



# 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](http://www.dmas.virginia.gov)

May 22, 2025

### MEMORANDUM

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

The Honorable L. Louise Lucas  
Chair, Senate Finance Committee

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

**SUBJECT:** Quarterly Report to Ensure Oversight of Managed Care Reprocare  
Implementation (Q3 SFY25)

This report is submitted in compliance with Item 288.T.5. of the 2024 Appropriations Act, which states:

*The department shall provide regular updates on implementation of the new managed care contracts on a quarterly basis to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees.*

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

# Report on the Implementation of Medicaid Managed Care Contracts Associated with the Reprocurement for Cardinal Care Managed Care (CCMC) Program Awarded Under RFP 13330

May 2025

## Report Mandate:

Item 288(T)(5). of Chapter 2 of the 2024 Appropriation Act states: The department shall provide regular updates on implementation of the new managed care contracts on a quarterly basis to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees.

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## Report on the Implementation of Medicaid Managed Care Contracts Associated with the Reprocurement CCMC Program Awarded Under RFP 13330

For the reprocurement of the Medicaid managed care contracts, the Department issued a Request for Proposals (RFP), conducted a thorough evaluation of the proposals submitted by the bidding entities, and selected the five proposals that will best serve the medical care needs of Virginia's most vulnerable populations. The selected proposals met all RFP requirements and included examples of innovations and improvements to enhance the quality of care that will be incorporated into the new CCMC contract.

An incumbent MCO that was not selected by the Department in the April 1, 2024, Notice of Intent to Award (NOIA) filed a protest challenging the Department's selection process. After that protest was denied, the protesting offeror filed a lawsuit in the Richmond Circuit Court invoking the Virginia Public Procurement Act (VPPA), Va. Code §§ 2.2-4360 and 2.2-4364. The Department challenged the lawsuit. After several months of litigation, the protester ultimately withdrew its lawsuit, which was formally dismissed with prejudice by the Richmond Circuit Court on May 1, 2025.

The Department awarded the new CCMC contracts and is working with the awardees to implement the new contracts, effective July 1, 2025.

The following table lists the major milestones as it relates to the reprocurement activities through May 1, 2025.

DATE	EVENT
March 2, 2023	DMAS posts the announcement of the upcoming solicitation for the upcoming RFP on the eVA Virginia Business Opportunities (VBO) as a Future Procurement
August 31, 2023	DMAS posts the solicitation, RFP 13330, on the eVA VBO
September 19, 2023	Optional Pre-Proposal conference held
September 20, 2023	Deadline for receipt of Letters of Intent (LOI's) from Offerors
September 22, 2023	Deadline for receipt of questions from Offerors
October 27, 2023	Deadline for receipt of proposals from Offerors
December 18, 2023	Negotiations with selected Offerors begin
February 28, 2024	Notice of Intent to Award (NOIA) posted to eVA VBO
March 19, 2024	DMAS rescinds NOIA posted on 2/28/24
April 1, 2024	Second NOIA for RFP 13330 posted
April 26, 2024,	Protest lawsuit filed (Molina Healthcare of Virginia v. Department of Medical Assistance Services; City of Richmond Circuit Court; Case No. CL-24-001889- 00).
December 30, 2024	DMAS posted the Notice of Award (NOA) for RFP 13330, Cardinal Care Managed Care (CCMC), on eVA. Along with the NOA posting, DMAS also posted a Public Interest Determination and emailed the awardee MCOs informing them of the posting.
December 31, 2024	Meeting held with awardee MCOs and DMAS to discuss plans for implementing the new CCMC contracts.
March 25, 2025	Held FY26 Cardinal Care Managed Care Draft Capitation Rate Meeting
May 1, 2025	Court granted Molina's request to withdraw and dismiss its protest lawsuit with prejudice.
July 1, 2025	CCMC Implementation Date

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## 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 approximately two 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.