Managed Care in Virginia

This profile reflects state managed care program information as of August 2014, and only includes information on active federal operating authorities, and as such, the program start date may not reflect the earliest date that a program enrolled beneficiaries and provided services. Some states report populations and services available to program participants under the federal authority (e.g. Section 1115 waiver), so these features cannot be easily distinguished for each program.

Overview of Current Managed Care Programs

In July 2011, over half of Medicaid beneficiaries were enrolled in some form of managed care. Virginia's first managed care program, the **MEDALLION** primary care case management (PCCM), started in four pilot cities in 1993 and was expanded statewide in 1995, covering aged, blind, and disabled beneficiaries as well as low-income adults and children. During this time, Virginia also began the **Options** program, which, until 1999, offered beneficiaries in select regions the ability to voluntarily enroll in a managed care organization. In 1996, Virginia built on the **MEDALLION** and **Options** programs and created **MEDALLION II**, which covered capitated-risk based managed care in select regions initially and additional regions over time. **MEDALLION II** covers acute, primary, and specialty services, as well as outpatient behavioral health. Enrollment is mandatory for most children, low-income adults, and non-dual aged and disabled enrollees in most counties.   Since 2001, the state contracted with one vendor to provide **Non-Emergency Transportation,** as a prepaid ambulatory health plan, to individuals not enrolled in an HMO**.**

Virginia made several changes to its managed care programs in 2005, including carving out dental services (so that they are managed by a single plan), modifying the regions in which the **MEDALLION PCCM** program operated, and expanding eligibility to aged, blind, and disabled beneficiaries with income up to 80% FPL. Prior to May 2012, beneficiaries in rural counties without an MCO could opt to enroll with a PCCM provider as part of the **MEDALLION** program. The state has since expanded MCOs statewide and terminated the **MEDALLION PCCM** program. Virginia also currently offers eight **PACE** programs, which provide all Medicaid and Medicare services to individuals age 55 and over who meet a nursing home level of care.

In January 2014 Virginia received approval to launch a State Plan Amendment that allows for voluntary enrollment of duals into managed care and is the companion to the Duals Demonstration. The Medicare-Medicaid Financial Alignment Demonstration in which Virginia will participate in a three-year Demonstration that allows the State to enroll individuals eligible for both Medicare and Medicaid benefits and supplementary services through a seamless integrated program.

    In July 2014, MEDALLION II changed its name to Medallion 3.0. The rebranding reflects advances and progressions in managed care in the Commonwealth. In addition to the name change, MEDALLION 3.0 now has an expedited enrollment process to ensure immediate access to care and services. The expansion of MajestaCare into additional counties also improves access to care as well increasing network adequacy. **Participating Plans, Plan Selection, and Rate Setting**

Virginia currently contracts with six health plans for the **MEDALLION 3.0** program, including (1) **for-profit national plans** (Anthem HealthKeepers, CareNet, and AmeriGroup); (2) **a local, for-profit plan** (Virginia Premier), and (3) **local, not-for-profit plans** (Optima Family Care, MajestaCare). It also contracts with **one national for-profit plan** for non-emergency transportation services (LogistiCare Solutions). The state selects plans based on a competitive procurement and sets rates using an actuarial process that accounts for variation in beneficiary characteristics.

Quality and Performance Incentives

Virginia requires its MCOs to be accredited by NCQA and to report HEDIS and CAHPS measures to the state. Plans that score below the 50th percentile on reported HEDIS measures are required to create a corrective action plan that describes how the MCO will improve future scores. MCOs are also required to participate in the state's quality collaborative strategy meetings during which health plan and state officials meet each quarter to discuss common barriers and solutions to performance.

In 2013, Virginia began to develop a performance incentive award program in which the state withholds a small portion of the monthly capitated payment to MCOs (.15%) to fund an incentive pool. The state will make proportional awards to each MCO based on quality of care and member experience, which include scores on a subset of HEDIS measures, composite scores on CAHPS adult and child measures, performance in EQRO-conducted activities, and other measures. The state intends for the program to be fully operational by 2016.

