



# 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 Barry D. Knight  
Chair, House Appropriations Committee

Michael Maul  
Director, Department of Planning and Budget

**FROM:** Cheryl Roberts  
Director, Virginia Department of Medical Assistance Services

**SUBJECT:** Report on the Cover Virginia Centralized Processing Unit  
Second Quarter of SFY 2022.

*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) 664-2660.

CR/wf  
Enclosure

pc: Pc: The Honorable John Littel, Secretary of Health and Human Resources

# The Cover Virginia Central Processing Unit – Q2, FY2022

*A Report to the Virginia General Assembly*

*February 1, 2022*

## **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 Medicaid and the Children's Health Insurance Program (CHIP) information and services through a robust operation. Cover Virginia includes the statewide call center, which accepts telephonic applications and renewals for the Medicaid program and provides general information and guidance to callers. Cover Virginia includes the member and advocate English language website, CoverVa.org and the Spanish language site, CubreVirginia.org. The Central Processing Unit (CPU) is an integral part of the operation. The CPU processes thousands of Medicaid applications; screening all applications received telephonically, online, and those referred from the Federal Marketplace. The Cover Virginia Incarcerated Unit is a specialized unit that works in collaboration with the Department of Corrections (DOC), local and regional jails, and the Department of Juvenile Justice (DJJ) to accept, process, and maintain applications for justice involved populations in Virginia. Cover Virginia plays an integral role in the administration of Medicaid program in Virginia.

## **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. 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.

## 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 2 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 Second Quarter

### Cover Virginia CPU

The Cover Virginia central processing unit (CPU) processes applications received from three sources, telephonic submissions through the call center, online applications from CommonHelp and applications submitted through the Federal Marketplace on Healthcare.gov that appear to be Medicaid eligible. The Department has oversight of the administrative services contract which includes a statewide call center, eligibility processing and all additional business process supports. For the second 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 October 2020, DMAS 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.

The vendor assumed responsibility of the entire Cover Virginia operation on March 29, 2021, which included assuming responsibility for the application inventory from March 16, 2021 forward. All applications received prior to March 16, 2021 were processed in house by DMAS.

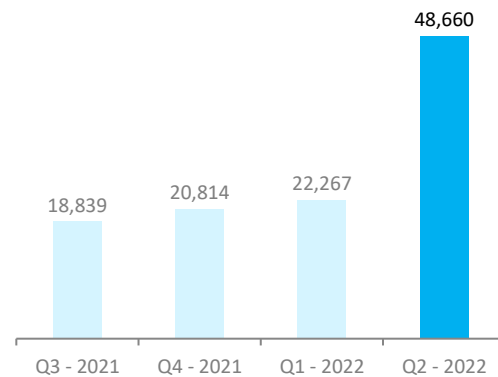
Systems, transition work products, and training were extensively tested, however significant issues were experienced bringing up operations. Additionally, the new vendor struggled with adequate staffing due to the inability to bring over experienced Cover Virginia staff from the incumbent vendor. Because of these issues, the vendor faced significant challenges in meeting deliverables and performing to contractual requirements resulting in issues throughout the operational center. Due to the critical problems occurring in the CPU, DMAS elected to engage a special team of state and local workers assist with application processing through this second quarter of SFY 2022.

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 Maximus failed to met. 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.

The Federal Marketplace open enrollment period began during this quarter. This year's open enrollment period brought an increase of 23,393 applications over the previous quarter to the Cover Virginia CPU.

The CPU received a total of 48,660 applications for processing. Of those, 66.8 percent (32,506) were received from the Federal Marketplace, 17.87 percent (8,695) were telephonic applications, 15.3 percent (7,443) were received online through CommonHelp, and 0.03 percent (16) were through other sources.

**Chart 1 –  
Total New Application Volume Q2 SFY2022**



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 2022 was 16,220. This is a 118.5 percent increase over the last quarter in applications received. This increase is due to the Federal Marketplace open enrollment as mentioned above.

### Approvals/Denials

In the second quarter of SFY 2022, 27 percent (6,990) of applications were approved and 31 percent (8,024) were denied. The remaining 42 percent of applications were transferred to the appropriate local DSS agency (11,142) or are in a pending status as of the writing of this report (22,504). 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 DOC, regional and local jails, and the 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 all facility representatives to address challenges and concerns on a monthly basis. During the reporting quarter 2,035 calls were received by the CVIU from correctional facilities for new telephonic applications. Also during the reporting quarter, 829 applications for incarcerated individuals were received, of which 640 were approved for Medicaid benefits. Forty-two (42) 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 increased 7 percent during this reporting period. The CVIU moved active incarcerated coverage to full-benefit Medicaid within 24 hours of release for 6,401 offenders. The following chart represents the breakdown by month of prerelease actions for this reporting period:

Daily Release	Oct 2021	Nov 2021	Dec 2021
Totals	1,949	2,254	2,198

Since the implementation of the CVIU in November 2018, 37,419 applications have been received and processed. As of the end of December 2021, 18,131 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 (HPE) program. The HPE program allows hospitals to provide temporary Medicaid coverage to individuals who are likely to qualify for full-benefit Medicaid coverage.

