



COMMONWEALTH of VIRGINIA
Department of Medical Assistance Services

KAREN KIMSEY
DIRECTOR

804-786-7933
www.dmas.virginia.gov

MEMORANDUM

TO: The Honorable Janet D. Howell
Chairman, Senate Finance Committee

The Honorable Luke Torian
Chairman, House Appropriations Committee

Daniel Timberlake
Director, Department of Planning and Budget

FROM: Karen Kimsey *KK*
Director, Virginia Department of Medical Assistance Services

SUBJECT: Quarterly Report of Managed Care (Medicaid/CHIP) Encounter Data by Service Category for FY2020 Quarter 1 (October - December 2019) due February 1, 2020

This report is submitted in compliance with Item 307B.2 of the 2019 Appropriation Act which states:

“The Department of Medical Assistance Services shall submit a quarterly report summarizing managed care encounter data by service category in a format similar to the report in paragraph B.1. The quarterly report shall be submitted to the Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees no later than 30 days after the end of each quarter.”

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

KK/

Enclosure

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

MCO Quarterly Expenditures by Service Category

A Report to the Virginia General Assembly

February 1, 2020

Report Mandate:

Item 307 B2 of the 2019 Virginia Acts of Assembly states: "The Department of Medical Assistance Services shall submit a quarterly report summarizing managed care encounter data by service category in a format similar to the report in paragraph B.1.

This quarterly report shall be submitted to the Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees no later than 30 days after the end of each quarter."

Executive Summary

The Department of Medical Assistance Services (DMAS or the Department) reports managed care organization (MCO) expenditures by date of service quarter, program, and service category to illustrate utilization and expenditure trends. Medicaid Expansion implemented January 1, 2019 accounts for the most significant increases in expenditures from FY2019 Quarter 2 to FY2019 Quarter 3.

Background

MCO Expenditures are based on the MCO encounters for Medallion and CCC Plus with dates of service of July 1, 2017 to September 30, 2019 for data submitted to DMAS as of January 8, 2020. The expenditure data in the report will be refreshed each quarter to reflect the most complete expenditure data available at the time.

MCO Expenditures include VA Medicaid, CHIP (FAMIS) covered services and MCO enhanced benefits like dental and do not include subcapitated payments or non-claims financial transactions. MCO Expenditures are categorized based on capitation rate service categories and cross-walked to similar budget categories.

DMAS's mission is to improve the health and well-being of Virginians through access to high-quality health care coverage.

DMAS administers Virginia's Medicaid and CHIP programs. Through the Medallion 4.0 and Commonwealth Coordinated Care (CCC) Plus managed care programs, more than 1.5 million Virginians access primary and specialty health services, inpatient care, behavioral health, and addiction and recovery treatment services. In addition, Medicaid long-term services and supports enable thousands of Virginians to remain in their homes or to access residential and nursing home care.

Medicaid members historically have included children, pregnant women, parents and caretakers, older adults, and individuals with disabilities. In 2019, Virginia expanded the Medicaid eligibility rules to make health care coverage available to close to 400,000 newly eligible, low-income adults.

Medicaid and CHIP (known in Virginia as Family Access to Medical Insurance Security, or FAMIS) are jointly funded by Virginia and the federal government under Title XIX and Title XXI of the Social Security Act. Virginia generally receives a dollar-for-dollar federal spending match in the Medicaid program. Medicaid expansion qualifies the Commonwealth for a federal funding match of no less than 90 percent for newly eligible adults, generating cost savings that benefit the overall state budget.

