FAMIS Plus or Medicaid and sends approved and enrolled cases to the appropriate local Departments of Social Services.

In addition to their normal eligibility determination workload, the five Eligibility Workers in the Unit serve as liaisons to local Departments of Social Services, assisting with various quality assurance measures. The Unit continued to maintain outstanding performance standards during the quarter.

Below is a table that shows the FAMIS Plus Unit's activities in the third quarter of 2005: (The unit has experienced a position vacancy during the entire third quarter due to employee illness).

ACTIVITY	July	August	September	Total	Average per Month
Referrals received	887	818	1,178	2,883	961
FAMIS Plus Approved	854	698	985	2,537	846
FAMIS Approved	89	66	66	221	74
Medicaid PG Woman Approved	0	19	26	45	22.5
FAMIS MOMS Approved	0	2	7	9	4.5
FAMIS/FAMIS Plus Denied	52	43	77	172	57
Total Applications Processed	995	828	1,161	2,984	994
Applications on Active DSS Cases (sent to LDSS)	96	92	107	295	98
Total Cases Reviewed	1,091	920	1,268	3,279	1,093

E. FAMIS Website and E-Application

The FAMIS website, at www.FAMIS.org, is accessible in both English and Spanish. The website is updated weekly and provides general information, monthly enrollment statistics, and information on eligibility, health plans, outreach, notices, and training. On February 1, 2005 an on-line version of the Children's Health Insurance Application was made available on the FAMIS website. This interactive e-application leads the applicant through a series of questions resulting in a completed application, which can be submitted electronically. See section IV B for further information on the new electronic application.

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

This quarter, there were 59,857 visits to the FAMIS public website, averaging 650 a day for an average visit of 12:13 minutes. This represented 31,670 unique visitors to the FAMIS website during this time period. The increase in traffic also corresponded to the 2005 Back-to-School campaign which highlighted the FAMIS website.

Website statistics at the end of the third quarter for 2005 are:

July	August	September
Visits = 16,572 Average per Day = 534 Average Visit Length = 13:20	Visits = 20,787 Average per Day = 670 Average Visit Length = 11:52	Visits = 22,498 Average per Day = 749 Average Visit Length = 11:46

The public website was also revised this quarter to make it easier to navigate by separating the information of interest to families from the more technical information that community partners need to access. At the same time, new FAMIS MOMS, FAMIS *Select*, Smiles For Children, and “Meet Julia” pages were added to the website.

V. POLICIES AFFECTING ENROLLMENT

A. “No Wrong Door”

At the start of the FAMIS program on August 1, 2001, applications were processed and eligibility was determined for FAMIS only by a Central Processing Unit (CPU). On September 1, 2002, DMAS expanded access to the program by simplifying the application process and by implementing a “No Wrong Door” policy. This policy allows children to apply for, and be enrolled in, FAMIS Plus or FAMIS through the CPU or through their local Department of Social Services (DSS). The steady increase in enrollment since implementing this and other policies shows that families’ access to the program has improved. In the third quarter of 2005, the FAMIS CPU and the local departments of social services enrolled **11,159** children in FAMIS.

With the implementation of the new FAMIS MOMS program this “No Wrong Door” policy was extended to pregnant women as well. As of August 1, 2005, a pregnant woman applying for Medicaid or FAMIS MOMS can apply either through their local office of social services or through the CPU by phone, mail, fax or the electronic application.

B. Four-Months “Waiting Period”

Applicants are asked if the child had health insurance coverage in the four months prior to application. If so, and there was no “good cause” for canceling the insurance, the child is not eligible for FAMIS for four months from the date the insurance was canceled.

The intent of shortening the “waiting period” from six to four months in August 2003 was to deny fewer children FAMIS benefits because of prior insurance coverage. The average number of children per quarter who were denied FAMIS when the waiting period was six months was 82 (average per quarter from January 1, 2002 to July 1, 2003). In the third quarter of 2005, only 32 children (.42% of all denied children) were denied because the child’s parent had canceled private health insurance coverage without good cause within four months of applying for FAMIS. This

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

decrease in denials due to prior insurance shows that shortening the waiting period is succeeding in making more children eligible for FAMIS. The following table presents denials by month.

Month	# Children Denied	# Denied for Current or Recently Dropped Insurance	# Denied for Insurance Dropped within 4 months
July 2005	2,311	412	20
August 2005	2,288	179	7
September 2005	3,003	228	5
Totals	7,602	819	32

Source: ACS Monthly Report September 2005

C. Impact of Premiums and Co-payments

Monthly premiums were eliminated from the FAMIS program in April 2002. However, limited co-payments are required for most services received by children who are enrolled in a FAMIS MCO. No co-payments are required for preventive care services.

The chart below presents examples of co-payments for medical services. Title XXI places limits on cost-sharing requirements for families whose income is above or below 150% of the federal poverty level (FPL), and Virginia's yearly family co-payment cap is within the federal limits.

Service	Equal to or below 150% FPL*	Above 150% FPL*
Outpatient Hospital or Doctor	\$2 per visit	\$5 per visit
Prescription Drugs	\$2 per prescription	\$5 per prescription
Inpatient Hospital	\$15 per admission	\$25 per admission
Non-emergency use of Emergency Room	\$10 per visit	\$25 per visit
Preventive Health Services	\$0	\$0
Yearly Co-payment Limit per Family	\$180	\$350

*See Table #3 of this report for the 150% and 200% FPL income limits.

VI. COVERED SERVICES

A. Type of Access

Children who are enrolled in FAMIS access covered medical and dental services by either 1) fee-for-service, or 2) a managed care organization (MCO). "Fee-for-service" access means receiving services from a medical or dental provider who participates in Virginia's Medicaid Program. Children who live in localities where there is no contracted MCO, access services by fee-for-service. Children who live in localities where there is an MCO available access services by fee-for-service for the first one or two months of FAMIS enrollment, and then are enrolled in a MCO.

The fee-for-service benefit package is identical to the Medicaid benefit package, but also includes substance abuse services. Fee-for-service does not have any co-pays for services. The MCOs provide the FAMIS benefit package, which is modeled on the State Employee health care plan, and does not include some of the Medicaid covered services, such as EPSDT and non-emergency

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

transportation for medical care. Nominal co-pays of \$2.00 or \$5.00 are required for most services, but there are no co-pays required for preventive care.

B. Delivery System

In September 2005, Anthem HealthKeepers Plus, Optima Family Care and Virginia Premier were awarded managed care contracts to provide managed care services to Medicaid and FAMIS clients in Clarke, Frederick, Page, Rappahannock, Shenandoah, and Warren Counties and the City of Winchester. Also in September, AMERIGROUP was awarded a contract to provide services along with Virginia Premier to recipients in Culpeper County. These managed care organizations will start providing care effective December 1, 2005. Children in these localities will now be enrolled in a Managed Care Organization to receive FAMIS benefits.

On September 1, 2005, AMERIGROUP Virginia began operating as the second MCO in northern Virginia. AMERIGROUP and UniCare now provide access to medical care to approximately 77,000 FAMIS and Medicaid enrollees in Arlington, Fairfax, Fauquier, Loudoun, Prince William, Alexandria, Falls Church, Manassas and Manassas Park.

C. Managed Care Enrollment

At the end of the third quarter 2005, 56,022 FAMIS and Medicaid Expansion children were enrolled in managed care plans. Below is a table showing the numbers of FAMIS and Medicaid Expansion children enrolled in each managed care plan.

