



COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

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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
First Quarter of SFY 2022 due November 1, 2021

The 2021 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.

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, MD, Secretary of Health and Human Resources

The Cover Virginia Central Processing Unit – Q1, FY2022

A Report to the Virginia General Assembly

November 1, 2021

Report Mandate:

The 2021 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, maintains the CoverVa.org and CubreVirginia.org websites, and processes thousands of applications at the Central Processing Unit (CPU), including an 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 Central Processing Unit (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 activities for the first quarter of state fiscal year (SFY) 2022.

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 1.8 million Virginians. Members have access to primary and specialty health services, inpatient care, dental, 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 500,000 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.

Highlights for the First Quarter

Cover Virginia CPU

For the first quarter of SFY 2022, the majority of Cover Virginia operations continued remotely, working from home, due to the COVID-19 Public Health Emergency (PHE). In January 2021, the FFM extended the open enrollment period to August 15, 2021. During the first quarter of SFY 2022, 8,555 FFM applications were received by Cover Virginia.

October 2020, the Department signed an agreement with Maximus, US Services, as the next vendor for Cover Virginia operations. This began the implementation planning period for the new vendor. As the result of a difficult transition period from the incumbent vendor, the Department engaged a new team of state and local Department of Social Services (DSS) staff to assist with processing a backlog of approximate 6,685 applications. The team of experienced state and local staff processed applications remaining from the prior contract through March 15, 2021.

The new vendor assumed responsibility of operations on March 29, 2021, which included application inventory from March 16, 2021 forward. Systems, transition work products, and training were extensively tested, however significant issues were experienced bringing up operations. Additionally, the new vendor struggled with adequate staffing due to the inability to bring over experienced Cover Virginia staff from the incumbent vendor. Because of these issues, the new vendor experienced difficulties performing to contractual requirements resulting in issues both within the call center and in CPU and a new backlog of applications. Due to the critical problems occurring in the CPU, DMAS elected to retain the special team of state and local workers to continue assisting with application processing through this first quarter of SFY 2022.

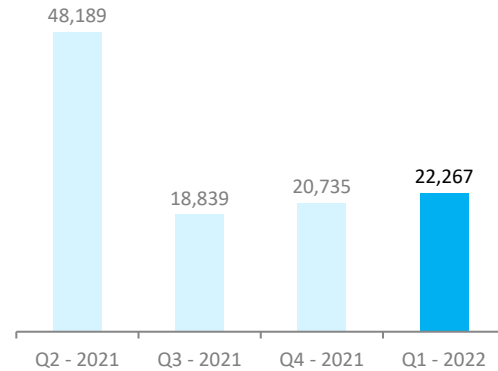
During this quarter's performance period, Maximus satisfactorily met service level agreements (SLAs) for the call center and are currently answering calls with less than 90 second wait times. Quality continues to be a needed area of improvement. The vendor has struggled with eligibility processing which has resulted in a backlog of applications exceeding contractual and federal processing requirements.

The Department is providing oversight in all areas of operations while Maximus performs in accordance with the corrective action plan (CAP). The initial compliance

date was October 1, 2021, which was not met by the vendor. A new compliance date has been set for December 31, 2021. Department staff are providing assistance through weekly department meetings, operational meetings, and CAP meetings with leadership, in addition to biweekly Steering Committee meetings.

During this quarter, the Cover Virginia CPU received 22,267 applications for processing. Of those, 38.4 percent (8,555) were received from the FFM, 23.3 percent (5,186) were telephonic applications, 37.8 percent (8,412) were received online through CommonHelp, and 0.5 percent (114) were through other sources.

**Chart 1 –
Total New Application Volume Q1 SFY2022**



Source: Cover Virginia Monthly Reports

Average Monthly Volume

The average monthly volume of new applications received by Cover Virginia during the first quarter of SFY 2022 was 7,422. This is a 6.9% increase over the last quarter in applications received. This increase is likely due to improved call center performance leading to an increased submission of applications telephonically.