Total MCO Medicaid and CHIP Expenditures

Medallion & CCC Plus

by Date of Service Quarter

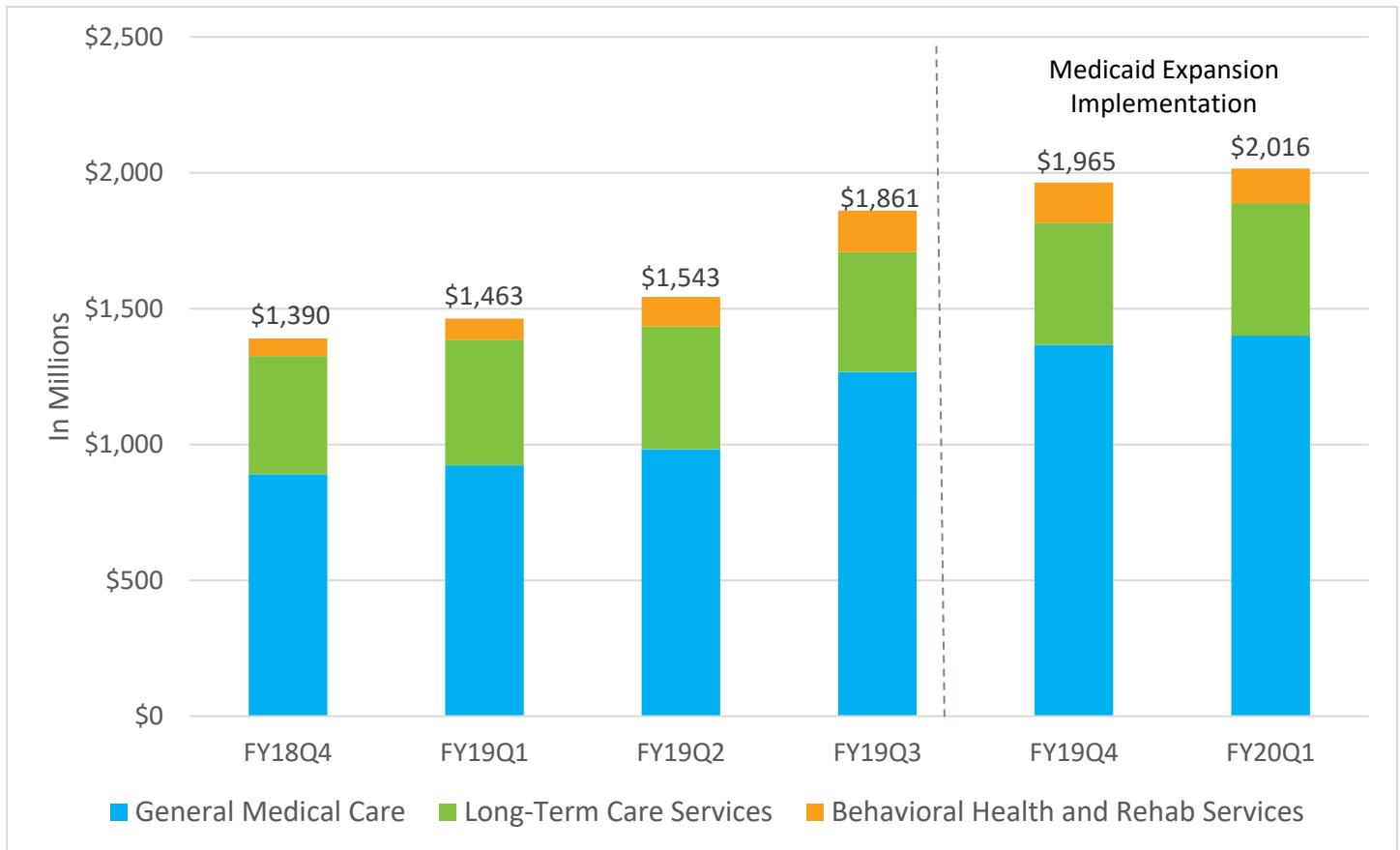