Managed Care Organization	FAMIS	Medicaid Expansion	Localities & MCO Enrollment Effective June 30, 2004
Optima Family Care	7,468	6,048	69 localities (focused in Tidewater, Central Virginia, Charlottesville, Danville and Halifax)
Anthem HealthKeepers Plus	6,727	5,014	55 localities (focused in Tidewater, Central Virginia and Halifax)
Southern Health – CareNet	1,080	680	30 localities (focused in Central Virginia)
UniCare Health Plan of Virginia, Inc.	9,670	4,151	19 localities (focused in Northern Virginia and Charlottesville)
Virginia Premier Health Plan	8,037	4,971	73 localities (focused in Tidewater, Central Virginia, Charlottesville and Roanoke)
AMERIGROUP	489	1,687	10 localities (focused in northern Virginia)
Total MCO Enrollment	33,471	22,551	

VII. MARKETING & OUTREACH

During the third quarter of 2005, the DMAS Maternal & Child Health (MCH) Marketing & Outreach Team participated in activities throughout the Commonwealth including attending events and conferences, coordinating special campaigns, supporting retention initiatives, staffing the Children’s Health Insurance Program Action Committee (CHIPAC), preparing for new program implementations, and developing new public relations and marketing materials.

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

A. Events, Conferences, Presentations, and Trainings

The Marketing & Outreach Team both organized and participated in several meetings and conferences during the third quarter. Staff participated in the statewide and regional Covering Kids and Families (CKF) Coalitions, Richmond's Child Health Insurance Action Committee (CHIAC) meetings, two Virginia Mission of Mercy clinics in Wise and Grundy, the Annual Hampton Child Fair, and numerous local Hispanic health fairs and events. Staff also presented at several meetings held by regional health underwriters and benefit consultant organizations and the Department of Education's Medicaid conference.

DMAS renewed its contract with *SignUpNow* to provide local application assistance and enrollment training sessions across the state. This quarter, DMAS underwrote three *SignUpNow* workshops. They were held in Portsmouth, Hampton, and Chesterfield and included over 129 participants. Starting next quarter, *SignUpNow* will broaden its curriculum and offer an additional eight *SignUpNow* workshops for HR and other benefits professionals. These new workshops will highlight FAMIS *Select* and are being underwritten by DMAS with the help of a new partnership with VDH.

B. Back-to-School 2005

In collaboration with the Virginia Health Care Foundation and the Department of Education, DMAS launched the 2005 Back-to-School campaign, which included statewide distribution of the Back-to-School flyer and the free and reduced school lunch approval insert. Again this year, both were distributed in English and Spanish. The FAMIS website was also updated with a special section for the Back-to-School season.

DMAS also coordinated an event for the Governor's office on August 25th at VCU Health Systems. Governor Warner kicked-off the Back-to-School campaign introducing the new maternal and child health programs, FAMIS MOMS, FAMIS *Select*, and Smiles For Children, as well as the new marketing campaign and spokesperson.

C. Retention Activities

During the third quarter *Keep 'Em Covered* (KEC) grant projects submitted the mid-year grant report for year two. DMAS also organized and hosted an all day grantee meeting to share successful strategies and featured Donna Cohen Ross from the Center for Budget and Policy Priorities as a guest speaker.

D. Child Health Insurance Program Advisory Committee (CHIPAC)

Staff worked closely with the CHIPAC Interim Executive Committee to arrange an all-day facilitated planning retreat in lieu of a regular quarterly meeting. As a result, the committee decided to elect a Chair and a Vice Chair with elections to take place at the end of October. They also developed a mission statement and created two sub-committees: a Policies and Procedures subcommittee to deal with issues of membership, term limits, and bylaws; and an Issues Development subcommittee that is tasked with researching specific problems and issues that the committee as a whole may wish to take on as agenda items for the coming year.

E. New Program Implementations

Significant marketing and outreach activities were devoted to promoting the new programs, FAMIS MOMS, FAMIS *Select*, and Smiles For Children. This included developing new

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

promotional materials, arranging for translation into Spanish, and printing and distribution of materials to providers, communities and outreach partners.

F. Public Relations and Marketing

Development of the new message campaign was finalized during the third quarter and the new “Meet Julia” marketing campaign was launched during the Back-to-School campaign kick-off. The new “Meet Julia” TV ad features a single mother and her three daughters on FAMIS Plus. Julia talks about her personal experience with FAMIS. The ad ends with “FAMIS works” and urges families to call the toll-free FAMIS number, 1-866-87FAMIS.

A two and a half minute version of the TV ad was also developed as a video to be used as an outreach tool to support the new campaign. Staff traveled to meetings and conferences around the state to debut this special introductory video designed to introduce the new marketing campaign to our partners. In addition, new FAMIS brochures and a new FAMIS poster were also created featuring Julia. Initial response to the new ad campaign has been outstanding.

G. Continuing and Expanded Partnerships

The third quarter saw substantial strengthening of several partnerships. The partnership that DMAS has developed with VCU Medical Center took another step forward as DMAS, VCU Medical Center, Virginia Healthcare & Hospital Association (VHHA), and Virginia Health Care Foundation (VHCF) began to work on a national Children’s Hospital Collaborative effort coordinated by the Southern Institute on Health and Covering Kids and Families (CKF). This Collaborative is helping nine hospital systems from around the country work to improve methods by which the hospitals help self-pay, uninsured patients enroll in their state’s Medicaid or SCHIP programs.

Efforts continued to forge inroads with the business community. Existing partnerships with both CVS and Capital One were productive and both businesses are active members of the CHIPAC committee. Capital One hosted the CHIPAC retreat that was held in the third quarter (see above). DMAS is now working with CVS to develop an incentive project utilizing CVS gift coupons for FAMIS MOMS to encourage submission of an application for their newborn in the month that the child is born.

A yearlong effort to improve enrollment in the Bedford area through partnership with their business community is also beginning to bear fruit. The Bedford Chamber of Commerce invited FAMIS to be a part of their annual business Expo and is hosting a special *SignUpNow* training for Chamber members in the beginning of November.

VDH and DOE continue to be important partners for FAMIS outreach. VDH has updated the WebVISION application that they put in place earlier in the year to include the new FAMIS application. This means that they can now fill out applications for FAMIS MOMS as well as FAMIS with their WebVISION intake system. In October, this feature will be available to all health departments statewide. DOE remained a key partner in Back-to-School efforts and outreach in the schools through the school nurses.

H. Project Connect Grantees

The *Project Connect* grants for 2005-2006 began in July of this year and there were some changes to the organizations funded. This year, Blue Ridge AHEC applied for the *Project Connect* grant and

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

received funding directly. As a result, United Way Thomas Jefferson was not funded for an additional year as they had been the fiscal agent for AHEC in the previous year. CHIP of Chesapeake was also not funded for an additional year and CINCH has agreed to also cover the area of Tidewater previously covered by CHIP of Chesapeake.

Project Connect has helped to enroll 696 children/pregnant women and to renew 147 children during this quarter. When pending cases and denial rates are factored, *Project Connect* grantees will have exceeded their quarterly enrollment goal. Across the state, approximately 29% of the annual *Project Connect* enrollment goal was achieved by end of the first quarter of their funding year. As expected, project staff has also embraced the concept of institutionalization of enrollment activities and are working with their community partners to make child health insurance enrollment a part of “standard operating procedures.”

Below is a table of the *Project Connect* organizations that receive grants from DMAS through the Virginia Health Care Foundation to provide outreach and enrollment assistance in their communities. Enrollment for the quarter by the individual projects is summarized in the table.

