



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)
www.dmas.virginia.gov

December 1, 2024

MEMORANDUM

TO: The Honorable Luke E. Torian
Chair, House Appropriations Committee

The Honorable L. Louise Lucas
Chair, Senate Finance and Appropriations Committee

Michael Maul
Director, Department of Planning and Budget

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

SUBJECT: The Cover Virginia Central Processing Unit Report (Q1 SFY25)

This report is submitted in compliance with Item 292.N.2. of the 2024 Appropriations Act, which states:

Out of this appropriation, \$3,889,800 the first year and \$3,889,800 the second year from the general fund and \$10,868,700 the first year and \$10,868,700 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 804-664-2660.

CR/wf
Enclosure

Pc: The Honorable Janet V. Kelly, Secretary of Health and Human Resources

The Cover Virginia Central Processing Unit A Report to the Virginia General Assembly

December 2024

Report Mandate:

Item 292.N.2. of the 2024 Appropriation Act, states, “Out of this appropriation, \$3,889,800 the first year and \$3,889,800 the second year from the general fund and \$10,868,700 the first year and \$10,868,700 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 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 screens all applications received telephonically, online, and those referred

from the State Based Exchange. The Cover Virginia Incarcerated Unit (CVIU) 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. Cover Virginia has the same relationship with the State Based Exchange (SBE) after November 1, 2023. 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 monitoring and oversight.

The CPU receives applications from three primary sources: telephonic submissions through the federally mandated state-wide call center (CVCC), online applications from CommonHelp, and applications submitted through the Virginia Health Benefit Exchange (marketplace.virginia.gov) that appear to be Medicaid eligible. DMAS has oversight of the administrative services contract.

The 2017 session of the Virginia General Assembly passed HB2183, which required 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.

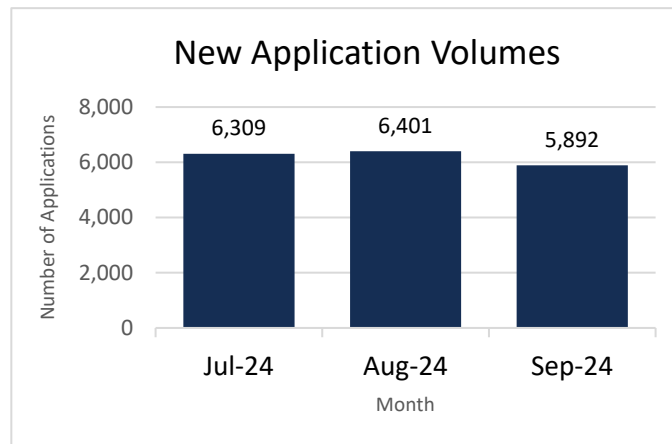
Operations for Q1 SFY 2025

Cover Virginia CPU

The CPU received a total of 18,602 applications for processing during the first quarter of SFY 2025. The majority were received online through CommonHelp (55.21%; 10,271 applications) with additional applications received as telephonic applications (31.45%; 5,851 applications), State Based Exchange (12.34%; 2,295 applications), Federal Marketplace (0.02%; 4 applications), or paper applications (0.97%; 181 applications).

Monthly Application Volume

The chart below shows monthly application volumes received by the Cover Virginia CPU during the first quarter of SFY 2025.