Table 1: Total MCO Medicaid and CHIP Expenditures

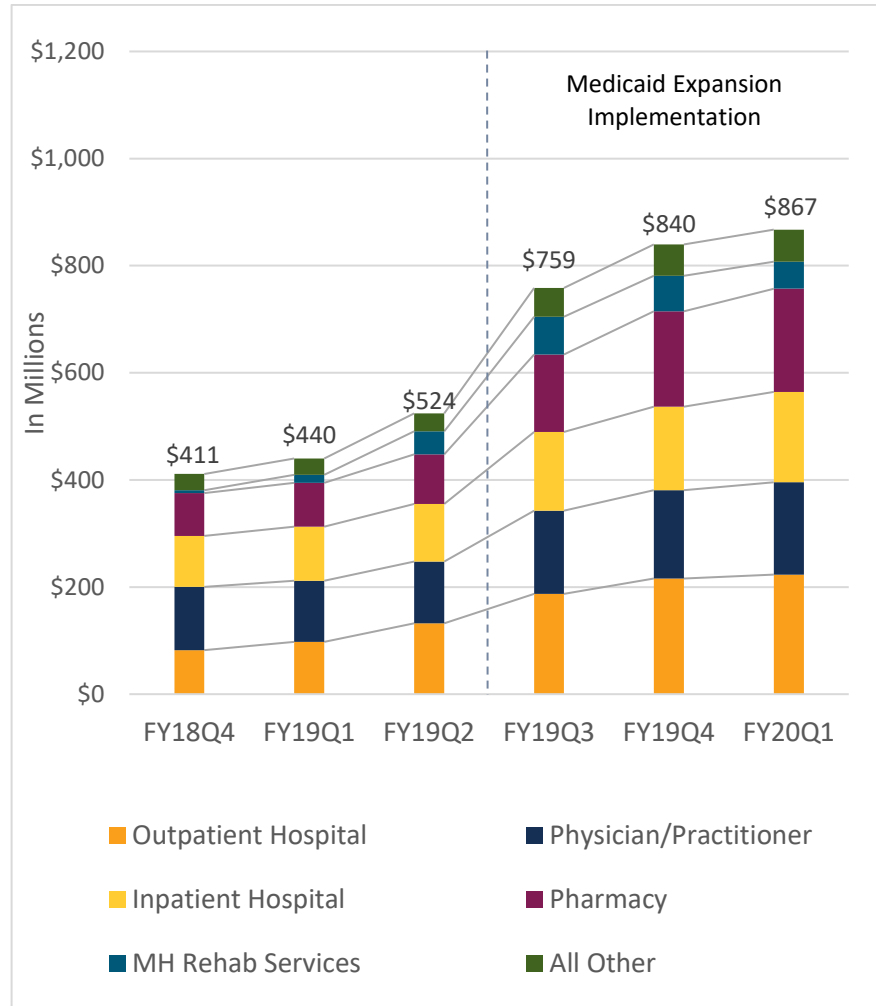
*Medallion & CCC Plus
by Date of Service Quarter*