PROJECT GRANTEE	LOCALITIES SERVED	FAMIS/ FAMIS MOMS Enrolled	FAMIS Plus /Medicaid PW Enrolled	Total Enrolled
Alexandria Neighborhood Health Services	Alexandria and Arlington	44	57	101
Blue Ridge AHEC	Page, Augusta, Rockingham, Staunton, Harrisonburg & Waynesboro	0	19	19
Bon Secours Richmond Health System	Metro Richmond with a specific emphasis on Richmond City	17	86	103
CHIP of Roanoke Valley	Bedford, Botetourt, Craig, Franklin, Roanoke City/County and Salem	21	67	88
Consortium for Infant and Child Health (CINCH)*	Chesapeake, Portsmouth, Suffolk, and Virginia Beach only (DMAS supported expansion) Project also serves other Tidewater localities with RWJ funds	9	49	58
Cumberland Plateau Health District	Buchanan, Dickenson, Lee, Russell, Scott, Smyth, Tazewell, Washington, and Wise Counties	45	60	105
Inova Partnership for Healthier Kids	Fairfax City/County and Loudoun	54	209	263

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

PROJECT GRANTEE	LOCALITIES SERVED	FAMIS/ FAMIS/ MOMS Enrolled	FAMIS Plus /Medicaid PW Enrolled	Total Enrolled
Johnson Health Center	Cities of Bedford, Lynchburg, Danville, Martinsville, and Amherst, Appomattox, Bedford, Buckingham, Campbell, Charlotte, Henry and Pittsylvania Counties	11	34	45
REACH	Richmond City and surrounding area.	5	56	61

VIII. COORDINATION WITH THE DEPARTMENT OF SOCIAL SERVICES

A. Application Procedures

Applicants can file their FAMIS applications with the FAMIS CPU or their local Department of Social Services. If filed with a local Department of Social Services, the local agency determines FAMIS Plus (Medicaid) eligibility first. If the children are not eligible for FAMIS Plus, the agency determines their FAMIS eligibility. If eligible, the agency enrolls the children in the applicable program. After the children are enrolled in FAMIS, the local Department of Social Services transfers the case record to the FAMIS CPU for case maintenance.

If the applicant files the application with the FAMIS CPU, the CPU screens the application for Medicaid eligibility. If the applicants appear to be “FAMIS Plus-likely,” the application is transferred to the DMAS FAMIS Plus Unit located at the CPU. If determined eligible for FAMIS Plus, the FAMIS Plus Unit enrolls the child and then transfers the case to the appropriate local Department of Social Services for case maintenance. This process takes place “behind the scenes” and does not require another application or any further action by the family. DMAS has implemented quality assurance procedures at the CPU and the FAMIS Plus Unit that check and double-check FAMIS Plus referrals to be sure that no application is lost.

The process is similar for applications from pregnant women. If an application is received at the CPU, it is screened and if determined Medicaid-likely is forwarded to the DMAS unit for determination. If the application is received at a local DSS, eligibility is determined for Medicaid coverage and if the woman is denied due to excess income, eligibility is determined for FAMIS MOMS. As of the end of the third quarter 2005, local DSS offices have the choice of forwarding an application denied Medicaid for excess income to the FAMIS CPU for final determination of FAMIS MOMS eligibility. This arrangement will remain in effect until the DSS ADAPT computer system is programmed to determine FAMIS MOMS cases. However, it appears that most local agencies are taking the few extra steps necessary to determine eligibility for both programs even though the system has not yet been modified.

B. DSS Cases Processed

During the third quarter of 2005, the CPU received **3,303** FAMIS cases from the local Departments of Social Services throughout Virginia. This is an increase of 145 over the 3,158 cases received in

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

the second quarter of 2005. The efforts of the Department of Social Services have been instrumental in the steady increase in CHIP enrollment.

During the third quarter of 2005, the DMAS FAMIS Plus Unit at the CPU forwarded **2,537** approved FAMIS Plus cases to local Departments of Social Services for case maintenance. This was an decrease of 174 from the 2,711 FAMIS Plus cases the Unit transferred to local DSS agencies during the second quarter of 2005.

C. Child Support Enforcement Outreach

A partnership with the Child Support Enforcement Division (DCSE) of DSS began in early 2004. The DCSE Customer Service Unit continues to send out approximately 700 brochures each month with their application packets.

D. DSS Retention Grants

The DMAS Maternal & Child Health Division awarded nine local departments of social services funding for a second year as a *Keep 'Em Covered* retention grantee. The agencies that received funding are: Albemarle, Arlington, Fairfax, Greensville/Emporia, Hanover, Henry Co./Martinsville, James City County, Norfolk, and Westmoreland. See Section VII D for more information on retention activities this quarter.

IX. PREMIUM ASSISTANCE PROGRAM

Premium assistance for employer-sponsored health insurance is available through the FAMIS program. During this quarter, the former premium assistance program, ESHI, was replaced with the new FAMIS *Select* program. FAMIS *Select* was implemented on August 1, 2005 following approval of Virginia's HIFA Waiver by the Centers for Medicare and Medicaid Services on July 1, 2005.

FAMIS *Select* is a voluntary option available to families with children approved for FAMIS coverage who have access to an employer-sponsored or private health insurance plan. DMAS pays the policyholder \$100 per month for each FAMIS *Select* child, up to the total cost of the family premium, to help cover the cost of the family policy. This amount is less than the average capitated rate that would be paid to enroll a child in a FAMIS Managed Care Organization and is therefore cost-effective for the Commonwealth.

If the family chooses FAMIS *Select* the child will:

- Receive the health care benefits included in the employer-sponsored or private policy;
- Pay the out-of-pocket expenses required by the employer-sponsored or private policy;
- Receive coverage for childhood immunizations from FAMIS if not covered by the employer-sponsored or private policy;
- Receive \$100 in premium assistance per month per child up to the total cost of the family policy;
- Remain in FAMIS *Select* as long as they remain eligible for FAMIS and provide monthly proof of premium payments for the employer-sponsored or private policy; and
- Be able to return to full FAMIS coverage at any time their parents decide to end participation in FAMIS *Select*.

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

Because of the premium assistance available through FAMIS *Select*, some families may be able to afford employer-sponsored or private health insurance for the entire family.

The following tables show the premium assistance activity in the third quarter of 2005:

Premium Assistance Activity	July 2005	August 2005	September 2005	Total for Quarter
Applications sent out	40	43	60	143
Applications received	5	5	12	22
Application disposition				
Approved	3	5	10	18
Denied	2	0	2	4
– not enrolled in FAMIS	2	0	2	4
– not cost-effective	0	0	0	0
– incomplete	0	0	0	0
Premium Assistance payments	\$5,672	\$7,456	\$8,566	\$21,694

Premium Assistance Caseload	July 2005	August 2005	September 2005
# Families enrolled in PA	45	48	51
# Children enrolled	93	98	104
# Families disenrolled	0	2	3

X. SCHIP EXPENDITURES OF FUNDS

DMAS expenditures for the medical services received by FAMIS enrollees for the third quarter of 2005 totaled **\$16,449,306**, a decrease of \$782,206 over the prior quarter's expenditures of \$17,231,512. Expenditures for medical services received by the SCHIP Medicaid Expansion group of enrollees for the third quarter of 2005 totaled **\$13,312,598**, an increase of \$1,143,427 over the prior quarter's expenditures of \$12,169,171. The total of Title XXI (FAMIS and Medicaid Expansion) expenditures for medical services for the third quarter of 2005 was **\$29,761,904**, an increase of \$361,221 over the prior quarter's expenditures of \$29,400,683.

