

JOINT COMMISSION ON HEALTH CARE

2021 INTERIM EXECUTIVE SUMMARY TO THE GOVERNOR AND THE GENERAL ASSEMBLY OF VIRGINIA



REPORT DOCUMENT # 39

COMMONWEALTH OF VIRGINIA
RICHMOND
2022

Code of Virginia § 30-168.

The Joint Commission on Health Care (the Commission) is established in the legislative branch of state government. The purpose of the Commission is to study, report and make recommendations on all areas of health care provision, regulation, insurance, liability, licensing, and delivery of services. In so doing, the Commission shall endeavor to ensure that the Commonwealth as provider, financier, and regulator adopts the most cost-effective and efficacious means of delivery of health care services so that the greatest number of Virginians receive quality health care. Further, the Commission shall encourage the development of uniform policies and services to ensure the availability of quality, affordable and accessible health services and provide a forum for continuing the review and study of programs and services.

The Commission may make recommendations and coordinate the proposals and recommendations of all commissions and agencies as to legislation affecting the provision and delivery of health care. For the purposes of this chapter, "health care" shall include behavioral health care.

Joint Commission on Health Care

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Vice Chair

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Delegate Mark D. Sickles

Staff

Jeff Lunardi

Executive Director

Stephen G. Weiss, M.P.A.

Senior Health Policy Analyst

Kyu Kang

Associate Health Policy Analyst

Estella Obi-Tabot, MSPH

Associate Health Policy Analyst

Agnes Dymora

Executive Assistant/Office Manager



JOINT COMMISSION ON HEALTH CARE

Delegate Patrick A. Hope, Chair Senator George L. Barker, Vice Chair

January 7, 2022

The Honorable Ralph Northam
Governor of Virginia
Patrick Henry Building, 3rd Floor
1111 East Broad Street
Richmond, Virginia 23219

Members of the Virginia General Assembly
Pocahontas Building
Richmond, Virginia 23219

Dear Governor Northam and Members of the General Assembly:

Please find enclosed the interim executive summary of the Joint Commission on Health Care. This report, which summarizes the activities of the Commission in 2021 fulfills the requirements of § 30-168.5 of the Code of Virginia.

This and all other reports and briefings of the Joint Commission on Health Care can be downloaded from jhc.virginia.gov.

Respectfully submitted,

Patrick A. Hope, Chair

Interim Executive Summary 2021

The Joint Commission on Health Care (JCHC) was established in 1992 to continue the work of the Commission on Health Care for All Virginians. The JCHC authorizing statute in the Code of Virginia, Title 30, Chapter 18, states in part: “The purpose of the Commission is to study, report and make recommendations on all areas of health care provision, regulation, insurance, liability, licensing, and delivery of services. In so doing, the Commission shall endeavor to ensure that the Commonwealth as provider, financier, and regulator adopts the most cost-effective and efficacious means of delivery of health care services so that the greatest number of Virginians receive quality health care.” The Commission undertook the following activities during 2021 to implement this purpose.

Staff Reports and Legislative Recommendations

During 2021, JCHC staff completed three studies as directed by the Commission. At the conclusion of each study, Members received a report and briefing from staff, convened workgroups to discuss proposed policy options and voted on which policy options to endorse as recommendations for legislative action.

Strategies to support aging Virginians in their communities

The Joint Commission on Health Care directed staff to study strategies that Virginia could pursue to support aging Virginians in their communities. Below is a summary of the findings from this study.

An increasing number of older Virginians need aging services, but non-Medicaid funding for services has decreased in real terms

An estimated 200,000 individuals in Virginia need aging services, with the number of older Virginians projected to grow by 22% over the next 10 years. Medicaid provides a spectrum of home and community based services for those with the highest functional and financial need, but only 12% of older Virginians in need of aging services are currently Medicaid-eligible for long-term services and supports. Inflation-adjusted, non-Medicaid funding decreased over the last 10 years, limiting Virginia’s ability to meet the needs of the vast majority of older Virginians who are not Medicaid-eligible.