SERVICE CATEGORIES	FY18Q4	FY19Q1	FY19Q2	FY19Q3	FY19Q4	FY20Q1
General Medical Care	\$890,215,247	\$923,195,112	\$982,301,920	\$1,267,779,158	\$1,366,836,479	\$1,400,661,490
Inpatient Hospital	\$195,751,944	\$211,525,997	\$219,471,067	\$278,456,560	\$286,983,183	\$291,333,955
Outpatient Hospital	\$261,421,524	\$280,564,603	\$315,293,386	\$389,220,542	\$420,186,971	\$419,690,763
Physician/Practitioner Services	\$168,613,714	\$163,192,579	\$163,243,144	\$224,321,300	\$230,535,513	\$240,058,976
Clinic Services	\$3,683,036	\$3,652,815	\$4,534,904	\$6,642,937	\$6,657,426	\$7,388,415
Pharmacy	\$202,508,808	\$207,307,586	\$223,606,010	\$294,198,356	\$340,884,055	\$360,199,153
Dental	\$32,338,448	\$33,742,480	\$34,463,101	\$39,545,794	\$45,852,372	\$46,774,969
Transportation	\$25,520,350	\$22,790,581	\$20,942,477	\$33,347,131	\$33,276,102	\$32,808,885
All Other	\$377,424	\$418,469	\$747,832	\$2,046,537	\$2,460,857	\$2,406,374
Long-Term Care Services	\$434,819,465	\$463,262,773	\$452,800,403	\$440,322,380	\$449,787,035	\$487,659,196
Nursing facility	\$208,805,905	\$223,866,820	\$222,128,039	\$218,862,530	\$226,214,237	\$242,824,372
HCBS Waivers: Personal Support	\$221,239,318	\$234,653,741	\$225,801,322	\$216,013,468	\$217,748,174	\$238,883,982
HCBS Waivers: Nursing, EM/AT, Adult Day Care, Alzheimer's	\$4,771,054	\$4,734,016	\$4,865,459	\$5,440,216	\$5,813,377	\$5,945,242
HCBS Waivers: Case Management & Support	\$3,188	\$8,195	\$5,583	\$6,166	\$11,246	\$5,601
Behavioral Health and Rehabilitative Services	\$64,988,377	\$76,627,839	\$107,868,662	\$152,544,458	\$148,426,199	\$127,692,960
MH Case Management	\$10,780,796	\$11,799,897	\$16,185,788	\$24,049,119	\$24,594,800	\$23,016,274
MH Rehabilitative Services	\$50,845,243	\$61,147,211	\$88,066,926	\$124,486,242	\$119,711,991	\$100,624,586
Early Intervention & EPSDT-Authorized Services	\$3,362,339	\$3,680,731	\$3,615,948	\$4,009,097	\$4,119,409	\$4,052,100
Grand Total	\$1,390,023,089	\$1,463,085,724	\$1,542,970,986	\$1,860,645,996	\$1,965,049,713	\$2,016,013,646

Medallion

Virginia Medicaid Managed Care, known as Medallion, is a statewide program that provides its members with access to preventive and coordinated care. In managed care, members are part of a managed care organization (MCO).

MCO Medicaid and CHIP Expenditures by Date of Service Quarter



CCC Plus

Commonwealth Coordinated Care Plus (CCC Plus) is a statewide Medicaid managed long term services and support program that serves approximately 210,000 individuals with complex care needs, through an integrated delivery model, across the full continuum of care.