Administrative expenditures for FAMIS and SCHIP Medicaid Expansion in the third quarter totaled **\$3,876,978**, an increase of \$2,239,304 from the prior quarter's administrative expenditures of \$1,637,674. This substantial increase in administrative expenses was largely due to the \$2,800,000 in federal SCHIP funds transferred by DMAS to DSS to support the work of local eligibility staff in enrolling children in FAMIS and the SCHIP Medicaid Expansion. This end of the federal fiscal year payment increased SCHIP administrative expenditures to approximately **11.5%** of total SCHIP expenditures for the quarter. In addition, administrative expenditures cover the cost of administration of the FAMIS Central Processing Unit by ACS Inc., personnel costs for DMAS staff in the Division of Maternal & Child Health, processing of medical claims for SCHIP enrolled children, media services and materials to support program outreach, grant funds to community programs and local departments of social services to assist families, and other related expenses.

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

The total third quarter Title XXI expenditures for children enrolled in Virginia's Child Health Insurance Program, including the administrative expenses, was **\$33,638,882**, an increase of \$2,600,526 from the prior quarter's total expenditures of \$31,038,357.

	1st Quarter 2005	2nd Quarter 2005	3rd Quarter 2005
FAMIS	\$16,429,086	\$17,231,512	\$16,449,306
SCHIP Med. Exp.	\$10,902,664	\$12,169,171	\$13,312,598
Administration	\$1,176,057	\$1,637,674	\$3,876,978
Total	\$28,507,807	\$31,038,357	\$33,638,882

Tables #4 and #5, attached to this report, show the breakdown of the third quarter 2005 expenditures by program and type of service.

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

TABLE #1

September 2005 CHIP ENROLLMENT BY CITY/COUNTY PER PROGRAM

FIPS	LOCALITY	FAMIS Plus*	MED EXP	FAMIS	Current TOTAL Enrolled ****	Estimated Eligible Children**	Remaining Eligibles to Enroll***	% Enrolled of Estimated Eligibles
001	ACCOMACK	2882	329	238	3449	3903	454	88%
003	ALBEMARLE	2374	263	349	2986	3075	89	97%
510	ALEXANDRIA	4463	356	892	5711	6963	1252	82%
005/ 560/580	ALLEGHANY/COVINGTON/ CLIFTON FORGE	1357	112	169	1638	1910	272	86%
007	AMELIA	644	47	79	770	710	0	108%
009	AMHERST	1764	245	174	2183	2236	0	100%
011	APPOMATTOX	852	105	96	1053	1235	182	85%
013	ARLINGTON	3823	529	1096	5448	7728	2280	70%
015/790	AUGUSTA/STAUNTON	3884	362	467	4713	4591	0	100%
017	BATH	112	17	35	164	236	72	69%
019/515	BEDFORD CITY/CO	2467	296	424	3187	4902	1715	65%
021	BLAND	256	33	40	329	394	65	84%
023	BOTETOURT	637	88	154	879	1027	148	86%
520	BRISTOL	1510	87	118	1715	1589	0	108%
025	BRUNSWICK	1345	126	113	1584	1626	42	100%
027	BUCHANAN	2077	211	356	2644	3468	824	76%
029	BUCKINGHAM	884	84	98	1066	1529	463	70%
031	CAMPBELL	3012	296	359	3667	3729	62	98%
033	CAROLINE	1403	177	207	1787	1801	0	100%
035	CARROLL	1853	296	209	2358	2356	0	100%
036	CHARLES CITY CO	322	24	32	378	390	12	97%
037	CHARLOTTE	926	120	125	1171	1175	0	100%
540	CHARLOTTESVILLE	2355	203	265	2823	2931	108	96%
550	CHESAPEAKE	9155	850	1046	11051	12319	1268	90%
041/ 570	CHESTERFIELD/ COLONIAL HEIGHTS	10536	1160	1620	13316	10263	0	130%
043	CLARKE	295	20	53	368	359	0	103%
045	CRAIG	233	27	34	294	296	2	100%
047	CULPEPER	1674	173	285	2132	2025	0	105%
049	CUMBERLAND	687	104	80	871	930	59	94%
590	DANVILLE	4718	285	230	5233	5614	381	93%
051	DICKENSON	1382	198	232	1812	2255	443	80%
053	DINWIDDIE	1456	111	135	1702	1679	0	100%
057	ESSEX	804	68	60	932	926	0	101%
059/ 600/610	FAIRFAX CITY/FAIRFAX CO/FALLS CHURCH	23883	3027	4823	31733	28708	0	111%
061	FAUQUIER	1471	143	226	1840	1940	100	95%
063	FLOYD	674	92	131	897	1058	161	85%
065	FLUVANNA	609	68	155	832	902	70	92%
620	FRANKLIN	855	51	59	965	2419	1454	40%
067	FRANKLIN COUNTY	2737	279	283	3299	2294	0	144%
069	FREDERICK	2070	193	367	2630	2261	0	116%
630	FREDERICKSBURG	1393	92	156	1641	1476	0	111%
640	GALAX	620	60	122	802	814	0	100%
071	GILES	932	103	119	1154	1088	0	106%
073	GLOUCESTER	1423	122	222	1767	2017	250	88%

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

FIPS	LOCALITY	FAMIS Plus*	MED EXP	FAMIS	Current TOTAL Enrolled ****	Estimated Eligible Children**	Remaining Eligibles to Enroll***	% Enrolled of Estimated Eligibles
075	GOOCHLAND	410	62	79	551	586	35	94%
077	GRAYSON	1091	202	145	1438	1424	0	100%
079	GREENE	766	70	143	979	903	0	108%
081/595	GREENSVILLE/EMPORIA	1267	99	86	1452	1387	0	105%
083	HALIFAX	2740	308	252	3300	3223	0	102%
650	HAMPTON	9440	860	843	11143	11600	457	96%
085	HANOVER	2142	283	293	2718	2304	0	118%
087	HENRICO	10844	1081	1520	13445	11417	0	118%
089/690	HENRY/MARTINSVILLE	5392	553	441	6386	5803	0	110%
091	HIGHLAND	95	14	13	122	173	51	71%
670	HOPEWELL	2389	192	182	2763	2853	90	97%
093	ISLE OF WIGHT	1435	110	120	1665	1878	213	89%
095	JAMES CITY CO	1782	152	183	2117	1879	0	113%
097	KING AND QUEEN	484	40	47	571	862	291	66%
099	KING GEORGE	764	48	116	928	948	20	98%
101	KING WILLIAM	538	59	64	661	487	0	136%
103	LANCASTER	685	90	114	889	1033	144	86%
105	LEE	2412	193	270	2875	3436	561	84%
107	LOUDOUN	3291	365	733	4389	3263	0	135%
109	LOUISA	1328	152	173	1653	1665	12	100%
111	LUNENBURG	909	103	124	1136	1255	119	91%
680	LYNCHBURG	5055	443	493	5991	5752	0	100%
113	MADISON	447	67	82	596	735	139	81%
683	MANASSAS	1939	167	501	2607	1424	0	183%
685	MANASSAS PARK	715	41	170	926	1001	75	93%
115	MATHEWS	331	51	45	427	465	38	92%
117	MECKLENBURG	2045	272	272	2589	2721	132	95%
119	MIDDLESEX	504	41	88	633	698	65	91%
121	MONTGOMERY	3093	332	340	3765	3972	207	95%
125	NELSON	661	86	125	872	993	121	88%
127	NEW KENT	337	28	74	439	464	0	95%
700	NEWPORT NEWS	14717	1223	1221	17161	18051	890	95%
710	NORFOLK	20452	1307	1199	22958	26567	3609	86%
131	NORTHAMPTON	1185	125	136	1446	1644	198	88%
133	NORTHUMBERLAND	623	100	95	818	853	35	100%
720	NORTON	391	16	42	449	546	97	82%
135	NOTTOWAY	1233	131	83	1447	1664	217	87%
137	ORANGE	1061	130	218	1409	1464	55	96%
139	PAGE	1298	166	187	1651	1638	0	101%
141	PATRICK	1339	144	95	1578	1645	67	96%
730	PETERSBURG	3539	228	262	4029	4450	421	91%
143	PITTSYLVANIA	3599	329	289	4217	4182	0	101%
740	PORTSMOUTH	9335	538	623	10496	11268	772	93%
145	POWHATAN	481	64	93	638	754	116	85%
147	PRINCE EDWARD	1316	99	153	1568	1494	0	105%
149	PRINCE GEORGE	910	81	82	1073	1415	342	76%
153	PRINCE WILLIAM	14613	1284	1848	17745	13097	0	135%
155	PULASKI	1993	230	206	2429	2343	0	104%
750	RADFORD	637	63	54	754	601	0	125%
157	RAPPAHANNOCK	141	38	48	227	270	43	84%

