



COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

CHERYL ROBERTS
DIRECTOR

SUITE 1300
600 EAST BROAD STREET
RICHMOND, VA 23219
804/786-7933
804/343-0634 (TDD)

April 14, 2023

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 – Q1, FY2023

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 Littel, Secretary of Health and Human Resources

The Cover Virginia Central Processing Unit – Q1, FY2023

A Report to the Virginia General Assembly

April 14, 2023

Report Mandate:

Item 308.O.2. of the 2022 Appropriation Act, 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.”

Background

Cover Virginia provides 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. The Central Processing Unit (CPU) processes thousands of Medicaid applications and screen 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.

The passage of the Patient Protection and Affordable Care Act (ACA) in 2010 mandated states make changes to their Medicaid and CHIP programs. These changes include 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. To address the increased volume 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 an approximate 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.

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 monitoring and oversight. The CPU receives applications from three primary 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. DMAS has oversight of the administrative services contract which includes a statewide call center, eligibility processing and all additional business process supports.

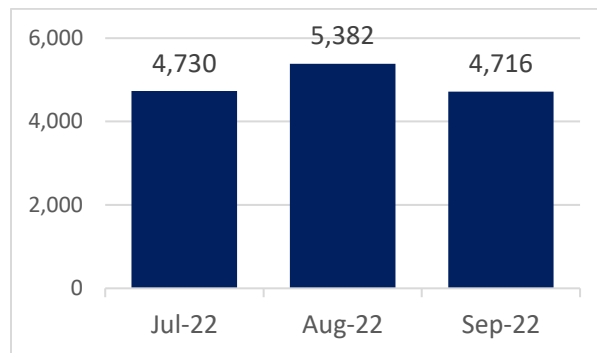
The 2017 session of the Virginia General Assembly passed HB2183, which requires the DMAS Cover Virginia team to develop and implement a specialized CPU for incarcerated individuals who may be eligible for Medicaid. This initiative for incarcerated individuals centralizes the processes to accept telephonic applications and perform ongoing case maintenance for offenders in coordination with the DOC, regional and local jails, and the DJJ. The unit also utilizes data matches through an exchange with DOC to ensure streamlined coverage changes upon release.

Operations for Q1 FY23

Cover Virginia CPU

The CPU received a total of 14,828 applications for processing during the first quarter of FY23. Of those, the majority were received through CommonHelp online (38% or 5,703 applications), the Federal Marketplace (31% or 4,629 applications) or telephonic applications (30% or 4,402 applications). Only a small portion were received as paper applications (0.4% or 60 applications) or other designations as to source (0.2% or 34 applications).

Chart 1 – Q1 FY23 Total New Application Volume



Source: Cover Virginia Monthly Reports

Monthly Application Volume

The above chart shows monthly application volumes received by the Cover Virginia CPU during the first quarter of SFY 2023. Application volumes decreased significantly during the first quarter due to the ending of the Federal Marketplace open enrollment period.

Approvals/Denials

In the first quarter of FY23, 28% (4,143) of applications were approved and 28% (4,136) were denied. The remaining applications were either transferred to the appropriate local DSS agency (27% or 4,069) or are in a pending status as of the writing of this report (17% or 2,480). 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 quarter being reported, 2,972 calls were received by the CVIU from correctional facilities. Out of the 1,066 applications received for incarcerated individuals, the majority were approved (828 applications) for Medicaid benefits. 62 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:

	Total Calls Received	Total Applications Received	Approved	Denied
July-22	893	388	313	27
Aug-22	1,101	337	264	21
Sept-22	440	341	251	14
Q1 FY23 Total	2,972	1,066	828	62

CVIU application volumes decreased 25% as the Department of Corrections and Regional and Local Jails began applying for those incarcerated individuals being released under House Bill 5148 / Senate Bill 5034 (2020 Special Session) as a part of the Earned Credit Sentence Release project. The CVIU moved active incarcerated coverage to full-benefit Medicaid within 24 hours of release for 2,583 individuals. The following chart represents the breakdown by month of pre-release actions for this reporting period:

Daily Release	July 2022	Aug 2022	Sept 2022
Total	1,030	1,206	347

Since the implementation of the CVIU in November 2018, 40,774 applications have been received and processed. As of the end of September 2022, 16,385 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 Q1 FY23, the CPU processed 79 HPE enrollments of which, 26 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 first quarter call center volume for previous fiscal years.

SFY 2021 first quarter call volume: 256,035

SFY 2022 first quarter call volume: 173,944

SFY 2023 first quarter call volume: 159,751

SFY 2021 first quarter applications taken: 11,571

SFY 2022 first quarter applications taken: 13,768

SFY 2023 first quarter applications taken: 11,057

Data for call center activity for the first quarter of FY23 is reported below:

- 159,751 calls came into Cover Virginia, with 34% of calls self-servicing through the interactive voice response (IVR) system.
- The number of calls routed to a call representative was 105,463; a 10% decrease from the previous quarter.
- The monthly average number of calls was 53,250.
- Customer service representatives spoke directly with approximately 99% of callers and the remaining 1% disconnected.
- The call center submitted 11,057 new telephonic applications and 58 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.