MCO Medicaid and CHIP Expenditures by Date of Service Quarter

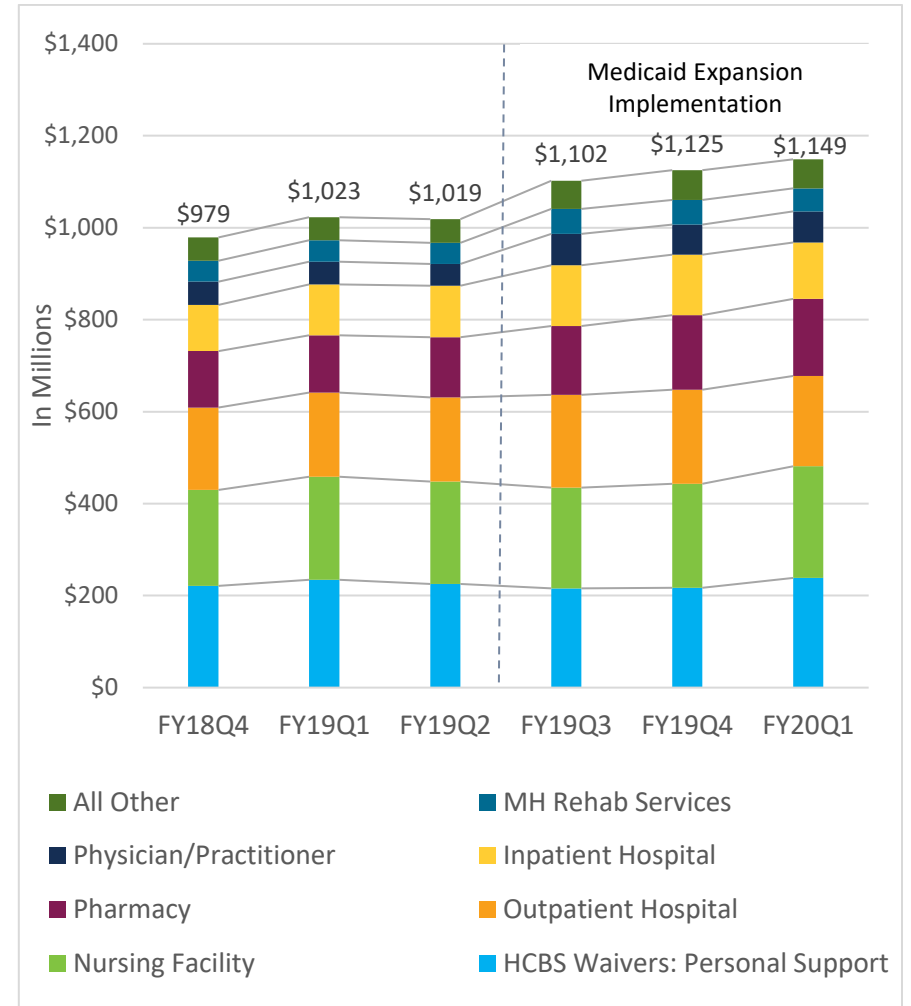


Table 2: Medallion MCO Medicaid and CHIP Expenditures
by Date of Service Quarter

SERVICE CATEGORIES	FY18Q4	FY19Q1	FY19Q2	FY19Q3	FY19Q4	FY20Q1
General Medical Care	\$401,816,324	\$419,814,662	\$472,012,062	\$672,877,801	\$756,967,673	\$800,885,648
Inpatient Hospital	\$95,222,090	\$100,664,290	\$107,733,201	\$146,541,937	\$155,835,860	\$168,708,816
Outpatient Hospital	\$82,235,874	\$97,665,191	\$132,064,033	\$187,090,097	\$216,114,147	\$223,247,242
Physician/Practitioner Services	\$118,072,048	\$114,134,815	\$115,268,602	\$155,806,985	\$164,803,842	\$172,399,641
Clinic Services	\$2,279,447	\$2,260,378	\$3,157,341	\$4,683,774	\$4,879,141	\$5,401,949
Pharmacy	\$79,875,791	\$82,377,863	\$92,781,110	\$144,591,935	\$178,149,733	\$192,590,588
Dental	\$1,827	\$54,038	\$320,766	\$1,300,678	\$1,701,499	\$1,749,217
Transportation	\$5,340,629	\$6,415,022	\$6,161,454	\$8,582,737	\$10,991,619	\$12,486,245
All Other	\$18,788,617	\$16,243,064	\$14,525,555	\$24,279,657	\$24,491,832	\$24,301,950
Long-Term Care Services	\$956,430	\$918,623	\$918,251	\$1,292,445	\$1,748,629	\$1,756,689
Nursing facility	\$12,605	\$22,699	\$38,240	\$84,519	\$117,227	\$100,088
HCBS Waivers: Personal Support	\$151,394	\$149,841	\$84,784	\$206,580	\$447,817	\$394,749
HCBS Waivers: Nursing, EM/AT, Adult Day Care, Alzheimer's	\$792,432	\$746,083	\$795,227	\$1,001,345	\$1,183,584	\$1,261,851
HCBS Waivers: Case Management & Support	\$0	\$0	\$0	\$0	\$0	\$0
Behavioral Health and Rehabilitative Services	\$8,289,064	\$19,171,242	\$51,428,766	\$84,487,278	\$80,863,692	\$64,643,647
MH Case Management	\$1,306	\$1,089,231	\$5,355,855	\$10,406,760	\$11,066,757	\$10,365,541
MH Rehabilitative Services	\$5,325,146	\$14,787,478	\$42,757,423	\$70,409,555	\$66,018,400	\$50,538,411
Early Intervention & EPSDT-Authorized Services	\$2,962,612	\$3,294,533	\$3,315,487	\$3,670,963	\$3,778,534	\$3,739,695
Grand Total	\$411,061,818	\$439,904,527	\$524,359,080	\$758,657,525	\$839,579,993	\$867,285,984