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

FIPS	LOCALITY	FAMIS Plus*	MED EXP	FAMIS	Current TOTAL Enrolled ****	Estimated Eligible Children**	Remaining Eligibles to Enroll***	% Enrolled of Estimated Eligibles
760	RICHMOND	21820	1072	1280	24172	28382	4210	85%
159	RICHMOND COUNTY	494	46	62	602	661	59	91%
770	ROANOKE	8634	598	708	9940	9366	0	106%
161/775	ROANOKE CO/SALEM	2951	381	406	3738	3335	0	112%
163/530 678	ROCKBRIDGE/BUENA VISTA/LEXINGTON	1312	173	195	1680	1686	6	100%
165/ 660	ROCKINGHAM/ HARRISONBURG	4894	449	628	5971	5730	0	104%
167	RUSSELL	2230	276	342	2848	3338	490	85%
169	SCOTT	1435	179	171	1785	2009	224	89%
171	SHENANDOAH	1645	216	221	2082	1825	0	114%
173	SMYTH	2103	239	217	2559	2654	95	100%
175	SOUTHAMPTON	1031	115	79	1225	1281	56	96%
177	SPOTSYLVANIA	3590	381	500	4471	3932	0	114%
179	STAFFORD	3544	324	398	4266	3518	0	121%
800	SUFFOLK	4640	352	409	5401	6240	839	87%
181	SURRY	333	47	57	437	576	139	76%
183	SUSSEX	746	66	84	896	954	58	94%
185	TAZEWELL	3320	417	471	4208	4461	253	94%
810	VIRGINIA BEACH	13228	1477	2131	16836	21277	4441	79%
187	WARREN	1395	123	209	1727	1819	92	95%
191	WASHINGTON	2423	264	278	2965	3222	257	92%
820	WAYNESBORO	1398	160	176	1734	1780	46	97%
193	WESTMORELAND	1248	129	104	1481	1467	0	101%
830	WILLIAMSBURG	287	17	32	336	413	77	81%
840	WINCHESTER	1271	119	268	1658	1609	19	103%
195	WISE	3780	286	390	4456	5301	845	84%
197	WYTHE	1638	175	227	2040	2037	0	100%
199/735	YORK/POQUOSON	1112	120	184	1416	2203	787	64%
975	Dept. Med Assist Svcs	0	0	3	3			
TOTAL		345,505	32,693	41,828	420,026	432,773	12,747	97%

Source: VAMMIS 10-01-05

* Children under 21 enrolled in a Medicaid Families & Children aid category.

** Estimates of uninsured eligible children in Virginia completed January 2004. Estimates of eligible children are subject to error.

*** The sum of "remaining eligibles to enroll" at the locality level does not match the statewide total of "remaining eligibles to enroll" because the number of "remaining eligibles to enroll" for localities that have exceeded their estimated target is set to zero.

**** The total number also includes 79 pregnant women enrolled in FAMIS MOMS. This population will be separated in future reports.

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

TABLE #2

**Enrollment in the Children's Health Insurance Program Since the 9/1/2002
Program Changes**

MONTH & YEAR	FAMIS	Medicaid Expansion (PD 094)	MEDICAID	Total Children Enrolled	Monthly Gain (Loss)
September 1, 2002	28,603	9,427	259,000	297,030	
October 1, 2002	28,838	11,664	260,424	300,926	3,896
November 1, 2002	30,788	12,847	265,311	308,946	8,020
December 1, 2002	31,814	14,137	267,620	313,571	4,625
January 1, 2003	31,528	15,083	268,517	315,128	1,557
February 1, 2003	32,411	16,173	271,575	320,159	5,031
March 1, 2003	32,626	17,076	274,187	323,889	3,730
April 1, 2003	32,362	18,021	276,585	326,968	3,079
May 1, 2003	31,663	18,866	279,923	330,452	3,484
June 1, 2003	31,725	19,771	282,795	334,291	3,839
July 1, 2003	32,083	20,244	287,383	339,710	5,419*
August 1, 2003	32,132	20,749	286,528	339,409	(-301)*
September 1, 2003	32,684	21,179	293,998	347,861	8,452*
October 1, 2003	32,342	20,446	296,935	349,723	1,862
November 1, 2003	33,524	21,047	306,361	360,959	11,236**
December 1, 2003	34,116	21,104	308,838	364,058	3,099
January 1, 2004	35,030	21,228	312,328	368,586	4,528
February 1, 2004	35,156	21,080	314,516	370,752	2,166
March 1, 2004	35,618	21,091	317,326	374,035	3,283
April 1, 2004	35,673	21,006	319,218	375,897	1,862
May 1, 2004	36,448	20,937	322,371	379,756	3,859
June 1, 2004	36,658	20,891	323,894	381,443	1,687
July 1, 2004	37,616	21,060	324,632	383,308	1,865
August 1, 2004	38,018	20,950	323,552	382,520	-788
September 1, 2004	38,532	23,362	324,091	385,985	3,465
October 1, 2004	38,749	24,965	326,113	389,827	3,842
November 1, 2004	39,515	26,522	330,143	396,180	6,353
December 1, 2004	39,903	27,714	332,712	400,329	4,149
January 1, 2005	39,970	28,554	334,330	402,854	2,525
February 1, 2005	40,162	29,272	336,827	406,261	3,407
March 1, 2005	40,129	29,770	337,189	407,088	827
April 1, 2005	40,613	30,248	339,135	409,996	2,908
May 1, 2005	41,141	30,833	342,264	414,238	4,242
June 1, 2005	41,252	31,304	343,157	415,713	1,475
July 1, 2005	41,502	31,685	343,361	416,548	835
August 1, 2005	41,765	31,895	344,235	417,895	1,347
September 1, 2005	42,210	32,201	345,493	418,905	2,009
October 1, 2005	41,828	32,693	345,426	419,947	43

* Data fluctuations are due to implementation of the new VAMMIS.

