



COMMONWEALTH of VIRGINIA
Department of Medical Assistance Services

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July 23, 2020

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
Director, Virginia Department of Medical Assistance Services

SUBJECT: Report on the Cover Virginia Centralized Processing Unit
Second Quarter of SFY 2020 due February 1, 2020

The 2019 Appropriation Act, Item 307 O 2 states the Department of Medical Assistance Services shall report to the Director, Department of Planning and Budget and the Chairman of the House Appropriations and Senate Finance Committees on the number of applications processed by the Cover Virginia Centralized Processing Unit (CPU) on a monthly basis and payments made to the contractor. The report shall be submitted no later than 30 days after the end of each quarter of the fiscal year. This report covers the first quarter of SFY 2020.

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

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Enclosure

pc: The Honorable Daniel Carey, MD, Secretary of Health and Human Resources

The Cover Virginia Central Processing Unit – Q2, FY2020

A Report to the General Assembly

February 1, 2020

Report Mandate:

The 2019 Appropriation Act, Item 307 O.2. states that the Department of Medical Assistance Services shall report to the Director, Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees on the number of applications processed by the Cover Virginia Centralized Eligibility Processing Unit (CPU) on a monthly basis and payments made to the contractor. The report shall be submitted no later than 30 days after the end of each quarter of the fiscal year.

Executive Summary

Cover Virginia provides valuable information on Medicaid and the Children's Health Insurance Program (CHIP) through the statewide call center that takes information for applications, CoverVa.org website, and processes thousands of applications at the Central Processing Unit (CPU), including thousands of Medicaid applications for the new Incarcerated Unit and other specialized enrollments. These services enable Virginians to access needed health care services in a timely and efficient manner. Cover Virginia played an integral role in the implementation of Medicaid expansion, with increased resources and services as needed to answer calls and process applications for the expansion population.

Background

The passage of the Patient Protection and Affordable Care Act (ACA) required states to make changes to their Medicaid and CHIP programs. These changes included aligning enrollment with the federal Marketplace open enrollment period as Federally Facilitated Marketplace (FFM) cases are determined by the FFM and transferred directly to the states for processing, and accepting the new single streamlined eligibility application for Medicaid and CHIP programs throughout the year. The Virginia Department of Social Services began using a new eligibility and enrollment system, known as the Virginia Case Management System (VaCMS) on October 1, 2013. Applications are accepted online through CommonHelp, a web-based system for applying for services, by phone through Cover Virginia, or by paper at local departments of social services (LDSS). In order to address the increased volume of applications and comply with state and federal regulations on timeliness of processing, the Department of Medical Assistance Services (DMAS) used emergency authority provided in the 2013 Appropriation Act to establish the Cover Virginia CPU. The Cover Virginia CPU launched in August 2014 under an administrative services vendor contract and onsite state staff for contract monitoring and oversight.

This report provides an overview of the Cover Virginia CPU's activities for the second quarter of state fiscal year (SFY) 2020.

About DMAS and Medicaid

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 for more than 1.6 million Virginians. Members have access to primary and specialty health services, inpatient care, behavioral health as well as 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 more than 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.

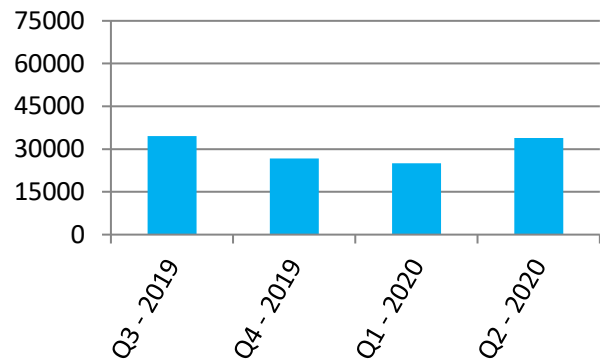
SFY 2020 Operational Highlights for the Second Quarter

Cover Virginia Central Processing Unit (CPU)

For the second quarter of SFY 2020, DMAS finalized preparations for the Federal Marketplace Open Enrollment that began November 1, 2019, and for the increase of call volume that was anticipated from individuals receiving notices to renew their Medicaid Expansion benefits that began January 1, 2019. DMAS modified the Cover Virginia contract to increase the CPU contractual forecast for the months of August 2019 through October 2019. This was due to the continual increase in Medicaid application volume received at the CPU compared to the earlier projected forecast volume of applications. The contract modification allowed for additional Contractor staff to process the increased volume of applications during the months stated above. The contract modification increased the forecast volume for October 2019 from 6,208 new applications to 9,660 applications. October's actual volume of new applications was 8,034. The increase in CPU staff enabled the CPU to meet their contractual requirement to determine or request additional information of all applications within eight (8) business days. The CPU also met the requirement to process 100% of the prioritized Pregnant Women applications within ten (10) business days.

