



COMMONWEALTH of VIRGINIA
Department of Medical Assistance Services

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October 14, 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
Fourth Quarter of SFY 2020 due August 1, 2020

The 2020 Appropriation Act, Item 317 P 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 fourth 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 – Q4, FY2020

A Report to the General Assembly

August 1, 2020

Report Mandate:

The 2020 Appropriation Act, Item 317 P.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) mandated states 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 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 fourth 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. 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.

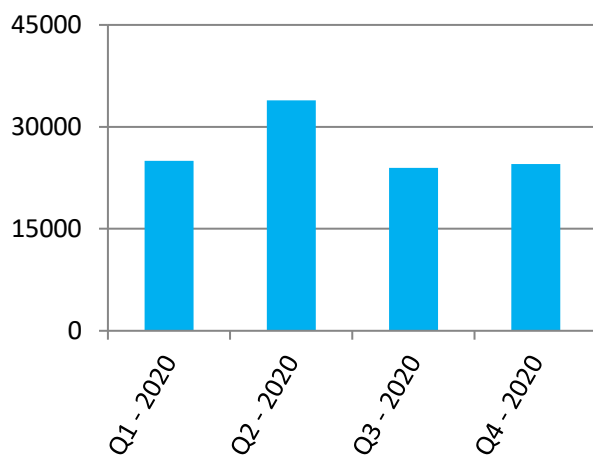
SFY 2020 Operational Highlights for the Fourth Quarter

Cover Virginia Central Processing Unit (CPU)

For the fourth quarter of SFY 2020, the majority of Cover Virginia operations continued remote working from home due to the Public Health Emergency of COVID-19. Teleworking for application processing did not see significant impacts and the Contractor maintained compliance with processing standards. Applications received for processing were up to 63 percent above contractual forecasts however, the contractor remained compliant. During this period, DMAS and the Contractor effectively negotiated a new six month extension effective July 1, 2020 to continue operations through the request for proposal (RFP) process for continued operations through March 31, 2021.

During this quarter, the Cover Virginia CPU received 24,535 applications for processing. Of those, 34 percent (8,381) came in from the FFM, 25 percent (6,026) were telephonic applications, and 41 percent (10,128) came through CommonHelp.

Chart 1 – Total New Application Volume Q4 SFY2020



Source: Cover Virginia Monthly Reports

Average Monthly Volume

The average monthly volume of new applications received by Cover Virginia during the fourth quarter of SFY 2020 was 8,178. This is an average of 63% over

the number of applications forecasted for the quarter (average monthly forecast for the quarter was 4,874).

Approvals/Denials

In the fourth quarter of SFY 2020, 25 percent of applications were approved and 43 percent were denied. The other 32 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 an active case in the locality. The majority of denied applications are the result of an applicant failing to provide needed information to make an appropriate determination of eligibility. Outbound calls and second requests are also completed, when appropriate, to decrease denials for this reason.

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. 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 communicate regularly with DOC representatives to address challenges and concerns. Additional outreach strategies have been implemented to increase participation with regional and local jails, such as webinars and trainings. During the reporting quarter 2,627 calls were received by the CVIU from correctional facilities for new telephonic applications. Also during the reporting quarter, 1,336 applications from incarcerated individuals were received, and 1,182 were approved for Medicaid benefits and 112 denied for reasons such as countable resources for age, blind and disabled cases or failure to provide resource verifications. Another reason for denial would be currently active coverage. During this quarter, the CVIU saw a 68 percent decrease in application volume due to the pandemic and its impact on incarceration facilities maintaining social distancing. However, this also provided the CVIU with the bandwidth to assist DOC and other facilities with their efforts to identify offenders for early release. Under this process, the CVIU moved active incarcerated coverage to full-benefit Medicaid within 24 hours of release notification for 1,328 offenders. The chart below represents the breakdown by month of prerelease actions for this reporting period:

Daily Release	April 2020	May 2020	June 2020
Totals	465	474	389

Since the implementation of the CVIU in November 2018, 31,534 applications have been received and processed. As of the end of June 2020, 20,988 offenders are enrolled in Medicaid.

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 749 HPE enrollments and determined 70 individuals as already actively enrolled in Medicaid. Currently, 61 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 (E-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 Medicaid number for any immediate medical needs outside the hospital.

During this quarter, 6,334 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 on Medicaid only cases.

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 2018 and SFY 2019 fourth 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 in going forward. The call center experienced a decline in call volume during first months of the pandemic period – March through May. There has been an increase in the last month of the fourth quarter.

SFY 2018 fourth quarter Call Volume: 143,794
 SFY 2019 fourth quarter Call Volume: 214,857
 SFY 2020 fourth quarter Call Volume: 165,584

SFY 2018 fourth quarter applications taken: 15,615
 SFY 2019 fourth quarter applications taken: 18,509

SFY 2020 fourth quarter applications taken: 13,866

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

- The number of calls routed to a call representative for the fourth quarter of SFY 2020 was 89,498, 40 percent decrease from the previous quarter.
- The monthly average number of calls for the fourth quarter was 55,195. Customer service representatives spoke directly with approximately 56 percent of callers and 44 percent of calls were self-service through the interactive voice response (IVR) system.
- The call center submitted 13,866 new telephonic applications and 1,450 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 January 1 and March 31, more than 22,342 unique individuals accessed the Expansion page and more than 72,196 unique visitors accessed the Expansion Eligibility Screening Tool.