** Report methods were corrected this month.

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

TABLE #3

**FAMIS FPL (Federal Poverty Limit) INCOME LIMITS
(Effective February 18, 2005)**

Size of Family	150% FPL Monthly Income Limit (for lower co-pays)	200% FPL Monthly Income Limit (income eligibility limit)
1	\$1,197	\$1,595
2	1,604	2,139
3	2,012	2,682
4	2,419	3,225
5	2,827	3,769
6	3,234	4,312
7	3,642	4,855
8	4,049	5,399
For each additional person, add	408	544

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

TABLE #4

FAMIS EXPENDITURES BY TYPE OF SERVICE – July, August & September 2005

SERVICE TYPE	JULY	AUGUST	SEPTEMBER	TOTAL
1 Health Care Insurance Premiums	4,065,613	3,027,641	3,758,582	10,851,836
123744 ESHI Premiums	5,672	7,456	8,566	21,694
123747 HMO-Options Capitation Payments	0	0	0	0
123748 HMO-MEDALLION II Capitation Payments	4,059,941	3,020,185	3,750,016	10,830,142
123749 FAMIS Premium Refunds	0	0	0	0
2 Inpatient Hospital Services	208,112	220,876	453,581	882,570
123319 Long Stay Inpatient Hospital	0	0	24,952	24,952
123341 General Hospital	198,695	220,876	428,629	848,201
123348 Rehabilitation Hospital	9,417	0	0	9,417
3 Inpatient Mental Health	(381)	(140)	0	(521)
123459 Inpatient MH Services	(381)	(140)	0	(521)
4 Nursing Care Services				
123416 Nurses Aides				
123541 Skilled Nursing Facilities				
123591 Miscellaneous Nursing Home				
5 Physician and Surgical Services	231,725	206,173	253,648	691,546
123441 Physicians	231,725	206,173	253,648	691,546
123457 MC Providers - FFS Payments	0	0	0	0
6 Outpatient Hospital Services	172,755	133,040	142,932	448,727
123141 Outpatient Clinic	172,755	133,040	142,932	448,727
123349 CORF	0	0	0	0
7 Outpatient Mental Health Facility Services	318,265	256,547	275,277	850,089
123143 Community Mental Health Clinic	82,708	4,355	3,179	90,242
123340 Psych Residential Inpatient Services	10,219	0	0	10,219
123449 MH Community Services	28,473	47,095	60,198	135,766
123451 MR Community Services	260	0	0	260
123461 Private MH & SA Community	196,604	205,096	211,901	613,601
8 Prescribed Drugs	249,303	218,902	333,635	801,840
123445 Prescribed Drugs	249,303	218,902	333,635	801,840
9 Dental Services	148,787	511,171	637,837	1,297,796
123241 Dental	142,829	507,864	628,694	1,279,387
123242 Dental Clinic	5,958	3,307	9,144	18,409
10 Vision Services	10,542	15,261	16,290	42,094
123443 Optometrists	10,542	15,261	16,290	42,094
11 Other Practitioner's Services	15,713	11,098	17,598	44,409
123444 Podiatrists	1,109	731	2,168	4,008
123446 Psychologists	1,790	1,386	1,818	4,994
123447 Nurse Practitioners	5,886	3,845	5,134	14,865
123491 Miscellaneous Practitioners	6,927	5,136	8,479	20,542
12 Clinic Services	72,705	39,041	49,308	161,054
123142 Other Clinic	271	273	1,331	1,875
123147 Ambulatory Surgical Clinic	6,983	9,096	8,750	24,829
123148 Rural Health Clinic	14,805	12,660	22,481	49,946
123460 Federally Qualified Health Center	10,025	10,394	14,981	35,400
123473 School Rehab Services	40,613	6,492	1,765	48,870
123474 School Health Clinic Services	9	126	0	135
13 Therapy Clinic Services	9,046	12,041	11,243	32,329
123144 Physical Therapy Clinic	9,046	12,041	11,243	32,329

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

14 Laboratory and Radiological Services	20,934	24,790	26,169	71,893
123641 Lab and X-ray	20,934	24,790	26,169	71,893
15 Durable and Disposable Medical Equipment	40,584	12,701	7,744	61,029
123484 Medical Appliances	40,584	12,701	7,744	61,029
134241 Medical Appliances	0	0	0	0
18 Screening Services	56,786	58,255	73,111	188,152
123145 EPSDT Screening	56,786	58,255	73,111	188,152
19 Home Health	190	862	1,009	2,062
123442 Home Health	190	862	1,009	2,062
21 Home/CBC Services				
123545 Private Duty Nursing				
123566 Personal Care				
22 Hospice				
123435 Hospice Care				
23 Medical Transportation	4,362	2,070	2,662	9,094
128641 Transportation	4,362	2,070	2,662	9,094
24 Case Management	5,437	2,647	5,224	13,308
123448 Maternal Infant Care	5,437	2,647	4,584	12,668
123465 Treatment Foster Care Case Mgmt.	0	0	640	640
Total Expenditures for FAMIS Medical Services	5,630,477	4,752,977	6,065,852	16,449,306
Administrative Expenditures	282,801	420,062	1,356,564	2,059,427
Total FAMIS Expenditures	5,913,278	5,173,040	7,422,415	18,508,734

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

TABLE #5

SCHIP MEDICAID EXPANSION EXPENDITURES BY TYPE OF SERVICE – July, August & September 2005

SERVICE TYPE	JULY	AUGUST	SEPTEMBER	TOTAL
1 Health Care Insurance Premiums	2,146,567	2,169,701	2,373,004	6,689,272
123757 HMO-Options Capitation Payments				0
123758 HMO-MEDALLION II Capitation Payments	2,146,567	2,169,701	2,373,004	6,689,272
2 Inpatient Hospital Services	123,426	134,290	155,884	413,600
123350 General Hospital	123,426	130,254	155,884	409,564
123352 Rehabilitation Hospital	0	4,036	0	
3 Inpatient MH - Regular Payments	101,450	131,970	128,141	361,562
123303 Psych.Resident Inpatient Facility	87,907	111,489	118,271	317,667
123357 Inpatient Psychology Under 21 (Private)	13,544	15,430	9,870	38,843
123358 Long Stay Inpatient Hospital (MH)				0
123363 Inpatient Psychology Under 21 (MHMR)	0	5,052	0	5,052
4 Nursing Care Services				
123554 Skilled Nursing Facilities				
123559 Miscellaneous Nursing Home				
5 Physician and Surgical Services	228,584	184,428	241,139	654,150
123424 Physicians	228,584	184,428	241,139	654,150
123425 MC Providers - FFS Payments				
6 Outpatient Hospital Services	248,532	129,032	61,081	438,645
123116 Outpatient Hospital	248,532	129,032	61,081	438,645
123321 CORF				
7 Outpatient Mental Health Facility Services	487,169	411,721	457,469	1,356,359
123115 Mental Health Clinic	113,373	7,687	9,085	130,144
123420 MH Community Services	67,499	76,789	89,566	233,853
123421 MR Community Services	260	980	980	2,219
123422 Private MH & SA Community	306,037	326,266	357,840	990,143
8 Prescribed Drugs	549,368	413,209	543,810	1,506,387
123426 Prescribed Drugs	549,368	413,209	543,810	1,506,387
9 Dental Services	187,257	486,746	594,680	1,268,683
123205 Dental	176,253	481,098	586,978	1,244,329
123206 Dental Clinic	11,003	5,648	7,702	24,353
10 Vision Services	18,919	16,142	26,910	61,971
123455 Optometrists	18,919	16,142	26,910	61,971
11 Other Practitioner's Services	11,952	23,542	23,578	59,072
123437 Podiatrists	2,102	966	1,926	4,994
123438 Psychologists	1,538	5,346	3,923	10,807
123439 Nurse Practitioners	3,111	5,187	3,737	12,035
123440 Miscellaneous Practitioners	5,201	12,043	13,992	31,236
12 Clinic Services	59,038	24,132	47,924	131,094
123117 Other Clinic	1,449	737	666	2,851
123118 Ambulatory Surgical Clinic	4,265	1,922	4,322	10,508
123124 Rural Health Clinic	13,490	9,942	20,063	43,496
123462 School Rehab Services	31,702	3,489	12,074	47,265
123463 School Health Clinic Services	0	51	0	51
123471 Federally Qualified Health Center	8,133	7,992	10,799	26,924
13 Therapy Clinic Services	10,595	13,819	8,954	33,368
123119 Physical Therapy Clinic	10,595	13,819	8,954	33,368
14 Laboratory and Radiological Services	24,048	27,715	31,060	82,822

