



COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

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March 17, 2021

MEMORANDUM

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

The Honorable Luke E. Torian
Chairman, House Appropriations Committee

Daniel Timberlake
Director, Department of Planning and Budget

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

SUBJECT: Annual Report for Changes in Services and Eligibility for Fiscal Year Ending June 30, 2020
due October 1, 2020

This report is submitted in compliance with Item 317.B.3. of the 2020 Appropriation Act, which states:

“The Department of Medical Assistance Services shall track expenditures for the prior fiscal year that ended on June 30, that includes the expenditures associated with changes in services and eligibility made in the Medicaid and FAMIS programs adopted by the General Assembly in the past session(s). Expenditures related to changes in services and eligibility adopted in a General Assembly Session shall be included in the report for five fiscal years beginning from the first year the policy impacted expenditures in the Medicaid and FAMIS programs. The department shall report the expenditures of each funding change separately and show the impact by fiscal year. The report shall be submitted to the Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees by October 1 of each year.”

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

KEK/
Enclosure

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

Annual Report for Changes in Services and Eligibility for Fiscal Year Ending June 30, 2020

A Report to the Virginia General Assembly

October 1, 2020

Report Mandate:

317.B.3. The Department of Medical Assistance Services shall track expenditures for the prior fiscal year that ended on June 30 that includes the expenditures associated with changes in services and eligibility made in the Medicaid and FAMIS programs adopted by the General Assembly in the past session. Expenditures related to changes in services and eligibility adopted in a General Assembly Session shall be included in the report for five fiscal years beginning from the first year the policy impacted expenditures in the Medicaid and FAMIS programs. The department shall report the expenditures of each funding change separately and show the impact by fiscal year. The report shall be submitted to the Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees by October 1 of each year.

Executive Summary

DMAS reviewed all expenditures associated with changes in services and eligibility made in the Medicaid and FAMIS programs as adopted by the General Assembly in the 2020 session. Below represents the change in service and or eligibility pursuant to Item 317 B.3:

HB29 Executive Amendment #9: Fund cost of initial COVID-19 response

Item 303

Health & Human Resources	FY 18-19	FY 19-20	
Department of Medical Assistance Services	\$0	\$308,239	GF
	\$0	\$815,481	NGF

Explanation:

This amendment increases funding to cover the cost of policy changes implemented by the Department of Medical Assistance Services in response to COVID-19. These actions include expanding the use of telemedicine, waiving service authorizations and eliminating cost sharing.

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.

Fiscal Year ending June 30, 2020:

2020 General Assembly Changes in Medicaid/CHIP Services and Eligibility				
Appropriation	General Funds	Special Funds	Federal Funds	TOTAL
CH. 1289, Executive Amendment #9 Item 303	\$308,239	\$40,000	\$775,482	\$1,123,721
*Fund Cost of Initial COVID-Response - Actuals	General Funds	Special Funds	Federal Funds	TOTAL
Telemedicine	6,866	15	8,943	15,824
Waive Service Authorizations	1,480	0	1,899	3,379
Eliminated cost sharing	62,105	21,819	276,060	359,985
FY20 Total Expenditures	\$70,451	\$21,834	\$286,903	\$379,188

**Note: Telemedicine actual expenditures were derived from new costs incurred. Service authorizations and cost sharing and expenditures are the difference between the previous state (before COVID) and the current state.*