During this quarter, the Cover Virginia CPU received 33,907 applications for processing. Of those, 46 percent (15,551) came in from the FFM, 25 percent (8,635) were telephonic applications, and 29 percent (9,721) came through CommonHelp. The CPU ended this open enrollment period with all applications processed within the 45 day federal processing timeframe and met the contractual deliverable to review applications within eight business days. The Department reassessed the volume forecasts and ensured the contractor was staffed accordingly without additional funding. This is the first time this level of success has occurred during a federal open enrollment period primarily due to streamlined application processes for income evaluations and increased success of the self-direct automated eligibility determination processes.

Chart 1 – Total New Application Volume Q2 SFY2020



Source: Cover Virginia Monthly Reports

Average Monthly Volume

The average monthly volume of new applications received by Cover Virginia during the second quarter of SFY 2020 was 11,302.

Approvals/Denials

In the second quarter of SFY 2020, 20 percent of applications were approved and 44 percent were denied. The other 36 percent were transferred to the appropriate LDSS in a pending status. The majority of transfers occurred because of a reported change that needed to be made on the case. The majority of denied applications were the result of an applicant failing to provide needed information within 45 days in order to make an appropriate determination of eligibility.

Processing of Special Populations

Cover Virginia Incarcerated Unit (CVIU)

The 2017 session of the Virginia General Assembly passed HB2183 requiring the DMAS Cover Virginia team to develop and implement a centralized processing unit for incarcerated individuals. This initiative for incarcerated individuals centralizes the processes to accept telephonic applications and perform ongoing case maintenance for offenders in coordination with the

Department of Corrections (DOC), Regional and Local jails, and the Department of Juvenile Justice (DJJ). In addition, the unit utilizes data matches to ensure streamlined coverage changes upon release. This is a special unit dedicated to incarcerated Medicaid eligibility where communications are streamlined between Cover Virginia and correctional facilities. Medicaid eligibility for incarcerated individuals only covers inpatient hospitalization at an outside facility, no full benefits are received. Upon release, many individuals are covered through the new Medicaid expansion coverage. This communication module within the Cover Virginia system began in November 2018 for critically ill individuals in DOC facilities to apply for Medicaid coverage under the new adult coverage group effective January 1, 2019. The CVIU became effective January 1, 2019, for the Regional and Local jails and the DJJ. In order to centralize all active cases of incarcerated Medicaid members, remaining cases previously located at the local DSS were transferred to the CVIU in March 2019. CVIU maintains these cases, including completing the annual renewal reviews and assessing continual Medicaid eligibility of those individuals who are released into the community.

The operational management team continues to meet weekly with internal staff and monthly with DOC representatives to address challenges and concerns. Additional outreach strategies are in development to increase participation with regional and local jails. During the reporting quarter 2,632 calls were received by the CVIU and 3,330 outbound calls were made to correctional facilities for new telephonic applications. Also during the reporting quarter, 11,419 applications from incarcerated individuals were received, and 10,709 were approved for Medicaid benefits. Since the implementation of the CVIU in November 2018, 25,511 applications have been received, and 20,354 incarcerated individuals have been approved for Medicaid benefits.

Beginning January 2, 2020, the CVIU call center was change from an appointment-based call center, by which the call center makes an outbound call to assist with a Medicaid application, to an inbound call center. Facilities can call the unit's call center at any time for assistance with an application. Under the previously mentioned contract modification, call center resources were repurposed to facilitate this change.

The CVIU DMAS liaison worked closely with the contracted entity State Health Partners, to perform

statewide trainings to regional and local jails. A schedule of trainings was completed in November 2019 for targeted outreach to jails. Response to the trainings has been positive and beneficial to making program improvements to address challenges.