Affordable housing and home care are the greatest needs across the state

The most significant unmet need for older Virginians is home care, which includes assistance with chores, food preparation, and activities of daily living to remain in their communities. Many seniors also need affordable housing. Many rely on fixed retirement and social security incomes that have not increased at the rate of housing costs. Local staff indicate that nearly half of those seeking home care services, and most individuals seeking housing services, wait more than 30 days to receive available services due to insufficient resources, or are unable to receive them at all.

Enhancing current programs can help address unmet needs

Virginia could consider expanding its Medicaid program to provide limited home and community based services benefits to individuals with higher incomes and more moderate functional needs. Some existing programs could be supplemented with state funds to serve more individuals, and Virginia could increase support to unpaid caregivers, who already provide the majority of home care services. Increasing the supply of affordable housing will require coordination among state and local stakeholders, but is necessary to address this priority need for older Virginians.

Members voted to endorse the following policy recommendations:

Option 1 - Create a Medicaid state plan amendment for home and community based services with broader eligibility criteria

Option 3 – Assess the need for increased state funding for home care and home modifications

Option 5 - Provide a family caregiver tax credit

Option 7 - Target older Virginians in current Department of Housing and Community Development housing efforts

Workforce challenges in Virginia’s nursing homes

The Joint Commission on Health Care directed staff to study staffing in Virginia’s nursing homes and its impact on the quality of care residents receive. Below is a summary of the findings from this study.

One-fifth of Virginia's nursing homes are not meeting expected staffing levels, disproportionately impacting low-income residents

All nursing homes in Virginia struggle to recruit and retain staff, and 21 percent of facilities are not providing enough hours of direct care. A shortage of certified nursing assistants, who provide a majority of direct patient care, is the biggest challenge for Virginia's nursing homes. In general, facilities with fewer staff also have a higher concentration of Medicaid recipients and Black residents.

Low staffing increases the risk of low-quality care

More than 60 percent of nursing facilities with low staffing receive poor health inspection ratings, which include criteria such as medication management and resident quality of life. When staffing falls below a minimum threshold, it becomes increasingly difficult for staff to manage the workload and provide quality care, leading to burnout that exacerbates these challenges. Increasing the number of hours of direct care per resident is shown to improve clinical outcomes and resident satisfaction.

Shrinking workforce is a contributing factor to staffing challenges

There are a decreasing number of licensed practical nurses and certified nursing assistants in Virginia. Recruitment can be difficult as nursing home jobs are considered less desirable, compared to other health care settings. Retention is dependent on wages, benefits, training and advancement opportunities, workplace culture, and leadership. The COVID-19 pandemic significantly exacerbated existing workforce challenges.

Residents' behavioral health needs are not adequately accounted for in reimbursement rates

An increasing number of nursing home residents have behavioral health needs that require additional time and attention from staff. Providing quality care to these residents requires increased staff time, but current Medicaid reimbursement rates do not fully compensate for these needs.

Members voted to endorse the following policy recommendations:

Option 1 – Direct DMAS plan to increase reimbursement for disproportionate share facilities

Option 3 - Implement an acuity-based staffing standard

Option 5 - Fund scholarships for students who commit to nursing facility work

Option 6 - Design quality improvement program for nursing home staff support

Option 7 - Fund a formal evaluation of Value-Based Purchasing

Option 8 – Direct DMAS plan to increase reimbursement for behavioral health needs

Option 9 - Endorse the Virginia Community College System request for nursing education funds

Health insurance affordability in the individual market

The Joint Commission on Health Care directed staff to examine Virginia's individual health insurance marketplace with a goal of making the marketplace stable, more affordable for those covered, and more accessible for those who are not covered. Below is a summary of the findings from this study.