Table: Managed Care Program Features (as of August 2014)

Program Name	Virginia MEDALLION3.0		Non-Emergency Transportation Services	Program of All-inclusive care for the Elderly (PACE)	Virginia's Medicare-Medicaid Financial Alignment Demonstration
Program Type	PCCM	MCO	Transportation PAHP	PACE	MCO
Program Start Date	April 2005		April 2007*	November 2007	June 2013
Statutory Authorities	1915(b)		1902(a)(70)	PACE	1932(a)
Geographic Reach of Program	Select counties	Select counties	Statewide	Select Regions	Selected Regions
Populations Enrolled *(Exceptions may apply for certain individuals in each group)*					
Aged	X	X	X	X	
Disabled Children & Adults	X	X	X	X (age 55+)	
Children	X	X	X		
Low-Income Adults	X	X	X		
Medicare-Medicaid Eligibles ("duals")			X (Voluntary enrollment, excludes partial duals)	X (age 55+)	x
Foster Care Children			X (Voluntary)		
American Indians/ Alaska Natives		X			
Mandatory or Voluntary enrollment?	Mandatory	Mandatory	Varies	Voluntary	Voluntary
Medicaid Services Covered in Capitation *(Specialized services other than those listed may be covered. Services not marked with an X are excluded ("carved out") from the benefit package.)*					
Inpatient hospital		X		X	
Primary care and Outpatient services	X	X		X	
Pharmacy		X		X	
Institutional LTC				X	
Personal care/HCBS		X		X	
Inpatient Behavioral Health Services		X		X	
Outpatient Behavioral Health Services		X		X	
Dental				X	
Transportation		X	X	X	

Program Name	Virginia MEDALLION3.0		Non-Emergency Transportation Services	Program of All-inclusive care for the Elderly (PACE)	Virginia's Medicare-Medicaid Financial Alignment Demonstration
Participating Plans or Organizations	1. Medallion-participating primary care providers	1. AmeriGroup Community Care 2. Southern Health CareNet 3. Anthem HealthKeepers Plus 4. Optima Family Care 5. Virginia Premier Health Plan 6. MajestaCare	1. LogistiCare Solutions	1. Sentara Senior Community Care 2. Mountain Empire 3. AllCare for Seniors 4. Centra 5. Riverside PACE 6. Blue Ridge PACE 7. InovaCares for Seniors 8. Kissito PACE	
Uses HEDIS Measures or Similar		X		NA	
Uses CAHPS Measures or Similar	X	X		NA	
State requires MCOs to submit HEDIS or CAHPS data to NCQA	NA	X	NA	NA	
State Requires MCO Accreditation	NA	X	NA	NA	
External Quality Review Organization	Delmarva Foundation for Medical Care				
State Publicly Releases Quality Reports	Yes				

Sources: National Summary of State Medicaid Managed Care Programs as of July 1, 2011.

Kaiser Commission on Medicaid and the Uninsured. Profile of Medicaid Managed Care Programs in 2010. September 2011.

National Committee on Quality Assurance. NCQA Medicaid Managed Care Toolkit 2012 Health Plan Accreditation Standards. State Use of Accreditation as of February 2012.

Notes: Managed Care Organization (MCO); Prepaid Inpatient Health Plans (PIHP); Prepaid Ambulatory Health Plan (PAHP); Mental Health/Substance Use Disorder (MH/SUD); Healthcare Effectiveness Data and Information Set (HEDIS); Consumer Assessment of Healthcare Providers and Systems (CAHPS).

Outpatient services include physician services, hospice, laboratory, imaging, FQHC, etc. Institutional Long Term Care (LTC) includes Skilled Nursing Facilities (SNF) and/or Intermediate Care Facilities for Individuals with Mental Retardation (ICF/MR).

* According to its website, the state has maintained a contract with a Non-Emergency Transportation vendor since 2001. See http://transportation.dmas.virginia.gov/.