Table 3: CCC Plus MCO Medicaid and CHIP Expenditures
by Date of Service Quarter

SERVICE CATEGORIES	FY18Q4	FY19Q1	FY19Q2	FY19Q3	FY19Q4	FY20Q1
General Medical Care	\$488,398,923	\$503,380,450	\$510,289,858	\$594,901,357	\$609,868,806	\$599,775,842
Inpatient Hospital	\$100,529,854	\$110,861,707	\$111,737,866	\$131,914,623	\$131,147,323	\$122,625,139
Outpatient Hospital	\$179,185,650	\$182,899,412	\$183,229,353	\$202,130,445	\$204,072,825	\$196,443,521
Physician/Practitioner Services	\$50,541,666	\$49,057,764	\$47,974,542	\$68,514,315	\$65,731,670	\$67,659,334
Clinic Services	\$1,403,588	\$1,392,437	\$1,377,563	\$1,959,162	\$1,778,285	\$1,986,467
Pharmacy	\$122,633,017	\$124,929,723	\$130,824,900	\$149,606,421	\$162,734,321	\$167,608,565
Dental	\$375,596	\$364,431	\$427,065	\$745,859	\$759,358	\$657,158
Transportation	\$26,997,819	\$27,327,458	\$28,301,647	\$30,963,057	\$34,860,753	\$34,288,723
All Other	\$6,731,733	\$6,547,517	\$6,416,922	\$9,067,474	\$8,784,270	\$8,506,936
Long-Term Care Services	\$433,863,035	\$462,344,150	\$451,882,152	\$439,029,935	\$448,038,406	\$485,902,507
Nursing facility	\$208,793,300	\$223,844,121	\$222,089,799	\$218,778,011	\$226,097,010	\$242,724,283
HCBS Waivers: Personal Support	\$221,087,925	\$234,503,900	\$225,716,538	\$215,806,887	\$217,300,357	\$238,489,233
HCBS Waivers: Nursing, EM/AT, Adult Day Care, Alzheimer's	\$3,978,622	\$3,987,934	\$4,070,232	\$4,438,870	\$4,629,793	\$4,683,390
HCBS Waivers: Case Management & Support	\$3,188	\$8,195	\$5,583	\$6,166	\$11,246	\$5,601
Behavioral Health and Rehabilitative Services	\$56,699,313	\$57,456,597	\$56,439,896	\$68,057,180	\$67,562,508	\$63,049,313
MH Case Management	\$10,779,490	\$10,710,666	\$10,829,932	\$13,642,359	\$13,528,043	\$12,650,733
MH Rehabilitative Services	\$45,520,096	\$46,359,733	\$45,309,503	\$54,076,687	\$53,693,590	\$50,086,175
Early Intervention & EPSDT-Authorized Services	\$399,727	\$386,198	\$300,461	\$338,134	\$340,875	\$312,405
Grand Total	\$978,961,272	\$1,023,181,197	\$1,018,611,906	\$1,101,988,471	\$1,125,469,720	\$1,148,727,662

Appendix: Claim Payment Run-Out for FY2019 MCO Medicaid and CHIP Expenditures

Dates of Service July 1, 2018 to July 30, 2019 for data submitted to DMAS as of January 8, 2020