Approvals/Denials

In the first quarter of SFY 2022, 36 percent (5,674) of applications were approved and 40 percent (6,256) were denied. The remaining 24 percent of applications were transferred to the appropriate local DSS agency (3,694) or are in a pending status as of the writing of this report (6,643). A majority of transfers occurred due to a reported change on an active case which was being maintained by a local DSS agency.

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 specialized CPU 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 through an exchange with DOC to ensure streamlined coverage changes upon release.

The CVIU is a special unit dedicated to Medicaid eligibility for justice involved populations. Communications are streamlined between Cover Virginia and correctional facilities. In accordance with federal regulations, Medicaid eligibility for incarcerated individuals only covers inpatient hospitalizations of 24 hours or more at an outside qualifying facility. Coverage for incarcerated individuals is not full-benefit Medicaid, but rather a limited coverage group. This process within the CVIU became effective January 1, 2019, for the regional and local jails and the DJJ.

The CVIU maintains these cases, including completing the annual renewal process and assessing continued Medicaid eligibility of those individuals who are released into the community.

The operational management team continued to communicate regularly with DOC representatives to address challenges and concerns. During the reporting quarter 4,738 calls were received by the CVIU from correctional facilities for new telephonic applications. Also during the reporting quarter, 773 applications for incarcerated individuals were received, of which 643 were approved for Medicaid benefits. Twenty-one (21) applications were denied for reasons such as failure to provide documentation needed to complete the determination, duplicate applications, or because the individual had existing Medicaid coverage.

Application volume decreased 27 percent during this reporting period. The CVIU moved active incarcerated coverage to full-benefit Medicaid within 24 hours of release for 6,322 offenders. The following chart represents the breakdown by month of prerelease actions for this reporting period:

Daily Release	July 2021	Aug 2021	Sept 2021
Totals	2,163	2,037	2,122

Since the implementation of the CVIU in November 2018, 36,096 applications have been received and processed. As of the end of September 2021, 18,538 offenders are enrolled in limited-coverage Medicaid as an incarcerated individual.

Hospital Presumptive Eligibility (HPE)

The Cover Virginia CPU administers special processes that facilitate compliance with the federally required Hospital Presumptive Eligibility 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 138 HPE enrollments. Fifty-two (52) requests were denied, which includes individuals who were 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 newborn enrollment form (E-213 form) electronically for processing at Cover Virginia; in the summer of 2021, the newborn enrollment unit moved under direct supervision of DMAS. 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, 8,377 newborns were enrolled through the expedited process.

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.

Below shows a comparison of first quarter call center volume. SFY 2019 was the result of Medicaid Expansion.

SFY 2020 first quarter Call Volume: 228,132

SFY 2021 first quarter Call Volume: 256,035

SFY 2022 first quarter Call Volume: 173,944

SFY 2020 first quarter applications taken: 16,363

SFY 2021 first quarter applications taken: 11,571

SFY 2022 first quarter applications taken: 13,768

Data for call center activity for the first quarter of SFY 2022 is reported below:

- 173,944 calls came into Cover Virginia with 30 percent of calls self-servicing through the interactive voice response (IVR) system.
- The number of calls routed to a call representative for the first quarter of SFY 2022 was 121,592; a one percent decrease from the previous quarter.
- The monthly average number of calls for the first quarter was 57,981.
- Customer service representatives spoke directly with approximately 99 percent of callers and the remaining one percent disconnected.
- The call center submitted 13,768 new telephonic applications and 341 telephonic annual renewals.

Since the middle of June 2021, the current vendor, Maximus, has met and exceeded the contract's requirements of performance of answering calls.

Cover Virginia Website

The Cover Virginia website (coverva.org) went live on October 1, 2013. The website was redesigned in spring 2014 and again in March 2019 to allow mobile phone capabilities. On June 7, 2018, a new Medicaid Expansion page was added to coverva.org.

