



# COMMONWEALTH of VIRGINIA

## *Department of Medical Assistance Services*

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**October 28, 2022**

### **MEMORANDUM**

**TO:** The Honorable Janet D. Howell  
Chair, Senate Finance Committee

The Honorable Barry D. Knight  
Chair, House Appropriations Committee

Michael Maul  
Director, Virginia Department of Planning and Budget

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

**SUBJECT:** The Cover Virginia Central Processing Unit Quarterly Report – Q3, FY2022

This report is submitted in compliance with Item 308.O.2. of the 2022 Appropriations Act which states:

*308.O.2. Out of this appropriation, \$3,283,004 the first year and \$3,283,004 the second year from the general fund and \$9,839,000 the first year and \$9,839,000 the second year from nongeneral funds is provided for the enhanced operation of the Cover Virginia Call Center as a centralized eligibility processing unit (CPU) that shall be limited to processing Medicaid applications received from the Federally Facilitated Marketplace, telephonic applications through the call center, or electronically submitted Medicaid-only applications. The department shall report the number of applications processed on a monthly basis and payments made to the contractor to the Director, Department of Planning and Budget and the Chairman of the House Appropriations and Senate Finance and Appropriations Committees. The report shall be submitted no later than 60 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.

CR  
Enclosure

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

# The Cover Virginia Central Processing Unit – Q3, FY2022

A Report to the Virginia General Assembly

October 28, 2022

## Report Mandate:

*The 2022 Appropriation Act, Item 308 O.2., states, “Out of this appropriation, \$3,283,004 the first year and \$3,283,004 the second year from the general fund and \$9,839,000 the first year and \$9,839,000 the second year from nongeneral funds is provided for the enhanced operation of the Cover Virginia Call Center as a centralized eligibility processing unit (CPU) that shall be limited to processing Medicaid applications received from the Federally Facilitated Marketplace, telephonic applications through the call center, or electronically submitted Medicaid-only applications. The department shall report the number of applications processed on a monthly basis and payments made to the contractor to the Director, Department of Planning and Budget and the Chairman of the House Appropriations and Senate Finance and Appropriations Committees. The report shall be submitted no later than 60 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) 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

***The mission of the Virginia Medicaid agency is to improve the health and well-being of Virginians through access to high-quality health care coverage.***

The Department of Medical Assistance Services (DMAS) administers Virginia’s Medicaid and CHIP programs for over 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 600,000 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% for newly eligible adults, generating cost savings that benefit the overall state budget.

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 monitoring and oversight. The CPU receives applications 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.

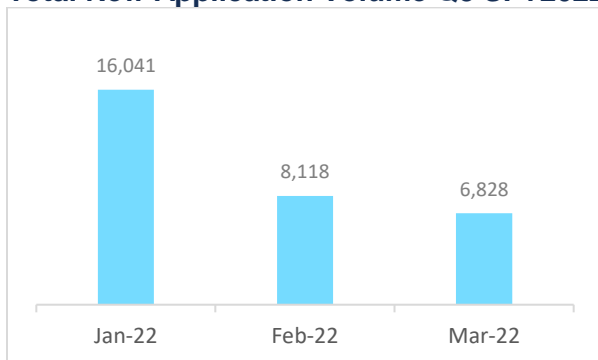
The 2017 session of the Virginia General Assembly passed HB2183 requiring the DMAS Cover Virginia team to develop and implement a specialized CPU for incarcerated individuals who may be eligible for Medicaid. This initiative for incarcerated individuals centralizes the processes to accept telephonic 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.

### SFY 2021 Operations for the Third Quarter

#### **Cover Virginia CPU**

The CPU received a total of 30,987 applications for processing during the third quarter. Of those, 45 percent (14,133) were received from the Federal Marketplace, 28 percent (8,692) were telephonic applications, 26 percent (8,078) were received online through CommonHelp, 0.22 percent (67) were paper applications, and 0.05 percent (17) had other designations as to source.

**Chart 1 – Total New Application Volume Q3 SFY2022**



Source: Cover Virginia Monthly Reports

#### **Monthly Application Volume**

The above chart shows monthly application volumes received by the Cover Virginia CPU during the third quarter of SFY 2022.

#### **Approvals/Denials**

In the third quarter of SFY 2022, 31 percent (5,524) of applications were approved and 29 percent (5,156) were denied. The remaining 40 percent of applications were transferred to the appropriate local DSS agency (6,981) or are in a pending status as of the writing of this report (13,326). 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)**

During the reporting quarter 2,250 calls were received by the CVIU from correctional facilities. Also during the reporting quarter, 823 applications for incarcerated individuals were received, of which 614 were approved for Medicaid benefits. Forty-nine (49) 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. A monthly breakdown of call volume and application volume is shown below:

Month	Total Calls Received	Total Apps Received	Approved	Denied
Jan-22	661	225	170	25
Feb-22	734	276	226	16
Mar-22	855	322	218	8
<b>Q3 Total</b>	<b>2,250</b>	<b>823</b>	<b>614</b>	<b>49</b>

CVIU application volume stayed almost even to the previous quarter, decreasing by 0.72 percent during this reporting period. The CVIU moved active incarcerated coverage to full-benefit Medicaid within 24 hours of release for 1,081 offenders. The following chart represents the breakdown by month of prerelease actions for this reporting period:

Daily Release	Jan 2022	Feb 2022	Mar 2022
<b>Totals</b>	<b>371</b>	<b>276</b>	<b>434</b>

Since the implementation of the CVIU in November 2018, 38,282 applications have been received and processed. As of the end of March 2022, 17,947 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 141 HPE enrollments, of which, 29 requests were denied, which includes individuals who were already actively enrolled in Medicaid. Currently, 53 hospitals have signed an agreement to participate in the HPE program.

### **Cover Virginia Call Center**

Below shows a comparison of third quarter call center volume.

SFY 2020 third quarter call volume: 231,701

SFY 2021 third quarter call volume: 249,660

SFY 2022 third quarter call volume: 192,013

SFY 2020 third quarter applications taken: 21,079

SFY 2021 third quarter applications taken: 8,328

SFY 2022 third quarter applications taken: 13,017

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

- 192,013 calls came into Cover Virginia with 31 percent of calls self-servicing through the interactive voice response (IVR) system.
- The number of calls routed to a call representative for the third quarter of SFY 2022 was 131,962; a 0.27 percent decrease from the previous quarter.
- The monthly average number of calls for the third quarter was 64,004.
- Customer service representatives spoke directly with approximately 99 percent of callers and the remaining one percent disconnected.
- The call center submitted 13,017 new telephonic applications and 246 telephonic annual renewals.

### **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.