Table 4: MCO Expenditures by Incurred Month and MCO Paid Month

Paid Month	Incurred Month												Grand Total	
	7/1/2018	8/1/2018	9/1/2018	10/1/2018	11/1/2018	12/1/2018	1/1/2019	2/1/2019	3/1/2019	4/1/2019	5/1/2019	6/1/2019		
7/1/2018	\$123,207,008													\$123,207,008
8/1/2018	\$213,353,124	\$136,254,615												\$349,607,739
9/1/2018	\$50,970,460	\$226,731,288	\$117,448,416											\$395,150,163
10/1/2018	\$33,648,756	\$59,422,534	\$246,832,695	\$156,674,702										\$496,578,687
11/1/2018	\$17,598,610	\$20,994,928	\$32,176,337	\$242,034,280	\$140,868,516									\$453,672,671
12/1/2018	\$12,055,768	\$15,368,777	\$25,560,414	\$48,523,537	\$244,416,579	\$140,165,314								\$486,090,389
1/1/2019	\$7,312,086	\$12,259,971	\$15,695,761	\$24,320,839	\$44,067,919	\$244,629,855	\$176,936,427							\$525,222,858
2/1/2019	\$4,430,229	\$7,489,386	\$9,831,728	\$14,720,089	\$21,502,251	\$44,374,217	\$300,512,915	\$162,130,165						\$564,990,980
3/1/2019	\$2,778,633	\$7,514,972	\$5,872,432	\$14,656,084	\$13,051,108	\$19,913,923	\$61,503,777	\$310,425,161	\$190,434,617					\$626,150,707
4/1/2019	\$4,028,124	\$2,992,631	\$3,799,800	\$5,641,160	\$7,086,537	\$12,114,674	\$23,245,836	\$44,483,638	\$328,811,644	\$200,826,699				\$633,030,744
5/1/2019	\$1,960,594	\$3,124,219	\$3,577,007	\$5,418,191	\$6,557,265	\$9,915,896	\$16,135,830	\$19,886,246	\$54,704,416	\$334,175,922	\$216,756,569			\$672,212,155
6/1/2019	\$2,372,428	\$2,821,491	\$4,020,918	\$5,559,297	\$5,044,371	\$6,525,944	\$11,871,380	\$12,507,754	\$23,993,520	\$56,043,364	\$342,962,936	\$189,530,729		\$663,254,130
7/1/2019	\$1,631,065	\$2,210,243	\$2,936,908	\$4,386,937	\$4,136,762	\$5,567,346	\$10,627,974	\$9,855,042	\$16,915,095	\$24,960,040	\$57,870,896	\$346,045,794		\$487,144,102
8/1/2019	\$1,284,154	\$2,474,713	\$2,789,000	\$4,750,995	\$5,588,151	\$7,705,436	\$7,996,161	\$8,133,868	\$10,201,387	\$13,304,330	\$22,428,787	\$42,247,349		\$128,904,335
9/1/2019	\$887,378	\$1,035,288	\$2,032,949	\$2,810,750	\$2,522,710	\$2,895,853	\$5,144,300	\$3,846,319	\$5,942,589	\$11,858,638	\$12,310,169	\$18,076,283		\$69,363,225
10/1/2019	\$1,182,714	\$1,504,926	\$1,813,765	\$2,721,758	\$2,486,037	\$5,291,375	\$7,414,796	\$5,172,386	\$8,088,676	\$9,203,936	\$13,825,760	\$13,792,664		\$72,498,794
11/1/2019	\$575,800	\$1,083,114	\$1,184,778	\$1,461,908	\$2,804,623	\$3,733,120	\$4,584,931	\$3,695,894	\$5,227,000	\$5,666,908	\$7,302,816	\$9,560,371		\$46,881,262
12/1/2019	\$1,051,507	\$1,540,043	\$2,263,753	\$1,621,204	\$1,691,098	\$2,885,204	\$3,529,089	\$2,847,770	\$3,512,640	\$3,996,185	\$5,325,925	\$6,340,312		\$36,604,730
1/1/2020	\$50,052	\$10,531	\$36,903	\$36,333	\$19,490	\$71,346	\$178,028	\$46,331	\$102,394	\$119,861	\$337,032	\$179,438		\$1,187,739
Grand Total	\$480,378,493	\$504,833,669	\$477,873,563	\$535,338,064	\$501,843,418	\$505,789,504	\$629,681,444	\$583,030,574	\$647,933,978	\$660,155,884	\$679,120,890	\$625,772,939		\$6,831,752,419

Incurred Month: the month in which as member received healthcare services and/or obtained prescription drugs

Paid Month: the month the MCO paid for members' services