On November 3, 2019, a Spanish version of the Coverva.org website (cubrevirginia.org) went live. On March 29, 2021, redesigned Cover Virginia and Cubre Virginia websites went live under the management of

Maximus. Both websites include detailed information about coverage for adults, children, and pregnant individuals. An enhancement to the website is the addition of a WebChat feature which provides automated responses to frequently asked questions and visitors may also chat with a live agent for more detailed information on their case. Since inception, there have been 7,390 interactions. Service levels are contractually compliant with only 2.42% of visitors abandoning prior to interacting with a live agent. An Eligibility Screening Tool is available to assist users in finding out if they might qualify for coverage. The website 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 July 1 and September 30, more than 1,677 unique individuals accessed the Expansion page and more than 6,506 unique visitors accessed the Eligibility Screening Tool.

In the first quarter of SFY 2022

- The Cover Virginia website received 102,185 unique (unduplicated) visits:
 - July: 34,758
 - August: 36,404
 - September: 35,819
- This represents a 0.6% percent decrease from the fourth quarter of SFY2021. This decrease indicates that there was a very slight decline in website activity during the summer months as traffic typically slows due to vacations and school not being in session. Additionally, the COVID-19 health crisis continued to effect outreach and events. Website traffic was higher in the month of August than in July or September on the Eligibility page and the Apply page. Active campaigns for the new Adult Dental Coverage and Prenatal for Non-Citizens began in July, potentially being the cause for the increase in traffic in August.
- During this quarter, the most-visited pages (unique views) on the Cover Virginia website were:
 - Apply page: 40,851 visits
 - Our Programs page: 11,973 visits
 - Famis page: 10,655 visits
 - Am I Eligible page: 9,281 visits
 - Health Plans: 9,141 visits
 - Member Handbooks: 8,253 visits
- The Apply page received the most visits during this period, which indicates that people were coming to the site with the express purpose of applying for coverage to include using the

external links, [Commonhelp.gov](https://www.commonhelp.gov) and [Healthcare.gov](https://www.healthcare.gov).

- The second most visited page was the Our Programs page, which indicates many visitors of the Cover VA website were researching the various Medicaid programs and looking at their available eligibility and coverage option.
- The most significant changes made to the website during this quarter included the addition of the Back to School campaign to the homepage and Coverage for children's tab, and adding the Back to School flyer to the Materials page, available to order.

Quality Improvement

The new Cover Virginia vendor has struggled with quality since taking over the contract. There have been improvements in each production unit and DMAS is working with the vendor to bring all quality measurements in line with contractual requirements.

For this reporting period, the quality team reported the following results averaged for the first quarter:

Production Unit	# Audits	% Accuracy
MAGI Call Center	12,543	81%
CPU Eligibility	1,893	73%
CVIU Call Center	527	81%
CVIU Eligibility	495	81%

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

From 2013 through 2018, the Cover Virginia contract continued as a component of the DMAS Fiscal Services

contract. A new two-year sole source contract was executed beginning July 1, 2018, with Conduent State Healthcare, LLC and ended June 30, 2020. The contract was renewed through March 31, 2021 to allow for continuity of services until the new vendor became operational.

Virginia has executed a new contract with Maximus as the Cover Virginia service provider with a contract term of April 1, 2021 through March 31, 2026. Implementation began on October 8, 2020 and Maximus became operational as the Cover Virginia provider on March 29, 2021 under Modification #1 for an early Go-Live. This contract is renewable for up to five additional twelve month periods each at the option of the Purchasing Agency.

Contractual Budget

No implementation or operational payments have been made this quarter.

* Medicaid costs for implementation are reimbursed at 90 percent enhanced federal financial participation (FFP) match rate. CHIP costs are reimbursed at a federal match rate of 69.34 percent.

Summary

The first quarter of SFY 2022 continued to experience steady volumes for the Cover Virginia Operational Units. This is primarily due to impacts of pandemic and federal maintenance of effort requirements during the COVID-19 PHE resulting in limited cancellations of coverage.

The Department worked closely with the Contractor to ensure continued improvements in performance and increasing of resources to improve productivity. The Department continues to monitor contractor performance against contractual deliverables and has addressed concerns through daily and weekly meetings and written corrective action notices, as appropriate.