During this quarter, the CPU processed 146 HPE enrollments. Fourteen (14) 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. This expedited process allows for the parent/caretaker to receive an approval notice and the newborn's Medicaid number for any immediate medical needs outside the hospital.

During this quarter, 8,420 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.

DMAS contracts with Maximus to provide all administrative services for the federally mandated statewide call center. In the first two months of operations the vendor struggled to comply with contractual deliverables and as a result citizens experienced long wait times. Performance improved in the third month of operations as the vendor addressed staffing shortages and resource management concerns. 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 and department contract monitor staff continue to provide oversight and guidance.

Below shows a comparison of second quarter call center volume.

SFY 2020 second quarter call volume: 232,196  
SFY 2021 second quarter call volume: 306,036  
SFY 2022 second quarter call volume: 193,926

SFY 2020 second quarter applications taken: 20,355  
SFY 2021 second quarter applications taken: 9,950  
SFY 2022 second quarter applications taken: 14,457

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

- 193,926 calls came into Cover Virginia with 32 percent of calls self-servicing through the interactive voice response (IVR) system.
- The number of calls routed to a call representative for the second quarter of SFY 2022 was 132,320; a nine percent increase from the previous quarter.
- The monthly average number of calls for the second quarter was 64,642.
- Customer service representatives spoke directly with approximately 99 percent of callers and the remaining one percent disconnected.
- The call center submitted 14,457 new telephonic applications and 504 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](http://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](http://coverva.org).

On November 3, 2019, a Spanish version of the Coverva.org website ([cubrevirginia.org](http://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 10,857 interactions. Service levels are contractually compliant with only 2.32% 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 October 1 and December 30, more than 1,328 unique individuals accessed the Expansion page and more than 13,373 unique visitors accessed the Eligibility Screening Tool.

In the second quarter of SFY 2022

- The Cover Virginia website received 150,716 unique (unduplicated) visits:
  - October: 39,882
  - November: 57,411
  - December: 59,617
- This represents a 31.8 percent increase from the second quarter of SFY2022. This increase indicates that there was a significant rise in website activity and traffic during the fall and winter months prior to and during Open Enrollment. Additionally, the COVID-19 health crisis continued and a new page was created on the Cover Virginia website where individuals could go for information regarding the public health emergency, how it would affect their coverage, and any updates available. Website traffic was significantly higher in the months of November and December than in October. Active campaigns for the new Adult Dental Coverage and Prenatal for Non-Citizens began in July of 2021 and continued into the fall, as

well as Open Enrollment beginning in November and continuing through the beginning of January.

- During this quarter, the most-visited pages (unique views) on the Cover Virginia website were:
  - Apply page: 46,555 visits
  - Our Programs page: 15,019 visits
  - Screening Tool page: 13,373 visits
  - Health Plans page: 10,245 visits
  - FAMIS page: 9,481 visits
  - Am I Eligible page: 9,088 visits
- The Apply page received the most visits during this period, which indicating individuals were actively seeking information about applying for coverage or applying through the links on the Apply page itself, [Commonhelp.gov](#) and [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 options.

The most significant changes made to the website during this quarter included the addition of the PHE page, Open Enrollment page and additional information, and edits to the COVID-19 page, all of which have prominent boxes on the homepage.

### Quality Improvement

The new Cover Virginia vendor has been challenged with meeting quality metrics since taking over the contract. The Department staff and the contractor have identified key areas of concern to include the assessment of quality to ensure it is a targeted measurement and achievable. In addition, all training and resource materials are under review for accuracy and user clarity. 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 second quarter:

Production Unit	# Audits	% Accuracy
MAGI Call Center	17,125	82%
CPU Eligibility	3,021	74%
CVIU Call Center	277	81%
CVIU Eligibility	316	80%

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 Fiscal Agent. The contract term is October 8, 2020 through March 31, 2026. Maximus began implementation October 8, 2020 and became operational on March 29, 2021. This contract is renewable for up to five (5) additional periods of twelve (12) months 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 second quarter of SFY 2022 continued to experience a strong volume for the Cover Virginia operational Units. This is primarily due to the Federal Marketplace open enrollment period, and eligibility enrollment changes as it relates to the public health emergency under COVID-19. DMAS worked closely with the Contractor to ensure minimal impacts due to the COVID-19 pandemic with an average of 85 percent of staff teleworking from home.

Challenges included staff access to sufficient internet bandwidth, staff childcare issues and illnesses, and as a result, attendance issues. The Department continues to monitor contractor performance against contractual deliverables and has addressed key operational concerns through a corrective action plan in addition to daily and weekly meetings and written correspondence as appropriate.