Between April 1 and June 30, more than 17,494 unique individuals accessed the Expansion page and more than 28,120 unique visitors accessed the Eligibility Screening Tool.

In the fourth quarter of SFY 2020:

The Cover Virginia website received 153,726 unique (unduplicated) visits:

- April: 55,182
- May: 43,903
- June: 54,644

This represents a 29 percent decrease from the third quarter of SFY2020. This decrease indicates that there was a significant dip in website activity in the

months following the March high and during the COVID-19 pandemic health crisis; however, website traffic was higher in the month of April than in May and June on both the Eligibility and Apply pages. Furthermore, DMAS paused its media campaign until early June, but mounted an extensive digital COVID-19 engagement campaigns during this period and continued social media postings. Actual enrollment numbers during this time back up the fact that individuals were applying for coverage, but may have been going straight to the CommonHelp website or calling the Cover Virginia call center.

During this quarter, the most-visited pages (unique views) on the Cover Virginia website were:

- Apply page: 53,144 visits
- Eligibility page: 33,472 visits
- Eligibility screening tool: 28,120 visits
- Programs -
 - Medicaid: 20,245 visits
 - FAMIS: 15,421 visits
 - Expansion page: 17,494 visits
 - Health Plans: 15,087 visits
- The Apply page received the most visits during this time period, which indicates that people were coming to the site with the express purpose of applying for coverage. Including using the external links, Commonhelp.gov and Healthcare.gov.
- The second most visited page was the Eligibility page, which also indicates that viewers who were unsure whether they qualified for coverage were seeking out information regarding their eligibility, as well as using the eligibility screening tool located on the page to see whether they might qualify prior to applying.
- The most significant changes made to the website during this quarter was the implementation of a dedicated COVID 19 page on both the English and Spanish sites. Throughout the quarter resources were added and updates made to the COVID-19 pages; a COVID 19 section was added to the Advocates page, which was also updated frequently, along with additional information regarding coverage changes.

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 with a 95 percent or higher accuracy rate. 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	9,167	93%
GAP Call Center	111	99.1%
CPU Eligibility	1,840	87.6%
GAP Eligibility	8	33.1%
CVIU Call Center	286	92.6%
CVIU Eligibility	462	85.5%

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 2020 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 ended June 30, 2020. The contract has been extended to allow for continuity of services until the new vendor is fully operational. The new term is July 1, 2020 through March 31, 2021. The Department is currently in the process to competitively procure a dedicated vendor beginning April 1, 2021.

Contractual Budget

Cover Virginia Costs Quarter: April - June 2020	CPU *
Annual Costs	\$13,083,221
Total Quarterly Costs	\$3,270,805
General Funds	\$78,600
Federal Funds	\$2,472,205
**Special Funds	n/a
Quarterly Penalty Assessment	\$8,000
Call Center *	
Annual Costs	\$12,348,342
Total Quarterly Costs	\$3,087,085
General Funds	\$831,881
Federal Funds	\$2,255,204
**Special Funds	n/a
Quarterly Penalty Assessment	\$5,000
TALX *	
Annual Costs	\$1,811,985
Total Quarterly Costs	\$449,304
General Funds	\$81,398
Federal Funds	\$338,925
**Special Funds	\$28,981
Quarterly Penalty Assessment	\$0

CVIU	
Annual Costs	\$3,920,408
Total Quarterly Costs	\$980,102
General Funds	\$181,646
Federal Funds	\$735,076
**Special Funds	\$63,380
Quarterly Penalty Assessment	\$34,005
Medicaid Expansion	
Annual Costs	\$7,473,123
Total Quarterly Costs	\$1,868,281
General Funds	n/a
Federal Funds	\$1,401,211
**Special Funds	\$467,070
Quarterly Penalty Assessment	\$0
Total	
Annual Costs	\$38,637,079
Total Quarterly Costs	\$9,655,577
General Funds	\$1,893,525
Federal Funds	\$7,202,621
**Special Funds	\$559,430
Quarterly Penalty Assessment	\$47,005

* Medicaid costs are reimbursed at either the 75 percent enhanced federal financial participation (FFP) match rate or the 50 percent regular FFP match rate. The enhanced 75 percent FFP is available for qualifying eligibility and enrollment operational activities such as determining eligibility and issuing notices. CHIP costs are reimbursed at a federal match rate of 80.84 percent.

** Provider coverage Assessments

*** Penalties assessed and paid by contractor when service level agreements are missed.

Penalty Assessments

The CPU contract requires that penalties shall be assessed in any month when service level agreements are missed. During the fourth quarter of SFY 2020, the contractor was assessed and paid penalties of \$47,005.

Summary

The fourth quarter of SFY 2020 continued to experience a strong volume for the Cover Virginia operational Units. This is primarily due to increased expansion of Medicaid and eligibility enrollment changes for COVID-19. During this reporting period Cover Virginia operations were directly impacted by COVID-19 with an average of 85 percent of staff teleworking from home. Challenges included staff access to sufficient internet bandwidth, child care issues and as a result attendance issues. The Department continues to monitor contractor performance against contractual deliverables and has

addressed concerns through daily and weekly meetings and written correspondence as appropriate.