Hospital Presumptive Eligibility

The Cover Virginia CPU administers special processes that facilitate compliance with the federally required hospital presumptive eligibility (HPE) program. The HPE program allows hospitals to provide temporary Medicaid coverage to individuals who are likely to qualify for full benefit Medicaid ongoing. During this quarter, the CPU processed 1,560 HPE enrollments and determined 111 individuals as already actively enrolled in Medicaid. Currently, 63 hospitals have signed an agreement to participate in the HPE program.

Newborn Enrollment

DMAS continues to place an emphasis on an existing process to expedite enrollment of children born to Medicaid/FAMIS-enrolled mothers. Since 2014, Cover Virginia has facilitated a process whereby hospital administrative staff can submit the paper newborn enrollment form (213 form) electronically for processing at Cover Virginia. After the newborn is enrolled in FAMIS or FAMIS Plus, the mother receives an approval notice and the baby's enrollment number for any immediate medical needs outside the hospital.

During this quarter, 5,927 newborns were enrolled through the expedited process. Previously the LDSS workers were tasked with performing the updates to VaCMS on these cases. Enhancements have been made in VaCMS to allow DMAS staff access to active mothers' cases to also add the newborns.

Former Governor's Access Plan (GAP)

In January 2015, DMAS contracted with Conduent for the Governor's Access Plan (GAP) call center and eligibility determination unit. This unit was located in the same operational space as Cover Virginia, but staffing was separate.

As a result of Medicaid expansion, the majority of GAP members were fast-tracked into the new adult group, with their GAP coverage ending December 31, 2018 and new full coverage beginning January 1, 2019. Individuals who were enrolled in GAP but did not meet full Medicaid eligibility requirements due to their immigration status

remained in GAP through March 2019. As of April 1, 2019, the GAP program was discontinued.

Due to system enhancements required to convert these cases into VaCMS, Cover Virginia continues to maintain the cases of the former GAP members. [During this reporting period, Cover Virginia began a manual conversion-case-by-case data entry process into VaCMS. This allows the cases to be transferred to local department of social services agencies for ongoing case maintenance. Cases are only converted if the renewal period is greater than 60 days out.](#)

In the second quarter of SFY 2020:

- Cover Virginia continues to perform renewals for the 7,431 former GAP members whose cases were maintained at Cover Virginia during the quarter.
- The Cover Virginia unit maintaining the former GAP members received 2,373 calls.
- The former GAP call center achieved contractual standards, answering 90 percent of calls within 90 seconds, and not exceeding a call-abandoned rate of five percent.
- [In the second quarter, at the time of reporting, 1,954 former GAP members were reviewed for renewal of Medicaid benefits. 1,325 were approved in a Medicaid Expansion group and 590 lost coverage during the renewal process for ineligibility or failure to follow through with the renewal process. Another 1,105 members were enrolled into full benefit Medicaid through the conversion process or by local agencies.](#)

Cover Virginia Call Center and Website

Call Center

The Cover Virginia call center began operations in 2013, in compliance with federal requirements under the ACA for a statewide customer contact solution for the Medicaid and CHIP programs. The call center takes applications and renewals by phone and accepts telephonic signatures through a toll-free statewide phone center. Individuals may also call and check the status of their application/renewal, report changes, and ask general questions about the Medicaid and FAMIS programs. During tax filing seasons, the call center routinely responds to inquiries from enrollees who have received a 1095-B tax form regarding their Medicaid/FAMIS coverage.

As a result of Medicaid Expansion, the volume of incoming calls broke call volume records and exceeded all forecasts. Comparing SFY 2019 second quarter call volume and the number of Medicaid applications taken over the phone to SFY 2020 shows the impact that Medicaid Expansion had on the call center:

SFY 2018 second quarter Call Volume: 308,651
SFY 2019 second quarter Call Volume: 308,786
SFY 2020 second quarter Call Volume: 232,196

SFY 2018 second quarter applications taken: 62,828
SFY 2019 second quarter applications taken: 34,725
SFY 2020 second quarter applications taken: 20,355

Data for call center activity for the second quarter of SFY 2020 is reported below:

- The number of calls routed to a call representative for the second quarter of SFY 2020 was 148,896, an eight percent (8%) increase from the previous quarter. The number of calls routed to a call representative is also a decrease of 15% from the contractual call volume forecast for the quarter.
- The monthly average number of calls for the second quarter was 77,399. Customer service representatives spoke directly with approximately 66 percent of callers and 34 percent of calls were self-service through the interactive voice response (IVR) system.
- The call center submitted 20,355 new telephonic applications and 6,891 telephonic renewals.
- Staff will continue to monitor call volumes to modify resources as needed to assure efficient and effective use of state resources.