Cover Virginia Call Center

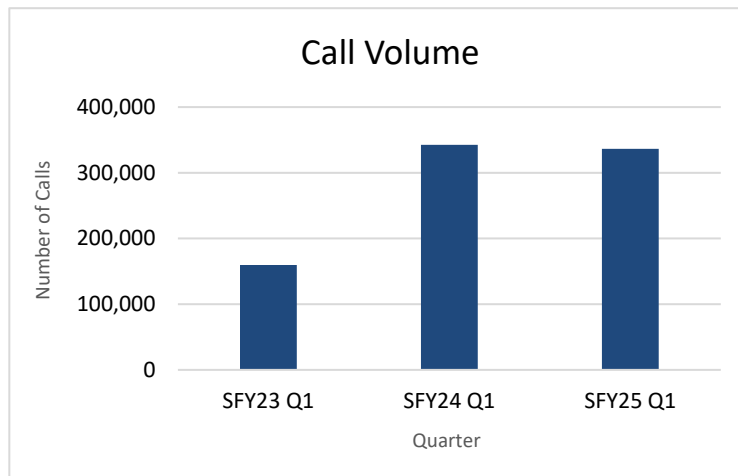
Call Center Activity

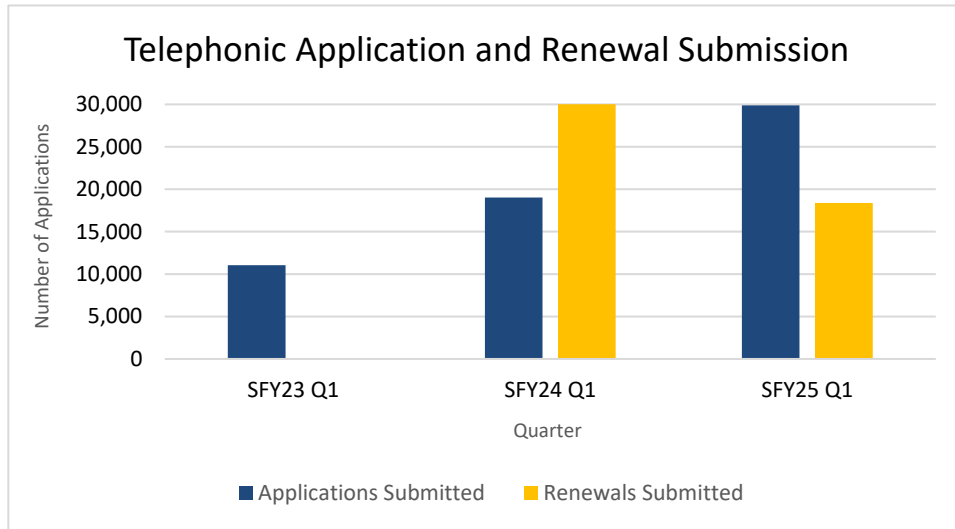
Data for call center activity for the first quarter of SFY 2025 is reported below:

- Cover Virginia received 336,548 calls, with 28% of calls self-servicing through the interactive voice response (IVR) system. The IVR fields all call types, including renewal calls.
- The average number of calls offered to customer service representatives (CSR) were 80,324 per month.
- There were 240,973 calls routed to a CSR, a 3% decrease from the previous quarter.
- Customer service representatives spoke directly with approximately 98% of callers and the remaining 2% disconnected.

Call Center Comparisons

Below shows a comparison of first quarter call center volume, new application, and renewal submissions for previous fiscal years.





Processing of Special Populations

Cover Virginia Incarcerated Unit (CVIU)

During the reporting period, 5,449 calls were received by the CVIU from correctional facilities. A monthly breakdown of call volume and telephonic application volume is shown below:

	Total Calls Received	Total Telephonic Applications Received
July 2024	2,053	822
Aug 2024	1,972	1,219
Sept 2024	1,424	613
Q1 SFY 2025 Total	5,449	2,654

The CVIU Eligibility Unit received 2,844 applications and renewals for incarcerated individuals. The majority (2,377) were approved for Medicaid benefits. There were 277 denials for reasons such as failure to provide documentation needed to complete the determination, duplicate applications, or because the individual had existing Medicaid coverage. At the time of the report, 190 applications were still pending final determination with the CVIU or LDSS. CVIU application volumes increased 40% in the 1st quarter. The CVIU moved active incarcerated coverage to full-benefit Medicaid within 24 hours of release for 1,808 individuals. The following chart represents the breakdown by month of pre-release actions for this reporting period:

Daily Release	July 2024	Aug 2024	Sept 2024
Total Applicants	926	457	425

Since the implementation of the CVIU in November 2018, 52,531 applications have been received and processed. As of the end of September 2024, 20,029 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 the first quarter of SFY 2025, the CPU processed 151 HPE enrollments of which, 55 requests were denied, which includes individuals who were already actively enrolled in Medicaid. Currently, 48 hospitals have signed an agreement to participate in the HPE program.

Contractual Budget

Operational costs of \$8,615,339 were incurred in the first quarter of SFY 2025 which ended September 30, 2024.

Invoice Category	Amount Paid
CPU Applications Received	1,856,069
CVCC Calls Offered / Received	6,073,986
CVIU Applications Received	367,468
CVIU Calls Offered / Received	317,816
Total	8,615,339

Penalty Assessments

The contract requires that penalties shall be assessed in any month when service level agreements are missed. For payments made during the first quarter of SFY 2025, the contractor paid \$400 in penalties.

Medicaid costs are reimbursed at either the 75% enhanced federal financial participation (FFP) match rate or the 50% regular FFP match rate. The enhanced 75% FFP is available for qualifying eligibility and enrollment operational activities such as determining eligibility and issuing notices.

Summary

The vendor continues making improvements in quality in all areas and making satisfactory progress maintaining the service level agreements under this contract.

About DMAS and Medicaid

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.