



COMMONWEALTH of VIRGINIA
Department of Medical Assistance Services

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MEMORANDUM

TO: Karen S. Rheuban, M.D.
Chair, Board of Medical Assistance Services

The Honorable Charles J. Colgan
Co-Chairman, Senate Finance Committee

The Honorable Walter A. Stosch
Co-Chairman, Senate Finance Committee

The Honorable S. Chris Jones
Chairman, House Appropriations Committee

Daniel Timberlake
Director, Department of Planning and Budget

FROM: Cynthia B. Jones 
Director, Virginia Department of Medical Assistance Services

SUBJECT: Report on the Medicaid Physician and Managed Care Liaison Committee

The 2013-14 Appropriations Act, Item 307 MMMM states, "Effective July 1, 2013, the Department of Medical Assistance Services (DMAS) shall establish a Medicaid Physician and Managed Care Liaison Committee..." Attached is the third annual report of the Committee's activities, which is required by October 1 of each year, to the Board of Medical Assistance Services, the Chairmen of the House Appropriations and Senate Finance Committees, and the Department of Planning and Budget.

Should you have any questions or need additional information, please feel free to contact me at (804) 786-8099.

CBJ/

Enclosure

pc: The Honorable William A. Hazel, Jr., MD, Secretary of Health and Human Resources

**Department of Medical Assistance Services
Annual Report to the General Assembly**

Report on the Medicaid Physician and Managed Care Liaison Committee

October 2015

The 2013-14 Appropriations Act, Item 307 MMMM states, “Effective July 1, 2013, the Department of Medical Assistance Services (DMAS) shall establish a Medicaid Physician and Managed Care Liaison Committee...” This correspondence will serve as the third annual report of the Committee’s activities, which is required by October 1 of each year, to the Board of Medical Assistance Services, the Chairmen of the House Appropriations and Senate Finance Committees, and the Department of Planning and Budget.

The Medicaid Physician and Managed Care Liaison Committee membership is comprised of representatives from the physician organizations specified in the budget language referenced above. It also includes participation by representatives from DMAS’ contracted managed care organizations, the Virginia Association of Health Plans, the Virginia Council of Nurse Practitioners, and the Virginia Nurses Association. The current membership roster is enclosed.

The Committee is charged with working with DMAS to:

- Investigate the implementation of quality, cost-effective health care initiatives;
- Remove administrative obstacles to quality, cost-effective patient care;
- Identify means to increase provider participation in the Medicaid program; and
- Address other matters as raised by DMAS or committee members.

As noted in an earlier report to the General Assembly, the Committee previously established three subcommittees which continued to meet during the past year. These workgroups are chaired by members of the full Committee and supported by DMAS staff.

- Workgroup #1 – Investigating Quality, Cost-effective Health Care Solutions;
- Workgroup #2 – Increasing Provider Participation; and
- Workgroup #3 – Removing administrative obstacles to quality, cost-effective patient care.

The inaugural meeting of the Committee was held on August 22, 2013, and thereafter the Committee has met at least biannually. Committee members participate in separate workgroups, or subcommittees, to address the first three charges to the Committee as listed above. The subcommittees have met numerous times, both as part of full Committee meetings and separately, to explore these matters in great detail.

As a result of these discussions, a primary recommendation was to provide Medicaid’s health care providers with easier online access to the managed care plans’ prescription drug formularies. This has been accomplished with a new link on the DMAS web site that consolidates access to the formularies for all DMAS programs into one location. With one “click” the new page provides direct links to each of the ten (10) formularies used by all Virginia Medicaid programs (6 Managed Care Organizations, three (3) Commonwealth Coordinated Care Medicare-Medicaid Plans, and DMAS Fee For Service). The health plans and DMAS are committed to keeping these online formularies up to date, thus enabling providers to readily choose the appropriate medication(s) to address their patients’ needs.

Since the previous Annual Report to the General Assembly in October 2014, the Medicaid Physician and Managed Care Liaison Committee held two face-to-face meetings on November 20, 2014 and July 29, 2015. In addition, DMAS conducted two conference calls with the Committee leadership on April 16 and April 24, 2015. At the full Committee meeting in November, each workgroup identified certain issues they intended to focus on for the coming year. Those selected issues are described below.

- Workgroup #1 – Investigating Quality, Cost-effective Health Care Solutions
 - Select up to three (3) quality measures for study that have a positive impact on patient outcomes. Many are process measures and the focus should be on appropriate outcomes (e.g., renal treatment) that may serve as a model for providers and plans
 - Consider targeting certain populations such as the aged/blind/disabled, children and/or pregnant women.

- Workgroup #2 – Increasing Provider Participation
 - Explore tax credits for Medicaid providers based on volume of Medicaid patients
 - Engage Medicaid providers to promote participation by getting testimonials (e.g., assurance of payment by Medicaid vs. Marketplace plans with high deductibles)
 - Address issue of the loss of prior authorization when patients change health plans

- Workgroup #3 – Removing Administrative Obstacles to Quality, Cost-Effective Patient Care
 - Continue to address provider concerns regarding administrative barriers
 - Invite CMS to visit Richmond to meet with the Subcommittee to discuss issues that cannot be fixed at the state level; how to change federal regulations that cause administrative barriers
 - Consider ways to make providers aware of what drugs cost before they prescribe them and what lower cost alternatives should be considered

The groups expressed interest in meeting separately on their own to address their specific topics prior to the next full Committee meeting in the spring, where the members would review overall subcommittee work on assigned areas and progress on identified issues.