Cover Virginia Website

The Cover Virginia website (coverva.org) went live on October 1, 2013. It was redesigned in spring 2014 and went through a total redesign on March 1, 2019 to make it mobile friendly. On June 7, 2018, a new Medicaid Expansion page was added to coverva.org. The website includes detailed information on the new adult coverage, children's and pregnant women's coverage and an Eligibility Screening Tool to assist viewers in finding out if they might qualify for coverage. It includes information and links related to the Health Insurance Marketplace; a direct link to the CommonHelp online application; and additional program information, links, and resources for services offered by DMAS.

Between October 1 and December 31, more than 53,076 unique individuals accessed the Expansion page and

more than 207,636 unique visitors accessed the Expansion Eligibility Screening Tool.

In the second quarter of SFY 2020:

- The Cover Virginia website received 190,731 unique (unduplicated) visits:
 - October: 64,480
 - November: 60,369
 - December: 65,882
- This represents a 53 percent increase from the first quarter of SFY2020. This significant increase indicates that there was renewed interest in health coverage in the period leading up to and through Marketplace Open Enrollment. Also, DMAS launched a media campaign and extensive digital engagement campaigns during this period.
- During this quarter, the most-visited pages on the Cover Virginia website were:
 - Eligibility screening tool: 207,636 visits
 - Apply page: 143,285 visits
 - Eligibility page: 104,197 visits
 - Expansion page: 53,076 visits
 - Programs - Medicaid: 52,586 visits
 - FAMIS: 51,117 visits
 - Health Plans: 50,838 visits
- The Eligibility screening tool received the most visits during this time period, which indicates that people are coming to the site with the express purpose of finding out if they might qualify for coverage.
- The second most visited page was the Apply page which also indicates that once viewers use the screening tool and think that they may be eligible, they are investigating how to apply for coverage. In addition, many of the media and digital campaign messages contained direct links to the screening tool and Apply pages
- The most significant changes made to the website during this quarter was the launch of the Spanish Cubre Virginia website. Cubre Virginia is a mirror of the coverva.org website and was implemented on November 3, 2019

Quality Improvement

The Cover Virginia Quality Review Unit continues to meet the required service level reviews for all areas under the contract. The contract requires a ten percent random sampling of all production areas for accuracy and completeness. However, the quality results for most areas were below the contractual standard and

applicable penalties were assessed. For this reporting period, the quality team reported the following results:

Production Unit	# Audits	% Accuracy
MAGI Call Center	14,902	93.07%
GAP Call Center	230	98.84%
CPU Eligibility	2,346	92.86%
GAP Eligibility	198	99.36%
CVIU Call Center	516	92.94%
CVIU Eligibility	1,351	87.83%

In addition to required audits, the Cover Virginia Quality Review Unit performs targeted audits on problem areas as needed. DMAS contract monitors also perform quality reviews of the quality team to ensure all audits follow established policies and procedures.

July 2018 Contract

Since 2013, the Cover Virginia contract has continued as a component of the DMAS Fiscal Services contract. A two-year sole source contract was executed beginning July 1, 2018, with Conduent State Healthcare, LLC and will end June 30, 2020. The contract was modified to fund additional resources for the expected influx of applications for the new adult coverage. The Department is currently in the process to competitively procure a dedicated vendor going forward.

Penalty Assessments

The CPU contract requires that penalties shall be assessed in any month when service level agreements are missed. During the second quarter of SFY 2020, the contractor was assessed and paid penalties of \$69,513.

Summary

The second quarter of SFY 2020 continued to experience a strong volume for the Cover Virginia operational units. The Department's efforts in closely monitoring contractual forecasts and ensuring contractor resources were sufficient provided a successful open enrollment period for 2019 with application processing in compliance with federal processing guidelines.