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

123651 Lab and X-ray	24,048	27,715	31,060	82,822
15 Durable and Disposable Medical Equipment	17,165	13,828	17,396	48,390
123472 Medical Appliances	17,165	13,828	17,396	48,390
18 Screening Services	18,502	21,999	28,656	69,157
123123 EPSDT Screening	18,502	21,999	28,656	69,157
19 Home Health	11,753	5,873	5,357	22,983
123466 Home Health	9,283	1,623	1,833	12,740
123467 Community MR Services Waiver	2,470	4,250	3,524	10,244
21 Home/CBC Services	37,170	18,157	14,548	69,875
123476 Developmental Disabilities Waiver	36,468	0	889	37,357
123481 Developmental Disability Support Coordinator	702	526	526	1,754
123552 CD Facilitator Services	0	0	53	53
123553 Private Duty Nursing	0	16,027	12,227	28,254
123560 Personal Care	0	876	853	1,729
123592 Respite Care	0	728	0	728
22 Hospice				
123470 Hospice Care				
23 Medical Transportation	3,145	1,425	3,283	7,853
128651 Transportation	3,145	1,425	3,283	7,853
24 Case Management	7,481	18,920	10,955	37,356
123468 Maternal Infant Care	5,032	2,756	4,105	11,893
123469 Treatment Foster Care Case Mgmt.	2,449	16,164	6,850	
Total Expenditures for Medical Services	4,292,120	4,246,651	4,773,828	13,312,598
Administrative Expenditures	0	0	1,817,551	1,817,551
Total MEDICAID EXPANSION Expenditures	4,292,120	4,246,651	6,591,379	15,130,149

APPENDIX I

Joint Legislative and Audit Review Commission (JLARC) Recommendations

Senate Joint Resolution 441 from the 2001 General Assembly Session directed the Joint Legislative and Audit Review Commission (JLARC) to conduct an evaluation of the development, management, utilization, and funding for the health and mental health services provided through the Department of Medical Assistance Services (DMAS). JLARC's report, *A Review of Selected Programs in the Department of Medical Assistance Services* (Senate Document 22, 2002), focused on four program areas, including the Child Health Insurance Program (Section II of the report). JLARC made six recommendations in the report.

Recommendation number 1 stated that the Medicaid enrollment data should be reported whenever FAMIS enrollment data is reported. DMAS added the Medicaid children enrollment figures to the Monthly Child Health Insurance Program Enrollment Report beginning with October 2002 data. The enrollment data in this report includes the Medicaid child enrollment numbers for the third quarter of 2005. (See Section III A of this report for current enrollment information).

Recommendation number 2 in the JLARC report recommended that DMAS, in conjunction with the FAMIS Outreach Oversight Committee, develop a telephone and/or mail survey to track the reasons why children drop out of the FAMIS program. DMAS has undertaken several initiatives to learn more about why children drop out of the FAMIS and FAMIS Plus programs. In addition to ongoing analysis of data from VaMMIS, during the first quarter of 2005 telephone surveys were conducted with 400 families whose children had recently failed to renew FAMIS and 400 families whose children had failed to renew FAMIS Plus. Responses from the surveys show that approximately 40% of families chose not to renew coverage as they had private health insurance and many others assumed they now earned too much income. DMAS continues to gather information and data on barriers to renewal identified by families and advocates and modify policies, adjust procedures and improve materials to retain eligible children in the program.

Recommendation number 3 directed DMAS to develop an up-to-date projection of the total number of uninsured children in Virginia, the number of children potentially eligible for Medicaid, and the number of children potentially eligible for FAMIS. DMAS worked with the Community Health Resource Center (consultant), the Virginia Health Care Foundation, the Virginia Hospital & Health Care Association, and the Virginia Poverty Law Center, to update the estimated number of children remaining uninsured in Virginia who are potentially eligible for Medicaid or FAMIS. The revised estimate was based on the 2001 Virginia Health Access Survey, the 2000 census data, and other indicators of rates of insurance. The estimates were completed in December 2002. The figures showed that 411,642 children living in Virginia are potentially eligible for Medicaid or FAMIS because their family income is below 200% of poverty, and they do not have health insurance coverage. Medicaid and FAMIS covered approximately 76% (315,128) of these children as of December 31, 2002. The projection methodology was updated in December 2003. See Section III B for details.

Recommendation number 4 in the JLARC report recommended that DMAS adopt a single eligibility level of 133 percent of the federal poverty level for all medically indigent children under age 19 in the Medicaid program. The 2002 General Assembly authorized DMAS to make this change, which was effective on September 1, 2002. Approximately 9,000 children were transferred from FAMIS to

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

Medicaid as a result of implementing the SCHIP Medicaid Expansion group that increased the Medicaid income limit for all children under age 19 to 133 percent of the Federal Poverty Level (FPL).

These children are funded by Title XXI funds (state child health insurance dollars) at the higher federal match rate. As of the end of the third quarter of 2005, there were 32,693 children enrolled in the Medicaid Expansion group.

Recommendation number 5 of the JLARC report directed the Department of Medical Assistance Services, in cooperation with the Virginia Department of Social Services (DSS), to develop a detailed plan to improve ongoing communication and coordination between the Medicaid and FAMIS programs. DMAS staff met with state and local DSS staff to develop policies and procedures to improve communication and work flows between local DSS agencies, the DMAS FAMIS Plus Unit and the FAMIS CPU. Detailed procedures were developed by the two departments' staff to implement the single Children's Health Insurance application form for Medicaid and FAMIS, uniform verification procedures and the "No Wrong Door" policy.

The sixth recommendation directed DMAS to expand the quarterly report to include information about how it is implementing the recommendations in the report. This information is included in the subject sections of this report.

APPENDIX II

2002, 2003, 2004 and 2005 General Assembly Legislation

A. 2002 Legislation

The 2002 General Assembly passed legislation that improved the access and outreach for the FAMIS program. These actions included:

1. House Bill 1062

This bill directed DMAS to work with the Departments of Health and Education to identify children in the Women, Infants, and Children (WIC) and school lunch programs who may also be eligible for FAMIS or Medicaid. DMAS continued to implement these interdepartmental initiatives during the third quarter of 2005.

2. House Bill 790

This bill allows an adult caretaker relative to submit a FAMIS application on behalf of a child. DMAS implemented this provision on July 1, 2002.

3. Budget language

Language in the Budget bill directed DMAS to:

- a. Provide an exception to the six-month waiting period for dropping insurance for reasons of affordability. DMAS implemented this provision on July 1, 2002.
- b. Allow a caretaker relative to apply on behalf of a child (same as House Bill 790). DMAS implemented this provision on July 1, 2002.
- c. Adopt a single income level for Medicaid eligibility at 133 percent of the federal poverty limit for all children under age 19. DMAS implemented this provision on September 1, 2002. See Section III A of this report for information on the SCHIP Medicaid Expansion.

