



COMMONWEALTH of VIRGINIA  
*Department of Medical Assistance Services*

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August 15, 2018

**MEMORANDUM**

TO: The Honorable Thomas K. Norment, Jr.  
Co-Chairman, Senate Finance Committee

The Honorable Emmett W. Hanger, Jr.  
Co-Chairman, Senate Finance Committee

The Honorable S. Chris Jones  
Chairman, House Appropriations Committee

Daniel Timberlake  
Director, Department of Planning and Budget

FROM: Jennifer S. Lee, M.D.   
Director, Virginia Department of Medical Assistance Services

SUBJECT: Operations and Costs of the Cover Virginia Call Center – FY2018

The 2018 Appropriations Act Item 307 O.1 states the Department of Medical Assistance Services shall report on the operations and costs of the Medicaid call center (also known as the Cover Virginia Call Center). This report shall include number of calls received on a monthly basis, the purpose of the call, the number of applications for Medicaid submitted through the call center, and the costs of the contract. The department shall submit the report by August 15 of each year to the Director, Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees.

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

JSL/

Enclosure

pc: The Honorable Daniel Carey, M.D., Secretary of Health and Human Resources

# Operations and Costs of the Cover Virginia Call Center- FY2018

A Report to the Virginia General Assembly

August 15, 2018

## Report Mandate:

The 2018 Appropriations Act Item 307 O.1. *The Department of Medical Assistance Services shall report on the operations and costs of the Medicaid call center (also known as the Cover Virginia Call Center). This report shall include number of calls received on a monthly basis, the purpose of the call, the number of applications for Medicaid submitted through the call center, and the costs of the contract. The department shall submit the report by August 15 of each year to the Director, Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees.*

## Background

The Cover Virginia Call Center began operations in October 2013 to fulfill a mandated requirement of the Patient Protection and Affordable Care Act (PPACA), which became law on March 23, 2010.

The call center offers a toll-free number for consumers to call and apply for Medicaid and FAMIS (Virginia's Children's Health Insurance Program). There are interpretation services available, as well as Spanish call representatives available for callers who designate that they would like to speak to a Spanish representative. The call center assists with telephonic Medicaid and FAMIS renewals; sending out Medicaid/FAMIS replacement cards; assisting with 1095B (IRS proof of insurance) inquiries; along with other customer services for the citizens of the Commonwealth.

Currently the call center is staffed with over 100 call representatives, along with supervisors and managers. It is in the process of staffing up to meet the increase call volume that will accompany the launch of Medicaid expansion on January 1, 2019.

## Call Center Call Volume

Over the last fiscal year the total number of calls to the call center averaged approximately 52,000 calls per month. The center answered an average of approximately 42,600 calls per month. DMAS requires the call center to meet certain service level deliverables, such as 90 percent of calls answered within 90 seconds, and to maintain an abandonment rate which does not exceed five percent of calls received by representatives.

## About DMAS and Medicaid

***DMAS' mission is to ensure Virginia's Medicaid enrollees receive high-quality and cost effective health care.***

Medicaid plays a critical role in the lives of over more than a million Virginians. Medicaid enrollees include children, pregnant women, parents and care takers, older adults and individuals with disabilities. Virginians must meet income thresholds and other eligibility criteria before qualifying to receive Medicaid benefits.

Medicaid covers primary and specialty health care, inpatient care, and behavioral health and addiction and recovery treatment services. Medicaid also covers long-term services and supports, making it possible for thousands of Virginians to remain in their homes or to access residential and nursing home care.

Quick Medicaid facts:

- Covers 1 in 8 Virginians
- Covers 1 in 3 births and 33% of children
- Supports 2 in 3 nursing facility residents