In April of 2015, DMAS Director Cindi Jones invited Committee leadership to participate in one of two conference calls scheduled to discuss the future of the Committee. As the Medicaid Physician and Managed Care Liaison Committee had been in existence for almost two years, Director Jones wanted to solicit input on the direction and structure of the Committee going forward to ensure that it continues to add value to the ongoing efforts to improve the Medicaid program, without duplicating the work of other bodies, and being mindful of the limited resources of both DMAS and the member organizations. The agenda for each call would be identical and include a review of the Committee’s purpose as expressed by the General Assembly, descriptions of other studies/workgroups charged with related topics, and a discussion of the most appropriate role for the Committee going forward.

During the April 16 and April 24 conference calls, DMAS staff reviewed a lengthy list of one-time or ongoing studies or workgroups that were intended to address various features of the Medicaid program. Of particular note was the Virginia Center for Health Innovation and its State Innovation Model (SIM) grant award that will address many of the topics of interest identified by the Committee. These SIM activities already include representatives from many of the same organizations participating on the Committee. It was also noted that a recent focus of the Committee regarding physician interest in streamlining the prior authorization requirements by health plans has been addressed through recent legislative action at the General Assembly. The discussion by participants of both calls centered on the need to more narrowly focus the work of the Committee to one or two important topics within the

Committee's legislative charge but which are not being addressed through other efforts. There was general consensus that the Committee does have a unique and important charge to identify ways to increase provider participation in the Medicaid program and that removing administrative barriers can play an important part in achieving that goal.

As preparation for an upcoming meeting of the Committee in July, members were asked in advance to consider how the Committee can be restructured to address the primary question of what needs to be done to increase provider participation in the Medicaid program. Toward this end, members were asked to consider the following topics for discussion with the goal of reaching agreement on a revised focus for Committee work for a set period of time and a new Committee/subcommittee structure if warranted.

- What are the greatest needs for increased participation by type of providers?
- Where are the greatest needs for increased participation?
- What will the needs be in the future – especially if Virginia expands Medicaid?
- What are the barriers to participation and are they the same for all provider types?
- Which of the barriers can be reasonably addressed by DMAS or health plans?
- Are there short-term and long-term strategies that should be developed?
- How can the MPMCLC best target specific strategies for a measurable impact?
- How should the committee be structured to achieve this result?
- Other discussion points?

At the July 29, 2015 meeting, members shared their opinions about how best to increase provider participation in the Medicaid program with realistic expectations about what the Committee could accomplish. The idea of selecting one or two topics for the group to focus on over the next year was generally supported by the membership. Committee members had suggested topics for consideration by email or at the meeting. The Committee also appeared to agree that presentations on relevant topics are a valuable use of their meeting time and should continue. Following the aforementioned discussion, Laura Lee Viergever, Committee member and representative of the Virginia Association of Health Plans, provided a presentation on the recently enacted prior authorization legislation. Afterwards, Adrienne Fegans, DMAS staff member, conducted a presentation on the proposed Federal managed care regulations. Both of these presentations were well received and the meeting was adjourned thereafter.

Following the July meeting, each Committee member was asked to refine and/or add recommended areas of focus for the Committee's work in the coming year. Once this input is received in late August, members will be asked to vote on no more than two of the recommended topics. DMAS will tally the results by the end of the summer and then report the top two picks to the membership.

Based on discussion during the July 29 meeting, it was determined a presentation on value-based purchasing would be useful to the membership at the next meeting of the Committee in the fall of 2015. All of the meeting agendas and presentations provided during the aforementioned Committee meetings may be accessed on the DMAS website at http://www.dmas.virginia.gov/Content_pgs/mc-mpmc.aspx.

Medicaid Physician & Managed Care Liaison Committee Members

Organization

Psychiatric Society of Virginia
Medical Society of Virginia
Virginia Medical Group Management Association
InTOTAL
Virginia Council of Nurse Practitioners
Optima Family Care
Anthem Healthkeepers Plus
Virginia Association of Health Plans
Kaiser Foundation Health Plan of the Mid-Atlantic States
Virginia College Emergency Physicians
Virginia Nurses Association
CoventryCares of Virginia
Virginia Premier Health Plans
Board of Medical Assistance Services
Virginia Academy of Family Physicians
American College of Obstetricians and Gynecologists
American Academy of Pediatrics
American College of Radiology
Virginia Hospital & Healthcare Association

Representative

Adam T. Kaul
Karen Ransone / Arline Bohannon
Bert Wilson
Cheryl Ricciardi
Cynthia Fagan
Cynthia Rogers
David Buchsbaum
Laura Lee Viergever
Douglas Cappiello
Ed Walsh
Frankye Myers
Ira Bloomfield
Renee Miskimmin
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