The continued increase in numbers of children enrolled in Virginia's Child Health Insurance Program attests to the success of this legislation in improving families' access to the program.

B. 2003 Legislation

The 2003 General Assembly passed legislation that improved the access to FAMIS and the retention of enrolled children. DMAS implemented these changes on August 1, 2003. Several provisions to create an "umbrella program" for Child Health Insurance in Virginia were passed, including the name change for the medically indigent Medicaid-enrolled children to "FAMIS Plus," and the coordination of administration of the FAMIS and FAMIS Plus programs. The legislation included:

1. House Bill 2287 & Senate Bill 1218

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

This legislation amended the FAMIS law for the following items, which were implemented on August 1, 2003:

- a. Coordination with “FAMIS Plus”, the new name for the medically indigent groups of Medicaid-enrolled children, and provided for a single application form for FAMIS and FAMIS Plus. In order to start phasing-in an umbrella program of Child Health Insurance, children who meet medically indigent criteria under the Medicaid program rules are covered under the new name, “FAMIS Plus”, effective August 1, 2003.

FAMIS Plus children continue to receive the full Medicaid benefit package and have no cost-sharing responsibilities. As stocks were depleted, the Medicaid and FAMIS member handbooks, the FAMIS brochures, the FAMIS MCO contracts, the managed care organizations’ member handbooks, and mailings from DMAS were revised to reference “FAMIS Plus” as the new name for children’s Medicaid. The enrollee eligibility verification systems used by service providers was changed to reference “FAMIS Plus” instead of “Medicaid” for children who are enrolled in the medically indigent aid categories. The system change was partially completed in May 2004 and the remainder was completed in the first quarter of 2005.

DMAS staff meets regularly with Department of Social Services (DSS) staff to discuss administrative procedures that will make the administration of both FAMIS and FAMIS Plus efficient and seamless for the families, and to discuss computer systems-related issues. The procedures for coordinating administration, including outreach, enrollment, re-enrollment and services delivery, of the FAMIS and FAMIS Plus programs were developed by DMAS in partnership with DSS and the FAMIS contractor.

The combined Child Health application form was implemented on September 1, 2002, and is a single application form currently used to determine eligibility for both FAMIS and Medicaid medically indigent children. This application form was revised to reference FAMIS Plus, and will continue to be used for both programs, FAMIS and FAMIS Plus.

In August 2005, the application was further revised to allow pregnant women applying for Medicaid or FAMIS MOMS coverage to use the same form.

- b. Co-payments for FAMIS benefits will not be decreased from the amounts in effect as of January 1, 2003. Co-payments for FAMIS children enrolled in managed care are based on the family’s income. The co-payments that were in effect as of January 1, 2003, are outlined in Section V. C.
- c. The six months prior insurance coverage limitation (“waiting period”) changed to four months. Beginning August 1, 2003, families are asked if the child had health insurance coverage in the four months prior to application. If so, and there was no “good cause” for dropping the insurance, the child is ineligible for FAMIS for four months from the date the insurance was canceled. The revised eligibility policy was implemented on August 1, 2003. See Section V. B for more information on the impact of the four-month waiting period.
- d. Specific mental health services were added to the FAMIS benefit package. Effective August 1, 2003, the following community mental health services are covered for FAMIS recipients:

- intensive in-home services,

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

- case management services,
- day treatment, and
- 24-hour emergency response.

Enrollees and service providers were notified of these new covered services in July 2003. The services are provided in the same manner and with the same coverage and service limitations as they are provided to children under the state plan for Medicaid. These services are “carved out” of the managed care plans and are reimbursed directly to the service provider by DMAS. Coverage of these services under FAMIS should reduce the general fund dollars utilized by the Comprehensive Services Act Program.

2. House Bill 2594

This legislation amended the FAMIS law by adding the sentence “Eligible children, residing in Virginia, whose family income does not exceed 200 percent of the federal poverty level during the enrollment period shall receive 12 continuous months of coverage as permitted by Title XXI of the Social Security Act.”

For FAMIS, families are required to report a change in their income only when the family’s gross monthly income increases to an amount that is over the 200% federal poverty level for the family size. Families of enrolled FAMIS children were notified of this change in the reporting requirements prior to the August 1, 2003, implementation of the change. Effective August 1, 2003, enrollment in FAMIS is for 12 continuous months, unless one of the following events occurs before the annual renewal:

- a. an increase in gross monthly income to above 200% FPL,
- b. a child moves out of state,
- c. a child turns age 19,
- d. a child dies,
- e. the family requests cancellation, or
- f. the family applies for Medicaid and the child is determined eligible for Medicaid.

Families must report the following changes before the annual renewal:

- increase in gross monthly income only if it goes above 200% FPL,
- change in the family size, and
- move to an out-of-state address.

If none of the above changes is reported, FAMIS eligibility will be renewed annually.

C. 2004 Legislation

House Bill 836

This legislation revises the name, purpose, membership, and responsibilities of the current Outreach Oversight Committee to Family Access to Medical Insurance Security (FAMIS) to create the Children’s Health Insurance Program Advisory Committee and declares the purpose of the committee to be to assess policies, operations and outreach for FAMIS and FAMIS Plus (Medicaid for children) and to evaluate various enrollment, utilization, and outcomes of children for these programs. The committee’s membership is limited to 20 members and will include the Joint Commission on Health Care, the Department of Social Services, the Department of Health, the Department of Education, the Department of Mental Health, Mental

**Quarterly Report on the Status of the
Virginia Family Access to Medicaid Insurance Security Plan (FAMIS)
2005 Third Quarter: July 1, 2005 through September 30, 2005**

Retardation and Substance Abuse Services, the Virginia Health Care Foundation, various provider associations and children's advocacy groups, and other individuals with significant knowledge and interest in children's health insurance. The committee will make recommendations on FAMIS and FAMIS Plus to the Director of the Department of Medical Assistance Services and the Secretary of Health and Human Resources. See Section VII D for further information about committee activity during this quarter.

D. 2005 Legislation

The 2005 General Assembly authorized the expansion of the FAMIS program to pregnant women with income up to 150% of the Federal Poverty Level and modification of the current premium assistance program currently known as ESHI (Employer Sponsored Health Insurance).

House Bill 2284

This legislation removed the requirement that the Family Access to Medical Insurance Security (FAMIS) plan provide wraparound benefits through supplemental insurance when benefits equivalent to the Virginia Medicaid program are not included in the employer-sponsored health insurance benefit plan.

In August 2005, the new FAMIS *Select* premium assistance program was implemented and it eliminated coverage for full wraparound FAMIS benefits for children enrolled in this premium assistance program and covered by employer-sponsored or private policies.

Budget Item 324 L

This budget item gave the Department of Medical Assistance Services the authority to amend the Family Access to Medical Insurance Security Plan and related regulations to expand medical coverage to pregnant women who are over the age of 19 with annual family income in excess of the Medicaid limit but less than or equal to 150 percent of the Federal Poverty Level and to simplify the administration of the premium assistance program available to families with children eligible for FAMIS who have access to an employer-sponsored health insurance program. It also gave the department authority to promulgate emergency regulations to implement this amendment within 280 days or less from the enactment date of the act.

DMAS submitted a waiver to the Centers for Medicare and Medicaid Services (CMS) to implement the two programs provided for by the 2005 General Assembly. On July 1, 2005 CMS approved the Virginia waiver. On August 1, 2005, both the FAMIS MOMS program for pregnant women with income between the Medicaid limit and 150% FPL, and the revised premium assistance program FAMIS *Select* were implemented. See section IV C and section IX for further information on these new programs.