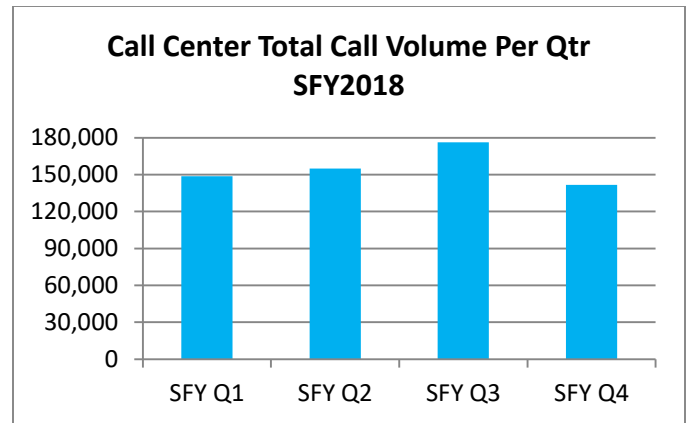
Virginia Medicaid and Children's Health Insurance Program (CHIP) are administered by the Department of Medical Assistance Services (DMAS) and are jointly funded by Virginia and the federal government under the Title XIX and Title XXI of the Social Security Act. Virginia generally receives \$1 of federal matching funds for every \$1 Virginia spends on Medicaid.

The contractor met these deliverables throughout this reporting period and has not abandoned more than 1.6 percent of calls in any given month. The Interactive Voice Recognition (IVR) system assisted with nearly 16,500 calls per month. The table below shows the monthly call volumes.

Time Period By Month, Quarter & Calendar Year	Total Calls to Cover VA	Calls Answered	IVR Served Calls
July 2017	47,577	32,306	13,509
August 2017	54,540	36,914	15,719
September 2017	46,539	32,165	13,732
<b>1st Quarter</b>	<b>148,656</b>	<b>101,385</b>	<b>42,960</b>
October 2017	51,535	35,620	15,336
November 2017	52,041	35,305	16,283
December 2017	51,305	34,772	15,967
<b>2nd Quarter</b>	<b>154,881</b>	<b>105,697</b>	<b>47,586</b>
January 2018	67,834	64,398	22,926
February 2018	54,293	50,926	18,524
March 2018	54,163	51,286	18,635
<b>3rd Quarter</b>	<b>176,290</b>	<b>166,610</b>	<b>42,960</b>
April 2018	49,925	47,941	16,718
May 2018	48,161	46,612	16,798
June 2018	43,546	42,837	13,537
<b>4th Quarter</b>	<b>141,632</b>	<b>137,390</b>	<b>47,586</b>
<b>Fiscal Calendar Year</b>	<b>621,459</b>	<b>511,082</b>	<b>181,092</b>

**Monthly Avg**      **51,788**      **42,590**      **16,474**

Data Source: Interactive Intelligence (ININ) Phone System



Source: Cover Virginia Monthly Reports

### Purpose/Reason for Calls

The chart below lists the top 10 reasons citizens contacted Cover Virginia in the last fiscal year. The top three reasons, general inquiry, benefit inquiry and new application represent 61 percent of all calls received. Some callers may call for more than one reason; however, only one reason is selected.

Top Ten Call Reasons by volume
General Inquiry – usually callers without a case record
Benefit Inquiry – caller's inquiries on general benefits
New Application – new applicants not known to the system
New Application Status – new applicants inquiry on status
Renewal Application – members calling about a renewal
Change Request – members reporting a change
ID Card Request – member requesting ID card replacement
Correspondence – caller requesting clarification on a letter
MCO Change – caller requesting MCO change (FAMIS)
Newborn Notification – caller reporting the birth of a newborn

### Medicaid and FAMIS Applications

The third highest call reason is for assistance in completing a Medicaid or FAMIS application. In fiscal year 2018, Cover Virginia provided telephonic application assistance with 65,927 new applicants. In addition, the call center assisted with an additional 13,909 renewal applications. The call center assists with an average of nearly 5,500 new applications and over 1,100 renewals each month. The table below shows the number of new applications submitted per month.

Month	New Applications Taken
Jul-2017	5,002
Aug-2017	6,043
Sep-2017	5,800
Oct-2017	5,978
Nov-2017	5,998
Dec-2017	5,423
Jan-2018	5,832
Feb-2018	5,080
Mar-2018	5,156
Apr-2018	5,269
May-2018	5,247
Jun-2018	5,099

### **Cost of the Contract**

The Call Center's monthly fixed operations fee is \$1,015,930 with a Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) Adjustment 1.5% of \$15,238.95. This is a monthly total of \$1,031,168.95. The annual cost is \$12,374,027.40.