Younger, healthier individuals left Virginia's market as premiums increased

Adults between 18 and 34 years old accounted for more than half of the reduction in individual market enrollment since 2016 (not including those who were newly eligible for Medicaid expansion). Younger individuals tend to have lower health care costs, so this left a less healthy, higher cost group of Virginians, which further increased premiums. Additionally, more than half of uninsured individuals in this age group indicate they are unaware of individual market coverage options and federal financial assistance that is available to reduce their costs.

Improved marketing and navigation could bring more healthy people into the market and assist with plan choice

Virginia has an opportunity to significantly improve its marketing, outreach, and navigator assistance when it transitions to a state-based exchange in 2023. Federal funding reductions in recent years for marketing and navigators limited Virginia's ability to promote coverage options and help individuals select the best plan based on their circumstances.

There are multiple state policy options to improve affordability but impacts are moderate compared to federal subsidies

State policy options to improve affordability can reduce premiums and out of pocket costs to attract more Virginians into the individual market. However, the impact of these options is estimated to be moderate compared to the federal decision on whether to extend the current enhanced premium subsidies that are scheduled to expire after 2022. Implementing a state-funded cost sharing reduction program is estimated to reduce the number of uninsured in Virginia the most, if enhanced federal subsidies expire. Prohibiting the use of a tobacco surcharge is estimated to have the second largest reduction in the number of uninsured. Both options would have a smaller impact if enhanced subsidies are extended.

Members voted to endorse the following policy recommendations:

Option 1 - Direct the Exchange to develop an annual marketing and navigator plan and provide \$3.7 million in general funds to initiate the plan

Option 2 - Eliminate the tobacco surcharge

Commission Meetings

The full Commission met five times this year, and the Executive Subcommittee met twice. Additionally, three workgroups were created to consider the three staff studies that were presented in 2021 (Aging in Place, Nursing Facility Workforce, and Health Insurance Affordability). Those workgroups met a total of eight times. Below is a list of all JCHC meeting dates. All meeting materials and minutes are available on the JCHC website (<http://jchc.virginia.gov/meetings.asp>).

Full Commission

- May 18th (virtual)
- September 21st
- October 5th
- November 16th
- December 7th

Executive Subcommittee

- April 19th (virtual)
- October 5th

Aging in Place Workgroup

- May 18th (virtual)
- October 18th

Nursing Facility Workforce Workgroup

- May 18th (virtual)
- October 22nd
- November 9th

Health Insurance Affordability Workgroup

- May 18th (virtual)
- August 18th (virtual)
- November 29th (virtual)

Other Staff Activities

JCHC staff participated in several activities related to health policy both in Virginia and nationally. The Executive Director, Jeff Lunardi, served on the VHI Board of Directors, Children's Health Insurance Program Advisory Committee (CHIPAC), and National Conference of State Legislatures (NCSL) Health and Human Services (HHS) Committee, where he served as a staff Vice-Chair. Staff provided presentations at the following events: VA Bar Association Annual Health Law Legislative Update, Virginia Association of Health Plans (VAHP) Annual Conference, Commonwealth Council on Aging, Department of Rail and Public Transportation (DRPT) Statewide Human Services Transportation Quarterly Meeting, and the AGA Winter Seminar. Additionally, staff attended the following professional development events: 2021 Virtual Virginia Governor's Conference on Aging, the Virtual National Health Equity Summit, and the NCSL Legislative Conference. Staff provided mentoring to a James Madison University Doctor of Nursing Practice (DNP) student and a Virginia Management Fellow (VMF). Lastly, two staff received certificates from the NCSL Staff Training Program and all staff completed the Civilian Response and Casualty Care (CRCC) Training.



JOINT COMMISSION ON HEALTH CARE

600 EAST MAIN STREET, SUITE 301

RICHMOND, VIRGINIA 23219

Mailing Address:

P. O. BOX 1322

RICHMOND, VIRGINIA 23218

804-786-5445

<http://jchc.virginia.gov>